

Milk and Flavoured Milk - China - June 2013

Report Price: £2463.80 | \$3990.00 | €3129.79

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



"China's milk market is attracting more international players. With increasing competition, manufacturers should look at opportunities beyond traditional demographic-specific targeting, to educate consumers about which milk is right for them and drive consumption out-of-home to drive sales."

RUYI XU, Deputy Research Manager

In this report we answer the key questions:

- How can domestic and international brands compete more effectively when China's milk market becomes more international?
- What can brands do to drive growth in the market by encouraging more daily consumption?
- What is unique about China's milk market and consumers' consumption behaviour? What implications does that have for product innovation and marketing?
- In face of competition from UHT milk, how can the pasteurised milk market be further developed?

China's milk market has captured growing international attention ever since the 2008 melamine crisis in infant formula milk. The industry still faces the problem of a fragmented and underdeveloped supply chain, making it difficult for domestic companies to meet increasing consumer demand for milk, both in terms of quantity and quality. The growth of imported UHT milk has showed that the market is already attracting more international players and is getting increasingly competitive not only in terms of the product and price but also in terms of purchasing channels.

Chinese consumers have certain unique behaviours when it comes to milk consumption and attitudes towards milk products. For example, the most popular way to drink milk is as a hot beverage on its own, and in addition to plain white milk, a large minority also buys milk with functional benefits. These habits are shaped by both cultural influences and efforts by operators in the market to drive value.

Although per capita milk consumption in China has significantly increased over the past decade, still only about one third of the urban consumers in Mintel's research drink milk on a daily basis. Encouraging more frequent milk consumption remains a key opportunity for growing the market.

While consumers are offered wider product choice, there is still uncertainty over what factors can be taken to guarantee good quality and safe-to-drink milk. Consumers' eagerness to find this reassurance reflects, to some extent, a general lack of knowledge about milk products. This means marketing centred on educating consumers can help manufacturers drive demand.

BUY THIS
REPORT NOW

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

APAC
+61 (0) 2 8284 8100

EMAIL:
oxygen@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market