Fédération du Commerce
et de la Distribution

French Retail Industry Insights

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The French Retail Federation (FCD) represents the retail industry and **over 50 members** in France and at European level.

The FCD is a professional organisation that brings together almost all retail stores in France, whether

- through food distribution (Auchan, Carrefour, Casino, Cora, Monoprix and Système U) and specialised distribution (Decathlon, Go Sport, Darty and Boulanger).
- The FCD members are engaged in the daily struggles of French consumers, such as :
  - **Purchasing power** ;
  - **Employment**, committed to creating stable jobs, to recruit in difficult areas to train and promote;
  - **Sustainable development**, reflecting the expectations and aspirations of our customers with regards to ethics, solidarity and environmental matters.

The mission of our federation is to actively participate in these issues and represent and defend the interests of our members with relevant public authorities, at an economic and social, national or European level; and, finally, to strengthen the link with all of our partners, be they industrial, agricultural or other.

Together, our ambition is to meet the challenges of a sustainable and modern retail sector in all its forms and in close proximity to our customers.

1- Retail in France :
key data

Summary Points

- **301 050 retail outlets in France (food and non-food combined)**
- **65% are non-food shops,** i.e. 195,530 units. The full-time equivalent workforce in these outlets varies between 3 and 5 employees per shop.

- **The average surface area of stores in France is 240 m².** It varies from 80 m² for specialised food stores to 780 m² for non-specialised food stores. In the non-food sector, **household goods** stores have the largest surface area (470 m² on average).

- In terms of employment, the retail has almost **1.9 million employees**.

- **Non-food retail trade** in shops accounts for more than 772,000 jobs (41% of all retail trade including commercial craft trade)

- **The clothing retail trade** is the leading non-food employer sector with almost 162,000 people, ahead of the DIY sector, 77,400.

The weight of retail in the French economy

- Turnover : 526 billion euros (including commercial crafts like bakery…);
- Added value : 100 billion euros, i.e. 4.8% of the wealth created in France
- 1.8 million employees (excluding commercial crafts), i.e. 11% of private sector employment in France

Valeur ajoutée en 2018

en milliards d'euros

	Commerce	Part dans l'économie (1)
Valeur ajoutée	217,3	10,4 %

(1) La part dans l'économie correspond ici à la part dans la valeur ajoutée totale (tous secteurs)

Source : Insee, comptes nationaux, comptes du commerce

Répartition de la valeur ajoutée du commerce en 2018

Chiffre d'affaires H.T. des secteurs commerciaux

en milliards d'euros

	2017	2018	2019p
Com. détail, artis. com.	493,7	510,9	526,1
Commerce de gros	831,0	862,0	887,6
Commerce, répar. auto.	195,5	203,8	215,2
Ensemble commerce	1 520,2	1 576,7	1 629,0

p : provisoire

Source : Insee, comptes du commerce

Eff. salarié au 31/12 dans les secteurs du commerce

Hors artisanat commercial	2019 *en milliers*	Part dans les secteurs principalement marchands
Commerce de détail	1 826,4	11,1%
Commerce de gros	976,5	6,0%
Commerce, répar. auto.	401,3	2,4%
Ensemble commerce	3 204,1	19,5%

Source : Insee - estimations d'emploi

Sources : INSEE

The number of stores

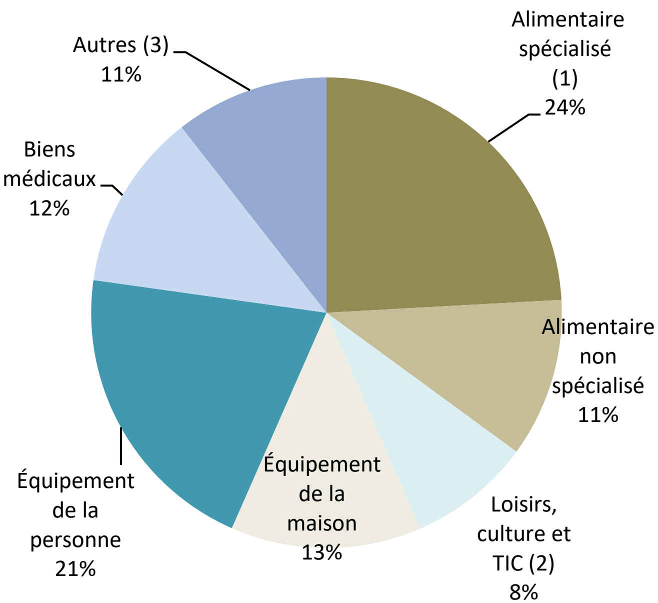
301 050 stores in retail in France

According to INSEE data, food retail (specialised and non-specialised) counts 105,520 stores, i.e. 35% of all shops.

Non-food shops represent 65% of the number of stores in France, i.e. 195,530 units.

The full-time equivalent workforce varies between 3 and 5 employees per non-food outlet.

Répartition des points de vente dans le commerce de détail



Sources : INSEE – données 2017

Figure 1 - Caractéristiques des points de vente dans le commerce de détail en magasin et dans l'artisanat commercial

	Chiffre d'affaires moyen (en milliers d'euros)	Surface de vente moyenne (en m^2)	Effectif (en ETP[4])	Chiffre d'affaires par mètre carré (en euros/m^2)	Chiffre d'affaires par personne occupée (en milliers d'euros/ETP[4])	Nombre de points de vente
Alimentaire spécialisé[1]	380	80	4	4 950	107	72 640
Alimentaire non spécialisé	5 000	780	16	6 440	308	32 880
Loisirs, culture et TIC[2]	730	220	4	3 260	170	25 400
Équipement de la maison	1 190	470	5	2 530	219	39 440
Équipement de la personne	560	150	3	3 660	170	62 110
Biens médicaux	1 090	90	4	11 250	243	36 800
Autres[3]	720	190	3	3 740	230	31 780
Ensemble	**1 180**	**240**	**5**	**4 760**	**224**	**301 050**

1. Y compris artisanat commercial.
2. Technologies de l'information et de la communication.
3. Grands magasins, bazars, carburants, biens d'occasion, autres commerces de détail spécialisés.
4. Équivalent temps plein.

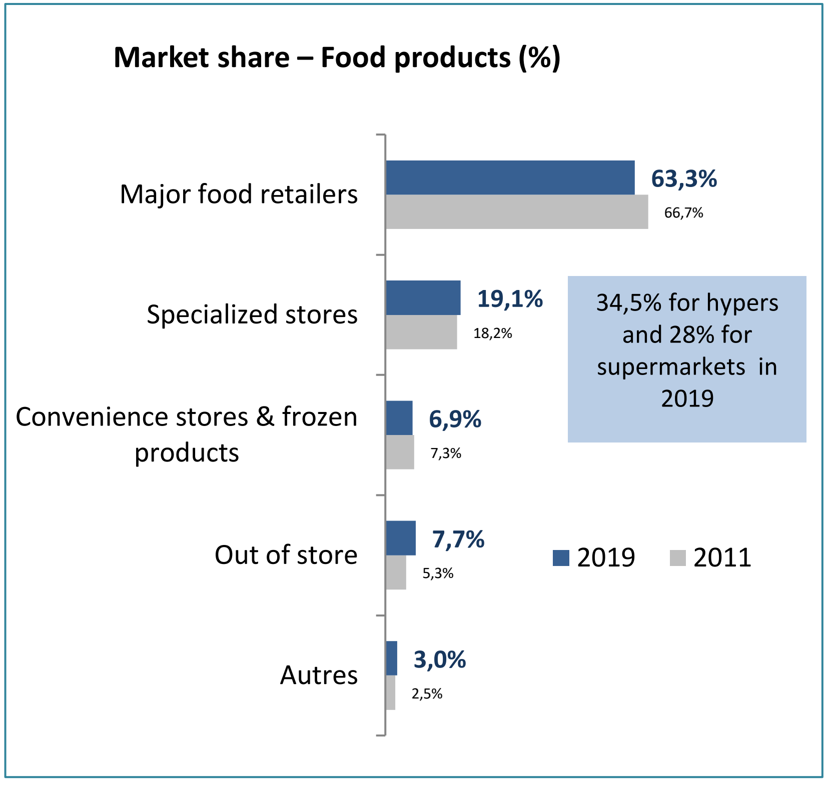
Lecture : en 2017, dans les points de vente d'équipement de la maison, la surface moyenne est de 470 m^2.

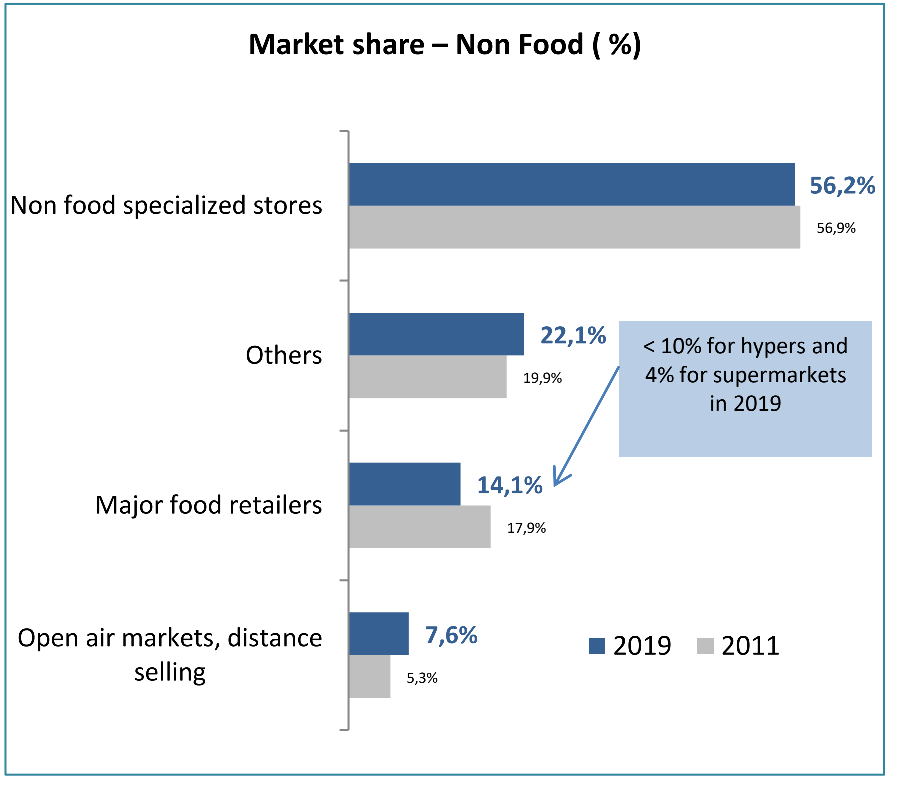
Champ : France, points de vente du commerce de détail en magasin ou de l'artisanat commercial ouverts toute l'année.

Source : Insee, répertoire statistique Sirus, base non-salariés, répertoire Sirene géolocalisé des établissements, Cotisation foncière des entreprises (CFE), Taxe sur les surfaces commerciales (Tascom) et enquête sectorielle annuelle (ESA).

Modern grocery trade concentrates 2/3 of food home consumption in France… and less than 15% of non food consumption

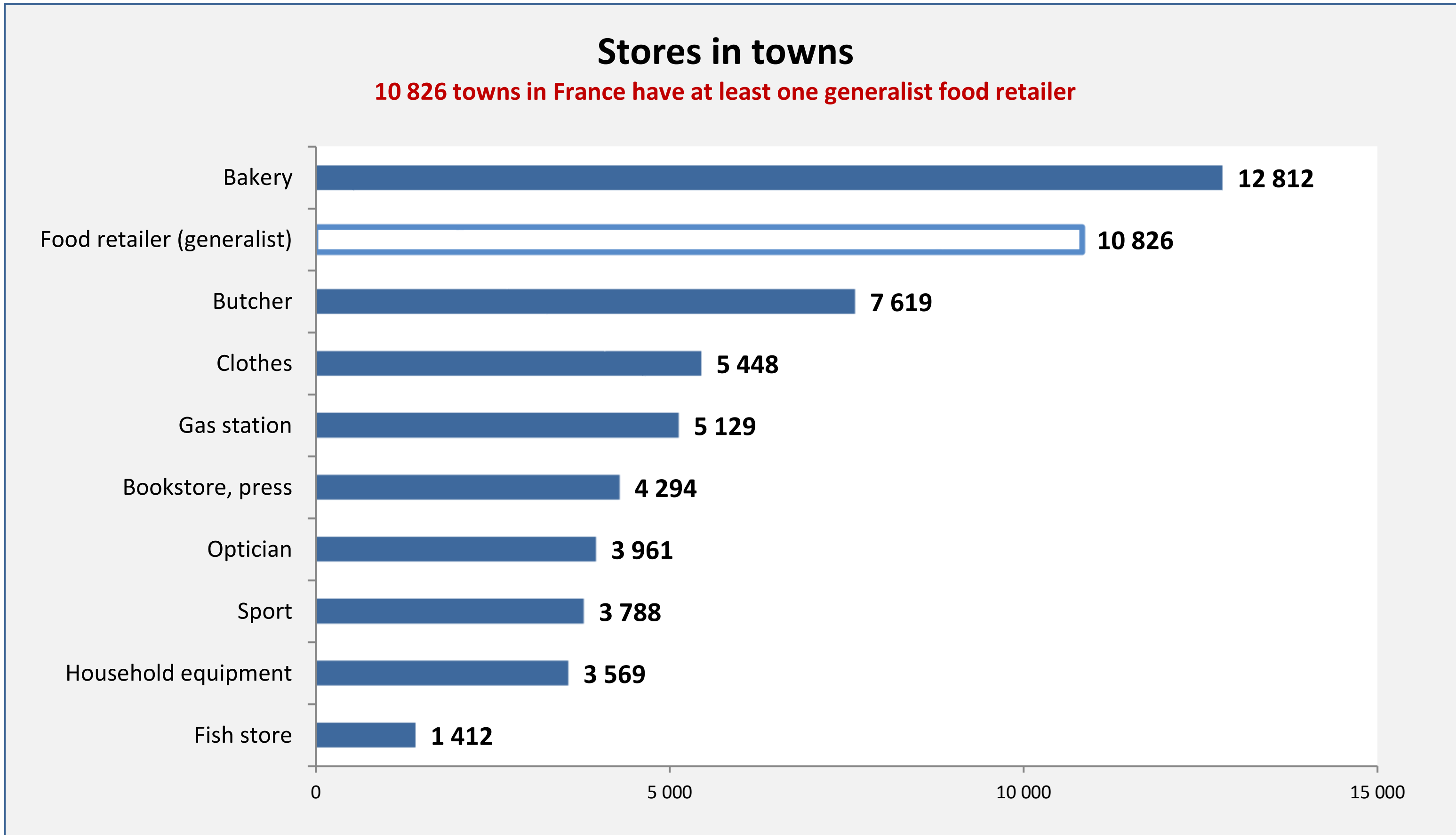
The market share of major food retailers and convenience stores is about 70% of the french food market (2019). Hypers and supermarkets dominate with 35% and 28% of the food market. In non food markets, major food retailers have a smaller market share (14%).





Source : INSEE

Stores : non specialised food retailers, key actors in small towns via convenience stores (= 26 000 in France)



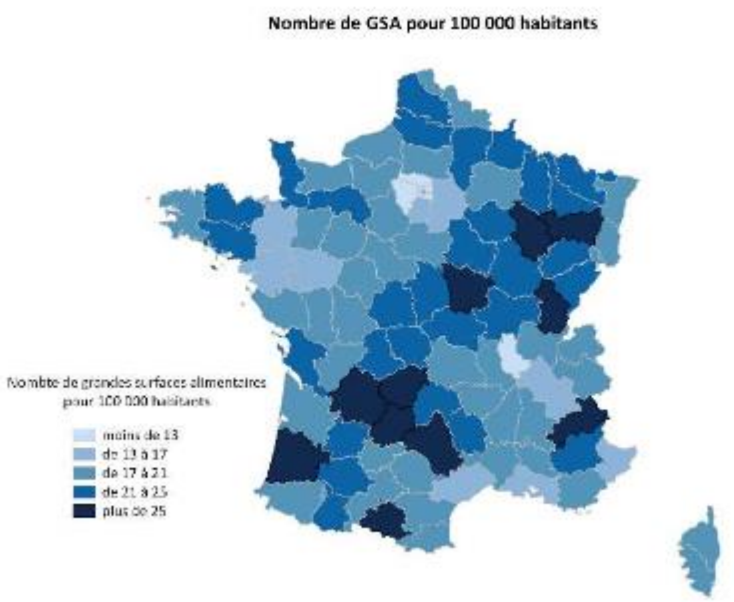
Source : INSEE : « Base permanente des équipements : commerce » 2019

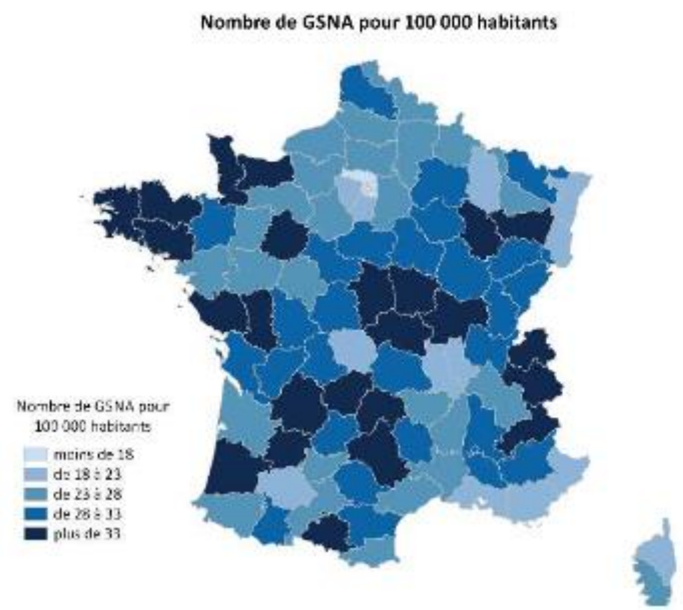
Density :
The shops are present all over the country, but the density varies according to the region

Density in **food retail (hyper, super & discount)**:

In 2019, French departments had an average of 18 large food stores per 100,000 inhabitants.
Jura (28.9), Lot (28.2), Nièvre (28) and Haute-Marne (27.9) have the highest densities. The departments in Ile-de-France have the lowest densities.

Density in **non food retail (clothes, shoes, sport, DIY… more than 1,000 m²)**:
French departments have an average of 25.2 non-food superstores per 100,000 inhabitants. The Nièvre and the Hautes-Alpes have the highest densities with respectively, 40 and 38.9 non-food superstores. In relation to their population, the departments with the lowest number of big non food stores are mainly in the Ile-de-France





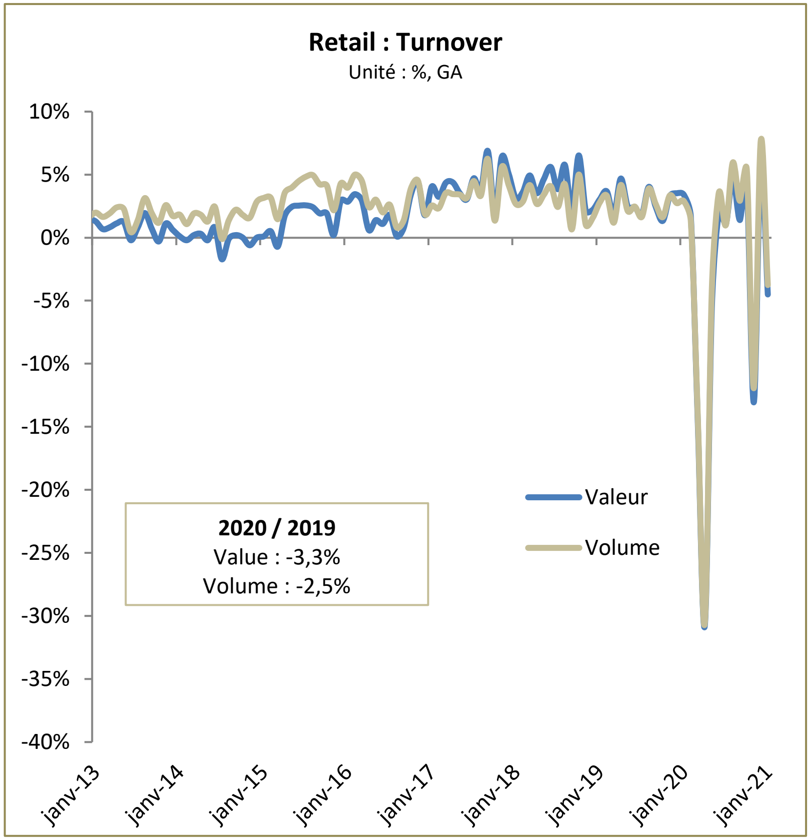
Source : INSEE - 2019

2- Retail in France :
2020

Retail

The turnover of the retail trade (excluding the car trade) decreased by 3.3% in value and 2.5% in volume in 2020

Retail sales fell by -3.3% in value in 2020 and by -2.5% in volume. The collapse of sales in March and April in particular caused Q1 and Q2 sales to plummet (-2.5% between Q4 2019 and Q1 2020 and -5.6% between Q1 and Q2 2020). The spring and summer recovery was followed by a new episode of "non-essential" shop closures, which led to a drop in overall retail sales in November, before the December rebound (+6% in value year-on-year and +21% between November and December).



	Turnover Index value	%	Turnover Index volume	%
2010	100,0	nd	100,0	nd
2011	105,0	5,0%	103,4	3,4%
2012	108,2	3,0%	105,3	1,8%
2013	109,1	0,8%	107,2	1,8%
2014	109,0	-0,1%	109,0	1,7%
2015	110,6	1,5%	113,0	3,7%
2016	112,8	2,0%	116,3	2,9%
2017	117,7	4,3%	120,6	3,7%
2018	122,4	4,0%	124,0	2,9%
2019	125,8	2,9%	127,5	2,8%
2020	**121,6**	**-3,3%**	**124,3**	**-2,5%**

Sources : Eurostat – traitement FCD / données CVS-CJO

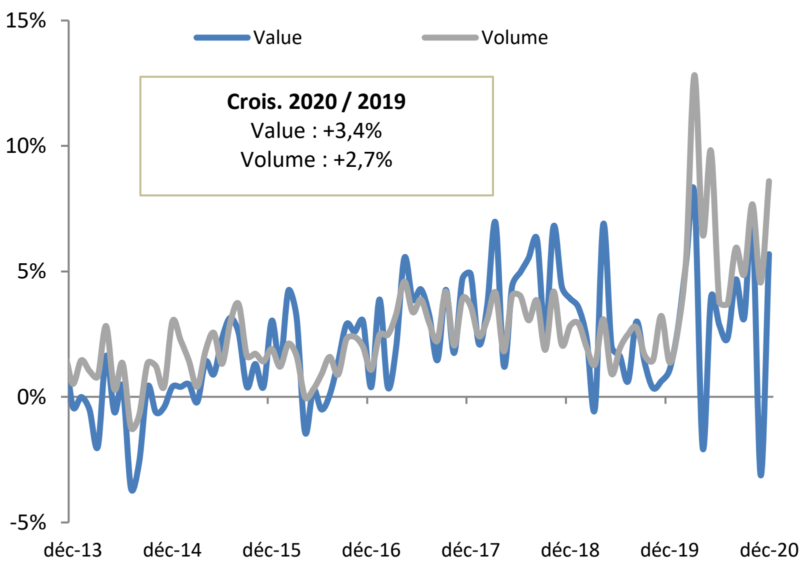
Food retail
An acceleration in growth, all products combined, that is moderate in 2020

Turnover in food retail rose by 3.4% in value in 2020, a significant acceleration in growth. The sector benefited from the shift of spending in out-of-home restaurants from mid-March onwards.

It should be noted, however, that these figures include all sales made by food retailers, including non-food products whose turnover continued to decline over the period (textiles, consumer electronics, large electrical appliances, etc.) and fuel (whose sales collapsed in 2020), which explains the difference in growth between these data and those of the panellists (Nielsen)

Turnover of retail in non-specialised stores with food predominating

INSEE Unité : %, YoY

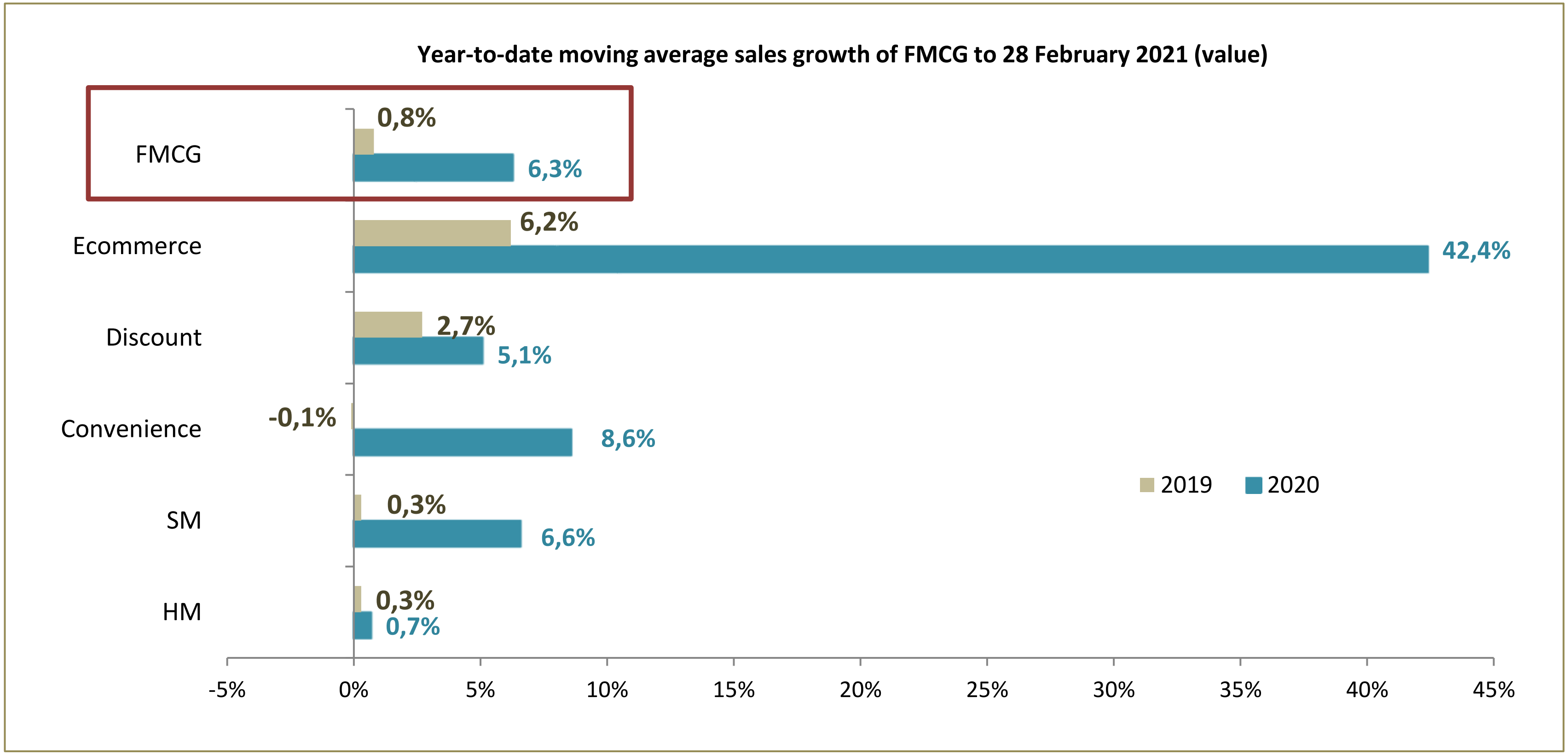


	Turnover Index value	%	Turnover Index volume	%
2010	100,0	nd	100,0	nd
2011	105,2	5,2%	102,9	2,9%
2012	108,4	3,0%	103,6	0,7%
2013	109,9	1,4%	104,6	1,0%
2014	109,2	-0,6%	104,8	0,2%
2015	110,7	1,4%	106,9	2,0%
2016	112,3	1,4%	108,7	1,7%
2017	116,1	3,4%	111,8	2,9%
2018	121,2	4,4%	115,6	3,4%
2019	123,5	1,9%	115,8	0,2%
2020	**127,7**	**3,4%**	**118,9**	**2,7%**

Source : Eurostat

According to Nielsen data, sales of FMCG-FLS increased by 6.3% in 2020 (+4,8% in volume). This acceleration of growth is the consequence of the containment measures taken during the year and the transfer of a very large part of the consumption in the catering industry to home consumption.

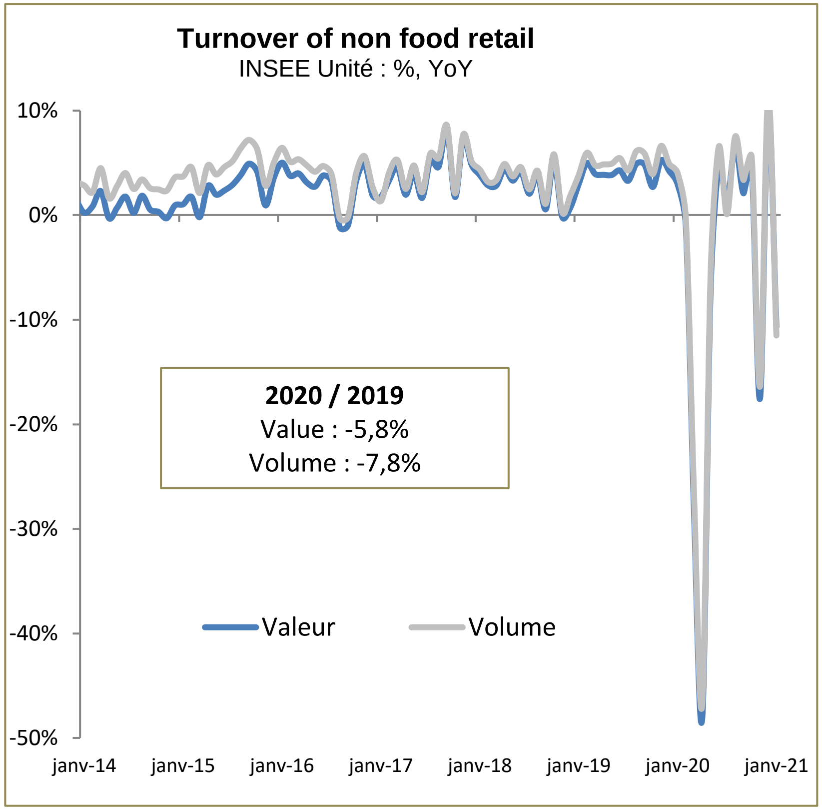
The most dynamic segments were e-commerce and home delivery, as well as convenience stores. On the other hand, hypermarkets saw their sales increase modestly (+0.7%) compared to an increase of 6,6% for supermarkets.



Source : Nielsen

Non food retail
Collapse

ales in the non-food retail sector contracted by almost 6% in value on average in 2020. Sales in the non-food retail sector in France fell by -28% in March 2020 year-on-year and by a further -47% in April, followed by -6% in May. The rebound in sales from June onwards remained too weak to compensate for the losses of the months of confinement. In addition, November was again marked by containment measures, leading to the closure of a majority of non-food shops (sales fell by -16% compared to November 2019). And the rebound in December proved insufficient to compensate for the declines recorded in the previous months.



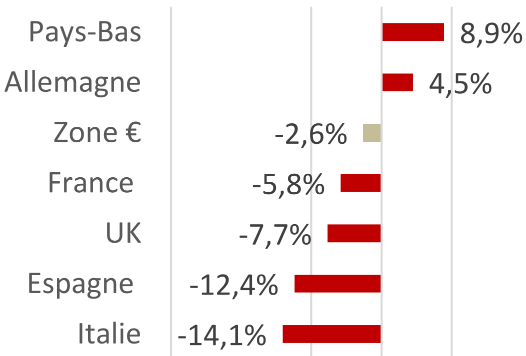
Hors carburants, hors automobiles / Source : Eurostat

	Turnover Index value	%	Turnover Index volume	%
2010	100,0	nd	100,0	nd
2011	103,9	3,9%	104,5	4,5%
2012	106,8	2,8%	107,7	3,1%
2013	107,0	0,2%	110,3	2,4%
2014	107,8	0,7%	113,5	2,9%
2015	110,5	2,5%	118,9	4,8%
2016	113,6	2,8%	123,4	3,8%
2017	118,2	4,0%	129,1	4,6%
2018	121,5	2,8%	133,3	3,3%
2019	126,5	4,1%	140,1	5,1%
2020	**119,1**	**-5,8%**	**133,4**	**-4,8%**

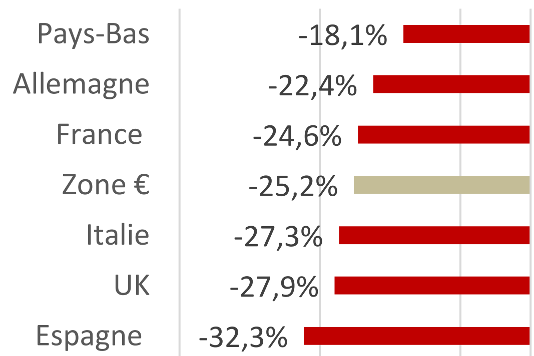
Non food retail
Sectors : personal equipment, the big loser of the year 2020

Overall, household equipment was relatively resilient to the shocks recorded in 2020. The sector's turnover fell by only -2.6% on average over the year. However, this figure masks major differences between countries, with strong growth in Germany and the Netherlands in the North and a decline in Spain, Italy and France in the South. On the other hand, for clothing and footwear, the trend was a strong decline in all the major European economies (from -18% in the Netherlands to -32% in Spain). Finally, unsurprisingly, distance selling outperformed with a +23% growth in the € zone (from +13% in France to +39% in Spain).

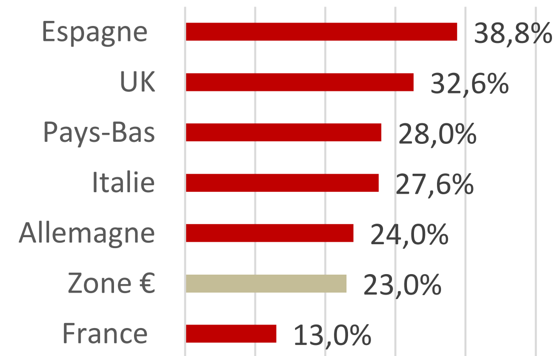
Household equipment
2020 (% valeur)



Apparel, shoes, leather
2020 (% valeur)



Mail order
2020 (% valeur)



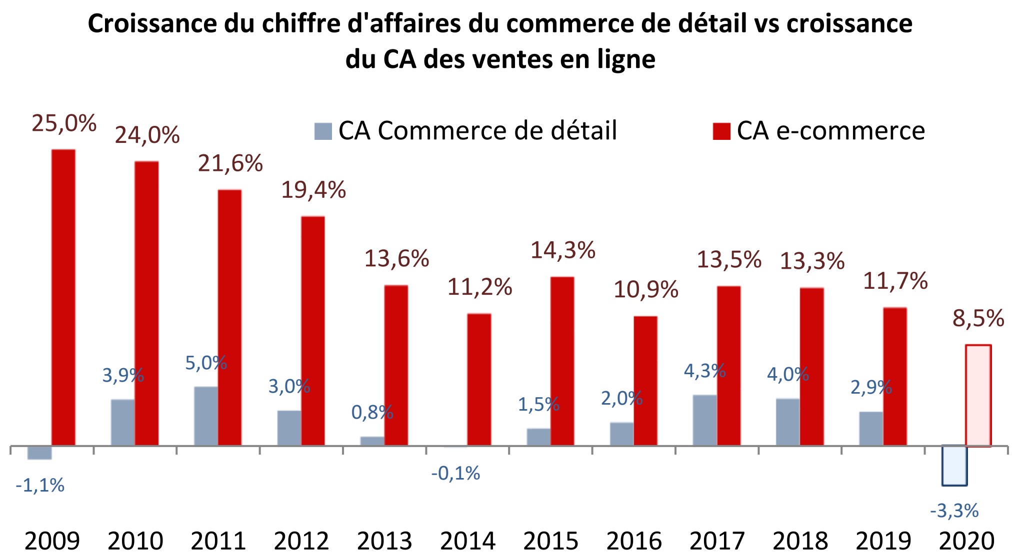
Zone € / Sectors	2018	2019	2020
Household equipment	1,5%	3,2%	**-2,6%**
Apparel, shoes, leather	-1,4%	1,2%	**-25,2%**
Mail order	7,1%	9,7%	**23,0%**

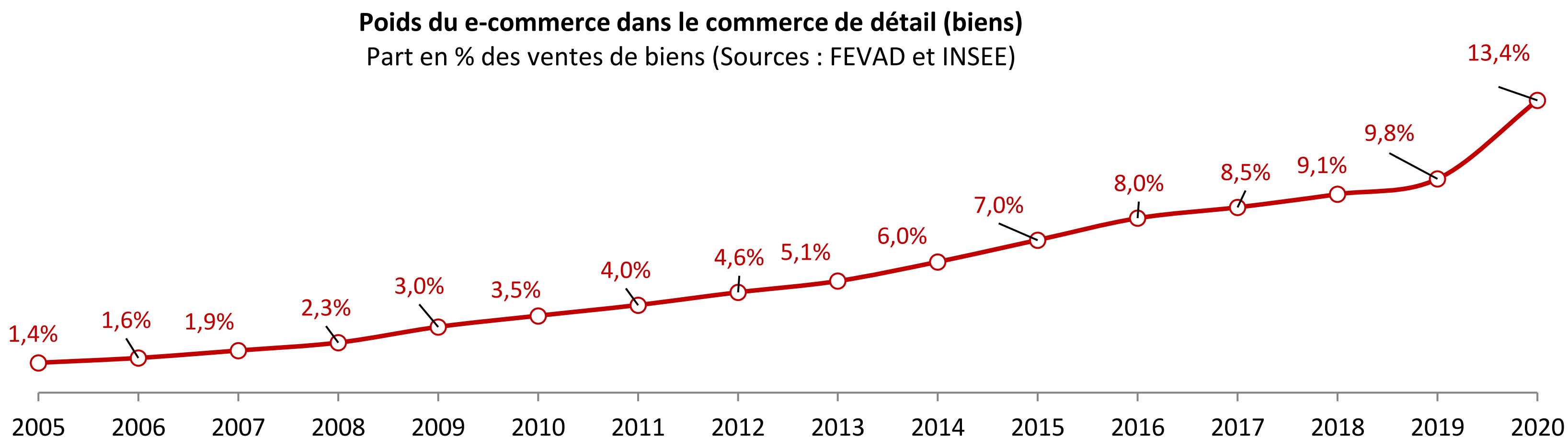
Source : Eurostat – liste de secteurs non exhaustive

E-commerce : strong increase for the products in 2020

Turnover of e-commerce (products and services) in France reached 112 billion euros in 2020, up by 8.5% over one year, a slowdown compared to 2019.
This slowdown is directly linked to the 10% drop in sales of online services (travel, etc.). For the travel-tourism players alone, the 2020 balance is -47%.

On the other hand, **the increase in sales of products on the internet is estimated at +32%** which has mechanically led to a strong increase in the market share of e-commerce in the whole of retail : it is estimated at 13.4% vs. 9.8% in 2019.

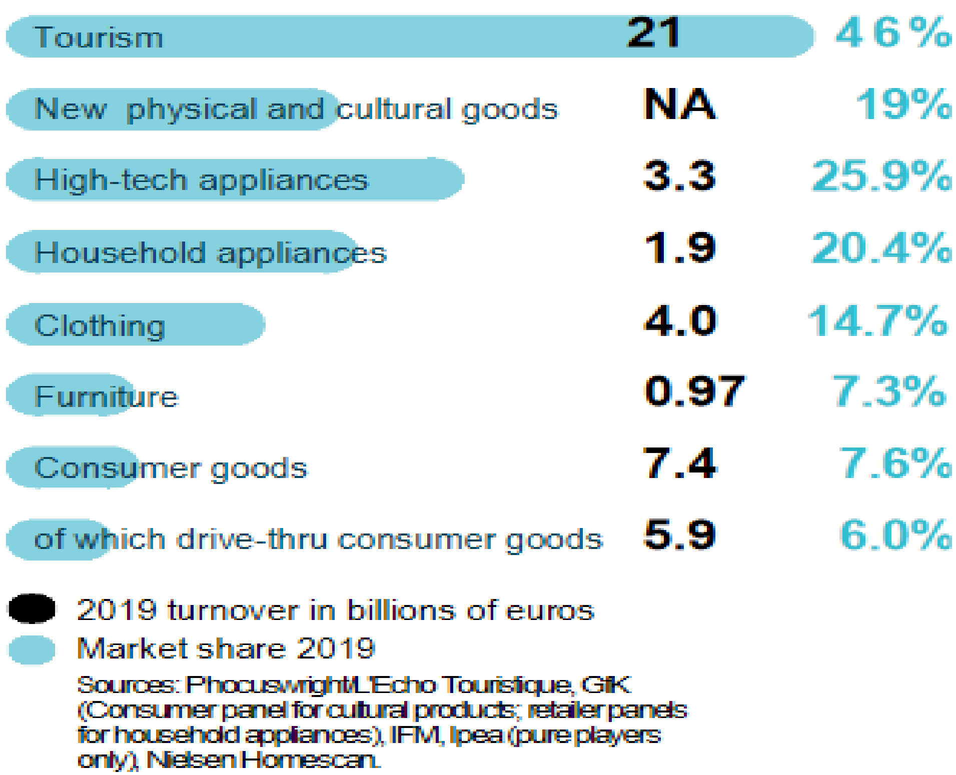




Sources : Fevad et INSEE

Sales of online goods accounted for just under 10% of total retail trade on average in 2019. The market share of e-commerce is increasing by around 0.7% a year, specifically thanks to the development of online sales by retail chains.

MARKET SHARE AND TURNOVER OF E-COMMERCE BY SECTOR



2020

In **clothing**, in France, the share of e-commerce in fashion has risen from 15% to 23%, according to Kantar. "Click and mortar" has risen from 33% of online spending to 51%, pushing the Internet giants down to 39%.

In **high tech & household appliances**, the sales on Internet raised to 37% at the end of 2020, vs 22% at the beginning of the year. The forecast is 27% for 2021.

Sources : Fevad et INSEE

3- Focus on non food retail

Focus on non food retail
Organized retail in the non-food sector

The clothing and lingerie sector has the largest number of shops and employees in the non-food retail: 18,110 stores and 139,000 employees. In terms of employment, DIY stores come next with 75,409 employees for 2,200 stores. The average surface area of DIY stores is 3,900 m² and the average number of employees per shop is 34.

	Stores	Commercial area	Average area	Employees	Average employees
Apparel and lingerie	18 110	5 529 186	305	139 038	7,7
DIY	2 200	8 606 343	3 912	75 409	34,3
Sport (ex. Décathlon, Intersport, Sport 2000…)	3 507	2 797 962	798	44 334	12,6
Household appliances (Boulanger, Darty, But…)	3 291	3 082 045	937	40 103	12,1
Garden centres	3 142	5 962 263	1 898	33 182	10,5
Beauty (Sephora, Parashop…)	4 336	604 943	140	29 722	6,9
Optic stores	6 920	860 181	124	29 092	4,2
Furniture	2 764	2 862 650	1 036	26 025	9,4
Culture (ex. Fnac, Espace Culturel Leclerc, Cultura…)	1 410	924 541	656	19 900	14,1
Toys	1 215	887 976	730	8 507	7,0

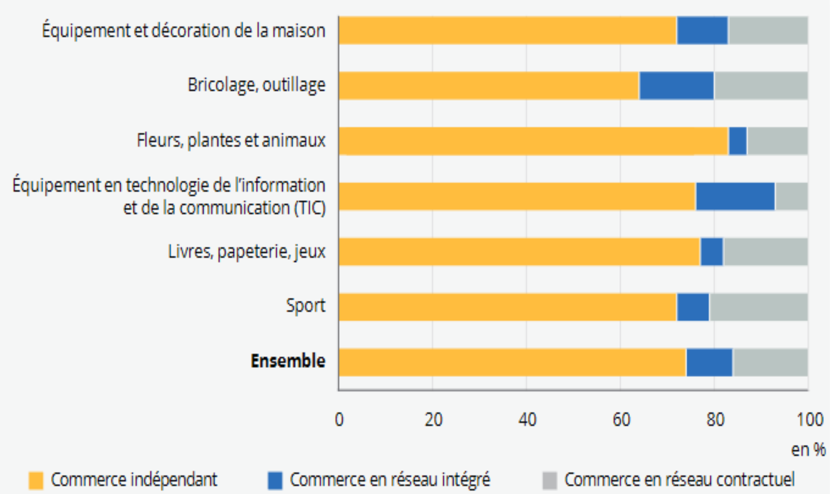
Non exhaustif
Sources : LSA, base Expert, données 2020

Organized retail in the non-food sector : the example of household goods, information and communication technology goods and leisure goods

Although they represent only 26% of the shops, the chain networks have a much larger sales area (**63% of the area of the whole sector**). They also have a high economic weight: they employ 53% of the sector's employees and non-salaried workers and generate 59% of turnover.

Breakdown of shops according to their membership of a network

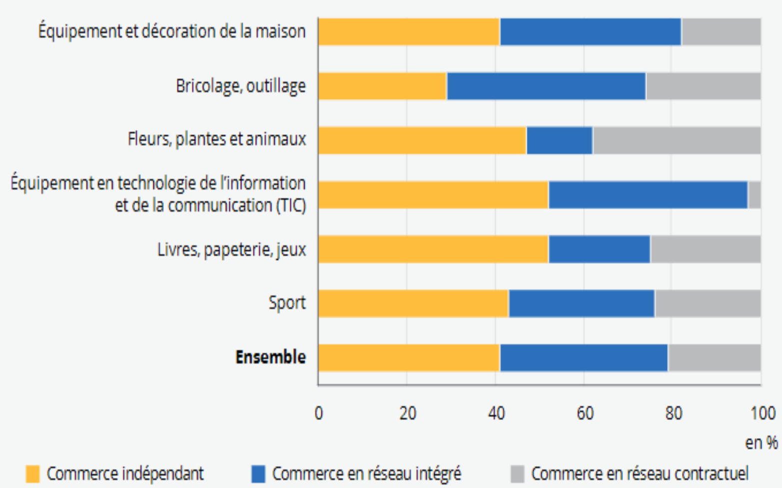
▶ 1. Répartition des magasins selon leur appartenance à un réseau d'enseigne en 2018



Lecture : dans l'équipement et la décoration de la maison en 2018, 72 % des magasins sont indépendants.
Champ : magasins du commerce de détail de biens d'équipement de la maison, de biens TIC et de loisirs.
Source : Insee, enquête Réseaux d'enseigne 2018, Sirus, Ésane, données fiscales de la CFE et de Tascom.

Breakdown of turnover according to the membership of a network

▶ 2. Répartition du chiffre d'affaires selon l'appartenance à un réseau d'enseigne en 2018

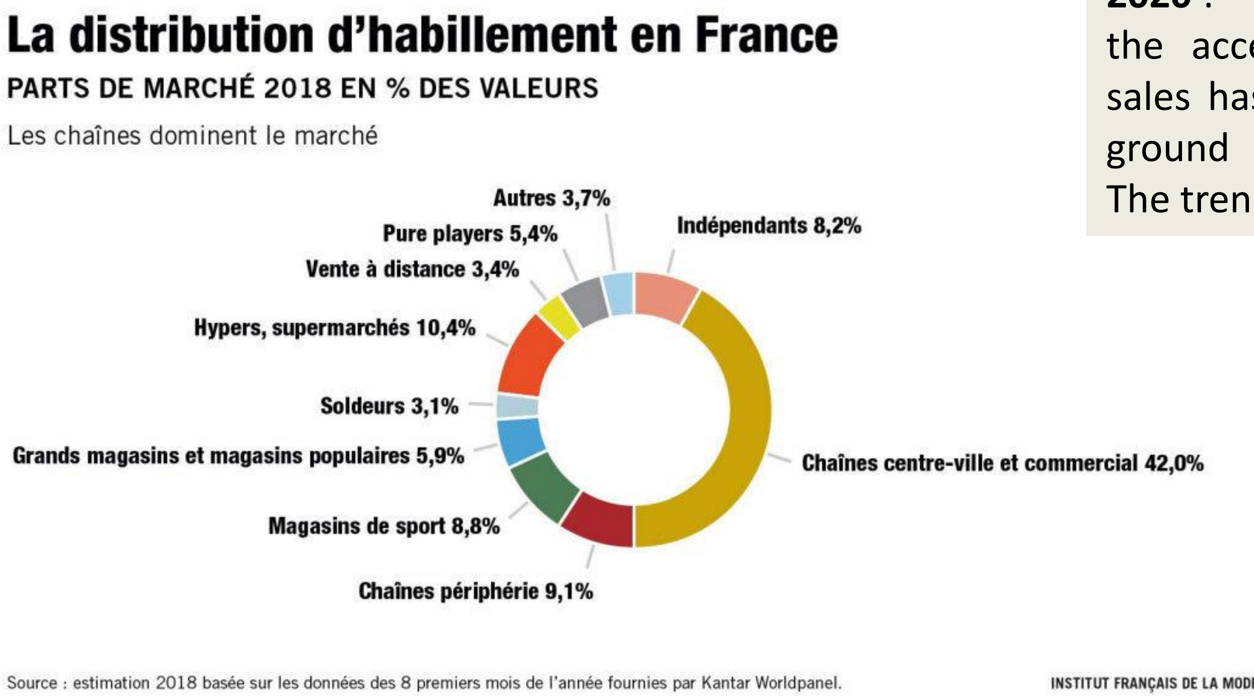


Lecture : dans l'équipement et la décoration de la maison, le commerce indépendant représente 41 % du chiffre d'affaires en 2018.
Champ : magasins du commerce de détail de biens d'équipement de la maison, de biens TIC et de loisirs.
Source : Insee, enquête Réseaux d'enseigne 2018, Sirus, Ésane, données fiscales de la CFE et de Tascom.

Sources :INSEE - 2018

Organized retail in the non-food sector : the example of apparel (1)

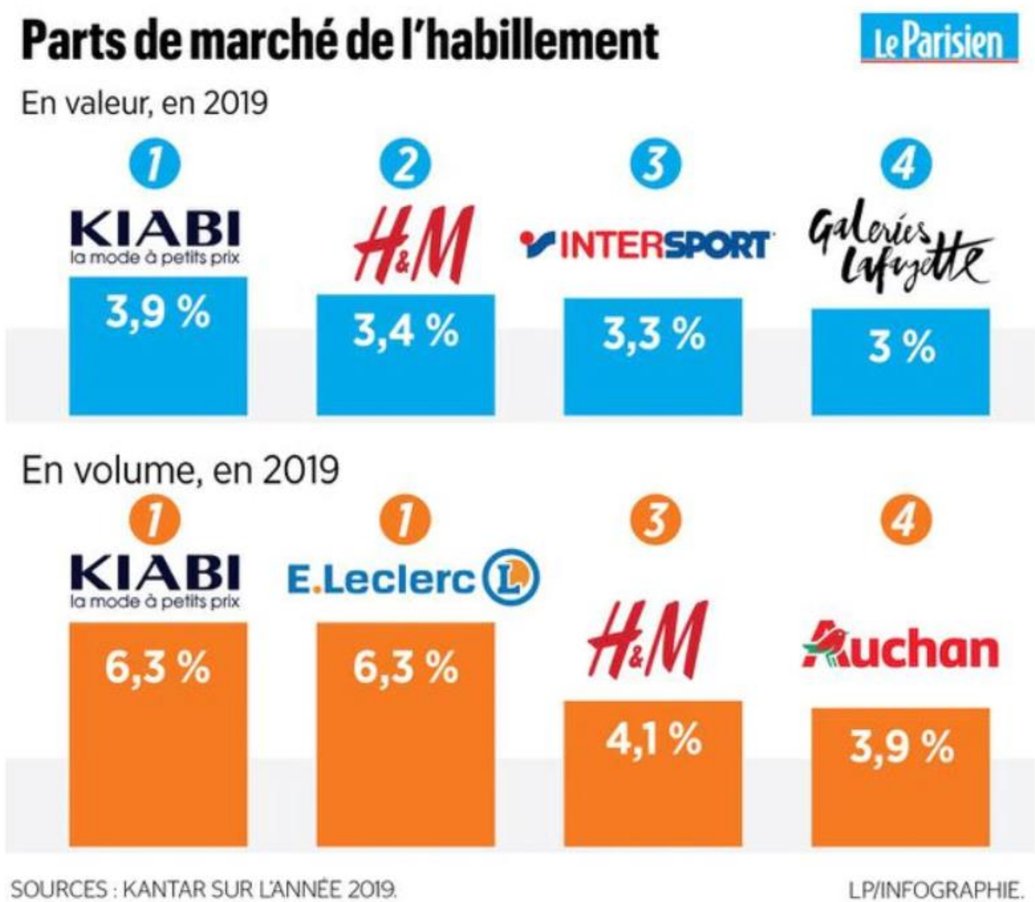
The chains account for more than 50% of the market, 42% of which is accounted for by chains mainly present in town centres. Next come hyper and supermarkets (10.4%), sports shops (8.8%). The independents represent 8% of the market, they are ahead of department stores.



2020 :
the accelerating growth of online sales has contributed to the loss of ground for independents in 2020. The trend will continue in 2021.

Organized retail in the non-food sector : the example of apparel (2)

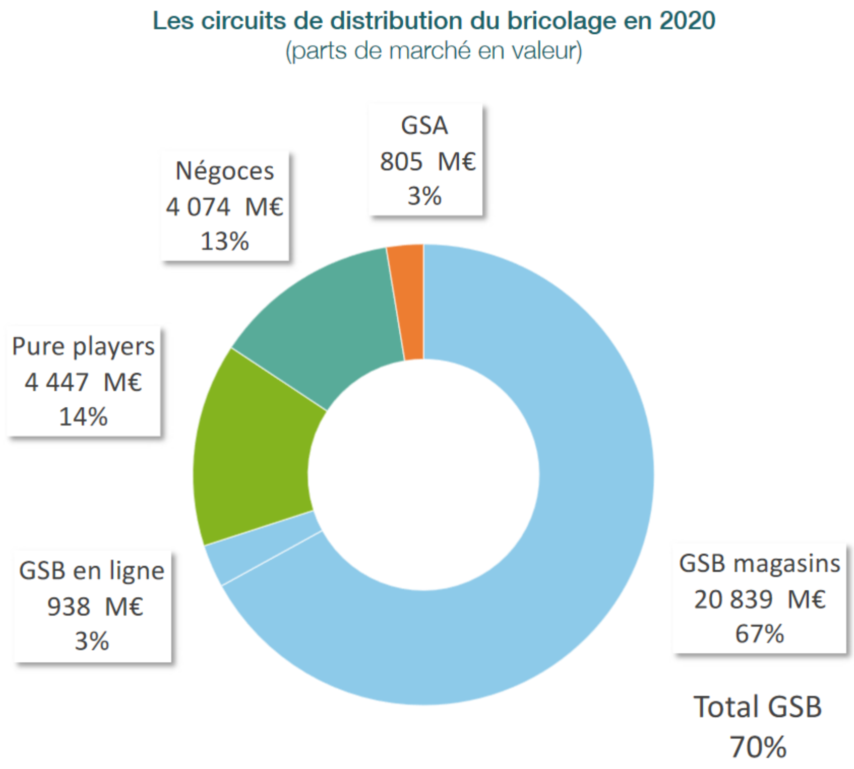
A very fragmented sector with no leader standing out from the crowd. Kiabi is the market leader in value, with a market share of less than 4%.

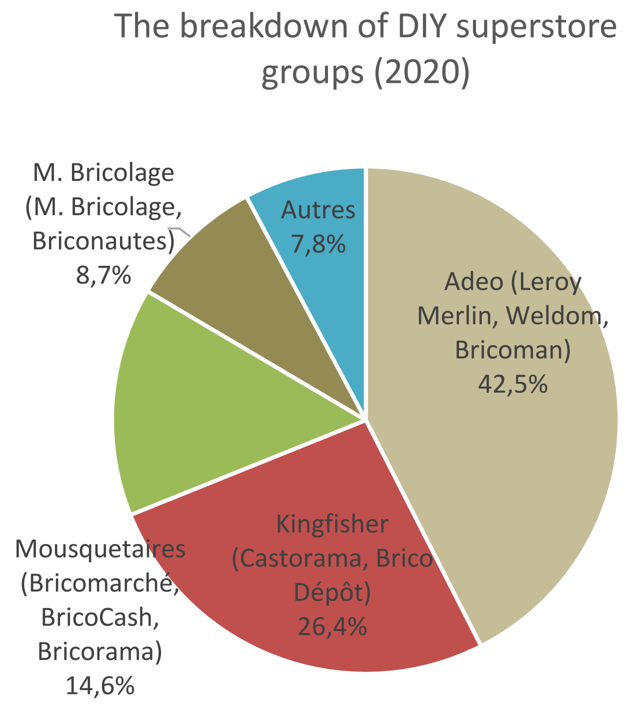


Sources : KANTAR - 2019

Focus on non food retail
Organized retail in the non-food sector : the example of DIY

The DIY sector is highly concentrated in France. 70% of sales are made by DIY superstores, a sector with 4 dominant groups (Adeo, Mousquetaires, Kingfisher, Mr. Bricolage).

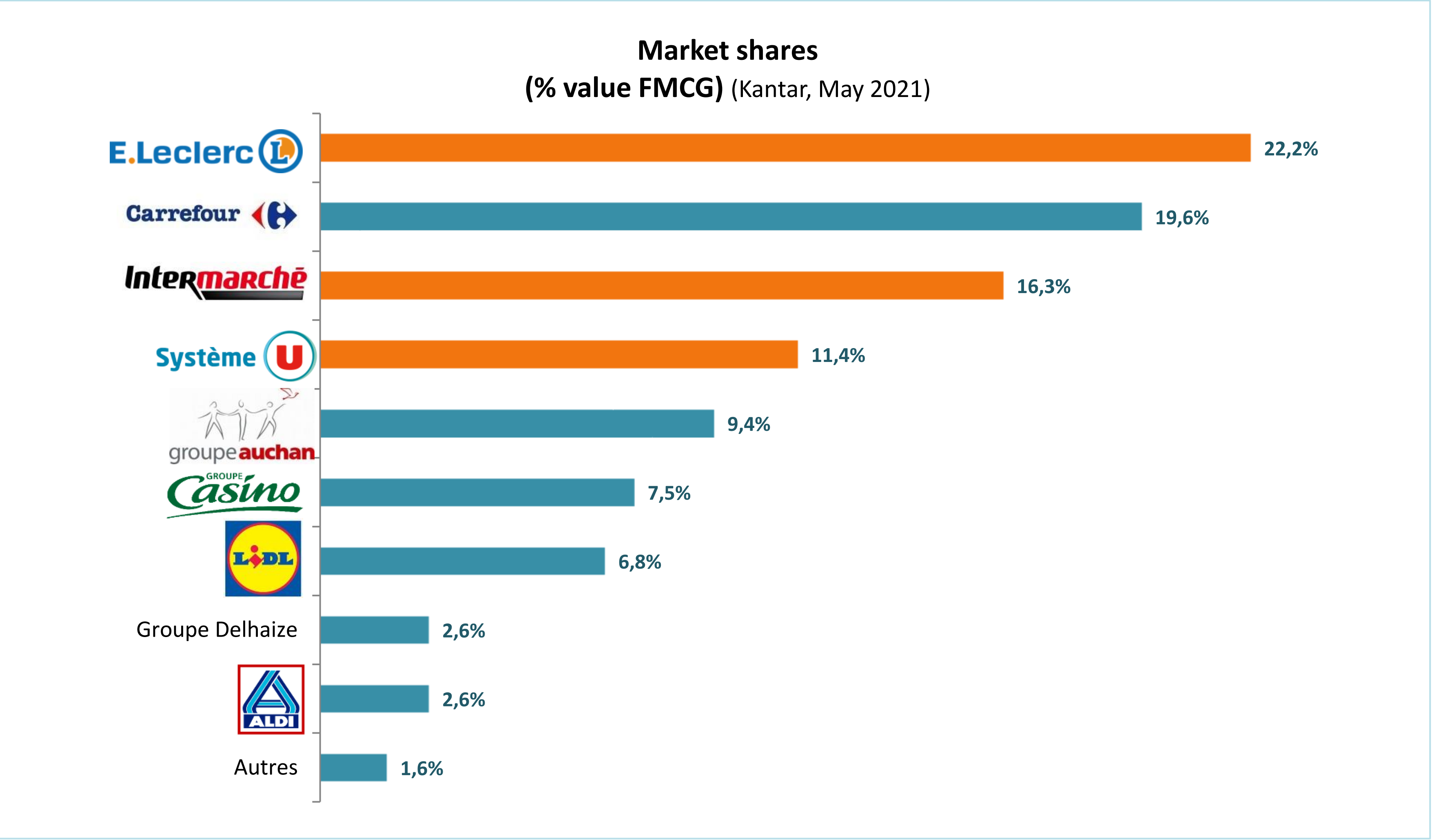




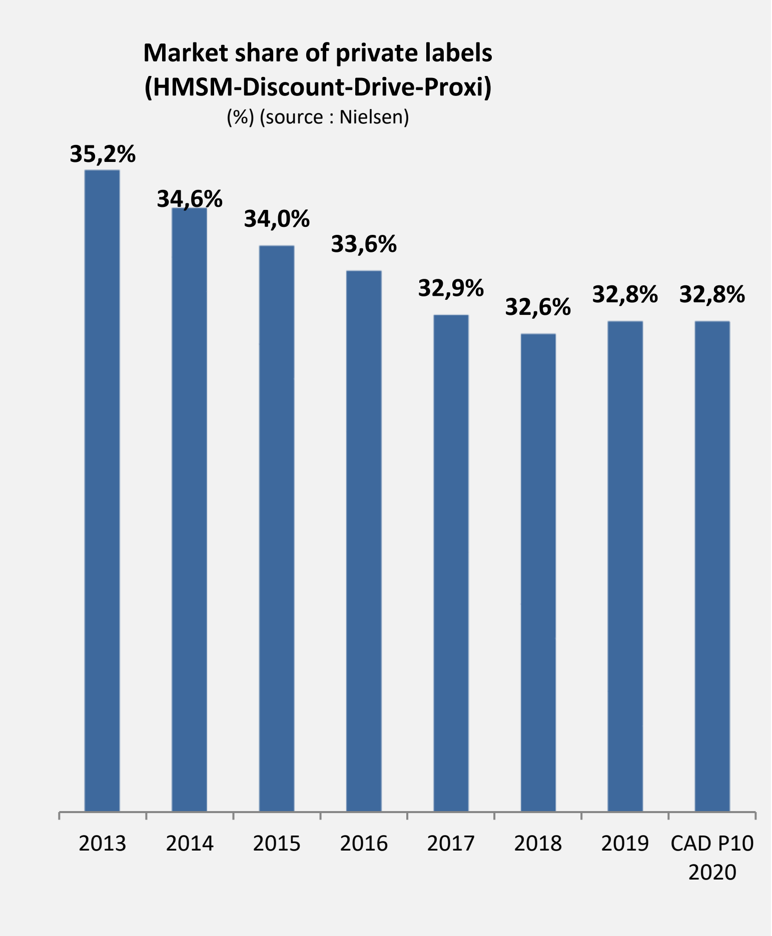
Sources : FMB - 2020

4- Focus on food retail

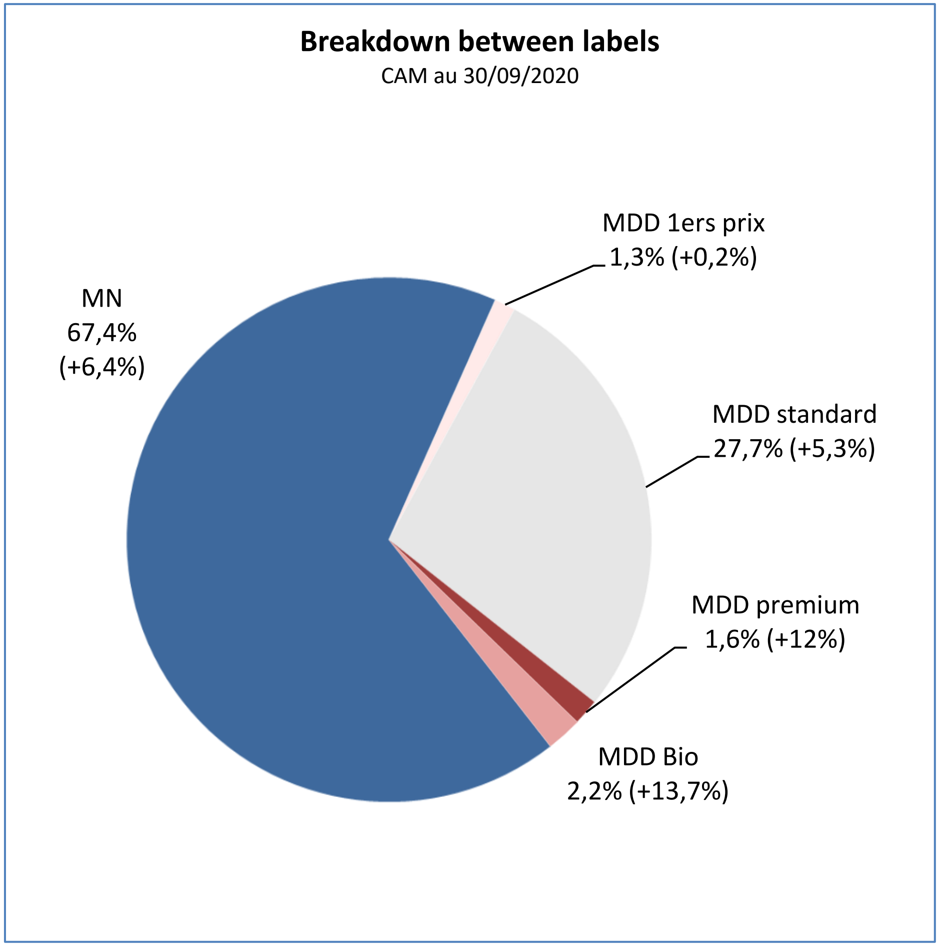
Key players in the grocery retail sector



Private label in France : 33% of FMCGs' sales
Premium ranges are driving private label sales



Source : Nielsen



Source : Nielsen - HMSM, drive, convenience, discount

5- Retail alliances, buying groups

BUYING GROUPS OF RETAILERS

Around for a long time (30 years)

The main function of the buying group is to centralise all purchases of different products in one place. All members benefit from the same prices.

There are two main types of buying groups : Integrated buying group :
The integrated buying group supplies the stores that are under the banner.

Cooperative buying groups
This is a grouping of independent companies. What makes a cooperative buying group different is that its members make savings on some of their purchases while remaining focused on their core business.

RETAIL ALLIANCES

Sell services to large national and international suppliers with significant market share (eg : data-sharing, international development…)

Provide synergies in their members' sourcing, including in private label.

Some do joint projects and exchange of best practice

They are focused on A-brands and international private label suppliers

Leading retailers in EU countries continue to compete against each other on national markets

ERAs have governance and **strong compliance rules** to ensure compliance with national and EU competition rules.

Retail alliances in grocery retail : the view is not fixed

2021 : the end of

International alliances

2021 : the end of

Its mission is to optimise **Auchan's** assortments with the major **FMCG groups**, develop business plans, share data and develop international projects in CSR (Corporate Social Responsibility) or supply chain.

Buying groups in France

The organisation of buying groups in France depends on the sectors and the organisation modes of the groups (integrated vs franchised).

At national level
LES MOUSQUETAIRES is organised in France into 6 major business lines (Food, Hard Discount, Home Equipment, Personal Equipment, Automotive and Catering). These business lines have structured the purchasing departments into categories and departments that analyse the different sectors in order to buy on the best terms from national suppliers.

At regional level
LES MOUSQUETAIRES has set up regional purchasing offices that work closely with local producers. This proximity has enabled them to establish special relationships and to better understand orders and volumes. They are very close to the producers and respond exactly to consumer expectations.

With the collaboration of a committee of members, the **Central** ("La Centrale") refers the direct suppliers, negotiates the commercial conditions and selects the products which appear in the **JOUECLUB catalogues**.

At the same time, the Central, through its subsidiary **SIDJ**, offers its members a permanent stock of products imported from all over the world.

EPSE JOUECLUB centralises all payments and assumes the payment guarantee for all referenced suppliers.