

## Frozen Pizza, Snacks, & Protein Options Drive More Big Gains

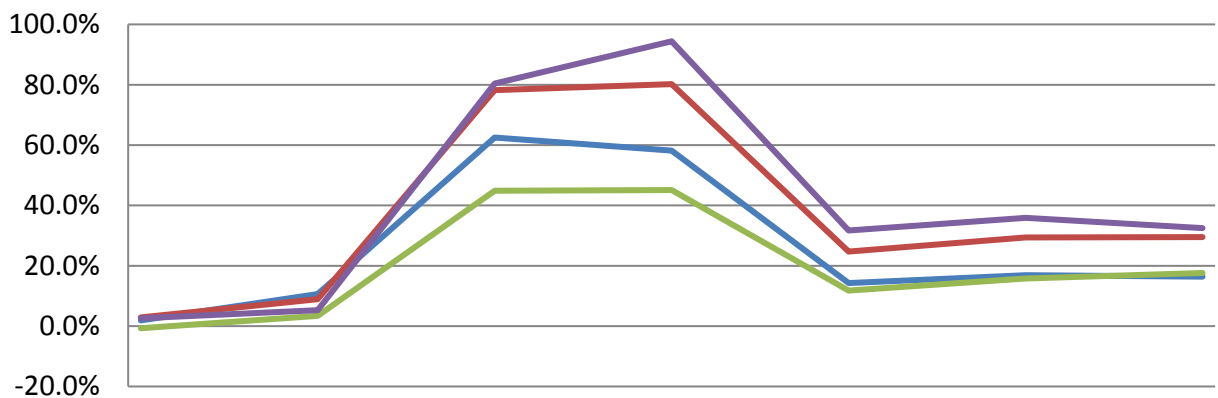
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Since the onset of coronavirus in the United States, grocery shopping patterns have been vastly different in terms of elevated spending, day of the week, day part, product and brand choices, and online engagement. The week ending April 19 marked the seventh week of coronavirus-related shopping patterns. In-home consumption is here to stay for the foreseeable future and the additional demand continued to push retail sales well above prior year levels, despite going up against the later 2019 Easter, that fell on April 21. During these past six weeks, the frozen foods department has emerged as a sales leader across edibles and the week of April 19 was no different.

During the week of April 19, frozen food sales continued to show highly elevated levels, with dollars up 28.8% over the comparable week in 2019. Despite another strong week for meat (+17.3%), the total perimeter increased just 1.0% due to decreases in deli and bakery. Center store edibles increased 10.5%. Frozen foods generated nearly \$1.4 billion the week of April 19, 2020 — over \$332 million more than the comparable week in 2019. Frozen food unit sales were up 22.9%.

**Dollar growth versus comparable week in 2019**



	3/1/20	3/8/20	3/15/20	3/22/20	3/29/20	4/05/20	4/12/20	4/19/20
Total store, incl. fresh	1.9%	10.6%	62.5%	58.2%	14.3%	16.9%	16.4%	5.1%
Edibles minus fresh	2.9%	8.9%	78.2%	80.2%	24.7%	29.4%	29.5%	10.5%
Fresh perimeter	-0.7%	3.4%	44.9%	45.1%	11.8%	15.8%	17.6%	1.0%
Frozen	2.6%	5.3%	80.4%	94.4%	31.7%	35.9%	32.5%	28.8%

Source: IRI, Total US, MULO, 1 week view % change vs. year ago.

## A Deep-Dive into Frozen Food Sales

The largest share within frozen foods, frozen meals, increased more than 20%. This was driven by continued appetite for frozen pizza, that was up 51.1% over the week ending April 19 versus the comparable week in 2019. Like fresh meat and poultry, frozen animal protein continued to see high gains, up 41.5%, with big gains for all components. Frozen snacks also continued to do well, up 58.6%.

	% Dollar sales change vs. comparable week ending in 2019								Share of \$ sales
	4-19-20	4-12-20	4-5-20	3-29-20	3-22-20	3-15-20	3-08-20	3-01-20	
<b>Frozen Dept (ex Poultry)</b>	<b>+28.8%</b>	<b>+32.5%</b>	<b>+35.9%</b>	<b>+31.7%</b>	<b>+94.4%</b>	<b>+80.4%</b>	<b>+5.3%</b>	<b>+2.6%</b>	<b>100%</b>
<b>Frozen meals</b>	<b>+27.7%</b>	<b>+21.5%</b>	<b>+27.8%</b>	<b>+25.4%</b>	<b>+99.3%</b>	<b>+88.6%</b>	<b>+3.3%</b>	<b>-2.5%</b>	<b>34%</b>
<b>Breakfast food</b>	+30.2%	+22.2%	+25.4%	+21.3%	+81.9%	+72.6%	+4.5%	+1.1%	
<b>Dinners/entrees</b>	+16.9%	+8.9%	+14.3%	+21.3%	+83.2%	+79.4%	+3.5%	-3.4%	
<b>Pizza</b>	+51.1%	+47.0%	+58.8%	+53.8%	+143.0%	+120.1%	+3.8%	-2.0%	
<b>Frozen meat/poultry /seafood</b>	<b>+41.5%</b>	<b>+39.2%</b>	<b>+43.0%</b>	<b>+44.7%</b>	<b>+123.1%</b>	<b>+97.5%</b>	<b>+3.5%</b>	<b>+8.3%</b>	<b>32%</b>
<b>Processed poultry</b>	+50.6%	+33.7%	+42.6%	+43.7%	+134.7%	+115.8%	+9.2%	+4.3%	
<b>Meat</b>	+50.0%	+51.8%	+58.5%	+56.9%	+163.6%	+131.6%	+17.9%	+11.0%	
<b>Seafood</b>	+31.9%	+40.4%	+35.5%	+33.8%	+96.8%	+67.4%	-5.7%	+16.9%	
<b>Frozen desserts</b>	<b>+20.8%</b>	<b>+28.6%</b>	<b>+32.0%</b>	<b>+23.9%</b>	<b>+43.1%</b>	<b>+35.9%</b>	<b>+9.3%</b>	<b>+2.2%</b>	<b>22%</b>
<b>Ice cream/sherbet</b>	+24.1%	+31.1%	+35.0%	+26.9%	+45.4%	+36.5%	+8.2%	-0.2%	
<b>Novelties</b>	+25.7%	+21.5%	+27.9%	+20.5%	+40.6%	+36.7%	+11.4%	+6.1%	
<b>Desserts/toppings</b>	+22.0%	+57.2%	+31.3%	+17.1%	+36.9%	+25.5%	+5.4%	+0.2%	
<b>Frozen fruits &amp; vegetables</b>	<b>+28.7%</b>	<b>+44.6%</b>	<b>+47.4%</b>	<b>+40.7%</b>	<b>+111.4%</b>	<b>+106.7%</b>	<b>+11.8%</b>	<b>+4.3%</b>	<b>12%</b>
<b>Fruit</b>	+35.7%	+43.7%	+42.9%	+37.0%	+95.4%	+103.5%	+19.1%	+10.1%	
<b>Potatoes/onions</b>	+37.8%	+54.4%	+60.7%	+50.1%	+117.3%	+98.3%	+9.0%	+3.2%	
<b>Plain vegetables</b>	+22.8%	+39.5%	+42.2%	+37.5%	+115.9%	+119.3%	+13.3%	+4.6%	
<b>Prepared vegetables</b>	-2.4%	+12.8%	+18.4%	+8.8%	+84.5%	+62.9%	-12.6%	-13.4%	
<b>Frozen baked goods</b>	<b>-6.9%</b>	<b>+63.2%</b>	<b>+42.4%</b>	<b>+38.9%</b>	<b>+87.8%</b>	<b>+56.8%</b>	<b>+1.4%</b>	<b>-0.8%</b>	<b>3%</b>
<b>Frozen snacks</b>	<b>+58.6%</b>	<b>+49.7%</b>	<b>+56.8%</b>	<b>+46.0%</b>	<b>+127.2%</b>	<b>+97.2%</b>	<b>+4.2%</b>	<b>+1.2%</b>	<b>4%</b>
<b>Appetizers/snack rolls</b>	+58.9%	+49.9%	+56.9%	+46.1%	+127.4%	+97.5%	+4.2%	+1.3%	
<b>Frozen beverages</b>	<b>+41.9%</b>	<b>+63.2%</b>	<b>+62.9%</b>	<b>+59.5%</b>	<b>+142.9%</b>	<b>+114.5%</b>	<b>+8.2%</b>	<b>-1.8%</b>	<b>&lt;1%</b>
<b>Juices</b>	+42.2%	+63.7%	+63.2%	+59.7%	+143.2%	+114.7%	+8.3%	-1.8%	

Source: IRI, Total US, MULO, 1 week view % change vs. year ago.

## Lessons from Overseas

Overseas sales patterns can help shed some light on what may lie ahead. After very similar weeks of stockpiling as seen in the U.S., most countries seem to have shifted to continued elevated purchasing levels for total edibles, with mixed engagement with fresh (meat, produce, bakery, etc.). For food, the everyday baseline for the week ending April 12 (Easter week) trended about 20% above the comparable week in 2019 for all countries. Non-edible sales have mostly leveled off and declined for some. Frozen food continues to see above-average gains in all countries, but Spain.

	Italy	France	Germany	Netherlands	Spain	New Zealand
<b>Total store</b>	+16.6%	+15.1%	+19.5%	+20.5%	+10.1%	+21.1%
<b>Total non-edible</b>	-5.2%	+6.2%	-2.3%	+10.9%	-26.5%	-1.2%
<b>Total edibles</b>	+21.2%	+16.7%	+25.3%	+21.7%	+19.8%	+26.5%
<b>Dairy</b>	+32.0%	+24.1%	+26.0%	+18.5%	+15.7%	+24.0%
<b>Frozen</b>	+37.4%	+41.7%	+41.5%	+55.2%	-7.1%	+51.2%
<b>Fresh</b>	+15.9%	+13.2%	+38.1%	-0.6%	+24.0%	+14.7%

Source: IRI, Total US, MULO, week ending April 12, 2020

## What's next?

It has been less than eight weeks since our industry gathered in Las Vegas for AFFI-CON and planned out our year in business, though it feels like a lifetime ago. As April draws to a close, there is still great uncertainty about the state-by-state decisions on “re-opening” the country. Some states have begun lifting their executive orders for non-essential businesses whereas others have indefinite shelter-in-place mandates. Only South Dakota remains free of statewide government restrictions that require businesses to close. The reopening of restaurants in some states may provide an indicator of consumers’ mental readiness and economic ability to re-engage with foodservice. For the foreseeable future, it is likely that grocery retailing will continue to capture an above-average share of the food dollar.

Next week's sales results will reflect a regular week in both calendar years and may provide some indication of how far the new baseline will lie above the old normal. In addition to many consumption occasions having shifted to at-home, more than 26 million Americans have filed for unemployment in the last four weeks and economic pressure typically translates into more meal preparation at home.

Important changes this week include USDA Supplemental Nutrition Assistance Program (SNAP) program recipients receiving a temporary 40% increase in monthly benefits to provide relief from the pandemic-related economic slowdown. The boost lets families obtaining less than their maximum benefit get the greatest amount per their household size for as long as two months. Additionally, USDA approved Florida and Idaho's requests to participate in SNAP Online. SNAP Online is now available in Alabama, Iowa, New York, Oregon, Washington, and Nebraska. California and Arizona's requests to expedite the implementation of online purchasing were approved on April 2.

**It is important to remember that the sales surges at retail are only possible thanks to the heroic work of the entire grocery and frozen food supply chains. 210 Analytics and IRI will continue to provide weekly updates as sales trends develop.**