Coffee marketers can warm up to young sippers for longterm growth

By Mintel Oxygen

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CHICAGO, US: A cup of coffee is a daily occurrence for 66% of Americans according to Mintel, but sales have been relatively unchanged in recent years due largely to the sector's loyal, older customers. However, appealing to the younger coffee consumer may be just what companies ordered to heat up the market.



Demand for coffee is strong among those aged 45+, and over-55-year-olds are the fastest growing segment of coffee drinkers - but in order to sustain long-term growth, marketers will need to court their younger customers. Mintel research found that while 40% of 18-24-year-olds believe coffee improves their concentration, only 27% drink coffee on a daily basis.

"Young adults are somewhat more likely than over-55s to associate negative health consequences with coffee consumption," notes Bill Patterson, senior analyst at Mintel. "Among young adults in particular, understanding the choice between energy drinks and coffee needs significant marketing focus. If coffee companies can't convert these younger drinkers to everyday users, long-term growth may suffer."

Younger coffee drinkers prefer sweetened coffee drinks

Younger coffee drinkers also differ from their older counterparts in that they prefer sweetened coffee drinks to plain coffee (40% of 18-24-year-olds say so, compared to only 22% of 45-54-year-olds). Furthermore, just 28% of 18-24-year olds like the taste of coffee on its own, compared to 53% of 45-54-year-olds.

"Another obstacle coffee companies face when targeting a younger demographic is that they often prefer to visit cafes for their caffeine fix," adds Patterson. "Offering products that are similar to those found in popular cafes, but can easily be prepared at home or at the office could prove successful with 18-24-year-old reluctant drinkers."

Mintel's research also highlights some interesting links between coffee and leisure habits of younger consumers. Some 22% of 18-24-year-olds like to have a cup of coffee on hand when they're running errands, while 46% say they like to relax with a cup of coffee.

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