



# **Agribusiness 2019**

Creating a resilient Agri-food supply chain



**Agribusiness 2019**

**Creating a resilient  
UK Agri-food supply chain**

Consumers' diets are  
changing.

What impact will this have on  
the agri-food supply chain?

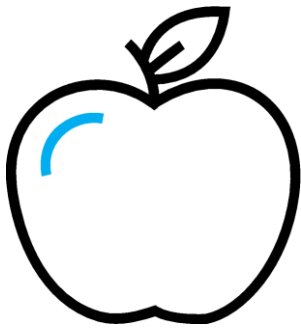
**Gemma Cooper**

*Commercial Business Partner, Nielsen*

 #Agribiz2019



# “HEALTHY”



In a **good physical or mental condition**; in good health

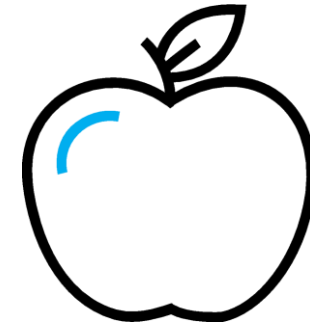
(Of a part of the body ) not diseased

Indicating or promoting good health

Normal, natural, and desirable

Of a very satisfactory size or amount

# Health takes on many forms in the world today



Over half of shoppers  
seek **HEALTHY** grocery  
products

# Once all about Organic, now all about Free From



**ORGANIC**  
worth **£1.5b**

**+3.2%** over last  
3 years

**1.4%** of total  
store sales



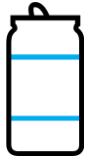
**FREE FROM**  
worth **£1.75b**

Up **+£510m** over  
last 3 years

**1.5%** of total  
store sales

# Free From gaining traction and will continue to grow

Total Free From worth £1.75b



Cola  
**£1.59b**

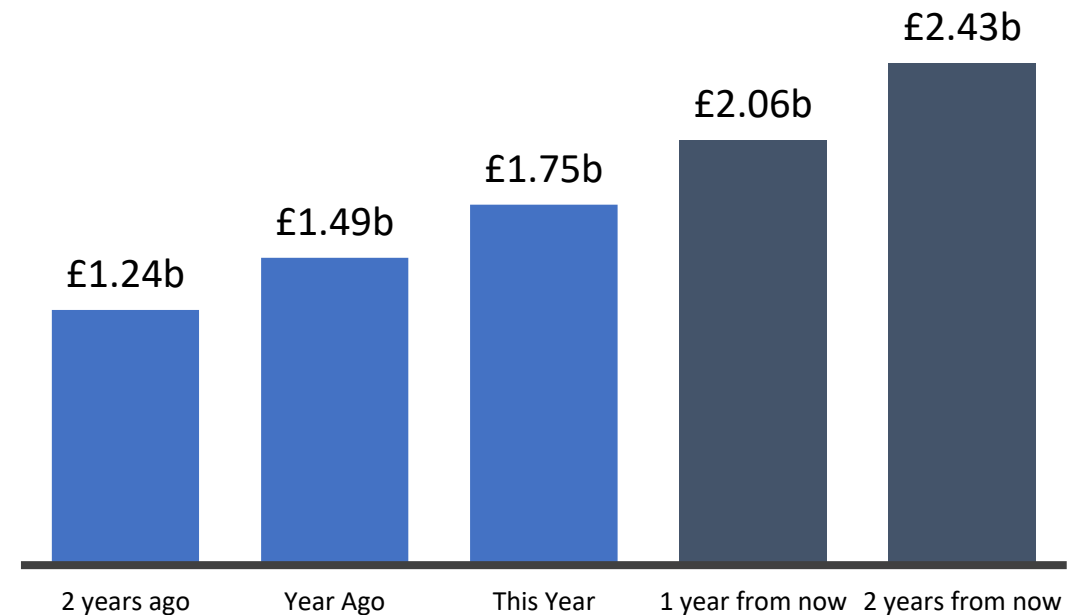


Hot  
Beverages  
**£1.74b**



Poultry  
**£1.63b**

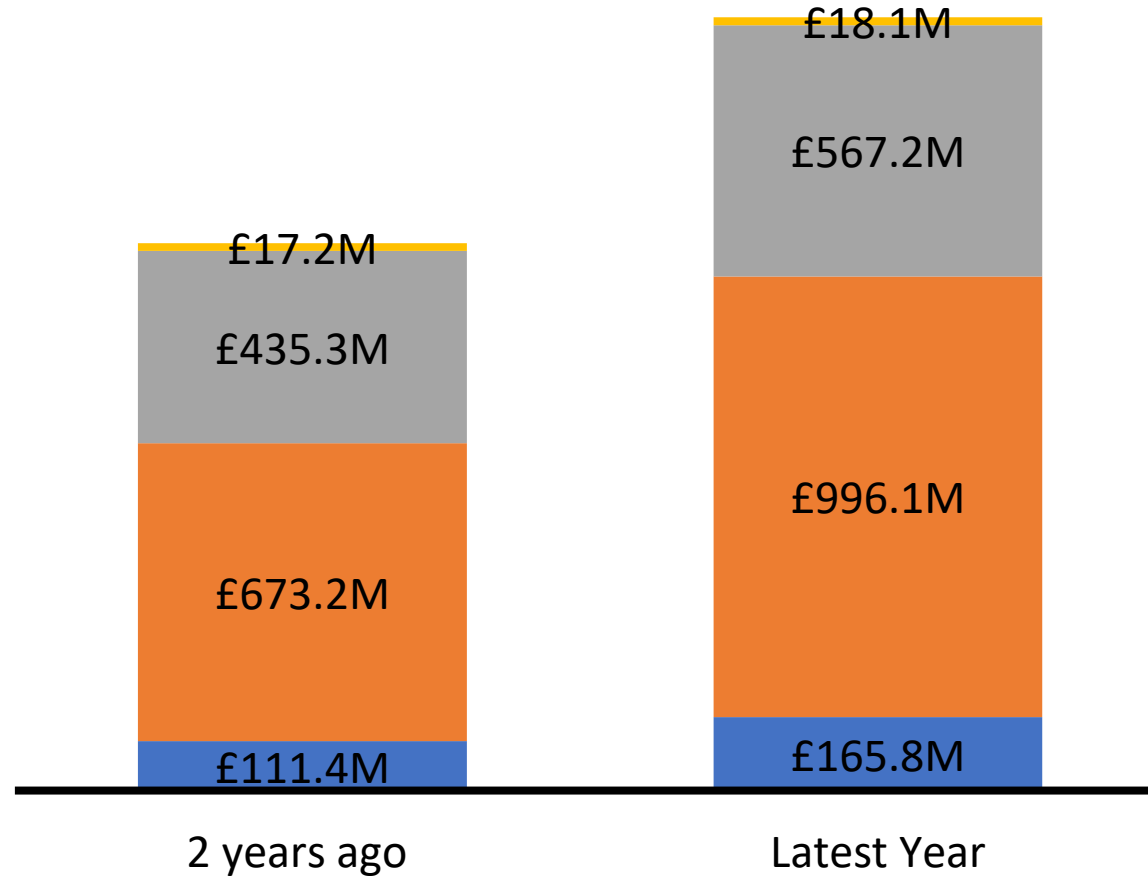
Value (£) of Free From in FMCG



# Gluten Free continues to dominate total Free From



**Gluten Free**  
largest £ growth  
over last 3 years  
**+£323m**



**Dairy Free**  
fastest % growth  
over last 3 years  
**+49%**

■ Dairy Free ■ Gluten Free ■ Wheat Free ■ Multiple Claim

# No surprise 2 out of top 3 categories are Gluten Free

## Value size of Free From categories

#1

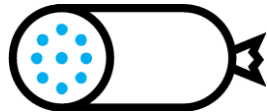


**GF Baked Beans**  
**£142m**



*“Heinz Banz are gluten free - so you can enjoy the great taste of Heinz Banz”*

#2



**GF Fresh Sausages**  
**£142m**

#3



**DF Milk**  
**£125m**

*“The full range of HECK products are gluten-free”*



Source: Nielsen Scantrack data 52 weeks ending 29.09.18 vs YA

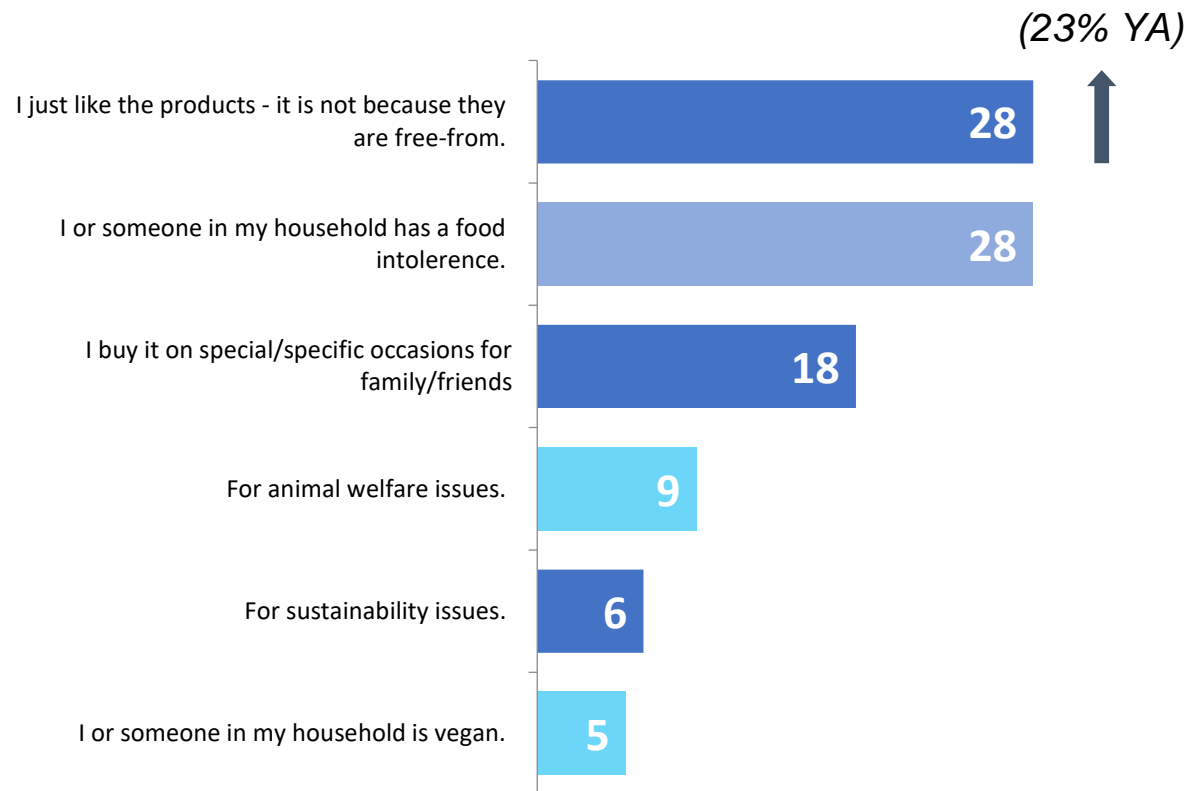
Source: <https://www.heinz.co.uk/Products/Beans/FAQ>

Source: <https://www.heckfood.co.uk/>

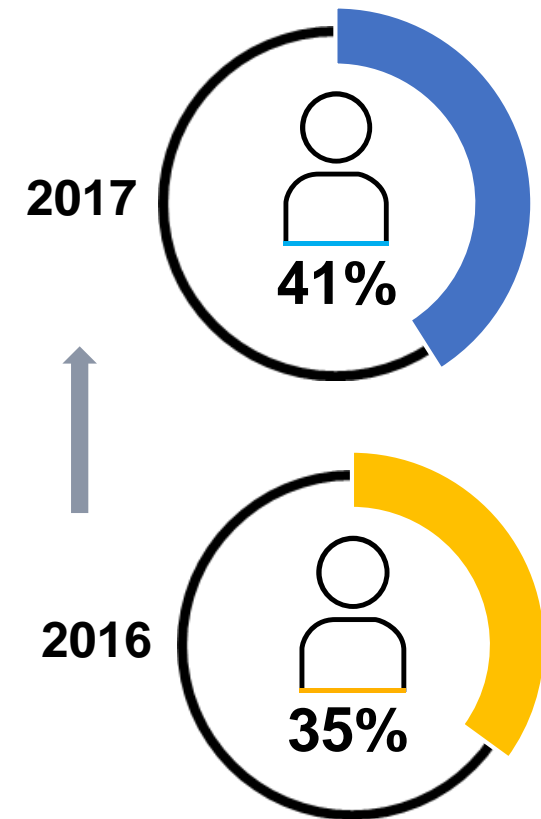


# More people enjoy the taste of Free From products

## Top Reasons for buying Free From

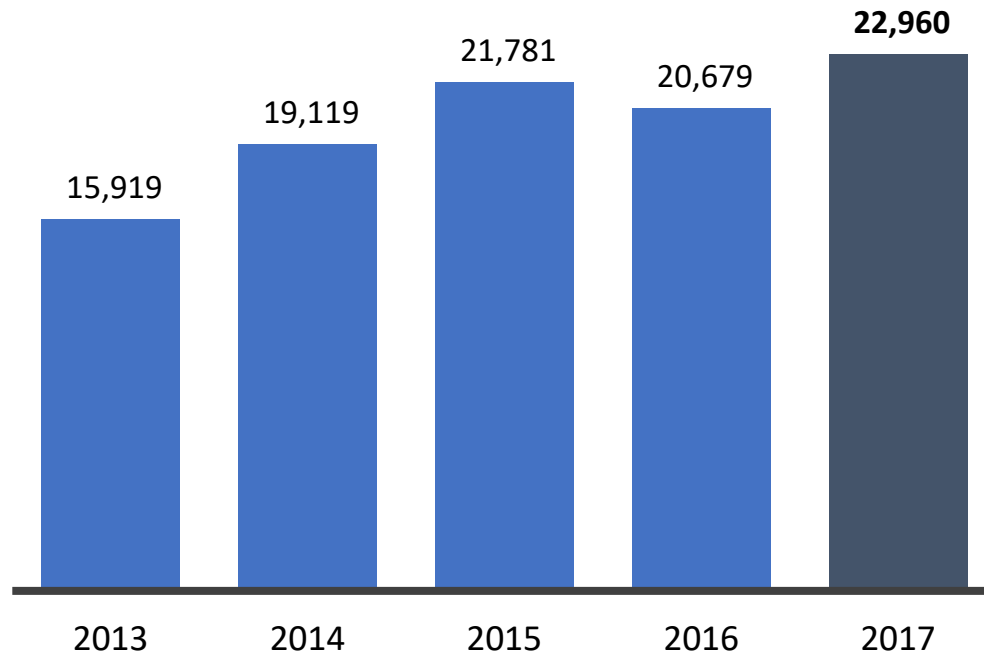


## % Households who buy Free From



# Easier to find in stores as more space is given

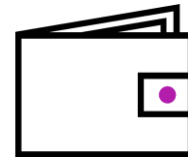
Number of Products with Free From Claims



# What are the retailers doing?

# Top 4 supermarkets dominating in Free From

All but Asda over index in their Free From share vs market share



62% share of  
FMCG



71% share of Free  
From

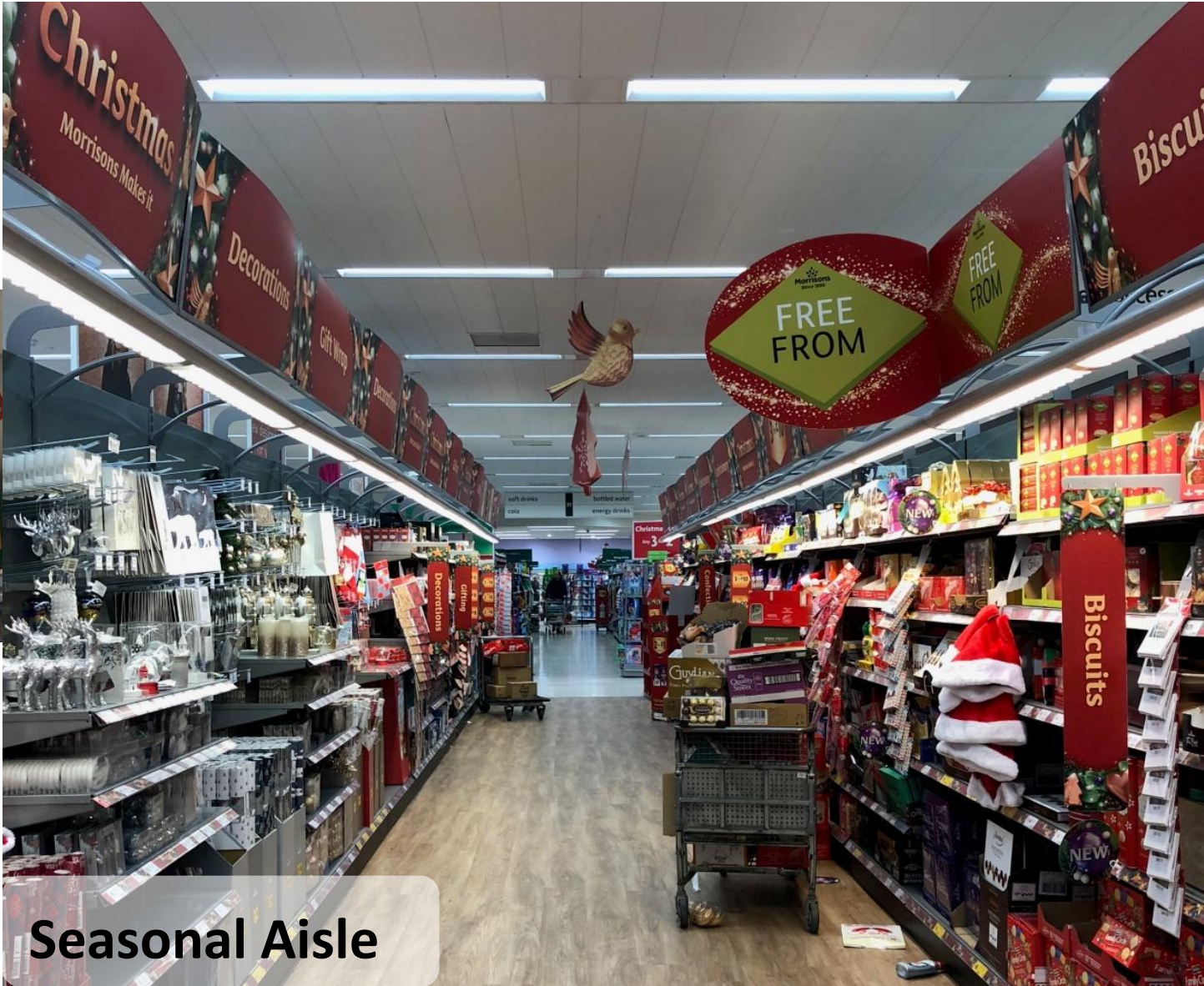


# Morrisons Free From aisle



Navigation

n



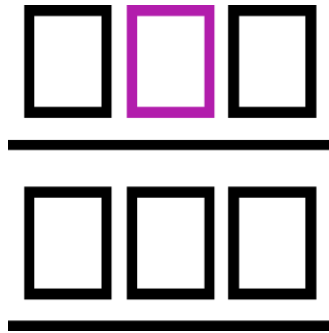
Seasonal Aisle



&

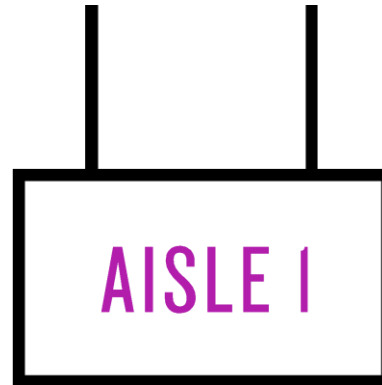


# In-store execution key for Free From



**50%**

find out  
about Free  
From in store



**58%**

buy from the  
main product  
aisle

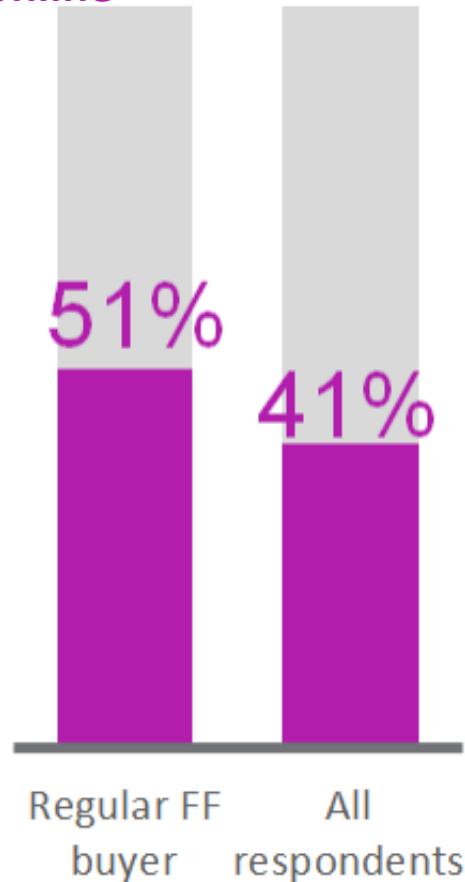


**51%**

buy from the  
Free From  
aisle, up from  
48% YA

# However online is a preferred place to buy Free From

## % shoppers who use online



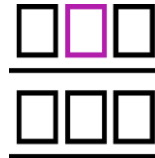
## Reasons why shop online

Index: Regular Free From Shoppers vs. all respondents



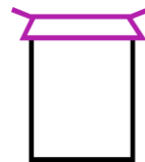
**136**

I can see new products



**127**

Range is better online



**114**

I can buy larger packs

## Areas of online to be improved

Index: Regular Free From Shoppers vs. all respondents



**111**

No substitutes



**127**

Mistakes with orders

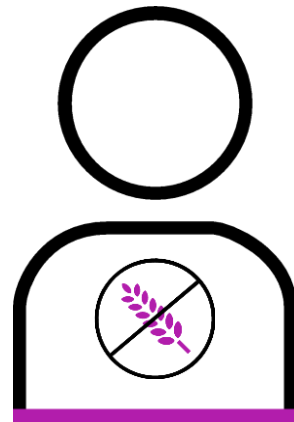
Source: Nielsen Homescan Survey 2018 -Regular Free From Buyers 7. Thinking specifically about groceries that you may buy online which one of the following statements is the most appropriate to you?

Source Nielsen Homescan Survey 2018- -Regular Free From Buyers12. Please select all the reasons why you use 'online' for grocery shopping?

Source Nielsen Homescan Survey 2018- -Regular Free From Buyers 18. Which of the following factors about online grocery shopping would make the most difference to you if they were improved?

# But where do shoppers tell us they like to shop?

Shoppers prefer **premium** retailers for Free From along with Tesco & Sainsbury's among Top 4



Index: Share of Free From vs.  
Share of Total FMCG

M&S	180
Waitrose	162
Sainsbury's	148
TESCO	126



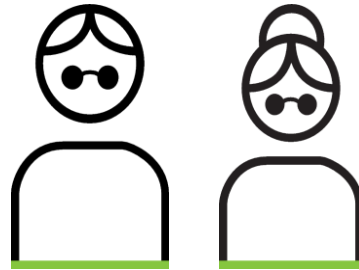
# Who is the Free From shopper?

# Who is the core Free From shopper?



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Households  
with 2  
people



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Aged 45-64



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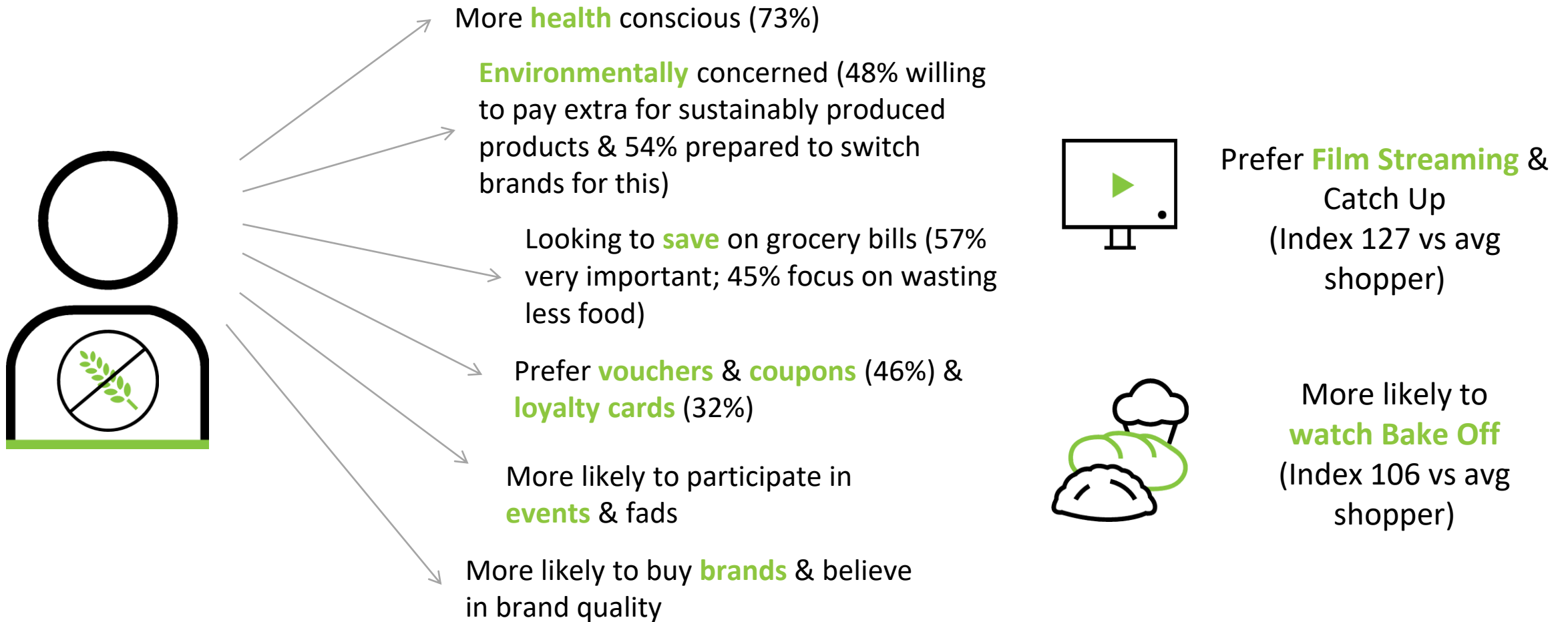
ABC1 social  
class



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Live in London  
& Central UK

# What behaviours do Free From shoppers show?



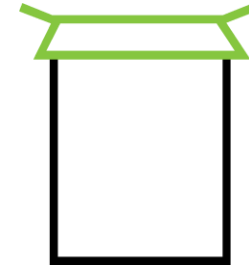
# Their baskets are more valuable than an avg FMCG



Avg Free From buyers  
FMCG basket worth  
**£16.85** vs £16.05  
FMCG

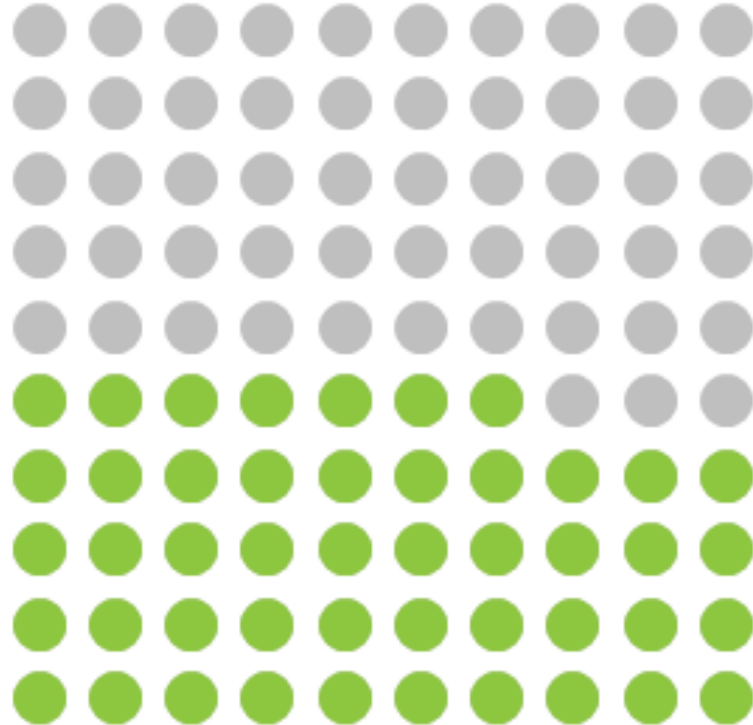


Make a trip to  
a  
supermarket,  
on avg, **5**  
times a week



Avg no of  
products in their  
basket is **11**,  
2 of which are  
Free From

# Why do people buy Free From?



**47%**

Regular FF households have someone living in the house with an intolerance



**27%**

They are better for you



**12%**

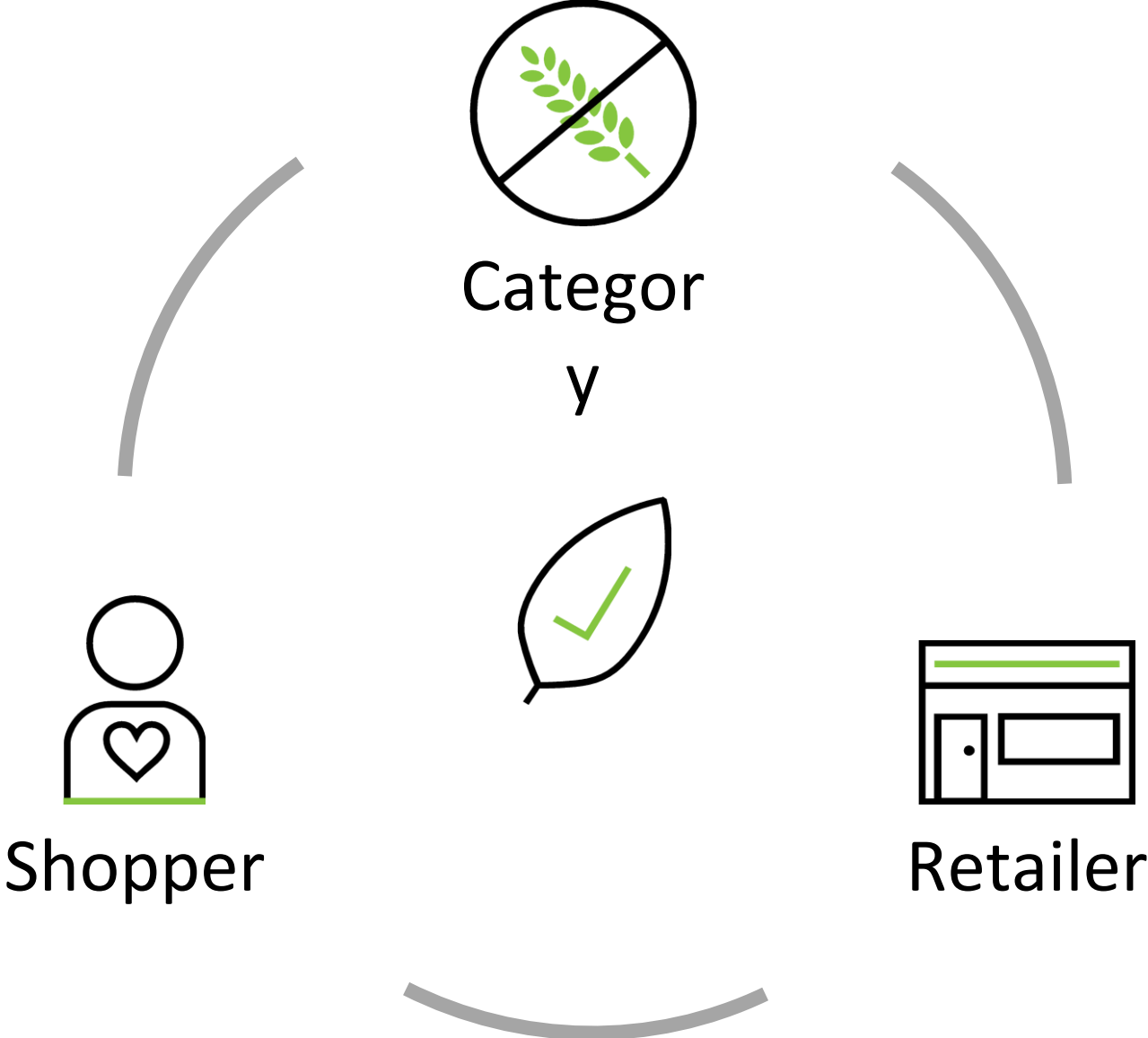
Animal welfare issues



**9%**

Sustainability issues

# Future of Free From





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UK Agri-food supply chain

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