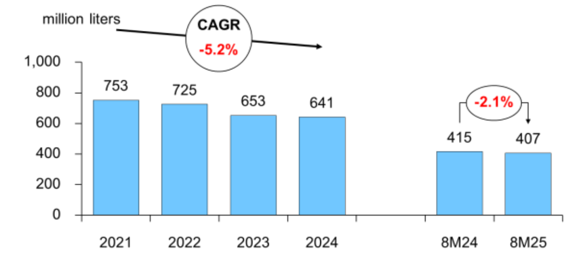
Business Overview

- **The soymilk business in Thailand represents a significant segment of the plant-based milk market. According to data from the National Food Institute, Office of Industrial Economics, soy milk remained the dominant product in 2024, accounting for approximately 93% of the total plant-based milk market value.** This dominance reflects Thai consumers' long-standing familiarity with soy milk, which has been a popular health-oriented beverage choice, particularly among lactose-intolerant individuals and those following vegetarian diets. However, the market faces constraints from high imported raw material costs, coupled with intensifying competition from alternative plant-based milk products such as almond milk, rice milk, oat milk, and ready-to-drink coconut milk. Despite being new to the market, these alternatives have shown rapid growth, expanding their combined market share from 4% in 2020 to 7% in 2024. This growth can be attributed to the global surge in demand for plant-based milk products, which has led to the development of a diverse range of alternative plant-based beverages to meet consumers' desire for greater variety. Consequently, the soymilk market has begun to experience declining growth.

Production and Sales Overview

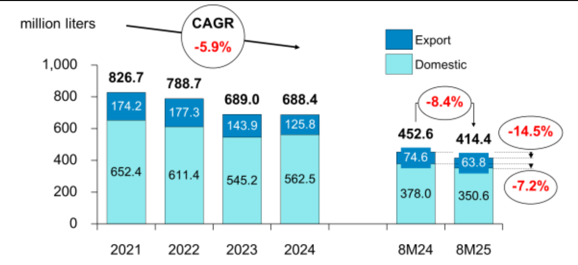
- **During the 2021-2024 period, soymilk production volume contracted at an average rate of approximately 5.2% per year. In the first eight months of 2025, the total production volume was 407 million liters, representing a decline of approximately 2.1%YoY. This aligns with the sales trajectory of Thai soymilk products during 2021-2024, where sales volume contracted at an average rate of approximately 5.9% per year. In the first eight months of 2025, total sales volume reached 414.4 million liters, indicating an approximate decline of 8.4%YoY. This decline can be attributed to contractions in both domestic sales (down 7.2%YoY) and exports (down 14.5%YoY).** The key factor in this decline is the shift in consumer behavior towards alternative plant-based beverages. This is influenced by health consciousness trends and environmental sustainability concerns, which have motivated consumers to diversify their consumption of plant-based products. Despite the ongoing growth in the overall plant-based milk market following the pandemic, soy milk has shown a decelerating trend due to intensifying competition, compounded by imported soybean costs that, while declining, remain elevated, and volatile energy prices. These factors have compelled manufacturers to raise domestic retail prices. Furthermore, the growing preference among working-age consumers for alternative plant-based milk products, such as protein shakes and oat milk, has intensified competitive pressures. Meanwhile, export markets are facing pressure from competing countries with lower cost structures, resulting in continued overall sales contraction.

Figure 1 Soymilk production volume in Thailand



Source: OIE

Figure 2 Thailand's Sweetener Production Volume

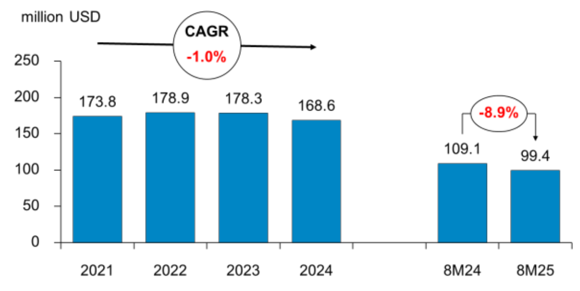


Source: OIE

Export and Import Overview

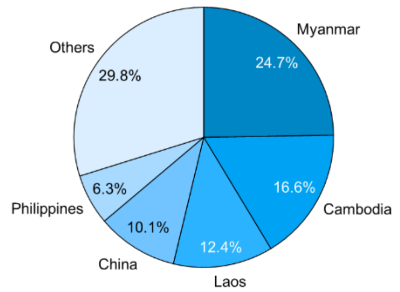
- **Although the soymilk industry primarily focuses on domestic consumption, exports account for approximately 16% of total production volume. During the 2021-2024 period, soymilk export values contracted at an average rate of approximately 1.0% per year. In the first eight months of 2025, the export value totaled USD 99.4 million, marking an 8.9% decrease in comparison with the previous year. Key trading partners include Myanmar (24.7%), Cambodia (16.6%), Laos (12.4%), China (10.1%), and the Philippines (6.3%), respectively.** The primary factor driving export contraction is slower economic growth, particularly in key ASEAN trading partners—Myanmar, Cambodia, and Laos—which are major consumers of soymilk products. This has been exacerbated by intensifying price competition, as major producing countries such as China and Vietnam have accelerated production to substitute imports, causing global market prices to decline. Concurrently, Thai entrepreneurs are encountering heightened raw material costs from soybean imports. Presently, Thailand is obliged to import most of its soybeans from foreign countries. There are three key reasons behind this. Firstly, there are domestic land constraints. Secondly, there are high production costs. Thirdly, demand from the food processing, vegetable oil, and animal feed industries is continuously rising. At present, domestic production of soybeans is not sufficient to meet demand. These factors have eroded the price competitiveness of Thailand's soymilk business, resulting in an overall deceleration in Thai soymilk product exports.

Figure 3 Thailand's Soymilk Export Value



Source: MOC

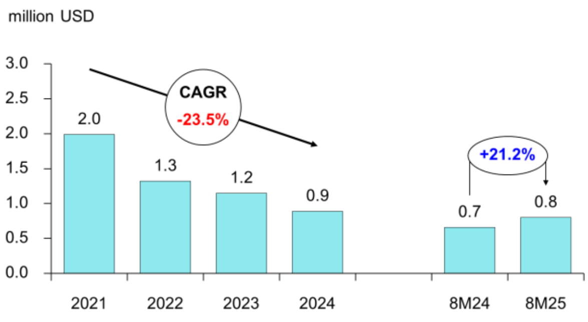
Figure 4 Soymilk Export Market in 8M25



Source: MOC

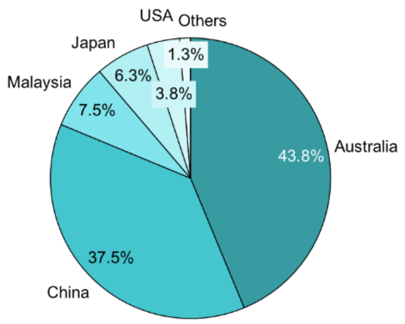
- **According to data provided by the Ministry of Commerce, the value of soymilk imports in Thailand in 2024 accounted for a negligible 0.2% of the total sales value. During the 2021-2024 period, the import value contracted at an average rate of approximately 23.5% per year. However, in the first eight months of 2025, import value reached USD 0.8 million, expanding 21.2%YoY from a low base, driven by growth in imports from China. Key import sources include Australia, accounting for 43.8% of total soymilk product import value, followed by China (37.5%), Malaysia (7.5%), Japan (6.3%), and the United States (1.3%), respectively.** Despite Thailand's capacity to produce soy milk domestically, the country still imports a proportion of the product from Australia and China. The primary reasons for this are the superior quality of raw materials and the free trade agreement (FTA) structures that favor competitive products from trading partners, offering lower prices and greater product variety. This is particularly evident in products emphasizing non-GMO and organic production methods, which better address the premium milk market segment and health-conscious consumer groups.

Figure 5 Thailand's Soymilk Import Value



Source: MOC

Figure 6 Soymilk Import Market in 8M25

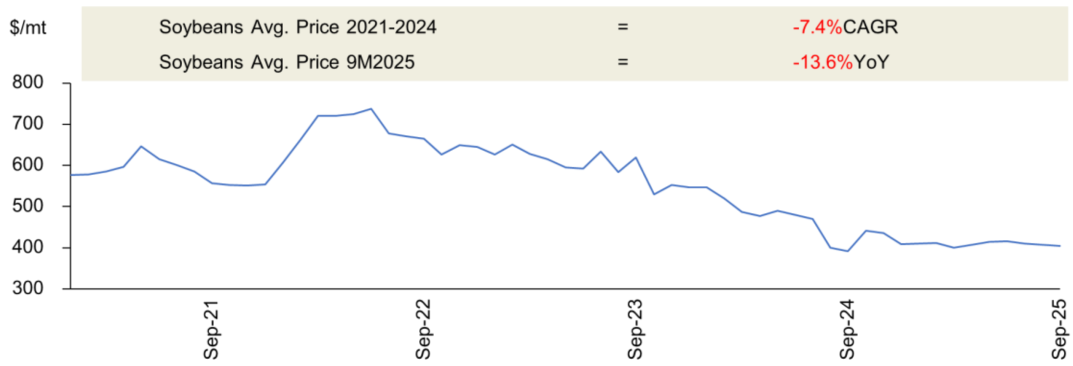


Source: MOC

Raw Material Price Overview

- **Soybean prices during 2021-2024 exhibited a downward trend, declining at an average rate of 7.4% per year, reflecting sustained weakening in raw material prices. In the first nine months of 2025, the average price of soybeans continued to decline by 13.6% compared to the previous year, representing a more pronounced decline than the longer-term historical average.** This downward trend in price has significant implications for the soymilk industry in Thailand. As soybeans constitute the primary production input, reduced raw material costs lower manufacturers' production costs, positively impacting gross profit margins and creating opportunities to employ more competitive pricing strategies. This is particularly advantageous given the intensifying competition in the alternative milk market and consumers' increasing price sensitivity. Looking ahead, it is anticipated that soybean prices will continue to decline, as global supply remains high due to increased production in major producing countries such as Brazil. Meanwhile, demand for imports from China, the world's largest consumer, is gradually recovering amidst weak economic conditions. In the absence of significant climate-related disruptions or trade barriers imposed by major exporting countries, soybean prices are expected to remain within a narrow range. This will provide ongoing support to the soymilk industry through enhanced cost management in the next period.

Figure 7 Soybeans Average Prices



Source: World Bank Commodity

Business Outlook

- **Over the next year, the soymilk business is expected to decelerate amid saturation signals in both domestic and export markets. Soymilk production is expected to decline** as consumption demand plateaus following the earlier health trend-driven expansion phase. Competition within the plant-based beverage segment has intensified, particularly from newer plant-based milk products such as almond milk and oat milk, which are capturing market share. This is further complicated by shifting consumer behavior towards new alternatives that offer enhanced nutritional value. However, soymilk entrepreneurs continue to benefit from declining global soybean raw material costs, which help to mitigate profit pressures during periods of slower sales growth. This downward price trend facilitates more efficient cost management, particularly if trade liberalization with the United States eliminates tariffs on soybeans, further reducing import costs.
- **In terms of sales, soy milk is facing intense competition and a declining sales trend,** particularly among consumers who are switching to alternative protein beverages. While online channels and modern trade outlets do provide access to a more diverse range of consumers, the growth in the soymilk market remains comparatively limited when viewed against other plant-based milk categories. **Soymilk exports are anticipated to encounter additional challenges due to intensifying price competition**, with major regional producers such as Vietnam and Indonesia maintaining lower production costs compared to Thailand. This is eroding Thai products' competitive advantage in export markets.
- **Consequently, entrepreneurs must adopt proactive strategies to maintain competitiveness. A key priority is to emphasize the development of higher value-added products, to ensure the continued success of the company. The company's strategic plan includes the expansion of its product lines to include niche market segments,** such as high-protein formulations, low-fat variants, and products certified under Organic and Non-GMO standards. This initiative is intended to achieve the objective of offering a wider range of products to meet the diverse needs of customers. This strategy will differentiate brand positioning and respond to the growing demand among consumers for healthier products. However, the implementation of sugar taxes, which are now having a tangible impact across all beverage categories, has emerged as a significant pressure point requiring careful management by soymilk entrepreneurs. In this context, adaptation must therefore focus on developing reduced-sugar formulation innovations and nutritionally enhanced products to mitigate tax-related cost risks. At the same time, entrepreneurs must enhance operational efficiency, reduce waste resources, and expand modern marketing channels—both online and specialized health channels—to cushion the impact of declining sales trends and rapidly evolving consumer behavior. Such proactive strategies represent essential pathways enabling the soymilk business to adapt, survive, and maintain sustainable growth potential amid increasingly intense competitive conditions ahead.

Authors:

Sri-Ampai Ingkhakitti (sri-ampaii@lhbank.co.th)

Business Research,

Land and House Bank PLC

LH BANK BUSINESS RESEARCH

Thanapol Srithanpong, Ph.D.
Head of Business Research

Nuttachat Viroonhausava
Senior Industrial Specialist

Taratnon Sritongterm
Senior Economist

Cheawchan Srichaiya
Senior Industrial Specialist

Wilanda Disorntetiwat
Senior Economist

Watcharapan Niyom
Senior Industrial Specialist

Nawatch Hansuvech
Senior Thematic Specialist

Sri-Ampai Ingkhakitti
Senior Industrial Specialist

LH Bank Business Research

ACTIVE INCLUSIVE DECISIVE

Scan Here
For More Articles
https://www.lhbank.co.th/economic-analysis/