

Market Intelligence Digest

Volume 3 Issue No. 05 | February 2021



Highlights

- This three-part series shows that innovation in the industry to offer a healthier, sugar-reduced, and more nutritious products to consumers.
- Drinks that effectively communicate how they can improve the immune system will thrive in the coming years.
- Various functional drink products that claim to help people relax and relieve emotional health concerns through certain ingredients are seen to gain more followers in the future.

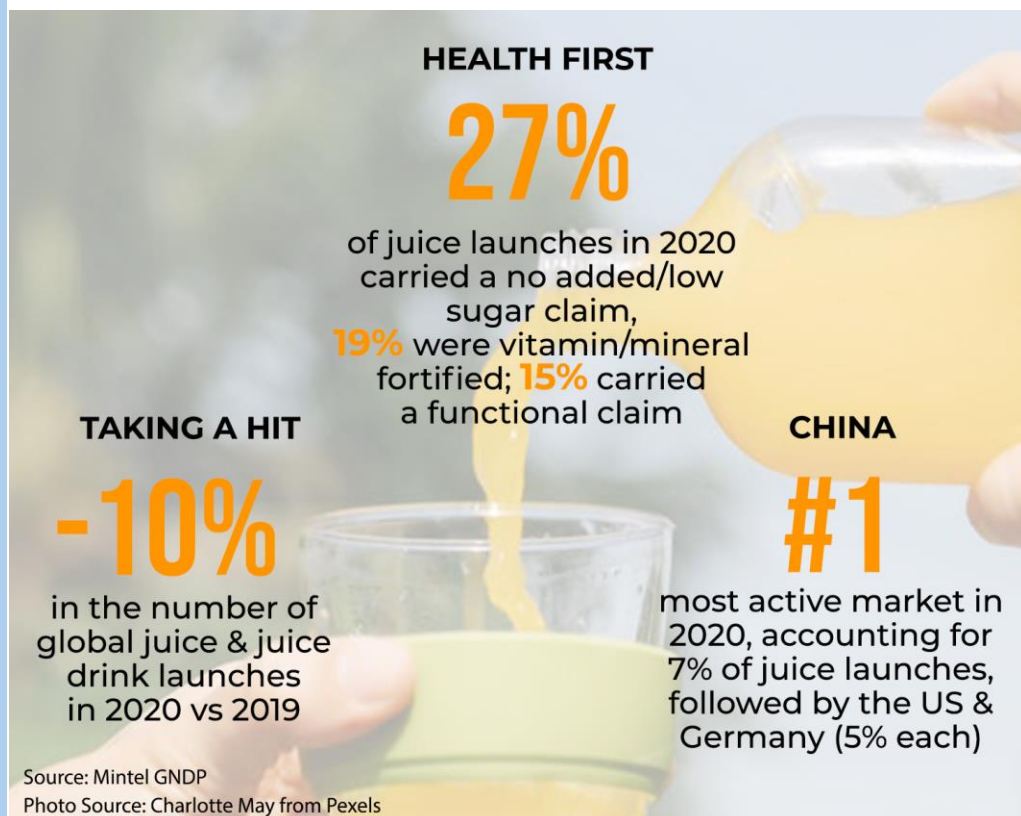
The Future of Juice & Juice Drinks: 2021 (Part 1)

In the wake of COVID-19, juice brands will need to propel their functional health and affordable nutrition credentials.

Where are we now?

COVID-19 offers reset for the juice sector

Consumers' needs have aligned with the benefits that juice has been offering all along: affordable, vitamin-rich, and everyday nutrition.



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What are we seeing?

EMEA: sugar reduction and sustainability

Consumer concerns about the sugar content of juice continue to inspire innovation and brands have also catered towards consumers' heightened interest in immunity-support. Meanwhile, more juice and beverage concentrate brands are proactively highlighting ecological credentials.

APAC: local flavors and fortification

Flavor remains the key purchase driver in juice and brands are innovating with local fruits to win over

consumers. Meanwhile, juice drinks which are fortified with functional vitamins and minerals, have gained profile across the region.

Americas: health benefits and clean labels

Juice brands are striving to expand their consumer base by tackling concerns around (natural) sugar content and committing to cleaner recipes. Launches with fortified vitamin/mineral claims have soared in 2020 as COVID-19 prompts consumers to seek out nutrient-rich recipes.

In the next two years

Mintel's perspective

COVID-19 shapes health priorities

Health and wellness remain at the forefront of the juice industry. While immune health is very much in the spotlight, there is a clear need for products that support not only physical but also mental wellbeing. Meanwhile, the sugar battle continues.

New era of value creation

Pandemic-shocked consumers are seeking a return to what is essential. While affordability is a key need, there

are opportunities to trade people up to premium formats by learning from juice shots' 'less is more' approach and by clearly identifying occasions.

The future must be green

Consumers will look to brands that address critical environmental challenges. While wide-reaching sustainability is still a long way off in the industry, juice brands can play their part by highlighting sustainable initiatives and commitments to long-term changes.

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Immune system health in the spotlight: "now with added Vitamin C!"

COVID-19 has reinforced the significance of having a healthy immune system. 90% of Chinese adults agree that COVID-19 has made people more aware of the importance of immunity.

Drinks that effectively communicate how they can support immune system health are set to flourish while the pandemic continues to unfold, and will have a continued demand post-COVID-19.

The European Food Safety Authority (EFSA) has authorized a range of vitamins and minerals for the claim 'contributes to the normal function of the immune system', including vitamins C, A, B12, B6, and D, plus zinc. Ingredients rich in such micro-nutrients are a common feature in juice drinks, but with room for brands to put stronger focus on their immunity-boosting benefits.

Emphasizing 'genuine' immunity credentials has never been more timely

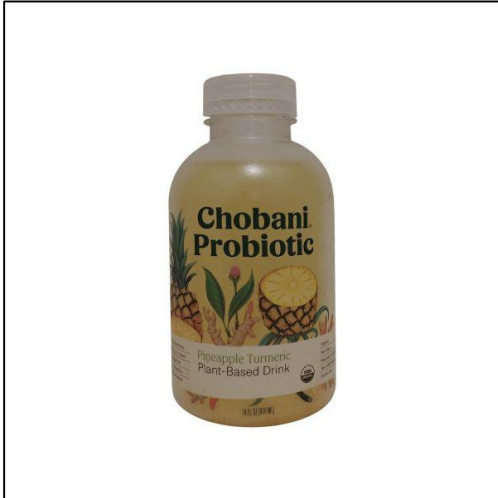
Alongside vitamin- and mineral-rich fruits, brands should look to leverage botanical ingredients such as ginger and turmeric as natural immunity powerhouses. Among Chinese consumers, ginseng, propolis, and cordyceps are widely associated with immunity.



Fit Gourmet Immune Booster with ginger, orange, and lime (Indonesia)

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Chobani Probiotic Plant-Based Drink for immune & digestive health (US)

Moreover, probiotics offer functional benefits to the immune system, providing a great platform for drink brands to explore. Already, 43% of US consumers who take probiotics do so for immune system health.

Address mental and emotional wellbeing

The already rising attention on mental health has been multiplied by the pandemic and its far-reaching impacts, as explored in Mintel's 2021 Food and Drink Trend Feed the Mind. In the coming years, consumers will be looking for more functional drinks that claim to help people relax and relieve emotional health concerns. Juice brands can respond by dialing up their relaxation properties to position themselves as an antidote to stress.

Relaxation can be addressed through adaptogens, a group of ingredients that are purported to positively adapt the body's response to stress. Some adaptogenic ingredients include holy basil, ashwagandha, maca, ginseng, and certain medicinal mushrooms (e.g. chaga, reishi). Where legal, cannabidiol (CBD) can also be positioned as having relaxation benefits.

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Herb cooler with chamomile & brahmi

What If Herb Cooler

Features rose, apple, lime, chamomile, gotu kola brahmi, and prebiotics. It is said to be refreshing and relaxing, helping one to cheer up and have a good time (India).



Mind tonic with lion's mane & reishi

Numi Organics Cocoa, Lion's Mane, and Reishi Mind Tonic

Contains 23% juice, super adaptogens lion's mane and reishi mushrooms, uplifting cocoa, and beneficial spices including cinnamon and allspice (US).



Calm & Comfort: CBD, lavender, and chamomile

BumbleZest Calm + Comfort Lavender CBD Spirulina Drink

Contains chamomile, half a lemon, mint, Himalayan salt, a drop of maple, 12mg CBD, and only 15 calories (UK).

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The sugar battle continues: elevate the water status in juice drinks



Oasis Hydra Watermelon Apple Fruit Juice and Water Blend (Canada)

Water, hydration, and refreshment are to become keywords in light yet natural, future-proof juice drinks as consumers are shifting towards healthier beverages. 66% of UK juice drinkers say that concerns over sugar make them limit the amount of juices they drink, while 50% of US adults who are buying less juice or juice drinks than a year ago say they replaced them with water.

While water is an essential ingredient in many juice drinks, the time is ripe for brands to make more of the health halo that the 'water' label has to offer. To differentiate from flavored waters, hydrating juice drinks should leverage their inherent nutritional qualities and boost functional appeal.



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