First Signs of Grocery Market Slowdown

Contributed by TNS
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CHRIS LONGBOTTOM, RESEARCH DIRECTOR, TNS WORLDPANEL, comments: â€œThe latest TNS Worldpanel grocery market share figures, published today for the 12 weeks ending 15th July 2007, show the first signs of a consumer slowdown with market growth dipping to 4%. This period compares to a buoyant period last year with a run up to the World Cup in addition to the impact of the poorer weather this year combined with the increase squeeze on consumer spending.Â

Against this background, the top three retailers are all experiencing growth of around 5% and running neck and neck in this regard.

Waitrose growth still nudges ahead of the big three with top line growth of 6%, indicating that demand for premium retail is still growing. Conversely Iceland, Aldi and Lidl are also still enjoying growth (in double digit levels) despite a general consumer spending slowdown.

Icelandâ€™s growth is coming through increasing spend per shopper and Aldi and Lidl from increasing shopper numbers as they step up their new store opening programmes.

Somerfield continue to face challenging times with spending down 6% versus this time last year which is largely driven by falling shopper numbers.â€•