



SRP



Emerging Trends in Asia's Sustainable Rice Consumption

August 2023





Sustainable rice practices can boost producer income while lowering methane emissions from rice by almost 50%

Global snapshot

Rice production is essential for global food security and nutrition, and nearly a billion people rely on rice for their livelihoods.

The way rice is typically produced, however, has a substantial impact on the environment, consuming 40% of global irrigation water and emitting 10% of global man-made methane – almost the equivalent of that released from coal mining globally.

Shifting to sustainable methods of rice cultivation is crucial for the long-term viability of rice farming. Not only can sustainable practices boost farmers' net income by 10-20%, but they also reduce methane emissions by nearly 50% while lowering water use by 20%.¹

Rice in Asia: Trends in consumer awareness

Rice remains the staple food of Asia, with 90% of the world's rice produced and consumed in the region. The livelihoods of hundreds of millions of smallholder farmers in the region depend on it. Asia's enjoyment of rice is reflected in our survey results, which reveal that all consumers across India, Indonesia, Thailand and Vietnam choose to eat rice more than five times a week. Only those in Pakistan consume rice less frequently, with the majority (68%) still preferring to consume the staple regularly two-to-three times a week.

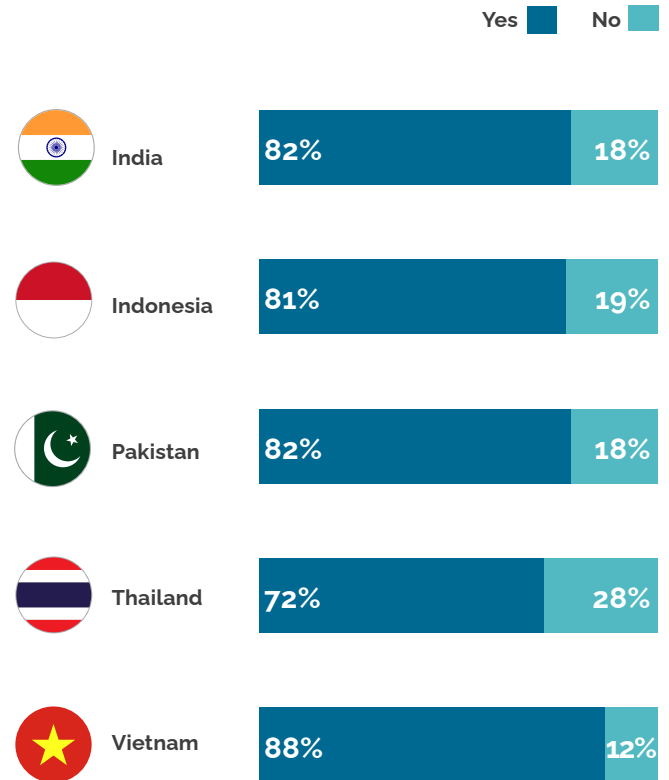
¹ Impact numbers based on early field studies looking at the economic, social and environmental benefits of adoption of the SRP Standard.

Over 80% of consumers have purchased sustainable food produce



Creating awareness about sustainable food systems plays a pivotal role in promoting the consumption and production of sustainable food in the region. The findings of our survey reveal an optimistic outlook, as a considerable 81% of consumers, on average, have purchased sustainable food products in some capacity. Purchase rates of sustainable food is greatest in Vietnam (88%) and lowest in Thailand (72%).

Have you ever purchased sustainable food products?



Across the surveyed countries, quality (76% average), health (71% average) and taste (56% average) emerged as the primary motivators for purchasing sustainable food, surpassing environmental aspects. Consumers in Thailand and Indonesia place a strong emphasis on the benefits that sustainably grown produce brings to the quality of food, while Vietnamese and Indians cite health benefits as a key purchase driver. Recent concerns surrounding food safety and the excessive use of pesticides and fertilizers in Vietnam are likely to have made Vietnamese consumers more conscious of the potential health implications associated with food, leading them to place a higher value on the health aspects of sustainable produce.

The positive impact sustainably grown produce has on the environment ranks fourth and considerations for future generations ranks fifth. These factors also hold particular significance for consumers in Vietnam, indicating a heightened awareness of the beneficial effects of sustainable produce on the environment.



Purchase drivers of sustainable food products (most frequently selected)

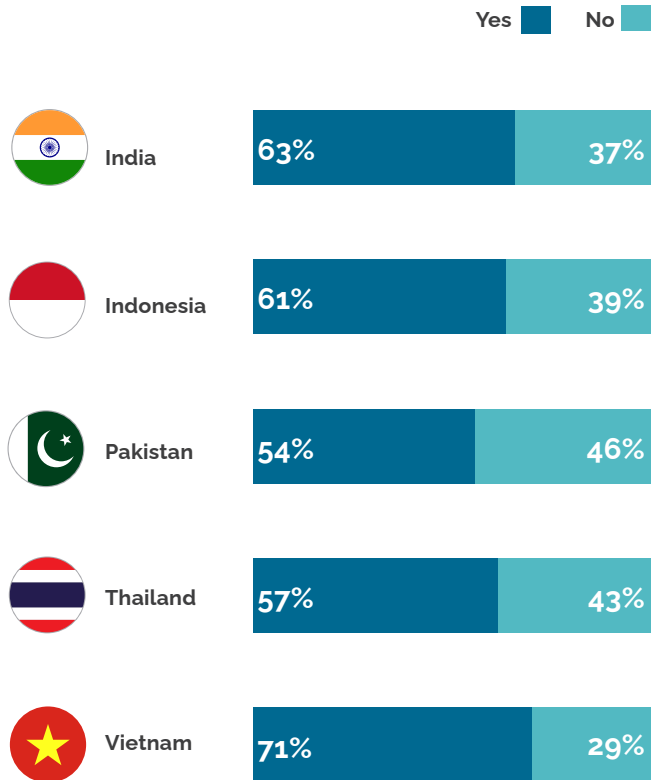
	 Quality	 Health	 Taste	 Environmental impact	 Impact on future generations	 Packaging	 Social influence from family/friends
 India	71%	75%	57%	49%	34%	34%	30%
 Indonesia	79%	70%	56%	41%	25%	27%	22%
 Pakistan	74%	67%	68%	28%	23%	24%	28%
 Thailand	81%	67%	58%	47%	22%	35%	21%
 Vietnam	77%	78%	40%	50%	36%	20%	28%



In addition to being the largest purchasers of sustainable food overall, Vietnamese consumers demonstrate the highest level of awareness of sustainable rice. A significant 71% of Vietnamese consumers feel well-informed on this topic, surpassing the average awareness level of 61%. In contrast, consumers in Pakistan (54%) and Thailand (57%) exhibit the lowest levels of awareness, which aligns with Thailand's below average purchase rates of sustainable produce, noted earlier in this report.

A greater understanding of the positive social benefits of sustainable rice and its impact on reducing greenhouse gas emissions is needed

Awareness of sustainable rice



While many consumers across the surveyed countries are aware of sustainable rice, in some cases the understanding of its core benefits is less well known.

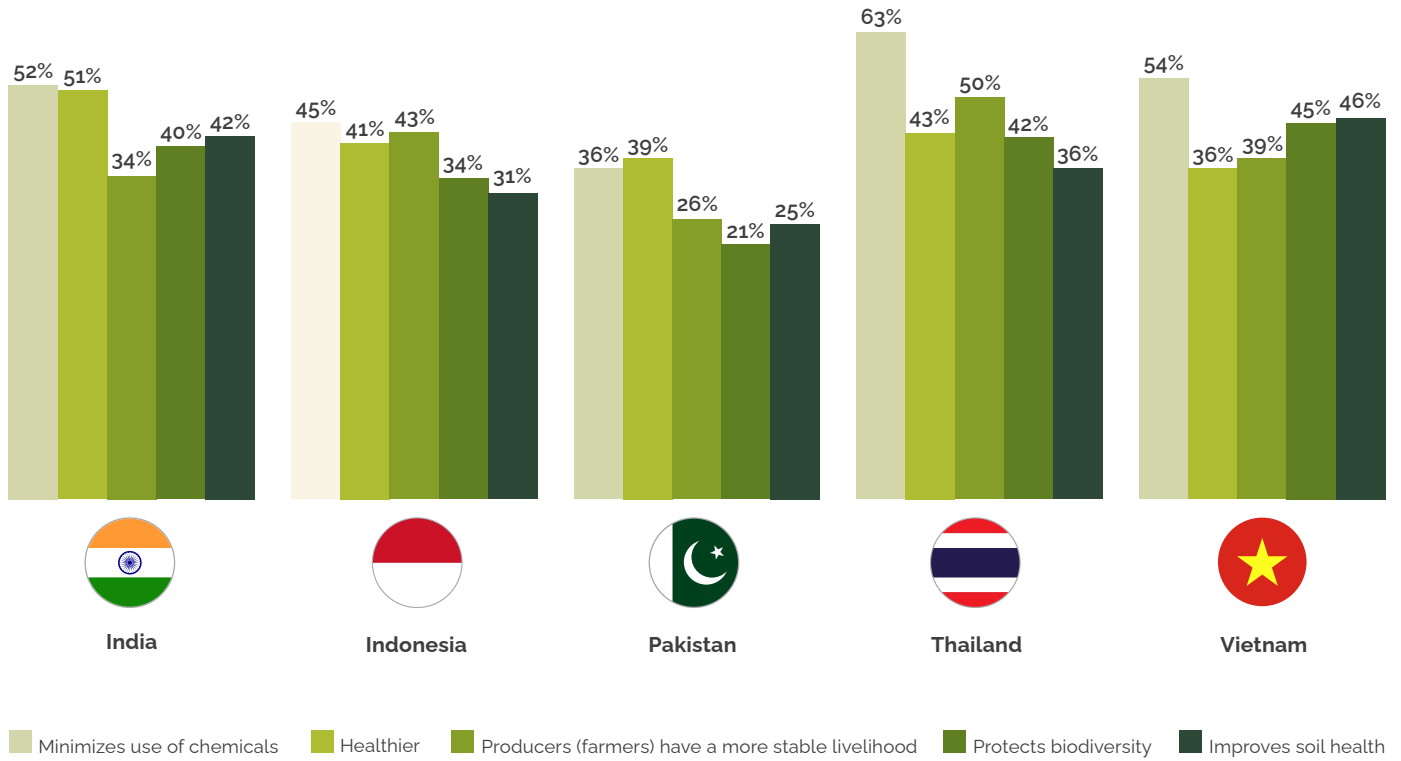
Overall, consumers from all markets rank minimizing the use of chemical inputs as the leading characteristic of sustainable rice. Thai consumers feel most strongly about this, but the association is lower for Pakistani consumers who feel the health factor to be the most notable characteristic of sustainable rice.

The health benefits of sustainable rice rank second, with Indian consumers showing the strongest sentiment towards this characteristic, and the third the ability to provide farmers with more stable livelihoods, highlighting the importance of socio-economic considerations in consumers' perceptions.

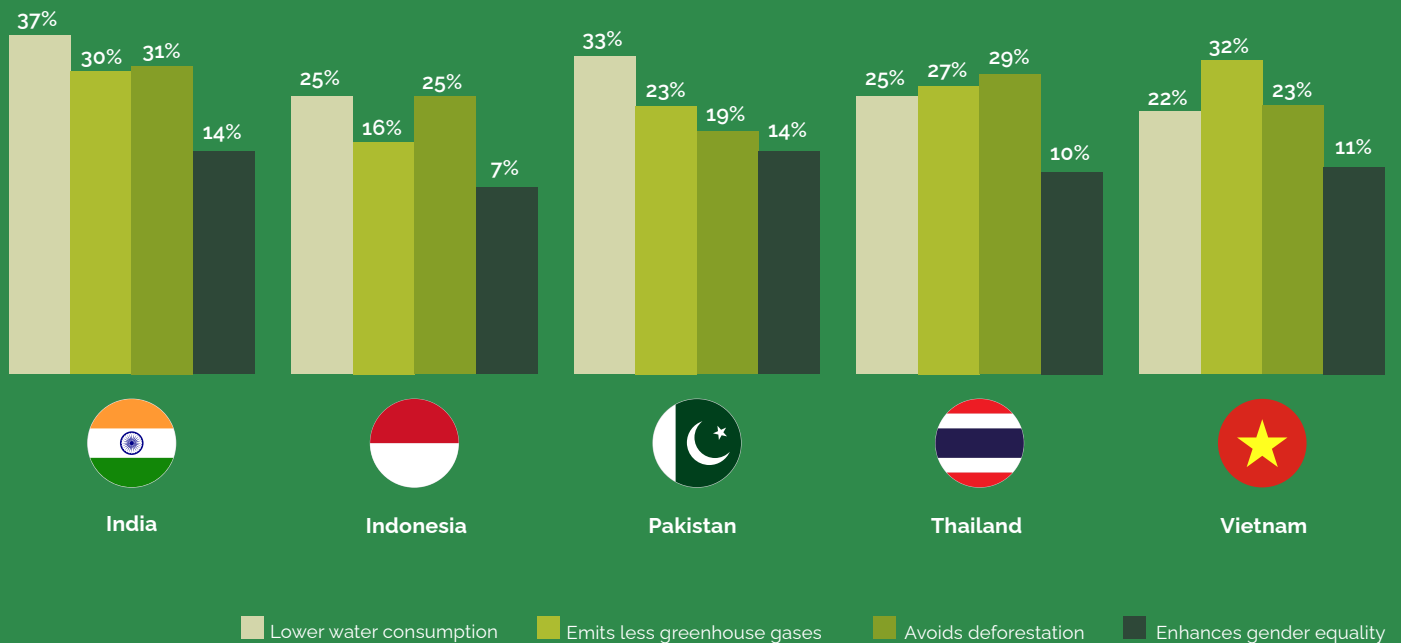
Less well understood, however, is the positive impact of producing rice sustainably on gender equality, avoiding deforestation, reducing greenhouse gas emissions, and lowering water usage. Educating consumers on these lesser known, yet crucial characteristics, could assist in deepening the understanding of sustainable rice while potentially boosting production and consumption levels.



Characteristics of sustainably produced rice (most frequently cited responses)



Characteristics of sustainably produced rice (least frequently cited responses)

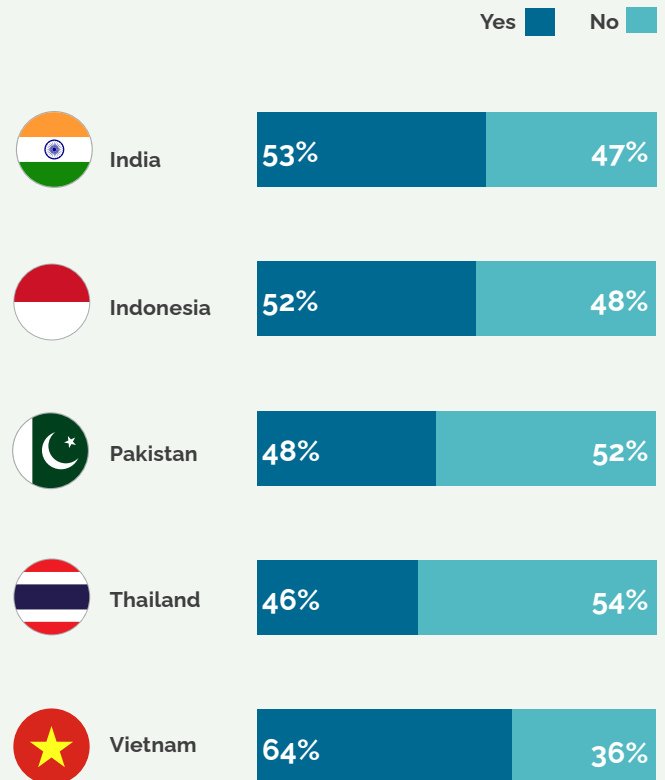


Consumer behavior and price sensitivity to sustainable rice

While on average, 61% of consumers are aware of sustainable rice, only 53% on average have purchased it, indicating an 8% divergence between awareness and desire to purchase. This awareness versus purchasing gap is highest in Thailand (11%) and lowest in Pakistan (6%).

Aligned with their higher-than-average awareness, Vietnamese (64%) are most likely to have purchased sustainable rice. Conversely, Thais (46%) and Pakistanis (48%) show lower purchase rates, which could be attributed to their comparatively lower levels of awareness, as mentioned earlier.

Have you ever purchased sustainable rice?



Greater awareness of sustainable rice can increase purchase rates and willingness to pay more for it



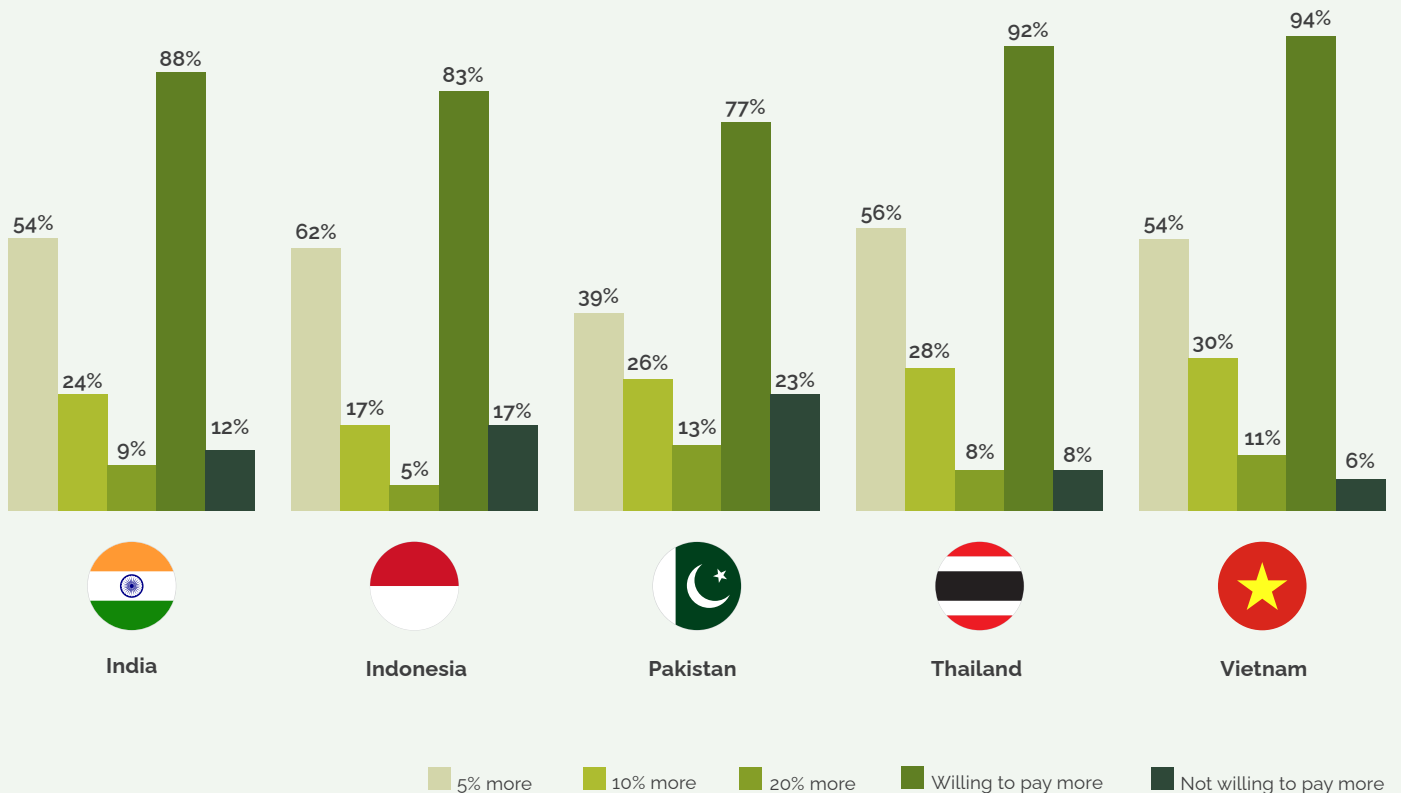


The survey results indicate a positive correlation between awareness of sustainable rice and higher purchase rates, as well as a willingness to pay more for it. A deeper appreciation of the benefits of sustainable food production on environmental and social factors most likely drives this.

Vietnam's consumers – the most aware of and likely to have purchased sustainable rice – exemplify this trend. Only 6% of Vietnamese consumers express unwillingness to pay more for sustainable rice, which is the lowest percentage among the surveyed countries and below the average of 13%.

In contrast, consumers in Pakistan display greater price sensitivity, with almost a quarter (23%) expressing unwillingness to pay more for the staple.













Willingness to pay more for sustainable rice



Across most countries surveyed, consumers prefer to purchase rice from local or fresh markets, supermarkets, or wholesalers. However, there are regional variances within countries that have been observed. In Thailand, hypermarkets are the preferred point of purchase for rice while India stands out with the highest proportion of rice being sold through supermarkets and grocery stores.



Purchase location of rice

	 India	 Indonesia	 Pakistan	 Thailand	 Vietnam
 Local/fresh market	53%	60%	53%	43%	61%
 Supermarket/ grocery store chain	55%	35%	51%	31%	45%
 Wholesaler	34%	52%	40%	24%	42%
 Convenience store	27%	60%	14%	28%	35%
 Hypermarket	21%	60%	16%	50%	26%
 Online/e-commerce platform	32%	9%	9%	12%	13%
 Other	2%	4%	1%	6%	2%

Information channels for sustainable rice

Social media has evolved as a powerful tool to inform consumers on sustainability issues, with consumers globally increasingly turning to this medium to increase their understanding of pertinent topics. Across the studied countries, half of consumers rely on social media as one of their primary sources for acquiring knowledge on rice. This is most common in Indonesia where 62% cite social media as a top source of information on the topic, compared to 53% on average.

While television is not widely regarded as a primary source of information for rice overall, our data highlights its value as a source of knowledge specifically for sustainable rice, particularly in Thailand, Vietnam, and Indonesia. In Vietnam, out of home media such as billboards are also key information sources, while print media is important for Indians.

These findings underscore the diverse range of information channels utilized by consumers to stay informed about sustainable rice, with social media playing a prominent role alongside other traditional and out-of-home media sources.

Sources of awareness of sustainable rice





Effective messaging could 'nudge' consumers to sustainable rice consumption

Sustainable considerations are increasingly becoming integral to consumers' purchasing decisions, presenting an expanding opportunity to "nudge" individuals towards more sustainable alternatives. To bridge the gap between intention and action in sustainability, strategies such as eco-labelling and subtle consumer education have been implemented to guide purchasing decisions and promote a more sustainable mindset.

Among the surveyed countries, Vietnamese consumers exhibit the highest awareness regarding the presence of on-package certification or labels for sustainably produced rice. As Vietnamese consumers are the most aware and the most likely to purchase sustainable rice, this suggests that efforts to promote and implement similar labelling practices in other markets would be beneficial.

Conclusion

Raising awareness about sustainable food systems is crucial for fostering the consumption and production of sustainable food. Encouragingly, 81% of our survey respondents have purchased sustainable produce, highlighting a growing interest and willingness among consumers to make sustainable choices and support sustainable practices. While this is positive, room for improvement still exists to improve purchasing rates, particularly in Thailand.

While a significant proportion of consumers have purchased sustainable produce in some form, there is notably less awareness of sustainable rice. This presents an opportunity to focus efforts on raising awareness specifically for sustainable rice and educating consumers in the region about its characteristics and benefits.

Consumers exhibit considerable understanding of the health benefits of sustainable rice and its positive environmental impact, such as minimizing the use of chemical inputs. However, there is a lesser understanding of the crucial role of sustainable rice in lowering greenhouse gas emissions and reducing water consumption. Positive social impacts, such as raising producer income and promoting gender equality, are also less well known. Educating consumers on these pertinent factors is crucial for promoting understanding and encouraging more sustainable production and consumption methods.

The trends observed in Vietnam suggest a positive correlation between consumer awareness of sustainable rice and purchase rates, as well as a willingness to pay more for the staple. This suggests that informed

consumers who are aware of the benefits and significance of sustainable rice are more likely to make sustainable choices and prioritize the purchase of such products.

Growing awareness of sustainable rice through the presence of on-package certification is seen to generate greater awareness, as is reflected in Vietnam. Such certifications allow consumers to be better informed while promoting transparency and accountability in the food industry. Such tools can facilitate more informed choices and drive demand for sustainably produced rice.

When pricing sustainable rice, retailers will have to consider how much more consumers are willing to pay for the staple, especially in markets where consumers have shown greater sensitivity to pricing, such as Pakistan. This highlights the importance of addressing price-related concerns and finding ways to make sustainable rice more accessible and affordable for consumers, potentially through targeted pricing strategies or awareness campaigns that aim to emphasize the long-term benefits of sustainable practices.



Findings in this article are based on an online study commissioned by GIZ and conducted by YouGov in March 2022. The study targeted respondents who regularly consume rice and are responsible for household food purchases in India, Indonesia, Pakistan, Thailand, and Vietnam.



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