Supermarkets - UK - 2021

Report Price: £2195 | $2995 | €2600

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This report looks at the following areas:

- **The impact of COVID-19 on grocery shopping behaviour and channel usage.**
- **Market size for all grocery retail sales and supermarket sector sales.**
- **How consumers shop for groceries and how frequently.**
- **Retailers used for primary and secondary shops and total sector market shares.**
- **Types of stores used currently and expected changes over the next 12 months.**
- **Key drivers of supermarket use, and barriers to greater spending in the channel.**
- **Attitudes to price, loyalty schemes, sustainability and convenience.**

With inflation rising, and this set to continue in 2022, the fact that 59% of grocery shoppers say that savings available via loyalty schemes have become more important to them since the COVID-19 pandemic began highlights how critical recent investments made in such schemes by the big-four supermarkets will be at fighting back a resurgent discounter sector.

COVID-19 brought record demand for the grocery sector, with all grocery retail sales growing 6.8% in 2020 and only expected to fall 0.6% in 2021, as greater time spent at home grew in-home food and drink needs. More flexible working will mean that in-home volumes continued to be heightened and this should boost the channels, supermarket, discount and online, which thrive on big-basket demand.

However, in-store sales at supermarkets have been impacted by heightened online use during the pandemic. Serving similar needs, the expected legacy boost to online will mean this is a persisting issue for large-format stores. Reinvesting in the 'multi-mission' experience, including non-foods and services, will be important in creating a modern format that serves the needs of shoppers and provides a fully differentiated experience to online ordering.

"Both 2020 and 2021 will have been record years for grocery retail in the UK. 2021 may not fully match the demand seen in 2020, but fundamental changes in working life for many and persistent hesitancy for some around visiting out-of-home venues means demand remains heightened."
– Nick Carroll, Associate Director of Grocery and E-commerce Research, December 2021

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The biggest opportunity for supermarkets in 2022 is to recapture some shoppers on the strength of their value offering. While inflation is rising in food and drink, it is currently rising quicker in out-of-home venues, and for grocery retail this brings a significant opportunity to drive meal replacement solutions for events usually celebrated out of home. Loyalty schemes will play a key role in keeping weekly shopping bills down, and grocers' value offering in non-foods, particularly clothing, will also find a greater audience moving forward than the patchy demand provided since the pandemic began.

What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
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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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