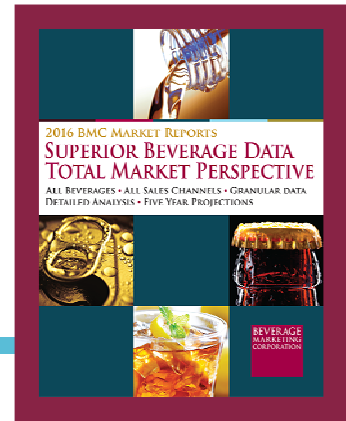


U.S. READY-TO-DRINK TEA THROUGH 2020

2016 EDITION (Published September 2016. Data through 2015. Market projections through 2020.) More than 250 pages, with extensive text analysis, graphs, charts and more than 90 tables.



This report from Beverage Marketing Corporation examines the total U.S. tea market with a focus on ready-to-drink tea. It provides data on regional markets as well as leading companies and brands. RTD tea packaging, distribution, advertising expenditures and demographics are discussed in detail. The report also projects the market five years into the future. Also covers kombucha.

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HAVE
QUESTIONS?

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THE ANSWERS YOU NEED

U.S. Ready-to-Drink Tea through 2020 provides in-depth data and market analysis, shedding light on various aspects of the market through reliable data and discussions of what the numbers really mean. Questions answered include:

- What are the latest trends behind RTD tea's performance in the U.S. market?
- How many gallons of RTD tea did U.S. residents consume in 2015 and the early part of 2016?
- What is the latest news regarding organic tea?
- How has RTD tea fared in comparison with the broader New Age beverage category?
- How has the RTD tea packaging mix changed in recent years?
- What are the principal distribution channels for hot and RTD tea?
- Which price segment of RTD tea will grow the most to 2020?

THIS REPORT FEATURES

U.S. Ready-to-Drink Tea through 2020 offers an in-depth look at the category, companies and brands shaping the RTD tea market and the market drivers impacting current and anticipated growth through 2020. It provides perspective on the segment and its many facets, providing sales and volume statistics including total-market retail dollar sales, wholesale dollar data and volume data. Through a combination of discussion backed by Beverage Marketing's reliable, all-sales-channel-inclusive data, users get a thorough understanding of all facets of the RTD tea market including:

- Discussion and dollar sales of the New Age beverage market, as well as volume and dollars for the various tea segments and analysis of U.S. and global tea trends.
- An overview of the New Age market, as well as diet vs. regular RTD tea trends, pricing and per capita consumption. Quarterly RTD tea market growth data is also provided
- A look at the tea market by price segment, breaking out five tiers from regular and fountain through superpremium
- Detailed profiles and analysis of the leading companies and brands, discussions of their marketing activities and distribution strategies as well as company and brand sales volume data. Coverage includes Pepsi-Lipton Tea Partnership, Coca-Cola Company, Dr Pepper Snapple, Ferolito, Vultaggio & Sons and others
- A look at wholesale dollar sales and case volumes for leading RTD tea brands including Arizona, Lipton, Gold Peak, Fuze, Nestea, Teas' Tea, Peace Tea, Honest Tea, Turkey Hill, Milo's, SoBe, Mystic and more
- Regional consumption patterns of RTD tea volume, as well as regional breakdowns of wholesale dollar sales and regional per capita consumption
- A look at hot-fill and cold-fill trends and volume by package type, including plastic, cans, glass and paperboard carton
- Data detailing volume by key distribution channels totaling 100% of market volume

- An overview of the kombucha and organic tea markets
- Advertising expenditures of the leading RTD tea and hot tea companies and a look at category spending by media type (including Internet and Spanish-language network advertising)
- Consumer demographic profiles comparing consumers of key RTD tea brands
- Data on green and black tea imports and exports
- Five-year projections for the overall tea market as well as RTD tea and its sub-segments

U.S. Ready-to-Drink Tea through 2020

September 2016



RESEARCH • DATA • CONSULTING

NOTE: The information contained in this report is confidential and solely intended for the benefit of the immediate recipient hereof.

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Specialty teas such as green tea, herbal tea and chai that have provided verve to the hot tea market, have also found their way into the RTD tea segment. These so-called superpremium teas emerged in part to fill a vacuum in the existing marketplace.

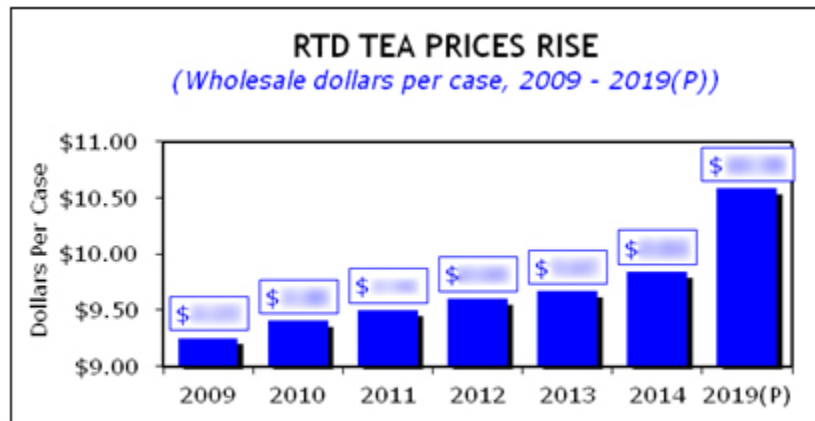
- Green tea has a more healthful image than black tea, a fact recognized by Arizona when it released its line of green teas, which are among the company's most successful products.
- As in other beverage segments where consolidation has taken place, new RTD tea entrants may need to find an unfulfilled niche in an attempt to differentiate themselves.
- Foremost among these, at least in the public eye, has been Honest Tea, started in Bethesda, Maryland, by a financial services executive, Seth Goldman, and his business school professor Barry Nalebuff.
- Goldman began with some home-brewed teas in unlabeled Snapple bottles that he took to the local Whole Foods buyer. Offered in intriguing flavors like Moroccan Mint and offering a lower sweetness level than conventional iced teas, the line went beyond the "all natural" claim of entries like Snapple to certified organic status, offering a strong differentiator, easing its way into natural foods stores and offering a nod of reassurance to consumers for whom organic, like kosher before it, may be becoming a general badge of quality. Honest Tea has also fostered an image of social responsibility that appeals to those upscale consumers who may be attracted to such a concept.
- Japanese company Ito-En has also targeted consumers looking for "better" products. Following the example of Honest Tea, which demonstrated that not all consumers are seeking teas that are drowned in sweetness, Ito-En introduced a line of unsweetened green teas that found unexpected consumer acceptance.
- These superpremium teas appeal to consumers who might not otherwise purchase RTD tea, thus providing an increasingly significant, incremental volume increase to the segment. Even beyond their actual volume contribution, superpremium teas have improved the image of RTD tea and have helped push the larger players to make RTD products better in terms of ingredients and health bona fides.
- For example, Coca-Cola developed a premium brand styled Gold Peak, which has made inroads into the market by growing at a very brisk pace. In addition, Coca-Cola gained complete ownership of Honest Tea in February 2011, after previously taking a 40% stake in the company.

**THE NATIONAL RTD TEA MARKET
SHARE OF VOLUME BY PRICE SEGMENT
2009 – 2019(P)**

Segment	2009	2010	2011	2012	2013	2014	2019(P)
Regular	45%	44%	43%	42%	41%	40%	39%
Premium	15%	16%	17%	18%	19%	20%	21%
Popular Priced	25%	26%	27%	28%	29%	30%	31%
Fountain	10%	11%	12%	13%	14%	15%	16%
Super Premium	5%	6%	7%	8%	9%	10%	11%
TOTAL	100%	100%	100%	100%	100%	100%	100%

(P) Projected

Source: Beverage Marketing Corporation



(P) Projected

Source: Beverage Marketing Corporation