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Media Feedback

2016 Category Quantification Report

Powdered Creamers in South Africa

Product Definitions

Product Definitions	
Powdered Creamers	This product is regarded as an imitation dairy product consisting almost entirely of vegetable fats which imitate the taste and texture of milk. These products are added directly to tea or coffee to whiten them. The powdered creamer market size as shown in this section includes both industrial and end-user consumption

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Market Trends

Powdered creamers saw a positive volume growth and value growth during 2015. The category pricing saw only a limited, sub-inflationary growth rate for the base year, as producers curtailed their margins to remain competitive. Consumers faced real financial pressures during 2015 due to the poorly performing economy, and manufacturers recognised the need to maintain the affordability of creamers within this context.

It is hypothesised that the year on year creamer volume growth is underpinned by the convenience benefit offered by the category. Creamers compete directly with powdered and UHT milk products. The latter in particular saw discounting, limited price increases and economically priced imports, resulting in a surge of popularity for UHT milk, and a very competitive retail environment for powdered creamers. Given this competitive market space, powdered creamer price increases needed to be kept in check for 2015.

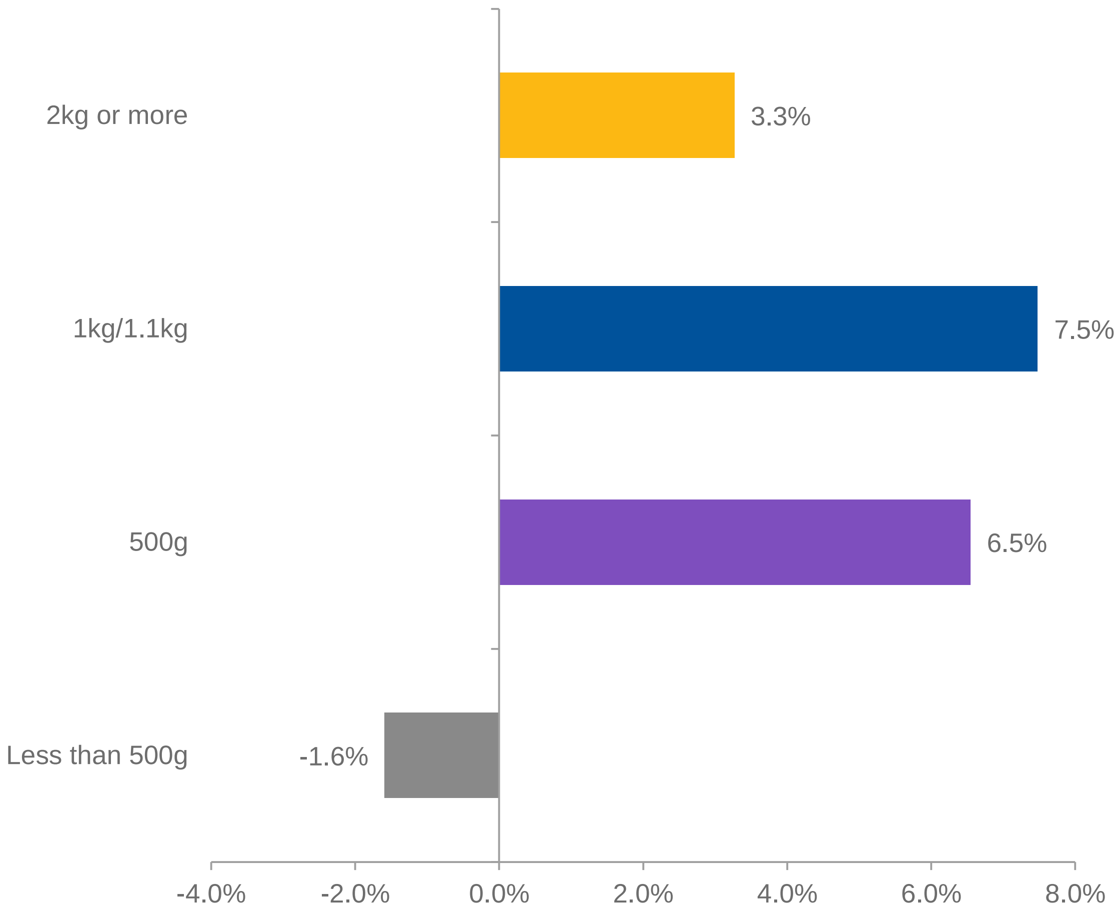
A number of smaller, regional players exited the market during 2015. However, the volume vacuum caused by these players was quickly filled by those still active within the market, as is evidence by the healthy volume growth for the year.

The 2015 year saw good volume growth both across all regions as well as across all market sectors. Exports saw particularly good growth. It is believed that this stemmed from the devaluation of the Rand and key producers seeking opportunities to grow their footprint beyond South Africa's borders. In terms of local consumption, Gauteng historically held the lion's share of the overall market volumes, and a substantial volume increase during the base year secured this same position for the current base year.

The 1kg pack remains the mainstay of the market. However, during the base year this pack category was extended to include a 1.1kg promotional pack.

Packaging Assessment

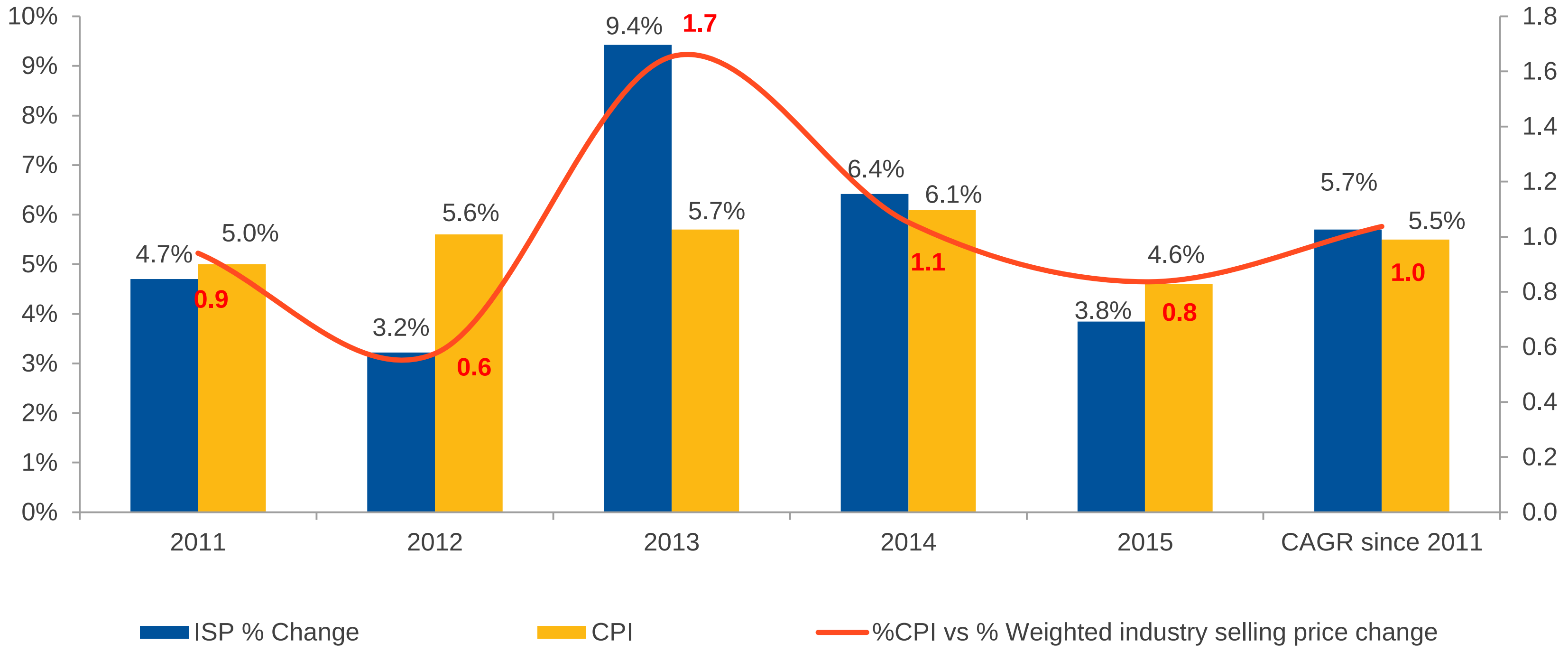
Pack Size



The 1kg pack has traditionally been the mainstay of the market and the 2015 data highlights a growth in share for this particular size. The recent 1.1kg promotional packs have been combined with this.

Historical Average Industry Selling Price

Industry selling price versus CPI



The growth in powdered creamer pricing was below that of CPI for 2015. In the competitive market environment, creamer manufacturers sought to keep their pricing in check and reduced their margins.

The consumer price index (CPI) measures changes in the price level of a market basket of consumer goods and services purchased by households.

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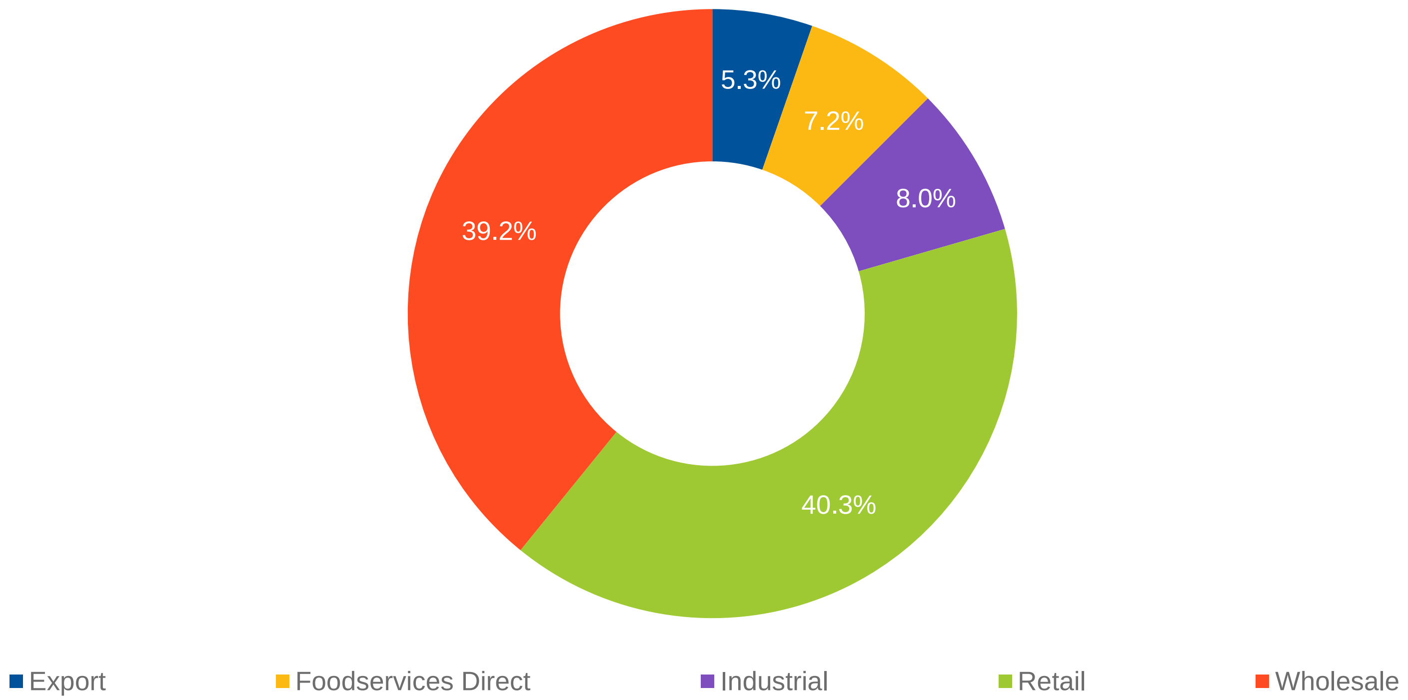
Channel Distribution 2015

Channel Distribution



Retail and wholesale collectively accounted for the lion's share of the market in 2015. While all channels saw growth for 2015, this was most pronounced for the export sector.

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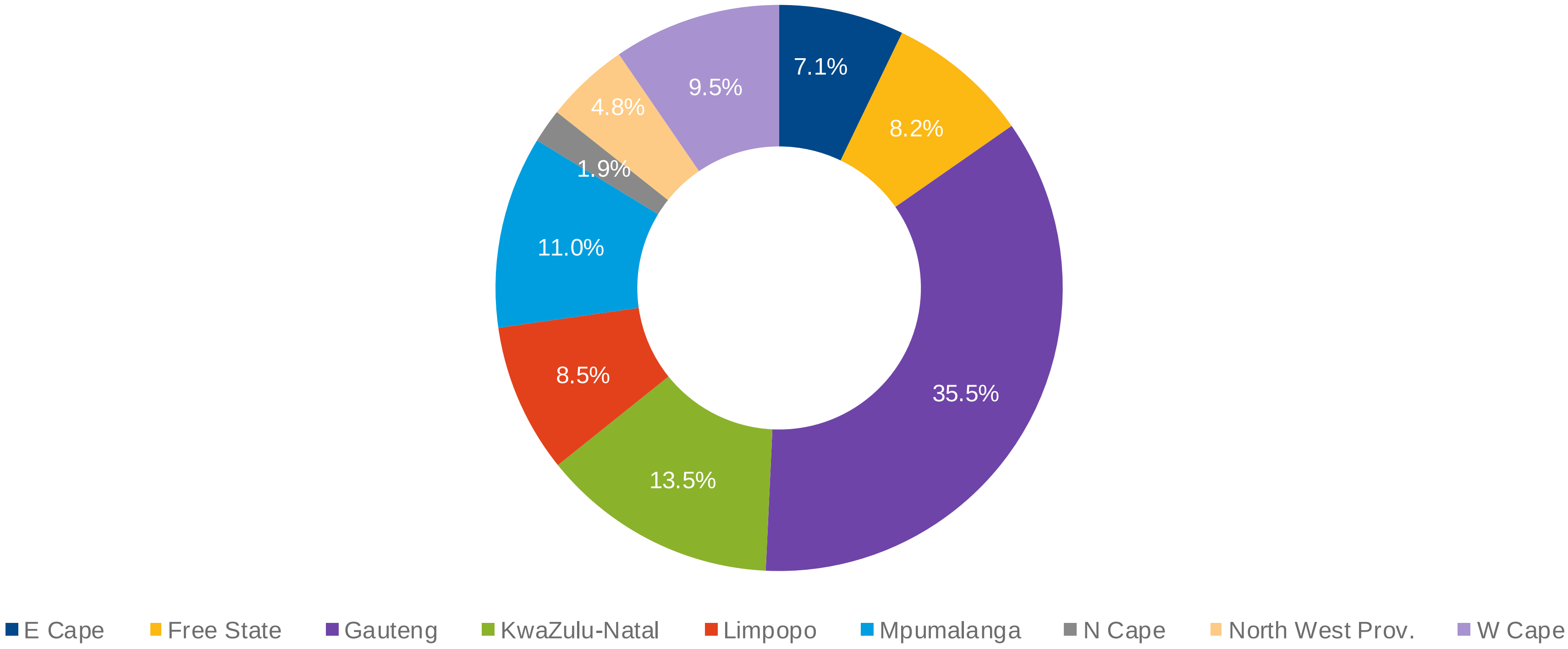
Local Regional Distribution 2015

Regional Distribution



Gauteng maintained it's position in 2015 as the single largest regional consumer of powdered creamers. Overall, there was positive regional movement consistently across all regions.

Excludes exports

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BMi Tracking Report Schedule 2016

Packaging

All reports

- Packaging overview
- Paper & Board
- QPM
- Quarterly Import

Annual Beverage Publications

Full Report (All reports below)

Alcoholic Beverages

- Flavoured Alcoholic Beverages
- Malt Beer
- Sorghum Beer
- Spirits
- Wine

Non Alcoholic Beverages

- Bottled Water
- Carbonated Soft Drinks
- Cordials and Squash
- Energy Drinks
- Fruit Juice
- Iced Tea
- Mageu
- Sports Drinks

Dairy Beverages

- Dairy Juice Blends
- Drinking Yoghurt
- Flavoured Milk
- Maas
- Milk

Annual Food Publications

- Canned Protein
- Dairy
- Desserts
- F&C Beverages
- Pasta
- Rice
- Wheat and Grain

Confectionery & Snacks

- Ice Cream
- Packaging of Snack Foods
- South African Confectionery Market
- The Impulse Market in South Africa

On Request

- Biscuits and Rusks
- Breakfast Foods
- Baked Products
- Baking Aids
- Eggs
- Fats and Oils
- Frozen and Par-Baked Products
- Premixes
- Pre-prepared Meals
- Processed Meat Products
- Protein
- Sauces
- Soup and Condiments
- Sweet and Savoury Spreads
- Value Added Meals

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Shelf & Promotional Price Surveys
$
Category Quantification
Beverages
Food
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advertising
Advertising & Campaign Testing
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Advanced Analytics
Predictive Analytics
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Competitive Pricing Simulation
Price Sensitivity
Statistical Optimisation Model
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SALE
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