

November 2022 Price Check

Tracking Retail Food and Beverage Inflation

December 8, 2022





Summary Retail Food and Beverage Inflation

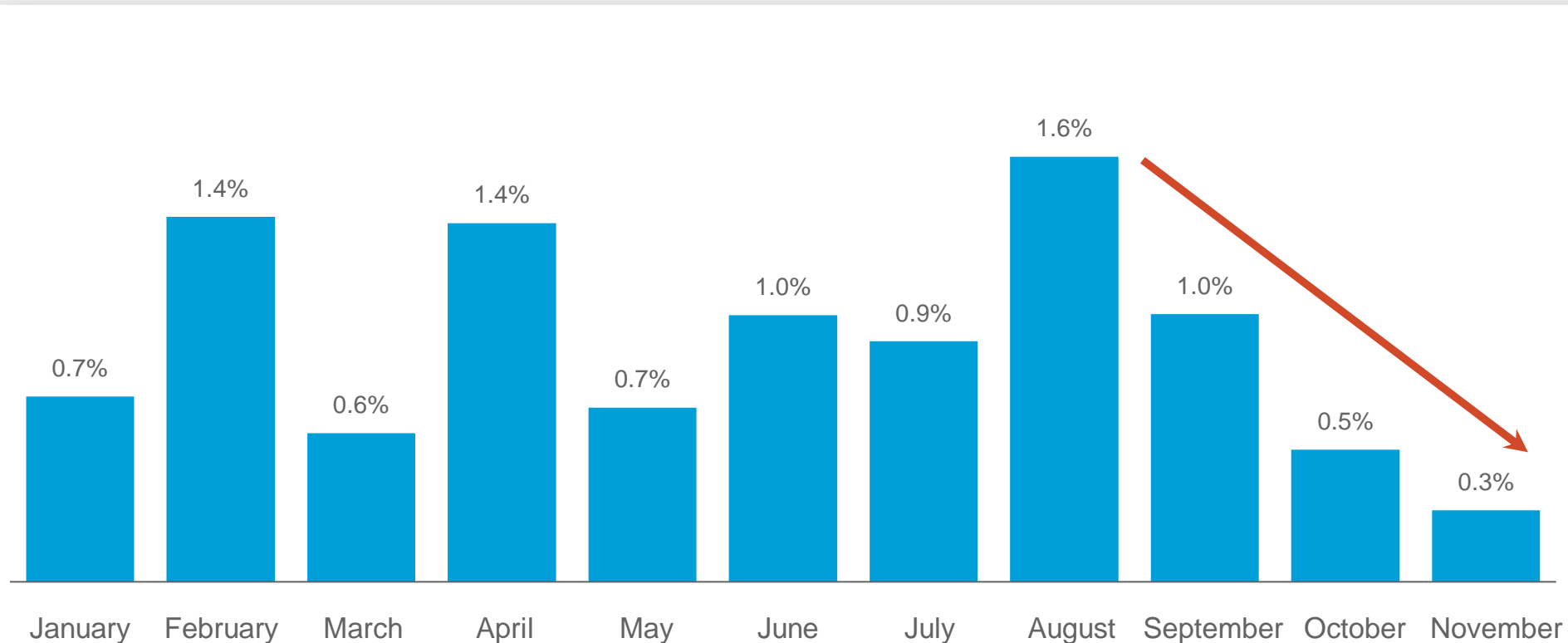
*At-Home Food Inflation
Slowed in November:
+0.3% vs. October and
+13.2% vs. Year Ago (YA)*



- Within the store, perimeter – including produce and deli – has seen **inflation moderate to 8.2% vs. YA. Center store inflation** – including snacks and frozen meals and other frozen foods – is **14.9% vs. YA**, but eased to +0.2% in November **after rising every month in 2022 through October.**
- **Several product categories saw declines in prices in November vs. October** with root vegetables (-7.2%), bacon (-3.4%), butter/margarine/spreads (-2.0%) and chocolate candy (-2.0%) seeing the largest month over month price decreases.
- Inflation varies significantly across the store with the **fresh meat & seafood and alcohol segments only up 4.3% and 6.3% vs. YA.** Other categories, such as **dairy (+23.4%) and bakery (+18.4%)** are up significantly.
- **Thanksgiving Celebrations**
 - **Inflation for the Thanksgiving meal was up 14.2% vs. YA**, driven by pies (+16.6%), side dishes (+17.8) and baking (+17.4%), while main dishes were up 11.8% vs. YA.
 - **There was a strong Thanksgiving sales uplift in 2022** of 72% (vs. pre-Thanksgiving weeks) which is up 6 pts vs. YA Thanksgiving, suggesting that overall Thanksgiving celebrations were not affected by inflation.
 - **~44% of Thanksgiving meal sales were sold on deal**, which is similar to 2021. Fifty percent of main dishes and 54% of pies were sold on promotions.

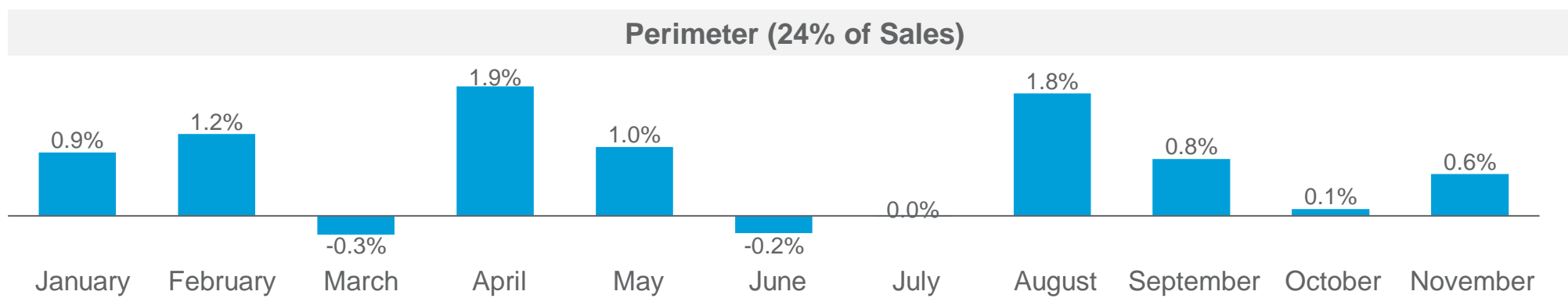
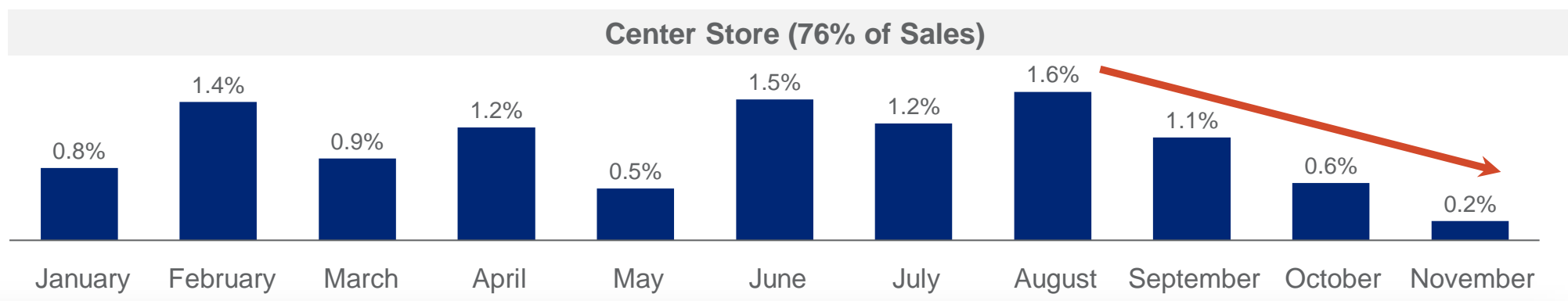
Food Inflation Has Been Moderating Over the Past 3 Months; November Food Inflation Increased at the Slowest Rate in 2022, +0.3% vs. October

2022 Food & Beverage (Including Fresh) Price Inflation by Month, % Change vs. Prior Month / MULOC



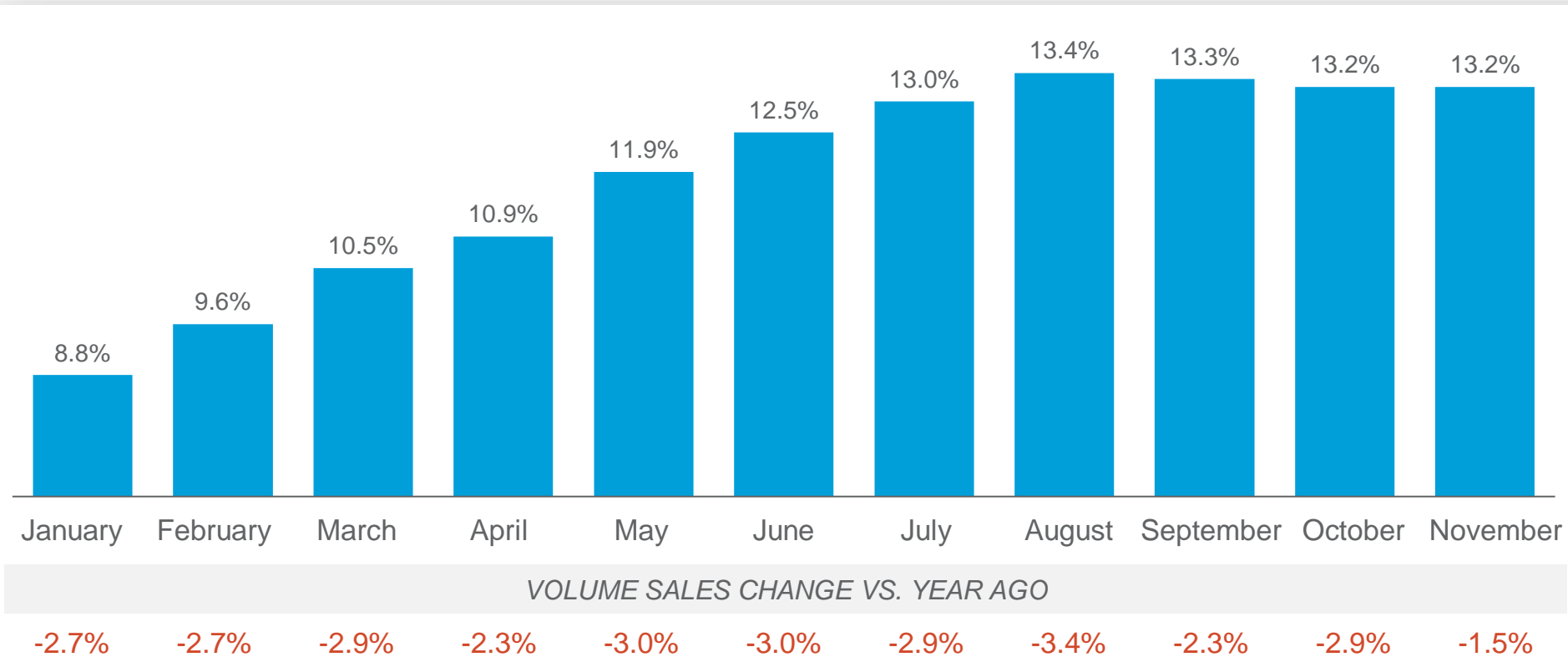
Inflation for Center-Store Categories Moderated the Most

2022 Food & Beverage (Including Fresh) Price Inflation by Month, % Change vs. Prior Month / MULOC



Compared to a Year Ago, Overall Food Inflation Has Stabilized in the Past Few Months

2022 Food & Beverage (Including Fresh) Price Inflation by Month, % Change vs. Year Ago / MULOC

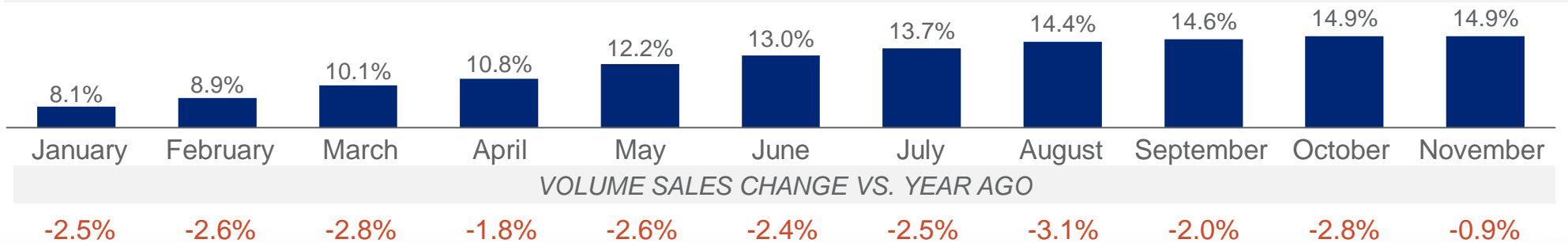


Inflation Levelled Off In Center Store Categories vs. YA, While Perimeter Inflation Continues to Moderate vs. YA

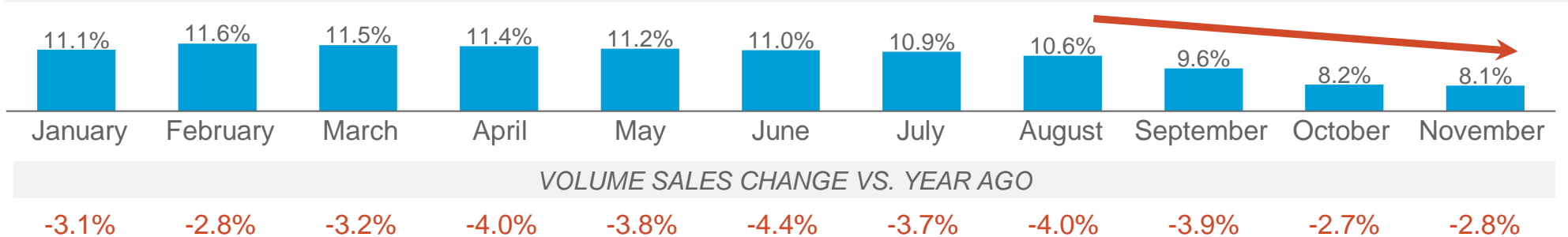
2022 Food & Beverage (Including Fresh) Price Inflation by Month, % Change vs. Year Ago / MULOC



Center Store (76% of Sales)



Perimeter (24% of Sales)



Majority of Categories Continue to be More Expensive, Even as Some Categories See Decline in Prices vs. Prior Month

Large Retail Food & Beverage Categories Where Prices Are Up or Down the Most in November 2022 vs. October 2022

November Price Up the Most vs. October

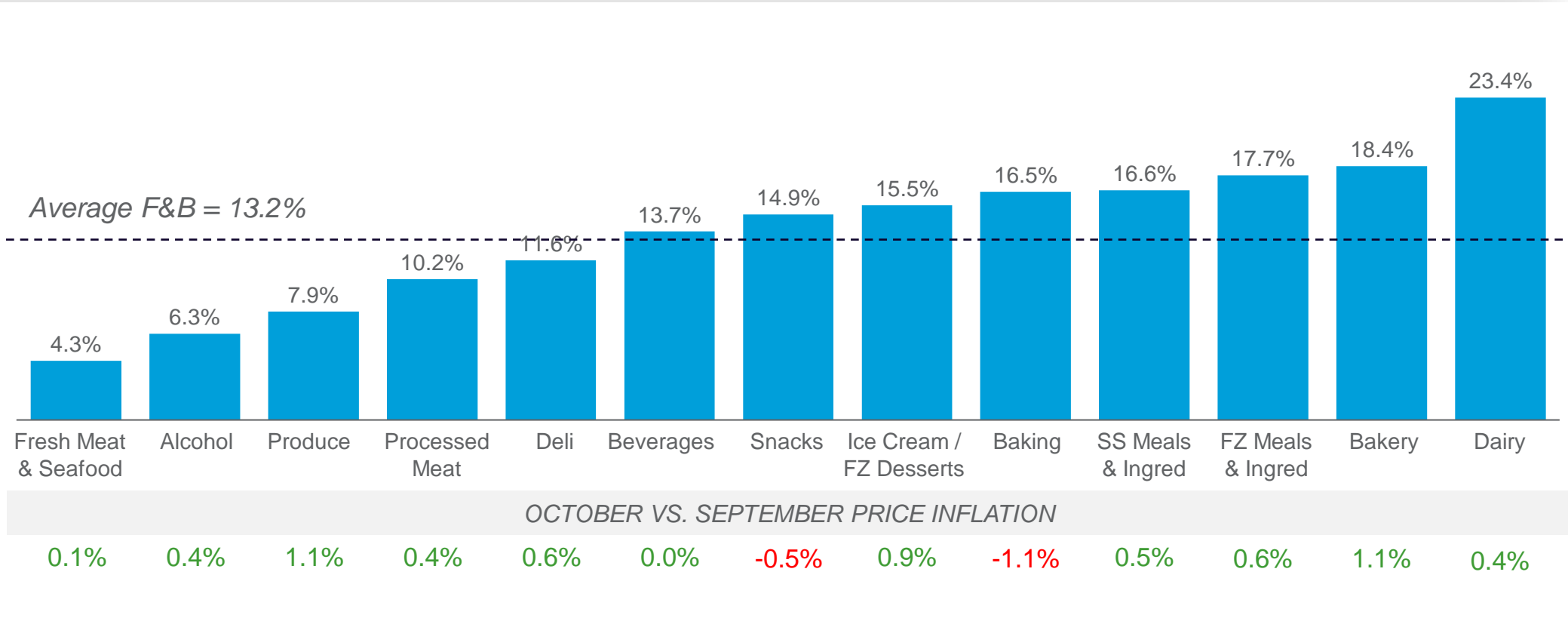
Center Store Category	November Price Change vs. October	November Price Change vs. YA
SS Seafood	3.4%	13.4%
Rfg Eggs	3.0%	68.2%
Frankfurters	2.5%	12.3%
SS Spaghetti/Italian Sauce	2.4%	13.7%
Fz Appetizers/Snack Rolls	2.1%	17.6%
Perimeter Category	November Price Change vs. October	November Price Change vs. YA
Common Fruit	4.5%	5.5%
Snacking/Salad Vegetables	3.2%	7.1%
Salads & Leafy Greens	2.7%	11.1%
Fresh Stone Fruit	2.3%	17.2%
Pork	2.0%	0.0%

November Price Down the Most vs. October

Center Store Category	November Price Change vs. October	November Price Change vs. YA
Bacon	-3.4%	-5.3%
Butter/Marg./Spreads	-2.0%	41.7%
Chocolate Candy	-2.0%	15.1%
Fz Plain Vegetables	-1.8%	19.6%
Non-chocolate Candy	-1.8%	14.5%
Perimeter Category	November Price Change vs. October	November Price Change vs. YA
Root Vegetables	-7.2%	17.1%
Chicken	-1.3%	12.9%
Citrus Fruit	-1.1%	4.4%
Cooking Vegetables	-0.9%	13.1%
Deli Specialty Cheese	-0.1%	10.9%

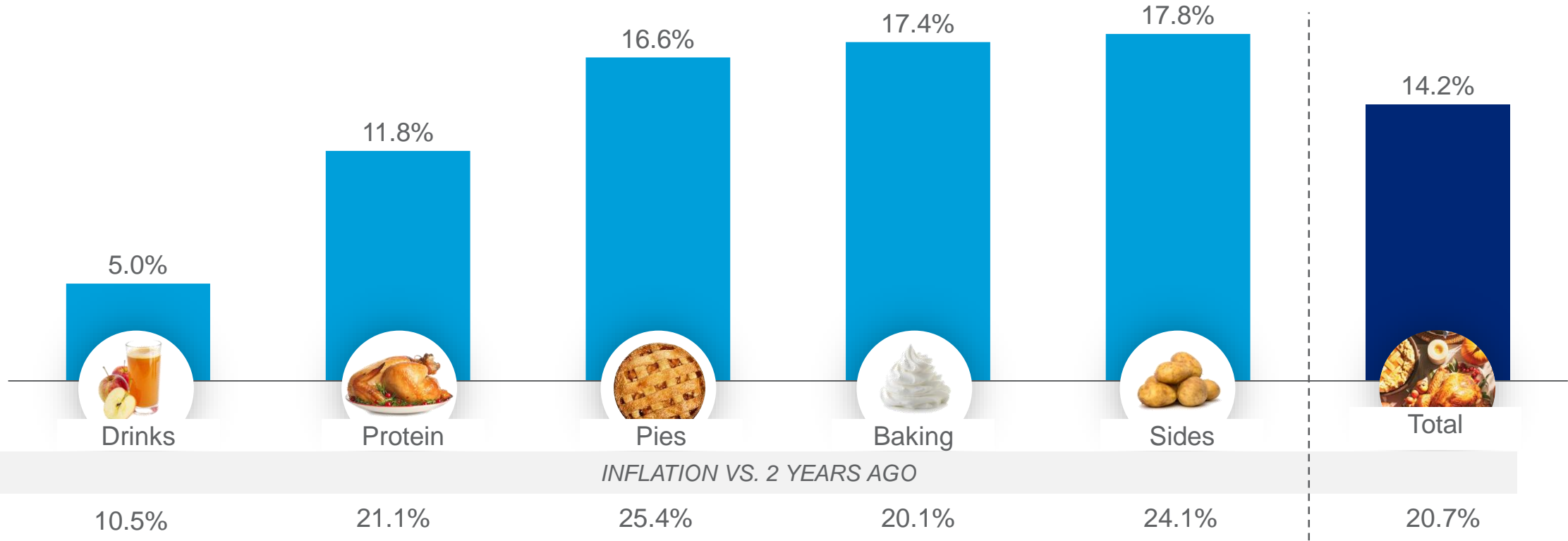
Price Inflation Across Product Segments Varies Widely – Fresh Meat and Seafood and Beverage Alcohol Increases Have Been Low While Bakery and Dairy Are High

Price Inflation (Excluding Mix) by Food & Beverage Segment for November 2022 vs. Year Ago / MULOC



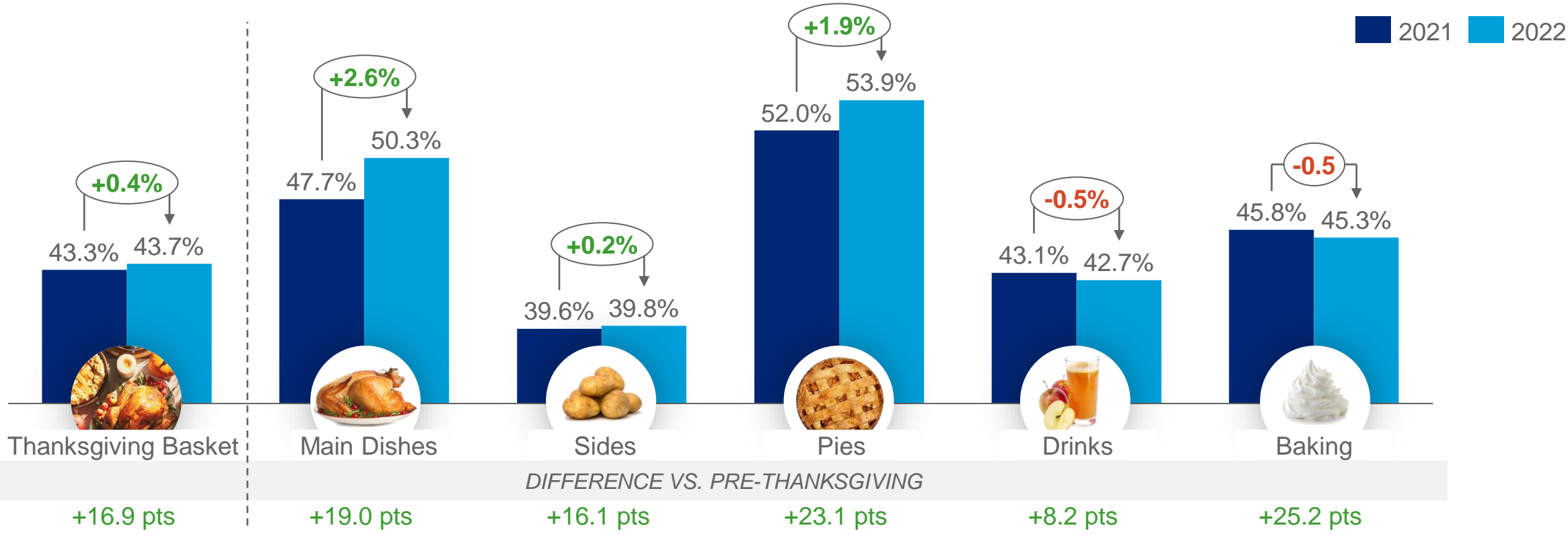
Price Inflation for the Thanksgiving Meal Was Up 14.2% vs. YA and 20.7% vs. 2YA, With Pies, Baking and Sides Seeing Highest Level of Inflation

Price Inflation by Thanksgiving Segment for 4 Weeks Ending 11/27/22 vs. Year Ago / MULO



There Was a Slight Uptick in Promotional Levels for Thanksgiving Products in 2022 vs. 2021

% Dollars Sold On Promotion – Thanksgiving 2022 vs. 2021, MULO

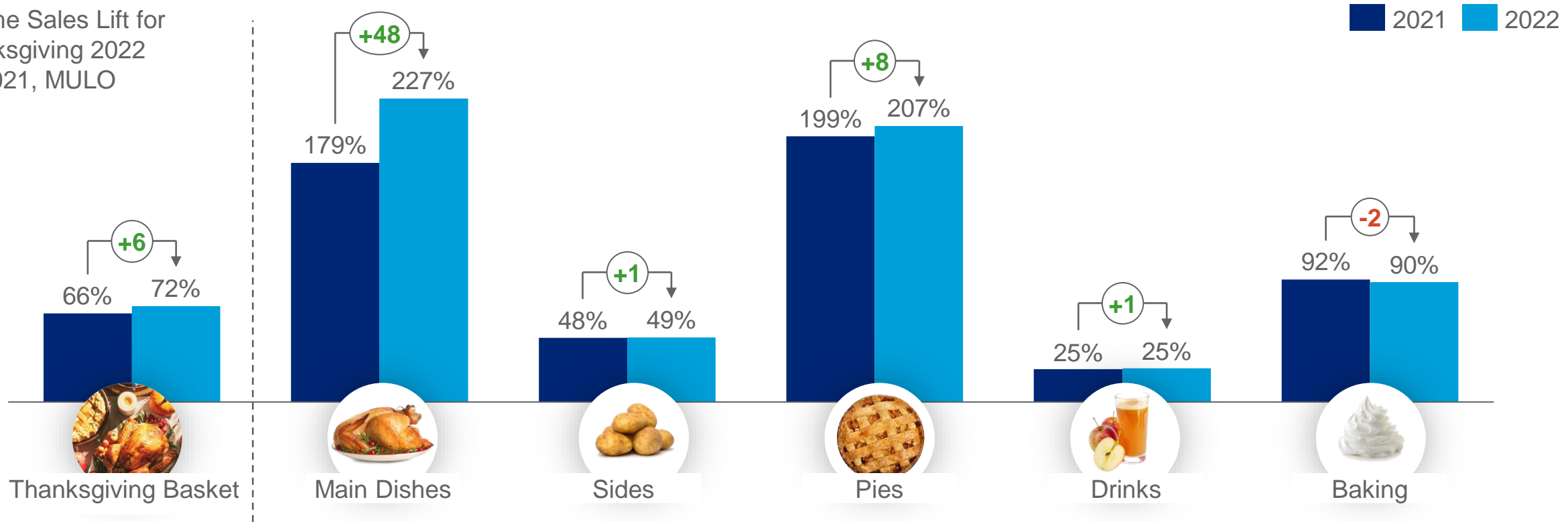


Note: Thanksgiving defined as week of Thanksgiving and 3 preceding weeks; Thanksgiving basket defined by 50 key product sets that see significant sales and sales uplift during Thanksgiving
 Source: IRI MULO POS data ending 11/27/22. IRI Client Engagement

Despite Inflation, Thanksgiving Saw Stronger Sales Uplifts in 2022 than 2021, Driven By a Higher Uplift in Main Dishes (+48ppts) and Pies (+8ppts)

Uplift in Thanksgiving Basket vs. Pre-Thanksgiving Drove \$2.95B in Retail Sales in 2022, Up From \$2.73B in 2021

Volume Sales Lift for Thanksgiving 2022 vs. 2021, MULO



Note: Lifts calculated as difference in avg weekly volume sales across 4 weeks of Thanksgiving (week of and 3 preceding weeks) vs. 8 pre-Thanksgiving weeks; lifts calculated at a category level then dollar weighted to get segments; Thanksgiving basket defined by 50 key product sets that see significant sales and sales uplift during Thanksgiving; Source: IRI MULO POS data ending 11/27/22. IRI Client Engagement



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