

## Bottled Water - UK - March 2018

Report Price: £1995.00 | \$2693.85 | €2245.17

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“While the spotlight on plastic waste is a threat to the whole soft drinks market, the option of tap water and roll-out of water refill stations make this a more severe challenge for bottled water.”

– **Anita Winther, Research Analyst**

This report looks at the following areas:

- **A need for brands to go beyond recyclability**
- **Functional ingredients present a tangible way to add value to bottled water among the younger generation**
- **Looking to stronger flavour profiles should attract the younger generation**

Bottled water has enjoyed strong growth over the past five years, with volumes and values up 56% and 52% respectively over 2012-17. The ongoing scrutiny of sugar in food and drinks has been a key driver of this growth, prompting people to opt for bottled water as a healthier option to other soft drinks. However, the low/no-sugar space in soft drinks is getting more crowded, with operators across the categories stepping up their launch activity in this area. This could see bottled water lose some of its advantage as a perceived healthier alternative.

The spotlight on plastic waste will be a key challenge for soft drinks going forwards, with bottled water arguably more severely affected than other categories given that consumers have the option of tap water. Plans to make water refill stations more widely available are likely to impact on sales. Nonetheless, there are opportunities for the category to take stewardship in tackling the issue and helping to close the plastic waste loop.

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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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A need for brands to go beyond recyclability

The facts

The implications

Functional ingredients present a tangible way to add value to bottled water among the younger generation

The facts

The implications

Looking to stronger flavour profiles should attract the younger generation

The facts

The implications

### The Market – What You Need to Know

Bottled water sales power forward

The category faces uncertainties on many fronts

Unflavoured still water continues robust growth

On-premise sees inflation return

Plastic waste is in the spotlight

Sugar reduction remains on the health agenda

### Market Size and Forecast

Bottled water sales continue to power forward

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Widespread feelings of guilt related to plastic waste

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Offering more free water refill points aims to cut plastic waste

Companies are making moves to address plastic waste issue

Support for deposit return schemes

Inflation returns to food and drink market

Squeezed consumer incomes could dampen sales

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Sugar reduction remains on the health agenda

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Volume sales are supported by price for market leader Danone

Highland Spring becomes third biggest brand

An upsurge in low-sugar launch activity in flavoured water

Functional claims rise

Advertising spend dips

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Nuva relaunches as No&More; Ugly Drinks gives range a shake-up

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Category blurring remains a trend

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Volvic flavoured water push looks to connect with millennials

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Highland Spring links hydration with everyday success for 'Brave By Nature' push...

...and targets Christmas entertaining occasions

Robinsons Fruit Shoot celebrates kids' self-expression

Harrogate Spring launch recycling push

Nielsen Ad Intel coverage

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Three in four drink bottled water

A low price is key purchase factor

Low/no sugar is important for flavoured water

Fortified waters for kids garners interest

Functional ingredients have strongest appeal among the young

Recycling ambitions are high in bottled water

Category blurring could alienate consumers

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Three in four drink bottled water

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