

CATEGORY ADVICE 2023

HOT BEVERAGES



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Market Insight

CATEGORY ADVICE
2023

Total Hot Beverages is worth £294m in Convenience, up +2.8% YOY.

Coffee forms 66% of the category, worth £194m and is in growth +2.3% in Convenience.

(IRI & Kantar, Value, 52 w/e 15th July 2023 Total Convenience)

Instant Coffee is 74.35% of Hot Coffee sales within the Convenience Channel.

Nescafe holds 65.06% share of the value sales for Instant Coffee in the Convenience channel, however in the past 52 weeks Private Label has increased its value sales of Instant Coffee in the channel by 13.8%.

(IRI Total Convenience Channel, 52 w/e 15th July 2023)

R&G Coffee forms 11% of the category and is worth £34m to the Convenience channel.

Taylor's of Harrogate is the number one brand in Roast and Ground and boasts a 20.6% YOY value growth in the Convenience channel.

(IRI & Kantar, Value, 52 w/e 15th July 2023 Total Convenience)

Tea sector is worth £83m in Convenience, forming 28% of the category.

Convenience deliver strong growth of tea, up +3.8% in Convenience. Convenience drive sales value growth across all tea sectors, out-performing the market, and gaining share.

(IRI & Kantar, Value, 52 w/e 15th July 2023 Total Convenience)

Shoppers are switching into healthier, decaffeinated options.

Decaf is worth £4.8m and boasted +6.4% growth YOY in the Convenience channel.

(Kantar, 52 w/e 12th June 2023)

Opportunities to increase range in Convenience. Also look to offer a range of speciality black to drive up pence per cup.

Fruit & Herbal teas cater for a different type of shopper and this is now the second biggest segment in Tea, accounting for 13% of all sales.

Green tea has a loyal shopper base and accounts for 4% of all Tea sales.

(Nielsen, GB Total Convenience, 52 weeks to 17.06.23, Value Sales)

Total Hot Chocolate and Malted Drinks are worth £19.3m with sales +6% and Unit growth of 4.7%.

(IRI, GB Convenience, 52 weeks to 10.06.23)



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The current cost of living crisis could create shifts in the usage of c-stores as shoppers focus on adopting savvy-shopping techniques including reducing the number of top up shops at c-stores. **Drive value message in store to retain shoppers.**



Focus on improving impact and targeted promotions.

As inflation continues to rise, and budgeting becomes more of a core behaviour, looking for savings will be of a heightened importance to shoppers in order to save money.

Nearly half (48%) of convenience shoppers like price marked packs as a way to communicate value.

(IGD Shopper Vista, May 2021)

Use the right pack sizes to fit with the shopper mission and to suit the channel's typical basket spend.

80's pack of tea and 100g jars of coffee are a great pack size to cater for the top-up mission. Use smaller, lower price points packs such as 40's pack of tea and 50g jars of coffee to cater for the distress mission.



Optimise fixture by capitalising on growing formats and trends. Extend into the areas of growth that are contributing the largest absolute value to the category, like Fruit & Herbal, Speciality, Decaf and Green Tea, and meet the changing needs of shoppers as well as driving repertoire purchases.

(Nielsen Independent & Symbols data to 01.07.23)

Within coffee, capitalise on the growth of premium segments. Drive trade up and basket spend through expanding range and visibility of Microground and Roast & Ground in store.



Ensure Hot Beverages are easily located in store, ideally adjacent to associated categories such as Sugar, Biscuits, Cakes and Morning Goods. This will inspire shoppers and increase basket spend.



Must Stock Lines

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These are the 'Must Stock' lines which shoppers expect to see in a convenience store. By stocking these lines, you will be meeting your shoppers' needs and therefore they will visit your store again.

TEA



1

2

3

4

5

6

7

8

9

SPECIALITY TEA

INSTANT COFFEE



10

11

12

13

14

15

16

17

18

19

20

21

22

23

PREMIUM COFFEE



24

25

ROAST & GROUND COFFEE



26

27

SPECIALITY COFFEE



28

29

HOT CHOCOLATE & MALTED DRINKS



30

31

32

33



Must Stock Lines

CATEGORY ADVICE
2023

1



PG TIPS PM £2.79 80'S
232G
SKU CODE: 810721

2



PG TIPS PM £1.49 40'S
116G
SKU CODE: 808391

3



TETLEY ORIGINAL PM £2.89 80'S
250G
SKU CODE: 792047

4



TETLEY TEA BAGS PM £1.59 40'S
125G
SKU CODE: 789904

5



TETLEY DECAF TEA BAGS PM £1.99
40'S 125G
SKU CODE: 789915

6



YORKSHIRE TEA PM £3.29 80'S
250G
SKU CODE: 796126

7



TWININGS EARL GREY TEA BAGS
40'S 100G
SKU CODE: 815930

8



TWINING PURE GREEN TEA 20'S
50G
SKU CODE: 332734



Must Stock Lines

CATEGORY ADVICE
2023

9



**TWINING PURE PEPPERMINT 20'S
40G**
SKU CODE: 568374

13



**NESCAFÉ GOLD BLEND PM £3.99
95G**
SKU CODE: 814579

10



**NESCAFÉ ORIGINAL PM £1.99
50G**
SKU CODE: 811507

14



**KENCO REALLY SMOOTH PM £4.89
100G**
SKU CODE: 814928

11



**NESCAFÉ ORIGINAL PM £3.49
95G**
SKU CODE: 814580

15



**KENCO REALLY RICH PM £4.89
100G**
SKU CODE: 814929

12



**NESCAFÉ ORIGINAL DECAF PM £3.49
95G**
SKU CODE: 814578

16



**DOUWE EGBERTS GOLD PM £5.29
95G**
SKU CODE: 814925



Must Stock Lines

CATEGORY ADVICE
2023

17



**BEST-ONE INSTANT COFFEE PM £1.79
100G**
SKU CODE: 816154

20



**NESCAFÉ 3 IN 1 ORIGINAL PM £1.10
17G**
SKU CODE: 814477

18



**BEST-ONE GOLD ROAST FREEZE DRIED
PM £2.39 100G**
SKU CODE: 811753

21



**NESCAFÉ 3 IN 1 CARAMEL PM £1.10
17G**
SKU CODE: 814478

19



**BEST-ONE RICH ROAST INSTANT COFFEE
PM £1.99 100G**
SKU CODE: 797692

22



**NY COFFEE 3 IN 1 ORIGINAL PM £1.07
12 PACK**
SKU CODE: 496880



Must Stock Lines

CATEGORY ADVICE
2023

23



NY COFFEE 3 IN 1 SALTED CARAMEL
PM £1.09 12 PACK
SKU CODE: 679511

26



LAVAZZA QUALITÀ ROSSA PM £4.49
250G
SKU CODE: 811996

24



NESCAFÉ AZERA AMERICANO PM £4.59
100G
SKU CODE: 814581

27



TAYLOR'S RICH ITALIAN GROUND
ROAST COFFEE 227G
SKU CODE: 696614

25



L'OR CLASSIQUE
100G
SKU CODE: 800354

28



NESCAFÉ GOLD CAPPUCCINO PM £2.79
8'S 124G
SKU CODE: 813265



Must Stock Lines

CATEGORY ADVICE
2023

29



NESCAFÉ LATTE PM £2.79 8'S
124G
SKU CODE: 813266

32



HORLICKS TRADITIONAL MALTED DRINK
PM £2.99 270G
SKU CODE: 816028

30



CADBURY DRINKING CHOCOLATE
PM £2.49 250G
SKU CODE: 817476

33



OVALTINE
300G
SKU CODE: 803624

31



GALAXY HOT CHOCOLATE PM £2.25
250G
SKU CODE: 786623



**For more information including planograms
and advice on other key ranges, go to
www.bestwaywholesale.co.uk/categoryadvice**