

MSU Product Center

For Agriculture and Natural Resources

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Bagged Dry Beans – Few

Market drivers

- There are **few** opportunities for bagged dry beans that appeal to the demand drivers of **convenience**, **ethnicity**, **indulgence** and **value**.

Specific opportunities

- Bagged dry beans are not a convenient food. Furthermore, the decline in cooking skills also reduces the demand for bagged dry beans. This demand driver is very important and limits the opportunities for dry beans.
- Hispanics in general and Mexicans in particular consume more dry beans than other ethnic groups. Bi-lingual or Spanish only labeling may provide some opportunity.
- Many Hispanics buy their products from small retailers. This also may create some opportunities. However, bagged beans are a commodity and price will remain an important consideration for consumers.
- There are also few opportunities for bagged dry bean products to appeal to indulgence. It is difficult to turn a staple into an indulgence product especially when it is inconvenient to use.
- In order to appeal to the demand driver of value it is important to be the low cost producer, this is difficult given the maturity of the industry.

New product examples

- The *Global New Products Database* has tracked only one new product introduction in bagged dry beans since June of 2003 in the U.S.
- Kenover Marketing, Gefen Cholent Mix, is a dry bean variety sold in mass merchandise outlets.

Special issues

- The bagged dry bean market is very mature, and the supply chain is well established.
- There may be potential to sell the product in ethnic markets and health food stores.
- Bagged dry beans are a commodity in the eyes of most consumers. Price is very important.

Key to success

- Produce at a low cost, especially if interested in competing on the basis of value. Consider alternative marketing channels such as health food stores and ethnic markets. Try to create products and markets that appeal to more than one demand driver, especially try to link product attributes to wellness.

Sources

Mintel. The Mexican Food Market.

_____. Global New Products Database