

Retail alliances: a key to affordability and competitiveness

Brussels – Today EuroCommerce called for an evidence-led discussion at a workshop organised by DG Agriculture from the European Commission concerning retail alliances and their interaction with farmers and SMEs.

Christel Delberghe, EuroCommerce Director General, stated: *“Retail alliances play a crucial role in enabling retailers to offer attractive prices and a wider choice, helping to shield consumers from the worst effects of inflation and the ongoing cost-of-living crisis. Competition authorities have concluded that such alliances deliver better prices for consumers, while economic research shows that farmers also benefit.”*

At the workshop today, retailers and alliances explained different models of cooperation, such as European retail alliances, national buying groups and groups of independent retailers.

European retail alliances deal with large manufacturers to negotiate better terms for consumers for everyday packaged food and non-food products such as cosmetics, shampoo or detergents. They help overcome the [territorial supply constraints](#) imposed by global brands, so that consumers enjoy the benefits of the Single Market. They do not deal with farmers or SMEs. Other forms of cooperation, such as national buying groups and groups of independent retailers support their member companies, enabling them to remain competitive.

Retailers also explained how thanks to the negotiations by alliances and the support services they offer, they can focus on competing at the local level, with better prices for consumers and more choice of fresh and local products. This supports local employment and communities throughout the EU. Through joint procurement of private labels (retailers’ brands), retailers benefit from economies-of-scale and can adapt to consumer demand for affordable and innovative products (free-from, sustainability, specialty products, etc.).

As experts explained during the workshop, the economic research points to positive outcomes for farmers arising out of retail cooperation. A few days ago, the [German Monopoly Commission](#) concluded that higher prices for the food industry would not result in higher prices for farmers. This confirms the [views](#) of the European Commission’s competition economist in 2018.

“We have contributed to lifting the lid on what are retail alliances and who they interact with. Evidence based discussion is key to discussion on retail alliances and the review of the unfair trading practices directive coming next year”, concluded Delberghe.

--END--

Notes to the editor

Article: [Retail Alliances: Working for European consumers - EuroCommerce](#)

Article: [Divided we fall? Grocery retail alliances under the lens of Article 101 TFEU, P. Chauve, R. di Giovanni Bezzi](#)

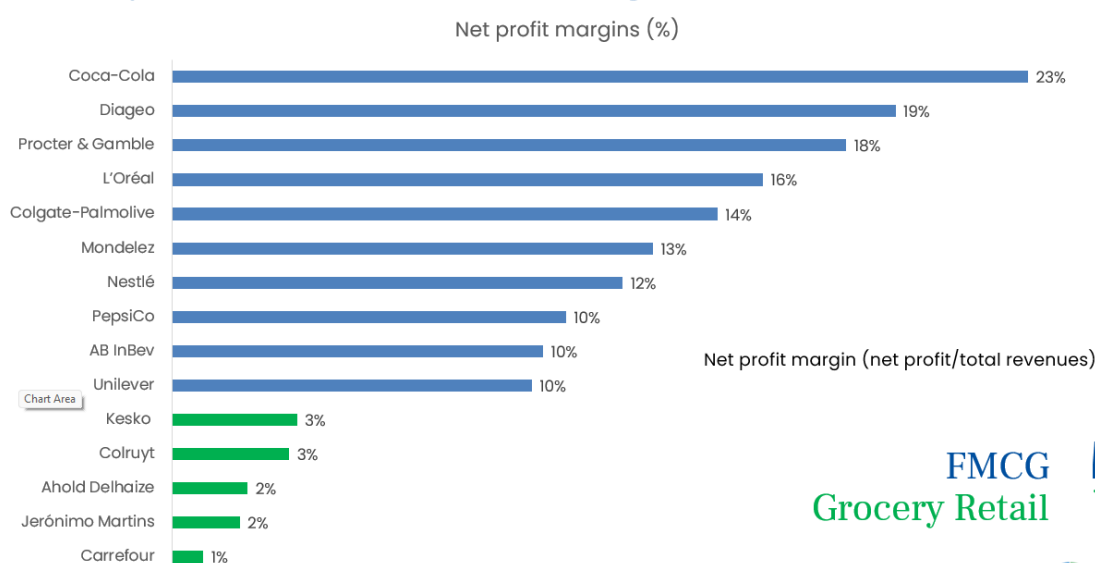
European Commission: [Antitrust: Commission closes antitrust investigations into AgeCore and Coopernic](#)

European Retail Alliances



Grocery retailers operate on small margins, well below the ones of large global brands and they sell thousands of products while large brand suppliers specialise in few products only.

Grocery retail operates on small margins, well below FMCG's margins

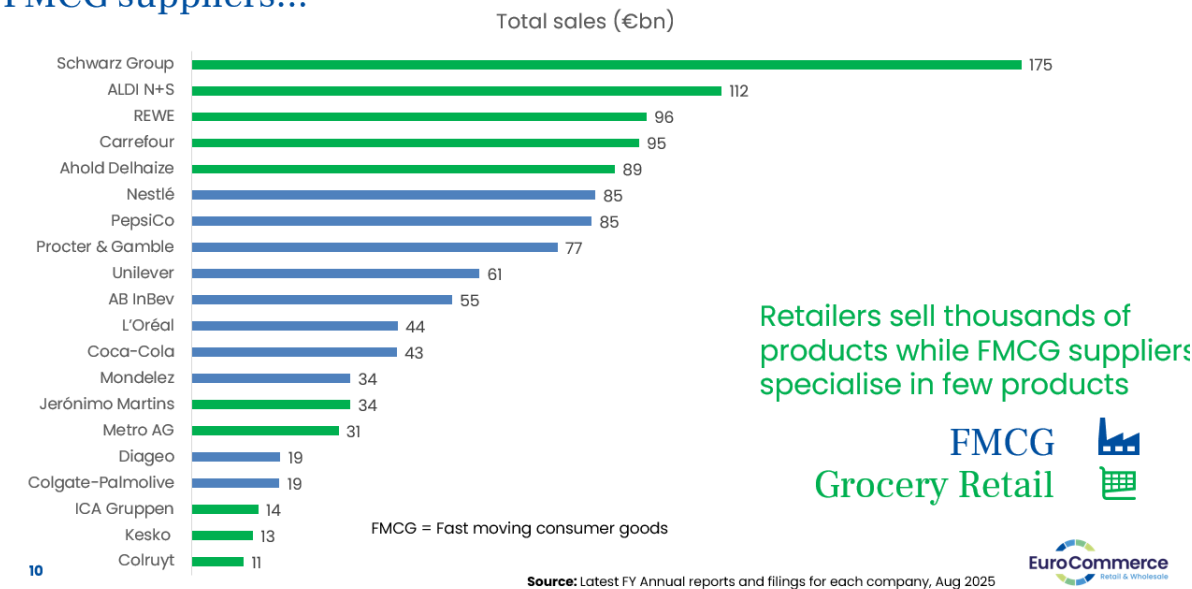


9 Source: Latest FY Annual reports and filings for each company, Aug 2025

FMCG = Fast moving consumer goods

EuroCommerce 9

Turnover of largest EU grocery retailers may rival turnover of largest FMCG suppliers...



...but FMCG's have more than 10 times higher market valuation (at similar revenue)

