

FACTS & FIGURES

Outlook remains sunny for ice cream in spite of soggy summer

Frozen is out-performing chilled, according to the latest Kantar Worldpanel figures (52 weeks to 16th June 2019), buoyed significantly by the nation’s appetite for ice cream even though the summer’s been more soggy than scorching.

The statistics show continued growth across most categories with total value of frozen foods up 2.1% YOY. This compares to just 0.5% growth in the value of chilled convenience over the same period.

The ice cream category experienced impressive increases in terms of both value and volume, with a rise of 8.8% and 5% respectively, which considering the heavy rain that marked the start of summer is an impressive figure.

Frozen pizza came a close second, recording a 6.5% increase in value and 7.6% increase in volume.

However, the frozen meat and poultry category continues to take a hit, experiencing an 8.1% drop in value and a 10.5% decline in volume, which seems to support evidence that more consumers are opting for a semi-vegetarian or vegan lifestyle. Kantar reported earlier this year that a total of 4.4 billion meat-free dinners were consumed in 2018, an increase of 150 million meals on the year before.

Conversely, frozen vegetables are up in volume by a percentage point.

Richard Harrow, chief executive of the British Frozen Food Federation, said: “The frozen food sector continues to demonstrate long-term growth, boosted by outstanding performances in the ice cream and pizza categories.

“However, the picture is far less positive for meat and poultry. That said, I’m confident these figures can be mitigated by ongoing innovations in plant-based meat substitutes and vegan options over the longer term.”

Richard also noted several other key opportunities for the frozen food industry to tap into, saying there’s significant scope for the federation and the wider industry to be positioning frozen as an excellent way to

help minimise food waste by using strong and consistent messaging about preserving produce at its peak, dealing with harvest gluts and facilitating portion control when cooking.

“In terms of volume, frozen is growing faster than the total market and it is interesting to see value growth ahead of volume, which is possibly driven by the increasing propensity of premium lines being merchandised in cabinets. Looking at the frozen market over a longer period, massive growth can be seen in both value and volume, with an increase in value of 41.6% since 2005,” Richard observed.

Indeed, the only category to show a decline in monetary value over this period is meat and poultry (3.4%), while the same measure within the frozen vegetables category has seen a staggering rise 45.4% for the same period.

Ice cream has seen a massive increase in monetary growth value, of 89.4%, in this time.

Frozen now accounts for 5.52% of total grocery sales by value. While this is slightly down from the previous year at 5.53%, chilled has seen a bigger decline from 8.6% down to 8.44%.

Looking at retailer share, Aldi is now fourth in volume terms across the 52 weeks to 16th June.

Meanwhile, Tesco volume growth has been outrunning that of value (+0.9% and -0.2% respectively) and also out-performing chilled (-2% for value and -0.5% for volume), while Sainsbury’s frozen offering has experienced a +1.7% YOY increase in value but a decline of -1.9 per cent in volume, against a chilled convenience value increase of +0.8% and volume increase of +0.9%.

