

# Functional Beverages - Canada - May 2021

Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## This report looks at the following areas:

- The impact of COVID-19 on consumer behavior and the functional beverage market.
- Whether Canadians functional benefits make beverages more or less appealing.
- Which benefits in beverages are more and less important to Canadians.
- Varying perspectives on functional beverages across select demographic breaks.

Innovation in the beverage industry is diversifying. Acceptance of beverages that offer a wide range of functional ingredients and benefits has grown as more options become available. COVID-19 has impacted consumer interest in health as related directly or indirectly to immunity and this will likely strengthen the prospects for functional beverages. In this context, this Report examines that attitudes Canadians have toward in functional beverages, identifies what added ingredients Canadians claim to currently drink in their beverages, what benefits matter more and/or less to them and what functional drinks Canadians either currently drink or express interest in. Where applicable, this Report also identifies differences in behaviours and attitudes across demographic breaks to help inform targeted innovation and messaging strategies.



“Many Canadians are focusing more on their physical and emotional wellbeing because of the pandemic. This added focus will only accelerate demand for functional beverages with added health benefits. That said, half of Canadians express skepticism or outright concern over potential adverse health effects.”

– Joel Gregoire, Associate Director for Food & Drink

## Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Table of Contents

### OVERVIEW

- What you need to know
- Key issues covered in this Report
- Definition
- Market context
- COVID-19: Canadian context

### EXECUTIVE SUMMARY

- Top takeaways
- Market overview
- Impact of COVID-19 on functional beverages  
Figure 1: Short-, medium- and long-term impact of COVID-19 on functional beverages, May 2021
- Opportunities
- Younger Canadians are willing to open a bottle versus take a pill
- Education is key to raising adoption levels
- Natural functional ingredients are central in building trust
- Subtle differences in positioning matter
- Challenges
- Older consumers are less likely to drink functional beverages
- Fear of adverse health effects represents a barrier to adoption

### THE MARKET – KEY TAKEAWAYS

- Slow road back from COVID-19 will lead to long-term shifts
- Functional benefits need to address the needs of an aging population

### MARKET FACTORS

- Slow road back from COVID-19 will lead to long-term shifts
- Consumers show clear concern over single-use plastics  
Figure 2: JUST water – Plastic From Plants is Way Better, June 2016
- Functional benefits need to address the needs of an aging population  
Figure 3: Population aged 0-14 and 65+, 1995-2035\*

### COMPANIES AND BRANDS – KEY TAKEAWAYS

- Functionality is evolving from a “nice to have” to a “need to have”

### What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

### Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world’s leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

### Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- **The pandemic has accelerated the importance of mental and emotional wellbeing**
- **The spotlight on immunity is brighter than ever**

**COMPETITIVE STRATEGIES**

- **Cannabis legalization expands the ‘functional beverage’ landscape**

Figure 4: Truss Beverages Mollo 2.5 Cannabis Beverage (Canada), December 2020

Figure 5: Tweed Houndstooth & Soda Water Cannabis-Infused Carbonated Beverage (Canada), March 2021

Figure 6: Verywell Lemon Black Iced Tea (Canada), February 2021

- **Functionality is evolving from a “nice to have” to a “need to have”**
- **Functionality in beverages takes on many forms**

Figure 7: Coca-Cola with Coffee Caramel Flavored Cola with Coffee (US), March 2021

Figure 8: Coca-Cola Zero Sugar Energy Cola Flavoured Energy Drink (Canada), March 2020

Figure 9: Perrier Energize Tangerine Flavoured Caffeinated Drink (Canada), March 2021

Figure 10: Gatorade G Fruit Punch Thirst Quencher (Canada), September 2020

Figure 11: SoBe Water Strawberry Dragonfruit Nutrient Enhanced Hydration Beverage (US), January 2021

Figure 12: Driftwell Blackberry Lavender Enhanced Water Beverage (US), March 2021

Figure 13: Greenhouse Lullaby Organic Booster (Canada), February 2021

Figure 14: Flow Collagen-Infused Spring Water with Natural Pink Grapefruit Flavour (Canada), November 2020

Figure 15: KeVita Mango Coconut Sparkling Probiotic Drink (US), July 2020

Figure 16: Longo’s Organic Turmeric Fusion Kombucha (Canada), March 2021

Figure 17: Rise Kombucha Organic Orange & Turmeric Kombucha (Canada), January 2021

Figure 18: PC Organics Apple Cider Vinegar, Cinnamon & Cayenne Juice Shot (Canada), March 2021

Figure 19: Nestlé Pure Life+ Revive Lemon Still Water Beverage with Magnesium (US), July 2020

**What's included**

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

**Did you know?**

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world’s leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

**Buy this report now**

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## MARKET OPPORTUNITIES

- **The pandemic has accelerated the importance of mental and emotional wellbeing**
- **The spotlight on immunity is brighter than ever**

## THE CONSUMER – KEY TAKEAWAYS

- **Half of Canadians drink beverages with ‘functional’ ingredients**
- **Functional benefits that address COVID-19’s impact hold greater resonance**
- **Niche functional beverages spark consumer interest**
- **Word of mouth remains the most trusted marketing platform**
- **Canadians are split on how they view functional beverages**

## FUNCTIONAL INGREDIENT USAGE

- **Half of Canadians drink beverages with ‘functional’ ingredients**

Figure 20: Ingredients in beverages currently drunk, February 2021

Figure 21: Ingredients in beverages currently drunk, Canada vs US, February 2021 (Canada) & February 2020 (US)

- **Young adults and men are more likely to drink beverages with added functional ingredients**

Figure 22: Ingredients in beverages currently drunk, by age, February 2021

Figure 23: Ingredients in beverages currently drunk, by parental status, February 2021

Figure 24: Drink beverages with functional benefits, by age and gender, February 2021

Figure 25: Ingredients in beverages currently drunk, men vs women, February 2021

Figure 26: Omega-3 fatty acids and collagen in beverages currently drunk, Chinese Canadians vs overall population, February 2021

## DESIRED FUNCTIONAL BENEFITS

- **Functional benefits that address COVID-19’s impact hold greater resonance**

Figure 27: Benefits looked for in beverages, February 2021

- **Age, gender, parental and student status influence interest in functionality**

Figure 28: Benefits looked for in beverages, by age, February 2021

## What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

## Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world’s leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

## Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 29: Benefits looked for in beverages, by age, April 2021

Figure 30: Benefits looked for in beverages, students vs non-students, April 2021

- **Beauty claims resonate more with Chinese Canadians**

Figure 31: Benefits looked for in beverages, Chinese Canadians vs overall population, February 2021

## INTEREST IN DIFFERENT TYPES OF FUNCTIONAL BEVERAGES

- **Niche functional beverages spark consumer interest**

Figure 32: Experience with and interest in different types of functional beverages, February 2021

- **Younger adults are the core opportunity across different types of functional beverages**

Figure 33: Experience with and interest in different types of functional beverages, men 18-34s vs women 18-34s, February 2021

Figure 34: No past experience, but interest in different types of functional beverages, men 18-34s vs women 18-34s, February 2021

Figure 35: Experience with and interest in different types of functional beverages, by parental status, February 2021

Figure 36: Experience with and interest in different types of functional beverages (select), South Asians\*\* vs Chinese Canadians\*\* vs overall population, February 2021

## HOW CONSUMERS LEARN ABOUT FUNCTIONAL DRINKS

- **Word of mouth remains the most trusted marketing platform**

Figure 37: Ways in which Canadians learn about functional beverage claims, February 2021

Figure 38: Ways in which Canadians and Americans learn about functional beverage claims, February 2021 and February 2020

- **Younger adults are more likely to turn online to be educated**

Figure 39: Flow Instagram post, May 2021

Figure 40: Ways in which Canadians learn about functional beverage claims, by age, February 2021

Figure 41: Ways in which Canadians learn about functional beverage claims, mom vs dads, February 2021

Figure 42: Ways in which Canadians learn about functional beverage claims (select), South Asians vs Chinese Canadians vs overall population, February 2021

## What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

## Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

## Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## ATTITUDES TOWARD FUNCTIONAL BEVERAGES

- **Canadians are split on how they view functional beverages**

Figure 43: Select attitudes toward functional beverages, February 2021

Figure 44: Select attitudes toward functional beverages, men vs women, February 2021

Figure 45: Select attitudes toward functional beverages, by age, February 2021

Figure 46: Select attitudes toward functional beverages, by parental status, February 2021

Figure 47: Select attitudes toward functional beverages, South Asians vs overall population, February 2021

- **It's better to offer beverages with functional benefits than without them**

Figure 48: Select attitudes toward functional beverages around being natural, inclusion of functional health ingredients and being an alternative for vitamins and supplements, February 2021

Figure 49: Select attitudes toward functional beverages around the inclusion of functional health ingredients and being an alternative for vitamins and supplements, by age, February 2021

- **For many, COVID-19 has piqued their interest in functional beverages**

Figure 50: Select attitudes toward functional beverages and COVID-19, February 2021

Figure 51: Select attitudes toward functional beverages and COVID-19, by age, February 2021

## APPENDIX – DATA SOURCES AND ABBREVIATIONS

- **Data sources**
- **Mintel Trend Drivers**
- **Abbreviations and terms**
- **Abbreviations**

## What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

## Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

## Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100



## About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit **[mintel.com](https://www.mintel.com)**.