

China set to become largest grocery market by 2014 – IGD

8 February 2010 |

China is set to overtake the US as the world's largest grocery market for the first time by 2014, new research has suggested.

According to market research firm [IGD](#), the Chinese grocery market will grow to a value of EUR761bn (US\$1,038bn), outstripping the US that is set to be worth EUR745bn in four years' time.

IGD said that the Chinese economy was not as badly hit by the global economic recession as the US. Meanwhile, the IMF has predicted that Chinese economic growth could outstrip the US by three times over the next four years.

Investment and consumer spending has increased in China and private sector demand has been driven by the Government's stimulus package, IGD researchers added.

Additionally, between 2010 and 2014 China's population growth rate is expected to be double that of the US.

"Chinese population growth and economic prosperity are contributing to the rise of China as an important grocery market on the world stage. The US and key European markets still offer an important source of growth for food and grocery businesses, but it is becoming harder to ignore the BRIC countries," Joanne Denney-Finch, IGD chief executive, observed.

Other BRIC (Brazil, Russia, India, China) markets are set to grow in size with India becoming the third largest food and grocery market in four years' time, while Russia and Brazil rank fifth and sixth respectively, IGD predicted.

IGD also revealed that Indonesia is likely to enter the top ten grocery markets by size for the first time.