

CONSUMPTION OF FOOD FROM ORGANIC FARMING

HOUSE 6

Products from organic farming¹ incorporate production methods that respect the environment and animal welfare, and meet the demand for healthy and high-quality food (in terms of taste, absence of pesticide residues, etc.). Based on ecological convictions, the consumption of organic products has allowed the development of a market in its own right.

A growing market

According to the GfK² consumption surveys, expenditure by Walloon households on organic food products amounted to €238 million in 2015 (+17% compared to 2014), representing a market share of 3.5% of total expenditure by Walloon households on food (+18% compared to 2014). Demand for organic food products increased in almost all segments over the period 2011-2015, with meat substitutes³, eggs and vegetables remaining in the top three.

Supermarkets, the preferred retailers

In 2015, 47.1% of organic food was purchased in general supermarkets, 22.7% in specialist organic stores, 5.8% in hard discount stores, 4.9% in hypermarkets, 3.8% in markets, 3.3% in farms and 12.4% elsewhere (health food stores, butchers, etc.).

A small number of "major consumers"

The surveys also reveal that in 2015, 80.1% of expenditure by Walloon households on organic products was made by 20% of Walloon households that are regular consumers of this type of product. In addition, the purchases made by these households reached €659 on average per household, out of a total annual food budget of €6,746. In comparison, households belonging to the "occasional buyer" category (50% of households in the panel) spent €22 out of a

total annual food budget of €4,873.

Determinants of consumption

The level of consumption of these products depends on a number of factors. However, the analysis of the consumer profile shows that the organic market is driven by households with above-average incomes, middle-sized households (2 to 3 persons) and households with a reference person over 50 years of age.

Falling differences in price

Price differences, more or less pronounced depending on the products, persist between organic and equivalent conventional products. These price differences are accounted for *inter alia* by the specific nature of the production processes in organic farming. For certain food categories, such as milk and potatoes, price differences have decreased significantly since 2008 while the opposite trend has been observed for poultry and apples.

[1] Products produced from production methods complying with the rules laid down in Regulation (EC) No 834/2007 | [2] GfK, 2016a | [3] Soya-based products, vegetarian burgers, etc.

Fig. HOUSE 6-1 Market shares of organic foodstuffs in expenditure by Walloon households, by segment

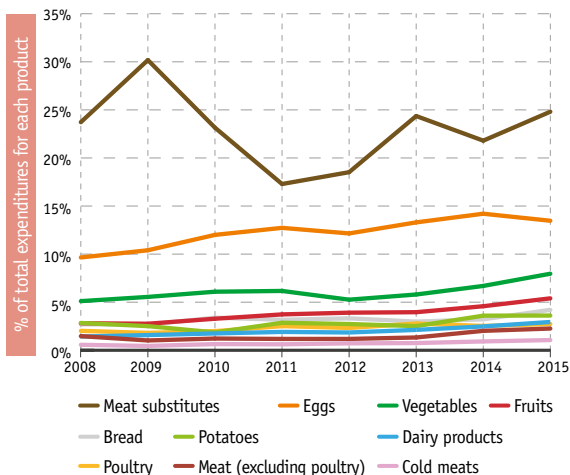


Fig. HOUSE 6-2 Average price differences between organic and non-organic* foods in Wallonia

