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**Report Highlights:**

Greece continues to break records with the number of tourist arrivals in the country rising to almost 35 million tourists in 2018, up 16 percent compared to the previous year, and is forecast to further increase. Surging tourism is expected to help Greece record its highest annual real GDP growth in a decade. This report gives an overview of the Greek foodservice industry and its sectors. It also outlines current market trends and identifies best product prospects.

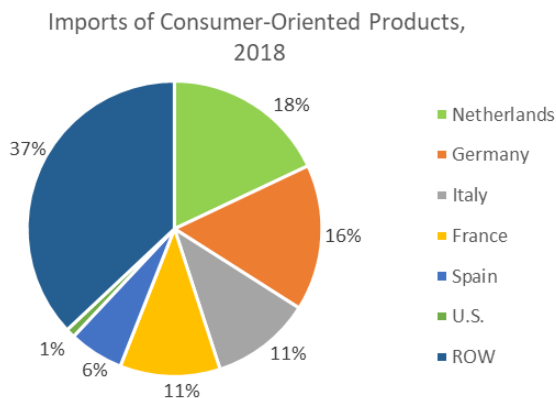
# Market Fact Sheet: Greece

## Executive Summary

Greece's food service – HRI sector continues to grow in 2018, driven by increasing numbers of tourists, and rebounding economy after ten years of recession. With a population of 11 million and a gross domestic product (GDP) of approximately \$205 billion, Greece is a relatively small country. Greece continues to break records with the number of tourist arrivals in the country. The Greek Tourism Confederation (SETE) indicated that 36 million tourists have visited Greece in 2018, up 16 percent compared to 2017. Greece imports significantly more food and beverages than it exports and is reliant on imports to meet the demands of consumers for food products. Opportunities to expand U.S. food and beverage sales exist, but U.S. food processors should study the market well in advance.

## Imports of Consumer-Oriented Products

Consumer-oriented food and beverage products remain the most important agricultural imports from the United States. In 2018, the consumer-oriented sector accounted for 41.4 percent of total agricultural, fish and forestry imports from the United States, valued at \$42.6 million. During the same period, fish and seafood imports from the United States were at \$4.8 million.



## Food Processing Industry

Food processing is a key sector in Greece, accounting for 10 percent of employment. The food industry accounts for 26 percent of all manufacturing enterprises in the country. Food processing also holds the biggest share in terms of gross value added (24.6 percent), while it ranks second in value of production (24.3 percent) and turnover (25.2 percent). In 2018, the sector generated a turnover of approximately \$11 billion<sup>1</sup>. The subsectors with the highest revenues are meat products, milk and dairy products, cereal-based products, confectionary, and beverages.

## Food Retail Industry

In 2018, value sales of grocery retailers in Greece declined by 2.3 percent to \$19.7 billion. The effects of the recession were still evident, yet the economy seemed to march towards stability. This was mirrored in retailing, as consumption began to pick up gradually.

## Quick Facts CY 2018

### Imports of Consumer-Oriented Products from USA (US\$ million)

\$42.6 million

### List of Top 10 Growth Products from USA exported to Greece

- |                      |                        |
|----------------------|------------------------|
| 1) Almonds           | 2) Food preparations   |
| 3) Fish preparations | 4) Bourbon             |
| 5) Cranberries       | 6) Walnuts             |
| 7) Salmon            | 8) Condiments & Sauces |
| 9) Squid             | 10) Dried prunes       |

### Food Industry by Channels (US\$ billion) 2018

Food Industry Output	11.3
Food Exports	6.6
Food Imports	8.1
Retail	19.7

### Food Industry Gross Sales (US\$ Billion) 2018

Food Industry Revenues

- Food (Domestic market) approx. \$20 billion

### Top 10 Greek Food Retailers

- |                              |                            |
|------------------------------|----------------------------|
| 1) Sklavenitis J&S SA        | 6) Pente SA                |
| 2) Ahold Delhaize            | 7) Market In SA            |
| 3) Schwarz Beteiligungs GmbH | 8) INKA Coop               |
| 4) Diamantis Masoutis SA     | 9) Marinopoulos SA         |
| 5) Metro SA                  | 10) Internationale Spar BV |

### GDP/Population

Population (millions): 10.8

GDP (billions US\$): 299

GDP per capita (US\$): 27,800

## Strengths/Weaknesses/Opportunities/Challenges

Strengths	Weaknesses
Greek importers favor U.S. products because of good quality and wider variety.	Greece's financial situation is sinking domestic demand, while lack of credit creates difficulties to importing companies.
Opportunities	Threats
The scale of the U.S. food industry may offer price competitiveness on large volume orders.	Competition from EU member states is strong and US products must pay import duties while competing EU goods do not.

### Data and Information Sources:

Global Trade Atlas (GTA), Greek official statistics service (ELSTAT), Greek Tourism Confederation (SETE)

### Contact:

FAS Rome, covering Greece  
AgRome@fas.usda.gov

<sup>1</sup> Exchange rate:  
2018: 1 USD = 0.848 Euro

## SECTION I. MARKET SUMMARY

### HRI Sector Overview:

- Greece is one of the top tourism destinations in Europe with the number of tourists increasing every year, boosting demand for meals in the HRI sector.
- Despite the economic crisis that created an unfriendly investment climate and a drop in domestic tourism demand, Greece's tourism industry has managed to emerge as a driver of the economy, contributing 11.7 percent to the country's GDP in 2018.
- Travel posted the best performance in consumer foodservice locations in both current value and transactions volume.
- Increasing number of women in the workforce. The percentage of women in the workforce is 45 percent and is bolstering the demand for more ready-to-eat foods, as well as eating-out frequency.
- Change in eating patterns and consumer habits are changing consumers' lifestyles. Currently there is high interest in natural, "wholesome" and "health" food categories.
- Slow population growth and an ageing population are highlighted in the country's demographics. Greece's population continues to age with the "over 65" estimated at 2 million (19.5 percent of the population). The number of people aged 85 and over account for 2.1 percent of the total population.

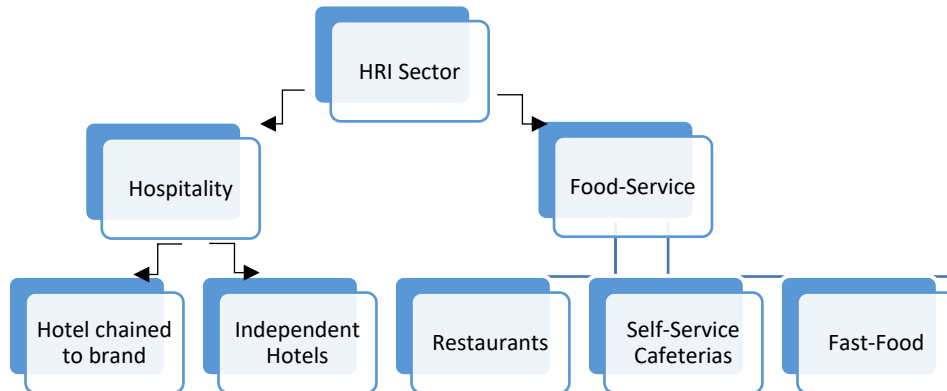
In 2018, the Greek Hotel and Food Service Industry consisted of 9,873 hotels and more than 100,000 restaurants, cafeterias, bars, and entertainment centers. Seasonality is a key characteristic of the sector. Employment in the HRI industry is estimated at 690,000 (about 18 percent of the total labor force), an increase of 0.9 percent compared to the previous year. Although the HRI sector is one of the major sources of income for Greece, the economic crisis is severely affecting the profitability of both hotels and food-service outlets.

The full-service restaurant channel has been the most severely hit by the economic downturn, as consumers have increasingly shifted to more affordable dining options. However, it showed signs of recovery in 2017 and 2018. This is because full-service restaurants had already shrunk significantly, but also due to the impressive rise in tourism. The number of hotels in Greece is expected to keep rising over the next few years amidst an anticipated hike in foreign tourist arrivals. Large chain hotel operators (e.g., Marriott, Four Seasons and Hyatt) as well as local businesspersons will continue investing in refurbishing old outlets and building new ones, especially in Athens, but also on the Greek islands and other parts of the country. In light of this, lodging is set to keep posting a positive performance, as hotel restaurants will rise in number and witness increased traffic (Euromonitor International, 2019).

## Advantages and Challenges for U.S. Exporters in Greece

Advantages	Challenges
Tourism provides a seasonal boost to retail food and drink sales.	Although Greece’s islands are world famous, the number of cruise ship passengers disembarking at Greek ports was low.
Greek food industry relies on imported ingredients, many from the U.S.	Greece’s acceptance of the EU’s CAP is often grudging. Poultry and red meat are highly regulated from the EU, as are dairy product imports from the U.S.
U.S. has good brand image in Greece. The quality of U.S. products is highly appreciated.	Labels, including nutritional panels need to be changed. Pack size and pallet sizing may also need changing.
Most importers speak English.	Need to develop relationships with Greek trade contacts and invest in marketing the product.
Strong interest in innovative products. Currently there is high interest in natural, “wholesome” and “health” food categories.	Taste buds differ in Greece. Greek food is not complicated by too many herbs or ingredients, and spicy does not mean high chili content.

Figure 1: The Greek HRI Sector



## The Greek Hotel Industry

The largest players in the Greek hotel industry are local franchise holders for international brands, such as Sani Resorts, Grecotel, Ionian Hotel Enterprises, Lampsia Hellenic Hotels, and Regency Entertainment. Changes in the hotel sector which will bring more boutique hotels to Greece may affect the composition of tourists. A slight drop in the number of tourists visiting Greece in the first half of 2019 was more than offset by a significant rise in per capita spending (the Bank of Greece data, 2019).

Hotels contribute 3.5 percent to Greece’s GDP. The direct income from total tourism in 2018 was over €16 billion. International tourist arrivals reached 30.1 million in 2018. According to 2018 forecasts, more than 35 million tourists visited Greece, an increase of 16 percent compared to arrivals of 2017. U.S. arrivals in 2018 reached one million, up 26.9 percent compared to 2017 and the value of their stay was estimated at approximately €1 billion. According to the Bank of Greece, British tourists spent more than €1.9 billion in 2018, while German tourists spent €2.9 billion, registering as the highest source for Greek tourist income.

<b>Greek Hotels</b>	<b>2018</b>
Total Number of Hotel Units	9,873
Total Number of Beds	835,773

Source: [Institute of Tourism Studies](#)

## **The Greek Food Service Industry**

Greeks continued to reduce the frequency of their visits to consumer foodservice outlets. The industry is expected to continue to decline in value terms in 2018, albeit at a slower rate compared to recent years, with Greeks increasingly opting for cheap alternatives and takeaway meal options in order to save money. Operators of full-service restaurants were especially affected, due primarily to their relatively high prices compared to other foodservice types. In the context of this growing insecurity, financially ridden Greeks have shifted towards more economical solutions such as fast food and home delivery/takeaway. As a result, full-service restaurants continued to witness a slight decline in 2018, registering drops of two percent in transactions volume and one percent in current value terms.

Greeks will increasingly be in need of the “extraordinary” to get them to pay for something they could have done at home; hence unusual formats, outstanding outlet ambience or innovative food items and dishes are also expected to be more necessary in order to attract attention. Consumer studies show that due to the economic crisis, 9 out of 10 consumers developed new buying habits; buying fewer food products, perhaps only the most essential, and began avoiding excesses.

According to Euromonitor, whilst local cuisine remained the most popular choice, Greeks were more willing to try ethnic cuisines and unusual flavors. Asian and Middle-Eastern full-service restaurants thus recorded a positive performance, with both channels benefiting from their low penetration. The trend for new exciting flavors was also evident with regards to Greek cuisine, as consumers favored full-service restaurants that offer gourmet local dishes with a twist. The trend for burgers continued to gather momentum, boosting value sales of independent North American full-service restaurants, a category that only recently started to develop in Greece. Independent North American full-service restaurants is expected to post the best increase in current value sales over the forecast period, benefiting from the burger trend and from its low penetration.

**Table 2: Full-Service Restaurants in Greece (\$ million)**

	2014	2015	2016	2017	2018
European Full-Service Restaurants	2,778	2,437	2,110	2,068	2,043
Pizza Full-Service Restaurants	286	242	185	165	155
Other Full-Service Restaurants	75	68	65	63	62
North American Full-Service Restaurants	53	52	50	48	48
Asian Full-Service Restaurants	12	14	17	18	19
Middle Eastern Full-Service Restaurants	13	13	14	14	14
Latin American Full-Service Restaurants	11	9	8	8	7
<b>Full-Service Restaurants Total</b>	<b>3,228</b>	<b>2,836</b>	<b>2,448</b>	<b>2,384</b>	<b>2,349</b>

Source: Euromonitor

**Table 3: Brand Shares of chained Full-Service Restaurant (% value)**

Chained Full-Service Restaurants	Global Brand Owner	2015	2016	2017	2018
TGI Friday's	TGI Friday's Inc.	21.6	26.8	27.2	27.2
La Pasteria	Vivartia S.A.	12.6	12.9	14.2	14.4
Pizza Roma	Pizza Roma S.A.	13.8	12.3	11.8	11.0
Palmie Bistro	Palmie S.A.	10.4	10.0	9.6	9.6
Pizza Hut	Yum! Brands Inc.	6.5	5.7	6.6	6.5
Noodle Bar	Athanasios Malliaros	6.6	6.8	5.1	5.6
Wagamama	Wagamama Ltd	1.9	1.8	1.7	1.7
Hard Rock Café	Hard Rock Café Inc.	1.0	1.0	1.1	1.1
Gourmet Burger Kitchen	GBK Restaurants Ltd	0.9	0.9	0.8	0.8
Friday's Bar & Café	TGI Friday's Inc.	7.0	-	-	-
Others	Others	17.6	21.8	21.9	22.2
<b>Total</b>	<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: Euromonitor

## Consumer Foodservice and Fast Food

The performance of the fast food sector significantly improved through the last years, as fast food witnessed a 2 percent rise both in transactions and current value terms. Growth was mainly driven by the decline in demand for more expensive full-service restaurants and the subsequent increase in popularity of economy meal solutions as well as the rise of a street food culture that allows consumers to save money. Operators invested heavily in this category, with many new outlets opening that focus on creating an ambience and high-quality meal options at competitive prices in an effort to attract customers that are trading down from full-service restaurants yet are looking for premium quality in fast food. As a result, limited-service restaurants posted the fastest growth in 2018, whilst the average spend per transaction witnessed a hike amidst the premium choices trend. Souvlaki, bakery products and burger outlets were amongst the most popular choices (Euromonitor International, 2019).

**Table 4: Brand Shares of Chained Consumer Foodservice in Greece (% value)**

Brand	Global Brand Owner	2015	2016	2017	2018
Gregory's (Microgevmata & Cofferight)	Gregory's S.A.	10.3	10.6	10.5	11.6
Mikel Coffee Company	Mikel Café S.A.	9.1	9.4	10.6	11.2
Coffee Island	Supply Unique S.A.	6.9	7.5	8.2	8.2
Everest	Vivartia S.A.	9.0	8.9	7.9	7.6
Goody's Burger House	Goody's S.A.	5.8	9.3	9.1	6.8
Venetis Food Hall	Venetis A.V.E.E.T.	2.9	2.7	2.9	3.8
Apollonion Bakery	Apollonion S.A.	3.0	2.9	2.7	3.1
Pizza Fan	Pizza Fan S.A.	3.4	3.4	3.1	3.0
Domino's Pizza	Domino's Pizza Inc.	2.3	2.2	2.1	1.9
Bruno Coffee Stores	Tsoutsidou & Sia E.E.	1.6	1.6	1.6	1.9
TGI Friday's	TGI Friday's Inc.	2.0	2.3	2.1	1.9
McDonald's	McDonald's Corp.	2.3	2.2	2.0	1.8
Flocafe Espresso Room	Vivartia S.A.	1.1	1.1	1.4	1.8
Dodoni	Dodoni Ice Creams	2.3	2.1	1.8	1.6
Others	Others	38.0	33.8	34.0	33.8
<b>Total</b>	<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: Euromonitor

## SECTION II. ROAD MAP FOR MARKET ENTRY

### A. Entry Strategy

Local representation and personal contacts are required for successful product introduction in the Greek market. A local representative can provide up-to-date market intelligence, guidance on business practices and trade related laws, sales contact with existing and potential buyers, and market development expertise. The Office of Agricultural Affairs in Rome covering Greece maintains lists of potential importers/distributors by sector.

As a member of the EU, the Common Agricultural Policy (CAP) governs Greece's agricultural sector. Similarly, Greece employs the same tariffs and border measures as the other EU Member States. Products imported into Greece must meet all Greek and EU food safety and quality standards, as well as labeling and packaging regulations. It is important to work with experienced importers, and/or have an agent to work with Greek regulatory authorities to ensure the acceptability of specific products. Personal relationships and language ability are of value when conducting business transactions. It is also advisable for the agent to contact health authorities at the port of entry as interpretation of health directives may vary from port to port. For more information on product trade restrictions, food standards and regulations please refer to Post's most recent [FAIRS GAIN Report](#).

Agents usually undertake promotional campaigns for the import products they service. Several large organizations in the food service sector, including hotel and fast food chains, either import directly or have their own supply unit. U.S. exporters need to work closely with the industry, focusing on the importers and distributors who can best promote U.S. products to the Greek HRI sector.

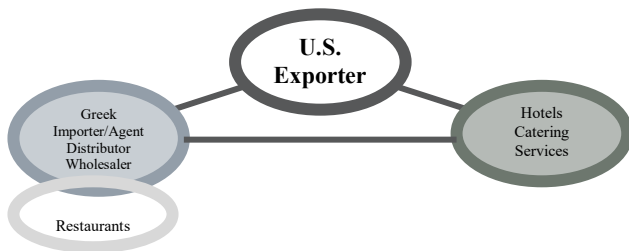
Greece has specific and sometimes traditional consumption patterns. Careful planning is required for market entry strategies since the industry is highly competitive, and there are sometimes many categories within a single market segment. The following should be taken into consideration:

- Competitor analysis
- Segmentation and identification of a specific target market
- Advertising and promotional activities
- Retail price
- Packaging (label in Greek is an important element)
- Distribution channel
- Product itself (complying with the tastes of Greek people)

When choosing and deciding on a distribution partner or an agent, it is good to explain the profile and positioning of the product, since the selected partner can guide U.S. traders through the Greek market and give them the correct advice for marketing the product.

Also, please check the [U.S. Mission to the European Union](#) web page, which will guide you on exporting into the EU.

## B. Market Structure



The HRI sector's supply channels are diverse and serve small and large customers with different needs. Beverage suppliers are very specialized since most beverage consumption takes place in bars, cafeterias and restaurants. The most important HRI sector suppliers are:

- An importer or agent, who may also be a wholesaler and/or distributor, usually imports food products. Big hotel chains and catering services have their own central buying



departments and act as importers too. Most of the distributors have nationwide distribution channels.

- “Cash and Carries” sell to retailers and restaurants at more competitive prices.
- The wholesalers/distributors buy from the local processing industry in addition to importing

### III. COMPETITION

<b>Product Category (MT; USD)</b>	<b>Major Supply Sources in 2018 (in volume)</b>	<b>Strengths of Key Supply Countries</b>	<b>Advantages and Disadvantages of Local Suppliers</b>
<b>Dairy</b> <i>Net Imports: 490,000 MT Value: \$1 billion</i>	1. Germany - 31% 2. Netherlands - 20% 3. Romania - 9%  USA is an insignificant supplier (0.01%)	More than 99 percent of these products are supplied by EU countries having the advantage of proximity and availability.	Local dairy companies are very strong. Concentrated milk cream sweetened or not, is the major imported commodity. Cheese consumption is growing.
<b>Fish and Seafood</b> <i>Imports: 110,000 MT Value: \$615 million</i>	1. Turkey - 13% 2. Spain - 12% 3. Netherlands - 9%  USA is a minor supplier (1.8%)	The major suppliers offer good quality fish products at competitive prices.	Large competition from local suppliers and producers. Greek domestic consumption and exports surpass local supply.
<b>Alcohol Beverages</b> <i>Net Imports: 28,000 MT Imports Value: \$182 million</i>	1. Netherlands - 23% 2. UK - 23% 3. Italy - 11%  USA is a minor supplier (1.5%)	EU countries are the major distilled spirits suppliers to the Greek market. Scotch whisky remains very popular.	Greek distilled spirits have gained popularity in recent years, affected by tradition but also the economic crisis.
<b>Snack Foods</b> <i>Net Imports: 34,200 MT Value: \$97 million</i>	1. Germany - 17% 2. Italy - 16% 3. Spain - 13%  USA is an insignificant supplier (0.05%)	Prices from non-EU suppliers are low, making Turkey the only third country holding a significant market share, 1.5% of the market.	Cocoa preparations are the leading commodity imported. Companies like Mondelez Hellas, Papadopoulos, ELBISCO, and Chipita are very competitive.
<b>Almonds</b> <i>Net Imports: 7,200 MT Value: \$50 million</i>	1. USA - 62% 2. Spain - 23% 3. Germany - 5% 4. Italy - 3%	Competition from Spain is high, but Greek demand for almonds is also robust and production in other EU countries is not sufficient to meet demand.	Locally produced almonds are mostly used as a roasted snack. U.S. almonds are further processed domestically, both for sale to Greek industry and re-exported.

Source: [www.gtis.com](http://www.gtis.com)

### IV. BEST PRODUCTS PROSPECTS CATEGORIES

**U.S. products in the Greek market that have good sales potential:**

- Nuts (almonds, walnuts, pistachios) for snacks, pastries, confectionary, breakfast

- Frozen and salted fish (squid, lobster, mollusks, salmon)
- Alcohol beverages and distilled spirits
- Pulses

**Products not present in significant quantities, but which have good sales potential:**

- Processed fruit (cranberries and dried prunes)
- Dairy products (cheese)
- Chocolate and cocoa products
- Condiments and sauces

**Products not present because they face significant trade barriers:**

- Turkey and other poultry products
- Beef meat and products
- Food products containing biotech ingredients

**V. KEY CONTACTS AND FURTHER INFORMATION**

**FAS Rome, Italy Offers Regional Coverage of Greece**

Office of Agricultural Affairs, American Embassy

Via Veneto 119a, Rome, 00187, Italy

Tel: +39 06 4674 2396

E-mail: [AgRome@fas.usda.gov](mailto:AgRome@fas.usda.gov)

Web: <https://gr.usembassy.gov/business/foreign-agricultural-service/>

**Key Greek Government Agencies and Associations**

**Ministry of Rural Development and Food**

Directorate of Plant Production

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**Attachments:**

No Attachments.