

MSU Product Center

For Agriculture and Natural Resources

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Vegetable sauces and seasonings – Many opportunities

Market drivers that provide many opportunities

- **Indulgence, convenience** and **ethnicity** are key market drivers that provide many opportunities to raise sales from vegetable sauces and seasonings.

Specific opportunities

- Suppliers who introduce products with a variety of flavors will have better chances to raise gains from sales. Also, suppliers can raise sales by expanding the gourmet line of sauces. Sauces and seasonings that can be infused with liquor to provide more depth or sauces with exotic flavors combinations will be appealing to indulgent consumers.
- Convenience and packaging will influence market growth for vegetable sauces and seasonings. Products that come in squeezable plastic containers or single-serve products designed for individual persons will help increase sales.
- The growing Hispanic and Asian population, which traditionally consumes different vegetable based salsas and sauces will provide many opportunities for manufacturers of these products. Especially vegetable sauces with Mexican and oriental flavors will benefit from this expanding market segment.
- Also, suppliers who can bundle their sauces and seasonings with prepared meals and carry out foods will likely increase their gains from sales.
- With an increased shelf space for the product and the availability of feature displays and cross-merchandising opportunities, supermarkets are the leading retail market outlets for sauces and seasonings. Sales are also increasing in mass merchandise retail stores. Therefore, supermarkets and mass merchandise stores will continue to provide sales opportunities for these products.
- There are also signs of sales growth in convenience stores and drug stores. These stores carry a small portion of these products, thus providing selective opportunities to raise sales. Other important market outlet for manufacturers will be the retail food service outlet. Manufacturers who can make cross-merchandising or tie their sauces and seasonings with fast food chain operations and restaurants' food preparations will benefit from sales through this market outlet.

New product examples

- Renee's Gourmet/Canada introduced gourmet line vegetable sauces that are said to be great for roasting, grilling, and marinating.
- Spice hunter/USA introduced herbs and vegetable blends that are said to be suitable seasonings for enhancing gourmet dishes. They are available in roasted red bell pepper, dill salad and basil varieties.
- Superbom/Brazil introduced a mayonnaise-like vegetable sauce that is said to be cholesterol-free, egg-free, and a 100% vegetable product.

Special issues

- One key factor that limits future market growth in vegetable sauce and seasoning products is that the current consumers are increasingly lacking both the time and skill to prepare meals from scratch, which ultimately limits consumption of sauces and seasonings that are made for home consumption.

Key to success

- Suppliers of vegetable sauces and seasonings can raise gains from sales, if they are able to develop products that are competitive in terms of flavor, convenience and packaging. In particular, gourmet and premium sauce and seasoning products will be key for success.

Sources

Mintel, condiments, 2003.

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