

MSU Product Center

For Agriculture and Natural Resources

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Dried fruits - Overview

Products included in the product line

- For the purpose of this report, this product line includes dried fruits such as cherries, strawberries, apples, blueberries, cranberries, raisins, prunes, etc.

General market trend and information

- Sales from dried fruits have shown a slight increase in recent years. In 2003, sales through supermarkets, mass merchandise stores, food services and other industrial outlets have increased by 2%.
- The overall market grew as a result of increased interest in healthy snack alternatives.

New product trends

- The past few years have witnessed a significant growth of new dried fruit products. There were 171 products launched in 2004 in major global markets, up from 20 in 1999.
- However, since dried fruits are entering the market as mixes and ingredients with many other food products, this figure may not capture the whole range of dried fruits introduced in these years. For example, the healthy snacking and fruit confectionery product lines play a significant role in utilizing dried fruits as major product components. These sub-categories are not included here.
- Many new dried fruit products are entering the market to expand the fruit snack range. They are entering the market sweetened, flavored, enriched with vitamins and minerals or mixed with other products such as nuts and cereals or to be used in salads, desserts, entrees, and in baking and cooking. Dried fruits are benefiting from an extended product line to include healthy snacking for consumers with health and diet concerns. Some new products thus claim to be organic or natural choice and they are emerging with labels such as eco-fruit, organics, natural, fat free, etc.
- The product is also enjoying the benefits of being convenient, highly portable and storable. New dried fruit products are becoming smaller and are packaged in easy-to-open, easy-to-eat, and stay-fresh plastic tubs, pouches or platters providing consumers with a convenient way to transport and consume the product. Plastic zip packages are growing trends as dried fruit suppliers are creating reusable bags for the home, office and car. Convenience has also led to an increase in the development of kids-oriented single-serving dried fruit product launches.

Manufacturing and distribution issues

- Dried fruits are currently supplied by many manufacturers. The dominance role of national brand manufacturers and retailers is limited.
- Traditionally, most of the dried fruits are sold in specialty sections of supermarkets as snacks or specialty cooking items. Although sales in supermarkets are increasing, this outlet is still losing some market share to convenience stores and mass merchandisers.
- Mass merchandisers are currently taking an increasing market share from other retail outlets, due in part to an increase in private label brands, which sell at a lower price. The convenience store and drug store outlets have also benefited from the expansion of such products which are shelf stable. Therefore, they are expanding their shelf spaces for similar products, as they are becoming an important outlet for the sale of snack foods.

Overall assessment of opportunities

- Dried fruit suppliers have many product development opportunities, as dried fruits continue to provide health benefits for the consumer and because they are highly convenient products that are portable and ready-to-eat snacks.

Sources

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

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