



FROZEN MARKET STILL GROWING DESPITE EVERYTHING!

Latest data from Kantar Worldpanel for the 52 weeks ending 17th March 2013 shows that the frozen food market is now worth more than £5.6 billion and is growing in value year on year by 4.5%. Every sector of the frozen food market is still showing annual growth despite recent criminal activity in the supply chain.

As expected the hardest hit sector is ready meals with their annual growth rate reducing from 6.2% per annum three months ago to now running at 1.7% growth per annum. Other sectors however have fared somewhat better with frozen vegetables growing to a truly impressive 8.8% value growth year on year whilst savoury foods has grown to 5.9% year on year growth and potato products have maintained a very healthy growth rate at 8.4% year on year.

The latest numbers show that there was bound to be a hiccup in the fabulous growth performance that frozen has been achieving for the last 26 quarters but it was not as marked as some commentators might have believed.

The underlying benefits of frozen foods being convenience, minimal waste, locked in goodness and terrific value are still the very same reasons why consumers will continue to buy frozen. Their buying habits might have switched between different protein types or increased consumption of vegetables and fish but in difficult economic times with household budgets severely squeezed the frozen food sector remains an invaluable option for hard pressed consumers.

What is perhaps even more interesting is that volumes of frozen food items being sold have increased for the last three quarters and now on an annual basis have grown by 1.8% year on year which when the grocery market in total is struggling to achieve any volume growth is a very healthy number indeed. The top performing sector in terms of consumers switching to frozen is vegetables and potatoes who have recorded a 5.3% and a 4.6% annual growth respectively.

Clearly during the next quarter there may still be some further bad news for the hard pressed ready meals sector and one would imagine the meat and poultry sector who has seen value growth reduce from 10.3% year on year to 5.6% year on year might have some further pain but the overriding message is that frozen is still a growth market both in terms of value and volume and is likely to remain so.



RETAIL FROZEN FOOD STATISTICS YEAR ON YEAR TO 17 MARCH 2013

Retail Categories	Value (000's £)			Volume (000's kgs)		
	52 w/e 18 Mar 12	52 w/e 17 Mar 13	YOY	52 w/e 18 Mar 12	52 w/e 17 Mar 13	YOY
Total Frozen Foods	5,393,896	5,638,517	4.5	2,029,158	2,066,597	1.8
Total Ice Cream	744,808	781,766	5.0	340,197	326,118	-4.1
Frozen Confectionary	265,693	269,422	1.4	72,661	73,341	0.9
Frozen Fish	758,767	765,064	0.8	128,636	130,493	1.4
Frozen Meat & Poultry	571,089	603,340	5.6	164,901	166,436	0.9
Frozen Vegetables	441,894	480,889	8.8	296,230	312,051	5.3
Frozen Potato Products	588,845	638,370	8.4	464,409	485,573	4.6
Frozen Ready Meals	680,324	691,799	1.7	179,168	181,843	1.5
Frozen Pizza	404,071	414,351	2.5	108,656	107,770	-0.8
Frozen Savoury Food*	938,405	993,516	5.9	274,300	282,972	3.2

*Savoury Food includes Frozen Bread, Frozen stuffing Cooked poultry, Meat Products, Processed Poultry, Savoury Bakery, vegetarian products and Other Frozen Foods

KANTAR WORLD PANEL

Source: Kantar Worldpanel
 For further information, contact:
 Sally Dudleston, Strategic Insight Director Tel: 020 8967 4149
 Email: sally.dudleston@kantarworldpanel.com