

MSU Product Center

For Agriculture and Natural Resources

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Bean soups – Few opportunities

Market drivers that provide few opportunities

- There are **few** opportunities for bean soups that appeal to the demand driver of **value**.

Specific opportunities

- In order to appeal to this demand driver a firm needs to be a low cost producer of the product. Given the economies of scale in soup production it would be very difficult for a new or small firm to compete on the basis of price.
- This is a mature market with some established market leaders, particularly with respect to selling products at a low price. This also reduces opportunities to develop new products and markets.

New product examples

- There have been approximately 200 bean soup introductions in the U.S. between January of 2000 and August of 2005. Few, are geared exclusively at value.
- Ivar's & Spirit Bay Commissary, Spirit Bay, Ultimate Chili with Beans soup, is available for foodservice industry.
- Bear Creek Country Kitchens, Navy Bean Soup Mix, add water and cook, ready in 10 minutes.

Special issues

- The soup market is mature. Major food manufacturers such as Campbell's and General Mills have a presence in the industry. Retailers are increasingly offering their own private label brands.
- Finding retail space may be difficult.

Key to success

- In order to be successful in appealing to value, it is important to be the low cost producer. This will be very difficult given the maturity of the industry and the size of the firms already in the industry.

Sources

Mintel. Soup.

_____. Global New Products Database.