

6 in 10 Australians buy organic

» New research finds 'Organic food is part of the shopping basket for nearly 6 in 10 Australian households.' **By Jan Nary**

Organic produce is establishing itself firmly in the Australian marketplace with new research revealing that nearly 6 in 10 Australians buy organic at least occasionally. This and many other valuable findings have emerged from a recent survey of 1,001 adult Australians conducted by leading Australian social and market research company Mobium, on behalf of the Biological Farmers of Australia (BFA) in March of this year.

The report finds that while most shoppers are occasional (47%) rather than regular (12%) purchasers, organic food makes up a part of the grocery shop of nearly 60% of shoppers in Australia, up from 40% in 2004 (Lockie et al. 2004).

This new research builds on benchmark data published in the Australian Organic Market Report last year (BFA 2008), which revealed the organic sector experienced strong growth, despite widespread drought, with farm gate sales rising by over 80% in the four years since last reported in 2004. Meanwhile, the retail value of the sector for the first time passed the 0.5 billion mark, reaching \$623 million in 2008.

Perceived benefits of organic

For respondents of the Mobium survey, 'increased nutrition' (49%) and 'better taste' (44%) rated high on the list of perceived benefits of organic food. The greatest



recognised benefits however were along the line of what is precluded from organic food. Shoppers see the principle organic advantages being free from chemicals, additives, GMOs, hormones and antibiotics (64% - 82%).

Barriers to buying more organic

When indicating the barriers to purchasing more organic, shoppers responded that cost is a major deterrent (82%), followed by availability (54%).

The Australian Organic Market Report shows that the organic sector has seen a vast improvement and maturation of the supply chain aided by Australian supermarkets increasing the availability and range of organic produce in-store, (over 500 lines now ranged in some larger stores). (BFA 2008) As economies of scale reduce the cost of production and handling this will no doubt continue to see the margin between organic and non-organic produce become smaller and organic more affordable in future.

The importance of adoption of certification to trusted organic standards, and promotion for recognition of organic

certification logos, is underlined by more than half of respondents (54%) indicating that trust of organic labelling is an issue, and 43% have difficulty with identifying if a product is organic.

However, on a more reassuring note, just a quarter of respondents are unsure that organic is healthier and under 20% are unconvinced that it is better for either the environment or animal welfare. While these figures are encouraging, BFA views the gap in awareness of these benefits as an ongoing challenge for the year ahead. Further and future tracking data will help follow the closing of this gap based on the promotional and educational campaigns planned by BFA over the coming year.

Recommendations

The report makes recommendations that there are two main opportunity gaps available to the organic industry to increase its overall sales. One, "to further engage with and up-weight purchase amongst 'occasional' users", and number 2, "to attract new users to organics". Option 1 would seem "to provide the best return on investment for the Industry as these consumers are already

LIVING LOHAS

In 2007 and 2008 Mobium Group undertook national consumer research study Living LOHAS®. LOHAS stands for Lifestyles of Health and Sustainability, a term used to describe those who seek to integrate healthier, more sustainable product and service options into their lives and who are identified by their values and world view rather than traditional demographics. This market is growing at more than 20% annually and in Australia is conservatively estimated to be worth \$21 billion by 2010.

The New York Times referred to LOHAS as the "biggest market you've never heard of".

For further information visit www.mobium.com.au.

engaged to a greater or lesser degree."

BFA General Manager Holly Vyner says "This new research lights the way forward for educating the marketplace about the benefits of organic produce. Armed with clearly defined purchase barriers and awareness gaps, attempting to address these will be crucial to increasing organic sales potential, and to setting organic produce apart from non-organic food as well as unsubstantiated "green" and healthy label claims.

When the choice is an informed one, organic is the natural choice," she says.

References:

- Mobium Group March 2009. *GreenTracker Partner Program Biological Farmers of Australia*
- Lockie, S. and Donaghy, P. 2004. Who consumes organic food in Australia? In: Halpin, D. (ed.) *The Australian Organic Industry. A Profile*. Department of Agriculture, Fisheries and Forestry, Canberra. Pp. 94-105.
- University of New England 2008, *Australian Organic Market Report*. Biological Farmers of Australia.
- IBISworld, 2008: *Foods of the future: Australian shopping baskets in 2013*. <http://www.ibisworld.com.au/pressrelease/pressrelease.aspx?prid=142>.

AUSTRALIAN CERTIFIED ORGANIC officially the most recognised organic logo

A further outcome of the Mobium Group research is confirmation that the Australian Certified Organic distinctive 'Organic Bud' logo is the best-recognised organic logo by shoppers in Australia.

In a question which prompted consumer recognition of the six national certification company logos accredited by government body AQIS (Australian Quarantine Inspection Service), the survey found that 22% of all respondents recognised the 'Bud', being nearly twice the recognition of that of any other Australian organic logo.

In addition to this, amongst a list of twenty-nine widely divergent and intensely promoted eco-labels – including the five-star Energy Rating, World Wildlife Fund, Landcare and Greenpeace - the 'Bud' ranked thirteenth overall.

BFA's General Manager Holly Vyner says "This report is encouraging as it shows an 11% growth in recognition of the 'Bud' logo in just one year since the last Mobium report."

Ms Vyner says BFA is working with the media, retailers and others to increase awareness about organic which will not only benefit 'Bud' brands, but the industry overall. <<◆



What it takes to win in organic Australian triathlete is building business

» **Nici Andronicus** is guest speaker at BFA's Organic Networking Night.

Nici Andronicus is an impressive Australian on many levels. From a position as one of the world's leading triathletes she has gone on to raise a family of five children and set up a business in the rapidly expanding organic food industry. The same energy and focus that she brought to her sport has ensured her the same level of success in business. She will be sharing her story – the highlights, the challenges, the hard slog and the successes – at a special organic networking dinner held by the Biological Farmers of Australia (BFA) on 17th September at Brisbane's Watermark Hotel.

Nici represented Australia in Modern Pentathlon and Triathlon for a decade, racing internationally to become the world #2 in 1997. During this time she graduated from the University of Canberra with a Bachelor of Arts in Sports Administration, majoring in marketing and public relations, worked in marketing for *Girlfriend Magazine* and was a PR consultant. Retiring from professional sport, Nici became the Director of Media and Marketing for the International Triathlon Union with Sportsworld Media Group in London.

Her achievements since then are just as

inspiring; as the mother of five gorgeous children ("every mother is allowed to say that about her babies") she is now the Founder and Executive Director of *Organicus*, which produces a range of certified organic soups, breakfast cereals, compotes, jams, trail mix and banana bread.

Organicus, with its commitment to cooking with conscience, working with the seasons and making organics easy for food service, now supplies produce to more than 20 Accor hotels around Australia and over 70 Sumo Salad stores.

The *Organicus* soup isn't the only warming ingredient in the Sumo story; a percentage of all *Organicus* soup sales is being donated to the Victorian Bushfire Appeal.

It's not surprising that Nici is so passionate about organic food; she comes from a family tradition in food and as an athlete learned a lot about optimal nutrition. Having a family and then dealing with her husband's cancer of the tear gland reinforced her commitment to providing fresh food and a varied, balanced diet as the most effective way to build resistance.

"I'm very excited to be meeting so many



industry representatives at this dinner", Nici says.

"I imagine that there'll be lots of inspiring stories and that many new opportunities will present themselves. Making new connections is always good for business!"

Organic Networking Dinner, Brisbane, NSW

Date: 17th September 09' Time: 6:30pm

Where: Watermark Hotel, 551 Wickham Terrace, Spring Hill, Brisbane

Special Guest Speaker: Nici McClean (Andronicus) former tri-athlete, mother of five and owner of *Organicus*

Cost: \$30 members, \$40 non-members for a standing organic dinner incl red/ white organic wine and drinks

Information and bookings:

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