



The Future of Soft Drinks in Out of Home

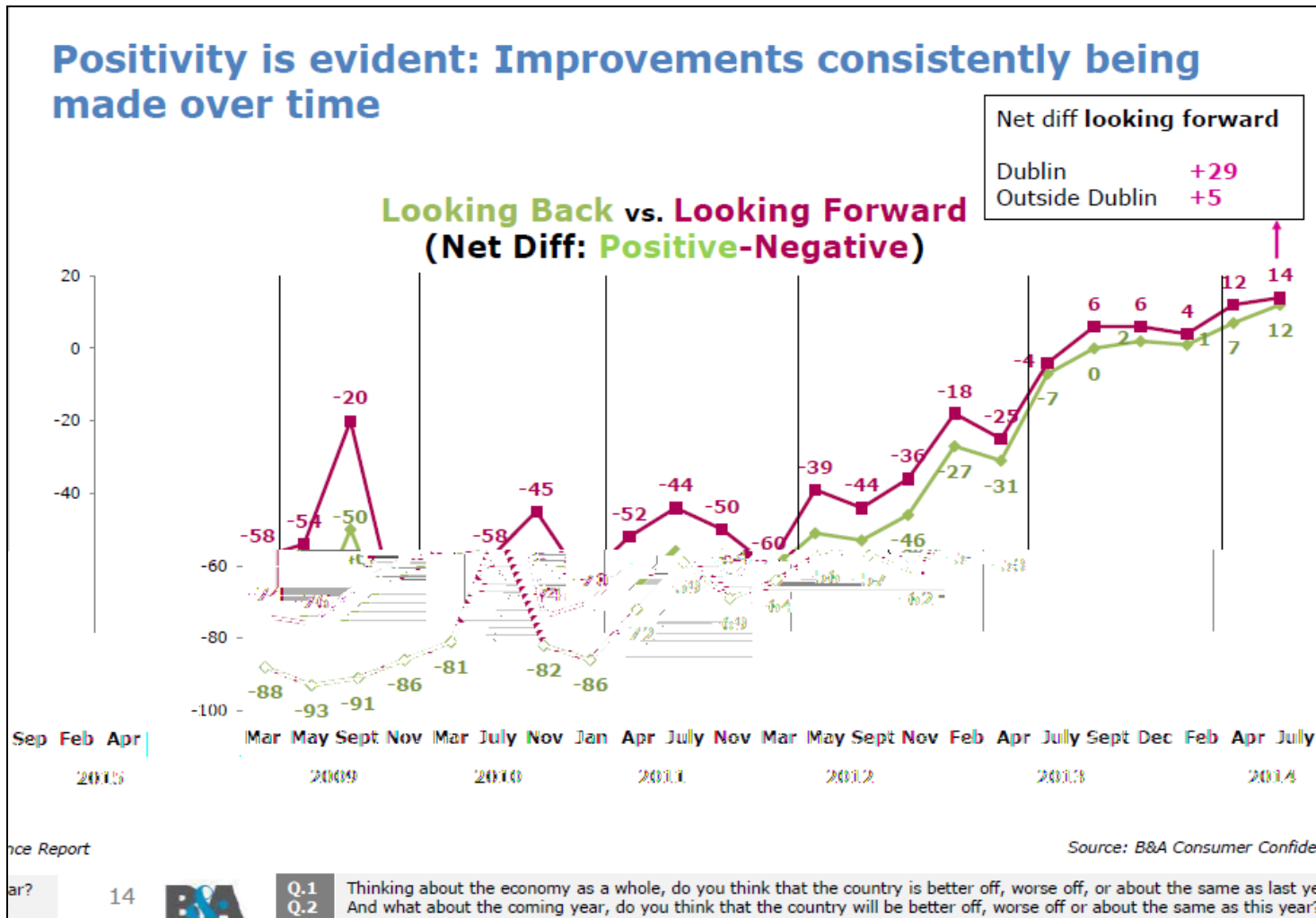
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Britvic Ireland*

Bord Bia Foodservice Conference
4th November 2015

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Irish people are more confident in the current economy than at any time since 2006



Source: B&A Consumer Confidence Tracker June 2015



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Dublin & other cities are a hub of growing confidence



	Outside Dublin	Dublin	Diff:
Consumer Confidence:	+ 9%	+ 29%	+ 20pts
Average Weekly Discretionary Income:	€45.60	€56.95	+ 24%
Business Confidence:	+ 50%	+ 55%	+ 5pts

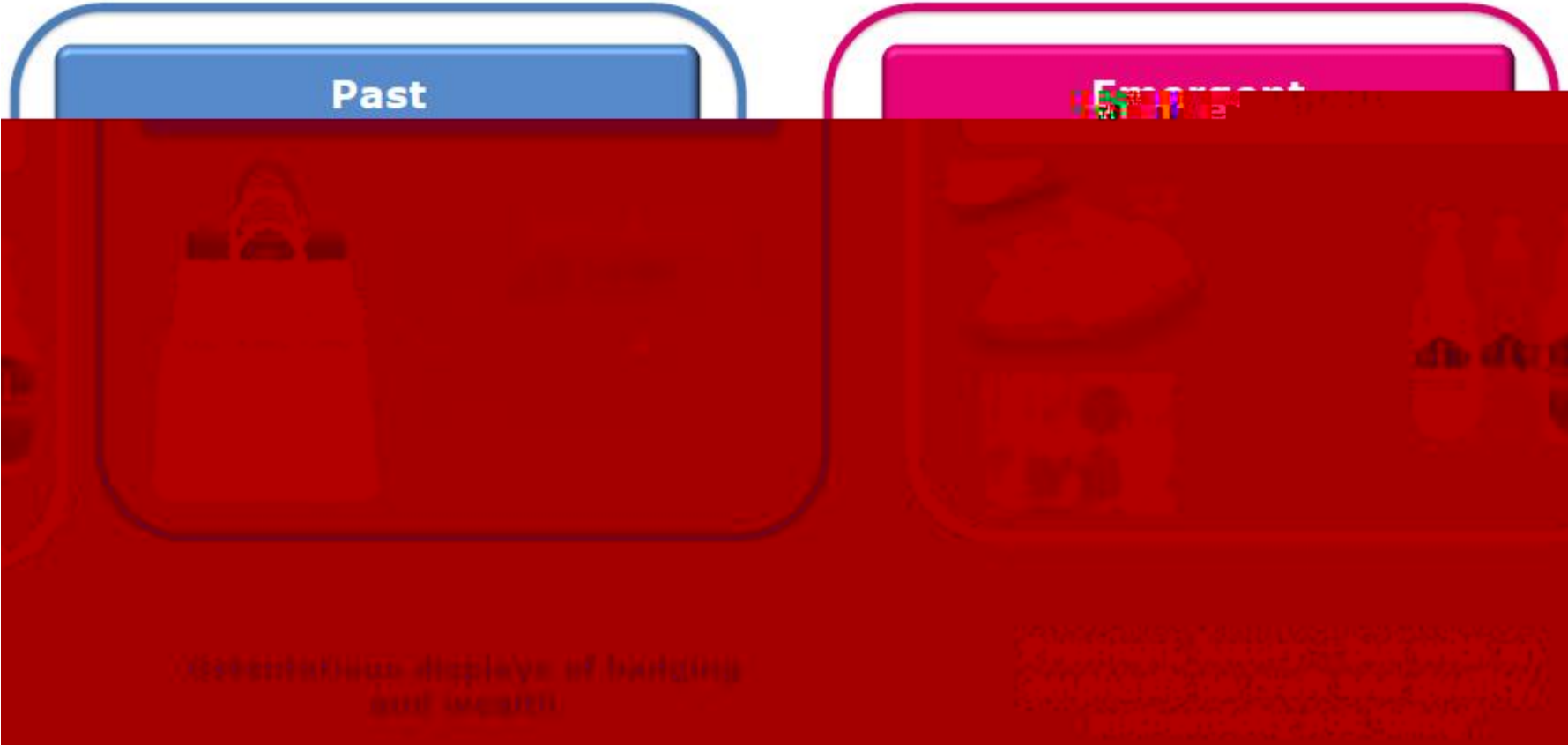
Source: B&A Consumer Confidence Tracker June 2015



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A fundamental shift in Consumer Attitudes



Source: B&A Sign of the Times February 2015

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Increased Confidence translating into a willingness to spend more on eating & drinking out ...



“You’re trying to look at the positive side of things ... Petrol is coming down, so maybe there would be a wee bit more money in the pot for your social life and things like that”

Consumer



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Source: B&A Sign of the Times February 2015



No. 2

manufacturer of Soft Drinks in Ireland

OUR PURPOSE

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OUR VISION

The most dynamic, creative and admired soft drinks company in the world

Consumers
Building iconic brands loved by consumers

Customers
Being the most valued by our customers and partners

Employees
An inspiring place to be

Shareholders
Delivering consistently superior returns for shareholders

Communities
Trusted and respected in our communities



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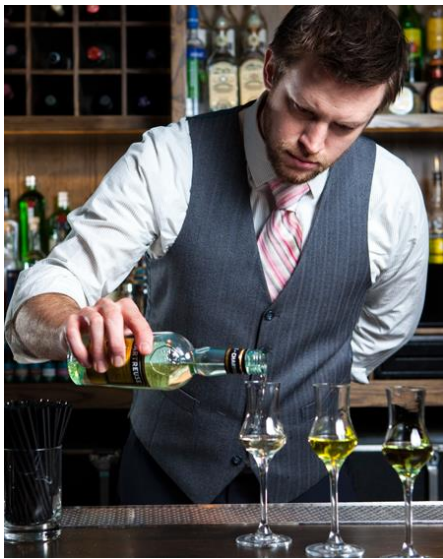


Learning how to unlock the full potential of Soft Drinks in Out-of-Home



Over the last year we have spoken to:

- Operators & Key Influencers in Pubs, Hotels, Restaurants, QSRs, Coffee Shops, Workplace & Education across the Island of Ireland
- Key International Influencers in Pubs & Hotels in the New York, Chicago and London
- Trend-setting young socialisers in Dublin, London & Belfast



In all, we spoke to **577** stakeholders



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Soft Drinks are omnipresent in Out-of-Home, but seem to have lost their “fizz”



Q.3 Does your organisation or outlet serve or sell the following?



Source: Britvic / B&A Project REVEL 2015; n = 401

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The “flatness” of Soft Drinks contrasts with the “buzz” generated by other Categories ...



Spirits



Food

“Customers notice the quality of the coffee, so you have to get that right”

Trade



Coffee



Craft Beer



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Our challenge:

**Help bring excitement and buzz back to Soft
Drinks in the Out-of-Home channel**



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Key Themes



Source: Britvic / B&A Project REVEL 2015

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3 Consumer Mindsets

'Good Behaviour'
CONTROL



Proactive approach to health
Scrutiny of ingredients
Focus on low-fat, low-carbs,
low salt, low sugar / calorie

'I'm Worth It'
DISCOVERY



Experimentation & exploration
Discernment
Status display
Premium
Service is key

'Wind Down/ Switch Off'
RELEASE



Immediate gratification
Indulgence
Taste is key
Casual / off-duty / relaxed



Source: Britvic / B&A Project REVEL 2015

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3 Consumer Mindsets

'Good Behaviour'
CONTROL



'Healthy lunch'

Workplace/Gastro
pub, Coffee shop,
Restaurant, Hotel

'I'm Worth It'
DISCOVERY



'Special meal'

High end Restaurant,
Boutique hotel.

'Wind Down/ Switch Off'
RELEASE



'Takeaway Friday'

QSR, Pizza
restaurant.



Source: Britvic / B&A Project REVEL 2015

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'Good Behaviour'
CONTROL



More holistic approach to health & wellbeing

Rise of fitness & health agenda; the lycra

Assessment of health credentials of food & drink increasingly mainstream

Combining science & nature to create lifestyle

Achieving balance

Awareness that social context in which we eat & drink contributes to holistic wellbeing



“There are queues for the gym, not the bar in UCD these days.”

Trade



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Source: Britvic / B&A Project REVEL 2015

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'Good Behaviour'
CONTROL

The Trade View:



Nowadays my customers are looking for healthier foods



Bottled Water is important to my business



Nowadays my customers are looking for healthier Soft Drinks



"I think people are getting a lot more healthy now, there is a huge health thing going on in London, even to the point of looking at the likes of low alcohol cocktails" Trade



Source: Britvic / B&A Project REVEL 2015

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Catering for a healthier culture



Water increasingly preferred



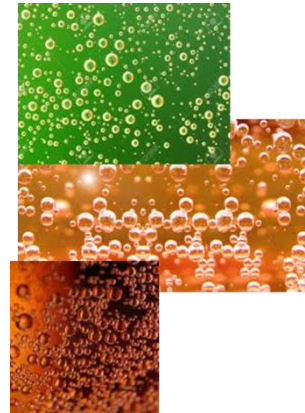
Juice & Juice-based Drinks



Low sugar cocktails



Drinks with Health / Natural cues: ginger beer, etc.



Low / No Sugar options that deliver on taste



Low alcohol aperitifs



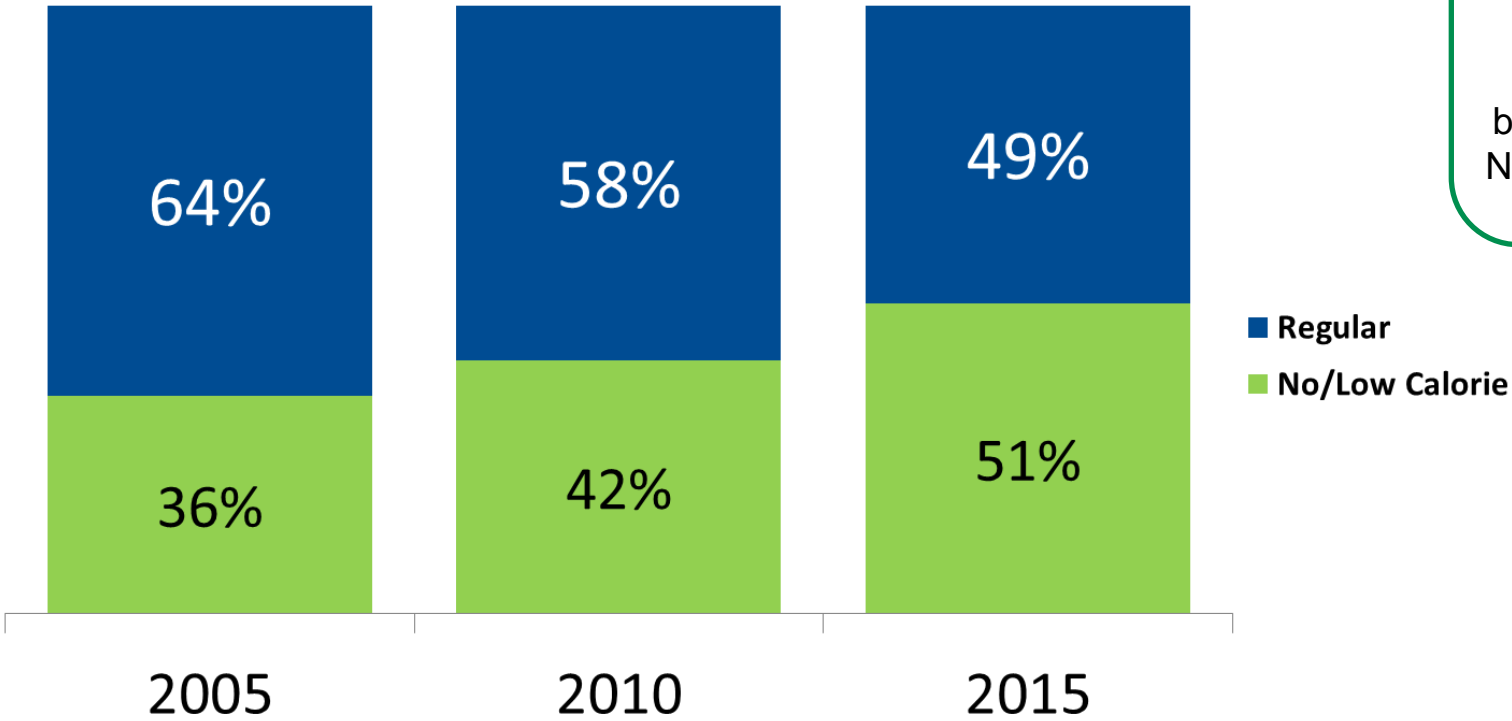
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Source: Britvic / B&A Project REVEL 2015

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The No / Low Sugar Soft Drinks market has grown by +15% in the last 10 years

Total Soft Drinks volume in ROI in all channels split by Calorie content



No. 1
branded supplier of
No / Low Sugar Soft
Drinks in Ireland

Category includes Bulk/HOD Water, Carbonates, Energy Drinks, Juice, Nectars, Packaged Water, Sports Drinks, Squash/Syrups and Still Drinks

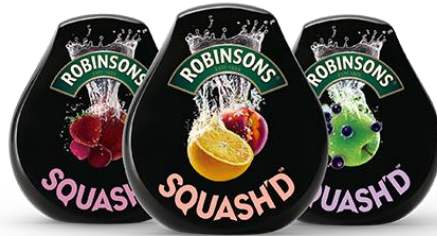
Source: Canadean 2015



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Our contribution to the health agenda



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The Trade View:



The only way to drive growth is to constantly innovate your offering



Innovating my offering in food is the most important aspect of my business



Innovating my offering in cold beverages is the most important aspect of my business



Source: Britvic / B&A Project REVEL 2015; n = 401

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Stories matter ...

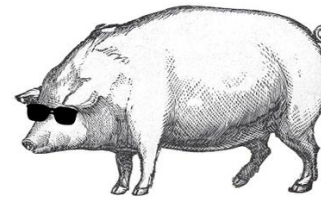
Stories are part and Parcel of our social lives

Stories create a sense of connection

Whether it's the story behind a Venue, a Drink, a Brand or a Personality, stories matter ...

Consumers want to hear stories, Venues want to have them ..

Consumers want to know how drinks were invented, where they come from, who is behind them



BLIND PIG

• S P E A K E A S Y •



Source: Britvic / B&A Project REVEL 2015, Britvic / Orchard Research Project IMAGINE 2015

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Stories matter ...

The perfect pour.
Brought to you by Club, the
inventor of Rock Shandy.



Ever wondered where the name Rock Shandy came from? From Blackrock, Co. Dublin to be precise. In the 1950s a former Managing Director of the Club Soft Drinks Company was a member of the Blackrock Swimming Association. After training on a Sunday morning he would go to O'Rourke's pub in Blackrock (still open for business on the main street today) for a drink. His favourite drink was a combination of Club Orange and Club Lemon from which came the name, Rock Shandy. Today, Club Rock Shandy is famous for its refreshing taste and is available nationwide. Accept no substitutes.

Club is the No. 1 Irish Soft drink and is a proud and active member of Love Irish Food. Club Orange, Club Lemon and Club Mixers are all available from Counterpoint Wholesale Ireland Ltd (formerly Britvic Wholesalers) who are now providing all leading spirit and beer brands. To make contact with Counterpoint Ireland please use our Customer Care service on 1890 276 468.



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The Trade View:



The theatre of serving food & drink is important to my business



% Agree
Total

61%

I think the way a soft drink is served is important to my customers experience



48%



Theatre Sells

Adding a sense of theatre to how drinks are served to customers serves to:

- Add excitement to the overall customer experience
- Create a point of difference for the outlet
- Tie into the story of the drink or brand being served



**Glasses, bowls, jars, jugs, kettles ...
Garnishes, accompaniments ...**



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Source: Britvic / B&A Project REVEL 2015

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Tailoring to specific needs

Venues that cater for all ages will become increasingly popular ...

Where kids, families & adults of all ages can mingle



Important to offer a range tailored to individual needs



Kids



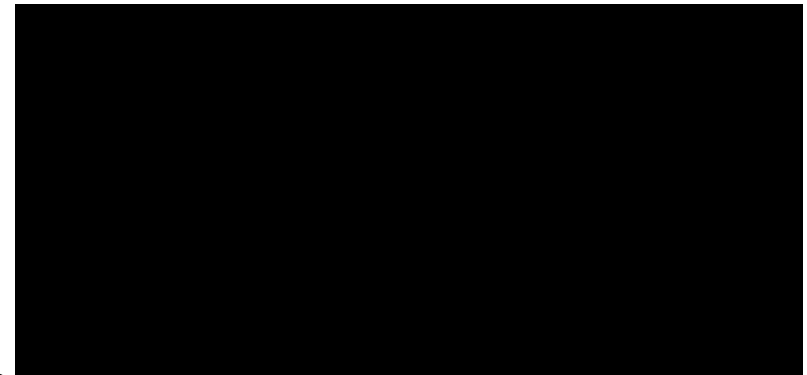
Families



Adults

(Britvic have a range of Soft Drinks tailored for each)

38%



Soft Drinks tailored for Kids are important to my business

Soft Drinks tailored for Adults are important to my business



Source: Britvic / B&A Project REVEL 2015 n = 4-1, Britvic / Orchard Research Project IMAGINE 2015

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In Summary:

**lots of untapped potential to grow Soft Drinks in
Out-of-Home**



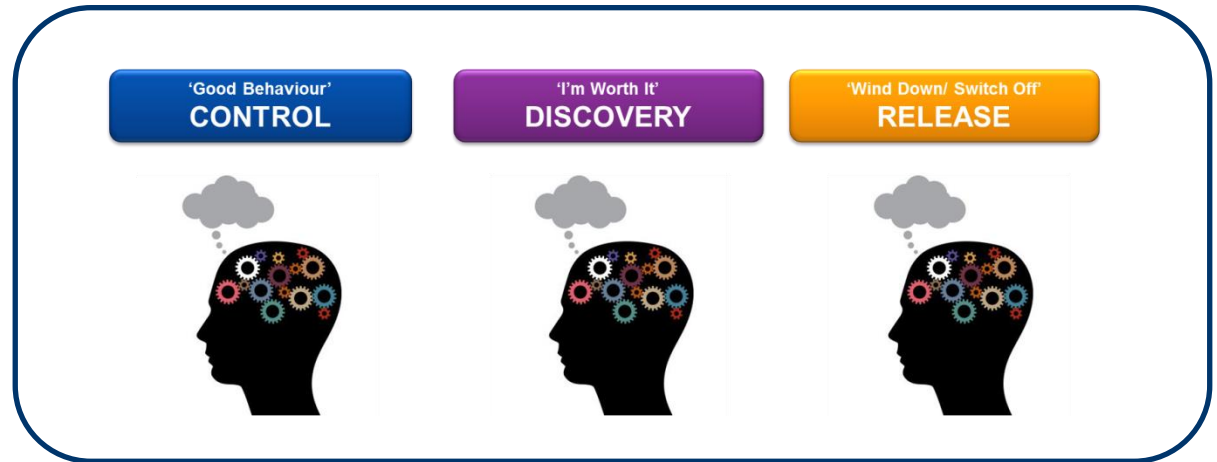
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3 Steps to maximising the Soft Drinks opportunity

1

Offer a range that caters for 3 Key Consumer Mindsets:



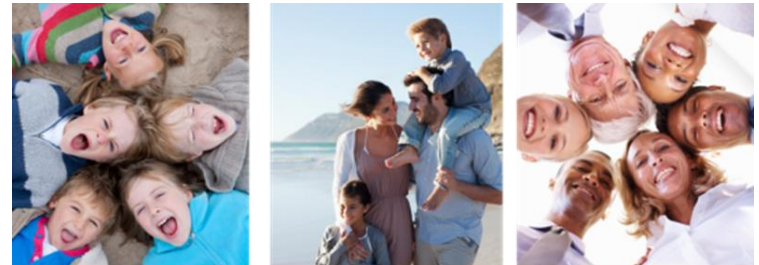
2

Tell a story (about venue, signature food, drink or brand):



3

Cater for the specific needs of Kids, Families & Adults:



Kids

Families

Adults

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Thank You