

Fresh produce growth at U.S. retailers in the week ending May 10 held steady at 17% year-on-year, with citrus, avocados and berries continuing to lead the growth in the fruit category.

Growth in both fresh fruit and vegetables also remained stable, at 12% and 23%, respectively.

"We have seen double-digit increases for fresh produce seven out of the past nine weeks," said Joe Watson, VP of membership and engagement for the Produce Marketing Association (PMA).

"I am encouraged to see another week of 17% year-over-year growth. In addition to the elevated everyday demand because of more at-home meal occasions, the summer season has many holidays and celebrations, opportunity for backyard cookouts and slowly getting families and friends back together.

"As the meat department is challenged to add items for the weekly circular amid current shortages, the pressure is on the produce department to carry the front page. Let's put the many summer fruits and vegetables in the spotlight!"

Berry sales rose by 16% US\$183m while avocado sales rose by 16% US\$58m, according to IRI data cited in a joint report with the Produce Marketing Association and 210 Analytics.

Meanwhile, oranges saw 69% growth to US\$32 million and lemons saw 40% growth to US\$19 million.

Table grapes were the only top 10 selling fruit to miss out on the year-on-year growth, with sales falling by 2% to US\$57 million. Apples, bananas, and tangerines were the only top 10 fruits to see single-digit growth.

"Fruit is hitting its stride here in the past few weeks," said Jonna Parker, Team Lead, Fresh for IRI. "While vegetables have seen a stronger performance during the pandemic, it is also fair to point out that vegetables had been outperforming fruit for a few years."

All top 10 vegetable items in terms of dollar sales gained double-digits the week ending May 10, with increases ranging from 12% for lettuce to 47% for potatoes.

"This is elevated everyday demand at work," said Parker. "Excellent and prolonged gains in items like lettuce, potatoes, peppers and onions can only mean one thing: America is cooking. And that will have positive impacts for a long time to come."

Fresh produce's sales share is normalizing

Meanwhile, over recent weeks there has been a gradual recovery of fresh produce's share of total produce sales, while frozen and canned produce continue to see slow declines from their mid-March peak.

The share of fresh produce has recovered from 70% of total produce sales two months ago to 80% in the week ending May 10. In 2019 overall, fresh took an 84% share.

Meanwhile, canned produce sales have more or less returned to normal from 19% to 11%, while frozen's share has dropped from 11% to 9%, but remains higher than the 2019 average of 6%.

“Slowly but surely fresh is getting back to the market share it had pre-pandemic,” said Watson.

“When shoppers were in their stock-up mindset, the share of fresh to total fruit and vegetable sales across the store stood as low as 70%, but in the latest week fresh is back to 80% despite some deflationary pressure.”

Both frozen and canned have upward pressure on prices since the onset of coronavirus in the U.S.