THE DOWNTURN ACCENTUATES SHARE MOVES (PLUS AN ACCURATE FIGURE FOR GROCERY PRICE INFLATION)

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(PLUS AN ACCURATE FIGURE FOR GROCERY PRICE INFLATION)

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

The latest TNS Worldpanel grocery market share figures, published today for the 12 weeks ending 15th June 2008 confirm the trends we saw last time in terms of effects of the downturn. The Grocery market continues to grow strongly (+6% year-on-year) helped by food price inflation and it is now apparent that shoppersâ€™ pursuit of value-for money is affecting the outlet shares in the sector.

Both Aldi and Lidl have delivered very strong year-on-year growths of 21% and 13% respectively and, in the case of Aldi, this results in a record share of 2.9%.Â Similarly, Iceland continues its strong run with 12% growth as Frozen Food, with its strong value reputation, enjoys a revival.Â

With regard to the Top 4, both Asda and Morrisons continue to enjoy growth ahead of the market and so lift their shares.Â Tesco and Sainsburyâ€™s however see their shares slip as their growths of 5% and 4% respectively remain behind the market average.

A word about inflation
Recent media commentary has produced some pretty scary figures for the annual rate of increase of food prices with figures up to 20% being quoted.Â Whilst it is true that certain prices have indeed â€œrocketedâ€• TNS believe that it is more relevant to look at the average household shopping basket, taking account of sales levels and promotions and, as a result, state that price inflation in Grocery stood at 4.6% for the 12 weeks ending April 20th 2008.

This figure is based on 78,000 identical products compared year-on-year and therefore represents the most authoritative figure currently available.