Morrisons Leads The Pack (Plus An update On Grocery Price inflation)

Contributed by TNS
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Fraser McKevitt, Analytical Consultant, TNS Worldpanel, comments:

The latest TNS Worldpanel grocery market share figures, published today for the 12 weeks ending 12th July 2009, show continued resilience in the grocery sector, with year on year market growth of 5.9%.

The headline growth rate has slowed slightly versus the previous 12 weeks, but this is partly due to Easter phasing. Seasonal grocery markets have performed particularly strongly in the good July weather.

Morrisons has once again delivered the fastest year on year growth this period, increasing sales by 9.5% with market share rising 0.4% pts to 11.6%.

The combination of strong Price Crunch message and the focus on fresh food has seen Morrisons post a 22nd successive period of market share growth.

Asda growth of 8.1% and Sainsburyâ€™s growth of 7.7% means they both gain 0.3%pts share versus last year, up to 17.0% and 16.0% respectively.

Tesco growth over the same period was 5.7%, narrowly behind that of the overall sector and share is virtually unchanged versus a year ago at 30.8%.

Waitrose have posted another strong growth figure of 8.2%, second only to Morrisons amongst the mainstream retailers.

Recent store openings of former Somerfield sites have contributed to this performance. The highly publicised Essentials range and increased focus on promotions and value have clearly resonated with shoppers in a time of recession.

In a continuation from last period, the growth of the Discounters has again slowed slightly, although Aldi and Lidl remain ahead of the sector average.

Somerfield year on year decline continues to accelerate, now -19.1% due to the store divestments necessitated by the Competition Commission following their acquisition by The Co-operative.

An update on inflation
Grocery price inflation has further decreased since last month and the figure for the 12 week-ending period 12th July 2009 is 5.9%, a fall of 3.2%pts since March.

This figure is based on over 75,000 identical products compared year-on-year in the proportions purchased by British shoppers and therefore represents the most authoritative figure currently available.Â

It is a â€˜pureâ€™ inflation measure in that shopping behaviour is held constant between the two comparison periods â€“ shopp are likely to achieve a lower personal inflation rate as they trade down or seek out more offers.

These findings are based on TNS Worldpanel data for the 12 weeks to 12th July 2009.

TNS Worldpanel monitors the household grocery purchasing habits of 25,000 demographically representative households in Great Britain.

All data discussed in the above announcement is based on the value of items being bought by these consumers, TNS will only support data that is published in the context we have presented it and our own interpretation of these findings. We cannot be held responsible for any other interpretation of these findings.

For further information, please contact:

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