

THE FUTURE OF DAIRY AND NON-DAIRY DRINKS: 2020

Global Annual Review: what's now and what's next for the dairy and non-dairy drinks market.



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Drink



Report Content



- A look back and a look ahead

THE BIG STORIES

- Mintel's perspective

Chinese dairy giants expand global business

- Competition heats up: Chinese dairy giants snap up dairy companies in ANZ
- China's dairy market is expected to keep growing
- Milking fast growth in SEA markets
 - Graph 1: dairy, compound annual growth rate**, last five years

Dairy brands become increasingly innovative to survive

- More dairy brands are launching plant-based products in a bid to remain relevant
- Hybrids emerge offering the best of both worlds and meeting changing consumer demands
- Consumers see that dairy and plant-based milks both offer different benefits

Sustainability concerns prompt the rise in oat milk

- Oats have long-lasting appeal
- Sustainability concerns prompt the rise in oat milk
 - Graph 2: % of launches of plant-based milks with oats as an ingredient, 2017-2019
- Sustainability holds more appeal to younger consumers

IN THE NEXT TWO YEARS

- Mintel's perspective

Gut health will remain a top priority

- Digestive health remains a priority for consumers
- Dairy continues to innovate: probiotics will no longer be enough on their own
- Gut health focus will drive interest in pre- and probiotics
- Dairy drinks in China targeting gut health call out type and quantity of probiotics and their specific benefits

Adding value with functional and fortified benefits

- Growing concerns about eye health offer an opportunity for kids drinks
- Dairy drinks, in particular ultra-filtered milk, can compete as a post-workout beverage
- Make indulgent flavoured milks more permissible with added benefits and functional ingredients

Planetary health will become a key focus

- Organic is being outpaced by competing claims in milk
 - Graph 3: claims in white milk, flavoured milk, drinking yogurt and plant-based milk launches, 2014-19
- Regenerative farming methods could become the "next organic"
- Dairy and dairy alternatives can address environmental concerns and planet health

IN FIVE YEARS AND BEYOND

- Mintel's perspective
- Better than nature: lab grown dairy drinks
- Explore the gut/brain connection in dairy drinks
- Powdered milk will become trendy for the eco-conscious

KEY MARKET DATA

- Drinking yogurts continue to show the most innovation but plant-based are catching up
 - Graph 4: dairy and non-dairy drink launches by subcategory, 2017-19
- China tops dairy drinks launches in every subcategory
- Non-dairy focus on free-from, dairy focus on functional and fortification claims
- The US and China lead with the highest retail market volume in milk
- Milk performance, top five countries

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