

Beverages need to be *worth leaving the house for*. They need to be *differentiated & difficult to replicate* at home.



## Away-from-home Beverage Consumption

Cold beverages and cold coffee are reshaping the foodservice industry

### Thirst for Innovation

Away-from-home beverage consumption is about socializing and making consumers feel good while in-home consumption is tied to daily routines. Consumers are more experimental and willing to try new items while dining out<sup>1</sup> and 44% of consumers ages 18-34 say they would like to try new and unique beverages at restaurants.<sup>2</sup>



### Foodservice Beverage Industry Update<sup>3</sup>

Beverage growth continued to show recovery in 2022, outpacing overall industry growth.

**+10%**

Total Industry Sales

**+13.9%**

Beverage Sales

Cold beverages grew faster than hot beverages, reflecting a shift in consumer tastes and behavior.

**+11.7%**

Hot Beverage Sales

**+14.9%**

Cold Beverage Sales

Beverage growth is expected to moderate going forward as the industry returns to a more normal growth cadence.

**+3.1%**

Hot Beverage Growth

**+3.4%**

Cold Beverage Growth

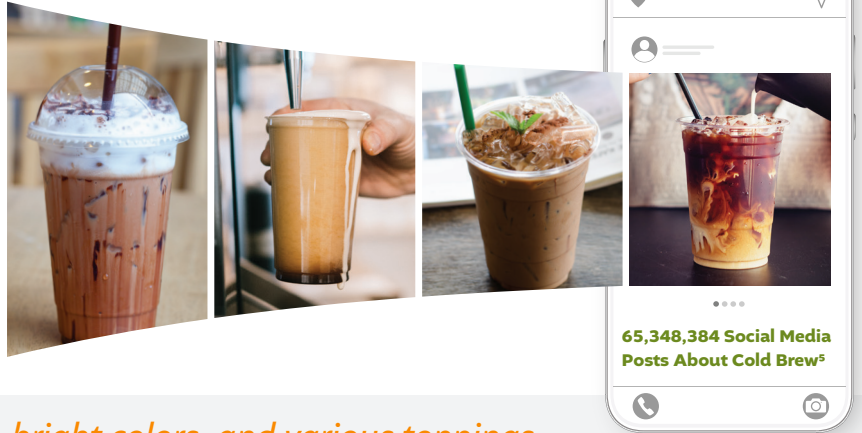
Average Per Year For 5 Yrs

# Cold Coffee Consumers

Younger consumers are shaping the future of coffee

## Why do younger consumers prefer cold coffee beverages?<sup>4</sup>

- More refreshing, better tasting
- More of a treat
- Easily customized
- Instagram-able

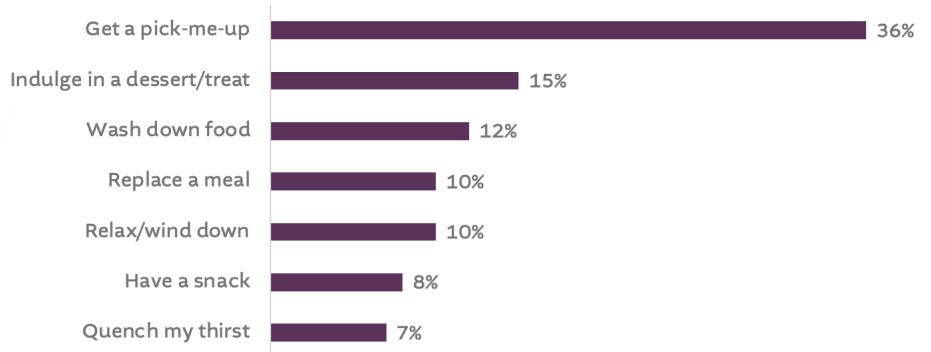


*“The clear cups, bright colors, and various toppings in iced drinks makes them highly attractive for social media posts.”*

Dorothy Calba, a senior research analyst at Euromonitor International



## Why do consumers drink cold brew coffee?<sup>3</sup>



## Cold Coffee Consumer Flavor Appeal

Consumers continue to be interested in the wide variety of flavor offerings, but appeal of more unique flavors continues to grow.

**Q: Please rate the appeal of each of the following flavors for COLD COFFEE.<sup>6</sup>**

Flavor	3 YR Change	Flavor	3 YR Change
44% Caramel	+3%	29% Almond	+4%
43% French Vanilla	-	28% Cinnamon	+3%
40% Chocolate	-	28% Pumpkin	+4%
34% Hazelnut	-	23% Gingerbread	+4%
30% Irish Cream	+3%	21% Fruit Flavor	+3%
30% Toffee	+4%	20% Lavender/Floral	+4%



*Seasonal flavors could drive consumers to drink cold coffee away from home more often, as over one in five choose seasonal flavors while drinking cold coffee.<sup>6</sup>*

# C-stores and Cold Brew

## Deep Dive

### C-store Volume Growth<sup>3</sup>

In c-stores cold brew coffee's volume growth from 2021 to 2022 outpaced and over indexed when compared to iced coffee. Cold brew is predicted to continue to grow faster than iced coffee over the next five years.

#### Cold Brew Coffee

**+7.8**

**107.5**

**5%**

YOY Volume Growth

Index to 2019

2023-27 Real CAGR

#### Iced Coffee

**+1.3**

**95.5**

**4.3%**

YOY Volume Growth

Index to 2019

2023-27 Real CAGR

### Top Beverage Wants<sup>7</sup>

Cold-brew coffee is one the most sought-after beverages by consumers, with **two-fifths of consumers** being interested in seeing them at their local c-store.

### Craveability is Key

**80%** of consumers know the exact item they want when entering a c-store, but nearly **50%** walk out buying additional items – this is due to c-store's tapping into what consumers crave and investing in eye-catching in-store displays.

### Gen Z And Millennial Consumers Visit C-stores More Frequently Than Older Generations<sup>7</sup>

Convenience and price are likely contributing factors for younger generation's frequency.



	Total n=1,005	Gen Z n=123	Millennial n=300	Gen X n=301	Boomers n=281
Daily	11%	20%	20%	7%	3%
Several Times Per Week	33%	33%	38%	40%	20%
Once Per Week	22%	27%	19%	21%	25%
Once every few weeks	16%	13%	13%	15%	20%
Once per month	7%	4%	4%	9%	12%
Once Every Few Months	9%	2%	5%	8%	17%
Less Often/Never	2%	1%	1%	1%	4%

statistically higher

statistically lower

### Help Drive Impulse Purchases With Javo's Full Line of POS.



### Gen Z And Millennial Consumers Have an Affinity for Cold Brew Drinks<sup>8</sup>



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Sources: 1) Datassential Beverage Landscape Report May 2022 2) Technomic Beverage Consumer Trend Report 3) Technomic Away-From-Home Beverage Navigator, 2023 4) Mintel 5) Tastewise Jan 2023 - June 2023 6) Datassential Cold Coffee Report 2023 7) Datassential SNAP! Keynote, C-Store Foodservice 8) Datassential Consumer Preference Data; APPEAL INDEX: % of Gen Z consumers who love/like each item listed vs. % of gen pop consumers who love/like it (100=average)