



*Category Spotlight:*

*Energy Drinks:  
Can innovation drive  
growth?*

**Shopper Intelligence USA**

September 2024

# THE LOW-DOWN ON ENERGY DRINKS

There are **major growth opportunities** in the U.S. energy drinks market as shoppers are hungry for innovative products.

## **But there's a catch:**

Energy drink shoppers are **fiercely loyal to their favorite brands**, making snap decisions with little room for browsing or experimentation.

This is a challenge for category managers trying to introduce new products.

For companies ready to crack the code, the energy drinks category has huge potential for **smart, targeted product innovation**.

Could this be the next major battleground for innovation in the beverage industry?



# DIGGING INTO THE NUMBERS

## **High Shopper Demand for Innovation:**

Energy drinks rank 11th out of 117 categories for innovation demand, with 41% of convenience channel shoppers and 53% of CVS shoppers asking for new types, flavors, or brands.

## **Barriers to New Product Launches:**

Despite the interest in innovation, energy drink shoppers are highly focused on quick, planned purchases. Most have a specific brand in mind and don't typically browse the category, creating a barrier for new product discovery.

## **Strategic Opportunity:**

Innovation should prioritize brand loyalty and target existing brand buyers who are more likely to try new products, as attracting new brand buyers is more challenging in this category.

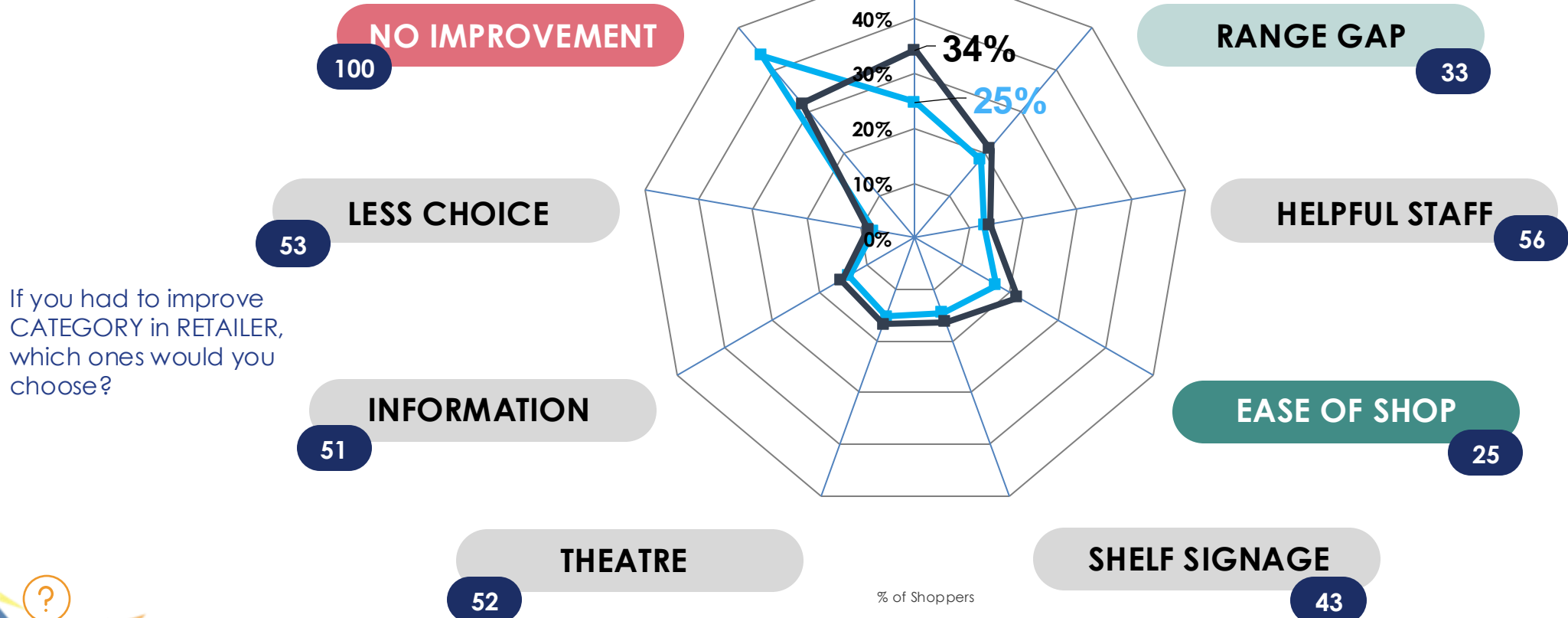


# WHAT ARE THE SHOPPERS DESIRED IMPROVEMENTS IN THE ENERGY DRINKS CATEGORY?

Energy Drinks (All Retailers)

All Categories (All Retailers)

**Highest Desired Improvement Innovation**  
**Channel – Total Convenience 41%**  
**Retailer – CVS (Brick & Mortar) 53%**



If you had to improve CATEGORY in RETAILER, which ones would you choose?

● Rank (of 117) | ● 99% | ● 90% | ● < 90% | ● 90% | ● 99% | ○ < N

Energy Drinks (All Retailers) n=1,063 | All Categories (All Retailers) n=145,327 | Time period: Rolling Year thru Q2 2024 (July 2023 – June 2024)

# INNOVATION EMPATHY

ENERGY DRINKS | ALL RETAILERS | MAT TO 2024 Q2

**LOW INTEREST; HIGH BARRIERS**

*"Stick to existing Big Sellers"*

**Low Interest**



**High Barriers**

**HIGH INTEREST; HIGH BARRIERS**

*"Focus on fewer, but bigger, step-change innovations"*

**Energy Drinks is a High Interest/High Barrier category for Innovation. Shoppers are very open to NPD but important to drive awareness to gain shoppers attention.**

**Shoppers want to make purchase decision quickly and already has a particular brand in mind.**

◆ **Energy Drinks**

**High Interest**

**LOW INTEREST; LOW BARRIERS**

*"Priority to incremental "close to home" innovation"*

**Low Barriers**



**HIGH INTEREST; LOW BARRIERS**

*"Prioritize strategic innovation pipeline"*

Time period: Rolling Year thru Q2 2024  
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**Benchmark:**  
All Categories (All Categories)

◆ Each blue diamond is a separate category – showing the cross section of Interest (X axis) and Barriers (y axis)

# NOW WHAT?

## **Action Plan:**

- 1. Streamline the shopping experience** – Make new products visible and simple to find.
- 2. Leverage brand loyalty** – Encourage trial with existing customers who are more open to trying new products from trusted brands.
- 3. Drive innovation to meet shopper demands** – Focus on functional improvements and bold flavors that capture attention without disrupting the shopper's decision flow.

# Want to Learn More?



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**Shopper Intelligence provides retailers and suppliers with unique insights to make category decisions and plans that drive sales, loyalty and a competitive edge.**

**Our platform, powered by the largest global shopper survey, unlocks "the why" behind every purchase; going far behind "the what" of traditional POS, loyalty and scan data sources.**

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