

Claude3 Opus Sales Report
Food, 2017 vs 2018
Prepared: 26 March 2024

This report uses charts designed according to the International Business Communication Standards (IBCS) to ensure clarity, consistency, and information density.

Key elements:

1. **Consistent chart design:** All charts follow a uniform design, making it easier for readers to understand and compare data across different visualizations. This includes consistent use of fonts, sizes, and positioning of elements.
2. **Simplified and focused content:** Charts are designed to be easily readable, with a focus on essential information. Unnecessary decorative elements are avoided to maintain clarity.
3. **Proper labeling and titling:** Each chart includes clear, descriptive titles and labels to ensure that the data is easily understood without additional context.
4. **Standardized notation:** IBCS-compliant charts use standardized notation for elements such as time periods, units, and scenarios, making the information more accessible and comparable.

The following conventions are used throughout the report:

- **Black** represents actual values for the current year
- **Grey** represents data from the previous year
- **Red** indicates negative or "bad" performance
- **Green** indicates positive or "good" performance
- **"PY"** is used to denote the previous year values
- **"AC"** refers to the actual current year values
- **Underscore "_"** is used to represent year-to-date data
- **Tilde "~"** indicates a rolling year or 12-month period

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Market Overview

Nestlé holds an 18% share of the food sales market, with the UAE, Qatar, and KSA accounting for 67% of total sales. Confectionery, particularly chocolate, is the standout category. Despite Nestlé's strong market position, sales decreased from \$44.3 million in 2017 to \$43.7 million in 2018, with performance varying across markets and categories.

Sales Performance

Regular offerings primarily drive Nestlé's sales, with a slightly higher reliance on promotions compared to competitors. The company's performance varies across markets and categories, with the "Other" entity dominating in both sales volume and total revenue, possibly due to its lower prices. In 2018, Nestlé showed strong unit sales growth, outpacing the average, but its promotional sales underperformed.

Category Insights

Chocolate leads the company's dynamic and diversified food sales, with Confectionery dominating sales volume and Baby Nutrition commanding the highest unit prices. The company's sales follow a Pareto-like distribution, with the top 23 segments generating 80% of sales, presenting opportunities to optimize the portfolio and boost profitability.

Challenges and Opportunities

The business experienced a slight drop in sales value from 2017 to 2018 (-1.4% CAGR), with varying performance across GCC countries and major retailers. To ensure long-term success, Nestlé must adapt strategies, reevaluate promotional effectiveness, focus on core business operations, and respond to increased competition and changing consumer preferences.

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At a glance: Nestlé holds an 18% share of the food sales market, with the UAE, Qatar, and KSA accounting for 67% of total sales, and confectionery, particularly chocolate, being the standout category. The company's sales decreased from \$44.3 million in 2017 to \$43.7 million in 2018, with performance varying across markets and categories. While Oman market, Chocolate subcategory, and Snickers Bar 50g showed strong growth, KSA and UAE markets, Breakfast Cereals category, and Nescafe 3in1 faced notable declines, suggesting regional preferences and market dynamics significantly impact these categories. Pages 8 to 15.

Sales breakdown: Nestlé's sales are primarily driven by regular offerings, with a slightly higher reliance on promotions compared to competitors, and its performance varies across markets and categories. Despite Nestlé's higher unit prices, the "Other" entity dominates in both sales volume and total revenue, possibly due to its lower prices. Nestlé showed strong unit sales growth in 2018, outpacing the average, but its promotional sales underperformed, suggesting a need to reassess its promotional strategies. Pages 17 to 25.

Data insights: Chocolate leads the company's dynamic and diversified food sales, with Confectionery dominating sales volume and Baby Nutrition commanding the highest unit prices. Regular sales drive most revenue, while promotions have mixed effects across categories. The company's sales follow a Pareto-like distribution, with the top 23 segments generating 80% of sales, presenting opportunities to optimize the portfolio and boost profitability. Pages 27 to 35.

Trends: The business experienced a slight drop in sales value from 2017 to 2018 (-1.4% CAGR), with varying performance across GCC countries and major retailers. Regular sales remained relatively steady while promotional sales declined, and product categories showed mixed results, with Petfood growing significantly and Ambient Dairy and Baby Nutrition seeing declines. To ensure long-term success, the company must adapt strategies, reevaluate promotional effectiveness, focus on core business operations, and respond to increased competition and changing consumer preferences. Pages 37 to 45.

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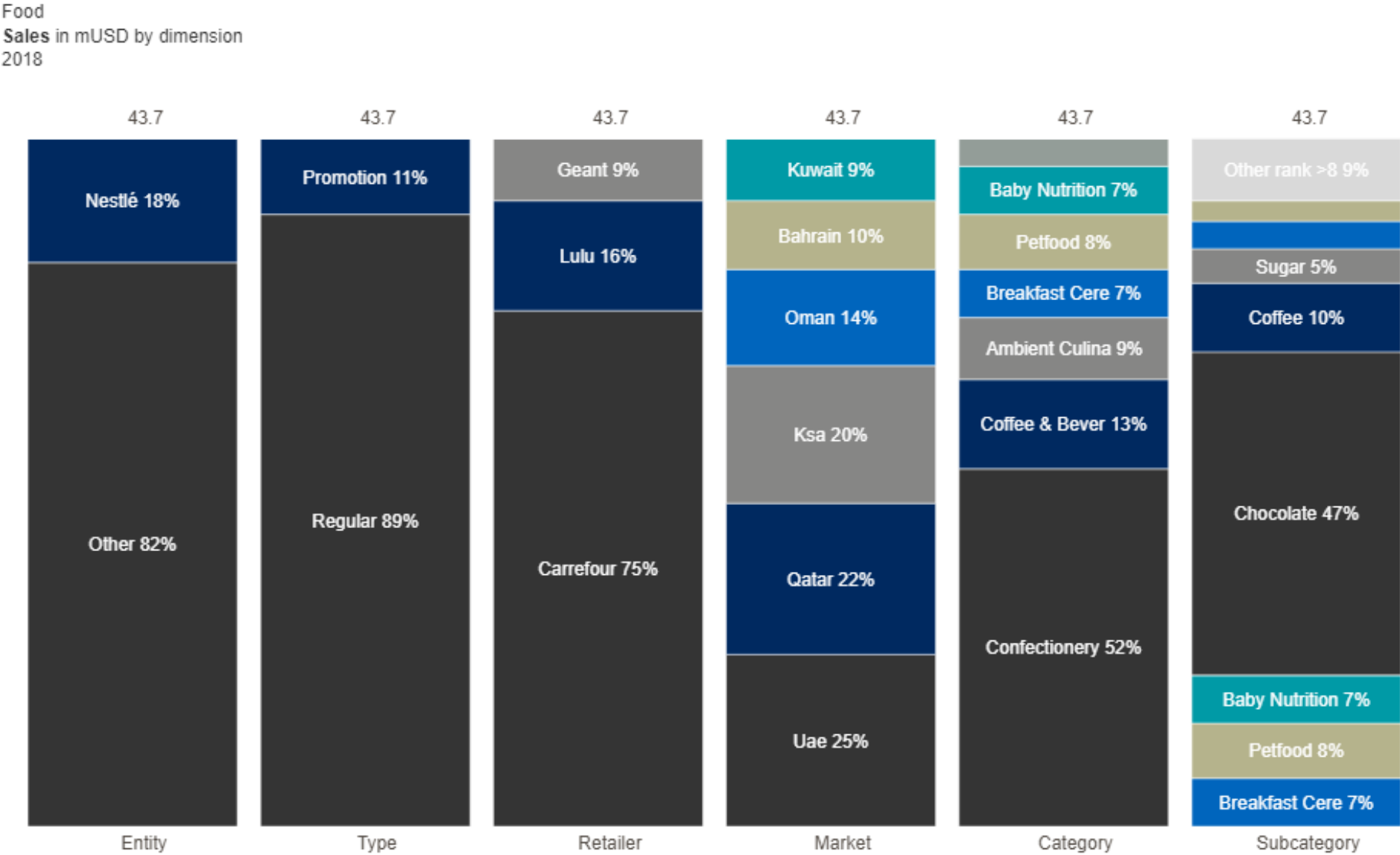
Nestlé accounts for 18% of the food sales market, with regular sales dominating at 89% and promotional sales at 11%. Carrefour leads retailers with a 75% market share, followed by Lulu at 16% and Geant at 9%. The UAE, Qatar, and KSA are the top markets, accounting for 67% of total sales, with confectionery, particularly chocolate, being the standout category (p.9).

The company's sales decreased from \$44.3 million in 2017 to \$43.7 million in 2018, primarily due to a negative price variance of \$703.4k, partially offset by a positive units & mix variance of \$92.2k (p.10). Performance varied across markets, with Oman and Kuwait showing positive growth, while the UAE, KSA, and Bahrain experienced declines (p.11). Chocolate and pet food sales grew at Carrefour, but the UAE market, regular products, and promotions saw declines (p.12).

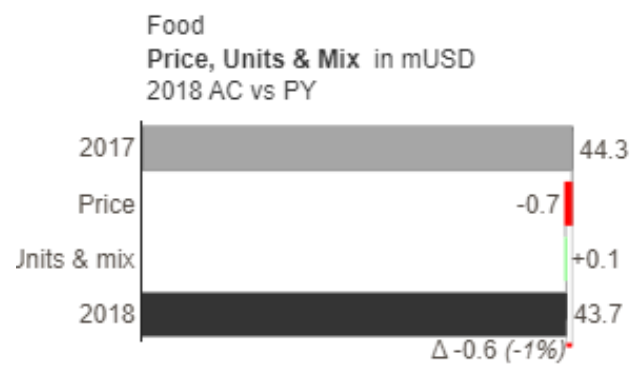
Oman market, Chocolate subcategory, and Snickers Bar 50g showed strong growth, while KSA and UAE markets, Breakfast Cereals category, and Nescafe 3in1 faced notable declines (p.13). Carrefour saw drops in Breakfast Cereals and Coffee & Beverages, while Lulu grew in Ambient Culinary. Geant was stable, with minor growth in several categories. Confectionery and Other rank >4 categories performed well across all retailers (p.14).

The company's sales performance varied across food categories and markets. Confectionery and Other rank >4 categories generally performed well, suggesting robust demand. However, Coffee & Beverages faced significant challenges, especially in KSA, indicating potential market saturation or shifting consumer preferences. Breakfast Cereals and Ambient Culinary performance varied significantly across markets, suggesting regional preferences and market dynamics significantly impact these categories (p.15).

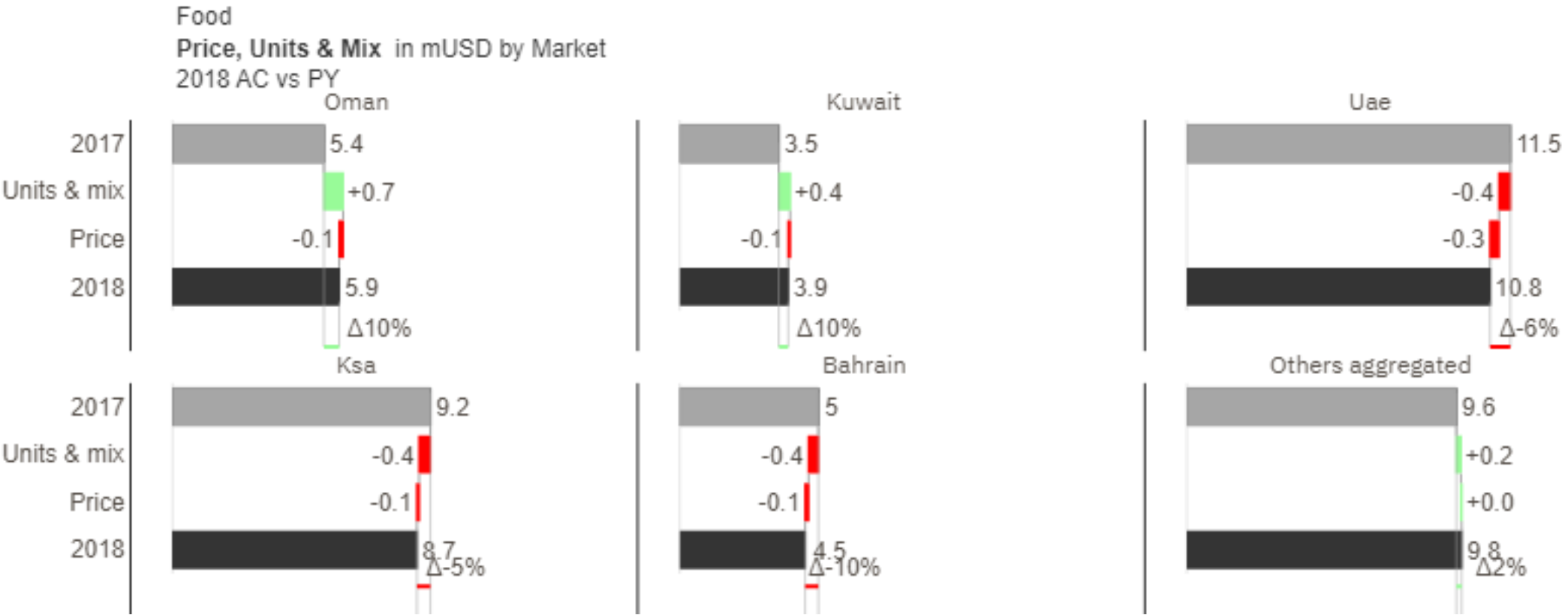
Nestlé accounts for 18% of total food sales, with other entities making up the remaining 82%. Regular sales dominate at 89%, while promotional sales are at 11%. Carrefour leads retailers with a 75% market share, followed by Lulu at 16% and Geant at 9%. The UAE, Qatar, and KSA are the top markets, together accounting for 67% of total sales. Confectionery, particularly chocolate, is the standout category, indicating high consumer preference and potential areas for investment.



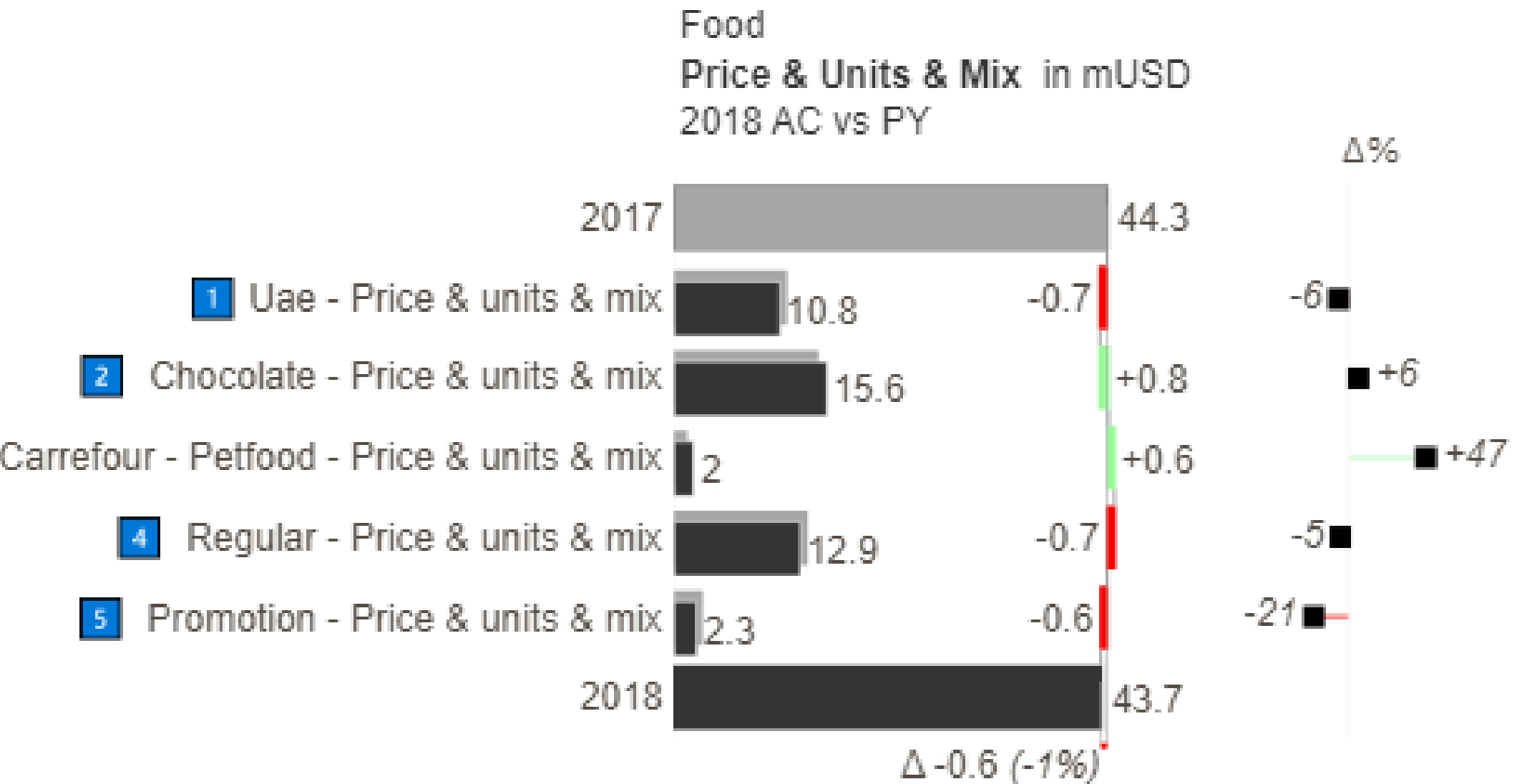
The company's sales decreased from \$44.3 million in 2017 to \$43.7 million in 2018. A negative price variance of \$703.4k was the main driver, but a positive units & mix variance of \$92.2k partially offset the losses.



The company's performance varied across markets. Oman and Kuwait showed positive growth driven by an increase in units & mix, despite pricing challenges. In contrast, the UAE, KSA, and Bahrain experienced a decline in sales due to negative variances in both units & mix and price. The 'Others aggregated' category showed resilience with a modest increase in sales driven by both units & mix and price variances.

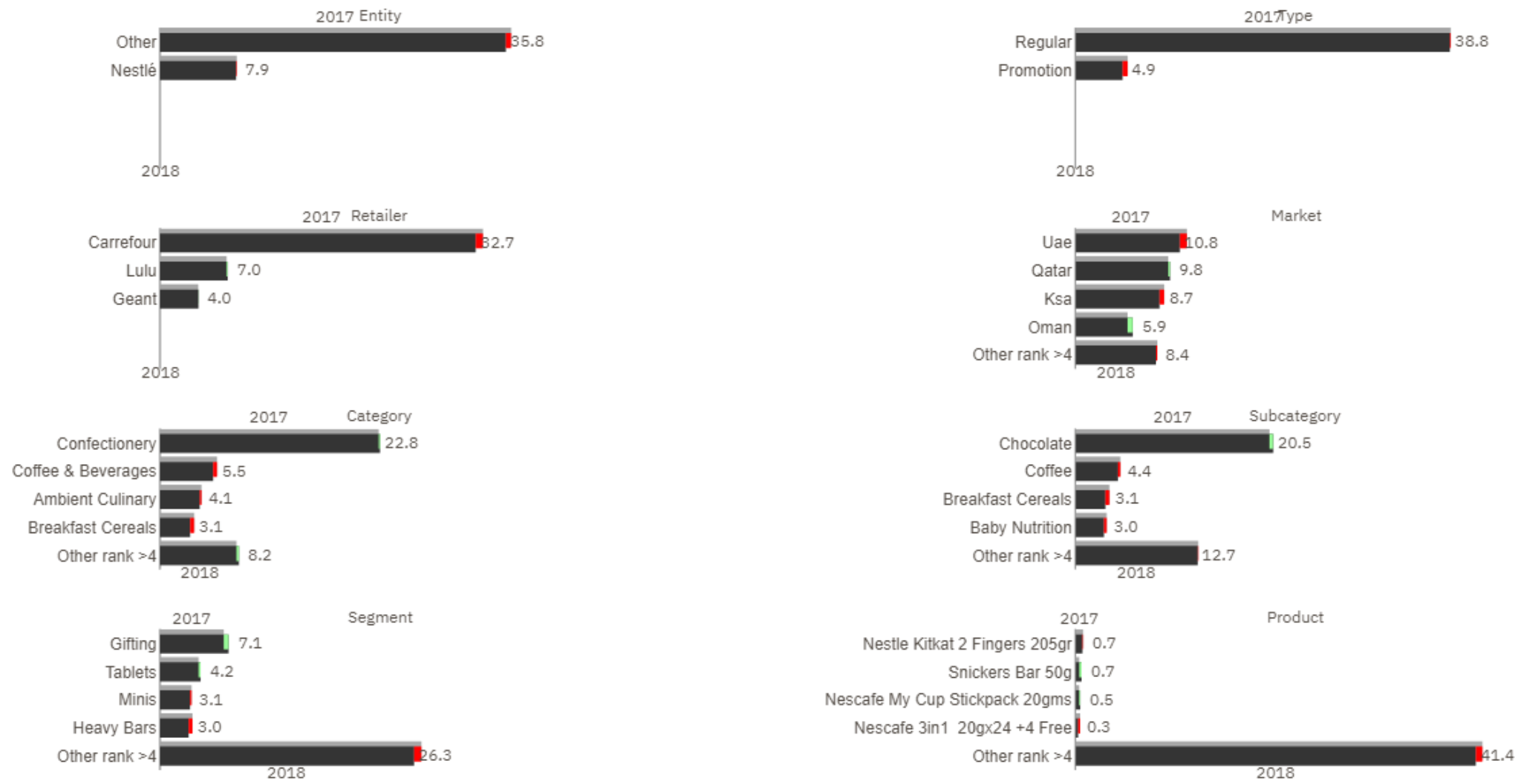


The company's sales from 2017 to 2018 were influenced by various factors. Chocolate and pet food sales grew at Carrefour. However, the UAE market, regular products, and promotions saw declines, leading to an overall sales drop. The company needs to adapt to changing market conditions and consumer preferences.

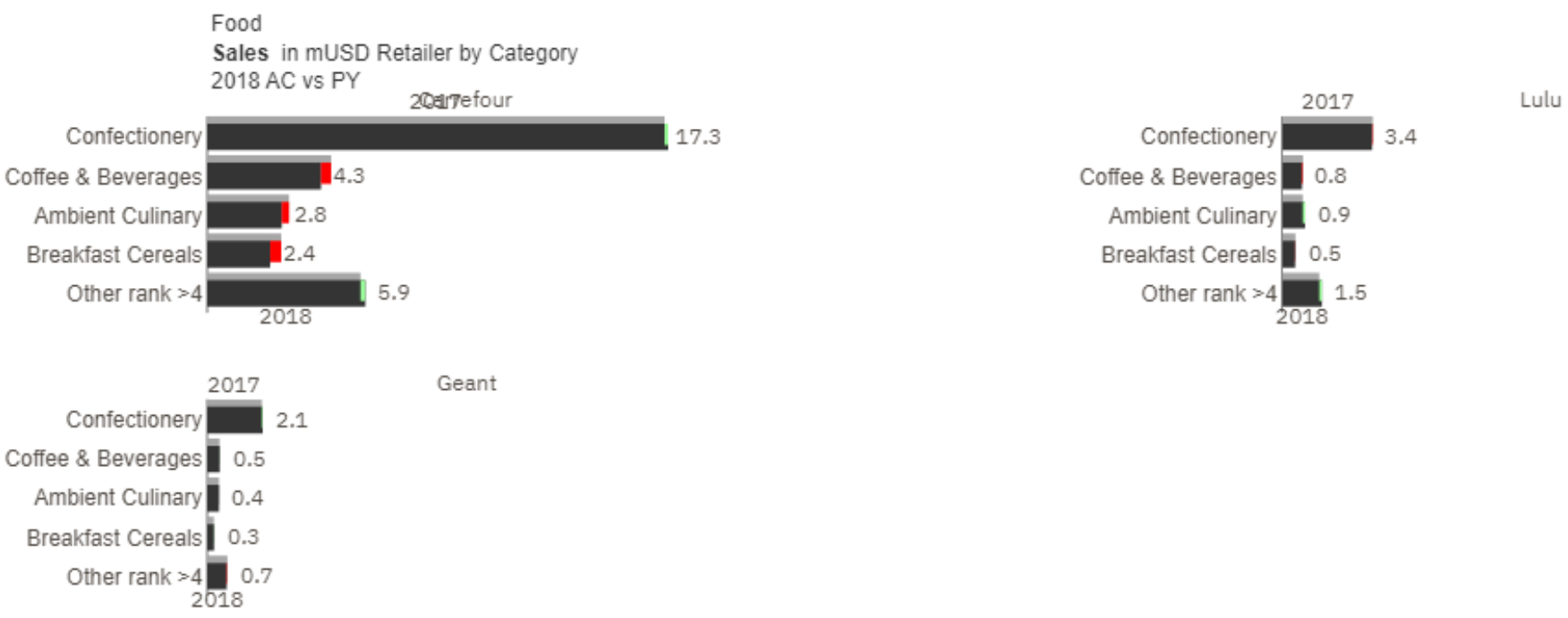


The company's sales performance shows mixed results. Oman market, Chocolate subcategory, and Snickers Bar 50g show strong growth. However, KSA and UAE markets, Breakfast Cereals category, and Nescafe 3in1 face notable declines. These insights could guide strategic decisions in marketing, product development, and market focus.

Food
Sales in mUSD by dimension
2018 AC vs PY



Carrefour saw big drops in Breakfast Cereals and Coffee & Beverages, while Lulu grew notably in Ambient Culinary. Geant was stable, with minor growth in several categories. Confectionery and Other rank >4 categories did well across all retailers, showing steady demand. The mixed results highlight the need for good category management and adapting to changing consumer preferences and competition.



The company's sales performance varied across food categories and markets. Confectionery and Other rank >4 categories generally performed well, suggesting robust demand. However, Coffee & Beverages faced significant challenges, especially in KSA, indicating potential market saturation or shifting consumer preferences. Breakfast Cereals and Ambient Culinary performance varied significantly across markets, suggesting regional preferences and market dynamics significantly impact these categories. Market-specific strategies may be necessary to address varying consumer preferences and conditions.



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The sales report reveals that regular sales dominate the market at 89% of total sales, with Nestlé contributing 18% compared to 82% from other entities (p.18). Nestlé relies slightly more on promotional strategies, with 15% of its sales coming from promotions versus 10% for other entities (p.18). The company's standard offerings are its primary revenue driver across all markets, with the "Other rank >3" segment having the largest total sales volume (p.19). Nestlé's presence varies across markets, ranging from 14% to 30% in promotional sales and 15% to 22% in regular sales, with its highest participation in promotional sales within the "Other rank >3" market (p.19).

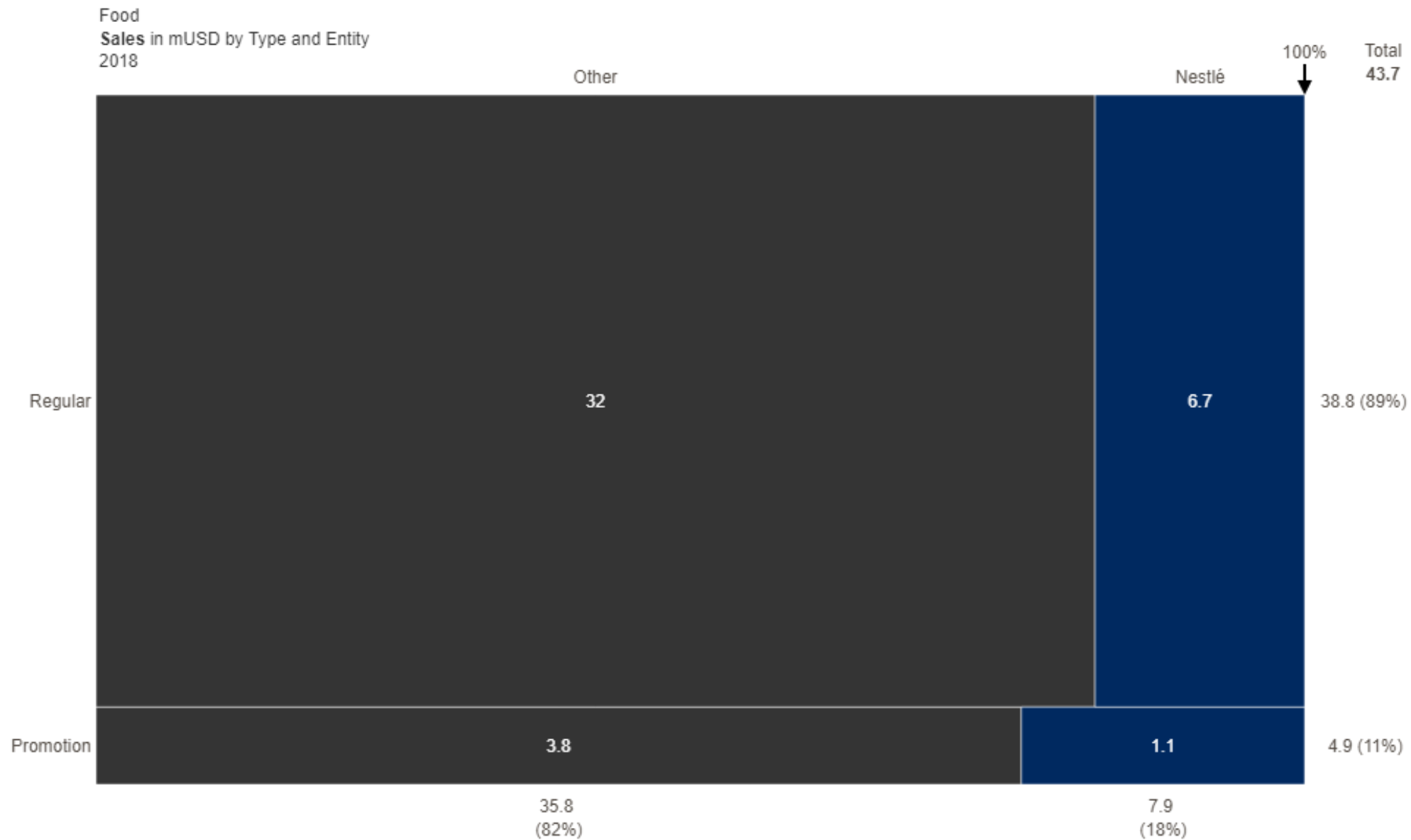
In terms of units sold, the 'Other' category dominates with 17.6 million units, substantially higher than Nestlé's sales (p.20). Nestlé has a higher proportion of sales from promotions (18%) compared to 'Other' (10%), possibly indicating a more aggressive promotional strategy or higher customer responsiveness to promotions (p.20).

The Chocolate subcategory is the highest revenue generator, with \$20.5 million in sales (p.21). Nestlé shows mixed performance, excelling in Confectionery and Other rank >3 categories with 7.0% growth in each, but struggling in Coffee & Beverages and Ambient Culinary, with declines of -16.0% and -8.0% respectively (p.21, p.24). Promotional sales underperformed with a -10.0% growth rate, well below the -1.0% average, suggesting ineffective promotions or heavy discounting in 2018 (p.22).

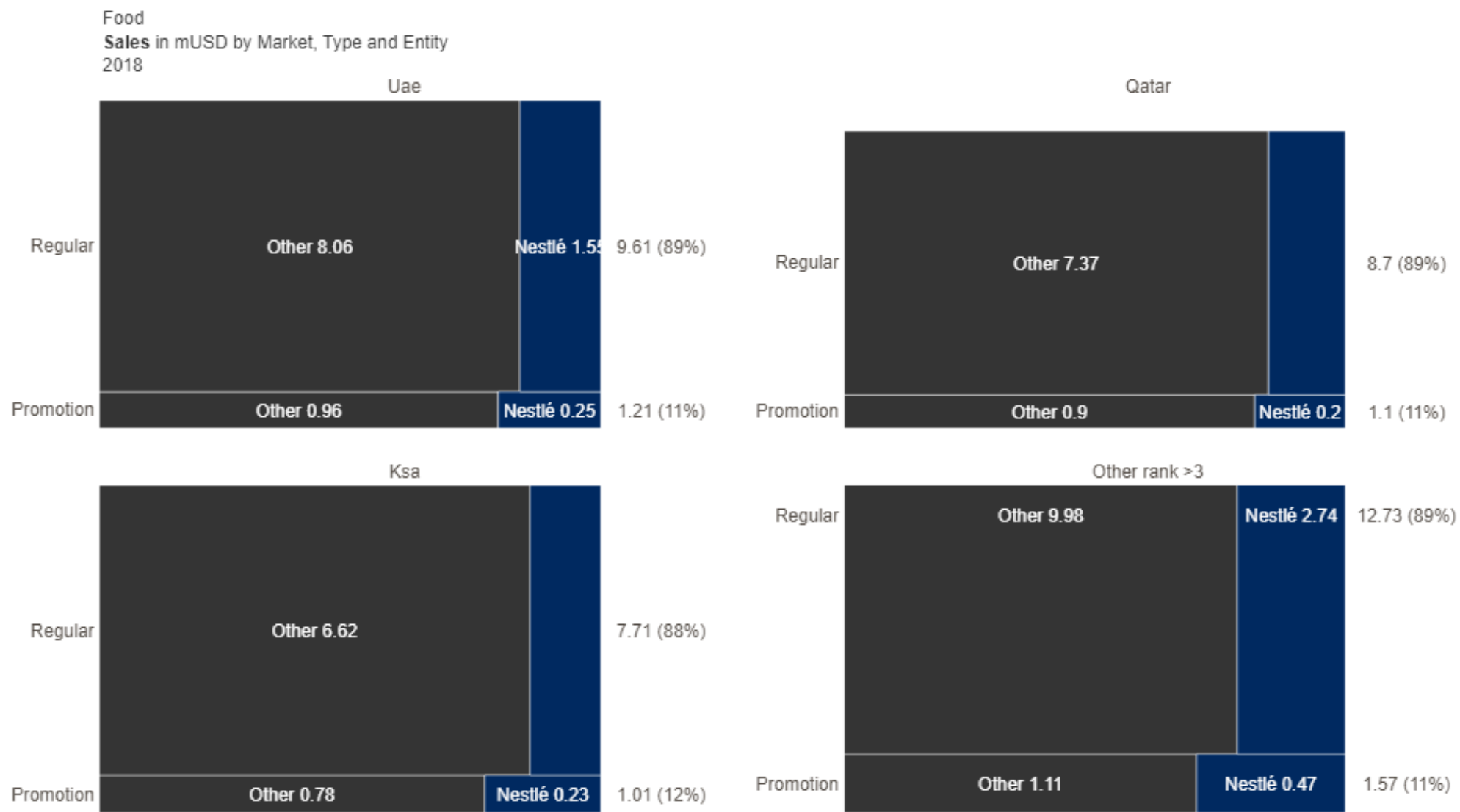
Nestlé's units growth rate in 2018 was three times higher than the average of all entities, indicating a strong year for Nestlé in terms of sales growth within the food sector (p.23). The "Other" entity shows more stable but modest performance, with 3.0% growth in Confectionery and slight declines in other categories (p.24).

Despite Nestlé having a higher unit price than Other, Other significantly outperforms Nestlé in both volume sold and total sales (p.25). Other's lower unit price might be driving its higher volume sales, and its total sales revenue is significantly higher than Nestlé's, indicating a larger market share in terms of sales value (p.25).

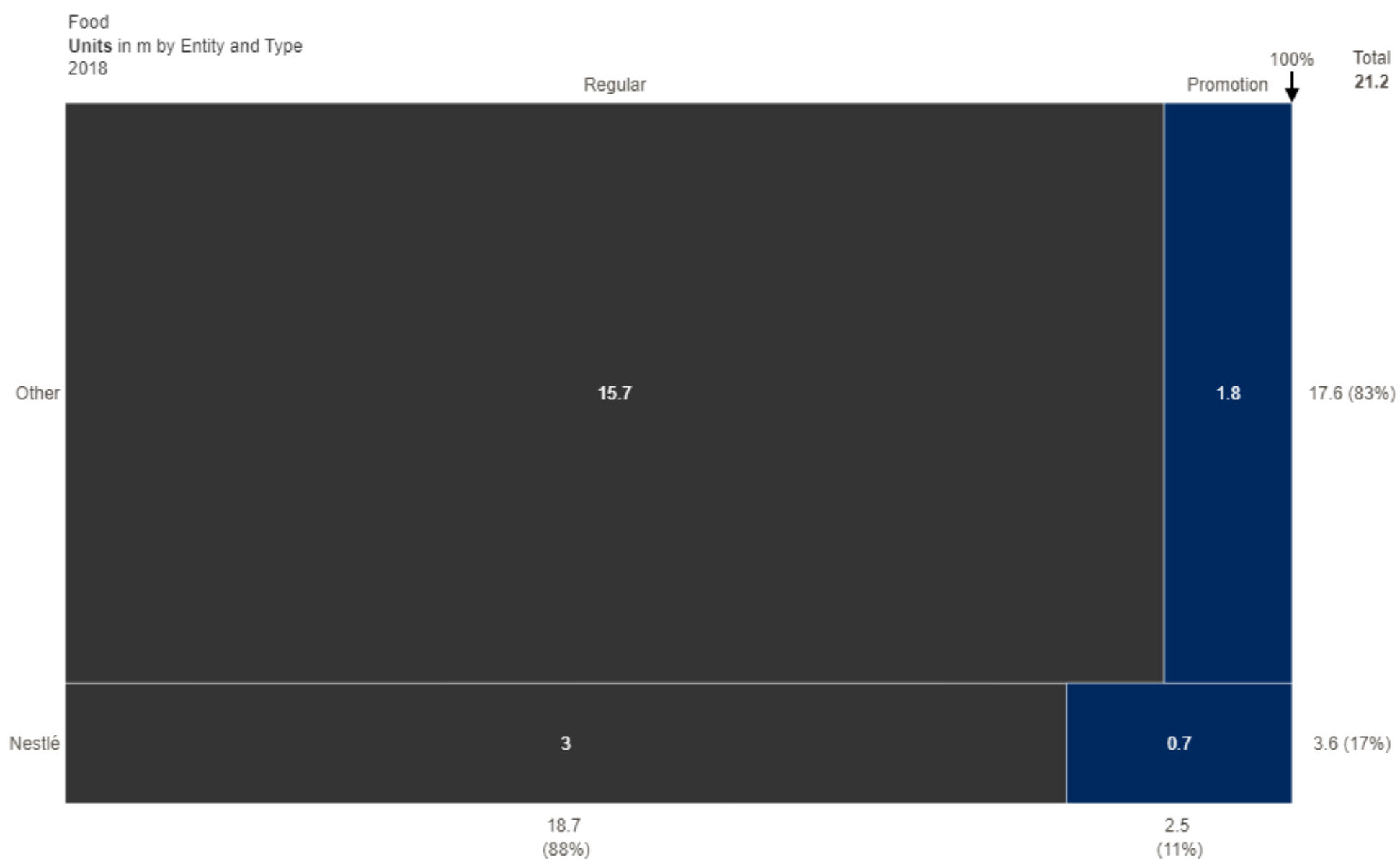
Regular sales dominate the market at 89% of total sales. Other entities contribute significantly more than Nestlé in both regular and promotional categories, accounting for 82% of total sales compared to Nestlé's 18%. Nestlé has a slightly higher percentage of sales from promotions at 15% versus 10% for Other entities, suggesting Nestlé relies more on or pursues promotional strategies more aggressively.



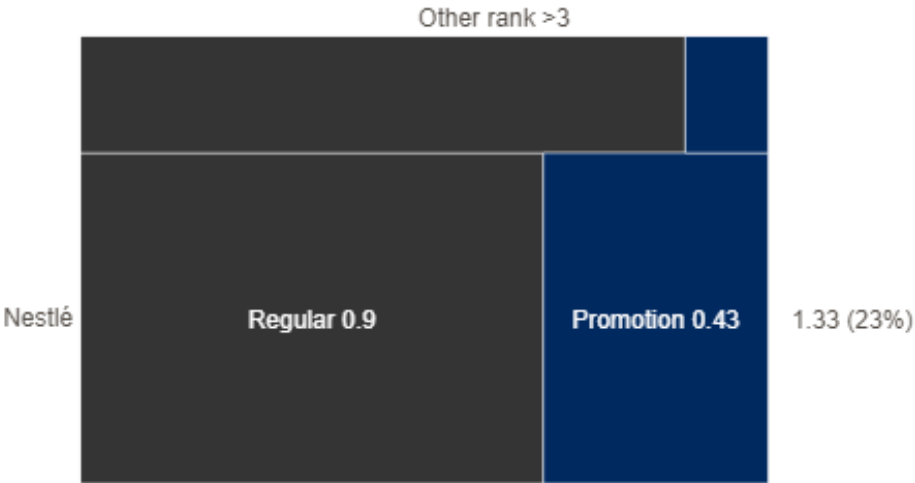
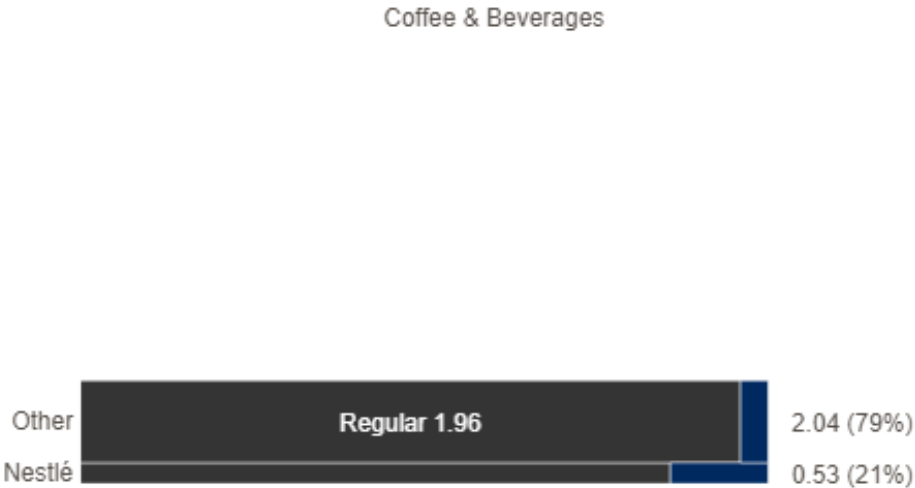
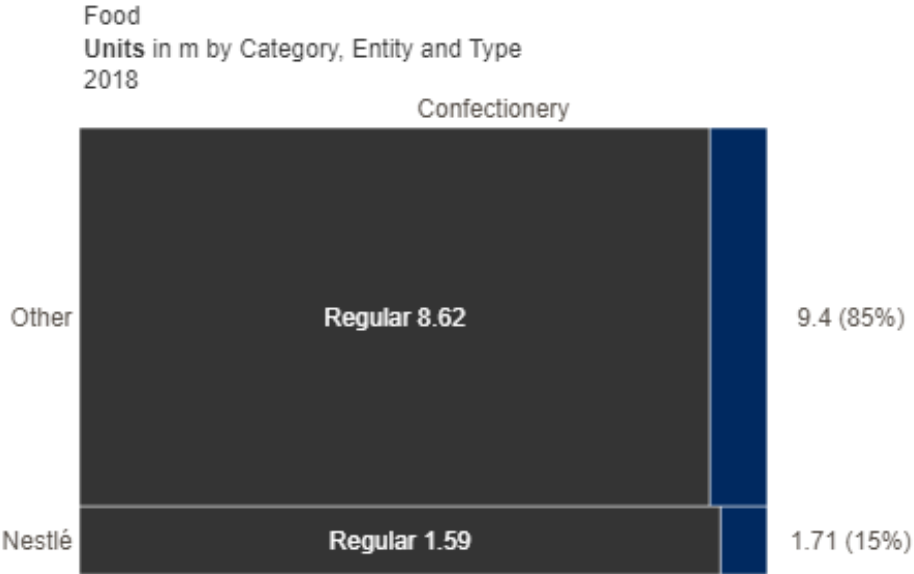
Regular sales significantly outperform Promotion sales across all markets. The company's standard offerings are its primary revenue driver, not promotional activities. The "Other rank >3" market segment has the largest total sales volume. A significant portion of the company's revenue comes from markets outside UAE, Qatar, and KSA. Nestlé's presence varies across markets, with its share ranging from 14% to 30% in Promotion sales and 15% to 22% in Regular sales. Nestlé's highest participation is in Promotion sales within the "Other rank >3" market, indicating strategic promotional efforts outside the main three markets.



The 'Other' category dominates with 17.6 million units sold, substantially higher than Nestlé's sales. The 'Other' category has a strong presence in both regular and promotional sales. Nestlé has a smaller total volume compared to 'Other', but a higher proportion of sales from promotions (18% vs. 10% for 'Other'), possibly indicating a more aggressive promotional strategy or higher customer responsiveness to promotions.



The Chocolate subcategory dominates with a staggering \$20.5 million in sales, the highest revenue generator. Nestlé shows mixed performance, excelling in Confectionery and Other rank >3 categories with 7.0% growth in each, but struggling in Coffee & Beverages and Ambient Culinary, with declines of -16.0% and -8.0% respectively. Nestlé is expanding in some areas but faces challenges in others, particularly beverages and culinary products.



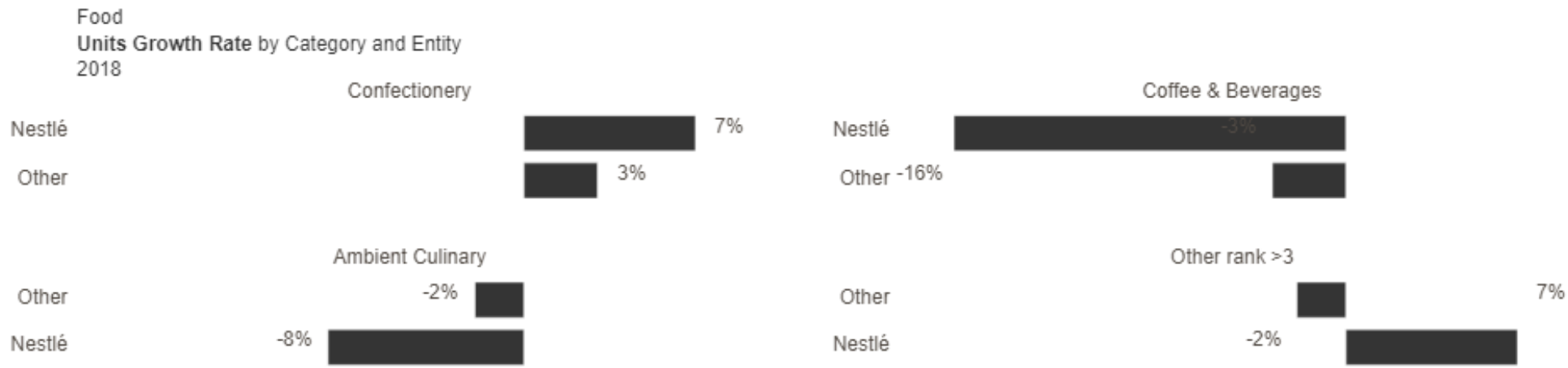
Promotional sales underperformed with a -10.0% growth rate, well below the -1.0% average. This suggests 2018 promotions were ineffective in driving food item sales growth, or these items may have been discounted too heavily, negatively impacting overall growth.



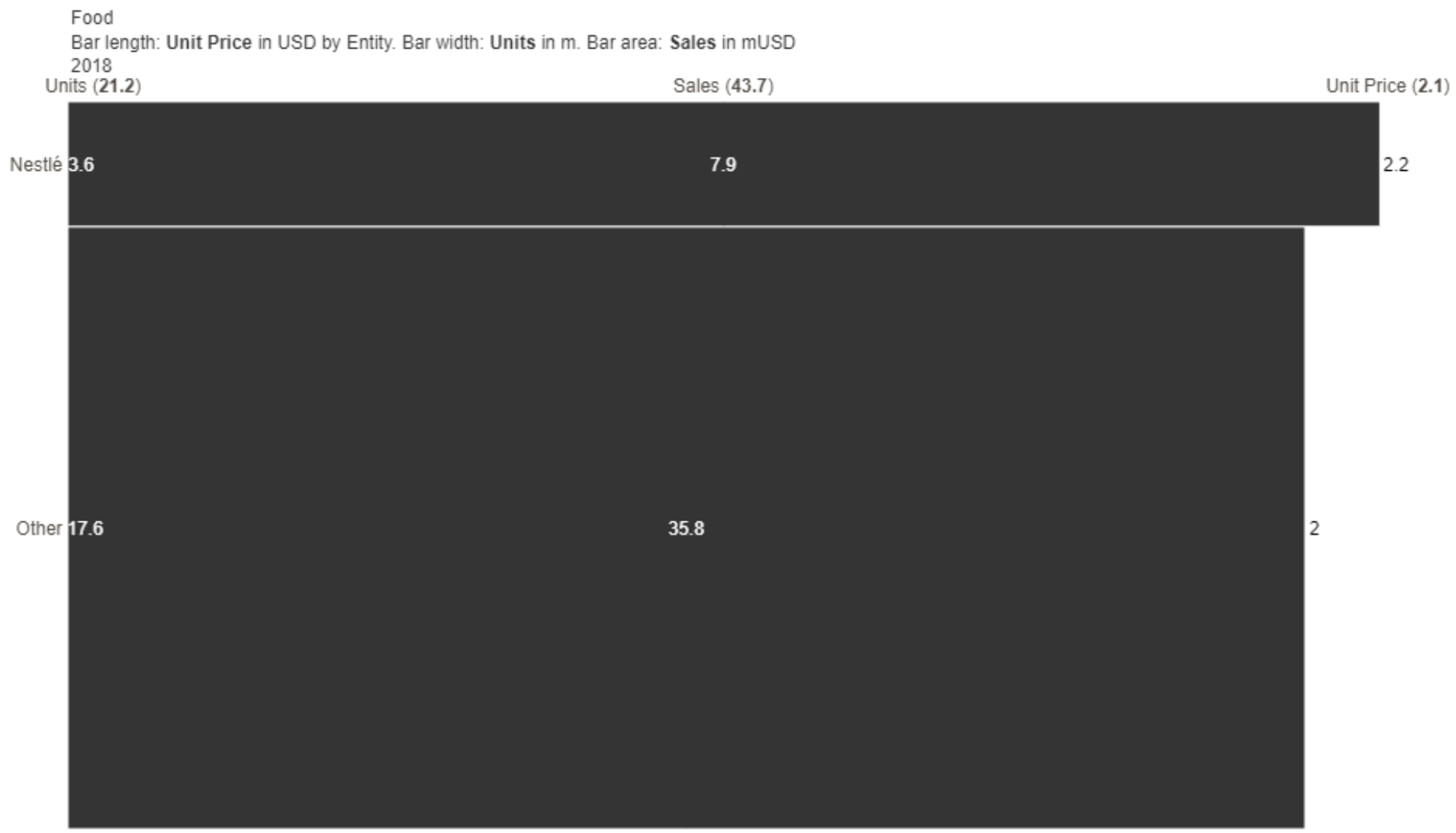
Nestlé's units growth rate in 2018 was three times higher than the average of all entities considered, indicating a strong year for Nestlé in terms of sales growth within the food sector. Both the "Other" category and the average growth rate were at 1.0, suggesting that, excluding Nestlé, the rest of the entities performed exactly at the average level, indicating a uniform performance among them or a balance between entities that performed above and below the average.



Nestlé's performance varies across categories. It excels in Confectionery and Other rank >3 with 7.0% growth in each, but struggles in Coffee & Beverages and Ambient Culinary, declining -16.0% and -8.0% respectively. This suggests expansion in some areas but challenges in beverages and culinary products. The "Other" entity, likely representing competitors or smaller players, shows more stable but modest performance. It has 3.0% growth in Confectionery and slight declines of -3.0%, -2.0%, and -2.0% in Coffee & Beverages, Ambient Culinary, and Other rank >3 respectively, indicating a consistent but less volatile market presence than Nestlé.



Despite Nestlé having a higher unit price than Other, Other significantly outperforms Nestlé in both volume sold and total sales. Other's lower unit price might be driving its higher volume sales. Other's total sales revenue is significantly higher than Nestlé's, indicating Other has a larger market share in terms of sales value, likely due to its higher volume of units sold compensating for its slightly lower unit price.



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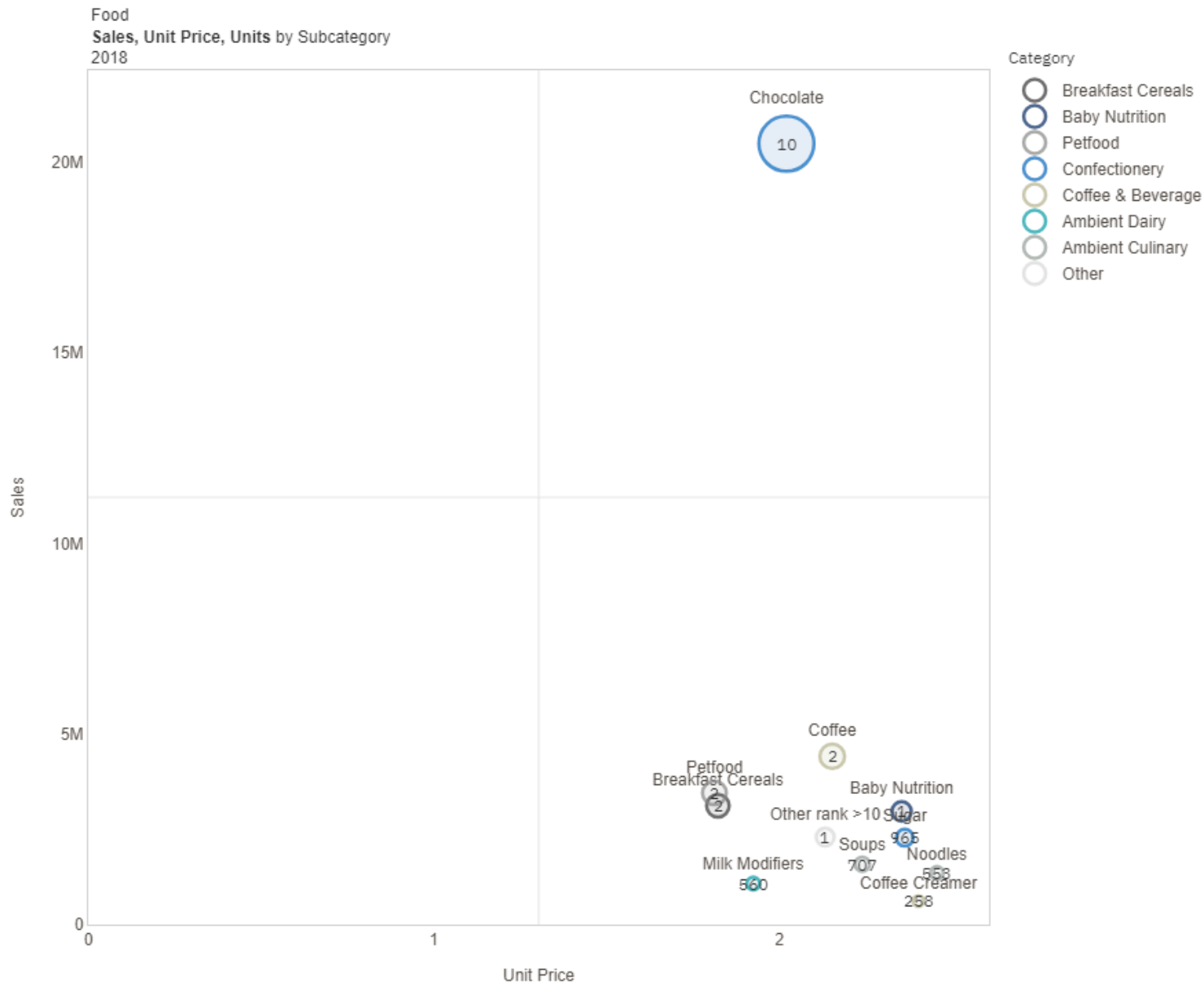
The company's sales data reveals a dynamic and diversified market across various food categories. Chocolate leads in sales and units sold, with over \$20 million in revenue and approximately 10.1 million units sold at a unit price of around \$2.02, highlighting its popularity across all markets (p.28, p.29). Confectionery dominates sales volume, indicating strong market preference, while Baby Nutrition has the highest unit price, suggesting premium positioning or higher production costs (p.30, p.33).

Regular sales dominate across all metrics, particularly in Sales and Units, with the bulk of the company's revenue and product movement coming from regular-priced items (p.32). Promotions have a mixed impact on sales growth, with Petfood sales increasing significantly under promotion, while Baby Nutrition declines substantially (p.31).

The top 23 segments (class A) account for 80% of sales, suggesting a Pareto-like distribution where a small number of segments generate most sales (p.34). Class C has the most segments (51) but contributes least to sales and units, indicating inefficiencies or lower performance versus A and B (p.34). The dataset shows a diversified sales structure with weak concentration across categories, suggesting a balanced but potentially under-optimized strategy (p.35).

The success of different subcategories underscores the importance of understanding consumer preferences and market demand in shaping product offerings and pricing strategies (p.28). The higher unit prices in class C present an opportunity for increased profitability, while the overall distribution underscores the importance of managing a broad portfolio effectively (p.35).

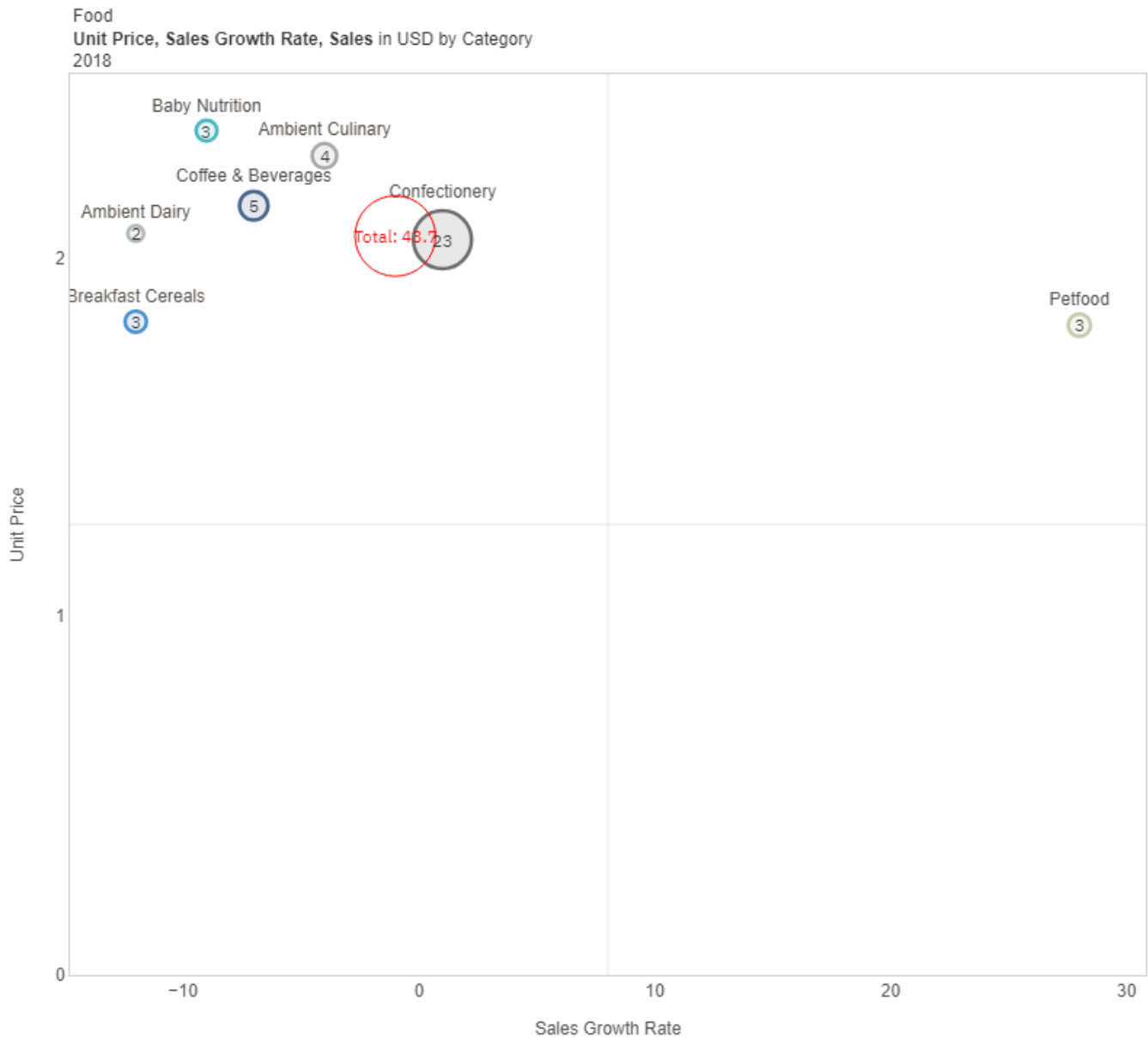
Chocolate leads in sales with over \$20 million and has the highest units sold at approximately 10.1 million, with a unit price of around \$2.02. It falls under the Confectionery category. The success of different subcategories underscores the importance of understanding consumer preferences and market demand in shaping product offerings and pricing strategies, revealing a dynamic food market with varying strategies from high volume sales at lower prices to premium pricing for specialized products.



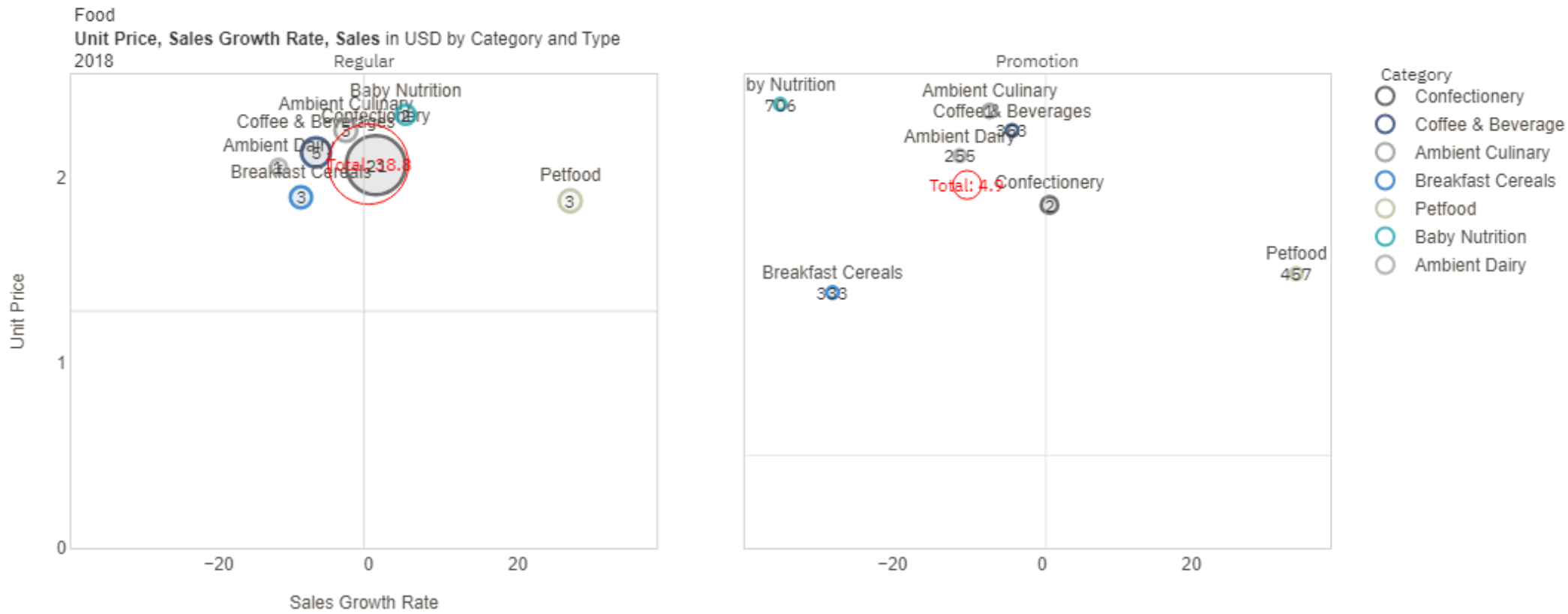
Chocolate is the highest-selling subcategory in the UAE, Qatar, and KSA markets, significantly outperforming other subcategories. It's also the top seller in the "Other rank >3" market, highlighting its popularity across all markets. Most subcategories have a higher unit price in the "Other rank >3" market compared to the UAE, Qatar, and KSA, suggesting either a premium pricing strategy or higher operational costs.



Confectionery dominates sales volume, indicating strong market preference in 2018. Baby Nutrition has the highest unit price, suggesting premium positioning or higher production costs. Petfood shows exceptional 28% growth, indicating a rapidly expanding segment or successful strategies. Conversely, Breakfast Cereals and Ambient Dairy experienced -12% growth, highlighting challenges or declining consumer interest.

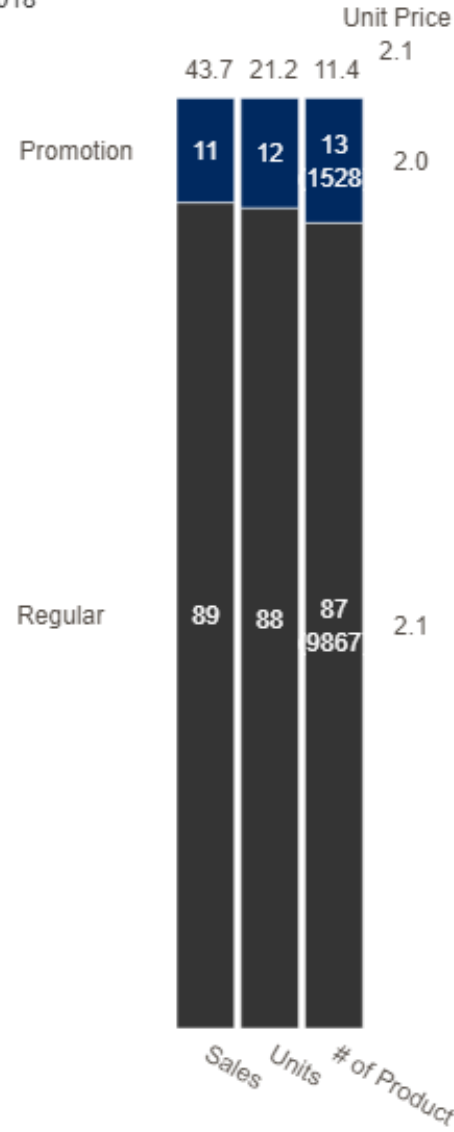


Confectionery is a high-value category in both regular and promotion types, showing strong demand regardless of pricing. Promotions have a mixed impact on sales growth. Petfood sales increase significantly under promotion, while Baby Nutrition declines substantially, varying greatly between categories. The strong Petfood sales growth during promotions suggests an untapped potential that could be leveraged with targeted strategies.

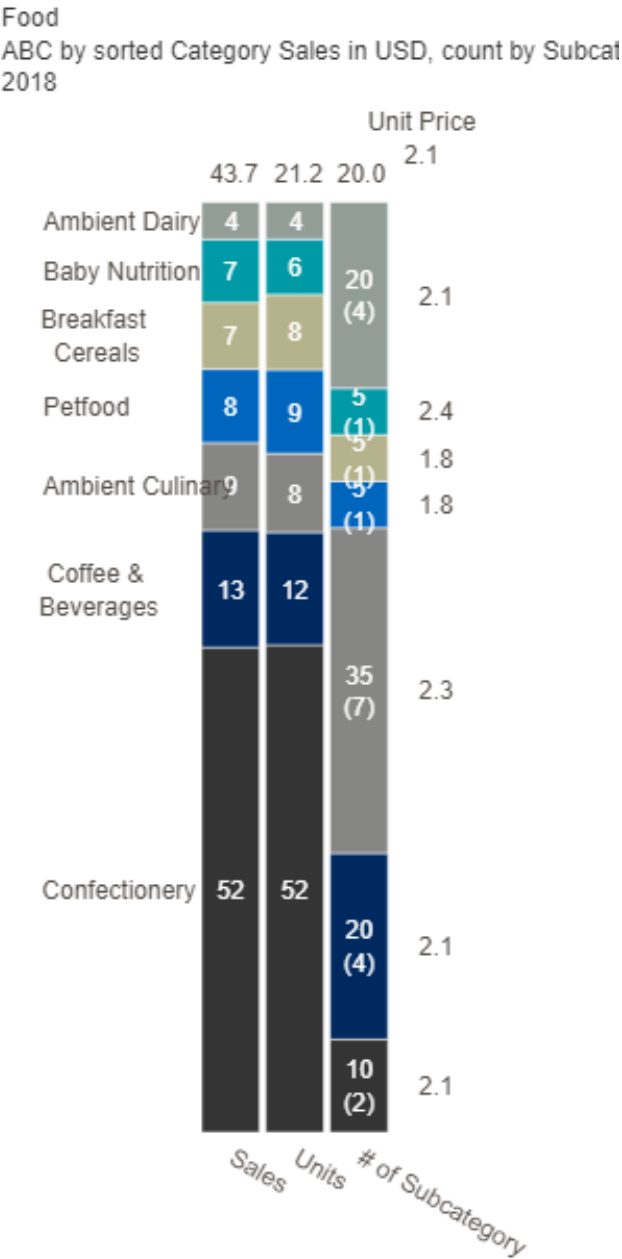


Regular sales dominate across all metrics, particularly in Sales and Units. The bulk of the company's revenue and product movement comes from regular-priced items. Regular items are more numerous and more efficient at generating sales and moving units compared to Promotion items. Despite their smaller share, Promotion items play a crucial role in the product mix. They likely attract customers and potentially boost the sales of Regular items through increased store traffic or cross-selling opportunities.

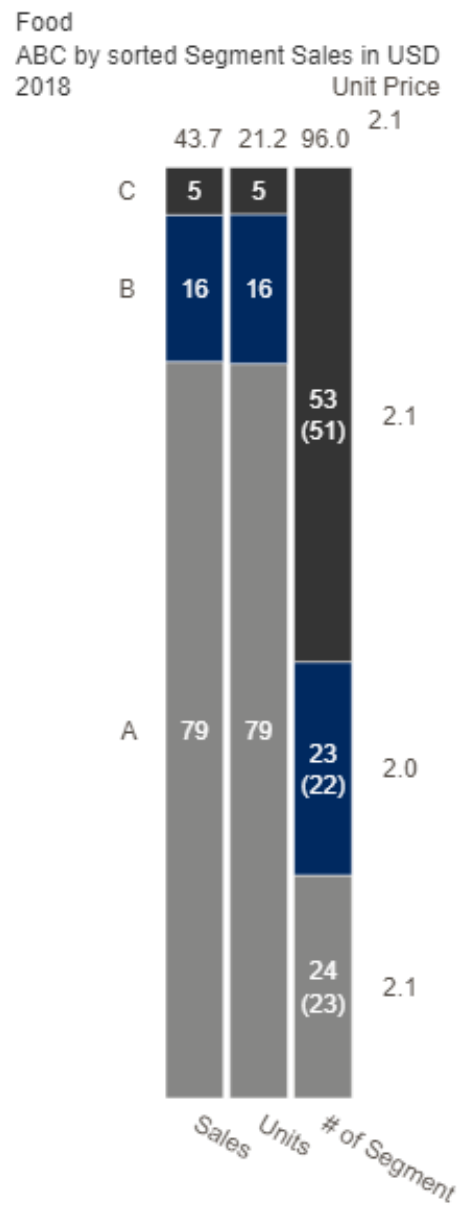
Food
ABC by sorted Type Sales in USD, count by Product
2018

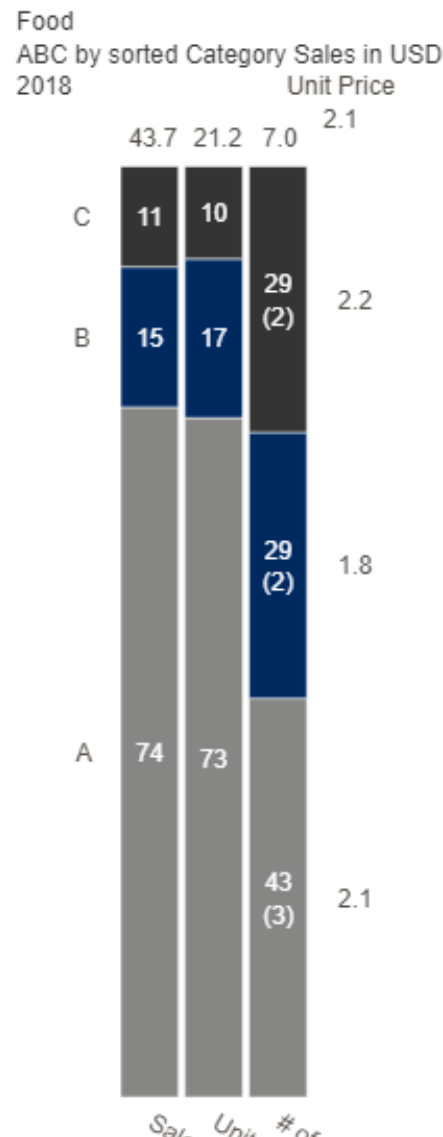


Confectionery dominates Sales and Units, showing strong demand, but has few Subcategories driving most sales. Ambient Culinary ranks third in sales and units but has the most Subcategories, indicating diverse products. Baby Nutrition and Ambient Culinary have higher unit prices, suggesting premium products or higher costs compared to Breakfast Cereals, which has the lowest unit price.



The top 23 segments (class A) account for 80% of sales, suggesting a Pareto-like distribution where a small number of segments generate most sales. Class C has the most segments (51) but contributes least to sales and units, indicating inefficiencies or lower performance versus A and B. The close match between units sold and sales value across classes implies sales are directly proportional to units, without significant price variation driving sales differences.





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The business experienced a slight drop in sales value from 2017 to 2018, with a -1.4% CAGR, despite an increase in units sold, suggesting a lower average selling price per unit (p.38). This decline in sales was primarily driven by a significant drop in promotion sales (-9.6% CAGR), while regular sales remained relatively steady (-0.2% CAGR) (p.44). The mismatch between revenue and volume trends raises concerns about profitability and long-term sustainability (p.38).

Across the GCC countries, Oman, Kuwait, and Qatar showed positive growth, with Oman leading at 7.1%, while Bahrain, KSA, and UAE experienced declines (p.39). Despite the varying economic landscapes, the business demonstrated resilience with a slight 0.9% overall growth in units sold (p.39). Regular-priced units grew by 1.2%, indicating steady demand, while promotional units declined slightly by -1.2% (p.42).

Among the major retailers, Carrefour faced the most significant decline in sales growth rate at -2.2%, despite being the largest in terms of sales volume (p.40). Lulu and Geant achieved positive growth rates, with Lulu showing a more substantial increase at 1.7% CAGR, suggesting a shift in market share and changing consumer preferences (p.40). Carrefour maintained its lead and grew sales at a 1.2% CAGR, while Lulu showed growth at 1.0% CAGR, and Geant experienced a sales decline of -1.7% CAGR (p.45).

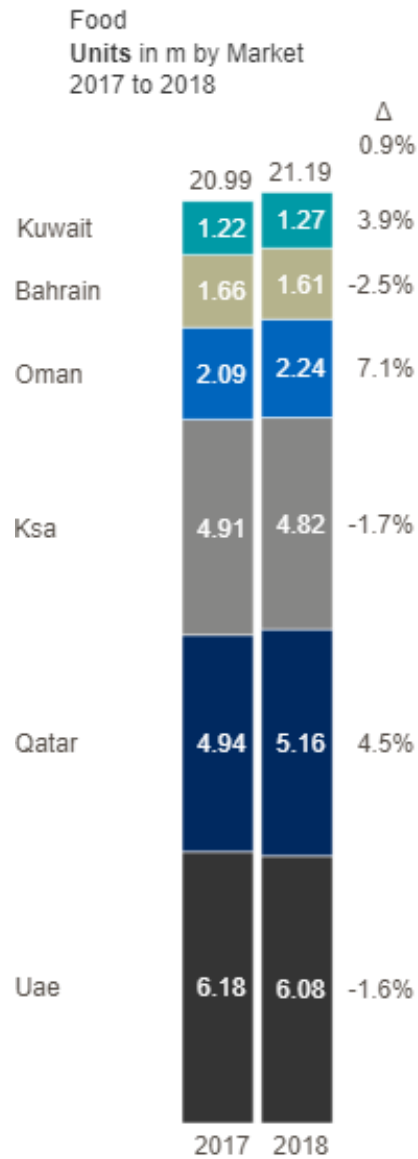
Product categories showed mixed performance, with Petfood sales growing by an impressive 28.3% and Confectionery sales remaining stable (p.43). However, Ambient Dairy and Baby Nutrition saw significant declines of 11.5% and 8.6% respectively, suggesting shifting consumer preferences or increased competition (p.43).

The business needs to continuously analyze the market and adapt strategies to changing dynamics (p.41). Reevaluating the effectiveness of promotional strategies and focusing on enhancing core business operations should be a priority (p.44). The company must address the challenges in maintaining its customer base and respond to increased competition to ensure long-term success (p.45).

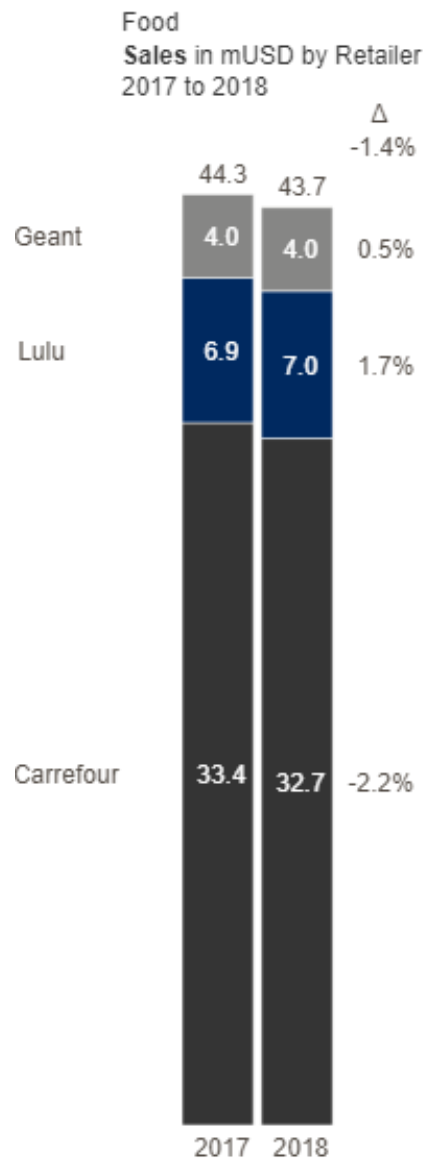
The business saw a slight drop in sales value from 2017 to 2018, with a -1.4% CAGR. The number of units sold increased, but the overall sales value fell, hinting at a lower average selling price per unit. This mismatch between revenue and volume trends raises questions about profitability and long-term sustainability.



Oman, Kuwait, and Qatar showed positive growth, with Oman leading at 7.1%, while Bahrain, KSA, and UAE experienced declines. Despite the varying economic landscapes, the business saw a slight 0.9% overall growth in units sold, suggesting resilience.



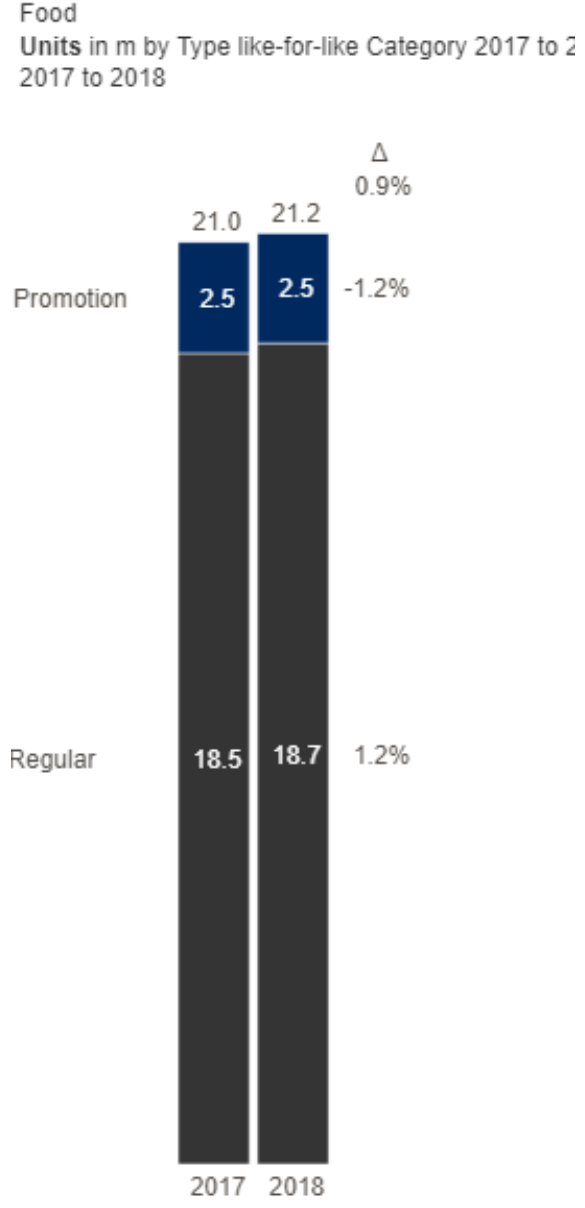
Carrefour faced a 2.2% decline in sales growth rate, the most significant among the three major retailers, despite being the largest in terms of sales volume. Lulu and Geant achieved positive growth rates, with Lulu showing a more substantial increase at 1.7% CAGR. This suggests a shift in market share and changing consumer preferences, with Lulu potentially challenging the dominance of larger players like Carrefour.



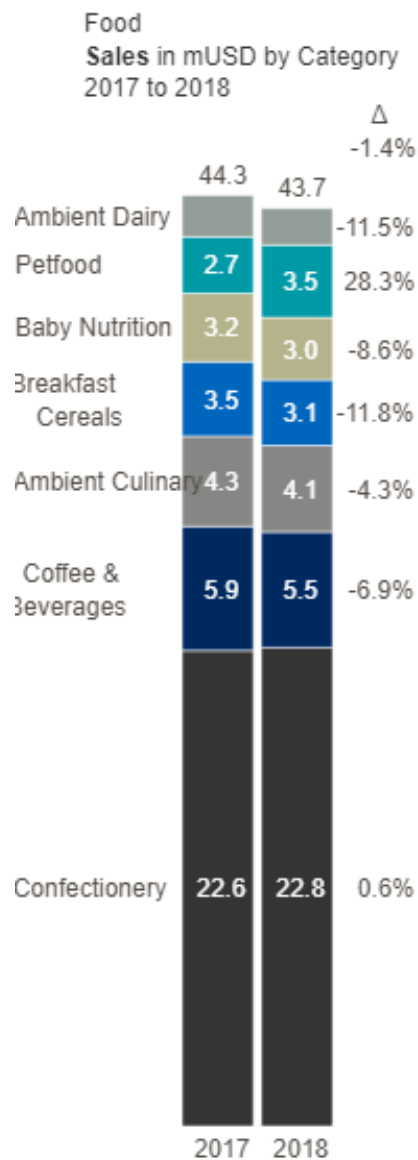
The business saw sales drop with a -1.4% CAGR from 2017 to 2018. This shows the need to continuously analyze the market and adapt strategies to changing dynamics.



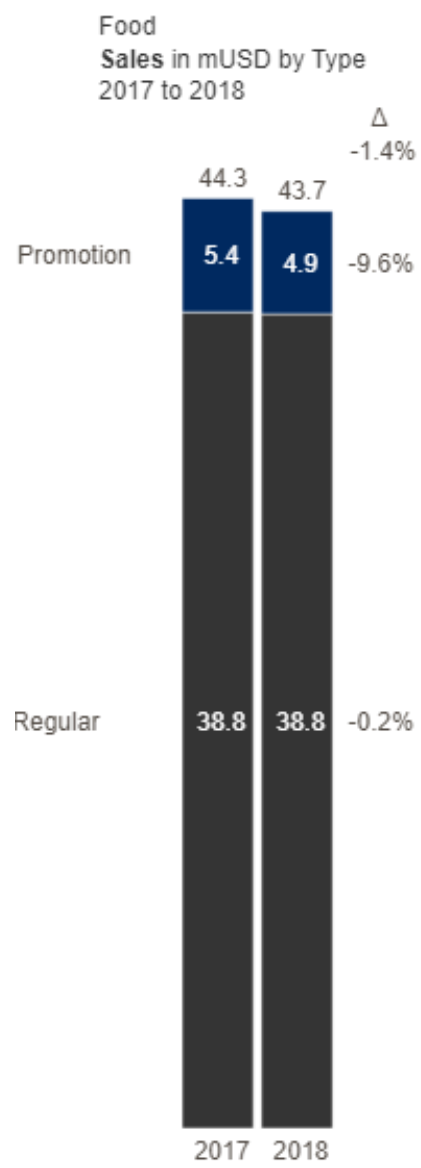
The business saw a positive growth of 1.2% in regular-priced units from 2017 to 2018, indicating steady demand. However, promotional units declined slightly by -1.2%. Despite this, overall units sold across both categories grew by 0.9%.



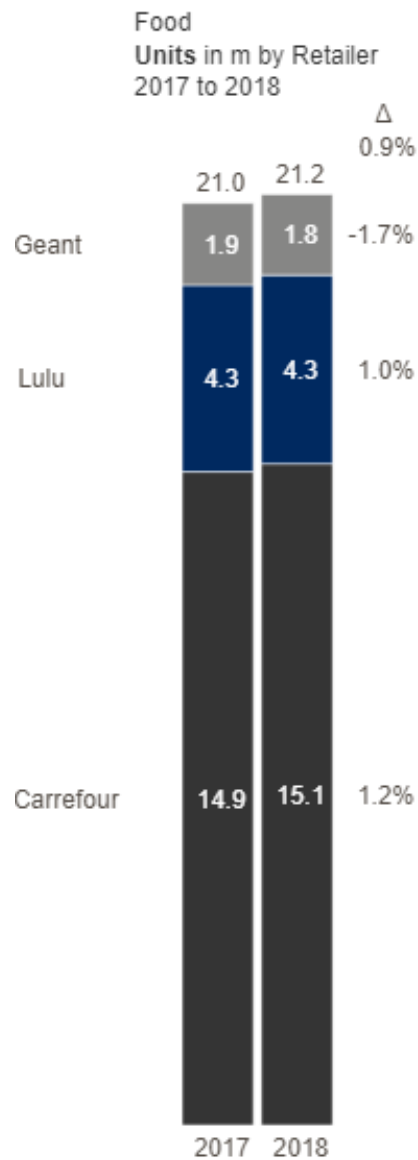
From 2017 to 2018, Petfood sales grew by an impressive 28.3%, while Confectionery sales remained stable. However, Ambient Dairy and Baby Nutrition saw significant declines of 11.5% and 8.6% respectively, suggesting shifting consumer preferences or increased competition.



The business faced a slight decline in overall sales from 2017 to 2018, with a CAGR of -1.4%. Promotion sales dropped significantly, with a CAGR of -9.6%, while Regular sales remained relatively steady, with a minimal decline and a CAGR of -0.2%. The company should reevaluate the effectiveness of promotional strategies and focus on enhancing core business operations.



Among the three retailers, Carrefour maintained its lead and grew sales at a 1.2% CAGR. Lulu also showed growth, albeit slightly lower at 1.0% CAGR. However, Geant experienced a sales decline of -1.7% CAGR, suggesting challenges in maintaining its customer base or facing increased competition.



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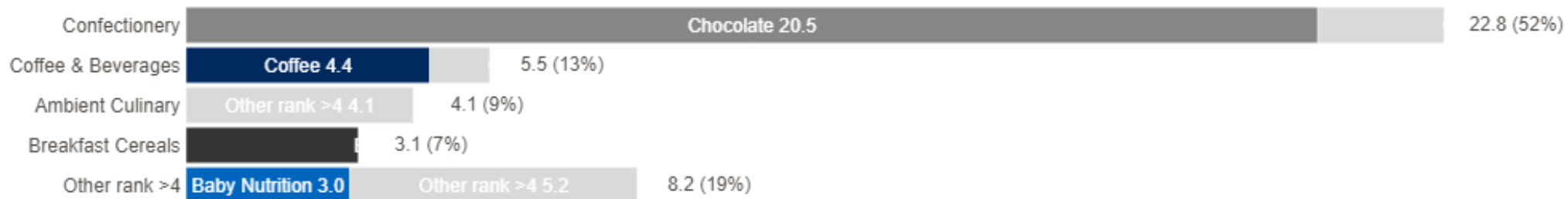
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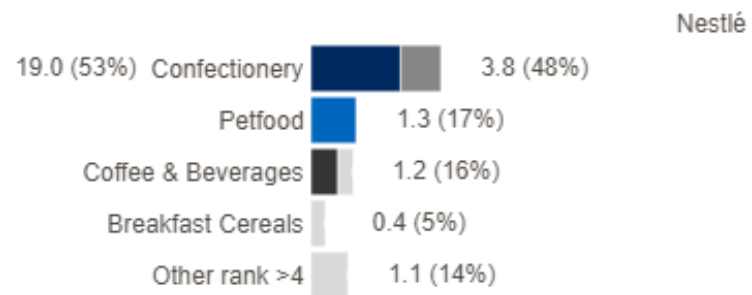
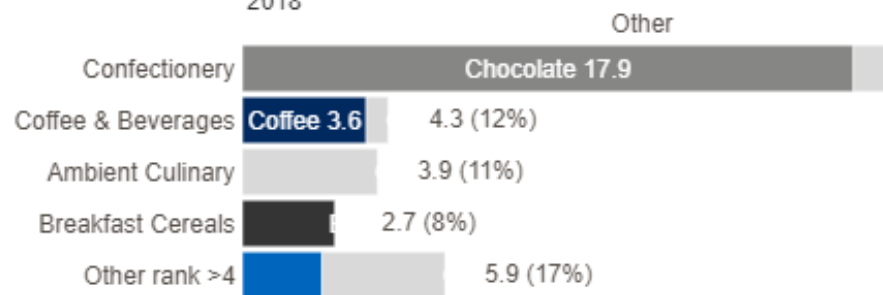
Backup

Food
Sales in mUSD by Category and Subcategory
2018

Total
43.7



Food
Sales in mUSD by Entity, Category and Subcategory
2018



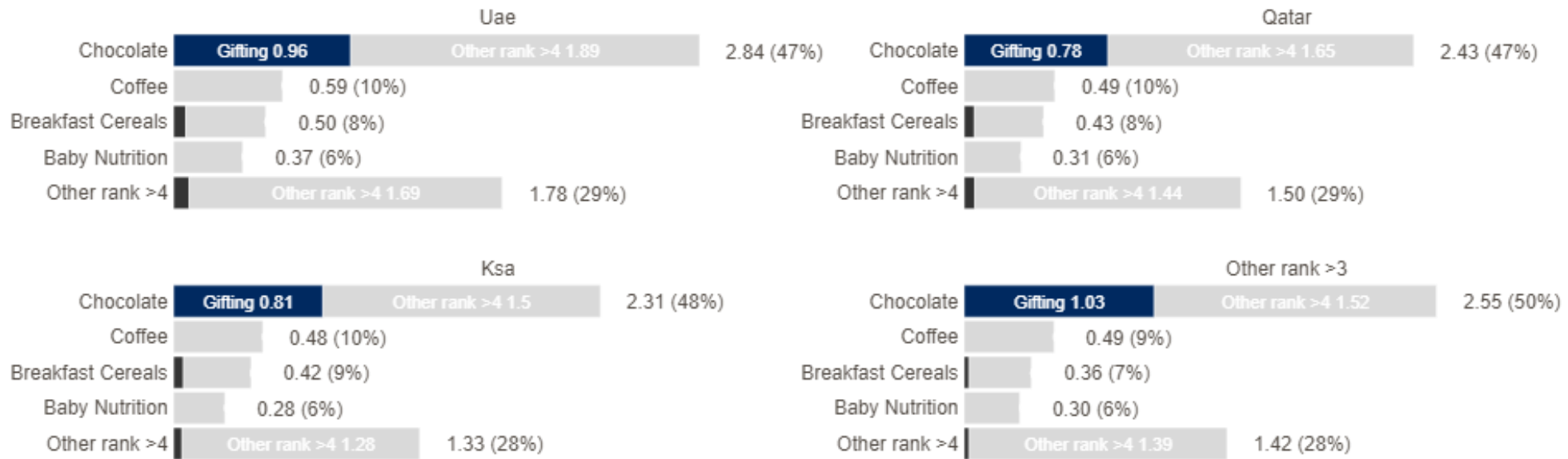
Food
Units Growth Rate by Entity
2018



Food
Units in m by Subcategory and Segment
2018



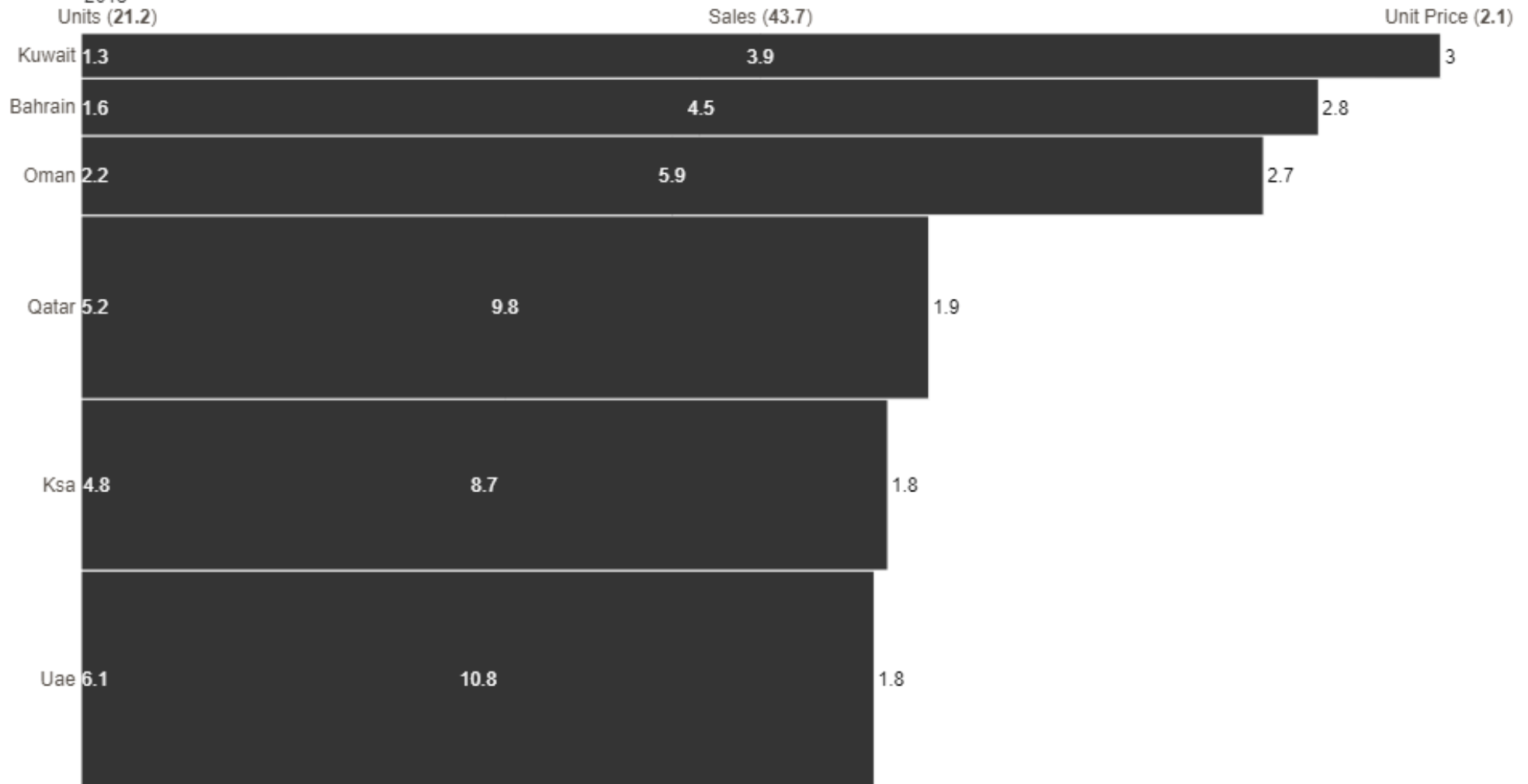
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Units in m by Market, Subcategory and Segment
2018



Food

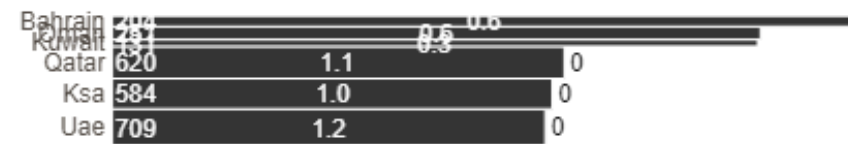
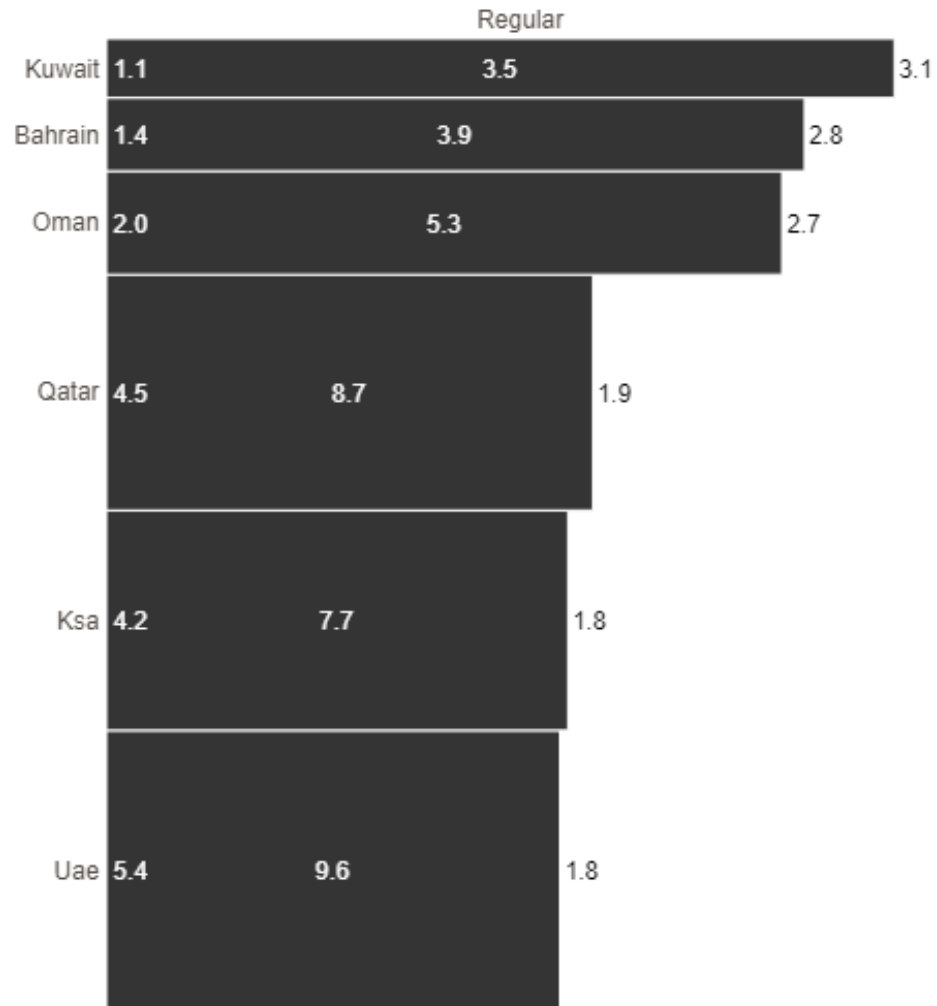
Bar length: Unit Price in USD by Market. Bar width: Units in m. Bar area: Sales in mUSD

2018



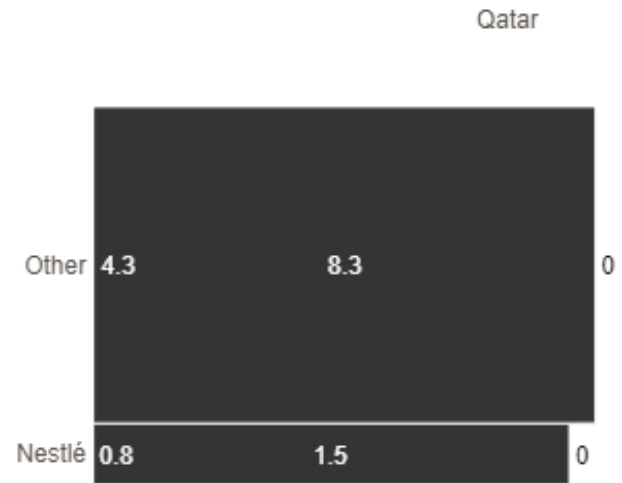
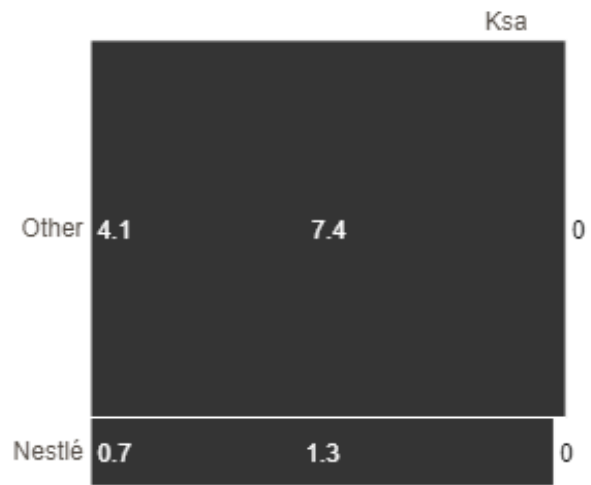
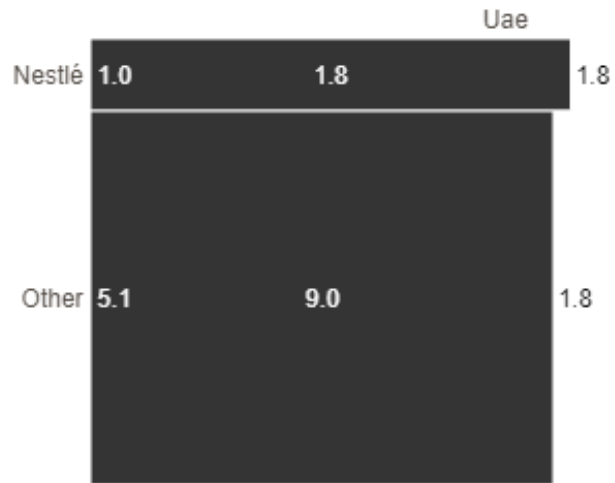
Food

Bar length: Unit Price in USD by Type and Market. Bar width: Units in k. Bar area: Sales in mUSD
2018

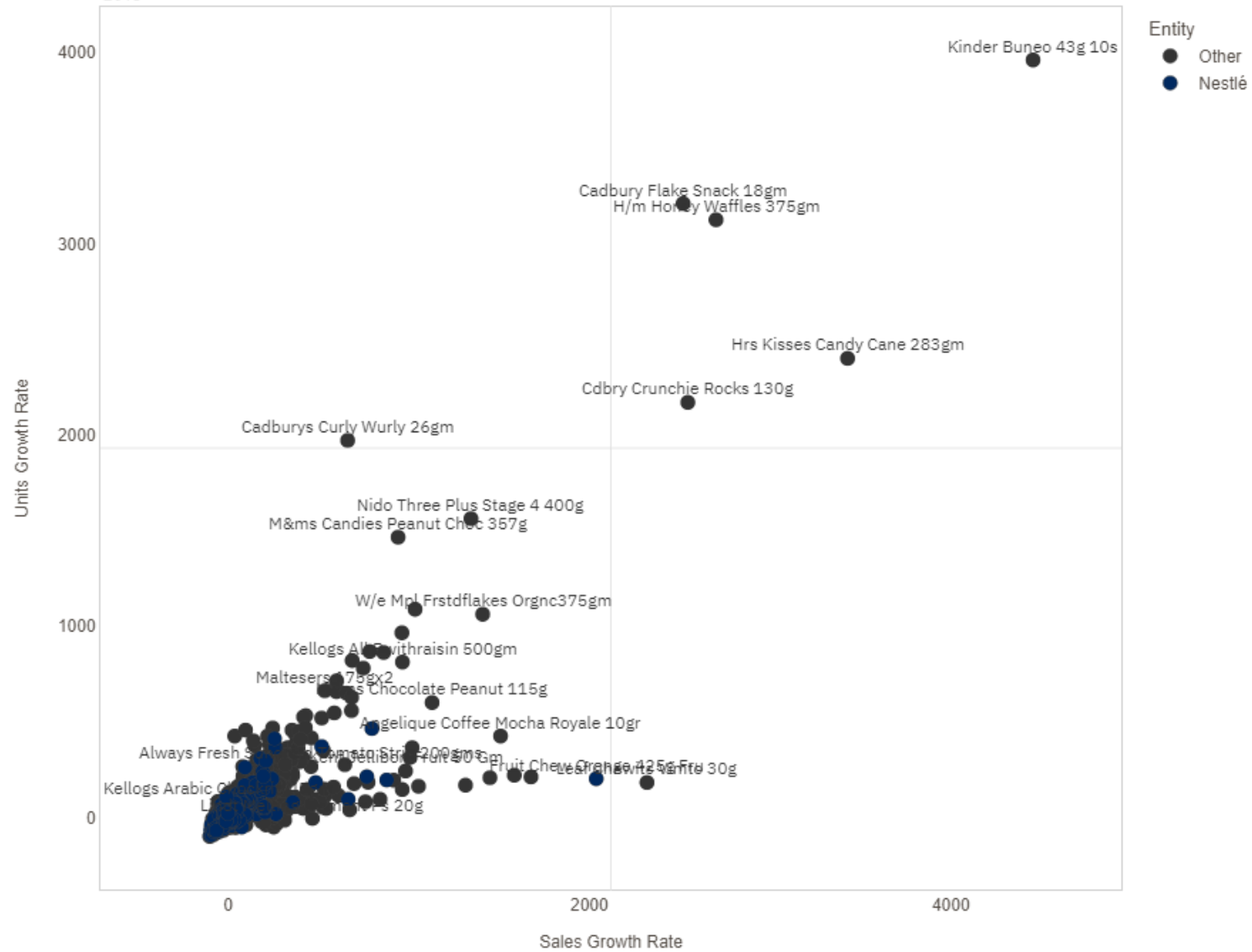


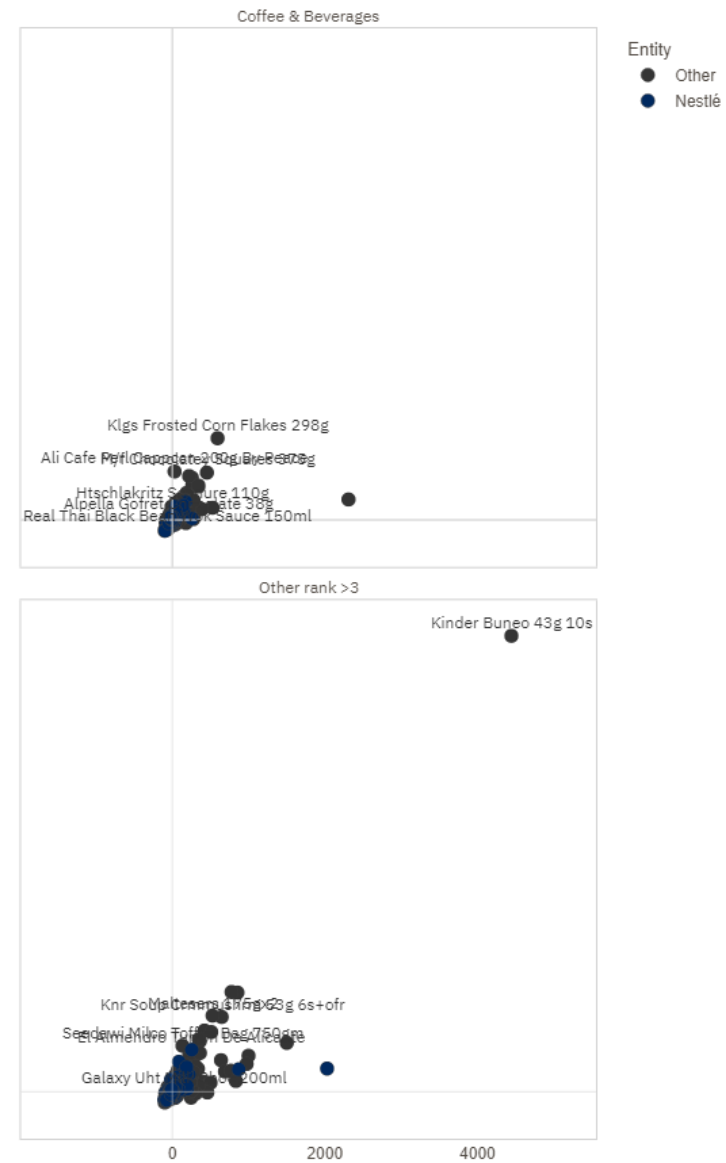
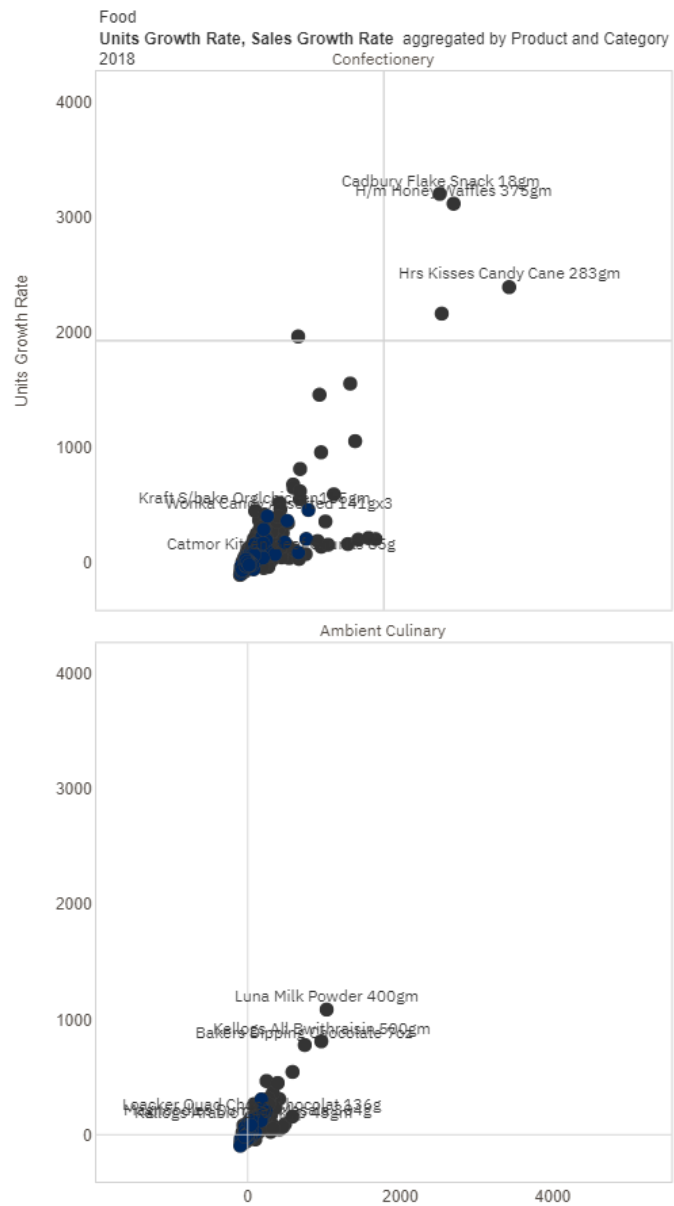
Food

Bar length: Unit Price in USD by Market and Entity. Bar width: Units in m. Bar area: Sales in mUSD
2018

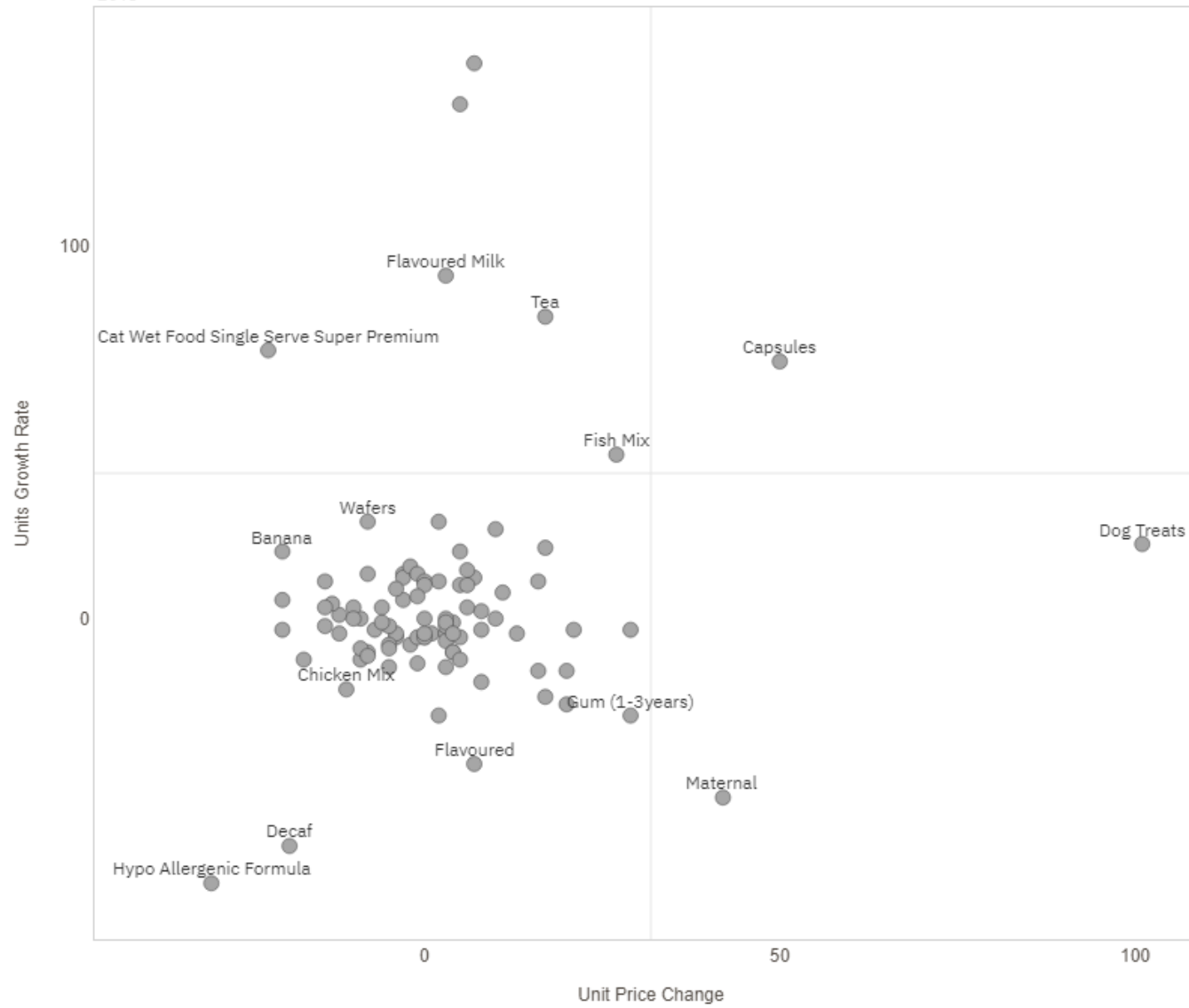


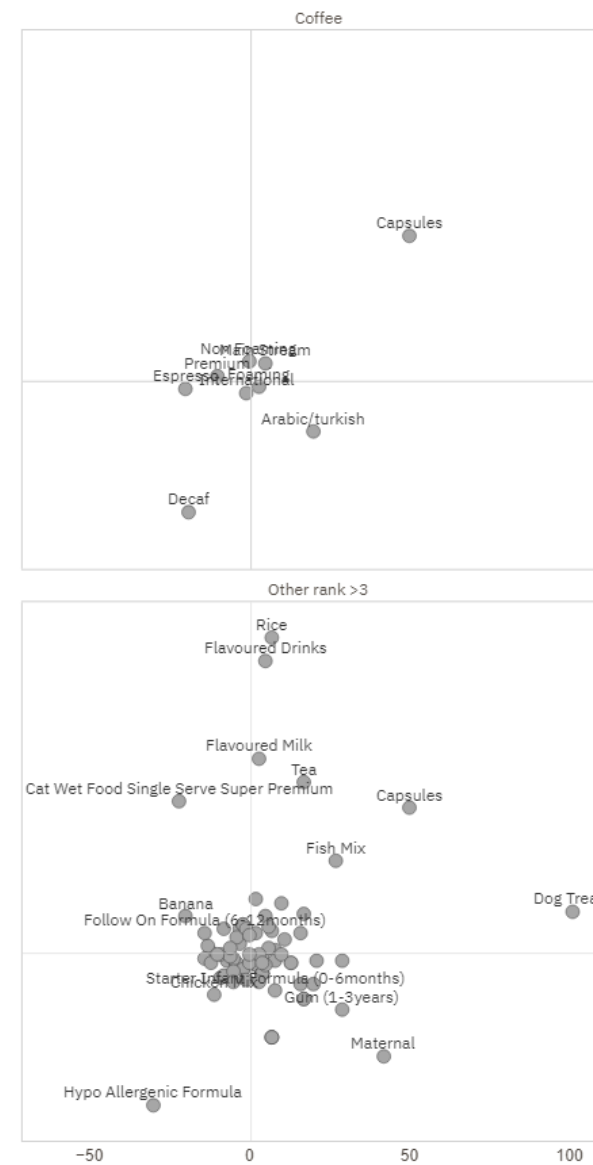
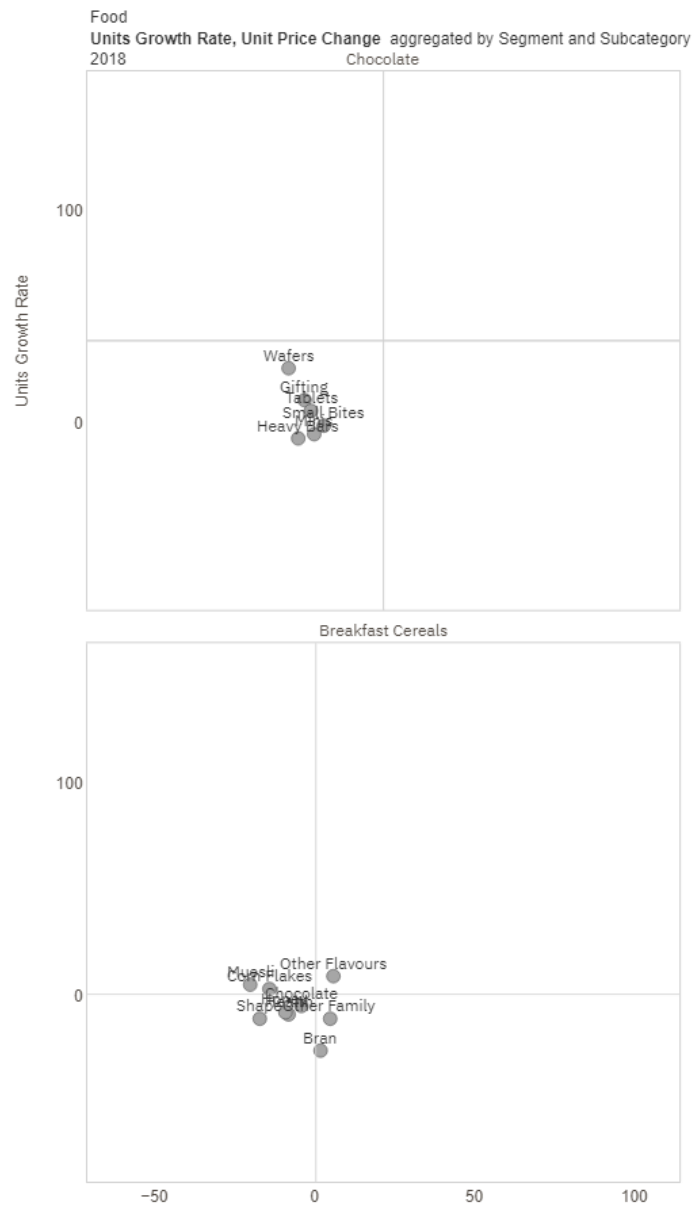
Food
Units Growth Rate, Sales Growth Rate aggregated by Product
2018



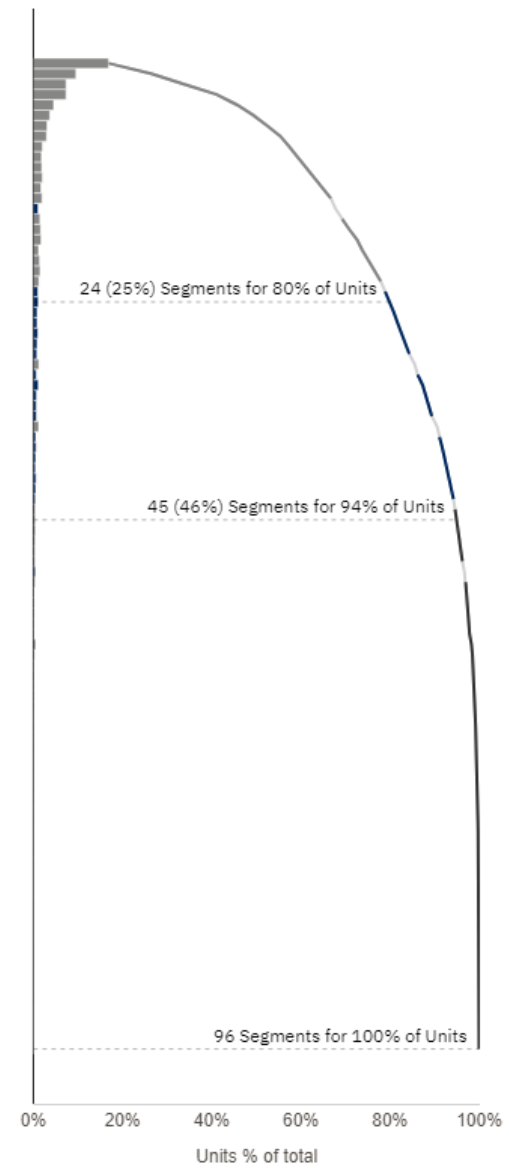
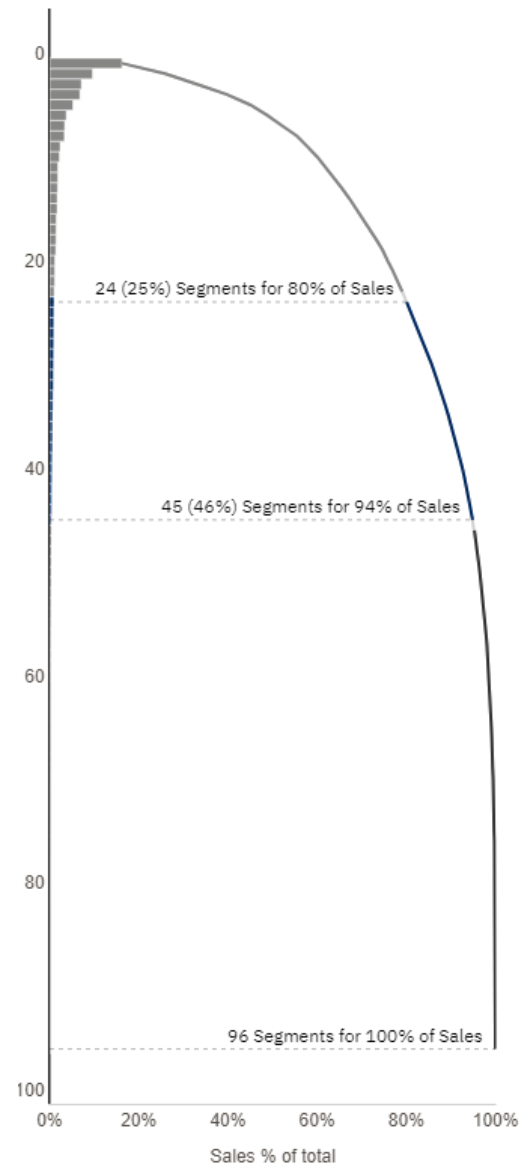


Food
Units Growth Rate, Unit Price Change aggregated by Segment
2018





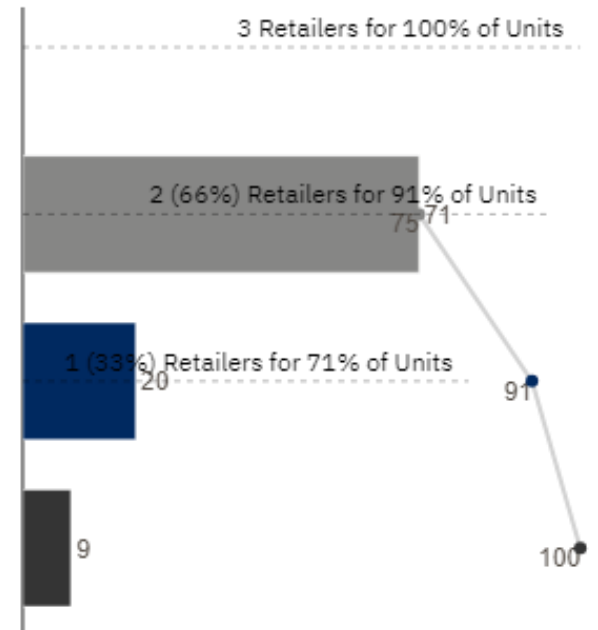
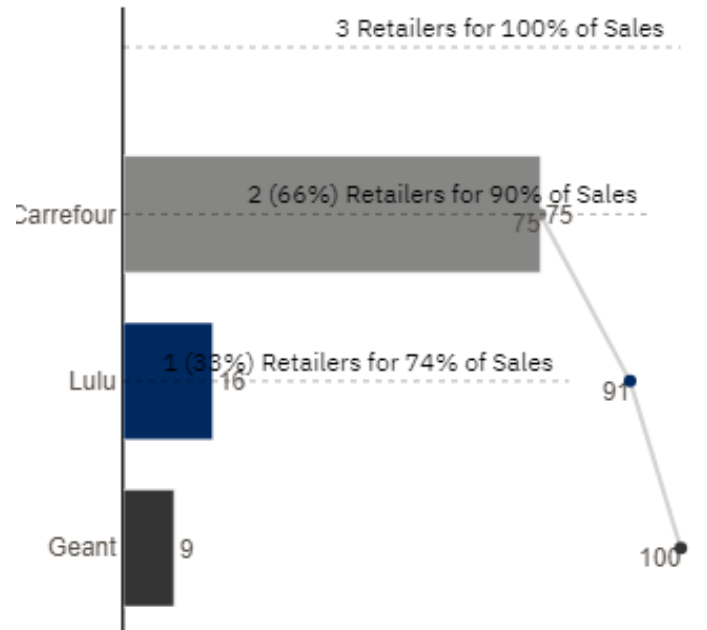
Food
ABC by sorted Segment Sales in USD
2018



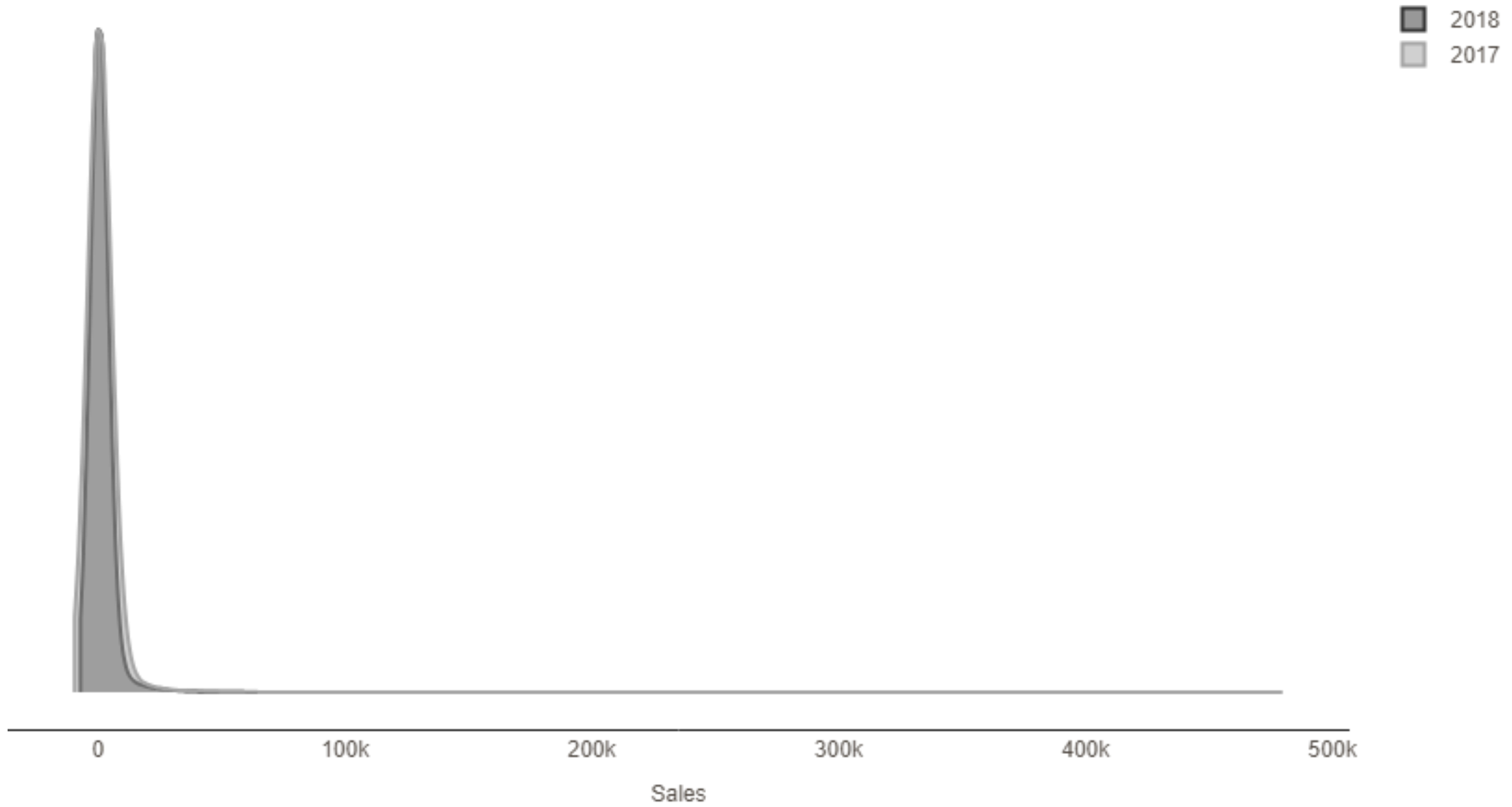
Sales % of total

Units % of total

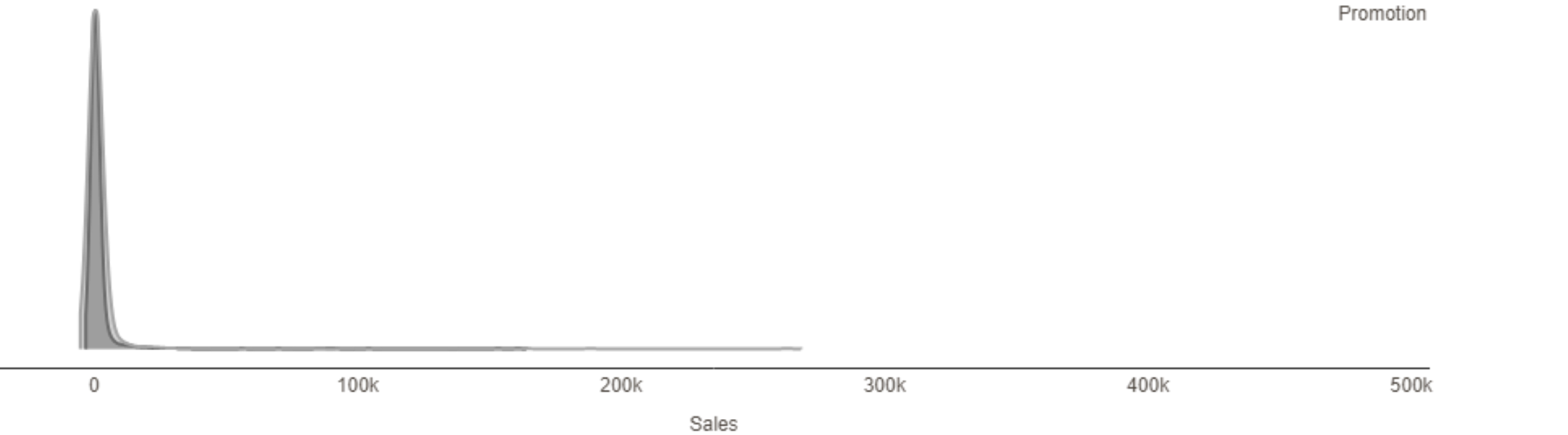
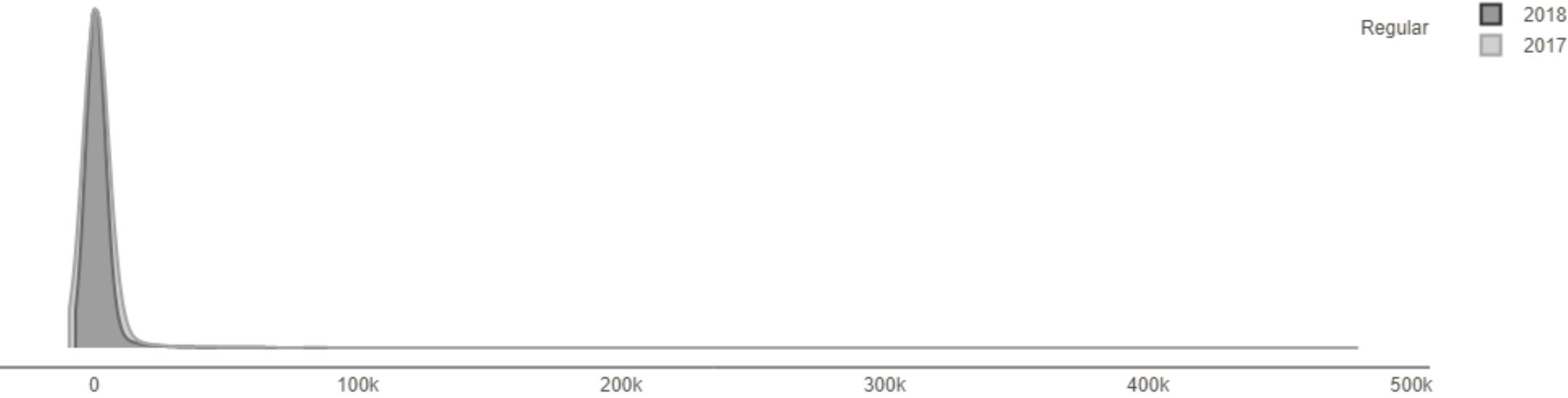
Food
ABC by sorted Retailer Sales in USD
2018



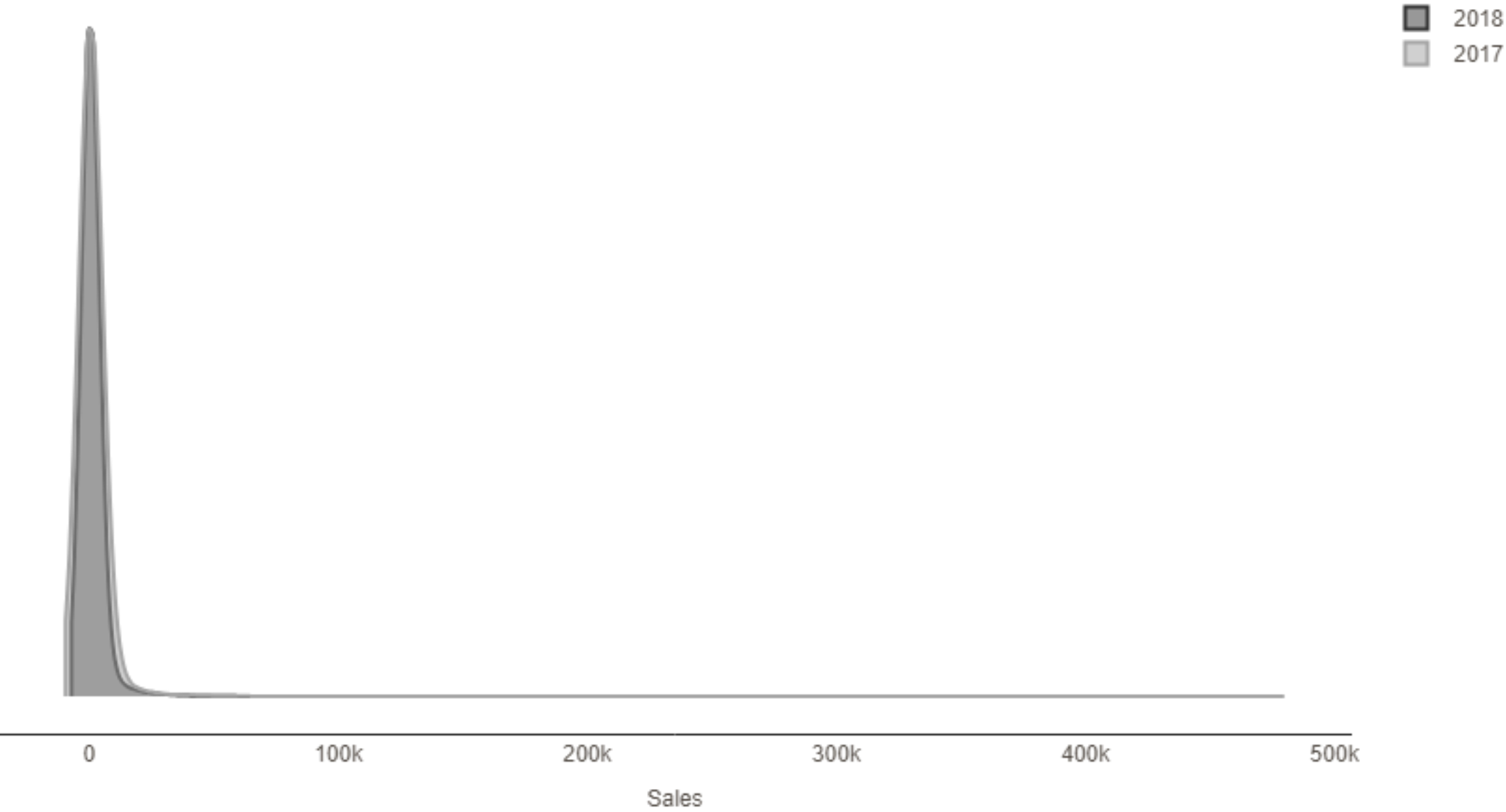
Food
Sales in USD, by observation
2017 vs 2018



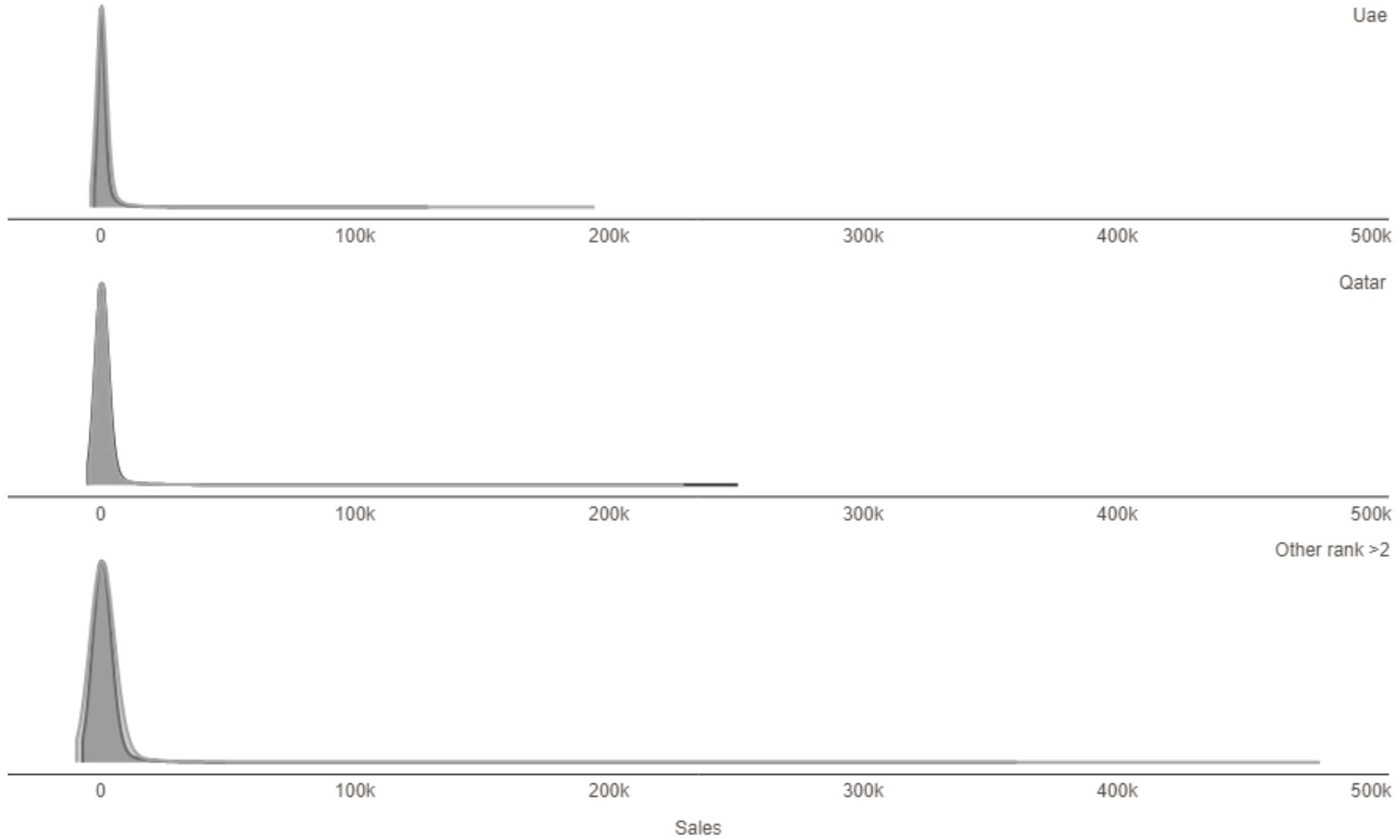
Food
Sales in USD, by observation by Type
2017 vs 2018



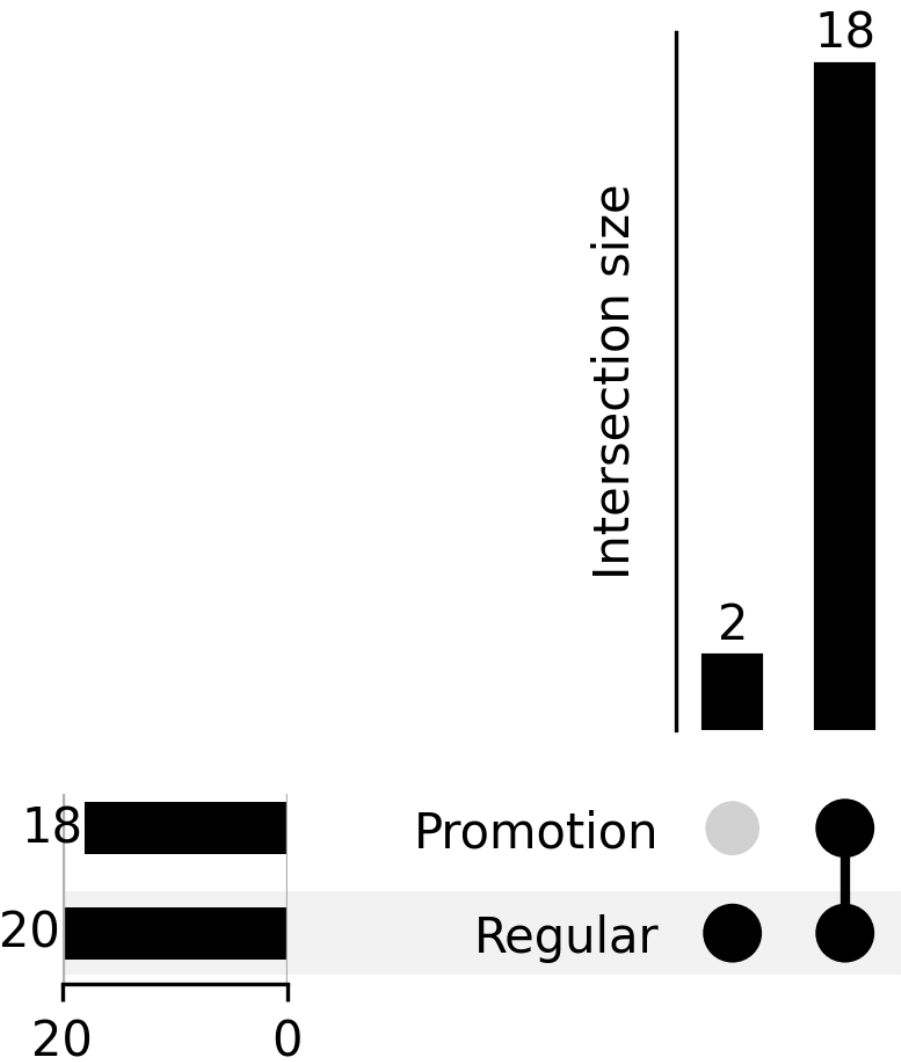
Food
Sales in USD, by observation
2017 vs 2018



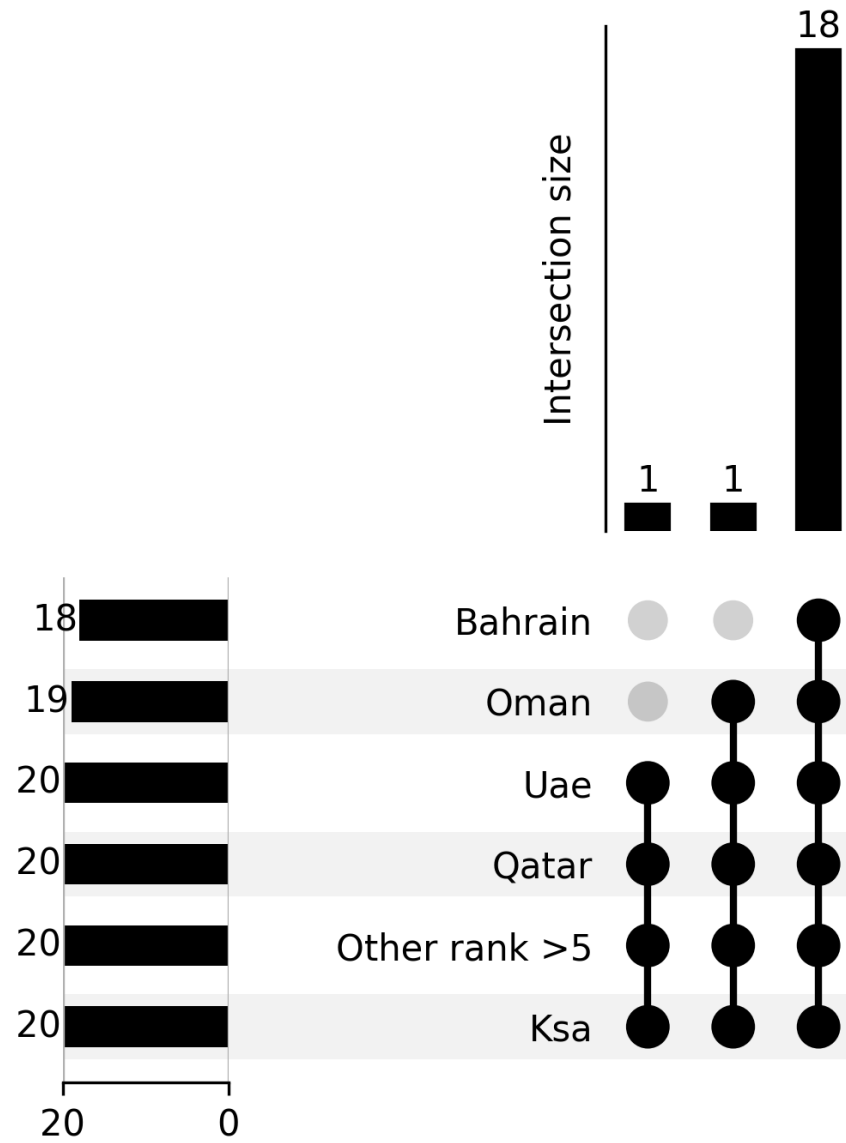
Food
Sales in USD, by observation by Market
2017 vs 2018



Food
Type overlap by Subcategory
2018



Food Market overlap by Subcategory 2018



Food
Sales by Retailer in mUSD
2017 to 2018



Food
Units by Entity in m
2017 to 2018



