



Euromonitor  
International

# Dairy Products and Alternatives: Half-Year Update H1 2023

March 2023

## INTRODUCTION

Scope

About this briefing

Key findings

## H1 DAIRY PRODUCTS AND ALTERNATIVES HALF-YEAR UPDATE

Strength of US dollar causes downgrades of retail value sales in 2022 and forecast

Inflation is the key growth driver of the dairy products and alternatives industry

Inflationary pressures affecting dairy products and alternatives Industry

Industry impact: Rising milk prices in the EU

The many layers of global inflation

US sees highest volume upgrade to narrow down declines in August baseline

Global volume sales are upgraded driven by resilient home consumption in the US

Prolonged COVID-19 lockdowns in 2022 undermine China's retail volume sales

Western Europe impacted by a 19% inflationary hike in the EU's milk prices

Consumers substitute butter with margarine amid rising butter cost

Baby food and liquid formulas outperforming powders

Diverse shifts in milk formula in North America and Asia Pacific

Plant-based dairy volume sales see downgrade as consumers opt for cheaper options

Plant-based dairy to benefit from promotions, premium and sustainable positioning

Nestlé and Danone focus on coffee whiteners as a pocket of growth

Key takeaways from half-year update

## Q1 MACROECONOMIC UPDATE

Global economy edges closer to recession amid sharp slowdown

Global inflation begins gradual downward trend - but remains significantly elevated in 2023

Real GDP annual growth forecasts and revisions from last quarter

## ABOUT OUR INDUSTRY FORECAST MODEL

About Euromonitor International's Forecast Model (1)

About Euromonitor International's Forecast Model (2)

About Euromonitor International's Macro Model

Data and reporting timeline: Dairy Products and Alternatives

## About Euromonitor International

Euromonitor International is an independent market intelligence provider. Data, insight and analysis stem from in-the-field research spanning 210 national markets.

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- **Strategy Briefings:** Global or regional in scope, and focussing on the most important themes shaping consumer demand, the key markets, competitive environment and future outlook across a range of industries.
- **Company Profiles:** Analysis dedicated to the world's most significant companies, with detailed insight into their activities, focus of operations, their competitors, their geographic presence and performance.
- **Country Reports:** For an in-depth understanding of specific countries, whether by industry, economic metrics or consumer trends and lifestyles. These reports cover current trends, consumer demand, market potential and future prospects, with country-specific local insight and comprehensive data, unavailable elsewhere.

For more information on this report, further enquiries can be directed via this link [www.euromonitor.com/dairy-products-and-alternatives-half-year-update-h1-2023/report](https://www.euromonitor.com/dairy-products-and-alternatives-half-year-update-h1-2023/report).

