

Fresh Mushroom Sales Review; 4 and 52 w.e. 4.21.2024

# **April in Review**

* With above-average inflation in food-away-from-home in the past few months, life remains home-centric.
* According to Placer.ai, that tracks foot traffic using geolocation data from mobile devices, restaurants have been losing traffic to supermarkets, supercenters and convenience stores. Restaurant traffic is down the most at full-service restaurants, at -8% since 2019. These findings are corroborated by Technomic that reported a decrease in restaurant traffic last year, particularly in the back half of the year as concern about restaurant prices increased. As reported in Restaurant Business, Placer.ai noted a 17% increase in convenience store traffic in comparison to 2019, +12% at supermarkets and +7% at supercenters. The National Association of Convenience Stores confirms this, reporting an 8.2% increase in c-store sales, with foodservice accounting for 27% of dollar sales.
* As retail inflation is slowing, unit and volume declines are leveling out for some departments in the Circana MULO+ universe. The produce department was the first to achieve positive unit growth. In the first quarter of 2024, deli prepared, meat, dairy and floral were other areas to achieve unit and volume growth.
* Easter shifted from the second to the first quarter this year, but the 4/21/2024 quad week includes both last year’s and this year’s Easter timing.

**Important Data Notice**

Circana has expanded the Multi-Outlet universe to include additional retailers that were previously not represented nor projected. This includes ALDI and eight regional retailers. time period history and geographies have been updated.

## **Fresh Mushroom Dollars, Units and Volume Performance**

The quad-week generated a little more than $100 million in sales, which was down less than 3% from year-ago levels. Unit and pound declines were slightly higher when compared year-over-year.

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| Fresh mushrooms | 4 weeks ending 4/21/2024 | Vs. 2023 | Vs. 2022 | Latest 52 w.e. 4/21/2024 | Vs.  2023 | Vs.  2022 |
| Dollars | $103.01 million | -2.8% | -4.5% | $1.338 billion | -3.1% | -4.0% |
| Units | 36.85 million | -3.0% | -6.8% | 476.44 million | -2.6% | -9.0% |
| Volume (pounds) | 22.72 million | -3.5% | -6.4% | 359.47 million | -2.9% | -9.6% |

Source: Circana, Integrated Fresh, MULO, YTD and 4 weeks ending 4/21/2024

When comparing the quad week’s performance to the prior quad week, volume patterns remained consistent with prior years. Volume sales during quad week four tend to be slightly lower than those seen during quad weeks two and three. Volume sales shrunk by 0.7%, slightly less than last year’s decline (see forecasting tab).

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| **Pound growth rates versus PRIOR PERIOD** | **Quad week 1** | **Quad week 2** | **Quad week 3** | **Quad week 4** | **Quad week 5** | **Quad week 6** | **Quad week 7** | **Quad week 8** | **Quad week 9** | **Quad week 10** | **Quad week 11** | **Quad week 12** | **Quad week 13** |
| 2017 |  | -1.5% | -2.6% | -1.8% | -3.2% | -3.5% | -1.6% | -0.5% | 1.0% | 1.5% | 1.4% | 7.9% | 7.3% |
| 2018 | -1.0% | -3.3% | -0.9% | -3.2% | -1.9% | -3.8% | -3.4% | -2.0% | 2.9% | 1.7% | 0.4% | 9.4% | 4.1% |
| **2019** | 6.6% | -4.4% | -2.9% | -1.1% | -2.9% | -3.1% | -3.9% | -2.4% | 3.4% | 0.9% | 0.4% | 8.1% | 4.6% |
| 2020 | 4.0% | -2.5% | 12.1% | 4.2% | 1.8% | -8.3% | -4.1% | -2.8% | -0.5% | 0.3% | 2.5% | 4.2% | 4.2% |
| 2021 | 5.4% | -5.9% | -4.8% | -0.6% | -4.3% | -3.3% | -5.7% | -1.0% | 2.1% | -0.7% | 1.8% | 4.8% | 2.8% |
| 2022 | 3.4% | -4.9% | -2.4% | -3.0% | -2.9% | -4.4% | -3.4% | -1.1% | 0.9% | 0.5% | 4.0% | 6.6% | 1.6% |
| 2023 | 2.7% | -3.9% | -2.0% | -0.9% | -2.2% | -3.9% | -3.8% | -1.8% | 0.6% | 1.9% | 2.3% | 8.0% | 0.2% |
| 2024 | 1.9% | -3.7% | -1.6% | -0.7% |  |  |  |  |  |  |  |  |  |

Source: Circana, Integrated Fresh, MULO, quad weeks 2017-2024

## **Inflation**

Mushroom prices decreased over the past year, both on a per unit and per pound basis. During the quad week, prices were mostly flat.

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| Fresh mushrooms | 4 w.e. 4/21/2024 | | Vs. 2023 | Vs. 2022 | Latest 52 w.e. 4/21/2024 | Vs. 2023 | Vs.  2022 |
| Price/unit | | $2.80 | +0.2% | +2.5% | $2.81 | -0.6% | +5.5% |
| Price/volume | | $4.53 | +0.7% | +2.0% | $4.58 | -0.2% | +6.1% |

Moderation in price increases went hand-in-hand with greater promotional activity. During the latest quad-week period 20.7% of total fresh mushroom dollars sold while on promotion. This was up 2.4%.

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| Fresh mushrooms | 4 w.e. 4/21/2024 | | Vs. 2023 | Latest 52 w.e. 4/21/2024 | Vs. 2023 |
| Share of dollars sold on promotion | | 20.7% | +2.4% | 19.6% | +17.3% |

Source: Circana, Integrated Fresh, MULO, YTD and 4 weeks ending 4/21/2024

## **Performance by segment**

White mushrooms represented 53.0% of mushroom dollars and 59.4% of pounds in the four-week period. These shares are slightly higher than during typical quad weeks. Crimini mushrooms are the next largest seller and had a better year-on-year volume performance in comparison to white mushrooms. Crimini mushrooms experienced an increase in pounds and dollars compared to 2022 sales.

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| **4 weeks ending 4/21/2024** | **Dollars** | **Dollar share** | **$ sales vs. 2023** | **$ sales vs. 2022** | **Volume (lbs)** | **Lbs**  **share** | **Lbs  vs. 2023** | **Lbs vs. 2022** |
| **Total fresh mushrooms** | **$103.0M** | **100.0%** | **-2.8%** | **-4.5%** | **22.7M** | **100.0%** | **-3.5%** | **-6.4%** |
| White mushrooms | $54.5M | 53.0% | -2.4% | -5.5% | 13.5M | 59.4% | -4.6% | -8.6% |
| Crimini mushrooms | $34.6M | 33.6% | -2.1% | +3.7% | 7.2M | 31.7% | -1.6% | +2.7% |
| Portabella mushrooms | $8.8M | 8.5% | -3.5% | -22.1% | 1.6M | 7.2% | -1.8% | -20.7% |
| Specialty mushrooms | $5.1M | 4.9% | -9.7% | -8.2% | 0.4M | 1.7% | -8.1% | -7.3% |

Source: Circana, Integrated Fresh, MULO, 4 weeks ending 4/21/2024

## **Additional observations:**

* Package size: 8-ounce packages generated 55.0% of total sales in the four-week period, a slightly smaller share than during non-holiday periods. Eight-ounce packages experienced a 2.3% decline in dollar sales. 16-ounce packages are the next largest seller, at 17.1% of dollar sales, and dollar sales were down 7.8% year-on year versus -16% during the prior quad week — pointing to an increase in 16-ounce purchases during the Easter holiday period
* Organic vs. conventional: Organic mushrooms made up 10.0% of pounds and sales were flat (-0.3%) during the quad- week period. This was a slightly better performance than conventional that declined by 3.1%.
* Whole vs. sliced/diced: Whole mushrooms slightly outperformed sliced/diced mushrooms, which dollars down 2.3% versus 3.3%. The same was true for units and pounds.

Source: Circana, Integrated Fresh, MULO, 4 or 52 weeks ending 4/21/2024