



## HOW TO KEEP ORGANIC PIONEER BRANDS INTERESTING IN THE CHANGING WORLD

ANNA TÖRNEBRANT  
HELSINKI, OCTOBER 8TH





midsona

## ABOUT MIDSONA

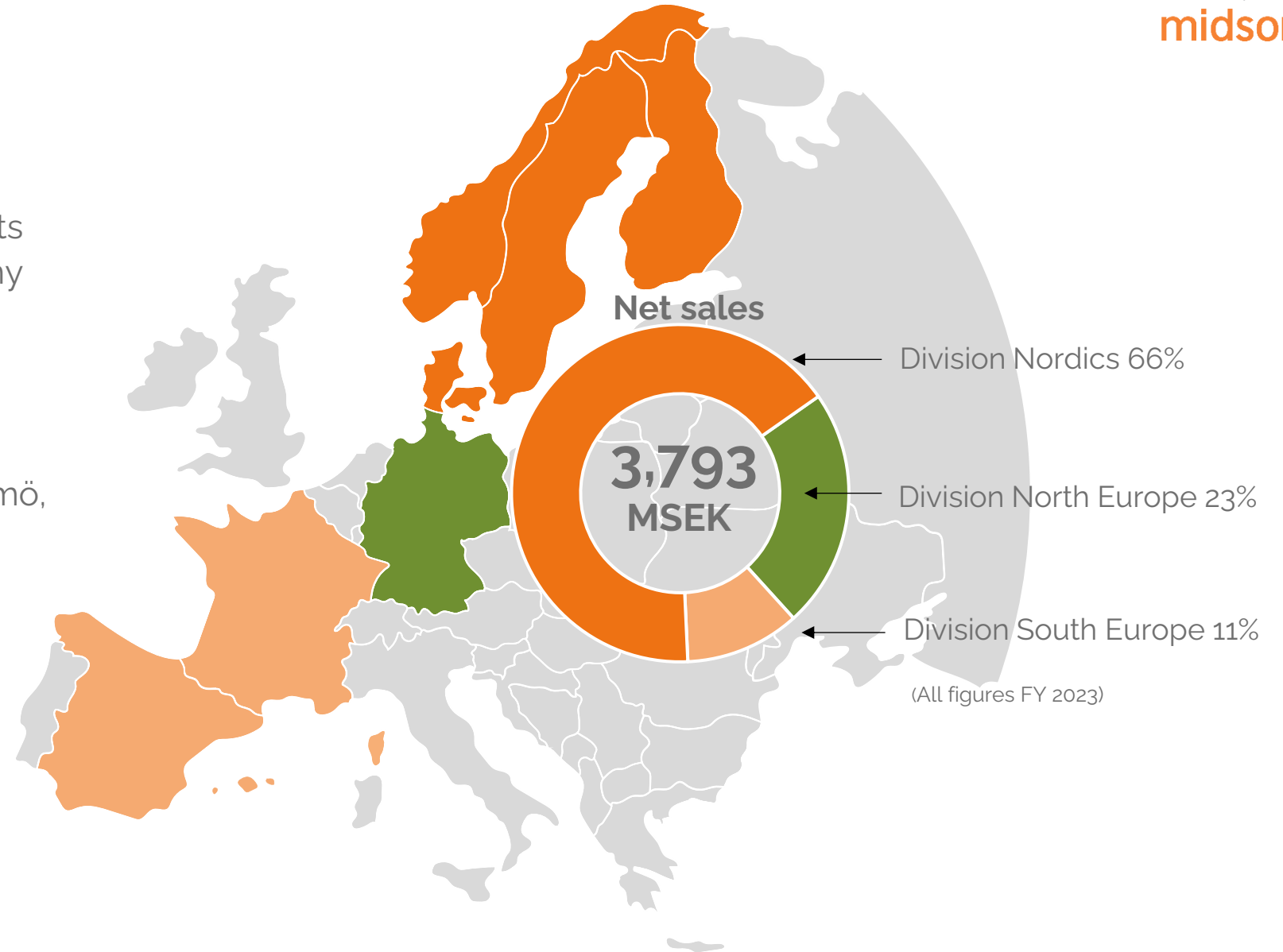
**Mission:** We provide healthy food for people and planet. Most of our products are plant-based or vegetarian and many are natural and organic.

**Vision:** European leader in healthy and sustainable food.

The company is headquartered in Malmö, Sweden.

765 employees in Sweden, Denmark, Finland, Norway, Germany, France and Spain.

Listed on Nasdaq Stockholm.







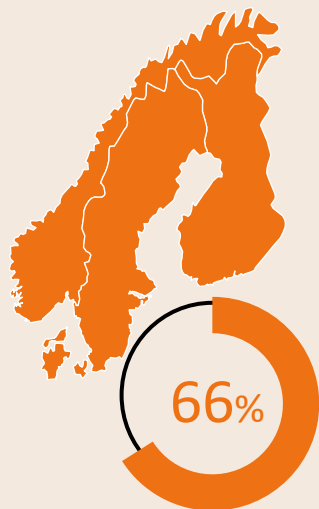
# THE NORDICS IS AT OUR CORE

## DIVISION NORDICS

**Brands:** Friggs, Urtekam, Kung Markatta, Earth Control, Gainomax, Helios

**Markets:** Sweden, Denmark, Norway, Finland

**Net sales: 2,545 MSEK**



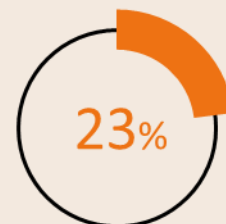
Percentage of consolidated net sales

## DIVISION NORTH EUROPE

**Brands:** Davert

**Markets:** Germany

**Net sales: 872 MSEK**



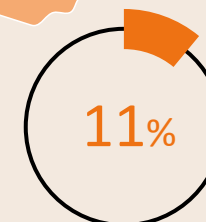
Percentage of consolidated net sales

## DIVISION SOUTH EUROPE

**Brands:** Happy Bio, Celnat, Vegetalia

**Markets:** France, Spain

**Net sales: 414 MSEK**



Percentage of consolidated net sales

(All figures FY 2023)



## WE TAKE SUSTAINABILITY SERIOUSLY

### Midsona recognised by CDP for its climate strategy

Midsona has been recognized for its climate strategy and leadership by the global environmental disclosure system, CDP. In 2023, Midsona was awarded the highest rating score, A, and is now ranked among the top 400 listed companies worldwide out of approximately 21,000 participating companies.

### Most sustainable listed company in the grocery category

Midsona was named the most sustainable listed company in the grocery category at the 2023 Sustainable Company rankings, held by Lund University, Dagens Industri and Aktuell Hållbarhet. The rankings evaluated the sustainability work of all 130 Swedish listed companies, with a focus on biodiversity, preparation for CSRD, and the EU's taxonomy.





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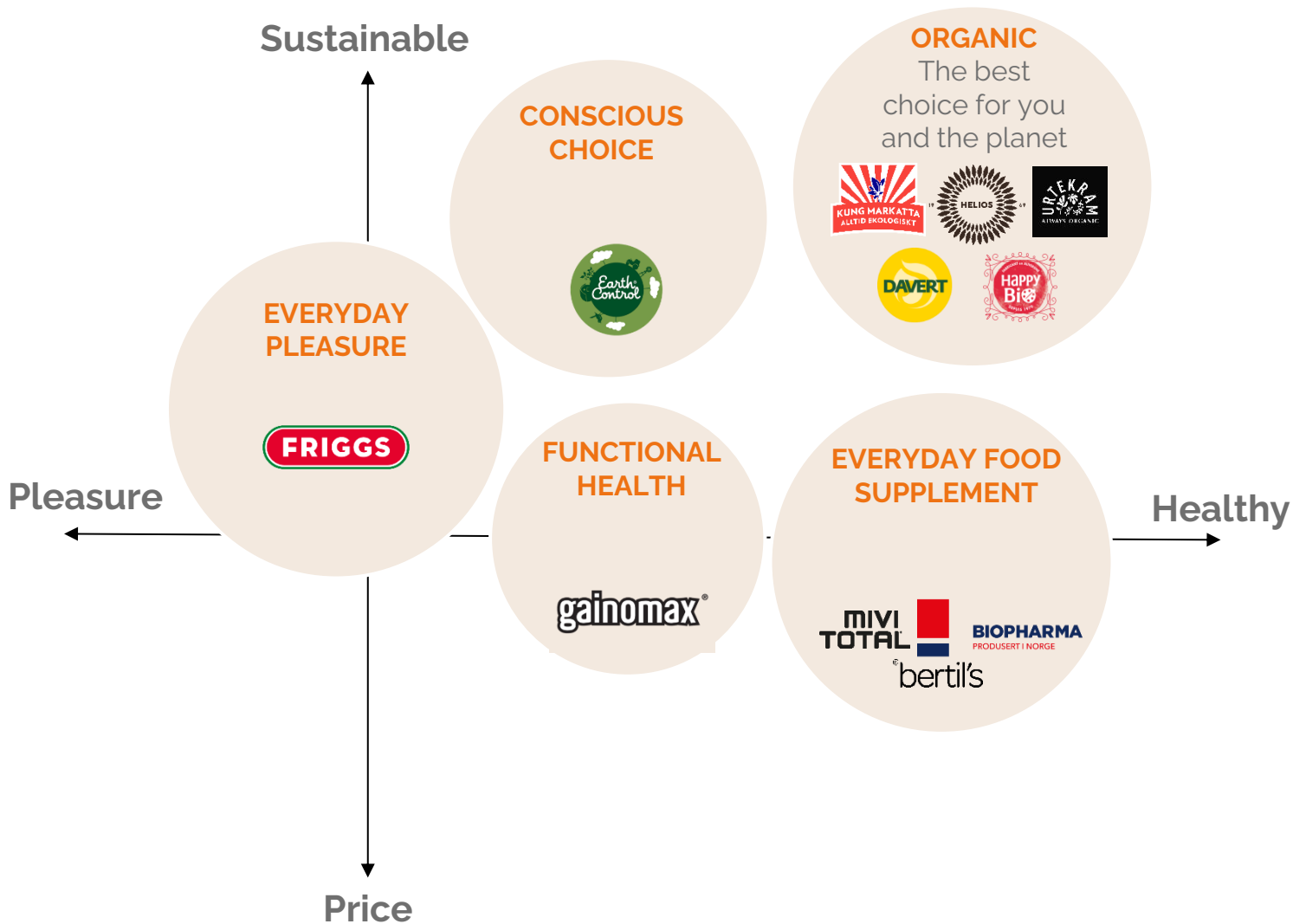
# OFFERING A UNIQUE SET OF HEALTHY AND SUSTAINABLE PRODUCTS

Midsona's strategy is to build leading positions in selected product categories, which are based on strong brands in health and well-being.

To get there, Midsona continuously focuses on developing its brands to effectively address existing and new trends. This strategy has contributed to Midsona's leading position in the Nordic region and the objective now is to adopt a similar approach to become a leader in Europe.

Midsona's wide-ranging portfolio includes strong brands such as:

Urtekram, Kung Markatta, Earth Control, Happy Bio, Davert, Celnat, Vegetalia, Helios and Friggs.



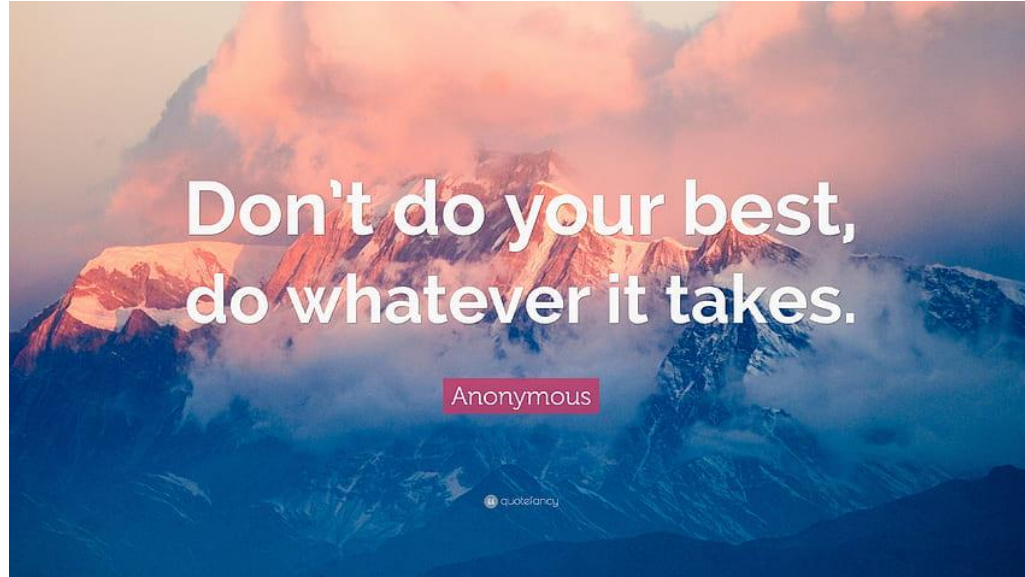
ABOUT MYSELF  
WITH A LOVE FOR NATURE, FOOD AND CHALLENGING STATUS QUO



**Deloitte.**



**MARS midsona**







**HOW TO KEEP ORGANIC PIONEER BRANDS INTERESTING IN THE CHANGING WORLD**



## FIRST: REFLECTING ON BRANDS AND BRAND DRIVEN GROWTH

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“

**YOUR BRAND  
IS NOT WHAT  
YOU SELL.**

JON IWATA

**Being a brand led business** means you completely align your business decisions with your brand strategy, your consumers and their needs.

In a brand-led business you and your employees carry out your work in a way that respects and honours the brand, it's vision, mission, values, and promise to the market.

“

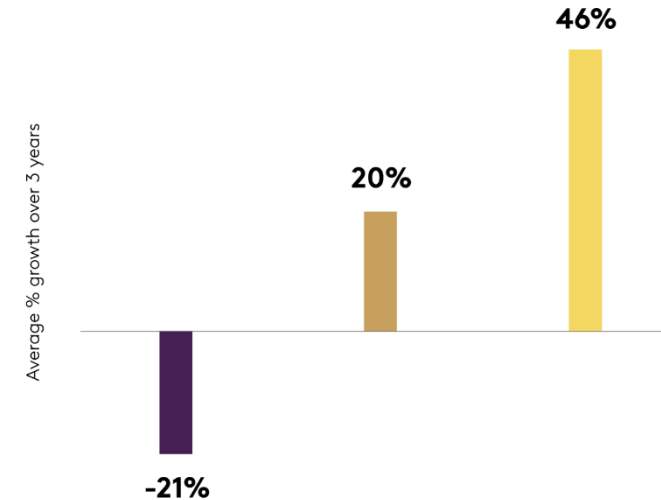
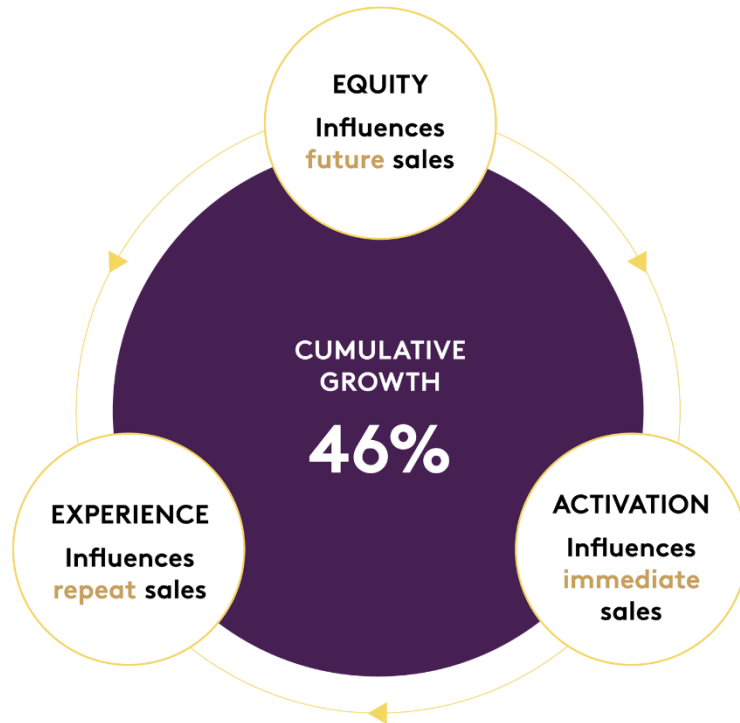
**PRODUCTS ARE MADE  
IN A FACTORY BUT  
BRANDS ARE CREATED  
IN THE MIND.**

WALTER LANDOR



# WE MUST DELIGHT OUR CONSUMER ON EVERY STAGE OF THE BUYER CYCLE TO DRIVE GROWTH

BRANDS THAT DO GROW PERFORM WELL AT ALL THREE STAGES OF THE BUYER CYCLE



Performance on...

Equity/Experience	✓✓	✓✓✓
Activation	✓	✓

To understand what drives sustainable growth, Kantar has analysed the performance of 3,900+ brands from our BrandZ™ global brand equity database, across 58 categories and 21 countries.

Getting the balance on investment right across three areas of marketing activity is critical to your brand success.

# MAKING SURE WE COVER BOTH MENTAL AND PHYSICAL AVAILABILITY, AND INVEST IN LONG TERM GROWTH

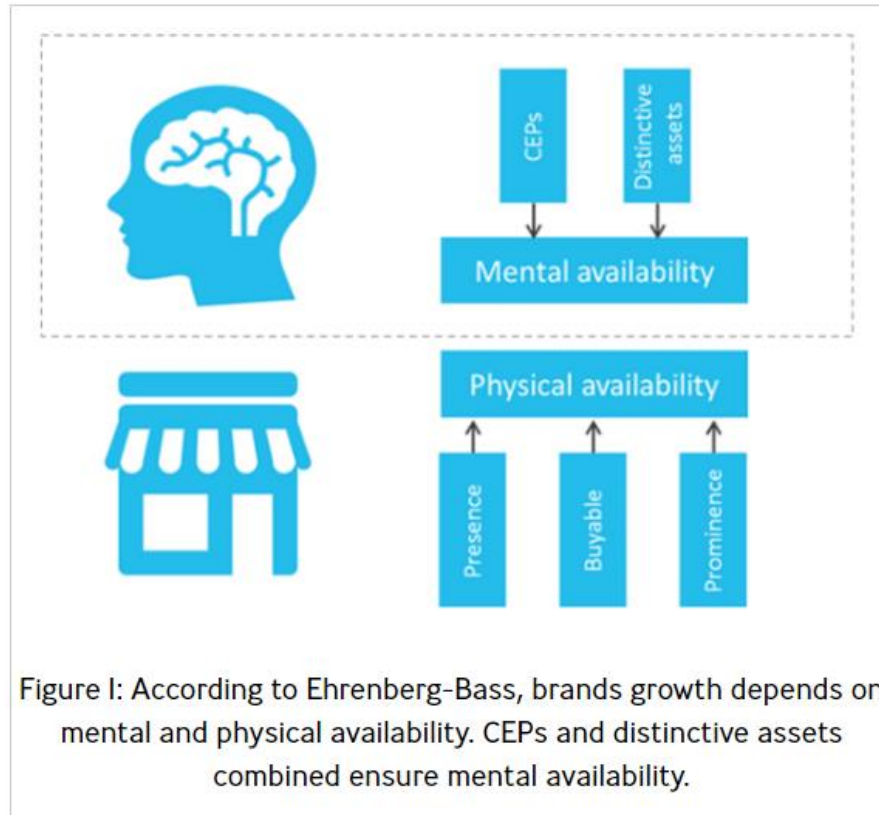
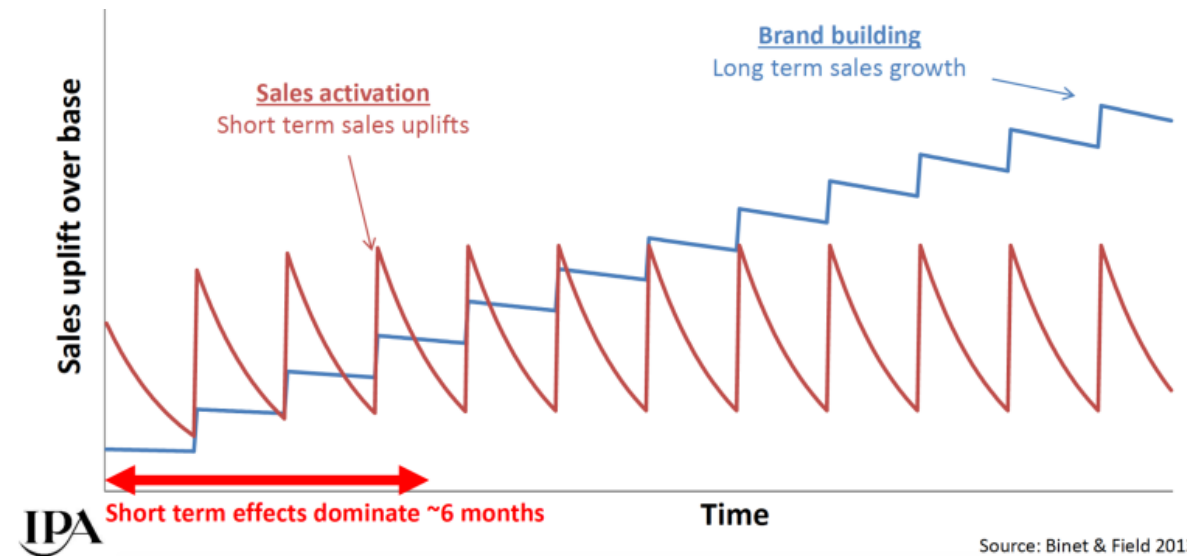


Figure I: According to Ehrenberg-Bass, brands growth depends on mental and physical availability. CEPs and distinctive assets combined ensure mental availability.

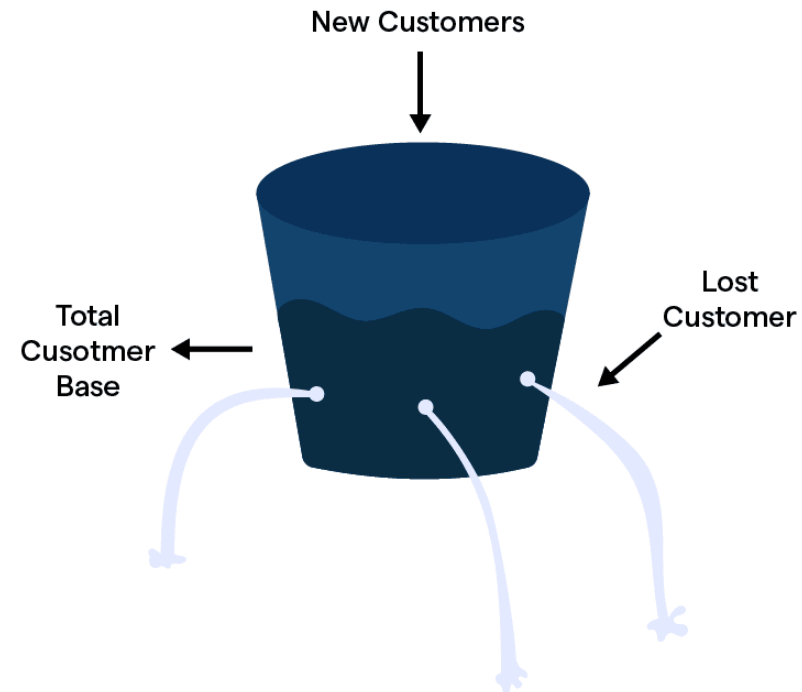




## TO FILL THE LEAKY BUCKET

The leaky bucket theory suggests that companies are always losing customers, so to maintain share, you have to win an equal number of new customers to keep the bucket full, so to speak. **To grow share, you have to be especially good at new customer acquisition, or you have to slow the leak.**

### Leaky Bucket Theory





# WELCOME TO THE BASE CAMP

A high-altitude mountain landscape with a bright orange tent in the foreground. The tent is a Ferrino brand, as indicated by the logo on its top. The background shows rugged, rocky terrain with patches of snow on the distant peaks under a clear blue sky.

HOW FAR HAVE WE COME?

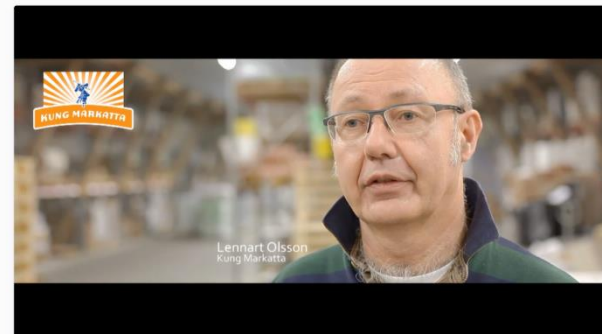


# EACH OF OUR ORGANIC FOOD BRANDS HAVE BEEN PIONEERS WITH A CLEAR VALUE PROPOSITION TO THE CONSUMER

Our organic food brands are pioneers in organic food with strong local heritage:

- Urtekram (since 1972 in key market Denmark)
- Kung Markatta (since 1983 in Sweden)
- Helios (since 1969 in Norway)

Our organic brands have from the early start clear purpose driven values as part of the DNA of the brands, we are authentic with local heritage and have genuine care for the people & the planet.





# ADDING VALUE TO THE RETAILER THROUGH ASSORTMENT AND CONVENIENCE IN AN ORGANIC UNIVERSE



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Our winning formulas were built on organic pioneering focusing on direct distribution and in-store activations of a wide range organic products

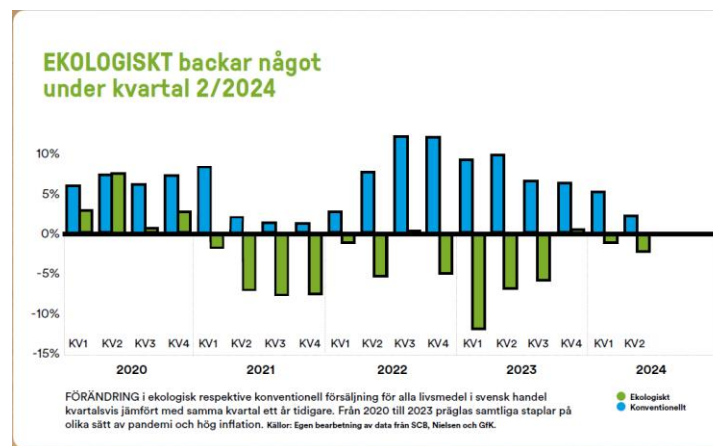
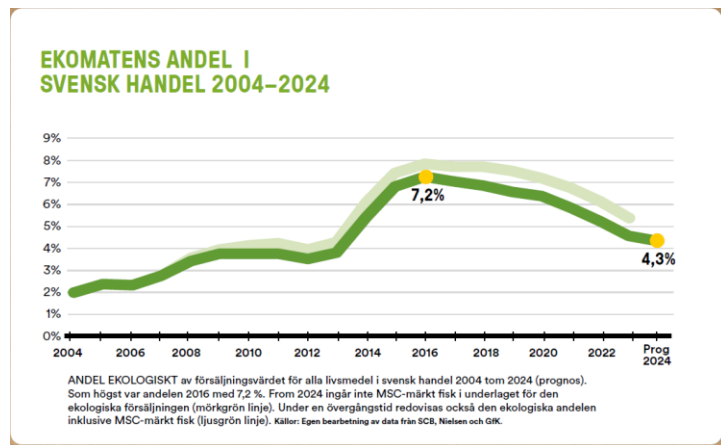




**BUT WHAT IS HAPPENING WITH THE ORGANIC FOOD MARKET?**

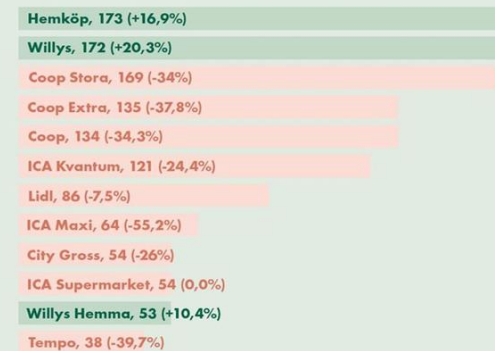


# SWEDISH SHARE OF ORGANIC SALES IN SIGNIFICANT DECLINE



## Kampanjer på ekologiskt

Antal kampanjer per kedja 2023, jämfört med föregående år



# NORWEGIAN ORGANIC MARKET GROWING SLOWLY IN VALUE BUT DECLINING IN VOLUME

## 6.1.1 Omsetning per varegruppe

Tabell 15 viser hvordan omsetningen i dagligvarehandelen fordelte seg på ulike varegrupper de fire siste årene.

Tabell 15: Omsetning av økologiske varer i dagligvarehandelen fordelt på varegrupper, 2020-2023. Mill. kroner

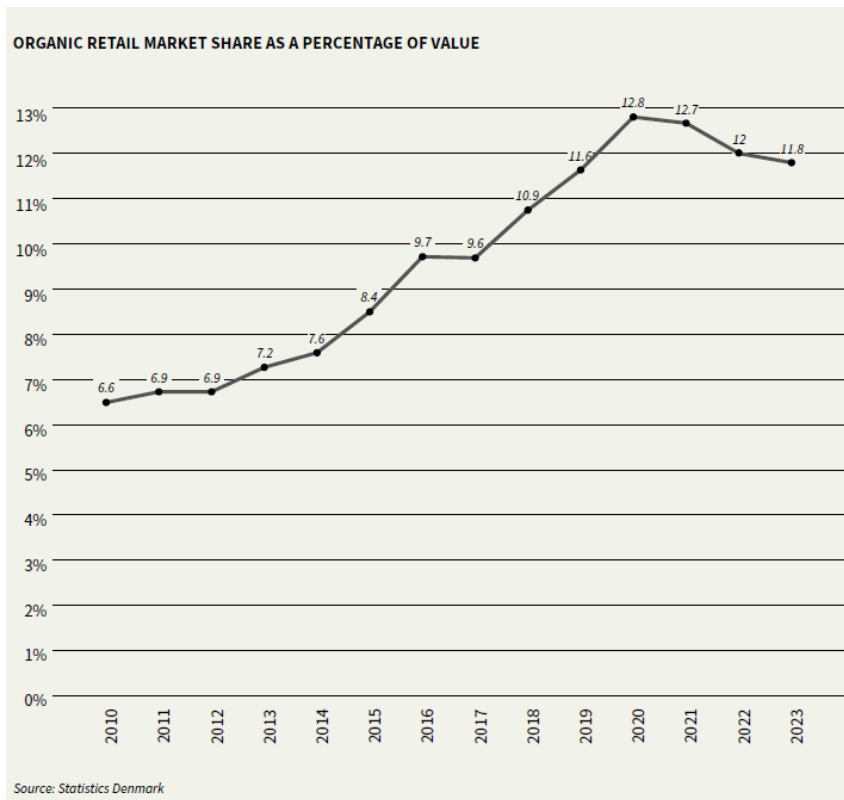
Varekategori	2020	2021	2022	2023	Endring 2023/2022
Tørrvare	978	969	845	857	1,4 %
Meieriprodukter	538	554	514	547	6,5 %
Fersk frukt/grønt	555	505	563	540	-4,1 %
Drikkevarer	184	196	218	228	4,9 %
Fersk ferdigmat/delikatesse	155	147	132	137	4,2 %
Dypfryst mat	74	83	88	72	-18,2 %
Ferskt kjøtt	89	81	61	56	-8,0 %
Kioskvarer	39	37	36	35	-3,5 %
Ferske bakerivarer	28	29	33	28	-16,0 %
Fersk fisk/skalldyr	2	4	5	6	9,0 %
<b>Sum</b>	<b>2 643</b>	<b>2 603</b>	<b>2 495</b>	<b>2 507</b>	<b>0,5 %</b>

Kilde: Norgesgruppen, Coop og Rema.

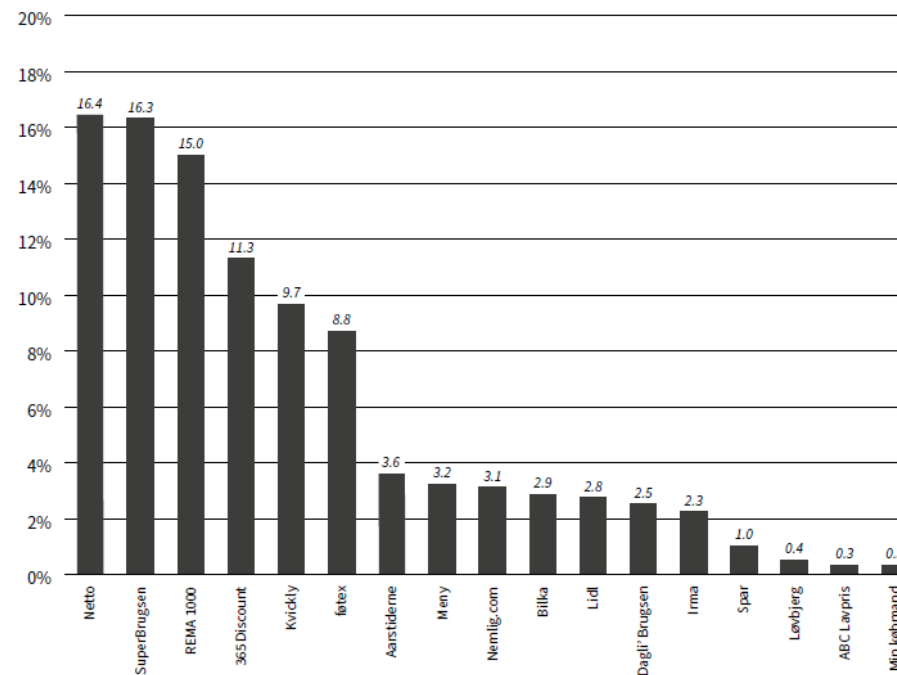




# THE ORGANIC MARKET SHARE IS DECLINING IN DENMARK



**EACH CHAIN'S SHARE OF TOTAL ORGANIC SALES IN 2023**



Source: Kauza shopper data. Aarstidernes' share has been estimated based on sales figures.



# ORGANIC MARKET IS STILL SMALL IN FINLAND, AND IN DECLINE

## Finnish people and organic products

**2,3**

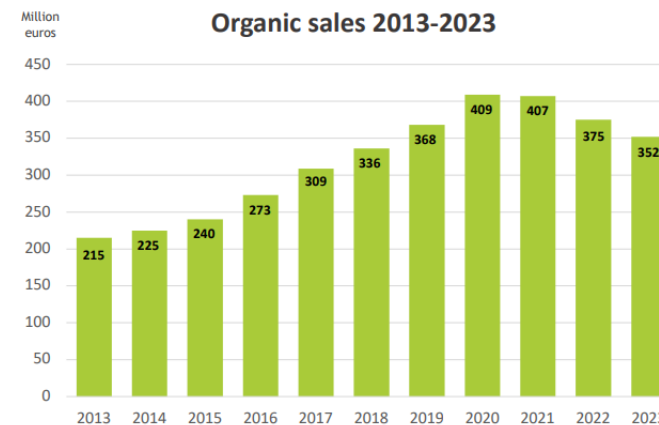
Finns buy organic products regularly, meaning at least every month.

**30 %**

of Finns already recognize the EU organic label with certainty.

Source: Kantar Agri

## Finnish organic market



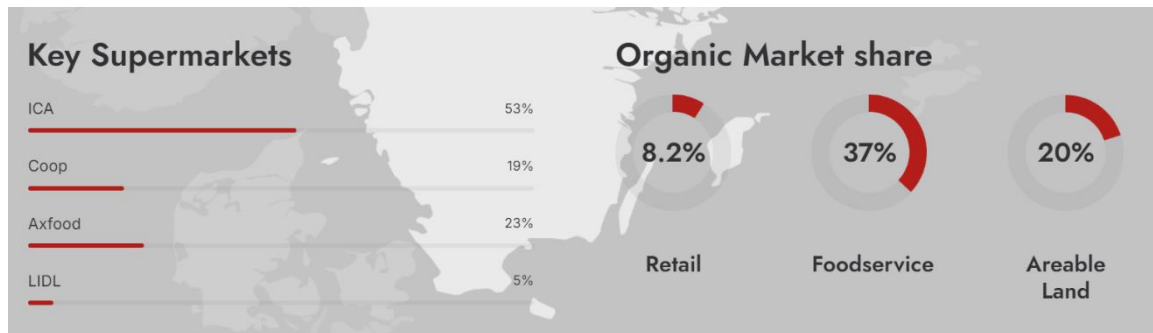
Source: Pro Luomu ry

- In 2023, organic products were sold in grocery stores for a total of 352 million euros. Organic sales decreased by 6% compared to the previous year.
- The increase in food prices and increased price awareness among consumers have significantly affected the sales of organic products.
- The market share of organic products in the Finnish grocery trade is 1.9%.

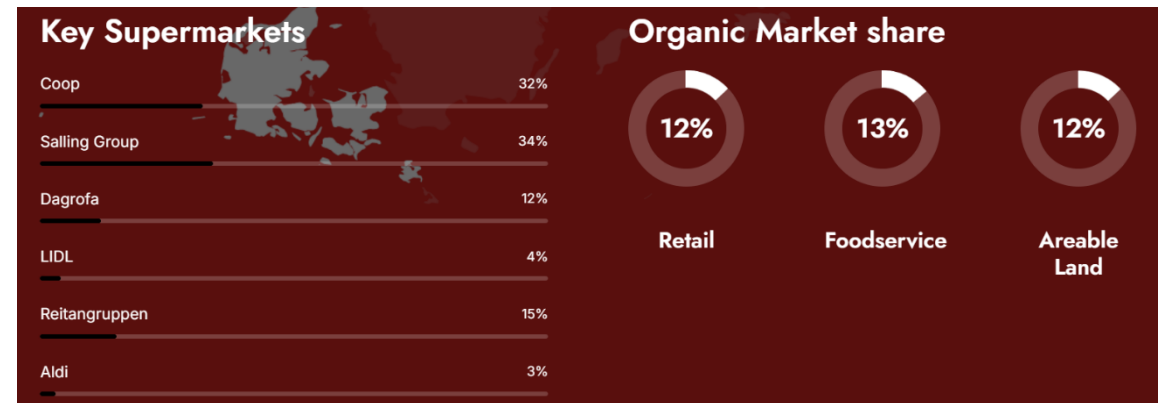


# LEAVING US WITH RATHER SMALL ORGANIC FOOD MARKET

## Sweden – Highest Food Service and Areable Land of organic in the Nordics



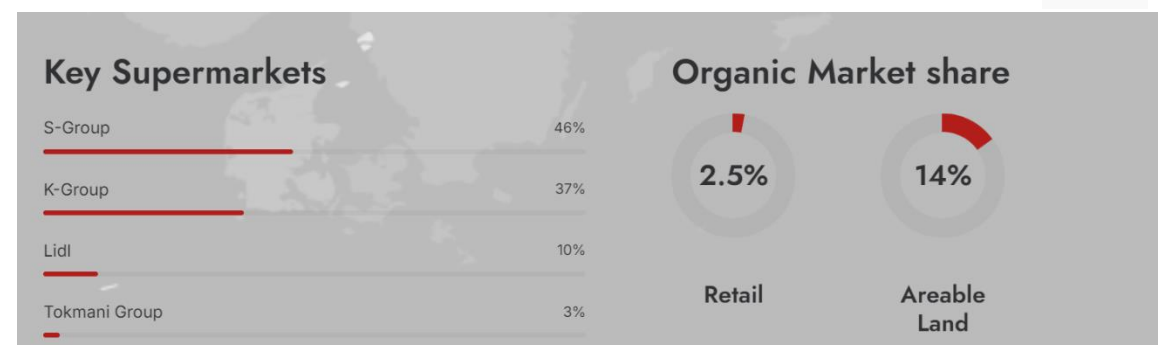
## Denmark – Highest retail share of organic in the Nordics



## Norway – Opportunities in Foodservice



## Finland – Lowest share of organic in the Nordics







# WHILE THE MARKET DYNAMICS IS SHIFTING

## Sustainability beats organic

Sustainability is of increasing importance in all markets, but only few people link organic to reducing harmful effects on the climate



Q12a Which one of the following do you think is the most effective way of reducing harmful effects on the climate/environment?  
Base 2022: All (4017); SE: 1011, DK: 1000, NO: 1000, FI: 1006

YouGov Food & Health report Q2 2022

## CONSUMERS INDICATE WILLINGNESS TO SPEND MORE ON HEALTHY AND SUSTAINABLE FOOD

FOOD SPENDING ATTITUDE 2022-23 VS 2021



Source: Consumer Survey (McKinsey & Co) 2022, 22/05-04/19; Germany: N=536, Sweden: N=554, Denmark: N=565, sample to match general population 18+ years

## Organic is market standard

### 1: Urtekram needs to evolve beyond standard market attributes to win against competition

Desired brand attributes

	Midsona brand	Other brands	Private labels
<b>A. Desired brand perception<sup>1</sup></b>	Midsona brand (SØS)	NATURLI <sup>2</sup>	Private labels (ØGO, ÅNGLAMARK)
<b>Market standards</b>	Organic/Ecological	✓	✓
Healthy	✓	✓	✓
Sustainable	✓	✓	✓
Tasty	✓	✓	✓
Simple/Easy	✓	✓	✓
Affordable	✓	✓	✓
<b>Trending differentiators<sup>2</sup></b>	Vegan	✓	✓
Plant-based	✓	✓	✓
Natural	✓	✓	✓
Gourmet/Quality	✓	✓	✓
Local heritage	✓	✓	✓
Pure/Clean	✓	✓	✓

<sup>1</sup> Urtekram desired brand perception from brand books, with a focus on 'trustful' -attributes.  
<sup>2</sup> Split between attributes based on expert input and team analysis.  
Source: McKinsey Team analysis based on received Midsona internal data, Consumer Survey Data, Brand websites, Expert interviews

#### Observations

Urtekram is not yet playing trending differentiators on their products or communication compared to the competitors

Being organic has become a market standard, and competitors are building upon it with differentiating trending attributes like plant-based, vegan

Urtekram has a Danish heritage but is not emphasizing the localness anymore

### 2: Kung Markatta should identify the key attribute(s) making it stand out from the peers

Desired brand attributes

	Midsona brand	Other brands	Private labels
<b>A. Desired brand perception<sup>1</sup></b>	Midsona brand (Kung Markatta)	Other brands (Kung Markatta, ÅNGLAMARK)	Private labels (G, ÅNGLAMARK)
<b>Market standards</b>	Organic/Ecological	✓	✓
High quality	✓	✓	✓
Healthy	✓	✓	✓
Tasty	✓	✓	✓
Sustainable	✓	✓	✓
<b>Trending differentiators<sup>2</sup></b>	Natural	✓	✓
Energy-giving	✓	✓	✓
Swedish	✓	✓	✓
Value for money	✓	✓	✓

<sup>1</sup> Kung Markatta desired brand perception from brand books, with a focus on 'trustful' -attributes.  
<sup>2</sup> Split between attributes based on expert input and team analysis.  
Source: McKinsey Team analysis based on received Midsona internal data, Consumer Survey Data 23.05-04.07.22, Brand websites, Expert interviews

#### Observations

Kung Markatta has no unique attributes compared to the competitors

Being organic is a market standard – all competitors are organic



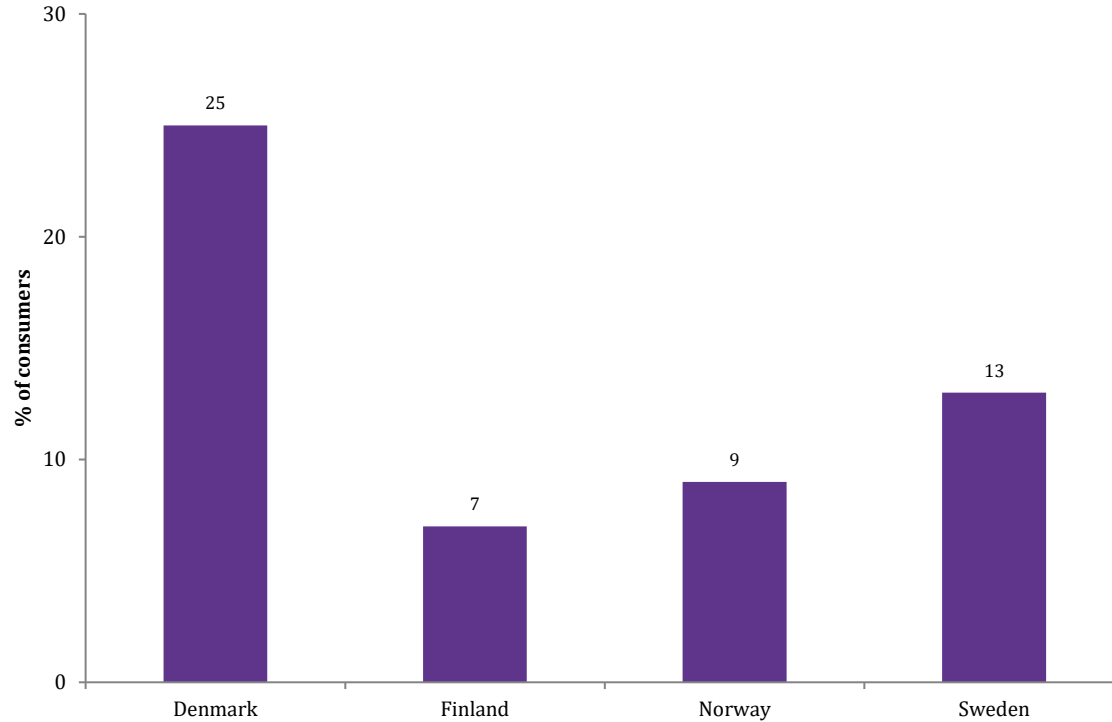
**LET'S CATCH THE WAVE**





# SHOULD WE CONTINUE TO TARGET THE ORGANIC CONSUMER?

Nordic markets: top factors when shopping for food - 'organic', 2024\*



\* taken from Mintel's Global Consumer

Base: Denmark, Finland, Norway, Sweden: 1,000 internet users aged 16+ in each market

Source: [Kantar Profile/Mintel, March 2024](#)





# WHO COULD BE BUYING ORGANIC FOOD?

## ATTITUDE GROUPS

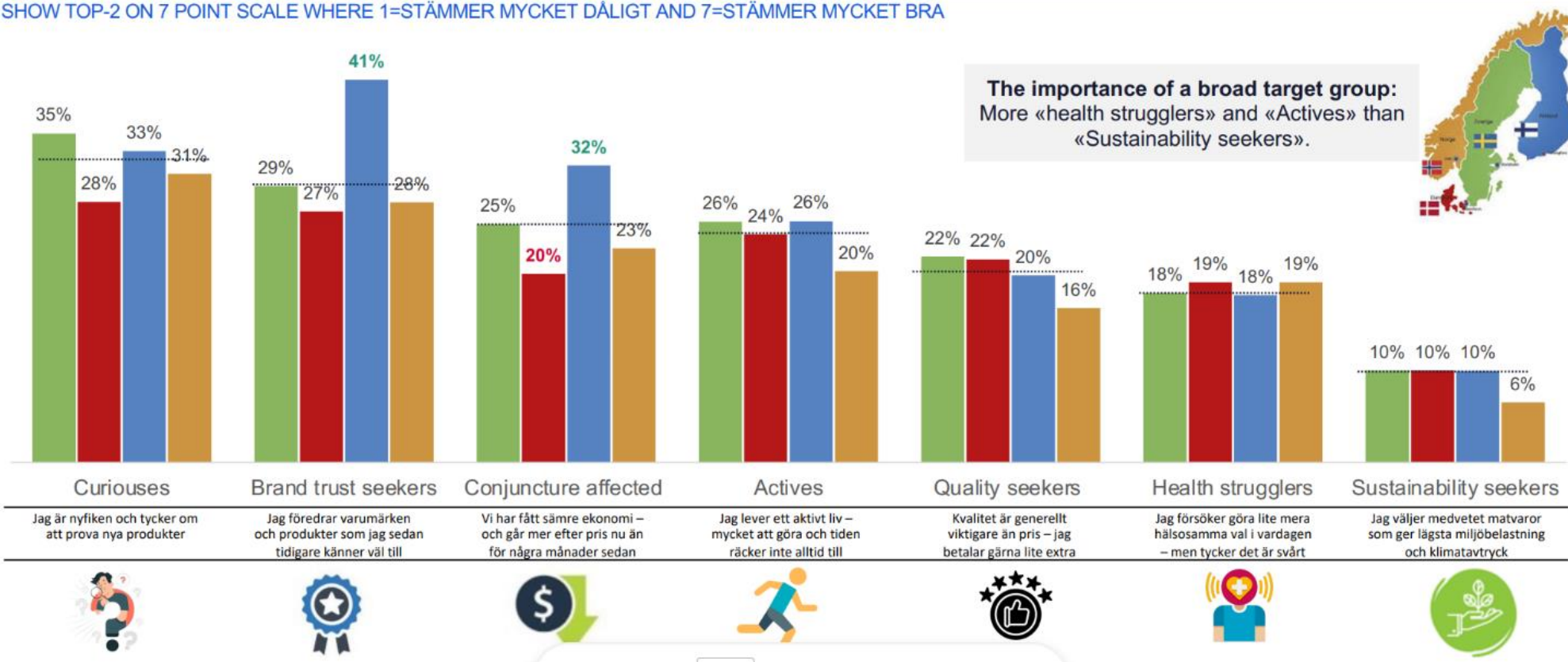
### 7 pre-defined attitude groups – more Nordic similarities than differences

»Brand trust seekers« larger in Finland, »Conjuncture affected« larger in Sweden and less in Denmark

Note: The pure price-hunters are excluded from the survey

Generellt, hur passar dessa påstående till dig

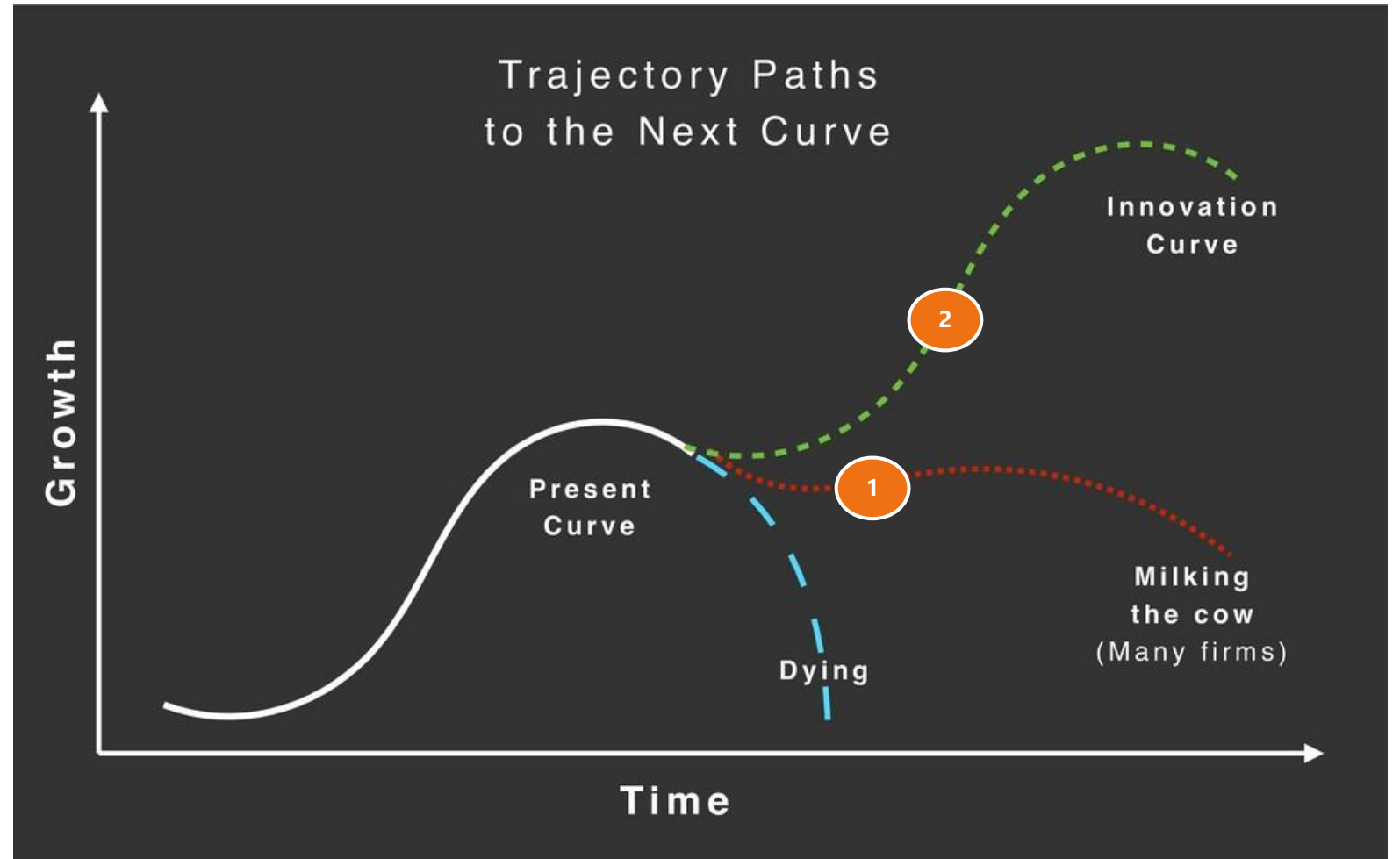
SHOW TOP-2 ON 7 POINT SCALE WHERE 1=STÄMMER MYCKET DÄLIGT AND 7=STÄMMER MYCKET BRA



# WE HAVE AN OPPORTUNITY TO EVOLVE FROM "ONLY ORGANIC" AND TRANSITION TO THE NEXT CURVE

We will have to play on two arenas:

- 1 **Organic only**  
stop the decline by investing in-store activation
- 2 **Sustainable & healthy**  
Jump to the next s-curve by tapping into the trend of sustainability and invest for long term brand building





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# THE MIDSONA MARKETING TRANSFORMATION

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MOVE INTO THE DRIVER'S SEAT  
AND LET THE CONSUMER GUIDE  
US IN THE CATEGORIES WHICH  
WE PLAY, WHILE STAYING TRUE  
TO OUR BRAND VALUES







**MAKE MORE PEOPLE EAT GOOD, DO GOOD, AND FEEL GOOD**



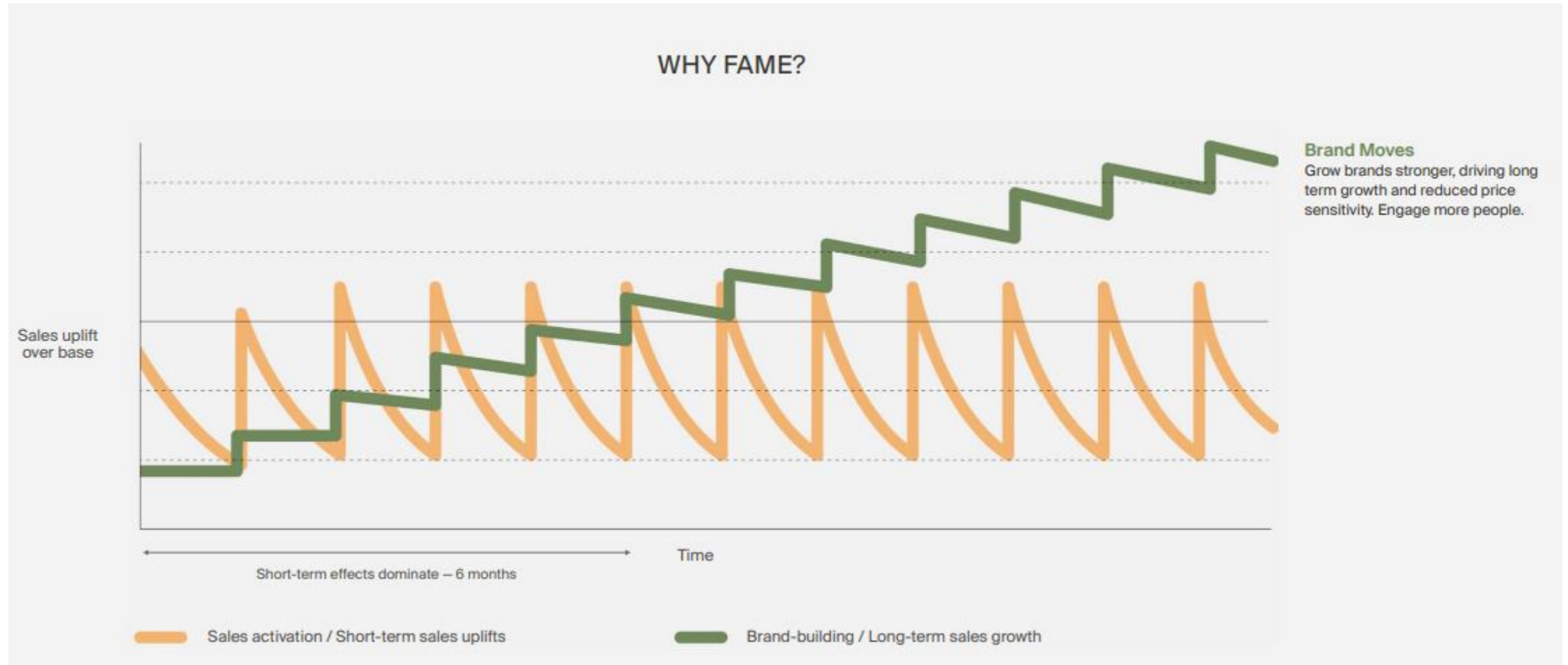


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## SINCE 2023 WE ARE USING A NEW COMMUNICATION PLATFORM



# REBALANCING SHORT TERM SALES ACTIVATION AND LONG TERM BRAND BUILDING TO REACH A LARGER AUDIENCE





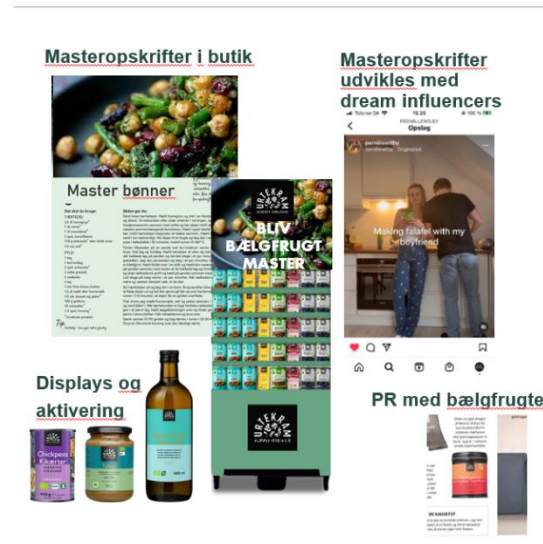
# CONTINUE TO INVEST IN-STORE WITH PERMANENT 2ND PLACEMENTS, TO NURTURE THE ORGANIC UNIVERSE



## Kungsprogrammet by Kung Markatta Sweden



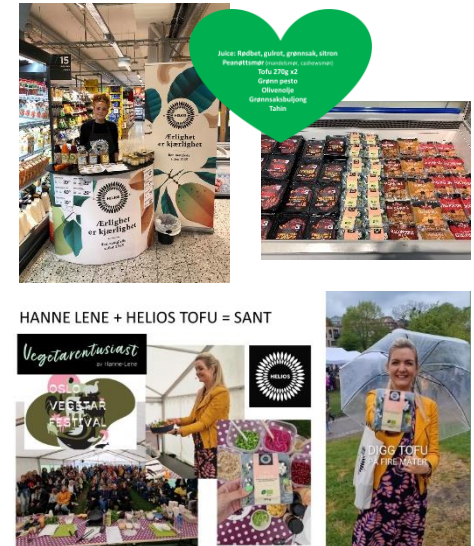
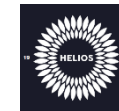
## Green Organic Passion by Urtekräm Food Denmark



## Organic shop in shop universe by Urtekräm Food Finland



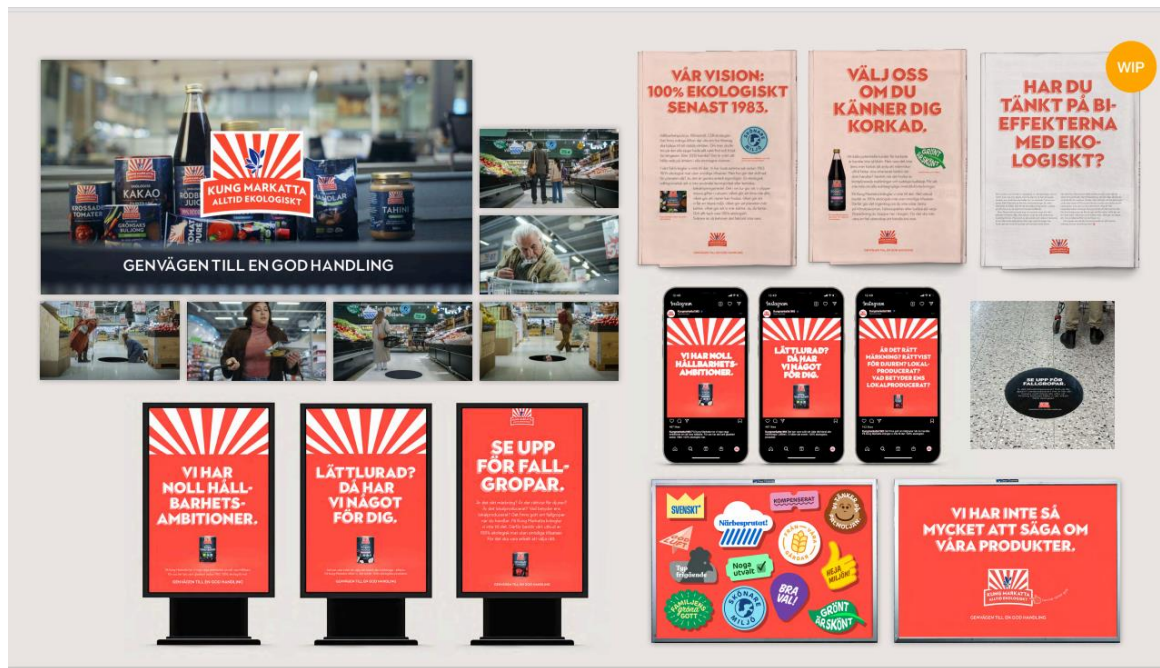
## Helis Green Heart Norway



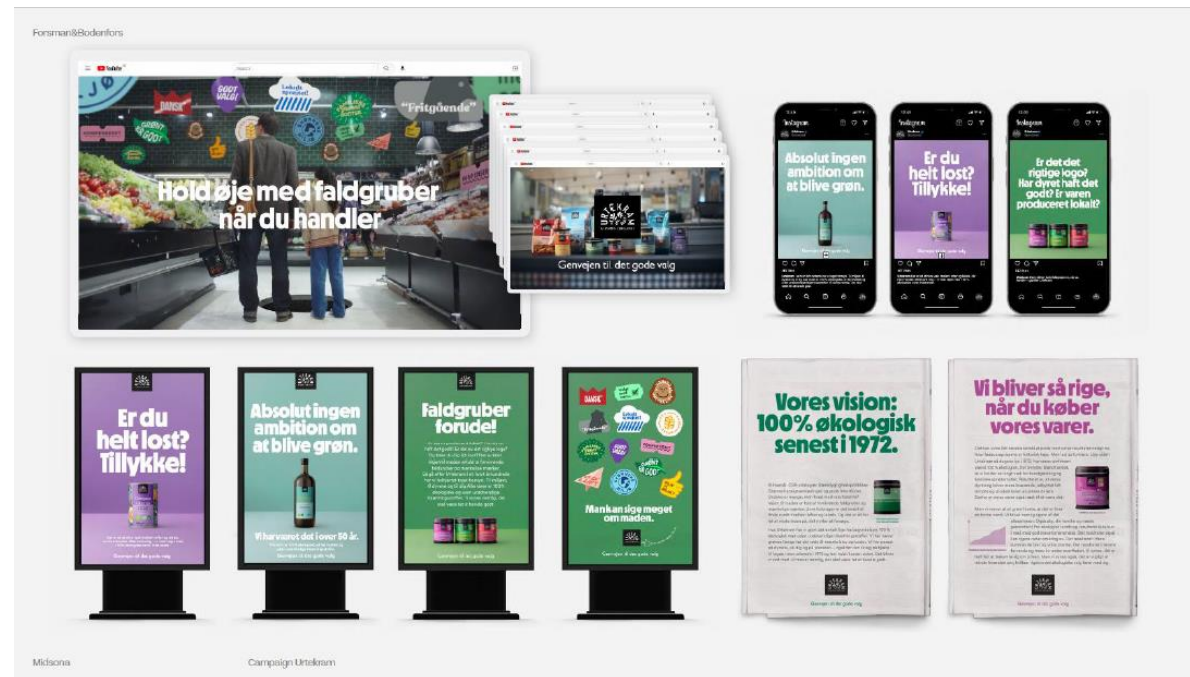
# WHILE WE GO BIG ON COMMUNICATION, BEYOND ORGANIC



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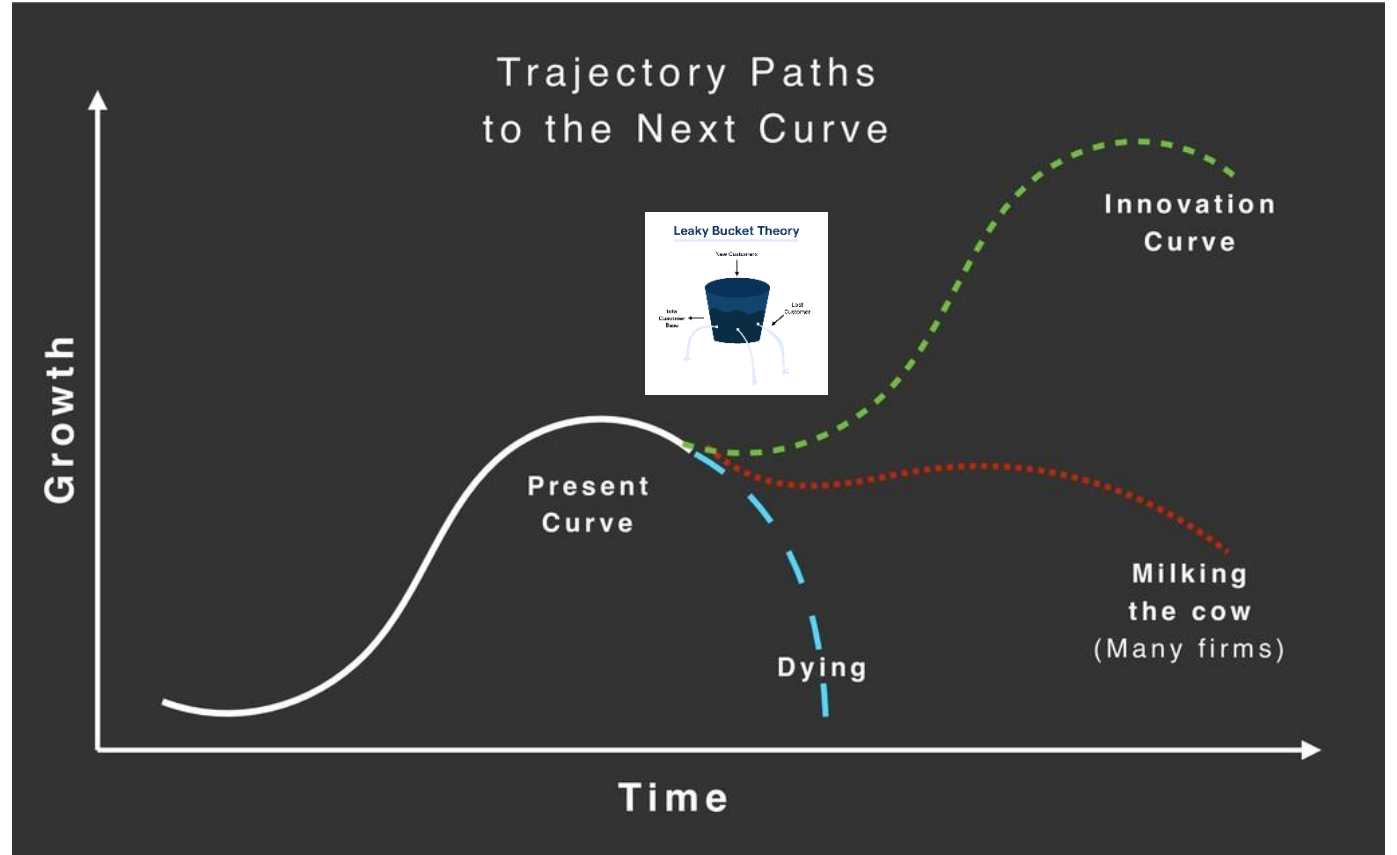


Kung Markatta



Urtekram Food

# BY THIS SHIFT, WE ARE READY TO JUMP WITH OUR ICONIC BRANDS, RECRUITING MORE CONSUMERS AND FILL THE LEAKY BUCKET







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# NEVER FORGETTING ABOUT OUR LEGACY

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[www.midsona.com](http://www.midsona.com)





**THANKS FOR LISTENING, THERE IS LIGHT IN THE TUNNEL**



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