

# Bord Bia Organic Update

Organic Strategy Group  
31<sup>st</sup> March 2021

# Outline

- Market Developments
- Update on Bord Bia Actions
- Future Challenges & Opportunities

# Market Developments

# Market Value : Ireland & UK Organic

**2020 €189m**  
**+16.2% Growth**



**4.2% ahead of Total Retail Sales**  
**52 wk w/e 06/09**  
Source: Kantar October 2020

**2020 €2.45b**  
**+4.5% Sales Growth**



**Non organic food and drink sales**  
**growing at 3.2%**  
Source: Nielsen 2020 & Soil Association October 2020

# Organic Produce growing ahead of Total Grocery in Ireland

Organic growing ahead of conventional specifically in Organic Meat, Ambient, Veg, Fruit and Poultry (Eggs)



# Ireland : Strong Organic Category Performance: Additional €26.3m into category.

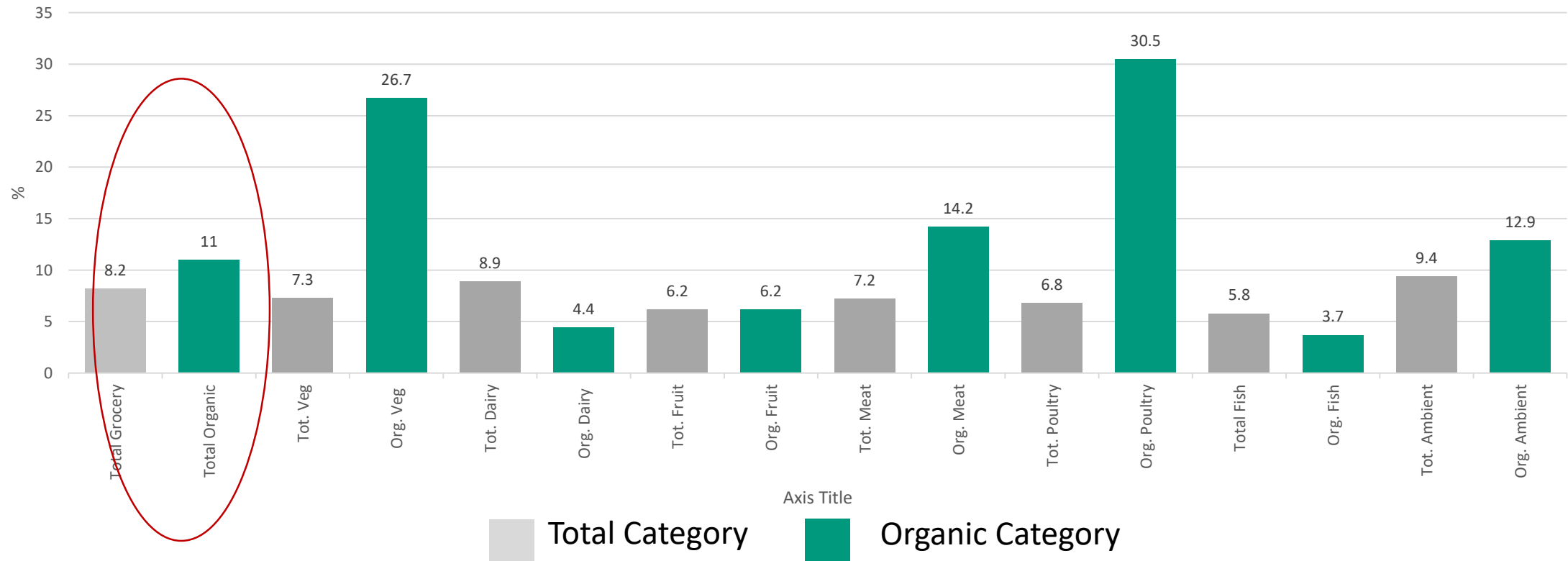


	Vegetables	Dairy	Fruit	Ambient	Meat	Poultry (inc. Hen)	Fish
<b>Value</b>	€54.7m	€41m	€28.3m	€29.8m	€15.9m	€15.5m	€3.6m
<b>+/-% Change Growth</b>	17.9%	8%	19.9%	22.2%	32.6%	20.4%	-30%
<b>Drivers</b>	Avg Price Increase	Volume New Shoppers	New Shoppers Avg Price Increase	New Shoppers Volume Frequency	Frequency	New Shoppers Volume	n/a
<b>Organic Market Share</b>	6%	4%	3.4%		1.3%		

# UK Total Value Grocery v Total Value Organic

Organic delivering higher growth in Vegetables, Meat, Poultry and Ambient

Total Grocery V Total Organic Sector  
%+/- Value Growth 52 wk w/e 060920



# UK: Strong Organic Category Performance: Additional £110.2m into category.



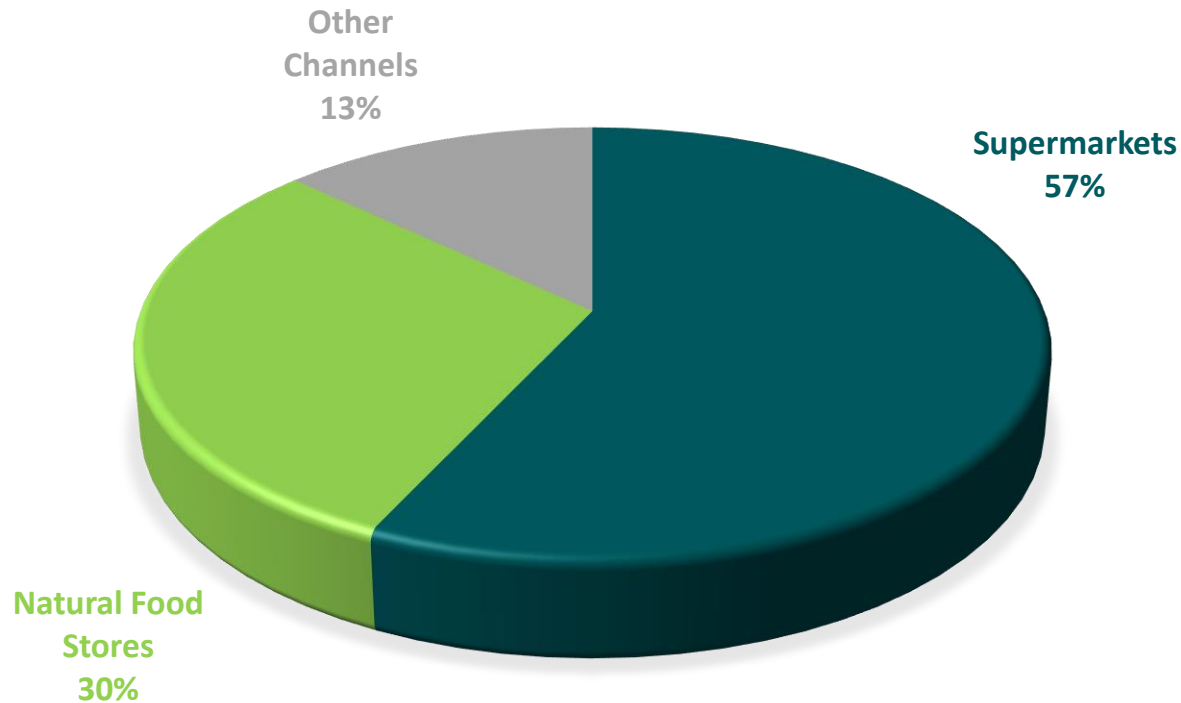
	Vegetables	Dairy	Fruit	Meat	Poultry (inc. Hen)	Fish	Ambient
<b>Value</b>	£182m	£333m	£117m	£65m	£83m	£8m	£356m
<b>+/-% Change Growth</b>	26.7%	4.4%	6.2%	14.2%	30.5%	3.7%	12.9%
<b>Drivers</b>	New Shoppers	New Shoppers Average Price Increase	New Shoppers Average Price Increase	New Shoppers Average Price Increase	New Shoppers	Frequency	New Shoppers
<b>Top Retailer Share Value</b>	Waitrose	Sainsbury	Tesco	Sainsbury	Waitrose	Waitrose	Waitrose



# Germany - €12bn Organic Market

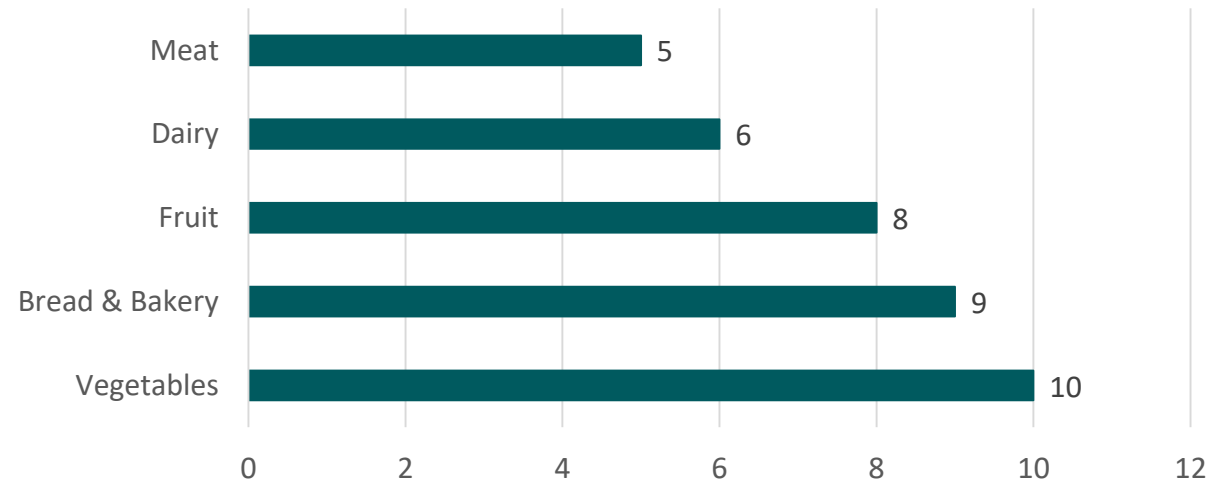
Approaching 7% of total food and drink market – grew by 6% - 10% annually over last 3 years

Retail sector driving growth over recent years



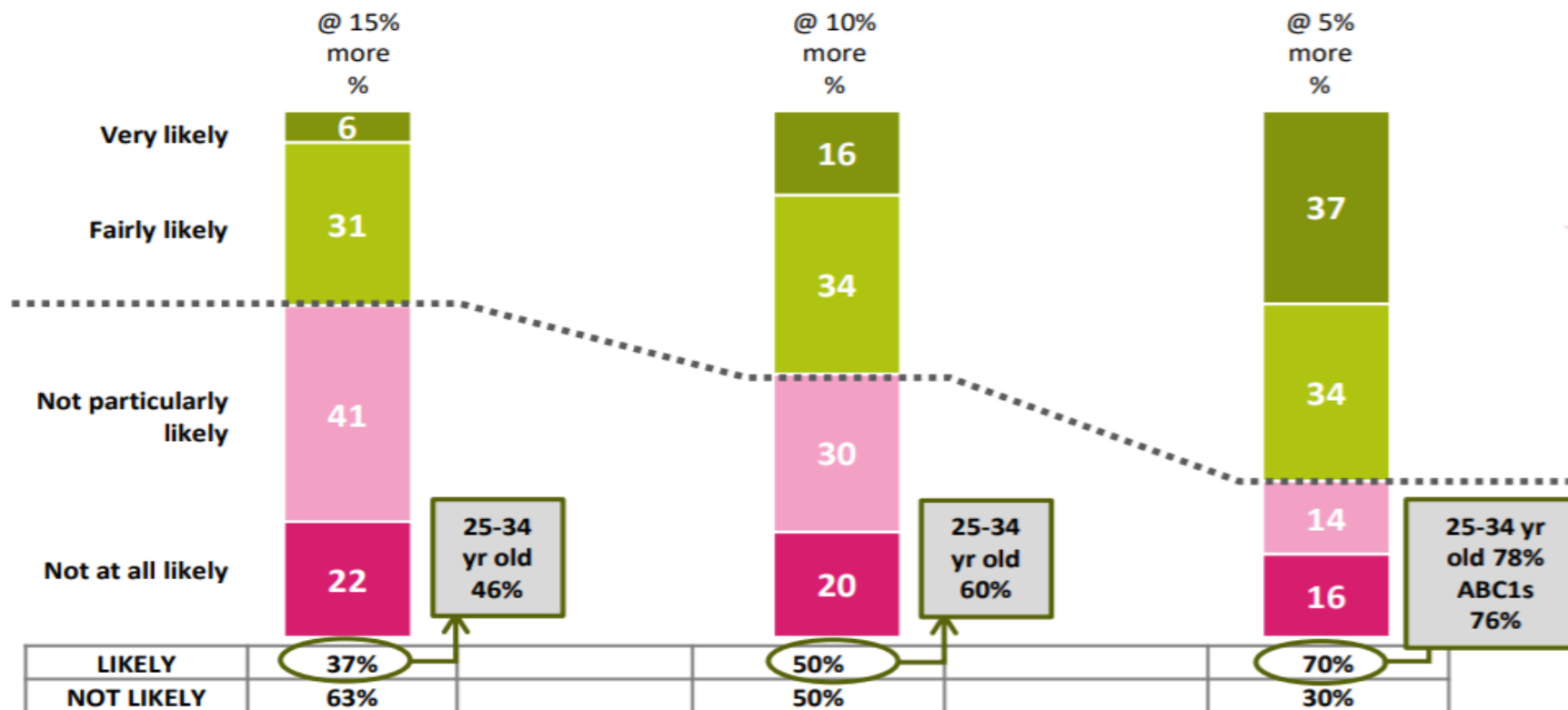
Source: FiBL

## Organic as share of Sales by Category, Germany (%)



# Likelihood of consumers to spend more to buy organic - Ireland

50% very or fairly likely to spend 10% more for Organic Food



# Macro Themes on Consumer Dietary Lifestyles

The Organic sector supports all elements of these Macro Themes



*Mindful Chef*

Mindful Chef are a health-focused food box company set up by school friends Giles, Myles and Rob.

Since their launch in 2015, they have shipped over 10,000,000 ingredients from small farms across the UK.

**UK £25 million**

Mindful Chef is seeking UK£25m in a new fundraising round as private equity investors, blue-chip conglomerates and retailers' clamour to own a piece of the fast-growing farm-to-fork recipe box brand.

# Update on Bord Bia Organic Actions

**Action:**  
**Create a multi annual marketing  
strategy plan to target specific  
opportunities for organic products on  
domestic and international markets**

# Focus on German Market



## BIOFACH

into organic

2019 - 2020



Support Existing  
Business

Generate new  
leads

**BORD BIA**  
IRISH FOOD BOARD

2021 Activities

## *Germany Market Trends & Opportunities*

Update insights on the German market focusing on trends, retail/foodservice market overview and route to market assessment

## *German Lead Generation Project*

A cross sectoral lead generation project to identify opportunities for our organic companies in the German market within retail and foodservice. Target participation of up 15 companies.



# Promotion of Beef in Dutch Retail

Activity Overview: Bord Bia Netherlands and Dutch supermarket Vomar will promote the sale of Organic Irish Beef both in store and through their in-store magazine

2019 - 2021

- 3 Vomar Magazine promotions annually
- Launched a range of organic QA Irish Angus beef in H2 2019



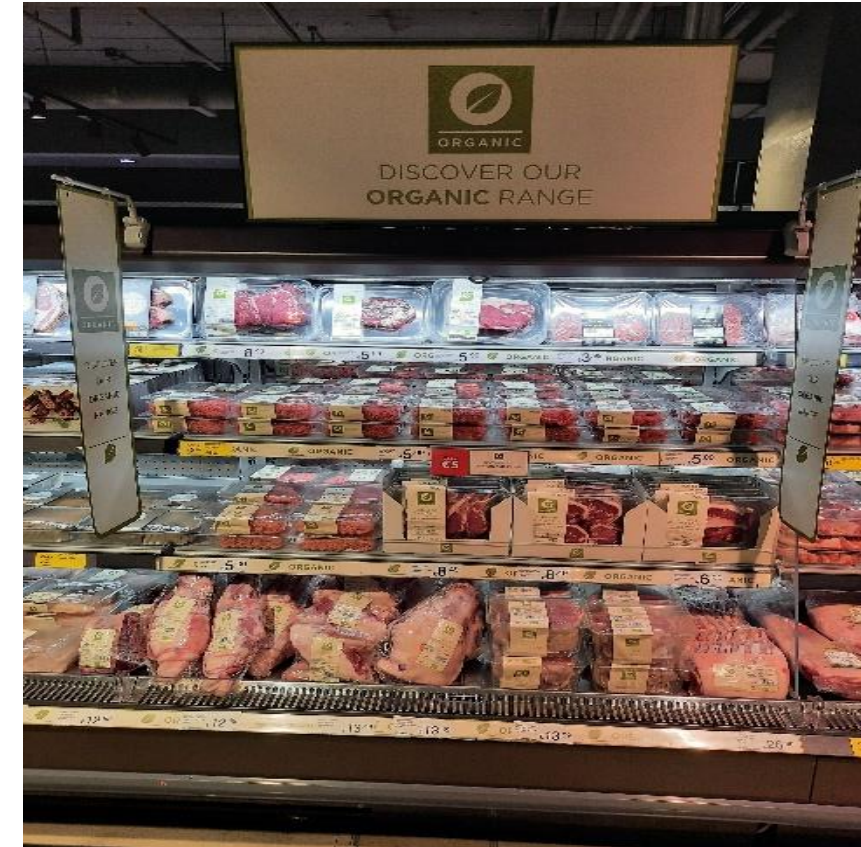
# Organic Lamb Promotion in Irish Market

**Activity Overview:** Bord Bia will actively promote seasonal Organic Spring Lamb in the Irish market, focusing on peak lamb supplies in June and November.

## 2020 - 2021

- Bord Bia supported supplier with the creation of a visual identity for organic lamb range in Dunnes Stores
- Further promotional support planned for 2021

Some potential interest from other retailers but they are seeking just one or two cuts which creates issues in terms of scale and carcass balance. Also seeking year round supplies





# Organic Salmon Promotions, France & Germany (2019 – 2021)



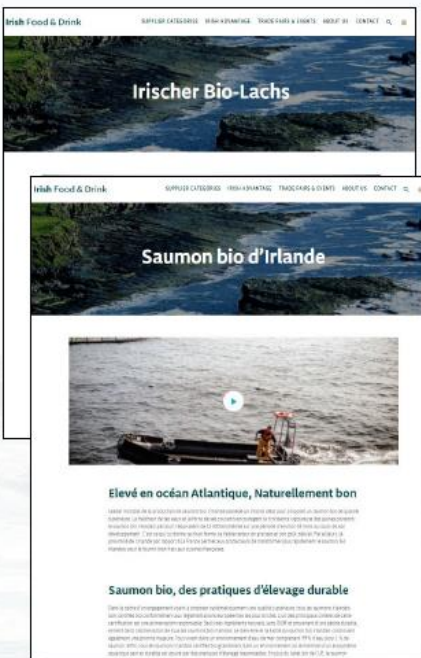
Advertorials –  
French and  
German  
Market



New USP focussed  
video suite –  
French & German  
Market



Digital Display  
Assets



New website  
landing pages for  
French and  
German markets



Point of Purchase  
Support



# Organic Mussels, France (2020 – 2021)



*Creation of digital display advertisements displayed across key food & shopping sites*

Total 1.8 million display ad views



*Creation of new mussels website landing page and search campaign to drive website traffic*

84,000 clicks through to Bord Bia Mussels landing page



Carrefour & Casino

# Fresh Produce Organic Activities 2021



## Organic Fruit 'n' Veg Calendar 2021

Work underway to design a calendar of availability & supply of organic fresh produce (modelled on existing BIS calendar). Hosted on [www.bordbia.ie](http://www.bordbia.ie)



## Virtual Bloom in 2021

Currently exploring options for profiling organic.



## Organic Grower Market Tour to Germany 2021

This autumn subject to COVID travel restrictions – investigation of markets & building scale of operation – following on successful past trips to Holland 2016, GB 2017, France 2019

**Action:**  
**Promotion activities to increase  
consumer understanding of organic  
products, awareness of organic product  
availability and seasonality**

# Irish Organic Produce Promotions

## Campaign Details

Irish Organic Produce social campaign to run on Bord Bia social channels from **12<sup>th</sup> April-25<sup>th</sup> April 2021**

**Target Audience:** 25-54 year olds with interests including fresh produce, cooking, health and wellness, local, farmers markets (**Audience size: 1.3 million**)

## Channels

**Paid activity on Facebook, Instagram and Twitter:**

Sponsored feed and story posts  
Boosted feed posts

Supported by organic (unpaid) posts on the Bord Bia channels.

**Objective** of the campaign is reach in order to drive awareness and remind consumers of organic produce

## Key details

Promotion activities to increase consumer understanding of organic products, awareness of organic product availability and seasonality

Educate people on how to recognise organic produce in store/on pack.

Drive target audience to Bord Bia website (landing page to be developed) to find recipe inspiration using organic produce.

Build on Social Media campaign from 2020  
**National Organic Awards**

**BORD BIA**  
IRISH FOOD BOARD

**NATIONAL  
ORGANIC AWARDS  
2020**

# Organic Gardening School DVD



*Creation of organic school gardening DVD and worksheets for teachers and educators sharing knowledge and information on planning, building and maintaining a school garden.*



**Action:**  
**Biennial Purchasing of Kantar data  
to share with Producers**





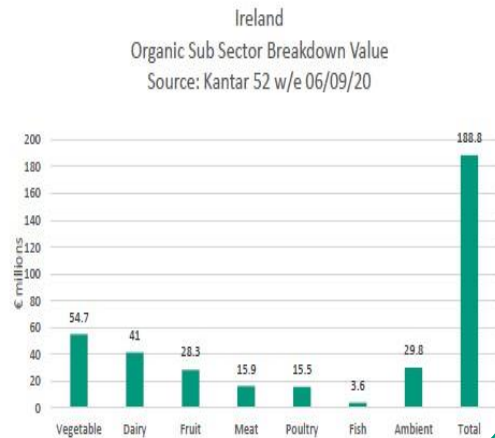
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## Market Value : UK

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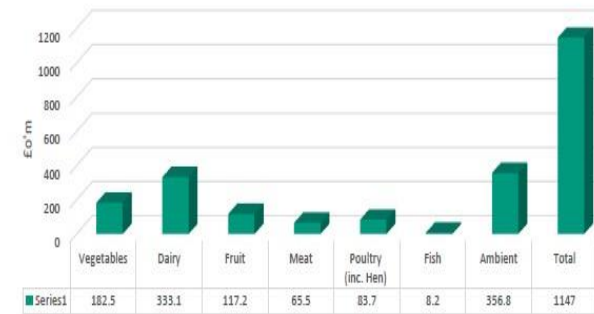
Total Organic: Inc. Supermarket Retail,  
Foodservice, Home Delivery, Independent  
Retail, Deli and Convenience

UK Organic Sector Breakdown  
Kantar 52 Wk W/E 060920

2020 €2.45b  
+4.5% Sales Growth



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Source: Nielsen 2020 & Self Association October 2020



Most recent dataset purchased Autumn 2020

Key trends analysed and shared with industry



**Action:**  
**Engage annually with processors and  
retailers to generate insight on the  
challenges and opportunities created by  
supply and demand issues**

# Organic Plant Raiser Research Project - 2021



Support & develop a farm demonstration initiative with interested growers who are in the early stages of developing expertise in organic plant raising.



4 growing operations taking part under the supervision of vegetable agronomist

Post Brexit availability of imports also a key driver

# Organic Dairy supply/demand



*Monitor trends & developments in global organic dairy production & consumption*

Ongoing tracking of trends in the European organic dairy market and updates disseminated

*Engagement with Co-operatives on market opportunities for organic dairy*

Regular engagement with co-operatives regarding potential opportunities for organic dairy. Communication of potential leads to organic companies.

## Recent Organic Dairy Opportunity Example

Opportunity for Irish organic red-cheddar in the EU market (previously sourced in the UK)  
Limited availability of organic milk & colouring present challenges

# Other Actions: Meat



*Explore potential for Irish organic meat in target export markets and market segments.*

Ongoing. Focus for 2021 is on exploring potential opportunities for beef and lamb in Germany, France & Italy.

*Capture and report organic prices into weekly market data to aid transparency.*

Bord Bia engaging with DAFM regarding the collection & collation of prices paid for organic cattle in certified organic export plants.

# Other Actions

*Assist the industry to co-ordinate any co-funding proposals and applications under the EU Co-Funding for the Promotion of Agricultural Products Scheme*

Meeting with Organic Bodies on structure & potential role of EU funding. Significant challenges identified in securing industry funding

*Explore the potential for an annual National Organic Week or a focused national campaign to be run in conjunction with the organic industry*

A review of National Organic Week completed. While previous campaigns positively promoted organic it was challenging to focus on driving Irish rather than imported organic sales

# Future Challenges & Opportunities

# Opportunities to grow market for Organic Food

## Sustainable Food Solutions

Organic well positioned to meet consumer needs for solutions that address the key trends around healthier, natural, better for you, better for the planet etc

## Plant based trend

Demand for Plant Based foods drives a natural demand within the Organic sector for organic ingredients – vegetables, fruit and herbs

## Growing Export Demand

Increasing demand for organic products and ingredients in key European markets

## Replacing imports

Prevalence of imports in fresh produce (7 out of 10 lines) and cereals in particular provide potential opportunities for Irish alternatives if they can be competitively produced

# Challenges to be addressed

## Scale & Seasonality

Fragmented supply base still evident

Significant leakage in key sectors

Seasonal nature of output

## Raw Material Availability

Current supply of Irish organic oats only meets circa 50% of existing breakfast cereal demand.

Other grain availability also limited.

## Innovation

Limited investment in innovation across the supply chain

## Labour availability

Growers reliant on migrant workers to process fruit and vegetables.



# Bord Bia support for Organic Sector

## *Supply Base Co-ordination*

Work with DAFM to explore potential for further Producer Organisations in the sector

Producer Communications Campaign with interested processors to try reduce leakage

Buyer engagement regarding the seasonality of output

# Bord Bia support for Organic Sector

## *Market Opportunity Identification*

In-depth assessment of domestic and potential export markets to identify areas of opportunity

Focus on dairy, meat, consumer foods, seafood and fresh produce

Completed by August 2021

# Bord Bia support for Organic Sector

## *Targeted Business Development*

Utilise overall Bord Bia expertise across Insights, Business Development & office network to identify & capture potential organic opportunities

Strong presence at next physical Biofach in 2022 to build on 2021 lead generation programme

# Bord Bia support for Organic Sector

*Driving the reputation of  
Organic Food*

Build on 2021 Social Media campaign

Utilise Organic Awards to help build profile  
of the sector

Support promotional opportunities with  
retailers to grow profile of organic offering

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