

MSU Product Center

For Agriculture and Natural Resources

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Vegetable spreads – Few opportunities

Market drivers that provide few opportunities

- Suppliers of vegetable spreads have few opportunities to raise sales from these products based on [ethnicity](#) and [demographics](#) as market drivers.

Specific opportunities

- Growth opportunities in the ethnic and demographic market segments are limited. If manufacturers want to raise sales by expanding their customer base, there is a need of reinvigorating the market especially by focusing more on new vegetable spreads that are appealing to the young consumer who is usually interested in trying new products.
- Adding some exotic vegetables or new package designs aimed at different ethnic groups may also increase sales.
- Suppliers have some opportunities to raise sales through the mainstream retail channel. They can, however, raise sales through local food specialty shops, small local retailers or in farmers' markets.
- Convenience stores and specialty food retail stores can also provide opportunities to sell vegetable spreads that are designed to be convenient (e.g., single-serve spreads that can be used by snackers).

New product examples

- Briska/Canada introduced a line of mousse with different mixes; shrimp and vegetable, lobster and dried tomatoes, and salmon and spinach.
- QP/Japan launched a curry spread with onions, mushrooms, carrots, potatoes and other vegetables with a touch of mayonnaise and apples to make it easily edible for children.

Special issues

- One of the challenges for vegetable spreads will be competition from fruit spreads and from breakfast foods that are not eaten with sweet spreads. These are primarily breakfast snacks or foods that are ready-to-eat or ready-to-drink breakfasts (e.g., breakfast juice or yogurt drinks), and their consumption is growing fast. There are currently many branded and private label products, mainly in the fruit spread category. Given the wide range of flavors, types, and containers that are available on the market, competition in this category will not be easy. One challenge for manufacturers will thus be the increasing difficulty to sell private label products through mainstream retail channels.
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Source

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