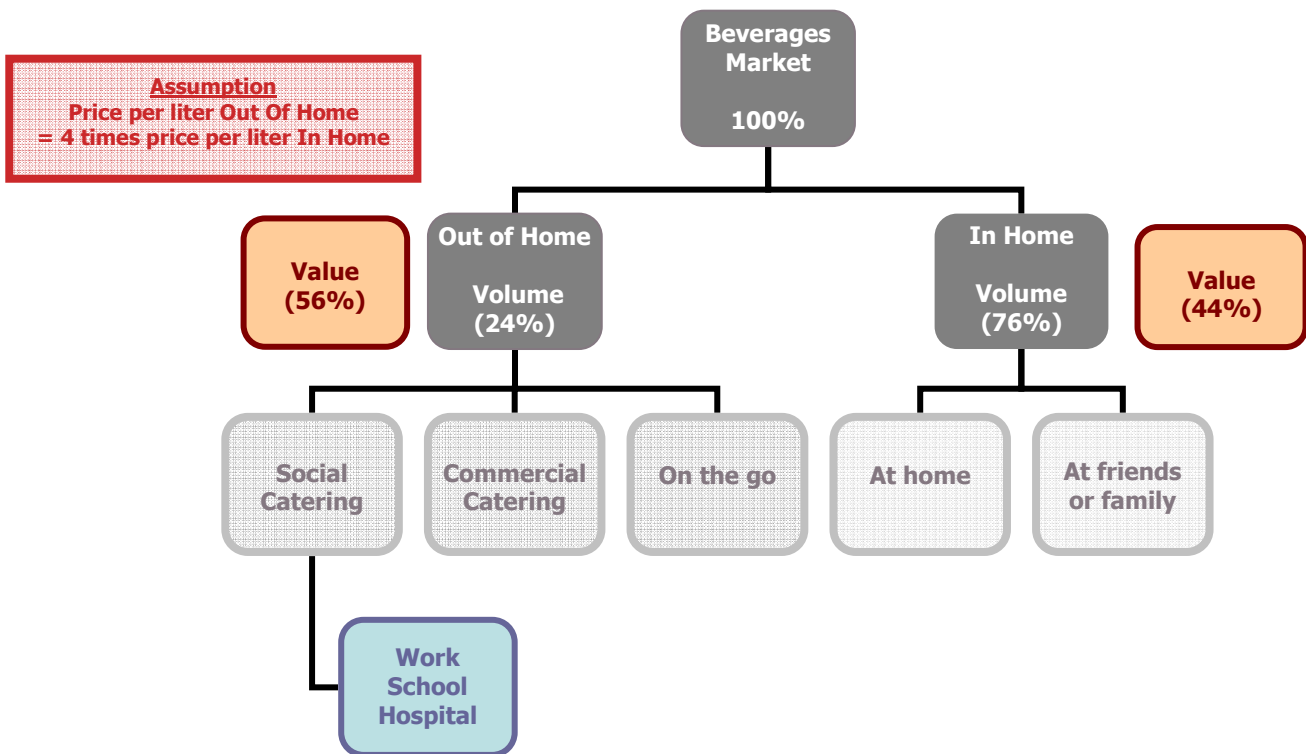


The canteen at work: a blooming business?

In an average week, we consume 3,9 liters out of home. 10 times per week we make a decision what to drink out of home. Although in volume it represents 'only' ¼ of the total beverages market, in value, the out of home consumption of beverages accounts for approximately 56%. Not a negligible part of the market, so it seems.



Segmentation of Total Beverages Market (2007)

When we make the split between commercial catering (horeca, events, movie theaters, recreation parks and sport centers), the on-the-go segment (petrol stations, newspaper stores, groceries, video shops, train/metro/bus station, night shops and on-the-road consumption of beverages) and social catering (work, school and hospital), we notice that the share of this last segment is increasing for several years now, thanks to a high potential business: the workplace.

Beverages @ work

Almost half of the total out-of-home consumption of beverages – i.e. 49% of the volume – is consumed at work. For several years now, the working population is increasing, with an employment level of 41,5% in Belgium for 2008 (source: NIS). This gives “the workplace”, as part of the social catering segment, quite some potential for beverages manufacturers.

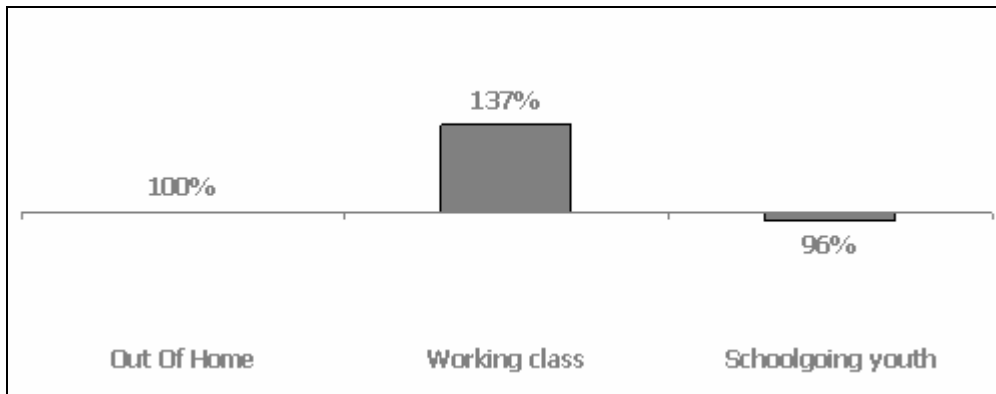
4 out of 5 people get their drinks at work: a free cup of coffee, a paid can of cola from the vending machine or a glass of water from a drinking fountain. All these beverages received or

bought at the workplace, account for 62% of the volume that is consumed at work. Being present at the workplace is significant. In 2008, the total volume of drinks obtained at work increases with 3%, compared to 2007. The most popular drink to get at work is water. Both water and tea are on the rise with a volume increase in 2008 of respectively 15% and 8%. The second place is for coffee, although its volume is slightly decreasing.

Another part was brought from home: 35% of all beverages consumption at work. Half of the working people bring their own drinks, especially water, cola and coffee. Despite the fact that it is still the number one drink to bring from home, the volume of water that was brought from home is declining. It is highly compensated by the consumption of water bought or got for free at work. Drinks that are more often brought are cold dairy drinks, coffee, tea and cola.

Interesting to see are the differences in profiles. People who bring their own drinks from home are younger than average, a great part of them is under 40 years old. Women are overrepresented in this group.

Not only can the work place be an interesting sales outlet, the working class are big consumers in out of home channels in general. The working class is consuming 37% more beverages out of home than an average out of home consumer of beverages.



Consumption of beverages out of home (2007)

We must conclude that the workplace is a very important segment in the out of home market, as it represents almost half of the volume of all consumed beverages out of home. It is indeed a business that should not be underestimated; volume within this sector increased with 1,5% in 2008. We notice a trend of buying more at work and bringing less drinks from home. This makes being present at the workplace even more important. For beverages manufacturers, it pays off to be looking at the workplace in terms of a possible target market.

What about the future? In 10 to 20 years, the so-called blooming "Baby Boomers" working generation will be retired. This will generate new opportunities for nursing and rest homes, another section of the social catering. That way, the out of home business keeps on moving.