

MSU Product Center

For Agriculture and Natural Resources

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Dried fruits – Few opportunities

Market drivers that provide few opportunities

- **Value** as a market driver provides few opportunities to raise sales from dried fruits.

Specific opportunities

- Dried fruit suppliers who offer low-price products can raise their sales, if they are able to sell these products in bulk or in large family style packaging through mass merchandise or food retail stores.
- Dried fruit manufacturers have extended opportunities to raise sales through different retail market channels. Unlike many other food products, these products are currently benefiting from the dual-positioning (as snacks and baking items) in supermarkets. There are also efforts by manufacturers to add these products in the fresh produce section. This multi-positioning of the product in supermarkets helps expand sales from the product.
- Brand products are not dominating the market for the product. Individual manufacturers can thus enter the market without facing difficulties from large manufacturers.
- Convenience stores and drug stores also provide selective opportunities for manufacturers who want to focus on dried fruit snacks aimed at the young consumer.
- Widespread distribution of these products through alternative channels such as specialty food stores or gas stations can also facilitate growth in sales.
- The food service outlets can also play an important role, if product innovations continue to raise the importance of dried fruits as one of the components in restaurant food preparations or as salad toppings and dessert ingredients.
- Vending machines would be other market outlets especially suitable for dried fruits that are designed for sale to young adults and children at school as snacks.

New product examples

- Aldi – Fit & Active dried fruit, fat-free and cholesterol-free, Mediterranean apricots, mango flavored pineapples, and sweetened dried cranberries.
- Trader Joe's – Dried wild berries, 8 oz. flexible package.
- Hy-Vee Manufacturing – Dried fruit line includes naturally fat-free pineapple and blueberry varieties, to be used over salads or as snacks, 6 oz. flexible package.

Special issues

- The market for this product still appears to be fragmented. This will allow manufacturers and retailers to develop private label products or regional brands that can help create new channels or expand existing markets. Co-branding and bundling opportunities with other products to create meal kits or meal replacements are other opportunities for manufacturers to raise sales.

Key to success

- Packaging innovations that make the product portable to convenience-oriented consumers and use of different retail distribution channels are key to success in this product line.

Sources

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

_____, Nuts and dried fruit, US, February 2004.