

October Brings a Sharp Downturn in Pounds for the Meat Department

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The October Marketplace

The University of Michigan Consumer Confidence Index fell 7% in October. This decline was driven by rising concerns over inflation, with the personal finance measure declining about 15%. The widespread concern continues to favor at-home meal preparation. Up 4.0 percentage points from 2019, Circana found that 59.8% of 2023 year-to-date food and beverage dollars were spent at retail. The foodservice share of dollars did increase slightly compared to last year, however, this is due to above average inflation.

The October Circana survey among primary grocery shoppers found widely ranging engagement with restaurants depending on income. High-income consumers were far more likely to have purchased restaurant food, which also resulted in a lower share of meals prepared at home. High-income households have an above-average reliance on both takeout and delivery — important clues for retailers.

Annual income	% of consumers who purchased restaurant food at least once in October	Estimated share of meals prepared at home	Share who have gotten takeout 1+ times	Share who have ordered delivery 1+ times
Less than \$25K	77%	78.9%	44%	15%
\$25K<\$50K	78%	80.6%	45%	13%
\$50K<\$100K	80%	79.5%	53%	15%
\$100K or more	89%	72.6%	55%	20%

The nation's eyes remain on money-saving measures, with 83% having made one or more changes to their grocery shopping habits. According to the Circana survey, 55% of grocery shoppers look for specials more often and 45% are cutting back on non-essentials. Private-brand interest remains strong, with 37% switching to own-brands more often.

As consumers still shift their dollars across items, brands, sizes, stores and restaurants, [Circana](#) and 210 Analytics take a deep dive into the numbers to understand the marketplace impact on meat and poultry trends. The report is made possible by [Hillphoenix](#).

Inflation Insights

The price per unit across all foods and beverages in the Circana-measured multi-outlet stores, including supermarkets, club, mass, supercenter, drug and military, increased by 2.5% in October 2023 (the four weeks ending 10/29/2023) versus October 2022. This is far more in line with pre-pandemic inflation levels, yet consumer concern persists. This is due to the cumulative impact of many months of high inflation, which have resulted in October 2023 prices being 25.8% higher than those in October 2020.

Average price/unit vs. YA	2018	2019	2020	2021	2022	Q4 22	Q1 23	Q2 23	Q3 23	Oct 23
Total food & beverages	+1.5%	+2.0%	+5.1%	+5.4%	+12.5%	+13.5%	+11.4%	+7.2%	+4.1%	+2.5%

Source: Circana, Integrated Fresh, Total US, MULO, average price per unit and % gain versus YA

The average price per pound in the meat department across all cuts and kinds, both fixed and random weight, stood at \$4.63 in October 2023, which was up 2.5% from the levels seen in October 2022. Processed meat tends to have the higher prices, but its average price per pound was virtually flat versus October last year, whereas fresh meat prices rose once more.

Price inflation (price/volume)	Price/volume	Change vs. YA	Change vs. 3YA
Total meat (FW and RW) October 2023	\$4.63	+2.5%	+20.7%
Total meat latest 52 w.e. 10/29/2023	\$4.44	+1.4%	+18.1%
Fresh meat October 2023	\$4.37	+3.5%	+20.6%
Fresh meat latest 52 w.e. 10/29/2023	\$4.21	+1.5%	+16.8%
Processed meat October 2023	\$5.29	+0.4%	+21.0%
Processed meat latest 52 w.e. 10/29/2023	\$5.01	+1.4%	+21.1%

Source: Circana, Integrated Fresh, Total US, MULO

Chicken retail prices continued to drop, reflecting an average price per pound of \$2.99. This was down -3.6% versus October of 2022. October also brought year-on-year deflation for lamb, packaged lunchmeat, breakfast sausage and processed chicken, whereas the renewed inflation in beef continued. The average retail price of beef increased by 7.7% per pound on supply constraints.


October 2023	Price/lbs	Change vs. YA	Latest 52 weeks	Price/lbs	Change vs. YA
Fresh beef	\$6.35	+7.7%	Fresh beef	\$6.15	+2.0%
Fresh chicken	\$2.99	-3.6%	Fresh chicken	\$3.02	+2.0%
Fresh pork	\$3.23	+2.9%	Fresh pork	\$3.14	-1.9%
Fresh turkey	\$3.54	+6.5%	Fresh turkey	\$2.66	+8.3%
Fresh lamb	\$8.84	-8.1%	Fresh lamb	\$9.22	-2.3%
Fresh exotic	\$8.49	+6.6%	Fresh exotic	\$8.10	+5.9%
Bacon	\$6.82	+0.7%	Bacon	\$6.20	-8.6%
Packaged lunchmeat	\$6.15	-1.1%	Packaged lunchmeat	\$6.28	+9.7%
Dinner sausage	\$4.58	+0.6%	Dinner sausage	\$4.54	+2.0%
Frankfurters	\$3.47	+1.6%	Frankfurters	\$3.50	+2.7%
Breakfast sausage	\$4.79	-1.5%	Breakfast sausage	\$4.77	+1.8%
Smoked ham	\$3.83	+3.6%	Smoked ham	\$2.79	+3.8%
Processed chicken	\$6.74	-4.5%	Processed chicken	\$7.07	+2.0%

Source: Circana, Integrated Fresh, Total US, MULO


Meat Sales

In October 2023, low inflation in combination with a sharper pullback on volume than seen in the past few months resulted in meat dollar sales being down -1.4% year-on-year. October pound sales dropped -1.6% versus September, with a slightly better performance for fresh than processed meat.

The volume pressure is closely tied to consumers purchasing meat and poultry less often. In the four weeks ending October 8th, the number of trips containing meat or poultry fell to 4.1, down -1.8% versus year ago levels. When people buy meat and poultry, they spend roughly the same amount as they did last year.



Meat department dollars per buyer:
\$65.60, -1.3% versus year ago



Meat department trips per buyer:
4.1 trips, -1.8% versus year ago



Meat department dollars per trip:
\$15.90, +0.5% versus year ago

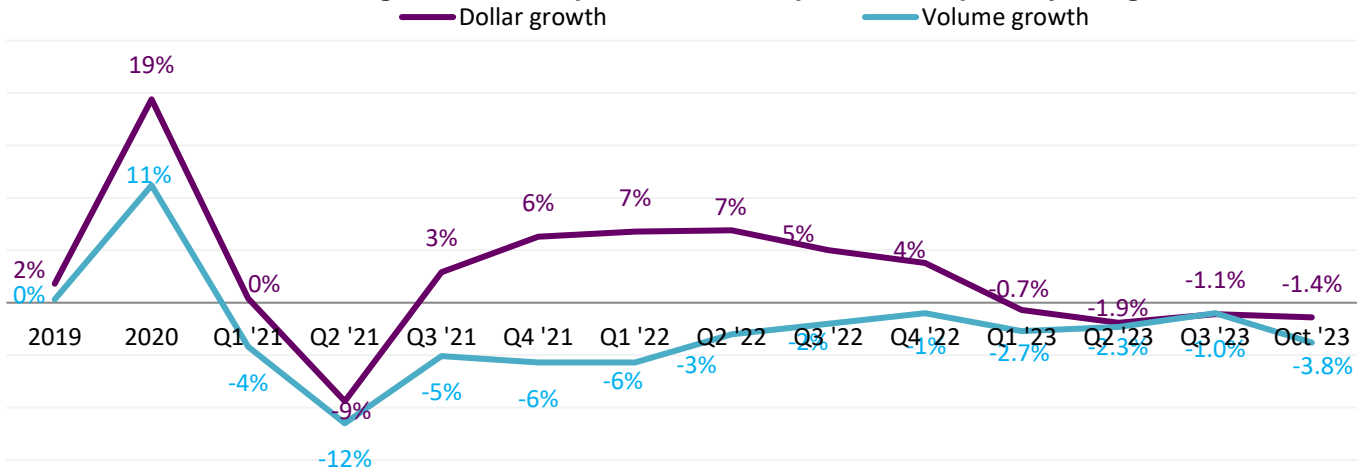
Source: Circana, Integrated Fresh, Household Panel, 4 w.e. 10/8/2023

	October 2023 % change					Latest 52 weeks % change			
	Dollar size	Dollars vs. YA	Dollars vs. 2YA	lbs vs. YA	lbs vs. 2YA	Dollars vs. YA	Dollars vs. 2YA	lbs vs. YA	lbs vs. 2YA
Total meat department	\$6.5B	-1.4%	+1.9%	-3.8%	-5.6%	-0.2%	+5.9%	-1.6%	-5.4%
Fresh meat	\$4.4B	-0.4%	+1.7%	-3.8%	-5.4%	+0.4%	+5.5%	-1.1%	-4.5%
Processed meat	\$2.1B	-3.3%	+2.3%	-3.7%	-6.2%	-1.5%	+6.7%	-2.9%	-7.3%

Source: Circana, Integrated Fresh, Total US, MULO

Volume was trending closer to year ago levels until the fourth quarter of 2022, but recovery stalled come 2023. Pounds sales trended closely behind year-ago levels in all of the third quarter, but dropped sharply in October — a month void of major national holidays affecting the meat department. Rising prices are driving a gap between pounds and dollars once more.

\$ and lbs growth meat department vs. comparable time period year ago



Source: Circana, Integrated Fresh, MULO

Assortment

Assortment, measured in the number of weekly items per store averaged 489 meat and poultry SKUs in October 2023. This was down -0.9% compared to the assortment in October 2022, and far less than the 524-item average in 2019.

	Average meat department items per store selling for ...										
	2019	2020	2021	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Oct 23
Total meat	524	499	505	491	502	492	495	492	495	492	489
Change vs. YA	-1.1%	-4.8%	+1.2%	-3.0%	-2.0%	-1.8%	-1.3%	-10.1%	-1.6%	-0.4%	-0.9%

Source: Circana, Integrated Fresh, Total US, MULO, average items per store selling

Fresh Meat Sales by Protein

October sales experienced substantial declines for pork, turkey and veal. Turkey sales are highly related to Thanksgiving purchases and different holiday purchase patterns over the past few years may move dollars closer in to the holiday as consumers await sales promotions. Chicken was the only major protein gaining in pounds in both the shorter- and longer-term views.

Type	October 2023			Type	Latest 52 weeks ending 10/29/2023		
	\$ sales	\$ vs. YA	Lbs vs. YA		\$ sales	\$ vs. YA	Lbs vs. YA
Total fresh meat	\$4.4B	-0.4%	-3.8%	Total fresh meat	\$57.7B	+0.4%	-1.1%
Fresh beef	\$2.4B	+4.1%	-3.4%	Fresh beef	\$30.8B	+0.5%	-1.4%
Fresh chicken	\$1.2B	-3.3%	+0.2%	Fresh chicken	\$15.8B	+3.4%	+1.4%
Fresh pork	\$511M	-7.5%	-10.1%	Fresh pork	\$6.9B	-5.4%	-3.6%
Fresh turkey	\$197M	-8.0%	-13.6%	Fresh turkey	\$2.9B	+3.6%	-4.4%
Fresh lamb	\$34M	-3.8%	-4.7%	Fresh lamb	\$500M	-7.5%	-5.4%
Fresh exotic	\$9.3M	+1.9%	-4.5%	Fresh exotic	\$122M	+0.7%	-4.9%
Veal	\$3.6M	-16.8%	-12.9%	Veal	\$47M	-12.2%	-9.0%

Source: Circana, Integrated Fresh, MULO

Processed Meat

October processed meat sales were less than half that of fresh meat, at \$2.1 billion. Dollar sales were down by -3.3% versus October 2022, while pounds decreased -3.7%. In the 52-week view, dollar sales gains dropped 1.5% behind year ago levels, mostly driven by deflation in bacon and a drop in pound sales for processed chicken.

Type	October 2023			Type	Latest 52 weeks ending 10/29/2023		
	\$ sales	\$ vs. YA	Lbs vs. YA		\$ sales	\$ vs. YA	Lbs vs. YA
Processed meat	\$2.1B	-3.3%	-3.7%	Processed meat	\$28.7B	-1.5%	-2.9%
Packaged lunchmeat	\$477B	-4.6%	-3.5%	Packaged lunchmeat	\$6.4B	+2.4%	-6.7%
Bacon	\$461B	-1.3%	-2.0%	Bacon	\$5.9B	-8.2%	+0.5%
Dinner sausage	\$369B	-1.9%	-2.4%	Dinner sausage	\$4.9B	+1.3%	-0.6%
Frankfurters	\$199B	-2.7%	-4.2%	Frankfurters	\$2.9B	+0.9%	-1.8%
Breakfast sausage	\$166B	-2.6%	-1.1%	Breakfast sausage	\$2.2B	+0.5%	-1.3%
Smoked ham	\$77B	-7.6%	-10.8%	Smoked ham	\$1.6B	+2.6%	-1.2%
Processed chicken	\$39M	-14.0%	-9.9%	Processed chicken	\$540M	-6.5%	-8.3%

Source: Circana, Integrated Fresh, Total US, MULO

Grinds

While ground beef pounds decreased -1.2% in October, it outperformed whole muscle beef. Smaller grinds, including turkey and chicken, gained in both pounds and dollars in October. Ground pork sales fell below year ago levels in the shorter-term view, but continue to be an area of growth in the 52-week view.

Type	October 2023			Type	Latest 52 weeks ending 10/29/2023		
	\$ sales	\$ vs. YA	Lbs vs. YA		\$ sales	\$ vs. YA	Lbs vs. YA
Ground beef	\$1.2B	+7.9%	-1.2%	Ground beef	\$12.4B	+2.6%	+0.2%
Ground turkey	\$139M	+3.3%	+4.9%	Ground turkey	\$1.7B	+5.7%	-1.7%
Ground chicken	\$22M	+8.3%	+12.0%	Ground chicken	\$276M	+13.6%	+14.8%
Ground pork	\$17M	-2.2%	-0.8%	Ground pork	\$206M	+2.5%	+2.1%
Ground lamb	\$3.2M	-5.5%	-1.5%	Ground lamb	\$45M	+5.7%	+9.6%
Ground veal	\$0.6M	-29.7%	-32.8%	Ground veal	\$9.7M	-12.5%	-14.6%

Source: Circana, Integrated Fresh, Total US, MULO

What's Next?

Looking toward the Thanksgiving and December holiday season, the majority of consumers expect to celebrate in similar fashion as they did last year. This includes similar expectations for the size and nature of home-cooked meals for family and friends. While unit pressure has had a profound impact on grocery sales for the past two years, holidays are an important reason to include more premium items and treats — underscoring the importance of suggestive selling in-store, online and utilizing social media.

The next performance report in the [Circana](#), 210 Analytics and [Hillphoenix](#) series will be released mid-December 2023 to cover the November sales trends. To learn more about Circana's meat and poultry sales and shopper measurements, please contact: FreshFoods@circana.com. Please thank the entire meat and poultry industry, from farm to store, for all they do.

Date ranges:

Q2 2023: 13 weeks ending 7/2/2023

Q3 2023: 13 weeks ending 10/1/2023

September 2023: 4 weeks ending 10/1/2023

October 2023: 4 weeks ending 10/29/2023