

Discounters Get Caught In The Crossfire As Major Players Go To War

Contributed by Kantar
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Ed Garner, Director, Kantar Worldpanel, comments:

The latest grocery market share figures from Kantar Worldpanel (formerly TNS Worldpanel), published today for the 12 weeks ending 24 January 2010 highlight an intensified battle between the big players that has left the discounters out in the cold.

At the forefront of the fight for the shopper's pound is Tesco, which has reaped the rewards of its seasonal schemes to attract shoppers with double Clubcard points and pre-Christmas mail shots.

In steadying its market share Tesco has put the pressure on Asda, which has seen its share growth halted this month.

Edward Garner, Communications Director at Kantar Worldpanel comments:

"This month's figures show that the major retailers cannot afford to rest on their laurels in the post-festive period. In fact the battle for consumers' share of wallet is hotting up and Asda has already responded to these results by rolling out a new coupon scheme across the UK national press."

Among the other big players, Morrisons continues to strengthen its position in the market this month following its appointment of a new chief executive, Dalton Philips.

The retailer recorded its highest ever market share this month at 12.5% and leads the top four with a growth of 10.6% - over twice the market growth rate.

After a fruitful Christmas, Sainsbury has also maintained a strong performance this month and has grown its share of the grocery market from 16.1% to 16.3% since last year. Waitrose has increased its market share to a record 4.1%.

The assimilation of Somerfield by the Co-operative is well underway and a record growth of 16.9% has lifted the Co-operative share from 5.0% a year ago to 5.5%.

At the other end of the retail spectrum both Aldi and Lidl are the casualties of the battle between Tesco and Asda with both retailers once again losing market share.

Once again the results indicate that some shoppers are turning their backs on the discounters as consumer confidence improves.

An update on inflation

Grocery price inflation has slightly increased since last month and the figure for the 12 week ending period 24 January 2010 is 2.8%*. Fears that inflation could go into reverse have been allayed for the time being by increases in fresh produce and dairy.

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