



# TRENDS IN THE RETAIL SALES OF DAIRY PRODUCTS UP TO JUNE 2023

## INTRODUCTION

*This report was compiled by the Office of SAMPRO and forms part of the Industry Information Project of SAMPRO. 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 SAMPRO are designed and implemented in accordance with the Competition Act and independently from commercial interest of any and all the members of SAMPRO.*

1. For the effective working of the different markets in respect of raw milk and each of the dairy products, objective information regarding key variables is necessary.
2. SAMPRO provides regularly a number of reports regarding different key variables (market signals)<sup>1)</sup> to members and other parties. From December 2009 retail sales are also covered by quarterly reports of SAMPRO.
3. Information regarding the trends in the dairy retail markets in the recent past is extremely important to stimulate timeous adjustment to changes in the needs of the different markets. 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.

---

1) On 25 July 2008, the Management Committee of SAMPRO confirmed that:

- i. *The task of the Office of SAMPRO in respect of the economic aspects of the dairy industry, is to objectively analyze the available information in respect of market signals;*
- ii. *The analysis referred to under i) should be conducted by the Office of SAMPRO independently from the commercial interest of any and all the members of SAMPRO;*
- iii. *The analysis should strengthen the knowledge of participants in the markets in respect of market signals in order to promote effective competition which is the prerequisite for a market economy; and*
- iv. *The Office of SAMPRO should interact with institutions in the public sector and private sector on issues regarding the development of the dairy industry and conditions in the dairy industry, on the basis of objective information and objective analysis.*

4. "ACNielsen Marketing and Media" 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 ACNielsen Marketing and Media surveys.
5. The surveys of ACNielsen Marketing and Media in respect of UHT milk, flavoured milks, yoghurt, maas and pre-packaged cheese, cover the retail sales in the following types of stores:
  - Major stores (Hypermarkets and a defined group of supermarkets consisting of Shoprite, Checkers, Pick 'n Pay Supers, Pick 'n Pay Family, Superspar and Woolworths (Food))
  - Convenience stores (Branded Superettes consisting of Kwikspar, OK Foods, Sentra, Pick 'n Pay mini, Score, Friendly, Shield (Retail), Friendly's and 7-Eleven and Forecourts)
  - Urban Counter and Self Service
  - Rural Independents
6. In the case of fresh milk, cream, butter and cream cheese, the surveys of ACNielsen Marketing and Media cover only "major stores" as described in paragraph 5.
7. Although the surveys of ACNielsen Marketing and Media 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 ACNielsen Marketing and Media sample for 2020, is expressed as a percentage of the estimated total demand in the same period<sup>1)</sup>.

#### **NIELSEN SAMPLE AS PERCENTAGE OF THE TOTAL DEMAND**

<b>PRODUCT</b>	<b>A</b>	<b>B</b>	<b>A</b>
	<b>NIELSEN</b>	<b>ESTIMATED</b>	<b>AS</b>
	<b>SAMPLE</b>	<b>TOTAL</b>	<b>PERCENTAGE</b>
		<b>DEMAND</b>	<b>OF B</b>
		<b>4)</b>	
Pasteurised milk and ESL milk (Litre)	221 337 851	421 606 169	52.5
UHT and sterilised Milk (Litre)	562 466 603	1013 678 785	55.5
Flavoured milk (Litre)	18 849 761	40 718 108	46.3
Yoghurt (Litre)	198 556 506	249 984 958	79.4
Maas (Litre)	208 239 567	267 047 015	78.0
Pre-Packaged cheese <sup>3)</sup> (Kg)	37 408 255	90 950 180	41.1
Cream cheese (Kg)	2 821 291	4 522 392	62.4
Butter (Kg)	9 554 219	22 786 048	41.9
Cream (Litre)	10 510 125	19 074 182	55.1

1. Retail sales plus non retail sales for the period January to December 2022.

3. Includes hard and semi-hard cheeses, pre-packaged and other.

2. 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 estimate figures are based on BMI figures of 2012 and 2013 and inflated by the growth rates as shown by NielsenIQ.

8. The changes in the retail sales quantities and the average retail prices of the different dairy products are summarised in Table 1 to Table 2.

**TABLE 1**

**CHANGES IN THE RETAIL SALES QUANTITIES FROM THE YEAR JULY 2021 TO JUNE 2022, TO THE YEAR JULY 2022 TO JUNE 2023, AND CHANGES IN THE RETAIL PRICES FROM JUNE 2022 TO JUNE 2023 OF SPECIFIC DAIRY PRODUCTS**

PRODUCT	CHANGE IN RETAIL SALES QUANTITY	CHANGE IN RETAIL PRICES
	PERCENT	PERCENT
FRESH MILK	<b>-5.4</b>	<b>16.6</b>
LONG LIFE MILK (UHT MILK)	<b>-3.0</b>	<b>13.5</b>
FLAVOURED MILK	<b>-6.5</b>	<b>12.8</b>
YOGHURT	<b>-6.5</b>	<b>19.3</b>
MAAS	<b>-3.1</b>	<b>24.0</b>
PRE-PACKAGED CHEESE	<b>-0.1</b>	<b>12.8</b>
CREAM CHEESE	<b>0.8</b>	<b>11.1</b>
BUTTER	<b>-6.8</b>	<b>14.1</b>
CREAM	<b>-4.4</b>	<b>13.5</b>

**TABLE 2****CHANGES IN THE QUANTITIES OF RETAIL SALES OF SPECIFIC DAIRY PRODUCTS**

PRODUCT	Sales in the month of June 2023 versus the sales in the month of June 2022	Sales in the 3 months from April to June 2023 versus the sales in the 3 months from April to June 2022	Sales in the 6 months from January 2023 to June 2023 versus the sales in the 6 months from January 2022 to June 2022	Sales in the 9 months from October 2022 to June 2023 versus the sales in the 9 months from October 2021 to June 2022	Sales in the 12 months from July 2022 to June 2023 versus the sales in the 12 months from July 2021 to June 2022
	percent	percent	percent	percent	percent
Fresh Milk	-6.4	-5.9	-6.0	-5.6	-5.4
UHT milk	-3.6	-2.1	-4.5	-3.0	-3.0
Flavoured milk	-11.9	-9.9	-9.4	-8.1	-6.5
Yoghurt	-11.3	-9.6	-9.1	-7.7	-6.5
Maas	-11.5	-9.3	-7.5	-5.7	-3.1
Pre-packaged cheese	0.9	-0.6	-1.7	-1.0	-0.1
Cream cheese	10.6	6.8	5.0	2.7	0.8
Butter	-2.9	-4.5	-8.0	-6.6	-6.8
Cream	-1.3	-3.2	-3.4	-3.6	-4.4

9. The percentage changes of the average prices indicated in Table 1 do not mean that the prices continuously changed at the same rate in the period concerned. This position is illustrated in Table 3.

**TABLE 3**

**THE AVERAGE RETAIL PRICES OF SPECIFIC DAIRY PRODUCTS IN JUNE 2023, COMPARED TO THE AVERAGE RETAIL PRICES OF THE PRODUCTS CONCERNED IN SPECIFIC PREVIOUS MONTHS OF 2022 AND 2021.**

PRODUCT	June 2023 versus May 2023 (1 month ago)	June 2023 versus March 2023 (3 months ago)	June 2023 versus December 2022 (6 months ago)	June 2023 versus September 2022 (9 months ago)	June 2023 versus June 2022 (12 months ago)	June 2023 versus December 2021 (18 months ago)	June 2023 versus June 2021 (24 months ago)
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
FRESH MILK	0.2	1.5	11.2	14.0	16.6	21.2	20.9
UHT MILK	-0.9	5.3	13.0	12.1	13.5	21.3	22.0
FLAVOURED MILK	0.7	0.8	8.8	7.4	12.8	22.1	18.6
YOGHURT	-1.0	1.8	8.7	9.6	19.3	21.2	21.1
MAAS	-1.2	1.7	11.5	16.3	24.0	26.2	27.2
PRE-PACKAGED CHEESE	-0.5	2.0	4.4	9.9	12.8	13.8	17.1
CREAM CHEESE	1.9	4.2	5.6	8.9	11.1	14.0	16.4
BUTTER	3.0	6.1	2.1	11.7	14.1	18.2	17.6
CREAM	0.4	2.9	7.2	9.5	13.5	16.1	19.8

Marietjie Le Roux  
De Wet Jonker  
Alwyn P Kraamwinkel  
18 August 2023