



# 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](http://www.bgateway.com/businessplan)), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **January 2024**. 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:

- ◆ While the absence of COVID-19 disruptions in 2022 helped support a further on-premises rebound in the early part of the year, the intensifying income squeeze put growing pressure on this channel from the spring. Volumes are estimated to have fallen by 2.8% during the year to 1,554 million litres. Rising prices have added to the pressures on demand, while driving value growth of 8.7% to £4.5 billion Overall, volume sales are set to decline by 2.9% over 2022-27 to 1,509 million litres, while values are expected to rise by 9.4% to £4,950 million. (Mintel, *Fruit Juice, Juice Drinks and Smoothies – UK - 2023*, February 2023).
- ◆ Over the five years through 2022-23, juice and smoothie bar revenue is estimated to contract at a compound annual rate of 2.8% to £69.7 million. Growing health consciousness is pushing sales – people are becoming more vigilant of the foods they consume. Juice bars offer a convenient and accessible way for people to incorporate fresh fruits, vegetables, and other nutritious ingredients into their diets. Smoothies account for 46.2% of industry revenue in 2022-2023, with the sale of juices expected to account for 44.2%. (IBISWorld, *Juice & Smoothie Bars in the UK*, August 2023)
- ◆ The Juice Production industry revenue is expected to have shrunk at a compound annual rate of 2.7% over the five years through 2023-24 to £517 million, including a contraction of 2.9% in the current year. Over the five years through 2028-29, revenue is forecast to increase at a compound annual rate of 2.1% to reach £590.6 million. This is driven by increased capital investment and a swift reaction by the industry to changing consumer preferences. (IBISWorld, *Juice Production in the UK*, September 2023).
- ◆ The juice/smoothie bars sector is expected to surpass pre-pandemic levels in terms of outlets by 2025, aligning with health and wellness trends. (Euromonitor, *Cafes/Bars in the United Kingdom*, February 2023)
- ◆ The national organisation for this industry is the [British Fruit Juice Association](#). Other industry bodies include [Scotland Food & Drink](#), [UK Hospitality](#), the [Food & Drink Federation](#), and the [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](mailto:info@bgateway.com).

- ◆ **Mintel - Fruit Juice, Juice Drinks and Smoothies – UK – 2023 (February 2023):** 16–34-year-olds are the biggest users when looking across fruit juice, juice drinks, smoothies, or coconut water overall, at 93%. This peaks amongst 18–19-year-olds (97%), falling to a low of 61% of 65–74-year-olds. This aligns with the wider usage pattern in the soft drinks market, reflecting younger adults tending to have more of a sweet tooth than their older counterparts. Over a third of fruit juice/juice drink/smoothie buyers (37%) say they have switched to cheaper options within the category to save money in the last three months.
- ◆ **IBISWorld – Juice & Smoothie Bars in the UK (August 2023):** A health craze fuels the juice bar boom. The rising health consciousness among consumers is propelling growth in the juice and smoothie bar industry as people gravitate towards nutrient-rich, superfood-packed beverages. Once seen as a healthier option, smoothies are witnessing a market dip owing to their excessive sugar and calorie levels, turning customers towards nutrient-rich juice alternatives.
- ◆ **IBISWorld – Juice Production in the UK (September 2023):** The cost of raw oranges is skyrocketing, thanks to the spread of the disease citrus greening in Florida and Brazil, the two largest producers of oranges in the world. This has reduced harvest sizes, boosting input costs for juice production firms. The addition of vegetables helps to keep the sugar content of these juices lower than alternatives. Health-conscious consumers have switched to fruit and vegetable blends to reduce their sugar intake, boosting the product's share of industry revenue. In July 2023, the World Health Organization classified the sweetener aspartame as 'possibly carcinogenic' for humans. This damages the health image of diet drinks, which is likely to cause health-conscious consumers to substitute them, possibly buying fruit juice instead, boosting industry revenue.

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

- ◆ **Statista** have collated and published market insights on [Other Juice, Juice Mixtures & Smoothies](#) in the UK (August 2023) - *It is projected that this market will experience an annual growth rate of 4.55% from 2024 to 2027 (CAGR 2024-2027).*
- ◆ **Reuters** article [Smoothies in, alcopops out as UK updates inflation index for 2023](#) (March 2023) - *Frozen berries used to blend home-made smoothies are in, while alcopops at the pub are out, according to Britain's annual update of the goods and services used to calculate consumer price inflation (CPI) data.*

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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](mailto: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](mailto: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 websites, 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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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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**Updated by: Fiona Elliot**

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