

BEVERAGE TRENDS for 2021 and Beyond



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Health and wellness continue to drive change throughout the beverage industry as consumers look to beverages for improved energy, sleep & mental health benefits, digestion benefits, and extra nutrients like vitamins, minerals, and protein.

Among this year's trends are functional flavored & sparkling waters, drinking vinegars, hybrid beverages, and clean label energy drinks.

The beverage industry continues to evolve as it addresses consumers' growing interest in health and wellness. Juice and soda sales have slowed, and milk sales are declining, while bottled water has become the most popular ready-to-drink beverage among adults. Ready-to-drink coffees and teas also continue to do well.

Since consumers have come to expect more than just hydration and nutrition from their beverages. Those that offer a health benefit are getting their attention. But a good nutrition label and ingredient statement are not the only criteria for purchase. Consumers expect great taste and love to try new flavors.

1. Plant-Based Milks

With an impressive 12% regional 5-year CAGR growth i, it seems that plant-based milk has solidified its place in European refrigerators.¹ In the US, though almond, soy, and coconut milks are leading the pack, a surge in innovation is keeping consumers engaged—including new ingredients, clever claims, and spin-off products

like plant-based whipped creams and new decadent creamers. Plant-based milk is the most developed of all plant-based food categories globally.

According to research from The Good Food Institute, refrigerated plant-based milk is nearly 90% of the category in the US while the rest is shelf-stable.² What started as a shelf-stable health-food aisle rice or soy-based dairy alternative for lactose intolerant consumers has transformed into a healthy lifestyle beverage category that includes almond milk, coconut milk, and even pea milk.

The proliferation of plant-based milks has made the milk aisle increasingly competitive. However, there may be more to this competition than meets the eye. The top reasons are:

- Health
- Variety
- Taste

Health includes protein (in particular plant protein, which has a health halo) and lower calories, as consumers are increasingly checking the nutrition label before buying. One in three British Gen Z consumers now say they opt for plant-based milks compared to traditional dairy milk.³

Functionality in food & drink has found it's place within consumer routines, and curiosity in how diets can further support both physical & mental health is high, particularly amoung younger consumers...Functional food & drink will play a powerful role in consumer desires to build up immunity, manage daily stresses and incorporate ingredients that will support long-term health.

-Alyssa Hangartner, Research Analyst at Mintel

The variety of plant-based milks continues to flourish as the category matures. The standard soy, coconut and rice milk varieties has exploded globally adding ancient grains like oat, quinoa and barley milks. Superfood seeds like flax, hemp and tiger nut all are varieties available to consumers. But don't forget the proliferations of nut-milk varities ranging from more common almond and cashew to hazelnut, sunflower, pecan and macadamia nut.

Plant-based milk brands are now innovating around other dairy alternatives including creamers and whipped creams. Also expect to see more blended products launched as brands look to meet needs of the 74% of U.S. plant-based milk consumers who also purchase dairy milk.⁴

2. Functional Flavored & Sparkling Waters

Emerging brands and carbonated soft drink manufacturers alike are seeing success in flavored and sparkling waters, with many now taking the next step into functional sparking waters. Seen by many consumers as a better-for-you alternative to highsugar or sweeter-stuff sodas, there are now mutiple options in the flavored and sparkling water segment. According to Mintel, 71% of sparkling water users say that it is a good alternative to soda.⁵

With the pandemic zapping energy levels of consumers, many are looking for beverage options to bring them an extra boost, without the jolt or jitters that may come from energy drinks. Enter sparkling energy water, now options from major premium water brands include Perrier, Pepsico's Bubly and Coca–Cola's AHA.

Hydrating energy is an intriguing cross-pollination of the ever-growing energy segment and bottled waters. However, don't expect the functional benefits to end at energy or be relegated to only sparkling waters. According to Mintel Global Product Launch Database, in 2020, share of global flavoured water launches featuring functional claims hit a high point at 17% and vitamin/ mineral fortified claims grew to nearly 1 in 5 flavored water launches.⁶



3. Kombucha

Kombucha is a fermented tea touted for health benefits stemming from its probiotic content. To make kombucha, sugar and cultures are added to brewed tea. The culture used is known as SCOBY, the acronym for "symbiotic colony of bacteria and yeast." After a few weeks of fermentation (which allows the sugar and pH to drop), the beverage is filtered and then flavored with fruit juice or herbs.

A staple of health food stores in the past, kombucha is now available across mainstream channels with offerings seen in traditional grocery and club stores. Touted for it's digestive benefits, the category grew retail sales by 8% in 2020.⁷ Kombucha is available in single-serve bottles and increasingly can be found on tap at supermarkets, co-ops, restaurants, and in university cafeterias.

This tart, sparkling beverage makes a unique base for traditional juice flavors like grape, apple, or blueberry. Kombucha flavored with herbs, spices, or flower extracts are also popular, especially basil, ginger, cinnamon, and jasmine.



4. Drinking Vinegars

Taking its cue from kombucha, drinking vinegars have also sprung up as ready-to-drink beverages. Often apple cider based and with a little added sugar, drinking vinegars are appealing to consumers who shy away from super sweet beverages. These consumers do



look at sugar content on the nutrition label. Unique flavor combinations, such as strawberry-balsamic and lemon-cayenne, are a draw for consumers.

5. Cold Brew Coffee

The cold brew coffee craze won't be cooling down any time soon. Cold brew is now available in single-serve ready-to-drink formats, as a concentrate, and even on tap at some supermarkets and cafes. The long steep (from hours to days) and low brewing temperature (which impacts the solubility of coffee's various flavor compounds) are responsible for this coffee's unique flavor profile.

Cold brew coffee is usually described as sweeter, less bitter and acidic, and with an overall milder flavor than hot brewed coffee. This provides a healthier option for coffee drinkers who typically rely on cream and sugar to make hot brewed coffee palatable.

Cold brew coffee is just a small part of the larger RTD coffee space that continues to see growth in the US.

Starbucks is the category leader, transforming their global success in food service to the supermarket aisle. The RTD coffee category was boosted in 2020 as consumers commutes shortened but their need for energy grew; retail sales jumped nearly 16% year over year.⁸

6. Hybrid Beverages

A hybrid beverage is a cross between two (or more) different beverage types. The leading hybrid beverage in the U.S. last year was carbonated functional water, followed by coffee blends.⁹ Once beverage category growth leaders, juice and soda sales have stagnated as consumers seek healthier beverage options, especially those with less sugar and added functional ingredients, such as vitamins, electrolytes, antioxidants, and protein. Enter the hybrid beverage boom.

Examples of hybrid beverages include juice-water blends, protein water, vitamin water, dairy-based energy drinks, and coffee-tea blends. Although the possibilities seem endless, Mintel has identified that only 13% of US adults report drinking hybrid beverages. However, the most engage consumers are Gen Z and Millenials.¹⁰

Cross-over beverage categories layered with functional benefits can help brands to connect with younger consumers but also may present an opportunity to appeal to a wider market depending on ingredient & benefit. Caffeine is the obvious choice for hybrid beverages with caffeinated sparkling waters already seeing success in that space. Other opportunities may be sleep, relaxation or 'balancing' beverage offerings that utilize adaptogens like L-theanine or CBD to provide calming effects to consumers.

7. Sports & Performance Drinks

The growth in health & wellness has lead to more consumers seeking activity and exercise in their daily routines to support both their physical and mental health. While activities may vary dramatically across the active populations, products to support performance and active lifestyles is keeping pace with this growing market.

The consumer group most likely to use sports & performance drinks are Gen Z and Millennial men

and women. Younger consumers are more likely to be loyal to a brand in the category, often choosing a different product from their preferred brand rather than substitute for a different brand. Females are more likely to choose RTD beverages in sports & performance compared to males who may opt for drink mixes.

As sports & performance drinks go mainstream, the category is transforming to accommodate the needs of consumers who are less active than athletes but still interested in beverages with health benefits. New sports drink launches are now more likely to have reduced sugar, clean labels, and functional ingredients, especially amino acids and botanicals.



What's Next?

With health and wellness front and center, other beverages to watch for include veggie-fruit juice blends, drinkable soups, drinkable plant-based yogurts and kefir, and new herbal teas like mamaki. While healthy beverages certainly include beverages with vitamins, minerals, antioxidants, omega-3s, protein, and beneficial botanicals, the concept also encompasses beverages that strive to keep sugar, fat, and calories low. With that in mind, expansion of waters of all types are poised to do well, including maple water, aloe water, herb-infused water, and water kefir.

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Opportunities to Boost Appeal of Your Ready-to-Drink (RTD)

The RTD beverage landscape looks radically different from just a decade ago. Soda sales are slowing while water sales are growing, and terms like "craft," "cold brew," and "natural energy" have gone mainstream, largely due to Millennials, who continue to drive growth in RTD beverages. And most notably, healthy is becoming an expectation of RTD beverage consumers.

Addressing Trends

The growth in RTD beverages is being led by better-

for-you beverages. This section addresses key trends that we're seeing in both the beverage and food industries, which include:

- Convenience
- Clean label ٠
- Health and wellness

Consider how your beverage can capitalize on these five key opportunities consumers are loving about RTD beverages:

1. Functional Ingredients

Antioxidants

- Natural energy boosters
- **Botanicals** •

Just adding one of these can get your product noticed, especially the nutrients most important to consumers like B vitamins, calcium, or probiotics. In the post-pandemic world, consumers more than ever will be looking for functional ingredients associated with immunity, so vitamin C, Omega-3, vitamin D or elderberry are all opportunities to add an immune halo to your beverage. According to consumer survey by FMCG Gurus in early 2021, 32% of UK consumers and 43% of German and French consumers indicated they would continue to turn to beverages to boost their immune health after the pandemic had passed.¹ A custom nutrient premix is a simple way to add immuneassociated nutrient blends to beverages.

2. Less Sugar

Consumers are catching on. They are trying to avoid drinking their calories and are replacing juice and soda with carbonated juice drinks, flavored waters, teas, and coffee drinks. Unsweetened teas and coffee drinks-already favored for their role as pick-me-ups-are getting an extra boost from the low sugar/ no sugar trend. In a survey by FMCG Gurus, 29% of European consumers say low sugar claims are important in beverages.²

3. Carbonation

As consumers transition away from sugary beverages, carbonation is a way to add back some sensory experience and distract from any perception of reduced sweetness or taste. A sparkling juice drink is certainly a more exciting experience than a diluted juice. Likewise, sparkling flavored waters, nitrogenated ("nitro") coffee, and naturally fizzy kombucha promise added sensory appeal through mouthfeel and the subtle effects on taste perception. Layer in the naturalness of botanicals with the proven efficacy of nutrients and Mintel expert, Alex Beckett, predicts this will accelerate innovation in sparkling water.3

The U.S. remains the biggest market for functional foods, with continued growth and innovation driven by the health and wellness trend. It's no longer enough for a beverage to simply quench thirst. RTD beverage users want to buy a beverage with a purpose. Popular ingredients include:

- Vitamins
- Minerals •
- Probiotics
- Prebiotic fibers
- Omega-3 fatty acids



4. Energy

There's no denying that Americans want more energy. According to same consumer survey by FMCG Gurus, 17% of German adults, 19% of UK adults, and 28% of French adults indicated the pandemic had made them feel more conscious about their daily energy levels.⁴

While energy drinks continue to be a significant and growing category, a fresh approach to energy may be what brands need in order to innovate in the highly competitive space. And in fact, RTD coffees and teas are also experiencing tremendous growth. Ways to give consumers the energy they're looking for include choosing coffee or tea as the beverage base or adding energy-boosting ingredients, especially natural energy sources, such as:

- Green tea extract
- Green coffee extract
- Guarana
- Guayusa
- Yerba mate

Added natural energy is a great opportunity to stack benefits in a hybrid beverage —for example, a drinkable energy yogurt with coffeefruit extract and added protein like Oikos Pro Caffeinated & Cultured Coffee Flavored Dairy Drink which contains 100 mg caffeine and 25 g of dairy-based protein.

5. Protein

Protein is another way to add appeal to RTD beverages. You can use a base naturally rich in protein, like milk, soy milk, or other nuts milks or add a protein concentrate or isolate. However, simply adding protein to a beverage formulation is not usually successful. Utilizing dairy– based and plant–based proteins created for your specificl beverage application and offer superior nutrition and functional properties—like flavor, solubility and stability—will help your beverages stand out in the market.

Protein universally carries a positive health association. From satiety benefits, to muscle building and maintenance and even a perceived immunity benefit, 45% of consumers globally turn to protein drinks to boost their overall health.⁵

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Re-visiting Consumer Packaging Preferences

New Priorities Point Manufacturers to

Aseptic Options

From bottled water to soft drinks, single-serve plastic beverage containers are being given another look by consumers in the beverage category.

Explore how consumer preferences for convenient packaging that also delivers on food safety and shelf life may pave the way for expansion in aseptic beverage manufacturing.

Understanding Packaging Preferences of Today's Consumers

The food and beverage industry has been impacted in a variety of ways as a result of the COVID–19 pandemic, not least by shifts in consumer preferences. Management consulting firm

McKinsey and Company recently set out to learn specifically what's important to consumers when it comes to food and beverage packaging.

According to McKinsey's survey results¹, the COVID-19 situation has made consumers more sensitive to the importance of hygiene/food safety in packaging materials. Across the ten countries sampled (spanning North and South America to Europe and Asia), hygiene/food safety came out on top with the highest number of respondents indicating its importance in product packaging as very strong or extremely. The second most highly cited factor in all countries was shelf life. In the U.S., the next most cited factors in product packaging after hygiene/ food safety (at 77%) and shelf life (at 67%) were ease of use (61%), and durability and label information (tied at 59%). Environmental impact of the product packaging came in last (at 43%), surprising researchers. In fact, environmental impact ranked in the bottom two for eight of the ten countries surveyed, indicating the greater importance to consumers of more immediate, practical concerns.

Aseptic Beverage Manufacturing Addresses Consumer Needs

These strong consumer preferences for product packaging that delivers on hygiene/food safety, shelf life, ease of use, and durability indicate a key opportunity for companies to tap into the benefits of aseptic beverage manufacturing.

Besides peace of mind, aseptic beverage processing allows companies to create beverages that are shelf stable and have a long shelf life, meeting the needs of today's consumers. Not only does the shelf stability provide consumers with convenience that works for the lunch box or gym bag, but the long shelf life also lets consumers stock up without worry if they wish.

Another Look at Aseptic Packaging

Are you ready for aseptic beverage manufacturing?

From wellness beverages to premium juices, aseptic beverage manufacturing offers a high-quality, shelfstable option for producing flavorful, nutritious beverages with a long shelf life. Explore the top benefits of aseptic processing and what it takes to launch an aseptic beverage line.

Benefits of Aseptic Beverage Manufacturing

Aseptic beverage manufacturing offers a number of benefits that companies and consumers alike appreciate. These benefits include better flavor and nutrient retention during processing compared to hot fill and retort. Aseptic beverage manufacturing offers a unique, state-of-the-art process that eliminates both pathogens and spoilage organisms to achieve a commercially shelf-safe product. This is food technology at its best and a food safety story worth sharing with consumers. Aseptic beverages do not require refrigeration and are known for their shelf stability and long shelf life—all huge advantages in terms of storage. This also allows for expanded distribution, including internationally.

For companies that use cold filling for sensitive products, aseptic beverage manufacturing offers a preservative-free alternative, which addresses consumer demand for clean label and tranparency. Not only can consumers review the label they can see for themselves the fresh colors of the beverage.

In addition, a wide variety of packaging options are

available, with grab-and-go plastic bottles among the most popular for consumers. Aseptic beverage manufacturing technology is particularly valuable for health and wellness beverages, high and low acid juices, and protein juice smoothies.

Launching a Aseptic Beverage Line

Companies considering expanding or transitioning into the aseptic beverage space in order to tap into these benefits may be wondering about how best to proceed. Here's a look at the basic steps involved in launching an aseptic beverage:

1. Formula development

The first step is to develop the formula. If a company already has a formula, it will need to be reviewed to ensure compatibility with the aseptic beverage manufacturing process. Alternatively, a brand can utilize the aseptic processor's R&D capabilities. Partnering with manufactuers that offer in-house R&D with concept, nutrition, and flavor development based on your needs, along with a deep knowledge of category trends will expedite your development process.



2. Packaging Selection

Packaging is often the next consideration. Aseptic beverage manufacturing has become known for its versatility in packaging. Single-serve plastic bottles are on-trend for sports nutrition and other functional beverages and can be made from materials such as PET and RPET for manufacturers interested in sustainability. Various bottle shapes and sizes are dependent on the aseptic beverage manufacturer. Some aseptic producers offer blow molding bottle services which allow maximum flexibility to create bottle shapes that make your beverage and brand stand out. Custom packaging solutions by aspetic manufacturers also allow your product to be branded, boxed and palletized to your exact retail requirements.

3. Prototype Creation

Once the formula and packaging are identified, then a prototype is created. This is typically done in a pilot plant, where the beverage is aseptically processed and filled into the chosen packaging. The prototype is evaluated on sensory properties like flavor, aroma, color, and mouthfeel. At this point, a company can approve the prototype or consider if any formula adjustments might be needed.

When creating prototypes, functional beverage manufacturers may want to incorporate ingredients that resonate with consumers. According to Mintel, 56% of new product launches in functional beverages contained added vitamins and minerals. The most common ingredients are Vitamin C, D3, and A.²

Protein is also a popular choice, with 6.3% of new product launches in functional beverages making a high protein claim between 2019 and 2020. Meal replacement subcategory was the highest, where 1 in 3 contained a high protein claim.³

Energy is a driving factor for consumers to consume beverages, with 32% of US consumers indicating



energy boosting as their reason for drinking functional beverages. The only other reason to beat energy is hydration.⁴

4. Production

The final and most exciting step is the production of the new beverage. With the prototype approved, the ingredients and packaging can be ordered, and the production run can be scheduled. On production day, the aseptic processor ensures the aseptic beverage manufacturing process proceeds in accordance with FDA food safety requirements, while also adhering to the customer's exact product specifications, including how the product is shrink–sleeved, boxed, and palletized.

Finding the Right Aseptic Beverage Manufacturing Services

Aseptic processing offers a variety of benefits for beverage companies and their consumers. Ensuring your partner has expertise from fomulation to scale up to shelf-ready is critical to getting your product to market quickly and economically. The aseptic partner you choose should have a history of success in concept development, prototyping, custom packaging development, safety and state-of-the-art aseptic processing so they can help you create beverages that meet today's trends.

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Convenience Drives Single Serve Beverage Powders

One particular area benefiting from this is the coffee pods and capsule market globally. According to Mordor Research, while ground coffee is still the largest segment globally, coffee pods and capsules is the fastest growing segment.¹ Consumers are loving today's options for making their own single–serve beverages including pods, stick packs, flavored water drops, and even dry beverage pouches that dissolve in water.

What's Driving the Trend?

While it depends on the particular product, factors associated with the rise in single-serve beverage powders and concentrates include:

- Convenience rip-top packets, dissolvable pouches, and pod systems are all designed to make life easier and fit the demands of our busy lives
- 2. On-the-Go packs and pods are lightweight and portable, and easy to bring to work or to the gym
- 3. Participation as with meal kits, the do-it-yourself aspect is engaging and can increase user satisfaction
- 4. Health and wellness especially low sugar, low calorie, and fortified with vitamins and minerals
- 5. Flavors an array of flavors keep it fun and fresh, giving consumers variety throughout the day
- 6. Customization consumers enjoy making their beverages just the way they want it, choosing the flavor, concentration, and nutrients

1. Pods for Hot Beverages

Pods deliver on the promise of fresh coffee in exactly the desired amount, without the hassle of measuring or clean up. Available in a variety of roasts, flavors, and even caffeine levels, coffee pods allow for a level of customization not previously available in workplaces and easily accommodate the varied preferences of family members at home. The next area of innovation in the coffee pod space will be sustainability. Recycleable, re-useable, biodegradable and compostable are all eco-friendly options being adopted by leaders in the coffee pod space like Nespresso and Keurig. Consumers are driving this trend, with 40% of US shoppers indicating that recycleable packaging is important when making food or beverage choices.²

2. Stick Packs

Stick packs are a lightweight, on-the-go format for powdered beverages, with uses ranging from sports drinks like Gatorade Thirst Quencher Powder to lowcalorie water enhancers like Crystal Light On The Go. Stick packs can be sprinkled into water bottles for flavorful hydration, or instant coffees, like Starbucks VIA Instant, can be added directly to a mug of water (hot or cold).

3. Flavored Water Drops

Also known as liquid water enhancers, flavored water drops add some flavor and fun to bottled water, typically without adding calories. The popular brand MiO has expanded to include product lines with functional benefits. MiO Energy, MiO Vitamins, and MiO Electrolytes allow consumers to customize their beverages with the ingredients most important to them. Newer innovations in this space include herbal tea infused for cold water. UK-based tea brand, Tetley, began offering their Cold Infusions herbal tea to the Canadian market in mid 2020.

Bringing It All Together

In the beverage world, convenience is critical driving force in consumer decision–making. And as an expert in functional ingredients and dry beverage mixes, Glanbia Nutritionals can bring that convenience to you. We can blend, instantize, spray dry, and granulate for a perfectly blended mix that's customized for your consumers.

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The ever evolving frontier of the functional beverage space is the hybrid beverage.

With endless cross over from everyday energy boosts to sports performance and even the explosion of e-sports, hybrid beverages are often the first leap consumers take into new and emerging categories.

What Is a Hybrid Beverage?

A hybrid beverage blends two or more traditional beverage categories to create something new. As innovative beverages, these hybrids are more likely to attract consumers' attention than traditional beverages. In addition, combining two different beverage types makes it possible for manufacturers to create a product that includes the best of both worlds—for example, a protein water that provides some of the protein of a protein shake but is light and refreshing like a water and low in calories. Millennials, Gen Z-ers, and health-conscious consumers are the most interested in hybrid beverages.

What's Driving the Growth of Hybrid Beverages?

The impressive growth of hybrid beverages has been attributed to consumers' quests for personalized, healthy, functional beverages and exciting new flavors. Hybrid beverages also typically contain less sugar than juice or soda, making them an attractive option for health-conscious consumers.

Key Attributes for Consumers

A Mintel report on functional food and beverages found these ingredients to be the most used interested in by consumers¹:

- Caffeine (63%)
- Superfoods e.g. blueberries, spinach (49%)
- Antioxidants (53%)
- Electrolytes (45%)
- Ginger (47%)



Other healthy additions to consider are probiotics, prebiotic fibers, proteins, omega-3 fatty acids, and botanicals—such as green tea or chamomile—that support beneficial physiological effects. These can easily be added to an existing beverage through a custom nutrient premix. It's also important to keep sugar and calories under control when formulating a hybrid beverage, since hybrid beverage consumers do check the nutrition label.

Trending Hybrid Beverages

The hybrid beverages doing especially well are:

1. Fortified Water

This includes water with vitamins, electrolytes, or protein. Since bottled water is currently the top-selling bottled beverage among adults, it's no surprise the water with added benefits is catching on. Flavored and carbonated versions also contribute to the popularity of this category.

2. Carbonated Juice

Imagine all your favorite juices but in low-calorie options with a little fizz. Carbonated juices are available in single-serve cans and bottles in traditional juice flavors like apple, orange, and grapefruit, as well as blends like pineapple coconut and watermelon strawberry. The ratio of juice to water can be adjusted to optimize the sugar content—both for taste and for an appealing nutrition label.

3. Coconut Water

Rich in magnesium, potassium, and vitamin C, coconut water can be thought of as a naturally–fortified water, as well as a naturally–flavored water. Particularly among younger consumers, coconut water is popular globally. In the US, 34% of adults have tried coconut water and 15% more are interested in trying it.² Highlighting it's natually low sugar content and potential for hydration, fortified with energy–boosting or immune support ingredients may entice more customers to try it for itss health benefits.

4. Designing Your Own Hybrid Beverage

Though it may seem that the sky's the limit when creating a hybrid beverage, many preferred hybrid beverage have a juice base and is fortified with vitamins and minerals. While this is a good starting point, remember that consumers love to try new beverages. Just don't forget a healthy nutrition label and great taste!

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Food & Beverage Trend Spotlight: Kefir

With consumer trends in functional foods and beverages, ready-to-eat snacks, and traditional fermented products like kombucha, the time is right for kefir.

And with the uptick in interest around immune health due to the pandemic, this probiotic–rich beverage has more potential than ever for expansion as consumers seek ways to stay healthy.

With the global kefir market forecast to reach a high growth rate by 2027, the U.S. and Western Europe have been identified as key growth markets.¹ Major companies in the space include Lifeway, Nourish Kefir, Danone, and Nestle, though small-scale, artisan-style kefir manufacturers continue to emerge. In Eastern Europe and Russia, kefir remains popular as a traditional beverage due to its origins in that region.

What is Kefir?

Like drinkable yogurt, kefir is a cultured milk beverage made from whole, lowfat, or nonfat milk, typically fortified with a custom premix of vitamins A and D. Both products are known for their tart dairy flavor, high protein and calcium levels, and probiotic bacterial cultures. But unlike yogurt, kefir is cultured with bacteria and yeast—just like kombucha. The use of a symbiotic culture of bacteria and yeast (abbreviated SCOBY) is why kefir has far greater probiotic diversity than yogurt. For example, a commercial kefir may contain ten to twenty different live active probiotic cultures, compared with four to six for yogurt.

The SCOBY used to make kefir, known as "kefir grains," can even be used to ferment water, provided the water is sweetened first. When the fermentation is complete, the milk kefir or water kefir is strained to remove the kefir grains, producing an effervescent, probiotic-rich beverage. According to global product launch details from Mintel, probiotic and digestive claims are more common than immunity or stress/sleep functional claims to date.²

Kefir Trends for 2021

As word gets out about the best foods and beverages for boosting immunity, kefir is sure to make the list. Here are some exciting trends in kefir products that have high growth potential in the upcoming year:

- Kefir for kids According to survey data from Mintel, nearly 40% of US yogurt/yogurt drink users say that it is important to include fermented foods & beverages in your diet. This rises to nearly half (48%) among parents of under-4s and 43% of parents of 5–11 year olds.³
- 2. Grass-fed kefir Consumer trends in responsibly sourced foods that respect animals and the environment continue to drive growth in grass-fed dairy products. Grass-fed has expanded beyond milk to include ice cream, yogurt, and now kefir. Expect the grass-fed claim to continue to be an important feature for the conscious consumer.
- 3. Coconut water kefir Coconut water kefir makes a delicious dairy-free alternative to milk kefir. Tapping into the coconut water trend, Inner–Eco offers its You Gut This Probiotic Coconut Water cultured with kefir grains.
- 4. Frozen kefir desserts Consumers' interest in healthy indulgence represents an opportunity for kefir in the frozen dessert aisle. This emerging area aligns well with the trend in better-for-you ice cream.
- 5. Spoonable kefir Kefir can also be a ready-to-eat snack. As a food rather than a beverage, spoonable kefir can go head-to-head with yogurt, delivering on protein and calcium while outperforming on probiotics.

As consumers continue to look for ways to boost their health and immunity, nutritious and functional foods will be on their minds. Kefir and other dairy-based food and beverages rich in protein, probiotics, vitamins, and minerals have a bright future in today's market provided they're delicious and convenient.

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Functional Beverage Solutions from Glanbia Nutritionals

Our deep understanding of end-to-end beverage development can make your beverages more functional and your brand more appealing.

With winning product ideas, functionally superior ingredients, formulation expertise and technical support, we help our customers stay ahead in a quickly evolving market. Click on the icons below to go direct to our website to learn more about our solutions.



Bioactive Ingredients

We use advanced processing technologies to make bioactive ingredients that are designed to improve specific physical functions.



Plant-Based Solutions

Our portfolio provides highquality plant-based protein, flaxseed, chia, quinoa and oat ingredients that give your products outstanding safety, nutrition and flavor.



Custom Premix Solutions

Our premix solutions are built around your specifications to achieve optimal nutritional, functional and operational performance.



Proteins

Our dairy-based and plant-based proteins offer superior nutrition and functional properties to help your beverages stand out in the market.

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