# Aldi reaches ‘critical mass’ with $4 billion turnover and 350 stores

An Aldi Australia spokesperson told C&I WEEK that, “The report by Morgan Stanley highlights Aldi Australia’s success in the Australian market. Our unique business model offers a point of difference against our major competitors, and we’re confident in our continued growth across the country. This comes down to our ability to provide customers with a convenient way to shop for high quality products at permanently low prices.

Our expansion to South Australia and Western Australia will see us open up to 120 new stores in the coming years, giving more Australians the opportunity to discover the Aldi shopping experience. We expect strong demand from local residents, as we have seen along the eastern seaboard.

Aldi Australia will continue to grow and we anticipate that our national expansion will deliver much needed competition in the supermarket sector and lower prices for consumers.

While the expansion and success of Aldi in Australia is good news for consumers, it is not so good for the supermarket duopoly who will face stiffer competition.

Jeff Rogut, chief executive officer, Australasian Association of Convenience Stores Limited told C&I WEEK that, “Using the UK as an example, stores such as Aldi and Lidl are putting enormous pressure on the major supermarkets, forcing prices down which also impacts on their sales, profitability and overall market share. What they are doing also sends a message to customers that smaller format stores such as Aldi are a very viable alternative to the major supermarkets from range, price, private brand and importantly quality aspects. Convenience store shopping globally is a growth opportunity.

“In Australia I suggest that as Aldi grows, such trends will become more evident here as well. As convenience store shopping becomes more ‘acceptable’ it is a huge opportunity for our industry to keep evolving and differentiating their offer to changing customer needs with a greater focus on quality fresh foods, bakery items, beverages and take home meals to name just a few key areas. Ideally we would also want to be able to sell beer and wine as most overseas convenience stores do.

“Aldi in the UK are also rolling out smaller format high street stores so developments here will be interesting to watch,” Mr Rogut said.

Trisha Harris



## Aldi Australia structure change

To support Aldi’s ongoing expansion, both locally and internationally, ALDI has made a structural adjustment to its senior leadership organisation which will take effect from 1st April 2015.

Tom Daunt, previously Group Managing Director for ALDI Australia, has been promoted to a new role of Chief Executive Officer for ALDI Australasia. Mr Daunt will continue to lead the Australian business and will be supported in his role by Stefan Kopp, Group Managing Director for Aldi Australia.