



# CHINA



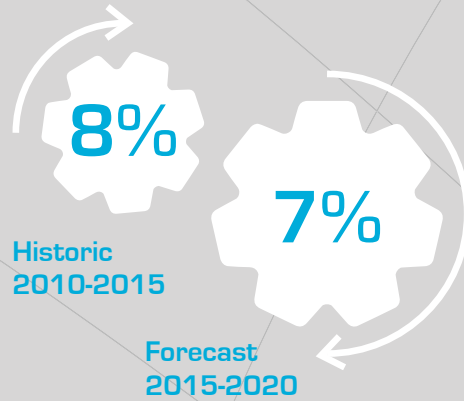
## China

Retail market size,  
in US\$ billion

**245 US\$**

China represents 11% of global sales in 2015 and will contribute to over a third of global sales growth over 2015-2020.

Retail CAGR (real) fixed US\$



Retail market size,  
in US \$billion



**76** Staples



**86** Dairy



**51** Snacks

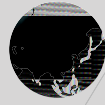


**33** Meals

Share of Modern Grocery



Internet retailing went up from 0.3% share in 2010 to 5% in 2015 and will continue to take sales away from modern and traditional retailing.



**China**

**TOP PACKAGED FOOD COMPANIES IN 2015**



**5.8%**



**5.6%**



**3.7%**



**2.9%**



## China

# KEY TRENDS IN BEIJING

### CHINA SLOWDOWN

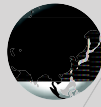
- Consumer spending hampered by macroeconomic slowdown.
- Shifting demographics: an ageing economy.
- Lifting of the one child policy.

### RAPID URBANISATION AND RETAIL DEVELOPMENT

- Urban population soared from 42% of the total in 2000 to almost 70% by 2030.
- Consumers gaining access to a wider product range.

### TIGHTER LEGISLATION AS A RESULT OF FOOD SCARES

- Baby food most impacted and will be most favourable to multinationals.
- Foreign brands gain quality status amongst consumers.
- Health brands thrive.

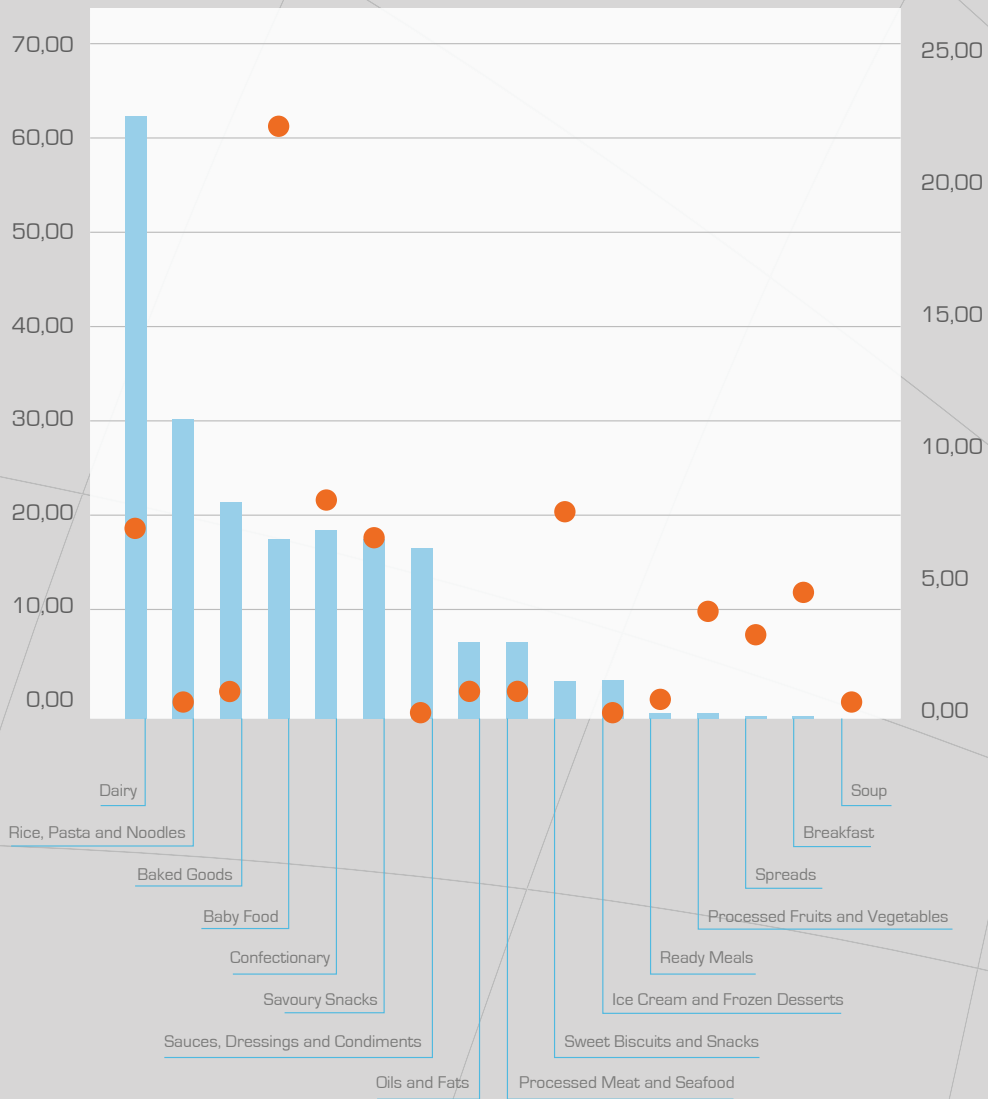


# China

## ONLINE SALES PROVING A VITAL CHANNEL FOR BABY FOOD AND DAIRY

### China: How Important Internet Retailing is in 2015

Market size (in US\$ Billion)      Share of Internet Retail Distribution (in %)





## China

# FASTEST GROWING CATEGORY

## % CAGR growth 2010 - 2015

### Baby Food 18.9%

The purchase of baby food abroad maintains a strong influence on sales of powder milk formula in China due to booming outbound travel.



### Baked Goods 13.7%

In China, cream is much more widely used in the foodservice industry, especially in specialist dessert outlets.



### Breakfast Cereals 13.5%

Accelerated pace of life drives growing demand for instant foods.





**China**

**CHINESE CONSUMERS CHANGING  
WHERE THEY BUY THEIR FOOD FROM**

