

Powerful Trends Prompt Shifts in Beverage Sector

NEW YORK — The nonalcoholic beverages sector is exceptionally dynamic at present, with numerous trends affecting consumption patterns.

According to Tom Stark, vice president of sales and marketing at Arcadia Farms Inc. a maker of both branded and private label beverages ranging from juices to ready-to-drink teas, one important factor is demographics.

“We continue to work at gaining a better understanding of the growing ethnic diversity in the marketplace, the consumption patterns associated with this

diversity, and flavor profile/beverage preferences within these specific groups to determine how we can gain a stronger presence in these markets,” he says.

Another element swaying consumption patterns is the topic of sweeteners. In 2008 the Food and Drug Administration declared stevia safe for use as a sweetener, and a number of noncarbonated beverage brands, including SoBe Lifewater and Trop50 from PepsiCo Inc., have had a major impact by using stevia as a sweetener. “As a natural sweetener that is also zero calorie, stevia holds

particular appeal to those who want zero-calorie options but don’t feel good about consuming artificial sweeteners,” explains Paddy Spence, chief executive officer of Zevia LLC.

Spence adds that Zevia, which contains stevia and eschews artificial sweeteners, is seeking to reshape the landscape in the carbonated soft drinks (CSD) category, which, although huge, has seen flat sales. “Zevia has a fascinating trade proposition, in that we can generate velocity on par with many major CSD brands, but we also have a high-margin offering

that adds significantly to the profit of the category,” he says.

Similarly ambitious in its goals is FaVe Juice Co., which seeks to convince consumers to increase their vegetable and fruit intake and reduce their calorie intake. FaVe Juice contains 100% all-natural fruit and vegetable juice with antioxidants vitamins A and C, has only 60 calories, and is the only juice to deliver the equivalent of three daily servings of vegetables in an 8-ounce serving.

Moreover, FaVe contains no preservatives or added sweeteners of any kind.