

Functional Drinks - US - 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 drinks market
- Importance of balancing functionality and value
- Need to expand bandwidth to include older adults
- Innovations and expansions continue to blur brand and category lines



“Functionality has been the most important driver to innovation in the non-alcoholic beverages market for the past decade, and consumer demand for drinks with added benefits has only increased during the pandemic.”

– Karen Formanski, Health and Nutrition Analyst

Buy this report now

Visit 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**
- **COVID-19: US context**
- **Economic and other assumptions**

EXECUTIVE SUMMARY

- **Top takeaways**
- **Market overview**
- **Impact of COVID-19 on functional drinks**
Figure 1: Short-, medium- and long-term impact of COVID-19 on functional drinks, July 2021
- **Opportunities and challenges**
- **Functional drinks landscape is growing, has room for expansion**
Figure 2: Consumption of drinks with select benefit claims – Any functional benefit, by gender and age, 2021
- **Give consumers more ways to benefit from beverages**
Figure 3: Consumption of drinks with select benefit claims, 2021
- **Introduce functionality via familiar formats**
Figure 4: Interest in functional drinks by type, 2021
- **Emphasize efficacy and value**
Figure 5: Motivating features, 2021

THE MARKET – KEY TAKEAWAYS

- **All beverages can be more functional**
- **Price an obstacle to even more growth**
- **Break the age barrier**
- **Sustainable is the next functional**

MARKET PERSPECTIVE

- **Seeking creative paths to success in murky waters**
Figure 6: Functional/Plus claims in new product launches – Non-alcoholic beverages*, 2016 and 2020
Figure 7: Functional claims in new product launches – Non-alcoholic beverages*, by subcategory, 2016 and 2020

MARKET FACTORS

- **Strike the right balance of functionality and value**

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
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.

Figure 8: Consumer perception of non-alcoholic beverages – With and without functional claims, July 2021

Figure 9: Consumer confidence and unemployment, 2000-21

- **Refocus some energy on the older population**

Figure 10: Population by age, 2014-24

- **Sustainability claims can add incentive for categories' top users**

Figure 11: Ethical claims in non-alcoholic beverage launches, 2016 and 2021

Figure 12: Functional drink brands with sustainable packaging: Dram Apothecary and Sol-ti

COMPANIES AND BRANDS – KEY TAKEAWAYS

- **Entice consumers with familiar functionality**
- **Brands expand to keep up with demand**
- **Support healthy aging across lifestages**

COMPETITIVE STRATEGIES

- **Merging functional with familiar**
Figure 13: Enhanced water examples: Driftwell, Nestle Pure Life, Water Joe
- **Juice aims to refresh its image with added functionality**
Figure 14: Juice with added benefits – Ocean Spray, Bai, Suja
- **Extend bandwidth with new functionalities and formats**
- **Enhance digestive support with additional benefits**
Figure 15: Kombucha with added benefits – Rowdy Mermaid, Brew Dr, Health-Ade
- **Present the gift of guilt-free or low-guilt BFY soda**
Figure 16: Soda with added digestive benefits – Olipop and Poppi

MARKET OPPORTUNITIES

- **Expand consumer base via healthy aging support**
Figure 17: SkinTē Collagen Sparkling Tea
- **Position botanical beverages as healthy stress relievers**
Figure 18: Moment Botanical Water
- **Reward brand ambassadors**

THE CONSUMER – KEY TAKEAWAYS

- **Need to grow beyond youthful core audience**
- **Expand on offerings to please diverse consumer needs**
- **Introduce emerging ingredients alongside the familiar**

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
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.

- **Beverage blurring may be key to increased functional beverage trial**
- **Don't underestimate the power of testimonials**
- **Present functional drinks as refreshing VMS substitutes**

THE FUNCTIONAL DRINKS CONSUMER

- **Targeted marketing is key for continued expansion**
Figure 19: Consumption of drinks with select benefit claims – Any functional benefit, 2021
- **Reach out to older adults, women with targeted functionality**
Figure 20: Consumption of drinks with select benefit claims – Any functional benefit, by gender and age, 2020 and 2021

BENEFITS AND FREQUENCY OF FUNCTIONAL DRINKS CONSUMED

- **Address both shorter- and longer-term benefits for future growth**
Figure 21: Consumption of drinks with select benefit claims, 2021
- **Pair healthy aging benefits with superior hydration**
Figure 22: Consumption of drinks with select benefit claims, by age, 2021
- **Parents' focus on health supports the market**
Figure 23: Consumption of drinks with select benefit claims, by parental status, 2021
- **More than half of adults drinking in multiple benefits**
Figure 24: Repertoire of functional drinks consumed, 2021
Figure 25: Repertoire of functional drinks consumed, by age, 2021
- **Reinforce the long-term benefits of regular use**
Figure 26: Frequency of consumption of drinks with select benefit claims – At least weekly, 2021
Figure 27: Frequency of consumption of drinks with select benefit claims, 2021

FUNCTIONAL INGREDIENT USAGE

- **Look to VMS space to guide product positioning**
Figure 28: Consumption of drinks with select functional ingredients, 2021
- **Getting to know you: education needed on emerging ingredients**
- **Explore the untapped potential of herbals/botanicals: adaptogens, nootropics and CBD**

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
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: Consumption of drinks with select functional ingredients – Adaptogens, nootropics, CBD, by age and gender, 2021

- **Sipping the fat: Omega-3s, collagen and MCT oil**

Figure 30: Consumption of drinks with select functional ingredients – Omega-3 fatty acids, collagen, MCT oil, by age and gender, 2021

FUNCTIONAL DRINKS BEHAVIOR CHANGES

- **Use testimonials to increase trial along with occasions**

Figure 31: Functional drinks behavior changes, 2021

USE/INTEREST BY FUNCTIONAL DRINK TYPE

- **Cross beverage category lines to cast widest net**

Figure 32: Use/interest in functional drinks by type, 2021

- **Blend functional with familiar to attract older consumers**

Figure 33: Use/interest in select functional drinks by type, by age, 2021

MOTIVATING FEATURES

- **Refer a friend: incentivize trial and loyalty via word-of-mouth**

Figure 34: Motivating features, 2021

- **Experience is key for trust in brand integrity, product value**

Figure 35: TURF analysis – Select motivating features, 2021

- **Catch the eye of younger adults with social media and sustainability**

Figure 36: Select motivating features, by age, 2021

OPINIONS ON FUNCTIONAL PRODUCTS

- **Education needed to expand bandwidth, increase engagement**

Figure 37: Opinions on functional products, by total and current functional drink users, 2021

- **Time to swoop in on traditional supplements**

Figure 38: Select opinions on functional products – Functional beverages vs traditional VMS, by gender and age, 2021

- **Reach out to heavy users for product testimonials**

Figure 39: Select opinions on functional products – Efficacy, by number of functional benefit types used, 2021

- **Give older consumers more of what they may be missing**

Figure 40: Select opinions on functional products – Functional beverages vs foods, by age, 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
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.

APPENDIX – DATA SOURCES AND ABBREVIATIONS

- Data sources
- Sales data
- Consumer survey data
- Abbreviations and terms
- Abbreviations

APPENDIX – THE CONSUMER

Figure 41: Table – TURF analysis – Motivating features, February 2021

- Methodology

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
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)**.