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Media Feedback Report
Powdered Creamers in South Africa
2017

Product and Channel Definitions

Product	Definition
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 creamers market size as shown in this section includes both industrial and end-user consumption

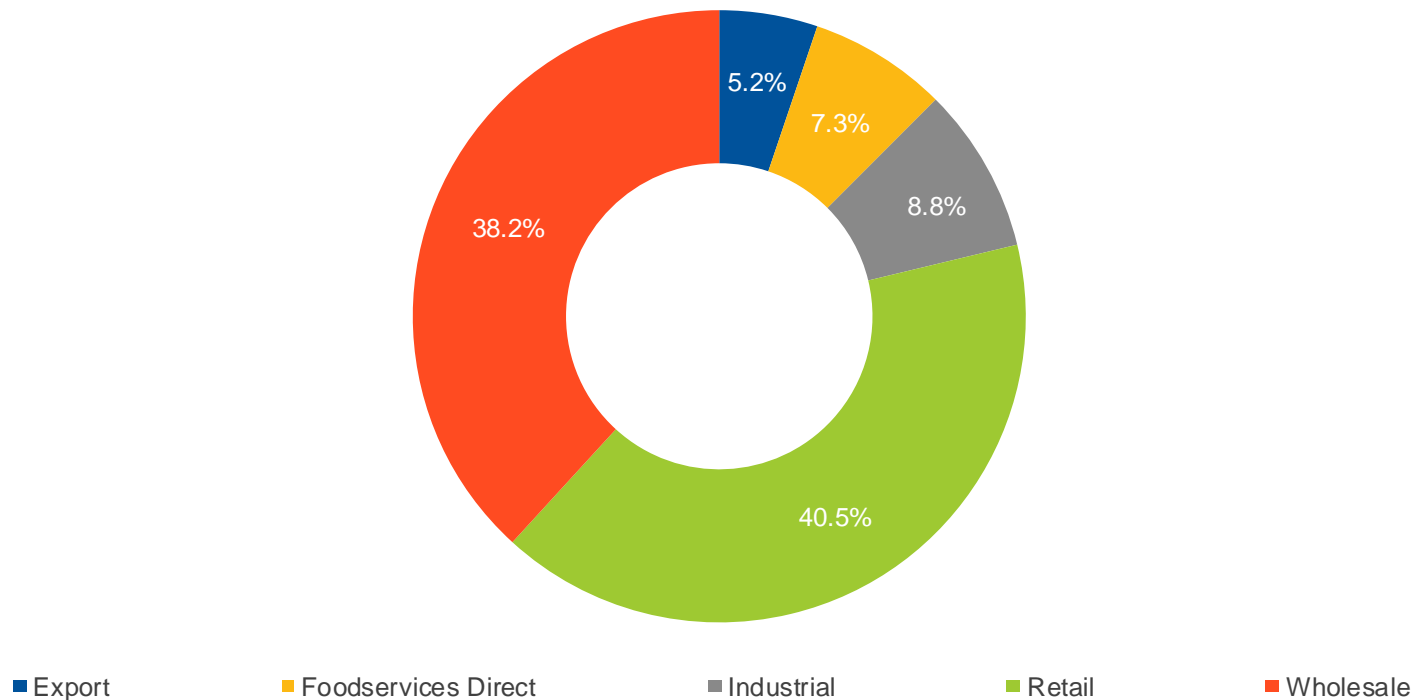
Market Trends

Powdered creamers category recorded limited volume movement in 2016 compared to 2015. The average industry selling price increased compared to CPI. Although the category gained volume and value during 2016, the following factors are believed to have contributed to the limited growth seen for this category:

- Limited disposable income – consumers purchased less volume and made their product last longer as it is believed that they did not have sufficient resources to purchase additional packs or larger packs
- The smaller pack sizes increased at the expense of the traditional 1kg box. This is possibly due to the greater affordability on a Rand per unit basis compared to the larger pack sizes
- The increase in the price of ingredients affected the shelf price negatively
- The increase in fuel prices affected the distribution costs negatively
- The unstable Rand exchange rate coupled with low demand from neighbouring countries are said to have contributed to the decline in exports

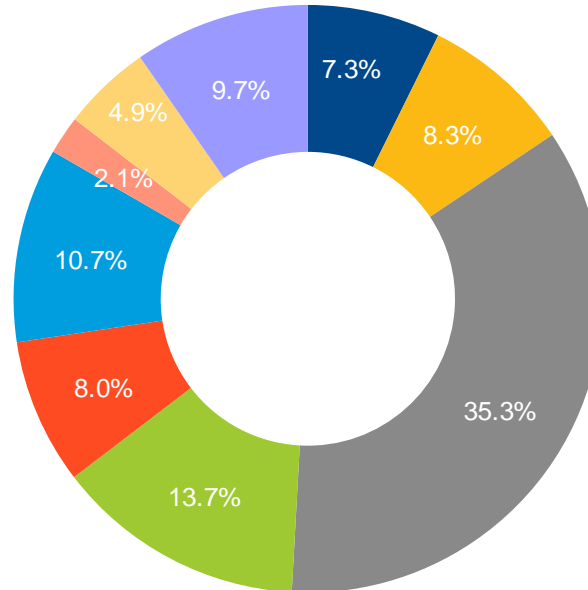
The retail and wholesale channels remained the significant distributors of powdered creamers products in 2016. The wide variety of brands, pack sizes and promotional activities were some of the factors said to have underpinned the preference of category sales within these channels.

Channel Distribution 2016



The retail and wholesale channels remained the main distributors of powdered creamers from manufacturers to consumers. These channels combined accounted for 78.8% of total volume sold in 2016 compared to 78.6% in 2015. These channels are characterised by a wide range of pack sizes, pack types and promotional activities.

Local Regional Distribution 2016

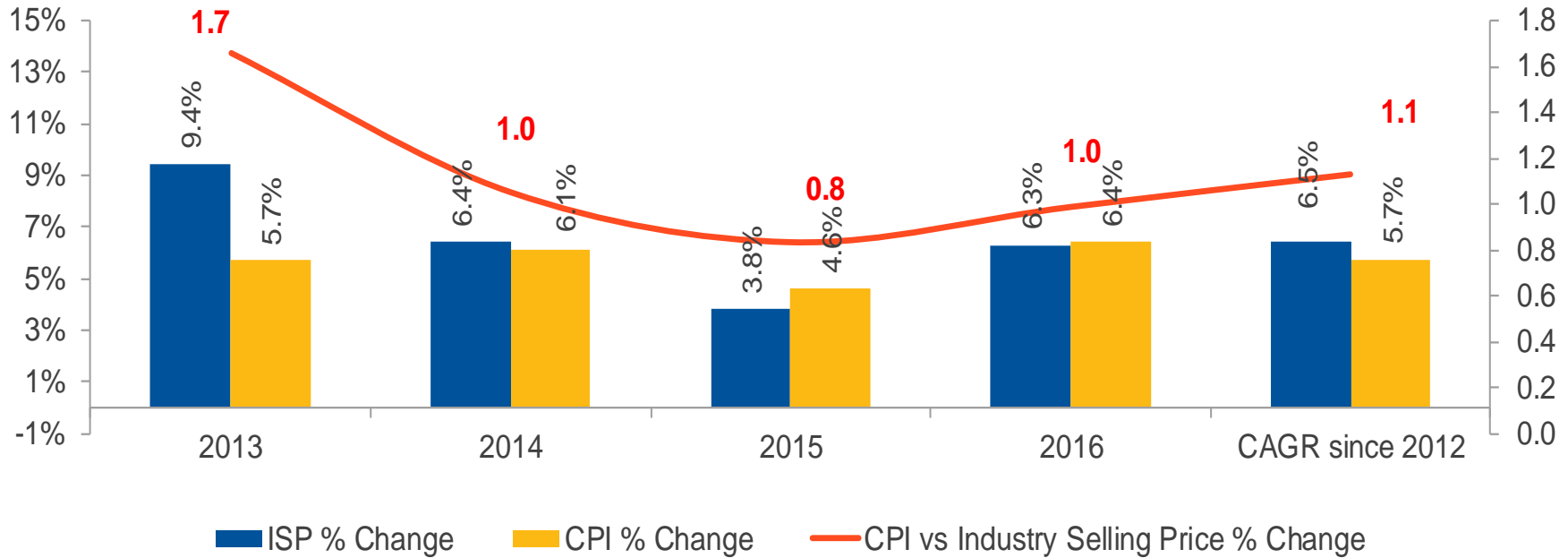


■ Eastern Cape ■ Free State ■ Gauteng ■ KwaZulu-Natal ■ Limpopo ■ Mpumalanga ■ Northern Cape ■ North West ■ Western Cape

The regional distribution remained unchanged from 2015 to 2016 with most of the regions recording limited growth rates. Gauteng remained the major supply region accounting for over one-third of the volume sold in 2016. This region was followed by KwaZulu-Natal.

Excludes exports

Historical Average Industry Selling Price



The category's ISP increased by 6.3% from 2015 to 2016 compared to CPI (6.4%). The category is anticipated to outperform the CPI and PCE in the short term as demand for smaller pack sizes, that are higher priced in Rand per kilogram terms, is expected to increase.

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