NEW ZEALAND

PRIVATE LABEL OPPORTUNITIES IN DUTCH GROCERY RETAIL

Understanding opportunities for New Zealand food exporters.

ERIN MADDREN, EMEA MARKET RESEARCH | JUNE 2025

Contents

Key takeaways

Western Europe leads the charge for private label

Western Europe's consumer goods sales are almost 40% private label, a large difference to the likes of the Asia Pacific region where it only makes up 7%. In the Netherlands, 47% of grocery sales are private label and this is set to continue growing.

Opportunities in core dairy categories & more niche categories

Core dairy categories like cream, milk, and cheese combine high private label share with strong category growth, making them solid scale opportunities. Meanwhile, segments like ice cream and yoghurt, though smaller, are showing standout growth in both private label and total value.

Meat provides the largest opportunities and highest competition

Private label processed meat stands out—large in value, steadily growing, and making up 80% of the total category. While fresh meat data isn't shown, this dominance suggests meat plays a central role in Dutch private label purchasing. But it's also a highly competitive space where differentiation is critical.

Dutch grocery retail is highly consolidated yet competitive

The Dutch grocery market is shaped by a mix of supermarkets and discounters, with private label strategies driven by both scale (Albert Heijn, Jumbo) and price leadership (Lidl, Aldi). This creates a highly consolidated but competitive environment, where buying groups like Superunie play a pivotal role in levelling the playing field for independents.

Private label buyer priorities extend beyond price and quality

Beyond cost and quality, buyers focus on three key areas: reliability, with consistent supply and strong service levels; sustainability, including low-carbon logistics and recyclable packaging; and innovation, with products that align with trends and strengthen brand identity.

Three key routes to market as a private label supplier

Going direct to in-house buying teams offers strategic partnerships but is slow and competitive. Buying groups provide broader access with varied requirements. Distributors offer speed and local reach, though with higher costs and less brand control.

SECTION 1

THE PRIVATE LABEL OPPORTUNITY IN EUROPE

The growth of private label FMCG products is influenced by several macro trends globally.

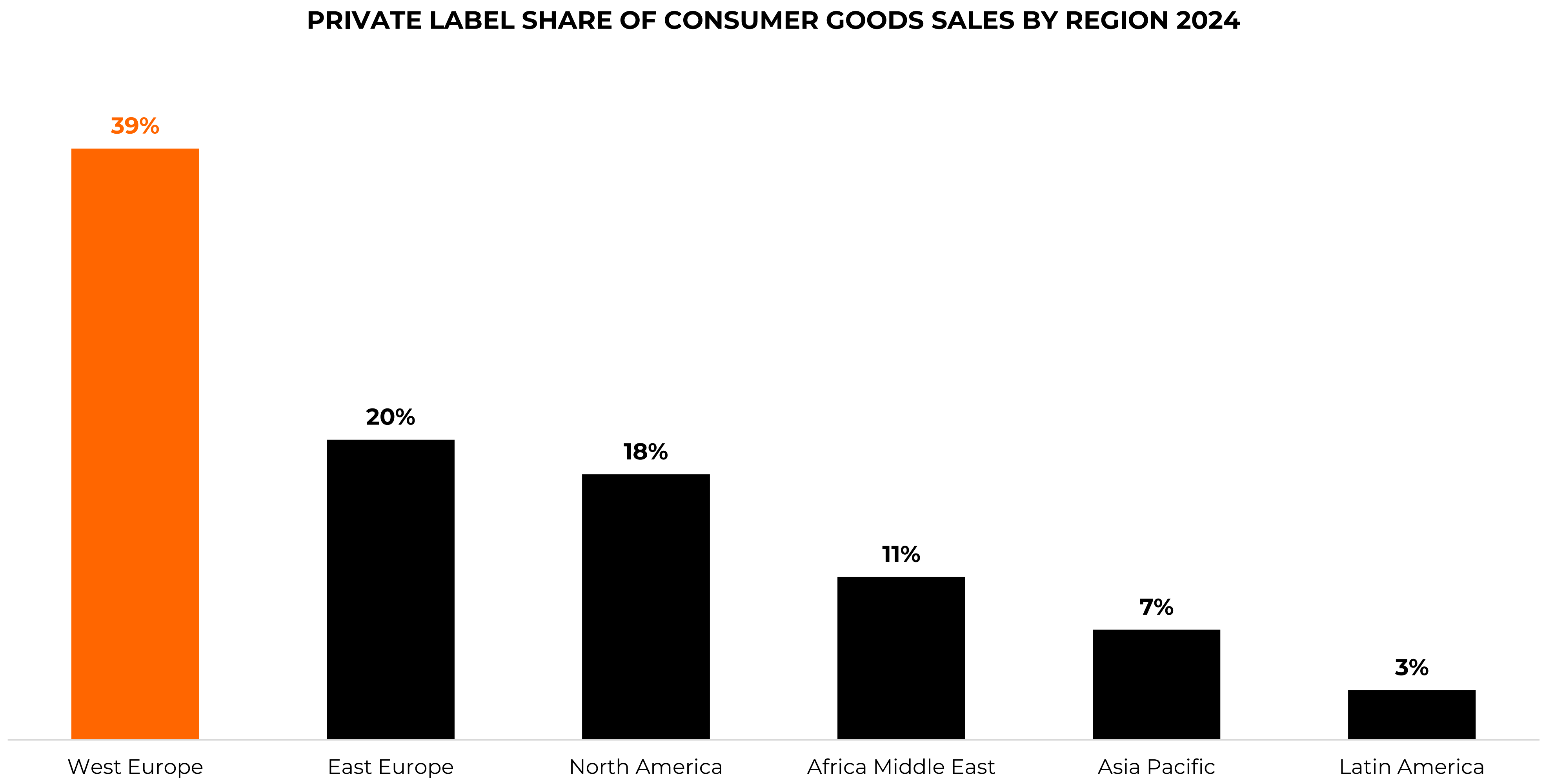
Rising inflation and economic uncertainties have led consumers to seek cost-effective alternatives, boosting the popularity of private label products.

As well as this, there is a growing acceptance and preference for private label FMCG products, especially among younger generations. These consumers are more open to trying store brands and often find them comparable to national brands in terms of quality.

Private label products have significantly improved in quality and innovation. Retailers are investing in product development to ensure their private labels can compete with national brands.

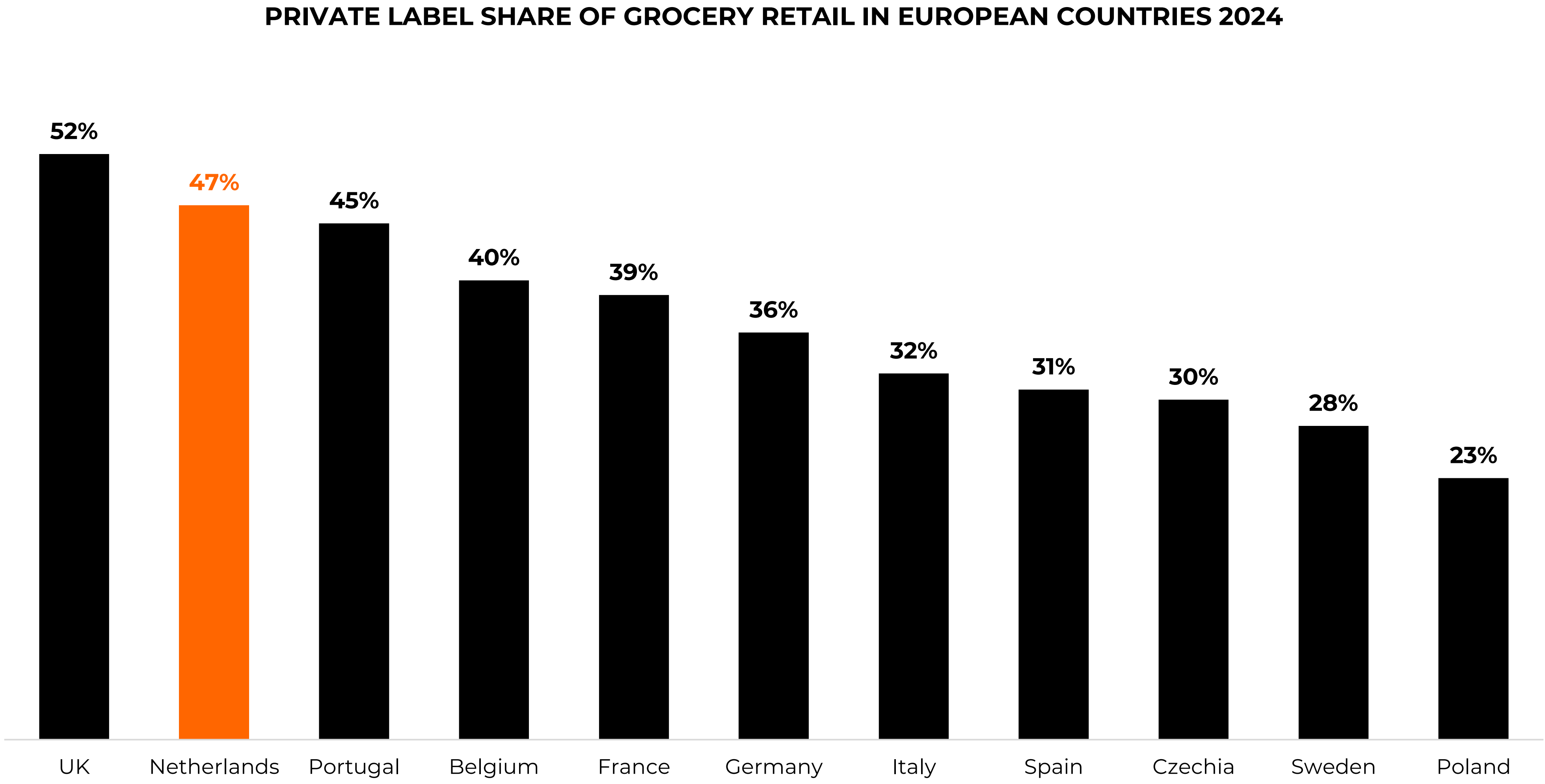
Many retailers are also offering private label brands that compete at a more premium, high-quality end than they have traditionally.

Western Europe leads the charge in terms of private label as a share of total consumer goods sales.



Source: NielsenIQ, 2024.

Almost half of all grocery retail sales in the Netherlands can be attributed to private label products.



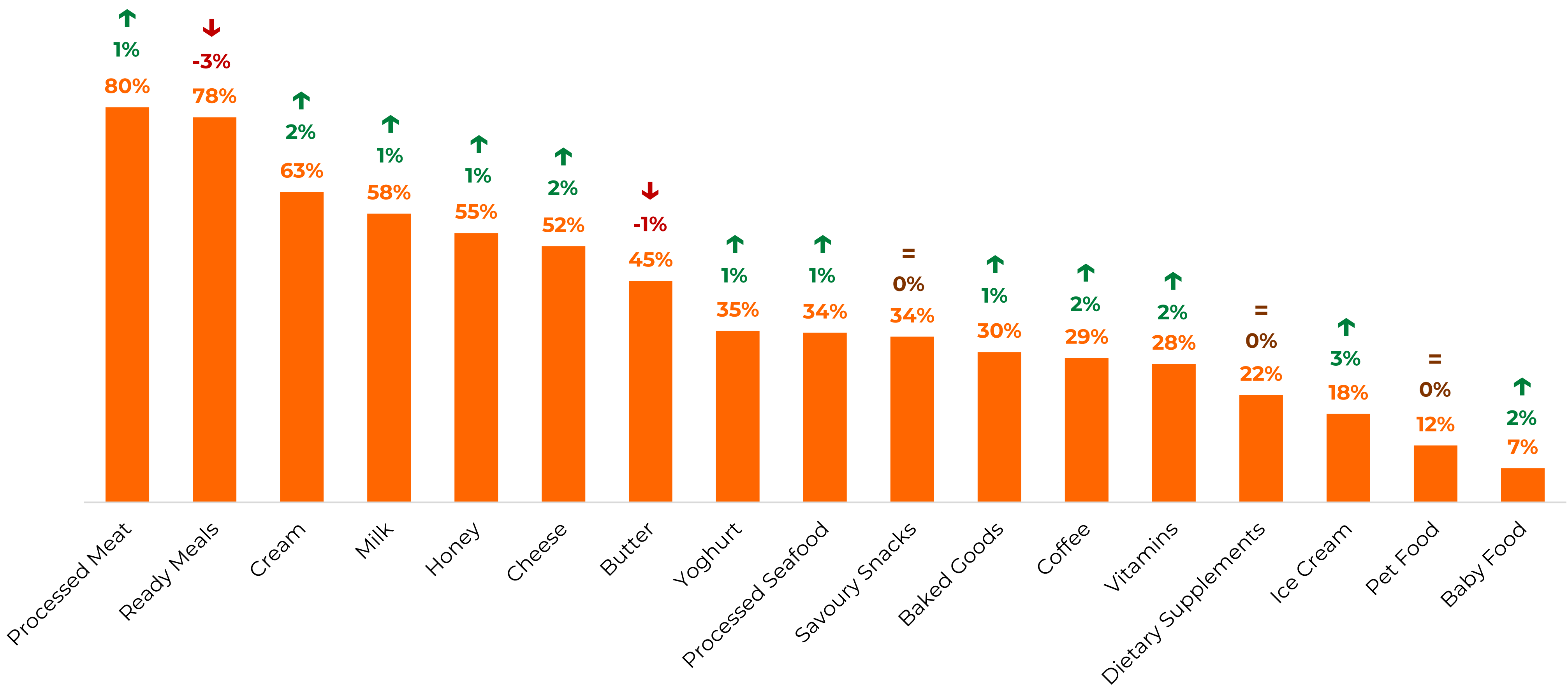
Source: McKinsey, 2024.

SECTION 2

COUNTRY DEEP DIVE: THE NETHERLANDS

Private label share in the Netherlands remains strong in core food categories like processed meat and dairy.

PRIVATE LABEL SHARE OF TOTAL CATEGORY VALUE IN THE NETHERLANDS 2024
*+ **growth** or **decline** since 2019*

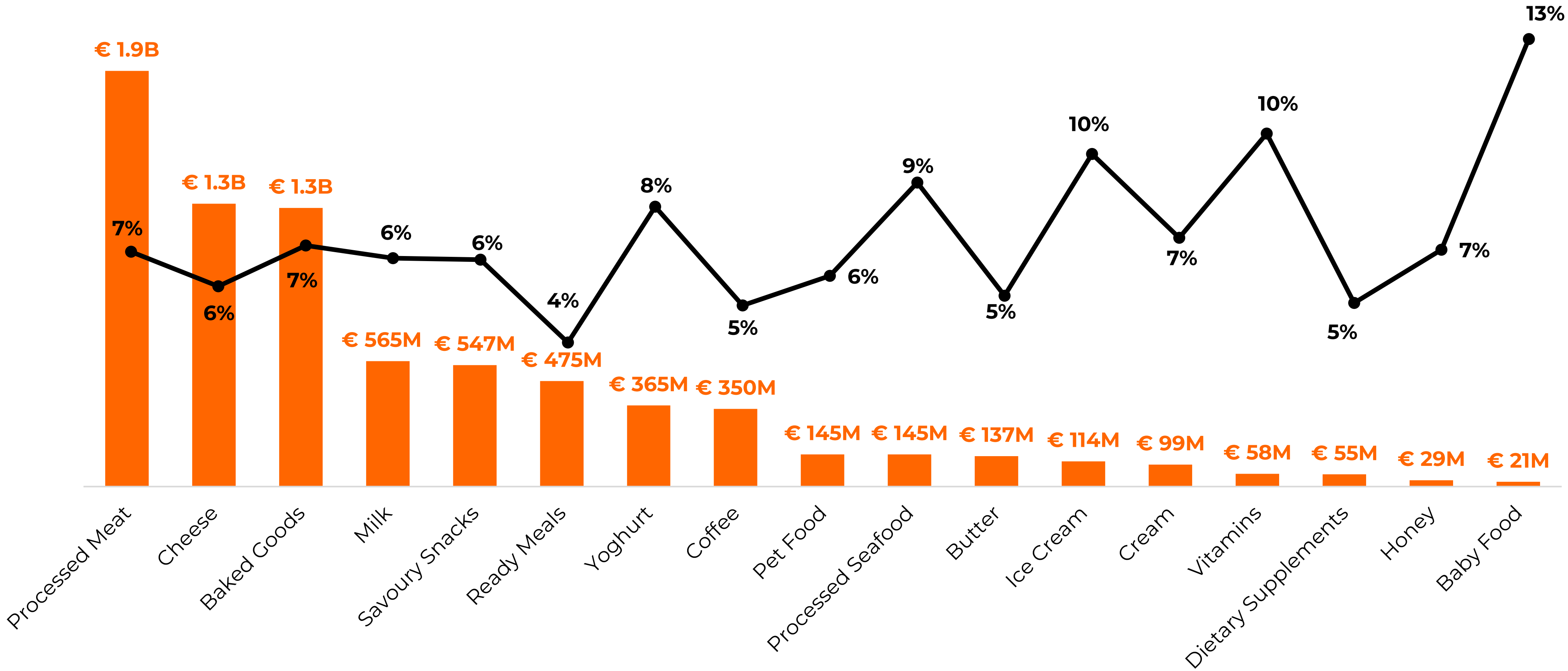


Source: Euromonitor International, 2024.

While private label value is highest in staple categories, the strongest growth is coming from smaller segments like baby food, ice cream, and vitamins.

PRIVATE LABEL TOTAL VALUE AND GROWTH BY CATEGORY IN THE NETHERLANDS 2024

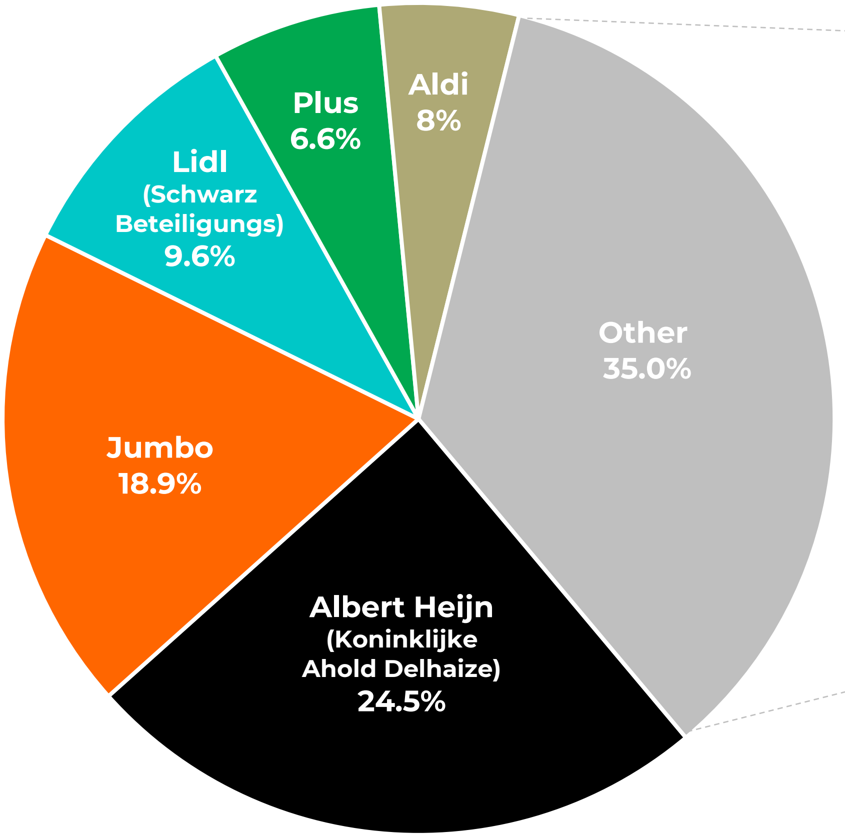
Value in EURO and 2019-24 CAGR in %



Source: Euromonitor International, 2024.

Albert Heijn and Jumbo dominate grocery retail, making them important targets for private label suppliers aiming to build scale.

GROCERY RETAIL BRAND SHARE IN THE NETHERLANDS 2024
% of sales



AH XL (Koninklijke Ahold Delhaize)	**3.7%**
Vomar (Vomar Voordeelmarkt)	**1.8%**
Hoogvliet (Hoogvliet Beheer)	**1.7%**
Primera (Coöperatieve Primera)	**1.6%**
Dirk (Detailresult Groep)	**1.5%**
Dekamarkt (Detailresult Groep)	**1.2%**
Other	23.5%

Source: Euromonitor International, 2024.

Each retailer has their own operating model, from franchise-led expansion to discount-driven scale, highlighting the need for tailored private label strategies across different players in the Dutch market.

TOP GROCERY RETAILER HOLDING COMPANY PROFILES THE NETHERLANDS

Ahold Delhaize

Ahold Delhaize is a food retail group that operates cash & carry, supermarkets, convenience stores, alcohol stores and more.

Their key brand Albert Heijin is the largest supermarket in the Netherlands, with over 1,200 stores across the country, as well as several stores in Belgium.

Brands: Albert Heijn, AH XL, Gall & Gall, AH to Go

Jumbo Supermarkten

Jumbo Supermarkten, under the brand name Jumbo, is the second largest supermarket chain in the Netherlands.

Operating a franchising model, they operate over 700 stores across the country. They have also been active in Belgium since 2019 and as of 2024 had nearly 40 stores.

Brands: Jumbo

Schwarz Group

Schwarz Group is a German retail group that owns and operates food stores, supermarkets, hypermarkets, and discounters.

Schwarz Group operates in the Netherlands under the Lidl brand as a hard discounter. They have over 400 stores across the country.

Brands: Lidl

PLUS Retail

PLUS Retail is a grocery retail chain, which operates under the brand names Plus and Coop.

Plus has over 500 stores across the country, which are owned and operated by independent entrepreneurs. The chain is also a member of Superunie.

Brands: Plus, Coop

Aldi Group

Aldi Group, a German grocery retail chain, operates discount retailers in the Netherlands.

As of 2023, Aldi had 485 stores in the Netherlands, thus being the largest discounter by number of stores. Despite this, Aldi's market share is slightly lower than its discounter competitor, Lidl.

Brands: Aldi

In addition to the large supermarket chains, Superunie is a buying group in the Netherlands that represents a collective of independent retailers and regional supermarket chains. It negotiates purchasing terms and conditions on behalf of its members, enabling them to compete with larger national and international chains by leveraging collective buying power.

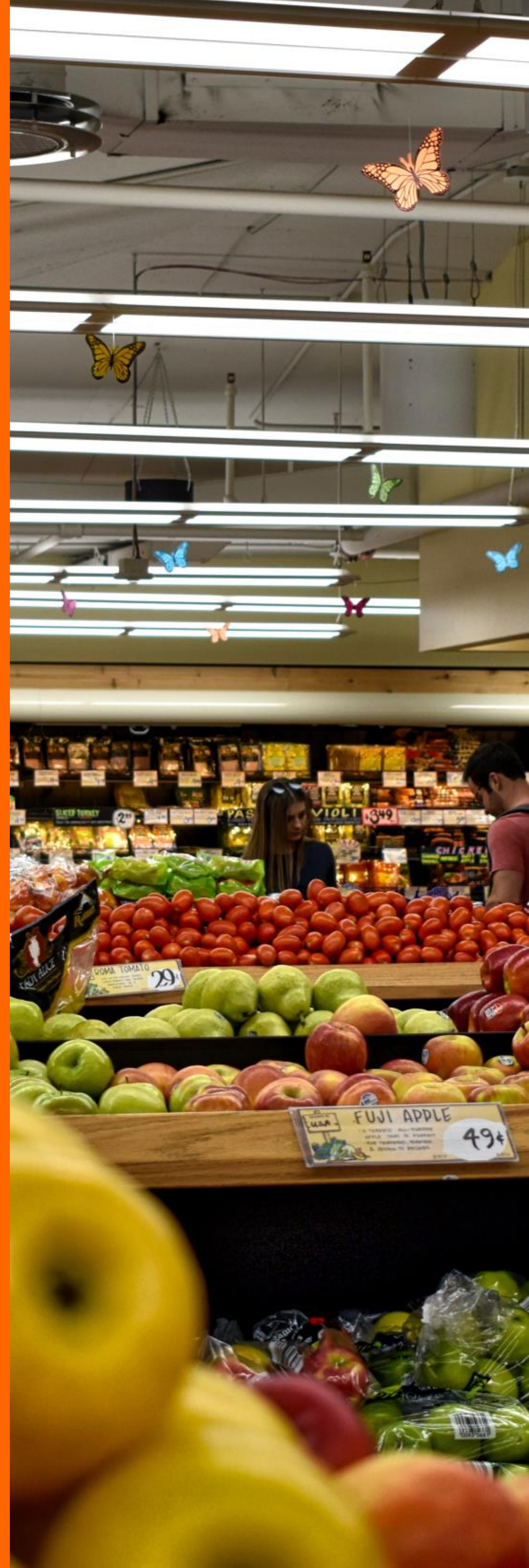
Source: IbisWorld, 2024; NZTE desk research, 2025.

Grocery retail expert: Pim Bijtel

Pim Bijtel is an accomplished international retail executive with 20+ years of experience across food retail and foodservice in Europe and Africa. He has held senior leadership roles at the largest supermarket chains in the Netherlands, Ahold Delhaize/Albert Heijn and Jumbo Supermarkten, as well as other major organisations in the food & beverage landscape such as Sysco Foodservice International out of London, UK and Pick n Pay out of Cape Town, South Africa.

Pim recently finished up his role as Operations Director at Hoogvliet Supermarkets in the Netherlands, where he is a board member responsible for operational performance across 78 grocery stores.

He has a strong track record in category management, private label development, supplier restructuring, and commercial strategy. Pim is known for his analytical mindset, energetic leadership, and cross-cultural management experience.



Aside from price and quality, the major priorities of private label buyers are:

1) **Reliability and availability.** Consistent supply and high service levels are critical, especially given recent disruptions like shipping delays.

2) **Sustainability.** Buyers increasingly prioritize low-carbon logistics, recyclable packaging, and ethical sourcing.

3) **Innovation and differentiation.** Retailers want products that stand out, align with consumer trends, and enhance their private label brand identity.

Source: Expert Interview with Pim Bijtel via NZTE Beachhead Network, 2025.

Private label is rapidly gaining ground in Dutch grocery retail and is quickly developing high quality and innovative offerings.

KEY INSIGHTS FROM PIM BIJTEL

Private label share at a high and still growing

Private label is at an all-time high, with Dutch retailers aiming for even greater penetration. In fact, Ahold Delhaize (Albert Heijn) has a target of 45% of food sales coming from private label by 2028.

Quality of private label products has dramatically improved

Historically seen as low-cost and lower quality, private label now competes on both price and quality, often 30–50% cheaper than A-brands, sometimes even more.

Fresh foods, dairy and frozen foods are big private label categories

Fresh (i.e. produce and meat), dairy, and frozen categories are leading in private label share, with some categories reaching 60–90% private label penetration. On the other hand, baby products and alcohol remain strongholds for A-brands, with private label struggling to gain ground.

The grocery space is consolidated, making retailer relationships key

A few major players, Albert Heijn, Jumbo, and the Superunie buying group, dominate the landscape. In this environment, strategic partnerships are crucial. Albert Heijn, for instance, has cultivated long-standing relationships with its suppliers, especially in the private label segment, often spanning decades.

Pricing considerations need to include front and back margins

When negotiating price with retailers, exporters need to take into account the front margins (the difference between the buying and selling price) and back margins, which include promotional discounts, volume incentives, and marketing contributions. Retailers will often negotiate additional back-end conditions that impact overall profitability.

Reliance on one retailer is a risk, diversification is important

While securing a listing with one of the large players is a major win, over-reliance on a single retailer exposes suppliers to risk if there are sudden shifts in strategy or delistings. Suppliers should diversify across multiple retailers, build strong buyer relationships, and maintain flexibility.

Source: Expert Interview with Pim Bijtel via NZTE Beachhead Network, 2025.

Lead times for private label products in the Netherlands can often be a year, making early engagement and long-term planning essential.

KEY INSIGHTS FROM PIM BIJTEL

Private label buyers are focused on innovation and unique products

Private label has evolved from mimicking A-brands to becoming a key source of innovation. Retailers now seek unique, trend-aligned products—like plant-based or sustainable options—while A-brands often lack the agility to innovate due to production constraints.

Younger consumers are buying more private label

Gen Z and Millennials are less brand-loyal, more value-driven, and increasingly prioritise factors like origin, sustainability, and health when making purchasing decisions. For these younger consumers, brand prestige matters less than product values, making private label a natural fit for their expectations

Retailers are shifting away from air freight to boat imports

Dutch retailers like Albert Heijn and Jumbo have made a firm commitment to sustainability by eliminating air freight from their supply chains for some categories (i.e. produce); only allowing imports by boat. This shift reflects growing pressure to reduce carbon footprint.

Lead times for private label suppliers are often around a year

Lead times for private label products in the Netherlands average around 52 weeks from initial listing to hitting the shelves, reflecting the structured and cautious approach retailers take to onboarding new products.

Products must be fit for the local market preferences

Understanding local taste preferences and cultural nuances is essential for success in the Dutch grocery market. Products must be tailored to Dutch consumers' expectations—whether that's in flavour profile, portion size, or dietary trends like low sugar or plant-based.

Food safety certifications are a critical first step

Food safety certifications are mandatory for entering private label supply chains in the Netherlands. These certifications ensure food safety, quality, and traceability—without them, retailers won't even consider listing a product. Obtaining these certifications is a critical first step to accessing the market.

Source: Expert Interview with Pim Bijtel via NZTE Beachhead Network, 2025.

KEY INSIGHTS FROM PIM BIJTEL: ROUTES TO MARKET AS A PRIVATE LABEL SUPPLIER

1) **Direct through in-house buying teams.** Large retailers like Albert Heijn have their own dedicated private label buying teams. These teams manage product development, supplier relationships, and innovation pipelines. Building a direct relationship with these buyers can lead to long-term strategic partnerships, but the process is often slow and highly competitive
2) **Through centralised buying groups.** Buying groups like Superunie (representing 11 local retailers) and Everest (which includes Jumbo and Germany's Edeka) offer access to multiple retailers through a single point of contact. This route is ideal for scaling across the Dutch market, but each group has its own procurement processes and category-specific requirements.
3) **Via distributors.** Distributors such as Brand M already have established relationships with key retailers and can help suppliers get listed more quickly. This route is particularly useful for international suppliers or those without local networks. However, it often involves higher margin investments and less control over brand positioning. Distributors are often especially interested in innovative or premium products from abroad.

Source: Expert Interview with Pim Bijtel via NZTE Beachhead Network, 2025.