

# 20 CATEGORY INSIGHT 14 REPORT

---

## HOT & SPICY BEVERAGES



### *Heat is on the Rise*

Hot and spicy flavors in beverages and food have risen in popularity in beverages over recent years due in part to the ongoing interest and exploration of ethnic cuisines across the United States. Millennials in particular lead the charge as “heat seekers” and are among the most adventurous age group having been widely exposed to both Latin and Asian cuisines that “turn up the heat!”

A growing Hispanic population in the U.S. (53 million and 17% of the population in 2013 as reported by the U.S. Census Bureau) also reinforces and mainstreams certain types of heat and spice as food service operators and retailers look to appeal to this growing consumer base with their product offerings. (Example: McDonald’s new hamburger with jalapeno peppers.)

# Beverages Like it Hot

In the beverage industry, spice is the new darling of many categories.

## COFFEE

Chocolate and chili combinations in the coffee, cocoa and cappuccino categories have been more commonplace on menus as various renditions of Mexican or Aztec coffee drinks emerge for an after dinner option in both alcohol and non-alcohol versions.

## CRAFT BEER

Craft brewers are experimenting with heat and spice delivered through the infusion of various chilis into their seasonal and limited time offer brews.

## CLEAR LIQUOR

Pepper and chili spiced versions of tequila and vodka have begun to hit the shelves.

## JUICE

As a refreshment proposition there is very little in the market but a product line to watch would be Prometheus Springs, a juice drink all natural line that has 25-30% juice and has flavors in market like mango chili, lychee wasabi, grapefruit cayenne and spicy pear with the spice coming from chili which launched late in 2013.



## A TECHNICAL PERSPECTIVE

### Perspective Flavor Pairings

Outside of the more traditional savory applications, consumer acceptance of more unique combinations of hot/spicy flavors with fruity and/or sweet profiles is increasing. Combining heat and spice with citrus flavors (take lime as the traditional example) is a combination that has the potential to be both distinct and refreshing. Staying on the fruit side, tropical flavors, such as mango or pineapple, can also be paired successfully with chilies and other hot/spicy flavors. Additionally, adding heat and spice (including cinnamon or chili peppers) to chocolate is a great way to add complexity to the classic chocolate profile.

# Alcohol Turns Up the Heat

The alcohol aisle has moved beyond the typical and expected myriad of Bloody Mary mixers. Tequila is a logical spirit for an infusion of like Sino Spicy Tequila that is infused with jalapenos, but late last year UV Vodka followed the Sriracha sauce craze and launched a Sriracha flavored vodka. Craft brewers have also jumped on the band wagon with some unique products like Six Rivers Brewery Chili Pepper Spicy Ale, Aztec Brewing Company Chipotle IPA Ale, Brewery Ommegangs, Game of Thrones Fire & Blood Red Ale brewed with ancho chilies and No Label Brewing Company with their Don Jalapeno Ale.

While we see the majority of heat and spice experimentation happening across alcoholic beverage categories and amongst mixologists in their development of signature cocktails, it is not uncommon as flavor trends often start in alcoholic beverages and then move to non-alcoholic categories. Another factor may be that “heat” and “alcohol burn” could be linked and even expected as part of the experience of consuming an alcohol based beverage.

The alcohol aisle has moved beyond the typical and expected myriad of Bloody Mary mixers.



## Challenges

One potential challenge to working with heat/spice flavors is that many times the heat aspects and the non-sensate spice aspects of a naturally derived spice or pepper raw material go hand-in-hand. In cases where a developer is looking for heat without the accompanying spice or vice-versa, having access to an extensive library of raw materials along with a strong understanding of what how to best utilize those materials is critical.

## Sensates

Sensation technologies, such as heating or tingling, are often strong complements to hot and spicy flavors. As these sensates are in many cases a fundamental part of pepper and other spicy-type flavors, consumers have come to expect heating and tingling sensations as an inherent aspect of experiencing hot and/or spicy products in the marketplace. Additionally, various applications of these sensate technologies allow for a level of customization of spice flavor systems that can aid developers in creating unique and appealing products.

# THE HEAT WAVE ISN'T BREAKING!

Hot & Spicy is almost a food category unto itself and well entrenched across many product categories; the crossover to beverage was just a matter of time. Hot and spicy product offerings have also become more interesting and sophisticated as different types of spices are introduced and accepted by the American consumers' palate. No longer is the descriptor that precedes the named market product simply "spicy;" but rather it is a call out of a specific type of pepper like chipotle, habanero, jalapeno or ancho or is a reference to a hot sauce or spread paste like Southeast Asian influenced sriracha, North African harissa or Japanese-inspired wasabi.

Newer, more novel spices are also being introduced as African, Indian and Middle Eastern cuisine gain increasing interest amongst foodies and the spicy elements of these cuisines start to find their way on to restaurant menus.

Hot and spicy product offerings have become more interesting and sophisticated.

## FONA CAN HELP!

Let FONA's market insight and research experts translate these trends into product category ideas for your brand. They can help you with concept and flavor pipeline development, ideation, consumer studies and white space analysis to pinpoint opportunities in the market.

Our flavor and product development experts are also at your service to help meet the labeling and flavor profile needs for your products to capitalize on this consumer trend. We understand how to mesh the complexities of flavor with your brand development, technical requirements and regulatory needs to deliver a complete taste solution.

**From concept to manufacturing, we're here every step of the way.** Contact our Sales Service Department at 630.578.8600 to request a flavor sample or visit [www.fona.com](http://www.fona.com).

### Sources:

1. Mintel GNPD
2. US Census Bureau