

FINAL APPROVED

Independent Sales Health Check – Powered by SalesOut

April 2010 – Category Health Check – Soft Drinks

The column is based on data for:

Over 11,000 independent stores
5,000 of which are symbol stores

SalesOut has analysed like-for-like sales in the 52 wks ending 02 April 2010.

The Soft Drinks category has experienced 9.3% growth in like-for-like sales in the 52 wks to 02 April 2010. This has been largely driven by sales of Energy Drinks (+18.1%) and Lemonade (+12.5%) which account for 46% and 16% of total growth respectively.

Coca Cola remains the biggest selling brand in the independent sector (+7.3%), with Coke and Diet Coke showing a moderate increase in sales (2.4% and 6.0% respectively). Dr Pepper is performing extremely well, with sales up 22.2% over the reporting period. Coca Cola is also supported by its entrance into the energy drinks market, which is helping to drive sales.

Own label products are also performing well, with 31.1% growth in like for like sales in the last year. This suggests that consumers are opting for lower price goods in the Soft Drinks category, to save money in these financially difficult times.

The “take home” category is currently growing at 9.2%, just shy of the category as a whole, which is indicative of a rise in home-based entertainment during the recession. Coke 2 Litre and Diet Coke 2 Litre are the top selling products in this category, although their growth is small compared with other top 10 selling products including Dr Pepper 2 Litre and Coke 1.25 Litre.

Also of note is an increase in multipack sales, driven by a propensity for consumers to shop locally in the recession and expand their local purchases to a wider range of groceries, to save money and reduce fresh food wastage. The recession-driven trend of purchasing non-perishable items in bulk will also have had an effect.

The ‘on the go’ category is also performing well, lead by a continually buoyant energy drinks market. Indeed, this market is still expanding with the recent launch of shot products including Red Bull, Relentless and Lucozade, which are forming a sub-category of their own.

ENDS