

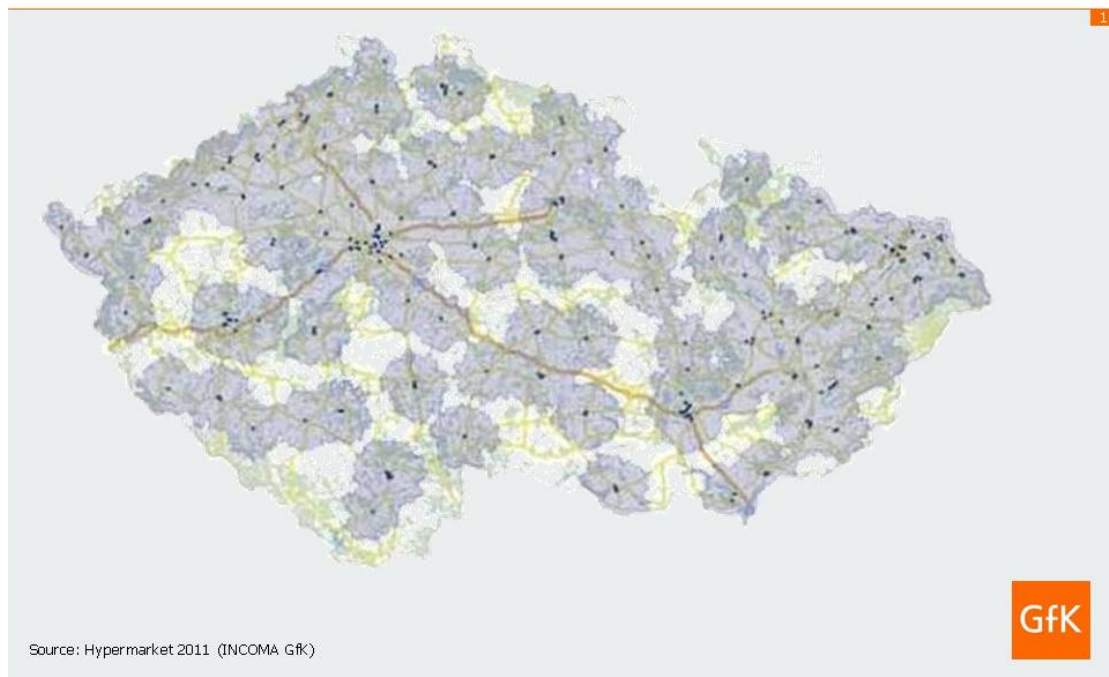
## Czech Republic

### Nine out of ten inhabitants in the Czech Republic live within the catchment area of a hypermarket

The retail countryside in the Czech Republic is becoming "denser." An illustration of this is the growing number of hypermarkets (large stores with a wide range of products and an area of more than 2500 m<sup>2</sup> of SFS). There is already a total of 268 hypermarkets operating in the country. According to the INCOMA GfK survey "HYPERMARKET 2011", nine and a quarter million inhabitants, i.e. 88% of the Czech population, live within 20 km of a hypermarket.

Thereby, the hypermarket network and its catchment areas have covered almost the whole country. An exception is formed by the sparsely populated areas where the opportunities for positioning a hypermarket are limited by the lack of suitable places.

### Areas which lie within 20 km of a hypermarket

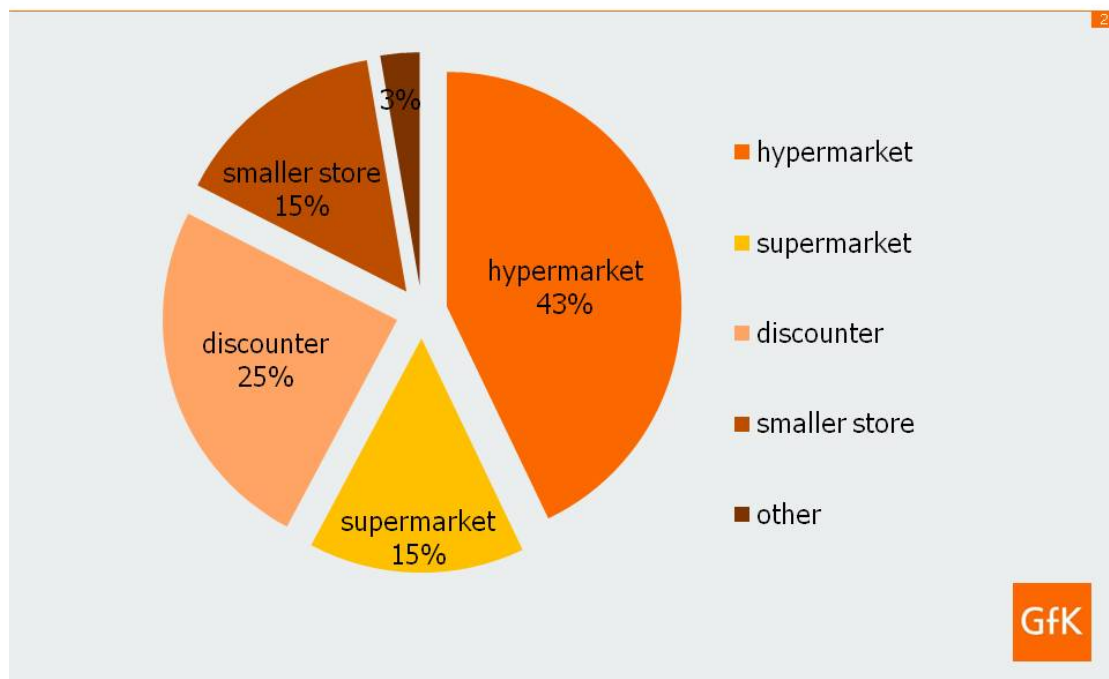


It is no surprise to find that the results of the annual INCOMA GfK survey, Shopping Monitor, have confirmed that, in 2010, Czech households spent most money on food in hypermarkets. As many as 43 % Czech households spend the highest share of their food and drugstore expenditures in hypermarkets. Discount stores have maintained their second place with 25 % of Czech households spending most money on food there. The popularity of supermarkets has declined slightly – 15 % of Czech households prefer them when buying food. Smaller shops have maintained their position of last year, forming the preference for 15% households.

People primarily choose hypermarkets because of the wide choice of goods. Discount stores generally attract consumers as a result of the combination of favourable prices and reasonable quality. The customers who prefer supermarkets mostly make their decision on the basis of their accessibility and because of the pleasant and clean environment. Small shops are attractive to their customers for their easy accessibility, pleasant and helpful staff and also for easy orientation within the store.

Younger consumers (under 40) with higher levels of education prefer shopping in hypermarkets and supermarkets. On the other hand, discount stores and small shops are popular with older customers and customers with lower levels of education.

### Main place for shopping for groceries in 2010



Overall, Kaufland stores were the place where Czech households spent most money on food last year with 19 % of households saying Kaufland was their main shopping place for food. Albert stores and the Penny Market discount chain share second place (both chains are preferred by 12 % of households). Tesco and Lidl also gained their position in the TOP 5 chains (each of them being the preference of about 10 % of households).

Czech customers have increasingly tended to differentiate between the individual chains so that chains have begun to profile significantly and – as a result of the various combinations of price, assortment and quality of goods - they are able attract customers for different categories of goods. For example, the Globus retail chain stores have been popular amongst Czech households as places to shop for meat, sausages and organic foods. On the other hand, the Kaufland and Lidl chains have been successful with their offers of fruit and vegetables and pet food.



People prefer to buy soft drinks at Tesco as part of a big shopping expedition whereas Albert supermarkets have become a favoured place for pastry and delicatessen shopping with frequent visits. Billa is a favourite place for buying cheese and fruit and vegetables whilst Penny Market has become popular for its dairy products, coffee and tea.

**Contact:**

Tomáš Drtina  
Managing Partner

**INCOMA GfK**

KAVCÍ HORY OFFICE PARK

Na Hřebenech II 1718/10

140 00 Praha 4

Czech Republic

Tel. +42 02 511 17541

Fax +420 251 117 542

[tomas.drtna@gfk.com](mailto:tomas.drtna@gfk.com)

[www.gfk.cz](http://www.gfk.cz)