

## ANNEX TO THE WUWM COMMUNICATION ON RETAIL MARKETS

### (S P A I N)

Analyzing the market share in the distribution of **food and beverages (both perishable and non perishable)** by commercial formats, we observe that municipal retail markets and independent shops reach almost 28% of total, supermarkets market share of 45.6%, and hypermarkets account for about 16.9%. It is worth to mention the information relating to street markets, which reach a market share of around 9% of fruits and vegetables. The trend in the recent years shows an increasing role of the street food markets.

According to information provided by the Ministry of Environment, and Rural and Marine Environs, the following graphics show that the markets share of retail markets and traditional shops reach a relevant 44.9% of **perishable food**, in comparison with a 43.3% of supermarkets and hypermarkets aggregated. However, it also true that the supermarkets have a more relevant share when talking about dry or non-perishable food.

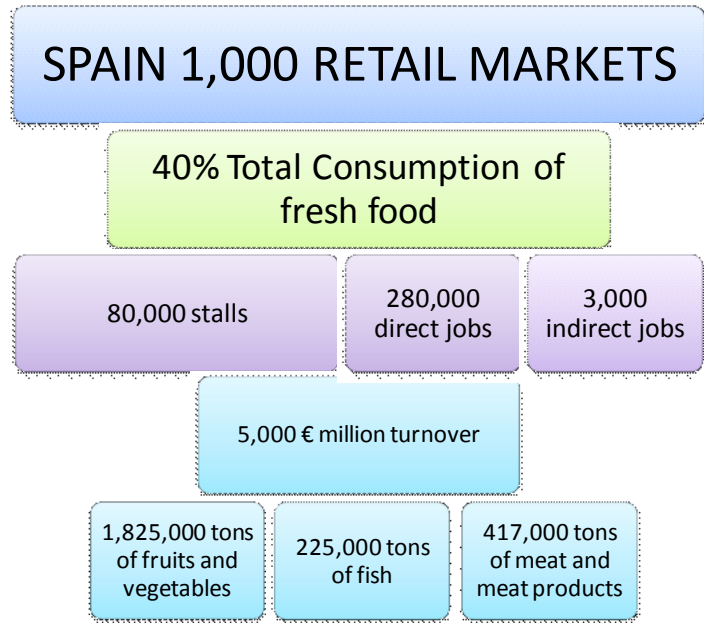
Currently in Spain operate over 1,000 municipal food retail markets with wide range of commercial offer, and a market share reaching **40% of total consumption of fresh food**. In this sense, data from the Ministry of the Environment and Rural and Marine Environs, show that the following breakdown: **40.1%** in the commercialization of **meat, fresh fish 38.7%**, and **44.6% for fresh fruit and vegetables**. Regarding the so-called dry food, supermarket is the format preferred by Spanish consumers. This show the clear different behavior of the final consumers, depending if they buy perishable or non-perishable food.

These thousand markets, consisting of about 80,000 stalls, produce around 280,000 direct jobs, plus about 3,000 indirect. The marketing value of products is estimated about 5,000 million Euros per year.

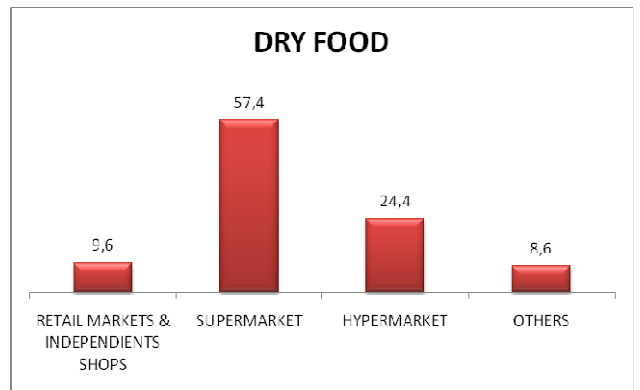
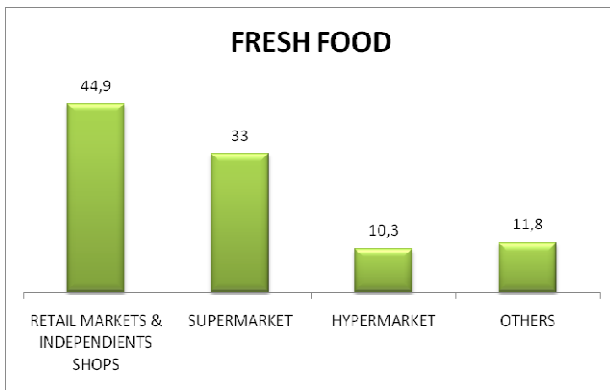
The format of municipal food retail markets is considered of great importance, hence the existence of programs for refurbishment of retail markets (both at national and local governments), as markets not only help to improve the commerce offer in the neighborhoods, but are also an instrument of urban regeneration. At the same time, retail markets mean a significant support to family businesses. In this sense and in the case of Spain, there has been an important amount of investment in the refurbishment of many of its emblematic markets. Examples of such actions can be the Optimization Plan of the 48 markets in the city of Madrid, and others for Tarragona Central Market, Central Market in Valencia, Olivar Market in Palma de Mallorca, the Market of Reales Atazaranas in Malaga, as well as the six markets in the city of Vigo, and an ambitious investment plan in Barcelona for its around 45 retail markets.

The municipal market was born originally to serve as pantry for nourish consumers, characterized by the values traditionally associated with these, which are the professionalism, proximity, quality, price, experience and culinary information.

Wholesale markets contribute to the good health of retail commerce, which find in them an easy access to their regular supply. Besides, the large commercial formats (super and hypermarkets) find in these wholesale markets many operators that are able to attend and guarantee its supply needs as well as areas for possible locations of their logistics and distribution platforms.



SOURCE: Prepared by Mercasa with publication "Distribution and Consumption" 2008 data.



SOURCE: Ministry of the Environment and Rural and Marine Environs.

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