MARKET INSIGHT – THAILAND

CULTURAL FESTIVALS AND EVENTS FEATURING FRUIT AS GIFTS OR OFFERINGS

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Austrade



THAILAND: THE LAND OF CELEBRATIONS

Thailand is rich in ethnic diversity. Cultural celebrations take place throughout the year as families take part in a mix of traditional Thai festivities, local events and internationally observed holidays. The principal celebration in the Thai calendar is the Songkran Festival – or Thai New Year – which takes place from 13 to 15 April each year. The tradition of fruit-giving and fruit offerings during festivals presents opportunities for Australian exporters, although competition is significant.

Approximately 95 per cent of the Thai population is Buddhist. There are around four Buddhist holy days per month in the Thai calendar, where Thais traditionally make offerings to monks or go to pray at temples. Gift-giving forms an element in these activities. There are two major, annual Buddhist holidays – Visakha Bucha Day (18 May in 2019) and Asahna Bucha Day (16 July in 2019). Some western events are observed, including Christmas, Valentine's Day and Halloween.

Holidays and gift giving

Many cultural celebrations are also retail events during which Thais present each other with flowers, food and fruit. Retailers run price promotions or sampling activities to maximise purchases. Fruit is a favoured gift during peak events, and sales enjoy significant growth.

Thailand is also home to many Chinese communities and a large proportion of the Thai population has Chinese heritage. Thais with Chinese ancestry follow major Chinese celebrations, such as Chinese New Year, the Hungry Ghost festival, Tomb Sweeping Day and the Vegetarian Festival. An important element of these events is food offerings, and these offerings may include premium Chinese dishes and fruits with symbolic meaning.

Auspicious fruits

| Fruits | Symbolic meaning | What it means for Australian exporters |
|--------|---|---|
| Grapes | Abundance, a good career path and fertility | Depending on yearly seasonality Australia's grape season may coincide with Chinese New Year (late February) and Thai New Year (April). Grapes are also given and received on auspicious days in the Thai-Buddhist calendar. |
| | | Australian grapes are perceived as having excellent flavour among Thai consumers. |
| Plums | Good luck and prosperity | Australian plums are typically available throughout Christmas, Western New Year, Chinese New Year and Thai New Year in April. |
| | | Australian plums are a novelty to Thai consumers, though awareness is growing. |
| Apples | Good health | Australian apples are generally available in time for Thai New Year (April). Given seasonality and good storage conditions Australian apples have the potential to supply Thai markets during Chinese festivals in August (Hungry Ghost) and October (Vegetarian Festival), as well as Christmas and Western New Year. |

Many Australian fruits could be categorised as auspicious in Thai and Thai-Chinese culture.

| Pears | Good luck | Thais are more familiar with the look and taste of Chinese pears as compared to Australian produce. Since the Australian pear and apple seasons coincide, however, Australian pear producers have the opportunity to promote their fruit during festivals that currently stimulate demand for Australian apples. |
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| Citrus (oranges and mandarins) | Citrus fruits symbolise wealth, abundance, good luck and happiness | The season for Australian citrus growers falls between two major Chinese festivals – Hungry Ghost (mid-August) and the Vegetarian Festival (October). Mandarins are used mainly as offerings during Hungry Ghost, but they are also consumed during the vegetarian season, which lasts 10 days. |





Distribution and retail

The speciality fruit retail segment has grown significantly in recent years owing to increased purchasing power – in particular among consumers in Bangkok. This growth is encouraging retailers to actively promote fruit sales during festive occasions.

Recently, the most popular Chinese culture-related retail opportunities have been the Hungry Ghost Festival and the Vegetarian Festival. Retailers actively promote fruit during festivities and decorate stores in Chinese themes. They package food and fruit as offerings during Hungry Ghost, while fruit purchasing accelerates during the Vegetarian Festival.

Major retailers promote Australian mandarins in the lead up to both of these festivals. Competition for market share is intense, with aggressive price reductions and social media promotions. During these periods, Austrade collaborates with all major food retailers to generate awareness and promote Australian mandarins.

Major retailers report a 30–300 per cent increase in mandarin sales during the Hungry Ghost Festival period. Variations in this increase are due to retail format (whether supermarket, hypermarket or cash and carry) and import channels (direct imports or through local distributors).

In Thailand, Australia faces competition from other horticulture producing nations. It is therefore important for traders to maintain promotion efforts and training for in-store fruit handling.



Chinese-themed Australian mandarin promotions with major retailers during Hungry Ghost Festival

For Australian produce exporters interested in the Thai market and fruit marketing activities in Thailand, please contact Austrade Bangkok: <u>Thipwadee@austrade.gov.au</u>