

## MSU Product Center

*For Agriculture and Natural Resources*

Funding: USDA Rural Development Cooperative Service Market Advisor: The Hale Group

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### Vegetable soups - Overview

#### **Products included in the product line**

- For the purpose of this report, this product line includes plain vegetable soups that use mixed vegetables and soups from a mixture of vegetables and other food products.

#### **General market trend and information**

- From 1998 to 2003, the overall soup market has declined by 1.6% at constant 2003 prices. Most of the decline came from sales of dried and condensed soups, while sales of ready to serve soups show a slight increase.
- In 2003, sales of vegetable soups through supermarkets and food service outlets have been estimated at \$5.55 billion.

#### **New product trends**

- New vegetable-based soup products have been developed to be used as a starter or a light meal. Others are coming as products to be used for soup-based recipes.
- Some soups are coming as a mixture of vegetables and other food products. These include soups from vegetable mixtures and pasta, meat, cereal or rice or soups in meat broth with vegetable pieces. Others are plain vegetable soups that use plenty of mixed vegetables.
- Designed to enter the gourmet soup line, some soup products claim to be made from finest ingredients, best vegetables, or manufacturers used special procedures to prepare the soups.
- There are also instant or dried vegetable soups to be made in a cup by adding hot water.
- There are even some soups coming tied to occasional events or recommended to be used with other foods and drinks.
- Most of the soups are coming as shelf stable products in flexible plastic containers or in cartons, cans and tubs. There are also some frozen and chilled soup products. Some of these soup products are microwaveable. There are single portion vegetable soups or soups in a pack containing two servings. There are also some soups entering the ethnic market.
- Some vegetable-based soup products claim to be all natural, organic, low-calorie, etc. Others claim to be a natural source of vitamins and dietary fiber including valuable proteins. Some soups are coming as a mix of vegetables and herbs without preservatives and coloring.
- Some soups have been introduced for sale through specific retail channels.

#### **Manufacturing and distribution issues**

- There are some brand soup products that are currently dominating the market.
- Due to high competition from low-priced branded 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.

#### **Overall assessment of opportunities**

- The trend towards eating smaller meals throughout the day and an increasing demand for variety, flavor and healthy foods will provide many opportunities for vegetable based soup manufacturers.

#### **Sources**

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

\_\_\_\_, Soup, 2004.