

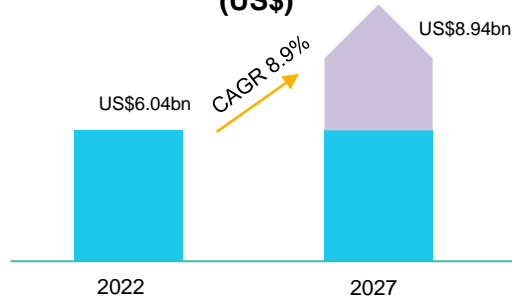


MARKET TRENDS IN MALAYSIA: CONFECTIONERY



KEY
TRENDS

Malaysia Confectionery Products Market (US\$)

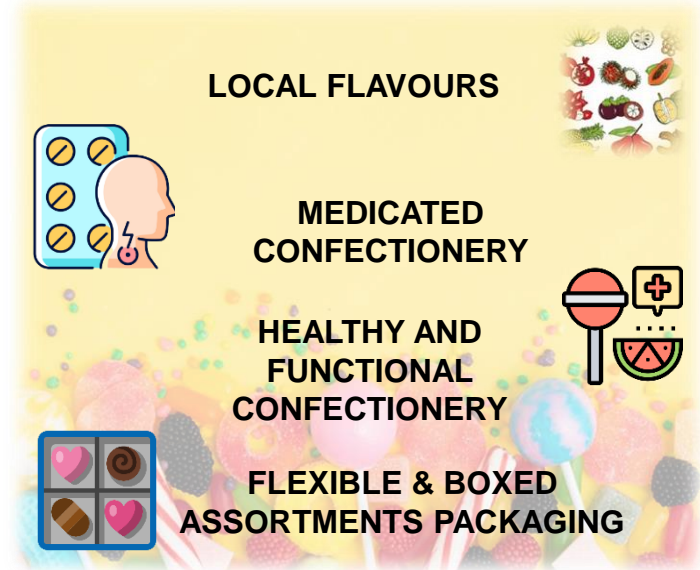



+ IN-SCOPE


- Chocolate products
- Sugar confectionery
- Cookies
- Ice Cream


- ▶ In the confectionery segment, volume is expected to amount to 1,477.9mkg by 2027 & is expected to show a volume growth of 5.2% in 2023.
- ▶ In relation to total population figures, per person revenues of US\$182.10 are generated in 2022, the average volume per person is expected to amount to 33.0kg in 2022.


PROSPECTS AND OPPORTUNITIES



LOCAL FLAVOURS 

MEDICATED CONFECTIONERY 

HEALTHY AND FUNCTIONAL CONFECTIONERY 

FLEXIBLE & BOXED ASSORTMENTS PACKAGING 

LOCAL FLAVOURS

Innovations that are focused on **local flavours** have experienced a rise in Malaysia especially seen in product offerings from multinational players during the year of 2020 and 2021.



Mondelēz (M) Sales Sdn Bhd, the third largest player in the chocolate confectionery segment, introduced Cadbury Dairy Milk Chipsmore in June 2020 and a Cadbury durian flavour (a local fruit) in Malaysia.

Suppliers and manufacturers should look at developing **innovative products** based on local flavours to appeal to the tastes of consumers since it is quite a prevalent preference in the region.

MARKET EXAMPLES



Cadbury Dairy Milk Chocolate Durian

- A delicious blend of bold durian flavour and silky smooth milk chocolate, bringing together the decadent flavors that Malaysians appreciate and love.
- The chocolate bar comes with rice crispies for a little crunch that is said to complement its creamy texture.
- Product of Malaysia

Ingredients: Milk Solids, Sugar, Cocoa Mass, Cocoa Butter, Wheat Crispies [Wheat Flour, Sugar, Corn Starch, Cocoa Powder, Salt, Non-Hydrogenated Vegetable Oil (Palm Kernel), Raising Agents (INS450(I), INS341(I), INS500(II))], Non-Hydrogenated Vegetable Fat (Palm, Shea, Illipe), Emulsifiers (Soya Lecithin (INS322), INS476), Flavours.

LOCAL FLAVOURS

MARKET EXAMPLES



KitKat Chocolatory

- KitKat Chocolatory, celebrates their flagship store third anniversary in conjunction with Merdeka and Malaysia Day celebrations by launching Malaysian food-inspired flavours.
- KitKat Chocolatory is introducing a unique twist to Malaysian favourites such as "KitKat Apam Balik", "Traditional Nasi Lemak", "Rose Bandung" along with the king of fruits, the "Cendol Durian".
- Product of Malaysia

MEDICATED CONFECTIONERY



Following the pandemic, Malaysian consumers have developed a preference for **medicated confectionery** because of its functional benefits such as providing relief to sore throats

- ▶ In Malaysia, medicated confectionery category has shown a continued growth starting from the year 2020 to 2021.



- The health and wellness trend is predicted to motivate consumers to shift from boiled sweets and lollipops to **medicated confectionery**.
- For example, it can be seen from established brands, such as **Fisherman's Friend** and **Wrigley's Escape**, which has introduced sugar-free ranges.



MARKET EXAMPLES



Himalaya Salt Candy

- Refreshing Fresh Breath, Throat Soothing, Promotes Respiratory Health, Improve Hydration, Reduces Muscle Cramp, Improve Digestion, Balance pH, Detox
- This unique sport candy allows you conveniently enjoy benefits of Himalayan Pink Salt at any time
- Varieties: Mint Candy (Lemon), Ginger and Lemon
- Product of Malaysia
- Ingredients: Sucrose, Glucose Syrup, **Citric Acid** (E330), Himalayan Salt, Menthol Crystal, Lemon Juice, Natural Flavour.

MEDICATED CONFECTIONERY

MARKET EXAMPLES



Fisherman's Friend Sugar-Free Lollipops

- Refreshes breath, helps to soothe the throat and provides symptomatic relief of cough and nasal congestion due to cold.
- Varieties: Original, Mandarin & Ginger, Lemon, Apple & Cinnamon, Blackcurrant, Cherry, Mint, Citrus
- Product of England

Ingredients for Lemon Flavour: Menthol (4.6mg) , Sorbitol , Lemon Flavour , Magnesium Stearate, **Citric Acid**, Ascorbic Acid, **Vanillin**, Sucralose , Acesulfalme K.

HEALTHY AND FUNCTIONAL CONFECTIONERY



The pandemic has shone a spotlight on health and wellness, including raising awareness on obesity among Malaysians.

The continuous growth of this health and wellness trend is probably going to have a significant impact on product innovation, leading to the use of **healthy ingredients** with a good reputation like **chia seed** and **quinoa**.

Due to the rise in consumer awareness, sugar confectionery players are diversifying their range of products and investing in new product development:



- ▶ Perfetti Van Melle Group and Cocoland Holdings Bhd are expected to introduce **low sugar** or **sugar-free** ranges of standard mints and pastilles as consumers look to reduce their sugar intake.



MARKET EXAMPLES



Lemberri Sugar Free Toothfriendly Natural Flavour Lollipop

- Tooth Friendly distinguishes products which are non-cariogenic and non-erosive, i.e. safe for teeth.
- The basic idea is that consumers should be educated and encouraged to eat only confectionery products that would not harm their teeth.
- Lower risk of illness and disease, reduce hunger and cravings, boost energy, enhance mental clarity, lose weight, improve dental health.
- Product of Malaysia

HEALTHY AND FUNCTIONAL CONFECTIONERY

MARKET EXAMPLES



Skinihub Skinny Sugar Free Dark Chocolate

- Skinihub Sugar-Free Dark Chocolate is a suitable replacement snack for those who want to control their diet.
- Low in Calories, Low Carbohydrates, Sugar-free and Dairy-free products
- Vegan, Diet-Friendly and Diabetic Friendly
- Product of Malaysia

Ingredients: Cocoa Mass(65%), **Isomalt**, Cocoa Butter, Cocoa Powder, Soy Lecithin, **Vanillin**.

HEALTHY AND FUNCTIONAL CONFECTIONERY

MARKET EXAMPLES



Bye Bye Chu Chu Chia Seeds Candy

- The new taste of sweet and sour fruit hits Chia seeds
- Unexpected candy taste new enjoyment
- Varieties: Passion Fruit, Kiwi, Strawberry
- Product of Malaysia

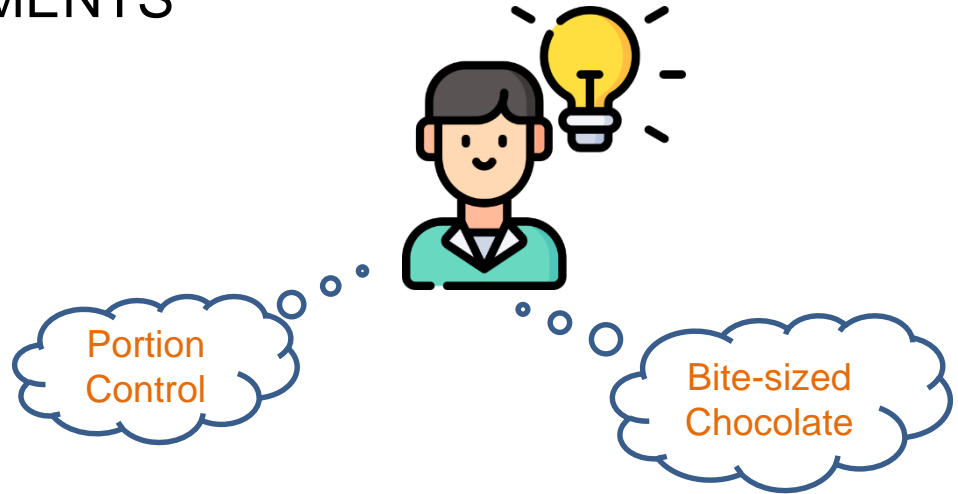
Ingredients for Strawberry Flavour: Castor Sugar, Malt Extract, **Chia Seed**, DL-Malic Acid, Strawberry Flavour, Colouring (E129).

FLEXIBLE & BOXED ASSORTMENTS PACKAGING

As consumers begin to be more mindful of their snacking indulgences, **flexible plastic pouches** with **zip** or **press closures** grows in popularity among Malaysians as many are choosing to control their portion size and saving the rest for later.



- As the pandemic slowly fades and consumers spend less time at home, there will be a significant increase in demand for **smaller pack sizes**, notably in **chocolate confectionery** for people on-the-go
- **Boxed assortments** and **chocolate with toys** also witness improved performances in 2021.



➤ Leading brands like Nestlé's KitKat and Nips are now available in plastic pouches with zip or press closures that facilitate easy storage.



FLEXIBLE & BOXED ASSORTMENTS PACKAGING

MARKET EXAMPLES



MILO Nuggets Party Pack

- MILO Nuggets is a snack that the teens will love and the mothers will approve.
- It comes in a convenient pack providing you the energy to go further without breaking your stride.
- MILO Nuggets is a companion that encourages you in the little moments in your everyday life and brings out the champion in you.
- Product of Malaysia

Ingredients: Sugar, Milk Solids (Cow's Milk), Vegetable Fat and Oil (Palm, Illipe, Shea), Cocoa Powder, Malt Extract (Contain Barley), **Maltodextrin**, Minerals (Dicalcium Phosphate, Disodium Phosphate, Ferric Pyrophosphate), Emulsifier (Soya Lecithin), Vitamins (Ascorbic Acid, Niacin, Pyridoxine, Riboflavin, Vitamin D3, Vitamin B12), **Vanillin**.

FLEXIBLE & BOXED ASSORTMENTS PACKAGING



MARKET EXAMPLES

Nestlé KitKat Pops Hazelnut & Cocoa Nibs Sharing Zip Bag

- NEW KITKAT POPS! chocolate dragees – perfect for sharing with family and friends.
- KITKAT® POPS Hazelnut & Cocoa 110g are delicious little pops made of crispy waffles with hazelnuts and cocoa covered with fine milk chocolate. Convenient zipper closure pack so you can easily share or store them for later.
- Product of Germany.

Ingredients: Sugar, Blue Flour, Skimmed Milk Powder, Vegetable Fats (Palm, Shea), Cocoa Butter, Cocoa Paste, Caramelized Cocoa Bean Chips (5.0%) [Cocoa Beans (2.9%), Sugar, Caramelized Sugar Syrup], Hazelnut Chips (3.3%), Anhydrous Milk Fat, Whey Powder, Lean Cocoa, Glazing Agents (Acacia Gum, Shellac), Emulsifier (Sunflower Lecithin), Natural Flavour (Contains: Hazelnuts), Baking Powder (Sodium Carbonates).

FLEXIBLE & BOXED ASSORTMENTS PACKAGING

MARKET EXAMPLES



Kinder Joy Surprise Chocolate Eggs

- A delicious treat in an iconic egg shape to surprise and delight! One half of the egg conns two layers of milky sweet creams topped with 2 crispy wafer bites filled with cocoa cream. The other half of the egg conns an exciting surprise toy.
- Product of Malaysia

Ingredients: Sugar, Vegetable Fats: Palm; SAL, Skimmed Milk Powder 19.5%, Fat-Reduced Cocoa Powder 4%, Wheat Flour, Toasted Wheat Germ, Wheat Starch, Powdered Barley Malt Extract, Emulsifier: Lecithin (Soy), Whey Powder, Vegetable Oil (Sunflower), Flavourings, Raising Agents: Ammonium Bicarbonate; **Sodium Bicarbonate**, Salt.

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THANK YOU