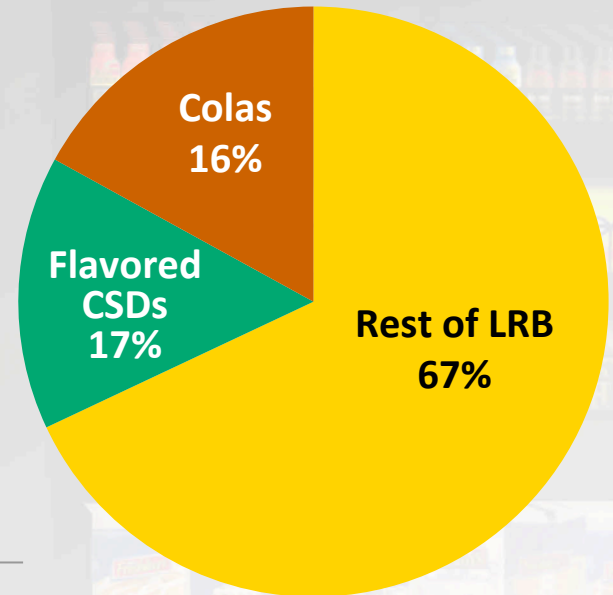
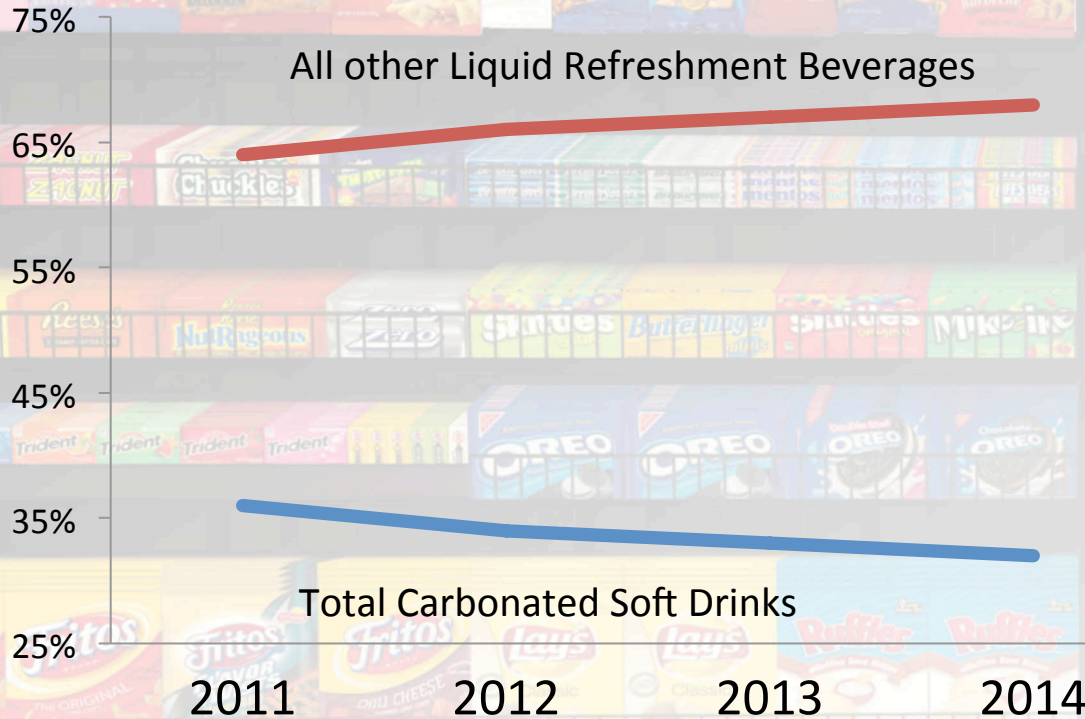




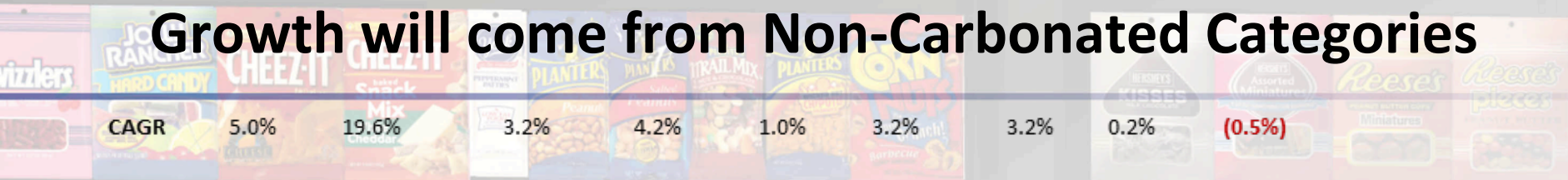
BEVERAGE INSIGHTS

The Evolving Beverage Portfolio

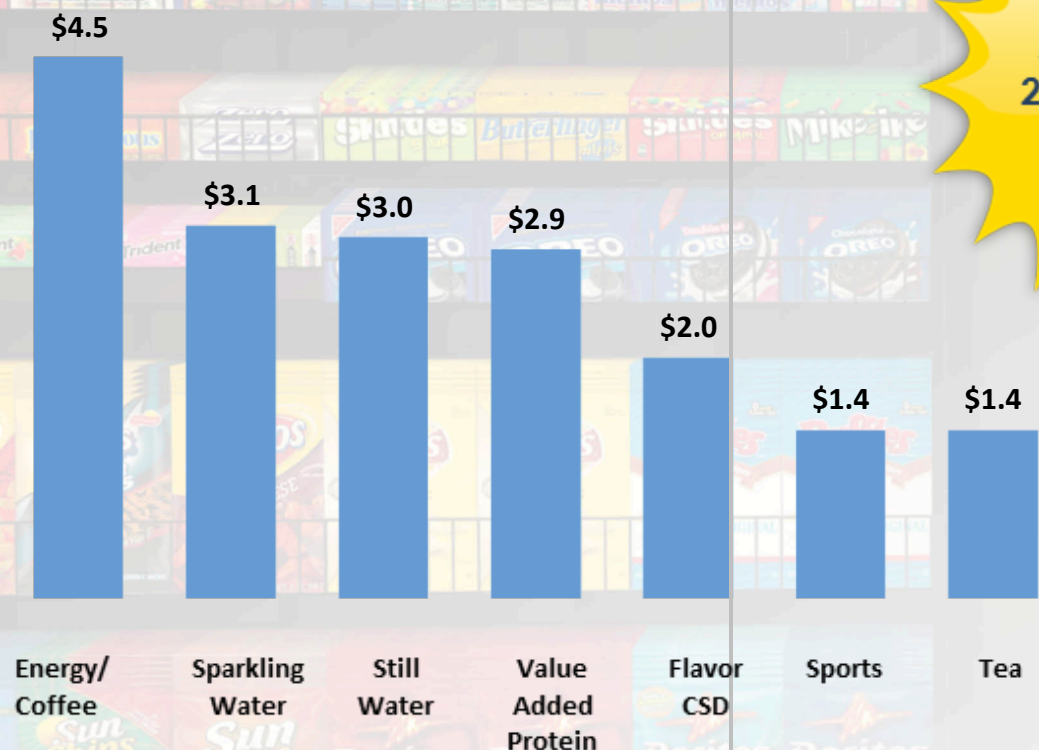


Source: IRI Total US MULO C 4 Years
Ending 2014, Latest 52 Week Ending
06/07/15

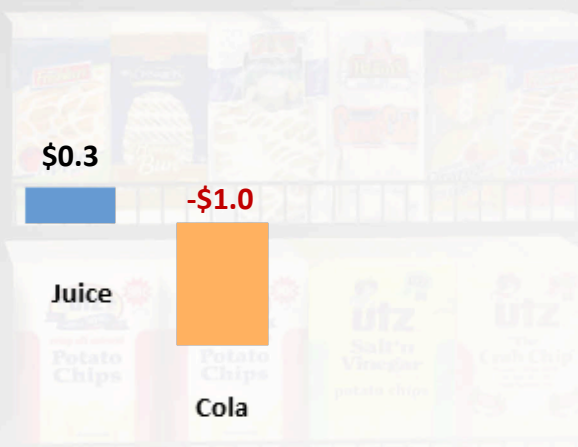
Growth will come from Non-Carbonated Categories



2015-2019 LRB Value
All Outlets: Change (\$B)



\$18B
2% CAGR

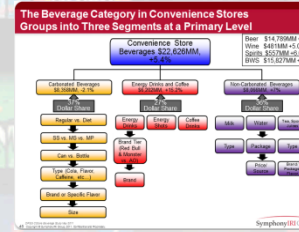


Cooler Methodology

- Beverage category allocation – Nielsen & USG Unit/Dollar Share

- Representation from all segments

- Decision trees as a guide



- Nielsen Total US Conv Channel item and TM rankings

- Total Channel TM's
- Dollar, Units, velocity
- Top items represented

TOTAL US - CONV		TOTAL US - CONV		Unit		Doll		Avg % ACY		Sales/Pr of		Avg % Sales/Pr of	
TEL SPORT OR	KEY BRAND	PRIMARY	UNIT SALES '12	UNIT YTD '12	AVG	PRICING('12)	AVG	AVG % ACY	SALES/PR OF	AVG % ACY	SALES/PR OF	AVG % ACY	SALES/PR OF
1	GATORADE SPORT ON LEMON LIME 20 OZ 2 PK PLU SFL	GATORADE	LEMON/LIME	83,090,770	108.6	\$1.98	69	70757	\$124,795,247	\$139,815			
2	GATORADE SERIES 02 PEPSI/POUR SPORT ON COOL BLUE 20 OZ 2 PK PLU SFL	GATORADE	PEP/FRUIT	56,000,000	124.4	\$1.48	68	44,202	\$112,398,029	\$127,218			
3	GATORADE SERIES 02 PEPSI/POUR SPORT ON FROST GLACIER FREE	GATORADE	PEP/FRUIT	56,379,027	176.3	\$2.00	64	49,831	\$112,587,587	\$130,818			
4	GATORADE SPORT ON FRUIT PUNCH 20 OZ 2 PK PLU SFL	GATORADE	FRUIT PUNCH	39,398,629	119.9	\$1.99	68	49,831	\$112,398,029	\$124,952			
5	POWERADE SPORT ON MOUNTAIN BERRY BLAST 20 OZ 2 PK PLU SFL	POWERADE	BERRY	34,511,428	14.0	\$1.57	76	55,279	\$48,843,929	\$87,077			
6	GATORADE SPORT ON ORANGE 20 OZ 2 PK PLU SFL	GATORADE	ORANGE	31,492,202	124.0	\$1.96	68	56,384	\$102,126,178	\$115,799			
7	02 PEPSI/POUR SPORT ON FRUIT PUNCH 20 OZ 2 PK PLU SFL	GATORADE	FRUIT PUNCH	45,799,036	16.0	\$1.52	84	41,143	\$49,488,895	\$55,942			
8	GATORADE SERIES 02 PEPSI/POUR SPORT ON MINT CHERRY 20 OZ 2 PK PLU SFL	GATORADE	CHERRY	44,912,132	141.1	\$1.99	64	53,751	\$89,225,000	\$106,709			
9	GATORADE SPORT ON LEMON LIME 20 OZ 2 PK PLU SFL	GATORADE	LEMON/LIME	45,208,066	18.0	\$1.52	80	40,270	\$49,717,949	\$56,286			
10	GATORADE SPORT ON COOL BLUE 20 OZ 2 PK PLU SFL	GATORADE	PEP/FRUIT	40,961,490	8.7	\$1.52	76	41,629	\$62,237,065	\$69,234			
11	GATORADE SPORT ON ORANGE 20 OZ 2 PK PLU SFL	GATORADE	ORANGE	37,941,387	17.0	\$1.52	77	37,738	\$57,601,039	\$57,277			
12	POWERADE SPORT ON FRUIT PUNCH 20 OZ 2 PK PLU SFL	POWERADE	FRUIT PUNCH	37,346,326	14.9	\$1.56	74	38,818	\$58,274,373	\$65,595			
13	GATORADE SERIES 02 PEPSI/POUR SPORT ON FROST GLACIER 20 OZ 2 PK PLU SFL	GATORADE	CHERRY	37,848,952	12.4	\$1.68	61	41,629	\$68,601,328	\$62,819			
14	GATORADE SPORT ON PEACH CHERRY APPLE 20 OZ 2 PK PLU SFL	GATORADE	APPLE	32,202,297	295.3	\$2.05	32	112,890	\$46,021,781	\$241,237			
15	GATORADE SERIES 02 PEPSI/POUR SPORT ON PEACH BLUE CHERRY	GATORADE	CHERRY	31,238,898	21.7	\$1.61	69	49,382	\$65,515,197	\$99,330			
16	GATORADE SERIES 02 PEPSI/POUR SPORT ON MOUNTAIN BERRY BLAST	GATORADE	BERRY	34,511,428	74.1	\$1.44	41	43,430	\$48,241,707	\$106,704			

- Richmix incrementality

DR PEPPER SNAPPLE™ What is RichMix®?

It is robust Analytics

RichMix™ is an assortment tool that uses **transferable demand** curves to measure the **incremental impact** of changing the items and facings in a retailer's mix

CURVE DEVELOPMENT is informed by:

- A Market Overview – to identify segment products based on shopper decisions
- Adds & Deletes at the SKU level – to understand the impact distribution changes have on the assortment
- Kantar Retail's ShopperGenetics® – to quantify switching behavior using our frequent shopper card database

Incrementality is dynamic

How incremental is this glazed donut?

The number of **available similar alternatives** determines how **incremental** an item is...
 ...as **more items** are added to a RichMix® segment, **net contribution diminishes**

USG 2 Door Member Owned Recommended Beverage Set



For beverages, a key metric is frequency of service and this will play an important role in determining number of facings per sku.

Pepsi Exclusive Single and Two Door Set



Mountain Dew Kickstart
Pineapple 12oz



AMP Cherry Blast 16oz



Mountain Dew Baja
Blast 20oz



Ocean Spray PACT CR
16oz

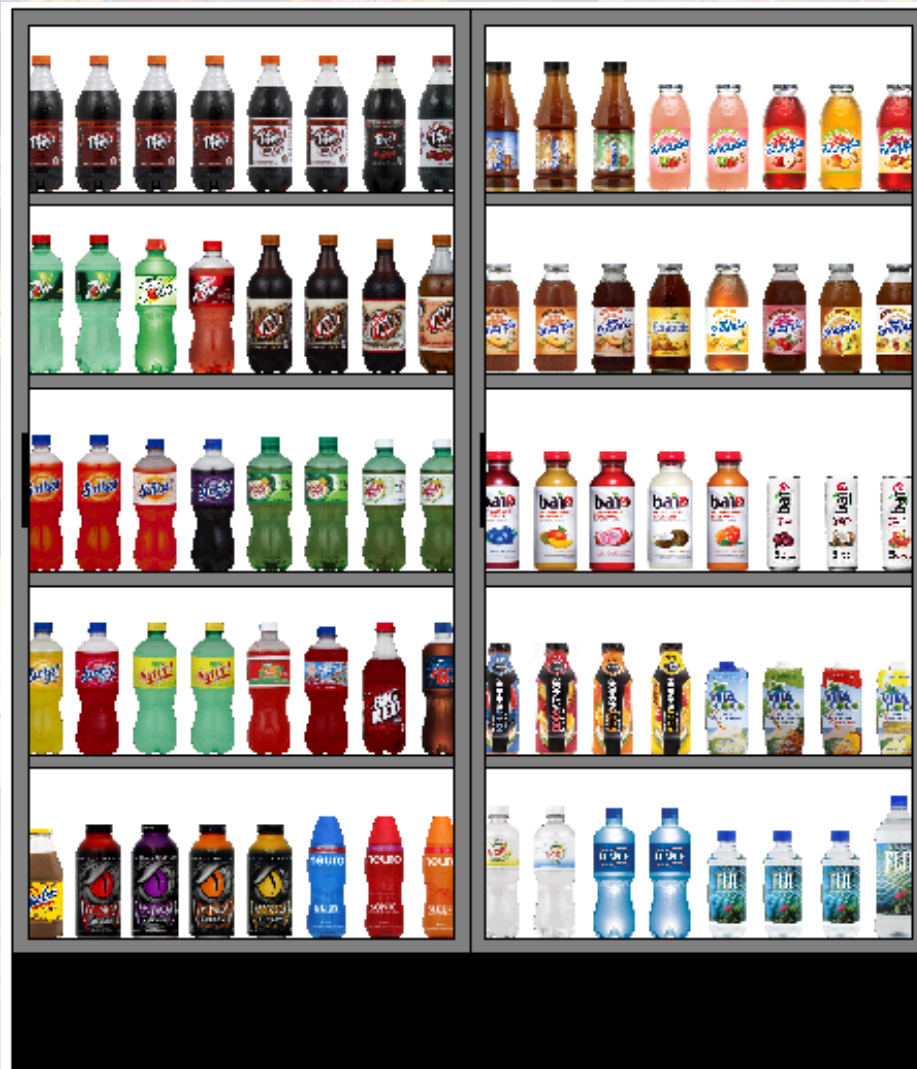
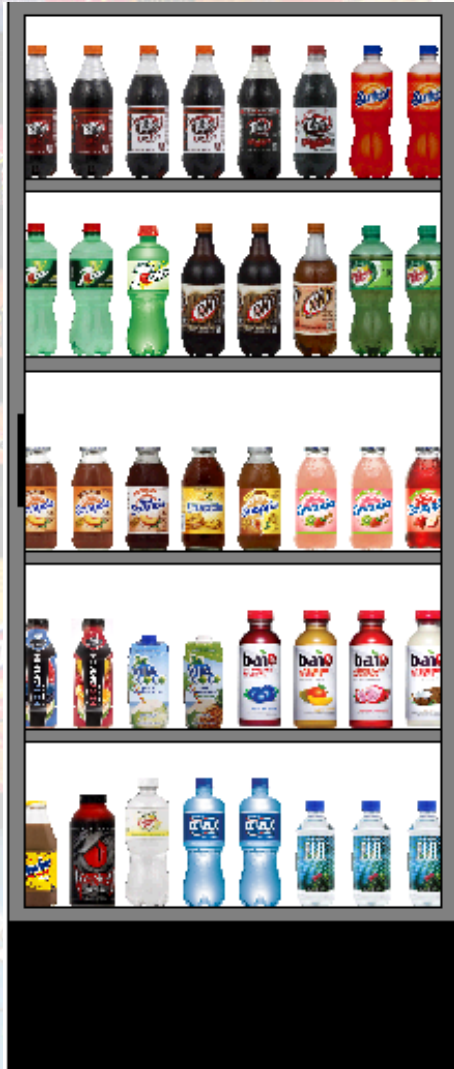


Pepsi Real Sugar
20oz

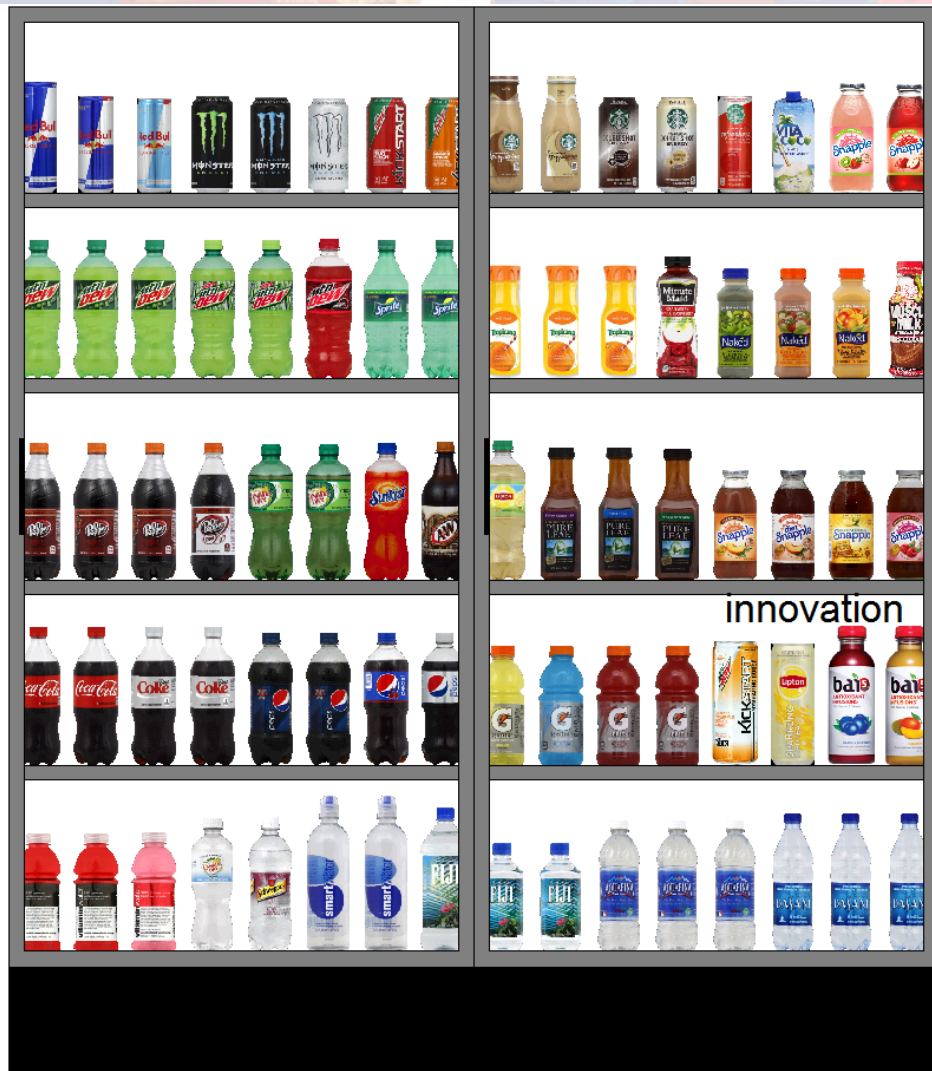


Pepsi Wild Cherry
Real Sugar 20oz

Dr Pepper / Snapple Group Single and Two Door Set



Future Testing



Move key destination brands to the bottom and place impulse and energy at the top?