The Produce for Better Health Foundation recently hosted a group of supermarket dietitians at the Produce Marketing Association Fresh Summit, the largest produce trade show in the U.S. At the event, SPINS’ own Director of Scientific Affairs Jamie Phillips, MS, RDN, shared SPINS data on fresh, frozen, and canned produce sales trends across several key segments. Phillips also spotlighted innovative subcategories and products designed to help consumers integrate more fruits and vegetables into their diet.

In this TrendWatch, we will dive into some of the produce trends affecting today’s retail landscape.

## Fresh Produce Sales Rankings

Cross-channel sales of packaged produce are up 2.5% from last year. This group encompasses fresh packaged fruit, vegetables, cut fruit and vegetables, salads and greens, and herbs with a UPC barcode. This 2.5% growth doesn’t refer to loose or bulk fruits or vegetables sold by the pound or by product look-up codes. Overall, whole fruit and vegetable growth is outpacing cut fruit and vegetable growth.

<table>
<thead>
<tr>
<th>Subcategory</th>
<th>Total Sales</th>
<th>% Growth YOY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. FRUIT</td>
<td>$10.5B</td>
<td>3.7%</td>
</tr>
<tr>
<td>2. VEGETABLES</td>
<td>$7.4B</td>
<td>2.2%</td>
</tr>
<tr>
<td>3. SALADS AND GREENS</td>
<td>$6.4B</td>
<td>2.7%</td>
</tr>
<tr>
<td>4. VEGETABLES - CUT</td>
<td>$1.9B</td>
<td>-1.5%</td>
</tr>
<tr>
<td>5. FRUIT - CUT</td>
<td>$847.7M</td>
<td>0.7%</td>
</tr>
<tr>
<td>6. HERBS</td>
<td>$315.6M</td>
<td>-0.1%</td>
</tr>
</tbody>
</table>

SPINSscan Natural and Specialty Gourmet (Proprietary), MULO (powered by IRI) 13 Quads Ending 2017-Sep-10.
CERTIFIED ORGANIC + LABELED NON-GMO PRODUCE

Consumer demand for transparency has led manufacturers to include a non-GMO mention or seek third-party certification for organic products, even though non-GMO status is already a requirement of the organic certification. As such, when these two attributes are layered together on a product’s label, sales growth for produce is even more impressive at 9.2%, compared to 5.8% for organic alone or 6.3% for labeled non-GMO items. Furthermore, SPINS’ **REFRIGERATED JUICES & FUNCTIONAL BEVERAGES** category represents a market share of $554.0 million for products that are both certified organic and labeled non-GMO, surpassing the **PRODUCE** category itself for the top spot among produce-related categories.

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Sales</th>
<th>% Growth YOY</th>
</tr>
</thead>
<tbody>
<tr>
<td>REFREGERATED JUICES &amp; FUNCTIONAL BEVERAGES</td>
<td>$554.0M</td>
<td>20.8%</td>
</tr>
<tr>
<td>PRODUCE</td>
<td>$249.8M</td>
<td>9.2%</td>
</tr>
<tr>
<td>SHELF STABLE JUICES</td>
<td>$241.7M</td>
<td>-0.4%</td>
</tr>
<tr>
<td>SHELF STABLE FRUITS &amp; VEGETABLES</td>
<td>$150.3M</td>
<td>-0.8%</td>
</tr>
<tr>
<td>FROZEN FRUITS &amp; VEGETABLES</td>
<td>$107.8M</td>
<td>0.9%</td>
</tr>
</tbody>
</table>

VEGGIE SNACK BITES FOR KIDS

We all know kids can be picky eaters, but a few brands find fun ways to get kids to start asking for their peas and carrots. Not all of these have the same nutrition profile as eating fresh or steamed veggies, but, in the context of **More Matters**, every extra bite is a win!

The **FROZEN APPETIZERS & SNACKS** category, a $4.7 billion segment, is growing at a modest 1.2%. However, using SPINS’ proprietary attribution and segmentation, we gain visibility into a smaller subset with a much higher growth rate, revealing the performance of items marketed to specific age groups. In this instance, we can see that frozen veggie snacks geared toward kids make up a $4.1 million market and show growth at a rate of 18.1%.
VEGGIE NOODLES

Kids aren’t the only ones enjoying alternative veggie formats. Veggie noodles show explosive 3519.5% growth over last year! The playfully named products, from squoodles (squash noodles) to zoodles (zucchini noodles), can be a great alternative to pasta. SPINS data shows that fastest-growing varieties include beet, sweet potato/yam, potato, and butternut squash noodles.

RICED VEGGIES

Although the FROZEN FRUITS & VEGETABLES category reports a slight decline of 0.7%, it still boasts an impressive $6.0 billion in sales. Niche growth segments to note are in the riced veggie arena. Riced cauliflower, for example, first found in the frozen aisle, can now be spotted in the refrigerated produce section and even in a few shelf-stable products. This trend has roots in Paleo and grain-free diets, replacing simple starches with veggies. Brands have tried out the riced form for other vegetables, as well, including carrots and broccoli in convenient packaging to microwave or steam in the bag. For riced cauliflower, riced carrots, and riced broccoli, year-over-year growth percentages are in the thousands, reflecting the newness and the popularity of this trend. In related developments, a few brands have taken a cue from popular DIY cauliflower pizza crust recipes to produce prepared cauliflower crusts or whole pizzas: all of those that we’ve seen are gluten-free, and some are grain-free and vegan, as well.

Only SPINS’ Product Library’s proprietary attribution can provide you with a granular look at the evolving and nuanced health & wellness trends transforming retail today. Want to know more? Contact your SPINS rep or email spinsinfo@spins.com to dig deeper into data on produce and other hot retail topics affecting your business.