

On-trade Soft Drinks - China - May 2016

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“Beverages usually are not the centre of a meal, but pairing the beverages with food can effectively increase consumers’ likeliness of ordering a drink. Aside from herbal tea brands which have successfully paired themselves with hot pot cuisine, there is still great potential for other non-alcoholic drinks to pair with the vast choice of Chinese local cuisines”

Ching Yang, Research Analyst

This report looks at the following areas:

- Educate consumers on the concept of food pairing
- Link with emotions
- Tapping into flavoured water and fermented drinks

What you need to know

The on-trade soft drink market achieved double-digit growth between 2010 and 2013, driven by the solid performance of the herbal tea category. However, few breakthrough innovations have emerged and herbal tea and freshly-made drinks are threatening the packaged drink market, the growth rate has slowed down since 2014.

The on-trade soft drink market is much less diverse than the retail market, implying room for more brands and products entering the channels. Consumer data show fast food and hot pot restaurants are the channels where consumers are most likely to order soft drinks, with quenching thirst and reducing the greasiness and spiciness in food being the primary usage purposes.

Looking ahead, flavoured water and fermented drinks are two categories with good potential in the on-trade channels. Brands can leverage the food pairing concept and the use of soft drinks as an alcoholic drink substitute to increase consumers’ usage frequency.

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DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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