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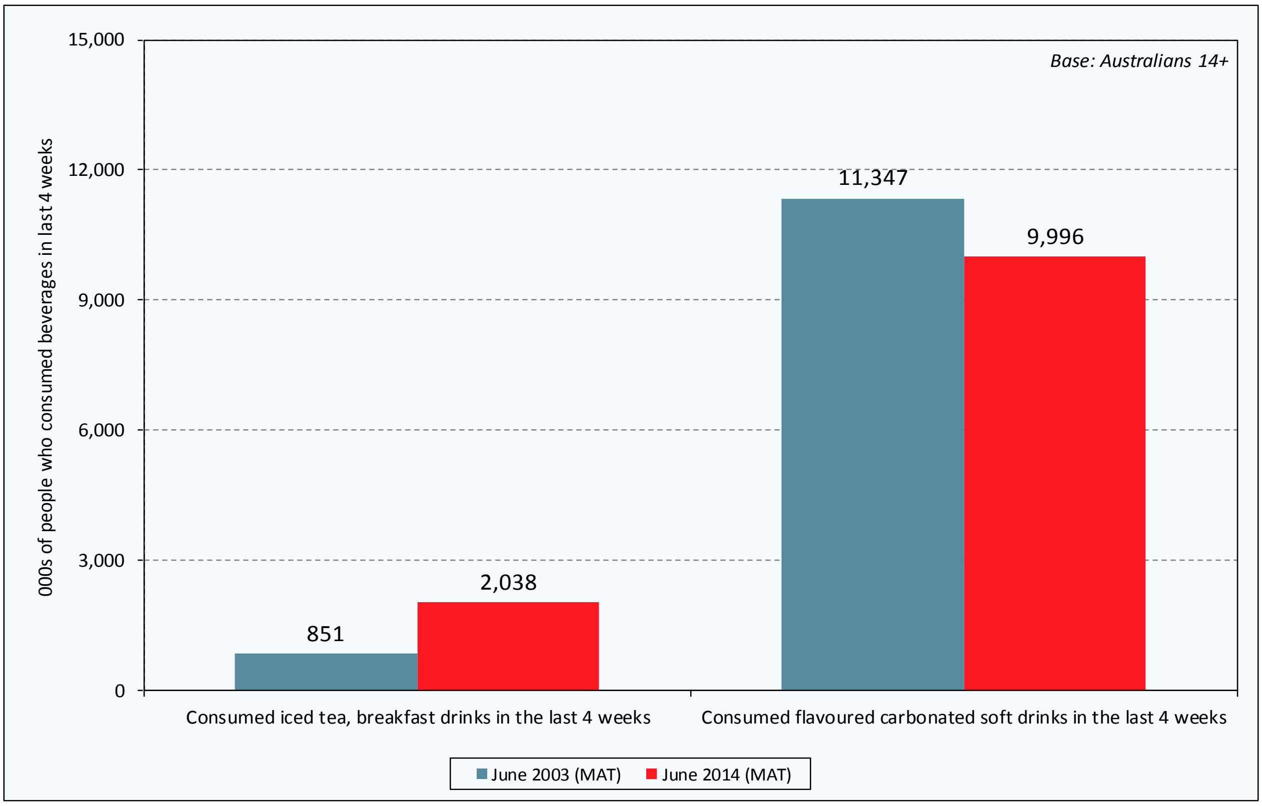
Iced tea and breakfast drinks blitz beverage market

The 21st century has not been kind to flavoured carbonated soft drinks, as the number of Australians 14+ consuming them continues to decline by the year. Whereas 11,347,000 people (or 71% of the population) drank at least one soft drink in any given four weeks back in 2003, this had fallen to 9,996,000 (52%) by June 2014 — a loss of more than 1,300,000 people. In contrast, Aussies of all ages and socioeconomic status just can't get enough of iced tea and breakfast drinks.

While their market is still much smaller than that of soft drinks, iced tea and breakfast drinks are among the few non-alcoholic beverages to be gaining in popularity with Australian consumers. In June 2003, 851,000 people (or 5% of the population) drank iced tea and/or breakfast drinks, but by June 2014, this had more than doubled to 2,038,000 people (11%).

Growth/Decline in Drinkers: 2003 vs 2014



Source: *Roy Morgan Research (Australia), June 2003 MAT (n=25,454) and June 2014 MAT (n=16,809)*

While consumption of iced tea and breakfast drinks has risen among men and women of all ages, the growth is driven primarily by the under-50s.

Between 2003 and 2014, the proportion of young men aged 25–34 who drank iced tea and/or breakfast drinks in an average four weeks shot up from 7% to 15%, while that of women the same age increased from 7% to 14%. The growth among the 35–49 age bracket during this period was even more substantial: from 3% to 10% of men and 4% to 9% of women.

Iced tea and breakfast drink also took off like wildfire across all five socioeconomic quintiles, with the growth being most evident among those from the E quintile, 13% of whom drank these beverages in an average four weeks as of June 2014 (up from 4% in 2010).

Conversely, the proportion of soft-drink consumers fell among every age group and socioeconomic quintile.

Warren Reid, Group Account Director – Consumer Products, Roy Morgan Research, says:

> *"We are a nation that loves our food and drink, but when it comes to non-alcoholic beverages our tastes have evolved over the last decade. Some new drinks varieties have become popular through changing lifestyles, and some as a result of other factors like creative new offerings.*
>
> *"The breakfast drinks category has for many years been the sole domain of Up'n'Go, but in the last couple of years we have seen other manufacturers getting in on the action, which suggests that this category is likely to continue to grow.*
>
> *"The popularity of breakfast drinks and Iced Tea is especially prevalent among Generation Z — particularly those who are studying. Breakfast drinks consumers are also more likely to agree with the statement 'I seldom have time for breakfast', with Gen Z again being above-average in this respect. This is quite surprising, considering that they are the least likely generation (of working age) to be employed.*
>
> *"Iced tea is an interesting category, often associated with health benefits, but in actuality the sugar content for most popular brands is comparable with that of regular carbonated soft drinks. One key reason for iced tea's recent growth is that it's more popular among people born in Asia, the US or Canada than those born in Australia. Indeed, the number of Asian-born migrants in Australia has increased by almost one million people in the last ten years — indicating that changes in a population's ethnic mix over time can be a golden (or missed) opportunity for manufacturers.*
>
> *"The decline in carbonated soft drink consumers has hit some brands harder than others. To what degree a brand is affected depends in part on whether it has invested in alternatives such as diet options, as the decline is predominantly coming from regular soft drinks consumers rather than those who drink diet variants.*
>
> *"The chart shows a drop of 1.3 million soft drink consumers, but when we consider that the population has grown by 3.2 million, the impact on the category is much greater in percentage terms.*

For comments or more information about Roy Morgan Research's FMCG data, please contact:

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Related research findings

View our extensive range of Non Alcoholic Drinks, including Breakfast drinks, Iced tea drinks, and Soft drinks. These profiles provide a broad understanding of the target audience, in terms of demographics, attitudes, activities and media usage in Australia.

About Roy Morgan Research

Roy Morgan Research is the largest independent Australian research company, with offices in each state of Australia, as well as in New Zealand, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan Research has over 70 years' experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2