

Cheese - China - November 2016

Report Price: £3273.17 | \$3990.00 | €3636.82

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



"The cheese market in China has been growing in a relatively flat pace compared to few years ago, due to the fall in global dairy prices. Low imported price has gained more room for brands to invest in awareness building and run promotions to push trials and consumption in order to compete for shares in the China market, which is beneficial for the category in the long run."

Cheryl Ni, Research Analyst: Food & Drink

This report looks at the following areas:

- **Include cheese in city dwellers' daily food routine**
- **Stress nutritional benefits and take advantage of packaging to win adults' hearts**
- **Pave the way for the growth of natural cheese**

Products covered in this report

This report covers total hard/extra hard, semi-hard, soft, spreadable/processed cheese. It excludes cottage cheese, fromage frais/quark/curd/paneer and cheese dips.

Market size and forecast in this report are based on both retail and non-retail sales.

Cheese sold at non-retail channels refers to cheese products sold to HoReCa, which is catering and institutions that serve cheese such as hotels, restaurants and cafés, and cheese products sold to the food industry, where cheese is supplied as ingredient to food manufacturers and processors to be made into other products.

Retail market size (by both volume and value) includes sales of all wrapped cheese – as well as that wrapped at in-store delis which have a bar-code, through all retail channels.

**BUY THIS
REPORT NOW**

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Cheese - China - November 2016

Report Price: £3273.17 | \$3990.00 | €3636.82

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview

What you need to know
Products covered in this report

Executive Summary

The market
Figure 1: Retail market value and volume of cheese, China, 2011-16
Figure 2: Best and worst case value sales forecast of retail cheese market value, China, 2011-21

Key players
Imported champions remain big in the category
Chinese manufacturers are facing different situations
Localisation can be applied in creative ways
Brands need to keep pace with consumers as they evolve
Figure 3: Leading companies in cheese market, China, 2014-15

The consumer
Cheese in convenient forms dominating the market
Figure 4: Types of cheese bought, by age, August 2016
Figure 5: Ways of eating cheese, August 2016

Natural block cheese consumption requires delicate approach
Figure 6: Attitudes towards cheese, August 2016

Consumers are interested in the category and want to know more
Figure 7: Source of cheese knowledge, August 2016

More attention should be paid to the nutritional value of cheese
Figure 8: Perception towards different types of dairy products, August 2016
Figure 9: Perceptions of protein, August 2016

What we think

Issues and Insights

Include cheese in city dwellers' daily food routine

The facts
Implication
Figure 10: Product positioned as meal supplement, South Korea, 2016

Stress nutritional benefits and take advantage of packaging to win adults' hearts

The facts
Implication
Figure 11: Different claims of the same brand when targeting kids or adults, China, 2016
Figure 12: Adult products with nutrition claims, esp. calcium, Hong Kong & Japan & UK, 2016
Figure 13: Products including QR code and social media information, Hong Kong, South Korea and Japan, 2016

Pave the way for the growth of natural cheese

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | China +86 (21) 6032 7300
APAC +61 (0) 2 8284 8100 |
EMAIL: reports@mintel.com

Cheese - China - November 2016

Report Price: £3273.17 | \$3990.00 | €3636.82

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

The facts

Implication

The Market – What You Need to Know

The market has been affected by global dairy price drop

The rise of the baking trend will lead to growth in cream cheese and grated cheese

Presence in foodservice channels may help cheese gain status in domestic occasions

Market Size and Forecast

The growth of the cheese market has slowed down

Figure 14: Retail market value and volume of cheese, China, 2011-16

New Zealand remains ambitious among China's cheese providers

Figure 15: Country share of imported cheese, by volume, China, 2015-16

Cheese market will maintain growth at a slightly slower pace

Figure 16: Best and worst case forecast of retail cheese market volume, China, 2011-21

Figure 17: Best and worst case forecast of retail cheese market value, China, 2011-21

Market Segmentation

Continuous growth of sliced cheese

Figure 18: Segment share of cheese products in retail channels, China, 2015-16

Figure 19: Best and worst case forecast of retail sliced cheese segment value, China, 2011-21

Baking is the new fashion – Boosting prospects for cream cheese and grated cheese

Figure 20: Best and worst case forecast of retail cream cheese segment value, China, 2011-21

Figure 21: Best and worst case forecast of retail grated cheese segment value, China, 2011-21

Block cheese reaches maturity in kids' consumption, need to explore adult occasion

Figure 22: Retail volume and YOY growth of block cheese, China, 2013-16

Figure 23: Best and worst case forecast of retail block cheese segment value, China, 2011-21

Figure 24: Attitudes towards cheese, August 2016

Figure 25: Products featuring unique flavours or convenient forms in adjacent markets, Japan & Hong Kong, 2015-16

Market Drivers

Lower imported price may be opportunity for the retail market

Figure 26: Price change of the top 5 countries that export cheese products to China, 2015-16

More local players jumping in, to further activate the market

Exposure to Western culture and diets increases level of acceptance

Expansion of Western restaurant chains have also made contribution

Encourage consumption of natural cheese

Figure 27: Product with pairing suggestion on pack, Australia & Japan, 2016

Position cheese as a healthy snack or part of meal supplement for adults

Figure 28: Limited edition of cheese sets with innovative flavours, Japan, 2016

Key Players – What You Need to Know

Imported champions remain big in the category

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Cheese - China - November 2016

Report Price: £3273.17 | \$3990.00 | €3636.82

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Chinese manufacturers are facing different situations
Brands can be more creative about localisation
Consumers should not be the only ones who are evolving

Market Share

French companies maintain their growth
Figure 29: Leading companies in cheese market, China, 2014-15
Fonterra catching up, putting a lot focus on China market
Large local firms are having a hard time
New local player joins the game aggressively

Competitive Strategies

Blend cheese into traditional Chinese meal occasions as unique ingredients, with stress on health
Figure 30: Naifu Cheese
Figure 31: Cheese dish and products adopting localisation as cooking ingredient, China, Korea & Japan, 2016
Experimental flavours tap into the more sophisticated market
Figure 32: Products claimed to have strong taste, China, Hong Kong & South Korea, 2015-16
Leverage the influential power of social media
Bundle with weight management/health ideas

Who's Innovating?

New angles to communicate benefits for products targeting kids
Figure 33: Top five claims of kids' cheese products launched since Jan 2015, Asia Pacific, 2015-16
Figure 34: Kids' products with new claim directions, China & South Korea, 2016
Blurring segment definition
Figure 35: Products blurring between different forms, China & Hong Kong, 2016
Targeting snacking occasions with innovative, convenient shapes
Figure 36: Cheese products in snack-like shapes, Japan, 2016
Highlighting signature ingredients to deliver local flavours
Figure 37: Japanese cheese products featuring local flavours, Japan, 2016
Figure 38: Cheese recipe/products using yucca and date, UK & Spain, 2016

The Consumer – What You Need to Know

Cheese in convenient formats are dominating the market
Natural block cheese consumption requires delicate approach
Consumers are interested in the category and want to know more
More attention should be paid to the nutrition of cheese

Cheese Preference

The taste of cheese is widely loved in different types of food
Figure 39: Cheese preference, August 2016
Figure 40: Percentage of cheese rejecters (who choose "Dislike it very much"), by age and gender, August 2016
Cheese consumption in Chengdu is still yet to awaken

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | China +86 (21) 6032 7300
APAC +61 (0) 2 8284 8100 |
EMAIL: reports@mintel.com

Cheese - China - November 2016

Report Price: £3273.17 | \$3990.00 | €3636.82

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 41: Percentage of cheese rejecters (who choose "Dislike it very much"), Chengdu, August 2016

Natural cheese has great potential in the near future

Penetration of Cheese

Convenient forms of cheese products are largely embraced

Figure 42: Types of cheese bought, August 2016

Young consumers and parents are buying more cheese

Figure 43: Types of cheese bought, by age, August 2016

Regional differences demand customised marketing plans

Figure 44: Types of cheese bought, by city, August 2016

Ways of Eating Cheese

Convenient ways are popular, while consumers in their 30s value health a lot

Figure 45: Ways of eating cheese, August 2016

Further development of snacking occasions is needed

North and south regions prefer different ways of eating cheese

Knowledge of and Preferences for Cheese

Higher sophistication is widely observed compared to 2014

Figure 46: Knowledge about cheese, August 2016

The dominant processed cheese has "trained" consumers' palate

Figure 47: Attitudes towards cheese, August 2016

Opposite opinions of different generations towards flavours/textures

Figure 48: Attitudes towards cheese, by age, August 2016

Figure 49: Women's attitudes towards cheese, by age, August 2016

Source of Cheese Knowledge

Packaging and food related media are essential sources of knowledge

Figure 50: Source of cheese knowledge, August 2016

Socio-economic status may affect the choice of knowledge source

Figure 51: Top 5 sources of cheese knowledge, by educational level, August 2016

Nutritional Value of Cheese

Cheese's nutritional value is underrated compared to other dairy products

Figure 52: Perception of different types of dairy products, August 2016

Young females are less confident with cheese

Figure 53: Young females' perception of cheese, by age, August 2016

Protein is widely known as source of energy

Figure 54: Perception about protein, August 2016

Meet the Mintropolitans

More sophisticated lovers of cheese, high interest in natural block cheese

Figure 55: Types of cheese bought, August 2016

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Cheese - China - November 2016

Report Price: £3273.17 | \$3990.00 | €3636.82

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Wide and balanced knowledge of cheese

Figure 56: Source of cheese knowledge, August 2016

Appendix – Market Size and Forecast

Figure 57: Value sales of China's cheese retail market, 2011-21

Figure 58: Volume sales of China's cheese retail market, 2011-21

Appendix – Market Segmentation

Figure 59: Value sales of China's cheese retail market, by segment, 2011-21

Figure 60: Best and worst case forecast of retail block cheese segment value, China, 2011-21

Figure 61: Best and worst case forecast of retail cream cheese segment value, China, 2011-21

Figure 62: Best and worst case forecast of retail grated cheese segment value, China, 2011-21

Figure 63: Best and worst case forecast of retail sliced cheese segment value, China, 2011-21

Figure 64: Volume sales of China's cheese retail market, by segment, 2011-21

Figure 65: Best and worst case forecast of retail block cheese segment volume, China, 2011-21

Figure 66: Best and worst case forecast of retail cream cheese segment volume, China, 2011-21

Figure 67: Best and worst case forecast of retail grated cheese segment volume, China, 2011-21

Figure 68: Best and worst case forecast of retail sliced cheese segment volume, China, 2011-21

Appendix – Methodology, Definition, and Abbreviations

Methodology

Fan chart forecast

Abbreviations

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com