Morrisons' Growth Continues As Aldi and Lidl Show No Sign Of Slowing Down

Contributed by Kantar Worldpanel
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The latest grocery share figures from Kantar Worldpanel, published today for the 12 weeks ending 21 June 2015, show the overall grocery market slipping back into decline with 0.1% less going through the tills compared to last year.Â However, against this backdrop, some individual supermarkets have shown growth.

Fraser McKevitt, head of retail and consumer insight at Kantar Worldpanel, explains: â€œMorrisons has seen the largest sales increase among the â€˜big fourâ€™ retailers for the second month in a row, recording a sales growth of 0.6%, which has been supported by an increase in online shopping.Â Continuing to grow ahead of the market, the retailer has increased its market share to 11.0%, up 0.1 percentage points compared with a year ago.Â While only a small increase against a weak 2014, this does represent the first market share gains made by Morrisons since December 2011.â€•

â€œLast seen in November, the return to marginal decline across the grocery market reflects both falling prices and only steady volume growth.Â Sales volumes are up 2% compared to a year ago but are not anticipated to accelerate, even with an improving economy, as demand for groceries has remained broadly steady since before the recession.â€•

Groceries are now 1.7% cheaper compared with a year ago.Â Prices have been falling since September 2014, but the rate of decline is slowing meaning they are projected to rise again by the end of this year.

Sales fell by 1.3% at both Tesco and Sainsburyâ€™s. This took market share down to 28.6% and 16.5% respectively, a decrease of 0.3 and 0.2 percentage points.Â At Asda sales were down by 3.5%, leaving the retailer with a 16.5% share, compared with 17.1% last year.Â In contrast at the Co-operative sales were flat, but were crucially ahead of the market for the first time in nearly four years.Â Helped in part by more shoppers visiting the stores, the retailerâ€™s market share held steady at 6.2%.

Aldi and Lidl showed no signs of slowing down and are continuing to take share away from the competition. The two discounters increased their sales by 15.4% and 9.1% respectively. Aldi reached a new high with a 5.5% share of the market while Lidl, also showing continued growth, rose to 3.9%.Â Waitrose also grew ahead of the market, with sales increasing by 1.2%, moving to a 5.1% share.