GROCERY SHOPPER TRENDS AND INFLATION

EXAMINING CONSUMER BEHAVIOR AMID RISING PRICES AT THE GROCERY STORE
U.S. Grocery Shopper Trends

A series of six monthly analyses to provide ongoing context for the food shoppers’ journey.

FMI U.S. Grocery Shopper Trends 2022 Series Schedule:
- April – Shopper Landscape
- May – Shopping Trends 2022
- June – Navigating a Hybrid World
- July – Future Outlook
- August – Back to School
- October – Holiday Shopping
U.S. Grocery Shopper Trends

www.FMI.org/GroceryTrends
Concerns about COVID-19 Decline

![Chart showing the percentage of people extremely and very concerned about COVID-19 from March 21 to February 7, 2022.](chart)

- **Extremely concerned**
  - Mar 21 - Mar 26: 41%
  - Mar 28 - Apr 2: 45%
  - Apr 4 - Apr 9: 44%
  - Apr 15 - Apr 25: 39%
  - Apr 29 - May 10: 33%
  - May 13 - May 24: 32%
  - May 28 - Jun 7: 31%
  - Jul 14 - Jul 20: 37%
  - Oct 1 - Oct 9: 36%
  - Oct 15 - Oct 25: 38%
  - Aug 2 - Aug 9: 28%
  - Oct 1 - Oct 7: 27%
  - Feb 7-Feb 21: 24%

- **Very concerned**
  - Mar 21 - Mar 26: 28%
  - Mar 28 - Apr 2: 29%
  - Apr 4 - Apr 9: 30%
  - Apr 15 - Apr 25: 30%
  - Apr 29 - May 10: 30%
  - May 13 - May 24: 29%
  - May 28 - Jun 7: 27%
  - Jul 14 - Jul 20: 25%
  - Oct 1 - Oct 9: 26%
  - Oct 15 - Oct 25: 26%
  - Aug 2 - Aug 9: 25%
  - Oct 1 - Oct 7: 25%
  - Feb 7-Feb 21: 24%
Average Weekly Grocery Spending

HOUSEHOLD WEEKLY SPENDING FOR GROCERIES – THROUGHOUT THE PANDEMIC

<table>
<thead>
<tr>
<th>Week</th>
<th>Average Weeky Spending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feb 7 – Feb 21</td>
<td>$121</td>
</tr>
<tr>
<td>Mar 21 – Mar 26</td>
<td>$161</td>
</tr>
<tr>
<td>Apr 4 – Apr 9</td>
<td>$161</td>
</tr>
<tr>
<td>Apr 15 – Apr 29</td>
<td>$126</td>
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<tr>
<td>May 1 – May 10</td>
<td>$130</td>
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<td>May 13 – May 28</td>
<td>$137</td>
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<tr>
<td>June 7 – Jul 10</td>
<td>$134</td>
</tr>
<tr>
<td>Jul 14 – Oct 9</td>
<td>$144</td>
</tr>
<tr>
<td>Oct 1 – Oct 9</td>
<td>$146</td>
</tr>
<tr>
<td>Oct 24 – Oct 10</td>
<td>$142</td>
</tr>
<tr>
<td>Aug 9 – Oct 7</td>
<td>$143</td>
</tr>
<tr>
<td>Oct 11 – Feb 21</td>
<td>$144</td>
</tr>
</tbody>
</table>

59% of people say they spend more than a year ago
23% say they spend a lot more, 36% a little

+4% Change from 2021

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Concerns about Obtaining Food

- Prices rising on the foods I prefer
- Items I need being out of stock
- Having enough money to pay for the food I need

85% cite at least one concern about access to food
Shoppers Are Finding Solutions

**STEPS TAKEN TO ADDRESS RISING PRICES**
*Among those concerned with rising prices*

- I look for more deals: 51%
- I buy only when on sale/deal: 31%
- I buy fewer items: 31%
- I don't buy as much FRESH meat or seafood: 21%
- I buy more FROZEN meat or seafood: 15%
- I don't buy organic: 15%
- I don't buy as much fresh produce: 14%
- I buy more CANNED meat or seafood: 11%
- I buy in bulk: 21%
- I buy more in person: 21%
- I buy more online: 14%
- I changed where I shop for food: 9%
- I buy more store brands: 35%
- I changed brands I buy: 19%
- I don't do anything differently: 14%

86% of those concerned are making changes to their behavior.
Food Retail Continues To Cope With Challenges

- Shifts in consumer shopping and consumption habits
- Disruptions to the global supply chain
- Inflationary pressures that have increased costs for production, distribution, and retail
- Labor challenges, including high turnover and difficulty recruiting new talent
- Impact of Russia’s Invasion of Ukraine on the global supply chain
Food Inflation Remains Elevated

USDA ERS Predicted Food Prices for 2022

Food-at-home: Up 3.0% - 4.0%
Food-away-from-home: Up 5.5% - 6.5%
Compounding Issues: Russia’s War on Ukraine

When the cost of raw materials go up, the price of the products they are used to make increases.

Russia’s invasion of Ukraine is already having significant impacts on the food and agriculture sector.

Russia and Ukraine account for 29% of the global wheat export market and 75% of the global sunflower oil export market.

The price of fertilizer is also increasing.
THANK YOU