THE 2013 UK SOFT DRINKS REPORT

REFRESHING THE NATION
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INTRODUCTION

Set against a challenging economic backdrop and run of poor weather, there may be some who are tempted to be cautious about the industry’s prospects. But, despite the setback in growth this year, I think we have good reason to be positive.

The range of drinks on the shelves is growing, giving people a wider choice than ever of delicious and refreshing drinks. The market is in long-term growth and reaches almost everyone - more than 99 per cent of households enjoy soft drinks – but that solid base also brings with it responsibilities.

In the realm of public health, the soft drinks industry can promote balanced diets and active lifestyles. Soft drinks are not in themselves a cause of obesity, but nevertheless there are things that the industry can do to help address the issue. Companies are demonstrating their responsibility by introducing new lower calorie drinks, changing the recipes of some of their existing drinks, and promoting lower calorie options.

The soft drinks industry is also working in partnership with Defra and WRAP on its Sustainability Road Map, to be published in the summer, that will outline the key steps to be taken towards a more sustainable industry. Using resources more efficiently makes environmental sense and saves money, so it’s an obvious opportunity to take.

The soft drinks industry plays a major role in this country and, working with its partners, can make a positive contribution to the life of the nation.

GAVIN PARTINGTON
DIRECTOR GENERAL, BSDA
REFRESHING THE NATION

CONTENTS

4 OVERALL SOFT DRINKS CONSUMPTION
6 BOTTLED WATER
8 CARBONATES
10 DILUTABLES
12 FRUIT JUICE AND SMOOTHIES
14 STILL AND JUICE DRINKS
16 SPORTS AND ENERGY DRINKS
18 THE SOFT DRINKS INDUSTRY
19 ABOUT BSDA
OVERALL SOFT DRINKS CONSUMPTION

In 2012, the UK soft drinks market faced a mix of very poor summer weather, rising raw material and energy costs and the continuing effects of a double-dip recession on consumer spending.

Total soft drinks consumption fell by 2.5%, although market volumes nevertheless exceeded 14.2 billion litres, or 227 litres per capita. Market value showed more resilience, growing by 3.3%, to nearly £15 billion. Whilst consumers were increasingly cautious with their spending, the continuing popularity of the ‘big night in’ favoured the ‘treat’ purchase of premium lines and stimulated product and promotional innovation. Brands generally outperformed own label – consumers appeared to be buying less often, but still sticking with their favourite brands.

The London Olympics and the Queen’s Diamond Jubilee failed to stimulate soft drinks sales as much as had been hoped and the anticipated sunny summer did not materialise once again. The deluge, in fact, was held responsible for much of the soft drinks industry’s volume losses over the year.

Every category saw volume declines in 2012 except for bottled water and energy drinks. Carbonates, dilutables, fruit juice and still drinks all lost ground. The proportion of the market represented by no added sugar drinks remained at 61 per cent, so overall calorie intake declined once more.

Although consumer confidence remained low, the weather was poor and pressure on prices was intense, soft drinks remained fundamental, both at home and out-of-home. Price, innovation and high-profile promotional activities continued to be the key market drivers in what was undoubtedly a very difficult year for the market.

Definition: Soft drinks
Carbonated drinks, still and dilutable drinks, fruit juices, smoothies and bottled waters. Sports and energy drinks are included within their relevant sectors, namely still and carbonated drinks respectively.

STATISTICS

UK soft drinks consumption, 2006 - 2012

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
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<tbody>
<tr>
<td>Million litres</td>
<td>13895</td>
<td>13770</td>
<td>13630</td>
<td>13915</td>
<td>14485</td>
<td>14595</td>
<td>14235</td>
</tr>
<tr>
<td>% change</td>
<td>+2.9</td>
<td>-0.9</td>
<td>-1.0</td>
<td>+2.1</td>
<td>+4.1</td>
<td>+0.8</td>
<td>-2.5</td>
</tr>
<tr>
<td>Litres per person</td>
<td>229.5</td>
<td>226.1</td>
<td>222.4</td>
<td>225.7</td>
<td>233.5</td>
<td>233.8</td>
<td>226.8</td>
</tr>
<tr>
<td>Value, £ million</td>
<td>12435</td>
<td>12500</td>
<td>12605</td>
<td>13010</td>
<td>13770</td>
<td>14475</td>
<td>14955</td>
</tr>
<tr>
<td>% change</td>
<td>+2.9</td>
<td>+0.5</td>
<td>+0.8</td>
<td>+3.2</td>
<td>+5.8</td>
<td>+5.1</td>
<td>+3.3</td>
</tr>
<tr>
<td>Value per litre, £</td>
<td>0.90</td>
<td>0.91</td>
<td>0.92</td>
<td>0.94</td>
<td>0.95</td>
<td>0.99</td>
<td>1.05</td>
</tr>
</tbody>
</table>

All market figures have again been fully reviewed and revised historically where appropriate.
The soft drinks market includes a wide range of different drinks, which means that there is something to be enjoyed by just about everybody. They are particularly enjoyed by children.

Underweight and normal weight people are more likely to choose soft drinks than are overweight and obese people, who tend to get more of their drinks in the form of tea, coffee and alcoholic drinks. Note also that, when they do choose a soft drink, overweight and obese people are more likely to opt for a no added sugar drink rather than the regular option.
BOTTLED WATER

Following on from the momentum of the last two years, in 2012 the UK bottled water market continued to recover, growing by 3.3% in volume, compared to 2011. Sales reached 2,135 million litres. Pricing remained under pressure, as both raw material and distribution costs have increased.

A late summer heat wave, the Diamond Jubilee, the Olympics and significant brand activation helped spur growth.

Consumption of water in smaller retail pack sizes (of 10 litres and below) increased by 4.7% to 1,870 million litres – as opposed to water coolers in offices, which witnessed a 5.7% decline.

Promotional activity is still key to driving sales across take home outlets and on-the-go retail, helped further by innovation in pack formats. Sales in the on-trade channel saw a slight recovery in 2012.

Despite the ongoing challenges, with per person consumption of bottled water in the UK at 34 litres still far below the West European average of 119 litres, manufacturers are looking forward to continued growth for bottled water in the UK.

Definition: Bottled water
Still, sparkling water and lightly carbonated water; natural mineral water, spring water, bottled drinking water; packaged water in sizes of 10 litres and below; water for coolers in sizes of 10.1 litres and above.

STATISTICS

UK soft drinks consumption, 2006 - 2012

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Million litres</td>
<td>2210</td>
<td>2090</td>
<td>1970</td>
<td>2010</td>
<td>2025</td>
<td>2070</td>
<td>2135</td>
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<tr>
<td>% change</td>
<td>+3.2</td>
<td>-5.4</td>
<td>-5.6</td>
<td>+1.9</td>
<td>+0.7</td>
<td>+2.2</td>
<td>+3.3</td>
</tr>
<tr>
<td>Litres per person</td>
<td>36.5</td>
<td>34.3</td>
<td>32.2</td>
<td>32.6</td>
<td>32.6</td>
<td>33.1</td>
<td>34.0</td>
</tr>
<tr>
<td>% of all soft drinks</td>
<td>15.9</td>
<td>15.2</td>
<td>14.5</td>
<td>14.4</td>
<td>13.9</td>
<td>14.2</td>
<td>15.0</td>
</tr>
<tr>
<td>Value, £ million</td>
<td>1530</td>
<td>1430</td>
<td>1360</td>
<td>1400</td>
<td>1420</td>
<td>1490</td>
<td>1610</td>
</tr>
<tr>
<td>% change</td>
<td>+4.1</td>
<td>-6.4</td>
<td>-5.0</td>
<td>+3.1</td>
<td>+1.1</td>
<td>+5.0</td>
<td>+8.0</td>
</tr>
<tr>
<td>Value per litre, £</td>
<td>0.69</td>
<td>0.69</td>
<td>0.69</td>
<td>0.70</td>
<td>0.70</td>
<td>0.72</td>
<td>0.75</td>
</tr>
</tbody>
</table>

Source: Zenith International
Percentages may not add up to 100 because of rounding to whole numbers.
Nearly two-thirds of households drink bottled water, and women are somewhat more likely to drink bottled water than men.
CARBONATES

Carbonates remained the largest soft drinks sector in 2012 with 45% market share. However, carbonates declined in volume from 6,600 million litres in 2011 to 6,440 million litres in 2012, a fall of 2.4%. This meant that per capita consumption fell from 105.7 litres per person to 102.6 litres per person. Nevertheless, carbonates value grew in 2012 by 3.5% to reach £8,705 million.

Falling volume reflects the continued difficult economic environment with cost conscious customers restricting their discretionary purchases. In addition, many companies increased prices in 2012. This was to meet rising raw material costs and explains the rise in value for carbonates in the year.

Within flavours, fruit grew its share most to 17% of carbonates. This is due to the relative success of Adult Soft Drinks (ASDs) which are classed within fruit carbonates. The growth in popularity of ASDs may also explain an increase in glass packaging’s share within carbonates in 2012. Larger pack sizes also grew in 2012 which may suggest that shoppers are choosing to entertain at home rather than go out to pubs/bars.

In 2012, there was some increase in low calorie variants reaching 39% of carbonates in 2012, up from 38% in 2011. Consumer awareness of the role that reduced and zero calorie carbonates can play continued to grow. The soft drinks industry is seeking to increase this awareness with a number of leading companies committing to promote their diet carbonates still further.

**Definition: Carbonates**

Ready to drink including draught dispense; home dispense; regular including sparkling juice; low calorie and zero calorie; cola; lemon including lemonade; lemon-lime; mixers including tonic and bitter drinks; orange; shandy; others including other carbonated fruit flavours, energy drinks, sparkling flavoured water, health drinks and herbal drinks.

**STATISTICS**

UK carbonates consumption, 2006 - 2012

<table>
<thead>
<tr>
<th>Year</th>
<th>Million litres</th>
<th>Litres per person</th>
<th>% of all soft drinks</th>
<th>Value, £ million</th>
<th>% change</th>
<th>Value per litre, £</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>5815</td>
<td>96.1</td>
<td>41.9</td>
<td>6687</td>
<td>-0.6</td>
<td>1.15</td>
</tr>
<tr>
<td>2007</td>
<td>5750</td>
<td>94.4</td>
<td>41.8</td>
<td>6785</td>
<td>+1.5</td>
<td>1.18</td>
</tr>
<tr>
<td>2008</td>
<td>5857</td>
<td>95.6</td>
<td>43.0</td>
<td>7028</td>
<td>+3.6</td>
<td>1.20</td>
</tr>
<tr>
<td>2009</td>
<td>6040</td>
<td>98.0</td>
<td>43.4</td>
<td>7428</td>
<td>+5.7</td>
<td>1.23</td>
</tr>
<tr>
<td>2010</td>
<td>6330</td>
<td>102.0</td>
<td>43.7</td>
<td>7913</td>
<td>+6.5</td>
<td>1.25</td>
</tr>
<tr>
<td>2011</td>
<td>6600</td>
<td>105.7</td>
<td>45.2</td>
<td>8412</td>
<td>+6.3</td>
<td>1.28</td>
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<tr>
<td>2012</td>
<td>6440</td>
<td>102.6</td>
<td>45.2</td>
<td>8707</td>
<td>+3.5</td>
<td>1.35</td>
</tr>
</tbody>
</table>

Source: Zenith International

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UK carbonates, regular vs no added sugar, 2012

- Regular 61%
- No added sugar 39%

Source: Zenith International

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UK carbonates flavours, 2012

- Cola 54%
- Fruit 17%
- Lemonade 12%
- Energy 7%
- Other 10%

Source: Zenith International
Carbonated drinks are the most widely consumed category of soft drink: 91 per cent of households enjoy them.

What is more, they are enjoyed by the whole family – men, women and children, too.

Source: Kantar Worldpanel

Source: Zenith International
**DILUTABLES**

Dilutables suppliers can take some consolation from the fact that sector volume declined less sharply in 2012 than in 2011. Consumption dropped by 3.7%, to 3,175 million litres at ready-to-drink volumes, whilst value sales rose by 2%, to £965 million. Value growth was due almost entirely to price inflation. Whilst sector growth may have faltered for the second year in succession, dilutables give ground only to carbonates in terms of litres drunk; particularly popular with children, they remain a staple of the UK soft drinks market.

Low-sugar and no-added-sugar lines increased their sector share in 2012 and now represent 72% of volumes. Reduced calorie products have greatly increased the range of consumer choice within the category, as have premium high-juice lines, which now take 4% of volume sales. However, the high juice range was affected by the price increase and lost its volume share in 2012.

Blended flavours grew their share in 2012, to take 53% of the sector, followed by orange, with 30%. Blackcurrant cordials, on the other hand, lost ground.

With their relatively low unit cost, dilutables offer affordability, a factor which became increasingly crucial in 2012 as pressure on household budgets tightened. ‘Adult’ cordials have made significant headway and have helped broaden the sector’s consumer base.

Dilutables are an at-home drink. The nature of the product has meant that the sector has been unable to capitalise on growth in the ‘on-the-go’ trade, with the gap being filled by juice drinks. Unlike carbonates and bottled water, dilutables are not available in the on premise channel where high prices offer better margins. As a result, the sector leans strongly on multiple retail, where pricing is at its keenest, discounting widespread and margins tight.

**Definition: Dilutables**

Squashes, cordials, powders and other concentrates for dilution to taste by consumers, adding 4 parts water to 1 part product (or 9 parts water to 1 part product for double concentrate); high juice (minimum 40% fruit content as sold); regular including squashes and cordials; low sugar including no added sugar and sugar free; dilutables are expressed as ready to drink for ease of comparison where measuring overall soft drinks market figures/shares.

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**STATISTICS**

**UK dilutables consumption, 2006 - 2012**

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Million litres</td>
<td>3350</td>
<td>3350</td>
<td>3250</td>
<td>3350</td>
<td>3500</td>
<td>3300</td>
<td>3175</td>
</tr>
<tr>
<td>% change</td>
<td>+8.1</td>
<td>-</td>
<td>-3.0</td>
<td>+3.1</td>
<td>+4.5</td>
<td>-5.7</td>
<td>-3.7</td>
</tr>
<tr>
<td>Litres per person</td>
<td>55.3</td>
<td>55.0</td>
<td>53.0</td>
<td>54.3</td>
<td>56.4</td>
<td>52.9</td>
<td>50.6</td>
</tr>
<tr>
<td>% of all soft drinks</td>
<td>24.1</td>
<td>24.3</td>
<td>23.8</td>
<td>24.1</td>
<td>24.0</td>
<td>22.6</td>
<td>22.3</td>
</tr>
<tr>
<td>Value, £ million</td>
<td>805</td>
<td>805</td>
<td>795</td>
<td>850</td>
<td>910</td>
<td>945</td>
<td>965</td>
</tr>
<tr>
<td>% change</td>
<td>+3.9</td>
<td>-</td>
<td>-1.2</td>
<td>+6.9</td>
<td>+7.1</td>
<td>+3.7</td>
<td>+2.0</td>
</tr>
<tr>
<td>Value per litre, £</td>
<td>0.24</td>
<td>0.24</td>
<td>0.24</td>
<td>0.25</td>
<td>0.26</td>
<td>0.29</td>
<td>0.30</td>
</tr>
</tbody>
</table>

Source: Zenith International
Dilutables are a popular family favourite – they are to be found in more than four households out of five – and are heavily focused on children.

WHO DRINKS DILUTABLES?

81%

Source: Kantar Worldpanel

Dilutables consumers, 2012
Likelihood of choosing dilutable drinks, indexed against all consumers

Source: Kantar Worldpanel

UK dilutables, packaging, 2012

Plastic over 1 litre 58%
Plastic up to 1 litre 59%
Others 3%

Source: Zenith International
FRUIT JUICE AND SMOOTHIES

Consumption of fruit juice (including smoothies) fell by 4.9% in 2012, to 1,105 million litres. Sector value rose by 1.9%, to £1,860 million, driven primarily by price inflation. Per capita consumption dropped back a little, to 17.6 litres.

Global commodity prices of both fruit and fruit concentrate rose sharply in 2011; this worked through to retail prices during 2012, even though commodity prices started to reduce. Increasing prices and tough economic times meant consumers bought less often and less-per-trip. However when they did buy, they were more likely to buy better quality – chilled juice gained share over ambient, driven by Not-From-Concentrate juice (NFC), which accounted for a third of the UK market by the end of the year. NFC has been driven forward by some heavy marketing investment and aggressive promotional activities.

Single-serve fruit juices have proved popular, particularly as part of a lunchtime ‘meal deal’. More juice consumption is taking place out-of-home and single-serve formats have continuing potential.

Smoothes struggled – volumes were down 6.4% on 2011, to less than 55 million litres. Their premium pricing appears to have driven consumers to other formats, despite attempts by manufacturers to make smoothies more affordable.

Fruit juice has a healthy, natural image – a glass of fruit juice can count as one of the daily five recommended portions of fruit and vegetables – but consumers need to understand that the sugars it contains are natural and come from the fruit that the juice is made from.

STATISTICS

UK fruit juice consumption, 2006 - 2012

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Million litres</td>
<td>1210</td>
<td>1230</td>
<td>1190</td>
<td>1145</td>
<td>1180</td>
<td>1160</td>
<td>1105</td>
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<tr>
<td>% change</td>
<td>+8.0</td>
<td>+1.7</td>
<td>-3.3</td>
<td>-3.8</td>
<td>+3.1</td>
<td>-1.7</td>
<td>-4.9</td>
</tr>
<tr>
<td>Litres per person</td>
<td>20.0</td>
<td>20.2</td>
<td>19.4</td>
<td>18.6</td>
<td>19.0</td>
<td>18.6</td>
<td>17.6</td>
</tr>
<tr>
<td>% of all soft drinks</td>
<td>8.7</td>
<td>8.9</td>
<td>8.7</td>
<td>8.2</td>
<td>8.1</td>
<td>7.9</td>
<td>7.7</td>
</tr>
<tr>
<td>Value, £ million</td>
<td>1820</td>
<td>1830</td>
<td>1760</td>
<td>1670</td>
<td>1760</td>
<td>1835</td>
<td>1860</td>
</tr>
<tr>
<td>% change</td>
<td>+8.7</td>
<td>+0.5</td>
<td>-3.8</td>
<td>-5.1</td>
<td>+5.4</td>
<td>+4.2</td>
<td>+1.5</td>
</tr>
<tr>
<td>Value per litre, £</td>
<td>1.50</td>
<td>1.49</td>
<td>1.48</td>
<td>1.46</td>
<td>1.49</td>
<td>1.58</td>
<td>1.69</td>
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</table>

UK smoothies consumption, 2006 - 2012

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Million litres</td>
<td>55</td>
<td>80</td>
<td>65</td>
<td>45</td>
<td>50</td>
<td>55</td>
<td>55</td>
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<tr>
<td>% change</td>
<td>+57.1</td>
<td>+43.6</td>
<td>-19.0</td>
<td>-26.6</td>
<td>+8.5</td>
<td>+11.0</td>
<td>-6.4</td>
</tr>
<tr>
<td>Litres per person</td>
<td>0.9</td>
<td>1.3</td>
<td>1.0</td>
<td>0.8</td>
<td>0.8</td>
<td>0.9</td>
<td>0.8</td>
</tr>
<tr>
<td>% of all soft drinks</td>
<td>0.4</td>
<td>0.6</td>
<td>0.5</td>
<td>0.3</td>
<td>0.3</td>
<td>0.4</td>
<td>0.4</td>
</tr>
</tbody>
</table>

Definition: Fruit juice

100% fruit content equivalent, sometimes referred to as pure juice or 100% juice. Chilled juice comprises four main types: smoothies (based predominately on whole crushed fruit, chilled and with a shelf life of a few days); freshly squeezed juice (not pasteurised, chilled with a shelf life of a few days); Not From Concentrate juice (squeezed then pasteurised, chilled with a shelf life of a few weeks); other chilled from concentrate (from concentrate or part squeezed and part from concentrate). Ambient or long life juice is mainly from concentrate and pasteurised, shelf life of up to 18 months.
Fruit juice is consumed in 85 per cent of households, and particularly by children. Women are more likely to drink fruit juice than men are.
STILL AND JUICE DRINKS

Still and juice drinks saw a fall in volume from 1470 million litres in 2011 to 1380 million litres in 2012, a decline of 6%. This equates to per capita consumption of 22 litres.

This is a very diverse category with a range of products appealing to adults and children. However, poor summer weather in 2012 was an obstacle for this category as was the continuing difficult economic situation in the UK.

Nevertheless, the value of the category rose by 1.2% to £1,820 million. This was due to price rises offsetting rising raw material costs, (e.g. the cost of some fruit juices has soared).

Low calorie took a 42% share of this category in 2012, up from 40% in 2011. The increase in low calorie’s share suggests consumers concerned about sugar intake for themselves and their children are moving to lower calorie offerings.

Within the category, still flavoured water grew to a 15% share in 2012. It had been only 13% in 2011 and made still flavoured water the most dynamic segment of this category in 2012. Among the smaller segments, iced tea also continued to grow well. Innovation continued to play an important role in this category.

**Definition: Still and juice drinks**

High juice drinks (25-99% fruit content); juice drinks (5-25% fruit content); other still drinks (0-5%) including iced tea, sports drinks, still flavoured water and non-fruit drinks.

STATISTICS

**UK still and juice drinks consumption, 2006 - 2012**

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
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</thead>
<tbody>
<tr>
<td>Million litres</td>
<td>1310</td>
<td>1350</td>
<td>1360</td>
<td>1370</td>
<td>1450</td>
<td>1470</td>
<td>1380</td>
</tr>
<tr>
<td>% change</td>
<td>+10.1</td>
<td>+3.1</td>
<td>+0.7</td>
<td>+0.7</td>
<td>+5.8</td>
<td>+1.2</td>
<td>-6.0</td>
</tr>
<tr>
<td>Litres per person</td>
<td>21.6</td>
<td>22.2</td>
<td>22.2</td>
<td>22.2</td>
<td>23.4</td>
<td>23.5</td>
<td>22.0</td>
</tr>
<tr>
<td>% of all soft drinks</td>
<td>9.4</td>
<td>9.8</td>
<td>10.0</td>
<td>9.8</td>
<td>9.9</td>
<td>10.1</td>
<td>9.7</td>
</tr>
<tr>
<td>Value, £ million</td>
<td>1595</td>
<td>1650</td>
<td>1660</td>
<td>1660</td>
<td>1770</td>
<td>1795</td>
<td>1820</td>
</tr>
<tr>
<td>% change</td>
<td>+10.8</td>
<td>+3.4</td>
<td>+0.6</td>
<td>-</td>
<td>+6.6</td>
<td>+1.5</td>
<td>+1.2</td>
</tr>
<tr>
<td>Value per litre, £</td>
<td>1.22</td>
<td>1.22</td>
<td>1.22</td>
<td>1.21</td>
<td>1.22</td>
<td>1.22</td>
<td>1.32</td>
</tr>
</tbody>
</table>

Source: Zenith International
Still and juice drinks are particularly geared towards the children’s market, but there are drinks in the range for adults too.

WHO DRINKS STILL AND JUICE DRINKS?

74%
SPORTS AND ENERGY DRINKS

The combined category of sports and energy drinks continued to grow in 2012. The total of sports and energy drinks volume went from 600 million litres in 2011 to 630 million litres in 2012, an increase of 5.2%. Total sports and energy drinks value was at £1,665 million, an increase of 10.2% on 2011. Sports drinks saw a decline in volumes from 165 million litres in 2011 to 155 million litres in 2012 as cost conscious consumers reduced their spending. Consumption equates to 2.5 litres per person and a total value of £265 million, down 1.4% on 2011. Despite the major sporting events such as the 2012 Olympics and Euro 2012, sports drinks did not see as much boost as perhaps had been originally anticipated. The bad weather over summer probably did not help.

Energy drinks fared much better and grew from 435 million litres in 2011 to 475 million litres in 2012, an increase of 9.7%. This represents per capita consumption of 7.6 litres and a total value of £1,400 million, an increase of 12.8% on 2011. Nonetheless price competition in an increasingly crowded segment is a challenge for producers. The leading brands are meeting this challenge with product innovations introducing new flavours to get more consumers to try the brands.

STATISTICS

UK sports and energy drinks consumption, 2006 - 2012

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Million litres</td>
<td>345</td>
<td>395</td>
<td>440</td>
<td>470</td>
<td>530</td>
<td>600</td>
<td>630</td>
</tr>
<tr>
<td>% change</td>
<td>+13.1</td>
<td>+14.5</td>
<td>+11.9</td>
<td>+6.6</td>
<td>+12.5</td>
<td>+13.2</td>
<td>+5.2</td>
</tr>
<tr>
<td>Litres per person</td>
<td>5.7</td>
<td>6.5</td>
<td>7.2</td>
<td>7.6</td>
<td>8.5</td>
<td>9.6</td>
<td>10.1</td>
</tr>
<tr>
<td>% of all soft drinks</td>
<td>2.5</td>
<td>2.9</td>
<td>3.2</td>
<td>3.4</td>
<td>3.6</td>
<td>4.1</td>
<td>4.4</td>
</tr>
<tr>
<td>Sports drinks, million litres</td>
<td>110</td>
<td>125</td>
<td>135</td>
<td>140</td>
<td>160</td>
<td>165</td>
<td>155</td>
</tr>
<tr>
<td>% change</td>
<td>+15.8</td>
<td>+13.6</td>
<td>+8.0</td>
<td>+5.3</td>
<td>+12.5</td>
<td>+4.6</td>
<td>-6.4</td>
</tr>
<tr>
<td>Litres per person</td>
<td>1.8</td>
<td>2.1</td>
<td>2.2</td>
<td>2.3</td>
<td>2.6</td>
<td>2.7</td>
<td>2.5</td>
</tr>
<tr>
<td>% of all soft drinks</td>
<td>0.8</td>
<td>0.9</td>
<td>1.0</td>
<td>1.0</td>
<td>1.1</td>
<td>1.1</td>
<td>1.1</td>
</tr>
<tr>
<td>Energy drinks, million litres</td>
<td>235</td>
<td>270</td>
<td>305</td>
<td>330</td>
<td>370</td>
<td>435</td>
<td>475</td>
</tr>
<tr>
<td>% change</td>
<td>+11.9</td>
<td>+14.9</td>
<td>+13.7</td>
<td>+7.2</td>
<td>+12.5</td>
<td>+17.0</td>
<td>+9.7</td>
</tr>
<tr>
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<td>3.9</td>
<td>4.4</td>
<td>5.0</td>
<td>5.3</td>
<td>6.0</td>
<td>6.9</td>
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<td>2.4</td>
<td>2.5</td>
<td>3.0</td>
<td>3.3</td>
</tr>
</tbody>
</table>

Definition: Sports drinks
Drinks that enhance physical performance before, during or after physical/sporting activity. Sports drinks replace fluids and electrolytes/minerals lost by sweating and supply a boost of carbohydrate: isotonic (fluid, electrolytes and 6 to 8% carbohydrate), hypotonic (fluids, electrolytes and a low level of carbohydrate) and hypertonic (high level of carbohydrate).

Energy drinks
Traditional glucose based energy drinks; functional or stimulation energy drinks which claim a particular energy boost from caffeine, guarana, taurine and ginseng or other herbs or some combination of these ingredients.

Source: Zenith International
WHO DRINKS SPORTS AND ENERGY DRINKS?

Men score three times higher than women when it comes to choosing sports and energy drinks. The children's consumption is all accounted for by teenagers.

Sports and energy drinks consumers, 2012

Likelihood of choosing sports and energy drinks, indexed against all consumers

- **Men**: 150
- **Women**: 50
- **Children**: 71

Source: Kantar Worldpanel

UK energy drink types, 2012

- **Stimulant**: 58%
- **Glucose**: 42%

Source: Zenith International
The soft drinks industry is a major employer with thousands of people working for the industry and its suppliers throughout the UK. We support efforts to encourage consumers to lead healthier lifestyles with a balanced diet – the majority of the drinks on the UK market contain no added sugar. The industry is committed to reducing its environmental impact, preserving natural resources and promoting sustainability.

SOFT DRINKS AND UK MANUFACTURING
There are about 12,000 people employed in the soft drinks industry as a whole, with another 50,000 jobs among suppliers and others reliant on the sector\(^1\)
Dominated by domestic products: more than 80 per cent of the UK market is home-produced\(^2\)
The soft drinks industry funds apprentices and undergraduates studying food science through the British Soft Drinks Industry Foundation

SOFT DRINKS AND THE ENVIRONMENT
A plastic bottle now contains 30 per cent less plastic than it did 20 years ago, and a typical can 25 per cent less metal\(^3\)
100 per cent of soft drinks packaging is recyclable
The amount of soft drinks packaging recycled today is more than 7 times as much as 10 years ago\(^4\)
Many bottles and cans now contain 25-50 per cent recycled content\(^5\)

SOFT DRINKS AND HEALTH
More than 60 per cent of soft drinks now contain no added sugar up from 30 per cent 20 years ago\(^6\)
In the last 10 years, the consumption of soft drinks containing added sugar has fallen by 9 per cent while the incidence of obesity has increased by 15 per cent\(^7\)
Soft drinks containing added sugar contribute just 2 per cent of calories to the average diet\(^8\)
Companies supporting the Responsibility Deal calorie reduction pledge have market share of 60 per cent\(^9\)

\(1\) BSDA member companies’ data
\(2\) A C Nielsen, Zenith International
\(3\) Data from industry estimates
\(4\) RECOUP, Defra, Zenith International/BSDA UK soft drinks report
\(5\) Data from industry estimates
\(6\) Zenith International
\(7\) Zenith International, Office of National Statistics
\(8\) National Diet and Nutrition Survey
\(9\) A C Nielsen, Department of Health
The British Soft Drinks Association is the national trade association representing the collective interests of producers and manufacturers of soft drinks including carbonated drinks, still and dilutable drinks, fruit juices and smoothies, and bottled waters.

BSDA is based in central London with an experienced, professional staff and is governed by an Executive Council of directors elected from its members. It provides a central meeting point for the industry and a range of services to help the industry and its manufacturers to be at the leading edge.

Main membership benefits include:

- Information, advice and advance warning on all aspects of the industry, including technical standards, best practice and legislation to ensure good compliance and planning
- Participation in the development of Codes of Practice and initiatives to promote the industry’s reputation and demonstrate social responsibility
- Assistance and advice on incident management
- Inclusion in BSDA’s online listing of manufacturers and suppliers
- Access to the Members’ website with its information, advice and publications
- A range of training courses tailored to the industry with substantial discounts for members
- The opportunity to network with industry colleagues at BSDA meetings and events and influence BSDA policy-making
- Access to and representation by our European associations: UNESDA, AIJN and EFBW

For more information about BSDA and its activities contact

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