Israel

Country Fact sheet

General Information

Capital: Jerusalem
Surface area: 20,770 sq. km
Official language(s): Hebrew, Arabic
Currency: New Israeli Shekels (ILS)
Trading language: English

Population: 8,146,300 (6/2014)
Unemployment rate: 5.8% (2013)
Households: 2,258,900 (2013)
Average household size: 3.72 (2013)

Key Macro Indicators

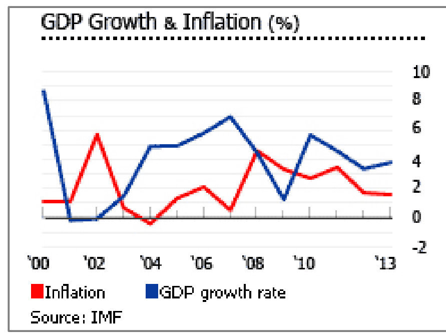
Forecast

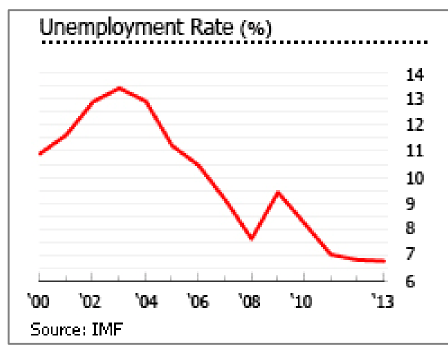
Income and demographics

	2014[b]	2015[b]	2016[b]	2017[b]	2018[b]
Nominal GDP (US$ bn)	309.2	340.0	369.2	401.4	441.2
Population (m)	8.2	8.3	8.5	8.6	8.8
GDP per head (US$ at PPP)	34,644	36,119	38,017	40,269	42,995
Private consumption per head (US$)	21,317	22,910	24,278	25,717	27,441
No. of households ('000)	2,283	2,319	2,357	2,395	2,434
No. of households with annual earnings above US$5,000 ('000)	2,283	2,319	2,357	2,395	2,434
No. of households with annual earnings above US$10,000 ('000)	2,283	2,319	2,357	2,395	2,434
No. of households with annual earnings above US$50,000 ('000)	1,426	1,544	1,642	1,737	1,839
No. of households with net wealth over US$1m ('000)	60	72	83	96	113

[a] Economist Intelligence Unit estimates

Source: The Economist Intelligence Unit.





Food Industry Structure

- Size of the Industry – Euro 17 billion
- 3rd largest employee in the market with over 60k employees. 17% turnover of total industry.
- Food & beverages exports reached Euro 800 million in 2013 (around 2.5% of total industrial exports).
- Israel imported Euro 1.6 billion in prepared food & beverage products in 2013.
- Spending on food, beverages and tobacco accounted for 21.7% of total household consumption in 2013.
- Price levels for Food and non-alcoholic beverages in Israel are approx. 15% above European average (apart from fruit and vegetables).

Israel, Country Fact sheet (continued)

Grocery retail structure

Retailer	Size	No. of stores	Company share value	Revenue in million EURO	Strategy	Target audience
Shufersol	1	281	20%	2,582	Variety & convenience	Depends on format
Mega	2	213	10%	1,462.5	Variety & convenience	Depends on format
Rami Levi	3	25	5.2%	697	Focus on price	Lower income
Tiv Taam	5	33	2.8%	247.9	Premium/gourmet, non-kosher	Secular, former Russian immigrants
Eden Teva Market	NA	22	1%	108.5 (est.)	Natural & Organic	Health enthusiasts

- Grocery retail turnover (2013):

  Euro 3 billion (+3% vs. 2012).
- % of retail value main players:

  Shufesol (20%), Mega (13.8%), Rami Levi (10.7%), Tiv Taam (2.8%).
- Combined market share 47%
- Number of outlets 12,904
- Selling space Euro 784.45m
- Structure: Hypermarkets, superstores, Supermarkets & neighborhood stores, Discount stores Convenience & forecourt stores.

Consumer food service

Total consumer food service market : Euro 900 million in 201,3 Coffee shops and bars (25%), 100% Home delivery/takeaway facilities (0/5%), Full service restaurants (22%), Fast food (32%), Street stalls/kiosks (20.5%).

Main food shows

- ISRAEFOOD , 25-27 Nov 2014 (Yearly) ,Tel Aviv, Israel. Target market: General, HORECA & Retail. Biggest food exhibition in Israel. Mostly local producers. Approximately 20% International Exhibitors.
- Culinary 2015, (Date TBD) (Yearly), Tel Aviv, Israel. A small gourmet show aimed to introduce small/medium-sized premium food suppliers to the HORECA segment.

Consumer behavior, trends and opportunities

- Eating habits influenced by Ethnicity, Kosher & Halal rules. Emphasis on home cooking but big eating-out culture. Curious, open to innovation but also price conscious.
- Trends: Convenience/Ready made, Health, Well-being, Vegetarian/Vegan, indulgence

Evaluation of market

- Open economy, Free trade agreement with EU.
- Barriers to market entry (after Kosher certification) are relatively low.
- Efficient logistics , transport and communication system.
- Belgium products perceived as Premium.
- Prices approx. 20% higher than EU.