

# NON-ALCOHOLIC BEVERAGE TRENDS – THAI CONSUMER – 2021

The indoor generation is seeking more health benefits from non-alcoholic beverages, on top of their basic refreshment and comfort.



Pimwadee Aguilar,  
Associate Director Food &  
Drink - Thai Consumer



# Report Content

## EXECUTIVE SUMMARY

- What you need to know
- Mintel's perspective

### Market context

- Impact of COVID-19 on non-alcoholic beverages
- Demand for preventive healthcare is brought to the forefront of non-alcoholic beverage industry
- Rising competition as beverage categories are blurring and new healthy options emerge

### What consumers want and why

- Consumers want: BFY drinks to enjoy while at home
- Consumers want: mainstream flavours
- Consumers want: added health benefits

### Opportunities

- Facilitate in-home consumption
- Go beyond mainstream flavour experiences
- Add value with health functionality

### Competitive landscape

- Health claims and exotic flavours are winning in new beverages

### Mintel predicts

- The outlook for non-alcoholic beverages in Thailand
- The marketing mix – 4Ps
- Consumers continued to turn to non-alcoholic beverages through the pandemic

## KEY TRENDS

- What you need to know

### Global trends and how they are playing out in Thailand

- Stay-at-home economy poses new challenges
  - Graph 1: "Compared to your usual spending habits, do you expect to spend more, less or about the same in each of the following categories over the next month?", 14-17 September 2020
- Rising prevalence of non-communicable diseases (NCDs) is fueling the urgency for sugar reduction
- COVID-19 accelerates global health proactiveness

# Non-alcoholic Beverage Trends – Thai Consumer – 2021

---

- Economic slowdown is affecting consumers' choices and their mental health
- Many products/services are emerging to help consumers cope with stress
- Public health authorities are working to improve consumers' holistic health

## Key trends impacting non-alcoholic beverages in Thailand

- Progressive sugar tax rate continues to challenge beverage companies to innovate lower-sugar choices to maintain competitiveness
- Continuous rise in sugar reduction claims in response to government pressure and consumer demand for lower-sugar products
  - Graph 2: sugar reduction claims in non-alcoholic beverage launches, 2016-20
- In addition to sugar reduction claims, more global/local brands are communicating "Thai HCL logo" to uplift health image
- Beverage competition is intensifying in the healthy and functional space
- Increasing innovation in health-focused beverages
  - Graph 3: non-alcoholic beverage launches, by category, 2016-20
- Thai beverage brands are embracing sustainability
  - Graph 4: ethical claims in non-alcoholic beverage launches, 2016-20
- Thais are becoming more knowledgeable, but also more sceptical

## CONSUMER INSIGHTS

- What you need to know

### Shift in non-alcoholic beverage consumption choices

- Examine new in-home consumption behaviours to cater to the indoor generation
- Increasing in-home consumption of mainstream healthy drinks (eg juice) poses growth potential for these mature categories
  - Graph 5: changes in in-home consumption of juice, hot beverages and vitamin water, January 2021
  - Graph 6: changes in in-home consumption of carbonated soft drinks, RTD tea & coffee and sport/energy drinks, January 2021
- Higher indoor demand for vitamin water amongst affluent Bangkokians
  - Graph 7: percentage of consumers drinking more vitamin water while at home compared to 2019, by financial status, January 2021
- Keep an eye on meal replacement drinks – increased brand activity and innovation is underway within APAC
  - Graph 8: in-home consumption of various types of non-alcoholic beverages, January 2021
- In-home consumption of hot beverages needs acceleration among younger consumers
  - Graph 9: changes in in-home consumption of hot beverages compared to 2019, by age, January 2021
- Carbonated soft drinks are in for a big challenge among indoor consumers
  - Graph 10: changes in in-home consumption of carbonated soft drinks compared to 2019, by age, January 2021
- Out of home, both healthy and carbonated soft drinks can thrive

# Non-alcoholic Beverage Trends – Thai Consumer – 2021

---

- Graph 11: consumers drinking more of various types of non-alcoholic beverages out of home after COVID-19 lockdown (after June 2020), January 2021

## Non-alcoholic beverage choices

- When it comes to making beverage choices, Thais still value good taste over high nutrition
  - Graph 12: consumers who prioritise health benefits over taste when choosing beverages, January 2021
- Across age groups, Millennial women are the most adventurous in trying out new flavours
  - Graph 13: consumers seeking new exciting flavours in beverages, by age and gender, January 2021
- High association of natural ingredients with good taste, especially among women aged 45+
  - Graph 14: consumers agreeing that flavours from natural ingredients are tastier than flavours from artificial ingredients, by age and gender, January 2021
- Sugar is Thais' top concern, and 'lower-sugar' beverages are in high demand across all age-gender groups
  - Graph 15: consumers who claim to choose lower-sugar food/drink variances to cut back on added sugars, by age and gender, January 2021

## Winning value-added attributes

- Even though Thais are prioritising taste over nutrition, they are willing to pay more for 'added health benefits' in beverages
  - Graph 16: attributes consumers are willing to pay more for in non-alcoholic beverages, January 2021
- Seven in 10 Thai consumers are willing to pay more for beverages with 'added health benefits', which also have '100% plant-based ingredients'
- Beverages with added health functionality are attractive especially among 25+ consumers
  - Graph 17: consumers willing to pay more for beverages which contain added health benefits, by age, January 2021
- Many existing beverages already have functional claims added to meet rising health demands with immunity claim growing the fastest
- Functional benefits are not a one-size-fits-all
- Personalised nutrition has particular appeal to older, more affluent consumers
  - Graph 18: consumers willing to pay more for personalised nutrition beverages, by age and monthly household income, January 2021
- Meal replacement appeals highly to time-starved, Bangkok workers
  - Graph 19: consumers willing to pay more for beverages with complete nutrition for a meal, by region and employment status, January 2021

## Flavour preferences

- Flavour preferences in cold beverages vary between age groups
  - Graph 20: flavour preferences in cold beverages, by age, January 2021
- Financial health impacts consumer interest in flavour experimentation
  - Graph 21: repertoire of cold beverage flavour types of interest, by financial status, January 2021
- When it comes to choosing flavours for carbonated soft drinks and hot beverages, Thais are even less adventurous
- Berry and citrus flavours show potential to attract consumers to carbonated soft drinks

# Non-alcoholic Beverage Trends – Thai Consumer – 2021

---

- Graph 22: flavour preferences in carbonated soft drinks, by age, January 2021
- Attract consumers to hot beverages with emerging herbal/floral flavours
  - Graph 23: flavour preferences in hot beverages, January 2021
- Plant-based claims in meal replacements support premiumisation opportunity
- Market premium beverages with customisable sweetness to educated, affluent consumers
  - Graph 24: consumers willing to pay more for beverages which offer various lower sugar solutions, by financial status, January 2021
  - Graph 25: consumers willing to pay more for beverages which offer various types of lower sugar solutions, by education level, January 2021
- Local fruit/vegetables are more highly regarded than international flavours, especially among Bangkokians
  - Graph 26: consumers willing to pay more for local fruit/vegetables or international-flavoured beverages, by region, January 2021

## Influencers in non-alcoholic beverage choices

- Most beverage decisions are preplanned
- Exposure to online services is preparing consumers for future online food/drink purchases
  - Graph 27: % of online purchases made for the following categories, January 2020
- Social media is highly influential among 35-44 year old women
  - Graph 28: influences in consumers' beverage decisions, by age and gender, January 2021
- Thai 'Healthier Choice logo' (HCL) has become a trusted nutritional device
  - Graph 29: preferences for beverages with 'Healthier Choice' logo, by region, January 2021

## MARKET APPLICATION

- Opportunity: key areas of focus

### Opportunity 1: facilitate in-home consumption

- Create easier access to healthy drinks at home via online channels
  - Graph 30: % of online purchases made for the following categories, January 2020
- Reaching homebound consumers online
- Getting closer to consumers
- Bringing the outside world indoors
- Appeal to indoor women with DIY drink kits (Sea Salt Cheese and Milk Tea)

### Opportunity 2: go beyond mainstream flavour experiences

- Targetted flavour innovation
- Fruity flavours for carbonated soft drinks
- Freshen hot drink flavours with herbal/floral additions
- Go low sugar, naturally
- Take inspiration from foodservice

# Non-alcoholic Beverage Trends – Thai Consumer – 2021

---

- Learn to use 'Craft' claims from foodservice operators for health halo
- Highlight natural ingredients, especially those locally sourced, to appeal to older consumers
- Go beyond the excitement of flavours by scenting beverages
- Innovate to attract 'shares' on social media

## **Opportunity 3: add value with health functionality**

- Continue to offer immunity
- Introduce relaxing ingredients into formulations to support consumers' mental health goals
- Caring for digestive health with functional ingredients beyond fibre
- Personalised nutrition through new formats, packaging and advanced technology
- Meal replacement for the busy, 35+ year old Bangkokian workers
- Create new drinking rituals to invite younger consumers to drink hot beverages

## **Global innovations**

- Out of the box natural ingredients, formulations and packaging
- Sustainability comes to the fore

## **APPENDIX**

- Consumer research methodology
- TURF Analysis

# About Mintel Reports Thailand

Access our reports now and get the most accurate, credible and powerful data, insights and analysis. Mintel Reports Thailand gives you everything you need to know about what Thai consumers want and why.

In each report, we're analysing new product innovations, the competitive landscape, as well as consumer behaviours across Thailand. Our local analysts, supported by our team of global experts then translate it into what it means for you.

## What makes them unique?

- ✔ Key trends
- ✔ Consumer segmentation
- ✔ Local and global expertise

## How Mintel Reports Thailand will help your business grow:

01

Identify future opportunities by understanding what Thai consumers want and why

02

Make better decisions faster by keeping informed on what's happening in markets across Thailand

03

See the trends and innovations impacting you on a local and global level

## BUY THIS REPORT NOW

€2600.00 | £2195.00 | \$2995.00\*

[store.mintel.com](https://store.mintel.com)

Americas: +1 (312) 932 0400  
China: +86 (21) 6032 7300  
Germany: +49 (0) 211 3399 7411  
India: +91 22 4445 1045  
Singapore: +65 6653 3600  
Thailand: +66 2 821 5122  
UK: +44 (0) 20 7606 4533

\*These prices are correct at time of publication, but are subject to change due to currency fluctuations.

**MINTEL**

### Disclaimer

This is marketing intelligence published by Mintel. The consumer research exclusively commissioned by Mintel was conducted by a Thai licensed market survey agent ([See Research Methodology for more information](#)).

### Terms and Conditions of use

Any use and/or copying of this document is subject to Mintel's standard terms and conditions, which are available at <http://www.mintel.com/terms>

If you have any questions regarding usage of this document please contact your account manager or call your local helpdesk.

### Published by Mintel Group Ltd

[www.mintel.com](http://www.mintel.com)

### Help desk

UK	+44 (0)20 7778 7155
US	+1 (312) 932 0600
Australia	+61 (0)2 8284 8100
China	+86 (21) 6386 6609
India	+91 22 4090 7217
Japan	+81 (3) 6228 6595
Singapore	+65 (0)6 818 9850