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Organic food sales on the rise

Sales in the US and western Europe are climbing, according to Rabobank



The organic food industry in western Europe and the US has been experiencing a prolonged period of high single-digit to low double-digit sales growth, according to a new report by Dutch market analyst Rabobank.

Sales have been driven by ongoing health, food safety, and environmental and animal welfare concerns by consumers, and Rabobank expects this trend to continue.

“Until 2025, organic food sales in western Europe and the US are forecast to grow (CAGR) by 6.7 per cent and 7.6 per cent, which is roughly three times faster than overall food consumption growth,” said John David Roeg, senior consumer foods analyst at Rabobank. “Food producers should increase their focus on organic, through new products and brands, or through the reformulation of existing products to help grow their top lines. This will also help them to position themselves as responsible businesses.”

Short-term growth in the US is somewhat higher, but a prolonged, much higher growth rate is unlikely, as the supply chain is currently not sufficiently established, the group noted.