Press information

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RECORD SHARE FOR ASDA
(PLUS AN UPDATE ON GROCERY PRICE INFLATION)

Ed Garner, Director of Research, TNS Worldpanel, comments:

The latest TNS Worldpanel grocery market share figures, published today for the 12 weeks ending 22nd February 2009 continue last month's strong growth rate of 6.4%. Nevertheless this remains below the Grocery price inflation of 8.7% as shoppers continue to seek lower prices, both in terms of switching outlets and also switching brands within outlet.

In the light of this shopper behaviour, Asda's consistent low-price positioning is paying off with the highest year-on-year growth rate of the Top 4 at 8.8% leading to an all-time record share for a 12-week period of 17.3%. Morrisons also continues its strong run with 8.2% growth lifting its share from 11.6% to 11.8%.

Sainsbury's sees growth of 5.7% - slightly below the total for the sector hence the slight share drop of 0.1%. This is explained by self-imposed price deflation as their pricing becomes more aggressive with Switch & Save and the growth of the Basics range. Nevertheless, their ethical stance on issues like Fairtrade and Free-range remains a point of differentiation.

The pressure on the Tesco share continues and here, increases in sales of the Value range and their Discount Brands are a contributing factor to price deflation.

Whilst Discounters (Aldi, Lidl, Netto) continue to shine in the recession (with combined share lifting from 5.5% a year ago to 6.0% now) it is worth noting that freezer centres are enjoying the double benefit of a low-price reputation together with a renaissance in the Frozen Food category. Both Iceland and Farm Foods continue to enjoy double-digit growth and this is bolstered by the growth of 9.1% seen in the Total Frozen Food category for 12 weeks ending 22nd February 2009.

An update on inflation

Grocery price inflation has increased and the figure for the 12 week-ending period 22nd February 2009 is 8.7% compared with 8.4% seen 4 weeks ago. The weakness of Sterling is feeding through to commodity price inflation.

This figure is based on over 75,000 identical products compared year-on-year in the proportions purchased by British 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 as they trade down or seek out more offers.

Total Till Roll

Great Britain Consumer Spend

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

	12 Weeks to 24 February 2008		12 Weeks to 22 February 2009		change
	£000s	% **	£000s	% **	%
Total Till Roll	**30,364,216**		**31,188,803**		**2.7**
Total Grocers	**20,762,777**	**100.0%**	**22,096,527**	**100.0%**	**6.4**
Total Multiples	**19,292,709**	**92.9%**	**20,606,129**	**93.3%**	**6.8**
Tesco	6,385,788	30.8%	6,704,610	30.3%	5.0
Asda	3,521,659	17.0%	3,832,194	17.3%	8.8
Sainsbury's	3,397,655	16.4%	3,592,524	16.3%	5.7
Morrisons	2,411,754	11.6%	2,608,952	11.8%	8.2
Somerfield	732,418	3.5%	727,984	3.3%	-0.6
Waitrose	842,175	4.1%	862,566	3.9%	2.4
Iceland	380,012	1.8%	431,691	2.0%	13.6
Netto	148,976	0.7%	159,046	0.7%	6.8
Lidl	454,206	2.2%	513,579	2.3%	13.1
Aldi	538,336	2.6%	642,444	2.9%	19.3
Farm Foods	96,808	0.5%	110,996	0.5%	14.7
Other Freezer Centres	45,467	0.2%	49,963	0.2%	9.9
Other Multiples	337,456	1.6%	369,579	1.7%	9.5
The Co-operative	**931,452**	**4.5%**	**966,713**	**4.4%**	**3.8**
Total Independents	**538,615**	**2.6%**	**523,685**	**2.4%**	**-2.8**
Total Symbols	201,651	1.0%	197,514	0.9%	-2.1
Other Independents	336,964	1.6%	326,171	1.5%	-3.2

**** = Percentage Share of Total Grocers**

To view the video commentary from Ed Garner please click here. For more information please visit www.tnsglobal.com.

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Note to editor

These findings are based on TNS Worldpanel data for the 12 weeks to 22nd February 2009. TNS Worldpanel monitors the household grocery purchasing habits of 25,000 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, TNS will only support data that is published in the context we have presented it and our own interpretation of these findings. We cannot be held responsible for any other interpretation of these findings.

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