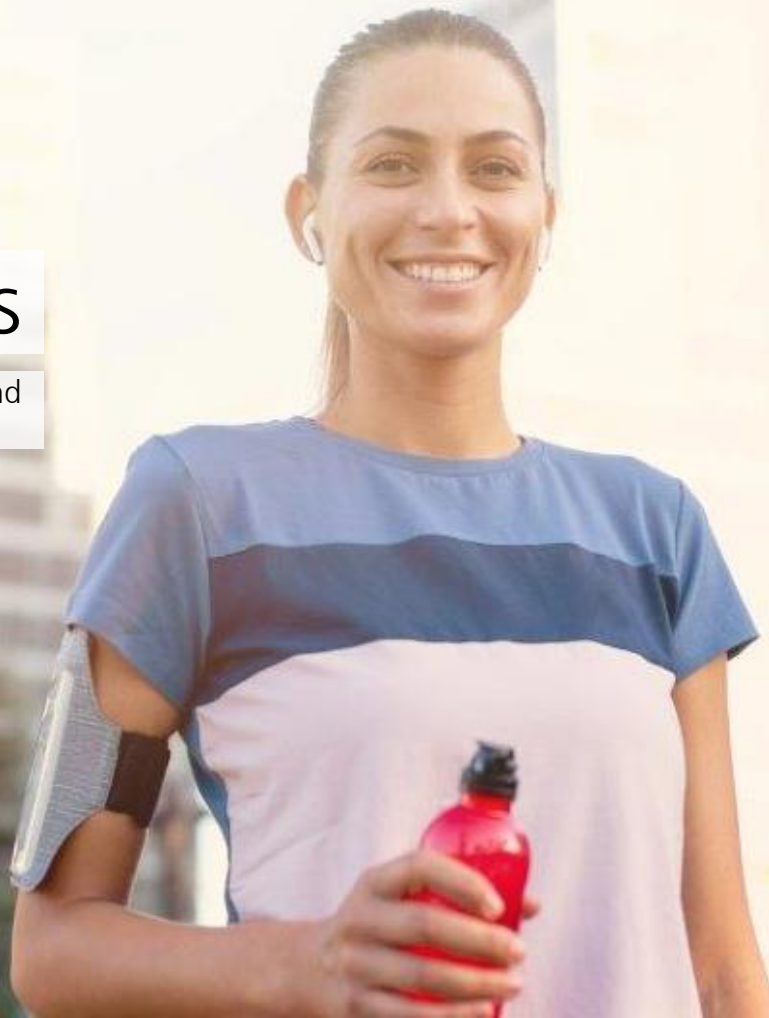


Energy Drinks

A closer look at consumption, brand loyalty, and more

December 3, 2020



Energy Drinks Spotlights

A collection from recently updated studies from UBS Evidence Lab.

[Energy drink brand preference](#) Pg 2

[Energy drink consumption](#) Pg 3

[Performance drink brand preference](#) Pg 10

[Performance drink consumption](#) Pg 11

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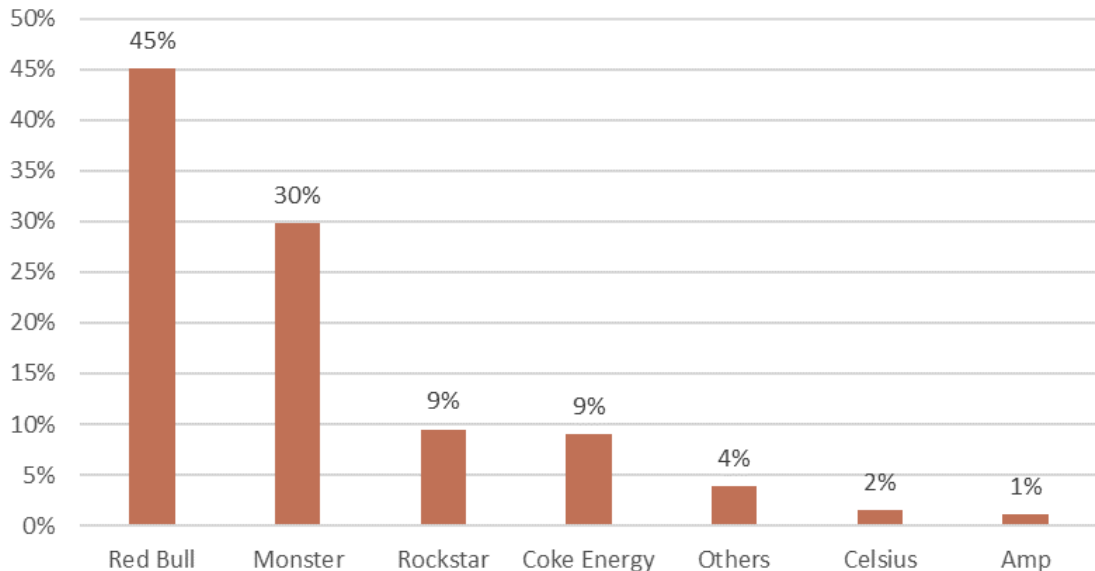
US Beverages

Which energy drink brands do US consumers prefer?

Red Bull and Monster have a dominant mind share in the traditional energy drink market, according to UBS Evidence Lab's survey of 700 US consumers.

- 75% of respondents mentioned Red Bull and Monster as their most consumed brands.
- Rockstar and recent entrant Coke Energy are distant challengers.

Which one brand of energy drink do you consume most often? (% of respondents)



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

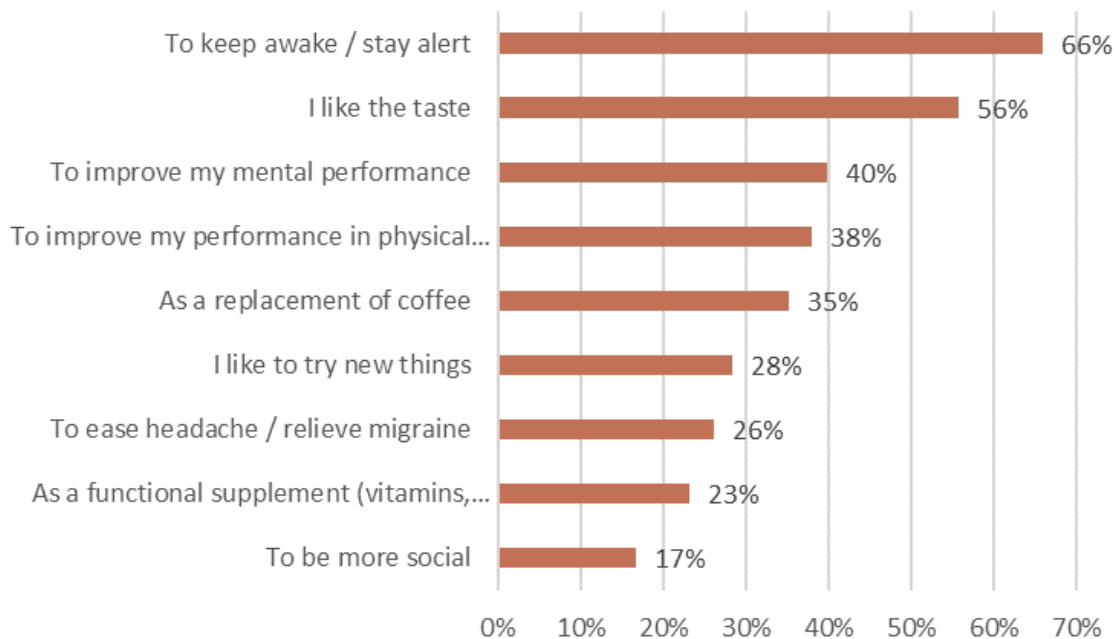
US Beverages

Why do people consume energy drinks?

The ability to stay awake and stay alert is the most cited reason for consuming energy drinks.

- 66% of respondents consume energy drinks to keep awake and stay alert.
- Taste is the second-biggest driver of consumption, followed by a desire to improve mental performance.

Why do you consume energy drinks? (% of respondents)



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

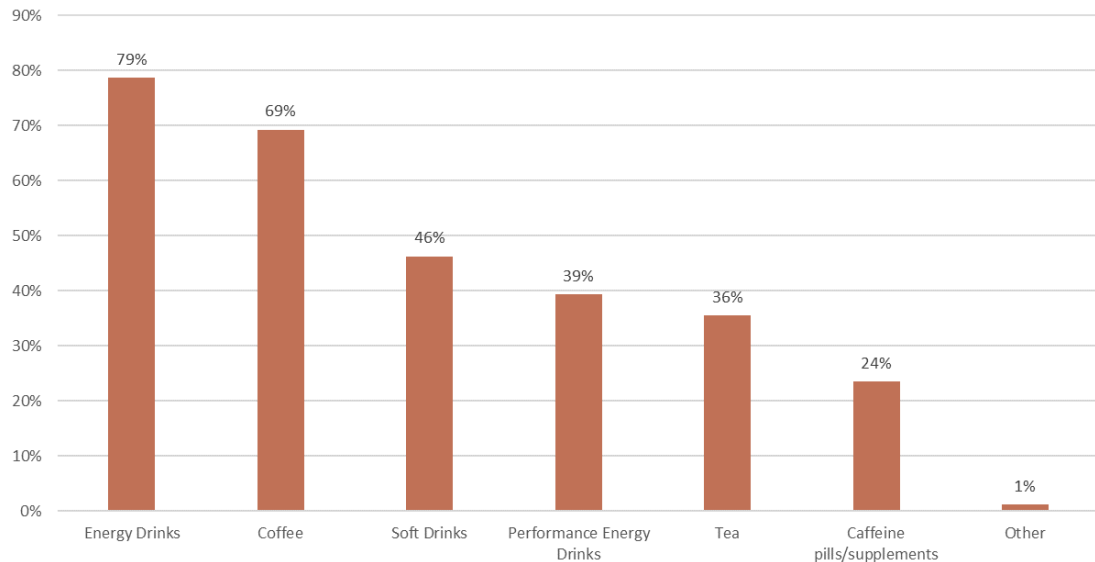
US Beverages

Are energy drink consumers loyal to the category?

The survey results point to strong category loyalty.

- 79% of respondents drink energy drinks when they need a caffeine boost.
- 69% of consumers choose coffee when they need a caffeine boost.

Which of the following do you consume when you need a caffeine energy boost?
(% of respondents)



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

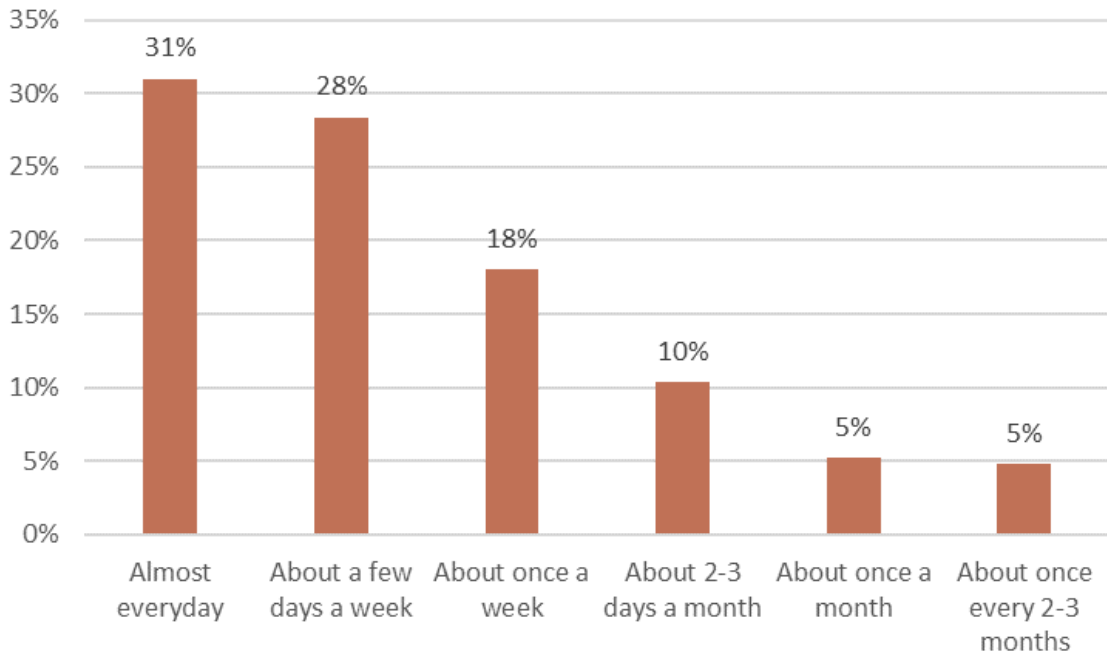
US Beverages

Are energy drink consumers frequent consumers?

The survey responses indicate the majority of consumers drink them frequently.

- 59% of respondents are frequent consumers (at least a few times a week).
- 34% of respondents consume them a few times a month.

How often do you consume energy drinks? (% of respondents)



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

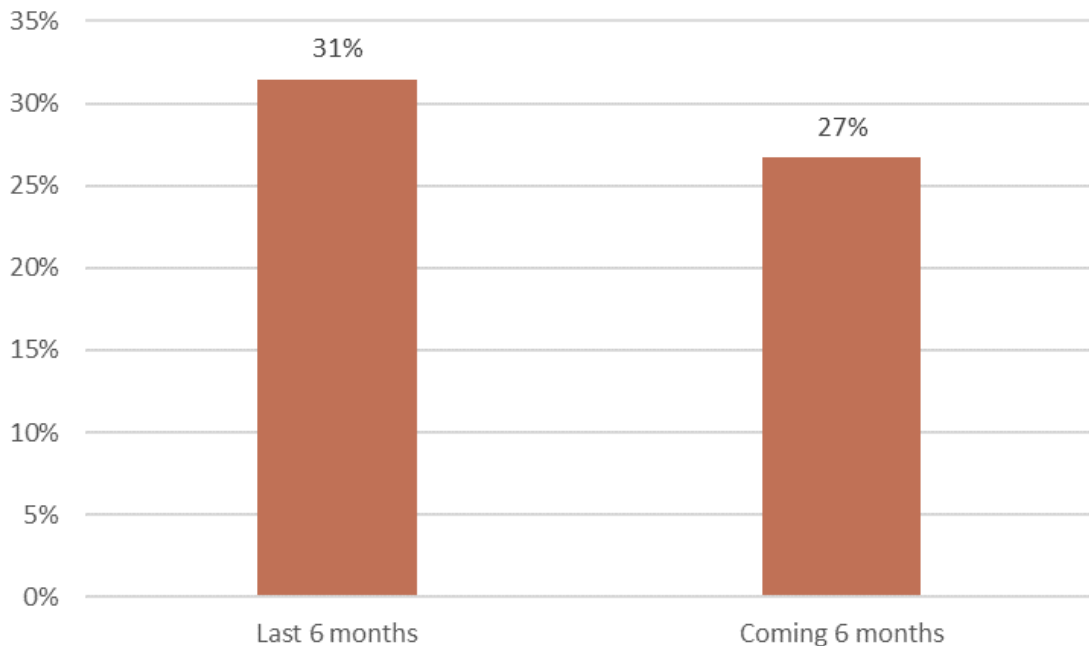
US Beverages

Is consumption of energy drinks increasing or declining?

Respondents have generally increased consumption in the last 6 months and expect to drink more in the coming 6 months.

- 46% of consumers increased consumption in the last 6 months vs. 15% who consumed less, resulting in a net 31% increase.
- The ratio of those who consumed "much more" vs. "somewhat more" was 1.6x.
- 38% of consumers expect to drink more in the coming 6 months vs. 10% who expect to drink less, resulting in a net 27% increase.
- The ratio of those expecting to consume "much more" vs. "somewhat more" was 1.6x.

Compared to the last 6 months, how has your consumption of energy drinks changed, and how do you expect it to change in the coming 6 months? (net score*)



Source: UBS Evidence Lab.

* Net score = % responding "much more/somewhat more" minus "much less/somewhat less/will stop drinking"; data as of September 14, 2020.

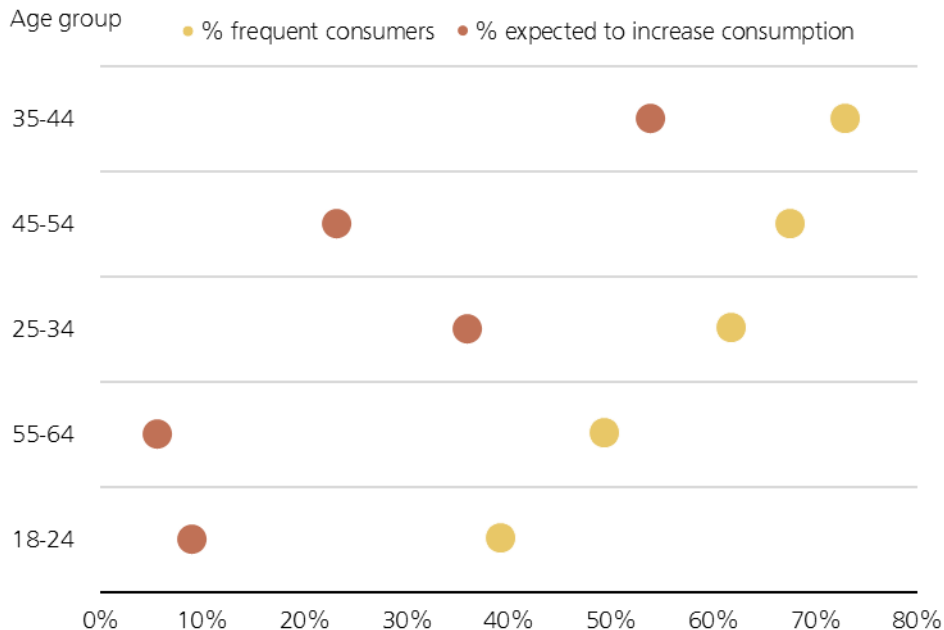
US Beverages

Which age group is driving the increase in consumption of energy drinks?

35-44-year-olds are the key age group to watch for energy drinks.

- The 35-44 age group has the highest percent of frequent consumers and the highest percent who expect to increase consumption.
- 73% of energy drink consumers in the 35-44 group are frequent consumers (consume at least a few times per week).
- 54% of 35-44-year-olds expect to increase consumption in the coming 6 months.

Consumption by Age Group



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

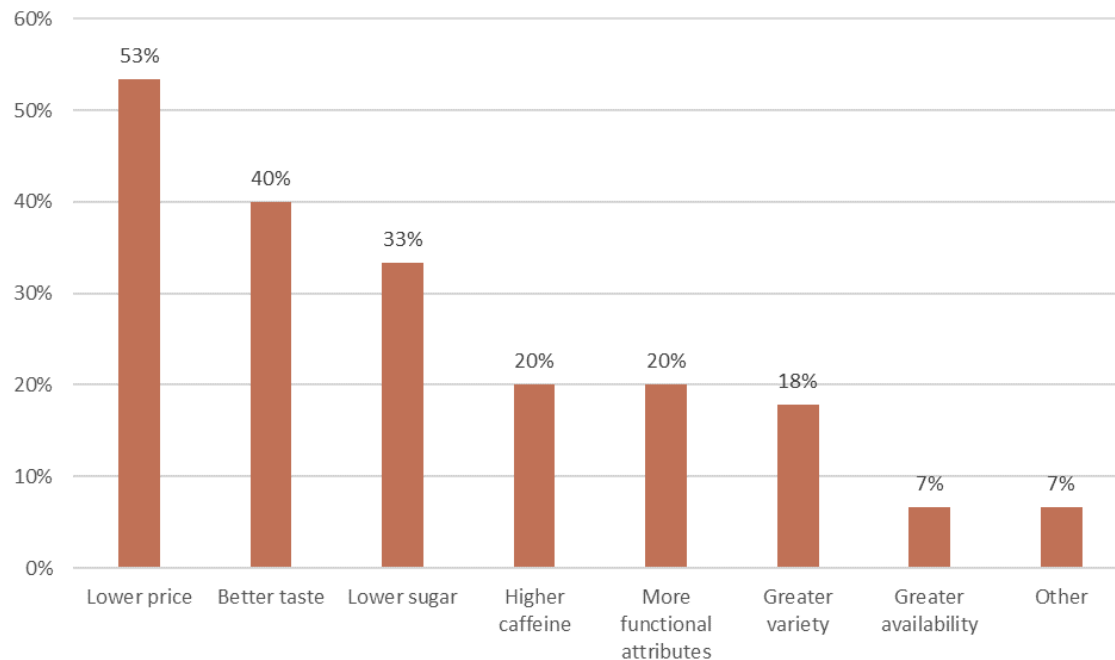
US Beverages

What would encourage people to consume energy drinks more often?

Price and taste are the key variables in consumption of energy drinks.

- 53% of respondents mentioned price as a driver of increased consumption.
- Better taste is the second-most cited driver of increased consumption, at 40%.

What would encourage you to consume energy drinks more often? (% of respondents)



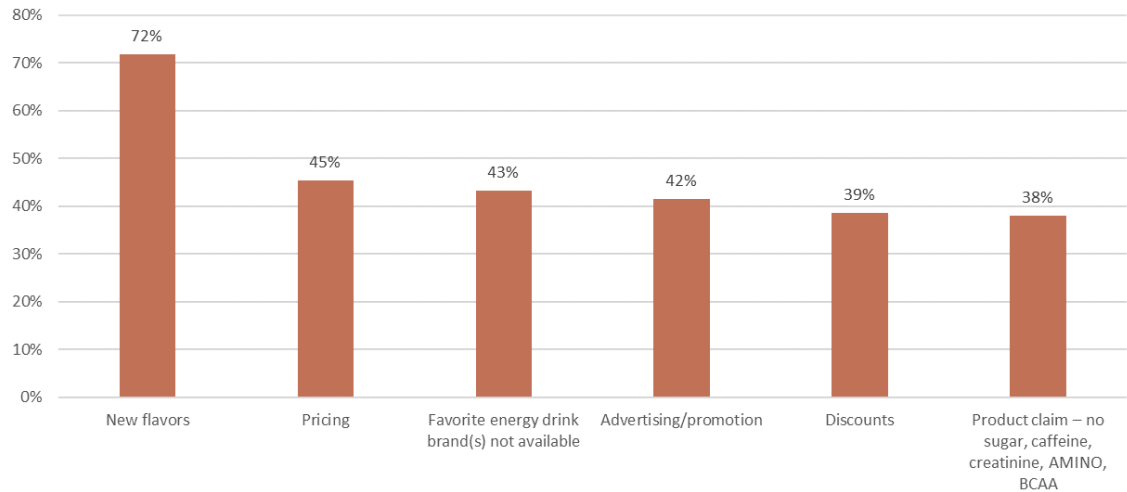
Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

US Beverages

What drives consumers to try new energy drinks?

- 72% of respondents cited new flavors as a reason for trying new energy drink offerings.
- Other drivers were mentioned by about 40% of consumers, with pricing slightly higher at 45%.

What drives you to try new energy drink offerings? (% of respondents)



Source: UBS Evidence Lab

Note: Respondents were able to select multiple options; Data as of September 14, 2020.

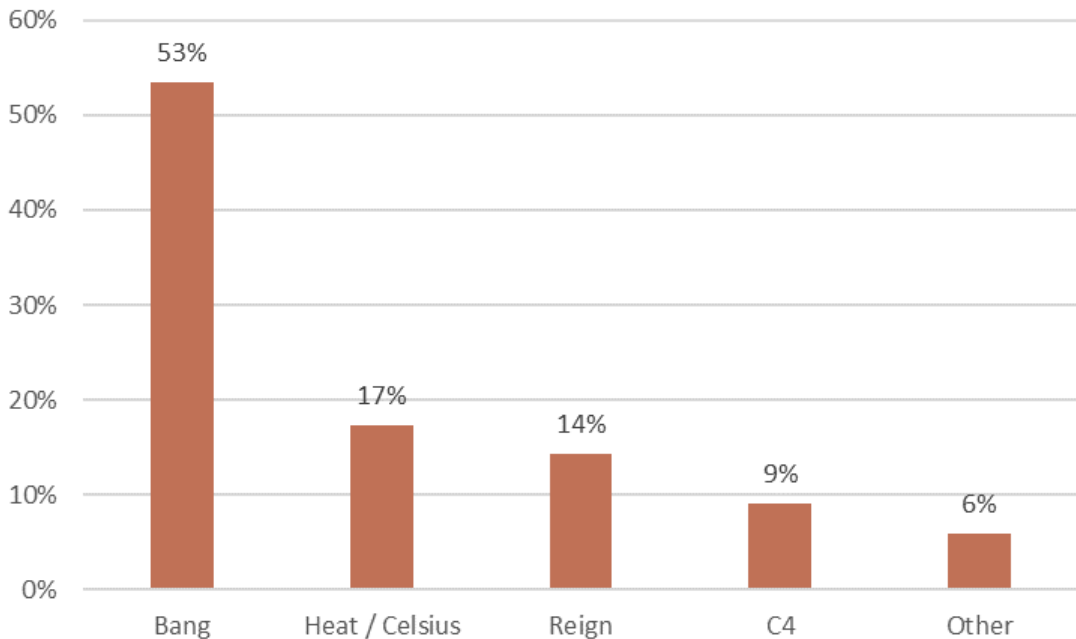
US Beverages

Which performance energy drink brand do US consumers prefer?

Bang is the dominant performance energy drink, followed by Heat/Celsius and Reign.

- 53% of survey responders cited Bang as the brand they consumed most often.
- This is more than 3x the percentage who mentioned Heat/Celsius.

Which one brand of performance energy drink do you consume most often?



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

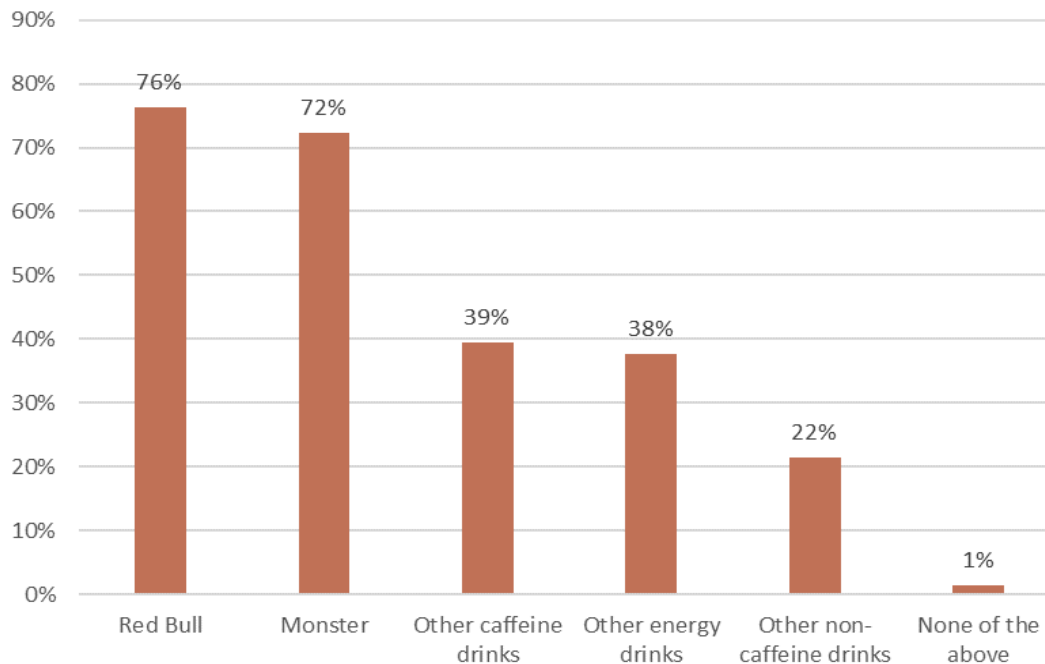
US Beverages

Which drinks and brands are leading consumers to try performance energy drinks?

39% of new consumers of performance energy drinks were consuming other caffeinated drinks prior to trying their first performance drink.

- Prior to trying performance energy drinks, 76% and 72% of respondents were consuming Red Bull and Monster, respectively.
- 39% and 22% were consuming other caffeinated and non-caffeinated drinks, respectively.

Prior to trying your first performance energy drink, were you a consumer of the following drinks? (% of respondents)



Source: UBS Evidence Lab

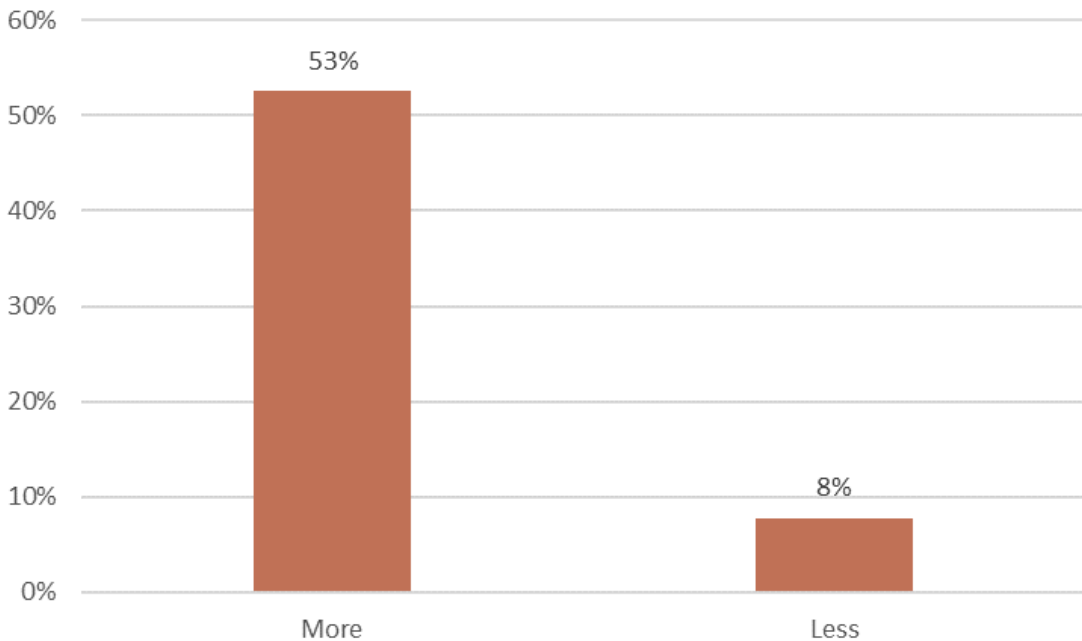
Note: Respondents were able to select multiple options; Data as of September 14, 2020.

US Beverages

Will consumption of performance energy drinks increase in the next 6 months?

- 53% of consumers expect to drink more performance energy drinks in the next 6 months.
- Only 8% expect to drink less or stop drinking them.

How do you expect your consumption of performance energy drinks to change over the next 6 months? (% of respondents)



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

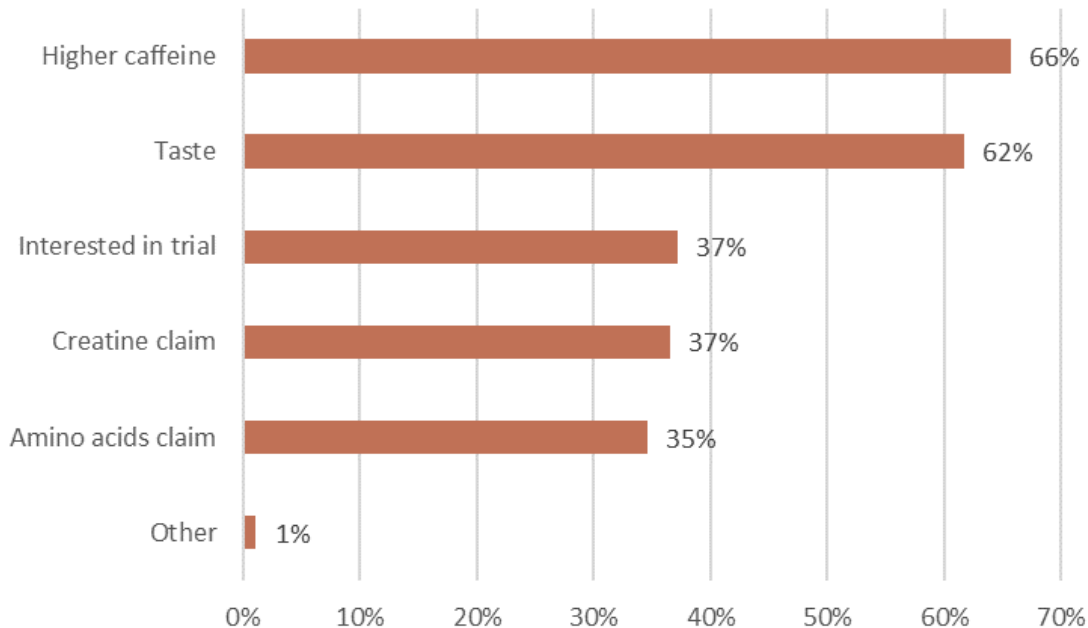
US Beverages

Why do people consume performance energy drinks?

Survey participants were mainly interested in higher caffeine and taste.

- 66% of respondents cited higher caffeine as a reason for consuming performance energy drinks.
- 62% mentioned taste.

Why do you consume performance energy drinks? (% of respondents)



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

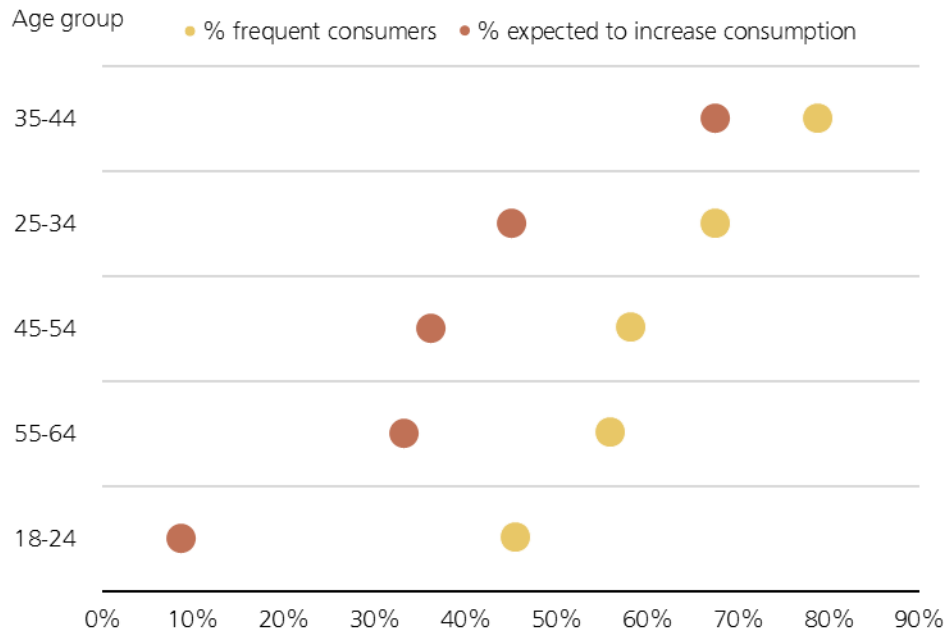
US Beverages

Which age group is driving the increase in consumption of performance energy drinks?

35-44-year-olds are the key age group to watch for performance energy drinks.

- The 35-44 age group has the highest percent of frequent consumers and the highest percent who expect to increase consumption.
- 79% of performance energy drink consumers in the 35-44 group are frequent consumers (consume at least a few times per week).
- 67% of 35-44-year-olds expect to increase consumption in the coming 6 months.

Consumption by Age Group



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

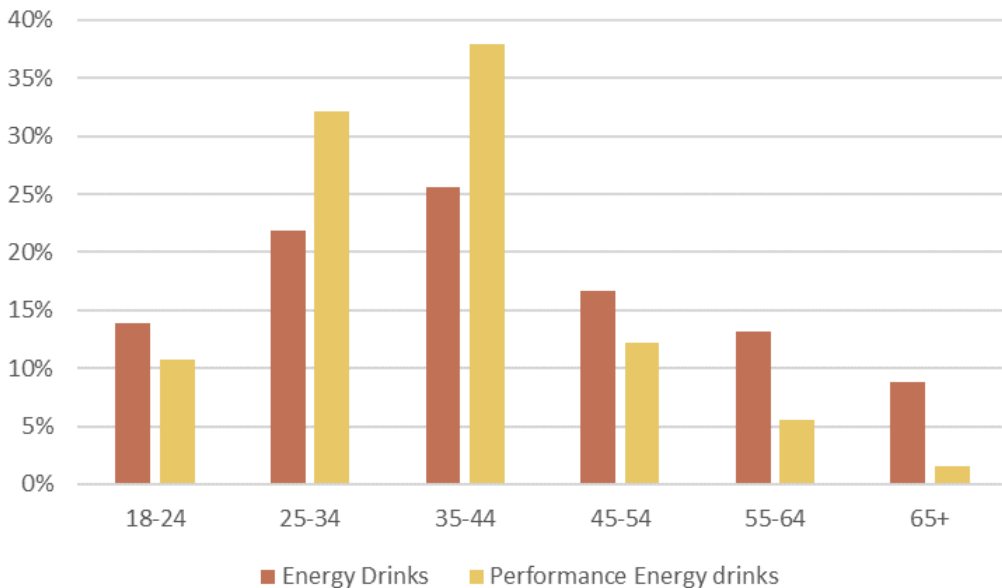
US Beverages

Which age groups consume energy and performance drinks?

25-44-year-olds are the main consumers of both categories, particularly performance drinks.

- 70% of performance energy consumers are in the 25-34 or 35-44 age groups vs. 48% for energy drinks.
- Among older age groups, consumption is skewed toward traditional energy drinks.

Consumption of Energy and Performance Energy Drinks by Age Group
(% of Respondents)



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

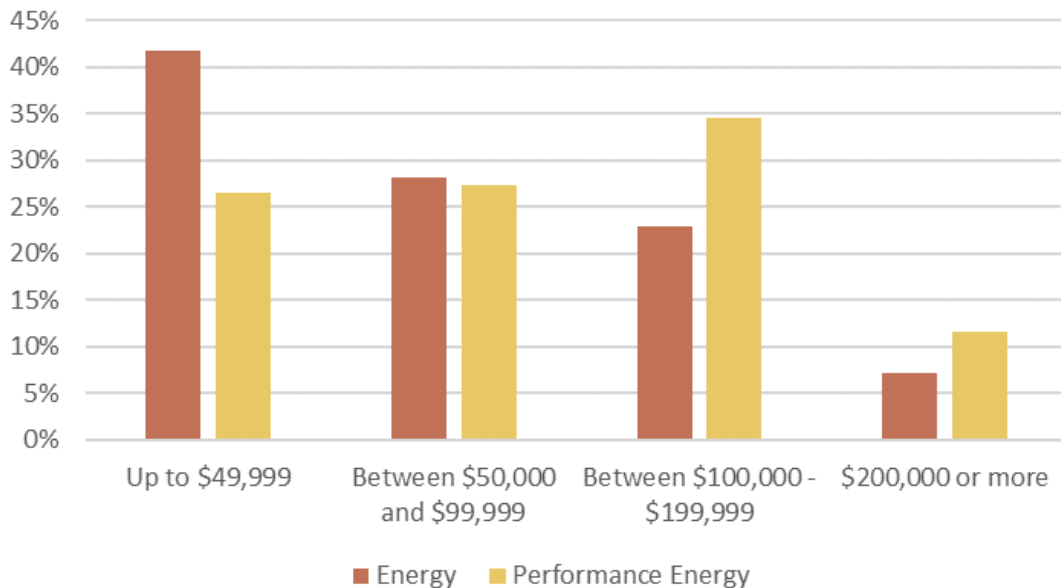
US Beverages

Which income groups consume energy and performance drinks?

Traditional energy drinks cater more to lower-income groups than performance energy drinks.

- 47% of performance energy consumers have incomes of \$100,000 or more vs. 30% for energy drinks.
- 42% of energy drink consumers have incomes of \$49,999 or less vs. 26% for performance energy drinks.

Consumption of Energy and Performance Energy Drinks by Income Group
(% of Respondents)



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

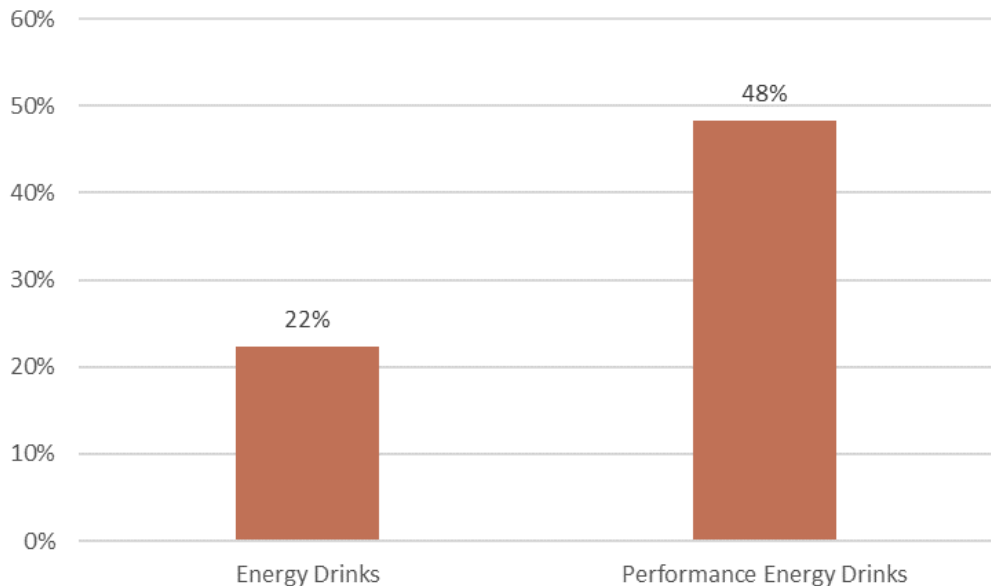
US Beverages

Which drinks are consumed most before/after working out?

Performance energy drinks are consumed more often pre/post-workout.

- 48% of performance energy drinkers consume before/after working out.
- Only 22% of energy drinkers consume before/after working out.

Consume Energy Drinks Pre/Post-Workout (% of Respondents)



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

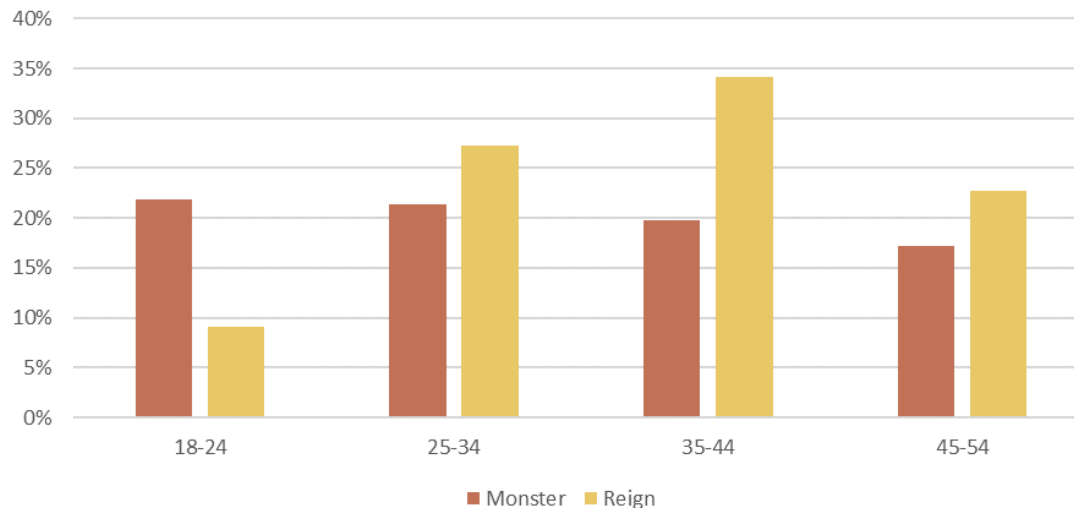
US Beverages

Does Monster have a balanced product offering by age group?

Monster's core product (Monster) and performance energy drink Reign appeal to complementary age groups.

- Monster caters to younger age groups.
- Reign skews to an older demographic.

Most Often Consumed Energy Drink by Age Group – Monster vs. Reign (% of Respondents)



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

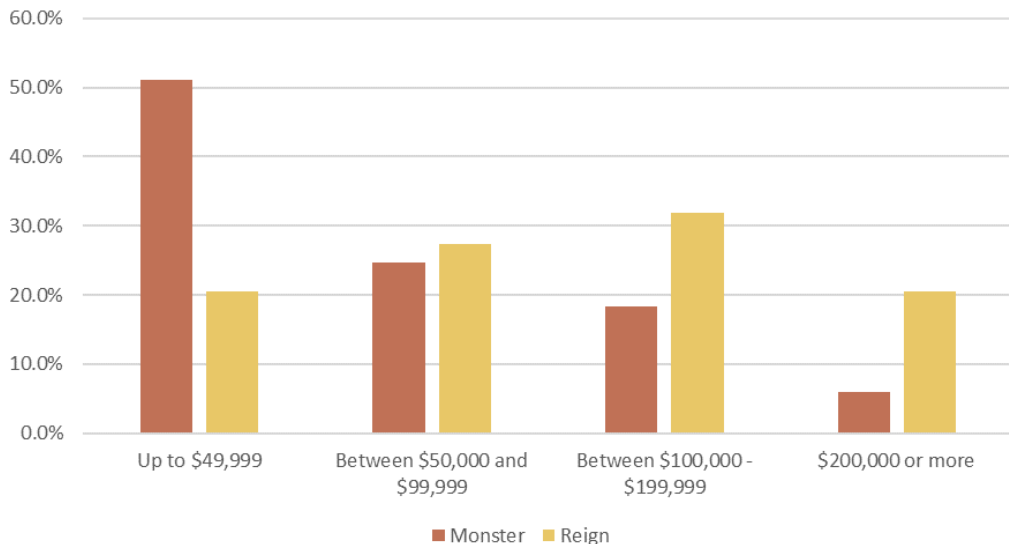
US Beverages

Does Monster have a balanced product offering by income group?

Monster and Reign appeal to complementary income groups.

- Monster caters to lower-income consumers.
- Reign skews to higher-income groups.

Most Often Consumed Energy Drink by Income Group – Monster vs. Reign (% of Respondents)



Source: UBS Evidence Lab
Note: Data as of September 14, 2020.

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