

Easter Delivered a Big April for Deli, Dairy and Bakery

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The April Marketplace

The shift in Easter/Passover dates from early- to mid-April moved holiday dollars from March to April, and as such, from the first to the second quarter. Easter is typically a big selling season for deli, dairy and bakery and was the most disrupted of the major holidays in 2020 when most states were under shelter-in-place mandates. In its Easter 2022 overview, the National Retail Federation found that consumer engagement was nearly back to pre-pandemic levels, with 80% celebrating. Average per person spending on all holiday-related purchases was \$170 — a three-year low. Amid 40-year high inflation, consumers expected to spend more on food, but pulled back on spending in all other categories, including clothing, gifts, flowers and decorations.

Inflation not only took the headlines for the Easter holiday, but also dominated everyday spending. “The April 2022 IRI survey of primary shoppers found that 90% of consumers believe food prices are somewhat or a lot higher than last year, of whom 96% are concerned about it,” shared Jonna Parker, Team Lead Fresh for IRI. “This includes 53% who are extremely concerned — the first time this number has moved past half of the population. This compares to 23% of consumers being extremely concerned over coronavirus in this same survey — meaning inflation has a far greater grip on the nation’s food spending than COVID-19 at this point in time.”

As a result of inflation, consumers are taking a wide variety of measures, according to the April IRI survey:

- 35% of consumers are planning on cutting back on restaurant spending; however, that may not automatically translate into fewer restaurant visits. In fact, the consumer estimated share of meals prepared at home dropped slightly below 80%, but still incredibly high at 78.8%. This points to consumers visiting restaurants a bit more than during December through February, but they are finding ways to reduce their spending. Restaurant takeout remains big, as 52% of consumers having ordered restaurant takeout in April 2022, which may also be a money-saving tactic versus eating on-premise. “There is an opportunity here for fresh dairy, deli and bakery,” said Parker. “Restaurant takeout has grown quite popular in household penetration and frequency, but retail has a chance to still pick up some of the dollars that complete the meal. Think about the deli appetizers or charcuterie or a dessert or fresh bread from the bakery. Also, if you have meal-solutions, be sure you are touting those in-store and online so shoppers see they can get their groceries and a good take-out meal all in one place.”
- Opportunities for retail remain the home-cooked meal with 91% of consumers expecting they will cook from scratch as much (72%) or more often (19%) as last year. Another opportunity is renewed in-person socializing with friends and family with 15% expecting to entertain more. “We absolutely see this in the numbers,” added Parker. “For several months now, sales of trays and platters have been among the growth leaders. In-stock availability, a variety of sizes and playing into the hot streak of charcuterie are great ways to grow sales.”
- The slight increase in online shopping with the Omicron wave of COVID-19 has also receded. Describing their last grocery shopping trip, 13% of consumers shopped online and 87% shopped in person. Among those shopping online, pickup was slightly more popular (7%) than delivery (6%).
- An ever-growing 78% of consumers, up from 72% in March, are making one or more changes to save money while shopping for groceries. While consumers tried to combine all grocery needs into one store, one trip in the past few years, 17% of consumers now visit multiple retailers to get the best deals. More commonly, 47% of consumers are looking for sales promotions. However, in the volatile market, both the frequency of promotions and the depth of the discounts are down significantly versus pre-pandemic across departments and consumers are recognizing this. The survey found that 55% of consumers are finding fewer items they want on sale and 44% believe that when they find promotions, the discounts offered are not as deep as in prior years.
- More than half of consumers, 51%, are now stocking up on certain items. This is driven by concerns over out-of-stocks (24%) and worries that prices may rise further (20%).

“These consumer money-saving measures combined with the continued volatility on the supply side are creating an environment of continued change and uncertainty,” said Heather Prach, Director of Education for IDDBA. IRI, IDDBA and 210 Analytics continue to team up to document the ever-changing nature of the marketplace.

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 10.7% in the four weeks ending April 24, 2022 (“April”) versus the same four weeks in 2021. Inflation was in the double digits in the center of the store as well as in perishables and compared to April 2019, prices across all foods and beverages were up 21.3%.

Average price/unit vs. YA	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Jan 22	Feb 22	Mar 22	Apr 22
Total food and beverages	+5.5%	+2.7%	+5.0%	+8.0%	+9.9%	+9.1%	+10.3%	+10.3%	+10.7%

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

On a per unit basis, bakery (covering both in-aisle and perimeter baked goods) and deli inflation were right around the average price increase seen across total food and beverages. Dairy inflation was slightly higher in April 2022 versus year ago, at +13.8%. Due to the weight-variability of many non-UPC baked goods, specialty cheeses and deli prepared items, volume is not equalized across all three spaces.

Average price/unit vs. YA	Q1 21	Q2 21	Q3 21	Q4 21	2021	Q1 22	Apr 22	Vs. YA
Total bakery	+9.0%	+3.6%	+4.1%	+7.8%	+6.2%	+8.8%	\$3.30	+11.3%
Total deli	+2.1%	+3.8%	+4.3%	+7.2%	+4.4%	+9.9%	\$5.53	+10.2%
Total dairy	+3.7%	-0.9%	+3.6%	+4.4%	+2.7%	+12.7%	\$3.26	+13.8%

Source: IRI, Integrated Fresh Total US, MULO

Perishables Performance

In April, total perishables grew 7.6%, with above-average increases for bakery and refrigerated, which includes dairy. The highest gain versus the pre-pandemic normal was generated by meat, up 24.3% in April of 2022 versus April 2019. The departments still selling more units in April 2022 than they did in April 2019 were deli and produce.

April 2022	\$ sales	Change vs. YA	Change vs. 2YA	Change vs. 3YA	Unit sales	Change vs. YA	Change vs. 2YA	Change vs. 3YA
Perishables	\$25B	+7.6%	+1.6%	+21.0%	6.6B	-3.2%	-9.8%	+1.0%
Bakery	\$3.0B	+10.0%	+12.7%	+20.2%	907M	-1.2%	-3.0%	-4.1%
Deli	\$3.2B	+8.1%	+33.3%	+19.9%	586M	-1.9%	15.4%	+4.5%
Meat	\$6.5B	+7.5%	-8.2%	+24.3%	1.0B	-5.3%	-18.6%	-0.8%
Produce	\$5.7B	+4.3%	+1.3%	+16.3%	2.2B	-4.4%	-10.6%	+4.4%
Refrigerated	\$6.1B	+11.8%	-3.7%	+23.8%	1.9B	-1.2%	-12.5%	+0.0%
Seafood	\$493M	-11.8%	-0.4%	+13.0%	57M	-21.9%	-15.1%	-9.5%

Source: IRI Integrated Fresh, Total U.S., MULO, fixed and random weight items combined into department views

Dairy Sales

“The four April weeks generated a little over \$5 billion in dairy sales, an increase of +12.6% year-on-year in addition to being higher than March sales,” said Jessica Ives, Professional Development Coordinator with IDDBA. “Also encouraging is the consistency of the weekly sales levels, all at least \$1.2 billion, which means demand is holding strong — certainly when compared to pre-pandemic levels. Easter week and the week leading up to the holiday were bigger, with robust dollars and unit sales compared to year ago, of course influenced by the later timing.”

Dairy	Dollar sales	Dollars vs. 2021	Units vs. 2021
April 2022	\$5.092B	+12.6%	-1.1%
w.e. 4/3/2022	\$1.226B	-0.4%	-12.3%
w.e. 4/10/2022	\$1.274B	+18.3%	+4.8%
w.e. 4/17/2022	\$1.340B	+26.2%	+11.2%
w.e. 4/24/2022	\$1.192B	+7.8%	-6.4%

Milk was easily the biggest seller in April 2022, at \$1.3 billion, up from \$1.2 billion in March. The next biggest sellers were natural cheese and eggs. The latter overtook yogurt with high inflation due to the Avian Influenza epidemic hitting livestock. The price per unit for fresh eggs reached \$3.71, which was up 31.5% versus April of 2021. The two columns

on the far right of the table below show the change versus year ago in dollars and pounds. The difference between the two percentages is a good proxy for the combination of inflation and fewer sales promotions.

Sales vs. YA										
	2019	2020	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Apr '22	\$ vs YA	lbs vs YA
Dairy	0%	+13%	0%	-9%	0%	+1%	+5.0%	\$5.1B	+12.6%	--
Milk	+1%	+10%	-1%	-6%	0%	+1%	+6.2%	\$1.3B	+13.1%	-2.3%
Natural cheese	+2%	+20%	+2%	-12%	-2%	-2%	-1.0%	\$908M	+3.8%	+1.5%
Eggs	-10%	+18%	-2%	-18%	+2%	+5%	+12.8%	\$672M	+31.8%	--
Yogurt	-1%	+4%	-2%	+5%	+5%	+7%	+7.2%	\$662M	+8.0%	-2.7%
Cream/creamers	+8%	+15%	+7%	-3%	+4%	+3%	+6.7%	\$401M	+11.2%	+1.1%
Butter/margarine	+1%	+17%	-7%	-25%	-7%	-3%	+2.5%	\$401M	+20.8%	+1.2%
Cream cheese	+4%	+18%	+9%	-8%	-1%	0%	+2.9%	\$179M	+18.4%	+4.4%
Processed cheese	-3%	+16%	-6%	-14%	-3%	-3%	+0.7%	\$169M	+5.4%	+1.8%
Whipped toppings	+9%	+22%	+17%	-9%	-2%	+1%	+2.4%	\$119M	+12.7%	+6.4%
Sour cream	0%	+14%	+1%	-17%	-4%	+3%	+4.8%	\$112M	+13.7%	+4.1%
Desserts	+5%	+10%	+7%	+18%	13%	+14%	+11.0%	\$87M	+3.9%	-4.3%
Cottage cheese	-3%	+5%	-4%	-9%	-5%	-3%	+3.0%	\$86M	+3.7%	-4.6%
Cheese snack kits	+5%	-13%	-12%	+12%	-4%	-3%	+16.6%	\$24M	+0.8%	-10.8%
Dairy alternative cheese	+5%	+30%	-5%	-17%	-3%	-11%	-7.9%	\$8M	-6.7%	-10.9%

Source: IRI, Total US, Integrated Fresh, MULO, % growth versus year ago

Deli Sales

“The deli department remained one of the few areas of the store to drive dollars and unit gains,” said Prach. “This is a clear signal that consumers are still willing to pay a little more to save a little time, even amid high inflation. Life is back to its pre-pandemic hecticness in addition to people looking for a little help in the kitchen after two years of cooking significantly more than they had been.”

April 2022	Dollar sales	Dollar gains vs. 2021	Dollar gains vs. 2020	Price per unit vs. YA
Department deli	\$3.2B	+8.1%	+33.3%	+10.2%
Deli cheese	\$279M	+1.3%	-0.4%	+4.7%
Deli entertaining	\$344M	+6.9%	+17.9%	+8.3%
Deli meat	\$595M	+5.5%	+13.8%	+13.4%
Deli prepared	\$1.7B	+11.7%	+66.3%	+11.4%

Source: IRI, Total US, Integrated Fresh, MULO, % growth vs YA

Deli Meat

Deli meat sales (combined fixed and random weight) totaled \$595 million for the four April weeks. While this was certainly an increase in dollars versus year ago, the growth was fully inflation boosted. Only the week leading up to the holding, the week ending April 10th, showed dollar gains above the rate of inflation, at +12.5%.

Deli meat	Dollar sales	Dollar gains vs. 2021	Price per unit vs. YA
April 2022	\$595M	+5.5%	+13.4%
w.e. 4/3/2022	\$150M	+4.5%	+13.3%
w.e. 4/10/2022	\$153M	+14.9%	+12.5%
w.e. 4/17/2022	\$153M	+6.4%	+13.3%
w.e. 4/24/2022	\$138M	-3.1%	+14.4%

Indeed, volume sales were down in the tune of -6.9%. This was much higher than the first quarter result when pound sales were down 4.9%.

Total Deli Meat (FW/RW)			Sales vs. YA							
	2019	2020	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Apr '22	vs 2021	vs 2020
Dollars	+2.1%	+10.6%	+6.5%	+6.6%	+2.2%	+6.0%	+7.0%	\$595M	+5.5%	+13.8%
Volume	+0.0%	+5.6%	+2.6%	+3.0%	-1.6%	-3.2%	-4.9%	59M	-6.9%	-2.7%

Service deli meat remained the largest of the three areas, but all growth was driven by grab & go and pre-sliced deli meat. Grab & go increased in both dollars and pounds over year ago.

Total Deli Meat (FW/RW) \$	Sales vs. YA									
	2019	2020	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Apr '22	\$ vs YA	lbs vs YA
Grab & go	+23.9%	+55.5%	+38.7%	+7.7%	+11.6%	+15.9%	+21.6%	\$180M	+19.5%	+4.1%
Pre-sliced	+5.5%	+20.3%	+13.7%	+4.5%	+5.0%	+12.7%	+6.0%	\$60M	+3.3%	-1.9%
Service	-2.4%	-1.3%	-3.5%	+6.5%	-1.9%	+1.0%	+1.2%	\$354M	-0.1%	-12.1%

Source: IRI, Total US, MULO, Integrated Fresh % growth versus year ago, Deli Pre-Sliced Meat includes known deli products based on IRI's Integrated Fresh research process powered in cooperation with IDDBA.

Packaged lunchmeat, usually cheaper on a per-pound basis, had a strong April as well. Dollars increased 15.6% over year ago and are also above the April 2020 levels. Inflation played a big role here also, with pounds down 1.2% year-on-year and 14.2% versus April 2020, one of the peak selling months for packaged lunchmeat in the pandemic.

Packaged lunchmeat	Sales vs. YA									
	2019	2020	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Apr '22	vs 2021	vs 2020
Dollars	-0.6%	+9.8%	-5.3%	-4.5%	+3.7%	+6.1%	+11.6%	\$463M	+15.6%	+2.0%
Volume	-2.0%	+4.4%	-9.6%	-5.1%	+2.8%	-1.1%	-1.9%	81M	-1.2%	-14.2%

Source: IRI, Total US, MULO, Integrated Fresh % growth versus year ago, Deli Pre-Sliced Meat includes known deli products based on IRI's Integrated Fresh research process powered in cooperation with IDDBA.

Deli Cheese

April 2022 deli cheese sales totaled \$579 million, which was up significantly from \$562 million in March. Sales were up 1.3% over year ago despite very low inflation. "The difference between the holiday week sales, at \$159 million, and the typical weeks shows the impact celebrations can have on deli cheese," said Prach. "This is why so many retailers have self-invented holidays or a 'cheese of the month'-type special, to drive consumer interest and impulse purchases."

Deli cheese	Dollar sales	Dollar gains vs. 2021	Price per unit vs. YA
April 2022	\$579M	+1.3%	+4.7%
w.e. 4/3/2022	\$141M	-9.1%	+3.4%
w.e. 4/10/2022	\$144M	+6.9%	+4.1%
w.e. 4/17/2022	\$159M	+12.7%	+5.5%
w.e. 4/24/2022	\$134M	-4.0%	+5.9%

The low inflation resulted in a relatively small gap between dollars and volume.

Total Deli Cheese (FW/RW) \$	Sales vs. YA									
	2019	2020	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Apr '22	vs YA	Vs 2YA
Dollars	+1.6%	+16.8%	+10.0%	-2.1%	+0.3%	+2.5%	-0.4%	\$579M	+1.3%	-0.4%
Volume	+0.2%	+13.0%	+5.6%	-6.0%	-2.1%	-0.5%	-4.0%	72M	-2.5%	-8.7%

Grab & go and pre-sliced have been highly successful strategies long before the onset of the pandemic and in April 2022 grab-and-go sales exceeded service sales by \$6 million. However, the largest seller was specialty cheese, reaching \$367 million, which was up from \$352 million in March.

Total Deli Cheese (FW/RW)	Sales vs. YA									Price/lb vs YA
	2019	2020	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Apr '22	\$ vs YA	
Grab & go	+7.9%	+29.9%	+15.1%	-6.0%	+2.5%	+4.3%	+5.0%	\$88M	+4.8%	+3.9%
Pre-sliced	-6.3%	+16.1%	+2.6%	-5.2%	+1.8%	+7.0%	+4.9%	\$33M	+5.1%	+4.6%
Service	-1.5%	+0.6%	-6.2%	+1.2%	-3.1%	-6.3%	-7.1%	\$82M	-6.8%	+4.6%
Specialty	+2.0%	+18.7%	+14.0%	-2.3%	+0.1%	+3.7%	-0.7%	\$367M	+2.1%	+3.7%

Source: IRI, Total US, MULO, Integrated Fresh

Deli Prepared and Deli Entertaining

“The April 2022 deli entertaining and deli prepared numbers held up against both 2021 and 2020,” said Parker. “Hand-in-hand with value-added solutions in meat and produce, anything that saves people time and provides an easy entertaining solution is doing very well throughout the store. The large increases versus 2020 have to do with deli entertaining and deli prepared being largely shut down during the early months of the pandemic.”

Deli entertaining	Dollar sales	Dollar gains vs. 2021	Dollar gains vs. 2020
April 2022	\$344M	+6.9%	+17.9%
w.e. 4/3/2022	\$84M	-1.4%	+16.4%
w.e. 4/10/2022	\$86M	+11.3%	+18.0%
w.e. 4/17/2022	\$93M	+16.8%	+30.2%
w.e. 4/24/2022	\$82M	+1.6%	+7.7%

“Deli-prepared had a tough 2020 and even 2019 was not the banner year we had come to expect from deli prepared the decade prior,” added Parker. “However, as consumer mobility has returned with kids back in school, evening activities being back on, and more and more offices opening back up, the pressure on time is back. With it, growth of deli-prepared food sales is returning. It is important to view the time-saving benefits holistically, to include the ease of planning, shopping, preparation and cleanup. Everything matters.”

Deli prepared	Dollar sales	Dollar gains vs. 2021	Dollar gains vs. 2020
April 2022	\$1.7B	+11.7%	+66.3%
w.e. 4/3/2022	\$430M	+11.2%	+65.4%
w.e. 4/10/2022	\$436M	+16.0%	+75.8%
w.e. 4/17/2022	\$440M	+12.8%	+71.1%
w.e. 4/24/2022	\$417M	+7.1%	+53.9%

Most areas in both deli entertaining and prepared foods had strong April results, with only a few areas declining in year-on-year unit sales despite the inflationary climate.

Deli Prepared	Sales vs. YA								Units vs YA	
	2019	2020	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Apr '22		\$ vs YA
Deli entertaining	+5%	+5%	+2%	+9%	+7%	+13%	+10%	\$344M	+6.9%	-1.3%
Dips and sauces	+7%	+10%	+4%	+1%	+2%	+6%	+8%	\$183M	+5.1%	-1.8%
Spreads	-0%	+3%	-8%	-2%	-1%	+6%	-1%	\$71M	-1.4%	-4.7%
Trays	+5%	-19%	+1%	+96%	+47%	+65%	+35%	\$55M	+29.9%	+14.0%
Deli prepared	+5%	-7%	+1%	+32%	+21%	+20%	+15%	\$1.7B	+11.7%	+0.3%
Entrees	+8%	-4%	+13%	+52%	+37%	+33%	+25%	\$447M	+20.7%	+9.0%
Prepared meats	+3%	-7%	-5%	+17%	+10%	+14%	+9%	\$327M	+9.4%	+0.2%
Salads	+3%	-7%	+1%	+30%	+18%	+23%	+15%	\$310M	+11.0%	-1.5%
Sandwiches	+4%	-9%	+5%	+52%	+24%	+23%	+17%	\$227M	+5.9%	-4.6%
Appetizers	+6%	-14%	-10%	+20%	+10%	+12%	+8%	\$136M	+5.8%	-7.6%
Side dishes	-1%	+10%	+6%	+9%	+8%	+5%	+4%	\$99M	+2.7%	-4.9%
Soups & chili	+11%	-13%	-6%	+37%	+41%	+31%	+31%	\$67M	+30.1%	+18.7%
Pizza	+6%	-9%	-10%	+21%	+12%	+6%	+7%	\$55M	+9.8%	+6.1%
Breakfast	+32%	+11%	+11%	+24%	+19%	+6%	+0%	\$29M	-1.6%	-14.1%
Combo meals	+2%	-42%	-35%	+99%	+81%	+12%	+23%	\$15M	+24.5%	+36.9%
Desserts	+	+	-3%	78%	39%	+18%	+10%	\$7M	+3.7%	+4.0%

Source: IRI, Total US, MULO, Integrated Fresh, % increase versus same period year ago, deli prepared foods including both fixed and random weight, includes known deli products based on IRI's Integrated Fresh research process powered in cooperation with IDDBA

Bakery

Both the fresh perimeter and aisle bakery delivered growth in April. Perimeter bakery grew dollars and pounds on below-average inflation. Inflation of aisle baked goods was 12.2% in April of 2022 compared to April 2021, which boosted dollar sales but hurt pound sales.

March 2022 sales	Dollar sales	\$ vs. 2021	Lbs* vs. 2021	Price per lbs vs. YA
Bakery department	\$3.0B	+10.0%	-0.3%	+10.4%
Aisle bakery	\$1.7B	+10.4%	-1.6%	+12.2%
Fresh bakery	\$1.3B	+9.5%	+2.2%	+7.2%

Each of the four April weeks increased in dollars but the unit results were mixed due to the Easter/Passover effect. Easter fell during the first week of April last year, which is why sales during that week are down. But this year's Easter week reached \$813 million, which was more than \$100 million more than the subsequent week

Bakery	Dollars sales	\$ vs. 2021	Units vs. 2021
April 2022	\$3.0B	+10.0%	-1.2%
w.e. 4/3/2022	\$727M	-0.4%	-7.0%
w.e. 4/10/2022	\$741M	+13.6%	+3.4%
w.e. 4/17/2022	\$813M	+21.9%	+5.4%
w.e. 4/24/2022	\$708M	+6.0%	-6.0%

— once more demonstrating the impact of holiday Fresh, MULO, % growth versus year ago. *Where weight is equalized, excludes some bulk items sold by each.

Center Store Bakery

Baked goods items found in the “aisle” or center-store area adjacent to the fresh bakery, increased 10.1% in April 2022 versus year ago. Overall unit sales were virtually flat, with some areas up, others down. Center-store Cakes gained the most, at +10.3% in units versus year ago — another sign of the return of gatherings and celebrations.

Center store baked goods	Current sales vs YA									Units vs YA
	2019	2020	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Apr '22	\$ vs YA	
Breads	-0.2%	+10.1%	-3.5%	-8.9%	+0.0%	+2.4%	+9%	\$712M	+10.1%	-0.3%
Buns & rolls	+1.8%	+16.8%	+3.9%	-5.8%	-0.4%	+3.8%	+7%	\$356M	+3.2%	-8.5%
Snack cakes	+2.6%	+8.5%	+1.9%	-1.2%	+7.4%	+9.9%	+14%	\$108M	+17.4%	+0.5%
Bagels/bialys	+4.4%	+22.7%	+13.8%	-4.8%	+5.1%	+7.0%	+12%	\$106M	+15.0%	+6.0%
Donuts	+0.2%	+13.5%	+4.6%	-2.8%	-0.4%	+9.2%	+19%	\$99M	+17.3%	+3.4%
Muffins	-12.5%	+13.2%	+10.5%	+22.0%	+15.9%	+26.2%	+20%	\$71M	+20.4%	+6.1%
Cookies	+3.1%	+7.9%	-9.3%	-5.4%	+4.3%	+2.7%	+28%	\$64M	+30.5%	+6.6%
English muffins	-2.1%	+14.8%	+5.0%	-13.2%	-1.4%	+0.1%	+5%	\$61M	+8.8%	-0.8%
Pastry/Danish/ coffee cakes	+3.3%	+5.8%	+1.9%	+4.1%	+10.8%	+11.0%	+13%	\$46M	+6.1%	-8.3%
Cakes	+0.3%	+11.1%	+3.6%	+0.7%	+13.8%	+12.0%	+29%	\$35M	+25.5%	+10.3%
Brownies/bars	-1.1%	+9.7%	+2.7%	+7.4%	+19.2%	+6.1%	+13%	\$34M	+8.0%	-7.9%
Pies	-2.5%	+15.0%	-1.2%	+0.1%	-1.3%	-0.3%	-6%	\$19M	-10.2%	-32.9%
Wraps/flatbreads	-1.2%	+13.5%	+3.7%	+6.1%	-3.6%	+1.1%	-1%	\$19M	-0.3%	-6.7%
Croissants	-19.9%	+13.1%	+15.9%	+34.4%	+25.1%	+15.0%	+23%	\$8M	+10.3%	-2.2%

Source: IRI, Total US Integrated Fresh, MULO

Perimeter Bakery (including both fixed and random weight)

April 2022 continued to see great engagement with the perimeter or fresh bakery section. Every area grew dollars, and many grew unit sales as well. These include celebratory items, including cakes and cookies, but also morning bakery, including Danishes, muffins and donuts.

Perimeter bakery	Current sales vs YA									Units vs YA
	2019	2020	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Apr '22	\$ vs YA	
Cakes	+2.5%	-2.7%	+7.1%	+23.7%	+13.8%	+15.8%	+9%	\$404M	+6.3%	+1.2%
Cookies	+6.0%	-2.7%	+2.4%	+21.8%	+15.7%	+19.4%	+13%	\$175M	+18.0%	+4.6%
Pastry/Danish/ coffee cakes	+7.8%	+2.7%	+9.1%	+17.6%	+16.0%	+14.1%	+10%	\$124M	+8.0%	-11.5%
Breads	+2.9%	+6.8%	+0.7%	+2.2%	+1.8%	-0.4%	+1%	\$104M	+2.6%	-3.2%
Muffins	+4.6%	-0.9%	+3.4%	+19.7%	+21.0%	+21.3%	+19%	\$88M	+19.2%	+13.0%
Donuts	+1.6%	-17.8%	-11.0%	+31.0%	+15.4%	+15.0%	+17%	\$81M	+20.9%	+15.7%
Pies	+2.2%	-0.7%	+7.2%	+12.5%	+1.8%	+4.5%	+3%	\$71M	+0.9%	-24.2%
Buns & rolls	+1.5%	-2.6%	-5.7%	+9.9%	+10.6%	+8.9%	+9%	\$69M	+9.7%	+3.4%
Croissants	+25.6%	+14.0%	+14.7%	+24.1%	+19.4%	+20.7%	+21%	\$44M	+17.2%	+11.0%
Brownies/bars	+6.5%	+2.2%	+15.3%	+26.7%	+19.2%	+2.4%	-5%	\$25M	+0.6%	-1.9%
Wraps/flatbreads	+3.7%	+10.1%	+7.2%	+7.7%	+7.7%	+9.3%	+10%	\$23M	+10.1%	+1.4%
Bagels/bialys	+6.0%	-8.8%	-11.8%	+14.0%	+19.3%	+17.7%	+20%	\$21M	+22.4%	+22.2%
Specialty desserts	+7.6%	-30.4%	-18.0%	+37.0%	+25.5%	+27.2%	+13%	\$10M	+6.5%	+32.0%

Source: IRI, Total US Integrated Fresh, MULO, % growth versus year ago includes fixed and random weight baked goods known to be commonly found in the perimeter bakery area based on IRI's Integrated Fresh research process powered in cooperation with IDDBA.

What's Next?

The war in Ukraine, the renewed COVID lockdowns in China, record inflation, labor shortages and supply chain challenges will have a continued effect on food and frozen food sales in the months to come.

- Inflation is likely to boost dollar sales while pressuring unit and volume sales.
- More Americans are growing worried about their financial health and ability to purchase what they need.
 - 38% of households report that their current financial health is strained.
 - 32% of household expect their financial situation will look worse a year from now.
- Online shopping seems to be plateauing in engagement: 3% expect to purchase all groceries online, whereas 69% expect to exclusively purchase in-store. The remaining 28% have a hybrid system in which they buy some items online, others in person. This is the most likely area of continued sales growth for grocery e-commerce in case of increased online shopping frequency and/or greater online spending.

The next report in the IRI, 210 Analytics and IDDBA performance series will be released mid-June covering the May 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