

MSU Product Center

For Agriculture and Natural Resources

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Vegetable-containing prepared meals – Many opportunities

Market drivers that provide many opportunities

- **Indulgence, convenience** and **ethnicity** are the key market drivers that provide many opportunities for vegetable-containing meals.

Specific opportunities

- Flavor, quality, texture and ingredients will continue to be the leading factors in determining sales growth from these products. Thus, there are many opportunities for vegetable containing food manufacturers that focus on the creation of shelf stable comfort foods that provide variety and flavor.
- New meals that are coming simple as heat and eat meals (e.g. foods that are microwaveable and in convenient packaging) will appeal to a broad array of consumers. Complete meals that are ready to eat and have all major ingredients packed together will also be appealing to consumers who do not want to spend more time cooking foods. Thus convenience will also provide broad opportunities for vegetable-containing meal manufacturers.
- Ethnicity provides many opportunities for vegetable containing meal manufacturers. A wide variety of meals are entering the market with some type of positioning in the ethnic market segment. In this way, more ethnic foods are now becoming mainstream foods. with the growing number of people from a variety of ethnic backgrounds and a continued exposure of the general population to a variety of cultures and new cuisines, markets for these meal products will not be limited to the specific ethnic groups. There is an opportunity that these meals will be widely accepted especially by the young consumers who tend to try different ethnic food products, if manufacturers meet the variety, flavor, and convenience demands.
- Supermarkets and mass merchandise retail stores are the leading outlets for these products. Convenience stores and drug stores have a very limited role. Because of their limited shelf space, these stores are more focused on selling meals that are not more complex and do not require anything other than heating. So, manufacturers have better opportunities to sell these products through supermarkets and mass merchandise stores. Individual suppliers can also benefit from cross-merchandising and cross-promoting the product with other food products including fresh meat and sauces.

New product examples

- Ethnic Gourmet Foods/USA introduced gourmet vegetable korma, a mixture of fresh vegetables sautéed with fresh ginger, garlic, onions, tomatoes, raisins and cashews, with seasoned, long-grain brown rice.
- Williams Foods /USA introduced a mix of vegetables and rice with honey-flavored sauce that is claimed to be an authentic oriental meal.

Special issues

- Supermarkets have competition with mass merchandisers. Sales in these retail markets is mainly supported by the availability of a wide selection of shelf stable meals and pizzas that are sold at low prices making them appealing to low-income shoppers.

Key to success

- With the ongoing challenge from other convenient, fresh and healthier foods that are entering the market and with the competition for shelf space in retail stores, variety, flavor and convenience are key to success in this product line.

Sources

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

_____, Meal kits, 2004.

_____, Frozen meals, 2004

_____, Shelf stable meals, 2004.

_____, Pizza, 2003.