



SOUTHEAST ASIA & CHINA MARKET
TRENDS 2023:
HEALTH FOODS

Market Overview



Health Foods

In Southeast Asia & China Market

Revenue in Food Segment is projected to reach **US\$12.18bn** in **2023** with an annual growth rate (CAGR 2023-2027), resulting market volume of **US\$ 23.83bn** in **2027**

With a projected market volume of **US\$ 126,200.00m** in **2023**, most revenue is generated in **China**



Market Revenue (2023-2027)

US\$ 23.83bn
(2027)

US\$ 12.18.bn
(2023)



China's strong economic rebound and robust domestic demand are driving growth Southeast Asia (SEA)

- China is expected to archive a **5.0%** growth in **2023** compared to **3.0%** growth in **2022**
- Overall GDP growth of SEA region is projected to grow at **4.7%**, which is slightly slower than the **5.6%** growth rate in **2022**

Reopening of China borders is expected to have a positive impact on the SEA region by boosting trade, tourism, and other supply-chain linkages.

	GDP Growth				Inflation			
	2022	2023	2024	2025	2022	2023	2024	2025
Southeast Asia	3.5	5.6	4.7	5.0	2.0	5.0	4.4	3.3
Brunei Darussalam	-1.6	-0.5	2.5	2.8	1.7	3.7	2.0	1.6
Cambodia	3.0	5.2	5.5	6.0	2.9	5.3	3.0	4.0
Indonesia	3.7	5.3	4.8	5.0	1.6	4.2	4.2	3.0
Lao People's Democratic Republic	2.3	2.5	4.0	4.0	3.8	23.0	16.0	5.0
Malaysia	3.1	8.7	4.7	4.9	2.5	3.4	3.1	2.8
Myanmar	-5.9	2.0	2.8	3.2	3.6	16.0	10.5	8.2
Philippines	5.7	7.6	6.0	6.2	3.9	5.8	6.2	4.0
Singapore	8.9	3.6	2.0	3.0	2.3	6.1	5.0	2.0
Thailand	1.5	2.6	3.3	3.7	1.2	6.1	2.9	2.3
Timor-Leste	2.9	3.2	3.1	3.0	3.8	7.0	5.5	2.8
Viet Nam	2.6	8.0	6.5	6.8	1.8	3.2	4.5	4.2

Figure 1: GDP Growth and Inflation of South-east Asia (2022-2024)



Reference

ADB 'Asian Development Bank Outlook April 2023'. Viewed at <https://www.adb.org/sites/default/files/publication/863591/asian-development-outlook-april-2023.pdf>

Key Trends





01 Plant-based Products

02 Functional Foods

03 Organic Food

04 Cognitive Health

KEY TRENDS

IN SEA COUNTRIES & CHINA

Key Trend 1: Plant-based Products

“Southeast Asian plant-based meat market is predicted to grow by 25% to reach USD 1.7 billion by 2025. This growth will be due to consumers becoming more aware of the importance of healthier and more sustainable food options”

In this topic, the trends will be covered for:



Malaysia



Singapore

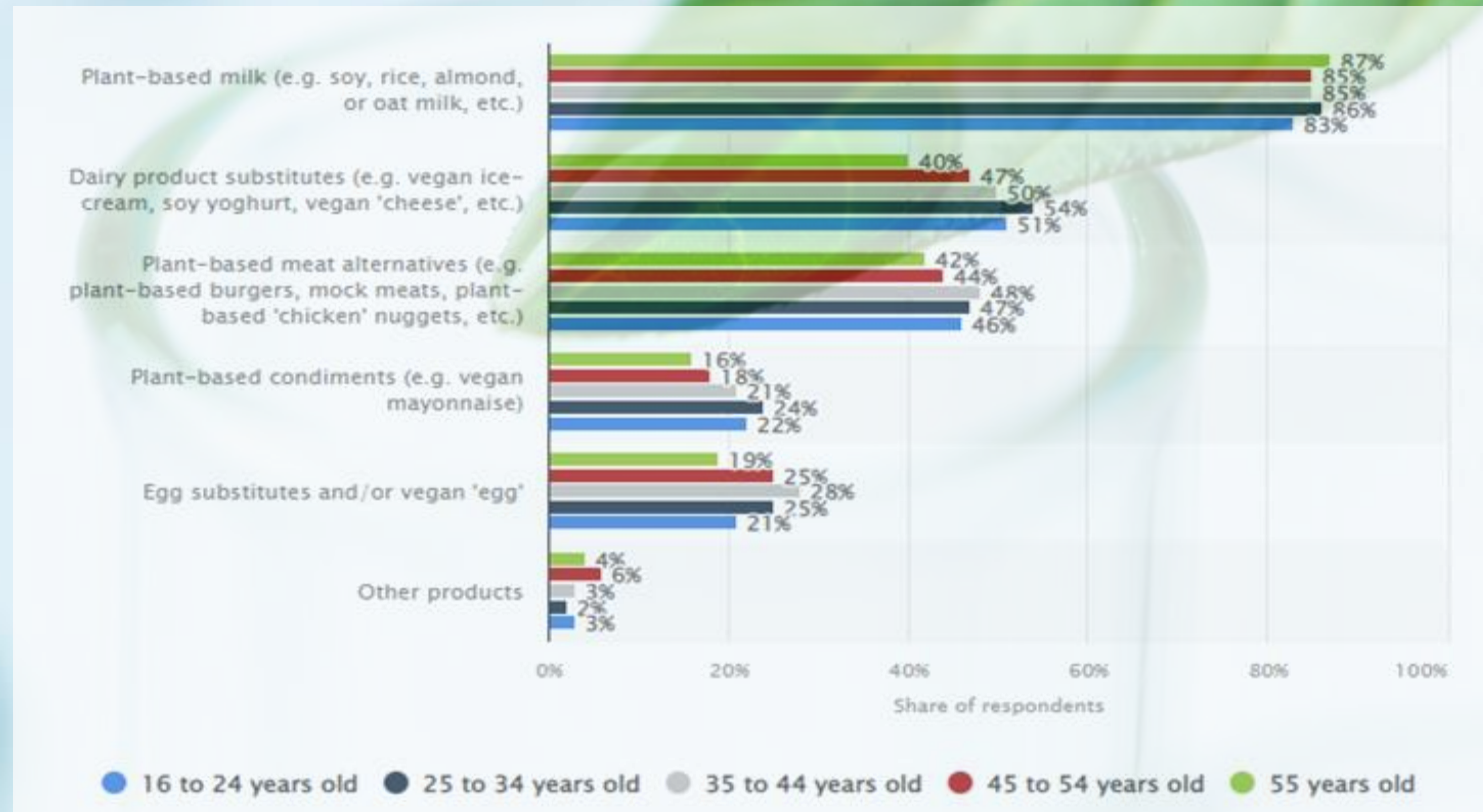
Key Trend 1: Plant-based Products



Who are Malaysian consumers?

- ❖ **Middle-class vegetarians and millennials/ Gen Zs** are following global trends in health consciousness
- ❖ **Flexitarians** are also growing in number. These are people who consume less meat to improve their health and well-being.

Types of consumed plant-based foods among Malaysians



Reference

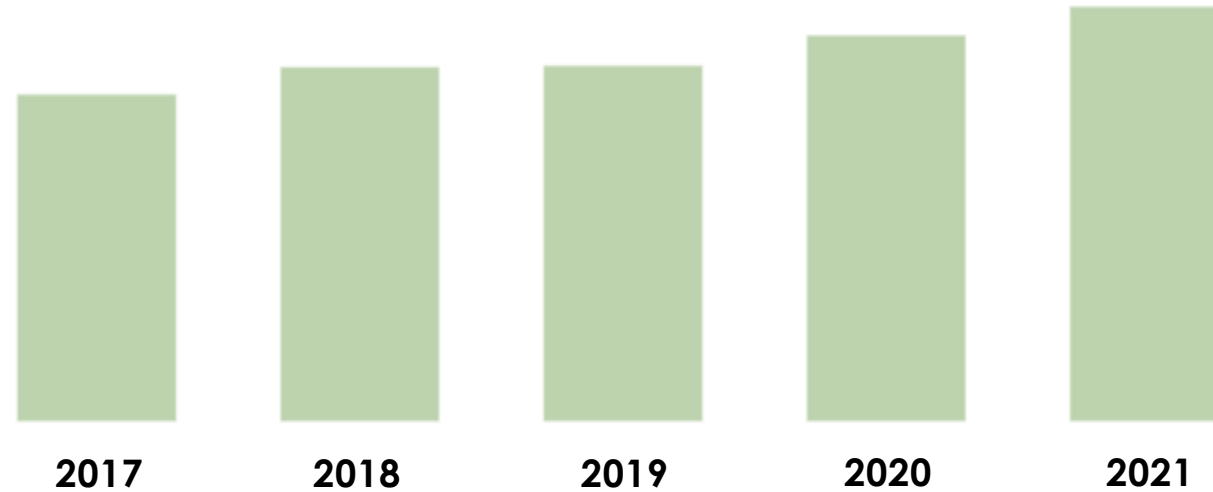
Statista (2023). Types of consumed plant-based foods among Malaysians as of November 2021, by age.

Key Trend 1: Plant-based Products



The **Singapore** market for plant-based food and beverages is expected to grow at a compound annual growth rate (CAGR) of **6.97%** (2022-2027).

Singapore Plant-Based Food and Beverage Market: Per Capita Consumption of Plant-Based Beverages, (in liters), Singapore, 2017-2021



The growth is influenced by:

- High consumer awareness about health benefits associated with plant-based food and beverages
- The Government's initiative to create awareness on improved animal welfare has create consumer demand
- The Government policy to diversify its supply source of alternative meat
- A new generation that follows low carbohydrates keto diet including vegan-friendly to curb excess fat for a healthy body

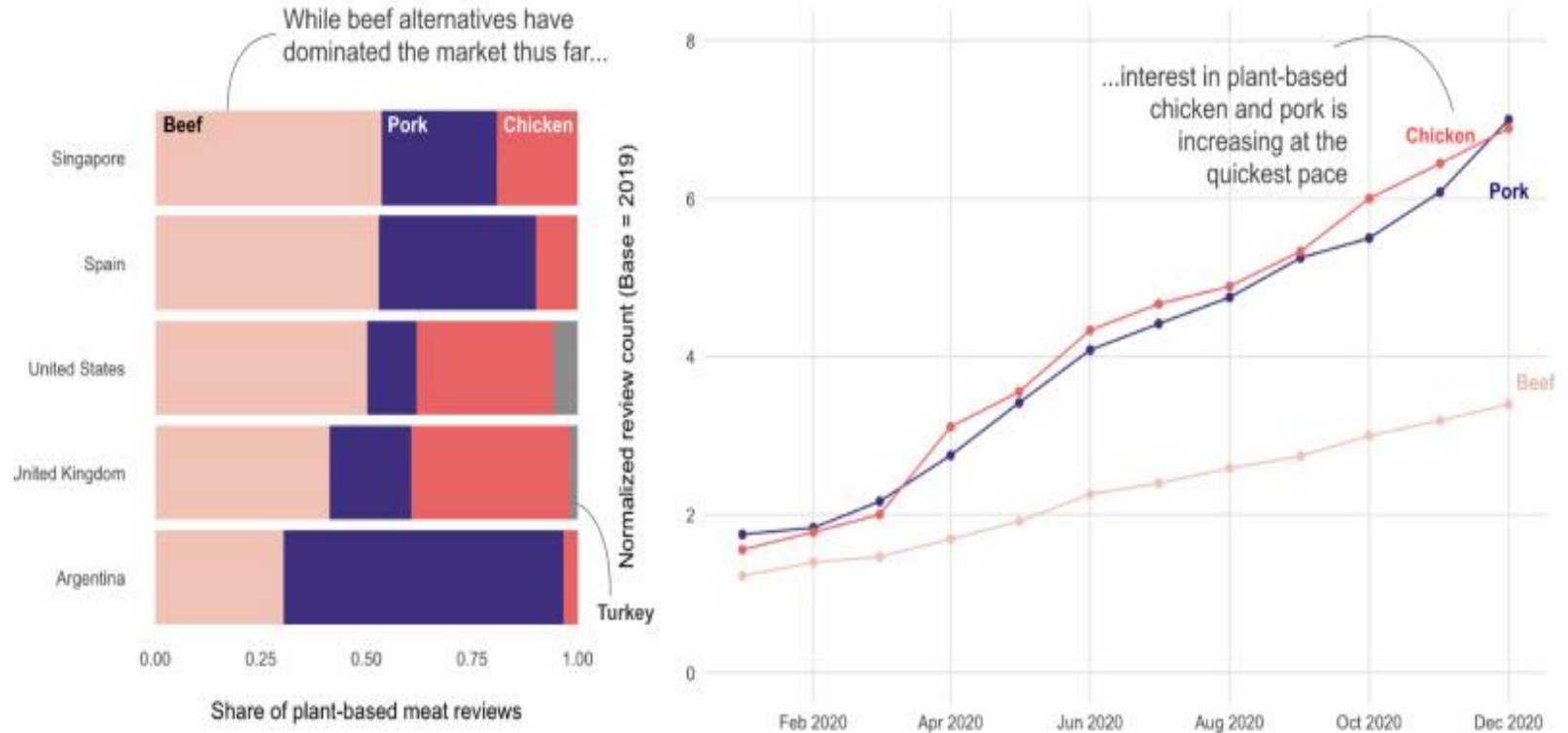
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Singapore Plant-Based Food and Beverages Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028). (2023). Retrieved April 17, 2023, from Mordorintelligence.com website: <https://www.mordorintelligence.com/industry-reports/singapore-plant-based-food-and-beverages-market#:~:text=Singapore%20Plant%20Based%20Food%20and%20Beverages%20Market%20Analysis,plant%20Dbased%20food%20and%20beverages>

Key Trend 1: Plant-based Products

Plant-based beef is the most popular type of plant-based meat in Singapore, but plant-based pork and chicken are growing at a faster rate.

Consumer interest in plant-based pork and chicken products surged 7X in 2020



Consumer Preference

The top five vegan-friendly retailers in Singapore, according to consumer reviews and insights shared on the 'abillion digital platform', are FairPrice, RedMart, Cold Storage, Everyday Vegan Store, and Mustafa Centre.



Key Trend 1: Plant-based Products

PHUTURE Invincible Mince

- Satisfies like real minced meat, just that it's made from 100% plants
- Variety of Proteins: Non-GMO, Chickpea, Pea, Rice
- High Fibre
- Source of Iron, Vitamin B6, B12, E
- Cholesterol Free
- NO animal hormones
- NO antibiotics
- NO artificial colouring
- NO added Preservatives
- NO added MSG
- NO dairy & Egg
- Product of Malaysia

Ingredients: Water, Soy Protein Concentrate, Natural Flavours [contain Yeast Extract], Methylcellulose, Extra Virgin Olive Oil, Soy Flour, Protein Blend [Oats, Rice, Chickpea, Pea, Mushroom], Food Starch- Modified, *Dietary Fibres, *Dextrose, Natural Colours [Caramel, Red Beet, Lycopene], Edible Salt, *Calcium Carbonate, *Vitamin [B6, B9, B12, E]



Key Trend 1: Plant-based Products

Nanka Jackfruit Plant-based Patties

- Offer a high-fibre alternative to 100% meat products, with boasting anywhere between 8 to 10 grams of plant-based dietary fibre per serving
- 100% plant-based
- Made from jackfruit, mushrooms, potato flour and textured vegetable protein
- Free from GMOs, gluten-synthetic flavourings and preservatives. The other two are also gluten-free and non-GMO, but they're not meat-free
- Formulated with a blend of either 30% chicken and 70% jackfruit or 30% beef and 70% jackfruit
- Product of Malaysia

Ingredients: Jackfruit, Beef, Mushrooms, Potato Flour and *Texturized Vegetable Protein



Key Trend 1: Plant-based Products

Let's Plant Meat Plant-based burger patty

- Plant-based Meat: an alternative protein that offers the taste, texture & experience of eating meat from animal but is **wholly made of plant ingredients**
- Suitable for those who are vegan or vegetarian.
- All soy ingredients are from "Non-GMO Source"
- Product of Thailand

Ingredients: Water 56%, *Vegetable Proteins from Soy &, Rice 19%, *Coconut Oil & Rice Bran Oil 19%, Spices 2%, *Yeast Extracts, Salt, Vinegar, Thickening Agent (Methylcellulose), Natural Colours (Beetroot Extract, Caramel), *Emulsifier (Lecithin from Soy), Natural Flavors. "Contains Soy"



Key Trend 2: Functional Foods

“Functional foods are foods that go beyond providing essential nutrients and offer additional health benefits when consumed as part of a varied diet on a regular basis. These can include whole, fortified, enriched, or enhanced foods that are consumed at effective levels”

In this topic, the trends will be covered for:



Indonesia



China

Key Trend 2: Functional Foods



Indonesia functional food market is one of the largest in SEA, worth an estimated **US\$253.4** in **2016** and expected to grow at **4.5% CAGR** to **2026**¹.

Key Insights on Indonesian Consumer Trends

Weight management products (e.g., functional meal replacements and dairy yogurts) are popular with mid-to-high income urban consumers, especially younger females.

Around 50% of functional foods **promote high calcium content**.

Other common claims include sugar-free, low calorie, weight-loss/management, and body building.

Middle-to-low-income consumers focus on **improving immunity/preventing illness**.

So, they buy affordable vitamins promoted by manufacturers.

High income consumers drive growth in **fish oils and omega-3 fatty acids**.

More awareness of benefits of **cardiovascular, brain and joint health**.

Indonesian consumers are more aware and concerned about health compared to the regional average

References

¹FNB News - Market in SouthEast Asia growing at 8.8% CAGR | FNB News. (2023). Retrieved April 18, 2023, from Fnbnews.com website: <http://www.fnbnews.com/top-news/market-in-south-east-asia-growing-at-88-cagr-66007>

²Health Ingredients SEA https://insights.figlobal.com/sites/figlobal.com/files/uploads/2018/01/2018-HI-SEA-Market-Review_final-2.pdf

Key Trend 2: Functional Foods



The functional market in China was **RMB 208b** in **2022** and it is projected to grow **30%** compared to 2022 reaching **RMB 244b** in **2025**.

The most popular functional food products in China are:

- **Ingredients that claim to have specific health functions.** (proteins, fibers, essential vitamins, and minerals including plant-based compounds such as phytosterols)
- **Dairy products and functional beverages with probiotics added**
- **Fortified cereal** containing omega-3 fatty acids and other raw materials are on the rise
- **Organic meals, snacks,** fortified milk and health supplements in tablets or capsules



Key Trend 2: Functional Foods



Key Drivers for Rapid Growth of Functional Foods in China

- ❑ The growing **awareness of health and wellness**
- ❑ Chinese culture values food that is good for the body and mind. They **value ingredients that offer health benefits**
- ❑ The pandemic has made people more aware of the importance of healthy eating habits.
- ❑ The younger generation is using functional foods and supplements to address health issues (overweight, stress, skin disorder etc.)
- ❑ **Government** is promoting healthy living to mitigate aging-related challenges



References

China Healthy Food Market: Chinese people's shift toward a healthy lifestyle. (2022, September 3). Retrieved April 18, 2023, from Ecommerce China website: <https://ecommercechinaagency.com/health-food-brands-china/>

Key Trend 2: Functional Foods

Uncle Tobys- Plus Iron Cashews and Nutty Clusters

- Source of iron, essential for active individuals and provides fibre from whole grains to support healthy digestion.
- A delicious combination of cashews, nutty clusters and whole grains, providing a bowl full of goodness that is nutritious and delicious!
- Product of Australia

Ingredients: Whole Grain Cereals (54%) [Wheat (52%), Corn (2%)], Corn, Sugar, Cereal Nut Clusters (10%) [Wheat Flour, Sugar, Glucose Syrup, Whole grain Wheat (1%), Rolled Oats (0.8%), Vegetable Oil, Honey, Rice Flour, Almonds, *Malt Extract (Barley), Salt, *Mineral Salt (Calcium Carbonate), Flavour], *Cashews (8%), *Wheat Flour, Salt, Oat Fibre, *Flavours (Milk), Glucose Syrup, *Minerals (Calcium, Iron, Zinc), *Vitamins [C, Niacin, B1, B2, B6, Folic Acid, E].



Key Trend 2: Functional Foods

Helga's 50% Lower Carb 5 Seeds Loaf

- Bursting with a blend of poppy seeds, brown linseeds, golden linseeds, sunflower seeds, and psyllium seeds
- 50% less carbohydrate (21.2g/100g) and 70% more protein (14.5g/100g) than Helga's Mixed Grain Bread (carbohydrate: 42.7g/100g, protein: 8.4g/100g).
- Good source of protein & fibre
- No added artificial colours, flavours or preservatives
- Product of Australia

Ingredients: Water, *wheat flour, mixed seeds 18% (sunflower seeds, brown linseeds, poppy seeds, psyllium seeds, golden linseeds), *modified wheat starch (1413), *wheat gluten, defatted soy flour, yeast, *bamboo fibre, soy splits, kibbled soy, *vinegar, *canola oil, iodised salt, cultured wheat flour, soy flour, *vegetable emulsifiers (481, 471, 472e), *vitamins (thiamin, folic acid).



Key Trend 2: Functional Foods

Devondale Vital Plus Low-Fat Vitamin Milk

- Enriched with iron for energy production and reduced tiredness+
- High in vitamin C to aid the absorption of iron+
- High in calcium for strong bones
- Vitamin D to aid the absorption of calcium+
- Product of Australia

Ingredients: Low fat milk, milk solids, *mineral (Iron), *emulsifier (471), *vegetable gums (401, 407, 412), *Vitamins C & D



Key Trend 3: Organic Food

Asia has the third-largest market for organic products. The market is experiencing healthy growth due to consumer awareness in countries, such as India, China, and Indonesia

In this topic, the trends will be covered for:



Thailand

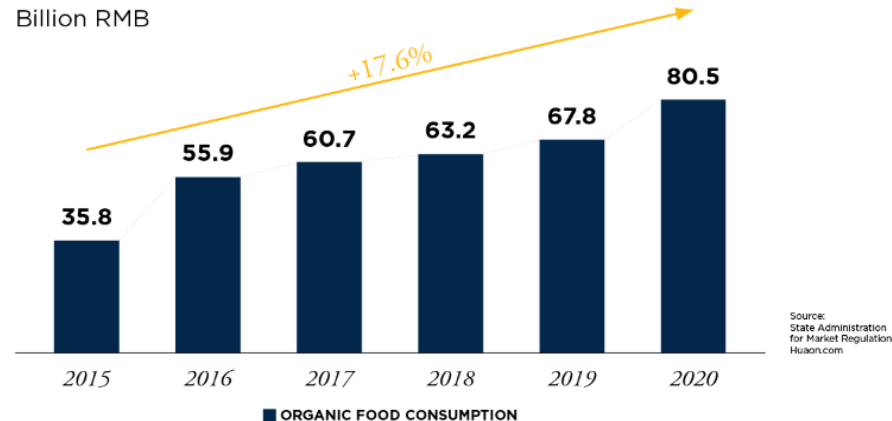


China

Key Trend 3: Organic Food

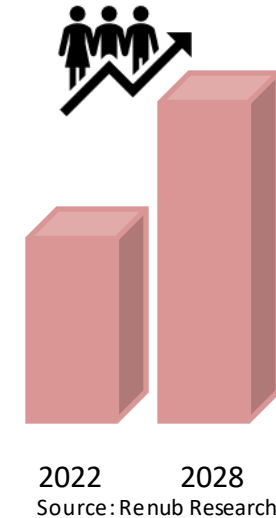


The Chinese government launched “**Healthy China 2030**” in 2016 to promote a healthy lifestyle and increase health awareness, with a goal of making 30% of the population health-conscious.³



In recent years, consumers in China have increased the spending on health and lifestyle products and the sales of organic food has increased 125% since 2015, reaching 80.5 billion RMB in 2020³

As people pay more and more attention to health in China, the consumption of organic vegetables, organic meat, and organic baby food is increasing¹



The increased awareness of benefits from exercise and healthier eating has shifted the demand for healthy food and supplements, providing more opportunities for food and beverage companies²

References

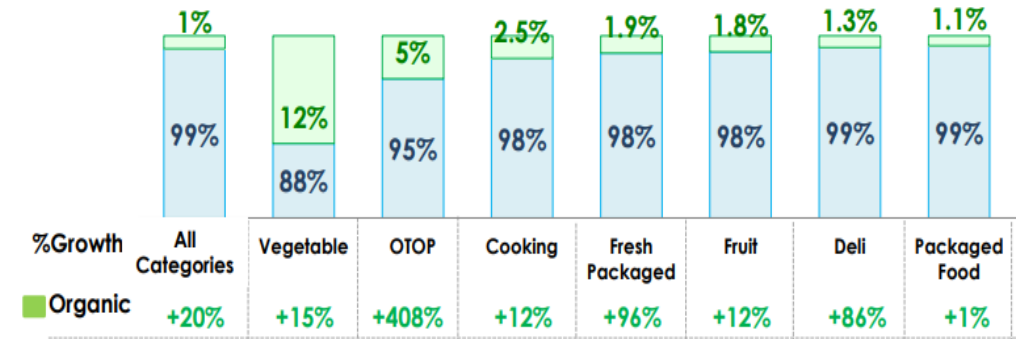
¹<https://www.freshplaza.com/europe/article/9461424/the-sales-of-organic>

²<https://www.renub.com>

³<https://www.business-sweden.com/insights/articles>

Key Trend 3: Organic Food

TOP ORGANIC CATEGORIES BY SALES CONTRIBUTION³



The FIBL & IFOAM report states that **Thailand** has the second-highest number of certified organic producers in the region, with **2,100 producers**, behind only India.²



Consumers are more environmentally sensitive and inclined toward healthy living. Organic food meets customer demand as they have beneficial nutrition and safe from GMOs and pesticides¹



PRODUCT SAFETY & HEALTHINES MAKE ORGANIC PRODUCTS MORE APPEALING TO THAI CONSUMERS³

36%

Associate organic food/drinks with no harmful ingredients

42%

Purchase organic products because they want to switch to healthier alternatives

60%

Agree that it's worth paying more for organic food and drinks

References

¹<https://www.dropee.com/>
²<https://www.organicityeu.com/organic-food>
³<https://agora.mfa.gr/>

Key Trend 3: Organic Food


MEWAH®



Mewah Organic Himalayan Pink Salt 650g

- Mewah Organic Himalayan Pink Salt is pure, hand-mined salt found deep inside the pristine Himalayan Mountains.
- The high mineral content of Himalayan salt crystals contributes to their beautiful pink colour. Contain various benefits such as: Antiaging, aids metabolism, improves digestion, detoxifies the body, promotes skin beauty, improves sleep quality, balance your body's PH, promotes healthy bones, helps lower blood pressure and improves respiratory diseases.
- Product of Australia
- **Ingredients:** Himalayan salt crystals

Key Trend 3: Organic Food

Organic Thai Style Salad With Chicken

- This salad features organic chicken roasted in a marinade of garlic, ginger, cilantro and jalapeño alongside colorful vegetables. Crunchy edamame garnishes the top and our peanut dressing gives it a creamy tang.
- Product of Thailand
- **Ingredients:** Organic chicken, organic salt, organic tomatoes, organic garlic, organic ginger, organic, cilantro, organic salad, organic jalapeno, organic edamame.



Key Trend 3: Organic Food



Natierra, Organic Freeze-Dried, Mangos, 1.5 oz (43 g)

- This wholesome snack starts with USDA certified organic mangos. These mangos are sliced and freeze-dried, which removes most of their water and adds a crunch that makes them absolutely irresistible. Throughout the process they retain nearly all of the vitamins and fiber present in the fresh fruit.
- Eat them from the bag or add to trail mixes and cereal. Freeze-dried fruit can also be blended to create a powder that will add natural flavor, color or an elegant topping to baked treats.
- Product of Lithuania
- **Ingredients:** Organic mangoes

Key Trend 4: Cognitive Health



Foods that are good for your brain can help keep this crucial organ healthy and can improve the ability to do specific mental tasks, such as memory and concentration.

In this topic, the trends will be covered for:



Malaysia



China

Key Trend 4: Cognitive Health



5 FOODS LINKED TO BETTER BRAINPOWER

GREEN VEGGIES



1. Leafy greens such as kale, spinach, collards, and broccoli are rich in brain-healthy nutrients like vitamin K, lutein, folate, and beta carotene. Research suggests these plant-based foods may help slow cognitive decline.

FATTY FISH



2. Fatty fish are abundant sources of omega-3 fatty acids, healthy unsaturated fats that have been linked to lower blood levels of beta-amyloid — the protein that forms damaging clumps in the brains of people with Alzheimer's disease.

BERRIES



3. Flavonoids, the natural plant pigments that give berries their brilliant hues, also help improve memory, research shows.

TEA + COFFEE



4. Coffee and tea might offer more than just a short-term concentration boost. In a recent study, participants with higher caffeine consumption scored better on tests of mental function.

WALNUTS



5. Nuts are excellent sources of protein and healthy fats, and walnuts in particular might also improve memory, according to a study.

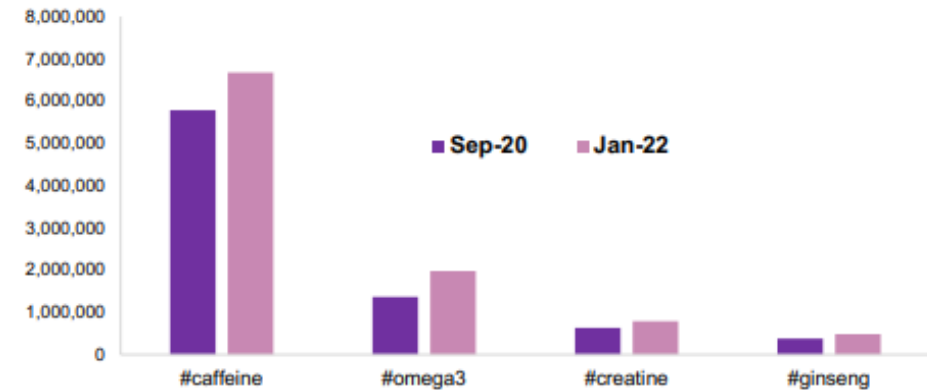
Created by:

www.health.harvard.edu



According to one research, 200 milligrams of caffeine can boost your capacity to recognise phrases and words faster than you could without coffee¹

Growth of Instagram hashtags for ingredients with more than 200k posts



Source: Instagram

Coffee consumption in Malaysia has risen due to urbanisation and busy lifestyles. coffee drinking has been deep-seated in Malaysian culture¹

Key Trend 4: Cognitive Health

According to Mintel research, more than 2/5 Chinese Mintropolitans (China's emerging, affluent middle class) report experiencing high levels of stress at work¹



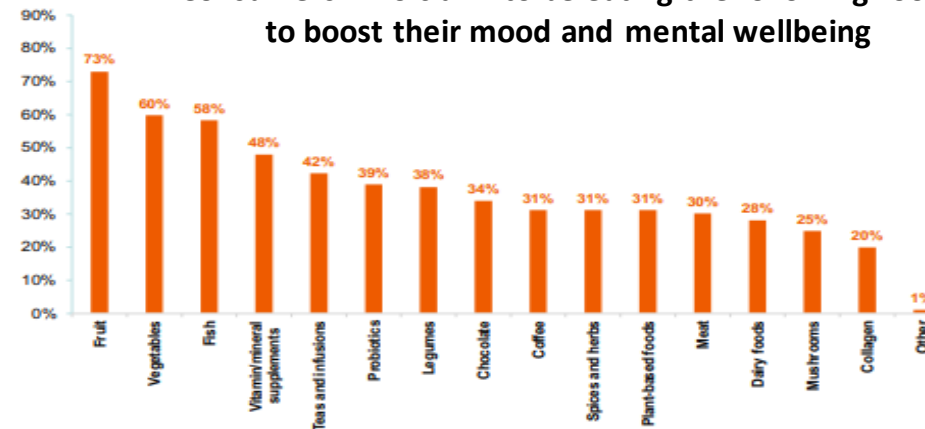
This is resulting in a lack of focus and attention; over a fifth of Chinese consumers say they suffer from a weak memory¹

Did you know that your diet has a big impact on your mood, concentration and even level of happiness?²

- ✓ What you eat not only effects your physical health, but studies show just how much diet impacts your mood and mental well-being.
- ✓ A varied, healthy diet improves your memory, concentration and can even increase the level of optimism and prevent depression



Consumers who claim to be eating the following foods to boost their mood and mental wellbeing



Source: NNB 5-country survey 2022



References

¹<https://www.mintel.com/food-and-drink>

²<https://www.betterhealth.vic.gov.au/>

Key Trend 4: Cognitive Health



Three Squirrels Herbal Flavour Walnuts 180g

- Walnuts are known to be great for the brain and the digestive system.
- Great snack or addition to cereals and baked goods.
- Product of China
- **Ingredients:** Roasted Walnut

Key Trend 4: Cognitive Health



Signature Market Brain Food Mix (150g)

- Made with a combination of brain boosting ingredients, these Brain Food Mix contains almonds, cacao nibs, pistachio kernels, pumpkin seeds, sunflower seeds, walnuts and a generous helping of natural yellow raisins for a sweet dose of energy.
- Packed with Omega-3 fatty acids, zinc, magnesium, vitamin E and a healthy dose of caffeine (from cacao nibs).
- Product of Malaysia
- **Ingredients:** *Walnut, *Almond, Natural Yellow Raisin, Pistachio Kernel, Cacao Nib, Pumpkin Seed, *Sunflower Seed.

Key Trend 4: Cognitive Health

BRAND'S Memo+ Support Cognitive (120 tablets)

- It is scientifically formulated with ProBeptigen®, a novel ingredient derived from proprietary Essence of Chicken technology. Support brain health and cognitive functions
- Vitamin E can help to reduce oxidative stress on your brain that is caused by the environment, for example, air pollutants and intrinsic free radicals.
- Neurons in your brain and nervous system communicate with each other for day-to-day tasks like memory, learning, actions and behaviour. Calcium (Ca²⁺) ions can help to facilitate and balance neurotransmission
- Product of Malaysia
- **Ingredients:** ProBeptigen (Hydrolyzed Chicken Extract), Calcium, *Vitamin E





To know more about the featured ingredients in this market trends report as well as how you can create better food products for your consumers, contact our Food & Beverage Intelligence (FBI) team.

Email: info@dpointernational.com

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