

# The fruit juice market: an appealing squeeze

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Over the years, fruit juices have had many guises from being the "must have" starter of the 1970s to a sludgy concentrate served with a full English. Now latest research from MINTEL shows a new era for fruit juices, as Britain's increasing demand for high quality, natural and healthy produce revolutionises the market.

Indeed, over the past two years alone (2002 - 2004) sales of chilled, high quality and natural juice have boomed, increasing by a staggering 60% to some Â£768 million.

The overall market for fruit juice and juice drinks has also grown substantially in recent years. Market value increased by an impressive 37% between 1999 and 2004 to reach Â£2.32 billion, while volume has increased by 26% over the same period to around 2.2 billion litres. In 2004, fruit juice accounted for the majority of the market both in terms of volume (54%) and value (60%). MINTEL predicts that this market will continue to grow over the next few years, to be worth almost Â£3 billion by 2009.

"Trends towards healthier eating as well as an increasing interest in more natural, organic products are key reasons for the phenomenal growth we have seen in this market. What is more, British consumers are now demanding more top quality, premium products and produce with added vitamins, minerals, and functional ingredients such as soy or omega-3. Healthy living is a growing trend and people just can't get enough of these kinds of products," comments James McCoy, senior market analyst at MINTEL.

Not only are we going 'au naturel' with fruit juices, British tastes are also becoming more exotic. There was a time when tomato juice as an aperitif or a glass of grapefruit juice as a starter were firm favourites at every self-respecting British guesthouse. But now these juices are losing out to more exotic flavours. While orange and apple dominate the market (over 70%), grapefruit and tomato juices suffered considerable losses in volume terms between 2002 and 2004 - 23% and 60% respectively. Other fruit juices such as kiwi, passion fruit and various berries have seen an impressive 133% increase in volume sales and have doubled their market share in just two years.

## Going bananas for fruit juice

In general, the British are positive towards the juice market, with just one in six (17%) of British being true 'Fizzyphiles', this group being the most likely to choose a drink other than juice, with just under half claiming to prefer fizzy drinks. While the nutritional value of juice is of little interest to 'Fizzyphiles' price is crucial, with many saying that they would buy individual bottles/cartons if they were cheaper.

When it comes to buying fruit juice, over a quarter (26%) of British are true juice fanatics or 'Purists', as they only ever buy 100% pure juice. Unsurprisingly, these drinkers are least likely to worry about the price and feel that nutritional value is the most important consideration. A further one in five (21%) drink juice at breakfast and are inclined to choose the purest juices and the rest are happy to drink juice when out for the night, even if it is as a mixer with an alcoholic drink!

There are significant regional variations in terms of attitudes towards juice, as just one in five (21%) of those living in Scotland and the East Midlands being true 'Purists', compared to more than one in three (36%) Londoners.

## Juice bars - the new coffee shop revolution?

The off-trade (supermarkets etc.) still dominates sales of fruit juice and juice drinks, with 80% of the market, but the on-trade (pubs and restaurants) has experienced the stronger growth, having grown by over 30% between 2002 and 2004. The on-trade has benefited from increasing health concerns among consumers in particular binge drinking. There is also a greater awareness of the dangers of drink-driving (and of the stringent penalties for doing so), which have both contributed to the occasional drinking of fruit juices or juice drinks in preference to an alcoholic beverage. Juices are also often drunk as a mixer in alcoholic drinks.

The increasing popularity in drinking juice while out and about could be key for further developments in this market. Indeed the imminent arrival of an antipodean juice bar culture would also appear to be a distinct possibility. Just as we have followed the Americans in their obligatory morning trip to the coffee shop, could the British also build a fresh juice bar drink into their daily routine?

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