

MSU Product Center

For Agriculture and Natural Resources

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Vegetable spreads - Overview

Products included in the product line

- For the purpose of this report, these are spreads including mousse, humus, cream, paste, and dipping that contain vegetables.

General market trend and information

- It appears that vegetable spreads are not widely used products by consumers. Also, the market for these products seems to be fragmented.
- In 2003, sales of vegetable spreads through supermarkets, mass merchandise stores and food service outlets have been estimated at \$154.8 million. Sales through supermarkets in the same year was 15% higher than sales in 2002.

New product trends

- There are not many new vegetable spreads that are entering the global market. New products are coming not only as bread spreads but also as mousse, humus, cream, paste, and chip and vegetable dipping.
- Some products are mixes of vegetables and other food products. There are some premium roasted vegetable dip selections. There are also some spreads aimed at children.
- Some of the products claim to be cholesterol free, organic or suitable for vegetarians. Vegetable spreads are entering the market as chilled products in tubes while some others are coming as shelf stable products in jars, tubs, cans, trays or in flexible plastic containers.

Manufacturing and distribution issues

- The mainstream retail market channel is currently dominated by brand fruit spread products from large manufacturers and in-store private label products. So, vegetable spread manufacturers may not have many opportunities to raise sales through these channels. Since the stores provide priority for branded and selected private label products, shelf space allocation is the key problem to selling these products through these channels.

Overall assessment of opportunities

- Because of its selective appeal to health conscious consumers and the existence of high competition from other indulgent and convenient foods, vegetable spread manufacturers will have selective product development opportunities.

Sources

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