

# RTD Smoothies - US - December 2012

## Scope and Themes



*“The RTD smoothie category is characterized by low market penetration, especially in comparison to that of made-to-order smoothies. The good news for RTD smoothie makers is that they can use the heightened consumer exposure to smoothie brought about by the popularity of fast-food smoothies to increase consumer awareness of RTD products.”*

– Sarah Day Levesque, Food and Beverage Analyst

## In this report we answer the key questions:

- **How can the RTD smoothie industry increase market penetration?**
- **How can the industry better target users and non-users?**
- **How can RTD smoothies use general smoothie trends to their advantage?**

RTD smoothie sales have experienced extremely strong growth since 2007, growing 124% from 2007 to 2012 to reach an estimated \$608 million in dollar sales. Growth in the category has been driven by product innovation and demand for convenient, nutritious products. Leading companies were able to increase sales with innovative new products that appealed to consumers’ desire for offerings that address nutrition and health in ways that RTD smoothies had yet to do. With low market saturation and stiff competition from made-to-order smoothies, RTD smoothie makers will need to increase product awareness among all consumer segments and continue to develop innovative smoothie products in a variety of formats that will encourage new users and increase purchase occasions among current users. Throughout this report, Mintel will address the issues facing the category, including:

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## DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

## RTD Smoothies - US - December 2012

### Scope and Themes

- What are the leading market drivers for RTD smoothies, and how can manufacturers utilize these drivers to maximize sales?
- How can smoothie companies leverage trends in healthy eating and concerns over obesity to grow sales in the category?
- Which companies have been the most aggressive in terms of marketing, product mix and product innovations, and are they in sync with what consumers are most interested in?
- What factors influence consumer behavior and what matters most to consumers?
- Where are consumers most likely to consume RTD smoothies, and what kind of impact does this have on overall buying behavior?

This report builds on the analysis presented in Mintel's *Smoothies and Shakes: Made to Order — U.S., July 2012*; *Made to Order Smoothies and Shakes —U.S., December 2010*; *Smoothie Shops—U.S., December 2009*; *Smoothies—U.S., March 2008*.

For the purposes of this report, Mintel has used the following definitions:

A Ready-to-Drink (RTD) smoothie is a refrigerated or shelf-stable drink that is made with fresh fruit, juice, and possibly some type of thickener (such as Naked, Odwalla, Bolthouse or V8 V-Fusion Smoothies) and is sold in a single serve or larger container at a retail establishment.

Please note this definition excludes yogurt-based smoothies, which are covered in *Yogurt and Yogurt Drinks—U.S., August 2012*, diet and nutrition shakes and smoothies, which are covered in *Meal Replacements Food and Drink—U.S., June 2011*, and protein shakes.

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IRI/Builders—Key household purchase measures

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