

U.S. Smoothie Market Slurps Up \$2 Billion in Sales

Contributed by Mintel
Wednesday, 21 March 2007

U.S. Smoothie Market Slurps Up \$2 Billion in Sales

New Mintel Report Shows Five-Year Market Boom Raises Smoothie Market Sales by More than 80 Percent

Chicago (February 21, 2007)- With on-the-go dining and snacking moving to the American meal forefront, the U.S. smoothie market has been flooded with consumers looking for a quick portable meal alternative. Last year, smoothie makers raked in more than \$2 billion from made-to-order and packaged smoothies, up more than 80 percent in the last five years. Consumers are embracing the trend in a major way, and for a variety of different reasons.

The market for health-conscious products continues to grow rapidly. Smoothies have quickly become part of the American landscape, with more than 4,000 retail locations reported in the U.S. last year. According to Mintel's exclusive consumer research, more than half of respondents in the 18 to 34 year-old range said that they had a smoothie in the last month.

"Consumers are attracted to smoothies because they are seen as a healthier option to most sweets and on-the-go meals," said David Lockwood, director of Mintel Reports. "Now that the smoothie market is a proven success, companies are being pushed to the next level- extreme differentiation. Similar to the coffee market, smoothie companies need to continue developing innovative flavors and additives to keep consumers engaged in the market, but also should consider expanding the menu as some chains have done with sandwiches or coffee."

The smoothie industry's new offerings are using emerging flavors, such as açai and green tea, and hybrids of smoothies with other drink types. New nutrient "boosts" feed consumer need for evolving offerings as well. Smoothie companies have also remained on track with current food trends, utilizing "all-natural," low-calorie and other key buzz properties to build sales.

"The flavor combinations and possibilities are endless with the smoothie market," said Lockwood. "With functional foods and beverages having a strong marketplace advantage, smoothies are in position to dominate the healthy beverages category. Smoothies are seen as a pleasant health treat, and this will continue to take the category far."

In contrast with yogurt drinks, 39 percent of Mintel respondents agreed or strongly agreed that "smoothies are healthier than drinks made with yogurt." Similarly, more than half of consumers agreed or strongly agreed that "smoothies taste better than yogurt drinks," with yogurts getting only 15 percent.

About Mintel

Mintel is a worldwide leader of competitive media, product and consumer intelligence. For more than 35 years, Mintel has provided key insight into leading global trends. With offices in Chicago, London, Belfast and Sydney, Mintel's innovative product line provides unique data that has a direct impact on client success. For more information on Mintel, please visit their Web site at www.mintel.com.