

The 2009 FORECAST Report

RTD Tea

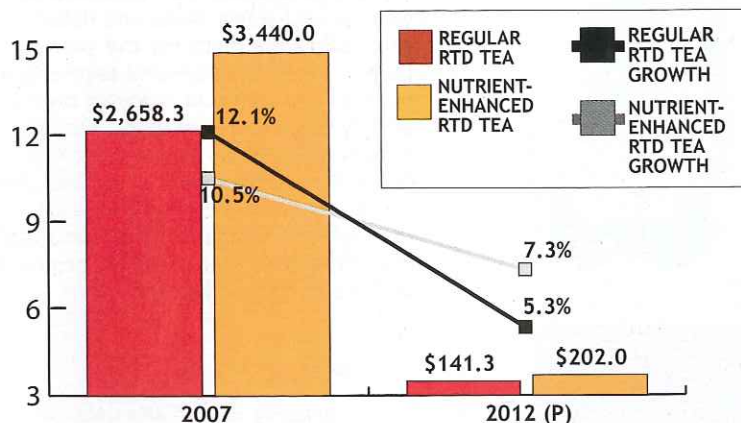
Tea's beneficial health attributes will continue to inspire product innovation through combining tea varieties with "superfruits" to compound wellness capabilities. To cater to the growing consumer base, tea manufacturers will promote the cross-pollination of tea with juice, energy drinks and smoothies. To secure future growth, tea companies should focus their efforts on making tea hip for younger consumers—from kids to the college crowd—while also appealing to the ever-growing ethnic populations.

SOURCE: MINTEL



Sales of RTD Tea in US

In millions US\$, with compound annual growth; projected through 2012



SOURCE: BEVERAGE MARKETING CORPORATION

"RTD tea really does align well with the health and wellness trend and that is not going away as a lifestyle driver. And the category has been able to stay dynamic and not stagnant with new ingredients and flavors. We're seeing an increase in emerging ingredients that are becoming fairly mainstream now by building on black, green and white tea, such as yerba mate, which is not only a natural energy ingredient, but it also leverages the popularity of the Amazon, as well as red teas."

—KRISTA FARON, SENIOR ANALYST, MINTEL RESEARCH CONSULTING



A Changing Landscape

"One area where I believe consolidation is going to have a major impact on the beer industry is that it will dramatically increase the level of sophistication and use of fact-based sales information over time throughout the beer industry. The industry has been transforming from a relationship-based to a fact-based sales industry for some time, but consolidation is going to accelerate this transformation. This will not be limited to breweries and suppliers, as the same will hold true for beer wholesalers as they continue to consolidate. The increased dependency on fact-based information is also being spurred on by the retailers, as they continue to increase their level of sophistication."

—DAN WANDEL, SENIOR VICE PRESIDENT, BEVERAGE ALCOHOL, INFORMATION RESOURCES, INC.



Emerging Flavors

Mintel, a global supplier of consumer, product and media intelligence, predicts manufacturers will explore exotic fruits and fresh, soothing flavors with a touch of spice to jazz up new products. The following flavors are expected to spread across the globe, moving beyond their core market or country of origin, to become the heavy hitters of 2009:



Persimmon: Viewed as a unique and exotic fruit, persimmon is poised to make a major splash in food and beverage. Mintel expects companies to blend it with more common fruits, as seen in a new Japanese yogurt that contains white peaches, persimmon and apricots.

Starfruit: Another unusually shaped, distinctly flavored fruit, starfruit is catching on around the globe.

Lavender: Mintel expects lavender to move beyond the home and personal care categories and into food and beverage next year. Lavender can be paired with more familiar ingredients to bring a naturally soothing, aromatic quality to food and drink.

