

## Cheese - UK - October 2017

Report Price: £1995.00 | \$2672.70 | €2262.13

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“A focus on meals and cooking will be important for future sales of cheese as its most popular carrier product, bread, is in decline. Promoting cheese as an indulgent snack offers another route for keeping cheese on the menu. Highlighting provenance, artisan cheese-making skills and different taste experiences offer possibilities for encouraging trading up.”

– **Richard Caines, Senior Food & Drink Analyst**

This report looks at the following areas:

- Mealtimes offer scope for promoting many uses for cheese
- Focus on indulgence can add value in price-focused market
- Positives of cheese as a snack important for targeting younger people

UK retail sales of cheese are estimated to grow 2017, with some inflation expected to boost sales following deflation in 2016. The fortunes of cheddar have the biggest impact on the overall market value. This has been hit by a move towards lower-priced own-label cheddar and growing sales through discounters.

Sales of continental and recipe cheeses have outperformed cheddar and British regional cheeses, pointing to a need for UK producers to shout more loudly about quality, provenance and the range of different flavours available in British cheese. A focus on the latter in particular can help to appeal to a younger generation more interested in new taste experiences but who are less likely to buy British regional cheeses than their older counterparts.

Bread sales have been declining but cheese is eaten the most in a sandwich or with toast, so driving increased usage for cooking will be important. Use of cheese in or with meals will be influenced by restaurant experiences, as well as the appeal of different types of cheese as a good source of protein for vegetarians or those having meat-free days. Snack products will also be important for future growth, but could benefit from more premium options focusing on the indulgence angle.

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Mealtimes offer scope for promoting many uses for cheese

The facts

The implications

Focus on indulgence can add value in price-focused market

The facts

The implications

Positives of cheese as a snack important for targeting younger people

The facts

The implications

### The Market – What You Need to Know

Deflation holds back 2016 value growth

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Slow growth in cheese sales expected

Cheddar's share of market declining

Growing continental cheese sales despite fall in the Pound

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Cathedral City most traditional and delicious brand

Philadelphia seen as innovative

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Own-label share of cheese market growing

Cathedral City maintains big lead

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Boursin the most indulgent and special brand

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- More convenient formats help cheese sales
- Cheese most commonly eaten with bread but bread sales declining
- Mealtimes offer many different uses for cheese
- Brands could make more of health associations
- Strong appeal as a snack option but room for more indulgence
- A third would like more re-sealable packaging
- Focus on provenance and flavours important
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Protein content could be the key to attracting younger buyers

Being high in saturated fat the biggest negative

Does "indulgent" clash with "healthy"?

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Cheese has strong appeal as a snack option

Room for making cheese more of an indulgent treat

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