



Frozen Still Grows Whilst Retailers Stall

SOURCE: KANTAR

KANTAR WORLDPANEL

The latest data provided by Kantar Worldpanel for the 52 weeks ending 22nd June 2014 shows that the total frozen food market now stands at just under £5.8bn and grew year on year by 2.5% in value. This is particularly heartening when the retail environment is proving to be so difficult with three of the major four retailers recently showing like for like sales decline. In the retail world it is the freezer specialists, the discounters and the premium retailers that are still enjoying growth.

The retail frozen food market has now enjoyed year on year value growth for the last 14 quarters as reported by Kantar and continues to outperform the retail market in general.

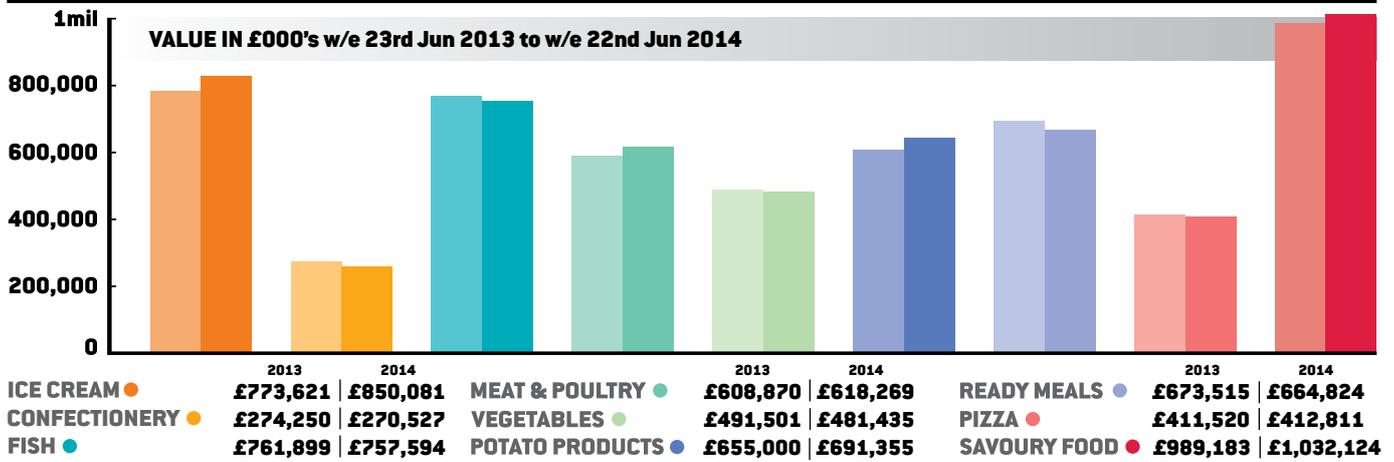
The last six months has seen a dramatic reversal in fortune for the ice cream market as at long last the warm weather has stayed with us sufficiently long enough to get consumers out buying more ice cream. The ice cream market is now worth just over £850 million and is growing at a rate of 9.9% year on year whilst volume has grown by a very impressive 7.1% year on year.

Other growth sectors in frozen include potato products at 5.6% year on year whilst savoury foods is still growing at 4.3% year on year and meat and poultry is growing at 1.5% year on year.

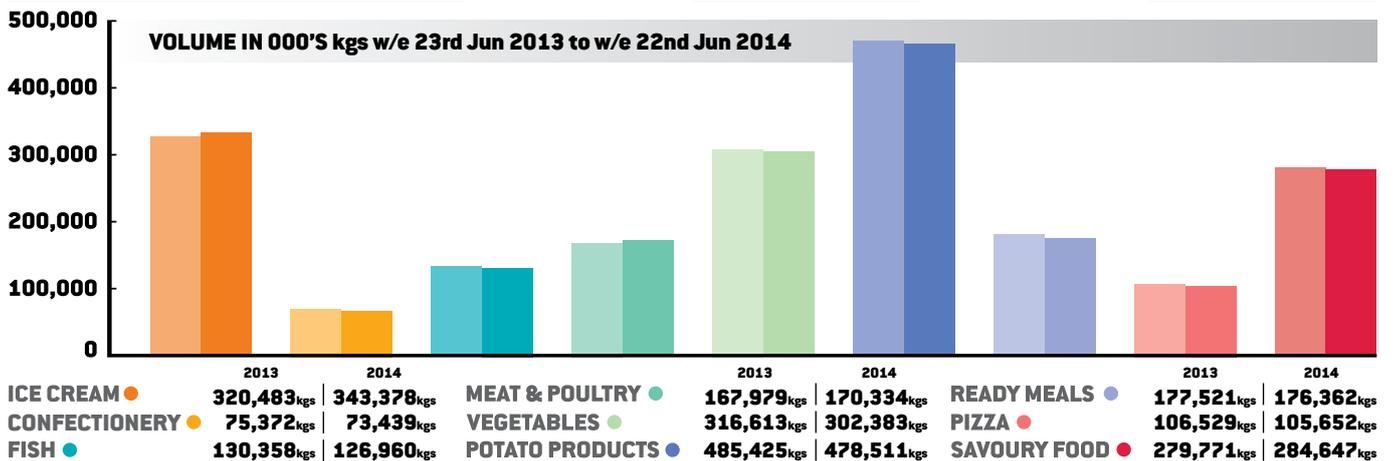
Whilst undoubtedly we are seeing a tipping point now, there are real signs of life in foodservice even though growth in retail is beginning to stall. However frozen foods is bucking the trend.

There is much talk about the economy being in sustainable growth and incomes beginning to rise faster than cost inflation but the simple truth is that for the ordinary man on the street there is no real appreciation of disposable income making a significant change. It may well be some time before consumers feel the benefit in their pockets and until then there is every prospect that frozen will continue to outperform retailers' overall performance.

RETAIL FROZEN FOOD STATS YEAR ON YEAR GROWTH TO 22 JUNE 2014



TOTAL FROZEN FOODS VALUE 2013 → **£5.64bn** 2014 → **£5.78bn**



TOTAL FROZEN FOODS VOLUME 2013 → **2.06bn kgs** 2014 → **2.06bn kgs**