

The Grocer

Focus On: Bottled water by Natalie Brown (Natalie.Brown@live.co.uk)

Publishing: 21 March
Advertising deadline: 27 February
Submissions deadline: 20 February

The Story

- **With other soft drinks sectors sustaining heavy casualties in the war on sugar, bottle water continues to boom. In fact, the market's rate of growth has accelerated over the past year. But the growth doesn't guarantee an easy ride. Britain's biggest soft drinks players appear to be struggling in this sector after a series of high profile launches aimed at cashing in on the growth and challenging the dominance of the market's leaders. Why? What are they doing to increase share? Who's enjoying the greatest growth? How are they achieving this?**

Key themes:

Newcomers to the market: Bottled water is dominated by two of the world's biggest food & drink companies and their brands are enjoying the boom. Meanwhile, the biggest players in the wider soft drinks market are underrepresented in bottled water and recent launches from these players do not yet figure among the sector's biggest brands. Why? Have they experienced difficulties since launch or is it just early days? What are the newcomers doing this year to drive growth and what are established brands doing to protect their positions?

Health: With the soft drinks industry facing growing criticism from the health lobby and just last week officials vowing to 'carpet bomb' fizzy drinks brands with shock adverts about their sugar content, this feature will explore to what extent the growing health consciousness of shoppers is driving growth in bottled water. How have brands sought to drive home the health message?

Posh water: Analysis suggests that we're paying more for our bottled water than we were a year ago, with the price of sparkling water have grown the most and many premium brands enjoying significant growth. This feature will explore how brands are justifying their average price increases (i.e. through NPD, marketing, etc) and who's driving this premiumisation.

Flavours: A key growth area. This feature will explore which brands and own label players are driving the growth in flavoured bottled water and how. What does the year ahead hold for the flavoured bottled water sub sector? Flavoured sparkling water is a particular growth area. Who's driving this and how? And are all flavoured sparkling water brands as healthy as they seem?

Innovation: This will be key to this feature. We will be investigating how new product development has shaped the category over the past year and what is in store for shoppers in 2014. We will be profiling four of the most interesting launches in a separate innovation panel.

Promotions: This feature will explore how the promotional strategies of retailers and brands have changed over the past year. Attention will be paid to the promotional strategies of retailers and how this has affected average prices over the past year.

Advertising and marketing: This feature will also investigate how the marketing and advertising strategies of the category's biggest brands have evolved over the past year and how they will develop in the coming year to sustain growth or return brands to growth.

Water enhancers: In a separate box out, this article will feature a look at the fast growing water enhancers market and how this could be helping bottled water. How is this market being merchandised, promoted, advertised and so on to drive the growth? Are bottled water brands tying up with water enhancers? Could this area offer an opportunity for underrepresented soft drinks players?

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?