

MSU Product Center

For Agriculture and Natural Resources

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Canned vegetables - Overview

Products included in the product line

- These are processed vegetables that come in shelf-stable cans, bottles or jars. It does not include frozen and dried vegetables.

General market trend and information

- Overall, vegetable consumption trends do not favor canned vegetables. Per capita consumption of canned vegetables has dropped from 114 pounds in 1991 to 105 pounds in 2000. During the same period consumption of fresh vegetables has risen from 171 pounds to 202 pounds.
- This rising consumption of fresh vegetables and their year-round availability has partly contributed to the market share reduction for canned vegetables. Besides, imports of processed vegetables have affected the market for domestic products. Between 1998 and 2002, imports of these products have increased by 18%.
- In 2003, sales of canned vegetables through food service operators and supermarkets have been estimated at \$3.652 billion, showing no change from 2002.

New product trends

- Most of the new canned vegetables are entering the market as mixes of a variety of vegetables that can be used as side dishes, pizza tops, and entrees or they can be used as ingredients in casseroles, soups, and stews. There are products coming as mixes of different beans or beans mixed with other vegetables. Some products are coming mixed in sauces.
- Canned vegetable manufacturers have also focused on convenience and product packaging. Some canned vegetables are designed to be closer to minimally processed vegetables.
- Some canned vegetables are said to be in an easy-open can. Others claim to be microwaveable in few minutes.
- There are canned vegetables that claim to be fat free, cholesterol free, high in fiber or rich in vitamins and minerals.

Manufacturing and distribution issues

- The continuous challenge for space in retail market stores and the increasing number of new products that are fresh and convenient will make it difficult for suppliers of these products to raise sales through the mainstream market channel.
- Most of the present branded and private label products are from large manufacturers. These manufacturers are, however, showing less interest in the product and, they are in the process of repositioning their products. This will open an opportunity to individual manufacturers who want to enter this market.

Overall assessment of opportunities

- A growing consumer demand and preference for product freshness and convenience, and canned vegetables' limited attractiveness to a broad array of consumers provide selective product development opportunities for individual canned vegetable manufacturers.

Sources

Mintel, *Canned fruit and vegetables*, 2003.

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