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Gan Shmuel Group is a leading producer and innovator in the processing, packaging and marketing of citrus, other fruits and vegetables. This year we are celebrating 70 years of success in the development and supply of an extensive product range and optimal customized solutions, delivered with Gan Shmuel Group's trademark service standards to meet the needs of clients all over the world.

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The rough with the smooth

Smoothies are at the very top of the fruit juice quality/price ladder. How best to sell them?

SMOOTHIES have come of age, gaining prominence on retail shelves around the world and a space in consumers' consciousness, but they remain a niche market. In the midst of economically challenging times and as relatively expensive products, manufacturers will have to work hard on innovation and targeted marketing if they are to continue to grow.

Esther Renfrew, marketing intelligence director at food and drink consultancy, Zenith International, says that the economic downturn had dented smoothies sales, but not fatally.

"With the recession, sales of smoothies were affected due to their high price point. While in some cases sales have yet to recover to pre-recession levels, their inherent attributes (nutrition, healthiness and multiple consumption occasions as snacks or meal replacements) have kept the category afloat."

Within Europe, there are still vast differences in penetration from country to country. "The most developed smoothie market is still by far the UK, followed by Germany and France. The UK has approximately half the European market for smoothies, with Germany and France at 16% and 9% respectively," Renfrew notes.

In the mature UK market, one sign of the recent squeeze came with market leader Innocent's tweaking of larger formats. Earlier this year it replaced 1l size cartons with two options: 0.75l or 1.25l formats, the latter labelled as a

'value' pack. This adjustment helped Innocent carry through cost increases while minimising the impact on consumers.

Format and packaging is one area in which manufacturers can make their offering more attractive; other strategies that may help boost this category are producing drinks aimed at children, emphasising their health credentials, and introducing new ingredients and flavours to grab consumers' attention.

In terms of packaging, PET continues to dominate, though here and there are

instances of alternative types.

"PET is the most commonly used packaging material, especially for single-serve formats. However, carton is also readily present in larger take-home formats. PET usage is widely spread across Europe," Renfrew says. But she adds: "There is space for innovation as Innocent has with its 100% rPET bottle and wedge carton for child-friendly smoothies."

Outside the UK other types of packaging seem to be more commonplace. German company Proviaut launched a range of smoothies this year, in glass bottles and with retro label designs. In Italy plastic pouch packs also appear to be quite popular, with recent launches from organic food companies, Almaverde bio and Natura Nuova. Sicilian juice company, Canditfrucht, has also revamped and re-launched its 100% Smoothies

line, showcasing the products at the ANUGA trade show in Cologne in October.

However, it was interesting to note the general absence of new smoothies amongst the new products presented at ANUGA, which were dominated (in the soft drinks category) by coconut water drinks.

In terms of flavour innovation, the roster of ingredients also appears to have changed little in the last ten years, as smoothies have become more widely established. Açai, goji and pomegranate are now familiar components, and yet most new launches seem to be deliberately focused on less exotic fruits. The generally disappointing level of innovation may well be due to companies' retrenchment in lean times, and an unwillingness to invest in research and new product development.

There is the odd exception, of course: British supermarkets are known for pushing the envelope with own-brand products, and high-end retailer Waitrose lives up to this reputation with its recently launched smoothies under the Love Life private label. The twist is that several of the new products combine fruit and vegetables – a bold move in a market where vegetable juices have found little favour. The smoothies include an intriguing, deep-purple blend of blueberry, blackcurrant and beetroot, which sits alongside red pepper/raspberry and orange/mango/

pumpkin.

For more radical innovation, one must look outside Europe. The products that are really breaking the mould constitute a subcategory of their own, offering consumers the convenience of a prepared product with a DIY element. Their marketers may be onto something by promising shoppers an element of fun and potentially a slight price point advantage over ready-to-drink smoothies.

Dole only weeks ago announced the launch of Smoothie Shakers in the US market: bottles containing fine frozen fruit pieces that turn into a smoothie when a favourite juice is added. Australian Firm, Patties Foods, has also introduced Smoothie Cubes under the Creative Gourmet label. Priced AUD5.99 (USD6.02) for a 300g box, they consist of frozen fruit in cubes for blending with milk. They are available in breakfast, strawberry, berry antioxidant and tropical varieties.

In order to maintain interest in smoothies in the current straitened times, marketers will have to up the ante on flavour innovation and renew their efforts to promote products on their health benefits. They are up against some serious competition, as juice blends continue to offer more exotic ingredients, and other drinks with lower fruit content compete on price and sometimes calorie content.

