

MSU Product Center

For Agriculture and Natural Resources

Funding: USDA Rural Development Cooperative Service Market Advisor: The Hale Group

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Canned fruits - Overview

Products included in this product line

- These are processed fruits that come in shelf-stable cans, bottles or jars. It does not include frozen and dried fruits.

General market trend and information

- Canned fruit consumption in the U.S. has been slowing over the past two decades. Per capita consumption was 17 pounds in 2000, down from 20 pounds in 1991.
- Canned fruits have lost their market share to other products mainly to fresh and minimally processed fruits. Consumers' preference for these products seems to be steadily eroding the market for canned fruits.
- In addition, the trend away from home cooking has reduced the demand for canned fruits, which are traditionally purchased by consumers who are cooking food at home.

New product trends

- There were 137 new products introduced in 2004. Most of these products are product line extensions with new varieties, added-in exotic fruits and flavors or with new names and package types.
- Some canned fruits claim to be organic. There are also some new canned fruits designed to meet dietary preferences of specific ethnic groups especially Hispanics.

Manufacturing and distribution issues

- Major canned fruit suppliers are currently expanding their line of production focusing on minimally processed fruits that can be used as snacks. The canned fruit transformation process has also included the introduction of upscale canned fruit products.
- Supermarkets are dominating sales of canned fruits, but with continued strong competition from mass merchandisers.
- There was an increase in sales of private label canned produce over the past few years, while sales of branded canned produce declined. Most of the private label market is dominated by the leading manufacturers.
- The growth in private label products has effectively reduced the market value due to the lower unit prices for private label as opposed to branded.

Overall assessment of opportunities

- Due to a growing consumer demand and preference for product freshness and convenience, there are only **few** to **selective** product development opportunities in this product line.

Sources

Mintel, Global New Product Database. <http://www.gnpd.com>.

_____, Canned fruits and vegetables, US, August 2003.