THE FRUITS AND VEGETABLES INDUSTRY SERIES

14 September 2021

Session N°1

Market trends and prospects of a dynamic sector

COLEACP

INTERNATIONAL YEAR OF FRUITS AND VEGETABLES 2021

OECD

FRUIT AND VEGETABLES SCHEME

Fruit & Vegetable market trends

Frédéric Rosseneu

COLEACP-OECD online session "The Fruits and Vegetables industry: market trends and prospects of a dynamic sector“

14 September 2021

GREENYARD

for a healthier future

Greenyard at a glance

Global player in fruits & vegetables and the only player active in all segments: **fresh, frozen & prepared**

26 Distribution centres for fresh fruits & vegetables
11 Production sites for processed fruits & vegetables

Circa **9.000 employees**

Supplier of the **largest retailers and their customers**, sales in **more than 80 countries**

Turnover of more than **4 billion euro**

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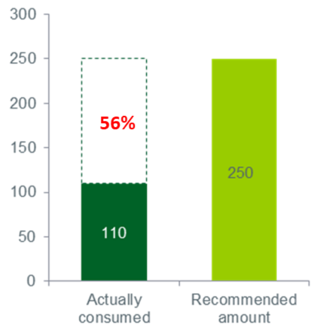
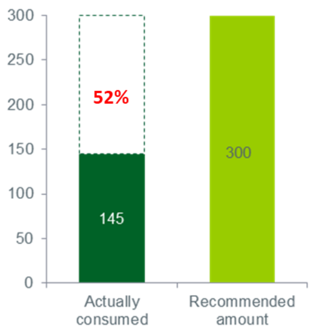
Underdeveloped consumption of F&V offers potential to reduce rising societal costs linked to obesity, …

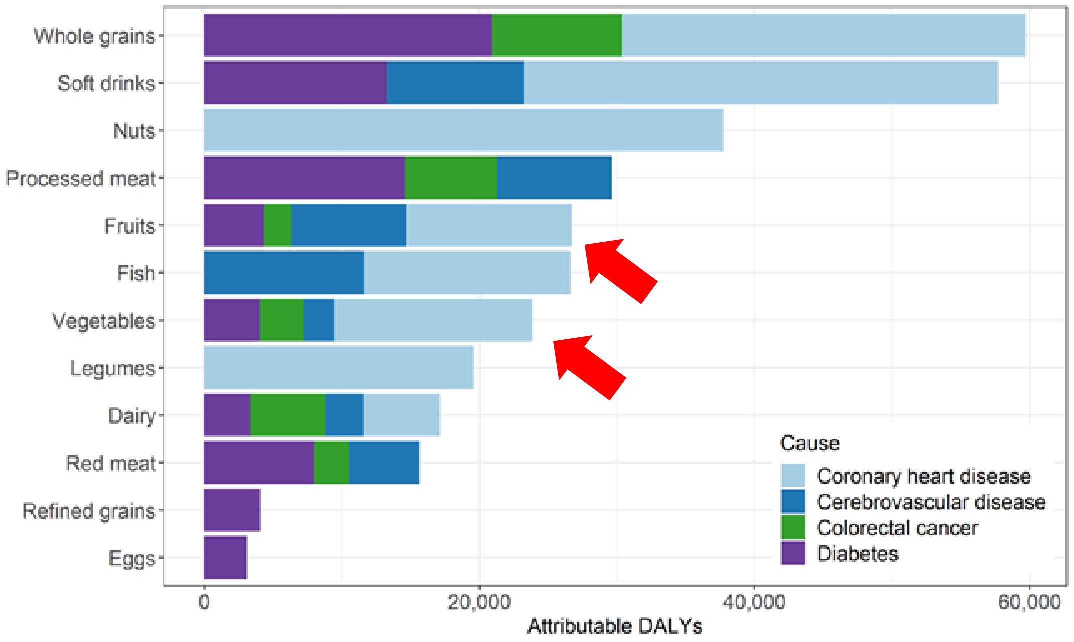




Source: BE Voedselconsumptiepeiling 2014-15

Diet-related risk factors

Underconsumption F&V responable for the annual loss of >50,000 healthy life years in Belgium



Source: Global Burden of Disease 2019

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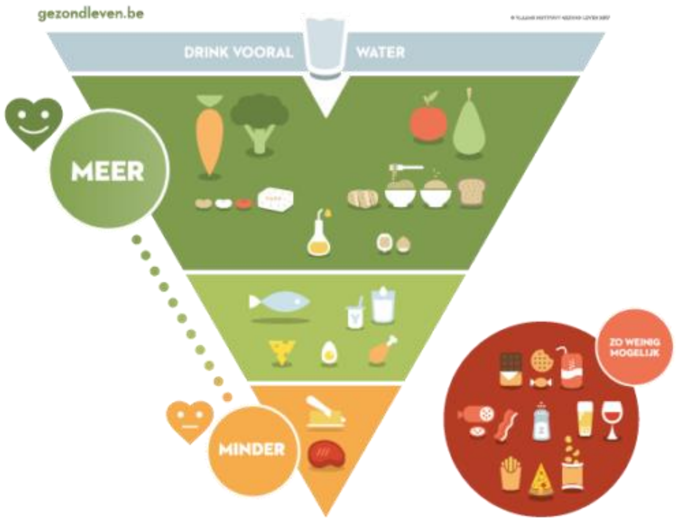
Increasing consciousness & actions by public authorities ...

Awareness measures



Update Vlaamse voedingsdriehoek 2017

Introduction voluntary labelling schemes

Fiscal incentives

Active intervention

EUROPEES school fruit PROGRAMMA

KIES keurig Voedingsbeleid op school

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... but more could be done to incite low-income households

INSPIRATION FROM US ACTIVE INTERVENTION SCHEMES SUCH AS SNAP AND WIC?

Light buyers are mainly composed of low-income households, whose consumption is further declining

Heavy buyers 20% kopers, 46% volume	Medium buyers 30% kopers, 34% volume	Light buyers 50% kopers, 21% volume
110,4 x	75,4 x	38,6 x
177,29 kg	87,12 kg	32,48 kg
€ 481,90	€ 245,31	€ 100,01

Source: GfK Nederland (annual vegetable purchases per buyer)

Inspiration from USA

SNAP Supplemental Nutrition Assistance Program

Putting Healthy Food Within Reach

CALIFORNIA WIC WOMEN, INFANTS & CHILDREN

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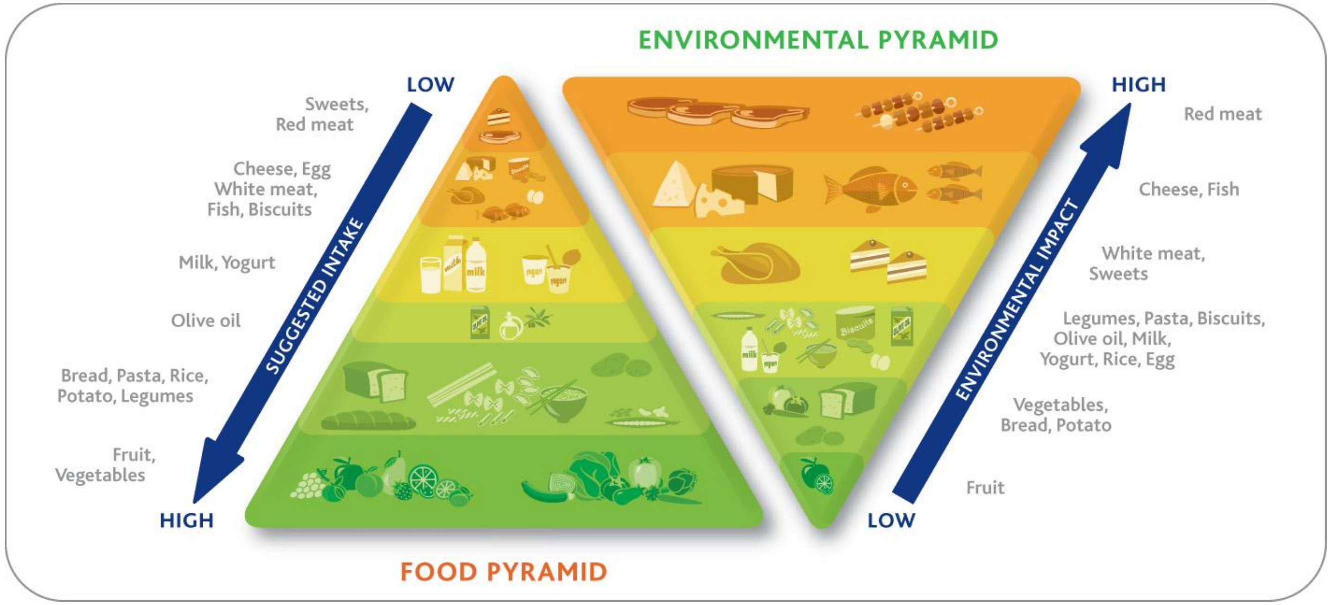
Increased F&V consumption also benefits the environment

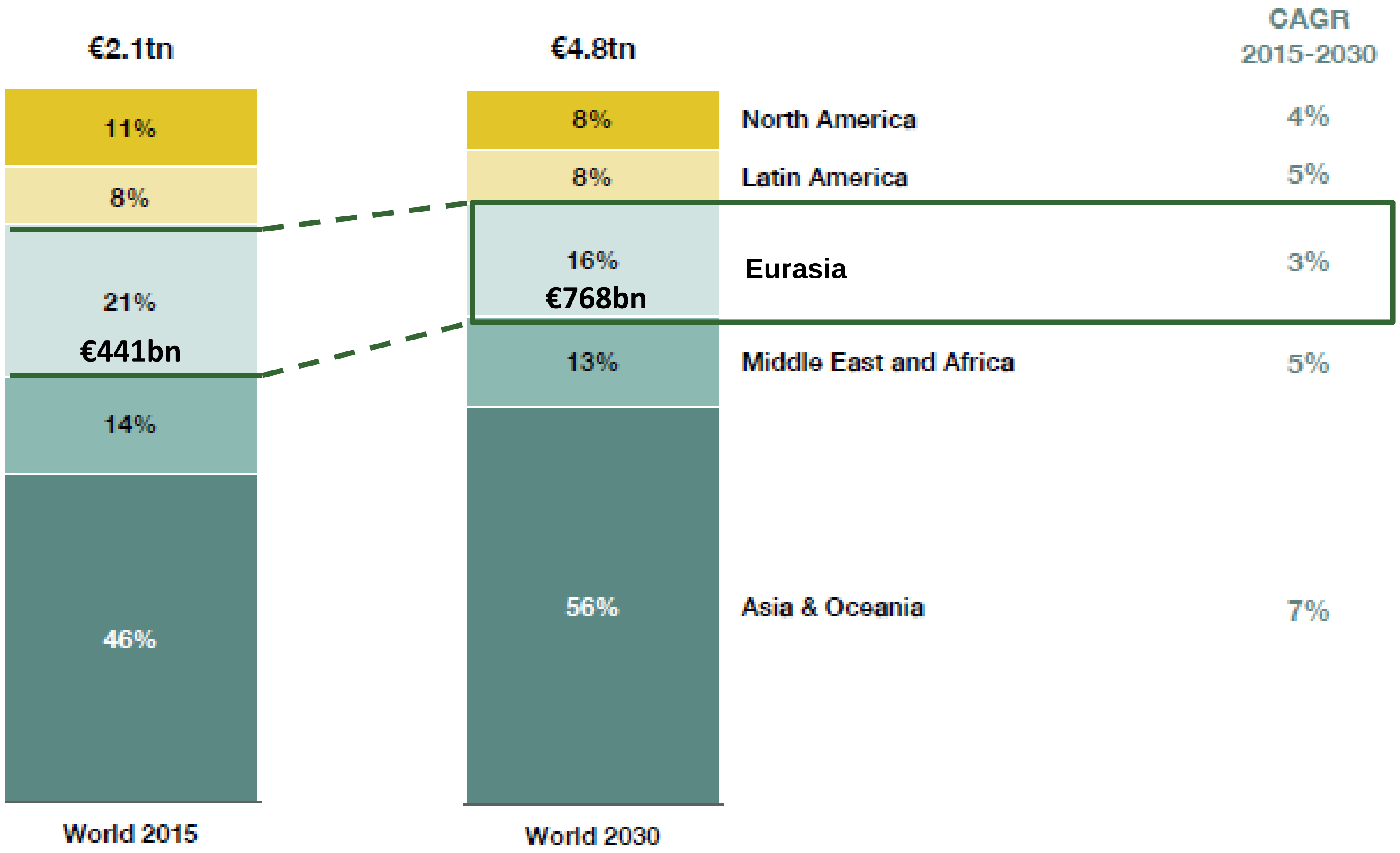


Source: Barilla center for food & nutrition

Source: WWF

Worldwide significant future growth in consumer spending on F&V

Main growth drivers:
- Population growth
- Per-capita GDP growth
  => healthier food choices



CONSUMER SPENDING ON FRUIT AND VEGETABLES GEOGRAPHY DYNAMIC, 2015-2030 (TRILLION EUROS)

Source: Passport Euromonitor, Oliver Wyman research and analysis

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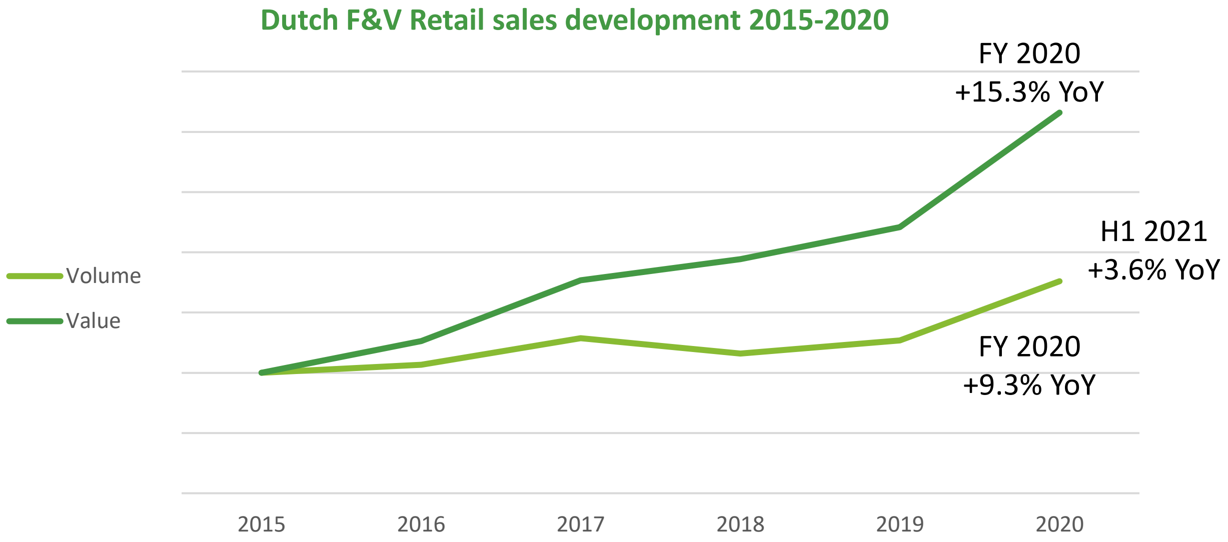
Case study - NL Market development

FROM 2015-2019 F&V SALES HAVE GROWN BY 4.4% ANNUALLY, WHILE VOLUMES GREW BY 1.1%, DRIVEN BY MORE VALUABLE CATEGORIES

COVID-19 LOCKDOWNS DRAMATICALLY INCREASED RETAIL SALES DURING 2020, FIRST HALF OF 2021 RECORDS CONTINUED GROWTH



Vegetables	2020	2019	2015
Penetration	99.5%	99.5%	99.5%
Purchase frequency	87.2x	85.1x	79.7x
Volume per buyer (kg)	92.6	83.8	78.8
Price (€) per kg	3.07	3.03	2.63

Fruit	2020	2019	2015
Penetration	99.0%	98.9%	98.7%
Purchase frequency	64.1x	63.2x	59.1x
Volume per buyer (kg)	100.5	94.4	96.5
Price (€) per kg	2.47	2.25	1.88

Source: GfK Nederland 2020

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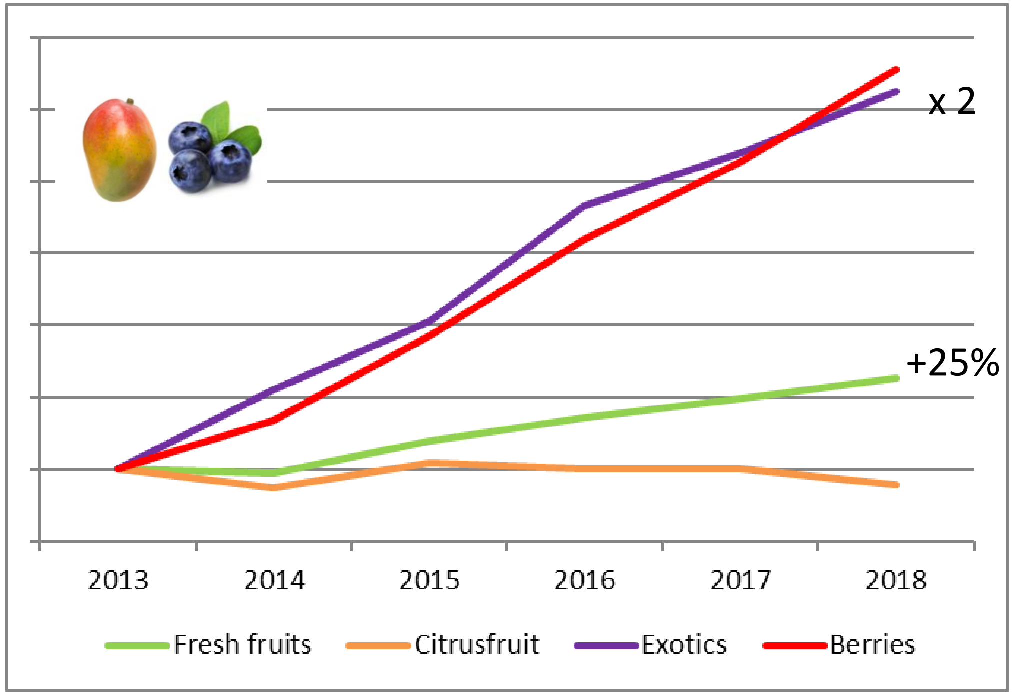
Fresh segment: product assortment trading up

INCREASING SALES DRIVEN BY MORE VALUABLE BERRIES, EXOTICS, SNACK VEGETABLES, …

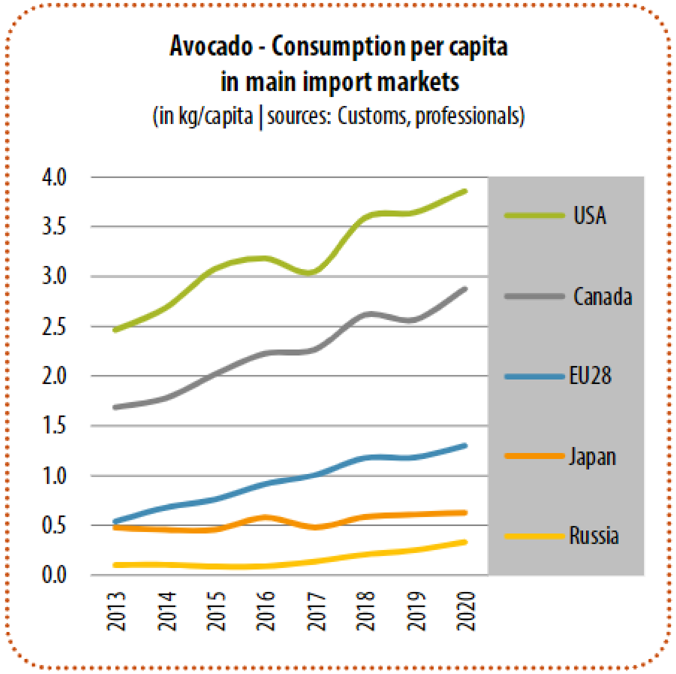
NL Retail sales development 2013-2018



Ripened exotics & 'on-the-go' blueberries supported by convenience trend - 26% of total segment

Source: IRI Netherlands 2019, excl. Aldi & Lidl

EU avocado consumption



Source: Fruitrop Magazine

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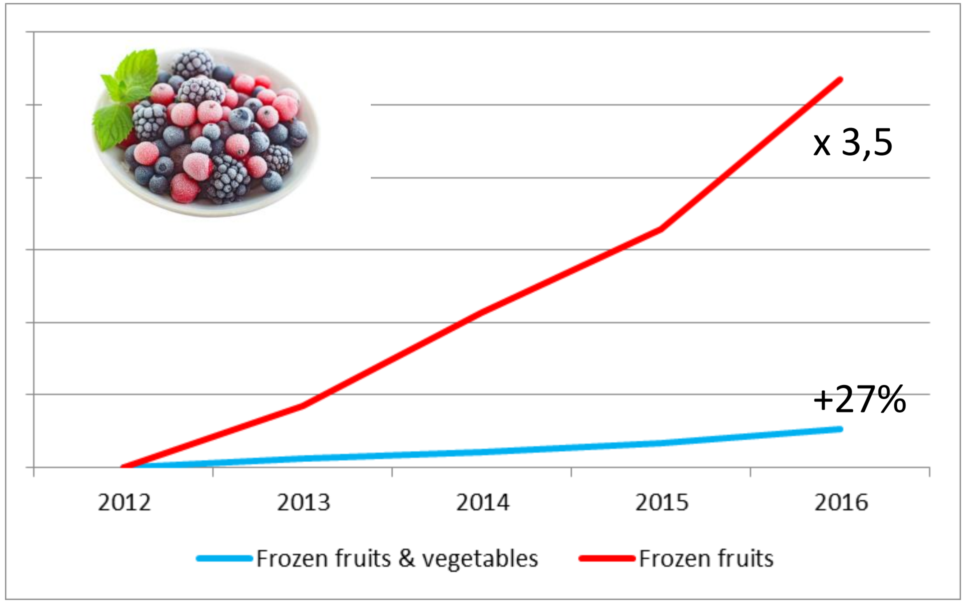
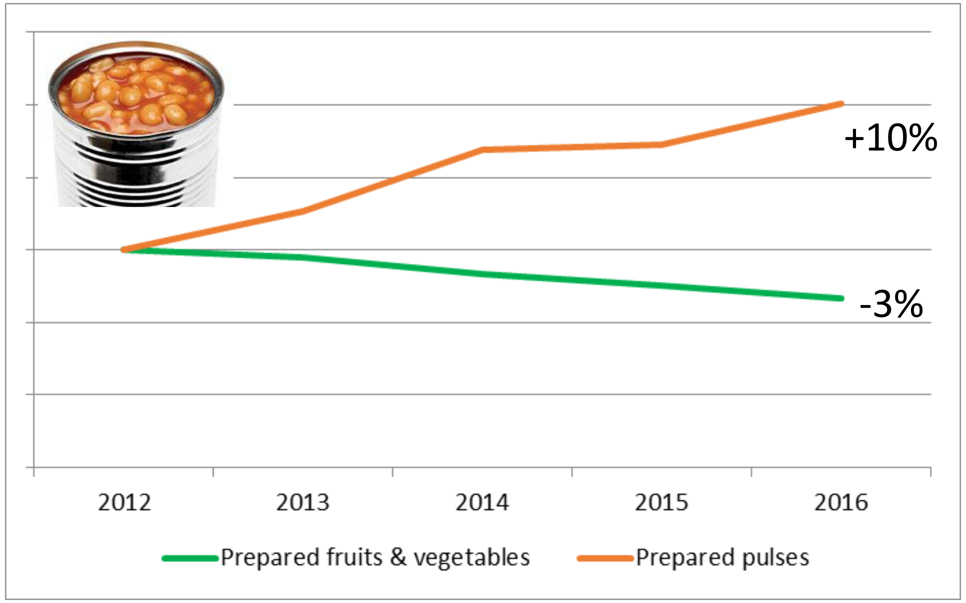
Long Fresh segment: new growth categories

COMMODITIES STAGNATING, BUT CLEAR GROWTH CATEGORIES WITHIN FROZEN AND PREPARED

NL Retail sales development 2012-2016



Frozen fruits banking on smoothie trend
35% of total segment



Pulses banking on popularity meat alternatives
18% of total segment

Source: IRI Netherlands 2017, excl. Aldi & Lidl

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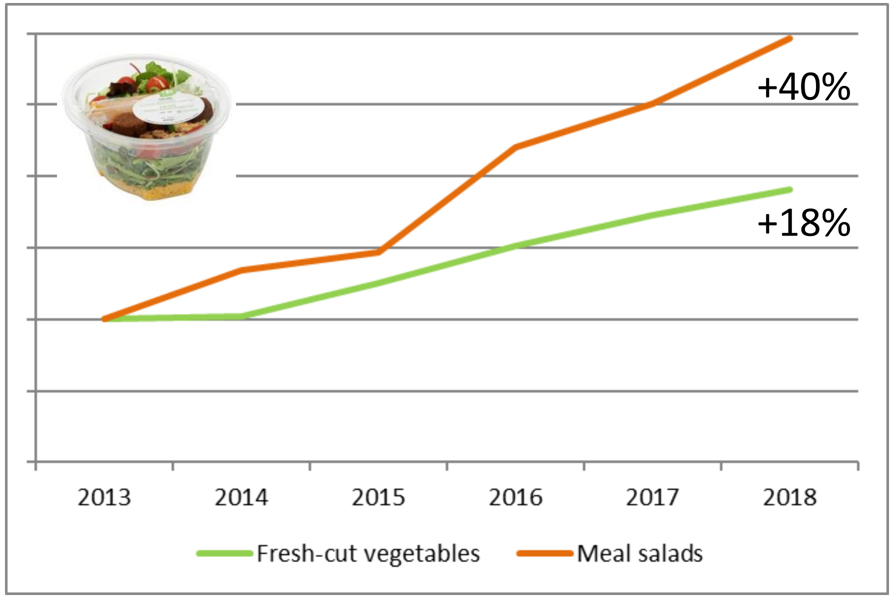
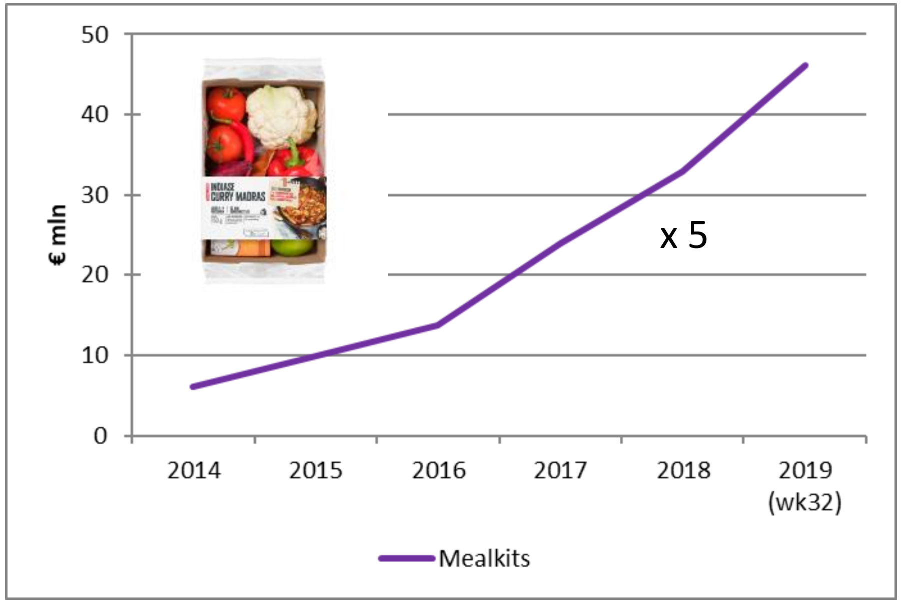
Convenience opportunity: Fresh segment

WHILE WHOLEHEAD PRODUCTS STAGNATE, CLEAR GROWTH IN CONVENIENCE SOLUTIONS

NL Retail sales development 2013-2018



Meal salads banking on 'on-the-go' trend
13% of total segment



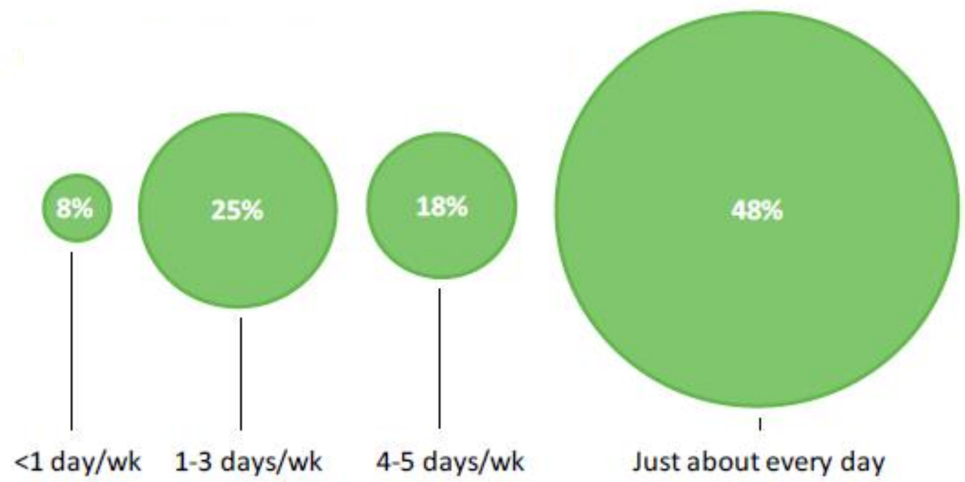
Taking care of "What's for dinner?" for the consumer
Mealkit sales have grown 5-fold

Source: IRI Netherlands 2019, excl. Aldi & Lidl

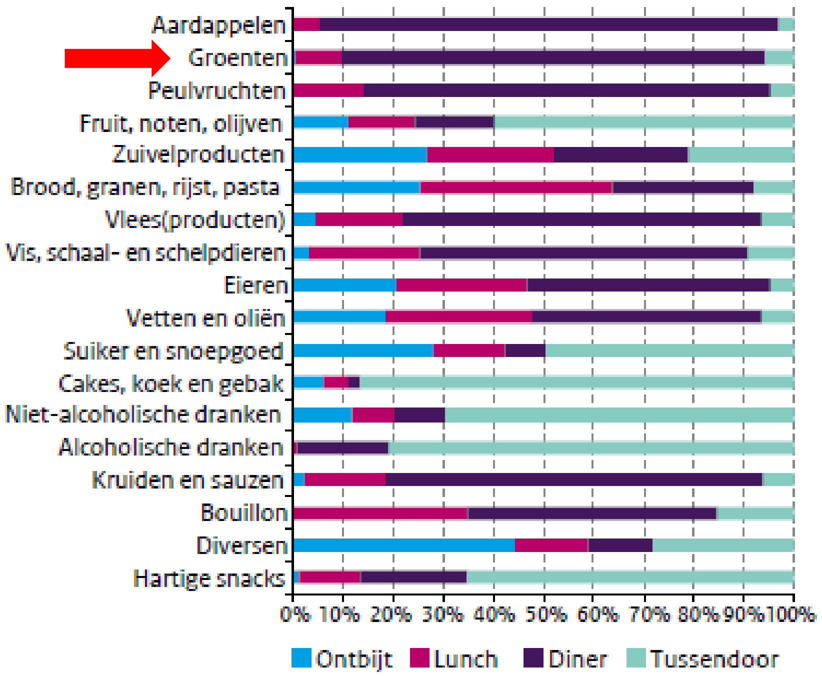
Room for growth in consumption occasions

BOTH IN CONSUMPTION FREQUENCY AND NEW CONSUMPTION MOMENTS (E.G. VEGETABLES FOR BREAKFAST OR SNACKING)

F&V consumption frequency



F&V consumption by eating moment



Source: BE Voedselconsumptiepeiling 2014-15
NL Voedselconsumptiepeiling 2012-14

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Consumer centric innovation

R&D AND MARKETING TEAMS LOOK FOR NEW PRODUCTS, RECIPES AND CONCEPTS TO LET THE CONSUMER FULLY ENJOY DELICIOUS FRUITS AND VEGETABLES IN ALL THEIR FORMS

Sustainability

What's for dinner

Convenience

KISSABEL
I'M RED INSIDE

Tastier

Healthier

GREENYARD

To make lives healthier

by helping people enjoy fruit and vegetables

at any moment, easy, fast and pleasurable

whilst fostering nature.

GREENYARD

for a healthier future

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FRUITS AND VEGETABLES
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Thank you

This series of events is organised by the OECD Fruit and Vegetables Scheme and COLEACP.
COLEACP operates within the framework of development cooperation between the Organisation of African, Caribbean and Pacific States (OACPS) and the European Union (European Development Fund – EDF), with the support of the French Development Agency (AFD).