



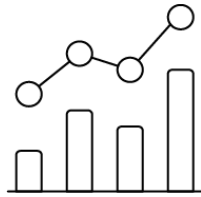
KANTAR

FMCG Retailer Performance Trends

Data to 22nd January 2023

Kantar
FMCG panel

Retail Headlines – 12we data to 22nd January 2023



Till Roll Grocers 12we growth of **+7.6%**.

Price an increasingly dominant factor as Grocery volumes drop -3.4%.

A concerted effort to manage spend was evident in Jan; average basket sizes -7.5% (4w/e)

Own label (+11%) continued to grow and gain at the expense of Branded (+3%)

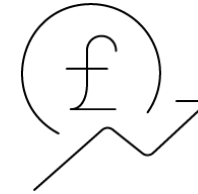
After a slight Christmas upturn, Promo levels reached their lowest since 2008 at 23% (4 w/e)



Aldi and **Lidl** maintained double digit growth in to 2023 and continued to gain share.

Tesco, **Asda**, **Sainsbury's** grew at almost equal pace, but behind the market.

Iceland & **Ocado** outperformed, carrying seasonal momentum in to the New Year.



Inflation increased to 14.8%

Milk, Butter, Cheese, Eggs, Dog Food, Frozen Potato Products, Toilet Tissue, Bread, Frozen Processed Poultry all inflating >23%

Wine, Sparkling Wine, Spirits, Beer. Nuts, Fruit, Skincare and Chocolate Confectionery products inflating <9%



Health in focus (4w/e)*

Plant Based retailer ranges (Own Brand) +21%

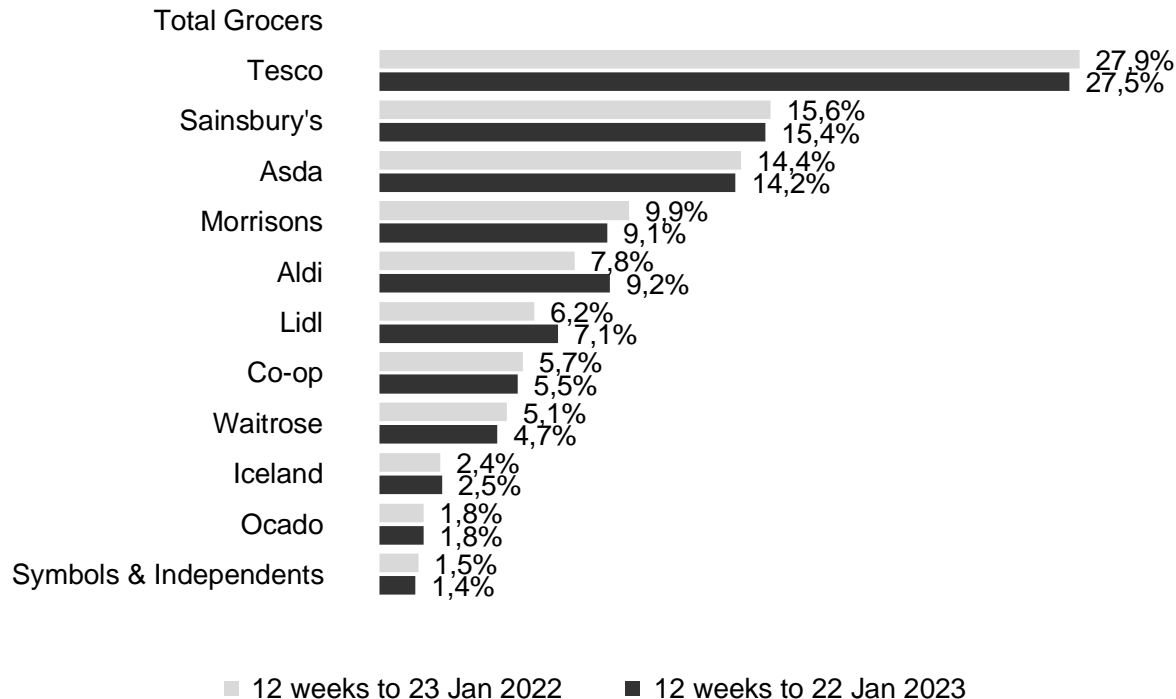
Cough Liquids +63%, Decongestants +37%

Mens Skincare +26%

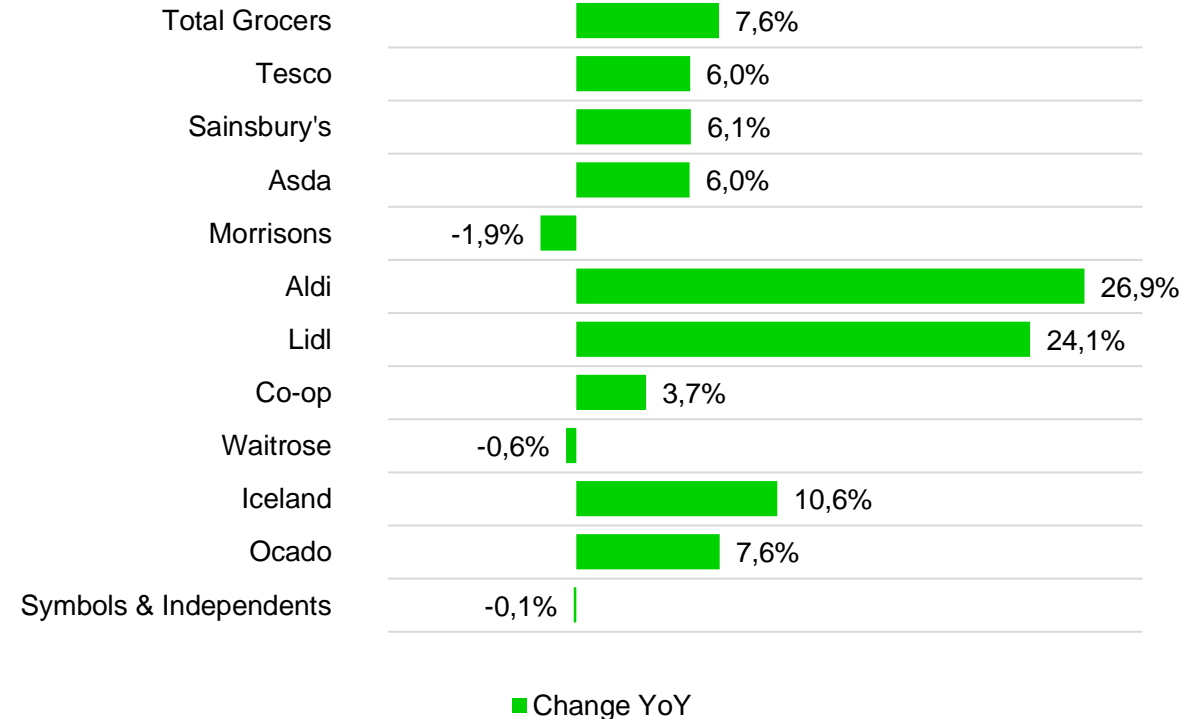
Retailer Performance Trends – Till Roll

Latest 12 weeks to 22nd January 2023

Share of Till Roll Grocers £%

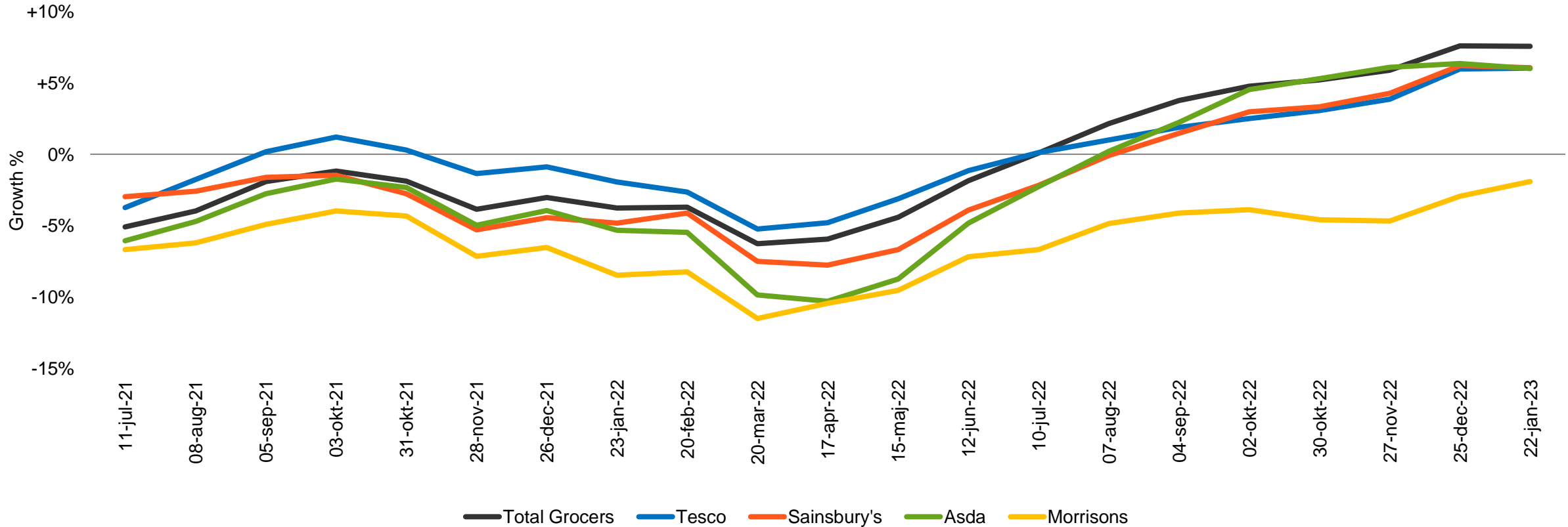


YoY % Growth



Retailer Growth – Till Roll 12we

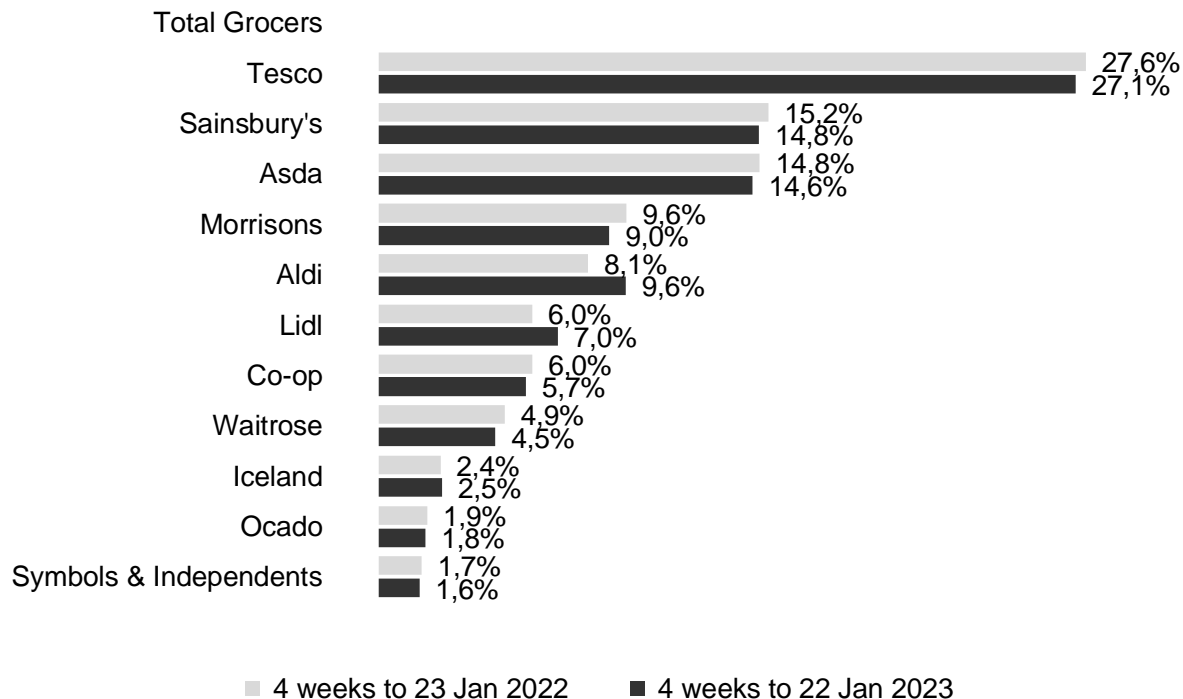
Rolling 12 weeks to 22nd January 2023



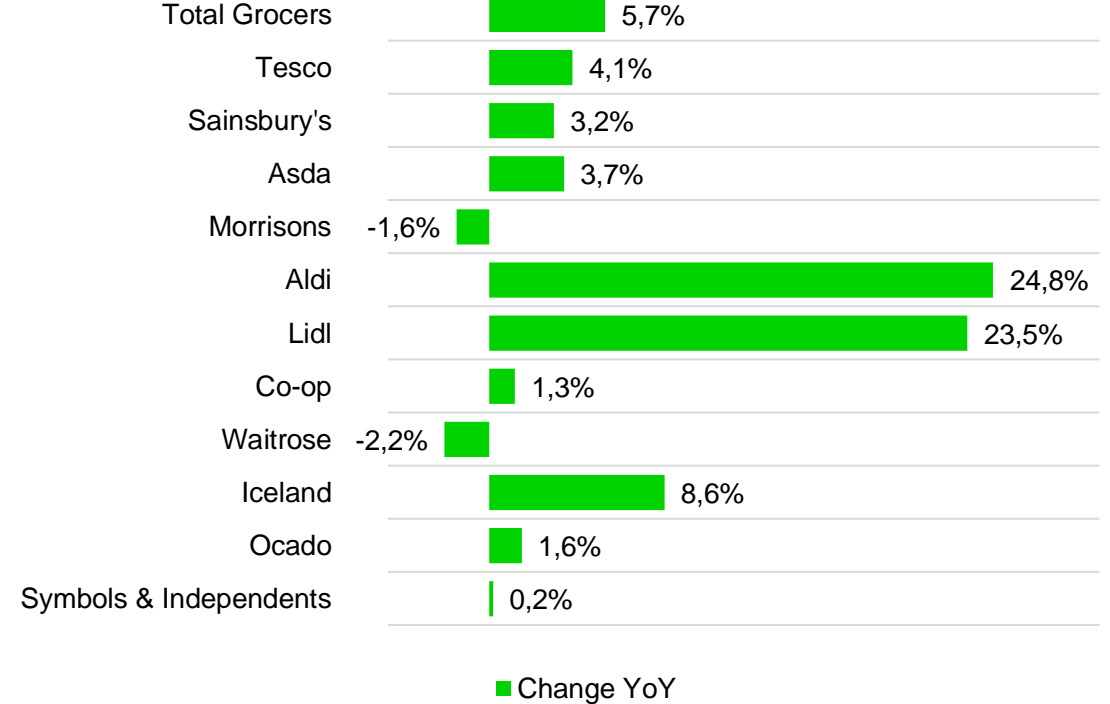
Retailer Performance Trends – Till Roll

Latest 4 weeks to 22nd January 2023

Share of Till Roll Grocers £%

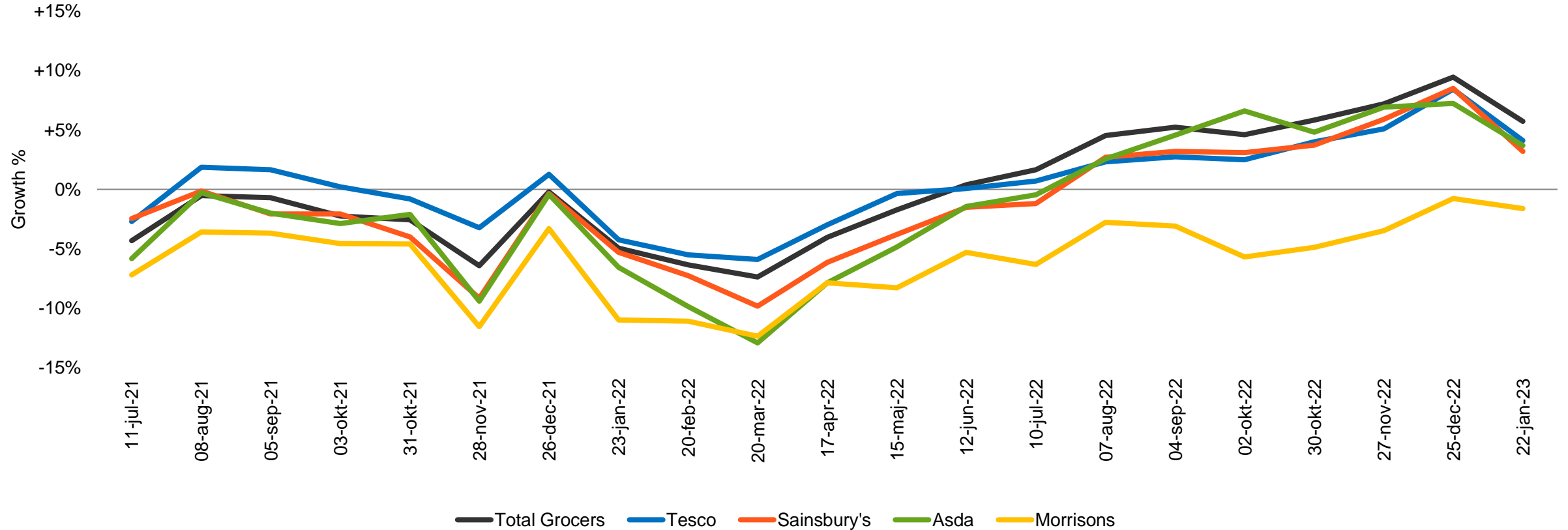


YoY % Growth



Retailer Growth – Till Roll 4we

Rolling 4 weeks to 22nd January 2023



Retail Headlines – 12we data to 22nd January 2023



- Till Roll share performance was constant PoP, as share slipped -0.4ppts YoY to 27.5% with spend growth of +6% behind total Grocers.
- Grocery growth at +5%, also remained behind the market (+7.2%). Basket size decline ahead of JS, Asda, Aldi continued to dilute growth.
- Tesco bucked promo sales decline trend, with a slight uptick PoP (36, +0.2ppts). Price cuts contributed to growth (0.9%) for the first time since June 2021.
- Outperformance by demographic with with Class D, Post-families & London only, biggest gap to market growth with, Class AB's, Midlands and Families.
- Tesco were the only multi-channel retailer to see Convenience spend grow YoY, helping compensate for slightly slower growth in Supermarkets.
- Switching moved negative at -£16m. Reduced gains from Morrisons (£36m), JS (£9m), and losses to Ocado (-£1m) outweighed slowed losses to Aldi (-£64m), Lidl (-£45m).



- Asda Till Roll share fell -0.2ppts YoY to 14.2%, with growth second fastest amongst the 'traditional Big 4'
- Grocery growth of 6.3% saw share slip to 12% (-0.1ppt). Volume trailed the market for first time since September, and frequency slipped back for the first time in 6 months.
- Just Essentials added £94m in sales, growing at 108%. The value range continues to be the only tier growing ahead of the market as Extra Special growth falls back again.
- Outperformance with Pre-families and Families slowed and continued underperformance to older shoppers.
- Promotional spend dropped -7.4ppts versus January 2022. Whilst Rewards gains traction, savings at the shelf have decreased markedly versus competitors.
- Switching gains fell PoP, to £11.5m. Gains from Morrisons (+£44m) and Sainsbury's (+£17m) were offset by deepened losses to Aldi (-£60m) and return to M&S (-£1m).



- Till Roll Share fell -0.2ppts to 15.4%, with growth of +6.1% is behind the Grocers (+7.6%)
- Grocery growth also trailed the market at +6.5%. Slower growth through price and weaker frequency key, with shopper growth (+3.5%) strongest outside of Aldi, Lidl
- Promo activity stepped on YoY, contributing more than half of Sainsbury's growth with Tesco the only other top retailer to increase spend on deal in the same timeframe.
- Growth in Alcohol (+0.3%) boosted performance (market -4.3%). Only 3 categories declined, with Produce (-1.3%) falling behind the market and acting as drag.
- Brands and Healthy OL outperformed the market for Sainsbury's; however all other tiers fell behind the market growth rate.
- Switching losses returned (-£6m) as gains from Morrisons slowed (+£22m) overshadowing improved gains from Co-op, Waitrose and M&S (+£24m combined).



- Till Roll share decreased -0.8ppts YoY to 9.1% as spend decline slowed PoP to -1.9% YoY.
- Less shoppers (-2%) buying smaller baskets (-16%) continued to hold Morrisons Grocery performance back, with spend down -2.6% YoY.
- Of all multi-channel retailers, Morrisons were the fastest growing in Online (+5% YoY). Store decline continued to overshadow this trend however.
- Underperformance remained across all demographics with Social Class AB's, Older families, North, London pivotal.
- Switching losses reduced for the first time since April 2022 (-£200m). Reduced losses to Lidl (-£37m) Tesco (-£36m) Sainsbury's (-£22m), aided recovery.

Retail Headlines – 12we data to 22nd January 2023



- Till Roll market share declined marginally to 5.5% (-0.2ppts YoY) with growth behind total grocers.
- Grocery spend grew +3.7%, predominantly driven by increased prices (+13.6% CTG). Less shoppers and smaller baskets however acted as a drag.
- Class AB, Retired, and the South were key demographical group drivers of growth for the Co-op this period.
- Dairy and Chilled Convenience added most value at category level, whilst Alcohol (-£14m) and Biscuits (-£8m) detracted most, the former a key source of underperformance.
- All Private label tiers grew, with Standard Own Brand continuing to drive Co-op growth, up +8.6% YoY
- Switching losses increased to -£65m, due to increased losses to Tesco, JS, Morrisons (-£22m)



- Waitrose Till Roll share fell -0.4ppts YoY to 4.7%, with value decline at -0.6%.
- Grocery sales fared slightly better, declining by -0.4% this period, with share standing at 4.3%.
- Waitrose saw 125k less shoppers visit their stores YoY, however frequency growth of +9.8% remained the best in the market.
- Only Asda saw a deeper reduction in promotional activity as Waitrose peeled back Price Cuts
- Post families grew for the second period in a row, however losses to Pre-family shoppers counterbalanced this growth.
- Alcohol decline of double the market rate held Waitrose back, alongside continued Produce decline whilst outperformance was seen in Chilled Convenience
- Switching losses improved slightly -£74m (+£1m PoP). Losses deepened most to Ocado, now standing at -£7m down from -£4.4m last period.



- Aldi's Till Roll market share increased to 9.2% with growth of 26.9% making them the fastest growing retailer in GB.
- Grocery sales increased 28.1% taking share to 8.2%.
- 1.2m more shoppers YoY helped Aldi grow, whilst basket size decline of just -3.7% remains the best in the market.
- Switching gains improved to £342m, with over £200m coming from the 'traditional Big 4'. Gains from Asda increased +£60m, whilst Lidl wins also increased to +£21m.
- Outperformance came from all demographics, with more affluent and family based shoppers the lead areas fuelling growth for Aldi.
- Aldi don't see any declining major categories and are ahead of the market most prominently in Dairy, Produce, Bakery and Alcohol.



- Lidl Till Roll share sits at 7.1% following growth of 24.1%, the second fastest in the market behind only Aldi.
- Price remained the most instrumental factor in driving growth, contributing 19.3% increasing in prominence for the past 11 consecutive periods.
- Growth came from across all demographics with Class C1, Retirees and the South contributing the most to growth.
- Dairy and Ambient Bakery remained Lidl's best performing categories, adding a combined £123m to spend YoY.
- Switching gains held at +£193m. Gains came from all major retailers with the exception of Aldi (-£21m). Largest gains from Tesco (+£45m) & Morrisons (+£37m).

Retail Headlines – 12we data to 22nd January 2023

Iceland

- Iceland Till Roll market share grew YoY to 2.5% (+0.1ppt), with growth of +10.6%.
- Grocery growth of +11.2% also transmitted to share gain (2.4%, +0.1ppt). This was led primarily by increased prices (+18.4% CTG), though frequency +1.0% CTG) and shoppers (+3.0% CTG) also contribute positively.
- Iceland's Y for £X promotion mechanic was also a key growth contributor, outpacing full price sales in terms of contributions to growth.
- Frozen Prepared Foods (+£40m) and Dairy (+£11m) were the two fastest growing categories. Fresh Meat (-£3m) declined most in cash terms.
- Switching performance is broadly flat at (-£1.0m), driven by combined net losses of -£21.6m to the discounters.

Ocado

- Ocado Till Roll share held at +1.8% for a second consecutive period with growth of +7.6% ahead of the market.
- Growth continued to be driven by increased shoppers (+24% contribution to growth), this was however offset by frequency declines (-20% CTG).
- Class C1 and Empty Nesters contributed the most to growth, whilst regionally Midlands performed best, contributing 4.8% to growth.
- Chilled Convenience and Dairy were Ocado's fastest growing categories, adding a combined £13m to spend YoY.
- Switching gains improved PoP, now sitting at +£31m, (+£15m PoP). Largest gains came from Sainsbury's and Waitrose, +£7.7m and +£7.2m respectively

M&S

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- M&S grocery share increased to 4.1%, aligned to topline growth of +7.9%
- Growth was primarily driven by price (+8.3% CTG) and more shoppers (+6.0 CTG), shopping more often (+2.1% CTG).
- All social classes contributed positively to growth for the second consecutive period. Heartland AB shoppers were key (+4.4% CTG), while Class D see their most significant contribution in over a year. Post Families are the most significant contributor (+7.1% CTG) by lifestage.
- Chilled Convenience (+£37m), Ambient Bakery (+£24m) and Dairy (+£22m) added most value YoY, outweighing losses in Alcohol (-£14m) & Confectionary (-£5m)
- Switching losses continued to soften to -£16m, supported by gains from Asda (+£1m), Independents and Symbols (+£2.7m) and Co-op (+£5.7m). Losses to Morrisons swing back to gains this month (+£2.3m).



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Thank you.