



Market Report

A Snapshot of your Market Sector

Juice & Smoothie Bar

This pack has been designed to provide information on setting up a business in the **Juice & Smoothie Bar** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **January 2022**. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

What do I need to know about the Juice & Smoothie Bar market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ In 2021, sales in United Kingdom juice and smoothie bars market were forecast to reach a value of **£54.4million**, representing a **28.6% recovery** from the pandemic slump in 2020. Euromonitor forecasts further **recovery to £67.2million** in 2022, with an anticipated CAGR **growth of 13.1%** through **2025 to reach £71.9m**. Shifts in working styles and trends in shopping locally post-COVID-19 will likely facilitate the sales recovery of local foodservice units, offering growth opportunities for juice and smoothie bars. (Euromonitor Passport, *Cafés/Bars in the United Kingdom*, February 2021).
- ◆ Over the next five years, the industry is expected to recover somewhat from the COVID-19 (coronavirus) pandemic, primarily owing to rising health consciousness. Industry revenue is expected to increase at a compound annual rate of **4.9% over the five years through 2025-26 to reach £71.5 million**. Establishment and **enterprise numbers** are estimated to **grow** at respective **compound annual rates of 3.4% and 2.4%** over the five years through 2025-26. Over the same period, industry **employment is expected to rise** at a compound annual rate of **3.3%**. (IBISWorld, *Juice & Smoothie Bars in the UK*, February 2021).
- ◆ From 2022, the market is not predicted to return to 2019 levels, due to increased working from home, reduced numbers of hospitality establishments and a renewed national focus on health. Against this background, **2025 is expected to see volume sales of 1,473 million litres, down 7.9% on pre-COVID 2019**. Four in five (**79%**) people drank fruit juice, juice drinks, smoothies or coconut water in the three months to October 2020, these products still on most people's menus despite the continuing focus on their sugar content. Usage is heavily skewed towards **younger demographics, 89% of 16-34 year olds** drinking these drinks in this time period compared to **70% of over-55s**. (Mintel, *Fruit Juice, Juice Drinks and Smoothies UK*, January 2021).
- ◆ Overall, the juice production industry revenue is forecast to **grow** at a compound annual rate of **6% over the five years** through 2025-26 to **£686.4 million**. Profitability is also anticipated to increase slightly, although price competition is expected to prevent firms from completely passing on higher prices of fruit and packaging to consumers. (IBISWorld, *Juice Production in the UK*, February 2021).
- ◆ The national organisation for this industry is the [British Fruit Juice Association](#). Other industry bodies include [Scotland Food & Drink](#); [Food & Drink Federation](#) and [British Soft Drinks Association](#).

Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **Mintel - Fruit Juice, Juice Drinks and Smoothies UK** (January 2021). Nearly a quarter (23%) of buyers in this category say that drinks made from fruits or berries less common in juice or juice drinks would encourage them to spend more on them. Apple and orange hold a longstanding lead in the category, featuring in 29% and 20% of fruit juice, juice drink and smoothie launches between January and November 2020. At the other end of the spectrum, just 2% contained pomegranate and 1.5% contained blueberry. 14% of buyers saying limited edition flavours would encourage them to spend more on these drinks.
- ◆ **IBISWorld – Juice & Smoothie Bars in the UK** (February 2021). Increased competition over the next five years is likely to intensify price competition as firms increase their foothold in the growing juice market. Larger players are expected to expand operations over the next five years, intensifying internal competition. Due to reduced footfall in retail areas, major companies are targeting other areas for expansion. In 2018, Krush Global Ltd announced several partnership deals as part of a plan to double the number of Crush stores over the next five years. These deals will target transport hubs, such as airports and train stations, as well as hospitals and universities, which they consider as high-volume sites. Other major players are likely to follow suit. Key players in the market include Joe & the Juice UK Ltd; Krush Global Ltd; Boost Juice Bars (UK) Limited; Fuel Juice Bars Ltd.
- ◆ **IBISWorld – Juice Production in the UK** (February 2021). Approximately 16.8% of industry revenue is expected to be generated by the sale of fruit and vegetable juice blends in 2020-21. Fruit and vegetable fusions have become increasingly popular over the past five years, as many consumers have switched from pure-fruit juices to blends due to concerns about the high sugar content of fruit juice. Smoothies are estimated to account for 8.4% of revenue in 2020-21.

There are also a number of online resources you may find helpful:

- ◆ **British Soft Drinks Association** infographics (tinyurl.com/y26b5s2z) offer useful market statistics, such as *'Low/No Calorie Soft Drinks accounted for 68.6% of sales in the market in 2020'* and *'Fruit Juice Flavour split 2020 – Orange 63.3%, Apple 13.1%, Pineapple 3.5%, Berries 2.8% and Others 17.3%'*. (tinyurl.com/2sp9naar).
- ◆ **The Fruit Juices and Fruit Nectars (Scotland) Regulations 2013** (tinyurl.com/y2p3c7nw) is the relevant legislation governing the sales of Fruit Juices in Scotland, in accordance with Food Standards.
- ◆ **Food Standards Scotland** (tinyurl.com/y4k3pj5s) offers industry updates, advice on food regulation and industry research publications.

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How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#), [Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



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What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these website, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

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