

MSU Product Center

For Agriculture and Natural Resources

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Fruit juice and juice drink: Many opportunities

Market drivers that provide many opportunities

- **Wellness, indulgence, convenience** and **ethnicity** are key market drivers that provide many opportunities for fruit juice and juice drinks suppliers and manufacturers to raise sales.

Specific opportunities

- Fruit juice and juice drinks are considered to be a healthy beverage by many consumers. New juice drink products that are natural or that can position themselves as products fortified with vitamins and minerals, with no additives, preservatives or with low, no or reduced sugar are appealing to health-conscious consumers.
- These drinks are well accepted by many consumers as indulgence drinks. About 85% of the households consume these drinks. Innovations in flavor and variety will be key for success in the introduction of new products.
- Convenience will provide many opportunities, if suppliers pay attention to packaging innovations in the introduction of new products. Packaging that is easier to store, to carry, or to chill boxes, bottles, and other containers will make the product more convenient for different consumer groups.
- These drinks are also becoming popular among different ethnic groups. Recent new product introductions have increased the popularity of the drinks among Hispanics. Suppliers have thus many opportunities to develop new products targeting different ethnic groups. Product innovations for this market segment should focus on variety and package design.

New product examples

- Coca-Cola, USA – Appletiser, 100% pure lightly carbonated apple juice with no preservatives
- Lakewood fruit products, USA – Blend of apple, cranberry and grape 100% juice without GMO, 6fl oz. plastic bottle
- Northland cranberries, USA – No-sugar added juice drinks , 64 oz. plastic bottle

Special issues

- Some health-conscious consumers, especially younger consumers and women, these days seem to be looking for alternative non-alcoholic beverages. For example, the enhanced water product line has seen strong growth since the late 1990s and is gaining from being perceived as a healthy drink. Thus one significant product innovation area suppliers can pursue will be the development of new product line extensions that can better compete against healthier water drinks.
- The market for these products is dominated by brand products. There are also many private label products.
- Fast growth in new products that is currently saturating the existing market channels will be a continuous challenge for suppliers of these products.
- In the future, suppliers of these products may need to search for non-traditional distribution outlets within the food service establishments such as fast food chains to raise sales.
- Also, wider distribution capabilities and market advantages could be achieved, if smaller suppliers use channels of larger companies that have an established and extensive marketing and distributing net work.

Keys to success

- Product and packaging innovations that focus on flavor, variety, convenience and on healthy and functional drinks are key for success in this product line.

Sources

Mintel, Global New product database. <http://www.gnpd.com>

_____. Fruit juice and juice drinks, US, August 2003.

_____. Functional beverages, US, September 2004.