



# Shelf-Stable Seafood Remained the Lone Area of Growth in May 2022

By Anne-Marie Roerink, President, 210 Analytics

## The May Marketplace

The height, the widespread nature and the continued acceleration of inflation dominated the U.S. headlines in May. Whether in the grocery store, at the pump or at the movies, consumers were paying more. But the focus on inflation is not limited to the media headlines. According to the May edition of the IRI monthly survey of primary shoppers, Americans are ultra-aware and many are applying lessons learned during the Great Recession to tighten spending.

- Awareness of inflation has been extremely high since early fall of 2021. The difference between then and now is the level of consumer concern about inflation and the subsequent reactions when buying groceries, which are intensifying by the month. In May, 95% of consumers were concerned over rising prices, of whom 48% were very concerned. Additionally, 92% of consumers were concerned about higher gas prices, of whom 55% were extremely worried. In contrast, only 23% of consumers had extreme concern over COVID-19 in May 2022.
- The widespread nature and height of inflation are pressuring spending for many consumers, including 38% who described their financial health as strained. Thirty percent of American households stated that they struggle to afford needed groceries.
- Whereas in the fall of 2021 less than 50% made changes to their grocery shopping patterns and choices, 77% of consumers chose differently when buying groceries in May. This was up another six points from the April survey, when 71% of consumers bought differently. The measures to combat inflation’s impact on the grocery bill are widespread, including stocking up out of fear that items may cost more on future shopping trips (20%) or may simply not be available (16%) — further pressuring in-stock conditions. Another tactic is making a list and sticking to it, according to 39% of shoppers, which tends to impact items with an impulse nature.
- At the same time that 45% of consumers looked for sales specials, 55% said that fewer of the items they want are on sale and 42% felt that items were not discounted as much, according to the May survey. This is compounding the inflationary pressure. Creative approaches such as shorter sales and cross-category promotions could be a much-needed answer. Other popular money-saving measures included cutting back on non-essentials (36%), looking for coupons (28%), buying more private brands (24%) and buying fewer items (23%).
- Despite the high gas prices, 16% of consumers visited more stores in May than they normally do to capitalize on sales promotions or everyday low prices. An even higher 19% shopped value-focused retailers, including dollar stores, ALDI, Lidl and others. Switching stores is typically one of the very last measures consumers take, but this time around, it is already in the mix. This is a telltale sign of consumers’ level of concern and true pressure on income in the light of high gasoline prices.
- The share of home-prepared meals continued to average around 80%. Consumers would like to eat out more, but they recognize that home-cooked meals are cheaper. They have become more strategic in their restaurant choices and subsequent orders — opening the door for retailers to sell the sides, beverage or dessert. Restaurant takeout remained big in May, at 54% of consumers, which may also be a money-saving tactic versus eating on premise.

These measures have resulted in prolonged unit and volume pressure across most categories. To document the ever-changing nature of the marketplace, IRI, 210 Analytics and Elanco continue to team up to bring the latest trends and analysis relative to seafood sales at retail, including fresh, frozen and shelf-stable.

## Inflation Insights

The price per unit across all foods and beverages in the IRI-measured multi-outlet stores, including supermarkets, club, mass, supercenter, drug and military, accelerated further to an increase of +11.8% in the five weeks ending May 29, 2022 (“May”), versus the same five weeks in 2021. Inflation was in the double digits in the center of the store (+13.7%) as well as in perishables (+11.7%) and compared to May 2019, prices across all foods and beverages were up 22.8%.

Average price/unit vs. YA	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Feb 22	Mar 22	Apr 22	May 22
<b>Total food and beverages</b>	+5.5%	+2.7%	+5.0%	+8.0%	+9.9%	+10.3%	+10.3%	+10.7%	+11.8%

Source: IRI, Integrated Fresh, Total US, MULO, average price per unit and % gain versus YA



The inflation in seafood was mostly in line with total food and beverages. Fresh seafood prices per unit were up an average of +11.6% in May 2022, which was down slightly from the inflation rate for seafood seen in April 2022, which was +13.5%. The average price for finfish jumped to nearly \$10 per unit, up +20.2% versus May 2021. Price increases were much lower in fresh shellfish, at +1.0% on a per-unit basis. This compressed dollar growth, as seen later.

May 2022	Price per unit	Change vs. 2021	Price per volume	Change vs. 2021
<b>Total fresh seafood</b>	\$8.97	+11.6%	\$9.46	+11.5%
Fresh finfish	\$9.65	+20.2%	\$10.46	+20.7%
Fresh shellfish	\$8.45	+1.0%	\$8.47	+1.4%
<b>Total frozen seafood</b>	\$10.41	+10.8%	\$7.73	+10.5%
<b>Total shelf-stable seafood</b>	\$2.08	+9.4%	\$5.22	+6.7%

Source: IRI, Integrated Fresh, Total US, MULO (not shown: other items in the seafood department)

## May 2022 Sales

The five May 2022 weeks brought \$70.6 billion in total food and beverage sales, which was up +6.5% versus a year ago and compared with pre-pandemic, May sales were up +23.1%. Inflation played a significant role, with year-on-year unit sales down -4.8%. This was a sharp downward turn from the -2.4% unit decline measured in April 2022. Much as seen in the surveys, consumers are compensating for the inflationary levels by buying fewer items. Perishables, including produce, seafood, meat, bakery and deli, had average dollar and unit performance, but center-store items did better than average in both dollars and units. Frozen foods had the highest increase versus pre-pandemic, at +30.7%.

May 2022	% sales change versus a year ago						
	Dollar size	Dollars vs. 2021	Dollars vs. 2020	Dollars vs. 2019	Units vs. 2021	Units vs. 2020	Units vs. 2019
Total food and beverages	\$70.6B	+6.5%	+2.7%	+23.1%	-4.8%	-10.1%	+0.2%
Total perishables	\$31.7B	+6.3%	+2.5%	+21.3%	-4.9%	-10.0%	-0.3%
Total grocery (center store)	\$33.5B	+8.6%	+5.1%	+26.6%	-4.5%	-9.9%	+0.8%
Total frozen	\$6.7B	+6.1%	-2.0%	+30.7%	-4.9%	-10.0%	-0.3%

Source: IRI, Integrated Fresh, Total US, MULO

## May 2022 Seafood Across the Store

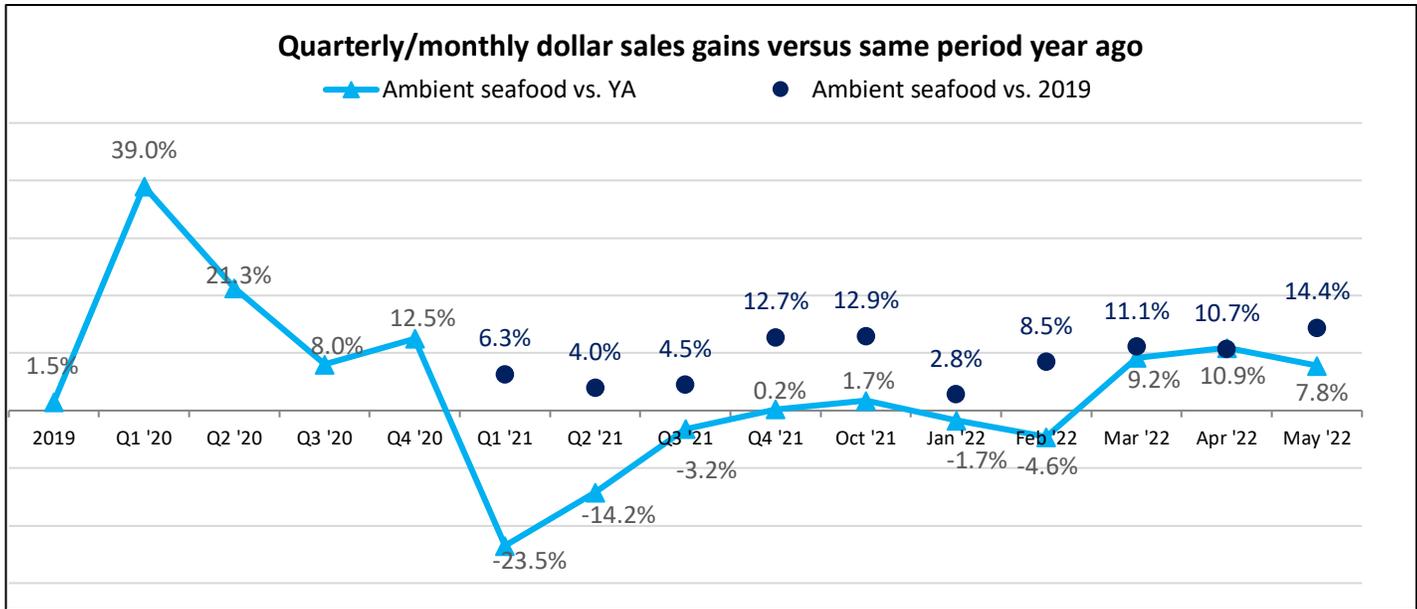
Frozen seafood dollar sales were significantly higher than fresh seafood in May 2022, at \$643 million versus \$618 million, respectively. This was due to a -13.2% decline for fresh seafood when comparing May 2022 dollar sales to year-ago levels. Frozen seafood dollars declined as well, but at a much slower rate of -5.6%. Only shelf-stable seafood (canned and pouches) increased, at +7.8%, along with an increase in volume sales.

May 2022	% sales change versus a year ago			
	Dollar size	Dollar sales	Unit sales	Volume sales
Frozen seafood	\$643.3M	-5.6%	-14.9%	-14.6%
Fresh seafood	\$618.2M	-13.2%	-22.3%	-22.2%
Ambient (shelf-stable) seafood	\$251.4M	+7.8%	-1.5%	+1.0%

Source: IRI, Integrated Fresh, Total US, MULO

## Ambient Seafood

Shelf-stable seafood sales have been a roller coaster ride for the last two years. In April 2020, very early on in the pandemic, sales gains reached triple digits as stock-up behavior and uncertainty about supply during the early days of COVID-19 sparked demand. That proved to be impossible to lap come the first quarter of 2021, and sales dropped by -23.5%. However, in the second quarter of 2022, demand has been trending in positive territory for three months straight.



Source: IRI, Integrated Fresh, Total US, MULO

During the five May 2022 weeks, ambient seafood in cans and pouches reached \$251 million in sales, which was a 7.8% year-on-year increase, hand in hand with a volume increase of 1.0%. The down performance in units while volume increased may indicate a shift to larger package sizes. The vast majority of sales were generated by tuna.

May 2022	Dollar size	Dollar sales vs. 2021	Dollar sales vs. 2019	Unit sales vs. 2021	Volume sales vs. 2021
Ambient (shelf-stable) seafood	\$251.4M	+7.8%	+14.4%	-1.5%	+1.0%
Ambient tuna	\$188.4M	+8.7%	+12.0%	-1.1%	+1.8%
Ambient all other	\$34.3M	+5.3%	+24.1%	-3.8%	-1.4%
Ambient salmon	\$23.7M	+5.7%	+18.7%	-0.3%	-0.8%
Ambient clams	\$4.2M	+3.9%	+27.9%	-3.0%	-6.8%

Source: IRI, Integrated Fresh, Total US, MULO

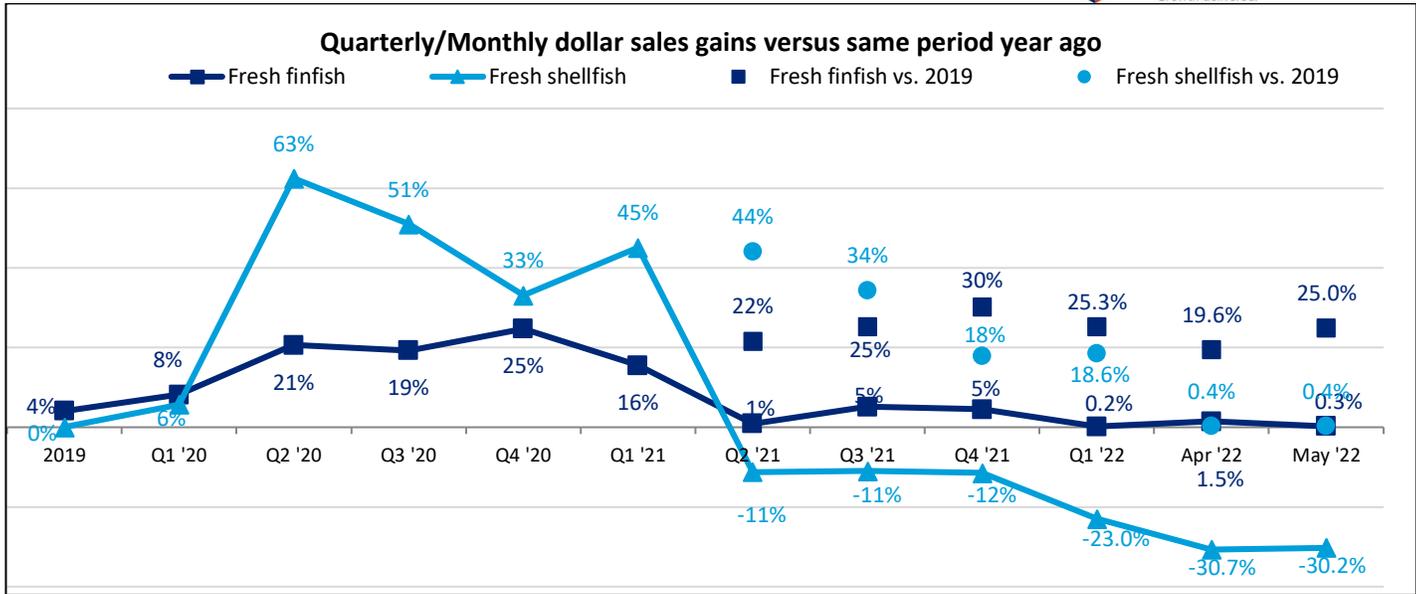
## Fresh Seafood

During the five May weeks, dollar sales for fresh seafood reached \$618 million. Year on year, fresh seafood sales declined -13.2%, more than the deceleration of -11.8% seen the prior month. While dollar sales remained above 2019 pre-pandemic levels, volume is now trailing the 2019 levels by +3.2%. This is especially true for shellfish, for which pounds are -8.9% behind May 2019 levels.

May 2022	Dollar size	Dollar sales vs. 2021	Dollar sales vs. 2019	Unit sales vs. 2021	Volume sales vs. 2021	Volume sales vs. 2019
<b>Total fresh seafood</b>	<b>\$618.2M</b>	<b>-13.2%</b>	<b>+15.5%</b>	<b>-22.3%</b>	<b>-22.2%</b>	<b>-3.2%</b>
Fresh finfish	\$370.3M	+0.3%	+25.0%	-16.6%	-16.9%	-0.1%
Fresh shellfish	\$215.8M	-30.3%	+0.4%	-30.9%	-29.7%	-8.9%

Source: IRI, Integrated Fresh, Total US, MULO (not shown: other items in the seafood department)

Fresh seafood sales patterns are very different for shellfish that held at prior month levels, at -30.2%. In comparison to 2019, shellfish dollars were virtually flat in May, though it is important to point out the lack of an inflationary boost in this area. Finfish held on to a slight gain versus a year ago and still trended far ahead of 2019 dollars.



Source: IRI, Integrated Fresh, Total US, MULO

Each of the five May weeks generated between \$114 million and \$136 million. While meat sales were significantly higher during the Memorial Day holiday week, the final week of May did not bring a significant bump for fresh seafood —

Fresh seafood	Dollar sales	Dollar gains vs. 2021	Dollar gains vs. 2019
May 2022	\$618.2M	-13.2%	+15.5%
w.e. 5/1/2022	\$114.2M	-12.7%	+17.4%
w.e. 5/8/2022	\$136.3M	-14.6%	+19.5%
w.e. 5/15/2022	\$124.9M	+12.3%	+19.8%
w.e. 5/22/2022	\$116.8M	-11.7%	+4.4%
w.e. 5/29/2022	\$126.0M	-14.3%	+17.1%

indicating that seafood still has an opportunity to better integrate in Americans' grilling traditions, which are very meat-centric. Grill-ready shrimp or salmon kabobs, or teaching consumers how to grill seafood, may be ways to do just that.

Assortment and inventory seemed to be one of the culprits of the recent declines in sales. Departments across the store are dealing with out-of-stocks and SKU reduction amid significant supply chain disruption and constraints. In fresh seafood, shellfish assortment (average unique item codes sold per store) was down -4.6% for fresh finfish and -8.7% for fresh shellfish. This means a smaller number of items need to work harder to achieve the same level of sales. The total fresh seafood number was down -3.4%, as retailers added other items, such as seafood salad.

Items/store	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	May 22	Vs. YA
Total fresh seafood	42.2	40.1	42.4	42.8	43.7	42.3	41.2	40.7	41.7	41.3	-3.4%
Fresh finfish	21.5	20.8	21.9	21.8	22.5	22.3	22.0	21.6	21.8	21.6	-4.6%
Fresh shellfish	17.1	16.5	16.8	17.4	17.6	17.0	16.1	16.1	15.6	15.5	-8.7%

Source: IRI, Integrated Fresh Total US, MULO, average weekly items per store selling

## Top 10 Species

Fresh salmon and seafood salads were the lone segments that managed to increase year-on-year growth on the dollar side. However, in volume, all top 10 segments in dollar sales sold fewer pounds than they did one year ago. Salmon, seafood salads and smoked salmon lost ground in single digits, whereas crab and tilapia were down more than -30% versus year-ago levels.



Fresh seafood \$ growth	2019	2020	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	May 22	\$ vs. YA	Lb. vs. YA
<b>Total fresh seafood</b>	<b>+4%</b>	<b>+26%</b>	<b>+28%</b>	<b>-4%</b>	<b>-2%</b>	<b>-2%</b>	<b>-9%</b>	<b>\$618M</b>	<b>-13.2%</b>	<b>-22.2%</b>
Salmon	+7%	+20%	+18%	+3%	+8%	+12%	+8%	\$251M	+7.0%	-9.4%
Crab	+13%	+67%	+61%	-18%	-18%	-17%	-31%	\$84M	-35.4%	-34.8%
Shrimp	-1%	+12%	+20%	-1%	+4%	-2%	-12%	\$77M	-19.3%	-27.2%
Lobster	-3%	+57%	+86%	-21%	-22%	-11%	-18%	\$32M	-30.8%	-18.8%
Cod	0%	+7%	+11%	+3%	+3%	-2%	-3%	\$20M	-1.4%	-17.5%
Catfish	+6%	+25%	+12%	-15%	-0.3%	-11%	-16%	\$20M	-6.6%	-23.7%
Tilapia	-3%	+15%	+2%	-12%	+4%	-19%	-20%	\$17M	-14.3%	-37.9%
Seafood salads	+8%	+7%	+22%	+33%	+19%	+32%	+25%	\$13M	+12.8%	-3.7%
Smoked salmon	+2%	+25%	+27%	-1%	+4%	+4%	+0.3%	\$11M	-0.4%	-5.2%
Seafood cakes	-3%	+35%	+43%	+15%	+7%	-2%	-3%	\$11M	-14.8%	-23.2%

Source: IRI, Integrated Fresh Total US, MULO

## Frozen Seafood Sales

Building on several years of growth, frozen food sales continued to increase in May 2022. Dollar sales gained +6.1% over a year ago. However, like most other areas of the store, frozen food sales could not match prior year unit levels, which were down -7.1%. Frozen meals and frozen animal protein were the largest areas within the frozen department. Both were big contributors to the department's dollar gains. While frozen seafood remained the biggest seller within animal protein, its dollar sales were down -5.6%, whereas all other areas grew.

Dollar sales	% sales change vs. YA									\$ vs. 21	Units vs. 21
	2019	2020	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	May 22			
<b>Frozen food department</b>	<b>+2.2%</b>	<b>+22%</b>	<b>+4%</b>	<b>-7%</b>	<b>3%</b>	<b>+5%</b>	<b>+5%</b>	<b>\$6.7B</b>	<b>+6.1%</b>	<b>-7.1%</b>	
Meals	+1.4%	+16%	+0%	-2%	7%	+8%	+8%	\$2.3B	+7.0%	-7.6%	
Breakfast food	+2.9%	+19%	+7%	7%	11%	+12%	+11%	\$471M	+9.3%	-5.3%	
Dinners/entrees	+0.6%	+12%	+1%	3%	11%	+12%	+7%	\$1.1B	+4.9%	-11.2%	
Pizza	+3.1%	+22%	-3%	-13%	0%	-0.4%	+7%	\$585M	+10.5%	-2.6%	
Meat/poultry/seafood	+3.3%	+33%	+7%	-11%	4%	+7%	+6%	\$1.7B	+6.0%	-10.2%	
Seafood	+5.1%	+37%	+18%	-10%	1%	+4%	-3%	\$643M	-5.6%	-14.9%	
Processed poultry	+3.7%	+35%	+7%	-1%	15%	+15%	+18%	\$415M	+21.9%	-3.3%	
Poultry	-1.1%	+30%	-7%	-24%	-1%	+3%	+9%	\$233M	+14.4%	-14.3%	
Meat	+2.2%	+25%	-2%	-13%	6%	+10%	+10%	\$310M	+7.6%	-9.2%	

Source: IRI, Integrated Fresh, Total US, MULO

By type, frozen fish was the largest subcategory in April 2022, at \$566 million. While volume was down year on year, the declines were far less pronounced than those in fresh seafood.

	2019	2020	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	May 22	\$ vs. YA	Lb. vs. YA
<b>Frozen seafood</b>	<b>+5%</b>	<b>+37%</b>	<b>+18%</b>	<b>-10%</b>	<b>+1%</b>	<b>+4%</b>	<b>-3%</b>	<b>\$643M</b>	<b>-5.6%</b>	<b>-14.6%</b>
Frozen fish	+4%	+37%	+12%	-9%	+2%	+6%	-0.3%	\$295M	-2.4%	-14.3%
Frozen raw shrimp	+8%	+49%	+37%	-8%	+2%	+6%	-1.6%	\$201M	-4.9%	-11.5%
Frozen cooked shrimp	+4%	+26%	+11%	-13%	-1%	-2%	-9%	\$148M	-12.3%	-19.3%

Source: IRI, Integrated Fresh, Total US, MULO

## What's Next?

The war in Ukraine, the renewed COVID-19 lockdowns in China, record inflation, labor shortages and supply chain challenges will have a continued effect on food and food sales in the months to come. Opportunities for retail remain the home-cooked meal, with 90% of consumers expecting that they will cook from scratch as much as (74%) or more often than (16%) last year. Another opportunity is renewed in-person socializing with friends and family, with 13% expecting to entertain more.

As grilling season has officially started, finding ways to tie into outdoor cooking and entertaining can be a growth opportunity.



**IRi**  
Growth delivered.



- 69% plan to host at least one cookout or barbecue to entertain friends and family this summer, typically averaging some six to nine guests, according to the May IRI shopper survey.
- Additionally, 71% of consumers plan to grill or cook meals outdoors as much (51%) or more (20%) this summer.
- Consumers like experimenting with new items on the grill (37%) and many prefer preparing meat/seafood from scratch (74%), while 17% buy grill-ready items. Consumers are a bit more likely to buy ready-to-eat sides, at 23%.

The next report in the performance series by IRI, 210 Analytics and Elanco will be released in mid-July to cover the June sales trends.

Please recognize and thank the entire food supply chain for all they do to keep supply flowing.

**Date ranges:**

2019: 52 weeks ending 12/28/2019

2020: 52 weeks ending 12/27/2020

Q1 2021: 13 weeks ending 3/28/2021

Q2 2021: 13 weeks ending 6/27/2021

Q3 2021: 13 weeks ending 9/26/2021

Q4 2021: 13 weeks ending 12/26/2021

Q1 2022: 13 weeks ending 3/27/2022

January 2022: 5 weeks ending 1/30/2022

February 2022: 4 weeks ending 2/27/2022

March 2022: 4 weeks ending 3/27/2022

April: 4 weeks ending 4/24/2022

May: 5 weeks ending 5/29/2022