

CONSUMER BEHAVIOR + PROMOTIONS

Thanksgiving 2021

Holiday grocery insights for a Thanksgiving highlighted by inflation and product shortages.



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SOURCES

- **Numerator Thanksgiving Survey**
Fielded 12/2/2021 to 1,098 shoppers who spent \$50+ on groceries in the two weeks leading up to Thanksgiving. All shoppers indicated they had purchased groceries for Thanksgiving celebrations.
- **Numerator Insights**
Observed price increases on Thanksgiving groceries based on verified purchases from consumers.
- **Numerator Promotions Intel**
Omnichannel promotions insights for key Thanksgiving categories and retailers.

Executive Summary



SHOPPING OVERVIEW

Numerator's 2021 Thanksgiving Shopping Survey revealed clear generational divides in shopping behavior as Boomers and Gen X consumers shopped and cooked for larger gatherings.

PRODUCT SHORTAGES

In the weeks leading up to Thanksgiving, 3 in 4 shoppers were impacted by product shortages. Categories such as Canned & Boxed Food, Baking Ingredients, and Fresh Produce were most likely to complicate shopping plans. Nevertheless, over 9 in 10 consumers completed their shopping this year this year by visiting more stores, shopping earlier, and substituting items.

INFLATION IMPACT

Almost 9 in 10 Thanksgiving shoppers noted inflationary impact. Price increases in Fresh Produce, Turkey, and Canned & Boxed Foods were most noticed by shoppers.

Numerator Panel data validates consumer sentiment, as Thanksgiving staples saw large increases in their spend per unit v. 2020. To keep prices low, Thanksgiving shoppers sought out promotions and visited multiple stores to find the best deals.

TRIPS AND TIMING

Adapting to both product shortages and inflation, consumers shopped early and often— visiting multiple stores and starting their shopping more than a week out from Thanksgiving. Popular categories purchased outside of the main trip include Fresh Produce, Baking Ingredients, and Turkey. Canned & Boxed Foods, Baking Ingredients, and Turkey were prioritized by early shoppers.

PROMOTIONS OVERVIEW

Grocery promotions in the weeks leading up to Thanksgiving 2021 saw a 50% increase from 2020. Top promoted categories and top Thanksgiving promoters remained similar to last year.

LOOKING AHEAD

Concern over inflation and product shortages is unlikely to decline in the coming months. With the winter holidays looming, almost 8 in 10 shoppers expect inflation to impact their shopping plans. Over 2 in 3 expect product shortages to impact their plans.

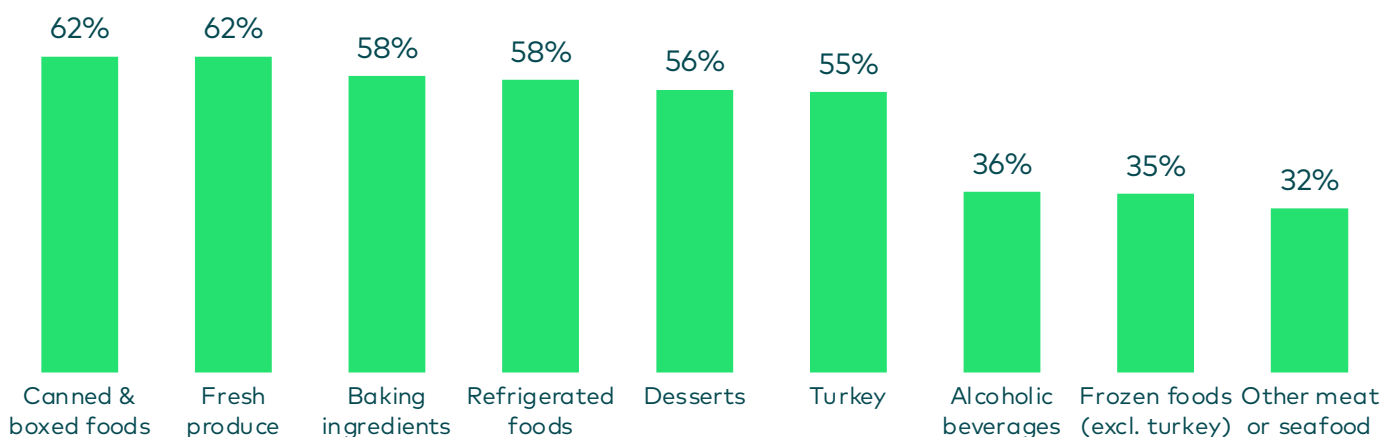
Shopping Overview



Shoppers remained loyal to Thanksgiving staples— more than 3 in 5 consumers purchased Canned & Boxed Foods or Fresh Produce. Clear generational splits exist: Millennials were more likely to replace Turkey with alternatives, and both Millennials and Gen Z consumers were less likely to buy Fresh produce overall.

THANKSGIVING PURCHASES

What grocery items did you purchase for Thanksgiving this year?



FRESH PRODUCE AND TURKEY FEATURED LESS ON YOUNGER SHOPPERS' LISTS

More Boomers (Index 119) and Gen X (105) shoppers purchased Turkey this Thanksgiving compared to Millennials (83) and Gen Z (92). Millennials specifically were more likely to purchase possible alternatives, including Other Meat or Seafood (108) and Deli & Prepared Foods (120).

Fresh Produce saw similar trends. Boomers (111) and Gen X (104) once again over-indexed in this category, while Millennials (98) and Gen Z (88) were less likely to purchase the category.



Product Shortages



Product shortages significantly disrupted Thanksgiving shopping plans: 3 in 4 shoppers were impacted by product shortages in the weeks leading up to Thanksgiving, and over a quarter ranked the impact as moderate to significant. Consumers visited multiple retailers, shopped early, and substituted items to get the groceries they needed to feed their loved ones this Thanksgiving.

IMPACT OF PRODUCT SHORTAGES

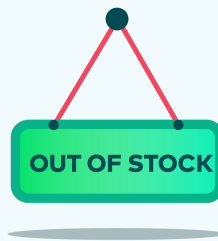
How much of an impact did product shortages have on your shopping?

■ No Impact ■ Little Impact ■ Slight Impact ■ Moderate Impact ■ Significant Impact



42%

Of consumers shopped at multiple stores to find their grocery items

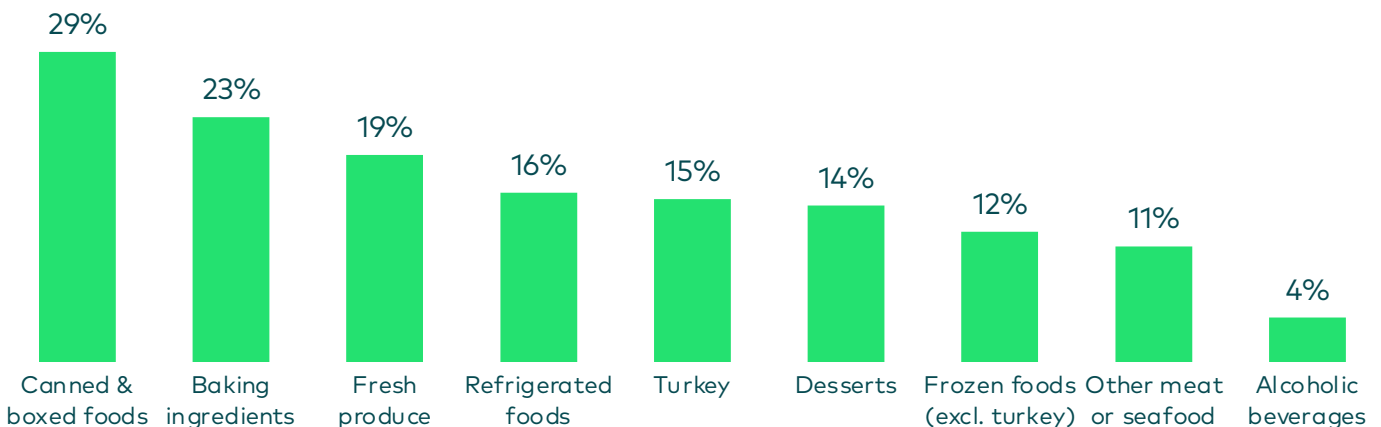


28%

Of consumers substituted items on their lists with alternative products

CATEGORIES WITH SHORTAGES

Which grocery products did you have the most difficulty finding?



Inflation Impact

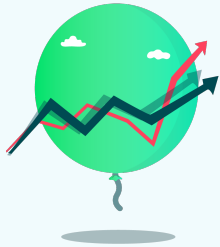


Almost 9 in 10 Thanksgiving shoppers noted at least a little inflation impact, with nearly half ranking the impact as moderate or significant. Price increases for key Thanksgiving staples— Fresh Produce, Turkey, and Canned & Boxed Foods— stood out the most to shoppers.

IMPACT OF PRICE INCREASES

How much of an impact did price increases have on your shopping?

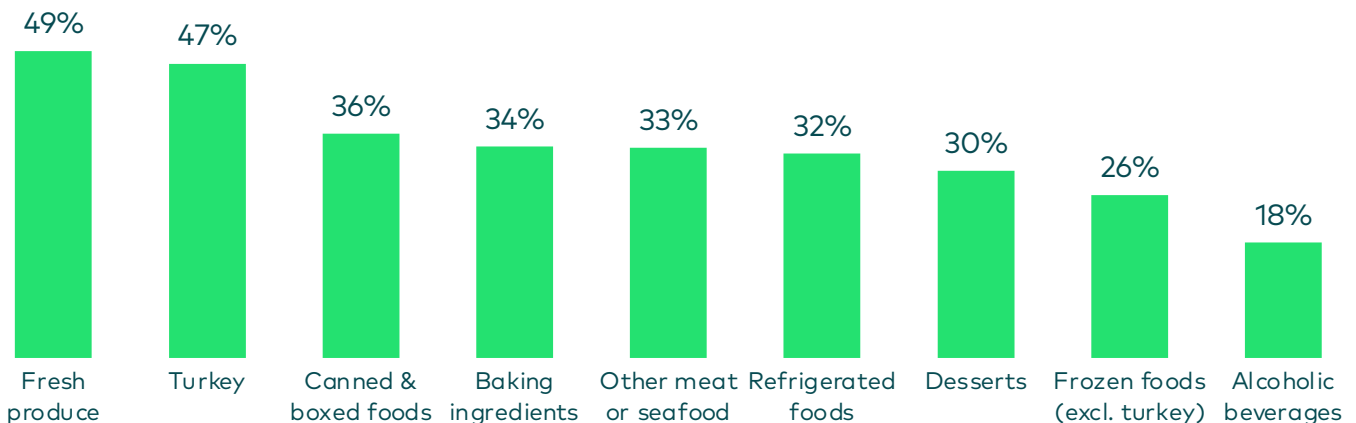
■ No Impact ■ Little Impact ■ Slight Impact ■ Moderate Impact ■ Significant Impact



LOW INCOME (INDEX 122) AND SOUTHERN (INDEX 106) SHOPPERS WERE MOST LIKELY TO RATE THEIR INFLATION CONCERN AS MODERATE OR SIGNIFICANT)

CATEGORIES WITH HIGHER PRICES

Which grocery products did you notice costing more this year?



Inflation Impact (cont.)



Inflationary price increases impacted a wide range of Thanksgiving staples, with Canned Green Beans seeing the largest observed price increases vs. YA. To keep prices low, Thanksgiving shoppers searched for the best deals by visiting multiple retailers and leveraging promotions.

OBSERVED PRICE INCREASES*

Spend per unit November 2021 vs. YA

Canned Green Beans	Frozen Desserts	Fresh Veggies	Pre-Cooked Ham	Eggs
+26.1%	+15.8%	+9.4%	+8.9%	+8.8%

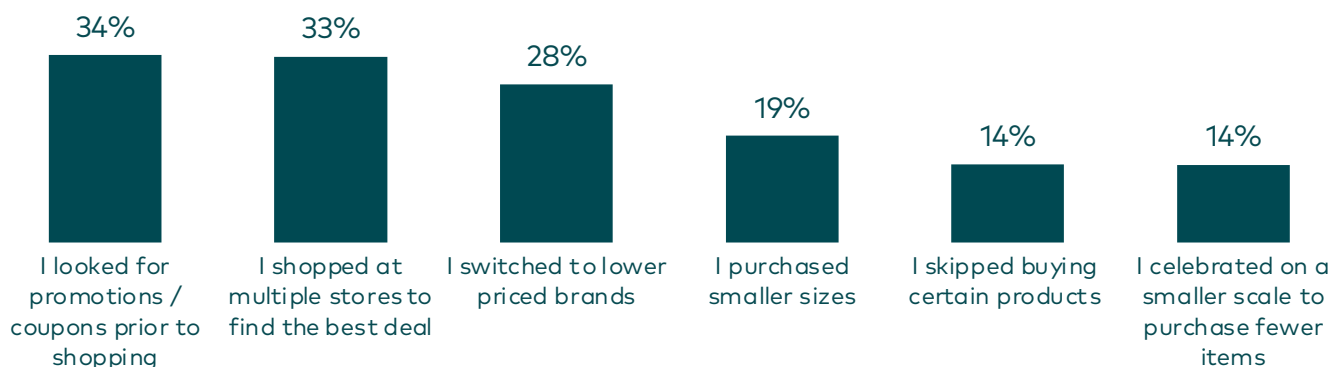


INFLATION SPOTLIGHT: TURKEY*

Fresh Turkey saw a price increase of +4% vs. YA and +7.8% vs. 2019, and Frozen Turkey was up even more significantly, with price paid increasing over 40% vs YA and doubling vs. 2019. Important to note, this does not control for turkey weight, so inflationary price increases likely compounded with larger turkey sizes to drive dramatic price jumps.

PLANNED SHOPPING BEHAVIOR CHANGES

How did you adjust your shopping to account for rising prices?



*Numerator Insights 11/01/2021 – 11/30/2021 vs YA
Numerator Thanksgiving Survey 12/2/2021 (n=1,098)

Trips & Timing



In a stark departure from the 2020 holiday season, when shoppers consolidated their holiday trips and retailers reaped the benefits, consumers shopped early and often this Thanksgiving to get the groceries they needed at the prices they wanted.

ITEMS PURCHASED SEPARATELY

Which items did you buy separately from your main trip?



ONLY

26%

PURCHASED ALL OF THEIR GROCERY ITEMS FROM A SINGLE STORE

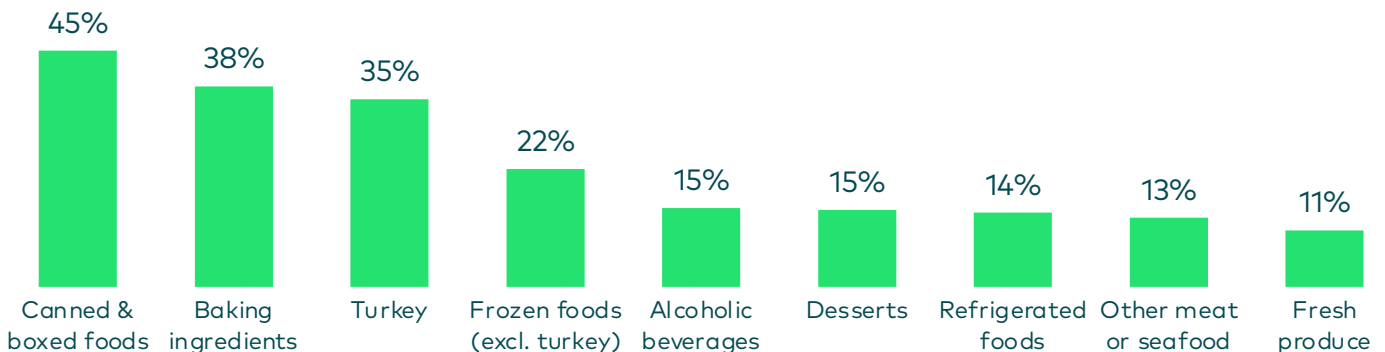


THE EARLY SHOPPER GETS THE TURKEY

70% of Thanksgiving grocery shoppers purchased most of their grocery items more than a week before Thanksgiving. Boomers were more likely to complete their shopping early (Index 116). Only 30% of shoppers purchased most of their groceries within a week of Thanksgiving

ITEMS PURCHASED EARLY

Which items did you purchase early?



Promotions Overview



While top promoted categories and top Thanksgiving promoters remained similar to last year, Turkey promotions almost doubled versus 2020, and retailers prioritized their Private Label brands at the expense of National Brands.

TOP PROMOTED CATEGORIES

% share of total grocery promotions

Snacks	Dairy	Frozen	Beverage	Baking Needs
11.0%	10.1%	9.4%	7.1%	5.4%
Canned Food	Meat	Fresh Veggies	Beer	Fresh Fruit
4.4%	4.3%	3.6%	3.2%	3.1%

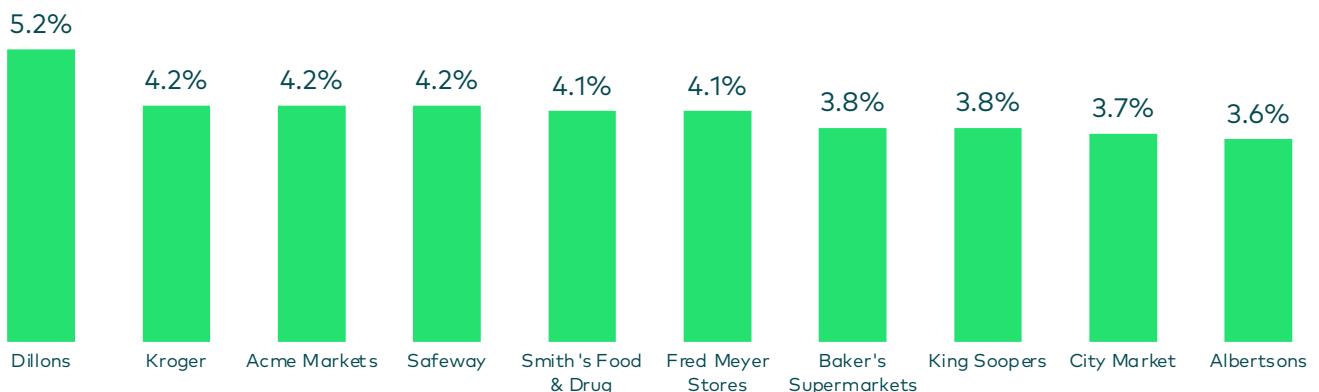
TURKEY PROMOTIONS SURGE BACK

Turkey promotions nearly doubled (index 177) vs. 2020. Retailers also placed more emphasis on Private Label Brands this year (62.1% share) vs. 2020 (45%) at the expense of National Brands (-17.1% share).



TOP THANKSGIVING PROMOTERS

% share of total grocery promotions



Looking Ahead

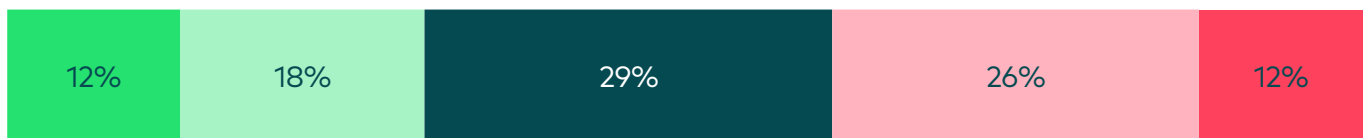


Consumer concern over inflation and product shortages will likely remain elevated in the coming months. Over 1 in 3 shoppers expect product shortages to have a moderate to significant impact on their upcoming holiday shopping, and the expected impact of inflation is even higher (1 in 2).

FUTURE PRODUCT SHORTAGES IMPACT

How much impact do you expect product shortages to have on your upcoming holiday shopping?

■ No Impact ■ Little Impact ■ Slight Impact ■ Moderate Impact ■ Significant Impact



FUTURE INFLATION IMPACT

How much impact do you expect rising prices to have on your upcoming holiday shopping?



There's **More to Know**

Looking for holiday insights for your own brand or category? Visit our website for the latest research, and drop us a line for a custom analysis.



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