TRENDS OF THE RETAIL SALES OF NINE DAIRY AND EIGHT OTHER GENERALLY USED FOOD PRODUCTS, BASED ON INFORMATION UP TO MARCH 2025 OBTAINED FROM NIELSENIQ

(A report prepared by the Office of SAMPRO for Milk SA)

This report was compiled by the Office of SAMPRO and forms part of the Industry Information Project of Milk SA. The purpose of the project is to make market signals available to members and other interested parties, which is a prerequisite for effective competition, as envisaged by the Competition Act.

All activities of the Industry Information Project of Milk SA are designed and implemented in accordance with the Competition Act and independently from any commercial interest.

SYNOPSIS

- ***This report covers the performance (sales quantities and average prices) in the retail market of 17 food products consisting of 9 dairy products and 8 other generally used food products.***
- ***The performance (retail sales quantity and price) of any particular food product can, and typically does, change meaningfully during a period of even as short as a few months.***
- ***The performance (retail sales quantity and price) of the different food products differs.***

Important observations in respect of the retail sales quantities (Table 9) were as follows:

- In the year which ended in March 2025, the retail sales quantities of eleven of the seventeen food products, were higher than in the year which ended in March 2024, and seven of the eleven food products were dairy products;
- In the six-months which ended in March 2025, the retail sales quantities of ten of the seventeen food products, were higher than in the same months of 2023 and 2024, and six of the ten food products were dairy products; and
- In March 2025, the retail sales quantities of fourteen of the seventeen food products were higher than in March 2024 and eight of the fourteen food products were dairy products.

Important observations in respect the average retail prices (Table 10) were as follows:

- In March 2025, the retail prices of thirteen of the seventeen food products were higher than March 2024 (12 months ago) and six of the thirteen food products were dairy products;
- In March 2025, the retail prices of ten of the seventeen food products were higher than September 2024 (6 months ago) and four of the ten food products were dairy products; and
- From February 2025 to March 2025, the retail prices of three of the seventeen food products increased and one of the three products was a dairy product.

(The figures and analyses in this report are of a macro nature and the position of the different role-players may differ meaningfully from the macro position)

Introduction

1. In the report attention is given to trends of retail sales (quantity and average price) of nine dairy products and eight other generally used food products which consist of four starch products, one fat product and three beverages. The products are listed in Table 1.

TABLE 1: PRODUCTS COVERED BY THIS REPORT

DAIRY PRODUCTS	OTHER FOOD PRODUCTS
Fresh milk	Instant cereal
Long life milk (UHT)	Bread
Flavoured Milk	Rice
Yoghurt	Maize meal
Maas	Margarine
Pre–packaged cheese	Tea
Cream cheese	Coffee
Butter	Short life juice
Cream	

2. In the next sections of this report, separate attention is given to the performance in terms of quantity and price in the retail market of:

   (a) Nine dairy products,

   (b) Eight other food products consisting of four starch products, one fat product and three beverages; and

   (c) A comparison between (a) and (b).

Dairy Products

3. The trends in the retail markets for the different dairy products in the recent past are important market signals to stimulate timeous adjustment of the supply of each of the different products to follow demand. Such adjustment is in the interests of the consumer, the dairy industry, the appropriate use of national resources and effective competition in the markets concerned.

4. "NielsenIQ" provides information based on monthly surveys of the retail sales of milk and other dairy products. Non-retail sales, such as sales to wholesalers and industrial buyers, which form significant parts of the total sales of dairy products, are not part of the NielsenIQ surveys.

5. In assessing the research results of NielsenIQ, the following should be taken into account:

- *The research is based on surveys which do not cover all retail outlets in South Africa,*
- *The research results show the performance of the retail outlets covered by the surveys and cannot in an unqualified way be described as the performance of the total South African consumer market,*
- *In respect of UHT milk, flavoured milk, yoghurt, maas and pre-packaged cheese, the surveys cover a significantly higher number of different types of retail shops than is the case in respect of fresh milk, cream, butter, cottage cheese and cream cheese,*
- *The surveys do not cover non-retail sales of dairy products. Non-retail sales represent a meaningful part of the total sales of dairy products,*
- *The surveys cover the retail sales of South African and imported products,*
- *As market signals, it is important <u>not to report on only the change in the quantity (mass or volume) of sales but also the changes of the average price</u> due to the very obvious fact that there is significant interaction between the price and the quantity of sales,*
- *The figures and analyses in this report are of a macro nature and the position of the different role-players may differ meaningfully from the macro position,*
- *The consumer market consists of different segments, like segments based on the income of consumers. The dairy products which are regarded by higher income consumers as necessities and which are used daily, are for lower income consumers luxuries purchased in smaller quantities or less frequently. This situation explains why a change of the price of even the most basic dairy product, namely pasteurised milk, influences the quantity sold. Similarly, changes in the income of consumers impact on the quantity sold,*

- *In terms of the production-orientated approach, the different dairy products are closely related but, in terms of a market-orientated approach the differences between the different dairy products are significant. This is due to especially the differences in respect of the nature, use, price and image of the different dairy products; and*

➢ *The retail situation is much more complex than, for example, a few decades ago. Dairy products are not only competing with substitute products, but also with a host of other products and services which are offered by different industries to the consumer. For example, in some market segments, the consumer weighs up the benefits of purchasing dairy products versus the benefit of buying totally unrelated products and services.*

6. In the case of fresh milk, cream and butter, the surveys of "NielsenIQ" cover only "major stores" as described in paragraph 5.

7. The performance of the dairy products concerned in the retail market, as measured by NielsenIQ, is set out in Tables 3 to 5.

8. Although the surveys of NielsenIQ in respect of the products mentioned in the previous paragraph only cover "major stores", the results of the surveys should be regarded as meaningful indicators of the trends in retail sales. In the table below, the NielsenIQ sample for 2024, is expressed as a percentage of the estimated total demand in the same period[2)].

NIELSENIQ SAMPLE AS PERCENTAGE OF THE ESTIMATED TOTAL DEMAND

PRODUCT		A NIELSENIQ SAMPLE	B ESTIMATED TOTAL DEMAND [4)]	A AS PERCENTAGE OF B
Pasteurised milk and ESL milk	(Litre)	208 082 467	518 388 520	40.1
UHT and sterilised Milk	(Litre)	531 725 742	994 276 763	53.5
Flavoured milk	(Litre)	15 194 862	46 812 279	32.5
Yoghurt and snacks	(Litre)	190 128 670	230 485 637	82.5
Maas	(Litre)	224 355 931	271 661 720	82.6
Pre-Packaged cheese[3)]	(Kg)	39 525 285	96 090 819	41.1
Cream cheese	(Kg)	3 268 108	5 107 771	64.0
Butter	(Kg)	9 622 664	24 798 407	38.8
Cream	(Litre)	10 561 720	19 198 279	55.0

1) ***Retail sales plus non-retail sales for the period January to December 2024.***
2) ***Includes hard and semi-hard cheeses, pre-packaged and other (excluded cream cheese).***
3) ***Estimated figures calculated by the Office of SAMPRO are based on the unprocessed milk allocations for the manufacturing of dairy products as supplied by Milk SA. In the case of cream cheese and cream the estimated figures are based on BMI figures of 2012 and 2013 and inflated by the growth rates as shown by NielsenIQ.***

TABLE 3:

CHANGES IN THE RETAIL SALES QUANTITIES FROM THE YEAR APRIL 2023 TO MARCH 2024, TO THE YEAR APRIL 2024 TO MARCH 2025; AND CHANGES IN THE RETAIL PRICES FROM MARCH 2024 TO MARCH 2025

PRODUCT	CHANGE IN RETAIL SALES QUANTITIES PERCENT	CHANGE IN RETAIL PRICES PERCENT
FRESH MILK	-0.8	-0.9
LONG LIFE MILK (UHT MILK)	6.9	-0.3
FLAVOURED MILK	1.7	5.6
YOGHURT	3.8	4.2
MAAS	8.0	1.1
PRE-PACKAGED CHEESE	4.1	2.0
CREAM CHEESE	0.4	3.2
BUTTER	-1.7	-1.4
CREAM	3.9	1.5

*

9. According to Table 3:

a) In the year which ended in March 2025, the retail sales quantities of seven of the nine dairy products were from 0.4 to 8.0 percent higher than in the year which ended in March 2024;

b) In the year which ended in March 2025, the retail sales prices of six of the nine dairy products increased and three of the six products' retail sales prices increased at rates less than the inflation rate of 2.7 percent in the year which ended in March 2025; and

c) The percentage changes in retail sales quantities indicated in Table 3, do not mean that the sales quantities changed continuously at the same rate, during the period concerned. This situation is illustrated in Table 4.

TABLE 4:

CHANGES IN THE QUANTITIES OF RETAIL SALES OF SPECIFIC DAIRY PRODUCTS

PRODUCT	Sales in the month of March 2025 versus the sales in the month of March 2024	Sales in the 3 months from January 2025 to March 2025 versus the sales in the 3 months from January 2024 to March 2024	Sales in the 6 months from October 2024 to March 2025 versus the sales in the 6 months from October 2023 to March 2024	Sales in the 9 months from July 2024 to March 2025 versus the sales in the 9 months from July 2023 to March 2024	Sales in the 12 months from April 2024 to March 2025 versus the sales in the 12 months from April 2023 to March 2024
	percent	percent	percent	percent	percent
Fresh Milk	1.2	0.3	-0.5	-0.7	-0.8
UHT milk	10.3	6.7	6.6	6.3	6.9
Flavoured milk	1.8	0.8	-0.2	-0.1	1.7
Yoghurt	5.0	3.1	3.7	3.6	3.8
Maas	6.1	7.6	7.9	7.1	8.0
Pre-packaged cheese	5.6	3.6	4.2	4.7	4.1
Cream cheese	10.9	3.5	1.3	0.7	0.4
Butter	-13.6	-17.4	-9.5	-3.6	-1.7
Cream	5.6	8.3	5.9	5.1	3.9

10. Important observations in respect of Table 4, were as follows:

a) In the year which ended in March 2025, the retail sales quantities of seven of the nine dairy products were higher than in the year which ended in March 2024;

b) In the six months which ended in March 2025, the retail sales quantities of six of the nine dairy products were higher than in the same six months of 2023 and 2024;

c) In the three months which ended in March 2025, the retail sales quantities of eight of the nine dairy products were higher than in the same three months of 2024; and

d) In March 2025, the retail sales quantities of eight of the nine dairy products were higher than in March 2024.

11. The percentage changes in the average retail prices indicated in Table 3, do not mean that the prices changed continuously at the same rate, during the period concerned. This situation is illustrated in Table 5.

TABLE 5:

CHANGES IN THE AVERAGE RETAIL PRICES OF SPECIFIC DAIRY PRODUCTS

PRODUCT	March 2025 versus February 2025 (1 month ago)	March 2025 versus December 2024 (3 months ago)	March 2025 versus September 2024 (6 months ago)	March 2025 versus June 2024 (9 months ago)	March 2025 versus March 2024 (12 months ago)	March 2025 versus September 2023 (18 months ago)	March 2025 versus March 2023 (24 months ago)
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
FRESH MILK	-1.1	-1.1	-1.1	-1.8	-0.9	0.3	0.8
UHT MILK	-1.7	0.8	-2.1	-1.7	-0.3	-2.2	3.0
FLAVOURED MILK	-2.8	4.2	1.0	5.4	5.6	5.3	6.9
YOGHURT	-2.3	2.8	0.4	2.3	4.2	6.5	9.0
MAAS	-1.0	1.0	-0.6	-0.3	1.1	2.0	4.4
PRE-PACKAGED CHEESE	-0.04	1.7	3.5	3.3	2.0	5.9	11.4
CREAM CHEESE	0.1	-5.9	-0.3	-0.8	3.2	-0.3	3.3
BUTTER	-4.7	-0.7	-4.9	-4.0	-1.4	-4.0	2.1
CREAM	-0.5	-0.04	0.02	0.3	1.5	3.9	5.5

12. Important observations in respect of Table 5, were as follows:

a) In the year which ended in March 2025, the retail prices of six of the nine dairy products increased;

b) In the six months which ended in March 2025, the retail prices of four of the nine dairy products increased;

c) In the three months which ended in March 2025, the retail prices of five of the nine dairy products increased; and

d) From February 2025 to March 2025, the retail prices of one of the nine dairy products increased.

OTHER FOOD PRODUCTS

13. The performance of the eight food products concerned in the retail market, as measured by NielsenIQ, is set out in Tables 6 to 8.

TABLE 6:

CHANGES IN THE RETAIL SALES QUANTITIES FROM THE YEAR APRIL 2023 TO MARCH 2024, TO THE YEAR APRIL 2024 - MARCH 2025; AND CHANGES IN THE RETAIL PRICES FROM MARCH 2024 TO MARCH 2025 OF SPECIFIC FOOD PRODUCTS

FOOD PRODUCTS	CHANGE IN RETAIL SALES QUANTITY PERCENT	CHANGE IN RETAIL PRICES PERCENT
INSTANT CEREALS	3.2	4.1
BREAD	1.3	4.6
RICE	2.4	-4.8
MAIZE MEAL	-1.7	28.9
MARGARINE	1.2	6.6
TEA	-2.3	13.6
COFFEE	-4.8	18.9
SHORT LIFE JUICE	-0.9	5.7

14. According to Table 6:

a) In the year which ended in March 2025, the retail sales quantities of four of the eight other food products were from 1.2 to 3.2 percent higher than in the year which ended in March 2024; and

b) In the year which ended in March 2025, the retail sales prices of seven of the eight other food products increased and all seven products retail sales prices increased at a rate higher than the inflation rate of 2.7 percent in the year which ended in March 2025.

15. The percentage changes in retail sales quantities indicated in Table 6, do not mean that the sales quantities changed continuously at the same rate, during the period concerned. This situation is illustrated in Table 7.

TABLE 7:

CHANGES IN THE QUANTITIES OF RETAIL SALES OF SPECIFIC FOOD PRODUCTS

PRODUCT	Sales in the month of March 2025 versus the sales in the month of March 2024	Sales in the 3 months from January 2025 to March 2025 versus the sales in the 3 months from January 2024 to March 2024	Sales in the 6 months from October 2024 to March 2025 versus the sales in the 6 months from October 2023 to March 2024	Sales in the 9 months from July 2024 to March 2025 versus the sales in the 9 months from July 2023 to March 2024	Sales in the 12 months from April 2024 to March 2025 versus the sales in the 12 months from April 2023 to March 2024
	percent	percent	percent	percent	percent
INSTANT CEREALS	6.1	2.7	2.8	2.9	3.2
BREAD	2.4	0.8	1.2	1.1	1.3
RICE	5.9	3.3	3.9	2.7	2.4
MAIZE MEAL	-8.6	-8.7	-6.7	-5.2	-1.7
MARGARINE	3.7	0.7	1.6	1.6	1.2
TEA	2.2	-0.9	-2.1	-2.1	-2.3
COFFEE	1.1	-4.5	-2.2	-3.7	-4.8
SHORT LIFE JUICE	-2.2	-1.0	-1.0	-1.3	-0.9

16. Important observations in respect of Table 7, were as follows:

a) In the year which ended in March 2025, the retail sales quantities of four of the eight food products were higher than in the year which ended in March 2024;

b) In the six months which ended in March 2025, the retail sales quantities of four of the eight food products were higher than in the same months of 2023 and 2024;

c) In the three months which ended in March 2025, the retail sales quantities of four of the eight food products, were higher than in the same months of 2024; and

d) In March 2025, the retail sales quantities of six of the eight food products, were higher than in March 2024.

17. The percentage changes in retail prices indicated in Table 6, do not mean that the prices changed continuously at the same rate, during the period concerned. This situation is illustrated in Table 8.

TABLE 8:

CHANGES IN THE AVERAGE RETAIL PRICES OF SPECIFIC FOOD PRODUCTS

PRODUCT	March 2025 versus February 2025 (1 month ago)	March 2025 versus December 2024 (3 months ago)	March 2025 versus September 2024 (6 months ago)	March 2025 versus June 2024 (9 months ago)	March 2025 versus March 2024 (12 months ago)	March 2025 versus September 2023 (18 months ago)	March 2025 versus March 2023 (24 months ago)
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
INSTANT CEREALS	-0.6	4.1	3.3	6.4	4.1	5.9	7.1
BREAD	-0.3	-0.6	0.2	3.1	4.6	4.7	7.2
RICE	-2.4	-3.2	-5.7	-6.3	-4.8	4.1	30.1
MAIZE MEAL	3.9	9.7	14.3	20.2	28.9	25.9	20.0
MARGARINE	-0.4	3.1	8.0	6.3	6.6	9.6	9.8
TEA	-0.4	9.6	5.3	11.1	13.6	21.0	27.8
COFFEE	0.8	14.3	11.5	20.3	18.9	33.1	31.7
SHORT LIFE JUICE	-1.6	5.0	-1.2	1.9	5.9	8.7	14.2

18. Important observations in respect of Table 8, were as follows:

a) In the year which ended in March 2025, the retail prices of seven of the eight food products, increased;

b) In the six months which ended in March 2025, the retail prices of six of the eight food products, increased;

c) In the three months which ended in March 2025, the retail prices of six of the eight food products, increased; and

d) From February 2025 to March 2025, the retail prices of two of the eight food products, increased.

Comparison of the performance in the retail market of the dairy products and the other food products concerned.

19. In Table 9, the changes in the retail sales quantities of the dairy products and the other food products concerned are indicated and ranked from the highest to the lowest. The highest increase in the relevant period is ranked as 1 and the lowest as 17.

TABLE 9:

CHANGES IN THE QUANTITIES OF RETAIL SALES OF SPECIFIC DAIRY PRODUCTS AND SPECIFIC OTHER FOOD PRODUCTS

Product	SALES IN THE MONTH OF MARCH 2025 VERSUS THE SALES IN THE MONTH OF MARCH 2024		SALES IN THE 6 MONTHS FROM OCTOBER 2024 TO MARCH 2025 VERSUS THE SALES IN THE 6 MONTHS FROM OCTOBER 2023 TO MARCH 2024		SALES IN THE 12 MONTHS FROM APRIL 2024 TO MARCH 2025 VERSUS THE SALES IN THE 12 MONTHS FROM APRIL 2023 TO MARCH 2024	
	%	*Ranking*	*%*	*Ranking*	*%*	*Ranking*
Maas	6.1	3	7.9	1	8.0	1
UHT milk	10.3	2	6.6	2	6.9	2
Pre-packaged cheese	5.6	6	4.2	4	4.1	3
Cream	5.6	7	5.9	3	3.9	4
Yoghurt	5.0	8	3.7	6	3.8	5
Instant Cereals	6.1	4	2.8	7	3.2	6
Rice	5.9	5	3.9	5	2.4	7
Flavoured milk	1.8	12	-0.2	11	1.7	8
Bread	2.4	10	1.2	10	1.3	9
Margarine	3.7	3	1.6	8	1.2	10
Cream cheese	10.9	1	1.3	9	0.4	11
Fresh Milk	1.2	13	-0.5	12	-0.8	12
Short Life Juice	-2.2	15	-1.0	13	-0.9	13
Butter	-13.6	17	-9.5	17	-1.7	14
Maize Meal	-8.6	16	-6.7	16	-1.7	15
Tea	2.2	11	-2.1	14	-2.3	16
Coffee	1.1	14	-2.2	15	-4.8	17

20. Important observations in respect of Table 9, were as follows:

a) In the year which ended in March 2025, the retail sales quantities of eleven of the seventeen food products, were higher than in the year which ended in March 2024, and seven of the eleven food products are dairy products;

b) In the six-months which ended in March 2025, the retail sales quantities of ten of the seventeen food products, were higher than in the same months of 2023 and 2024, and six of the ten food products were dairy products; and

c) In March 2025, the retail sales quantities of fourteen of the seventeen food products were higher than in March 2024 and eight of the fourteen food products were dairy products.

21. In Table 10, the increases and decreases in the average retail prices of the dairy products and the other food products in the different periods concerned, are indicated and ranked from the highest to the lowest.

22. Important observations in respect of Table 10, were as follows:

a) In March 2025, the retail prices of thirteen of the seventeen food products were higher than March 2024 (12 months ago) and six of the thirteen food products were dairy products;

b) In March 2025, the retail prices of ten of the seventeen food products were higher than September 2024 (6 months ago) and four of the ten food products were dairy products; and

c) From February 2025 to March 2025, the retail prices of three of the seventeen food products increased and one of the three products was a dairy product.

TABLE 10:

INCREASES AND DECREASES IN THE AVERAGE RETAIL PRICES OF SPECIFIC DAIRY PRODUCTS AND SPECIFIC OTHER FOOD PRODUCTS

Product	MARCH 2025 VERSUS FEBRUARY 2025 (1 MONTH AGO)		MARCH 2025 VERSUS SEPTEMBER 2024 (6 MONTHS AGO)		MARCH 2025 VERSUS MARCH 2024 (12 MONTHS AGO)	
	%	*Ranking*	*%*	*Ranking*	*%*	*Ranking*
Maize Meal	3.9	1	14.3	1	28.9	1
Coffee	0.8	2	11.5	2	18.9	2
Tea	-0.4	6	5.3	4	13.6	3
Margarine	-0.4	7	8.0	3	6.6	4
Short Life Juice	-1.6	12	-1.2	14	5.9	5
Flavoured milk	-2.8	16	1.0	7	5.6	6
Bread	-0.3	5	0.2	9	4.6	7
Yoghurt	-2.3	14	0.4	8	4.2	8
Instant Cereals	-0.6	9	3.3	6	4.1	9
Cream cheese	0.1	3	-0.3	11	3.2	10
Pre-packaged cheese	-0.04	4	3.5	5	2.0	11
Cream	-0.5	8	0.02	10	1.5	12
Maas	-1.0	10	-0.6	12	1.1	13
UHT milk	-1.7	13	-2.1	15	-0.3	14
Fresh Milk	-1.1	11	-1.1	13	-0.9	15
Butter	-4.7	17	-4.9	16	-1.4	16
Rice	-2.4	15	-5.7	17	-4.8	17

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