

MSU Product Center

For Agriculture and Natural Resources

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Fruit juice and juice drinks Opportunities: - Selective opportunities

Market drivers that provide selective opportunities

- **Value** and **demographics** are market drivers that provide selective opportunities to raise sales from these products

Specific opportunities

- The on-going high competition among the different non-alcoholic beverages will make it difficult to substantially raise sales on the basis of price. Suppliers who can supply high-volume low price juices and juice drinks through mass merchandise stores have selective opportunities to raise sales.
- Consumers who consider these products as their preferred functional beverages may not see price as the main factor affecting their purchase. These consumers, however, are not purchasing the product in bulk and they are not frequent customers of mass merchandise stores.
- New fruit juice and juice drink products can also target specific demographic groups, mainly families with children. In this market, innovations in packaging, flavor and color will be important in attracting children to buy juice products.

New product examples

- Imagine Global – Really Juice Fruit Snacks, low/reduced fat, for children (5-12).
- Topco Associates – Food Club Curious George fruit juice snacks for children, 5.4. oz. flexible package.
- 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

- 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.
- 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.

Key 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.