

Beverages Noncarbonated



# Still Selling

Don't mistake lack of fizz for lack of excitement in noncarbonated beverages.

By Bridget Goldschmidt

**T**hey may not have the literal sparkle of their fizzier cousins, but there's still a lot going on in some noncarbonated beverage segments, fueled by product innovation and creative promotion.

Although shelf-stable, frozen and refrigerated juices and drinks all saw sales dollar declines for the 52 weeks ending Oct. 27, according to Schaumburg, Ill.-based Nielsen, liquid teas rose 5.8 percent, still water increased 3.3 percent and noncarbonated soft drinks and their low-calorie counterparts rocketed up an astonishing 66 percent and 54.7 percent, respectively.

"When looking for a noncarbonated beverage, consumers are seeking a drink that is a bit healthier, with lower calories, but does not sacrifice taste," explains Sarah Linden, senior marketing manager of Austin, Texas-based Sweet Leaf Tea, which, as if to illustrate Nielsen's figures, is outpacing category growth by a 2-1 ratio. "They want quality and something that they can trade out for carbonated drinks on a daily basis — something that fits into their everyday life. This is what Sweet Leaf Tea provides, with our line of organic iced tea beverages."

As far as promotions go, the brand is "very active in the music festival scene, where we set up both a physical presence within the festival, as well as a more grass-roots marketing team on site to both sell and give away Sweet Leaf Tea beverages and swag," Linden says. "We do this for Lollapalooza, Austin City Limits and a number of other festivals each year. Additionally, every summer, we run a large digital promotion via our Facebook page and blog where we get fans



to interact with us to win cool prizes like concert tickets, tea and other giveaway items. In certain key markets, we are also very active in donating product to local events and charities throughout the year."

Other promos, both close to home and further abroad, include title sponsorship of an ice rink at the Whole Foods headquarters in downtown Austin. "In conjunction with the sponsorship, we are giving away 50 free tickets through our social media channels," Linden says. "To further support the initiative, we'll have Sweet Leaf POS, shelf talkers and banners throughout various locations in Whole Foods, where our products are sold. We are [also] sponsoring Sweet Leaf Tea Saturdays, where we will ask consumers to dress in different themes, such as a Superhero Day." Plus the company offers general case-card POS, IRCs, case stackers and permanent displays for its retailers.

**Tangible Trend**  
In the opinion of David Kirkpatrick, chief marketing officer for the Fave Juice Co. in Middletown, N.J., noncarbonated beverage selection is all about nutrition. "Consumers are seeking tangible health benefits from their beverages instead of pure refreshment value," he asserts, tying this accelerating trend to such developments as more readily available information, especially via smartphones, tablets and PCs; the rise of obesity and diabetes in the United States; and demographic changes that have led to an aging population more focused on health than ever, and that group's growing influence across generations.

As a result of such factors, "our all-natural, 100 percent fruit-and-vegetable juice is right on trend for today's consumer behavior," Kirkpatrick says of the company's shelf-stable products, which despite declining juice category sales, have been "extremely well received."

In the area of promotions, "our objective is simply to add size and value to the shelf-stable juice category, while delivering a wholesome and healthy option for shoppers," he says. "We anticipate accomplishing this through the extensive use of in-store sampling, in-store displays and the use of each



retailer's proprietary marketing tools. We also have a robust website and social marketing presence, and a growing health-focused leadership base."

**'Cuties in a Bottle'**  
A healthy, informed consumer is top priority for refrigerated juice manufacturer Califia Farms. Shoppers "want to know what's inside the bottle and what's on the bottle. That's why labeling our beverages as 'Non-GMO Verified' was an important commitment," explains Marketing Director Marne Evans. "Consumers are looking for beverages that they can feel good about drinking."

According to Evans, the company's Cuties branded juices, named for the small, sweet, easy-peel tangerines offered through a joint venture of produce suppliers (see What's Next on page 104), have "performed extremely well in their first year. Cuties Juice has provided parents with a healthy, all-natural, fun drink option for the breakfast table and the lunchbox."

Last November, Pasadena, Calif.-based Califia introduced 8-ounce Monkey Madness, a tangerine-banana smoothie in the Cuties Juice line, as well as a 48-ounce version of its most popular smoothie, Rockin' Red. Both "appeal visually to children and adults," notes Evans, who quips, "There is no other kid-friendly smoothie on the market like Monkey Madness, which is chockfull of potassium, and has a taste and a name that consumers are going bananas over."

By running an in-store cross-promotion during the Cuties fruit season with its juice and fresh fruit, Evans explains, "we are able to sell more of both ... The promotion leverages the visual impact of the fruit next to the juice, helping the shopper see that Cuties Juice is 'Cuties in a bottle.'" The company also promotes trial through in-store-demos and social media.

**Future Quaffs**  
Juice drinkers are becoming more adventurous in their tastes, Evans asserts. "We've observed the rise of



**CUTIES CAPERS**  
A cross-promotion of Cuties citrus fruit and branded juice entices the produce department of a Huntington Beach, Calif., Albertsons. Juice manufacturer Califia Farms is expanding the product line with a larger packaging size and a tropically inspired variety.

tropical flavors in juice on shelves," she notes. "We've also observed an increased demand from consumers for transparency of labeling, and we think this development will continue to influence responsible beverage companies' packaging decisions."

Noncarbonated drinks "will dominate the market soon," predicts Reynald Grattagliano, president of Fort Lauderdale, Fla.-based ArKay, maker of what it bills as the first nonalcoholic whiskey-flavored drink. But, conceding that fizzy beverages "will remain present in ... everyday life," he notes that the company is planning to launch ArKay Cola, the first whiskey-flavored cola. **PG**

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