

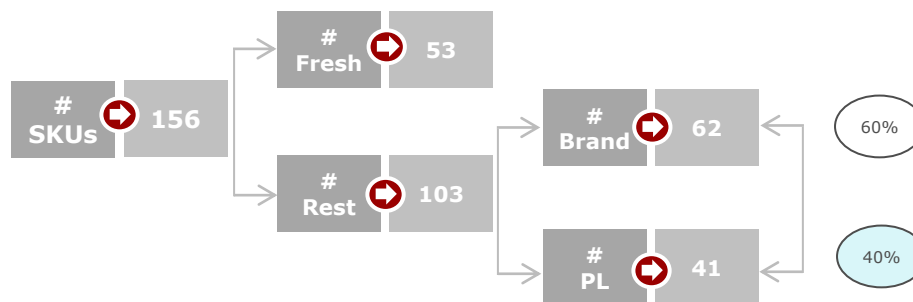


Beragua price check: Top 5 Spanish Food Retailers

Price check – technical note (i)

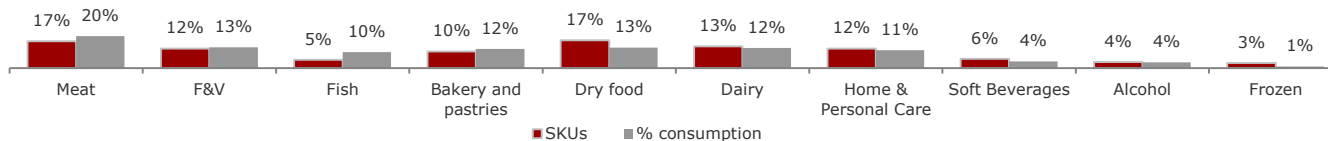
Sample: players and number of SKUS

- We have performed an **online price check** during the first week of February of the **TOP5 Spanish food retailers** (Mercadona, Auchan, Dia, Eroski and Carrefour), which **represent a combined 64% of the Country's MGD**.
- The sample consisted of **156 SKUs**, distributed as follows:



We have followed **two criteria** to select the **SKUs** of the sample:

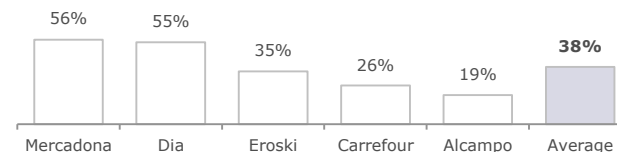
1 Approximate the **distribution of the checked SKUs by category to the average households consumption structure** (according to the 2013 INE's Households Budget Survey)



Methodology for the selection of the products included in our price check

2 We have also **included in our sample a mix of PL** (40% of our sample excluding fresh) and **branded products** (60%) **similar to the average weight of the PL in the FMCG sales of the Companies** included in the study (38% according to KWP)

PL penetration – % on FMCG sales



Price check – technical note (ii)

Methodology

- We have collected the **online prices of the Companies included in our sample during the first week of February excluding discounted products or in any especial campaign.**
- **In branded products,** we have selected always the **same brand and packaging/quantity.** Only when **this has not been possible** we have **converted the price of each item into price per KG/LT to make all products comparable.**
- **For PL we have followed two rules:**
 - **We have included only 'regular' PL and excluded entry price PL** such as 'Carrefour Discount' or 'Auchan thumb' since we believe **their quality is not fully comparable with Mercadona's or Dia's core PL.**
 - We have tried to **use the same packaging** size or we **have converted it to KG/LT** in case that was not possible.
- **The prices in Fresh produce are very sensible to quality** hence, we have tried to use the more basic and cheapest products of each category, where quality differences are lower than in more upscale/sophisticated products.
- To obtain the price positioning of each player we have calculated the **simple average of the percentage of difference of the prices of each individual product** between the different retailers included in the sample. This **methodology** (as opposed to the 'basket' system used in other pricing studies) is **intended to avoid the distortion caused by the different unitary price of the products** (e.g. in the basket methodology the same percent price difference applied over very different unit price can have a very significant impact on the results)

Price positioning – takeaways

In the full basket, Auchan and Dia are the price leaders, while Carrefour and Eroski are the most expensive players

- In the full basket of **products, Auchan and Dia are the most competitive players** (almost with the same price index), while **Carrefour and Eroski are the most expensive players**.
- However, **price differences amongst the players are not high, with a gap of c.4pp only between the cheapest (Auchan) and the most expensive player (Eroski)**.
- The market leader **Mercadona is c.2pp more expensive than DIA and Auchan**.

Dia and Auchan remain as the most competitive players in Fresh and Dry goods and H&PC* categories

- When breaking down the basket by **Fresh and Dry goods and H&PC, Dia and Auchan remain as the cheapest players**, however, **Auchan enjoys a small price advantage in the Fresh produce (-1.1pp) vs. Dia**.
- On the other hand, while **the price positioning in Fresh produce is in line with the full basket** (despite price differences being slightly higher), in **Dry goods and H&PC, Carrefour replaces Eroski as the most expensive player** of our sample.

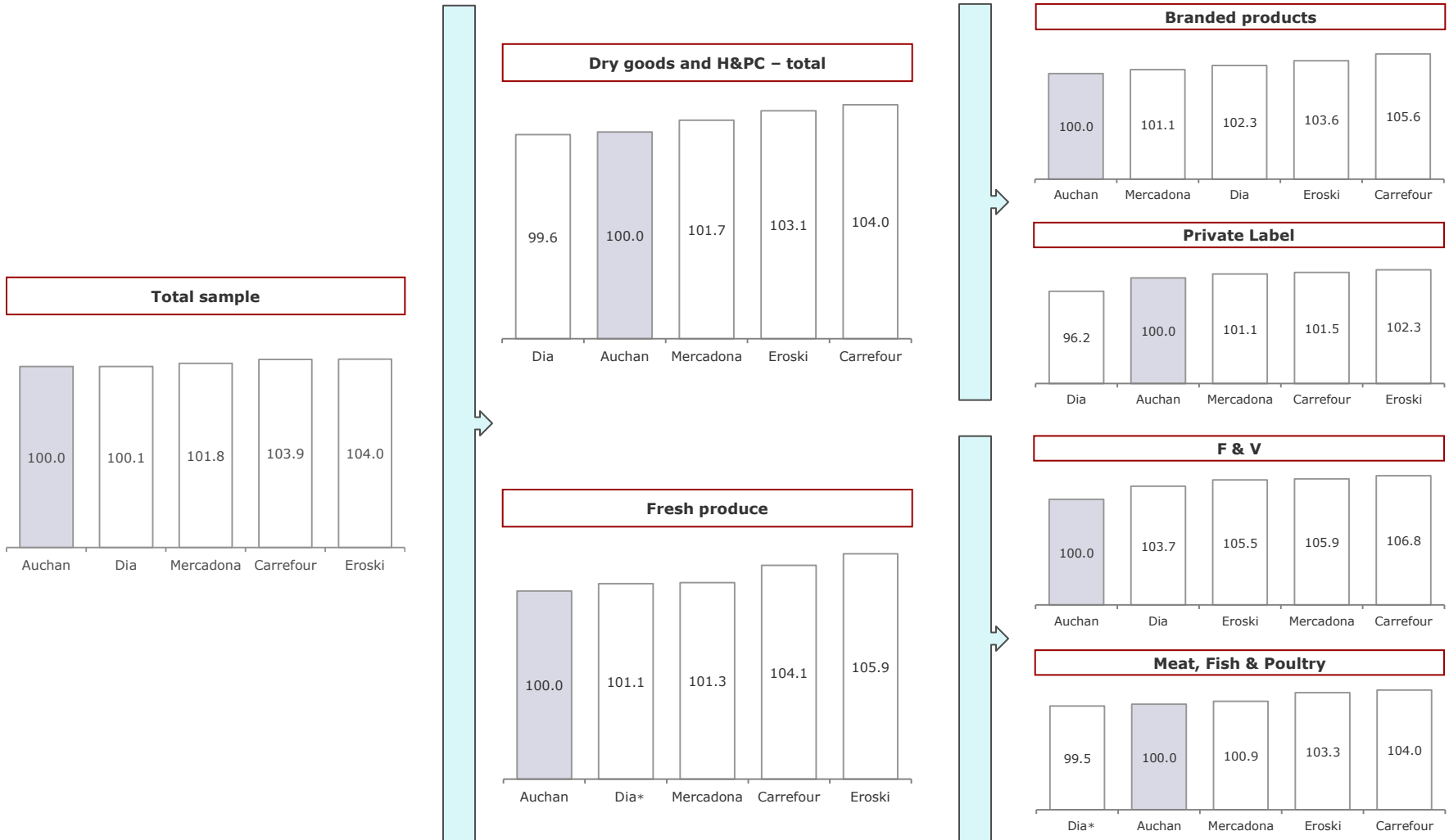
Auchan is the price leader in branded products, while Dia is the least expensive player in PL goods

- **Auchan is the most competitive player in branded products**, closely followed by Mercadona, enjoying a **price advantage of c.2pp vs. Dia**, while **Carrefour is considerably more expensive than its peers (+c.6pp vs. the price leader)**.
- **Dia is the most competitive company in PL**, enjoying a **price gap ranging from 4pp to 6pp vis-à-vis its competitors**.

The leader Mercadona is overall c.2pp more expensive than both Auchan and Dia

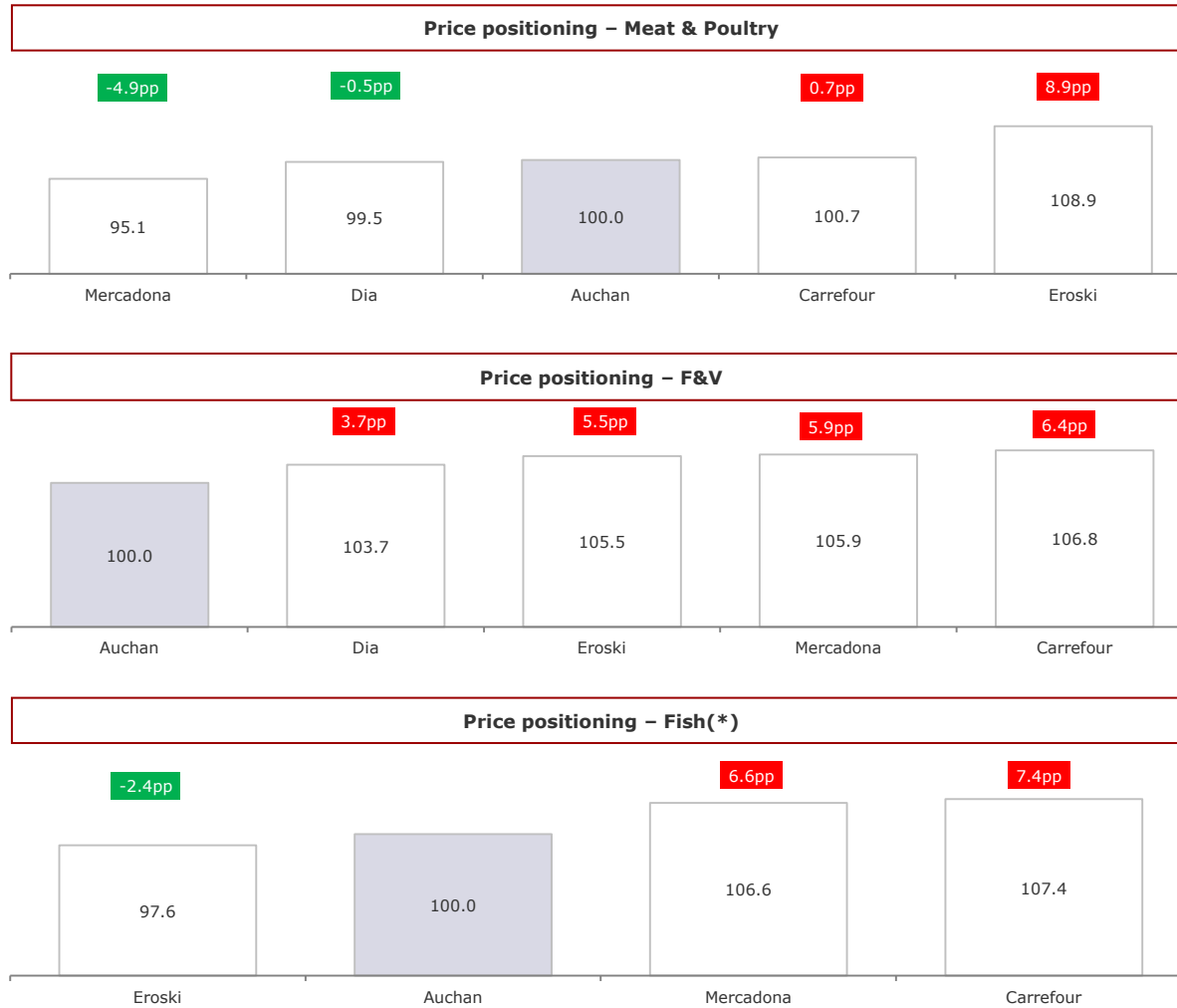
- **Overall**, the leader of the Spanish market, **Mercadona, is c.2pp more expensive than both Auchan and Dia**. However, **this price gap narrows up to c.1pp in Fresh produce** (being Mercadona the price leader in Meat products) **and PL**.
- **Mercadona has the lowest prices in Meat & Poultry**, while it is **one of the most expensive players in Fish, Alcohol and Bakery & Pastries**.

Price positioning – summary



Note(*): Excluding fish

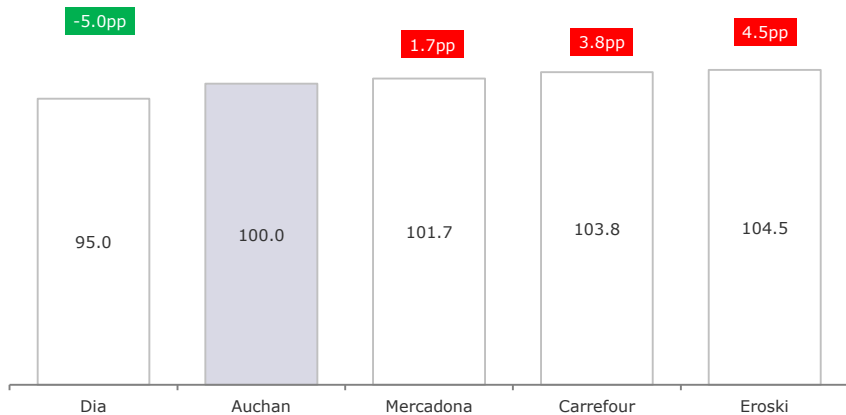
Price check – Fresh produce



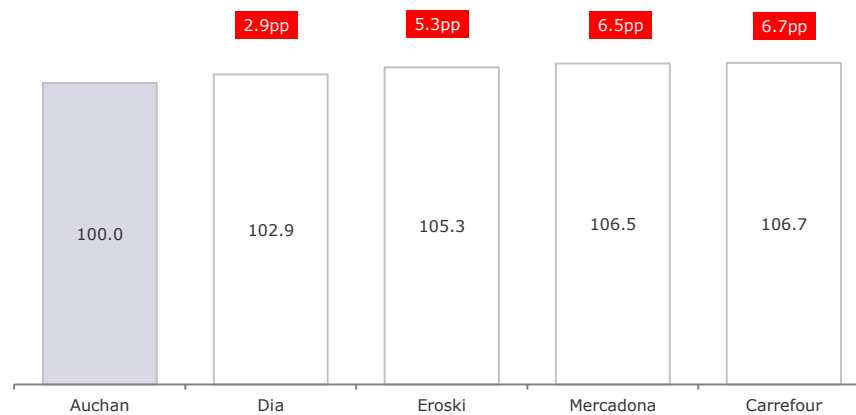
Note(*): Dia was excluded since does not offer fresh fish

Price check – Dry goods (i)

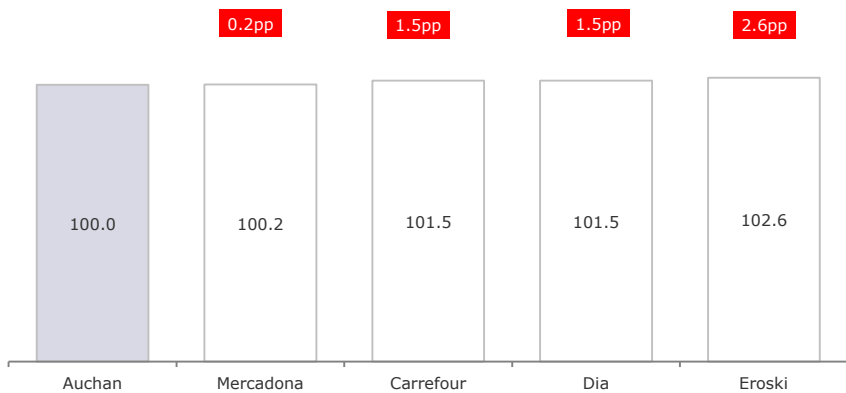
Price positioning – Dry food – Total



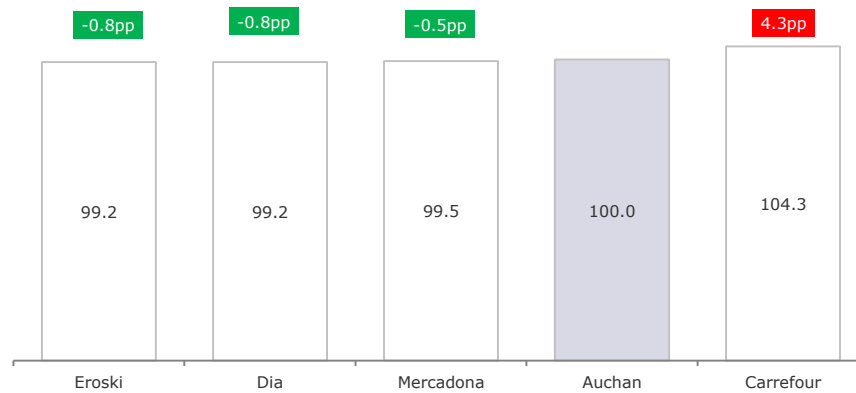
Price positioning – Bakery & Pastries – Total



Price positioning – Dairy – Total

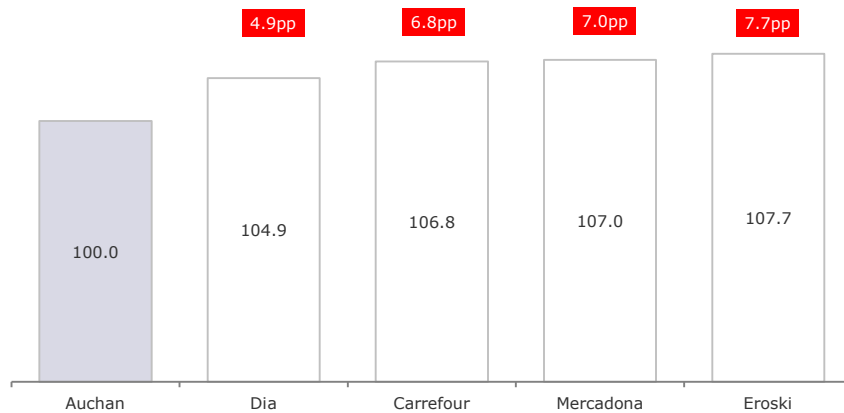


Price positioning – H&PC – Total

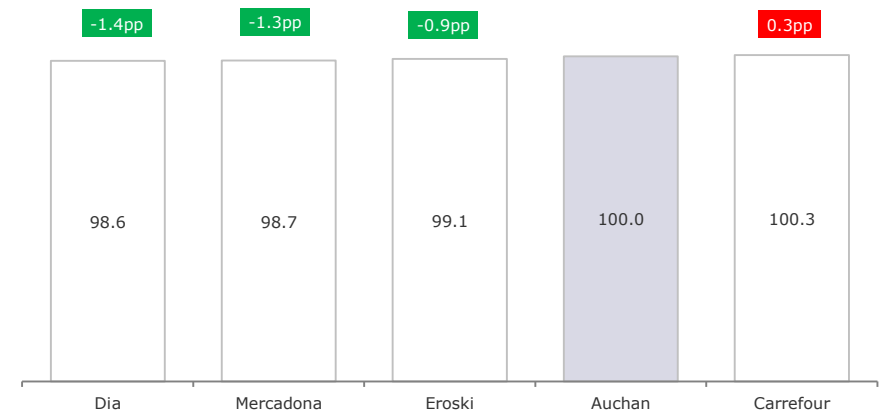


Price check – Dry goods (ii)

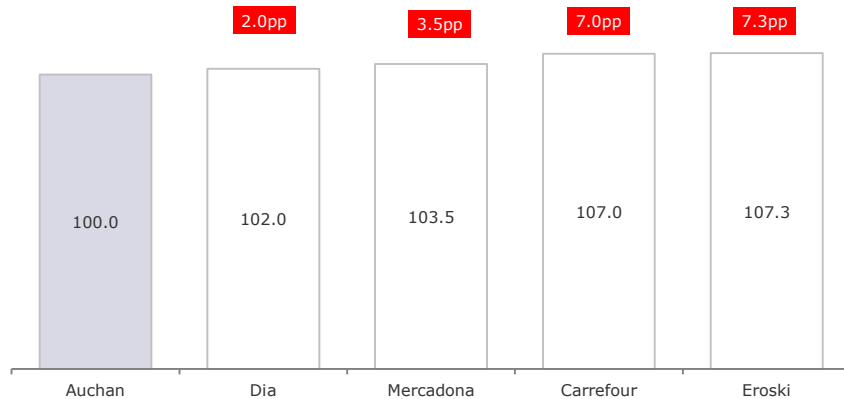
Price positioning – Alcohol – Total (*)



Price positioning – Soft Beverages – Total



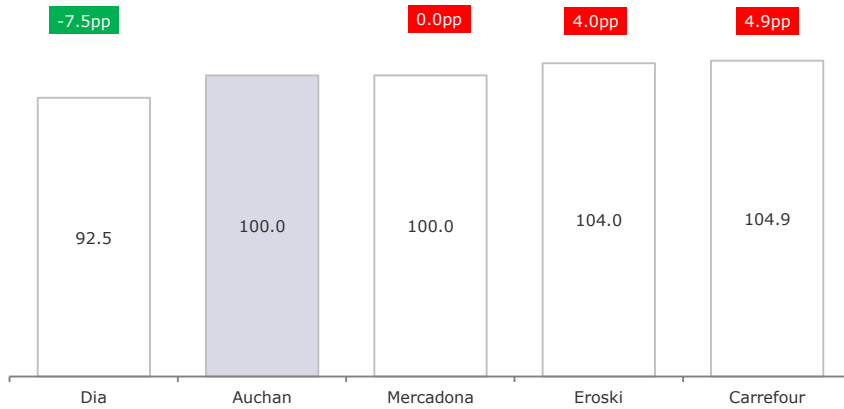
Price positioning – Frozen products – Total



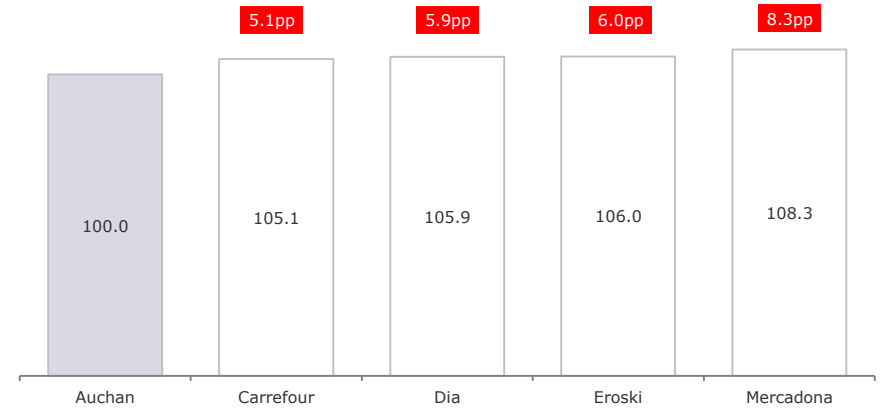
Note(*): Only includes branded products

Price check – Dry goods (i) – National brands

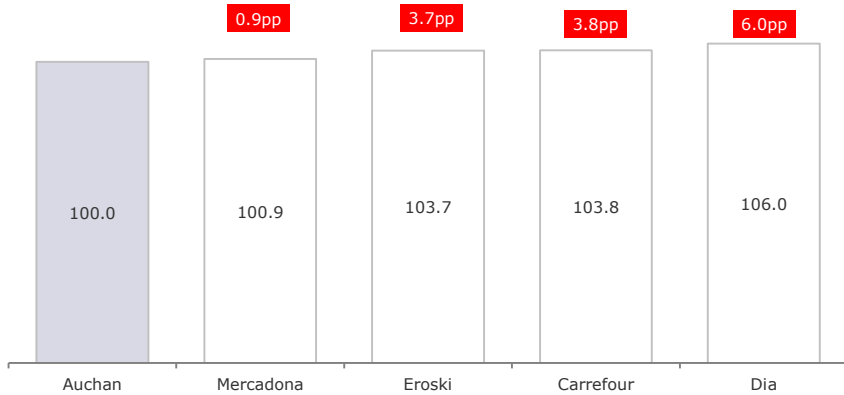
Price positioning – Dry food – National Brands



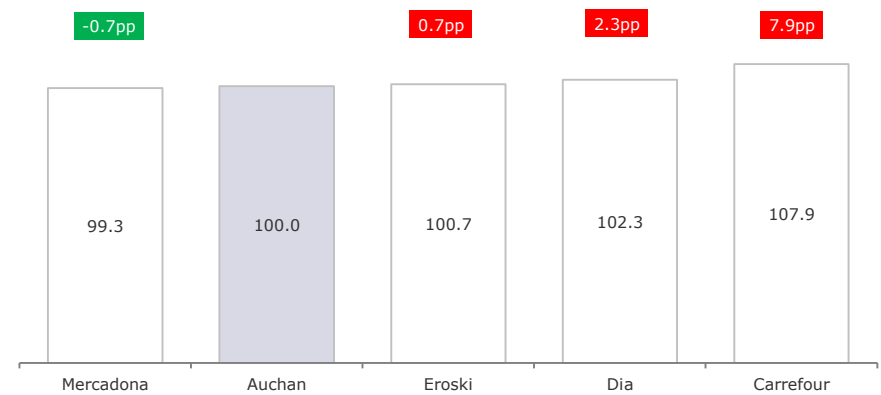
Price positioning – Bakery and pastries – National Brands



Price positioning – Dairy – National Brands

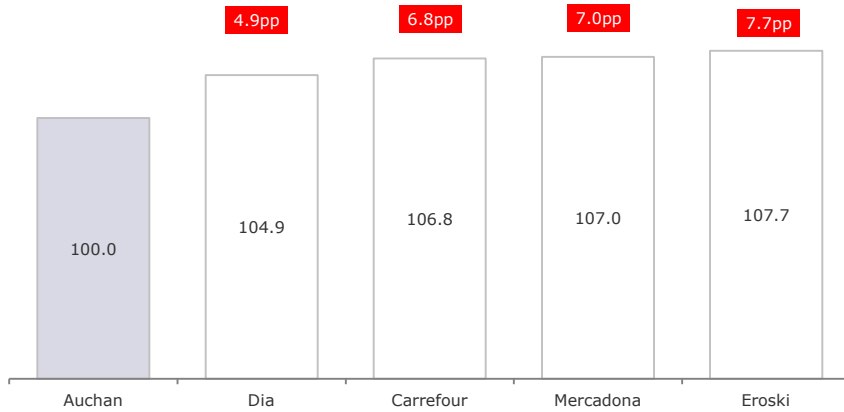


Price positioning – H&PC – National Brands

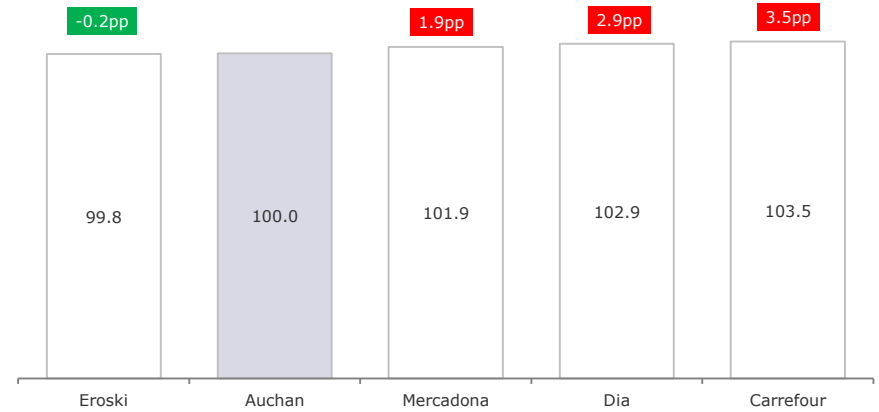


Price check – Dry goods (ii) – National brand

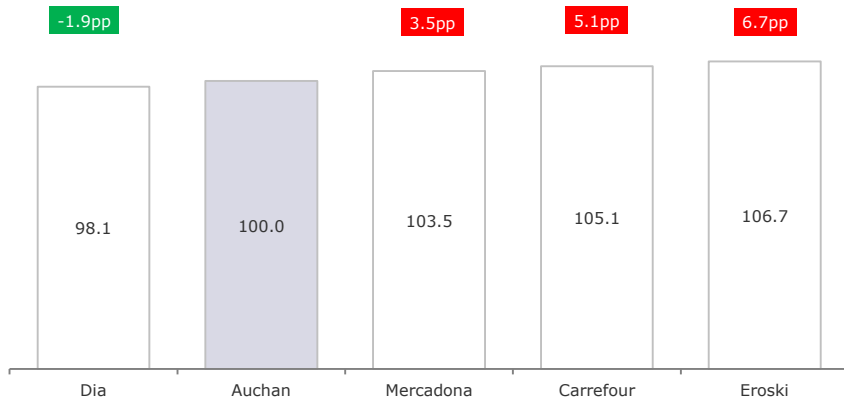
Price positioning – Alcohol – National Brands



Price positioning – Soft Beverages – National Brands

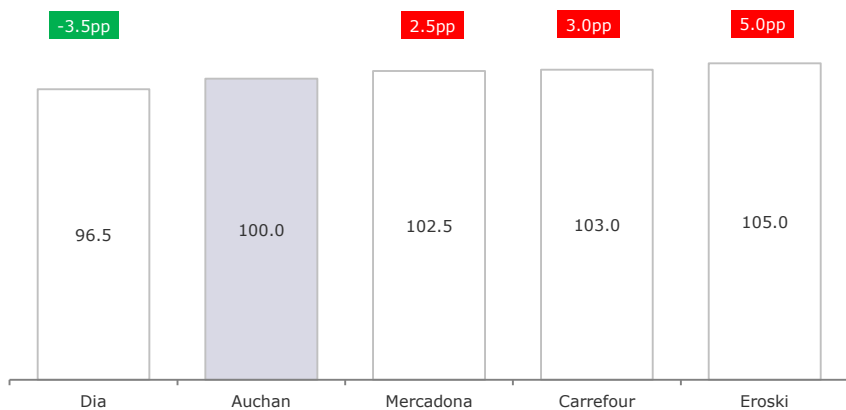


Price positioning – Frozen products – National Brands

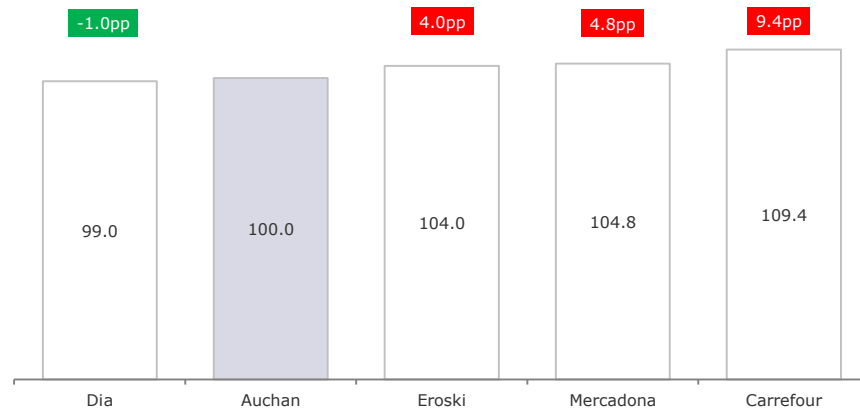


Price check – Dry goods – Private Label

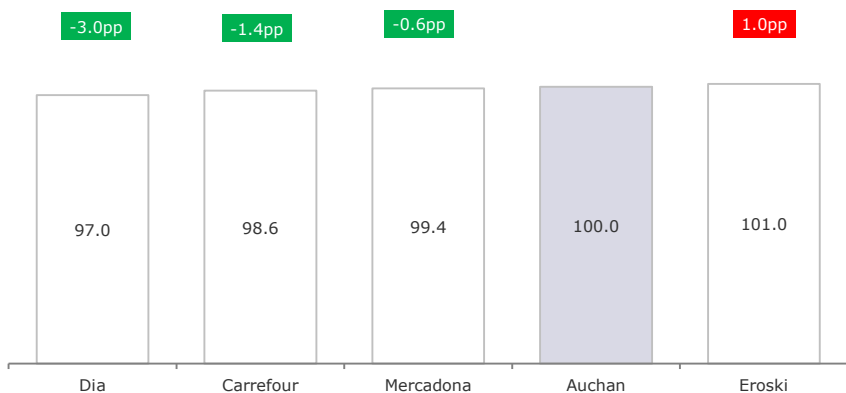
Price positioning – Dry food – PL



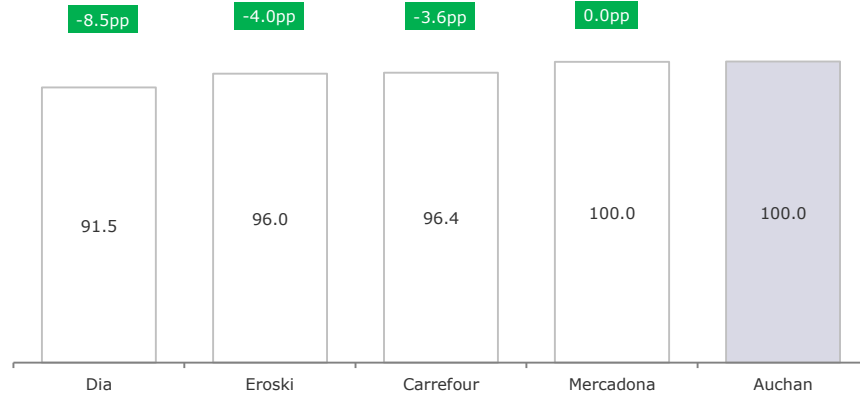
Price positioning – Bakery and pastries – PL



Price positioning – Dairy – PL



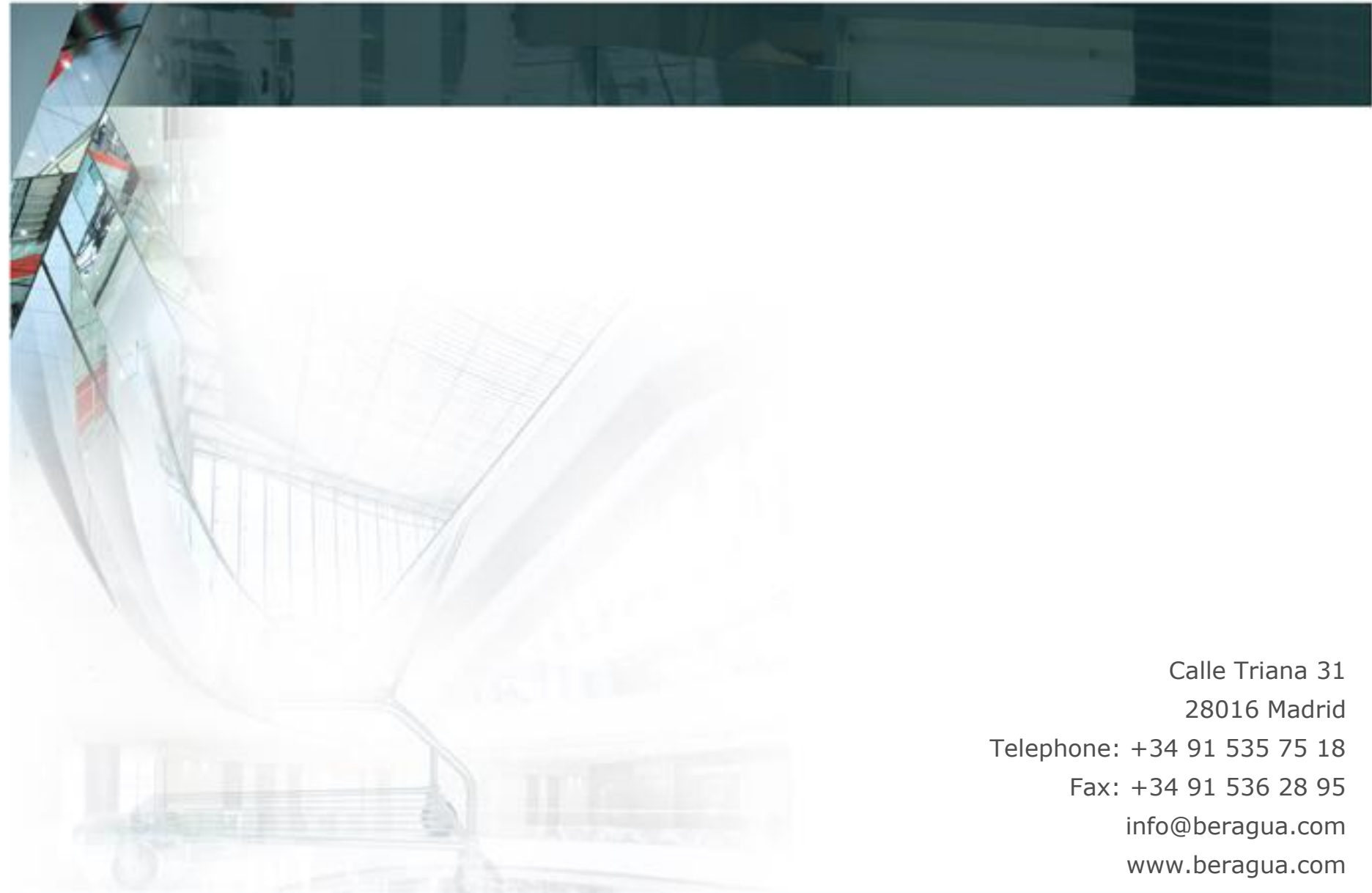
Price positioning – H&PC – PL



Note: Alcohol, Frozen and Soft Beverages have been excluded from the PL analysis due to the small number of references present in our sample

Appendix: SKUs sample

Category	Product	Category	Product	Category	Product	Category	Product
Bakery and pastries	Baguette	Meat	Rabbit	F&V	Avocado	Dry food	Fruit mix for babies Nestlé
Bakery and pastries	Biscuits Fontaneda	Meat	Pork liver	F&V	Orange	Dry food	Bakery yeast Royal
Bakery and pastries	Cake Cuetara	Fish	Codfish	F&V	Fresh chards	Dry food	Cacao
Bakery and pastries	Chocolate sticks Mikado	Fish	Salmon	F&V	Lettuce	Dry food	Cacao Colacao
Bakery and pastries	Sandwich bread	Fish	Trout	F&V	Spinach	Soft Beverages	Energy drink
Bakery and pastries	Sandwich bread Bimbo	Fish	Hake	F&V	Broccoli	Soft Beverages	Energy drink Red Bull
Bakery and pastries	Sandwich bread without borders	Fish	Gilt head bream	F&V	Red pepper	Soft Beverages	Still water
Bakery and pastries	Donuts	Fish	Shrimps	F&V	Cherry tomato	Soft Beverages	Still water Lanjarón
Bakery and pastries	Pizza dough	Fish	Squid rings	F&V	Onion	Soft Beverages	Still water Font Vella
Bakery and pastries	Pizza dough Buitoni	Fish	Squid	F&V	Mushrooms	Soft Beverages	Cola drink
Bakery and pastries	Bread	Dairy	Milk	F&V	Chards	Soft Beverages	Cola drink Coke
Bakery and pastries	Chocolate with milk	Dairy	Milk Pascual	F&V	Beans	Soft Beverages	Orange drink
Bakery and pastries	Chocolate with milk Lindt	Dairy	Milk with added calcium Puleva	Frozen	Croquettes	Soft Beverages	Orange drink Fanta
Bakery and pastries	Biscuits with chocolate	Dairy	Milk 1.8% fat	Frozen	Pizza Ristorante	Soft Beverages	Orange juice
Bakery and pastries	Biscuits with chocolate LU	Dairy	Milk 1.8% fat Pascual	Frozen	Lasagna La cocinera	Soft Beverages	Orange juice Don Simón
Meat	Steak	Dairy	No fat milk	Frozen	Bbq pizza	Home & Personal Care	Bleach
Meat	Minced beef	Dairy	No fat milk Pascual	Frozen	Bbq pizza Dr. Oetker	Home & Personal Care	Bleach Neutrex
Meat	Pork	Dairy	Yogurt	Dry food	Cheese pizza	Home & Personal Care	Laundry soap Wipp
Meat	Burger mixed meat	Dairy	Yogurt Danone	Dry food	Cheese pizza Casa Tarradellas	Home & Personal Care	Soap Fairy
Meat	Bacon Casa Tarradellas	Dairy	No fat yogurt	Dry food	Ravioli with meat Gallo	Home & Personal Care	Air freshener
Meat	Frankfurt sausages Campofrío	Dairy	No fat yogurt Danone	Dry food	Bomba Rice	Home & Personal Care	Shaving foam cream Gillette
Meat	Sausages Oscar Mayer	Dairy	Lcasei yogurt	Dry food	Rice	Home & Personal Care	Toilet cleaner
Meat	Burger meat	Dairy	Lcasei yogurt Danone	Dry food	Olive oil	Home & Personal Care	Toilet cleaner Don Limpio
Meat	Spanish ham Navidul	Dairy	Sour cream	Dry food	Olive oil Carbonell	Home & Personal Care	Kitchen cleaner
Meat	Salami Argal	Dairy	Sour cream Asturiana	Dry food	Sunflower oil	Home & Personal Care	kitchen cleaner Vitroclen
Meat	Chorizo Revilla	Dairy	Whipped cream	Dry food	Brown sugar Azucarera	Home & Personal Care	Toilet paper
Meat	Turkey Campofrío	Dairy	Whipped cream Asturiana	Dry food	Sugar Azucarera	Home & Personal Care	Toilet paper Scottex
Meat	Ribs	Dairy	Egg size L	Dry food	Honey	Home & Personal Care	Deodorant Sanex
Meat	Lamb	Dairy	Egg size M	Dry food	Jam	Home & Personal Care	Toothpaste Sensodyne
Meat	Chicken steak	Dairy	Butter Pascual	Dry food	Piquillo pepper	Home & Personal Care	Shampoo
Meat	Chicken wings	Dairy	Milk for babies Puleva	Dry food	Lentils	Home & Personal Care	Plasters
Meat	Chistorra	F&V	Cherimoya	Dry food	Mussels	Home & Personal Care	Toilet soap
Meat	Morcilla	F&V	Lemon	Dry food	Mussels Calvo	Home & Personal Care	Toilet soap Sanex
Meat	Chorizo criollo	F&V	Banana	Dry food	Salt	Alcohol	Beer Mahou
Meat	Ham no fat	F&V	Tangerine	Dry food	Chicken soup	Alcohol	Gin Beefeater
Meat	Ham	F&V	Apple	Dry food	Chicken soup Gallina Blanca	Alcohol	Beer Heineken
Meat	Minced mixed meat	F&V	Pear	Dry food	Coffee	Alcohol	No Alcohol beer Mahou
Meat	Chicken breast	F&V	Stuffed olives	Dry food	Coffee Nescafé	Alcohol	Whisky Ballantines
Meat	Pork	F&V	Melon	Dry Food	Olive	Alcohol	Rum Brugal



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