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Tetra Pak Innovation Helps Unleash the Global Market Potential of Soya Beverages and Natural Coconut Water

Kit Lai director of Tetra Pak's Soya Knowledge Centre and Coconut Knowledge Centre, discusses the innovations and expertise enabling customers to deliver the latest soya and coconut water beverages to consumers around the world

Popular beverages, like soya-based milk and natural coconut water, offer many opportunities for customers. However, entering new markets or expanding existing product lines to meet rising consumer demand is not without its challenges. It is only through market understanding and innovation that customers can explore new beverage categories and successfully launch new products to benefit from their growth potential.

To help customers develop new products and expand abroad Tetra Pak established product-specific Knowledge Centres back in the early 2000s. The first was the Tetra Pak Soya Knowledge Centre. Based in Singapore and drawing on a network of 25 Tetra Pak food technologists, marketing, processing and packaging experts, it provides customers with a one-stop shop to develop, test and market innovative soya beverages. The recently opened Coconut Knowledge Centre provides the same services for increasingly popular coconut water drinks.

Let's take soya milk as an example.

The Chinese have been consuming soya for 5,000 years. Yet the popularity of soya-based products only really took off in Western countries in the last 20 years. This is thanks to an endorsement by the US Federal Drug Administration (FDA) in 1999, which allowed a health claim on food labels stating that a diet with 25 grams of soya protein that is also low in saturated fat and cholesterol, may reduce the risk of heart disease.

The challenge was that consumers in the West, who did not traditionally consume soya beverages, did not take to the "beany" flavour of soya drinks very well. This presented a challenge to customers expanding into this drinks category in these markets.

This is where Tetra Pak innovation played a crucial role. Working with the University of Illinois, the Soya Knowledge Centre developed an extraction technology that is able to deliver different intensities of flavours to suit consumer preferences in different markets.

This varies from the traditional method whereby beans were soaked in hot water for a long period of time, resulting in the very strong soya bean taste which is preferred in Southeast Asia. Our extraction technology continuously grinds the beans and simultaneously extracts the soya base under different temperature parameters. Thus, we can create soya base with different flavour intensities.

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While ensuring the right flavour intensity is important, we also need to ensure that the extraction of soya base is efficient. Therefore, we have also developed a two-step filtration system with enhanced grinders, resulting in yields of 75% compared to other methods that yields 65% at best.

This technology, which we call the Tetra Alwin Soy system, puts Tetra Pak at the forefront of soya beverage innovation and has helped our customers capture the growth potential of soya based products. In fact, in South and Southeast Asia, our customers' soya milk sales have grown by an average of 21% per year in the last six years, since the Soya Knowledge Centre was established in Singapore. Globally, growth of soya milk in Tetra Pak packages has grown by 6.2% annually during the same period and is expected to grow at a compound annual growth rate (CAGR) of 5.9% in the next three years.

The latest explosive trend in the beverage world is aseptically packed coconut water. This trend started in Brazil in the 1980s but saw tremendous growth in the last five years, during which coconut water sold in Tetra Pak packages increased by 26% per year on average. Aseptic processing and packaging enables the nutritional benefits and natural taste of coconut water be retained for up to 12 months when stored at below 25°C.

Globally, the market is estimated at about €270 million, driven primarily by the Brazilian and US markets. Volume sales of coconut water in Tetra Pak packages have grown by an average of 26% annually from 2007 to 2011, and we expect a similar growth rate over the next five years.

Among the drink's appeal is that it has low calorie content, natural sweetness, is cholesterol free and tasty. It's also very popular for its rehydrating properties. These attributes, coupled with the rise of on-the-go consumption, have made it increasingly popular among the active and health conscious.

Our recently established Coconut Knowledge Centre was set up because we got a lot of requests from customers for marketing and technology support. Aseptically packed coconut water is so new a category that we are going back to basics to understand the characteristics of coconut water – and even this is little known to date.

The Coconut Knowledge Centre is working with the Science University of Malaysia to understand why coconut water is so sensitive. We have identified the presence of two enzymes that are activated the moment the coconuts are cracked. They are responsible for the colour changes of coconut water, making it look visually unattractive. The enzymes also react in the presence of oxygen and, therefore, need to be processed as soon as possible.

This information allows us to invest in processing innovations. We are now establishing processing methods that will be able to arrest the effects of these enzymes and provide a longer shelf life without compromising the nutrients and taste of the product.

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We recognise the market opportunity for soya beverages and natural coconut water is has huge for our customers. However, process innovation is not enough. Customers need to have products that will be a hit with consumers.

Our team of marketing experts, food technologists and engineers in both the Soya Knowledge Centre and the Coconut Knowledge Centre formulate and test a variety of new products that we believe could be successful with consumers in different markets. These generic formulations are then shared with customers who will further modify them for their own products.

In addition to testing flavours, we come up with new packaging concepts so that customers can see how they can be brought to market, and we conduct focus groups on consumer receptiveness.

Innovation is the key to unlocking these markets' true potential, and that is what our knowledge centres provide. Like our customers, we are very excited about the potential that soya beverages and coconut water have today and tomorrow.

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ABOUT TETRA PAK

Tetra Pak is the world's leading food processing and packaging solutions company. Working closely with our customers and suppliers, we provide safe, innovative and environmentally sound products that each day meet the needs of hundreds of millions of people in more than 170 countries around the world. With almost 22,000 employees based in over 85 countries, we believe in responsible industry leadership and a sustainable approach to business. Our motto, "PROTECTS WHAT'S GOOD™," reflects our vision to make food safe and available, everywhere. More information about Tetra Pak is available at www.tetrapak.com

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