Fruit juices and smoothies for the next generation
According to the European Fruit Juice Association, “the composition of fruit juices, concentrated fruit juices, dehydrated fruit juices and fruit nectars, their reserved names, their manufacture and labelling characteristics are subject to specific Community rules under Council Directive 2001/112/EC” meaning each country in the European Union can set its own standards of quality and authenticity.

Introduction

Fruit juices and smoothies have evolved significantly in recent years. The demands of the modern consumer for authenticity and natural health are driving product development in the industry – making it a hotbed of innovation. Together with increasing pressures on beverage manufacturers to comply with sugar reduction taxation, these demands have inevitably shaped today’s offering on the retail shelves. From there, interest in premium products has led to an even greater range of beverage options – and this trend looks set to continue.

Fruit juice has come a long way since its first historical reference in 16th century Italy, when lemonade was the only regularly produced unfermented fruit-based drink. The real turning point arrived in 1869, when the invention of pasteurization allowed for storage and conservation of drinks, giving life to the industry as we know it today. Through the years, technological innovations in packaging systems, availability of new ingredients and changes in lifestyle have relentlessly transformed the industry, which needs to keep evolving to address ever-evolving consumer demands and trends.

But in a sector that never stops, how can fruit juice and smoothie manufacturers ensure the longevity of their products and brands?

In this paper, Johan Cerstiaens, commercial director at SVZ, looks at recent developments in the industry and gives his insights on the main trends to future-proof fruit juices and smoothies.
The healthy eating trend and sugar debate have profoundly impacted the juice market. Formulating drinks for the next generation means, above all, healthier options.

**Less sugar, more nutrients**

Due to the growing focus on the health risks of a high-sugar diet, there continues to be increasing regulatory pressure on beverage manufacturers to reduce the amount of sugar in their products.

Aside from the sugar taxes which are being planned or already in place across the world, health-conscious consumers are proactively seeking to reduce their overall sugar intake, driving the rising demand for beverages without added sugar. The natural sweetness of fruit juices has also been under the microscope due to consumer concerns for fruit's natural fructose content. Artificial sweeteners, such as aspartame and saccharin, have been commonly used to offer a sweet flavour without additional calories in carbonated soft drinks, but the prevalence of the clean label trend has led to manufacturers looking for more natural, label-friendly alternatives.

Vegetable ingredients present an ideal, natural solution. For instance, adding carrot, celery or cucumber puree or concentrate can provide a low-sugar, low-calorie option, while boosting the nutritional profile of beverages.

Interestingly, what started as a ‘stealth vegetable’ trend has now become the complete opposite, with consumers actively seeking vegetable ingredients in mixed juices. Data from Mintel has highlighted that a significant share of European consumers is prepared to make lifestyle changes, increasing fruit and vegetable consumption with drinks is an easy of doing so.

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Healthy refreshment

Positive nutrition

In a bid to meet evolving consumer interest for beverages with an enhanced nutritional profile, there has been a notable spike in healthful claims. Described as ‘positive nutrition’, this trend is easily identifiable on the shelves of most European supermarkets, where claims such as ‘protects from oxidative stress’ and ‘contains a fresh dose of vitamins and fibre’ are becoming increasingly common. Equally, buzz words including ‘superfood’, ‘nutri-dense’ and ‘functionality’ are, and are set to remain, a key purchasing factor.

While fruit and vegetables have long been a way for beverage manufacturers to maintain a healthy and clean label status, certain ingredients have become more readily used than others. For example, beetroot was often overlooked as an addition to juices and smoothies for many years. Recently, it has been included in a third of all new product launches in Europe.\(^2\) Low in calories, high in fibre, folates and vitamin C, it’s the perfect ingredient to add positive nutrition claims.

The trend for fermentation is influencing juices, too. The popular kombucha beverage is increasingly enhancing its positive nutritional profile with juices such as cranberry or pomegranate – to add a unique flavour to formulations. Manufacturers are also using added fibre ingredients, such as chia and flax seeds, to set their smoothies apart from others and provide an intriguing texture. In addition, the antioxidant properties of matcha powder are continuing to hold interest for beverage manufacturers as they look to appeal to consumers’ expectations.

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3. Mintel, Global New Products Database

Although orange and apple still represent a large proportion of today’s fruit juice market, the popularity of these flavours is declining. Instead, ‘superfruit’ mixes, incorporating berries, tropical fruits and coconut are on the rise, as well as fruit and vegetable combinations, including carrot, red beet, green vegetables such as spinach and kale, as well as cucumber. Similarly, plants and botanical flavours have seen marked uptake in recent years, catering to consumers’ changing tastes.

EU fruit juice and nectars by flavours \(^2\)

- Orange 36.5%
- Flavour Mixes 19.2%
- Apple 15.7%
- Peach 3.5%
- Pineapple 3.3%
- Other Fruit 21.8%
Personalisation

When it comes to juices and smoothies, there is no longer a one-size-fits-all for successful formulation. With consumers better informed about health and nutrition, they prefer to check labels themselves before making a purchasing decision. Since the health and wellness trend is not just confined to one particular age group or demographic, consumer lifestyles can vary significantly. For example, juices and smoothies hold appeal for various demographics, particularly millennials, thanks to recent innovation in nutrient fortification and added value options.

The market is therefore increasingly moving towards personalised nutrition to cater to different diets, lifestyles, demographics and age groups. Manufacturers must gain a solid understanding of consumer preferences to create beverages that meet their evolving needs.

So, what’s next for ingredients? Infused drinks still have their place, but big brands are starting to experiment with more unusual flavours – even cannabis – to help address specific health concerns, such as inflammation, pain and cramping.
Natural premium

The search for authenticity in food and beverage products is pushing the focus for transparency and ‘all-natural’ claims. As such, innovation continues to be focused on natural ingredients – as close to the source as possible.

The juice industry is undoubtedly facing a challenging time, experiencing limited growth, or even losses, in segments that have historically been buoyant. However, on closer inspection, the downward figures in market reports instead represent a clear change of direction. In the UK and France for example, while the performance of discount juices is dropping and mainstream products are stable, the premium chilled category is booming with an average of 10% growth.

With these figures expected to grow throughout Europe, it is worth looking into what premium juices encompass.

**High-quality ingredients**: Carefully selected fruit and vegetables, as opposed to inferior quality products from large-scale, commoditised suppliers, is the first condition of premium products.

**All natural**: Product labels must be simple and include recognisable fruits, vegetables, or ‘cupboard’ ingredients – without artificial colourings, preservatives or flavourings.

**Pesticides**: Negative press about pesticide residues is having an impact on consumer perception on the healthiness of fruit and vegetable ingredients. Producing a premium product doesn’t only mean ensuring that your fruit and vegetable ingredient supplier complies fully with pesticide regulations, it also involves partnering with a supplier that can plan for any change in regulations and advise you accordingly.

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4. AIJN European Fruit Juice Association, 2019 liquid fruit market report
Minimal processing: As consumers become more sophisticated in their choices, they are looking for claims such as ‘gentle’ or cold processing, as part of an increasingly healthy and ethical lifestyle. Minimal processing is also perceived as imparting a fresher taste, texture and colour, while retaining as many nutrients as possible.

Not-from-concentrate (NFC): Minimally processed products represent the closest modern equivalent to freshly-made, handcrafted juices and smoothies. It delivers on consumer desire to go back to real taste and simplicity.

Organic: A growing but challenging segment, the market for organic juices and smoothies has now reached double digits in Europe. Although it has a small consumer base, there is still notable interest from discerning consumers looking for natural products that contain little or no residue, and that are produced sustainably.

As part of the premiumisation trend, consumers expect fruit and vegetable ingredients to be as close to their natural format as possible. However, formulators must balance this with creating juices and smoothies that consumers can still enjoy, considering factors such as mouthfeel, consistency, texture and taste. Innovation is rife in this category, as manufacturers experiment with novelty ingredients and new formats. Ingredients such as botanicals and seeds can help to add a competitive edge, while technologies like cold press and HPP are shaping juices and smoothies – with the added price tag for consumers.

Smoothies are currently the fastest growing segment in the drinks sector. In the UK, recent smoothies launches have risen 10%, while France has seen an impressive 55% rise. In Germany, NFC products have seen an uptake of 27%, while in Spain growth has risen to 45%.

5. AIJN European Fruit Juice Association, 2018 liquid fruit market report
As healthy nutrition continues to drive the food and drink industry, other trends are having an important effect too. Modern consumers are aware of the impact of food production on the world’s resources and that the future of human nutrition depends on the long-term availability of safe, nutritious, high-quality fruits and vegetables.

Sustainable farming practices are vital to ensuring this, meaning fruit ingredient suppliers have the ethical responsibility to put in place a system of operations that can optimise resources. To reduce the negative impact on the environment, agronomists have a key role to play in terms of sharing best practice and working alongside farmers. This type of collaboration means farmers can receive advice on responsible use of pesticides and fertilisers, as well as on food safety and regulatory compliance.

In our new post-truth reality, consumers require complete and total transparency from food and drink companies. Widespread distrust has increased the need for manufacturers to be forthcoming about their ingredients, production processes and supply chains.

Beyond environmental concerns, sustainability can also improve efficiency. For example, using resource management to minimise waste and extract value. Plus, in the fruit industry, rather than throwing away surplus produce, it can be repurposed and used in flavours or aromas, as well as natural animal feed or compost.

The benefits of working with suppliers that have a strong team of agronomy and sustainability experts that actively seek efficient and sustainable operations go far beyond environmental advantages; they bring economic and qualitative improvements throughout the whole supply chain.
In an increasingly digital world, the way individuals consume media is affecting how they consume everything else. From new technologies allowing more transparency than ever before to social sharing, the next generation of juices and smoothies must appeal to the digital-first consumer to stay on trend.

Processing fruit and vegetables directly at source is another way of improving operational efficiency. Processing from fresh, wherever possible, eliminates using extra energy to freeze, and later thaw, the ingredients. It also ensures they maintain optimum freshness, significantly reducing waste and improving end quality. The use of recyclable, stackable packaging also improves productivity with less return journeys needed, thanks to compact design, while recycled material reduces environmental impact.

**Traceability**

Not only are food and beverage manufacturers facing pressure from regulatory bodies to ensure they practice in a sustainable manner, but the sustainable sourcing of fully-traceable fruit ingredients has also become key to winning consumer loyalty.

However, finding suppliers with strong and established credentials can be a challenge in the modern marketplace. Looking at a supplier’s sustainability initiatives, such as SVZ’s, can provide reassurance of long-term commitment. Being members of platforms such as the Sustainable Agriculture Initiative (SAI) and Sedex, guarantees that a company is dedicated to sustainable practices, as well as external endorsements such as an EcoVadis gold rating. A commitment to continue improving is also an important consideration, as consumers become more discerning every day. For instance, SVZ has vowed to keep strengthening its sustainability credentials, reaching 75% sustainable sourcing by 2025 – before the ultimate goal of 100% by 2030.

SVZ supplies high quality, processed fruit and vegetable ingredients to food and drink manufacturers across the world, with the aim to build the entire operation on sustainable agricultural processes. SVZ’s industry-leading commitment to sustainability and supply chain management means their customers not only know exactly where their ingredients come from, but can also be confident in the environmentally-friendly processes that have produced the ingredients.
The juice industry never stands still, and it’s crucial for manufacturers to stay on top of the latest trends to keep attracting consumer attention.

The healthy nutrition trend has had a profound impact on consumer perception of juices and smoothies, shifting the focus of innovation and new product development towards making them naturally healthier, with the addition of vegetables and other added value ingredients.

Ingredient suppliers have a key role to play in the development of new recipes that meet the need for healthier, sustainably-produced juices. Partnering with the right supplier allows access to expertise that can only be gained through experience and passion for the best ingredients.