Euromonitor International

Hydration: The Gateway to Wellness

April 2023

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SCOPE OF THE REPORT

Scope

KEY FINDINGS

Key findings

INTRODUCTION

What is this report about?
What do we mean by the “hydration category”?
Methodology/sources for understanding hydration

HOW HYDRATION IS CHANGING

Water+ enhanced beverages are a value creator in the drinks industry
The line between beverage and nutritional supplement is blurring
Understanding the changing format mix within hydration drinks
North America still dominates sports drink and sports nutrition spending
Format innovation creates opportunity for new small and mid-size hydration brands

WHY HYDRATION IS VITAL FOR CONSUMERS

Who are the consumers who seek hydration?
Hydration consumers are concerned about a range of other health conditions
Exercise is still the cornerstone of hydration engagement
Hydration in the wider content of health, wellness and nutrition
Hydration consumers are heavy users of health tech
Personal health technology allows consumers to better monitor and improve hydration

THE HYDRATION UNIVERSE IN 2023

Hydration has segmented into distinct need-states and categories
Sizing the global market for added-value hydration products
US: Sports drinks brands push into new formats for hydration products
US: Development of hydration e-commerce brands across sports drinks and powder mixes
Japan: Otsuka Pharmaceutical leads hydration with segmentation across need-state
Japan: Otsuka Pharmaceutical outreach to prevent heat related illness
Europe: Advanced sports nutrition brands have the edge as hydration demand increases
Europe: Sustainability concerns create opportunity for non-RTD hydration products
Canned herbal teas and barley tea as natural hydration options in Asian markets
Unprecedented momentum of Prime underscores the importance of viral/social engagement
Coca-Cola to realign its hydration portfolio in 2023 following Bodyarmor acquisition
PepsiCo vertically integrates hydration options under the Gatorade global brand

WHAT’S NEXT? INNOVATION PROFILES

Hydration plus: Approaching hydration as a health and wellness platform
Category leader Nuun successfully extends to immune supports benefits
Pedialyte’s various reinventions keep the brand at the leading edge of hydration
Otsuka’s BodyMainté combines hydration and all-purpose physical conditioning
Gatorade and Bodyarmor move into performance, pre-workout energy
Bala Enzyme extends sports recovery benefits to joint relief
Raisin tea offers a natural alternative for “post-social” replenishment
Hydrant connects the dots between hydration and sleep
Waterdrop expanding concentrate format with sustainability messaging
Corsa hydration tonics marry craft appeal, recovery and refreshment
Sap’s Original targets everyday hydration with added functional benefits

CONCLUSIONS
For today's consumer, hydration is a platform for general wellness
Implications for suppliers

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For more information on this report, further enquiries can be directed via this link www.euromonitor.com/hydration-the-gateway-to-wellness/report.