



Coffee Shops in Asia Pacific

March 2023

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COFFEE CONSUMPTION IN FOODSERVICE IN ASIA PACIFIC

Coffee consumption in foodservice in Asia Pacific dominated by Japan and South Korea

The “wave” model in Asia Pacific

Multiple coffee waves co-exist in foodservice across Asia Pacific

Affordable alternatives pose challenges for international chained specialist coffee shops

Rising disposable income levels and young consumer base fuel demand for coffee

Innovations from local chained specialist coffee shops excite and appeal to local consumers

Inflation has dampened consumer sentiment, leading to demand for cheaper coffee

To what extent do milk tea shops compete with coffee shops?

CHAINED SPECIALIST COFFEE SHOPS IN ASIA PACIFIC

Specialist coffee shops in Asia Pacific expanded rapidly between 2017 and 2022

Starbucks remains the leading player amidst stiff competition from local coffee houses

Rise of digitalisation serves to fuel growth beyond coffee shops

Mobile apps developed by local chained specialist coffee shops seek to attract consumers

Key characteristics of emerging local coffee chains to thrive in the market

Indonesia's Kopi Kenangan expands rapidly

China's Luckin Coffee invest in technology to strengthen sales

Vietnam's Phuc Long focus on smaller store concept for its success

South Korea's Mega MGC Coffee appeal through price affordability

Strategies adopted by international chained specialist coffee shops vary from local chains

Starbucks in Asia constantly innovates to maintain its leadership in specialist coffee shops

Other international coffee chains in Asia expand touchpoints beyond coffee shop

Sustainability strategies adopted by specialist coffee and tea shops

WINNING IN THE COFFEE SHOP

Future of coffee shops in Asia Pacific – led by international or local coffee chains?

Local chained specialist coffee shops: New business models evolution

International chained specialist coffee shops: New business models evolution

Key findings

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