

Bakery Department Purchase Dynamics

Bakery Department growth this year was **purely inflationary**; Unit declines are driven by **lost buyers and net losses from retained buyers**.

Bakery Department Penetration is down

-1.2 pts

Vs YA

80%

of Bakery volume loss was from buyers reducing their consumption from YA

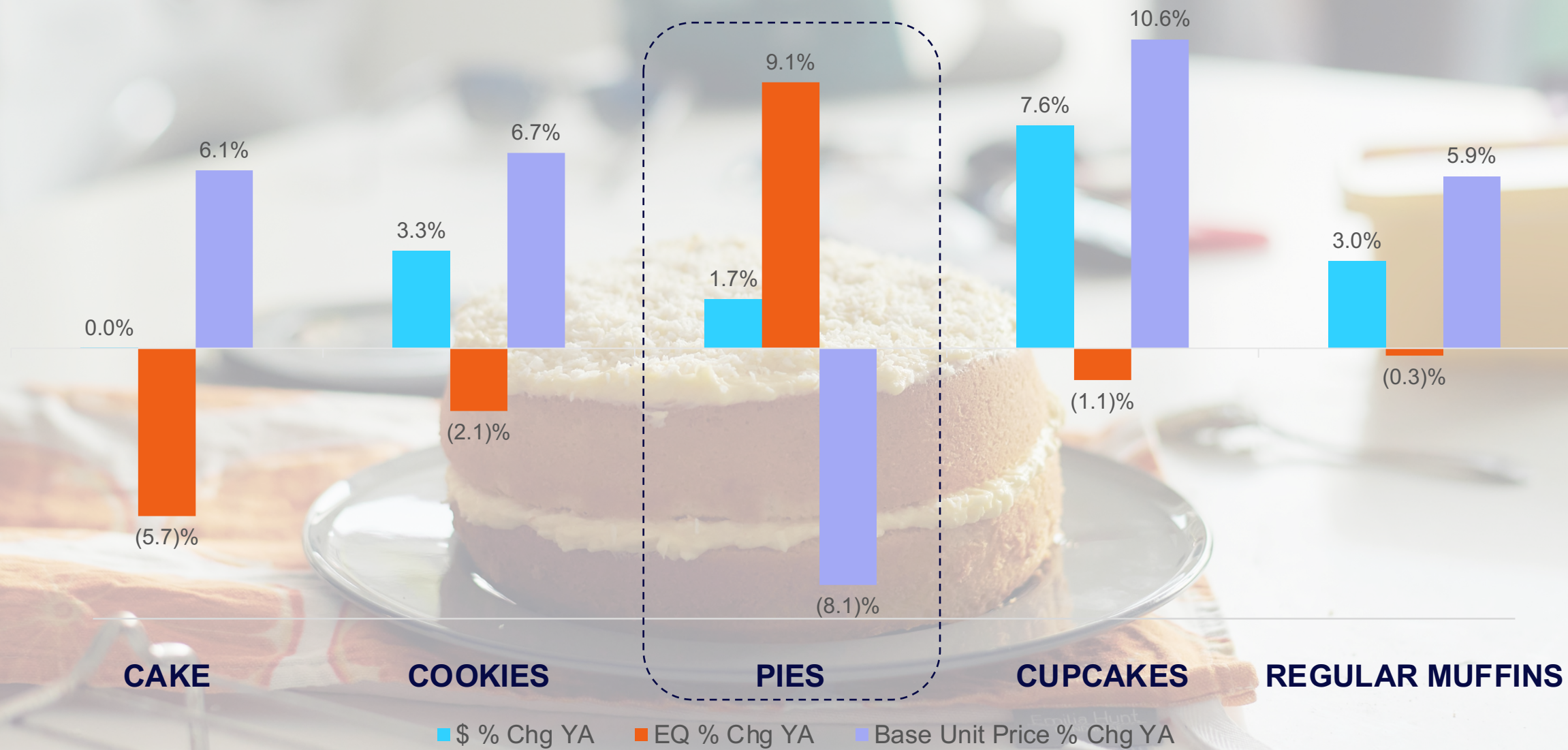
Bakery base unit price increased

4.9%

compared to 3.8% in remaining food departments

Top 5 Bakery Categories by Dollar Volume

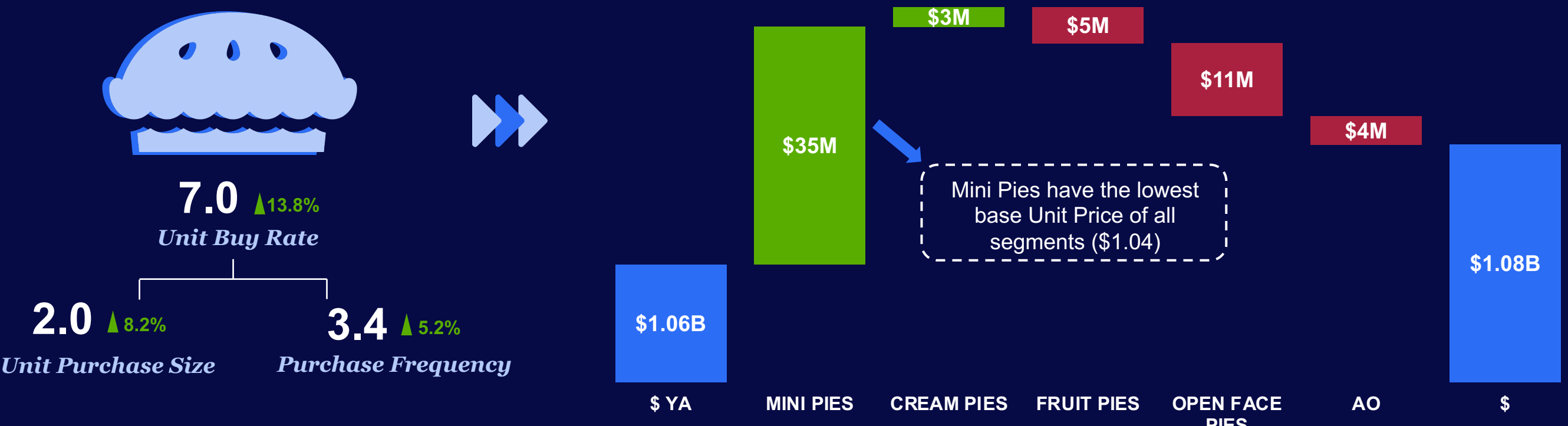
Inflation prompted volume declines for all categories except Pie



Source: NielsenIQ Discover, Total US, L52 w/e 4/20/24

Pie Buying Behavior and Growth Drivers

The Pie category is driving growth through Mini Pies, enticing buyers with smaller sizes and lower prices



Source: NielsenIQ Homescan, US NIQ Total Store TSV, Latest 52 w/e 2/24/24

Key Takeaways

- 80% of Bakery volume loss was from buyers reducing their consumption from last year. Suppliers need to think about regaining and increasing loyalty from their current buyer base, and they need to talk to retailer partners about strategies for driving more traffic to bakery.
- Inflation prompted volume declines for all categories except Pie, indicating that the Pie category is doing something right to counter inflation. What can other Bakery manufacturers learn from this category?
- Smaller portions at lower absolute price points are fueling increased demand for Pie. Other bakery manufacturers should think about how to adapt their strategies to create new value propositions and consumption occasions that resonate with shoppers who are being more discerning with their dollars.

Reach out to your NIQ representative to learn how you can explore buying behavior and consumer drivers through Discover Homescan Panel!



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