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# CORRUGATED PACKAGING HELPS DISCOUNTERS TO SECURE A LARGER MARKET SHARE

Supermarket discounters are the fastest growing European retail sector. That growth is down to a number of significant factors: one such factor is corrugated Shelf Ready Packaging (SRP), according to the European Federation of Corrugated Board Manufacturers (FEFCO).

German discount pioneers Aldi and Lidl are the two front runners across the continent, enjoying growth and increasing market share. The Schwarz Group, owner of Lidl, and the Aldi group are forecasted to grow by 5% and 3.5% respectively per annum for the next five years, compared with mainstream retailers at less than 2%.

The success of the discounters is being aided by corrugated packaging's eye-catching designs and its efficiency within the shelf replenishment process. Over 90% of the discounters' products use SRP, compared with only about 40% of non-discounters.

At LidI stores a whole cross-section of food and household items are attractively displayed in corrugated SRP. LidI also uses corrugated as part of its merchandising strategy, which involves printing a flag of country of origin on boxes and cartons in the fresh produce section. SRP provides significant cost savings: with canned foods, for example, shelf-refill costs are a third lower for products displayed in SRP than those displayed individually.

FEFCO's Secretary General, Angelika Christ, said: "Corrugated has become an integral part of the discounter retail business model, because it's great for display and great for reducing cost. That's why corrugated is, and will remain, the number one choice for discounters."

#### **END**

See http://www.corrugated-ofcourse.eu for the latest news and stories from across the supply chain

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### Note to the editors

FEFCO (European Federation of Corrugated Board Manufacturers) was established in 1952 and represents the interests of the European Corrugated Board Manufacturers. Headquartered in Brussels, FEFCO has 20 active members, all European national corrugated packaging organisations. The role of the Federation is to investigate economic, financial, technical and marketing issues of interest to the corrugated packaging Industry, to analyse all factors which may influence the industry, and to promote and develop its image.