

The Grocer

Focus On: Dairy Drinks

By Pola.Lem@thegrocer.co.uk

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In the face of falling volumes across the grocery sector, dairy drink brands have kept flavoured milk volumes flat – a rare feat, particularly considering that milkshakes and coffee beverages aren't considered a shopping basket staple. Brands, which make up the bulk of the category, are also driving value growth, with the category up by a total 9.8% last year despite own label losses. So what's behind brands' success? Could consumers be treating themselves in stores to avoid pricier café options? Are already HFSS-compliant brands benefitting from rules that came into force in October 2022, clearing out coveted shelf space? Are we due a shakeup?

Premiumisation: Nielsen data shows that smaller, more premium brands are gaining volume share while the market leaders, which command a lower price, are in decline. Why is that? Are the market leaders losing distribution – and where are these more premium brands winning distribution?

Inflation: How much are high commodity prices affecting dairy drink prices? With coffee beverages also dealing with the cost of beans, do they face a harder uphill climb? And just how much can they bet on consumers' preference for higher value products? Will coffee brands pass on further price raises to consumers, or opt to keep prices level?

HFSS: A year since HFSS legislation was introduced, how are brands benefitting? Were most dairy drinks already compliant – has this helped them gobble up shelf space? What portion of dairy drinks are in the chilled section?

Yogurt Drinks & Gut Health: Yogurt drinks are a mixed picture, with unit sales down for many of the top brands by volume and modest value rises. What's next in this category?

Innovation: With the immediate focus on keeping costs down for consumers, what are brands doing to innovate in the flavoured milks category? Are there any innovations? And could innovative brands come out ahead when inflation falls again? We will profile four new products or ranges, ideally ones that have not appeared in The Grocer before. We need launch date, rsp, and a hi-res picture of each.