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Report Highlights:

The turnover of the Dutch retail sector was valued at \$48.7 billion in 2022. The sector is relatively consolidated, with the two largest food retailers controlling almost 60 percent of the market. Retail prices of some basic shopping items increased by 15 percent, resulting in consumers visiting multiple supermarkets and increasingly choosing private label products. At the same time the demand for sustainably produced products, products that are healthy and nutritious, convenience products, and plant-based foods remains strong. Online shopping is expected to increase in popularity, with consumers continuing to utilize home delivery services for their groceries. The market share of speed delivery services is expected to continue to grow as well. Finally, retailers will continue to invest in innovative foodservice concepts in order to attract customers to their physical stores.

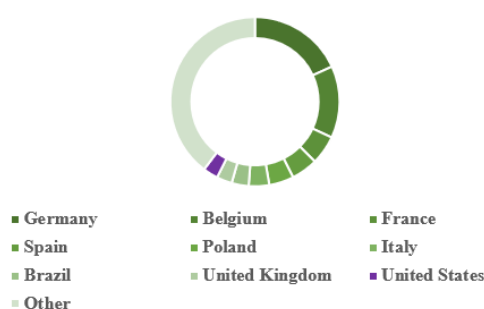
Market Fact Sheet: The Netherlands

Executive Summary:

Although the Netherlands is a small country geographically, it is the gateway for U.S. products into the European Union (EU). It is also the largest importing country within the EU and continues to be the second largest exporter of agricultural products in the world.

Imports of Consumer-Oriented Products:

Products from other EU Member States lead Dutch imports of consumer-oriented products. In 2022, the United States was the ninth largest supplier of these products to the Netherlands, with imports valued at over \$1.5 billion.



Source: Trade Data Monitor

Food Processing Industry:

Over 8,195 food companies in the Netherlands generated net sales of \$83 billion in 2021. The industry has been a steady supplier of jobs in the Netherlands (150,000) and the number of food companies continues to grow due to the increasing number of small food companies (with less than 10 employees).

Food Retail Industry:

The Dutch retail sector is rather consolidated, employing over 300,000 people, and operating in an estimated 4,500 stores. The sector's turnover for 2022 is forecast at €46.3 billion (\$48.7 billion). Due to the increased costs of living, consumers are looking for products on sale and moving from branded products to private labeled products. Cheaper further processed variants are gaining popularity as well as discount stores. Interest in shopping for groceries on-line continues to grow.

Foodservice – HRI Industry:

Post pandemic, and despite rising costs, the Dutch foodservice industry's turnover rebounded in 2021. This continued in 2022 when the turnover was valued at \$15.3 billion (up by 30 percent). When all COVID-19 restrictions were lifted (February 2022) the Dutch returned to foodservice establishments (in particular, bars and cafés) in higher numbers and greater frequency. The rising cost of living is tempering total spending in foodservice outlets.

Quick Facts CY2022

Imports of Consumer-Oriented Products, total:
\$52.9 billion

List of Top 10 Growth Products in the Netherlands (imported from the World):

- | | |
|----------------------|------------------|
| 1. Cocoa beans | 6. Bananas |
| 2. Food preparations | 7. Baked goods |
| 3. Fats and oils | 8. Ethyl alcohol |
| 4. Wheat and meslin | 9. Cheese |
| 5. Meat | 10. Coffee |

Food Industry by Channels 2022, in \$ billion:

Consumer-Oriented Products Imports	\$53
Consumer-Oriented Products Exports	\$97
Agricultural & Related Products Imports	\$113
Agricultural & Related Products Exports	\$150
Food Industry	\$83
Food Retail	\$49
Food Service	\$15

Top 10 Food Retailers in the Netherlands, Market Share:

1. Albert Heijn	35.9%	6. Dirk/Deka	5.1%
2. Jumbo	21.8%	7. Hoogvliet	2.0%
3. Lidl	10.7%	8. Spar	1.2%
4. Plus/Coop	10.4%	9. Jan Linders	1.1%
5. Aldi	5.2%	10. Poiesz	1.0%

GDP/Population:

Population: 17.8 million
GDP: \$957 billion
GDP per capita: \$53,764

Strengths/Weaknesses/Opportunities/Challenges

<u>Strengths:</u>	<u>Weakness:</u>
U.S. producers are professional, offer great variety, and deliver products with a consistent quality. U.S. farmers have a great story to tell about sustainability, farm to table supply chains, and their heritage.	Transatlantic transportation is costly and takes time. U.S. products can be subject to import tariffs and non-tariff trade barriers. Some U.S. food products suffer from a negative perception among Dutch consumers due to misinformation.

Opportunities:

Strong demand for food products with a special claim, sustainable production methods, are healthy, and nutritious. Demand is up for private labeled products.

Threats:

There is fierce competition on price, quality, uniqueness, and innovation from other EU member states and from third countries that have negotiated lower tariff rates.

Data and Information Sources: Trade Data Monitor, industry experts, company websites
Contact: FAS The Hague,
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SECTION I. MARKET SUMMARY

Although the Netherlands is a small country geographically, it is the gateway for U.S. products into the European Union (EU) due to the presence of the Port of Rotterdam, Amsterdam Schiphol Airport, the confluence of two major European rivers, and an excellent road and railway infrastructure. It is the largest importing country within the EU and continues to be the second largest exporter of agricultural products in the world, after the United States and before Germany. These exports (\$151 billion in 2022) include products produced in the Netherlands as well as imported products that are re-exported, often after further processing and adding value.

Overall Business Climate

The fundamental strengths of the Dutch economy continue to be its strategic location, mild climate, highly developed financial sector, a well-educated and productive labor force, high-quality physical and communications infrastructure, and a stable political climate.

In March 2023, the Netherlands Bureau for Economic Policy Analysis (CPB) published its most recent economic forecast. Energy prices have fallen in recent months, but inflation has spread to other goods and services. There is now clear momentum for wage growth. In the [CPB's Central Economic Plan for 2023](#), it forecasts that the purchasing power will generally remain unchanged this year, partly due to a government-supported utility subsidy. Poverty is anticipated to rise to 5.8 percent in 2024, as a number of temporary income support measures are set to expire next year. Despite inflation, weaker international trade, and falling housing prices, the Dutch economy is expected to grow by 1.6 percent and 1.4 percent in 2023 and 2024, respectively. The labor market is projected to remain tight, with unemployment rising slightly to 4.1 percent in 2024.

Dutch Food Retail Market

The turnover of the Dutch food retail industry for 2022 is estimated at €46.3 billion (\$48.7¹ billion). The Dutch retail food sector is relatively consolidated, with the two largest food retailers, Albert Heijn and Jumbo, controlling almost 60 percent of the market. Price discount stores, including Aldi, Lidl, and Dirk, have a combined market share of almost 20 percent, <https://www.distrifood.nl/food-data/marktaandeelen>.

You can easily find one or two supermarkets in each village or neighborhood in the Netherlands. This makes visiting a supermarket easy and convenient. Dutch consumers visit their supermarket on average almost three times per week and per visit, they spend about half an hour per visit.

There are an estimated 4,500 food retail outlets in the Netherlands accounting for almost 300,000 jobs. Roughly 75 percent of all food retail outlets are full-service supermarkets, operating on floor space between 500 and 1,500 square meters and located downtown in cities or residential areas. Full-service supermarkets have responded to the need of the Dutch to have these supermarkets close to their homes and focus on selling food stuffs, their non-food items are quite limited. The remaining 25 percent, and growing, mainly includes convenience or 'on the go' stores including *SPAR City*, *Jumbo City*, *COOP Vandaag*, and *AH To Go*, located near office buildings, schools/universities, train/metro stations, and high traffic areas in the city centers. The Netherlands traditionally has only a few superstores like *Albert Heijn XL* and *Jumbo Foodmarkt* which are often conveniently located in shopping malls or industrial parks.

¹ \$1 = €0.95

Market Dynamics

Price Increase

The past few years have also been challenging for the Dutch food industry in general. While many foodservice companies were negatively affected by the COVID-19 pandemic, food retailers saw sales going up. More recently, food producers and distributors faced cost increases for agricultural commodities, packaging materials, energy, and transportation and were forced to increase prices. Russia's invasion of Ukraine has further led to high inflation in the region.

The [Consumers' Association](#) reports that during the last few months of 2022 and the first of 2023, prices of some basic shopping items, including rice, coffee, milk, butter, and potatoes, increased by 15 percent compared to those year ago. As a direct consequence, consumers are visiting multiple supermarkets in their search for the lowest price. The number of people going to food banks has also grown by 15 percent. Consumers are also choosing more often private label products instead of A-brands.

Private Label Products

According to the latest [NielsenIQ](#) figures, the market share for private labels was strong at 37 percent (or €302 billion) across Europe 2022. In the lead were Switzerland, the Netherlands, Spain, and the UK -- where almost roughly every second product sold (based on value) is a retailer brand. The Netherlands' market share was estimated to have increased to 44 percent. Several retailers in the Dutch market have developed two private labels: one focused on price and the other on enhanced quality. Consumers are discovering the value-for-money that private label brands are offering and that they can be an economical alternative to A-branded products.

The profitability of private label products has fueled retailers' interest to offer more of them (e.g., gluten-free, healthy, and organic) and to move into new areas for private labels, such as bakery goods and cosmetics. The largest trade show in the world for the private label industry, the Amsterdam Private Label Manufacturers Association (PLMA) fair, is held annually in Amsterdam. The next edition is scheduled for May 28-29, 2024. Please contact agthehague@usda.gov if you are a U.S. interested party and require more information about the show.

Sustainable Food Products

Dutch food retailers prefer to source food products which are either produced sustainably or obtained in a sustainable manner. Wageningen University and Research (WUR) annually publishes the "[Monitor Duurzaam Voedsel](#)" report, which provides an overview of consumer spending on sustainable food in the Netherlands. The most recent figures available are for 2021. Total consumer spending on foods certified as sustainable grew by 12 percent in 2021 to €9.5 billion (\$10 billion). The share of sustainable food compared to total spending on food grew from 17 to 19 percent in 2021. Sustainable food products are recognizable to consumers when they have a quality mark. Products with the '[Better Life](#)' (Dutch: Beter Leven) quality mark were sold the most (€3.2 billion) followed by products labeled [organic](#) (€1.6 billion) and products with the '[Rainforest Alliance](#)' quality mark (€1.3 billion). A wider range of certified products and changing consumer preferences — paying more attention to sustainability and health — has explained the growth in demand for these products. Most of the spending takes place in the supermarket, mainly due to a wider availability of sustainable products. It is expected, however, that spending on sustainable certified products in 2022 will be under pressure since the overall costs of living has gone up in the Netherlands.

Online Shopping

The market for shopping online (as a percentage of the total food retail) continues to grow fast and its share was estimated at ten percent in 2022, or €4.5 billion. The Central Bureau of Food Products ([Centraal Bureau van Levensmiddelenhandel](#), CBL) expects this share to continue to grow. Almost all supermarket chains are active online. Products ordered online can be delivered to your house or can be collected at one of the 1,000 pick-up points in the Netherlands.

[Picnic](#) is the only Dutch supermarket that exclusively operates online and its introduction in 2015 further boosted the online sales of groceries in the Netherlands. During the COVID-19 pandemic, more consumers started ordering groceries online. Post COVID-19, e-commerce remains very popular, especially among consumers in the age group of 18-44, driven by saving time, convenience, and money. Consumers are likely to continue to shop online if they have a high-quality online experience and reliable delivery of the purchased goods.

Albert Heijn, Jumbo, and Picnic were the leaders in the on-line shopping market, until in 2020 the speed delivery service (Dutch: flitsbezorgers) was introduced in the market. Speed delivery services are online supermarkets where groceries are delivered within 10 to 20 minutes. When placing an order, usually via an app, the order is prepared in a so-called dark store. The delivery person, usually a rider, picks up the order in the dark store and delivers it to the customer. The leading speed delivery services in the Netherlands are [Getir](#), [Gorillas](#) (owned by Getir), and [Flink](#). An estimated 15 percent of consumers make use of speed delivery services, especially male consumers in the age group 18-34, because of its timeliness and convenience.

Plant-Based Diets

Another growing trend in the Netherlands, according to a Euromonitor[®], is the rising interest in plant-based diets, supported not only by an increase in the number of vegetarians or vegans in the country, but also a general shift in consumer lifestyles. This health trend is encouraging an increasing number of consumers to adopt a flexitarian attitude, reduce the number of animal-based products while looking for alternatives for meat and milk. Sustainability, concerns over animal welfare, and health trends are driving this movement. Meat-free and milk-free alternative diets are moving into the mainstream as retailers are placing these products in the meat and milk category, respectively. Last year, the Netherlands was the sixth largest market (\$442 million) for plant-based products in Europe. The per capita annual spending (\$25 per year) in the Netherlands and the Nordics is among the highest in Europe.

Nutri-Score

In February 2021, the algorithm for the front-of-pack nutrition label, known as Nutri-Score, was evaluated due to criticism from scientists (for more on the Nutri-Score label, see [Nutri-Score Labeling Takes Hold in the Netherlands](#)). The revised algorithm was published in July 2022. The Dutch [Ministry of Health, Welfare, and Sport](#) asked the [Committee on Nutrition](#), one of the permanent committees within the [Health Council of the Netherlands](#), to evaluate the extent to which the revised algorithm is an improvement, but also to reflect on how the Nutri-Score complies with dietary recommendations in the Netherlands ([Dutch dietary guidelines](#) and [Wheel of Five](#)) and to advise on any further adjustments.

While the committee recognizes the value of the Nutri-Score, it noted discrepancies where a product is not recommended in the Dutch dietary recommendations, but the Nutri-Score is favorable (A or B) and where a product is suggested by the dietary recommendations but receives a less favorable rating (C, D, or E). The committee is also concerned that products can be high in salt and sugar but still, potentially, receive a favorable score. More information on the Dutch evaluation of the Nutri-Score algorithm can be found on the website of the [Health Council of the Netherlands](#).

Deposit Scheme on Cans

The implementation of a much-debated deposit scheme for metal cans in the Netherlands was delayed until April 1, 2023, due to information technology challenges surrounding the deposit system and an insufficient number of machines to press returned cans. The goal of this scheme is to collect valuable material which can be recycled into new cans and to prevent cans from ending up in the environment. A reimbursable deposit of €0.15 cents per can became mandatory on April 1, 2023 for all metal cans with a capacity of three liters or less -- in which 'ready-to-drink' beverages are sold for human consumption. Not only must a can bear the deposit logo, but it must now also include a new European Article Number (EAN). More information can be found in [NL2022-0067: Dutch Delay Implementation of a Deposit Scheme for Cans](#).

Table 1. Advantages and Challenges of the Dutch Food Retail Market

<i>U.S. Supplier Strengths & Market Opportunities</i>	<i>U.S. Supplier Weaknesses and Competitive Threats</i>
Importers of products targeting supermarkets have had positive experiences working with U.S. suppliers because they are professional, deliver products with a consistent quality, and have a wide variety of innovative products to offer.	The Dutch are price-conscious consumers. Transatlantic transportation is costly which adds to the price. Moreover, products from the United States can be subject to import tariffs. Suppliers from other EU Member States have a competitive advantage on tariffs, and transportation costs.
Strong demand for food products with a special claim and sustainable production methods. U.S. farmers have a good story to tell about their heritage, sustainability, and supply chain.	Growing demand for single-portion packaged food products. U.S. companies tend to manufacture packaged food in larger packages. Transatlantic transportation takes time which can negatively impact the remaining shelf life of U.S. products.
Strong demand for new products, innovative food concepts, and international cuisine. U.S. producers fabricate products that are innovative, often trend setting, and known for their strong brands.	Some products fabricated by U.S. food producers suffer from a negative perception among Dutch consumers due to misinformation (e.g., local and small-scale is better) or an image issue (e.g., U.S. foodstuffs are unhealthy).
The Netherlands is the most important gateway for U.S. products to the European Union (EU) as the buyers and food processing companies are often located there.	Beef that is not hormone-free, poultry, and products containing GMO derived ingredients (that are not EU approved) and/or flour bleaching agents cannot be exported to the Netherlands.
Strong demand for functional, fresh, and	The EU has several Free Trade Agreements

processed food products that contribute to a healthier lifestyle.	that may advantage other 3 rd country competitors, including Canada and Mexico.
	Fierce competition on price, quality, uniqueness, and innovation.

Source: FAS/The Hague

SECTION II. ROAD MAP FOR MARKET ENTRY

U.S. exporters seeking to enter the Dutch marketplace have many advantages, as indicated in the above table but might face several challenges as well.

Entry Strategy

Success in introducing your product into the Dutch market will depend mainly on your knowledge of the market and your ability to build relationships with knowledgeable and established importers. An importer knows the market, its dynamics, and the required documentation. Prior to any exporting, it is recommended to invest in researching the Dutch food culture (e.g., consumer trends, purchase patterns, local flavors, prices, requirements, etc.). Also be aware that the competition will be fierce. There are tariff and non-tariff trade barriers that can complicate exporting to the Dutch market. The EU also has several Free Trade Agreements (FTAs) which may advantage other third country competitors. FAS/The Hague offers guidelines on business practices and import regulations and maintains lists of Dutch buyers and stands ready to help you. Please contact our office in The Hague by email at agthehague@usda.gov for additional information.

Market Structure:

Figure 1. Distribution Channel Flow Diagram



Source: FAS/The Hague

A selection of the food products that food retail companies place on their shelves are produced in countries outside the European Union (EU). Retailers do not import these products themselves but work with local, and often specialized, importers who are specialized in international trading and experienced in making sure these foreign products comply with local import requirements and standards. Retailers increasingly have their stores divided into different categories. For each category they will have two or three preferred suppliers who are responsible for supplying the full range of products within that category. This way, the retailer negotiates with just a handful of suppliers for produce, meat products, seafood, groceries, beverages, bakery products, etc. For the international specialty products (covering branded retail ready U.S. products) area within supermarkets, retailers usually work with only one or two specialized importers who are responsible for selecting products and filling those shelves. Dutch department stores (e.g., Bijenkorf) and non-food retail chains (Xenos, HEMA, Normal, and Holland & Barrett) are the only retail outlets that will buy directly from U.S. exporters.

Company Profiles

The Dutch retail industry is rather consolidated and on the purchase side, the industry is even more consolidated since several smaller food retailers have joined forces. The following figures data will give you an overview of the different buying combinations in the Netherlands.

Table 2. Leading Buying Groups in the Netherlands

Purchase Group:	Market Share, percentage:	Name of retail formats:
Albert Heijn Provincialeweg 11, 1506 MA Zaandam www.ah.nl	35.9	Albert Heijn, AH XL, Albert.nl, AH To Go
Superunie Industrieweg 22B, 4153 BW Beesd www.superunie.nl	26.4	Plus, Deen, Coop, Hoogvliet, Spar, Boni-Markten, Boon Beheer, Detailresult Groep, Jan Linders, Distributie, Poiesz, Sligro, Dirk
Jumbo Groep Holding Rijksweg 15, 5462 CE, Veghel www.jumbo.com	21.8	Jumbo
Lidl Havenstraat 71, 1271 AD Huizen www.lidl.nl	10.7	Lidl
Aldi Holding Pascalweg 21, 4104 BE Culemborg www.aldi.com	5.2	Aldi

Source: <https://www.distrifood.nl/food-data/marktaandeelen>

SECTION III. COMPETITION

In 2022, total Dutch imports of agricultural and related products were valued at \$112.9 billion. Imports from the United States totaled \$4.2 billion, up by 27 percent due to higher imports of soybeans, wood pellets, industrial fatty alcohols, and distilled spirits. The United States was the ninth largest supplier of consumer-oriented products to the Netherlands, after several EU Member States, Brazil, and the UK. Total Dutch imports of consumer-oriented products (\$52.9 billion) were up by five percent. Imports from the United States were valued at \$1.5 billion, dominated by imports of tree nuts, soup and other food preparations, and beef products.

The table below summarizes the competitive situation that U.S. suppliers face in the Dutch food retail market in terms of locally produced goods and imports (and their respective market shares). In addition, the strengths of supplying countries and the advantages and disadvantages of local suppliers are discussed.

Table 3. Netherlands' U.S. Market Share Versus Main Suppliers' Market Share in Consumer Oriented (U.S. exports), Million USD, 2022

Product Category (product code) Imports in \$ million	Main Suppliers, in percentage		Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
Craft beer (HS2203) Total imports: \$533 From USA: \$4	1. Belgium 2. Germany 3. Poland 4. U.K. 9. USA	59 13 5 4 1	Competition from neighboring countries, dominated by Belgium and Germany.	Strong demand for new flavors, funky labels, and innovative tastes.
Distilled Spirits (Product group) Total imports: 1,414 From USA: \$129	1. UK 2. Belgium 3. Germany 4. USA	21 17 17 9	Competition from neighboring countries, dominated by Belgium and Germany.	Strong demand for whiskies with funky labels and innovative tastes.
Condiments & sauces (Product group) Total imports: \$678 From USA: \$18	1. Germany 2. Belgium 3. Thailand 4. Poland 11. USA	17 14 8 8 3	Germany, Belgium, and Poland benefit from proximity and being in the EU market.	Demand for good quality and unique products.
Walnuts (HS080231) Total imports: \$14 From USA: \$5	1. USA 2. Chile 3. France 4. Germany	36 33 13 13	Competition from Chile and France.	Growing demand from the snack industry. Walnuts benefit from their healthy reputation.
Bakery Goods (Product group) Total imports: \$2,978 From USA: 44	1. Belgium 2. Germany 3. France 4. Italy 5. U.K. 12. USA	25 24 7 7 5 1	Competition from neighboring countries	Growing demand for pastry containing chocolate or confectionary.
Snack food (Product group) Total imports: \$2,204 From USA: \$46	1. Germany 2. Belgium 3. France 4. U.K. 10. USA	27 26 8 5 2	1, 2, and 3 are close to the market and offer good quality products.	Demand for branded, good quality, and unique products that have a story to tell.
Chewing Gum & Candy (Product group) Total imports: \$489 From USA: \$16	1. Belgium 2. Germany 3. Spain 4. Poland 8. USA	26 22 6 6 3	1, 2, 3, and 4 are close to the market and offer good quality products.	Driven by social media there is local demand for extra sour and extra spicy candy and the United States is popular.

Coffee (Product group) Total imports: \$991 From USA: \$33	1. Germany 2. France 3. U.K. 4. Poland 5. Belgium 9. USA	30 12 9 8 8 3	All other suppliers are EU countries	Demand for new blends and innovative products.
Spices (Product group) Total imports: \$530 From USA: \$4	1. China 2. Vietnam 3. Indonesia 4. Germany 5. Brazil 20. USA	14 13 10 7 7 1	Competition from countries in Asia.	Demand for new and good quality spices. Exports of U.S. spices including vanilla, anise, and cardamoms are growing.

Source: Trade Data Monitor

SECTION IV. BEST PRODUCT PROSPECTS

A. U.S. Products Present in The Market That Have Good Sales Potential

Nuts and dried fruits	Alcoholic and non-alcoholic beverages
Fresh produce	(Super) Fruits containing high levels of antioxidants

B. Top Consumer-Oriented Products from the World

Wine	Food preparations
Beef	Grapes

C. Top Consumer-Oriented Products from the United States

Food preparations	Almonds
Beef	Pistachios

D. U.S. Products Not Present in Significant Quantities but Which Have Good Sales Potential

High value products with special certification	Innovative sauces, condiments, and confectionary products
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E. U.S. Products Not Present Because They Face Significant Barriers

Poultry (sanitary procedures)	Processed food with GMO ingredients, flour bleaching agents, etc.
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SECTION V. POST CONTACT AND FURTHER INFORMATION

USDA - Foreign Agricultural Service (FAS)/The Hague, the Netherlands

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Attachments:

No Attachments