

MSU Product Center

For Agriculture and Natural Resources

Funding: USDA Rural Development Cooperative Service Market Advisor: The Hale Group

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Minimally processed fruits – Many opportunities

Market drivers that provide many opportunities

- Minimally processed fruit suppliers have many opportunities to increase sales based on [wellness](#), [indulgence](#), [convenience](#), [ethnicity](#), [value](#) and [demographics](#) as market drivers.

Specific opportunities

- An increasing number of consumers are embracing new flavors, varieties, and healthy snacks. Consumers also want food products that are quick, ready-to-eat and ready-to-transport. Minimally processed fruit suppliers can benefit from this trend.
- There is also a growing ethnic population in the U.S. and fruits are increasingly utilized in food preparations by different ethnic groups, which also provides many opportunities for minimally processed fruit suppliers.
- With consumers appearing ready to pay a premium price for healthy foods and drinks, price will not be an entrance barrier for these products.
- Provided that suppliers pay attention to flavor and variety, these products are also appealing to a wide range of demographic groups.
- Minimally processed fruits have the ability to penetrate a wide range of retail market outlets. Supermarkets and mass merchandisers will remain the main retail outlets.
- Food service outlets such as restaurants and fast food chains are other key channels to raise market shares for these products.
- One other emerging trend that will help minimally processed fruit suppliers is the home meal replacement segment. This category may provide a unique product development opportunity for suppliers who want to bundle their products with supermarkets through co-branding or by introducing new package designs.
- Specialty food retail shops that primarily focus on the distribution of natural and organic produce are currently losing their market share in fresh produce. These stores will provide selective opportunities in the distribution of minimally processed fruits. Suppliers can use these channels for niche products that currently do not have widespread sales in other major retail market outlets.

New product examples

- Del Monte - fresh-cut fruit tray, 24 oz. plastic tub (grapes, pineapple, watermelon, etc.).
- Sunkist growers - Sunkist Fun Fruit Grins, all natural fruit slices in a 2 oz bag.
- Weiss markets – Fresh cut packaged fruits (mixes containing cantaloupe, red grapes, etc.).
- OBIM Fresh-cut Food Co. LLC – Summer splash fresh-cut fruit (contains grapes, strawberries, cherries), 24 oz. plastic tub.

Special issues

- The fresh produce market is dominated by major national and international players (e.g. Del Monte and Dole). Given the newness of the minimally processed fruit product line, there are still high opportunities for suppliers and manufacturers to partner with retailers that can develop and sell fresh-cut private label fruit products.
- In the future, as the share of packaged fresh fruit products marketed through supermarkets increases, lack of space may compel suppliers of bulk and low-price fruit products to use alternative channels for their products.

Key to success

- Product and packaging innovations that will make these products more attractive and convenient for the consumer, while maintaining freshness are key for success.

Sources

Food systems group, <http://www.vancepublishing.com/FSI/articles/0409/0409hispanic.htm>.

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