

A YEAR OF INNOVATION IN TEA, MALT AND OTHER HOT DRINKS, 2023

Tea producers continue to innovate around consumers' functional and flavour demands, as new launches flag up ethical and environmental credentials.



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Report Content



- What we have seen
- Our pick of the most innovative launches in this review
- Other innovative launches
- The Future of Tea

EUROPE, MIDDLE EAST & AFRICA (EMEA)

Europe: tea brands highlight functional benefits

- Consumers turn to tea for emotional and functional benefits
- Stress and sleep benefits lead functional claims in tea in Europe
 - Graph 1: tea, RTD tea and malt and other hot drink launches, by share of top five functional claims, 2022-23
- Tea blends to aid anxiety, concentration and relaxation

Europe: tea brands make strides in sustainable production

- Consumers are concerned about the environmental impact of tea
- Ethical and environmental claims are gaining momentum in the tea category
 - Graph 2: tea, RTD tea and malt and other hot drink launches, by share of select ethical and environmental claims, 2018-19 vs 2022-23
- Biodegradable, compostable and plastic-free packaging is growing in prominence
- Brand renovation/innovation: LevUp launches RTD tea aimed at esports players

The Middle East & Africa (MEA)

- RTD tea brands focus on functional, real and unprocessed ingredients

ASIA PACIFIC (APAC)

Asia: natural recipes boost the appeal of RTD tea

- Consumers are seeking out more natural RTD tea
- No-additive and -preservative claims lead natural RTD tea innovation in Asia
 - Graph 3: RTD tea launches, by share of select natural claims, 2018-23
- RTD tea brands focus on natural recipes and eliminating additives

Asia: tea brands drum up excitement with flavour innovation

- Consumers are keen to try new and unique tea flavours
- Fruit, flower and citrus fruit flavours lead innovations in Asia
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- Tea brands cater to the popularity of fruit flavours

Australia & New Zealand

- Tea and malt brands tap into consumer interest in functional and better-for-you options

THE AMERICAS

North America: seasonal and limited edition teas are exciting areas of innovation

- Seasonal and limited-edition teas appeal to consumers seeking novel flavours
- Seasonal teas see a significant uptick in launches
 - Graph 4: tea, RTD tea and malt and other hot drink launches, by share of select claims, 2018-23
- Malt and other blended drink brands help consumers celebrate festivities
- Brand renovation/innovation: Liquid Death enters the RTD tea market

North America: loose leaf tea is gaining traction in the region

- Consumers see tea as part of their daily rituals
- The loose leaf tea format is growing in launch share
 - Graph 5: tea launches, by format type, 2018-23
- Loose leaf teas offer visual, functional and flavour appeal

Latin America

- Consumers are seeking drinks with benefits
 - Graph 6: tea, RTD tea and malt and other hot drink launches, by share of top functional claims, 2022-23
- Tea and hot drink brands tout nutritional and functional benefits

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