Together makes progress

# Food Retail in Greece

Deloitte's Perspective

# Overview

Food retail is **changing on an unprecedented level**, driven by empowered consumers, technology advancements and changes in the macro (e.g., supply chain disruptions) and micro (e.g., state interventions) environment.

Retailers are asked to navigate and succeed on a **very complex and fast-changing landscape.**

In this publication, we do not aspire to provide answers. We aim to build a framework, **identifying the right questions** that will **provoke thought and discussions** on the potential implications for each organization.

Value will continue to be built around **price, quality, convenience and experience** but these themes **evolve** (e.g. quality blends with health and / or traceability) and **tech-enabled solutions** allow for new approaches and fields for differentiation.

All changes will have the **consumer on the epicenter**. Being more informed and empowered, **consumers value choice** and have **varying priorities that should drive retail strategies.**

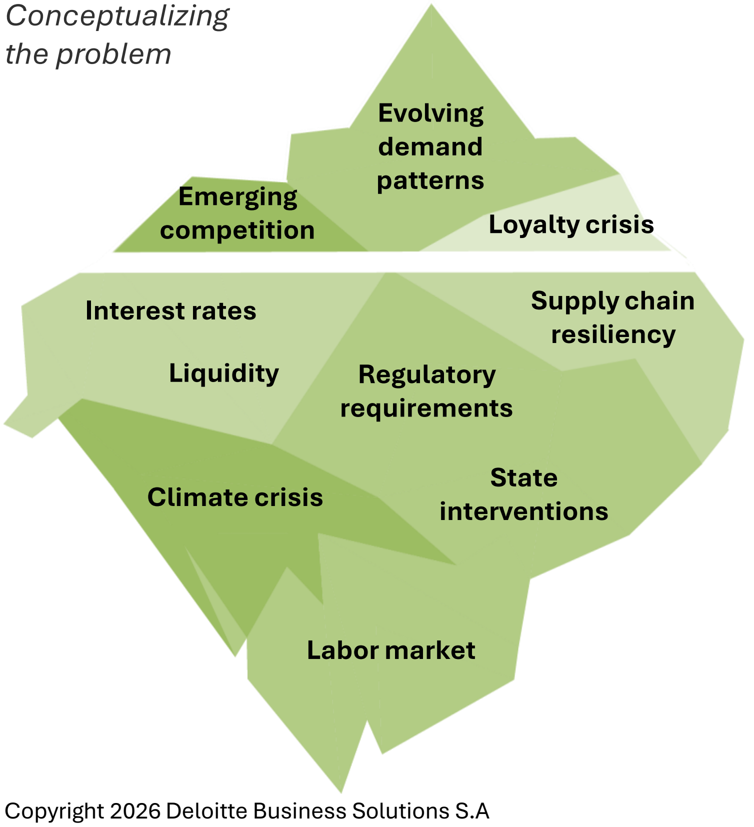
Strategic choices for food retailers will be developed on **4 interconnected key dimensions:**

1. **Positioning towards value creation levers:** What is the optimum mix that will drive brand equity?
2. **Consumer touch points:** What is the right channel/format to reach target-customers?
3. **Growth vehicles:** What is the best growth strategy and how it links to current capabilities?
4. **Attitude towards change:** Will we drive or follow the market and to what extent?

**Overarching theme: Technology** does not drive strategy, it **serves and enables implementation**

## The retail challenge

*Conceptualizing the problem*




## A call to action

**The degree of urgency varies** per market segment and links to each player's positioning.

There seems to be **no "silver bullet"** as incumbent players adopt **diversified strategies** to differentiate themselves.

In a world that is changing, we can all agree that **staying the same is not a viable option**.

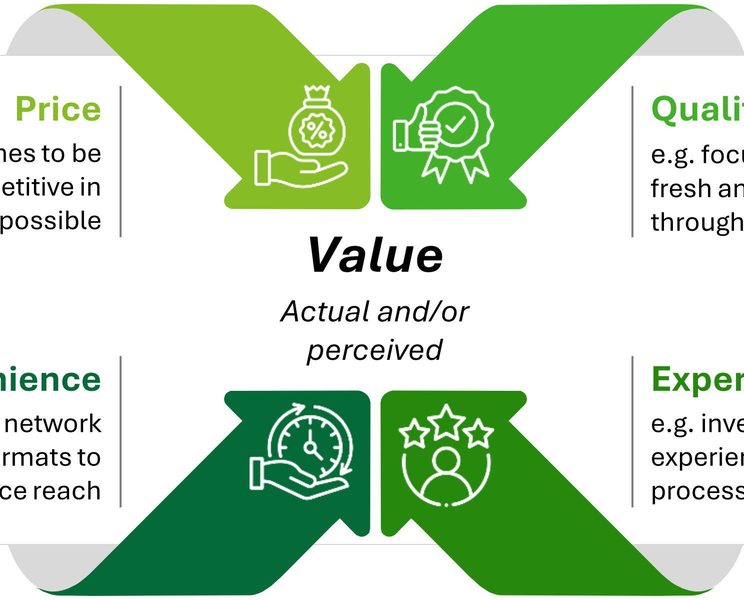
# Value at the epicenter

Retailers adopt new practices to meet changing consumer needs, but **value creation always evolves around four key levers.**

## The value creation levers

### Price
e.g. leverage volumes to be able to be as competitive in prices as possible

### Quality
e.g. focus on high-quality fresh and differentiate through assortment




### Convenience
e.g. expand physical network via different store formats to enhance reach

### Experience
e.g. invest in in-store experience through people, processes or technology

## Real World applications

### Private Label Rise
Private label products in Greece maintain their **upward trajectory**, outperforming branded products. **Competitive pricing** and **improved perception on quality,** especially in younger generations, drive change and enhance PL's SoW. This is also further enhanced by inclusion in programs such as "*Kalathi tou Noikokyriou*".

### Affordable Luxuries
Consumers increasingly seek **personalized experiences at home**, with premium ingredients, innovative recipes, and artisanal cooking methods. This trend has also fueled growth in small cooking appliances, where products such as air fryers and premium coffee machines stand out for **combining convenience with a touch of everyday luxury**.

### Ready-to-Eat
Ready-to-eat products continue to gain traction, particularly among younger generations who value **convenience** and **time efficiency**. This shift reflects **evolving lifestyles** and creates opportunities for retailers to capture growth traditionally associated with foodservice providing **affordable and healthy alternatives**.

### Convenient Formats
The first automated supermarket without checkout counters opened in late 2025. This follows 2024 initiatives such as the launch of "Efood local" stores in Athens, modeled on compact formats and, in some cases, operating 24/7. The trend reflects growing consumer demand for **proximity**, **speed**, and **everyday essentials**.

### Digital & AI innovation
**Smart shopping carts** are expected to reshape in-store experiences through AI and automation. Equipped with sensors and AI software, they identify products, calculate totals in real time, and offer personalized suggestions or promotions. Retailers gain **efficiency and inventory insights**, while shoppers benefit from **faster, more seamless, and interactive journeys**.

# Value definition across consumer segments

Consumers are far more informed and empowered compared to the recent past and their needs are diversified driving the **shift from mass to micro approaches**.

Indicative Consumer Personas

### Konstantina, 26
**Spending: €€**

**Occupation**: Psychologist
**Status:** Lives alone
**Income level:** Lower-middle income
**Needs**:
- Seeks fresh, natural, organic products
- Interested in plant-based, low-calorie, or functional foods

**Behavior**:
- Shops in specialty stores, health-focused retailers, or online
- Makes smaller, frequent purchases, often influenced by peers, reviews or social media

| | | | |
|---|---|---|---|
| **Price** | ★★ | **Convenience** | ★ |
| **Quality** | ★★★ | **Experience** | ★ |

### Giorgos and Eleni, 37 & 34
**Spending: €€€**

**Occupation**: Accountant & Teacher
**Status:** Married with one child
**Income level:** Moderate income
**Needs**:
- Seek nutritious, good-quality foods that fit their family budget
- Prioritize fresh, organic, and local produce, especially for their child's meals

**Behavior**:
- Shop regularly at local grocery stores, farmer's market and supermarkets
- Make frequent local store visits and a weekly supermarket visit for the household's main needs

| | | | |
|---|---|---|---|
| **Price** | ★ | **Convenience** | ★ |
| **Quality** | ★★ | **Experience** | ★★★ |

### Nikos, 40
**Spending: €€€**

**Occupation**: Digital marketing specialist
**Status:** Lives alone
**Income level:** Upper-middle income
**Needs**:
- Quick meals, ready-to-eat products, easy shopping solutions
- Looks for reliable availability and convenience over price

**Behavior**:
- Shops frequently at convenience stores, click-and-collect points, or via apps
- Basket size is smaller, but visits are frequent

| | | | |
|---|---|---|---|
| **Price** | ★ | **Convenience** | ★★★ |
| **Quality** | ★ | **Experience** | ★★ |

### Maria, 70
**Spending: €**

**Occupation**: Retired
**Status:** Lives alone, children and grandchildren living nearby
**Income level:** Lower income
**Needs**:
- Affordable, trusted brands and PL options
- Looks for promotions, bulk discounts, and essential staples

**Behavior**:
- Shops at hypermarkets-supermarkets with discounts and local markets (for fresh products)
- Larger, planned baskets on a weekly / monthly basis

| | | | |
|---|---|---|---|
| **Price** | ★★★ | **Convenience** | ★ |
| **Quality** | ★★ | **Experience** | ★ |

Each consumer seeks to maximize value through a **different mix of the four value creation levers**

# Four Layers of Strategic Choices

In a complex landscape shaped by evolving consumer behaviors, making deliberate choices enables retailers to **turn ambiguity into competitive advantage**.

## 1. Positioning towards value levers

Pick one or two primary levers (**Price, Quality, Convenience, or Experience**) to shape the core value proposition and align brand identity, assortment, and operations to that promise.

## 2. Consumer touch points

Choose store formats and channels (**large-format, convenience, digital, local & specialty, hybrid**) to match target-customers' needs.

## 3. Growth / expansion strategies

Select growth archetypes (**Consolidator, Network Builder, Diversifier, Platform Builder, Collaborator, Specialist, or Survivor**) and evolve them as market changes.

## 4. Approach towards change

Decide whether to **Shape, Guess, Listen, or Follow**, while building agility to pivot as market signals shift and competitors move – Focus on how the organization's DNA evolves to develop a **change culture**.

# 1. Positioning towards value levers

While most retailers invest in all value levers, it is important to have a clear focus, especially in terms of **messaging towards the public**.

## Definition of clear imperative focus

### Price

- Provide low-cost solutions through **private labels**
- Offer **impersonal service**
- **Streamline** operations with **standardized** processes and **large-format** stores for greater efficiency
- Focus on **essential products** with a carefully selected assortment
- Utilize digital tools to **optimize costs**

| | | | |
|---|---|---|---|
| **Price** | ✓✓✓✓✓ | **Convenience** | ✓✓ |
| **Quality** | ✓✓ | **Experience** | ✓ |

### Quality

- Offer **premium** products
- Develop **branded private label** products
- Curate **niche** and **specialty** selections to meet diverse needs
- Select **local** products
- Provide **selected assortment**
- Prioritize **health**-oriented options
- Stay ahead of **market trends** to anticipate consumer preferences

| | | | |
|---|---|---|---|
| **Price** | ✓ | **Convenience** | ✓✓ |
| **Quality** | ✓✓✓✓✓ | **Experience** | ✓✓ |

### Convenience

- Focus on **franchise** models for rapid **expansion** and local presence
- Offer a selected, essential product assortment for **quick shopping**
- Operate **small-format** stores
- Implement digital solutions to enable **faster service** and seamless transactions
- Integrate **combo-services** (e.g., embedded banking, parcel pickup)

| | | | |
|---|---|---|---|
| **Price** | ✓✓ | **Convenience** | ✓✓✓✓✓ |
| **Quality** | ✓✓ | **Experience** | ✓ |

### Experience

- Deliver **personalized** customer service
- Provide a **broad assortment** to meet diverse preferences and allow for tasting
- Incorporate **spacious store formats**
- Offer a **wide range of services** (e.g., restaurants, playgrounds)
- Leverage **digital solutions** to enrich and personalize the shopping experience

| | | | |
|---|---|---|---|
| **Price** | ✓✓ | **Convenience** | ✓ |
| **Quality** | ✓✓ | **Experience** | ✓✓✓✓✓ |

By prioritizing one imperative to focus on, retailers can differentiate themselves, create meaningful value, and avoid being "**stuck in the middle**" in the eyes of consumers

# 2. Consumer touch points

As consumer preferences fragment, store formats evolve in parallel, to **meet ever-changing needs**

## Mapping the various formats/channels

| | Large concepts | Small & convenient | Local & specialty | Online & omnichannel |
|---|---|---|---|---|
| **Examples** | • Hypermarkets<br>• Large supermarkets | • Small supermarkets<br>• Convenient stores | • Butchers<br>• Bakeries<br>• Delicatessens<br>• Greengrocers | • Delivery apps<br>• Supermarket websites |
| **Best suited for** | • Weekly or monthly stock-up<br>• Discovery & trial of new products | • Quick top-ups<br>• Urgent needs | • Freshness<br>• Quality<br>• Artisanal products | • Home delivery<br>• Click & collect |
| **Value proposition** | • Price comparison<br>• Variety-seeking<br>• Family shopping | • Time-saving<br>• Spontaneous purchases | • Trust<br>• Community<br>• Routine | • Flexibility |
| **Key growth drivers** | • Product variety<br>• Promotions<br>• In-store experience | • Location<br>• Extended hours<br>• Ease of access | • Personalization | • Convenience<br>• Speed<br>• Promotions |
| **Loyalty** | High | Low (location) | High | Medium |
| **Frequency** | Low | High | Medium | Medium |
| **Spending** | High | Medium/Low | Medium/Low | Medium/Low |

**Retail Shifts**

### Large concepts

- Expanding **non-food and services** (e.g., optical, pharmacy, banking corners) to drive traffic
- Investing in **digital in-store navigation,** self-checkout and smart carts for **smoother customer journeys**

### Small & convenient

- Expanding **food-to-go and fresh snacking** to capture impulse missions
- Using **partnerships with delivery platforms** (e.g., quick-commerce riders)
- Installation of **delivery pick up lockers** to increase the frequency of visits

**Extend hours** with **self-checkout**

### Local & specialty

- **Enhanced reach** through digital channels (e.g. social media) and delivery platforms
- **Focused differentiation** based on themes such as bio, local, vegan, etc.

### Online & omnichannel

- Rise of **quick-commerce** (15–30 min deliveries) in urban centers
- Adoption of **loyalty programs** and **buy-now-pay-later** payment options
- **Fresh products** (fruit, vegetables, meat, bakery) are still a **challenge online** due to consumer trust in quality and freshness

The above analysis is **directional** as key aspects also heavily depend on factors such as **retailers' positioning** towards value levers and **consumer behaviors**.

# 3. Growth / expansion strategies

For some, **"scale is the name of the game"**, while for others growth comes through **service expansion and partnerships**.

## Growth Archetypes

### Expansionists

**Consolidating the market** through scale, reach and diversification, pursuing dominance through M&As, dense networks and new concepts

| | |
|---|---|
| Consolidators | Expanding through **M&As** to gain **market share and bargaining power** |
| Network Builders | Expanding physical network with **urban convenience formats** (own or franchise) |
| Diversifiers | Expanding into **adjacent sectors** to strengthen presence, relevance and margin resilience |

### Challengers

**Changing the market** through technology, partnerships and unique concepts driving market expansion / redefinition

| | |
|---|---|
| Platform Builders | Apps and marketplaces **turn into ecosystems,** integrating payment and loyalty programs |
| Collaborators | **Partnerships with tech and service providers**, leveraging supermarket scale, reach and credibility |
| Specialists | Niche and premium innovators offering **curated and experiential retail** |

### Survivors

Existing on **habit and proximity**, **often with no strategy**. Survive in neighborhoods or rural areas via relationships and daily shopping habits, usually with limited or none digital integration. Survivors are under mounting pressure, so they have to **evolve or become irrelevant**

## Evolving archetypes *(directional)*

| Today | Ten years ahead | Rationale |
|---|---|---|
| **Consolidators** | **Diversifiers** | Having reached the limits of the Greek market, **focus is placed on adjacent sectors and new service offerings** |
| **Network builders** | **Consolidators / Diversifiers** | Once density peaks, **expansion shifts towards integration efficiencies or adjacent sectors** to maintain momentum |
| **Diversifiers** | **Diversifiers** | **Expansion into new propositions** (services, PL innovation, partnerships), reinforcing a hybrid retail model |
| **Platform builders** | **Network builders** | **Gradual shift into physical networks** (via various vehicles) to control fulfillment and regulatory exposure |
| **Collaborators** | **Consolidators** | As the market matures, strategic partnerships stabilize and scale up, leading to **more integrated retail operations** |
| **Specialists** | **Consolidators / Network builders** | To gain reach and resilience, **physical footprint expands** (directly or via networks) while maintaining niche positioning |

# 4. Approach towards change

Retailers need **a clear and agile response to change** to guide their innovation, investments, operations, and future market positioning.

Risk - Reward

Proactive

Reactive

| Strategic Options | Global Real-World Cases |
|---|---|
| **Shape** the future consumer and its behavior<br><br>**Influence** consumers by leading innovation, setting expectations and shaping demand before it emerges | **Tesco:** Clubcard<br><br>Tesco revolutionized food retail by introducing the Clubcard, the **first large-scale supermarket loyalty program**. It didn't just reward shoppers - it **reshaped how consumers perceived value, price, and loyalty** |
| **Guess** the imperatives of future consumer<br><br>**Anticipate** trends based on signals, analytics and scenarios to position ahead of market shifts | **Whole Foods:** Organic<br><br>Before "organic" became mainstream, Whole Foods bet on the rising health and sustainability movement. The chain expanded aggressively into **organic produce and clean-label foods**, anticipating **a shift that was still years away from mass adoption** |
| **Listen** to today's consumers' needs<br><br>Focus on current **preferences** and **satisfaction**, refining offerings based on direct feedback and present expectations | **7-Eleven:** Live data<br><br>7-Eleven has implemented advanced data systems that track every transaction, enabling **real-time stock adjustments** to meet customer demands. Store managers receive real-time sales data, allowing them to adjust orders based on weather forecasts, local events, and emerging trends |
| **Follow** closely the competition<br><br>**React** swiftly to market and competitor moves, leveraging proven ideas and minimizing risk through rapid adaptation | **Aldi:** Entry to online<br><br>Initially resistant to e-commerce, Aldi began exploring online grocery and delivery services in Europe after observing the success of its competitors. Rather than leading the shift, Aldi **quickly adapted by partnering** with platforms to offer limited online offerings. |

*Note: The above examples are presented as showcases*

The identified options primarily link to the desired **attributes that each organization wants to be embedded in its culture** and shape **corporate DNA**.

# How technology enables strategy

**Technology acts as a catalyst** allowing for the realization of strategic imperatives across all four dimensions.

### 1. Positioning towards value levers

**Indicative mandate:**

Operationalize chosen consumer imperative across assortment, pricing, and experience

**Enabling technology:**

Leverage **AI and trade promo analytics** and **dynamic pricing** tools to align with evolving consumer needs

### 2. Consumer touch points

**Indicative mandate:**

Determine the optimal channels and touchpoints to deliver on your brand promise to target customers

**Enabling technology:**

Adopt **smart formats** and **AI-driven site selection** to balance proximity and experience

### 3. Growth / expansion strategies

**Indicative mandate:**

Combine archetypes coherently - scale, diversify, or specialize based on capability and market signal

**Enabling technology:**

Utilize **analytics** and **scenario planning** to evolve growth models as markets shift

### 4. Approach towards change

**Indicative mandate:**

Choose response mode (Shape, Guess, Listen, Follow) and test fast to learn what works and what does not to expedite decision-making

**Enabling technology:**

Apply **forecasting** and **real-time insights** to pivot quickly in changing environments

Retailers who make decisive, aligned choices and **harness technology according to their needs** can differentiate, build resilience, and achieve sustainable growth.

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