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Tom Mitchell of Kantar Worldpanel provides a snapshot of juice & smoothie performance

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With the sugar-heavy old guard in retreat, challenger brands are coming to the fore

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Eight of the most outstanding innovations in the juices and smoothies arena



Changed 4 life?

Shock headlines and growing calls for a sugar tax have hit juice & smoothie sales hard. Can 'healthier' NPD lure shoppers back?

Natalie Brown

Just when it seemed things couldn't get any worse for juices and smoothies, the category has been dealt a further blow.

After a year in which more than £75m has been wiped off the value of the market due to the ongoing war on sugar and pioneering retailer initiatives such as Tesco's decision to remove added-sugar kids' brands from shelves, the sector has kicked off 2016 at the centre of the government's latest drive to stop Brits consuming so much sugar.

Following shock tabloid headlines claiming that British kids eat their own body weight in sugar each year, juices and smoothies feature on Public Health England's new Sugar Smart app, which highlights the sugar content of everyday food and drink – regardless of whether it's naturally occurring or added.

Coupled with sharp own-label price cuts, value across all sectors of the market has shrunk as shoppers visit the aisle less often. Having said this, the rate at which volumes are falling has more than halved in the last year, suggesting the decline is far from spiralling out of control.

Suppliers have also been stepping up their game. In the wake of Tesco's sugar cull, juice drink brands like Capri-Sun are focusing on extending their no-added-sugar ranges while Princes is rebranding its entire juice drink range with 'healthier' messaging. At the same time, fruit juice players such as Naked and Cawston Press are turning to vegetables to lower the sugar content of their drinks.

But is mixing a bit of kale and broccoli with fruit and launching a wider variety of no-added-sugar options really enough to make juices and smoothies appear 'healthier' in the eyes of consumers? And with the government

so intent on slashing sugar from British diets, how can juice and smoothie players appease public health concerns?

"It's time for some common sense in this debate," says Jeremy Gibson, marketing director at PepsiCo, which owns Tropicana and Naked juice and is preparing to launch its biggest campaign of the last three years, aimed at educating shoppers on the benefits of juice. "A glass of Tropicana is one of your 5 a day and provides the body with essential nutrients that can help maintain a healthy immune system. It is counter-intuitive to discourage the consumption of juice when as a nation we are falling woefully short of reaching that daily minimum."

Value sales in the overall category are down 5.3% to £1.3bn on volumes down 2.4%, with juice drinks and from-concentrate juice the worst performing subcategories [Kantar Worldpanel 52 w/e 6 December 2015].

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focus on... juices & smoothies



- It was a tough year for juices & smoothies as value fell 5.3% on volumes down 2.4% due to price cuts. They were led by own label (branded prices actually increased), resulting in nearly a £76m market loss.
- Value fell across all sectors, but there were indicators of growth among branded products with prices up 1.1% and not-from-concentrate seeing a 3.4% price increase.
- By contrast, own-label price reductions were steep, with the biggest decline in juice drinks (-8.6%).
- As own-label prices fall, branded manufacturers will have to work even harder in 2016 to justify their premium offerings.
- NPD value is over £150m, with Innocent Chilled Coconut Water the big winner alongside Copella and Tropicana.
- Sainsbury's was the big winner in own-label NPD but this wasn't enough to offset its losses in other areas as sales fell 8%.
- The big four all suffered decreases in penetration, frequency and price.

Tom Mitchell
Kantar Worldpanel

TAKE-HOME SHARE

Juices & smoothies: 52 w/e 6 December 2015

	VALUE		VOLUME	
	£m	y-o-y %	kg (m)	y-o-y %
Not-from-concentrate	468.2	0.0	309.8	3.1
Juice drinks	452.9	-8.2	425.0	-5.5
From-concentrate	344.6	-8.0	435.4	-2.8
Smoothies	83.9	-5.6	31.6	-5.2
Freshly squeezed	15.4	-3.8	8.1	-2.4
TOTAL	1,365.1	-5.3	1,210.0	-2.4

BRANDED VS OWN LABEL

Juices & smoothies: 52 w/e 6 December 2015

	VALUE		VOLUME	
	£m	y-o-y %	kg (m)	y-o-y %
Branded	701.7	-5.8	460.6	-6.9
Own label	663.4	-4.7	749.3	0.5

RETAIL SHARE

Juices & smoothies: 52 w/e 6 December 2015

	TRADING			VALUE
	grocery	category	index	y-o-y %
Waitrose	5.5	6.4	116	5.7
Lidl	4.0	4.6	115	2.8
Sainsbury's	16.4	18.7	114	-8.0
Tesco	28.5	29.1	102	-5.6
Asda	15.8	16.0	101	-5.6
Aldi	5.3	5.0	94	10.1
The Co-operative	5.8	5.3	91	-9.6
Morrisons	11.6	10.3	89	-9.4
Iceland	2.4	1.5	63	-19.5
Independents & symbols	1.3	0.8	62	-7.9
Marks & Spencer	3.7	2.2	59	-0.8

KANTAR WORLD PANEL

The take-home snapshot is produced by Kantar Worldpanel. Kantar Worldpanel monitors the grocery retailer take-home purchasing habits of 30,000 demographically representative British households. Call 020 8967 0007 or visit www.kantarworldpanel.com for details

“To alienate a customer, saying ‘you can only have this’, puts pressure on the market. There needs to be choice”

Value sales of juice drinks are down 8.2% to £452.9m on volumes down 5.5%, while from-concentrate juice is down 8% in value terms to £344.6m on volumes down 2.4% [Kantar]. That average prices are down in all of the category's major sectors doesn't only reflect the wider deflationary pattern in grocery; it also shows how hard players are having to fight for sales from a diminishing number of drinkers.

Delistings

Concern over sugar is what's deterring sales. In September, Tesco delisted a raft of added-sugar kids' drinks including Ribena, Capri-Sun and Rubicon lunchbox drinks as part of its campaign to remove 5% of sugar a year from its soft drinks, leaving only no-added-sugar options available. In December the retailer said a 'large proportion' of its customers didn't like the 'choice editing', with industry experts estimating hundreds of thousands of shoppers had ditched the supermarket in protest and gone elsewhere.

Needless to say, suppliers don't seem too impressed either. "To alienate one customer or the other saying 'you can only have this' puts pressure on the market," says Caroline Cater, operational marketing director at Coca-Cola Enterprises, which owns Capri-Sun. "There needs to be choice."

Tesco says shoppers who deserted the aisle as a result of the cull have now returned, but unsurprisingly the brands involved have suffered. Value sales of Ribena, the category's bestselling juice drink, are down 11.3% to £132.6m, on volumes down 11.7%, and value sales of Capri-Sun are down 0.2% on volumes up 0.9% [IRI 42 w/e 2 January 2016], largely mitigated by the rollout of no-added-sugar variants. Cater says CCE works in partnership with retailers on category strategy, but – as was with the case with Tesco – "doesn't always reach the same conclusions".

Lucozade Ribena Suntory hit back by relaunching its entire Ribena brand with a 'significant strategic shift' in August 2015, a month after the delisting was announced, as well as adding two new flavours to its no-added-sugar range. The company supported the rebrand by targeting 'pre-family' young adults and focusing on Ribena's taste with a £6m marketing campaign.

While CCE says launching ↻

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Lighter sales for Ribena after Tesco

- Ribenagate made its mark on the nation's top juice drink brand. Eight months after Tesco made the decision to axe added-sugar juice drinks targeted at kids – including Ribena – almost £17m has been wiped off brand value.
- But Lucozade Ribena Suntory is soldiering on by continuing its bid to reduce sugar with its latest launch (see Innovations p55).
- It's not the only one suffering. Seven of the top 10 brands are in decline.
- Despite reducing sugar by adding vegetables to its fruit juice, Tropicana has seen value sales fall 8.9% across its portfolio.
- But it's not all doom and gloom. Smoothie brand Savse has grown sales from £331k to £2.5m thanks to increased listings.



JUICES, SMOOTHIES AND JUICE DRINKS BESTSELLERS

52 w/e 2 January 2016

	VALUE		VOLUME		AVERAGE PRICE	
	£m	y-o-y %	litres (m)	y-o-y %	£/ltr	y-o-y %
Tropicana	247.7	-8.9	118.7	-10.1	2.09	1.3
Innocent	187.9	-5.1	82.1	-7.7	2.29	2.9
Ribena	132.6	-11.3	63.8	-11.7	2.08	0.4
Capri-Sun	95.7	-0.2	73.2	0.9	1.31	-1.1
Oasis	87.0	1.1	40.9	1.0	2.13	0.1
Robinsons Fruit Shoot	67.6	2.8	43.3	11.9	1.56	-8.1
Copella	48.4	-13.6	27.5	-18.6	1.76	6.1
Ocean Spray	25.8	-18.4	20.6	-20.9	1.25	3.1
Drench	15.2	-6.7	6.2	-4.4	2.46	-2.4
Rubicon	13.0	-13.3	11.2	-10.3	1.16	-3.4



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no-added-sugar variants was always part of its plan (no-added-sugar orange, blackcurrant and tropical fruit flavoured Capri-Sun hit shelves last March), its decision to extend the range to include apple and summer berries flavours this summer comes as no surprise in light of Tesco's clampdown (see Innovations p55).

Juice drinks

Princes is also flagging up its no-added-sugar credentials by replacing its juice drinks range with a new ambient sub-brand called Fruit Refreshers from March. The six-strong range comes with 'no added sugar' labels clearly placed on the front of each box.

"It's still too early to fully assess the impact of delisting added-sugar lines in the kids' lunchbox category; however, we are likely to see a further focus on no-added-sugar products throughout 2016," says Princes' marketing director Joanna Watling. "More

no-added-sugar branded NPD is required in the market to counter shopper concerns around their sugar intake."

But simply reducing sugar and hoping for the best is not enough. "Saying it's 'no-added-sugar' is no longer a benefit," says Kara Rosen, founder of cold-pressed juice brand Plenish, which won its first supermarket listing in Waitrose in 2015. "It's just the new baseline to be able to stay in the market."

Despite the tough market, not all juice drinks are in decline. Robinsons Fruit Shoot is in growth – value sales are up 2.8%

"Saying it's no-added-sugar is no longer a benefit. It's just the new baseline"

on volumes up 11.9% [IRI] – after Britvic revamped its Hydro range in July 2015 and reformulated its Fruit Shoot My-5 range to make it school compliant. The fruit flavours of Hydro were improved and sweetness reduced, while each 200ml bottle of My-5 now contains 75% juice content and one of the 5 a day.

Vimto is also growing ahead of the market with value sales up 13.4% on volumes up 14.4% [IRI], and has kicked off 2016 with the launch of a no-added-sugar sub-brand called Vimto Remix.

The brands with already established lines in lower-sugar drinks were the key beneficiaries of the added sugar cull. "The uplift in sales of low-sugar juice drinks is largely down to school lunchbox format purchases, as the equivalent added-sugar juice drink versions were delisted by some retailers and replaced by no-added-sugar ranges," says Refresco Gerber commercial director James Logan. ↻



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“There’s a long way to go yet in ‘cleaning up’ and gaining consumer trust but the need for change is recognised”

☞ Juiceburst has also been reformulated, removing 20% of sugar from its core juice range, and the brand says its no-added-sugar schools range, sweetened using stevia, is now stocked in one in four schools with the average school selling 250 bottles per week.

The brand, which claims to be the world’s first digitally interactive soft drink thanks to a Blippar app that allows kids to interact with the packaging, underwent a makeover in February. A new logo with more ‘explosive’ fruit imagery is designed to increase shelfstandout while Juicewars, a new Blippar game, allows children to blow fruit up and compete to win prizes.

“The potential for technology to change how we interact with brands is enormous,” says Jon Evans, marketing director at Purity Soft Drinks, Juiceburst’s owner. “Consumers can find out more about a product or play games to win prizes just by using the Blippar app and ‘blipping’ a bottle of Juiceburst.”

CCE’s Oasis is taking a different tack with its marketing strategy. The brand is also bucking market trends, with value sales up 1.1% on volumes up 1% [IRI], with the help of straight-talking marketing telling it like it is. ‘It’s summer. You’re thirsty. We’ve got sales targets’ read one billboard poster as part of the brand’s ‘O Refreshing Stuff’ campaign targeted at millennials in summer 2015.

Range rationalisation

Question marks do, however, hang over the growth prospects of any brand with significant sugar content, even if it’s naturally occurring sugar. The greater the sugar content, the greater the risk of falling victim to retailers’ ongoing range rationalisation. Waitrose paved the way in 2014 and stripped sugar from its chilled juice fixture by slashing listings of Tropicana and Copella in favour of its own-label juices with 30% less sugar and sweetened with stevia. Along with Tropicana, Copella continues to struggle, with value sales down 13.6%, on volumes down 18.6% [IRI].

This process is continuing. “The retailers are all working to promote health and good diets and we are beginning to see the changes implemented,” says Katie Briggs, brand manager at B.Fresh, which also makes fresh cold-pressed juice. “There’s a long way to go yet in ‘cleaning up’ and gaining consumer



Superfood powders to give drinks more body

Mixing spoonfuls of powder with water to make a drink used to be the preserve of bodybuilders. But thanks to celebrities such as supermodel Elle Macpherson and ex-English rugby player Matt Dawson, powdered super juices are making their way into kitchen cupboards.

But how much potential do these powders really have in the mainstream?

Macpherson made headlines in July 2015 when she added Super Elixir Nourishing Protein Powder – a chocolate-flavoured super juice powder made with sprouted brown rice, pea protein and Peruvian cacao – to her superfood supplement line. Of course with the nickname The

Body, Macpherson’s powder was always going to capture attention but at £96 for 300g it’s hardly accessible to all.

Bioglan’s offering – exclusive to Holland & Barrett featuring Matt Dawson as brand ambassador – appeals to a more mainstream audience with its £12.99 beetroot powder among the products featured in its TV advertising in 2015.

After a ‘massive rise’ in sales of protein powders in 2014, Ocado’s buying team

added a wider range of protein products including Pulsin’ Powders in 2015. Shoppers can now buy Pulsin’s whey protein (rsp: £12.99/250g), hemp protein (rsp: £7.99/250g) and pea protein (rsp: £6.99/250g) alongside their weekly groceries.

Naturya added three new blends in September 2015. Naturya’s choc, fruit and greens powders (rsp: £15.99/250g) feature ingredients including wheatgrass, hemp protein and spirulina.

“Superfood powders are a great way to sneak in a few extra nutrients into your diet, however knowing which superfood powders to use and the quantities to use them in is challenging for consumers,” says Mitch Minton, founder of cold-pressed juice brand Presscription. “This can often lead to consumers buying superfood powders but neglecting them in their cupboards.”



Innocent ups ad spend as sales fall

- Mangoes being hand-turned in the sun by a cheerful-looking farmer called Badrul was the focus of Innocent's ads in 2015. The category's biggest spender shelled out £5.7m – a rise of 31.9% – predominantly on TV.
- It wasn't the only one to splash the cash. Copella more than doubled its ad spend while Tropicana also provided extra support.
- While the category's big fish spent millions on TV only to see sales tumble, focusing entirely on press ads paid off for Del Monte, one of only three top juice brands in growth [IRI 52 w/e 2 January 2016] thanks to upping ad spend to £97.6k and spending it on ads in Waitrose and Tesco magazines.



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TOP 10 JUICES & SMOOTHIES ADVERTISERS

1 December 2014 to 30 November 2015

	TOTAL	CHANGE	MEDIA				
	£m	y-o-y %	Cinema %	Outdoor %	Press %	Radio %	TV %
Innocent	5.7	32.0	3.1	13.2	0.2	•	83.5
Tropicana	2.8	7.8	•	•	4.8	•	95.2
J20	1.1	-52.1	•	•	3.7	•	96.3
Ocean Spray	0.8	109.3	•	97.1	2.9	•	•
Don Simon	0.6	-	•	•	•	•	100.0
Rubicon	0.3	17.2	19.0	•	9.3	•	71.6
Vita Coco	0.4	-1.2	•	73.0	1.0	•	26.0
Del Monte	0.1	609.8	•	•	100.0	•	•
Robinsons Fruit Shoot	0.0	-66.9	•	•	100.0	•	•
Happy Monkey	0.0	-50.1	•	•	100.0	•	•
TOTAL (TOP 10)	11.7	13.5	2.0	15.1	3.2	0.0	79.7

trust at retail level. It's a slow process as there are big brands in the mix with heavy category investment, but certainly the need for change is recognised."

Already, a growing number of smaller, niche brands are winning mainstream supermarket listings. This includes Savse, which has grown from a £331.7k brand a year ago to £2.5m thanks to distribution gains [IRI]. Boots has extended listings from 500 to 700 stores, Waitrose has quadrupled distribution to more than 200 stores and from February the brand is being stocked by Rontec in 190 of its 'shop n drive' convenience stores.

"We are focused exclusively on providing consumers with a genuinely healthier offering," says Savse founder Guka Tavberidze. "It's telling to see big players such as Coca-Cola and Pepsi acquiring brands such as Innocent and Naked in a bid to add healthier alternatives to their repertoire and still feeling the heat."

Innocent might be feeling the heat – value sales are down 0.6% on volumes down 2.7% – but the same can't be said for Naked in growth terms. Value sales of the PepsiCo-owned brand's juices are up 21.6% to £11.2m on volumes up 23%, while value sales of the brand's smoothies are up 18.7% to £12.8m on volumes up 22.7% [IRI].

Vegetables

One reason for the brand's growth is its embracing of vegetables. Naked's juices and smoothies include Berry Veggie flavour with

"Naked juice is a great example of a brand that has adapted to consumer needs"

strawberries, carrots and sweet potato, Bright Beets with beetroot, carrot and apples, and Sea Greens with banana, orange and celery.

"Naked juice is a great example of a brand that's adapted to consumer needs and is well placed to fuel further category growth," says PepsiCo's Gibson, pointing to the brand's latest launch, Kale Blazer smoothie, made with 30% veg (see p61). "It's gathered great momentum and grown phenomenally since its launch in 2007."

Del Monte has also adapted to consumer needs by reducing the sugar content of its core drinks, making it the best-performing top 10 juice brand with value sales up 31.1% to £7.9m on volumes up 59.8% [IRI]. "With Del Monte we've successfully reduced sugar levels by 25%," says Refresco Gerber's Logan. "This has a far bigger impact on calorie consumption than promoting a light version, which consumers often view negatively even before buying based on taste perceptions." ↻

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Cold-pressed squeezes sales out of hard market

Cold-pressed: these two words are bang on trend right now. Also known as high-pressure processing (HPP), it is said to preserve the taste and nutrient content of fruit and veg, which can be lost when traditionally pasteurised at high temperatures.

So could this be the answer to the category's sugar woes?

"Demand is significantly growing for 100% raw, organic, unpasteurised and cold-pressed juices," says Mitch Minton, founder of Prescription juices, which launched in 2015 and is seeking supermarket listings.

Smoothie brand Savse is enjoying triple-digit value and volume growth,

which it attributes to its HPP credentials and new supermarket listings (see main story) while cold-pressed juice brand Plenish is focusing NPD on HPP vegetable juice. "With consumers becoming more savvy and educated, HPP vegetable juice is the only sector on the rise in the UK, following the US market, now estimated at \$1.6bn (£1.1bn) to \$3.4bn," says Plenish founder Kara Rosen.

As well as 'exploring the next generation of



veggie juices' in 2016, juices & smoothie supplier Coldpress is working on its first kids-specific cold-pressed range.

Sunmagic is also getting in on the act after launching its first two-strong range of cold-pressed juices last autumn – extending shelf life from seven to 45 days – while B.Fresh won Asda listings for its own range of cold-pressed juices.

With the category suffering in the war on sugar, this could offer an opportunity to draw consumers back in.

"There's a long way to go yet in 'cleaning up'," says Katie Briggs, brand manager at B.Fresh, the only British grower and producer to own its own cold-pressed HPP plant onsite. "In the meantime it's the brands' responsibility to work closely with consumers to encourage them back to the category."

"Three in 10 people are interested in premium soft drinks with functional benefits as an antidote to stress levels"

Smoothies might be one of the worst-performing sectors – value sales are down 5.6%, on volumes down 5.2% [Kantar] – but Naked and Savse are proof there's growth to be had. And Innocent is working hard to reverse sliding sales by revamping its packaging and making its super smoothies the focus of a TV campaign for the first time in five years.

Smoothies

"Smoothies is already showing some green shoots," says Innocent MD Nick Canney. "One-shot smoothies are growing 13% year on year and Innocent is a key driver of this, both with the successful super smoothie NPD backed by marketing and from the inclusion of the original smoothies in a number of meal deals to drive penetration and trial."

Cold-pressed juice brand Coldpress has also started putting its most popular flavours into 150ml 'shot bottles'. "The golden rule in fmcg is that fleet-footed brands lead the dance when it comes to creating new categories and private label joins in once the category is established," says founder of Coldpress Andrew Gibb. "We have a lot of admiration for the Tesco model, which involves category pioneers like us supplying a joined-up product portfolio to them for three years, which is then supplemented by a thoughtful tranche of complementary own-label offerings once the category has found its feet."

Although Tesco was ahead of the game when it launched smoothies containing three of the recommended 5 a day in 2013, like the rest of the big four the supermarket's share of the market has declined – Tesco's value sales are down 5.6% in the past year [Kantar].

Sunmagic entered the smoothie category for the first time in November with a three-strong range of functional smoothies featuring fruit and vegetables (see Innovations p61). "According to Mintel three in 10 people are interested in premium soft drinks with functional benefits as an antidote to today's high stress levels," says Sunmagic's brand manager Razin Ali. "The new smoothies will resonate strongly with these consumers, with their added vitamins and minerals."

Breakfast pot brand Moma is also hoping to cash in with the February launch of two yog-oat smoothies, a high-protein range of smoothies that replace its oatie shakes (see Innovations p61). "The rise of Instagram ↻

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“Increasingly in-the-know consumers can now differentiate between the good, the bad and the insincere”

Users snapping pictures of their healthy meals and clean eating mean ‘healthy’ and ‘natural’ are considered amongst some of the fastest growing need states among consumers,” says Moma founder Tom Mercer. “We expect protein will become a larger trend in the smoothie market with added protein appealing to almost one in three regular smoothie drinkers.”

But adding vegetables to juices and smoothies isn’t paying off for everyone. Despite revamping its Tropicana Essentials range in February 2015 with the addition of three new fruit and vegetable blends including banana, strawberry & beetroot and mango, passionfruit & pumpkin, value sales of Tropicana fruit juice are down 8.2%, on volumes down 9.7% [IRI].

Challenger brands

Some suggest larger brands such as Tropicana are struggling to appeal to the consumer group that’s typically attracted to health and functionality claims because of their multinational owners. In Tropicana’s case, that’s PepsiCo; in Innocent’s it’s Coca-Cola.

“We live in an age where phrases like ‘wellness’, ‘functional’ and ‘raw’ are increasingly front of mind, where challenger brands are once again in the driving seat when it comes to innovation and where the questionable claims of many large corporate-backed brands are once again being questioned by inquisitive minds,” says Coldpress’s Gibb. “It’s against such a backdrop that label clarity and nutritional transparency have come to the fore, empowering increasingly in-the-know consumers to differentiate between the good, the bad and the insincere.”

One such challenger brand is Cawston Press, which says sales of its fruit and veg blends are booming. “Over the past two years we have grown our fruit and vegetable juice range by 62% as the demand for healthier natural drinks continues to soar,” says Cawston’s MD Steve Kearns.

Following the success of blends including Brilliant Beetroot and Radiant Roots, the brand added spiced tomato juice made with 88% pressed tomatoes to its range in February (see Innovations, right). “We’re aware that juices are naturally high in natural sugar from the fruit ingredients and have addressed this by developing drinks like



Capri-Sun No Added Sugar Summer Berries & Apple

Launched: May 2016 **Manufacturer:** Coca-Cola Enterprises

Capri-Sun is expanding its no-added-sugar offering, already available in orange, blackcurrant and tropical fruits, with two more flavours this summer with the addition of summer berries & apple multipacks (rsp: £2.99/10-pack or £1.86/5-pack). Owner Coca-Cola Enterprises says the new variants offer shoppers their favourite flavours in a no-added-sugar format. The NPD comes after Capri-Sun’s added-sugar variants were delisted by Tesco last September.



Princes Fruit Refreshers

Launched: March 2016
Manufacturer: Princes

Princes is replacing its entire range of juice drinks with a six-strong sub-brand containing no added sugar. Princes Fruit Refreshers (rsp: £1.35/1-litre) will roll out in pineapple, coconut & lime and cranberry from mid-March. Orange, lemon & lime, mango, pineapple, peach & passionfruit and peach & raspberry will follow.



Cawston Press Spiced Tomato Juice

Launched: February 2016
Manufacturer: Cawston Press

After the success of its vegetable juices including Brilliant Beetroot and Radiant Roots, Cawston Press has added to its savoury range with a Spiced Tomato Juice (rsp: £2.49/1-litre). The latest flavour is made with 88% pressed tomatoes, 5% pressed apple juice and a spice mix, and has 3.6g of sugar per 100ml.



Ribena Light

Launched: February 2016
Manufacturer: Lucozade Ribena Suntory

Lucozade Ribena Suntory is continuing its quest to lower calories by 20% per 100ml in all its products with a new lower-sugar Ribena Light (rsp: £1.15/500ml). The ready-to-drink juice drink comes in pineapple & passion fruit with just 0.5g of sugar compared with the original’s 9.9g. The sub-range will be the focus of the brand’s TV ads in 2016.

Brits are up for living la vita coco

- Juices and smoothies' losses in the war on sugar are coconut water's gain.
- Bestselling brand Vita Coco's sales are up 20.9% on volumes up 28.4%. In July it launched its first-ever global ad and marketing push, and recently added a chocolate variant.
- Innocent, meanwhile, racked up £11.4m less than a year since launch in April. "Coconut water's penetration has grown phenomenally year on year from 4% to 7.4%," says Innocent's MD Nick Canney. "With further innovation and investment this sector is set to continue to grow. Coconut water still has huge headroom within chilled juice."
- PepsiCo's Naked brand has grown from £283k to £3.5m in the past year.



COCONUT WATER BESTSELLERS

52 w/e 2 January 2016

	VALUE		VOLUME		AVERAGE PRICE	
	£m	y-o-y %	litres (m)	y-o-y %	£/ltr	y-o-y %
Vita Coco	30.5	20.9	9.4	28.4	3.23	-5.9
Innocent	11.5	-	4.3	-	2.67	-
Naked	3.6	1,157.8	1.2	1,678.7	3.06	-29.3
Grace	1.7	34.5	0.8	35.4	2.26	-0.7
Go Coco	1.3	-0.7	0.5	1.9	2.78	-2.6



Data provided by IRI, formerly named SymphonyIRI Group. Driving the transformation of the consumer packaged goods (CPG), retail, and healthcare industries, IRI provides market and shopper information, predictive analysis and the foresight that leads to action. Visit www.iriworldwide.co.uk for further information.

⊕ Radiant Roots, which have a lower sugar content because of the high vegetable ingredients," says Cawston's Kearns. "In an attempt to keep our drinks as unadulterated as possible we simply blend pressed apples, beet-roots, carrots, ginger and a dash of water."

Cold pressed veg

One brand hoping to capitalise on the trend for vegetable juice is Prescription with its new range of raw juices and nut milks, launched in November. The Prescription range features six 100% raw, organic, unpasteurised and cold-pressed juices, two nut milks and two 'booster' shots including Green Vital, a juice made from broccoli, spinach, kale, cucumber, lemon and parsley.

"Consumers are looking for innovative drinks with original flavour combinations, as well as products that are highly nutritious and with a low sugar content," says Prescription founder Mitch Minton. "This

has impacted sales of smoothies that are not freshly produced or indeed contain preservatives. At Prescription, every 500ml product contains over 1kg of organic produce in uncompromised liquid form and is predominantly made up of fresh vegetables. If fruit is present it is at a ratio of 20% fruit to vegetables, keeping sugar levels low."

Plenish is also getting close to being fruit-free with the September launch of Fuel, its own first vegetable HPP juice, made from 96% vegetables including kale, spinach, cucumber and ginger with a 'splash' of lime.

"Consumers are looking for innovative drinks with original flavour combinations"

"The juice is a source of magnesium, which enables the body to fight fatigue and maintain healthy bones and teeth," says Plenish founder Kara Rosen. "Fuel was a result of consumer demand for a fruitless, high-alkaline and low-sugar green juice. We see a separate bay of natural functional drinks emerging in the retail market that helps consumers navigate healthy purchases."

Meanwhile, with sales of its juices falling faster than its smoothies – value sales are down 10.8% to £92.2m on volumes down 11.6% [IRI] – Innocent entered the reduced-sugar market with the launch of Light & Juicy last July. The three-strong range comes in orange & clementine, pineapple & lime and peach & raspberry flavours with between 6g and 6.5g of sugar per 100g, around 30% lower in sugar than its standard juices.

"This range has seen £1m of incremental growth since its launch, but although lighter in calories it is playing down this ⊕

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*IRI UK Aloe Vera Drinks – Retail Sales, Period: MAT 52 w/e 2nd January 2016



HOW DO WE GROW OUR BUSINESS? ON TREES.



THE UK'S
BEST SELLING
COCONUT WATER!*

* IRI, Total Market, Value Share, 52 weeks to 30/01/2016

“Gains in penetration continue to be the biggest driver of growth for the coconut water sector”

message and focusing more on ‘naturally light and refreshing’ as its key message,” says Innocent’s Canney

The NPD is made with coconut water rather than water to ‘lengthen’ the taste of the drink, and in a bid to engage with shoppers in a way you might expect a smaller player might do, Innocent is sending handwritten letters to every consumer who gets in touch with them. “We’re going to be focusing on connecting with people in a truly Innocent way,” adds Canney.

Coconut water

Moving into coconut water is certainly paying off for the brand: after rolling out its own coconut water in March 2015, Innocent Coconut water has become the second best-selling brand after Vita Coco (see p56), whose sales are also continuing to soar.

Value sales of Vita Coco are up 20.9% to £30.4m, on volumes up 28.4% [IRI]. “Whilst the chilled juice market continues to decline year on year with traditional products such as orange juice seeing significant decline, coconut water is bucking the trend, growing 70% year on year and adding nearly £20m to the category,” says Vita Coco CEO Giles Brook.

With chocolate-flavoured coconut water the second bestselling flavour in the US, Vita Coco launched its own chocolate-flavoured coconut water in 1-litre packs in January, and is rolling the format out to 330ml on-the-go cartons from May. As a growing number of rivals look to crack the market, the brand has also launched its first-ever on-pack promotion across two million packs, giving shoppers the chance to ‘take a sip, win a trip’ to a tropical island retreat.

“Gains in penetration continue to be the biggest driver of growth for the coconut water sector, as more people add it to their soft drinks repertoire,” says Brook. “However, benchmarking the sector against other categories, there is still a huge opportunity to bring more people into the category.”

Like the brand’s fruit juice and smoothies, sales of Naked’s coconut water are also soaring, with value sales up 18.7% on volumes up 22.7% [IRI]. “The product is 100% coconut water with no added sugar, naturally low in calories and 40% less sugars than other coconut waters,” says PepsiCo’s Gibson. “The drink appeals to health-conscious ↻



DIY drinks: are frozen smoothies the future?

Pre-packed smoothie mixes are rapidly gaining shelf space in the multiples, with retailers stocking everything from the basic strawberry & banana to spinach & beetroot combinations.

So do these DIY combos have potential to rival ready-made smoothies? The players are optimistic.

“Frozen smoothie mixes have been the real success story of the freezer, with around 40% growth in the past year alone,” says Stuart Hiscott, marketing manager at Ardo UK, one of the UK’s largest frozen fruit and vegetable suppliers. “Consumers understand that within a smoothie mix is fruit and veg and nothing else.”

Ardo is working closely with Waitrose to develop its smoothie mixes and this year extended the range to include veg-based ones including Waitrose LoveLife spinach, mango, kiwi & kale, and beetroot, blueberries, mango, & carrot. “Waitrose is leading from the front, by taking a risk on new concepts based upon consumer behaviour, rather than market forces,” adds Hiscott. “The strategy is paying off as it leads the market and shows very strong growth levels.”

Such smoothie mixes also come with the benefit of being portionable, so shoppers can make their smoothies to their desired taste and thickness.

The category is almost exclusively own label, which Hiscott believes shows consumers understand the value is in the produce and not the brand. But there are some brands vying for a share.

Love Smoothies, a frozen smoothie brand from Heston Blumenthal’s Fat Duck restaurant, has won a listing in Sainsbury’s for its three-strong range of smoothie mixes from February. Pash ‘n’ Shoot, Broccoli & The Beast and Red, White & Blueberry all come in 4x120g packs containing a mix of frozen fruit, veg pieces and purée, which can be made into a smoothie by blending with apple juice. The brand is also available through Ocado in larger 140g packs (rsp: £4.79).



focus on... juices & smoothies



Brands scramble for featured space as deals surge 12.4%

Overall featured space promotions in juices & smoothies are up 12.4% over the past year [Assosia 52 w/e 30 November 2015].

Sainsbury's was the only big four retailer to decrease featured deals as Tesco nearly doubled its activity. Almost half of all offers in the category were x-for-y, rising from 519 in 2013/14 to 613 in 2014/15. Half-price and 'save' deals were also popular, although the numbers of such deals were down 2.7% and 1.3% respectively.

"The days of wall-to-wall promotions are over," says James Logan, commercial director at Refresco Gerber, Europe's biggest soft drinks bottler. "While there are still big in-store promotions and

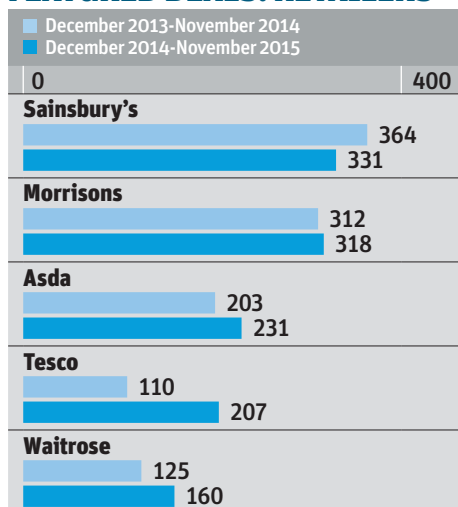
competitive pricing, the brands are maintaining market worth through new product formats and formulations offering consumers added value."

That said, all but one of the category's biggest promoters increased their number of offers in the last 12 months. Tropicana led the pack with 142 more deals – up from 405 to 547 – while Copella was the only brand to reduce promotions, cutting deals by almost half from 172 to 88.

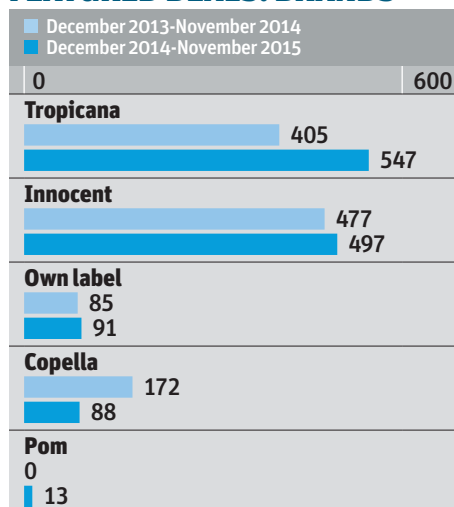
"The growth of the discount sector has demonstrated how important value for money remains," says Jon Evans, marketing director at Purity Soft Drinks, whose brands include Juiceburst.

Special purchase and bogof remain the least popular mechanic. "We don't participate in any ill-conceived bogofs," says Andrew Gibb, founder of Coldpress. "These never seem to be little more than a last desperate throw of the dice."

FEATURED DEALS: RETAILERS



FEATURED DEALS: BRANDS



"The brands are maintaining market worth through new product formats and formulations"

Consumers seeking the benefits of coconut water from a well-known quality brand."

Aloe vera drinks is another sector enjoying growth and responding to demand for lower-sugar drinks. Grace Foods says ready-to-drink aloe vera drinks as a subcategory is growing at 64.9% year on year, with its own Grace Aloe drinks driving sales with a 77.2% market share. The brand has added two new formats to its range including Grace Aloe Refresh Smooth with 50% less sugar than its standard drinks and 105 calories per 500ml bottle.

Aloe vera juice drink brand Simplee Aloe is also taking advantage of consumer interest with its first flavour extension. Apple & mango flavour Simplee Aloe launched in Ocado in January, joining the brand's original flavour, grape & lemon, which is listed by Sainsbury's, Asda and Waitrose.

The multiples fight back

Aside from the discounters, Waitrose was the only supermarket to grow its share of the market – value sales are up 5.7%, giving it a 5.5% market share [Kantar] – while the big four all lost share, a pattern that reflects wider changes in grocery market share.

Retailers have been cutting prices to try and retain shoppers, with the biggest decline seen in own-label juice drinks, where average prices fell 8.6%. At the same time, the biggest growth in the category came from own-label not-from-concentrate juice, which is up 6.1% thanks partly to price cuts, which prompted shoppers to switch from not-from-concentrate brands, where values are down 3.5% [Kantar].

The mults are also employing a variety of means to drive juice and smoothie sales. Asda has put cold-pressed juice brand B.Fresh in the salad aisle to encourage shoppers to get more fruit and salad into their diets, while Innocent's coconut water, super smoothies and fruit & veg juices have all been featured in Waitrose's 'wellness bay' trial.

Innocent has also been the subject of Asda's Mighty Merchants sales-chasing drive, in which stores compete to sell specific product lines each quarter. Tesco, meanwhile, set up Hangover Help pop-up stations in London stores in December and dished out free juices and smoothies. Tesco picked 11 December – said to be the morning after the busiest night of the year for office parties – to

“Headline-grabbing claims that a glass of fruit juice is unhealthy are untrue, unhelpful and counterintuitive”

hand out free drinks including Virgin Bloody Marys along with recipe cards for breakfast dishes at three stores.

But the market needs far more than one-off publicity stunts to lure back lapsed shoppers. CCE attributes a ‘record’ month in June 2015, when sales were up 16% in value, to a high-profile partnership with Capri-Sun and last summer’s Minions film, which included the launch of a limited-edition BanApple flavour.

The brand is preparing to build on 2015’s success with the April launch of an on-pack promotion giving shoppers the chance to win adventure days at theme parks and days out including go-karting and snowboarding.

Capri-Fun Adventures will run on all Capri-Sun 200ml packs for eight weeks and consumers can enter their batch code into a daily draw, with one winner selected each day. “By directly engaging with busy families we aim to heighten the awareness of the promotional packs to consumers looking to fill their summer holidays with fun activities,” says CCE’s Cater.

With the government directly engaging with families through its Sugar Smart app, which has so far collated the sugar content of 82,000 products, there’s going to be even less room for high-sugar juice and smoothie players to hide in the coming year. But after Sugar Smart made headlines when it was revealed some kids brands had been removed because the app can’t distinguish between naturally occurring and added sugar, brands are going to have to continue to work hard to get their message across.

“Over the last year the fruit juice debate in the media has bombarded us with differing, and often conflicting, dietary advice, making something that should be simple to understand seem very complex,” says PepsiCo’s Gibson. “Headline-grabbing claims that a glass of fruit juice is ‘unhealthy’ are untrue, unhelpful and counterintuitive.”

Nevertheless, many drinkers continue to reject the idea that fruit juice is a healthy drink to wash your breakfast or lunch down with every day. Sales of bottled water, meanwhile are booming, as consumers switch over to products perceived as healthier.

The juices & smoothies sector may have changed significantly in recent years, but it’s got a lot more change ahead of it before it can return to growth.



Moma Yog-Oat Smoothies

Launched: February 2016 **Manufacturer:** Moma

Moma is ditching its oatie shake and replacing the line with a protein-packed smoothie aimed at health-conscious shoppers on the go. The new yog-oat smoothie (rsp: £1.50/250ml) comes in two flavours – strawberry & banana and mango & peach – with 170 calories per pack. Moma says the NPD, a combination of fruit, oats and yoghurt, is designed as a morning or midday pick-me-up. They’re available in Asda from late February, Waitrose from April and Ocado over the coming months.



Naked Kale Blazer

Launched: January 2016
Manufacturer: PepsiCo

PepsiCo is tapping the veggie smoothie trend with its latest NPD made with 30% vegetables. The Naked Kale Blazer (rsp: £2.36/450ml or £3.49/750ml) is made with a blend of seven juices and purées including kale, broccoli and passion fruit. It is joined by a Red Machine Superfood smoothie with strawberries, raspberries and cranberries.



Sunmagine smoothies

Launched: November 2015
Manufacturer: Multiple Marketing

Multiple Marketing has added a three-strong range of functional smoothies. Sunmagine smoothies come in Antioxidant with apple, red beet & carrot, Immunity with carrot, mango & ginger, and Energise with apple, kale & kelp (rsp: £2.39/330ml). The brand recently expanded with its first NFC juices and two coldpressed juices.



Plenish Savour smoothie

Launched: November 2015
Manufacturer: Plenish

Plenish has launched the market’s first dairy-free smoothie made with a nut milk base. Plenish Savour (rsp: £4.95/250ml) is made with cashews, cacao, vanilla, maca, dates, cinnamon, Himalayan salt and filtered water with 6.5g of plant protein in every bottle. Stockists include Ocado, Whole Foods Market and Planet Organic.