

# Dairy Ingredients Market In 2029

*The Business Research Company's Dairy Ingredients Global Market Report 2025 – Market Size, Trends, And Global Forecast 2025-2034*

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/EINPresswire.com/ -- [Dairy Ingredients Market](#) to Surpass \$112 billion in 2029. In comparison, the Milk market, which is considered as its parent market, is expected to be approximately \$1,026 billion by 2029, with Dairy Ingredients to represent around 11% of the parent market. Within the broader Agriculture industry, which is expected to be \$16,764 billion by 2029, the Dairy Ingredients market is estimated to account for nearly 1% of the total market value.

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It will grow from \$75.58 billion in 2024 to \$81.78 billion in 2025 at a compound annual growth rate (CAGR) of 8.2%”

*The Business Research Company*



Which Will Be the Biggest Region in the Dairy Ingredients Market in 2029

Asia Pacific will be the largest region in the dairy ingredients market in 2029, valued at \$37,468 million. The market is expected to grow from \$24,339 million in 2024 at a compound annual growth rate (CAGR) of 9%. The strong growth can be attributed to the increasing milk production and significant growth in e-commerce.

Which Will Be The Largest Country In The Global Dairy Ingredients Market In 2029?

The USA will be the largest country in the dairy ingredients market in 2029, valued at \$26,586 million. The market is expected to grow from \$18,214 million in 2024 at a compound annual growth rate (CAGR) of 8%. The strong growth can be attributed to the company partnerships and rising milk production.

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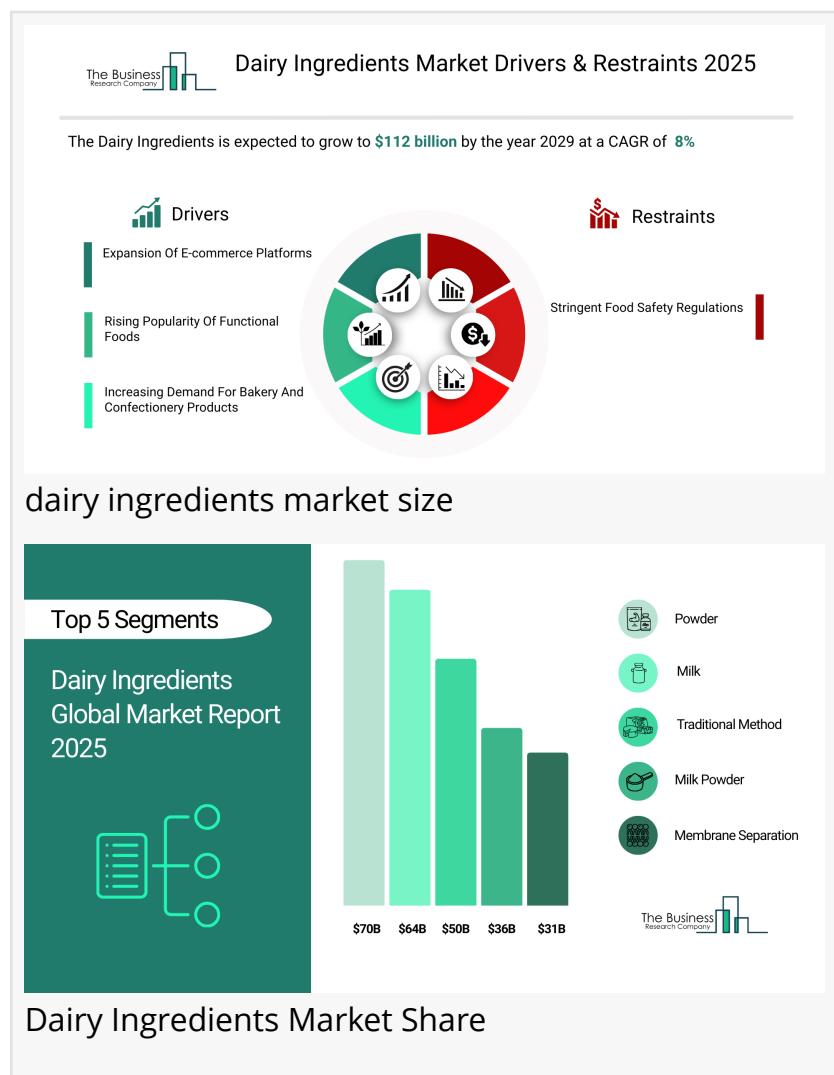
What will be Largest Segment in the Dairy Ingredients Market in 2029?

The [dairy ingredients market growth](#) is segmented by type into milk powder, whey protein, milk protein, third-generation ingredient, casein, butter milk powder, milk permeate, whey permeates and lactose. The milk powder market will be the largest segment of the dairy ingredients market segmented by type, accounting for 44% or \$48,914 million of the total in 2029. The milk powder market will be supported by factors such as its long shelf life, versatility, convenience, increasing demand in food and beverage products, advancements in processing technologies, growing popularity of fortified milk powders and growing food and beverages industry.

The dairy ingredients market is segmented by source into milk and whey. The milk market will be the largest segment of the dairy ingredients market segmented by source, accounting for 79% or \$88,515 million of the total in 2029. The milk market will be supported by its essential role in a wide range of dairy products, offering high nutritional value, versatility and consumer preference for natural, nutrient-rich ingredients in beverages, cheeses and other dairy-based food items.

The dairy ingredients market is segmented by form into powder and liquid. The powder market will be the largest segment of the dairy ingredients market segmented by form, accounting for 87% or \$97,136 million of the total in 2029. The powder market will be supported by factors such as extended shelf life, ease of storage and transport, cost-effectiveness and its ability to maintain nutritional integrity and rise in milk production.

The dairy ingredients market is segmented by production method into traditional method and membrane separation. The traditional method market will be the largest segment of the dairy ingredients market segmented by production method, accounting for 60% or \$67,036 million of the total in 2029. The traditional method market will be supported by factors such as consumer preference for natural, authentic flavors, demand for minimally processed products and the growing interest in artisanal and heritage food practices that emphasize quality and craftsmanship and growth in milk production.



The dairy ingredients market is segmented by application into dairy products, convenience food, bakery and confectionery, infant milk formula, sports nutrition, medical nutrition, animal nutrition and other applications. The dairy products market will be the largest segment of the dairy ingredients market segmented by application, accounting for 35% or \$38,773 million of the total in 2029. The dairy products market will be supported by factors such as the increasing consumer preference for natural, protein-rich foods, the rising popularity of functional dairy products, innovations in dairy-based alternatives and growing awareness of the health benefits of dairy ingredients

What is the expected CAGR for the Dairy Ingredients Market leading up to 2029?

The expected CAGR for the dairy ingredients market leading up to 2029 is 8%.

What Will Be The Growth Driving Factors In The Global Dairy Ingredients Market In The Forecast Period?

The rapid growth of the global dairy ingredients market leading up to 2029 will be driven by the following key factors that are expected to reshape the dairy ingredients market by driving safer, more efficient, and technology-enabled manufacturing and quality assurance practices worldwide.

**Expansion Of E-commerce Platforms** - The expansion of e-commerce platforms will become a key driver of growth in the dairy ingredients market by 2029. As online shopping continues to gain popularity, consumers are increasingly turning to digital platforms for purchasing dairy products and ingredients. This shift in buying behavior opens up new opportunities for dairy ingredient manufacturers to reach a broader customer base, especially in regions with limited access to physical retail stores. As more brands and retailers invest in online channels, the dairy ingredients market is likely to see enhanced sales, increased product availability and improved customer engagement, contributing to its overall growth. As a result, the expansion of e-commerce platforms is anticipated to contributing to a 1.5% annual growth in the market.

**Rising Popularity Of Functional Foods** - The rising popularity of functional foods will emerge as a major factor driving the expansion of the dairy ingredients market by 2029. Functional foods, which provide health benefits beyond basic nutrition, are becoming increasingly popular as consumers seek products that support overall wellness, immunity, digestive health and other specific dietary needs. Dairy ingredients, such as probiotics, prebiotics, protein powders and fortified milk powders, are key components in these functional foods due to their ability to enhance nutritional value and promote health benefits. Consequently, the rising popularity of functional foods is projected to contributing to a 1.0% annual growth in the market.

**Increasing Demand For Bakery And Confectionery Products** - The increasing demand for bakery and confectionery products will serve as a key growth catalyst for the dairy ingredients market by 2029, As consumer preferences shift toward indulgent yet high-quality baked goods and confections, dairy ingredients such as milk powders, butter, whey proteins and cheese are

becoming essential in the production of these products. Dairy ingredients contribute to the texture, flavor and nutritional value of bakery and confectionery items, enhancing both their taste and appeal. Additionally, as more consumers turn to ready-to-eat and packaged bakery products, the demand for dairy ingredients in mass production also increases, further propelling market growth. Therefore, this increasing demand for bakery and confectionery products is projected to support a 0.8% annual growth in the market.

**Increasing Demand For Protein-Rich Diets** - The increasing demand for protein-rich diets will become a significant driver contributing to the growth of the dairy ingredients market by 2029. As consumers become more health-conscious and prioritize protein intake for its benefits in muscle building, weight management and overall health, dairy ingredients such as whey protein, casein and milk proteins have gained popularity. These ingredients are rich in high-quality protein, making them ideal for inclusion in various food and beverage products targeting fitness enthusiasts, athletes and individuals looking to improve their dietary habits. The rise in protein-focused diets, including trends like keto and paleo, has further boosted the demand for dairy-based protein products. Consequently, the increasing demand for protein-rich diets is projected to contribute to a 0.5% annual growth in the market.

Access the detailed Dairy Ingredients Market report here:

<https://www.thebusinessresearchcompany.com/report/dairy-ingredients-global-market-report>

**What Are The Key Growth Opportunities In The Dairy Ingredients Market in 2029?**

The most significant growth opportunities are anticipated in the dairy nutritional powders market, the milk dairy ingredients market, the traditional dairy ingredients market, the milk powder form dairy ingredients market, and the dairy ingredients products market. Collectively, these segments are projected to contribute over \$111 billion in market value by 2029, driven by increasing consumer demand for functional and fortified dairy products, rising health and wellness awareness, and innovations in product formulation and processing technologies. This surge reflects the accelerating adoption of advanced dairy ingredients that enhance nutritional profiles, improve shelf life, and expand applications across food, beverage, and nutritional supplement sectors, fuelling transformative growth within the broader dairy ingredients industry.

The dairy nutritional powders market is projected to grow by \$31,775 million, the milk dairy ingredients market by \$28,514 million, the traditional dairy ingredients market by \$20,358 million, the milk powder form dairy ingredients market by \$15,305 million and the dairy ingredients products market by \$15,305 million over the next five years from 2024 to 2029.

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