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Agentur für Markenaktivierung

ITALIAN TRADE AGENCY

Webinar

"Overview and insights of the German retail trade (food)"

July 7th 2020

Retail Trade Germany

Germany

Retail Sales Top 5 | Market Share Top 5

€ 184.3 bn | 67.7 %

	Retail Sales in € mn	Market Share	Year-on-Year Sales Growth
Edeka	58,750	21.6%	4.3%
Rewe Group[1]	40,020	14.7%	4.2%
Schwarz Group	39,975	14.7%	3.0%
Aldi	30,294	11.1%	3.0%
Amazon	15,241	5.6%	17.4%

Top 5: 67,7% market share / total grocery retail sales: 271,89bn

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1. Edeka

Retail Sales	Sales Growth	Stores	Market Share
58.8 Mrd. €	4.3 %	13,030	21.6 %

Edeka, Feneberg	5,765	Supermarkets
Netto Marken-Discount, Regionale Discounter	4,840	Discounters
K & U, Trinkgut	1,760	Speciality Food Stores
Marktkauf, E Center, Kaufmarkt	505	Hypermarkets
Edeka Food Service, E C+C Großmarkt	106	Wholesale
Herkules	22	Home & Hobby Stores
Technik-Partner	16	Electronics & Media Stores
Sport-Treff	16	Apparel Stores
Edeka Online, Netto Online, Bringmeister, E-Stores		Grocery E-Commerce

2. Rewe Group[1]

40.0 Mrd. €* | 4.2 %** | 7,705*** | 14.7 %****

Rewe, Karstadt Lebensmittel, Wasgau, Sky	4,483	Supermarkets
Penny	2,200	Discounters
Rewe To Go, Topkauf	502	Minimarkets
Toom, Plaza	341	Home & Hobby Stores
Rewe Center, Akzenta, Sky XXL	118	Hypermarkets
Toom Getränkemarkt, Kölner Weinkeller, Temma	55	Speciality Food Stores
Wasgau C+C	6	Home & Hobby Stores
Rewe Lieferservice, Zoo Royal, Penny Online, Weinfreunde Gartenliebe		Grocery E-Commerce Non-Food-Online-Shop

3. Schwarz Group

40.0 Mrd. €* | 3.6 %** | 3,864*** | 14.7 %****

Lidl	3,200	Discounters
Kaufland	664	Hypermarkets
Lidl Online, Kochzauber, Kaufland Online		Grocery E-Commerce

4. Aldi

30.3 Mrd. €* | 3.0 %** | 4,112*** | 11.1 %****

Aldi Süd, Aldi Nord	4,112	Discounter

5. Amazon

15.2 Mrd. €* | 17.4 %** | 0*** | 5.6 %****

Amazon Fresh, Amazon Prime Now		Grocery E-Commerce
Amazon		Non-Food-Online-Shop

Top 5: 67.7 %

6. Metro AG

13.5 Mrd. €* | -1.1** | 382*** | 5.0 %****

Real	279	Hypermarkets
Metro Cash & Carry	103	Wholesale
Real Grocery Online		Grocery E-Commerce

7. Lekkerland

8.8 Mrd. €* | -1.0 %** | 0*** | 3.3 %****

8. dm

8.1 Mrd. €* | 3.2 %** | 1,956*** | 3.0 %****

dm	1,956	Drugstores
dm Online		Grocery E-Commerce

9. Rossmann

6.7 Mrd. €* | 4.1 %** | 2,150*** | 2.4 %****

Rossmann	2,150	Drugstores
Rossmann Online		Grocery E-Commerce

10. Globus

5.2 Mrd. €* | 1.5 %** | 144*** | 1.9 %****

Globus Baumarkt	90	Home & Hobby Stores
Globus	47	Hypermarkets
Alphatecc	6	Electronics & Media Stores
Fridel	1	Supermarkets
Globus Baumarkt Online, Hitseller, Globus-Buchshop		Non-Food-Online-Shop

Top 10: 83.3 %

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11. Bartels-Langness (Bela)
5.2 Mrd. €* | 4.3 %** | 815*** | 1.9 %****

Das Futterhaus, Dat Backhus	496	Speciality Food Stores
Nah & Frisch (Bartels-Langness)	100	Minimarkets
Ihre Drogerie	93	Drugstores
Famila (Bartels-Langness), Citti	90	Hypermarkets
Markant (Bartels-Langness)	32	Supermarkets
Chefs Culinar, Bela Großhandel, Backring Nord, Logipet, Bela C+C	4	Wholesale
Citti24		Grocery E-Commerce

12. Coop (CH) (Transgourmet)
4.0 Mrd. €* | 1.9 %** | 53*** | 1.5 %****

Selgros, Frische Paradies Delivery, Frischeparadies, Transgourmet	53	Wholesale
Frische Paradies Online		Grocery E-Commerce

13. Norma
3.6 Mrd. €* | 2.2 %** | 1,314*** | 1.3 %****

Norma	1,314	Discounters
Norma24.de		Non-Food-Online-Shop

14. Müller
3.3 Mrd. €* | 2.6 %** | 551*** | 1.2 %****

Müller	551	Drugstores
Müller Online		Grocery E-Commerce

15. Dohle
1.5 Mrd. €* | 2.8 %** | 98*** | 0.6 %****

Hit	98	Hypermarkets
Dohle Others		Wholesale

16. Bünting
1.5 Mrd. €* | - 4.8 %** | 335*** | 0.5 %****

Combi, Markant (Bünting)	234	Supermarkets
Nah & Frisch (Bünting), Ihre Kette (Bünting)	78	Minimarkets
Famila (Bünting)	20	Hypermarkets
J. Bünting Coloniale	3	Speciality Food Stores
Mytime, Combi.de		Grocery E-Commerce

17. Fressnapf
1.4 Mrd. €* | 5.2 %** | 967*** | 0.5 %****

Fressnapf, Equiva, Megazoo	967	Speciality Food Stores
Fressnapf Online		Grocery E-Commerce

18. Dennree
1.3 Mrd. €* | 3.8 %** | 559*** | 0.5 %****

Denn's, Biomarkt	559	Speciality Food Stores
Dennree Großhandel		Wholesale

19. Salling Group (Netto)
1.2 Mrd. €* | 1.6 %** | 345*** | 0.4 %****

Netto (Salling Group)	345	Discounters

20. Migros (Tegut)
1.1 Mrd. €* | 2.7 %** | 273*** | 0.4 %****

Tegut	273	Supermarkets
Migros Grocery Online		Grocery E-Commerce

Top 20: 92.1 %

21. Bofrost
0.7 Mrd. €* | 0.5 %** | 0*** | 0.3 %****

22. Handelshof
0.7 Mrd. €* | 0.5 %** | 16*** | 0.3 %****

Handelshof	16	Wholesale

23. Klaas + Kock
0.6 Mrd. €* | 1.8 %** | 215*** | 0.2 %****

Klaas + Kock	215	Wholesale

24. Kaes
0.6 Mrd. €* | 1.5 %** | 54*** | 0.2 %****

V-Markt	37	Hypermarkets
V-Baumarkt	12	Home & Hobby Stores
Christl's Modemarkt	4	Apparel Stores
C&C Kaes	1	Wholesale

25. Alnatura[2]
0.6 Mrd. €* | 4.9 %** | 131*** | 0.2 %****

Alnatura	131	Speciality Food Stores

26. Monolith-Group
0.6 Mrd. €* | 7.2 %** | 195*** | 0.2 %****

Mix Markt	135	Supermarkets
Mini Mix, Prima	60	Minimarkets
Monolith Delivery		Wholesale

27. Fleggaard
0.5 Mrd. €* | 2.8 %** | 18*** | 0.2 %****

Fleggaard, Calle	18	Supermarkets

28. Budnikowsky
0.5 Mrd. €* | 2.0 %** | 183*** | 0.2 %****

Budnikowsky	183	Drugstores

29. B & M
0.3 Mrd. €* | 29.8 %** | 97*** | 0.1 %****

Jawoll	97	Discounters

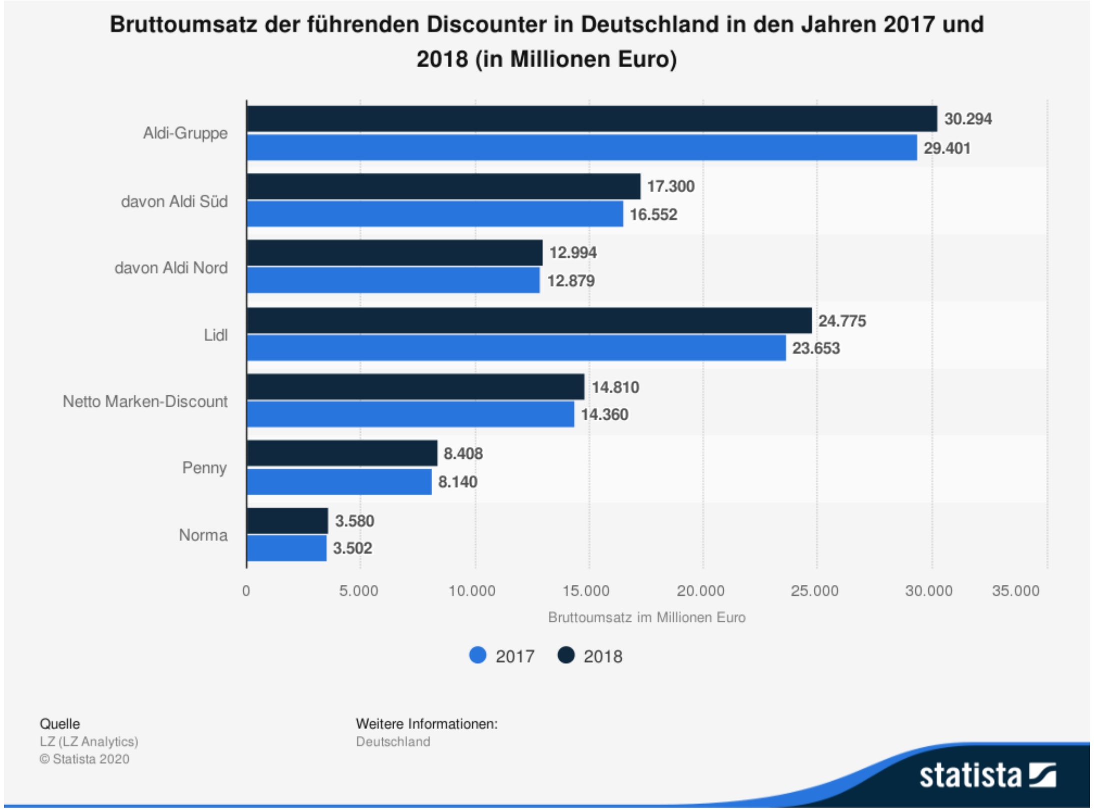
30. Brüller & Schmeltzer
0.3 Mrd. €* | 0.4 %** | 6*** | 0.1 %****

SB-Zentralmarkt	6	Wholesale

Top 30: 94.1 %

... of total grocery retail sales of € 271.89 bn

Retail Trade Germany



Gross sales of the leading discounters in Germany 2017 & 2018
in million Euros

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KaDeWe-Group

Most well known department stores in Germany (Hamburg, Berlin, Munich)

„Best in class“ in premium and luxury segment

Unique food & beverages assortment

Top-Restaurants

Strong image factor

Online

Strongest growth in food sector!!

Größtes Wachstum bei Lebensmitteln

Warenumsätze des Onlinehandels in Deutschland (in Millionen Euro)

	Umsatz in 2019	Veränderung zu 2018 in Prozent
Lebensmittel	1595	**+ 17,3%**
Haushaltswaren & -geräte	4959	+ 15,3%
Haus- & Heimtextilien	1247	+ 14,2%
Medikamente	788	+ 13,6%
* Computer/ Zubehör/Spiele/Software	6000	+ 13,5%
Drogerie	2076	+ 13,3%
Schmuck & Uhren	1108	+ 13,2%
Spielwaren	1470	+ 13,1%
Bekleidung	14257	+ 12,4%
Elektronikartikel & Telekommunikation	13225	+ 12,2%

What‘s going on in Germany

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Kaufland reaches for real

Kaufland apparently has serious ambitions to take over a larger number of real locations.
The retailer dares to take over 80 to 100 stores.

What‘s going on in Germany

Retail: Sales of supermarket chains increase twice as fast as those of discounters

New shopping habits on the part of consumers who no longer look so strongly at price, but expect a kind of shopping experience, will present discounters with significant hurdles. The discounters are themselves in the way of this because they want to undercut each other with the lowest possible prices.

As the Handelsblatt reports with reference to data from the market researcher Edge by Ascential and the Gesellschaft für Konsumforschung (GfK), Aldi, Lidl, Penny etc. are able to increase their sales in Germany by 1.9% in 2019, but the self-employed merchants at Rewe increased by 9.1% last year. According to GfK, supermarket chains were able to increase their sales by at least twice as much as discounters in 2018. Their market share will probably fall from more than 40% to 35% in 2019. After Aldi Nord has suffered losses in the German market for the first time in 2018, the market forecast will cause further problems, the Handelsblatt continues. Can Aldi's brand week principle save the situation? It remains to be seen whether discounters or supermarket chains will be counted at the end of the day, as consumers will be able to shop at low prices until then.

Approaching German retail trade

Options

- Head-office
- Regional office
- Individual store

Integrate German sales agent / team: language, mentality, culture

Distributor

- Select reputated distributor with supply structure into retail trade
- Retailer might recommend to join their current supplier

Approaching German retail trade

Seven steps to be in touch with the retailer / for retail trade communication

1. trade advertising
2. visits from sales teams/agents
3. annual range review negotiations
4. telephone sales calls
5. sales folders
6. direct mail
7. trade fair exhibition stands

Approaching German retail trade

Pricing

- “Werbekostenzuschüsse" / advertising support monies
- “Jahresrückvergütungen" / overriders,
- Listing fees

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Be prepared & be patient

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Current situation

Ongoing trends [before Corona]
- Plastic & waste reduction
- Convenience
- Organic/Bio, sustainability, CSR
- Local/regional
- Vegan/vegetarian

[post Corona]
- ✓ Consumers are tending to have one major grocery shop during the week, rather than the three or four visits prior to the pandemic
- ✓ The general public is cooking at home more, experimenting with new food, and nothing suggests that trend will stop when restaurants and foodservice return to normal
- ✓ …food safety has become a major focus for consumers and the buying public.
- ✓ Consumers want assurances about the origin and integrity of produce, plus evidence that food production, handling and preparation practices meet acceptable hygiene standards

Current situation: Organic / Bio

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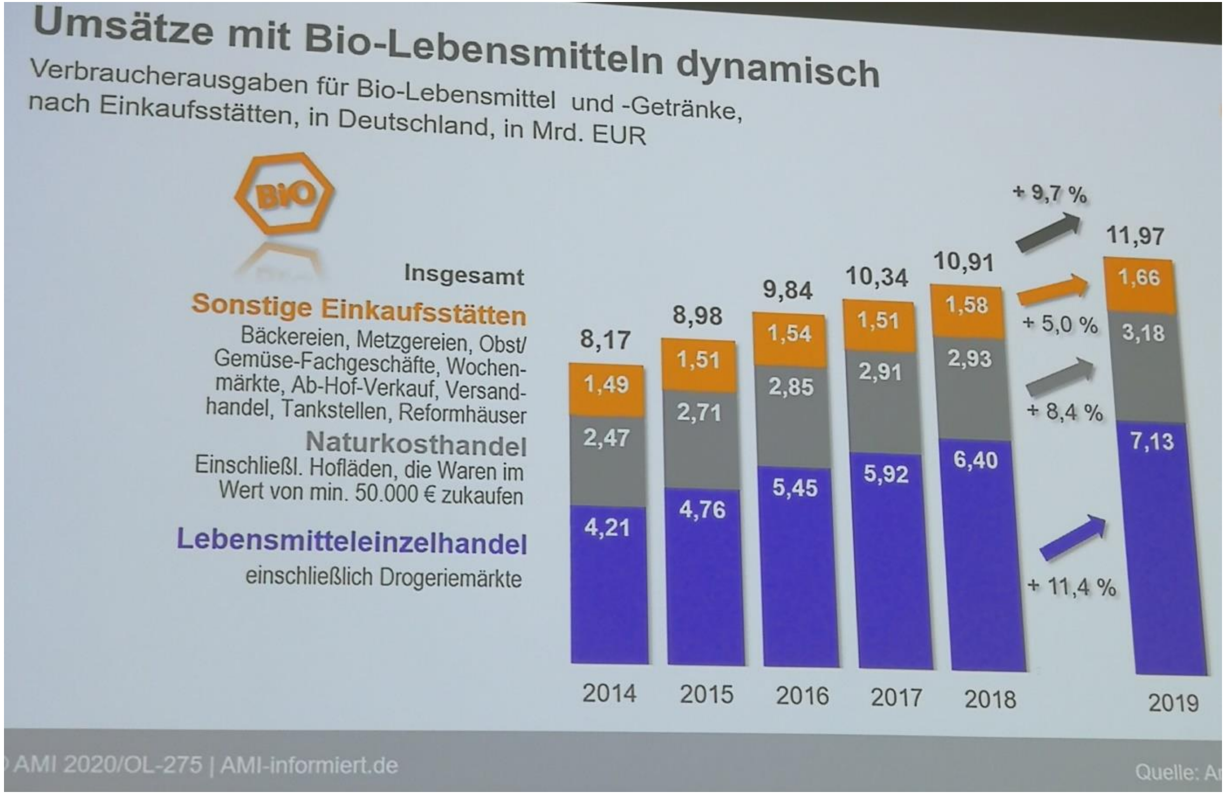

Current situation

Food prices 2020 per month vs. 2019

A look at the rate of inflation shows that fruit, meat and vegetables in particular have become considerably more expensive than in the previous year and the price increase was particularly marked in April.
Consumers had to pay eleven percent more for fruit in April 2020 than in April 2019.This is certainly also due to the fact that both in Germany and in the countries from which we import food, less could be produced due to quarantine measures and a lack of seasonal workers. In addition, there were restrictions on the cross-border movement of goods. In general, however, price fluctuations in food are nothing unusual.

Grazie per l'attenzione

Thank you very much for your attention

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