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Organic fresh produce sales register double-digit growth in Q2

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Total organic fresh produce sales and volume registered double-digit growth in the second quarter of 2020, with April-June 2020 sales increasing 17 percent and volume up 18 percent from the same period in 2019, according to the Q2 2020 Organic Produce Performance Report released exclusively by the Organic Produce Network and Category Partners.

Organic fresh produce in Q2 2020 saw a continuation of trends established in March of this year, with elevated sales across the entire supermarket as consumers continued at-home eating in the face of restaurant closures. As a result, sales of organic fresh produce topped \$1.7 billion for the quarter, and continued a trend of organic fresh produce sales maintaining higher growth rates than conventional produce. For the first half of 2020, organic fresh produce sales were up 11 percent in dollar growth and 13 percent in volume over the first six months of 2019. Total organic fresh produce sales for January through June of this year totaled \$3.3 billion.

Overall, organic fruit and vegetable sales increased 17 percent in Q2, slightly higher than conventional produce, which increased by 16.1 percent during April-June. Organic fruit and vegetable volume increased by 18.2 percent during Q2, exceeding volume growth in conventional produce of 12.9 percent. The Q2 2020 Organic Produce Performance Report utilized Nielsen retail scan data covering total food sales and outlets in the United States over the months April, May and June.

“While we see some moderated growth in organic sales in the second quarter of 2020, consumers continue to follow established pre-COVID-19 organic fresh produce purchasing habits despite the negative economic impacts of the pandemic,” said Matt Seeley, CEO of the Organic Produce Network.

For the most recent month, volume and dollar gains of organic fresh produce in June dropped slightly from levels seen in April and May. For the month of April, organic produce dollars sales were up 18.4 percent, with May up by 16.3 percent from the same time period last year. June organic dollar sales increased 14.4 percent, sliding from levels of earlier in the pandemic crisis.

The West continues to be the strongest region in the United States for organic performance, with a second quarter 2020 ACV (all commodity volume) showing 36 percent above the national average. Overall organic sales in the West were up 25 percent in Q2 versus a year ago, with volume up 23 percent during the same time period.

As for various organic product categories, the top 10 categories all generated double digit growth for the quarter. In terms of volume growth during Q2, the top 10 categories drove 67 percent of total organic volume compared to 71 percent in the first quarter of the year. Organic packaged salads continued to lead the way, representing 20 percent of all organic dollars. When the lettuce category is added, the two categories represented nearly one out of every four dollars spent on organic fresh produce items. From a volume perspective, bananas remain the single largest organic volume category, responsible for nearly 20 percent of all retail organic volume.

“Packaged salads continue to be the organic sales driver, with bananas the clear volume leader. From a space to sales perspective there is likely no other organic item in the produce department that can match the consumer purchase rate of bananas,” said Steve Lutz, senior vice president, insights and innovation at Category Partners. “Three categories clearly drive volume growth: bananas, apples and carrots — with those three commodities driving 46 percent of all incremental volume during the second quarter of this year.”

The full Q2 2020 Organic Produce Performance Report is available on the Organic Produce Network [website](#).

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