



## Food and beverage to the Netherlands.

### Trends and opportunities

#### The market

The Netherlands has a sophisticated retail environment, with a good range of national, regional and independent supermarkets as well as a healthy speciality store (eg. butchers, fishmongers, greengrocers) sector. As in other European countries, Dutch consumers are becoming more interested in new foods and traditional eating patterns are changing. Convenience, novelty, value and quality are all important.

Food production accounts for 18 per cent of the Dutch GDP and an additional 12 per cent is attributable to agriculture. Seventy-five per cent of Dutch food production is exported, the vast majority goes to other European Union countries.

There are around 375,000 hotels, restaurants, bars and catering outlets in the Netherlands. These have a combined turnover of \$10 billion. The opportunities for Australian suppliers are mainly with the high-end restaurants and hotels.

Breakdown of retail sales (source 'Central Bureau for Statistics'):

- ✎ groceries – \$13 billion
- ✎ meat – \$7 billion
- ✎ fruit and vegetables – \$5 billion
- ✎ milk, cream, yoghurt – \$4 billion
- ✎ bakery – \$3 billion
- ✎ cheese – \$2 billion
- ✎ seafood – \$0.9 billion
- ✎ ready-made meals – \$0.5 billion

Private label penetration in the Netherlands is around 20 per cent - lower than the UK, Belgium, Germany and France. Around half of the sales of milk, eggs, ready-made meals, biscuits and small goods are under private labels.

The major changes affecting the opportunities in the Netherlands are socio-economic. However, a significant political factor was the restructuring of the Dutch tax system in 2001, which has given consumers more spending confidence. Some important drivers include:

- ✎ Increase in women in the workforce
- ✎ Greater interest in food safety – concerns about GMOs, BSE
- ✎ Interest in organic foods and natural products
- ✎ Increase in snacking and eating on the move
- ✎ Fewer families eating meals together and more meals eaten outside the home
- ✎ Increase in sales of pre-cooked (ready to use) meals for one person
- ✎ Greater use of packaging and branding on even basic products
- ✎ Greater influence of children in the food buying process
- ✎ Increased sales through supermarkets
- ✎ Consolidation in food retailing and distribution

#### Opportunities

Opportunity areas include:

- ✎ **Food retail** – fruit, nuts, wine, packaged groceries, Australian native products, Australian-style products, seafood, organic products
- ✎ **Food service** – premium meats, seafood, Australian native ingredients, exotic fruits
- ✎ **Ship and air catering** – meat, fruit and vegetables, seafood, bulk catering supplies, drinks, ready-made meals, portion control packs
- ✎ **Food processing** – bulk ingredients, flavourings, native ingredients, manufacturing under license

#### Competitive environment

As in other European markets, food retailing in the Netherlands is dominated by a small number of large supermarkets. Dutch supermarkets include:

- ✦ [Albert Heijn](#), owned by the global retail giant [Royal Ahold](#)
- ✦ [Edah](#), [Konmar](#) and Super de Boer, members of the Laurus Group
- ✦ [C1000](#)
- ✦ Independent supermarkets who are members of [Superunie](#)

Competition for Australian exporters will be fierce due to the Netherlands being a major food producer, its substantial import-export trade in foods, and is surrounded by European Union countries. The tariff barriers, and transport costs from Australia are also high. However, with careful investigation and product placement, the Netherlands can be a valuable export market.

#### **More information**

For further information please contact Austrade on 13 28 78 or email [info@austrade.gov.au](mailto:info@austrade.gov.au)

(Last updated: February 2006)