A Snapshot of the German and UK juice market

- Introduction of Carrière
- Global Soft Drinks Consumption by Categories
- UK - Market size and forecast (value/volume)
  - UK – Consumer Behaviour
  - Germany - key features
- Conclusions
Introduction of Carrière

- Based in Hamburg / Germany
- Trading mainly with citrus, tropical and exotic products
- **Focused on 4 growth pillars:** Conventional, Organic, Fairtrade, Derivates [water phases, natural aromas, oils, etc.]
- Specialised in product sourcing; global supplier network
- Strong customer base in Europe
- World Juice 2006 Innovation Award - Hero’s Fruit 2Day®, developed in conjunction with Carrière
- For more information: www.carriere.de
Soft drinks consumption by categories

Global soft drinks consumption 2003-13

Litres per person

- Water
- Carbonates
- Still
- Juices
- Dilutables

Source: globaldrinks.com

Juice Asia 2013 - Bangkok
United Kingdom
Market size and forecast for value sales of fruit juice, juice drinks and smoothies, 2007-17

Juice Asia 2013 - Bangkok
United Kingdom
Market size and forecast for volume sales of fruit juice, juice drinks and smoothies, 2007-17

Market volume (m litres)


Actual

Forecast

Confidence intervals

- 95%
- 90%
- 70%
- 50%

Best case (m litres) 2,055
Mintel forecast (m litres) 1,829
Worst case (m litres) 1,603

United Kingdom

Market size and forecast for volume sales of fruit juice, juice drinks and smoothies, 2007-17

Juice Asia 2013 - Bangkok
## United Kingdom

**Consumer behaviour – attitudes towards purchasing**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Own-brand products are as good as branded</td>
<td>42%</td>
</tr>
<tr>
<td>I would buy more if they cost less</td>
<td>32%</td>
</tr>
<tr>
<td>I always buy the same flavour(s)</td>
<td>27%</td>
</tr>
<tr>
<td>I have switched to supermarkets’ own-label products to save money</td>
<td>25%</td>
</tr>
<tr>
<td>I buy whatever brand is on promotion</td>
<td>25%</td>
</tr>
<tr>
<td>I buy less because the price has gone up</td>
<td>21%</td>
</tr>
<tr>
<td>I only buy them when the drinks are on promotion</td>
<td>20%</td>
</tr>
<tr>
<td>I buy different sized packs for different occasions</td>
<td>20%</td>
</tr>
<tr>
<td>I buy varieties that the whole household can enjoy</td>
<td>18%</td>
</tr>
<tr>
<td>I am buying larger packs to save money</td>
<td>16%</td>
</tr>
<tr>
<td>I buy different varieties for different members of my household</td>
<td>10%</td>
</tr>
<tr>
<td>None of these</td>
<td>7%</td>
</tr>
</tbody>
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Germany
Value-based growth of FMCG

Wachstum ausschließlich über Wertkomponente

Umsatz und Absatz FMCG Gesamt

*gewichteter Mengenindex über 300 Warengruppen

Juice Asia 2013 - Bangkok
Germany

Long-term evolution of prices [€/l]
Germany
Average prices for orange juice [€/l]

Durchschnittspreise Orangensaft


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Juice Asia 2013 - Bangkok
Germany
Price-driven or quality-driven market?

Mehrwertorientierung statt Preis-Focussierung!

Beim Einkaufen
achte ich vor allem auf die Qualität

Beim Einkaufen
achte ich vor allem auf den Preis

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Quelle: bis 2004 GfK Trendsensor Konsum, ab 2005 GfK Haushaltspanel ConsumerScan
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Germany and UK
Key trends and challenges identified

Major current consumer drivers in both countries include:

- Health and wellbeing – growing importance of functional drinks with specific nutritional properties *but*: consider health claims issues => commercial and legal consequences
- Age concerns – generation 60+, the young „oldies“ are an interesting segment *but*: elder people like natural, regional products, back to the roots => creating a new concept
- Convenience, food on-the-go, appealing packaging and handling *but*: consumers are also looking for more sophisticated or exotic products => diversity of choice
Conclusions

- Global juice consumption is stable but not really growing
  The data provided by globaldrinks.com/Zenith clearly indicate that water and still drinks are on the rise
  => Juice industry has to re-invent itself, more real innovation is required. Innovation is increasingly needing to put the consumer first

- In spite of the fact that Germany and UK have both their own structure [consumer habits/preferences], the key market trends and challenges are similar
  => Market growth is value-based not volume-based

Implications for the juice industry
Thank You!