

Tampico Beverages addresses consumer sugar concerns with new launch: 'This is our entry into zero-sugar'

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By Mary Ellen Shoup



Tampico Beverages, a brand of juice drink concentrates that's been around since 1989, has introduced a zero sugar option for its value-oriented consumer audience.

As the war against sugar in beverages wages on, the juice category has taken a hit in recent years.

According to Nielsen sales data* provided by Wells Fargo, the \$5.6bn refrigerated juice category saw both unit and dollar sales decline by -3.3% and -1.1% respectively, for the 52 weeks ended April 20, 2019. In 2018, Tampico Beverages – which help a 6.6% equity share of the refrigerated

juice category – experienced a 7.9% drop in unit sales and 10.4% decline in dollar sales for the 52 weeks ending May 19, 2018.

“I don’t think it’s any news to anyone that consumers are looking for [low- or no-sugar] options in beverages,” Tampico Beverages’ VP of marketing, Marta Gerdes, told FoodNavigator-USA. “We knew that there was an opportunity to offer options that are in line with those needs and expectations. It’s about being able to give consumers any options in the less sugar and sugar free quest they are on – This is our entry into the zero sugar.”

However, Tampico’s sugar reduction efforts started more than a decade ago. In 2005, the brand announced ‘Tampico Plus’ with 50% less sugar (12 g of sugar per serving) than its original product. Now, that formulation is its core product line in addition to iced tea products and Tampico ZERO.

Tampico ZERO has rolled out to retailers in Texas, Arizona, Illinois and parts of Nevada with national distribution expected in late 2019. The launch is initially being supported by a robust direct-to-consumer digital marketing campaign, geo-targeted to key markets of distribution, combining social media, programmatic advertising and online radio. In addition, Tampico is working with hyperlocal influencers to share the product narrative with its followers.

The value- oriented mom

Prior to launching its zero-sugar range, Tampico Beverages has been a household name for the value- seeking consumer for the past thirty years, according to Gerdes. Last year, the [brand modernized](#) its label and packaging for the first time in 12 years.

And while many family- positioned brands target parents with the discretionary income to spend on products with non- GMO, organic, and free- from claims, there’s a huge segment of the US population that shops on cost, Gerdes said.

“We are very proud of the relationship we’ve been able to build with our consumers. The primary target has always been this value mom and that family that she represents.”

The budget- conscious shopper set is a growing consumer audience in the US (56% of Americans now qualify as low- income making 62,750 for a

household of four, according to Federal Poverty Guidelines) that's *"tightly focused on price and convenience,"* according to Hartman Group.

However, according to [The Hartman Group's](#) research, this shopper often feels like better-for-you options that are affordable are limited when they go grocery shopping.

"It's given them a reason to stay in the franchise with an option they didn't know they had," Gerdes said. A 128- ounce plastic jug of Tampico retails for roughly \$2.49 at major retailers.

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Tampico Beverages ZERO Sugar juice concentrate blends of citrus punch and mango punch both contain 5 calories and 0 grams of sugar per serving sweetened with artificial sweeteners sucralose and neotame and fortified with Vitamins A,C, and E.

"The quest really was to ensure that we had the right taste for the product and the taste that was familiar," Gerdes said, adding that the company went through rigorous testing on formulation to ensure that the taste profile and mouthfeel of its ZERO Sugar range was in line with that consumers expect from the brand.

The main sweetening component of Tampico's core line of juice concentrate blends has been high fructose corn syrup along with sucralose, neotame, and acesulfame potassium.

"It really is the flavor that consumers want, and it's really the taste that consumers are longing for and accustomed to."

*Nielsen Sales Data: All channels including grocery, drug, mass and c-stores