

IFPA's U.S. Produce Retail Point of Sales Results

February 2024 | The four weeks ending 2/25/2024

INTERNATIONAL
**FRESH
PRODUCE**
ASSOCIATION



Very Strong February Sales for Fresh Fruit and Vegetables

Reflecting strong sales during several key special occasions, both fruit and vegetables increased sales year-over-year. This means a very strong start of the year for fresh produce that outperformed frozen and canned.

WHAT'S NEW

MULO+
UPGRADE**Circana Market Expansion to MULO+**

Circana has expanded the Multi-Outlet universe to include additional retailers that were previously not represented nor projected. This new geography, called MULO+, is used as of this February report for the monthly updates. The additional retailers represent e-Commerce, grocery, club, DTC delivery and other channels, fueling an average expansion of 15% across total CPG. All time period history and geographies have been updated to MULO+. More information is available at the end of this report.

CAUTIOUS
OPTIMISM**A continued rollercoaster ride**

Reversing course after three consecutive months of gains, the February consumer confidence index by the University of Michigan decreased to 76.9. Most index readings did remain substantially higher than those reported last fall as consumers remained somewhat optimistic about inflation continuing on a more favorable trajectory.

February counted several large sales events, providing additional touchpoints for retailers in departments around the store.

- According to the early February Circana survey of primary shoppers, 56% of consumers expected they would watch the Super Bowl. Only 2% anticipated going to a bar or restaurant to watch the game. Among those watching the game at home, the anticipated retail spend averaged \$36 on game-time snacks, beverages and food.
- As of early February, the survey found that a similar number anticipated celebrating Valentine's Day this year, with chocolate and candy being the most common purchase, followed by cooking a special meal at home.

MARKET
IMPACT**Mild Inflation in February**

The average price per unit for total food and beverages compared to last year

2019	2020	2021	2022	2023	Feb. 24
+2.0%	+5.5%	+5.6%	+12.6%	+5.9%	+1.5%

The Super Bowl and Valentine's Day generated four strong weeks for fresh produce sales. The week ending February 11th was the largest, but volume sales increased each of the four weeks in comparison to last year.

Produce department	Dollar sales	Dollar sales vs. YA	Volume sales vs. YA
February 2024	\$6.9B	+2.2%	+1.3%
w.e. 2/4/2024	\$1.7B	+3.6%	+2.4%
w.e. 2/11/2024	\$1.8B	+1.3%	+1.6%
w.e. 2/18/2024	\$1.7B	+2.3%	+0.7%
w.e. 2/25/2024	\$1.7B	+1.8%	+0.4%

**Sources:**

Circana, Integrated Fresh, MULO+ | February is the four weeks ending 2/25/2024

POWER FACTS

STATE OF PRODUCE

February 2024	Price/Lb.	\$ Sales	\$ vs. YA	Lbs. vs. YA
Fresh Fruits	\$1.89 +2.5%	\$3.5B	+4.0%	+1.4%
Fresh Vegetables	\$2.05 -0.6%	\$3.3B	+0.7%	+1.3%

Share of Dollars



TOP GROWTH COMMODITIES (NEW \$)

\$ Absolute \$ gain vs. YA

Berries	+\$68.1M
Mandarins	+\$26.3M
Grapes	+\$25.0M
Avocados	+\$21.9M
Tomatoes	+\$17.5M
Onions	+\$15.9M
Peppers	+\$13.1M
Cucumbers	+\$11.5M
Carrots	+\$8.8M
Tangerines	+\$7.2M

Avocados — 52 weeks

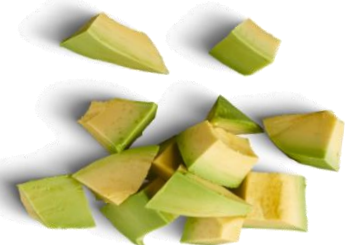
Avocado prices have been on a rollercoaster ride over the past few years. Deflation has prompted strong consumer demand.

Avocados	Vs. YA	Vs. 2YA	Vs. 3YA
Dollars	-4.9%	-2.6%	0.1%
Units	8.9%	4.4%	-5.8%
Pounds	10.0%	5.5%	-4.0%



SEASONAL COMMODITY SPOTLIGHT

Avocados generated \$3 billion in the 52-weeks ending February 25th 2024. Avocados have been a strong performer in units and pounds in the past year. However, the decrease in the price per pound of 13.5% pulled the year-on-year dollars below year ago levels.



WHAT THIS MEANS

“The increase in fresh produce trips is a very encouraging finding. Like no other department, produce can leverage Impact, Impulse and Incrementality to drive sales for the department but also the total store.

Operational excellence in fresh, cross-merchandising and creating eye-catching displays will be key to generate continued growth in 2024.

Another interesting observation lies in the unit versus volume movement. Over the past few months, volume has grown year-over-year, whereas unit sales have decreased. This points to consumers shifting to back to larger pack sizes, where possible. Pack size variety, complemented with bulk, allows consumers to hit their desired price points and limit at-home food waste.

- Joe Watson, IFPA's VP of Retail, Foodservice and Wholesale

FUTURE OUTLOOK

What's Next?

According to the February Circana survey of primary grocery shoppers, Easter remains a big selling opportunity for grocery retail. However, the early timing of Easter Sunday on March 31st makes for the shortest selling season in several years – emphasizing the need for strong seasonal execution.

- One-third of shoppers do not plan any special celebrations, but 14% of those who do expect they will spend a little more on Easter groceries this year.
- The average Easter party size increased to an average of seven to eight people.
- Several retailers are offering meal bundles, predominantly aimed at dinner but some also including meal deals for Easter brunch. Many are combining meat department classics including ham and lamb with deli-prepared sides – leaning into convenience as consumers continue to skipper between time, cost, health, taste and nutrition.

Circana Increases CPG Market Measurement Coverage by 15% with MULO+

Circana has expanded the multi-outlet (MULO) universe in the largest expansion of multi-outlet data since 2011 unites all major retailers; it provides the largest census-based point-of-sale coverage of CPG core channels. Expansion of MULO+ provides Circana's clients with best coverage in the CPG industry; when combined with general merchandise coverage. U.S. CPG channels, including grocery, drug, mass market, military commissaries, club, and dollar stores, as well as e-commerce. *All time period history and geographies have been updated to represent the new MULO+ universe. To learn more about Circana and MULO+, visit <https://www.circana.com/solutions/mulo/>*

For any questions, please reach out to Joe Watson, IFPA's VP of Retail, Foodservice, and Wholesale at jwatson@freshproduce.com

METRICS

February 2024 sales	\$ Sales	\$ vs. YA	Lbs. vs. YA
Fresh Fruits and Vegetables	\$6.9B	+2.2%	+1.3%
Fresh fruit	\$3.5B	+4.0%	+1.4%
Berries	\$1.0B	+7.1%	+1.5%
Apples	\$394M	-2.6%	+10.9%
Grapes	\$380M	+7.0%	-5.6%
Bananas	\$302M	+0.8%	-0.5%
Avocados	\$255M	+9.4%	+3.2%
Mandarins	\$226M	+13.1%	+10.4%
Melons	\$176M	+2.5%	-0.4%
Oranges	\$145M	+3.0%	+3.8%
Pineapples	\$92M	+7.6%	+7.5%
Lemons	\$80M	+2.1%	+0.9%
Fresh vegetables	\$3.3B	+0.7%	+1.3%
Tomatoes	\$383M	+4.8%	+3.8%
Potatoes	\$329M	-4.0%	+4.4%
Lettuce	\$262M	-3.9%	-1.2%
Salad kits	\$256M	-2.1%	-3.2%
Onions	\$255M	+6.7%	-1.4%
Peppers	\$249M	+5.6%	+2.5%
Cucumbers	\$159M	+7.8%	+5.3%
Carrots	\$137M	+6.9%	+5.7%
Mushrooms	\$123M	-3.2%	-3.2%
Broccoli	\$120M	-5.5%	+2.0%
February 2024 sales	\$ Sales	\$ vs. YA	Units vs. YA
Frozen Fruits and Vegetables	\$804M	+3.0%	-0.8%
Shelf Stable Fruits	\$449M	-0.8%	-4.3%
Shelf Stable Vegetables	\$610M	+2.6%	-1.4%
Meat department	\$7.5B	+1.7%	-1.0%
Dairy aisle	\$6.5B	-2.4%	+1.3%
Deli department	\$4.2B	+1%	+2.4%
Bakery department	\$3.7B	+0.5%	-0.9%

For more information, please reference IFPA's full consumption data at
<https://www.freshproduce.com/resources/Commodities/>