

## **MSU Product Center**

*For Agriculture and Natural Resources*

Funding: USDA Rural Development Cooperative Service Market Advisor: The Hale Group

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### **Vegetable juices and juice drinks - Overview**

#### **Products included in the product line**

- These are 100% vegetable juices and juice drinks in which the amount of real vegetable juice is less than 100%. This includes refrigerated juices, bottled juices, aseptic juice and juice drinks, frozen juices and juice drinks, canned juices and shelf-stable liquid concentrate juices.

#### **General market trend and information**

- Overall, the market for juice and juice drinks is not growing. Between 2000 and 2002, sales of fruit and vegetable juices eligible for FDA-approved health claims were relatively flat.
- In 2003, sales of vegetable juices through supermarket channels has been \$509 million, 2% higher than sales in 2002.
- Vegetable juices have currently high competition with other healthy drinks including bottled water and fruit juices.

#### **New product trends**

- In 2004, there were 73 new products introduced in major global markets. The overall picture shows an increasing trend.
- Many juices and juice drinks are coming as drinks made from mixes of vegetables, while others are part vegetable and part other products such as fruit and dairy products.
- Also, some drinks come as cocktails, concentrates and smoothies made from mixes of vegetables and fruits. Most of the new products have positioned themselves as healthy and functional drinks fortified with additional ingredients like vitamins and minerals or they claim to be calorie-free, no fat or low fat, natural, no added sugar, no preservatives, rich in antioxidants, etc.
- New products do not show new innovations in packaging. They are coming in relatively large size plastic bottles, cartons or cans. Most of them are shelf stable while some need to be chilled.
- In addition to vegetable juices and juice drinks, there are also some other new vegetable containing beverages that are currently entering the market e.g., Wine from vegetables, hot beverages, iced tea products, and concentrates made from plain vegetables or containing vegetables).

#### **Manufacturing and distribution issues**

- With the growing number of new products in the non-alcoholic beverage sector, this category is facing high competition from other drinks that include fruit juice drinks, enhanced water, milk, yogurt mixes and carbonated drinks.
- In addition, the juice and juice drink market is dominated by brand products. There are also many private label products that are relatively less expensive than branded products.

#### **Overall assessment of opportunities**

- The health benefits of vegetable juice and juice drinks, and growth in consumers' demand for more flavor, variety and convenience provide selective to broad product development opportunities for individual manufacturers.

#### **Sources**

Mintel, *FDA-Approved health claims*, 2003.

\_\_\_\_\_, Global New Product Database. <http://www.gnpd.com>.