



The Vietnam urban food consumption and expenditure study

Factsheet 5: Where do consumers buy different food items?

As Fact Sheet 4 highlights, food retailing is changing in urban Vietnam. Modern food retailers are gaining market share. In particular, higher income households tend to spend a relatively larger share of their food budget at modern retail outlets (e.g. hypermarkets and supermarkets).

To better understand how smallholders can take advantage of the growth in modern retail markets it is important to know where consumers purchase various types of food products.

We classify food retail outlets as either modern or traditional. **Modern food retail outlets** include: hypermarket/supermarket; minimart; specialty shop; and online and phone orders. **Traditional retail outlets** include: formal wet market; family shop; semi-permanent stand; peddlers/mobile vendors; and informal street markets. 'Other' outlets may be either modern or traditional depending on the outlet itself.¹

In general, Vietnamese **consumers purchase a diverse portfolio of foods from both modern and traditional food retail outlets** (Figure 1). This may reflect the importance that consumers' place on the convenience of buying items from one outlet rather than travelling to different outlets to purchase different items. It may also be because some food products are more readily available at modern outlets compared to traditional (e.g. dairy products and imported fruit).

In all cities the most purchased food in modern outlets was "milk and milk products" (3.6% to 58% of the monthly expenditures on this item

were at modern retail outlets). This result reflects the availability of milk and milk products in different outlets. For example, milk and milk products are rarely available at traditional outlets that do not have refrigerator storage facilities, e.g. wet markets. Other items that were commonly bought from modern outlets include: processed foods, oils and fats, beverages, sugar, spices and sauces, and processed cereals.

Monthly expenditure shares at modern retail outlets on fruit, vegetables and meat and eggs were low in Hanoi, Lao Cai City and Son La City, particularly relative to Ho Chi Minh City households' expenditure shares (Figure 1 and Tables A2-A5). Expenditure shares at wet markets were the largest for: fruit (30%–74%); meat and eggs (52%–81%), and vegetables (43%–78%).

Across the four cities, 27% to 63% of food consumed away from home was purchased from 'other' outlets. 'Other' outlets include restaurants, cafes, bars and hotels.

Of the five modern retail outlets, supermarkets/hypermarkets receive the largest share of expenditures on all food groups. Combined, minimarts (convenience stores) and specialty stores receive the next largest share of expenditures for beverages (Figure 1).

However, it is worth noting that in the survey, specialty stores were defined as 'small sized shops with clear external billboards signaling the offer of certified safe vegetables'. So, this result may reflect a misunderstanding of the difference between minimarts and specialty stores. Perhaps for this purpose, it could be appropriate to combine the percentage of

¹ Please see the attached appendix for the definition of each of the retail outlets.

expenditures directed to the two outlets for all food groups, except vegetable expenditures.

The survey results indicate that some combination of supermarkets, formal wet-markets, traditional family shops and semi-permanent stands tend to dominate the monthly expenditure for most food items. Further, expenditure on each food group is generally concentrated at two or three of these outlets. Modern outlets do not receive more than 60% of expenditure on any food group.

The expenditure patterns also indicate that smallholder farmers who produce fruit,

vegetables, meat and eggs, and rice – items commonly purchased at traditional outlets – will likely not be negatively affected by the growth of modern outlets in the short to medium term.

Other factsheets in this series provide further insight on purchasing patterns of specific types of vegetables (Factsheet 9), fruits (Factsheet 10) and meat products (Factsheet 11). In particular the impact of household income on purchases of specific food products is further explored.



Example of a traditional family shop in Hanoi.



Example of a semi-permanent stand. Vendors can move around but tend to set up in one location for the day.

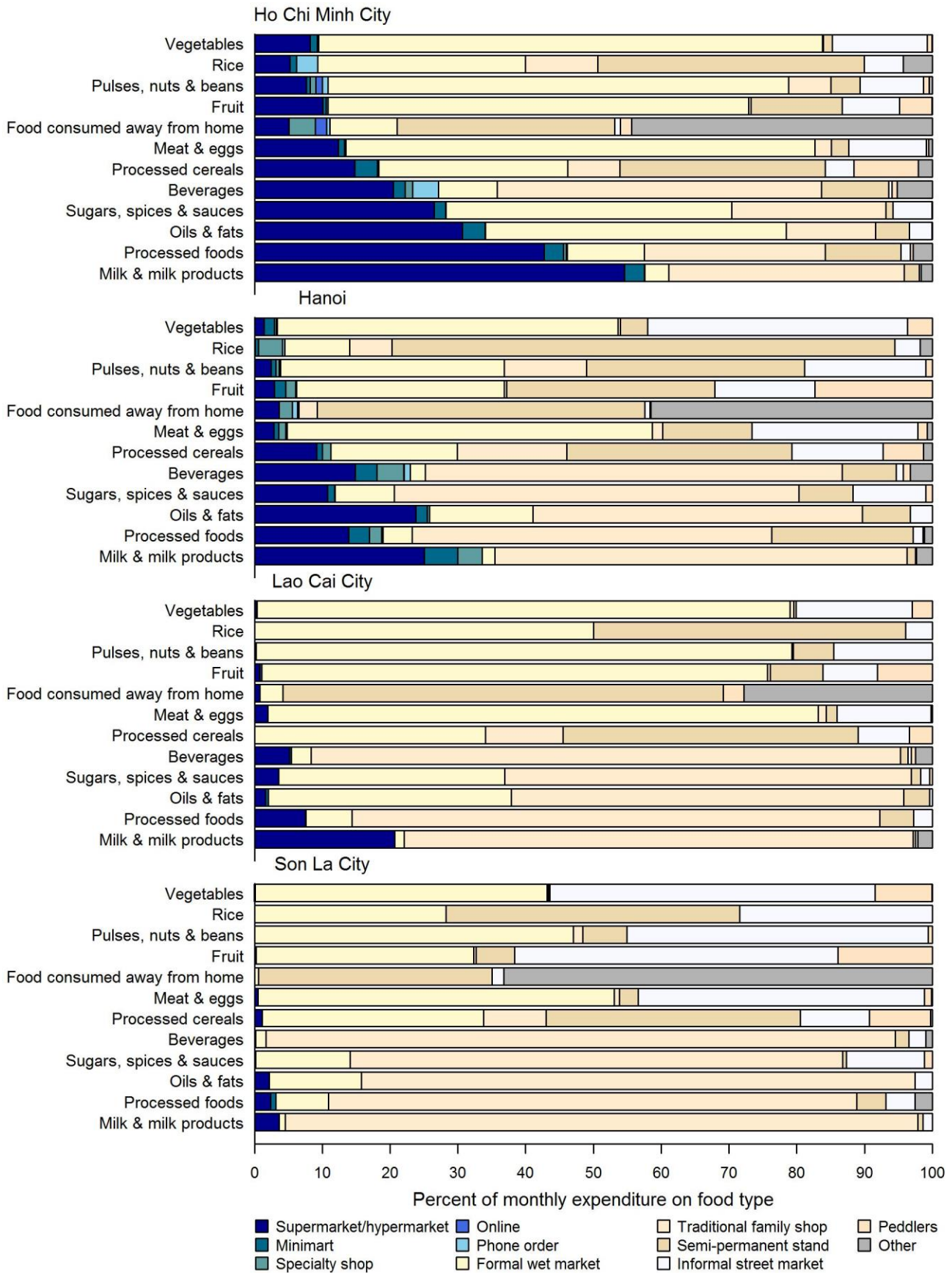


Figure 1. Average percent of monthly food expenditure on different food types by outlet in Ho Chi Minh City, Hanoi, Lao Cai City and Son La City, Vietnam. Blue shading is used to depict modern retail outlets and traditional retail outlets are indicated by neutral shading. The ‘Other’ category includes restaurants, hotels, cafes, bars, etc. See the tables in the appendix for percentages of expenditure graphed here.

Appendix to Factsheet 5

Definitions and percentages used to generate graphs

Definitions of outlets

- *Hypermarkets and Supermarkets* (examples include Metro, Big C, Fivi Mart, Unimart, AC Mart).
- *Minimart* or convenience store (examples include 7-Eleven, Vinmart, Shop & Go, Circle K).
- *Specialty shops*: small sized shops with clear external billboards signalling the offer of certified safe, clean or organic vegetables (examples include Bac Tom, Big Green and Klever Fruit).
- *Online*: customers order food online and have their order delivered or prepared for collection.
- *Phone order*: customers order food over the phone and have their order delivered or prepared for collection.
- *Formal wet market*: a market formally established by the authorities.
- *Traditional family shop*: a small food shop run by a household that commonly sells processed foods and beverages.
- *A semi-permanent stand*: a retailer selling from a table, stand, cart, or stall that can be moved, but generally stays in one place during the day.
- *Informal street markets*: retailers sell to the public without having a permanent structure for the market.
- *Peddlers/mobile street vendors*: a retailer operating on foot, on a bicycle, or from a pick-up and sells both food and non-food items.

Table A1. Foods in different food groups used in analyses

Food category	Types of foods included in category
Rice	Rice
Food consumed away from home	Food and beverages consumed away from home
Vegetables	All fresh, frozen, dried and canned vegetables
Meat and eggs	Fresh pork, fresh fish and seafood, fresh chicken, fresh beef, fresh duck, fresh lamb, fresh mutton, fresh veal, processed meat, dried meat, eggs
Pulses, nuts and beans	Beans (e.g. kidney, soya beans), pulses, nuts, tofu
Fruit	All fresh, frozen, dried and canned fruit
Processed cereals	Maize products, other grains and flour, pasta, noodles, bread, breakfast cereals
Sugar, spices and sauces	Sugar and sweeteners, salt, soya sauce, monosodium glutamate, chilli sauce, other sauces, spices and seasonings (e.g. pepper, coriander, etc.)
Beverages	Bottled water, tea, coffee, fruit juice, soft drinks, alcoholic beverages, herbal drinks, infant formula, nutrition drinks, vitamin drinks
Oils and fats	Coconut oil, palm oil, lard oil, other cooking oils, coconut milk, fats, butter, margarine
Processed food	Instant noodles, cakes, biscuits, pastries, chocolate bars, ready-to-eat meals, quick prepare meals, potato crisps and other snack food
Milk and milk products	Fresh, powdered, UHT and canned milk, other dairy products (e.g. cheese, cream, yoghurt, etc.)

Table A2. Average percent of monthly food expenditure on different food types by outlet in Ho Chi Minh City, Vietnam.

Foods	Hypermarkets/ supermarkets	Minimart	Specialty shop	Online shopping	Phone order	Formal wet market	Traditional family shop	Semi- permanent stand	Informal street market	Peddlers	Others
Milk & milk products	54.59	2.96	0.05	0.00	0.00	3.52	34.72	2.26	0.25	0.00	1.66
Processed food	42.77	2.84	0.37	0.02	0.11	11.39	26.69	11.19	1.37	0.42	2.82
Oils & fats	30.66	3.32	0.09	0.00	0.00	44.36	13.17	5.03	3.32	0.00	0.05
Sugar, spices & sauces	26.52	1.67	0.09	0.00	0.00	42.16	22.71	1.05	5.74	0.05	0.00
Beverages	20.45	1.73	1.17	0.00	3.81	8.63	47.84	9.97	0.48	0.76	5.15
Processed cereals	14.82	3.32	0.19	0.00	0.00	27.90	7.69	30.32	4.24	9.47	2.05
Meat & eggs	12.40	0.85	0.13	0.01	0.06	69.25	2.44	2.55	11.42	0.37	0.52
Food consumed away from home	5.06	0.00	3.94	1.64	0.46	9.92	0.00	32.15	0.81	1.66	44.36
Fruit	10.06	0.53	0.24	0.00	0.00	62.11	0.29	13.47	8.45	4.81	0.04
Pulses, nuts & beans	7.62	0.61	0.80	0.96	0.86	67.93	6.26	4.27	9.39	0.82	0.47
Rice	5.22	0.94	0.00	0.00	3.16	30.67	10.64	39.35	5.76	0.00	4.25
Vegetables	8.23	1.04	0.21	0.01	0.00	74.29	0.17	1.28	14.05	0.71	0.02

Note: Hypermarkets/supermarkets, minimarts (convenience stores), specialty stores, online shopping and phone orders are considered modern retail outlets whereas the remaining outlets are considered traditional outlets. The 'Other' category includes restaurants, hotels, cafes, bars, etc.

Table A3. Average percent of monthly food expenditure on different food types by outlet in Hanoi, Vietnam.

Foods	Hypermarkets/ supermarkets	Minimart	Specialty shop	Online shopping	Phone order	Formal wet market	Traditional family shop	Semi- permanent stand	Informal street market	Peddlers	Others
Milk & milk products	25.03	4.92	3.61	0.00	0.00	1.89	60.81	1.26	0.12	0.00	2.36
Processed food	13.87	3.08	1.80	0.01	0.19	4.29	53.08	20.88	1.44	0.16	1.19
Oils & fats	23.79	1.64	0.39	0.00	0.00	15.26	48.61	7.06	3.26	0.00	0.00
Sugar, spices & sauces	10.74	1.10	0.04	0.00	0.00	8.76	59.72	7.97	10.72	0.96	0.00
Beverages	14.84	3.19	3.99	0.07	0.92	2.22	61.45	8.00	1.03	1.07	3.22
Processed cereals	9.20	0.80	1.26	0.00	0.00	18.66	16.17	33.19	13.48	5.95	1.30
Meat & eggs	2.88	0.70	1.06	0.02	0.13	53.92	1.50	13.23	24.43	1.40	0.75
Food consumed away from home	3.63	0.00	1.95	0.00	0.74	0.24	2.69	48.30	0.81	0.15	41.48
Fruit	2.94	1.69	1.46	0.05	0.03	30.70	0.34	30.72	14.74	17.33	0.00
Pulses, nuts & beans	2.46	0.69	0.46	0.00	0.23	32.99	12.17	32.17	17.90	0.92	0.00
Rice	0.07	0.52	3.54	0.00	0.35	9.54	6.25	74.23	3.70	0.00	1.80
Vegetables	1.40	1.55	0.28	0.04	0.05	50.29	0.37	4.04	38.35	3.64	0.00

Note: Hypermarkets/supermarkets, minimarts (convenience stores), specialty stores, online shopping and phone orders are considered modern retail outlets whereas the remaining outlets are considered traditional outlets. The 'Other' category includes restaurants, hotels, cafes, bars, etc.

Table A4. Average percent of monthly food expenditure on different food types by outlet in Lao Cai City, Vietnam.

Foods	Hypermarkets/ supermarkets	Minimart	Specialty shop	Online shopping	Phone order	Formal wet market	Traditional family shop	Semi- permanent stand	Informal street market	Peddlers	Others
Milk & milk products	20.68	0.00	0.00	0.00	0.00	1.40	75.11	0.31	0.36	0.00	2.14
Processed food	7.51	0.00	0.00	0.00	0.09	6.77	77.85	5.02	2.76	0.00	0.00
Oils & fats	1.62	0.39	0.00	0.00	0.00	35.89	57.88	3.84	0.39	0.00	0.00
Sugar, spices & sauces	3.55	0.00	0.00	0.00	0.00	33.37	59.99	1.37	1.32	0.39	0.00
Beverages	5.12	0.33	0.00	0.00	0.00	2.88	86.94	1.17	0.44	0.67	2.45
Processed cereals	0.00	0.00	0.00	0.00	0.00	34.10	11.38	43.58	7.56	3.38	0.00
Meat & eggs	1.98	0.00	0.00	0.00	0.00	81.15	1.21	1.61	13.88	0.17	0.00
Food consumed away from home	0.76	0.00	0.00	0.00	0.00	3.45	0.00	64.92	0.00	3.05	27.82
Fruit	0.74	0.00	0.05	0.29	0.00	74.60	0.43	7.73	8.03	8.12	0.00
Pulses, nuts & beans	0.00	0.23	0.00	0.00	0.00	79.07	0.21	5.94	14.55	0.00	0.00
Rice	0.00	0.00	0.00	0.00	0.00	50.00	0.00	46.04	3.95	0.00	0.00
Vegetables	0.33	0.06	0.00	0.00	0.00	78.64	0.50	0.40	17.08	2.99	0.00

Note: Hypermarkets/supermarkets, minimarts (convenience stores), specialty stores, online shopping and phone orders are considered modern retail outlets whereas the remaining outlets are considered traditional outlets. The 'Other' category includes restaurants, hotels, cafes, bars, etc.

Table A5. Average percent of monthly food expenditure on different food types by outlet in Son La City, Vietnam.

Foods	Hypermarkets/ supermarkets	Minimart	Specialty shop	Online shopping	Phone order	Formal wet market	Traditional family shop	Semi- permanent stand	Informal street market	Peddlers	Others
Milk & milk products	3.61	0.00	0.00	0.00	0.00	0.91	93.36	0.74	1.39	0.00	0.00
Processed food	2.40	0.76	0.00	0.00	0.00	7.74	77.95	4.27	4.35	0.00	2.53
Oils & fats	2.21	0.00	0.00	0.00	0.00	13.53	81.68	0.00	2.58	0.00	0.00
Sugar, spices & sauces	0.13	0.00	0.05	0.00	0.00	13.90	72.67	0.55	11.52	1.17	0.00
Beverages	0.15	0.00	0.00	0.00	0.00	1.55	92.81	2.01	2.51	0.00	0.97
Processed cereals	1.12	0.00	0.00	0.00	0.00	32.68	9.23	37.51	10.14	9.07	0.24
Meat & eggs	0.50	0.00	0.00	0.00	0.00	52.59	0.73	2.83	42.22	1.03	0.12
Food consumed away from home	0.00	0.00	0.00	0.00	0.00	0.60	0.00	34.45	1.76	0.00	63.20
Fruit	0.00	0.00	0.16	0.09	0.00	32.08	0.34	5.68	47.76	13.89	0.00
Pulses, nuts & beans	0.00	0.00	0.00	0.00	0.00	47.03	1.40	6.50	44.48	0.59	0.00
Rice	0.00	0.00	0.00	0.00	0.00	28.24	0.00	43.32	28.45	0.00	0.00
Vegetables	0.04	0.03	0.04	0.00	0.00	43.06	0.19	0.19	47.98	8.39	0.07

Note: Hypermarkets/supermarkets, minimarts (convenience stores), specialty stores, online shopping and phone orders are considered modern retail outlets whereas the remaining outlets are considered traditional outlets. The 'Other' category includes restaurants, hotels, cafes, bars, etc.