

Even Tesco Feels The Heat

Contributed by TNS
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“The latest TNS Worldpanel grocery market share figures have just been published for the 12 weeks ending 26 February 2006 and the battle for the number 2 position remains hard fought. Both Asda and Sainsbury have held on to the shares we saw last period (Asda 16.6%, Sainsbury 16.2%) but the Asda year-on-year growth rate has edged up to 3% from the lows seen in the middle of last year. This is still behind the average for Total Grocers but is evidence of the fierce strength of competition in the UK grocery market.

EVEN TESCO FEELS THE HEAT AS THE “TROLLEY WAR”™ INTENSIFIES

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

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Further evidence of this competitive pressure is provided by the fact that the Tesco growth rate has slowed to 8% - this is the lowest seen for several years but is, of course, still highly impressive.

Morrisons recent stability continues and, in fact, the share edges up to 11.2% from 11.1% seen in the last report.

Last month Somerfield announced that the Kwik Save chain was being broken up with 171 stores being sold to BTTF and the remainder being either rebranded as Somerfield or sold off. This means that the Kwik Save share, which stands at a low of 1.5% will see further sharp declines.”