Tesco Continues To Feel The Heat...

Contributed by Kantar Worldpanel
Wednesday, 01 February 2012

...As Iceland Does Well In The Cold

The latest grocery share figures from Kantar Worldpanel, published today for the 12 weeks ending 22 January 2012, show Tesco dropping in market share while Iceland puts in its strongest performance in 10 years. Â

The grocery market is growing at 4.2% per year which remains below the food inflation rate as shoppers continue to seek value for money.

Edward Garner, director at Kantar Worldpanel, explains:
â€œThere were mixed fortunes among the big four supermarkets this month.Â The completion of the Netto conversion has led to an all-time record performance for Asda, lifting its share from 16.9% a year ago to 17.5% now.Â Sainsburyâ€™s has also grown its share to 16.7%, consolidating its strongest hold of the market since March 2003. Â

â€œIn contrast, there is considerable pressure on Tesco, with its growth rate of 2.1% only half the total market average.Â This has caused its share to fall by 0.6 percentage points.

â€œIcelandâ€™s 2.1% share is at its highest for 10 years as shoppers continue to manage down their spending.Â With bids for the chain closing today, these figures are promising for potential buyers and show the importance of a good value-for-money message in todayâ€™s grocery market.â€•

Elsewhere, Aldi and Lidl continue their strong run, both increasing their shares to 3.5% and 2.5% respectively.Â However, the disappearance of Netto means that the size of the total discount sector is relatively unchanged at 6%. Â

An update on inflation
Grocery inflation stands at 5.7%* for the 12 week period ending 22 January 2012. This is another decrease from the recent peak of 6.2% we reported for November last year and we expect to see further decreases during 2012.

*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€“ shoppers are likely to achieve a lower personal inflation rate if they trade down or seek out more offers.

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.Â Â Â

These findings are based on Kantar Worldpanel data for the 12 weeks to 22 January 2012. 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.

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31 January 2012