

Dairy Products and Alternatives in South Africa

September 2023

Table of Contents

Dairy Products and Alternatives in South Africa

EXECUTIVE SUMMARY

Dairy products and alternatives in 2023: The big picture

Key trends in 2023

Competitive landscape

Channel developments

What next for dairy products and alternatives?

MARKET DATA

- Table 1 Sales of Dairy Products and Alternatives by Category: Value 2018-2023
- Table 2 Sales of Dairy Products and Alternatives by Category: % Value Growth 2018-2023
- Table 3 NBO Company Shares of Dairy Products and Alternatives: % Value 2019-2023
- Table 4 LBN Brand Shares of Dairy Products and Alternatives: % Value 2020-2023
- Table 5 Penetration of Private Label by Category: % Value 2018-2023
- Table 6 Distribution of Dairy Products and Alternatives by Format: % Value 2018-2023
- Table 7 Forecast Sales of Dairy Products and Alternatives by Category: Value 2023-2028
- Table 8 Forecast Sales of Dairy Products and Alternatives by Category: % Value Growth 2023-2028

DISCLAIMER

SOURCES

Summary 1 - Research Sources

Baby Food in South Africa

KEY DATA FINDINGS

2023 DEVELOPMENTS

Volume sales of milk formula decline as prices rise

Some consumers are able to pay for the convenience of prepared baby food

Strong competition between baby specialist stores for share of customers' wallet

PROSPECTS AND OPPORTUNITIES

Milk formula set to continue to experience challenges from restrictions on promotion

Consumers will look for discounts in categories other than milk formula

Rise of baby specialist stores unlikely to impact the dominance of supermarkets

CATEGORY DATA

- Table 9 Sales of Baby Food by Category: Volume 2018-2023
- Table 10 Sales of Baby Food by Category: Value 2018-2023
- Table 11 Sales of Baby Food by Category: % Volume Growth 2018-2023
- Table 12 Sales of Baby Food by Category: % Value Growth 2018-2023
- Table 13 Sales of Growing-Up Milk Formula by Age: % Value 2018-2023
- Table 14 NBO Company Shares of Baby Food: % Value 2019-2023
- Table 15 LBN Brand Shares of Baby Food: % Value 2020-2023
- Table 16 Distribution of Baby Food by Format: % Value 2018-2023
- Table 17 Forecast Sales of Baby Food by Category: Volume 2023-2028
- Table 18 Forecast Sales of Baby Food by Category: Value 2023-2028
- Table 19 Forecast Sales of Baby Food by Category: % Volume Growth 2023-2028
- Table 20 Forecast Sales of Baby Food by Category: % Value Growth 2023-2028

Butter and Spreads in South Africa

KEY DATA FINDINGS

2023 DEVELOPMENTS

Retail volume declines across categories as prices rise

Sigalo Foods continues to lead margarine, but the competition is strong in butter

Potential for new labelling regulations to affect butter and spreads

PROSPECTS AND OPPORTUNITIES

Continued growth expected for private label as disposable incomes are constrained

Continued volume declines will lead players to diversify

Supermarkets expected to remain the dominant distribution channel

CATEGORY DATA

- Table 21 Sales of Butter and Spreads by Category: Volume 2018-2023
- Table 22 Sales of Butter and Spreads by Category: Value 2018-2023
- Table 23 Sales of Butter and Spreads by Category: % Volume Growth 2018-2023
- Table 24 Sales of Butter and Spreads by Category: % Value Growth 2018-2023
- Table 25 NBO Company Shares of Butter and Spreads: % Value 2019-2023
- Table 26 LBN Brand Shares of Butter and Spreads: % Value 2020-2023
- Table 27 Distribution of Butter and Spreads by Format: % Value 2018-2023
- Table 28 Forecast Sales of Butter and Spreads by Category: Volume 2023-2028
- Table 29 Forecast Sales of Butter and Spreads by Category: Value 2023-2028
- Table 30 Forecast Sales of Butter and Spreads by Category: % Volume Growth 2023-2028
- Table 31 Forecast Sales of Butter and Spreads by Category: % Value Growth 2023-2028

Cheese in South Africa

KEY DATA FINDINGS

2023 DEVELOPMENTS

Volume growth is maintained for the cheapest type of cheese as prices rise

Private label maintains growth due to promotions at a time of rising prices

Developments in the lactose free space

PROSPECTS AND OPPORTUNITIES

Private label players innovate with speciality cheeses, which will contribute to growth

Potential for new labelling regulation to impact cheese

Further price rises could result from changing weather patterns and loadshedding

CATEGORY DATA

- Table 32 Sales of Cheese by Category: Volume 2018-2023
- Table 33 Sales of Cheese by Category: Value 2018-2023
- Table 34 Sales of Cheese by Category: % Volume Growth 2018-2023
- Table 35 Sales of Cheese by Category: % Value Growth 2018-2023
- Table 36 Sales of Spreadable Processed Cheese by Type: % Value 2018-2023
- Table 37 Sales of Soft Cheese by Type: % Value 2018-2023
- Table 38 Sales of Hard Cheese by Type: % Value 2018-2023
- Table 39 NBO Company Shares of Cheese: % Value 2019-2023
- Table 40 LBN Brand Shares of Cheese: % Value 2020-2023
- Table 41 Distribution of Cheese by Format: % Value 2018-2023
- Table 42 Forecast Sales of Cheese by Category: Volume 2023-2028
- Table 43 Forecast Sales of Cheese by Category: Value 2023-2028
- Table 44 Forecast Sales of Cheese by Category: % Volume Growth 2023-2028
- Table 45 Forecast Sales of Cheese by Category: % Value Growth 2023-2028

KEY DATA FINDINGS

2023 DEVELOPMENTS

Price increases and rolling blackouts drive strong volume decline for fresh milk
Private label performs well, as consumers look for the lowest prices
Non-essential categories fail to achieve volume growth as disposable income falls

PROSPECTS AND OPPORTUNITIES

Production and costs set to be impacted by weather conditions and rolling blackouts Further switch from fresh to shelf stable milk, and away from non-essential products Private label expected to maintain its lead as consumers look to save

CATEGORY DATA

- Table 46 Sales of Drinking Milk Products by Category: Volume 2018-2023
- Table 47 Sales of Drinking Milk Products by Category: Value 2018-2023
- Table 48 Sales of Drinking Milk Products by Category: % Volume Growth 2018-2023
- Table 49 Sales of Drinking Milk Products by Category: % Value Growth 2018-2023
- Table 50 NBO Company Shares of Drinking Milk Products: % Value 2019-2023
- Table 51 LBN Brand Shares of Drinking Milk Products: % Value 2020-2023
- Table 52 Distribution of Drinking Milk Products by Format: % Value 2018-2023
- Table 53 Forecast Sales of Drinking Milk Products Products by Category: Volume 2023-2028
- Table 54 Forecast Sales of Drinking Milk Products Products by Category: Value 2023-2028
- Table 55 Forecast Sales of Drinking Milk Products Products by Category: % Volume Growth 2023-2028
- Table 56 Forecast Sales of Drinking Milk Products Products by Category: % Value Growth 2023-2028

Yoghurt and Sour Milk Products in South Africa

KEY DATA FINDINGS

2023 DEVELOPMENTS

Continued volume growth for sour milk products due to lower price than yoghurt Power disruption and higher prices contribute to decline for yoghurt Meeting consumers' different needs helps Lancewood see growth

PROSPECTS AND OPPORTUNITIES

An end to the volume growth of sour milk products expected

Continued launch of indulgent yoghurt products unlikely to halt volume decline

Lactose free developments set to continue

CATEGORY DATA

- Table 57 Sales of Yoghurt and Sour Milk Products by Category: Volume 2018-2023
- Table 58 Sales of Yoghurt and Sour Milk Products by Category: Value 2018-2023
- Table 59 Sales of Yoghurt and Sour Milk Products by Category: % Volume Growth 2018-2023
- Table 60 Sales of Yoghurt and Sour Milk Products by Category: % Value Growth 2018-2023
- Table 61 Sales of Flavoured Yoghurt by Flavour: Rankings 2018-2023
- Table 62 NBO Company Shares of Yoghurt and Sour Milk Products: % Value 2019-2023
- Table 63 LBN Brand Shares of Yoghurt and Sour Milk Products: % Value 2020-2023
- Table 64 Distribution of Yoghurt and Sour Milk Products by Format: % Value 2018-2023
- Table 65 Forecast Sales of Yoghurt and Sour Milk Products by Category: Volume 2023-2028
- Table 66 Forecast Sales of Yoghurt and Sour Milk Products by Category: Value 2023-2028
- Table 67 Forecast Sales of Yoghurt and Sour Milk Products by Category: % Volume Growth 2023-2028
- Table 68 Forecast Sales of Yoghurt and Sour Milk Products by Category: % Value Growth 2023-2028

Other Dairy in South Africa

KEY DATA FINDINGS

2023 DEVELOPMENTS

Retail volume declines across the board as non-essential spending is cut Different players lead various other dairy categories

PROSPECTS AND OPPORTUNITIES

Meeting consumers' needs in terms of products and pricing will be important Home cooking and baking expected to limit decline for other dairy Health and wellness concerns expected to drive innovation in other dairy

CATEGORY DATA

Table 69 - Sales of Other Dairy by Category: Volume 2018-2023

Table 70 - Sales of Other Dairy by Category: Value 2018-2023

Table 71 - Sales of Other Dairy by Category: % Volume Growth 2018-2023

Table 72 - Sales of Other Dairy by Category: % Value Growth 2018-2023

Table 73 - Sales of Cream by Type: % Value 2018-2023

Table 74 - NBO Company Shares of Other Dairy: % Value 2019-2023

Table 75 - LBN Brand Shares of Other Dairy: % Value 2020-2023

Table 76 - Distribution of Other Dairy by Format: % Value 2018-2023

Table 77 - Forecast Sales of Other Dairy by Category: Volume 2023-2028

Table 78 - Forecast Sales of Other Dairy by Category: Value 2023-2028

Table 79 - Forecast Sales of Other Dairy by Category: % Volume Growth 2023-2028

Table 80 - Forecast Sales of Other Dairy by Category: % Value Growth 2023-2028

Plant-Based Dairy in South Africa

KEY DATA FINDINGS

2023 DEVELOPMENTS

Plant-based milk accounts for most sales, but other categories are emerging Companies are careful with labelling to avoid further scrutiny

Not only vegans are interested in plant-based dairy products

PROSPECTS AND OPPORTUNITIES

Government invests to develop animal-free dairy products

High prices likely to limit uptake, but competition set to increase

Demand for plant-based cheese expected to rise over the forecast period

CATEGORY DATA

Table 81 - Sales of Plant-Based Dairy by Category: Value 2018-2023

Table 82 - Sales of Plant-Based Dairy by Category: % Value Growth 2018-2023

Table 83 - Sales of Other Plant-Based Milk by Type: % Value 2020-2023

Table 84 - NBO Company Shares of Plant-Based Dairy: % Value 2019-2023

Table 85 - LBN Brand Shares of Plant-Based Dairy: % Value 2020-2023

Table 86 - Distribution of Plant-Based Dairy by Format: % Value 2018-2023

Table 87 - Forecast Sales of Plant-Based Dairy by Category: Value 2023-2028

Table 88 - Forecast Sales of Plant-Based Dairy by Category: % Value Growth 2023-2028

About Euromonitor International

Euromonitor International is an independent market intelligence provider. Data, insight and analysis stem from in-the-field research

spanning 210 national markets.

Content ranges from the in-depth and country-specific, to key strategic themes with a global range and significance. Products cover a comprehensive range of insights and market data, but can be broadly categorised as:

- Strategy Briefings: Global or regional in scope, and focussing on the most important themes shaping consumer demand, the key markets, competitive environment and future outlook across a range of industries.
- Company Profiles: Analysis dedicated to the world's most significant companies, with detailed insight into their activities, focus of operations, their competitors, their geographic presence and performance.
- Country Reports: For an in-depth understanding of specific countries, whether by industry, economic metrics or consumer trends and lifestyles. These reports cover current trends, consumer demand, market potential and future prospects, with country-specific local insight and comprehensive data, unavailable elsewhere.

For more information on this report, further enquiries can be directed via this link www.euromonitor.com/dairy-products-and-alternatives-in-south-africa/report.