

US organic fresh produce retail sales were nearly \$5 billion in 2017

Buoyed by strong consumer demand, sales of organic fresh produce items reached nearly \$5 billion in 2017, an 8 percent increase from the previous year according to data released by the Organic Produce Network (OPN) and Nielsen. Overall, nearly two billion pounds of organic produce were sold in grocery stores last year, which is a 10 percent volume increase from 2016.

Partnering with Nielsen, OPN’s review of 2017 organic fresh produce sales at retail stores across the US shows dollar sales of organic fresh vegetables were \$2.4 billion, while organic fresh fruit sales topped \$1.6 billion. A near \$1 billion in organic value added produce items brought total sales to \$4.8 billion in 2017.

Overall from last year, 2017 sales of organic fruit volume and dollar sales were up 12.6 percent from 2016, while organic fresh vegetables sales showed a four percent increase in dollar sales and a six percent increase in overall volume.

Organic packaged salad was again the leading organic fresh produce item sold last year, approaching \$1 billion in sales. Packaged salad still accounts for one in five organic dollars, but the 2.3 percent growth rate was below the department average.



OPN/Nielsen 2017 Organic Fresh Produce Sales Recap

Category	2017 Dollar Share of Organic Produce	2016 Dollar Share of Organic Produce	Dollars % Change	Volume % Change
Packaged Salad	18.6%	19.6%	2.3%	4.5%
Berries	12.1%	10.7%	21.9%	21.6%
Herbs, Spices and Seasonings	6.2%	5.9%	14.7%	15.2%
Apples	6.1%	6.4%	2.4%	11.4%
Beverages	5.9%	5.8%	8.8%	11.2%
Bananas	5.4%	5.1%	13.9%	17.5%
Carrots	5.2%	5.5%	1.5%	2.8%
Value-Added Vegetables	3.6%	3.7%	2.5%	3.1%
Lettuce	3.4%	3.6%	2.2%	-0.1%
Tomatoes	3.1%	3.5%	-2.1%	3.1%

Source: Nielsen FreshFacts 52 Weeks Ending 12/30/2017

The most notable growth occurred within organic fruits, led by the 22% increase in organic berry volume sales. Not far behind was the growth of bananas and apples. Organic berry sales, which include strawberries, blueberries and blackberries, topped \$586 million in 2017, with volume up 22 percent from last year. Organic apple and banana volume increased 11 and 17.5 percent respectively last year, while the average retail prices for each category went down eight and three percent.

“What’s most impressive about these two categories is the growth they were able to achieve in organic despite stagnant or declining conventional fresh produce sales. This also highlights that even the most mature categories have opportunity to grow the consumer base and sales through an organic offering,” said Matt Seeley, co-founder and CEO, of Organic Produce Network. “Not many product groups can claim double-digit growth in today's competitive environment which reinforces the power and importance of organic produce.”

Rounding out the top five was double-digit growth from organic fresh produce beverages and the herb and spices segment.

“Potatoes, grapes and citrus all rank in the top 10 for conventional sales but fail to crack the top 10 in organic sales which shows that some categories still have opportunity for an increased market presence,” said Matt Lally, an associate director at Nielsen. “Understanding and setting pricing strategies between conventional and organic varieties is critical for success. People will pay a premium for organic, but at some point they will trade to conventional or out of the category all together.”

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