

MARKET INSIGHT - MALAYSIA

CULTURAL FESTIVALS AND EVENTS
FEATURING FRUIT AS GIFTS OR OFFERINGS

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MALAYSIA MARKET SNAPSHOT

Malaysia is one of the most ethnically diverse countries in Southeast Asia. Islam is the principal religion among ethnic Malays, and the country is also home to large Chinese and Indian communities. Each culture has its own traditions and many foods have a cultural significance. This provides opportunities for Australian fruit exporters, although competition is increasing.

The most prominent festivals celebrated by Malaysians are Chinese New Year and Eid al-Fitri (colloquially Aidilfitri). Chinese New Year falls on the first day of the first lunar month, and Eid occurs after the Muslim fasting month of Ramadan. The date of both festivals changes each year. The Indian Deepavali and Christian Christmas festivals are also widely celebrated.

Chinese cultural celebrations

Malaysian Chinese constitute approximately 21 per cent of the total population. The first and the 15th day of each lunar month is culturally significant as a day of prayer, where Chinese people traditionally make offerings to temples or at the family altar. The Qing Ming Festival (Chinese All Souls Day), Vesak Day, the Hungry Ghost Festival and the Mid-Autumn Festival are also observed.

These Chinese festivals provide a significant boost to retailers. Food, fruits and flowers are purchased either as offerings or gifts. Retailers may run promotions, especially for the Mid-Autumn Festival and Chinese New Year, and food and fruit may be packaged into promotional gift hampers.



Significant fruits and meaning

Fruit	Symbolic meaning	What it means for Australian exporters
Dates	Dried dates have special significance in Islamic culture. They are common gifts during Ramadan and Aidilfitri. Dates are often selected as the preferred food with which to break a fast.	Dried and fresh dates are popular both as a food and an ingredient in gift hampers. Currently the market is mainly supplied from the Middle East.
Pomegranates	N/A	Pomegranates are commonly juiced and the seeds are used widely in Middle Eastern cuisine, which is growing in popularity in Malaysia. Purchases of pomegranates rise during Muslim festivals.
Tables grapes	Table grapes are a traditional breakfast foodstuff for Muslims during Ramadan. Grapes are also significant in Chinese culture: they symbolise fertility and abundance.	Australian grapes are well known among Malaysian consumers and new varieties are being sought by importers to expand on their product offerings. The seasonality of Australia-grown grapes (January to April) coincides with Chinese New Year and the Qing Ming Festival (generally January or February).

Citrus fruits (mandarin oranges & oranges)	Citrus fruits symbolise wealth, abundance, good luck and happiness.	The peak supply of Australian citrus occurs between the major Chinese festivals: Qingming (April) and Hungry Ghost Festival (mid-August). Mandarins are used mainly as offerings, and are common gifts during the Chinese New Year (Jan/Feb).
Apples	In Chinese culture, the apple symbolises peace and safety. Red apples symbolise good luck.	Apples are common offerings during Chinese festivals, however competition among suppliers is intense. Marketing and promotional efforts could ensure product differentiation for Australian apples.
Plums, peaches and apricots	Stone fruits symbolise longevity and good luck.	Stone fruits are starting to gain traction during Chinese New Year due to the favourable seasonality.
Cherries	The fruit signifies longevity and beauty in Chinese culture.	The seasonality of Australian cherries makes them ideal for promotional activities during the Chinese New Year period. This puts Australia at a competitive advantage as compared to the US and Canada.

The retail environment

E-commerce has changed retail in Malaysia over recent years. Improvements in last minute-fulfilment logistics and deliveries have helped boost the E-groceries sector. Retailers such as Tesco and Jaya Grocer have developed in-house e-groceries platforms, while the development of the delivery services, HonestBee and HappyFresh, allows other retailers and distributors to tap into e-commerce retailing, and take part in platform promotions.

Increased affluence is leading to more up-scale retailers, especially in the Klang Valley around Kuala Lumpur. Prominent retailers have increased direct, air shipments from Australia to ensure access to fresh, premium products. The emergence of airfreighted foodstuffs has impacted on the sophistication of retailers' product range, and heightened consumer awareness of fruit seasonality and availability during festivals.

Competition

In recent years, the Taste Australia program has been scheduled to align with Chinese New Year. Retailers begin their campaigns in early January, and marketing includes typical festival food stuffs – especially fruits. While the seasonality of Australian mandarins is not ideal, these oranges are the most iconic fruit during Chinese New Year. Currently, China supplies the majority of imports. Sales start in early January and continue until the 15th day of Chinese New Year.

Australia has a close trading relationship with Malaysia complemented by the Malaysia–Australia Free Trade Agreement. Australian fruit suppliers now face growing competition from South Africa, Egypt and countries in South America. Australian produce is held in high regard, but this market advantage is vulnerable to lower pricing and improved marketing among competing suppliers.

Australia's brand advantages are freshness and premium quality. To sustain awareness, promotional activities currently include training for in-store fruit handling and the Taste Australia program.

Exporters interested in the Malaysian market and fruit-marketing activities should contact Austrade KL at: Kong.Cheng@austrade.gov.au