TRENDS IN SALES OF FRUIT – A RETAIL PERSPECTIVE

Stone Fruit Market Observatory

3 June 2021

EuroCommerce
for retail & wholesale

General trends in retail in 2021

- grocery spending at an all time high (due to HoReCa closures, lockdowns)
- going towards a ‘new normal’ - retail will once again need to rebalance its role within the broader ecosystems with Horeca
- Impact of the pandemic: consumers both uptrading and downtrading
- In 2020-21, significant shift towards healthy/sustainable/local product:
  - ✓ 30% of European consumers will focus on **healthy** eating in 2021
  - ✓ 60% of European consumers are willing to pay more for **sustainable alternatives** - 70% for fresh food (fruit, vegetables, and meat)
- Increased demand for organically certified products

Source: McKinsey 2021

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General remarks on trends for fruit

- High sensitivity of consumers to buy national fruits associated to local certifications such as DOP or IGP

- Technology is improving productions standards, reducing pesticides and waste

- Increase in organic production

- TBD effect of recent thunderstorms/April-May frost and rain –prices are expected to increase

France: general trends in 2021

- historic frost in April (most severely the Rhône Valley), with consequences for fruit production in 2021
- half of the fruit trees in France were affected by the frost
- stone fruits such as cherries, peaches and apricots were the most severely affected
- **prices are expected to increase in 2021**

- **<u>peach</u> production in France will be down on the already low level of 2020, as a result of the historic frosts that hit all regions, with the Rhône corridor the most affected**

- **Estimated <u>apricot</u> production for the 2021 campaign would fall by 43% compared to the already low production of 2020 and by 60% compared to the 2016-2020 average. To date, this would be the lowest production for at least 46 years. The European harvest, also affected by episodes of frost, would be the lowest for at least 30 years**

- **French <u>cherry</u> production could fall by 60% in 2021. This would be the lowest production for at least 46 years. The cherry being a particularly sensitive fruit, early production estimates can quickly change according to possible climatic or sanitary events that may occur between now and the harvest**

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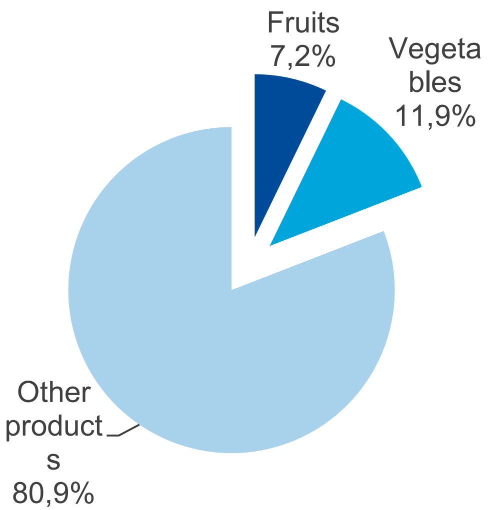
France: key data for fruit & vegetables (home consumption)

- The consumption of fruit and vegetables (fresh and processed) represents 38 billion euros, 18% of the French food expenditure (home consumption)
- Fresh fruit and vegetables account for 69% of consumption at home of fruit & vegetables

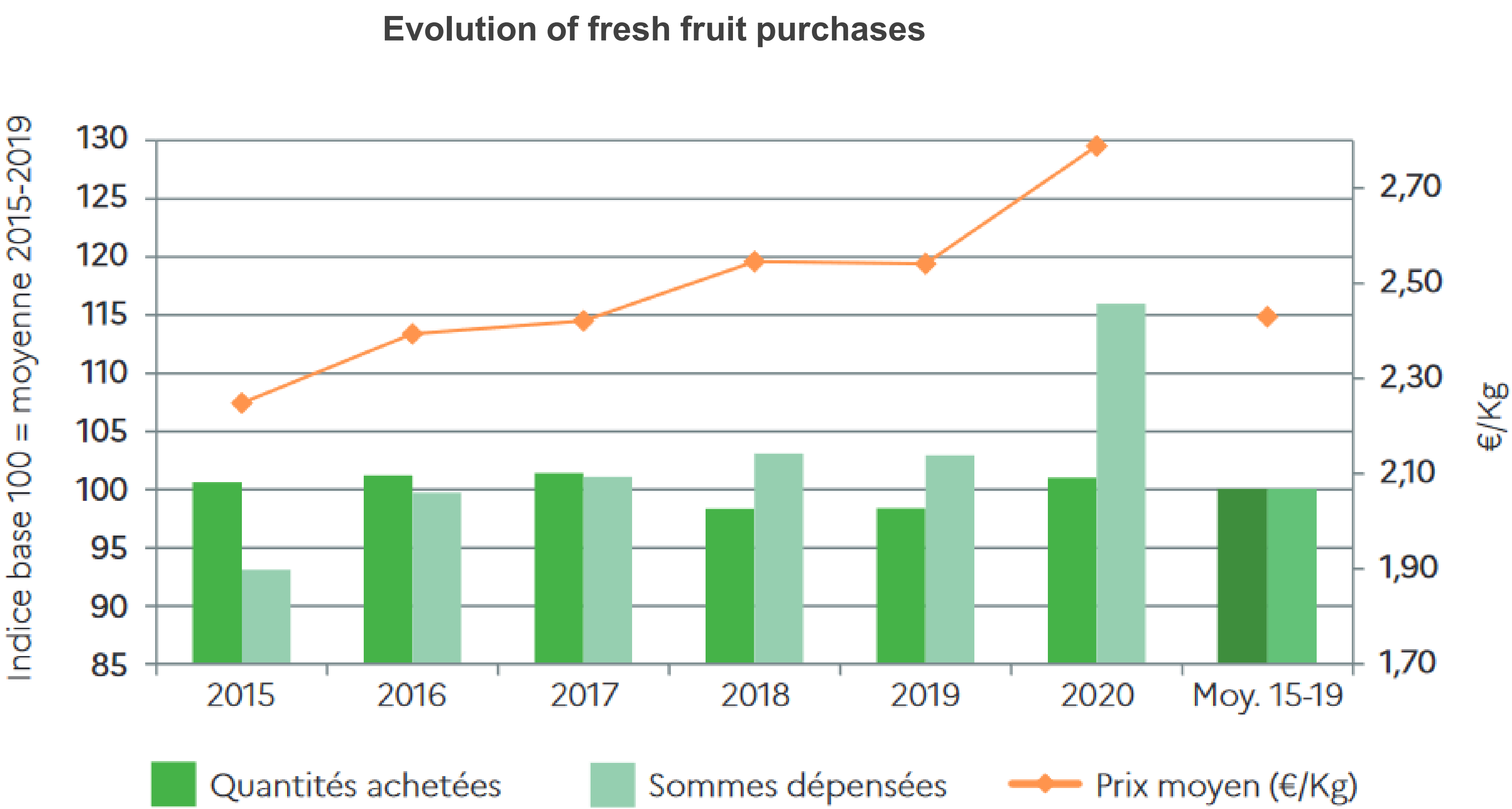
Million € 2020	Total	Fruit	Vegetables
Fresh	69%		
Processed	31%		
Total	**38 221**	**14 446**	**23 775**

consumption breakdown (2020 % value)



Source: INSEE - 2020

France: evolution of fresh fruit purchases



Source: Kantar Worldpanel - 2020

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France: highest increases in consumption in 2020

TOP Fruits : Évolution en valeur
(sommes dépensées pondérées par le poids du produit dans le rayon)

En hausse	Var. 2020/2019
Kiwi	+ 22%
Raisin	+ 21%
Orange	+ 21%
Citron	+ 21%
Poire	+ 19%
Fraise	+ 17%
Pomme	+ 15%
Clémentine-mandarine	+ 15%
Avocat	+ 13%
Banane	+ 9%
En baisse	
Fruits-Fraîche découpe	- 7%
Abricot	- 7%

Source: Kantar Worldpanel

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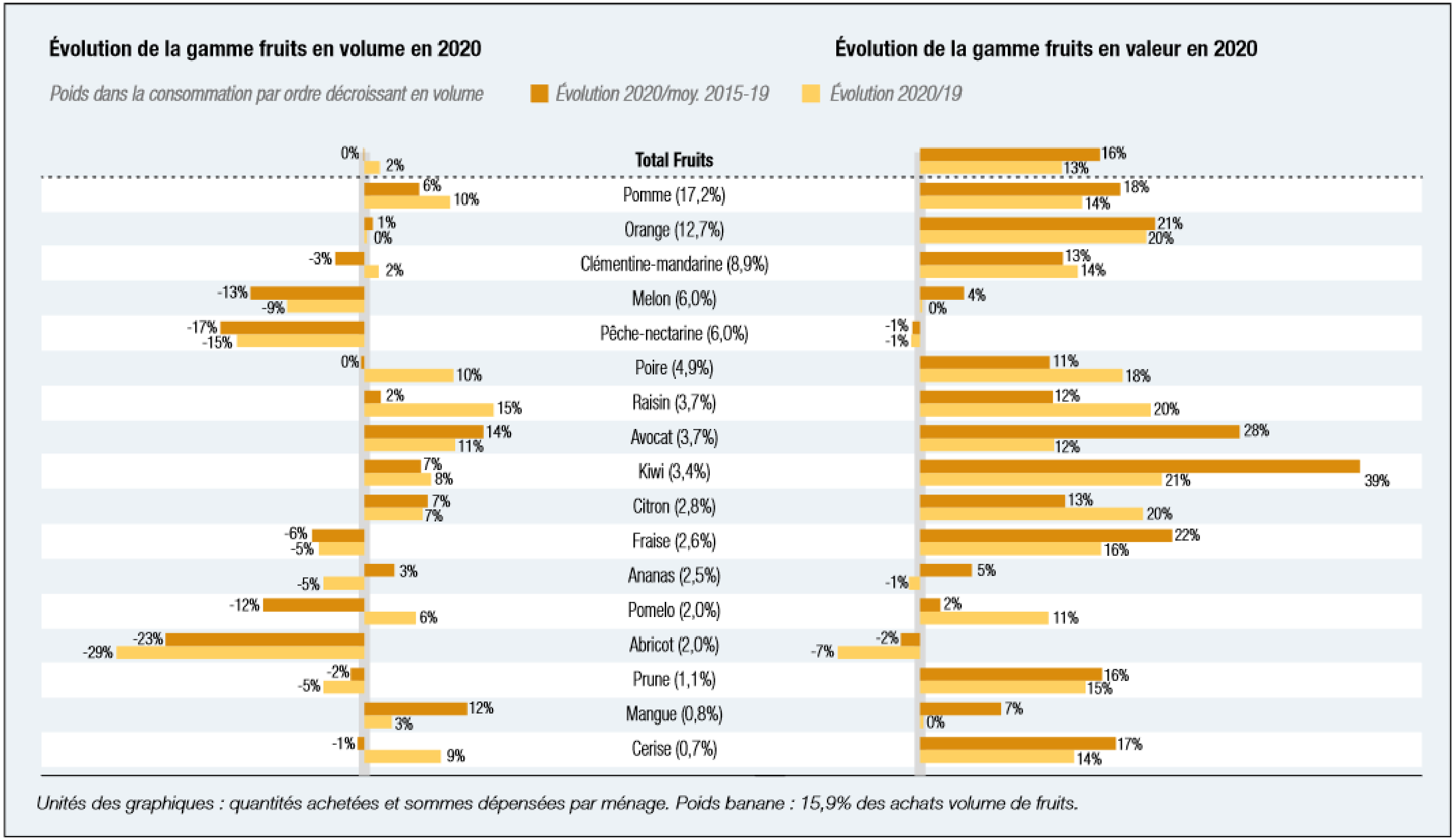
France: fruit consumption



Source: Interfel - 2020

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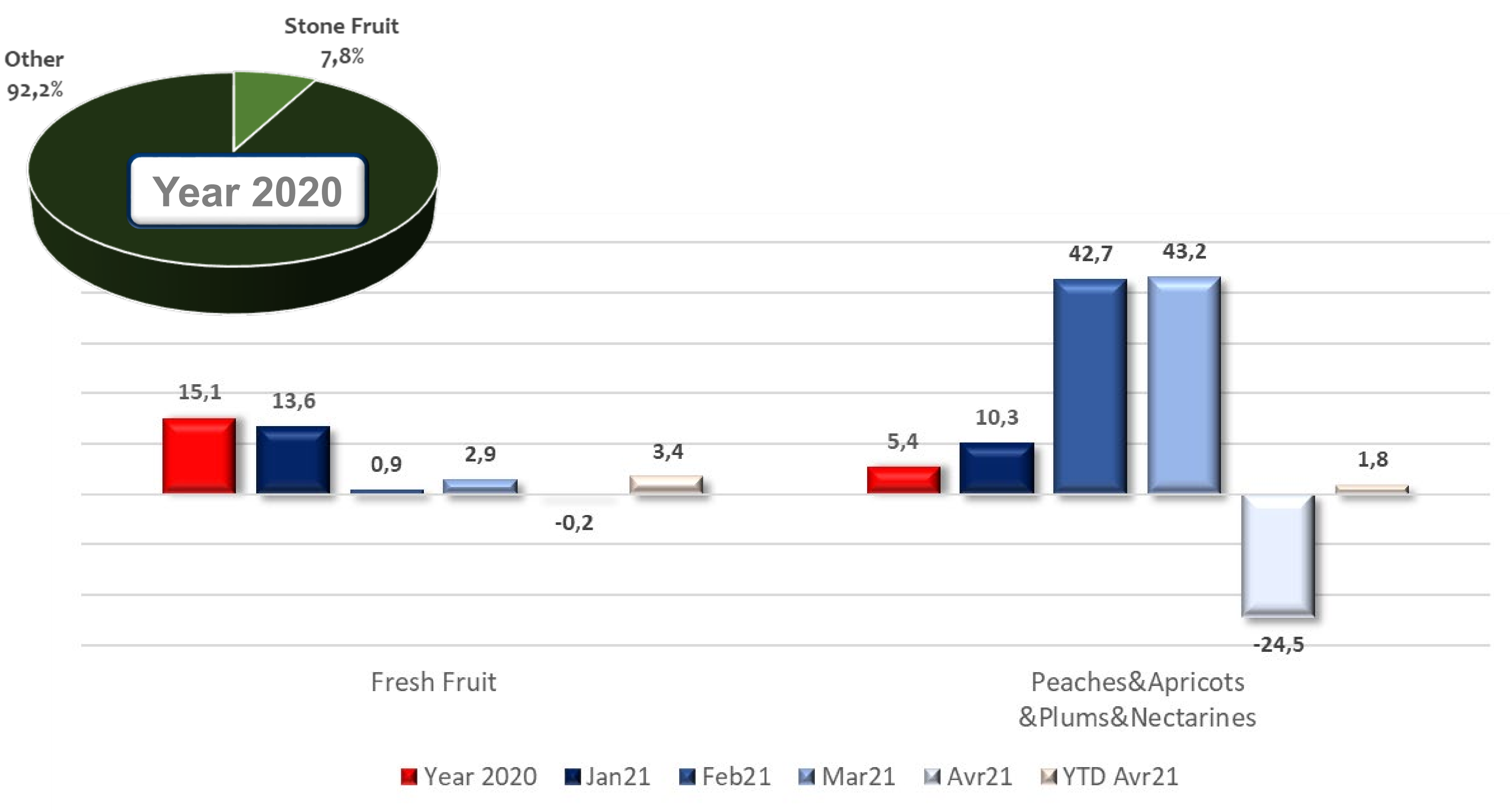
Italy

FRESH FRUIT - Trend in the modern Retail – Sales value (Yoy)



Source: Nielsen Trade Service

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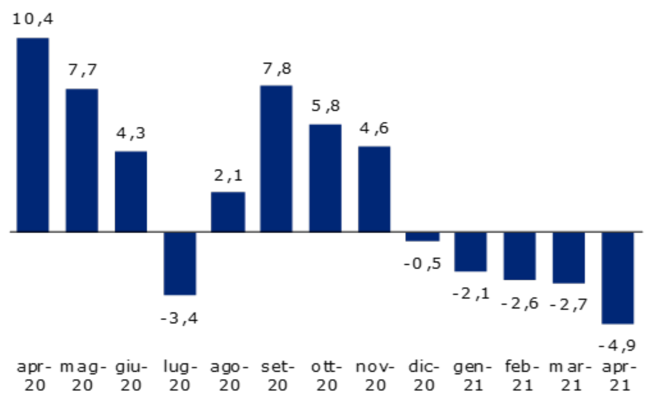
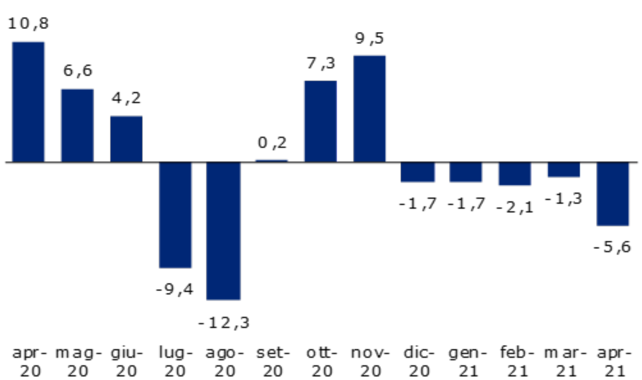
Prices evolution YoY – Hypermarkets and supermarkets - Variable weight

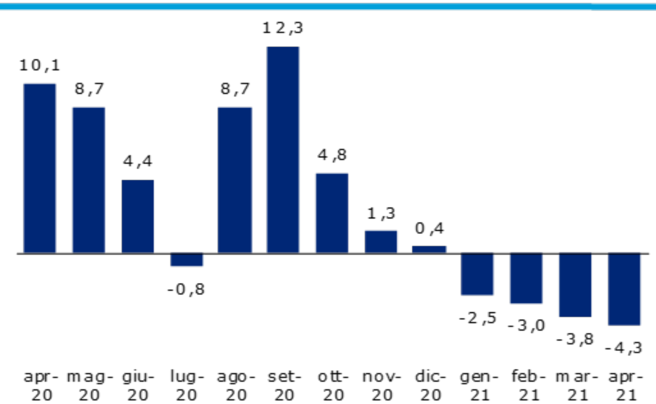
ORTOFRUTTA PV



VERDURA PV



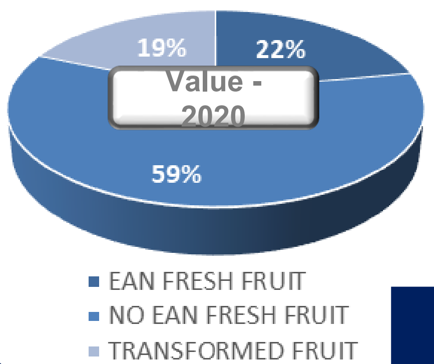
FRUTTA PV



Source: IRI – Carrello della spesa

Italy

Consumer Panel Data – Sales value and volume (Yoy)



	Value 2020 vs 2019	Volume 2020 vs 2019	Value YTDApr21 vs YTDApr20	Volume YTDApr21 vs YTDApr20
FRUIT	**9,1%**	**0,3%**	**-2,0%**	**-3,0%**
FRESH FRUIT	10,9%	0,2%	-1,8%	-2,4%
EAN FRESH FRUIT	13,6%	6,3%	4,2%	1,3%
EAN FRESH FRUIT – Citrus	18,5%	9,1%	-14,1%	-3,1%
EAN FRESH FRUIT – Fruit with shell	7,2%	6,5%	5,2%	10,2%
EAN FRESH FRUIT – Other fruit	15,5%	4,0%	18,8%	6,1%
NO EAN FRESH FRUIT	9,3%	-1,8%	-6,0%	-4,2%
NO EAN FRESH FRUIT – Citrus	11,6%	-2,1%	-12,5%	-5,3%
NO EAN FRESH FRUIT – Fruit with shell	12,2%	4,3%	9,4%	19,9%
NO EAN FRESH FRUIT – Other fruit	8,6%	-1,9%	-4,3%	-4,3%
TRANSFORMED FRUIT	1,8%	0,5%	-2,7%	-5,7%

Source: CPS - Nielsen

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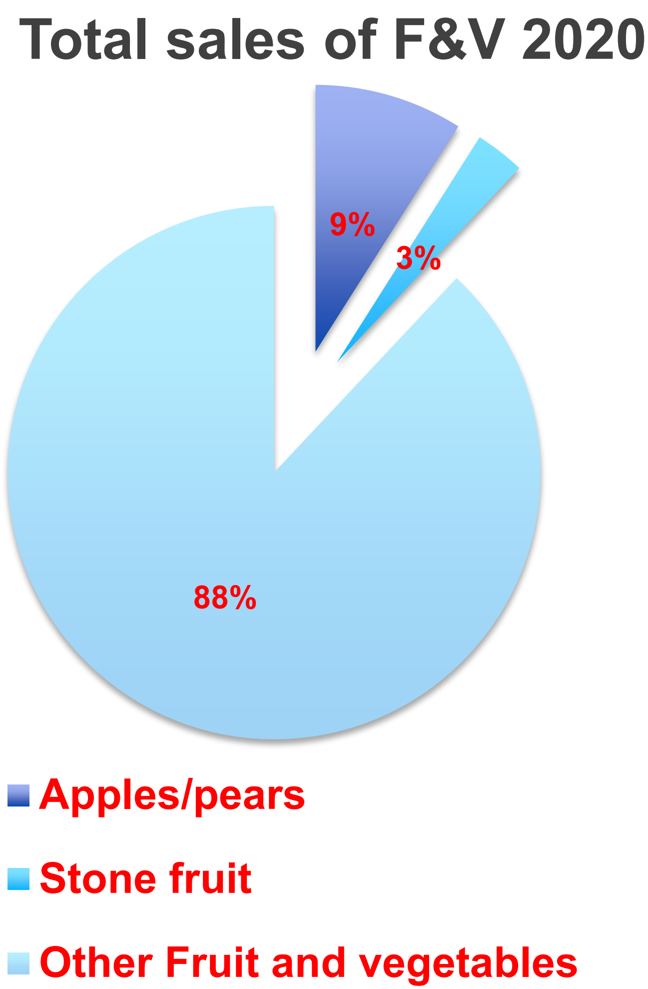
Portugal



- Packed fruit continues to grow (as a consequence of COVID)
- in 2020, +24% of sales of packed Apples and +40% on packed Pears
- Q1 2021 +6% on packed Apples and +15% on packed Pears;
- Stone Fruits: sales decreased by 10% in 2020 compared to 2019

Source: Jeronimo Martins

Spain: evolution in value

Evolución por sección: alimentación, frescos y bebidas

Evolución en valor vs. YA y vs. 2YA

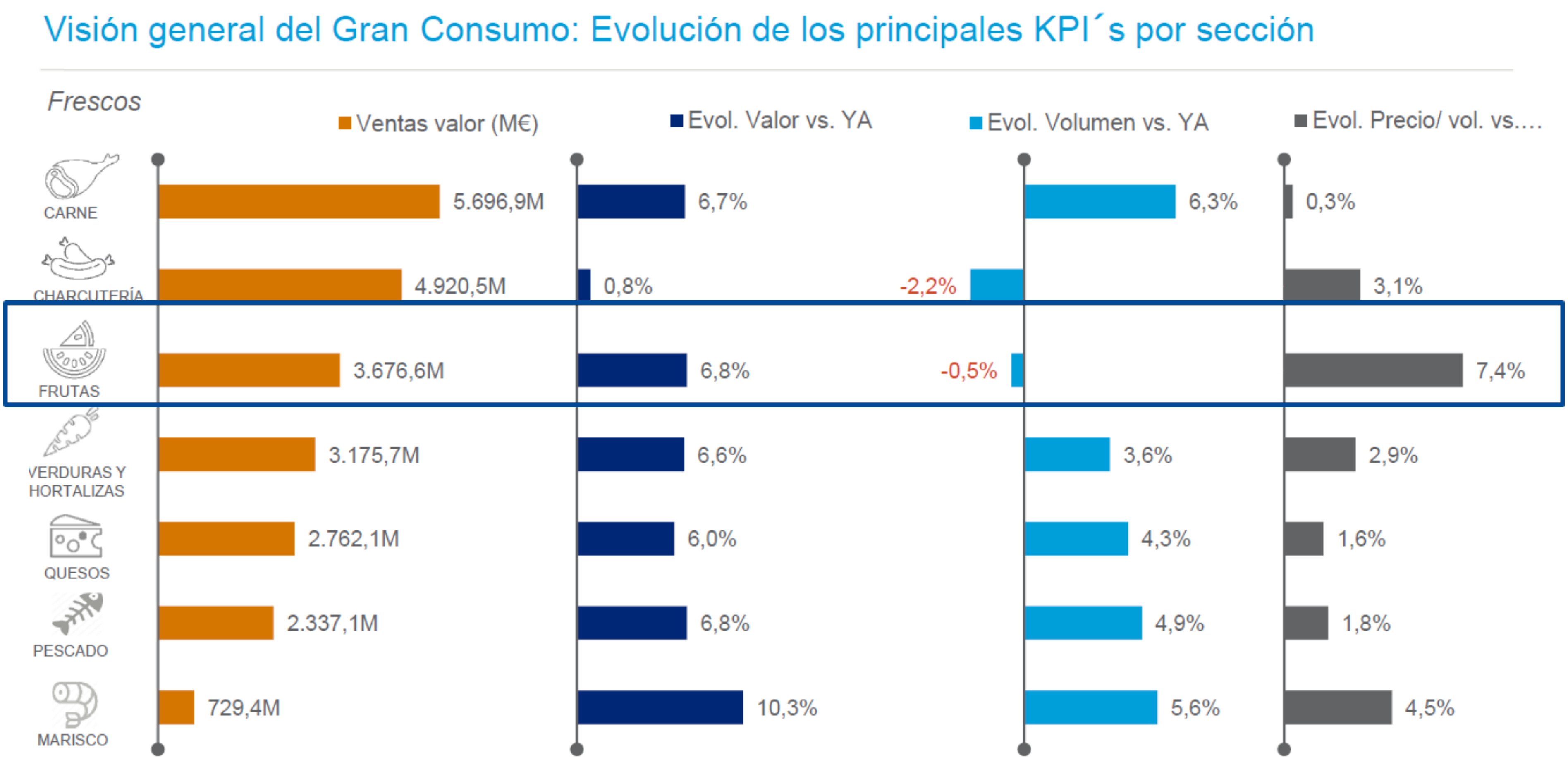
ALIMENTACIÓN	TAM 21 vs. 20	TAM 21 vs. 19
ALIMENTACIÓN	**+4,0%**	**+9,7%**
ALIMENTACION SECA	4,5%	10,1%
CONGELADOS	10,1%	18,1%
CONSERVAS	2,1%	8,3%
DERIVADOS LACTEOS	2,5%	4,9%
HUEVOS	4,1%	12,0%
PRODUCTOS 4-5 GAMA	-4,1%	3,1%

FRESCOS	TAM 21 vs. 20	TAM 21 vs. 19
FRESCOS	**+5,4%**	**+14,0%**
CARNE	6,7%	14,3%
CHARCUTERIA	0,8%	9,1%
FRUTAS	6,8%	15,7%
VERDURAS Y HORTALIZAS	6,6%	21,7%
QUESOS	6,0%	14,2%
PESCADO	6,8%	12,5%
MARISCO	10,3%	11,3%

BEBIDAS	TAM 21 vs. 20	TAM 21 vs. 19
BEBIDAS	**+7,0%**	**+10,4%**
LECHES Y BATIDOS	0,8%	3,9%
CERVEZAS	20,8%	29,2%
BEBIDAS REFRESCANTES	5,7%	8,8%
VINOS	13,7%	16,4%
BEBIDAS ESPIRITUOSAS	8,3%	10,0%
AGUAS	-2,4%	-0,6%
ZUMOS	-12,6%	-14,8%
BEBIDAS VEGETALES	8,6%	15,5%
ESPUMOSOS	1,2%	4,0%

<u>Source</u>: IRI

Spain: evolution of key product categories



Source: IRI

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Spain: online vs instore sales

Análisis de la cesta de la compra física vs. online

TIENDA FÍSICA

	PESO EN VENTAS VOLUMEN
AGUA SIN GAS	14,0%
LECHE LARGA CONSERVA	8,7%
FRUTA	6,1%
CERVEZAS	5,7%
VERDURA Y HORTALIZAS	5,5%
REFRESCOS DE COLA	3,7%
CARNE	3,0%
PARAFARMACIA	2,3%
YOGURES FRESCOS SÓLIDOS	2,0%

LA CESTA DE LA COMPRA

Estas categorías suponen el

50%

para el TAM en volumen del **TOTAL FMCG**

TIENDA ONLINE

	PESO EN VENTAS VOLUMEN
AGUA SIN GAS	19,0%
LECHE LARGA CONSERVA	12,2%
CERVEZAS	4,4%
VERDURAS Y HORTALIZAS	4,1%
REFRESCOS DE COLA	3,7%
FRUTA	3,5%
CARNE	1,7%
YOGURES FRESCOS SÓLIDOS	1,5%

Source: IRI

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