



# Global Alcohol Trends: Challenges and Opportunities for Citrus

ICBC, September, 20th 2023



# Agenda

What's going on in global alcohol?

What are consumer expectations for citrus taste?

How to formulate citrus flavors for alcohol?

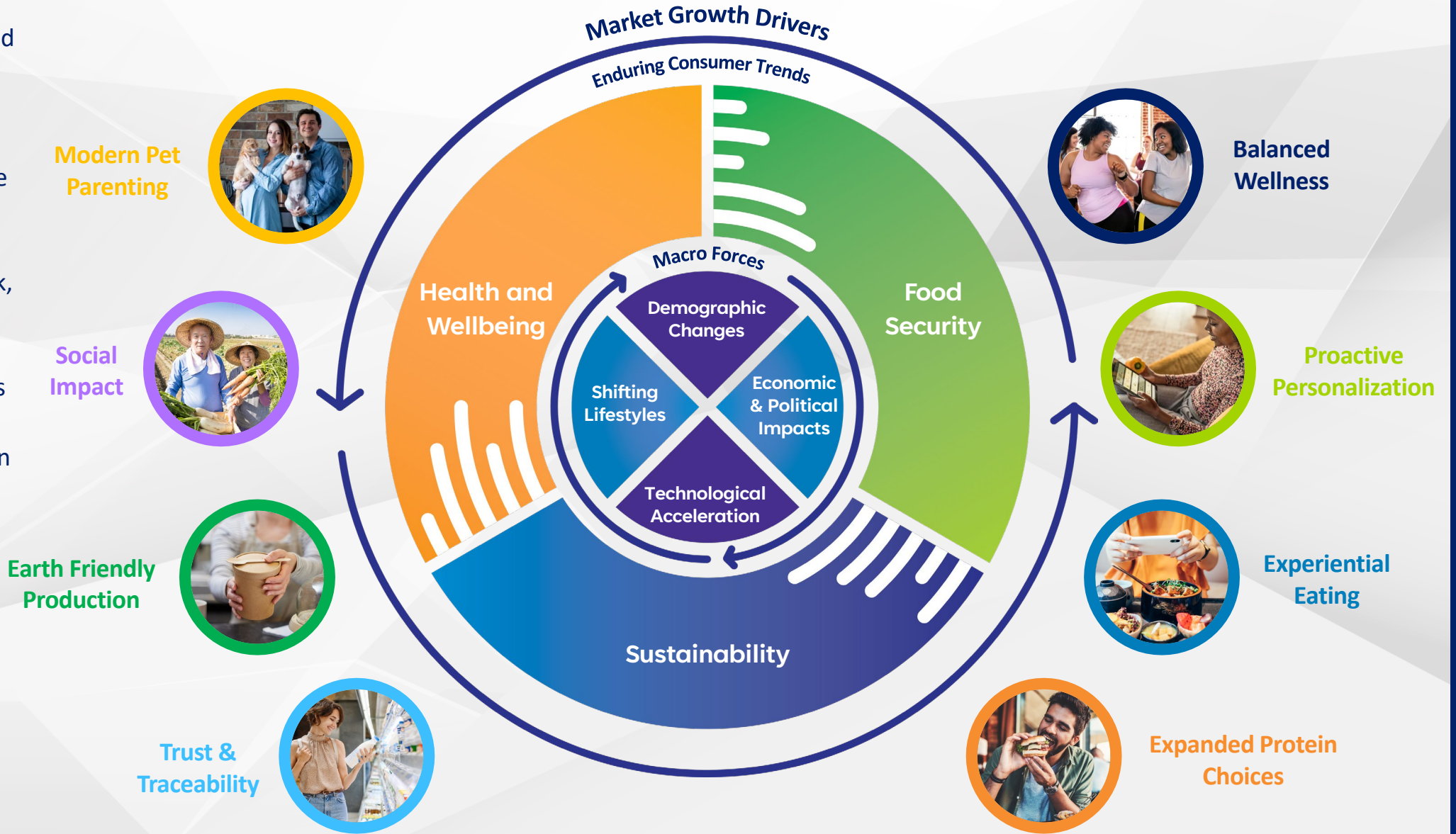




# 2023 Global Trends Framework

Macro forces are broad cultural shifts giving shape to enduring consumer trends that are defining the future of the industry.

Within this framework, we have identified 8 evolving and often interconnected spaces that we believe will drive global innovation & brand growth.



# Three Main Trends in Global Alcohol



**Any Alcohol in here?**



**Cocktail Craze**



**Taste is King and Queen**

# Three Main Trends in Global Alcohol



## Any Alcohol in here?

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Lo/No alcohol on the rise  
Sugar reduction  
Mood enhancement



## Cocktail Craze

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The 'Tinis & Negronis  
Mezcal on the rise  
Switching alcohol bases



## Taste is King and Queen

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Premiumization &  
enjoyment  
The sky is the limit...



# Alcohol Segment

## Citrus Consumers

**37%**

are spirits consumers

**51%**

of US beverage consumers drink at least one (spirits, hard seltzers, RTD cocktails) on a weekly basis

**32%**

are RTD cocktail consumers

**31%**

are hard seltzer consumers

**43%**

of the alcohol segment consumers consume ALL 3 beverage formats (on a weekly basis)

# Alcohol Segment Perspective on Citrus & Opportunities to Innovate

## Citrus Evolution

### Residual

Orange

Lemon

### Dominant/Emergent

Lime

Mandarin

Blood Orange

Pink Grapefruit

**'Provenance' citrus**

Valencia Orange

Sicilian Lemon

Meyer Lemon

Ruby Red  
Grapefruit

### Emergent/New/Different

Tangelo

Pomelo

Tahitian Lime

Calamansi

Yuzu





The Experience  
Consumers Expect...



A woman with dark hair in a ponytail, wearing red sunglasses and a pink top, is smiling and holding a red, condensation-covered can. The background is a blurred outdoor setting with greenery and a pool area.

... At any Consumption  
Occasion



# Dimensions of Formulating towards Alcohol

**Taste Expectations**

**Needs of the Base**

**Regulatory Aspects**

**Packaging & Storage**





# Taste Expectations, Great Expectations!

I want my Margarita...



# It's all About the Base



## Beer Mix & 0,0% Beer

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- Flavor needs to shine through beer base
- Flavor loss of 0,0% beer demand for impactful refreshing flavor experience



## Liquors & Spirits

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- Often very harsh alcohol base in which the flavor needs to shine
- Bold & powerful flavor experience expected
- Use of different juices & sweeteners



## Ready-to-Drink

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- Various alcoholic bases of different quality
- Category demanding for a broad range of exciting citrus profiles
- Technologically demanding on the flavor
- Use of different juices & sweeteners



# Citrus Formulations & Labeling Regulations

**FTNF**

**95/5**

**Natural  
Type**

**NI / Artificial  
Non-natural**

Folded Citrus Oils  
Citrus Fractions

Folded Citrus Oils  
Citrus Fractions  
Nat Aroma Molecules

Folded Oils  
Nat Aroma Molecules  
Biosynthetic Molecules

Citrus Replacers  
Art. Aroma Molecules

**Naturalness  
Premium**

**Cost Efficiency**

# Flavor's Home

Considering the way until the shelf, is especially important for citrus flavors.





*Thank You*

