

CONFIDENTIAL

FOR INTERNAL USE WITHIN
CLIENT COMPANY ONLY

THE SWEDISH TRADE & INVEST COUNCIL



INSIGHTS TO THE DUTCH FOOD RETAIL SECTOR

BUSINESS SWEDEN THE NETHERLANDS

2017

THE FOOD SECTOR IN THE NETHERLANDS

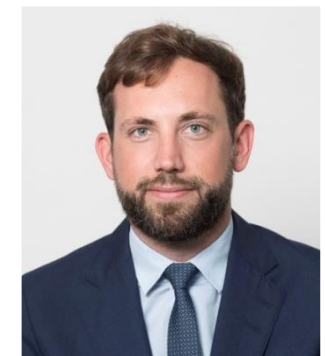
EXECUTIVE SUMMARY

- ▶ The Dutch food retail sector has a turnover of 35.9 billion Euro in 2015
- ▶ Private Label products had a market share of 28.8% in terms of volume in 2015 which represent an increase of 0.1%
- ▶ Conscious consumers creates opportunities for organic and healthy products on the Dutch market
- ▶ Albert Heijn and Jumbo controls more than 50% of the Dutch Food retail market
- ▶ New Consumer behaviours have created niched food retailers
- ▶ Dutch Royal Ahold merge with Delhaize to create 3rd largest retailer globally
- ▶ Route to market is dependent on products and customers preferences
- ▶ Sales via a local partner is often recommended in order to leverage its local network

BUSINESS SWEDEN IN THE NETHERLANDS

- ▶ Business Sweden's office in the Netherlands has extensive market knowledge and long experience of promoting Swedish businesses in the Retail and Consumer Goods sector
- ▶ Business Sweden organises a Swedish pavilion at the world largest trade show for Private Label, PLMA International Trade Show in Amsterdam

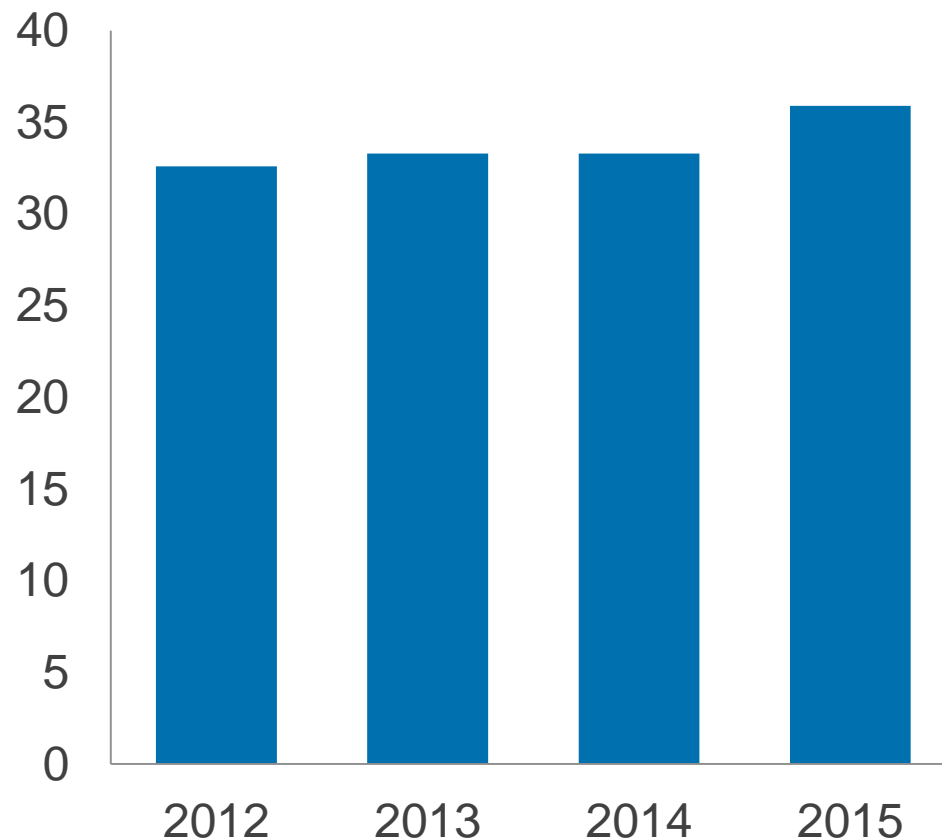
Welcome to the Dutch market!



Marcus Petersson
Consultant
Business Sweden Benelux

THE DUTCH FOOD RETAIL SECTOR HAS A TURNOVER OF 35.9 BILLION EURO (2015)

TURNOVER DUTCH FOOD RETAIL (€BN)



COMMENTS

- ▶ The increase of the Dutch food retail market is driven by the increasing number of alternative suppliers (i.e. low cost and online retailers)
- ▶ Dutch retailers also work continuously with adapting their concepts and product range to meet the new eating and drinking habits
- ▶ Campaigns remains an important tool to increase turnover. In 2015, approx. 20% of the sales was driving by promotion campaigns
- ▶ Private Label products had a market share of 28.8% in terms of volume in 2015 which represent an increase of 0.1%
- ▶ Swedish export of groceries to the Netherlands amounted to 2.8 billion SEK in 2015



CONSCIOUS CONSUMERS CREATES OPPORTUNITIES FOR ORGANIC AND HEALTHY PRODUCTS

Organic growth

The consumption of organic products continues to increase in the Netherlands and is expected to grow even further in the coming years. In 2015, consumption of organic growth increased by 10%

The e-revolution

7% of the Dutch are already buying their food online. This figure is expected to grow rapidly as the number of online stores and products available online is increasing

Trends

Healthy is for everyone

The health trend is big in the Netherlands. Throughout all consumer groups, people is looking for ways to be more healthier. This opens opportunities for products such as Free-From and non-chemical

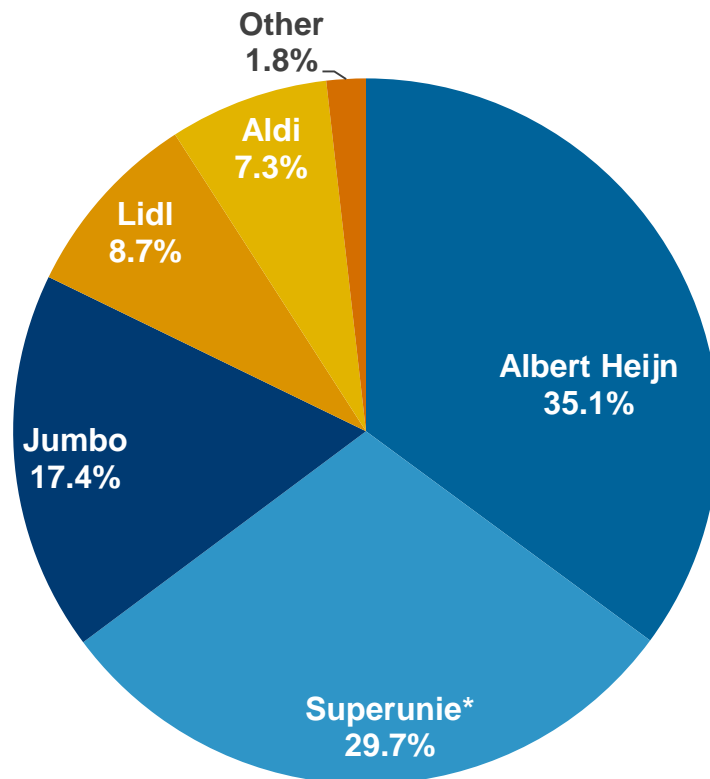
The convenient consumer

Consumers are shopping at different times and locations. As a result innovative convenience stores, either small independent or part of a larger chain, are opened near metro/train stations, schools, office buildings. The traditional grocery stores are offering more and more meal components and ready-to-eat meals.



ALBERT HEIJN AND JUMBO CONTROLS MORE THAN 50% OF THE FOOD RETAIL MARKET (2015)

MARKET SHARE % VALUE PER RETAIL PLAYER (2015)



COMMENT

- ▶ Topline revenues are growing, but profits are under pressure due to the rise of discounters and online stores
- ▶ Dutch retailers are innovative in terms of products, launching about 2,000 new food products per year. This is significantly more than in most neighboring countries
- ▶ The average Dutch has 4 supermarkets in his/her neighborhood to choose from and visits a supermarket 2.7 times per week

*Includes: Agrimarkt, COOP, Deen, Detailresult, Emté, Hoogvliet, Jan Linders, MCD, Plus, Poiesz, Spar



NEW CONSUMER BEHAVIOURS HAVE CREATED NICHE FOOD RETAILERS

Organic stores



Convenient concepts



Discounters



JUMBO



Beverages retailers





ROYAL AHOLD MERGE WITH DELHAIZE TO CREATE 3RD LARGEST RETAILER GLOBALLY

- ▶ In March 2016, the merger between Dutch Royal Ahold and Belgian Delhaize was completed
 - ▶ Main office for the new group will be located in Zaandam, the Netherlands
 - ▶ Through the merger, Ahold Delhaize aims to lower costs with around 500 Million Euro
 - ▶ Chairman of the board is Swedish Mats Jansson (former Chairman of the board at Delhaize)
- ▶ Ahold Delhaize is now the 3rd largest retailer in the world
- ▶ Financial results for Q3 2016 showed a 64.2% increase in net sales and 24.9% increase in net income
- ▶ The total Ahold Delhaize working force amounts to 350,000 employees and is one of the biggest employer in the Netherlands



Ahold
Delhaize



SWEDISH PAVILION AT THE WORLD LARGEST TRADE SHOW FOR PRIVATE LABEL

- ▶ The PLMA International Trade Show takes place in Amsterdam every year
- ▶ The trade show has more than 2,250 exhibitors from 70 countries and is visited by over 11,000 visitors from 115 countries
 - ▶ Visitors include buyers, category managers and other relevant decision makers from the largest European retail chains
- ▶ The trade is characterised by over 55 national and regional pavilions. The Swedish pavilion has a prioritised location next to the Danish and French pavilions
- ▶ Read more about the trade show [here](#)

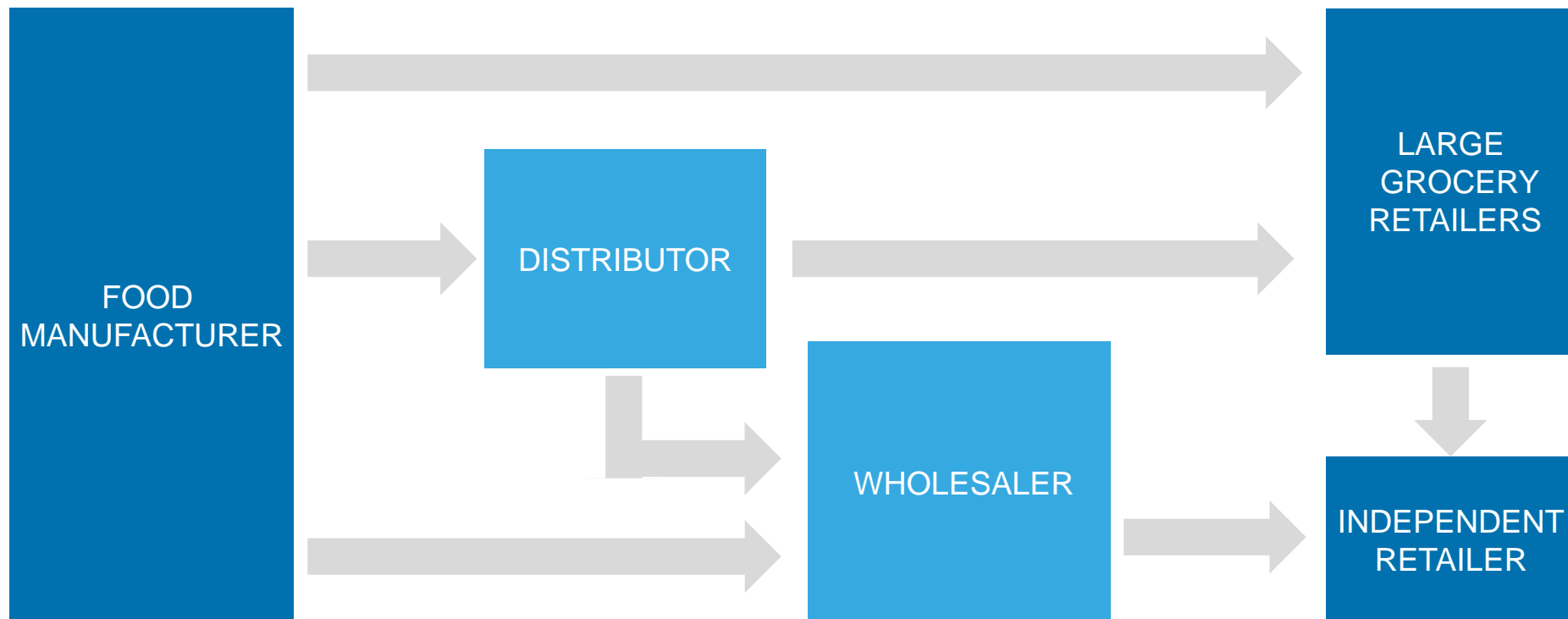


SOURCE: PLMA INTERNATIONAL



- ▶ The Swedish pavilion is organised under the concept [Try Swedish!](#)
- ▶ The cost of exhibiting in the Swedish pavilion is subsidised by the Food From Sweden programme
- ▶ If you are interested in exhibiting in the Swedish pavilion at PLMA, contact Marcus Petersson, Project Manager for Swedish Pavilion
 - ▶ Marcus.petersson@business-sweden.se

ROUTE TO MARKET IS DEPENDENT ON PRODUCTS AND CUSTOMERS PREFERENCES



SOURCE:



SALES VIA A LOCAL PARTNER IS OFTEN RECOMMENDED IN ORDER TO LEVERAGE ITS LOCAL NETWORK

DIRECT SALES

A direct approach is common for brands that have a local brand recognition and/or production. Direct sales is normally not an option for new foreign brands.

DISTRIBUTOR

Distributors are often recommended for new brands entering the market. They act as the local market presence, handling all required aspects of business and takes title.

WHOLESALE

Wholesalers are generally the main purchasing channel for smaller chains and independents due to efficiency



IT IS COMMON THAT SWEDISH SUPPLIERS SEEK TO WORK WITH A LOCAL PARTNER IN ORDER TO BE MORE EFFICIENT



CONTACT US FOR MORE INFORMATION

BUSINESS SWEDEN IN THE NETHERLANDS

Bezuidenhoutseweg 1, 2594 AB, Den Haag

T +31 70 302 20 50

netherlands@business-sweden.se

<http://www.business-sweden.se/Export/marknader/europa/Nederlanderna/>

Marcus Petersson

Marcus.petersson@business-sweden.se

T +31 70 302 20 55

Follow us on twitter: @BusinessSweBNL