

Covid-19

EFFECTS ON FOOD PREFERENCES IN SINGAPORE AND MALAYSIA



Commissioned By:



Content



Key Takeaways



Introduction, Methodology and Sources



Key Drivers and Motivations



Growing and Declining Product Categories



Notable Patterns in Consumption and Demand of Food

Key Takeaways

Drivers and Motivations Affecting Consumer Behavior



Singapore

- During January to March 2020, consumers chose **Health over Taste**, with **an exploration of vegetarian recipes at home for health**
- Consumers turned to **vitamin supplements and protein rich food** to build immunity and strength against the virus
- **“Distribution” a major consumer need with contactless delivery of food** and grocery is an upcoming trend
- While **unavailability was an issue on both online and offline channels, online was plagued by delay in delivery too**
- Consumers looked for food items with **hygienic, easy to store and prolonged packaging**
- **Individually wrapped bakery items to limit contact** exhibited a rise
- Good **quality food that is safe-to-consume** attained center point in consumer purchase decisions for food

Key Takeaways

Drivers and Motivations Affecting Consumer Behavior



Malaysia

- As the number of Covid-19 cases continued to rise in Malaysia, consumers turned to **delicious and sweet tasting food for comfort and indulgence**
- Interest in Health surged in February 2020, with **focus on vitamins to boost immunity**
- As the MCO (movement control order) badgered the economy, consumers became **more cautious about the price of the food they chose**
- The **pandemic led to consumers exploring the online channels of retail** which **previously remained untapped in the country**
- Consumers became **wary of staying safe from coronavirus with their choice of food** as well as preferred **eating within the safe premises of their homes**

Key Takeaways

Impact on Food Categories

Long Shelf Life

- Consumers stocked up their pantries with raw materials to cook and bake healthy meals at home during lockdown - circuit breaker (CB) in Singapore and Movement Control Order (MCO) in Malaysia
- Frozen food declined in both the markets due to preference for fresh over frozen

Immunity Boosting

- Consumers stocked up on Vitamin supplements to boost immunity
- Traditional ingredients like lemon, ginger and garlic also exhibited a surge in demand driven by need for a strong immunity

Snacking and Comfort Food

- Munching on cookies, chips and indulgent foods like cake increased in both SG and MY amid the stressful times
- Baking at home as an escape from anxiety and stress due to the pandemic trended in SG

Protein

- Seafood in SG, popularly consumed in restaurants/hawker centers, declined due to consumer preference to stay home instead of dining out
- Beef in Malaysia was hit by disruption in supply from India
- “Quorn”, a popular plant-based protein brand, gained consumer interest in SG

Beverages and Food Popular for Outside-Consumption

- Food delivery and consumers recreating their favorite café foods at home boosted pizza and burgers
- Milk tea and fruit tea registered a decline due to closing of stand-alone beverage shops during circuit-breaker in SG

Key Takeaways

Notable Patterns in Consumption and Demand of Food

Interest in Plant-based Meat in SG



- Growing interest in plant-based meat in Singapore primarily due to supply disruptions in animal-based protein options
- Consumers exploring vegetarianism with the “health lens”

Preference for At-home Consumption



- Consumers in both SG and MY preferred cooking at home due to closure of dine-out places as well as safety concerns about dining out when the CB and MCO measures peaked

Local vs International



- As the pandemic grew and circuit-breaker measures were implemented, discussion around Singapore being self-reliant for food and groceries re-ignited

About Ai Palette

A trend-spotting platform powered by a comprehensive prediction engine and cognitive AI



The company helps **increase the success rate of F&B product innovations** with the use of predictive analytics, Natural Language Processing (NLP) and computer vision to capture trends in **real-time** from a diverse set of market relevant sources.

Using the Power of AI, brands can predict and identify flavor trends as they emerge locally.

The **algorithm is language agnostic** and so far has been trained to monitor and evaluate trends in **eight Asian languages, including English**.

Ai Palette Methodology

01

Identify

Identify **relevant local public data sources** and **sources of organic conversations online**, including social media and search engines. This data helps analyze **near real time trends** despite circuit breaker and social distancing measures

02

Collect

Collect the **millions of data points** from the data sources, structure & clean the big data

03

Analyze

Apply **Language Agnostic** proprietary **AI algorithm** to uncover consumer needs and **changing consumer preferences** amid COVID-19

04

Output

Identify **change in patterns and consumption of food items and beverages** in **Singapore & Malaysia**

Data Sources

Data Point

Likes, Comments, Shares on **Social media** and **Search queries** - measure of **popularity and resonance**



Data Points

Singapore: 4.6 mill+
Malaysia: 17.4 mill+



Time Period

January 2019 to
April 2020

Data Sources

Local publicly available data sources in Singapore and Malaysia

Social Media



Search Engine



Key Drivers and Motivations



Key Drivers and Motivations

Consumption Drivers based on Consumer Discussion January 2020 - April 2020



SINGAPORE



#1 Health

- Health (22.73%)
- Distribution (22.41%)
- Taste (19.05%)
- Packaging (13.95%)
- Safety (7.46%)
- Price (5.50%)



MALAYSIA



#1 Taste

- Taste (28.73%)
- Health (19.98%)
- Price (15.93%)
- Distribution (12.01%)
- Safety (5.82%)
- Packaging (5.50%)

SINGAPORE



Singapore

Consumers focused on **holistic health** such as staying fit with **exercise** and **protein** to cope with the lockdown

#1 Consumption Driver

22.73% Consumer Expressions mention Health



1.17%

Body

0.83%

Exercise

0.83%

Virus

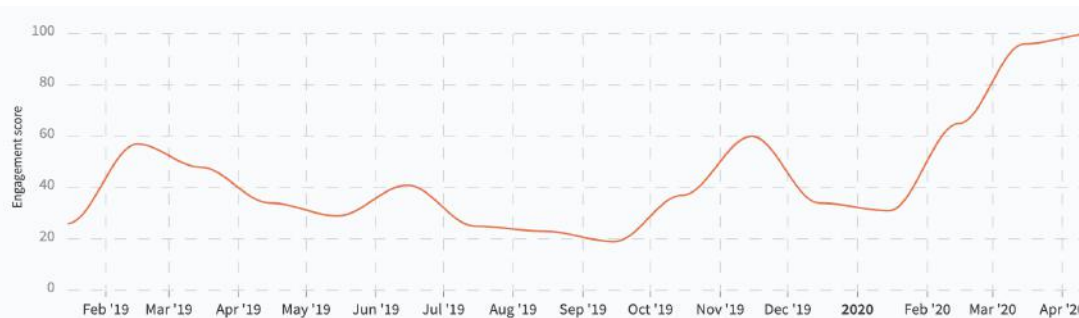
0.74%

Protein

Health



1.04 Mn
Consumer Data
Points



Nearly +110% increase in Feb'20 as compared to the previous month

Trend over 1 Jan 2019 – 30 April 2020

Base: 4.6 Mn consumer data points

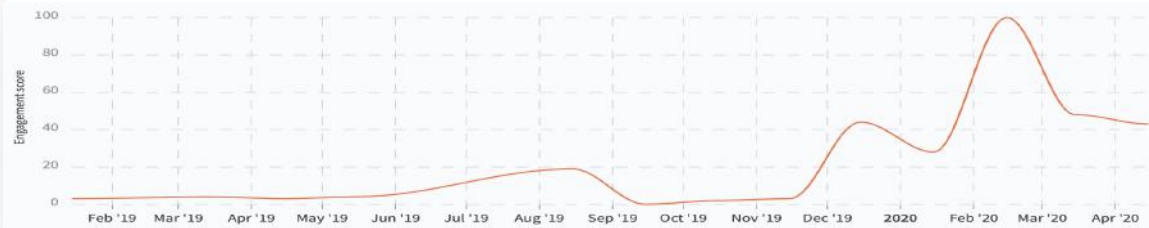
Interest in Immunity and Nutrition is gradually returning to normal, however, there is a continued interest in Vitamin C

Trend over 1 Jan 2019 – 30 April 2020

Immunity

13.85 k

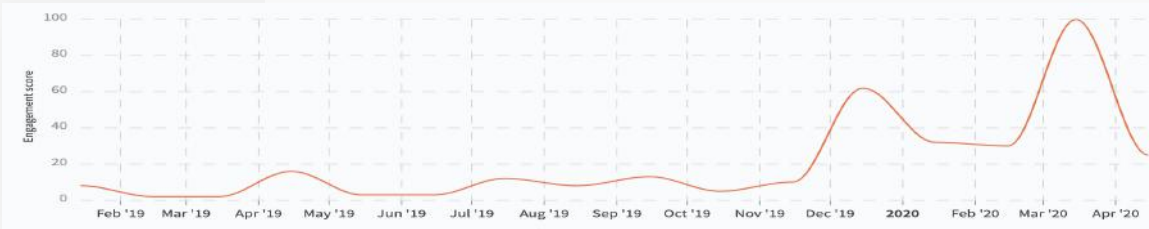
Consumer Data
Points



Nutrition

17.54 k

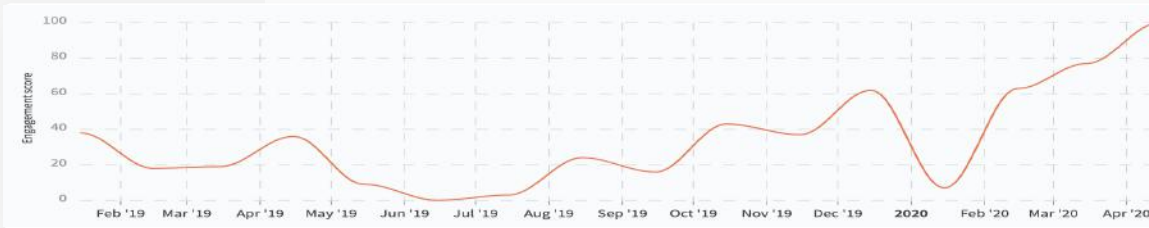
Consumer Data
Points



Vitamin C

12.00 k

Consumer Data
Points



Distribution a top-of-mind driver in Singapore as compared to other markets in ASEAN

SG is the only country* with Distribution among the top 2 consumer needs

#2 Consumption Driver

22.41% Consumer Expressions mention Distribution **positively**

19.95% Consumer Expressions mention Distribution **negatively**

Distribution



1.03 Mn

Consumer Data Points (as a driver)



212% increase in Apr'20 over Mar'20

Trend over 1 Jan 2019 – 30 April 2020

Contactless delivery of food and grocery an upcoming driver in SG for online channels. While **online** was plagued by **delays in delivery, unavailability** of food items was a problem faced with all channels of retail

Channel Preference

Brick and Mortar

0.47%

Stores

0.38%

Supermarket

Online

3.24%

Online

0.16%

Contactless

Distribution Concerns

Delivery Concerns

3.86%

Delay

Availability Concerns

9.01%

Out of Stock

3.86%

Unavailable

Trend over 1 January 2019 to 30 April 2020

Supermarket



Online




Base: 4.6 Mn consumer data points

Consumers shifted their attention away from **Taste** to **Health** as the first case of Covid-19 got reported in late Jan'2020

#3 Consumption Driver

19.04% Consumer Expressions mention Taste

	4.07%	3.66%	1.89%	1.68%
Delicious	Sweet	Spicy	Salt	

Taste



878.88 k
Consumer Data
Points



Consumer interest in Taste in Jan-Feb'20 lower than Jan-Feb'19


Trend over 1 Jan 2019 – 30 April 2020

Consumer interest in Packaging maintaining a steady peak.

Hygiene and size of packaging are important

#4 Consumption Driver

13.94% Consumer Expressions mention Packaging

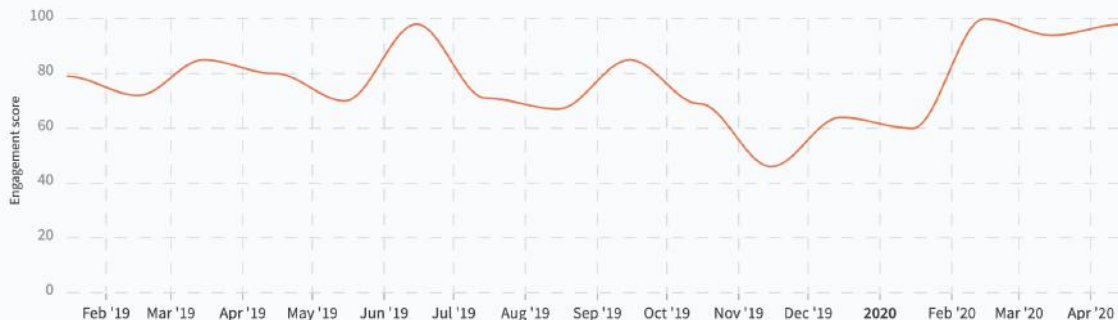
	1.48%	1.09%	0.63%	0.01%
Box	Size	Bottle	Individually wrapped	

Packaging



643.47 k

Consumer Data Points



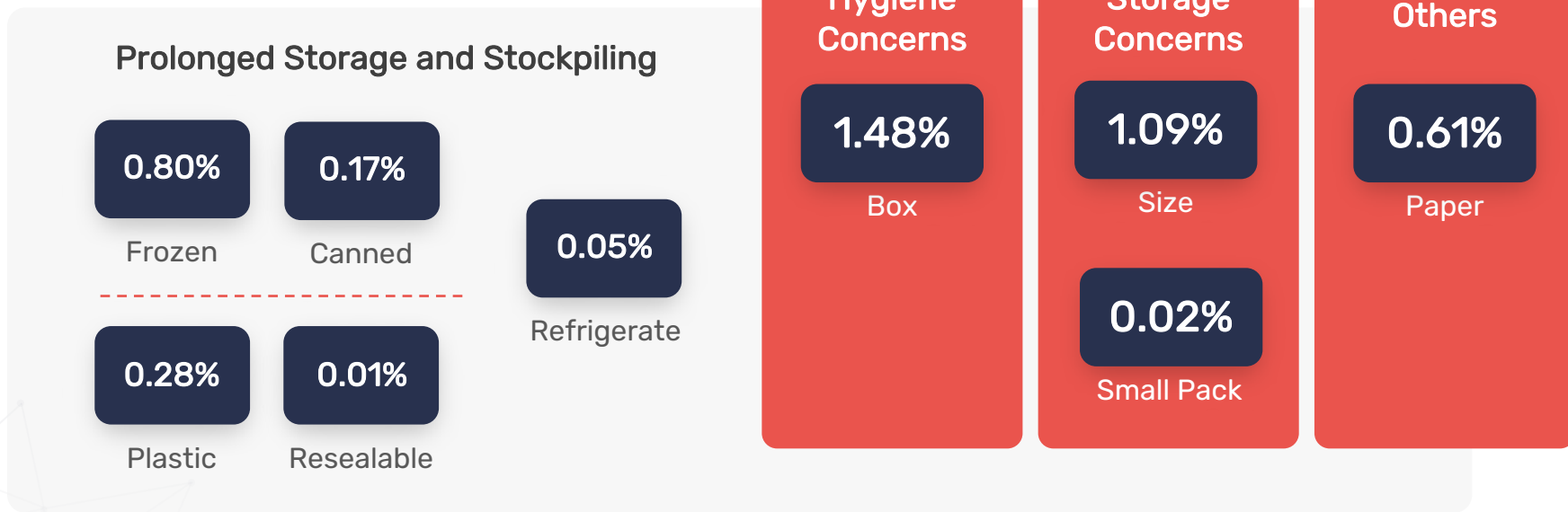
+66% in February 2020 vs January 2020 when pandemic hit

Trend over 1 Jan 2019 – 30 April 2020

Base: 4.6 Mn consumer data points

Pack size mattered as consumers preferred **small packs** that occupy less storage space; **Easy and prolonged storage** also essential

Topics around Packaging



Consumers became more wary of the **quality of outside food and it being safe to consume** as the spread of the virus increased

Safety



344.35 k
Consumer Data Points



+150% in Apr'20 vs Mar'20

Trend over 1 Jan 2019 – 30 April 2020

#5

Consumption Driver

7.46%

Consumer Expressions mention Safety



5.93%

Safe

1.53%

Quality


MALAYSIA



Consumers turned to **delicious and sweet food for comfort**, as the effect of Covid-19 cases continued to increase

#1 Consumption Driver

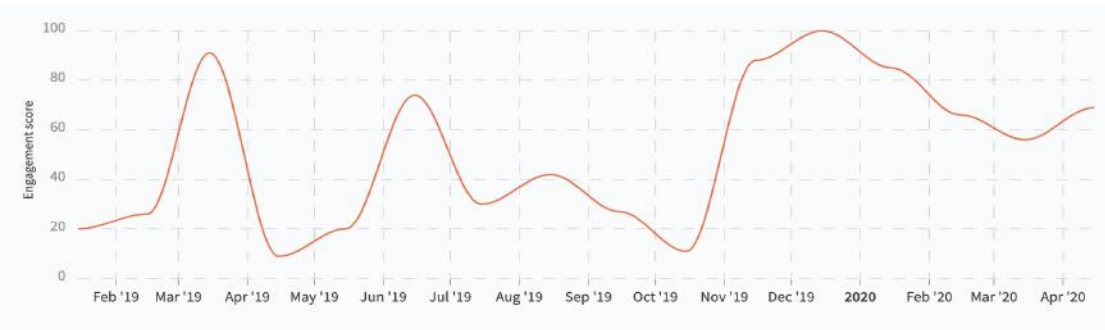
28.73% Consumer Expressions mention Taste

 **12.43%** Delicious **4.37%** Sweet **3.20%** Spicy **1.79%** Salt

Taste



4.99 Mn
Consumer Data Points



Consumer interest in Taste rising in Apr'20, after decline during Jan-Mar'20

Trend over 1 Jan 2019 – 30 April 2020

Base: 17.4 Mn consumer data points

While **vitamin rich** food gained consumer interest for immunity, **diet** food also surged due to sedentary lifestyle with restricted movement

#2 Consumption Driver

19.98% Consumer Expressions mention Health

1.72% Vitamin

1.43% Diet

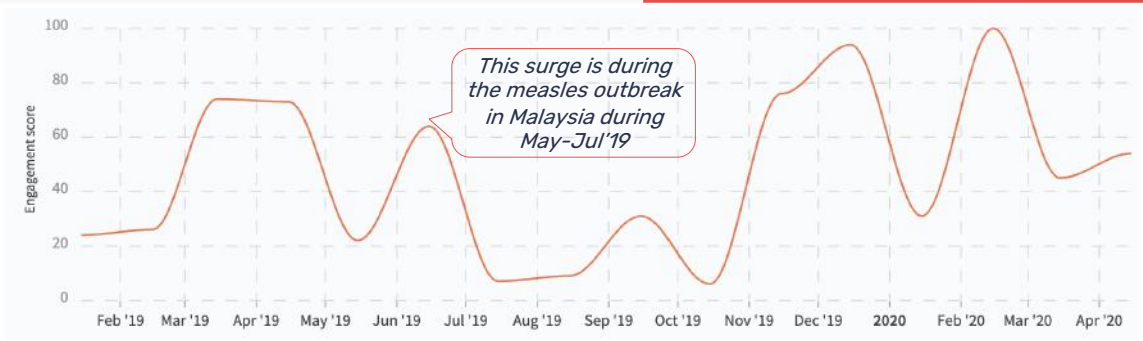
1.41% Liver

0.60% Vitamin C

Health



3.48 Mn
Consumer Data Points



+222% in February 2020 over the previous month

Trend over 1 Jan 2019 – 30 April 2020

Base: 17.4 Mn consumer data points

Immunity surged only in April 2020 when the pandemic peaked; it is closely associated with consumption of Vitamin supplements, especially vitamin C

Trend over 1 Jan 2019 – 30 April 2020

Immunity

12.18 k

Consumer Data Points

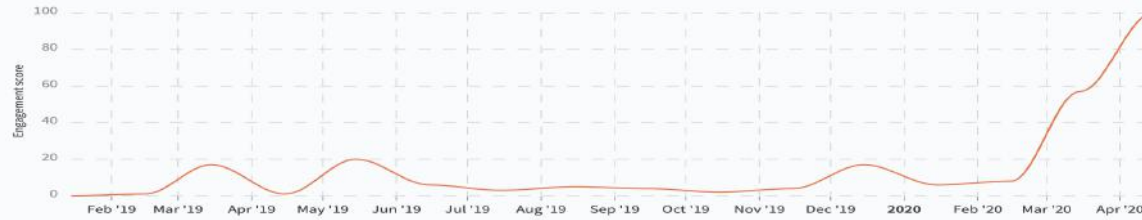
Immunity not much in discussion in online consumer conversations w.r.t to food prior to June 2019



Vitamin

299.2 k

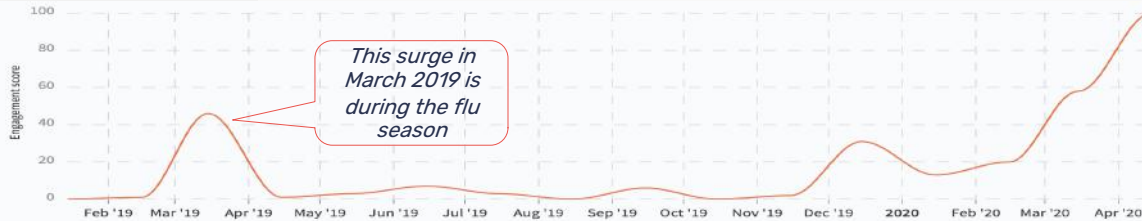
Consumer Data Points



Vitamin C

104.4 k


Consumer Data Points



As the MCO (movement control order) badgered the economy, consumers became more cautious about the price of the food they chose

#3
Consumption Driver

15.93%
Consumer Expressions mention Price



5.03%

Priced

2.08%

Premium

0.19%

Discount

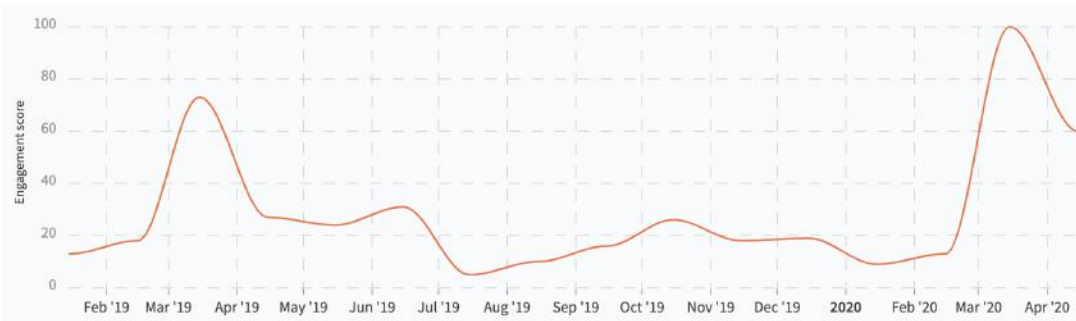
0.17%

Affordabl

Price



2.77 Mn
Consumer Data
Points



*+669% in
March 2020 vs
February 2020*

Trend over 1 Jan 2019 – 30 April 2020

Positive sentiment for distribution driven by availability of food both online and offline

Distribution



2.09 Mn

Consumer Data Points (as a driver)



All time high consumer interest in Distribution in March 2020

#3 Consumption Driver

12.01% Consumer Expressions mention Distribution **positively**

6.79% Consumer Expressions mention Distribution **negatively**

Trend over 1 Jan 2019 – 30 April 2020

The pandemic led to consumers exploring the online channels of retail which previously remained untapped in the country

Channel Preference

Brick and Mortar

3.99%

Stores

0.07%

Grocery Store

0.01%

Supermarket

Online

2.73%

Online

Distribution Concerns

Delivery Concerns

2.55%

Delay

Availability Concerns

3.88%

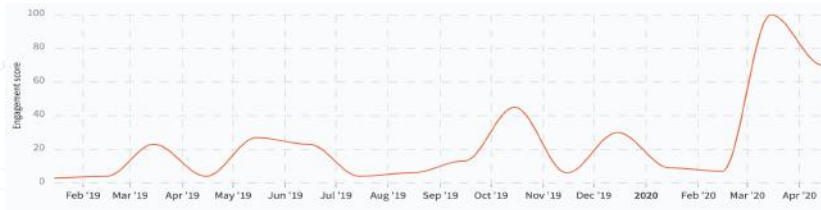
Out of Stock

0.36%

Unavailable

Trend over 1 January 2019 to 30 April 2020

Supermarket



Online



Base: 17.4 Mn consumer data points

Consumers became wary of staying safe from coronavirus with their choice of food and chose to eat at home for safety

#5 Consumption Driver

5.82% Consumer Expressions mention Safety

5.67% Safe

0.15% Quality

Safety



1.01 Mn
Consumer Data
Points



All time high in Mar'20, with a high (62%) consumer engagement in Apr'20

Trend over 1 Jan 2019 – 30 April 2020

Base: 17.4 Mn consumer data points

Growing and Declining Product Categories

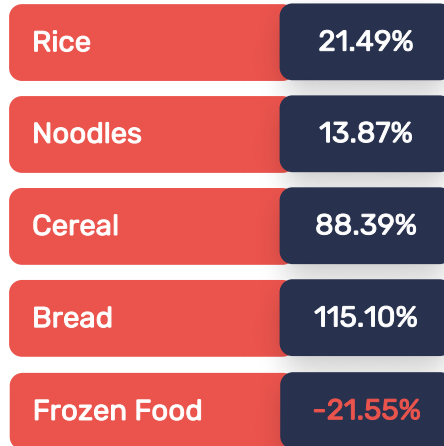


Product Category: Long Shelf Life/Dry and Frozen Food

Consumers stocked up their pantries with raw materials to cook and bake healthy meals at home during lockdown

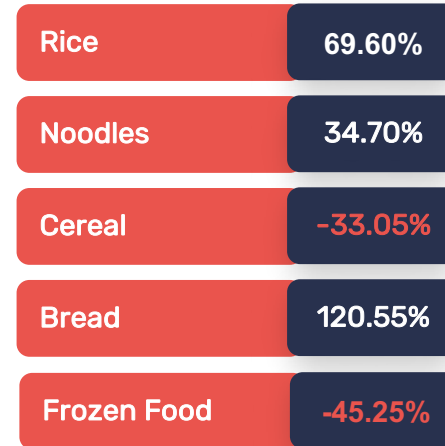
Growth/Decline in Jan-Apr 2020 vs Jan-Apr 2019

Singapore



Base: 4.6 Mn consumer data points

Malaysia

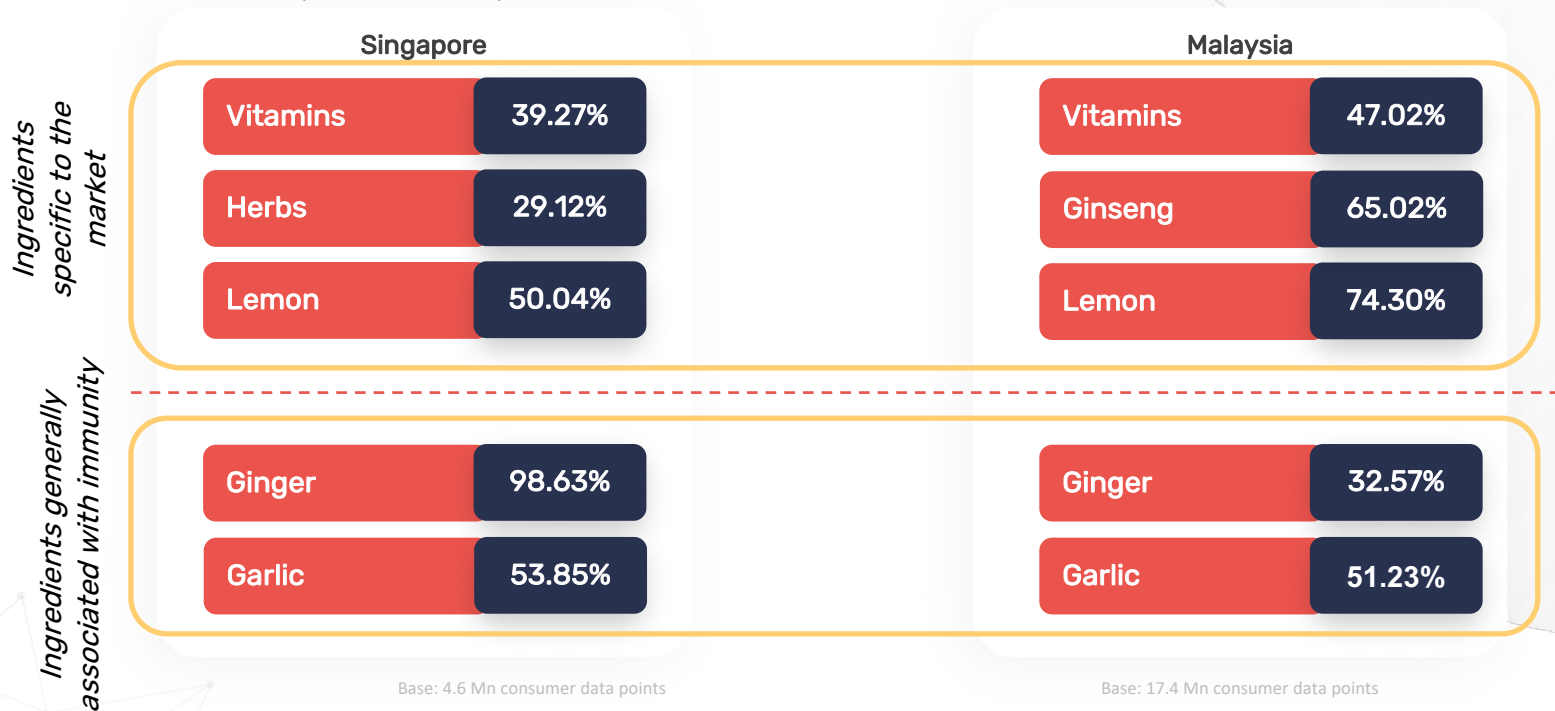


Base: 17.4 Mn consumer data points

Product Category: Immunity Boosting Foods

Both SG and MY stocked up on vitamin supplements to boost immunity. **Natural ingredients like lemon, ginger and garlic also gained consumer interest**

Growth/Decline in Jan-Apr 2020 vs Jan-Apr 2019

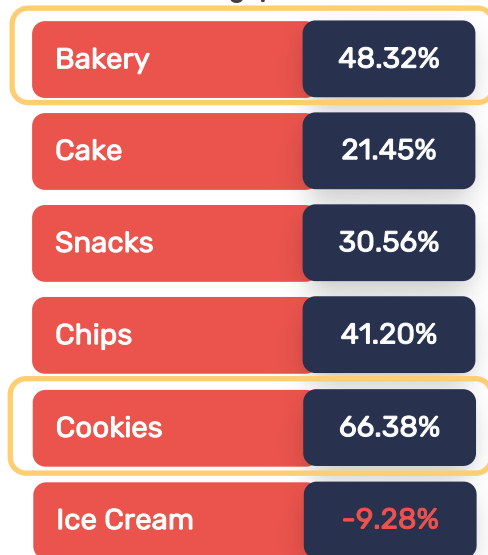


Product Category: Snacking and Comfort Food

Indulgence in baking at home and munching on cookies and chips amidst the stressful times

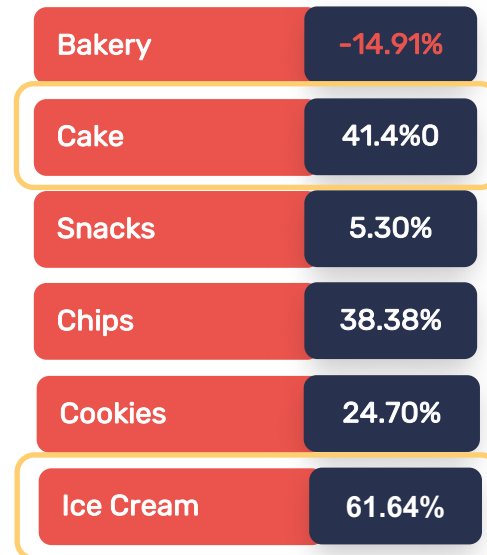
Growth/Decline in Jan-Apr 2020 vs Jan-Apr 2019

Singapore



Base: 4.6 Mn consumer data points

Malaysia

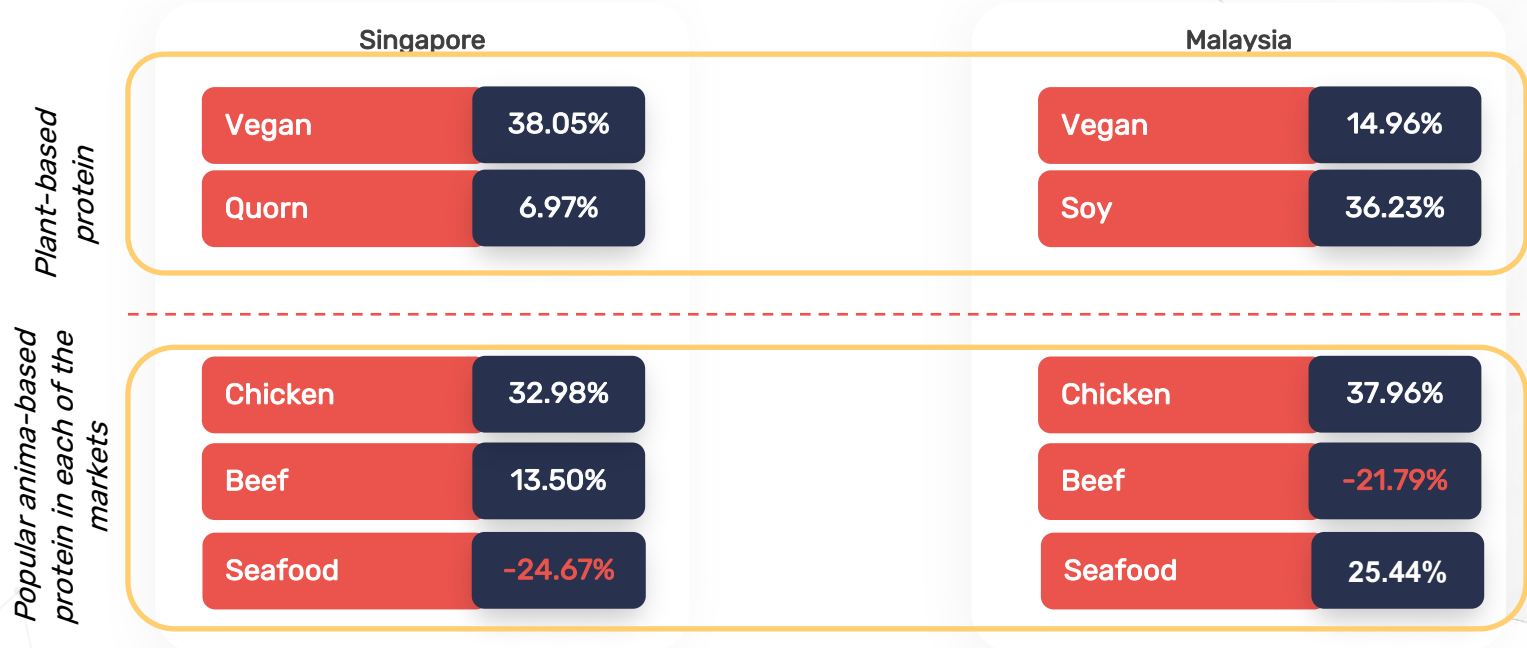


Base: 17.4 Mn consumer data points

Product Category: Protein (Animal and Plant-based)

Seafood in SG suffered due to consumer preference to stay at home instead of dining at hawker centers; Beef in MY was hit by disruption in supply; **“Quorn”, a plant-based protein brand, gained consumer interest**

Growth/Decline in Jan-Apr 2020 vs Jan-Apr 2019



Base: 4.6 Mn consumer data points

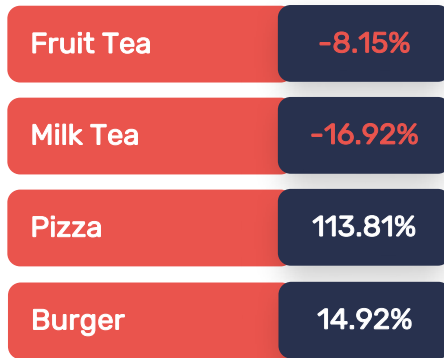
Base: 17.4 Mn consumer data points

Product Category: Beverages and Foods Popular in Outside-Home Consumption

Home delivery of food and consumers recreating their favorite café foods at home boosted pizza and burgers; Milk tea and fruit tea registered a decline due to closing of stand-alone beverage shops during circuit-breaker in SG

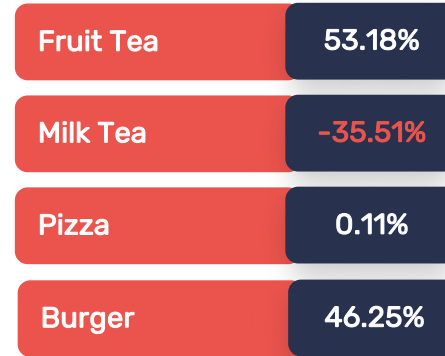
Growth/Decline in Jan-Apr 2020 vs Jan-Apr 2019

Singapore



Base: 4.6 Mn consumer data points

Malaysia



- Fruit tea in Malaysia surged due to consumers preparing it at home and also due to home-delivery of refreshing beverages for *iftar* during the month of Ramadan

Base: 17.4 Mn consumer data points

Notable Patterns in Consumption and Demand of Food



Plant-based Protein

Steady growth in plant-based meat in Singapore



Plant-based products from Quorn and other meatless alternatives grew at a faster rate as compared to last year, amid food supply disruptions, restricted consumer movement to wet markets due to CB, and temporary closing of fast food chains like McDonald's.

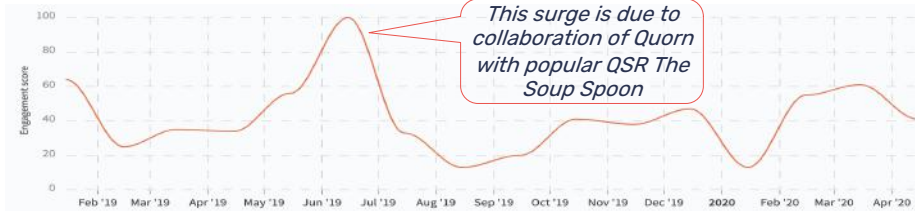
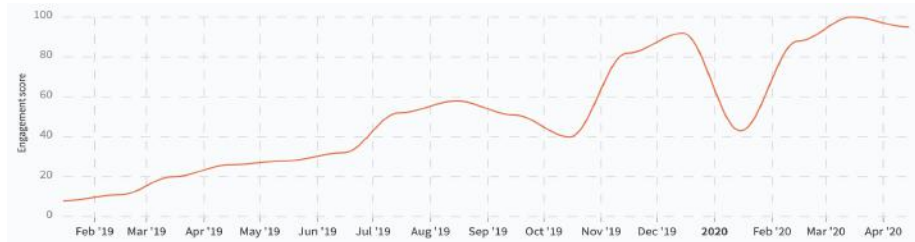
Plant-based

Interest in plant-based at an all time high since February 2020

Quorn

In Jan-Apr'20, interest in Quorn is more as compared to the same period in 2019, and the growth sustained during Feb-Mar'20

Trend over 1 Jan 2019 – 30 April 2020



Plant-based Protein

Singaporean consumers traversed **vegan and vegetarian recipes at-home** with an interest in “healthier” food

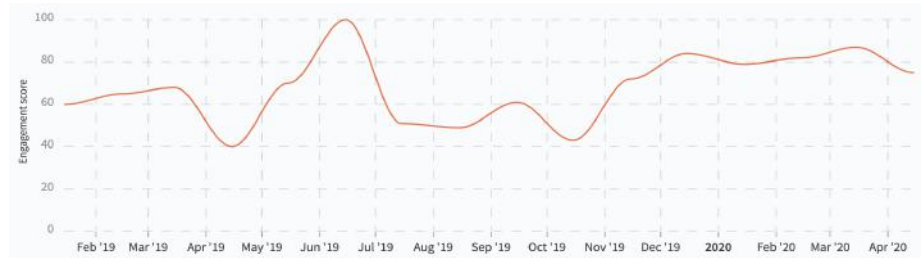
Trend over 1 Jan 2019 – 30 April 2020



As the pandemic grew in Singapore, consumers tried vegetarian and vegan recipes at home with an aim to improve health and consume healthy meals while staying home

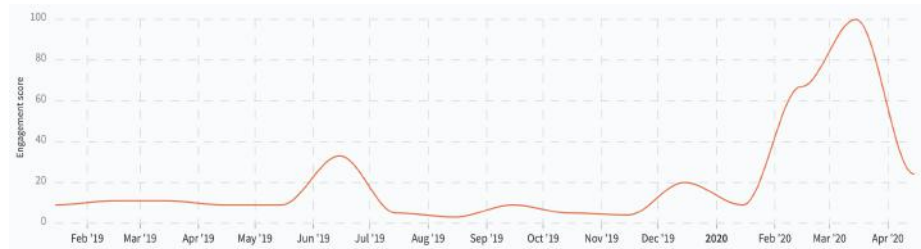
Vegan

Vegan food surged in Jan'20 and has remained high this year



Vegetarian

Singaporeans tried their hand at easy vegetarian and vegan recipes at home during the pandemic period mainly to create healthy meals



Local vs International

As the pandemic grew and circuit breaker measures were implemented, discussion around **SG being self-reliant with locally produced food** re-ignited



Singapore:
SOURCING

169.41k

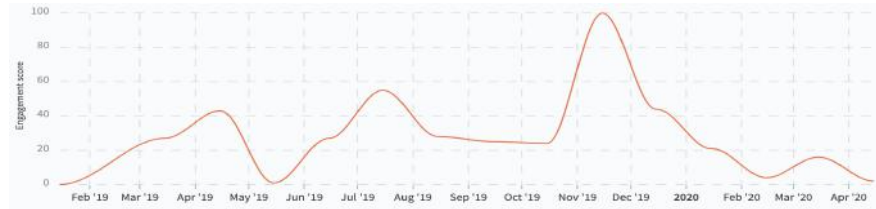
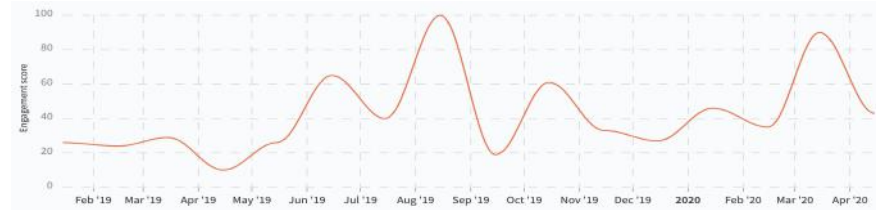
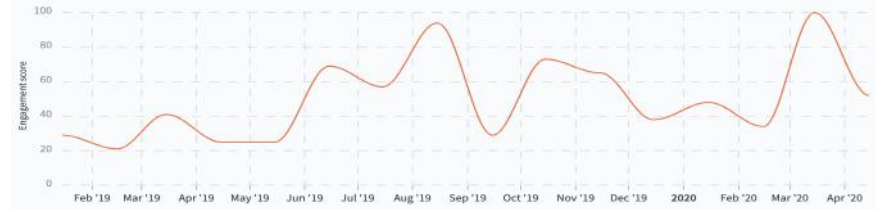
Consumer Data
Points

Sourcing a rising consumer concern, **with reliance on Local (3.09%)** rising over International (0.41%) and Imported food (0.17%)

Preference for **local food** surged in March 2020, coinciding with implementation of Malaysia MCO

Consumer interest in **imported food** declined as compared to 2019 due to panic created with Malaysia going under MCO

Product Attribute: SOURCING (Trend over 1 Jan 2019 – 30 April 2020)



Local vs International

With MY being put under MCO in March 2020, reliance on local foods surged; Demand for “International” driven by comfort and snacking food



Malaysia:
SOURCING

59.16 k

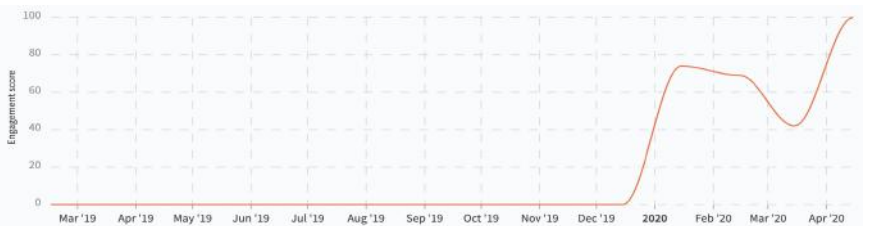
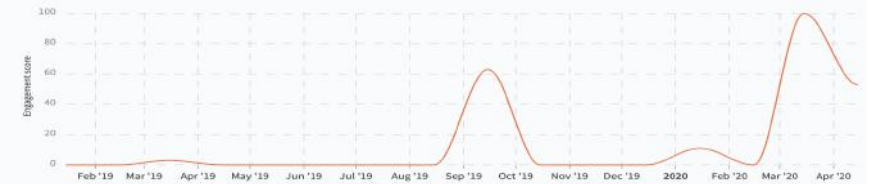
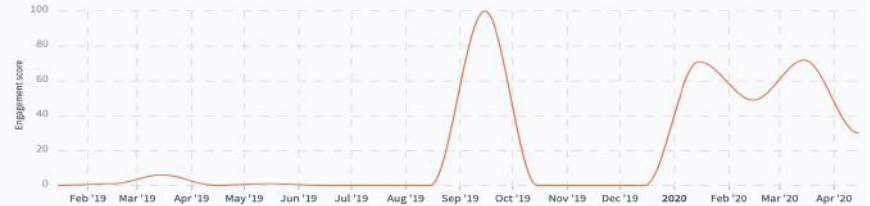
Consumer Data
Points

Sourcing of food exhibited more than usual consumer interest in 2020

Local food spiked in March 2020

Sudden spike in demand for **international food** items since January 2020 driven by demand for snacks and fast foods like burgers and pizza

Product Attribute: SOURCING (Trend over 1 Jan 2019 – 30 April 2020)



Preference for At-home Consumption

Consumers are trying their hand at **home cooking and baking** for comfort and indulgence as well as safety concerns about dining out

Distribution: Home (Trend over 1 Jan 2019 – 30 April 2020)



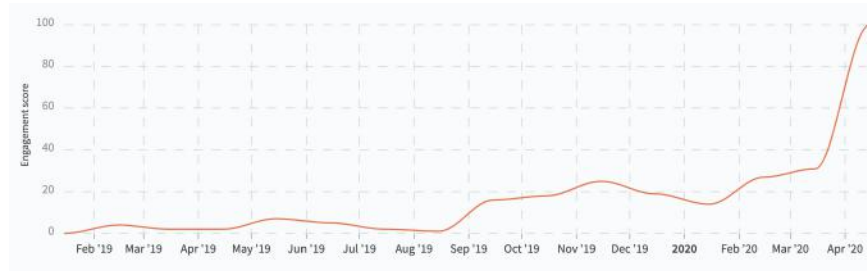
Singaporeans, stocked up on groceries, and preferred cooking/baking at home over dining out during the spread of Covid-19 and circuit breaker measures in place, both for comfort food and safety concerns.

Malaysian consumers exhibited a temporary surge in at-home consumption in March'20 when MCO was implemented

Singapore

829.38 k

Consumer Data Points



Noticeable rise in at-home consumption

Malaysia

382.41 k

Consumer Data Points



Temporary surge in at-home consumption during MCO

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