



Dairy Alternatives: Incl Impact of COVID-19 - US - June 2020

Report Price: £3695 | \$4995 | €4400

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

This report looks at the following areas:

- Households with children are key demographic
- Dairy alternatives used across dietary spectrum
- Protein is in; sugar is out

Thanks in part to the widespread availability of plant-based milk substitutes, dairy alternatives have found their way into the homes of four in 10 consumers. Adults are more open to consuming dairy alternatives than they are meat alternatives, with more than twice as much household usage overall. Dairy alternatives from yogurt and cheese to prepared foods and ice cream have made great strides in everything from taste and texture to nutritional value and sustainable ingredient sourcing. However, smaller, premium-priced brands that enjoyed success in a strong economic climate may be in for a rocky road ahead as consumers cut back on premium items amidst the looming financial downturn. Consumers who typically include dairy alternatives in their diets are doing so for a variety of reasons, and are unlikely to stop purchasing these products altogether even as a recession continues. Dairy alternative brands will need to be especially mindful of offering competitive pricing, especially as more affordable private label offerings continue to emerge.



“Once serving only a niche audience comprised of those who avoided dairy due to allergies or a vegan diet, dairy alternatives have seen tremendous growth in recent years, and are now used by adults across the dietary spectrum. Consumers have more choices than ever before, and long-time players are challenged with increased competition.”

– Karen Formanski, Health and Nutrition Analyst

Buy this report now

Visit store.mintel.com

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

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**
- **Key issues covered in this Report**
- **Definition**

EXECUTIVE SUMMARY

- **Top takeaways**
- **Impact of COVID-19 on dairy alternatives**
Figure 1: Short-, medium- and long-term impact of COVID-19 on dairy alternatives, May 2020
- **The issues**
- **Preference for taste of real dairy major barrier to further growth**
Figure 2: Prefer the taste of traditional dairy, by age, March 2020

- **Parents still think kids need real milk**
Figure 3: Children need cow's milk to be healthy, by parental status, March 2020
- **Exclusive use of dairy alternatives remains low**
Figure 4: Household behaviors – also use traditional dairy or only use dairy alternatives, by household member, March 2020
- **The opportunities**
- **Families with kids support the dairy alternative market**
Figure 5: Household use of dairy alternatives, by number of children under 18 in household, March 2020
- **Marketing to men is an area of opportunity**
Figure 6: Dairy alternative usage behaviors, by gender, March 2020
- **Improved nutritional profile can help expand bandwidth**
Figure 7: Select opinions on dairy alternatives, processing and protein content, by dietary preference, March 2020
- **What it means**

THE IMPACT OF COVID-19 ON DAIRY ALTERNATIVES

- **Opportunities and Threats**
- **Healthy eating takes a backseat to comfort and familiarity, for now**
- **Sales sour as cow's milk is spilt**
Figure 9: Dairy alternative ads adapted for COVID-19

What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

- Visit store.mintel.com
- 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

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

- Immunity support for the win in the short and medium term**

Figure 10: Plant-based dairy alternatives with probiotics

- Trade show cancellations, halted in-store demos encourage innovative tactics**

- Impact of COVID-19 on dairy alternatives**

- Smaller brands at risk of losing ground**

Figure 11: Plant-based yogurt alternatives from leading dairy yogurt brands

- Role of animal agriculture in pandemics may lend appeal to plant-based alternatives**

- How the COVID-19 crisis will affect dairy alternatives' key consumer segments**

- Parents are a key demographic for dairy alternatives...**

Figure 12: Repertoire of dairy alternative types used, by parental status, March 2020

- ...yet the number of households with children is shrinking**

Figure 13: Households, by presence of related children, 2008-18

- Pandemic may lead consumers to relax dietary restrictions**

Figure 14: Household use of dairy alternatives, by dietary preference, March 2020

- How a COVID-19 recession will reshape the dairy alternatives category**

- Plant-based priorities may shift with increased home cooking**

Figure 15: Consumer spending on food at home, annual, 2000-19 and Q1 2020

Figure 16: Barista-style plant milks

- Private label dairy alternatives offer value proposition**

Figure 17: Private label dairy alternative examples

- COVID-19: US context**

THE MARKET – WHAT YOU NEED TO KNOW

- Plant-based foods remain in the spotlight**
- Dairy alternatives make their way to the menu**
- Environmental impact may influence consumer choices**
- Dairy alternatives need competitive pricing to grow**

MARKET PERSPECTIVE

- Plant-based options in high demand**

Figure 18: Dairy free claims, vegan claims and plant-based mentions in food and drink launches, 2015-19

- High protein content is top of mind for consumers**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

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

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



Figure 19: Percent of food and drink product launches with high/added protein claims, 2015–19

- Coffee shops, restaurants introduce dairy alternatives to mainstream consumers**

Figure 20: Mentions of non-dairy cheese, non-dairy milk and meat substitutes on US restaurant menus, 2016–20

MARKET FACTORS

- Environmental concerns can both help and hurt milk alternative market**

Figure 21: Select opinions on environmental effects, traditional dairy and almond milk, by age, March 2020

- Households with children decreasing**

Figure 22: Percentage of households with children, 2008–18

- Premium price could be an obstacle to wider acceptance**

Figure 23: Dairy alternatives should be more affordable than traditional dairy, by household income, march 2020

Figure 24: Total consumer spending, monthly, 2006–10

- Dairy industry seeks control of terminology**

KEY PLAYERS – WHAT YOU NEED TO KNOW

- Dairy alternative brands see growth across categories**
- Cheese alternatives get cultured**
- Soy's rocky road**
- Almonds make room for emerging ingredients**

COMPANY AND BRAND SALES OF SELECT DAIRY ALTERNATIVES

- Dairy alternative brands compete in an increasingly crowded space**
- Competition is heating up in milk alternatives**

Figure 25: Multi-outlet sales of select brands of milk alternatives, rolling 52 weeks 2019 and 2020

Figure 26: Ads for Silk almond milk and Califia Farms

Figure 27: % of non-dairy milk launches by select types, 2015–2019

- Yogurt alternatives making big strides**

Figure 28: Multi-outlet sales of select brands of yogurt alternatives, rolling 52 weeks 2019 and 2020

Figure 29: Plant-based yogurt alternatives from leading dairy yogurt brands

- Ice cream alternatives offer healthy-ish indulgence**

Figure 30: Multi-outlet sales of select brands of ice cream alternatives, rolling 52 weeks 2019 and 2020

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

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

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

- Cheese alternatives benefit from widening distribution**

Figure 31: Multi-outlet sales of select brands of cheese alternatives, rolling 52 weeks 2019 and 2020

WHAT'S WORKING

- Popularity of alternative milks encourages ingredient innovation**

Figure 32: Leading milk alternative brand examples – oat milk

- New generation of cheese alternatives makes waves**

Figure 33: Leading cheese alternative brand examples

- Prepared meals with dairy alternatives offer healthy convenience**

Figure 34: Prepared foods featuring dairy alternatives

- Private label brands may help push dairy alternatives to mainstream**

Figure 35: Private label dairy alternative examples

WHAT'S STRUGGLING

- Both legacy and emerging brands struggle to stand out in the crowd**

Figure 36: Dairy alternative examples – So Delicious, Go Veggie and Almond Dream

- The rise and fall (and rise?) of soy**

Figure 37: Dairy alternatives – Soy Dream

WHAT TO WATCH

- Other nut milks move in on almond milk craze**

Figure 38: Milk alternatives featuring nuts

- Seeds pack nutritional punch**

Figure 39: Seed-based dairy alternatives

- Hybrid products seek attention of flexitarians**

Figure 40: Live Real Farms blended milk examples

THE CONSUMER – WHAT YOU NEED TO KNOW

- Dairy alternatives are not just for vegans anymore**
- Milk substitutes are gateway to dairy alternative use**
- Dairy alternatives offer healthy variety**
- Ditch the sugar, bring on the protein**
- Many still view cow's milk as crucial for kids**
- Sustainability grows in importance**

DAIRY ALTERNATIVES – HOUSEHOLD USAGE

- Dairy alternatives are consumed by adults across the dietary spectrum**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

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

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



Figure 41: Household use of dairy alternatives, by dietary preference, March 2020

- **Multicultural consumers offer both loyalty and opportunity**

Figure 42: Household use of dairy alternatives, by race and Hispanic origin, March 2020

- **Presence of children influences consumption**

Figure 43: Household use of dairy alternatives, by number of children under 18 in household, March 2020

- **Most buy dairy alternatives for personal use, but don't overlook the kids**

Figure 44: Household member use of dairy alternatives, by household member, March 2020

DAIRY ALTERNATIVES – TYPES USED

- **Popularity of milk alternatives bodes well for all dairy alternatives**

Figure 45: Types of dairy alternatives used, March 2020

- **Dairy alternative consumers likely to use multiple product types**

Figure 46: Repertoire of dairy alternative types used, March 2020

- **Parents more prone to purchasing multiple types for household**

Figure 47: Repertoire of dairy alternative types used, by parental status, March 2020

- **Dairy alternative use varies by gender**

Figure 48: Types of dairy alternative used, by gender, March 2020

DAIRY ALTERNATIVES – USAGE BEHAVIORS

- **Dairy alternative usage steady and increasing for many**

Figure 49: Dairy alternative usage behaviors, March 2020

- **Men becoming more open to dairy alternatives**

Figure 50: Dairy alternative usage behaviors, by gender, March 2020

- **Parents of young children show increased usage**

Figure 51: Dairy alternative usage behaviors, by parental status, age of children in household, March 2020

- **Exclusive use of dairy alternatives remains low**

Figure 52: Household behaviors – also use traditional dairy or only use dairy alternatives, by household member, March 2020

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

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

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



DAIRY ALTERNATIVES – USAGE MOTIVATIONS

- Consumers are seeking out dairy alternatives for a range of reasons**

Figure 53: Dairy alternative usage motivations, March 2020

- Younger consumers motivated by environmental benefits**

Figure 54: Dairy alternatives are better for environment, by age, March 2020

- Cholesterol still concerns older adults**

Figure 55: Cholesterol management as motivator for dairy alternative use, by age, March 2020

- Black consumers most motivated by lactose intolerance**

Figure 56: Dairy/lactose allergy or intolerance as motivator for dairy alternative use, by race and Hispanic origin, March 2020

DAIRY ALTERNATIVES – USAGE BARRIERS

- Non-users don't see the appeal**

Figure 57: Dairy alternative usage barriers, March 2020

- Younger adults don't feel the need; older adults don't like the taste**

Figure 58: Select dairy alternative usage barriers, by age, March 2020

- Price is more of a barrier for Hispanic consumers than average**

Figure 59: Select dairy alternative usage barriers, by Hispanic origin, March 2020

DAIRY ALTERNATIVES – IMPORTANT LABEL CLAIMS

- Ditch the sugar, bring on the protein**

Figure 60: Important label claims for dairy alternatives, March 2020

- Multifunctional product claims appeal to wide range of users**

Figure 61: TURF Analysis – Important label claims, March 2020

- Age influences level of interest in organic, non-GMO**

Figure 62: Important label claims, organic and non-GMO, by age, March 2020

- Parents more prone to avoid allergens**

Figure 63: Important label claims, free of major allergens, by parental status, March 2020

MILK ALTERNATIVES – INTEREST AND OCCASIONS

- Almond leads the pack for milk alternatives, for now**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

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

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



Figure 64: Milk alternative types – any interest (net) March 2020

- **Versatility is key to milk alternative popularity**

Figure 65: Interest in leading milk alternative types, by usage occasion, March 2020

OPINIONS ON DAIRY AND DAIRY ALTERNATIVES

- **Got real milk? If you live with kids, most likely**

Figure 66: Select opinions on health of dairy and dairy alternatives, by age of children in the household, March 2020

- **Top users of dairy alternatives seek less processing, more protein content**

Figure 67: Select opinions on dairy alternatives, processing and protein content, by dietary preference, March 2020

- **Texture remains a barrier to use for some**

Figure 68: Select opinions on texture of dairy alternatives, March 2020

- **Younger consumers express stronger environmental concerns**

Figure 69: Select opinions on environmental effects, traditional dairy and almond milk, by age, March 2020

- **Blended milk products appeal to flexitarians**

Figure 70: Interest in trying blended milk products, by dietary preference, March 2020

APPENDIX – DATA SOURCES AND ABBREVIATIONS

- **Data sources**
- **Sales data**
- **Consumer survey data**
- **Abbreviations and terms**
- **Abbreviations**

APPENDIX – THE CONSUMER

Figure 71: TURF Analysis – Important Label claims, March 2020

- **Methodology**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

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



About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster.

Our purpose is to help businesses and people grow. To find out how we do that, visit mintel.com.