

Shopping abroad for diapers and drinks



For a Belgian household, the longest distance possible to a neighboring country is about 100 kilometers. Thanks to the density of our motorways, everyone can reach a retailer abroad in less than an hour. A threat for Belgian retailers and manufacturers, so it seems, as shopping abroad is becoming a growing trend in the market.

In 2009, 28.7% of the Belgian households went shopping for groceries abroad at least once. This number has increased with 8% since last year and with 11% compared to two years ago. Apparently, more households are shopping abroad. Does this occur only on the trip back home from the yearly holiday? Perhaps, but certainly not just then. The average Belgian household shops 8 times a year abroad, but it's just plain logic that a household living in the centre of the country wouldn't go shopping abroad this often.

It's beyond dispute that 'the' shopper does not exist. And this is also the case for the households that shop abroad. We can subdivide these shoppers into three segments, based on how intensively they shop abroad, according to their shopping frequency.

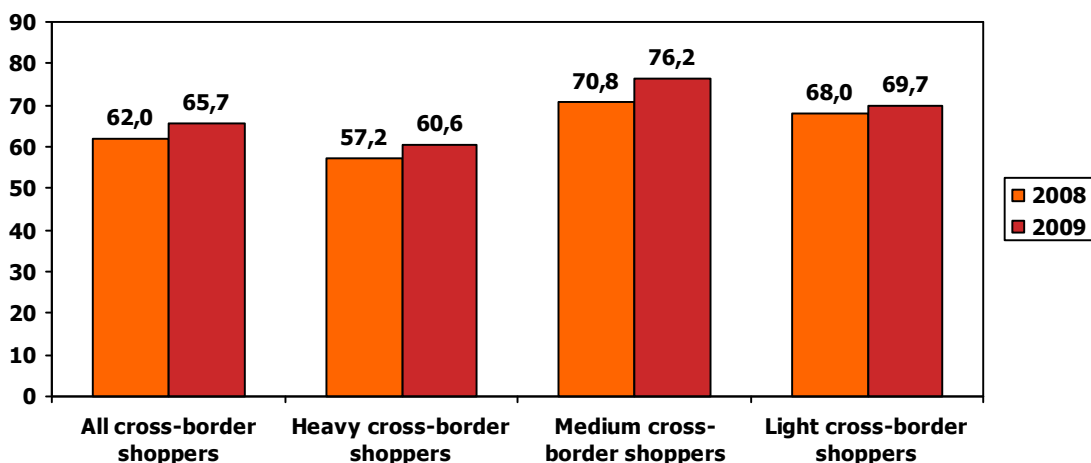
The 'heavy' cross-border shoppers represent the top 20% of these shoppers. They visit on average 24 times a year a supermarket abroad. Logically, they live very close to the border. Most of them are families with children. Meat, vegetables, cheese and soft drinks are the categories that are most often bought cross-border. Shopping abroad is natural for them.

30% of the cross-border ('medium') shoppers go 7 times a year abroad to do groceries. They live less close to the border, and go shopping abroad in a more goal-oriented way. Their shopping baskets are usually bigger, an indication of stock-up baskets. The categories they search for in foreign supermarkets are diapers, baby meals, mineral water and soft drinks.

The remaining 50% 'light' shoppers visit a foreign supermarket twice a year on average. These are households that live further away from the border and probably visit a foreign supermarket after a holiday or a trip abroad. Baby meals, diapers, wine and cleaning products are the most popular categories that are bought abroad by this shopper segment.

Different shopper segments ask for a different kind of communication. It is clear that families that go shopping abroad for their weekly groceries should be approached in a different way than families that search for the cheapest products and therefore go to foreign retailers for certain categories.

Basket value (in euro) when shopping abroad



Of the total value that is spent by Belgian households on FMCG products abroad, about 40% is bought in France, mainly at Auchan. About 37% is bought in the Netherlands. Retailers in the neighboring countries welcome Belgian consumers with open arms. Of course: once they are there, households don't buy just the one category they came for, but often an entire shopping trolley. Dutch and French retailers even tend to adapt their assortment in the shops near the border in order to meet the needs of the Belgian consumer.



Advertisement on a parking of a retailer in the Netherlands near the Belgian border: "Also today we are a lot cheaper than our Dutch and Belgian colleagues."

The main reason for going to France or the Netherlands is of course the price difference. Belgian households become more aware of this. Every year more households shop abroad and households that do, go more often. The importance of cross-border shopping was 3.4% of the total FMCG spending in 2009, a growth of over 10%. It seems to be important for retailers and manufacturers to see this trend of shopping abroad as a factor that can not be underestimated. Certainly because this 3.4% is for total FMCG + fresh, for certain categories and even individual brands it can rise above 10%. Probably you know where your category and brand is situated.