



Food and beverage to Spain.

Trends and opportunities

The market

Spain has a population of 41 million people, but it is unique in that it literally doubles its population each year through an influx of between 50-70 million tourists. Spain is a country with an important food tradition. However, as the Spanish market becomes more international in its buying habits, **greater demand is created for innovative food and beverage products including niche processed foods, gourmet and fine food products and premium wines.**

The traditional Spanish diet is the 'Mediterranean Diet', which is based on seafood, salads, vegetables, fruits, olive oil and wine. Due to the changes in working habits and increased awareness of international foods and cultures, **consumption of prepared and ready to eat products, organics and ethnic foods are increasing every year.**

In Spain, there is a bar, cafeteria, hotel and restaurant for every 173 inhabitants, three times more than in the USA. It should be also noted that Spain has 17 different autonomous regions (states) which all have slightly different local cuisine preferences, and significantly different standards of living.

The Spanish food processing industry is experiencing growth and is currently the fifth largest in Western Europe. Raw materials for the processing industry are sourced from all over the globe and can fluctuate dramatically depending on factors such as drought, production quota changes set by the European Union (EU) and/or changes to fishing rights.

Seafood

Spain is a major world consumer of fish and seafood ranking second after Japan. A large variety of fresh and frozen seafood is consumed in Spain, however, the preference is generally for fresh product. Fresh fish accounts for approximately 46 per cent of all seafood products consumed in Spain, followed by molluscs and crustaceans at 30 per cent, frozen fish at 15 per cent (increasing steadily), and canned seafood products at eight per cent of total consumption.

The **main species consumed** are as follows:

- ✂ hake
- ✂ sea bass
- ✂ monkfish
- ✂ squid
- ✂ cockles
- ✂ mussel
- ✂ anchovies
- ✂ whiting
- ✂ shrimp
- ✂ sardine
- ✂ prawn
- ✂ salmon
- ✂ clam
- ✂ megrim
- ✂ octopus
- ✂ trout
- ✂ sole
- ✂ codfish
- ✂ oyster
- ✂ sole
- ✂ baby eels
- ✂ guilthead bream
- ✂ turbot

The current market preference is for King Red Spot, King Western, Endeavour and Banana. Imports of Tiger prawns (from Australia) are very limited because of the higher price range and are mainly destined for up-market restaurants.

Price is an important issue in the Spanish market, with consumers generally paying considerably less for seafood

products than their other Western European counterparts. Spain is also a major producer of fish and seafood in its own right, however, Spanish production is estimated to account for only 40 per cent of domestic demand and it is decreasing due to limited fishing quotas. As a result, Spain is a major importer of fish and seafood, both fresh and frozen.

Meat

Spain is the world's sixth largest producer of pork and is also a significant local supplier of chicken, beef and lamb products. Apart from the competition from local production, another limitation to significant Australian sales in this area is the existence of European Union quotas for beef and sheep.

There are also quotas covering frozen and processing beef. Organic meats are covered under these quotas. Products can be brought in outside of quota, but there are additional import charges to pay. As a result, Australia's sales of meat and meat products to Spain are limited.

According to AICE (Spain's meat processing association), Spain has approximately 1500 abattoirs and about 4300 factories in operation. In addition, there are large numbers of small to medium-sized operations, which would service small local areas and are therefore not recognised in official statistics.

Beverages

Wine: Spain is the world's third largest producer and exporter of wines and in general, Spaniards prefer their own wines to foreign wines. Australian wines are now being directly imported into Spain, but they are still considered to be very unusual.

Beer: Spain is the third largest beer market in Western Europe. Cruzcampo, a Spanish brewer, accounts for over 25 per cent of the market, but brands from all over the globe are readily available. Many of the foreign brands are in fact brewed in Spain, rather than imported.

Coffee and tea: Generally speaking, tea consumption is very low compared to other European markets such as the UK and Germany. While the most popular hot beverage in Spain is coffee, tea is becoming more popular among younger consumers (aged 25 to 40) and women, who consider tea as a 'free' remedy to lose weight rapidly.

Other non-alcoholic beverages: There is a constant influx of new drinks on the market (eg. functional and nutraceutical milk/soya based drinks, energy drinks, sports drinks, etc.) in an increasingly wide range of flavours and they are constantly growing in popularity.

Opportunities

Spanish consumers spent approximately €46 billion on food and beverage products, indicating a five per cent increase on the previous year. Within this, the three largest 'spend areas' were meat and meat products, seafood products and dairy products. Australia's share of this market is tiny and is contributed mostly to crustacean sales.

Australian products do enter the Spanish market directly, however, as with many other Australian exports, market entry is often via other European markets (ie. through importers in the UK, Germany, Netherlands, France and Italy).

Opportunities for Australian suppliers exist in the following sectors:

- ✦ **Seafood** - prawns, lobster and reef fish
- ✦ **Meat** - game meats, high quality beef and lamb (please note these products are covered by quota) and offal
- ✦ **Groceries**
 - ✦ innovative prepared and ready-to-eat products (ambient prepared meals) and beverages
 - ✦ prepared ethnic and novelty foods (ie. Tex-mex, Asian and Italian)
 - ✦ gourmet jams, sauces and condiments
 - ✦ macadamia nuts
 - ✦ snack foods
 - ✦ organic foods
 - ✦ hospitality industry products
 - ✦ ingredients for the food processing industry
 - ✦ nutraceutical products
- ✦ **Beverages** - [wine](#)

More information

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