

## MSU Product Center

*For Agriculture and Natural Resources*

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### **Edamame – Few opportunities**

#### **Market drivers that provide for few opportunities**

- There **few** opportunities for edamame products that appeal to the demand drivers of **ethnicity**, **indulgence**, and **convenience**.

#### **Specific opportunities**

- Edamame is a popular snack food in Asia, especially Japan. This may create opportunities in the export market. However, tastes differ between Japanese and American consumers. It would be difficult to produce or develop products for both countries simultaneously.
- Edamame's primary use is as a snack food, especially in Japan. The product is already in a form that is considered convenient.
- Most Americans do not see edamame as a snack food, and are unlikely to increase the demand for this product unless indulgence can be combined with wellness.

#### **New product examples**

- From April of 2000 through August of 2005, there were 39 new product introductions in the U.S. edamame market. Product introductions focused on snack products, vegetable products and edamame as an ingredient in prepared foods.
- Whole Foods Market, 365 Organic Edamame, blanched soybeans in a natural shell, is available in health foods stores.
- Sysco MoonRose, edamame vegetarian appetizers, is available to food service operators.
- Inter-American Products, Private Selection, frozen edamame, available in supermarkets.

#### **Special issues**

- In order to produce for this market, alternative varieties need to be cultivated and alternative methods of harvesting need to be used. Further complicating this fact is the differing preferences between consumers in the U.S. and Japan. Beans can be cultivated and harvested for one market or the other but not both.
- This is a small market. It has been estimated that only 32,000 acres of edamame production would satisfy the entire U.S. market. The potential for over production leading to a price collapse exists.
- Alternative marketing channels likely need to be pursued. This includes health food stores and Asian markets.

#### **Key to success**

- Consider whether or not it would be possible to combine products attributes such a new flavors and attributes that appeal to wellness. Alternative distribution channels such as ethnic markets and gourmet food stores, and health food stores may provide some opportunities.
- Attempt to find a guaranteed buyer of edamame production before investing in the industry.

#### **Sources**

Knudson. The Edamame Market.

Mintel. Soy-Based Food and Drink.

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