



# NETHERLANDS

By Tys HALLEMA, *Food Magazine*

## RETAIL HIGHLIGHTS

A new player has entered the food retail market in The Netherlands. Picnic is an online-only supermarket and is completely new. It's not directly connected to an existing supermarket chain. The people behind Picnic are mostly IT-people and entrepreneurs who have launched new concepts (not in food retail) before. They guarantee the lowest price and free delivery. Picnic started in the city of Amersfoort and is planning to expand its market area city by city.

## CONSUMER HIGHLIGHTS

The number of pick-up points for groceries and supermarkets that deliver groceries at home has grown rapidly in 2015. More and more consumers are now able to buy their groceries online. Some of the biggest supermarket chains in The Netherlands (Albert Heijn, Jumbo) are very busy with the online market.

## TREND 1: GLOBALIZATION OF TRADE

Not so long ago, Holland was a very traditional country where spaghetti was seen as a very exotic product. These days the influences from abroad are more and more visible. All big supermarket chains have shops with pizza counters, fresh sushi, etc.

### ARLA SKYR

Brand: Arla Foods

Launch date: 08/2015

Category: Fresh products

Family: Dairy Products

**General description:** Arla Skyr is the traditional Icelandic yoghurt-like product Skyr. Its introduction is an example of the globalization of food products. It's also daring to introduce a foreign dairy product in Holland, well known for its own dairy.

**Why is this product a success?** Arla Skyr adds value to the dairy category. It is a healthy alternative to the traditional Dutch yoghurt & cottage cheese products. It has a high margin for retailers and was distributed last year to all major food retailers.





## TREND 2: HARD DISCOUNT

The market is increasingly divided into two segments: top and discount. The 'middle of the market' is disappearing. Retailers make the decision to focus on low prices, or choose to distinguish themselves with top quality products.

### MELKUNIE KOEKVLA

Brand: Arla Foods

Launch date: 11/2014

Category: Fresh Products

Family: Dairy Products

**General description:** Vla is a typical Dutch product, which could be described as custard or pudding in English, but is thinner than those products. Melkunie Koekvla is vla with small cookies within. It's available in several varieties, for example with stroopwafel.

**Why is this product a success?** It adds depth to the fresh desserts category. The traditional Dutch vla varieties are for example vanilla and chocolate, but these are totally new tastes. Market research has shown that Melkunie Koekvla generates additional sales.



## TREND 3: HEALTH

Dutch consumers are increasingly seeking healthy products. Retailers and food producers respond to this demand with products without added sugar, without fat, etc.

### Kwekkeboom Oven

Brand: Royaan

Launch date: 11/2014

Category: Frozen Products

Family: Savory Frozen products



**General description:** Kwekkeboom Oven is a range of popular Dutch snacks, for example the kroket. This is a typical Dutch snack product, very popular all over the country (also loved by tourists). The difference between normal snacks and this one is that it's not deep fried, but heated in the oven. In 2015 it was chosen as the best new product in The Netherlands (The Wheel of Retail selection)



**Why is this product a success?** Normally these products (kroket, bitterbal, chicken nuggets, etc.) are unhealthy because they are deep fried but this product contains much less fat because it's oven-heated. By mid-2015, 76% of Dutch food retailers had Kwekkeboom Oven already in their assortment.



## NEW RETAIL CONCEPT

Market leader Albert Heijn opened a concept store in 2015, in Eindhoven. It's one of the biggest supermarkets in the country. Here Albert Heijn tests all kinds of new concepts (ways of presenting products, assortment, a market place where local entrepreneurs can promote their products). Some of the ideas from this supermarket have already been replicated by other Albert Heijn shops.

## OTHER MAJOR RETAILERS

-Jumbo (the second market leader in The Netherlands) started in 2013 with its first Jumbo Food market, a hypermarket concept. In 2015 it opened the 3rd such market in its hometown Veghel. In this supermarket customers can 'pick-and-mix' all through the shop: small breads, tomatoes, potatoes, nuts, M&M's, etc.

- Albert Heijn has a self scan only store in Amsterdam.

## DO NOT MISS

-Valk Versmarkt. The Dutch hotel entrepreneurs' family Van der Valk has a fresh food store in Voorschoten. Here they sell mainly fresh food (although there is a little section for other groceries). Especially the meat that they sell is excellent.

-Jumbo Foodmarket Veghel (see above for the explanation)

-Albert Heijn XL Eindhoven (see above for the explanation)