

3 EXECUTIVE SUMMARY

The global dairy processing equipment market was valued at USD 7.99 billion in 2014 and is projected to reach USD 10.90 billion by 2020, at a CAGR of 5.4% from 2015. The growth of this market is attributed to the increasing demand for dairy products and technological advancements in dairy processing equipment. The processes involved in dairy product manufacturing include pasteurization, homogenization, filtration, evaporation, and separation. To enable these processes, dairy processors use equipment such as pasteurizers, homogenizers, filters, separators, evaporators, and other equipment such as churning equipment, crystallizers, and cheese vats.

There have been various factors which have played a major role in driving the growth of the dairy processing equipment market. The major drivers are the rising global consumer demand for dairy products, increasing dairy production, changing needs, taste & preferences among consumers, and growing demand for healthier and palatable dairy products. The rising health consciousness among people has fueled the consumption of processed dairy products such as skimmed milk. Manufacturers are producing low fat, organic, and nutrient-fortified dairy products to cater to changing consumer preferences. This requires manufacturers to acquire advanced dairy processing equipment. The abolition of milk quota in the EU in 2015 has also been a driver for market growth. This abolition has upsurged milk production and has encouraged leading dairy food manufacturers to install advanced machinery to enhance their processing capacity.

The dairy processing equipment market, by type, is segmented into pasteurizers, homogenizers, separators, evaporators & drying equipment, membrane filtration equipment, and others. Pasteurizers dominate the dairy processing equipment market. This segment is estimated at USD 1.76 billion in 2015, and is projected to reach USD 2.26 billion by 2020, at a CAGR of 5.1% during the forecast period. Pasteurizers are closely followed by homogenizers, which held a share of 20.3% of the overall dairy processing equipment market in 2015. In terms of application, the dairy processing equipment market is divided into six segments, namely, processed milk, cream, milk powders, cheese, protein ingredients, and others. The processed milk segment held the largest share of 21.7% of the dairy processing equipment market in 2014, closely followed by cream, which held a share of 20.9% in the same year.

The global dairy processing equipment market is highly competitive, with a large number of global and local market players. Players in this market have adopted various strategies to expand their global footprint and increase their market share. Agreements & contracts, partnerships, new product launches, expansions & investments, and mergers & acquisitions are some of the key strategies adopted by players to achieve growth in the dairy processing equipment market. The global market for dairy processing equipment is dominated by top players such as GEA Group (Germany), The Krones Group (Germany), SPX Corporation (U.S.), Tetra Laval (Switzerland), and Alfa Laval (Sweden).