

EMBARGOED FOR 08:00 AM WEDNESDAY 5TH MAY 2021

Online grocery growth slows as shoppers spend £8bn in-store at UK supermarkets

- *As the UK's national lockdown eased in April, consumers grew more confident with shopping in-store, with online grocery growth slowing to 25%, down from 92% last month*
- *Despite the reopening of hospitality, total till sales maintain steady growth at 4.6%*

London, 5th May 2021: Total till sales at UK supermarkets maintained steady growth at 4.6% in the last four weeks ending 24th April 2021, despite the partial reopening of hospitality. However, online grocery sales growth has slowed to 25%¹, as UK shoppers return to supermarket stores following the easing of the UK's national lockdown, reveals new data released today by [NielsenIQ](#).

Online grocery has experienced supercharged growth in the last 12 months, with sales growth remaining above 70% since the start of the UK's pandemic in March 2020. However, in the last four weeks ending 24th April, as lockdown restrictions ease and confidence returns, visits to bricks and mortar stores have increased by 3%, the first increase in a year, and a significant rise compared to last month's -19% decline. Although visits are up, spend per visit is declining and, as a result, in-store sales remained flat at £8bn, while online grocery sales remained strong at £1.3bn. Online share of grocery sales remained relatively stable at 14.2%.¹

Data from NielsenIQ reveals that in the last four weeks, several of the categories that suffered most during lockdown have seen growth return as restrictions eased. This is most evident for health & beauty items where sales grew +27% YoY, followed by fresh goods such as deli (28%) and bakery (15.5%). This follows changes in consumer lifestyles as schools reopened, and there were more opportunities to socialise outdoors with picnics. And, despite the partial reopening of hospitality over the period, sales of beers, wines and spirits are up +9%. Whereas some of the lockdown basket staples continue to decline, such as packaged grocery (-10%) and frozen (-5%).²

In terms of retailer performance, Lidl (18.2%) and Aldi (10.4%) grew the fastest over the last 12 weeks. Meanwhile, Asda (4.6%) and Sainsburys (3.9%) were the fastest growing supermarkets of the 'big four' retailers. Marks and Spencer (3.9%) also experienced strong growth as non-essential retail reopened and more consumers also sought food on the go items.

Mike Watkins, NielsenIQ's UK Head of Retailer and Business Insight, said: "As lockdown restrictions ease across the UK, it is clear that shopper behaviours have changed once again with growing confidence and growing numbers returning to stores. Whilst online sales remain high, we're noticing a rebalancing of shopper baskets as consumers spread their spend beyond the lockdown staples.

Watkins concludes: "Categories such as health & beauty, deli and bakery have experienced a boost in the last four weeks as the schools have returned and consumers are given more freedom to socialise and meet outdoors in a small group. With rules set to relax further within the next few

weeks, consumer lifestyles will begin to adapt and it's likely that we'll see another change in grocery spend as cafes, pubs and restaurants fully reopen. How far this is set to change exactly, remains to be seen."

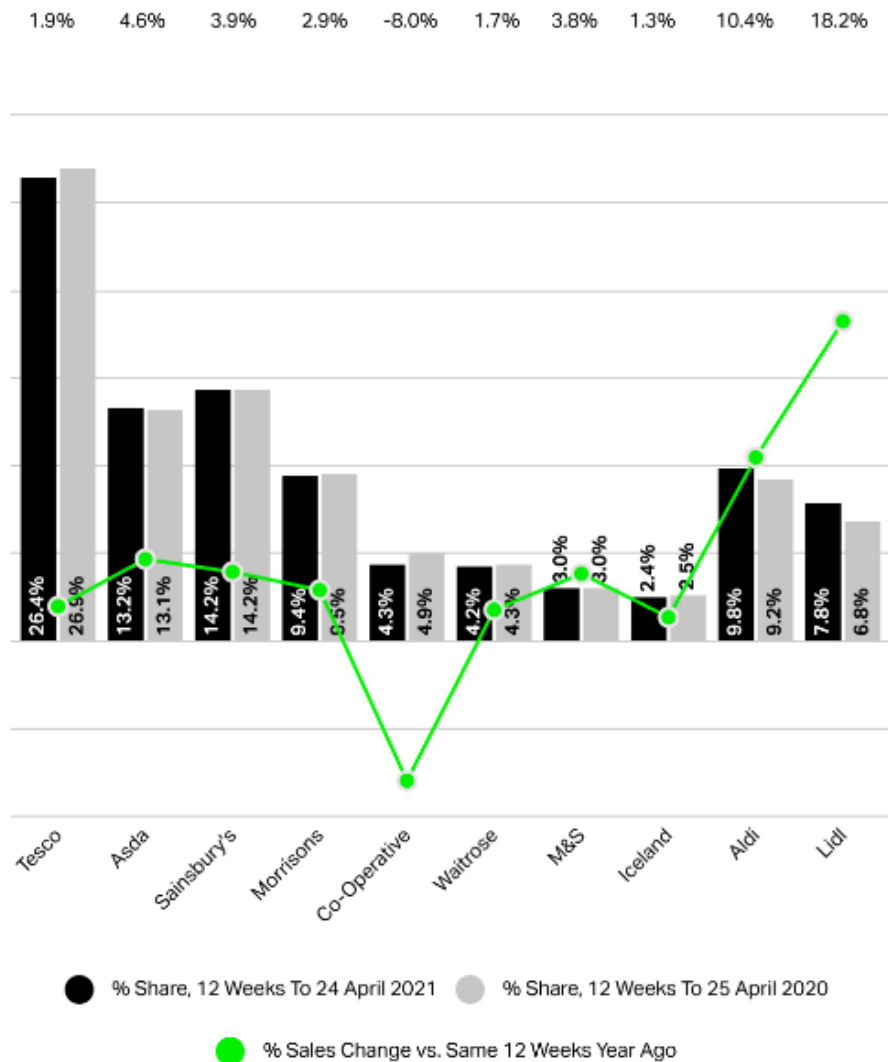
Table: 12-weekly % share of grocery market spend by retailer and value sales % change

NielsenIQ Total Till:

Retailer market share

Source: NielsenIQ Total Till, NielsenIQ Homescan.

% Sales Change vs. Same 12 Weeks Year Ago:



ENDS

Notes

Unless otherwise stated all data is NielsenIQ Homescan Total Till

¹ NielsenIQ Homescan FMCG

² NielsenIQ Scantrack Grocery Multiples

About NielsenIQ Homescan Total Till

NielsenIQ's continuous panel of 14,550 GB households and our widest read of retailer performance and designed to measure household purchasing through major supermarkets intended for in-home consumption and brought back into the home. It includes all food and drink, household, and personal care and an estimate of non-food spend (e.g. clothing, electrical, cards and stationery, newspapers & magazines, toys, music, general merchandise, etc.) and also tobacco.

About NielsenIQ

NielsenIQ is the leader in providing the most complete, unbiased view of consumer behavior, globally. Powered by a ground-breaking consumer data platform and fueled by rich analytic capabilities, NielsenIQ enables bold, confident decision-making for the world's leading consumer goods companies and retailers.

Using comprehensive data sets and measuring all transactions equally, NielsenIQ gives clients a forward-looking view into consumer behavior in order to optimize performance across all retail platforms. Our open philosophy on data integration enables the most influential consumer data sets on the planet. NielsenIQ delivers the complete truth.

NielsenIQ, an Advent International portfolio company, has operations in nearly 100 markets, covering more than 90% of the world's population. For more information, visit www.nielseniq.com.