

Milk and Dairy Beverages (Incl Impact of COVID-19) - China - April 2020

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“The growth rate of the milk and dairy beverages market has slowed in recent years but will likely continue at a low and steady rate. In addition to the supply chain reforms currently underway, such as integration of upstream suppliers or establishing data-centric logistics systems, products will include additional upgrades to justify the premium price point.”

-- Annie Jiang, Research Analyst, Food & Drink, 30

This report looks at the following areas:

- The impact of COVID-19 on the milk and dairy beverages market
- Changes in consumer behaviour post-COVID-19
- The value of market segments and brand performance in 2019
- Launch activity and product innovation
- Consumer behaviour and perception towards milk and dairy beverages
- Market growth opportunities

For most segments value and volume sales for milk and dairy beverages continues to grow steadily in China; however, the flavoured milk segment faces decline as consumers seek to reduce their sugar intake. Increasing new launches targeted towards adult palettes will likely be a good strategy to tackle the decline in flavoured milk sales. Ambient products will continue to see expansion in lower tier cities as the government encourages increased dairy consumption in line with the Chinese Dietary Guidelines and consumers gain a better understanding of the health benefits. Growth in market value of ambient products will also be driven by current consumers trading up into premium products with additional functionality or fortified claims.

Chilled plain milk and lactobacillus drinks will continue high velocity growth as cold-chain logistics become more mature and consumers demand higher quality products. Current developments lie mostly in the Eastern region, especially within economically developed cities and provinces. As most consumers still choose dairy products for nutritional purposes, more of them will turn to chilled products as they become more readily available.

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DID YOU KNOW?

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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