

Cheese - UK - October 2016

Report Price: £1995.00 | \$3230.80 | €2534.27

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“The cheese market is expected to see a value decline in 2016, largely due to heavy retail discounting. Continued decline in the dominant cheddar segment has been responsible for the overall fall in cheese volume sales, while bolstered recipe cheese performance suggests consumers’ interest in scratch cooking continues.”

– **Alyson Parkes, Research Analyst**

This report looks at the following areas:

- **Fair pay for dairy farmers could build value for British cheese**
- **Cheese needs new usage occasions as sliced bread sales fall**
- **Scope for cheese to capitalise on protein trend**

The UK retail cheese market is expected to see steady volume sales and a slight value decline in 2016, as continued retailer discounting and low farmgate prices see prices fall.

Cheddar’s share of the market by value is expected to continue falling, to less than half. Its key usage with bread looks to hamper growth as sliced bread sales struggle, underlining the ongoing need to expand other occasions. Processed and recipe cheese are expected to fare better with projected value and volume sales growth in 2016.

Pressure from consumers and increased global demand for dairy have halted the fall in farmgate milk prices, also starting to put upward pressure on cheese prices. With the Sterling weakening amidst the UK Brexit vote fallout, import prices look set for a sharp rise with export demand also bolstered. Cheese makers may see increased competition for milk resources.

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

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The facts
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Weakening Pound pushes import prices up, Brexit could see British cheeses lose name protection

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Stronger flavour appeals to nearly half

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Education and sampling offer scope to win over new users
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