



Agriculture Sector Performance Report



QUARTER 1
2020

3 Intro

4 Users & Sessions

5 Demographics

8 Technology

9 Channels

10 Revenue and Conversion Rate

INTRO

Like most sectors in Ireland, Ireland's Agri Food Industry is incurring its fair share of uncertainty at present as a direct result of Covid 19.

Contributing over **€13.9 billion** to Ireland's economy in 2016, and 9.8% of Irish Merchandise exports,¹ farmers supplying this sector had been anticipating a robust, profitable year with projected average Family Farm Incomes to reach €25,724.² That was of course, prior to the Covid 19 Pandemic and resultant restrictions that came into force not only here in Ireland, but across the world.

The net effect of these restrictions has meant that farmers across Ireland are now facing an unprecedented, and uncertain future. Decline in demand for Irish Agricultural products both nationally and internationally has led to oversupply within the sector. Seeds have been sown, animals have been born and crops reaped, all of which can not be reversed. As result, farmers have had to become cleverer in how their farms operate, and are now managing costs with a microscope to ensure survival.

Even before the recent pandemic many farmers had gone online when it came to farm supplies. This trend appears to have been accelerated in the recent past with more and more farmers choosing online agri suppliers over visits to the nearest supply store.

In this report, we examine the digital state of affairs within the Agri Supply sector online during the first quarter of 2020. We have reviewed, audited and analysed the behaviour of over 350,000 users of agri supply websites to bring this exclusive insight into how the Agri supply sector is performing online.



¹ Teagasc, Agriculture in Ireland.

² Teagasc, Initial Economic Assessment of its Impact on Irish Agriculture.

TRAFFIC

Users & Sessions

As mentioned above traffic within the Agri Sector websites examined is quite extensive. During Q1 2020, agri website users grew by 56% versus the previous period.

As with all aspects of agricultural life, seasonality plays a significant role and could explain the significant increase from Q4 to Q1 as lambing and calving became the order of the day. Comparing data year on year, however, did reveal a growth within the sector as the number of users grew by 88% versus the same period last year.

The covid 19 pandemic and resulting restrictions will have had a significant role to play in this increase during the quarter, however such a high growth figure does suggest that the farmers had already be migrating to online shopping to a large extent. With a steady growth in users, it is no surprise to see corresponding increase in the number of sessions arising on our audited websites.

Year on year sessions grew by over 100%, however a portion of this growth can be attributed to the covid 19 pandemic. Sessions also increased on our quarter on quarter evaluation by 63%.

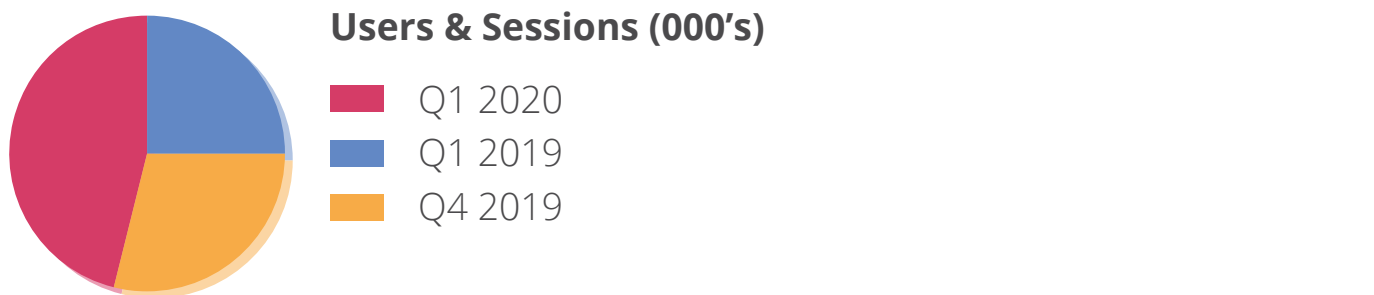


Figure 1 - Comparison of Online Users & Sessions Proportions - Google Analytics

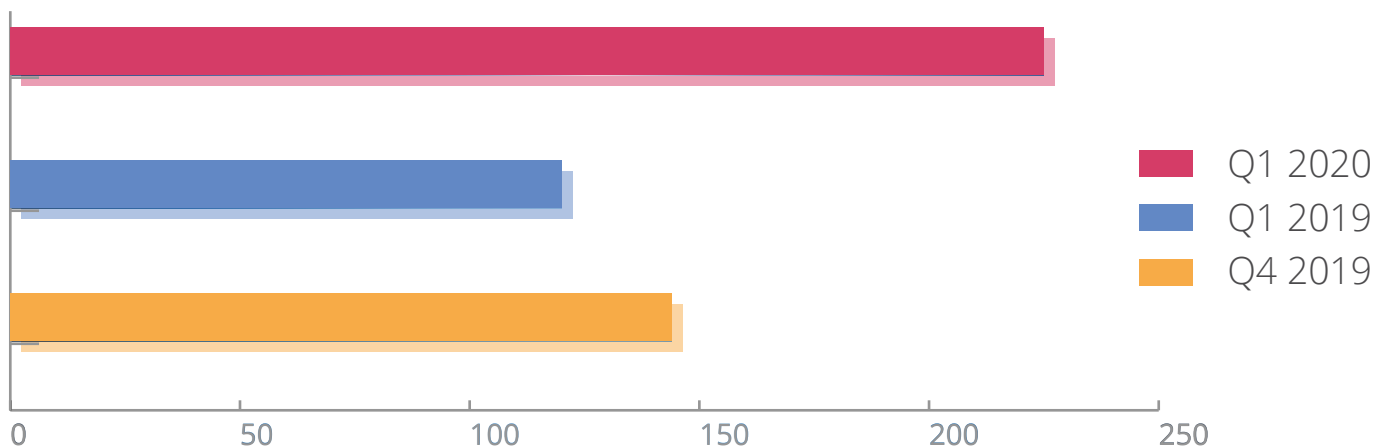


Figure 2 - Increase in a Number of Online Users & Sessions - Google Analytics

Demographics

Young Farmers and middle-aged farmers appear to be dominating the digital migration within the Agri Sector. An evaluation of the age profile of website visitors uncovered a over 45% of visitors were aged between 25 and 44 years. The lowest age demographic was that young or new entrant famers (18 – 24 years) at just 7.92%. Interestingly, retirees account for over 12% of Agri website visitors during Q1 2020.

In terms of gender, there appears to be a 60/40 split in favour of males when it comes to Agri sector website visitors.

From a revenue perspective, young or new entrant farmers represented the highest increases in revenue YoY increasing by 170% on average. Young Male farmers represented the largest of the two increases at a staggering 228%, however, not to be outdone, young lady farmers also increased by 112%.. Male farmers between the ages of 35 and 44 represented the largest revenue decline year on year of 42%, however this was negated by 60% increase in revenue from women of the same age.

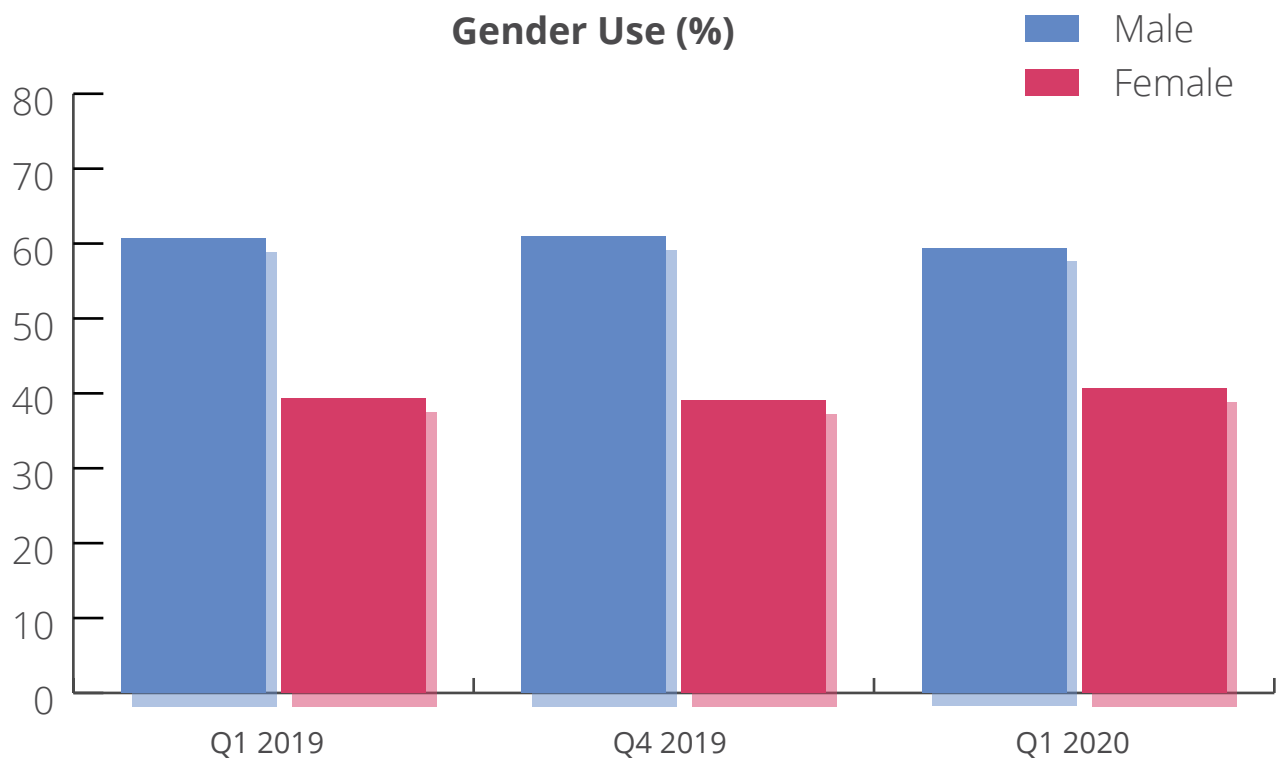


Figure 3 - Breakdown of Demographics by Gender - Google Analytics



Age Profile of Users Q1 2020 (%)

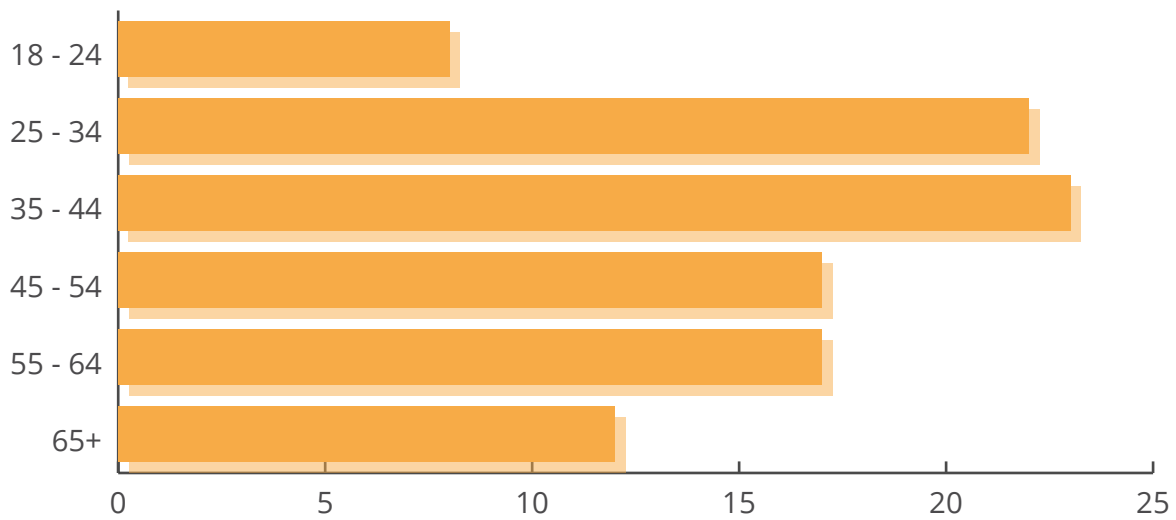


Figure 4 - Breakdown of Demographics by User's Age in Q1 2020 - Google Analytics

Age Profile of Users Q1 2019 (%)

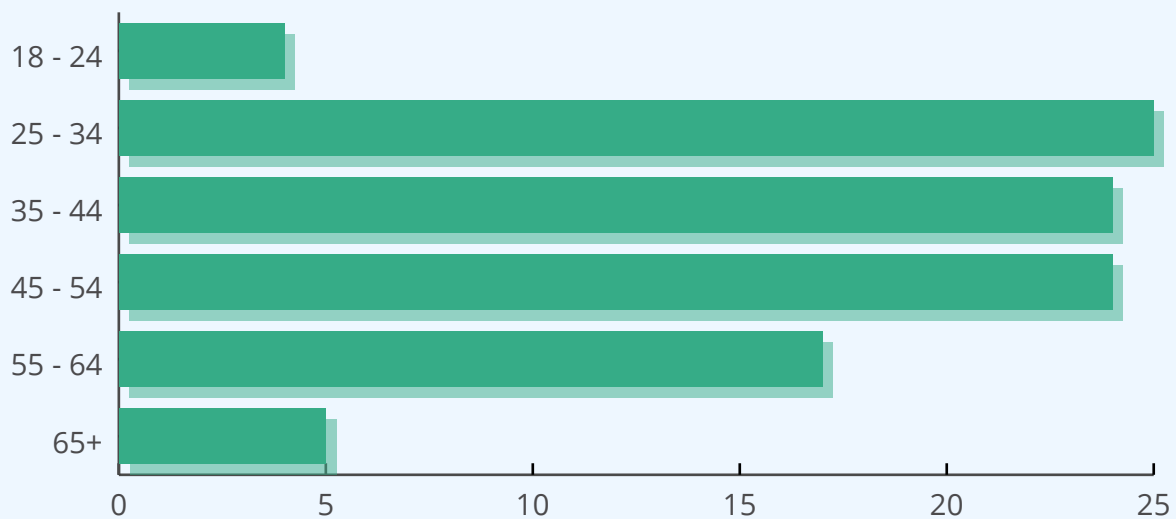


Figure 5 - Breakdown of Demographics by User's Age in Q1 2019 - Google Analytics

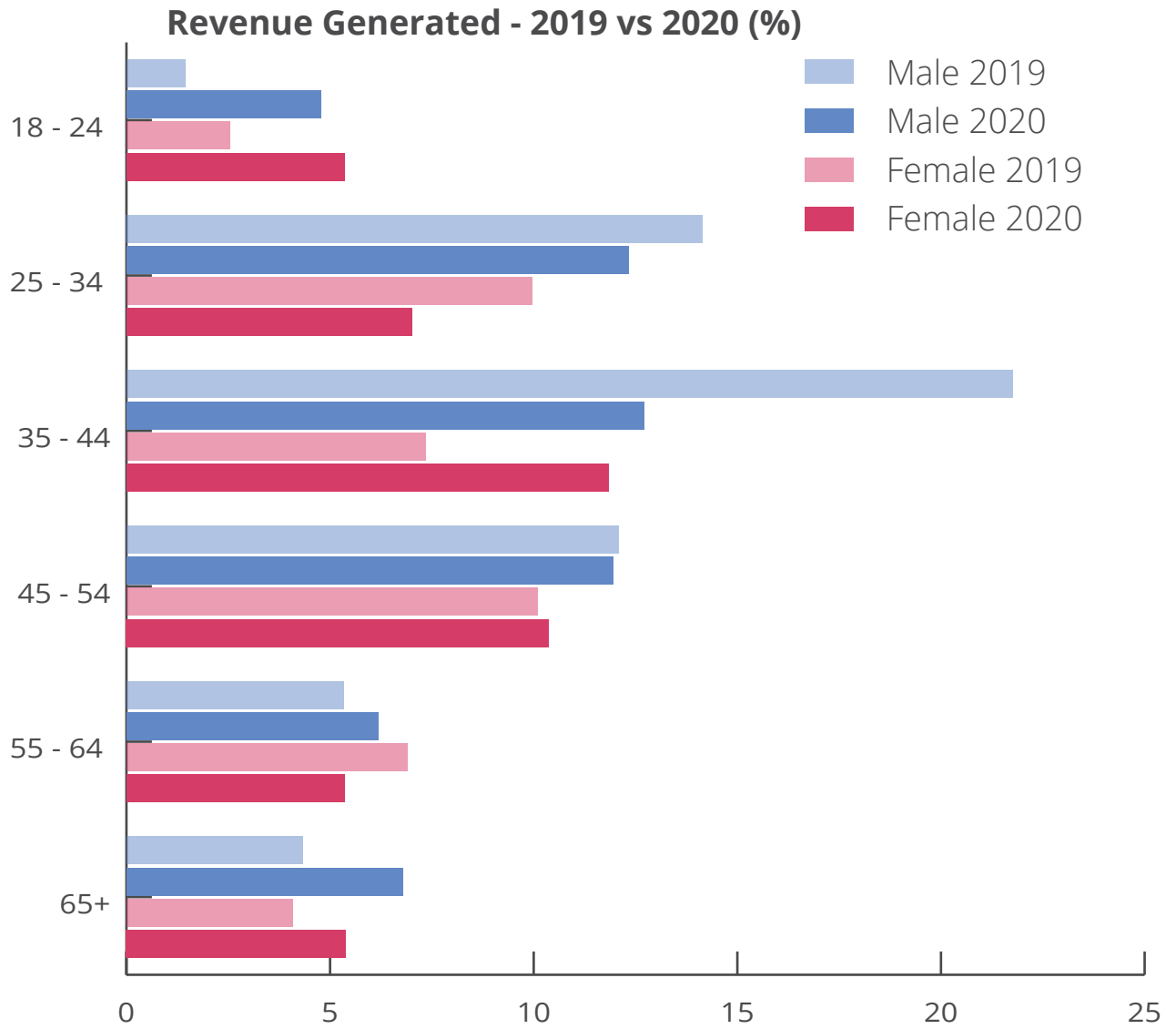


Figure 6 - Revenue Generated by Gender and Age Groups in 2019 vs 2020 - Google Analytics

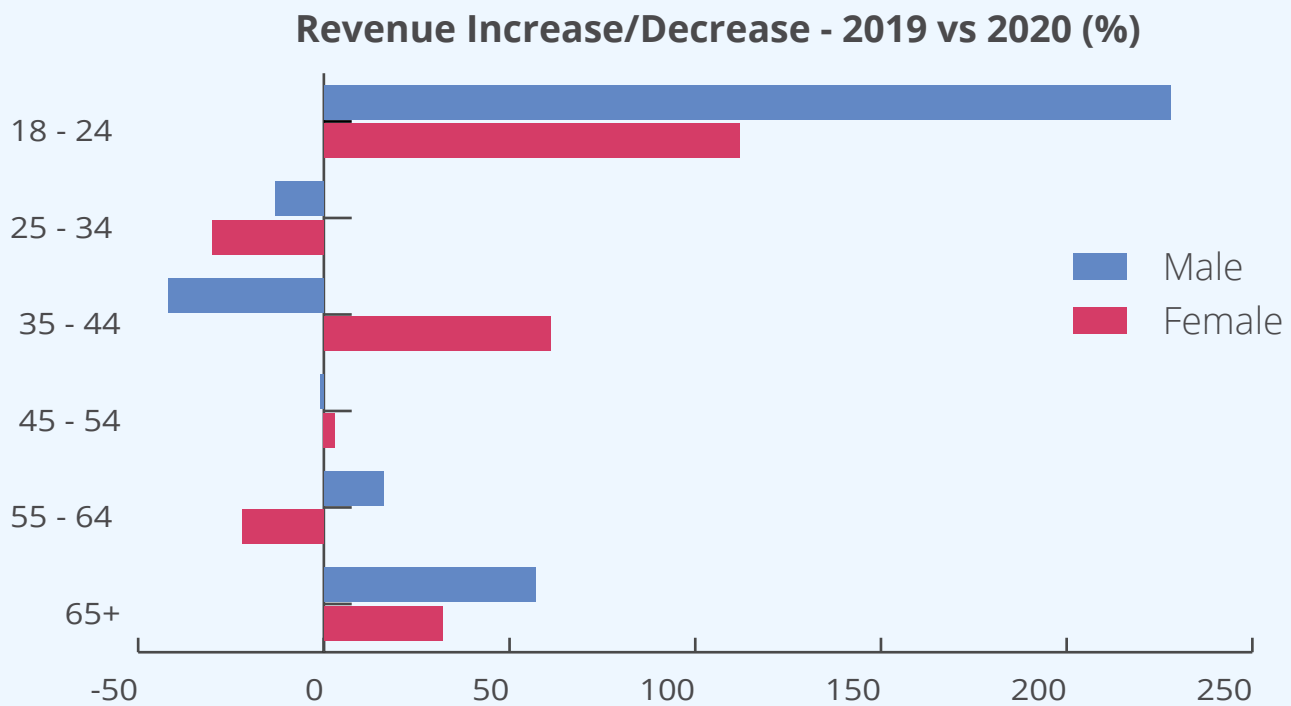


Figure 7 - Revenue Increase/Decrease by Gender and Age - 2019 vs 2020 - Google Analytics

Technology

Mobile dominates the acquisition table for Agri sector websites demonstrating the importance of responsive websites within the Agri sector. A staggering 71% of all sessions on our audited websites occurred via a mobile device during Q1 2020. Just 21% of all website visitors done so on a desktop device, while tablets were the least popular when it came to sessions at just 6.66%.

From a revenue perspective, the growing migration to mobile does not seem to deter shoppers spending habits as revenue generated through mobile devices accounted for 56.65% in Q1 up by 11% on the same period last year.

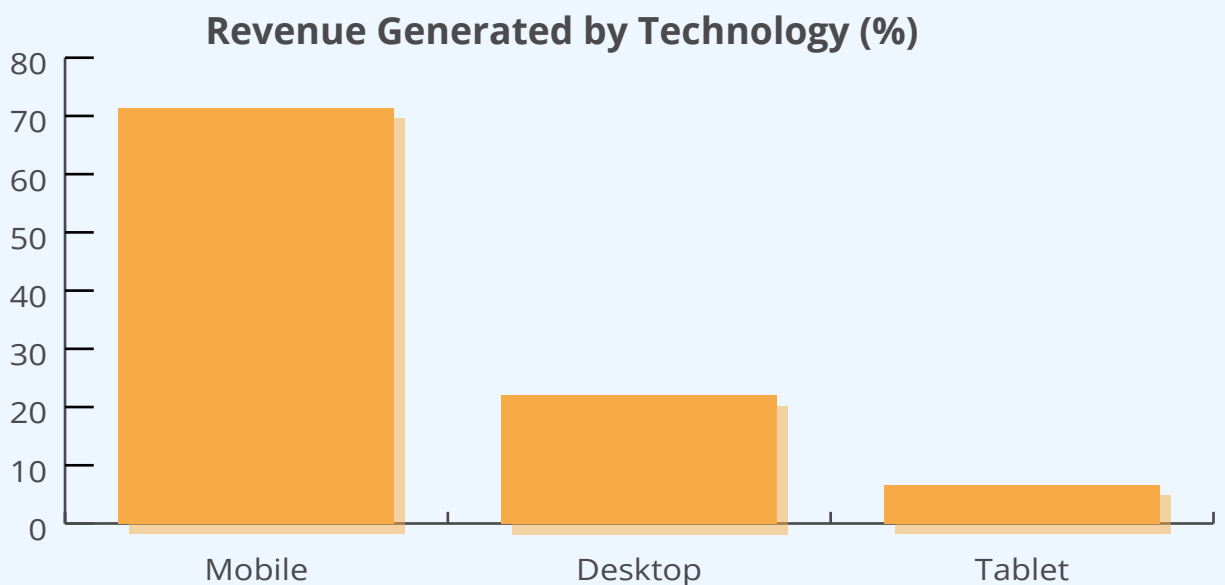


Figure 8 - Revenue Generated Breakdown by Devices - Google Analytics

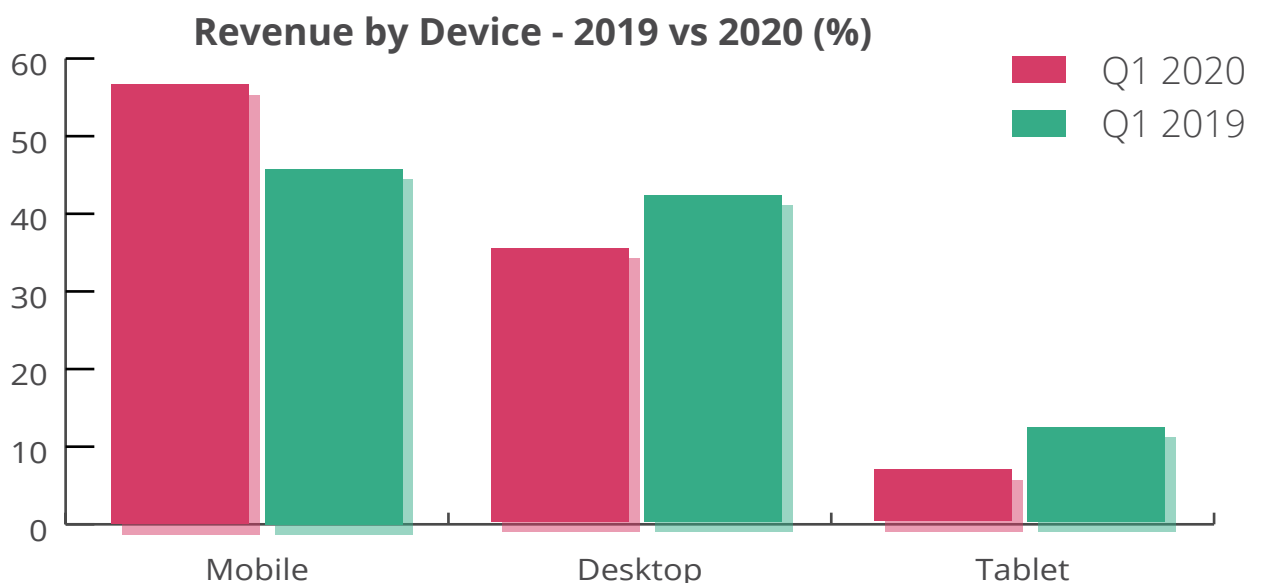


Figure 9 - Revenue Generated Breakdown by Devices - 2019 vs 2020 - Google Analytics

Channels

While pay per click advertising plays a more pivotal role nowadays in search results, Organic traffic remains the largest acquisition channel for Agri sector websites, accounting for 53.46% of all traffic audited in this survey. Paid channels such as Google Shopping accounted for 25% of all traffic while Social accounted for just 10%. All remaining channels accounted for less than 10%.

With the largest portion of traffic being acquired organically, it is no surprise to see that Organic traffic also accounted for the highest portion of revenue generated by a single channel. However, Paid search although accounting for less of the overall traffic did account for over 33% of all revenue generated affirming that traffic acquired via paid channels are more likely to convert. Although social traffic was the source of 10% of traffic, the return from this channel is much lower, suggesting that social is a good platform for awareness, it does not acquire users that are close to conversion and whose searches translate into actual spend.

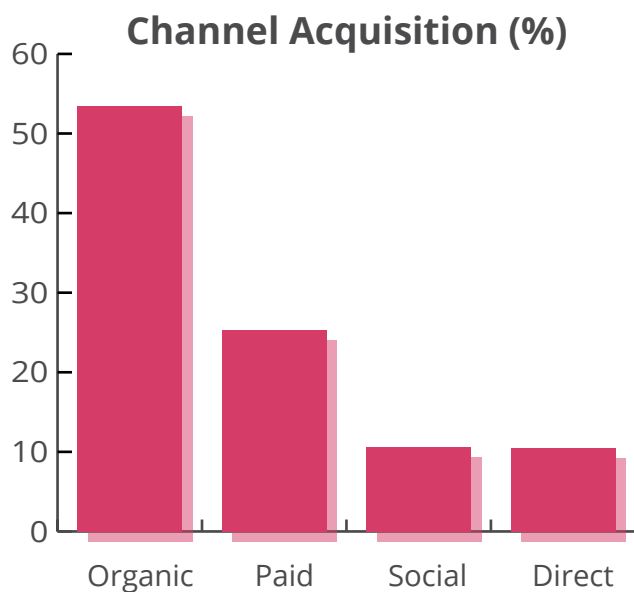


Figure 9 - Channel Acquisition Breakdown - Google Analytics



Revenue by Channel

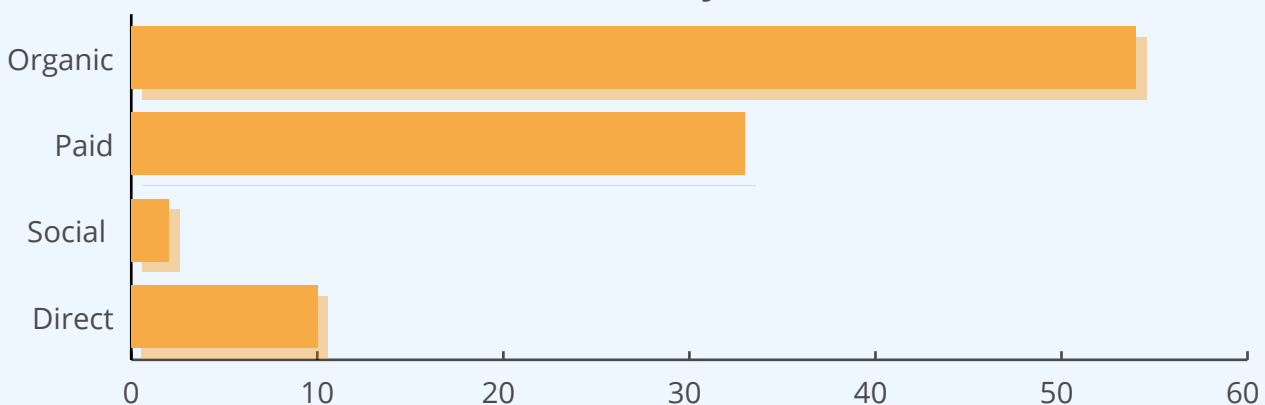


Figure 10 - Revenue Breakdown by Channels - Google Analytics

Revenue and Conversion Rate

A year on year comparison of Revenue generated revealed a near 100% increase.. The quarter on quarter analyses showcased a continuing upward trend, with revenue up 46% on the previous quarter. Naturally, the global pandemic and restrictions on living will have a significant role to play in the 2020 Q1 revenue figures.

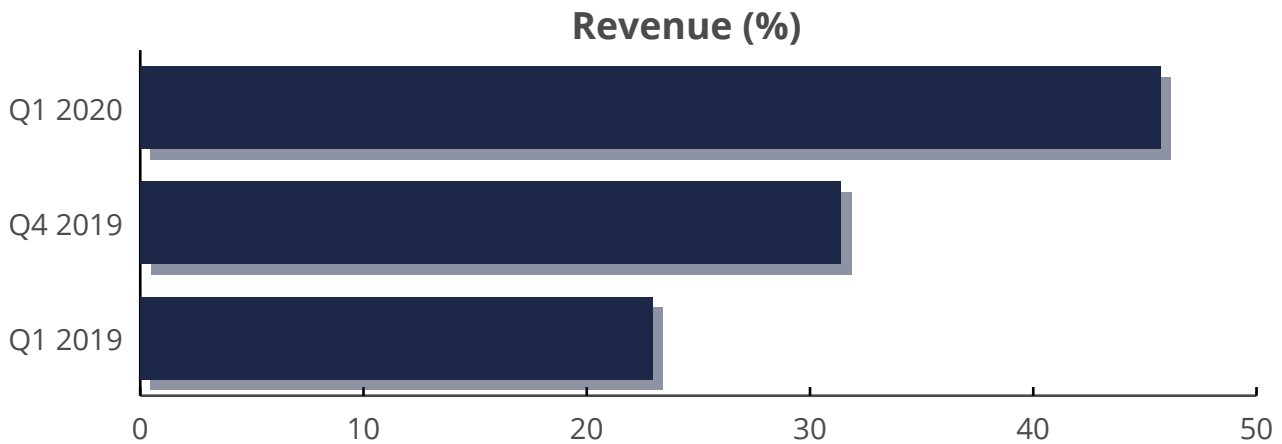


Figure 10 - Comparison of Revenue - 2019 vs 2020 - Google Analytics

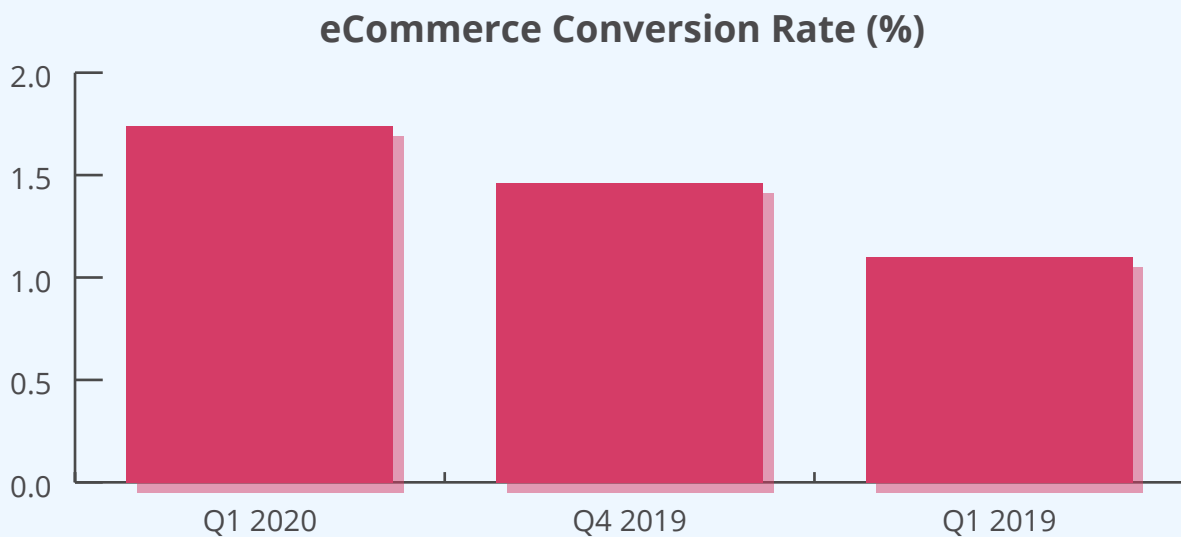


Figure 11 - eCommerce Conversion Rate Comparison - 2019 vs 2020 - Google Analytics

A notable increase was also apparent in relation the eCommerce Conversion rate which grew by 59% year on year signifying farmers are becoming more adept and increasingly confident in shopping for their farm online. The relative increase in conversion rate quarter on quarter was much lower at just 19% which affirms the migration of farmers from local farm supply stores to online shopping.