

MSU Product Center

For Agriculture and Natural Resources

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Fruit confectionery – Selective opportunities

Market drivers that provide selective opportunities

- **Wellness, ethnicity, value** and **demographics** provide selective opportunities to raise sales from fruit confectioneries.

Specific opportunities

- Due to its high sugar and calorie content, the product may not have wide spread acceptance by health-conscious consumers. Product line extensions that claim to be sugar free, low-carb, organic or natural will, however, continue to be appealing to these consumers. This consumer group will eventually drive the market, as it becomes the core consumer for the product.
- Suppliers can increase sales by offering bulk fruit confectionery products that are designed for sale through mass merchandise channels at low-prices.
- Suppliers can also raise sales in the ethnic market, if they introduce products that meet flavor and variety needs of different ethnic groups.
- Fruit confectioneries seem to be well positioned to benefit from sales to both young and old adults who may continue to increase demand for healthy and functional foods. In particular, suppliers will benefit from products designed for young adults and women who enjoy taste while meeting dietary needs from these products.
- Supermarkets will remain potential outlets for these products. Mass merchandisers will also provide an opportunity especially for large size packages or for multi-packs.
- Specialty food markets and convenience stores are suitable retail channels for fruit confectioneries. Given the increasing number of new confectionery products entering the market through these channels, the stores face space allocation problems. But fruit confectioneries are expected to be competitive in these stores.
- Fruit confectionery products can also benefit from wide distribution using various outlets other than traditional food retailers (e.g., vending, bookstores, video stores, etc.).
- Suppliers can also benefit from the creation of seasonal or occasional products or by adding gifts or other products through co-branding to increase the products' appeal to the customer. Tie-ins with occasional events or popular characters or movie tie-ins can be some of the features that can provide opportunities for suppliers to raise sales.

New product examples

- Cadbury Adams USA - Bubblicious Bursts Liquid Center-Filled Bubble, strawberry and apple flavor, 20 ct. pack.
- Wal-Mart – Great Value Fruit Smiles Snacks, fruit juice from concentrate (apple, cherry, raspberry), 9 oz. flexible package.
- Schuster Marketing – Blitz Stoked Power Fruit, sugar-free in berry and apple flavors, 0.75 oz.
- Liberty Orchards – Liberty Orchards Fruit Softees, soft, sugar-free fruit-flavored confections with walnuts and pecans featured in orange-walnut, apple-walnut, raspberry-pecan, and strawberry-walnut flavors, 3.65 oz. flexible package.

Special issues

- The fruit confectionery market is highly segmented and diversified.
- Also, some consumers appear to be loyal to specific flavors and brand products.

Key to success

- Suppliers that can offer variations in flavor, filling, texture, shape and package will have indulgence and convenience driven opportunities to raise sales. A continuous demand for confectioneries by young consumers will also provide selective opportunities for suppliers.

Sources

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

_____, Sugar confectionery, US, May 2004.