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Media Feedback Report

2017 Canned Protein in South Africa

September 2017

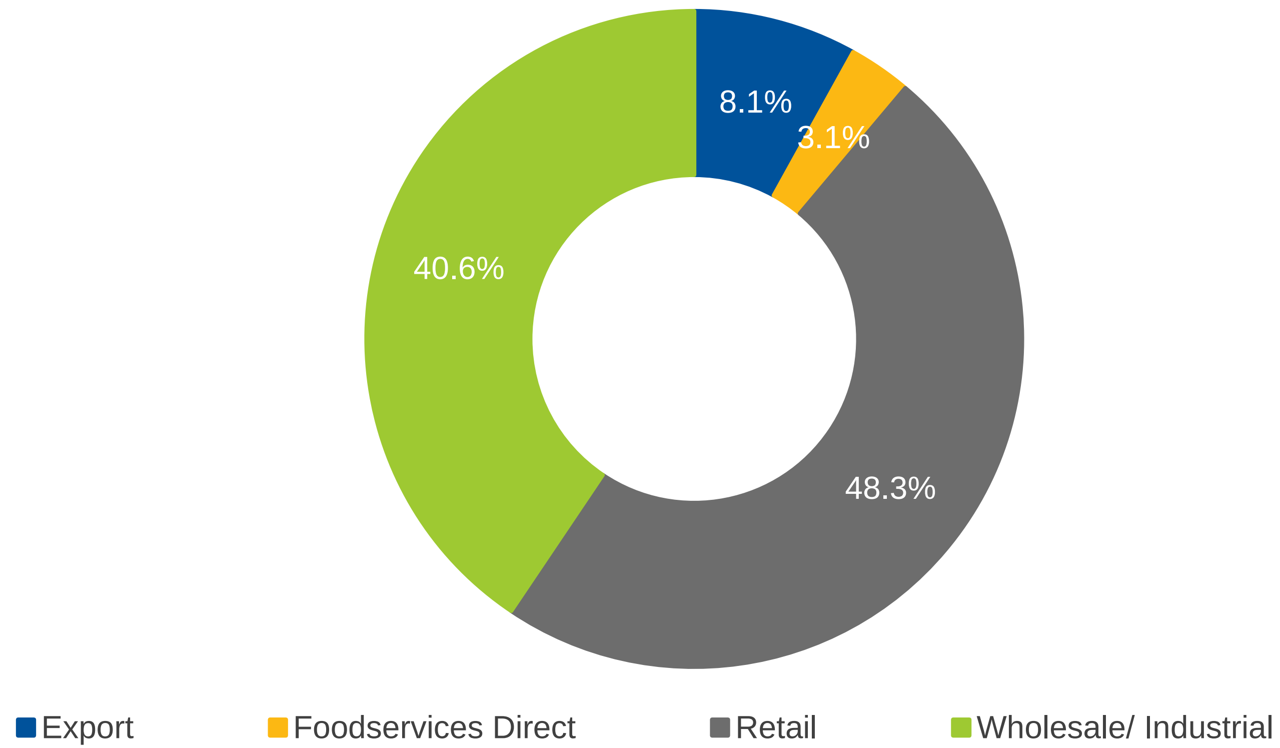
Market Trends

The canned protein category continued to grow in volume and value in 2016 compared to 2015. The category growth may be attributed to the increase in marketing and promotional activities, as well as product availability.

In 2016, the canned fish sub-category recorded the highest volume growth in four years. The significant increase in category volume and value may be attributed to the category pricing which was considered lower than fresh and frozen fish products. The average canned fish industry selling price increased above the inflation increase which may be attributed to the significant decline in fish quota locally. Canned volumes still saw growth as this price increase was significantly lower than that seen for fresh and frozen variants, where these products compete indirectly with the canned category. Canned fish producers ended up importing frozen fish to pack locally or canned fish at a higher price due to the unfavourable Rand exchange rate. This trend is expected to continue as the fishing industry reduced the fish quota further in 2017. Another factor that was said to contribute to the category volume growth was stock levels. The product was also widely available in retail and wholesale outlets, and this underpinned sales.

The canned meat sub-category saw a slight growth in volume in 2016. The product saw an aggressive pricing strategy in order to compete with fresh meat products in the market. It also saw an increase in number of private labels entering the market at a competitive price as well as an increase in promotion of bulk packaging.

Channel Distribution 2016



The retail and wholesale channels accounted for the majority of volume distributed in 2016. The channels collectively accounted for 88.4% of volume share in 2015 compared to 88.9% in 2016. The increase in share may be attributed to the increase in bulk sales as well as an increase in promotional prices compared to other channels.

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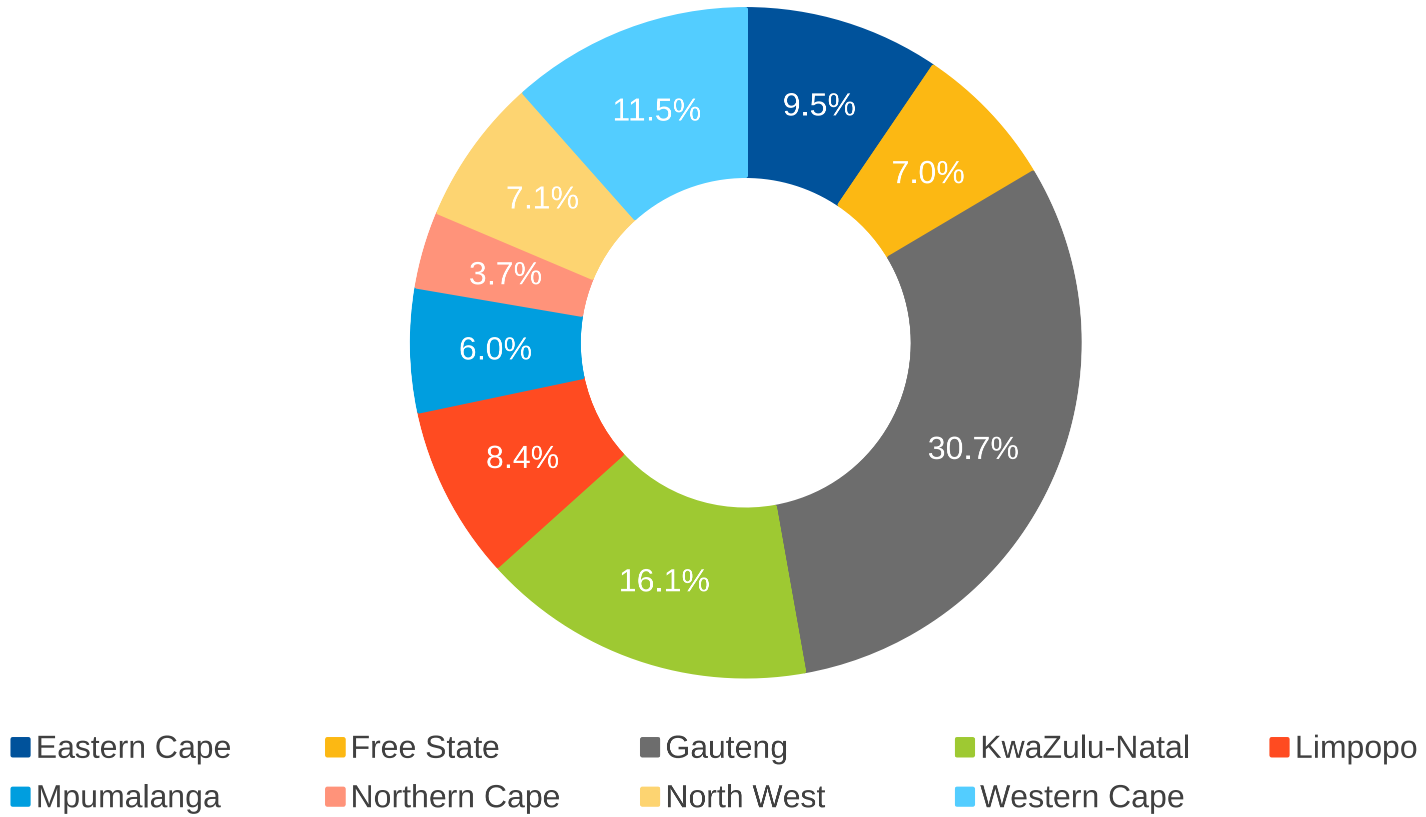
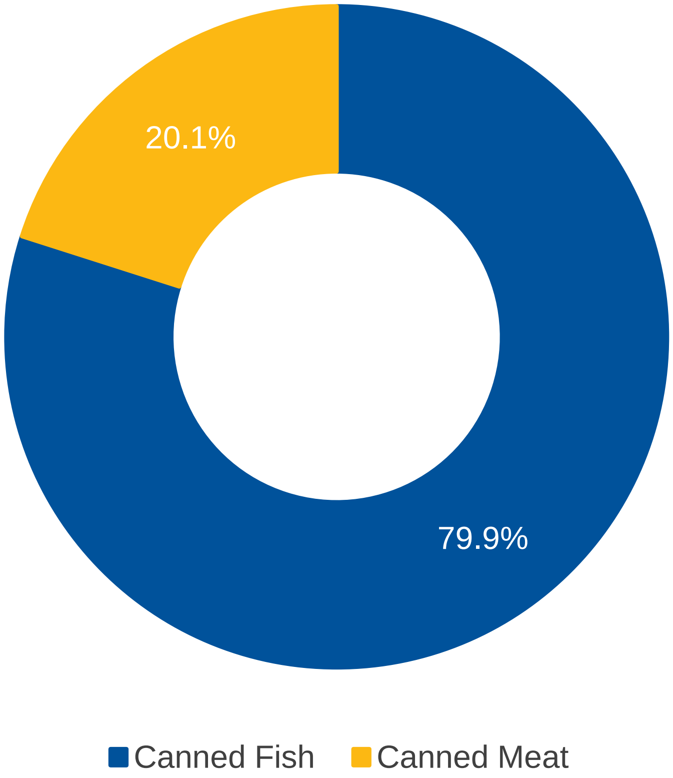
Local Regional Distribution 2016



As is to be expected, the three major metropolitan regions were used to distribute the most volume compared to other regions. These regions increased their volume share by 0.3 percentage points from 2015 to 2016.

Excludes Exports

Total Market Breakdown 2016



The local fishing quota declined significantly in 2016 but the local players were able to source the products from other regions to process and pack locally. The Rand exchange rate affected these companies negatively but the demand for canned products was very high and thus secured sales.

BMi Solutions

- Analytics Solution
- Dashboards

- Beverages
- Food
- Packaging

- Advertising & Campaign Testing
- Brand Competitive Advertising Tracking
- Omnichannel

- Business Insights
- Market Quantifications

- Print Promotional Pricing Tracker
- Number of Promotional Ads
- Adspend Value
- Print Ads Mobile App
- Promotional Effectiveness

- Consumer Insights
- Shopper Insights

- Brand Compliance
- Store Compliance
- Staff Compliance
- Promotional Compliance

- Category Ranging
- Compliance Tracker
- Shelf & Promotional Price Surveys
- Shelf Health

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