

FLAVOURED WATER, SPORTS & ENERGY DRINKS - INDIAN CONSUMER - 2019

Strengthen the positioning of these beverages through relevant claims. Subsequently, effectively communicate the benefits to appeal to a larger audience.



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Report Content



- What you need to know

EXECUTIVE SUMMARY

- Innovate in the categories to increase relevance for consumers
- The industry is growing, but at a slow pace
 - Graph 1: Retail market volume (m litres) by sub category, 2016-2019
- Limited consumption and plummeted launches demand innovation boost
 - Graph 2: Share of non alcoholic beverage launches by sub category, Dec 2016-Nov 2019
 - Graph 3: Consumption of different beverages in the past 6 months, May 2019
- Lack of awareness is the biggest barrier to these categories
- Position sports/energy drinks as specialists in the field of exercise and focus respectively
- Innovate in flavoured water to appeal to a larger audience
- What this means

KEY TRENDS

- What you need to know

Global trends and how they are playing out in India

- Indians look for 'self-betterment' in food and drink
- Clearer labels will help consumers understand the category better
- Stay ahead of punitive government legislation with healthier options

Key drivers

- Eat Right Movement
- 'Thoda kam' campaign
- Health-conscious consumers are going to the gym
- Increased interest in hydration as a means to healthy living
- The working population wants a balance of focus and relaxation
- Kingfisher Radler's advertisement targets working consumers in their habitat
- From the news: increased investments in the functional beverage sector

CONSUMER INSIGHTS

- What you need to know
- Flavoured water and sports/energy drinks: a nascent category

Flavoured Water, Sports & Energy Drinks - Indian Consumer - 2019

- Graph 4: Consumption of different beverages in the past 6 months, May 2019

Who are the consumers?

- Opportunity for younger consumers as a target market for energy drinks
- Opportunity for younger consumers as a target market for energy drinks
- Energy drinks are a source of cognitive benefits for students
 - Graph 5: Consumption of select beverages by working status, May 2019
- Position flavoured water for all ages
 - Graph 6: Consumption of flavoured water in the past 6 months by age group, May 2019
- Where are these beverages consumed the most?
 - Graph 7: Consumption of sports/energy drinks and flavoured water in the past 6 months by region, May 2019
- Consumption of functional beverages: summary

Barriers to consumption of these beverages

- Barriers to consumption of functional beverages
 - Graph 8: Barriers to consumption of sports/energy drinks and flavoured water, May 2019
- Differentiate between coffee and energy drinks
 - Graph 9: Barriers to energy drink consumption by region, May 2019
- Increase the accessibility of energy drinks at institutions and offices
 - Graph 10: Barrier to consumption of energy drinks, May 2019
- Fruit juice is the biggest competitor to sports drinks
 - Graph 11: Barriers to consumption of sports drinks, May 2019
- Indian consumers have a lack of familiarity on flavoured water and its benefits
 - Graph 12: Barriers to consumption of flavoured water, May 2019
- Leverage the disadvantages of packaged juices to push flavoured water and sports drinks
 - Graph 13: Attitudes towards packaged fruit juices, May 2019
- Incorporate fruit juice in flavoured water for better value perception
 - Graph 14: Percentage of flavoured water launches by flavour component, Dec 2016–Nov 2019
- Brands can look at varying degrees of fruit juice in flavoured water

What do consumers think of these beverages?

- These beverages fail to occupy a unique mind space for consumers
 - Graph 15: Associations with different beverages, May 2019
- Differentiated product benefits need to stem from the lack of any strong associations

MARKET APPLICATIONS

- Key focus areas: brands need to adopt a three step program...

Identify

- Establish distinct mind spaces for consumers to hook onto

Incorporate

- Go beyond conventional caffeine as a source of mental alertness in energy drinks
- Sports drinks can be for all types of exercises
 - Graph 16: Typical exercises done by consumers, February 2019
- Go beyond liquid formats to increase affordability
 - Graph 17: Share of sports drink launches by format type, Dec 2016-Nov 2019
 - Graph 18: Share of energy drink launches by format type, Dec 2016-Nov 2019
- Go beyond liquid formats to increase affordability
- Flavoured water can bring about healthy hydration for all ages
 - Graph 19: Consumption of drinks which replaced carbonated soft drinks, September 2019
- Amplify 'healthy hydration' through flavoured water
- Opportunity to tap into Indian herbs and spices
 - Graph 20: Innovations in flavoured water consumers would be willing to buy, May 2019
- Indian spice infused waters that provide health benefits
- The use of familiar spices can pique interest in flavoured water among consumers
- Appeal to calorie conscious consumers with reduced/ no sugar varieties in flavoured water
 - Graph 21: Share of flavoured water launches carrying L/N/R sugar claims, Dec 2016-Nov 2019
- Assist the working class to relax with flavoured water
- Bottled waters promoting rejuvenation and relaxation benefits
- Position flavoured water for beauty benefits
 - Graph 22: Agreement to select statement that motivates them to lead a healthier lifestyle, February 2019
- Flavoured water with beauty enhancing ingredients

Impart

- Adopt a three pronged approach for communication
- Red Bull leverages both online and offline channels
- Communicate a need that is relevant to consumers
- Engage consumers through packaging

Who's innovating

- Recent launches in India focus on 'cleaner options'
- Appeal to the masses through affordability
- The rise of cheaper formats
- Coca Cola launches Powerade for the sports and fitness enthusiasts

Global innovations

- Addition of protein broadens the appeal
- Coca Cola Energy highlights the importance of clean labels in energy drinks
- 'Sting' natural ingredient formulation increases consumer engagement
- Go beyond younger consumers

APPENDIX

- Consumer survey methodology

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