

Which trends offer opportunities or pose threats on the European fresh fruit and vegetables market?

Last updated:

07 December 2023

Health, flavour and convenience are all factors that drive the consumption of fresh fruit and vegetables in Europe. Consumer behaviour has become complex. Local products are attracting more attention, but there are plenty of opportunities for exporters from developing countries who meet the right standards and have the right partnerships. The fresh sector requires you to be an expert in your field and integrate into a well-organised supply chain.

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1. Sector transformation is on the way

Several of the trends explained in this study will contribute to a transition of the European fresh fruit and vegetables market. Due to legislation on sustainability, Western and Northern European markets will look different by 2033 because:

- European fresh fruit and vegetable companies put more effort into making their supply chain transparent and report on environmental sustainability performance (footprints).
- Water footprints of fruit and vegetables have dropped. This means that certain crops from certain countries may have disappeared from the European market unless these countries implemented the right national policies to improve water footprints on a national scale.
- Pesticide footprints of fruit and vegetables have dropped, which means that maximum residue levels have gone down too. Also, the number of pesticides applied on 1 crop has been limited to ranges of 3-5.
- Carbon footprints have dropped, which has resulted in more European products available in Europe as well as in a reduction of emissions in international logistics and the phasing out of plastic packaging (expected to take place in 2026).
- More fruit and vegetables come from socially and ethically certified production. This means prices will

have risen and farmers and workers gain a fair/fairer income.

The pursuit of environmental and social sustainability is the foundation of these changes.

Environmental sustainability - More focus on accountability

In the past few decades, a lot has already happened in the sector to improve environmental sustainability. An important driver for this has been the [GLOBALG.A.P.](#) certification, which has forced companies to meet additional environmental requirements. In recent years, several countries have created new regulations that hold domestic companies responsible for human rights violations in their supply chains.

In addition, the European Union (EU) is currently discussing the [Corporate Sustainability Due Diligence Directive \(CSDDD\)](#). The aim is to make it mandatory for companies with +250 employees and +€40 million turnover to address the environmental and human rights impacts of their operations in and outside Europe. The CSDDD is still under construction, but the message is clear: accountability will become increasingly mandatory.

Stimulated by the growing attention to accountability, also European Fruit and Vegetable SMEs to whom the CSDDD will not apply will carefully look at the environmental footprint of their business.

Climate change will likewise contribute to the focus on accountability. European companies will investigate the water and other environmental footprints of their supplies, looking to reduce these footprints. This will have an above-average impact on certain crops in certain countries both negatively and positively. The whole supply chain for several footprints will be investigated, including water, pesticide and carbon footprints. It may mean that companies will (co-)invest in reducing these footprints if they aren't right.

Social sustainability - make the sector free of human rights violations

There is still a way to go to get things right in the international fresh fruit and vegetable (FFV) sector. Again, the planned CSDDD and the due diligence legislation in several European countries are important drivers for change. This is really taking off in the next 5 years, when companies will investigate their supply chains to find weak points in the social and ethical domains.

Because of this development, sustainability certifications that set social and ethical standards will receive a lot more interest. An example is [Fairtrade](#), which lays down requirements for sustainability in the social, environmental and ethical domains.

Fairtrade standards apply to miscellaneous products and define [minimum prices and price premiums](#) for conventional and organic products from several countries and regions. There are products that have a fixed Fairtrade Minimum Price or fixed Fairtrade Premium. For other products, the Fairtrade Premium is set at 15% of the commercial price. This principle of fair prices will become more common in the next decade, and will help close the gap so that farmers can earn a living wage.

Tips:

Get ready for the change and read more about [How to Go Green?](#) or [How to become a Socially Responsible Exporter?](#) on our platform.

Implement sustainable agricultural practices to stay in business. Use the [online guide to Climate-Smart Agriculture](#) to achieve this.

Consider implementing a management system that focuses on sustainable or ethically responsible production. For example, check [BCorp](#), a growing sustainability certification scheme.

Watch [Fairtrade International's introduction video](#) to learn how the Fairtrade system works.

Find a [Fairtrade-certified trader of your product](#) and get in contact to find out more about the potential of Fairtrade certification.

2. Inflation poses a threat to high-value fruit and vegetables

Inflation – the increase of prices – is the latest major concern in the fruit and vegetable industry. It is not certain how inflation will influence fruit and vegetable consumption in the long term, but the common expectation is that high-value products will suffer more than less expensive types of fruit and vegetables. In 2023, this is already visible through the crisis in the European organic fresh produce market. Consumers prefer to buy less expensive fruits and vegetables, which goes at the cost of the costlier organic produce.

Figure 1: Mangoes in an organic supermarket in Germany, February 2023



Source: [Globally Cool](#)

Since COVID-19, prices throughout the supply chain have increased for several reasons, including the pandemic itself, the war in Ukraine, high energy prices and a lack of labour capacity in a few European countries.

Meanwhile, production and logistics costs rose to record heights in 2022 and 2023 (note that logistics costs dropped again in the first half of 2023). Such high costs make the future for high-value products uncertain. High-volume and affordable fruit and vegetables will likely be preferred over higher-priced, imported products. Retailers will maintain pressure on prices and thus profit margins.

In the years to come, you can expect an ongoing pressure on margins. Supply chains need to become even more efficient by cutting costs and innovating. The future will place high demands on producers both in and outside Europe. As a producer, you will need to implement technological improvements. As an exporter, it has become even more important to find efficient logistics and ensure a sustainable, clean and certified production. The gap between successful and less successful suppliers will grow.

Tips:

Read CBI's [What is the demand for fresh fruit and vegetables on the European market?](#) for an outlook on inflation and population development in Europe's most important markets.

Find information on freight rates and the latest logistical developments on [Freightos](#) or [Searates.com](#).

Find additional information and expert views on the trends in Europe in the [Key trends for the fresh fruit and vegetable business in 2023](#).

Adapt and learn from other companies and the steps they have taken during COVID-19. You can find numerous examples in [a special report about the long-term effects of the COVID-19 pandemic on the international fresh produce business](#) published by Fruit Logistica.

3. Geopolitics and nationalism are affecting trade flows

Recent developments—including the departure of the United Kingdom from the European Union (Brexit), the war in Ukraine, and nationalism during the COVID-19 pandemic—have affected the trade of fresh fruit and vegetables. European consumers have turned their focus towards local products. At the same time, new trades and opportunities have emerged for non-European suppliers.

Eastern suppliers are focusing more on Europe

The conflict in Ukraine has complicated trade with Russia and Ukraine. Exports to both countries went down in 2022 for several fresh fruit-supplying countries. For example, suppliers from Turkey, Moldova and Serbia had already directed more of their fruit and vegetables towards Eastern Europe through 2021. In 2022 this volume to the European market further increased, but more to other regions, including Western and Southern Europe.

Brexit may offer more direct trade opportunities

The fresh trade between the EU and the United Kingdom has become complex and expensive with more bureaucracy and logistical inefficiencies. The lack of foreign labour forces in the UK and the COVID-19 pandemic pushed prices up further.

British consumers are tempted to become more nationalistic and choose local products. However, most of the British market remains dependent on an external supply of affordable fruit and vegetables. Non-European exporters have also started to play a more prominent role. While supplies from Western Europe declined from annual levels of about 1.3 million tonnes per year to only 800 tonnes in 2022, countries like Morocco have exported higher volumes of fresh produce to the UK.

Also, in 2023 and 2024 huge changes will likely impact fresh fruit and vegetables trade with the UK. The risk-based model of sanitary and phytosanitary (SPS) checks for food, animal and plant products will be rolled out in late 2023, and new Safety and Security declarations for EU imports will be required from late 2024. This may further drive direct trade with the UK.

After the Netherlands, the UK is Europe's largest direct importer from developing countries. The [UK trade agreements with non-EU countries](#) and the changed requirements for EU imports into the country will be a chance for exporters in various countries to start establishing partnerships.

Differences and local preferences within Europe

The COVID-19 pandemic has renewed interest in domestic produce. Products will be sourced locally whenever

possible, otherwise they will be sourced regionally (see also the trend of [local sourcing and seasonal eating](#)). The pandemic has also re-emphasised the differences existing between European countries.

In principle, the EU is a single market. There are still differences between countries, however, as well as between buyers from individual countries. Products that are good for 1 country can be rejected somewhere else. For example, in Belgium the stems of limes need to be 3mm or less, while the Netherlands accepts stems of up to 5mm. Large retailers in Germany and the Netherlands tend to maintain stricter limits for pesticide residues than the EU legislation. For example, the German retailer [Lidl](#) allows for only one-third of the legal limit.

The EU regulation for importing fresh fruit and vegetables applies to all countries in the EU. You should nevertheless not underestimate the different business practices within Europe, nor expect them to become the same everywhere anytime soon. When doing business in Europe, find a partner that is familiar with these differences. By making use of their knowledge, you can find the best route and market for your product.

Tips:

Discuss in detail the product specifications with your buyer before shipment. Besides the common [marketing standards for fresh fruit and vegetables](#), also make use of the experience of your buyer.

Stay up to date with the trade relations between the EU and the UK via the [GOV.UK website](#) and the [European Union Newsroom](#).

Read our news article on [how the war in Ukraine is affecting international trade](#).

4. Sustainable sourcing has become mainstream

Sustainability has become a non-negotiable requirement. Companies at all levels in the value chain are gaining interest in sustainable fruit and vegetables and supply-chain transparency. This trend relates to many aspects along the supply chain, including working conditions, water use and waste management. Your product is most likely to be accepted by European buyers if it aligns with sustainability initiatives.

Tips:

Learn more about [how to become a socially responsible supplier](#).

Read about [the current range of social certifications](#) to learn about trends and developments in social standards and to read several case studies.

Sustainability Initiative Fruits and Vegetables (SIFAV)

Several leading retailers and traders throughout Europe are joining forces in the [Sustainability Initiative Fruits and Vegetables](#) (SIFAV), coordinated by the Sustainable Trade Initiative (IDH). SIFAV addresses cross-cutting supply chain challenges such as smallholder farmer inclusion, health and safety, food safety and the sustainable use of water resources.

Counting over 30 members, SIFAV is pioneering a development that you will see more often throughout the European supply chain. Under SIFAV, all private sector partners commit to the common sustainability targets for

2025. For example, they agreed to:

- Measure and reduce the environmental footprint of priority products by 2025, including a reduction of 25% of the carbon footprint and food loss;
- Reduce water use to best-practice levels and implement water standards with third-party verification;
- Implement a social third-party audit for 90% of the volume from high and medium-risk countries; and
- Take a first step in improving Living Income.

Sustainability and CSR Policies

Sustainability and Corporate Social Responsibility (CSR) have become common aspects for European companies to integrate into their company policies. As a supplier, you are expected to be aware of these policies and to align your own actions.

Different clients may have different points of focus. [Greenyard](#), a leading company in fresh produce, follows the Sustainability Initiative Fruit and Vegetables (SIFAV) which is explained above. Other companies have their own targets and actions, such as the [French supermarket Carrefour](#). Carrefour commits to sustainable relationships with its partners, reducing greenhouse gas emissions to preserve the climate, and aiming to improve biodiversity.

Smaller fresh companies will follow the actions of the leading fruit and vegetable companies. The number of companies with CSR policies will thus continue to increase. As a supplier, you will have to think proactively about your own company policy and the main sustainability issues in your country. In this process, you should also consider the subjects that are most important to your specific clients.

The European 'Green Deal' aims to make the EU climate neutral

In the coming years the [European 'Green Deal'](#) will influence how resources are used and greenhouse gas emissions are reduced. The new EU policies on sustainability will prepare Europe in becoming the first climate-neutral continent by 2050. 1 of the most relevant parts for the fresh fruit and vegetable industry is the '[Farm to Fork](#)' strategy.

The Farm to Fork Strategy aims to make food systems fair, healthy and environmentally friendly. It will ensure sustainable food production and [sustainable use of pesticides](#), packaging and food waste. With an [organic farming action plan](#), the European Commission has set a target of 'at least 25% of the EU's agricultural land under organic farming and a significant increase in organic aquaculture by 2030'. Policies can promote organic production in Europe, but increasing consumption will also offer opportunities for non-European suppliers.

The Green Deal will undoubtedly have an impact on the international food trade. [Several EU trade agreements already include rules on trade and sustainable development](#). These include, for example, the agreements with most countries in Latin America, Moldova, Ukraine and Vietnam. For suppliers of fresh fruit and vegetables, it is important to look ahead of the increasing standards and try to be in the frontline of the developments.

Tip:

Find what you need to know about the Green Deal and how it will impact your business in our [Green Deal study](#).

Attention to the use of water resources

Industry sources mention water conservation as 1 of the principal concerns in the production of fresh fruit and

vegetables. The impact of intensive farming in arid areas (like Morocco, Egypt, [Peru](#) and Namibia) is being questioned. This subject has particular importance for water intensive crops such as [avocados](#), asparagus and stone fruit. For example, in the past few years, several [restaurants in the United Kingdom have banned avocados from their menus](#) due to their excessive use of water resources.

The growing attention to water resources will force producers in arid regions to switch to other crops or find sustainability solutions and technology. For pioneering companies such as [Eosta](#), a Dutch importer of organic and fair fruit and vegetables, water use is 1 of the main aspects factored in the [true cost accounting](#) of their products. They addressed the issue in March 2021 with [a stunt near the Dutch parliament promoting water-saving avocados](#).

For growers, responsible water use will become part of common standards in the medium-to-long term. For example, there is already a [SPRING add-on for GLOBALG.A.P. certification](#) available. SPRING stands for 'Sustainable Program for Irrigation and Groundwater Use' originally developed by the Swiss retailer COOP.

Reducing plastic packaging

Part of the sustainability movement targets the reduction of plastics in the supply chain, which retailers and policymakers take very seriously.

The EU adopted a [Plastics Strategy](#) in 2018, recommitting to work towards the goal of ensuring that all plastic packaging be recyclable by 2030. March 2020 saw the launch of the [European Plastics Pact](#), a public-private coalition with clear targets up to 2025 to rule out single-use plastic products and packaging.

European countries are also taking action on their own. For example, [France has already banned the use of plastic packaging for 30 different types of fruit and vegetables](#) since January 2022. Other fresh produce will follow by June 2026.

Supermarkets in various countries have also started to act towards reducing plastic. For example:

- The United Kingdom: [Several supermarkets](#) in the United Kingdom have maintained a focus on the reduction of plastic packaging. For example, [Tesco](#) claims to have reduced the amount of packaging for pre-packaged fruit and vegetables by more than 400 tonnes.
- Germany: Germany's market leader [REWE Group](#) says it has achieved a saving of 8,900 tonnes of plastic per year by optimising various aspects of its packaging.
- The Netherlands: In March 2023 [5 Dutch retailers announced to quit with supplying plastic bags](#) for fruit and vegetables and instead offer reusable alternatives.

At the same time, there is much criticism of the commitment and results of supermarkets to ban plastics by the [Plastic Soup Foundation](#), [Greenpeace](#) and individual consumers. According to a [report by the Changing Markets Foundation](#), supermarkets throughout Europe are failing in terms of packaging commitments and transparency. In practice, it is difficult – if not impossible – to recycle two-thirds of all supermarket packaging. However, both negative and positive attention will only raise awareness and provide incentives for alternative solutions.

Reduction in the use of plastics will continue to affect the packaging of fresh fruit and vegetables. Products such as grapes and soft fruit in clamshells are replaced by punnets with [top seal](#) and other innovative [variations using cardboard](#).

A British packaging producer developed a [sugarcane-based packaging option](#) and the [Indian company Uflex has started to use special biodegradable liners of Perfotec](#) to extend the shelf life of fresh products. Although this helps maintain product freshness during transport and distribution, extending shelf life is also among the main goals of supermarkets.

For organic fruit, laser labelling is becoming more common, and it can sometimes replace plastic packaging.

Supermarkets such as ICA in Sweden and [Rewe in Germany](#) already use laser labelling for products such as organic avocados, sweet potatoes, squash and melons. France has recently banned stickers on fruit and vegetables unless they are made of paper or compostable material. This is forcing companies to develop new methods of labelling for all their fruit and vegetables.

Less and recyclable plastic is the new standard. In the long term, you can expect plastic to be reduced to a minimum or even completely replaced by alternative, biodegradable materials.

Figure 2: Example of top-seal packaging for fresh-cut mango in a Dutch supermarket



Source: [Globally Cool](#)

Local sourcing and seasonal eating

Sustainability is 1 of the motives for consumers to buy locally grown fruit and vegetables. Freshness and quality are also common motives for local and seasonal purchases. There is a clear trend towards food that is grown closer to the market.

The demand for year-round availability will remain, but part of the market will develop further towards extending domestic and regional supplies. This is regarded as more sustainable. It will also be an advantage for distributors, since risks of buying products locally or close to home are usually lower. They will only turn to external suppliers when there is a clear advantage or when local produce is not available.

Seasonality is playing an increasingly important role in the daily consumption of fresh fruit and vegetables. Media and supermarkets help consumers by sharing recipes using seasonal and local products. Platforms such as [Lokaal & lekker](#) ('Local & tasteful') provide information on local producers and how to use their produce in food preparation. Leading French supermarkets such as [Carrefour](#) and [E.Leclerc](#) promote local products through their label or online channels. [British guides](#) also provide seasonal information on British-grown fruit and vegetables.

You also have to take into account the production strengths of different European regions. For example, Spain is a leading grower of citrus fruit, the Netherlands has well-developed greenhouse vegetables and strawberry production, and France is a strong producer of plums. During their local production season, imports of these products will be reduced to a bare minimum. The [FAOSTAT database](#) can provide further insights into European production.

Tips:

See our study on 'tips to Go Green' and on [buyer requirements for fresh fruit and vegetables](#) for sustainable initiatives and certifications that your buyer may require.

Apply water-saving technologies when possible, such as [drip irrigation](#) or [mulching](#). Learn about [regenerative agriculture](#) and what you can do to improve agricultural practices.

Investigate local options for packaging and packaging materials. As an exporter, you must try to reduce the use of plastic as much as possible, but you can also use innovative and smart packaging as a way of differentiating your company.

Stay ahead on innovations and trends. Subscribe to newsletters such as [Freshplaza.com](#) and look for publications, including the [Key trends for the fresh fruit and vegetable business](#) in the Fruit Logistica Trend Report 2023.

Read the [news article](#) where the European Commissioner for Agriculture and Rural Development, Janusz Wojciechowski, recognised organic farming as part of the solution to the climate and biodiversity crises.

Increase your knowledge on the consumption of organic products in Europe by reading about the [demand for fresh fruit and vegetables on the European market](#).

5. Health consciousness triggers clean consumption

Health has always been a strong selling point for fresh produce. It has driven the growth of the blueberries and avocados markets, for example. In recent years, consumers have become increasingly conscious of adopting a healthy diet. This has led to a higher demand for fresh, plant-based and organic food. It has also increased the need for cleaner, more natural products. European companies require their suppliers to provide products with low-to-zero residue levels, or organic certification.

Northwest Europe leads the way in healthy fruit and vegetables

The growing interest in veganism and plant-based food supports vegetable consumption growth. Peas and potatoes are among the preferred ingredients of plant-based food. Imports are also growing for durians and aubergines, which have a particularly meat-like texture. Consumption of plant-based foods and the number of flexitarians is growing fast. Flexitarians are consumers who aim to consume less meat. They are the main driver behind the plant-based-food market growth.

Smaller fruit is perfect as a healthy snack. This has driven the demand for blueberries and raspberries over the past years. But despite their growing popularity, many such 'super fruits' remain most popular with a relatively wealthy yet small consumer group and specialised import companies.

Contrary to most fruit snacks, snack vegetables like cherry tomatoes, mini-cucumbers, small peppers and radishes are more affordable for mainstream consumers. These are widely available in small containers at most supermarkets. However, it will be difficult to supply such products from outside Europe, since most of these vegetables are locally produced.

Figure 3: Range of snack tomatoes and paprikas in a mainstream Dutch supermarket, July 2023



Source: [Globally Cool](#)

Popularity of pure and organic continues

More and more European consumers are looking for pure and natural products such as organic fruit and vegetables. Organic produce is associated with health and better taste. In 2022-2023 the consumption of organic fresh produce is under pressure because of the high inflation in Europe. However, the expectation for the long term is that consumption will further increase. Only the strong inflation and high costs of production are causing uncertainty concerning strong short-term growth.

Germany and France are the largest organic food markets. They represent more than half of the European market. Other important organic markets are also countries with a high GDP per capita: Denmark, Switzerland, Sweden and Austria. In eastern and southern European countries, the organic markets are still relatively small.

While specialised organic retailers initially built the market, nowadays mainstream retailers account for most organic market growth. Top mainstream retailers selling organic produce in Europe include Tesco, Coop, Migro, Metro, Carrefour, Ahold and the REWE group. Specialised organic retail chains still play an important role. Examples are [Denn's Biomarkt](#) and [Alnatura](#) in Germany and Austria, [Biocoop](#) in France and [Ekoplaza](#) in the Netherlands. Mainstream retailers typically focus on price, which displaces the specialised organic retail chains.

Figure 4: Banana shelf in a Swiss outlet of the mainstream retailer COOP with fairtrade organic certified bananas (left side), organic Demeter certified (middle), and Rainforest Alliance certified products (right side).



Source: [Globally Cool](#)

Almost one-third of the organic produce imported from developing countries is tropical fruit. However, also for tropical fruit, share-wise the organic market remains a niche market. For other organic produce, which typically

comes from within Europe, opportunities can arise when the European production area cannot keep up with the demand.

Tips:

Check with [The Vegan Society](#) and the [Smart Protein Project](#) for more data related to vegan and plant-based consumption.

Be careful with making nutrition and health claims. These claims are subject to European regulations and the [EU Register of nutrition and health claims made on foods](#). For example, you are not allowed to claim that blueberries have anti-ageing properties.

Make sure to understand the European requirements for organic certification. Browse [Organics at a glance](#) on the European Commission's website.

Check the [yearbook *The World of Organic Agriculture*](#) for key data and developments on organic agriculture

Find the countries with the largest numbers of organic importers in our study on the [demand for fresh fruit and vegetables on the European market](#).

6. Convenience gains importance

Life in Europe is becoming more fast-paced, which leads to greater interest in easy and convenient foods like ready-to-eat or pre-cut and packed fruit. For such products, processing, ripening and packing companies in Europe play an important role. To benefit from this trend, you must find buyers that can add value to your product, and monitor the quality that these buyers require.

Large retailers are experts in turning fruit and vegetables into a convenience product

Large retailers are key in the development of convenience products. They have a strong influence on how fruit and vegetables are presented. Their assortments are diversifying to include snack vegetables, [ready-to-eat](#) fruit and pre-cut and packed products. Fresh convenience products also include varieties of seedless fruit, easy peelers, products with prolonged shelf life, and individually sized fruit like mini papayas or mini watermelons.

Figure 5: Mini watermelons at €1 per unit in a Dutch open-air market, July 2023



Source: [Globally Cool](#)

There is growth potential for ready-to-eat and ripened fruit. It is convenient for the consumer and cheaper in transport than the airfreight of tree-ripened fruit. An underlying development is the improvement of ripening processes for fruits such as mango, avocado and papaya in Europe. Important conditions for supplies to such companies are timing and a uniform maturity level.

Another convenience solution is freshly cut fruit and vegetables. Pre-cut products not only save the consumer time, they also meet the demand for healthy snacks 'on the go'. One of the leading fresh processors in Europe is the Dutch company [Vezet](#), which is part of the [Kramer Food Family](#). In the United Kingdom, [PrepWorld](#) (part of BerryWorld) is 1 of the main players.

Some suppliers can add value by cutting and packaging the fruit at origin. But this is mostly reserved for suppliers with a short transit time to Europe and for products that require manual processing such as pomegranate arils. The Indian company [Sam Agri](#) fulfils the European demand for pomegranate arils with different small and bulk packaging options. The company is also fully self-sufficient in terms of water and energy.

Another successful pre-cut and packaging operation in a supplying country is [Blue Skies](#). The company's business model is to provide sustainable processing at the origin. They have factories across Ghana, Egypt, South Africa, Benin, Brazil and the United Kingdom, and packhouse facilities in Senegal and Ivory Coast. This allows them to produce pre-cut and packed products, fresh juices and non-dairy ice creams in the origin countries.

Convenience fruit and vegetables are exceptionally strong in the United Kingdom and the Netherlands. In these countries, supermarkets and convenience stores have a strong position, and the offer of ready-to-eat and pre-cut fruit and vegetables is extensive. The convenience segment is on the rise in other countries as well. For example, in Germany [less than 4%](#) of the total is spent on pre-cut and packed products, compared to 36% in the Netherlands. This makes Germany an interesting growth market for this segment.

Tips:

Explore the range of convenience fruit available in supermarkets in Europe. It is sometimes easy to spot brands and trace them back to specialised companies that can be interesting to contact.

Inspect the maturity of your fruits before packing when supplying the ready-to-eat market. Ripening companies require a consistent and uniform level of quality. Every piece of fruit in the box must be at a similar stage of maturity.

Work out a business model when focusing on freshly processing fruit and vegetables. What is your added value? Does it make sense to process products before exporting them? Are you saving costs by doing this? Are buyers interested in your processed product?

Learn more about pre-cutting fresh produce through FAO's [Processing of fresh-cut tropical fruits and vegetables: A technical guide](#).

7. E-commerce is expected to gain market share

The online grocery channel is developing fast in Europe. The COVID-19 pandemic has given online grocery shopping an extra push.

During the first lockdowns in 2020, online grocery shoppers worldwide triggered more than 40% growth in one year. According to [Retaildetail](#), online grocery sales increased by another 16% in 2021, in contrast to 2% for rapidly moving consumer goods in general. In Europe, the market share for 'online groceries' was 6.9% in 2021. Online food shopping is most common in the Netherlands, the United Kingdom, Denmark and Sweden.

Grocery retailers and supermarkets such as Sainsbury's in the United Kingdom and Albert Heijn in the Netherlands are developing their online product range to meet the growing interest among consumers. Their effort is partly out of necessity because many other online concepts have popped up, such as:

- Fully online grocery stores such as [Picnic](#) (Dutch), [Ocado](#) (British), [Rohlik](#) (Czech) and [Crisp](#) (Dutch).
- Delivery of meal boxes with ingredients and recipes, from [HelloFresh](#) and [Gousto](#), for example.
- International online giants, such as [Amazon Fresh](#), which recently launched in the UK, Germany, Spain and Italy, and closed partnerships with [Wm Morrison Supermarkets](#) (UK), [Día](#) (Spain), [U2 Supermercato](#) (Italy) and [Monoprix](#) (France).
- Food delivery platforms such as [Just Eat Takeaway.com](#), [Deliveroo](#) and [Uber Eats](#), providing food delivery as a service.

Eliminating physical shops makes the supply chain more efficient, but consumers can no longer handpick their fresh fruit and vegetables. Because quality and freshness are key elements for consumers, e-retailers will make sure their products meet their expectations. They will transfer the responsibility of delivering a uniform and reliable quality to you as a supplier. If you focus on quality and use protective packaging, you will have a better chance to supply produce for online channels.

Tips:

Optimise your post-harvest, cooling and processing activities to preserve optimal shelf life. For example, check the temperature at every step of your harvest and post-harvest activities.

Search for the largest online retailers in Europe per country on [Ecommerce News Europe](#).

8. Hybrid consumption offers opportunities for new products

Price has traditionally driven the market for fresh fruit and vegetables. Today's market, however, is more dynamic. Consumers are complementing their price-conscious shopping habits with an interest in exotic, healthy and special-quality fruit and vegetables. This has led to a growing segment of high-value and special-quality fruit and vegetables.

The COVID-19 pandemic has changed some consumer habits. More people have started to experiment with home cooking, made healthier choices, purchased meal kits (like [HelloFresh](#) or [Gousto](#)) or ordered more local produce online. These new ways of purchasing and consumption are opening the market to new fruits and vegetables. Healthy niche products, including turmeric root and forgotten vegetables (like Romanesco broccoli, salsify and parsnips), have caught the attention of consumers.

Figure 6: Meal kits assortment at a mainstream supermarket in the Netherlands, July 2023



Source: [Globally Cool](#)

Consumers are looking for unique flavours

New products provide unique flavours and give satisfaction to the consumer, particularly in the high-end market. These products include exotic fruit and vegetables or tree-ripened tropical fruit. Over time, several such originally niche products, like avocados and blueberries, have become part of the mainstream assortment. These products have become common imports from developing countries, and they have shown strong growth over the last decade.

Large-volume products allow room for premiums

The most common and large-volume products in Europe have fewer fluctuations. These products are a standard purchase for consumers and price is key. Discount supermarkets are claiming an increasing market share, and they compete with low prices. Therefore, the opportunities for these products are linked to high efficiency and

low-cost production. Countries that manage to benefit from this competitive trade include Morocco with tomatoes and Egypt with oranges.

The high-volume segment also offers opportunities for differentiating with premiums or club varieties. Premium aspects could include Fairtrade or Organic labels, ready-to-eat products or superior varieties. Breeding companies are constantly developing new varieties that offer better taste or quality. Growers who are able to work with licensed or club varieties often have a competitive advantage. Well-known examples of club varieties include [Pink Lady](#) and [Kanzi](#) apples and [Zespri](#) SunGold kiwi fruit.

Branding enhances consumer experience

Consumer experience is a key factor in today's market. Consumers are willing to pay premium prices for products that have consistently good flavour. Branding and storytelling are necessary tools to support the marketing of exceptional flavour. In the European market, many companies use branding, for example:

- The French company [NETA](#) uses flavour as a unique selling point under their motto 'NETA A world of flavours';
- [Nature & more](#), an Eosta brand, focuses on transparency and sustainable farming. The brand promotes its growers, like one of its [papaya farmers in Ghana](#) who switched to organic and sustainable farming by applying manual weed control instead of using pesticides;
- [EatMe](#) is a quality label and guarantee of Nature's Pride for tasty and ripened products.
- The Belgian company [Special Fruit](#) introduced their brand 'Best Choice', which guarantees quality, ripeness and homogeneity.

Brands often exist for the sake of consumer experience. That is why you must be prepared to share your story with the brand that you introduce or the branding company you are working with. But be aware that the appearance of your product is still most important, especially in north-western Europe. Flavour is especially valued in southern Europe. To work successfully together with a brand, you must be on top of quality control and supply a product that meets the promise of the brand.

Tips:

Look for specialised importers when supplying niche fruit and vegetables. You will find many of these companies at [Fruit Logistica](#), the largest annual trade fair for this sector in Europe. Another interesting fair to visit is the [Fruit Attraction](#) in Madrid.

Make sure your luxury product arrives in perfect condition. Do not make the mistake of shipping your products when they are insufficiently matured. In this segment, a bad experience can easily put off a consumer, and your buyer as well.

Work together with partners in Europe when branding a product. The work involved with positioning your brand can be a large investment.

9. Technology is becoming necessary in today's fresh trade

The reality of today's fresh trade demands a lot from all actors in the business. Everything must become faster, better and cheaper. While the market expects a high level of service, the supply chain has become complex and logistics has been unreliable from time to time in the past few years. It has become nearly impossible to export without the application of technology and automation.

Figure 7: BERRY - Automated Strawberry Harvesting Robot

Source: Organifarms YouTube channel.

Precision farming is becoming necessary to maintain efficiency and control. This data-driven approach to farm management helps reduce inputs (like water, fertiliser and pesticides). The industry is developing new tools, even for small farmers. In addition to improving productivity, these tools can help producers meet European standards.

Exporters should monitor the cold chain, starting from the field. Larger fresh companies use advanced technologies (like sensors and machine learning) to monitor, grade and pack their produce. The whole process is becoming faster and more responsive to the needs of clients.

The proper technology can help you to deliver products according to exact specifications. If you cannot keep up, it will be difficult for you to compete in the main programmed channels.

Tips:

Read our [tips to go digital in the fresh fruit and vegetable sector](#) to learn which technologies are accessible and useful for your company.

Read about the possibilities of applying precision farming as a smallholder in '[Precision Agriculture for Smallholder Farmers](#)' by the [United Nations Development Programme](#).

Calculate the financial impact on your company and the return on investment (ROI) before implementing any new digital (or other) technologies. Seek help from experts if you are not able to make these calculations.

10. Integration requires more partnerships

In the fresh fruit and vegetables industry, the supply lines are becoming shorter and more efficient. Closer contact among farmers, traders and retailers results in better control and transparency throughout the value chain. This control is used to build expertise in specific products and to comply with the strict delivery terms of large retailers. To become a successful exporter to the European market, it is important that you join forces and opt for strategic partnerships.

Changing role of importers

As a result of increasing competition and concentration of buyers, the role of importers and wholesalers is changing. Importers nowadays only survive by specialising and focusing on a unique market position. Larger companies integrate their main activities and become service providers to retailers, offering services such as repackaging, mixing and ripening fruit and vegetables. Importers tend to focus increasingly on efficiency and just-in-time delivery. They try to shorten their supply chain to retailers and save on warehousing costs.

Importers that supply large retail chains work with supply contracts and prefer to do business with large producers. Small overseas suppliers can best focus on specialised buyers. Many of them will not have direct retail access, but they can help distribute your product to the right buyer or market channel.

Partnerships and good connections are key. You must know your buyer and understand which advantage they can offer your company.

European buyers connect with producers

To increase control over the supply chain, buyers become more involved in the activities of farmers. This way they are better capable of ensuring reliable volumes and compliance with the requirements of retailers, including transparency and good agricultural practices. Partnerships are also needed for organising year-round supply for retailers.

Several multinational European companies have invested in their own production, while others have exclusive contracts with farms. [Greenyard](#) and [TotalProduce](#) have their own sourcing offices and contracted farming abroad. The French multinational company [Compagnie Fruitiere](#) owns production sites in Senegal, Ghana, Ivory Coast and Cameroon, and a shipping company (Africa Express Line). The smaller company [Elbe Fruit](#) in Germany has an exclusive cultivation contract in Guatemala and works with partner farmers of [GreenPath Food](#) in Ethiopia.

Retailers are also becoming actively involved in sourcing. For example, Safina in Senegal works closely with the Dutch supermarket Albert Heijn, to which they supply around half of their crops. The logistics are outsourced to Albert Heijn's service provider. These types of supply chains require integrated systems and software that exchange data seamlessly.

For independent exporters, it is becoming almost impossible to develop long-term partnerships without having a direct link with farming.

Tips:

Pick your client well — look for specialisation — and be prepared to establish long-term relationships. You should be aware that building such relationships is a lot of work. Do not expect companies to be looking for new suppliers. However, most will be happy to meet you if your products are interesting to them.

Make sure to have your own production or direct access to reliable production volumes. Team up with other producers when your company size or production volume is not large enough. Make yourself an attractive and competitive supplier.

Read our [tips for doing business with European buyers of fresh fruit and vegetables](#) to see what you can do to become a valued partner for European buyers.

[ICI Business](#) carried out this study on behalf of CBI.

Please review our [market information disclaimer](#).