

The Produce Marketing Association recently hosted [another](#) webinar “Retail with the Experts: Outlook on 2021”, to talk about how the pandemic has impacted retail trends and what insights they provide, along with the changes that have happened over the past year.

Amid the Covid-19 pandemic, there have been various challenges faced by the fresh produce industry, such as new consumer expectations and engagement, the shift to digital sales and product introduction and innovation.

This webinar focused on how the fresh produce industry can make the most of Covid-19 instigated changes to boost 2021 sales by the growth of digital sales, new item strategies and focusing on shopper needs versus wants.

The [PMA](#) webinar featured Anne Marie Roerink from 210 Analytics, Melinda Goodman of Full Tilt Marketing, Dennis Host from Coborn’s and Shawn Peery of Albertsons; and was moderated by Joe Watson from PMA.

The panelists shared different perspectives on how retail has changed and will continue to change moving ahead while navigating different challenges the industry faces.

Starting the dialogue, Roerink began by sharing that produce had a strong performance in 2020, and into January as well.

Across the board, dollars for the total produce department were up 11.4 percent with vegetables at a 14.7 percent growth ahead of fruit at 8.6 percent growth; units increased 11.6 percent and volume as well with 11.3 percent, she said.

Moving on to explain produce shopping trends in 2020, household penetration was high at 99.3 percent.

Looking at the individual category household penetrations “is really where the growth is because they aren’t anything like the 99 percent”.

The number of trips people took was nearly 81, which was up 4.4 percent and “the significance of that is overall a lot of stores saw fewer trips and fewer people in the store, which means we had better conversion rates”.

“Spending per trip also saw a nice boost of 6.8 percent, the reason being less frequent trips makes buying for more meal occasions, a longer period of time and in many cases for more people sitting around the table at home.”

“That then translates into the overall spend per buyer which increased more than 11 percent, so great numbers there.”

Looking into packaged produce versus random weight, Roerink said she cautions people when looking at the numbers, as it seems that fixed weight is outgrowing random weight.

“The important question is, are people buying packaged because it is the item that they are wanting regardless of whether it was packaged, or does packaging have something to do with it, and we don’t know.”

On her last slide, Roerink talked about how merchandising was much less in 2020 than in previous years, the number of pounds sold on promotion dropping 17.9 percent for fruit and 27.6 percent for vegetables.

Goodman spoke about how retailers can grow their brands and engage in their communities moving into 2021 using their momentum from last year.

“The reality at the end of the day is if we are going to have any takeaway, it should be that 2020 was about impact; cultural, political, ethical, financial and community impact.”

Looking at the numbers, sales have been successful at retail, but “this is a moment for all of us to say, our communities are only as successful as every business and every person within them”.

“There has never been a better opportunity for retailers, growers and members of the fresh fruit and vegetable industry to say, 'How do we connect in our communities in a truly meaningful way to make a difference?'"

“Produce has always been an impulse purchase, so the question is how do we continue making those experiences online and making sure those experiences exist for retailers in person.”

Host followed and shared insight on how changes in consumer sentiment can be leveraged for the future.

The company’s customers, along with shoppers in general, are wanting to eat healthier and to build a stronger immune system, all while needing to have confidence in where they are shopping to provide good produce, he said.

“Over the last year specifically, in terms of trust of the value proposition that we deliver, the

confidence in what we are putting on our shelves and that translates all the way to how the customer is entrusting us to put in their bags.”

He also said, “our produce departments are probably amongst the most experiential part of the shopping trip, the most visually appealing area in the store. Today’s customers expect more from us and it isn’t just about price.”

From a retail perspective, Peery shared insight into product and supply chain innovation moving forward in this year.

“There have been a lot of challenges, but we really rallied as an industry to innovate just to get products to the stores and take care of the communities.”

Regarding product innovation, Peery said to always optimize your current assortment and to continue challenging yourself.

“Innovation drives category growth, so looking at items that really drive customer experience like introducing new favorites.”

When asked about what will be some of the strongest trends for this year Peery said: “A lot of new habits have been created since the beginning of the pandemic such as cooking at home, healthy snacking trends, immunity boosters, plant-based products is a big trend and organics continue to grow.”

“Food has always been a social, communal experience... and that isn’t going to go away,” Goodman said.

“This year, entire communities are going to be able to go to picnics and have family gatherings so it is going to be a big entertaining year.”