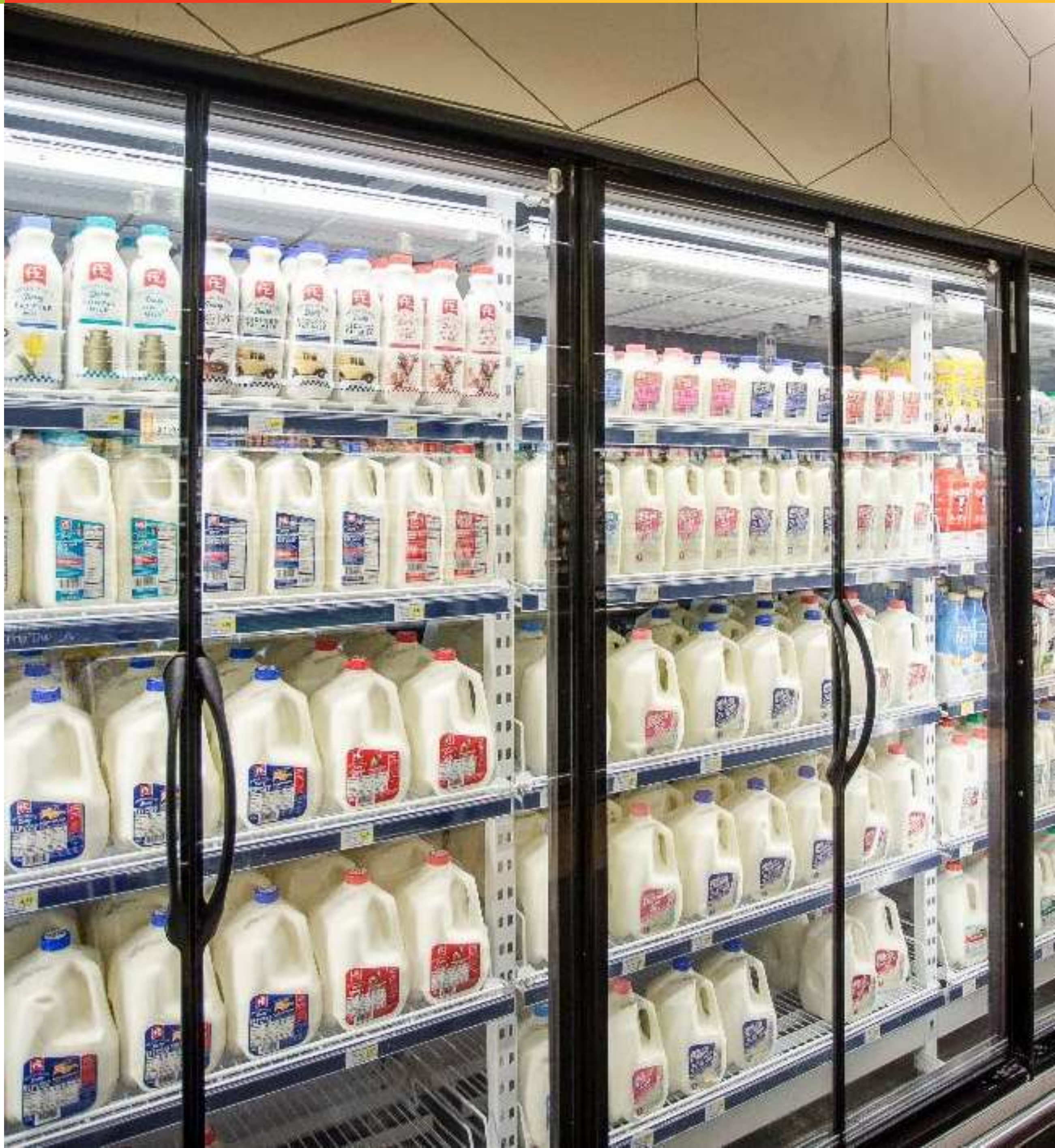
Dairy Milk Review

Understanding Growth Opportunities

June 24, 2025

Today's Agenda

- Consumer Mindset Driving Choice
- Total Milk Trends
- Milk Segment Trends
  - Fat Levels
  - Value Added
  - Size
- Milk vs. Alternative Beverages
- Recommendations



The Consumer Mindset

Drivers of Consumer Choice: Food & Beverage Landscape

Enjoyment

Affordability

Health & Wellness

Sustainability

Convenience

Top 10 Drivers of Consumer Choice: Food & Beverages

Which of the following factors are important to you when selecting food and drinks?

Top 5 Drivers:

1. Taste
2. Price
3. Freshness
4. Healthfulness
5. Convenience

Next 5 Drivers:

6. Natural Ingredients
7. Organic
8. Local
9. Animal Welfare
10. Environmental Sustainability

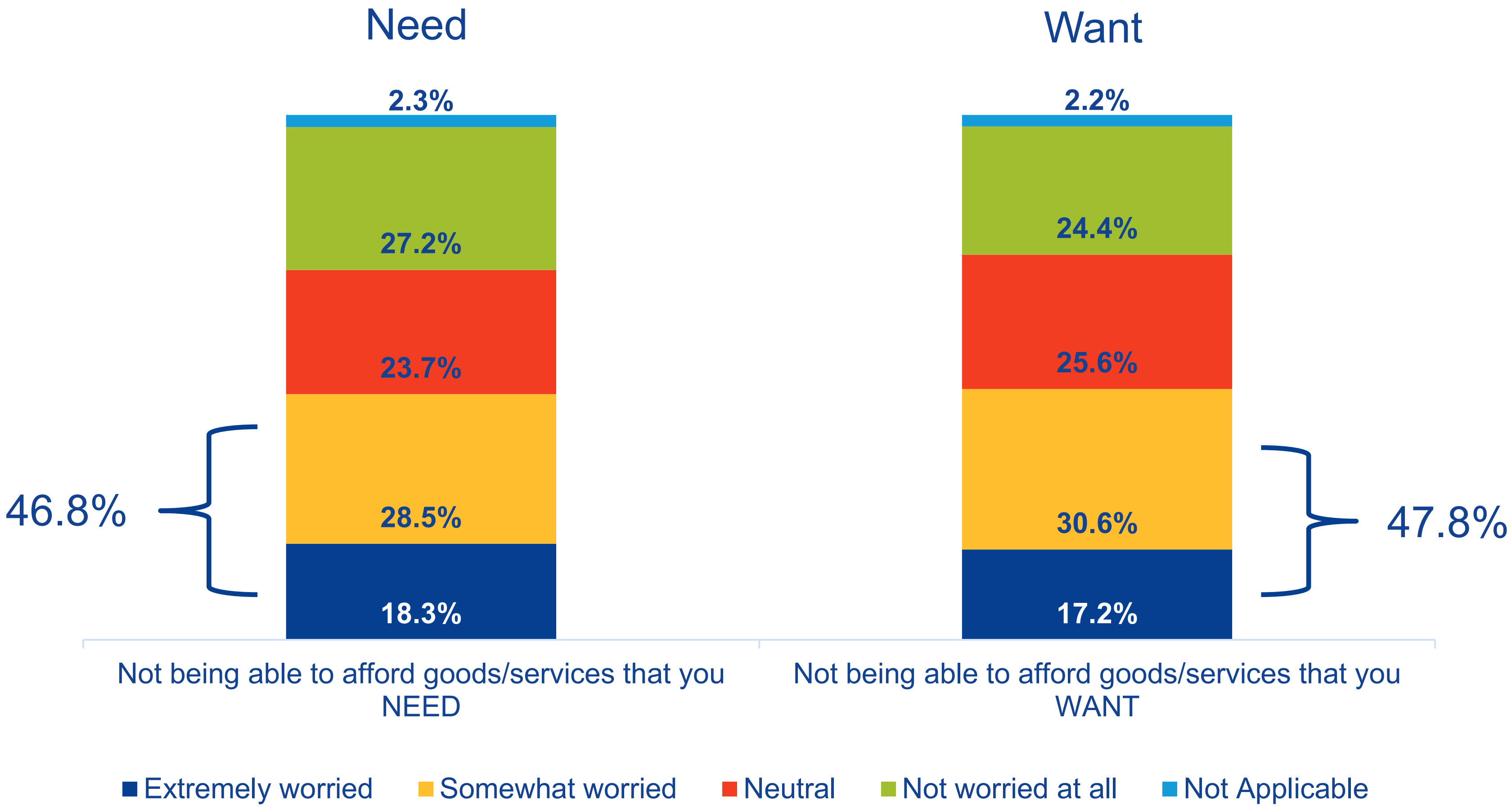
Source: Mintel's 2024 Sustainability in Food & Drink report

Consumer Need: Affordability

Milk Connection: Right Sizing Products

Nearly half of U.S. adults say they are worried about not being able to afford the things they need and want

May 2025: % of U.S. adults saying they are worried of not being able to afford what they…



Source: The Conference Board Website May 2025

Larger sizes help families economize

Source: Prairie Farms Website April 2025

Smaller sizes allow trial with lower risk

Smaller sizes also add convenience for today's busy life-styles.

Premium Strawberry

Chocolate Malt

Chocolate PB

Salted Caramel

Source: Company Website June 2025

72%

of consumers in the Midwest Dairy Region agree that…

“Dairy is affordable for me and my family.”

Driver of Purchase
Improve

Source: Sept 2024 Midwest Dairy’s Proprietary Research Midwest Dairy Region 1,001 respondents Ages 18+

Consumer Need: Health & Wellness

Milk Connection: High Protein & Low/No Added Sugar

Top 10 Drivers: Consumer Perceptions of Healthy Food

1. Fresh
2. Good source of protein
3. Low in sugar
4. Good source of nutrients
5. Contains fruits or vegetables
6. Low sodium
7. Natural
8. Limited/no artificial ingredients
9. Minimal/no processing
10. Good source of fiber

= denotes strength for milk

Source: 2024 international Food Information Which of the following best define a healthy food to you? Please select up to 5 choices. (n=3,000)

Across generations, what do consumers say is the most important nutrient in a healthy food or beverage?

Gen Z **Millennials** **Gen X** **Boomers**

Protein

Source: Hartman Group Health Study: U.S. Consumers 18+ years of age
Question: If you could create a food or beverage product that would improve your general health and wellness, which of the following would you say would you be most important for the product to have or include?

Evolution of Protein

Just about everyone is looking for quality protein options

PROTEIN'S JOURNEY FROM SPORTS NICHE TO GOOD FOR ALL

1999
Dairy protein found mainly in supplements for athletes and body-builders

2010
Science established protein's role in effective weight management regimes

2012
Discussion about the science generated media attention

2020
From 2012-20 a steady increase in successful brands normalised protein claims in the supermarket, moving protein from sports to indulgence

2025
Animal protein's quality advantage opens up opportunities for a new phase of the market

Source: New Nutrition Business

America is protein obsessed

How protein took over the wellness world

BY EMILY JENSEN • MAR 17, 2025

Welcome to Glossy's Wellness Week. In daily feature stories, Glossy will break down the trends transforming the way consumers are thinking about, and spending on, wellness. And on Thursday at noon ET, we'll host the Glossy's Wellness Leaders Forum, a virtual event diving deep into wellness's new era. Join us.

When Alex Taylor and Victoria Thain Gioia launched Perelel in 2020, they started with a lineup of prenatal vitamins built around micronutrients like calcium and omega-3 fatty acids. The brand soon expanded to products catering to fertility support supplements and antioxidant powders. But Taylor and Thain Gioia say there was one

Home > Health & Wellness

Protein-Packed Products Have Become an American Obsession

KELLY BEATON | SEPTEMBER 19, 2024

Image by Freepik

Nowadays, snack aisles and dairy cases are overflowing with high-protein products: Snack bars – barely 2 ounces in net weight – packed with 20g of protein ... Ready-to-drink milkshakes featuring 42g of "protein *fuel*" ... and earlier this month, the world's first "super candy" even launched across North America that, according to its advertising, boasts "up to 100 times more protein than any candy on the market."

35% of consumer say a healthy food is low in sugar

Weight and blood sugar management is a struggle for many U.S. consumers.

- 82% of American adults are engaged in some form of weight management[1]
- 42% of Americans over 20-years-old live with obesity[2]
  - 15% live with diabetes
  - 45% have hypertension
- By 2035, 7% of individuals and 13.6% households are projected to be using GLP-1[3]

Source: [1]Mintel, [2]Eat Well Global, [3]Circana

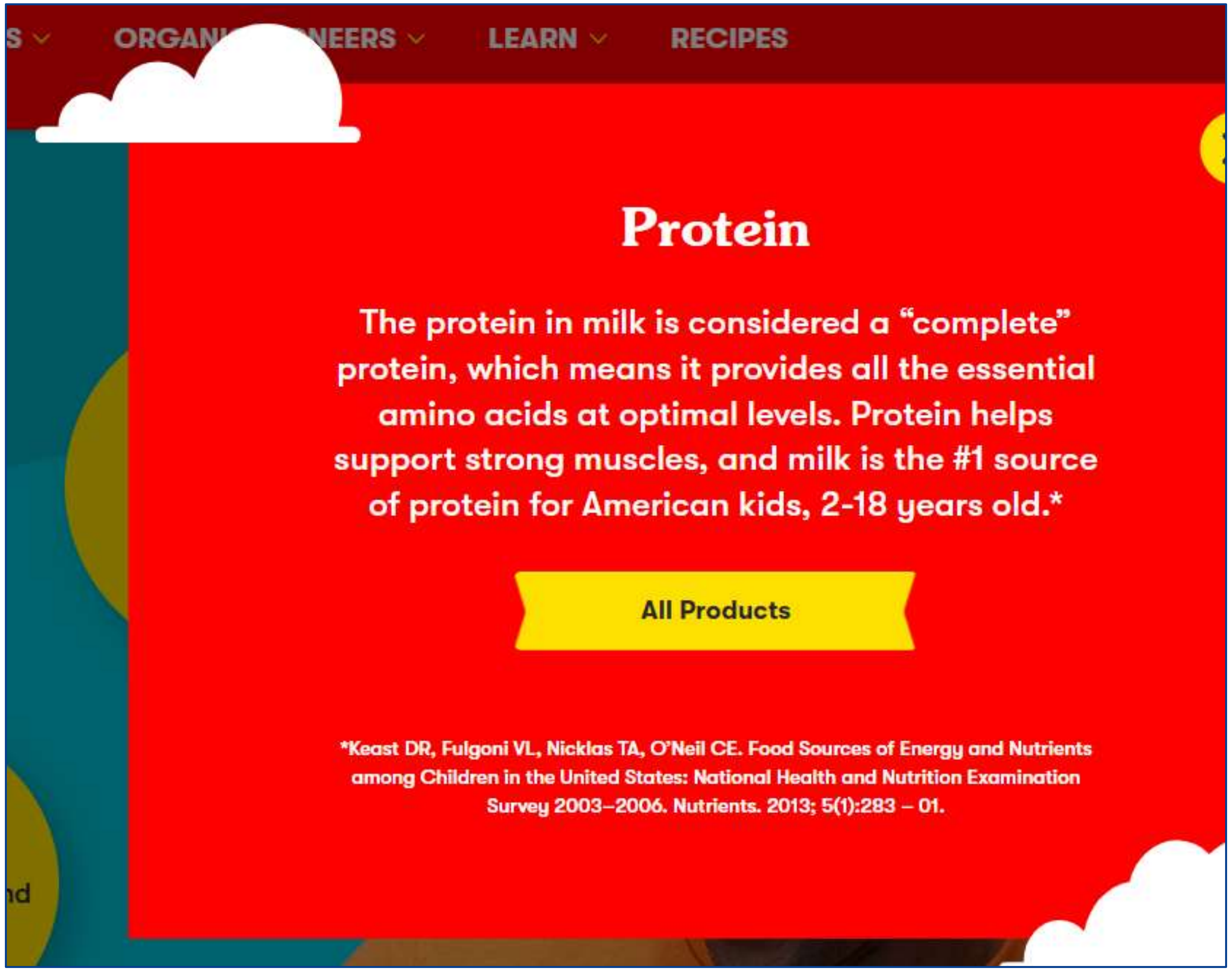
Key health claims driving dairy growth

Product labels are an important element of the user experience and play a big role in shaping and influencing consumer perceptions.

Dairy Claims	$ Growth	% Growth
No/less/low sugar	$392M	10%
High/source/more protein	$276M	10%
No/reduced lactose	$253M	6%

Sources: Sources: Circana (52 weeks, Oct 2024)

Milk brands are telling the protein story



Source: Company Website 2025

34%

of consumers in the Midwest Dairy Region say that they or someone in their household have…

"Dairy Sensitivities."

+3 point vs. Year Ago

Gen Z reports higher rates

LACTAID® products are made from 100% **real dairy** and are easy to digest, so you can enjoy your favorite foods without the discomfort!

Lactaid Website April 2025

Source: Sept 2024 Midwest Dairy's Proprietary Research Midwest Dairy Region 1,001 respondents Ages 18+

Consumer Need: Sustainability

Milk Connection: Animal Welfare, Environmental Sustainability & Local

Growing consumer preference towards “localizing”; an opportunity for environment and local community

“**Locally produced/sourced** is an important food and beverage claim to me”

51%

of consumers in US

Cub Website June 2025

Sources: Innova Trends Survey 2024 (US), Innova Database
Note: *Average of respondents to “strongly agree” and “agree”

Brands keep dairy milk in the consideration set for ethnically conscience consumers

The growing prevalence of environmental and ethical claim signal a continued focus on make dairy product more sustainable.

Source: Mintel GNPD 2024

Total Milk Category Trends

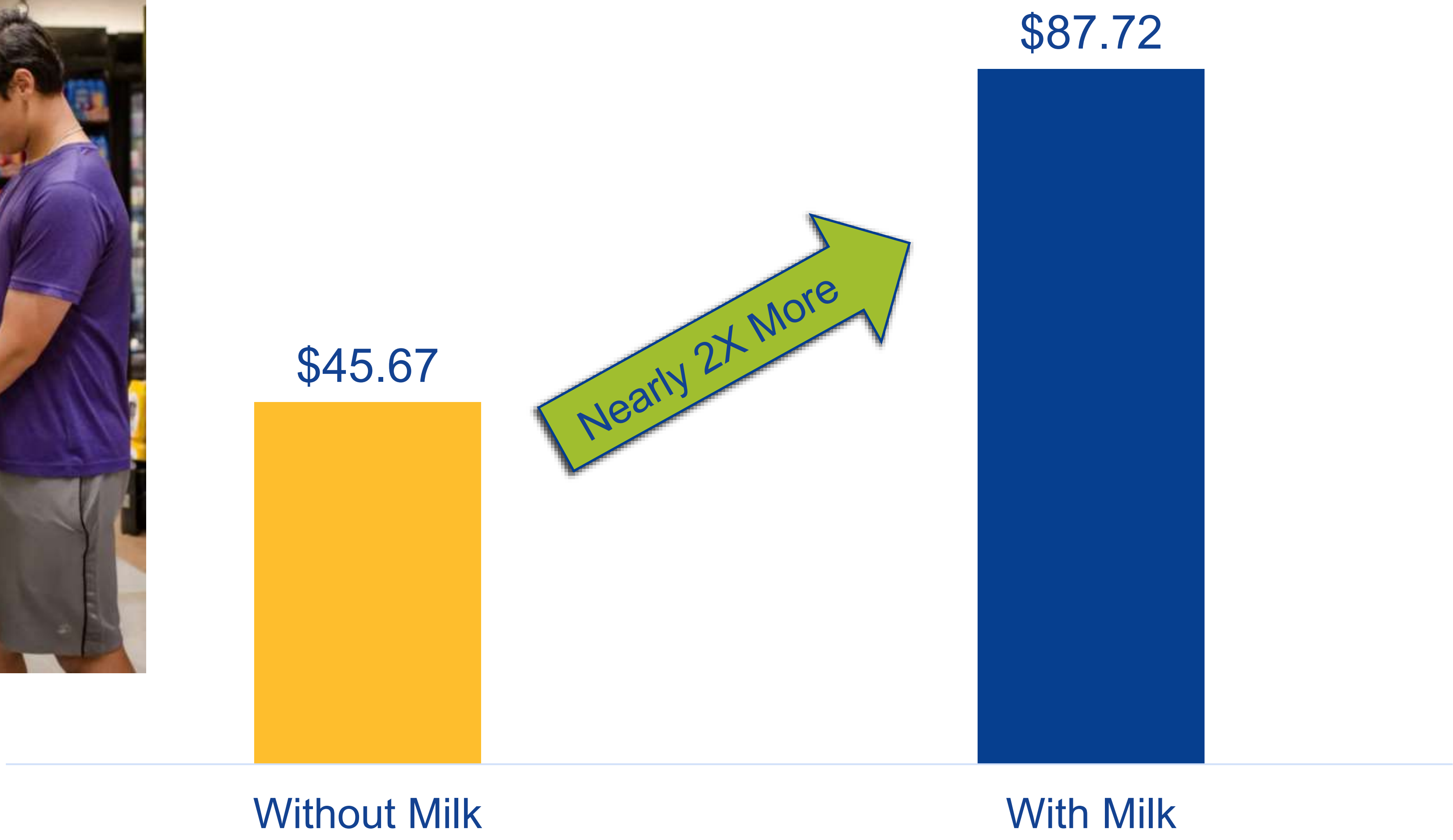
Definitions | Total US | Channels | Gallons vs Half | Buyer Behavior

Milk definitions used throughout…

- Total Milk: Traditional and Value-added Milk
- Value Added Milk: Organic, Lactose Free, A2, Protein, Omega, Pre/Probiotic, extra/added vitamin A, D and Calcium (not mutually exclusive groups)
- Traditional Milk: Total Milk less Value Added
- Alternatives/Beverages: Plant-based substitutes
  - Almond, Cashew, Coconut, Soy, Rice, Goat & Sheep, Horchata, Oat, All Other
- Volume: Expressed in Gallons

When consumers put milk to their cart, they spend almost twice as much!

Average Spending per Shopping Trip
Without Milk in the Cart vs. With Milk



Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, YTD Ending 6/1/2025 Unify ‘Milk Annual Trends

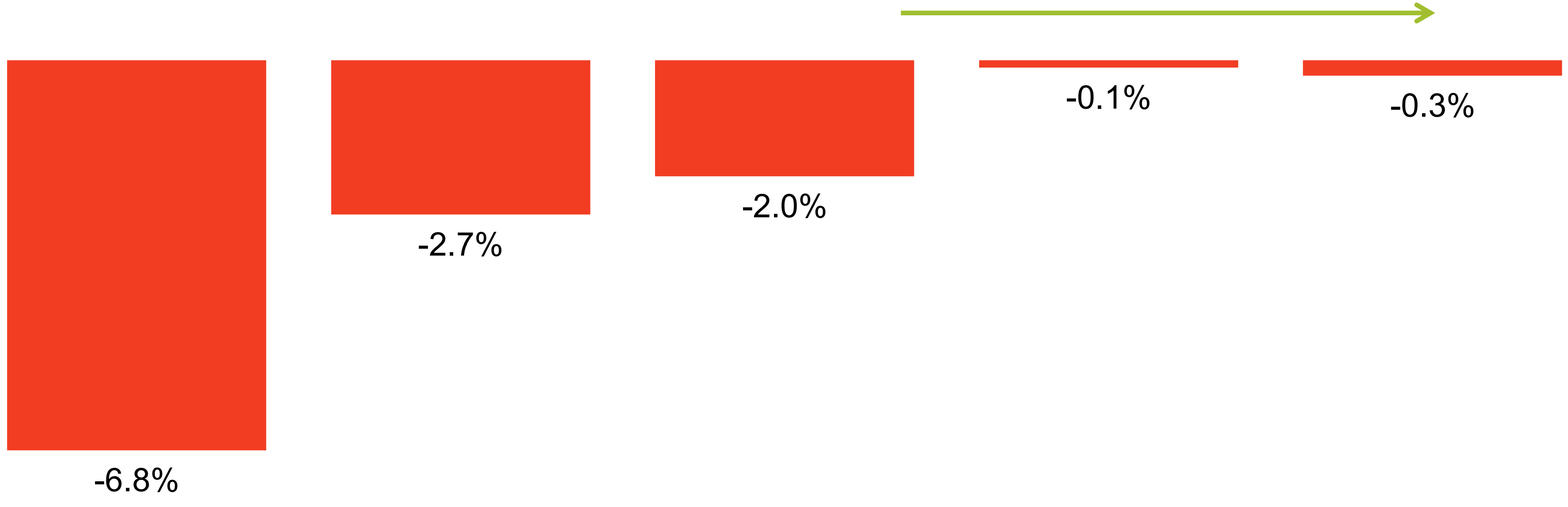
Total milk volume showing incredible improvement in the last 18 months

Dairy is THE largest dollar aisle in the store.

Milk is the second largest Dairy Category delivering **$18.3B** and growing dollars by **3.8%**

Total Milk Volume (MM Gal)

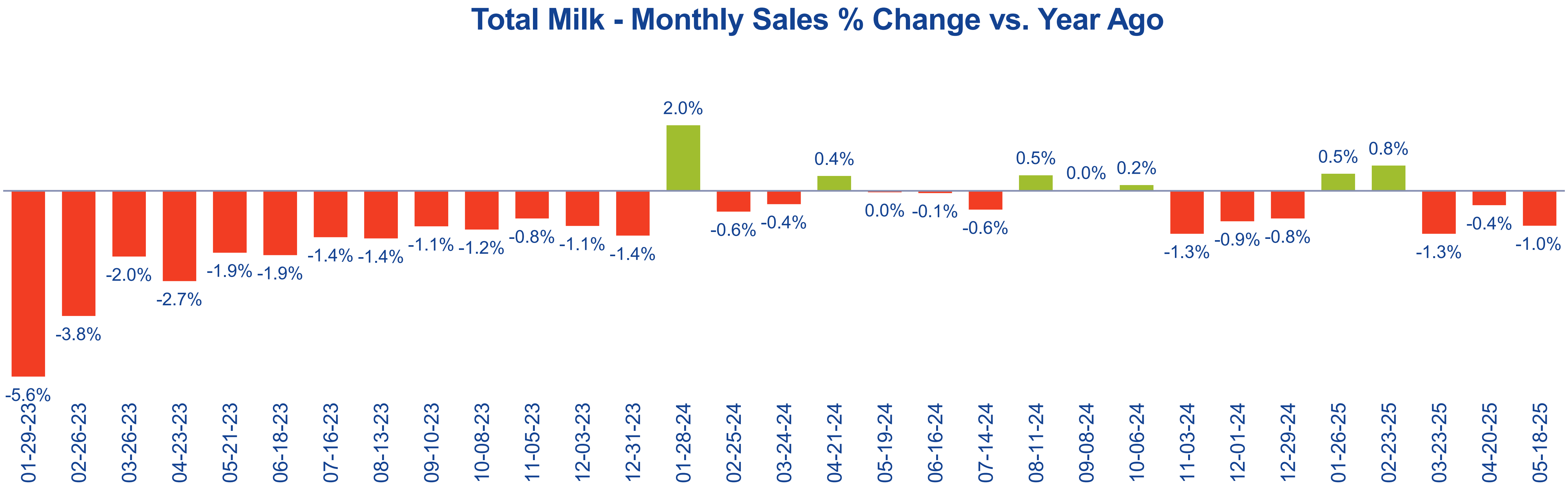
% Change vs. Year Ago



	2020	2021	2022	2023	2024	YTD 5/25/25
Vol (MM Gal)	3,962.0	3,691.0	3,591.1	3,518.0	3,513.4	1,415.4

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, YTD Ending 6/1/2025 Unify ‘Milk Annual Trends

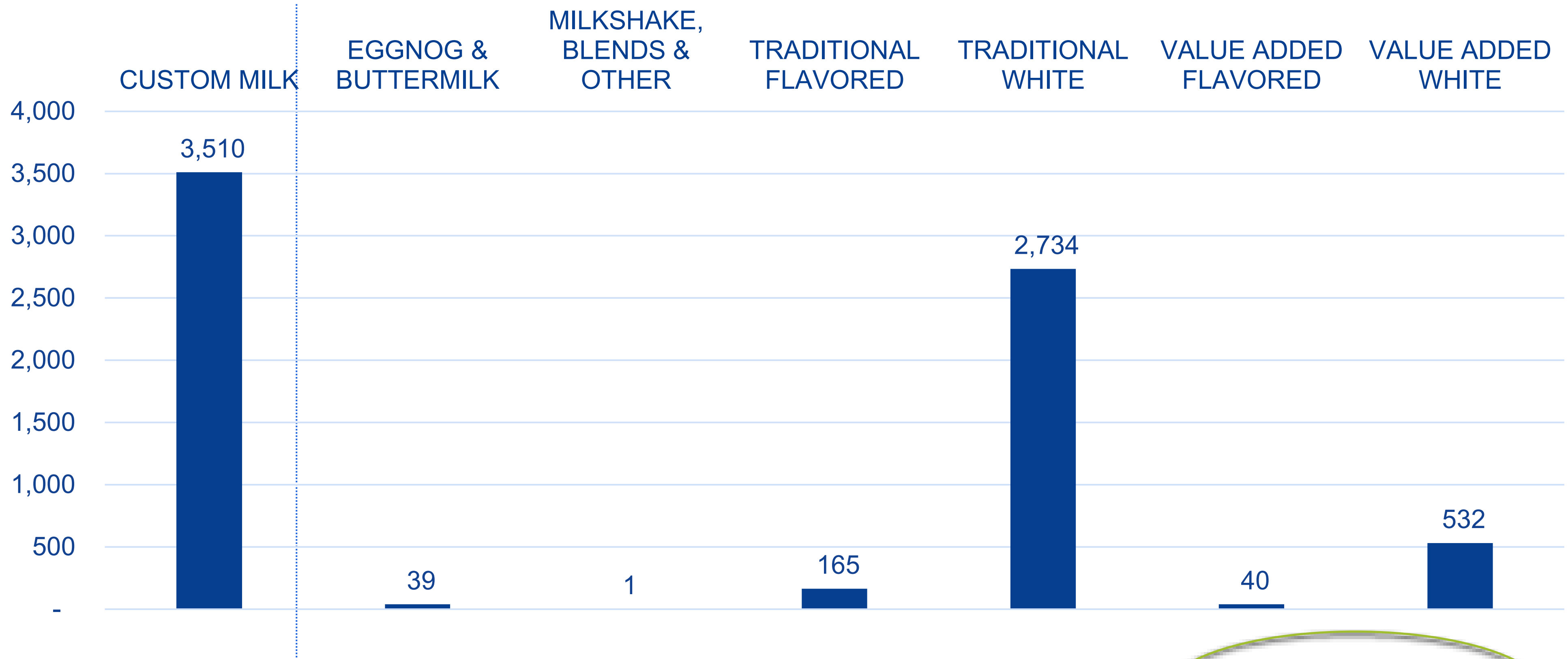
Over the last 18 months, there have been many positive volume periods vs. year ago, signaling a change in buyer behavior



Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, Quads Ending 6/1/2025

Value added milks account for 16.7% of total Milk. Traditional flavored is 5.7% of total traditional. Value added flavored is 7.0% of total value added

Total Milk Volume (MM Gallons) – Latest 52 weeks

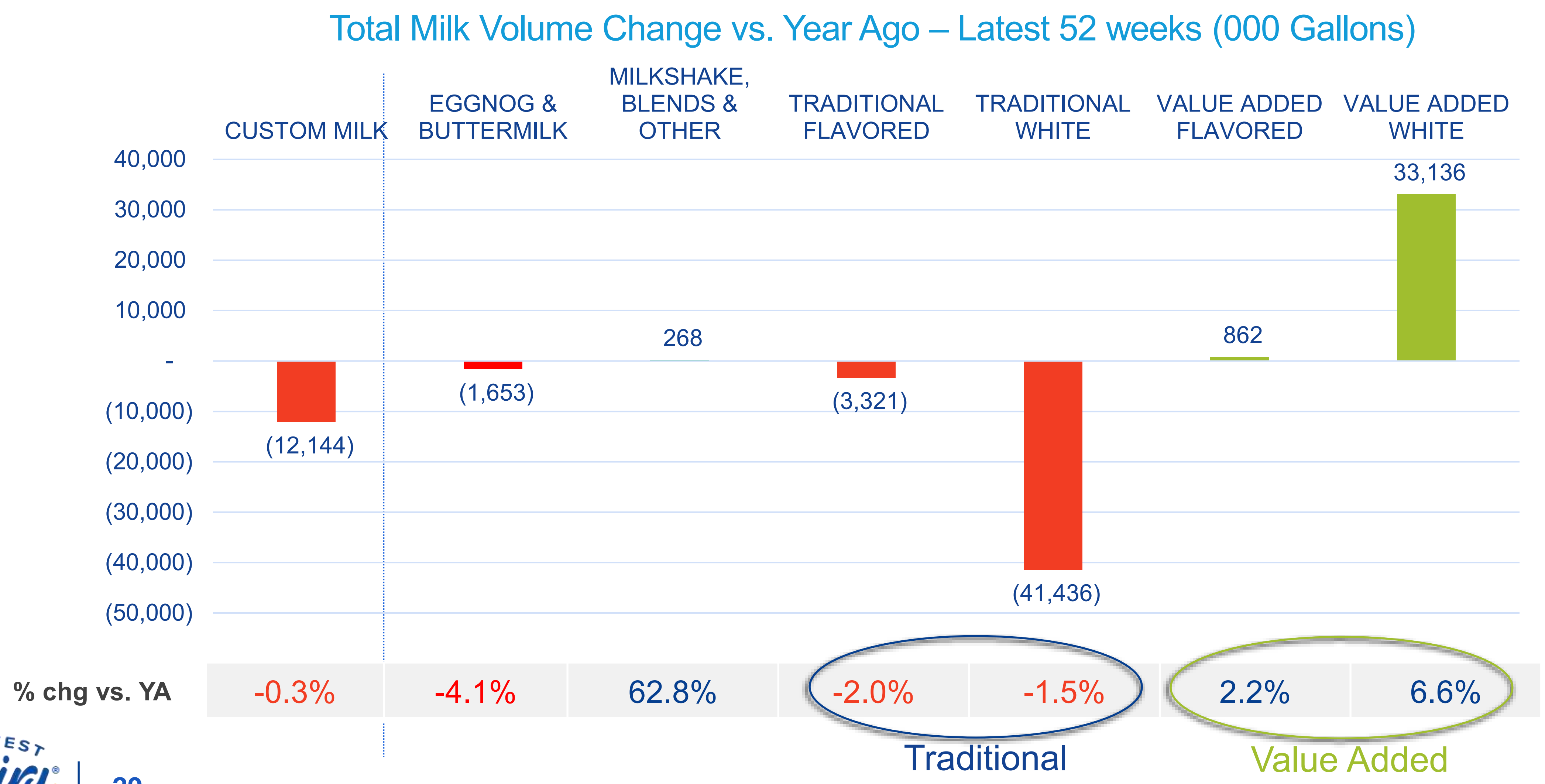


Vol Share	0.6%	0.0%	4.7%	78.0%	1.1%	15.6%

Value Added

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/18/2025

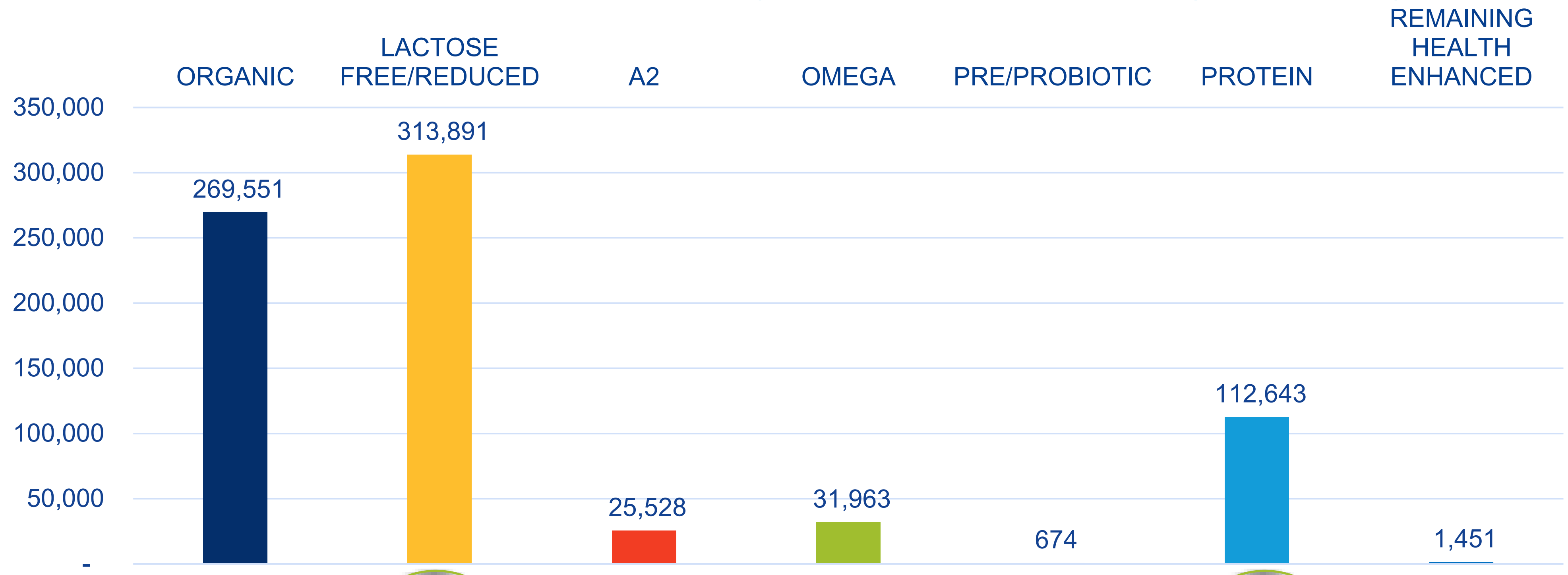
Value added milk growth is outpacing traditional, but traditional is improved relative to historical trends



Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/18/2025

Organic has rebounded in the last 52 weeks, while lactose free and higher protein continue significant gains

Value Added Milk Volume & % Chg vs YA – Latest 52 weeks (000 Gallons)



	ORGANIC	LACTOSE FREE/REDUCED	A2	OMEGA	PRE/PROBIOTIC	PROTEIN	REMAINING HEALTH ENHANCED
% chg vs.YA	1.9%	9.5%	89.5%	0.7%	162.1%	21.5%	-1.3%

*Value Added milks are not mutually exclusive (some have multiple benefits)

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/18/2025

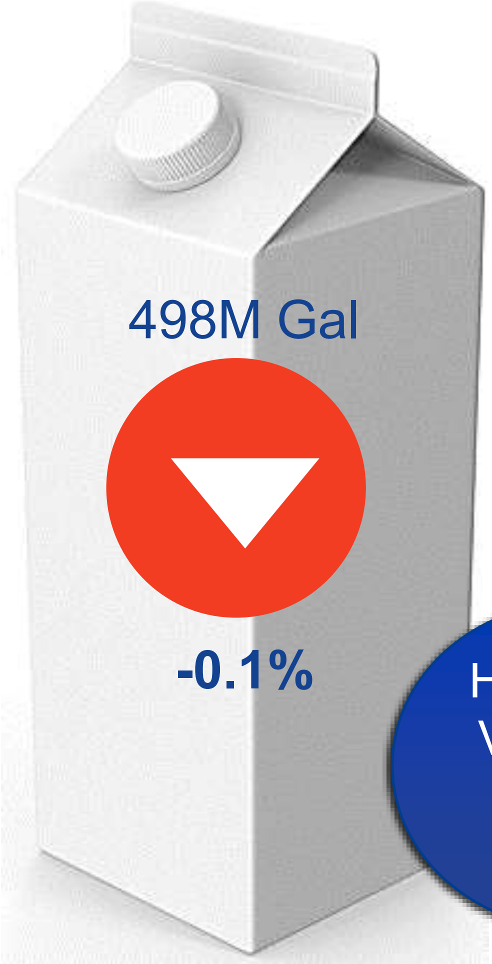
In 2022, traditional white half-gallons grew amid inflation, but recent 52-week declines suggest a shift back toward value-focused choices

2.2B Gal

-1.8%

Traditional White Milk Gallons & Half Gallons Latest 52 weeks

Volume Change vs. Year ago



498M Gal

-0.1%

Half gallon Volume is 23% of Gallons

Traditional White Inc Multipacks
Source: IRI/DMI Custom Milk Database, Total US Multi Outlet+ with C, 52weeks 5/18/2025; Unify 'GIP Milk Gallon Half Trends

There are more buyers of traditional white half gallons than full gallons. The 2022 surge in half gallons was driven by more buyers and increasing volume/buyer

Traditional White Milk – Size Comparison




	Latest 52 weeks 5/18/2025		CY 2022	
Measures	128OZ GALLON	64OZ HALF GALLON	128OZ GALLON	64OZ HALF GALLON
Buyers	72,480,271	74,051,719	75,450,301	75,710,696
Buyers Change vs YA	(1,207,169)	(535,449)	(1,252,422)	1,749,976
Buyers % Change vs YA	-1.6	-0.7	-1.6	2.4
Volume Sales per Buyer	30.6	6.7	29.8	6.5
Volume Sales per Buyer % Change vs YA	2.3	1.4	-2.0	0.9

Source: Circana DMI Custom Milk Database, Panel 26Wk 5/18/2025

Boomers drive the most volume with the highest number of Buyers of Traditional White half gallons, while Gen X is growing the fastest

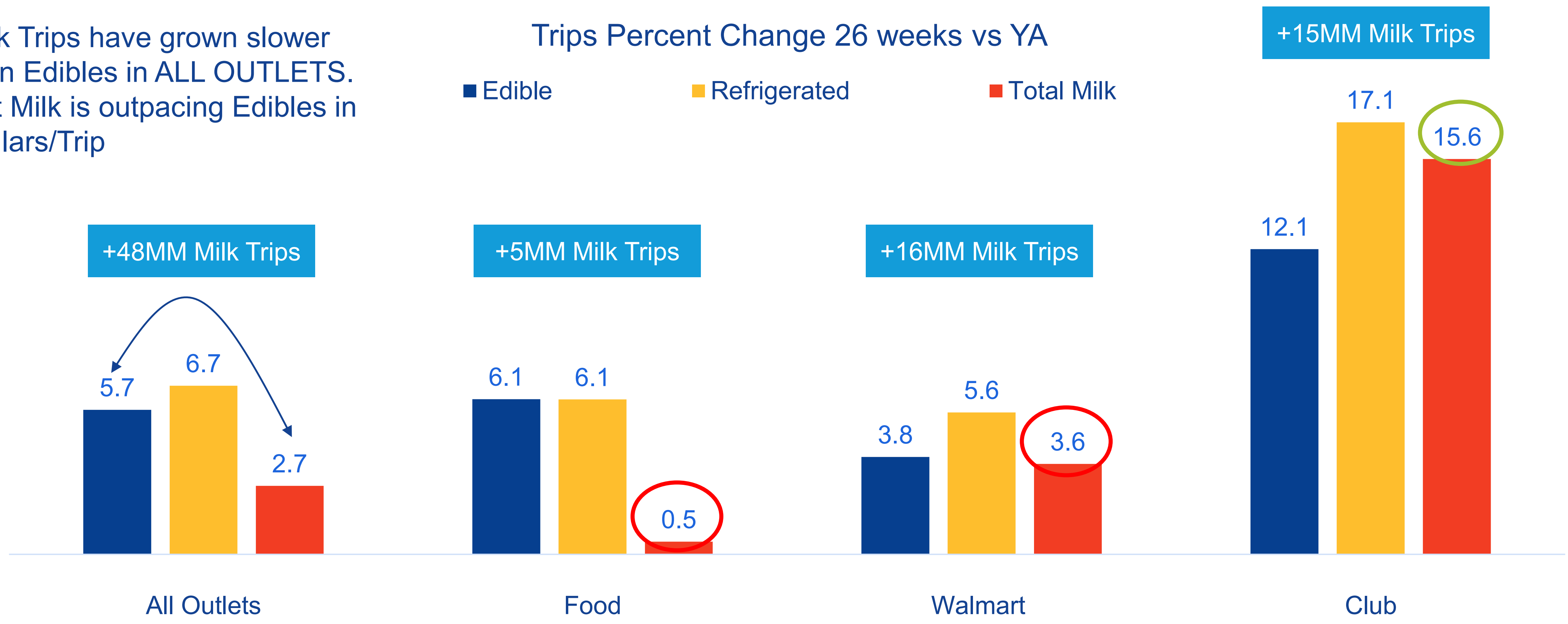
Traditional White Milk – Last 52 weeks

Measures	Millennials (Born 1981-1996)		Generation X (Born 1965-1980)		Boomers (Born 1946-1964)		Seniors and Retirees (Born 1925-1945)	
	128OZ GALLON	64OZ HALF GALLON	128OZ GALLON	64OZ HALF GALLON	128OZ GALLON	64OZ HALF GALLON	128OZ GALLON	64OZ HALF GALLON
Volume Sales	816,723,770	113,452,744	639,106,520	134,742,950	604,681,183	200,037,443	77,223,097	35,666,902
Buyers	24,682,668	20,761,010	21,467,142	21,706,759	20,741,172	25,280,708	2,813,954	3,858,608
Buyers Change vs YA	(225,845)	(603,128)	(574,900)	(34,484)	(487,876)	(102,010)	(275,651)	(274,755)
Buyers % Change vs YA	-0.9	-2.8	-2.6	-0.2	-2.3	-0.4	-8.9	-6.6
Volume Sales per Buyer	33.1	5.5	29.8	6.2	29.2	7.9	27.4	9.2
Volume Sales per Buyer % Change vs YA	5.3	2.8	-0.9	3.6	1.9	0.2	3.3	-1.6

Source: Circana DMI Custom Milk Database, Panel 26Wk 5/18/2025

Trips to club stores for milk increased significantly more than trips to food stores and Walmart for milk

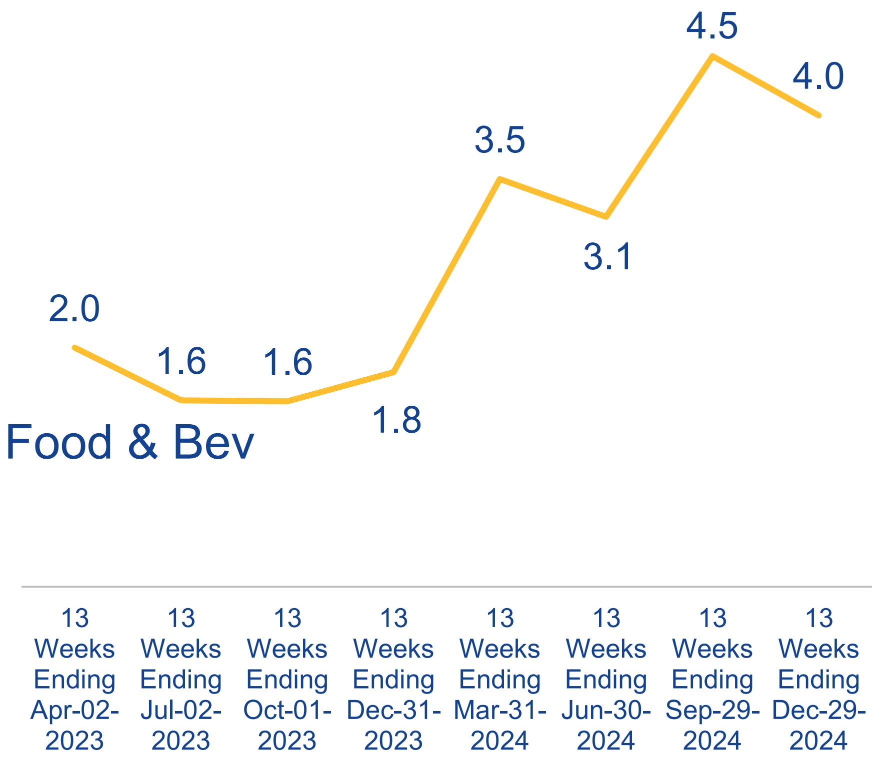
Milk Trips have grown slower than Edibles in ALL OUTLETS. But Milk is outpacing Edibles in Dollars/Trip



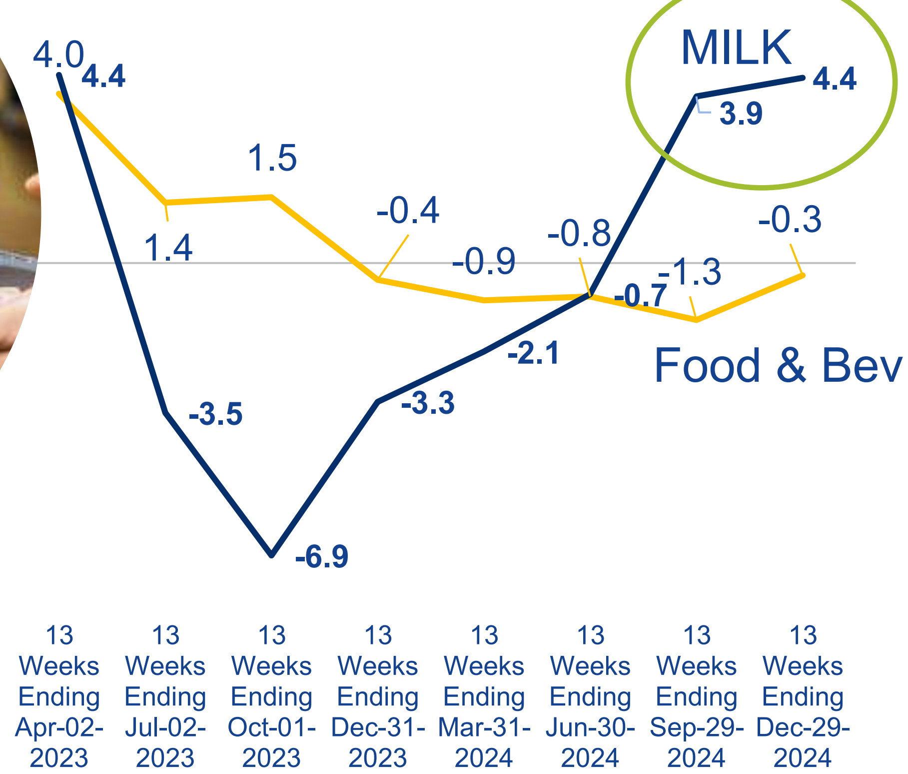
Source: Circana DMI Custom Milk Database, Panel 26Wk 5/18/2025; Unify 'Milk Trips vs Ref'

Consumers are making more trips but are spending less on each trip, except for milk

F&B Trips per Buyer % Chg. vs. YA

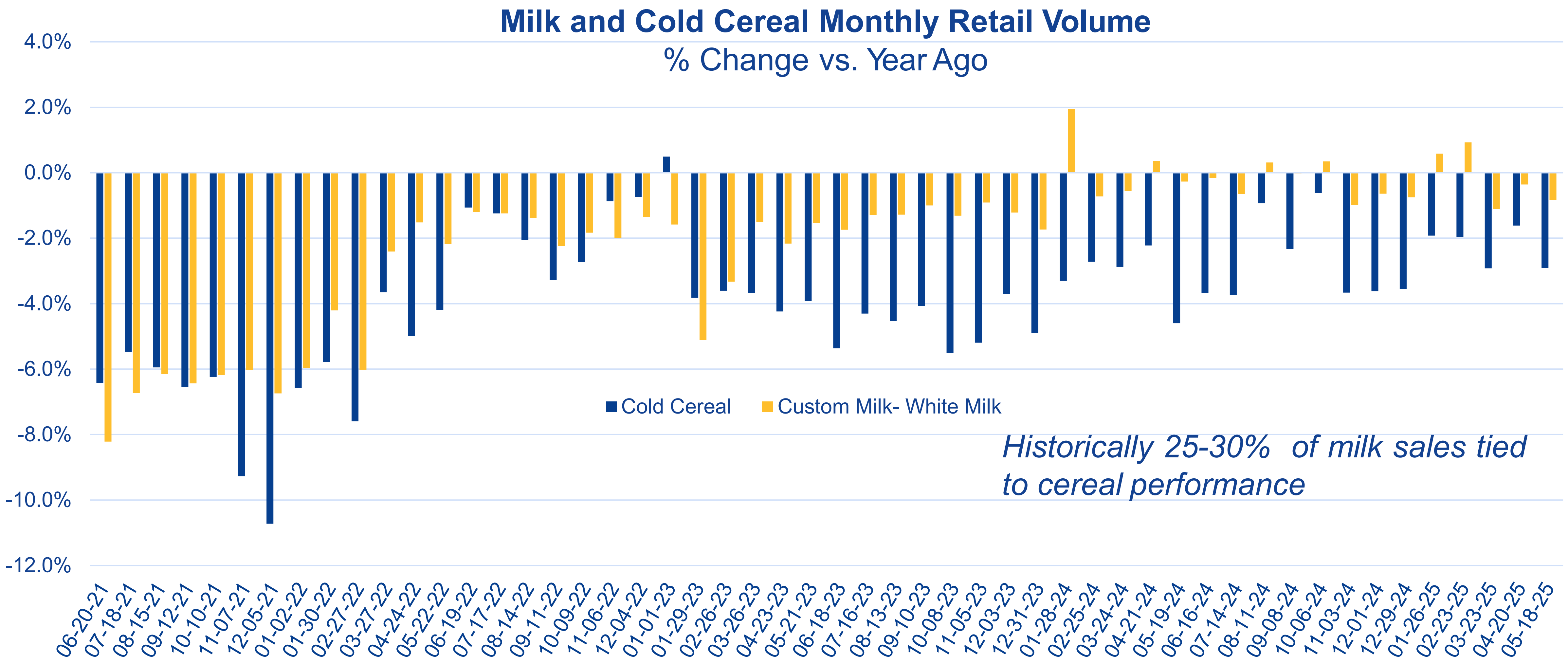


F&B Dollars per Trip % Chg. vs. YA



Source: Circana, Integrated Fresh Panel, 52Wks ending 12/29/2024

Prior cereal and milk volume correlation becoming less evident



Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ with C, 52weeks 5/18/2025; Unify ‘Cereal Monthly Trends’

Total milk key purchase measures all healthy except for volume/trip

Total Dairy Milk						
	Vol Per Household	% Households Buying	# Buyers (MM)	Trips per Buyer	Volume per Buyer	Volume per Trip
Current	27.1	91.6	119	30.2	29.6	1.0
YA	26.9	91.7	119	29.6	29.3	1.0
Change vs YA	0.3	0.0	0.7	0.6	0.3	0.0
% Change vs YA	1.1%		0.6%	2.0%	1.2%	-0.8%

Source: Circana DMI Custom Milk Database, Panel 52Wk 5/18/2025

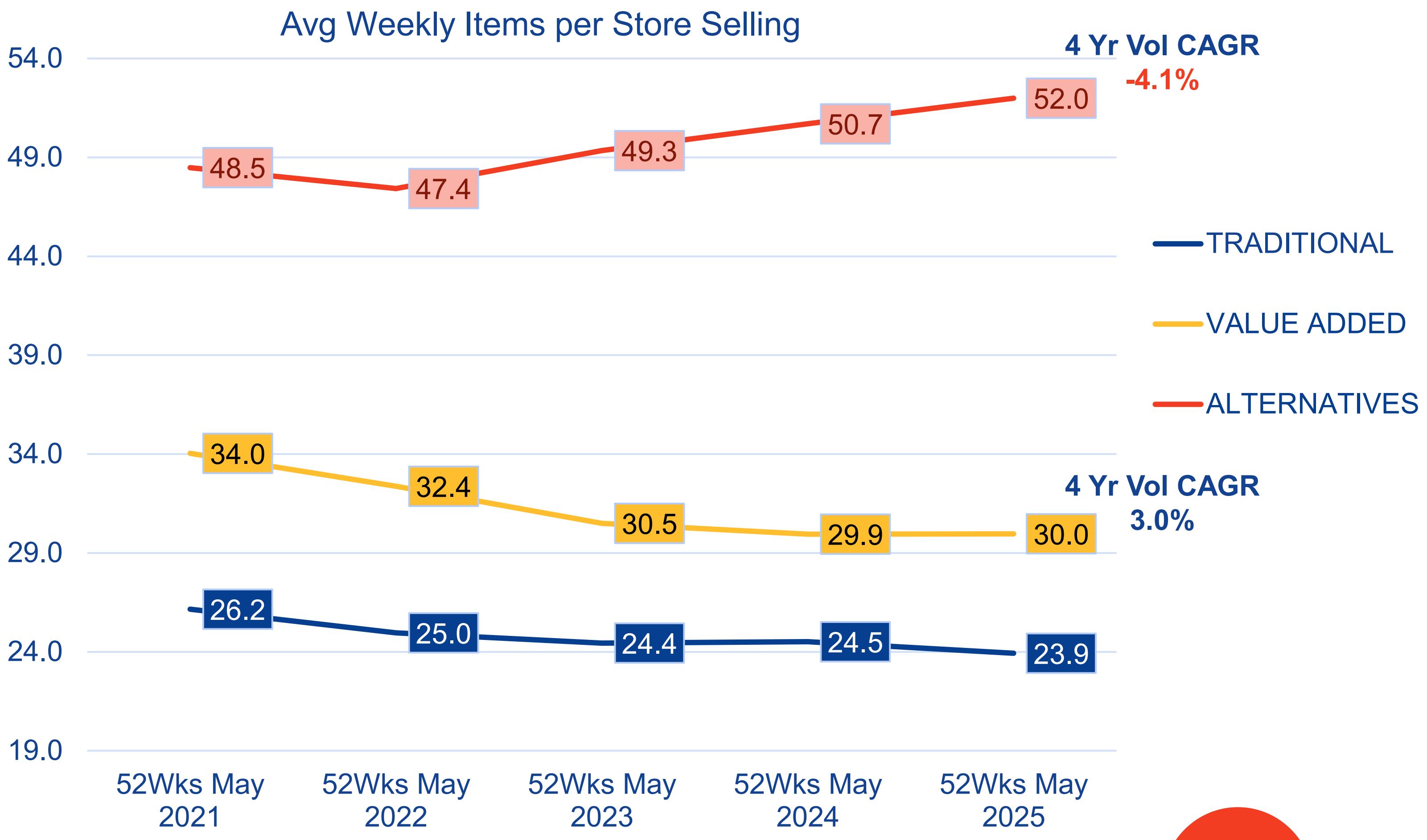
Frequency is the main driver in keeping total milk volume stable

Source: Circana DMI Custom Milk Database, Panel 52Wk 5/18/2025

The average store sells 57 milk items, down 6.6 items since 2021, with decreases in both traditional and value added, while alternatives continue to add items

Value Added has lost 4 items while producing a 3.0% CAGR

Alternatives gained 3 items with a declining CAGR



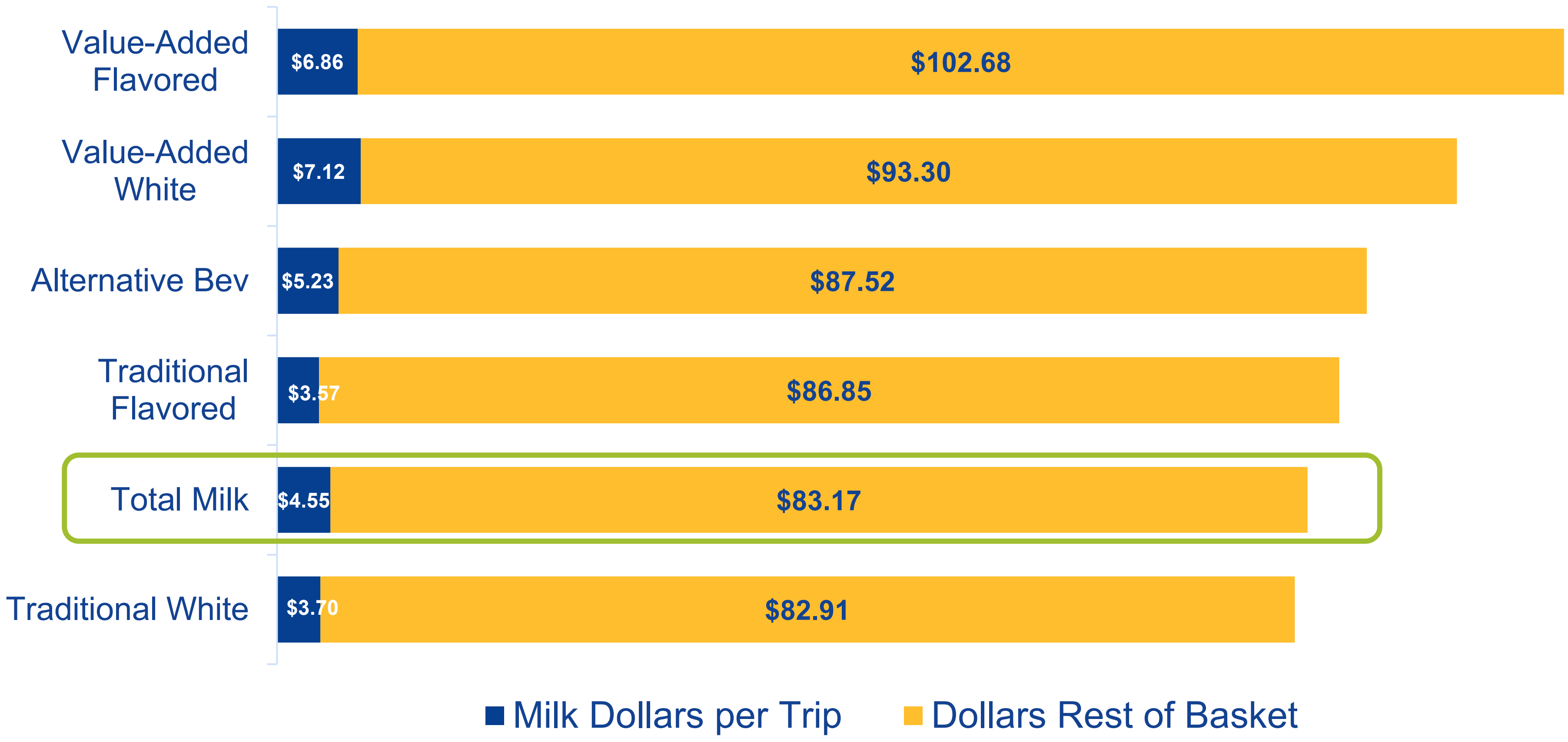
	52Wks May 2021	52Wks May 2022	52Wks May 2023	52Wks May 2024	52Wks May 2025
Total Milk Items	63.8	60.7	58.1	57.6	57.3

-6.6 items

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/18/2025

Value Added milk delivers total basket dollars significantly higher than alternatives

Total Dollars per Trip – Panel – Latest 52 Weeks



Total In Basket Dollars per Trip
$109.54
$100.42
$92.75
$90.42
$87.72
$86.61

Source: Circana DMI Custom Milk Database, Panel 52Wk 5/18/2025; Unify 'Retailer Basket Composition by Milk"

Milk Segment Trends

Fat | Lactose Free | Flavored | Organic | A2 | Protein | Pre/Pro Biotic | Omega | Size

Whole milk's 48% volume share and growth rate of 2.8% make it the largest driver of total milk performance

Performance of Fat Levels vs. Total Milk – Latest 52 weeks

	TOTAL MILK	Whole	2% Milk	1% Milk	Skim
Volume Share	100	48	35	12	5
% Vol Change vs YA	-0.3%	2.8%	-2.3%	-4.3%	-4.6%
4 Yr Vol CAGR May '21-'25	-2.2%	1.1%	-3.7%	-5.9%	-8.6%
Total Points of Dist.	8,255	3,703	1,996	1,762	792
Total Points of Dist. Chg vs YA	189	264	15	-83	-6

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/18/2025

Whole Milk Buyer Behavior is very healthy. More Buyers, Trips and Volume/Buyer is a terrific combination. Lower Volume/Trip is a pattern across the store

Whole Fat Milk

	Vol Per Household	% Households Buying	# Buyers (MM)	Trips per Buyer	Volume per Buyer	Volume per Trip
Current	12.8	70.1	91	20.0	18.3	0.9
YA	12.2	70.1	91	19.0	17.4	0.9
Change vs YA	0.6	0.0	0.6	1.0	0.8	0.0
% Change vs YA	4.8%		0.6%	5.4%	4.8%	-0.5%

Source: Circana DMI Custom Milk Database, Panel 52Wk 5/18/2025

Households (HH) with children clearly gravitate to Whole Fat

- Millennial over indexing follows suite with children
- There is an opportunity to position milk differently to race and ethnicity groups

Under Index

Over Index

Highly Over Index

Fat Level Demographics – Latest 52 weeks

Vol Index	WHOLE FAT	2% REDUCED FAT	1% LOW FAT	FAT FREE SKIM
All HH Size				
1 Person HH	57	57	56	76
2 Person HH	80	103	91	141
3 Person HH	120	113	100	92
4 Person HH	136	125	151	84
5+ Person HH	185	145	166	71
All HH Race				
Race - White	113	119	122	130
Race - African American	67	49	50	27
Race - Asian	79	56	57	50
Race - Other / Unknown	66	70	47	21
All HH Income				
Income lt $15K	104	60	67	87
Income $15-24.9K	104	79	108	54
Income $25-34.9K	113	74	79	76
Income $35-49.9K	103	91	106	70
Income $50-69.9K	119	111	95	97
Income $70-99.9K	111	115	117	115
Income ge $100K	86	107	101	115
Millennials-Younger (Born 1990-1996)	122	73	101	
Millennials-Older (Born 1981-1989)	133	110	94	75
Generation X (Born 1965-1980)	85	108	106	94
Boomers-Younger (Born 1956-1964)	90	102	94	124
Boomers-Older (Born 1946-1955)	86	103	104	173
Seniors and Retirees (Born Before 1946)	72	116	115	130
All HH Children Age Groups				
Age of Children 0 to 5 only	186	58	116	
Age of Children 6 to 11 only	121	124	82	
Age of Children 12 to 17 only	117	149	138	79
Age of Children 0 to 5 and 6 to 11	207	127	138	
Age of Children 0 to 5 and 12 to 17	174			
Age of Children 6 to 11 and 12 to 17	171	208	170	
All HH Hispanic Ethnicity				
Acculturated Hispanic	80	69	60	29
Non Hispanic/Unknown	104	106	108	113

Source: Circana DMI Custom Milk Database, Panel 52Wk 5/18/2025

Lactose free milk continues to outperform full lactose. Distribution gains are positive and should continue to the be focus as solid buyer trends continue

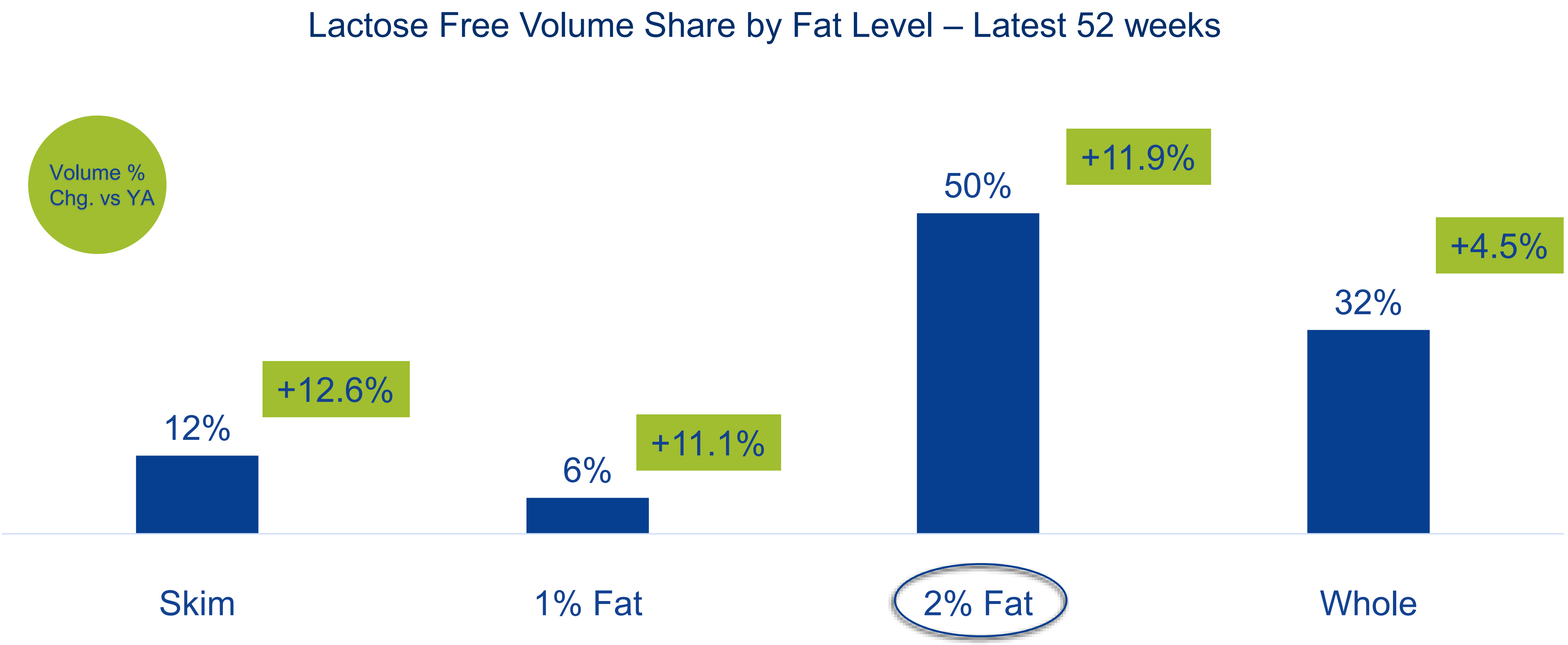
Performance of Lactose Free vs. Total Milk – Latest 52 weeks

	TOTAL MILK	Total Full Lactose	Total Lactose Free
Volume Share	100.00	91.04	8.96
% Vol Change vs YA	-0.3%	-1.2%	9.5%
4 Yr Vol CAGR ‘21-’25	-2.2%	-3.0%	8.7%
Total Points of Dist.	8,255	6,495	1,759
Total Points of Dist. Chg vs YA	189	105	84

Lactose Free is the second largest driver of Total Milk performance

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/18/2025

2% Milk leads fat types for lactose free in volume share



Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/182025

Lactose Free purchase measures are very strong

Lactose Free Milk						
	Vol Per Household	% Households Buying	# Buyers (MM)	Trips per Buyer	Volume per Buyer	Volume per Trip
Current	2.5	24.4	32	14.3	10.3	0.7
YA	2.3	23.2	30	13.6	9.8	0.7
Change vs YA	0.2	1.2	1.7	0.6	0.4	0.0
% Change vs YA	9.6%		5.8%	4.7%	4.2%	-0.5%

Source: Circana DMI Custom Milk Database, Panel 52Wk 5/18/2025

There are several clear buyer differences in demographics between Lactose Free and Full Lactose

- Acculturated Hispanic ethnicity clearly leans to Lactose Free
- Volume is somewhat evenly distributed among Asian, African American and White groups

Under Index

Over Index

Highly Over Index

Lactose Free Demographics – Latest 52 weeks

Vol Index	FULL LACTOSE	LACTOSE FREE/REDUCED
All HH Size		
1 Person HH	59	56
2 Person HH	97	106
3 Person HH	109	136
4 Person HH	129	125
5+ Person HH	157	107
All HH Race		
Race - White	120	105
Race - African American	50	98
Race - Asian	61	92
Race - Other / Unknown	58	68
All HH Income		
Income lt $15K	80	56
Income $15-24.9K	90	94
Income $25-34.9K	89	65
Income $35-49.9K	96	85
Income $50-69.9K	109	104
Income $70-99.9K	113	132
Income ge $100K	100	104
All HH Generation	100	100
Millennials-Younger (Born 1990-1996)	94	82
Millennials-Older (Born 1981-1989)	110	128
Generation X (Born 1965-1980)	99	99
Boomers-Younger (Born 1956-1964)	99	103
Boomers-Older (Born 1946-1955)	106	99
Seniors and Retirees (Born Before 1946)	105	69
All HH Children Age Groups	100	100
Age of Children 6 to 11 only	108	149
Age of Children 12 to 17 only	127	154
Age of Children 6 to 11 and 12 to 17	185	132
No children under 18	86	86
All HH Hispanic Ethnicity		
Acculturated Hispanic	63	126
Non Hispanic/Unknown	107	96

Source: Circana DMI Custom Milk Database, Panel 52Wk 5/18/2025

Flavored milk volume is about 6% of total milk. All flavored milks are underperforming plain white milk

Performance of Flavors vs. Total Milk – Latest 52 weeks

Subset of Choc

	TOTAL MILK	Plain (White)	Choc	All Other	Choc Reg	Choc Red/Low /FF
Volume Share	100.00	94.05	5.40	0.55	1.96	3.44
% Vol Change vs YA	-0.3%	-0.3%	-0.6%	-6.1%	-0.7%	-0.6%
4 Yr Vol CAGR '21-'25	-2.2%	-2.1%	-3.0%	1.0%	-1.5%	-3.9%
Total Points of Dist.	8,255	5,826	1,440	988	627	813
Total Points of Dists Chg vs YA	190	65	63	61	68	-5

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/18/2025

We are seeing a positive reversal on organic volume supported in part by distribution gains

Performance of Organic vs. Total Milk – Latest 52 weeks

	TOTAL MILK	Total Non-Organic	Total Organic
Volume Share	100.0	92.3	7.7
% Vol Change vs YA	-0.3%	-0.5%	2.0%
4 Yr Vol CAGR ‘21-’25	-2.2%	-2.3%	-1.0%
Total Points of Dist.	8,255	5,943	2,311
Total Points of Dists Chg vs YA	189	53	136

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/18/2025

Although total volume share of enhanced milks is under 5%, most had a positive year. Higher Protein milk leads absolute gains

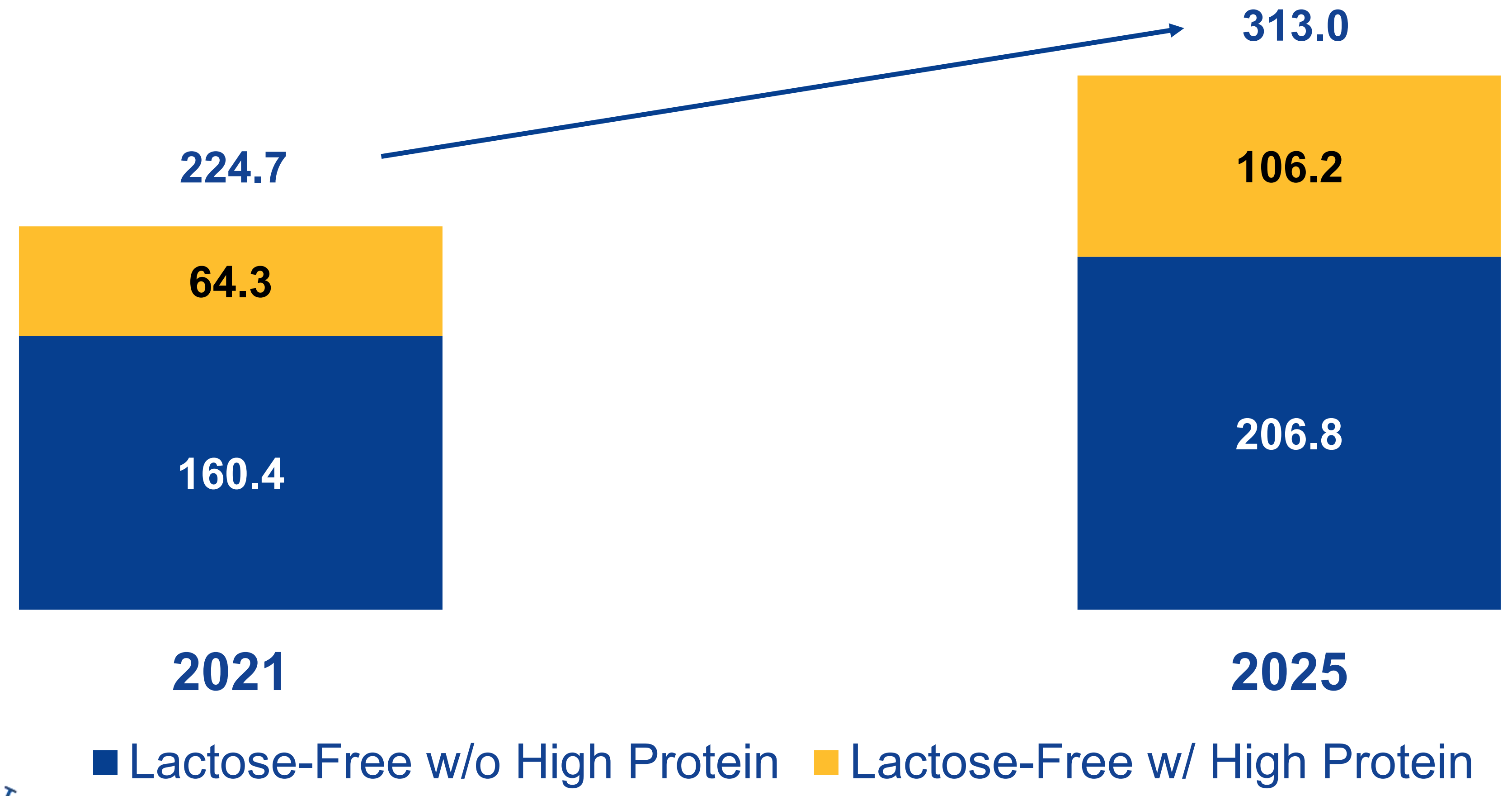
Performance of Enhanced vs. Total Milk – Latest 52 weeks

	TOTAL MILK	A2	Omega	Pre/ Pro	Protein	Calcium/ Vit A
Volume Share	100.00	0.73	0.91	0.02	3.22	0.04
% Vol Change vs YA	-0.3%	89.4%	0.7%	163.4%	21.7%	-1.3%
4 Yr Vol CAGR '21-'25	-2.2%	28.1%	-5.0%	57.4%	10.7%	-5.1%
Total Points of Dist.	8,255	199	363	50	840	22
Total Points of Dists Chg vs YA	189	12	65	25	182	2

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/18/2025

Lactose free with higher protein is driving double the growth (+13.4%) versus without, highlighting the strength of dual benefits

Lactose Free Milk Volume – Comparison WITH / WITHOUT Higher Protein
Latest 52Wks (MM Gal)



CAGR

8.6%

13.4%

6.6%

Lactose Free
Share of Total Milk
2025 - 8.9%
2021 - 5.9%

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/18/2025

There are stark profile differences between buyers of lactose free milk with higher protein vs other lactose free buyers

- 3 person HHs
- Millennials
- HHs with older children
- Distinct lifestyle groups from professional to blue collar / craftsman

Under Index

Over Index

Highly Over Index

Lactose Free – Protein vs W/O – Latest 52 weeks

Volume Index	CUSTOM MILK LACTOSE PROTEIN	CUSTOM MILK LACTOSE W/O Protein
All HH Size		
1 Person HH	51	60
2 Person HH	111	102
3 Person HH	204	93
4 Person HH	99	142
5+ Person HH	45	146
All HH Race		
Race - White	118	98
Race - African American	62	122
All HH Income		
Income $35-49.9K	57	102
Income $50-69.9K	86	116
Income $70-99.9K	117	141
Income ge $100K	142	80
All HH Generation		
Millennials-Older (Born 1981-1989)	175	100
Generation X (Born 1965-1980)	103	97
Boomers-Younger (Born 1956-1964)	110	99
Boomers-Older (Born 1946-1955)	68	118
All HH Children Age Groups		
Age of Children 12 to 17 only	220	112
All HH Hispanic Ethnicity		
Acculturated Hispanic	79	155
Lifestyle		
Male Graduated College	153	113
Male Post Graduate School	125	71
Male Blue Collar	123	103
Male Craftsmen/Foreman (Skilled)	195	106
Fem Graduated College	128	95
Fem Post Graduate School	152	107
Fem 35-44 years old	174	104
Fem White Collar	144	95
Fem Professional	173	98
Fem Prop/Managers/Officials	125	93
M10 - 35-44 w/Kids $70k+	269	99
M15 - 45-64 No Kids $100k+	171	76

Source: Circana DMI Custom Milk Database, Panel 52Wk 5/18/2025

Single serve milks have been underperforming in size and volume change, likely due to growth in other single serve functional beverages, and channel shifting

Performance of Single Serve and SS Multipacks– Latest 52 weeks

	SS 16oz & less	SS Multi Packs
Volume Share	1.60	0.37
% Vol Change vs YA	-5.4%	-12.7%
4 Yr Vol CAGR '21-'25	-2.4%	-6.3%
Total Points of Dist.	1,266	672
Total Points of Dists Chg vs YA	56	90

Single serve growth in beverages with functional benefits has been tremendous

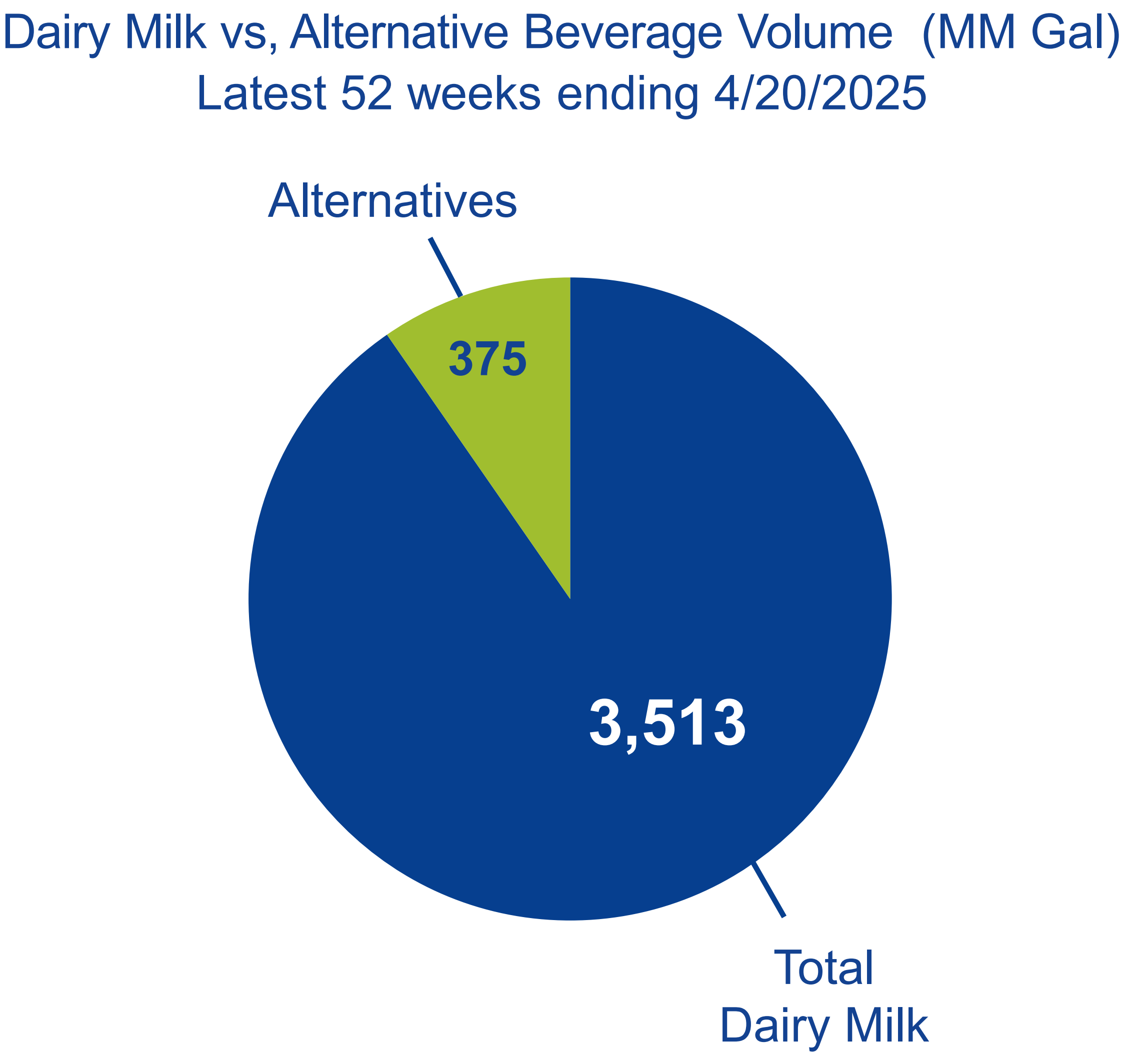
Suggests an opportunity with a value-added benefit proposition

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/18/2025

Milk vs. Alternative Beverages

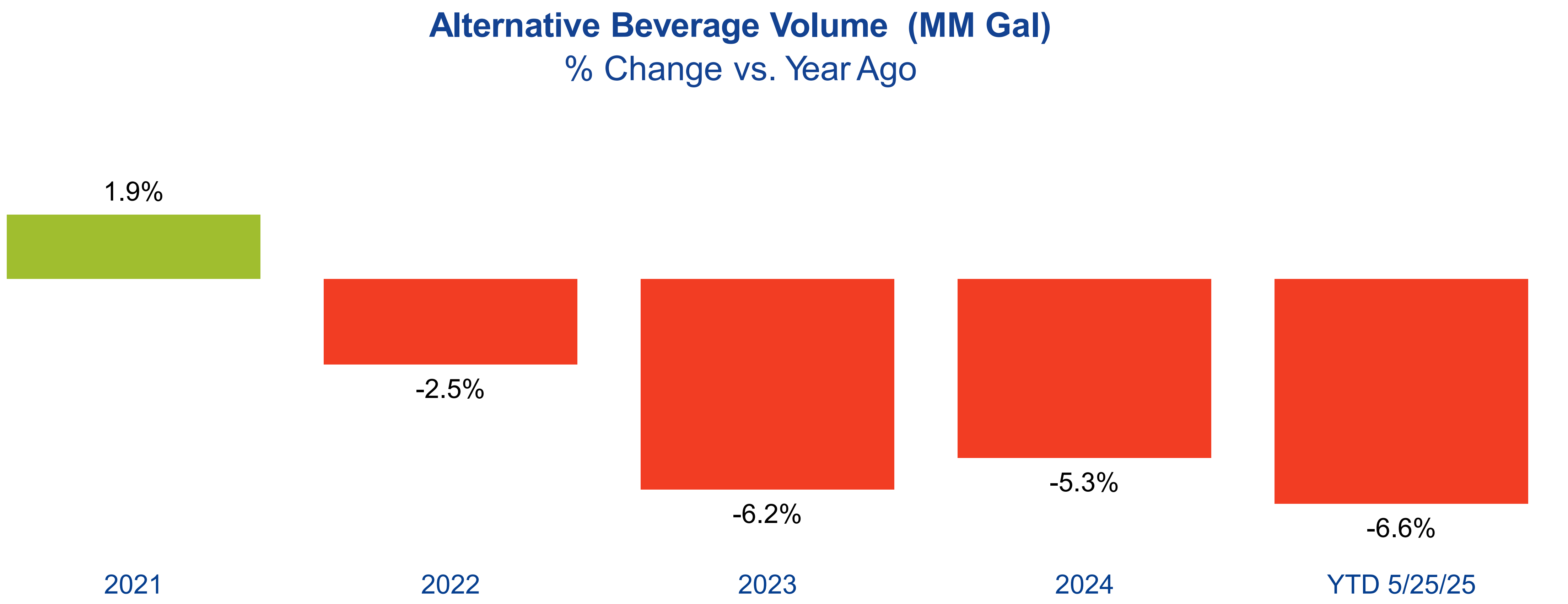
Total dairy milk volume is 9 times greater than alternatives

Dairy Milk:
90% Vol Share



Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv,

Alternatives are on a continual volume slide



	2021	2022	2023	2024	YTD 5/25/25
Vol (MM Gal)	444	433	406	385	165

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, YTD Ending 6/1/2025

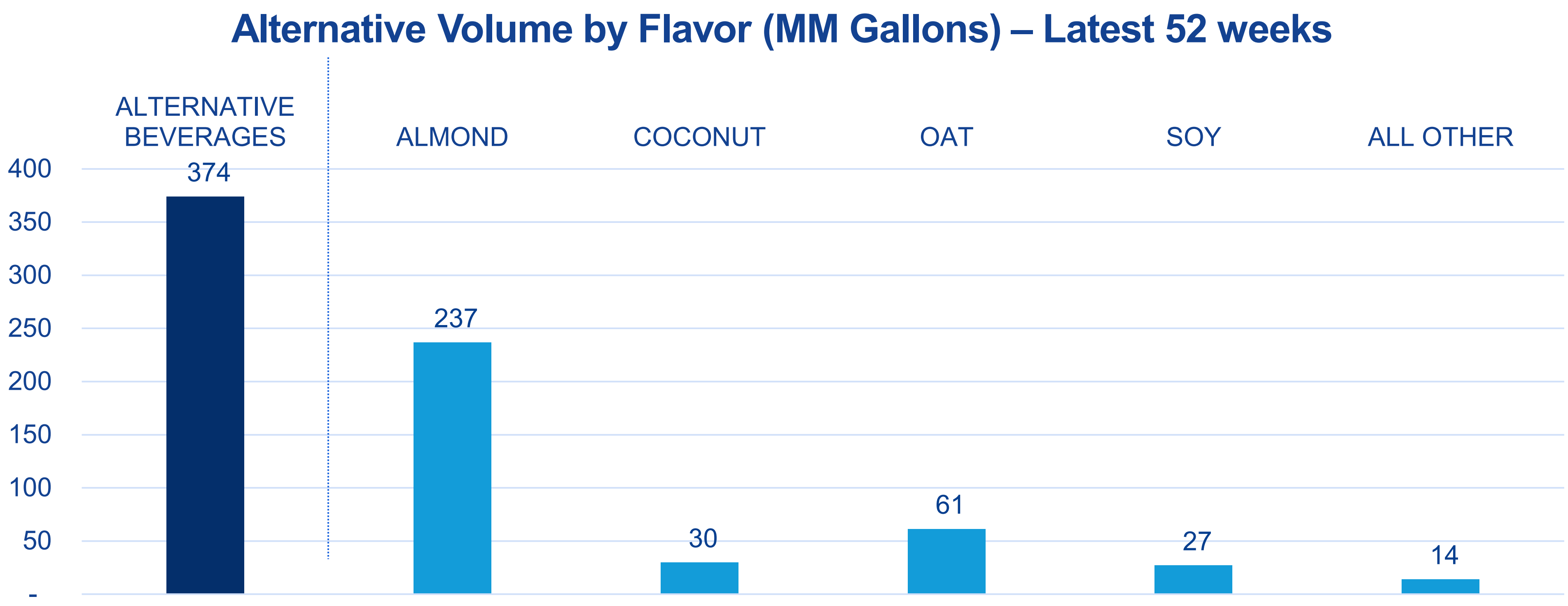
Huge buyer loss compounded with fewer trips and volume/buyer suggest a major consumer shift in attitudes

Alternatives

	Vol Per Household	% Households Buying	# Buyers (MM)	Trips per Buyer	Volume per Buyer	Volume per Trip
Current	3.0	47.9	62	9.4	6.3	0.7
YA	3.2	49.3	64	9.5	6.5	0.7
Change vs YA	-0.2	-1.4	-1.5	-0.2	-0.2	0.0
% Change vs YA	-6.0%		-2.3%	-1.7%	-3.3%	-1.6%

Source: Circana DMI Custom Milk Database, Panel 52Wk 5/18/2025

Almond flavor is driving total decline. Oat growth, while still positive, has significantly declined from prior years

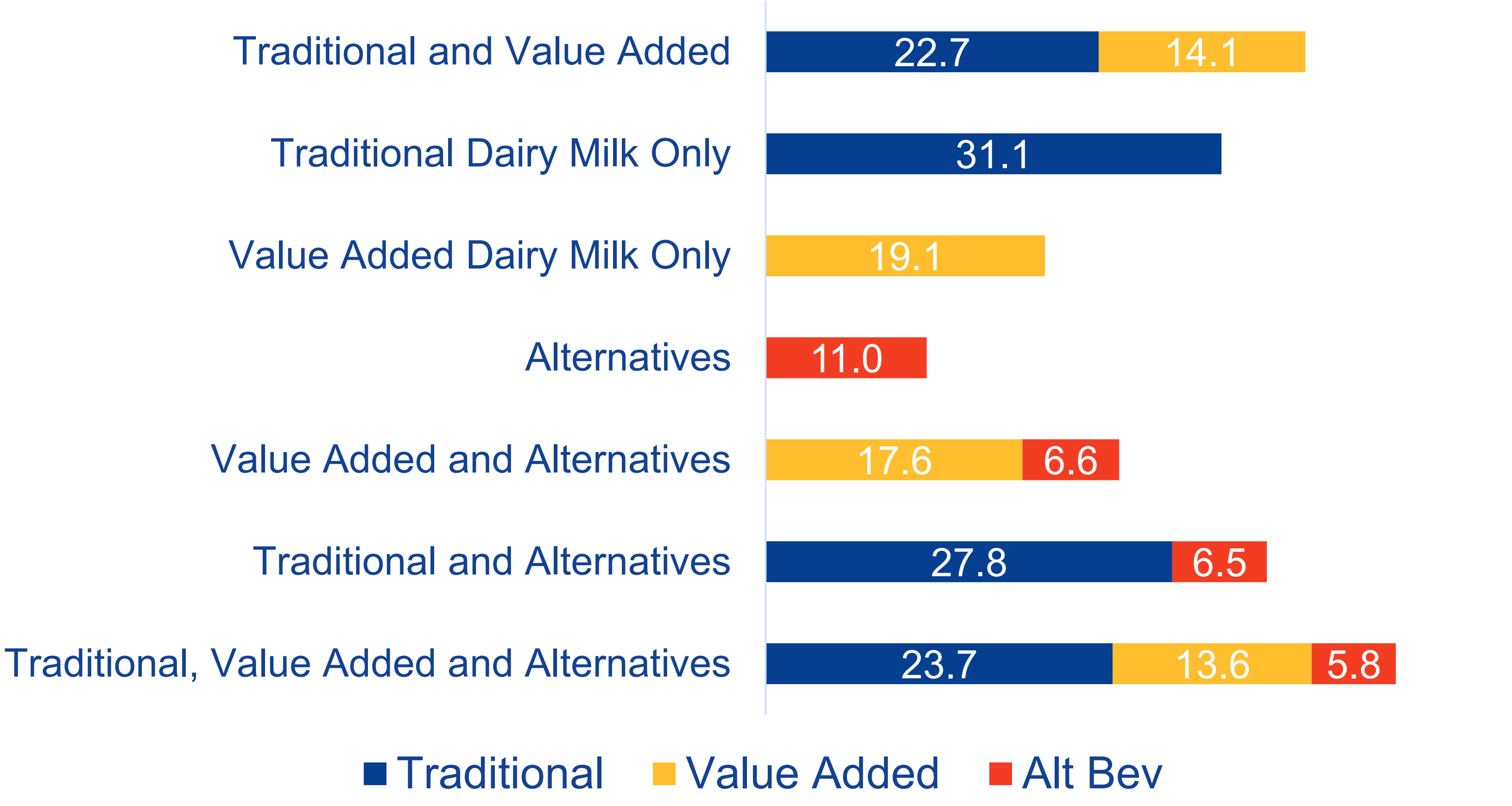


		ALMOND	COCONUT	OAT	SOY	ALL OTHER
Vol Share		63%	8%	16%	7%	4%
Vol % Chg vs YA	-6.1%	-9.2%	5.3%	0.1%	-5.8%	-3.8%

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/18/2025

Buyers of both Traditional and Value-Added buy significantly more milk than other groups, even with some also buying alternatives

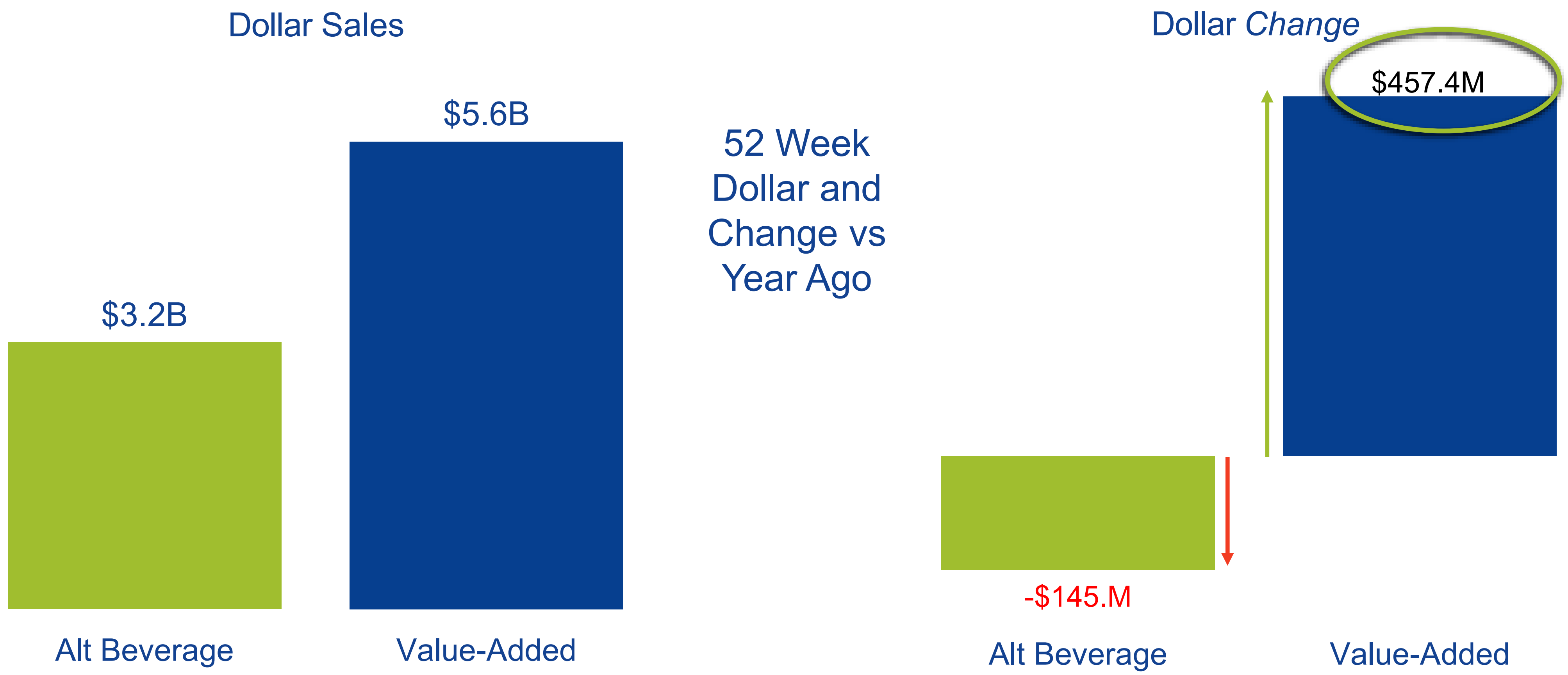
Volume per Buyer – Traditional, Value-Added & Alternatives



% of HHs	Dairy Gal/Yr
11.0%	36.9
35.7%	31.1
3.5%	19.1
6.0%	0.0
3.4%	17.6
21.7%	27.8
12.2%	37.3

Source: Circana DMI Custom Milk Database, Panel 52Wk 5/18/2025

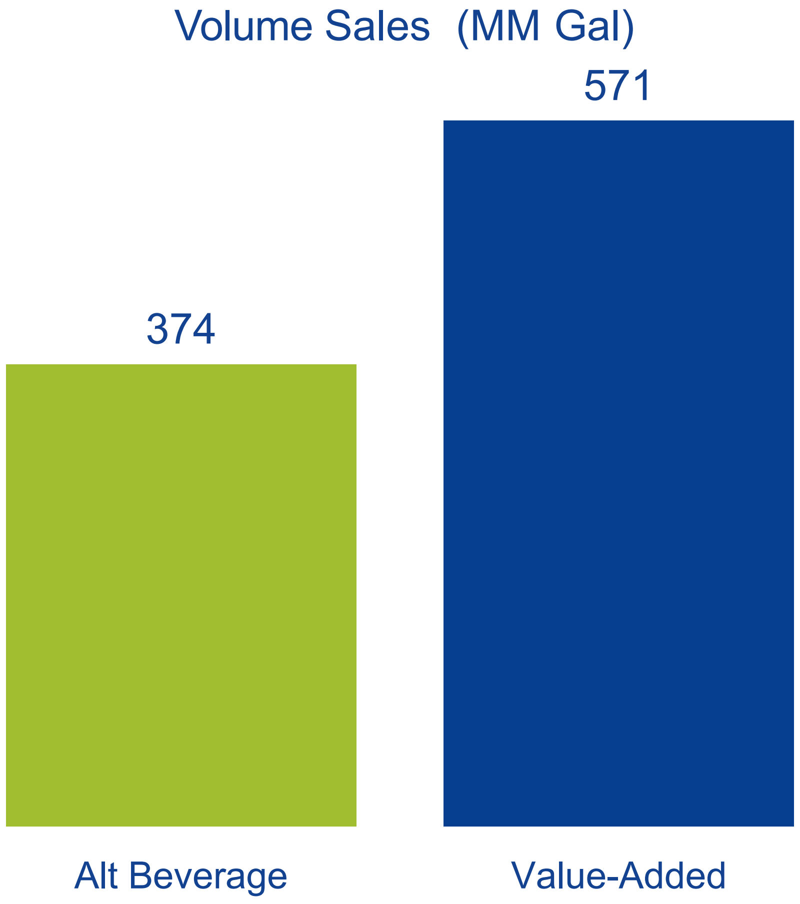
Value added milk dollars are about 75% greater than alternatives, and are posting close to half a billion in dollar growth vs. alternative declines



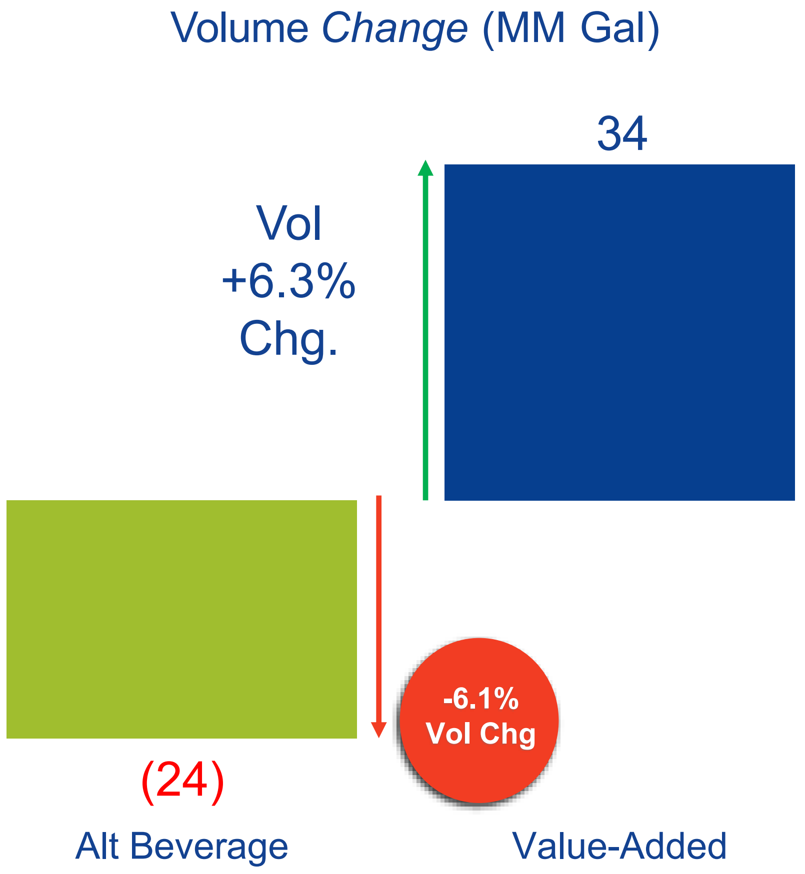
	Alt Beverage	Value-Added
Price per Gallon	$8.57	$9.83
Price per Gallon% Chg vs YA	1.8%	2.4%

Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/182025

Value-Added milk volume is about 53% greater than alternatives, and are posting solid growth versus alternatives



52 Week Volume and Change vs Year Ago



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Source: Circana DMI Custom Milk Database, Total US Multi Outlet+ w Conv, 52weeks Ending 5/18/2025

Key Findings & Recommendations

- Milk is proving its relevance with consumers
  - Milk continues to drive enormous category dollars
  - Assess shelving and space opportunities on assortment/mix, space to sales and basket dollars
- Whole Fat and Lactose Free have proven long term success with buyers
  - Messaging will be key to fuel the fire
  - Assess opportunities to position milk to best leverage positive consumer perceptions
- Consumers’ view of health continues to evolve
  - Increasingly food is seen as medicine for total well-being
  - Milk has a strong connection to consumers’ health & wellness needs
    - Nutritionally dense, high-quality protein, clean ingredients, fresh and minimal processing
- Consumers are seeking the benefits of value-added milk beverages like never before
  - Review and drive innovation platforms in protein, energy, digestion and stress relief
  - Assess how current enhanced milk can fit those needs

Circana Contact

John Loehr

Principal, Client Insights

John.loehr@circana.com

Midwest Dairy Contacts

Maureen Windisch
Sr. Manager, Business Insights & Data Analytics
mwindisch@midwestdairy.com

Beth Bruck-Upton
Vice President, Research and Innovation
bupton@midwestdairy.com

Martha Kemper
Vice President, Dairy Experience Business Development
mkemper@midwestdairy.com