KANTAR WORLDPANEL

Press release
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Market heats up as Aldi and Lidl grow at fastest rate since 2015

The latest grocery market share figures from Kantar Worldpanel, published today for the 12 weeks ending 21 May 2017, reveal that inflation continues to rise – up 2.9% during the past 12 weeks – contributing to another period of growth for the grocery market. Overall sales grew by 3.8% year on year, the market's best performance since September 2013.

Chris Hayward, consumer specialist at Kantar Worldpanel, comments: "The big four have collectively grown by 1.6% overall, while Aldi and Lidl together grew at their fastest rate since January 2015. With sales up 19.2% year on year, the pair achieved a record market share of 12.0%. 62% of the UK population shopped in an Aldi or Lidl during the past 12 weeks, compared to just 58% this time last year – that's an additional 1.1 million households visiting either of these stores.

"Consumers are starting to feel the pinch as prices continue to rise, with the average household spending an additional £27 on groceries during the past 12 weeks. That may not seem like much, but if inflation continues at its current rate over the course of a year that would mean an extra £119 spent on groceries per household."

Chris Hayward continues: "Once again all ten grocers have seen sales increase, no doubt boosted by higher prices as inflation continues. Own label is also a major source of growth for all of the retailers, with sales up an impressive 6.0% year on year in contrast to branded products which grew by just 0.6% during the same period. More broadly, a drive for health – perhaps after the excesses of Easter, when the nation consumed £325 million worth of Easter eggs – has helped boost performance, with volume sales of mineral water up 7.4%, eggs up by 5.1%, fresh produce up 2.1% and sugar down 5.6% year on year as shoppers filled their baskets with healthier options.

"Tesco has increased sales by 1.8% year on year, attracting over 250,000 additional shoppers during the past 12 weeks. Helped by promotions on barbecue foods as the weather gets warmer, sales of fresh meat grew well ahead of the market at 4.3% vs. 0.9% overall. With support from the Food Love Stories campaign encouraging the Great British public to cook more from scratch, fresh produce also performed particularly well for the retailer.

"Asda has also increased shopper numbers by over 360,000 in the past 12 weeks. In particular, the retailer has taken advantage of own label's growing popularity with consumers – its recently revamped 'Farm Stores' line helped increase sales of the grocer's cheapest private label tier by over 20% year on year. More than 9.2 million households bought Asda value own label products during the past 12 weeks: one million more than last year.

Retailer growth figures reported by Kantar Worldpanel relate to overall take home sales, and so include the impact of store openings or closures. Like-for-like sales change is not measured or reported. Calculating like-for-like sales requires a detailed knowledge of store openings and extensions which is information held accurately only by individual retailers.

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"Morrisons once again saw the best performance of the big four supermarkets, while also celebrating six consecutive periods of sales growth. Its premium own label range 'The Best' has been key to the retailer's success, with sales up by over a third on last year as nearly 800,000 additional shoppers chose products from the line during the past 12 weeks. Co-op's growth of 1.5% was driven in part by strong premium own label growth – sales of its 'Irresistible' range were up 33.7% year on year. The grocer also enjoyed its 25th consecutive period of overall sales growth, although its market share dipped by 0.2 percentage points."

Sales increased by 1.7% year on year for Sainsbury's, fuelled by a strong performance both online and for the retailer's Local convenience stores. Waitrose saw sales up 3.3% year on year, although its market share slipped slightly to 5.2%.

Growing well ahead of the market, Iceland increased sales by 8.6%, attracting 380,000 more shoppers and boosting its market share by 0.1 percentage points to 2.2%. Ocado held share steady at 1.3%, with sales growth of 9.4%.

Ends

An update on inflation

Grocery inflation now stands at +2.9%* for the 12 week period ending 21 May 2017. Prices have been rising since the 12 weeks to 1 January 2017, following a period of grocery price deflation which ran for 30 consecutive periods from September 2014 to December 2016. Rising prices in markets such as butter, fish and cola have been partially offset by falling prices in categories including ambient cooking sauces and cooked poultry.

*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. It is a 'pure' inflation measure in that shopping behaviour is held constant between the two comparison periods – shoppers are likely to achieve a lower personal inflation rate if they trade down or seek out more offers.

Kantar Worldpanel's data visualisation tool allows you to view and analyse Grocery Market Share data online. The latest sales share figures for all of the major grocers can be viewed and compared with historical figures here and all graphics within the Kantar Worldpanel dataviz are available to embed in your site.

(Optimal viewing in recent versions of Internet Explorer or Chrome)

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KANTAR WORLDPANEL MARKET SHARE - TOTAL TILL ROLL

Includes all expenditure through main store tills and excludes petrol & instore concessions

Total Till Roll - GB Consumer Spend					
	12 Weeks to 22 May 2016		12 Weeks to 21 May 2017		% Change
	£millions	% **	£millions	% **	%
Total Grocers	**25,486**	**100.0%**	**26,446**	**100.0%**	**3.8%**
Total Multiples	**25,003**	**98.1%**	**25,928**	**98.0%**	**3.7%**
Tesco	7,211	28.3%	7,341	27.8%	1.8%
Sainsbury's	4,136	16.2%	4,206	15.9%	1.7%
Asda	4,023	15.8%	4,060	15.4%	0.9%
Morrisons	2,724	10.7%	2,776	10.5%	1.9%
Aldi	1,542	6.0%	1,847	7.0%	19.8%
Co-op	1,575	6.2%	1,598	6.0%	1.5%
Waitrose	1,341	5.3%	1,385	5.2%	3.3%
Lidl	1,121	4.4%	1,326	5.0%	18.3%
Iceland	529	2.1%	575	2.2%	8.6%
Ocado	320	1.3%	349	1.3%	9.4%
Other Multiples	481	1.9%	465	1.8%	-3.4%
Symbols & Independents	**483**	**1.9%**	**517**	**2.0%**	**7.1%**

** = Percentage Share of Total Grocers

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

Notes to editors

Please note: From the 12 w/e 23 April 2017, data on Ocado will be detailed in Kantar Worldpanel's monthly grocery market share. Ocado figures were previously included in 'other multiples', so data for all other individual retailers is not affected.

For further information please contact Camargue.

Please note that four week ending or six week ending retailer share data should not be used in media reporting. The 12 week ending data stated in this release covers a longer time period which means it is a superior indicator of retailer performances and trends.

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

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These findings are based on Kantar Worldpanel data for the 12 weeks to 21 May 2017. Kantar Worldpanel monitors the household grocery purchasing habits of 30,000 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.

For further information, please contact:

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About Kantar Worldpanel

Kantar Worldpanel is the global expert in shoppers' behaviour.

Through continuous monitoring, advanced analytics and tailored solutions, Kantar Worldpanel inspires successful decisions by brand owners, retailers, market analysts and government organisations globally.

With over 60 years' experience, a team of 3,500, and services covering 60 countries directly or through partners, Kantar Worldpanel turns purchase behaviour into competitive advantage in markets as diverse as FMCG, impulse products, fashion, baby, telecommunications and entertainment, among many others.

For further information, please visit us at www.kantarworldpanel.co.uk.
Twitter: Google+: LinkedIn: RSS: Newsletter:

About Kantar

Kantar is one of the world's leading data, insight and consultancy companies. Working together across the whole spectrum of research and consulting disciplines, its specialist brands, employing 30,000 people, provide inspirational insights and business strategies for clients in 100 countries. Kantar is part of WPP and its services are employed by over half of the Fortune Top 500 companies.

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