

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

July 2024 | The four weeks ending 7/28/2024

INTERNATIONAL  
**FRESH  
PRODUCE**  
ASSOCIATION



## **Sales Soar in Record-Setting July for Fresh Produce**

*Both fruit and vegetables had an extremely strong July sales performance, with big holiday gains along with strong demand in the remaining three weeks of the month.*

## WHAT'S NEW

## A HOME-CENTRIC MARKETPLACE

**Lacking consumer confidence means more at-home meal prep**

The June and July consumer media headlines reflected the ongoing pressure on restaurants. Tight finances and mounting job market pressure have led to lower consumer confidence and more trips to the grocery store.

- In addition to the widely reported bankruptcy filings by Red Lobster, Buca di Beppo, Rubio's, World of Beer and several small restaurant chains filed for Chapter 11 bankruptcy in the past few months. Other restaurant chains, including TGI Friday's, Hooters and Arby's closed multiple underperforming locations. In response to consumers' financial woes, many restaurants are turning to value, such as McDonald's \$5 meal deal.
- For restaurants and grocery stores alike, the changes are predominantly driven by lower-income consumers.
- Restaurant price increases continued to outpace food-at-home inflation, at +4.1% versus +1.1%, according to the June Bureau of Labor Statistics (the latest available at the time of publication).
- A new report by the U.S. Department of Agriculture predicts that food prices will continue to decelerate. Prices for all food are now predicted to increase 2.2% over 2024, with food-at-home prices projected to go up just 1.0%. The 2025 forecast expects a 2.0% price increase for total food, with a below-average anticipated increase of 0.7% for food-at-home prices.

## MARKET IMPACT

**Monster July Fourth holiday sales**

All July weeks showed the strength in produce demand, with pounds up between 6% and 7%. The Thursday timing of the July Fourth holiday meant that shoppers stocked up in the days leading up to the holiday – pushing sales into July more so than last year, leading to an astounding 13.7% increase in pound sales during the holiday week.

Produce department	Dollar sales	Dollar sales vs. YA	Volume sales vs. YA
July 2024	\$7.6B	+3.4%	+6.4%
W.E. 07-07-24	\$2.1B	+8.0%	+13.7%
W.E. 07-14-24	\$1.9B	+1.9%	+4.3%
W.E. 07-21-24	\$1.8B	+1.9%	+4.1%

Holiday impact explanation: Circana's time periods always end on a Sunday. The June 2024 report ran through June 30<sup>th</sup>, with the holiday on the subsequent Thursday. For produce and meat in particular, this pushed purchases to mid-week and into the July report. The same quad-week in 2023 ended on July 2<sup>nd</sup>, which means more of the holiday sales fell into the June vs. July report.

## POWER FACTS

## STATE OF PRODUCE

July 2024	Price/Lb. vs. YA	\$ Sales	\$ vs. YA	Lbs. vs. YA
Fresh Fruits	\$1.51   -2.8%	\$2.7B	+4.6%	+7.6%
Fresh Vegetables	\$2.00   -2.4%	\$1.7B	+2.0%	+4.5%

## Share of Dollars

82.5%

Fresh Produce Department

7.9%

Frozen Fruits and Vegetables

4.3%

Shelf Stable Fruits

5.3%

Shelf Stable Vegetables

## TOP GROWTH COMMODITIES (NEW \$)

\$ Absolute \$ gain vs. YA

Grapes' powerhouse performance continued in July, with the 25.9% growth in pound sales driving an additional \$51.4 million in dollar sales.

Cherries also had a very strong July with displays front and center across many retail stores. Virtually all commodities on the top 10 list in absolute dollar growth show increased pound sales. While grapes led all pound growth, melons and mandarins also show double-digit gains in July 2024 versus July 2023.

Product	\$ vs. YA	\$ sales vs. YA	Lbs sales vs. YA
Grapes	+\$51.4M	\$363M	+25.9%
Cherries	+\$49.0M	\$370M	+2.1%
Avocados	+\$34.3M	\$281M	+6.8%
Onions	+\$33.8M	\$278M	+5.6%
Melons	+\$32.2M	\$593M	+14.9%
Berries	+\$17.1M	\$855M	+3.2%
Mandarins	+\$16.8M	\$132M	+10.7%
Lettuce	+\$15.4M	\$309M	+0.2%
Tomatoes	+\$11.0M	\$394M	+4.3%
Peppers	+\$9.3M	\$241M	-0.2%



## SEASONAL COMMODITY SPOTLIGHT

Cherries generated \$1.3 billion in the past year.

- This is an improvement in dollars (+1.3%), units (+6.8%) and volume (+6.7%).
- Pound sales are up versus two years (+36.2%) and three years ago (+0.8%) as well.
- The Fourth of July holiday week generated a year-over-year sales increase of 27.4%, along with a pound increase of 23.9% versus the same weeks in 2023.
- Cherries are a highly merchandised category, with 54.8% of dollars sold on promotion in July. This is, however, down 14.7% from last year's promotional levels.

## WHAT THIS MEANS

The strength in produce sales is driven by all the fundamentals. Year-over-year trips have increased along with slightly bigger purchase per trip. This has led to a nice increase in produce spending per buyer in the quad-week period.



Source: Circana, Total U.S., All Outlets, Household Panel, 4 weeks ending 7/14/2024, change vs. YA

“We knew July was going to be a big month due to the different holiday timing this year versus last. But to see a 13.7% increase in pound sales during the holiday week is wild. It shows the nation's love for produce and consumers' willingness to spend a little more on fresh fruits and vegetables during holidays, celebrations and get together.

**We still have Labor Day in early September, opportunities to create our own holidays or jump on popular TikTok and other social media trends. We see the impact of the popular frozen grape TikTok, but also consider 'Summerween.' This latest trend encourages an early start to Halloween celebrations, using watermelons and pineapples as alternatives to pumpkin carving. Every day is a new opportunity!**

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

## FUTURE OUTLOOK

### What's Next

- The summer season is coming to an end with the back-to-school season in full swing for a number of the Southern states. This may change sales patterns for lunchbox-type items such as snack fruit and vegetables, salads, etc.
- Labor Day, which will be observed on Monday, September 2<sup>nd</sup> will mark the unofficial end of grilling season, though weather patterns in the early fall tend to have a substantial impact on sales as well.
- All consumer confidence, restaurant and grocery indicators point to a more home-centric environment for the time being, compounded by ongoing higher restaurant inflation and a cooling job market.

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

## METRICS

July 2024 sales	\$ Sales	\$ vs. YA	Lbs. vs. YA
<b>Fresh Fruits and Vegetables</b>	<b>\$7.6B</b>	<b>+3.4%</b>	<b>+6.4%</b>
<b>Fresh fruit</b>	<b>\$4.1B</b>	<b>+4.6%</b>	<b>+7.6%</b>
Berries	\$855M	+2.0%	+3.2%
Melons	\$593M	+5.7%	+14.9%
Cherries	\$370M	+15.3%	+2.1%
Grapes	\$363M	+16.5%	+25.9%
Apples	\$309M	-4.1%	+10.0%
Bananas	\$294M	+0.4%	+0.8%
Avocados	\$281M	+13.9%	+6.8%
Peaches	\$145M	-4.3%	+4.1%
Mandarins	\$132M	+14.6%	+10.7%
Pineapples	\$108M	+4.0%	-2.0%
<b>Product</b>	<b>Dollars</b>	<b>\$ vs. YA</b>	<b>Lbs vs. YA</b>
<b>Fresh vegetables</b>	<b>\$3.4B</b>	<b>+2.0%</b>	<b>+4.5%</b>
Tomatoes	\$394M	+2.9%	+4.3%
Potatoes	\$312M	-7.7%	+7.8%
Lettuce	\$309M	+5.2%	+0.2%
Onions	\$278M	+13.9%	+5.6%
Salad kits	\$267M	+2.8%	+1.2%
Peppers	\$241M	+4.0%	-0.2%
Cucumbers	\$159M	+4.0%	+7.0%
Carrots	\$117M	+7.7%	+4.2%
Corn	\$116M	+0.8%	+20.1%
Broccoli	\$112M	+3.1%	+4.2%
July 2024 sales	\$ Sales	\$ vs. YA	Units vs. YA
<b>Frozen Fruits and Vegetables</b>	<b>\$730M</b>	<b>+3.4%</b>	<b>+3.4%</b>
<b>Shelf Stable Fruits</b>	<b>\$398M</b>	<b>+1.0%</b>	<b>-1.7%</b>
<b>Shelf Stable Vegetables</b>	<b>\$486M</b>	<b>+5.0%</b>	<b>+1.0%</b>
Meat department	\$9.4B	+3.6%	+1.0%
Dairy aisle	\$6.3B	+9.7%	+3.1%
Deli department	\$4.4B	+3.9%	+4.1%
Bakery department	\$3.7B	+1.2%	+1.6%

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