FINAL REPORT

Try Swedish: Export potential analysis in selected food segments

- A global quantitative analysis of eleven food categories

Delivered 10 June 2024

Conducted by Business Sweden under assignment from Try Swedish

Try Swedish is the branding platform used by Business Sweden, the Swedish Trade and Invest Council, to support Swedish companies in the food and beverage sector to grow global sales.

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This report serves to determine the top markets with export potential for 11 different food segments and support the direction setting of food promotion

Point of departure

- The Ministry of Rural Affairs and Infrastructure has set a clear focus on increased exports to increase Swedish food production and the supply rate in the long term
- From Business Sweden's previous analyses favourable export conditions identified include strong focus on sustainability, innovation and safety, as well as flexible working methods
- For a third time, Business Sweden has conducted an analysis on 11 pre-selected segments to assess the export potential

Purpose

- The purpose of the analysis is to provide support to
  - Swedish companies' export priorities within the 11 food segments chosen by Try Swedish
  - Try Swedish Steering Group when setting the direction of the Government's food promotion.

Audience

- The report:
  - targets Swedish companies within the 11 selected segments, and overall industry associations **who export today and/or future export ambitions.**
  - is to be **used for discussions** with and within the industry and specific segments as well as **serve as a complement and support the direction setting of the Try Swedish food promotion**.

Limitations

- The report builds on previous analyses, however the methodology has been updated and can therefore not be compared with previous reports
- Market specific insights are taken from external reports, i.e. not based on local market interviews. Exact market trends and challenges may vary across specific sub-segments and require more research

Deliverables

Report, incl. analysis, summary, conclusions and recommendations + separate Appendix

Summary of the report

Business Sweden has been analysing the food export potential since 2018 with varying project scopes and methodologies

First analysis was conducted in 2018

- Business Sweden first analysed the export potential in 2018 on behalf of the Government Offices of Sweden (Ministry of Enterprise and Innovation) and in collaboration with industry organisations and companies.12 selected segments were reviewed
- It investigated and analysed the export potential of different food segments in different markets and what that potential could look like in five and ten years
- The analysis carried out in 2018 was well received by the industry and served as a basis for dialogue with various actors working with food exports

Project scope 2018	Methodology
Food segment selection analysis	Development of methodology
Swedish prerequisites	Industry interviews
Quantitative Market Selection Analysis	Desktop research
Qualitative Market Selection Analysis	Market interviews
5- & 10-year outlook	~~Company survey~~
Input on activities for food promotion	

An update was initiated in 2020

- The updated analysis provided an opportunity for a critical evaluation of the overall conclusions and map the market development since 2018, incl. Covid-19s impact and global trends going forward
- The updated analysis re-examined the 12 segments drew conclusions on significant market developments since the report in 2018

Project scope 2021	Methodology
~~Food segment selection analysis~~	~~Development of methodology~~
Swedish prerequisites	Industry interviews
Quantitative Market Selection Analysis	Desktop research
Qualitative Market Selection Analysis	Market interviews
5- & 10-year outlook	~~Company survey~~
Input on activities for food promotion	

A new report will be published in June 2024

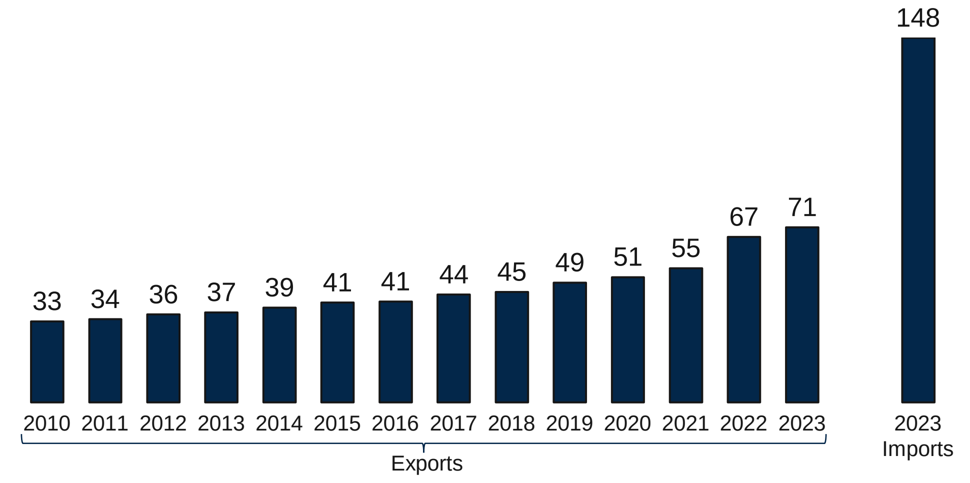
- The new report reviews 11 preselected food segments with the aim to identify 1-2 prioritised markets per segment
- By illustrating top markets per segment, including trends, challenges, opportunities and Swedish priorities, the report gives input on what markets that provide potential for Swedish companies
- With more limited interview input in scope, a 2-minute company survey was added for input on current and priority markets going forward

Project scope 2024	Methodology
~~Food segment selection analysis~~	Adaption of methodology
~~Swedish prerequisites~~	Industry interviews (limited)
Quantitative Market Selection Analysis	Desktop research
Qualitative Market Selection Analysis	Third-party reports
~~5- & 10-year outlook~~	Company survey
~~Input on activities for food promotion~~	

Sweden imports more than it exports signalling low self-sufficiency; unique selling points can be leveraged to increase exports and domestic production

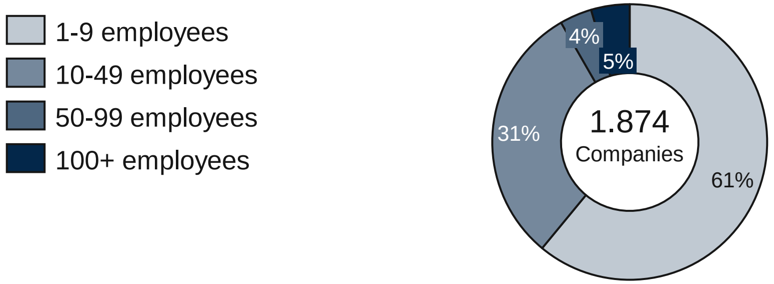
Swedish exports have been steadily rising the past years, but Sweden is still importing 2x more than it is exporting

Swedish food exports 2010-2023 and imports 2023 (excl. fish & seafood)
SEK billion, 2010-2023



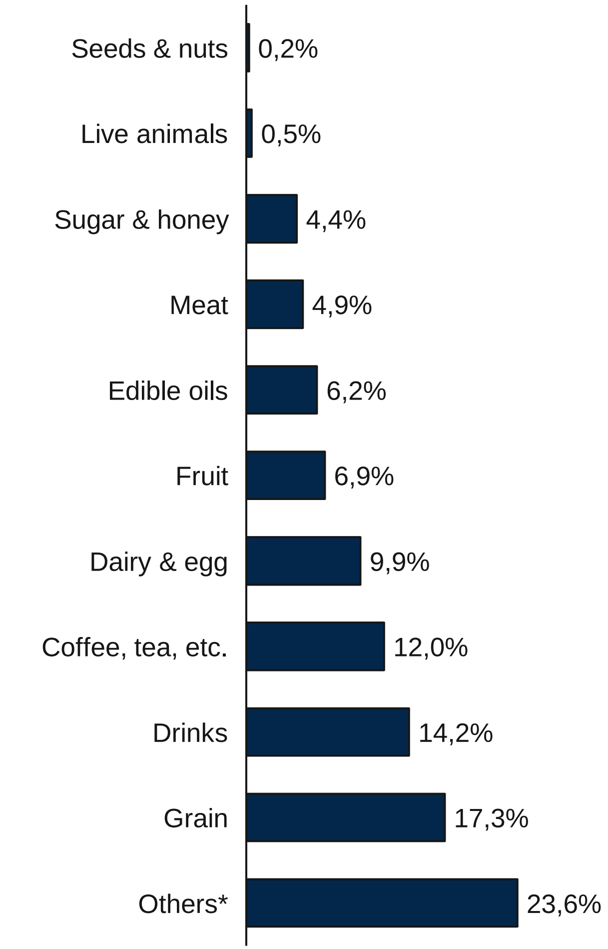
Swedish food and drink producers are generally smaller companies, where a majority employ fewer than 10 employees

Company size distribution in food and drinks
% companies per number of employees, 2023



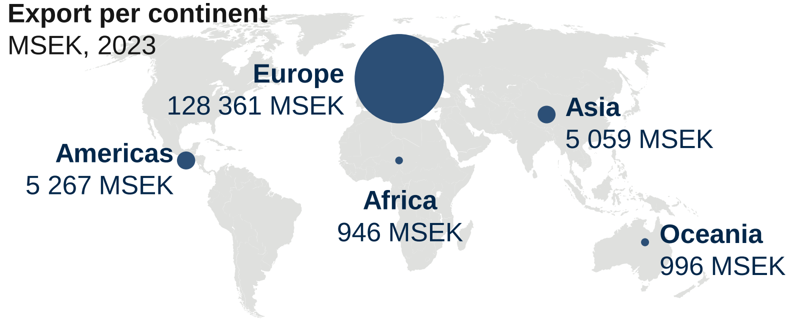
Exports are diversified across many segments

Export share per segment (excl. fish & seafood)
%, 2023



Europe receives the majority of Swedish exports

Export per continent
MSEK, 2023



Swedish food has several strengths that can be leveraged for export

High quality - Swedish food is generally considered to be of high quality

Sustainable – clean nature, clean water, and healthy living are connected to Swedish labels and brands

Food safety – transparency, trust, and honesty, coupled with cooperation between the state and the industry creates high trust to Swedish food

Animal welfare – laws and regulations ensuring a decent living to animals is a strength that could be leveraged in certain markets

***Others include: margarine, homogenized food preparations, sauces, soups, broths, mixed condiments, mixed seasonings, and yeasts**
Source: Statistics Sweden (SCB), Svensk livsmedelsexport – Nulägesbeskrivning och näringens förslag på åtgärder 2024, Federation of Swedish Farmers (LRF)

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BUSINESS SWEDEN

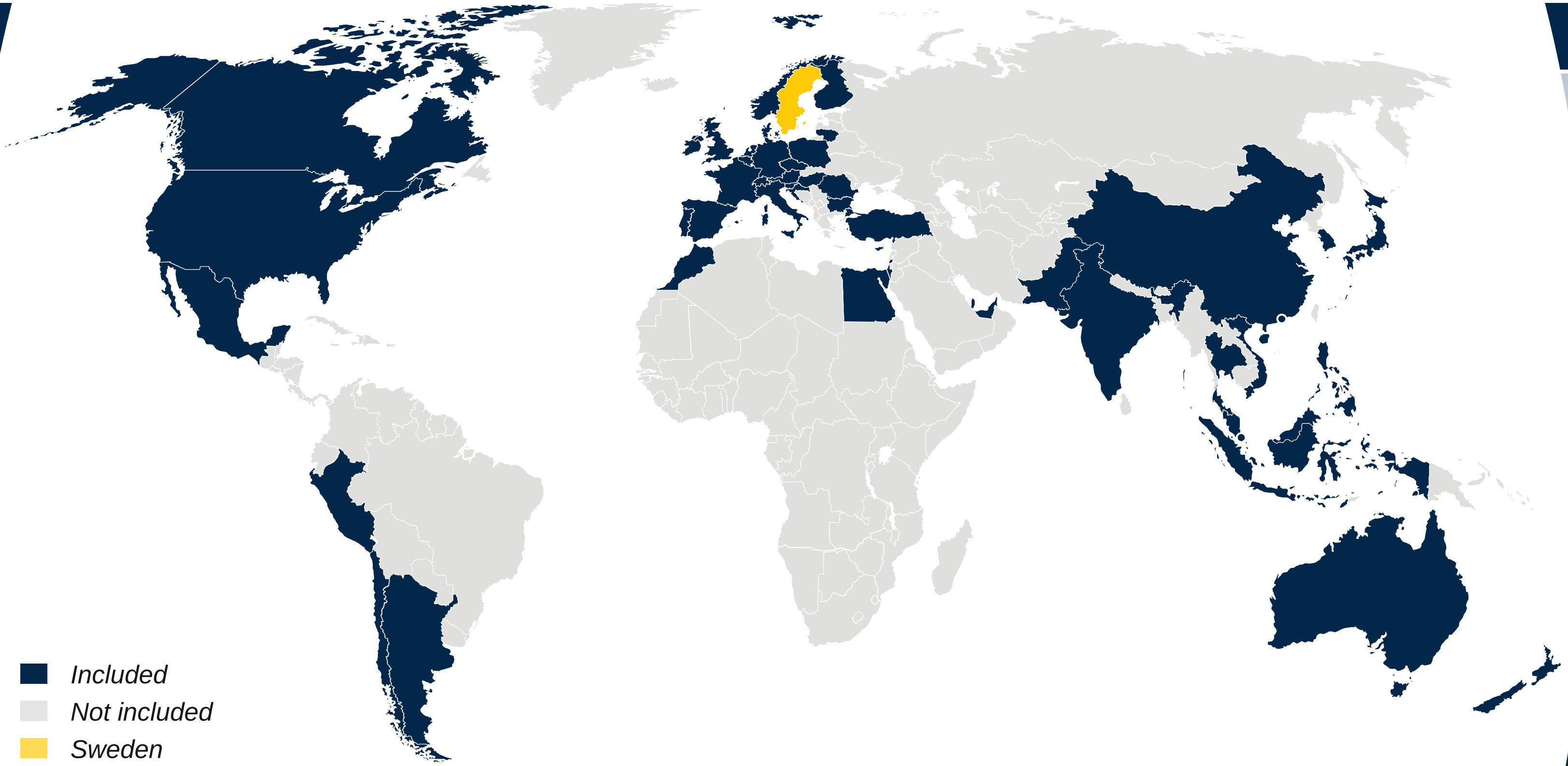
THE SWEDISH TRADE & INVEST COUNCIL

The analysis considered 49 markets around the globe initially, boiling down to 1-2 focus markets for each segment

SEGMENTS

- BREAD
- DRINKS
- POULTRY
- READY-MADE MEALS
- MEAT
- GRAIN
- DAIRY
- CONDIMENTS & SEASONING
- LIQUOR
- SWEETS
- BEER, CIDER, & WINE

WORLD MAP



49
Markets - quantitative analysis

8
Markets – qualitative analysis

1-2
Focus markets

REGIONS

AMERICAS

- Argentina
- Canada
- Chile
- Mexico
- Peru
- USA

ASIA

- China
- Hong Kong
- India
- Indonesia
- Japan
- Malaysia
- Pakistan
- Philippines
- Singapore
- South Korea
- Thailand
- Vietnam

EUROPE

- Austria
- Belgium
- Bulgaria
- Croatia
- Cyprus
- Czechia
- Denmark
- Finland
- France
- Germany
- Hungary
- Ireland
- Italy
- Lithuania
- Netherlands
- Norway
- Poland
- Portugal
- Romania
- Slovenia
- Spain
- Switzerland
- UK

MIDDLE EAST & AFRICA

- Egypt
- Israel
- Morocco
- Qatar
- Türkiye
- UAE

OCEANIA

- Australia
- New Zealand

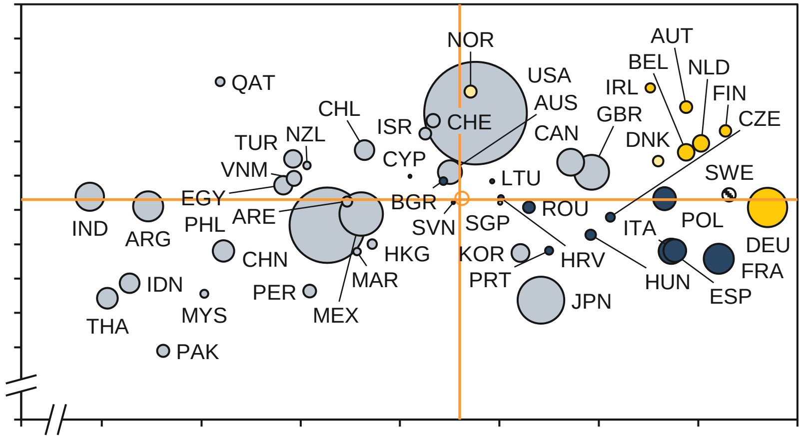
Note: UAE (United Arab Emirates), UK (United Kingdom), USA (United States of America)

Business Sweden used a three-step approach to identify the most suitable markets for Swedish food exports per segment

1. QUANTITATIVE MARKET SELECTION

The data-driven market selection highlights the most suitable markets based on quantifiable variables

- A set of quantifiable variables are chosen for the competitive ranking
- Variables receive a weighting to reflect importance for Swedish export
- Markets are plotted according to their rank in market potential and ease of market entry

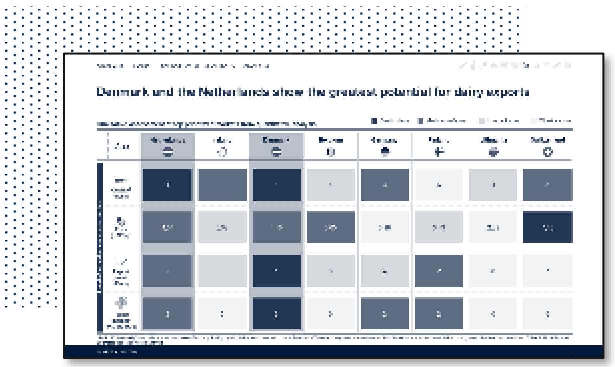


49 markets ► 8 focus markets per segment

2. QUALITATIVE MARKET ASSESSMENT

Further investigation of selected focus markets (8) per segment based on additional qualitative factors:

- ★★☆ – Quality impacting purchasing decision
- – Price level per segment
- – Export growth per segment
- – Swedish companies' export priorities

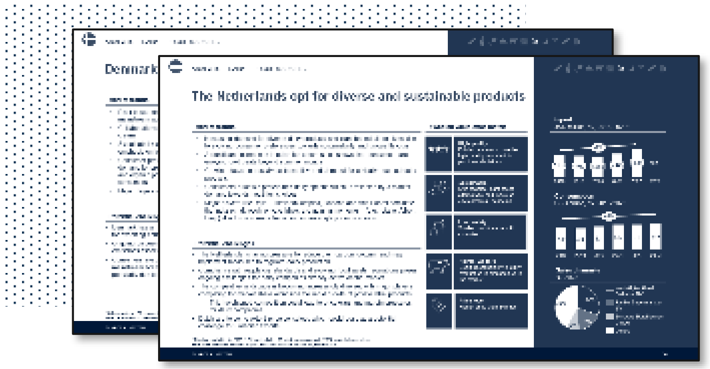


8 focus markets ►1-2 priority markets per segment

3. ANALYSIS & RECOMMENDATIONS

In-depth analysis of prioritised export market(s) selected in the qualitative market assessment:

- Mapping of current trends and potential challenges
- Conclusions & recommendations for Swedish companies and their export priorities



The data-driven market selection analysis highlights eight (8) focus markets per segment based on quantifiable variables

1. QUANTITATIVE MARKET SELECTION → **2. QUALITATIVE MARKET ASSESSMENT** → **3. ANALYSIS & RECOMMENDATIONS**

1. VARIABLE SELECTION

- A set of quantifiable variables are chosen for the competitive ranking
- Variables are classified either as part of *market potential* (y-axis) or *ease of market access* (x-axis)

Variables

Market potential (y-axis)

- Market size per capita
- Market growth per capita
- Import per capita
- Import growth per capita
- GDP per capita
- GDP growth per capita

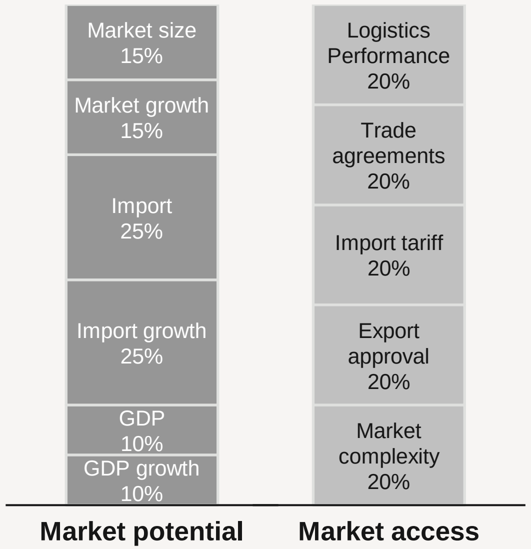
Market access (x-axis)

- Logistics Performance Index (LPI)
- Trade agreements
- Import tariff
- Export approval*
- Market complexity

2. WEIGHTING

- Variables receive a weighting to reflect importance
- Weighting is adapted for segments where approval is needed for export*

Variable weighting



3. DATA COLLECTION

- Global databases are identified for all variables, most recent raw data is downloaded and formatted in MS Excel

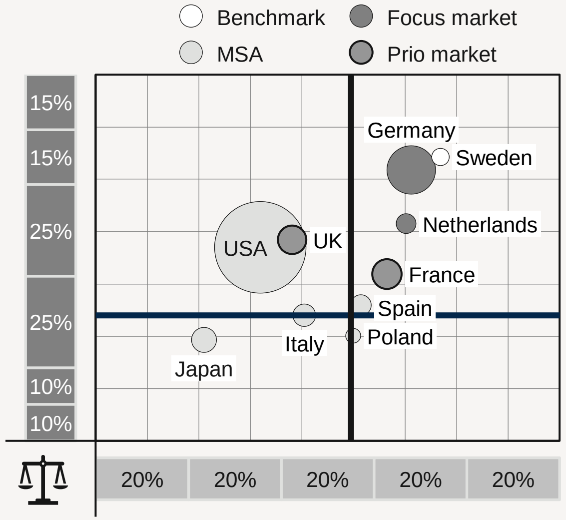
Data sources

OECD
THE WORLD BANK
WORLD TRADE ORGANIZATION
EUROMONITOR INTERNATIONAL
UN Comtrade
eurostat

4. RANKING

- Markets are plotted according to their rank in market potential and ease of market access
- Potential is weighted with factor 0,6 and access with 0,4

Focus markets



***** For segments: poultry, meat, dairy, liquor, beer, cider, & wine

The qualitative market assessment examines four additional dimensions to distinguish 1-2 prioritised markets per segment

1. QUANTITATIVE MARKET SELECTION
2. QUALITATIVE MARKET ASSESSMENT
3. ANALYSIS & RECOMMENDATIONS

1. ASSESSMENT CRITERIA

- Development of methodology / matrix for further market prioritisation
- Discussion and selection of additional qualitative dimensions:
  - Quality impacting purchasing decision
  - Indicative price level per segment
  - Swedish export growth per segment
  - Swedish companies' export priorities per segment

2. FURTHER DATA COLLECTION

Desktop research

- Consumer survey on purchasing decisions for food
- Price level comparison for generic product per segment
- Swedish export growth per segment to focus markets

Company survey

- Survey* to 446 Swedish companies within 11 segments regarding current markets and future export priorities. Conducted in April 2024

Expert interviews

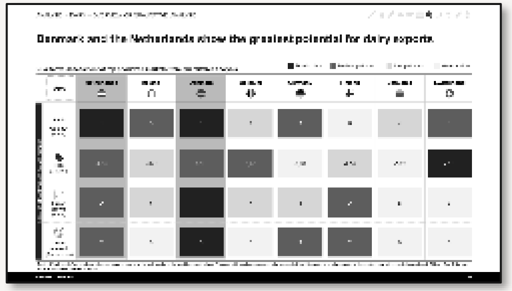
- Interviews about current trends and challenges with Swedish industry experts** representing the 11 food segments, conducted in April-May 2024

External reports

- Annual reports from leading Swedish companies per segment
- Conclusions from the report conducted by LRF, Livsmedelsföretagen and Lantmännen

3. MARKET PRIORITISATION

- Critical review of all data points
- Comparison between all (8) focus markets for each data point, classifying each market's performance as *best in class, medium performer, low performer,* and *worst in class*
- Final selection of 1-2 prioritised markets per segment based on overall total score



*: The survey's outcome varies for different segments due to inconsistent response rates across segments **List of interviewees to be found in Appendix

Recommendations are based on the analysis of quantitative & qualitative data as well as external reports and input from the Swedish industry

1. **QUANTITATIVE MARKET SELECTION**
2. **QUALITATIVE MARKET ASSESSMENT**
3. **ANALYSIS & RECOMMENDATIONS**

1. ANALYSIS

Where is the export potential for 11 food segments:
- *Potential*
- *Access*
- *Trends*
- *Swedish priorities*

Quantitative & qualitative market selection

1. In which markets is there the greatest potential for Swedish food exports per selected food segment based on market potential and availability?
2. Which markets seem to have the greatest potential for Swedish food exports accumulated after selecting 8 countries per segment?

External market & trend reports

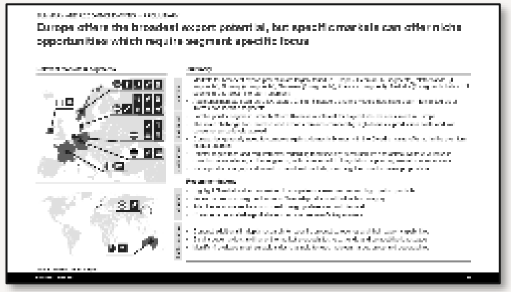
3. Which trends are considered to be the most influential at the moment?
4. How can these trends affect the potential for Swedish food exports?
5. What is the general legal framework for food exports?
6. What implication do the answers to questions 3-5 have on the report's analysis and recommendations?

Swedish companies' export priorities

7. What conclusions can be drawn per segment, per market or in general regarding food export priorities among Swedish companies?
8. What conclusions can be drawn from the latest public information from leading Swedish companies per segment?
9. What implication do the answers to questions 7-8 have on the report's analysis and recommendations?

2. RECOMMENDATIONS

- Conclusions & recommendations for Swedish companies and their export priorities
- Executive summary of project findings, key issues, implications and recommendations
- Suggestions for further analysis and possible next steps



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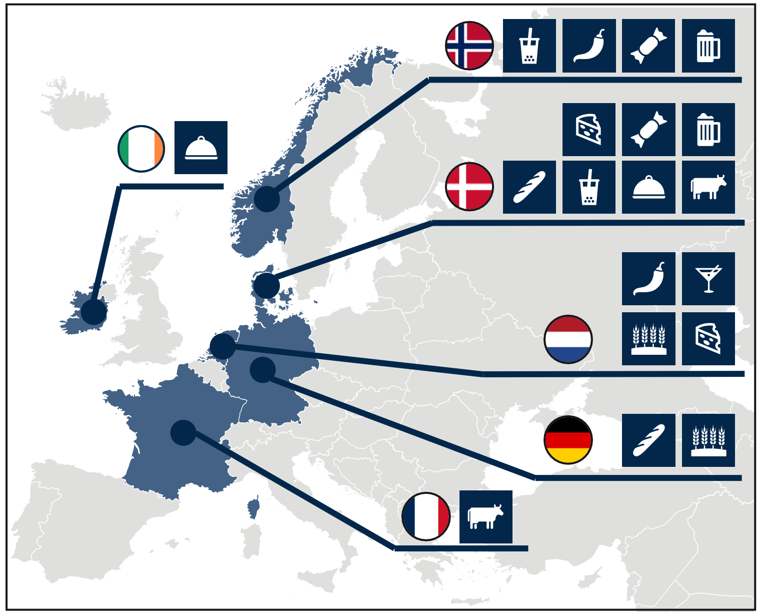
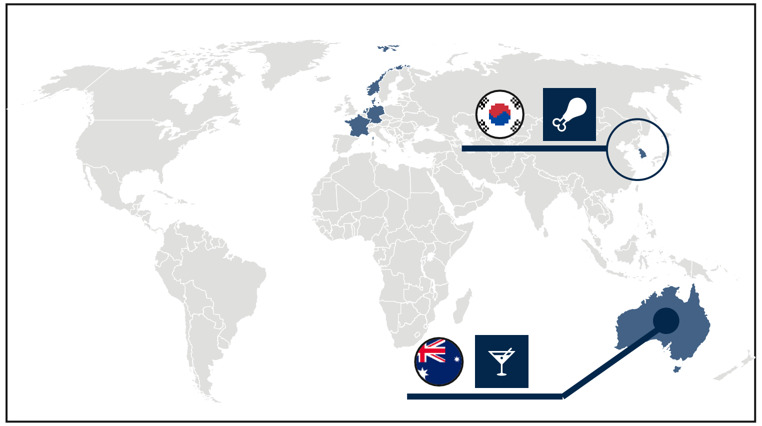
Europe offers the broadest export potential, but specific markets can offer niche opportunities which require segment specific focus (1/2)

Relevant markets & segments





Conclusions

Markets

- Markets for broadest export potential are largely found in Europe - Denmark (7 segments), Netherlands (4 segments), Norway (4 segments), Germany (2 segments), France (1 segment), Australia (1 segment), Ireland (1 segment) and South Korea (1 segment)
- Additional markets such as USA, Japan, China, Singapore and the Middle East have been highlighted as of interest for specific segments

Challenges

- The main challenge for Swedish food exports are high domestic production costs and low consumer price-levels abroad
- Swedish companies generally compete in the premium segment in foreign markets

Opportunities

- Niche products matching the Swedish value proposition are largely welcomed in prioritised markets
- Stricter regulations and harmonized requirements regarding food security, sustainability and animal welfare are likely to favour Swedish value offering in the long-term

Recommendations

Positioning

- Highlight Swedish value proposition to compete on clean, secure and high-quality products
- Focus on premium segment as most Swedish products will fall in this category
- Adapt to local market trends to meet foreign preferences and demand
- Consider a dedicated export strategy for your segment's key markets

Further analysis

- Conduct additional in-depth research for specific product categories and their export capabilities
- Build a better understanding of the market prerequisites, e.g. trends and competitive landscape
- Identify and evaluate most suitable sales channels to reach relevant target group and geographies

Source: Business Sweden Analysis

Europe offers the broadest export potential, but specific markets can offer niche opportunities which require segment specific focus (2/2)

BREAD	**Denmark** and **Germany** stand out as prioritized markets. Swedish brands already have a strong foothold in Denmark and trends suggest further expansion potential. Frozen baked goods and healthy products like rye bread and crispbread are gaining popularity in Germany.
DRINKS	**Denmark** and **Norway** show most export potential in this segment. Competitive pricing as well as embracing the health and wellness trend are key factors in Denmark. Norway is witnessing a rising trend in innovation for healthy drinks with sustainability in mind.
POULTRY	**South Korea** has been identified as an attractive market due to increasing demand for imported chicken in the coming years. Swedish export focuses primarily on bi-products such as chicken feet and wings, which are not consumed in Europe, but in high demand in Asia.
READY-MADE MEALS	**Denmark** and **Ireland** are the most promising markets. Affordability is crucial for ready-made meals in Denmark where consumers often favour local brands. In the Irish market, transparency and environmental impact are important factors to consider
MEAT	**Denmark** and **France** are the markets with the highest scores in this segment. Meat consumption is still prominent in Denmark although more consumers seek plant-based options. France values animal welfare and sustainability when consuming meat products.
GRAIN	**Germany** and **the Netherlands** are the most relevant markets for the segment. While the demand is rising for local, organic and sustainable products in the Netherlands, healthier and personalised grain products are gaining popularity in Germany.
DAIRY	The market ranking highlights **Denmark** and **the Netherlands**. The Dutch market is competitive and diverse but offers opportunities for sustainable and niche products. Danish preferences also align with the Swedish value offering despite growing cost concerns.
CONDIMENTS & SEASONING	**Norway** and the **Netherlands** are the best performing markets. Dutch consumers are willing to try new products & flavours, especially with natural ingredients. Taco Friday and barbeque popular in Norway and foreign cuisines is gaining traction with consumers.
LIQUOR	Export potential for liquor is highest in **the Netherlands** and **Australia**. The Netherlands enjoy cocktails and premium spirits with strong brands dominating the market. Australia is a whiskey nation preferring premium spirits with a booming local spirit scene.
SWEETS	**Denmark** and **Norway** come out on top of the list within the sweets segment. Affordability and innovation are key in the increasingly health-conscious Denmark. Offering niche products is especially important as the health trend poses challenges for the sweets market in Norway.
BEER, CIDER, WINE	**Denmark** and **Norway** show the greatest export potential. A growing preference for quality over quantity benefits Swedish value offering in Denmark. Increasing consumer demand for novelty offers opportunities in a competitive Norwegian market.

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BUSINESS SWEDEN

THE SWEDISH TRADE & INVEST COUNCIL

Denmark and Germany stand out as prioritised markets in the bread segment

QUANTITATIVE RESULT

Out of the 49 markets, Ireland, together with Benelux, Nordic and DACH markets perform best in the quantitative analysis

- Ireland and Belgium score highest
- USA and China have highest consumption
- Asian markets have low potential

Focus markets

1. Ireland (IRL)
2. Belgium (BEL)
3. Netherlands (NLD)
4. Austria (AUT)
5. Denmark (DNK)
6. Finland (FIN)
7. Switzerland (CHE)
8. Germany (DEU)

49 markets ► 8 focus markets per segment

QUALITATIVE ASSESSMENT

The 8 markets were compared against each other on 4 factors, Denmark and Germany most suitable for bread exports. Best in class:

★★☆ – The Netherlands and Denmark

– Finland and Switzerland

– Denmark and Finland

– Germany

	IRL	BEL	NLD	AUT	DNK	FIN	CHE	DEU
★★☆	3	4	1	3	1	6	3	3
	2,97	4,20	2,20	5,88	4,38	8,32	8,63	3,59
	7	3	6	8	1	2	5	4
	0	1	2	0	3	3	1	7

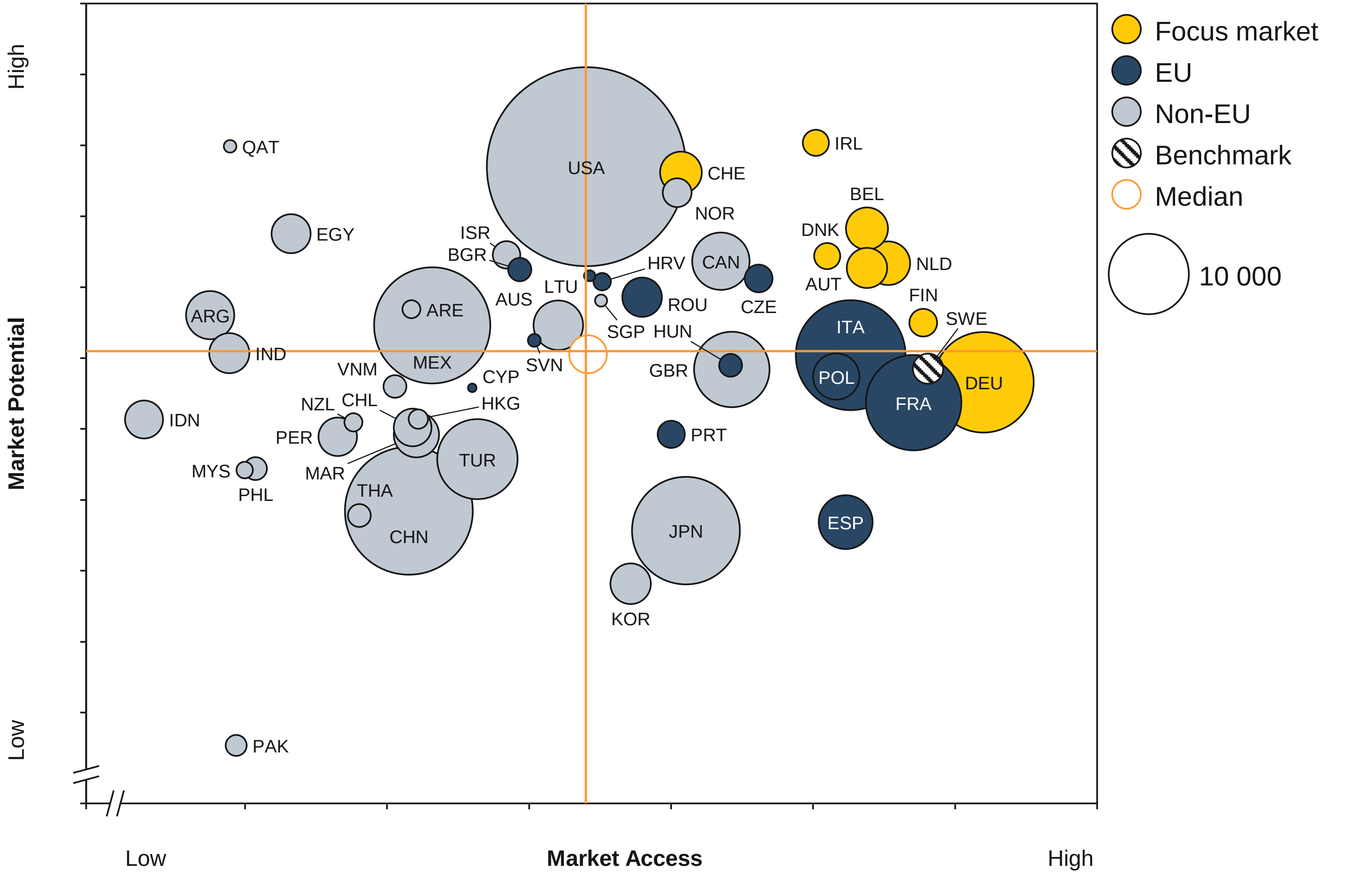
8 focus markets ►1-2 priority markets per segment

PRIORITY MARKETS

- Swedish brands already have a strong foothold in Denmark, and trends suggest further expansion potential
- Frozen baked goods and healthy products like rye bread and crispbread are gaining popularity in Germany

Ireland and Belgium stand out with high consumption and imports

Market Potential vs. Market Access, Market Consumption Size
Score low-high, USD million



Source: Business Sweden Analysis

Focus markets

1. Ireland (IRL)
2. Belgium (BEL)
3. Netherlands (NLD)
4. Austria (AUT)
5. Denmark (DNK)
6. Finland (FIN)
7. Switzerland (CHE)
8. Germany (DEU)

Observations

- Ireland and Belgium stand out as key markets of interest, with both demonstrating easy market access due to EU membership and potential through high levels of consumption and imports
- Bread consumption in the USA, China and Mexico is high but import tariffs and limited trade agreements complicate market access
- Italy, Germany and France are large bread markets, but with slow consumption and import growth rates
- Americas and Middle East present large market potential with fast-growing bread consumption but encounters barriers to access the market
- Asian countries have both limited potential and access, except for Japan and Korea who benefit from trade agreements

Denmark values high quality and Germany is a target market for many Swedish companies

Qualitative assessment of top prioritised markets from quantitative analysis

Best in class | Medium performer | Low performer | Worst in class

Level of attractiveness across metrics

Area	Ireland	Belgium	Netherlands	Austria	Denmark	Finland	Switzerland	Germany
Quality[1] (Rank)	3	4	1	3	1	6	3	3
Price[2] (USD/kg)	2,97	4,20	2,20	5,88	4,38	8,32	8,63	3,59
Export growth (Rank)	7	3	6	8	1	2	5	4
Target market[3] (# responses)	0	1	2	0	3	3	1	7

[1]Rank of "high quality" as a criteria when purchasing food, e.g. 1 = high quality is the most important criteria, Swedes rank "High quality" as 3rd most important; [2]Average price in Sweden: 3,83 USD/kg; [3]Number of Swedish companies who responded that this market is a future market in the coming year, other markets mentioned: UK, Japan & US **Source:** Business Sweden Analysis

Swedish brands already have a strong foothold in Denmark, and trends suggest further expansion potential

Market trends

- Healthy and eco-friendly products are gaining in popularity, and many Danish consumers are willing to pay a premium for such products even though consumers are on the lookout for cost-effective options
- Bread with functional ingredients, such as vegetables, legumes, grains or seeds, and health claims, such as high fibre/protein, gluten free, organic, or vegan, are gaining popularity; numerous brands, including private label, are increasing their product offering of such products
- Frozen baked goods are continuously popular with Danish consumers due to convenience and sales volumes remain steady despite recent price increases
- Danish consumers are increasingly opting for locally or Nordic produced products, not only to support local businesses but also because such products are seen as more fresh, sustainable, and traceable
- The Danish market is mostly dominated by Danish or Swedish brands, Lantmännen is the largest baked goods company (over 10% market share) and Pågen is the 5th largest (1,7% market share) in 2023

Potential challenges

- Danish consumers are opting more often for private labels due to price-levels, and the private labels are introducing new products in line with health and wellness trends in the country, possibly reducing the premium Danes are willing to pay for such products today

Swedish value-offer match

- High quality is an important factor in purchase decisions
- Increasing demand for to locally sourced and sustainable baked goods
- Traceable products are gaining in popularity
- Not applicable

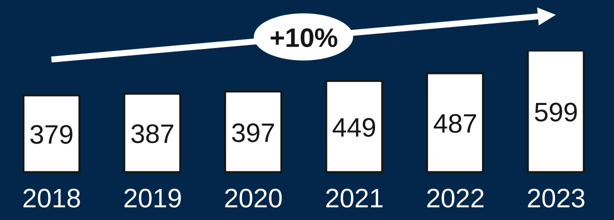
Price level

- Higher consumer price level for bread than in Sweden

Aligned with Swedish value offer
Not aligned with Swedish value offer
Not applicable

Note: Grocery sales channel not segment specific.
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

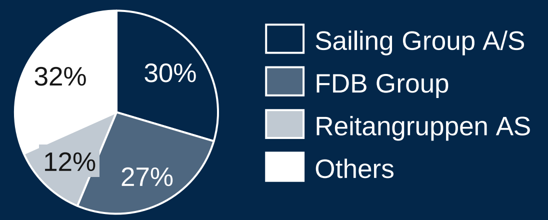
Import
USD million, %, 2018-2023



Consumption
USD million

	2021	2022	2023	Share
Bread	1068	1066	1169	67 %
Cakes	235	235	258	15 %
Dessert Mixes	16	15	15	1 %
Frozen Baked Goods	100	104	118	7 %
Pastries	159	163	181	10 %
Dessert Pies & Tarts	4	4	4	0 %

Grocery retailer market share
%, 2023



Share of private label
%, 2023

Baked goods

Frozen baked goods and healthy products like rye bread and crispbread are gaining popularity in Germany

Market trends

- Consumer prices for baked goods have increased due to higher production costs caused by rising ingredient and energy prices; affecting consumer purchasing decisions and highlighting the need to reduce production costs to stay competitive
- In-store bakeries at supermarkets and discounters have continued to gain popularity, a compromise between traditional independent bakeries and packaged bread
- Demand for healthy groceries expected to grow and benefit products such as rye bread, crispbread and chia bread as health- and diet-related topics gain importance
- Growth of frozen baked goods in coming years driven by changing consumer factors such as convenience, and higher demand for high-quality ready-to-eat products
- Germany is the country where a Swedish flag on the package holds the highest regard in comparison to other countries

Potential challenges

- The German market sells over 3 000 bread varieties across the country each day, with varying local traditions and taste preferences, making it challenging to encapsulate the market with a small product mix

Swedish value-offer match

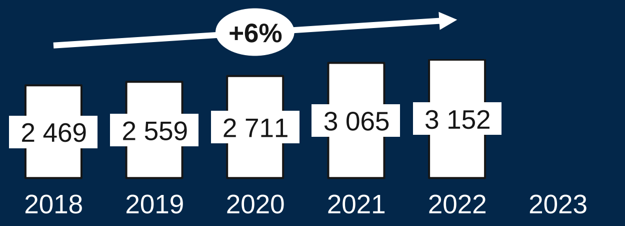
- High quality on par with Sweden
- Shift towards healthier options and ingredients, e.g. rye, crispbread and chia
- Food safety not mentioned as a significant factor
- *Not applicable*

Price level

- Slightly lower consumer price level for bread than in Sweden

- Aligned with Swedish value offer
- Not aligned with Swedish value offer
- Not applicable

Import
USD million, %, 2018-2023



Consumption
USD million

	2021	2022	2023	Share
Bread	12 300	11 865	14 014	64%
Cakes	4 123	3 873	4 354	20%
Dessert Mixes	253	222	239	1%
Frozen Baked Goods	636	606	710	3%
Pastries	1 425	1 329	1 556	7%
Dessert Pies & Tarts	921	872	1 035	5%

Grocery retailer market share
%, 2023

Share of private label
%, 2023

Baked goods 21,8%

Note: Grocery sales channel not segment specific.
Source: Euromonitor, Statista, Svensk livsmedelsexport – Nulägesbeskrivning och näringens förslag på åtgärder 2024, UN Comtrade, German National Tourist Board

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Denmark and Norway show most potential in the drinks segment

QUANTITATIVE RESULT

Out of the 49 markets, Ireland, DACH markets, Benelux and the Nordics together perform best in the quantitative analysis

- Ireland and Austria score highest
- USA and China have highest consumption
- Asian markets have low potential

Focus markets

1. Ireland (IRL)
2. Austria (AUT)
3. Finland (FIN)
4. Netherlands (NLD)
5. Belgium (BEL)
6. Germany (DEU)
7. Denmark (DNK)
8. Norway (NOR)

49 markets ▶ 8 focus markets per segment

QUALITATIVE ASSESSMENT

The 8 markets were compared against each other on 4 factors, Denmark and Norway most suitable for drink exports. Best in class:

- ★★☆ – The Netherlands and Denmark
- – Denmark and Norway
- – Norway
- – The Netherlands and Germany

★★☆	3	3	6	1	4	3	1	2
	1,57	1,61	2,57	2,16	1,50	1,07	2,70	2,90
	4	7	2	6	7	2	4	1
	0	2	1	5	3	5	1	0

8 focus markets ▶1-2 priority markets per segment

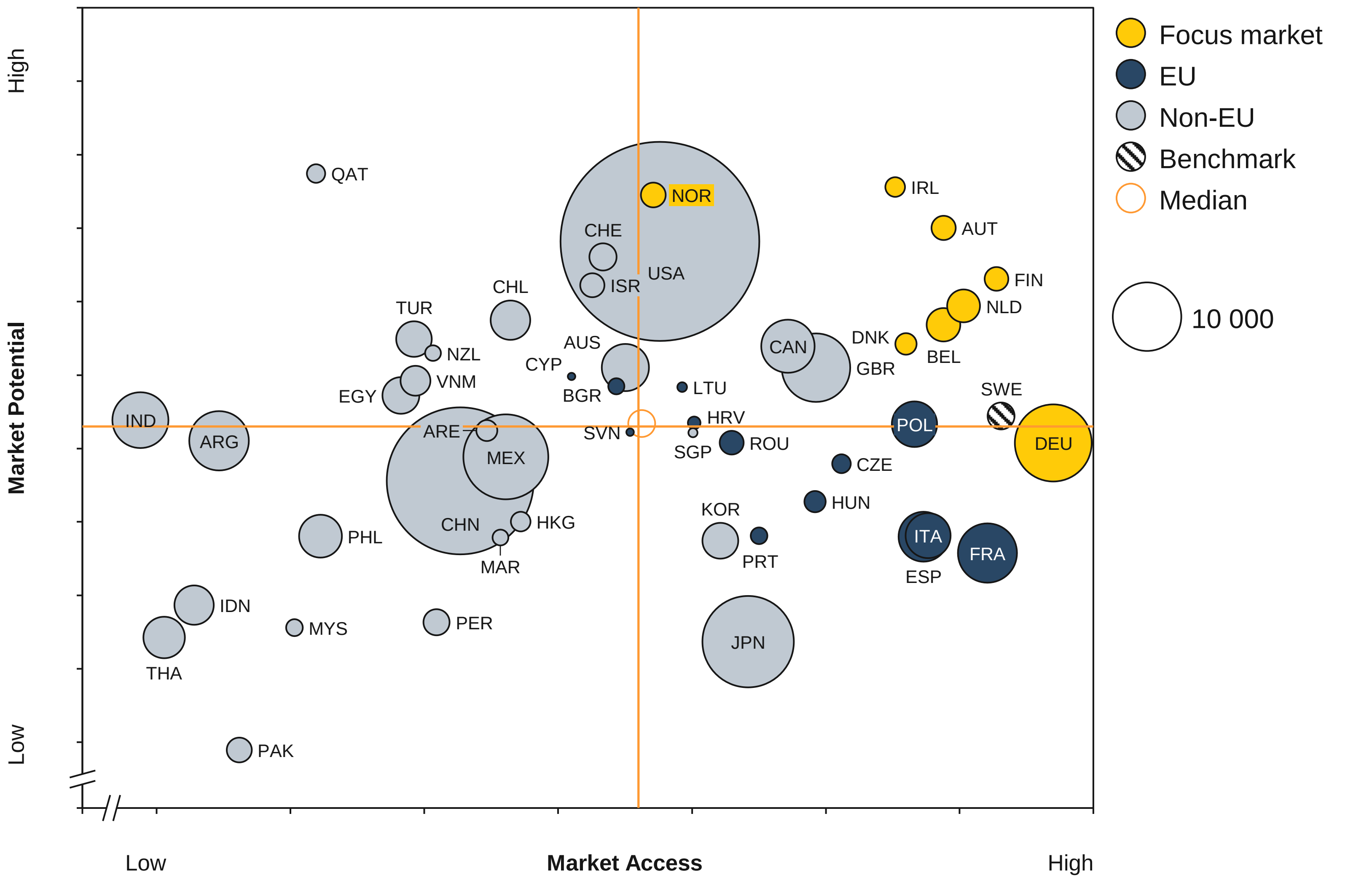
PRIORITY MARKETS

Competitive pricing as well as embracing the health and wellness trend are key factors for drinks in Denmark

The Norwegian market is witnessing a rising trend in innovation for healthy drinks with sustainability in mind

High GDP and consumption per capita puts Ireland and Austria ahead of other EU markets

Market Potential vs. Market Access, Market Consumption Size
Score low-high, USD million



Source: Business Sweden Analysis

Focus markets

1 Ireland (IRL)
2 Austria (AUT)
3 Finland (FIN)
4 Netherlands (NLD)
5 Belgium (BEL)
6 Germany (DEU)
7 Denmark (DNK)
8 Norway (NOR)

Observations

- Western EU are of top priority due to high per capita rates of GDP and consumption
- All EU countries perform well in terms of accessibility, yet larger economies and select Eastern European countries lag in market potential due to moderate consumption and import rates and lower GDP rates
- North American countries follow Europe in ranking with Canada and USA having a sizeable consumption that has grown in recent years
- China and other Asian nations, despite large economies, lack priority in both accessibility and market potential due to low per capita rates of import and consumption

Norway and Denmark rank overall high through notably higher price levels and quality

Qualitative assessment of top prioritised markets from quantitative analysis

Best in class | Medium performer | Low performer | Worst in class

Level of attractiveness across metrics

Area	Ireland	Austria	Finland	Netherlands	Belgium	Germany	Denmark	Norway
Quality[1] (Rank)	3	3	6	1	4	3	1	2
Price[2] (USD/liter)	1,57	1,61	2,57	2,16	1,50	1,07	2,70	2,90
Export growth (Rank)	4	7	2	6	7	2	4	1
Target market[3] (# responses)	0	2	1	5	3	5	1	0

[1]Rank of "high quality" as a criteria when purchasing food, e.g. 1 = high quality is the most important criteria, Swedes rank "High quality" as 3rd most important; [2]Average price in Sweden: 2,67 USD/liter; [3]Number of Swedish companies who responded that this market is a future market in the coming year, other markets mentioned: Switzerland, Poland, US, Japan, Singapore, Spain, UK, & UAE **Source:** Business Sweden Analysis

Competitive pricing as well as embracing the health and wellness trend are key factors for drinks in Denmark

Market trends

- The health and wellness trend is highly prominent in the market, with energy drinks, sports drinks, tea, and coffee being the best performing categories due to their reduced sugar content and perceived health benefits by consumers
- Flavoured and functional bottled water, reduced sugar carbonates, and 100% juice also experienced strong sales due to consumer emphasis on reducing sugar intake.
- Consumers are anticipated to gravitate towards lower priced segments, resulting in the expansion of private label products, as global brands leverage their strong brand awareness while private label offerings gain traction due to their affordability
- While flavoured and functional bottled water is projected to drive growth, the sustainability trend may impact demand as environmentally conscious consumers resist unnecessary purchases and single-use plastic packaging

Swedish value-offer match

- ★★☆ Functional drinks and health is prioritised
- Focus on low price rather than sustainability
- Similar conditions on both markets
- *Not applicable*

Potential challenges

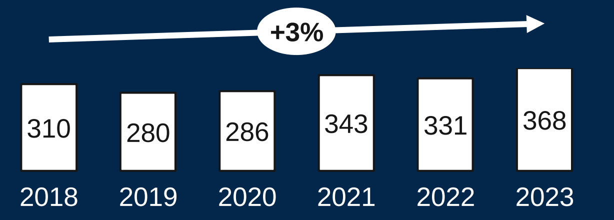
- Private label products often offer lower prices, and consumers in Denmark are generally price-conscious. Swedish companies need to find ways to differentiate their products and communicate their unique value proposition
- Innovating in the health trend by offering functional drinks that cater to specific health needs or provide added benefits

Price level

- Higher price than in Sweden

Aligned with Swedish value offer
Not aligned with Swedish value offer
Not applicable

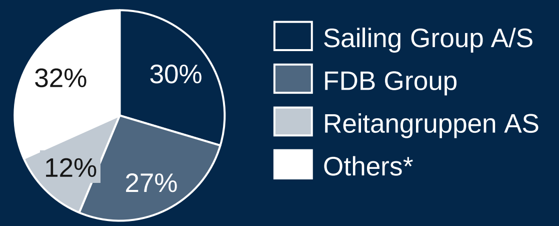
Import
USD million, %, 2018-2023



Consumption
USD million

	2021	2022	2023	%
Carbonates	778	740	790	47%
Juice	358	337	356	21%
Energy Drinks	254	240	263	16%
Bottled Water	235	226	254	15%
Sports Drinks	3	3	11	1%

Grocery retailer market share
%, 2023



Share of private label
%, 2023

Drinks 16,8%

Note: Grocery sales channel not segment specific * Others include ~35 companies with 5.8% market share or less
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

The Norwegian market is witnessing a rising trend in innovation for healthy drinks with sustainability in mind

Market trends

- The rise of healthy and active on-the-go lifestyles have boosted sales of sports drinks, energy drinks, and bottled water after the covid pandemic
- The soft drinks industry is prioritising new product development and innovation towards health-conscious and sugar-free options, driven by increasing consumer demand for reduced sugar alternatives across all categories within the segment
- Consumers' growing focus on health has led to increasing selectivity in their product choices, negatively impacting sales of regular carbonates and juice while creating opportunities for healthier alternatives in energy drinks and expected growth in flavoured and functional bottled water
- Sustainability will play a key role in driving new product development in the soft drinks industry, with a particular focus on packaging as companies aim to meet EU targets for reducing plastic waste and increasing the use of recycled materials

Swedish value-offer match

- Functional drinks and health is growing
- Reducing plastic and focus on sustainability
- Similar conditions on both markets
- *Not applicable*

Potential challenges

- Aligning packaging with sustainability goals and meeting the high expectations of eco-conscious Norwegian consumers could be a challenge for Swedish companies
- Innovating in the health trend by developing functional drinks that cater to specific health needs or provide added benefits, creating unique and appealing product offerings that stand out in the competitive market

Price level

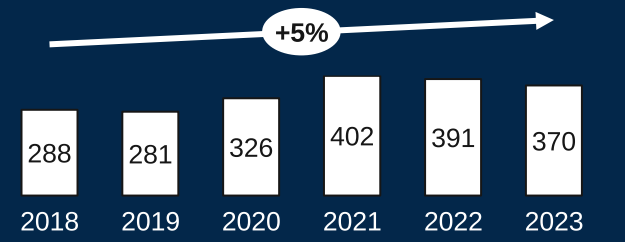
- Higher price than in Sweden

Aligned with Swedish value offer

Not aligned with Swedish value offer

Not applicable

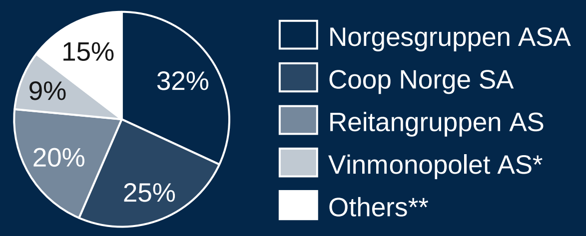
Import
USD million, %, 2018-2023



Consumption
USD million

	2021	2022	2023	Share
Carbonates	1 274	1 047	974	49%
Energy Drinks	455	444	453	23%
Juice	366	321	304	15%
Bottled Water	291	272	262	13%
Sports Drinks	18	16	16	1%

Grocery retailer market share
%, 2023



Share of private label
%, 2023

Drinks 17,2%

Note: Grocery sales channel not segment specific. *Vinmonopolet is the monopoly for the distribution of wine and spirits in Norway (alcohol over 4,75%)
**Others include ~15 companies with 7% market share or less
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

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THE SWEDISH TRADE & INVEST COUNCIL

South Korea is an attractive market for poultry bi-products such as chicken feet and wings

QUANTITATIVE RESULT

Out of the 49 markets, Ireland, DACH markets, Benelux and the Nordics together perform best in the quantitative analysis

- Ireland and Austria score highest
- USA and China have highest consumption
- Asian markets have low potential

QUALITATIVE ASSESSMENT

The poultry segment methodology was revised based on expert insights.

- High domestic production costs and low consumer price levels make Swedish poultry exports to Europe impracticable
- Export focus lies on bi-products like chicken feet and wings, in high demand in Asia

PRIORITY MARKETS

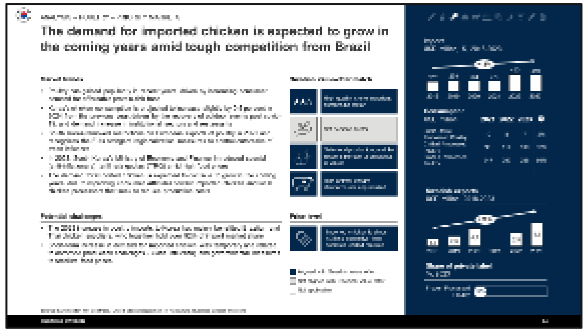
The South Korean demand for imported chicken is expected to grow in the coming years amid tough competition from Brazil

Old focus markets

1. Netherlands (NLD)
2. Ireland (IRL)
3. Germany (DEU)
4. Belgium (BEL)
5. Czechia (CZE)
6. United Kingdom (GBR)
7. France (FRA)
8. Denmark (DNK)

Focus markets

1. Republic of Korea (KOR)
2. Hong Kong (HKG)

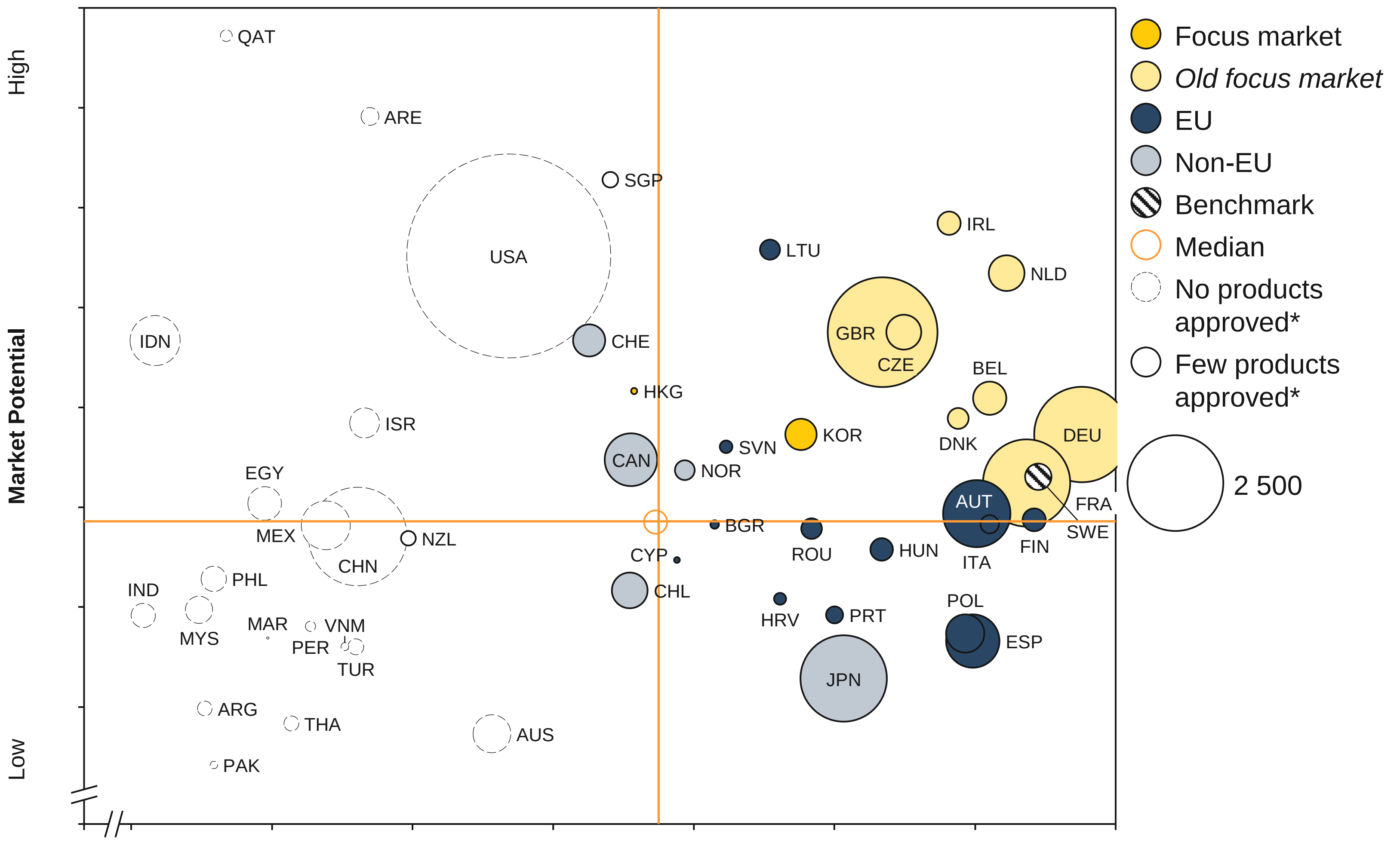


49 markets ► 8 focus markets per segment

2 focus markets ►1 priority market per segment

South Korea attractive market for bi-products such as chicken feet and wings not consumed in Europe

Market Potential vs. Market Access, Market Consumption Size
Score low-high, USD million



*Product categories approved for export from Sweden to market
Source: Business Sweden Analysis, Business Sweden Interviews

Old focus markets

1. Netherlands (NLD)
2. Ireland (IRL)
3. Germany (DEU)
4. Belgium (BEL)
5. Czechia (CZE)
6. United Kingdom (GBR)
7. France (FRA)
8. Denmark (DNK)

Observations

- Export of Swedish poultry to European markets is impracticable due to comparably high domestic production costs and low consumer price-levels
- Swedish export focus is primarily on bi-products such as chicken feet and wings, which are not consumed in Europe but in high demand in Asia
- High animal welfare standards and safe food production, including the responsible use of antibiotics are valued qualities of Swedish poultry products in this region
- Current import restrictions limit market entry to for instance China

Focus markets

1. Republic of Korea (KOR)
2. Hong Kong (HKG)

The South Korean demand for imported chicken is expected to grow in amid tough competition from Brazil

Market trends

- Poultry has gained popularity in recent years, driven by increasing consumer demand for affordable protein-rich food
- Chicken consumption is expected to increase slightly in 2024, especially in restaurants as people are back to living their social lives post-pandemic
- South Korea removed restrictions on European exports of poultry in 2022 and recognises the EU's stringent regionalization measures to control outbreaks of avian influenza
- Due to a recent chicken shortfall caused by the avian influenza, the South Korean authorities introduced a temporary special (anti-inflationary) tariff rate quotas (TRQ) with zero duty to balance supply and demand, which led to a peak in chicken imports*
- Imports of chicken are expected to rise in the coming years as consumers develop a more positive attitude towards it, and because imported chicken is more affordable than domestic option

Potential challenges

- The 2023 increase in poultry imports to South Korea has mainly benefited Brazilian and Thai chicken suppliers, who jointly hold over 92% of import market share
- Short-term increase in demand for imported chicken was temporary and related to domestic production challenges (avian influenza) and governmental measures to stabilize food prices

Swedish value-offer match

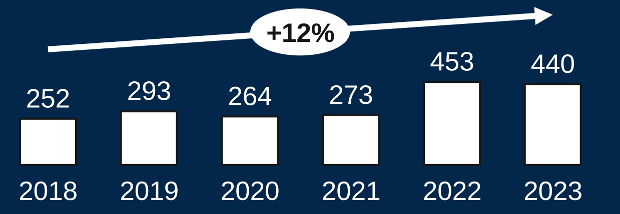
- ★★☆ High quality is one important purchasing factor
- Not decisive factor
- Safe food production, and the responsible use of antibiotics is valued
- High animal welfare standards are appreciated

Price level

- Imported chicken is almost 1/3 less expensive than domestic chilled chicken

Aligned with Swedish value offer
Not aligned with Swedish value offer
Not applicable

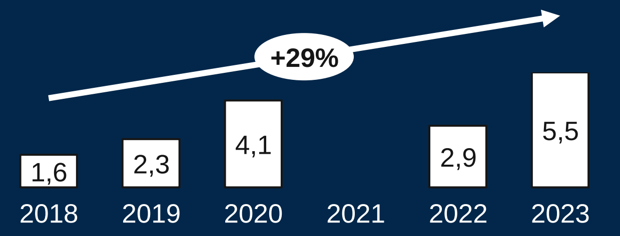
Import
USD million, %, 2018-2023



Consumption
USD million

USD million	2021	2022	2023	Share
Shelf Stable Processed Poultry	10	8	7	2%
Chilled Processed Poultry	93	114	138	32%
Frozen Processed Poultry	247	252	285	66%

Swedish exports
USD million, 2018-2023



Share of private label
%, 2023

Frozen Processed Poultry 12%

*The TRQ was effective from second half of 2022 to December in 2023. The TRQ was revised and extended into 2024
Source: Euromonitor, UN Comtrade, United States Department of Agriculture, Business Sweden Interviews

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BUSINESS SWEDEN
THE SWEDISH TRADE & INVEST COUNCIL

Denmark and Ireland are the most promising markets for ready-made meals

QUANTITATIVE RESULT

Out of the 49 markets, Canada and Western European countries perform best in the quantitative analysis

- Canada and The Netherlands score highest
- USA and Japan have highest consumption
- Asian markets have low potential

QUALITATIVE ASSESSMENT

The 8 markets were compared against each other on 4 factors, Denmark and Ireland most suitable for ready-made meals exports. Best in class:

- ★★☆ – The Netherlands and Denmark
- – Finland and Denmark
- – Finland and Denmark
- – Denmark

PRIORITY MARKETS

- Affordability is crucial for Swedish companies in Denmark as they navigate the health trend-influenced market
- Transparency and environmental impact are important factors to consider in the Irish market for ready meals

Focus markets

1. Canada (CAN)
2. Netherlands (NLD)
3. Finland (FIN)
4. Belgium (BEL)
5. Germany (DEU)
6. Ireland (IRL)
7. Austria (AUT)
8. Denmark (DNK)

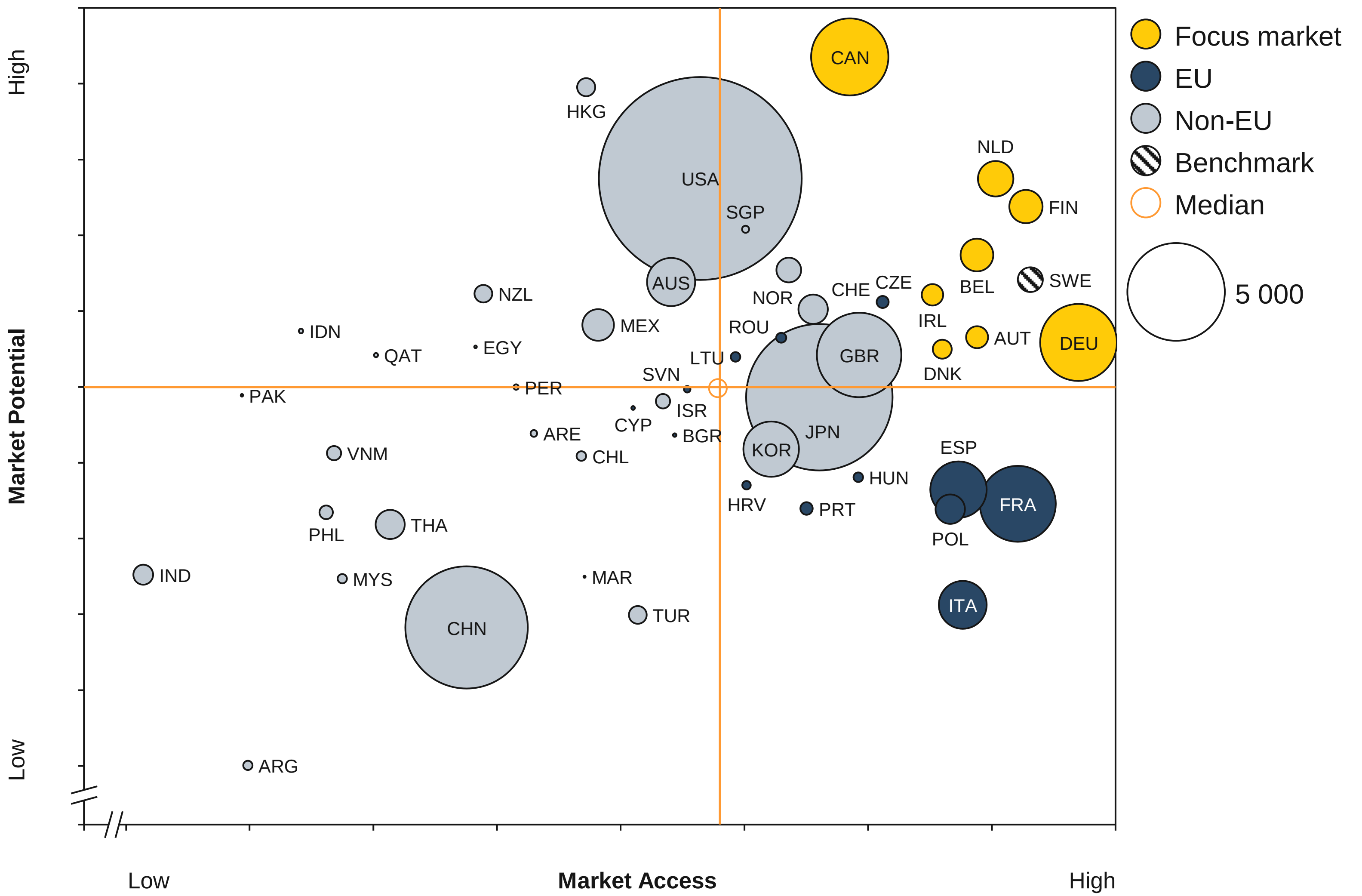
	CAN	NLD	FIN	BEL	DEU	IRL	AUT	DNK
★★☆	4	1	6	4	3	3	3	1
	9,5	7,3	10,4	7,3	6,6	8,1	4,9	10,3
	7	5	2	6	3	4	7	1
	0	2	1	0	2	2	0	4

49 markets ► 8 focus markets per segment

8 focus markets ►1-2 priority markets per segment

Canada's high market potential is driven by large imports and consumption per capita

Market Potential vs. Market Access, Market Consumption Size
Score low-high, USD million



Source: Business Sweden Analysis

Focus markets

1 Canada (CAN)
2 Netherlands (NLD)
3 Finland (FIN)
4 Belgium (BEL)
5 Germany (DEU)
6 Ireland (IRL)
7 Austria (AUT)
8 Denmark (DNK)

Observations

- Canada leads with high per capita scores in consumption and imports, with the Netherlands close behind
- The Nordics show strong potential with Finland having significantly high consumption per capita rates, yet limited import growth rates
- Major European countries lag with for instance France having negative consumption and import trend
- Japan is a large consumer both in absolute and per capita terms, yet limited import per capita and market access
- Asia and Australasia have high market potential but face access challenges
- Middle East show moderate consumption and growth rates per capita, yet limited import rates

Denmark outperforms the other markets across all metrics followed by Ireland

Best in class | Medium performer | Low performer | Worst in class

Qualitative assessment of top prioritised markets from quantitative analysis

Level of attractiveness across metrics

Area	Canada	Netherlands	Finland	Belgium	Germany	Ireland	Austria	Denmark
Quality[1] (Rank)	4	1	6	4	3	3	3	1
Price[2] (USD/kg)	9,47	7,33	10,43	7,26	6,61	8,10	4,89	10,26
Export growth (Rank)	7	5	2	6	3	4	7	1
Target market[3] (# responses)	0	2	1	0	2	2	0	4

[1]Rank of "high quality" as a criteria when purchasing food, e.g. 1 = high quality is the most important criteria, Swedes rank "High quality" as 3rd most important; [2]Average price in Sweden: 10,81 USD/kg; [3]Number of Swedish companies who responded that this market is a future market in the coming year, other markets mentioned: US, Hong Kong, Norway, UK, & UAE **Source:** Business Sweden Analysis

Affordability is crucial for Swedish companies in Denmark as they navigate the health trend-influenced market

Market trends

- Variety and aspects like fresh ingredients are key factors when promoting ready meal products
- The health and wellness trend in Denmark is strong and private label options have become popular, providing more affordable alternatives
- Frozen soups has become popular as they are convenient, quick to prepare, and nutritious, with introduction of new organic-based soups targeting health-conscious consumers
- High inflation drives price consciousness however Danish consumers still choose vegan and vegetarian options driven by health and sustainability concerns
- Prepared salads are gaining popularity due to their convenience, health benefits, and use of climate-friendly or local ingredients
- Danish consumers prioritise local production for environmental reasons, support for local farms, and trust in the quality and nutritional profile

Swedish value-offer match

- ★★☆ Emphasis on freshness and variety
- Favouring climate friendly options, organic products
- Similar conditions on both markets
- *Not applicable*

Potential challenges

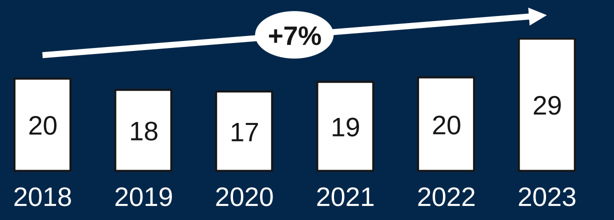
- The popularity of private label options in Denmark and Danish consumers' price sensitivity can pose a challenge for Swedish products since they are considered more expensive
- Consumers prioritise local brands which may pose challenges for Swedish to build trust and establish credibility

Price level

Lower price than in Sweden

Aligned with Swedish value offer
Not aligned with Swedish value offer
Not applicable

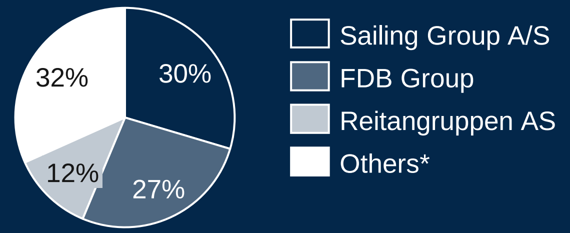
Import
USD million, %, 2018-2023



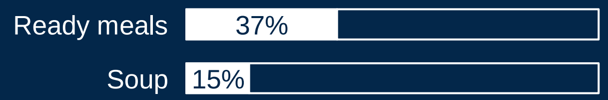
Consumption
USD million

USD million	2021	2022	2023	Share
Ready Meals	244	236	260	78%
Soup	66	64	72	22%

Grocery retailer market share
%, 2023



Share of private label
%, 2023



Note: Grocery sales channel not segment specific * Others include ~35 companies with 5.8% market share or less
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

Transparency and environmental impact are important factors to consider in the Irish market for ready meals

Market trends

- Health and convenience are major trends on the Irish market as consumers seek quick, balanced meals to fit their busy lifestyles and dietary needs
- Transparency and consumer education is common in the ready meals segment, where products offer both nutrition and education through packaging, explaining the macronutrients and their role in the body
- Ultra-processed ready meals remain decrease in popularity due to their environmental footprint, where consumers are increasingly opting for choices with smaller environmental impacts, such as plant-based meals, and are actively seeking ways to reduce food waste
- Vending machines for frozen ready meals are a growing trend in the Irish market, catering to the demand for convenient meals and the rise of remote or flexible working patterns
- Established brands are gaining influence in the Irish ready meals and soup market due to consumer trust, consistent quality, and innovation in meeting evolving demands

Potential challenges

- Meeting consumer demand for transparency by ensuring accurate and easily accessible information about nutrients on product labels can be challenging, as businesses need to effectively provide this information on packaging, websites, and other communication channels
- Companies will need to differentiate themselves and find a unique selling point to compete with local established brands as well as gaining consumer trust

Swedish value-offer match

- Innovation and quality
- Reduce food waste and environmental footprint
- Transparency and information on nutrients
- *Not applicable*

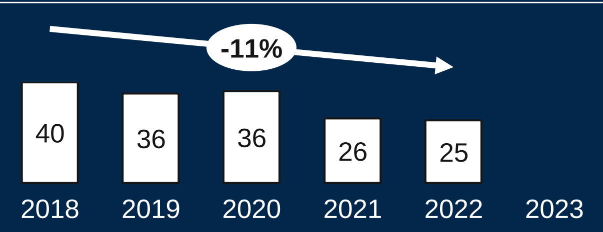
Price level

- Lower price than in Sweden

Aligned with Swedish value offer
Not aligned with Swedish value offer
Not applicable

Note: Grocery sales channel not segment specific * Others include ~22 companies with 5.8% market share or less
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

Import
USD million, %, 2018-2023

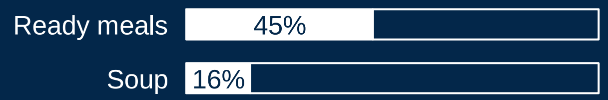


Consumption
USD million

	2021	2022	2023	%
Ready Meals	236	232	267	69%
Soup	111	107	122	31%

Grocery retailer market share
%, 2023

Share of private label
%, 2023



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THE SWEDISH TRADE & INVEST COUNCIL

Denmark and France are the markets with highest scores in the meat segment

QUANTITATIVE RESULT

Out of the 49 markets, Western European countries perform best in the quantitative analysis

- The Netherlands and Ireland score highest
- USA and China have highest consumption
- Asian and American markets have low potential due to trade barriers

Focus markets

1. Netherlands (NLD)
2. Ireland (IRL)
3. Denmark (DNK)
4. Italy (ITA)
5. Czechia (CZE)
6. France (FRA)
7. Austria (AUT)
8. Belgium (BEL)

49 markets ► 8 focus markets per segment

QUALITATIVE ASSESSMENT

The 8 markets were compared against each other on 4 factors, Denmark and France most suitable for meat exports. Best in class:

- ★★☆ – The Netherlands and Denmark
- – France and Austria
- – Denmark and Belgium
- – Denmark

★★☆	1	3	1	3	5	7	3	4
	12,6	10,1	14,1	12,2	8,7	15,8	14,9	13,5
	6	5	1	3	7	4	7	2
	1	0	5	1	0	2	1	0

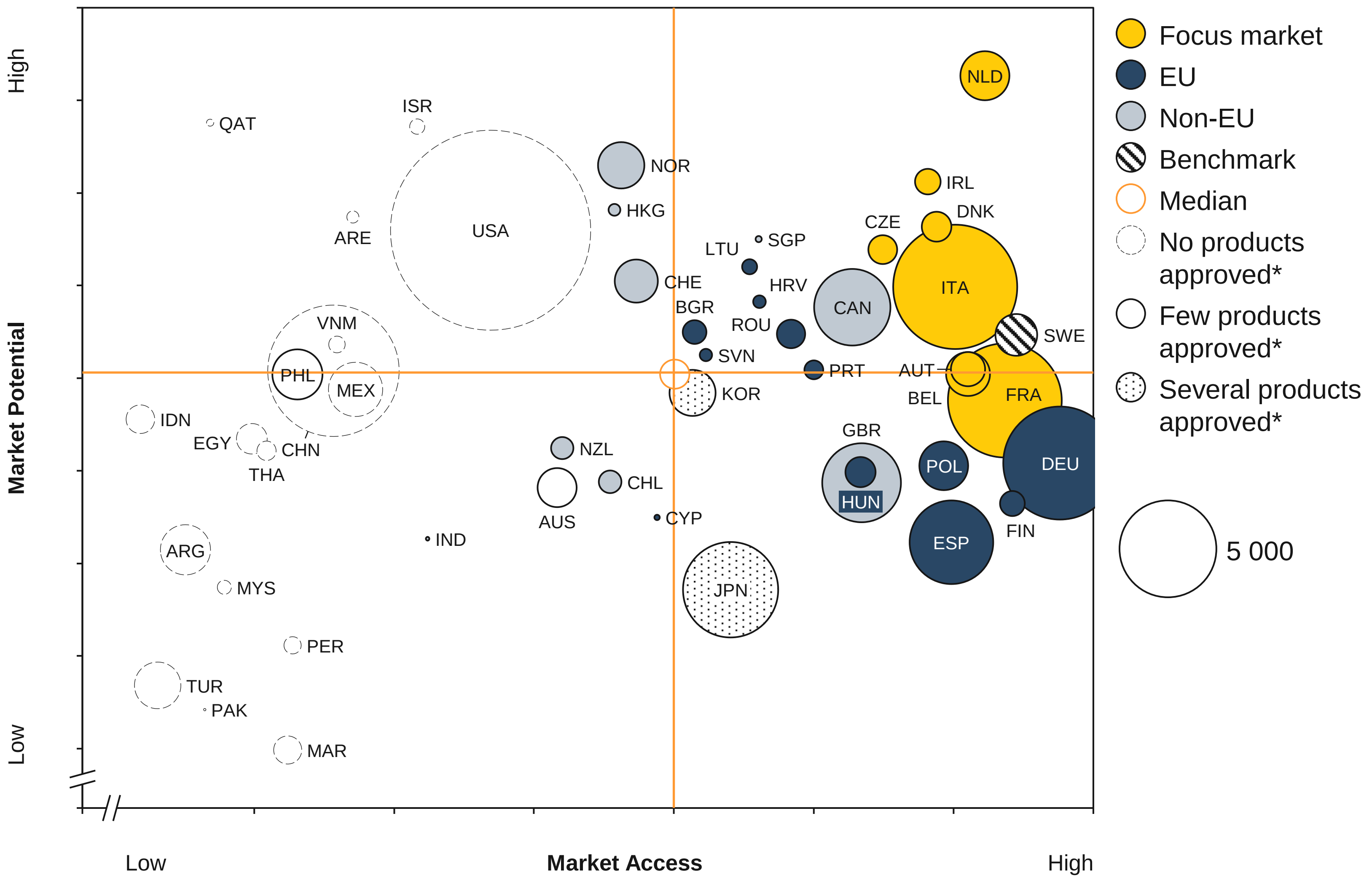
8 focus markets ►1-2 priority markets per segment

PRIORITY MARKETS

- Meat consumption is prominent in Denmark although more consumers seek innovative plant-based options
- France values animal welfare and sustainability when consuming meat, with more switching to plant-based

Meat shows greatest potential in Western EU nations

Market Potential vs. Market Access, Market Consumption Size
Score low-high, USD million



*Product categories approved for export from Sweden to market
Source: Business Sweden Analysis

Focus markets

1. Netherlands (NLD)
2. Ireland (IRL)
3. Denmark (DNK)
4. Italy (ITA)
5. Czechia (CZE)
6. France (FRA)
7. Austria (AUT)
8. Belgium (BEL)

Observations

- Strong performance from EU countries, with Western Europe standing out due to high consumption rates albeit limited growth in consumption and import
- The Netherlands stands out with notably higher scores in potential, especially in import per capita, and access compared to other countries, yet relatively small market consumption
- Continental Europe has high consumption rates in absolute terms
- Meat exports to large economies like USA, China and Japan, and Middle Eastern countries are either restricted or disapproved
- Meat products are approved in Canada, Hong Kong and Singapore, with the two latter scoring significantly high in import per capita

Denmark shows potential due to high quality preferences and strong growth in imports from Sweden, while France's potential is driven by high meat prices

Qualitative assessment of top prioritised markets from quantitative analysis

Best in class · Medium performer · Low performer · Worst in class

Level of attractiveness across metrics

Area	Netherlands	Ireland	Denmark	Italy	Czechia	France	Austria	Belgium
Quality[1] (Rank)	1	3	1	3	5	7	3	4
Price[2] (USD/kg)	12,59	10,14	14,12	12,19	8,70	15,80	14,90	13,54
Export growth (Rank)	6	5	1	3	7	4	7	2
Target market[3] (# responses)	1	0	5	1	0	2	1	0

[1]Rank of "high quality" as a criteria when purchasing food, e.g. 1 = high quality is the most important criteria, Swedes rank "High quality" as 3rd most important; [2]Average price in Sweden 14,66 USD/kg; [3]Number of Swedish companies who responded that this market is a future market in the coming year, other markets mentioned: Poland, Indonesia, Lithuania, Finland & Norway **Source:** Business Sweden Analysis

Meat consumption is prominent in Denmark although more consumers seek innovative plant-based options

Market trends

- Pork and beef are the most popular meat options on Danish plates, ahead of poultry and fish
- There is a prominent plant-based trend, yet traditional meat consumption is expected to remain important
- Hybrid products are gaining momentum i.e. producers seek to offer new products that replace some of the meat content with vegetables
- For Danish consumers, product innovation is appreciated, and especially new flavours are expected to be a key feature in the future
- Chilled processed meat has a significantly higher sales share compared to shelf stable and frozen processed meat
- Meat snacks sales have increased recently with brands like KiMs and Crispy
- Major players include Tulip Food with a 32% market share of the processed meat market, followed by Coop Danmark at 13%

Potential challenges

- Large domestic production of meat could potentially challenge foreign exports from Sweden
- While the plant-based trend can be favourable for Swedish export, fresh meat could be challenging
- Denmark has a lower price level on meat although not a price conscious when it comes to meat

Swedish value-offer match

- High quality the most important factor in purchase decisions
- Products promoting sustainability are valued
- Similar conditions to Sweden regarding food safety
- Increased awareness around animal welfare

Price level

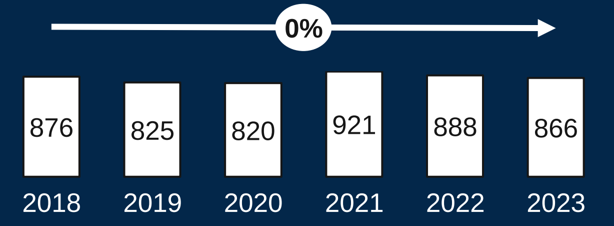
- Lower price level compared to Sweden

Aligned with Swedish value offer

Not aligned with Swedish value offer

Not applicable

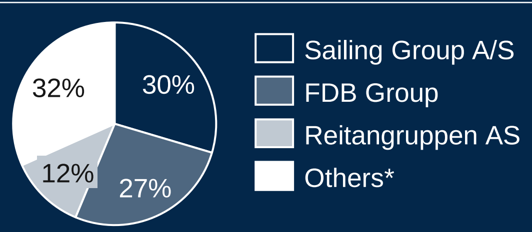
Import
USD million, %, 2018-2023



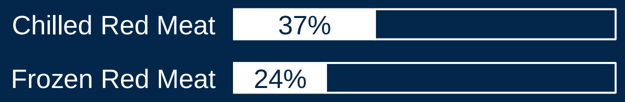
Consumption

USD million	2021	2022	2023	Share
Beef and Veal	931	822	878	33%
Lamb, Mutton & Goat	79	73	80	3%
Pork	959	819	875	33%
Shelf Stable Red Meat	5	4	5	0%
Chilled Red Meat	646	620	677	25%
Frozen Red Meat	69	66	73	3%
Meat Substitutes	71	79	97	4%

Grocery retailer market share
%, 2023



Share of private label
%, 2023



Note: Grocery sales channel not segment specific ***** Others include ~35 companies with 5.8% market share or less
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, Landbrug & Fødevarer, UN Comtrade

France values animal welfare and sustainability when consuming meat, with more switching to plant-based

Market trends

- Meat patties like burgers and steak haché are popular meat dishes among the French and is forecasted to sustain its success
- Back to normal after the pandemic has resulted in people having less time to cook and therefore ordering food from restaurants
- Consumers seek affordable options like minced meat before quality steaks
- Most meat purchases occur in retail stores, yet a growing popularity in sales through specialised butchers
- Vegetarian and flexitarian diets are becoming increasingly popular but is not expected to become mainstream
- Legislation from October 2022 prohibits the use of meat names on locally produced plant-based food including meat, although imported products are not affected by this law
- The meat market is fragmented, with the largest Fleury Michon and Casa Tarradellas SA, each holding an approx. 7% market share

Potential challenges

- Meat industry is powerful in France, but has faced criticism for its carbon-related impacts on the environment
- Skepticism around meat substitutes as they are considered to be highly processed

Swedish value-offer match

- ★★☆ High quality is not prioritised in decision-making
- Environmental sustainability is a priority for consumers
- Transparent meat value chain is valued
- Animal welfare is important in meat consumption

Price level

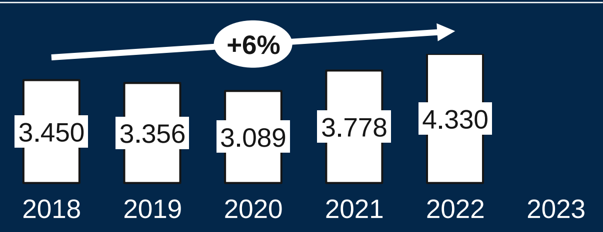
- Higher price level compared to Sweden

Aligned with Swedish value offer

Not aligned with Swedish value offer

Not applicable

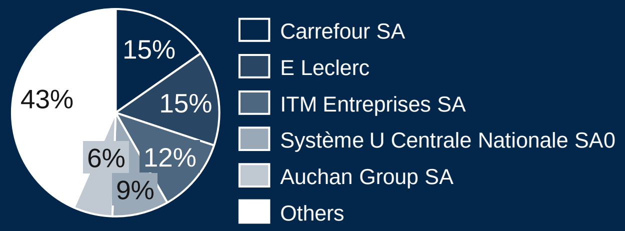
Import
USD million, %, 2018-2023



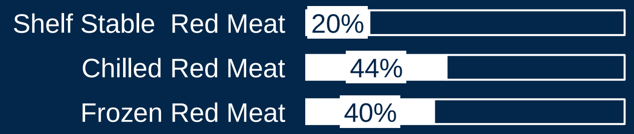
Consumption
USD million

	2021	2022	2023	%
Beef and Veal	12445	11720	12802	38%
Lamb, Mutton & Goat	1185	1165	1301	4%
Pork	8929	8584	9613	29%
Shelf Stable Red Meat	221	205	222	1%
Chilled Red Meat	7830	7675	8665	26%
Frozen Red Meat	776	739	819	2%
Meat Substitutes	151	142	154	0%

Grocery retailer market share
%, 2023



Share of private label
%, 2023



Note: Grocery sales channel not segment specific * Others include ~25 companies with 5.5% market share or less
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

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Germany and the Netherlands are the most relevant markets for the grain segment

QUANTITATIVE RESULT

Out of the 49 markets, Western European countries perform best in the quantitative analysis

- Belgium and Germany score highest
- China has a significantly high consumption
- Southeast Asian markets have low potential

Focus markets

1. Belgium (BEL)
2. Germany (DEU)
3. Ireland (IRL)
4. Finland (FIN)
5. Poland (POL)
6. Canada (CAN)
7. Netherlands (NLD)
8. Austria (AUT)

49 markets ► 8 focus markets per segment

QUALITATIVE ASSESSMENT

The 8 markets were compared against each other on 4 factors, Germany and the Netherlands most suitable for grain exports. Best in class:

★★☆ – The Netherlands
– Finland and Austria
– Belgium and Germany
– The Netherlands

	BEL	DEU	IRL	FIN	POL	CAN	NLD	AUT
★★☆	4	3	3	6	3	4	1	3
	4,05	3,78	3,37	6,51	1,99	4,41	2,48	5,93
	2	1	6	4	5	8	3	7
	2	2	0	0	0	0	3	0

8 focus markets ►1-2 priority markets per segment

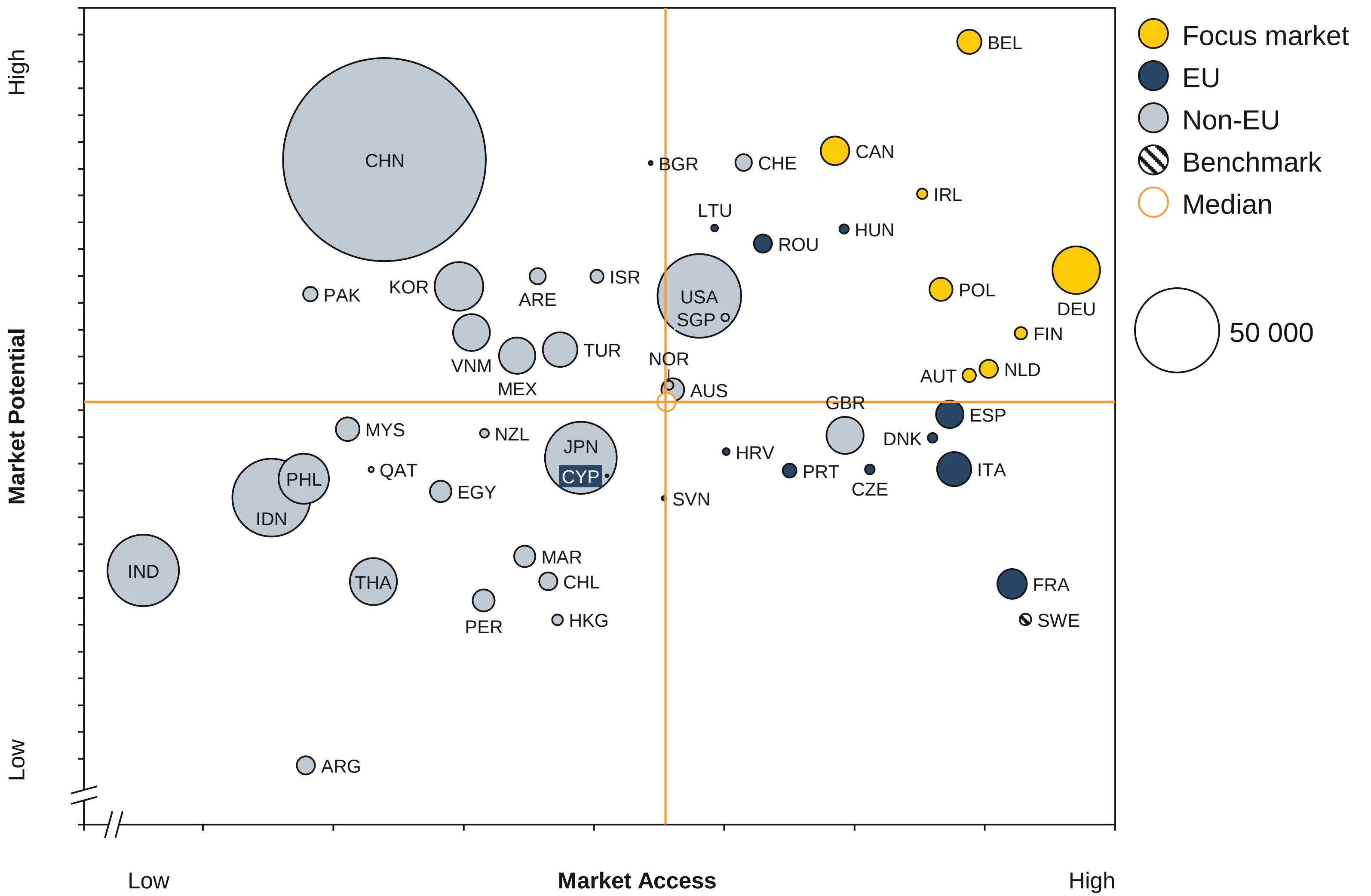
PRIORITY MARKETS

Demand is rising for local, organic and sustainable products in the Netherlands

Healthier and personalised grain products are increasing in demand in Germany

Belgium stands out with high potential and easy market access, followed by Germany

Market Potential vs. Market Access, Market Consumption Size
Score low-high, USD million



Source: Business Sweden Analysis

Focus markets

1. Belgium (BEL)
2. Germany (DEU)
3. Ireland (IRL)
4. Finland (FIN)
5. Poland (POL)
6. Canada (CAN)
7. Netherlands (NLD)
8. Austria (AUT)

Observations

- Belgium, Germany and Ireland stand out as most relevant with easy accessibility and high potential, with Belgium scoring significantly high in per capita consumption and import
- Poland's import and consumption per capita have grown in recent years
- Canada is the sole non-EU country in the top 8 list due to fair market access and growing consumption rates
- Selected Asian markets such as South Korea show high potential with high consumption per capita rates but lack accessibility. South Asia lags due to limited accessibility and low import rates
- France scores similar to Sweden due to comparatively low import and consumption levels per capita

Germany and the Netherlands score highly across all categories despite low price levels compared to Sweden and other markets

Qualitative assessment of top prioritised markets from quantitative analysis

Level of attractiveness across metrics

Area	Belgium	Germany	Ireland	Finland	Poland	Canada	Netherlands	Austria
★★☆ **Quality[1]** (Rank)	4	3	3	6	3	4	1	3
Price[2] (USD/kg)	4,05	3,78	3,37	6,51	1,99	4,41	2,48	5,93
Export growth (Rank)	2	1	6	4	5	8	3	7
Target market[3] (# responses)	2	2	0	0	0	0	3	0

[1]Rank of "high quality" as a criteria when purchasing food, e.g. 1 = high quality is the most important criteria, Swedes rank "High quality" as 3rd most important; [2]Average price in Sweden: 4,00 USD/kg; [3]Number of Swedish companies who responded that this market is a future market in the coming year, other markets mentioned: Denmark & France **Source:** Business Sweden Analysis

Demand is rising for local, organic and sustainable products in the Netherlands

Market trends

- Majority of bread consumption takes place during lunch, and as lunch prices increase, more individuals opt to bring own lunches, often consisting of bread
- Home baking trend weakening as Dutch consumers are returning to their old routines of buying unpackaged pastries from bakeries prior to Covid-19 pandemic
- More individuals are drawn to local bakeries and stores that highlight the use of high-quality ingredients, local sourcing, and artisanal preparation methods
- Health-conscious consumption drives increased growth of organic bread consumption, increasing demand for organic wheat and grains
- Breakfast cereals are increasingly viewed as a healthy option by consumers, driving growth of high protein cereals, such as muesli and granola, and children’s cereal with less sugar
- Growing interest in foreign cuisine, increasing demand for rice and noodles

Swedish value-offer match

- High quality most important in purchase decisions
- Increasing demand of organic and sustainable wheat and grain
- Food safety not mentioned as a significant factor
- *Not applicable*

Potential challenges

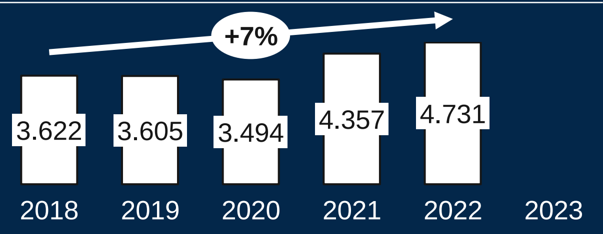
- The Netherlands import almost twice as much as it consumes, indicating that the country is a transit node for exports in and out of the area, and possibly giving local actors high access to various grain products at a low price
- Government support for organic and sustainable farming may create challenges to compete against Dutch farmers on the market

Price level

- Lower consumer price level for dairy products than in Sweden

Aligned with Swedish value offer
Not aligned with Swedish value offer
Not applicable

Import
USD million, %, 2018-2023



Consumption
USD million

	2021	2022	2023
Grain Milling	1 150	1 102	1 228

Grocery retailer market share
%, 2023

Share of private label
%, 2023

Breakfast cerals 25,8%

Note: Grocery sales channel not segment specific. No data available for 2023
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

Healthier and personalised grain products are increasing in demand in Germany

Market trends

- High ingredient and energy prices have had a significant impact on the production costs of baked goods and cereal manufacturers driving private label popularity through price competition
- Consumers are actively seeking cereal options that transcend the confines of breakfast and can serve as snacks or meal replacements
- Demand for healthier grain products expected to rise as health- and diet-related topics gain importance
- Baking at home gained popularity during the pandemic but has begun to lose its appeal, benefitting local bakeries and baked goods in retail, which in turn favours B2B products
- In-store bakeries at supermarkets and discounters have continued to gain popularity, a compromise between traditional independent bakeries and packaged bread, shifting potential customer base more toward grocery retailers rather than large and small bakeries

Potential challenges

- Shift toward less home baking may decrease the benefits of Swedish flags on packaging as bakeries and professional customers may value other factors higher, such as low bulk prices
- Premium breakfast brands see bigger opportunities online where they can offer consumers the possibility to personalise their breakfast cereals, posing possible challenges to Swedish manufacturers if they lack the market knowledge to adapt to German tastes

Swedish value-offer match

- ★★☆ High quality on par with Sweden
- Shift towards healthier ingredients such as rye
- Food safety not mentioned as a significant factor
- *Not applicable*

Price level

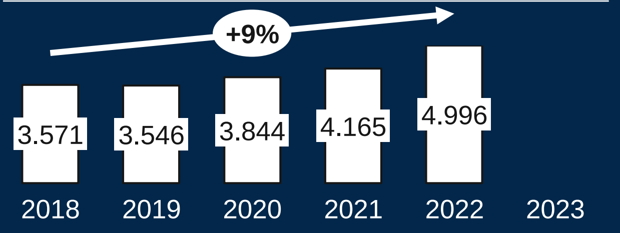
- Slightly lower consumer price level for bread than in Sweden

Aligned with Swedish value offer

Not aligned with Swedish value offer

Not applicable

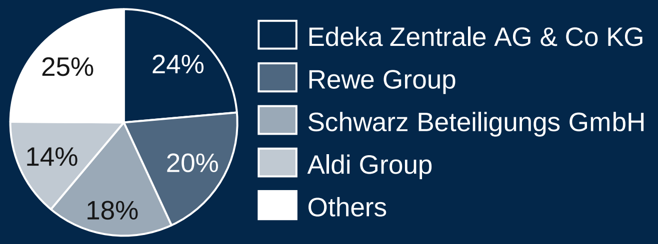
Import
USD million, %, 2018-2023



Consumption
USD million

	2021	2022	2023	
Grain Milling	5842	6762	7516	78%
Breakfast Cereals	1631	1856	2097	22%

Grocery retailer market share
%, 2023



Share of private label
%, 2023

Note: Grocery sales channel not segment specific. No data available for 2023
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade, Lantmännen Annual Report 2023

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BUSINESS SWEDEN
THE SWEDISH TRADE & INVEST COUNCIL

The market ranking for dairy highlights Denmark and the Netherlands

QUANTITATIVE RESULT

Out of the 49 markets, Western European countries perform best in the quantitative analysis

- The Netherlands and Ireland score highest
- USA and China have high consumption
- Middle Eastern and Asian markets have low potential

Focus markets

1. Netherlands (NLD)
2. Ireland (IRL)
3. Denmark (DNK)
4. Belgium (BEL)
5. Germany (DEU)
6. Finland (FIN)
7. Lithuania (LTU)
8. Switzerland (CHE)

49 markets ► 8 focus markets per segment

QUALITATIVE ASSESSMENT

The 8 markets were compared against each other on 4 factors, the Netherlands and Denmark most suitable for dairy exports. Best in class:

★★☆ – The Netherlands and Denmark

– Switzerland

– Denmark

– Denmark

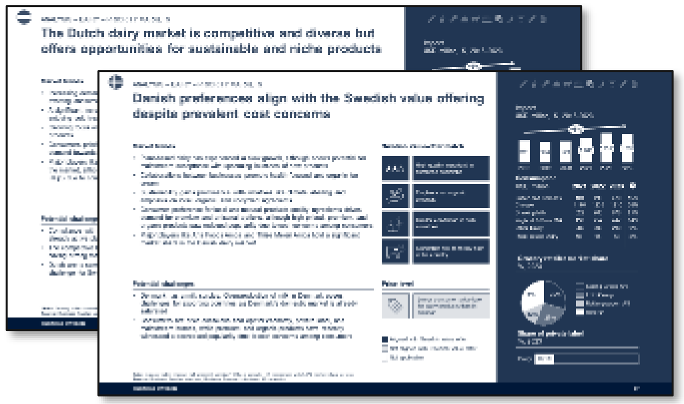
	NLD	IRL	DNK	BEL	DEU	FIN	LTU	CHE
★★☆	1	3	1	4	3	6	4	3
	4,54	3,69	4,10	5,65	3,18	3,73	2,89	7,18
	2	5	1	6	4	2	8	7
	2	0	3	0	2	2	0	0

8 focus markets ►1-2 priority markets per segment

PRIORITY MARKETS

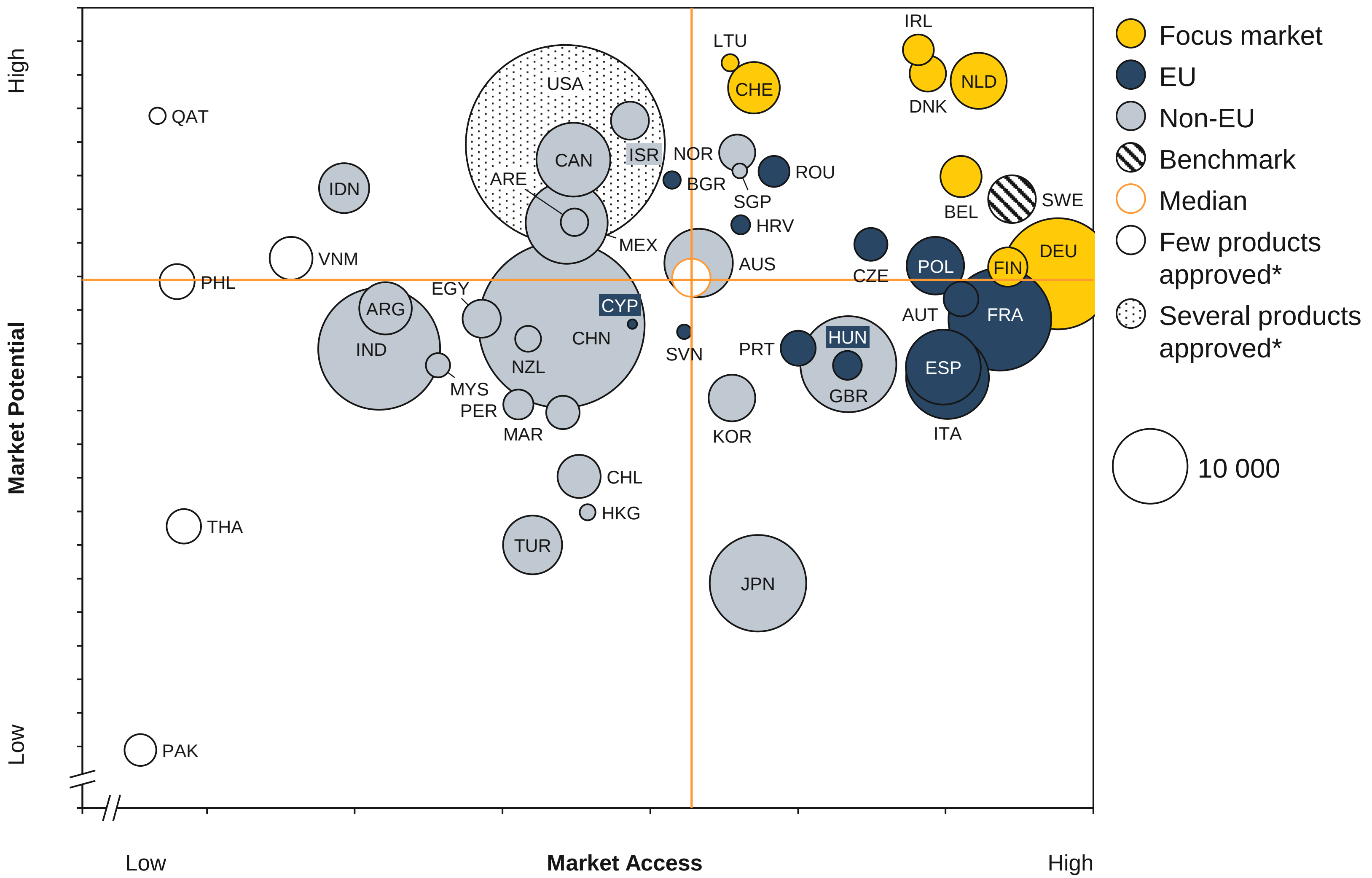
The Dutch dairy market is competitive and diverse but offers opportunities for sustainable and niche products

Danish preferences align with the Swedish value offering despite prevalent cost concerns



Market potential for dairy products highest in Western Europe

Market Potential vs. Market Access, Market Consumption Size
Score low-high, USD million



*Product categories approved for export from Sweden to market

Source: Business Sweden Analysis, Business Sweden interviews

Focus markets

1. Netherlands (NLD)
2. Ireland (IRL)
3. Denmark (DNK)
4. Belgium (BEL)
5. Germany (DEU)
6. Finland (FIN)
7. Lithuania (LTU)
8. Switzerland (CHE)

Observations

- Dairy products show high potential in EU nations and Switzerland, with the Netherlands and Ireland scoring high rates in consumption and import per capita
- Major EU economies – Germany, France, and Italy – are key players in the global dairy market with high total consumption rates, yet ranks relatively low in potential
- Asian markets like China and India have high consumption rates but lag in accessibility and potential because of lack of trade agreements with Sweden
- Japan ranks low compared to Asian counterparts in market potential by having one of the world's strongest domestic dairy market and therefore low import rates

Denmark and the Netherlands stand out as priority markets due to similar focus on quality and growing demand

Qualitative assessment of top prioritised markets from quantitative analysis

Best in class | Medium performer | Low performer | Worst in class

Level of attractiveness across metrics

Area	Netherlands	Ireland	Denmark	Belgium	Germany	Finland	Lithuania	Switzerland
★★☆ **Quality**[1] (Rank)	1	3	1	4	3	6	4	3
Price[2] (USD/kg)	4,54	3,69	4,10	5,65	3,18	3,73	2,89	7,18
Export growth (Rank)	2	5	1	6	4	2	8	7
Target market[3] (# responses)	2	0	3	0	2	2	0	0

[1]Rank of "high quality" as a criteria when purchasing food, e.g. 1 = high quality is the most important criteria, Swedes rank "High quality" as 3rd most important; [2]Average price in Sweden: 4,34 USD/kg; [3]Number of Swedish companies who responded that this market is a future market in the coming year, other markets mentioned: China, Norway & US **Source:** Business Sweden Analysis

The Dutch dairy market is competitive and diverse but offers opportunities for sustainable and niche products

Market trends

- Increasing demand for diverse dairy products and plant-based alternatives due to evolving consumer preferences towards sustainability and unique flavours
- A significant increase in impulse ice cream sales shows that consumers are enjoying cold treats beyond summer months
- Growing focus on social sustainability and demand for ethically sourced dairy products
- Consumers prioritise protein-rich dairy options which is reflected by a market demand towards healthier choices
- Major players like Royal FrieslandCampina, Danone and Arla Foods dominate the market, although private labels are gaining momentum (e.g. retailer Albert Heijn) due to consumers becoming increasingly price conscious

Swedish value-offer match

- High quality important in purchase decisions
- Shift towards plant-based alternatives and focus on environmental concerns
- Similar conditions regarding food safety in both countries
- Social responsibility in dairy production is emphasized in the market

Potential challenges

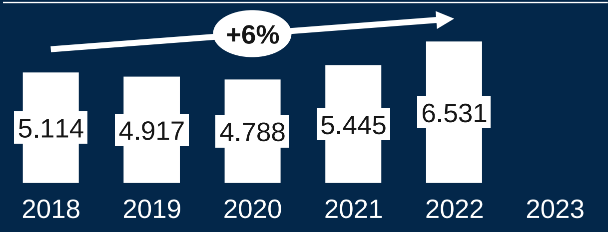
- Compliance with regulatory standards and evolving food safety is challenging for already active players on the market, and could be for Swedish exports
- The competitive landscape is becoming increasingly diverse, with major players having strong market share alongside the rapid growth of private label products
- Dutch are to some extent price conscious which could pose as a potential challenge for Swedish exports

Price level

- Higher consumer price level for dairy products than in Sweden

Aligned with Swedish value offer
Not aligned with Swedish value offer
Not applicable

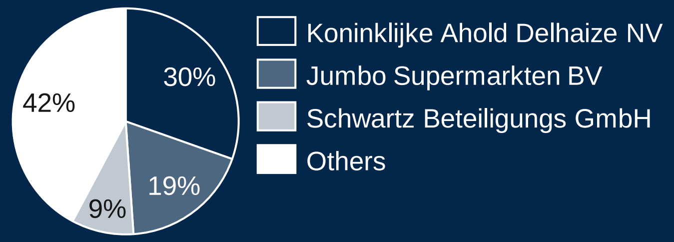
Import
USD million, %, 2018-2023



Consumption
USD million

	2021	2022	2023	%
Butter and Spreads	746	808	855	12%
Cheese	2485	2475	2604	36%
Drinking Milk	1047	1047	1106	15%
Yoghurt & Sour Milk	1104	1117	1190	17%
Other Dairy	1147	1151	1222	17%
Plant-based Dairy	216	207	231	3%

Grocery retailer market share
%, 2023



Share of private label
%, 2023

***Note:** Grocery sales channel not segment specific. No data available for 2023 ** Others include ~50 retail companies with 7.5% market share or less
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

Danish preferences align with the Swedish value offering despite prevalent cost concerns

Market trends

- Plant-based dairy has recently experienced a slow growth, although shows potential for mainstream acceptance with upcoming launches of new products
- Collaborations between businesses promote health-focused and organic ice cream
- Sustainability gains prominence with initiatives like climate labelling and emphasis on local, organic, and upcycled ingredients
- Consumer preference for local and natural products quality ingredients drives demand for premium and artisanal options, although high-priced, premium, and organic products saw reduced popularity due to cost concerns among consumers
- Major players like Arla Foods Amba and Thise Mejeri Amba hold a significant market share in the Danish dairy market

Swedish value-offer match

- High quality important in purchase decisions
- Emphasis on organic products
- Similar conditions in both countries
- Standards are generally high in the country

Potential challenges

- Denmark has a milk surplus, which is a result from overproduction and could pose challenges for exporting countries as Denmark's domestic market is already saturated
- Consumers are price conscious and opt for economy, private label, and mainstream brands, while premium and organic products have recently witnessed a decreased popularity due to cost concerns among consumers

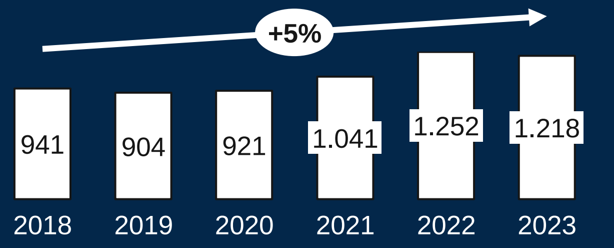
Price level

- Lower consumer price level for dairy products than in Sweden

Aligned with Swedish value offer
Not aligned with Swedish value offer
Not applicable

Import

USD million, %, 2018-2023

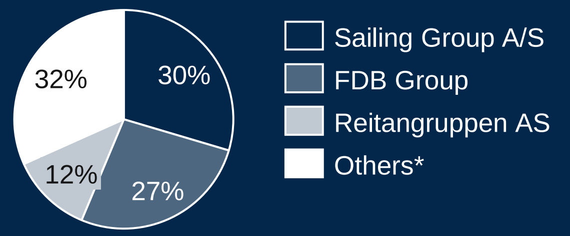


Consumption

USD million	2021	2022	2023	
Butter and Spreads	401	498	470	15%
Cheese	1170	1235	1210	38%
Drinking Milk	622	706	676	21%
Yoghurt & Sour Milk	433	452	447	14%
Other Dairy	285	303	290	9%
Plant-based Dairy	65	65	73	2%

Grocery retailer market share

%, 2023



Share of private label

%, 2023

Note: Grocery sales channel not segment specific * Others include ~35 companies with 5.8% market share or less
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

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BUSINESS SWEDEN

THE SWEDISH TRADE & INVEST COUNCIL

Norway and the Netherlands are the best performing markets in the condiments and seasoning segment

QUANTITATIVE RESULT

Out of the 49 markets, Western European countries perform best in the quantitative analysis

- The Netherlands and Ireland score highest
- USA and China have high consumption
- Southeast Asian markets have low potential

QUALITATIVE ASSESSMENT

The 8 markets were compared against each other on 4 factors, the Netherlands and Norway most suitable for condiments & seasoning exports. Best in class:

- ★★☆ – The Netherlands and Norway
- – The Netherlands
- – Finland and Norway
- – Germany and Norway*

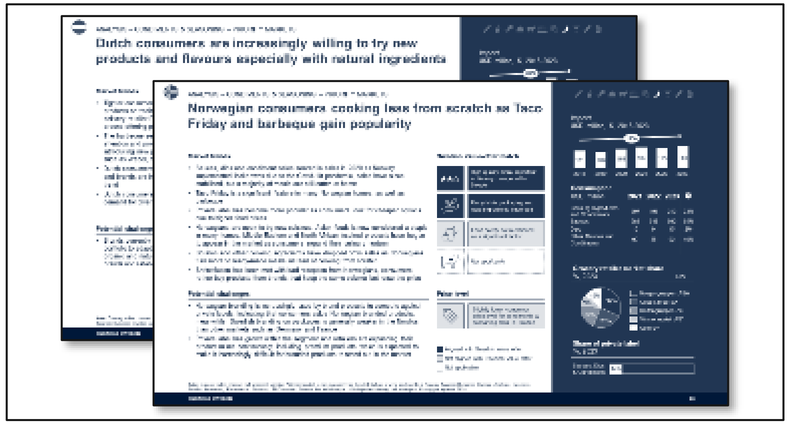
PRIORITY MARKETS

- Dutch consumers are increasingly willing to try new products and flavours especially with natural ingredients
- Taco Friday and barbeque popular in Norway and foreign cuisines is gaining traction with consumers

Focus markets

1. Ireland (IRL)
2. Netherlands (NLD)
3. Canada (CAN)
4. Germany (DEU)
5. Finland (FIN)
6. Austria (AUT)
7. Switzerland (CHE)
8. Norway (NOR)

★★☆	3	1	4	3	6	3	3	2
	6,2	11,2	7,0	5,6	6,6	9,1	8,3	8,0
	5	4	6	3	2	8	7	1
	0	1	1	2	1	0	0	2



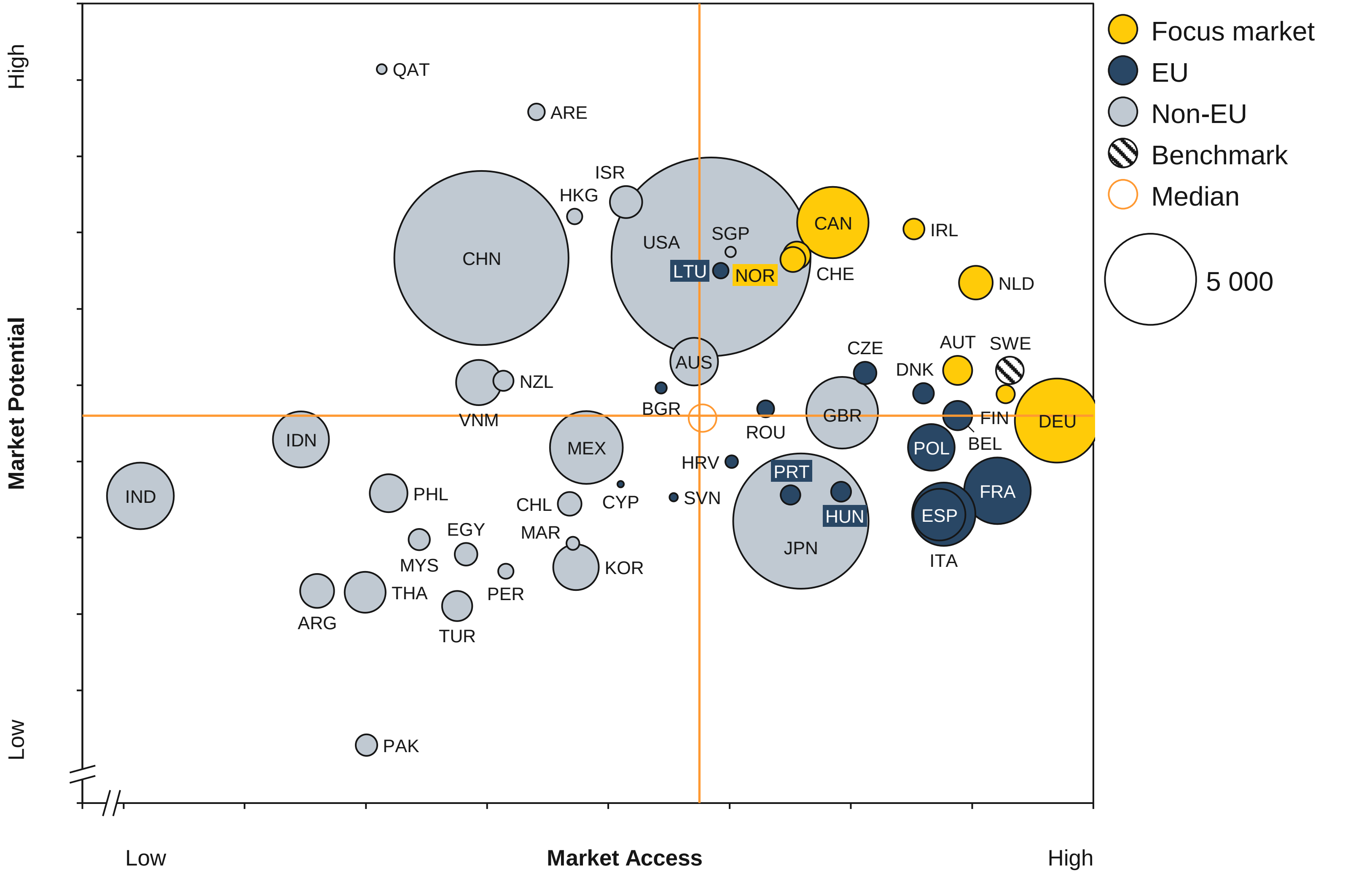
49 markets ► 8 focus markets per segment

8 focus markets ►1-2 priority markets per segment

* No countries best in class. Germany and Norway are medium performers.

Canada along with European markets such as Ireland and the Netherlands show the greatest potential

Market Potential vs. Market Access, Market Consumption Size
Score low-high, USD million



Source: Business Sweden Analysis

Focus markets

1. Ireland (IRL)
2. Netherlands (NLD)
3. Canada (CAN)
4. Germany (DEU)
5. Finland (FIN)
6. Austria (AUT)
7. Switzerland (CHE)
8. Norway (NOR)

Observations

- European economies i.e. Ireland and the Netherlands, along with Canada, show high market potential and access
- The Netherlands stands out with high import per capita, while Canada in turn scores high in consumption per capita. Ireland scores high in both these parameters
- Italy and France exhibit high access due to EU membership but scores generally low in the market potential parameters. Middle East demonstrates strong market potential but low access, with for instance Qatar having high import per capita
- India show both low access and potential

Norway and the Netherlands show the greatest potential for exports within the segment, partly driven by consumers' demand for quality and export growth

Qualitative assessment of top prioritised markets from quantitative analysis

Best in class | Medium performer | Low performer | Worst in class

Area	Ireland	Netherlands	Canada	Germany	Finland	Austria	Switzerland	Norway
Quality[1] (Rank)	3	1	4	3	6	3	3	2
Price[2] (USD/kg)	6,19	11,23	6,95	5,58	6,45	9,10	8,27	7,96
Export growth (Rank)	5	4	6	3	2	8	7	1
Target market[3] (# responses)	0	1	1	2	1	0	0	2

Level of attractiveness across metrics

[1]Rank of "high quality" as a criteria when purchasing food, e.g. 1 = high quality is the most important criteria, Swedes rank "High quality" as 3[rd] most important; [2]Average price in Sweden: 8,91 USD/kg; [3]Number of Swedish companies who responded that this market is a future market in the coming year, other markets mentioned: Denmark, UK & US **Source:** Business Sweden Analysis

Dutch consumers are increasingly willing to try new products and flavours especially with natural ingredients

Market trends

- Tighter consumer budgets are driving consumers to opt for more private label products or traditional products with promotional or discount prices; home delivery retailer Picnic launched the campaign “Travelling for the Price”, centred around offering prices similar to the German market
- The barbeque season during the warmer months drive increased marketing attention and promotion to the segment, mainstream sauce manufacturers are introducing new products to capture consumer interest and non-food companies, such as Weber, have introduced their own barbeque sauces
- Dutch consumers are increasingly more interested in natural and fresh products and brands are introducing natural, organic, and vegan options to capture the trend
- Dutch consumers display a growing willingness to try new products with rising demand for diverse and flavourful sauces

Potential challenges

- Brands currently on the Dutch market have been agile to diversify their product portfolio to adapt to consumer trends and introduce new products focused on organic and natural ingredient and new flavours, possibly creating challenges for brands not established on the Dutch market to gain significant market shares

Swedish value-offer match

- High quality most important in purchase decisions
- Increasing trend on natural, healthy and sustainable products
- Food safety not mentioned as a significant factor
- *Not applicable*

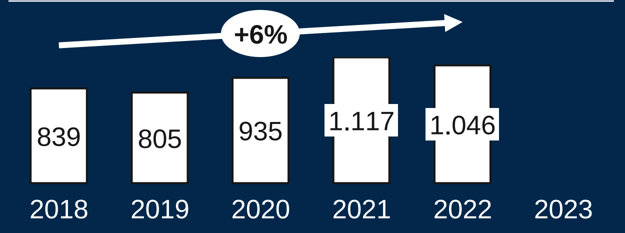
Price level

- Higher consumer price level for condiments & seasoning than in Sweden

Aligned with Swedish value offer
Not aligned with Swedish value offer
Not applicable

Import

USD million, %, 2018-2023

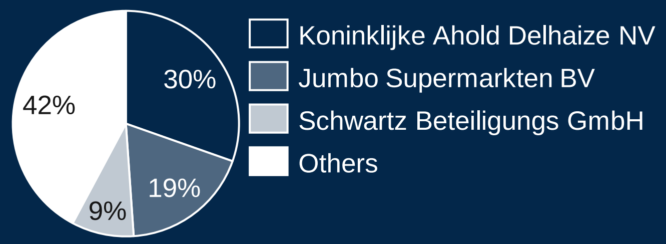


Consumption

USD million	2021	2022	2023	Share
Cooking Ingredients and Condiments	89	81	86	19%
Sauces	304	280	307	66%
Dips	11	10	11	2%
Other Sauces and Condiments	58	54	58	13%

Grocery retailer market share

%, 2023



Share of private label

%, 2023

Note: Grocery sales channel not segment specific. No import data available for 2023.* Others include ~50 retail companies with 7.5% market share or less
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

Taco Friday and barbeque popular in Norway and foreign cuisines is gaining traction with consumers

Market trends

- Sauces, dips and condiment sales soared in sales in 2020 as Norway implemented lockdowns due to the Covid-19 pandemic, sales have since stabilised, but a majority of meals are still eaten at home
- Taco Friday is a significant feature in many Norwegian homes, as well as barbeque
- Private label has become more popular as consumers look for cheaper options due to higher food prices
- Norwegians are open to try new cuisines, Asian foods is now considered a staple in many homes, and Middle Eastern and North African inspired products have begun to appear in the market as consumers' interests widen
- Bouillon and other cooking ingredients have dropped off in sales as Norwegians turn more to ready-made meals instead of cooking from scratch
- Shrinkflation has been met with bad reception from Norwegians, consumers rather buy products from brands that keep the same volume but raise the price

Potential challenges

- Norwegian branding is increasingly used by brand products to compete against private labels, indicating that consumers value Norwegian branded products, meanwhile, Swedish branding on packages is generally weaker in the Nordics than other markets such as Germany and France
- Private label has grown within the segment and retailers are expanding their product mixes continuously, including premium products, which is expected to make it increasingly difficult for branded products to stand out in the market

Swedish value-offer match

- High quality more important in Norway compared to Sweden
- Recyclable packaging and local ingredients important
- Food safety not mentioned as a significant factor
- *Not applicable*

Price level

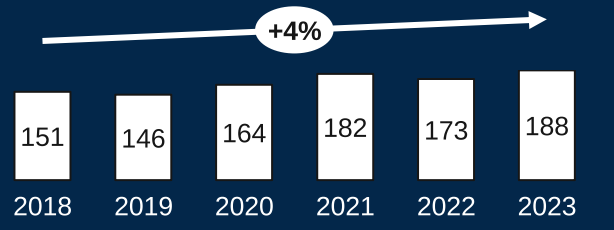
- Slightly lower consumer price level for condiments & seasoning than in Sweden

Aligned with Swedish value offer

Not aligned with Swedish value offer

Not applicable

Import
USD million, %, 2018-2023

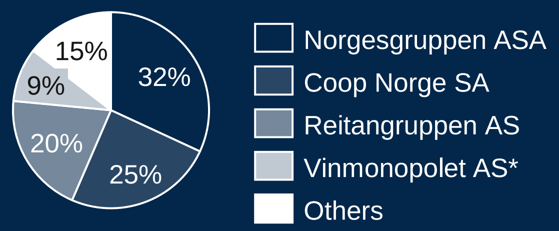


Consumption
USD million

	2021	2022	2023	Share
Cooking Ingredients and Condiments	207	196	212	23%
Sauces	583	547	592	65%
Dips	15	14	15	2%
Other Sauces and Condiments	90	85	92	10%

Grocery retailer market share
%, 2023

N/A



Share of private label
%, 2023

Note: Grocery sales channel not segment specific. *Vinmonopolet is the monopoly for the distribution of wine and spirits in Norway **Source:** Business Sweden Analysis, Business Sweden Interviews, Euromonitor, Statista, UN Comtrade, Svensk livsmedelsexport – Nulägesbeskrivning och näringens förslag på åtgärder 2024

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BUSINESS SWEDEN

THE SWEDISH TRADE & INVEST COUNCIL

The Netherlands and Australia have high market potential and access, aligning well with the Swedish value offer

QUANTITATIVE RESULT

Out of the 49 markets, European countries, Singapore and USA perform best in the quantitative analysis

- Singapore and Ireland score highest
- China and USA have high consumption
- Southeast Asian markets have low potential

Focus markets

1. Singapore (SGP)
2. Ireland (IRL)
3. Netherlands (NLD)
4. USA
5. Finland (FIN)
6. Norway (NOR)
7. Poland (POL)
8. Australia (AUS)

49 markets ► 8 focus markets per segment

QUALITATIVE ASSESSMENT

The 8 markets were compared against each other on 4 factors, the Netherlands and Australia most suitable for liquor exports. Best in class:

★★☆ – The Netherlands and Norway
– Singapore and Australia
– The Netherlands, USA and Australia
– Singapore, USA and Australia

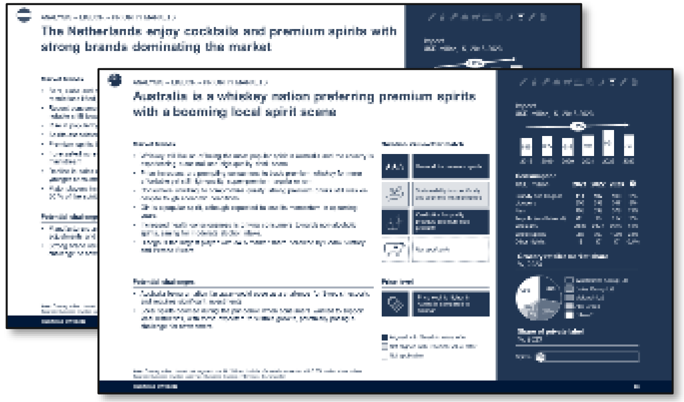
★★☆	3	3	1	4	6	2	3	4
	66,2	46,2	25,6	31,0	46,3	52,2	6,6	68,0
	8	5	1	1	7	6	4	1
	3	1	2	3	1	0	1	3

8 focus markets ►1-2 priority markets per segment

PRIORITY MARKETS

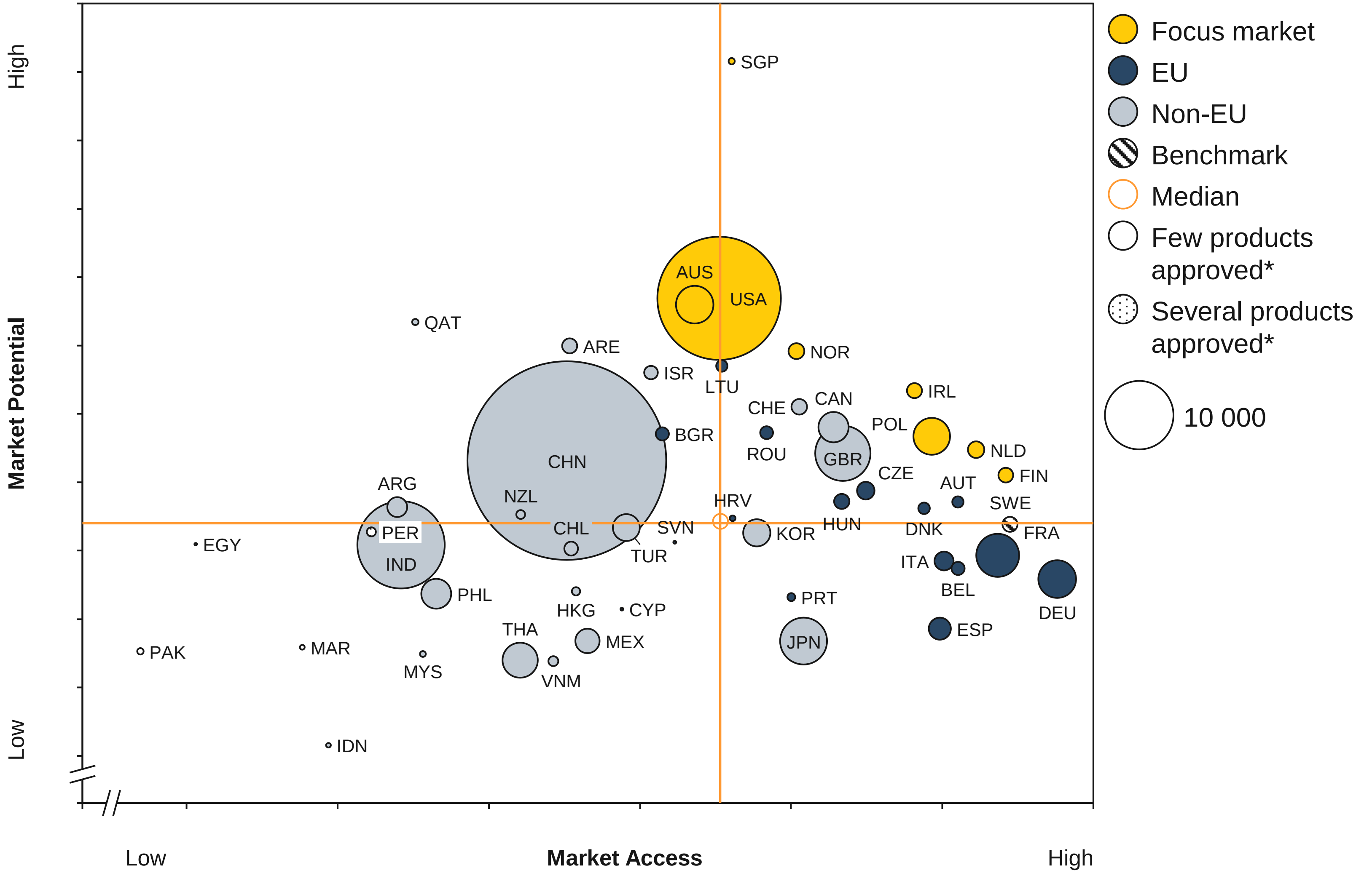
The Netherlands enjoy cocktails and premium spirits with strong brands dominating the market

Australia is a whiskey nation preferring premium spirits with a booming local spirit scene



Market potential for liquor highest in non-European markets

Market Potential vs. Market Access, Market Consumption Size
Score low-high, USD million



*Product categories approved for export from Sweden to market
Source: Business Sweden Analysis

Focus markets

1. Singapore (SGP)
2. Ireland (IRL)
3. Netherlands (NLD)
4. USA
5. Finland (FIN)
6. Norway (NOR)
7. Poland (POL)
8. Australia (AUS)

Observations

- Non-European markets like Singapore, USA and Australia show high potential and access in liquor products
- Singapore stands out with significantly higher market potential despite median level accessibility
- European nations like Ireland, Lithuania, Norway and Finland have significantly high in consumption per capita, yet limited per capita imports
- Middle East overall ranks low except for Qatar maintaining high market potential by having increasing import rates
- China stands out by having sizeable consumption followed by USA and India

The Netherlands shows potential due to high-quality preferences and strong growth in imports from Sweden similar to Australia with high liquor prices

Qualitative assessment of top prioritised markets from quantitative analysis

Best in class | Medium performer | Low performer | Worst in class

Level of attractiveness across metrics

Area	Singapore	Ireland	Netherlands	US	Finland	Norway	Poland	Australia
★★☆ **Quality[1]** (Rank)	3	3	1	4	6	2	3	4
Price (USD/liter)	66,20	46,15	25,55	30,96	46,33	52,19	6,62	67,97
Export growth (Rank)	8	5	1	1	7	6	4	1
Target market[2] (# responses)	3	1	2	3	1	0	1	3

[1]Rank of "high quality" as a criteria when purchasing food, e.g. 1 = high quality is the most important criteria, Swedes rank "High quality" as 3rd most important; [2]Average price in Sweden: 55,37 USD/liter; [3]Number of Swedish companies who responded that this market is a future market in the coming year, other markets mentioned: Spain & Japan **Source:** Business Sweden Analysis

The Netherlands enjoy cocktails and premium spirits with strong brands dominating the market

Market trends

- Bars, clubs and restaurants experienced a sharp sales increase when Covid restrictions lifted, though still below pre-pandemic levels
- Recent consumer trends show a preference for premium experiences with a notable rise in popularity of cocktails and high-end spirits
- Spirits associated with cocktails such as liqueurs have highest sales share and premium spirits like whiskey and cognac have gained popularity recently
- Non-alcoholic spirits is forecasted to rise in popularity, although unlikely to become a conventional product
- Domestic spirits like Dutch gin and vieux has declined, especially among younger individuals
- Major players include Maxximum, Diageo and Bacardi-Martini, making up almost 50 % of the spirit's market

Swedish value-offer match

★★☆	Demand for high-end spirits
	Sustainability in specifically this segment not highlighted
	Credibility for quality products and non-illicit products
	Not applicable

Potential challenges

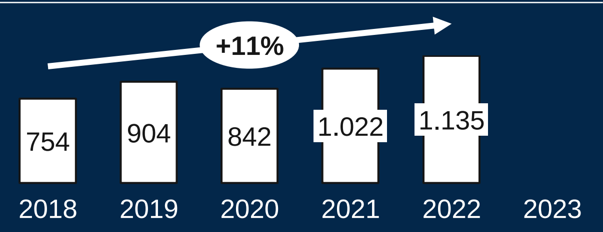
- Producers and retailers are facing higher costs which could lead to price adjustments and in turn consumers purchasing less
- Strong brand recognition among existing market players which could be a challenge to newcomers gaining traction and market share

Price level

Lower price level compared to Sweden

Aligned with Swedish value offer
Not aligned with Swedish value offer
Not applicable

Import
USD million, %, 2018-2023



Consumption
USD million

	2021	2022	2023	
Brandy and Cognac	93	78	82	7%
Liqueurs	465	419	463	38%
Rum	117	99	108	9%
Tequila (and Mezcal)	10	10	11	1%
Whiskies	280	252	281	23%
White Spirits	258	211	223	18%
Other Spirits	46	38	40	3%

Grocery retailer market share
%, 2023

Share of private label
%, 2023

Note: Grocery sales channel not segment specific. No import data available for 2023.* Others include ~50 retail companies with 7.5% market share or less
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

Australia is a whiskey nation preferring premium spirits with a booming local spirit scene

Market trends

- Whiskey still live on of being the most popular spirit in Australia and the country is experiencing a cocktail drink boom
- Australians still favour high quality liquor despite the tough economic environment
- Instead of buying premium whiskey, Australians opt for other more affordable, but still of the high-quality category, spirits like tequila or rum when making drinks
- Gin is popular and comes in many flavours from local distilleries, but other spirits like tequila is expected to overtake gin in the future
- Non-alcoholic liquor is trending due to health awareness and presents opportunities for companies to be innovative with their offering
- Diageo is the largest player with 34% market share, followed by Beam Suntory and Pernod Ricard

Swedish value-offer match

- ★★☆ Demand for premium spirits
- Sustainability in specifically this segment not highlighted
- Credibility for quality products and non-illicit products
- *Not applicable*

Potential challenges

- Australia is a nation far away, which could pose as a challenge for Swedish exports and requires significant investments
- Australian spirits boomed during the pandemic as consumers wanted to support local distilleries, and is expected to continue its growth path, which could be a potential challenge for international newcomers

Price level

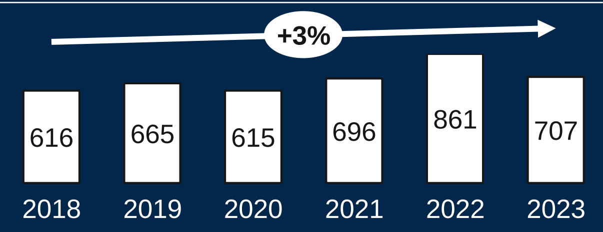
- Price level is higher in Australia compared to Sweden

Aligned with Swedish value offer

Not aligned with Swedish value offer

Not applicable

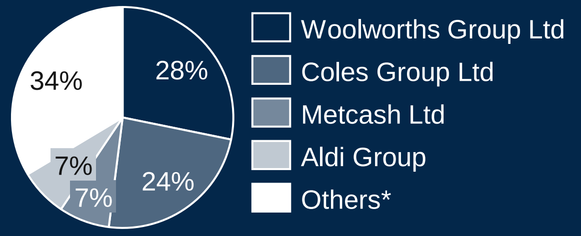
Import
USD million, %, 2018-2023



Consumption
USD million

	2021	2022	2023	Share
Brandy and Cognac	114	107	108	2%
Liqueurs	356	358	347	8%
Rum	495	539	578	13%
Tequila (and Mezcal)	83	96	117	3%
Whiskies	2036	2172	2290	51%
White Spirits	985	959	1006	23%
Other Spirits	18	17	17	0,4%

Grocery retailer market share
%, 2023



Share of private label
%, 2023

Spirits 2%

Note: Grocery sales channel not segment specific.*Others include ~20 retail companies with 5.6% market share or less
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

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THE SWEDISH TRADE & INVEST COUNCIL

Denmark and Norway come out on top of the list within the sweets segment

QUANTITATIVE RESULT

Out of the 49 markets, Nordic countries and the Netherland perform best in the quantitative analysis

- Denmark and the Netherlands score highest
- USA and Germany have high consumption
- Asian markets have low potential

QUALITATIVE ASSESSMENT

The 8 markets were compared against each other on 4 factors, Denmark and Norway most suitable for sweets exports. Best in class:

- – Denmark and the Netherlands
- – Norway
- – Denmark and Norway
- – Germany

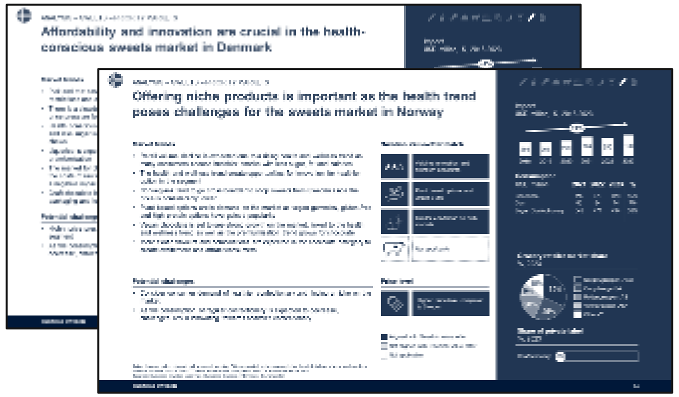
PRIORITY MARKETS

- Affordability and innovation are crucial in the health-conscious sweets market in Denmark
- Offering niche products is important as the health trend poses challenges for the sweets market in Norway

Focus markets

1. Denmark (DNK)
2. Netherlands (NLD)
3. Finland (FIN)
4. Ireland (IRL)
5. Belgium (BEL)
6. Germany (DEU)
7. Norway (NOR)
8. Switzerland (CHE)

	1	1	6	3	4	3	2	3
	10,2	7,8	10,8	7,4	7,4	9,1	16,8	10,8
	2	3	4	6	5	6	1	8
	2	2	2	0	0	5	3	1

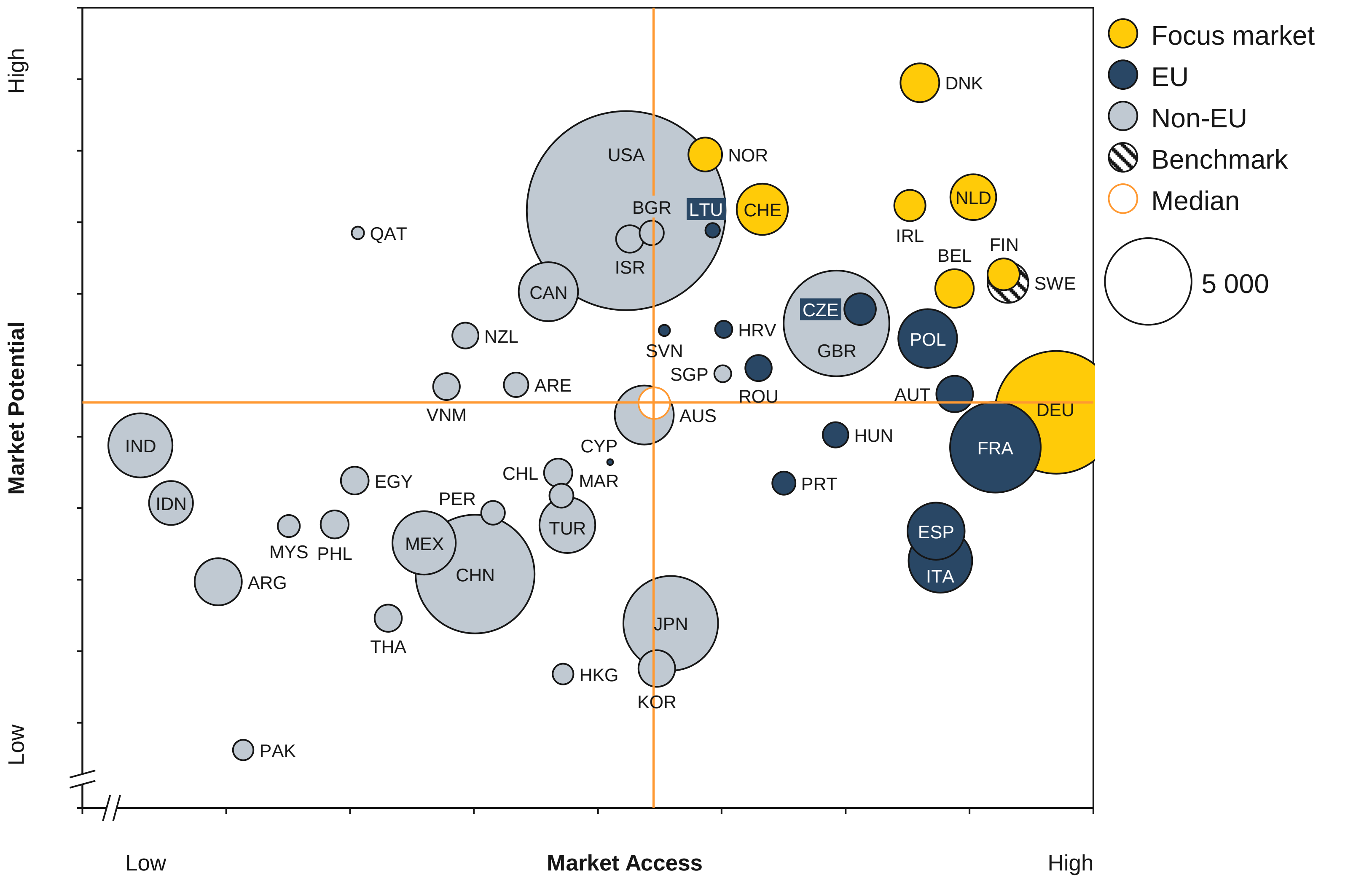


49 markets ► 8 focus markets per segment

8 focus markets ►1-2 priority markets per segment

Denmark shows great promise with high market potential, closely followed by the Netherlands

Market Potential vs. Market Access, Market Consumption Size
Score low-high, USD million



Source: Business Sweden Analysis

Focus markets

1. Denmark (DNK)
2. Netherlands (NLD)
3. Finland (FIN)
4. Ireland (IRL)
5. Belgium (BEL)
6. Germany (DEU)
7. Norway (NOR)
8. Switzerland (CHE)

Observations

- Overall, Nordic countries and the Netherlands rank high in terms of both market potential and market access
- Denmark and Switzerland show high rates of consumption with Finland and Norway close behind
- The Netherlands’ high market potential is driven by extensive imports of sweets
- USA and United Kingdom have high total consumption and performs moderately in imports and lags in accessibility compared to other Western nations
- Asian countries like China show low access and potential, with low consumption and import per capita rates and demonstrates negative trends in consumption

Denmark and Norway show the greatest potential within the sweets segment, with relatively high prices, consumer preference and export growth

Qualitative assessment of top prioritised markets from quantitative analysis

Best in class | Medium performer | Low performer | Worst in class

Level of attractiveness across metrics

Area	Denmark	Netherlands	Finland	Ireland	Belgium	Germany	Norway	Switzerland
Quality[1] (Rank)	1	1	6	3	4	3	2	3
Price[2] (USD/kg)	10,24	7,81	10,80	7,38	7,40	9,14	16,78	10,75
Export growth (Rank)	2	3	4	6	5	6	1	8
Target market[3] (# responses)	2	2	2	0	0	5	3	1

[1]Rank of "high quality" as a criteria when purchasing food, e.g. 1 = high quality is the most important criteria, Swedes rank "High quality" as 3rd most important; [2]Average price in Sweden: 8,53 USD/kg; [3]Number of Swedish companies who responded that this market is a future market in the coming year, other markets mentioned: UK, Australia, Lithuania, South Korea & US **Source:** Business Sweden Analysis

Affordability and innovation are key in the increasingly health conscious sweets market in Denmark

Market trends

- Pick and mix category is growing after the COVID-19 crisis
- There is a slowdown of organic sugar confectionary due to high inflation and price pressure forcing Danish consumers to choose less expensive options
- Health consciousness has become a priority leading to more natural ingredients and less sugar in the largest product category: pastilles, gummies, jellies, and chews
- Liquorice is expected to see the strongest growth as brands focus on premiumisation
- The market for chocolate confectionery is set to be constrained due to increase in the costs of raw materials leading to higher retail prices, while inflation is not said to have had a negative impact on the segment
- Craft chocolate is a popular category, Danish consumers value innovative ingredients, stylish packaging and healthier options

Potential challenges

- Highly price pressured market can pose difficulties in the sugar confectionary segment
- As the consumption of regular confectionery is expected to decrease, challenges lies in innovating towards healthier confectionary

Swedish value-offer match

- Valuing good taste, innovation and premium chocolate
- Organic products face challenges as the market is highly price pressured
- Similar conditions to Sweden
- Not applicable

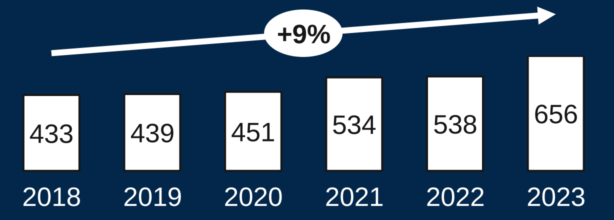
Price level

- Higher price level compared to Sweden

Aligned with Swedish value offer
Not aligned with Swedish value offer
Not applicable

Import

USD million, %, 2018-2023

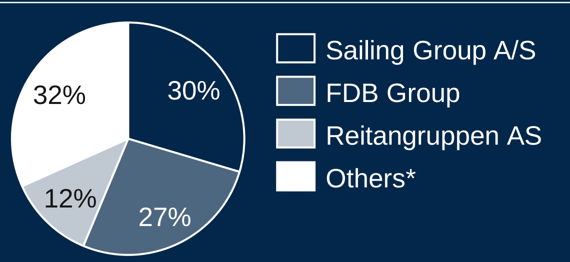


Consumption

USD million	2021	2022	2023	Share
Chocolate	904	856	880	50%
Gum	103	99	102	6%
Sugar Confectionery	797	761	783	44%

Grocery retailer market share

%, 2023



Share of private label

%, 2023

Confectionery 5%

Source:

Offering niche products is important as the health trend poses challenges for the sweets market in Norway

Market trends

- Retail volume decline is expected due to a rising health and wellness trend as many consumers choose healthier snacks with less sugar, fat and calories
- The health and wellness trend create opportunities for innovation for healthier option in the segment
- Norwegians tend to go cross border to shop sweets from Sweden since the price is considerably lower
- Plant based options are in demand on the market as vegan gummies, gluten-free and high protein options have gained popularity
- Vegan chocolate is set to see strong growth on the market, linked to the health and wellness trend as well as the premiumisation trend grows for chocolate
- More exotic flavours and combinations are expected in the chocolate category to create excitement and attract consumers

Swedish value-offer match

- Valuing innovation and premium chocolate
- Plant based options and vegan trend
- Similar conditions on both markets
- *Not applicable*

Potential challenges

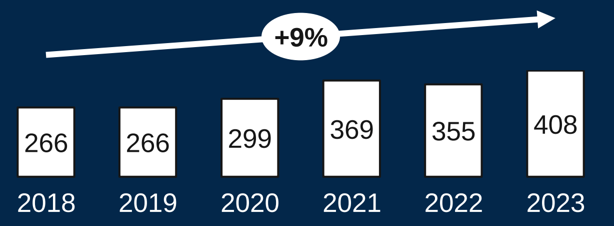
- Consider consumer demand of healthier confectionary and finding a niche on the market could be a challenge for Swedish companies
- As the consumption of regular confectionery is expected to decrease, challenges lies in innovating towards healthier confectionary

Price level

- Higher price level compared to Sweden

Aligned with Swedish value offer
Not aligned with Swedish value offer
Not applicable

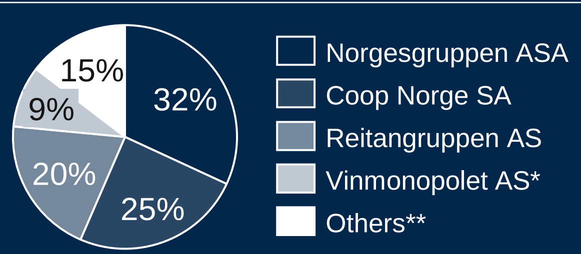
Import
USD million, %, 2018-2023



Consumption
USD million

	2021	2022	2023	Share
Chocolate	795	673	628	55%
Gum	86	84	74	7%
Sugar Confectionery	543	471	434	38%

Grocery retailer market share
%, 2023



Share of private label
%, 2023

Note: Grocery sales channel not segment specific. *Vinmonopolet is the monopoly for the distribution of wine and spirits in Norway (alcohol over 4,75%) **Others include ~15 companies with 7% market share or less
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, Un Comtrade

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BUSINESS SWEDEN

THE SWEDISH TRADE & INVEST COUNCIL

Denmark and Norway show the greatest export potential in the beer, cider and wine segment

QUANTITATIVE RESULT

Out of the 49 markets, Nordic countries perform best in the quantitative analysis

- Denmark and the Netherlands score highest
- USA and China have high consumption
- Asian and some Middle Eastern markets have low potential

QUALITATIVE ASSESSMENT

The 8 markets were compared against each other on 4 factors, Denmark and Norway most suitable for beer, cider & wine exports. Best in class:

- – Denmark, Norway and the Netherlands
- – Norway
- – Norway
- – Denmark

PRIORITY MARKETS

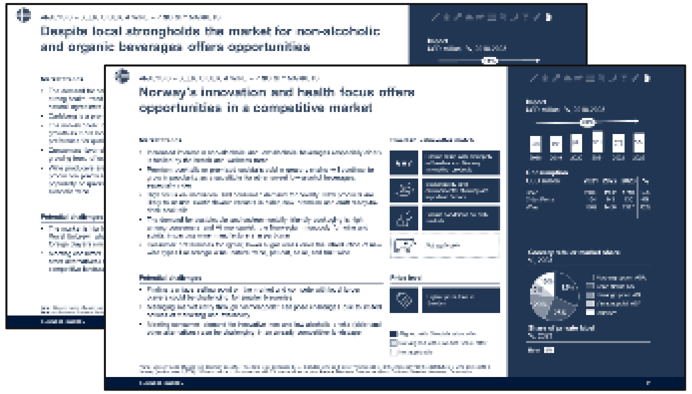
A growing preference for quality over quantity benefits Swedish value offering in Denmark

Norway's innovation and health focus offers opportunities in a competitive market

Focus markets

1 Denmark (DNK)
2 Switzerland (CHE)
3 Norway (NOR)
4 Ireland (IRL)
5 Finland (FIN)
6 Singapore (SGP)
7 Netherlands (NLD)
8 Belgium (BEL)

	1	3	2	3	6	3	1	4
	2,45	3,21	7,68	5,87	4,93	6,07	2,70	2,89
	2	5	1	3	3	8	5	7
	6	0	4	0	5	0	1	0

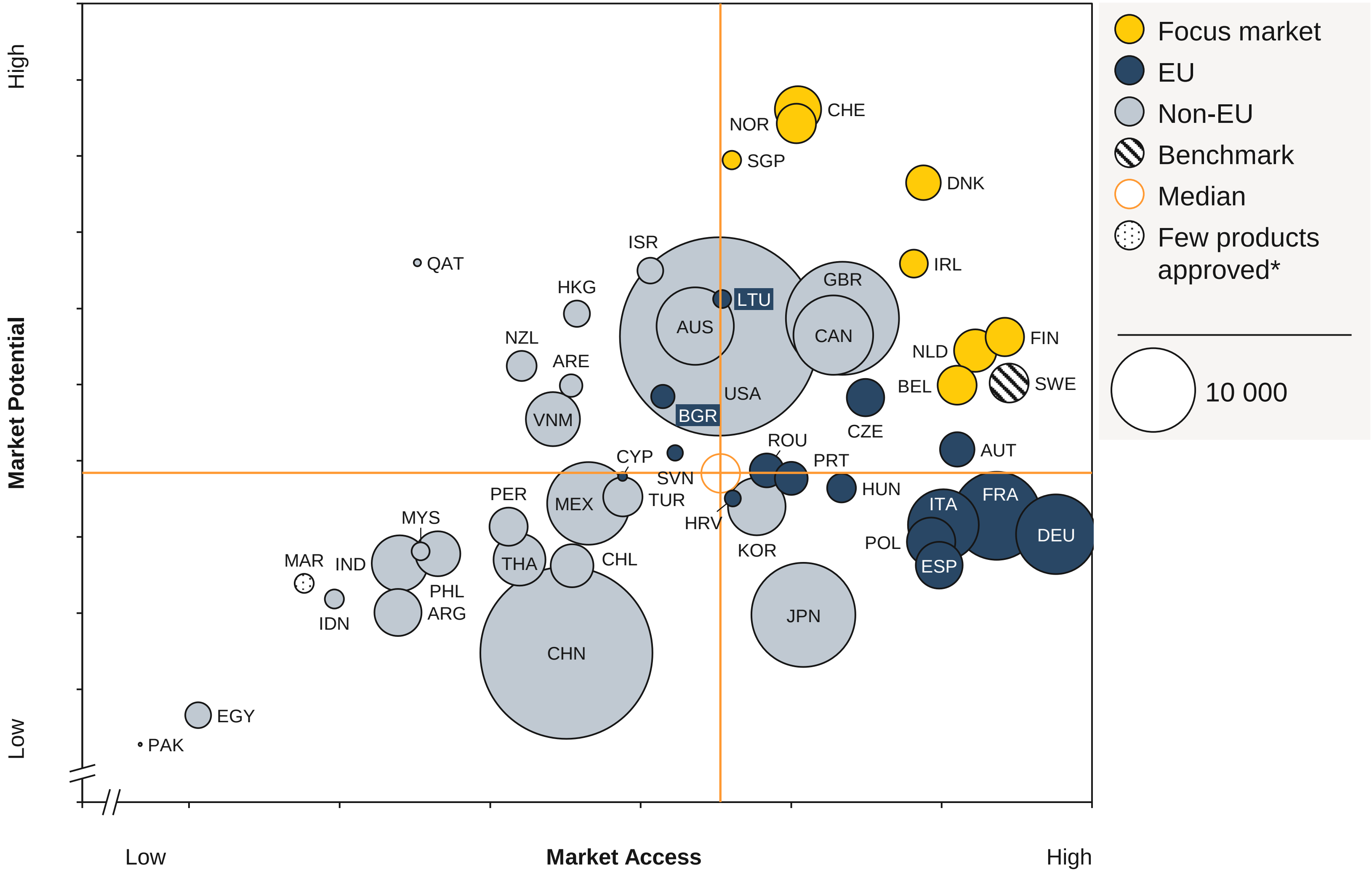


49 markets ► 8 focus markets per segment

8 focus markets ►1-2 priority markets per segment

Norway, Switzerland and Denmark outperforms others in market potential and access

Market Potential vs. Market Access, Market Consumption Size
Score low-high, USD million



*Product categories approved for export from Sweden to market
Source: Business Sweden Analysis

Focus markets

1. Denmark (DNK)
2. Switzerland (CHE)
3. Norway (NOR)
4. Ireland (IRL)
5. Finland (FIN)
6. Singapore (SGP)
7. Netherlands (NLD)
8. Belgium (BEL)

Observations

- Switzerland and Denmark show market potential, with significantly high consumption per capita
- Singapore have high accessibility and strong potential due to the increasing consumption trend and high imports compared to other nations
- EU nations like Czech Republic, Germany, France and Italy perform well in accessibility, yet limited potential due to medium levels of per capita consumption and imports
- Canada, USA and UK are large consumer markets and have positive market potential
- Middle Eastern countries demonstrate low potential and access with low consumption and import rates
- Asian countries have a varied performance, but scoring generally low, with China scoring low in all market potential parameters

Denmark and Norway show the greatest potential for exports of beer, wine, and cider

Qualitative assessment of top prioritised markets from quantitative analysis

Best in class | Medium performer | Low performer | Worst in class

Level of attractiveness across metrics

Area	Denmark	Switzerland	Norway	Ireland	Finland	Singapore	Netherlands	Belgium
Quality[1] (Rank)	1	3	2	3	6	3	1	4
Price[2] (USD/liter)	2,45	3,21	7,68	5,87	4,93	6,07	2,70	2,89
Export growth (Rank)	2	5	1	3	3	8	5	7
Target market[3] (# responses)	6	0	4	0	5	0	1	0

[1]Rank of "high quality" as a criteria when purchasing food, e.g. 1 = high quality is the most important criteria, Swedes rank "High quality" as 3rd most important; [2]Average price in Sweden: 4,98 USD/liter; Price level only compares beer, excludes wine and cider
[3]Number of Swedish companies who responded that this market is a future market in the coming year, other markets mentioned: China, Germany, Italy & Japan **Source:** Business Sweden Analysis

A growing preference for quality over quantity benefits Swedish value offering in Denmark

Market trends

- Consumers favour cider made from local, high-quality apples and there is a growing trend of expanding flavour options by adding e.g. berries
- Wine producers are increasingly prioritising recyclable packaging and sustainable production practices
- The growth in the wine segment is fuelled by the rising popularity of sparkling wine, still rosé wine, still light grape wine, and non-alcoholic wine
- Carlsberg is a prominent local player, focusing on innovation to drive growth
- Non-alcoholic beer has become popular in Denmark, with growth driven by local microbreweries as well as a preference for quality over quantity
- The strong health trend is driving the demand for non-alcoholic and organic options in the beer segment, with consumers specifically interested in products that feature natural ingredients and sustainability claims.

Swedish value-offer match

- Favouring innovative products, premium and high quality products
- Sustainability and environmental thinking are important factors
- Similar conditions in Sweden
- *Not applicable*

Potential challenges

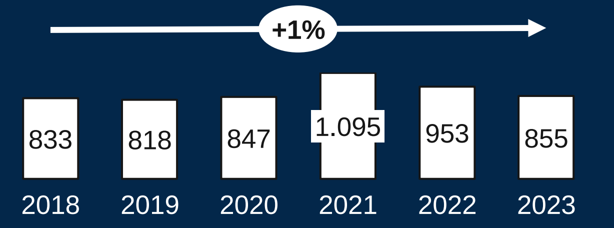
- The market is highly dominated by local brewery giants, Carlsberg Danmark and Royal Unibrew, who offer many products in beer and cider pose challenges for foreign players since both play a big role in Danish culture
- Meeting consumer demand for innovative non and low alcoholic drinks (cider and other alternatives) as well as for price, can be challenging in an already competitive landscape

Price level

Lower price than in Sweden

- Aligned with Swedish value offer
- Not aligned with Swedish value offer
- Not applicable

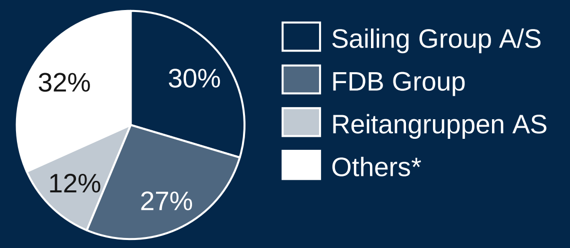
Import
USD million, %, 2018-2023



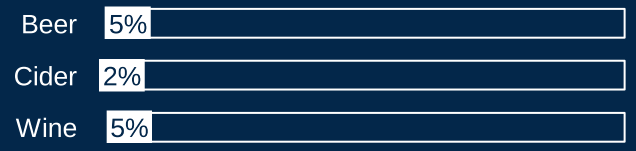
Consumption
USD million

USD million	2021	2022	2023	Share
Beer	2 763	2 796	2 932	47%
Non Alcoholic Beer	45	44	52	0,8%
Cider/Perry	123	111	115	1,8%
Wine	3 131	2 920	3 133	50%

Grocery retailer market share
%, 2023



Share of private label
%, 2023



Note: Grocery sales channel not segment specific; Price level only compares beer, excludes wine and cider; ***Others include ~35 companies with 5.8% market share or less
Source: Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

Increasing consumer demand for novelty and innovation offers opportunities in a competitive market

Market trends

- The market faced challenges due to high inflation rates and cautious consumer spending, causing a decline in all categories, but there is a growing interest in non-alcoholic and low alcoholic beverages, notably cider, fuelled by the health and wellness trend
- Premium cocktails or premixed cocktails sold in grocery chains will continue to grow in popularity as a substitute for other sweet low-alcohol beverages, especially cider
- There is a high focus on innovation in response to consumer demand for novelty, resulting in the introduction of new products such as exotic flavour variants in cider and premium craft ready-to-drink cocktails
- The demand for sustainable and environmentally friendly packaging is high among consumers and Vinmonopolet, the Norwegian monopoly for wine and spirits, introducing new packaging requirement start 2026
- Consumer preferences for lighter, lower sugar wines drive the introduction of new wine types like orange wine, natural wine, pét-nat, sake, and fruit wine

Potential challenges

- Finding a unique selling point on the market and compete with local larger players could be challenging for smaller breweries
- Managing market entry through Vinmonopolet can pose challenges due to limited options of marketing and availability
- Meeting consumer demand for innovative non and low alcoholic drinks, including cider and other alternatives, can be challenging in an already competitive landscape

Swedish value-offer match

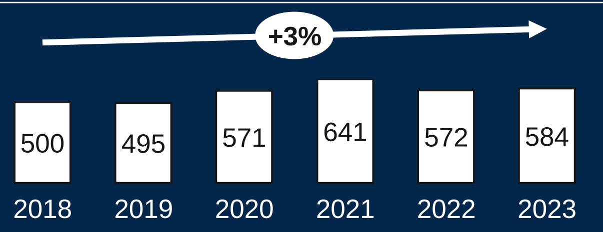
- ★★☆ Preference for innovative products
- Sustainability and environmental thinking are important factors
- Similar conditions to Sweden
- *Not applicable*

Price level

- Higher price than in Sweden

Aligned with Swedish value offer
Not aligned with Swedish value offer
Not applicable

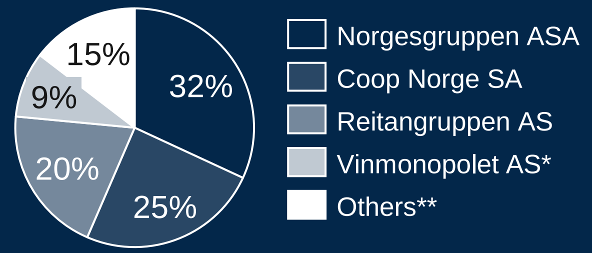
Import
USD million, %, 2018-2023



Consumption
USD million

	2021	2022	2023	Share
Beer	3 194	3 127	2 815	58%
Non Alcoholic Beer	89	85	84	1,7%
Cider/Perry	179	182	163	3,3%
Wine	2 333	1 953	1 822	37%

Grocery retailer market share
%, 2023



Share of private label
%, 2023

***Note:** Grocery sales channel not segment specific. Price level only compares beer, excludes wine and cider; *Vinmonopolet is the monopoly for the distribution of wine and spirits in Norway (alcohol over 4,75%) **Others include ~15 companies with 7% market share or less **Source:** Business Sweden Analysis, Business Sweden Interviews, Euromonitor, UN Comtrade

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See separate document

TRY SWEDISH!

BUSINESS SWEDEN

THE SWEDISH TRADE & INVEST COUNCIL

Try Swedish is the branding platform used by Business Sweden, the Swedish Trade and Invest Council, in order to support Swedish companies in the food and beverage sector to grow global sales.

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