

Smoothie sales soar, but innovation remains crucial, report

By Lorraine Heller

2/22/2007 - **Sales of smoothies in the US have rocketed over the past five years, but manufacturers must continue to develop innovative flavors in order to keep consumers engaged, according to a new report by Mintel.**

The market for made-to-order and packaged [smoothies](#) last year reached \$2bn, shooting up 80 percent from 2002.

According to [Mintel](#), smoothies have now become *"part of the American landscape"*, with the market becoming flooded by consumers looking for quick, portable meal alternatives.

A major selling point is the healthy image of the products.

"Consumers are attracted to smoothies because they are seen as a healthier option to most sweets and on-the-go meals," said David Lockwood, director of Mintel Reports.

However, the market researcher stresses the importance of continuing innovation and evolution in the category.

"Now that the smoothie market is a proven success, companies are being pushed to the next level - extreme differentiation. Similar to the coffee market, smoothie companies need to continue developing innovative flavors and additives to keep consumers engaged in the market," added Lockwood.

Some recent moves in the smoothie industry have been the use of emerging flavors, such as açai and green tea, and the introduction of hybrids of smoothies with other drink types.

New nutrient 'boosts' feed consumer need for evolving offerings as well, said Mintel. Smoothie companies have also remained on track with current food trends, utilizing 'all-natural', low-calorie and other key buzz properties to build sales.

According to Mintel's consumer research, more than half of respondents in the 18 to 34 year-old range said that they had a smoothie in the last month.

In response to this increase in demand, retail locations supplying the drinks have mushroomed across the nation, with more than 4,000 locations reported in the US last year.

In contrast with yogurt drinks, 39 percent of Mintel respondents agreed or strongly agreed that *"smoothies are healthier than drinks made with yogurt."* Similarly, more than half of consumers agreed or strongly agreed that *"smoothies taste better than yogurt drinks,"* with yogurts getting only 15 percent.

"The flavor combinations and possibilities are endless with the smoothie market," said Lockwood.

"With functional foods and beverages having a strong marketplace advantage, smoothies are in position to dominate the healthy beverages category. Smoothies are seen as a pleasant health treat, and this will continue to take the category far."

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