# 2022 Mushroom Engagement at Retail

Every department, category or item ultimately has three ways in which it can grow: an increase in the number of people who purchase the item, an increase in the number of times it is purchased, and an increase in the trip spend by buying a larger size or more premium item. In 2022, prices for food and beverages bought at retail increased by more than 12% and inflation struck in many other areas of life as well — taking a significant bite out of consumers’ spending power. In response, shoppers applied widespread money-saving measures that commonly affected all three levers of growth for categories across the store, including fresh mushrooms.

**Household penetration**

The tremendous pressure on income prompted many consumers to simply buy less. Out of the top 15 sellers in fresh vegetables, only cucumbers managed a slight increase of 0.3 percentage points in household penetration. All others, including staples such as potatoes, onions, tomatoes and lettuce experienced a reduction in the number of households that bought the item at least once in 2022. The 2.9 percentage point decline for mushrooms was among the highest.



Source: Circana (formerly IRI), Integrated Fresh Household Panel, all outlets, 52 weeks ending 1/1/2023

**Annual trips per Buyer**

Trips changed relatively little as consumers chased sales specials, integrated a wider number of stores into their shopping routines and bought smaller unit sizes to manage their total trip spend. Three areas saw a small uptick, being onions, cucumbers and potatoes. Mushrooms were down 0.3 points on a total of 7.2 trips in 2022.



Source: Circana (formerly IRI), Integrated Fresh Household Panel, all outlets, 52 weeks ending 1/1/2023

**Dollars per Trip**

All top 15 categories saw an increase in the spend per trip in 2022, led by salad blends, potatoes, lettuce and salad kits. This is mostly related to inflation. In 2022, the average price per unit for mushrooms increased $0.20, yet consumer spending per trip increased an average of $0.17 — demonstrating that at least some consumers shifted to smaller unit sizes, items that cost slightly less or bought more on promotion. For instance, the sales data for 2022 indicates that whole mushrooms sales were stronger than that of pre-sliced that are sometimes priced higher.



Source: Circana (formerly IRI), Integrated Fresh Household Panel, all outlets, 52 weeks ending 1/1/2023

**Annual spend per buyer**

While spending was boosted by inflation, the reductions in trips and unit size ultimately prompted little change in the 2022 spending levels versus the annual spending in 2021. The increase in annual spending was highest for potatoes, with an additional $4.82, followed by onions, at +$4.09. Despite an increase of 7.2% in the price per unit in 2022, fresh mushroom annual spending only increased $0.20 — the second-lowest of the top vegetable sellers.



Source: Circana (formerly IRI), Integrated Fresh Household Panel, all outlets, 52 weeks ending 1/1/2023

**Conclusion**

Among shoppers who did buy mushrooms in 2022, trips and spend per trip were fairly similar to 2021 levels, resulting in relatively unchanged spending per buyer. As such, the category pressure is coming from the drop in household penetration. Now below half of the U.S. population, the 48% of Americans who are continuing to buy mushrooms are unable to offset the loss in revenue from those who have dropped out.

# 2022 Fresh Mushroom Performance Summary for Retail

In calendar year 2022, dollars were down 4.2% versus year ago and pounds 10.6%. Dollars remained ahead of 2019, but pounds are now 3.0% behind pre-pandemic levels.

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| Fresh mushrooms | 2022  | Vs. 2021 | Vs. 2019 |
| Dollars | $1.3 billion | -4.2% | +8.6% |
| Units | 431 million | -10.6% | -5.5% |
| Volume (pounds) |  272 million | -10.6% | -3.0% |

Source: IRI, Integrated Fresh, MULO, YTD and 52 weeks ending 1/1/2023

## **Inflation**

Mushroom prices per unit increased by 7.2% in 2022 when compared to 2021.

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| Fresh mushrooms | 2022  | Vs. 2021 | Vs. 2019 |
| Price/unit | $2.93 | +7.2% | +15.0% |
| Price/volume | $4.63 | +7.2% | +12.0% |

Source: IRI, Integrated Fresh, MULO, YTD and 52 weeks ending 1/1/2023

## **Performance by segment**

White mushrooms represented 52.2% of total fresh mushroom dollar sales and 59.4% of pounds in 2022. However, it was brown mushrooms, the combination of criminis and portabellas, that fared better with 10.8% pound growth over the 2019 levels, whereas white mushrooms were down 10.4%.

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| **2022** | **Dollars** | **Dollar share** | **$ sales vs. 2021** | **$ sales vs. 2019** | **Volume (lbs)** | **Lbs****share** | **Lbs vs. 2021** | **Lbs vs. 2019** |
| **Total fresh mushrooms** | **$1.3B** | **100.0%** | **-4.2%** | **+8.6%** | **21.2M** | **100.0%** | **-10.6%** | **-3.0%** |
| White mushrooms | $657.6M | 52.2% | -6.6% | -0.8% | 12.3M | 59.4% | -12.4% | -10.4% |
| Brown mushrooms | $531.4M | 42.1% | -0.4% | +21.4% | 8.5M | 38.6% | -7.5% | +10.8% |
| Specialty mushrooms | $71.8M | 5.7% | -8.0% | +20.3% | 0.4M | 1.9% | -14.9% | +1.3% |

Source: IRI, Integrated Fresh, MULO, 52 weeks ending 1/1/2023