

IFPA's U.S. Produce Retail Point of Sales Results

January 2025 | The five weeks ending 2/2/2025

Written by:

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A Strong Start of the Year for the Produce Department

The traditional produce powerhouses, including berries, apples, tomatoes and potatoes, delivered big in January. Top 10 newcomers, including mangoes and kiwis, added new dollars for a strong start to 2025.

WHAT'S NEW

January
IN REVIEW

Consumer Optimism Dips; E-Grocery Soars

- The University of Michigan's Consumer Sentiment Index for January 2025 showed a decline, dropping to 71.1 from 73.2 in December. This marks the first decrease in six months. Consumers indicated being concerned about the labor market and potentially higher prices due to tariffs on imports. The decrease in consumer sentiment was widespread, affecting consumers across different political affiliations, age groups and income levels.
- The January Circana primary shopper survey shows that the consumer price perceptions of grocery-type items remain unchanged, with 84% believing prices continued to rise and 96% worried about prices.
- In response, 55% of consumers look for sales promotions frequently and 44% refrain from buying non-essential items. Consumers also continued to move dollars and trips to value-focused retailers over full-service supermarkets. This has led to substantial dollar distribution shifts over the past few years.
- Lower-income consumers are the most likely to be concerned and implement a host of changes to their food buying behaviors, including eating at restaurants less often.
- According to Brick Meets Click/Mercatus, the U.S. online grocery market closed out 2024 on a high note. December was the fifth consecutive month of sales exceeding \$9.5 billion, driven by strong growth in all fulfillment methods and aggressive promotions on memberships and subscriptions. Total eGrocery sales climbed 9% for the year, with the second half of the year driving the momentum.

MONTHLY
SALES REVIEW

Wednesday New Year's Holiday Timing Drives Gains

The Wednesday timing of the New Year's holiday prompted a strong first week of January, with pound sales up 2.5% year-over-year. The third week also had strong gains, up nearly 6% over the prior year.

As such, all major holidays have driven growth for the produce department and continuing to lean into primary, secondary and self-invented holidays can be a way to accomplish gains in 2025.

	Dollars	\$ vs. YA	Lbs vs. YA
January 2025	\$8.9B	+3.0%	+2.0%
W.E. 1-05-25	\$1.8B	+3.7%	+2.5%
W.E. 1-12-25	\$1.8B	+2.5%	+1.3%
W.E. 1-19-25	\$1.8B	+6.5%	+5.9%
W.E. 1-26-25	\$1.7B	+1.6%	+1.0%

POWER FACTS

STATE OF PRODUCE

January 2025	Price/Lb. vs. YA	\$ Sales	\$ vs. YA	Lbs. vs. YA
Fresh Fruits	\$1.94 +2.1%	\$4.5B	+4.9%	+2.7%
Fresh Vegetables	\$2.01 -0.2%	\$4.3B	+1.1%	+1.3%

Share of Dollars



TOP GROWTH COMMODITIES (NEW \$)

🇺🇸 Absolute \$ gain vs. YA

When regarding absolute dollar growth, berries top the list with an additional \$66.9 million in sales compared to January 2024. Avocados were a very strong second, with an absolute dollar gain of \$54 million. Mangoes appeared in the top three for the first time, with an increase of \$32 million. While cucumbers lost a few places compared to the height of #cucumbersalad, it remained a top 10 growth commodity in January. All top 10 commodities grew in volume sales, with the one exception of lettuce that grew \$ million year-over-year due to inflation.

Product	\$ vs. YA	\$ sales vs. YA	Lbs sales vs. YA
Berries	+\$66.9M	\$1.2B	+13.2%
Avocados	+\$53.8M	\$360M	+0.6%
Mangoes	+\$31.9M	\$70M	+162.9%
Apples	+\$23.1M	\$537M	+0.9%
Onions	+\$16.1M	\$344M	+2.6%
Oranges	+\$15.8M	\$212M	+12.2%
Kiwis	+\$15.5M	\$56M	+34.0%
Peppers	+\$14.5M	\$335M	+2.2%
Cucumbers	+\$12.7M	\$209M	+6.6%
Tangerines	+\$12.3M	\$47M	+39.9%



COMMODITY SPOTLIGHT

The produce department generates \$69.8 million in fresh mango sales annually.

- Mango sales were on fire in January, with a dollar increase of 84.3% versus year ago. Lunar New Year celebrations potentially played into this surge.
- January saw heavy promoting of mangoes, with 40% sold on merchandising.
- January sales are about a tenth of annual sales of \$714 million.
- In the 52-week view, dollar sales increased 6.6% and units increased 4.7%.

Inflation Insights

In January 2025 (the five weeks ending 2/2/2025), the price per unit across all foods and beverages in the Circana MULO+ universe stood at \$4.24. This reflects an increase of 2.8% over January 2024. Fresh food prices averaged \$4.30, which was an increase of 4.3% over January 2024. The upswing in January prices was influenced by substantial inflation in eggs. Egg prices have broken past previous records due to HPAI's ongoing impact on egg layers. Center-store prices averaged \$3.94, an increase of 1.8% over January 2024.

Food & beverages	2019	2020	2021	2022	2023	2024	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Jan 2025
PPU	\$3.13	\$3.31	\$3.49	\$3.93	\$4.17	\$4.24	\$4.18	\$4.24	\$4.24	\$4.30	\$4.24
Change	+2.0%	+5.7%	+5.5%	+12.5%	+6.1%	+1.7%	+1.2%	+1.5%	+1.9%	+2.2%	+2.8%



"In January, the produce section ranked as the third-largest perimeter department, following meat and dairy. I was pleased to see strong growth in dollar, unit, and volume sales to kick off 2025, with impressive performances from berries, tomatoes, onions, and other produce powerhouses that rank in the top 10 month after month. While these staple commodities are key, I always keep an eye out for seasonal surges, as they can really shape the success of the year. This January, mangoes stood out with an 84% increase in dollar sales. Leveraging items sold during primary, secondary and micro seasons as well as seasonal items is key to setting new records in 2025."

- Joe Watson, IFPA's VP of Retail, Foodservice and Wholesale

FUTURE OUTLOOK

The holidays continue to deliver for grocery retailing.

- Super Bowl represents substantial spikes for center-store and perishable items at retail, including chips, avocados, chicken wings and other items focused on entertaining. Repeating similar promotions for other sporting events, including March Madness, can help secure a greater share of total dollars spent on sporting events. For Super Bowl LIX, 27% of consumers who watched the event ordered food from a restaurant.
- While Valentine's Day was traditionally a larger occasion for foodservice, the holiday turned retail-centric at the onset of the pandemic. Restaurant foodservice has never quite recovered to 2019 levels. With the holiday on a Friday and during the weekend the next few years, bringing easy, tasty and cost-effective solutions for a special meal at home across fresh departments will be key.
- The Easter season is much longer this year, with Easter Sunday moving from March 31st in 2024 to April 20th.

IFPA Expands Global Retail Market Research

As IFPA continues to develop our global retail market research, we are thrilled to announce our newest commissioned data in partnership with Nielsen IQ. This data will be released monthly for markets in Mexico, Spain, Italy, and the United Kingdom. Each of these markets holds strategic value for understanding consumer trends and how consumers engage in markets outside of the United States.

For any questions, please reach out to Joe Watson, IFPA's VP of Retail, Foodservice, and Wholesale at jwatson@freshproduce.com

METRICS

January 2025 sales	\$ Sales	\$ vs. YA	Lbs vs. YA
Fresh Fruits and Vegetables	\$8.9B	+3.0%	+2.0%
Fresh fruit	\$4.5B	+4.9%	+2.7%
Berries	\$1.2B	+5.7%	+13.2%
Apples	\$537M	+4.5%	+0.9%
Grapes	\$484M	-2.2%	-5.9%
Bananas	\$372M	-0.4%	+3.0%
Avocados	\$360M	+17.6%	+0.6%
Mandarins	\$261M	-3.1%	-1.0%
Oranges	\$212M	+8.0%	+12.2%
Melons	\$187M	-7.8%	-19.6%
Pineapples	\$114M	+3.4%	-4.1%
Lemons	\$107M	+5.2%	+8.8%
	Dollars	\$ vs. YA	Lbs vs. YA
Fresh vegetables	\$4.3B	+1.1%	+1.3%
Tomatoes	\$480M	+1.0%	+4.2%
Potatoes	\$432M	-1.9%	+1.6%
Onions	\$344M	+4.9%	+2.6%
Peppers	\$335M	+4.5%	+2.2%
Lettuce	\$323M	+2.1%	-3.5%
Salad kits	\$308M	-2.9%	-5.4%
Cucumbers	\$209M	+6.5%	+6.6%
Carrots	\$185M	+1.2%	-2.3%
Broccoli	\$169M	+7.8%	-0.2%
Mushrooms	\$154M	-4.6%	-1.7%
January sales	\$ Sales	\$ vs. YA	Lbs vs. YA
Meat department	\$10.3B	+7.8%	+3.5%
Dairy aisle	\$10.8B	+13.9%	+3.0%*
Deli department	\$5.3B	+2.8%	+0.1%
Bakery department	\$4.4B	-0.8%	-1.5%*
Seafood department	\$817M	+2.7%	+0.5%

For more information, please reference IFPA's full consumption data at <https://www.freshproduce.com/resources/Commodities/>