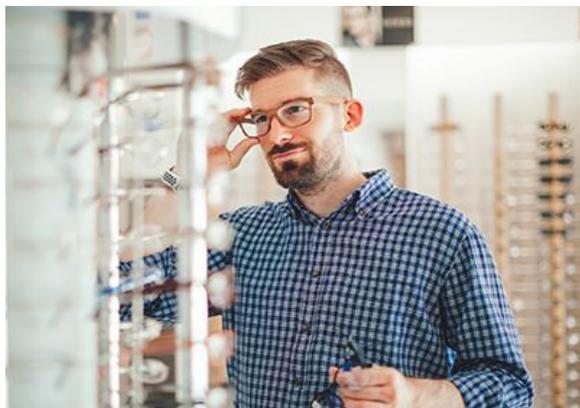


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“The takeover of Tesco Opticians by Vision Express at the end of 2017 marks a major change, injecting a ‘big 3’ opticians’ brand into more than 200 supermarket sites. Online sales of glasses remain relatively under-developed compared with other retail sectors, but will grow, helped by better technology which helps online shoppers visualise the appearance and fit of glasses.”

– Jane Westgarth, Senior Retail Analyst

This report looks at the following areas:

- What are the implications of opticians moving into supermarkets?
- Is falling footfall in town centres affecting opticians?
- Is online taking a greater market share of optical goods?

Retail optics continues to be concentrated into the hands of a small number of large multiple groups. Specsavers is by far the largest chain in the UK and has expanded to some 800 outlets. But facing a shortage of new towns for further growth in the UK, Specsavers is extending its reach by adding shop-in-shops at Sainsbury’s supermarkets as well as by expanding into healthcare services. The second largest, Boots, is a major force in optical goods, but growth has stalled as Boots has lacked innovation and investment in its optical chain. Vision Express has been growing through acquisition, most notably with the takeover of Tesco Opticians, a move which has added some 210 outlets in one year. Meanwhile Luxottica, a major supplier of spectacle frames and owner of the leading sunglasses brands, already runs David Clulow, and the Sunglass Hut chain has extended its reach by opening in-store opticians at John Lewis. Almost 100 independents have been attracted to form joint venture partnerships with the rapidly expanding Hakim Group, retaining their local identities but benefiting from greater buying power and organised marketing.

A handful of online players are operating in this market, but their market share remains fairly low because the majority of shoppers value being able to try on in-store and to have their glasses fitted by a professional. Luxottica has merged with Essilor, bringing together two industry giants and creating a wide-ranging supplier to opticians. Essilor has made several acquisitions of online sellers, as the company is determined to play a leading role in the online selling of spectacles and contact lenses.

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