



**Australian Government**  
**Australian Trade Commission**

## Food and beverage to Ireland.

### Trends and opportunities

#### The market

The food and beverage industry in Ireland is worth around A\$30 billion, accounting for nine per cent of gross domestic product (GDP) and eight per cent of total exports. The sector employs 47,000 people directly in over 650 companies; agriculture employs another 110,000 people.

Ireland has undergone significant changes since the beginning of the 'Celtic Tiger' phase in the early 1990s. Notable has been the development of the information and communications technology (ICT) sector and that **Ireland now has the second highest GDP per capita in the European Union (EU)**.

#### Key drivers for the food and beverage industry include:

- ✗ Forty per cent of the Irish population is under 25
- ✗ Thirty per cent of the population live in Dublin
- ✗ The traditional large Irish family is changing – more women are working and families are smaller
- ✗ Ireland is experiencing net inwards-migration
- ✗ Eight per cent of weekly income is spent on alcohol and tobacco
- ✗ The economy is experiencing high economic growth and unemployment continues to decline
- ✗ Competition between the retailers is fierce, driving innovation and change
- ✗ Supermarkets are spreading to more rural towns
- ✗ Supermarket floor area is limited in size by law

As in other European countries, **Irish consumers are becoming more interested in new foods and traditional eating patterns are changing**. Convenience, novelty, value and quality are all important. With higher disposal incomes, there is greater demand for ready-made food, takeaway food, restaurant dining and diversity of cuisine types.

Ireland's climate and landscape is perfect for supporting a highly developed dairy industry. **Over 80 per cent of Irish butter, cheese and milk products are sold around the world**, and the [Kerrygold](#) brand from the Irish Dairy Board is the market leader in many countries.

**Ireland has a well-developed horticultural sector and is self-sufficient in most vegetables, but is dependent on imports for fruit supplies**. The demand for counter-seasonal fruits has been slower to develop than in UK, but a range of temperate and tropical fruits are now available year-round in most stores.

**Growth in wine drinking in Ireland has been impressive, running at around 15 per cent for the last 10 years**. Around 45 per cent of the population now drink wine regularly, consuming 11 litres per capita per annum. Expanding sales into the non-wine-drinking population will be harder than encouraging existing consumers to try new wines. Irish consumers are less price sensitive than British consumers, partly due to a greatly increased spending power.

**Ireland is also the northern hemisphere's largest net exporter of beef**. Almost 90 per cent of local production is exported. Concentration on quality and traceability has meant that Ireland has continued to be a favoured supplier.

As well as being a leading primary producer, Ireland is also one of Europe's cutting edge consumer foods manufacturers. Ireland has the fastest and longest ready meal production lines in Europe.

(Source: [BordBia](#))

#### Opportunities

Opportunity areas for Australian exporters in the Irish food and beverage industry include:

##### Food retail:

- ✍ Fresh produce – counter-seasonal supply of temperate fruit, plus citrus and tropical fruits
- ✍ Beverages – Australian wine is already a success, but opportunities exist with regional varieties rather than blends, and the mass-market chardonnay, merlot and shiraz in full bottles, and quarter bottles for food service.
- ✍ Home baking products – dried fruits and nuts, pre-mixes and ingredients for home baking
- ✍ Groceries – convenience and pre-prepared foods, confectionery, biscuits, cereals, jams, snacks
- ✍ Premium products – Australian native products, organics, adult 'indulgence' or 'healthy eating' foods
- ✍ Meat and seafood – more limited opportunities for seafood and game meats

**Manufacturing:**

- ✍ Raw materials and flavourings for the Irish food industry
- ✍ Using Ireland to manufacture under license

**Competitive environment**

Chile, Australia and France each has around 20 per cent of the wine market share. The USA and South Africa each has around 15 per cent.

**More information**

For further information please contact Austrade on 13 28 78 or email [info@austrade.gov.au](mailto:info@austrade.gov.au)

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