



2022 ANNUAL REPORT



CONTENTS



03 Methodology

04 Foreword

2021 Data

05 Total Soft Drinks

07 Bottled Water

09 Carbonated Drinks

11 Dilutables

13 Fruit Juice

15 Sports & Energy Drinks

17 Still & Juice Drinks

METHODOLOGY

The British Soft Drinks Association (BSDA) commissioned food, drink and retailing data analyst Global Data to produce its 2022 report

The key strength of Global Data's methodology is that it works in industry partnerships across the value chain, from suppliers to brand producers and both on- and off-premise channels. The research is built from brand data upwards. The 'brick-by-brick' approach ensures that the research gives insights from all angles; from brand volume through to corporate volume, flavour segmentation, packaging splits and channel distribution. The companies featured in the company profiles and those whose brands are featured in the individual market categories are selected through regular market observation based on the size of their output and/or their dynamism.

Sources

- » Official production and trade statistics
- » Face-to-face interviews with leading soft drinks producers
- » Interviews with retailers, distributors and associated industries
- » Consumer surveys
- » Quarterly monitoring of product offered in all trade channels in selected markets

Industry terms

- » Regular: 31 and over kcal per 100ml
- » Mid Calorie: 21-30 kcal per 100ml
- » Low/No Calorie: 0-20 kcal per 100ml*

FOREWORD

2021 chucked everything but the kitchen sink at Industry – which makes it all the more impressive that soft drinks volume sales rose by 2.2% in the calendar year, as detailed in this report.

After starting the first three months of 2021 in a COVID-19 lockdown, followed by a lengthy, phased return to some degree of normality, the year ended with another new strain of the coronavirus causing a severe rise in infections and more disruption to everyday life.

The ongoing effects of the Brexit process and the recent situation in Ukraine are exacerbating supply chain pressures that were a firm feature of 2021, particularly the cost and availability of commodities and raw materials. Add to that a worsening deficit of HGV drivers and a cost of living crisis that continues to affect millions of consumers.

However, our members worked to navigate the impact of these direct hits and savoured the rewards of increased domestic tourism and the boom in hospitality sales in Q3. This Indian summer helped put 2021 volume sales roughly on a par with those seen pre-pandemic in the 2019 calendar year.

As for consumer preference, low/no still ruled the roost in 2021, with 69.2% of soft drinks sold in the UK being low in sugar or containing none at all. It was a vintage year for Sports & Energy Drinks, with volume sales up by 8.4%, perhaps indicative of a nation finding ways to help readjust to the old pace of life.

Both challenges and opportunities loom on the horizon for 2022/23. Next year sees the first deposit return scheme in the UK go live in Scotland. The scheme in England, Wales and Northern Ireland is due to follow in 2024. As it stands, the UK Government is planning to charge VAT on deposit fees collected as part of the scheme on top of the VAT already charged on the product itself. Factoring in the 28bn containers on the UK market, this creates an estimated £184.8m lost from the scheme through unredeemed deposits in the first year after it goes live (based on an 80% return rate).

VAT being added to the deposit fee effectively imposes a stealth tax on drinks producers, backing Industry into a corner and creating the prospect of price rises for in-scope products. Along with the British public, 64% of whom believe that the deposit return scheme should not attract VAT according to BSDA polling, we are urging the UK Government to reverse its VAT decision before it's too late.

On a more positive note, music festivals are back up and running across the UK this summer, England is hosting the UEFA Women's European Football Championships in July and both England and Wales' participation in the FIFA Men's Football World Cup in Q4 should help make 2022 a strong-performing year for our members and a highly enjoyable one for many consumers.



Gavin Partington
BSDA Director General

TOTAL SOFT DRINKS

Bottled Water, Carbonated Drinks, Dilutables, Fruit Juice, Sports & Energy Drinks, Still & Juice Drinks

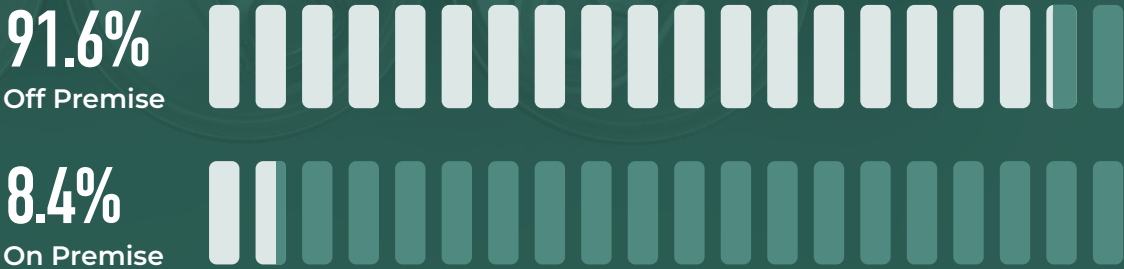
2021 STATISTICS

13,938	2.2%	16,656	12.1%
Volume M Litres	YOY Growth	Value M GBP	YOY Growth

SEVEN-YEAR COMPARISON

	2015	2016	2017	2018	2019	2020	2021
Volume M Litres	13,402	13,569	13,703	14,201	13,970	13,634	13,938
YOY Growth (%)	0.2	1.3	1.0	3.6	-1.6	-2.4	2.2
Value M GBP	14,013	14,287	14,770	15,850	15,617	14,854	16,656
YOY Growth (%)	0.5	2.0	3.4	7.3	-1.5	-4.9	12.1

2021 CHANNEL SPLIT



30.4% ▼

Take-home sugar from Total Soft Drinks fell by 30.4% between December 2017 and December 2021

Source: Kantar Worldpanel

TOTAL SOFT DRINKS 2021

Calorie Split

Share (%)

1 Low/No Calorie	69.2
2 Regular	24.3
3 Mid Calorie	6.5

Category Split

Share (%)

1 Carbonated Soft Drinks	38.3
2 Dilutables	23.7
3 Bottled Water	18.0
4 Fruit Juice	6.9
5 Still & Juice Drinks	6.6
6 Sports & Energy Drinks	6.5

Packaging Split

Share (%)

1 Plastic Bottle	70.0
2 Metal Can	15.9
3 Board Carton/Bag in Box	8.5
4 Glass Bottle	3.7
5 Others	1.9

BOTTLED WATER

Packaged Water Still (77.6% of sales in 2021), Packaged Water Sparkling (15.2%) and Bulk/Home or Office Delivery Water (7.3%)

2021 STATISTICS

2,514

Volume M Litres

-1.0%

YOY Growth

1,642

Value M GBP

6.5%

YOY Growth

18.0%

Share of Total Soft Drinks

SEVEN-YEAR COMPARISON

	2015	2016	2017	2018	2019	2020	2021
Volume M Litres	2,465	2,694	2,816	2,986	2,808	2,540	2,514
YOY Growth (%)	8.9	9.3	4.5	6.0	-6.0	-9.5	-1.0
Value M GBP	1,590	1,718	1,826	1,900	1,752	1,542	1,642
Value YOY Growth (%)	8.7	8.1	6.3	4.0	-7.7	-12.0	6.5
Share of Total Soft Drinks (%)	18.4	19.9	20.5	21.0	20.1	18.6	18.0

2021 CHANNEL SPLIT

87.4%

Off Premise



12.6%

On Premise

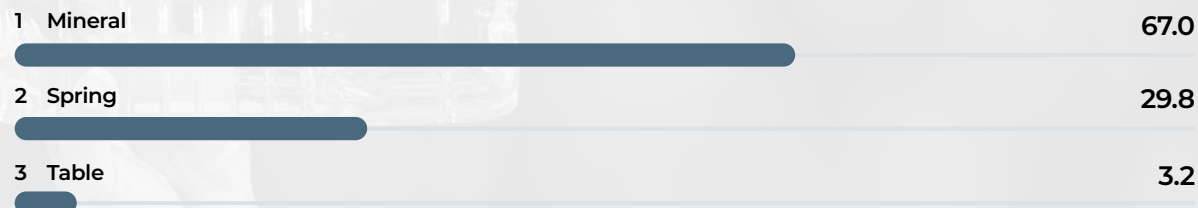


0.8%▲

Sales of Bottled Water through
Traditional Retail channels grew by
0.8 percentage points in 2021

BOTTLED WATER 2021

Water Source

Share (%)

Packaging Split

Share (%)

Off Premise Split

Share (%)

CARBONATED DRINKS

Carbonates (96.1% of sales in 2021), Carbonated Flavoured Water (3.8%), Carbonated Enhanced Water (0.1%) and Carbonated RTD Iced Tea (n/a)

2021 STATISTICS

5,345

Volume M Litres

2.8%

YOY Growth

8,093

Value M GBP

15.6%

YOY Growth

38.3%

Share of Total Soft Drinks

SEVEN-YEAR COMPARISON

	2015	2016	2017	2018	2019	2020	2021
Volume M Litres	5,201	5,192	5,211	5,362	5,446	5,199	5,345
YOY Growth (%)	-0.7	-0.2	0.4	2.9	1.6	-4.5	2.8
Value M GBP	6,186	6,205	6,505	7,294	7,440	6,999	8,093
Value YOY Growth (%)	-0.4	0.3	4.8	12.1	2.0	-5.9	15.6
Share of Total Soft Drinks (%)	38.8	38.3	38.0	37.8	39.0	38.1	38.3

2021 CHANNEL SPLIT

88.4%

Off Premise



11.6%

On Premise



1.7%[▲]

Low/No Calorie Carbonated Drinks
grew their share of category sales
by 1.7 percentage points in 2021

CARBONATED DRINKS 2021

Calorie Split

Share (%)

1 Low/No Calorie	66.5
2 Regular	26.5
3 Mid Calorie	7.1

Flavour Split

Share (%)

1 Cola	57.6
2 Clear Lemonade	8.2
3 Orange	7.0
4 Tonic, Mixers & Bitters	4.9
5 Lemon-Lime	4.9
6 Others	17.5

Packaging Split

Share (%)

1 Plastic Bottle	55.3
2 Metal Container	33.5
3 Board Bag in Box	7.5
4 Glass Bottle	3.8

DILUTABLES

Squashes, Syrups and Fruit Powders

2021 STATISTICS

3,303

Volume M Litres

4.3%

YOY Growth

905

Value M GBP

10.3%

YOY Growth

23.7%

Share of Total
Soft Drinks

SEVEN-YEAR COMPARISON

	2015	2016	2017	2018	2019	2020	2021
Volume M Litres	2,882	2,827	2,768	2,947	2,863	3,168	3,303
YOY Growth (%)	-5.2	-1.9	-2.1	6.4	-2.8	10.6	4.3
Value M GBP	796	806	761	870	745	820	905
Value YOY Growth (%)	-6.7	1.2	-5.6	14.4	-14.4	10.1	10.3
Share of Total Soft Drinks (%)	21.5	20.8	20.2	20.8	20.5	23.2	23.7

2021 CHANNEL SPLIT

98.3%

Off Premise



1.7%

On Premise



0.5%[▲]

Low/No Calorie Dilutables grew their share of category sales by 0.5 percentage points in 2021

DILUTABLES 2021

Calorie Split

Share (%)

1 Low/No Calorie	88.6
2 Mid Calorie	6.6
3 Regular	4.8

Flavour Split

Share (%)

1 Orange	35.0
2 Flavour Mixes	32.5
3 Apple	11.6
4 Berries	4.9
5 Others	15.9

Packaging Split

Share (%)

1 Plastic Bottle	95.3
2 Glass Bottle	4.7
3 Paper Sachet	0.0

FRUIT JUICE

100% Juice, including Vegetable Juice, Smoothies and Coconut Water

2021 STATISTICS

956

Volume M Litres

2.9%

YOY Growth

1,813

Value M GBP

9.3%

YOY Growth

6.9%

Share of Total Soft Drinks

SEVEN-YEAR COMPARISON

	2015	2016	2017	2018	2019	2020	2021
Volume M Litres	960	940	929	934	906	930	956
YOY Growth (%)	-1.2	-2.0	-1.2	0.6	-3.1	2.7	2.9
Value M GBP	1,650	1,677	1,645	1,624	1,566	1,659	1,813
Value YOY Growth (%)	-2.4	1.6	-1.9	-1.3	-3.5	5.9	9.3
Share of Total Soft Drinks (%)	7.2	6.9	6.8	6.6	6.5	6.8	6.9

2021 CHANNEL SPLIT

94.1%

Off Premise



5.9%

On Premise



64.1%[▲]

Board Carton was the dominant packaging material in 2021, accounting for 64.1% of Fruit Juice sales

FRUIT JUICE 2021

Shelf State Split

Share (%)

1 Chilled	69.2
2 Ambient	30.8

Flavour Split

Share (%)

1 Orange	62.9
2 Apple	13.3
3 Pineapple	3.6
4 Berries	3.0
5 Others	17.1

FC/NFC Split

Share (%)

1 From Concentrate	60.4
2 Not from Concentrate	39.6

SPORTS & ENERGY DRINKS

Sports Drinks enhance physical performance before, during or after physical/sporting activity by replacing fluids and electrolytes/minerals lost by sweating and by supplying a boost of carbohydrate;

Energy Drinks include traditional glucose-based energy drinks and functional or stimulation drinks which claim a particular energy boost from caffeine, guarana and taurine, among others

2021 STATISTICS

906

Volume M Litres

8.4%

YOY Growth

2,480

Value M GBP

15.4%

YOY Growth

6.5%

Share of Total Soft Drinks

SEVEN-YEAR COMPARISON

	2015	2016	2017	2018	2019	2020	2021
Volume M Litres	794	802	802	844	865	836	906
YOY Growth (%)	2.8	1.0	0.1	5.2	2.5	-3.4	8.4
Value M GBP	2,021	2,046	2,057	2,183	2,230	2,150	2,480
Value YOY Growth (%)	3.3	1.2	0.5	6.1	2.1	-3.6	15.4
Share of Total Soft Drinks (%)	5.9	5.9	5.9	5.9	6.2	6.1	6.5

2021 CHANNEL SPLIT

94.5%

Off Premise



5.5%

On Premise



1.0[▲]%

Low/No Calorie sales grew by 1.0 percentage points in the Sports & Energy Drinks category in 2021

SPORTS & ENERGY DRINKS 2021

Sports/Energy Split

Share (%)

1 Energy Drinks	87.1
2 Sports Drinks	12.9

Packaging Split

Share (%)

1 Metal Can	58.7
2 Plastic Bottle	41.1
3 Glass Bottle	0.1

Calorie Split

Share (%)

1 Regular	71.6
2 Low/No Calorie	19.0
3 Mid Calorie	9.4

STILL & JUICE DRINKS

High Juice Drinks with a fruit content of 25-99%, Still Drinks with a 0-25% fruit content, Still Flavoured Waters, Still Enhanced Waters and Still/Iced RTD Tea Drinks

2021 STATISTICS

914	-5.0%	1,532	-12.3%	6.6%
Volume M Litres	YOY Growth	Value M GBP	YOY Growth	Share of Total Soft Drinks

SEVEN-YEAR COMPARISON

	2015	2016	2017	2018	2019	2020	2021
Volume M Litres	1,100	1,114	1,177	1,129	1,082	962	914
YOY Growth (%)	1.3	1.3	5.6	-4.1	-4.1	-11.2	-5.0
Value M GBP	1,712	1,761	1,893	1,870	1,738	1,526	1,532
Value YOY Growth (%)	-0.5	1.5	-2.5	-0.5	-6.3	-12.3	-12.3
Share of Total Soft Drinks (%)	8.2	8.2	8.6	7.9	7.7	7.1	6.6

2021 CHANNEL SPLIT



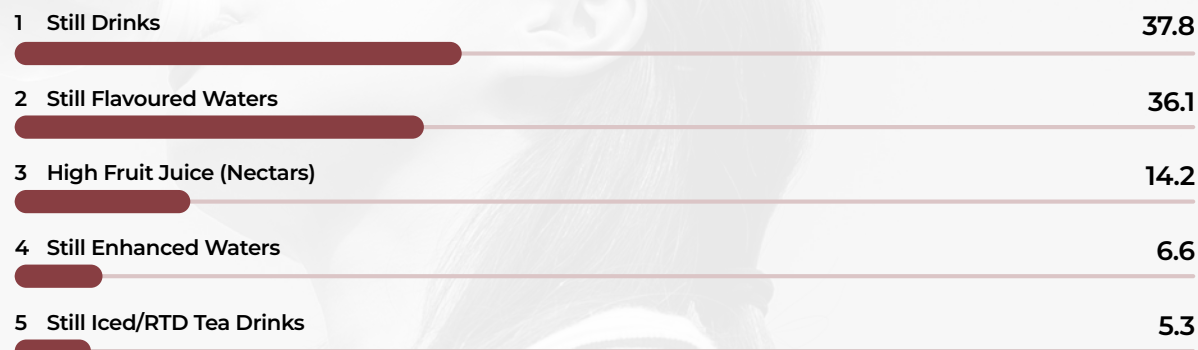
5.2[▲]%

Still Flavoured Waters' share of the Still & Juice Drinks category grew by 5.2 percentage points in 2021

STILL & JUICE DRINKS 2021

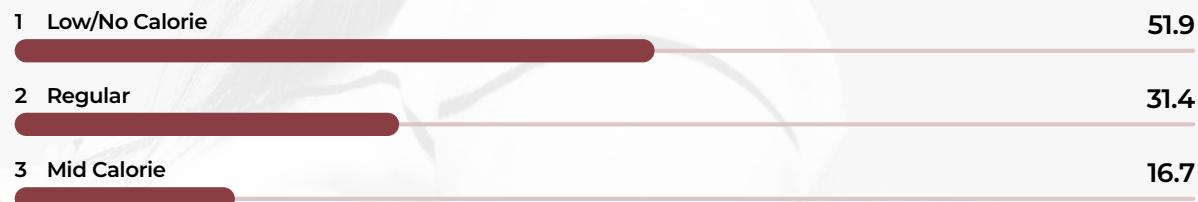
Category Split

Share (%)



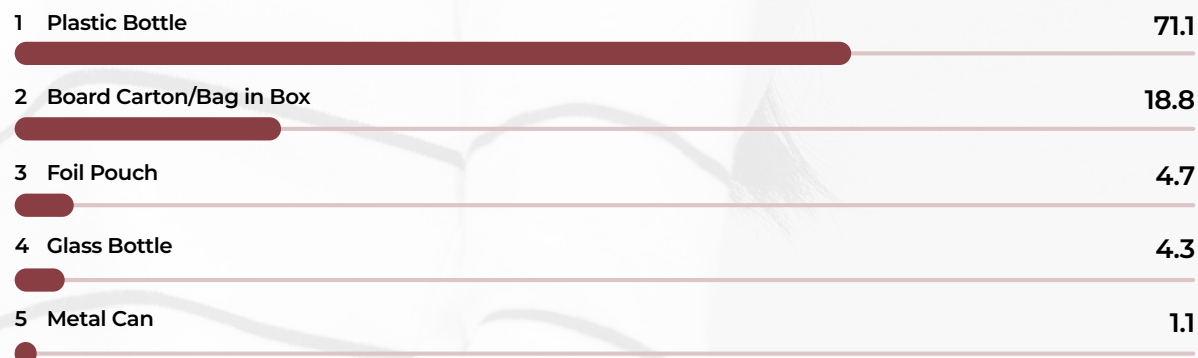
Calorie Split

Share (%)



Packaging Split

Share (%)





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