

Asia Pacific weakest link but demand high

THE COLD CHAIN market in 2020 is valued at \$US233.8 billion but this is projected to reach \$US340.3 billion by 2025.

That is a Compound Annual Growth Rate (CAGR) of 7.8 per cent, according to MarketsandMarkets research firm.

In addition to consumer awareness to mitigate food waste and to seek out products with increased shelf-life, governments around the globe have been bolstering infrastructure investment in the cold chain.

"TEMPERATURE MONITORING IS A KEY ASPECT OF QUALITY CONTROL AND FOOD SAFETY."

The biggest growth is taking place in the Asia Pacific but this region is the weakest link in terms of cold chain processes, the research report said.

Although the Asia Pacific region is growing at the fastest rate, the region lacks an integrated supply chain from farm to fork. But governments in the region have been initiating the required steps to improve the cold chain industry.

The cold chain market is dominated by dairy & frozen desserts but the bakery & confectionery segment is among the fastest-growing segment during the forecast period.

Temperature monitoring is a key aspect of quality control and food safety for various bakery and confectionery products.

By temperature type, the cold chain market is dominated by the frozen segment. The products that move through the cold chain are either chilled or frozen.

Chilling involves reducing the temperature to below ambient temperatures but above -1°C. Chilled products include fresh meat and poultry, dairy products, and fruit and vegetables.

Frozen products include ice cream, meat and seafood. A typical temperature range for frozen food products is -18° to -25°C. With the development of technology, there are wide options available to maintain cold conditions and better food handling, processing, storage, and transportation.

Options include chillers, blast freezers, individual quick freezing (IQF), and freeze dryers to maintain cold conditions.

RIGHT: The Asia Pacific region lacks an integrated supply chain from farm to fork.



Greater focus on cold chain processes

CONSUMERS WANT TO know if food is kept at safe temperatures throughout the supply chain during transportation and storage.

This was the number one concern for respondents in a survey released by Emerson's commercial & residential solutions business which shows consumers have altered their shopping habits in response to COVID-19.

Today, the focus is on cold chain processes with consumers prioritising food safety and hygiene over lower prices.

More than 8 out of 10 (81 per cent) of respondents said they are paying close attention to whether food is kept at safe temperatures all throughout the supply chain during transportation and storage.

This strong focus underscores a critical need for retailers, supermarkets and suppliers to design and invest in technology, processes and cold chain infrastructure that help ensure freshness and safety of food to meet consumers' expectations.

The Emerson survey, "Market Research Report: Cold Chain Consumer Survey during COVID-19," gathered responses from 604 male and

female adults aged 20-60 in Australia, China, India, Indonesia, Philippines, Saudi Arabia, South Africa, South Korea, Thailand and the United Arab Emirates.

According to the survey, consumers value food safety, hygienic shopping environment and quality refrigeration equipment more than lower prices.

As a result, more consumers will continue to buy fresh products from retailers. The change creates new opportunities for retail stores, supermarkets and online stores that plan to gain a better understanding of consumer preferences and address their concerns on food safety and quality through enhanced refrigeration technologies.

Consumers increasingly expect the food industry to comply with safety and health protocols, maintain clean and hygienic stores and sell quality, hygienic and fresh food.

The change of consumer behaviour will create significant markets for retailers who can use advanced end-to-end cold chain systems and the latest connected technologies to supply fresh and quality food and build trust in the long run.



Post-COVID-19 consumers prioritise food safety and hygiene over lower prices.