



We Bring **INNOVATIONS** *Into*
Global Food **Local Asian Markets!**



Market Outlook Dairy Milk in Malaysia and Singapore



We Bring **INNOVATIONS** Into
Global Food **Local Asian Markets!**

Dairy Drinking Milk in Malaysia and Singapore



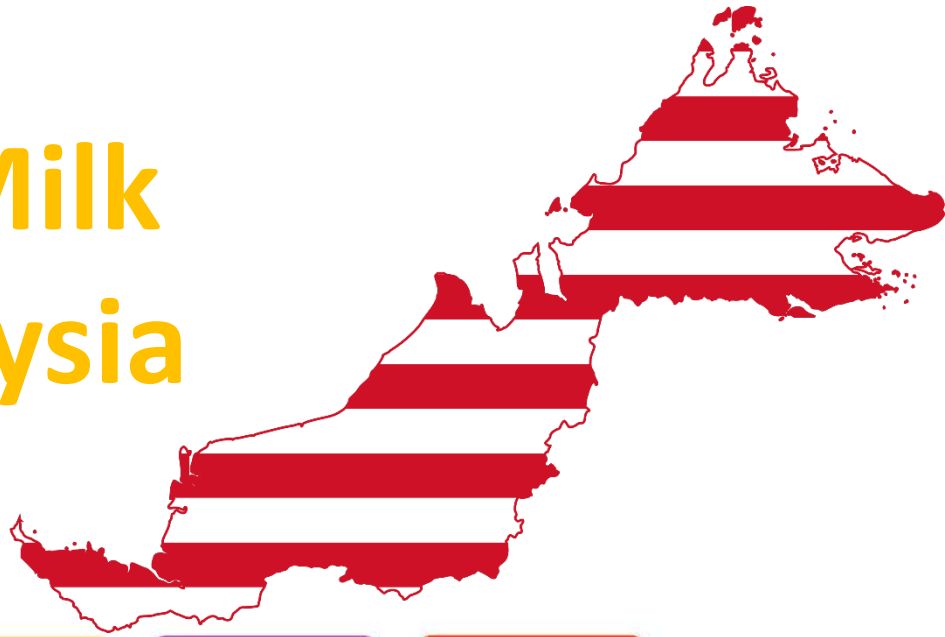
In Singapore, F&N Foods is set to maintain its lead in drinking milk products in 2016 with a retail value share of 27%.

In Malaysia, Dutch Lady Milk Industries leads sales of drinking milk products with a 23% retail value share in 2016.

Source from: Euromonitor, December 2016.



Dairy Milk in Malaysia



We Bring **INNOVATIONS** Into
Global Food **Local Asian Markets!**

Dairy in Malaysia: Drinking Milk



Trends

- Drinking milk products are in strong demand from consumers as it contains high levels of **calcium** and helps to **strengthen bones and joint health**.
- New players, such as **Hybrid Allied Dairy Company** and **Calpis**, entered the drinking milk category and helped drive sales of drinking milk products in 2016.
- **Holstein Milk Company** plans to expand its drinking milk production line in Malaysia in 2016. This demonstrates the high demand for drinking milk and that consumers purchase drinking milk for daily use.

Dairy in Malaysia: Drinking Milk



Competitive Landscape

- **Dutch Lady Milk** Industries leads sales of drinking milk products with a **23% retail value share** in 2016 due to new product launches in dairy only flavoured milk drink, namely Dutch Lady Milky in April 2016.
- Dutch Lady Milky was successful due to its use of seven cartoon characters and its availability in three variants which gained the attention of children in particular.
- They also improved its packaging of Dutch Lady PureFarm fresh milk from brick liquid cartons to [gable-top liquid cartons](#) for its 1-litre pack size.



**All 7 characters available in all 3 variants

Source from: Euromonitor, December 2016.

Dairy in Malaysia: Drinking Milk



Prospects

- Consumers are expected to continue to demand drinking milk products as they contain high levels of **protein and calcium**, while popular brands offer affordable prices.
- Frequent discounting is set to continue to be offered by leading brands such as **Dutch Lady**, **Yeo's**, **Goodday** and **F&N Magnolia**.
- Companies are expected to introduce more drinking milk products, with Holstein Milk Company, for example, planning to expand its processing plant in June 2016 to cater for the high demand from consumers.



Source from: Euromonitor, December 2016.



Dairy Milk in Singapore



We Bring **INNOVATIONS** Into
Global Food **Local Asian Markets!**

Dairy in Singapore: Drinking Milk



Trends

- **F&N Foods** introduced a reformulated version of its **Magnolia Plus Oats** drink in July 2016. The new version includes **beta-glucan**, a **soluble oat fibre**, which is meant to help lower blood cholesterol levels and boost gut health and immunity.
- **Fonterra Brands** added a new **black sesame flavour** to its **Anlene Concentrate** range in the first quarter of 2016. Black sesame is likely to appeal to Asian consumers who are familiar with its health and beauty enhancing properties (eg anti-aging and hair loss prevention).



Source from: Euromonitor, December 2016.

Dairy in Singapore: Drinking Milk



Trends

- **Nestlé** launched **Milo Nutri G**, which combines Milo with wholegrains, at the beginning of 2016. These new launches indicates the rising consumer demand for healthier and value-added products. They also signal a trend towards **premiumisation** as a growth strategy within drinking milk products as manufacturers seek to stretch value sales in a maturing category.



Source from: Euromonitor, December 2016.

Dairy in Singapore: Drinking Milk



Competitive Landscape

- **F&N Foods** is set to maintain its lead in drinking milk products in 2016 with a retail value share of 27%.
- The company's performance can be attributed to the strong combined sales of its **Magnolia**, **Pura**, **Farmhouse**, **Daisy**, **Nutrisoy** and **Seasons** brands, some of which are present in multiple categories, including shelf stable and fresh milk, dairy only flavoured milk drinks and soy milk.
- **Magnolia** and **Nutrisoy** were the **top performers** in shelf stable and soy milk, respectively, with retail value shares of **32% and 29%** in 2016.
- Apart from enjoying strong brand equity, the company maintains its lead through constant product innovation and prominent marketing campaigns to renew brand loyalty.

Source from: Euromonitor, December 2016.

Dairy in Singapore: Drinking Milk



Prospects

- Drinking milk products is expected to record a retail value CAGR of 2% at constant 2016 prices over the forecast period, in line with the review period average.
- Drinking milk products, especially fresh milk, are dietary staples and retail value growth is therefore likely to remain stable. Category maturity is another reason for the stable growth rates across both the review and forecast periods.

MOH Singapore said . . .



- Singapore government looks to reduce the risk of diabetes.
- Among Singaporeans, about 400,000 have diabetes, and one in three Singaporeans have a lifetime risk in developing diabetes; a 30% lifetime risk.



Market Examples



We Bring **INNOVATIONS** *Into*
Global Food **Local Asian Markets!**

Dutch Lady Milk: Pure Farm



UHT Milk



Pasteurized Milk



Sterilized Milk

Dutch Lady Milky



***All 7 characters available in all 3 variants*

Flavored Milk

F&N Magnolia



Fresh Milk



Lo-Fat Hi-Cal Milk

F&N Daisy and Nutrisoy



Daisy Milk



Nutrisoy

Nestle



Nutri-G



Milo UHT



Nescafe Milk Coffee Drink



Nestle Just Milk

Hybrid Allied Dairy Company



Summerfield



Happy Cow UHT Chocolate Flavoured Milk

Goodday UHT Milk



- UHT Full Cream Milk – 250ml and 1L
- UHT Low Fat Milk – 250ml and 1L
- UHT Chocolate Flavored Milk – 250ml and 1L
- UHT Strawberry Flavored Milk – 250ml and 1L

Holstein Milk Products



Full Cream/ Skinny Milk



Chocolate Milk



Café Latte



Kurma Milk



Nubian Goat Milk

Holstein Milk Products



Junior Cultured Milk



Yogurt Drink

(Strawberry, mixed berries, mango or original)

Marigold



UHT Milk

(Full Cream, Chocolate, Strawberry, Low Fat and Fresh Milk)



HL Low Fat Milk

(Plain, Chocolate, Banana, Strawberry and HL Milk with Plant Sterols)

Marigold



100% Fresh Milk



PowerBeans Fresh Soya Milk

(Hi-Calcium Reduced Sugar, Almond, Honeydew flavours; Chocolate Malt and Unsweetened Fresh Soya Milk)

Yeo's



Soy Milk



Soy Rich

Anlene



Anlene Concentrate

References



- Euromonitor. (December 2016). Dairy in Malaysia.
- Euromonitor. (December 2016). Dairy in Singapore.
- Ministry of Health Singapore. (2016). Speech by Minister for Health, Mr Gan Kim Yong, at the MOH Committee of Supply Debate 2016. Retrieved from https://www.moh.gov.sg/content/moh_web/home/pressRoom/speeches_d/2016/speech-by-minister-fo-health--mr-gan-kim-yong--at-the-moh-commit.html