

Majority of Malaysian consumers want healthy foods but cost is a deterrence

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According to a new report by Food Industry Asia (FIA) and research firm IGD, almost all Malaysians (99 per cent) are interested in maintaining a healthy diet and are actively trying to improve their consumption habits, however a significant majority (71 per cent) identified cost as a key barrier to achieving a healthy diet. The first of its kind in Malaysia, the report entitled 'Healthier Product Reformulation in Malaysia' surveyed both consumers and food and beverage (F&B) businesses to better understand behavioural trends and perceptions of solutions geared towards delivering improved nutrition such as reformulation and product labelling.



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While Malaysia's ongoing double burden of malnutrition has led to increased government initiatives to promote better nutrition, the report revealed that reformulation can also support consumers' desire to adopt a balanced and healthy diet.

Matthew Kovac, Executive Director, FIA, said, "Over the past few years, F&B companies in Malaysia have taken great strides in their reformulation journey as they actively seek out ways to improve the nutrition of their products for the benefit of consumers. Nutrition is one of the key drivers of product choice among Malaysian consumers and our study revealed that 88 per cent of companies have already embarked on reformulating their products to meet this demand, while 12 per cent are planning to get started."

Healthier product reformulation is already widely accepted among Malaysian consumers. Over three-quarters (76 per cent) of respondents agreed that F&B companies should tweak their recipes to make products healthier as long as the taste remains the same or better. At the same time, Malaysians are not entirely satisfied with the options available, with only three per cent believing F&B companies offer sufficient healthy food options with no further changes needed from the industry.

“A vast majority of companies recognise the industry has a role to play in driving consumer choices by providing healthier products. However, to accelerate the industry's progress, more can also be done in conjunction with the government. 88 per cent of companies indicated that greater financial incentive would help to encourage research and development (R&D) activities for new product development and reformulation. This reinforces the need for multi-stakeholder collaborations and dialogues to assess the effectiveness of current strategies,” Mr Kovac added.

Susan Barratt, Chief Executive, IGD, said, “At IGD, we work closely with the F&B industry to help them meet the needs of the public through our research and best practice. The results of our recent joint study with FIA highlight the importance of health to consumers and the industry in Malaysia. Although a majority of consumers are keen to adopt a healthy diet and take responsibility for their consumption habits, they also want companies to play a part through their reformulation efforts.

“We believe there is a substantial opportunity to enhance healthier product development and address key challenges facing the industry. The research provides insights into how the industry and government can work together to achieve this, and I look forward to seeing how the landscape transforms in the future.”

The report also found that:

- **There is strong commercial incentive for F&B companies to reformulate products** 76 per cent of surveyed companies identified meeting consumer demand as the main motivator for reformulation and the same percentage felt the need to respond to government/pressure groups.
- **The industry's reformulation priorities have shifted:** F&B companies have become more focused on sugar and salt reduction as well as increasing dietary fibre when reformulating products. The industry's efforts are now also geared towards fortifying products with vitamins and minerals to address the shortfall in consumer diets.
- **Consumer acceptability was identified as the top reformulation challenge** While the challenges for different nutrients vary, taste and consumer acceptability emerged as the top concerns for businesses in sugar and salt reduction efforts. Budget and the lack of technical knowledge were also identified as key challenges for businesses.