



Passport

Snacks in Pakistan

Euromonitor International

July 2023

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SNACKS IN PAKISTAN - INDUSTRY OVERVIEW

EXECUTIVE SUMMARY

Snacks in 2023: The big picture

Aggressive inflation has reduced consumer purchasing power in 2023, prompting shifts on the demand and supply side. Consumers are opting for more affordable snack options and are seeking substitutes for higher-priced products. To address this trend, manufacturers are focusing on developing cost-effective snacks that offer value for money. Additionally, there is a growing emphasis on reducing packaging costs, but without compromising product quality or safety. This has involved streamlining packaging materials and sizes. Manufacturers are also exploring cost-saving measures such as optimizing production processes and negotiating better deals with suppliers. However, while affordability is important, consumers' preferences for taste, convenience, and health remain significant factors when purchasing snacks. Striking a balance between affordability and other consumer expectations is crucial for manufacturers in this difficult economic climate.

Key trends in 2023

Due to economic instability and import bans there has been a growing preference for locally sourced snack products and locally manufactured raw materials. The use of domestically produced raw materials has eased the tedious process of importing materials and ingredients for production. Pakistani consumers are also increasingly looking for products that are made from locally sourced ingredients, and that support local communities and businesses.

Competitive Landscape

The snacks competitive landscape is consolidated among a handful of players in Pakistan, with a relatively small number of local and multinational companies accounting for most sales. Given how saturated the landscape is, manufacturers typically deliver innovative products at a competitive price. Manufacturers are increasingly launching new products with natural ingredients to gain a competitive edge and cater to the growing population that is more considerate about what they eat. Each major category has a different leader, with PepsiCo Inc dominating savoury snacks, Unilever Pakistan Ltd dominating retail value sales of ice cream, and English Biscuit Manufacturers (Pvt) Ltd retaining its convincing leadership of sweet biscuits. Mondelez Pakistan Ltd and its Cadbury line dominates chocolate confectionery.

Channel developments

Small local grocers are the most widely used retail channel for savoury snacks in 2023. Consumers prefer these establishments as they are located in close proximity to their homes and a range of snacks are readily available. Modern retail outlets are gaining traction in urban and semiurban cities but are mostly visited once a month during the monthly grocery shopping trip, or when imported products need to be purchased.

E-commerce sales witnessed a small decline in 2022, due to the closure of air freight and some local e-commerce companies. However, the channel has been uplifted a little by companies such as foodpanda and its investment in Panda Mart, offering grocery deliveries. Panda Mart has different hubs and can deliver from those locations to designated localities.

What next for snacks?

Consumers will be heavily focused on health and wellness in the forthcoming period, as the desire for better-for-you products continues to prosper. Consumers are looking for healthier snack options that are low in calories, fat, and sugar, and contain natural ingredients. Snack companies should consider incorporating healthier ingredients into their products to meet this evolving mindset. That said, the indulgent nature of snacking in Pakistan will remain important, with the ritual of consuming biscuits with tea firmly set in local culture. Digital marketing will be a key area of investment for brands as they look to attract their target audience of younger consumers who spend prolonged time on social media platforms and are more receptive to suggestions made by influencers.

MARKET DATA

Table 1 Sales of Snacks by Category: Volume 2018-2023

	2018	2019	2020	2021	2022	2023
Sweet Biscuits, Snack Bars and Fruit Snacks ('000 tonnes)	255.3	272.4	288.9	303.3	320.1	336.1
Savoury Snacks ('000 tonnes)	79.0	86.3	91.9	98.8	105.8	112.3
Ice Cream (million litres)	90.4	95.8	94.9	95.8	101.6	108.3
Confectionery ('000 tonnes)	74.0	77.6	78.1	79.5	84.4	89.6
Snacks (Not calculable)	-	-	-	-	-	-

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 2 Sales of Snacks by Category: Value 2018-2023

PKR billion	2018	2019	2020	2021	2022	2023
Sweet Biscuits, Snack Bars and Fruit Snacks	75.9	82.4	90.9	99.5	124.8	159.2
Savoury Snacks	59.2	68.3	79.2	89.3	110.1	140.8
Ice Cream	23.1	25.6	27.0	29.2	37.7	49.6
Confectionery	53.2	56.8	61.3	67.8	82.5	106.0
Snacks	211.3	233.1	258.5	285.7	355.2	455.5

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 3 Sales of Snacks by Category: % Volume Growth 2018-2023

% volume growth	2022/23	2018-23 CAGR	2018/23 Total
Sweet Biscuits, Snack Bars and Fruit Snacks	5.0	5.7	31.7
Savoury Snacks	6.1	7.3	42.2

Ice Cream	6.5	3.7	19.7
Confectionery	6.1	3.9	21.1
Snacks	-	-	-

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 4 Sales of Snacks by Category: % Value Growth 2018-2023

% current value growth	2022/23	2018-23 CAGR	2018/23 Total
Sweet Biscuits, Snack Bars and Fruit Snacks	27.5	16.0	109.7
Savoury Snacks	27.8	18.9	137.9
Ice Cream	31.3	16.5	114.9
Confectionery	28.5	14.8	99.2
Snacks	28.2	16.6	115.5

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 5 NBO Company Shares of Snacks: % Value 2019-2023

% retail value rsp Company	2019	2020	2021	2022	2023
English Biscuit Manufacturers (Pvt) Ltd	17.3	17.4	17.4	17.4	17.9
PepsiCo Inc	17.2	18.5	18.2	15.9	16.5
Ismail Industries Ltd	13.7	14.0	13.9	13.7	13.7
Continental Biscuits Ltd	9.3	9.3	9.2	9.5	9.5
Mondelez Pakistan Ltd	5.7	5.4	5.4	5.7	6.1
Unilever Pakistan Ltd	5.7	5.5	5.5	5.7	5.8
Hilal Confectionery (Pvt) Ltd	5.3	5.2	5.4	5.3	5.2
KS Sulemanji Esmailji & Sons (Pvt) Ltd	3.3	3.4	3.3	3.1	3.2
Asian Food Industries (Pvt) Ltd	2.4	2.4	2.3	2.2	1.9
Engro Foods (Pvt) Ltd	1.7	1.6	1.6	1.7	1.9
Volka Foods International Ltd	1.5	1.6	1.6	1.5	1.5
Tripple-Em (Pvt) Ltd	0.3	0.4	0.4	0.5	0.6
Dalda Foods (Pvt) Ltd	0.3	0.3	0.2	0.4	0.4
Nestlé Pakistan Ltd	0.3	0.3	0.3	0.3	0.3
Pakistan Dairy Products (Pvt) Ltd	0.3	0.3	0.3	0.3	0.3
Pakistan Fruit Juice Co (Pvt) Ltd	0.2	0.2	0.2	0.2	0.2
Mars Inc	0.3	0.3	0.2	0.2	0.2
Häagen-Dazs (Pakistan) Co	0.1	0.1	0.1	0.2	0.2
Mövenpick Holding AG	0.1	0.1	0.1	0.1	0.1
Mitchell's Fruit Farms Ltd	0.1	0.1	0.1	0.0	0.1
Others	14.8	13.8	14.2	16.1	14.5
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 6 LBN Brand Shares of Snacks: % Value 2020-2023

% retail value rsp Brand (GBO)	Company (NBO)	2020	2021	2022	2023
Peek Freans	English Biscuit Manufacturers (Pvt) Ltd	17.4	17.4	17.4	17.9
Lay's	PepsiCo Inc	15.3	14.3	12.6	13.0
Candyland	Ismail Industries Ltd	8.2	8.2	7.9	7.9
Bisconni	Ismail Industries Ltd	5.1	5.2	5.3	5.2
Cadbury Dairy Milk (Mondelez International Inc)	Mondelez Pakistan Ltd	3.7	3.7	4.2	4.5
Hilal	Hilal Confectionery (Pvt) Ltd	3.8	3.9	3.9	3.8
Kolson	KS Sulemanji Esmailji & Sons (Pvt) Ltd	3.4	3.3	3.1	3.2
Wall's (Unilever Group)	Unilever Pakistan Ltd	2.6	2.6	2.7	2.8
LU Prince (Mondelez International Inc)	Continental Biscuits Ltd	2.6	2.6	2.7	2.7
Kurkure	PepsiCo Inc	2.2	2.7	2.3	2.3
Mayfair	Asian Food Industries (Pvt) Ltd	2.4	2.3	2.2	1.9
Omore	Engro Foods (Pvt) Ltd	1.6	1.6	1.7	1.9
LU Zeera Plus (Mondelez International Inc)	Continental Biscuits Ltd	1.7	1.7	1.8	1.8
LU Bakeri (Mondelez International Inc)	Continental Biscuits Ltd	1.3	1.3	1.4	1.4
Giggly	Volka Foods International Ltd	1.3	1.3	1.3	1.3
Cornetto (Unilever Group)	Unilever Pakistan Ltd	1.2	1.2	1.2	1.2
LU Gala (Mondelez International Inc)	Continental Biscuits Ltd	1.1	1.1	1.1	1.1
LU Candi (Mondelez International Inc)	Continental Biscuits Ltd	1.2	1.1	1.2	1.1
Cheetos	PepsiCo Inc	1.0	1.3	1.1	1.1
Cadbury Perk (Mondelez International Inc)	Mondelez Pakistan Ltd	1.1	1.1	1.0	1.0
Paddle Pop (Unilever Group)	Unilever Pakistan Ltd	0.9	0.9	1.0	1.0
Ding Dong	Hilal Confectionery (Pvt) Ltd	0.7	0.7	0.7	0.7
Oreo (Mondelez International Inc)	Continental Biscuits Ltd	0.6	0.6	0.6	0.6
Tripple-em	Tripple-Em (Pvt) Ltd	0.4	0.4	0.5	0.6
Snackcity	Ismail Industries Ltd	0.7	0.5	0.6	0.6
Cadbury (Mondelez International Inc)	Mondelez Pakistan Ltd	0.5	0.5	0.5	0.5
Knock Out	Dalda Foods (Pvt) Ltd	0.3	0.2	0.4	0.4
Magnum (Unilever Group)	Unilever Pakistan Ltd	0.4	0.4	0.4	0.4
Hilal Churan Chatni	Hilal Confectionery (Pvt) Ltd	0.3	0.3	0.3	0.3
Kit Kat (Nestlé SA)	Nestlé Pakistan Ltd	0.3	0.3	0.3	0.3
Others	Others	16.6	17.1	18.9	17.2
Total	Total	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 7 Distribution of Snacks by Format: % Value 2018-2023

% retail value rsp	2018	2019	2020	2021	2022	2023
Retail Channels	100.0	100.0	100.0	100.0	100.0	100.0
- Retail Offline	99.7	99.7	99.7	99.5	99.5	99.5
-- Grocery Retailers	97.9	97.8	97.9	96.5	96.4	96.3
--- Convenience Retail	3.5	3.7	3.7	3.6	3.8	4.0
---- Convenience Stores	-	-	-	-	-	-
---- Forecourt Retailers	3.5	3.7	3.7	3.6	3.8	4.0
--- Supermarkets	5.6	5.8	5.7	5.6	6.6	7.8
--- Hypermarkets	3.3	3.5	3.5	3.5	4.1	4.9
--- Discounters	-	-	-	-	-	-
--- Warehouse Clubs	-	-	-	-	-	-
--- Food/drink/tobacco specialists	10.9	11.0	10.5	10.1	9.4	8.9
--- Small Local Grocers	74.6	73.9	74.6	73.8	72.5	70.7
-- Non-Grocery Retailers	1.8	1.9	1.8	3.0	3.1	3.2
--- General Merchandise Stores	-	-	-	-	-	-
--- Apparel and Footwear Specialists	-	-	-	-	-	-
--- Appliances and Electronics Specialists	-	-	-	-	-	-
--- Home Products Specialists	-	-	-	-	-	-
--- Health and Beauty Specialists	1.8	1.9	1.8	3.0	3.1	3.2
--- Leisure and Personal Goods Specialists	-	-	-	-	-	-
--- Other Non-Grocery Retailers	-	-	-	-	-	-
-- Vending	-	-	-	-	-	-
-- Direct Selling	-	-	-	-	-	-
- Retail E-Commerce	0.3	0.3	0.3	0.5	0.5	0.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 8 Forecast Sales of Snacks by Category: Volume 2023-2028

	2023	2024	2025	2026	2027	2028
Sweet Biscuits, Snack Bars and Fruit Snacks ('000 tonnes)	336.1	351.2	366.0	380.3	394.2	407.9
Savoury Snacks ('000 tonnes)	112.3	118.8	125.2	131.7	138.1	144.4
Ice Cream (million litres)	108.3	115.7	123.1	130.5	137.8	145.0
Confectionery ('000 tonnes)	89.6	94.9	100.4	106.0	111.6	117.4

Snacks (Not calculable) - - - - -

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 9 Forecast Sales of Snacks by Category: Value 2023-2028

PKR billion	2023	2024	2025	2026	2027	2028
Sweet Biscuits, Snack Bars and Fruit Snacks	159.2	178.0	198.0	218.4	238.7	258.7
Savoury Snacks	140.8	164.3	190.2	216.1	240.7	263.0
Ice Cream	49.6	54.3	59.5	65.0	70.9	77.0
Confectionery	106.0	120.8	138.3	157.4	177.7	199.2
Snacks	455.5	517.5	586.0	657.0	728.0	797.9

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 10 Forecast Sales of Snacks by Category: % Volume Growth 2023-2028

% volume growth	2023/24	2023-28 CAGR	2023/28 Total
Sweet Biscuits, Snack Bars and Fruit Snacks	4.5	3.9	21.3
Savoury Snacks	5.8	5.2	28.6
Ice Cream	6.8	6.0	33.9
Confectionery	5.9	5.6	31.0
Snacks	-	-	-

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 11 Forecast Sales of Snacks by Category: % Value Growth 2023-2028

% constant value growth	2023/2024	2023-28 CAGR	2023/28 Total
Sweet Biscuits, Snack Bars and Fruit Snacks	11.8	10.2	62.5
Savoury Snacks	16.7	13.3	86.8
Ice Cream	9.6	9.2	55.4
Confectionery	14.0	13.5	88.0
Snacks	13.6	11.9	75.2

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

DISCLAIMER

Forecast and scenario closing date: 12 June 2023

Report closing date: 26 June 2023

Analysis and data in this report give full consideration to consumer behaviour and market performance in 2023 and beyond as of the dates above. For the very latest insight on this industry and consumer behaviour, at both global and national level, readers can access

strategic analysis and updates on www.euromonitor.com and via the Passport system, where new content is being added on a systematic basis.

SOURCES

Sources used during research include the following:

Summary 1 Research Sources

Official Sources	ABM Dairyland
	Agri Business Pakistan
	Agrochart
	Asian Development Bank
	CEIC
	CSD
	FAO
	FCCI
	Federal Board Revenue
	Global Agricultural Information Network
	IFC (international Finance Corp)
	Invest Pakistan
	JCR VIS
	Nation Master
	PACRA Pakistan
	Pak-Dairy Info
	Pakistan Bureau of Statistics
	Pakistan Standard for Quality Control Authority (PSQCA)
	PARC
	PERI (Punjab Economic Research Institute)
	S&P Global Inc
	Sindh Statistical Department
	State Bank of Pakistan
	Sunny Medico
	World Integrated Trade Solution
Trade Associations	Campden & Chorleywood Food Research Association Group
	Pakistan Dairy Association

	Universal Traders Association
Trade Press	Ary news
	Aurora Magazine
	B Recorder
	Baking Business
	BBC
	Brandasy
	Brandsynario
	Business Recorder
	Business Standard News
	Candy Industry, The
	Custom Today
	Daily Times
	Dawn News
	Express Tribune
	Financial Daily
	Food Journal Pakistan
	Gulf News
	Karachi News
	Khaleej Times
	Market Forces
	Nation, The
	News Daily
	News International
	News Tribe, The
	News, The
	Pak Observer
	Pak Tribune
	Pakissan
	Pakistan Observer
	Pakistan Today
	PK Times
	Profit by Pakistan Today
	Reuters

Tribune, The

Source: Euromonitor International

CHOCOLATE CONFECTIONERY IN PAKISTAN - CATEGORY ANALYSIS

KEY DATA FINDINGS

- Retail value sales increase by 32% in current terms in 2023 to PKR35.2 billion
- Tablets is the best performing category in 2023, with retail value sales growing by 33% in current terms to PKR18.6 billion
- Mondelez Pakistan Ltd is the leading player in 2023, with a retail value share of 66%
- Retail sales are set to rise at a current value CAGR of 15% (2023 constant value CAGR of 8%) over the forecast period to PKR71.0 billion

2023 DEVELOPMENTS

Rising inflation has negatively impacted packaging size and quality

Demand for chocolate confectionery in Pakistan remains robust in 2023, despite the every-increasing rate of inflation. Soaring raw material and production costs are forcing manufacturers to look at ways to reduce unit costs. Many have shifted towards smaller pack formats and are using lower quality material in their packaging. Current value sales have escalated from price increases reaching some 32% growth.

Chocolate confectionery is relatively small in size; distribution is a key challenge for brands as extremely high temperatures for much of the year necessitate the need for adequate cold chain logistic systems and in-store refrigerators. Sales of tablets are thus highest during the winter season, especially from November to February, as the cold climate ensures that the products remain fit for consumption, whereas in summer products cannot survive the heat and melt without cold storage facilities. Countlines are generally produced from compound chocolate and as a result are typically preferred by children, largely because they are available at a consistent quality throughout the year and thus do not experience significant seasonality.

As pandemic-related restrictions have eased, local consumers have returned to normality, thereby resulting in greater consumer confidence and a willingness to spend on non-essential indulgences. Festivals such as Eid play a key role in driving seasonal demand for chocolate confectionery in Pakistan. Subsequently, marketing and promotional activities increase during the winter and festive periods, when brands also invest heavily in product promotions.

Consumer shift towards clean eating

Globally, there has been a shift towards clean eating and this trend is slowly spreading across Pakistan. Consumers are becoming more aware of sugar and its negative impact on health. However, chocolate remains largely an indulgence purchase in 2023. Local brands do not commonly produce dark or sugar free chocolates, but a few artisan chocolatiers are slowly introducing this type of chocolate. The emergence of this type of chocolate is gradually changing consumers tastes, with Pakistanis gradually switching towards sugar-free and dark chocolates, particularly in tablets.

Bite-sized chocolate/indulgence expands

The high cost of living in Pakistan is pushing consumers to economise further in 2023 and seek out more affordable products. Chocolate manufacturers have started introducing bite sized products in smaller formats, providing an indulgent experience at an affordable outlay. This not only benefits consumers economically, but can support health-conscious consumers who are looking to cutback, but want a small treat to manage sweet cravings.

PROSPECTS AND OPPORTUNITIES

Premium brands gradually gaining popularity

Despite rising inflation, there are still opportunities for premium chocolate confectionery brands in Pakistan. Consumers are shifting towards more naturally produced chocolate, which is typically categorized in the premium segment. The country's middle classes are expanding and this is attracting more consumers towards premium brands, which have much prestige. The growing number of females in the labour force is increasing the overall level of household income in Pakistan, creating a better quality of life, and in turn driving demand for more expensive chocolate confectionery. The ability to buy these premium brands is giving women a sense of achievement and fulfilment.

Sustainability is gaining prominence among affluent consumers

The preference for sustainable products is generally on the rise in Pakistan, although the trend is more visible among the country's affluent classes. Such consumers are now making informed decisions regarding their purchases, and favour products/brands that are transparent about production and outline the origin of key ingredients. Middle-class consumers are becoming more conscious of sustainability each day and will increasingly opt for products that are sustainably produced and have a certified label. As such, with the middle classes expanding in Pakistan, chocolate confectionery brands will need to ensure sustainability is given due attention in the upcoming period.

E-commerce sales fall during summer period

Purchasing chocolate confectionery through e-commerce channels declines during the summer season, when consumers avoid purchasing products which can melt in the heat. They prefer to buy such chocolates themselves in a store to consume straight away. There is a need to work on logistics and improve distribution in e-commerce, which would positively impact e-commerce in the future.

CATEGORY DATA

Table 12 Sales of Chocolate Confectionery by Category: Volume 2018-2023

'000 tonnes	2018	2019	2020	2021	2022	2023
- Other Chocolate Confectionery	-	-	-	-	-	-
- Tablets	5.0	5.5	5.4	5.8	6.3	6.9
- Seasonal Chocolate	-	-	-	-	-	-
- Countlines	5.8	6.1	6.0	6.1	6.4	6.8

- Chocolate with Toys	-	-	-	-	-	-
- Boxed Assortments	0.2	0.2	0.2	0.2	0.2	0.2
- Chocolate Pouches and Bags	0.3	0.3	0.3	0.3	0.3	0.3
Chocolate Confectionery	11.2	12.0	11.9	12.4	13.2	14.2

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 13 Sales of Chocolate Confectionery by Category: Value 2018-2023

PKR billion	2018	2019	2020	2021	2022	2023
- Other Chocolate Confectionery	-	-	-	-	-	-
- Tablets	9.1	9.5	9.8	10.8	14.0	18.6
- Seasonal Chocolate	-	-	-	-	-	-
- Countlines	7.6	7.9	8.4	9.3	11.4	14.8
- Chocolate with Toys	-	-	-	-	-	-
- Boxed Assortments	0.4	0.4	0.4	0.4	0.6	0.7
- Chocolate Pouches and Bags	0.5	0.5	0.6	0.7	0.8	1.1
Chocolate Confectionery	17.5	18.3	19.1	21.2	26.7	35.2

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 14 Sales of Chocolate Confectionery by Category: % Volume Growth 2018-2023

% volume growth	2022/23	2018-23 CAGR	2018/23 Total
- Other Chocolate Confectionery	-	-	-
- Tablets	8.9	6.6	37.6
- Seasonal Chocolate	-	-	-
- Countlines	5.3	3.2	16.8
- Chocolate with Toys	-	-	-
- Boxed Assortments	6.0	1.9	9.7
- Chocolate Pouches and Bags	5.7	3.7	19.9
Chocolate Confectionery	7.1	4.7	26.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 15 Sales of Chocolate Confectionery by Category: % Value Growth 2018-2023

% current value growth	2022/23	2018-23 CAGR	2018/23 Total
- Other Chocolate Confectionery	-	-	-
- Tablets	32.9	15.4	104.9
- Seasonal Chocolate	-	-	-
- Countlines	30.0	14.4	95.7
- Chocolate with Toys	-	-	-
- Boxed Assortments	31.9	16.3	112.3
- Chocolate Pouches and Bags	30.3	15.8	108.6
Chocolate Confectionery	31.6	15.0	101.2

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 16 Sales of Chocolate Tablets by Type: % Value 2018-2023

% retail value rsp	2018	2019	2020	2021	2022	2023
Plain Dark	4.0	4.0	4.0	4.0	4.1	4.1
Filled	22.0	22.5	23.0	23.0	22.5	22.0
Plain Milk	73.0	72.5	72.0	72.0	72.5	73.0
Plain White	1.0	1.0	1.0	1.0	0.9	0.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 17 NBO Company Shares of Chocolate Confectionery: % Value 2019-2023

% retail value rsp Company	2019	2020	2021	2022	2023
Mondelez Pakistan Ltd	59.4	59.5	59.3	62.9	65.5
Ismail Industries Ltd	23.6	23.8	23.7	22.1	21.2
Nestlé Pakistan Ltd	4.0	4.1	4.0	4.0	4.0
Mars Inc	3.6	3.4	3.2	2.9	2.5
Volka Foods International Ltd	1.5	1.5	1.6	1.4	1.4
Mitchell's Fruit Farms Ltd	0.9	0.8	0.8	0.6	0.7
Others	6.9	6.8	7.5	6.1	4.7
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 18 LBN Brand Shares of Chocolate Confectionery: % Value 2020-2023

% retail value rsp Brand (GBO)	Company (NBO)	2020	2021	2022	2023
Cadbury Dairy Milk (Mondelez International Inc)	Mondelez Pakistan Ltd	31.1	32.4	36.8	37.9
Cadbury Dairy Milk Bubbly (Mondelez International Inc)	Mondelez Pakistan Ltd	13.7	11.9	12.9	14.2
Cadbury Perk (Mondelez International Inc)	Mondelez Pakistan Ltd	14.8	15.0	13.3	13.4
Candyland Now	Ismail Industries Ltd	6.5	6.5	6.3	6.0
Candyland Sonnet	Ismail Industries Ltd	6.4	6.4	6.1	5.8
Candyland Paradise	Ismail Industries Ltd	6.2	6.2	5.8	5.5
Kit Kat (Nestlé SA)	Nestlé Pakistan Ltd	4.1	4.0	4.0	4.0
Candyland Novella	Ismail Industries Ltd	4.0	3.8	3.2	3.2
Giggly	Volka Foods International Ltd	1.5	1.6	1.4	1.4
Candyland Cloud 9	Ismail Industries Ltd	0.7	0.8	0.8	0.7
Mars	Mars Inc	1.1	1.0	0.8	0.7

Snickers	Mars Inc	1.0	0.9	0.8	0.7
Jubilee	Mitchell's Fruit Farms Ltd	0.8	0.8	0.6	0.7
Bounty	Mars Inc	0.5	0.5	0.5	0.4
Galaxy	Mars Inc	0.4	0.4	0.4	0.4
Twix	Mars Inc	0.5	0.4	0.3	0.3
Cadbury Dairy Milk	Mondelez Pakistan Ltd	-	-	-	-
Marvellous Creations (Mondelez International Inc)					
Others	Others	6.8	7.5	6.1	4.7
Total	Total	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 19 Distribution of Chocolate Confectionery by Format: % Value 2018-2023

% retail value rsp	2018	2019	2020	2021	2022	2023
Retail Channels	100.0	100.0	100.0	100.0	100.0	100.0
- Retail Offline	99.6	99.5	99.5	99.3	99.2	99.2
-- Grocery Retailers	96.7	96.5	96.7	96.7	96.6	96.4
--- Convenience Retail	5.3	5.5	5.6	5.3	5.7	6.1
---- Convenience Stores	-	-	-	-	-	-
---- Forecourt Retailers	5.3	5.5	5.6	5.3	5.7	6.1
--- Supermarkets	10.1	10.5	10.1	9.6	10.8	12.4
--- Hypermarkets	6.2	6.5	6.4	6.0	7.0	8.0
--- Discounters	-	-	-	-	-	-
--- Warehouse Clubs	-	-	-	-	-	-
--- Food/drink/tobacco specialists	11.3	11.3	10.2	9.4	7.9	7.6
--- Small Local Grocers	63.8	62.7	64.5	66.5	65.2	62.4
-- Non-Grocery Retailers	2.9	3.0	2.8	2.5	2.6	2.7
--- General Merchandise Stores	-	-	-	-	-	-
--- Apparel and Footwear Specialists	-	-	-	-	-	-
--- Appliances and Electronics Specialists	-	-	-	-	-	-
--- Home Products Specialists	-	-	-	-	-	-
--- Health and Beauty Specialists	2.9	3.0	2.8	2.5	2.6	2.7
--- Leisure and Personal Goods Specialists	-	-	-	-	-	-
--- Other Non-Grocery Retailers	-	-	-	-	-	-
-- Vending	-	-	-	-	-	-
-- Direct Selling	-	-	-	-	-	-
- Retail E-Commerce	0.4	0.5	0.5	0.7	0.8	0.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 20 Forecast Sales of Chocolate Confectionery by Category: Volume 2023-2028

'000 tonnes	2023	2024	2025	2026	2027	2028
- Other Chocolate Confectionery	-	-	-	-	-	-
- Tablets	6.9	7.5	8.1	8.7	9.4	10.0
- Seasonal Chocolate	-	-	-	-	-	-
- Countlines	6.8	7.2	7.6	8.1	8.7	9.3
- Chocolate with Toys	-	-	-	-	-	-
- Boxed Assortments	0.2	0.2	0.2	0.2	0.2	0.2
- Chocolate Pouches and Bags	0.3	0.3	0.3	0.4	0.4	0.4
Chocolate Confectionery	14.2	15.2	16.3	17.4	18.7	20.0

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 21 Forecast Sales of Chocolate Confectionery by Category: Value 2023-2028

PKR billion	2023	2024	2025	2026	2027	2028
- Other Chocolate Confectionery	-	-	-	-	-	-
- Tablets	18.6	20.2	21.8	23.5	25.5	27.6
- Seasonal Chocolate	-	-	-	-	-	-
- Countlines	14.8	15.9	17.3	18.6	19.7	20.8
- Chocolate with Toys	-	-	-	-	-	-
- Boxed Assortments	0.7	0.8	0.8	0.8	0.8	0.8
- Chocolate Pouches and Bags	1.1	1.1	1.2	1.2	1.3	1.4
Chocolate Confectionery	35.2	38.1	41.1	44.1	47.3	50.6

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 22 Forecast Sales of Chocolate Confectionery by Category: % Volume Growth 2023-2028

% volume growth	2023/24	2023-28 CAGR	2023/28 Total
- Other Chocolate Confectionery	-	-	-
- Tablets	8.5	7.9	46.1
- Seasonal Chocolate	-	-	-
- Countlines	5.8	6.6	37.7
- Chocolate with Toys	-	-	-
- Boxed Assortments	3.6	1.2	6.1
- Chocolate Pouches and Bags	5.7	6.1	34.2
Chocolate Confectionery	7.1	7.2	41.3

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 23 Forecast Sales of Chocolate Confectionery by Category: % Value Growth 2023-2028

% constant value growth

	2023/2024	2023-28 CAGR	2023/28 Total
- Other Chocolate Confectionery	-	-	-
- Tablets	9.0	8.3	48.8
- Seasonal Chocolate	-	-	-
- Countlines	7.6	7.0	40.4
- Chocolate with Toys	-	-	-
- Boxed Assortments	3.7	2.1	10.9
- Chocolate Pouches and Bags	3.9	4.8	26.2
Chocolate Confectionery	8.2	7.5	43.8

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

GUM IN PAKISTAN - CATEGORY ANALYSIS

KEY DATA FINDINGS

- Retail value sales increase by 27% in current terms in 2023 to PKR14.1 billion
- Chewing gum is the best performing category in 2023, with retail value sales growing by 27% in current terms to PKR2.0 billion
- Hilal Confectionery (Pvt) Ltd is the leading player in 2023, with a retail value share of 86%
- Retail sales are set to rise at a current value CAGR of 24% (2023 constant value CAGR of 16%) over the forecast period to PKR41.0 billion

2023 DEVELOPMENTS

Sugar-free chewing gum attracts new audience in Pakistan

There has been a shift in consumption patterns in Pakistan, as rapid urbanization and exposure to western cultures has filtered into Pakistan. The introduction of a variety of flavours and sugar-free gum options is expanding the appeal of chewing gum, with health-conscious consumers now opting for sugar-free gum as an alternative to traditional sugary snacks. Although the sugar-free segment is still in its early stages in Pakistan, it is growing fairly rapidly.

Chewing gum has traditionally been relatively unpopular in Pakistan, as it is priced higher than bubble gum and is consumed only by a small adult consumer base in urban centres. Multinational brands, such as Trident and Extra, traditionally target adult consumers promoting benefits such as fresh breath but they have struggled to build a significant consumer base. There has been an overall decline in the sales of sugared chewing gum as there has been a shift in preferences amongst local consumers away from unhealthy choices towards healthier, preservative-free options.

Ban on imports removed in 2023

Due to economic instability and political turmoil in Pakistan the rupee depreciated in value in 2022. With bank financial reserves limited, the government banned all imports of non-essential raw materials and luxury goods for several months. In total, some 860 product lines were impacted, including imported gum brands. After the import ban was removed, the government then took the decision to impose taxes on luxury imported products, increasing prices by some 70-80%. Under these restrictions, it became increasingly difficult for consumers to purchase imported products. In 2023, the situation has been resolved enabling imported gum brands to trade without difficulty. The strong position of domestic gum players in Pakistan enabled the category to continue operating without much disruption. However, international brands such as Trident (Mondelez Pakistan Ltd) continued to lose retail value share in 2023.

Wider distribution supports gum category

Chewing gum is widely available in various retail outlets across Pakistan, including supermarkets, neighbourhood shops (small local grocers) and e-commerce channels. The category is witnessing an increasing presence on e-commerce platforms, allowing consumers to

purchase gum online. Domestic manufacturers account for the majority of gum sales, due to its price advantage over more expensive international brands. Domestic brands also have wider distribution coverage and loyal consumer bases, as they were launched long before the arrival of international brands. Hilal Confectionery (Pvt) Ltd leads the category by a considerable margin followed by second-ranked Volka Foods International Inc and Asian Food Industries (Pvt) Ltd.

PROSPECTS AND OPPORTUNITIES

Opportunity for healthier products with natural ingredients

Rising health consciousness has created opportunities for gum products that incorporate natural ingredients, or are free from preservatives and plastics. As people become increasingly aware of the adverse effects associated with these harmful ingredients, they are seeking healthier alternatives that prioritise natural ingredients. However, it is important to note that bubble gums, which often contain less expensive ingredients, may have potentially unhealthy components, thereby potentially impeding the growth of this particular category.

Hilal Confectionery to retain dominance of gum in Pakistan

Hilal Confectionery (Pvt) Ltd remains the dominant player in gum with the player predicted to maintain its retail value share in 2023. Its success is supported by a long-established and deeply-entrenched presence in Pakistan, with its brands, Ding Dong and Hilal Fresh Up Bubble Gum among the first gum brands to be introduced into the country, decades ago. The company supports these brands through regular marketing promotions, effective distribution and the introduction of new flavours, including flavour combinations such as peach/mango and strawberry/blackcurrant. Ding Dong is aimed at children, while Hilal Fresh Up Bubble Gum is targeted more at adults, with line extensions such as Hilal Fresh Up Bubble Gum Elaichi (cardamom) accordingly tailored to more adult taste preferences. This flavour is based on a traditionally popular ingredient.

Marketing strategies to focus on social media

Marketing investment plays a crucial role in the development of gum brands, with engaging advertisements and endorsements from popular celebrities traditionally used to drive brand awareness and sales of chewing gum in Pakistan. Social media and digital advertising are now widely used to reach the desired target audience. Gum brands have realised the need to focus on social media marketing through channels such as Facebook, Instagram and Tik Tok. Many local consumers like to follow global trends on digital platforms, in particular younger Pakistanis, and may start purchasing products to either keep up with their peers or as a point of differentiation. Importantly, digital marketing via social media presents opportunities for engaging with younger consumers.

CATEGORY DATA

Table 24 Sales of Gum by Category: Volume 2018-2023

'000 tonnes	2018	2019	2020	2021	2022	2023
- Chewing Gum	0.6	0.7	0.6	0.7	0.7	0.7

- Bubble Gum	14.3	14.9	14.0	14.7	15.5	16.4
Gum	14.9	15.5	14.7	15.4	16.2	17.1

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 25 Sales of Gum by Category: Value 2018-2023

PKR billion						
	2018	2019	2020	2021	2022	2023
- Chewing Gum	1.0	1.1	1.1	1.3	1.6	2.0
- Bubble Gum	6.0	6.7	6.9	7.9	9.6	12.1
Gum	7.0	7.8	8.0	9.2	11.2	14.1

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 26 Sales of Gum by Category: % Volume Growth 2018-2023

% volume growth			
	2022/23	2018-23 CAGR	2018/23 Total
- Chewing Gum	4.1	2.1	10.7
- Bubble Gum	5.5	2.8	14.6
Gum	5.4	2.7	14.5

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 27 Sales of Gum by Category: % Value Growth 2018-2023

% current value growth			
	2022/23	2018-23 CAGR	2018/23 Total
- Chewing Gum	26.6	14.0	92.1
- Bubble Gum	26.5	15.2	103.1
Gum	26.5	15.0	101.5

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 28 NBO Company Shares of Gum: % Value 2019-2023

% retail value rsp					
Company	2019	2020	2021	2022	2023
Hilal Confectionery (Pvt) Ltd	84.8	85.3	86.5	86.6	85.9
Volka Foods International Ltd	6.8	6.9	6.9	7.2	7.3
Asian Food Industries (Pvt) Ltd	2.5	2.5	2.4	2.4	2.3
Mondelez Pakistan Ltd	1.3	1.3	1.1	1.0	0.9
Wrigley Jr Co, William	1.0	1.0	0.9	0.9	0.9
Ismail Industries Ltd	0.5	0.5	0.5	0.3	0.3
Lotte Wellfood Co Ltd	-	-	-	-	0.2

Lotte Group	0.4	0.3	0.3	0.2	-
Others	2.8	2.2	1.3	1.3	2.2
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 29 LBN Brand Shares of Gum: % Value 2020-2023

% retail value rsp Brand (GBO)	Company (NBO)	2020	2021	2022	2023
Hilal Fresh Up Bubble Gum	Hilal Confectionery (Pvt) Ltd	62.8	63.6	64.0	64.0
Ding Dong	Hilal Confectionery (Pvt) Ltd	22.5	22.9	22.7	21.9
Boom Boom	Volka Foods International Ltd	6.9	6.9	7.2	7.3
Mayfair Tiger	Asian Food Industries (Pvt) Ltd	2.5	2.4	2.4	2.3
Trident (Mondelez International Inc)	Mondelez Pakistan Ltd	1.3	1.1	1.0	0.9
Extra (Mars Inc)	Wrigley Jr Co, William	0.8	0.7	0.7	0.7
Candyland Bubble Your Name	Ismail Industries Ltd	0.4	0.4	0.3	0.2
Spout (Lotte Group)	Lotte Wellfood Co Ltd	-	-	-	0.2
Orbit (Mars Inc)	Wrigley Jr Co, William	0.2	0.2	0.2	0.2
Candyland Star Gum	Ismail Industries Ltd	0.1	0.1	0.0	0.0
Spout	Lotte Group	0.3	0.3	0.2	-
Others	Others	2.2	1.3	1.3	2.2
Total	Total	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 30 Distribution of Gum by Format: % Value 2018-2023

% retail value rsp	2018	2019	2020	2021	2022	2023
Retail Channels	100.0	100.0	100.0	100.0	100.0	100.0
- Retail Offline	99.6	99.6	99.5	99.2	99.2	99.1
-- Grocery Retailers	99.6	99.6	99.5	99.2	99.2	99.1
--- Convenience Retail	3.3	3.4	3.7	3.4	3.4	3.0
---- Convenience Stores	-	-	-	-	-	-
---- Forecourt Retailers	3.3	3.4	3.7	3.4	3.4	3.0
--- Supermarkets	3.9	4.0	4.3	4.0	4.6	5.3
--- Hypermarkets	2.7	3.0	3.3	3.0	3.5	4.0
--- Discounters	-	-	-	-	-	-
--- Warehouse Clubs	-	-	-	-	-	-
--- Food/drink/tobacco specialists	18.0	18.0	18.9	17.1	16.7	16.5
--- Small Local Grocers	71.7	71.2	69.3	71.8	71.0	70.4
-- Non-Grocery Retailers	-	-	-	-	-	-
--- General Merchandise Stores	-	-	-	-	-	-
--- Apparel and Footwear Specialists	-	-	-	-	-	-
--- Appliances and	-	-	-	-	-	-

Electronics Specialists						
--- Home Products Specialists	-	-	-	-	-	-
--- Health and Beauty Specialists	-	-	-	-	-	-
--- Leisure and Personal Goods Specialists	-	-	-	-	-	-
--- Other Non-Grocery Retailers	-	-	-	-	-	-
-- Vending	-	-	-	-	-	-
-- Direct Selling	-	-	-	-	-	-
- Retail E-Commerce	0.4	0.4	0.5	0.8	0.8	0.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 31 Forecast Sales of Gum by Category: Volume 2023-2028

'000 tonnes						
	2023	2024	2025	2026	2027	2028
- Chewing Gum	0.7	0.7	0.8	0.8	0.8	0.9
- Bubble Gum	16.4	17.3	18.2	19.1	20.0	20.9
Gum	17.1	18.0	18.9	19.9	20.8	21.7

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 32 Forecast Sales of Gum by Category: Value 2023-2028

PKR billion						
	2023	2024	2025	2026	2027	2028
- Chewing Gum	2.0	2.3	2.7	3.0	3.4	3.8
- Bubble Gum	12.1	14.1	16.7	19.4	22.3	25.4
Gum	14.1	16.4	19.3	22.5	25.8	29.2

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 33 Forecast Sales of Gum by Category: % Volume Growth 2023-2028

% volume growth			
	2023/24	2023-28 CAGR	2023/28 Total
- Chewing Gum	4.6	4.0	21.5
- Bubble Gum	5.3	4.9	27.3
Gum	5.3	4.9	27.1

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 34 Forecast Sales of Gum by Category: % Value Growth 2023-2028

% constant value growth

	2023/2024	2023-28 CAGR	2023/28 Total
- Chewing Gum	16.6	14.0	92.8
- Bubble Gum	16.5	15.9	109.5
Gum	16.5	15.7	107.1

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

SUGAR CONFECTIONERY IN PAKISTAN - CATEGORY ANALYSIS

KEY DATA FINDINGS

- Retail value sales increase by 27% in current terms in 2023 to PKR56.7 billion
- Medicated confectionery is the best performing category in 2023, with retail value sales growing by 31% in current terms to PKR0.1 billion
- Ismail Industries Ltd is the leading player in 2023, with a retail value share of 50%
- Retail sales are set to rise at a current value CAGR of 24% (2023 constant value CAGR of 16%) over the forecast period to PKR168 billion

2023 DEVELOPMENTS

Sugar confectionery remains resilient as affordability is major issue

Sugar confectionery is immensely popular among kids in Pakistan as it constitutes an affordable treat. Children mainly purchase sweets from neighbourhood shops with their pocket money and hence are quite price-sensitive. In 2023, with inflation rising year-on-year and reaching high double-digits not seen since 1964, affordability has dropped further with many consumers forced to trade down to cheaper sugar confectionery. Nonetheless, demand for sugar confectionery continues to rise in Pakistan in 2023, with the category showing great resilience. Indeed, the category remained relatively stable even during the pandemic, when pastilles, gums, jellies and chews were seen as an affordable indulgence, while the niche medicated confectionery benefited from health and wellness concerns.

Boiled sweets retain largest share of sugar confectionery

Among the sugar confectionery categories, boiled sweets remain prominent as they are accessible to a wide range of income-groups. Boiled sweets are available in different flavours and cater to even the most price-sensitive consumer. In 2023, parents can still afford to give them as treats to their children, as they can buy them in small portions from local grocers. Moreover, it is very common for small local grocers to give boiled sweets instead of coins when customers receive their change.

Smaller pack sizes prove attractive as household budgets are squeezed

The average unit price of sugar confectionery continues to rise in Pakistan following intense price inflation in 2023. The government's decision to double its sugar tax in the 2020 Federal Budget had already placed additional pressure on producers of sugar confectionery. Lower purchasing power has led manufacturers to focus on cost-reduction strategies in 2023. To offset rising costs and taxes, leading players typically reduce pack sizes, whilst switching to cheaper packaging where possible in an attempt to maintain profit margins, while also ensuring their products remain affordable to children. By doing this, sugar confectionery manufacturers are meeting the needs of budget-conscious consumers, and have an opportunity to increase retail value share. Local consumers often select the brand that is cheaper as the target audience of children is price-sensitive.

PROSPECTS AND OPPORTUNITIES

Healthier gum consumption driven by A thirst for knowledge and reading labels

Consumers are becoming increasingly conscious of what they eat in Pakistan, with many individuals now more knowledgeable about what constitutes a healthy diet and questioning ingredients. Reading product labels is helping locals to understand the nutritional value of sugar confectionery, and is leading the shift the focus towards reduced sugar options and healthier options overall. Sugar-free or low-sugar options allows consumers to satisfy their sugar cravings while minimizing their sugar intake. In the forecast period, rising sugar taxes and health and wellness concerns, will nurture more health-conscious consumers towards sugar-free alternatives. Increased product offerings and promotion through different channels will ensure steady growth of sugar confectionery. Nevertheless, to gain significant share, players will need to still focus on pricing and availability of their products.

Manufacturers produce new and innovative products

As a saturated and highly competitive category, manufacturers will be compelled to introduce new and innovative products at affordable prices. Many of them are now focusing on incorporating natural ingredients into their offerings, aiming to gain a competitive edge and cater to consumers who seek safer and healthier options. Inflationary pressures are likely to put a firm focus on smaller formats and cheaper options as low- and middle-income groups prioritise non-essential products.

Ismail Industries will likely retain its convincing leadership of sugar confectionery over the forecast period. With over 30 brands, the company's umbrella line Candyland enjoys immense brand equity and consumer trust. The company owns many iconic products and has a wide distribution network across the country. It has been operational for over 25 years and has loyal consumers who have a strong preference for Candyland.

Hilal Confectionery is one of the oldest domestic manufacturers of packaged sugar confectionery in Pakistan. The player owns some of the most famous legacy brands and is renowned nationally for its wide product range in boiled sweets and the variety of flavours it offers to a diverse group of consumers. Some of its most famous brands include Hilal Khopra, Hilal Churan Chatni, Hilal Aamrus and Hilal Pan Pasand. The company benefits from a growing presence in boiled sweets and jellies, due to offering brands that are novel in shape and format and are positioned as fun products for children, such as pizza shaped jellies, peach-flavoured jellies and egg shaped jellies.

Small local grocers will remain vital to distribution

Small local grocers is expected to retain its position as the dominant distribution channel for sugar confectionery in Pakistan over the forecast period, with these outlets benefiting from the fact that these products are typically impulse purchases. The majority of sugar confectionery sales occur through small local grocers, primarily due to their proximity to residential areas and their widespread presence. These grocers conveniently serve as accessible options for children, allowing them to easily walk to these shops and purchase their desired products. The close vicinity of these shops to residential areas enhances convenience and further contributes to their popularity as a go-to place for kids seeking sugar confectionery treats.

CATEGORY DATA

Table 35 Sales of Sugar Confectionery by Category: Volume 2018-2023

'000 tonnes	2018	2019	2020	2021	2022	2023
- Other Sugar Confectionery	2.8	3.0	3.2	3.2	3.4	3.6
- Toffees, Caramels and Nougat	3.3	3.4	3.6	3.6	3.8	4.0
- Pastilles, Gummies, Jellies and Chews	24.9	26.3	27.5	27.6	29.5	31.4
-- Standard Mints	0.8	0.9	0.8	0.9	1.0	1.1
-- Power Mints	0.1	0.1	0.1	0.1	0.1	0.1
- Mints	1.0	1.0	1.0	1.0	1.1	1.2
- Medicated Confectionery	0.1	0.1	0.1	0.1	0.1	0.1
- Lollipops	0.5	0.5	0.5	0.5	0.6	0.6
- Liquorice	-	-	-	-	-	-
- Boiled Sweets	15.2	15.8	15.7	15.7	16.6	17.5
Sugar Confectionery	47.8	50.1	51.5	51.8	55.0	58.3

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 36 Sales of Sugar Confectionery by Category: Value 2018-2023

PKR billion	2018	2019	2020	2021	2022	2023
- Other Sugar Confectionery	1.7	1.8	2.1	2.2	2.7	3.4
- Toffees, Caramels and Nougat	2.0	2.1	2.4	2.6	3.2	4.1
- Pastilles, Gummies, Jellies and Chews	15.9	17.2	19.6	21.4	25.2	32.1
-- Standard Mints	1.0	1.1	1.1	1.3	1.6	2.1
-- Power Mints	0.2	0.2	0.2	0.2	0.2	0.3
- Mints	1.2	1.2	1.3	1.5	1.9	2.4
- Medicated Confectionery	0.1	0.1	0.1	0.1	0.1	0.1
- Lollipops	0.6	0.6	0.6	0.7	0.9	1.1
- Liquorice	-	-	-	-	-	-
- Boiled Sweets	7.2	7.6	8.2	8.9	10.7	13.5
Sugar Confectionery	28.7	30.7	34.2	37.4	44.6	56.7

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 37 Sales of Sugar Confectionery by Category: % Volume Growth 2018-2023

% volume growth	2022/23	2018-23 CAGR	2018/23 Total
- Other Sugar Confectionery	5.7	4.6	25.3
- Toffees, Caramels and Nougat	6.3	4.2	22.6
- Pastilles, Gummies, Jellies and Chews	6.5	4.7	26.0
-- Standard Mints	7.1	4.9	27.2
-- Power Mints	6.0	2.9	15.2

- Mints	6.9	4.7	25.6
- Medicated Confectionery	7.8	10.2	62.4
- Lollipops	6.1	3.3	17.8
- Liquorice	-	-	-
- Boiled Sweets	5.4	2.8	14.7
Sugar Confectionery	6.1	4.1	22.1

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 38 Sales of Sugar Confectionery by Category: % Value Growth 2018-2023

% current value growth	2022/23	2018-23 CAGR	2018/23 Total
- Other Sugar Confectionery	26.0	14.7	98.2
- Toffees, Caramels and Nougat	29.4	14.9	100.4
- Pastilles, Gummies, Jellies and Chews	27.5	15.1	101.7
-- Standard Mints	27.5	15.6	106.1
-- Power Mints	27.7	12.3	78.8
- Mints	27.6	15.1	102.0
- Medicated Confectionery	31.1	16.1	111.3
- Lollipops	26.9	14.3	95.5
- Liquorice	-	-	-
- Boiled Sweets	25.8	13.3	86.5
Sugar Confectionery	27.1	14.6	97.5

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 39 Sales of Pastilles, Gummies, Jellies and Chews by Type: % Value 2018-2023

% retail value rsp	2018	2019	2020	2021	2022	2023
Gummies, Jellies and Chews	92.0	92.0	92.0	92.0	92.0	92.0
Pastilles	8.0	8.0	8.0	8.0	8.0	8.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 40 NBO Company Shares of Sugar Confectionery: % Value 2019-2023

% retail value rsp Company	2019	2020	2021	2022	2023
Ismail Industries Ltd	46.8	48.5	49.3	49.7	50.2
Hilal Confectionery (Pvt) Ltd	18.6	19.4	20.1	20.3	20.5
Volka Foods International Ltd	8.9	9.3	9.3	9.4	9.4
Asian Food Industries (Pvt) Ltd	9.0	9.0	8.7	8.3	8.1
Mondelez Pakistan Ltd	7.4	7.3	7.1	7.7	8.0
Others	9.2	6.5	5.4	4.7	3.9
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 41 LBN Brand Shares of Sugar Confectionery: % Value 2020-2023

% retail value rsp Brand (GBO)	Company (NBO)	2020	2021	2022	2023
Candyland Chilli Milli Jelly	Ismail Industries Ltd	15.3	15.5	15.8	16.0
Candyland ABC Jelly	Ismail Industries Ltd	14.4	14.4	14.4	14.3
Giggly Twisto	Volka Foods International Ltd	7.6	7.6	7.6	7.6
Candyland Yums	Ismail Industries Ltd	6.2	6.6	6.8	7.0
Mayfair Frooto	Asian Food Industries (Pvt) Ltd	6.0	5.8	5.7	5.6
Hilal Khopra	Hilal Confectionery (Pvt) Ltd	4.6	4.6	4.6	4.6
Hilal Jelly	Hilal Confectionery (Pvt) Ltd	3.6	4.1	4.2	4.3
Cadbury Softmint (Mondelez International Inc)	Mondelez Pakistan Ltd	4.1	4.2	4.2	4.2
Candyland Fanty	Ismail Industries Ltd	4.2	4.2	4.1	4.1
Cadbury Dairy Milk Eclairs (Mondelez International Inc)	Mondelez Pakistan Ltd	3.2	3.0	3.5	3.8
Hilal Aamrus	Hilal Confectionery (Pvt) Ltd	3.3	3.4	3.5	3.6
Hilal Churan Chatni	Hilal Confectionery (Pvt) Ltd	2.6	2.6	2.6	2.6
Mayfair Fruit Gala	Asian Food Industries (Pvt) Ltd	3.1	2.9	2.6	2.5
Candyland Cola	Ismail Industries Ltd	1.8	1.9	1.9	2.1
Giggly Eclairs	Volka Foods International Ltd	1.7	1.8	1.8	1.8
Hilal Pan Pasand	Hilal Confectionery (Pvt) Ltd	1.5	1.5	1.5	1.5
Candyland Amrood	Ismail Industries Ltd	1.3	1.3	1.3	1.4
Candyland Bottles Jelly	Ismail Industries Ltd	1.2	1.2	1.3	1.3
Hilal Pizza Jelly	Hilal Confectionery (Pvt) Ltd	1.1	1.1	1.2	1.2
Candyland Dewy Chewy	Ismail Industries Ltd	1.3	1.3	1.2	1.0
Hilal Hajmola	Hilal Confectionery (Pvt) Ltd	0.8	0.9	0.9	1.0
Hilal Peach	Hilal Confectionery (Pvt) Ltd	1.2	1.1	1.0	0.9
Candyland Fizzy Jellyo	Ismail Industries Ltd	1.0	0.9	0.9	0.9
Hilal Egg Jelly	Hilal Confectionery (Pvt) Ltd	0.8	0.9	0.8	0.8
Candyland Imli	Ismail Industries Ltd	0.7	0.7	0.7	0.7
Candyland Flip	Ismail Industries Ltd	0.5	0.6	0.6	0.6
Candyland Butter Scotch	Ismail Industries Ltd	0.4	0.4	0.4	0.4
Candyland Eclairs	Ismail Industries Ltd	0.3	0.3	0.3	0.4
Others	Others	6.5	5.4	4.7	3.9
Total	Total	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 42 Distribution of Sugar Confectionery by Format: % Value 2018-2023

% retail value rsp	2018	2019	2020	2021	2022	2023
Retail Channels	100.0	100.0	100.0	100.0	100.0	100.0
- Retail Offline	99.8	99.8	99.7	99.6	99.6	99.5
-- Grocery Retailers	97.8	97.6	97.7	95.9	96.0	96.1
--- Convenience Retail	3.5	3.6	3.5	3.5	3.4	3.3
---- Convenience Stores	-	-	-	-	-	-
---- Forecourt Retailers	3.5	3.6	3.5	3.5	3.4	3.3
--- Supermarkets	8.0	8.5	8.5	8.6	9.3	10.7
--- Hypermarkets	5.8	6.2	6.2	6.4	6.8	7.3
--- Discounters	-	-	-	-	-	-
--- Warehouse Clubs	-	-	-	-	-	-
--- Food/drink/tobacco specialists	18.5	18.2	16.9	16.2	14.3	13.3
--- Small Local Grocers	62.0	61.1	62.6	61.2	62.2	61.5
-- Non-Grocery Retailers	2.0	2.1	2.1	3.7	3.6	3.5
--- General Merchandise Stores	-	-	-	-	-	-
--- Apparel and Footwear Specialists	-	-	-	-	-	-
--- Appliances and Electronics Specialists	-	-	-	-	-	-
--- Home Products Specialists	-	-	-	-	-	-
--- Health and Beauty Specialists	2.0	2.1	2.1	3.7	3.6	3.5
--- Leisure and Personal Goods Specialists	-	-	-	-	-	-
--- Other Non-Grocery Retailers	-	-	-	-	-	-
-- Vending	-	-	-	-	-	-
-- Direct Selling	-	-	-	-	-	-
- Retail E-Commerce	0.2	0.2	0.3	0.4	0.4	0.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 43 Forecast Sales of Sugar Confectionery by Category: Volume 2023-2028

'000 tonnes	2023	2024	2025	2026	2027	2028
- Other Sugar Confectionery	3.6	3.8	3.9	4.1	4.3	4.5
- Toffees, Caramels and Nougat	4.0	4.3	4.5	4.8	5.0	5.3
- Pastilles, Gummies, Jellies and Chews	31.4	33.3	35.3	37.4	39.5	41.6
-- Standard Mints	1.1	1.1	1.2	1.3	1.3	1.4
-- Power Mints	0.1	0.2	0.2	0.2	0.2	0.2
- Mints	1.2	1.3	1.4	1.4	1.5	1.6
- Medicated Confectionery	0.1	0.1	0.1	0.1	0.1	0.1
- Lollipops	0.6	0.6	0.7	0.7	0.8	0.8

- Liquorice	-	-	-	-	-	-
- Boiled Sweets	17.5	18.4	19.2	20.1	20.9	21.8
Sugar Confectionery	58.3	61.8	65.2	68.7	72.2	75.7

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 44 Forecast Sales of Sugar Confectionery by Category: Value 2023-2028

PKR billion	2023	2024	2025	2026	2027	2028
- Other Sugar Confectionery	3.4	3.9	4.5	5.2	5.9	6.6
- Toffees, Caramels and Nougat	4.1	4.8	5.6	6.5	7.6	8.8
- Pastilles, Gummies, Jellies and Chews	32.1	37.9	44.9	52.8	61.3	70.4
-- Standard Mints	2.1	2.4	2.8	3.3	3.7	4.2
-- Power Mints	0.3	0.4	0.4	0.5	0.6	0.6
- Mints	2.4	2.8	3.3	3.8	4.3	4.9
- Medicated Confectionery	0.1	0.1	0.2	0.2	0.2	0.2
- Lollipops	1.1	1.3	1.5	1.7	1.9	2.1
- Liquorice	-	-	-	-	-	-
- Boiled Sweets	13.5	15.5	18.0	20.7	23.5	26.4
Sugar Confectionery	56.7	66.3	77.9	90.8	104.7	119.4

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 45 Forecast Sales of Sugar Confectionery by Category: % Volume Growth 2023-2028

% volume growth	2023/24	2023-28 CAGR	2023/28 Total
- Other Sugar Confectionery	5.4	4.7	25.8
- Toffees, Caramels and Nougat	6.0	5.5	30.5
- Pastilles, Gummies, Jellies and Chews	6.3	5.8	32.8
-- Standard Mints	6.8	6.1	34.1
-- Power Mints	5.9	5.5	30.9
- Mints	6.7	6.0	33.8
- Medicated Confectionery	7.5	6.9	39.8
- Lollipops	5.8	5.4	29.9
- Liquorice	-	-	-
- Boiled Sweets	5.1	4.5	24.5
Sugar Confectionery	5.9	5.3	29.7

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 46 Forecast Sales of Sugar Confectionery by Category: % Value Growth 2023-2028

% constant value growth	2023/2024	2023-28 CAGR	2023/28 Total
- Other Sugar Confectionery	15.7	14.1	93.0

- Toffees, Caramels and Nougat	16.6	16.6	115.5
- Pastilles, Gummies, Jellies and Chews	17.9	17.0	119.1
-- Standard Mints	17.4	15.4	104.8
-- Power Mints	16.3	15.5	105.4
- Mints	17.2	15.4	104.9
- Medicated Confectionery	17.0	15.8	108.3
- Lollipops	15.7	14.1	93.6
- Liquorice	-	-	-
- Boiled Sweets	15.3	14.4	96.1
Sugar Confectionery	17.0	16.1	110.7

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

ICE CREAM IN PAKISTAN - CATEGORY ANALYSIS

KEY DATA FINDINGS

- Retail value sales increase by 31% in current terms in 2023 to PKR49.6 billion
- Take-home ice cream is the best performing category in 2023, with retail value sales increasing by 34% in current terms to PKR9.3 billion
- Unilever Pakistan Ltd is the leading player in 2023, with a retail value share of 53%
- Retail sales are set to increase at a current value CAGR of 17% (2023 constant value CAGR of 9%) over the forecast period to PKR108 billion

2023 DEVELOPMENTS

Ice cream parlours witness mixed fortunes

In 2022, there was a major shift towards ice cream parlours in the urban and metropolitan cities of Pakistan. However, the import ban placed on luxury goods hit imported ice cream hard in this year, with ice cream parlours forced to close for some time as products were unavailable. Although the ban has been removed in 2023, taxes on imported products have pushed up ice cream prices across the board. Consequently, the core target audience (middle-class consumers) have been unable to enjoy premium ice creams from abroad.

Prior to the import ban, there was a notable expansion in the number of ice cream parlours and dessert shops in the major metropolitan cities of Pakistan. Local consumers in these urban areas tend to enjoy higher disposable incomes and prefer to visit ice cream parlours as a treat instead of eating packaged ice cream at home. The ambience and the opportunity to go out and enjoy ice cream with friends or family play an important role in the decision to visit ice cream parlours, in addition to perceptions of this format offering a fresh alternative. Sales of ice cream in Pakistan are primarily driven by impulse purchases, particularly among young adults and children, who generally opt for single portion dairy ice cream, which dominates sales, whilst enjoying a variety of flavours, brands, and formats.

Steep inflation forces prices up and hinders ice cream consumption

Consumers in low- and middle-income groups are cutting back on non-essential purchases amid a cost of living crisis in Pakistan. Inflation continues to rise in 2023 putting pressure on household budgets. Some disposable incomes are unable to stretch to ice creams as this is a luxury product, although many consumers are opting to trade down to more affordable options. Manufacturers have had to raise prices of ice cream due to inflation, rising costs related to cold chain storage (including providing refrigeration to stock products), and taxes on imported brands. Larger players such as leader Unilever and second-ranked Engro Foods (Pvt) Ltd (Omore) have been better able to address these issues due to their greater financial strength and economies of scale which has helped them to maintain their attractive pricing. Nevertheless, the average unit price of ice cream is set to further rise in 2023, leading to a substantial increase in current value sales.

Unilever retains firm lead in ice cream

Unilever Pakistan Ltd retains a significant lead in the ice cream category in 2023. The Wall's brand comes in a variety of extensions including Creamy Delight, Cornetto and Paddle Pop, and garners the top positions in terms of retail value share. Unilever is a trusted manufacturer in Pakistan as it provides a variety of flavours and innovates regularly. Despite losing some ground to Engro Foods (Pvt) Ltd in 2023, Unilever has a stronghold in this category. The player offers a vast selection of familiar products and has a well-developed distribution network, making its brands accessible across the country, and enjoys consumer trust whilst providing a wide range of flavours and innovation.

Unilever's portfolio spans the entire price spectrum from premium brands such as Magnum, which target consumers seeking indulgence and superior-quality products, to Wall's Creamy Delight and Wall's Cornetto, mid-priced brands, and Wall's Paddle Pop, an economy brand. Nonetheless, the company's mid-priced and economy brands carry the greatest share as they cater for a mass audience, with its premium products having a much narrower audience of wealthier consumers.

PROSPECTS AND OPPORTUNITIES

Urbanisation will drive demand for premium ice cream

Although there will be economic challenges for Pakistan's growing middle classes at the start of the forecast period, the country's urban affluent class presents ice cream manufacturers with growth potential. This group are increasingly looking for unique and high-quality ice cream options, which are often artisanal and premium in nature. Ice cream companies should consider introducing premium ice cream options with unique and exotic flavours and ingredients, as well as hand-made or small-batch production methods. The global trend of using social media platforms to promote dynamic trends is also contributing to local consumers, especially younger generations, visiting attractive ice cream parlours in metropolitan locations for Instagram-worthy pictures.

Better storage and distribution required to promote e-commerce

Higher temperatures during the summer season make it very difficult for distributors to store ice cream. Furthermore, delivering ice cream is very problematic as the ice cream starts melting during transit. There is a dire need to improve the logistics, which has made e-commerce challenging for ice cream. As an impulse product, packaged ice cream is usually purchased from small local grocers for immediate consumption, especially during the summer months.

Battery-operated trikes are another popular distribution channel for impulse ice cream as they are not reliant on electricity for refrigeration. Strategically placed outside high-traffic locations such as schools, parks and markets, trikes encourage impulse buying. They also cover predefined residential routes to attract consumers and encourage purchases. While sales through these trikes dipped during the pandemic, an easing of restrictions and greater mobility outside of the home is helping to support demand.

Consumers will seek out healthier ice cream options

Consumers are becoming more health-conscious and are looking for healthier ice cream options that are lower in calories, fat, and sugar. Ice cream companies may consider introducing new flavours with natural ingredients and less sugar, or offer sugar-free or low-fat options to meet this demand.

CATEGORY DATA

Table 47 Sales of Ice Cream by Category: Volume 2018-2023

million litres	2018	2019	2020	2021	2022	2023
-- Multi-Pack Water Ice Cream	-	-	-	-	-	-
-- Bulk Water Ice Cream	-	-	-	-	-	-
- Take-Home Water Ice Cream	-	-	-	-	-	-
-- Multi-Pack Dairy Ice Cream	-	-	-	-	-	-
-- Ice Cream Desserts	-	-	-	-	-	-
-- Bulk Dairy Ice Cream	22.8	24.1	23.9	24.1	25.8	27.9
- Take-Home Dairy Ice Cream	22.8	24.1	23.9	24.1	25.8	27.9
Take-Home Ice Cream	22.8	24.1	23.9	24.1	25.8	27.9
Unpackaged Ice Cream	-	-	-	-	-	-
Plant-based Ice Cream	-	-	-	-	-	-
- Single Portion Water Ice Cream	4.2	4.4	4.4	4.4	4.7	5.0
- Single Portion Dairy Ice Cream	63.5	67.3	66.7	67.3	71.2	75.4
Impulse Ice Cream	67.7	71.7	71.0	71.7	75.8	80.4
Frozen Yoghurt	-	-	-	-	-	-
Ice Cream	90.4	95.8	94.9	95.8	101.6	108.3

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 48 Sales of Ice Cream by Category: Value 2018-2023

PKR billion	2018	2019	2020	2021	2022	2023
-- Multi-Pack Water Ice Cream	-	-	-	-	-	-
-- Bulk Water Ice Cream	-	-	-	-	-	-
- Take-Home Water Ice Cream	-	-	-	-	-	-
-- Multi-Pack Dairy Ice Cream	-	-	-	-	-	-
-- Ice Cream Desserts	-	-	-	-	-	-
-- Bulk Dairy Ice Cream	4.4	4.8	5.0	5.4	7.0	9.3
- Take-Home Dairy Ice Cream	4.4	4.8	5.0	5.4	7.0	9.3
Take-Home Ice Cream	4.4	4.8	5.0	5.4	7.0	9.3
Unpackaged Ice Cream	-	-	-	-	-	-
Plant-based Ice Cream	-	-	-	-	-	-
- Single Portion Water Ice Cream	0.8	0.9	0.9	1.0	1.3	1.7
- Single Portion Dairy Ice Cream	17.8	19.8	21.0	22.7	29.5	38.5
Impulse Ice Cream	18.7	20.8	21.9	23.7	30.8	40.2
Frozen Yoghurt	-	-	-	-	-	-
Ice Cream	23.1	25.6	27.0	29.2	37.7	49.6

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 49 Sales of Ice Cream by Category: % Volume Growth 2018-2023

% volume growth	2022/23	2018-23 CAGR	2018/23 Total
-- Multi-Pack Water Ice Cream	-	-	-
-- Bulk Water Ice Cream	-	-	-
- Take-Home Water Ice Cream	-	-	-
-- Multi-Pack Dairy Ice Cream	-	-	-
-- Ice Cream Desserts	-	-	-
-- Bulk Dairy Ice Cream	7.9	4.1	22.5
- Take-Home Dairy Ice Cream	7.9	4.1	22.5
Take-Home Ice Cream	7.9	4.1	22.5
Unpackaged Ice Cream	-	-	-
Plant-based Ice Cream	-	-	-
- Single Portion Water Ice Cream	7.6	3.7	19.8
- Single Portion Dairy Ice Cream	5.9	3.5	18.8
Impulse Ice Cream	6.0	3.5	18.8
Frozen Yoghurt	-	-	-
Ice Cream	6.5	3.7	19.7

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 50 Sales of Ice Cream by Category: % Value Growth 2018-2023

% current value growth	2022/23	2018-23 CAGR	2018/23 Total
-- Multi-Pack Water Ice Cream	-	-	-
-- Bulk Water Ice Cream	-	-	-
- Take-Home Water Ice Cream	-	-	-
-- Multi-Pack Dairy Ice Cream	-	-	-
-- Ice Cream Desserts	-	-	-
-- Bulk Dairy Ice Cream	33.8	16.2	111.9
- Take-Home Dairy Ice Cream	33.8	16.2	111.9
Take-Home Ice Cream	33.8	16.2	111.9
Unpackaged Ice Cream	-	-	-
Plant-based Ice Cream	-	-	-
- Single Portion Water Ice Cream	32.9	16.1	111.2
- Single Portion Dairy Ice Cream	30.7	16.6	115.9
Impulse Ice Cream	30.8	16.6	115.7
Frozen Yoghurt	-	-	-
Ice Cream	31.3	16.5	114.9

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 51 NBO Company Shares of Ice Cream: % Value 2019-2023

% retail value rsp Company	2019	2020	2021	2022	2023
Unilever Pakistan Ltd	52.2	52.9	53.6	53.7	53.4
Engro Foods (Pvt) Ltd	15.2	15.5	15.7	16.3	17.4

Pakistan Dairy Products (Pvt) Ltd	2.8	2.9	3.0	2.5	2.4
Pakistan Fruit Juice Co (Pvt) Ltd	2.0	1.9	1.8	1.9	2.0
Häagen-Dazs (Pakistan) Co	0.9	1.0	1.0	1.5	1.5
Mövenpick Holding AG	1.0	1.0	1.1	0.9	0.9
Others	25.9	24.7	23.8	23.1	22.4
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 52 LBN Brand Shares of Ice Cream: % Value 2020-2023

% retail value rsp					
Brand (GBO)	Company (NBO)	2020	2021	2022	2023
Wall's Creamy Delight (Unilever Group)	Unilever Pakistan Ltd	24.9	25.0	25.8	26.0
Omore	Engro Foods (Pvt) Ltd	15.5	15.7	16.3	17.4
Wall's Cornetto (Unilever Group)	Unilever Pakistan Ltd	11.7	11.9	11.6	11.3
Wall's Paddle Pop (Unilever Group)	Unilever Pakistan Ltd	8.7	8.8	9.0	9.1
Magnum (Unilever Group)	Unilever Pakistan Ltd	3.8	3.9	3.5	3.3
Igloo	Pakistan Dairy Products (Pvt) Ltd	2.9	3.0	2.5	2.4
Hico	Pakistan Fruit Juice Co (Pvt) Ltd	1.9	1.8	1.9	2.0
Häagen-Dazs (General Mills Inc)	Häagen-Dazs (Pakistan) Co	1.0	1.0	1.5	1.5
Mövenpick (Nestlé SA)	Mövenpick Holding AG	1.0	1.1	0.9	0.9
Others	Others	28.6	27.9	26.9	26.0
Total	Total	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 53 Distribution of Ice Cream by Format: % Value 2018-2023

% retail value rsp	2018	2019	2020	2021	2022	2023
Retail Channels	100.0	100.0	100.0	100.0	100.0	100.0
- Retail Offline	100.0	100.0	100.0	100.0	100.0	100.0
-- Grocery Retailers	91.4	91.5	91.5	91.6	91.6	91.5
--- Convenience Retail	7.4	7.4	7.4	7.4	7.7	7.8
---- Convenience Stores	-	-	-	-	-	-
---- Forecourt Retailers	7.4	7.4	7.4	7.4	7.7	7.8
--- Supermarkets	5.3	5.4	5.5	5.4	6.4	7.2
--- Hypermarkets	3.5	3.6	3.7	3.7	4.3	5.0
--- Discounters	-	-	-	-	-	-
--- Warehouse Clubs	-	-	-	-	-	-
--- Food/drink/tobacco specialists	9.6	9.6	8.9	9.2	8.5	8.0
--- Small Local Grocers	65.6	65.5	66.0	65.8	64.7	63.5
-- Non-Grocery Retailers	8.6	8.5	8.5	8.4	8.4	8.5
--- General Merchandise Stores	-	-	-	-	-	-

--- Apparel and Footwear Specialists	-	-	-	-	-	-
--- Appliances and Electronics Specialists	-	-	-	-	-	-
--- Home Products Specialists	-	-	-	-	-	-
--- Health and Beauty Specialists	8.6	8.5	8.5	8.4	8.4	8.5
--- Leisure and Personal Goods Specialists	-	-	-	-	-	-
--- Other Non-Grocery Retailers	-	-	-	-	-	-
-- Vending	-	-	-	-	-	-
-- Direct Selling	-	-	-	-	-	-
- Retail E-Commerce	-	-	-	-	-	-
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 54 Forecast Sales of Ice Cream by Category: Volume 2023-2028

million litres	2023	2024	2025	2026	2027	2028
-- Multi-Pack Water Ice Cream	-	-	-	-	-	-
-- Bulk Water Ice Cream	-	-	-	-	-	-
- Take-Home Water Ice Cream	-	-	-	-	-	-
-- Multi-Pack Dairy Ice Cream	-	-	-	-	-	-
-- Ice Cream Desserts	-	-	-	-	-	-
-- Bulk Dairy Ice Cream	27.9	30.0	32.2	34.4	36.6	38.9
- Take-Home Dairy Ice Cream	27.9	30.0	32.2	34.4	36.6	38.9
Take-Home Ice Cream	27.9	30.0	32.2	34.4	36.6	38.9
Unpackaged Ice Cream	-	-	-	-	-	-
Plant-based Ice Cream	-	-	-	-	-	-
- Single Portion Water Ice Cream	5.0	5.4	5.7	6.2	6.7	7.2
- Single Portion Dairy Ice Cream	75.4	80.3	85.2	89.9	94.5	98.9
Impulse Ice Cream	80.4	85.7	90.9	96.1	101.2	106.1
Frozen Yoghurt	-	-	-	-	-	-
Ice Cream	108.3	115.7	123.1	130.5	137.8	145.0

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 55 Forecast Sales of Ice Cream by Category: Value 2023-2028

PKR billion	2023	2024	2025	2026	2027	2028
-- Multi-Pack Water Ice Cream	-	-	-	-	-	-
-- Bulk Water Ice Cream	-	-	-	-	-	-

- Take-Home Water Ice Cream	-	-	-	-	-	-
-- Multi-Pack Dairy Ice Cream	-	-	-	-	-	-
-- Ice Cream Desserts	-	-	-	-	-	-
-- Bulk Dairy Ice Cream	9.3	10.9	12.6	14.5	16.6	18.9
- Take-Home Dairy Ice Cream	9.3	10.9	12.6	14.5	16.6	18.9
Take-Home Ice Cream	9.3	10.9	12.6	14.5	16.6	18.9
Unpackaged Ice Cream	-	-	-	-	-	-
Plant-based Ice Cream	-	-	-	-	-	-
- Single Portion Water Ice Cream	1.7	2.1	2.4	2.9	3.3	3.8
- Single Portion Dairy Ice Cream	38.5	41.4	44.4	47.6	50.9	54.3
Impulse Ice Cream	40.2	43.5	46.9	50.5	54.3	58.2
Frozen Yoghurt	-	-	-	-	-	-
Ice Cream	49.6	54.3	59.5	65.0	70.9	77.0

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 56 Forecast Sales of Ice Cream by Category: % Volume Growth 2023-2028

% volume growth	2023/24	2023-28 CAGR	2023/28 Total
-- Multi-Pack Water Ice Cream	-	-	-
-- Bulk Water Ice Cream	-	-	-
- Take-Home Water Ice Cream	-	-	-
-- Multi-Pack Dairy Ice Cream	-	-	-
-- Ice Cream Desserts	-	-	-
-- Bulk Dairy Ice Cream	7.6	6.9	39.5
- Take-Home Dairy Ice Cream	7.6	6.9	39.5
Take-Home Ice Cream	7.6	6.9	39.5
Unpackaged Ice Cream	-	-	-
Plant-based Ice Cream	-	-	-
- Single Portion Water Ice Cream	7.3	7.5	43.7
- Single Portion Dairy Ice Cream	6.5	5.6	31.2
Impulse Ice Cream	6.6	5.7	31.9
Frozen Yoghurt	-	-	-
Ice Cream	6.8	6.0	33.9

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 57 Forecast Sales of Ice Cream by Category: % Value Growth 2023-2028

% constant value growth	2023/2024	2023-28 CAGR	2023/28 Total
-- Multi-Pack Water Ice Cream	-	-	-
-- Bulk Water Ice Cream	-	-	-
- Take-Home Water Ice Cream	-	-	-
-- Multi-Pack Dairy Ice Cream	-	-	-
-- Ice Cream Desserts	-	-	-
-- Bulk Dairy Ice Cream	16.8	15.1	102.4
- Take-Home Dairy Ice Cream	16.8	15.1	102.4
Take-Home Ice Cream	16.8	15.1	102.4

Unpackaged Ice Cream	-	-	-
Plant-based Ice Cream	-	-	-
- Single Portion Water Ice Cream	19.4	17.1	120.1
- Single Portion Dairy Ice Cream	7.5	7.1	41.1
Impulse Ice Cream	8.0	7.6	44.5
Frozen Yoghurt	-	-	-
Ice Cream	9.6	9.2	55.4

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

SAVOURY SNACKS IN PAKISTAN - CATEGORY ANALYSIS

KEY DATA FINDINGS

- Retail value sales rise by 28% in current terms in 2023 to PKR141 billion
- Popcorn is the best performing category in 2023, with retail value sales rising by 31% in current terms to PKR0.9 billion
- PepsiCo Inc is the leading player in 2023, with a retail value share of 53%
- Retail sales are set to grow at a current value CAGR of 21% (2023 constant value CAGR of 13%) over the forecast period to PKR369 billion

2023 DEVELOPMENTS

Inflation leads to greater diversity of formats

Due to rising inflation, savoury snacks manufacturers have introduced different product sizes, to cater for different customer segments. Some consumers prefer buying value sized products, as it provides greater value for money on the weekly shop. By contrast, those subsiding on a low income, value the option to buy a small -serving when on the go. Smaller packets are now offered at existing prices, but with a smaller quantity of product. Retail volume sales have remained resilient in 2023, despite the inflationary pressure.

New flavours emerge in savoury snacks

Consumers are becoming more adventurous in their food choices, with many looking for snacks that offer unique and authentic flavours from different cultures. Savoury snack companies are looking to introduce ethnic flavours such as masala, chaat, and other spices popular in Pakistani cuisine. For instance, PepsiCo's Kurkure brand launched the newer, spicier, and hotter Flamin' Hot flavour called Toofaani Masala. In 2022, the federal government reduced custom duties on flavouring powders for food preparation, dropping from 11% to 3%. This cost reduction will benefit savoury snacks players such as PepsiCo Inc, one of the biggest importers of flavourings and raw materials.

PepsiCo Inc retains lead in savoury snacks

Lay's, owned by PepsiCo Inc, is the most widely consumed savoury snack in Pakistan. The variety of flavours, different price segments and heavy marketing through TV and digital advertising plays a significant role in maintaining retail value share. PepsiCo has also benefited from strong investment in Pakistan during the review period, by opening a USD63 million factory in Multan, with this producing its leading savoury snacks brands using locally-grown potatoes. PepsiCo strives to be a more inclusive company with different initiatives such as Ride for Change, an all-female biker rally to strike up conversations surrounding gender roles.

PROSPECTS AND OPPORTUNITIES

Digital marketing strategies to become more important

Savoury snacks is predicted to record high continuous growth over the forecast period and will be one of the strongest performers within overall snacks in Pakistan. Consumers will increasingly use digital platforms for shopping and savoury snacks purchases, placing a bigger emphasis on the need to develop digital marketing and e-commerce channels in the forthcoming years. Social media platforms will be required to drive marketing and sales to reach a wider audience. Moreover, social media influencers will play a vital role in promoting brand campaigns and will be crucial to swaying purchasing decisions amongst their target audience, particularly for new flavour launches.

Smaller convenience packs to fuel on-the-go lifestyles

With urbanisation a major trend in Pakistan, consumers are embracing busier lifestyles and are looking for convenient snack options that can be eaten on-the-go or at work. Savoury snack companies have already developed smaller pack formats to meet consumer price sensitivity. However, in the upcoming period they may also focus in on convenience and consider introducing snack packs or smaller portion sizes that are easy to carry and consume.

Shift towards sustainable packaging

Consumers are becoming more environmentally conscious and are looking for everyday products that are sustainable and eco-friendly. Savoury snack companies have started shifting towards the use of biodegradable or recyclable packaging, but this trend will gain momentum in the years ahead. Sourcing ingredients from sustainable sources will also become more important, as the propensity to read labels is gaining popularity in Pakistan.

CATEGORY DATA

Table 58 Sales of Savoury Snacks by Category: Volume 2018-2023

'000 tonnes	2018	2019	2020	2021	2022	2023
Other Savoury Snacks	-	-	-	-	-	-
Seafood Snacks	-	-	-	-	-	-
Meat Snacks	-	-	-	-	-	-
Pretzels	-	-	-	-	-	-
Popcorn	0.7	0.8	0.8	0.9	1.0	1.1
Savoury Biscuits	19.2	20.4	21.6	22.5	23.9	25.3
- Vegetable, Pulse and Bread Chips	-	-	-	-	-	-
- Rice Snacks	-	-	-	-	-	-
- Puffed Snacks	21.1	23.3	23.1	23.7	24.9	26.1
- Tortilla Chips	1.0	1.1	1.1	1.2	1.2	1.2
- Potato Chips	33.0	36.7	41.0	46.0	50.1	53.6
Salty Snacks	55.1	61.0	65.2	70.8	76.2	80.9
Nuts, Seeds and Trail Mixes	3.9	4.1	4.4	4.6	4.8	5.0
Savoury Snacks	79.0	86.3	91.9	98.8	105.8	112.3

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 59 Sales of Savoury Snacks by Category: Value 2018-2023

PKR billion	2018	2019	2020	2021	2022	2023
Other Savoury Snacks	-	-	-	-	-	-
Seafood Snacks	-	-	-	-	-	-
Meat Snacks	-	-	-	-	-	-
Pretzels	-	-	-	-	-	-
Popcorn	0.4	0.4	0.5	0.6	0.7	0.9
Savoury Biscuits	6.6	7.4	8.4	9.2	11.3	14.8
- Vegetable, Pulse and Bread Chips	-	-	-	-	-	-
- Rice Snacks	-	-	-	-	-	-
- Puffed Snacks	14.0	16.1	17.1	18.6	22.1	27.9
- Tortilla Chips	1.0	1.1	1.2	1.3	1.6	2.0
- Potato Chips	32.4	37.9	45.8	53.1	66.4	85.0
Salty Snacks	47.4	55.0	64.2	72.9	90.1	114.9
Nuts, Seeds and Trail Mixes	4.8	5.4	6.1	6.7	8.0	10.2
Savoury Snacks	59.2	68.3	79.2	89.3	110.1	140.8

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 60 Sales of Savoury Snacks by Category: % Volume Growth 2018-2023

% volume growth	2022/23	2018-23 CAGR	2018/23 Total
Other Savoury Snacks	-	-	-
Seafood Snacks	-	-	-
Meat Snacks	-	-	-
Pretzels	-	-	-
Popcorn	7.9	10.1	61.8
Savoury Biscuits	5.8	5.6	31.6
- Vegetable, Pulse and Bread Chips	-	-	-
- Rice Snacks	-	-	-
- Puffed Snacks	4.8	4.3	23.7
- Tortilla Chips	2.0	2.8	14.8
- Potato Chips	7.1	10.2	62.5
Salty Snacks	6.3	8.0	46.7
Nuts, Seeds and Trail Mixes	4.6	5.0	27.4
Savoury Snacks	6.1	7.3	42.2

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 61 Sales of Savoury Snacks by Category: % Value Growth 2018-2023

% current value growth	2022/23	2018-23 CAGR	2018/23 Total
Other Savoury Snacks	-	-	-
Seafood Snacks	-	-	-
Meat Snacks	-	-	-
Pretzels	-	-	-
Popcorn	31.3	19.7	145.3
Savoury Biscuits	30.9	17.4	122.7
- Vegetable, Pulse and Bread Chips	-	-	-

- Rice Snacks	-	-	-
- Puffed Snacks	26.1	14.8	99.1
- Tortilla Chips	29.2	15.1	101.8
- Potato Chips	27.9	21.3	162.5
Salty Snacks	27.5	19.4	142.5
Nuts, Seeds and Trail Mixes	27.1	16.3	113.0
Savoury Snacks	27.8	18.9	137.9

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 62 NBO Company Shares of Savoury Snacks: % Value 2019-2023

% retail value rsp Company	2019	2020	2021	2022	2023
PepsiCo Inc	58.7	60.4	58.4	51.4	53.4
KS Sulemanji Esmailji & Sons (Pvt) Ltd	6.7	7.0	7.2	7.2	7.4
Tripple-Em (Pvt) Ltd	1.1	1.2	1.4	1.6	1.9
Ismail Industries Ltd	2.3	2.2	1.7	1.8	1.9
Dalda Foods (Pvt) Ltd	1.1	0.8	0.6	1.2	1.3
Others	30.0	28.4	30.7	36.9	34.1
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 63 LBN Brand Shares of Savoury Snacks: % Value 2020-2023

% retail value rsp Brand (GBO)	Company (NBO)	2020	2021	2022	2023
Lay's	PepsiCo Inc	50.0	45.9	40.5	42.1
Kurkure	PepsiCo Inc	7.3	8.5	7.3	7.6
Slanty	KS Sulemanji Esmailji & Sons (Pvt) Ltd	7.0	7.2	7.2	7.4
Cheetos	PepsiCo Inc	3.1	4.0	3.6	3.7
Tripple-em	Tripple-Em (Pvt) Ltd	1.2	1.4	1.6	1.9
Snackcity Kurleez	Ismail Industries Ltd	2.2	1.7	1.8	1.9
Knock Out	Dalda Foods (Pvt) Ltd	0.8	0.6	1.2	1.3
Others	Others	28.4	30.7	36.9	34.1
Total	Total	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 64 Distribution of Savoury Snacks by Format: % Value 2018-2023

% retail value rsp	2018	2019	2020	2021	2022	2023
Retail Channels	100.0	100.0	100.0	100.0	100.0	100.0
- Retail Offline	99.8	99.8	99.8	99.7	99.7	99.6
-- Grocery Retailers	98.6	98.4	98.5	98.6	98.5	98.4
--- Convenience Retail	1.8	2.0	2.0	2.0	2.3	2.6
---- Convenience Stores	-	-	-	-	-	-
---- Forecourt Retailers	1.8	2.0	2.0	2.0	2.3	2.6

--- Supermarkets	2.8	2.9	2.9	3.0	3.6	4.1
--- Hypermarkets	1.4	1.5	1.6	1.5	2.0	2.7
--- Discounters	-	-	-	-	-	-
--- Warehouse Clubs	-	-	-	-	-	-
--- Food/drink/tobacco specialists	5.2	5.2	4.7	4.6	4.8	4.1
--- Small Local Grocers	87.4	86.8	87.4	87.5	85.8	85.0
-- Non-Grocery Retailers	1.2	1.4	1.3	1.1	1.2	1.2
--- General Merchandise Stores	-	-	-	-	-	-
--- Apparel and Footwear Specialists	-	-	-	-	-	-
--- Appliances and Electronics Specialists	-	-	-	-	-	-
--- Home Products Specialists	-	-	-	-	-	-
--- Health and Beauty Specialists	1.2	1.4	1.3	1.1	1.2	1.2
--- Leisure and Personal Goods Specialists	-	-	-	-	-	-
--- Other Non-Grocery Retailers	-	-	-	-	-	-
-- Vending	-	-	-	-	-	-
-- Direct Selling	-	-	-	-	-	-
- Retail E-Commerce	0.2	0.2	0.2	0.3	0.3	0.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 65 Forecast Sales of Savoury Snacks by Category: Volume 2023-2028

'000 tonnes	2023	2024	2025	2026	2027	2028
Other Savoury Snacks	-	-	-	-	-	-
Seafood Snacks	-	-	-	-	-	-
Meat Snacks	-	-	-	-	-	-
Pretzels	-	-	-	-	-	-
Popcorn	1.1	1.1	1.2	1.3	1.4	1.5
Savoury Biscuits	25.3	26.7	28.0	29.4	30.7	32.0
- Vegetable, Pulse and Bread Chips	-	-	-	-	-	-
- Rice Snacks	-	-	-	-	-	-
- Puffed Snacks	26.1	27.3	28.3	29.4	30.5	31.5
- Tortilla Chips	1.2	1.2	1.2	1.3	1.3	1.3
- Potato Chips	53.6	57.2	60.8	64.5	68.2	71.8
Salty Snacks	80.9	85.7	90.4	95.2	99.9	104.6
Nuts, Seeds and Trail Mixes	5.0	5.3	5.5	5.8	6.1	6.4
Savoury Snacks	112.3	118.8	125.2	131.7	138.1	144.4

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 66 Forecast Sales of Savoury Snacks by Category: Value 2023-2028

PKR billion

	2023	2024	2025	2026	2027	2028
Other Savoury Snacks	-	-	-	-	-	-
Seafood Snacks	-	-	-	-	-	-
Meat Snacks	-	-	-	-	-	-
Pretzels	-	-	-	-	-	-
Popcorn	0.9	1.0	1.2	1.4	1.7	1.9
Savoury Biscuits	14.8	17.5	20.5	23.7	26.9	30.3
- Vegetable, Pulse and Bread Chips	-	-	-	-	-	-
- Rice Snacks	-	-	-	-	-	-
- Puffed Snacks	27.9	32.1	36.7	41.5	46.2	51.0
- Tortilla Chips	2.0	2.3	2.5	2.8	3.1	3.3
- Potato Chips	85.0	99.7	115.9	131.7	146.2	158.5
Salty Snacks	114.9	134.0	155.1	176.0	195.5	212.8
Nuts, Seeds and Trail Mixes	10.2	11.8	13.4	15.0	16.6	18.0
Savoury Snacks	140.8	164.3	190.2	216.1	240.7	263.0

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 67 Forecast Sales of Savoury Snacks by Category: % Volume Growth 2023-2028

% volume growth	2023/24	2023-28 CAGR	2023/28 Total
Other Savoury Snacks	-	-	-
Seafood Snacks	-	-	-
Meat Snacks	-	-	-
Pretzels	-	-	-
Popcorn	7.4	6.7	38.1
Savoury Biscuits	5.5	4.8	26.7
- Vegetable, Pulse and Bread Chips	-	-	-
- Rice Snacks	-	-	-
- Puffed Snacks	4.4	3.8	20.6
- Tortilla Chips	1.9	1.6	8.3
- Potato Chips	6.7	6.0	33.9
Salty Snacks	5.9	5.3	29.2
Nuts, Seeds and Trail Mixes	4.9	4.8	26.6
Savoury Snacks	5.8	5.2	28.6

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 68 Forecast Sales of Savoury Snacks by Category: % Value Growth 2023-2028

% constant value growth	2023/2024	2023-28 CAGR	2023/28 Total
Other Savoury Snacks	-	-	-
Seafood Snacks	-	-	-
Meat Snacks	-	-	-
Pretzels	-	-	-
Popcorn	18.8	16.7	116.6
Savoury Biscuits	18.2	15.5	105.3
- Vegetable, Pulse and Bread Chips	-	-	-
- Rice Snacks	-	-	-
- Puffed Snacks	14.9	12.8	82.5

- Tortilla Chips	13.1	10.7	66.1
- Potato Chips	17.3	13.3	86.5
Salty Snacks	16.6	13.1	85.2
Nuts, Seeds and Trail Mixes	15.2	12.0	76.1
Savoury Snacks	16.7	13.3	86.8

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

SWEET BISCUITS, SNACK BARS AND FRUIT SNACKS IN PAKISTAN - CATEGORY ANALYSIS

KEY DATA FINDINGS

- Retail value sales increase by 28% in current terms in 2023 to PKR159 billion
- Sweet biscuits is the best performing category in 2023, with retail value sales rising by 28% in current terms to PKR159 billion
- English Biscuit Manufacturers (Pvt) Ltd is the leading player in 2023, with a retail value share of 51%
- Retail sales are set to rise at a current value CAGR of 18% (2023 constant value CAGR of 10%) over the forecast period to PKR363 billion

2023 DEVELOPMENTS

Plain biscuits remain firm favourite at tea time

In Pakistan, biscuits are commonly consumed at tea time with plain biscuits one of the most popular options. Indeed, tea with biscuits is a cherished tradition for many consumers. During this tea time ritual, biscuits are often seen as a luxurious accompaniment to a hot cup of tea, offering both indulgence and satisfaction. Tea time biscuits also hold a cultural significance and are associated with hospitality in Pakistani households. When guests visit, serving a selection of biscuits alongside tea is a common practice to make them feel welcome. Nevertheless, consumption occasions are gradually shifting, with consumers becoming more open to biscuits as a snack between meals. TUC by LU has engaged in heavy advertising to promote its brand as a snack for between meals, with much success.

English Biscuits Manufacturers (Pvt) retains leading position

English Biscuits Manufacturers (Pvt) leads sweet biscuits and indeed the overall category by a considerable margin. The player is the oldest biscuit manufacturer in the country and is highly regarded. It enjoys high brand equity and an unrivalled distribution network, where its products are available through more than 500,000 retail outlets nationwide. Peek Freans Sooper is the most popular biscuit brand in plain format, although its two flavours (cardamom and chocolate) have been also doing well. Smaller SKUs have made it possible for Peak Freans Sooper to penetrate consumers living in semiurban locations, with pricing strategies adapted for this target audience. Peek Freans Sooper has introduced a soft cake that has gained popularity in urban locations and widened its customer segmentation to incorporate kids as well.

Fruit snacks and snack bars still garner little attention

A few artisans and small-scale manufacturers have started producing snack and fruit bars in Pakistan, although sales remain negligible in 2023. There is a growing focus on health and wellness among young adults, particularly mid- and high-income young adults in urban areas, which is attracting manufacturers into this area. Affluent consumers are aware of the evolving

international trends, and are shifting towards snack bars that can be a healthy alternative to sweet-based products. These products carry high prices which place them out of reach for many mass consumers in Pakistan. Nevertheless, post-pandemic there is increasing interest in clean eating and perceived healthy products with minimum artificial products. Introducing protein/energy bars with wider distribution in urban areas by local manufacturers could create growth opportunities.

PROSPECTS AND OPPORTUNITIES

Shift towards healthy eating promotes sales of protein/energy bars

Consumers in Pakistan are increasingly shifting towards healthier eating habits and embracing international trends and products. Following the COVID-19 pandemic, there has been a surge in awareness regarding clean and healthy products, with a focus on minimizing the consumption of artificial ingredients. Local manufacturers have an opportunity to capitalise on the health and wellness trend by introducing protein and energy bars on a larger scale. Moving forward, manufacturers are expected to expand their product offerings and tap into growing demand for nutritious and convenient snacks.

Digital culture to support e-commerce sales

Pakistan has seen significant growth in internet and smartphone penetration, leading to increased adoption of e-commerce and online shopping. Sweet biscuit brands in Pakistan are expected to leverage e-commerce platforms and digital marketing to reach a wider consumer base, and deliver more convenience when shopping. There is also the opportunity to engage with consumers through personalized marketing campaigns. E-commerce flourished as an alternative distribution channel for sweet biscuits during the pandemic. The increase in the remote working population has also positively affected this, with local consumers who have shopped online appreciating the convenience of home delivery and wide range of products available.

Consumers demand on-the-go impulse snacks

There is growing demand for convenient and portable snacks in Pakistan. Consumers' fast-paced lifestyles and the rising urbanization witnessed across the country is driving demand for snacks that can be consumed on-the-go. Sweet biscuits packaged in convenient formats, including single-serve, are gaining popularity in Pakistan. Manufacturers will respond by adapting key brands and products to suit the impulse purchasing occasion.

CATEGORY DATA

Table 69 Sales of Sweet Biscuits, Snack Bars and Fruit Snacks by Category: Volume 2018-2023

'000 tonnes	2018	2019	2020	2021	2022	2023
- Wafers	-	-	-	-	-	-
- Plain Biscuits	127.9	136.8	145.2	153.3	161.0	168.4
- Filled Biscuits	85.8	89.6	92.7	95.0	99.9	104.6
- Cookies	41.6	46.0	51.0	55.0	59.1	63.1
- Chocolate Coated	-	-	-	-	-	-

Biscuits						
Sweet Biscuits	255.3	272.4	288.9	303.3	320.1	336.1
- Fruit and Nut Bars	-	-	-	-	-	-
- Protein/Energy Bars	-	-	-	-	-	-
- Cereal Bars	-	-	-	-	-	-
Snack Bars	-	-	-	-	-	-
- Processed Fruit Snacks	-	-	-	-	-	-
- Dried Fruit	-	-	-	-	-	-
Fruit Snacks	-	-	-	-	-	-
Sweet Biscuits, Snack Bars and Fruit Snacks	255.3	272.4	288.9	303.3	320.1	336.1

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 70 Sales of Sweet Biscuits, Snack Bars and Fruit Snacks by Category: Value 2018-2023

PKR billion						
	2018	2019	2020	2021	2022	2023
- Wafers	-	-	-	-	-	-
- Plain Biscuits	38.7	41.9	46.1	50.4	62.7	80.8
- Filled Biscuits	25.0	26.7	29.5	32.4	41.3	50.9
- Cookies	12.1	13.9	15.4	16.7	20.8	27.5
- Chocolate Coated Biscuits	-	-	-	-	-	-
Sweet Biscuits	75.9	82.4	90.9	99.5	124.8	159.2
- Fruit and Nut Bars	-	-	-	-	-	-
- Protein/Energy Bars	-	-	-	-	-	-
- Cereal Bars	-	-	-	-	-	-
Snack Bars	-	-	-	-	-	-
- Processed Fruit Snacks	-	-	-	-	-	-
- Dried Fruit	-	-	-	-	-	-
Fruit Snacks	-	-	-	-	-	-
Sweet Biscuits, Snack Bars and Fruit Snacks	75.9	82.4	90.9	99.5	124.8	159.2

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 71 Sales of Sweet Biscuits, Snack Bars and Fruit Snacks by Category: % Volume Growth 2018-2023

% volume growth			
	2022/23	2018-23 CAGR	2018/23 Total
- Wafers	-	-	-
- Plain Biscuits	4.6	5.7	31.7
- Filled Biscuits	4.7	4.0	21.9
- Cookies	6.7	8.7	51.7
- Chocolate Coated Biscuits	-	-	-
Sweet Biscuits	5.0	5.7	31.7
- Fruit and Nut Bars	-	-	-
- Protein/Energy Bars	-	-	-
- Cereal Bars	-	-	-
Snack Bars	-	-	-
- Processed Fruit Snacks	-	-	-
- Dried Fruit	-	-	-

Fruit Snacks	-	-	-
Sweet Biscuits, Snack Bars and Fruit Snacks	5.0	5.7	31.7

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 72 Sales of Sweet Biscuits, Snack Bars and Fruit Snacks by Category: % Value Growth 2018-2023

% current value growth	2022/23	2018-23 CAGR	2018/23 Total
- Wafers	-	-	-
- Plain Biscuits	28.8	15.9	108.7
- Filled Biscuits	23.3	15.3	103.3
- Cookies	31.9	17.7	126.1
- Chocolate Coated Biscuits	-	-	-
Sweet Biscuits	27.5	16.0	109.7
- Fruit and Nut Bars	-	-	-
- Protein/Energy Bars	-	-	-
- Cereal Bars	-	-	-
Snack Bars	-	-	-
- Processed Fruit Snacks	-	-	-
- Dried Fruit	-	-	-
Fruit Snacks	-	-	-
Sweet Biscuits, Snack Bars and Fruit Snacks	27.5	16.0	109.7

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 73 NBO Company Shares of Sweet Biscuits, Snack Bars and Fruit Snacks: % Value 2019-2023

% retail value rsp Company	2019	2020	2021	2022	2023
English Biscuit Manufacturers (Pvt) Ltd	48.9	49.5	50.0	49.6	51.1
Continental Biscuits Ltd	26.4	26.4	26.5	27.0	27.2
Ismail Industries Ltd	14.0	14.6	14.9	14.9	15.0
KS Sulemanji Esmailji & Sons (Pvt) Ltd	3.7	3.5	3.1	2.4	2.8
Asian Food Industries (Pvt) Ltd	3.2	3.2	3.2	3.1	2.4
Others	3.7	2.9	2.4	3.0	1.6
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 74 LBN Brand Shares of Sweet Biscuits, Snack Bars and Fruit Snacks: % Value 2020-2023

% retail value rsp Brand (GBO)	Company (NBO)	2020	2021	2022	2023
Peek Freans	English Biscuit Manufacturers (Pvt) Ltd	49.5	50.0	49.6	51.1

Bisconni	Ismail Industries Ltd	14.6	14.9	14.9	15.0
LU Prince (Mondelez International Inc)	Continental Biscuits Ltd	7.3	7.4	7.6	7.7
LU Zeera Plus (Mondelez International Inc)	Continental Biscuits Ltd	4.9	5.0	5.2	5.3
LU Bakeri (Mondelez International Inc)	Continental Biscuits Ltd	3.8	3.7	3.9	3.9
LU Gala (Mondelez International Inc)	Continental Biscuits Ltd	3.2	3.2	3.3	3.3
LU Candi (Mondelez International Inc)	Continental Biscuits Ltd	3.3	3.3	3.3	3.3
Kolson	KS Sulemanji Esmailji & Sons (Pvt) Ltd	3.5	3.1	2.4	2.8
Mayfair	Asian Food Industries (Pvt) Ltd	3.2	3.2	3.1	2.4
Oreo (Mondelez International Inc)	Continental Biscuits Ltd	1.6	1.6	1.6	1.8
Others	Others	5.0	4.6	5.2	3.5
Total	Total	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 75 NBO Company Shares of Sweet Biscuits: % Value 2019-2023

% retail value rsp Company	2019	2020	2021	2022	2023
English Biscuit Manufacturers (Pvt) Ltd	48.9	49.5	50.0	49.6	51.1
Continental Biscuits Ltd	26.4	26.4	26.5	27.0	27.2
Ismail Industries Ltd	14.0	14.6	14.9	14.9	15.0
KS Sulemanji Esmailji & Sons (Pvt) Ltd	3.7	3.5	3.1	2.4	2.8
Asian Food Industries (Pvt) Ltd	3.2	3.2	3.2	3.1	2.4
Others	3.7	2.9	2.4	3.0	1.6
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 76 LBN Brand Shares of Sweet Biscuits: % Value 2020-2023

% retail value rsp Brand (GBO)	Company (NBO)	2020	2021	2022	2023
Peek Freans Sooper	English Biscuit Manufacturers (Pvt) Ltd	12.6	12.7	13.2	13.6
Peek Freans Rio	English Biscuit Manufacturers (Pvt) Ltd	8.5	8.5	8.6	9.0
LU Prince (Mondelez International Inc)	Continental Biscuits Ltd	7.3	7.4	7.6	7.7
Peanut	English Biscuit Manufacturers (Pvt) Ltd	6.3	6.4	5.5	5.7
LU Zeera Plus (Mondelez International Inc)	Continental Biscuits Ltd	4.9	5.0	5.2	5.3

Peek Freans Gluco	English Biscuit Manufacturers (Pvt) Ltd	4.9	4.9	5.1	5.2
Bisconni Chocolate Chip Cookies	Ismail Industries Ltd	5.2	5.2	5.0	4.9
Bisconni Cocomo	Ismail Industries Ltd	4.1	4.2	4.6	4.8
LU Bakeri (Mondelez International Inc)	Continental Biscuits Ltd	3.8	3.7	3.9	3.9
Peek Freans Party	English Biscuit Manufacturers (Pvt) Ltd	3.5	3.5	3.5	3.6
Peek Freans Lemon Sandwich	English Biscuit Manufacturers (Pvt) Ltd	3.4	3.4	3.5	3.6
Bisconni Chocolatto	Ismail Industries Ltd	3.4	3.5	3.4	3.4
LU Gala (Mondelez International Inc)	Continental Biscuits Ltd	3.2	3.2	3.3	3.3
LU Candi (Mondelez International Inc)	Continental Biscuits Ltd	3.3	3.3	3.3	3.3
Peek Freans Marie	English Biscuit Manufacturers (Pvt) Ltd	2.9	2.9	3.0	3.1
Mayfair	Asian Food Industries (Pvt) Ltd	3.2	3.2	3.1	2.4
Peek Freans	English Biscuit Manufacturers (Pvt) Ltd	1.9	2.2	2.0	2.0
Peek Freans Chocolate Sandwich	English Biscuit Manufacturers (Pvt) Ltd	2.2	2.2	2.2	1.9
Bisconni	Ismail Industries Ltd	1.9	2.0	1.9	1.9
Oreo (Mondelez International Inc)	Continental Biscuits Ltd	1.6	1.6	1.6	1.8
Peek Freans Chocolicious	English Biscuit Manufacturers (Pvt) Ltd	1.8	1.9	1.6	1.7
Jam Hearts	KS Sulemanji Esmailji & Sons (Pvt) Ltd	1.8	1.6	1.2	1.6
Peek Freans Jam Delight	English Biscuit Manufacturers (Pvt) Ltd	1.5	1.5	1.3	1.5
Kolson	KS Sulemanji Esmailji & Sons (Pvt) Ltd	1.7	1.5	1.2	1.1
Others	Others	5.0	4.6	5.2	3.5
Total	Total	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 77 Distribution of Sweet Biscuits, Snack Bars and Fruit Snacks by Format: % Value 2018-2023

% retail value rsp	2018	2019	2020	2021	2022	2023
Retail Channels	100.0	100.0	100.0	100.0	100.0	100.0
- Retail Offline	99.6	99.6	99.5	99.3	99.3	99.2
-- Grocery Retailers	99.6	99.6	99.5	96.1	96.0	95.7
--- Convenience Retail	3.3	3.6	3.7	3.7	3.9	4.1
---- Convenience Stores	-	-	-	-	-	-
---- Forecourt Retailers	3.3	3.6	3.7	3.7	3.9	4.1
--- Supermarkets	6.2	6.5	6.3	6.1	7.5	9.5
--- Hypermarkets	3.1	3.4	3.4	3.5	4.3	5.3
--- Discounters	-	-	-	-	-	-
--- Warehouse Clubs	-	-	-	-	-	-
--- Food/drink/tobacco specialists	12.1	12.9	13.1	12.4	11.7	11.5
--- Small Local Grocers	74.9	73.3	73.0	70.3	68.6	65.4

-- Non-Grocery Retailers	-	-	-	3.2	3.3	3.6
--- General Merchandise Stores	-	-	-	-	-	-
--- Apparel and Footwear Specialists	-	-	-	-	-	-
--- Appliances and Electronics Specialists	-	-	-	-	-	-
--- Home Products Specialists	-	-	-	-	-	-
--- Health and Beauty Specialists	-	-	-	3.2	3.3	3.6
--- Leisure and Personal Goods Specialists	-	-	-	-	-	-
--- Other Non-Grocery Retailers	-	-	-	-	-	-
-- Vending	-	-	-	-	-	-
-- Direct Selling	-	-	-	-	-	-
- Retail E-Commerce	0.4	0.4	0.5	0.7	0.7	0.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 78 Distribution of Sweet Biscuits by Format: % Value 2018-2023

% retail value rsp	2018	2019	2020	2021	2022	2023
Retail Channels	100.0	100.0	100.0	100.0	100.0	100.0
- Retail Offline	99.6	99.6	99.5	99.3	99.3	99.2
-- Grocery Retailers	99.6	99.6	99.5	96.1	96.0	95.7
--- Convenience Retail	3.3	3.6	3.7	3.7	3.9	4.1
---- Convenience Stores	-	-	-	-	-	-
---- Forecourt Retailers	3.3	3.6	3.7	3.7	3.9	4.1
--- Supermarkets	6.2	6.5	6.3	6.1	7.5	9.5
--- Hypermarkets	3.1	3.4	3.4	3.5	4.3	5.3
--- Discounters	-	-	-	-	-	-
--- Warehouse Clubs	-	-	-	-	-	-
--- Food/drink/tobacco specialists	12.1	12.9	13.1	12.4	11.7	11.5
--- Small Local Grocers	74.9	73.3	73.0	70.3	68.6	65.4
-- Non-Grocery Retailers	-	-	-	3.2	3.3	3.6
--- General Merchandise Stores	-	-	-	-	-	-
--- Apparel and Footwear Specialists	-	-	-	-	-	-
--- Appliances and Electronics Specialists	-	-	-	-	-	-
--- Home Products Specialists	-	-	-	-	-	-
--- Health and Beauty Specialists	-	-	-	3.2	3.3	3.6
--- Leisure and Personal Goods Specialists	-	-	-	-	-	-
--- Other Non-Grocery Retailers	-	-	-	-	-	-
-- Vending	-	-	-	-	-	-
-- Direct Selling	-	-	-	-	-	-

- Retail E-Commerce	0.4	0.4	0.5	0.7	0.7	0.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

**Table 79 Forecast Sales of Sweet Biscuits, Snack Bars and Fruit Snacks by Category:
Volume 2023-2028**

'000 tonnes	2023	2024	2025	2026	2027	2028
- Wafers	-	-	-	-	-	-
- Plain Biscuits	168.4	175.5	182.5	189.4	196.1	202.6
- Filled Biscuits	104.6	108.9	112.9	116.9	120.7	124.6
- Cookies	63.1	66.9	70.5	74.0	77.4	80.7
- Chocolate Coated Biscuits	-	-	-	-	-	-
Sweet Biscuits	336.1	351.2	366.0	380.3	394.2	407.9
- Fruit and Nut Bars	-	-	-	-	-	-
- Protein/Energy Bars	-	-	-	-	-	-
- Cereal Bars	-	-	-	-	-	-
Snack Bars	-	-	-	-	-	-
- Processed Fruit Snacks	-	-	-	-	-	-
- Dried Fruit	-	-	-	-	-	-
Fruit Snacks	-	-	-	-	-	-
Sweet Biscuits, Snack Bars and Fruit Snacks	336.1	351.2	366.0	380.3	394.2	407.9

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

**Table 80 Forecast Sales of Sweet Biscuits, Snack Bars and Fruit Snacks by Category:
Value 2023-2028**

PKR billion	2023	2024	2025	2026	2027	2028
- Wafers	-	-	-	-	-	-
- Plain Biscuits	80.8	90.1	100.4	111.2	122.3	133.6
- Filled Biscuits	50.9	54.8	58.6	62.6	66.7	70.9
- Cookies	27.5	33.2	39.0	44.6	49.6	54.2
- Chocolate Coated Biscuits	-	-	-	-	-	-
Sweet Biscuits	159.2	178.0	198.0	218.4	238.7	258.7
- Fruit and Nut Bars	-	-	-	-	-	-
- Protein/Energy Bars	-	-	-	-	-	-
- Cereal Bars	-	-	-	-	-	-
Snack Bars	-	-	-	-	-	-
- Processed Fruit Snacks	-	-	-	-	-	-
- Dried Fruit	-	-	-	-	-	-
Fruit Snacks	-	-	-	-	-	-
Sweet Biscuits, Snack Bars and Fruit Snacks	159.2	178.0	198.0	218.4	238.7	258.7

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 81 Forecast Sales of Sweet Biscuits, Snack Bars and Fruit Snacks by Category:
% Volume Growth 2023-2028

% volume growth	2023/24	2023-28 CAGR	2023/28 Total
- Wafers	-	-	-
- Plain Biscuits	4.2	3.8	20.3
- Filled Biscuits	4.1	3.6	19.1
- Cookies	6.0	5.1	28.0
- Chocolate Coated Biscuits	-	-	-
Sweet Biscuits	4.5	3.9	21.3
- Fruit and Nut Bars	-	-	-
- Protein/Energy Bars	-	-	-
- Cereal Bars	-	-	-
Snack Bars	-	-	-
- Processed Fruit Snacks	-	-	-
- Dried Fruit	-	-	-
Fruit Snacks	-	-	-
Sweet Biscuits, Snack Bars and Fruit Snacks	4.5	3.9	21.3

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 82 Forecast Sales of Sweet Biscuits, Snack Bars and Fruit Snacks by Category: %
Value Growth 2023-2028

% constant value growth	2023/2024	2023-28 CAGR	2023/28 Total
- Wafers	-	-	-
- Plain Biscuits	11.5	10.6	65.3
- Filled Biscuits	7.5	6.8	39.2
- Cookies	20.9	14.6	97.4
- Chocolate Coated Biscuits	-	-	-
Sweet Biscuits	11.8	10.2	62.5
- Fruit and Nut Bars	-	-	-
- Protein/Energy Bars	-	-	-
- Cereal Bars	-	-	-
Snack Bars	-	-	-
- Processed Fruit Snacks	-	-	-
- Dried Fruit	-	-	-
Fruit Snacks	-	-	-
Sweet Biscuits, Snack Bars and Fruit Snacks	11.8	10.2	62.5

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources