

organic

Top 6



Sainsbury's

Sainsbury's organic sales are growing ahead of the market. Sales of its own-label SO Organic range jumped 17% year-on-year to more than £310m last year, with growth continuing in double digits this year. Its new soup lines, introduced in October, have proven popular with young lifestyles thanks to more exciting recipes such as Mushroom and Celeriac. A long-term strategy on sourcing has paid off and all organic fresh meat is now British. This year it will launch up to 60 new lines including summer lines.



Asda

Could this be the year that Asda gets its act together on organics? It was slow to integrate organic products into its conventional line-up, but in stores where it has done so sales have been "flying", it claims. Produce is now integrated, and fresh food will be by the end of the year. Asda includes organic lines in its Linksave promotions as part of a push to make organics an attainable everyday purchase for C1 and C2 shoppers. It predicts that by 2011 its market share in organics will match that of conventional.



Seeds of Change

"Seeds of Change is really coming up this year and seems to be becoming more mainstream," says Tom Greenwood, co-founder of sustainable brand strategist Scamper. The company ranks as the number one organic food brand in its main meal-operating categories (wet cooking sauce, pasta, soup) and it launched a new organic chocolate range late last year. In 2008, the brand is investing over £4m in a marketing campaign.



Honeyrose Bakery

West London-based organic baker Honeyrose is firmly positioned in the premium cake market and the company has developed a loyal following for its range of hand-baked muffins, cakes and cookies. It is listed in Waitrose and its products are also sold at events such as the Chelsea Flower Show. Honeyrose moves to its new £2.4m factory next month, quadrupling capacity, and expects that turnover (currently £2m) will double over the next 18 months.



Plum

Two years after its launch, Plum's decision to focus on "superfood" ingredients such as quinoa has seen it carve out a niche of its own against brands such as Organix and Hipp in the highly competitive organic babyfood sector. As one of the fastest-growing organic brands, Plum now has a 5% market share in the UK and had a retail sales value of £3.9m in 2007 [Nielsen]. A new toddler range is to be launched in September.

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organic store cupboard at home, it's the smaller brands that will deliver. We are the heartbeat of the business and that's why we're important."

In some categories these smaller brands have developed into big brands, even managing to keep own label at bay. Both Yeo Valley and Rachel's have done wonders for the category, according to the Soil Association.

Yeo Valley has just made it into the top five organic brands by spend – the only private brand to achieve such a status. Now it's targeting children's snacking and 'permissible treats'. It has added Yeo's, the first organic yoghurt packed in a tube and has also introduced a children's organic milk chocolate mousse. Its success has already encouraged the company to launch a range of new organic products across the new sector to benefit from the arrival of organic entries, says marketing director Ben Cull. "Consumers are prepared to spend a little extra on organic products, but in return they expect them to be better quality."

This sentiment is one with which Rachel's concurs. The feeling is that if it tastes good enough, people will still buy it. Rachel's has now ventured into the freezer cabinet with ice cream.

Kallo Foods is support-



Pesto – no longer to be left at the back of the fridge

Honeyrose organic handbaking

ing its Whole Earth and Kallo brands with a £2m investment in 2008. Whole Earth has added Choc & Nut Butter to its range with the intention of providing a strong performance in peanut butter last year when it delivered a 10% sales uplift.

Essential Trading reports that its new organic Fairtrade chocolate spreads are selling well. "The spreads are not just organic – they are Fairtrade and vegan," says sales and marketing director Eli Sarre, signalling a hat-trick of 'ticks' for ethical consumers. These sorts of innovative products will keep the organic market interesting.

One area in need of some spark is pesto. Seeds of Change is making a bid to revitalise the category with a packaging format of 4x100g

individual serve sachets of its Organic Green Pesto, designed to reduce waste. Essential Trading also has a new highly concentrated organic pesto which uses olive and rapeseed oil.

The drinks cabinet could do with similar innovation. Another sales has grown in the summer organics era. It still represents less than £28m in value [TNS].

There are good-quality organic wines available but most people haven't tried them. Regular wine buyers won't buy organic until there are a lot more out there," says Mintel's David Jago.

NPD in organics overall is low and just 1.1% of products on shelves are new, says TNS. It seems brands, large and small, are doing their best to address this, but it doesn't always work out.

One to watch ...

www.honeyrosebakery.com



Windmill Organics is adding to its existing range of Profusion brand superjuices by developing a complementary range of ambient organic smoothies, to be launched in the autumn. The new 'super smoothies' will initially be available in four variants: pomegranate, acerola cherry, acai and a 'green' smoothie featuring spirulina. The smoothies also contain raspberry, apple, blackberry, and mango.

Windmill faces stiff competition from Grove Fresh's and RDA Organic's organic fruit smoothies, and Innocent's non-organic superfoods smoothies, but Noel McDonald believes there's a market opportunity for an ambient range: "We've seen a bit of a gap in the market on the super smoothie side for an organic product with natural functionality. People take all kinds of supplements for health, but with these smoothies you are getting beneficial attributes directly from the food."

The new smoothies are packaged in 250ml glass bottles and McDonald expects pricing to be around the £1.90 mark. Shelf life is six months.

focus on...