

# Chill Will

Here are five ways retailers can boost their frozen sales in 2017.

By Jim Dudlicek

**S**ales of frozen foods have seen better days. Overall retail sales in this \$50 billion category have been tepid at best over the past three years, posting an increase of just 0.9 percent in 2015 after two years of declines, according to Nielsen data reported in *Progressive Grocer's* 69<sup>th</sup> Annual Consumer Expenditures Study last July. Gains in products such as ice, dessert toppings and pizza buoyed a category pulled down by negative sales of mainstays like vegetables and baked goods, according to *PG's* report.

Consumers perceive frozen foods as unexciting, processed and less healthy than their fresh counterparts. But there are signs that retailers, through strategic partnerships with their suppliers, can turn that around.

Here are five strategies that grocers should pursue to heat up sales in their frozen aisles in the coming year:

**1 Market to Millennials** Frozen vegetable marketers have recently launched campaigns aimed at young adults, and research suggests that they're on the right track. "The continual parental reminder to 'eat your vegetables' stuck with Millennials and Gen Zs because they are driving the growth in fresh and frozen vegetable consumption," reports The NPD Group, noting that health-focused consumers under 40 have upped their annual per capita consumption of frozen veggies by 59 percent over the past decade.

What's more, Port Washington, N.Y.-based NPD forecasts consumption of frozen vegetables to increase by 3 percent through 2024.

"Vegetable consumption among younger consumers is a reflection of their more health-conscious eating behaviors," says David Portalatin, VP and food industry analyst at NPD. "Our research shows that their attitudes about eating vegetables will not shift as they age and go through their life stages."

**2 Focus on Health and Wellness** Health consciousness isn't exclusive to the young, and trends toward wellness eating, along with demands for natural and organic products,



have staying power.

"Health and wellness is a trend that is delivering exceptional growth today, and with an aging population looking to lead healthier lifestyles as they age, along with a Millennial population that is behind many of today's better-for-you trends, it will likely continue to offer growth opportunities tomorrow, too," declares Julie Henderson, VP of communications at the Harrisburg, Pa.-based National Frozen and Refrigerated Foods Association (NFRA). "Health-conscious consumers are a large and growing segment of shoppers today, and manufacturers big and small, are taking advantage of producing products that will satisfy those shoppers' preferences."

NFRA's "Real Food. Frozen" campaign, which offers marketing ideas and materials to retailers, helps "tell the story that the most versatile foods can be found in the frozen food aisle, including options for every lifestyle and every food occasion," Henderson explains. "Frozen foods start out the same as their fresh counterparts, from healthy produce and perfectly portioned meals to a variety of ethnic cuisines and restaurant-quality dishes."

**3 Position Frozen Food as a Solution** Retailers and suppliers can take the guesswork out of grocery shopping for consumers.

“Frozen foods start out the same as their fresh counterparts, from healthy produce and perfectly portioned meals to a variety of ethnic cuisines and restaurant-quality dishes.”

—Julie Henderson,  
NFRA



**FROZEN FIX**  
With proper promotion, the frozen food aisle can become a destination for need states such as breakfast, ethnic foods and afternoon snacks.

“Many shoppers are in search of a healthy and affordable meal solution that they can feed their family,” says Bluzette Carline, director of marketing for Jacksonville, Fla.-based Beaver Street Fisheries. “Busy lives call for quick and easy meal solutions.”

The freezer aisle has a lot of opportunity for expanding category management by pairing frozen items with other foods and beverages in the store to provide a complete meal solution. The concept of meal assembly using frozen ingredients and full meals is one that NFRA has brought into a majority of its content development and consumer outreach.

“Meal assembly can be as easy as pairing a fully prepped frozen lasagna with a starter salad for a full meal,” Henderson says, adding that grocers can demonstrate to consumers that “whether it’s picking up a frozen entrée or adding frozen ingredients to a homemade meal, frozen foods

help make mealtime prep a breeze.”

A NFRA consumer survey found that about 55 percent of women depend on the convenience of frozen foods when getting dinner on the table. With the average meal taking nearly an hour of total prep time, “perfectly portioned, ready-to-cook meals save time and guesswork,” Henderson says. “Consumers looking for simple, healthy products can find nutrient-rich frozen fruits and vegetables captured at the height of ripeness available in the frozen aisle. All the cleaning and chopping is done, saving time and eliminating waste.”

**4 Showcase Variety and Innovation**

Consumers “want authenticity from their favorite brands when it comes to packaging and product representation,” Carline asserts.

To that end, manufacturers of frozen foods are responding to consumers’ desires for simple ingredi-

ent lists, more organic options, single-serve portions and culturally inspired flavors.

“From signage to demos, retailers can showcase the many innovative products the frozen aisle has to offer,” Henderson says. “Sampling takes the guesswork out of a purchase and is proven to create sales lifts.”

Earlier this year, The Schwan Food Co., in Marshall, Minn., created Schwan’s Chef Collective, a team of chefs that will help develop the next generation of Schwan-branded frozen foods, which include the Red Baron, Freschetta, Mrs. Smith’s and Pagoda brands.

“We believe the Schwan’s Chef Collective

**Rise & Shine with the Most Important Meal of the Day**

**77%**  
of Americans agree it's important to eat a healthy breakfast but...

**22%**  
say they don't have enough time to make one!<sup>1</sup>

Grab a breakfast sandwich found in the frozen food aisle for a protein-rich breakfast in minutes.

**Stamp your Culinary Passport with Frozen Foods**

**54%**  
of Americans have never traveled outside the U.S., however...

**49%**  
say they want to.<sup>2</sup>

Good thing there are a variety of ethnic foods in the frozen food aisle to expand your horizons - no baggage fees required!

**Satisfy Picky Palates after School**

With snacking on the rise,

**75%**  
of kids and teens snack in between meals, and

**75%**  
of parents are concerned about convenience.<sup>3</sup>

Recharge with frozen snacks like pizza rolls, chicken nuggets, frozen blueberries and edamame.

Source: NFRA



**FOR ALL REASONS**  
Retailers should guide shoppers toward dinner solutions, healthy produce and indulgent desserts available in the frozen food aisle.

will help us change the way people think about the frozen food category,” says Schwan CEO Dimitrios Smyrniotis, adding that the initiative would lead to “a spectrum of great food ... with the goal of exciting our retail, foodservice and home delivery customers.”

Chefs partner with the Marshall-based Schwan culinary team, each tasked with scouting emerging ingredients, cooking methods and global cuisines to continually influence the innovation of frozen foods. “We gain insights from other leaders in the food world,” says Stacey Fowler, Schwan SVP of product innovation and development, noting that the initiative “enables us to dive deeper into emerging trends and consumers’ ever-changing

lifestyles to develop new, delicious and wholesome recipes with quality ingredients.”



**5 Improve In-store Visuals** For years, frozen aisles at the grocery store have been big, cold and sterile, qualities which do little to entice shoppers to spend time there.

“Retailers can change that perception with a focus on point of purchase,” NFRA’s Henderson says, suggesting such ideas as attractive food photography, and signs that call out new products, culturally diverse cuisines, dietary benefits, and more. “Digital media and video is the language of Millennials, and can help engage this demographic,” she adds.

NFRA makes POP materials and support

available to retailers, particularly for March Frozen Food Month promos.

“Supermarkets can take advantage of all the national hype just by making the frozen food aisle a focal point and featuring those items that are already being promoted by the manufacturer,” Henderson notes. Retailers can also leverage NFRA’s Easy Home Meals online offerings.

“We work hard to provide our retailers with display tools that enhance their freezer space and drive our brand to the consumer,” Beaver Street’s Carline adds. “We strive to develop packaging that appeals to shoppers while truly representing the product inside the package.” **PG**

**Stress Less: Dinner is as Easy as 1, 2, 3...**

Save 1 hour, 25 minutes each week by incorporating frozen combinations into your mealtime prep.<sup>1</sup>

A “home cooked” meal takes an average of **52** minutes “hands-on time”

**34** minutes in total prep time.

**Fast and Fresh and Always in Season**

Frozen fruits and veggies are picked at the height of ripeness then immediately frozen to lock in all of the beneficial nutrients and keep them in their perfect, just-picked state.

**End the Day on a Sweet Note**

There are a variety of frozen dessert products at your grocery store, from cakes to pies to ice cream, to have something different every night of the week!

**99%** of Americans eat dessert.

**70%** do so at least once a week.<sup>5</sup>

**NFRA**  
NATIONAL FROZEN & REFRIGERATED FOODS ASSOCIATION, INC.  
EasyHomeMeals.com

1 Breakfast Restaurant Trends; January 2013 Mintel  
2 CouponCodes4u 2013 Survey  
3 Parents’ Attitudes Toward Kids’ and Teens’ Snacking; February 2013 Mintel  
4 Dinner Preparation in the Modern United States  
5 US Foods 2014 Trends

Source: NFRA