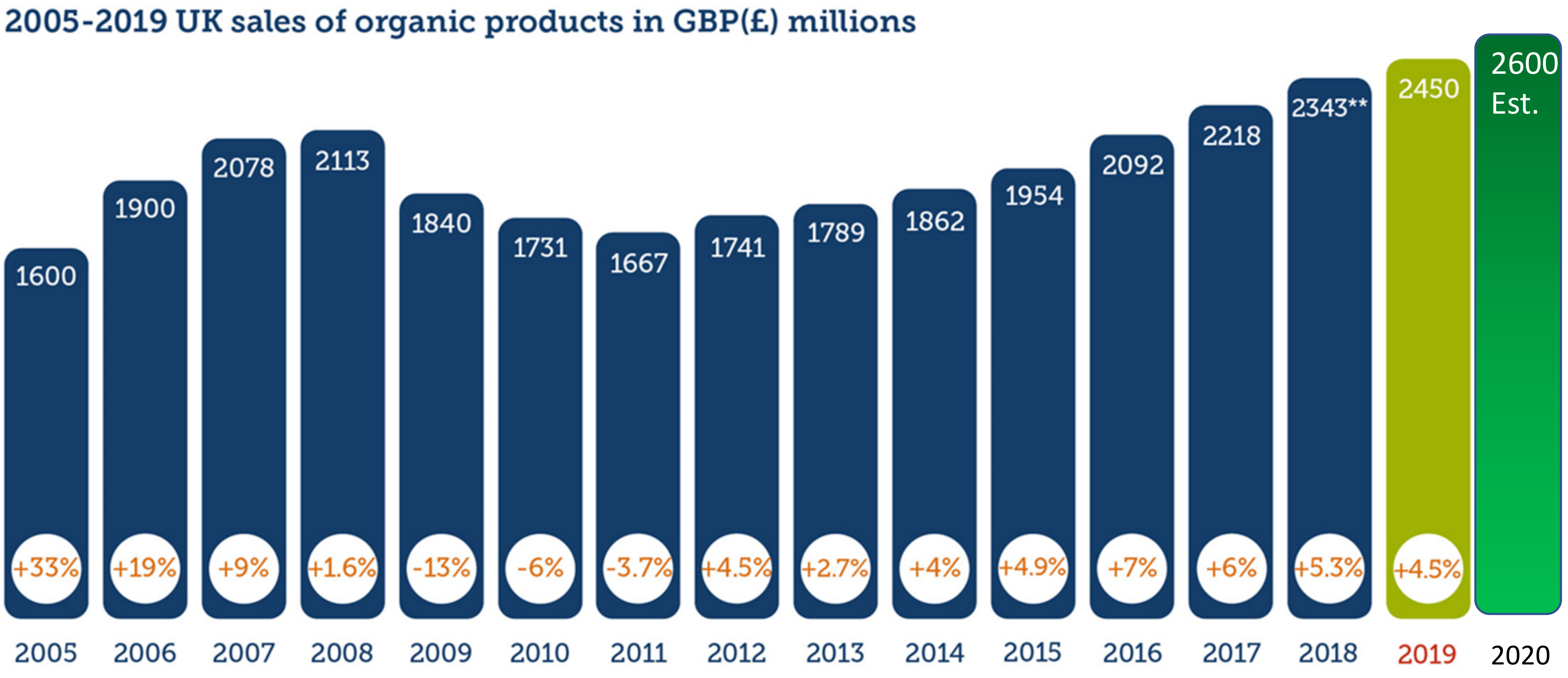
ORGANIC 2020
THE TIME IS NOW

UK Organic Market

Finn Cottle
Trade Consultant
Soil Association Certification

Total market trend

ORGANIC 2020 THE TIME IS NOW



+ 9.5% to 3rd Oct 20*

Source: Soil Association Market Reports

* Nielsen Scantrack Total Coverage (GB Food & Drink Retailers) 52 weeks year on year growth to 3rd Oct. 2020

COVID Impacts on shopping

ORGANIC 2020 THE TIME IS NOW

- **Reduced confidence** shopping in store. Dramatic fall in top ups and rise in main shops
- A **surge in online shopping** for the main shop with polarised views
- A **rise in planning**: people finding new and more effective ways to do the weekly shop.
- A desire for **self-sufficiency**: increase in scratch and batch cooking, baking as much for entertainment or boredom relief as feeding the family
- A **desire for new ideas** and solutions for 'inspiration' - missing out on the interest and variety that comes from eating out
- Giving **more thought to their food choices**, provenance and back story

The Crow Flies/Soil Assoc. Certification research
Aug 20

WITH MORE CALORIES CONSUMED AT HOME SHOPPERS ARE SPENDING MORE ON FOOD & DRINK

ORGANIC 2020
THE TIME IS NOW

PRE-COVID

+0%

52 w/e
4th January 2020

POST COVID

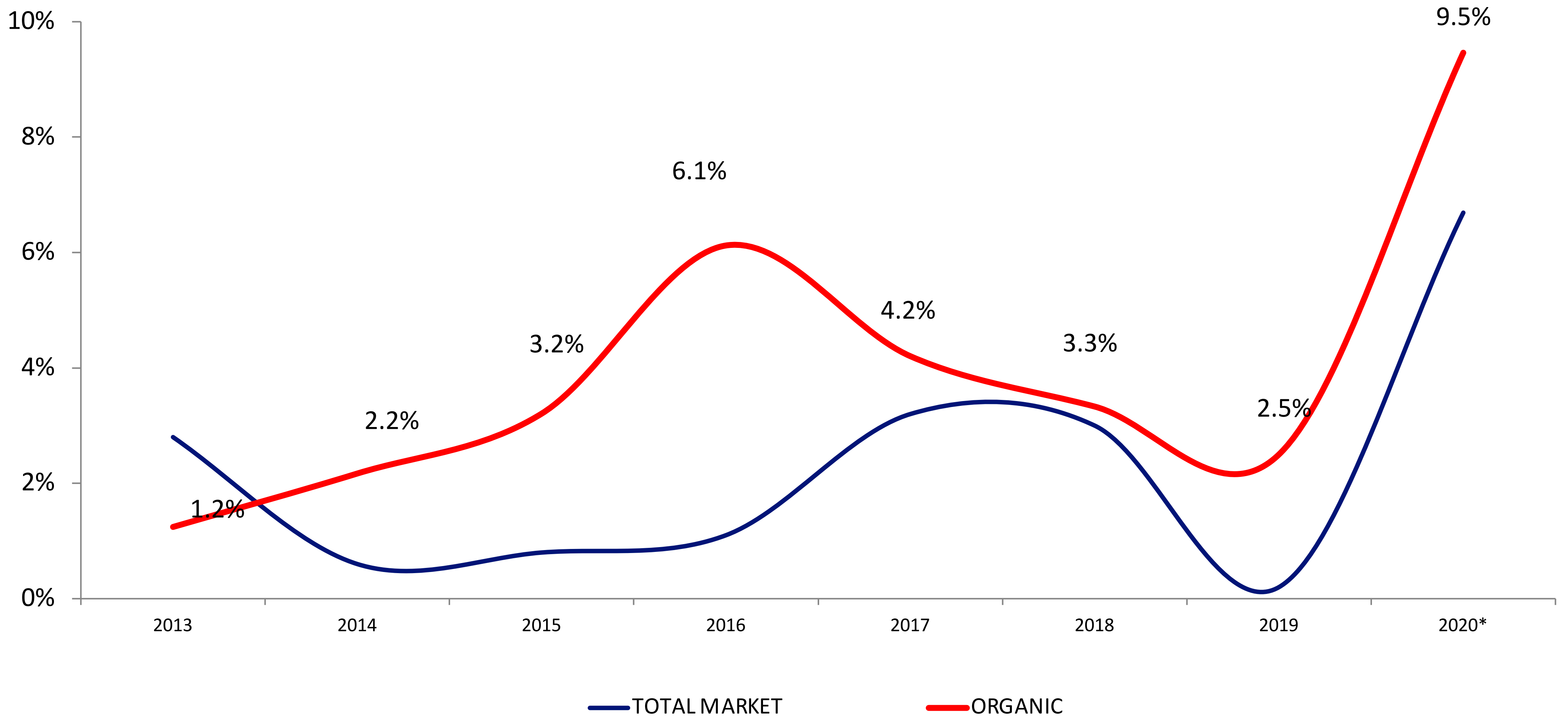
+8%

24 w/e
3rd October 2020

Source: Nielsen Scantrack Total Store Read, year on year value growth Food & Drink

Organic and Non Organic trends

ORGANIC 2020 THE TIME IS NOW

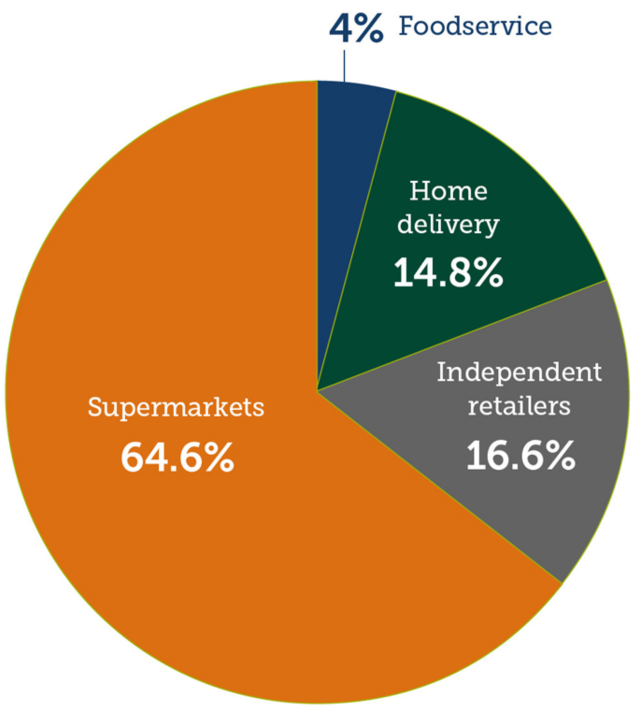


Source: Nielsen Total Till vs Nielsen Scantrack Organic Food & Drink

% Annual Growth (Value Sales)

*52w/e 30ct20

Channels to market



Market structure in 2019

- Organic Home delivery estimate at 17-18%
- Supermarket online shift, 15% estimate
- Foodservice decline
- 'Indie' retailers – closure in some locations, booming in others

2020 SA Organic Market report

Category Trends

Dairy
£450m
+4.6%
3.5% share

Produce
£401m
+10.8%
3.7% share

Canned & Packaged
£299m
+16.6%
1.9%

Meat, Fish & Poultry
£183m
+12.5%
1.9%

Source: Nielsen Scantrack, 52 w/e 3rd October 2020

share = contribution to category sales

Reasons for buying organic

ORGANIC 2020 THE TIME IS NOW

1. No Pesticides
2. Better for Environment
3. Perceived Better Quality
4. Perceived Health Benefits
5. Taste is Better
6. Better for Animal Welfare

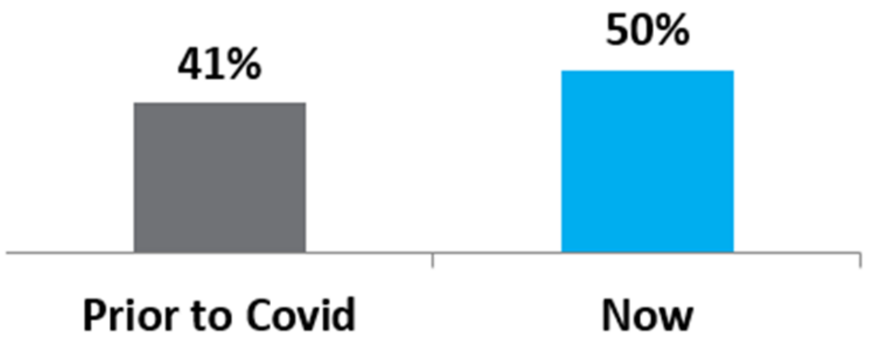
15% willing to pay more for organic

Source: Nielsen Homescan Survey (GB) 2020

Shopping Motivators

SHOPPERS RECOGNISE ORGANIC PLAYS A KEY ROLE IN THE NATION'S DRIVE TOWARDS SUSTAINABILITY

% of Shoppers who agreed* buying Organically Produced Products is good for Sustainability



At the start of this year before the Covid-19 crisis started

At this point in time in the Covid-19 crisis

*% Households who agree Moderately, Important or Very Important

Source: Nielsen Homescan Survey July 2020

Why the time is now....

ORGANIC 2020 THE TIME IS NOW

Short cut to health

High quality and taste

Highest Standards of welfare

Food Assurance

Strong brand messages