

# Challengers to Watch 2023: Genki Forest

By [Benjamin Cooper](#), issued by [eatbigfish](#)

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The world remains uncertain, and businesses must adapt to new and unpredictable economic, geopolitical and environmental realities. Against this backdrop, it's important to pay attention to the new (and renewed) challengers emerging and primed to disrupt categories in 2023. These companies are finding opportunities in the uncertainty, breaking with expectations, and not just meeting the needs of a fast-changing world but shaping its future.

In the 10th instalment of our annual 'Challengers to Watch' feature, we identify 20 rising companies from around the world and explore the broader trends, opportunities and threats to the status quo they represent.

Our roundup covers an expansive range of categories, markets and geographies, but all these companies share a firm rejection of 'best practice' and an understanding of the imperative to make their own rules.

## Genki Forest – for applying a tech philosophy to a drinks company

Genki Forest (or Chi Forest as it is known in some international markets) is China's fastest-growing drinks brand. Founded by the tech entrepreneur Tang Binsen, Genki Forest is looking to challenge the established giant incumbents with its low-sugar, low-calorie drinks, not just in China but beyond.



Genki Forest's ambition is to be the Coca-Cola of China. And in a classic example of 'intelligent naivety', Binsen sees an opportunity to take on the incumbents using a playbook filled with lessons from outside the drinks category. Binsen has described Genki Forest as a 'problem-solving company' that makes low-sugar drinks, and his formula is largely about applying a tech philosophy to a drinks company - Binsen is a seasoned tech entrepreneur, having sold his gaming company ELEX for \$400m in 2014. The novel approach is undoubtedly gaining attention, and Genki Forest is considered one of China's most exciting consumer brands, with a valuation of \$6bn at its last funding round in 2021.

## An uncompromising product

Genki Forest launched with an instant tea, but its low sugar flavoured sparkling water has proven to be the biggest hit with consumers, as they seek healthier alternatives in a country that is seeing rapidly growing obesity rates.

Genki Forest is overcommitting to flavour, using the sweetener erythritol, which is 30-40 times more expensive than aspartame, to get the desired level of sweetness and flavour. The product is also 'bubblier' (Chi means bubbly in Chinese) than the competitors to bring a new sensory dimension to consumers. Genki Forest's product development cycle bears more than a passing resemblance to the sort of gaming company that Binsen came from - borrowing heavily from the 'test and learn' culture in tech with rapidly innovated new products and expansion outside of sparkling flavours into categories like milk tea.

### Stealing with pride

Perhaps controversially, to establish itself as a desirable and premium product, Genki Forest integrated codes and characters from Japan into its packaging to piggyback on the view that Japanese products were more premium. Genki Forest later partnered with leading Japanese influencers to further enhance this image. More recent marketing campaigns have focussed on leveraging emerging Chinese sports talent to appeal to a younger audience with partnerships with Winter Olympic trio Eileen Gu, Yiming Su and Mengtao Xu.



### The unicorn taking on the giants

Since launching in China, the brand has expanded into over 40 countries, including the US, and is looking to open overseas manufacturing plants in the next 2-3 years. Given its speed of innovation in China, it wouldn't be surprising to see it become established as a credible challenger in overseas markets, too.

Genki Forest is a shining example of intelligent naivety and stealing with pride in action. Whilst Tang Binsen has already built a multi-billion dollar drinks business, he is still looking for more. In the summer of 2022, the company announced plans to launch a new cola beverage. Both Coke and Pepsi have seen off a number of cola challengers over the years, it will be fascinating to see this particular challenger take on the giants.

Finally, a hat-tip to Mark Tanner of China Skinny for highlighting Genki Forest as a CTW in 2023.

## ABOUT THE AUTHOR

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