Growing Irish Organic Food in Europe

Germany Report

2024

BORD BIA Thinking House

empathy

futavista

Brand Progress Through Strategic Imagination

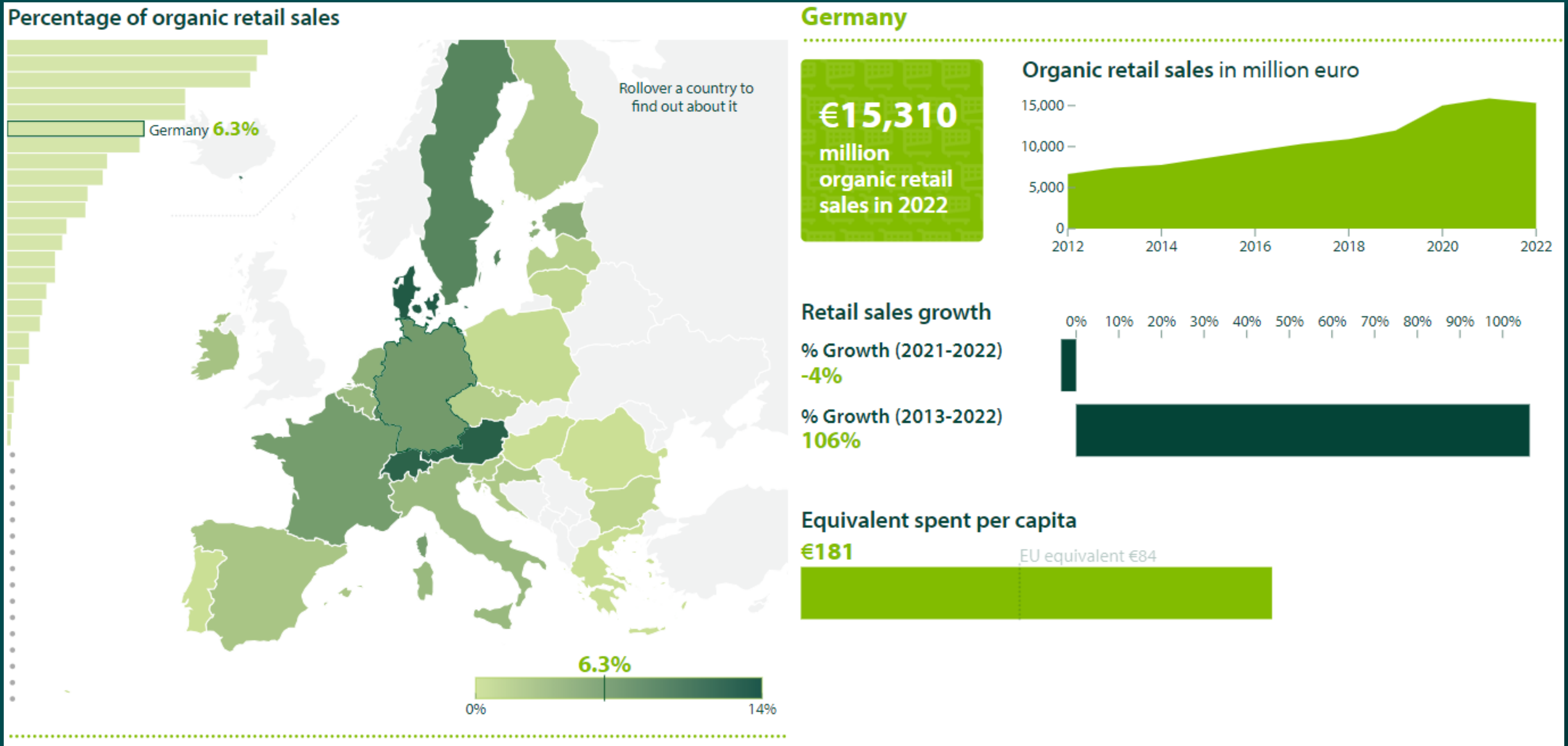
Contents

Bord Bia Thinking House

1. Market Overview

Back To Contents Slide

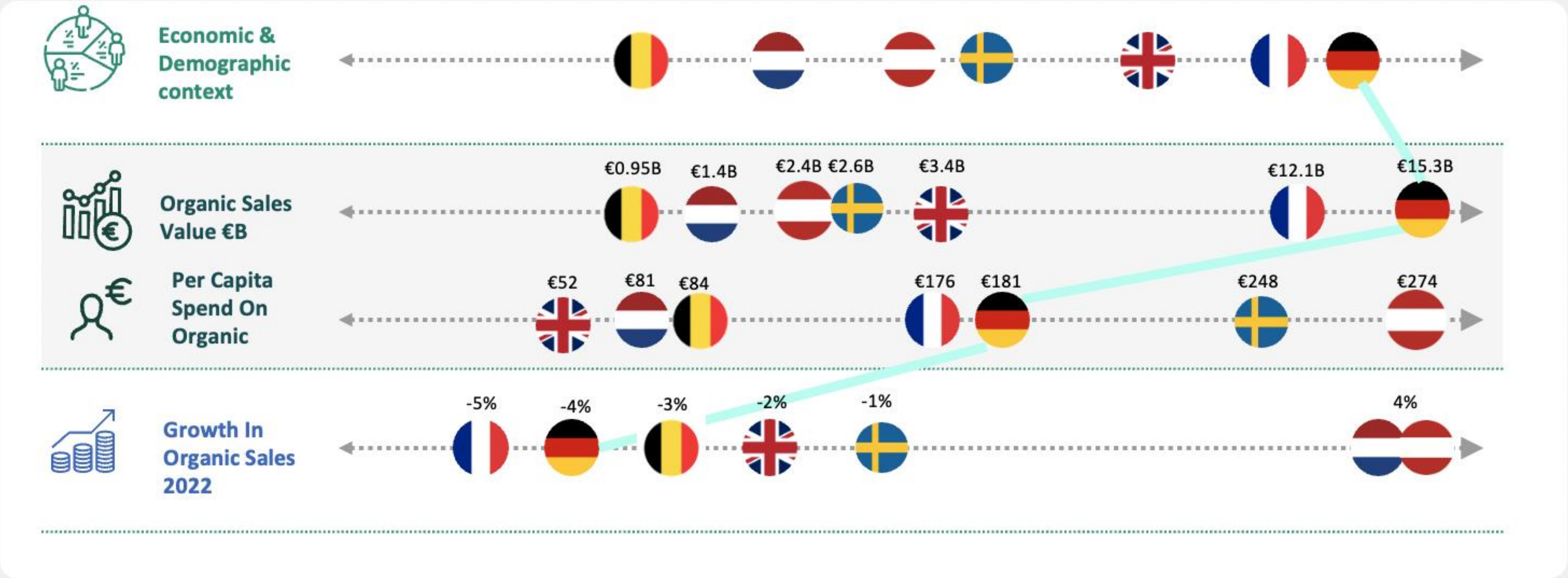
German organic spend per capita is more than twice EU average, and +106% growth in retail sales from 2013 to 2022



https://www.organicseurope.bio/about-us/organic-in-europe/

BORD BIA Thinking House

Pan EU Organic Overview for Key Target Markets



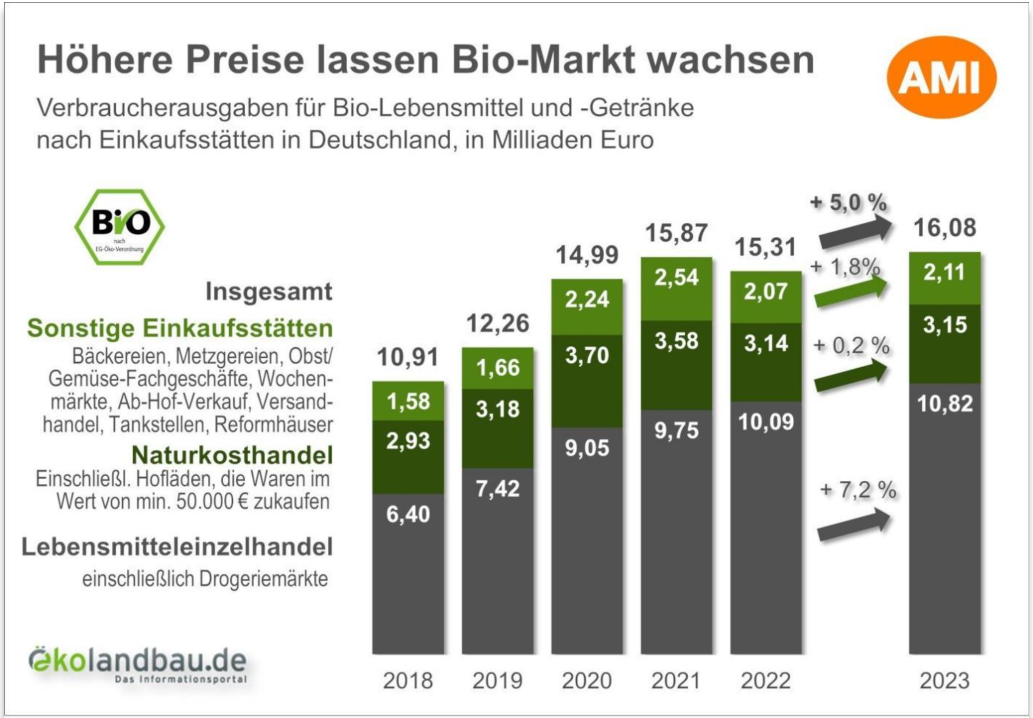
Germany is the biggest Organic Market in EU, and the annual per capita spend on organic is double the EU average, while growth has been exceptional over the last decade it has had decline in the latest year to 2022.

BORD BIA Thinking House

Germany France UK Netherlands Sweden Austria Belgium

2023 Reports Shows Organic Back in Growth by +5%

All channels had growth especially Levensmitteleenszelhandel (Food Retail which includes multiples and discounters)



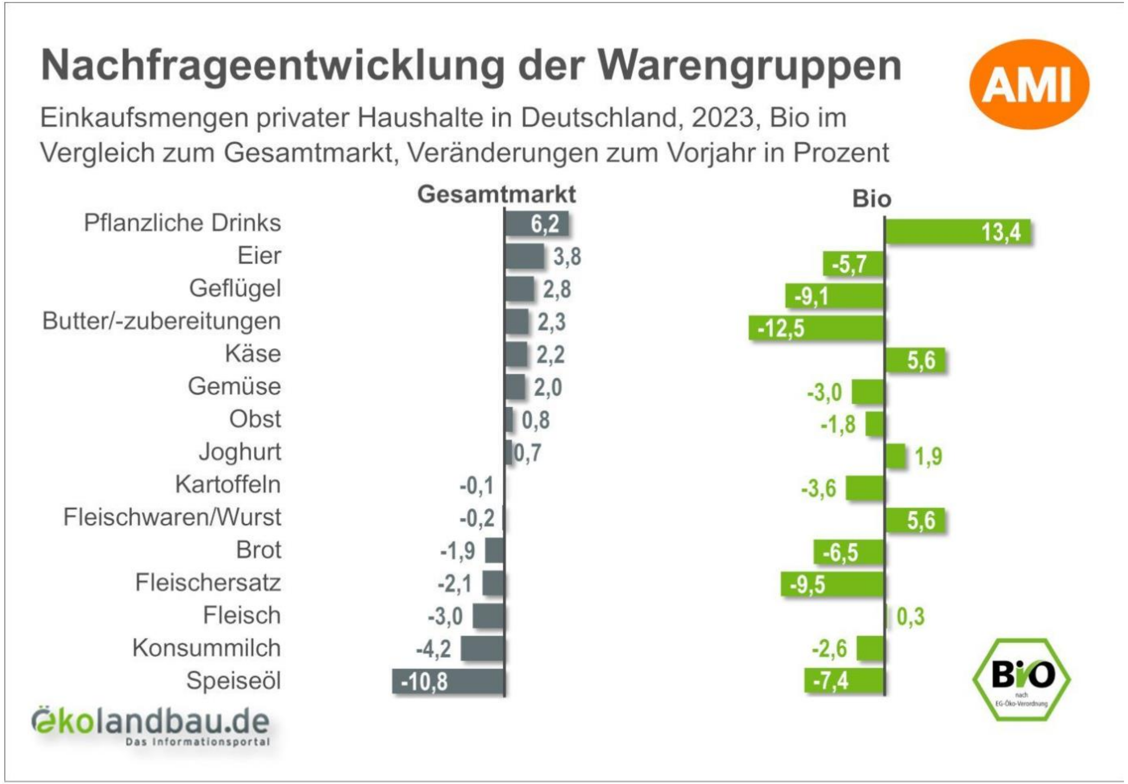
Consumer spending on organic food and beverages grew again in 2023 and rose by five percent compared to the previous year. The growth in sales is mainly achieved through price increases. Source: Organic Market Working Group

Source: Higher prices: organic market sales increase in 2023 (oekolandbau.de)

2023 Reports Shows Organic Cheese and Meat as categories in growth

The organic market recovered in 2023 and demand increased above the previous year's volumes in some product segments such as cheese and meat products / sausage.

Source: AMI according to GfK Household Panel



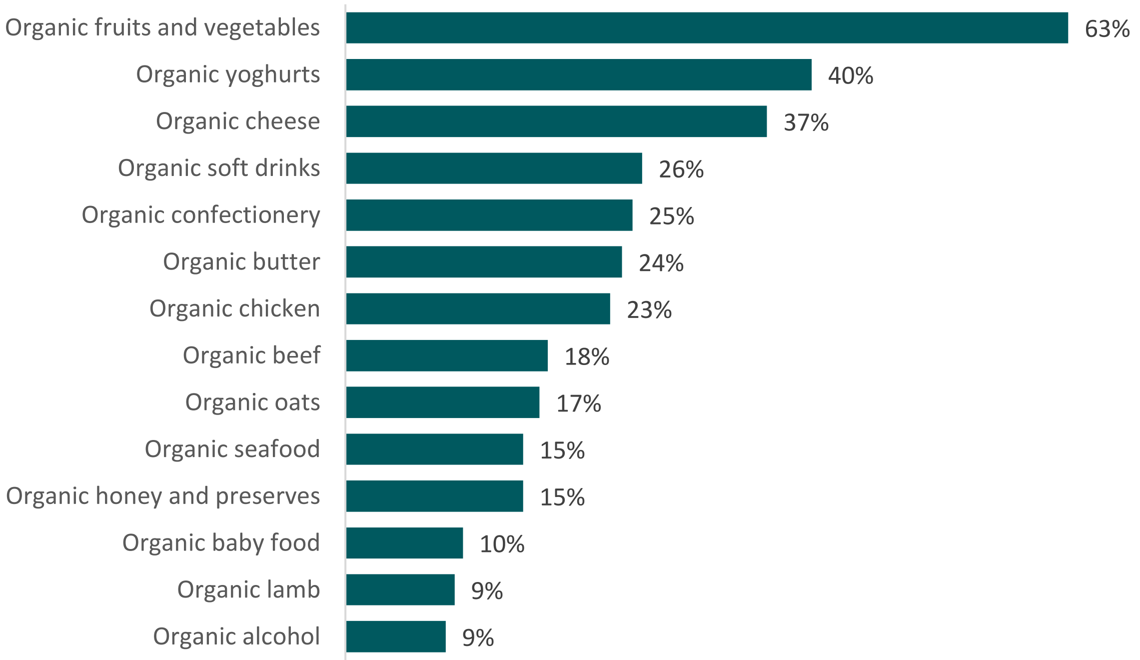
Source: Higher prices: organic market sales increase in 2023 (oekolandbau.de)

BORD BIA Thinking House

Just over 6 in 10 are purchasing Organic Fruit & veg at least once a week, with Organic yogurts next highest in terms of weekly+ purchase levels

(Base: All Organic Buyers – DE n=1,500)

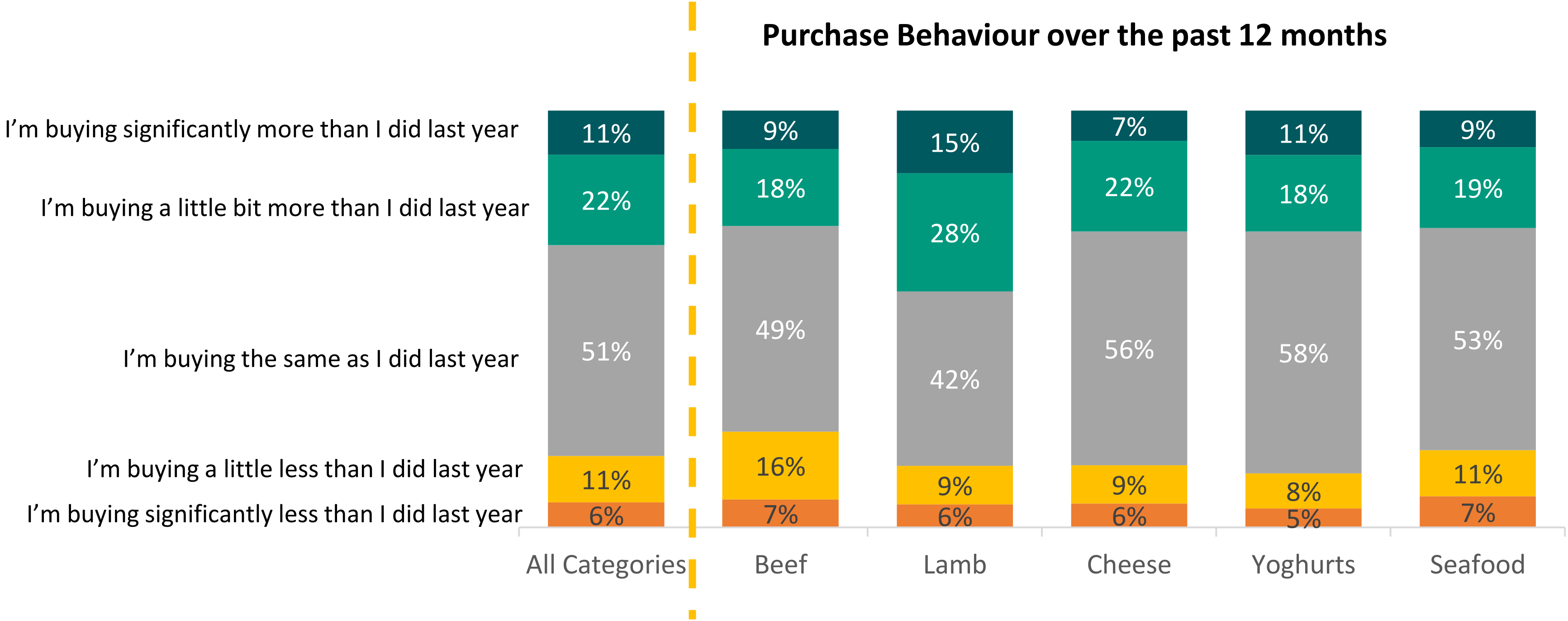
Weekly + Purchase of Categories



BORD BIA Thinking House

A third claim to be buying more organic in each category than they were this time last year, with lamb highest in this regard

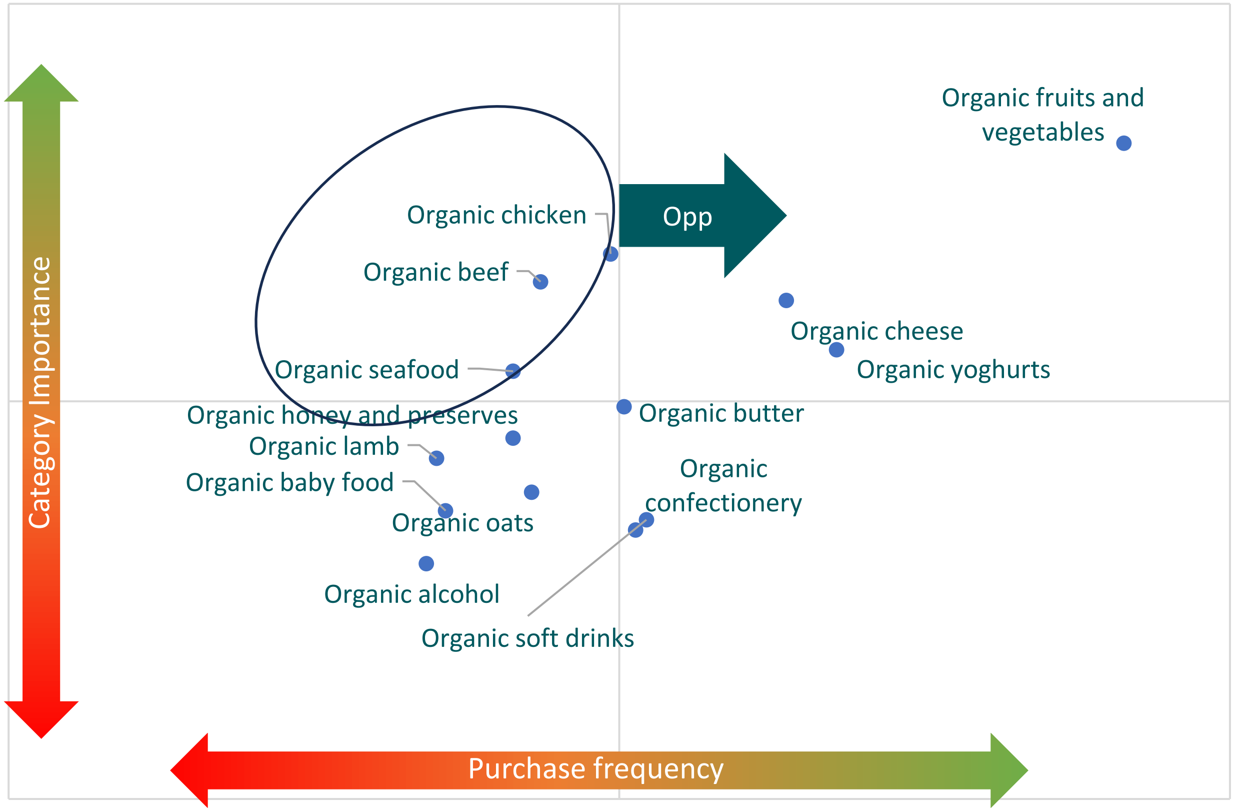
(Base: All Organic Buyers – DE n=1,500)



Frequency X Importance of Organic Products - Matrix

(Base: All Organic Buyers – DE n=1,500)

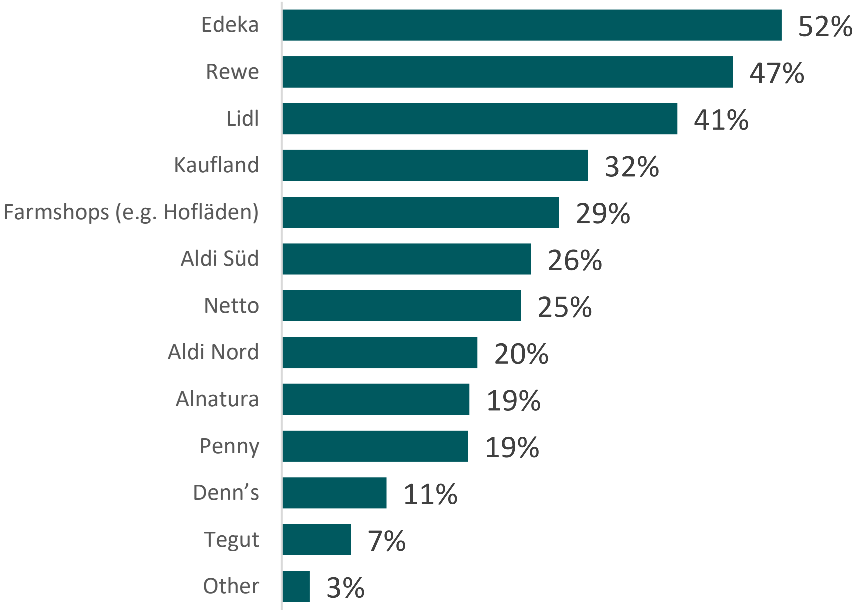
Organic Beef, is higher than average in terms of importance for consumers but under-indexes in purchase frequency, with seafood following a similar pattern.



Just over 3 in 4 purchasing their organic food and drinks from grocery stores. Edeka is the most likely grocery store to be used, with REWE in second and Lidl in third place.

Where organic food or drink tends to be purchased

Stores Used for Purchasing Organic Food & Drinks

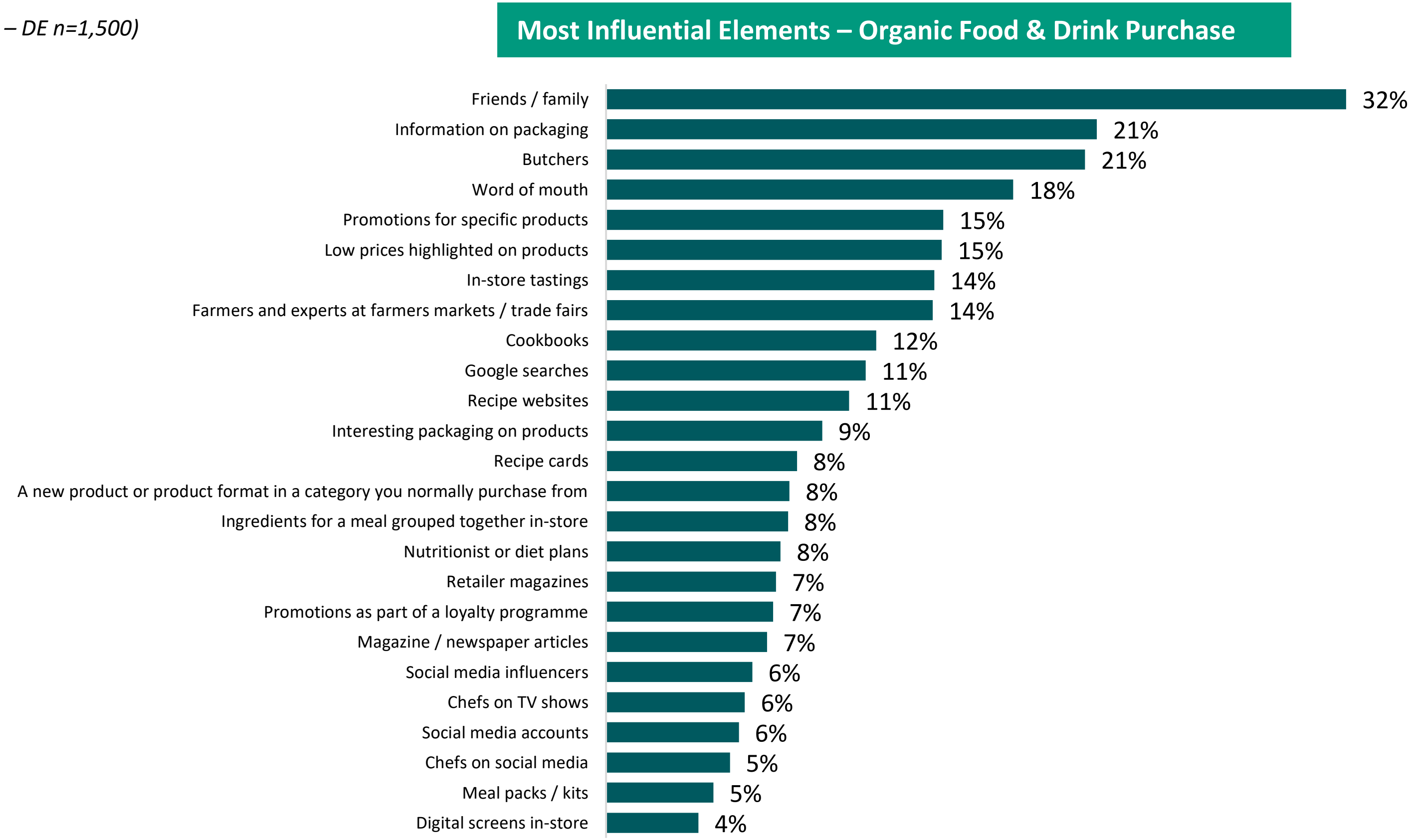


(Base: All Organic Buyers – DE n=1,500)

BORD BIA Thinking House

Friends/Family are key, with promotions and information on pack also impactful.

(Base: All Organic Buyers – DE n=1,500)



BORD BIA Thinking House

High levels of agreement of organic shopper perception that organic food and drinks are better for the environment, better for our health and better for wildlife than non-organic versions

(Base: All Organic Buyers – DE n=1,500)

Attitudes towards Organic - % Agree

BORD BIA Thinking House

Key Takeaways – Market Overview

BORD BIA Thinking House

1

BEEF SHOWING UP IN TERMS OF IMPORTANCE

Beef is in the top 3 most important categories for Organic products to show up in, highlighting its category importance overall but it under-indexes in purchase so there is scope to grow.

2

YOGURT & CHEESE KEY CATEGORIES

Purchase incidence per week of organic yogurt and cheese are second and third highest overall

3

GROCERY CHANNELS IMPORTANT

Almost 8 in 10 purchasing their organic food and drinks from grocery stores, with Edeka and REWE key stores being used.

4

STRONG POSITIVE PERCEPTIONS

High levels of agreement of organic shopper perception that organic food and drinks are better for the environment, better for our health and better for wildlife than non-organic versions.

2. Consumer Segments

BORD BIA Thinking House

Back To Contents Slide

Attitude towards Organic Purchasing – Segments

Largest segment amongst on buyers is Cost Prohibited Seekers

Pro – Active Seekers
11%

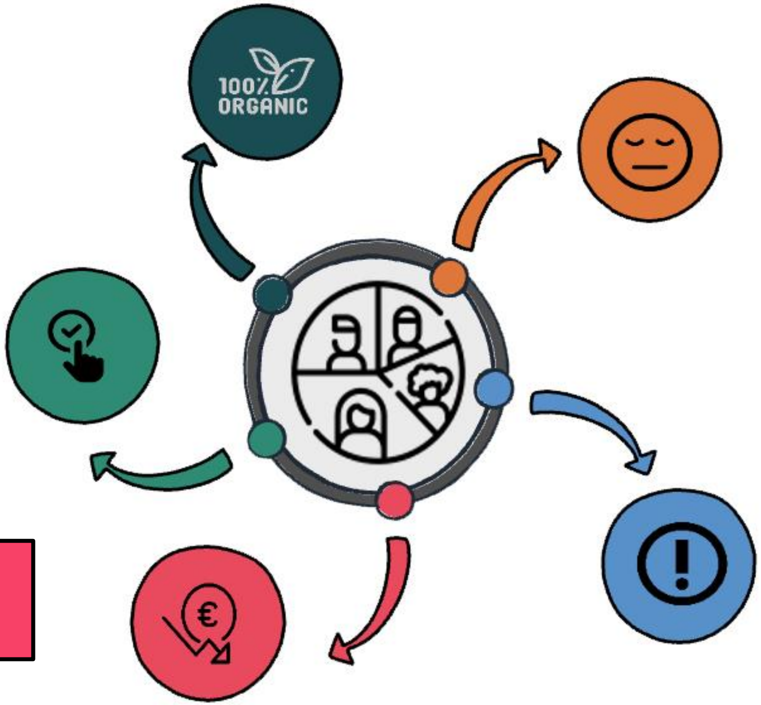
Organic is their Lifestyle choice

Convenience Seekers
28%

Look for organic most of the time but sometimes don't have time or energy to search for it

Cost-Prohibited Seekers
31%

Look for organic most of the time but have to chop and change due to cost



Passive Dabblers
21%

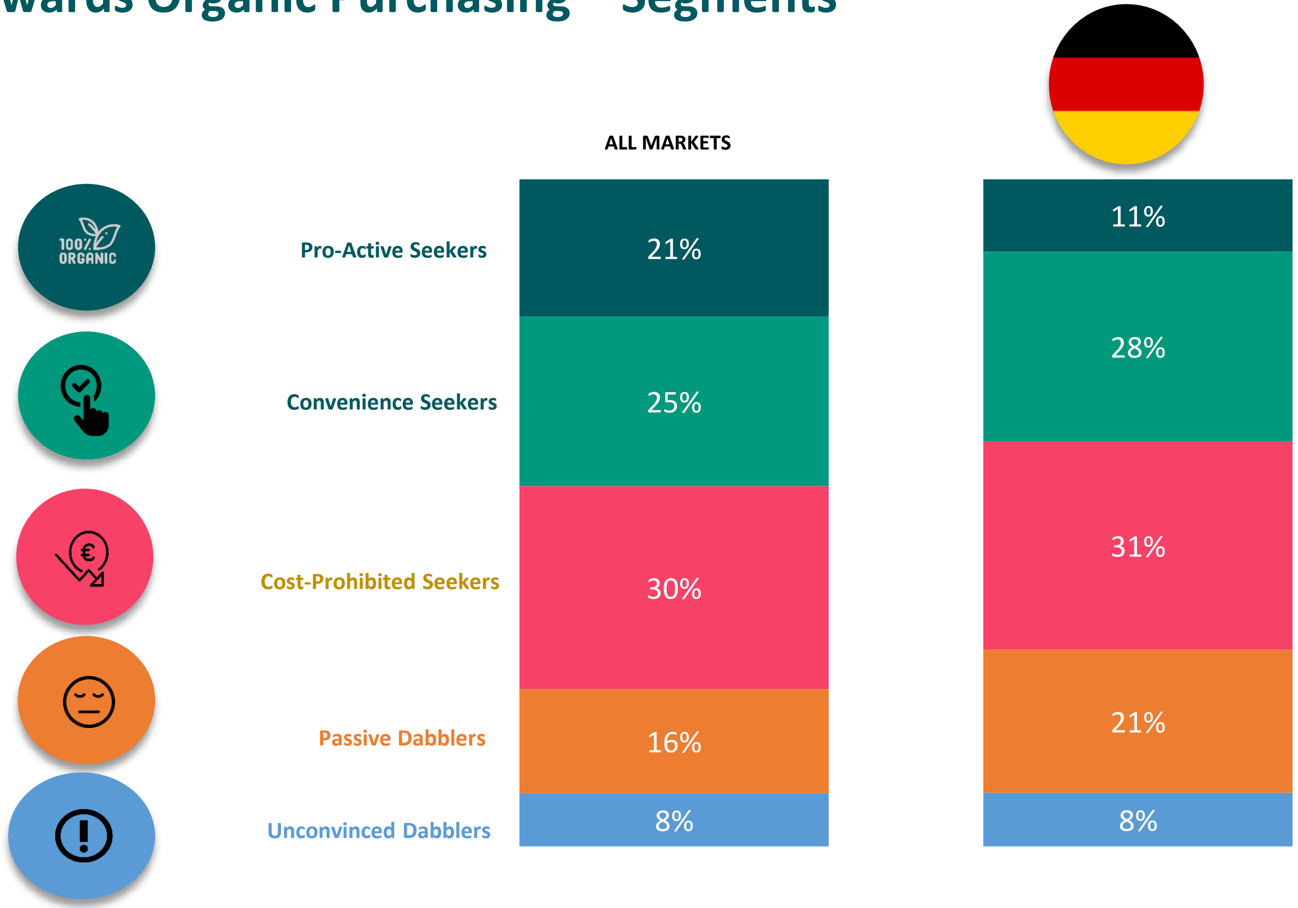
Buy some organic but it’s not that important to me

Unconvinced Dabblers
8%

Buy a few organic items but not bothered whether buy organic or not

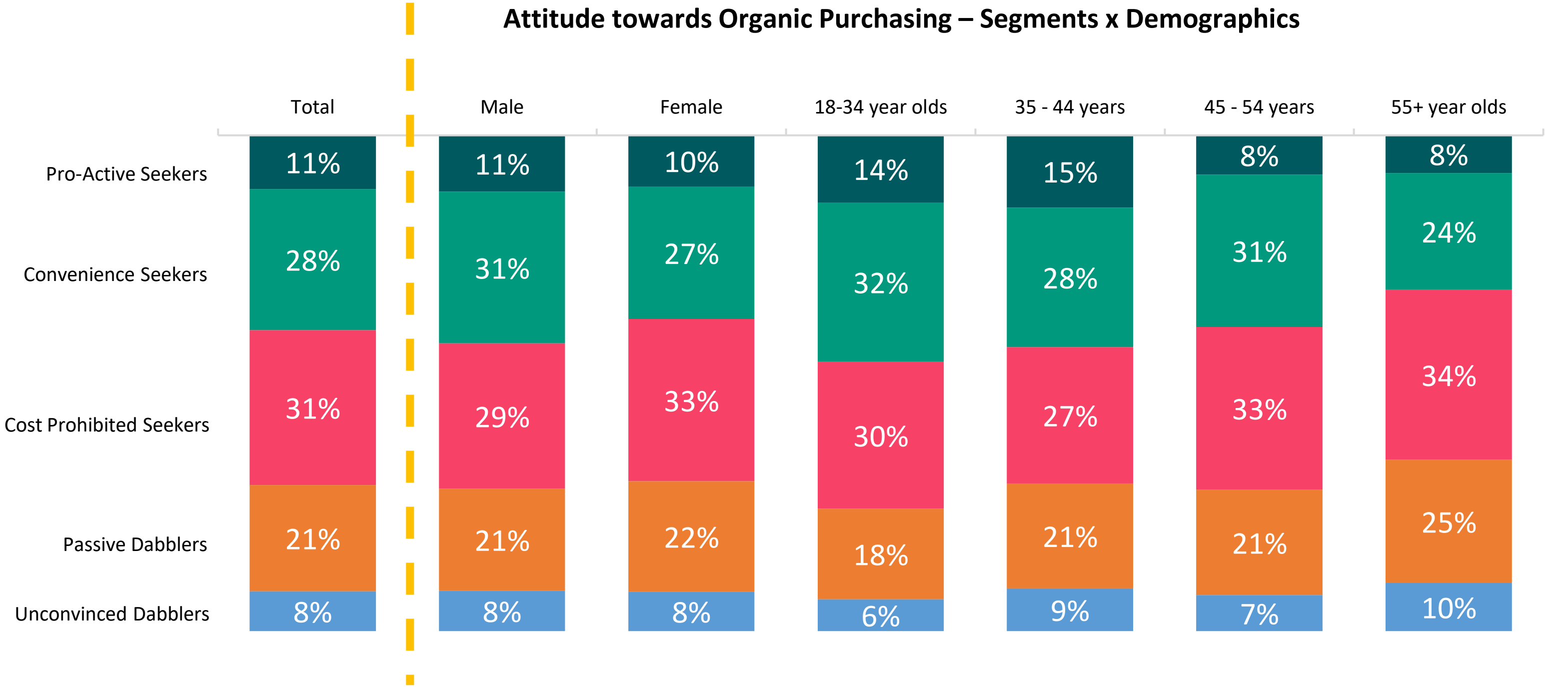
BORD BIA Thinking House

Attitude towards Organic Purchasing – Segments



Largest segment amongst on buyers are Cost Prohibited Seekers

(Base: All Organic Buyers – DE n=1,500)

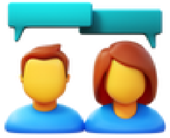


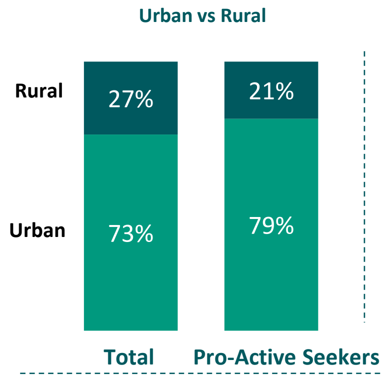
BORD BIA Thinking House

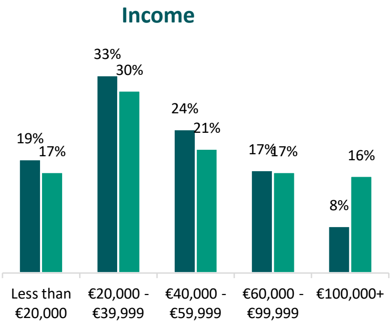
Pro-Active Seekers – Overview of Key Information

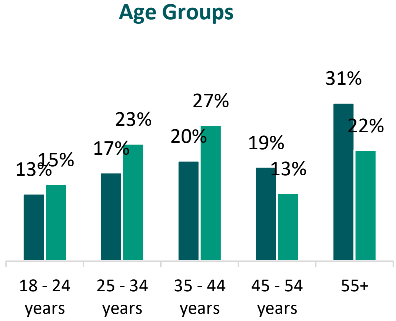
“Organic is their Lifestyle choice”

Total | Pro-Active Seekers

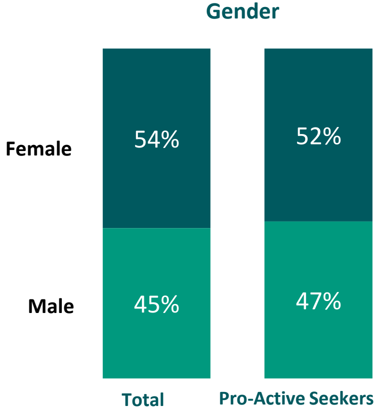


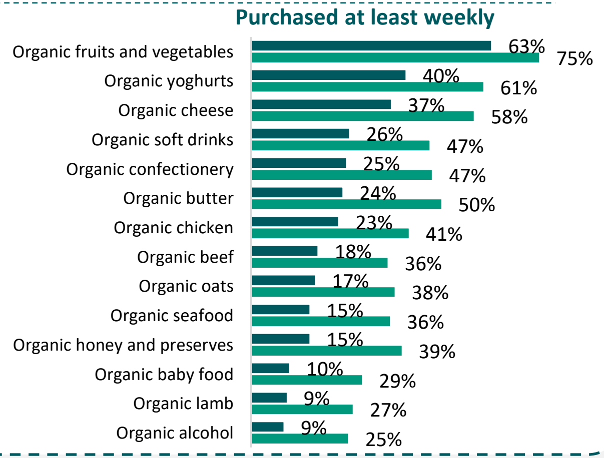






Pro- Active Seekers in Germany are much more likely to be aged 25-44 and purchasing from the category heavily on a weekly basis.





69% Total

70% Pro-Active Seekers

Openness to Irish

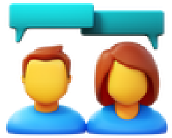
BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 & n=165 for Segment)

Pro-Active Seekers – Overview of Key Information 2

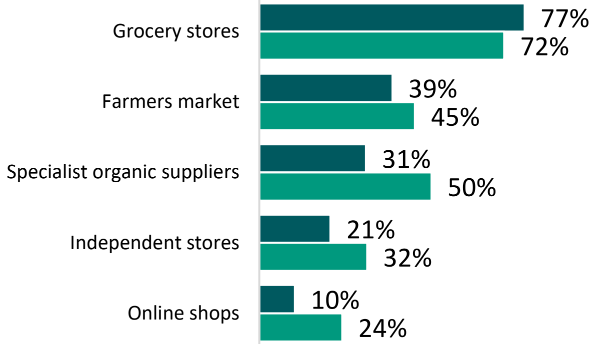
Total | Pro-Active Seekers

“Organic is their Lifestyle choice”

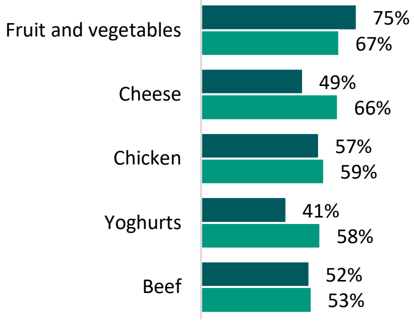


Pro- Active Seekers are more likely to be motivated by organic certifications. They also over-index in purchase from specialist organic suppliers

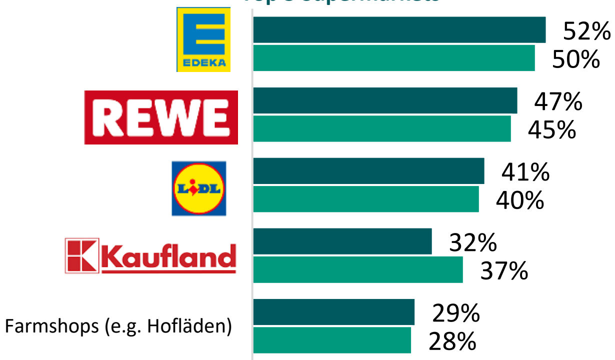
Top places of purchase (types)



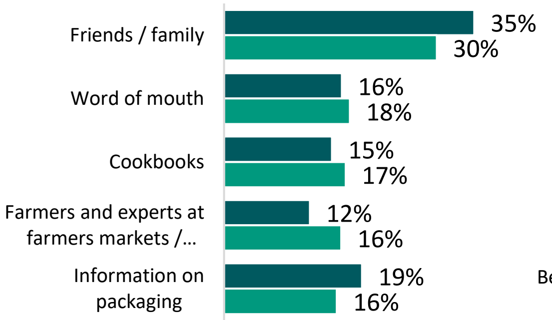
Top 5 Most Important Categories



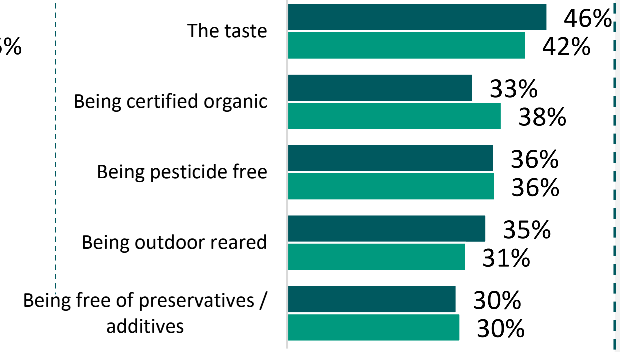
Top 5 Supermarkets



Top 5 Sources of Information



Top 5 Decision making factors



BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 & n=165 for Segment)

Pro-Active Seekers – Overview of Key Information 3

“Organic is their Lifestyle choice”

Attitudes towards Organic - % Agree

(Base: All Organic Buyers – DE n=1,500 & n=165 for Segment)

BORD BIA Thinking House

Key Takeaways for

Pro – Active Seekers

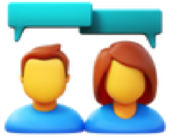
How do we win with this segment?

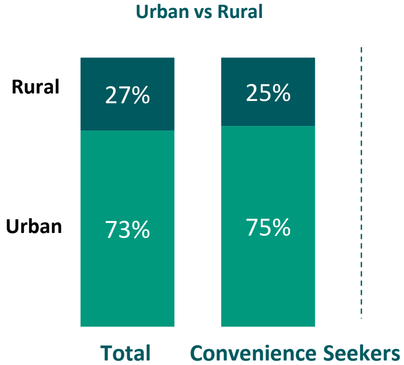
- ✓ Already heavily invested in the category, with strong weekly+ purchase across a range of products.
- ✓ Positive openness to Irish Organic products although they do not over-index here compared to total.
- ✓ Organic certification are key for this segment
- ✓ Word of mouth and expert advice are key sources of information
- ✓ Clear picture of how Organic is perceived as better, which is an opportunity to leverage

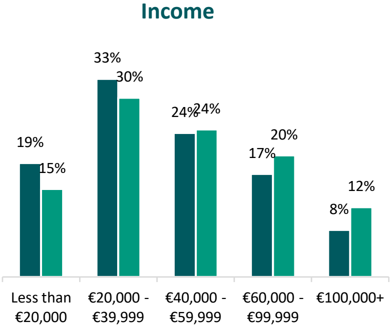
Convenience Seekers – Overview of Key Information

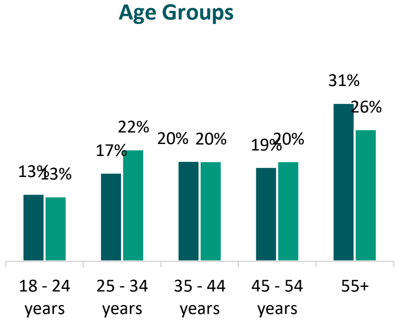
Total | Convenience Seekers

"Look for organic most of the time but sometimes don't have time or energy to search for it"

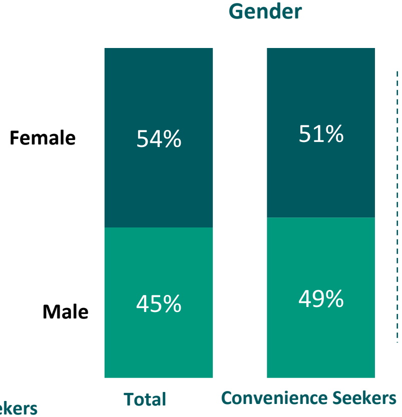


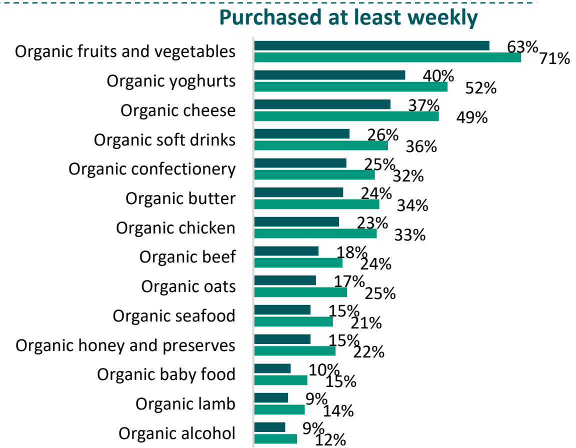






Convenience Seekers are slightly younger and higher in terms of their income





69%	74%
Total	Convenience Seekers

Openness to Irish

(Base: All Organic Buyers – DE n=1,500 & n=420 for Segment)

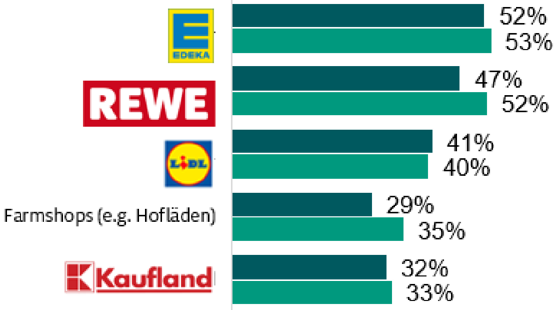
Convenience Seekers – Overview of Key Information 2

Total | Convenience Seekers

“Look for organic most of the time but sometimes don't have time or energy to search for it”

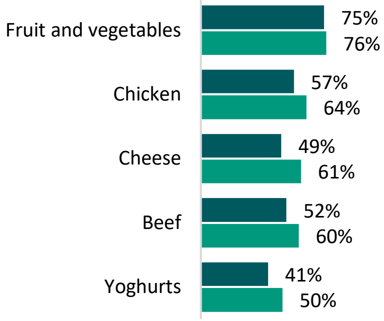
Convenience Seekers over-index in their purchase of organic specialist suppliers. Organic certification, being pasture raised and reared outdoors are key influences.

Top 5 Supermarkets

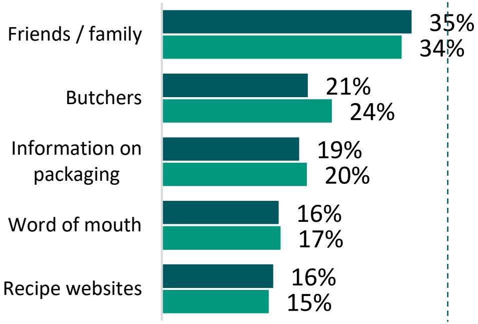


Top places of purchase (types)

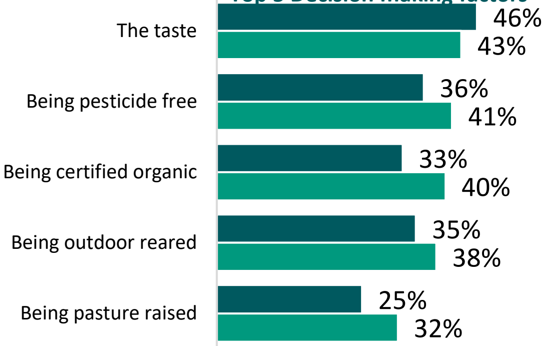
Top 5 Most Important Categories



Top 5 Sources of Information



Top 5 Decision making factors

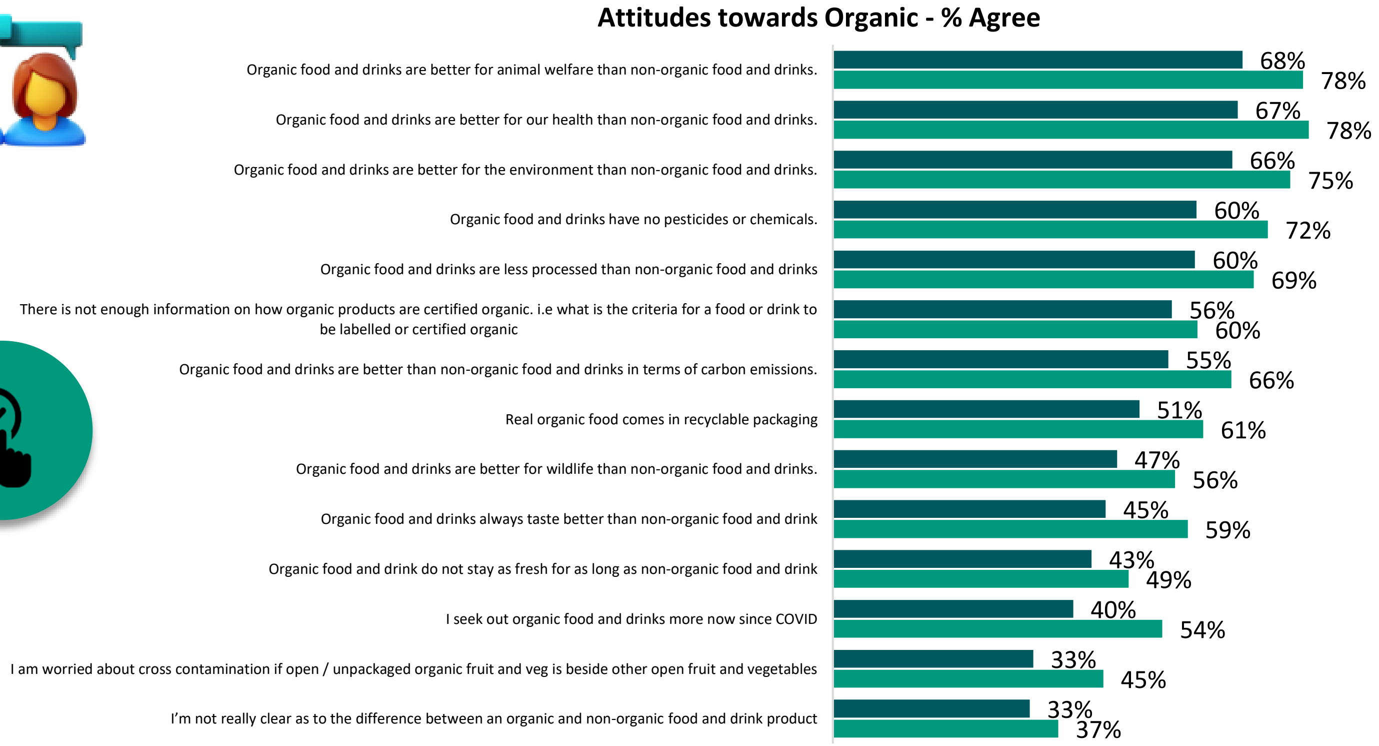


(Base: All Organic Buyers – DE n=1,500 & n=420 for Segment)

Convenience Seekers – Overview of Key Information 3

Total | Convenience Seekers

“Look for organic most of the time but sometimes don't have time or energy to search for it”



(Base: All Organic Buyers – DE n=1,500 & n=420 for Segment)

Key Takeaways for **Convenience Seekers**

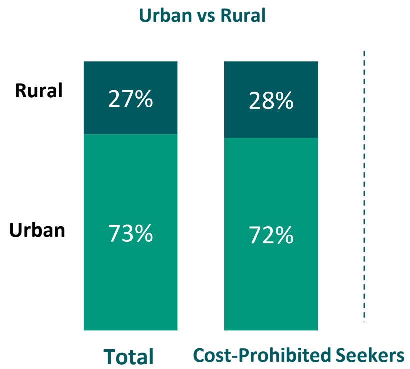
How do we win with this segment?

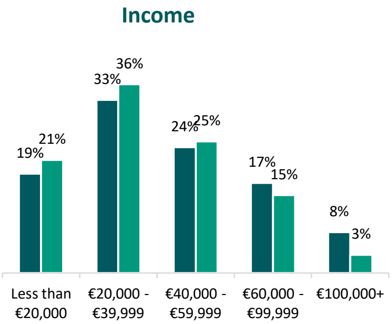
- ✓ Already purchasing from the category to a significant degree, with strong weekly+ purchase across a range of products
- ✓ They have a relatively high level of openness to Organic Irish products.
- ✓ More likely to be purchasing from specialist organic suppliers.
- ✓ Organic certification, being pasture raised and reared outdoors are key influences.
- ✓ More likely to agree as to how Organic is perceived as better, but also more likely to agree that there is not enough information

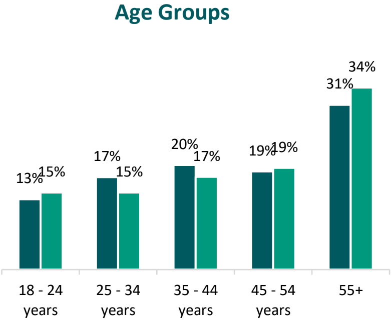
Cost-Prohibited Seekers - Overview of Key Information

"Look for organic most of the time but have to chop and change due to cost"

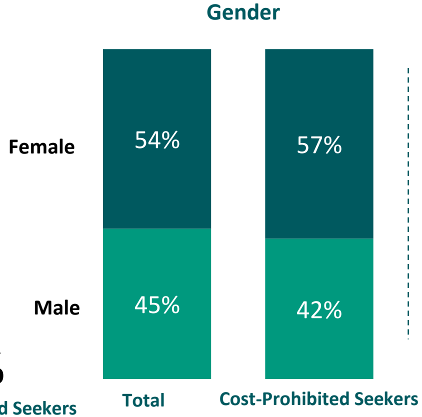
Total | Cost-Prohibited Seekers

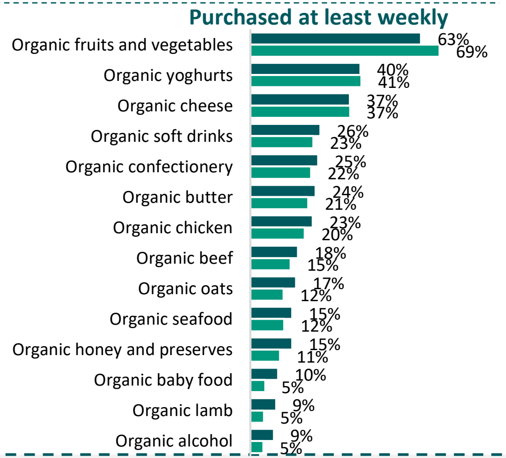






Cost-Prohibited Seekers are older, with a third aged 55+. They are also less likely to be in the higher income brackets.





69% Total

66% Cost-Prohibited Seekers

Openness to Irish

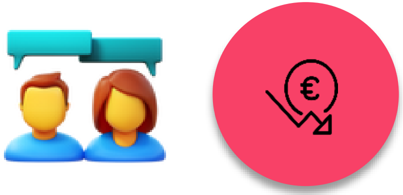
BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 & n=465 for Segment)

Cost-Prohibited Seekers - Overview of Key Information 2

"Look for organic most of the time but have to chop and change due to cost"

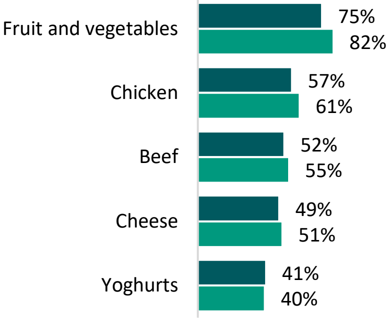
Total | Cost-Prohibited Seekers



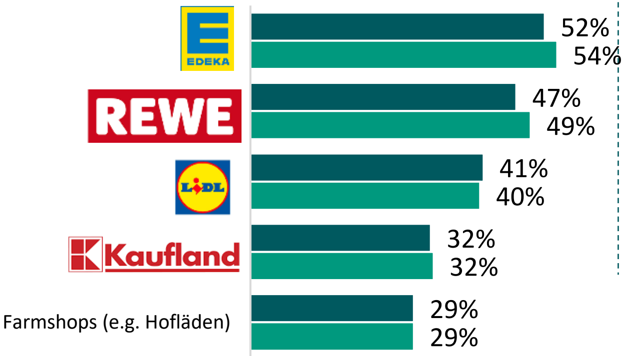
Cost-Prohibited Seekers are more likely to be purchasing from grocery stores. They are enticed by price/offer, certifications, being pesticide free and taste.

Top places of purchase (types)

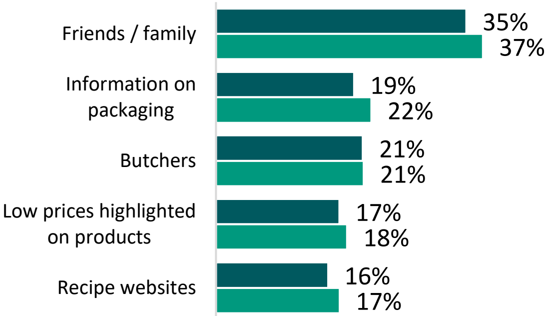
Top 5 Most Important Categories



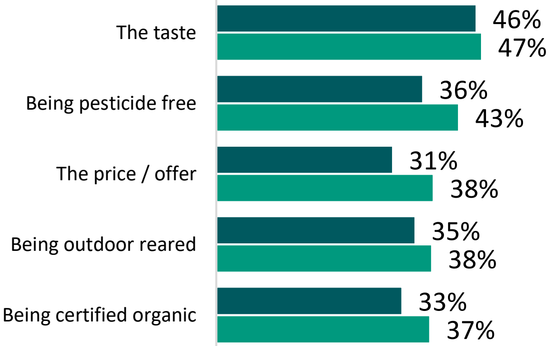
Top 5 Supermarkets



Top 5 Sources of Information



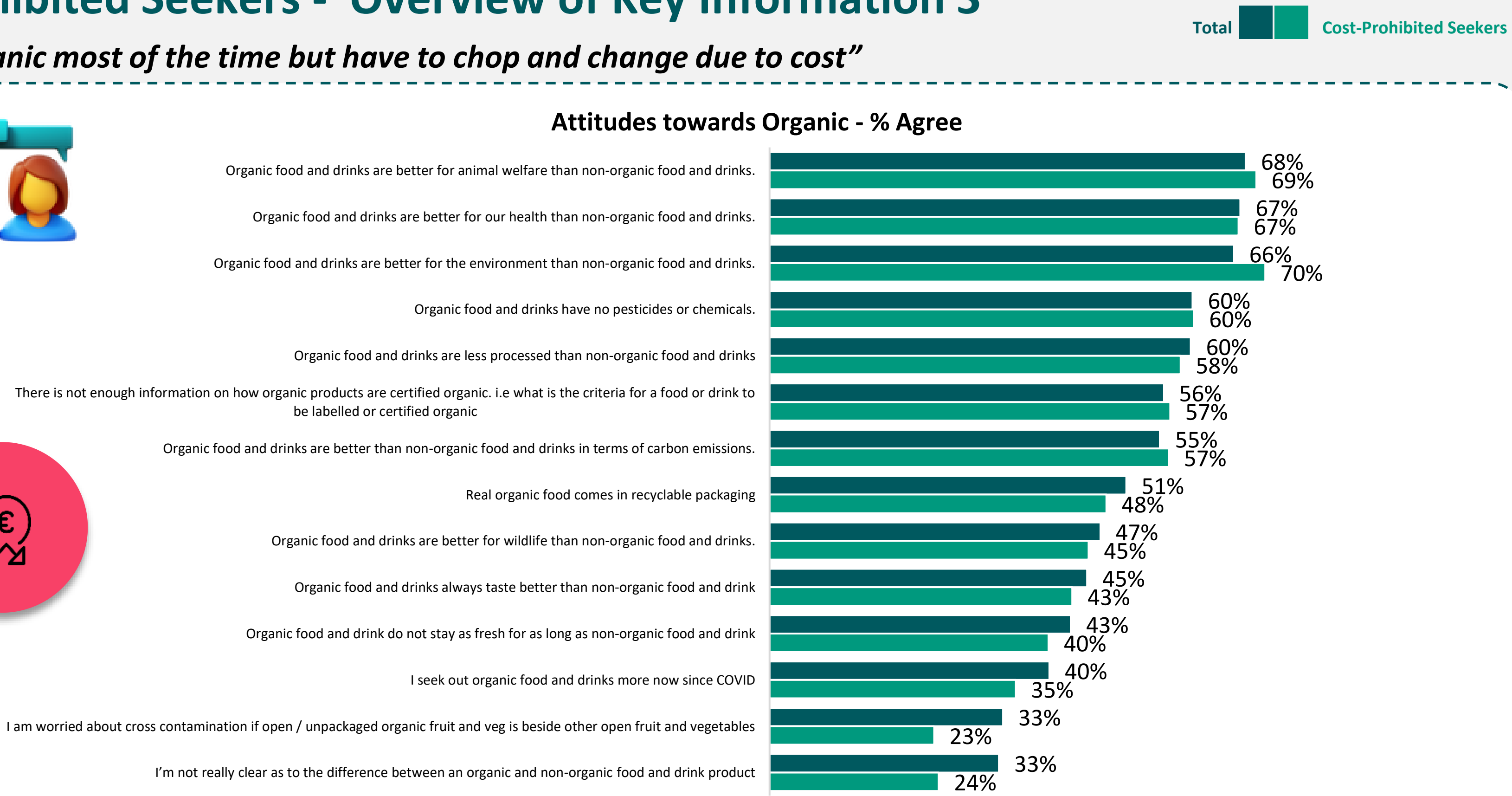
Top 5 Decision making factors



(Base: All Organic Buyers – DE n=1,500 & n=465 for Segment)

Cost-Prohibited Seekers - Overview of Key Information 3

"Look for organic most of the time but have to chop and change due to cost"



BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 & n=465 for Segment)

Key Takeaways for

Cost-Prohibited Seekers

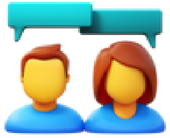
How do we win with this segment?

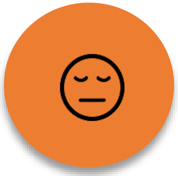
- ✓ In line with overall weekly+ purchase levels, so there is a good base to grow from.
- ✓ Cost-Prohibited Seekers are more likely to be purchasing from grocery stores, with Edeka and REWE key.
- ✓ They are enticed by price/offer, certifications, being pesticide free and taste.
- ✓ Friends/Family and information on pack are key sources of information.
- ✓ In line with overall perceptions in relation to organic vs. non-organic foods for the most part.

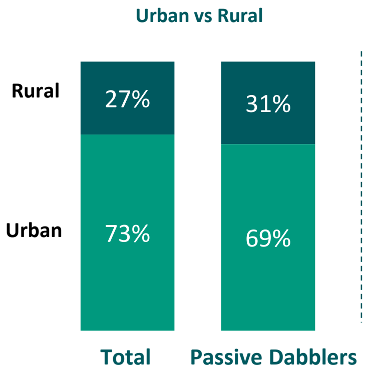
Passive Dabblers - Overview of Key Information

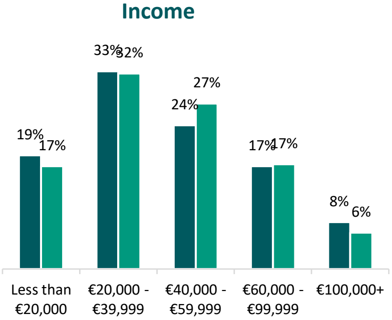
"Buy some organic but it's not that important to me"

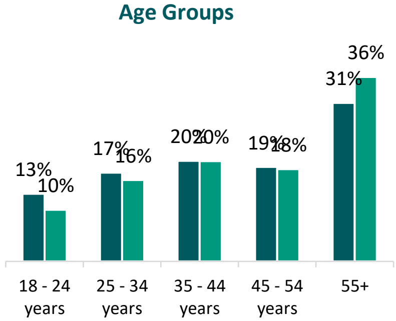
Total | Passive Dabblers



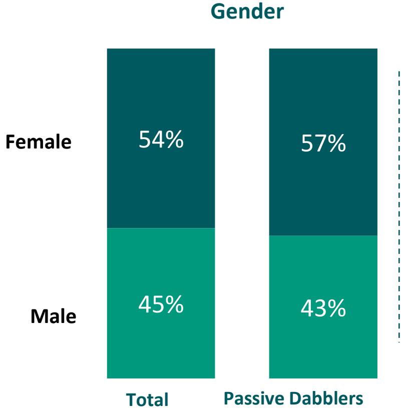


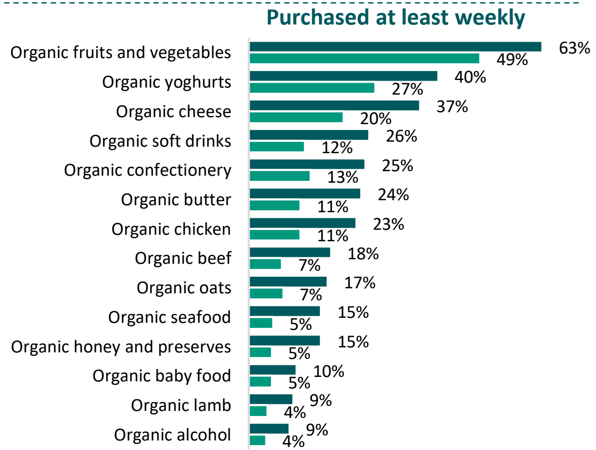






Passive Dabblers are more likely to be aged 55+. They are more likely to be female and rural dwellers.





Openness to Irish	Total	Passive Dabblers
	69%	71%

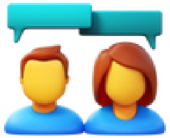
BORD BIA Thinking House

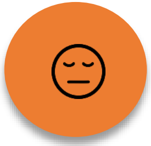
(Base: All Organic Buyers – DE n=1,500 & n=315 for Segment)

Passive Dabblers - Overview of Key Information 2

"Buy some organic but it's not that important to me"

Total | Passive Dabblers

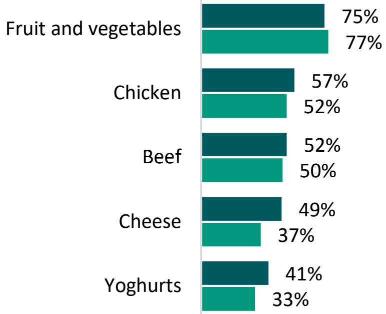




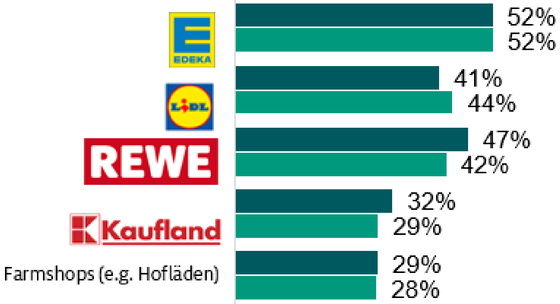
Price/Offer and taste are the two main drivers of choice for Passive Dabblers. Low prices & promos and friends/family also impact and are key sources of information.

Top places of purchase (types)

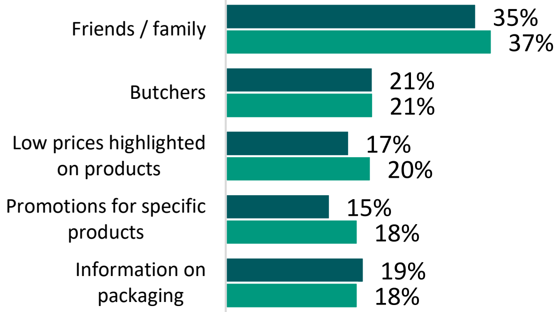
Top 5 Most Important Categories



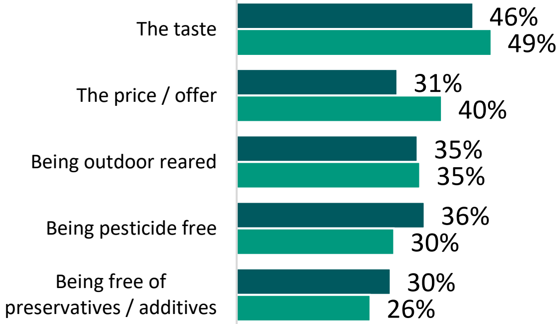
Top 5 Supermarkets



Top 5 Sources of Information



Top 5 Decision making factors



(Base: All Organic Buyers – DE n=1,500 & n=315 for Segment)

Passive Dabblers - Overview of Key Information 3

Total Passive Dabblers

"Buy some organic but it's not that important to me"

Attitudes towards Organic - % Agree

BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 & n=315 for Segment)

Key Takeaways for

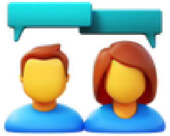
Passive Dabblers

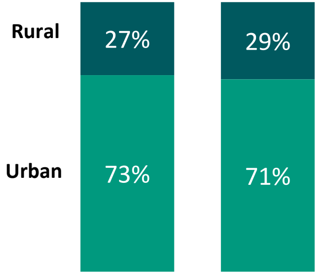
- ✓ Below average levels of weekly purchase currently, so need to drive overall category engagement.
- ✓ Price/Offer and taste are the two main drivers of choice for this segment.
- ✓ Low prices & promos and friends/family also impact and are key sources of information.
- ✓ Less likely to have a clear picture as to the perceived benefits of organic so there will need to be work done here to drive these positive associations and triggers to purchase

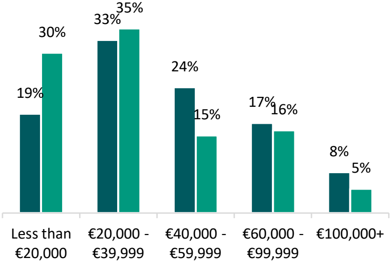
Unconvinced Dabblers - Overview of Key Information

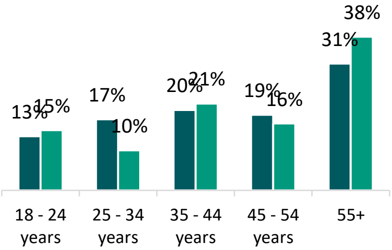
Total Unconvinced Dabblers

"Buy a few organic items but not bothered whether buy organic or not"



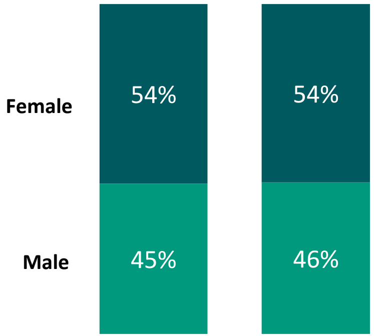




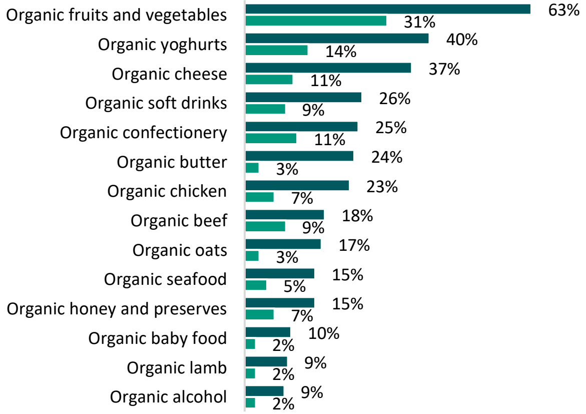


Older segment generally and over indexing in lower income thresholds. They are less likely to be open to organic Irish products.

Gender



Purchased at least weekly



Openness to Irish

69% Total

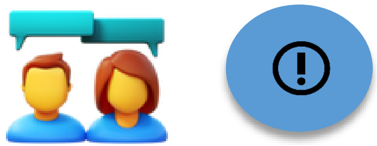
58% Unconvinced Dabblers

(Base: All Organic Buyers – DE n=1,500 & n=120 for Segment)

Unconvinced Dabblers - Overview of Key Information 2

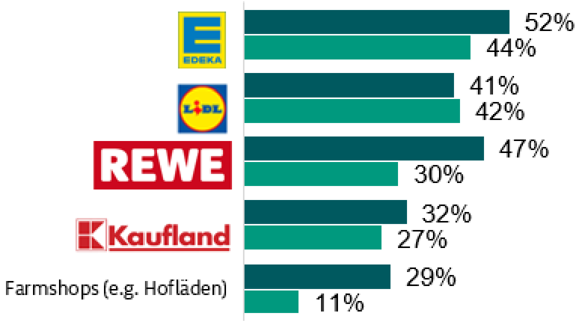
Total | Unconvinced Dabblers

“Buy a few organic items but not bothered whether buy organic or not”



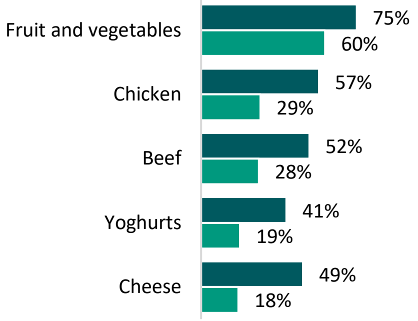
Price/Offer significantly over-indexing with Unconvinced Dabblers, with grocery stores playing more of a role relatively, with Lidl key.

Top 5 Supermarkets

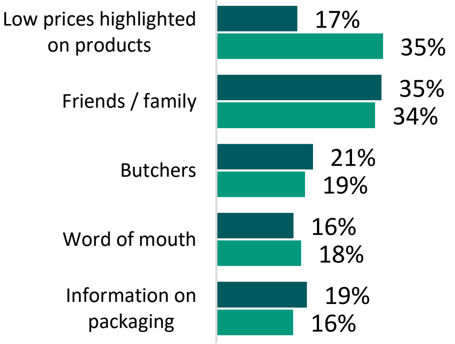


Top places of purchase (types)

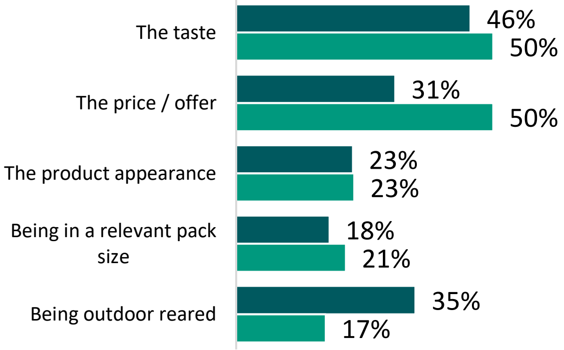
Top 5 Most Important Categories



Top 5 Sources of Information



Top 5 Decision making factors



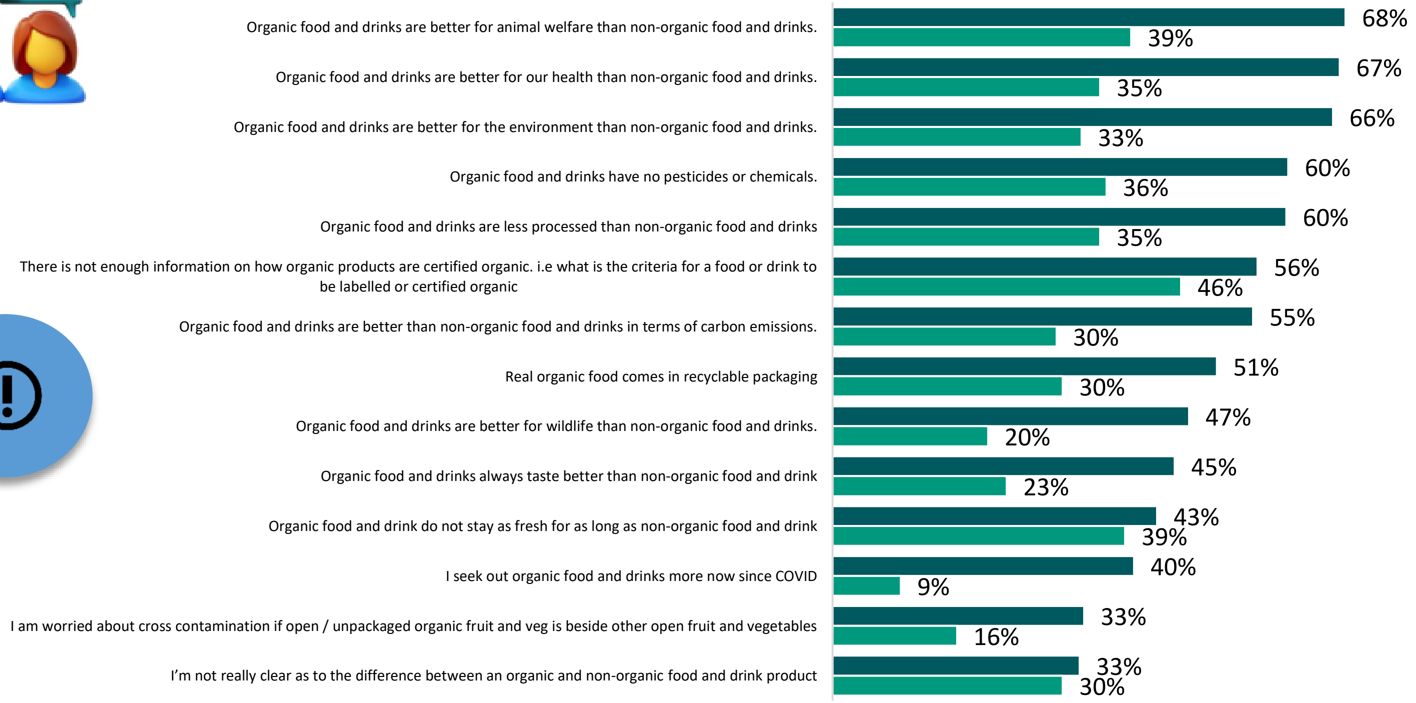
(Base: All Organic Buyers – DE n=1,500 & n=120 for Segment)

Unconvinced Dabblers - Overview of Key Information 3

"Buy a few organic items but not bothered whether buy organic or not"

Total | Unconvinced Dabblers

Attitudes towards Organic - % Agree



BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 & n=120 for Segment)

Key Takeaways for **Unconvinced Dabblers**

- ✓ Low levels of weekly+ purchase in all categories so there is some work to do in that regard.
- ✓ Openness to Irish is lowest of all segments so will need to convince on the benefits.
- ✓ Price/Offer significantly over-indexing with Unconvinced Dabblers with grocery stores playing more of a role relatively, with Lidl key.
- ✓ As with the other Dabbler segment, this segment are less likely to have a clear picture as to the perceived benefits of organic.

3. Categories

Back To Contents Slide

BORD BIA Thinking House

Best Shopper Segments to Target for Irish Organic

Pro-Active Seekers

“Organic is their Lifestyle choice”

Convenience Seekers

“Look for organic most of the time but sometimes don't have time or energy to search for it”

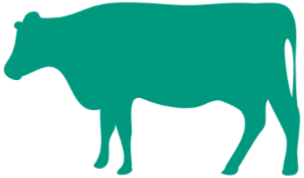
Cost-Prohibited Seekers

"Look for organic most of the time but have to chop and change due to cost"

Organic Beef

BORD BIA Thinking House

Overview of Buying Beef Behaviours

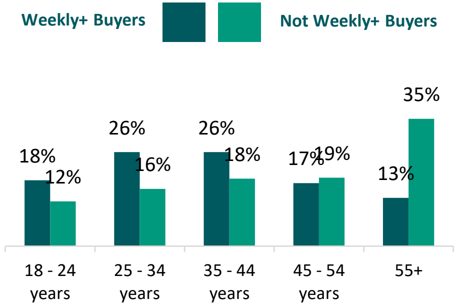


Who Organic Products Were Purchased For

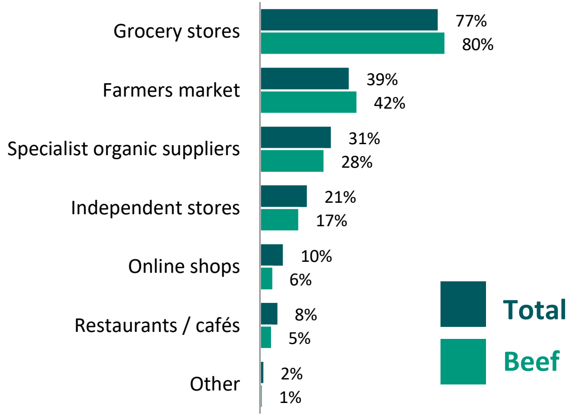
	%
Everyone (adults and / or kids) in the household	53%
Just yourself	32%
Just for other adults in the household	7%
Just for all the adults in the household but not the kids	4%
Just the kids (or some of the kids in your household)	2%
Only for when visitors are over	1%

Consumption Occasion for Organic

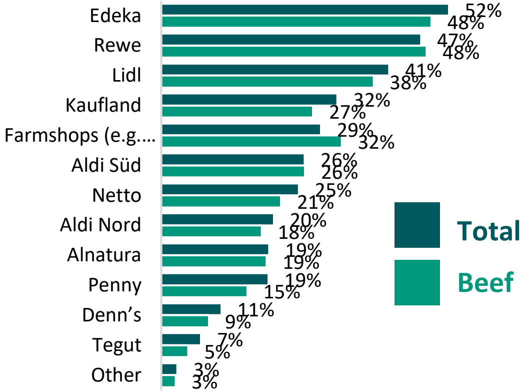
Age of Weekly+ Buyers



Channels Used to Purchase Organic Products



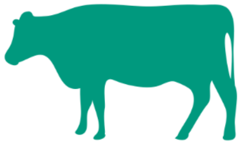
Grocery Stores Used to Purchase Organic Products



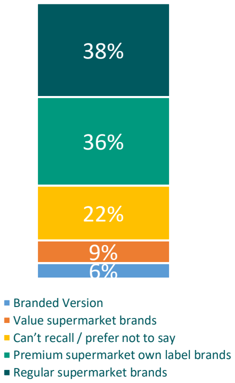
BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 and n=400 for beef)

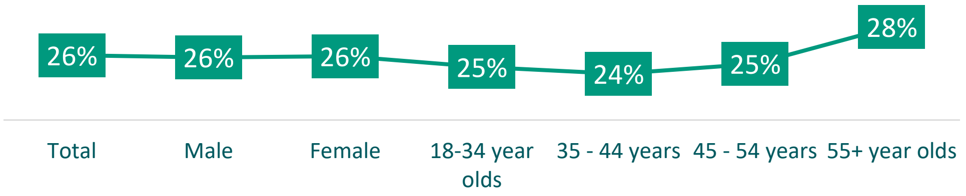
Overview of Buying Beef Behaviours 2



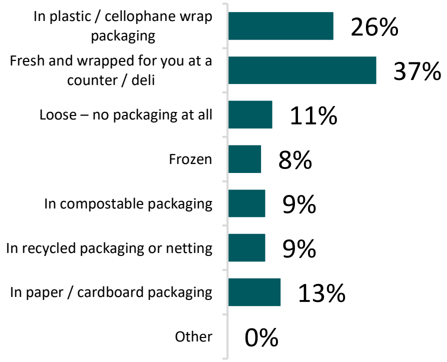
Types of brands being purchased



Weekly+ Purchase of Beef



Type of Packaging Product Purchased In



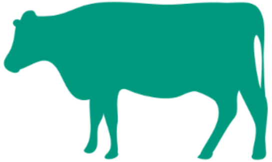
Reasons for Purchasing Organic on the Last Occasion

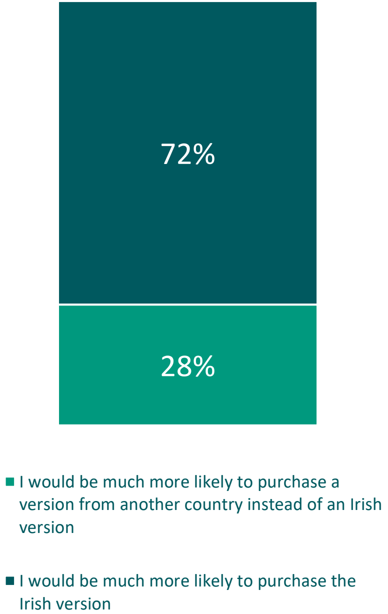
Reasons for NOT Purchasing Organic on the Last Occasion

BORD BIA Thinking House

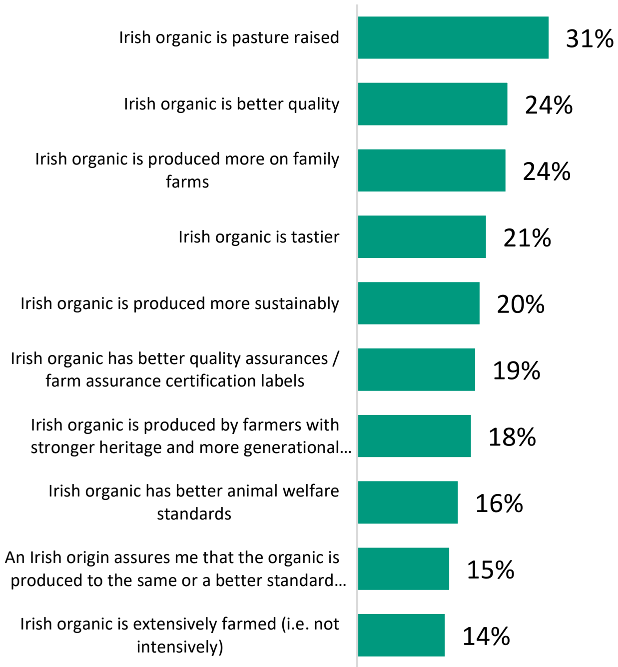
(Base: All Organic Buyers – DE n=1,500 and n=400 for beef)

Overview of Buying Beef Behaviours 3

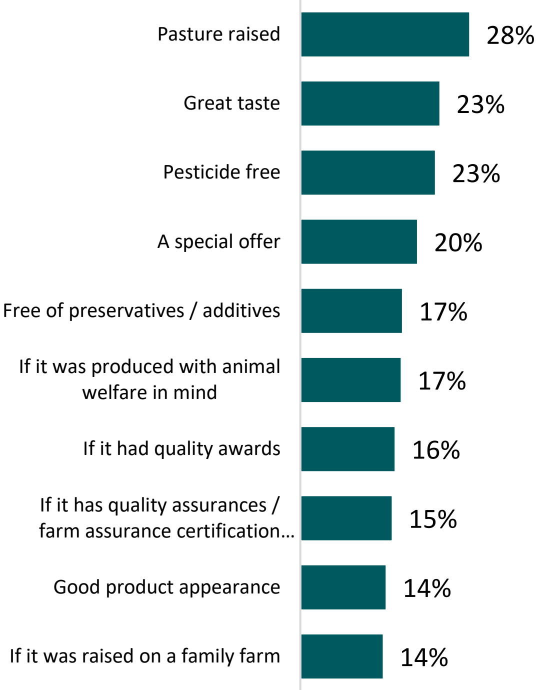




Reasons for Purchasing Irish Versions of Organic Food & Drinks



Key Features & Communications to drive Organic Irish Purchase in key Categories



BORD BIA Thinking House

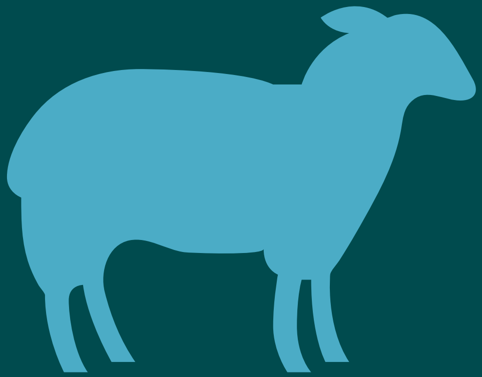
(Base: All Organic Buyers – DE n=1,500 and n=400 for beef)

Key Takeaways for Organic Irish Beef

How do we win in this category?

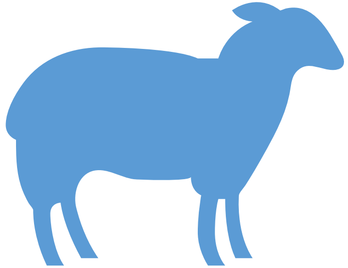
- ✓ Taste is a key reason for purchasing organic beef on the last occasion.
- ✓ Irish organic beef strongly endorsed for pasture raised, quality credentials and being reared on family farms, which will meet overall category need.
- ✓ Beef is a key category for the top 3 segments but over-indexes in importance for Pro-Active Seekers to the greatest extent.
- ✓ Pro-Active Seekers are open to buying Irish and we know that Organic certification is key for this segment in terms of motivations. Expert recommendations can also impact.

Organic Lamb



BORD BIA Thinking House

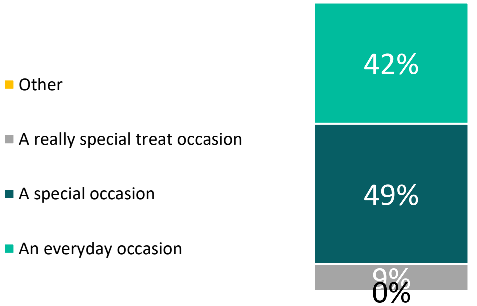
Overview of Lamb Buying Behaviours



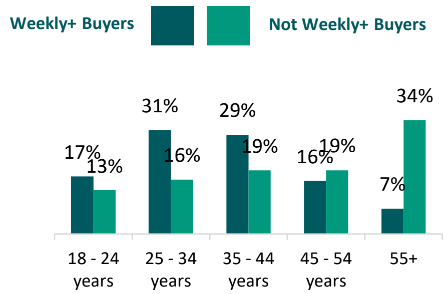
Who Organic Products Were Purchased For

	%
Everyone (adults and / or kids) in the household	42%
Just yourself	36%
Just for other adults in the household	9%
Just the kids (or some of the kids in your household)	5%
Just for all the adults in the household but not the kids	5%
Only for when visitors are over	3%

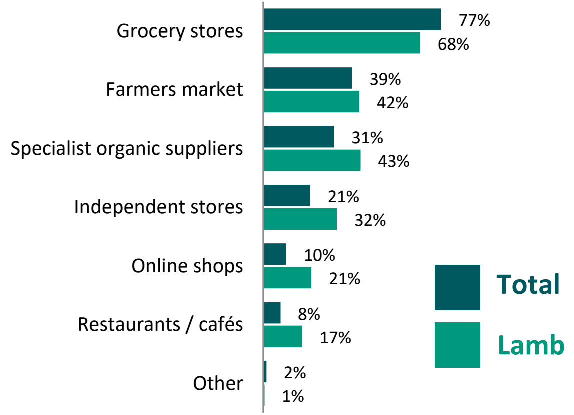
Consumption Occasion for Organic



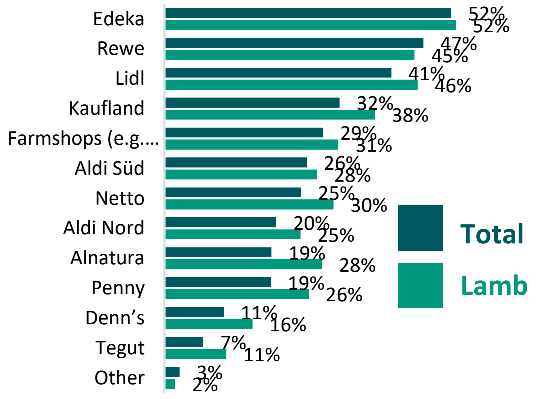
Age of Weekly+ Buyers



Channels Used to Purchase Organic Products



Grocery Stores Used to Purchase Organic Products

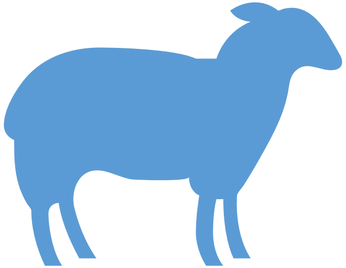


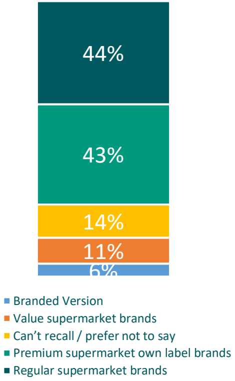
BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 and n=400 for lamb)

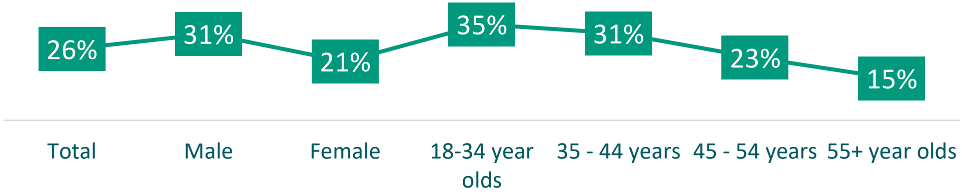
Overview of Lamb Buying Behaviours 2

Types of brands being purchased

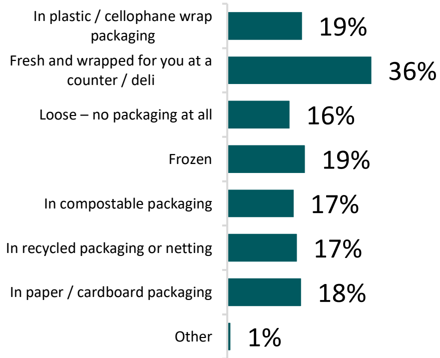




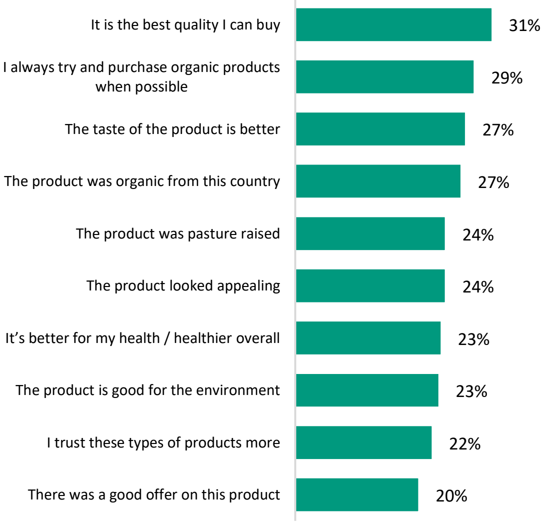
Weekly+ Purchase of Lamb



Type of Packaging Product Purchased In



Reasons for Purchasing Organic on the Last Occasion

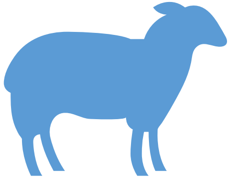


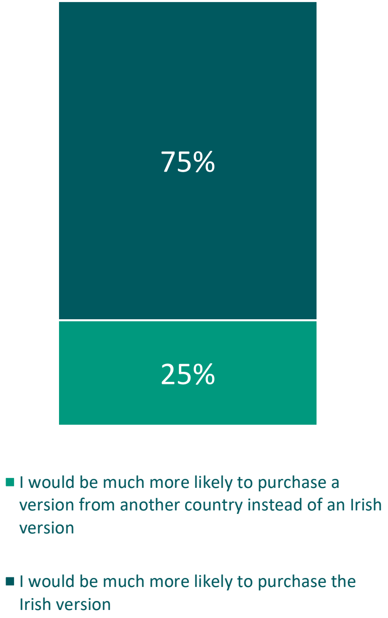
Reasons for NOT Purchasing Organic on the Last Occasion

BORD BIA Thinking House

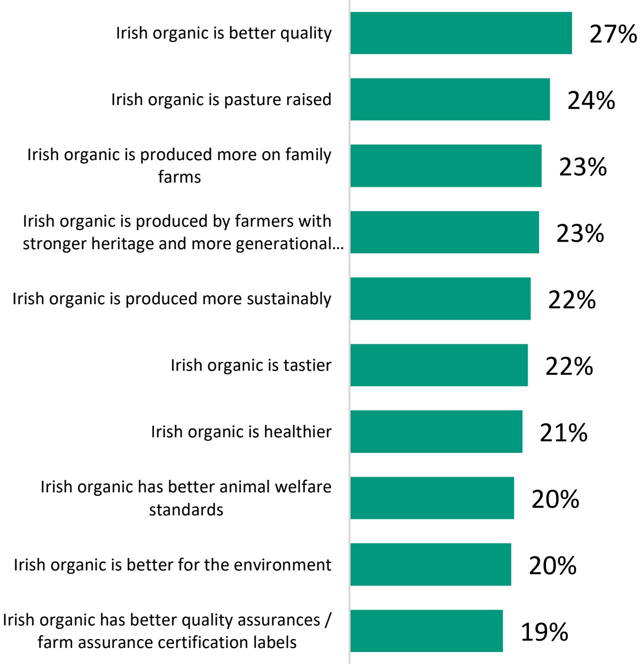
(Base: All Organic Buyers – DE n=1,500 and n=400 for lamb)

Overview of Lamb Buying Behaviours 3





Reasons for Purchasing Irish Versions of Organic Food & Drinks



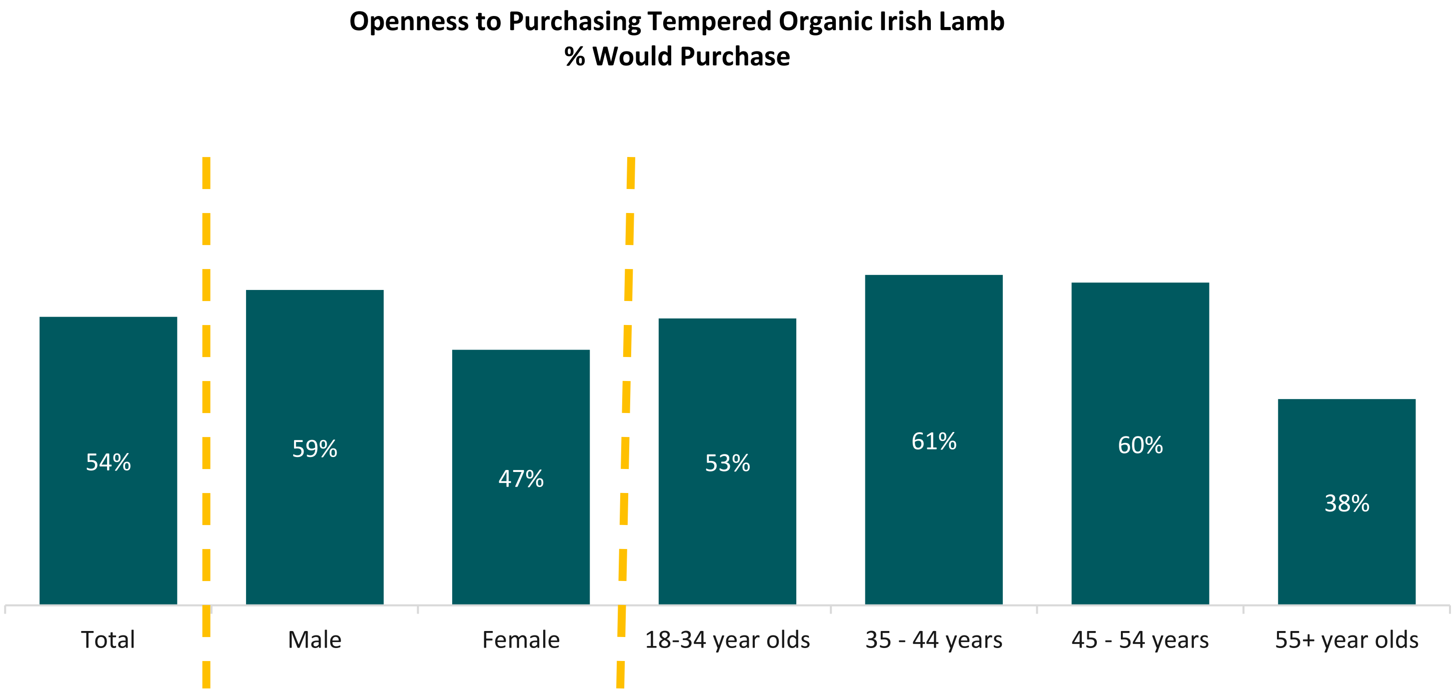
Key Features & Communications to drive Organic Irish Purchase in key Categories

BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 and n=400 for lamb)

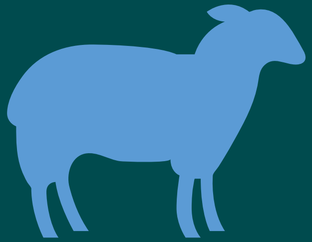
Definite openness to purchasing tempered organic Irish lamb, with just over half claiming they would be likely to purchase

(Base: All Organic Buyers who purchase lamb – DE n=400)



BORD BIA Thinking House

Key Takeaways for Organic Irish Lamb



How do we win in this category?

- ✓ Quality, a desire to buy organic and taste are all strong drivers of choice on the last occasion.
- ✓ Irish organic strongly endorsed for quality credentials and being pasture raised, which will meet overall category need.
- ✓ Lamb purchase is more prevalent amongst Pro-Active Seekers and as such this segment will be key for growth in Germany.
- ✓ Pro-Active Seekers are open to buying Irish and we know that Organic certification is key for this segment in terms of motivations. Expert recommendations can also impact.
- ✓ Just over half would be open to purchasing tempered Organic Irish lamb.

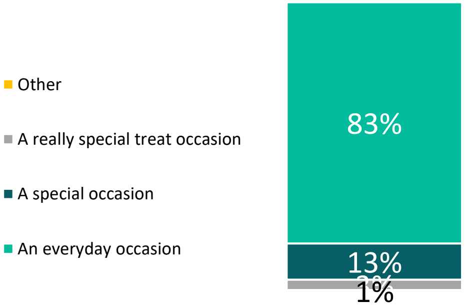
Organic Yogurt

Overview of Yogurt Buying Behaviours

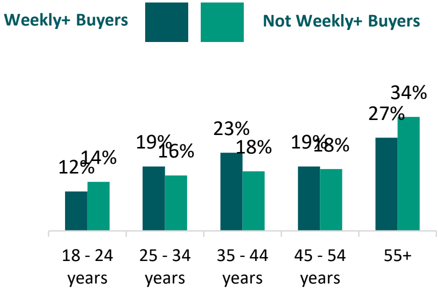
Who Organic Products Were Purchased For

	%
Just yourself	52%
Everyone (adults and / or kids) in the household	37%
Just for other adults in the household	5%
Only for when visitors are over	2%
Just for all the adults in the household but not the kids	2%
Just the kids (or some of the kids in your household)	1%

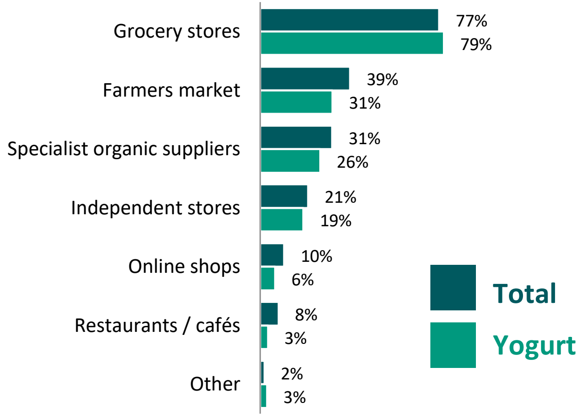
Consumption Occasion for Organic



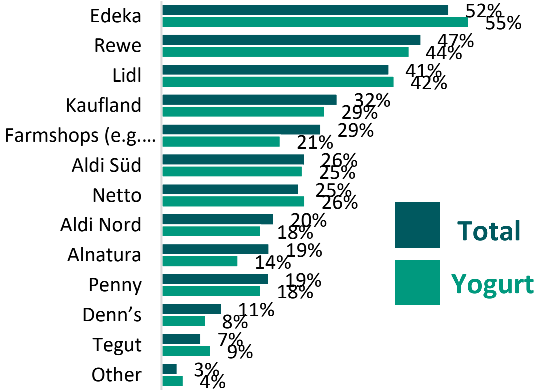
Age of Weekly+ Buyers



Channels Used to Purchase Organic Products



Grocery Stores Used to Purchase Organic Products

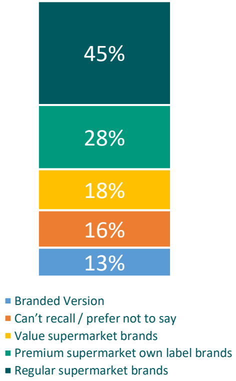


BORD BIA Thinking House

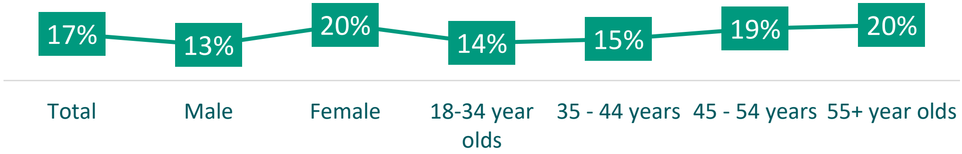
(Base: All Organic Buyers – DE n=1,500 and n=200 for yogurt)

Overview of Yogurt Buying Behaviours 2

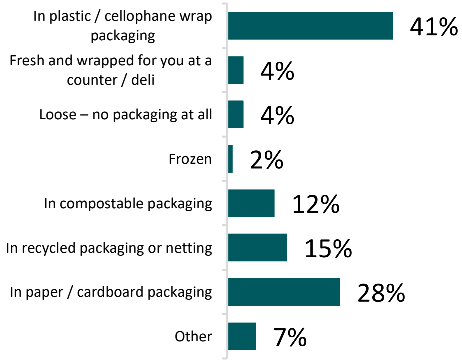
Types of brands being purchased



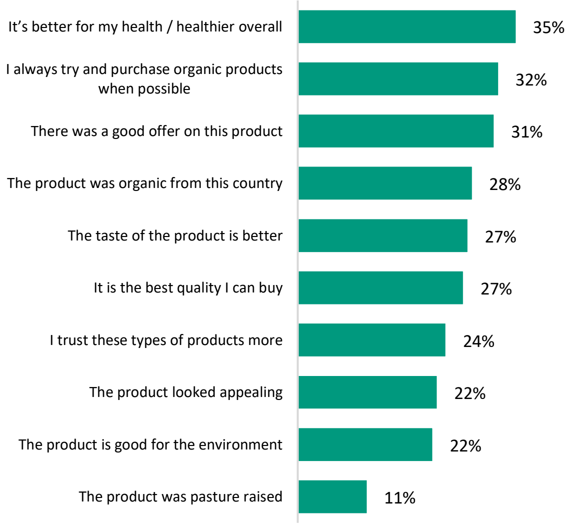
Weekly+ Purchase of Yogurt



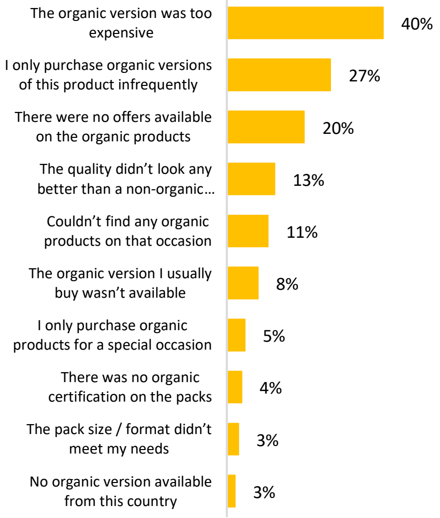
Type of Packaging Product Purchased In



Reasons for Purchasing Organic on the Last Occasion



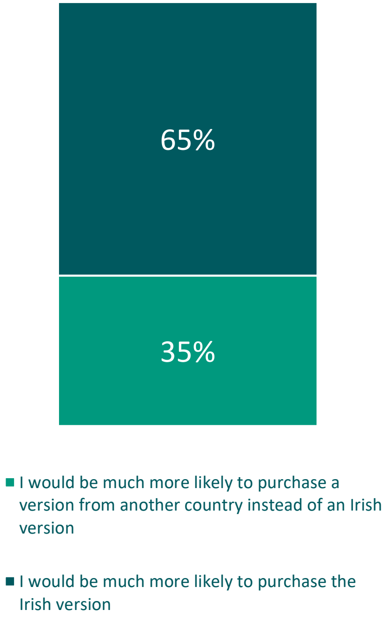
Reasons for NOT Purchasing Organic on the Last Occasion

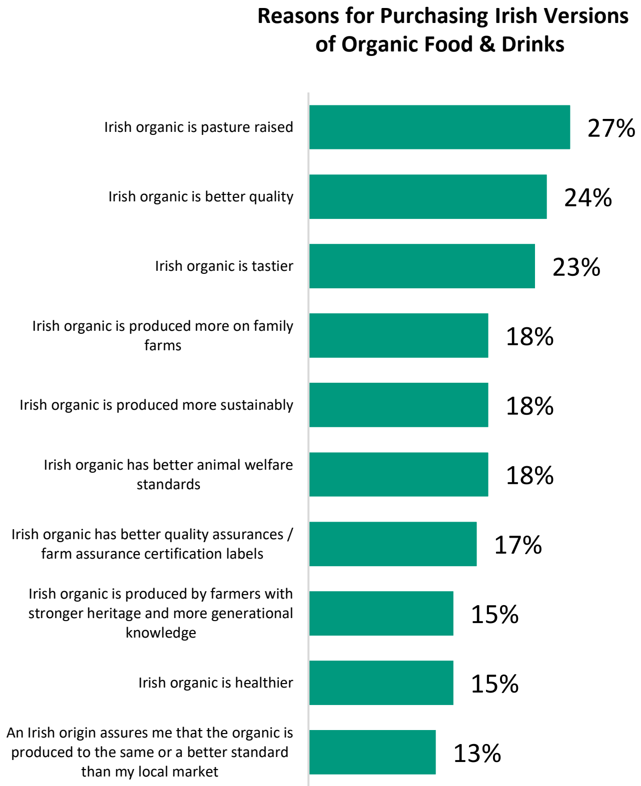


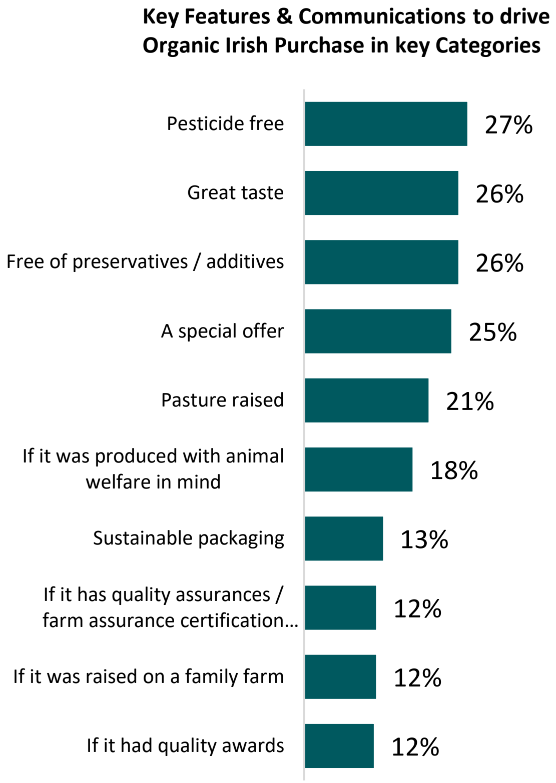
BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 and n=200 for yogurt)

Overview of Yogurt Buying Behaviours 3







BORD BIA Thinking House

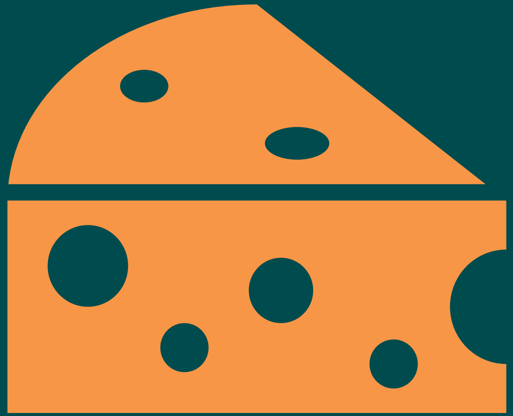
(Base: All Organic Buyers – DE n=1,500 and n=200 for yogurt)

Key Takeaways for Organic Irish Yogurt

How do we win in this category?

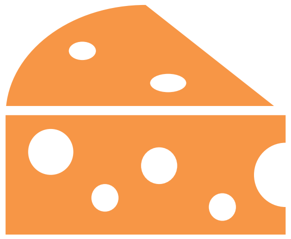
- ✓ Being healthier, a desire to buy organic and being on offer are all strong drivers of choice on the last occasion.
- ✓ Irish organic yogurt strongly endorsed for the quality, the taste and being pasture raised milk.
- ✓ Yogurt purchase and importance over-indexes with Convenience Seekers. Organic certification, being pasture raised and reared outdoors are key influences.
- ✓ Convenience Seekers have a relatively high level of openness to Organic Irish products. However, they are more likely to be purchasing from specialist organic suppliers.

Organic Cheese



BORD BIA Thinking House

Overview of Cheese Buying Behaviours 2

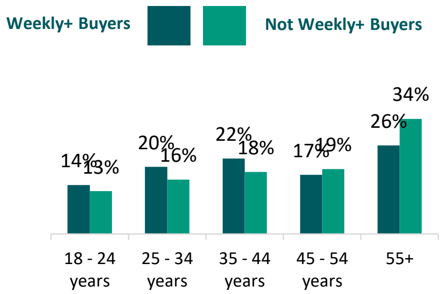


Who Organic Products Were Purchased For

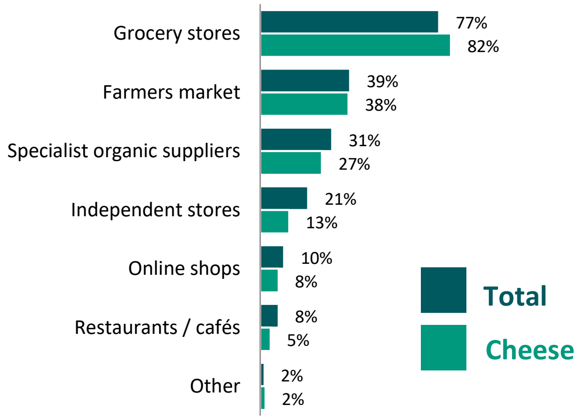
	%
Just yourself	47%
Everyone (adults and / or kids) in the household	42%
Just for other adults in the household	5%
Just for all the adults in the household but not the kids	3%
Just the kids (or some of the kids in your household)	2%

Consumption Occasion for Organic

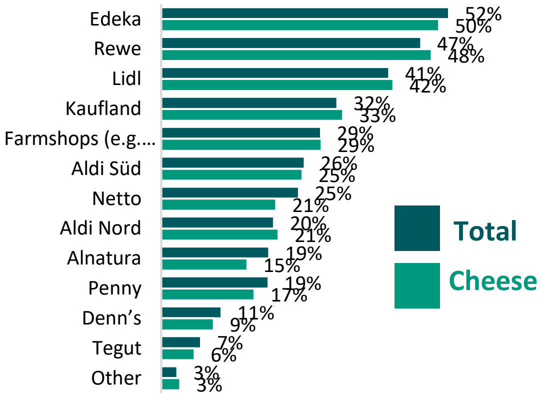
Age of Weekly+ Buyers



Channels Used to Purchase Organic Products



Grocery Stores Used to Purchase Organic Products

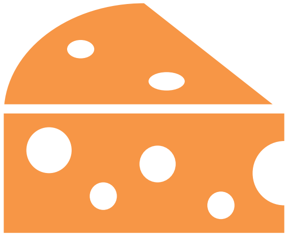


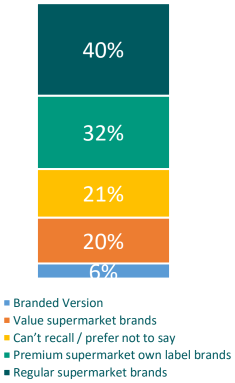
BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 and n=250 for Cheese)

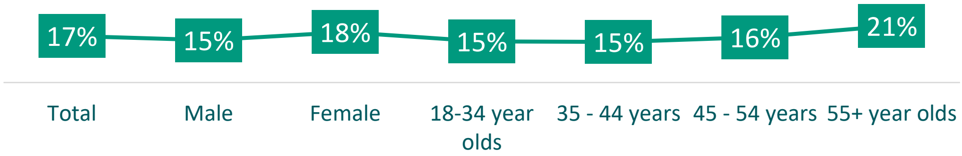
Overview of Cheese Buying Behaviours 3

Types of brands being purchased

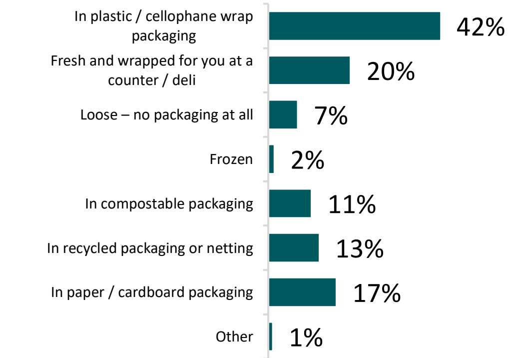




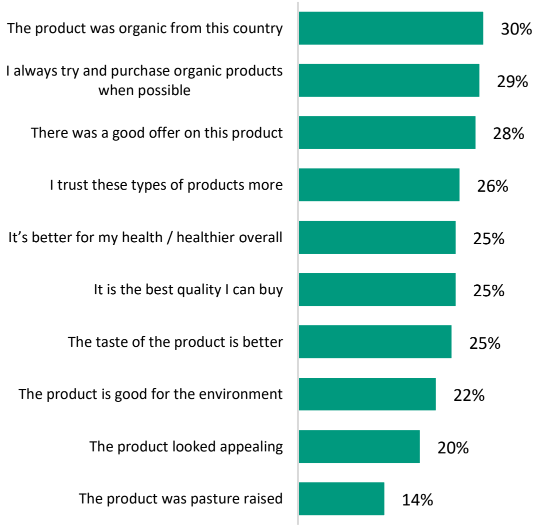
Weekly+ Purchase of Cheese



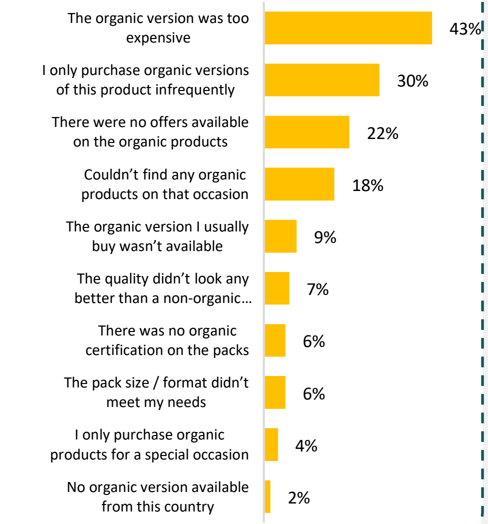
Type of Packaging Product Purchased In



Reasons for Purchasing Organic on the Last Occasion



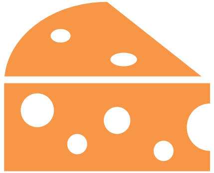
Reasons for NOT Purchasing Organic on the Last Occasion

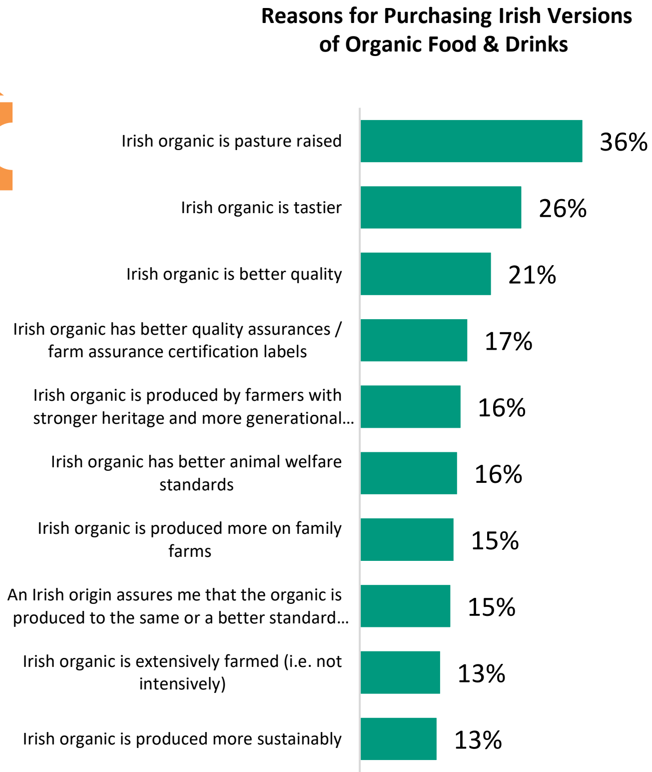


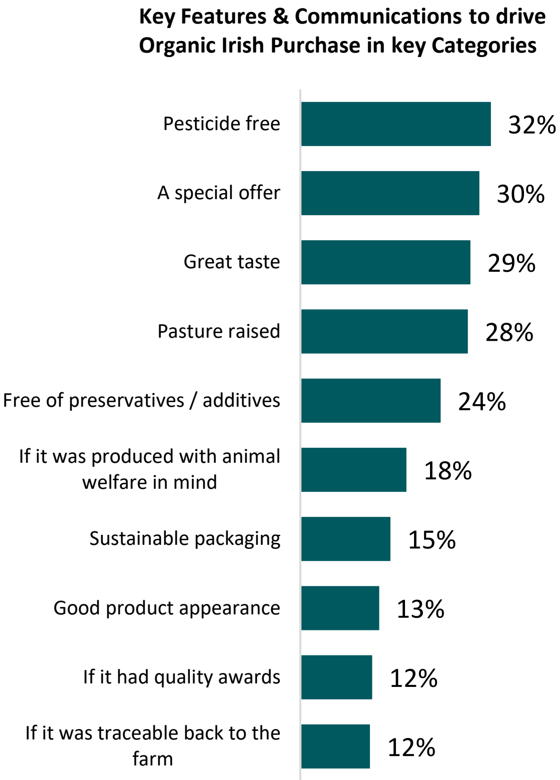
BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 and n=250 for Cheese)

Overview of Cheese Buying Behaviours 4



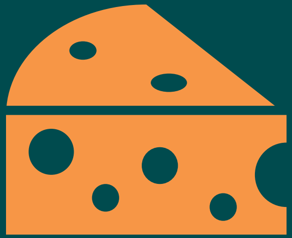




BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 and n=250 for Cheese)

Key Takeaways for Organic Irish Cheese



How do we win in this category?

- ✓ A desire to buy organic and being on offer are both strong drivers of choice on the last occasion.
- ✓ Irish organic strongly endorsed for being produced with milk from pasture animals, with taste and quality standards also to the fore
- ✓ Cheese purchase and importance is more prevalent amongst Pro-Active Seekers and Convenience Seekers and as such these segments will be key for growth in France.
- ✓ Organic products being certified and being pasture raised are areas where both segments over-index in terms of importance.

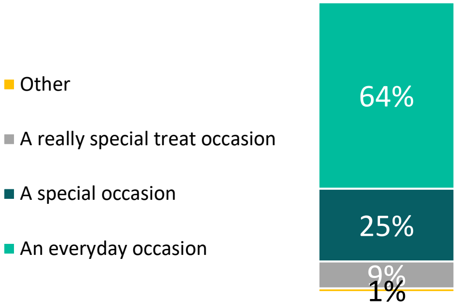
Organic Seafood

Overview of Seafood Buying Behaviours 2

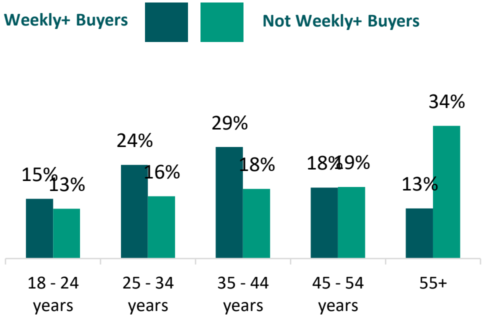
Who Organic Products Were Purchased For

	%
Everyone (adults and / or kids) in the household	45%
Just yourself	37%
Just for other adults in the household	8%
Just for all the adults in the household but not the kids	4%
Just the kids (or some of the kids in your household)	3%
Only for when visitors are over	0%

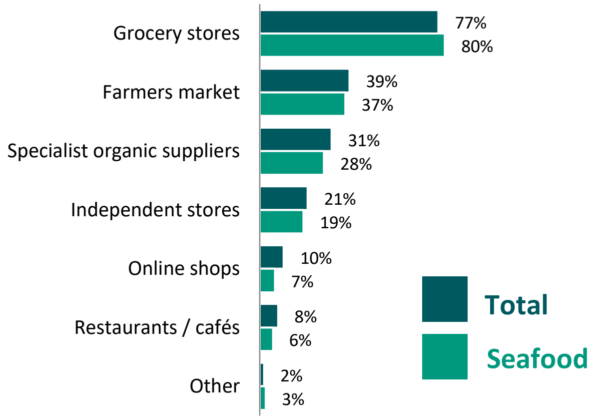
Consumption Occasion for Organic



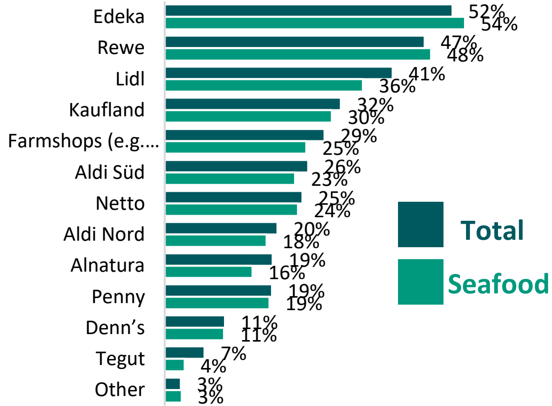
Age of Weekly+ Buyers



Channels Used to Purchase Organic Products



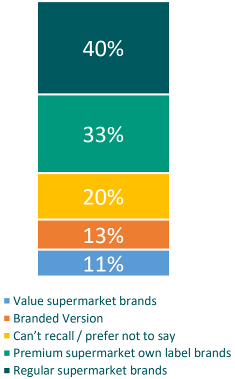
Grocery Stores Used to Purchase Organic Products



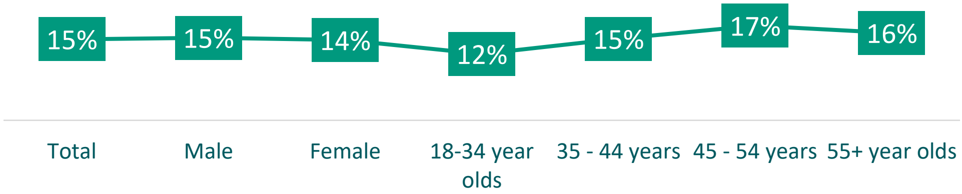
(Base: All Organic Buyers – DE n=1,500 and n=200 for Seafood)

Overview of Seafood Buying Behaviours 3

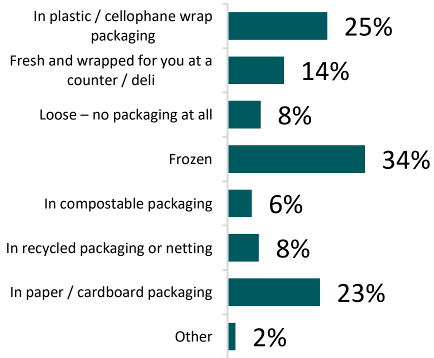
Types of brands being purchased



Weekly+ Purchase of Seafood

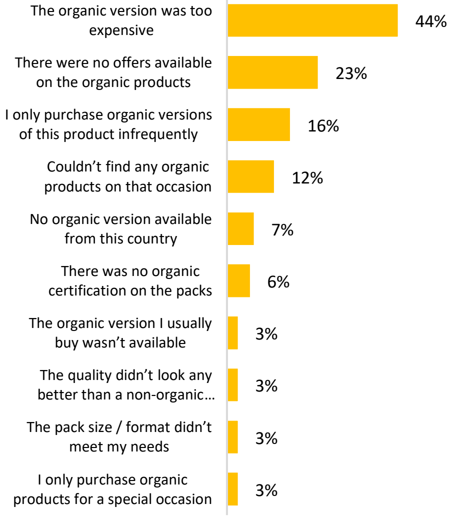


Type of Packaging Product Purchased In



Reasons for Purchasing Organic on the Last Occasion

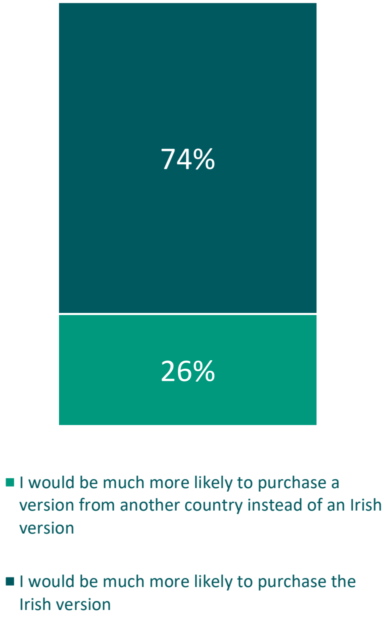
Reasons for NOT Purchasing Organic on the Last Occasion



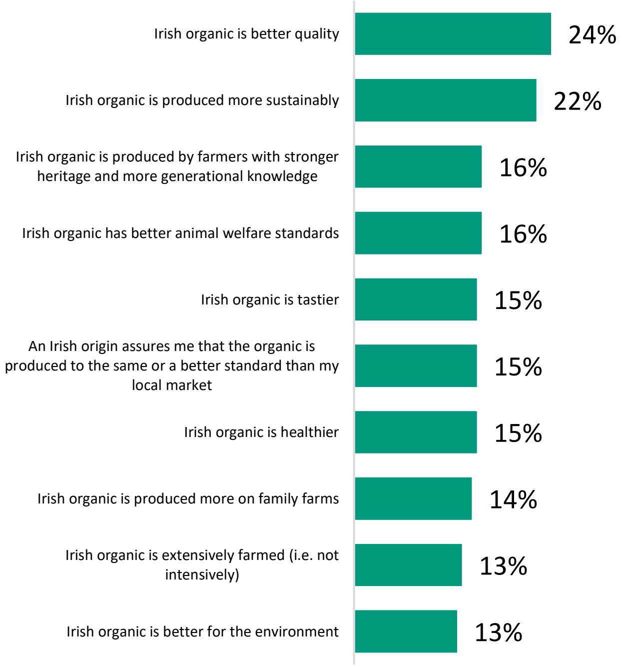
BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 and n=200 for Seafood)

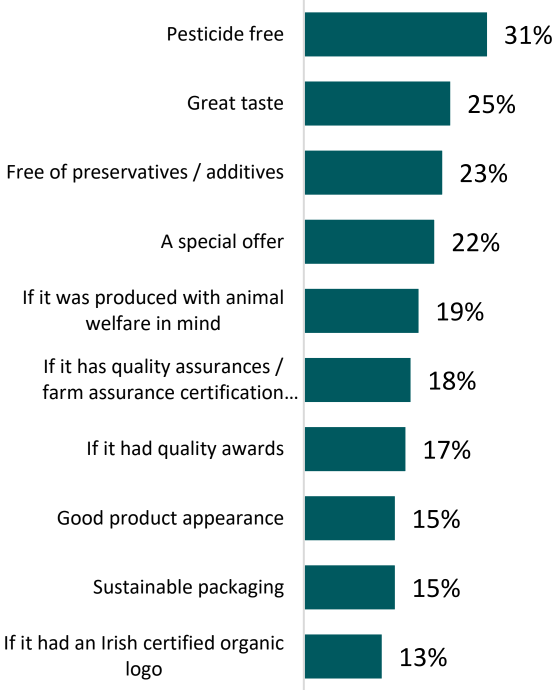
Overview of Seafood Buying Behaviours 4



Reasons for Purchasing Irish Versions of Organic Food & Drinks



Key Features & Communications to drive Organic Irish Purchase in key Categories



BORD BIA Thinking House

(Base: All Organic Buyers – DE n=1,500 and n=200 for Seafood)

Key Takeaways for Organic Irish Seafood

How do we win in this category?

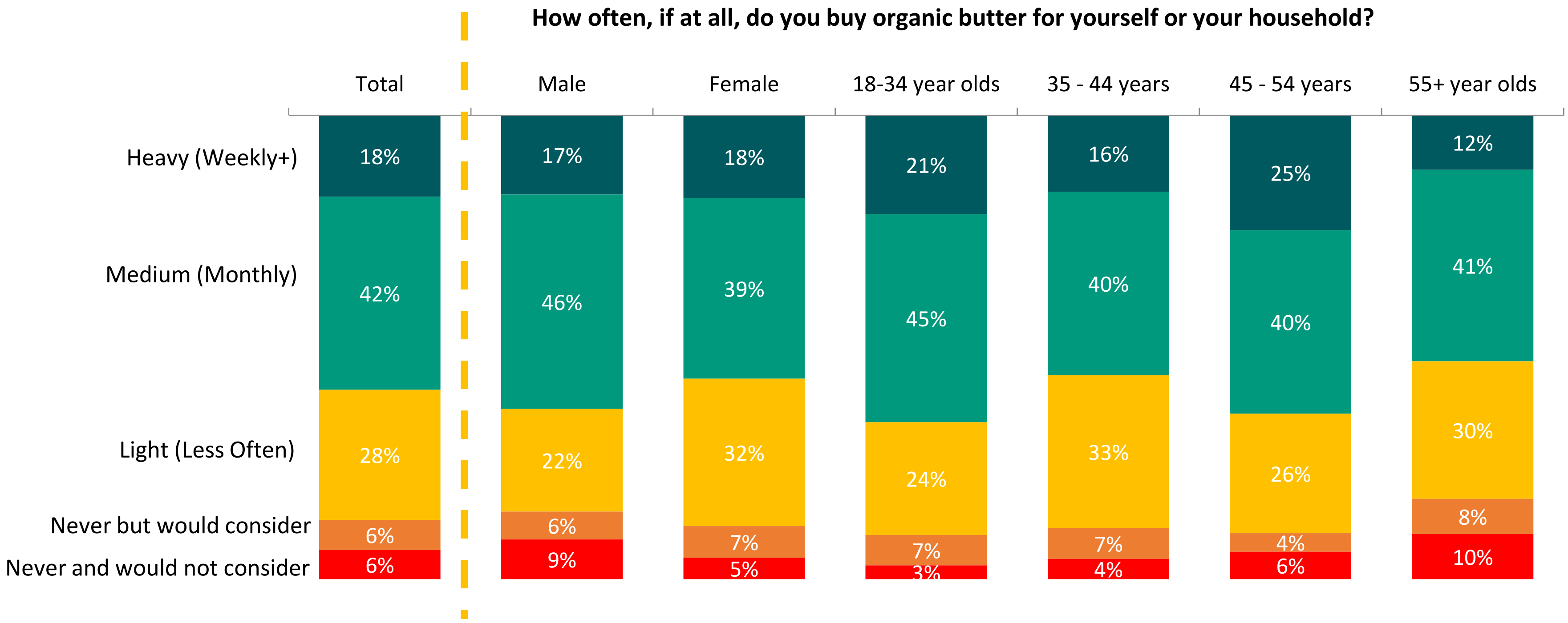
- ✓ Health, being pesticide free and being healthy all strong drivers of choice on the last occasion.
- ✓ Organic Irish seafood also strongly endorsed for quality and being produced sustainably. Producers are also endorsed for being knowledgeable.
- ✓ Organic seafood purchase is more prevalent amongst Pro-Active Seekers. Pro-Active Seekers are open to buying Irish and we know that Organic certification is key for this segment in terms of motivations. Expert recommendations can also impact.

Organic Butter

BORD BIA Thinking House

Almost 1 in 5 claim they purchase organic butter at least once a week

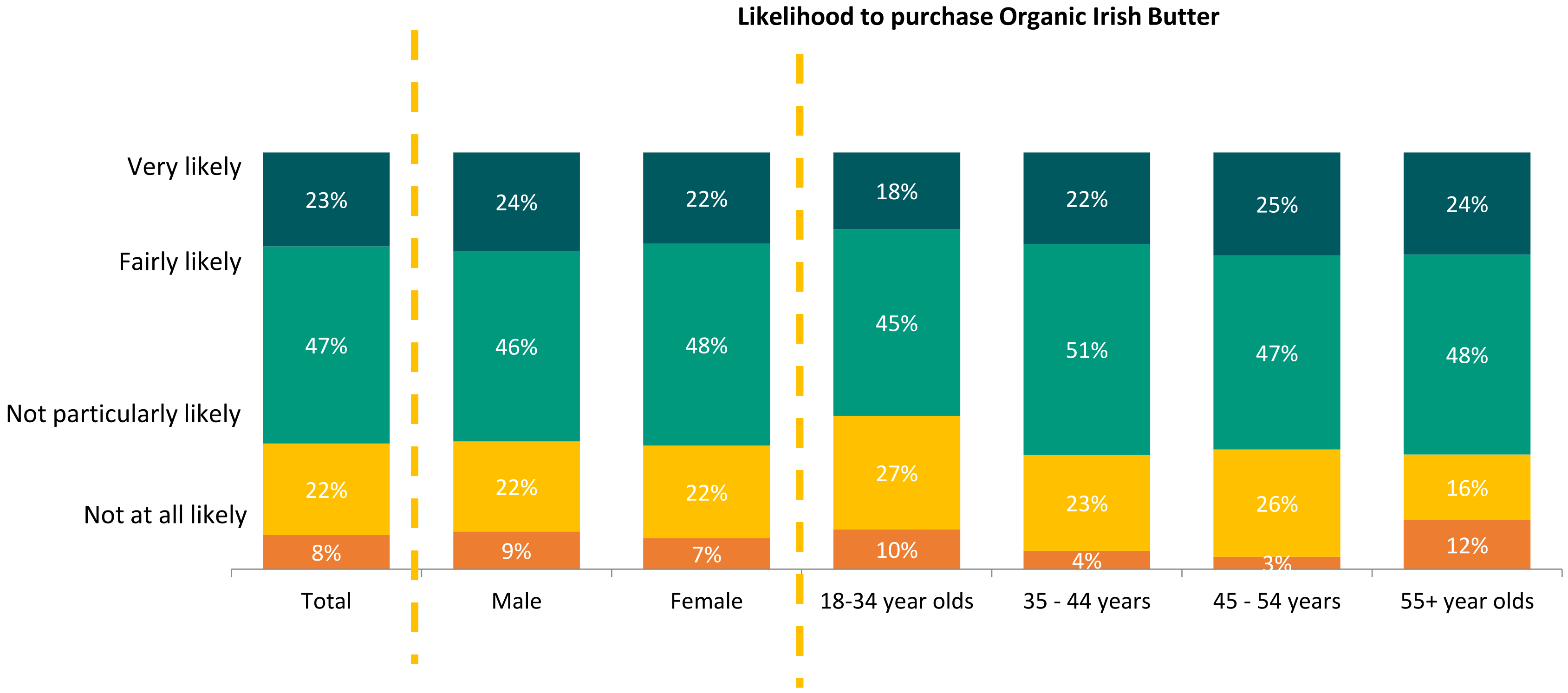
(Base: All Organic Buyers who purchase dairy products - DE - n=512)



BORD BIA Thinking House

70% of organic dairy shoppers claim they would be likely to purchase Organic Irish butter

(Base: All Organic Buyers who purchase dairy - DE n=512)



BORD BIA Thinking House

4. Foodservice

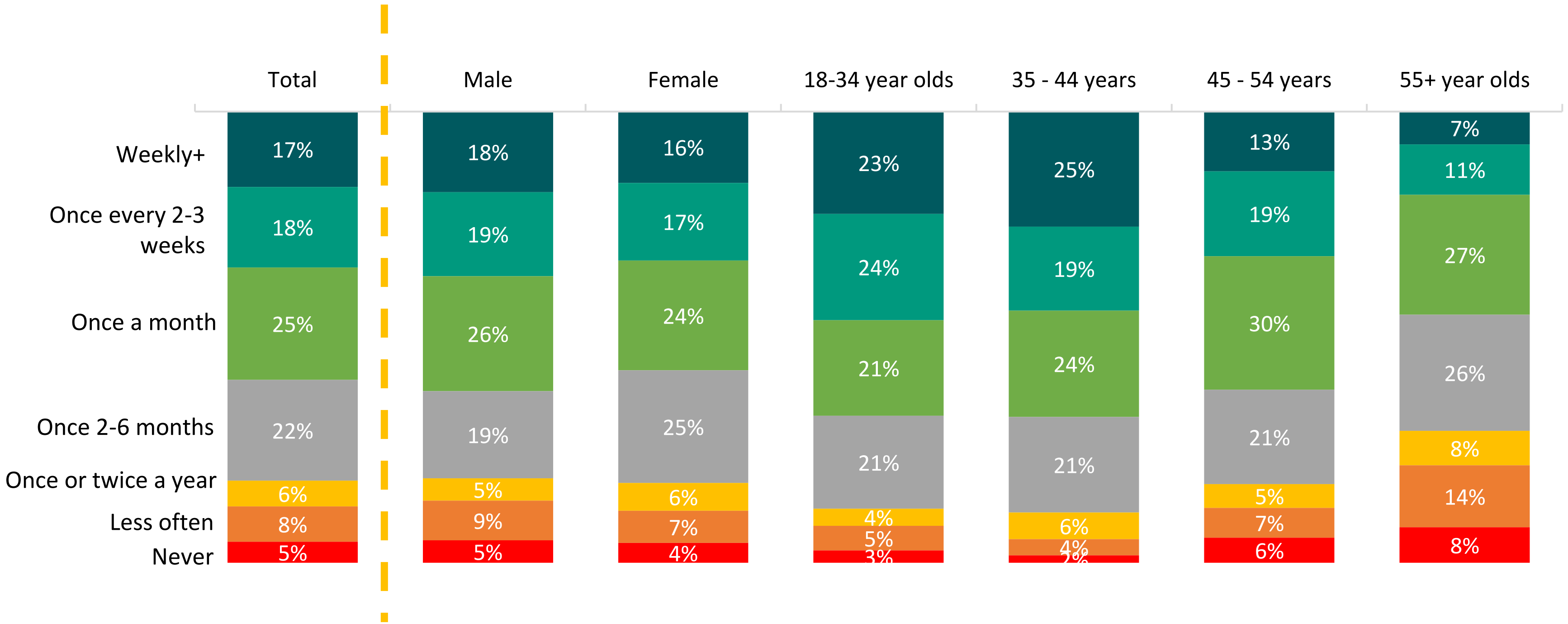
BORD BIA Thinking House

Back To Contents Slide

Almost 1 in 5 claim to dine out at least once a week, with 6 in 10 doing so at least once a month

(Base: All Organic Buyers – DE n=1,500)

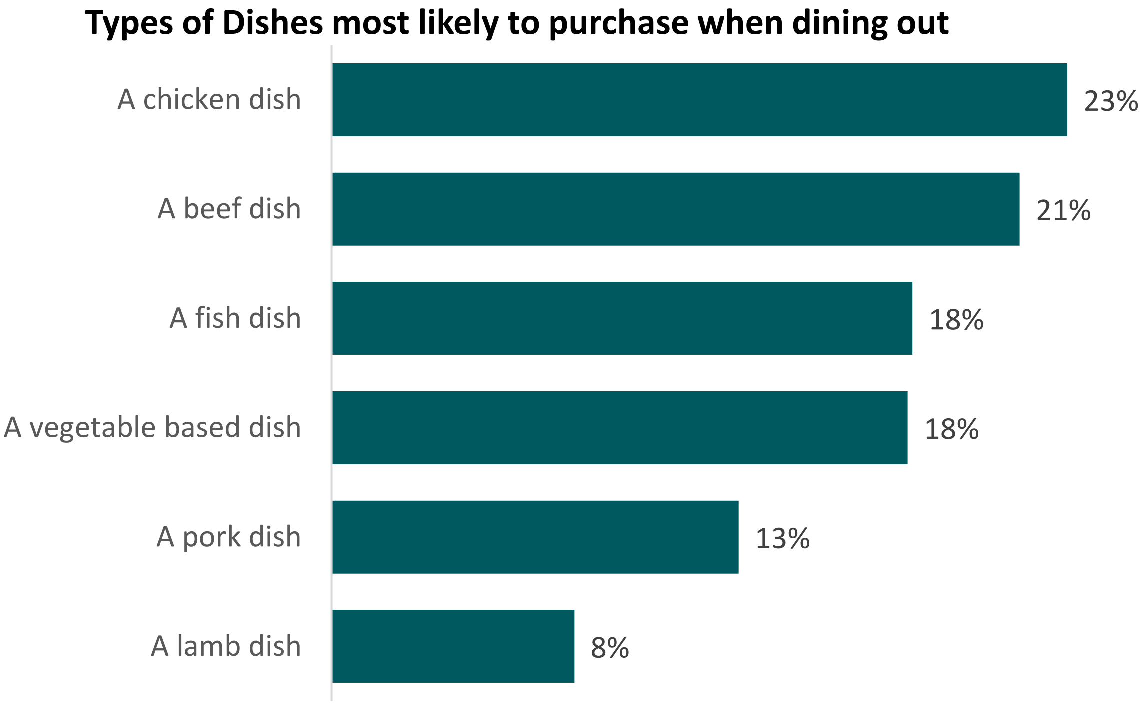
Frequency of Dining Out



BORD BIA Thinking House

Chicken leads as the type of dish most likely to be purchased, with beef in second place

(Base: All Organic Buyers who dine out at least once a year – on n=1,327)

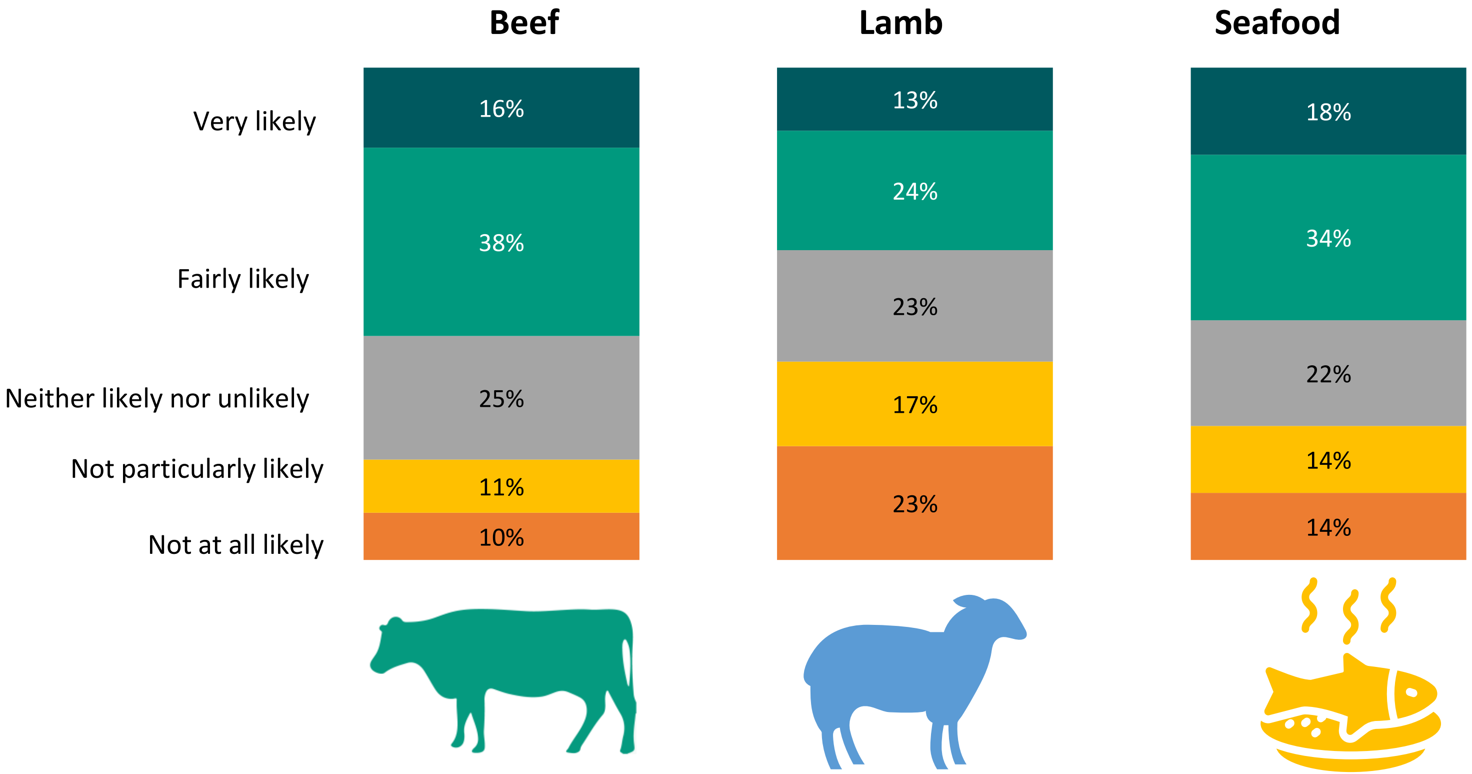


BORD BIA Thinking House

Quite high levels of organic consideration evident for beef and seafood, with higher rejection of lamb evident.

(Base: All Organic Buyers who dine out at least once a year – on n=1,327)

Likelihood to consider an organic version of each type of Dish in a restaurant

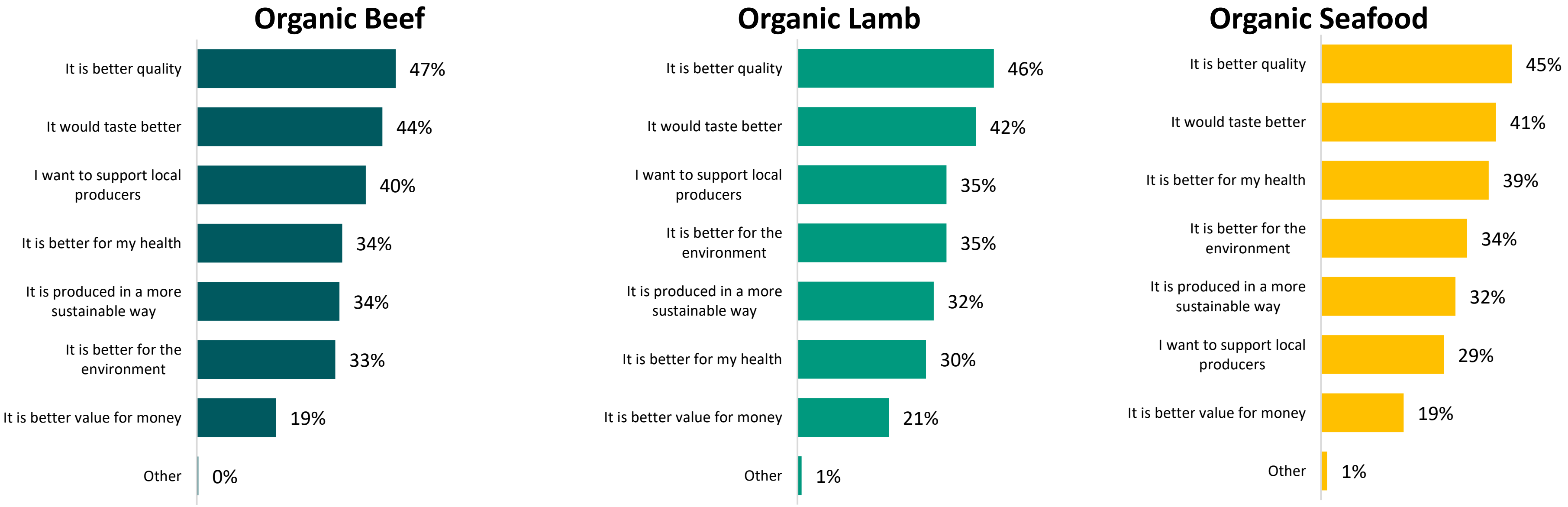


BORD BIA Thinking House

Being better quality is the key driver of consideration for each type of organic dish, with better tasting also impacting.

(Base: All Organic Buyers who dine out at least once a year – on n=1,327)

Reasons for Considering Ordering an Organic version of each

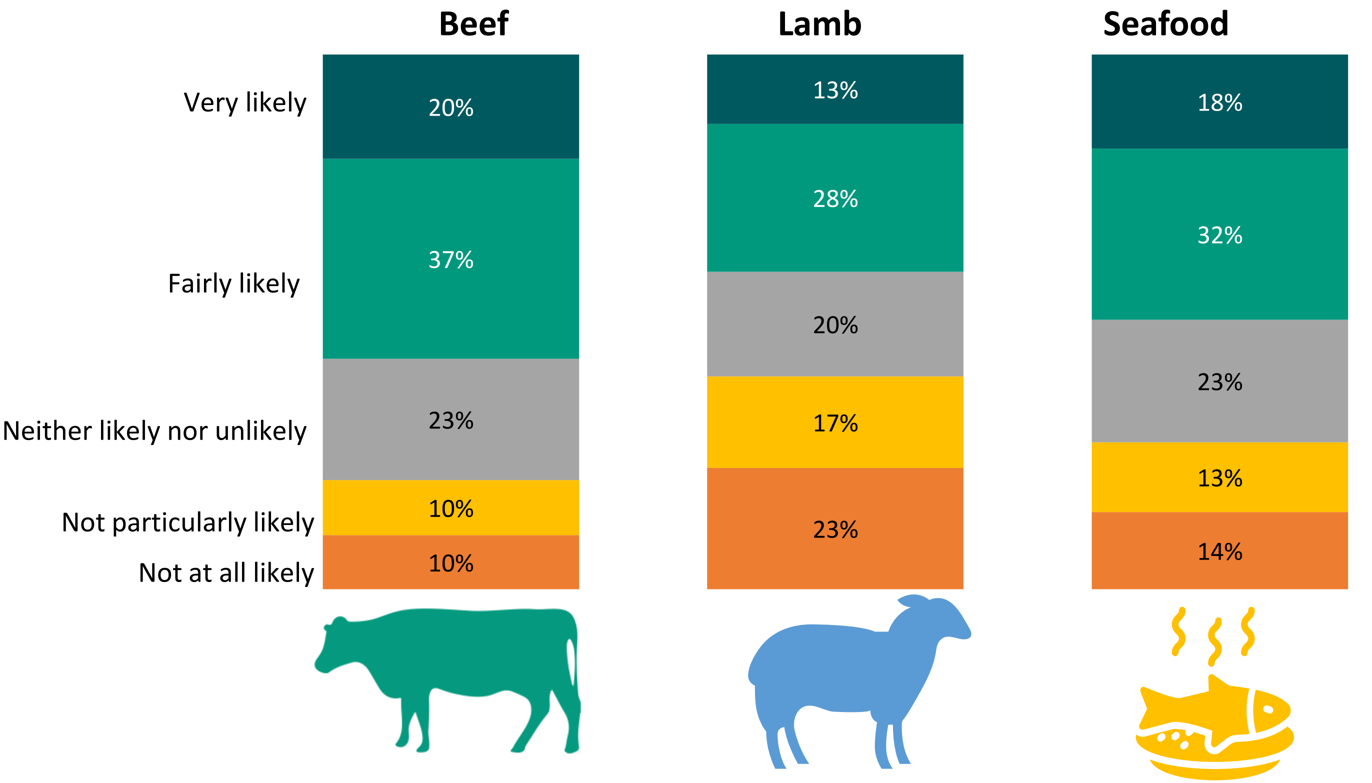


BORD BIA Thinking House

Purchase levels are also quite positive for beef and seafood, with the likely purchase of Organic lamb dishes lower

(Base: All Organic Buyers who dine out at least once a year – on n=1,327)

Likelihood to purchase an organic version of each type of Dish in a restaurant



Key Takeaways -

BORD BIA Thinking House

1

DINING OUT NOT AS FREQUENT AS OTHER MARKETS

Less than 1 in 5 claim to dine out at least once a week, which is lower than recorded in other markets.

2

CHICKEN & BEEF KEY

Conventional chicken leads as the type of dish most likely to be purchased when dining out, with conventional beef in second place

3

CONSIDERATION STRONG FOR ORGANIC BEEF AND SEAFOOD

Quite high levels of organic consideration evident for beef and seafood, but higher rejection levels evident for lamb

4

TASTE & QUALITY KEY

Being better tasting and better quality are key drivers of consideration for each type of organic dish

5. Voice of the Consumer

BORD BIA Thinking House

Back To Contents Slide

To Understand the Voice of the consumer we have utilized 2 research methodologies in Germany…

Consumer Ethnography

Qualitative research where consumers share their organic perceptions, usage and shopping behaviours.

Online Listening

Online search of narrative about Organic foods from social networks and other online media.

BORD BIA Thinking House

Consumer Ethnography

METHOD EXPLAINED:
This research method entailed 9 German consumers completing 10 assigned tasks over a course of a week to demonstrate their mindset, usage and purchase behaviours when buying Organic food and the respective categories.

BORD BIA Thinking House

German Consumers Perception of Organic Food – Triggers & Barriers

Overall, there is a positive mindset towards organic in terms of its PERCEIVED naturalness / free from pesticides, health benefits, animal welfare, environmental attributes, however perceived expensiveness can limit consumption.

VIDEO LINK:
https://vimeo.com/962044722/0575a22d7c

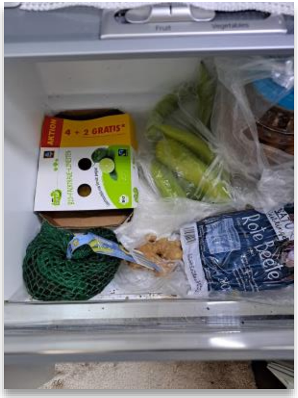
Organic Foods in German Homes

When consumers have identified reasons to buy organic and it is clearly called out on packs it can become part of their daily consumption.

VIDEO LINK:
https://vimeo.com/962055845/9ff74808d7

Organic Potential Halo Effect

Organic can potentially have a halo effect on other categories where the experiences are positive…



"We currently have in the fridge: organic turkey meat (on the plate), organic lamb (packaged and vacuum-sealed). Organic homemade yogurt in glass container. Organic fruits and vegetables.

In the freezer I have packed: organic ground beef, organic legumes (cooked and portioned peas and beans), organic beef liver (packaged).

I bought the products from farmers/butchers, Alnatura, DM and Lidl and Aldi.

I chose organic products because I simply find it healthier, and it tastes much better.

Pro Active Seeker

BORD BIA Thinking House

Multiples Have Developed Clear Organic offering across key categories with good stand out

“Today I looked intensively into buying organic products [in Kaufland]. I went through the meat and cheese counter, fish and fresh everything was very well sorted and easily recognizable.

When I first looked at each shelf, the word organic immediately caught my eye and you really get everything you need.

I think that the organic feature is very clearly visible on the products and that the price-performance ratio is very good, a little more expensive on smaller cheese packs.“

-Convenience Seeker

Kaufland Store Visit

BORD BIA
Thinking House

Discounters are Developing a Good Organic proposition across their ranges too

"Aldi has a good selection of organic products. Both cheap and expensive branded products. There is an organic alternative product for most things."

-Pre-Family Female 18-34
Passive Dabbler

BORD BIA Thinking House

Perceptions of Irish Organic

IRELAND IS WELL PLACED FOR ORGANIC IN GERMAN CONSUMERS MINDS

"I actually see the difference in nature, Irish products are definitely better because nature in Ireland is much healthier and cleaner than here. I see pictures of cattle on the pasture and far and wide nothing but nature, environmentally friendly and free, well fed even from the natural pollutant meadow"

- Convenience Seeker

HOWEVER, STANDARDS & SUSTAINABLE IMPORTING ARE KEY FACTORS TO REASSURE

"Germany has very strict rules and regulations for 'organic'. Maybe things are a little less complicated in Ireland? When it comes to sheep farming, for example, is everything automatically 'organic'?

The disadvantage, however, is the transport/import factor. Personally, I am open to organic food from abroad, but I can also imagine that there are customers who are suspicious and/or generally prefer to buy regional/national products.."

- Pro Active Seeker

Key Takeaways - Consumer

BORD BIA Thinking House

1

ORGANIC POSITIVIE PERCEPTION

Overall Organic perceived by most as less processed & better for health, environment and animal welfare – so a key part to add to the Irish food portfolio in this market.

2

ORGANIC HALO EFFECT

Organic is something that is used across a variety of categories to varying levels depending on the consumer. Where positive experiences with organic in one category can have a halo benefit for others.

3

ORGANIC EXPERIENCE IN STORE VARIES

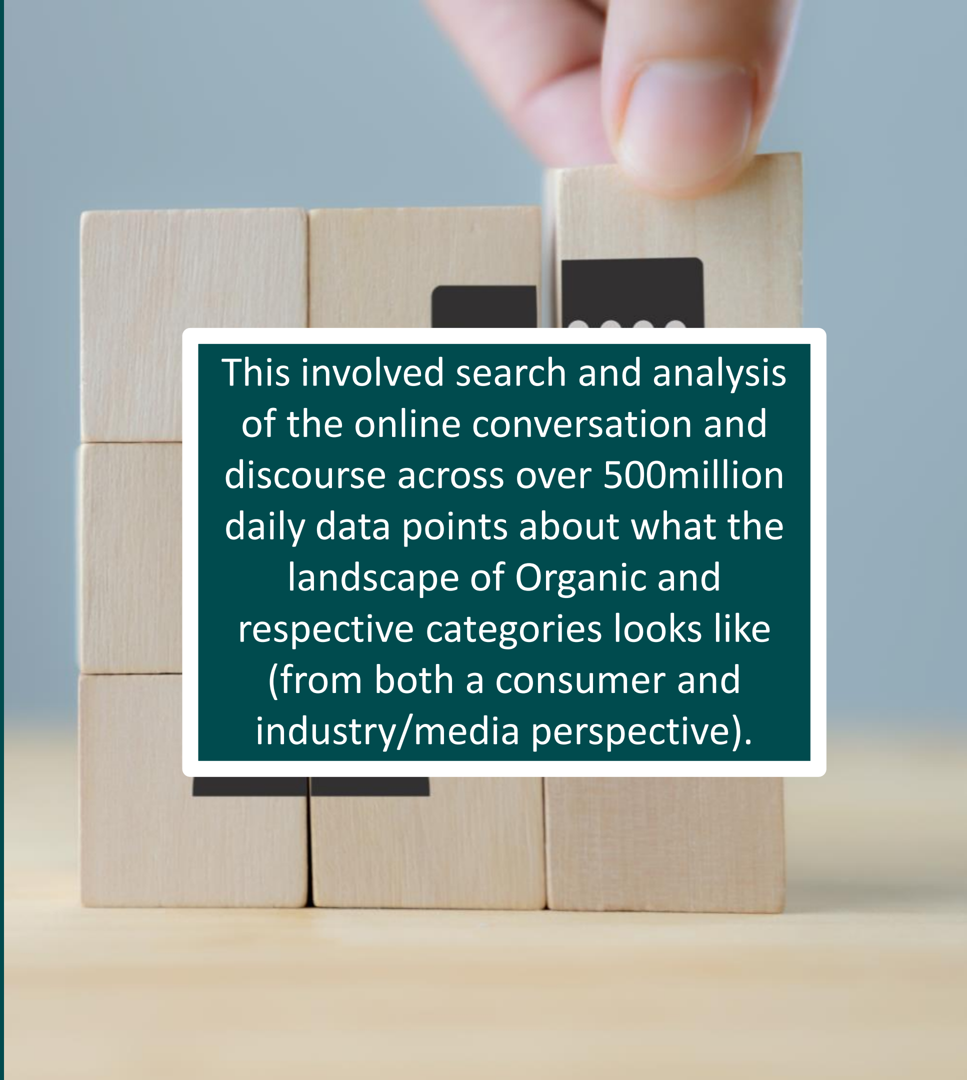
Organic shopping experience varies in German stores, but the likes of the multiple grocers (like Kaufland for instance) seem to be developing the organic shopping experience quite well, which is an important consideration for Organic Irish foods.

4

IRISH + ORGANIC IS CREDIBLE – BUT REASSURE ON STANDARDS

Being from Ireland helps implicitly communicate organic, but important to also reassure around Organic standards and minimum environmental effects of importing.

Online Listening



This involved search and analysis of the online conversation and discourse across over 500million daily data points about what the landscape of Organic and respective categories looks like (from both a consumer and industry/media perspective).

BORD BIA Thinking House

Back To Contents Slide

Online Narrative About Organic Foods in DE

There has been an increase in the level of mentions of Organic, while sources and authors declined.

Date range: Year up to June 2024

Search Topic:

Organic Foods + Organic Beef + Organic Lamb + Organic cheese + Organic yogurts + Organic Seafood/Salmon [In English + Local Language]

Mentions **21,364** ↑ +48%

Sources **1,011** ↓ -6%

Authors **4,208** ↓ -27%

BORD BIA Thinking House

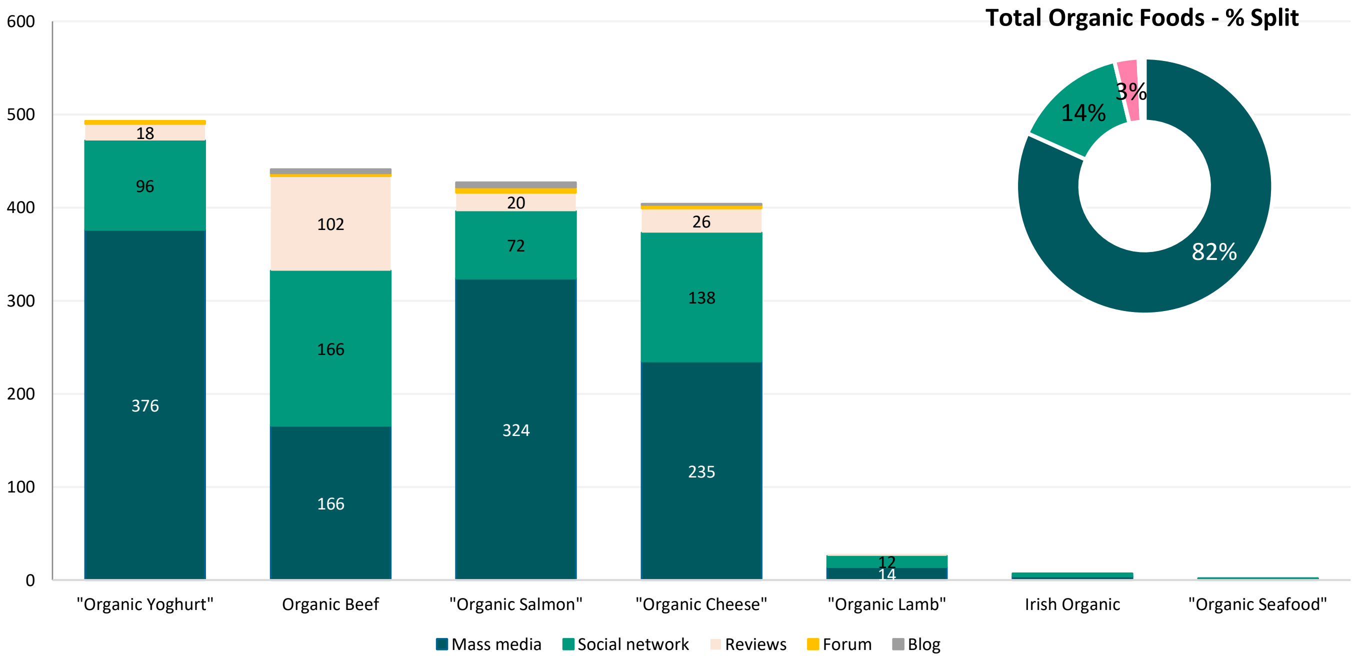
Mentions of different Organic Categories by Source Type

Mentions **21,364** +48% | Sources **1,011** -6%

Most mentions of Organic by categories is from media sources rather than social networks.

There is very low mentions of Organic Irish currently online in Germany.

Mentions by Category & Online channel Type



Search Topic:
Organic Foods + Organic Beef + Organic Lamb + Organic cheese + Organic yogurts + Organic Seafood/Salmon [In English + Local Language]

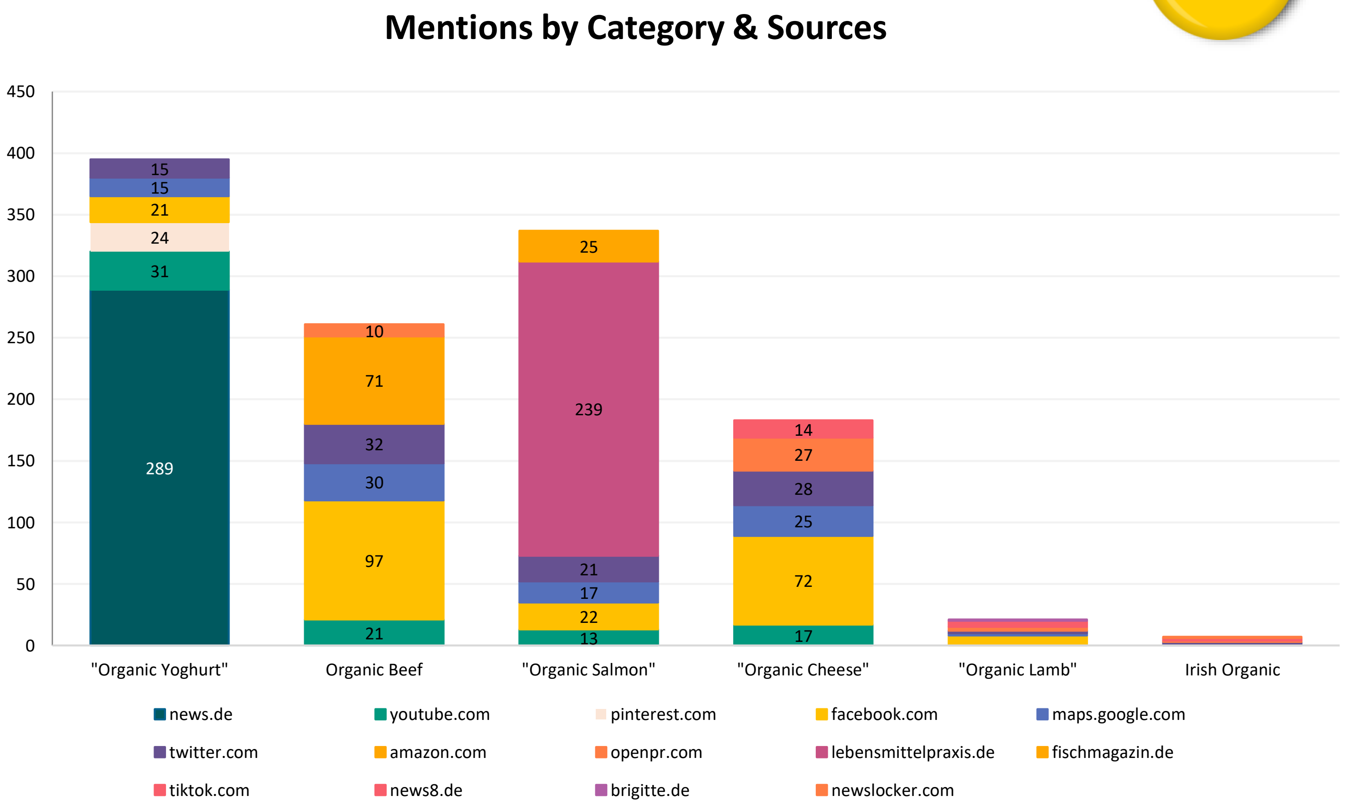
Date range:
Year upto June 2024

Mentions of different Organic Categories by Sources

News.de is a leading source that mentions Organic Yoghurts - which tends to be advertising from the likes of Edeka.

While Facebook and Amazon.com mention organic beef.

Lebensmittelpraxis.de is main source mentioning Organic Salmon.



Search Topic:
Organic Foods + Organic Beef + Organic Lamb + Organic cheese + Organic yogurts + Organic Seafood/Salmon [In English + Local Language]

Date range:
Year upto June 2024

6. Voice of the Customer

BORD BIA Thinking House

Back To Contents Slide

Market Overview – the Customer Perspective

Organic Trajectory

- Organic had grown strongly over the past decade, however organic sales have declined in line with cost-of-living increases.
- Short term there is a feeling there may still be some decline but believe it will recover due to its sustainable and health benefits, and assuming inflation slows.

"Organic had huge growth up to 2021/early 2022 because of several issues such as political focus on organic and consumers focus on sustainable and healthier diets, but once we hit the economic crisis in Germany this had a negative impact on Organic, but inflation has slowed to 2% now so we assume organic will regrow. " - **German Multiples Retail Buyer**

Retailer Landscape

- Organic products are increasingly being integrated into mainstream retailers like hypermarkets and discounters, rather than being limited to just specialized organic.
- Mainstream and Discounter retailers see Organic as a trade-up opportunity primarily due to perceived health and sustainability benefits.

"Organic has been a strategic focus of the likes of Rewe, Edeka and other main retailers, but now a strategic focus of discounters too" - **Discounter Buyer**

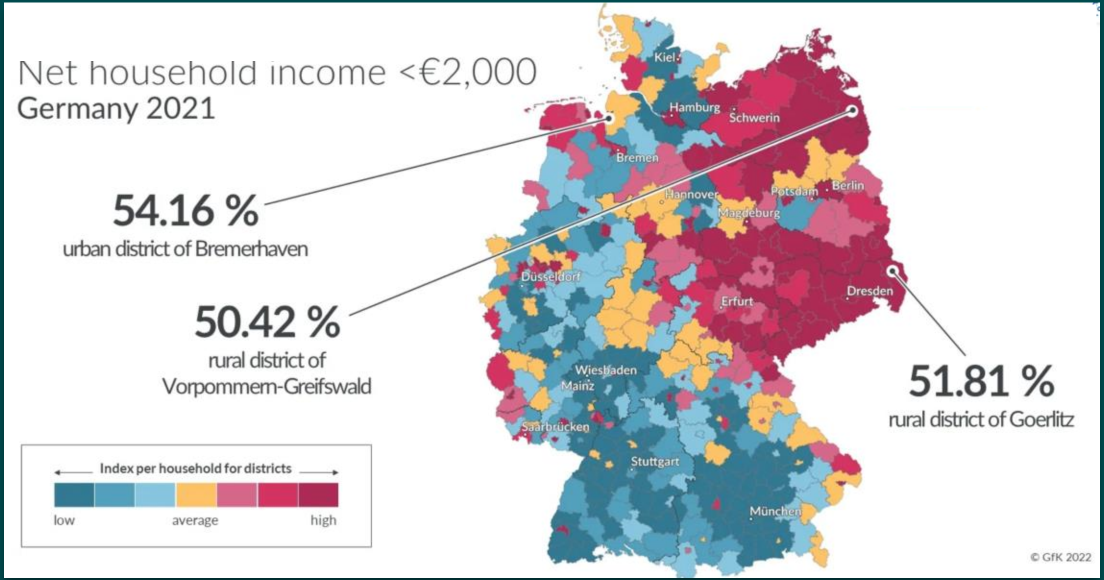
Strategic Importance

- Organic shoppers tend to be a lucrative shopper to win for retailers.
- Organic often also aligns with sustainability credentials/goals

"Those who proportionally buy more of their groceries as organic, tend to spend more on groceries overall buying primarily fresh produce and less processed foods. They have a distinct profile focused on purchasing meat, vegetables, and ingredients to cook from scratch."
- Organic Expert

BORD BIA Thinking House

Most Prevalent Consumers to Organic Tend to be in Urban Locations Where there Is High Income



"The organic consumer have higher spending habits and tend to be prevalent in particular regions of Germany that correlate with higher household incomes and urban areas."

- German Multiples Retail Buyer

Example of how German Retailer is Going After the Organic Opportunity

Edeka has recognized the growing consumer interest in organic foods in Germany and has made organic products a strategic priority across its stores and private label offerings, for instance…

1) Expanding its private label organic range under the "Biotrend" brand to include a wide variety of products across categories like produce, dairy, meat, and packaged goods.

2) **Increasing shelf space and visibility** for organic products within its stores, often grouping them together in dedicated sections or "worlds“.

3) **Partnering with specialist organic retailers** like Naturland to open combined conventional/organic grocery stores under the "Naturkind by Edeka“.

4) Educating and **training staff** to better advise customers on organic products and promote the benefits of organic agriculture

5) Developing clear **organic certification standards** and labelling to help customers easily identify organic items, such as the "Biokreis" seal for meat and dairy

6) Focusing on **regional and local sourcing** for organic produce where possible to meet consumer demand for traceability and sustainability

-German Multiple Retail Buyer

Edeka Collaborates With Naturland To Strengthen Organic Offering

June 14, 2022 12:58 PM

By Dayeeta Das

BORD BIA Thinking House

Key Buyer Insights around Developing Organic

- Differentiation is critical – think 'Organic + … '
"anything that differentiates versus local organic is a good thing"

- Storytelling sells – clear, compelling points of difference (brands or non-branded)

- Layer in other sustainability e.g.
    - Packaging – consider waste / plastics
    - Animal Welfare
    - Carbon
    - Social / People

- Sell your success stories from elsewhere
    - Supply chain / security of supply

- Social media presence & promotion plan to convert when listed.

Differentiation in branding and product

Layering of USPs beyond Organic

Buyers Perspective – 4 Key Category Nuances

MEATs



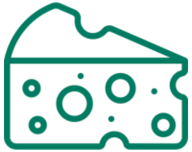
WHITE MEAT FOOD SAFETY

Organic white meat has seen strong growth in certain European markets, driven by food safety concerns. However, supply constraints can limit this growth.
-EU (incl Germany) Discounter Director

BEEF HAS MANY QUALITY CUES

It is important in beef to also talk about elements like origin of beef, breed, traceability and other factors like grass fed or animal welfare when promoting quality.
– German Multiple Buyer

DAIRY

PROTECTING PRICE PREMIUM

Consumers in Germany are very price-sensitive when it comes to dairy products like milk and yogurt. They tend to trust standard, non-organic dairy products and don't see a strong need to pay a premium for organic versions.
– German Discounter Buyer

While organic cheese has been able to defend and gain some market share compared to vegan cheese alternatives due to texture and taste differences, it remains a challenging category for organic.
– German Multiple Buyer

SALMON

ORGANIC + TRACEABIITY CERTIFICATION COULD POTENTIALLY PROMPT QUALITY

Traceability and certification are crucial for building consumer trust in organic salmon. Certifications like Demeter and having transparent supply chains are valued by German retailers and consumers. **– German Multiple Buyer**

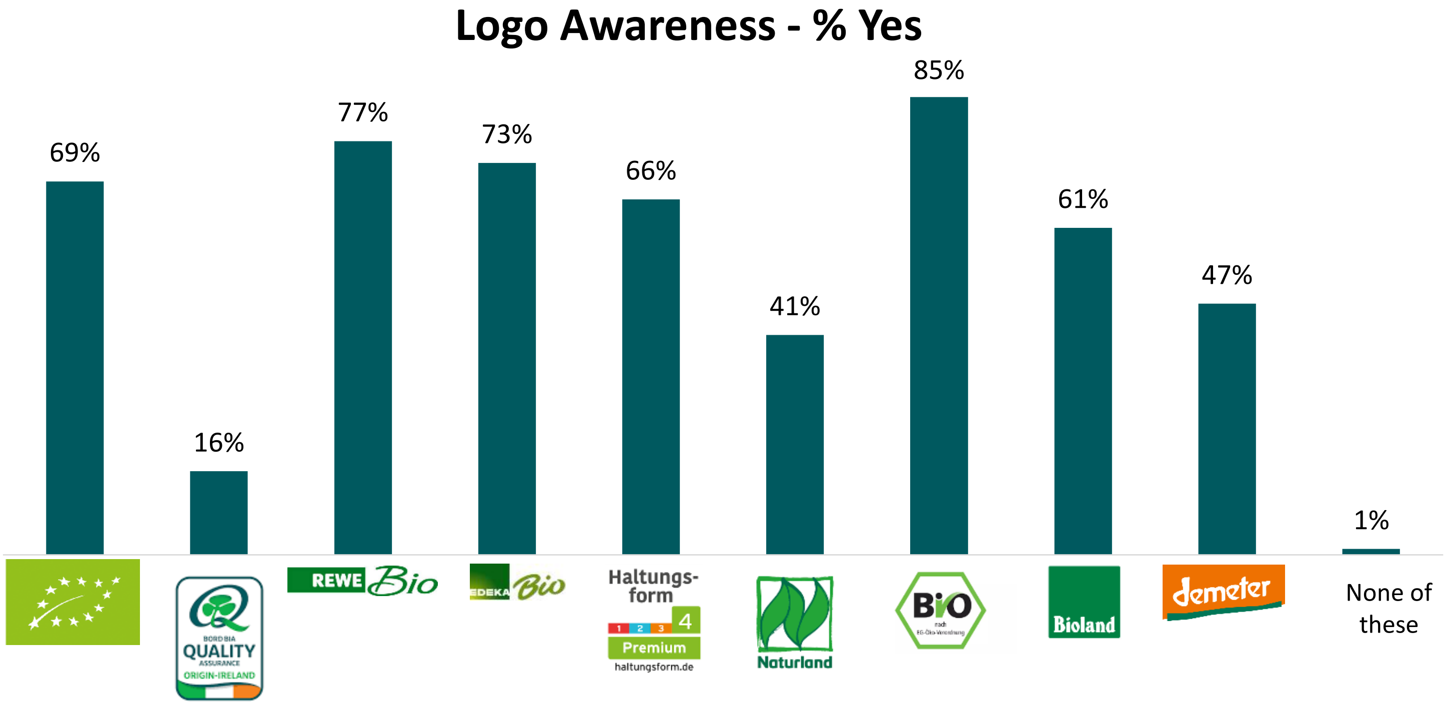
7. The Role of Organic Certification

Bord Bia Thinking House

Back To Contents Slide

Almost 7 in 10 are aware of the EU leaf logo

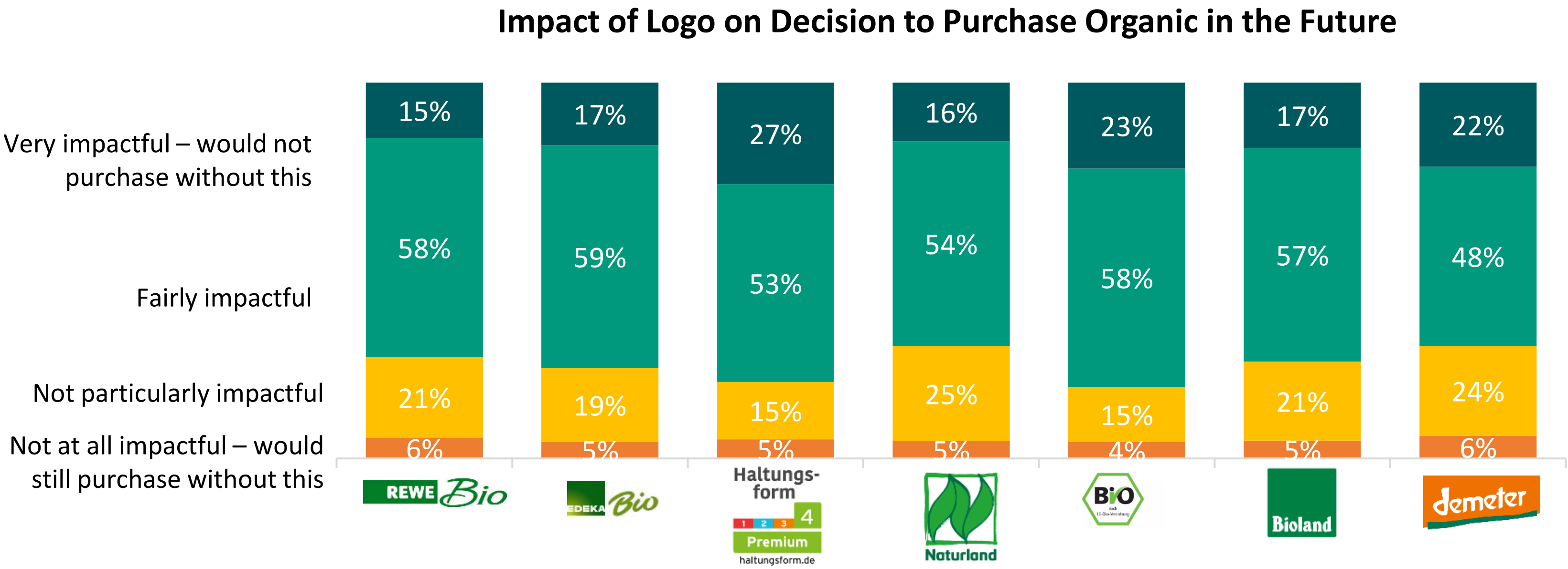
(Base: All Organic Buyers – DE n=1,500)



BORD BIA Thinking House

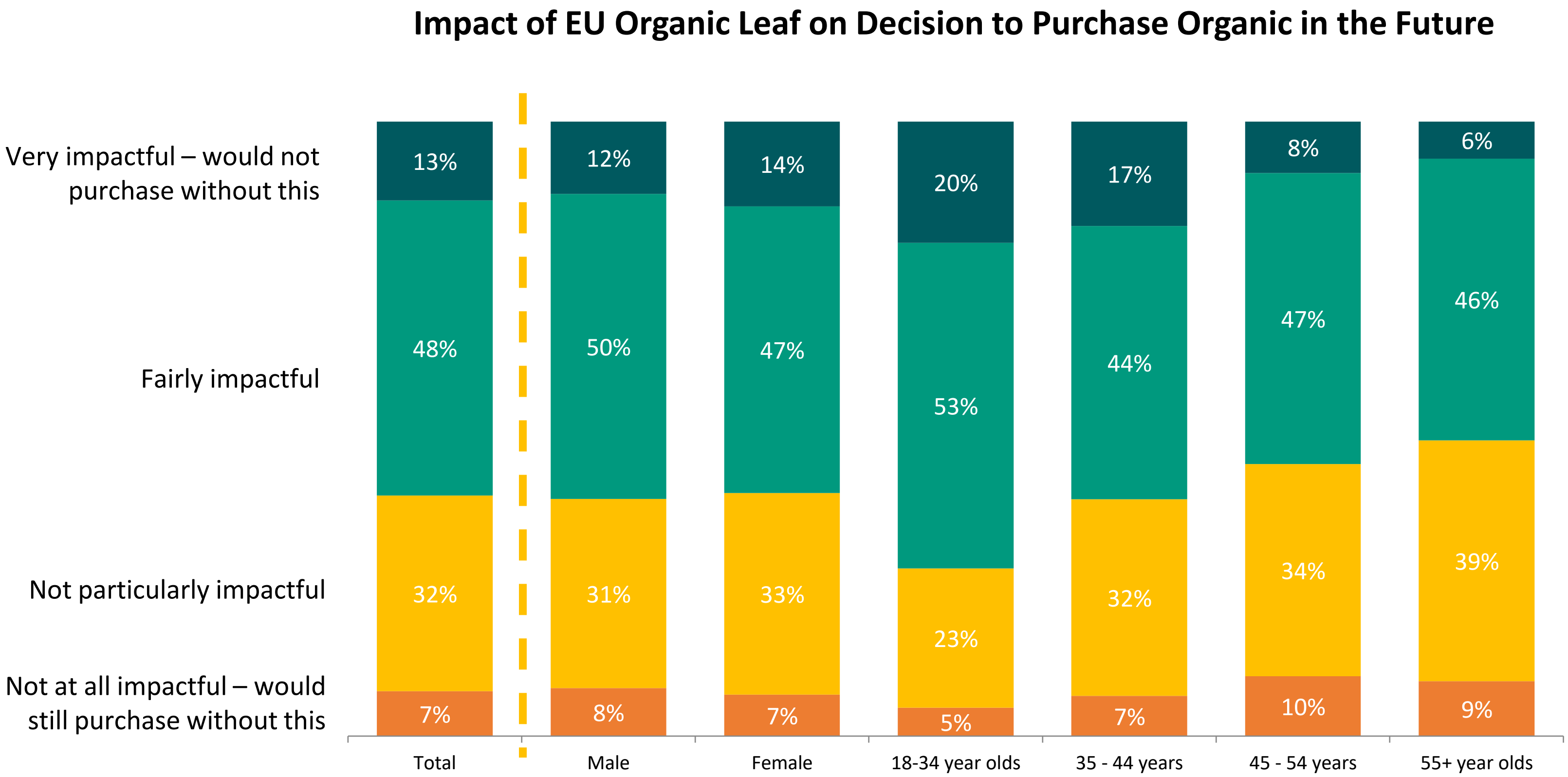
The highest levels of impact evident for “Haltungsform 4” logo

(Base: All Organic Buyers aware of each Logo – DE n=1,500)



Just 13% claim the EU Organic Leaf Logo would be very impactful on their decision to purchase organic food and drink in the future

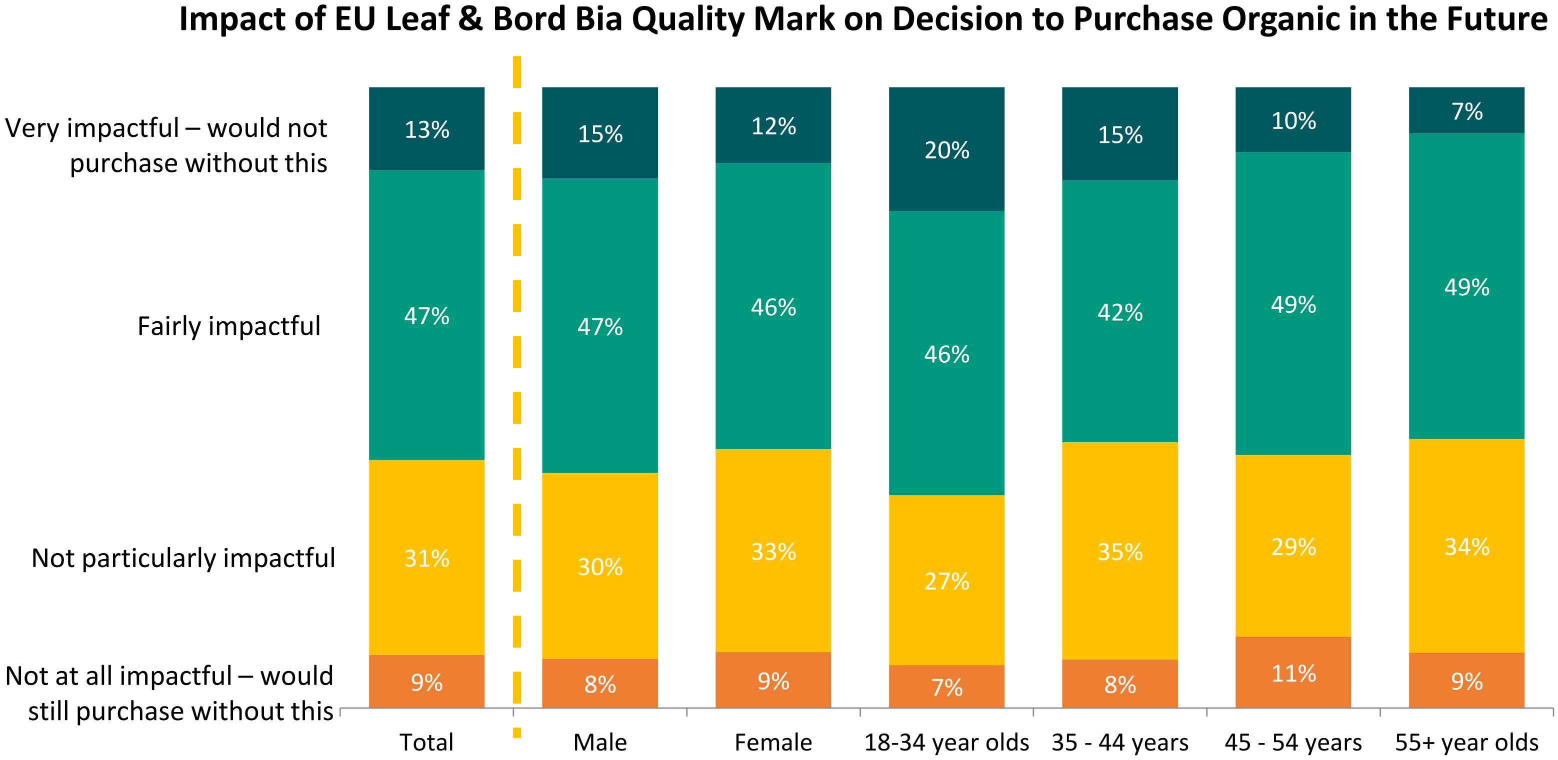
(Base: All Organic Buyers aware of EU Leaf Logo – DE n=1,500)



BORD BIA Thinking House

13% claim the EU Organic Leaf Logo & BB QM logo would be very impactful on their decision to purchase organic food and drink in the future

(Base: All Organic Buyers aware of EU Leaf Logo – DE n=1,500)



Key Takeaways – organic certification

1

2

GOOD AWARENESS OF ORGANIC LEAF

Almost 7 in 10 are aware of the EU organic leaf logo, in line with most other EU markets. High awareness evident of other logos also.

MODEST IMPACT OF ORGANIC LEAF ALSO

However, impact is relatively modest with just 13% claiming the EU organic Leaf Logo would be very impactful on their decision to purchase organic food and drink in the future

8. Key Takeaways

BORD BIA Thinking House

Back To Contents Slide

Key Takeaways 2

1
#1 EU ORGANIC MARKET

Germany is the #1 EU organic market in revenue, and has grown 106% over last from 2013-22, despite some small declines -4% in line with COL crisis.

2
IRISH ORGANIC CONSIDERATION

Considerations for buying Irish Organic in Germany is relatively high in most target categories so driving awareness and availability will be key to unlocking future growth for Irish Organic foods.

3
TARGET CONSUMER TYPES

Convenience Seekers and Pro-Active Seekers are key consumers to initially target to increase consideration of Irish Organic.

4
LEVERAGE IRISH CREDENTIALS + STANDARD PROOF

Organic can leverage and enhance the Germany consumer and buyer perceptions of Irish Food & Drink, especially when supported with proof of organic standards.

Thank You

BORD BIA Thinking House

empathy

futavista
Brand Progress Through Strategic Imagination