

MSU Product Center

For Agriculture and Natural Resources

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Vegetable soups – Many opportunities

Market drivers that provide many opportunities

- **Wellness, indulgence,** and **ethnicity** are key market drivers that provide many opportunities to raise sales for suppliers in this product line.

Specific opportunities

- Some vegetable-based soups have positioned themselves as healthy and functional foods with added nutritional ingredients such as herbs, vitamins and minerals. There are also organic or all natural vegetable soups that are increasingly entering the market. Thus, wellness will be one of the most significant market drivers that continue to provide many opportunities for suppliers of vegetable soups.
- Flavor and texture are very important in selling soups. So, suppliers have many opportunities to raise sales from vegetable-based soups, if they are able to offer soups with a variety of flavors that appeal to different consumer groups. Other opportunities include the use of high quality vegetable-based soups as an ingredient for gourmet recipes.
- Vegetable based soups that meet flavor demands of different ethnic groups may also provide increased market opportunities.
- Supermarkets and mass merchandise retail stores will provide broad retail market opportunities for soup manufacturers, while the smaller retail outlets provide selective opportunities. Suppliers can also increase sales, if they are able to tie their products with other food items that are offered through market outlet. Cross-merchandising soups with other products such as crackers, breads or other foods or general merchandise items such as soup-pots and spoons are some of the options to raise sales.

New product examples

- Anke Kruse/USA Organics introduced organic dry soups available in mixed vegetables, tomato and leek, and potato flavors.
- Heinz/Germany introduced a newly reformulated soup “Hochzeitssuppe” (a wedding soup) with fine vegetables and dumplings under the Sonnen Bassermann brand.
- Buitoni/Italy introduced a vegetable and cereals soup that is recommended to be used with soft red wine.
- Campbell Foods/Germany introduced a new range of soup which is claimed to have been cooked in a very special way to preserve all the valuable nutrients.
- Blount Seafood in the U.S. launched seven vegetarian soups to be sold through foodservice operators. Includes soups developed for sale through mass merchandise stores.

Special issues

- One challenge for soup manufacturers will be the image of the product as a seasonal product. For many consumers, soup appears to be a winter food. Suppliers, in this regard, may need to make concerted efforts to promote sales in other seasons of the year.
- There are some brand soup products that are currently dominating the market.
- Due to high competition from low-priced branded ready-to-serve soup products, private label sales in some of the segments (e.g. dry and condensed soup) are declining. There are also some brand loyalties in the soup market.

Key to success

- Being a healthy alternative to many other soup types that are available in the mainstream retail stores, vegetable soups will have many market opportunities, if manufacturers develop products that are competitive in terms of convenience, flavor and variety.

Sources

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

_____, Soup, 2004.