

Beverages: The role of functional benefits

Thriving beverage categories during the pandemic.

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Experts in what consumers want and why



Trends

Mintel is a world leader in trend spotting and market predictions with observers and analysts covering 35 markets.



Consumers

Mintel conducts primary research with 40,000 consumers around the world every month.



Analysts

Mintel has 200 global category, consumer and functional analysts.



Products

Mintel purchases 1,500 new products, in 86 markets, every day.



Menu Insights

Mintel collects thousands of US menus every year to track trends in the menu optimization, flavors, ingredients and preparation.

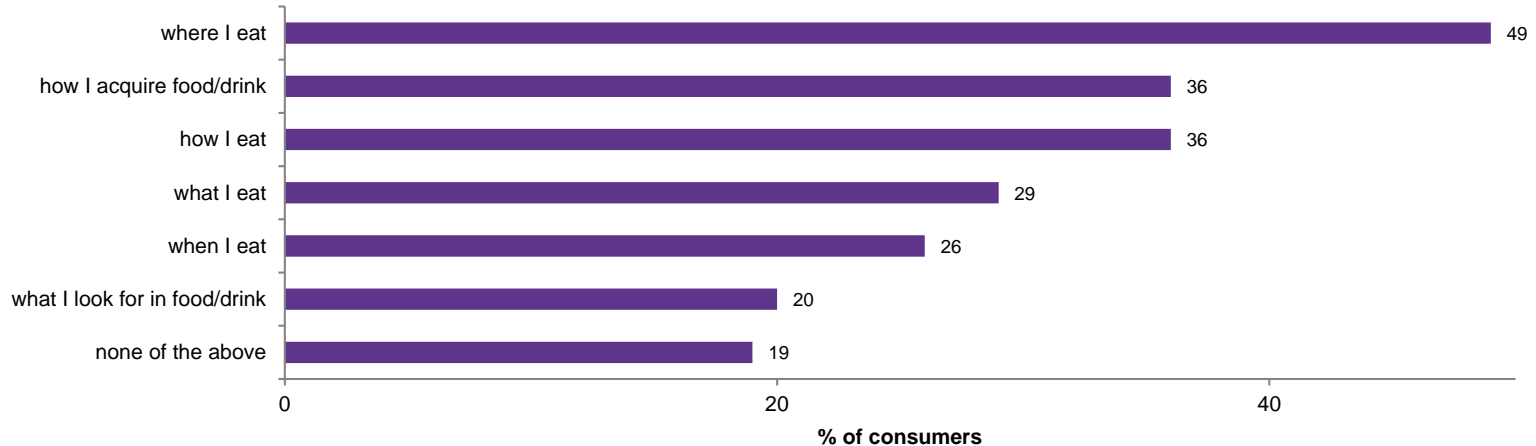


Consulting

Mintel strategists provide custom problem solving and actionable advisory.

US adults recognize the pandemic's power of transformation

US: impact of COVID-19 on food/drink choices, "The COVID-19 pandemic has changed...", 2020



Base: US: 1,000 internet users aged 18+

Source: [Lightspeed/Mintel](#), November 2020



50%

of [US adults](#) plan to make health their top priority in 2021; the priority on health rises to 69% of adults aged 65+

The global health crisis makes health a top priority

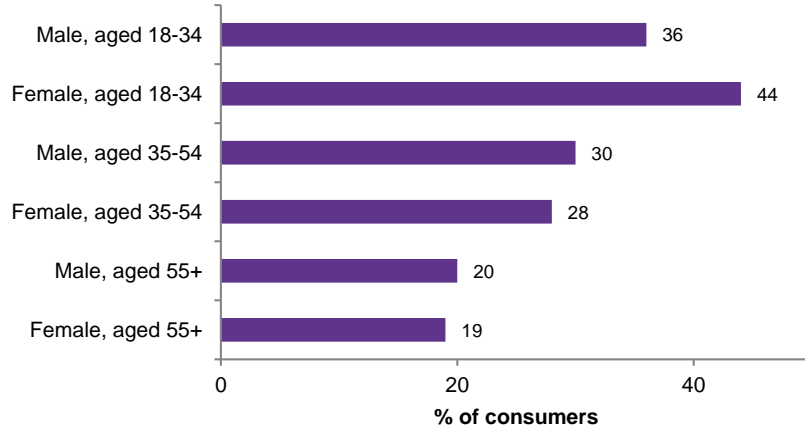
Base: US: 2,000 internet users aged 18+

Source: Lightspeed/Mintel, December 2020



With burnout looming, mental health solutions will be needed

US: impact of COVID-19 on health management, "I am more aware of my mental health needs," by gender and age, 2020



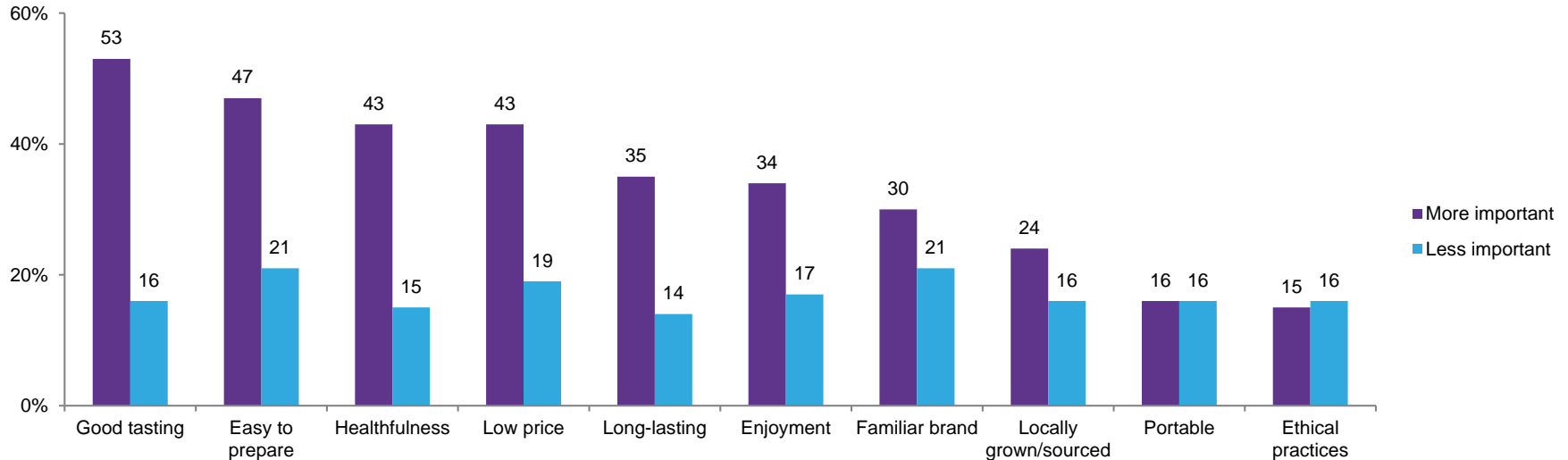
Base: US: 2,000 internet users aged 18+

Source: [Lightspeed/Mintel](#), November 2020



Taste continues to be king, but health plays a major role

US: Food and drink choice factors that have become more important or less important due to COVID-19



Base: 1,000 internet users aged 18+

Source: [Lightspeed/Mintel](#)



Global companies also have embraced functional drinks



PepsiCo goes even further with mental wellness

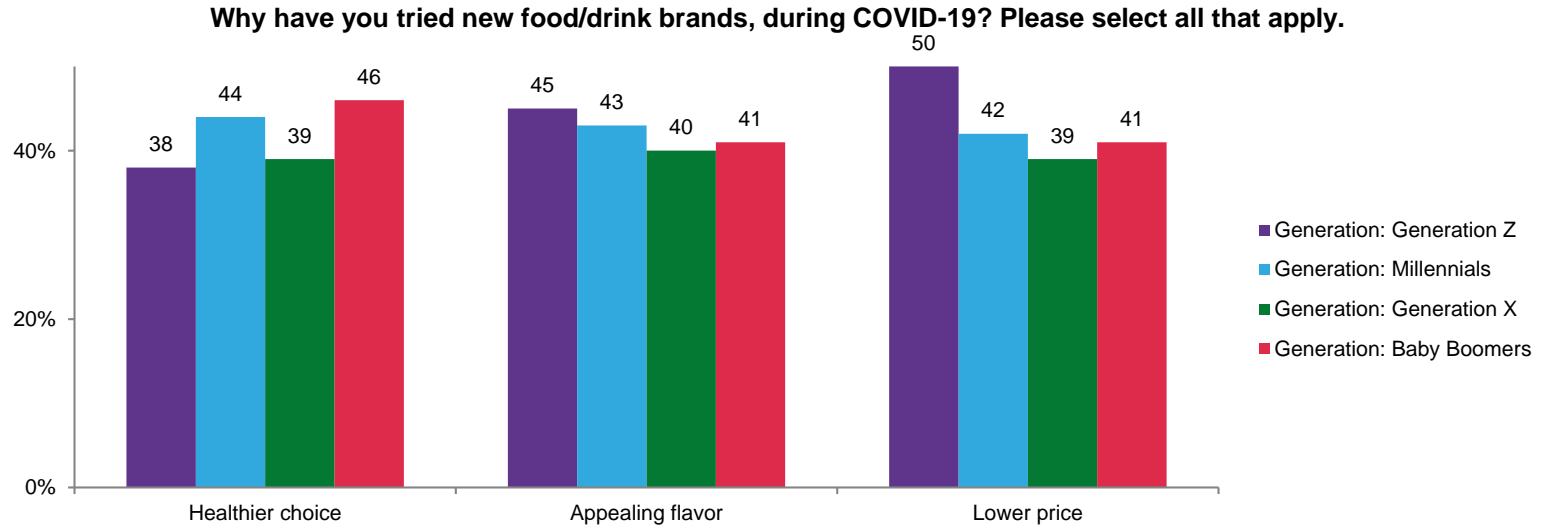


Danone boosts Evian's competitive threat



Coca-Cola adds hyaluronic acid to RTD tea

Healthy attributes have been a major draw for consumers

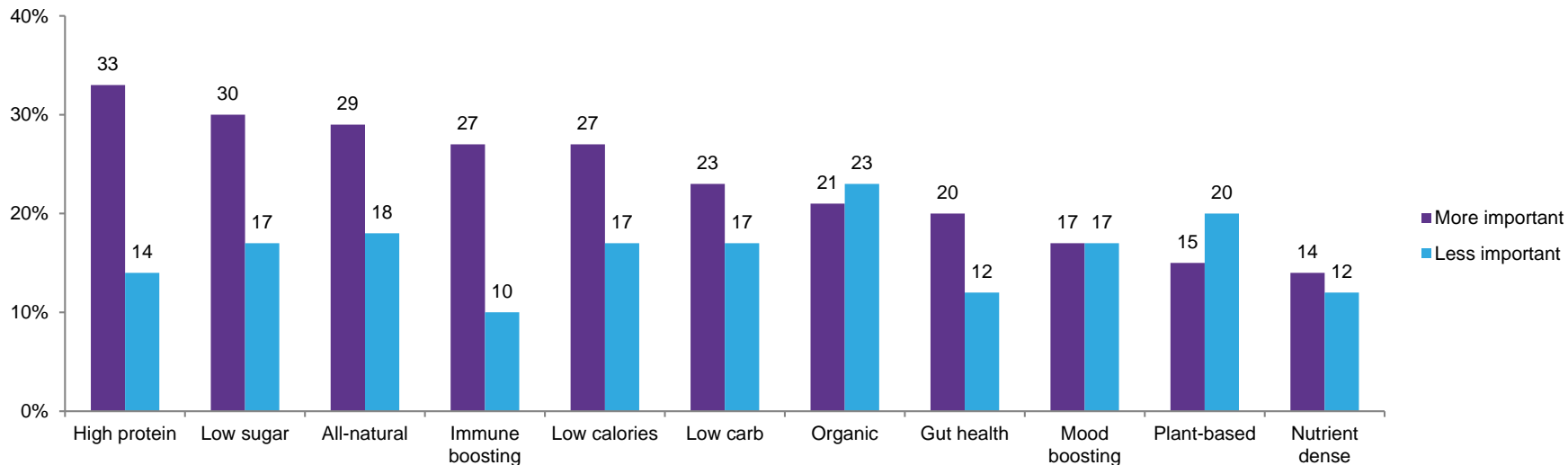


Base: 897 internet users aged 18+ who have tried or switched to different food/drink brands during COVID-19

Source: [Lightspeed/Mintel](#)

Specific, discrete health benefits more important today

US: Health attributes that have become more important or less important due to COVID-19



Base: 1,000 internet users aged 18+

Source: [Lightspeed/Mintel](#)

Beverages deliver on those benefits



High protein



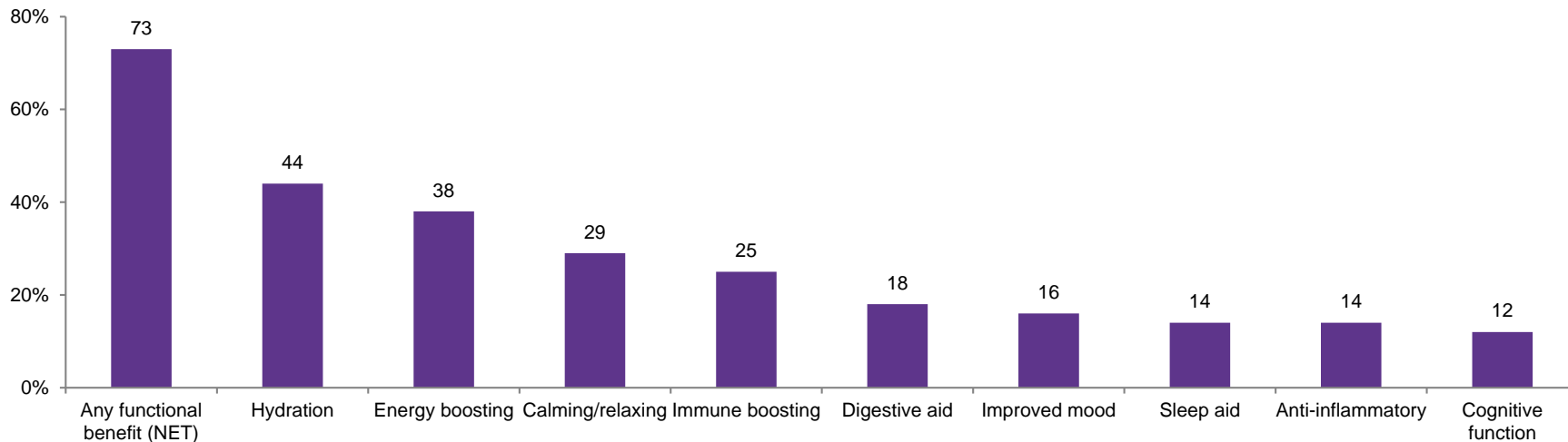
Sugar reduction



All natural

Consumers respond to a range of functional benefits in drinks

Which of the following benefit claims in drink products have you had in the past three months? Please select all that apply.



Base: 2,000 internet users aged 18+

Source: [Lightspeed/Mintel](#)



Benefits delivered via well-known and new ingredients



Hydration from electrolytes



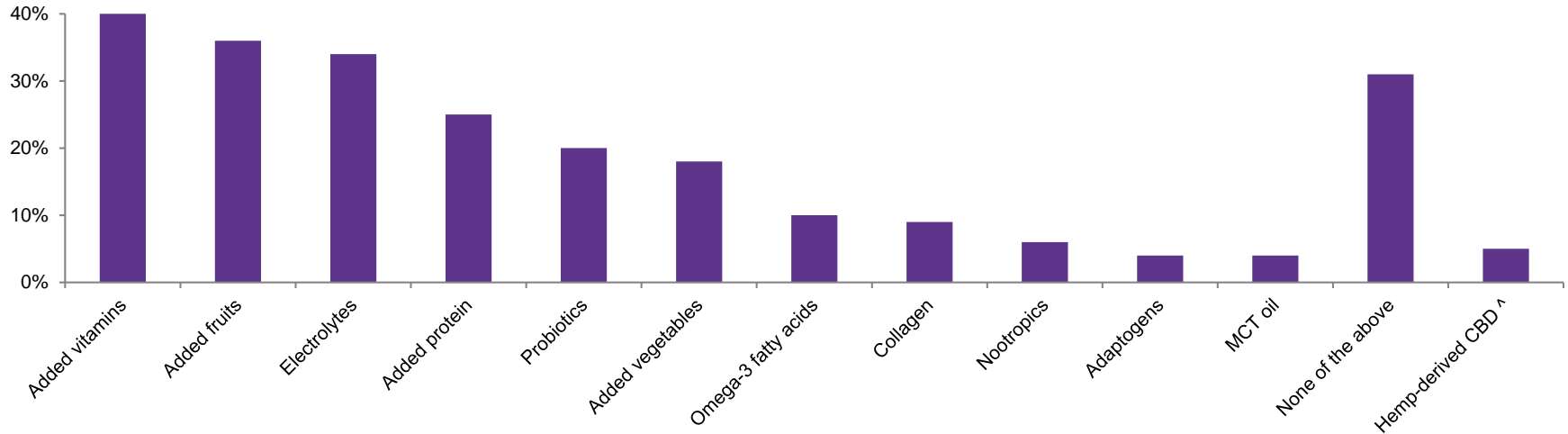
Immunity via postbiotics



Energy via citicoline and caffeine

Consumers look to ingredients they understand

Which of the following ingredients were used in any drink products you had in the past three months? Please select all that apply.



Base: 2,000 internet users aged 18+

Source: [Lightspeed/Mintel](#)



Immunity, calming,
antioxidant and nootropic
functions require
transparency

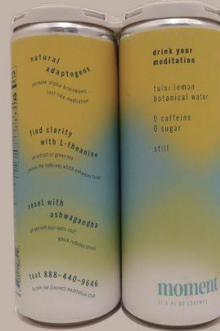


[Aquarius Lemon Flavoured Water with Zinc](#)
supports immunity (Croatia)

Some functional drinks are confusing and cause mistrust



Lacking information




Puzzled about meditation botanical water



Confused about benefits

Some brands make a point to describe the functional process

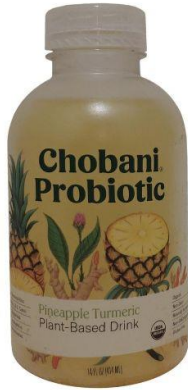
The amazing functions of the microbiome.

-  **Immune support**
Helps to shape the development of immunity & supports immune response
-  **Energy metabolism**
Extracts energy from food and regulates how much we use or store
-  **Digestive health**
Supports gut motility & gut barrier integrity
-  **Cognitive health**
Influences mood and cognitive function
-  **Vitamins & hormone production**
Synthesizes essential vitamins & regulates hormones

Olipop has an accessible 'Learn' page on its site



Explaining the ingredient functions



Explaining the probiotic process

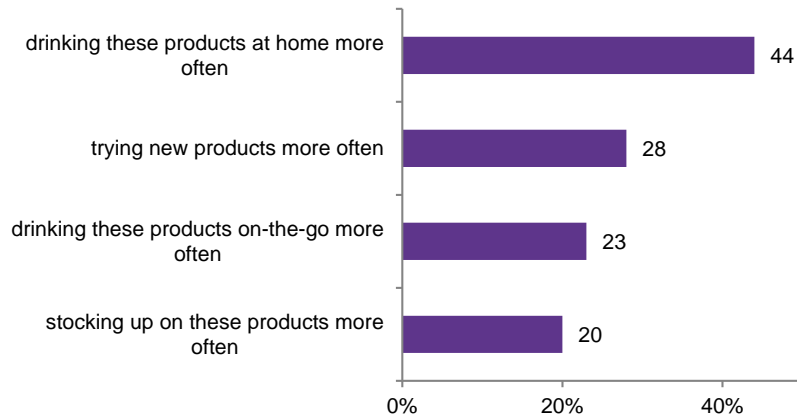
Korean skincare brand adopts an educational marketing strategy

INGREDIENTS	WHERE IT COMES FROM	WHAT IT DOES
GLYCERIN	VEGETABLE	MOISTURE RETENTION
SODIUM BICARBONATE	SODIUM CARBONATE	GENTLE ABRASIVE
AQUA	PURIFIED WATER	MOISTENER
CALCIUM CARBONATE	CHALK	GENTLE ABRASIVE
SODIUM LAUROYL SARCOSINATE	PALM OIL	DISPERSANT
CELLULOSE GUM	PLANT FIBRE	THICKENER
MENTHA PIPERITA	PEPPERMINT	FRESH TASTE
MENTHA VIRIDIS	SPEARMINT	FRESH TASTE
LIMONENE	PEPPERMINT	FRESH TASTE



Functional drinks have a growing place in the home

Compared to a year ago, which of the following statements about drinks with added functional benefits apply to you? Please select all that apply.
Compared to one year ago, I am...

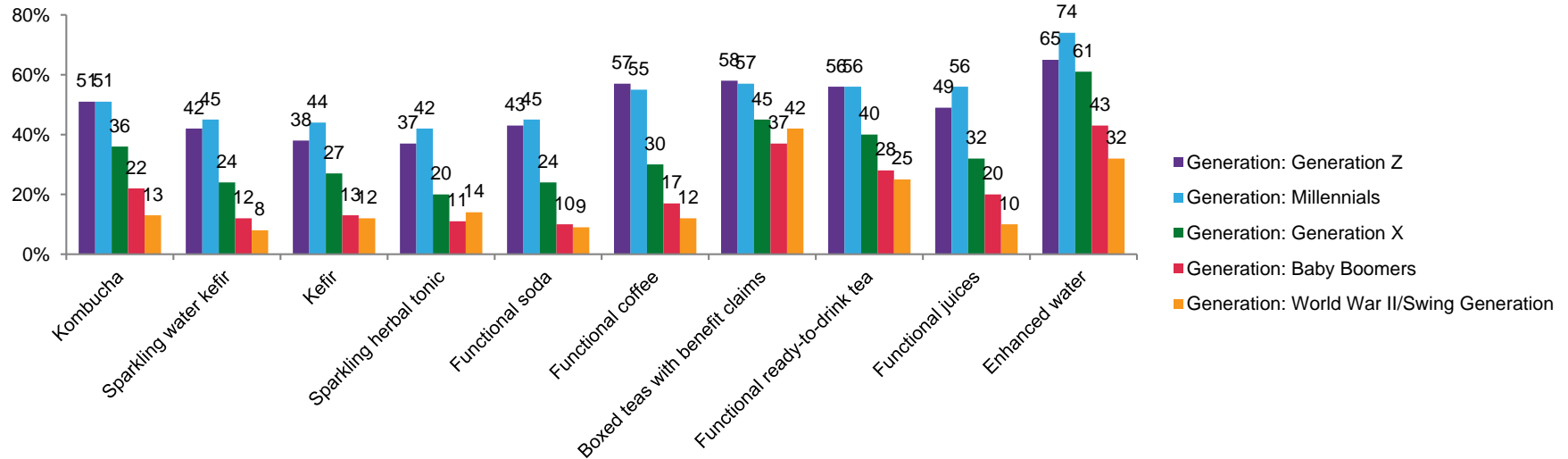


Base: 1,463 internet users 18+ who consume products with at least one of listed functional claims in the past three months

Source: [Lightspeed/Mintel](#)

Younger consumers most likely to have tried functional drinks

How would you describe your experience with, or interest in, the following types of drink products? - NET



Base: 2,000 internet users aged 18+

Source: [Lightspeed/Mintel](#)

Companies large and small offer products



Kombucha



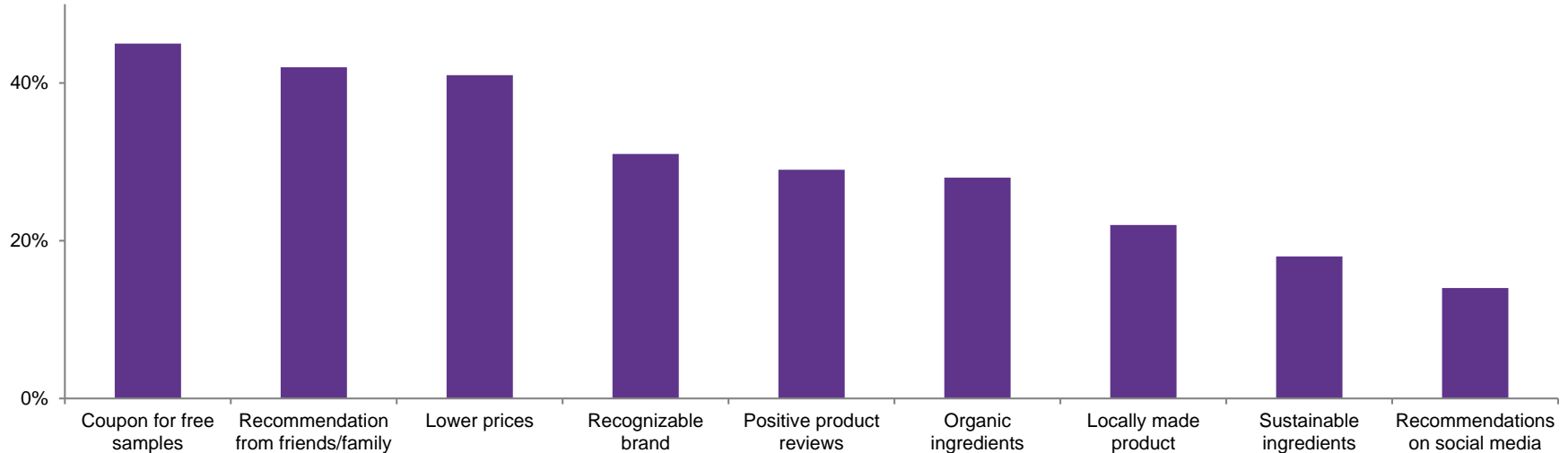
Water kefir



Enhanced water

However, gaining trial is not about the ingredients

Which of the following would encourage you to try a new functional drink? Please select all that apply.



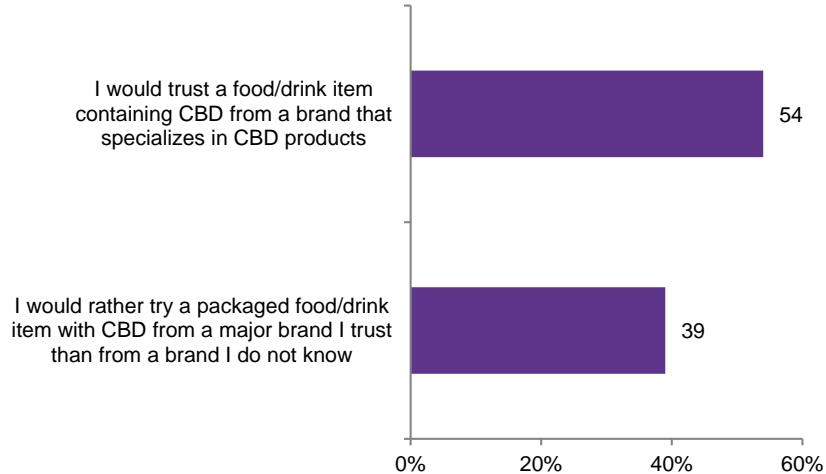
Base: 2,000 internet users aged 18+

Source: [Lightspeed/Mintel](#)



Brand trust essential when it comes to CBD

Which of the following statements do you agree with? Please select all that apply.

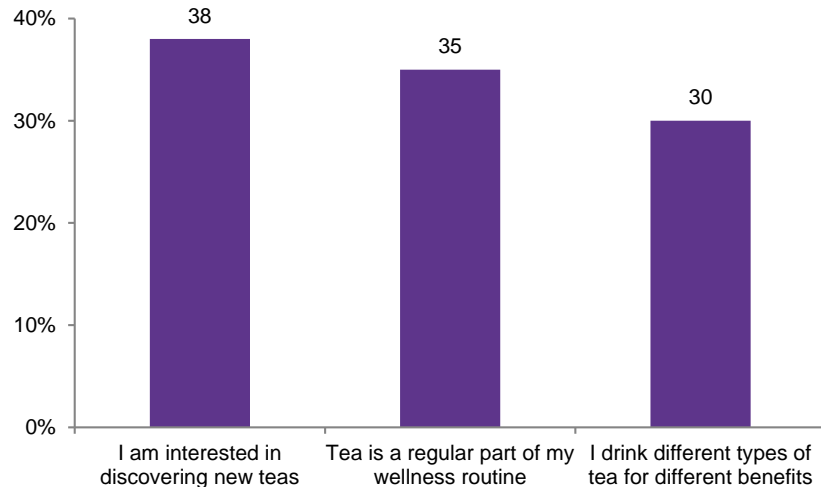


Base: 1,198 internet users 18+ who are interested in at least one food or drink type with CBD

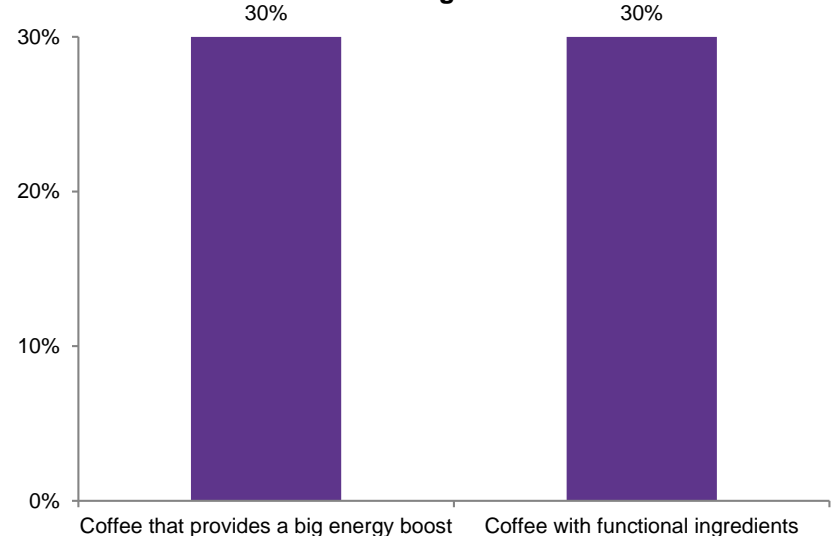
Source: [Lightspeed/Mintel](#)

Consumers interested in coffee and tea with functional benefits

Which of the following statements about tea apply to you? Please select all that apply.



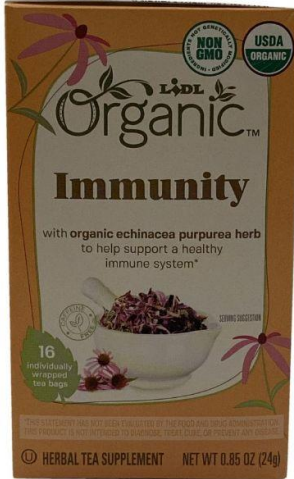
US: Benefits sought from coffee



Base: 1,718 internet users aged 18+ who drink tea

Source: [Lightspeed/Mintel](#)

Coffee and tea offer a wide range of benefits



Tea for immunity



Coffee and herbal tea blend



White tea with collagen

Three ways beverages can win trust in functional claims

Address concerns about
artificial content

Combine with organic and
natural ingredients

Influencers can be trusted,
educational voices



Thank you



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intelligence agency**

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market research will help you grow your business.

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**Experts in what
consumers want
and why**

