

MSU Product Center

For Agriculture and Natural Resources

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Canned fruits – Selective opportunities

Market drivers that provide selective opportunities

- Canned fruit suppliers will have selective opportunities to raise sales from canned fruits based on the **convenience**, **ethnicity**, **value** and **demographic** market drivers.

Specific opportunities

- Packaging innovations will help suppliers to attract some convenience-driven customers, but this change may have little impact on the consumer who wants to buy a product that is fresh and can be used immediately for consumption without further preparation.
- Suppliers of canned fruits that are aimed at some ethnic groups (e.g., Hispanics) have selective opportunities to raise sales, if the new products meet specific flavor and variety preferences of this consumer group.
- Older adults who normally cook at home may continue consuming canned fruits providing selective product development opportunity.
- Suppliers who can offer canned fruits in bulk can increase sales through mass merchandisers and low-price food retail stores. Since many large canned fruit manufacturers are in the process of switching to minimally processed fruits, new entrants may have selective opportunities to raise sales.
- Canned fruit suppliers can also develop new market outlets for their new products. For example, they can bundle it with other product manufacturers that provide the same benefit to the consumer (e.g., home meal replacement at supermarkets is one possibility) or they can use different events and activities to sell their products.
- Suppliers can also benefit from placing canned fruits in vending machines. These products, however, need to be in convenient packages and designed to be used directly as ready-to-eat snacks.

New product examples

- Legend – Legend Organics, Four varieties of organic canned fruits, sliced peaches, mango chunks, tropical fruit cocktail, pineapple chunks, 400 gram can.
- Del Monte Foods – Del Monte pear chunks, pears in a heavy syrup packed into a 15.25 oz. can with a pull-top lid.
- Dole – Dole Fruits, pine apple chunks, sliced peaches, and tropical fruit, 24.5 oz. Plastic jar.
- Target – Market pantry's line of product, diced cling peaches in heavy peaches, 18 oz. can.
- H-E-B – Hill Country Fare, fruit cocktail in heavy syrup, 15.25 oz. can.

Special issues

- Manufacturers seeking to raise sales from canned fruits as a healthy snack may need to consider products that are low-carb or fortified with vitamins and minerals, and perceived by the consumer as safe.
- 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 extending their line production focusing on minimally processed fruits that are ready to use as snacks. This may leave behind some opportunities for new suppliers of canned fruits.

Key to success

- Success in this product line 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 would expand sales from these products.

Sources

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

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