The organic market in Germany - highlights 2017

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Highlights 2017

- Supermarkets very actively widen their sortiments: discounters, supermarkets and drug stores
- Natural food stores are facing this concurrence and have to find new marketing ways, growth rates have slowed down
- Stable consumer prices for many organic products while conventional prices were rising
- Dry products are growing with higher volumes, higher prices were not really possible
- Milk- und Milk products and also meat are the most succesfull products groups
- Supply with raw materials remains a big topic for processors
- Organic area and production has been grown by 10 %
- Processing Facilities for some products insufficient
- **Market grew by nearly 6 % up to 10.04 billion EUR – 5.1 – 5.2 % organic share**
Organic food sales in Germany
In billion EUR excl. Catering

<table>
<thead>
<tr>
<th>Year</th>
<th>Supermarkets</th>
<th>Natural food stores</th>
<th>Other sales channels</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>4.06</td>
<td>2.26</td>
<td>1.10</td>
<td>7.42</td>
</tr>
<tr>
<td>2014</td>
<td>4.21</td>
<td>2.47</td>
<td>1.09</td>
<td>7.76</td>
</tr>
<tr>
<td>2015</td>
<td>4.76</td>
<td>2.71</td>
<td>1.15</td>
<td>8.62</td>
</tr>
<tr>
<td>2016</td>
<td>5.45</td>
<td>2.85</td>
<td>1.18</td>
<td>9.48</td>
</tr>
<tr>
<td>2017</td>
<td>5.93</td>
<td>2.91</td>
<td>1.20</td>
<td>10.04</td>
</tr>
</tbody>
</table>

- **Supermarkets**: Incl. drug stores
- **Natural food stores**: Incl. big farm shops with more than 50,000 EUR additional purchase
- **Other sales channels**: Bakeries, butchers, fruit & vegetable shops, farmer’s markets, small farm shops, Online shops, health food shops, petrol stations

Source: Arbeitskreis Biomarkt
Organic shares are rising

Organic share of the total food market in Germany, in %

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Source: AMI based on Arbeitskreis Biomarkt and destatis

* Estimation depending on the development of the total food market 2017
### Tops and Flops 2017

Growth rates of sales volumes and sales values of household purchases in Germany, 2017 vs. 2016 in %

<table>
<thead>
<tr>
<th>Item</th>
<th>Sales value</th>
<th>Sales volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>Butter</td>
<td>24.9</td>
<td>8.6</td>
</tr>
<tr>
<td>Red Meat</td>
<td>15.1</td>
<td>14.2</td>
</tr>
<tr>
<td>Cheese</td>
<td>14.2</td>
<td>12.5</td>
</tr>
<tr>
<td>Flour</td>
<td>13.9</td>
<td>7.1</td>
</tr>
<tr>
<td>Drinking Milk</td>
<td>13.0</td>
<td>12.2</td>
</tr>
<tr>
<td>Vegetable Oils</td>
<td>11.3</td>
<td>11.3</td>
</tr>
<tr>
<td>Eggs</td>
<td>9.7</td>
<td>7.9</td>
</tr>
<tr>
<td>Poultry</td>
<td>7.7</td>
<td>6.5</td>
</tr>
<tr>
<td>Bread</td>
<td>7.7</td>
<td>2.2</td>
</tr>
<tr>
<td>Sausage products</td>
<td>7.4</td>
<td>5.6</td>
</tr>
<tr>
<td>Fruit</td>
<td>6.9</td>
<td>4.8</td>
</tr>
<tr>
<td>Yoghurt</td>
<td>6.4</td>
<td>4.3</td>
</tr>
<tr>
<td>Vegetable</td>
<td>4.5</td>
<td>6.8</td>
</tr>
<tr>
<td>Potatoes</td>
<td>-1.6</td>
<td>-2.6</td>
</tr>
</tbody>
</table>

Source: AMI-analysis based on GfK household panel
Growth rates per marketing channel

Growth rates of sales values of household purchases in different marketing channels, in Germany, 2017 vs. 2016, in %

### Natural food stores

- Drinking milk: -1.1%
- Yoghurt: -7.0%
- Butter: 11.2%
- Cheese: 6.8%
- Meat: 14.7%
- Sausage products: 32.6%
- Eggs: 11.2%
- Fruit: 7.3%
- Vegetables: 6.2%
- Potatoes: 6.5%
- Bread: 28.3%
- Flour: 10.1%
- Vegetable oils: -10.2%

### Supermarkets

- Drinking milk: 14.3%
- Yoghurt: 18.8%
- Butter: 35.3%
- Cheese: 19.3%
- Meat: 13.2%
- Sausage products: 11.7%
- Eggs: 11.4%
- Fruit: 5.8%
- Vegetables: 2.6%
- Potatoes: -1.8%
- Bread: -6.4%
- Flour: 6.4%
- Vegetable oils: 3.7%

### Discounter

- Drinking milk: 12.7%
- Yoghurt: -0.9%
- Butter: 20.3%
- Cheese: 20.1%
- Meat: 19.4%
- Sausage products: 11.2%
- Eggs: 4.3%
- Fruit: 3.2%
- Vegetables: 3.9%
- Potatoes: -7.4%
- Bread: 13.5%
- Flour: 26.7%
- Vegetable oils: 39.3%

Source: AMI-analysis based on GfK household panel
## Consumer prices for organic fresh products, growth rates, in %

<table>
<thead>
<tr>
<th>Product</th>
<th>2017 vs. 2016</th>
<th>2016 vs. 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh produce*</td>
<td>0.5</td>
<td>4.0</td>
</tr>
<tr>
<td>Poultry</td>
<td>8.2</td>
<td>4.5</td>
</tr>
<tr>
<td>Cheese</td>
<td>4.1</td>
<td>0.4</td>
</tr>
<tr>
<td>Eggs</td>
<td>3.1</td>
<td>8.6</td>
</tr>
<tr>
<td>Milk / Milk products</td>
<td>2.7</td>
<td>0.6</td>
</tr>
<tr>
<td>Potatoes</td>
<td>2.3</td>
<td>12.1</td>
</tr>
<tr>
<td>Vegetable Oils / Margarine</td>
<td>2.3</td>
<td>3.8</td>
</tr>
<tr>
<td>Sausage products</td>
<td>0.9</td>
<td>6.0</td>
</tr>
<tr>
<td>Fruit</td>
<td>0.9</td>
<td>6.6</td>
</tr>
<tr>
<td>Pork</td>
<td>0.8</td>
<td>1.7</td>
</tr>
<tr>
<td>Beef</td>
<td>0.6</td>
<td>1.0</td>
</tr>
<tr>
<td>Vegetables</td>
<td>-3.1</td>
<td>3.6</td>
</tr>
<tr>
<td>Bread / Bakery products</td>
<td>-3.7</td>
<td>3.2</td>
</tr>
</tbody>
</table>

* Sum of all mentioned organic products.
Organic shares of different products

Organic shares of household purchases of fresh products in Germany 2016, volume shares in %

- Eggs: 12.4%
- Drinking Milk: 8.0%
- Vegetable Oils: 7.2%
- Vegetables: 7.1%
- Fruit: 6.0%
- Yoghurt: 5.9%
- Potatoes: 5.3%
- Bread: 4.2%
- Butter: 3.6%
- Cream Cheese: 3.5%
- Cheese: 2.6%
- Red Meat: 2.0%
- Milk drinks: 1.8%
- Poultry: 1.5%
- Sausage products: 1.3%
- Margarine: 0.6%

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Source: AMI-analysis based on GfK household panel
Organic Area and growth rate

Organic Agricultural Area in Germany in 1,000 ha and growth rate compared to previous year in %

Growth rate in %

Agricultural area in 1,000 ha

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More than 1 million kilo organic milk in 2018

Organic raw milk collection in Germany in million kilogramm and forecast until 2018

2008: 461
2009: 546
2010: 597
2011: 657
2012: 671
2013: 682
2014: 708
2015: 732
2016: 795
2017: 920-930
2018: >1,050

2017 and 2018: AMI-Estimation

Quelle: BLE© AMI 2018/OL-189 | AMI-informiert.de

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More Organic Milk in Europe
Organic Milk delivery in selected European countries, in Million kilo
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