



FRUIT JUICE MATTERS OCTOBER 2020

BEVERAGE TRENDS & INNOVATION

The global non-alcoholic beverage market is projected to grow at a CAGR of 4.7% to 2024. Demand for functionality, decreasing alcohol consumption and nutrition awareness are among the key factors supporting category growth. The following is a breakdown of some of the main trends in the beverage market.

BEVERAGE TRENDS

Premiumisation: This is an ongoing trend across many categories of the beverage industry. Consumers are now not only focused on costs, but quality as well and there is an increase in more premium high quality variants and new taste experiences. They are becoming more selective drinkers, looking for authenticity and value for their money and also be looking for more luxury experiences both in the home and out. It seems that consumers are drinking fewer, but more superior premium beverages and their values are being redefined with a focus on quality, longevity and sustainability.

Functionality: Health and awareness remain at the forefront of the beverage industry as many consumers turn to healthier options. Focus is on products that support both physical and mental health and as a result new ingredients are being introduced that can offer functional benefits. A number of products are incorporating both essential ingredients such as vitamins and nutrients as well as more specialized additives such as adaptogens, CBD and probiotics. A variety of benefits include energising or relaxing properties, cleaner and natural ingredients, aids for sport performance, improved digestive health, mood boosters and stress relievers. While consumers are willing to spend more, as demonstrated by the rise in premium beverages, they are also increasing as well the demand for drinks that offer functionality.

Convenience: The RTD market has grown exponentially. With physical activity and health awareness on the increase, demand for RTD drinks such as cold pressed juices are increasingly desirable. In addition snacking drinks are gaining momentum. Consumers are seeking beverages that relieve hunger while on-the-go to deliver both nutrition and energy and thus an increase in beverages designed to satisfy and satiate.

Sustainability: Sustainability is critical and now even less of a trend, but a necessity. Heightened awareness surrounding sustainability requires demonstration of more sustainable methods and sources as well as environmentally friendly ethics.

Packaging: Beverages are known for their plastic bottles which do not break down easily and end up as branded litter. This has led to packaging which minimizes environmental impact featuring fully recyclable and sustainably sourced materials.



INNOVATION

Based on the above trends, considerable innovation is driving companies to provide products to satisfy the ever growing demand for both healthy and convenient options.

Soft Drinks: Innovation is being steered away from sugary drinks to healthier options with functional benefits. Some are formulated with prebiotics, plant fibre and botanical extracts. There are also a number of naturally flavored sparkling water products, offering a healthier option to sugary drinks. These are also infused with fruits and herbs and claiming to be sugar, calorie and sodium free and which contain unique, intense and exotic flavor experiences.

Juice & Drinks: Innovations include lower sugar smoothie products created for sugar-conscious consumers providing a healthier option without compromising taste. "Lite" juice options are also increasing. Another development is blends of real fruit juice and cold brew coffee where consumers are looking for natural ways to increase their energy and providing an option to gain other health benefits while having their caffeine. This brings together both health and energy and indicates functionality and wellness in the juice category.

Tea: Low-calorie and low-sugar sparkling iced teas inclusive of for instance the healing benefits of ginseng and antioxidant-rich berries are on the market. In addition CBD infused tea has become a popular functional addition, together with hemp infusion, due to potential health benefits such as reducing anxiety and relieving pain.

Coffee: Cold brew coffee has recently become a key trend and also offered in RTD canned format. Convenience is sought after amongst professionals and fitness enthusiasts which allows instant satisfaction in a location of their choice. Others have introduced gut-friendly coffee that is blended with functional mushrooms, probiotics and prebiotics. Like in tea, another popular functional addition has been CBD infusions.

Water: Smart water dispensers can dispense still and sparkling water in a variety of flavors. Fruit flavored zero-sugar waters are available to especially children to make drinking water a more exciting and flavorful option. In water, but also the other abovementioned categories, we have seen increasing introduction of fully recyclable bottles and the aluminium can is also very popular.

TRENDS & INNOVATION

Identifying consumer trends is critically important. However this also demands innovation in order to attract consumers and satisfy their evolving needs. Innovation is therefore a key driver of growth and also often an excellent indicator of the health of an industry or company.

RUDI RICHARDS

www.safja.co.za

(extracted from articles supplied by Foodbev)

