

Inflation Surge: Soft Drinks in Asia Pacific

October 2022

Table of Contents

INTRODUCTION

Scope About Via from Euromonitor International

REGIONAL OUTLOOK

Regional outlook continues to remain challenging Substantial inflation increases expected amid rising economic uncertainty

INFLATION IN SOFT DRINKS

The many layers of global inflation Deconstructing inflation drivers for the soft drinks industry Company impact: Varying strategies adopted by soft drinks players Company impact: Direct unit price increase the most common strategy Consumer impact: Inflation set to impact low-income consumers in developing markets Consumer impact: Inflation set to drive consumers' demand for value for money products Carbonates: Both Coca-Cola and PepsiCo face challenges in absorbing costs Price hike in carbonates more visible in Asia's emerging markets Case study: Vietnam's Coca-Cola focus on smaller pack sizes to drive growth RTD tea: Players in Asia Pacific adopt a mix of strategy in light of inflationary pressures Price hike in RTD tea more prominent in South Korea, Thailand and Vietnam e-commerce Case study: Vietnam's C2 observes increase in unit prices for single-serve pack sizes Case study: Indonesia's Teh Pucuk Harum sees stable price movements in common SKUs Energy drinks: Players seek to maintain price amidst growing inflationary pressures Price hike in energy drinks more prominent in developing markets of Asia Pacific Case study: M-150 energy drink in Thailand price hike attributed to 150ml pack size How much pricing power do soft drinks companies have in an inflationary environment? Conclusion

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/inflation-surge-soft-drinks-in-asia-pacific/report.