21st century sees organic food and drink sales double

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Latest research from MINTEL shows that Britainâ€™s organic food and drink market has broken the Â£1 billion barrier. Indeed, market sales almost doubled (94% growth) in value between 2000 and 2005 to reach around Â£1.2 billion this year. What is more, just one in three (29%) British adults now say that they never buy organics, down from some 37% in 2003.

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MINTELâ€™s exclusive consumer research also shows that organics can no longer be seen as the preserve of the affluent foody. Amongst those who have purchased organic produce in the last 12 months, there is in fact surprisingly little difference between the better off ABs and those in the middle income C1 group. This is particularly true when it comes to fresh staples such as fruit (59% for ABs vs 53% for C1), vegetables (59% vs 58%), dairy (32% vs 26%) and meat (33% vs 26%).

"Although the organics market is now reasonably mature, sales are being driven by consumer interest in healthy eating, locally sourced produce and concern for the environment and food safety. Despite the fact that organic products account for little more than 1% of overall food and drink sales, there is no doubt that these products have â€˜joined the mainstreamâ€™. Indeed, organic ranges are now available from all the major multiples, and the majority of households do buy organic food, even if some are only doing so occasionally. Elsewhere, organics are becoming more high profile through their gradual use in the restaurant trade and public-sector catering," explains Julie Sloan, senior market analyst at MINTEL.

Fruit and veg â€“ your first organic experience?
Today, as many as 54% of adults have bought organic fruit and vegetables in the last 12 months, making these the most popular choice. This rises to around two-thirds of 55-64-year-olds, who are in fact the most likely to choose organic produce in general. With sales valued at Â£442 million this year fruit and vegetables make up the largest sector of the organics market, with a 37% share.

Organic meat is the next most popular product, with one in four (26%) adults having bought some in the past year, a substantial increase on the 19% who had done so in 2001. In line with this, the meat and poultry sector has enjoyed the most impressive increase in value, having grown by almost 150% between 2000 and 2005.

"At the start of the millennium, British shoppers were purchasing organic meat because it was a premium option. But more recently, growth has come primarily from consumers interested in the other qualities they believe organic meat has to offer, such as greater confidence in its food safety and a growing awareness of animal welfar issues," comments Julie Sloan.

A future of organic growth
Over the next 5 years, MINTEL forecasts that the organic food and drinks market will increase by 72% to reach a value of Â£2 billion by 2010.

"Consumers are, in theory, more educated and aware than ever before. But they are constantly being bombarded by a host of different messages, all claiming health benefits or contributing to a healthy lifestyle, for example, low fat, carb, GI or free from, functional, fortified or natural. A clear and consistent message is needed in order to survive any diet fads or trends and is paramount to long term growth, but marketers will need to re-assess whether â€˜naturalâ€™ isnâ€™t a more attrac positioning than â€˜organicâ€™," explains Julie Sloan.

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