Retail in Denmark

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Agenda

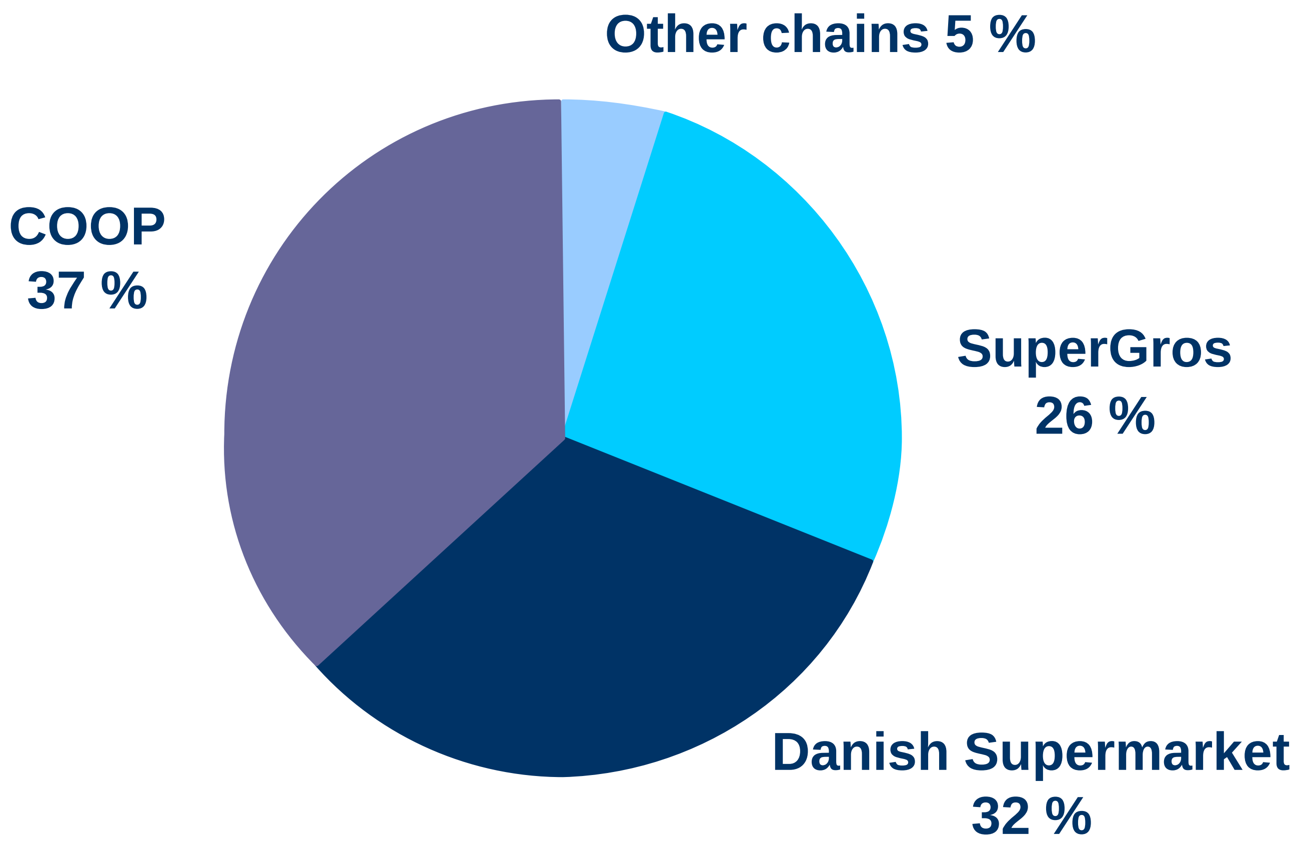
- Danish Agriculture and Food Council
- Structure of Danish retail
- Consumer behavior
- Coming trends

Danish Agriculture and Food Council

- Private organization
- Member driven organization
- Work for political influence
- Advising companies
- Workspaces
  - Environment
  - Food safety
  - Economic
  - Animal welfare
  - Research
  - EU policy
  - Trade policy

Landbrug & Fødevarer

High concentration on retail level



Coop Danmark – the chains

Chains

- Kvickly
  - 80 shops
- SuperBrugsen
  - 270 shops
- Dagli'Brugsen
  - 345 shops (local in the country side)
- LokalBrugsen
  - 41 shops
- Fakta A/S
  - 354 shops
- Irma A/S
  - 82 shops

NETtorvet

- E-trade

Danish Supermarket – the chains

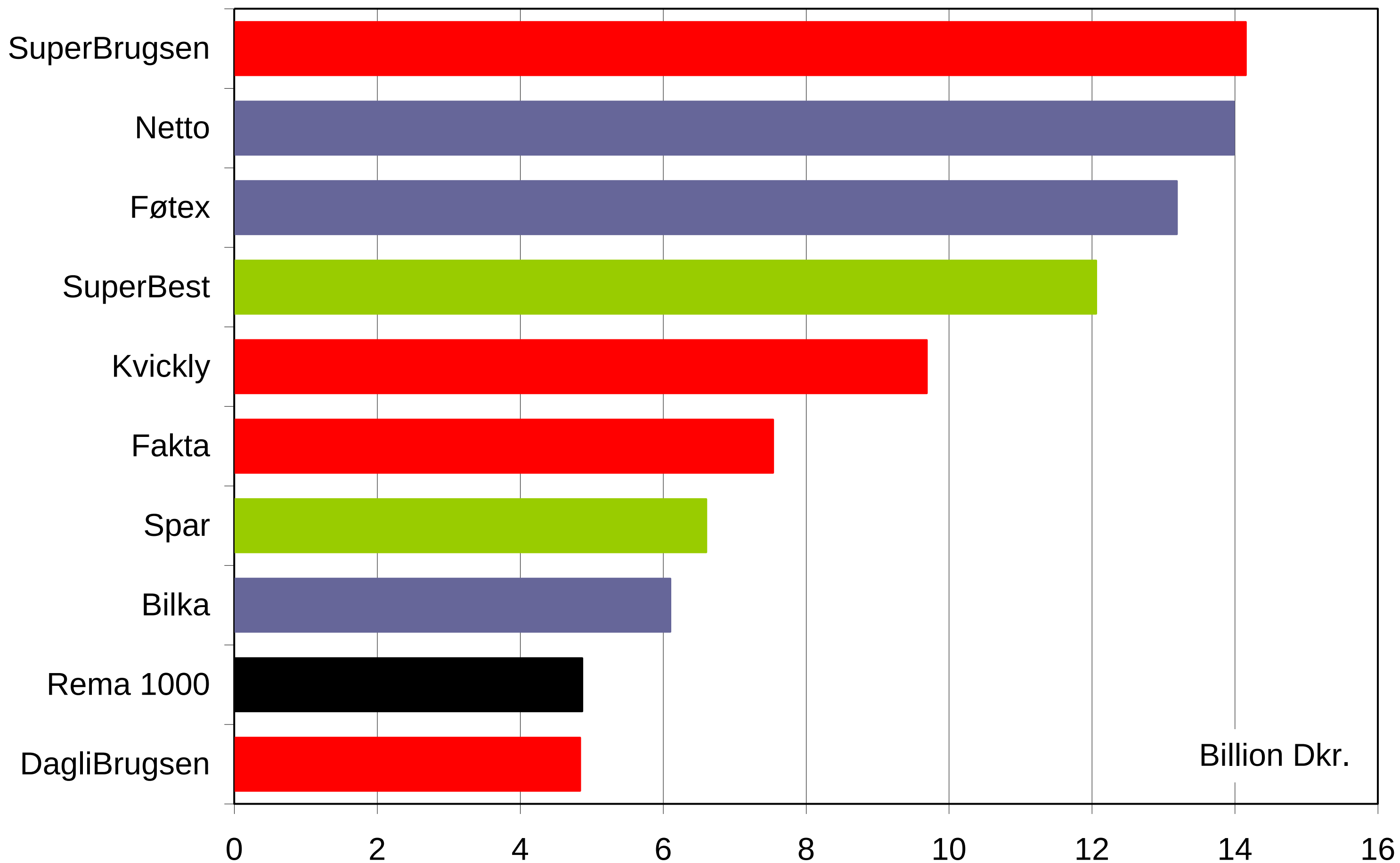
Føtex
- 78 shops

Bilka
- 14 hyper market

Netto
- 369 shops in Denmark

Salling
- 2 departement stores

Top 10 of retail chains, turnover



Retail chains in Denmark

Discount

NETTO

REMA 1000
Meget mere discount!

fakta
Det ta'r kun 5 minutter

LIDL

ALDI

KIWI

SuperBrugsen

Kvickly

Super Best

SPAR

coop Dagli' Brugsen

BILKA

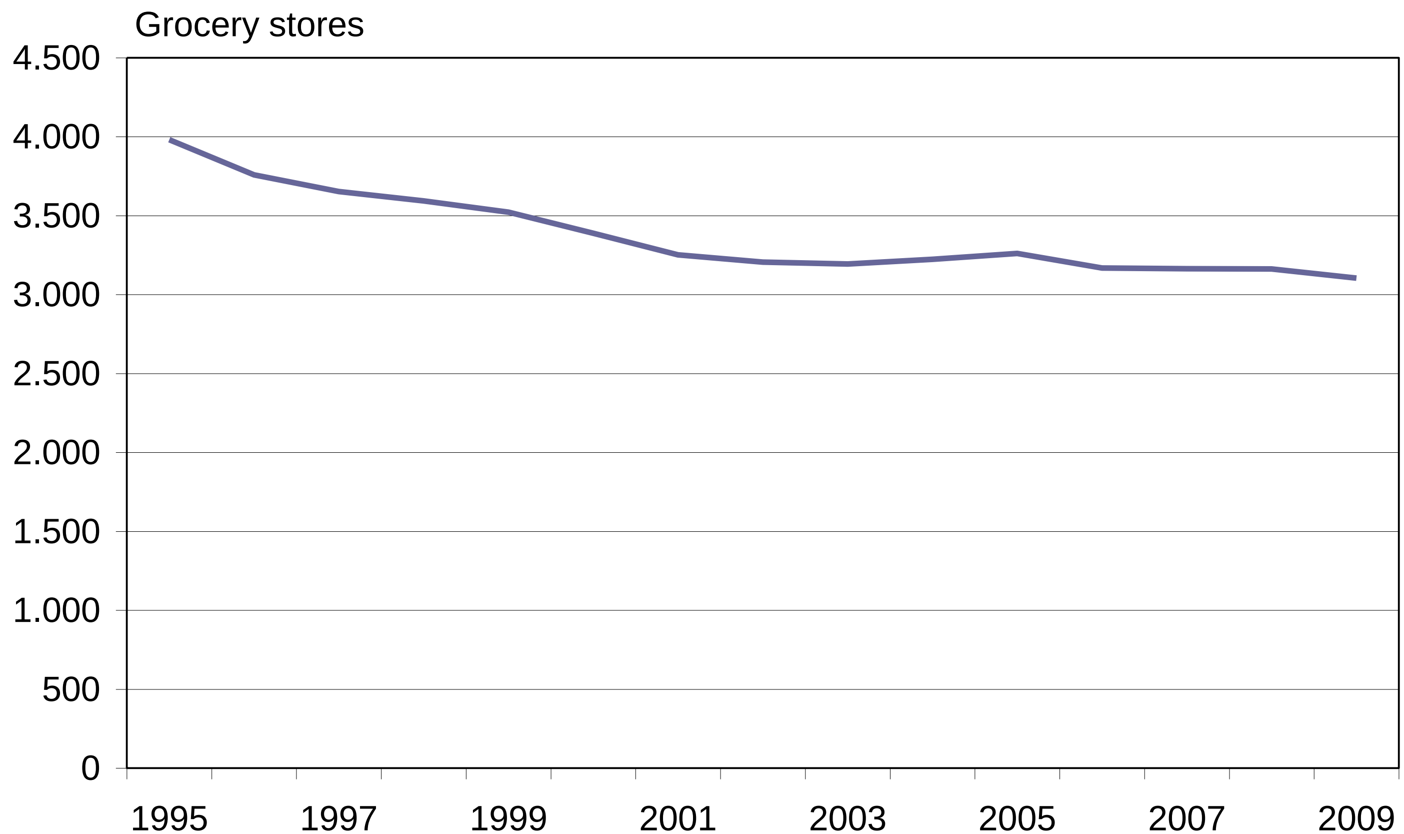
føtex

High-end

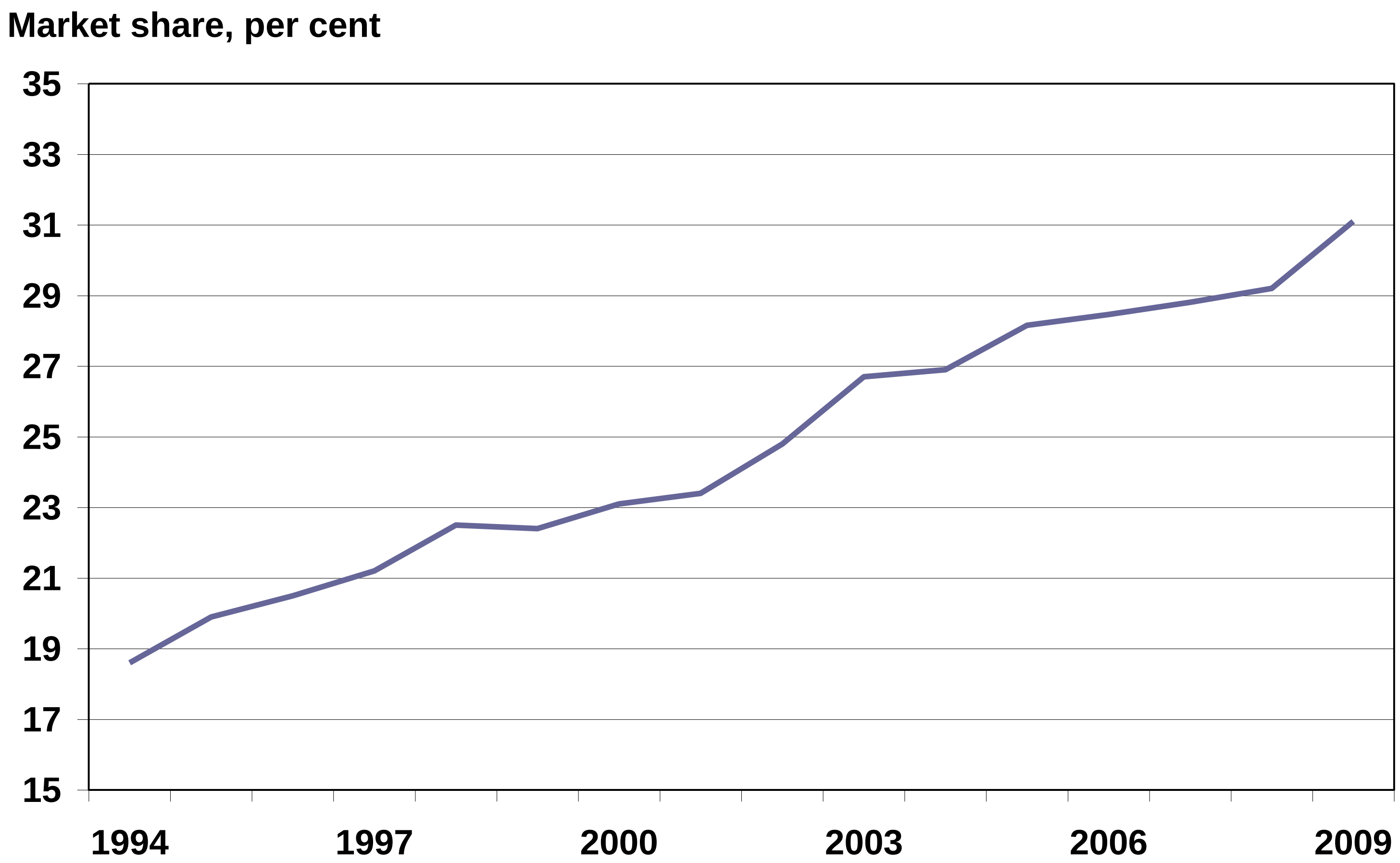
Irma

føtex food

Structural development in the retail sector



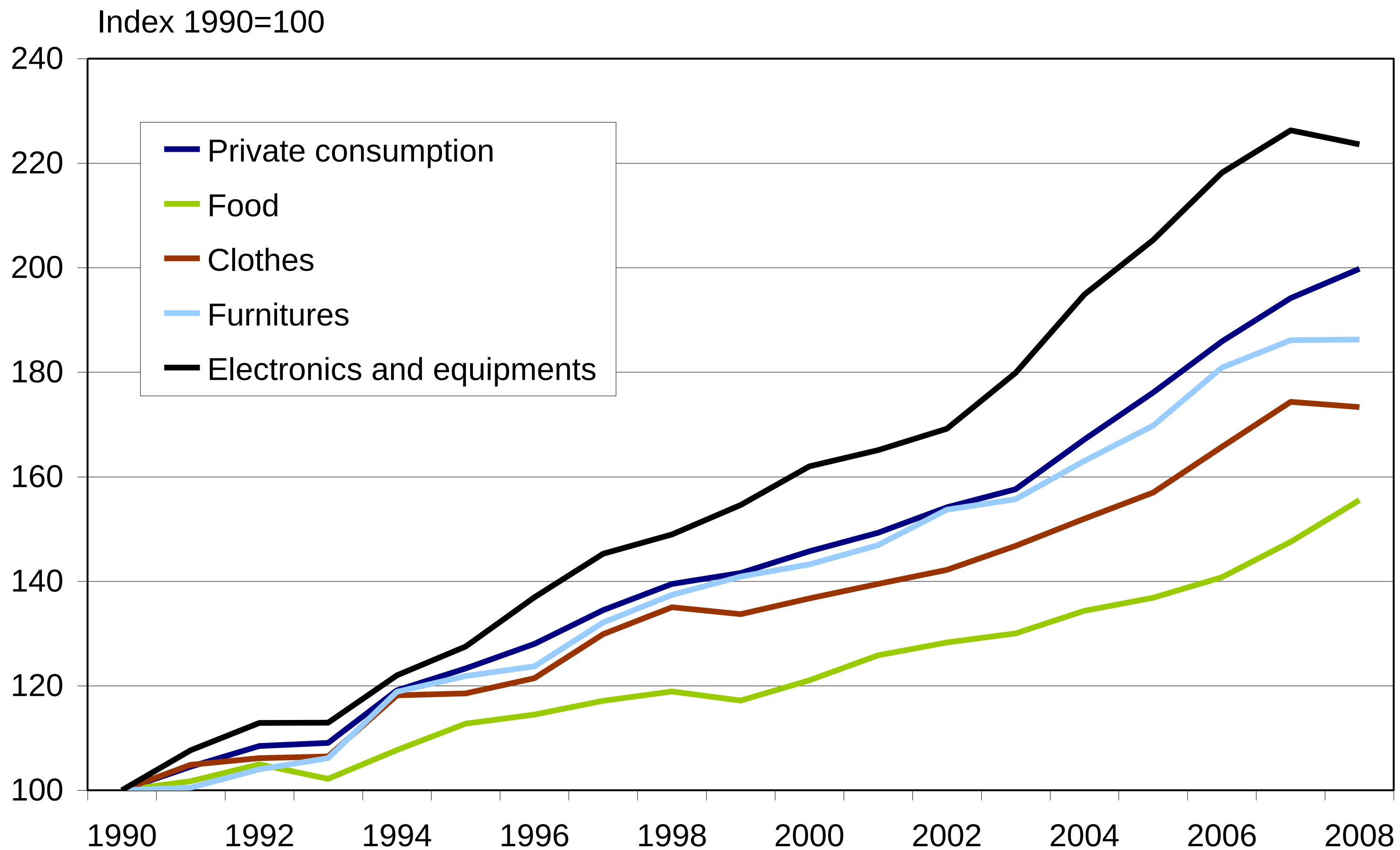
Development of discount in Denmark



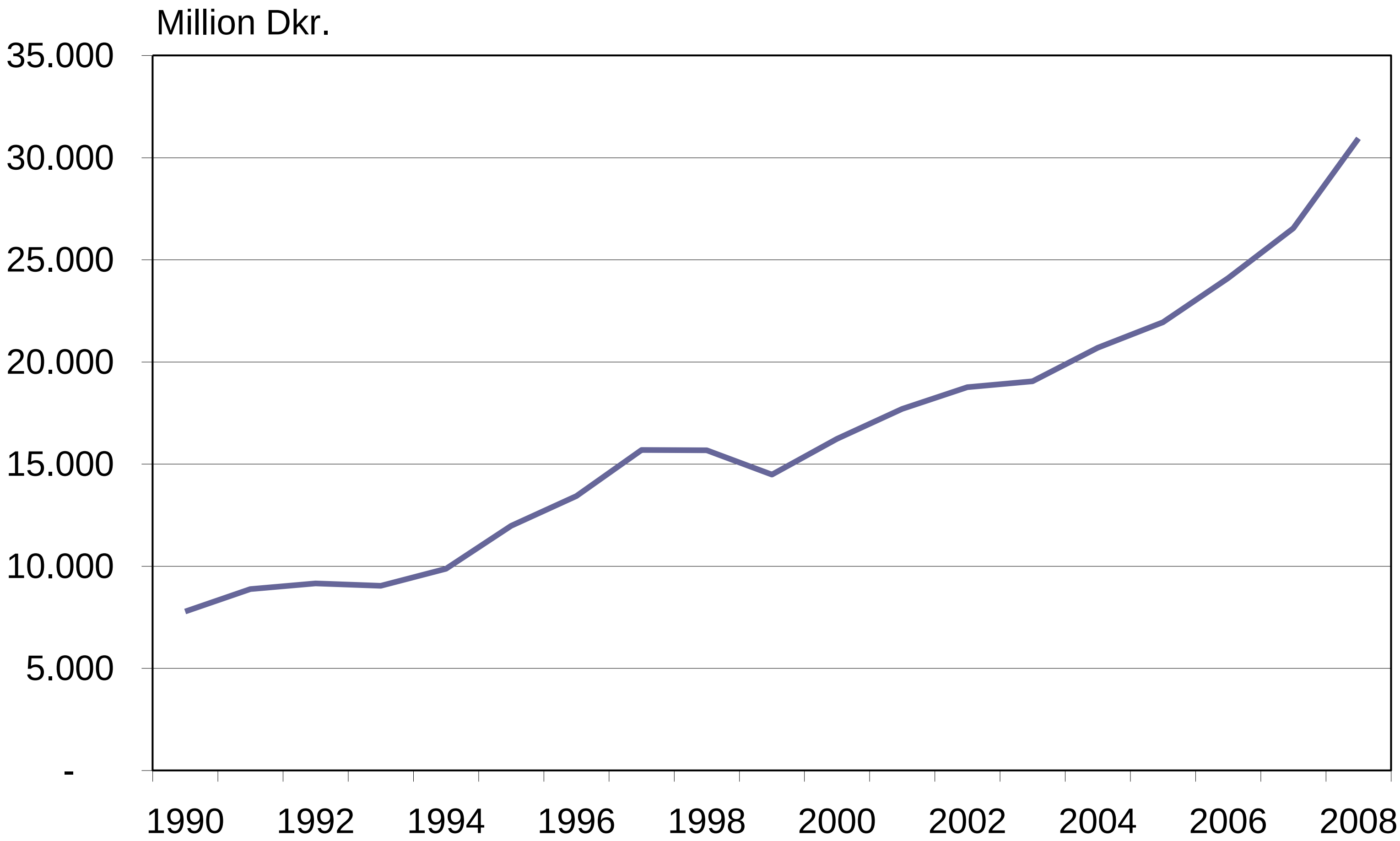
Trends in the retail

- Food is a small part of the budget
- Rising food import
- Private label more important
- Special stores with food

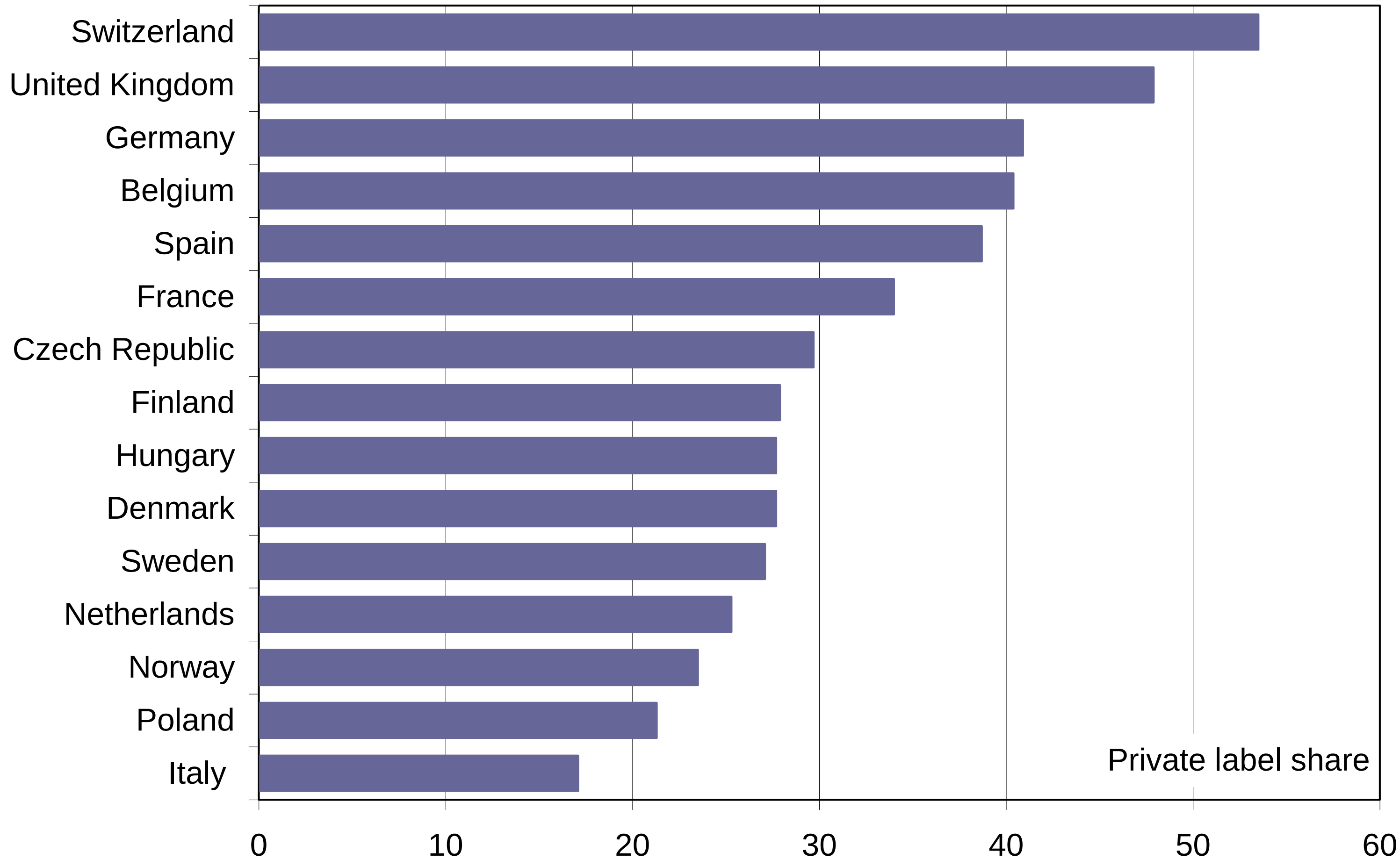
Development in consumption



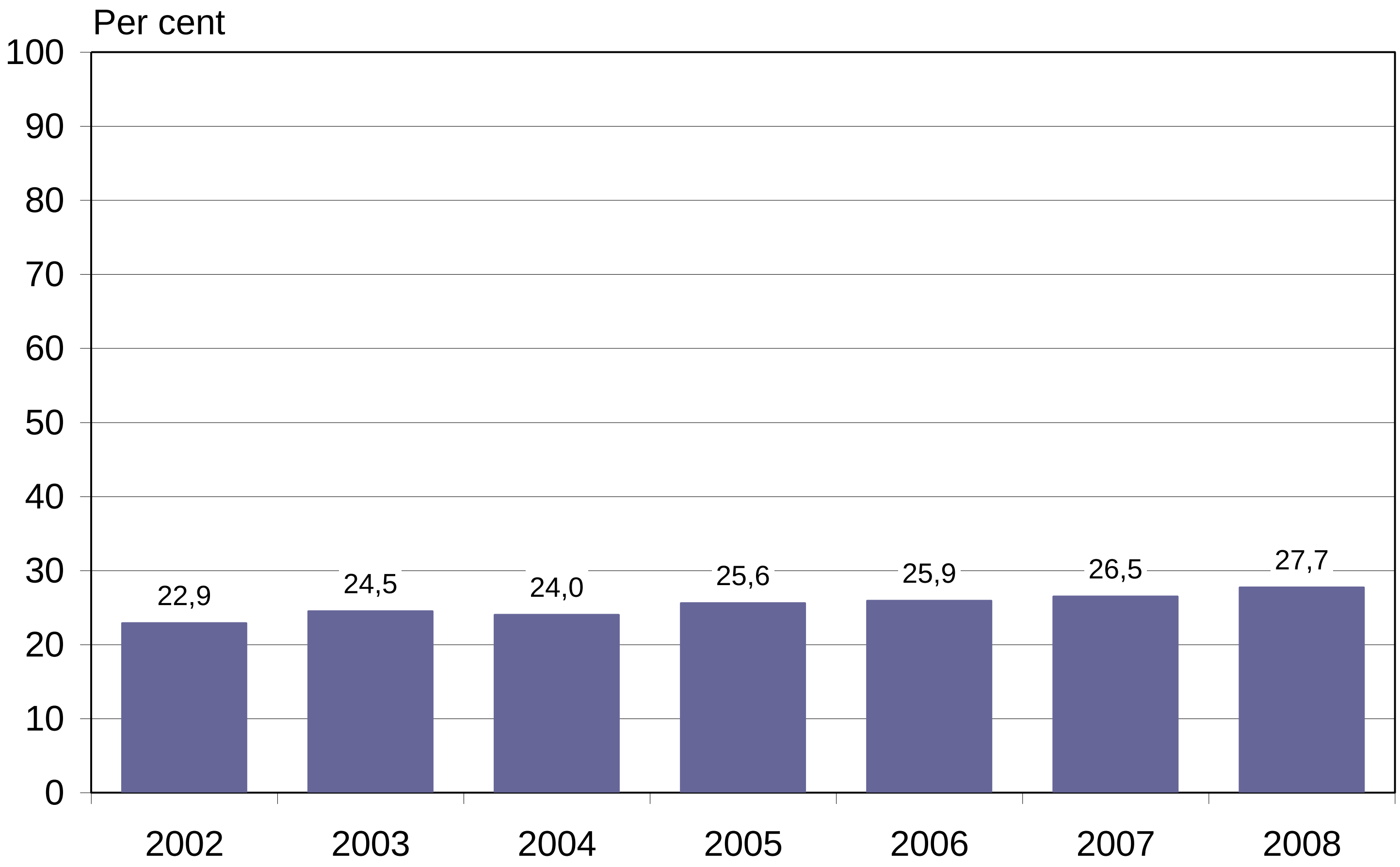
Rising food import



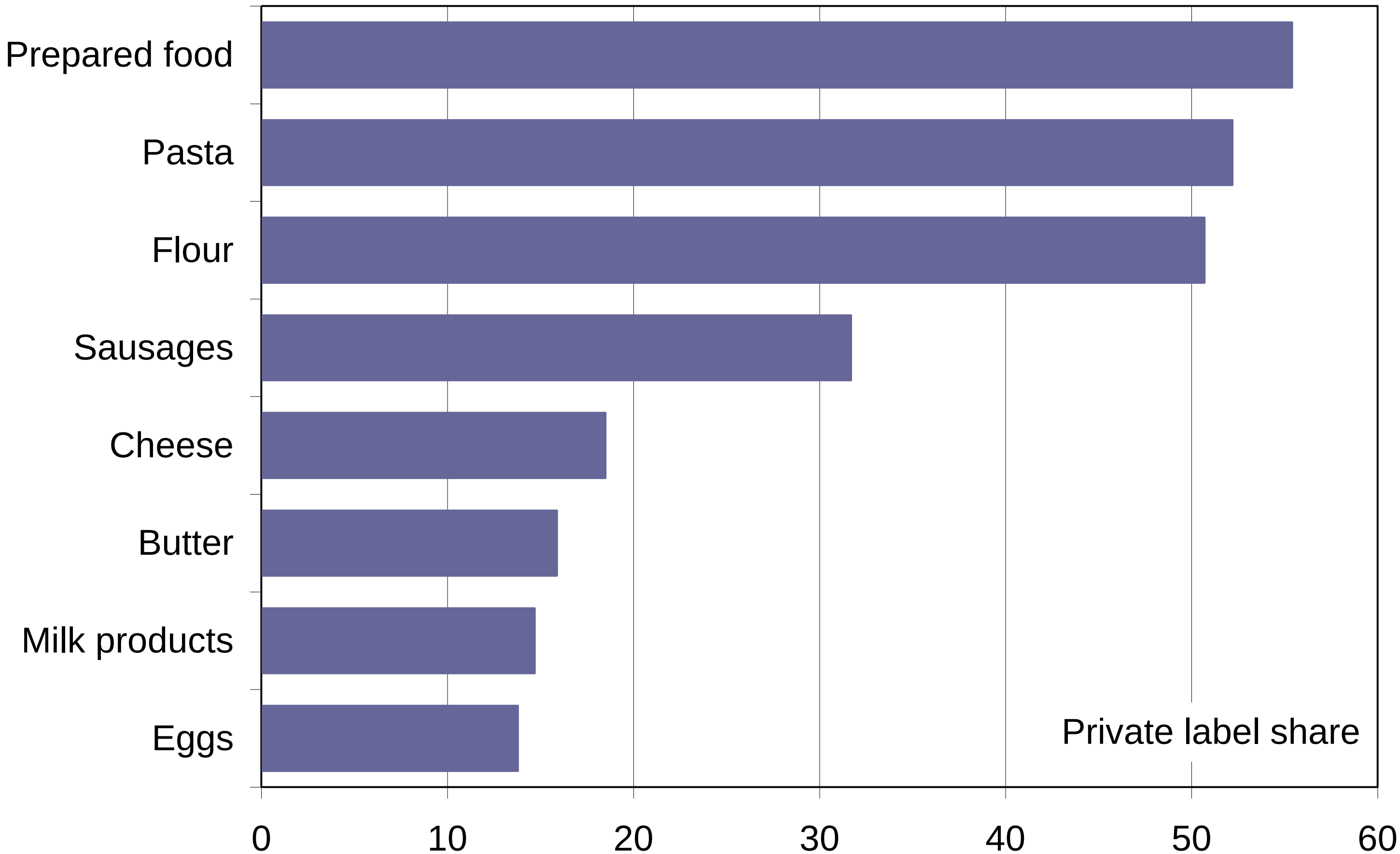
Private label – volume in 2008



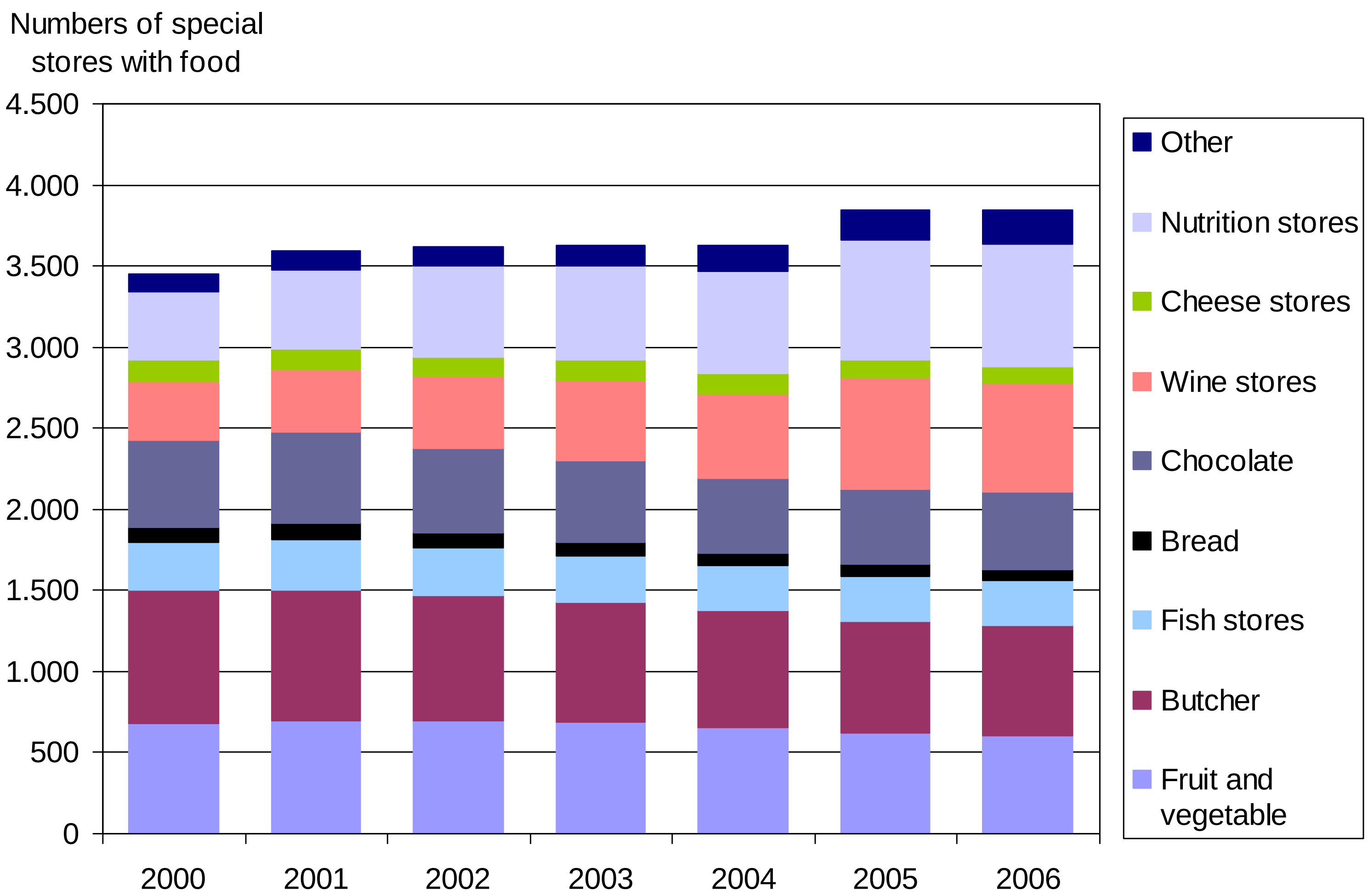
Development of private label in Denmark



Private label – products in 2008



Special stores with food



5 trends in the Danish retail market

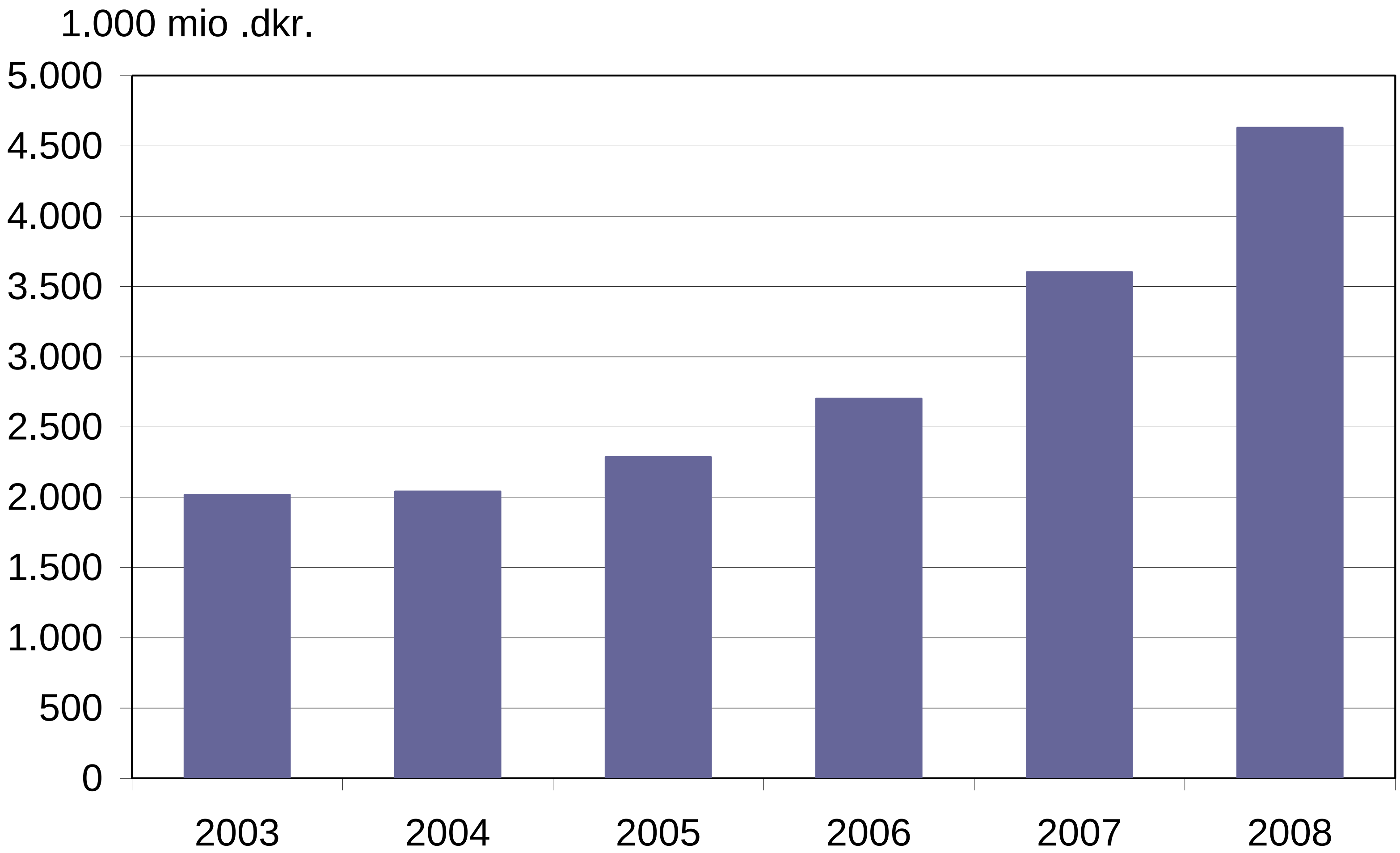
- Polarization in retail sales between discount stores and supermarket with expanded stock list
- The retail chains experience a concentration and a globalization of the chain concepts
- The concentration intensifies the mutual competition between retail chains and increase the awareness of the brand (private label)
- Purchasing are being centralized and sourced on a global basis
- The consumer’s attention to the price level has an adverse impact on growth in the sales of convenience goods

The future for Danish retail

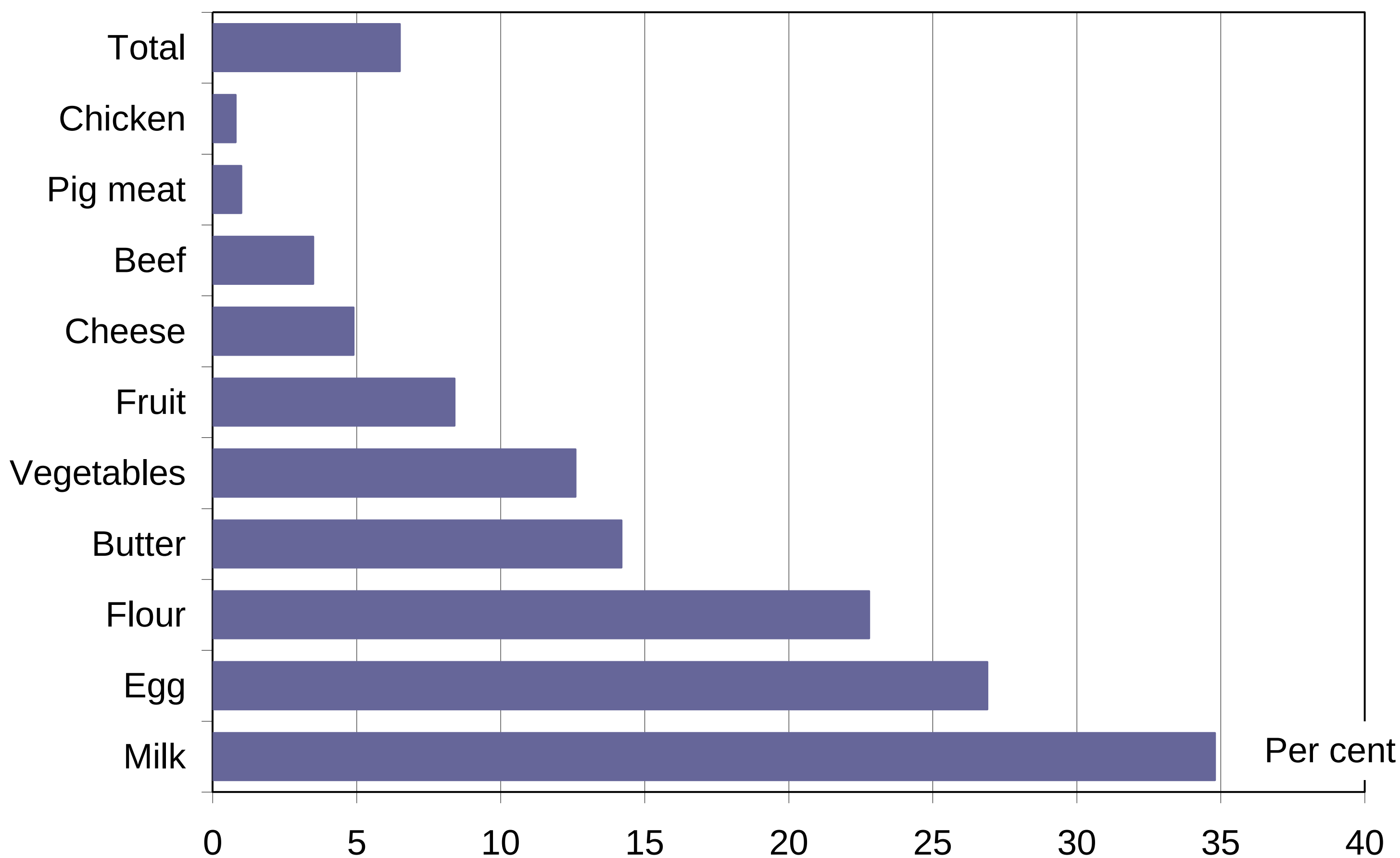
- More non-food products in the stores
- Time and distribution will be a competitor parameter
- E-trade – solution on distribution
- More focus on “Micro”-production – regional food production
- Technology – RFID chip will change the structure of retailing
- Health – more focus on fatness
- Young and old people get more market power
- Internationalisation – new chains will come to Denmark

The consumers behaviour

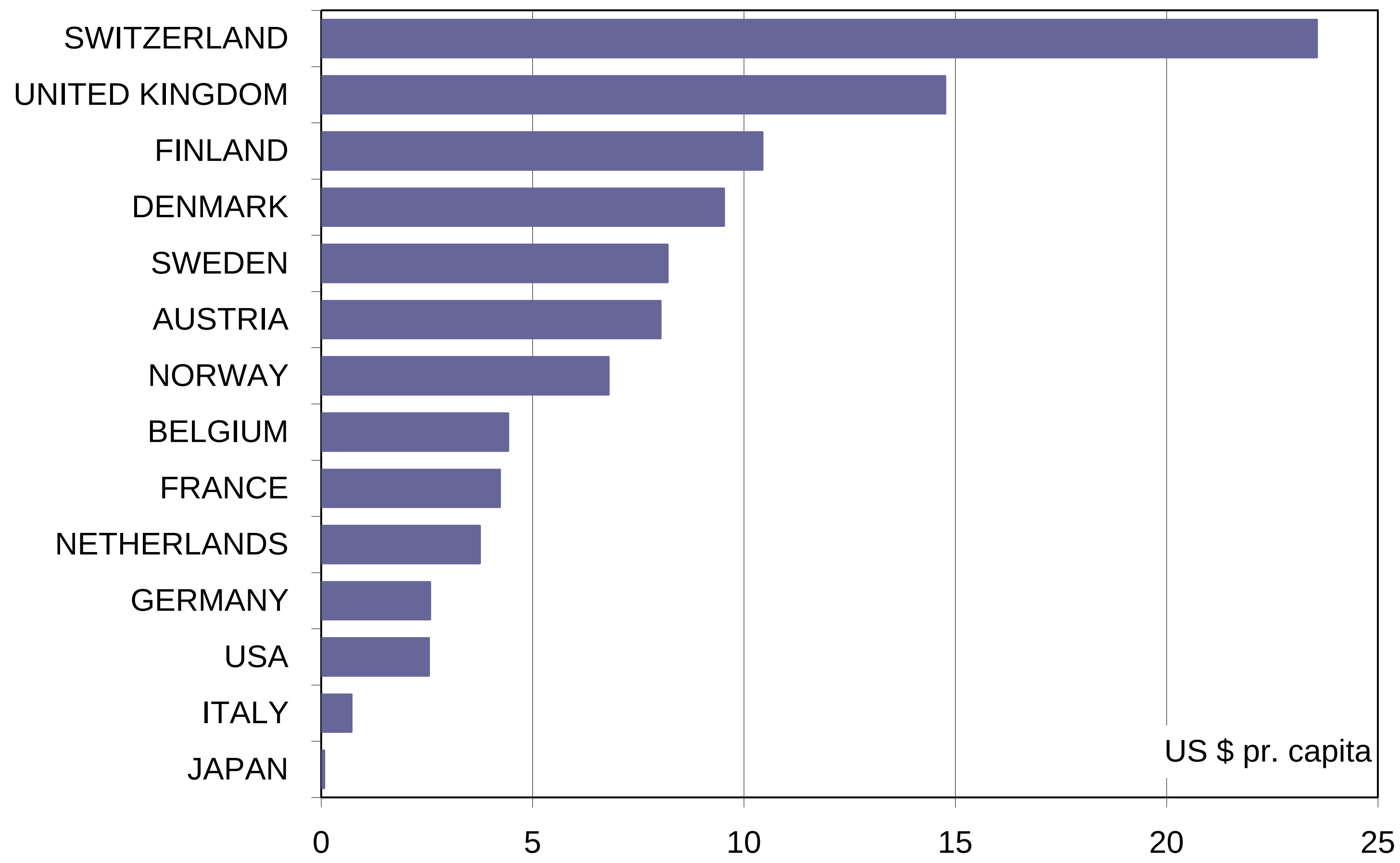
Development: Organic retail sale



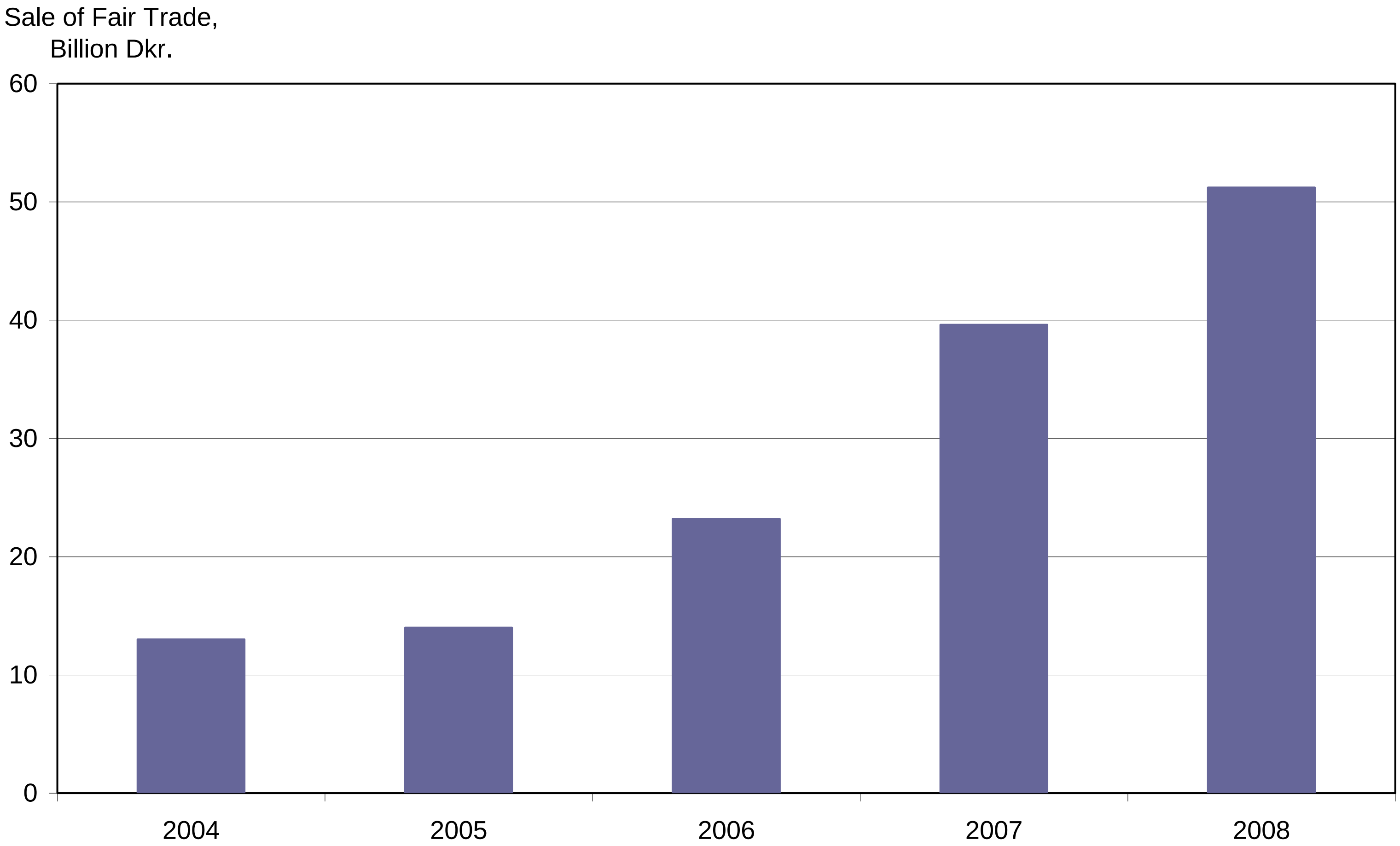
Market share for organic products in 2008



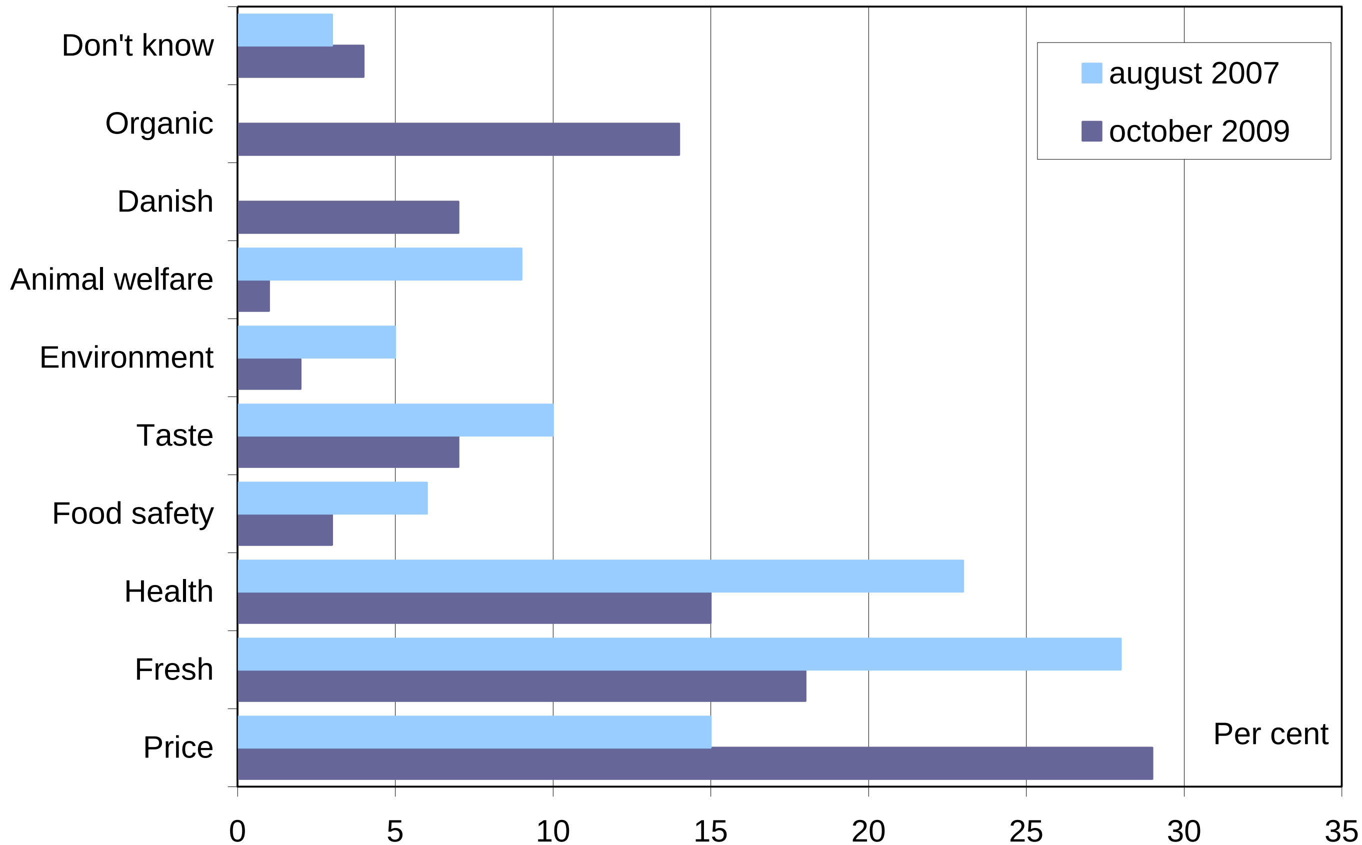
Sale of fair trade per capita in 2008



Sale of fair trade products in Denmark



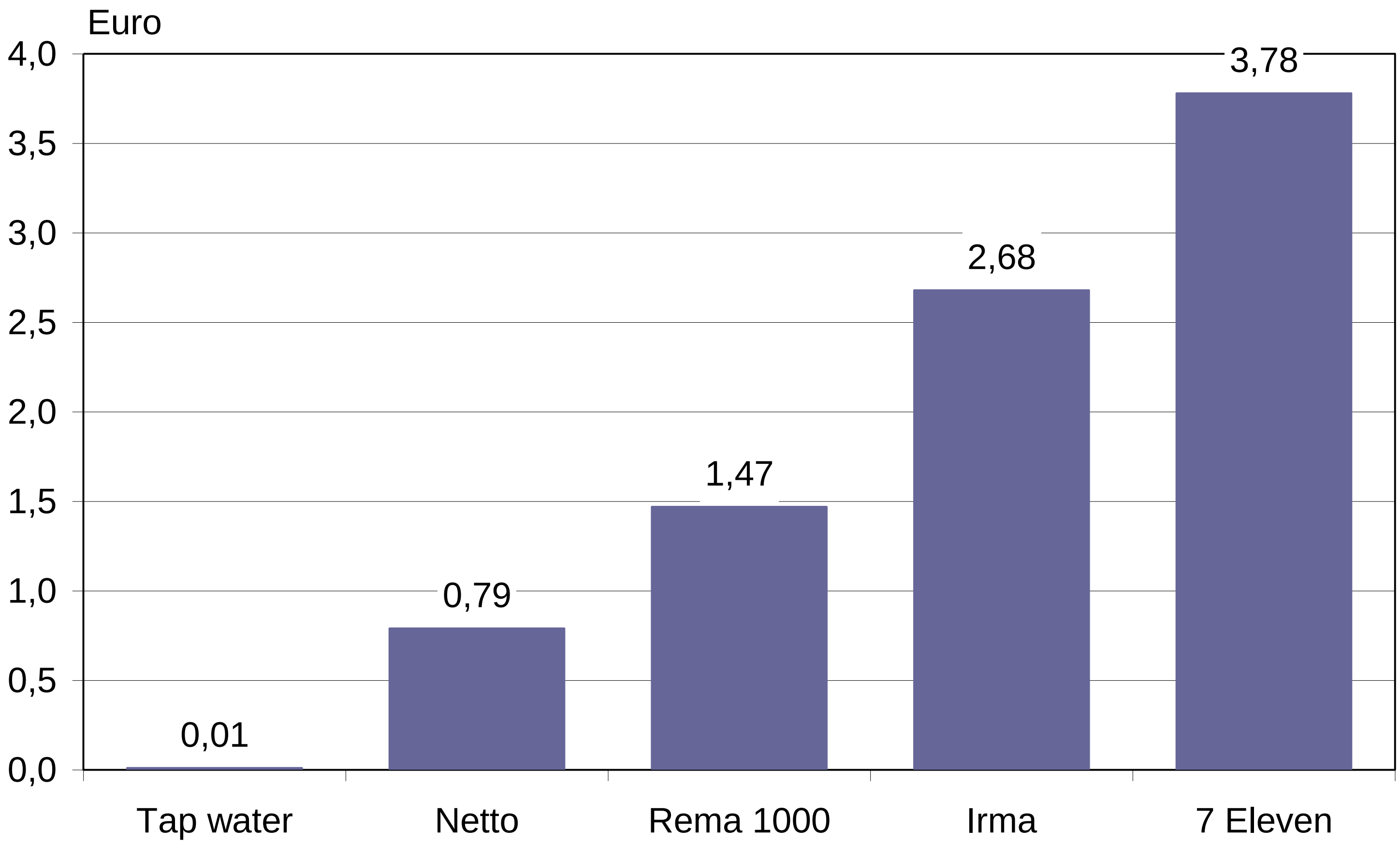
What is most important for your choice of foods?



Consumer trends

- Attitudes towards food
- Sympathy for the farmer
- Food packaging
- Climate – challange for meat
- Health – less fat
- Time
- Offers newspapers
- Convenience

The price of convenience



Thank you for your attention