

Produce Department Channel Dynamics

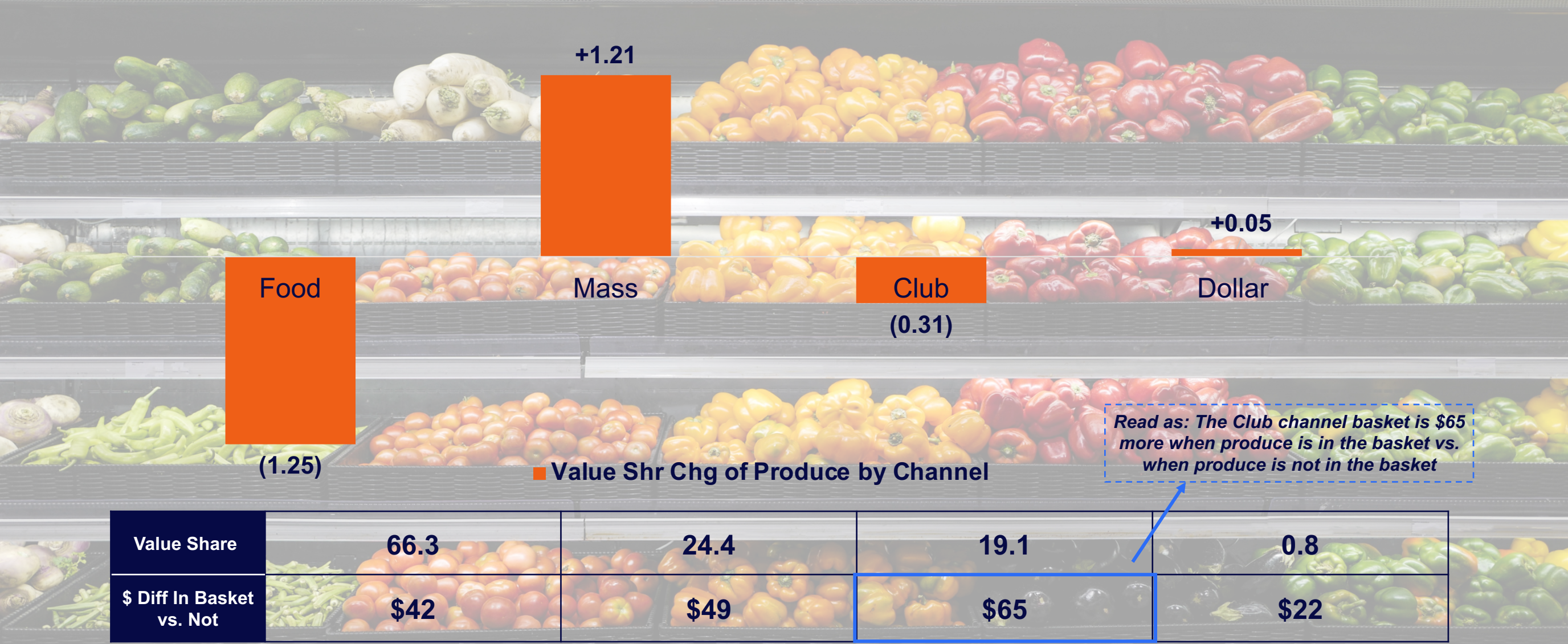
The **Produce Department** drove **82%** of total \$ growth of all perishable departments within Total US xAOC

Value Channel* Produce grew units
+6.1%
growing **20x** faster than Total US xAOC

77.3% of Value Channel* Produce gains were from \$ shifting from Grocery stores

Avg. basket size values are **128%** higher with produce in the Value Channel*

Mass Retailers drive the growth in Produce for Value Channel* And Trips with Produce are more valuable within the Value Channel*



Source: NielsenIQ Panel On Demand Homescan, Rolling 52 w/e 4/27/24, Value Channel*=Mass+Club+Dollar Retailers

Winning categories offer value through convenience & price

The top categories drive over half of the unit growth within Value Channel*

Growth Contribution of Top 5 Fruit & Veg Categories by Units Value Channel*



Source: NielsenIQ Discover, Total US xAOC+C, L52 w/e 5/18/24 *Value Channel=Dollar+Mass+Club

Key Takeaways

1. Produce is growing and selling faster within the Value Channel (Mass+Club+Dollar Retailers), shifting away from traditional Grocery stores. As shoppers shift towards store formats that offer greater value for necessities like produce, ensure your pricing and assortment is optimal for the channel and you're proving your relevance to the category buyers.
2. Produce is highly incremental to the total basket and is a differentiator for the Value Channel, driving basket sizes up by 128% when present. Ensure your retailer partners understand the value of having fresh produce readily available in store, are stocking the right offering, and having it merchandised appropriately.
3. Established categories like Bananas and Citrus continue to find substantial growth in the Value Channel due to their convenience and snackable nature. Suppliers in other produce categories have opportunity to compete by innovating within value-add produce to add convenience to their offerings.

Reach out to your NIQ representative to learn how you can explore the channel dynamics of your category through Discover Panel on Demand!



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