

Yoghurt - China - August 2016

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.



“Constant product upgrading and continued emphasis on naturalness and higher nutritional values will help draw consumers in and keep current users, while there are also innovation opportunities to appeal to the rising interest in super indulgent variants and a need for yogurt/yogurt drinks as a menu item while eating out.”

– Laurel Gu, Director of Research: Food & Drink, Lifestyle

This report looks at the following areas:

- The upcoming era of super indulgent yogurt
- Exotic ways of fermentation need further elaborations before becoming popular
- Yogurt drinks can expand their presence in casual dining places

The yogurt market has been growing robustly both in terms of volume and value. The big players are facing ever increasing competitive pressure from overseas players, regional players, start-up companies, as well as players in other food and beverage markets.

Besides geographic expansion of yogurt as a health supplementing food, the indulgence consumption occasion is gaining momentum, showing great scope as well as a necessity for brands to invest heavily in future product innovations which could take different forms in order to strengthen product appeal.

BUY THIS
REPORT NOW

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@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

Yoghurt - China - August 2016

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.

Table of Contents

Overview

What you need to know

Covered in this report

Definitions

Figure 1: Definition of Low/Mid/High MHI groups, by city tier

Executive Summary

The market

A big winner in the food and beverage market

Figure 2: Best- and worst-case forecast for retail yogurt market value, China, 2011-21

Figure 3: Retail value sales and growth rate of drinking and spoonable yogurt, China, 2012-16

Key players

National players increasing leading edge

Overseas players and niche premium brands fuelling competition in tier one cities

Regional players winning with regional tastes

Lactobacillus drinks manufacturers looking for new product ideas

Figure 4: Leading companies' market share in yogurt market, by sales value, China, 2014-15

The consumer

Increasing frequent yogurt consumers

Figure 5: Consumption frequency of yogurt and yogurt drinks, April 2016

Yogurt consumption in non-retail channels is high

Figure 6: Yogurt/yogurt drinks consumption in non-retail channels, April 2016

Figure 7: Attitudes towards eating yogurt/yogurt drinks in restaurants, April 2016

Glass bottles/jars have potential to hit the market

Figure 8: Preferred packaging types, April 2016

Figure 9: Perceptions towards different packaging types, April 2016

Naturalness and high nutritional values are most powerful premiumisation drivers

Figure 10: Product features that are worth paying more for, April 2016

Figure 11: Attitude towards new yogurt concepts, April 2016

What we think

Issues and Insights

The upcoming era of super indulgent yogurt

The facts

The implications

Figure 12: Yoplait's yogurt products featuring indulgent flavours, US, 2015-16

Figure 13: Examples of yogurt in glass jars, China, 2015-16

Exotic ways of fermentation need further elaborations before becoming popular

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Yoghurt - China - August 2016

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.

The facts

The implications

Figure 14: Examples of yogurt claimed to be fermented in exotic ways, China, 2015-16

Figure 15: Examples of packaged Skyr yogurt, USA, 2015-16

Yogurt drinks can expand their presence in casual dining places

The facts

The implications

Figure 16: Examples of light flavour yogurt drinks, China and Japan, 2015-16

The Market – What You Need to Know

Strong market growth since 2014

Ambient drinking yogurt leads category growth

Flavoured spoonable yogurt will grow faster than plain variants

Market size and forecast

Yogurt market accelerates since 2014

Figure 17: Retail market value and volume of yogurt, China, 2011-16

A winning market in food and beverage over the next few years

Figure 18: Best- and worst-case forecast for retail yogurt market volume, China, 2011-21

Figure 19: Best- and worst-case forecast for retail yogurt market value, China, 2011-21

Market Drivers

Ambient yogurt to reach more consumers and tap into gifting market

Figure 20: Example of ambient yogurt in gifting pack, China, 2015-16

Lower milk prices ease pricing pressure

Figure 21: Raw milk price, China, 2010-15

Inherent advantages over other dairy products

New consumption occasions and location

Scope for future product innovations

Market Segmentation

Drinking yogurt leads category growth

Figure 22: Retail value sales and growth rate of drinking and spoonable yogurt, China, 2011-16

Rise of ambient lactobacillus drinks

Figure 23: Example of UHT lactobacillus drinks, China, 2015-16

Figure 24: Example of probiotics in powder format, China and overseas markets, 2015-16

Figure 25: Best- and worst-case forecast for retail drinking yogurt segment, China, 2011-21

Flavoured products taking greater share within spoonable yogurt

Figure 26: Retail sales value and growth rate of natural and flavoured spoonable yogurt, China, 2011-16

Figure 27: Examples of yogurt with rich and special taste, China, 2015-16

Figure 28: Best- and worst-case forecast for retail spoonable flavoured yogurt segment, China, 2011-21

Figure 29: Best- and worst-case forecast for retail spoonable natural yogurt segment, China, 2011-21

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Yoghurt - China - August 2016

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.

Key Players – What You Need to Know

- Mengniu and Yili increasing their leading edge
- Rising foreign brands, niche premium brands and regional players
- Major companies make moves to attract young consumers
- Product innovation takes a variety of forms

Market Share

- Mengniu and Yili achieved significant gains
Figure 30: Leading companies' market share in yogurt market, by value, China, 2014-15
- Bright Dairy facing challenges in going premium
Figure 31: Bright Dairy's premium line extension, China, 2016
- Yakult and Weichuan are looking to reinvigorate the lactobacillus drink segment
- Smaller players finding ways to gain share
- Overseas players entering China
Figure 32: Example of imported yogurt shelf in a premium supermarket, Shanghai, China, 2016
- Niche brands gain share with unique propositions
Figure 33: Example of a Le Pur strained yogurt variant, China, 2016
- Beverage brands joining competition
Figure 34: Unif's newly-launched yogurt brand, China, 2016

Competitive Strategies

- Gaining kid, teenagers and young consumers through pop culture marketing
Figure 35: Example of yogurt and yogurt drinks targeting kids and young people, China, 2015-16
- Boosting non-retail sales
- Heavy promotions on premium brands to encourage trading up
- Partnership with healthy lifestyle brands and events

Who's Innovating?

- Brown (baked) yogurt
Figure 36: Example of brown yogurt, China, 2015-16
- Extra high protein content
Figure 37: Example of yogurt featuring high protein content, China, 2015-16
- Savoury flavours moving into the spotlight
Figure 38: Example of non-sweet yogurt flavours, China, 2015-16
- Yogurt dessert
Figure 39: Example of yogurt desserts, China, 2015-16
- Lactobacillus drinks moving across the spectrum of texture
Figure 40: Example of category-blurring yogurt drinks, China, 2015-16

The Consumer – What you need to know

- Increasing consumption frequency
- Surprisingly high consumption rate in Non-retail channels

BUY THIS
REPORT NOW

VISIT: store.mintel.com
 CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300
 APAC +61 (0) 2 8284 8100 |
 EMAIL: reports@mintel.com

Yoghurt - China - August 2016

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.

Glass bottle/jars generate strong packaging appeal

"All-natural" can most effectively help premium product win consumers

Consumption Frequency

Ambient yogurt becoming an everyday dairy product

Figure 41: Consumption frequency of yogurt and yogurt drinks, April 2016

40s consume less yogurt

Figure 42: Percentage of consumers who have not had yogurt or yogurt drinks in the last 3 months, by age, April 2016

Chilled variants are favoured by females

Figure 43: Percentage of consumers who had yogurt or yogurt drinks more than once a week, by gender, April 2016

Figure 44: Percentage of female consumers who had chilled yogurt or yogurt drinks more than once a week, by age, April 2016

Yogurt/Yogurt Drinks Consumption in Non-retail Channels

Higher than expected yogurt consumption in non-retail channels

Figure 45: Yogurt/yogurt drinks consumption in non-retail channels, April 2016

Preferred Packaging Types and Reasons

Cardboard box has the strongest appeal thanks to its premium look and convenience features

Figure 46: Preferred packaging types, April 2016

Figure 47: Cardboard box advocators' perceptions towards different packaging types, April 2016

Figure 48: Example of yogurt in a TPA pack with cap sealing, China, 2016

Glass bottles see potential to hit the market

Figure 49: Preferred packaging types amongst females aged 20-24, April 2016

Figure 50: Perceptions towards different packaging types, April 2016

Figure 51: Percentage of consumers who agree that glass bottles/jars are premium, by consumer segments, April 2016

Portability and adaptability for on-the-go consumption are important packaging measurements

Product Features that are Worth Paying More for

"All-natural" is a more alluring safety assurance than "free-from" claims

Figure 52: Product features that are worth paying more for, April 2016

Consumers across age groups pay attention to different product features

Figure 53: Selected product features that are worth paying more for, by age, April 2016

Females are flavour explorers while males focus more on protein

Figure 54: Selected product features that are worth paying more for, by gender, April 2016

High protein content, imported milk origin and vegetable contents can attract high earners

Figure 55: Selected product features that are worth paying more for, by income, April 2016

Figure 56: Example of yogurt and yogurt drinks featuring vegetables, Japan, 2015-16

Attitudes towards Yogurt

More yogurt products expected at on-trade channels

Figure 57: Attitudes towards eating yogurt/yogurt drinks in restaurants, April 2016

Novelty-seeking will continue to entice new product trial

Figure 58: Attitude towards new yogurt concepts, April 2016

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Yoghurt - China - August 2016

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.

Meet the Mintropolitans

Heavier consumption indicates yogurt will continue to enjoy good growth

Figure 59: Percentage of consumers who eat each yogurt/yogurt drink type more than once a week, by consumer segmentation, April 2016

Figure 60: Yogurt/yogurt drinks consumption in non-retail channels, by consumer segmentation, April 2016

Excessively high willingness to pay more for imported milk and high protein

Figure 61: Product features that are worth paying more for, by consumer classification, April 2016

Appendix – Methodology and Abbreviations

Methodology

Fan chart forecast

Abbreviations

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com