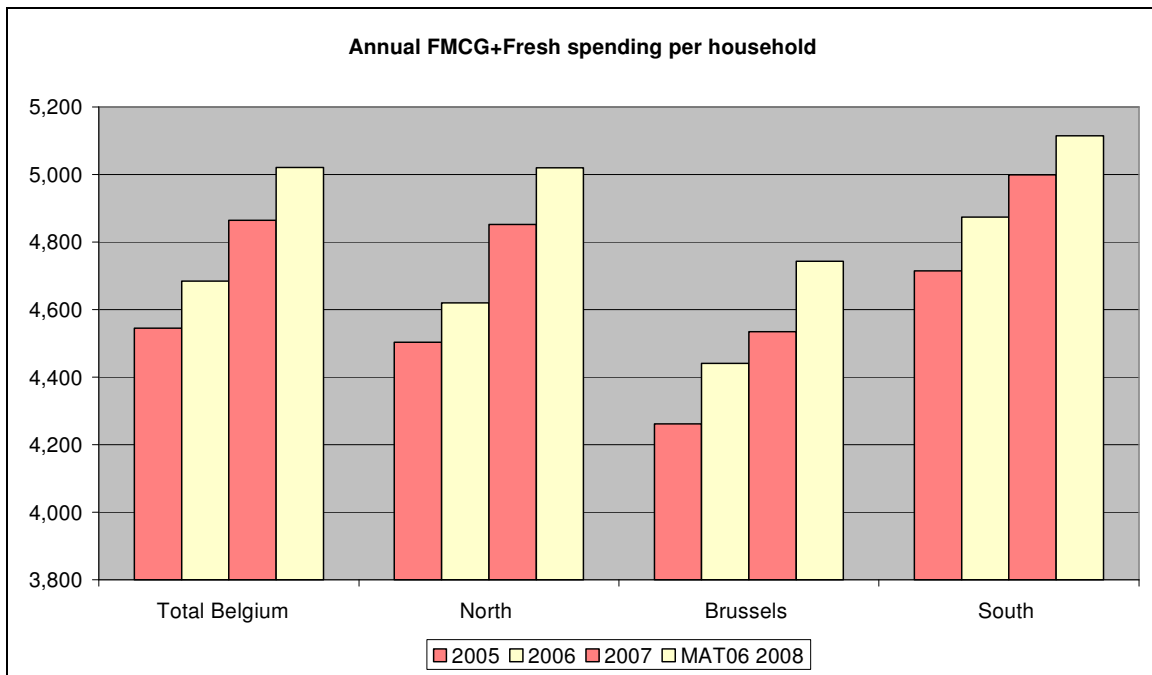
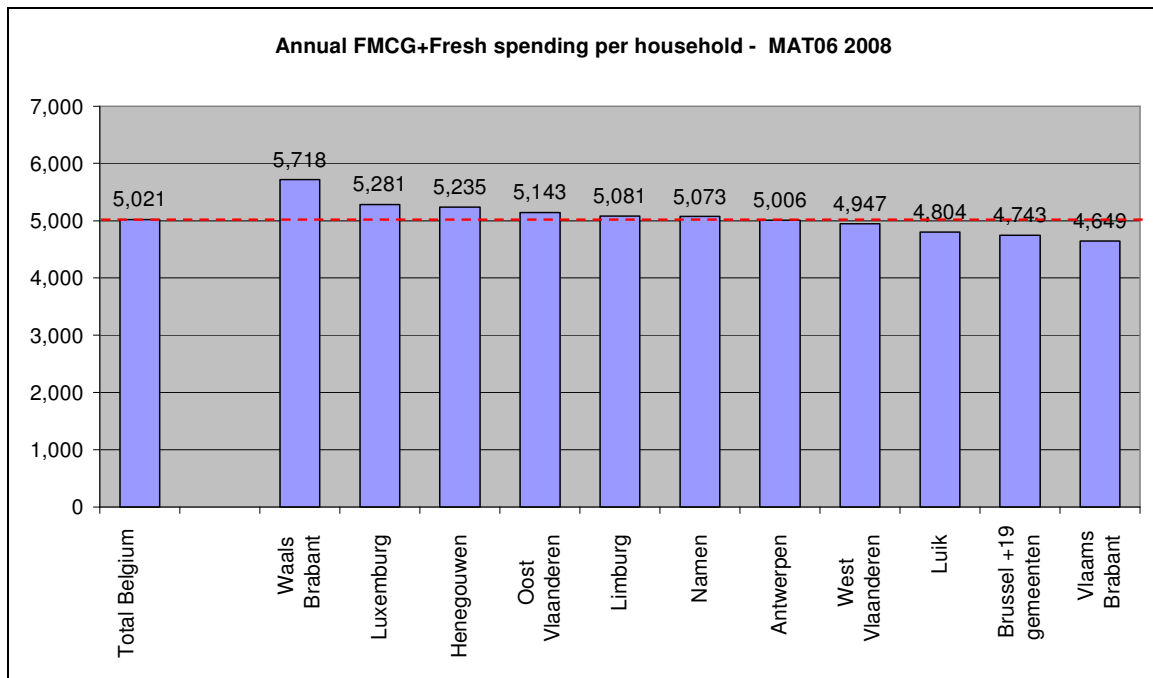


Consumption in Belgium: a focus on regional differences

Over the last year, an average Belgian family spent 5.3% more at FMCG and fresh products than the year before. When taking into account the inflation rate of 5.8% we must conclude that the increased spending does not result in an increase of purchase power. On the contrary, the net spending declines by 0.5%.

In fact there is a different trend between Flanders, Brussels and Wallonia. While in Flanders the increase in spending is in line with the inflation (zero netto effect), the growth in the South of the country (3.8%) is far below inflation. So although families in the South spend more than their Flemish counterparts, their increased spending cannot keep up with inflation

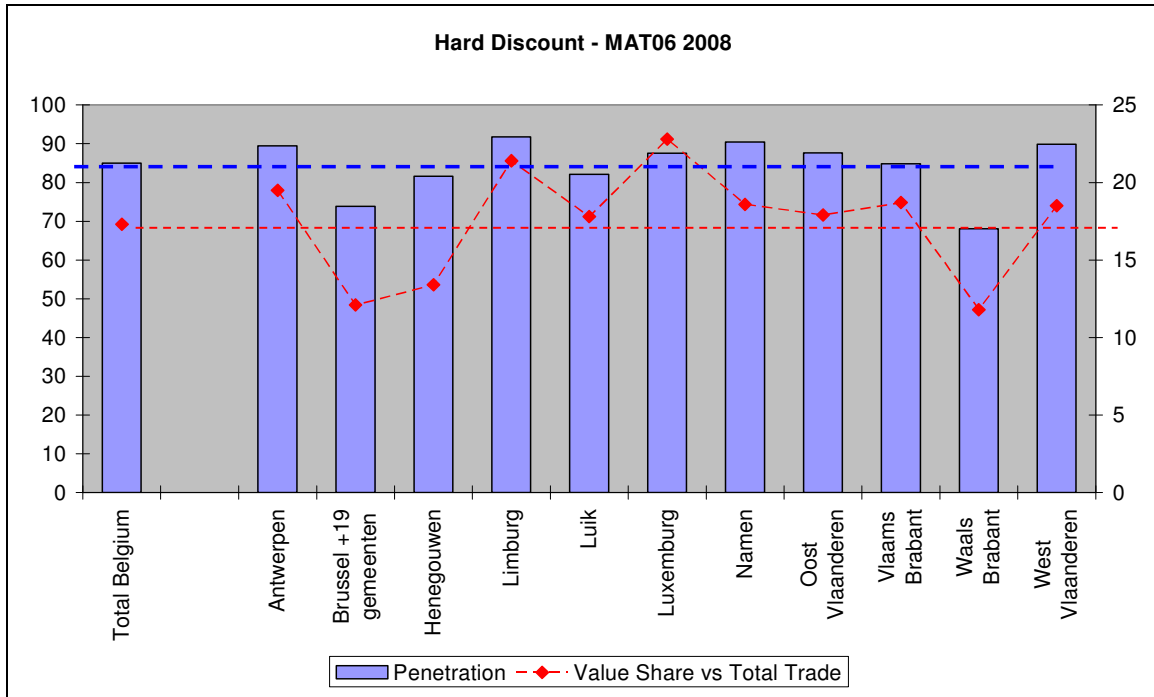




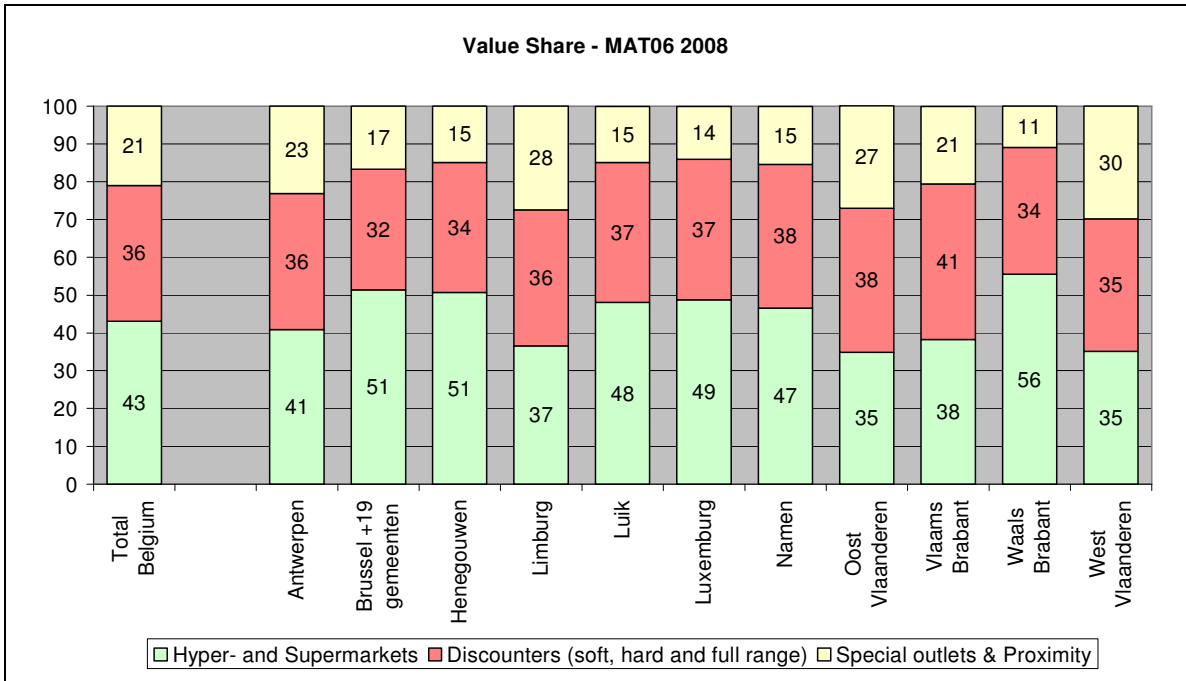
Even within each region consumption changes from province to province. Waals Brabant is clearly the province where the biggest FMCG spenders live. There the inhabitants spend 700€ per year more at FMCG than the average Belgian family. In Vlaams Brabant the people spend the least: 4.649€ per year. This can partly be explained by the demographical composition in this province and the importance of the discounters there.

Store preferences

Not all retailers have the same coverage in each region, so it is normal that the market share of retailers varies across the different provinces. A clear example is the hard discount, the market share of Aldi and Lidl varies from 22.8% in Luxemburg to 11.8% in Waals Brabant. Overall Aldi reaches more shoppers in the North than in the South of Belgium.

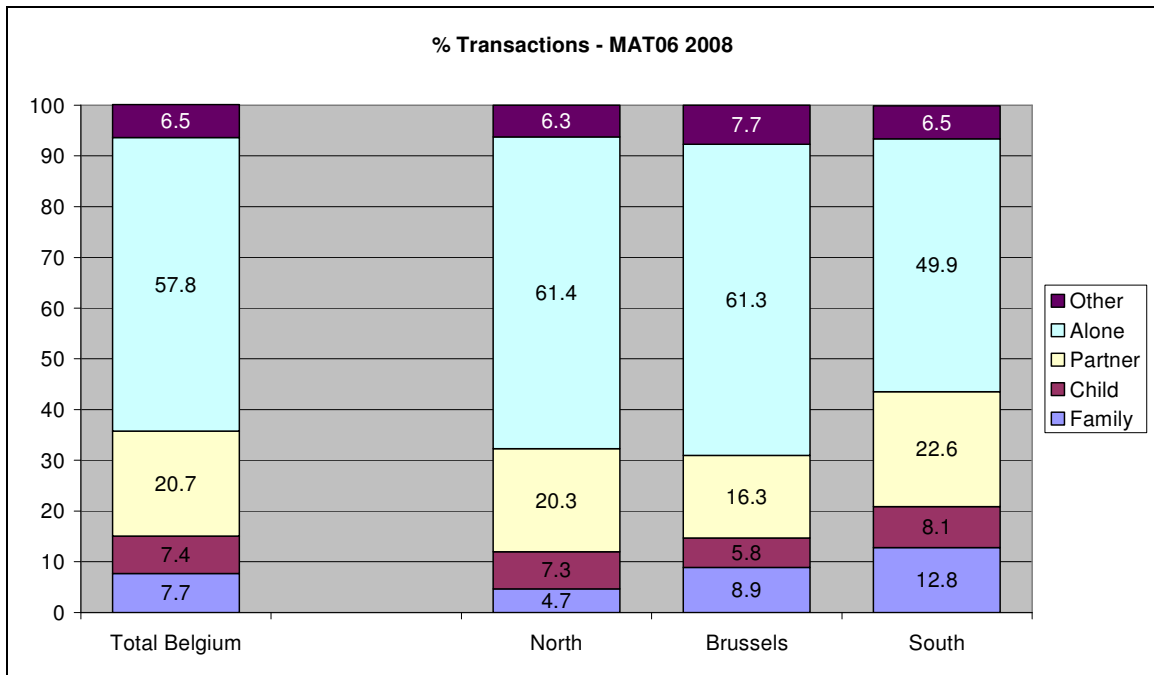


Hypermarkets are clearly most popular in Brussels, Waals Brabant and Henegouwen. In West-Vlaanderen their market share is almost a fourth of the market share in Brussels. In West-Vlaanderen special outlets, such as the baker and butcher, are most popular, as they are in most of the other Flemish provinces. Also the proximity stores score better in the North.



Shopping preference

Even the act of doing groceries is not everywhere the same. The more one goes to the South, the more shopping for FMCG becomes a family activity. In the South one goes shopping with the partner and/or children, while in Flanders shopping is more an individual activity. This implies that in store communication towards children will be more effective in the South than in the North.



The most impulsive shoppers live in the South: there, for 25.5% of the transaction no shopping list is made. When making a list, consumers in the South rely more on a paper list while in the North more mental lists are made.

