

The Grocer

Focus On: Adult Soft Drinks by Natalie Brown (natalie_brown@live.co.uk)

Publishing: 10 December
Advertising deadline: 1 December
Submissions deadline: 25 November

The Story

At last, some good news for soft drinks! As the wider carbonated drinks sector continues to get battered by the backlash against sugar, those aimed at adults are in rude health. In stark contrast to the performance of mainstream cola and lemonade, sales of premium colas and lemonades for adults have more than doubled in the past year. Fruit carbonates and tonics are also in strong growth. Why? Which brands and retailers are cashing in? Is anyone being left behind?

Key themes (this list is not exhaustive; we will investigate new angles as they arise):

Innovation: Key to this feature will be a discussion of the latest NPD on the market – particularly recent craft cola and premium soft drink products. The feature will explore the market trends that have inspired these innovations and weigh up which new launches are most likely to encourage new trends in the category. Four of the most interesting NPD will be profiled in a separate box.

Macro trends: This feature will explore in detail how consumer trends such as health and moderation of alcohol consumption are affecting this market. Another area of interest will be growing premiumisation, with particular reference being paid to the price inflation adult soft drinks have seen in the past year, contrary to the deflationary pattern in soft drinks and wider grocery

Retailers: Another key angle of this feature will be analysis of how different retailers are approaching this burgeoning category. How do different retailers' ranges (branded and own label), price and promotional strategies and merchandising differ? Who's championing the sector? Who's lagging behind?

Craft: We all know craft booze is booming. Could craft soft drinks be the next big thing? Which brands are playing the craft card to their advantage? How are soft drinks players using the growth in craft booze to their advantage, either by copying the cues of this market or by marketing themselves as mixers for craft gins, etc?

Alcohol: The loose definition we use for this feature is soft drinks that are marketed as an alternative to alcohol. With initiatives such as Dry January and Stoptober gaining popularity and the government continuing to bang the drum for temperance, how much of an opportunity does all this present the sector? We will be exploring this in a separate box out.

Price/promotions: This feature will investigate the role price and promotions are playing in this market and explore what impact the extension of own label is likely to have on this pattern going forward. This feature will explore in detail how brands are using movements such as Dry January and Go Sober for October to their advantage, the craft booze explosion and what it means for soft drinks and the growth in fruit carbonates. We will also be profiling 12 of the most recent interesting new launches in this market.

How are brands cashing on the craft spirits trend? Gin is booming. And many brands recommend they're mixed with only the best tonics. To what extent is the craft spirits trend reflected in growth of adult soft drinks? Which brands are marketing themselves as mixers?

Growth in adult fruit carbonates? Why is this market in such solid growth, and why is it that sugar seems less of a consideration in this market? What have been the biggest launches in this market in recent years and how are they being marketed?

Key questions the feature is likely to address:

- What consumer trends have impacted the category over the past year?
- How have promotional strategies (both in terms of price and marketing) evolved?
- How have individual retailers' strategies impacted the market?
- How has merchandising changed in the market?
- What impact has own-label had on branded players?
- What's next for the category?