Familiar Trends Bring New Records

Contributed by Kantar Worldpanel
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The latest grocery share figures from Kantar Worldpanel, published today for the 12 weeks ending 20 July 2014, show familiar trends bringing new market and retailer records.Â Â Â
Grocery price inflation has fallen for the tenth successive period and now stands at 0.4%.Â Competitive pricing among the big grocers and deflation in the price of staple items such as vegetables, milk and bread has driven inflation to the lowest level since October 2006 when Kantar Worldpanel began this measure.Â Â As a result, market growth has fallen to 0.9% â€“ the lowest figure for 10 years.

Edward Garner, director at Kantar Worldpanel explains:Â â€œAldiâ€™s 32% growth rate has lifted its market share to 4.8%; this a new record for the retailer and means it has nearly caught up with Waitrose on 4.9%.Â Similarly, Lidl sales have grown by nearly 20% and it has held onto its record share of 3.6%.

â€œWaitrose has continued to resist pressure from the competition, testament to its policy of maximum differentiation, and has grown sales by 3.4%.Â This figure is well above the market average and thereby has lifted its market share.â€•

Among the big four grocers, both Asda and Sainsburyâ€™s have held onto their market shares of 17.0% and 16.6% respectively.Â Conversely, Tesco and Morrisons have recorded losses with sales for both outlets declining by 3.8% compared with this time last year.

Iceland has posted a small drop in sales, its first since 2005, but has retained its 2.0% share.

An update on inflation
Grocery inflation has seen its tenth successive fall and now stands at 0.4%* for the 12 week period ending 20 July 2014. This is the lowest level since we began recording GPI in October 2006 and reflects the impact of Aldi and Lidl and the marketâ€™s competitive response, as well as deflation in some major categories including vegetables, bread and milk.

*This figure is based on over 75,000 identical products compared year-on-year in the proportions purchased by 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.