

Why citrus essential oil sees growing demand in food, beverage sector

According to a study by Fact.MR, the [citrus essential oils](#) sales increased by over 3,000 tonnes in 2018 over 2017. The study opines sales of citrus essential oils manufactured using grapefruits to witness relatively faster momentum, as chemical constituents of grapefruit are sought-after across various industries. Grapefruit-derived citrus essential oil sales are expected to grow two times faster than their counterparts in 2019.



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Additionally, health benefits of grapefruit essential oils such as weight loss, improved immunity, and alleviation of stress, has led its adoption among producers of the citrus essential oils in line with increased consumer affinity for such products.

Consumption remains robust in the food and beverage sector

With citrus essential oils labelled as safe for consumption by regulatory authorities, the food and beverages industry continues to incorporate these essential oils into multiple products, in line with the upward trend of "clean label".

Over 30% sales of citrus essential oils were accounted for by the food industry in 2018. Additionally, there has been a notable rise in the use of citrus essential oils in cake frostings, chocolates, and confectionery, in recent years, with numerous companies launching multiple products that feature these oils as green ingredients.

Apart from their health benefits, citrus essential oils also impart taste and flavours to food products; a reason that has substantially augmented the popularity of citrus essential oils in the food industry. Further, its antimicrobial and antifungal properties have opened up new avenues for citrus essential oils in the packaging industry, and as a natural preservative, thereby driving its sales.

Recent studies have linked citrus essential oils with curing insomnia, anxiety, and its vital role in the prevention of cancer. The recent researches have increased the possibility of citrus essential oils used in aromatherapy which is gradually regaining its vigour around the world. Due to these reasons, the use of citrus essential oils in healthcare products is expected to register a year-on-year growth of more than 7% in 2019 over 2018.

Online retail stores to lead sales

Globalisation and pervasive proliferation of the internet worldwide have streamlined the modern-day trade practices. Following the trend, online retail stores have emerged as the fastest growing distribution channel for various consumers, as well as industrial goods. With aggressive marketing campaigns and lucrative discounts, online retailers continue to win over consumers and consolidate their position in the market. The facility of shopping for required goods from the comforts of home has become a pervasive trend among millennials and the ageing population alike.

As awareness regarding the use of citrus essential oils grows, their demand will show no signs of abating for industrial as well as household use. The digital medium provides an extended reach to essential oil manufacturers to target consumers in various regions of a specific country or the world. According to the study, online retailers sold over 4,000 tonnes of citrus essential oils in 2018.

Europe is estimated to remain the largest market for citrus essential oils, despite the depreciating value of the Euro that has resulted in an upsurge in the cost of citrus essential oils in the region.

According to the report, the citrus essential oils market is projected to grow at 4.1% CAGR through 2028.

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