

6 FEBRUARY 2021

The Grocer Guide to...

The
Grocer

Hot drinks & cold brew

TASTE THE MAGIC

LOVE US OR YOUR MONEY BACK



PROMOTIONAL PACKS IN STORE NOW

KENGO.CO.UK/LOVEUS

Jacobs Douwe Egberts

A signpost for quality

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↙ The landscape of the coffee industry has seen many twists and turns in the uncertainty of the past year. With less commuting and fewer opportunities to visit their favourite coffee spots, more and more consumers have been redefining their coffee experiences as they seek to recreate their daily coffee fix from the comfort of their own homes.

In these unprecedented times consumers tend to turn to the brands they know and trust as a signpost for quality, says Hannah Morris, category team leader at Jacobs Douwe Egberts (JDE). “JDE has a portfolio of well-trusted brands which consumers have turned to during the turmoil of 2020,” she says. “This can clearly be seen in the 13%¹ sales growth of Kenco in the past year. The continued plan to support our brands – with strong media campaigns like the multi-million-pound TV and digital marketing investment in Kenco Duo, including the up-and-coming Kenco Duo ‘Taste Challenge’ – shows we are so confident in our product quality and experience, that we will give your money back if you don’t love it too.”

Quality moments at home

As consumers continue to bring their favourite coffee shop drinks in-home, they now have the opportunity to tap into the same quality moment of indulgence without hitting the high street, explains Morris.

“Quick and convenient formats delivering speciality have become the order of the day, and coffee



“With fewer opportunities to visit their favourite coffee spots, consumers have been redefining their coffee experiences as they seek to create their daily coffee fix from the comfort of their own homes”

shop tastes have firmly cemented themselves as favourites with at-home consumers². Kenco Duo has successfully taken advantage of this by bringing coffee shop trends direct to the consumer at home with no need for a machine.

“Creating a new segment within the coffee category, Kenco Duo has become JDE’s most significant launch in recent memory. It continues to see success with a significantly positive impact on the specialities category gaining 5%³ share of the category in its first year.”

Expanding the Kenco Duo range

As 15 million cups of Duo were consumed last year⁴, it’s clear that popularity for the range shows no sign of slowing, says Morris.

“Keeping consumer demands and trends at the front of mind when creating new flavour variants, Kenco has expanded its Kenco Duo range with an Unsweetened option, offering a no-added-sugar alternative using only naturally occurring sugars, for those looking for healthy option while still enjoying great-tasting coffee,” she says.

“To demonstrate our confidence in the superior taste of Duo, Kenco will be launching a taste challenge from March 2021. Consumers who purchase a pack of Kenco Duo with a promotional sticker, can buy with confidence, knowing that, if they do not love the taste of Kenco Duo, they can easily receive their money back.”



Source

¹ Nielsen, GB Total Grocery Market, RSV data, Total Coffee Category, MAT to 26.12.20
² Nielsen, GB Total Grocery Market, Value Sales data, Total Coffee Category, MAT to 26.12.20
³ Nielsen, GB Total Grocery Market, Value Sales data, Total Instant Coffee category, MAT to 26.12.20
⁴ Kantar, FMCG Panel, Total Coffee, 52 w/e October 2020

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Analysis

Taking a fluid approach

Switching focus to cater increasingly to a UK in lockdown has been on the agenda for most hot beverages and cold brew suppliers during 2020 – and many are facing 2021 confidently, with strong plans to back their brands

There is a saying that goes ‘ignorance is bliss’... and possibly nowhere was that proven more apt than in early 2020.

A year ago, UK consumers were happily commuting to work, often popping into their nearby coffee shop or café on the way to grab the latest flavour of latte, frappuccino or healthy green tea and totally unaware of the impending crisis.

Allegra’s World Coffee Portal was confidently predicting “5 UK coffee shop market dynamics to watch in 2020”, describing the year as a “crucial” for the UK coffee shop segment “as operators grapple with the ramifications of Brexit, seek to consolidate 2019’s M&A activity and maintain customer loyalty in a fiercely competitive market”.

Had they but known!

The huge impact of Covid-19 on the

way consumers live their lives and shop and the devastating blow of lockdowns on the hospitality sector have taken their toll on the hot drinks and cold brew market, but not all has been negative and suppliers are cautiously confident about their response to the pandemic and the shift in focus it has entailed.

In its latest report on Hot Drinks in the UK, Euromonitor records “strong performances by premium brands and single-serve formats as consumers continued to focus on indulgence moments at home and ... on high-quality products and barista-style experiences”. It notes that major brands Nestlé and Jacobs Douwe Egberts recorded “double-digit value growth” as Britons shifted towards at-home consumption.

Hannah Morris, category team leader at Jacobs Douwe Egberts (JDE),

agrees that “with regular commuting reduced dramatically and many fewer opportunities to visit favourite outlets as more shoppers continue to work from home, 2020 saw significant shifts in purchase and consumption patterns. Consumers have sought to recreate their regular out-of-home coffee occasions at-home since early in the year and continue to do so.”

She reveals that “282 million cups of Tassimo³ [the company’s single-serve coffee system] were enjoyed last year, showing barista-quality beverages are being enjoyed conveniently at home”.

“Coffee remains a staple of everyday life. Being able to enjoy coffee shop favourites from the comfort of home offers a sense of familiarity and normality in an otherwise tumultuous year,” she says.

Indeed, keen to recreate the coffee



shop barista experience, consumers have turned in their droves towards pods, machines, ground and roast coffees, purchasing in retail and online – and suppliers have responded.

The focus for traditional coffee shop retailers, Starbucks and Costa, has been to translate that experience for locked-down coffee-lovers.

All About Food, in partnership with Costa Coffee, has developed the latter's shop flavours into At Home formats and says that "ground coffee, already proving a huge success in grocery prior to Covid, saw growth at twice the rate of the total coffee category – up 22% year-on-year (YOY)⁴". The company maintains that, during the first lockdown and following on from missing friends and family, coffee shops were "the second most missed social activity" for consumers.

"The roast and ground & beans segment also saw phenomenal growth of almost 19% YOY and coffee pods growth surpassed this, rising by 24% YOY⁴," says the company. "Consumers were entering the coffee category with a different mission or occasion in mind versus pre-pandemic. We saw a rise in younger consumers entering the category as they turned to pod machines and cafetières to enable them to drink quality coffee at home.

"Instant coffee, which prior to lockdown was steadily slipping into slow decline, saw a resurgence, with sales up 11% YOY⁴. With this consumption growth there also came a huge demand for improved quality in the category."

The company notes that research shows 57% of shoppers "see making coffee shop-style drinks at home as

appealing, with 56% of shoppers agreeing that coffee shop products allowed them to recreate the experience at home⁵".

Taylor's of Harrogate senior brand manager Kelly Wright notes that while roast and ground coffee was in steady growth before the Covid-19 pandemic, "sales have thrived throughout 2020 as out-of-home spend continues to move into the home". Growth in roast and ground has also been driven by new shoppers, she says, "with an additional 330,000 more shoppers buying into the category in the latest 12 weeks (to 27.12.20)⁶, as well as existing shoppers buying more frequently"⁶. In November, the company launched its 'Especially For' range, comprising three blends – Espresso, Cafetière and Latte – "to make choosing coffee at home a lot simpler", adds Wright. "Many people

25%

Growth in coffee capsules in 2020⁸

Nielsen, MAT data to 26.12.20

330,000

Increase in consumers buying into the roast and ground coffee sector⁶

Kantar, 12 w/e 27.12.20

5.5%

Forecast growth in the functional tea market by 2022¹⁶

Euromonitor 2020

107%

Unit growth in caramel iced coffeesⁱ

IRI Marketplace

Analysis

upped their game during 2020 to make proper coffee at home, purchasing new equipment, with espresso machines seeing significant growth⁷, so there couldn't have been a better time to launch a range with the end drink in mind." The company is supporting the launch from April with a "big bang £4m advertising campaign", she says.

Ueshima Coffee Company, which is launching "Japan's No.1 coffee" into the UK for the first time, points to consumers' growing confidence in making coffee at home and, thus, investing in new machines or brewing equipment. Phil Smith, head of category and insight at UCC Coffee Europe, says: "Unsurprisingly, we have seen a significant increase in consumers purchasing coffee for at-home use. We know this is driven mainly by consumers working at home and a lack of opportunity for their high street caffeine fix – the rise of the 'at home barista' has resulted in significant sales increase of coffee beans (+33% vs previous year in 2020⁸). We can expect the bean category to continue to grow through 2021."

With this confidence, he says, comes a willingness to explore more of the category, seeking different origins, stories and taste profiles.

Convenience factors

Despite consumers' changing lifestyle circumstances, convenience is still very much to the fore when it comes to coffee selection. Ueshima's Smith notes that coffee capsules and bags provide "a consistent solution for those wanting a decent coffee without the confidence, time or equipment to make one from beans or ground". As such, he says "capsules are up 25% in 2020 and coffee bags up 57%"⁹.

At Dualit, director Alex Gort-Barten reveals that its Café Plus and Bean to Go Machines saw sales rise by 149% and 67% respectively, with sales of coffee capsules up 39%¹⁰.

2020 signified Costa's launch into a new sub-category, premium instant coffee, with the brand introducing "the UK's first coffee shop-branded premium instant coffee with Asda in October". In two variants – Smooth Medium Roast and Dark Intense Roast, the coffees are crafted to taste like Costa's Signature Blend, it says.

Meanwhile, Nestle reveals that its



global licence to produce Starbucks' consumer packaged goods, gained in 2018, has seen the brand become firmly established, now generating £40m in sales value¹¹ in the past year. However, the company notes that it is important not to overlook the most valuable segment of the coffee sector – soluble coffee, which it says accounts for 50.8%¹² of value within the coffee segment of hot beverages.

Taking time for tea

Despite some seismic changes in the hot beverages market, Tata Consumer Products customer development director Amy Holdsworth says tea continues "to be the nation's favourite beverage", with tea occasions up an estimated 35%¹³. The company's major brand, Tetley, "can now be found in more than 10m homes in the UK", she says. However, she does acknowledge that the choice of teas beyond everyday black "can be a little overwhelming"

and says she sees Tetley as having a key role to play in helping consumers navigate the fixtures and encourage the shopper journey from good to better to best across each tea sub-segment.

Bigger packs sold have also been a feature in the tea sector, where Ecotone UK (formerly Wessanen UK), which handles Clipper Teas in the market, notes that sales for its 100-bag boxes have grown over both its everyday and green tea ranges.

The company launched two new decaffeinated teas during the pandemic, initially into the health food trade, a sector where it says it had its strongest year yet for sales.

Indeed, increased consumer focus on health has spurred the decaffeinated tea segment. Ecotone UK marketing and category director Bryan Martins says the company will be innovating in the infusions segment with "functional ingredients that provide sought-after health benefits around good energy,

Cold comforts

The trend for ready-to-drink (RTD) coffee “is growing at a fast pace”, says Simon Gray, CEO of Boost Drinks. “It is important that brands and retailers alike appreciate this,” he says. “Despite various lockdowns in 2020, the iced drinks category still saw double-digit year-on-year growth¹, demonstrating high consumer appetite for RTD iced drinks in independent convenience.” To respond, last year the company launched two new chilled RTD coffee SKUs – Silky Smooth Caffe Latte and Full Bodied Double Espresso, both available in £1 price-marked cans,

which it says offers a competitive margin for retailers.

Gray notes that data is invaluable in monitoring both product and flavour trends, enabling the company to identify strong areas of growth. “When it comes to iced coffee flavours, caramel is proving hugely popular, with a whopping 107% increase¹ in unit growth year-on-year,” he says.

Meanwhile, despite an uptake in multipacks and larger formats in the wider soft drinks category, Gray says there is still huge demand for impulse and smaller volume products. As such, he says, it’s

important for retailers to strike the right balance between take-home and impulse formats, “particularly as we hope to see the relaxation of lockdowns in the summer months, allowing shoppers more freedom of movement”.

Tata Consumer Products took on a new direction last year, launching its Good Earth range of tea-based kombuchas in May, despite the country being in lockdown. Amy Holdsworth, customer development director at the company, says the brand’s “bold flavours and environmental credentials have

attracted significant foodie and environmentally minded shoppers to the tea category”.

2021 will see Tata take the Good Earth brand “beyond the tea fixture”, reveals Holdsworth, saying the brand will use its “bold flavours and environmental credentials to challenge the norms in soft drinks”.

She also reveals that the company has “an array of other soft drinks in development” and has “a real ambition to get the Cold Infusions category back on track, as it has been profoundly impacted by the Covid lockdown”.

digestion and relaxation”, while also concentrating on its green tea range. “Known for its positive health benefits, there has been rejuvenated interest in green tea in the past year,” he notes, adding that Clipper’s Pure Green Teas enjoyed growth of 31.1%¹⁴”.

Sustainability in mind

Amid all this development in at-home consumption and with the younger generation, in particular, focused on sustainability and protecting the planet, the whole concept of throwaway items such as tea bags and capsules has come into even sharper focus for suppliers over the past year.

Ecotone UK maintains Clipper Teas are “already leading the way” on ethics and sustainability. “Our tea bags are not only unbleached and non-GM, we were also the first to introduce fully biodegradable tea bags,” says Ecotone’s Martins. “Clipper only ever uses natural and organic ingredients, which

means fewer pesticides and more wildlife biodiversity. We are also the world’s largest Fairtrade tea brand and contribute to the Fairtrade premium, which ensures that farmers cultivate responsibly and sustainably, which in turn has a very positive impact on the environment. Over the next year, we are continuing to innovate and invest in our packaging to ensure that it is either reusable, recyclable or compostable.”

Supporting farmers to achieve environmental goals is also a point of focus at Mondelez International, where the company sources 100% of the cocoa used in Cadbury’s chocolate through its Cocoa Life programme, “designed to support sustainable cocoa farmers and farming techniques”, says trade communications manager Susan Nash. “The programme tackles the complex challenges that farmers face, including climate change and gender inequality,” she says. Cocoa Life addresses these challenges on the ground, working

hand in hand with those who make their living from cocoa, focusing on where it can make a difference: turning cocoa into a business of choice, creating inclusive and empowered communities and educating on forest conservation and restoration.”

However, one of the problems faced by suppliers in a disjointed recycling set-up in the UK is achieving a system that works countrywide. In a new initiative, two major coffee suppliers are joining forces to address the issue. Nestlé and JDE – which, together, own Nespresso UK, Nescafé Dolce Gusto and Tassimo – are coming together to launch ‘Podback’ early next year, reveals JDE’s Morris. “This end-to-end, cross-industry recycling programme will provide consumers with simple and easy ways to recycle coffee pods – whatever the brand and whether they are made from aluminium or plastic.”

Morris notes that while the individual brands have invested in dedicated

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recycling services over the years and are proud of the progress made, “we recognise that having multiple schemes has added to consumer confusion and limited participation. Collectively, we want to do more; and we know that the key to driving recycling rates is to create a single consumer solution across the category. This is what Podback will deliver. Our goal is to see pods included in kerbside collections across the UK. We know that this ambition is bold, and that making it a reality is a challenge – not least because of the different recycling systems across the UK – but that is no reason for us not to act.”

To address the issue of capsule recycling, Dualit introduced its patented EcoPress Aluminium Capsule Recycler last year. Gort-Barten says that, with innovations such as these, the company has increased its eco credentials rapidly. “Most of our coffee capsules are Fairtrade products and we are able to roast, grind and produce them in our West Sussex factory, directly reducing the transportation and logistics required and helping to reduce our and our customers’ eco footprints.”

In other recycling moves, Ueshima Coffee Company, which says it has “an ambition to bring about lasting change” notes that 100% of its coffees are from farms that are Rainforest Alliance Certified and reveals it is working with TerraCycle to ensure all of its product packaging can be recycled in one way or another across the UK, it says. “Every year, aluminium capsules, coffee pouches and sachets end up in landfill and incinerators across the UK. We are working with TerraCycle to help put an end to this waste of resources,” explains Liz Higgins, director of sustainability at UCC Coffee Europe.

Costa, meanwhile has embarked on sustainable initiatives such as transitioning the Nespresso Compatible Pod range to aluminium capsules from plastic, “removing 21.8 tonnes of plastic from the supply chain”. Its newly launched Premium Instant Coffee contains 100% recyclable material, it says, and it plans to make further packaging improvements across its existing ranges.

Taylor’s of Harrogate celebrated becoming 100% carbon-neutral in 2020, from field to shelf. “We’re especially proud of the way we did it,



by setting up projects that not only offset carbon, but improve livelihoods directly for our farmers and their communities,” says Wright. Also, one-fifth of the company’s Yorkshire Tea bags are now plant-based and Wright says it is on track to have switched the majority of these by mid-2021.

In June last year, Unilever announced that PG tips had become the first major tea brand to start the switch to a fully plant-based range¹⁵. The brand has started removing the outer plastic overwrap on its 160s retail packs and completed the switch of its pyramid tea bags to a plant-based material made from corn starch. The move to wrap-less is being rolled out across this year and Unilever says the brand is the first major tea brand¹⁵ to have fully biodegradable tea bags in all its retail boxes.

Healthy attitudes

With consumers increasingly aware of both their health and what they consume

on a daily basis, it’s important to provide products that offer wide appeal to every part of the market,” says JDE’s Morris. “Expanding familiar product ranges to offer ‘better for you’ options allows a wider variety of shoppers to continue enjoying their favourite beverage.” As such, she says Kenco has expanded its Kenco Duo range to include an Unsweetened option, offering a no-added-sugar alternative.

At Mondelez International, Cadbury Hot Chocolate introduced its first-ever reduced-sugar variant, with 30% less sugar, last year “to tap into the ongoing focus on wellbeing in the market”, says Nash. In addition, its Cadbury Highlights Milk Chocolate meets shopper demand for lower calories, at only 38 calories a cup, she says. Plus, a redesigned Betreatwise logo across Cadbury packaging encourages consumers to “treat in moderation”.

Adding functional ingredients into beverages is also becoming more

Brand support, shifting focus

A dip in foodservice business was bolstered by “exponential growth” in e-commerce, according to Ecotone UK, distributor for Clipper Teas. “We adapted to meet this demand by investing more in increased visibility on our retailers’ websites, on digital and social media advertising and by launching our first shop-in-shop on Amazon,” says marketing and category director Bryan Martins. Its marketing strategy shifted from OOH advertising and focused more on through-the-line marketing. “We invested heavily in video on demand and social media, with a campaign centred on ‘Generation Tea’, a group of ethical shoppers who care about their impact on people and the planet and what they put into their bodies,” he says.

Tata Consumer Products customer development director Amy Holdsworth notes the company has “undertaken a rapid change” in its shopper investment strategy to upweight online and reflect the importance of the e-commerce channel and the far broader shopper profile that online now attracts. In addition, it is continuing its multi-million pound investment behind Tetley’s ‘Now We’re Talking’ ad campaign, “which lands the positive and cheerful brand tonality”, she says.

Spreading positivity is also the aim at Taylors of Harrogate, which hopes to build on the success of its ‘Where Everything’s Done Proper’ TV campaign for Yorkshire Tea, says senior brand manager Kelly Wright. “A new ad is set to

launch later this year. We also have lots of exciting plans for our digital platform,” she adds.

Meanwhile, to introduce Ueshima to the UK market, UCC Europe is kicking off with a ‘Respect the Ritual’ campaign, that celebrates the brand’s heritage and introduces the concept of ‘Takumi’ – the pursuit of perfection without compromise – to a UK audience. The campaign will cover “everything from social media, shoppable ads, e-commerce, PPC, Google Ad Words and PR and influencer activity”, reveals senior brand manager Kirsty Pavely. “Today’s consumer requires more than just a quick caffeine fix – they want a brand with a story to tell and to see something different on-shelf.”

At Mondelez, Cadbury has invested in a ‘Make it Yours’ media campaign to remind shoppers how fun and convenient it can be to customise their hot chocolate at home, says trade communications manager Susan Nash. “Shoppers are encouraged to take a photo of their hot chocolate creation and the wider campaign, running in OOH and social, has featured some creative and tasty-looking user-generated hot chocolates from the activation.”

Finally, All About Food says Costa At Home increased investment in the online channel, delivering campaigns centred around ‘Bringing your favourites home’. The aim, it says was to raise awareness that Costa fans can still enjoy the brand at home.

widespread. All About Food reveals that Costa Shops have just launched the Latte+, which includes boosted vitamins such as zinc and B12.

Unilever says the functional tea category is set to grow by 5.5% by 2022¹⁶, so there has never been a better time to meet the increased demand for health-led drinks. In October last year, it introduced PG tips Plus, comprising PG tips Plus Caffeine, with extra caffeine and vitamin B6 to reduce tiredness; PG tips Plus Immunity, aimed at people looking to add vitamin C to their diet; and PG tips Plus Metabolism contains vitamin B12 to support normal metabolism function.

“With health front and centre of people’s minds, we expect to see continued growth in functional infusions that can support consumer lifestyle needs, adds Ecotone’s Martins. “Sleep and relaxation are to key areas that consumers want support with, and we have two key SKUs – Clipper Sleep

Easy and Clipper Snore and Peace. We also have more innovation in the pipeline in the functional tea segment.”

Looking ahead

With coffee consumers increasingly seeking to replicate the out-of-home experience and achieve coffee shop quality at home, it is essential for retailers to communicate that premium products can be found and created across the at-home coffee fixture, argues JDE’s Morris. “It’s no longer just enough to have a core instant range – as incremental sales can be driven through premium and specialist offerings. With hot and iced lattes, cappuccino and americano being popular beverage choices for consumers, stocking a diverse selection of coffee products and flavours is key.”

In the tea aisle, meanwhile, the focus is set to remain firmly on the desire for natural and quality ingredients, say Ecotone’s Martins. “Demand for

Fairtrade and organic tea has soared, with Fairtrade tea sales up 14%¹⁷, while organic sales boomed by 43%. People are increasingly looking for options that are better for them and the planet.”

While another Covid-19 lockdown looks set to persist well into spring this year, UK consumers are no longer likely to be in blissful ignorance of what lies ahead. One certainty, however, is their continued love of a cuppa – be it coffee, tea, chocolate or a cold alternative – to

Sources

¹ <https://tinyurl.com/y42ssedb>

² <https://tinyurl.com/y5mxztj7>

³ Kantar, FMCG Panel, Total Tassimo, 52 w/e December 2020

⁴ IRI, 52 w/e 05.12.20

⁵ Kantar, WPO latest 52 w/e 12.06.20

⁶ Kantar, w/e 27.12.20

⁷ GfK, Hot Beverage Makers, Sales Value, Oct 19: Oct 20

^{8,9} Nielsen MAT data to 26.12.20

¹⁰ Figures from Dualit Ltd sales reporting

¹¹ IRI Grocery Outlets, Starbucks Value Sales, 52 w/e 02.01.21

¹² IRI Grocery Outlets, Core Coffee Value Share, 52 w/e

02.01.21

¹³ Data provided by Tata Consumer Products

¹⁴ Kantar, 12 w/e 07.09.20

¹⁵ Nielsen, Total Tea, MAT to 16.05.20. Major tea brand refers to those with >10% share of sales value (%)

¹⁶ Euromonitor 2020

¹⁷ Kantar, data to 14.06.20

Cold Comforts panel

¹ IRI Marketplace, Symbols and Independents, Volume data, 52 w/e 06.09.20

All About Food

Costa brings home the coffee

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↙ All About Food, in partnership with Costa Coffee, has continued to develop iconic Costa Coffee shop flavours into at-home formats, using the same recipes that they serve in their stores so consumers can enjoy their favourite ‘Costa At Home’, says the company. “Research has shown consumers miss the high-street, with visiting coffee shops being the second most missed activity after seeing friends and family in 2020,” it says.

“Innovation continued throughout last year, even with added complexities from suppliers due to the impact of Covid-19. There is a real consumer need for coffee shop flavours and innovation in grocery that is not currently being satisfied in the market. So, an accessible brand like Costa can provide shoppers with their favourite coffee shop experiences from the comfort of their own home.”

The 2020 Costa At Home marketing plan focused on bringing Costa platforms together under the umbrella of one total coffee company, it explains. “This led to exciting campaigns such as ‘Savour the Season’, which included At Home in out-of-home media with national coverage. Also, Costa launched online campaigns with retailer websites centred around shoppers being able to recreate their favourite Costa shop drinks at home while shops were closed.”

Sustainability will continue to be a key pillar of the Costa At Home strategy, it notes, with a focus on continuing to reduce the amount of packaging and increase the use of recyclable materials, where possible. “Consumers’ shopping habits are changing, with the impact on



“We wanted shoppers to be able to recreate their favourite Costa shop drinks at home whilst shops were closed”

the environment being a key purchase driver, so it’s increasingly important for shoppers to be able to buy sustainable coffee products from brands they trust.

2021 plans

“The Costa 2021 brand strategy is all about inspiring the world to love great coffee, through working with our key customers to deliver high-quality, coffee shop-inspired innovation and leveraging the strengths of being a coffee shop brand in retail,” it continues. “The focus is to build a disruptive brand-building approach in 2021 by operating as a total coffee company and continuing to be imaginatively progressive.

“Costa will be driving awareness of At Home range this year, focusing on Costa’s new Premium Instant coffee, which recently won Product of the Year 2021¹, designed to bring an accessible, great-tasting coffee shop branded range to more consumers. This will be in addition to above-the-line marketing campaigns, which, along with out-of-home advertising, will leverage access to all Costa channels such as social media, Costa stores and the 6 million Costa Coffee Club app users. All channels working together to drive consumers to the point of purchase in supermarkets.”



Source

¹ Kantar, Winner of Hot Beverages, Survey of 9,865 people

Wake up and smell the coffee shop

It may be lockdown, but we're still serving
great-tasting coffee – now in an instant



COSTA COFFEE

Hot beverages category winner. 9,865 people surveyed by Kantar in UK and ROI.

Boost Drinks

Give your shelves a Boost

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Boost Sport
Boost Protein
Boost Iced Coffee

Since launching its ready-to-drink (RTD) iced coffee SKUs, Double Espresso and Caffe Latte, Boost has seen its latest brand move from strength to strength, says the company.

Even though the launch back in March 2020 was hampered slightly by the Covid-19 outbreak, Boost was able to execute a fully integrated marketing plan, it adds.

“By working closely with all of our key wholesale partners, we delivered a compelling communications campaign covering both depot and online touchpoints,” it says. “The key indicator of Boost’s performance can be seen through category data, where we are now the number two iced coffee brand within Northern Irish independent convenience¹ and currently hold the number three position for unit rate of sale in independent convenience in Great Britain².

“The RTD iced coffee market continues to be an exciting, high-growth category, increasing by 49% year-on-year (YoY) and worth £25.6m within independent convenience alone³. Iced coffee truly is an exciting and attractive category that retailers should take advantage of for incremental sales.”

Spreading the message

Boost has been working closely with all of its wholesale stockists and many retailers to market its latest NPD.

“Through our long-standing close relationships, we have established joint business plans with key accounts in order to spread the message across the nation,” reveals the company. “In-depot theatre through point-of-sale and product sampling, combined with digital engagement through customer platforms and social media, has enabled us to be in the strong position we are in today.

“Distribution is a key factor in driving category sales, which is why the brand invested heavily to get its products, including coffee, out to as many independent retailers as possible. While Covid-19 has changed the way we do certain things, we explored new sampling opportunities that included



“The RTD iced coffee market continues to be an exciting, high-growth category”

door-drop sampling with money-off vouchers, directing consumers back in-store to purchase another can.”

Looking ahead, it adds, Boost plans to continue with its proactive approach. “In 2021, we are investing even more into our distribution campaigns, our joint business plans with customers and our trade media presence.”

New flavour launch

To further establish the range and cement the brand as a key player within the cold brew category, Boost is launching a third flavour into its portfolio – caramel.

“Caramel-flavoured iced drinks are the fastest-growing flavour (at 107% YOY) among all other variants⁴ and also the second-largest contributor in percentage unit sales⁵ within the market,” it says. “These category facts, combined with Boost’s ability to create a unique, great-tasting product, have resulted in the creation of the brand new Boost Caramel Latte.

“Stock will be available from 1 March in all major wholesalers and the Caramel launch will be supported by a multimedia campaign spanning across both trade and consumer formats. The full Boost Iced Coffee range can be purchased in 12 x 250ml £1 price-marked packs.”

Source
¹⁺²⁺⁴⁺⁵ IRI Marketplace Data, Symbols & Independents, Unit Sales, 52 w/e 07.09.20
³ IRI Marketplace Data, Symbols & Independents, Unit Sales, 52 w/e 29.11.20

COMING SOON

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**FASTEST GROWING
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**EXCLUSIVE TO
INDEPENDENTS**

**FASTEST GROWING
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**CHOOSE
NOW**



*IRI Marketplace Data Symbols & Independents 52 week unit sales to 1st November 2020

**£1.10 or below" RTE Iced Coffee price points are +221% YoY according to IRI Marketplace Data Symbols & Independents 12 week unit sales to 1st November 2020

Dualit

Sustainability for success

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KEY BRANDS

Dualit Aluminium Coffee Capsules
Dualit Compostable Coffee Capsules
Dualit EcoPress

“As more and more consumers are now working from home, coffee machines and coffee consumables have seen a rapid increase in sales,” says Alex Gort-Barten, director at Dualit.

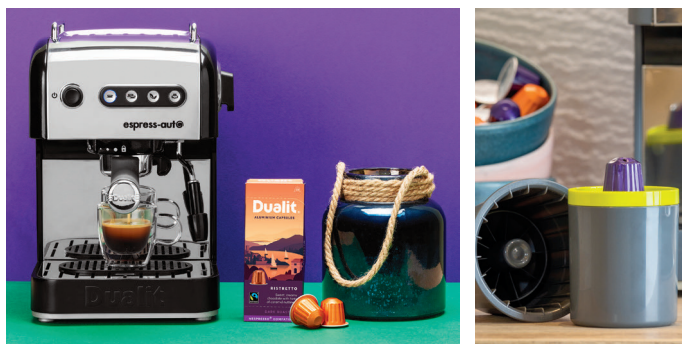
“For example, our Café Plus and Bean to Go Machines have seen sales increase by 149% and 67%¹ respectively, while sales of our coffee capsules have risen by 39%². This continuous increase has been evident across both our private-label customers and direct sales from Dualit.com. The key to remaining at the top of the market lies in offering consumers the best in taste, quality, fair trading and sustainability, in line with the growing awareness for reducing single-use plastic across the board.

“Dualit is a genuinely innovative, award-winning company that prides itself on its ability to adapt and evolve to consumer demand,” he says. “From producing the first industrially compostable+ capsule in the UK to our patented EcoPress Aluminium Capsule Recycler, we have made serious strides in sustainability. The facts speak for themselves; our Aluminium Capsules have seen an exponential growth with a 25% increase³ in sales year-on-year (July to December), while our EcoPress has performed extremely well since its launch in January 2020 as consumers discover how easy it is to use for quick and efficient home recycling. We’ve sold over 10,000 across Dualit.com and Amazon in the last six months alone.

“Our coffee capsules are now plastic-free on all our Dualit-branded packaging, while the capsules themselves are 100% recyclable,” he adds. “In fact, we have successfully reduced packaging overall by more than 50% since we started manufacturing Dualit and Nespresso®-compatible



Suitable for Nespresso™ drop-through capsule machines, excluding professional machines and 'built-in' models. Nespresso™ trademark is owned by Société des Produits Nestlé S.A.



“As more and more consumers work from home, coffee machines and capsules have seen a rapid increase in sales”

capsules in the UK in 2013. We have also expanded our popular Compostable+ Nespresso®*-Compatible Capsule Range, adding an Organic Colombian single origin, a new Colombian & Peruvian blend, and Intense and Lungo blends that were previously only available in plastic capsules. Offering organic-certified coffee consumables is a first for Dualit. The new flavours are also Fairtrade-certified.

“For those who require a personal touch, we will soon be offering four different pack sizes for the new Private Label capsules, to better accommodate customers’ demands. These will include 10-pack tube and single-layer 10 pack boxes, as well as 20- and 30-pack options – private-label configurations offered by few suppliers. Three different varieties of Private Label capsule will be available – aluminium, compostable or plastic – all of which are Nespresso®-compatible.”

Source

^{1,2,3} Figures from Dualit Ltd sales reporting
* Suitable for industrial composting through authorised food waste collection schemes.
* Nespresso® trademark is owned by Société des Produits Nestlé SA. Suitable for drop through machines only. Excluding professional machines and 'built in' models.



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+44 (0) 1293 652 500 info@dualit.com

EcoPress™ is compatible with all aluminium capsule brands.
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Ecotone UK

Brew the right thing

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KEY BRANDS

Clipper Teas
 Whole Earth
 Kallø

People who love tea, who care about their wellbeing, people and the planet, will find their perfect cuppa with Clipper Teas, according to Ecotone UK (formerly Wessanen UK).

Named by Clipper as ‘Generation Tea’, this growing, conscientious audience shares many values with the brand, it says. They focus on doing the right thing and prefer natural, quality products. They care about climate change and the people who make their tea.

“Transparency and traceability have become increasingly important for conscious consumers who want tea that tastes good and does good too – from sustainable packaging to ethical sourcing and organic ingredients,” explains Caroline Rose, Clipper Teas brand controller at Ecotone UK.

Made in Dorset, Clipper is committed to natural, fair and delicious tea. It was the world’s first to launch a tea bag that is not only unbleached and non-GM but is also plant-based and fully biodegradable. “Clipper is a brand with a heart. There’s a certain warmth and joy to it that comes from over 35 years of ethical and organic sourcing,” she adds.

To raise awareness with Generation Tea, Clipper launched its biggest campaign to date in 2020. It is still live across video-on-demand services and on social media.

Ethical and organic

One of the reasons consumers love Clipper is the brand’s long-standing partnership with Fairtrade. Clipper was one of the founding Fairtrade brands and helped to write the Fairtrade standards. Today, it is the world’s largest Fairtrade tea company. “Clipper’s Fairtrade contributions make a huge difference to the lives of over 114,000



“Generation Tea focus on doing the right thing and prefer natural, quality products. They care about climate change and the people who make their tea”

workers and their families every year. It supports growers to use sustainable farming methods that enhance wildlife biodiversity,” reveals Rose.

Clipper will work closely with the Fairtrade Foundation to amplify Fairtrade Fortnight in February, with targeted shopper marketing activations in-store and online. The brand is also committed to only working with organic producers to help reduce the amount of pesticides entering water systems, protect insects and ecosystems.

Tea-riffic sales

With more people staying at home in 2020, growth was experienced across the tea category, adds Rose. Clipper remained the fastest-growing everyday black tea and its Pure Green Tea was the best-selling in the market with an impressive growth of 31.1%¹.

“We adapted our business to meet growing demand from an increasingly online audience and experienced exponential growth in e-commerce,” says Rose. “Over 36bn cups of tea are drunk per year and household penetration is at 86%². If every one of those tea drinkers switched to Clipper, imagine the positive impact that could have on people and our planet.

“By stocking Clipper, retailers are helping consumers to make a difference, while also meeting their own CSR objectives,” she concludes. “We’re seeing more consumers discover the joy of drinking tea with a clear conscience and making every cup count.”



Source

¹ Kantar, 12 w/e 07.11.20
² Kantar, data to 14.06.20

BREW THE RIGHT THING



Plant-based



Biodegradable

At Clipper, we're committed to bringing you tea that is always natural, fair and delicious. From ethically sourcing the best, natural ingredients to ensuring our tea bags are plant-based, biodegradable and unbleached.

We make tea that's good for people and the planet.



clipper-teas.com



Mondelēz International

Inspiring at-home recipes

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 belVita
 Cadbury Biscuits
 Mikado
 Toblerone
 Oreo
 Ritz
 Barny

Consumption of hot chocolate at-home has increased. Within the market, Cadbury continues to delight shoppers as the number one supplier¹, says Susan Nash, trade communications manager at Mondelez International.

Brand highlights

The Cadbury brand has a wide product range offering traditional Drinking Chocolate, Instant Hot Chocolate and Cocoa, as well as low-calorie and less-sugar options.

Cadbury has grown by 17.5%² while Green & Black's has grown by 26.3%³, reveals Nash.

Cocoa saw the greatest increase, due to the rise in home-baking as shoppers tried new activities during lockdown. Cadbury Bournville Cocoa also grew during this period⁴, due to its flavoursome aroma, made from the same high-quality beans as the iconic chocolate bar, she adds.

New campaign

"This year, the brand is investing in a new media campaign, 'Make it Yours', which will help shoppers create their perfect mug of hot chocolate from the comfort of their home, inspiring them with Cadbury recipes," says Nash. "Running from 15 January, the campaign will remind consumers of the convenience and fun of at-home preparation.

"Excitingly, consumers could also win a £5,000 prize through an on-pack promotion of Cadbury's iconic



“Cocoa saw the greatest increase due to the rise in home baking as shoppers tried new activities during lockdown”

Drinking Chocolate⁵. Shoppers will have the opportunity to win a range of six sensational prizes of their choice, including a VIP trip to Wimbledon and a seaside staycation*.

"As well as this, there are thousands of hot chocolate kits up for grabs, giving shoppers a head start with their at-home creations."

To enter, she explains, shoppers must purchase a participating pack of Cadbury Drinking Chocolate 500g from their local store and enter the barcode on the website, makeityours.cadbury.co.uk. They can then pick their £5k prize to find out instantly if they've won a hot chocolate kit and also to be entered into the draw.

Continued category growth

"With shoppers continuing to put their trust into brands they know and love during times of uncertainty, we can expect the category to continue expanding in 2021, spurred on by exciting promotions such as this," says Nash.

"Retailers should continue to stock Cadbury, the number one supplier⁶, to maximise their hot chocolate offering in-store."

*T&Cs apply.



Source
 1,2,3,4,6 Nielsen, MAT RSV to 26.12.20

5 Running on Cadbury Drinking Chocolate, 500mg SKU



Make it Yours

Consumers pick their perfect

£5K[†] PRIZE

Plus 1000s of hot choc kits

CHOOSE FROM SIX SENSATIONAL PRIZES AT
makeityours.cadbury.co.uk

[†]Euro equivalent



Nestlé UK

An exceptional year

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Nescafé Azera Nitro
Nescafé Gold Blend
Nescafé Dolce Gusto
Nescafé Original

Hot beverages is a prominent category, with 97.6% of UK households purchasing at least one hot beverage product in the last year¹, says Nestlé UK. This incredible reach means that across the UK over 60bn cups are drunk each year², assuming all purchased volume is consumed. Such huge volume being purchased means that £2.4bn was spent on the hot beverage's category over the last 52 weeks, which means the average annual spend per buyer is £87.42³.

2020 saw many consumers spend more time at home, which caused the hot beverages category to have an exceptional year across all grocery outlets as it grew value sales by 10.2% against the previous year⁴. This was largely driven by the No.1 segment within hot beverages – coffee. Hot coffee accounts for 62.8% of value sales in the hot beverages category⁵ and increased value sales in 2020 by 12% versus 2019⁶.

Tea, as the second-largest segment in the category, did not manage the same excellent levels of growth as coffee as the segment only achieved 3.9% growth versus a year ago⁷, but this is the first time since 2017 that tea saw positive year-on-year growth⁸, so it was a great result for the segment.

Seeking indulgence at home

Coffee – and therefore the category – seems set for another amazing year in 2021 and, to capitalise on this, the key driver for retailers is that consumers will continue to seek indulgent coffee shop experiences in-home.

To cater for those seeking high-end coffee, retailers should provide a strong range for roast, ground and pod coffee. These segments of coffee saw the largest growth in 2020, with roast and ground coffee growing 19.7% and pods increasing 22.8% against the value sales accrued in 2019⁹.

Nescafé's partnership with Starbucks has seen the introduction of Starbucks' branded Roast & Ground and pod coffee sold through the grocery channel for in-home consumption, which perfectly fits this key driver for growth. Nestlé secured the global licence to sell



“With consumers spending more time at home, 2020 was an exceptional year for the hot beverages category across all grocery outlets”



Starbucks' consumer packaged goods for in-home consumption in 2018, so the brand is now becoming established, generating £40m in value sales in the last year¹⁰. This result meant the brand's value sales percentage increase against 2019 was 181.3%¹¹.

With such rapid growth, retailers cannot afford to ignore this thriving product range and should consider introducing these products to their customers.

However, it is important not to overlook the most valuable segment of the coffee sector: soluble coffee. Soluble coffee accounts for 50.8% of value within the coffee segment of hot beverages¹². The biggest brand within soluble coffee is Nescafé Original¹³; in the past year 4.1bn cups of Nescafé Original were drunk in the UK¹⁴. So, retailers are recommended to stock various sizes of Nescafé Original if possible, to deliver the right format for their customers' needs and the Nescafé 95g price-marked pack should be used to catch the eye of shoppers then convert them to purchase with the competitive price and power of the Nescafé Original Brand.

Source

- ¹ Kantar Worldpanel, Hot Beverages, penetration percentage 52 w/e 27.12.20
- ² Kantar Worldpanel, Hot Beverages, volume 52 w/e 27.12.20
- ³ Kantar Worldpanel, Hot Beverages, spend 52 w/e 27.12.20
- ⁴ IRI Grocery Outlets, Hot Beverages, value sales % change vs YA 52 w/e 02.01.21
- ⁵ IRI Grocery Outlets, Hot Coffee, value share 52 w/e 02.01.21
- ⁶ IRI Grocery Outlets, Hot Coffee, value sales % change vs YA 52 w/e 02.01.21
- ⁷ IRI Grocery Outlets, Tea, value sales % change vs YA 52 w/e 02.01.21
- ⁸ IRI Grocery Outlets, Tea, value sales % change vs YA 52 w/e 06.01.18 to 52 w/e 02.01.21
- ⁹ IRI Grocery Outlets, Hot Coffee sub-segments, value sales % change vs YA 52 w/e 02.01.21
- ¹⁰ IRI Grocery Outlets, Starbucks value sales 52 w/e 02.01.21
- ¹¹ IRI Grocery Outlets, Starbucks value sales % change vs YA 52 w/e 02.01.21
- ¹² IRI Grocery Outlets, Core Coffee, value share 52 w/e 02.01.21
- ¹³ IRI Grocery Outlets, Core Coffee Brands, value share 52 w/e 02.01.21
- ¹⁴ Kantar Worldpanel, Nescafé Original, volume 52 w/e 27.12.20

MAKE IT *yours* AT HOME.



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Tata Consumer Products

A great way to seize the year

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- Loose Teas**
- Bold English Breakfast
- Crème Earl Grey
- Rooibos Chai
- Cloudmist Green

- Biodegradable Tea Bags**
- Tropical Mango & Moringa
- Moroccan Mint
- Rooibos Chai
- Crème Earl Grey
- Ginger Turmeric & Lemon
- Cloudmist Green
- Hibiscus Rose & Sweet Berries
- Bold English Breakfast

- Kombucha**
- Original
- Ginger
- Pomegranate & Blueberry

With the hope for a more positive and healthy year comes an opportunity to take a fresh look at life and how we live and do business. New products, new tastes and new approaches to market, sprinkled with a re-evaluation of our lives and priorities, will push us and the planet to the top of the agenda, says Good Earth.

Shoppers are demanding more from the products they buy. Pockets are tight, but the desire for good, healthy food and drink is right up there. Shoppers want natural products, good alternatives to sugary drinks and less boring options during a health kick or alcohol-free drive. There's a rumour about that the year will see an end to lockdown elasticated trousers and scruffy, out-of-camera bottom halves too!

A change for good

As the newest brand from the Tata Consumer Products' stable to enter the UK, Good Earth is a little bit different from the norm, says the company. "Yes, we've a bang-on-trend range of teas, both loose and in biodegradable bags, and a great-tasting range of organic kombuchas, but what's different is the influence of our Californian vibe," explains Tata. "We've been in the business of fruit and herbals for half a century and we've learnt a thing or two about taste and experience.

"Our teas are made from the finest of sustainably sourced ingredients, our loose teas are a simple choice of indulgence and our tea bags burst with whole leaf ingredients, which punch flavour with every sip.

"We're really excited about our range of Good Earth Kombucha and have great plans for more colds this year. With a base of finest Rainforest Alliance Certified Kenyan teas and live cultures, the range has been carefully and lovingly developed delivering a refreshing and delicious tasting drink with lower acid levels and no alcohol.*"

Although a small brand, Good Earth says it is making a big noise in the market. "Our teas have already gained 1% market share of tea sales in the retailer where we launched last spring,



“Pockets are tight, but consumers’ desire for good, healthy food and drink is right up there”

and Good Earth Kombucha sales are clicking good through a well-known online retailer.

"With routes-to-market through wholesale growing, the future's looking bold and bright for Good Earth, which is a good thing, as shoppers want so much more from their food and drink choices today," it adds. "Most shoppers, but particularly younger groups, want an obvious step-up in taste and experience that matches the little bit extra they spend for quality, then top this with the need to shop with a conscience.

"We're good there too; all Good Earth ingredients come from nature and are free from added sugars and any other nasties. The same applies to our packaging – it comes from nature and can return to nature. What's more, being active partners of the '1% for the Planet' initiative, we're giving back to the planet with donations to not-for-profit causes."

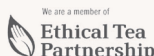


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www.goodearth.co.uk

Follow us on Instagram [@goodearth.uk](https://www.instagram.com/goodearth.uk)

*Kombucha - Winner Chilled Fortified Drinks Category, Survey 9,865 People by Kantar

Tata Consumer Products

Exploring a new route for tea

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- Tetley Extra Strong
- Tetley Earl Grey
- Tetley Redbush
- Tetley Green Pure
- Tetley Green Lemon
- Tetley Green Decaf Pure
- Tetley Flavoured Greens
- Tetley Herbals
- Tetley Super Greens
- Tetley Super Fruits
- Tetley Super Herbals
- Tetley Cold Infusions
- Tetley Super Squash

As the desire for normality in 2020 led to an increase in consumption of certain food and drinks, the disruption to normal life brought about a shift in consumer behaviour.

Driven by increased home time and the realisation that tea is a good beverage to get into the habit of drinking, consumption and sales have grown and tea has recaptured hearts. Bit by bit, the ‘good for you’ qualities of tea – as a natural beverage that can help keep people hydrated throughout the day – have hit home.

Healthier segments have performed well. Fulfilling a need for different tea occasions throughout the day and ticking the health box, decaf, fruit and herbal and redbush grew significantly last year, says Tetley. Functional teas have done well, with Immunity and Multivitamins in greatest demand.

Review and reshuffle

The need to retain new drinkers, nurture light consumers and grow sales from loyal tea drinkers should influence category strategies for 2021.

While boosting health and immunity will remain front of mind, harder economic times will require a different approach on-shelf. Smaller entry-point packs and more balanced promotions that support household budgets will help to retain and support shoppers.

Lean growth expectations for everyday black and the importance tea shoppers ascribe to brands make regular review of the shopper offer key. Ensuring the standout and availability of best-sellers, as well as removing unnecessary brand or pack duplications, will help to deliver a more frictionless shopper experience.

Drawing a new generation to tea

The Tetley Super range and new Tetley Herbals are attracting a younger generation. However, the lessons of the successful journey that consumers are taken on in the coffee category need to be applied to tea. The trade-up journey in black tea could be made more explicit to consumers as it’s here that the biggest group of tea drinkers lie. Many will be happy to spend



“The lessons of the successful journey that consumers are taken on in the coffee category need to be applied to tea”

a little more for an improved taste experience and Tetley’s new product development programme is geared to take consumers on this journey.

To cater to all segments of the market, Tata Consumer Products has widened its UK brand portfolio, giving shoppers a progressive map of tea experiences – ranging from Tetley, the familiar go-to brand in tea, stepping up to the rich experience of the Good Earth brand and, at the high end, Tea Pigs with their ‘treat for me’ experience.

It’s not all about hot, however; as seasons warm and more freedom is realised, there will be more opportunities for on-the-go hydration solutions, such as Tetley Cold Infusions and Good Earth Kombucha.

Tata says it will continue to invest behind Tetley in 2021, with television and social and partnership work with key retailers to trial dual sitings and provide insight that can help steer future in-store locations.



Brewing a better future

Our commitments to making our great tasting cuppas more sustainable

Zero Waste to Landfill



All our factories are zero waste to landfill

100% Recyclable



Tetley has signed up to the UK Plastics Pact with a commitment that all our packaging will be reusable, recyclable or compostable by 2025

100% Certified



We're proud that all our teas are Rainforest Alliance Certified™. This means our teas have been purchased from certified farms monitored to meet rigorous environmental and social standards



£1.2m

Investment to help support communities at home and abroad

From childhood development centres and solar lighting at tea plantations to supporting families of the UK food industry, our investment will enhance the health and livelihoods of neighbourhoods near and far



Zero % Our UK sites* don't contribute to CO2 emissions

We are a proud supporter of green energy. All our UK sites use 100% certified green electricity, as well as using energy from our biomass boiler and solar farm site

*Information based on energy used at UK facilities

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Now we're talking

Taylor's of Harrogate

Especially for coffee-lovers

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Taylor's Espresso ground and beans
Taylor's Cafetière ground
Taylor's Latte ground and beans

Taylor's of Harrogate is well-known for its Lazy Sunday and Rich Italian blends, but in November the company launched a new range to combat the nation's growing confusion around coffee – and it's already proving popular, reveals Kelly Wright, senior brand manager.

“The consumer need for proper, simple coffee is at the heart of our ‘Especially For’ range and, as such, it has been created with the end-drink in mind,” she explains. “We have named the coffees after the drinks they make and gone bold with colourful packs that stand out on-shelf.”

As an instant coffee-drinking nation, there is a huge opportunity to welcome new drinkers into the world of in-home premium coffee by being an antidote to the unnecessary complexities that currently exist, says Wright. “Proper coffee can be intimidating,” she says. “The degree of choice and wording in the coffee aisle makes buying proper coffee a confusing experience. In fact, 57%¹ of consumers say they would be more likely to purchase coffee if it was simple.

“We also know that proper coffee is something consumers want. Loads of coffee lovers have upped their game during lockdown to make proper coffee at home with cafetières and espresso machines, so this couldn't be a better time to bring out a range made especially for them.”

The new blends have been crafted to taste their best when made a certain way, says Wright. “For example, the grind of our espresso blend is fine to



“57%¹ of consumers say they would be more likely to purchase coffee if it was simple”

ensure the shot brews for the optimal amount of time. The range offers three blends – Espresso and Latte ground and beans and Cafetière ground – and each has an RRP of £3.79. The Espresso and Cafetière coffees launched in Waitrose in November. All three blends, including Latte, will be arriving in more supermarkets early this year.”

‘Big bang’ media spend

In terms of marketing, the range will be supported from April with a “big bang” £4m advertising campaign, including TV, shopper and digital. “Consumers can expect to see the same quirky tone of our hugely successful coffee bags campaign, which will continue to inject personality into the Taylor's brand,” adds Wright.

“Looking ahead over the next year, our new ‘Especially For’ range is our main focus for 2021, but we will continue to support coffee bags. Coffee bags as a category has seen huge growth of 63.4%, with Taylor's of Harrogate contributing to 86%² of that growth. However, penetration is still low, which gives us plenty of opportunity to encourage more consumers to trade up from instant.

“As a brand, our mission is to free UK coffee-lovers from confusion and compromise, so you can expect to see more of this messaging from us in 2021.”



Source

¹ TI Media Lens results from 151 UK working adults
² IRI Value Sales, 52 w/e 05.12.20

Coffees created with the end drink in mind.

It's that simple.



57% of respondents would be more inclined to purchase
a coffee product if there was a 'simple' offering*

Available now!

Source: TI Media Lens results from 151 UK working adults

Ueshima Coffee Company

Japan's No.1 coffee enters UK

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KEY BRANDS

Ueshima Coffee Company,
coffee blends include:
Tokyo Roast
House Blend
Fuji Mountain

UCC Coffee Europe has launched a new coffee brand, backed by UCC Group (Japan) – a global coffee company with a €2.58bn¹ annual sales revenue. The launch of Ueshima Coffee Company brings Japan's number one coffee to the UK for the first time and it plans to challenge the European coffee brands currently driving the global coffee market.

Established in Kobe in 1933, Ueshima is driven by its founding principles of craftsmanship, innovation and sustainability. Its launch range delivers unique, sustainable and premium coffees that represent an authentic taste of Japanese coffee culture, it says.

Paul Molyneux, CEO, UCC Coffee Europe, says: "The Ueshima launch is a key move for UCC. We have capitalised on the rich experience of our Japanese coffee business to develop the brand, which has been honing its craft and expertise for over eight decades. This is a single-minded launch that taps into the biggest growth opportunities in the market and will bring a new coffee experience to consumers who appreciate a distinctive cup of coffee."

Integrated marketing

Kirsty Pavely, group senior brand manager, UCC Coffee Europe, adds: "For over 85 years, Ueshima has been regarded as Japan's No.1 coffee, with a 36% market share² in retail and a network of coffee shops across the country. From creating the world's first ready-to-drink canned coffee, to cutting-edge roasting and filtering techniques, Ueshima has been at the heart of Japanese coffee culture."



"This is a single-minded launch that taps into the biggest growth opportunities in the market"

"To introduce Ueshima to the UK, we are kicking off with 'Respect the Ritual' – an engaging integrated marketing campaign that celebrates Ueshima's heritage and introduces the Japanese practice of 'Takumi', the pursuit of perfection without compromise, to a wider audience," she reveals.

"The last year has meant we must respond to new consumer behaviour. So, our 'Respect the Ritual' campaign will be a direct and digital approach, covering e-commerce, PR, social media and influencers, shoppable ads, PPC and Google Ad Words.

"Today's consumer wants a brand with a story to tell and strong stand-out on shelf – and the Ueshima range does just that, appealing to every type of coffee drinker, from Nespresso® compatible capsules to beans, roast and ground, and coffee bags, in three inspirational blends – Tokyo Roast, House Blend and Fuji Mountain. These have been developed using original recipes and modern roasting profiles to suit European tastes.

"We're committed to minimising waste, and our range is recyclable – either through local waste streams³ for cardboard and coffee bags or via our partnership with TerraCycle⁴.

"For us, coffee is more than just a drink; we hope to bring new people into the category and educate them about the unique Japanese coffee culture."



Source

- 1 Y327 billion, <https://www.ucc.co.jp/eng/company/profile/group.html>
- 2 SRI 2019 (Jan-Dec), Coffee Sales Data
- 3 Individual coffee bag – industrially compostable, check with local council
- 4 UK only, with roll-out to further territories planned

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KEY BRANDS

PG tips

With over 33 billion tea bags enjoyed by tea-lovers every year in the UK¹, there is a huge opportunity to cut down the environmental impact of our daily brew, says Unilever. Last year, the nation's favourite cuppa², PG tips, made history by completing the transition to biodegradable tea bags across its entire range of boxes, it reveals. This year, the brand is going one step further, by working to remove the plastic wraps across its boxes to create a fully plant-based range in 2021.

Fiachra Moloney, tea director at Unilever UK&I, comments: "As the nation's largest producer of tea bags³, it is our responsibility to lead the way when it comes to helping people make more sustainable choices. Creating a fully plant-based range has not come without its challenges, but we're glad to be in a position to offer a more sustainable cuppa, without compromising on the great taste we're known and loved for."

The journey

With shoppers now five times more likely to buy sustainable products⁴, there's a clear demand for a cuppa that not only tastes good but does good for the planet, says Moloney. "PG tips is the first major black tea brand to make the transition to biodegradable tea bags and has already turned its attention to wrap-less boxes, setting itself an ambitious goal to remove the plastic overwrap across the full range by the end of 2021," he says. "What's more, PG tips has also made a big step to convert its Manchester factory, where the tea is blended and packaged, to become fully carbon-neutral, with 100% of the energy used coming from renewable sources."

On the big screen

With more people brewing their own cuppas in the comfort of their homes during lockdown, PG tips wanted to highlight the benefits of opting for "one of the most sustainably packaged teas on the market", says Moloney. To spread the word, the brand invested in a substantial £3.6m above-the-line campaign last year, which was led



“There’s a clear demand for a cuppa that not only tastes good but does good for the planet”

by a prime-time TV advert. The ad featured a young girl hosting a tea party, where she tells her toy companions how each small sustainable choice can make a big difference. This was designed to highlight the confidence and ease that younger generations feel about accepting change, and inviting everyone to join them.

Moloney continues: We wanted our TV campaign to have a warm and heartfelt message that encouraged tea-lovers to question what their tea bags are made of and get them to think about making the switch to a more sustainable cuppa. It has never been more important to take care of our planet and, with this advert, we wanted to show that with small changes like switching to a fully plant-based tea, we can make a big difference.

Make the switch

“With the biodegradable range from PG tips, enjoying the same great-tasting cuppa and making the sustainable switch to help our planet has never been easier,” concludes Moloney.

● For more information, retailers can visit pgtips.co.uk for details of the sustainable offering from PG tips.



Source

- ¹ Kantar, 52 w/c 27.12.20
^{2,3} Nielsen, Highest volume sold in kg, from volume (kg), Normal Black Tea, MAT w/c 26.12.20
⁴ Nielsen, Volume (kg), MAT 19.11.20



Make the sustainable switch with PG tips

THE NATION'S FAVOURITE CUPPA*



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Supported with a **£3.6M** ATL campaign

Consumers are **5X** more likely to buy sustainable products***

*Nielsen Volume (kg) MAT 26.12.20. **Major tea brand refers to those with >10% share of sales value (%) Nielsen total tea MAT 26.12.2020. ***Harvard Business Review: Research: Actually, Consumer Do Buy Sustainable Products.

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