Grocery Retailers

January 2012

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GROCERY RETAILERS IN ITALY - CATEGORY ANALYSIS

HEADLINES

- Grocery retailers see sales increase by 1% to €122 billion in 2011
- Economic difficulties negatively affect sales of traditional retailers more than those of modern ones
- Grocery retailing specialists see a slight increase in outlet numbers during 2011
- Coop Italia still leads the fragmented grocery retailing category, with a 10% value share in 2011
- Grocery retailing stores sales are expected to decline slightly over the forecast period

TRENDS

- In 2011, the Italian grocery category continued to witness a relatively poor performance in value sales, with Italian consumers increasingly moving away from expensive discretionary spending, rationalising their food and non-food shopping increasingly, and looking for value-for-money and discounted prices. Overall, monthly grocery shopping trips among Italian consumers increased in 2011, as in 2010, while spending per trip declined, meaning that customers are losing the habit of doing big shopping trips and are leaning more towards impulse shopping when items are needed. At the same time, consumers have been shopping in more stores, looking for deals. Retailers' focus on store brands, targeted offers and price cuts helped keep spending levels in check by driving more value for shoppers.
- Supermarkets remained the largest channel in sales terms, accounting for around 35% of total grocery sales in 2011. The channel counted 9,828 outlets in 2011, up from 9,707 in 2010. Due to increased competition, supermarket retailers have launched and gradually widened their own private label ranges. At the same time, the channel has witnessed a gradual improvement in retailers' customer service offer. Moreover, with the liberalisation of OTC products, supermarkets have started expanding their ranges of vitamins and OTC products. In 2010, for example, Esselunga introduced a corner pharmacy in its distr bution network, directly managed by Essere Benessere, a company that manages pharmacies and parapharmacies. The pharmacies have an independent entrance and independent opening hours. As of June 2011, Coop had 102 Coop Salute corners, with an average selling price 27% lower than the industry average. Coop has also opened its first retail branded restaurant, in Parma, inside the Cius Tour. Coop also offers the FiorFiore range, a premium line of regional products.
- In 2011, as in 2010, chained forecourt retailers saw the largest increase in value sales within grocery, although not a double digit rate as in earlier years. The strong performance was mainly due to this still being a very underdeveloped channel in Italy, which has shown great profitability potential and is expanding rapidly. Chained forecourt retailers in Italy can be found mainly along large highways, while it is unusual to find them in urban areas. They have long opening hours and, being located in relatively restricted places, such as highways, their sales per square metre are quite high. As these outlets have proved so profitable, they are developing strongly. Among the companies that have developed chains, Esso is by far the

strongest in terms of sales per outlet, while the one with highest penetration is Total SpA, with the Rapid Stop & Snack banner.

- With an increase in value sales of 2% in 2011, hypermarkets improved their performance compared to 2010 and previous years. Nevertheless, the channel suffered a decline in sales per selling space in 2011 compared to 2010. Whilst consumers appreciated large selling spaces during the last decade, along with a wide assortment of food and non-food products, in 2011, hypermarkets, in particular those with a selling space of less than 4,500 sq. metres, appeared to struggle to remain attractive, mainly because there was a migration of customers towards large supermarkets – those bigger than 1,200 sq. metres – which are often placed in more reachable and convenient areas than hypermarkets. Furthermore, the fact that petrol prices saw significant rises in 2010 and 2011 led to consumers shifting towards closer shopping locations.
- The rise in cut-price promotions, as well as in consumers' interest in private label, promoted supermarkets' value sales growth in 2011. The channel also benefited from the opening of new outlets, especially by players like SISA, Sigma, Interdis, Despar, as well as from the ongoing good performance of leading players like Coop, CONAD and Esselunga, thanks to their strategy of private label and low prices.
- The share of non-food products saw an increase within hypermarkets in 2011. The non-food products that are growing include health, beauty and personal care products, and house cleaning products. While there has been a decrease within supermarkets as in this type of outlets is concentrated the daily shopping which is made mainly of food purchasing.

TRADITIONAL VS MODERN

- Modern grocery retailers lead the Italian grocery market, accounting for over 70% of retail value sales. Within modern grocery retailers, supermarkets represent by far the largest channel, accounting for almost half of value sales, although they account for only around 30% of outlets, while convenience stores make up more than half of the total network.

CHANNEL FORMATS

Chart 1 Modern Grocery Retailing: Billa in Padova

Source: Euromonitor International

Chart 2 Modern Grocery Retailing: Punto Sma in Padova

Source: Euromonitor International

Chart 3 Modern Grocery Retailing: Agip in Padova

Source: Euromonitor International

Chart 4 Traditional Grocery Retailing: Independent Food/Drink/Tobacco Specialist in shopping Mall in Ancona

Source: Euromonitor International

COMPETITIVE LANDSCAPE

- The Italian grocery retailing category is dominated by strong domestic players, notably Coop and CONAD. The five leading companies increased their value shares in 2011, as they benefit from wide distribution networks, a broad range of private label products and good reputations. Other important domestic companies are Esselunga, SISA and Interdis S Cons SpA, while among the important international players are Auchan Group SA (Auchan, Iper Simply, Punto Sma and Simply Market), Carrefour SA (Carrefour hypermarkets, Carrefour Express and Carrefour Market) and the Rewe Group (Billa, Penny Markt/Mondo, Billa Superstore, Uni), which is moving its core business mainly towards discounters.
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PROSPECTS

- Italy’s persistent high unemployment rate might make economic recovery slower than previously thought. Even though economic conditions should improve over 2011-2016, consumers are likely to remain focused on value and guaranteed quality, and will look to channels and retailers which can provide them with high quality and low-cost products in grocery and household essentials. The important distinction will no longer be between private labels and manufacturers’ brands, but between top class and secondary brands. Overall, convenience stores, hypermarkets and supermarkets will face increased competition from discounters. Cut-price promotions are expected to rise, as well as private label’s popularity. At the same time, the grocery channel might experience an increasing segmentation between low-cost grocery outlets and premium speciality food stores, enabling independent grocery retailers in traditional grocery to continue to flourish if the correct strategies are applied.

CHANNEL DATA

Table 1 Sales in Grocery Retailers by Category: Value 2006-2011

EUR million

	2006	2007	2008	2009	2010	2011
Modern Grocery Retailers						
- Convenience Stores						
- Discounters						
- Forecourt Retailers						
- Hypermarkets						
- Supermarkets						
Traditional Grocery Retailers						
- Food/Drink/Tobacco Specialists						
- Independent Small Grocers						
- Other Grocery Retailers						
Grocery Retailers						

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 2 Sales in Grocery Retailers by Category: % Value Growth 2006-2011

% current value growth

	2010/11	2006-11 CAGR	2006/11 Total

Modern Grocery Retailers	
- Convenience Stores	
- Discounters	
- Forecourt Retailers	
- Hypermarkets	
- Supermarkets	
Traditional Grocery Retailers	
- Food/Drink/Tobacco Specialists	
- Independent Small Grocers	
- Other Grocery Retailers	
Grocery Retailers	

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 3 Grocery Retailers Company Shares: % Value 2007-2011

% retail value rsp excl sales tax

Company	2007	2008	2009	2010	2011
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 4 Grocery Retailers Brand Shares: % Value 2008-2011

% retail value rsp excl sales tax

Brand	Company	2008	2009	2010	2011
Total		100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 5 Forecast Sales in Grocery Retailers by Category: Value 2011-2016

EUR million

	2011	2012	2013	2014	2015	2016
Modern Grocery Retailers						
- Convenience Stores						
- Discounters						
- Forecourt Retailers						
- Hypermarkets						
- Supermarkets						
Traditional Grocery Retailers						
- Food/Drink/Tobacco						

Specialists	
- Independent Small Grocers	
- Other Grocery Retailers	
Grocery Retailers	

Source: Euromonitor Interna ional from trade associations, trade press, company research, trade interviews, trade sources

Table 6 Forecast Sales in Grocery Retailers by Category: % Value Growth 2011-2016

% constant value growth

	2011-16 CAGR	2011/16 TOTAL
Modern Grocery Retailers		
- Convenience Stores		
- Discounters		
- Forecourt Retailers		
- Hypermarkets		
- Supermarkets		
Traditional Grocery Retailers		
- Food/Drink/Tobacco Specialists		
- Independent Small Grocers		
- Other Grocery Retailers		
Grocery Retailers		

Source: Euromonitor Interna ional from trade associations, trade press, company research, trade interviews, trade sources

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GROCERY RETAILERS IN ITALY COMPANY PROFILES

BENNET SPA IN RETAILING (ITALY)

Strategic Direction

~ Bennet SpA aims at widening its distribution network. The company still has only regional coverage, with a focus on the north of Italy (especially Lombardy). Over the forecast period, the group is l kely to try and increase its profits by expanding geographically to other areas of the country. Within grocery, Bennet's core business will remain focused on hypermarkets and electronics and appliance specialist retailers, where the company aims to strengthen its position.

Key Facts

Summary 1 Bennet SpA: Key Facts

Full name of company:	Bennet SpA
Address:	Via Enzo Ratti 2, Montano Lucino (CO), 22070, Italy
Tel:	+39031475111
Fax:	+39031471 110
www:	www.bennet.com
Channels of operation:	Hypermarkets, electronics and appliance specialist retailers
Retailing brands:	Bennet, Bennet Universe

Source: Euromonitor Intemational from company reports

Summary 2 Bennet SpA: Operational Indicators

	2010	20'11
Year end December		
Net sales (~ million)	1,428	1,4'11
Operating profit (~ million)	nla	nla
Outlets	82	82
Selling space ('000 SQ. m)	296.3	316.3
Sales of grocery (%)	98.7	99.0

Source: Company research

Internet Strategy

- Bennet does not operate in the internet retailing category, although the company is active in the use of its website as a tool for marketing and advertising. During the review period, Bennet created a range of on-line promotional initiatives for Bennet Club members, and certain services outside its core business. Bennet Music, a website linked to the iTunes catalogue for music downloads, is doing very well in Italy.
- Through the Bennet website, it is possible to access the company's photo-developing service via mail, to reserve student books and to buy Bennet Carta Regalo, a pre-paid gift card (€25, €50 or €100) to be spent in any of the company's outlets.

Company Background

- Bennet was founded in 1964, in Como. Active in the hypermarkets channel, after having consolidated its position in Lombardy, it expanded into Piedmont, Emilia-Romagna, Veneto, Friuli-Venezia Giulia and Liguria.
- The company places particular importance on the overall look of its outlets and on the shopping experience. Since the late 1990s, Bennet has invested heavily in developing its stores.
- Bennet is active in promotions and loyalty schemes with Bennet Club, a system of rewards and discounts offered through a point's collection programme, which can also be used for internet promotions through a dedicated website. In 2005, the Bennet web club was created, with a range of on-line promotional initiatives for Bennet Club members.
- In 2005, the "Fai da te" ("Do it yourself") checkout was introduced in a few outlets. This is a payment method where the customer scans and pays for his/her shopping without assistance from staff. During the same year, the company created a version of its website access ble to people with various disabilities.
- In 2007 and 2008, Bennet participated in an initiative promoted by the Lombardy region – "Stop ai prezzi" ("Freeze the prices") – by maintaining the prices of about 100 basic grocery products until the end of April 2008. The operation was appreciated by consumers, given the price pressure seen during the second half of 2007.
- In 2009, the company expanded its offer to customers with additional services such as Bennet Music (a music download site affiliated to iTunes), Bennet Travel (travel agency services) and StampaFoto (a photo-developing service via mail). Through such developments, the company is emphasising the importance of its website as an instrument of marketing and advertising.
- In 2010, Bennet extended its hypermarket network through the opening of a new outlet, in Vanzaghello (Lombardia). With 28 checkouts, the new hypermarket offers a wide range of extra core-business services, including home delivery, mobile phone activation, and payment by instalments and photo development.

Private Label

- Bennet has a wide portfolio of private label products in both the food and non-food categories. The company's strategy is to develop private label products in the forecast period, as they provide high margins. Moreover, private label products are increasingly popular among Italians, who have lost purchasing power due to rising inflation.
- To increase its share in private label, Bennet focuses on advertising the quality and safety of its products. For example, the company has created Filiera, a private label range which guarantees the products' origins and the entire supply chain through to store shelves.

- The company is present with its private label products in a wide range of packaged food and drinks categories, such as bakery products, canned/preserved food, beverages, pasta, dairy products and frozen food. Bennet's private label products are also present in cleaning products and disposable paper products.
- Bennet has a private label range of lingerie and fabrics, under the Award, Oelinea and Home Collection brands. In electrical appliances, Bennet offers the low-priced label Kevler Plus in hi-fi, CO players, radios and small televisions. In home appliances, its Incontro label covers a range of small kitchen and household electrical items, focusing on a good price/quality ratio.

Summary 3 Bennet SpA: Private Label Portfolio

Private Label Brand	Sector(s)	Notes
Bennet	Grocery	Food, household cleaning and disposable paper products
Rliera	Fresh food (meat, fish, dairy)	Food range which guarantees the products' origin
Award, Oelinea, Home Collection	Lingerie and fabrics	
Kevler Plus	Electronics	Low-priced range
Incontro	Home appliances	Low-priced range

Source: Euromonltor International from company reports

Competitive Positioning

- Bennet's main strength is in the categories of hypermarket where it ranked fifth in 2011.

Summary 4 Bennet SpA: Competitive Position 2011

Channel	Value share	Rank
Retailing	O.5%s	23
Grocery retailers	1.1%	18
Hypermarkets	5.9%	5
Store-based retailing	0.5%	23
Electronics and appliance specialist retailers	1.3%	7

Source: Euromonitor International from company reports

CARREFOUR ITALIA COMMERCIALE SRL IN RETAILING (ITALY)

strategiC Direction

Key Facts

Summary 5 Carrefour Italia Commerciale Sr1: Key Facts

Address:	Via Caldera 21, Milano (MI), 20153, Italy
Tel:	+39 02 4825 2350
Fax:	*n/a*
www:	www.carrefouritalia.it
Retailing channels of operation:	Hypermarkets, supermarkets, convenience stores
Retailing brands:	Iperstore Carrefour (hypermarkets), GS (supermarkets), DiperDi (convenience stores)

Source: Euromonitor International from company reports

Summary 6 Carrefour Italia Commercia le Sr1: Operational Indicators

	2010	2011
Year-end December		
Net sales (~ million)	Removed	Removed
Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('000 sq. m)	Removed	Removed
Sales of grocery (%)	Removed	Removed

Source: Company research

Internet Strategy

Company Background

~ Carrefour Italia is part of the French Carrefour SA, which was created in 1959 by the Fournier and Defforey families. In 1993, the company entered the Italian market, opening its first hypermarket in Marcon, near Venice. During the same year, Carrefour acquired the company Al Gran Sole and its four hypermarket outlets.

Chart 5 Carrefour Italia Commerciale Srl: Carrefour in Ancona

Source: Euromonitor International

Private Label

Summary 7 Carrefour Italia Commercia le Sri: Private Label Portfolio

Private Label Brand	Sector(s)	Notes
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Source: Euromonitor International from company reports

Competitive Positioning

Summary 8 Carrefour Italia Commerciale Sri: Competitive Position 2011

Channel	Value share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Hypermarkets	Removed	Removed
Supermarkets	Removed	Removed
Convenience stores	Removed	Removed

Source: Euromonltor International from company reports

CONAD - CONSORZIO NAZIONALE DETTAGLIANTI SCRL IN RETAILING (ITALY)

Strategic Direction

Key Facts

Summary 9 CONAD - Consorzio Nazionale Dettaglianti Scrl: Key Facts

Address:	Via Michelino 59, Bologna (BO), 40'127, Italy
Tel:	+39051 508 I'll
Fax:	+39051 *508414/+39051508333*
www:	www.conad.it
Retailing channels of operation:	Hypermarkets, supermarkets, discounters, convenience stores
Retailing brands:	E Leclerc-Conad, Conad, Margherita, Todis, Shop24

Source: Euromonilor Intemational from company reports, trade press

Summary 10 CONAD - Consorzio Nazionale Dettaglianti Scrl: Operational Indicators

	2010	2011
Year-end December		
Net sales (~ million)	Removed	Removed
Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('000 sq. m)	Removed	Removed
Sales of grocery (%)	Removed	Removed

Source: Company research

Internet Strategy

Company Background

- Consorzio Nazionale Dettaglianti (CONAD), translating as “national consortium of retailers”, was founded in 1962 in Bologna, by a group of consumer cooperative managers who wanted to develop cooperation among commercial entrepreneurs, and to innovate in and develop the retail category.

Chart 6 CONAD: CONAD in Padova

Source: Euromonitor International

Private Label

Summary 11 CONAD- Consorzio Nazionale Dettaglianti Scrl: Private Label Portfolio

Private Label Brand	Sector(s)	Notes
Removed	Removed	Removed
Removed	Removed	Removed

Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Source: Euromonitor Intemational from company reports

Competitive Positioning

Summary 12 CONAD - Consorzio Nazionale Dettaglianti Scrl: Competitive Position 2011

Channel	Value share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Hypermarkets	Removed	Removed
Supermarkets	Removed	Removed
Discounters	Removed	Removed
Convenience stores	Removed	Removed

Source: Euromonitor Intemational from trade press (GOO Week. largo consume), company reports, trade interviews

COOP ITALIA SCARI IN RETAILING (ITALY)

strategic Direction

Key Facts

Summary 13 Coop Italia scarl: Key Facts

Address:	Via Bruschi 126, Sesto Fiorentino (FI), 50019, Italy
Tel:	+3905542131
Fax:	nla

www:	www.e-coop.it
Retailing channels of operation:	Hypermarkets, supermarkets, discounters, convenience stores
Retailing brands:	Ipercoop, Super Coop, Dico, Coop

Source: Euromonitor International from company reports

Summary 14 Coop Italia searl: Operational Indicators

	2010	2011
Year-end December		
Net sales (~ million)	Removed	Removed
Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('000 sq m)	Removed	Removed
Sales of grocery (%)	Removed	Removed

Source: Company research

Internet Strategy

Company Background

~ Coop Italia is privately owned and is organised as a cooperative. The company was founded in 1974, and operates in both large-scale food and non-food distribution as a central purchasing unit for its members. Its outlets are divided into four main types: hypermarkets, supermarkets, convenience stores and discounters.

Private Label

Summary 15 Coop Italia Searl: Private Label Portfolio

Private LabeJ Brand	Sector(s)	Notes
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Source: EuromonitorIntemationalfrom companyreports,trade press

Competitive Positioning

Summary 16 Coop Italia Searl: Competitive Position 2011

Channel	Value share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Hypermarkets	Removed	Removed
Supermarkets	Removed	Removed
Discounters	Removed	Removed
Convenience stores	Removed	Removed
Leisure and personal goods retailers	Removed	Removed
Media products stores	Removed	Removed

Source: EuromonitorIntemationalfrom trade press (GOOWeek, Largo Consumo),companyreports. trade interviews

CRAI SCARL IN RETAILING (ITALY)

strategic Direction

Key Facts

Summary 17 CRAI scarl: Key Facts

Address:	Via F.II Cervi Segrate, Milano (MI) 20090, Italy
Tel:	+390221089-1
Fax:	+3902210804
www:	www.crai-supermercati.it
Retailrng channels of operation:	Hypermarkets, supermarkets, convenience stores, parapharmacies/drugstores, beauty specialists
Retailing brands:	Crai Ipermercato, Crai, Supermercato Crai, Mercatino Crai, Negozi Simpatia, CAD Centro Specialiszato Bellezza e Igiene, Ipersoap, Beauty Star, Linea Bellezza

Source: Euromonitor International from company reports

Summary 18 CRAI scarl: Operational Indicators

	2010	2011
Year-end December		
Net sales (~ million)	Removed	Removed
Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('000 sq. m)	Removed	Removed
Sales of grocery (%)	Removed	Removed

Source: Company research

Intemet Strategy

Company Background

- CRAI was created in 1973, by a group of retailers in Desenzano Del Garda, under the name Commissionarie Riunite Alta Italia (CRAI). At that stage, CRAI comprised only retailers in northern Italy.
-
-
-
-
-
-

Private Label

-
-
-
-
-
-

Summary 19 CRAI scarl: Private Label Portfolio

Private Label Brand	Sector(s)	Notes
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Source: Euromonitor International from company reports

Competitive Positioning

Summary 20 CRAI scarl Competitive Position 2011

Channel	Value share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Hypermarkets	Removed	Removed
Supermarkets	Removed	Removed
Convenience stores	Removed	Removed

Source: Euromonitor International from company reports

DESPAR ITALIA SPA IN RETAILING (ITALY)

strategic Direction

Key Facts

Summary 21 Despar Italia: Key Facts

Address:	Via Cristoni 82, Casalecchio di Reno (BO), 40033, Italy
Tel:	+39051 611 8020
Fax:	+39051 611 8040
www:	www.desparitalia.it
Retailing channels of operation:	Hypermarkets, supermarkets, convenience stores
Retailing brands:	Interspar, DeSpar/Eurospar, Spar Express

Source: Euromonitor Intemational from company reports

Summary 22 Despar Italia: Operational Indicators

	2010	2011
Year-end December		
Net sales (~ million)	Removed	Removed
Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('000 sq. m)	Removed	Removed
Sales of grocery (%)	Removed	Removed

Source: Company research

Internet Strategy

Company Background

~ Despar was created in 1932 in the Netherlands, as a cooperative for wholesale suppliers and retailers. By 2005, the parent company was called Intemationale Spar Centrale BV, and had more than 17,500 outlets in 28 countries over five continents.

Chart 7 Despar Italia: Interspar in Padova

Source: Euromonitor International

Chart 8 Despar Italia: Interspar in Padova

Source: Euromonitor International

Private Label

Summary 23 Despar Italia: Private Label Portfolio

Private Label Brand	Sector(s)	Notes
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Source: Euromonltor Intemational from company reports

Competitive Positioning

Summary 24 Despar Italia: Competitive Position 2011

Channel	Value share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Hypermarkets	Removed	Removed
Supermarkets	Removed	Removed
Convenience stores	Removed	Removed

Source: Euromonitor Intemational from trade press (GOO Week, largo Consumo), company reports, trade interviews

ESSELUNGA SPA - SUPERMERCATI ITALIAN I IN RETAILING (ITALY)

strategic Direction

Key Facts

Summary 25 Esselunga SpA- Supermercati Italiani: Key Facts

Address:	Via Giambologna 1, Umito di Pioltello, Milano (MI) 20096, Italy

Tel:	+39 02 923 67'1
Fax;	+39 02 926 7202
www:	www.esselunga.it
Retailing channels of operation:	Supermarkets
Retailing brands:	Esselunga, Esselunga Bio and Naturama

Source: Euromonltor International from company reports

Summary 26 Esselunga SpA - Supermercati Italiani: Operational Indicators

	2010	2011
Year-end December		
Net sales (~ million)	Removed	Removed
Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('000 SQ. m)	Removed	Removed
Sales of grocery (%)	Removed	Removed

Source: Company research

Internet Strategy

Table 7 Esselunga SpA: Share of Sales Generated by Internet Retailing

	2008	2009	2010	20'11
Net Sales: Retailing (EUR mn)	Removed	Removed	Removed	Removed
Net Sales: Internet Retailing (EURmn)	Removed	Removed	Removed	Removed
% Share accounted by Internet Retailing	Removed	Removed	Removed	Removed

Source: Euromonitor Intemational from company reports, company research
Note: 2011 data is estimated according to he company's performance during the first half of 2011

Company Background

- Esselunga SpA was founded in 1957. Its outlets are mainly located in northern Italy, in particular in Lombardy, Piedmont, Veneto, Emilia-Romagna and Tuscany. The company is privately owned and it comprises only a supermarket fascia, along with a small presence in beauty specialist retailers, with the Olimpia Beauté fascia.

Private Label

Summary 27 Esselunga SpA - Supermercati Italiani: Private Label Portfolio

Private Label Brand	Sector(s)	Notes
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Source: Euromonitor International from company reports

Competitive Positioning

Summary 28 Esselunga SpA- Supermercati Italiani: Competitive Position 2011

Channel	Value share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Supermarkets	Removed	Removed
Beauty specialist retailers	Removed	Removed

Source: Euromonitor International from trade press (GOO Week, Largo Consumo), company reports, trade interviews

EUROSPIN ITALIA SPA IN RETAILING (ITALY)

Strategic Direction

Key Facts

Summary 29 Eurospin Italia SpA Key Facts

Address:	Localitfl Albarello SS 11, Palazzolo di Sona (VR), 37010, Italy
Tel:	+390456094611
Fax:	+390456094699
www:	www.eurospin.it
RetaiJ[ng channels of operation:	Discounters
Retailing brands:	Eurospin

Source: Euromonitor International from company reports

Summary 30 Eurospin Italia SpA Operational Indicators

	2010	2011
Year-end December		
Net sales (~ million)	Removed	Removed
Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('000 sq. m)	Removed	Removed
Sales of grocery (%)	Removed	Removed

Source: Company researcn

Internet Strategy

Company Background

~ Eurospin was created in 1993 by four entrepreneurs, at that time part of eRAl, who were determined to invest In the discounter format. Eurospln Italia began operating in 1994, with the company managing the group and defining its strategy. Marketinq, purchasing, quality assurance and research and development are all entrusted to the holding company.

Private Label

Summary 31 Eurospin Italia SpA: Private Label Portfolio

Private Label Brand	Sector(s)	Notes
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
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Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Source: Euromonitor International from company reports

Competitive Positioning

Summary 32 Eurospin Italia SpA Competitive Position 2011

Channel	Value share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Discounters	Removed	Removed

Source: Euromonitor International from company reports

FINIPER SPA IN RETAILING (ITALY)

strategic Direction

Key Facts

Summary 33 Finiper SpA: Key Facts

Address:	Via Mameli -15, Montebello della Battaglia (PV), *27054*, Italy
Tel:	*+390383894 511*
Fax:	*nla*
www:	wwwiperit
Retailing channels of operation:	Hypermarkets, supermarkets
Retailing brands:	Iper

Source: Euromon1torlnternational from company reports

Summary 34 Finiper SpA: Operational Indicators

	2010	2011
Year-end December		
Net sales (~ million)	Removed	Removed
Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('000 SQ. m)	Removed	Removed
Sales of grocery (%)	Removed	Removed

Source: Company research

Internet Strategy

Company Background

- In 1974, the first Iper hypermarket was inaugurated in Italy – at Montebello della Battaglia, near Pavia. During the same year, Finiper SpA became the financial holding company of the group.

Private Label

Summary 35 Finiper SpA: Private Label Portfolio

Private Label Brand	Sector(s)	Notes
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Source: EuromonitorIntemationalfrom companyreports

Competitive Positioning

Summary 36 Finiper SpA: Competitive Position 2011

Channel	Value share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Hypermarkets	Removed	Removed

Source: EuromonitorIntemationalfrom trade press (Food, GOOWeek, Largo Consumo), companyreports, trade interviews

INTERDIS S CONS SPA IN RETAILING (ITALY)

strategic Direction

Key Facts

Summary 37 Interdis S Cons SpA: Key Facts

Address:	Via Lomellina 10, Milan (MI), 20133, Italy
Tel:	+39 02 752 96'1
Fax:	+390275296504
www:	www.interdis.it
Retailing channels of operation:	Hypermarkets, supermarkets, discounters, convenience stores
Retailing brands:	Ipersidis, Maxisidis, sosty, Sidis

Source: Euromonitor Intemational from company reports, trade press

Summary 38 Interdis S Cons SpA: Operational Indicators

	2010	2011
Year-end December		
Net sales (~ million)	Removed	Removed
Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('000 sq m)	Removed	Removed
SaJes of grocery (%)	Removed	Removed

Source: Trade press, company research

Internet Strategy

Company Background

Private Label

Summary39 Interdis S Cons SpA: Private Label Portfolio

Private Label Brand	Sector(s)
Removed	Removed
Removed	Removed
Removed	Removed

Source: Euromonitor International from company reports

Competitive Positioning

Summary 40 Interdis S Cons SpA: Competitive Position 2011

Channel	Value share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Hypermarkets	Removed	Removed
Supermarkets	Removed	Removed
Discounters	Removed	Removed
Convenience stores	Removed	Removed

Source: EuromonitorInternationalfrom trade press (FoOd,Largo Consumo, GOO Week), company reports, trade interviews

PAM SPA, GRUPPO IN RETAILING (ITALY)

Strategic Direction

Key Facts

Summary 41 Pam SpA, Gruppo: Key Facts

Address:	Via delle Industrie 8, Spinea (VE), 30038, Italy
Tel:	+39041595111
Fax.:	+39041 999393
www:	www.gruppopam.it
Retailtng channels of operation:	Hypermarkets, supermarkets, discounters, convenience stores
Retailing brands:	Panorama, Pam, Meta, In's, Ildi

Source: EuromonitorInternationalfrom company reports

Summary 42 Pam SpA, Gruppo: Operational Indicators

	2010	2011
Year-end December		
Net sales (~ million)	Removed	Removed
Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('000 sq m)	Removed	Removed
Sales of grocery (%)	Removed	Removed

Source: Company research

Internet Strategy

Company Background

~ Gruppo Pam, established in 1958, is an important player in Italian retailing. Its outlets, located in central and northern Italy, are run under five different banners: Pam and Superal supermarkets, Panorama hypermarkets, Meta neighbourhood stores (small franchised stores) and In's hard discount stores. The company also owns the Brek restaurant chain.

Chart 9 Pam SpA, Gruppo: In's in Padova

Source: Euromonitor International

Chart 10 Pam SpA, Gruppo: In's in Padova

Source: Eurornonitor International

Private Label

Summary43 Pam SpA, Gruppo: Private Label Portfolio

Private Label Brand	Sector(s)	Notes
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Source: Eurornonitor International frorn cornpany reports

Competitive Positioning

Summary 44 Pam SpA, Gruppo: Competitive Position 2011

Channel	Value share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Hypermarkets	Removed	Removed
Supermarkets	Removed	Removed
Discounters	Removed	Removed
Convenience stores	Removed	Removed

Source: Euromonitor International from trade press (GOO Week. largo consume, Food). company reports. trade interviews

REWE ITALIA IN RETAILING (ITALY)

Strategic Direction

Key Facts

Summary 45 Rewe Italia: Key Facts

Address:	Via dei Missaglia *97JA1,* Milano (MI), 20'142. Italy
Tel:	+39 02 8933 9777
Fax:	+39 02 8933 9679
www:	www.rewe-group.it
Retailfng channels of operation:	Hypermarkets, supermarkets, discounters
Retailing brands:	Iperstanda, Standa, Billa. Penny

Source: Euromonitor International from company reports

Summary 46 Rewe Italia: Operational Indicators

	2010	2011
Yearcend December		
Net sates (~ million)	Removed	Removed
Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('ODD sq. m)	Removed	Removed
Sales of grocery (%)	Removed	Removed

Source: Company research

Internet Strategy

Company Background

~ Rewe Italia is the Italian subsidiary of the German multinational Rewe, a leader in Germany in the retail category and second in the European market.

Chart 11 Rewe Italia: Billa

Source: Eurornonitor International

Private Label

Summary47 Rewe Italia: Private Label Portfolio

Private Label Brand	Sector(s)	Notes
Removed	Removed	Removed

Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Source: Euromonitor International from company reports

Competitive Positioning

Summary 48 Rewe Italia Competitive Position 2011

Channel	Value share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Hypermarkets	Removed	Removed
Supermarkets	Removed	Removed
Discounters	Removed	Removed
Parapharmacies/drugstores	Removed	Removed

Source: Euromonitor International from company reports

SELEX GRUPPO COMMERCIALE SRL IN RETAILING (ITALY)

strategic Direction

Key Facts

Summary 49 Selex Gruppo Commerciale Sri: Key Facts

Address:	Viale Cristoforo Colombo 5'1, Trezzano sui

	Naviglio (MI) 20090, Italy
Tel:	+39 02 484 571
Fax:	+39024845700
www:	www.selexgc.it
Retailing channels of operation:	Hypermarkets, supermarkets, discounters, convenience stores, parapharmacies/drugstores
Retailing brands:	Iper Familia, MiniIper Familia, Familia, Super A&O, DiPiu', Minimercati Selex, Superette Selex

Source: Euromonitor International from company reports

Summary 50 Selex Gruppo Commerciale Sri: Operational Indicators

	2010	2011
Year-end December		
Net sales (~million)	Removed	Removed
Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('000 sq. m)	Removed	Removed
Sales of grocery (%)	Removed	Removed

Source: Company research

Internet Strategy

Company Background

~ Created in the 1960s, Selex is privately owned and comprises several retail businesses located throughout Italy. The company's core interest is in grocery retailing, through a range of formats, including hypermarkets, supermarkets, discounters and convenience stores.

Chart 12 Selex Gruppo Commerciale Srl: DPiù in Padova

Source: Euromonitor International

Private Label

Summary 51 Selex Gruppo Commerciale Sri: Private Label Portfolio

Private Label Brand	Sector(s)	Notes
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Source: EurornonitorInternationalfrom companyreports

Competitive Positioning

Summary 52 Selex Gruppo Commerciale Sri: Competitive Position 2011

Channel	Value share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Hypermarkets	Removed	Removed
Supermarkets	Removed	Removed
Discounters	Removed	Removed
Convenience stores	Removed	Removed

Source: EurornonitorInternationalfrom trade press (Food, Largo Consurno, GOO Week), company reports, trade interviews

SISA - SOCIETA ITALIANA SUPERMERCATI ASSOCIATI SCARL IN RETAILING (ITALY)

StrategiC Direction

Key Facts

Summary 53 SISA - Societe Italiana Supermereati Associati searl: Key Facts

Address:	6L 16 Gall 6 CenterGross *186/196,* Funo di Argelato (BO), 40050, Italy
Tel:	+39 051 6635511
Fax.:	+39 051 664 6334
www:	www.sisaspa.com
Retailing channels of operation:	Hypermarkets, supermarkets, convenience stores
Retailing brands:	Ipersisa, Sisa Superstore, Issimo, Sisa, Negozio Italia

Source: Euromonitor Intemational from company reports

Summary 54 SISA - Societe Italiana Supermereati Associati scarl: Operational Indicators

	2010	2011
Year-end December		
Net sales (~ million)	Removed	Removed
Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('000 sq. m)	Removed	Removed
Sales of grocery (%)	Removed	Removed

Source: Company researcn

Internet Strategy

Company Background

Private Label

Summary 55 SISA - Societe Italiana Supermercati Associati scarl: Private Label Portfolio

Private Label Brand	Sector(s)	Notes
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Source: Euromonltor Intemational from company reports

Competitive Positioning

Summary 56 SISA - Societe Italiana Supermereati Associati searl: Competitive Position 2011

Channel	Value-share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Hypermarkets	Removed	Removed
Supermarkets	Removed	Removed
Convenience stores	Removed	Removed

Source: Euromonitor International from trade press (FOod,GOO Week, largo Consumo), company reports, trade interviews

SOCIETA ITALIANA DISTRIBUZIONE MODERNA SPA IN RETAILING (ITALY)

strategic Direction

Key Facts

Summary 57 Societe Italiana Distr buzione Moderna SpA: Key Facts

Address:	Via Roma 55, Rozzano (MI) *20089,* Italy
Tel:	+390341 368316
Fax:	*+390341 271700*
www:	www.auchan.it
Retailing channels of operation:	Hypermarkets, supermarkets, discounters, convenience stores
Retailing brands:	Auchan, Punto Sma, Sma, Simply Market, Cityper

Source: Euromonltor International from company reports

Summary 58 Societe Italiana Distribuzione Moderna SpA: Operational Indicators

	2010	*2011*
Year-end December		
Net sales (~million)	Removed	Removed

Operating profit (~ million)	Removed	Removed
Outlets	Removed	Removed
Selling space ('000 sq. m)	Removed	Removed
Sales of grocery (%)	Removed	Removed

Source: Company research

Internet Strategy

Company Background

Private Label

Summary 59 Societe Italiana Distribuzione Modema SpA: Private Label Portfolio

Private label brand	Sector(s)	Notes
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed
Removed	Removed	Removed

Source: Euromonitor International from company reports

Competitive Positioning

Summary 60 Societe Italiana Distribuzione Modema SpA: Competitive Position 2011

Channel	Value share	Rank
Retailing	Removed	Removed
Grocery retailers	Removed	Removed
Hypermarkets	Removed	Removed
Supermarkets	Removed	Removed
Convenience stores	Removed	Removed

Source: Euromonitor International from trade press (GOOWeek, Largo Consumo). company reports. trade interviews

RETAILING IN ITALY - INDUSTRY OVERVIEW

EXECUTIVE SUMMARY

Retail Sales Recover Slightly in 2010 and 2011

The Italian economy has been slow to recover and remains volatile, with unemployment continuing to rise and consumers still holding back on discretionary spending. Nevertheless, retail sales saw slight growth in current value terms in 2010 and 2011. Retailers such as discounters, which provide value with discounted lines and private label goods, performed better than mid-price retailers, while sales of luxury and premium branded retailers were also resilient, an evident signal of polarisation in consumption habits.

M-commerce Increasing in Importance in Italy

Companies which already operate through the web are becoming more aware of the importance of purchasing made through mobile devices, particularly mobile phones. 13 million Italians own a smartphone, representing a big target for companies. In 2010 and 2011, internet retailing posted double-digit growth rates, although as a percentage of total retailing sales, the category remains underdeveloped in Italy compared with some of its European neighbours. The bestselling categories are digital content, consumer electronics products, books and apparel.

Italians Habits Shift Towards Day-to-day Shopping

Because of increasing promotional activities, both in grocery and non-grocery, increasing private label penetration and an increase in the number of convenience stores, the retailing scenario in Italy is seeing a shift towards more frequent shopping. Due to low consumer confidence and increasing hectic lifestyles, Italians want more control over their expenditure and to reduce their shopping baskets, and are opting for convenience stores and small supermarkets for grocery shopping, and seeking out products offering the best quality-price ratio in non-grocery shopping, which is often available in modern chains rather than traditional retailers. The hardest hit areas have been apparel specialist retailers, variety stores, department stores, media products, furniture and furnishings retailers, stationers/office supply and jewellers. Conversely, electronics and appliances retailers have returned to a positive trend, beauty specialist retailers are stable, with perfumeries coming back on track after a negative 2010, while pet shops and superstores are performing well, as pets are increasingly popular in Italy despite external economic conditions.

Coop and Conad Lead in A Highly Fragmented Landscape

The grocery domestic retailers Coop and CONAD continued to fight for leadership in retail sales in 2011, with Coop slightly ahead of CONAD. Coop’s most important brand is still Super Coop supermarkets, followed by Ipercoop hypermarkets. Coop’s other brands include Coop convenience stores, Dico discounters, the La Spesa che non Pesa e-commerce site and Librerie.coop internet media stores. CONAD supermarkets, Margherita convenience stores, E Leclerc hypermarkets and Todis discounters comprise CONAD’s portfolio. However, both Coop and CONAD hold only small value shares in retailing as a whole. The market continues to be dominated by independent retailers, with the leading retailers seeking to improve their positions in retailing through acquisitions.

Chains To Expand Despite Poor Economic Outlook

KEY TRENDS AND DEVELOPMENTS

the Economic Outlook Remains Poor

Current impact

Outlook

Future impact

Internet Retailing

Current impact

Outlook

Government Regulation of Retailing Gradually Being Relaxed

Current impact

Outlook

Future impact

Private Label Misses Opportunities

Current impact

Outlook

Future impact

Franchising and Other Types of Association

Current Impact

Outlook

Future Impact

Cash Is Still the Most Important Mean of Payment

Current Impact

Future Impact

Table 1 Employment in Retailing 2006-2011

	2006	2007	2008	2009	2010	2011
Total employment ('000 people)						
Employment in retailing ('000 people)						
Employment in retailing (%) (% of total employment)						

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews

MARKET DATA

Table 2 Sales in Retailing by Category: Value 2006-2011

EUR million

	2006	2007	2008	2009	2010	2011
Store-based Retailing						
Non-Store Retailing						
Retailing						

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 3 Sales in Retailing by Category: % Value Growth 2006-2011

% current value growth

	2010/11	2006-11 CAGR	2006/11 Total
Store-based Retailing			
Non-Store Retailing			
Retailing			

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 4 Sales in Retailing by Grocery vs Non-Grocery 2006-2011

% retail value rsp excl sales tax

	2006	2007	2008	2009	2010	2011
Grocery						
Non-Grocery						
Total						

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 5 Sales in Store-Based Retailing by Category: Value 2006-2011

EUR million

	2006	2007	2008	2009	2010	2011
Grocery Retailers						
Non-Grocery Retailers						
Store-based Retailing						

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 6 Sales in Store-Based Retailing by Category: % Value Growth 2006-2011

% current value growth

	2010/11	2006-11 CAGR	2006/11 Total

Grocery Retailers
Non-Grocery Retailers
Store-based Retailing

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 7 Sales in Non-Grocery Retailers by Category: Value 2006-2011

EUR million

	2006	2007	2008	2009	2010	2011
Apparel Specialist Retailers						
Electronics and Appliance Specialist Retailers						
Health and Beauty Specialist Retailers						
Home and Garden Specialist Retailers						
Leisure and Personal Goods Specialist Retailers						
Mixed Retailers						
Other Non-Grocery Retailers						
Non-Grocery Retailers						

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 8 Sales in Non-Grocery Retailers by Category: % Value Growth 2006-2011

% current value growth

	2010/11	2006-11 CAGR	2006/11 Total
Apparel Specialist Retailers			
Electronics and Appliance Specialist Retailers			
Health and Beauty Specialist Retailers			
Home and Garden Specialist Retailers			
Leisure and Personal Goods Specialist Retailers			
Mixed Retailers			
Other Non-Grocery Retailers			
Non-Grocery Retailers			

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 9 Sales in Non-store Retailing by Category: Value 2006-2011

EUR million

	2006	2007	2008	2009	2010	2011
Direct Selling						
Homeshopping						

Internet Retailing
Vending
Non-Store Retailing

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 10 Sales in Non-store Retailing by Category: % Value Growth 2006-2011

% current value growth

	2010/11	2006-11 CAGR	2006/11 Total
Direct Selling			
Homeshopping			
Internet Retailing			
Vending			
Non-Store Retailing			

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 11 Retailing Company Shares: % Value 2007-2011

% retail value rsp excl sales tax

Company	2007	2008	2009	2010	2011

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 12 Retailing Brand Shares: % Value 2008-2011

% retail value rsp excl sales tax

Brand	Company	2008	2009	2010	2011
Total		100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 13 Store-Based Retailing Company Shares: % Value 2007-2011

% retail value rsp excl sales tax

Company	2007	2008	2009	2010	2011

Total		100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 14 Store-Based Retailing Brand Shares: % Value 2008-2011

% retail value rsp excl sales tax

Brand	Company	2008	2009	2010	2011

Total	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 15 Non-Grocery Retailers Company Shares: % Value 2007-2011

% retail value rsp excl sales tax

Company	2007	2008	2009	2010	2011
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 16 Non-Grocery Retailers Brand Shares: % Value 2008-2011

% retail value rsp excl sales tax

Brand	Company	2008	2009	2010	2011

Total	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 17 Non-store Retailing Company Shares: % Value 2007-2011

% retail value rsp excl sales tax

Company	2007	2008	2009	2010	2011

Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 18 Non-store Retailing Brand Shares: % Value 2008-2011

% retail value rsp excl sales tax

Brand	Company	2008	2009	2010	2011
Total		100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 19 Forecast Sales in Retailing by Category: Value 2011-2016

EUR million

	2011	2012	2013	2014	2015	2016
Store-based Retailing						
Non-Store Retailing						
Retailing						

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 20 Forecast Sales in Retailing by Category: % Value Growth 2011-2016

% constant value growth

	2011-16 CAGR	2011/16 TOTAL

Store-based Retailing	
Non-Store Retailing	
Retailing	

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 21 Forecast Sales in Store-Based Retailing by Category: Value 2011-2016

EUR million

Grocery Retailers	
Non-Grocery Retailers	
Store-based Retailing	

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 22 Forecast Sales in Store-Based Retailing by Category: % Value Growth 2011-2016

% constant value growth

	2011-16 CAGR	2011/16 TOTAL
Grocery Retailers		
Non-Grocery Retailers		
Store-based Retailing		

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 23 Forecast Sales in Non-Grocery Retailers by Category: Value 2011-2016

EUR million

	2011	2012	2013	2014	2015	2016
Apparel Specialist Retailers						
Electronics and Appliance Specialist Retailers						
Health and Beauty Specialist Retailers						
Home and Garden Specialist Retailers						
Leisure and Personal Goods Specialist Retailers						
Mixed Retailers						
Other Non-Grocery Retailers						
Non-Grocery Retailers						

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 24 Forecast Sales in Non-Grocery Retailers by Category: % Value Growth 2011-2016

% constant value growth

	2011-16 CAGR	2011/16 TOTAL
Apparel Specialist Retailers		
Electronics and Appliance Specialist Retailers		
Health and Beauty Specialist Retailers		
Home and Garden Specialist Retailers		
Leisure and Personal Goods Specialist Retailers		
Mixed Retailers		
Other Non-Grocery Retailers		
Non-Grocery Retailers		

Source: Euromonitor International from official statistics, trade associations, trade press, company research, trade interviews, trade sources

Table 25 Forecast Sales in Non-store Retailing by Category: Value 2011-2016

EUR million

	2011	2012	2013	2014	2015	2016
Direct Selling						
Homeshopping						
Internet Retailing						
Vending						
Non-Store Retailing						

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 26 Forecast Sales in Non-store Retailing by Category: % Value Growth 2011-2016

% constant value growth

	2011-16 CAGR	2011/16 TOTAL
Direct Selling		
Homeshopping		
Internet Retailing		
Vending		
Non-Store Retailing		

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

APPENDIX

Operating Environment

Foreign Direct Investment in Retail

- No specific law governing foreign direct investment which might impact the retailing market has been introduced in Italy. However, attitudes towards international retailers with major

Informal Retailing

Opening Hours

Retail Landscape

Cash and Carry

▪

▪

▪

Table 27 Cash and Carry: Sales Value 2010

€ Million, current prices

Cash and carry	
% growth	

Source: Official statistics, Federdistribuzione, trade press, company research, trade interviews, Euromonitor International estimates
Note: Sales value excludes VAT, sales tax

Table 28 Cash and Carry: Sales by National Brand Owner: Sales Value 2010

% value

TOTAL	100

Source: Federdistribuzione, trade press, company research, trade interviews, Euromonitor International estimates
Note: Sales value excludes VAT, sales tax

DEFINITIONS

This report analyses the market for Retailing in Italy. For the purposes of the study, the market has been defined as follows:

Store-based retailing

- Grocery retailers
- Modern grocery retailers
- Hypermarkets
- Supermarkets
- Discounters
- Convenience stores
- Forecourt retailers

  - Chained forecourt retailers
  - Independent forecourt retailers
- Traditional grocery retailers
- Independent small grocers
- Food/drink/tobacco specialists
- Other grocery retailers
- Non-grocery retailers
- Mixed retailers
  - Department stores
  - Variety stores
  - Mass merchandisers
  - Warehouse clubs
- Health and beauty specialist retailers
  - Chemists/pharmacies
  - Parapharmacies/drugstores
  - Beauty specialist retailers
  - Other healthcare specialist retailers
- Apparel specialist retailers
- Home and garden specialist retailers
  - Furniture and furnishings stores
  - DIY, home improvement and garden centres
- Electronics and appliance specialist retailers
- Leisure and personal goods specialist retailers
  - Media product stores
  - Stationers/office supply stores
  - Traditional toys and games stores
  - Sports goods stores
  - Pet shops and superstores
  - Jewellers
  - Other leisure and personal goods specialist retailers
- Other non-grocery retailers

Non-store retailing

- Vending
- Homeshopping
- Internet retailing
- Direct selling

Explanations of words and/or terminology used in this report are as follows:

- Grande Distribuzione Organizzata (GDO) is an umbrella term covering all types of large format retailer belonging to the modern retailing channel.

Other terminology:

- GBO refers to global brand owner, which is the ultimate owner of a brand.
- NBO refers to national brand owner, which is the company licensed to distr bute a brand on behalf of a GBO. The NBO may be a subsidiary of a GBO or it may be a completely separate company. Share tables at both GBO and at NBO level are provided in the report. Reference to shares in the report analysis is at NBO level.

Sources used during research include the following:

Summary 1 Research Sources

Official Sources	AEI
	Camera di Commercio
	Fededistribuzione
	Istituto Nazionale di Statistica (ISTAT)
	Ministero Attivita' Produttive
	Ministero Sviluppo Economico
Trade Associations	Adoc
	AIRES
	Aitech Assinfo
	ANCD - Associazione Nazionale Cooperative Dettaglianti
	Anifa
	ANVED
	Associazione Editori Italiani
	Associazione Italiana Distribuzione Automatica (Confida)
	Associazione Vendile Dirette (AVEDISCO)
	Assofranchising
	Confcommercio
	Confida
	Cosmofarma
	Direzione Nazionale Confesercenti
	FarmaIndustria
	FEDERAZIONE ITALiANA ORAFI E GIOIELLIERI
	Federazione Italiana Tabaccai
	FEDERAZIONE NAZIONALE CARTOLAI
	Federazione Ottici Italiana
	Federcartolai
	Federdistribuzione
	Federorafi
	IFPI
	Isae
	Politecnico di Milano
	Unione Nazionale delle Industrie di Profumeria, Cosmesi, Saponi da Toeletta e Affini (Unipro)
	UNIPRO
Trade Press	24 ore nordest

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Beveriood
Food
GOO Week
II Sole 24 Ore
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Imprese&Oistribuzione 2010
ltalia Oggi
Italian American Business Magazine online
K kiLab
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