



January Brings a Sizzling Start to the Year for the Meat Department

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January Review

- The University of Michigan's Consumer Sentiment Index for January 2025 showed a decline, dropping to 71.1 from 73.2 in December. This marks the first decrease in six months. Consumers indicated being concerned about the labor market and potentially higher prices due to tariffs on imports. The decrease in consumer sentiment was widespread, affecting consumers across different political affiliations, age groups and income levels.
- The January Circana primary shopper survey shows that the consumer price perceptions of grocery-type items remain unchanged, with 84% believing prices continued to rise — which has an ongoing 96% of consumers worried about prices.
- In response, 55% of consumers look for sales promotions frequently and 44% refrain from buying non-essential items. Consumers also continued to move dollars and trips to value-focused retailers over full-service supermarkets. This has led to substantial dollar distribution shifts over the past few years.
- Lower-income consumers are the most likely to be concerned and implement a host of changes to their food buying behaviors, including eating at restaurants less often.

Inflation Insights

In January 2025 (the five weeks ending 2/2/2025), the price per unit across all foods and beverages in the Circana MULO+ universe stood at \$4.24. This reflects an increase of 2.8% over January 2024. Fresh food prices averaged \$4.30, which was an increase of 4.3% over January 2024. The upswing in January prices was influenced by substantial inflation in eggs. Egg prices have broken past previous records due to HPAI's ongoing impact on egg layers. Center-store prices averaged \$3.94, an increase of 1.8% over January 2024.

Food & beverages	2019	2020	2021	2022	2023	2024	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Jan 2025
PPU	\$3.13	\$3.31	\$3.49	\$3.93	\$4.17	\$4.24	\$4.18	\$4.24	\$4.24	\$4.30	\$4.24
Change	+2.0%	+5.7%	+5.5%	+12.5%	+6.1%	+1.7%	+1.2%	+1.5%	+1.9%	+2.2%	+2.8%

Source: Circana, Integrated Fresh, Total U.S., MULO+

The average price per pound in the meat department across all cuts and kinds, both fixed and random weight, stood at \$4.75 in January 2025, up 4.2% year-on-year. Processed meat prices rose the least in January, at +1.3% in sharp contrast to the prices of fresh meat that increased 5.6%.

Price inflation (price/volume)	Price/volume	Change vs. YA	Change vs.3YA
Total meat (FW and RW) January 2025	\$4.75	+4.2%	+8.0%
Total meat latest 52 weeks	\$4.00	+2.7%	+10.7%
Fresh meat January 2025	\$4.62	+5.6%	+10.3%
Fresh meat latest 52 weeks	\$4.46	+3.7%	+10.9%
Processed meat January 2025	\$5.10	+1.3%	+3.7%
Processed meat latest 52 weeks	\$4.96	+0.7%	+11.0%

Source: Circana, Integrated Fresh, Total US, MULO+

January experienced a mix of price movements at the protein level. Beef continued to experience inflation with the January rate of increase of 7.1% sitting above the 52-week average increase of 5.0%. Other proteins experiencing inflation include bacon, lunchmeat and chicken. Prices decreased for others in January, including turkey, lamb, smoked ham and fresh exotic, that includes bison.



January 2025	Price/lbs	Change vs. YA	Latest 52 weeks	Price/lbs	Change vs. YA
Fresh beef	\$6.73	+7.1%	Fresh beef	\$6.73	+5.0%
Fresh chicken	\$3.17	+3.2%	Fresh chicken	\$3.09	+1.3%
Fresh pork	\$3.21	+1.4%	Fresh pork	\$3.20	+2.7%
Fresh turkey	\$3.86	-3.3%	Fresh turkey	\$2.60	-2.8%
Fresh lamb	\$7.89	-1.2%	Fresh lamb	\$8.02	-5.2%
Fresh exotic	\$8.44	-5.5%	Fresh exotic	\$8.64	+1.2%
Bacon	\$6.22	+4.3%	Bacon	\$6.16	+3.4%
Packaged lunchmeat	\$5.99	+3.3%	Packaged lunchmeat	\$4.46	-0.3%
Dinner sausage	\$4.57	+0.7%	Dinner sausage	\$3.62	+2.7%
Frankfurters	\$3.61	+2.0%	Frankfurters	\$4.77	+2.2%
Breakfast sausage	\$4.82	+2.2%	Breakfast sausage	\$2.87	+0.2%
Smoked ham	\$2.83	-4.2%	Smoked ham	\$6.68	-2.4%
Processed chicken	\$6.68	-1.8%	Processed chicken	\$6.16	+3.4%

Source: Circana, Integrated Fresh, Total US, MULO+

Meat Sales

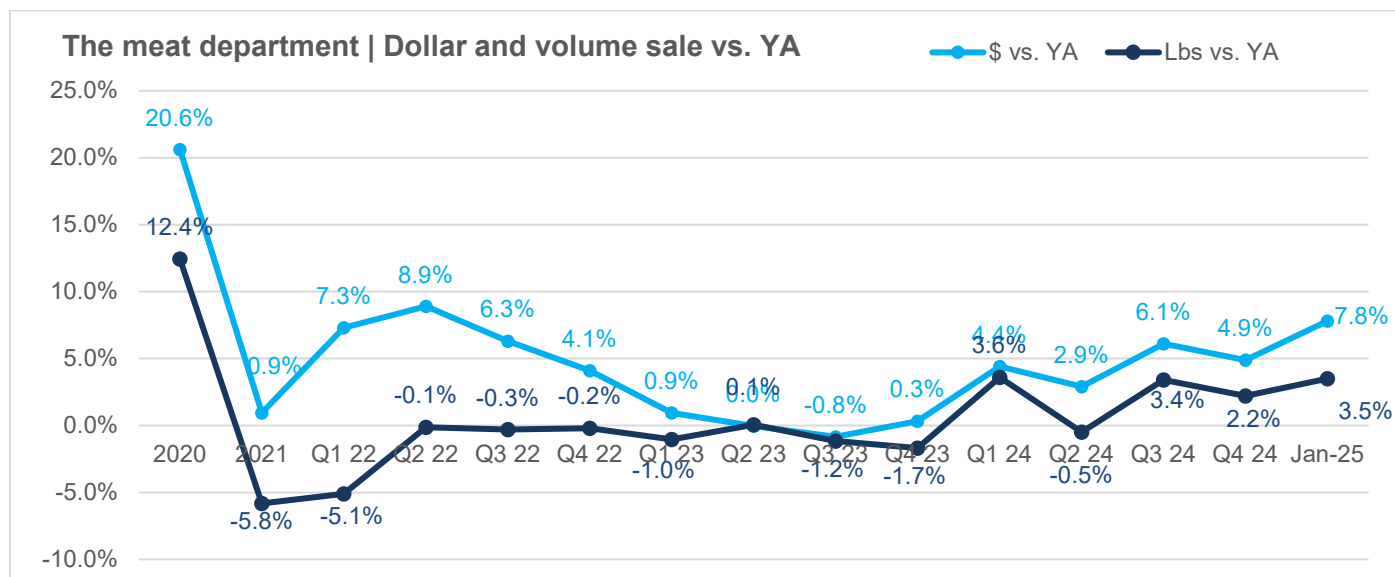
Fresh meat increased dollar sales by 10.4% in January, easily outperforming the 0.9% increase in processed meat, leading to an overall 7.8% increase over January 2024. The five January weeks generated \$10.3 billion, with \$7.4 billion for fresh meat. While inflation played a role, pound sales increased by 4.5% in fresh, but this result was pulled down by the 0.9% increase in processed for an overall gain of 3.5% year-on-year.

It is important to keep in mind that last month's report, December 2024 had a date cut-off of 12/29/2024. This likely pushed a substantial share of the New Year's Holiday dollars into this January report. This would have not been the case in 2023 when the cut off was 12/31/2023. Nevertheless, all January weeks showed strong results.

In the 52-week view ending January 2nd, dollar sales gained 5.1%. This increase reflects a combination of mild price increases and pound gains of 2.4%. Importantly, pound sales were also easily ahead of two years ago, at +2.5%.

	January 2025					Latest 52 weeks			
	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	\$10.3B	+7.8%	+11.1%	+3.5%	+5.7%	+5.1%	+6.0%	+2.4%	+2.5%
Fresh meat	\$7.4B	+10.4%	+15.8%	+4.5%	+7.2%	+7.2%	+9.7%	+3.4%	+4.2%
Processed meat	\$2.9B	+1.9%	+0.9%	+0.6%	+1.6%	+0.7%	-1.7%	0.0%	-1.7%

Source: Circana, Integrated Fresh, Total US, MULO+



Source: Circana, Integrated Fresh, MULO+



	Dollars	\$ vs. YA	Lbs vs. YA
January 2025	\$10.3B	+7.8%	+3.5%
w.e. 01-5-25	\$2.2B	+9.0%	+5.0%
w.e. 01-12-25	\$2.2B	+6.9%	+3.0%
w.e. 01-19-25	\$2.1B	+11.0%	+6.5%
w.e. 01-26-25	\$1.9B	+8.5%	+3.9%
w.e. 02-02-25	\$1.9B	+3.7%	-1.2%

The Wednesday New Year's Day holiday timing and different date cut-offs in 2023 and 2024 pushed much of the spending into the January report. The first week of January was the biggest with a year-over-year pound increase of 5.0%. That said, the second, third and fourth weeks also generated substantial year-over-year increases.

The third week did particularly well with a year-over-year pound gain of 6.5%.

Assortment

Meat department assortment, measured in the number of weekly items per store, averaged 449 SKUs in January 2025, which exceeds the average number of items for most of 2024.

	Average meat department items per store selling for ...												
	2019	2020	2021	2022	2023	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Jan 25
Total meat	478	448	448	439	434	437	433	434	430	428	424	455	449
Change vs. YA	--	-6.2%	-0.0%	-2.1%	-1.0%	-1.8%	-0.9%	-1.2%	-0.7%	-2.0%	-1.0%	-0.3%	-0.6%

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

Fresh Meat Sales by Protein

The increase in beef prices did not stop Americans from buying more. Beef pound sales increased 7.9% in January 2025. Much of the sales and growth is driven by ground beef, as seen later in this report. While the second-largest seller, chicken had the lowest percentage increase in pound sales, at +2.0%.

The entire fresh meat aisle had a strong January performance with gains for all but veal. In the full-year view, lamb had the highest year-on-year pound increases, at +11.9%, followed by beef and exotic (mostly bison).

January 2025				Latest 52 weeks			
Type	\$ sales	\$ vs. YA	Lbs vs. YA	Type	\$ sales	\$ vs. YA	Lbs vs. YA
Total fresh meat	\$7.4B	+10.4%	+4.5%	Total fresh meat	\$73.6B	+7.2%	+3.4%
Fresh beef	\$4.1B	+15.5%	+7.9%	Fresh beef	\$40.7B	+0.4%	+5.1%
Fresh chicken	\$2.0B	+5.3%	+2.0%	Fresh chicken	\$19.5B	+4.2%	+2.9%
Fresh pork	\$808M	+4.7%	+3.3%	Fresh pork	\$8.5B	+3.8%	+1.1%
Fresh turkey	\$268M	+2.5%	+6.0%	Fresh turkey	\$3.2B	-0.3%	+2.6%
Fresh lamb	\$82M	+9.0%	+10.3%	Fresh lamb	\$901.9M	+6.0%	+11.9%
Fresh exotic	\$23M	-2.0%	+3.7%	Fresh exotic	\$222.7M	+5.1%	+3.8%
Veal	\$4M	-8.2%	-11.0%	Veal	\$43.7M	-5.5%	-7.0%

Source: Circana, Integrated Fresh, MULO+



Processed Meat

Processed meat reflects a range of performances in January. While packaged lunchmeat and smoked ham decreased year-over-year in pound sales, processed chicken and hotdogs had a big month. January generally outperformed in comparison to the full-year view, with a strengthening performance for breakfast sausage, bacon, hotdogs and processed chicken.

January 2025				Latest 52 weeks			
Type	\$ sales	\$ vs. YA	Lbs vs. YA	Type	\$ sales	\$ vs. YA	Lbs vs. YA
Processed meat	\$2.9B	+1.9%	+0.6%	Processed meat	\$31.7B	+0.7%	+0.0%
Bacon	\$699M	+7.5%	+3.1%	Packaged lunchmeat	\$7.0B	-1.7%	-1.2%
Packaged lunchmeat	\$662M	+0.1%	-3.1%	Bacon	\$6.9B	+5.1%	+1.6%
Dinner sausage	\$533M	+3.6%	+2.9%	Dinner sausage	\$5.6B	+3.1%	+3.4%
Smoked ham	\$257M	+1.7%	-0.3%	Frankfurters	\$3.2B	+2.0%	-0.7%
Breakfast sausage	\$252M	+6.9%	+4.6%	Breakfast sausage	\$2.4B	+4.3%	+2.1%
Frankfurters	\$124M	+5.7%	+10.3%	Smoked ham	\$1.9B	-0.8%	-1.0%
Processed chicken	\$80M	+13.4%	+15.5%	Processed chicken	\$761M	+3.9%	+6.5%

Source: Circana, Integrated Fresh, Total US, MULO+

Grinds

Ground beef had another enormous month, with \$1.6 billion in sales during the five January weeks. This was an increase of 13.7% in dollars and 5.3% in pounds versus January 2024. Ground chicken also had big gains this month, whereas ground lamb was down. During the latest 52 weeks, ground beef sales reached \$15.5 billion, with a 4% increase in pounds.

January 2025				Latest 52 weeks			
Type	\$ sales	\$ vs. YA	Lbs vs. YA	Type	\$ sales	\$ vs. YA	Lbs vs. YA
Ground beef	\$1.6B	+13.7%	+5.3%	Ground beef	\$15.5B	+9.9%	+4.0%
Ground turkey	\$211M	+2.8%	+4.3%	Ground turkey	\$1.9B	+3.8%	+5.9%
Ground chicken	\$38M	+13.2%	+11.9%	Ground chicken	\$336M	+10.1%	+9.4%
Ground pork	\$25M	+0.0%	+3.7%	Ground pork	\$226M	+1.3%	+1.9%
Ground lamb	\$6M	-27.1%	-29.7%	Ground lamb	\$69M	-11.1%	-17.9%
Ground veal	\$6M	+14.2%	+15.9%	Ground veal	\$54M	+7.0%	+5.2%

Source: Circana, Integrated Fresh, Total US, MULO+

What's Next?

According to Brick Meets Click/Mercatus, the U.S. online grocery market closed out 2024 on a high note. December was the fifth consecutive month of sales exceeding \$9.5 billion, driven by strong growth in all fulfillment methods and aggressive promotions on memberships and subscriptions. Total eGrocery sales climbed 9% for the year, with the second half driving the momentum. This means winning with meat and deli has to include winning in online purchases.

The holidays continue to deliver for grocery retailing.

- Super Bowl represents substantial spikes for center-store and perishable items at retail, including chips, avocados, chicken wings and other items focused on entertaining. Repeating similar promotions for other sporting events, including March Madness, can help secure a greater share of total dollars spent on sporting events. For Super Bowl LIX, 27% of consumers who watched the event ordered food from a restaurant.
- While Valentine's Day was traditionally a larger occasion for foodservice, the holiday turned retail-centric at the onset of the pandemic. Restaurant foodservice has never quite recovered to 2019 levels. With the holiday on a Friday, and during the weekend the next few years, bringing easy, tasty and cost-effective solutions for a special meal at home across departments will be key.



Gains for Deli Cheese, Prepared Foods and Entertaining in January

Deli Sales

The five January weeks brought in \$3.0 billion of deli-prepared food sales, which reflected solid increases for both dollar and unit sales. Deli cheese and entertaining also gained in January, whereas deli meat lost ground.

	January 2025			Latest 52 weeks		
	\$ sales	\$ vs. YA	Units vs. YA	\$ sales	\$ vs. YA	Units vs. YA
Department deli	\$5.3B	+2.8%	+1.9%	Department deli	\$56.3B	+3.1%
Deli cheese	\$923M	+5.8%	+3.9%	Deli cheese	\$9.6B	+2.7%
Deli entertaining	\$603M	+6.0%	+5.5%	Deli entertaining	\$6.3B	+5.3%
Deli meat	\$786M	-7.1%	-6.0%	Deli meat	\$8.7B	-6.1%
Deli prepared	\$3.0B	+4.1%	+2.5%	Deli prepared	\$31.6B	+5.6%

Source: Circana, Total US, Integrated Fresh, MULO+, % growth versus year ago

Deli Meat

Deli meat sales continued to struggle in January. While pre-sliced gained, it was unable to offset the losses in grab & go and service meat. The same is true for the latest 52 weeks.

Deli meat	January 2025			Latest 52 weeks		
	\$ sales	\$ vs. YA	Lbs vs. YA	\$ sales	\$ vs. YA	Lbs vs. YA
Total deli meat	\$786M	-7.1%	-6.0%	Deli meat	\$8.7B	-6.1%
Grab & go	\$230M	-6.4%	-4.6%	Grab & go	\$2.6B	-4.0%
Pre-sliced	\$158M	+9.8%	+3.8%	Pre-sliced	\$1.7B	+2.3%
Service	\$397M	-12.9%	-10.1%	Service	\$4.5B	-9.9%

Source: Circana, Total US, MULO+, Integrated Fresh % growth versus year ago

Packaged lunchmeat (included in meat department sales) generated \$662 million in January. Pound sales were down year-on-year but far less than deli meat. Additionally, the calendar year results were also in far better shape.

Pre-packaged lunchmeat	January 2025			Latest 52 weeks		
	\$ sales	\$ vs. YA	Lbs vs. YA	\$ sales	\$ vs. YA	Lbs vs. YA
Packaged lunchmeat	\$662M	+0.1%	-3.1%	Packaged lunchmeat	\$7.0B	-1.7%

Source: Circana, Total US, MULO+, Integrated Fresh % growth versus year ago

Deli Cheese

Specialty cheese sales boosted January to a strong overall gain of 5.9% in pounds. Specialty cheeses have done well all year, with the 52-week pound sales up 6.8%. Another area that did well is grab and go, that provides convenience to shoppers on the go.

Deli cheese	January 2025			Latest 52 weeks		
	\$ sales	\$ vs. YA	Lbs vs. YA	\$ sales	\$ vs. YA	Lbs vs. YA
Total deli cheese	\$923M	+5.8%	+5.9%	Deli cheese	\$9.6B	+2.7%
Grab & go	\$113M	+0.4%	+0.1%	Grab & go	\$1.2B	-0.2%
Pre-sliced	\$67M	+3.9%	-11.2%	Pre-sliced	\$716M	-3.0%
Service	\$98M	-7.4%	-7.0%	Service	\$1.0B	-7.4%
Specialty	\$634M	+9.7%	+10.2%	Specialty	\$6.6B	+5.6%

Source: Circana, Total US, MULO+, Integrated Fresh

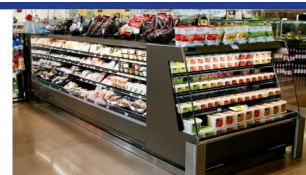
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Deli Entertaining

Trays and pickles/relish had an excellent January and full year. Trays had double-digit gains on sales of \$102 million.

January 2025				Latest 52 weeks			
Deli entertaining	\$ sales	\$ vs. YA	Lbs vs. YA	Deli entertaining	\$ sales	\$ vs. YA	Lbs vs. YA
Deli entertaining	\$603M	+6.0%	+4.3%	Deli entertaining	\$6.3B	+5.3%	+4.1%
Dips and sauces	\$320M	+4.3%	+1.3%	Dips and sauces	\$3.3B	+2.6%	+1.6%
Trays	\$102M	+13.1%	+15.2%	Trays	\$1.2B	+8.9%	+8.4%
Spreads	\$104M	-1.4%	-3.3%	Spreads	\$1.1B	+0.7%	-4.6%
Pickles/relish	\$76M	+16.1%	+18.1%	Pickles/relish	\$785M	+20.7%	+20.7%

Source: Circana, Total US, MULO+, Integrated Fresh, % increase versus same period year ago, deli prepared foods including both fixed and random weight, includes known deli products

Deli Prepared

Deli-prepared food sales continued to grow. Entrees, including powerhouse sushi, increased 1.2% in units in January and an even higher 3.6% in the calendar year. Prepared meat, dominated by rotisserie and fried chicken had even more impressive results, with units increasing 12.5% over the full year. Other categories that stood out are pizza as well as salads, driven by continued success of pre-packaged salads, while salad bar sales are down a bit.

January 2025				Latest 52 weeks			
Deli prepared	\$ sales	\$ vs. YA	Units vs. YA	Deli prepared	\$ sales	\$ vs. YA	Units vs. YA
Deli prepared	\$3.0B	+4.1%	+2.5%	Deli prepared	\$31.6B	+5.6%	+5.1%
Entrees	\$804M	+2.5%	+1.2%	Entrees	\$8.5B	+4.5%	+3.6%
Prepared meats	\$623M	+7.1%	+8.2%	Prepared meats	\$6.4B	+10.5%	+12.5%
Salads	\$431M	+4.9%	+5.3%	Salads	\$5.1B	+4.6%	+5.9%
Sandwiches	\$324M	+0.6%	-7.0%	Sandwiches	\$3.8B	+2.1%	-1.5%
Side dishes	\$212M	+5.8%	+3.9%	Side dishes	\$2.2B	+4.8%	+3.9%
Appetizers	\$205M	+4.5%	+2.7%	Appetizers	\$2.1B	+5.0%	+4.0%
Soups & chili	\$198M	+7.4%	+6.7%	Soups & chili	\$1.4B	+5.0%	+4.0%
Pizza	\$122M	+5.9%	+1.7%	Pizza	\$1.2B	+6.7%	+7.9%
Breakfast	\$55M	-6.4%	-12.2%	Breakfast	\$570M	+9.2%	-3.0%
Combo meals	\$17M	+4.3%	+3.6%	Combo meals	\$202M	+5.0%	+3.4%
Desserts	\$7.7M	-17.6%	-19.5%	Desserts	\$97M	-1.6%	-1.6%

Source: Circana, Total US, MULO+, Integrated Fresh, % increase versus same period year ago, deli prepared foods including both fixed and random weight, includes known deli products based on Circana's Integrated Fresh research process powered in cooperation with IDDBA

Date ranges:

2024: 52 weeks ending 12/29/2024

Q4 2024: 13 weeks ending 12/29/2024

January 2025: 5 weeks ending 2/2/2025