Consumers 'Topping Up' Help Discounters Make Inroads

Contributed by Kantar
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The latest grocery share figures from Kantar Worldpanel, published today for the 12 weeks ending 12 June 2011 show the grocery market growing at 4.7% per year. Â

However this conceals the sharp slow-down that was expected after the Royal Wedding and Easter boost.

Growth for the four weeks ending 15 May 2011 was 7.8% but this has slumped to 2.5% for the latest four weeks.

Edward Garner, Communications Director at Kantar Worldpanel, explains:
â€œAgainst this murky background, the â€˜two nationsâ€™ effect continues unabated.Â Both Aldi and Lidl have grown at nearl year-on-year and hold onto their all-time record shares of 3.4% and 2.6% respectively.Â Contrastingly, Waitrose posted the next highest growth at 8.9%.Â Further evidence for the â€˜two nationsâ€™ trend is demonstrated by double-digit growth of Tescoâ€™s Finest range.

â€œThe discounters are attracting some new customers but most of their growth is coming from gaining a greater share of the household shopping list.Â Customers are making a main shopping trip to their favourite store and this is then â€˜topped upâ€™ with selective shopping at the discounter â€“ this has been dubbed â€˜canny shoppingâ€™.â€•

Elsewhere, Asda suffered a downturn this period dropping its share from 16.7% last year to 16.3%, with the discounters bagging a larger share of its shoppersâ€™ expenditure.

Market share for Tesco, Sainsburyâ€™s and Morrisons remains relatively constant this period at 30.9%, 16.2% and 12.0% respectively.

Edward Garner concludes:
â€œAs the household budget remains tight, there is no doubt that many shoppers are adopting coping strategies such as taking advantage of promotional offers or â€˜topping upâ€™ at the discounters.Â However, there is no sign of a return to the rapid growth of budget own-label ranges that we saw in 2008.â€•

An update on inflation
Grocery inflation stands at 4.6%* for the 12 period week ending 12 June 2011. This is a marginal increase on the 4.4% reported last period.Â However, it remains Kantar Worldpanelâ€™s view that grocery inflation will not exceed 5% this year and will persist at similar levels.

The latest grocery share figures and comparative data for the last three years are available as an app for the iPhone. To download Kantar Worldpanelâ€™s free â€˜Grocer Shareâ€™ app please visit the Apple iTunes Store.

To view the video commentary from Edward Garner or to get further information please visit www.kantarworldpanel.com and select â€˜Insightsâ€™. Â

Follow us on Twitter at http://twitter.com/#!/KWP_UK and join the debate #kwpmarketshare.

On 25 January 2010 TNS Worldpanel rebranded as Kantar Worldpanel.Â This move follows TNSâ€™ acquisition by WPP in 2008.

Kantar Worldpanel is the UKâ€™s leading provider of continuous consumer panel data. Â

There has been no change to the methodology used to produce the monthly Supermarket Share data so journalists can seamlessly compare TNS Worldpanel data with Kantar Worldpanel data to provide robust, trended year-on-year figures.

For all publicly-quoted Worldpanel data, users of our research (including media) must ensure that data is now sourced Kantar Worldpanel. Â

These findings are based on Kantar Worldpanel data for the 12 weeks to 12 June 2011. Kantar 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, Kantar 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. Â

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