Growth Returns - Gloom Over?

Contributed by TNS
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EDWARD GARNER, DIRECTOR OF RESEARCH, TNS WORLDPANEL, comments:

The latest TNS Worldpanel grocery market share figures, published today for the 12 weeks ending 7th October 2007, show sales through grocers growing at an annual rate of 5%.Â This is a sharp increase on the 3% growth seen two periods ago and shows that the grocery sector is putting the financial gloom of recent weeks behind it and returning to historical growth trends.Â

Tesco has outperformed the market with 6% growth and has lifted its share from 31.4% a year ago to 31.8% now equalling its all-time record seen two periods ago.Â

However the intense competition in this market continues as both Asda and Sainsbury have also lifted their shares over the last year.Â

Morrisons again sees positive growth of 3% but, as has been the pattern for some time, this is behind the market hence the small share loss.Â The new â€œFresh Choice for Youâ€• positioning is now firmly underway with a focus on driving new shoppers to the store.

Co-ops and Independents both show positive sales growth which is encouraging, but this needs to increase to Total Market levels if share is not to be eroded.

Aldi, Lidl and Netto have performed strongly although the total discounter share including Kwik Save has hardly changed over the last year and a half.