

## Carbonated Soft Drinks - UK - June 2018

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

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“Driven by a growing focus on healthiness, consumers are increasingly looking to limit their sugar intake, the Soft Drinks Industry Levy is exacerbating this issue. This focus has led to many people switching to diet or no-sugar variants of CSDs, pushed by heavyweight players supported by substantial advertising budgets.”  
**– Amy Price, Senior Food and Drink Analyst**

This report looks at the following areas:

- **Attention on sugar prompts switching**
- **A focus on environmental efforts would give brands a competitive edge**
- **NPD on flavour offers a way to appeal to a wider audience**

The implementation of the Soft Drinks Industry Levy (SDIL) poses a threat to the carbonated soft drinks (CSDs) market. Consumers are turning their backs on sugar, but luckily for CSD manufacturers, many are turning to diet/sugar-free versions. Both Coca-Cola Zero Sugar and Pepsi Max have outperformed sugary variants, succeeding in encouraging consumers to continue buying CSDs. Meanwhile, the vast majority of sugar-containing CSDs have been reformulated to bring their sugar content below the threshold for the levy.

Environmental concerns also pose a threat, with single-use plastic in the firing line. Efforts going beyond drawing attention to the suitability of plastic for recycling are much needed to retain the business of environmentally conscious consumers.

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## Table of Contents

### Overview

- What you need to know
- Products covered in this report

### Executive Summary

- The market
- 2018 sees levy fuel value growth
  - Figure 1: UK value sales of carbonated soft drinks, 2013-23
- Cola retains the lead, with prices rising, but volumes falling
  - Figure 2: Retail value and volume sales of carbonated soft drinks, by segment, 2017
- Mixers see the strongest growth
- Scrutiny of sugar continues to affect the market
- Environmental impact of plastic hits the news
- Pay squeeze eases
- Offering an alternative to alcohol
- Companies and brands
- Coca-Cola Zero Sugar and Pepsi Max see strong growth
  - Figure 3: Leading brands' shares in the UK retail carbonated soft drinks market, by value, 2017/18\*
- Britvic sees value and volumes fall for J2O, while premium brands perform well
  - Figure 4: Leading brands' shares in the UK retail adult soft drinks market, by value, 2017/18\*
- Sugar is an ongoing focus of NPD
- New flavours hope to appeal to adventurous consumers
- Advertising spend reaches a four-year high in 2017
- Coca-Cola stands out as the most trusted CSD cola brand
- The consumer
- Usage of diet CSDs matches that of non-diet
  - Figure 5: Usage of carbonated soft drinks, by diet/light and non-diet, March 2018
- Opportunities to push British angle
  - Figure 6: Interest in selected carbonated soft drink products, March 2018
- Soft drinks levy influences sugary CSDs' image of healthiness
  - Figure 7: Attitudes towards healthiness of carbonated soft drinks, March 2018
- CSDs fail to deliver on refreshment and flavour
  - Figure 8: Correspondence analysis of qualities associated with selected types of soft drinks, March 2018
- Only a minority look at ingredients or recycling information
  - Figure 9: On-pack details checked when selecting carbonated soft drinks, March 2018
- What we think

### Issues and Insights

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Attention on sugar prompts switching

The facts

The implications

A focus on environmental efforts would give brands a competitive edge

The facts

The implications

NPD on flavour offers a way to appeal to a wider audience

The facts

The implications

## The Market – What You Need to Know

2018 sees levy fuel value growth

Modest volume growth predicted, inflation to prop up value sales

Cola retains the lead, with prices rising, but volumes falling

Mixers see the strongest growth

Scrutiny of sugar continues to affect the market

Environmental impact of plastic hits the news

Pay squeeze eases

Offering an alternative to alcohol

## Market Size and Forecast

Value sales rise, while volumes dip

Figure 10: UK value sales of carbonated soft drinks, 2013-23

Value sales to continue to rise

Figure 11: UK value sales of carbonated soft drinks, by retail and on-premise, 2013-23

Figure 12: UK volume sales of carbonated soft drinks, by retail and on-premise, 2013-23

Sugar levy dampens retail volume sales

Figure 13: UK retail value sales of carbonated soft drinks, 2012-23

On-premise to see volumes dip

Figure 14: UK on-premise value sales of carbonated soft drinks, 2013-23

Forecast methodology

## Market Segmentation

Cola retains the lead, with prices rising but volumes falling

Figure 15: Retail value and volume sales of carbonated soft drinks and adult soft drinks, by segment, 2015-17

Mixers see the strongest growth

## Market Drivers

Scrutiny of sugar continues to affect the market

The number one health foe

Government introduces the Soft Drinks Industry Levy

Many brands take action to reformulate, while some not doing so pass on the rise

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The levy could encourage switching to healthier varieties  
 Environmental impact of plastic hits the news  
 Companies take steps to address plastic waste  
 Clarity in demand among consumers  
 Government proposes 25-year plan to reduce plastic packaging waste  
 Water refill points  
 Support for deposit return schemes  
 Scotland to introduce Deposit Return Scheme to tackle plastic waste

Pay squeeze eases

Figure 16: Annual percentage change in CPI and AWE (regular pay), by month, January 2012-March 2018

Offering an alternative to alcohol

Figure 17: Attitudes towards health and alcoholic drinks, November 2017

### Companies and Brands – What You Need to Know

Coca-Cola Zero Sugar and Pepsi Max see strong growth  
 Coca-Cola retains top position  
 Britvic sees value and volumes fall for J2O, while premium brands perform well  
 Sugar is an ongoing focus of NPD  
 New flavours hope to appeal to adventurous consumers  
 Advertising spend reaches a four-year high in 2017  
 Coca-Cola stands out as the most trusted CSD cola brand

### Market Share

Selected no-sugar varieties see strong growth  
 Coca-Cola Zero Sugar sees sales jump as Coca-Cola and Diet Coke suffer volume falls  
 Coca-Cola retains top position  
 Schweppes helped by adspend

Figure 18: Leading brands' sales and shares in the UK retail carbonated soft drinks market, by value and volume, 2016/17 and 2017/18

Pepsi Max sales continue to eclipse standard Pepsi  
 Irn-Bru sees sales rise

Fever-Tree more than doubles sales

Figure 19: Leading manufacturers' sales and shares in the UK retail carbonated soft drinks market, by value and volume, 2016/17 and 2017/18

Britvic sees value and volumes fall for J2O

Premium brands perform strongly

Figure 20: Leading brands' sales and shares in the UK retail adult soft drinks market, by value and volume, 2016/17 and 2017/18

### Launch Activity and Innovation

Sugar is an ongoing focus

Figure 21: New product launches in the UK carbonated soft drinks market, by the low/no/reduced sugar claim, 2014-18

Figure 22: Brands combine L/N/R sugar claims with functional health benefits, 2017

New flavours hope to appeal to adventurous consumers

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Figure 23: Coca-Cola launches new flavours, 2018

## Less sweet flavours

Figure 24: The London Essence mixers hit the market, 2017

## Premium launches rise

Figure 25: New product launches in the UK carbonated soft drinks market, by the premium claim, 2014-18 (sorted by 2017)

## Brands look to appeal to consumers eschewing alcohol

Figure 26: CSDs look to alcoholic drinks-inspired packaging, 2018

## Slimline cans offer a point of difference

Figure 27: Slimline cans support a premium positioning, 2017

## Craft term adopted to denote quality

Figure 28: Craft term is used in packaging, 2018

## Environmentally friendly packaging is the top claim

Figure 29: New product launches in the UK carbonated soft drinks market, by the Ethical – Environmentally Friendly Package claim, 2014-18 (sorted by 2017)

## Advertising and Marketing Activity

### Advertising spend reaches a four-year high in 2017

Figure 30: Total above-the line, online display and direct mail advertising expenditure on carbonated soft drinks, by advertiser, 2014-18 (sorted by 2017)

### Coca-Cola continues to lead advertising

### Coke celebrates original recipe, despite the Soft Drinks Industry Levy

### Coca-Cola encourages recycling with a Love Story

### Diet Coke rebrands...

### ...and looks to influencer marketing

### Coke Zero Sugar focuses on experiences...

### ...and links up with movie franchise

Figure 31: Coca-Cola links up with Star Wars for on-pack promotion, 2017

### Coca-Cola partners with FIFA for the 2018 World Cup

### Coca-Cola continues ParkLives sponsorship

### Schweppes supports Tonics range

### Fanta looks to Halloween

### Pepsi Max also focuses on taste and breaking with tradition

### Fentimans rebrands to push superior taste

### Irn-Bru looks to escapism with controversial ad in Scotland

### Sanpellegrino showcases Italian lifestyle with weather-triggered OOH campaign

### Nielsen Ad Intel coverage

## Brand Research

### What you need to know

### Brand map

Figure 32: Attitudes towards and usage of selected brands, May 2018

### Key brand metrics

Figure 33: Key metrics for selected brands, May 2018

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Brand attitudes: Coca-Cola stands out as offering consistently high quality

Figure 34: Attitudes, by brand, May 2018

Brand personality: Fentimans seen as most exclusive while the others offer accessibility

Figure 35: Brand personality – Macro image, May 2018

Coca-Cola and Pepsi are seen to be traditional and authentic

Figure 36: Brand personality – Micro image, May 2018

### The Consumer – What You Need to Know

Usage of diet matches that of non-diet

Opportunities to push British angle

Soft drinks levy influences sugary CSDs' image of healthiness

CSDs fail to deliver on refreshment and flavour

Only a minority look at ingredients or recycling information

### Usage of Carbonated Soft Drinks

Usage of diet matches that of non-diet

Figure 37: Usage of carbonated soft drinks, by diet/light and non-diet, March 2018

Extensive crossover in non-diet and diet

Figure 38: Crossover in usage of non-diet and diet/light carbonated soft drinks, March 2018

Young opt more for non-diet, over-55s more for diet versions

Figure 39: Usage of non-diet and diet/light carbonated soft drinks, by age, March 2018

Figure 40: Preference for sweeteners as an ingredient in carbonated soft drinks, by age, March 2018

Diet/light versions are drunk more frequently

Figure 41: Frequency of drinking carbonated soft drinks, by type, March 2018

Home is the most popular venue to drink CSDs

Figure 42: Usage of carbonated soft drinks, by location, March 2018

36% drink CSDs in restaurants/pubs/bars

29% drink CSDs on the go

### Interest in Product Features

Opportunities to push British angle

Figure 43: Interest in selected carbonated soft drink products, March 2018

Figure 44: Coca-Cola emphasises location of production, 2018

Non-sweet flavours appeal to 23%

Blends add excitement to existing products

Spice and botanical flavours garner interest among a fifth

### Attitudes towards Carbonated Soft Drinks

Soft drinks levy influences sugary CSDs' image of healthiness

Figure 45: Attitudes towards healthiness of carbonated soft drinks, March 2018

Few CSDs users have noticed reformulation

...but this could come with pitfalls

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Figure 46: Attitudes towards carbonated soft drinks, March 2018

Focus on environmental issues could pose a threat

51% of CSD users prefer glass/cans to plastic packaging

Widespread uncertainty over what packaging is best for the environment

Figure 47: Agreement with the statement 'It's hard to tell what packaging is most environmentally friendly, March 2018

Opportunity for CSDs to tap into popularity of flavoured waters

## Qualities Associated With Selected Soft Drinks

CSDs fail to deliver on refreshment and flavour

Opportunity for non-sweet flavours

Figure 48: Correspondence analysis of qualities associated with selected types of soft drinks, March 2018

Figure 49: Qualities associated with selected types of soft drinks, March 2018

Perceived artificiality is a barrier

Figure 50: Preferences for sugar and sweeteners in carbonated soft drinks, March 2018

Methodology

## What People Check On CSD Packs

Only a minority look at ingredients or recycling information

Figure 51: On-pack details checked when selecting carbonated soft drinks, March 2018

Flavour, type and brand are most important

Figure 52: Those checking brand on-pack when selecting carbonated soft drinks, by age, March 2018

## Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

## Appendix – Market Size and Forecast

Total

Figure 53: UK volume sales of carbonated soft drinks, 2013-23

Figure 54: UK value sales of carbonated soft drinks, best- and worst-case forecast, 2018-23

Figure 55: UK volume sales of carbonated soft drinks, best- and worst-case forecast, 2018-23

Retail

Figure 56: UK retail volume sales of carbonated soft drinks, 2013-23

Figure 57: UK retail value sales of carbonated soft drinks, best- and worst-case forecast, 2018-23

Figure 58: UK retail volume sales of carbonated soft drinks, best- and worst-case forecast, 2018-23

On-premise

Figure 59: UK on-premise volume sales of carbonated soft drinks, 2013-23

Figure 60: UK on-premise value sales of carbonated soft drinks, best- and worst-case forecast, 2018-23

Figure 61: UK on-premise volume sales of carbonated soft drinks, best- and worst-case forecast, 2018-23

Forecast methodology

## Appendix – Launch Activity and Innovation

Figure 62: New product launches in the UK carbonated soft drinks market, by top ten companies, 2014-18 (sorted by 2017)

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Figure 63: New product launches in the UK carbonated soft drinks market, by the environmentally friendly packaging claim, 2014-18

### Appendix – Advertising and Marketing Activity

Figure 64: Total above-the line, online display and direct mail advertising expenditure on carbonated soft drinks, by brand, 2014-18 (sorted by 2017)

### Appendix – Usage of Carbonated Soft Drinks

Figure 65: Ingredient preferences in relation to carbonated soft drinks, March 2018

Figure 66: Usage of carbonated soft drinks, by location, by type, April 2018

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