

WHAT TODAY'S SAUDI CONSUMERS REALLY WANT — AND WHAT IT MEANS FOR F&B INNOVATION?

Across categories, Saudi consumers are blending **health, convenience, and indulgence** — from functional dairy to gourmet chocolate and from Omega-3 proteins to RTE porridge. Brands that deliver on all fronts are seeing **the biggest wins**.

Macro Shifts in Consumer Behavior

Health Awareness

is driving demand for functional, organic, and fortified foods

Western Culinary and Gifting Culture

is influencing premiumization

Technology Integration

(like RTE vending in offices) is improving access and ease

Category-Wise Shifts and Key Opportunities

Cereals, Fruits & Vegetables



- Cereal consumption reached 12.3 Mn tons in 2023, projected to hit **14.6 Mn** tons by 2030
- Rising Asian population boosting rice demand
- Average F&V consumption = **139 kg/person/year**
- **5 Mn** metric tons of F&V produced in 2024, but heavy import dependency remains
- Government is incentivizing KSA-compatible crops, irrigation & hydroponics

Meat & Seafood



- Poultry is the most consumed meat at **~50 kg per capita**
- KSA aims for **100% seafood** self-sufficiency by 2030
- Fish value chain growing at **13% CAGR**, esp. white prawns
- Fresh halal meat preferred; local production gets priority

Breakfast, Cereals & Bakery



- **RTE/RTC breakfast** was the best-performing segment in 2023
- Rise tied to working women and lifestyle change
- Gluten-free, whole grain, reduced-sugar baked goods gaining momentum
- Multi-layered packaging rising to preserve freshness

Processed Oils & RTE Meals



- Processed oils market to grow at **7.72% CAGR (2023–30)**
- Per capita oil spend = **\$10.39/year**
- Olive and canola oil gaining traction as healthy options
- RTE/RTC meals now mainstream, vending machines appearing in offices

Dairy & Beverages



- KSA is **118%** self-sufficient in dairy, led by AlMarai
- Organic & fortified dairy products in demand: Vitamin D, probiotic, low salt cheese
- **RTD beverages** (coffee, tea, smoothies) gaining retail shelf space
- Non-dairy milk (soy, almond, coconut) on the rise

Snacks, Chocolate & Confectionery



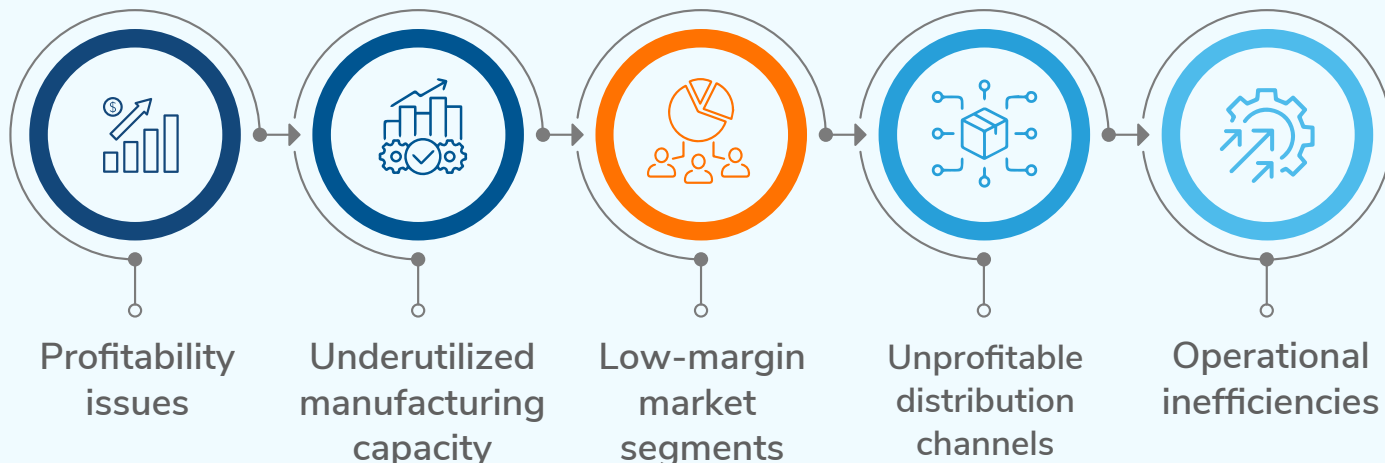
- Millennials (**40% of population**) are top snackers
- Per capita snack spend = **\$40 (2023)**, projected **\$50 by 2030**
- **5%-10%** of snacks now health-driven choices, without taste compromise
- Premium chocolate surging due to gifting; demand for melt-in-mouth quality rising

From Strained Margins to Sustainable Scale: A Saudi F&B Turnaround Story

Business Context:

A Saudi foods company sought to turn around its food manufacturing business, focusing on identifying profitable market segments with long-term potential and expanding its retail presence.

Key Strategic Imperatives:



Frost & Sullivan's Role

Diagnosis & Issue Identification

Conducted an in-depth analysis of manufacturing processes and capacity utilization to pinpoint inefficiencies impacting profitability.

Growth Strategy Development

Identified high-potential market segments for expansion, ensuring long-term sustainability and regional presence.

Execution Plan & Implementation Roadmap

Delivered a phased, research-backed roadmap to create competitive advantage and drive operational improvement.

Expected Impact:

Enhanced efficiency, expanded product mix, improved retail performance, and long-term business sustainability.

Saudi Arabia's next food revolution is being driven not by extreme trends, but by a middle path — where health, speed, tradition, and taste coexist. Every F&B category is being redefined by this blended consumer mindset.

Talk to Frost & Sullivan's F&B Team

Unlock white-space growth opportunities across Saudi's evolving F&B ecosystem.
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