

# Energy Drink Market Experiences A Jolt In Sales

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But stalls in attracting new customers, reports Mintel

According to exclusive Mintel research, energy drinks/shots manufacturers are having difficulties attracting new customers, despite a 136% increase in sales from 2005-2009.

In fact, 74% of those surveyed say they don't consume energy drinks/shots and 69% of those non-users are not interested in trying them.

Mintel's Global Market Navigator (GMN) found that Americans consume 3.05L of energy drinks per capita each year, but energy drink market penetration remained flat at 15% of all adults aged 18+ during 2007-2009.

Energy drinks/shots non-users cite high prices (48%), too much caffeine (43%) and a general feeling that energy drinks/shots just aren't good for you (43%) as reasons why they have not consumed any in the past three months.

"Sales of energy drinks and shots have remained relatively strong for the last few years, but the same core group of customers continues to buy them," says Garima Goel Lal, senior analyst at Mintel.

"The category added only one million new energy drinks users aged 18+ during 2007-2009, compared to 9.3 million new users during 2005-2007, so manufacturers are eager to grow that number again."

Sixteen percent of energy drink non-users and 14% of energy shots non-users would be encouraged to try an energy drink or shot if free samples were offered at a store where they usually shop.

Meanwhile, 14% of non-users would be more likely to try energy drinks (11% for energy shots) if they had natural ingredients.

"The fact that seven out of 10 people are not interested in the energy drink category suggests the need for manufacturers to develop products aimed at a wider audience," adds Garima Goel Lal.

"Providing consumers with more flavors, less sugar and reduced caffeine content are all ways for companies to attract more customers."

Seventy-one percent of energy drink users (80% of energy shot users) consume them for an energy boost, 57% of energy drink users employ them to stay awake and 60% of energy shot users say they drink them for mental alertness.

Energy drink/shot consumers are more likely to use energy shots (30%) than energy drinks (23%) to enhance sports performance.

Source: Mintel Oxygen Reports

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