

Press Release

Grocery Shop Directory 2016



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FINNISH GROCERY TRADE AT ITS STRONGEST SINCE THE BURST OF THE ECONOMIC CRISIS

Though there is still some way to go to the early 2000s' 2.6% average volume growth, last year's 1.6% volume growth within the Finnish grocery trade was the strongest since 2007. Stimulus to the trade came from various quarters; for example the deregulation of store opening hours in the beginning of 2016, decreasing price levels and the long-awaited positive turn of Consumer Confidence Index* which had been decreasing ever since 2010 all supported growth.

The grocery sales in 2016 amounted to EUR 16.738 billion with 0.9% growth versus the previous year. The information is based on Nielsen's annual Grocery Shop Directory.

2016 was the year for large grocery stores

In 2015, the grocery price war started drawing shoppers more often to hypermarkets. The appeal of larger stores grew stronger in 2016 after they were able to extend their opening hours like smaller stores earlier. Hypermarkets and large supermarkets were the winners in 2016, whereas smaller, below 400 sqm, stores' sales declined to approximately same level as ten years ago.

S group increased its market share to 47.2% driven by larger stores. Grocery sales growth was especially strong, 6.0% compared to previous year, for hypermarket chain Prisma where extended opening hours were put in place most systematically.

K-group's share of 2016 grocery sales was 36.2%. Market share increased 3.4%-points from year previous with the acquisition of Suomen Lähikauppa Oy in April 2016 and is at its highest in fifteen years. Out of K-group's chains sales increased most, 13.4%, in K-market chain where 223 Siwa and Valintatalo stores were transitioned by the end of the year.

Lidl accelerated opening of new stores and its network increased with seven stores in 2016 which is the most since 2008. Nielsen estimates Lidl's share of grocery sales to be 8.8%.

* Source: Nielsen Consumer Confidence Index, Finland

The grocery market shares of retailers in 2016:

Group	Market share of Grocery sales (excl. non-FMCG)	Change in market share from 2015
S Group	47.2 %	+ 1.3 %-units
K-Group	36.2 %	+ 3.4 %- units
Lidl Suomi Ky (*)	8.8 %	+ 0.5 %- units
Suomen Lähikauppa Oy (until April 11, 2016)	1.5 %	- 4.9 %- units
Other private companies	6.4 %	- 0.4 %- units

*) estimate

Overall, there were 3,002 stores (excl. specialist and market hall stores) in Finland selling full grocery assortment on January 1st, 2017.

Nielsen's Grocery Shop Directory is comprised of private and cooperative grocery shops in Finland (including also operators selling grocery goods purely online with a wide assortment). Nielsen collects the data for the Grocery Shop Directory annually in cooperation with the retail groups and individual players, while Lidl's market share is an estimate by Nielsen based on various data sources. Nielsen publishes the Grocery Shop Directory in March each year. Nielsen has published the Grocery Shop Directory since 1978.

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