UK organic sector and market trends 2015 and 16

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Organic land area (kha) in UK nations

Source: Defra annual organic farming statistics

Source: DEFRA
Development of organic crop area: UK

Figure 4: Organic crops: United Kingdom

(a) Includes fully organic land and land in-conversion

Source: Defra Organic Farming Statistics 2015
2016 Organic Market Report

UK SALES OF ORGANIC PRODUCTS, 2000 — 2015

Source: Soil Association Organic Market Reports
Organic Market Growth compared with non-organic
Most important product categories (2015)

- Dairy/chilled convenience: 27%
- Fruit, vegetables, and salad: 22%
- Canned & packed grocery: 15%
- Baby food: 10%
- Poultry: 5%
- Red meat: 5%
- Eggs: 4%
- Other: 9%
- Beers & Wines: 2%

Source: 2016 Organic Market Report

Multiple retail only
Development of sales channels

Strongest growth in the independent sectors
Profile of the Organic Consumer based on OTB market research

The UK organic consumer is more likely to be:
• Younger (20-44 years)
• Be AB social class
• Live in a larger household (have children)
• Be working

Their attitudes....
• Passionate about food
• Care about their health (and act on it)
• Care and social and environmental issues

They are well read and informed
Conclusions

- “The consumers are on our side” (Paul Moore, OTB)
- Retail market firmly back in growth: **7.1% growth in 2016**
  - Five years of consecutive growth and catching up
  - Product availability not always keeping up with demand
- New **promotion campaign** of OTB in collaboration with organic Denmark (Co-funded by industry and the EU)
- **Production** base remains challenging, some interest in conversion
- Impact of **Brexit** as yet unclear
  - Uncertainty of policy support (especially Wales & NI)
  - Export opportunities helped by the loss of value of GBP
  - Not so good news for those importing into the UK
- Data availability on UK production, organic price trends and import/export remains very limited

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