UK Organic Market

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Total market trend

2005-2019 UK sales of organic products in GBP (£) millions

Source: Soil Association Market Reports

* Nielsen Scantrack Total Coverage (GB Food & Drink Retailers) 52 weeks year on year growth to 3rd Oct. 2020
COVID Impacts on shopping

- **Reduced confidence** shopping in store. Dramatic fall in top ups and rise in main shops

- A **surge in online shopping** for the main shop with polarised views

- A **rise in planning**: people finding new and more effective ways to do the weekly shop.

- A desire for **self-sufficiency**: increase in scratch and batch cooking, baking as much for entertainment or boredom relief as feeding the family

- A **desire for new ideas** and solutions for ‘inspiration’ - missing out on the interest and variety that comes from eating out

- Giving more thought to their **food choices**, provenance and back story
WITH MORE CALORIES CONSUMED AT HOME, SHOPPERS ARE SPENDING MORE ON FOOD & DRINK

PRE-COVID

+0%

52 w/e 4th January 2020

POST COVID

+8%

24 w/e 3rd October 2020

Source: Nielsen Scantrack Total Store Read, year on year value growth Food & Drink
Organic and Non Organic trends

Source: Nielsen Total Till vs Nielsen Scantrack Organic Food & Drink

% Annual Growth (Value Sales)  *52w/e 30Oct20
Channels to market

- Organic Home delivery estimate at 17-18%
- Supermarket online shift, 15% estimate
- Foodservice decline
- ‘Indie’ retailers – closure in some locations, booming in others

Market structure in 2019

2020 SA Organic Market report

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Category Trends

Dairy
£450m
+4.6%
3.5% share

Produce
£401m
+10.8%
3.7% share

Canned & Packaged
£299m
+16.6%
1.9%

Meat, Fish & Poultry
£183m
+12.5%
1.9%

Source: Nielsen Scantrack, 52 w/e 3rd October 2020
share = contribution to category sales
Reasons for buying organic

1. No Pesticides
2. Better for Environment
3. Perceived Better Quality
4. Perceived Health Benefits
5. Taste is Better

15% willing to pay more for organic

Source: Nielsen Homescan Survey (GB) 2020
Shopping Motivators

Shoppers recognise organic plays a key role in the nation’s drive towards sustainability

% of Shoppers who agreed* buying Organically Produced Products is good for Sustainability

- 41% Prior to Covid
- 50% Now

At the start of this year before the Covid-19 crisis started
At this point in time in the Covid-19 crisis

*% Households who agree Moderately, Important or Very Important

Source: Nielsen Homescan Survey July 2020

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Why the time is now....

- Short cut to health
- High quality and taste
- Highest Standards of welfare
- Food Assurance
- Strong brand messages