



SPAIN

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RETAIL TRENDS

Rise of franchising and fresh produce battle. At the same time as the increase in demand for healthy products, small local supermarkets and convenience stores, mostly franchised, are growing in Spain with GRUPO DIA, Carrefour, Eroski and Caprabo being the most active retailers focusing on fresh produce. The regional chains are more active showing sustained growth, while all the distribution groups maintain a strong competition in the fresh produce segment from which Lidl is generating 33% of their sales.

CONSUMER TRENDS

Multi-device and multi-channel buying - 80% of the population of Spain has a smartphone and 3 million Spaniards use a mobile phone or tablet to buy online. E-commerce in Consumer Products (CP) is growing faster than the off line market. A 12% increase in online sales of CP compared to 2% growth in sales in the traditional brick and mortar store. Ready-to-eat food e-commerce companies with home or office delivery are also growing.

TREND 1: HEALTHY FOOD

The trend towards consumption of products which are good for one's health is growing in Spain. Fresh and healthy products are what the supermarket and hypermarket chains are aiming to offer soon. At the same time the consumption of local produce and the awareness of the social responsibility of producers and of food waste is growing. Ways of preparing food such as grilling or boiling are increasingly used.

DIA BALANCE

Brand: Calidad pascual

Launch date: 11/2014

Category: Fresh products

Family: Dairy Products



General description: Product range to control glucose for diabetic patients. Ranging from bread to pasta, snacks, smoothies, chocolate bars and dairy desserts. This collaboration between dairy food producer Calidad Pascual and Esteve pharmaceutical laboratories has developed a wide range of tasty products.



Why is this product a success? They spotted a major health issue in Spain as diabetic customers had to give up taste for health. These products have the quality and taste of the number 1 Spanish dairy company and a specialized laboratory. www.diabalance.com



TREND 2: TIME AND CONVENIENCE

Increased demand for ready meals and specialties with a growing interest in foreign food. Easier and more local food, where innovation and sustainability are increasing, driven by technology. The growing importance of organic production, 0 Km, local or fair trade. At the same time, there is a growing taste for market cuisine as recreation and as an experience, with a demand for information on the origin of the ingredients used, how they are used and the benefits they provide.

PESCANOVA BY KABUKI

Brand: Pescanova

Launch date: 04/2015

Category: Grocery

Family: Shelf Stable Ready Meals (preserved dried)

General description: New gastronomy concept from the alliance of Pescanova fishing co and Kabuki restaurant enterprises. The product can be purchased online and delivered home with easy preparation instructions to be prepared as befitting an expert chef. Offers a wide variety of sashimis, tartars, nigiris, makis, futomakis.



Why is this product a success? Time, convenience and the experience of having a 3 Michelin star designed product at home.

TREND 3: EUROPEANIZATION OF HABITS AND EATING TIMES

As the financial crisis wanes, the apparently unstoppable rise of distributors' own brands ended in 2015, and that trend will continue this year. At the same time, lifestyles are changing, and we can see their influence on consumption. Breakfast is eaten earlier, other, complementary types of foods are emerging and different times of day for eating are emerging. More, smaller and earlier meals. A trend towards the "Europeanization" of Spanish habits which is bound to grow.

WINTER GASPACHO

Brand: Biosabor

Launch date: 09/2015

Category: Grocery

Family: Soups

General description: Organic production. Cold soup traditional Andalusian, crafted with fresh vegetables and extra virgin olive oil. Without losing the essence of Gazpacho contains seasonal vegetables that raise the nutritional potential of gazpacho. Preservation by pasteurization.
<http://www.biosabor.com/producto/gaspacho-ecologico-de-invierno/>



Why is this product a success? Gazpacho Soup is traditionally consumed over summer time. This company launched a special version to be served either cold or warm. Increasing consumption on a



highly demanded product in the Spanish market, yet very seasonable. Shifted to winter consumption.

NEW RETAIL CONCEPT

The arrival of Amazon Fresh - In September 2015 Amazon.es launched its grocery and household cleaning store. With non-perishable food, cleaning products and leading brands (Kraft, Coca-Cola, Pringles, ColaCao, Carbonell, Kellogg's, Cuétara, Gallina Blanca, and Knorr) as well as local brands. With an app, free one day shipping for Amazon Premium members and orders delivered within 24 hours. At the same time, Amazon doubled the size of its warehouse in San Fernando de Henares (Madrid).

OTHER MAJOR RETAILERS

LIDL With a new and aggressive marketing policy and marketing strategy. The refurbishing of all its stores, the introduction into its mix of more leading brand products and the excellent care of its fresh produce, have led to an increase in its market share by 2 points and 2 million customers.

IKEA With food tastings, dishes prepared in plain sight, information on the ingredients and the source of the food and more space for the restaurant and the sale of Swedish food products.

DO NOT MISS

El Corte Inglés and its new Gourmet Experience in the refurbished buildings in Calle Serrano in Madrid, with chefs with 3 Michelin stars, offering premium and high quality products that combine buying and tasting.

Platea: in Goya Street in Madrid, the five floors of an old cinema have been converted into a leisure area. A traditional market, restaurants, classic "tapas" bars and stores selling gourmet products.

Mercadona: A Spanish leading supermarket chain with 25% market share.