



Carbonated Soft Drinks: Inc Impact of COVID-19 - UK - December 2020

Report Price: £2195 | \$2995 | €2600

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

This report looks at the following areas:

- The impact of COVID-19 on the carbonated soft drinks market.
- The outlook for the market in the re-emergence from the pandemic and recovery up to 2025.
- The latest new product development (NPD) trends.
- Consumers' habits around drinking carbonated soft drinks and their reasons for doing so.
- Consumer attitudes towards carbonated soft drinks.

Relaxation has a – perhaps surprisingly – important role in usage of carbonated soft drinks. As many as a third of drinkers agree that carbonated soft drinks that contain relaxing ingredients are appealing.

The pandemic has hit total sales of carbonated soft drinks, which are estimated to have plunged by 28.5% in value and 7.8% in volume terms respectively in 2020. The record fall in on-trade sales in this market was entirely responsible for this slump, and masks a strong retail performance. However, sales will rebound in 2021, although the new wave of lockdowns in early 2021 adds a further challenge for the recovery of the on-trade. The role of these products as affordable and permissible treats, and the importance of emotion-led drivers, will support growth during the income squeeze.

The reinvigorated focus on health presents a threat to the market. However, this preoccupation with health and greater attention on weight management should further fuel the shift towards diet/light variants. Switching will be supported by the high level of L/N/R sugar launch activity which was triggered by the SDIL and has continued since.

The alcohol moderation trend, which is likely to gain extra momentum in the wake of the pandemic, presents one of the biggest opportunities for the market. This is especially the case for premium carbonated soft drinks, which are widely seen as a good alternative to alcoholic drinks. This positioning can



"Emotion-led motivations to drink CSDs have come to the fore since the COVID-19 outbreak and will be pivotal in driving usage in its aftermath, with nostalgia helping to create a feel-good factor. Strengthening associations with emotional wellbeing, for example with ingredients linked to relaxation, will resonate."

– Emma Clifford, Associate Director – Food and Drink Research

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

be pushed more actively through alcohol-inspired flavours, with strong interest in those based on cocktails. Providing recipe inspiration for mocktails would also resonate widely.

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

OVERVIEW

- **Key issues covered in this report**
- **COVID-19: Market context**
- **Impact of the January lockdown and the vaccination rollout**
- **Economic and other assumptions**
- **Products covered in this Report**

EXECUTIVE SUMMARY

- **Impact of COVID-19 on carbonated soft drinks**

Figure 1: Short-, medium- and long-term impact of COVID-19 on the carbonated soft drinks market, 12 January 2021

- **The market**
- **Sales slump in 2020 as COVID-19 throws the on-trade into crisis**

Figure 2: UK total value sales for carbonated soft drinks, 2015-25 (prepared on 14 December 2020)

- **The impact of Brexit should be minimal**
- **COVID-19 renews urgency to tackle obesity crisis**
- **COVID-19 has accentuated consumer concern around plastic**
- **Companies and brands**
- **Most top brands benefit from the retail boost; Pepsi Max is the winner in the war of the cola giants**

Figure 3: Leading brands' value sales in the UK retail carbonated soft drinks market, 2017/18-2019/20

- **NPD under the SDIL sugar threshold edges up; new fruity flavours can appeal to people's sense of adventure**
- **A major cutback in adspend in 2020**
- **The consumer**

- **Overall usage of diet and non-diet drinks on a par**

Figure 4: Usage of carbonated soft drinks, by type, October 2020

- **Families and those with struggling/in trouble finances are high frequency users**

Figure 5: Frequency of usage of carbonated soft drinks, by type, October 2020

- **Only half of drinkers aged under-45 drink CSDs to quench thirst**

Figure 6: Reasons for drinking carbonated soft drinks, October 2020

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- Heightened opportunities around global flavours; an uptick in soda-maker ownership; a need to address guilt around drinking CSDs**

Figure 7: Behaviours relating to carbonated soft drinks, October 2020

- Alcohol-inspired flavours can capitalise on alcohol moderation; British ingredients can provide standout**

Figure 8: Attitudes towards carbonated soft drinks, October 2020

ISSUES AND INSIGHTS

- CSDs should actively capitalise on the alcohol moderation trend**
- Big potential around relaxation**
- Heightened opportunities around global flavours**

THE MARKET – KEY TAKEAWAYS

- Sales slump in 2020 as COVID-19 throws the on-trade into crisis**
- On-trade sales slashed by more than half**
- A 7% boost to retail volume sales in 2020**
- Almost all CSD segments enjoy a volume uplift in retail in 2020**
- Sales are expected to rebound quickly**
- Average prices will take longer to recover**
- The impact of Brexit should be minimal**
- COVID-19 renews urgency to tackle obesity crisis**
- COVID-19 has accentuated consumer concern around plastic**

MARKET SIZE AND FORECAST

- Impact of COVID-19 on carbonated soft drinks**

Figure 9: Short-, medium- and long-term impact of COVID-19 on the carbonated soft drinks market, 12 January 2021

- Sales slump in 2020 as COVID-19 throws the on-trade into crisis**

Figure 10: Market size for carbonated soft drinks, 2015–2025 (prepared on 14 December 2020)

- Sales are expected to rebound quickly**
- CSDs set to perform well in the income squeeze**
- The accelerated alcohol moderation trend will support growth**
- Average prices will take longer to recover**
- Impacts of Brexit will be limited**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 11: UK total value sales for carbonated soft drinks, 2015-25

Figure 12: UK total volume sales for carbonated soft drinks, 2015-25

- **Market drivers and assumptions**

Figure 13: Key drivers affecting Mintel's market forecast, 2015-2025 (prepared on 14 December 2020)

- **Learnings from the last recession**

Figure 14: Growth in value and volume sales of carbonated soft drinks, 2008-12

- **Forecast methodology**

MARKET SEGMENTATION AND CHANNELS TO MARKET

- **Almost all CSD segments enjoy a volume uplift in retail in 2020**

Figure 15: Retail value and volume sales of carbonated soft drinks and adult soft drinks, by segment, 2018-20

- **Mixer drinks see the biggest hike in value sales**

- **Adult soft drinks buck the upward trend**

- **On-trade sales slashed by more than half**

- **A 7% boost to retail volume sales in 2020**

Figure 16: Total value and volume sales of carbonated soft drinks, by channel, 2018-20

MARKET DRIVERS

- **Impact of the wave of early 2021 lockdowns**
- **Impressive sugar reduction achieved in response to Soft Drinks Industry Levy**
- **COVID-19 renews urgency to tackle obesity crisis**
- **COVID-19 has accentuated consumer concern around plastic**
- **Break Free from Plastic survey finds Coca-Cola, Nestlé and PepsiCo to be the world's worst plastic polluters**
- **COVID-19 delays introduction of Deposit Return Scheme**
- **...whilst DRS schemes across the rest of the UK likely in 2023**
- **Income squeeze may lead more to avoid alcohol...**
- **...whilst more moderate approach to alcohol from young also offers potential**
- **Impacts of Britain's new trade relations will be limited for CSDs**

COMPANIES AND BRANDS – KEY TAKEAWAYS

- **Most top brands benefit from the retail boost**
- **Pepsi Max is the winner in the war of the cola giants**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- **No volume growth for the leading brands in adult soft drinks**
- **NPD under the SDIL sugar threshold edges up**
- **More activity in premium CSDs**
- **New fruity flavours can appeal to people's sense of adventure**
- **A major cutback in adspend in 2020**

MARKET SHARE

- **Most top brands benefit from the retail boost**
- **Own-label's value share edges up**

Figure 17: Leading brands' sales and shares in the UK retail carbonated soft drinks market, by value and volume, 2017/18-2019/20

- **Pepsi Max is the winner in the war of the cola giants**
- **Coke Zero Sugar is the star performer in the Coca-Cola range**
- **Sales of Fanta's core range falter**
- **No volume growth for the leading brands in adult soft drinks**

Figure 18: Leading brands' sales and shares in the UK retail adult soft drinks market, by value and volume, 2017/18-2019/20

LAUNCH ACTIVITY AND INNOVATION

- **NPD under the SDIL sugar threshold edges up**

Figure 19: Share of carbonated soft drinks launches, by sugar content per 100ml, 2016-20*

- **A rise in L/N/R calorie claims in 2020**

Figure 20: Carbonated soft drinks launches by claims related to sugar and calorie content, 2016-20*

- **Fentimans releases Light range**
- **More launches boasting all-natural credentials**

Figure 21: Carbonated soft drinks launches by no additives/preservative and all natural claims, 2016-20*

- **Belvoir extends its ready-to-drink range**

Figure 22: Selected launches from Belvoir, 2020

- **More activity in premium mixers**
- **Aldi joins premium private label mixers**
- **Fever-Tree releases low-calorie soda range**

Figure 23: Launches in Fever-Tree's Soda Collection range, 2020

- **Double Dutch branches out into Cocktail Sodas**

Figure 24: Packaging revamp for Double Dutch mixers, 2020

- **A focus on mixers for dark spirits**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- Muzai launches with range of craft cocktail mixers featuring kombucha**
- New fruity flavours can appeal to people's sense of adventure**
- J2O expands into Spritz**
Figure 25: Launches in the J2O Spritz range, 2020
- Pepsi Max revamps its packaging design for flavoured variants**
Figure 26: Pepsi Max Cherry, 2018 and 2020
- More players harness the CBD trend**
- Vita Coco takes the plunge and gives CBD a visibility boost**
Figure 27: Carbonated soft drinks launches containing CBD, 2020
- Humble Warrior taps into buzz around adaptogens**
Figure 28: The Humble Warrior range sparkling plant drink range, 2019
- The anti-plastic movement has driven a marked shift towards cans**
Figure 29: New product launches in the UK carbonated soft drinks market, by package material, 2016-20
- Coca-Cola experiments with marine plastic**
- A jump in NPD in larger formats**
Figure 30: New product launches in the UK carbonated soft drinks market, by total pack size, 2016-20

ADVERTISING AND MARKETING ACTIVITY

- A major cutback in adspend in 2020**
Figure 31: Total above-the line, online display and direct mail advertising expenditure on carbonated soft drinks, by month, January 2019–November 2020
- Figure 32: Total above-the line, online display and direct mail advertising expenditure on carbonated soft drinks, by top 10 advertisers in 2020, 2019–20
- Marketing focus was on pushing healthier variants pre-COVID-19**
- Diet Coke brings a new angle to typical January health kick**
- Britvic brings back pop culture icon Fido Dido to promote 7UP Free**
- San Pellegrino emphasises the importance of time in creating its drinks**
- Coca-Cola aims to encourage people to recycle**
- Diet Coke sees grannies dating and rebellious judges**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- **Coca-Cola focuses on appreciating what was taken as granted post COVID-19**
- **Campaign also provides support for small businesses**
- **Coca-Cola continues to promote partnership with the Premier League**
- **Fanta returns to TV screens for Halloween 2020**
- **Brands bring go big on festive campaigns**
- **Coca-Cola gets Oscar-winner Taika Waititi to direct 2020 Christmas advert...**
- **Coca-Cola spreads good cheer with personal festive messages on the Piccadilly Lights**
- **...whilst Pepsi teams with rappers to 'Refresh Your Christmas'**
- **Schweppes kicks off multi-million pound campaign celebrating the nation's positive attitude**

BRAND RESEARCH

- **Brand map**

Figure 33: Attitudes towards and usage of selected brands, November 2020

- **Key brand metrics**

Figure 34: Key metrics for selected brands, November 2020

- **Brand attitudes: Schweppes is seen most to offer high quality; Fanta good value**

Figure 35: Attitudes, by brand, November 2020

- **Brand personality: Shloer is seen to be the most exclusive; Fanta the most fun**

Figure 36: Brand personality – macro image, November 2020

- **Cola brands are seen to be the most overrated**

Figure 37: Brand personality – micro image, November 2020

- **Brand analysis**

- **Schweppes stands out on trust, quality and authenticity**

Figure 38: User profile of Schweppes, November 2020

- **Shloer is seen to be the most special and exclusive**

Figure 39: User profile of Shloer, November 2020

- **Fanta is seen most widely to offer good value and as the most fun and refreshing**

Figure 40: User profile of Fanta, November 2020

- **Coca-Cola Zero Sugar is seen widely to be innovative but overrated**

Figure 41: User profile of Coca-Cola Zero Sugar, November 2020

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- One in four users see Pepsi Max as providing an excellent experience**

Figure 42: User profile of Pepsi Max, November 2020

- Diet Coke is the joint most accessible brand**

Figure 43: User profile of Diet Coke, November 2020

- Dr Pepper proves divisive**

Figure 44: User profile of Dr Pepper, November 2020

- Irn-Bru is seen most widely as a unique brand but lacks on many other metrics**

Figure 45: User profile of Irn-Bru, November 2020

THE CONSUMER – KEY TAKEAWAYS

- Overall usage of diet and non-diet drinks on a par**
- Families and those with struggling/in trouble finances are high frequency users**
- Only half of drinkers aged under-45 drink CSDs to quench thirst**
- Heightened opportunities around global flavours**
- An uptick in soda-maker ownership**
- A need to address the guilt around drinking CSDs**
- Alcohol-inspired flavours can capitalise on the alcohol moderation trend**
- Using British ingredients can provide compelling standout**

IMPACT OF COVID-19 ON CONSUMER BEHAVIOUR

- One in five adults have increased their alcohol spend for drinking at home...**
Figure 46: Changes to spending on alcoholic drinks for drinking at home, 8–16 December 2020
- ...boosting demand for carbonated soft drinks as mixers**
- Overall, more fuel will be added to the alcohol moderation trend**
- Carbonated soft drinks will benefit as alcohol alternatives**
- Health and weight management become higher priorities**
- Dented financial confidence will see the affordable treat status of CSDs come to the fore**
- CSD convenient formats may continue to be hit by more working from home**
- Introduction of vaccine may spell good news for on-the-go purchases**
- COVID-19 brings environment into further spotlight**
- Consumers' wariness of returning to on-premise venues acts as another barrier for the on-trade's recovery**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



Figure 47: Feeling comfortable about going to restaurants/bars indoors, 25 June-1 October 2020

USAGE OF CARBONATED SOFT DRINKS

- Overall usage of diet and non-diet drinks on a par**

Figure 48: Usage of carbonated soft drinks, by type, October 2020

- A lot of crossover in usage between diet and non-diet CSDs**

Figure 49: Crossover in usage of non-diet and diet carbonated soft drinks, October 2020

- Diet/light CSDs enjoy more frequent usage than non-diet variants**

Figure 50: Frequency of usage of carbonated soft drinks, by type, October 2020

- At-home usage dominates**

Figure 51: Usage of carbonated soft drinks, by type, by location, October 2020

REASONS FOR DRINKING CARBONATED SOFT DRINKS

- Only half of drinkers aged under-45 drink CSDs to quench thirst**

Figure 52: Reasons for drinking carbonated soft drinks, October 2020

- Self-treating is the biggest driver other than quenching thirst**

Figure 53: Coca-Cola Zero Sugar with "little treat" on-pack call-out, 2020

- Big potential around relaxation**

- NPD can play an important role in forging links to relaxation**

- Also potential around a natural energy-provision**

BEHAVIOURS RELATING TO CARBONATED SOFT DRINKS

- Heightened opportunities around global flavours**

Figure 54: Behaviours relating to carbonated soft drinks, October 2020

- Non-sweet flavour profiles also spark appeal**

- An uptick in soda-maker ownership**

- CSD giants make moves into at-home drinks dispensers**

- A need to address the guilt around drinking CSDs**

- Fortification marks untapped potential**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



ATTITUDES TOWARDS CARBONATED SOFT DRINKS

- Alcohol-inspired flavours can capitalise on the alcohol moderation trend**

Figure 55: Attitudes towards carbonated soft drinks, October 2020

- Recipe inspiration can also tap the at-home cocktail-making trend**

Figure 56: Attitudes towards carbonated soft drinks, by usage of carbonated soft drinks, October 2020

- Using British ingredients can provide compelling standout**
- CSDs' role in satisfying a sweet craving can be important in weight management**

APPENDIX – DATA SOURCES, ABBREVIATIONS AND SUPPORTING INFORMATION

- Abbreviations**
- Consumer research methodology**

APPENDIX – MARKET SHARE

Figure 57: Leading manufacturers' sales and shares in the UK retail carbonated soft drinks market, by value and volume, 2017/18-2019/20

Figure 58: Leading manufacturers' sales and shares in the UK retail adult soft drinks market, by value and volume, 2017/18-2019/20

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100



About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster.

Our purpose is to help businesses and people grow. To find out how we do that, visit mintel.com.