



CASE STUDY

Assessing the Retail Food Market in the UAE



• OBJECTIVE AND SCOPE

This study aimed to assess the growth potential of the UAE's food retail market, covering both fresh and packaged food segments. The study aimed to map the value chain, understand consumer trends, and evaluate competitive dynamics to support strategic decisions for expansion, innovation, and improved distribution within the country.





● APPROACH

We used secondary data sources such as industry reports, government publications, and databases to assess the market size, segment-wise growth (fresh and packaged food), key players, and retail channel performance. This analysis also captured trends in consumer behavior, urbanization, and the growing role of e-commerce. We then conducted **expert consultations** with importers, distributors, and retail operators to validate our findings and bring forward-looking insights into value chain operations, pricing strategies, distribution challenges, and emerging private label trends.



● METHODOLOGY



Secondary
Research



Primary
Research



Data
Modeling



- **IMPACT**

The study offered actionable insights into category-wise opportunities, key retail formats, and consumer behavior. It enabled the client to identify high-potential product lines, optimize retail strategies, and align with evolving demand for healthier and convenient food options. These insights laid the foundation for an informed, scalable, and locally relevant market expansion strategy.





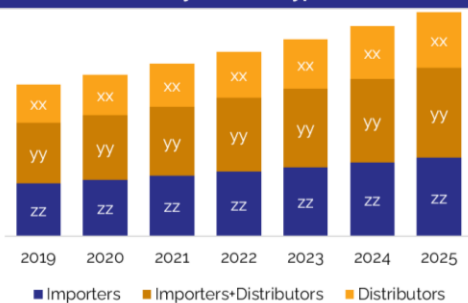
SAMPLE OUTPUT

Market Size – By Channel Type

Market Share by Channel Type (2020)



Market Size – By Channel Type – USD Billion



- **Importers** like company A, company B, company C etc. play a major role in UAE food distribution market **with a share of XX%** whereas **distributors** such as company D **contribute only YY% to the market.**
- Players such as company E, company F, company G etc. work as both **importers and distributors** and **contribute XX%** to the market share.
- The importers are gradually entering into the distribution as well as online retailing business by opening their e-commerce channel /platform in search of better control of sales activities and improved profit margins.
 - For example: **company H** is mainly into import and trading business but has entered distribution market through its online channels.

Market Trends

Demand for organic food products

Due to rising diseases such as obesity, diabetes and hypertension, **people are consuming nutritious and organic foods**

Consumers are becoming more health conscious

Demanding for more organic food products

Retailers are adding organic food products to their menu

Government is undertaking various health **awareness campaigns** urging people to change their lifestyle and eating habits and, introducing taxes on alcohol and sugary drinks

- ~ **XX%** - Increase in the estimated retail space stocking organic products in the UAE in 2019 over last four years
- ~ **YY%** - Increase in the number of organic farms in the UAE in the first six months of 2019

- ~ **XX%** - UAE consumers purchase organic food more than once a month
- ~ **YY%** - Consumers believe organic food is healthy
- ~ **ZZ%** - Consumers consider it safer for consumption

- For ex: **Company A** signed a MoU with **Company B** to **source up to XX tonnes of Emirates Bio Farm organic produce** and promised to provide more than **YY organic products on offer at Carrefour stores**

Adoption of omni-channels

Bigger players such as **Company A, B, C and D** are adopting omni-channel strategy

Rapid Rise in Digitalization



Increasing competition among regional and international retailers



Retailers are adopting omni-channel strategy

Company A just opened 198th hypermarket globally and **invested USD XX million to relaunch its website and a new mobile app**

- For ex: **Company A** announced a new strategic plan “AA” with a strategy to create a leading omnichannel ecosystem which includes the **expansion of home delivery** to new towns as well as the **opening of convenience stores to reach YY by 20XX**

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