



insights  
to  
grow

# 2013 Annual Quantification Report

Media Feedback Report - Energy Drinks in South Africa

April 2013

# Product Definitions

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| Product       | Definition  |
|---------------|---|
| Energy Drinks | Energy drinks contain a high level of caffeine and give a short-term adrenaline rush. They constitute performance enhancing products. |

# Market Trends

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Energy Drinks market has increased from 2011 – 2012 in volume. Players in the market feel that the rise in energy drinks popularity has to do with the aggressive marketing campaigns.

Category value growth was driven jointly by the price per litre increase as well as by the volume growth. The prices increased due to natural inflationary pressures.

In terms of packaging demand, cans increased in volume and now form a large percentage of the market with PET increasing in volume too but forming a smaller percentage of the market. With competition in this industry of so many brands and types of energy drinks, packaging creates a first impression for each one. Players in the market feel that packaging is a powerful marketing tool that provides a competitive edge by adding value to the consumer.

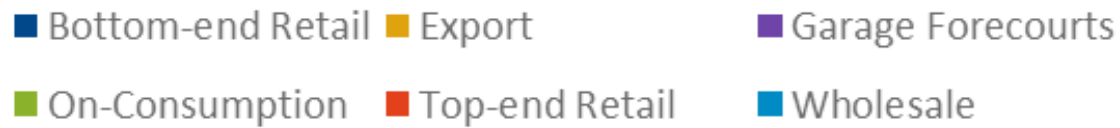
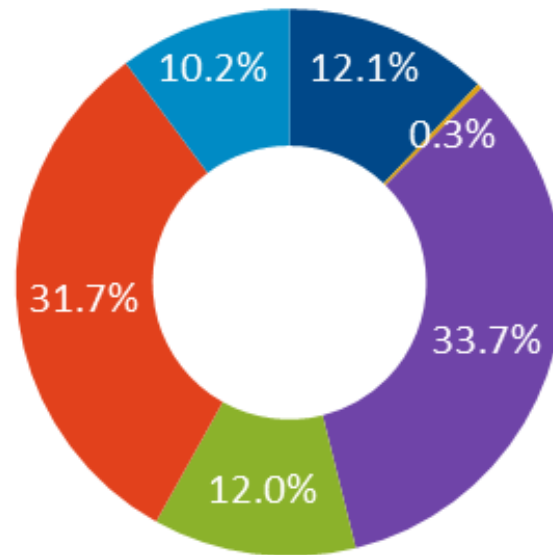
The top-end retail experienced a high increase in volume and grew in share followed by garage forecourts volume increasing and on-consumption. The bottom-end retail decreased in share.

Gauteng absorbs a larger percentage of the volume supplied, growing in share. Mpumalanga, North West and Limpopo grew less in volume losing share and now makes up a smaller percentage of the market.

Energy drinks industry is encountering new opportunities and challenges with players looking into introducing energy drinks with nutritional benefits and producing a meal replacement drink category. Players are concerned about a shift towards health-oriented, wellness drinks as energy drinks are known to have high caffeine content.

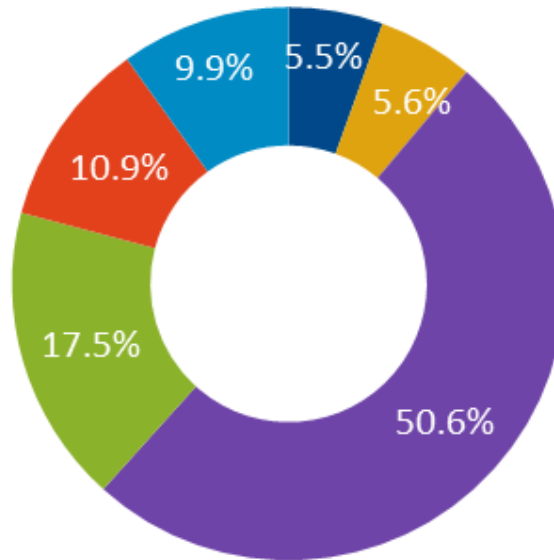
# 2012 RTD Energy Drinks Channel Distribution

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# 2012 RTD Energy Drinks Regional Distribution

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■ E Cape ■ FS/ N Cape ■ Gauteng ■ KwaZulu-Natal ■ Mpumalanga/ NW/ Limpopo ■ W Cape

*Excludes exports*

# BMi Research Services

Annual Quantifications

BMi Tracking Report Schedule 2013

In Store Observation Services & Liquor In Store Pricing

Print Ads Promotional Pricing and Share of Spend

Commissioned Research

Consumer Research



*Market Quantification involves sizing up markets annually to see volume, value and consumption trends. The service is available for most food, beverage, confectionery and snack products. We have more than 10 years of historical data in tracking each market. Using these insights, you're able to harness the potential in your market by understanding strategic category trends across the total market. A unique offering incorporating formal and informal market components.*

*Total market includes retail, wholesale, foodservices, industrial and exports.*

## Market Quantifications

Total market quantification for 140 CPG Categories

*What are the latest market trends? And...*

- Is the category growing or declining?
- What does the future hold for the category?
- What are packaging trends for the market?
- Are category sales growing or declining in retail, wholesale or export?
- How is your product performing in foodservices?



# BMI Tracking Report Schedule 2013

| Packaging  | Annual Beverage Publications  |  |   |
|--|---|--|---|
| <p>All reports</p> <ul style="list-style-type: none"> <li>• Packaging overview</li> <li>• Paper &amp; Board</li> <li>• QPM</li> <li>• Quarterly Import</li> </ul>                                | <p>Full Report (All reports below)</p>  |  |   |
|  | <p><i>Alcoholic Beverages</i></p> <ul style="list-style-type: none"> <li>• Flavoured Alcoholic Beverages</li> <li>• Malt Beer</li> <li>• Sorghum Beer</li> <li>• Spirits</li> <li>• Wine</li> </ul> | <p><i>Non Alcoholic Beverages</i></p> <ul style="list-style-type: none"> <li>• Bottled Water</li> <li>• Carbonated Soft Drinks</li> <li>• Cordials and Squash</li> <li>• Energy Drinks</li> <li>• Fruit Juice</li> <li>• Iced Tea</li> <li>• Mageu</li> <li>• Sports Drinks</li> </ul> | <p><i>Dairy Beverages</i></p> <ul style="list-style-type: none"> <li>• Dairy Juice Blends</li> <li>• Drinking Yoghurt</li> <li>• Flavoured Milk</li> <li>• Maas</li> <li>• Milk</li> </ul>                        |
| Annual Food Publications   | Confectionery & Snacks  | On Request   |   |
| <ul style="list-style-type: none"> <li>• Canned Protein</li> <li>• Dairy</li> <li>• Desserts</li> <li>• F&amp;C Beverages</li> <li>• Pasta</li> <li>• Rice</li> <li>• Wheat and Grain</li> </ul> | <ul style="list-style-type: none"> <li>• Ice Cream</li> <li>• Packaging of Snack Foods</li> <li>• South African Confectionery Market</li> <li>• The Impulse Market in South Africa</li> </ul>       | <ul style="list-style-type: none"> <li>• Biscuits and Rusks</li> <li>• Breakfast Foods</li> <li>• Baked Products</li> <li>• Baking Aids</li> <li>• Eggs</li> <li>• Fats and Oils</li> <li>• Frozen and Par-Baked Products</li> <li>• Premixes</li> <li>• Pre-prepared Meals</li> </ul> | <ul style="list-style-type: none"> <li>• Processed Meat Products</li> <li>• Protein</li> <li>• Sauces</li> <li>• Soup and Condiments</li> <li>• Sweet and Savoury Spreads</li> <li>• Value Added Meals</li> </ul> |

For further enquiries please contact [research@bmi.co.za](mailto:research@bmi.co.za)



*Gives first-hand insight into your brand's performance in-store. Monitor your products versus your competitors' to assess your performance and remedy gaps. Ensure accurate data which translates into tactical competitive advantages.*

## In Store Observation Services & Liquor In Store Pricing

ISOS/LISP

*How is your brand performing in store? And...*

- Is my product available on shelf?
- Does my brand have its fair share of shelf space?
- Is my product listed and available in all stores?
- Is my gondola end in store?
- Do I have promotional activity in that particular store?



*Covers all brands advertised in all regions by retailer by month. The analysis provides an inside picture of the retail promotional environment. Track competitor promotions and pricing, offering top line or granular data.*

*Assess whether your brand is gaining sufficient share, relative to your spend on promotional print advertising. Track competitor promotional pricing to tactically react on your own product pricing.*

## Print Ads Promotional Pricing & Share of Spend

*Is your product visible enough in promotional print Media?*

Daily, we answer questions like:

- What is the promotional pricing?
- What is the regional promotional pricing variance?
- What are competitors' pricing tactics?
- What Rand value is spent on our brand vs. competitor brands by retailers?
- Are we losing market share because of this?

Coverage:

- National daily and weekly newspapers
- Weekly community newspapers
- Consumer magazines
- In-store broadsheets



*Consumer Division has a passionate focus on consumer behaviour, combining professional skills with optimal technology and products to complement insights. Project teams are hand picked based on their knowledge and expertise of the subject matter and offers a range of research methodologies that aim to give you a multi-dimensional and insightful solution to the understanding of your product/brand. The division has the ability to draw on BMi Research's established experience in the retail and wholesale sectors, providing a unique and customized solution to understanding consumer behaviour.*

## Consumer Research

*Getting into the hearts and minds of Consumers through interaction, stimulation and discussion*

*Qualitative and Quantitative solutions including...*

- Focus groups
- Depth interviews
- Workshops
- Shopper Insights
- Store visits
- In home visits
- Consumer surveys
- Online research
- International project management



*If your research need is not covered by our standard set of services, we will tailor-make a study specifically for you.*

*BMI's Commissioned Research is designed specifically to answer your questions in your particular market. From industrial assessments to traditional consumer studies, we have the expertise to grow your business.*

## Commissioned Research

*Need to investigate the market regarding other issues?  
Examples include*

- Service Quality Measurement (SQM)
- Pack Type Testing and Preference
- Product Testing includes taste tests and new product development



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## *Note:*

Although great care has been taken to ensure accuracy and completeness in this project, no legal responsibility can be accepted by BMi for the information and opinions expressed in this report.

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