TRENDS IN SALES OF MEAT PRODUCTS – A RETAIL PERSPECTIVE

Meat Market Observatory

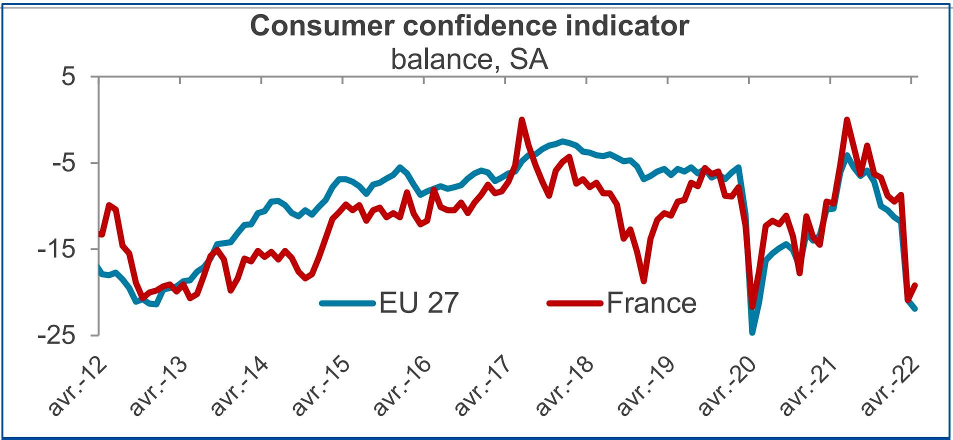
30 May 2022

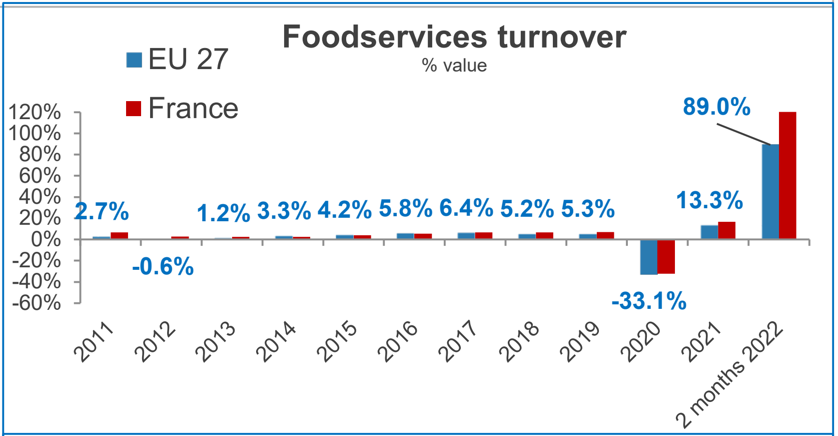
EuroCommerce for retail & wholesale

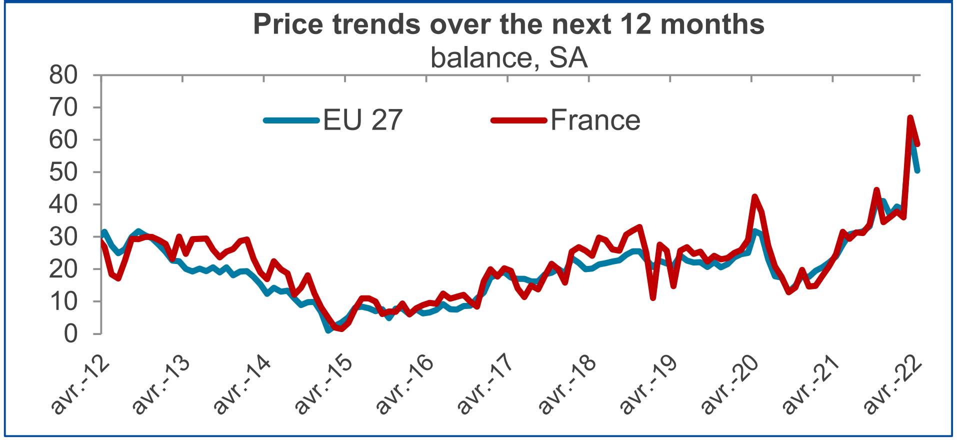
France & EU

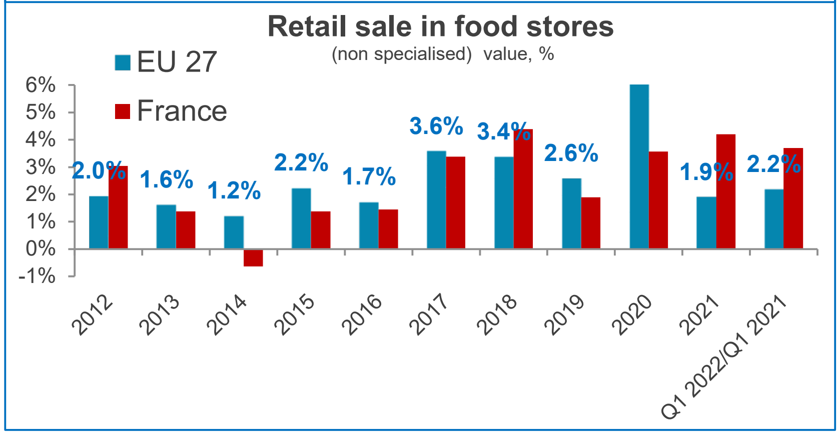
Economic context

① Household confidence in Europe has been shrinking in recent months. Households continue to anticipate price increases in the coming months.
② In terms of retail channels, the sales of non-specialised food retailers continued to grow. At the same time, foodservice sales have returned to growth in 2021 and at the beginning of 2022, but their level remains below that of 2019.









Source : Eurostat

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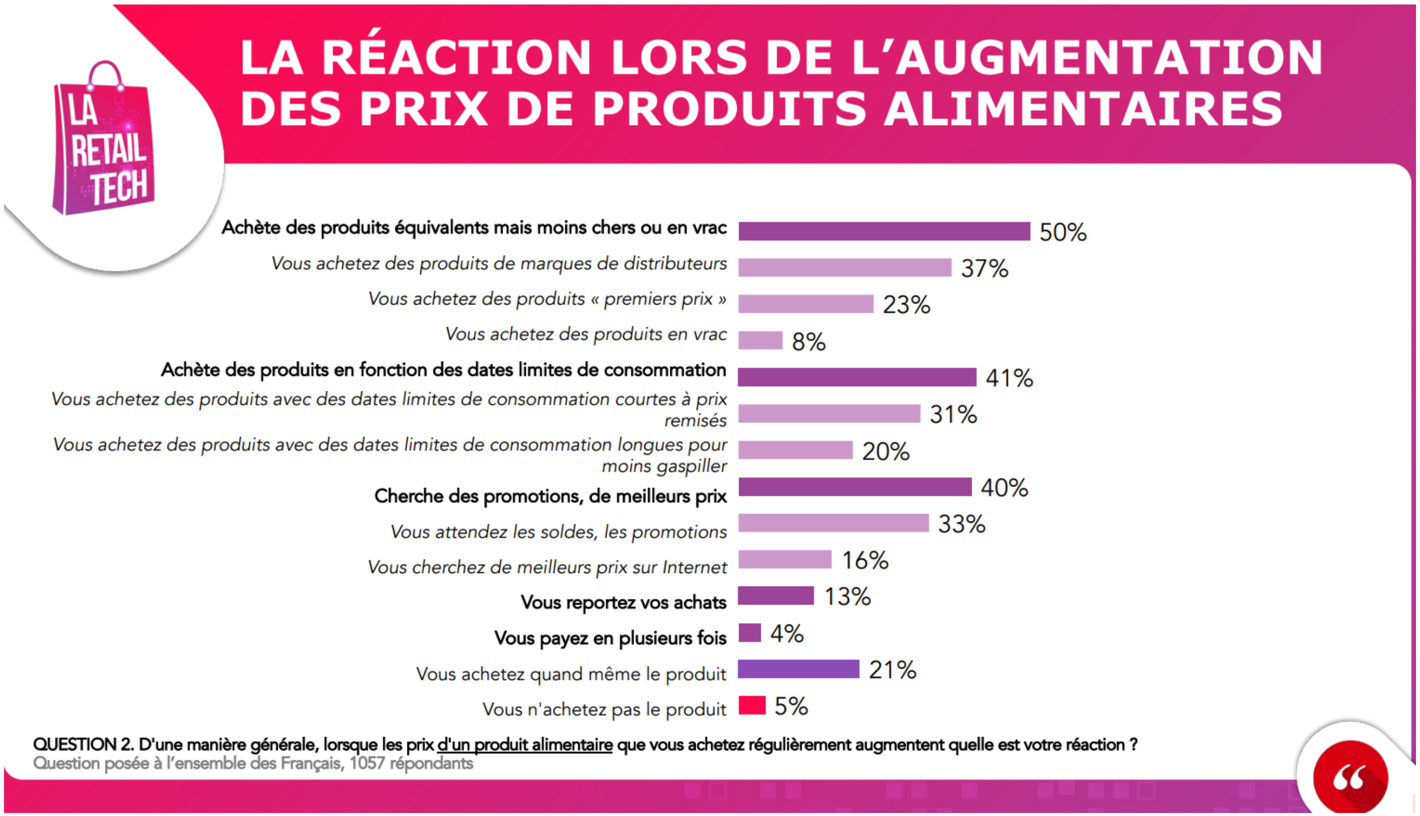
Consumers' reactions to price increases (1)

Generally speaking, when the price of a food product regularly purchased increases, the reaction is to downtrade (50% of responses), particularly via private labels, purchase according to expiry dates, search for promotions, etc.



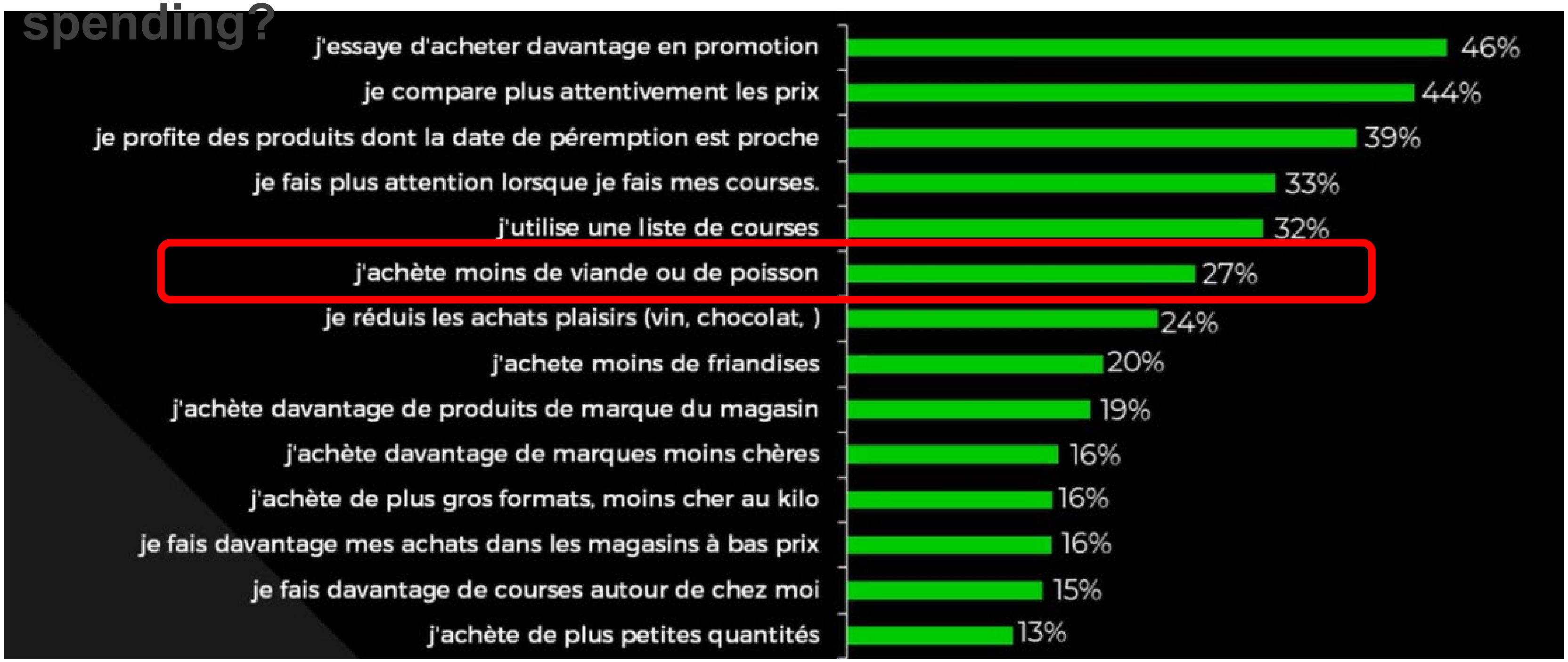
Source: OpinionWay, May 2022

France

Consumers' reactions to price increases (2)

The French are above all looking to limit the overall amount of their basket before doing so on specific categories. 46% try to buy more on promotion, 44% compare prices more. **But 27% buy less fish or meat**, which is the first category of products " sacrified ".

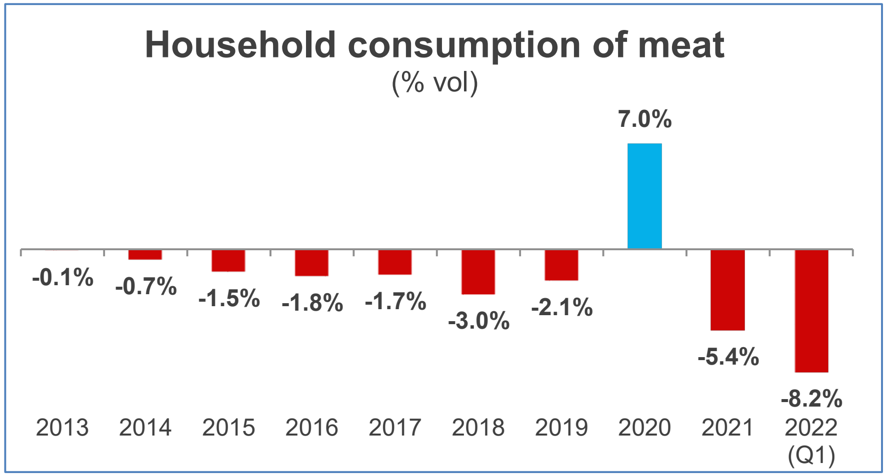
What do you do to save money on your household's FMCG spending?

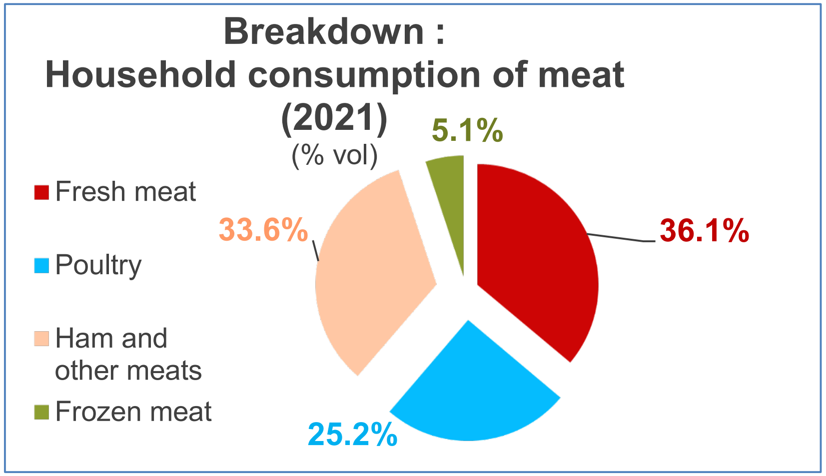


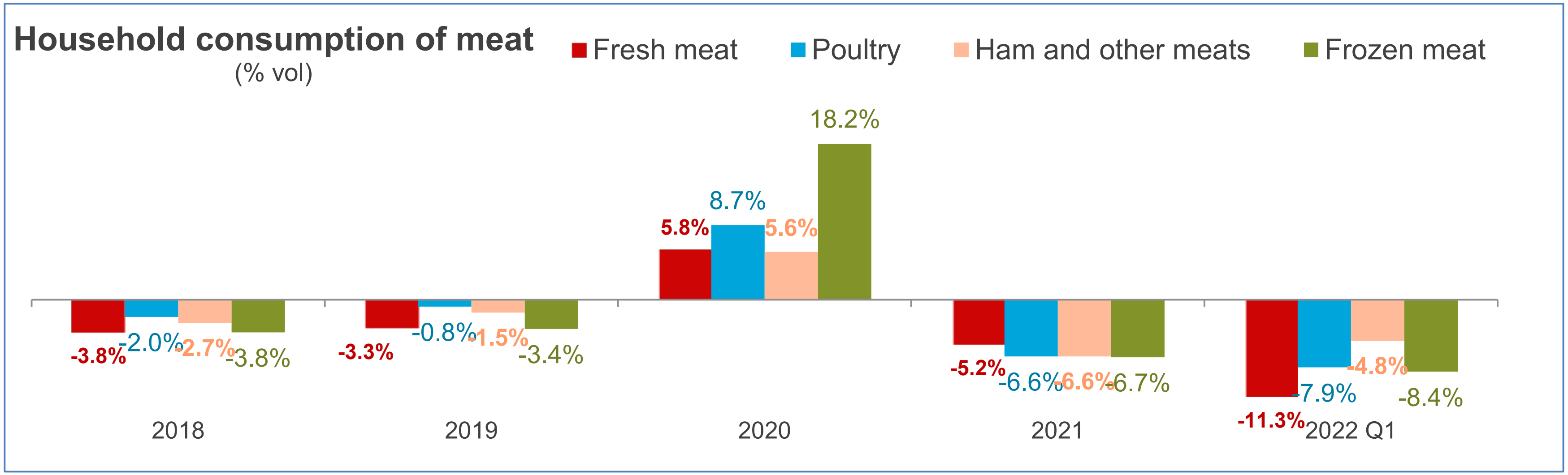
Source: NielsenIQ – May 2022

France

Period ending 31 March 2022







Source: Kantar Worldpanel

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France

Period ending 31 March 2022

Product category	volumes (% change) Q1 2022 / Q1 2021	volumes (% change) 2021 / 2020	volumes (% change) 2021 / 2019		price (% change) Q1 2022 / Q1 2021	Average prices (€ / kg) / Q1 2022
MEAT	**-8,2%**	**-5,4%**	**1,3%**		**0,6%**	**10,47**
Fresh meat	**-11,3%**	**-5,2%**	**0,3%**		**1,6%**	**11,29**
Fresh beef	-12,0%	-4,1%	-1,4%		4,9%	15,11
Fresh veal	-16,4%	-4,4%	-3,0%		3,8%	16,46
Fresh lamb	-24,7%	-4,0%	-7,8%		7,7%	16,43
Fresh pork	-7,6%	-8,0%	-1,4%		-0,6%	7,08
Tripe Products	-8,6%	-6,1%	-10,2%		0,2%	9,21
Processed meat, including ground meat	-9,6%	-4,8%	5,0%		1,0%	10,54
Poultry	**-7,9%**	**-6,6%**	**1,5%**		**1,6%**	**8,37**
Frozen Meat	**-8,4%**	**--6,7%**	**10,2%**		**2,0%**	**7,71**
Ham and other meats	**-4,8%**	**-6,6%**	**-1,4%**		**-1,3%**	**11,59**

Source: Kantar Worldpanel

France

FMCG : inflation (April 2022)

According to Nielsen, the increase in meat prices in supermarkets was very strong between March and April: +4.1% for national brands and +5.8% for private labels.

L'inflation récente sur ces catégories est plutôt tirée par les marques nationales

Evolution de l'inflation à 1 mois par type de marque | avril 2022 vs mars 2022

	MN	MDD
Viande, volaille, abats, charc. surg.	4.1	5.8
Huile	3.4	1.7
Café torréfié	3.2	1.5
Chicorée et café soluble	3.3	1.2
Essuie tout	2.2	3.3
Sucres et édulcorants	2.6	1.4
Beurre, margarine, crème fraiche	2.2	2.5
Petfood	2.4	1.3
Farine	2.5	1.1
Papier hygiènique	1.9	2.4

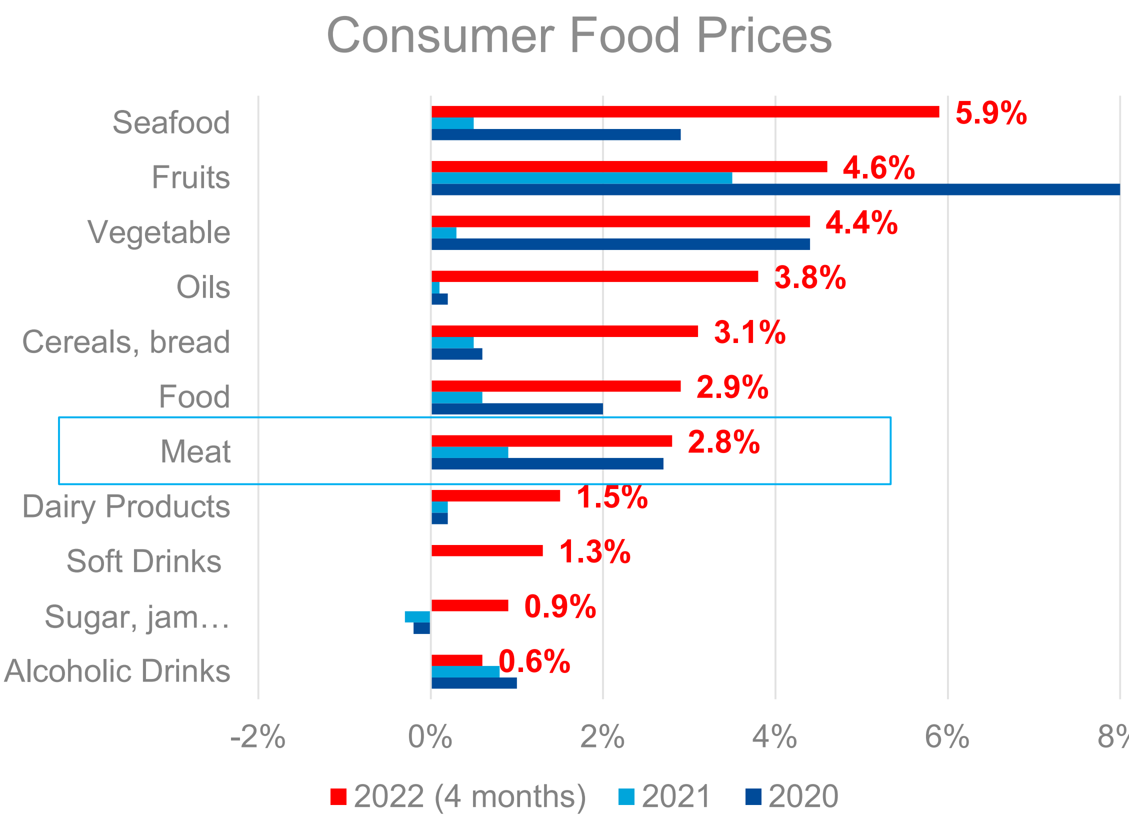
Source : NielsenIQ, avril 2022 | HMSM+SDMP+DRIVE

Source: NIelsenIQ

France

Inflation : food

According to Insee, consumer prices for meat increased by 2.8% during the first 4 months of the year. The trend is accelerating, with an increase of 4.2% in April 2022 compared to April 2021.



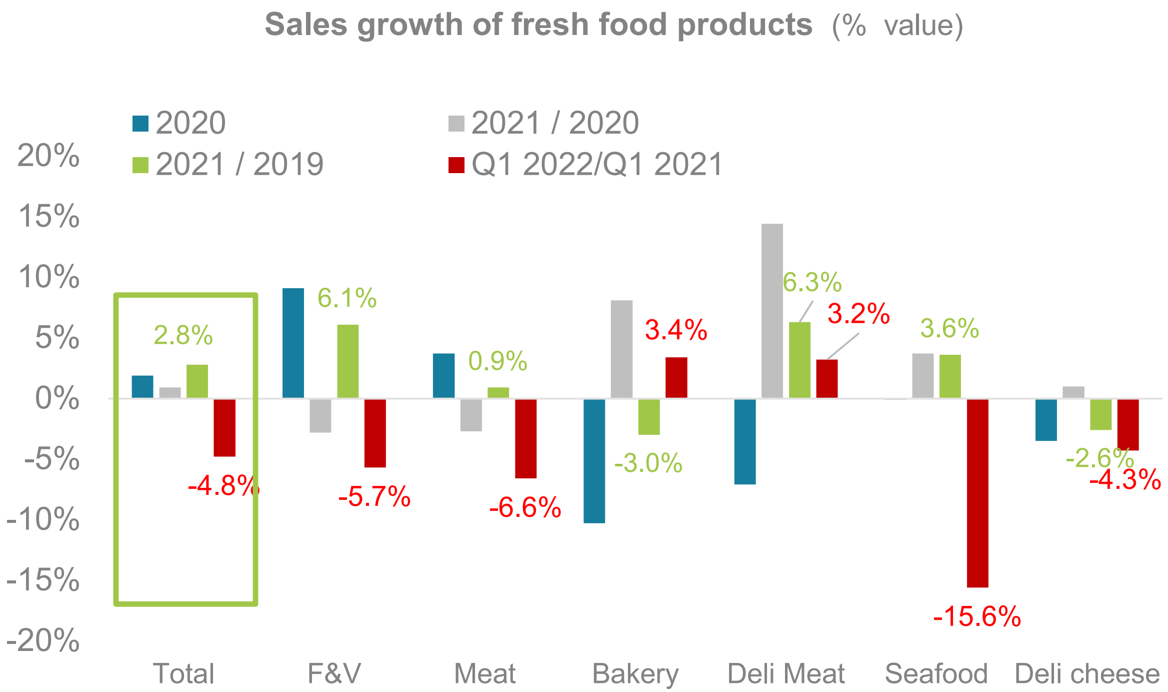
	4 months 2022	April 2022 / April 2021
Food	2,9%	4,2%
Meat	2,8%	4,2%
Beef	4,5%	6,5%
Pork	2,4%	3,4%
Poultry	5,3%	6,4%
Lamb	7,2%	7,7%
Dried, salted, smoked meat	0,9%	2,1%

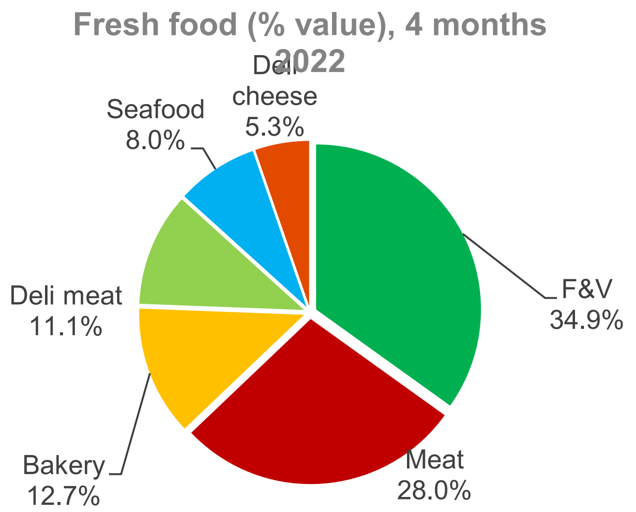
Source: INSEE

France

Focus on fresh food in hypermarkets and supermarkets

The sales of fresh food products (= unpacked products) decreased by -4,8% in Q1 2022 compared to the same period in 2021. The sales of meat decreased by -6,6%, the sales of charcuterie increased by 3,2%.





Source: IRI (hypermarkets, supermarkets, e-commerce)

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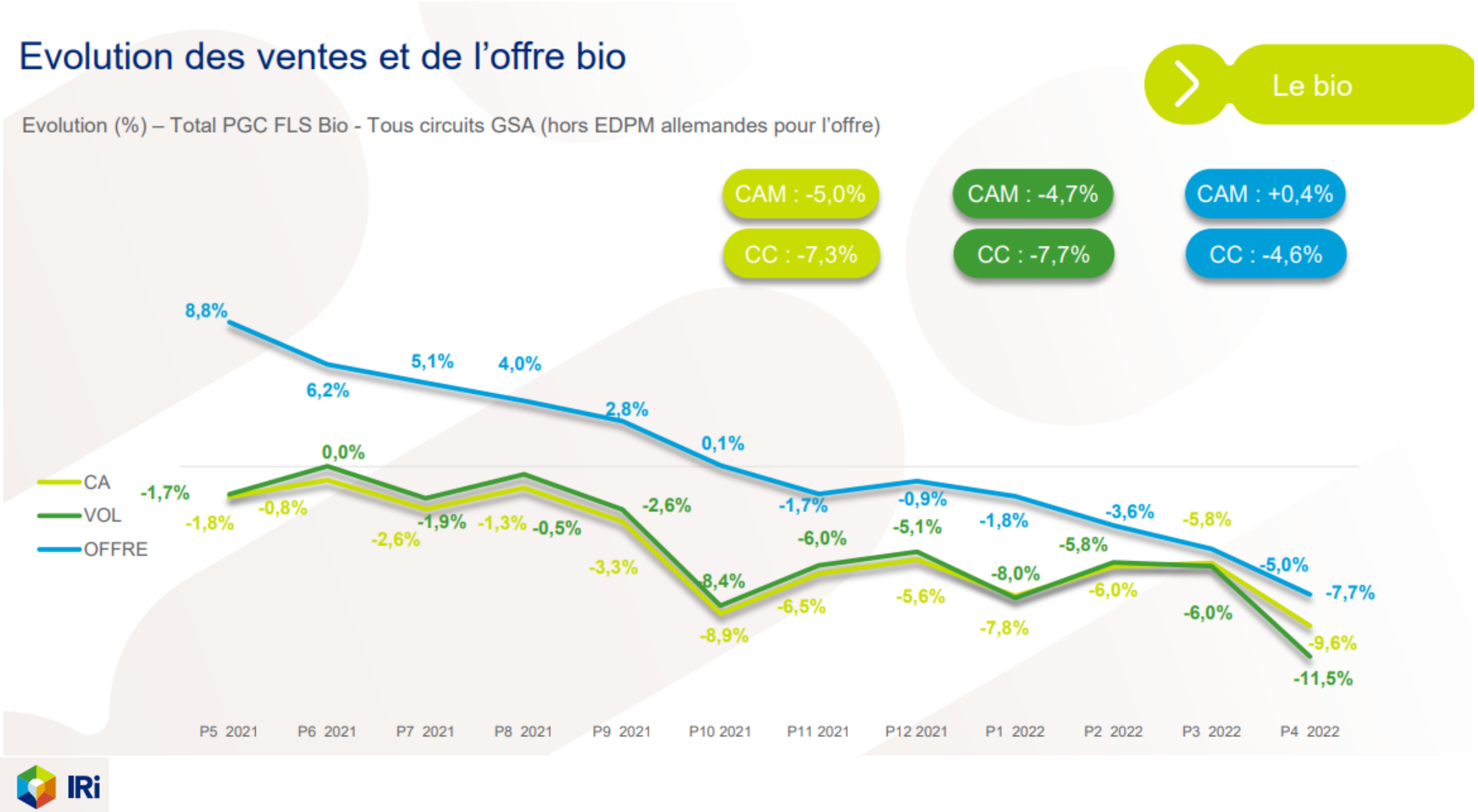
Organic market

The organic products market in France has been on the decline for several months. During the first 4 months of the year, sales in supermarkets have decreased by 7.3% in value compared to the first 4 months of 2021. They had fallen by 3.1% in 2021 and increased by 13% in 2020.



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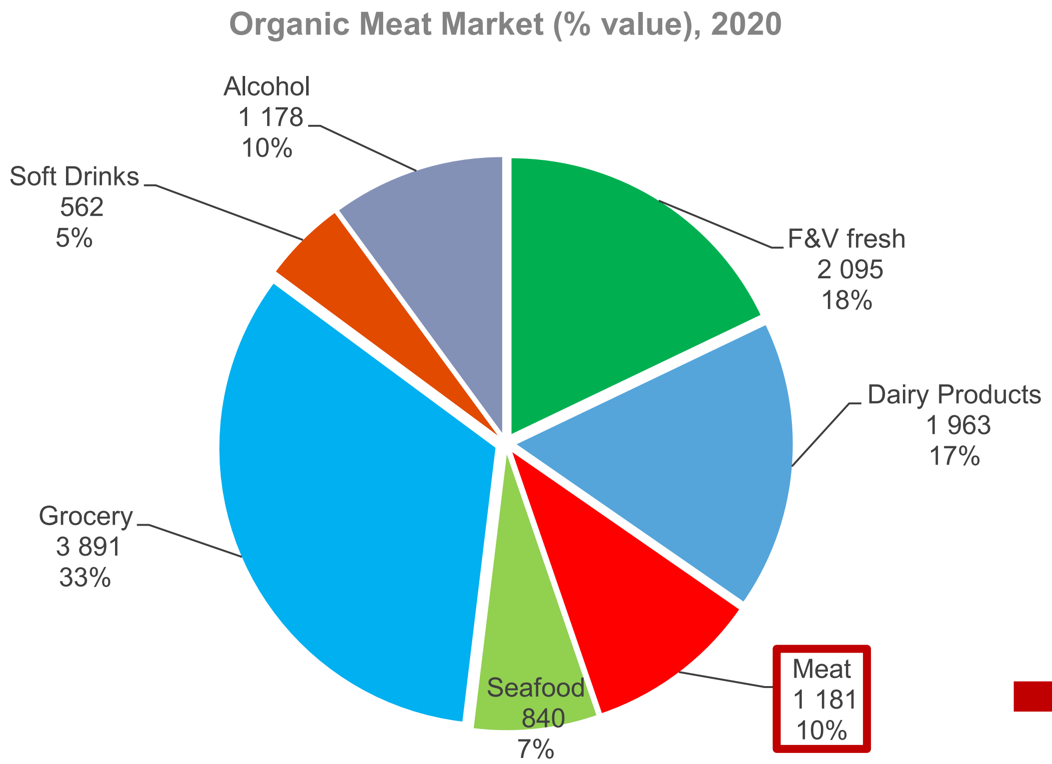
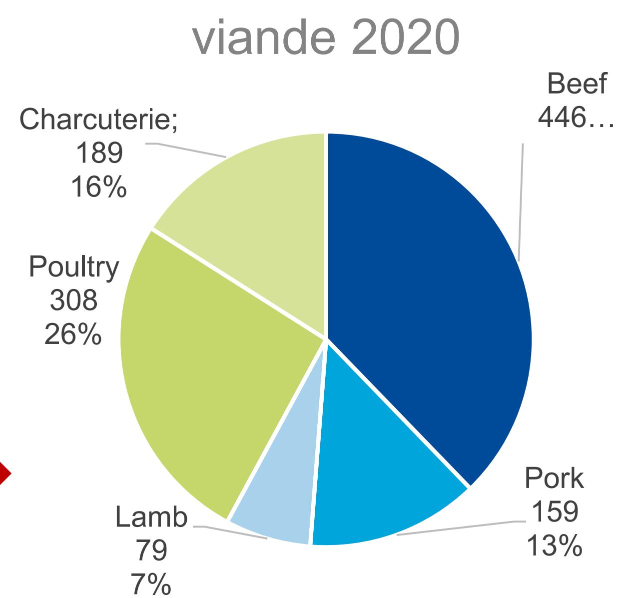
Organic market: meat

The market for organic products represented in 2020 about 12 billion euros. Within this total, meat accounts for only 10% of sales, 1,2 billion euros (vs 39,5 billion for overall meat sales, organic sales = 3%)).





Source: AgenceBio

EuroCommerce

France

Plant-based developments

Plant-Based substitutes
in HM-SM : **105 M€ in 2021**

After a double-digit increase around 2016/2017, sales of plant substitutes in hypers and supermakets had slowed down significantly in 2019. But they are accelerating again, with the arrival of new players. Up 16% between November 2020 and November 2021, sales remain modest (105 M€).

Carrefour

"Starting on 31 March, as well as running the "Lundi c'est veggie mais aussi le mardi, mercredi… " campaign that it co-developed with Danone, Carrefour will be leveraging its digital channels to step up its efforts to bring high-quality products with a lower environmental impact to within everyone's reach. The WWF is joining forces with this campaign to promote the consumption of plant-based protein and to get us all onto a more vegetable-based diet." This initiative is being implemented within the framework of the Food Transition Pact, a Carrefour initiative involving 38 international suppliers designed to run concrete projects in the areas of Health / Nutrition, Climate, Biodiversity and Packaging.