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## Amazon hits record entertainment share as online bounces back

The latest data on the physical entertainment market from [Kantar Worldpanel](#) has revealed that over a third of shoppers in the market made a purchase at Amazon in the 12 weeks ending 3 July, helping the retailer achieve its highest ever share outside the Christmas period.

**Fiona Keenan, strategic insight director at Kantar Worldpanel, comments:** “Despite a slight drop in gaming in the face of competition from GAME, Tesco and Argos, Amazon has done particularly well in video and music and was in a strong position ahead of Amazon Prime Day, with its share edging in front of what it achieved around Black Friday last year.

“Online spend across the industry has bounced back from declines over the past year and now accounts for over a third of spend – the highest it’s been since this time in 2015. Having the availability of a wide back catalogue means online retailers are extremely well-placed to cater to changes in consumer demand, as exemplified by the recent surge in sales of Bowie and Prince albums following the death of both iconic artists earlier this year. The scale of their popularity can have a huge impact – Prince sold more than any other new release artist other than Adele this quarter, just as David Bowie did earlier this year”

No music titles made it into the top 30 entertainment products this quarter though the category performed better than other entertainment sectors – particularly catalogue CDs over six months old, which grew by 9% year on year. Glastonbury boosted interest in its headliners’ albums with Adele and Coldplay occupying three of the top five album slots.

Among the traditional high street retailers, HMV has improved its year-on-year performance once again, though it was unable to maintain the market share high of 16.9% which it achieved last quarter.

Meanwhile, performance among the supermarkets was mixed. Sainsbury’s has grown in value, adding over £2 million in the entertainment category by enticing an additional 100,000 shoppers and improving purchase frequency. Sainsbury’s has become the fourth biggest retailer in entertainment for the first time, with its share of 9.7% higher than at any point in the past five years.

During the quarter both Sainsbury’s and GAME overtook Asda, which has seen share of physical entertainment halve since 2014, reflecting its overall grocery decline of 5.6%. **Fiona Keenan explains:** “Some 700,000 fewer people shopped Asda’s entertainment offer this quarter and it’s been detrimental to the whole sector – only 15% of Asda’s lost spend switched to other retailers. Impulse purchasing remains a key lever in determining the success of a retailer – it accounts for £180 million

in the grocers alone, so these retailers need to ensure they're attracting shoppers into their entertainment aisles to stop the flow of cash away from the market."

*Star Wars: The Force Awakens* was the biggest title across the whole physical entertainment market, with 1.8 million shoppers picking up a physical copy. Tesco was the big winner, taking nearly a third of all spend – it has consistently performed well with new releases, averaging around 30% share over the past year. Following its box office success the video release was hugely anticipated and over 80% of purchases were pre planned – compared with an average of 63% for new releases.

**Fiona Keenan comments:** "*Star Wars: The Force Awakens* has become the biggest Blu-ray film title since *Avatar* over six years ago and there are signs it has helped get people back into the market – encouraging given the competition Blu-ray and DVDs face from digital streaming services such as Netflix."

Despite some strong releases in the games market, with three titles making the top five entertainment products – *Uncharted 4*, *Overwatch* and *Doom*, physical games are under increasing competition from the digital market. Digital games (excluding downloadable content) made up 36.0% of all spend on games in the quarter, a record share. The second quarter tends to be the strongest for digital gaming and compares with an average share across the year of only 23.1%, as blockbuster releases later in the year and Christmas gifting remain more focused on the physical product.

ENDS

## Kantar Worldpanel Entertainment\*

Retailer Barometer - Spend Share %

	12 w/e 5 July 15	12 w/e 3 July 16	Percentage point change
Amazon	22.5	23.0	0.5
HMV	14.0	16.3	2.3
Tesco	15.7	15.2	-0.5
Sainsbury's	8.1	9.7	1.6
GAME	8.9	9.0	0.1
Asda	9.2	5.9	-3.3
Argos	3.4	4.0	0.6
Morrisons	3.4	3.4	0
Zavvi	1.2	1.4	0.2
Other	13.7	12.1	-1.6

\* Includes physical sales of videos, games and music.

**Please note:** Kantar Worldpanel entertainment barometer data was reworked in January 2015 to remove sales of pre-owned music, video and games from our measure of the market. As such, the entertainment barometer figures published from 26 January 2015 are not directly comparable to data previously reported.

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**About Kantar Worldpanel's Entertainment Retail Barometer**

The Kantar Worldpanel Entertainment Retail Barometer is based on Kantar Worldpanel data for the 12 weeks to 3 July 2016. The barometer includes physical sales of videos, games and music. Vinyl sales are not included. Kantar Worldpanel Entertainment is the leading provider of continuous consumer panel research, measuring the film, music and game purchasing trends of 15,000 demographically representative individuals in Great Britain.

All data is based on the value of items being bought by these consumers. Kantar will only support data that is published in the context in which we have presented it and our own interpretation of these findings, other interpretations may not be accurate and we cannot be held responsible for them.

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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.com](http://www.kantarworldpanel.com).

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