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**Report Name:** Food Service - Hotel Restaurant Institutional

**Country:** Netherlands

**Post:** The Hague

**Report Category:** Food Service - Hotel Restaurant Institutional

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**Report Highlights:**

Hotel, restaurant, and institutional (HRI) foodservice industry sales in the Netherlands in 2020 were valued at nearly \$9.9 billion, down by more than one-third when compared to 2019, because of the closure of many outlets for a prolonged period due to the coronavirus pandemic. Some of the HRI industry's lost sales went to home delivery and takeaway, which grew rapidly. Limited-service restaurants (i.e., fast food outlets) suffered less than full-service restaurants in 2020, partly due to their existing home delivery and takeaway infrastructure. Meanwhile, bars and cafés were hit the hardest -- even when they were allowed to open -- as curfews often meant they were not able to operate during their busiest times. With continued mitigation of the coronavirus, Dutch foodservice sales are forecast to pick up in 2021 and continue their recovery next year.

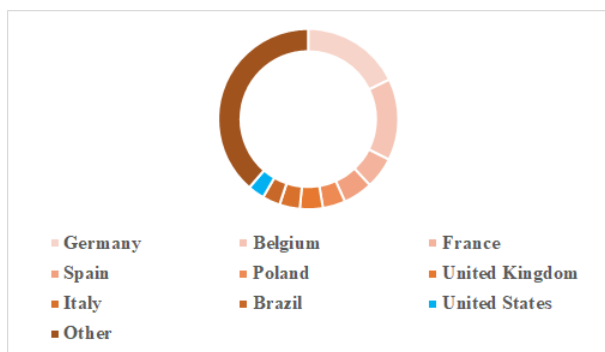
**Market Fact Sheet: The Netherlands**

Executive Summary:

Although a small country, the Netherlands is the gateway for U.S. products into the European Union (EU). It is the largest importing country within the EU and continues to be the second largest exporter of agricultural products in the world, after the United States. Dutch exports include products produced in the Netherlands as well as imported products.

Imports of Consumer-Oriented Products:

Products from other EU Member States lead Dutch imports of consumer-oriented products. In 2020, the United States was the tenth largest (\$1.4 billion) supplier of these products to the Netherlands.



Source: Trade Data Monitor

Food Processing Industry:

Over 6,930 food companies in the Netherlands generated net sales of \$94 billion in 2020. However, the industry was adversely affected by the outbreak of the coronavirus (COVID-19) and social distancing measures instituted by the Dutch Government.

Food Retail Industry:

The Dutch retail sector profited from the closure of many HRI-Foodservice outlets during the pandemic. The industry’s turnover for 2020 is forecasted at \$50 billion, up nine percent from 2019. High-end supermarkets continue to gain in popularity as consumers demand service, variety, and fresh and convenient products.

Foodservice – HRI Industry:

The Dutch foodservice industry’s turnover for 2020 is forecast at almost \$9.9 billion, down by over one-third when compared to 2019. The steep decrease is due to the measures taken to prevent the spread of COVID-19. For much of 2020 and the beginning of 2021, bars, cafés, and restaurants, had to close their doors, while delivery and take-out remained operational.

Quick Facts CY2020

Imports of Consumer-Oriented Products, total:  
\$45.4 billion

List of Top 10 Growth Products in the Netherlands (imported from the World):

- |                   |                           |
|-------------------|---------------------------|
| 1. Wine           | 6. Cheese                 |
| 2. Avocados       | 7. Meat and meat products |
| 3. Bananas        | 8. Pet food               |
| 4. Bread & pastry | 9. Cranberries            |
| 5. Grapes         | 10. Coffee                |

Food Industry by Channels 2020:

Consumer-Oriented Products Imports	\$45.4 billion
Consumer-Oriented Products Exports	\$83.5 billion
Agricultural & Related Products Imports	\$87.5 billion
Agricultural & Related Products Exports	\$120.0 billion
Food Industry	\$94.0 billion
Food Retail	\$50.0 billion
Food Service	\$9.9 billion

Top 10 Food Retailers in the Netherlands, Market Share:

1. Albert Heijn	35.0%	6. Dirk/Deka	5.3%
2. Jumbo	21.5%	7. Deen	2.0%
3. Lidl	10.7%	8. Hoogvliet	2.0%
4. Plus (+ Coop)	10.6%	9. Jan Linders	1.2%
5. Aldi	5.5%	10. Spar	1.1%

GDP/Population:

Population: 17.5 million      GDP per capita: \$45,614  
GDP: \$798 billion

Strengths/Weaknesses/Opportunities/Challenges

Strengths:

U.S. producers are professional, deliver products with a consistent quality, and have a good story to tell about sustainability, supply chains, and their State/regional heritage.

Weakness:

Shipping time & costs, import tariffs, and EU labeling regulations make U.S. products more expensive. Some products suffer from a negative perception among consumers.

Opportunities:

Young consumers are food-minded, eat more out of the home, are interested in, and willing to pay for authenticity, health, nutrition, and taste.

Threats:

Fierce competition from countries that have negotiated lower tariff rates. COVID-19 has financially impacted the Foodservice HRI industry.

*Data and Information Sources: Trade Data Monitor, industry experts, company websites*

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## SECTION I. MARKET SUMMARY

### Overall Business Climate

The fundamental strengths of the Dutch economy continue to be the Netherlands' stable political climate, highly developed financial sector, strategic location, a well-educated and productive labor force, and high-quality physical and communications infrastructure. According to the latest economic outlook of the Netherlands Bureau for Economic Policy Analysis (CPB), after economic contraction of over four percent in 2020, the Dutch economy will grow by three percent in both 2021 and 2022. As the economy continues to find ways to mitigate the impact of the coronavirus (COVID-19), unemployment is expected to temporarily rise to five percent, but subsequently decrease to 4.1 percent over the course of next year. Young workers, employees on a flexible employment contract, and self-employed independents are anticipated to be the most vulnerable. Additional information on the overall business climate in the Netherlands can be found on the website of the CPB at: <https://www.cpb.nl/en/forecasts>.

### Consumer Trends

The Foodservice Institute of the Netherlands (FSIN) follows the trends in the Dutch foodservice and hotel, restaurant, and institutional (HRI) market. Below are the main consumer trends that affect the foodservice market:

#### Ten Consumer Demands:

1. Convenience
2. Health
3. Affordability
4. International cuisines
5. Consciousness
6. Special certification
7. Authenticity
8. Hospitality
9. Enjoy

Even after a period of reflection and uncertainty during the COVID-19 lockdown, Dutch consumers still seem to be stressed and pressed for time. They are struggling to do many things on a regular weekday such as taking care of the children, doing their job, going to the gym, engaging socially, and, of course, eating. Consumers are faced with a dilemma: less time for buying food and preparing meals versus a growing awareness of and interest in health and nutrition. As a result, the demand for convenient and healthy and nutritious food products (albeit at an affordable price) is growing more than ever before. Demand is also growing for packaged food in smaller portions due to the growing number of people that are watching their weight and the shrinking average household size. People are increasingly eating alone and/or eating out. International cuisines that are gaining popularity include foods from Israel,

Lebanon, and Syria.

Consumer consciousness about how food products are produced is growing. More than ever, consumers want to know whether the food they bought was produced in a sustainable way. They are also interested in fair-trade, locally grown, and organic food products. The market of products that are vegan or have a free-from claim is growing, and retailers are increasingly dedicating shelf space for these products. Consumers, especially Millennials and Generation Z, are also willing to pay for authenticity. They want to hear or read about who produced a food product and what the story is behind the product. This desire for authenticity also applies to foodservice outlets. Restaurant owners that have a story to tell about their restaurant and food appeal to today's consumers. Additionally, consumers increasingly see eating out as an experience they want to enjoy.

"...real products, real ingredients, and real stories."

## Foodservice – HRI Market Sales Declined at Unprecedented Levels In 2020

In 2020, the turnover of the Foodservice HRI industry dropped to \$9.9 billion, an unprecedented decrease of more than one-third compared to 2019, due to the COVID-19 pandemic. The industry was one of the hardest hit sectors in the Netherlands. Cafés and restaurants saw their sales drop by 41.7 percent and 34.6 percent, respectively. Catering companies and canteens lost 35.6 percent of their turnover. Fast food restaurants were the least affected by the pandemic as their turnover was only 13.5 percent lower than in 2019.

Beginning in March 2020, hotels, cafés, and restaurants, had to close their doors to help prevent the spread of the coronavirus. Delivery and take-out remained permissible. Due to these measures, the industry's turnover in the first quarter of 2020 decreased by 14 percent compared to the previous quarter which was the first decrease in turnover in seven years. In the second quarter of 2020, it got worse, and sales fell by more than 50 percent. On June 1, the Dutch government relaxed several measures and, as a result, turnover rebounded strongly in the third quarter and was nearly at the same level as in the first quarter of 2020. In the fourth quarter, however, the measures were tightened again, and the industry's turnover fell by almost 44 percent compared to the preceding quarter.

The industry's sales are forecast to pick up in 2021 and continue to recover next year. Millennials and Generation Z (consumers groups that eat out more and are more open to exciting new food concepts), as well as foreign tourists, are seen as important contributors to increasing sales in 2022. The personnel shortage, that was already a challenge for the HRI industry before COVID-19, continues to challenge the HRI sector and will temper foodservice sales in 2021 and possibly 2022. According to [Misset Horeca](#), an industry news outlet, "the shortage of personnel is an obstacle for growth for nearly 31 percent of Dutch foodservice companies."<sup>1</sup>

Table 1. Foodservice Sales by Sub Sector, in million \$

	2019	2020	2021*
Full-Service Restaurants	6,036	3,780	5,707
Fast-Food	5,091	3,614	4,601
Cafés/Bars	3,433	1,914	3,175
Self-Service Cafeterias	758	437	646
Street Stalls/Kiosks	280	167	247

\*Forecasted sales

Source: ©Euromonitor International

Table 2. Home Delivery, in percentage

	2018	2019	2020
Drive-Through	2.4	2.4	3.7
Home Delivery	9.3	11.0	23.5
Takeaway	14.8	14.7	23.6
Eat-In	73.4	71.9	49.2
Total	100	100	100

Source: ©Euromonitor International

<sup>1</sup> [https://www.missethoreca.nl/horeca/nieuws/2021/09/horeca-loopt-door-personeelstekort-tegen-grens-aan-voor-economisch-herstel-101370424?\\_login=1](https://www.missethoreca.nl/horeca/nieuws/2021/09/horeca-loopt-door-personeelstekort-tegen-grens-aan-voor-economisch-herstel-101370424?_login=1)

Since March 2020, delivery scooters and bicycles have been working overtime in the Netherlands. Delivery service turnover in the Netherlands for 2020 is estimated at over \$100 million and is expected to continue to grow in 2021. [Just Eat Takeaway](#) leads the market followed by the second and third largest companies in this segment, [Deliveroo](#) and [UberEats](#), respectively. All these companies deliver meals from various restaurants to customers in the Netherlands. More information about this segment can be found in the report: [NL2020-0043 - Foodservice-HRI Industry Turnover Declines at Unprecedented Levels](#).

Table 3. Advantages and Challenges of the Dutch Foodservice Market

<b>Advantages</b> <i>U.S. Supplier Strengths &amp; Market Opportunities</i>	<b>Challenges</b> <i>U.S. Supplier Weaknesses and Competitive Threats</i>
Gen Z is more food conscious and is eating away from the home more frequently than Millennials. This creates opportunities for the industry.	Transatlantic transportation is costly (especially now when the cost of freight has increased significantly) and takes time.
HRI-Foodservice companies that offer online ordering in combination with pick-up or delivery did well during the COVID-19 pandemic. This offers opportunities for U.S. foodservice chains that want to tap into the online delivery/pick-up of meals.	The closure of many HRI-Foodservice outlets due to the COVID-19 pandemic has had an enormous financial impact on the industry.
The Dutch are affluent, open minded, and curious consumers. This creates opportunities for tasty, innovative, and convenient products on the one hand, but also for healthy and nutritious food products -- all at an affordable price.	There is fierce competition on price, quality, uniqueness, and innovation from other EU Member States and from third country suppliers, particularly those that have negotiated lower tariff rates, such as Canada and Mexico.
Overall consumers consciousness about and interest in food products is growing and there is a willingness to pay for authenticity, storytelling, and taste.	U.S. suppliers of composite products (products that require health certificates issued by more than one U.S. competent authority), can no longer be exported to the EU <sup>2</sup> .

Source: FAS/The Hague

## SECTION II. ROAD MAP FOR MARKET ENTRY

### *Entry Strategy*

Before introducing your product, FAS/The Hague advises U.S. new-to-market exporters to research the Dutch market. In addition to this report, FAS/The Hague annually writes [an Exporter Guide](#), [a Food Processing Ingredients Market report](#), [a Food Retail Market report](#) and [a Food and Agriculture Import](#)

<sup>2</sup> For more information about EU regulations, please see [the EU Food and Agricultural Import Regulations and Standards Report \(FAIRS\)](#) and [the Food and Agriculture Import Regulations and Standards report](#).

[Regulations and Standards report](#). These and other commodity reports can help a new-to-market exporter better understand the Dutch market and can be downloaded from the [FAS](#) website. In addition, FAS/The Hague advises U.S. exporters to reach out to U.S. industry groups for their expertise and local network and representatives.

When the results of the research have been analyzed, and COVID-19 permitting, U.S. companies should consider visiting and/or exhibiting, virtually or in-person, at U.S. and foreign trade shows. These are excellent venues to make contact with local buyers, to conduct product introductions and to gauge buyers’ interest. A detailed overview of European trade shows and their product focus can be found on <https://fas-europe.org/events/>. Participation in Trade Missions organized by the U.S. industry groups has also proven to be a very effective way to meet local buyers.

*Market Structure*

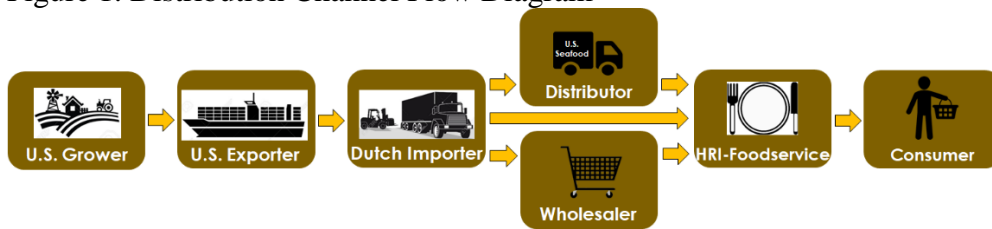
Unlike the retail sector, the Dutch foodservice industry is fragmented and has many independent players. This is especially the case for cafés/bars, restaurants, cafeterias, and street stalls/kiosks. Most fast food and delivery outlets, however, are consolidated and often part of an (international) chain. Well-known examples of international foodservice chains active in the Netherlands include: McDonalds, Domino’s Pizza, KFC, Burger King, Subway, and New York Pizza. Chains from the United States are popular in the Netherlands because of their efficiency and consistency, but also because the meals are affordable. They continue to be successful because they have been able to respond to changing consumer demands and now, for instance, offer vegetarian and healthy food products. More U.S. chains recently opened outlets in the Netherlands, including Dunkin’ Donuts (coffee and donuts), Five Guys (burgers and fries), and Taco Bell (tacos, burritos, and quesadillas).

*Distribution*

Foodservice establishments can purchase products in three different ways: directly from U.S. suppliers, from Dutch importers, or from local wholesalers/distributors. Large fast-food chains might be importing some unique specialty ingredients directly from the United States, but, for the most part, they depend on local partners. Independent players, like restaurant owners and hotels, prefer to purchase from wholesalers and distributors.

The latter prefer to have products delivered since this will save them time and will ensure products are available when needed. High-end hotel and restaurant buyers prefer to buy fresh products like bakery, produce, seafood, meat, wine, and dairy products from specialized distributors. The benefit lies in the possibility to have tailor-made orders and the interpersonal relationship. Beer and non-alcoholic beverages are generally bought directly from breweries. For shelf stable grocery products, like spices, nuts, sauces, cooking ingredients, distilled spirits, and cider, hotels and restaurants turn to wholesalers.

Figure 1. Distribution Channel Flow Diagram



Source: FAS/The Hague

Dutch wholesalers and distributors prefer to work with Dutch importers that are specialized in buying U.S. products, due to strict EU import requirements and standards. For meat, seafood and wine, importers also often distribute imported products. The following wholesalers are active in the Netherlands: Bidfood, Horesca, Hanos, de Kweker, Makro, Sligro, VHC, and Zegro. Almost all wholesalers have shops and delivery services. Bidfood and Horesca have no shops and only deliver their products while Makro only has shops and rarely delivers. Most wholesalers operate nationwide, apart from de Kweker, Zegro, and Horesca who are active regionally.

### Sub-Sector Profiles

Table 4. Company Shares in Chained Consumer Foodservice: % Foodservice Value 2018-2020

Company	2018	2019	2020
McDonald's Corp	28.0	28.8	30.1
Domino's Pizza Inc	5.9	5.9	7.6
Jumbo Food Groep BV	5.9	6.2	5.5
Yum! Brands Inc	4.2	4.4	4.8
New York Pizza BV	3.3	3.3	4.4
Restaurant Brands International Inc	3.6	3.8	4.0
Van de Valk Groep	4.4	4.4	3.6
NS Group NV	4.1	3.9	3.3
Inter IKEA Systems BV	2.4	2.4	2.0
Doctor's Associates Inc	1.7	1.6	1.7
Grand Moulins de Paris SA	1.7	1.6	1.6
De Beren Holding	1.5	1.6	1.6
Hema BV	1.7	1.6	1.6
Fast Food Concepts BV	1.7	1.6	1.5
Sligro Beheer NV	1.7	1.5	1.4
Other	28.2	27.4	25.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: ©Euromonitor International

## SECTION III. COMPETITION

This section summarizes the overall competitive situation that U.S. suppliers face in the foodservice industry. U.S. exporters of products that are also grown or produced within the EU are at a disadvantage due to proximity, shipping time, tariffs, and certification issues. For other products, U.S. companies compete with other third country suppliers. There are only a few products where the U.S. has limited competition.

Table 5. Competitive Situation U.S. Suppliers Face in the Dutch Foodservice Market, 2020

Product Category (Product Code) Imports in Millions of USD	Main Suppliers, By Percentage	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers



Craft beer (HS2203) Total imports: \$490 From USA: \$5	1. Belgium 2. Germany 3. The U.K. 4. France <b>9. USA</b>	53 13 9 8 <b>1</b>	Competition from neighboring countries, dominated by Belgium and Germany.	Despite the closure of bars and restaurants for a long period, imports were up. Strong demand for new flavors, funky labels, and innovative tastes.
Sweet potatoes (HS071420) Total imports: \$158 From USA: \$80	<b>1. USA</b> 2. Egypt 3. The U.K. 4. Spain 5. Belgium 6. China 7. Honduras	<b>51</b> 14 12 5 3 3 3	Competition from Egypt, Spain, China, and Honduras. The U.K. and Belgium do not produce but re-export sweet potatoes.	Despite the closure of restaurants for a long period, imports were up. Supermarkets are increasingly selling fresh and processed sweet potatoes. Demand exists for variety and quality products.
Wine (HS2204) Total Imports: \$1,501 From USA: \$12	1. France 2. Germany 3. Italy 4. Spain 5. Chile 6. S. Africa <b>14. USA</b>	27 15 15 10 8 4 <b>1</b>	France, Germany, Italy, and Spain have well known, good quality wines at competitive prices. They are also popular holiday destinations.	No commercial availability of domestic wine in the Netherlands.
Distilled spirits (Product group) Total imports: \$923 From USA: \$51	1. The U.K. 2. Belgium 3. Germany 4. France <b>5. USA</b> 6. Spain	20 17 16 7 <b>6</b> 5	All, except the USA, are geographically close to the market and offer good quality products.	Demand for branded, good quality, tasty, and unique products that have a story to tell.
Seafood (Seafood products) Total imports: \$4,593 From USA: \$113	1. Iceland 2. Norway 3. Germany 4. Belgium 5. Russia <b>14. USA</b>	12 9 8 6 5 <b>2</b>	Iceland is the leading supplier of cod while Germany dominates Dutch imports of pelagic fish. The USA dominates the supply of Alaska Pollack, scallops, and Sockeye salmon. For shrimp & prawns, cod and lobster, the U.S. competes with several other non-	The Netherlands is an international trader in seafood products, serving foodservice markets throughout Europe. The Dutch depend on imports for Alaska Pollack, scallops, Sockeye salmon, shrimp & prawns, cod, and lobster.



			EU exporters.	
Beef (beef and beef products) Total imports: \$2,015 From USA: \$128	1. Germany 2. Belgium 3. Ireland 4. Argentina <b>7. USA</b>	16 13 10 8 <b>6</b>	Germany and Belgium sell lower quality and price competitive beef. The USA exports high quality and grain fed beef, known for its consistency and taste, to the high-end foodservice industry.	There is not enough Dutch beef of high quality available. Ireland, Argentina, Brazil, Uruguay, and the USA all profit from this deficit.

Source: Trade Data Monitor

#### SECTION IV. BEST PRODUCT PROSPECTS CATEGORIES

Products that, in addition to a competitive price, are unique, innovative, or not sufficiently available have the best prospects in the Dutch market:

Products Present in the Market Which Have Good Sales Potential:

- Nuts
- Seafood
- Fresh produce
- Sauces and condiments
- Snack foods
- CA wines and craft beer & spirits

Top Consumer-Oriented Products from the World:

- Wine
- Beef
- Cheese
- Grapes

Top Consumer-Oriented Products from the United States:

- Tree nuts
- Beef
- Sweet potatoes
- Cranberries

Products Not Present in Significant Quantities, but Which Have Good Sales Potential:

- Food products with special certification (organic, sustainable, free-from claim, etc.)
- Pulses
- Sweet corn
- U.S. wines

Products Not Present Because They Face Significant Barriers:

- Specialty products containing non-EU approved GMO derived ingredients
- Poultry
- Beef from plants that are not yet EU approved
- Molluscan shellfish (note the U.S. and EU are working to reopen bilateral)

## SECTION V. KEY CONTACTS AND FURTHER INFORMATION

If you have questions or comments regarding this report, require listings of local importers or need assistance exporting to the Netherlands, please contact FAS/The Hague:

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### **Attachments:**

No Attachments