A STUDY OF OLIVE OIL DEMAND IN INDONESIA: INSIGHTS FROM HOUSEHOLD AND CULINARY INDUSTRY CONSUMPTION

Saipul Bahri
gusipul807@gmail.com
Universitas Bakrie

Abstract

The purpose of this analysis is to identify the demand for olive oil in Indonesia within two key market segments: individual households and culinary businesses such as restaurants and cafés. Data were collected through surveys involving 100 household consumers and 50 culinary business owners, supported by secondary analysis of import, market, and price data. The findings indicate a growing awareness of health and wellness, which has contributed to increased use of olive oil. Tropicana Slim emerged as the leading brand in the individual market, while Filippo Berio and Borges recorded the highest sales growth in the culinary sector. Most consumers prioritize product quality when selecting a brand. Although domestic olive oil production remains low compared to the total edible oil market, the industry holds promising potential. Market projections suggest that by 2030, Indonesia's olive oil consumer market may reach USD 60 million. However, the country urgently needs investment in raw material self-sufficiency and local production. This study recommends enhanced public education on the benefits of olive oil, product diversification, and stronger government support to encourage local producers and reduce dependency on imports.

Keywords: *Olive Oil, Household Consumption, Culinary Industry, Consumer Behavior, Domestic Market*

INTRODUCTION

Olive oil (Olea europaea) is a nutrient-rich vegetable oil long recognized for its health benefits. Its high content of monounsaturated fats and antioxidant compounds has made it a staple in various healthy diets, most notably the Mediterranean diet. Globally, olive oil consumption has been on the rise, driven by growing health awareness—particularly in the wake of the COVID-19 pandemic. While Indonesia is not a producer of olives, interest in olive oil is steadily increasing across both individual and industry levels. Individual consumption is often motivated by health and lifestyle factors, while culinary businesses such as restaurants and cafés have begun incorporating olive oil into their menus as part of a healthier offering.\

Trade data shows that Indonesia's entire olive oil supply is met through imports, primarily from Spain and Italy (IOC, 2023). In 2023 alone, imports exceeded 2,500 tons, with a transaction value of over USD 20 million. Domestic production is virtually non-existent, resulting in a heavy dependence on imports. In this context, it is essential to understand the characteristics of olive oil consumption in Indonesia—both among individuals and within the food service industry—to identify market potential and the challenges that lie ahead.

In international trade, olive oil is categorized under the Harmonized System (HS) codes as follows:

- HS 15092000: Extra Virgin Olive Oil
- HS 15093000: Virgin Olive Oil
- HS 15094000: Other Virgin Olive Oil
- HS 15099000: Olive Oil and Fractions
- HS 15101000: Olive Pomace Oil Crude
- HS 15109000: Other Olive Pomace Oil

METHODOLOGY

This analysis adopts a descriptive quantitative approach, with primary data collected through surveys and questionnaires distributed to respondents. The sample consists of 100

individual olive oil users and 50 culinary business operators across Jabodetabek. A purposive sampling technique was employed, focusing on respondents actively engaged in olive oil usage. Surveys were conducted both online and offline, and the collected data were analyzed using frequency distribution tables and visualized through graphs.

In addition to primary data, this study incorporates secondary data from official publications by the Central Statistics Agency (BPS), the Ministry of Trade, the International Trade Centre (ITC), and various international market reports. These sources were used to support the survey findings and to provide a broader macroeconomic context regarding Indonesia's olive oil import trends and market value.

DISCUSSION & ANALYSIS

Olive oil consumption in Indonesia remains relatively low compared to other types of vegetable oils. However, it has experienced steady growth in recent years. Based on a survey of 100 individual consumers in Jabodetabek, the majority of respondents reported purchasing olive oil once a month, with the most common purchase volume being 500 ml (see Figure 1). These findings suggest that while olive oil has yet to become a household staple, it is increasingly being adopted by a segment of consumers who are highly conscious of healthy lifestyles (Akhtar et al., 2020).

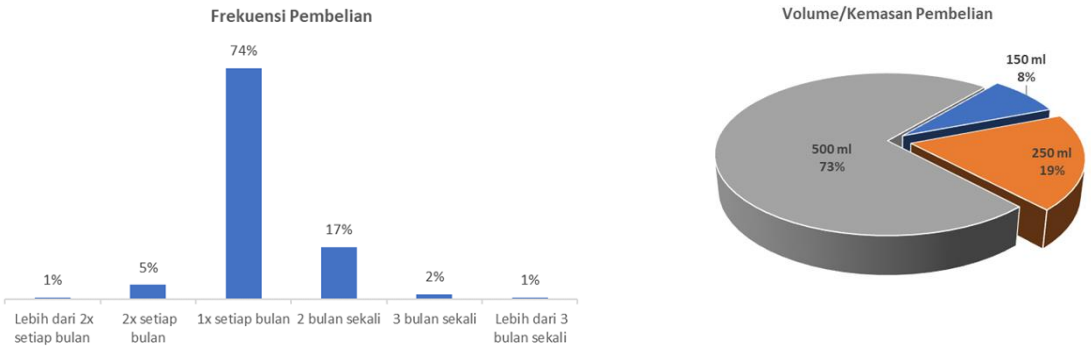

Figure 1. Purchase Frequency & Volume

Brand preference data reveals a strong dominance by Tropicana Slim, used by 67% of individual respondents, followed by Bertolli (19%) and Filippo Berio (7%). These brands are perceived as more accessible and have established a strong reputation for quality (see Figures 2–4). Notably, 55% of respondents cited product quality as the main factor influencing their brand choice, while only 5% prioritized price (see Figure 5). This aligns with Kotler and Keller's (2016) findings, which suggest that consumers in the functional product category tend to value utility and brand trust over pricing considerations.

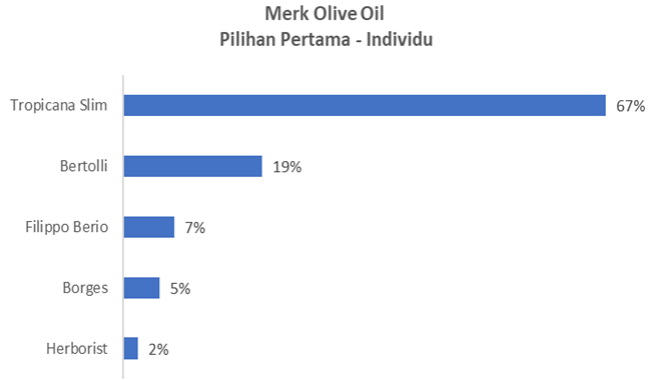

Figure 2. Top Olive Oil Brand Preferred by Individual Responden

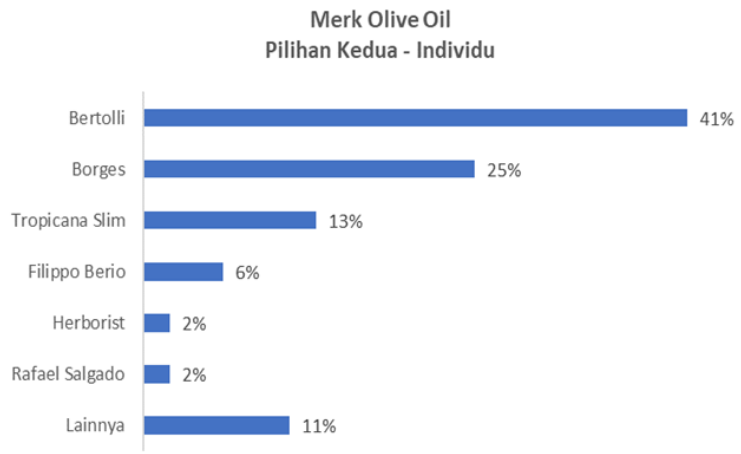

Figure 3. Second Most Preferred Olive Oil Brand Among Individual Respondents

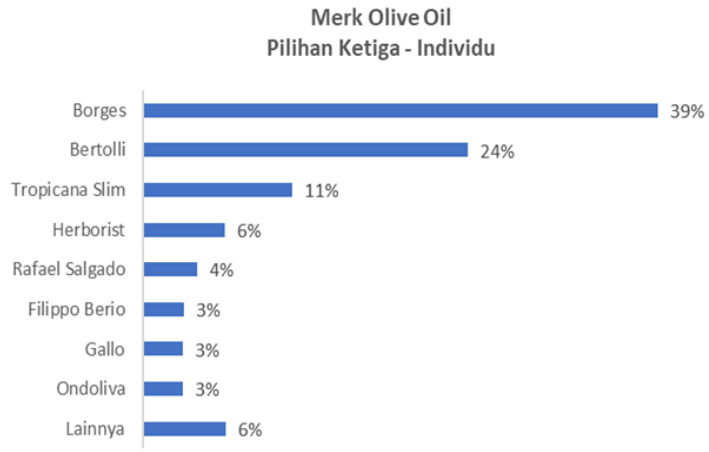

Figure 4. Third Most Preferred Olive Oil Brand Among Individual Respondents

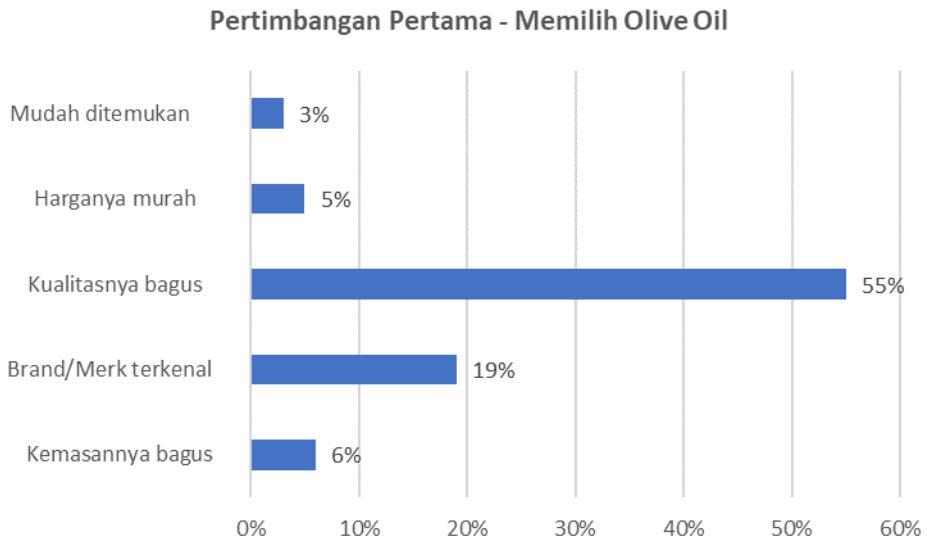

Figure 5. Reasons for Choosing Olive Oil

In the culinary sector, 92% of restaurant and café operators reported using olive oil regularly in their menu preparation. Monthly purchase volumes range from 10 to 90 liters, with the majority falling between 20 and 40 liters per month (see Figure 6). The most commonly used brands are Borges (24%), Cobram Estate (22%), and Bertolli (12%) (see Figures 7–9). In terms of perceived quality, Filippo Berio is regarded as the most reputable

brand by 40% of culinary business respondents (see Figure 10). This trend reflects a consistent preference across both household consumers and culinary professionals, with quality emerging as the primary factor influencing brand choice.

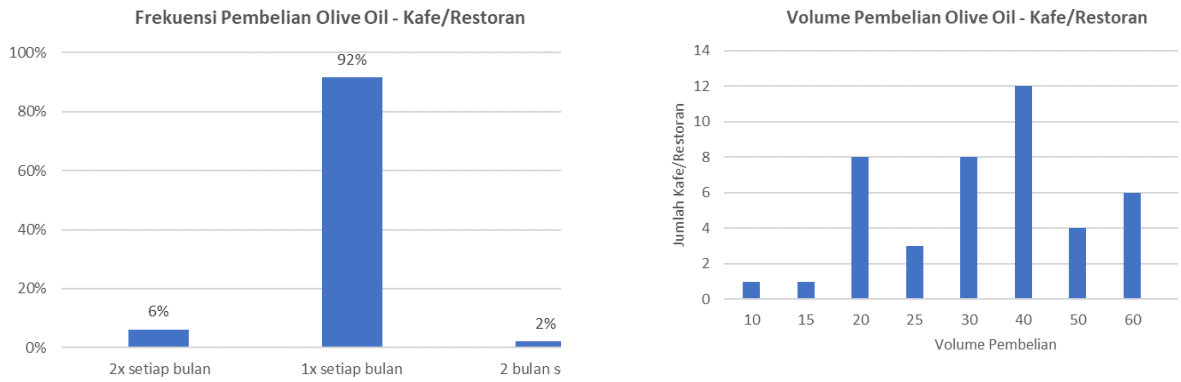

Figure 6. Purchase Frequency & Volume

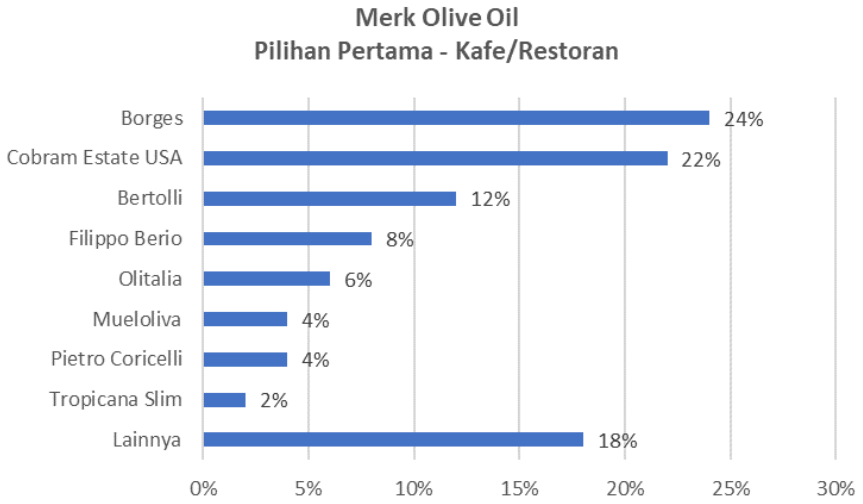

Figure 7. Top Olive Oil Brand Preferred by Restaurants/Cafes

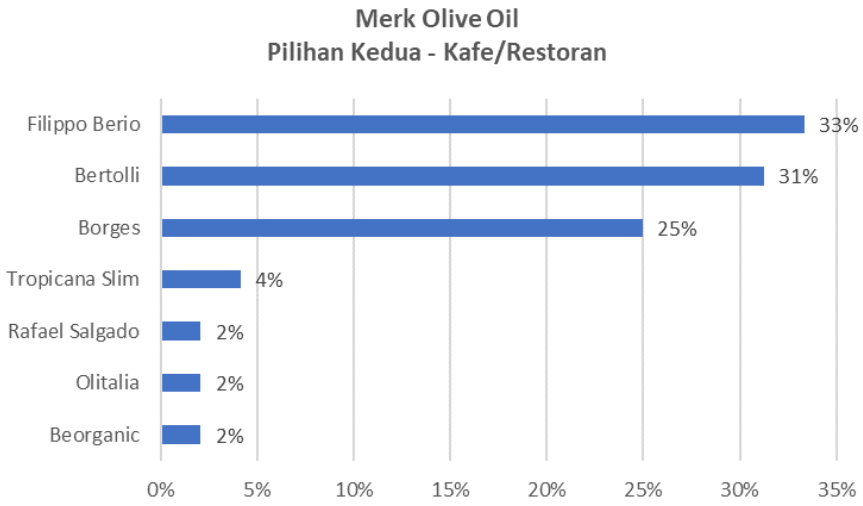

Figure 8. Second Most Preferred Olive Oil Brand by Restaurants/Cafes

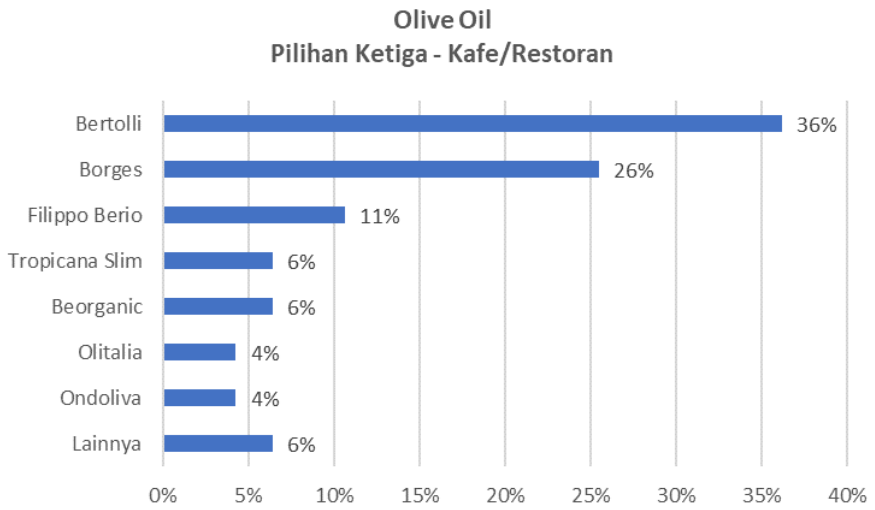

Figure 9. Third Most Preferred Olive Oil Brand by Restaurants/Cafes

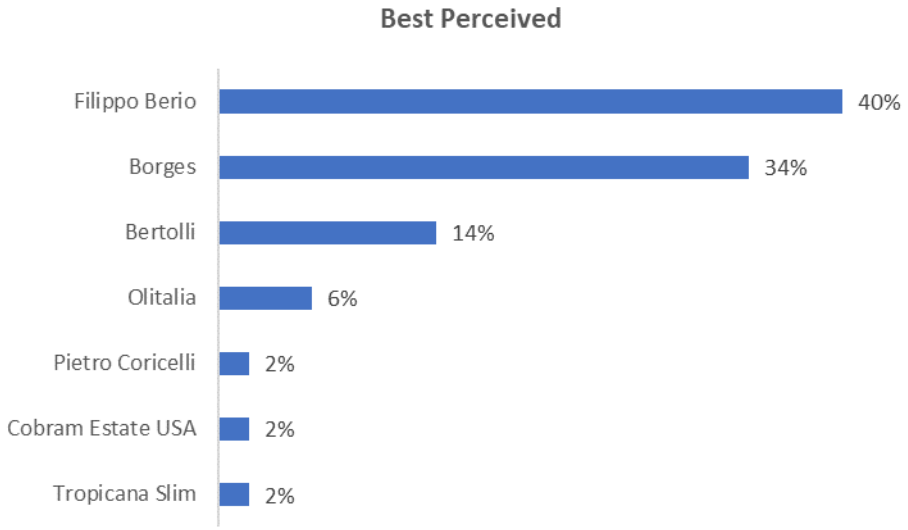

Figure 10. Best Olive Oil According to Restaurant/Cafe Respondents

At the macro level, data from Statistics Indonesia (BPS, 2024) shows that Indonesia's olive oil imports in 2024 reached 2,583,715 kg, with a total transaction value of USD 21,023,756. While the import volume has decreased compared to 2018 (3.3 million kg), the overall import value has increased, indicating a rise in unit price (see Tables 1–2 and Figure 11). Most of the imported olive oil originates from European countries such as Italy and Spain (International Olive Council, 2023). In the Indonesian retail market, the average price of extra virgin olive oil ranges from IDR 296,000 to IDR 636,000 per kilogram, depending on the brand and distribution channel (see Table 3).

Table 1. Indonesia's Olive Oil Import Volume by Type, 2018–2024

Olive oil	2018	2019	2020	2021	2022	2023	2024
Virgin & Extra Virgin Olive Oil	2.151.418	2.130.076	2.230.463	2.275.785	2.140.934	1.769.203	1.725.301
Olive Oil and Its Fractions	948.349	733.528	498.355	499.191	405.359	467.386	682.146
Olive Pomace Oil	232.797	239.604	341.258	234.712	181.166	116.812	176.268
Total berat (Kg)	3.332.564	3.103.208	3.070.076	2.959.688	2.727.459	2.353.401	2.583.715

Tabel 2. Value of Indonesia's Olive Oil Imports by Type, 2018-2024

Olive oil	2018	2019	2020	2021	2022	2023	2024
Virgin & Extra Virgin Olive Oil	11.601.187	9.693.662	10.888.934	11.495.888	11.160.372	12.829.797	16.397.551
Olive Oil and Its Fractions	3.782.970	2.717.593	1.707.096	1.622.438	2.028.308	2.554.446	3.672.925
Olive Pomace Oil	644.674	513.538	726.354	625.933	586.178	497.971	953.280
Total nilai (US$)	16.028.831	12.924.793	13.322.384	13.744.259	13.774.858	15.882.214	21.023.756

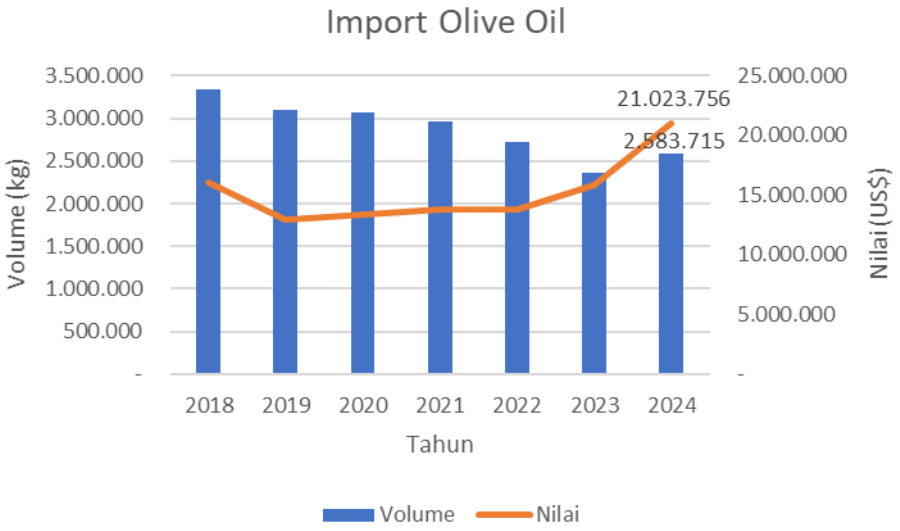

Figure 11. Indonesia's Olive Oil Imports, 2018 – 2024

Table 3. Olive Oil Prices Across Various Retail Channels (May 2025)

Merk Produk	Kemasan (ml)	Harga (Rp.)				
		Market place (online)	Papaya	Hypermart	Food Hall	Farmer's Market
Extra Virgin Olive Oil						
Bertolli	250	88.000	93.900			
Bertolli	500	165.000		195.690	182.500	208.600
Bertolli	1000	315.000		308.490		362.500
Borges	250	79.000				
Borges	500	171.000	187.000		182.900	157.900
Borges	1000	340.000				377.200
Filippo Berio	250	111.000	83.300	92.990		
Filippo Berio	500	169.000		176.990		
Filippo Berio	1000	365.000				357.500
Ariha	250	95.000				
Casa di Oliva	250	98.100				
Cobram Estate	375	185.000				
Rafael Salgado	250	113.700				
Sinai	60	35.000				
Mueloliva	1000	239.000	271.900			
La Rambla	250	107.500	121.500			
Pietro Coricelli	500	195.975	205.000			
Olivoila	250	119.000		120.000		
Olivoila	500	155.000		165.000		149.000
Tropicana Slim	500	150.600		165.200		184.900
Virgin Olive Oil						
Bertolli Extra Light	100	42.500				
Bertolli Extra Light	250	95.700			95.900	
Bertolli Extra Light	500	164.000			139.900	175.200
Bertolli Clasico	100	39.500			49.900	
Bertolli Clasico	250	95.700	87.200			
Bertolli Clasico	500	164.000		182.990	130.000	191.600
Bertolli Clasico	1000	282.000			346.900	327.300
Borges Extra Light	250	82.800		90.440		
Borges Extra Light	500	149.400			168.900	90.600
Borges classic	250	94.500		81.440		
Borges classic	500	151.500	166.200		168.900	
Borges classic	1000	287.500				340.000
Filippo Berio	250	95.700		85.000		85.500
Filippo Berio	500	167.000		155.490	152.000	154.500
Filippo Berio	1000	285.000				304.900
Herborist	150	34.500				

Indonesia's olive oil market shows considerable growth potential. According to data from Statista (2024), the market value is projected to rise from USD 45 million in 2024 to USD 60 million by 2030, with an average annual growth rate of approximately 5.13% (see Table 4 and Figure 12). In terms of volume, extra virgin olive oil is expected to continue dominating consumer demand (see Table 5).

Table 4. Projected Market Value of Olive Oil in Indonesia by Type, 2025-2030

Type	2025	2026	2027	2028	2029	2030
Extra Virgin Olive Oil	31.980	34.053	35.481	37.484	39.720	41.613
Virgin Olive Oil	4.681	4.984	5.193	5.486	5.814	6.091
Olive Oil and Its Fractions	8.169	8.479	8.819	9.077	9.258	9.816
Olive Pomace Oil	2.255	2.251	2.550	2.743	2.877	3.098
Nilai (Ribu US$)	**47.085**	**49.767**	**52.043**	**54.791**	**57.669**	**60.618**

Figure 12. Indonesia's Olive Oil Market 2018 – 2030

Table 5. Projected Olive Oil Volume by Type, 2025-2030

Type	2025	2026	2027	2028	2029	2030
Extra Virgin Olive Oil	1.351	1.403	1.426	1.470	1.520	1.553
Virgin Olive Oil	216	225	228	235	243	249
Olive Oil and Its Fractions	617	624	634	636	633	655
Olive Pomace Oil	169	165	182	191	196	206
Total Volume (MTon)	**2.353**	**2.417**	**2.471**	**2.533**	**2.592**	**2.663**

Beyond its use as a food ingredient, olive oil is increasingly being utilized in the herbal and cosmetic industries. Local brands such as Herborist and Supa Dupa are known to import olive oil in bulk for use in products like soaps, body oils, and other wellness items. While this segment does not yet represent a major share of the market, it shows promising growth potential, particularly in line with the rising trend toward natural and "back to nature" products (Akhtar et al., 2020; FAO, 2022).

Table 6. Benefits of Consuming Olive Oil for Health

Health Benefits	Description
Anti-inflammatory and Antioxidant Properties	Olive oil contains anti-inflammatory and antioxidant compounds that help reduce plaque buildup in the arteries and protect the body from harmful chemicals *(health.ucdavis.edu)*.
Protection Against Leukemia and Various Cancers	Olive oil has been linked to protective effects against childhood leukemia and several types of cancer, including colon cancer and esophageal squamous cell carcinoma *(National Center for Biotechnology Information)*.

High in MUFAs, Especially Oleic Acid	Olive oil is rich in monounsaturated fatty acids (MUFAs), particularly oleic acid, which has demonstrated beneficial properties. MUFAs can modulate immune responses and may aid in treating certain autoimmune diseases and supporting overall immune regulation *(National Center for Biotechnology Information).*
Helps Regulate Blood Sugar	Incorporating olive oil into meals can improve glucose metabolism and potentially enhance survival rates by supporting better energy regulation *(Bentham Science & Universitas Airlangga).*
Reduces LDL and Increases HDL Cholesterol	Most of the fat in olive oil consists of MUFAs, which have been shown to raise "good" HDL cholesterol while lowering "bad" LDL cholesterol. Among plant-based cooking oils, olive oil has the highest MUFA content *(health.ucdavis.edu).*
Supports Heart Health and Reduces Inflammation	Extra virgin olive oil may reverse inflammation and counteract age- or disease-related changes in the heart and blood vessels *(Critida).*
Rich in Antioxidant Polyphenols	Olive oil contains polyphenols, powerful antioxidants that help neutralize harmful free radicals *(health.clevelandclinic.org).*

Despite its growing demand, the biggest challenge in developing the olive oil market in Indonesia lies in the low level of consumer awareness regarding its health benefits and practical uses in daily life. Many still perceive olive oil as an expensive product reserved for a niche audience. Therefore, broader public education is essential. For example, actions can be taken through media campaigns, health community engagement, and collaborations with culinary industry stakeholders.

Currently, Indonesia does not produce olive oil domestically, making the market entirely dependent on imports. However, regions such as East Nusa Tenggara and Lombok possess semi-arid climates suitable for olive cultivation, though no commercial initiatives have been developed to date (BPS, 2024). If a domestic production ecosystem were to be established, Indonesia could reduce its reliance on imports and potentially emerge as an alternative olive oil producer in the Southeast Asian region.

Based on the previous findings, it can be concluded that Indonesia holds promising market potential for olive oil. Key strategies for growth include consumer education, production incentives, and a well-integrated supply chain to ensure the availability of high-quality products at more competitive prices.

CONCLUSION

This analysis highlights a growing demand for olive oil in Indonesia, both among individual consumers and culinary businesses. Product quality remains the primary consideration in purchasing decisions, while price is generally a secondary factor. Currently. the entire national supply of olive oil relies on imports, with foreign brands dominating the domestic market. Nonetheless, the market holds significant growth potential, driven by rising public awareness of healthy lifestyles and the expanding healthy food sector.

To fully realize this potential, broader public education on the benefits of olive oil is essential, alongside support for the development of domestic production. Collaboration between government bodies, businesses, and health communities will be key to building a sustainable supply chain and fostering a competitive local olive oil industry

REFERENCES

Akhtar, S., Khalid, N., Ahmed, I., & Ahmad, A. 2020. Olive oil as functional food: A review. Journal of Food Science and Technology, 57(1), 71–83. https://doi.org/10.1007/s13197-019-04080-3

Badan Pusat Statistik. 2024. Statistik Perdagangan Luar Negeri Komoditas Minyak Nabati Tahun 2024. https://www.bps.go.id

Bilal, Rana M. et al., 2021. Olive Oil: Nutritional Applications, Beneficial Health Aspects and its Prospective Application in Poultry Production.

National Center for Biotechnology Information : https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8424077/

Cleveland Clinic. 2024. 6 Major Benefits of Extra Virgin Oil. https://health.clevelandclinic.org/benefits-of-olive-oil

Critida Bio Cretan Olive Oil. 2023. Olive Oil Facts and Benefits. https://critida.com/id/olive-oil-facts-benefits/

FAO. 2022. The State of Food and Agriculture 2022. Food and Agriculture Organization of the United Nations. https://www.fao.org

UC Davis Health. 2024. Olive oil health benefits and why you should add it to your diet. https://health.ucdavis.edu/blog/good-food/olive-oils-health-benefits-and-why-you-should-add-it-to-your-diet/2024/04

International Olive Council. 2023. World Olive Oil Figures. Retrieved from https://www.internationaloliveoil.org/what-we-do/economic-affairs-promotion-unit/#figures

Kementerian Perdagangan RI. 2024. Neraca Perdagangan Komoditas Minyak Zaitun. https://www.kemendag.go.id

Kotler, P., & Keller, K. L. 2016. Marketing Management (15th ed.). Pearson Education.

Nabila, NA., Umijati S., Herawati, L. 2021. Repeated Frying of Olive Oil has a Better Effect on Survival Rate Compared to Palm Oil through Glucose Energy Metabolism Increase in Mice. Current Nutrition & Food Science. Volume 17, Issue 7, 2021. DOI. https://doi.org/10.2174/1573401316999201124140956

Statista. 2024. Indonesia: Forecast of Olive Oil Market Value 2024–2030. Retrieved from https://www.statista.com/statistics/1299497/indonesia-olive-oil-market-value/

Trade Map (ITC). 2024. Indonesia Import Statistics – Olive Oil (HS 1509). https://www.trademap.org

Universitas Airlangga. 2021. Ketahanan Hidup Lebih Tinggi dengan Penggunaan Minyak Goreng Zaitun. https://unair.ac.id/ketahanan-hidup-lebih-tinggi-dengan-penggunaan-minyak-goreng-zaitun/