



INSPIRED BY NATURE

Tea extracts & natural flavours for RTD tea innovations

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Contact





Consumer insight: **fresh, natural & pure**

Blurring mega-trends:

Health & Wellness meet Sensory & Indulgence

- Today's health-aware and highly discerning consumers are looking not only for novel products and exciting experiences, but also seeking for premium quality.
- Premium purchases are becoming more health-oriented, rather than purely indulgence-driven.
- Artificial ingredients are gradually being substituted by fresh, natural and pure alternatives across all beverage product categories.
- Consumers are opting for products which offer optimal freshness, while also being perceived to be more natural and authentic.

Consumer insight: fresh, natural & pure

Key characteristics & dimensions:

Close to nature / inspired by nature – consumers seek products which are, or at least appear to be, as natural as possible.

Minimally processed / raw – in pursuit of fresh, natural and pure, consumers are paying attention to levels of processing; with unprocessed or raw claims increasingly appealing.

Recognizable ingredients / simplicity – ingredients act as a good indicator as to the naturalness or purity of products; with consumers seeking short and familiar lists.

Fresh

Linked to optimal taste, nutrition, and safety consumers want maximum freshness.

Natural

The desire for products and ingredients to be 100% natural.

Focus areas: holistic wellbeing & functionality

Healthier lifestyles and more conscious consumption are driving the better-for-you drinks category, characterized by attributes and claims, such as:

Natural and high quality ingredients via use of natural flavours and herbal extracts.

Growing value of organic products and environmental friendly packaging.

Clean labelling, sustainability and transparency across the entire value chain.

Shorter ingredients lists, no additives and preservatives.

Increased focus on nutritional value (added vitamins/minerals, use of superfoods, high protein content) and reduced sugar content.



Trend opportunities

Brands can capitalize on the fresh, natural and pure trend using formulation, marketing claims, and/or packaging in a variety of ways, including:

Formulation

- Cold pressed/HPP methods to retain fresh taste and nutrients
- Craft and small batch methods
- Local ingredients and/ or production
- Savoury/herbal flavours as a result of the push-back against sugar
- Botanical ingredients

Marketing

- Fresh
- Made with real ingredients
- Naturally sourced
- Inspired by nature
- Pure
- Raw; minimally processed
- Craft; artisan
- Freshly packed

Packaging

- Intelligent packaging (e.g. to indicate, or prolong freshness)
- Transparent packaging to make the product visible inside
- On-pack certifications (e.g. organic)
- Avoiding excessive packaging
- Portable drinks



Focus category:

RTD tea

- Launching more premium RTD teas enables brands to move away from the category's 'artificial' image.
- The market is seeing a rise in more natural, sophisticated and artisanal products (e.g. cold-brew, nitro tea).
- Flavoured teas increasingly focus on sugar-reduction and less sweet taste profiles – and therefore have the potential to fill a gap for those consumers who are looking to move away from sugary beverages.
- Tea innovation in Europe is led by herbal and fruit (including citrus) flavours, but the market is also seeing a rise in spice, vegetable and plant-based flavour profiles.
- Infusion-drinks with herbs and fruits are gaining importance.
- Growing popularity of Matcha tea and kombucha (fermentation).

RTD tea: major impacts

Key issues – what does it mean?

Addressing sugar concerns

Brands face the challenge of reducing sugar content in their products. Efforts have seen changes in both no/low/reduced sugar and 'natural' sugar claims.

Promoting functional benefits

RTD teas with functional benefits will continue to be well received due to the strong demand for health-related drinks.

Flavour innovation

Unique flavours can encourage consumption among consumers with experimental taste palates, and extend consumption occasions beyond summer months.



66%

Taste is the most important attribute driving RTD tea purchases with two-thirds of respondents citing it.

63%

Flavour is the second most important attribute, with 63% of respondents listing it.

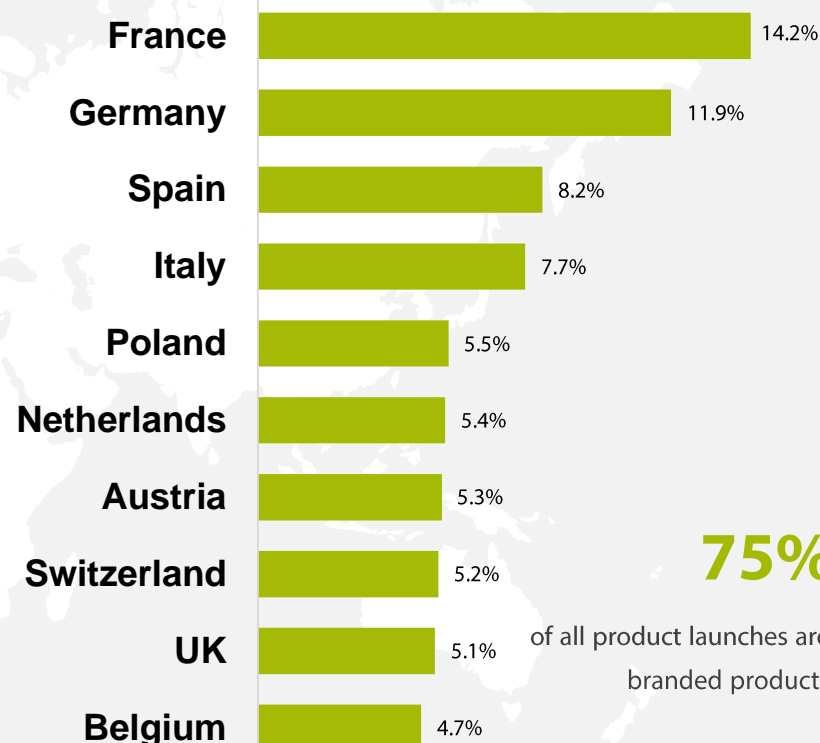
Market insight: RTD tea in Europe

Top tea components as a % of NPD in RTD (iced)
teas, 01/2017 - 02/2019



18.46%	Green Tea
18.08%	Black Tea
15.19%	Tea-Mix
11.54%	Hibiscus Tea
7.50%	White Tea
7.12%	Peppermint/Mint Tea
6.54%	Matcha Green Tea
4.42%	Lemongrass Tea
3.08%	Rooibos Tea
2.69%	Yerba Mate Tea
5.38%	Others

Most active countries as a % of NPD in RTD (iced)
teas, 01/2017 - 02/2019



75%

of all product launches are
branded products

Fast facts: top flavours and claims for RTD teas

NPD activity on RTD (iced) teas, 01/2017 -

02/2019, Europe

Top flavours/taste directions:



- 01 Peach
- 02 Lemon
- 03 Mint
- 04 Raspberry
- 05 Pomegranate
- 06 Mango
- 07 Peach & Hibiscus
- 08 Lemon & Mint
- 09 Ginger
- 10 Herbs

MINTEL

Leading claims:

- | | |
|-------------------------------------|-------|
| 1. No Additives/Preservatives | 35.9% |
| 2. Environmentally Friendly Package | 27.8% |
| 3. Organic | 26.6% |
| 4. Low/No/Reduced Calorie | 25.9% |
| 5. Sustainable Resources | 23.3% |
| 6. Ethical – Recycling | 20.0% |
| 7. Environmentally Friendly Product | 16.1% |
| 8. Ethical – Human | 14.5% |
| 9. Vegan | 13.9% |
| 10. Low/No/Reduced Allergen | 12.2% |

Trend outlook: #SugarReduction

As consumers increasingly reject artificial ingredients, the challenge is to create refreshing, tasty and natural beverages with little or no sugar.

With convenience also in high demand, the challenge for manufacturers is to offer functional benefits without compromising on a healthy, natural image.

Strong growth on sugar-related claims*:

- "Sugar Free": +17%
- "No Added Sugar": +41%

Nearly 50% of European consumers cite that they would drink more iced tea if it was sugar-free.



Trend outlook: #ColdBrewTea

Cold brew is emerging as an upscale taste and quality descriptor in RTD (iced) teas. The hours of steeping tea leaves in cold water is said to release the full flavour of tea, without it becoming bitter and tannic.

Striving for differentiation, some brands even promote specific tea types, such as Earl Grey or Darjeeling, to enhance quality cues.

Although still very niche – with 12% of total RTD iced tea launches positioned as cold-brew – the premium format is sought after.

In the US, 25% of tea drinkers would like to see more cold-brewed teas in the market.



Trend outlook: #Botanicals

Functional RTD teas can be high in sugar and artificial ingredients – prompting some brands to look for healthier and purer formulations. Botanicals therefore have a huge potential as clean label additives and ingredients.

Next to a natural image in functional foods, botanicals can provide many different health benefits from relaxation to antioxidant capabilities to energy.

73% of total RTD iced tea launches between 01/17 and 02/19 contained botanical extracts.

Almost 60% of all launches contained tea extracts, with green and black tea leading the way.



Trend outlook: #FunctionalBenefits

RTD tea brands can tap into the high protein trend. As 11% of European consumers indicate that they would drink iced tea to boost their energy levels – high protein content can support providing more energy.

RTD tea product launches are also marketing the inclusion of 'healthy plant waters' such as cactus water, coconut water and watermelon water to highlight natural hydration properties.

Other increasing functional attributes:

- Antioxidant-rich
- Beauty and slimming benefits
- 'Mental clarity' & relaxation



Market insight: product focus



Venga Functional infusion Drinks, USA

Naturally stimulating, various categories: e.g. calorie balance (incl. green tea and nat. caffeine, added vitamins/minerals); for various “occasions”.



Teavana Craft Ice Tea

(Starbucks, Anheuser-Busch), USA

Portfolio: six flavours brewed from some of the finest Teavana tea and botanicals that are all free of artificial flavours.



Tiesta RTD Cold Brew Tea, USA

The lineup features five functional, leaf-brewed teas based on black tea, green tea, blueberry hibiscus tea, tropical fruit tea and lavender chamomile tea.

Market insight: product focus



Divas (for Women) Herbal Tea Infusion, Poland

Herbal tea infusions with fruit content, without added sugar and in three different alternatives – as per desired effect: Stay fit, Wake up or Keep calm.



Ethiquable Ce Que Je Bois Tea Infusions, France

The organic product range is based on tea infusions, free from added flavours, and retails in a 33cl recyclable pack.



- 0 CALORIES
- 0 SUGAR
- 0 GLYCEMIC IMPACT
- NON-GMO
- KOSHER
- VEGAN
- GF GLUTEN FREE
- SOY FREE
- NO PRESERVATIVES
- SODIUM FREE
- NO ARTIFICIAL COLORS
- USDA ORGANIC
- FAIR TRADE CERTIFIED

Zevia Organic Tea, USA

The first and only zero calorie and zero sugar tea platform. Naturally sweetened with a delicate balance of flavour, Zevia Organic Tea is USDA Organic and brewed with Fair Trade certified tea.

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Tea extracts & natural flavours for RTD tea innovations

The RTD category is driven by the constant change in consumer demand for natural, healthy and unique product options – creating a strong need for new product developments based on sophisticated taste and high-quality, natural ingredients.

Get in touch with taste and discover Bell's range of natural flavours and tea extracts for RTD teas – delivering inspirations for authentic, functional and delicious range extensions for wellness-inspired beverages.



Bell Flavors & Fragrances: tea extracts & natural flavours for RTD tea innovations



Tea extracts capturing the characteristics and aroma of freshly brewed tea, while delivering a long-lasting aftertaste.



All natural – clean label declaration possibilities subject to depiction, underlining the better-for-you, premium appeal.



Authentic flavour combination, creating unique taste profiles for range extensions.



Product formulations addressing consumers' health & wellness aspirations, such as less sugar and low calories.



Gentle extraction processes for keeping volatile flavour components, ensuring standardised quality and reliable product properties.



Bell's botanical tea extracts and natural flavours can be applied to a variety of non-alcoholic beverage formulations.

We not only offer a diverse range of flavours and botanical extracts, we are also able to develop tailorised applications and extract/flavour combinations, giving our customers a truly tailor-made solution.

White Tea with Basil & Grape

- 2800006 White Tea Extract, sd.
- 3550017 Grape Flavour
- 4500182 Basil Flavour

Ingredients: Water, Invert Sugar Syrup,	°Brix refr.	4,0
Lemon Juice from Lemon Juice Concentrates (0,5%), White Tea Extract (0,1%),	as. Citric Acid g/l	0,5
Natural Flavouring	Juice %	0,5
	Low Calorie	



White Tea with Mango & Clove

2800006 White Tea Extract, sd.
3550077 Mango Flavour
0497012 Clove Flavour

Ingredients: Water, Invert Sugar Syrup,
Lemon Juice from Lemon Juice Concen-
trates (0,5%), **White Tea Extract (0,1%)**,
Natural Flavouring

°Brix refr. 4,0
as. Citric Acid g/l 0,5
Juice % 0,5

Low Calorie



Black Tea with Blueberry & Raspberry

- 0488249 Black Tea Extract, sd.
- 0528589 Blueberry Flavour
- 3550081 Raspberry Flavour

Ingredients: Water, Invert Sugar Syrup,	°Brix refr.	4,0
Lemon Juice from Lemon Juice Concentrates (0,5%), Black Tea Extract (0,1%),	as. Citric Acid g/l	0,5
Natural Flavouring	Juice %	0,5
Low Calorie		



Black Tea with Cherry & Cinnamon

0488249	Black Tea Extract, sd.
0528621	Black Cherry Flavour
0546174	Cinnamon Flavour

Ingredients: Water, Invert Sugar Syrup,	°Brix refr.	4,0
Lemon Juice from Lemon Juice Concentrates (0,5%), Black Tea Extract (0,1%),	as. Citric Acid g/l	0,5
Natural Flavouring	Juice %	0,5
Low Calorie		



Green Tea with Guava & Melon

- 0488248 Green Tea Extract, sd.
- 3550001 Guava Flavour
- 3550098 Watermelon Flavour

Ingredients: Water, Invert Sugar Syrup,	°Brix refr.	4,0
Lemon Juice from Lemon Juice Concentrates (0,5%), Green Tea Extract (0,1%) ,	as. Citric Acid g/l	0,5
Natural Flavouring	Juice %	0,5
Low Calorie		



Green Tea with Mint & Pear

0488248	Green Tea Extract, sd.
3550068	Mint Flavour
0527259	Pear Flavour

Ingredients: Water, Invert Sugar Syrup,	°Brix refr.	4,0
Lemon Juice from Lemon Juice Concentrates (0,25%), Green Tea Extract (0,1%) ,	as. Citric Acid g/l	0,3
Natural Flavouring	Juice %	0,25
	Low Calorie	



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