CBI MARKET SURVEY

THE SPORTS AND CAMPING GOODS MARKET IN THE NETHERLANDS

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Report summary
This CBI market survey discusses the following highlights for the sports and camping goods market in The Netherlands:

- Dutch consumption of sports and camping goods was € 510 million in 2006, unchanged since 2002, despite falls during the interim, while production decreased to € 51 million in 2005.
- In 2006, The Netherlands imported sports and camping goods valued at € 615 million, or 112 thousand tonnes. Since 2002 values are up by 12.4% but volumes are up by an average annual rate of 18.1%.
- More than 54% of imports by value came from developing countries (75% by volume). The share of imports by developing countries is up from 39% in 2002 in value, and up from 60% in volume terms.

This survey provides exporters of sports and camping goods with sector-specific market information related to gaining access to The Netherlands. By focusing on a specific country, this survey provides additional information, complementary to the more general information and data provided in the CBI market survey 'The sports and camping goods market in the EU', which covers the EU market in general. That survey also contains an overview and explanation of the selected products dealt with, some general remarks on the statistics used, as well as information on other available documents for this sector. It can be downloaded from http://www.cbi.eu/marketinfo.

1 Market description: consumption and production

Consumption

Market size

The Dutch market for sports and camping goods was worth € 510 million in 2006. This was the seventh largest market in the EU, ahead of Finland, but behind Sweden. This market value represented 3.4% of the total EU market, a share which has fallen from 3.6% in 2002. Hence this market has reduced in importance within the EU since 2002.

Table 1.1 Consumption of sports and camping goods in The Netherlands, 2002-2006, € million

2002	2003	2004	2005	2006	Average ann. % change	Population (million)	Consumption per capita €
510	498	498	502	510	0.0	16.33	31.23

Source: HBD, Mintel, SGI (2007)

Per capita consumption of € 31.23 was close to the EU average of € 30.74. This was perhaps disappointing bearing in mind the popularity of sport in The Netherlands and the relative affluence of this market. Volume figures were not available for consumption.

With the exception of Germany, The Netherlands was the worst performing EU market between 2002 and 2006. Performance in the last year has been encouraging after such a difficult period in the last few years. It is hoped that the downturn in trade of a few years ago is now over. This recent performance is a strong contrast to the fact that government spending on sport increased by 40% and household expenditure on sport increase by 50% over the last decade.

The Dutch tend to be cautious about spending, so improvements in the Dutch economy and increases in disposable income will only filter through slowly to increasing sports and camping goods sales.

Market segmentation

In the sports and camping goods market, the main basis upon which the market is segmented is by type of sport or activity. There are some generalisations that apply across different sports, but each sport or activity has its own set of users. Within each sport it is also quite common to apply some form of demographic segmentation, either by age or gender.

Dutch consumption of sports and camping goods consisted of outdoor 32% (€ 160 million), of which almost 50% was fishing, one third camping goods and horse riding the remainder; team sports 22% (€ 110 million); individual sports 20% (€ 100 million), 40% of which was golf; fitness equipment 16% (€ 80 million); water sports 6% (€ 30 million); snow sports 5% (€ 24 million), approximately 80% of which was skis and ski equipment, the remainder ski/snow boots.

Football is the most popular team sport in The Netherlands. The national football team usually performs very well in international tournaments. The other team sport which has performed very well is hockey, which has seen a 7% increase in club members in the last two years. This is also related to success of the national team. Team sports are most usually played by young people. The boom in sports participation by older people is also apparent in The Netherlands, but it tends to be for individual pursuits.

Of the other segments, apart from running, gymnastics is the most popular individual sport, followed by golf, which has experienced an 8% increase in club membership in the last year, and equestrian sports, also traditionally popular. The share of water sports is also increasing. A breakdown is not available, but this includes sailing, rowing, canoeing and surfing. Related to this water-based outdoor culture, fishing is also a strong performing segment in this country.

Sports participation in The Netherlands is well above above the EU average. 53% of the population practice sport at least once a week compared to the EU average of 38%. The ten most popular sports in The Netherlands in terms of participation are swimming (38%), cycling (20%), fitness/aerobics (17%), walking (15%), running/jogging (12%), football (12%), inline skating (11%), tennis (11%), skating (9%), water sports (8%). Golf is one of the fastest growing sports. More information on sports participation in The Netherlands can be found in chapter 1 of the CBI market survey `The EU market for sports and camping goods`.

Market trends

Like the rest of Dutch society, the sporting behaviour points to growing individualisation. Consumers are increasingly choosing sports that can be practised flexibly, which has caused a distinct rise in individual sports. Whereas 42% of the population practised individual sports in 1979, that figure is now approaching 60%. The number of people practising team sports is unchanged, but in the context of more people practising sport, the proportion is lower.

There is a parallel trend away from high performance to exercise. The fitness market continues to grow. Unlike other EU countries, the Dutch equally use fitness equipment at home as well as being members of a club, whereas fitness club membership dominates over home usage in most other countries. There is a trend away from single football pitches or tennis courts, to the building of multi-sports centres, with a range of activities on offer, including golf in some places

Demographic trends will impact on the future market. The growing proportion of elderly people who are affluent will generate demands for new types of sport and exercise products. This will result in sport and exercise activity being practised as a form of illness prevention by this age group.

The trend of sport moving from indoor to outdoor can be seen here with basketball, volleyball and five-a-side football leaving the traditional gym or sports hall and modified as outdoor recreation activities in the form of streetball, beach volleyball and streetsoccer. The common trend in this is that they all require fewer members to play.

The use of the Internet as a shopping tool in this sector is forecast to grow. Consumers' ability to shop around will result in price-transparency for branded products, forcing retailers to become more price-competitive. Different retailers will respond to the Internet in different ways, depending on their product range and their position in the market. Some retailers use their own Internet sites to complement their retail offering, while others, including those without their own website, try to encourage customers to their stores by offering additional services like professional advice or more exclusive product lines to make the shopping experience more memorable.

There is more government money available for sport and recreation. There will be innovations in training appliances and equipment. Sports complexes are also becoming larger, enabling separate functions to be integrated, such as the combination of fitness and relaxation.

The role of the media is increasingly important. Sports that do not receive media coverage or sponsorship are more likely to decline.

New product innovations will be consumer-driven rather than technology driven. Ultimately for producers, this means a growing demand for new products which are both lighter in weight and which have new functions integrated inside them. The future is moving towards personally designed sports equipment, specifically designed for the individual requirements of the user.

Production

Total production

Production of sports and camping goods in The Netherlands has been decreasing in recent years, especially in terms of value. The Netherlands is the eleventh largest producer in the EU, having recently been overtaken by Hungary in its production value. As such this is a small-medium sized producer of sports and camping goods in the EU. The Netherlands accounted for 1.4% of EU sports and camping goods production in 2005.

The value of sports and camping goods production in The Netherlands in 2005 was € 51 million. As table 1.2 indicates, this is down from € 60 million in 2002, and represents an average annual decrease of 5.3%. These figures may be somewhat understated as they do not include figures for confidential trade. Nevertheless production is expected to reduce in future years as more of the leading manufacturers contract production overseas.

According to Eurostat, 62% (€ 32 million) of Dutch declared production was for team sports equipment; 23% (€ 12 million) for camping goods; and 15% (€ 7 million) for equipment for fitness. There may also be production of saddlery items as this was the principle area of undeclared production. The greatest falls over the period have been in the production of fitness equipment. There is also known to be some production of skates and equipment for water sports, but Eurostat recorded no production figures for this.

Table 1.2 Production of sports and camping goods in The Netherlands, 2002-2005, € million / '000 tonnes

2002		2004		2005*		Average ann. % change	Number of companies 2005	Number of employees 2005
value	volume	value	volume	value	volume			
60	3	55	3	51	2	-5.3	150	675

Source: Eurostat, Statistics Netherlands (2007)
*: 2006 data not available

Approximately 150 companies, employing 675 people were engaged in the production of sports and camping goods products in The Netherlands in 2005. Despite falls in production, this represents a similar position to the numbers in 2002. The companies that are involved in sports and camping goods production recognise that they have to become high quality specialists in order to survive, particularly as so many low cost imports pass through The Netherlands en route to other markets. One of the main technology partners for manufacturers are TNO, who provide advice on added-value sports products to maintain a competitive edge (http://www.tno.nl).

Some companies have outsourced their production to countries with lower labour costs, particularly in Asia. They are using the central location of The Netherlands as a marketing and distribution centre for supplying the home and export markets.

Main players

- The main manufacturers in The Netherlands are:
    - Rucanor is one of the best known Dutch sports brands, having just celebrated 50 years in business (http://www.rucanor.nl).
    - Zandstra Sport are well-known manufacturers of skates in The Netherlands (http://www.zandstrasport.nl).
    - Sportimex are involved in the production of ice hockey products (http://www.sportimex.com).
    - Rademaker Sports produce a wide range of sports accessories including Nordic poles, originally starting in the running market (http://www.rademakersports.nl).
- There are many other smaller producers in The Netherlands, but these larger companies will be able to provide advice on smaller companies. A list of other manufacturers can be found at the website of the Association of Manufacturers and Wholesalers of Sporting Goods - FGHS (see chapter 6 for contact details).

Opportunities and threats

\+ The Netherlands is an important entry and transit point for onward movement elsewhere in the EU, and for that reason alone, it is a market worth considering. This market perhaps carries more influence than its size suggests. Both forward-looking and outward-looking, the market is regarded by some as a laboratory for trends and business practices.

\+ Government promotion of sport and the attitude to sport of most of the Dutch population will also provide opportunities for DC exporters. Heightened enthusiasm for hockey and fitness, particularly among women will also provide newer opportunities.

\- There are pros and cons of the Dutch market. While the trade is increasingly concentrated, they are nevertheless very open and receptive to new products being presented to them. Some exporters may be able to supply products to the quality specifications required, but may not be able to offer the after sales service which is so important in the Dutch market.

Equally any of these trends can be an opportunity for one exporter, but a threat to another. Dutch buyers are not always loyal to particular overseas suppliers, so you may lose out to a supplier from your own country or neighbouring country. It is important to appreciate how your specific situation will apply to this market.

See also chapter 7 of the CBI market survey `The EU market for sports and camping goods` for more information on opportunities and threats.

Useful sources

- Details of commercial research organisations that produce market reports can be found in the chapter 1 (section 1.5) of the CBI market survey `The EU market for sports and camping goods`.
- Production information can be obtained from Eurostat as well as Dutch National Statistics (see later in this report for contact details).
- The Federation of Dutch Sports Goods Retailers (http://www.mitex.nl) is the main market focussed sports trade association in The Netherlands.

- Other important trade associations include The Sports Fishing Federation (http://www.nvvs.org), the Royal Dutch Equestrian Federation (http://www.knhs.nl), the Dutch Football Association (http://www.knvb.nl), the Dutch Gymnastics Union (http://www.kngu.nl), the Dutch Golf Federation (http://www.ngf.nl) and the Dutch Hockey Federation (http://www.knhb.nl).
- Details of the main trade fairs and trade press can be found in chapter 6.

2 Trade channels for market entry

Trade channels

Exporters from developing countries would be advised to concentrate on the independent specialist sector, and use importers and wholesalers and buying groups to reach them. While their influence is diminishing in the face of greater retail concentration, nevertheless they are still important. Some disadvantages in working with an importer/wholesaler are that their margins are high and they may require the exclusivity for your item in The Netherlands.

Other opportunities for developing country exporters should not be overlooked. Some retailers may appreciate being contacted directly. If they are not interested, they should at least refer you to the wholesaler they buy from. In addition, the non-specialist sector provides opportunities. Some outlets will buy unbranded products and then sell them as their own private label.

Another potentially interesting channel is via contract manufacturing or outsourcing. Although the Dutch manufacturing base for this sector is relatively small, opportunities may still be found, depending on the product groups in which you are active. In this channel, you will not have any contact with the retail or wholesale channel, but good possibilities may still exist, particularly if there are strong historical connections with your country. You can find contacts at the Association of Manufacturers and Wholesalers of Sporting Goods (see chapter 6 for contact details).

Many of the leading sporting goods companies have established their head-offices in The Netherlands, due to its central location and logistical strengths. This has also been helped by Amsterdam Schipol airport's role as a flight hub, the importance of the port of Rotterdam and a very good road network. The Netherlands has strong warehousing capabilities and access to multi-lingual personnel. There is a wealth of distribution companies with a strong reputation in the sporting goods business.

Many companies are interested in the Dutch market because companies involved in the trade also have connections into other countries. The specialist sector in The Netherlands is probably smaller than that of any other EU country. Within this sector buying groups are particularly strong. Information on how to approach buying groups can usually be found on their websites. They need careful preparation and thought before contacting them in order to receive an optimum response.

Trends in the retail sector

The two key distribution trends in sporting goods retailing both impact directly on how a developing country exporter should approach this market.

- Firstly, the concentration of retail specialists. This is diminishing the significance of small independent retailers. Examples of this include the acquisition of Perry Sport by the company which owns Aktiesport, and the take-over of Scapino by the company which owns Pro Sport.
- The second key trend is the introduction of large-scale retail formulas that have been witnessed earlier in other countries. Jumbo Golf and PK Running are examples of this. This is prompting specialist retailers to become even more specialist, to differentiate themselves from discounters and non-specialists who sell all sorts of sporting goods.
- Of the 4,500 outlets that sell sporting goods in 2006, less than 3,000 are specialists. The current Dutch distribution breakdown is featured in table 2.1.

Table 2.1 Share of sporting goods retail distribution in The Netherlands, % value 2006

Outlet type	% share
Specialists	**50%**
Chain stores	22%
Independent stores	7%
Buying groups	21%
Non-specialists	**50%**
Department/variety stores	17%
Super/hypermarkets	2%
Clothing and footwear stores	16%
Mail order/Internet	7%
Other (inc sports clubs)	8%
Total	**100%**

Source: HBD, Euromonitor (2006)

Interesting players

- Interesting wholesalers for developing country exporters wishing to enter the Dutch market include HD Sports (http://www.hdsports.nl), Eurolight (http://www.eurolight.nl), Covee Sport (http://www.covee.nl), Heemskerk Sport (http://www.heemskerksport.nl), Interhiva, who specialise in fitness (http://www.interhiva.nl) and Piri Sports (http://www.pirisports.nl).
- The main Dutch sporting goods buying groups are Euretco (http://www.euretco.com) covering 219 stores, part of Sport 2000 and includes Sport Point (http://www.sportpoint.nl), Intres Sport (http://www.intres.nl) covering 265 stores and operating the Intersport brand, and Fair Play (http://www.fairplaysports.nl) covering 220 stores. Smaller buying groups include Bakkersport (http://www.bakkersport.nl).
- Small retailers of potential interest include Duo Sports (http://www.duosports.nl), Bever Zwerfsport, specialising in outdoor products (http://www.bever.nl), Daka Sport (http://www.daka.nl), Chabot Sport (http://www.chabot.nl). Such retailers may refer you to their wholesalers if they do not wish to deal directly.
- One advantage of working directly with retailers is that you can get a better price than through an importer or agent. However, it will be more difficult to establish a relationship as they often change suppliers. They also restrict the range they stock, so gaining distribution here will be difficult. Another disadvantage is they require special conditions in terms of fast delivery, labelling, packaging (special promotions) or after sales service.
- Leading non-specialists include the department store chain Vroom & Dreesmann (http://www.vroomendreesmann.nl).

Price structure

Generally speaking, margins on sporting goods have been falling in The Netherlands in recent years, as a result of intense competition in supply and the recession which has caused more price competition between retailers. In addition, retailers are powerful in The Netherlands and this places further pressure on margins within the supply chain. In each trade channel different margins and prices apply, with multiples of 3 up to 4 of the export (FOB) price.

Table 2.2 Overview of margins in sporting goods

	Low	High
Importers/wholesalers' margins	35%	60%
Agents' margins	10%	15%
Retailers' margins	60%	100%
Multiples Export price - Consumer price	**3.0**	**4.0**

These margins will vary depending on which market segment is being approached. The higher the market segment, the higher the margins that can be commanded. Buying groups ask for large-volume discounts, which are then passed on to their members.

More information can be found in chapter 3.2 of the CBI market survey 'The sports and camping goods market in the EU'.

Selecting a suitable trading partner
This is a very important part of the export process. As important as finding a contact that is suitable for you in terms of the range of products that you can supply is the relationship and empathy you can establish between yourself and your partner. The essential element of any trading relationship is trust. You must satisfy yourself that you will be happy to deal with the organisation in question over a long period. Your own judgement and instincts are most important in this respect.

In relation to how you find a trading partner, the usual trade sources are an important point of contact. The Association of Manufacturers and Wholesalers of Sporting Goods is an important contact (see chapter 6 in this report for contact details). The best place to meet potential trading partners is at a sporting goods trade fair. Details of the main trade fairs are listed elsewhere in this report.

It would be better to first visit an exhibition a few times before participating yourself. During a visit you can extensively look around at the stands of the main players and get a better idea of the latest fashions. At trade shows you have an opportunity to talk to potential partners on a face-to-face basis and better judge whether you would like to work with them. You could also identify potential partners from the exhibition website beforehand or from a catalogue. When selecting them (e.g. importer or wholesaler) try to find out:

- Which products they sell (focussed on type of sport).
- To which target groups they sell.
- In which areas they are well represented in their country. If they are exporting, to which other EU countries they sell.
- To whom they sell e.g. small or large retailers, department stores, buying groups etc..

You could also find this out by looking at their website or try to find a company profile through other hosted sites e.g. of a local BSO or trading platform, or by finding their company brochure. You can contact interesting trade partners by mail or e-mail and follow up by phone a few weeks later. See also chapter 3.1.3 of the CBI Export manual 'Exporting to the EU'.

Although you may initiate a communication by post or email, it is recommended that there is some personal communication before a trading partner is selected.

You should also do a credit check of your potential trade partner, especially when an investment from your side is involved. This credit check could be done by a specialist company such as Dun and Bradstreet (http://www.dnb.com). A bank usually does not give credit ratings of its customers. In this regard, you could also contact Business Support Organisations in The Netherlands or the commercial department of your own embassy to see if they have any useful contacts. They may even have some knowledge of contacts you may have made independently.

The Association of Dutch Chambers of Industry and Commerce (http://www.kvk.nl) could be a good source of general advice. In addition, the Dutch Retail Council for doing business with The Netherlands can be reached at http://www.raadnederlandsedetailhandel.nl. Agents can be found via the Federation of Intermediaries in Amsterdam at http://www.vnt.org

3 Trade: imports and exports

Imports

Total imports

In 2006, The Netherlands imported sports and camping goods valued at € 615 million, or 112 thousand tonnes. This accounted for 8.2% of all EU imports by value, or 8.3% by volume. This represented an average annual increase in value of 12.4% since 2002 (18.1% in volume). The Netherlands was the fifth largest importer of sports and camping goods by value (after the UK, France, Germany and Italy), but sixth largest by volume, also behind Belgium. The Netherland's imports are close to those of Italy.

This growth in imports contrasts with a similar 12.2% growth in exports, which are 40% less than imports in terms of value. However, import volumes are more than double export volumes, so re-exporting is important in the market. In fact re-exporting is largely controlled by local intermediaries who sell on these goods at a higher price. Production has fallen since 2003 and the consumer market has registered a 0% annual increase over the period.
Around 54% of Dutch imports by value (€ 333 million) came from developing countries and 75.4% (84 thousand tonnes) by volume. China is the largest supplier (42.3% of total value imports and 67.1% of total volume imports), with supplies valued at € 260 million or 75 thousand tonnes. The next largest supplier is USA (11.7% of total value imports and 4.9% of total volume imports), with supplies valued at € 72 million or 6 thousand tonnes. The next two largest suppliers to The Netherlands are Belgium and Germany. Belgium has supplies valued at € 48 million, or 4 thousand tonnes (7.8% of value and 3.4% of volume). Germany has supplies valued at € 36 million, or 3 thousand tonnes (5.9% of value and 2.6% of volume).

The share of supplies by developing countries is up from 38.7% in value (€ 149 million) in 2002, and up from 60.3% in volume terms. Supplies from China have increased by an annual average of 22.9% (26.7% by volume) over the period, while Pakistan's supplies have increased by an average of 16% per annum by value. Supplies from Thailand are down in value and in volume. Meanwhile, supplies from Malaysia and Philippines are up.

Imports by product group

The five selected product groups are shown in this table in detail. Import values of other product groups are mentioned in the text for completeness.

Table 3.1 Imports by and leading suppliers to The Netherlands 2002 - 2006, share in % of value

Product	2002 € mln	2004 € mln	2006 € mln	Leading suppliers in 2006 Share in %	Share (%)
Total sports & camping goods	92	146	154	Intra EU: Belgium (7.8%), Germany (5.9%), Italy (3.4%), UK (2.3%), France (0.9%)	25.0
	144	125	128	Extra EU ex. DC*: USA (11.7%), Taiwan (4.3%), Hong Kong (1.9%), S Korea (1.0%), Japan (0.7%)	20.9
	149	237	333	DC*: China (42.3%), Pakistan (3.2%), Thailand (2.0%), Malaysia (1.6%), Philippines (1.6%), India (1.3%), Vietnam (0.8%), Argentina (0.2%), Bangladesh (0.1%)	54.1
Fitness	23	35	37	Intra EU: Italy (9.9%), Germany (7.2%), Hungary (1.7%), Finland (1.1%), Belgium (1.1%)	24.5
	40	27	48	Extra EU ex. DC*: USA (17.3%), Taiwan (12.1%), S Korea (1.3%), Hong Kong (0.8%), Canada (0.4%)	31.8
	20	47	66	DC*: China (41.6%), Vietnam (0.9%), Malaysia (0.5%), Pakistan (0.3%), India, Turkey, Thailand, Ukraine, Brazil, Serbia	43.7

Team sports	22	27	33	Intra EU: Belgium (18.4%), Germany (7.4%), Denmark (2.2%), UK (1.2%), Sweden (1.1%)	33.7
	17	23	22	Extra EU ex. DC*: USA (9.3%), Hong Kong (6.9%), S Korea (2.3%), Taiwan (1.8%), Switzerland (0.5%)	22.4
	17	32	43	DC*: China (39.9%), Pakistan (1.4%), Thailand (0.7%), India (0.5%), Vietnam (0.5%), Malaysia (0.4%), Mexico (0.4%), Turkey (0.1%), Kenya (0.1%), Philippines	43.9
Balls	4	7	21	Intra EU: Belgium (22.4%), Germany (3.6%), Ireland (1.0%), Italy (0.7%), Luxembourg (0.5%)	29.6
	3	2	2	Extra EU ex. DC*: USA (0.9%), Taiwan (0.7%), Canada (0.6%), Hong Kong (0.5%), Japan	2.8
	19	31	48	DC*: China (22.0%), Pakistan (19.2%), Philippines (13.2%), Thailand (9.9%), India (1.4%), Colombia (1.0%), Indonesia (0.6%), Turkey (0.1%), Brazil, Vietnam	67.6
Camping goods	11	31	18	Intra EU: Germany (9.7%), Poland (4.1%), Belgium (2.5%), Spain (2.2%), France (0.8%)	27.2
	29	11	1	Extra EU ex. DC*: USA (0.6%), Hong Kong (0.2%), Taiwan (0.1%), Japan, Canada	1.1
	30	39	46	DC*: China (67.4%), Bangladesh (1.2%), Vietnam (0.9%), Brazil (0.8%), Pakistan (0.5%), Tunisia (0.4%), S Africa (0.2%), India (0.2%), Thailand (0.1%), Colombia	71.7
Saddlery	3	4	3	Intra EU: Germany (11.7%), Czech Rep (2.0%), Austria (1.2%), UK (1.0%), Italy (0.9%),	15.8
	3	2	2	Extra EU ex. DC*: USA (3.6%), Taiwan (3.6%), S Korea (0.8%), Canada (0.4%), Switzerland (0.1%)	10.5
	9	12	14	DC*: China (34.3%), India (24.4%), Vietnam (6.4%), Argentina (4.2%), Uruguay (2.1%), S Africa (1.4%), Thailand (0.1%), Malaysia, Egypt	73.7

Source: Eurostat (2007)
*Developing Countries

Fitness
This is the largest of the selected product groups. Valued at € 151 million in 2006, this represented 24.6% of all sports and camping goods imports to The Netherlands (36.4% by volume). This compares with a share of 21.6% in 2002 (31% by volume). Hence this product group is increasing in significance in its value and volume contribution to imports. Intra-EU trade represents 24.5% of the value supply (13.4% by volume), and this has decreased in value from 27.7% in 2002, and also marginally decreased in volume from 13.1%. Italy's share has increased from 2002. The share of imports by Germany and Belgium have decreased, but of the other leading intra-EU importers, the Finnish and Hungarian shares of imports are up.

As far as developing country suppliers are concerned, they represent 43.7% of all imports by value (66.7% by volume), up from 24% (€ 20 million) in 2002, and up from 55.5% by volume. China (€ 63 million) dominates the developing country supply of equipment for fitness/gym. China's share is up from 2002 by an annual average 34.8%. Of the other developing country suppliers, values from Vietnam, Malaysia and Pakistan have all increased.

In terms of product groups, exercise apparatus with adjustable resistance mechanisms represents 59% of the product group (up from 38% in 2002), while articles and equipment for general physical exercise make up the remainder.

Team sports
This is the second largest of the selected product groups. Valued at € 98 million in 2006, this represented 15.9% of all sports and camping goods imports to The Netherlands (20.7% by volume). This compares with a share of 14.6% in 2002 (19.2% by volume). Hence this product group is increasing in significance in its value and volume contribution to imports. Intra-EU trade represents 33.7% of the value supply (17.7% by volume), and this has decreased in value from 39.3% in 2002, and decreased in volume from 24.5%. Belgium's share has increased significantly from 2002, suggesting re-exports from other (probably DC) countries. The share of imports by Germany and Denmark have decreased, while of the other leading intra-EU importers, the Swedish share of imports is up.

As far as developing country suppliers are concerned, they represent 43.9% of all imports by value (76.2% by volume), up from 29.7% (€ 17 million) in 2002 (54% by volume). China (€ 39 million) dominates the developing country supply of equipment for team sports. However, whereas the value of China's supplies has increased by an average annual 28% over the period, supplies from Pakistan, Thailand and Vietnam have increased at a slower rate, while India's share of supplies has decreased.

In terms of product groups, Eurostat only separates out equipment for cricket and polo. This is a negligible part of the group as a whole. Despite this, the share of cricket and polo equipment has reduced over the period.

Balls
Balls were valued at € 71 million in 2006. This represented 11.5% of all sports and camping goods imports to The Netherlands (10.6% by volume). This compares with a value of 6.9% and volume share of 7.8% in 2002. Hence this product group is increasing in significance in its value and volume contribution to imports. Intra-EU trade represents 29.6% of the value supply (19.9% by volume), and this has increased in value from 16.3% in 2002, and also increased in volume from 10%. The dominance of Belgium suggests that in fact much of this trade consists of re-exports from other (probably DC) countries. Their share has increased significantly from 2002. The share of imports by Ireland has decreased.

As far as developing country suppliers are concerned, they represent 67.6% of all imports by value (77.1% by volume), down from 71.8% (€ 19 million) in value and down from 82.8% by volume in 2002. This is largely explained by the significant increases in supplies from Belgium (see above). All major DC suppliers have increased their exports to The Netherlands. China (€ 16 million) is the leading developing country supplier of balls, but Pakistan has been gaining ground. Of the other leading developing country suppliers, both Philippines and Thailand have increased supplies.

In terms of product groups, inflatable balls account for two thirds of the group (€ 47 million, 93% of which are non-leather); tennis balls are valued at € 18 million, and other balls are valued at € 7 million, of which cricket or polo balls are negligible. There is a trend away from leather balls.

Camping goods
This is the next largest of the selected product groups. Valued at € 65 million in 2006, this represented 10.6% of all sports and camping goods imports to The Netherlands (17.3% by volume). This compares with a share of 18.2% in 2002 (23.5% by volume). Hence this product group is decreasing in significance in its value and volume contribution to imports. Intra-EU trade represents 27.2% of the value supply (8.7% by volume), and this has increased significantly in value from 15.8% in 2002, and also increased in volume from 7%. Germany's share has increased from 2002. The share of imports by Poland and the Czech Republic have decreased, while of the other leading intra-EU importers, the Spanish share of imports is up.

As far as developing country suppliers are concerned, they represent 71.7% of all imports by value (90.7% by volume), up from 43.2% (€ 30 million) in value, and up from 63.3% by volume in 2002. China (€ 44 million) dominates the developing country supply of camping goods. Supplies from China have increased by an average annual 11.8% since 2002. Of the other developing country suppliers, values from Vietnam have decreased, while values from Brazil and Bangladesh have increased.

In terms of product groups, tents account for 58% of the group (€ 38 million, 83% of which are made of synthetic material); other camping goods are valued at € 15 million, 82% of which are made of textile material; sleeping bags are valued at € 10 million and pneumatic mattresses € 2 million. There is a move towards tents of synthetic material, particularly away from cotton tents. The same applies to a move away from other camping goods made of cotton.

Saddlery
Saddlery items were valued at € 19 million in 2006. This represented 3.1% of all sports and camping goods imports to The Netherlands (2% by volume). This compares with a share of 3.8% in 2002 (2.4% by volume). Hence this product group is decreasing in significance in its value and volume contribution to imports. Intra-EU trade represents 15.8% of the value supply (9.7% by volume), and this has decreased in value from 17.9% in 2002, and also decreased in volume from 15.7%. The German and Austrian share of imports have decreased, while the Czech share has increased.

As far as developing country suppliers are concerned, they represent 73.7% of all imports by value (84% by volume), up from 63.5% (€ 9 million) in value and 74.2% by volume in 2002. China (€ 7 million) is the leading developing country supplier of saddlery items, followed by India. China's share is up from 19.2% in 2002, while India's has fallen from 26%. Uruguay has seen its supplies increase significantly.

Eurostat does not separate this group into smaller sub-groups.

Other product groups
The value of other product groups not selected are as follows: golf (€ 59 million), fishing (€ 35 million), rackets (€ 31 million), water sports (€ 19 million), skates (€ 11 million), snow sports (€ 9 million), sports gloves (€ 8 million), table tennis (€ 5 million) and ski/snow boots (€ 2 million).

Exports
In 2006, The Netherlands exported sports and camping goods valued at € 432 million, or 50 thousand tonnes. This represents an average annual increase in value of 12.2%, but an average annual decrease of 15.9% in volume since 2002, suggesting rising export prices.

The Netherlands was the sixth largest exporter by value after France, Italy, Germany, Austria and Belgium, but fifth largest by volume after Belgium, Germany, France and Italy. 85.4% of Dutch exports by value were intra-EU (84% by volume), the majority of which were to Germany, the UK, Belgium and France. Outside the EU, Switzerland, Russia and USA were the main export destinations.

In terms of product groups, golf accounted for 21.1% by value (€ 91 million), up from 5.9% in 2002. The main destinations were the UK, Germany and France. The next largest group of exports were fitness/gym equipment, which accounted for 17.5% of all exports (€ 75 million), up from 15.6% in 2002. Germany, Belgium, the UK and Sweden were the main destinations.

Team sports represented 17.1% of all exports (€ 74 million). This is unchanged from 2002. Balls was the next largest at 16.3% (€ 71 million). Germany, France and Spain are the largest destinations for balls.

The remaining groups of exports were as follows: camping goods (€ 32 million), fishing (€ 31 million), rackets (€ 18 million), water sports (€ 17 million), saddlery (€ 10 million), skates (€ 5 million), then sports gloves, snow sports, table tennis and ski/snow boots in descending order.

Opportunities and threats

+ The Netherlands is an interesting market for exporters from developing countries. Sports participation is high, combined with the fact that local production has been falling recently. The Netherlands is also (with Belgium) a principle entry point for products destined for other EU countries. This in itself makes it worth while making contacts in this country. Developing country shares of imports have been increasing. Further opportunities will arise as The Netherlands emerges from a long period of recession.
+ The fact that the value share of imports from developing countries is up over the period while the volume share is up even more indicates downward pressure on prices. Exporters should take care not to trade at a loss or with unsustainably low margins over a prolonged period. This may be justifiable for a limited period to gain market entry, but it is neither advisable nor feasible to trade in this way in the long run.
+ There are wide differences in the performance of the various different product groups. Many of the groups selected are enjoying good growth rates, but at present the best opportunities for developing country exporters appear to be presenting themselves in the balls, team sports and fitness sectors.

It is also important to note that an opportunity for one developing country can also be a threat to another. Many EU countries switch country sources purely for competitive advantage, rather than moving supplier because of changes in demand for other reasons. Exporters should read carefully the trends and developments outlines on other parts of this survey before establishing whether The Netherlands offers a genuine export opportunity.

See also chapter 7 of the CBI market survey `The EU market for sports and camping goods` for a more general analysis.

Useful sources

- EU Expanding Exports Helpdesk

http://export-help.cec.eu.int/ ➔ go to: trade statistics

- Eurostat – official statistical office of the EU

http://epp.eurostat.cec.eu.int ➔ go to 'themes' on the left side of the home page ➔ go to 'external trade' ➔ go to 'data – full view' ➔ go to 'external trade - detailed data'

4 Price developments

Sports and camping goods prices in The Netherlands are slightly below, but close to the EU average. The price index in The Netherlands has increased by 2% in the last year, while prices in the recreation and culture sector have increased by 0.4%.

The Netherlands is like most EU countries that have seen prices fall in recent years. This long-term trend may not continue in the future. The greater choice in the market, and more demanding consumers have all continued to exert this downward pressure. Although the Dutch economy is improving after a number of poor years, this is more likely to result in higher expenditure on goods and services, including sports and camping goods, rather than significantly rising prices.

The sales channel has an important bearing on price developments in this sector. Prices have remained strong at the top end of the market, but prices have come down in all other sectors. It has been particularly tough for retailers who operate in the mid-market. Their customers are often price sensitive and they see much lower prices in discount stores, but this is often accompanied by noticeable increases in the quality of the products, hence an increase in their relative value.

Consumer price indices are published on the Dutch national statistical website (http://www.cbs.nl). Information on broad price changes can also be obtained from the Dutch National Bank (http://www.dnb.nl). Prices of sports and camping goods in The Netherlands can also be found by visiting the websites of sporting goods retailers. See chapter 2 for contact details.

Import prices to The Netherlands are 4.8% lower annually than in 2002, but this hides the fact that they fell even further up to 2004, and they have been rising slowly since then. Developing country import prices are still above the EU average, but prices have fallen by less than other import prices to The Netherlands. These trends should be interpreted with care, as changes in imports do not reflect the demand in these countries. If import prices are now starting to rise, there is also little room for retailers to cut their overheads further, making it more likely that consumer prices will inevitably rise. This applies particularly to branded products, but also to non-branded products to a lesser extent. It is also clear that large retailers increasingly control pricing decisions.

Table 4.1 Developments in Dutch average import prices, 2002 - 2006

	2002	2004	2006	ave. annual
	ave price per '000 tonnes	ave price per '000 tonnes	ave price per '000 tonnes	% change
Total imports	6.70	4.69	5.51	-4.8%
Intra-EU	11.22	9.10	10.41	-1.9%
Developing countries	4.30	3.10	3.96	-2.0%

Source: Eurostat (2007)

5 Market access requirements

As a manufacturer in a developing country preparing to access The Netherlands, you should be aware of the market access requirements of your trading partners and the Dutch government. Requirements are demanded through legislation and through labels, codes and management systems. These requirements are based on environmental, consumer health and safety and social concerns. You need to comply with EU legislation and have to be aware of the additional non-legislative requirements that your trading partners in the EU might request.

For information on legislative and non-legislative requirements, go to 'Search CBI database' at http://www.cbi.eu/marketinfo, select sports and camping goods and The Netherlands in the category search, click on the search button and click on market access requirements.

Information on eco-labelling and packaging legislation is also included in the CBI market information database. Market access requirements are broadly consistently applied across the main EU member states.

Additional information on packaging can be found at the website of ITC on export packaging: http://www.intracen.org/ep/packaging/packit.htm

Information on tariffs and quota can be found at http://export-help.cec.eu.int/

6 Doing business

Information

General information on doing business like approaching potential business partners, building up a relationship, drawing up an offer, handling the contract (methods of payment, and terms of delivery) can be found in CBI's export manuals 'Export Planner' and 'Your image builder'. Furthermore cultural awareness is a critical skill in securing success as an exporter. Information on cultural differences in the EU can be found in chapter 3 of CBI's export manual

'Exporting to the EU'. These manuals can be downloaded from http://www.cbi.eu/marketinfo - go to search publications.

Useful sources
There is information on the sporting goods industry in The Netherlands at the website of the Association of Manufacturers and Wholesalers of Sporting Goods - FGHS (http://www.fghs.nl) and Mitex Sport, the Federation of Dutch Sports Goods Retailers (http://www.mitex.nl). Some manufacturers may be looking to develop relationships with developing country exporters. Other useful contacts are:

- The Dutch Retail Association (http://www.hbd.nl)
- The Dutch Sports Federation (http://www.sport.nl)
- The Social and Cultural Planning Office (http://www.scp.nl), which includes a link to Rapportage Sport (http://www.rapportage-sport.nl).

Developing a relationship
The most important ways to develop a business relationship are to either exhibit at one of the main sporting goods trade fairs, or to make a direct approach to wholesalers or major retailers. In The Netherlands, many business people still prefer a formal style of communication, both in the way a presentation is put together, although the Dutch are friendly and will be receptive to a professional approach. A very aggressive price driven approach will not be effective, although price is very important in the Dutch market.

Trade fairs
There is a permanent exhibition for sporting goods in The Netherlands at Leusden (http://www.sportsbusinesscenter.nl). A number of events and exhibitions take place throughout the year related to sporting goods. For example, Sportfocus in May and other more specific events such as the Snow Experience and the Outdoor Experience.

Promotion
Advertising in trade magazines can sometimes be an effective means of reaching a small target group. The FGHS publishes a newsletter called SportGoed. The main trade publication for the sporting goods industry is called Sport Partner (http://www.maruba.nl). Maruba also publish Sport Partner Business Guide that contains information on most sports distributors and retailers in The Netherlands. Another important publication is Sport Cult (http://www.sportcult.nl).

DC exporters are unlikely to have a large budget to engage in some of the above activities, so making intelligent use of limited resources is essential. The key question to ask yourself is whether you are making a general communication to the industry at large to find customers, or whether you are engaging in marketing activity to support a specific customer or prospect. The more targeted you can make your communication activity, the more cost efficient and effective it is likely to be. More details on promotional techniques can be found in chapter 4 of CBI's `Guidelines for Exporting Sports and Camping Goods to the EU`.

This survey was compiled for CBI by ***Searce***