

## Food and Non-food Discounters - UK - September 2017

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“Over the past 10 years the discount sector has shown that it is highly adaptable, succeeding to thrive in both market conditions which favoured a low-cost alternative and in conditions where traditionally there would have been less demand. With an uncertain economic outlook in the short term the sector is well placed to make further gains and capitalise on likely consumer desire to cut back.”

**Nick Carroll, Senior Retail Analyst**

This report looks at the following areas:

- **What do Brexit and uncertainty mean for the discounters?**
- **The move to multi-price in non-foods**
- **Glass or concrete: What is the ceiling for the food discounters?**

### Areas covered in this Report

We split the discount sector into two main segments: food and non-food.

The food discounters are Aldi, Lidl and Netto (which ceased to exist in the UK, for the second time, in August 2016).

The non-food discounters include those stores whose focus is on mixed goods, although for some, food can be one of their main product categories this is confined almost entirely to ambient groceries with little or no fresh, chilled or frozen products.

We break the non-food discounters down into two further categories:

- The fixed-price discounters, which include traditional 'pound shops' such as Poundland and Poundworld

- The multi-price discounters, which include a wide range of retailers with the largest being B&M Bargains, Home Bargains and Wilko.

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This report is part of a series of reports, produced to provide you with a more holistic view of this market

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## Table of Contents

### Overview

- What you need to know
- Areas covered in this Report
- What is a discounter?

### Executive Summary

#### The market

##### Discounter sector continues to grow strongly

Figure 1: All discounters' sector size (Ex-VAT), 2012-22

##### Inflation on the rise

Figure 2: Consumer price inflation: overall index and key categories, January 2016-July 2017

##### Real incomes now falling

Figure 3: Real wages growth: Wage growth vs inflation, January 2012-August 2017

#### Companies and brands

##### Combined Aldi and Lidl account for over half of the overall discount market...

Figure 4: Leading discounters' estimated share of all discount sales, 2016

##### ...and also over 10% of the grocery sector

Figure 5: Grocery market share: The Big Four v the Food Discounters, 2010-16

#### The consumer

##### Nine in 10 shop with a discounter

Figure 6: Use of food and non-food discounters, by age, July 2017

##### Poundland attracts the highest number of shoppers, but food discounters are most used

Figure 7: Discounters used and used most often in the last three months, July 2017

##### Food discounters straddle the line between convenience and supermarkets

Figure 8: Food missions completed within food discounters, July 2017

##### Household non-foods the most popular purchase at discounters

Figure 9: Non-food products purchased at discounters in the last three months, July 2017

##### Satisfaction high amongst discount shoppers but there are areas to improve

Figure 10: Key drivers of overall satisfaction with discount retailers, July 2017

##### The move to multi-price is likely to be a positive for the fixed-price players

Figure 11: Attitudes towards the discounter shopping experience, July 2017

#### What we think

### Issues and Insights

#### What do Brexit and uncertainty mean for the discounters?

##### The facts

##### The implications

##### The move to multi-price in non-foods

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The facts

The implications

Glass or concrete: What is the ceiling for the food discounters?

The facts

The implications

## The Market – What You Need to Know

Real incomes are now falling

Consumer confidence has taken a hit but remains broadly positive

Retail sales have remained positive in the first half

Growth remains strong but has been slowing in the discount sector

Food discounters the driver

Non-food discounters evolving

## Market Drivers

Inflation on the rise

Figure 12: Consumer price inflation: overall index and key categories, January 2016-July 2017

Real incomes now falling

Figure 13: Real wages growth: Wage growth vs inflation, January 2012-August 2017

Consumer confidence

Figure 14: Consumers' view on their current and future financial situation, January 2014-July 2017

Value sales remain strong...

Figure 15: Value retail sales (ex-fuel): food and non-food growth, non-seasonally adjusted, July 2016-June 2017

...but in volume terms there are signs of consumers cutting back

Figure 16: Volume retail sales (ex-fuel): food and non-food growth, non-seasonally adjusted, July 2016-June 2017

## Market Size and Forecast

Discount sector continues to grow strongly

Figure 17: All discounters' sector size (Ex-VAT), 2012-22

Figure 18: All discounters' sector size (Ex-VAT), detailed forecast at current and constant prices, 2012-22

Figure 19: Discount sector size as a percentage of all retail sales (ex-fuel), 2008-17

The food discounters segment

Figure 20: Food discounters' sector size (ex-VAT), 2012-22

Figure 21: Food discounters' sector size (ex-VAT), detailed forecast at current and constant prices, 2012-22

The non-food discount segment

Figure 22: Non-food discounters' sector size (ex-VAT), 2012-22

Figure 23: Non-food discounters' sector size (ex-VAT), detailed forecast at current and constant prices, 2012-22

Forecast methodology

## The Consumer – What You Need to Know

Nine in 10 consumers have shopped at a discounter

Poundland the most visited discounter

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Food discounters providing a viable alternative to convenience  
 Household purchases popular within the discount sector  
 Overall satisfaction high with the discount experience but there is room for improvement  
 The move to multi-price  
 New ranges keep the shopping experience fresh  
 Food discounters doing well in the premium stakes

## Where They Shop

Poundland shows the highest number of shoppers  
 Figure 24: Discounters used and used most often in the last three months, July 2017

Discount use on the up  
 Figure 25: Discounters visited in the last three months, 2015-17

Food discounters are visited most frequently  
 Figure 26: Discounters visited in the last three months, by frequency of visitation, July 2017

Repertoire of discount stores visited  
 Figure 27: Repertoire of discount stores used in the past three months, July 2017

## Demographics of Discount Use – Retailer Comparison

Discount use skews younger  
 Figure 28: Use of food and non-food discounters, by age, July 2017

Food discounter use peaks amongst high earners  
 Figure 29: Use of food and non-food discounters, by gross annual household income, July 2017

Discounter usage peaks in Scotland  
 Figure 30: Use of food and non-food discounters, by region, July 2017

Retailer comparisons: younger consumers clearly driving the market  
 Figure 31: Use of food discounters, by age, July 2017  
 Figure 32: Use of non-food discounters, by age, July 2017

## Food Purchasing at Discounters

Discounters popular in traditional convenience categories  
 Figure 33: Food missions completed within food discounters, July 2017  
 Figure 34: Food missions completed within food discounters, by region, July 2017

Food purchasing within non-food discounters  
 Figure 35: Types of food and drink purchased at non-food discounters, July 2017

## Non-food Purchasing at Discounters

Household products popular at discounters  
 Figure 36: Non-food products purchased at discounters in the last three months, July 2017

Older shoppers most likely to buy items for the home  
 Figure 37: Non-food products purchased at discounters in the last three months, by age, July 2017

Aldi shoppers buy more non-foods  
 Figure 38: Non-food products purchased at discounters in the last three months, by food discounter used most often, July 2017

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Figure 39: Non-food products purchased at non-food discounters in the last three months, by food discounter used most often, July 2017

Repertoire of non-food products purchased

Figure 40: Repertoire of product categories purchased from in the last three months, July 2017

## Satisfaction with Shopping at Discounters

Overall levels of satisfaction high with discounters

Figure 41: Satisfaction with factors at the discounter shopped with most often, July 2017

Key Driver Analysis: a greater focus on customer service needed?

Figure 42: Key drivers of overall satisfaction with discount retailers, July 2017

Figure 43: Correlation (R) values with overall satisfaction key driver output, July 2017

Retailer comparisons

Figure 44: Level of positive satisfaction with factors, by type of discounter shopped at most often, July 2017

Figure 45: Level of positive satisfaction with factors, by type of discounter shopped at most often, July 2017

Methodology

## Attitudes towards Discounters

Fluid product offerings lead to fresh experiences

Figure 46: Attitudes towards the discounter shopping experience, July 2017

It is not just cheap and cheerful

Figure 47: Attitudes towards quality, sourcing and pricing at discounters, July 2017

Figure 48: Attitudes towards quality, sourcing and pricing at discounters, by type of discounters shopped with most often, July 2017

Food discounters doing well in the premium stakes

Figure 49: Attitudes towards food discounters' premium and healthy ranges, July 2017

More affluent consumers stronger in their demand for healthier options

Figure 50: Attitudes towards food discounters' premium and healthy ranges, by socio-economic group, July 2017

## Leading Retailers – What You Need to Know

Aldi and Lidl take fifth and seventh spot within the grocery sector

B&M the non-food leader but is looking to expand into food

The move to multi-price

Food discounters score more highly on brand trust

## Leading Players – Key Metrics

Revenues

Figure 51: Leading discounters' sales, 2012/13-2016/17

Operating profits and margins

Figure 52: Leading discounters' operating profits, 2012/13-2016/17

Figure 53: Leading discounters' operating margins, 2012/13-2016/17

Stores and sales per outlet

Figure 54: Leading discounters' outlet numbers, 2012/13-2016/17

Figure 55: Leading discounters' sales per outlet, 2012/13-2016/17

## Market Shares

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## Food discounters account for half of the market

Figure 56: Leading discounters' estimated share of all discount sales, 2016

Figure 57: Leading 10 discounters' share of all discount sales, 2012-16

## Aldi and Lidl now account for over 10% of all grocery sales

Figure 58: Estimated share of all grocery retail sales (ex-VAT, ex-fuel) by the leading players, 2016

Figure 59: Grocery market share: The Big Four v the Food Discounters, 2010-16

## Non-foods disrupting the mixed goods sector

Figure 60: Non-food discounters' share of all mixed goods retail sales, 2008-16

## Savers in the health and beauty space

Figure 61: Savers: Market share of the specialist health and beauty sector (ex-VAT), 2011-16

## Space Allocation Summary

### Food discounters – Summary

Figure 62: Food discounters: Summary shelf frontage space allocation estimates, September 2017

### Food discounters - Detailed space allocation

Figure 63: Food discounters: Detailed shelf frontage space allocation estimates, September 2017

### Multi-price non-food discounters – Summary

Figure 64: Multi-price non-food discounters: Summary shelf frontage space allocation estimates, September 2017

### Multi-price non-food discounters – Detailed space allocation

Figure 65: Multi-price non-food discounters: Detailed shelf frontage space allocation estimates, September 2017

### Fixed-price non-food discounters – Summary

Figure 66: Fixed-price non-food discounters: Summary shelf frontage space allocation estimates, September 2017

### Fixed-price non-food discounters – Detailed space allocation

Figure 67: Fixed-price non-food discounters: Detailed shelf frontage space allocation estimates, September 2017

## Retail Product Mix

Figure 68: Leading discounters: estimated sales by product, 2016

Figure 69: Leading discounters estimated sales mix, 2016

Figure 70: Leading discounters, estimated sales per square metre, 2016

## Innovations and Marketing Activity

Aldi and Lidl look to online

Lidl and Heidi Klum team up to launch affordable fashion line

Poundland launches its first 50p sale

Poundland ramps up Pep & Co concessions

Poundworld shelves selling products costing more than £1

## Advertising and Marketing Activity

Total advertising spend by the sector's leading retailers down by nearly 60%

Figure 71: Recorded above-the-line, online display and direct mail total advertising expenditure by the UK's leading discounters, 2012-17

Lidl and Aldi accounted for 88.6% of total sector adspend in 2015

Advertising spend peaks around Easter and in the run-up to Christmas

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Figure 72: Recorded above-the-line, online display and direct mail total advertising expenditure by leading discounter, by month, 2016

TV accounts for the majority of adspend among discounters

Figure 73: Recorded above-the-line, online display and direct mail total advertising expenditure by the UK's leading discounters, by media type, 2012-17

Nielsen Ad Intel coverage

## Brand Research

Overview

Brand map

Figure 74: Attitudes towards and usage of selected brands, July 2017

Key brand metrics

Figure 75: Key metrics for selected brands, July 2017

Brand attitudes: Aldi and Lidl most likely to be seen as socially responsible

Figure 76: Attitudes, by brand, July 2017

Brand personality: Poundland lagging behind in the fun stakes

Figure 77: Brand personality – Macro image, July 2017

Aldi most likely to be seen as the trendsetter in the discount space

Figure 78: Brand personality – Micro image, July 2017

Brand analysis

Aldi: functional but fun

Figure 79: User profile of Aldi, July 2017

Home Bargains: lower awareness but excelling in experience

Figure 80: User profile of Home Bargains, July 2017

Lidl: lagging behind its food discount rival

Figure 81: User profile of Lidl, July 2017

B&M: struggling to connect with younger consumers?

Figure 82: User profile of B&M, July 2017

Poundland: seen as widely available but basic

Figure 83: User profile of Poundland, July 2017

## Aldi Stores Ltd

What we think

Built in poor economic times, consolidated in better ones

The softening of the hard edges

Straddling the lines

Background

Company performance

Figure 84: Aldi Stores Ltd (UK & Ireland): Group financial performance, 2011-16

Figure 85: Aldi Stores Ltd (UK & Ireland): Outlet data, 2011-16

Retail offering

## Lidl (UK)

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## What we think

### Background

### Company performance

Figure 86: Lidl (UK): Estimated group financial performance, 2011/12-2016/17

Figure 87: Lidl (UK): Outlet data, 2011/12-2015/16

### Retail offering

## B&M Retail Ltd

### What we think

### Background

### Company performance

Figure 88: B&M Retail Ltd: Group financial performance, 2011/12-2016/17

Figure 89: B&M Retail Ltd: Outlet data, 2011/12-2016/17

### Retail offering

## TJ Morris Ltd (Home Bargains)

### What we think

### Background

### Company performance

Figure 90: TJ Morris Ltd: Group financial performance, 2012/13-2016/17

Figure 91: TJ Morris Ltd: Outlet data, 2012/13-2016/17

### Retail offering

## Poundland

### What we think

### Background

### Company performance

Figure 92: Poundland Ltd: Group financial performance, 2012/13-2016/17

Figure 93: Poundland Ltd: Outlet data, 2012/13-2016/17

### Retail offering

## Poundstretcher Ltd

### What we think

### Background

### Company performance

Figure 94: Poundstretcher: Group financial performance, 2011/12-2015/16

Figure 95: Poundstretcher: Outlet data, 2011/12-2015/16

### Retail offering

## Poundworld Retail Ltd

### What we think

### Background

### Company performance

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Figure 96: Poundworld Retail Ltd: Group financial performance, 2011/12-2015/16

Figure 97: Poundworld Retail Ltd: Outlet data, 2011/12-2015/16

Retail offering

## Wilko Retail Ltd

What we think

Background

Company performance

Figure 98: Wilko: Group financial performance, 2012/13-2016/17

Figure 99: Wilko: Outlet data, 2012/13-2016/17

Retail offering

## Appendix – Data Sources, Abbreviations and Supporting Information

Data sources

Consumer research methodology

VAT

Financial definitions

Abbreviations

## Appendix – Market Size and Forecast

Forecast methodology

## Appendix – Key Driver Analysis

Interpretation of results

Figure 100: Correlation (R) values with overall satisfaction – Key driver output, July 2017

Figure 101: Satisfaction with discount retailers, July 2017

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