Meat, Fish & Poultry
MARKET UPDATE

Meat, fish and poultry volumes fall across early 2018

The seasonal cheer we saw for the Meat, Fish and Poultry (MFP) market in the New Year has faded as the category slows down, shows our latest data release covering the 12 weeks to 25th February. With sales of chilled ready meals jumping by (26%) retailers offered customers the opportunity to wine and dine at home, while Chinese ready meals also rose by more than a quarter.

Only fresh processed meat and poultry has seen growth over the past 12 weeks. Chicken led the category, as beef, lamb and pork are all in volume decline. Chilled fish continues to suffer volume losses as inflation impacts the market, however, we expect to see the pressure slow as price rises slow down. Over Valentine's Day and Chinese New Year, we might have expected to see uplift for the MFP categories, but this hasn't driven growth, with the market following a different trend to grocery overall. To find out more about the trends affecting the wider grocery market share read our Grocery Market Share update.

Nathan Ward, Business Unit Director for MFP, explains the reasons why fresh meat and poultry is seeing tougher times: "The market has slowed in the last four weeks when New Year's resolutions traditionally start to peter out, and some shoppers have left the market. The real driver of decline is in red meats, where beef shows continued volume losses driven by smaller and less frequent trips to the category, with 400,000 fewer purchases of beef this year. The catalyst for this decline is lower-income households and those most affected by inflation. Lamb continues to become more expensive and is declining the fastest – purchased 1.4m fewer times this year.

Ward continues: "Chicken does buck the trend, with falling prices and rising volumes. Chicken is growing in fresh and processed markets, with demand seemingly untouched by the concerns of flexitarianism and veganism. We have seen 1 million more trips containing chicken this year and 195,000 more shoppers, as this versatile meat continues to take a larger share of sales. Cuts of chicken legs and breasts are the drivers for this growth, chicken breasts are being supported in store with 18% more promotions, as price cuts (up 18%) and Y for £X deals (up 19%) increase over the period. Chicken legs has seen similar support, with promotional volumes up 10%, helping to stimulate 900,000 more trips this year.

The effect of Christmas will fall outside of the next data release and we will see what the landscape looks like for meat fish and poultry ahead of Easter 2018. We will look at the key themes and much more in the next update in four weeks' time.

	12 weeks to 25/2/2018	Year on Year Change	12 weeks to 25/2/2018	Year on Year Change
	£ millions	%	000's Tonnes	%
Fresh Primary Meat & Poultry	1478.0	-0.5	260.3	-0.8
Beef	564.6	-1.3	71.7	-1.7
Lamb	136.5	-3.0	16.0	-7.2
Pork	176.4	1.6	37.3	-2.1
Chicken	446.1	-0.8	114.0	0.9
Turkey	118.6	1.8	16.2	-1.0
Other Red Meat	7.2	32.0	1.4	63.4
Other Poultry	28.6	6.3	3.8	-2.4
Fresh Processed Meat & Poultry	938.5	4.1	154.3	0.8
Bacon	328.6	3.0	58.7	1.6
Sausages	163.9	3.6	34.1	-2.4
Burgers & Grills	52.8	-0.3	7.6	-2.2
Fresh Processed Poultry	393.3	5.9	53.9	2.4
Sliced Cooked Meats	467.7	2.2	49.8	-0.4
Chilled Fish	458.5	2.2	37.0	-2.7
Added Value Products	122.6	-0.7	11.9	-1.8
Battered	6.5	53.3	0.6	43.6
Breaded	27.6	12.2	3.4	6.2
Natural	161.4	6.2	11.8	-2.8
Shellfish	50.9	-11.0	4.1	-12.4
Smoked	89.6	2.5	5.2	-4.9