



Market Review

# **Global Beverage Survey 2013–2014:** Market Trends, Buyer Spend and Procurement Strategies in the Global Beverage Industry

Reference Code: CS2225PR

Published: May 2013

SAMPLE



# Table of Contents

<b>1. Introduction.....</b>	<b>7</b>
1.1 What is this Report About?.....	7
1.2 Definitions .....	7
1.3 Methodology .....	8
1.4 Profile of Survey Respondents .....	10
1.4.1 Profile of buyer respondents .....	10
1.4.2 Profile of supplier respondents .....	11
<b>2. Executive Summary .....</b>	<b>13</b>
2.1.1 Overall, 46% of respondents from the global beverage industry are more optimistic about revenue growth in 2013 .....	13
2.1.2 Mergers and acquisitions in the global beverage industry expected to increase in 2013 .....	13
2.1.3 China, Brazil, and India are the most important emerging markets to offer growth in the global beverage industry in 2013 .....	13
2.1.4 'Pressure on margins', 'volatility and increase in input costs', and 'regulatory changes' remain leading concerns for the global beverage industry in 2013.....	13
2.1.5 The average annual procurement budget of global beverage industry buyers is expected to increase in 2013 .....	14
2.1.6 Global beverage manufacturer industry respondents plan to increase expenditure on 'whiskey', 'flavored alcoholic beverages', 'beer and ale', 'cider', and 'tequila and mezcal' .....	14
2.1.7 'Price', 'level of service', 'delivery lead time', and 'financial strength and stability' are considered critical factors for supplier selection by global beverage industry buyers .....	14
<b>3. Global Beverage Industry Dynamics .....</b>	<b>15</b>
3.1 Revenue Growth Projections in the Global Beverage Industry .....	16
3.1.1 Revenue growth projections by beverage manufacturers .....	16
3.1.2 Revenue growth projections by suppliers.....	18
3.1.3 Revenue growth projections by region .....	19
3.1.4 Revenue growth projections by company turnover .....	20
3.1.5 Revenue growth projections by senior-level respondents.....	21
3.2 Future Developments in Business Structure in the Global Beverage Industry ....	22
3.2.1 Future developments in business structure by beverage manufacturers .....	22
3.2.2 Future developments in business structure by suppliers .....	24
3.2.3 Future developments in business structure by region.....	26
3.2.4 Future developments in business structure by company turnover .....	26
3.2.5 Future developments in business structure by senior-level respondents .....	27
3.3 Merger and Acquisition Activity Projections in the Global Beverage Industry .....	28
3.3.1 M&A activity projections by beverage manufacturers .....	28
3.3.2 M&A activity projections by suppliers .....	30
3.3.3 M&A activity projections by region .....	32

3.3.4	M&A activity projections by company turnover .....	33
3.4	Capital Expenditure Forecast - Global Beverage Industry .....	34
3.4.1	Forecast of capital expenditure by beverage manufacturers .....	34
3.4.2	Forecast of capital expenditure by suppliers .....	36
3.4.3	Forecast of capital expenditure by region .....	37
3.4.4	Forecast of capital expenditure by company turnover .....	38
3.5	Planned Change in Staff Recruitment in the Global Beverage Industry .....	40
3.5.1	Planned change in staff recruitment by beverage manufacturers.....	40
3.5.2	Planned change in staff recruitment by suppliers .....	42
3.5.3	Planned change in staff recruitment by region .....	43
3.5.4	Planned change in staff recruitment by company turnover .....	45
<b>4.</b>	<b>Global Beverage Industry Market Growth Outlook.....</b>	<b>46</b>
4.1	Global Beverage Industry - Demand in Emerging Markets .....	48
4.1.1	Demand in emerging markets by beverage manufacturers .....	48
4.1.2	Demand in emerging markets by suppliers .....	51
4.1.3	Demand in emerging markets by region .....	53
4.1.4	Demand in emerging markets by company turnover .....	53
4.1.5	Important factors to target emerging markets .....	55
4.2	Global Beverage Industry - Growth Expectations in Developed Markets .....	56
4.2.1	Growth expectations in developed markets by beverage manufacturers .....	57
4.2.2	Growth expectations in developed markets by suppliers .....	59
4.2.3	Growth expectations in developed markets by region .....	62
4.2.4	Growth expectations in developed markets by company turnover .....	63
<b>5.</b>	<b>Threats and Opportunities for the Global Beverage Industry .....</b>	<b>64</b>
5.1	Global Beverage Industry - Leading Business Concerns for 2013.....	65
5.1.1	Leading business concerns by beverage manufacturers.....	65
5.1.2	Leading business concerns by suppliers.....	67
5.1.3	Leading business concerns in 2013 by region .....	69
5.1.4	Leading business concerns in 2013 by company turnover .....	70
5.2	Key Consumer Trends Projected to Shape the Beverage industry in 2013 .....	71
5.2.1	Key consumer trends for beverage industry by beverage manufacturers .....	71
5.2.2	Key consumer trends for beverage industry by suppliers .....	73
5.2.3	Key consumer trends for beverage industry by region.....	74
5.2.4	Key consumer trends for beverage industry by company turnover .....	75
5.2.5	Leading strategies to combat volatility in input costs .....	76
5.3	Global Beverage Industry - Key Supplier Actions to Secure Business.....	77
5.3.1	Actions to maintain and secure business–buyer and supplier respondents .....	77
5.3.2	Actions to maintain and secure buyer business by region .....	79
5.3.3	Actions to maintain and secure buyer business by company turnover .....	80

<b>6.</b>	<b>Global Beverage Industry Buyer Spend Activity .....</b>	<b>81</b>
6.1	Annual Procurement Budgets in the Global Beverage Industry .....	82
6.1.1	Annual procurement budgets by beverage manufacturers .....	82
6.1.2	Annual procurement budgets by region .....	83
6.1.3	Annual procurement budgets by company turnover .....	83
6.2	Global Beverage Industry - Planned Change in Procurement Expenditure.....	85
6.2.1	Planned change in procurement expenditure by beverage manufacturers .....	85
6.2.2	Planned change in procurement spend by region.....	87
6.2.3	Planned change in procurement spend by company turnover .....	89
6.3	Planned Change in Procurement Expenditure by Product and Service Category .....	90
6.3.1	Planned change in expenditure by product and service category – beverage manufacturers	90
6.3.2	Planned change in expenditure by product and service category by region.....	92
6.3.3	Planned change in expenditure by product and service category by turnover .....	94
6.4	Global Beverage Industry - Variations in Regional Supplier Prices.....	95
6.4.1	Variations in regional supplier prices by beverage manufacturers .....	95
6.4.2	Variations in regional supplier prices by region.....	96
6.4.3	Variations in regional supplier prices by company turnover .....	98
<b>7.</b>	<b>Global Beverage Industry - Procurement Behaviors and Strategies ...</b>	<b>99</b>
7.1	Critical Success Factors for Supplier Selection .....	100
7.1.1	Critical Success Factors for Supplier Selection by beverage manufactures.....	100
7.2	E-Procurement in the Global Beverage Industry .....	103
7.2.1	E-procurement in the global beverage manufacturers' industry.....	103
7.2.2	Procurement budget increase vs. e-procurement .....	105
7.2.3	E-procurement in the global beverage industry by region.....	105
7.2.4	E-procurement by company turnover .....	107
7.3	Influence of Social Media Marketing for Beverage Industry .....	108
7.3.1	Influence of social media marketing in the global beverage manufacturers' industry.....	108
7.3.2	Influence of social media marketing by region .....	109
7.3.3	Influence of social media marketing by company turnover .....	110
<b>8.</b>	<b>Appendix .....</b>	<b>111</b>
8.1	Survey Results – Closed Questions .....	111
8.2	About Canadean .....	128
8.3	Disclaimer .....	128

# List of Figures

Figure 1: Revenue Growth Optimism in the Global Beverage Manufacturers' Industry (%), 2010–2013 .....	17
Figure 2: Revenue Growth Optimism by Global Beverage Industry Suppliers (%), 2010–2013 .....	19
Figure 3: Global Beverage Manufacturers' Industry: Revenue Growth Optimism by Region (%), 2012 .....	20
Figure 4: Revenue Growth Optimism in the Global Beverage Industry by Turnover (%), 2013 .....	21
Figure 5: Global Beverage Manufacturers - Key Expected Changes in Business Structure (%), 2013 .....	23
Figure 6: Key Expected Changes in Business Structure by Global Beverage Industry Suppliers (%), 2013 .....	25
Figure 7: Expected Changes In Business Structure by Senior-Level Respondents (%), 2013 .....	27
Figure 8: M&A Activity in the Global Beverage Manufacturers' Industry, 2010–2013 .....	29
Figure 9: M&A Activity by Global Beverage Industry Suppliers (%), 2010–2013 .....	31
Figure 10: M&A Activity by Region - Global Beverage Industry (%), 2013 .....	32
Figure 11: M&A Activity by Turnover - Global Beverage Industry (%), 2013 .....	33
Figure 12: Forecast of Capital Expenditure by Global Beverage Manufacturers' Industry (%), 2013 .....	35
Figure 13: Forecast of Capital Expenditure by Global Beverage Industry Suppliers (%), 2013 .....	37
Figure 14: Global Beverage Industry - Forecast of Capital Expenditure by Region (% Increase Responses), 2013 .....	38
Figure 15: Global Beverage Industry - Forecast of Capital Expenditure by Turnover (% Increase Responses), 2013 .....	39
Figure 16: Global Beverage Manufacturers' Industry - Planned Change in Staff Recruitment (%), 2013 .....	41
Figure 17: Planned Change in Staff Recruitment by Global Beverage Industry Suppliers (%), 2013 .....	43
Figure 18: Global Beverage Industry - Planned Change in Staff Recruitment by Region (%), 2013 .....	44
Figure 19: Global Beverage Industry - Planned Change in Staff Recruitment by Turnover (%), 2013 .....	45
Figure 20: Global Beverage Industry - Top Ten Growth Regions (%), 2013–2014 .....	47
Figure 21: Global Beverage Industry - Top Five Emerging Markets, 2013 .....	48
Figure 22: Global Beverage Manufacturers' Industry - Demand in Emerging Markets (%), 2013–2014 .....	50
Figure 23: Global Beverage Industry Suppliers - Demand in Emerging Markets (%), 2013–2014 .....	52
Figure 24: Global Beverage Industry - Demand in Emerging Markets by Region (%), 2013–2014 .....	53
Figure 25: Global Beverage Industry - Demand in Emerging Markets by Turnover (%), 2013–2014 .....	54
Figure 26: Global Beverage Industry - Top Five Developed Regions by Growth, 2013–2014 .....	56
Figure 27: Growth Projections in Developed Markets - Global Beverage Manufacturers' Industry (%), 2013–2014 .....	59
Figure 28: Growth Projections in Developed Markets - Global Beverage Industry Suppliers (%), 2013–2014 .....	61
Figure 29: Growth Projections in Developed Markets by Region (% 'Increase' Responses), 2013–2014 .....	62
Figure 30: Growth Projections in Developed Markets by Turnover (% 'Increase' Responses), 2013–2014 .....	63
Figure 31: Leading Business Concerns for Global Beverage Manufacturers (%), 2013 .....	67
Figure 32: Leading Business Concerns for Global Beverage Industry Suppliers (%), 2013 .....	68
Figure 33: Global Beverage Industry - Leading Business Concerns by Region (%), 2013 .....	69
Figure 34: Global Beverage Industry - Leading Business Concerns by Turnover (%), 2013 .....	70
Figure 35: Global Beverage Manufacturers' Industry - Key Consumer Trends (%), 2013 .....	72
Figure 36: Global Beverage Industry Suppliers - Key Consumer Trends (%), 2013 .....	74
Figure 37: Global Beverage Industry - Key Consumer Trends by Region (%), 2013 .....	74
Figure 38: Global Beverage Industry - Key Consumer Trends by Turnover (%), 2013 .....	75
Figure 39: Global Beverage Industry - Securing Buyer Business - Buyer vs. Supplier Responses (%), 2013 .....	78
Figure 40: Global Beverage Industry - Securing Buyer Business by Region (%), 2013 .....	79
Figure 41: Global Beverage Industry - Securing Buyer Business by Turnover (%), 2013 .....	80
Figure 42: Global Beverage Manufacturers - Annual Procurement Budgets in US\$ (%), 2013 .....	82
Figure 43: Global Beverage Industry - Annual Procurement Budgets in US\$ by Region (%), 2013 .....	83
Figure 44: Global Beverage Industry - Annual Procurement Budgets in US\$ by Turnover (%), 2013 .....	84
Figure 45: Global Beverage Manufacturers - Planned Change in Total Procurement Expenditure (%), 2013 .....	87
Figure 46: Global Beverage Industry - Planned Change in Procurement Expenditure by Region (%), 2013 .....	88
Figure 47: Global Beverage Industry - Planned Change in Procurement Expenditure by Turnover (%), 2013 .....	89
Figure 48: Global Beverage Manufacturers - Change in Spend on Products and Services (%), 2013 .....	92
Figure 49: Global Beverage Manufacturers - Variations in Regional Supplier Prices (%), 2013 .....	96
Figure 50: Global Beverage Industry - Variations in Regional Supplier Prices by Region (%), 2013 .....	97
Figure 51: Global Beverage Industry - Variations in Regional Supplier Prices by Turnover (%), 2013 .....	98
Figure 52: Supplier Selection - Beverage Manufacturers vs. Suppliers (Index Score), 2013 .....	102
Figure 53: Global Beverage Manufacturers - Implementation of E-Procurement (%), 2013 .....	104
Figure 54: Global Beverage Industry - E-Procurement by Region (%), 2013 .....	106
Figure 55: Global Beverage Industry - E-Procurement by Turnover (%), 2013 .....	107
Figure 56: Global Beverage Manufacturers' Industry – Influence of Social Media Marketing (%), 2013–2014 .....	108

## List of Tables

Table 1: Total Global Beverage Manufacturers' Industry Survey Respondents, 2013.....	10
Table 2: Global Beverage Manufacturers' Industry Respondents by Job Role (%), 2013.....	10
Table 3: Global Beverage Manufacturers' Industry Respondents by Region (%), 2013 .....	11
Table 4: Global Beverage Manufacturers' Industry Respondents by Company Turnover (%), 2013.....	11
Table 5: Global Beverage Industry Supplier Respondents by Job Role (%), 2013.....	12
Table 6: Global Beverage Industry Supplier Respondents by Region (%), 2013.....	12
Table 7: Global Beverage Industry Supplier Respondents by Company Turnover (%), 2013.....	12
Table 8: Revenue Growth Optimism in the Global Beverage Manufacturers' Industry (%), 2010–2013.....	17
Table 9: Revenue Growth Optimism by Global Beverage Industry Suppliers (%), 2010–2013.....	18
Table 10: Global Beverage Manufacturers' Industry: Revenue Growth Optimism by Region (%), 2013 .....	19
Table 11: Global Beverage Manufacturers' Industry: Revenue Growth Optimism by Turnover (%), 2013 .....	20
Table 12: Global Beverage Industry - Revenue Growth Optimism of Senior-Level Respondents (%), 2013.....	21
Table 13: Global Beverage Manufacturers - Key Expected Changes in Business Structure (%), 2013 .....	23
Table 14: Key Expected Changes in Business Structure by Global Beverage Industry Suppliers (%), 2013 .....	25
Table 15: Key Expected Changes in Business Structure by Region - Global Beverage Industry (%), 2013 .....	26
Table 16: Key Expected Changes in Business Structure by Turnover - Global Beverage Industry (%), 2013 .....	27
Table 17: M&A Activity by Global Beverage Industry Suppliers (%), 2010–2013 .....	31
Table 18: M&A Activity by Region - Global Beverage Industry (%), 2013 .....	32
Table 19: M&A Activity by Turnover - Global Beverage Industry (%), 2013.....	33
Table 20: Forecast of Capital Expenditure by Global Beverage Manufacturers' Industry (%), 2013 .....	35
Table 21: Forecast of Capital Expenditure by Global Beverage Industry Suppliers (%), 2013.....	36
Table 22: Global Beverage Manufacturers' Industry - Planned Change in Staff Recruitment (%), 2013 .....	41
Table 23: Planned Change in Staff Recruitment by Global Beverage Industry Suppliers (%), 2013.....	42
Table 24: Global Beverage Industry - Planned Change in Staff Recruitment by Region (%), 2013 .....	44
Table 25: Global Beverage Industry - Planned Change in Staff Recruitment by Turnover (%), 2013 .....	45
Table 26: Global Beverage Manufacturers' Industry - Demand in Emerging Markets (%), 2013–2014.....	50
Table 27: Global Beverage Industry Suppliers - Demand in Emerging Markets (%), 2013–2014 .....	52
Table 28: Global Beverage Industry - Trends Manufacturers Consider for Targeting Emerging Markets (%), 2013 .....	55
Table 29: Growth Projections in Developed Markets - Global Beverage Manufacturers' Industry (%), 2013–2014 .....	58
Table 30: Growth Projections in Developed Markets - Global Beverage Industry Suppliers (%), 2013–2014.....	60
Table 31: Leading Business Concerns for Global Beverage Manufacturers (%), 2013 .....	66
Table 32: Leading Business Concerns for Global Beverage Industry Suppliers (%), 2013.....	68
Table 33: Global Beverage Manufacturers' Industry - Key Consumer Trends (%), 2013.....	72
Table 34: Global Beverage Industry Suppliers - Key Consumer Trends (%), 2013 .....	73
Table 35: Strategies to Combat Volatility in Input Costs (% Buyer and Supplier Respondents), 2013.....	76
Table 36: Global Beverage Industry - Securing Buyer Business - Buyer vs. Supplier Responses (%), 2013.....	78
Table 37: Global Beverage Industry - Securing Buyer Business by Region (%), 2013 .....	79
Table 38: Global Beverage Manufacturers - Annual Procurement Budgets in US\$ (%), 2013.....	82
Table 39: Global Beverage Manufacturers - Planned Change in Total Procurement Expenditure (%), 2013.....	86
Table 40: Global Beverage Industry - Planned Change in Procurement Expenditure by Region (%), 2013.....	88
Table 41: Global Beverage Manufacturers - Change in Spend on Products and Services (%), 2013.....	91
Table 42: Global Beverage Industry - Securing Buyer Business by Region (% Increase Responses), 2013.....	93
Table 43: Global Beverage Industry - Planned Change in Staff Recruitment by Turnover (% Increase Responses), 2013 .....	94
Table 44: Global Beverage Manufacturers - Variations in Regional Supplier Prices (%), 2013 .....	96
Table 45: Global Beverage Industry - Variations in Regional Supplier Prices by Region (%), 2013 .....	97
Table 46: Global Beverage Industry - Variations in Regional Supplier Prices by Turnover (%), 2013 .....	98
Table 47: Critical Success Factors for Supplier Selection - (Index Score), 2013.....	101
Table 48: Global Beverage Manufacturers - Implementation of E-Procurement (%), 2013.....	104
Table 49: Global Beverage Industry - Procurement Budget Increase vs. E-Procurement (%), 2013 .....	105
Table 50: Global Beverage Industry - E-Procurement by Region (%), 2013.....	106
Table 51: Global Beverage Industry - E-Procurement by Turnover (%), 2013.....	107
Table 52: Global Beverage Industry - Influence of Social Media Marketing by Region (%), 2013–2014 .....	109
Table 53: Global Beverage Industry - Influence of Social Media Marketing by Turnover (%), 2013–2014.....	110
Table 54: Survey Results - Closed Questions .....	111



# 1. Introduction

## 1.1 What is this Report About?

This report is the result of an extensive survey drawn from Canadean's exclusive panel of leading beverage industry companies. As uncertainty in the markets contributed by the continuance of the European debt crisis, gradual recovery in the US markets, increase in prices, and currency rate fluctuations led to weak growth in global economic markets, this report provides the reader with a definitive analysis of the industry outlook and explores how opportunities and demand are set to change in 2013–2014. Additionally, this report presents comparative analysis of four years of survey results, wherever applicable. Furthermore, it not only grants access to the opinions and strategies of business decision makers and competitors, but also examines their actions surrounding business priorities; it also provides access to information categorized by region, company type, and sizes.

### The report also examines:

- Revenue growth projections: includes revenue growth projections of chief stakeholders of the industry
- Market-specific growth opportunities: identifies top growth regions so that companies can allocate their marketing activities and budgets effectively
- Mergers and acquisitions: projections surrounding merger and acquisition (M&A) activity and core influencing factors
- Capital expenditure: identifies the change in capital expenditure of a beverage industry buyer or a supplier company to provide a balanced future growth with capital returns
- Leading business concerns: identifies leading business concerns and subsequent efforts to negate them
- Procurement expenditure trends: tracks the procurement budgets of buyer companies and forecasts the possible change in expenditure
- Factors for supplier selection: understands critical factors influencing supplier selection

## 1.2 Definitions

- **Beverage processing:** includes soft drinks and bottled water manufacturing, wineries, breweries, and distilleries
- **Private label:** products or services that are usually manufactured or provided by one company for offer under another company's brand
- **Capital expenditure (capex):** covers research and development (R&D) and the procurement, maintenance, transportation, storage, and marketing of beverage products. It also includes expenditure on capacity expansion, new machinery procurement, and the upgrade of plants and equipment

- **E-procurement (electronic procurement):** Business-to-business (B2B) procurement and marketing of services using the internet and other IT solutions such as electronic data interchange (EDI) and enterprise resource planning (ERP)
- **Company turnover:** Companies with turnover of less than US\$100 million are identified in the report as small companies; companies with turnover US\$100 million–US\$1 billion are referred to as medium companies, and those with a turnover of more than US\$1 billion as large companies

## 1.3 Methodology

### 1) Online Survey

The research source in this report is based on the surveyed opinions and future expectations of highly engaged and senior industry professionals. Canadean conducted an extensive online survey during January 2013, taken by 113 senior global industry buyers and suppliers worldwide. These respondents cover C-levels, directors, managers, and technical and professional staff.

These respondents are drawn from the Canadean Industry Insight Panel, an exclusive industry panel covering over two million business professionals worldwide. Respondents represent a dedicated professional community where participants are surveyed 'in context', drawn from our industry magazine and media communities, including the readership of Drink Business Review and foodprocessing-technology.com, and delegate relationships formed at our global industry conferences and forum events. These business communities are made up of highly engaged, qualified professionals who rely on our flagship media brands in their respective markets, enabling Canadean to access knowledgeable and informed industry opinion.

### 2) Secondary Research

Comprehensive international desk research was conducted across the following industry sources, with a focus on examining the themes, issues, and market trends currently affecting the industry, as well as discussing examples of the latest products within the industry to validate primary research observations.

- Industry associations
- International organizations
- Industry news websites

### 3) Data Analysis and Report Writing

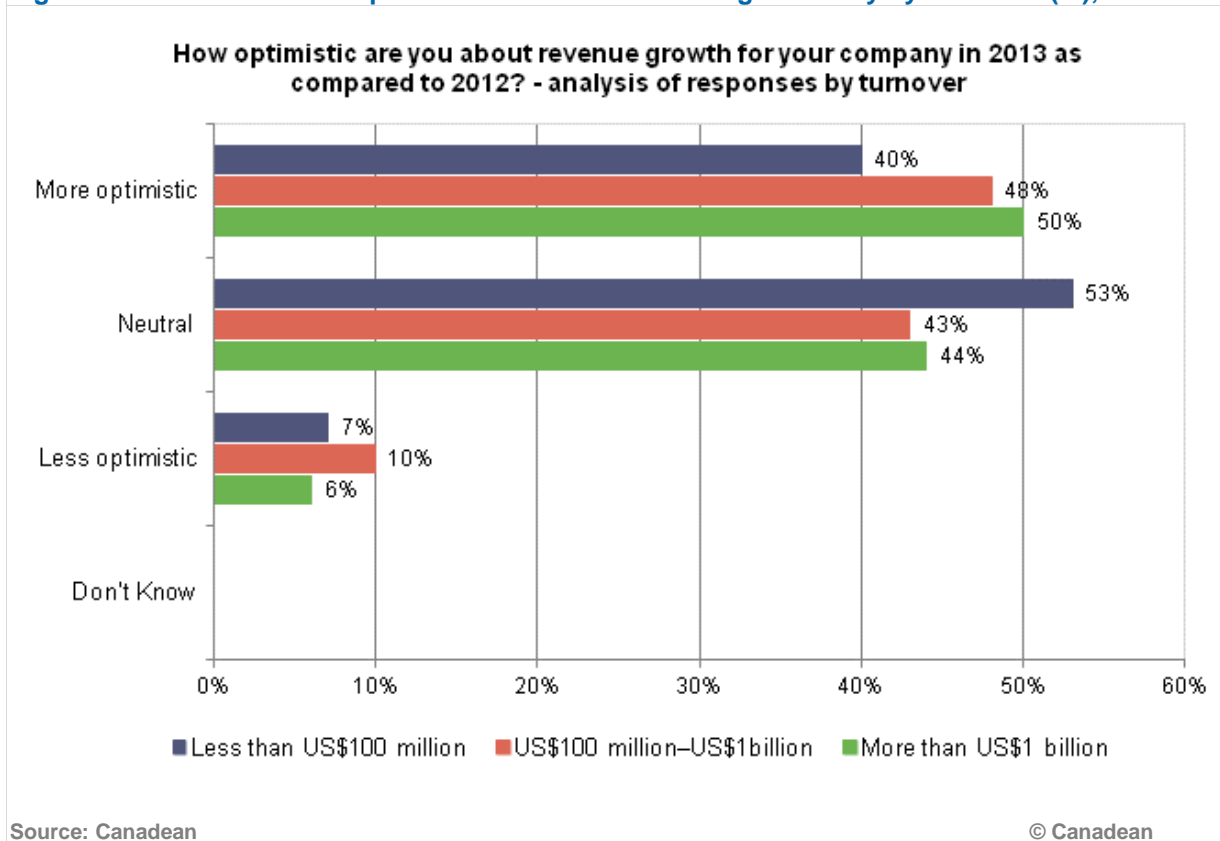
The results of this research have been analyzed and evaluated by Canadean's in-house industry-specific analysts. Our analysts' research and analysis expertise, pedigree in marketing, market research, consulting background in their industry, and ongoing continuous education on leading macro-economic and industry news and events, have shaped their analytical judgments and conclusions of the industry opinions gathered.



#### 4) Quality Control

- Detailed process manuals
- Standardized report templates and accompanying style guides
- Advanced data analysis and survey programming tools
- QC checklist
- Randomized spot checks on data integrity
- Senior level QC

SAMPLE PAGES

**Figure 4: Revenue Growth Optimism in the Global Beverage Industry by Turnover (%), 2013**


### 1.3.1 Revenue growth projections by senior-level respondents

An analysis of revenue growth expectations by senior level respondents reveals that 43% are 'more optimistic' about their company's revenue growth in 2013, compared to 9% of respondents who are 'less optimistic' and 48% of respondents who are neutral. Senior level respondents' opinions display a level of confidence similar to that of industry-wide responses, and a prominent majority project positive revenue growth in 2013.

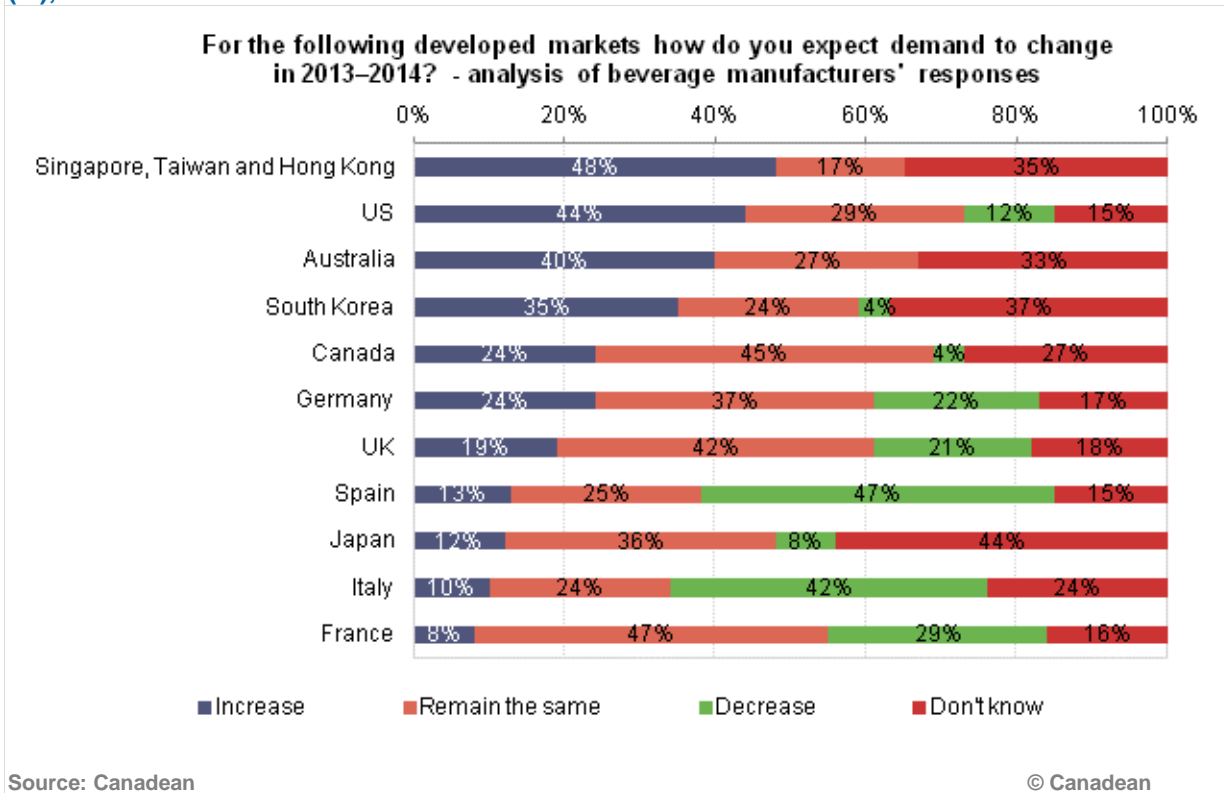
Note: Senior-level respondents comprise CEOs, MDs, VPs, SVPs, HODs, and directors.

**Table 12: Global Beverage Industry - Revenue Growth Optimism of Senior-Level Respondents (%), 2013**

Growth optimism	Senior- level respondents
More optimistic	43%
Neutral	48%
Less optimistic	9%
Don't know	0%
<b>Overall</b>	<b>100%</b>

Source: Canadean © Canadean

**Figure 27: Growth Projections in Developed Markets - Global Beverage Manufacturers' Industry (%) , 2013–2014**



### 1.3.2 Growth expectations in developed markets by suppliers

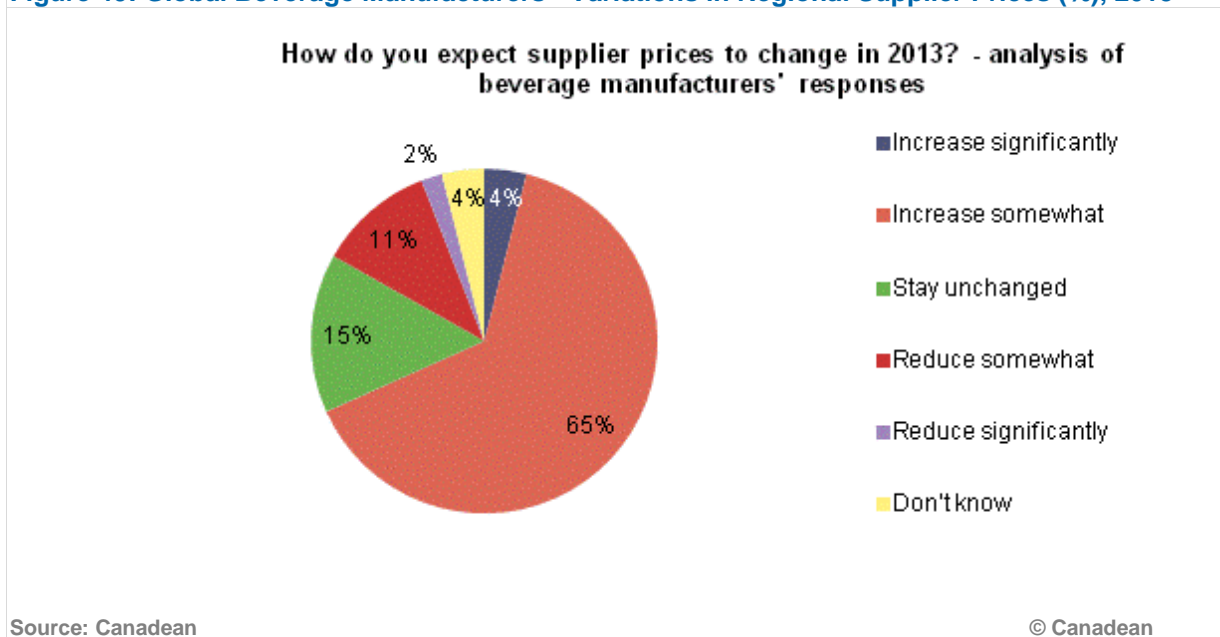
Survey results show that suppliers expect the US to be the developed region with the most growth potential in 2013–2014, as identified by 43% of respondents. Furthermore, even though 31%, 26% and 23% of respective supplier respondents identify Singapore, Taiwan and Hong Kong, Canada and South Korea to be developed regions with the most growth potential in 2013, 39%, 44% and 40% of respondents respectively project the growth to remain the same in 2013–2014.

Suppliers plan to expand their distribution networks and design new product solutions in order to sustain their position in the industry, in spite of increase in raw material prices and economic uncertainties. For example, in March 2013, Lizard Label, manufacturer of custom label and sticker, with headquarters in the US announced that it has unveiled a new dissolvable label. The new dissolvable label is made from highly water-soluble paper. The paper and adhesive dissolve when placed under running water leave behind no sticky residue. This label is compatible with both water and solvent based inks for colorful print copy while continues the look of a traditional label stock. The label can be used for labeling food service items, washable products and reusable containers.

Furthermore, in January 2013, Amcor Flexibles Capsules, a part of the Amcor Flexibles Europe and Americas business group that manufactures Stelvin aluminum overcaps and screw caps for drinks industry, announced that it has unveiled a range of four new 'Stelvin Inside' liners for wine bottles. Amcor states that the new range also offers winemakers more choice of regulating the Oxygen Transmission Rate in a wine to make it perfect.

**Table 44: Global Beverage Manufacturers - Variations in Regional Supplier Prices (%), 2013**

Supplier prices	Percentage
Increase significantly	4%
Increase somewhat	65%
Stay unchanged	15%
Reduce somewhat	11%
Reduce significantly	2%
Don't know	4%
<b>Overall</b>	<b>100%</b>
N.B. Results may not equal 100% due to rounding method	
Source: Canadean	© Canadean

**Figure 49: Global Beverage Manufacturers - Variations in Regional Supplier Prices (%), 2013**


### 1.3.3 Variations in regional supplier prices by region

Respondents from companies with leading operations in North America remain concerned, with 100% expecting at least some increase in supplier prices in 2013. This is followed by 13% of respondents from companies operating in Asia-Pacific and 20% of respondents from the Rest of the World that expect supplier prices to increase significantly; however, 18% of respondents from companies operating in Europe expect that supplier prices will 'stay unchanged' in 2013.