Household Spending on Produce Before and During Covid-19

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Introduction

- Consuming fruits and vegetables is an important part of a balanced diet and greatly contributes to good health.
- During the COVID-19 pandemic supply chain disruptions and illness disrupted access to produce.

- 1. How has the pandemic affected produce expenditures?
- 2. How has the pandemic affected produce prices?



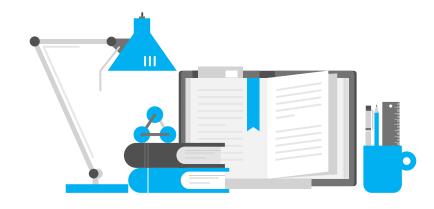
Abbreviations

- Food at Home
 - **►** FAH
- Fruits and Vegetables (Produce)
 - **FAV**
- Non-produce Food at Home
 - ► FAH FAV



Data and Methods

- Data Sources
 - ► The Consumer Expenditure Survey (CE)
 - ► Consumer Price Index (CPI)
- Expenditure = Price x Quantity
- CE Urban vs CPI Urban
- COVID-19 begins in March of 2020
- Nominal and Real Expenditures





Nominal Expenditures



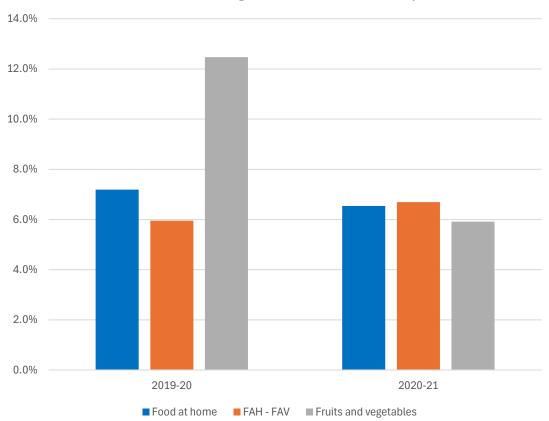
Table 1. Annual Mean Nominal Expenditure in US dollars per Urban Household

| | 2019 | 2020 | 2021 | |
|-----------------------|------------|------------|------------|-------|
| FOOD AT HOME | \$4,665.43 | \$5,000.80 | \$5,327.81 | 14.2% |
| FRUITS AND VEGETABLES | \$884.51 | \$994.83 | \$1053.69 | 9.1% |
| FRESH FRUITS | \$327.67 | \$358.13 | \$388.12 | |
| APPLES | \$44.14 | \$50.98 | \$53.66 | |
| BANANAS | \$43.73 | \$54.61 | \$59.60 | |
| ORANGES | \$32.20 | \$38.73 | \$43.62 | |
| FRESH VEGETABLES | \$298.39 | \$315.46 | \$336.08 | |
| POTATOES | \$44.92 | \$53.38 | \$53.73 | |
| LETTUCE | \$30.40 | \$38.70 | \$43.92 | 44.5% |
| TOMATOES | \$48.02 | \$54.09 | \$57.92 | |



Nominal Expenditures

Chart 1. Percent Change in Mean Nominal Expenditure



- Year 1
 - ► Produce up 73.5% **more** than Food at Home

- Year 2
 - ► Produce up 9.5% **less** than Food at Home



Real Expenditures



Table 2. Percent Change in Nominal Expenditure, Real Expenditure, and Prices for Urban Households

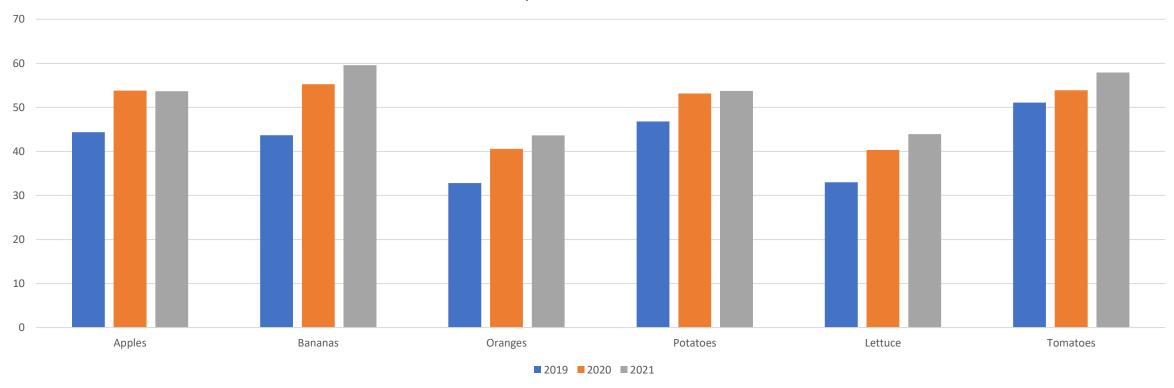
PERCENT CHANGE FROM 2019 TO 2021

| | Nominal | Real | СРІ |
|-----------------------|---------|-------|-------|
| FOOD AT HOME | 14.2% | 6.6% | 7.1% |
| FRUITS AND VEGETABLES | 19.1% | 13.8% | 4.6% |
| FRESH FRUITS | 18.4% | 13.3% | 4.6% |
| APPLES | 21.6% | 21.0% | 0.5% |
| BANANAS | 36.3% | 36.5% | -0.2% |
| ORANGES | 35.5% | 32.9% | 1.9% |
| FRESH VEGETABLES | 12.6% | 8.6% | 3.7% |
| POTATOES | 19.6% | 14.8% | 4.2% |
| LETTUCE | 44.5% | 33.2% | 8.5% |
| TOMATOES | 20.6% | 13.4% | 6.4% |
| | | | |



Real Mean Expenditures for Fruits and Vegetables

Chart 5. Annual Real Mean Expenditure for Urban Households in 2021 Dollars





Takeaways

- Nominal produce expenditures
 - ► 25.8% more than FAH, and 31.8% more than FAH-FAV expenditures.

Expenditure growth slowed in the second year of the pandemic.





Takeaways (cont.)

- Inflation (2019-21)
 - ► Food at Home 7.1 percent.
 - ▶ Produce 4.6 percent.

Quantity of produce purchased was more than 2x the increase for Food at Home.





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