FreshDirect expects home cooking, online ordering to continue boom in 2021

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BRONX, N.Y.—(BUSINESS WIRE)—FreshDirect <u>BB #:368707</u>, the leading pure-play online fresh food grocer serving the Northeast, today announced its top food trends for 2021. This year's predictions were curated by FreshDirect's in-house team of food experts. As food retailers at the forefront of the industry, FreshDirect has a unique and early view of cutting-edge grocery, ecommerce, and customer trends.

"These were the biggest trends of 2020, which we foresee will continue through 2021, solidifying the dining table as a centerpiece and mainstay of family life."

FreshDirect's top trends for 2021 include:

Fresh Seafood – As many restaurants have shuttered, demand for restaurant-quality seafood has increased, indicating people are trying their hand at favorites such as Roasted Salmon and Scallops. 2021 will bring increased interest in premium seafood, as well as greater variation in the types of seafood being cooked at home. At FreshDirect, customers can order their favorite fish before it's caught, and it remains in a perfect environment before it is cut to order and delivered in less than 10 hours from the time it is packed. Seafood sales (and units) were up 70+% last year over 2019.

Premium Cuts of Meat – Since takeout steak just isn't quite the same, the demand for premium cuts of meat will continue to rise. This trend is expected to hold steady after the pandemic as people realize they can make a top-quality Filet Mignon or New York Strip at home. With over 250 custom cuts of meat, FreshDirect provides customers with a vast selection of superior meats. Meat sales were up 63%.

Ordering Fresh Food Online – The pandemic caused many people to try online grocery shopping, both for its ease as well as a fear of leaving home to shop in a traditional supermarket. As consumers still needed to buy regular fruit and vegetable grocery list items, demand for online fresh food skyrocketed. FreshDirect witnessed an uptick in fresh food purchases and, given FreshDirect's short, localized supply chain allowing for the freshest produce, customers have ordered perishable items online and are expected to continue to do so in 2021. Popular FreshDirect fresh food items include Jumbo Blueberries and Satsuma Mandarins. All fresh categories grew faster than the company average with produce up 37%.

Kitchen Creativity – With more time on their hands due to quarantine, consumers are experimenting more in the kitchen. As they get more creative with their cooking, items such as pre-cut Fruits and Vegetables, Meal Kits and exotic Spices are flying off the online shelves.

Prepared Meals – While the pandemic has brought increased creativity in the kitchen, it has also caused cooking fatigue. Consumers are increasingly trying more prepared meal options. Examples include FreshDirect's Lemon Herb Cauliflower "Rice" and Asparagus and Thai-Style Chicken and Vegetable Curry. Pasta entrees prepared in the kitchen were up 178%.

Conscious Consumerism – As the general public becomes more in-tune with the environmental cost of food waste, consumers are increasingly interested in buying from companies with low food waste statistics. FreshDirect, because of its unique forecasting process and ability to see orders placed up to a week ahead, generates less than 2% in food waste, an incredible feat for a large online grocer. FreshDirect's food waste is half of a conventional grocery store (4%-5% range) and a third of a fresh-focused grocer (5%-6% range).

On-Demand Delivery – Since more people have tried online grocery shopping during the pandemic, the demand for same-day and on-demand delivery has risen. Online grocery companies are increasingly expanding their options in this category. FreshDirect customers in Manhattan, Brooklyn and Queens can place a same-day order and have their delivery in as little as two hours with FreshDirect Express. FreshDirect will be launching a new microfulfillment center in the Washington D.C. metro area in the coming months that will add Express 2-hour delivery to their service offering there as well. FreshDirect anticipates more customers will utilize on-demand delivery in 2021 and beyond.

Online Grocery – Online grocery shopping has been the biggest trend by far this year, and demand is expected to continue. Throughout the pandemic, many new consumers have tried online grocery services, with the highest growth area being suburbs. FreshDirect's retention

has grown, indicating that many of these new customers have tried the service for the first time and have not looked back. FreshDirect expects to see additional suburban growth and a surge in online grocery ordering well into 2021.

For interviews, or to learn more about FreshDirect's 2021 food trend forecast, contact press@freshdirect.com.

About FreshDirect:

FreshDirect is a leading online fresh food grocer, delivering directly to customers throughout seven states, including the New York and Philadelphia metropolitan areas, and the District of Columbia. FreshDirect is committed to sourcing the freshest and best-tasting meat, fish, produce, and specialty items through direct relationships with suppliers, growers, and farmers. Launched in 2002 and headquartered in The Bronx, NY, FreshDirect was acquired by Ahold Delhaize and Centerbridge Partners in January 2021. For more information, visit www.freshdirect.com.