Italian market development and trends

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Abstract

In Italy, the land under organic cultivations covers an extension higher than 1 million of hectares: it is the biggest area in the EU. Unfortunately, the large amount of organic land does not always reflect a positive market trend. In fact, organic foods are a "niche" market that has always had an independent dynamic in comparison to that of conventional production.

Today, after a period of tumultuous development, the forecasts of an increase in organic consumption made only a few years ago must now be drastically modified: the national consumption of the domestic market has up to now lost ground. Only during the last year—that is, the period january–december 2006—has a growth in the sale of organic prepackaged foods of 9.2% been registered compared to the same period of the previous year.[1] As for non-prepackaged organic foods, half of them are fruits and vegetables, whose consumption is also growing, in line with that of conventional ones. During the last year, the purchasing power of Italian families sharply decreased and there could be a risk of a decrease in the sales levels of organic food as a result.

On the other hand, it also has to be considered that a large amount the total economic turnover of organic foodstuffs comes from different market channels: organic markets, farmer markets, and so on. Unfortunately, there are no official data available on these channels to forecast their real support to the total turnover of the organic industry. Last, but not least, most organic food consumption occurs only in northern Italy, where there is high disposable income.

Italy can certainly be the largest supplier of organic products in Europe only if demand from foreign countries grows stronger and stronger in the coming years. Fruit, vegetables, wine, pasta, and cereals are the main products on which Italy can build its economic future in the organic world market.

[1] Panel Ismea/ACNielsen based on a selected sample of 9,000 italian families