

# The organic sector in the UK recent trends &

## Results of a survey of market data collection in Europe

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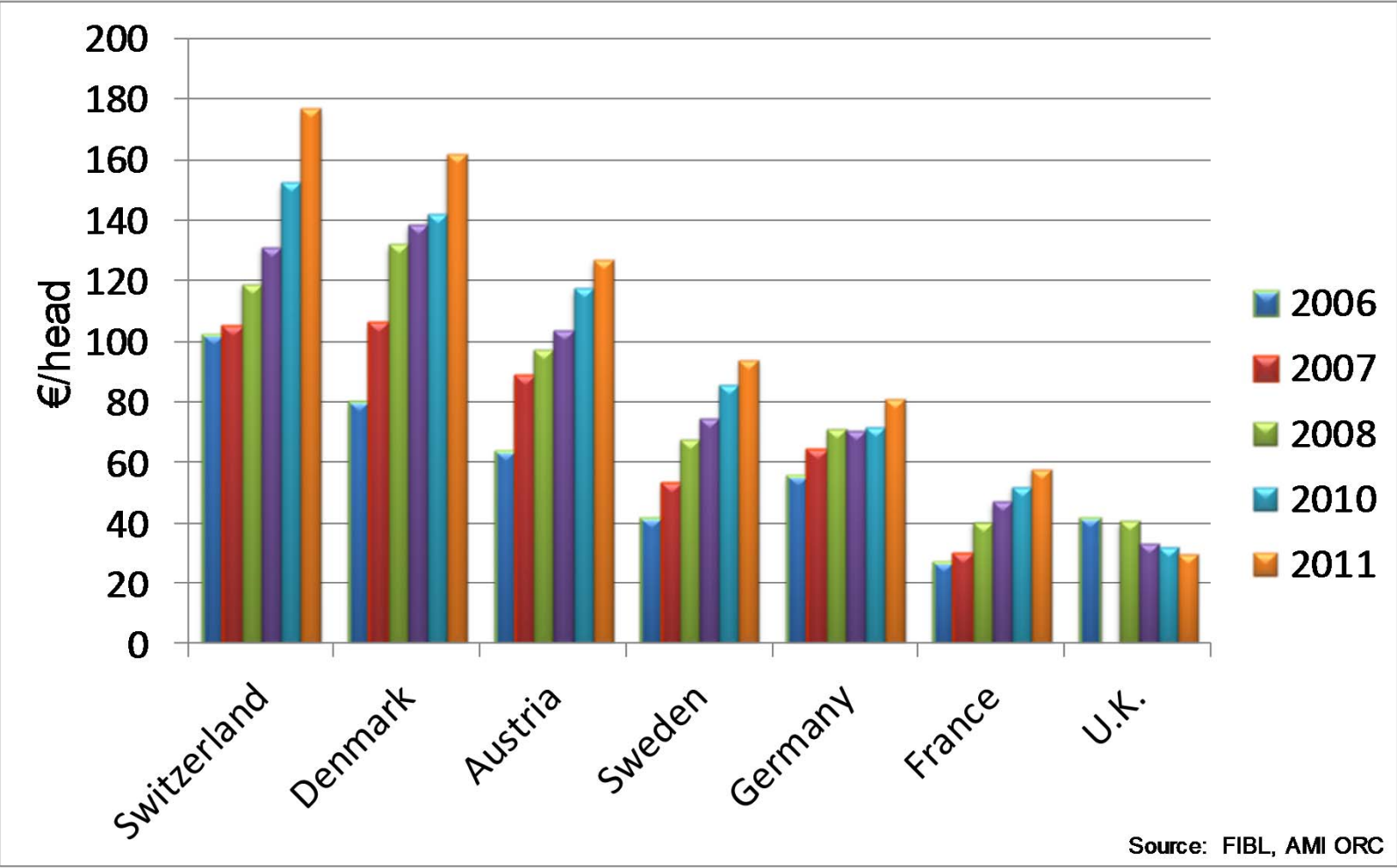
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information

## Background

- ORC is partner and WP leader in the Organic Market Data Project
- Jointly with the UK partner Soil Association we carry out a study on market data collection in the UK
- The UK is one of three countries in Europe that has experienced problems in the development of the sector and especially the market since 2008



# Organic food consumption [€/head]



Source: FIBL, AMI ORC

# UK Market Report



- Kantar Worldpanel data
- Author's survey of multiple retailers
- Survey of independent retailers/box schemes/multiples
- Total sales declarations
- DEFRA statistics

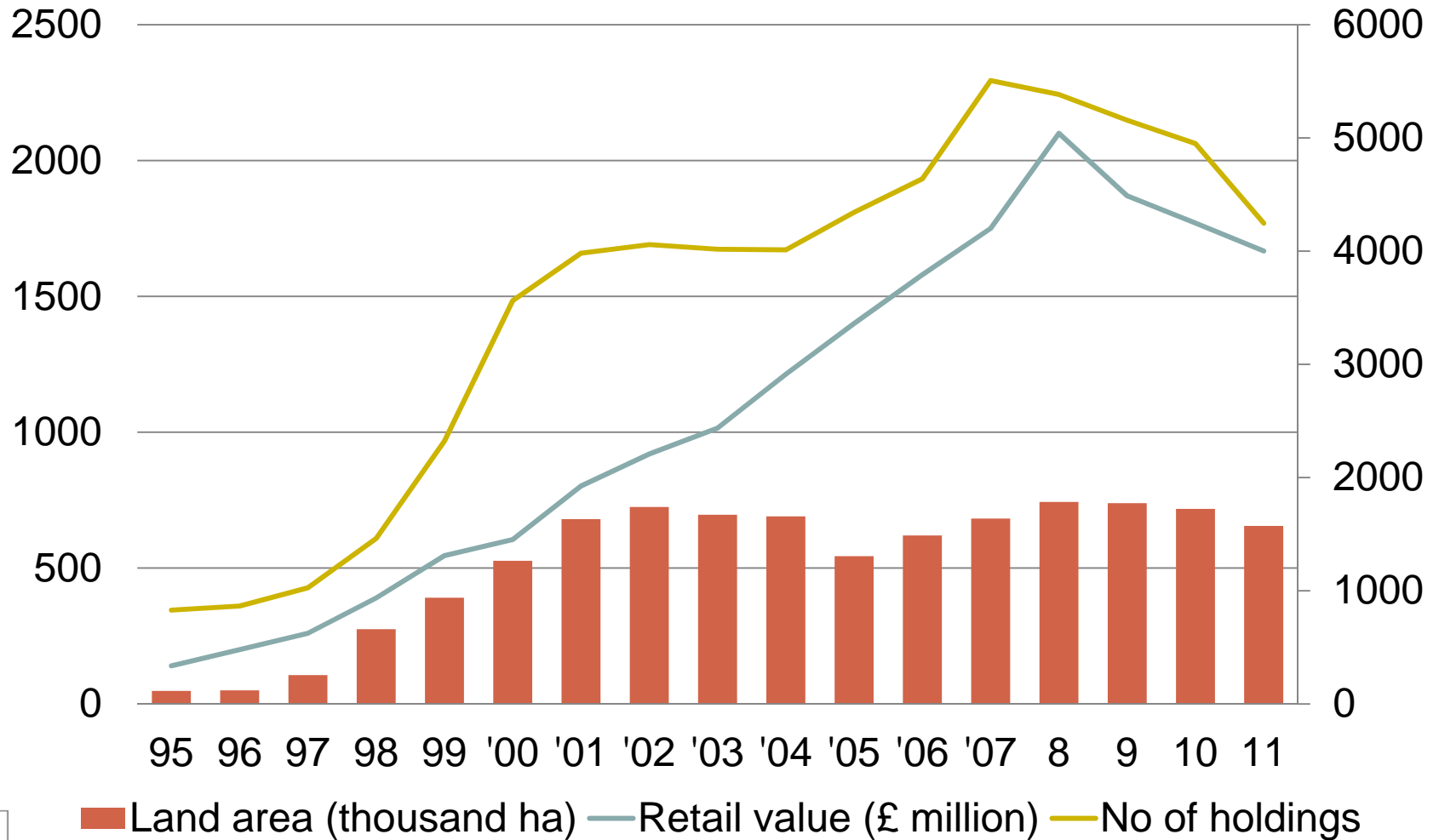


- The 2013 market report is expected on 19<sup>th</sup> March 2013

## Organic market data collection in the UK

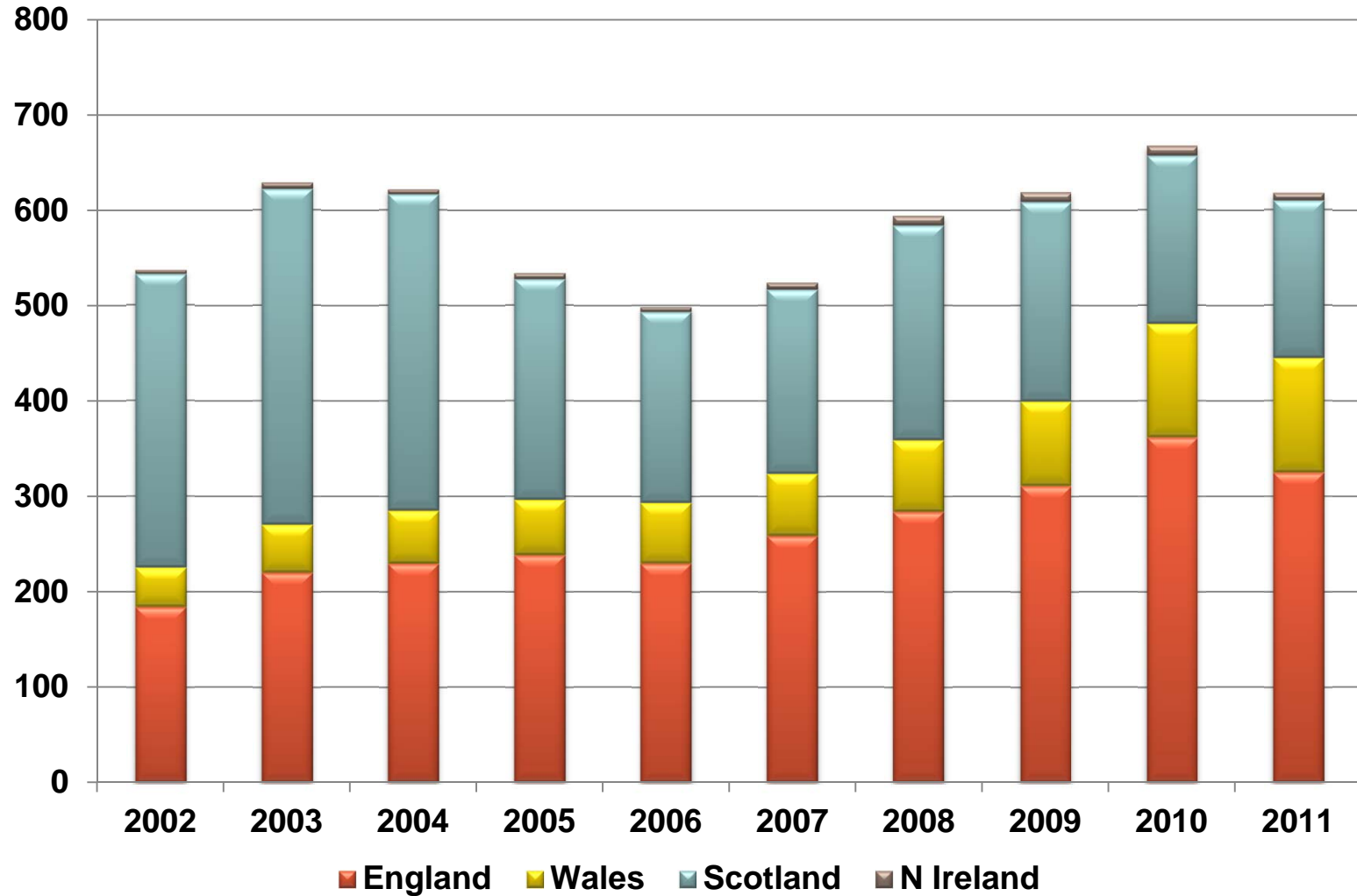
| Data type                             | Current status   | Who   |
|---------------------------------------|--|---|
| <b>Production area/number data</b>    | Published July for previous year<br>Aiming for earlier publication | DEFRA (Ministry) based on data from control bodies          |
| <b>Volume and value of production</b> | Not published for UK<br>Annual publications in Scotland & Wales    | DEFRA based on estimates<br>SRUC and OCW                    |
| <b>Retail values</b>                  | Annual publication<br><br>Regular Trade briefings                  | Soil Association<br>KANTAR world panel<br>Other             |
| <b>Import/export data</b>             | No recent information  |   |
| <b>Farm gate prices</b>               | Quarterly estimates<br>Some collection in Scotland & Wales         | Soil Association<br>Organic Producer groups<br>SRUC and OCW |
| <b>Consumer prices</b>                | Ad hoc surveys   | Research projects   |

## UK Organic land area, producers and retail sales value trends



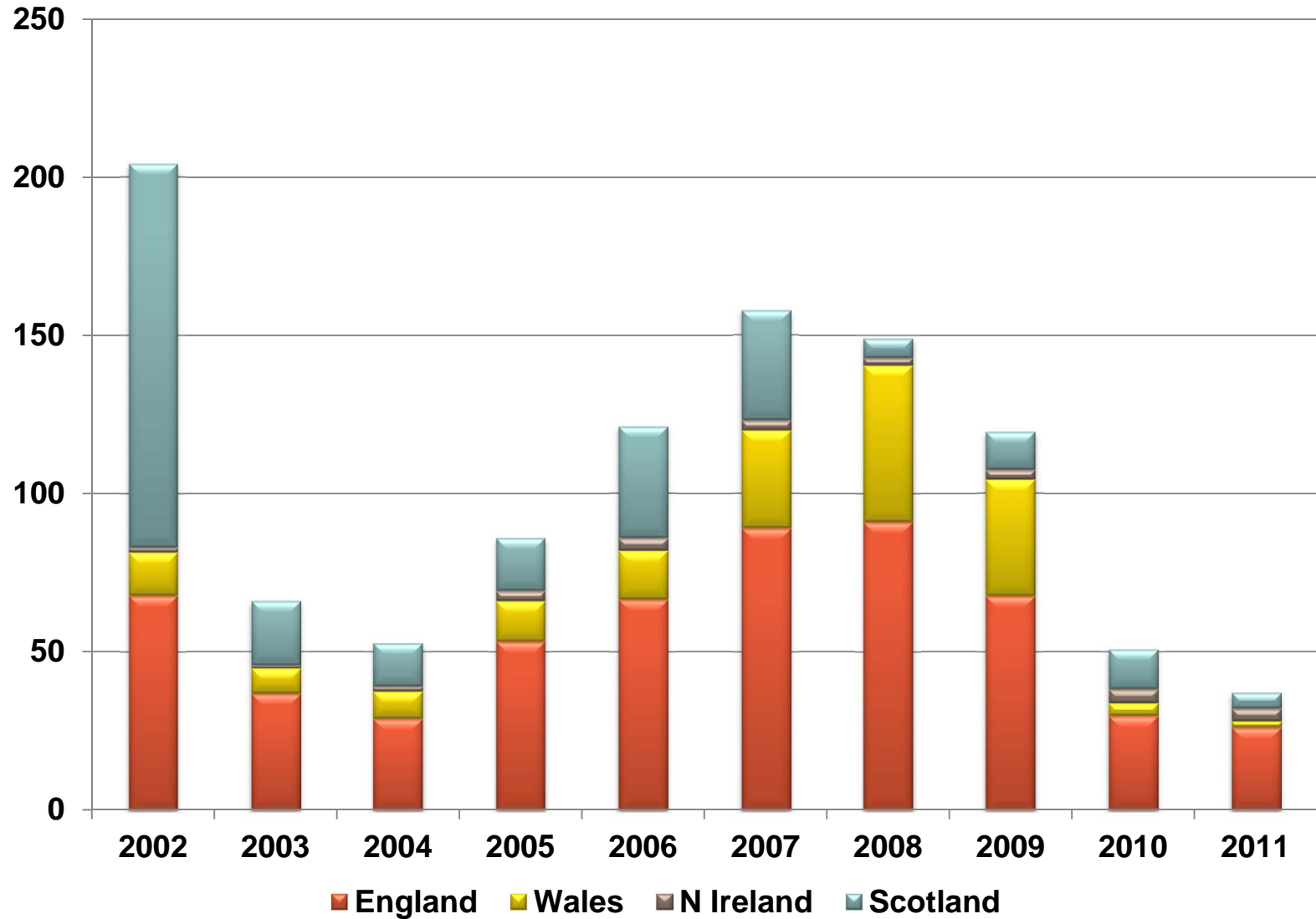


# Different trends in UK nations - kha fully organic ...



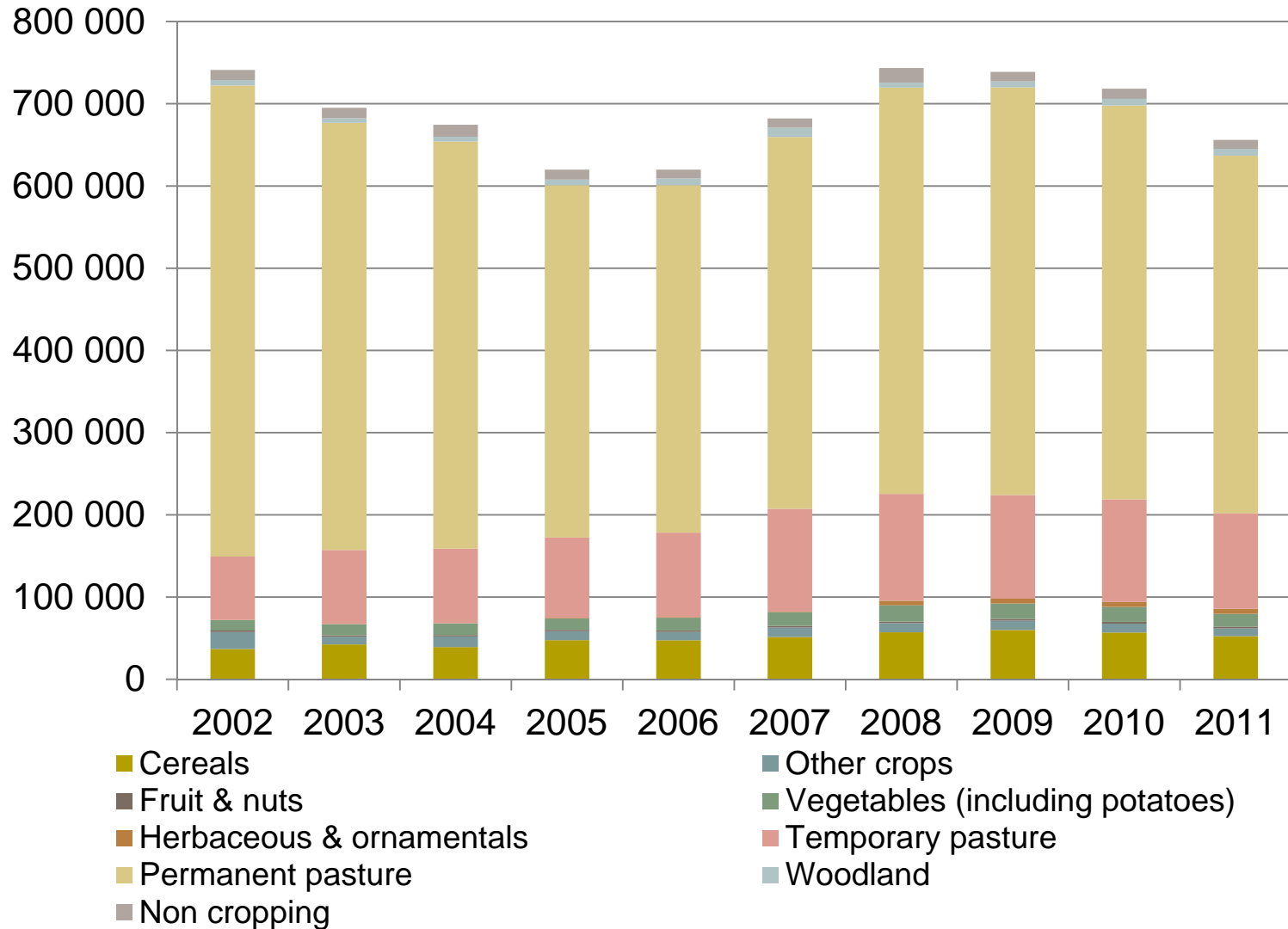


# ... and kha in conversion



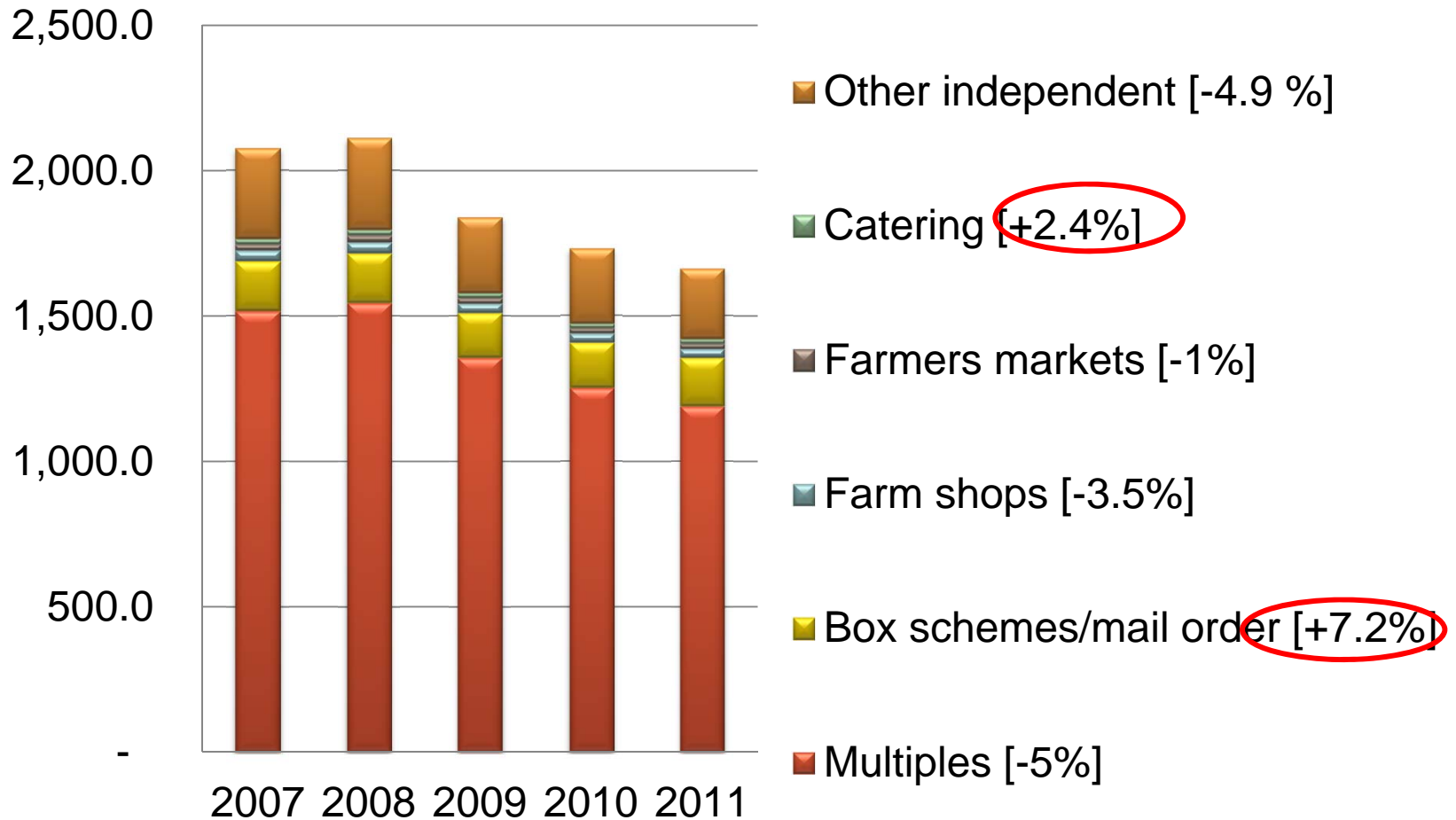


# Total UK area is declining

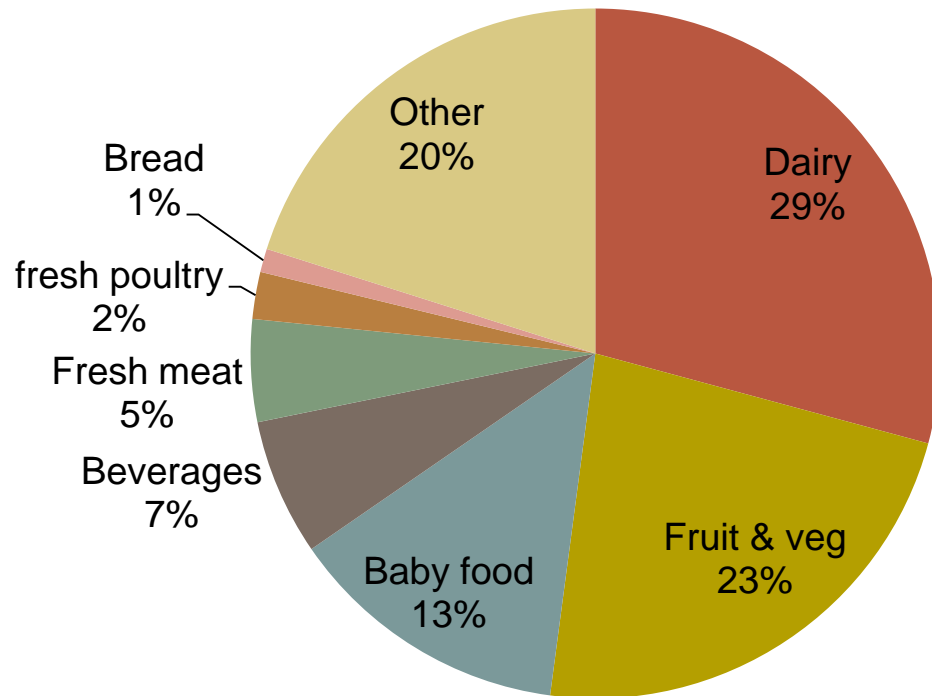




# Development of sales [decline of 3.7% from 2010 to 2011]



# The most important sectors [% value] and change



| Sector             | 2010 to 2011 |
|--------------------|--------------|
| Dairy              | -8.9%        |
| Fruit & vegetables | -5.1%        |
| Baby food          | +6.6%        |
| Confectionary      | -8.3%        |
| Eggs               | -9.4%        |

## UK situation remains challenging

- Lack of confidence among some producers when support scheme period come to an end
- Lack of policy commitment and market uncertainty continues
- Some sectors (mail order, some supermarkets) are doing better than others
  - ◆ Mail order and box schemes
  - ◆ Some supermarket that actively invest in the sector
- Is the committed organic shopper seeking alternative outlets?
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# Inventory of organic market data collectors (WP2)

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# Introduction

- ✓ To understand the availability of data on the organic market an online survey of data collectors was developed.
- ✓ **112** organisations within the EU, EFTA, the rest of Europe and the Mediterranean responded.



| Not Surveyed | No response | 1-2 responses | 3-4 responses | 5 or more Responses |
|--------------|-------------|---------------|---------------|---------------------|
|              |             |               |               |                     |

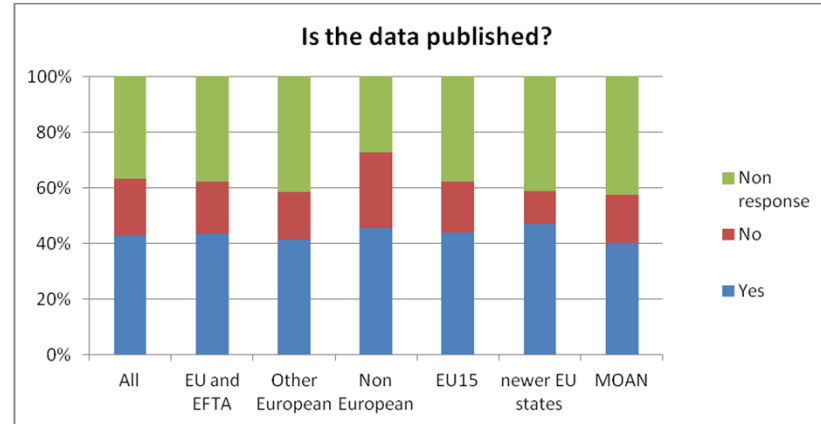
# Results

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- ✓ **Data types most commonly collected:**
  - ✓ Production data (area and volume more than value)
  - ✓ Followed by price and retail sales data
  - ✓ Export data are more common in non-European countries.
  - ✓ Products: meat, dairy, fruit and vegetables.
- ✓ **Common data collection methods:**
  - ✓ Surveys
  - ✓ Censuses are often used to collect production volume data
  - ✓ Panels for retail sales value/consumer price data
  - ✓ Catering sales data are collected by surveys
- ✓ **Data analysis:** compilation or basic analysis (such as averages, and ranges).

# Results and Conclusions

- ✓ The responses about **data publication** suggest low publication rates.



- ✓ The market data collection and publication effort remains varied across Europe.
- ✓ Without good quality, accurate and timely information it is difficult for stakeholders to make decisions.
- ✓ We need to better understand why this is the case