

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY  
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT  
POLICY

Required Report - public distribution

**Date:** 12/14/2016

**GAIN Report Number:** NL6037

## **Netherlands**

### **Retail Foods**

#### **The Dutch Food Retail Market**

**Approved By:**

Susan Phillips

**Prepared By:**

Marcel Pinckaers

**Report Highlights:**

The Dutch retail sector is characterized by heavy consolidation, the top two retailers control over 50 percent of the market, and a large number of smaller neighborhood stores. Consumers are increasingly looking for sustainable or organic products and more ready-to-eat meals and convenience products. For 2016, the turnover is expected to increase further due to the improving economy in the Netherlands and greater confidence in the economy among consumers.

## SECTION I. MARKET SUMMARY

### Dutch Food Retail Market

Approximately 80 percent of the Dutch food retail outlets are full service supermarkets, operating on floor space between 500 and 1,500 square meters located downtown and in residential areas. Retailers with full service supermarkets have responded to the need of the Dutch to have these supermarkets close to their homes. The remaining 20 percent includes mainly convenience stores (near office buildings, city center, motorways and train/metro stations), some wholesalers and just a few superstores (conveniently located in shopping malls and industrial parks).

Top two food retailer formulas in the Netherlands, Albert Heijn and Jumbo, have a market share of 52 percent. The market of German discounters Aldi and Lidl combined has increased to 17.3 percent. Independent food retail stores are increasingly leaving the scene. Shrinking margins and on-going consolidation in the retail market drive this trend.

Table 1: Market Shares of Leading Food Retailers, 2015

Company:	Market share, percentage:
Albert Heijn	35.1
Jumbo	17.4
Lidl	10.0
Aldi	7.3
Plus	6.2
Dirk	3.8
Coop Supermarkten	3.0
Deen	2.2
Hoogvliet	2.2
Dekamarkt	1.9
Spar	1.7
Vomar	1.6
C1000	1.1
Other	6.5
Total	100.0

Source: [www.distrifood.nl](http://www.distrifood.nl)

In 2015, the turnover of the Dutch food retail industry totaled € 35.9 billion. For 2016, turnover is expected to increase further due to the improving economy in the Netherlands and greater confidence in the economy among consumers.

Table 2: Turnover Dutch food retail, billion Euros

2011	2012	2013	2014	2015
32.2	32.6	33.3	34.3	35.9

Source: [www.gfk.nl](http://www.gfk.nl)

### Trade In Food Products

The Dutch food market depends heavily on both imports and exports. Although total imports decreased, imports from the United States increased. Last year, the Netherlands imported USD 30.3 billion of consumer-oriented products, about a third came from neighboring Germany and Belgium. After Brazil, the U.S. is the second largest non-EU supplier of Consumer-Oriented products. In 2015, U.S. exports totaled USD 1.2 billion, dominated by food preparations, tree nuts, wine and beef. U.S. exports of Consumer-Oriented products grew by two-thirds over the last 5 years.

Table 3: Value of imports of Consumer Oriented and Fishery products, past 5 years, million USD

	2010	2011	2012	2013	2014	2015
Netherlands:						
Consumer Oriented Products						
Total imports:	26,462	29,298	29,576	31,292	32,803	30,327
Imports from U.S.:	735	840	844	976	1,134	1,231
Fishery Products						
Total imports:	2,654	3,055	3,023	3,067	3,560	3,062
Imports from U.S.:	88	98	95	104	121	140

Source: [www.gtis.com](http://www.gtis.com)

For fishery products the Dutch market also depends on imports. Last year, the Netherlands imported USD 3.1 billion of fishery products. Iceland is the largest supplier; the U.S. is the 7<sup>th</sup> largest non-EU supplier of fishery products. In 2015, U.S. fish exports totaled 140 million, dominated by frozen fish fillets for further processing, cod, scallops and salmon.

Table 4: The number and type of retail outlets in the Netherlands

Type of outlet:	Number of Stores:	Average floor space (M2):
Convenience Stores	700*	<500
Supermarkets	3,624	500 – 1,500
Superstores	99	1,500 – 5,000
Wholesalers	100*	>5,000

Source: Distrifood Retailplanner 2015/2016

\*FAS The Hague estimate

### Demand for Sustainable Food Products Is Up

During the last decade, Dutch food retailers have increasingly sourced food products which are either produced sustainably or obtained in a sustainable manner. The Dutch government published annually a report, “Monitor Duurzaam Voedsel”, which gives an overview of consumer spending on sustainable food in the Netherlands. Sustainable food is the most important growth markets in food retail and foodservice markets. The turnover of sustainable food in 2015 totaled € 3.0 billion, up by 12 percent. The market share for sustainable food grew last year from 7 to 8 percent. The “Monitor Duurzaam Voedsel 2016”, detailing the 2015 figures, can be found [here](#).

### Private Label Products

The market share for private label products continues to increase in most European markets. The largest market shares are to be found in the Western European countries, led by Spain (51 percent), the U.K. (45 percent) and Portugal (45 percent). Belgium and the Netherlands had a market share of 41 percent and 29 percent, respectively. Market shares in the Nordic region and most of the Central and Eastern European countries are between 30 percent and 35 percent.

The market share of private label is high in retail markets that are highly consolidated and innovative. Several retailers in the Netherlands market have developed two private labels; one focusing on price whereas the other is aiming at adding value. Consumers are discovering the good value for money that private label brands are offering; they can be a good alternative for A-branded products.

Private label seems to fare well not only in years of recession but also in more prosperous times. The profitability of private label products has fueled retailers’ interest to offer more private label products (e.g. gluten-free, healthy, and organic) and move into other areas of private label (e.g. bakery and cosmetics). The on-going

expansion of local and international discounters continues to boost the growing market for private label products as well.

The largest trade show for the Private Label industry takes place in Amsterdam, the Netherlands. Every year around 15 U.S. companies exhibit at the Amsterdam PLMA fair which is scheduled for 2017 on May 16 and 17. In 2015, SUSTA had a pavilion featuring 6 companies. Please contact our office in The Hague, the Netherlands for more information about the show and check if your commodity cooperator or State Regional Trade Group is planning on participating.

**On-Line Shopping Offers Potential**

The market for shopping on-line as a percentage of the total food retail is still small at the moment (an estimated 1 percent) but expected to grow. According to industry contacts, it is this part of the market which offers great potential. Within Europe, the largest market for on-line shopping of food products can be found in the U.K. In the Netherlands, Ahold’s Albert.nl acquired market leader Bol.com to further tap into the on-line shopping market. DeKa drive (shop-online and pick up groceries 7 days a week at the DeKa drive, www.dekadrive.nl) recently announced it plans to open more DeKa drives within the next few year. Consumers in the age group 18-44 years shop most on-line driven by saving time and money. Key though for on-line shopping is a high quality on-line experience and a reliable delivery of the purchased goods. Shopping by using smart phones and tablets has boosted in the past five years.

**Blurring Boundaries**

Especially in the cities, consumers are shopping at different times and locations. Breakfast is often bought on the way to work. During lunch breaks, people decide what they like to eat for lunch and buy it on the spot. Dinner is increasingly bought on the way to home. As a result innovative convenience stores, either small independent or part of a larger chain, are opened near metro/train stations, schools, office buildings and shopping malls. The traditional neighborhood grocery stores are, in order to survive, offering more and more meal components and ready-to-eat meals. Consumers request regional cuisine products (Asian, Italian, Tex-Mex, etc.) and overall tasty and fresh food. These new convenience stores are in fact not so much competing with traditional supermarkets but more so with foodservice outlets like La Place, Kentucky Fried Chicken, HEMA, Starbucks, Kiosk, McDonalds, etc.

**Awareness Of Health And Well-Being**

Consumers are becoming more aware of and are more concerned about the effects food has on their health and well-being. There is a trend to a healthier lifestyle in Western countries. The following U.S. industries have all benefitted from this trend: healthy food snacks (the ‘free from, low on and rich in’ products), nuts (pistachios, almonds, walnuts, etc.), so-called super fruits (cranberries, pomegranates, other berries), seafood products (salmon, halibut, etc.) and legumes (beans and lentils). Consumers are looking for and finding more information on this topic; the media, including the Internet, TV and magazines, respond to this desire and feed into it. Bloggers and Vloggers are rapidly gaining power in influencing consumers. Food processors and retailers play a crucial role as well, as they develop and market food products to create, anticipate and meet consumers’ needs.

Table 5: Advantages and Challenges of the Dutch Food Retail Market

<u>Advantages</u>	<u>Challenges</u>
<i>Sector Strengths &amp; Market Opportunities:</i>	<i>Sector Weaknesses and Competitive Threats:</i>
Turnover figures indicate that the Dutch retail market is solid and strong. It was not affected by the economic crisis.	EU import regulation and tariffs. EU enlargement will give preferential access to products from new member countries.
Affluent, open minded and curious consumers create opportunities for new products.	Discounters fare well in the Dutch retail market; margins continue to be under

	pressure.
The largest sea port of Europe (Rotterdam) is located in the Netherlands; it furthermore has an excellent infrastructure.	The industry is highly consolidated and therefore has a strong negotiating position.
Opportunities for healthy food products not sufficiently available on the local European market; e.g. tree nuts, seafood, (exotic) fruit, vegetables, juices, ingredients, etc.	Listing fees paid to retailers and money spent on creating brand awareness hamper the introduction of new U.S. brands.
The Netherlands is a trading hub where importers make purchasing decisions valued at hundreds of millions of USD for Consumer-Oriented products that are transhipped to other European countries.	Sustainable food (including organic food) is one of the most important growth markets.

Source: FAS The Hague

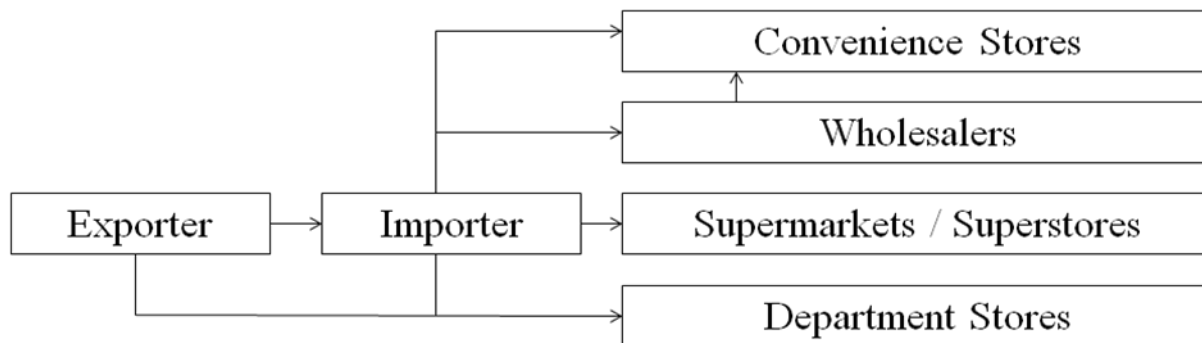
## SECTION II. ROAD MAP FOR MARKET ENTRY

U.S. exporters seeking to enter the Dutch market place have many opportunities, as indicated in the above table. However there are a number of challenges (e.g. the import regulations and standards) U.S. exporters must meet before exporting to the Dutch market.

### Entry Strategy

Success in introducing your product in the Dutch market depends mainly on knowledge of the market and building personal contact with knowledgeable and established importers. An importer knows the market, the trade barriers and the required documentation. Prior to any export, invest in research that analyzes the Dutch food culture (concepts, flavor, price, requirements). Once the product has been chosen, be aware of fierce competition. There are tariff and non-tariff trade barriers that can complicate exporting to the Dutch market. The EU also has several FTAs which may advantage other 3<sup>rd</sup> country competitors. FAS The Hague offers guidelines on business practices and import regulations and also maintains lists of Dutch buyers (FBL lists).

### Market Structure:



Source: FAS The Hague

The vast majority of supermarkets and superstores buy foreign (specialty) products via specialized importers. This is especially the case for retail-ready consumer-oriented products like sauces, condiments, beverages and snack products. Convenience stores operate, in general, on a much smaller scale and therefore often buy smaller quantities through wholesalers. Department stores work either through importers or sometimes buy directly from U.S. exporters. Many imported intermediate and even some consumer-oriented products are often processed,

mixed or packed before being sold to the consumer. Products like nuts, fresh produce, wines and in most cases fish products fall in this category.

Retailers increasingly have their stores divided in different categories. For each category they will have two or three preferred suppliers who are responsible for supplying the full range of products within the category. This way, the retailer negotiates with just a handful of suppliers for fruits & vegetables, meat products, seafood products, groceries, beverages, bakery products, etc. For the international specialty products (covering branded retail ready U.S. products) area within supermarkets, retailers usually work with only a few specialized importers who are responsible for selecting products and filling those shelves.

As described in Section I, the Dutch retail industry is rather consolidated; however, on the purchase side the industry is even more consolidated since several smaller food retailers have joined forces. The following figures will give you an overview of the different buying combinations in the Netherlands.

Table 6: Leading Buying Groups in the Netherlands

Purchase Group:	Market Share, percentage:	Company name:
Albert Heijn Provincialeweg 11 1506 MA Zaandam <a href="http://www.ah.nl">www.ah.nl</a>	35.1	Albert Heijn, AH XL, Albert.nl, AH To Go
Superunie Industrieweg 22B 4153 BW Beesd <a href="http://www.superunie.nl">www.superunie.nl</a>	29.1	Plus Holding, Deen Supermarkten, Coop Holding, Hoogvliet Super, Spar Holding, Boni-Markten, Boon Beheer, Detailresult Groep, Jan Linders, Nettorama Distributie, Poiesz Supermarkt, Sligro Food Group, Vomar Holding
Jumbo Groep Holding Rijksweg 15 Veghel, 5462 CE The Netherlands <a href="http://www.jumbo.com">www.jumbo.com</a>	18.5	C1000, Jumbo
Lidl Huizermaatweg 45 1273 NA Huizen <a href="http://www.lidl.nl">www.lidl.nl</a>	10.0	Lidl
Aldi Holding Pascalweg 21 4104 BE Culemborg <a href="http://www.aldi.com">www.aldi.com</a>	7.3	Aldi

Source: Distrifood Retailplanner 2015/2016

#### **A. SUPER STORES, SUPERMARKETS, HYPER MARKETS OR SUPER CENTERS, CLUBS AND WAREHOUSE OUTLETS**

Table 7: Supermarkets and Super Stores (in alphabetic order)

Name	Format	Stores	Ownership	Locations
Albert Heijn	Supermarket	850	Royal Ahold	Nation wide
Aldi	Supermarket	496	Aldi	Nation wide
Amazing Oriental	Supermarket	17	Oriental Holding	Nation wide
Boni	Supermarket	43	Boni Supermarkten	Regional
C1000	Supermarket	63	Jumbo	Nation wide
Coop	Supermarket	183	Coop Cooperative	Nation wide
Deen	Supermarket	70	Deen	Regional
DekaMarkt	Supermarket	83	Detailresult Groep	Regional
Dirk	Supermarket	106	Detailresult Groep	Nation wide
EkoPlaza	Supermarket	71	Udea	Nation wide
Emté	Supermarket	130	Sligro Food Group	Nation wide
Hoogvliet	Supermarket	65	Hoogvliet	Regional
Jan Linders	Supermarket	58	Jan Linders	Regional
Jumbo	Supermarket	540	Jumbo	Nation wide
Lidl	Supermarket	400	Lidl	Nation wide
Marqt	Supermarket	13	Quirijn Bollen	Regional
MCD	Supermarket	40	Boon Beheer	Regional
Natudis	Supermarket	28	Natudis	Nation wide
Nettorama	Supermarket	31	Nettorama	Nation wide
Poiesz	Supermarket	68	Poiesz Supermarkten	Regional
Plus	Supermarket	255	Sperwer Groep	Nation wide
Superrr	Supermarket	14	Support&Co	Nation wide
AH XL	Super Stores	35	Royal Ahold	Nation wide
Jumbo Foodmarkt	Super Stores	2	Jumbo	Regional
Vomar	Super Stores	62	Vomar	Regional

Supermarket - retail surface  $\leq 1,500$  m<sup>2</sup>

Super Stores - retail surface  $> 1,500$  m<sup>2</sup>

### Department Stores

Table 8: Department Stores

Name	Stores	Ownership	Locations
Bijenkorf	7	Selfridges	Nation wide
HEMA	530	Lion Capital LLP	Nation wide
*Marks & Spencer	2	Marks & Spencer	Regional
V&D	63	Sun European Partners	Nation wide

\*Marks & Spencer announced recently that they will close all stores in the Netherlands

### Discounters

Table 9: Discounters

Name	Stores	Ownership	Locations
Aldi	496	Aldi-Gruppe	Nation wide
Lidl	400	Lidl & Schwarz	Nation wide
Dekamarkt	83	Detailresult Groep	Nation wide
Dirk	106	Detailresult Groep	Nation wide

## B. CONVENIENCE STORES, GAS MARTS, KIOSKS

Table 10: Convenience Stores

Name	Ownership	Locations
AH To Go	Royal Ahold	Regional
CoopCompact	Coop Cooperative	Nation wide
Recreatiemarkten	Van Tol Retail	Nation wide
Spar City Store	Spar Holding	Regional
Troefmarkt	Van Tol Retail	Nation wide
Buurtwinkels	Van Tol Retail	Nation wide
Attent	Spar Holding	Nation wide
Attent Super op Vakantie	Spar Holding	Nation wide

Source: AC Nielson

Table 11: Gas Marts

Name	Ownership	Gas Company	Locations
On the Run/Snack & Shop	ExxonMobil	ESSO	Nation wide
Shell Station	Shell	Shell	Nation wide
GO shops – the fresh way	Chevron	Texaco	Nation wide
Café Bonjour	Total	Total	Nation wide
M&S	Marks & Spencer	BP	Regional
Wild Bean Café	British Petroleum	BP	Nation wide

Source: AC Nielson

Table 12: Wholesalers

Name	Ownership	Locations
Netherlands		
Hanos (incl. ISPC)	Royal Ahold	Nation wide
VHC - Horesca	Maxxam C.V.	Nation wide
De Kruidenier Foodservices	Kruidenier	Rotterdam
Makro	Metro Cash & Carry	Nation wide
Sligro (incl. VEN)	Sligro Food Group	Nation wide
De Kweker	De Kweker	Amsterdam

### C. TRADITIONAL MARKET – “MOM AND POP” SMALL INDEPENDENT GROCERY STORES AND WET MARKETS

Grocery stores, butcher stores, bakeries etc. increasingly face competition from food retail chains. Through extra service, sales of high-quality added value products and the service of niche markets, they try to survive. Traditional butcher shops and fruit & veggie shops are becoming specialty shops and high-end caterers, while traditional bakery shops are moving into pastry and artisanal specialty breads.

### SECTION III. COMPETITION

Knowledgeable and experienced traders, excellent logistics, a highly sophisticated processing industry, a professional distribution channel and affluent consumers make the Netherlands an attractive export market.

The Netherlands is (except for several horticultural products) in general not the most competitive producer of bulk and intermediate products, due to the high prices for agricultural land and labor, lack of scale and multiple rules and regulations. The Netherlands however has a highly sophisticated processing industry. As a result, the Netherlands increasingly is dependent on stable supplies of bulk and intermediate products (like grains, seafood, fruit juices, fresh produce, nuts, meat, etc.) from other EU member states and third countries. In addition to sufficiency, the Benelux also depends on other countries, especially Southern Hemisphere countries, for the year-



round availability of fresh fruit and certain vegetables. Another reason why importers and food distributors turn to foreign markets is to look for unique products. This can be both new products and well-known products that are different one way or another. U.S. beef, beverages, fruits & veggies and nuts and a full range of specialty food products have gained popularity over the years.

Table 13: Netherlands' U.S. Market Share Versus Main Suppliers' Market Share in Consumer Oriented and Fish & Seafood Products, (U.S. exports), value in million USD, 2015

Product Category	Main Suppliers, in percentage	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
<b>PG 30 Breakfast Cereals</b>			
Total Imports USD 162 (USD 0.5)	1. Belgium 37 2. Germany 28 3. U.K. 12 11. U.S. 0.2	1, 2 and 3 are close to market and offer different good quality products	Local suppliers don't offer specialty products
<b>PG 31 Snack Foods</b>			
Total Imports USD 1,621 (USD 27)	1. Belgium 34 2. Germany 25 3. U.K. 7 7. U.S. 2	1, 2 and 3 are close to market and offer different good quality products	Developed confectionary industry
<b>HS 02: Meat and Edible Meat Offal</b>			
Total Imports USD 4,672 (USD 174)	1. Germany 24 2. Belgium 12 3. Brazil 11 8. U.S. 4	1,2: distance and availability 3: price/quality ratio	For local producers beef is a side product since their focus is on dairy production.
<b>HS 03: Fish And Crustaceans, Molluscs And Other Aquatic Invertebrates</b>			
Total Imports USD 2,869 (USD 134)	1. Iceland 12 2. Germany 12 3. Russia 8 7. U.S. 5	1: they offer seafood for the sophisticated food processing industry	Long tradition in seafood trading; Good geographical location
<b>HS 04: Dairy Produce; Birds' Eggs; Natural Honey</b>			
Total Imports USD 3,857 (USD 4.7)	1. Germany 38 2. Belgium 20 3. France 9 25. U.S. 0.1	1,2 and 3: Proximity	Great tradition of producing milk and milk based processed products
<b>HS 07: Edible Vegetables And Certain Roots And Tubers</b>			
Total Imports USD 2,448 (USD 68)	1. Spain 25 2. Belgium 17 3. Germany 14 15. U.S. 3	1: different climate/varieties 2,3: proximity	Great innovative industry producing horticultural products

HS 08: Edible Fruit And Nuts; Peel Of Citrus Fruit Or Melons					
Total Imports	USD 6,656 (USD 392)	1. S. Africa 2. Chile 3. Spain 6. U.S.	13 8 8 6	1,2 and 3: different climate/supply season/taste/varieties	Products not (sufficiently) available on the local market
HS 09: Coffee, Tea, Mate And Spices					
Total Imports	USD 1,599 (USD 5)	1. Belgium 2. Germany 3. France 26. U.S.	28 19 8 0.3	1, 2: trading tradition	No domestic availability
HS 16: Edible Preparations of Meat, Fish, Crustaceans, Molluscs or other Aquatic Invertebrates					
Total Imports	USD 1,725 (USD 7)	1. Belgium 2. Germany 3. Brazil 21. U.S.	17 14 14 0.4	2: price/quality ratio	Not (sufficiently) domestically available
HS 19: Preparations Of Cereals, Flour, Starch Or Milk; Bakers' Wares					
Total Imports	USD 2,078 (USD 25)	1. Belgium 2. Germany 3. France 13. U.S.	27 24 8 1	Proximity and re-export	Not (sufficiently) domestically available
HS 20: Preparations Of Vegetables, Fruit, Nuts, Or Other Parts Of Plants					
Total Imports	USD 3,414 (USD 176)	1. Brazil 2. Belgium 3. Germany 5. U.S.	18 14 13 5	Price/quality ratio	Not (sufficiently) domestically available
HS 21: Miscellaneous Edible Preparations					
Total Imports	USD 2,299 (USD 215)	1. Germany 2. Belgium 3. UK 4. U.S.	21 15 12 9	Proximity and re-export	Not (sufficiently) domestically available
HS 22: Beverages, Spirits, Wine and Vinegar					
Total Imports	USD 3,989 (USD 90)	1. Germany 2. France 3. Belgium 9. U.S.	20 18 16 2	Excellent regional products	Not (sufficiently) domestically available

Source: [www.gtis.com](http://www.gtis.com)

## SECTION IV. BEST PRODUCT PROSPECTS

### A. Products Present In The Market That Have Good Sales Potential

- Nuts (almonds, peanuts walnuts, pistachios, pecan and hazelnuts)
- Fruit juices (orange and grapefruit)
- Processed fruit and vegetables
- Non Alcoholic Beverages
- (Super) Fruits containing high levels of antioxidants like pomegranates, all berries, etc.
- Craft beers
- Dried fruits (dates, figs, cranberries, raisins)

**B. Products Not Present In Significant Quantities But Which Have Good Sales Potential**

- Functional/health foods
- Organic products
- High Value beef cuts and hamburgers (only Non-Hormone Treated Cattle)
- Innovative sauces, condiments and confectionary products

**C. Products Not Present Because They Face Significant Barriers**

- Poultry (sanitary procedures)
- Processed food with GMO ingredients, bleached flour etc.

**SECTION V. POST CONTACT AND FURTHER INFORMATION**

United States Department of Agriculture - Foreign Agricultural Service  
 U.S. Embassy  
 Marcel Pinckaers  
 Lange Voorhout 102, 2514 EJ The Hague, The Netherlands  
 Phone: +31 (0)70 3102.305  
 E-mail: [marcel.pinckaers@fas.usda.gov](mailto:marcel.pinckaers@fas.usda.gov)

Additional FAS GAIN Reports can be downloaded from the FAS website:  
<http://www.fas.usda.gov/scripts/attacherep/default.asp>