



KEN RESEARCH

JANUARY

2014

# Saudi Arabia Baby Food Industry Outlook to 2017

- Rising Popularity of Prepared and Other Baby Food to Spur the Market

## TABLE OF CONTENTS

### List of Figures

### List of Tables

1. Saudi Arabia Baby Food Industry Introduction and Market Size, 2007-2012
2. Saudi Arabia Baby Food Market Segmentation
  - 2.1. By Product Categories, 2007-2012
    - 2.1.1. Saudi Arabia Milk Formula Market Introduction and Size, 2007-2012
    - 2.1.2. Saudi Arabia Milk Formula Market Segmentation by Standard Milk Formula, Follow on Milk Formula and Growing Up Milk Formula, 2007-2012
    - 2.1.3. Saudi Arabia Dried Baby Food Market Introduction and Size, 2007-2012
    - 2.1.4. Saudi Arabia Prepared Baby Food Market Introduction and Size, 2007-2012
    - 2.1.5. Saudi Arabia Other Baby Food Introduction and Market Size, 2007-2012
3. Import of Baby Food in Saudi Arabia by Volume and Value
4. Brand Shares of Major Players in Saudi Arabia Baby Food Industry
  - 4.1. By Milk formula
    - 4.1.1. By Standard-Milk Formula Market, 2012
    - 4.1.2. By Follow-on Milk Formula, 2012
    - 4.1.3. By Growing-up Milk Formula, 2012
  - 4.2. By Dried Baby Food, 2012
  - 4.3. By Prepared Baby Food, 2012
  - 4.4. By Other Baby Food, 2012
5. Company Profiles
6. Saudi Arabia Baby Food Market Future Outlook and Projections, 2013-2017
  - 6.1. By Product Categories, 2013-2017
  - 6.2. Cause and Effect Relationship Analysis of Saudi Arabia Baby Food Industry
7. Macro Economic and Industry Factors: Historical and Projections

- 7.1. Gross Domestic Product of Saudi Arabia, 2007-2017
- 7.2. Working Women Population in Saudi Arabia, 2007-2017
- 7.3. Population Aged 0-4 years, 2007–2017
- 7.4. Final Household Consumption Expenditure, 2007-2017
- 7.5. Number of Births, 2007-2017
- 8. Appendix
  - 8.1. Market Definitions
  - 8.2. Abbreviations
  - 8.3. Research Methodology
- Data Collection Methods
- Approach
- Variables (Dependent and Independent)
- Multi Factor Based Sensitivity Model
- Final Conclusion
- 8.4. Disclaimer

## LIST OF FIGURES

Figure 1: Saudi Arabia Baby Food Industry Market Size on the Basis of Revenues in USD Million, 2007-2012

Figure 2: Saudi Arabia Baby Food Industry Market Segmentation by Milk Formula, Prepared Baby Food, Dried Baby food and Other Baby Food on the Basis of Revenue Contribution in Percentage (%), 2007-2012

Figure 3: Saudi Arabia Milk Formula Market Size on the Basis of Revenues in USD Million, 2007-2012

Figure 4: Saudi Arabia Milk Formula Segmentation by Standard Milk Formula, Follow-on Milk Formula and Growing-up Milk Formula on the Basis of Revenue Contribution in Percentage (%), 2007-2012

Figure 5: Saudi Arabia Dried Baby Food Market Size on the Basis of Revenues in USD Million, 2007-2012

Figure 6: Saudi Arabia Prepared Baby Food Market Size on the Basis of Revenues in USD Million, 2007-2012

Figure 7: Saudi Arabia Other Baby Food Market Size on the Basis of Revenues in USD Million, 2007-2012

Figure 8: Brand Shares of Major Players in Saudi Arabia Standard Milk Formula Market on the Basis of Revenue Contribution in Percentage, 2012

Figure 9: Brand Shares of Major Players in Saudi Arabia Follow-on Milk Formula Market on the Basis of Revenue Contribution in Percentage (%), 2012

Figure 10: Brand Shares of Major Players in Saudi Arabia Growing-up Milk Formula Market on the Basis of Revenue Contribution in Percentage (%), 2012

Figure 11: Brand Shares of Major Players in Saudi Arabia Dried Baby Food Market on the Basis of Revenue Contribution in Percentage (%), 2012

Figure 12: Brand Shares of Major Players in Saudi Arabia Prepared Baby Food Market on the Basis of Revenue Contribution in Percentage (%), 2012

Figure 13: Brand Shares of Major Players in Saudi Arabia Baby Biscuits Market on the Basis of Revenue Contribution in Percentage (%), 2012

Figure 14: Saudi Arabia Baby Food Industry Future Projections on the Basis of Revenues in USD Million, 2013-2017

Figure 15: Saudi Arabia Gross Domestic Product in USD Million, 2007-2017

Figure 16: Saudi Arabia Working Women Population in Million, 2007-2017

Figure 17: Saudi Arabia 0-4 Population in Million, 2007-2017

Figure 18: Household Final Consumption Expenditure in Saudi Arabia in USD Million, 2007-2017

Figure 19: Saudi Arabia Number of Births in Thousands, 2007-2017

Figure 20: Saudi Arabia Birth Rate per 1,000 people in Percentage (%), 2007-2012

## LIST OF TABLES

Table 1: Major Brands in Saudi Arabia Growing-up Milk Formula Market with Prices in USD, 2012

Table 2: Major Brands in Saudi Arabia Standard Milk Formula Market with Prices in USD, 2012

Table 3: Major Brands in Saudi Arabia Follow-on Milk Formula Market with Prices in USD, 2012

Table 4: Major Brands in Saudi Arabia Dried Baby Food Market with Prices in USD, 2012

Table 5: Major Brands in Saudi Arabia Prepared Baby Food Market with Prices in USD, 2012

Table 6: Major Brands in Saudi Arabia Baby Biscuits Market with Prices in USD, 2012

Table 7: Major Brands in Saudi Arabia Baby Rusks Market with Prices in USD, 2012

Table 8: Major Brands in Saudi Arabia Baby Juices Food Market with Prices in USD, 2012

Table 9: Major Brands in Saudi Arabia Baby Tea Market with Prices in USD, 2012

Table 10: Major Baby Food Exporters to Saudi Arabia by Volume in Tons and Value in USD Million, 2007

Table 11: Major Baby Food Exporters to Saudi Arabia by Volume in Tons and Value in USD Million, 2008

Table 12: Major Baby Food Exporters to Saudi Arabia by Volume in Tons and Value in USD Million, 2009

Table 13: Major Baby Food Exporters to Saudi Arabia by Volume in Tons and Value in USD Million, 2010

Table 14: Major Baby Food Exporters to Saudi Arabia by Volume in Tons and Value in USD Million, 2011

Table 15: Major Baby Food Exporters to Saudi Arabia by Volume in Tons and Value in USD Million, 2012

Table 16: Competitive Landscape of Major Players (Nestle, Hero Baby, Danone Baby Food, Abbott Nutrition and Almarai) in Saudi Arabia Baby Food Industry

Table 17: Saudi Arabia Baby Food Market Segmentation Future Projections on the Basis of Revenue Contribution in percentage (%), 2013-2017

Table 18: Saudi Arabia Baby Food Market Segmentation Future Projections on the Basis of Revenues in USD Million, 2013-2017

Table 19: Cause and Effect Relationship Analysis between Industry Factors and Expected Prospects in Saudi Arabia Baby Food Industry

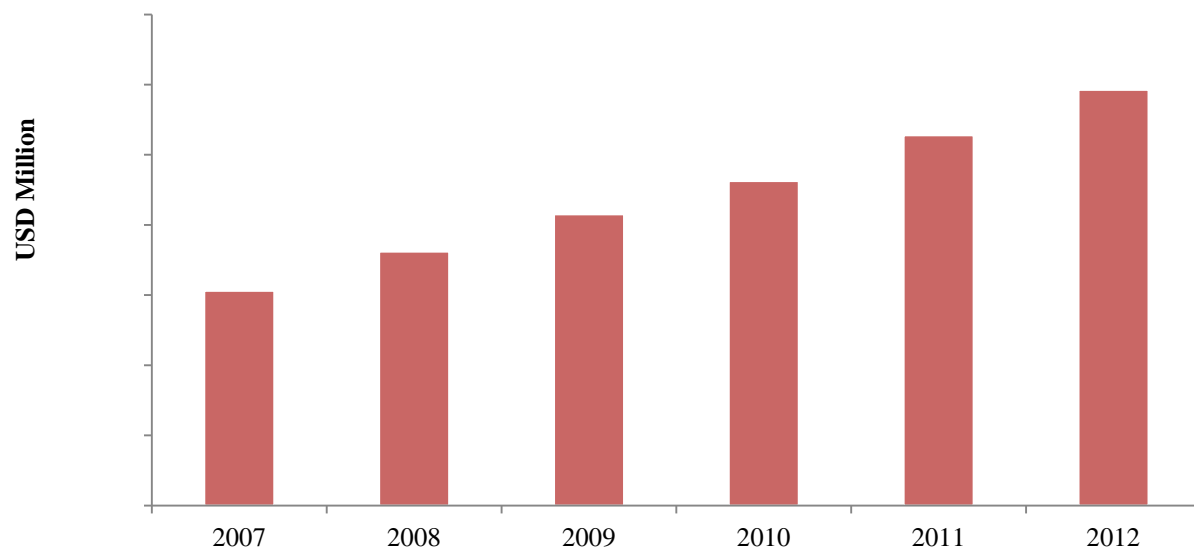
Table 20: Correlation Matrix for Saudi Arabia Standard Milk Formula Market

Table 21: Regression Coefficients Output

## SAUDI ARABIA BABY FOOD INDUSTRY INTRODUCTION AND MARKET SIZE, 2007-2012

Saudi Arabia is currently witnessing growing demand for baby food, with a high birth rate of 19.2 births per 1,000 people noted in 2012 and rising women contribution in workplace. The country's baby food market earned revenues of USD ~ million in 2012 as compared to USD ~ million revenues in 2007. The revenues have inclined at a CAGR of ~% during 2007-2012. Even though the prices for baby food have increased in recent years...

**Figure: Saudi Arabia Baby Food Industry Market Size on the Basis of Revenues in USD Million, 2007-2012**



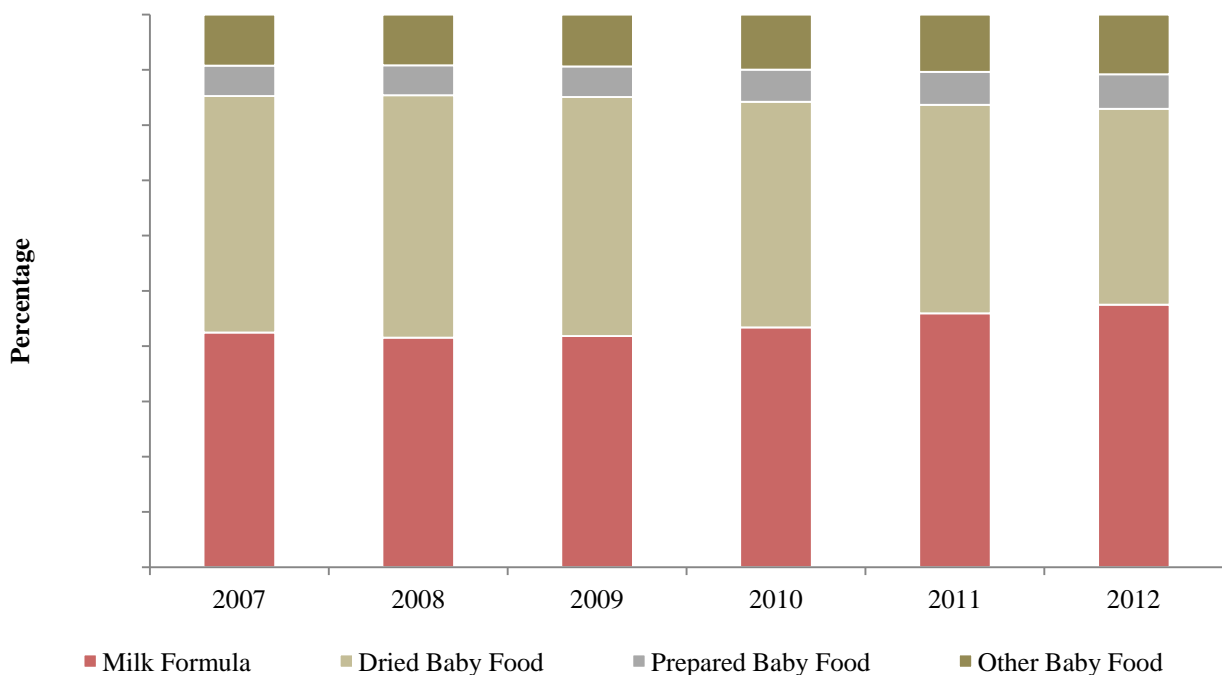


## SAUDI ARABIA BABY FOOD MARKET SEGMENTATION

### BY PRODUCT CATEGORIES, 2007-2012

The baby food market in Saudi Arabia can be segregated into milk formula, dried, prepared and other baby food. The sales of milk formula has been fuelling the growth of the overall baby food industry in the country, which held the largest share of ~% in 2012. As increasing number of women enter the workforce...

**Figure: Saudi Arabia Baby Food Industry Market Segmentation by Milk Formula, Prepared Baby Food, Dried Baby food and Other Baby Food on the Basis of Revenue Contribution in Percentage (%), 2007-2012**

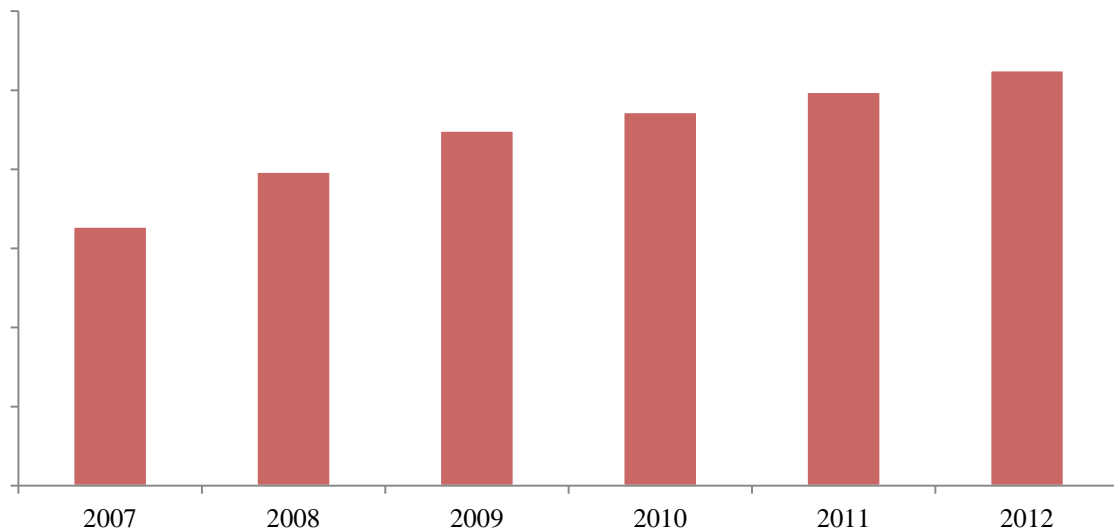


---

## SAUDI ARABIA DRIED BABY FOOD MARKET INTRODUCTION AND SIZE, 2007-2012

Nestle has dominated the market for cereals in the country over the years with its flagship brand Cerelac. Bebelac is the second major player operating in this category. The growing demand for dried baby food in the country generated revenues worth USD ~ million in 2012 which has escalated at a CAGR of ~% for the period of 2007-2012

**Figure: Saudi Arabia Dried Baby Food Market Size on the Basis of Revenues in USD Million, 2007-2012**

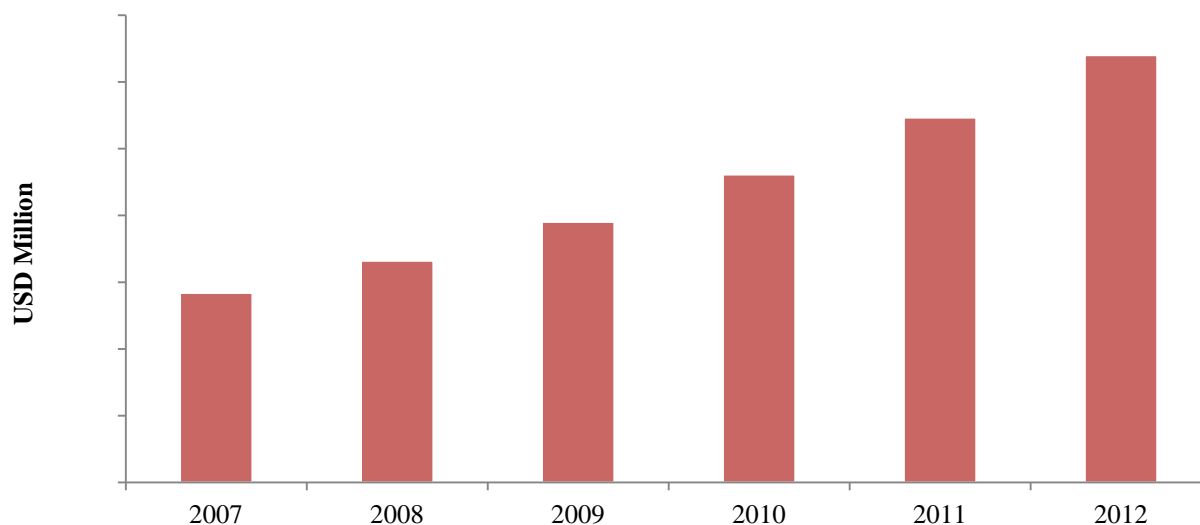


---

## SAUDI ARABIA OTHER BABY FOOD INTRODUCTION AND MARKET SIZE, 2007-2012

The market of other baby food such as rusks, juices, biscuits and tea is presently in its nascent stage in Saudi Arabia. The emerging demand for other baby food culminated in generating revenues of USD ~million in 2012. The market has escalated at a CAGR of ~% during the span of 2007-2012, growing from USD ~ million in 2007. This segment witnessed the highest growth during the year...

**Figure: Saudi Arabia Other Baby Food Market Size on the Basis of Revenues in USD Million, 2007-2012**



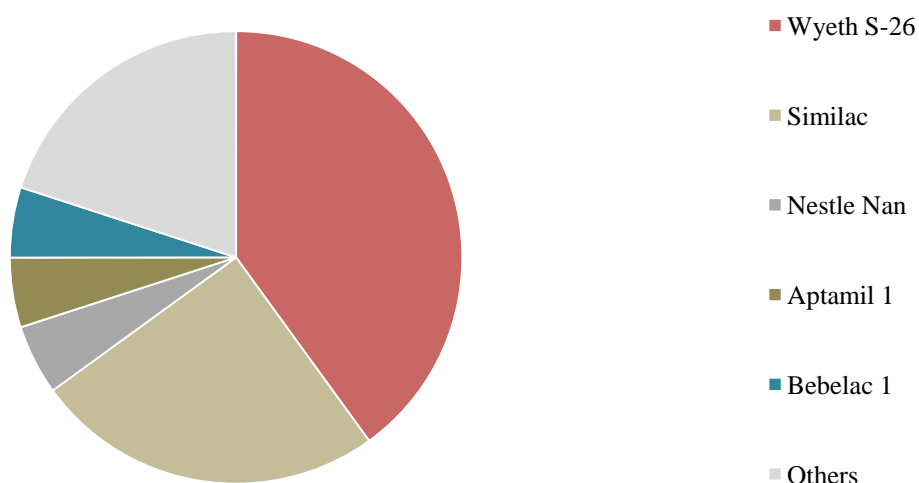
## **MARKET SHARE OF MAJOR BRANDS IN SAUDI ARABIA BABY FOOD INDUSTRY**

### **BY MILK FORMULA**

#### **BY STANDARD-MILK FORMULA MARKET, 2012**

The marketplace of standard milk formula is dominated by the country's most popular milk formula brand, Wyeth S-26 with a share of ~% in the year 2012. Following Wyeth S-26 was Abbott's Similac 1 which contributed ~% to the standard milk formula market...

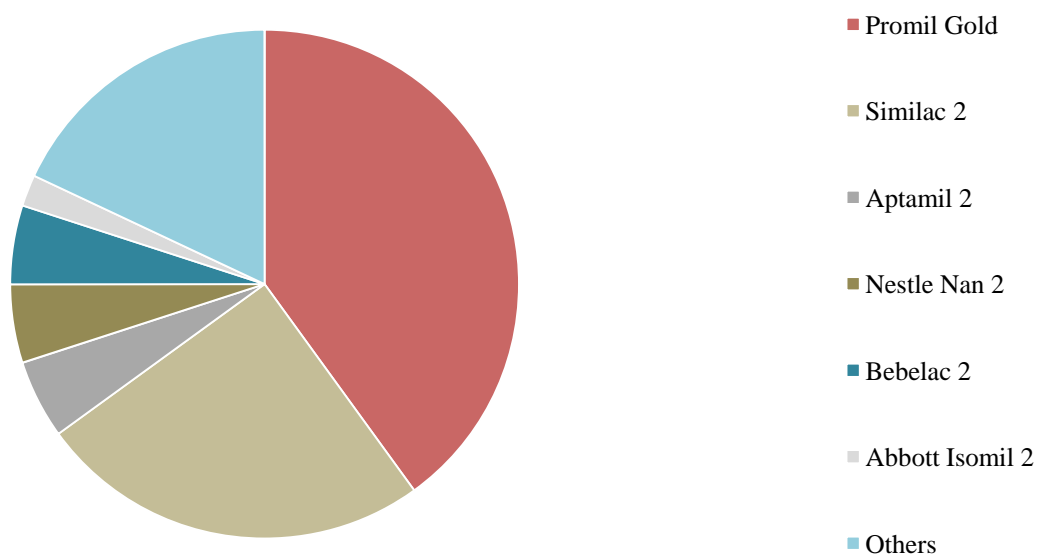
**Figure: Market Share of Major Brands in Saudi Arabia Standard Milk Formula Market on the Basis of Revenue Contribution in Percentage, 2012**



#### BY FOLLOW-ON MILK FORMULA, 2012

Promil Gold, another brand from Wyeth nutrition held the major share of the market in follow-on milk formula market in Saudi Arabia with a share of ~% in the year 2012. The products of Wyeth are popular in the country, as mothers prefer to continue using the milk formula of the similar brand as of stage 1. Similac 2 was the next prominent brand with a...

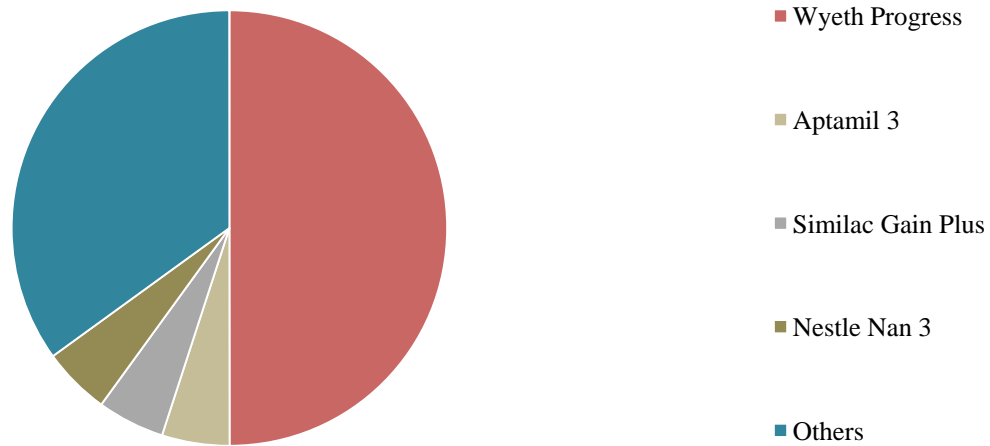
**Figure: Market Share of Major Brands in Saudi Arabia Follow-on Milk Formula Market on the Basis of Revenue Contribution in Percentage (%), 2012**



#### BY GROWING-UP MILK FORMULA, 2012

The growing-up milk formula market has witnessed a comparatively less number of players as compared to standard milk and follow-on milk formula, even though it has been the highest revenue generating category over the years. Wyeth Progress Gold led the growing-up milk formula market with ~% share in 2012.

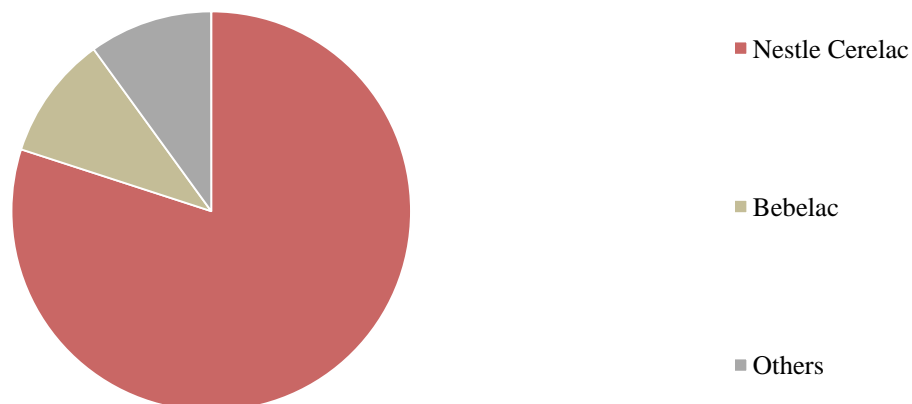
**Figure: Market Share of Major Brands in Saudi Arabia Growing-up Milk Formula Market on the Basis of Revenue Contribution in Percentage (%), 2012**



#### BY DRIED BABY FOOD, 2012

Nestlé's Cerelac was the largest brand in the dried baby food segment with an ~% share in 2012. Bebelac accounted for ~% while rest of the ~% share was accounted by other smaller brands.

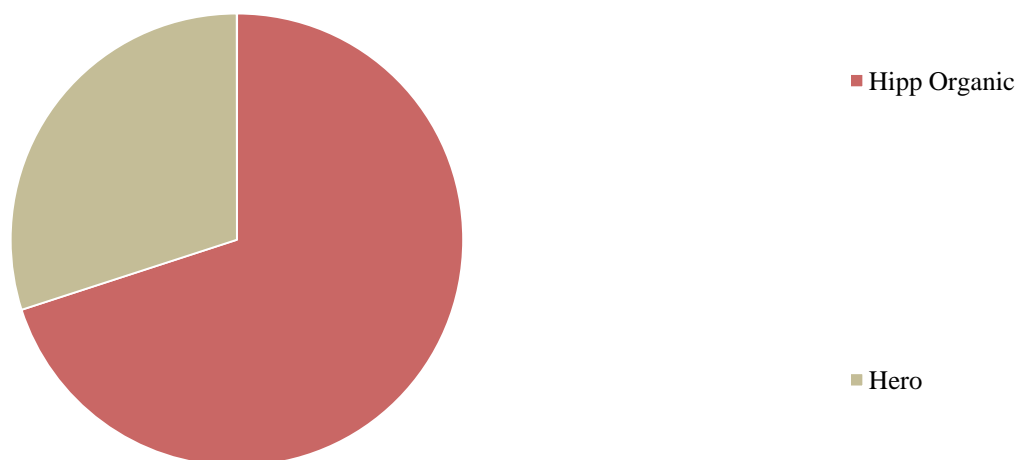
**Figure: Market Share of Major Brands in Saudi Arabia Dried Baby Food Market on the Basis of Revenue Contribution in Percentage (%), 2012**



## BY PREPARED BABY FOOD, 2012

Saudi Arabia has witnessed growing adoption for pureed baby food jars given the convenience it offers along with a wide variety of products. The major players in this category are Hipp Organic and Hero Baby. Hipp Organic is a popular European brand which has become increasingly popular amongst the parents, accounted for a ~% share of the entire sales of prepared baby food in 2012. On the other side, Hero baby held a ~% share of this market in 2012.

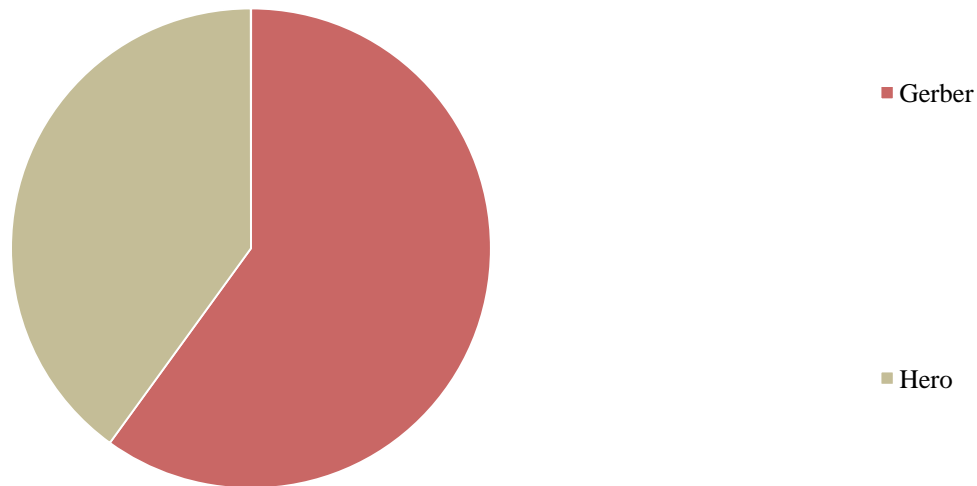
**Figure: Market Share of Major Brands in Saudi Arabia Prepared Baby Food Market on the Basis of Revenue Contribution in Percentage (%), 2012**



## BY OTHER BABY FOOD, 2012

The market of biscuits, a popular snacking option amongst the babies in the country, is mainly competed by two major players. The biscuits of the Gerber Baby brand accounted for ~% share of the entire baby biscuit market in Saudi Arabia. The other major brand was Hero baby which recorded a share of ~% share in 2012...

**Figure: Market Share of Major Brands in Saudi Arabia Baby Biscuits Market on the Basis of Revenue Contribution in Percentage (%), 2012**

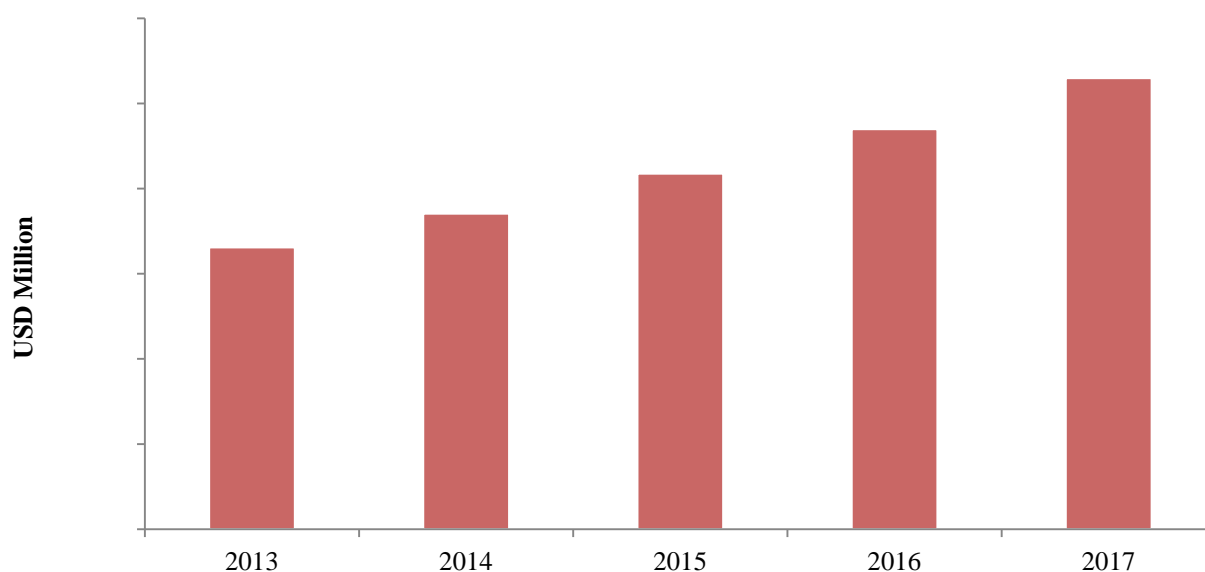


## **SAUDI ARABIA BABY FOOD MARKET FUTURE OUTLOOK AND PROJECTIONS, 2013-2017**

The increasing reliance on baby food as a result of busier lifestyles of parents is anticipated to expand the market size in coming years. The market is estimated to garner revenues worth USD ~ million in 2017 with an annualized growth of ~% over the period of 2012-2017. A continuously growing economy and the introduction of healthier and functional baby food products will both contribute to the growth of baby food sector.



**Figure: Saudi Arabia Baby Food Industry Future Projections on the Basis of Revenues in USD Million, 2013-2017**



#### BY PRODUCT CATEGORIES, 2013-2017

Milk formula is predicted to continue dominating the baby food market in Saudi Arabia at a CAGR of ~% for the period of 2012-2017. The standard milk formula is estimated to continue to dominate the entire infant formula market in Saudi Arabia. The market for standard milk formula is expected to reach USD ~ million in 2017. The rapid adoption of prepared baby food segment is estimated to generate revenue of USD ~ million in 2017 at a CAGR of ~% for the period of 2012-2017.

**Table: Saudi Arabia Baby Food Market Segmentation Future Projections on the Basis of Revenue Contribution in Percentage (%), 2013-2017**

Segments	2013	2014	2015	2016	2017
Milk Formula					
Standard Milk Formula					
Follow-on Milk Formula					
Growing-up Milk Formula					
Dried Baby Food					
Prepared Baby Food					
Other Baby Food					
<b>Total</b>					

**Table: Saudi Arabia Baby Food Market Segmentation Future Projections on the Basis of Revenues in USD Million, 2013-2017**

Segments	2013	2014	2015	2016	2017
Milk Formula					
Standard Milk Formula					
Follow-on Milk Formula					
Growing-up Milk Formula					
Dried Baby Food					
Prepared Baby Food					
Other Baby Food					
<b>Total</b>					

## DISCLAIMER

The research reports provided by Ken Research are for the personal information of the authorized recipient and is not for public distribution and should not be reproduced or redistributed without prior permission. You are permitted to print or download extracts from this material for your personal use only. None of this material may be used for any commercial or public use.

The information provided in the research documents is from publicly available data and other sources, which are reliable. Efforts are made to try and ensure accuracy of data. With respect to documents available, neither the company nor any of its employees makes any warranty, express or implied, including the warranties of merchantability and fitness for a particular purpose, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use will not infringe privately owned rights.

The report also includes analysis and views expressed by our research team. The research reports are purely for information purposes. The opinions expressed are our current opinions as of the date appearing in the material and may be subject to change from time to time without notice. Investors should not solely rely on the information contained in the research documents and must make investment decisions based on their own investment objectives, risk profile and financial position. The recipients of this material should take their own professional advice before acting on this information.

Ken Research will not accept returns of reports once dispatched due to the confidentiality of information provided in our reports. In case, a report qualify for return, we will issue a credit, minus shipping charges, of equal value to the original purchase price, toward a future purchase—no refunds. The decision about whether the product return can be accepted or not is solely at our discretion. Any dispute will be subject to the laws of India and exclusive jurisdiction of Indian Courts.

***No part of this manual or any material appearing may be reproduced, stored in or transmitted on any other Web site without written permission of Ken Research and any payments of a specified fee. Requests to republish any material may be sent to us.***