

Hot Drinks: Quarterly Statement Q3 2020

September 2020

Table of Contents

INTRODUCTION

Scope

Euromonitor International and Coronavirus: forecasts and analysis

Hot drinks COVID-19 data and reporting timeline

Key findings

Q3 MACROECONOMIC UPDATE

Global economy will contract sharply in 2020

In our baseline view, the pandemic slows in the second half of 2020

Three scenarios examining the impact of a more severe outbreak

Our view in short

Forecast real GDP growth in 2020 under different scenarios

Q3 HOT DRINKS UPDATE

Updated Quarterly Forecast for Q3: baseline vs quarterly update

Largest upgrades/downgrades

Coffee, tea and other hot drinks all see downgrades

Premiumisation still a key driver in coffee and tea

The four types of growth markets mapped

All four types are impacted, but recovery will be easier for some

Soft drivers and the Industry Forecast Model

Soft drivers: how we quantify these COVID-19 specific effects in the IFM

Unilever moves ahead with plans to divest tea division

Routes to disruption in hot drinks

A new approach to beverages: vending, RTD and shops

Nestlé's half-year results show strong coffee performance

Starbucks' long-term bet on away-from-home dents Q3 results

Factors to watch for the remainder of 2020

ABOUT OUR INDUSTRY FORECAST MODEL

About Euromonitor International's Industry Forecast Model

Soft drivers and the Industry Forecast Model

Growth decomposition explained

Significance and applications for growth decomposition

Key applications for Industry Forecast Models

About Euromonitor International

Euromonitor International is an independent market intelligence provider. Data, insight and analysis stem from in-the-field research spanning 210 national markets.

Content ranges from the in-depth and country-specific, to key strategic themes with a global range and significance. Products cover a comprehensive range of insights and market data, but can be broadly categorised as:

- **Strategy Briefings:** Global or regional in scope, and focussing on the most important themes shaping consumer demand, the key markets, competitive environment and future outlook across a range of industries.
- **Company Profiles:** Analysis dedicated to the world's most significant companies, with detailed insight into their activities, focus of operations, their competitors, their geographic presence and performance.
- **Country Reports:** For an in-depth understanding of specific countries, whether by industry, economic metrics or consumer trends and lifestyles. These reports cover current trends, consumer demand, market potential and future prospects, with country-specific local insight and comprehensive data, unavailable elsewhere.

For more information on this report, further enquiries can be directed via this link www.euromonitor.com/hot-drinks-quarterly-statement-q3-2020/report.