



FAQ

Infographic: Expenditure on food in the Swiss retail sector

February 2021

This document provides answers to frequently asked questions (FAQs) arising in connection with the infographic. The FAQs are divided into three sections:

- General questions on the infographic
- Explanation of content and guidance for readers
- Questions on data sources

To view the answers, please click on any of the questions below.

General questions on the infographic	3
What are the aims of and background to the infographic on the Swiss retail sector?	3
Why is so much information included in the infographic?	3
Explanation of content and guidance for readers	3
How is the infographic structured?	3
What is the purpose of the red line in the infographic?	3
Why are sales volumes not shown in the infographic?	3
Why does the infographic mention organic products, but not other types of labelled products? ..	4
How is the graphic showing “Expenditure by product group per private household” to be read? ..	4
Questions on data sources	4
What is the Nielsen data source?	4
Why is Italian-speaking Switzerland not taken into account in the infographic?	4
What characteristics of households are distinguished in the Nielsen consumer panel?	4
Is the household income gross or net?	5
What is included in the “Fresh foods” segment?	5
What is included in the “Beverages incl. alcohol” segment?	5
What is included in the “Non-perishable foods” segment?	5
What groups of products are included in the “Other foods” category? Why are the various subgroups not shown separately, even though this is the largest category of products shown in the graphic?	5



What is included in the “Beverages incl. alcohol” product group?	6
What is included in the other product groups shown in the infographic?.....	6
What category are frozen products assigned to?.....	6
What share of total consumption expenditure does household food expenditure represent?	6
The term “private households” is used in the infographic – why not simply “households”? Are there any other types of household?	6
For a private household, how is the average expenditure on food in the Swiss retail sector calculated?.....	7
Household expenditure according to the Household Budget Survey is higher than that reported by Nielsen. Why is that so?.....	7
If I add up the piles of coins representing household expenditure, the result does not match the overall total shown on the left. Why is that so?	7

NOTES ON THE TARGET AUDIENCE

This infographic is addressed to a broad target audience, including in particular:

- experts from the agriculture and food sectors;
- journalists working for trade and non-trade publications;
- representatives of research and education;
- policymakers and representatives of authorities;
- other interested parties.

While the infographic offers a rapid overview of food expenditure, it involves a degree of complexity. To provide a leaner account of expenditure on food in the Swiss retail sector, a separate market report has been compiled, including the key figures. This report is available at: www.marktbeobachtung.admin.ch.



General questions on the infographic

What are the aims of and background to the infographic on the Swiss retail sector?

The Swiss retail sector is the most important channel for sales of Swiss agricultural products. A comprehensive overview of this key market was not previously available to the public. With this infographic, the Market Analysis Unit of the Federal Office for Agriculture is making available essential market information concerning expenditure on food in the Swiss retail sector. The aim is to promote a better understanding of these important consumption expenditures.

Why is so much information included in the infographic?

The Swiss retail sector is a highly diverse sales channel, with numerous key figures and market indicators. The wealth of available data and information cannot be fully represented in the format of a statistical infographic. However, there are a number of key indicators which provide a good description of the structure of expenditure in the Swiss retail sector, and these are visualised in the infographic. If additional information had been included, the infographic would have been overloaded. If less information had been included, more questions would have arisen about the various market areas.

More detailed information on the food market in the Swiss retail sector is available at: www.marktbeobachtung.admin.ch.

Explanation of content and guidance for readers

How is the infographic structured?

The infographic presents food expenditure in the Swiss retail sector on two levels:

- the overall market level (orange section) and
- the household level (blue section).

The overall market level shows total expenditure on food, based on sales in the Swiss retail sector. Here, expenditures (or sales) are broken down by sales channel, production type, product segment and product group, and are expressed in both relative and absolute terms.

The image of the checkout conveyor in the middle of the infographic marks the transition from the overall market level to the household level. At the overall market level, sales are shown for individual product groups. At the lower level, these sales are broken down for an average private household in Switzerland.

The household level comprises two subsections. In the first, total food expenditure (by product group) is shown for an average private household, as defined by the Federal Statistical Office (FSO). The average household size is estimated by the FSO to be 2.21 persons (2019 data). In the other subsection, expenditure on selected product groups as a proportion of total food expenditure is shown according to selected sociodemographic characteristics of households.

What is the purpose of the red line in the infographic?

The red line running all the way through helps readers to navigate the infographic. It connects the various information islands and enables readers to gain a structured view of the entire infographic, from top left to bottom right.

The red line does not represent a chronological sequence.

Why are sales volumes not shown in the infographic?

The units used to express sales volumes vary by product group – e.g. number of units for eggs, litres for beverages and kilograms for meat. Accordingly, sales volumes are not readily comparable across the food sector. In contrast, sales (or expenditures) by product group can be



readily compared. The currency unit used in this infographic is the Swiss franc (CHF).

Why does the infographic mention organic products, but not other types of labelled products?

Organic products account for more than 10% of total food expenditure in the Swiss retail sector. These products are subject to defined (minimum) standards, which are regulated by law (Organic Farming Ordinance or EU organic production legislation) or by private-sector guidelines (Bio Suisse, Demeter, KAG, etc.). Organic products are sold by all national retailers. Organic (Bio) labelling can be reliably reported in the Nielsen data, in contrast to most (supplier-specific) labels, for which no reliable information is available in the data panel used.

How is the graphic showing “Expenditure by product group per private household” to be read?

This graphic shows what a private household in Switzerland spends, in the relevant year, on a particular product group in the Swiss retail sector. One coin represents CHF 10. A green coin represents CHF 10 spent on organic products. The white figures under the piles of coins are the total amounts spent by an average Swiss private household on the product groups concerned. The green figures below the white figures are the amounts spent on organic products in the relevant product groups (with the share of organic products given as a percentage). The expenditures on organic products are already included in the total expenditures and do not need to be added on.

Questions on data sources

What is the Nielsen data source?

The analysis of the Swiss retail sector is based on the database of Nielsen Schweiz, which is briefly explained below.

The Nielsen database draws on two data panels – the consumer panel and the retail scanning panel.

Around 4,000 households in German- and French-speaking Switzerland (i.e. excluding Ticino) participate in the consumer panel of Nielsen Schweiz, with purchase data being recorded for each household member throughout the year. Specifically, the quantities and costs of all products purchased by these households are to be reported.

In the retail scanning panel of Nielsen Schweiz, all products scanned on the conveyors at retailers participating in the panel are recorded. The panel comprises most of the national players in the stationary retail trade, excluding the two German discount retailers Aldi and Lidl. Local suppliers (butchers, direct sales, etc.) are likewise not represented within the retail panel.

In a combined (consumer and retail) panel, sales channels not included in the retail panel can be estimated via the consumer panel and brought together with the retail panel to form a global panel for the stationary retail trade. The combined retail/consumer panel provides the most precise sales and turnover figures for the Swiss retail sector and serves as the basis for the present infographic.

Why is Italian-speaking Switzerland not taken into account in the infographic?

The Nielsen consumer panel contains data exclusively from households in German- and French-speaking Switzerland. The panel has not been expanded to include households in Italian-speaking Switzerland because of the substantial additional costs which this would involve.

What characteristics of households are distinguished in the Nielsen consumer panel?

Various sociodemographic characteristics of participating households are recorded in the Nielsen consumer panel.



The following household characteristics are reported by Nielsen in the consumer panel:

- Age of the household reference person
 - Various age groups, from 18 to over 65 years
- Number of children in the household
 - With/without children, number
- Shopping location
 - Switzerland/abroad
- Income
 - Various income groups, from under CHF 35,000 to over CHF 110,000
- Household size
 - Number of persons per household
- Region of residence
 - Urban/rural/intermediate
- Language area
 - German-speaking/French-speaking Switzerland (Western Switzerland)
- Affluence
 - By income per household member; low to high affluence

Is the household income gross or net?

Household income is recorded as gross income.

What is included in the “Fresh foods” segment?

Fresh foods include the following groups of products:

- Meat
- Dairy products
- Eggs
- Fish
- Fresh fruit
- Fresh vegetables & potatoes
- Bread and baked goods

What is included in the “Beverages incl. alcohol” segment?

Beverages incl. alcohol comprise the following subgroups of products:

- Non-alcoholic beverages
 - Fruit/vegetable juices

- Iced tea
- Mineral water
- Sports/energy drinks
- Fresh water
- Hot drinks
 - Coffee/tea/cocoa
- Alcoholic beverages
 - Cider
 - Beer
 - Sekt/champagne
 - Spirits
 - Wine/sparkling wine
 - Various specialty beverages

Not included are milk-based beverages (exception: hot drinks containing milk).

What is included in the “Non-perishable foods” segment?

Non-perishable foods include the following groups of products:

- Long-life baked goods, flour, dried pasta and cereals
- Preserved meat and poultry
- Rice, sugar and oil
- Other foods (see the answer to the next question)

What groups of products are included in the “Other foods” category? Why are the various subgroups not shown separately, even though this is the largest category of products shown in the graphic?

The infographic focuses on fresh and minimally processed foods. These product categories are shown in greater detail because, in the Swiss food market, they are of great relevance for Swiss agriculture. The other expenditures relate to products combined under the heading of “Other foods”. This category covers a wide variety of products, as listed below (in descending order of sales):

- Convenience products (frozen, chilled, non-chilled)
- Chocolate



- Dessert/cooking/baking ingredients
- Preserved foods
- Snacks (aperitif, biscuits, nuts)
- Desserts/ice cream
- Confectionery
- Other frozen products
- Spreads/honey
- Preserved potatoes
- Baby food
- Concentrates
- Diet foods

What is included in the “Beverages incl. alcohol” product group?

The beverages category comprises the following groups of products:

Beverages incl. alcohol

- • Non-alcoholic beverages
 - Fruit/vegetable juices
 - Iced tea
 - Mineral water
 - Sports/energy drinks
 - Fresh water
- • Hot drinks
 - Coffee/tea/cocoa
- • Alcoholic beverages
 - Cider
 - Beer
 - Sekt/champagne
 - Spirits
 - Wine/sparkling wine
 - Various specialty beverages

Not included are milk-based beverages (exception: hot drinks containing milk).

What is included in the other product groups shown in the infographic?

- Meat: Fresh meat, charcuterie (sausages, cold cuts, etc.), preserved meat
- Dairy products: Cheese, butter, cream, yogurt, milk, quark, mixed milk drinks
- Cereals & baked goods: bread, dough, flour, baked goods, dry pasta, biscuits, cereals

- Vegetables & potatoes: Fresh vegetables & potatoes (excluding preserved products and juices)
- Fruit: Fresh fruit (excluding preserved products and juices)
- Fish: Fresh fish and preserved fish products
- Eggs: Eggs and egg products
- Rice, oil, sugar: Sugar, edible fats and oils, rice

What category are frozen products assigned to?

Frozen products are not shown separately, but integrated into existing product groups (e.g. “Meat” includes chilled and frozen meat products). Groups of frozen products such as ice cream, frozen desserts or frozen convenience foods are included in the “Other foods” category.

What share of total consumption expenditure does household food expenditure represent?

The Federal Statistical Office (FSO) conducts the Household Budget Survey on a continuous basis (HBS). This survey provides the basis for an estimation of the consumption expenditure of Swiss households. For 2018, food expenditure was estimated by the FSO to represent 7% of total consumption expenditure (FSO 2020).

The term “private households” is used in the infographic – why not simply “households”? Are there any other types of household?

For statistical purposes, three types of household are distinguished by the Federal Statistical Office:

- Private households: typical households with private individuals;



- Institutional households: communities residing in institutions such as old people's or nursing homes;
- Administrative households: notional category to which persons with no fixed residence (e.g. homeless) are assigned; there is only one administrative household per commune.

The present analysis focuses on private households.

For a private household, how is the average expenditure on food in the Swiss retail sector calculated?

Total expenditure in the retail sector is first divided by the total resident population of Switzerland (8.6 million) and the result is then multiplied by the size of the average household (2.21 residents per private household in 2019). When the infographic showing the most recent year's figures for the retail sector is published, the average household size for that year is not yet available; calculations are therefore based on the average household size for the previous year.

Household expenditure according to the Household Budget Survey is higher than that reported by Nielsen. Why is that so?

The results of the Household Budget Survey (HBS) do not coincide exactly with those obtained from the Nielsen consumer panel. Expenditure as estimated by the HBS tends to be higher. This is essentially attributable to

differences in the survey methods and samples used for the two panels. In addition, purchases made abroad (cross-border shopping, holiday purchases) are not taken into account in this presentation of the retail food sector. For the overall market, the infographic focuses on expenditure in the Swiss retail sector.

The high degree of coverage of the retail panel – over 80% of total expenditure – means that the reliability of the picture of the overall retail trade is still very high.

If I add up the piles of coins representing household expenditure, the result does not match the overall total shown on the left. Why is that so?

Expenditure by product group per private household is reported in whole Swiss francs; these amounts are rounded, while total expenditure per private household is calculated using unrounded amounts. As a result, in the infographic, rounding errors may occur when the individual expenditures for each product group are summed. The difference is, however, so small as to be negligible.



CONTACT & PUBLICATIONS

Market Analysis Unit
Schwarzenburgstrasse 165, CH-3003 Bern
marktanalysen@blw.admin.ch
www.marktbeobachtung.admin.ch

The retail sector infographic is available [here](#).

Order form for subscribers:

[Online order form](#)

For information on limitation of liability, data protection, copyright, etc. see:

www.disclaimer.admin.ch

Concept & design:

FOAG, Market Analysis Unit