



BELGIUM

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RETAIL TRENDS

Main event: the merger between the Dutch group Ahold and the Belgian group Delhaize. The priority is probably to reinforce their respective positions on the US market. But it's also a momentum for the Belgian market, where Delhaize is ranked 2nd, and where Ahold's Albert Heijn arrived recently (Flanders only), being the first brand to successfully challenge the market leader Colruyt on price perception. This deal raises a lot of questions about future positioning and procurement policies.

CONSUMER TRENDS

The Belgian FMCG market has been rather dull. More than a price war, there's a strong promotional pressure: promo sales make up 22% of major store sales. Manufacturers try to compensate declining sales volumes with aggressive promotions ("2 + 1" or "buy 1, get 1 free"), which fail to increase sales and destroy value. The Belgian consumer, a lot more "promo-sensitive" than the global average, is conditioned to be even more opportunistic. Focus on innovation would be a better value driver than short-term tactics.

TREND 1: CHANNEL BLURRING

Food retail and food service used to be distinct entities. It's no longer the case. When it comes to lunch or take away meals, convenience stores and fast/smart food outlets are competitors. Some new store concepts do include on-site consumption facilities. Finally, retail buyers and category managers are keeping a closer watch on the hippest restaurant & foodies trends. It doesn't take long before you find similar products on the shelf.

BUTCHER'S BURGER

Brand: Delhaize

Launch date: 06/2015

Category: Fresh products

Family: Meat Delicatessen, poultry



General description: "Gourmet Burger" has been a major trend among foodies, and lots of hip restaurants have successfully developed the concept, far removed from the fast food standard. Delhaize immediately translates the food service trend into a unique retail product: a real gourmet burger you can prepare yourself at home, offering a taste and quality no restaurant can match! The secret? Premium beef breeds, exclusive sourcing, perfect grain, thicker burgers. Simply perfect, a true 10/10!





Why is this product a success? A culinary bomb and an instant hit! Despite being pricier than ordinary burgers, volume sales reached impressive figures. A wonderful product, the right thing to do in a meat market depressed by price pressure and desperately in need of value!

TREND 2: HYPERLOCAL / “MADE HERE”

Local sourcing is positively perceived by the consumer for its positive impact on authenticity, employment and sustainable supply chain. It is actively promoted by most retailers. Paradoxically, it's a retailer brand operating hypermarkets which developed the most ambitious and generous policy towards small local suppliers. The “Made Here” (in store) claim is also gaining traction, as it offers the shop opportunities to differentiate itself, prove its expertise, and provide an experience for the shopper.

CHAMBOURLETTE

Brand: Carrefour
Launch date: 12/2015
Category: Beverages
Family: Beers / Ciders

General description: Local sourcing is hot in Belgian retail. But what can be more local than a product made in the store itself? The (amazing) new hypermarket concept revealed by Carrefour in the city of Mons is the only store in the world, with Eataly Chicago, to have its own brewery. The difference is that Carrefour is a mass market store. The brewery is not a fake scenery, customers can see the real production happening, supervised by master brewers of the Silly brewery (an excellent artisanal producer).



Why is this product a success? It's both a product and a retailer's statement: this shop is totally dedicated to the local community. It provides a great experience to shoppers. Mons was one of the few Belgian cities which had no local beer. And the beer itself is excellent!

TREND 3: REDUCING FOOD WASTE & ADAPTING TO HOUSEHOLD SIZE

Retailers are genuinely dedicated to improving their ecological performance. Large investments are made to reduce their carbon footprint. A lot of progress has been made on supply chain & store equipment. The main challenge remains food wastage. Campaigns are developed to educate customers. On the other hand, retailers have to adapt their offer to a changing sociological pattern, wherein the classical concept of “family” or “household” has changed a lot since the emergence of the supermarket.



#SO Fresh

Brand: CARREFOUR

Launch date: 09/2015

General description: Retailers have been targeting families with kids for long. But demography & sociological structure have changed a lot since the sixties. A lot of people live alone. They complain about the portions they find in their store, too large for their needs. It generates food wastage. Carrefour launched a range of 25 different packaged fresh vegetables, ready to cook. Formats vary from 175 to 300 g. Permanent promotions: Buy 2 vegetables get the 3rd free.

Why is this product a success? It certainly does illustrate the will to provide adapted portions and minimize the food wastage single consumers were complaining about. But it does of course also play on others main trends: healthy food, natural, convenience.



NEW RETAIL CONCEPT

- **Carrefour Mons Les Grands Prés** : "The hypermarket is not dead, as long as it has the capacity to reinvent itself". While the non-food area is totally transformed, the (central) food part is also quite impressive. "Made Here": the shop makes its own chocolate, brews its own beer... No physical barrier between the shop & the surrounding shopping mall.

- **Cafeterias**: Intelligent use of digital display (order & pay for heavy stuff at the entrance, collect it at the drive zone).

DO NOT MISS

Carrefour, Mons Les Grands Prés: A new definition of the hypermarket mission & experience.

Louis Delhaize, Wilrijk. Louis Delhaize (without CAPS, not to be confused with Delhaize, a different group), presents its new concept, combining modernity with the warm touch of the local grocer. Cosy furniture like at home, and a radical choice for small shops: all the fresh items are grouped in a single cold room.

Färm, Auderghem (Brussels). Already three stores for this nice & young organic retail brand.