



VOLUME 01

Thanksgiving Tracker

A Late October Outlook
on the Fall Holiday

November 2, 2023

FOR PUBLIC USE



Thanksgiving Tracker | EXECUTIVE SUMMARY

Thanksgiving is a cherished U.S. holiday, anchored by a shared meal on the fourth Thursday of November. It's also the second-largest food holiday of the year – surpassed only by Christmas – contributing a whopping **\$2.8 billion sales lift** in 2022, compared to the average week. In this report, we serve up purchasing trends and behaviors leading to the fall holiday.

Promotions ramp up for Thanksgiving basket items in the run-up to the holiday, but the **depth of discounts** in 2022 was just a few percentage points higher than the average throughout the year.

IMPLICATIONS | Consumers won't notice easing inflation, given the spike experienced since 2019. **Leverage deep discount promotions** to win share. While many shoppers are looking for deals, a higher percentage of younger shoppers are looking to save money.

The week prior and the week of Thanksgiving are critical sales drivers and can reshape typical purchase patterns. Trips are not all-in-one, as separate purchases are made in the run-up weeks to the main meal. Understand purchase behaviors and **merchandise for the add-on** across the store, not just in one department.

Thanksgiving isn't solely homemade.

Pre-made contributions from restaurants and retailers are welcome at the table. Demonstrate support for the host by promoting **shortcuts** that bring something new or alleviate work.



Consumers **shop early** for spot deals, but most Thanksgiving basket purchases occur the week prior and the week of Thanksgiving.

Consumers expect to **pay more** for the Thanksgiving meal, even as inflation eases.

Thanksgiving is the second-largest holiday of the year, behind only Christmas

\$ Sales Uplift in Total F&B Sales for Holiday
vs. Average Weekly Sales During the Year (in \$ billions)



Christmas



Thanksgiving



July 4th



Easter

| | Christmas | Thanksgiving | July 4th | Easter |
|------|-----------|--------------|----------|--------|
| 2018 | \$2.57 | \$1.82 | \$1.29 | \$0.91 |
| 2019 | \$2.78 | \$1.78 | \$1.38 | \$1.08 |
| 2020 | \$2.11 | \$1.29 | \$1.52 | \$1.14 |
| 2021 | \$4.32 | \$2.01 | \$1.27 | \$0.88 |
| 2022 | \$6.21 | \$2.84 | \$1.28 | \$1.02 |

Inflation has had a substantial impact on holiday sales.
Inflation on the Thanksgiving basket is up **27%** from 2019.

\$2.8B

2022 Thanksgiving retail sales uplift
vs. average weekly sales;
Christmas had a **\$6.2B** uplift

2-3x

2022 Thanksgiving dollar sales uplift
vs. July 4th and Easter

*Note: Dollar sales uplift is defined as dollar sales for holiday weeks in total vs. average weekly dollar sales for the calendar year. Christmas and Thanksgiving uplift spans two key weeks, while Easter and July 4th is one key week.
Source: Circana POS data*

Americans are getting ready for Thanksgiving

Many Americans are prepared to pay more to uphold their holiday traditions, especially for the Thanksgiving meal, with its blend of delicious food and good company.

79%

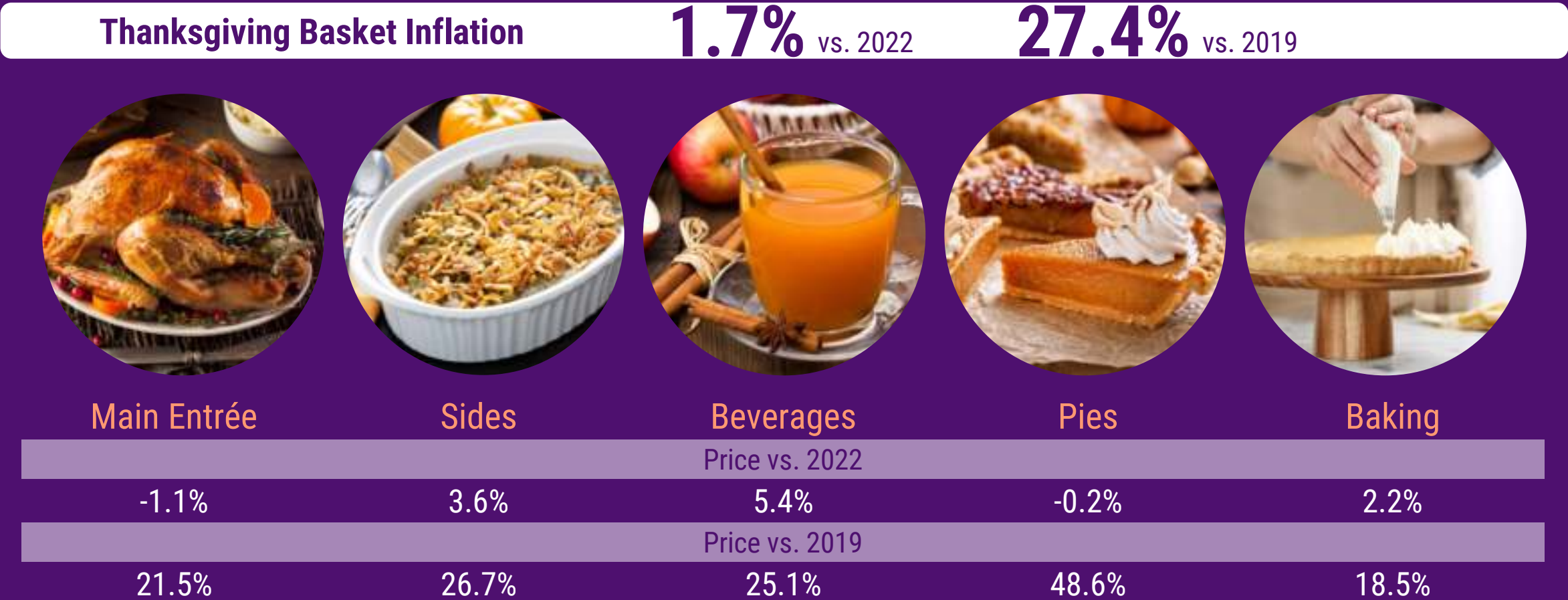
report they / their family will celebrate Thanksgiving the usual way

34%

of those who plan to celebrate Thanksgiving expect to pay more for groceries but will purchase the same amount

Will shoppers notice easing prices?

Inflation is easing, but given the spike in food prices over the past four years, consumers might not notice.



The Thanksgiving basket drives most of the holiday sales uplift

\$2.8B in retailer F&B sales

was driven by the two key Thanksgiving weeks compared to average weeks in 2022

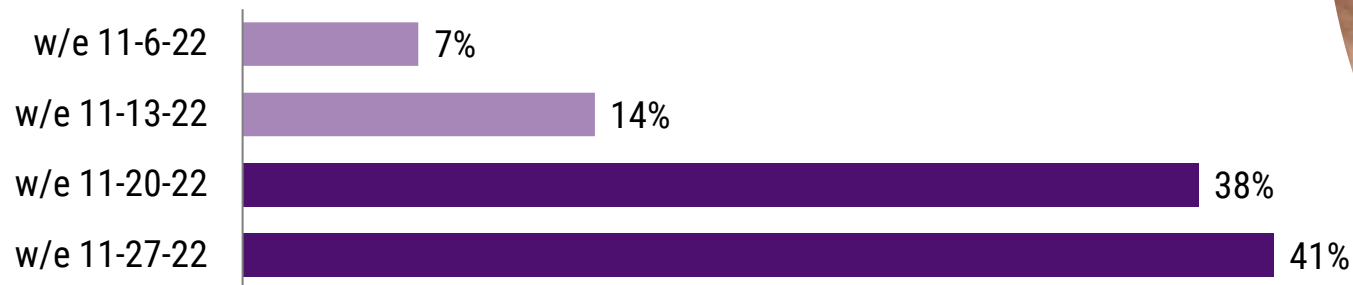
\$2.1B (75%) sales uplift

is driven by the Thanksgiving basket of 30 categories, despite being only 9% of the sales for those weeks in 2022



79% of the total four-week 2022 Thanksgiving sales uplift occurred the prior week and week of Thanksgiving

% of Total Thanksgiving Basket Volume Sales Uplift by Week



But consumers are selective about when they buy Thanksgiving items...

In 2022, main dish purchases, including turkey and ham, were more prominent the week prior to Thanksgiving. Consumers were more likely to buy beverages, baking products and pies the week of Thanksgiving.



*Note: Volume sales uplift is defined as volume sales for individual Thanksgiving weeks and in total for four-week holiday period vs. average weekly volume sales for the calendar year. Analysis is done at a category level and then aggregated across categories based on relative sizes using dollar sales. Source: Circana POS data
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Consumers will be looking for deals this Thanksgiving

34%

of those celebrating Thanksgiving will be looking for Thanksgiving meal items before the holiday week, and making **spot purchases** of specific items if they **see a sale or have a coupon**.

Younger shoppers in particular will be looking for deals:

44% Gen Z / Younger Millennials

34% Older Millennials

36% Gen X

29% Younger Boomers

29% Older Boomers

30% Retirees and Seniors



Promos help deliver volume lift, despite depth of savings sticking close to rest-of-the-year average

The **percent of sales sold on promo** for the Thanksgiving basket almost **doubled to over 50%** in 2022; however, the **average depth of discount** is **not much higher than the rest of the year**.

In 2022, the largest promotional lift was the week of Thanksgiving

| | avg. for the year | w/e 11-6-22 | w/e 11-13-22 | w/e 11-20-22 | w/e 11-27-22 |
|-----------------|-------------------|-------------|--------------|--------------|--------------|
| promo lift | 130% | 129% | 191% | 241% | 248% |
| promo depth | 20% | 18% | 27% | 26% | 19% |
| promo frequency | 29% | 36% | 45% | 56% | 52% |



Note: Promo lift defined as incremental volume divided by base volume sold on any merch; promo depth defined as % price reduction on any merch; promo frequency defined as base dollars any merch divided by total base dollars. Analysis done at a category level and then dollar weighted up based on 2022 Thanksgiving dollar sales on any merch for each category. Source: Circana POS data

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Consumers take advantage of promos for Thanksgiving items

The largest percentage sales lift of Thanksgiving basket items sold on promotion includes pies and sides.



Main Entrée



Sides



Beverages



Pies



Baking

| Prior Week Lift | | | | |
|------------------------|------|------|------|------|
| 210% | 288% | 156% | 249% | 168% |
| Thanksgiving Week Lift | | | | |
| 182% | 283% | 210% | 319% | 189% |

77% of special Thanksgiving meals include completely homemade foods



Consumers rely more heavily on **homemade** and **fresh-prepared** foods for their Thanksgiving meal compared to the typical meal throughout the year.

In-Home Thanksgiving Day Special Occasion Meals | Share of Occasions and Index to Average Day

Completely Homemade

77% share

197 Index to Avg. Day

Ready-to-Eat from Retail

34% share

109 Index to Avg. Day

Partially Homemade

33% share

379 Index to Avg. Day

Heat-and-Eat

33% share

114 Index to Avg. Day

Ready-to-Eat Fresh Prepared

15% share

157 Index to Avg. Day

Note: Percents add to more than 100% because multiple food forms are present at individual meals. Source: Circana/National Eating Trends®, Thanksgiving Day 2019-2022 – consumed in the home, lunch/dinner foods when special occasion, no leftovers present; Average Day = In-home Lunch/Dinner food occasions throughout years

A background image showing a person's hand holding a blue shopping cart handle. Inside the cart, a whole turkey is visible, wrapped in clear plastic with a white label. The scene is set in a grocery store with blurred shelves in the background.

Most of the Thanksgiving meal is sourced from retail

90% of the Thanksgiving meal is sourced from **home / retail**

10% of the Thanksgiving meal is sourced from **restaurant / foodservice**

Thanksgiving at home rules the holiday, but restaurants beckon

For those consuming their Thanksgiving meal away from home, including restaurants or someone else's home, it's a special occasion, indexing 42% higher than an out-of-home occasion on an average day throughout the year.

Where Thanksgiving
Meals Are Consumed

57% In home

42% away from home



Source: Circana/National Eating Trends® - Thanksgiving Day Meal 2019-2022

Most consumers sourcing Thanksgiving from a restaurant ate it away from the restaurant

72%

of Thanksgiving 2022 traffic was **off premises**

28%

of Thanksgiving 2022 traffic was **on premises**



Thanksgiving dinners are being sourced from quick and full-service restaurants

62%

of Thanksgiving dinners are sourced from **quick-service restaurants**

38%

of Thanksgiving dinners are sourced from **full-service restaurants**

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Thank you

