

MSU Product Center

For Agriculture and Natural Resources

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Canned fruits – Few opportunities

Market drivers that provide few opportunities

- There are few opportunities to raise sales from canned fruits based on the **wellness** and **indulgence** market drivers.
- Growth in fresh and minimally processed fruit consumption has steadily eroded the market for these products.

Specific opportunities

- Consumers today consider canned fruits as old fashioned and not as healthy as fresh and minimally processed fruits. So, suppliers have few opportunities to raise sales based on the wellness and indulgence market drivers.
- Limited space for canned products in retail stores also limit sales growth from these products. Suppliers who want to introduce new canned products may need to look for alternative channels such as restaurants and other food service establishments. Suppliers can also improve sales by using different events and activities to sell the products.
- Suppliers who succeed in building brand and product loyalty and who can co-brand with other food items will have a better chance to raise sales.
- Suppliers can also benefit from placing canned fruits in vending machines. These products, however, have to be in convenient packages and designed to be used directly as ready-to-eat snacks.

New product examples

- Del Monte Foods – Del Monte pear chunks, pears in heavy syrup packed into a 15.25 oz. can with a pull-top lid.
- Target – Market Pantry's line of product, diced yellow cling peaches, 18 oz. can.
- H-E-B – Hill Country Fare, fruit cocktail in heavy syrup, 15.25 oz. can.

Special issues

- The private label market is dominated by the leading manufacturers. This will make entry into the market difficult.
- However, major canned fruit suppliers and manufacturers are currently expanding their line production focusing on minimally processed fruits that are ready to use as snacks. This may leave behind some opportunity for new suppliers of canned fruits.

Key to success

- Success in canned fruits will depend on product and packaging innovations that minimize preparation time and make the product more convenient to the consumer. Also, development of better consumer awareness and interest in canned fruit consumption will expand sales from these products.

Sources

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

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