Australian Government
Australian Trade Commission

Food and beverage to Greece.

Trends and opportunities

The market

The Greek food and beverage industry has experienced dynamic growth over the last few years and is estimated to be worth A$40 billion. Consumer prices in this specific sector show an average annual growth of 3.2 per cent and imports experienced an annual growth of nine per cent. Domestic consumption increases by 2.8 per cent annually.

Foreign firms have been experiencing good success in the Greek market because of the rapid growth of the food and beverage industry coupled with the increasing export of products to the Balkans where Greece has investments of almost A$5 billion in all sectors.

Multinationals that have invested in Greece in recent years have experienced good success.

Certain issues should be taken into consideration regarding the Greek food and beverage sector for **producers/retailers/distributors:**

- Greece is an import dependant country
- The majority of food suppliers in Greece experience annual growth in sales
- Establishing a representative office in Greece is often less costly than in other European Union (EU) markets
- Many companies in the industry both produce and distribute their products
- Greece also serves as a 'bridge' to the Balkans, Africa and Asia Minor
- Consolidation of supermarket chains
- Many competitive products in the same category
- Concentration of distribution networks by the food companies
- Focus on producing better quality at lower prices
- Increased activity of multinational food companies - many Greek companies are cooperating with multinationals to expand their exports and enhance their position in the Greek market
- Discount supermarkets stores with private label products
- Hotels and restaurants do not import in their own right

For consumers:

- Higher disposable income
- Greater working hours for workers creating interest in convenience foods
- Although home-cooked meals are still preferred, eating out is becoming more popular
- A trend towards health and nutrition
- Increasing awareness of food ingredients and food production origin
- Greater interest in organic food
- Focus on value for money, ie. value-added products preferred
- Interest in the following: snack foods, seafood, tree-nuts, dairy products, frozen food, pulses, wine, beer, juices and soft drinks

Although Greeks have traditionally preferred Mediterranean cuisine, demand for international food is growing.

Greeks tend to eat together as a family at least once a day, mostly at dinner and on weekends and holidays. Another characteristic is that they tend to cook large quantities of a variety of foods. Greeks enjoy eating out preferring to eat at restaurants rather than fast food outlets, which are the choice of the younger population and workers at lunch times.

The Greek consumer shows a **preference for private label grocery products** except in certain categories including dairy, olive oil and pasta where they prefer branded products. In supermarkets the grocery sector accounts for 53 per cent of total sales.

Gourmet products are usually purchased from small specialty stores and not from supermarkets or small grocery stores that are still commonly found throughout Greece.

Fruit and vegetables

Greece has good local production of fresh fruits and vegetables but relies on imports for fruits including apples, grapes, pears, oranges and exotic fruits. Fruits and vegetables consist the 30 per cent of total sales of supermarkets. Greece also imports vegetables such as broccoli, potatoes, Chinese lettuce, celery, baby corn, mushrooms, cherry tomatoes and chilli peppers. There is a preference for fresh fruits and vegetables, and not canned or processed products including peeled vegetables or pre-prepared packs.

Seafood

The seafood import market in Greece is worth about A$500 million per annum. Greece is the fourth largest country in the EU in per capita fish consumption. Greek consumers show a preference towards fresh rather than frozen fish and all kinds of shellfish and crustaceans. The larger fish are preferred rather than smaller 'single-serve' varieties. Consumers prefer to cook their own fish rather than purchase pre-prepared or frozen seafood. Open sea fish production is declining, while imports of seafood products and aquaculture are on the rise.

Meat

Meat is an important part of the Greek diet. The local industry in Greece is not able to meet consumer demand and, as such, about 50 per cent of meat must be imported. The BSE incident has led to a greater preference for lamb, pork, poultry and game meat.

Organic

Even though organic food has only recently made its debut in Greece, the demand has been quite high despite the cost being up to 35 per cent higher than non-organic products. Currently, the only organic products cultivated in Greece are grapes, olive trees, citrus fruit, and also apples, cherries and pears in very small quantities. Organic farming is starting to emerge in Greece.

Beverages

The beverage sector accounts for approximately A$960 million in sales and growing, especially during the summer months. Annual growth rates are:

- fruit juices - 4 per cent
- soft drinks - 6 per cent
- wine - 3 per cent
- beer - 5.6 per cent
- mineral water - 4 per cent

Opportunities

The Greek food and beverage industry offers opportunities for the following products:

- **Grocery products**: Dairy products, snack food, confectionary, cereals, bakery products, pulses, tree-nuts, frozen foods.
- **Fresh fruit and vegetables**: Apples, grapes, pears, oranges, exotic fruits (pineapples, kiwi fruits), vegetables such as broccoli, potatoes, Chinese lettuce, celery, baby corn, mushrooms, cherry tomatoes and chilli peppers.
- **Seafood**: Almost every size and kind of fish and especially molluscs, crustaceans, shellfish, larger multi-serve fish varieties.
- **Meat**: High demand for beef, lamb, pork, game meat, poultry. Greece remains import reliant for meat products because local supply is too low to meet demand.
- **Organics**: High demand for organic foods and low domestic production.
- **Beverages**: Wine, beer, fruit juice and soft drinks appear to have the best potential.

More information

For further information please contact Austrade on 13 28 78 or email info@austrade.gov.au

(Last updated: February 2006)

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