

# Benelux

## WE IMPROVED OUR EFFICIENCY AND OUR PERFORMANCES DESPITE NOT ACHIEVING OUR GOALS BECAUSE OF THE PANDEMIC.

Spadel Benelux made every effort to chart a course through the Covid-19 crisis and keep the resultant onslaught to a minimum. The company's sales bases were strengthened in the off-trade and out-of-home channels, as were the efficiency and performance of its organisation. Despite these safeguards, the targets set for the two flagship brands, Spa and Bru, could not be achieved in 2020. However, the falls seen in the out-of-home sector further to the lockdowns, teleworking and the prolonged closure of the hospitality sector were offset by growth in retail sales and favourable temperatures during the summer, which bolstered the hard work and responsiveness of the teams.

## RISE IN GROWTH POTENTIAL MARKETS

The growth in Spadel Benelux shares on its markets was accompanied by other positive factors. For instance, the closure of the hospitality sector and the Belgian borders, reducing cross-border purchases, boosted sales of natural waters in stores last year. Taking the three countries together, the turnover rose by 4.5% to EUR 691.6 million, representing growth in excess of 3.6% over the past five years.

For the first time since the launch of Spa 'Touch Of' in 2013, the steady growth in flavoured waters sagged slight-

ly owing to increased competition from distributors' own brands, rising by 'only' 2.2% to EUR 61.5 million.

Conversely, fruit lemonades, which have seen falls in their sales volumes in the last five years, benefited from the Covid-19 crisis, returning in force to consumers' tables. In 2020, consumption at home rose by 5.9% to EUR 853.2 million. Authentic natural lemonades alone witnessed a real explosion, growing by +16.1% to EUR 121.5 million.

Despite the intensification of the debate on the use of plastic and the increased pressure from own brands and other tap water suppliers, the categories in which Spadel evolves are expected to continue to grow given the rise in demand for healthy, hydrating and natural drinks.

## STRENGTHENING THE SALES BASES IN ALL MARKET SEGMENTS

In retail, Spadel (Spa and Bru brands) maintained its leadership position in natural waters with respective market shares of 25.1% and 31.3% in value in Belgium and the Netherlands, that is +0.5% and -1.7% respectively compared with 2019. Flavoured waters even improved their leadership position, recording market shares of 34% in value in Belgium and 58.2% in the Netherlands, representing respectively growth of 1.3% and 5.4%. Moreover, Spa succeeded in consolidating its challenger position in



THANKS TO THE BENELUX TEAMS, WHICH FOCUSED HEAVILY ON COMMUNICATION AND SALES SERVICES, IN BOTH THE OFF-TRADE AND ON-TRADE CHANNELS, THE FALLS RECORDED FURTHER TO THE LOCKDOWNS, TELEWORKING AND THE PROLONGED CLOSURE OF THE HOSPITALITY SECTOR PROVED SMALLER THAN FEARED.



**Bart Peeters**  
General Manager  
Benelux





ALTHOUGH THESE SALES CONSIDERATIONS REFLECTED THE CONCERNS OF THE BENELUX TEAMS, THEY DID NOT ECLIPSE THE COMMITMENTS MADE IN THE FIELD OF SUSTAINABLE DEVELOPMENT.

lemonades by achieving market shares of 4.6% in Belgium and 3.2% in the Netherlands respectively. These results were achieved thanks to certain major interventions:

The Belgian teams focused heavily on communication and sales services. Displaying finesse and relevance, they emphasised timeless purity and local consumption, two criteria that have demonstrated just how relevant they are over the past few months. For flavoured waters and natural lemonades, the teams focused on strengthening trial activation and the reintroduction of Duo Spa Strawberry-Watermelon, a product popular among consumers, with a view to increasing consumption at home. Moreover, they were also able to benefit, for an entire year, from the launch of the Spa 'Touch' still flavoured waters. Finally, the improvement of partnerships with selected clients generating value for retailers and the increased omnichannel presence of Spa and Bru, refocusing the sales teams' efforts on channels that are under-developed but have a great deal of potential, made it possible to record these excellent results in the retail sector.

These good results in retail contrast with the downturn in out of home, the other major distribution channel which includes hospitality and on-the-go purchases, directly impacted by the health crisis. Despite significant falls in volume at the start of the pandemic, Spadel made great efforts to support our partners affected during and after the lockdown as well as possible. One of the strategic actions deployed was to capitalise on the strength of our brands in the retail sector to carry out trials with our

partners in the out-of-home segment. We also continued to make substantial investments in ensuring Spa and Bru an omnichannel presence and concluding major strategic agreements with new clients in the hospitality sector, fast-food restaurant, health establishments, companies and institutions.

### SUSTAINABLE PROGRESS

Although these sales considerations reflected many of the concerns of the Benelux teams, they did not eclipse the commitments made in the field of sustainable development. In 2020, Spadel Benelux became carbon neutral at product level – its bottles do not contribute to global warming. Thanks to its management and protection of groundwater resources, the company has received Platinum certification from the Alliance for Water Stewardship, the world reference in sustainable water management. It also took action in various ways to implement a fully circular packaging strategy (collection and re-use of all bottles sold) by 2025.

### THE ROLES OF A LEADING COMPANY

Last but not least: in 2020, Spadel Benelux worked hard to improve the efficiency of its organisation. To give some examples of this, the company has installed a performance management system to constantly improve the competitiveness of its organisation; it has developed its capacities through coaching in the field, the introduction of a feedback culture and customised learning and development programmes (L&D); it has also implemented a

number of structural changes to maximise the impact of the key strategies put in place.

### WHAT ABOUT 2021?

These steps will, of course, be taken further in 2021, by continuing to capitalise on our winning Spa and Bru campaigns, strengthening our sustainability leadership, putting winning innovations in place and continuing to invest in a forceful omnichannel strategy.

