

H1 Category & Market Insights - Dairy Portfolio

Key Trends, Growth Drivers & Strategic Opportunities

Prepared by:

Marina Kulman

Data & Category Analyst

Dublin, Ireland

marina.kulman.lv@gmail.com

Market analysis based on Nielsen & GfK data
(mock data for portfolio use)

About the Analyst / My Role

Who I am

Data & Business Analyst with 10+ years of experience in FMCG & Healthcare, specialising in category management, market analysis, and insight generation across retail and e-commerce channels.

My role in this project

- Led the full analysis of market, category, and channel performance using multi-source datasets (GfK, Nielsen, CRM, sales data).
- Consolidated and structured raw data into a unified analytical view.
- Built all visualisations, dashboards, summaries, insights, and recommendations included in this report.
- Developed a clear narrative storyline for senior stakeholders, focusing on growth drivers and risks.
- Applied category management frameworks to identify opportunities in channels, retailers, and segments.
- Delivered insight-driven outputs similar to internal business reviews used by commercial and category teams.

Tools & Skills Used

- **Data & BI:** Excel (Pivot, Power Query), Power BI, data modelling, data cleaning
- **Market Analytics:** Nielsen/GfK analysis, category & channel performance, market structure
- **Business Skills:** Insight generation, storytelling, category management logic, opportunity spotting
- **Techniques:** Trend analysis, segmentation, decomposition, comparative analytics, KPI reporting

Tools & Approach

Tools

Data Processing & Automation

- Excel (Pivot Tables, Power Query, advanced formulas, custom charts)
- SQL (basic) – data extraction, joins, cleaning

BI & Reporting

- Power BI – dashboards, DAX measures, automated reporting

Storytelling & Presentation

- PowerPoint – insight storytelling, building category narratives

Internal Systems

- CRM systems (Salesforce-like tools)

Data Sources

GfK Panel Data

- Household consumption, channel mix, penetration, frequency
- Consumer confidence & behavioural indicators

Nielsen Retail Audit

- Category share, pricing, promo pressure, distribution & shelf metrics

Internal Sales & CRM

- Volume & value performance: brand, SKU, channel, retailer
- Promo mechanics & effectiveness (uplift, elasticity)

Analytics Workflow (How I Work)

1. Data Collection

Gathered data from Nielsen, GfK, CRM, internal sales systems.

2. Deep-Dive Analysis

Executed full commercial and category diagnostics:

- YoY & YTD performance
- Channel value growth & mix shifts
- Customer-level deep dives (NKA, LKA, e-com, proximity)
- Category & segment dynamics
- Distribution, velocity & assortment
- Pricing & promo pressure analysis
- Share change drivers (penetration, frequency, price, promo, mix)

3. Insight Generation

Identified growth engines, underperforming segments, demand patterns, root-cause issues, and opportunity spaces using structured analytical frameworks.

4. Recommendation Development

Built strategic actions aligned with commercial priorities.

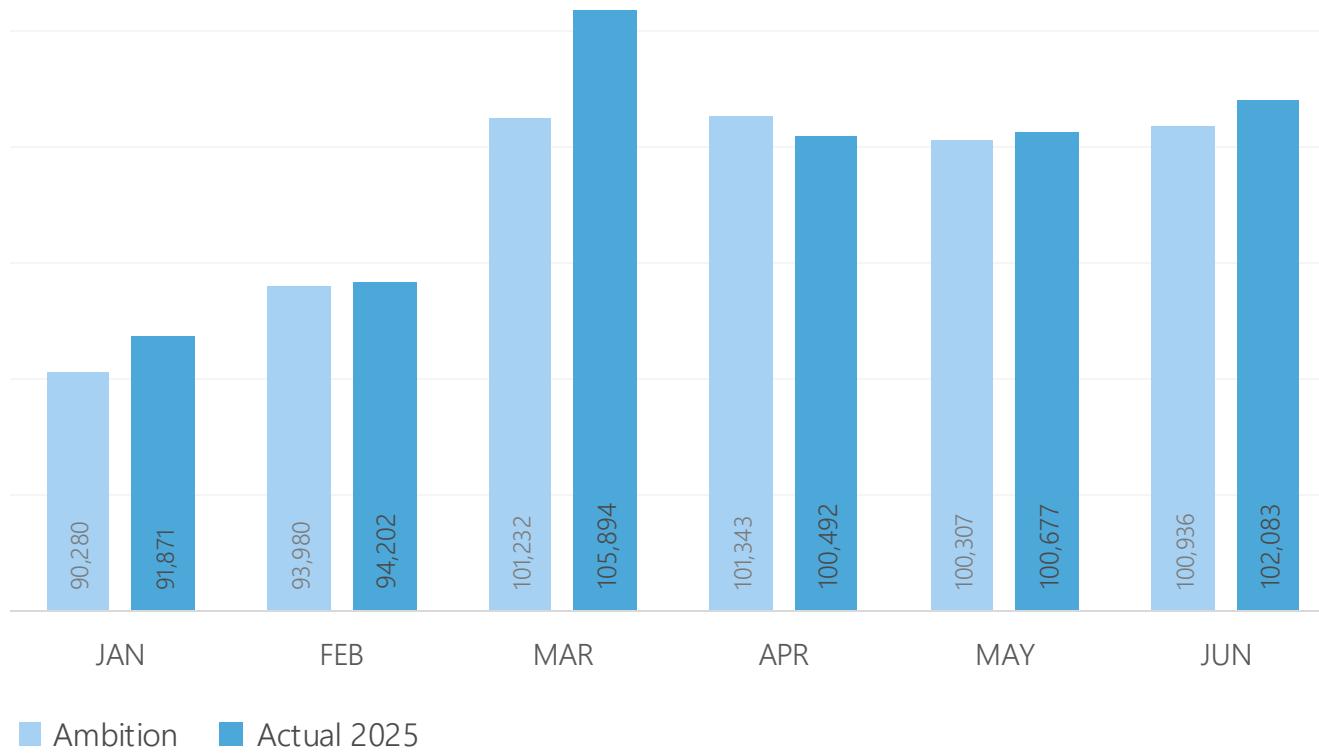
5. Presentation Storyline

Transformed complex data into a clear narrative for decision makers.

Market & Category Performance - H1 2025

H1 Performance Overview

H1 2025 closed with strong +7% YTD growth vs last year, supported by solid momentum in Q1 (+6% vs +4% plan) and continued expansion in Q2 (+7% vs +10% plan).
The market remains resilient, with consistent monthly performance despite a slight gap vs plan in Q2.

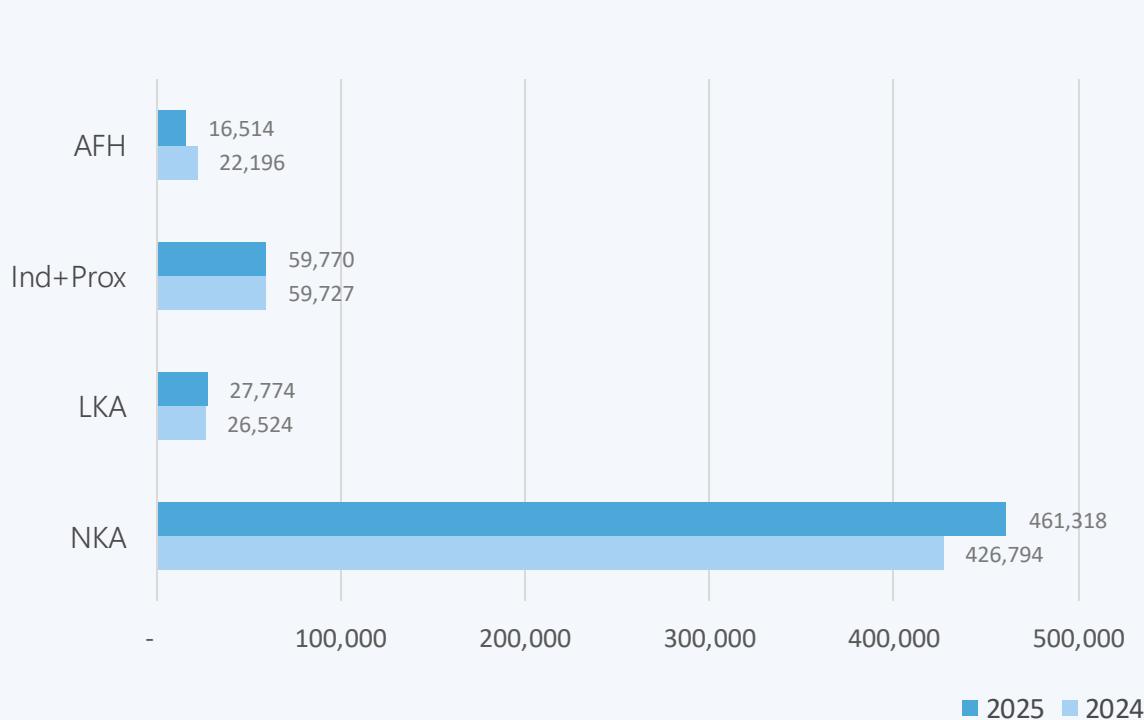


Q1 Performance
+6% actual vs +4% plan
Outperformed expectations

Q2 Performance
+7% actual vs +10% plan
Strong results, slightly below target

Channel Performance Overview

YTD growth of **+8%** remains below the **+10%** target, driven by underperformance in AFH and LKA. NKA is the only channel delivering growth fully aligned with expectations.



NKA remains the core growth engine, exceeding forecast and contributing the majority of incremental volume.

AFH and LKA continue to underperform, dragging YTD growth below target. Key drivers include weaker assortment depth and activation in AFH, and visibility gaps and execution issues in LKA.

Required actions:

- Strengthen assortment & activation plans in AFH
- Improve shelf visibility & in-store execution in LKA
- Capture incremental volume in Industrial & Proximity to offset channel weakness

Top Retail Growth Drivers

Three key retailers — ExiFive, Magnora, and Lentra — are the primary engines of YTD growth, contributing the majority of incremental volume.

E-commerce continues to deliver strong percentage growth, although its absolute contribution remains limited due to smaller base size.

Key Retailers Driving Incremental Volume

ExiFive

+18% YTD growth

Contribution: +12.9m

Strong recovery and expanded distribution drive above-market growth.

Magnora & Lentra

+23% YTD growth

Contribution: +41.2m

Largest contributors to total growth, supported by assortment depth and higher traffic vs channel average.

E-Commerce

+26% YTD growth

Contribution: +0.85m

Fastest-growing channel, though contribution remains modest due to a much smaller base.

Top 4 NKA Performance

Although all key NKA clients show positive YTD growth, most underperform the total category, indicating missed opportunities in assortment, visibility and activation. Lentra is the only retailer significantly outperforming the category base.



Pyatona

YTD: +18%

VG CAF: +1%

Stable growth driven by base recovery; still behind category pace.



Dixa

YTD: +14%

VG CAF: +7%

Solid uplift, supported by expanding shelf presence.



Magnora

YTD: +18%

VG CAF: +6%

Strong execution but still below category-level momentum.



Lentra

YTD: +42%

VG CAF: -5%

Exceptional performance driven by improved promo intensity and distribution.

Lentra delivers exceptional growth, driven by stronger assortment and promo execution.

ExiFive, Magnora and Dixa grow in line with the market but fail to match total category momentum, signalling the need for improved shelf visibility, pricing alignment and targeted activation.

Category Performance Summary

Category growth is driven primarily by Drinking Yoghurts and Curd + Sour Cream, together contributing over 70% of total incremental volume. Milk/LMT shows stable but moderate growth, signalling limited headroom versus other segments.

Drinking Yoghurts

Donissimo: +17% (8.251m)

Activea: +11% (2.701m)

Total contribution: +14,097 (+7%)

Largest growth engine, driven by strong brand equity and superior promo effectiveness.

Milk / LMT

ProstoMilk: +5% (6.068m)

BioForma: +4% (370m)

Total contribution: +6,327 (+5%)

Steady but slower growth, with limited category expansion vs. other segments.

Curd + Sour Cream

Danoria: +15% (2.705m)

BioForma: +7% (1.517m)

Total contribution: +14,578 (+10%)

High-potential segment, outperforming total category growth and delivering strong value contribution.

Drinking Yoghurts and Curd + Sour Cream deliver the majority of growth and should remain strategic priorities. Milk/LMT requires targeted activation to unlock additional potential, as it trails behind other segments

H1 Key Takeaways



Growth driven by three key clients

ExiFive, Magnora, and Lentra contribute **65%** of YTD incremental volume, remaining the core engines of growth across NKA.



Underperformance across secondary channels

LKA, Indirect, and smaller NKA clients are delivering **below forecast**, creating a **-2pp drag** on total growth momentum and limiting acceleration vs target.



E-commerce on track

Digital channels perform **in line with expectations** providing stable growth and maintaining share, but not yet unlocking additional upside.



Category growth below plan

Focus categories are expanding but **lag behind planned trajectory**, driven primarily by Tyana, which remains below target due to weaker baseline momentum.

**Macro trends • Shopper behaviour •
Channel dynamics**

Positive macro conditions expected to support retail and FMCG growth in 2025

Retail turnover growth now aligns with rising disposable income, supporting category expansion.

+1.6%

GDP Growth

Early-stage recovery following previous year's contraction; still moderate but supportive for consumption.

2.8%

Inflation Rate

Slowing inflation helps restore real purchasing power, supporting everyday FMCG categories.

+3.8%

Real Disposable Income

Strengthening household budgets increase ability to spend on FMCG staples and dairy.

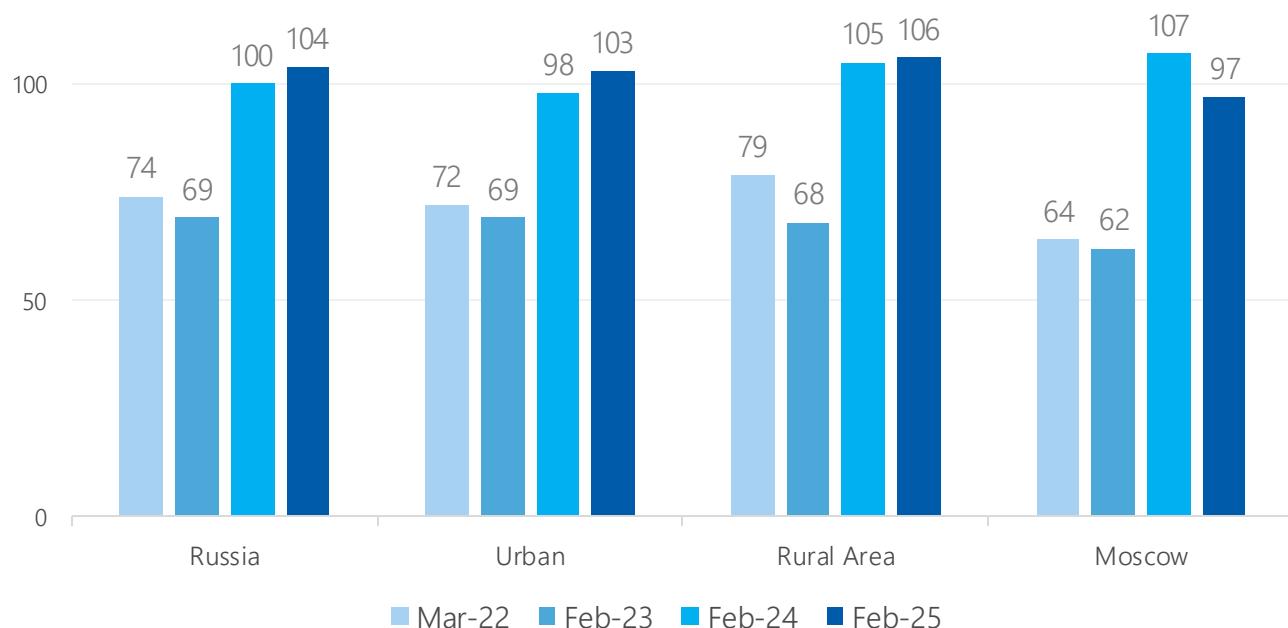
+3.8%

Retail Turnover

Retail turnover returning to steady trajectory, driven by improved consumer activity.

Confidence Turns Positive Across All Segments

Consumer confidence recovered across all segments, with Rural areas showing the strongest momentum.

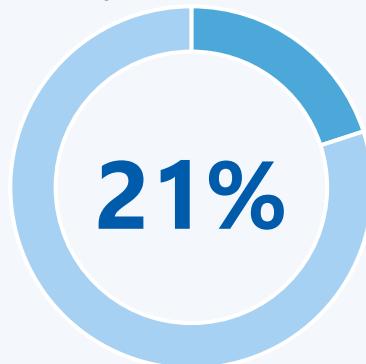


Rural areas lead confidence recovery (CCI 106), indicating strong resilience and higher spending potential. Urban confidence improves steadily, while Dublin softens to 97 after last year's peak, signalling caution among premium shoppers and potential pressure on higher-priced categories.

Rising confidence across all segments supports stable FMCG demand, particularly in essential categories.

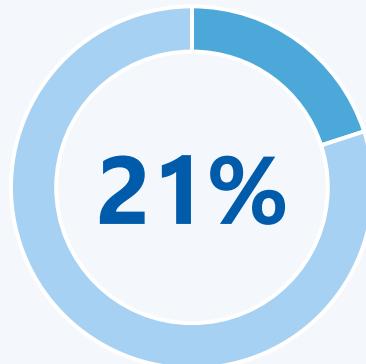
Consumers More Exploratory, Less Brand-Loyal

Shopper behaviour has shifted materially since 2022, with declining brand loyalty, broader repertoires, and more frequent store switching.



Brand Growth

From 222 to 268 brands
per household



SKU Expansion

From 381 to 461 SKUs
purchased



Store Visits

From 5.9 to 7.1 stores per
month

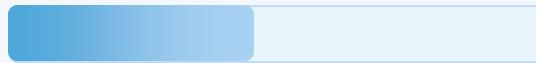
Consumers now engage with 21% more brands, purchase 21% more SKUs, and visit 20% more stores per month - indicating lower brand loyalty and higher switching risk, especially in impulse and convenience-led missions.

This shift increases pressure on brands: winning in a fragmented landscape now requires stronger in-store visibility, tighter activation plans, and broader yet efficient assortments.

Rising repertoire size also signals higher promo switching, increasing the need for value-based differentiation beyond discount mechanics.

Promo Pressure Increasing Across Channels, Led by Convenience

Convenience stores lead with the highest promo share (45%), highlighting growing price sensitivity and the need for competitive in-store activation.



45%
Promo Share

Convenience Stores

Highest promo reliance and strongest growth; price-sensitive missions drive high elasticity.



38%
Promo Share

E-Commerce

Strong performance despite lower promo intensity; growth fueled by assortment breadth and price transparency.



28%
Promo Share

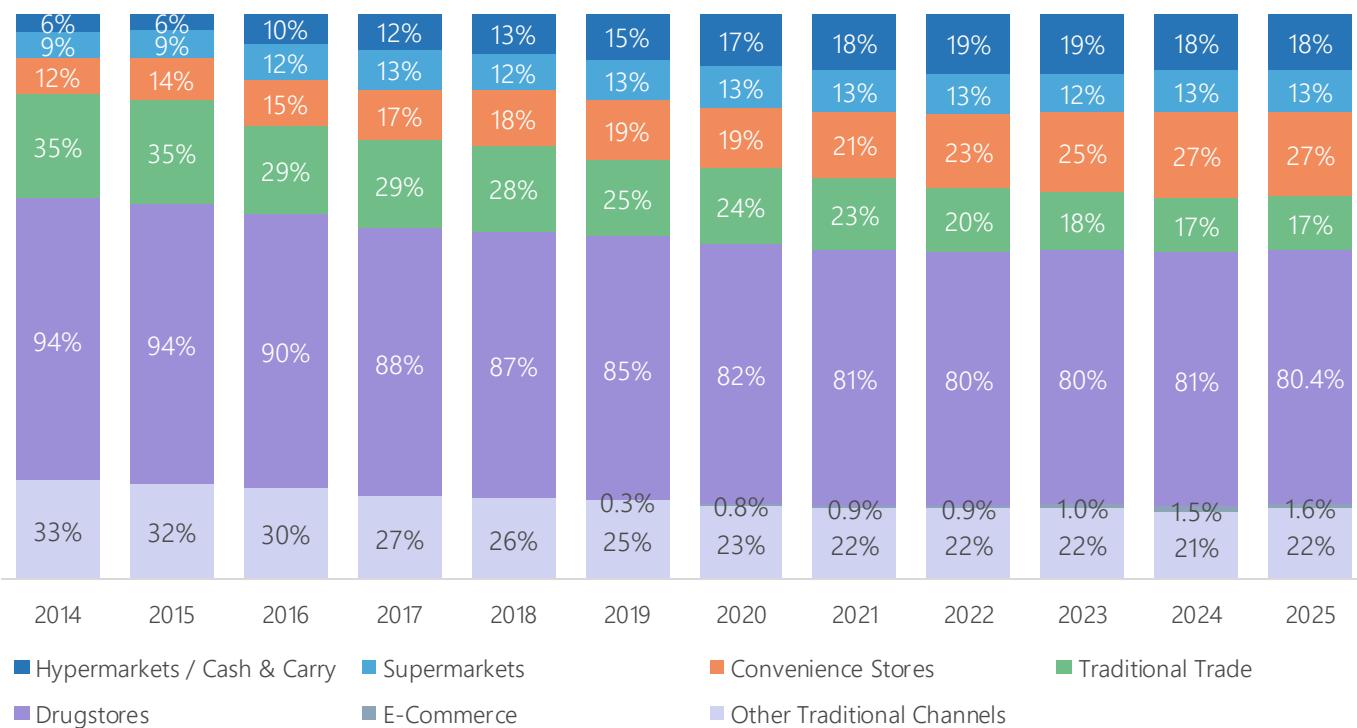
Supermarkets

Lower promo dependency; stable and predictable performance with more loyal shopping missions.

Promo-driven behaviour is most pronounced in convenience formats, where smaller baskets and higher price sensitivity make promotions a key lever for maintaining share. Rising promo intensity also elevates margin pressure, requiring more efficient promo mechanics and stronger in-store execution.

Channel Growth Dynamics

Convenience and e-commerce remain the fastest-growing channels as shoppers shift toward faster, mission-based trips. Hypermarkets and traditional trade continue to lose relevance, driving structural reallocation of value across the market.



Key Channel Value Growth (YTD):

- E-Commerce: +32.2% - fastest-growing channel; growth driven by digital access, price transparency, and expanded assortment.
- Convenience: +8.0% - strong incremental trips supported by proximity missions.
- Supermarkets: +5.0% - stable and predictable performance.
- Drugstores: +1.4% - modest recovery driven by health & beauty missions.
- Hypermarkets: -1.4% - continued decline as long trips shift to proximity and e-commerce.
- Traditional Trade: -4.8% - structural erosion.
- Other Channels: -2.1%

E-commerce and convenience now capture most incremental market growth, increasing pressure on in-store visibility, promo efficiency, and digital activation. To secure share in a rapidly shifting channel landscape, brands must adapt portfolio mix, invest in route-to-market optimisation, and strengthen proximity execution.

NKA Retailer Performance

Pyatona, Perekros, and Magnora remain the key growth engines in NKA, driven primarily by higher conversion and average ticket increases. While turnover momentum is solid across most medium and small-format operators, traffic recovery remains weak, reinforcing the market shift toward proximity and everyday shopping missions. Hypermarkets continue to underperform, with declining LFL and sustained traffic erosion.

Retailer	Format	Net Turnover Growth	LFL Revenue	Avg Spend	Traffic
Pyatona	MM	+22%	-1%	+1%	-2%
Perekros	HM	+23%	+6%	+3%	+3%
Magnora	SM	+6%	+3%	+5%	-2%
Lentra	HM	+9%	-4%	0%	-4%
Auchero	SM, HM	-3%	-5%	-3%	-2%

Top-performing NKA retailers are delivering growth mainly through **average check expansion**, not increased footfall — signalling stronger price/mix contribution over shopper recovery. Hypermarkets remain structurally challenged, with negative LFL and declining traffic, accelerating the shift toward **smaller, faster, and more mission-focused formats**.

Danoria Market Share Trends

National share growth is increasingly Dublin-led, while declining regional performance widens the geographic gap.

Dairy Total Including Milk

+0.8pp -0.5pp

Dublin share growth

Other regions
decline

Dairy Excluding Milk

+0.4pp -0.4pp

Dublin share growth

Other regions
decline

Targeted regional turnaround is required, focusing on assortment relevance, localised promo mechanics, and improved availability to stabilise share outside Dublin.

Category Performance: Dublin

Danoria outperforms in key growth segments, while several categories continue to show structural underperformance.

Outperforming Segments

Curd: Outpacing category driven by broad distribution, strong on-shelf visibility, and competitive pricing.

Butter: Outgrowing the market with robust value growth supported by strong brand equity and premiumisation trends.

Drinking yoghurts: Leading segment performance with consistent share gains and strong competitive positioning.

Underperforming Segments

Sour cream: -25% YoY decline vs a growing category, indicating a widening performance gap.

Spoonable yoghurts: Underperforming due to lower penetration, weaker mix, and reduced promo effectiveness.

Baby dairy: Significant structural decline vs category, driven by lower brand relevance and insufficient competitive activation.

Targeted recovery actions are required in sour cream, spoonable yoghurts, and baby dairy — with a focus on strengthening assortment relevance, optimising price positioning, and rebuilding in-store visibility & activation to stabilise performance and restore segment momentum.

Share Loss Driven by Pricing Gap and Aggressive Competitor Promo

Category grows **+5.8%**, fuelled by aggressive promo activity. Danoria loses share as stronger value offerings from Private Label and Brestello outcompete ProstoMilk.

Brand	YTD Growth	Share	Share Change	Price/kg
ProstoMilk	+0.1%	31%	-1.8pp	€5.80 (+0.2%)
DVD	+7.5%	17%	+0.3pp	€6.00 (-2.8%)
Brest-Litovsk	+16.6%	12%	+1.1pp	€5.70 (-11.4%)
Private Label	+36%	6%	+1.3pp	€4.80 (+22.6%)

Danoria must intensify promotional efforts, revise pricing strategy, or focus on unique selling propositions to regain momentum.

Activea Share Decline Despite Promo Pressure

Category growth of **+5%** but Activea underperforms significantly, losing –5.0pp share despite heavy promotions and notable price cuts, highlighting weak elasticity and reduced brand pull.

Brand	YTD Growth	Share	Share Change	Price/kg
Activea	-11%	25%	-5.0pp	€5.50 (-9.6%)
Donissimo	+5%	11%	0.0pp	€9.80 (-1.0%)
Epira	+269%	8%	+5.8pp	€8.50 (-0.6%)
Frugello	-12%	7%	-1.3pp	€4.10 (+2.2%)

- Epira is capturing share through strong consumer appeal rather than price cuts, indicating a shift toward functional/value-added propositions over pure discounting.
- Activea's heavy promotions are not translating into growth, signalling brand fatigue and weakened equity.
- Danoria must shift from promo-dependent tactics to strengthening brand relevance and innovation.

Baby Dairy: High Growth Segment, but Tyana Losing Share

The category grows strongly at **+11%** but Tyana significantly underperforms: -7.2% growth and -2.7pp share loss, signalling weak competitiveness in a high-potential segment.

Brand	YTD Growth	Share Change	Price/kg
Aguna	+8.4%	69% (-1.7pp)	€5.50 (-3%)
Tyana	-7.2%	14% (-2.7pp)	€5.20 (+2.3%)
FrutoLina	+34.5%	10% (+1.7pp)	€4.50 (0%)
Pediacare	+270%	4% (+3.1pp)	€15.00 (+7.2%)

Tyana's decline in a rapidly expanding category requires urgent action to restore competitiveness - including revitalised communication, stronger promo mechanics, targeted innovation, and improved in-store visibility.

Strategic Recommendations



Accelerate Retail Expansion Using Favourable Market Conditions

Leverage strong macro recovery and rising consumer confidence to accelerate distribution gains and strengthen presence in high-potential regions, ensuring Danoria captures disproportionate share of market growth.



Revitalise Underperforming Brands

Activate turnaround strategies for Activea and Tyana by reducing reliance on deep promotions, enhancing brand relevance, and rebalancing the value proposition to restore equity and improve conversion.



Strengthen Promotional Strategy in Key Growth Channels

Rebuild competitive advantage in promo-sensitive channels (Convenience, Sour cream) by optimising mechanics, improving uplift efficiency, and deploying data-led promo plans aligned with price elasticity and consumer behaviour changes.



Expand Regional Footprint Beyond Dublin

Replicate Dublin's strong performance through targeted in-store visibility, improved activation, and tailored assortment strategies to address widening geographic share gap and reverse regional decline.



Address Channel Underperformance

Prioritise corrective actions for LKA, Indirect, and weaker NKA clients to stabilise share, improve execution quality, and recover the -2pp drag on overall growth momentum.



Capture Growth Opportunity in Baby Dairy

Reposition Tyana to win in a +11% growth segment via stronger consumer communication, improved functional/value cues, and more effective promo strategy that enhances penetration and in-store impact.

Executive Summary



Market

- Strong macro recovery (+1.6% GDP, +3.8% RDI) continues to support retail growth and improve consumer purchasing power.
- Consumer confidence is rising across all segments, with rural areas showing the strongest and most stable improvement.



Channel

- E-commerce and convenience remain the fastest-growing channels, capturing the majority of incremental trips.
- Hypermarkets and traditional trade continue to lose relevance, reinforcing the shift toward proximity formats and digital.



Category & Consumer



- Category growth is concentrated in three high-potential segments: drinking yoghurts, milk/LMT, and curd.
- Shopper behaviour has shifted: lower loyalty, broader repertoires (+21% brands/SKUs), and more store visits (+20%), increasing the importance of in-store visibility and promo efficiency.

Retailers

- ExiFive, Magnora, and Lentrta account for most incremental volume; Lentrta in particular shows standout YTD growth.
- Underperformance in LKA and Indirect channels remains a drag on total market momentum, creating a -2pp impact vs target.



Brands

- Strong performance delivered by Donissimo, Danoria (Curd), and Drinking Yoghurt, outperforming category trends.
- Activea, Tyana, and Sour Cream show structural underperformance and require urgent intervention in pricing, positioning, and promo mechanics.

Impact Scenarios (What My Insights Can Deliver)



Promo Optimisation

Better alignment of promo mechanics, depth, and frequency can deliver:

→ **+1.5 - 2.5 pp share increase** in sour cream & spoonable yoghurts through improved promo efficiency and reduced over-discounting.



Regional Activation Strengthening

Targeted focus on underperforming regions outside Dublin:

→ **+5 - 7% additional YTD uplift** driven by distribution expansion, improved shelf execution, and tailored promo mechanics.



Category Growth Acceleration

Leveraging functional products, curd, and drinking yoghurts in priority geographies:

→ **+10 - 12% incremental potential** in Tier-1/2 cities through assortment optimisation, visibility, and activation.



E-Commerce Acceleration Plan

SKU rationalisation + targeted digital activation + improved search & promo mix:

→ **+15 - 20% channel uplift** within 6–12 months by focusing on high-velocity SKUs and optimised digital shelf.

What I Would Do As Category Manager



Strengthen Priority Channels

- Accelerate proximity & e-commerce expansion to capture fastest-growing missions.
- Optimise assortment for convenience-driven occasions (on-the-go, affordable health, kids).
- Increase in-store activation & visibility in Top-20 stores per chain with measurable ROI.



Upgrade Promo Strategy

- Reduce deep discount dependency in Activea & Tyana through a more efficient promo mix.
- Shift from price cuts → value-added mechanics: functional claims, bundles, cross-category offers.
- Introduce loyalty-based mechanics to improve retention and repeat across digital & offline.



Rebuild Regional Momentum

- Scale Dublin playbook (distribution + visibility + pricing discipline) across regional clusters.
- Strengthen physical availability: shelf presence, facings, planogram compliance.
- Launch region-specific SKUs tailored to local income & taste preferences (e.g., affordable LMT, kids).



Reinforce Brand Roles

- Activea → Rebuild functional value narrative: gut health, science-backed benefits.
- Tyana → Reposition pricing & messaging to regain competitiveness in fast-growing baby dairy.
- Donissimo → Own the premium "emotional indulgence" territory with pack upgrades & limited editions..