



**KANTAR** WORLDPANEL

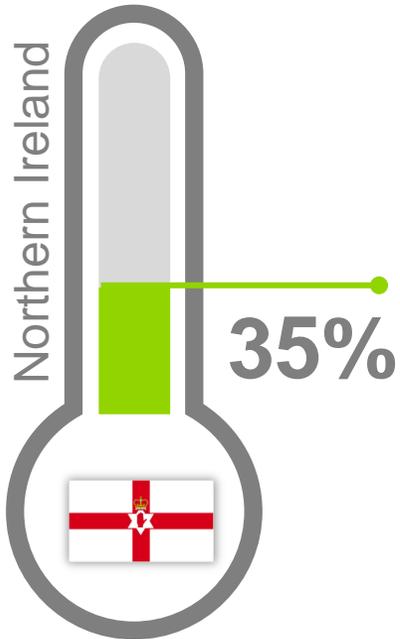
## **Consumer Sentiment in Northern Ireland**

How will Brexit impact shopping behaviour?

Cora Campbell & Cliona Lynch

Kantar Worldpanel

March 2017



Northern Ireland is worth 35% of the ROI Market



£8.7bn  
+3.7%

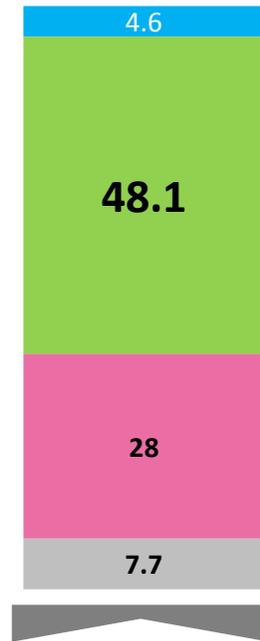


£3.1bn  
1.1%



£105.2bn  
+0.3%

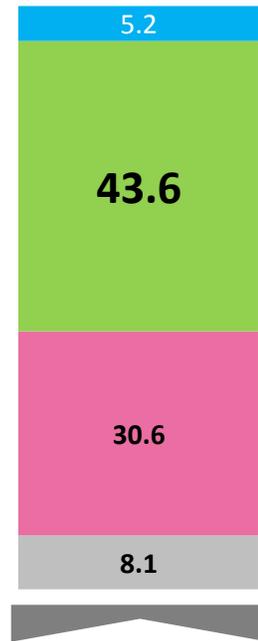
Value Share %



ROI Market

270

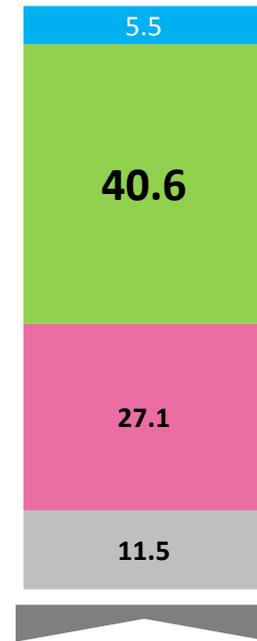
£99 / week  
62 Packs



NI Market

263

£82 / week  
62 Packs



GB Market

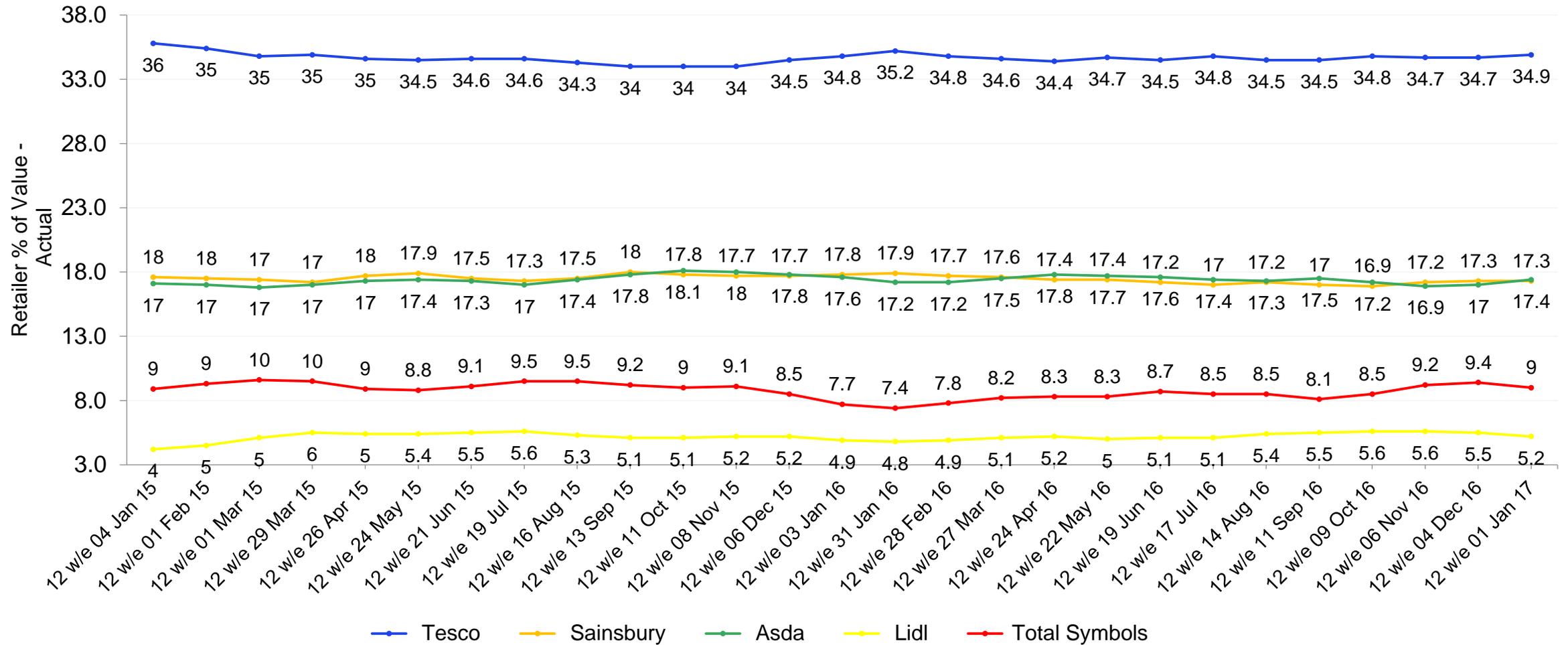
260

£75 / week  
48 Packs

- Frozen
- Fresh
- Ambient
- Alcohol

# Tesco maintains a clear lead in the Northern Irish market. But the battle for no.2 spot is very tight between Sainsbury and Asda

12w Total Grocery – retailer value % trended





Dining in, affordable indulgence and little and often shopping will be key

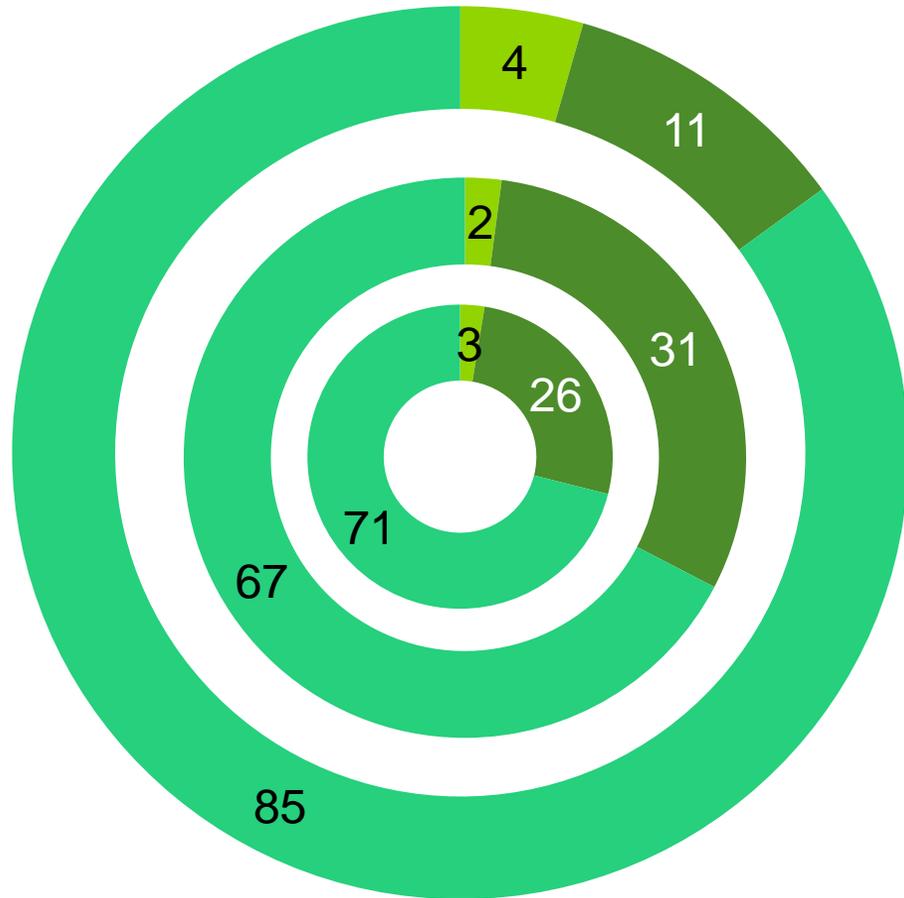
Grocery has resilience against Brexit

Opportunities for Irish suppliers in NI

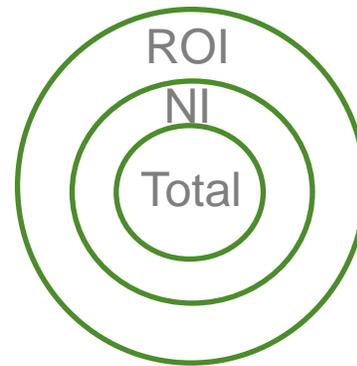
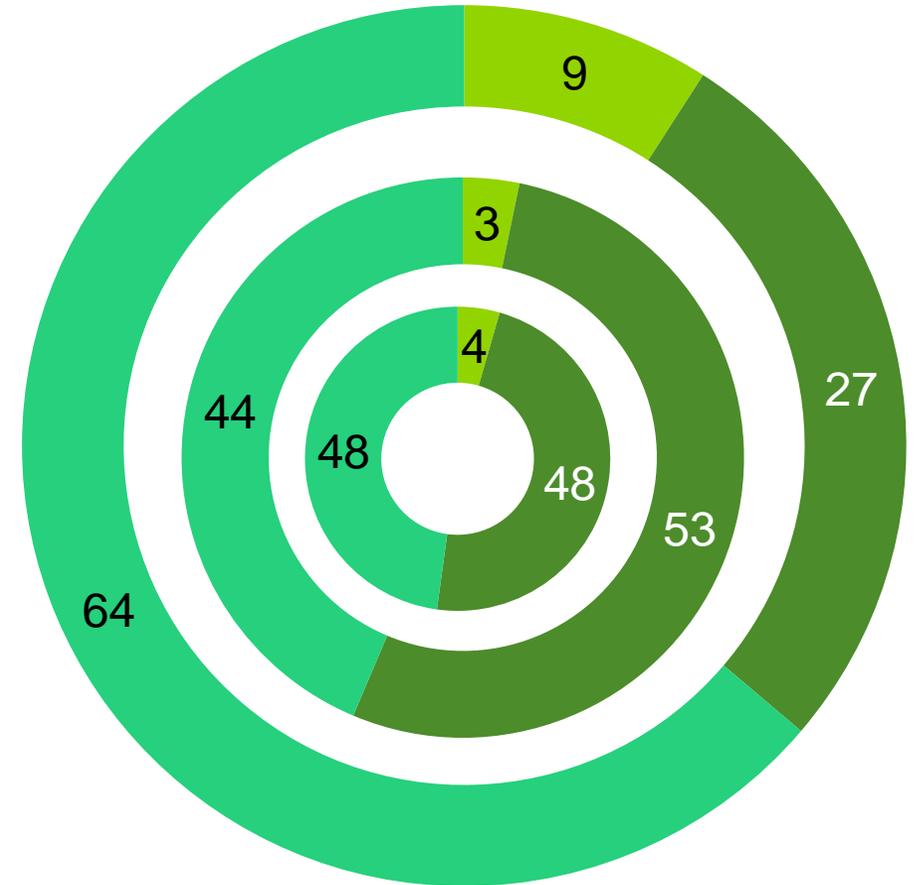


# There is a general consensus that we will be worse off as a result of Brexit, particularly among NI Shoppers

Currently, I feel Financially:



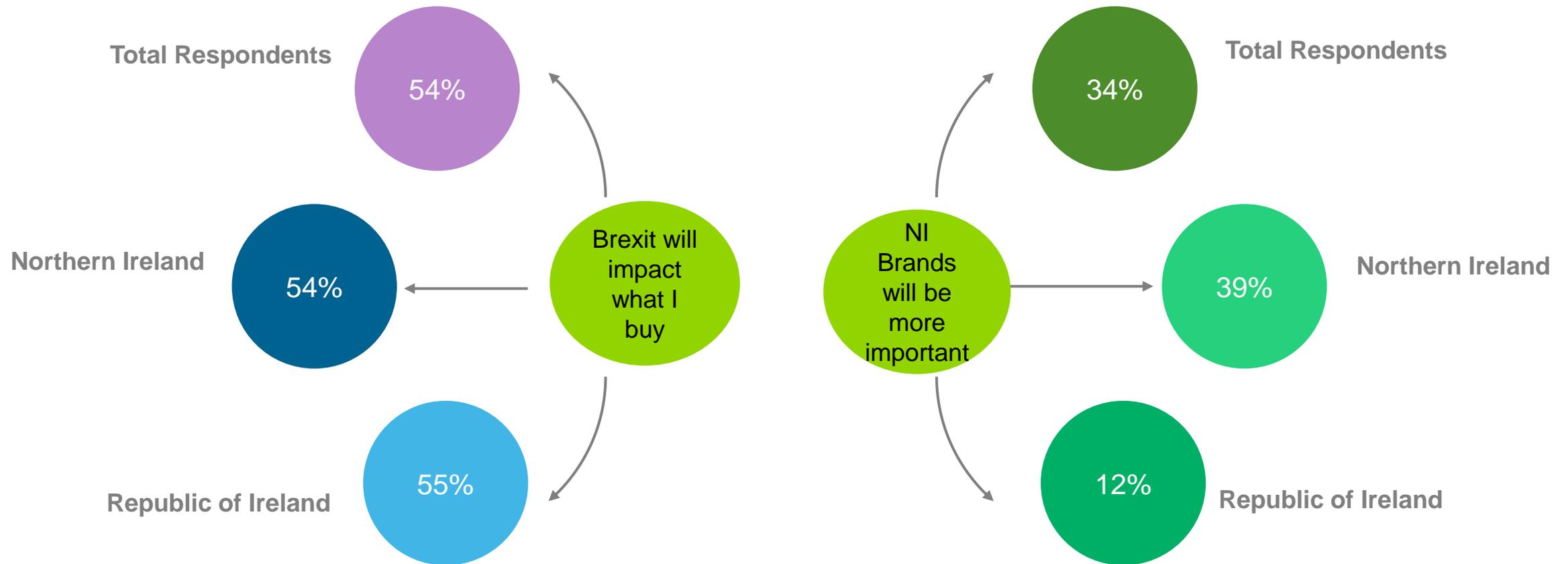
In 2017, I expect to be Financially:



- Better Off
- Worse Off
- Same

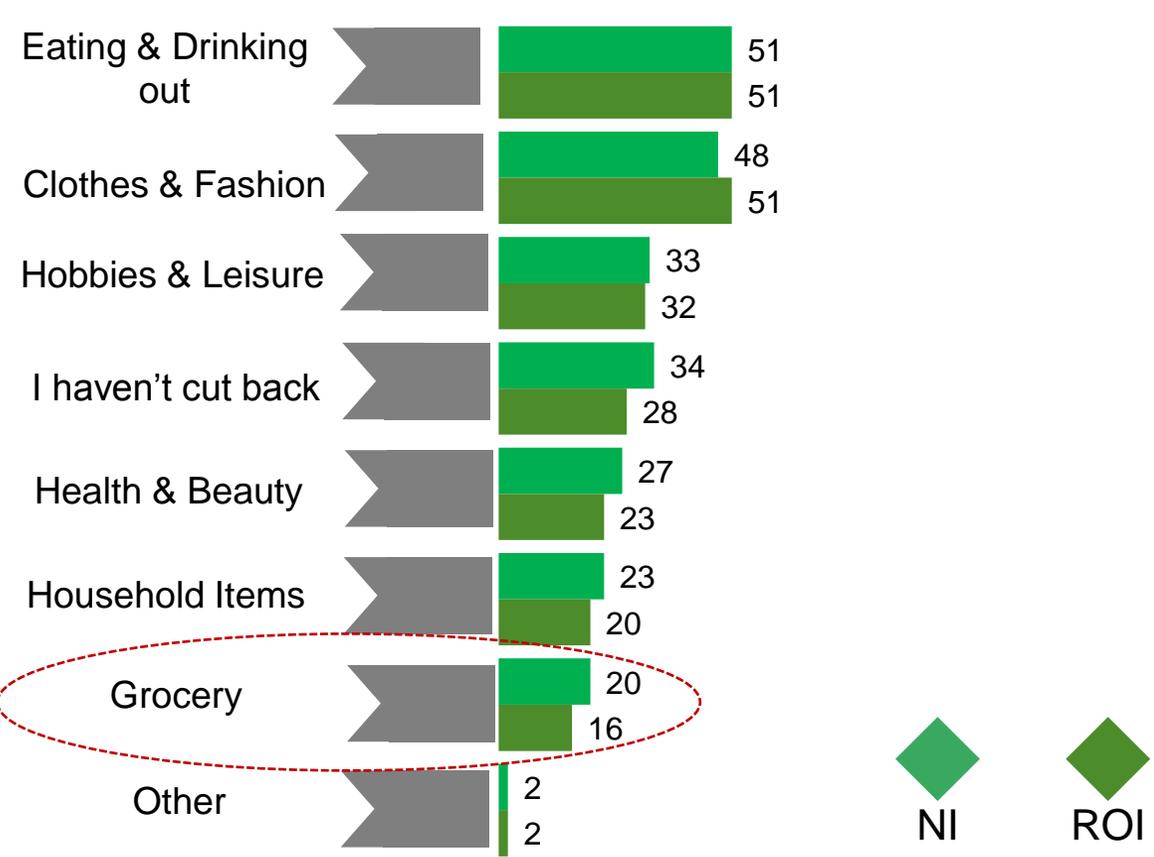
# Over half of Shoppers believe Brexit will impact their Shopping

*% Shoppers Agree*



# However, other industries are top of mind when thinking of cutting back

Since the UK voted to leave the EU, I have cut back spending on:

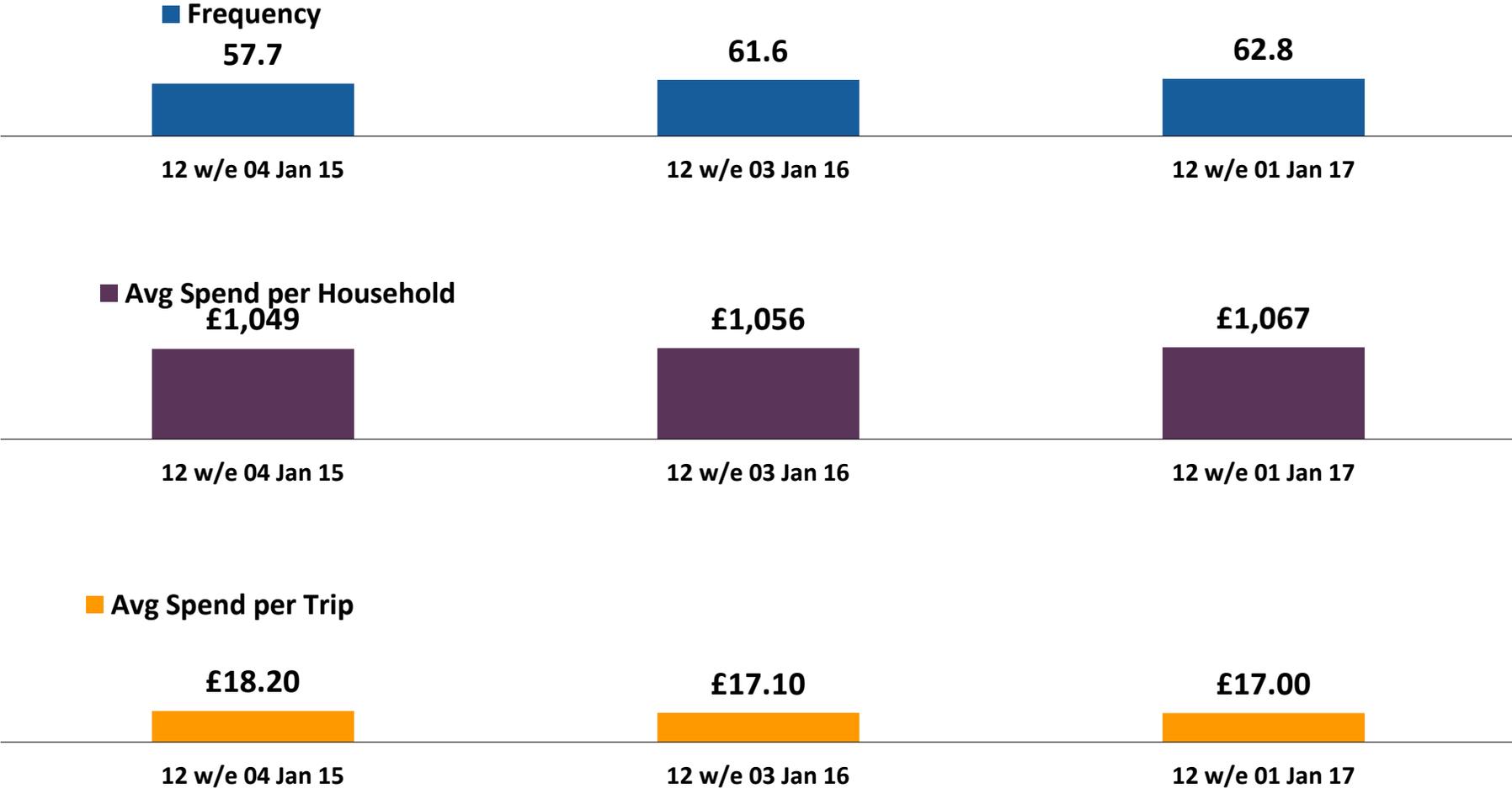


In 2017, I plan to cut back on:



# We can see shoppers in NI controlling their spend by making more trips but spending less on each trip – little & often behaviour is returning

12w NI Total Grocery - changes in consumer shopping behaviour



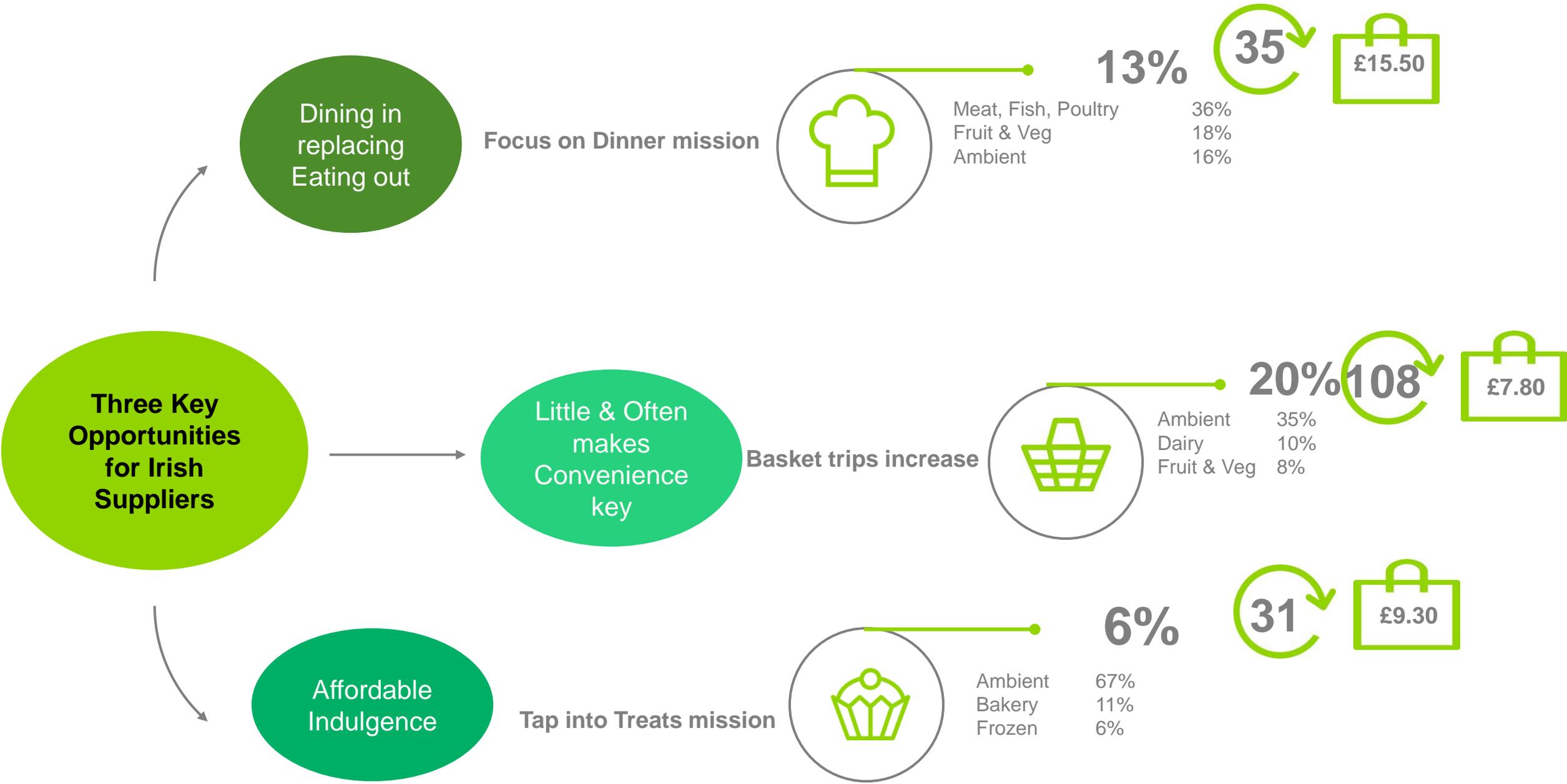
Average frequency increased by +2.0%



£11.6 decrease in 12w spend per HH (1.1%)



Average basket spend decreased by -0.6%



Opportunities  
for Irish  
suppliers in NI

Get your price  
right

Shoppers love a bargain, and round  
price really resonate with Northern  
Irish shoppers

## What's important to today's shopper?

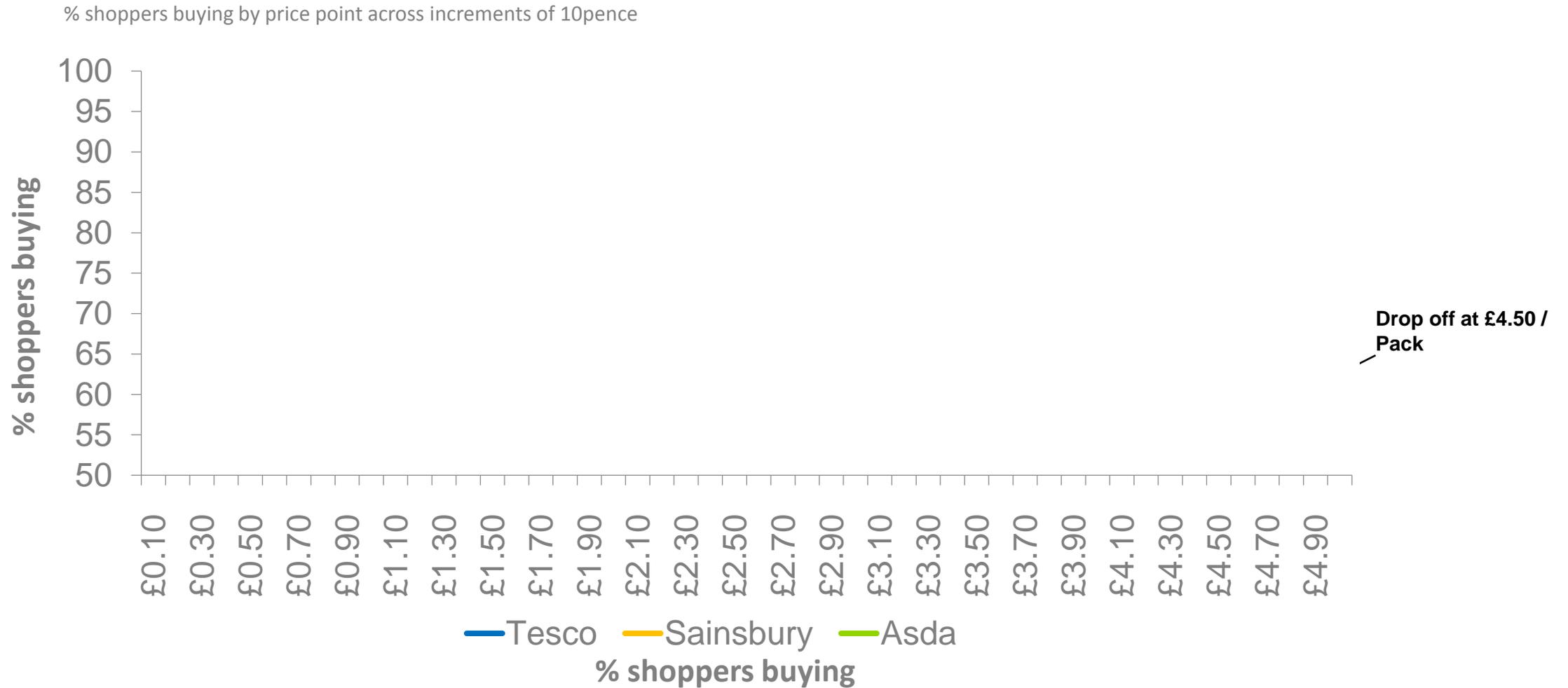


96%



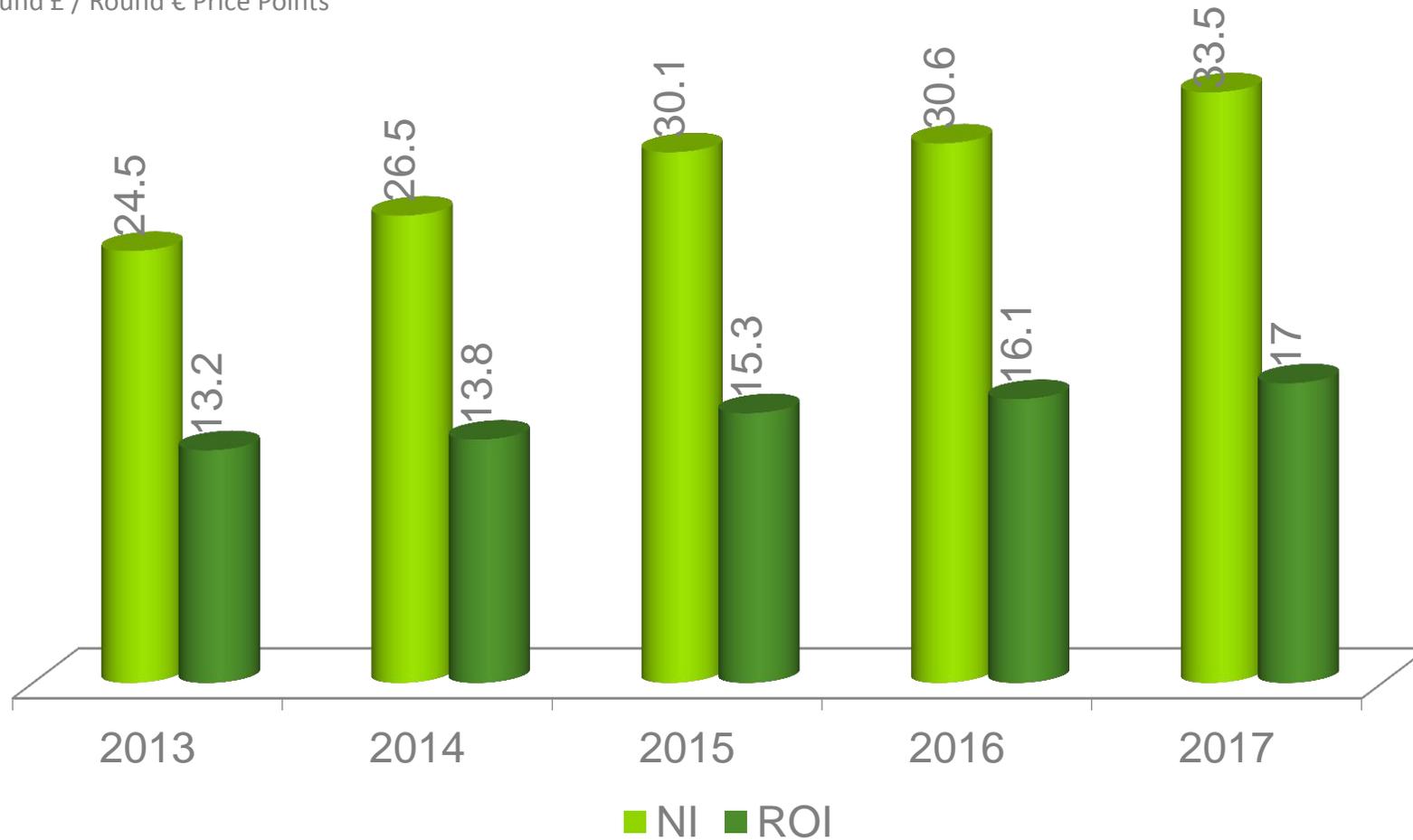
of Households say "I love good  
bargains"

# There are definite drop out points across Retailers at which Shoppers will not purchase

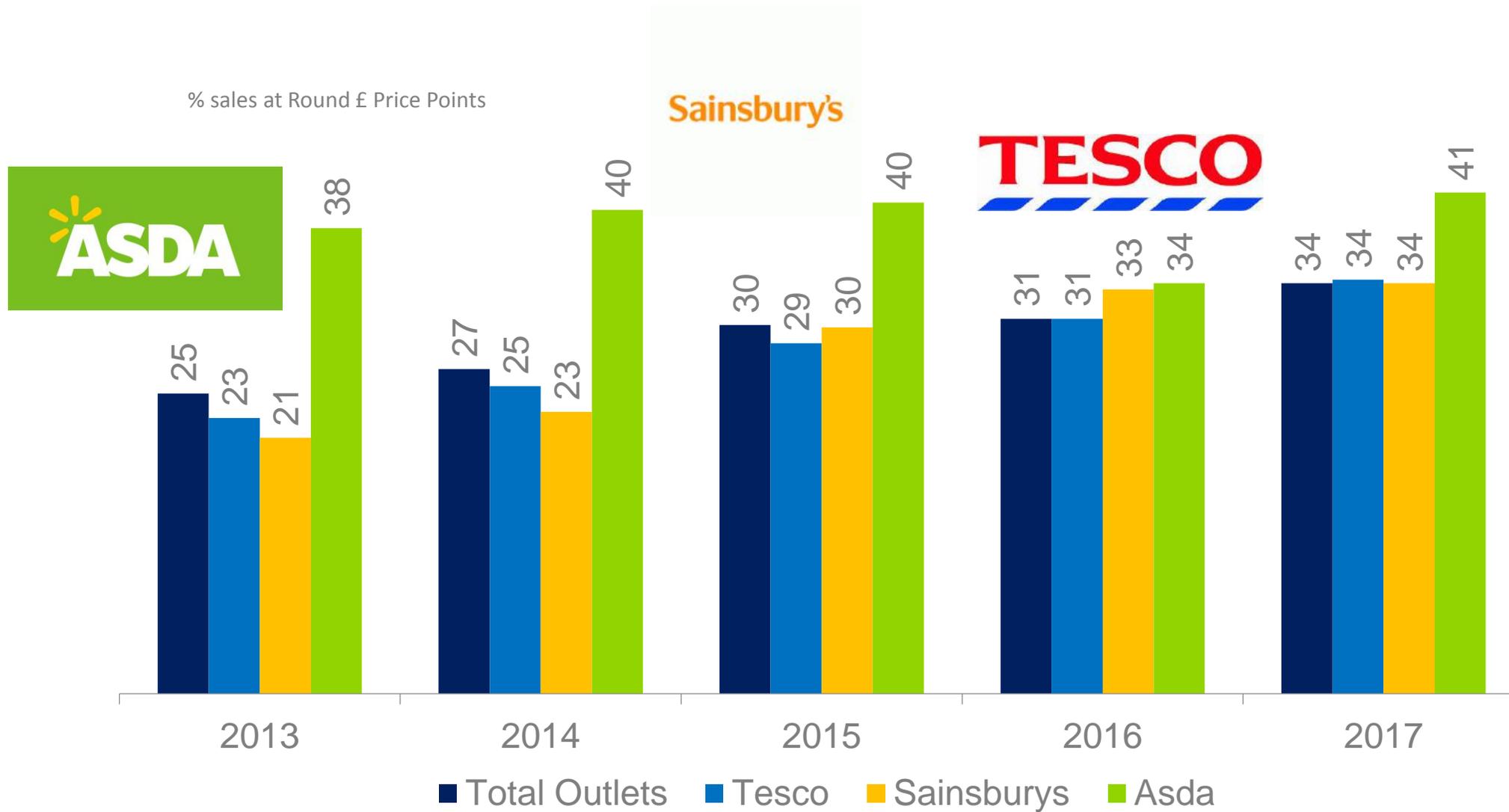


# The Round £ Price Point is more significant in NI versus Round € in ROI

% sales at Round £ / Round € Price Points



There is a general increase in the % sales going through at Round Pound Price Points.



Opportunities  
for Irish  
suppliers in NI



Local more  
important within  
Fresh Categories

Shoppers try to buy local,  
especially in Fresh Fruit,  
Veg, Meat & Dairy

# So how important is “local” to shoppers?

64%

Try to buy if made in  
my Country



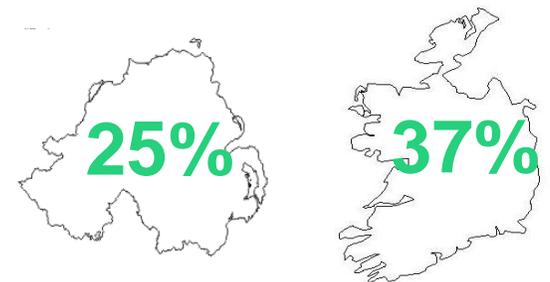
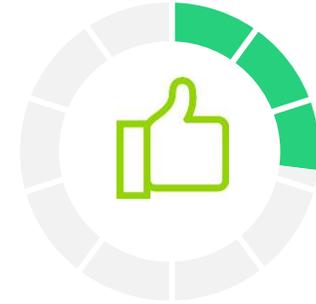
58%

Try to buy if made in  
my region

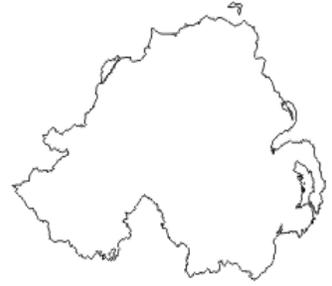


27%

Irish Brands are  
best value



# In Northern Ireland, Shoppers place a higher importance on Local within Fresh Categories as Ambient, Frozen and Craft Beer are less sensitive to being local



% Shoppers Agree that Local is important



MEAT, FISH, POULTRY



DAIRY



FRUIT & VEG



COOKED MEAT



BAKERY



AMBIENT FOOD

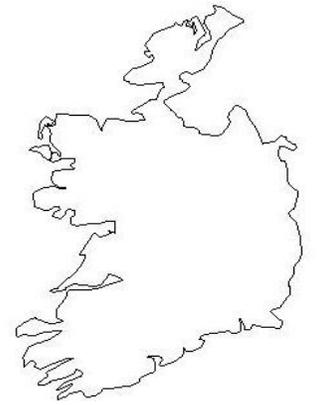


FROZEN FOOD



CRAFT BEER

# In Republic of Ireland, local is important in Fresh, but also Bakery



% Shoppers Agree that Local is important



MEAT, FISH, POULTRY



DAIRY



COOKED MEAT



FRUIT & VEG



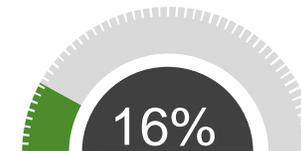
BAKERY



FROZEN FOOD

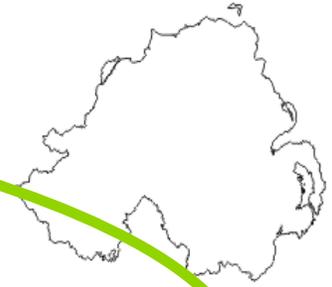


AMBIENT FOOD



CRAFT BEER

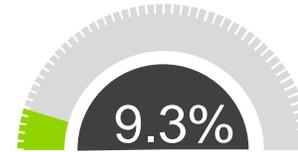
# Where should local suppliers look for Growth?



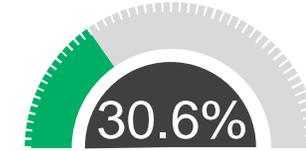
BEER



FROZEN FOOD



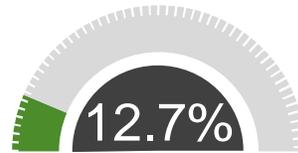
DAIRY



AMBIENT FOOD



COOKED MEAT



FRUIT & VEG



BAKERY



MEAT, FISH, POULTRY

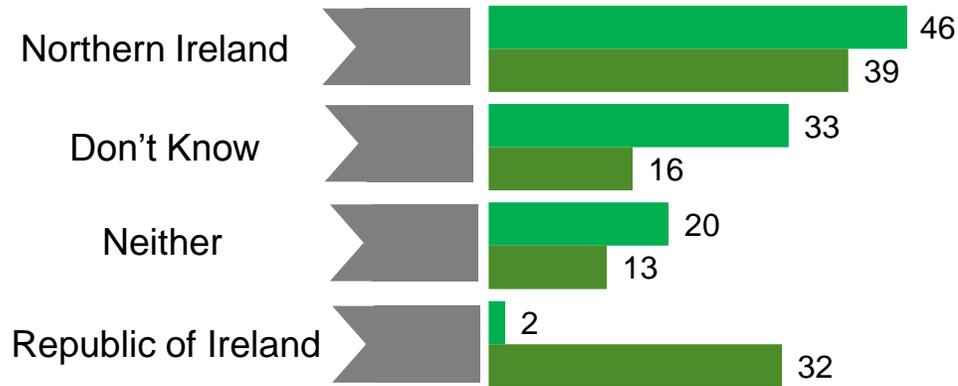
Opportunities  
for Irish  
suppliers in NI

Premium brands  
will convince on  
Quality

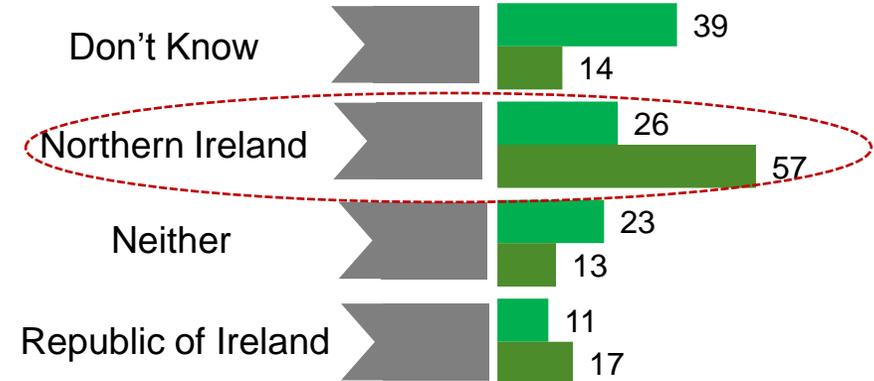
While NI Shoppers think there is a better range in ROI, they believe they get better quality in NI

# NI Shoppers are less convinced about ROI Grocery Brands and Products

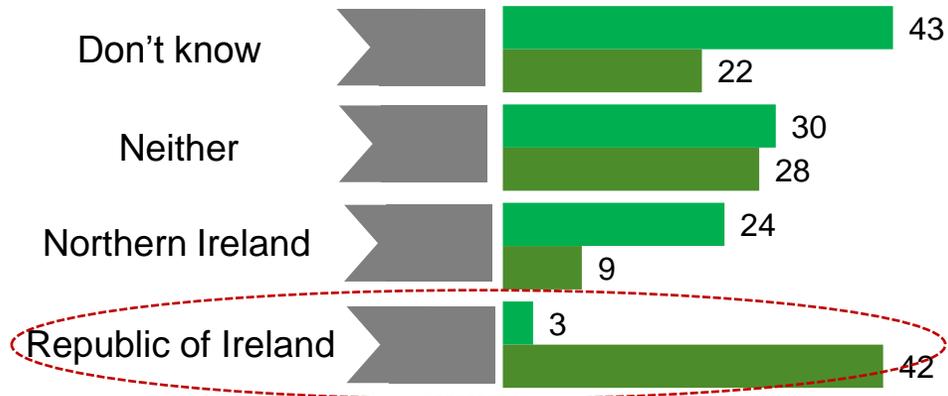
*It's better Value for Money in:*



*There is a better range of Products in:*



*There are better quality products in:*



*There are better local brands in:*



Private Label is driving down price in Tesco, Sainsbury's and Lidl. The opportunity is to drive growth through Quality Branded offerings

£ £ £  
Avg £ / Pack

Total  
Market

**TESCO**

Sainsbury's

**ASDA**

**LIDL**

**SPAR**  
**CENTRA**  
**MACE**

2015

£1.34

£1.36

£1.40

£1.29

£1.00

£1.29



2016

£1.32

£1.32

£1.38

£1.29

£0.95

£1.29



Opportunities  
for Irish  
suppliers in NI

66% of Border shoppers shop in NI  
and only 9% will increase their  
frequency of Cross Border Shopping

Cross Border  
increase will be low

## Cross Border Shopping from Republic of Ireland to Northern Ireland

66%

11% Often

56% Occasionally

34% Never



Cross the border from  
ROI to NI for Grocery  
Shopping

9% will increase

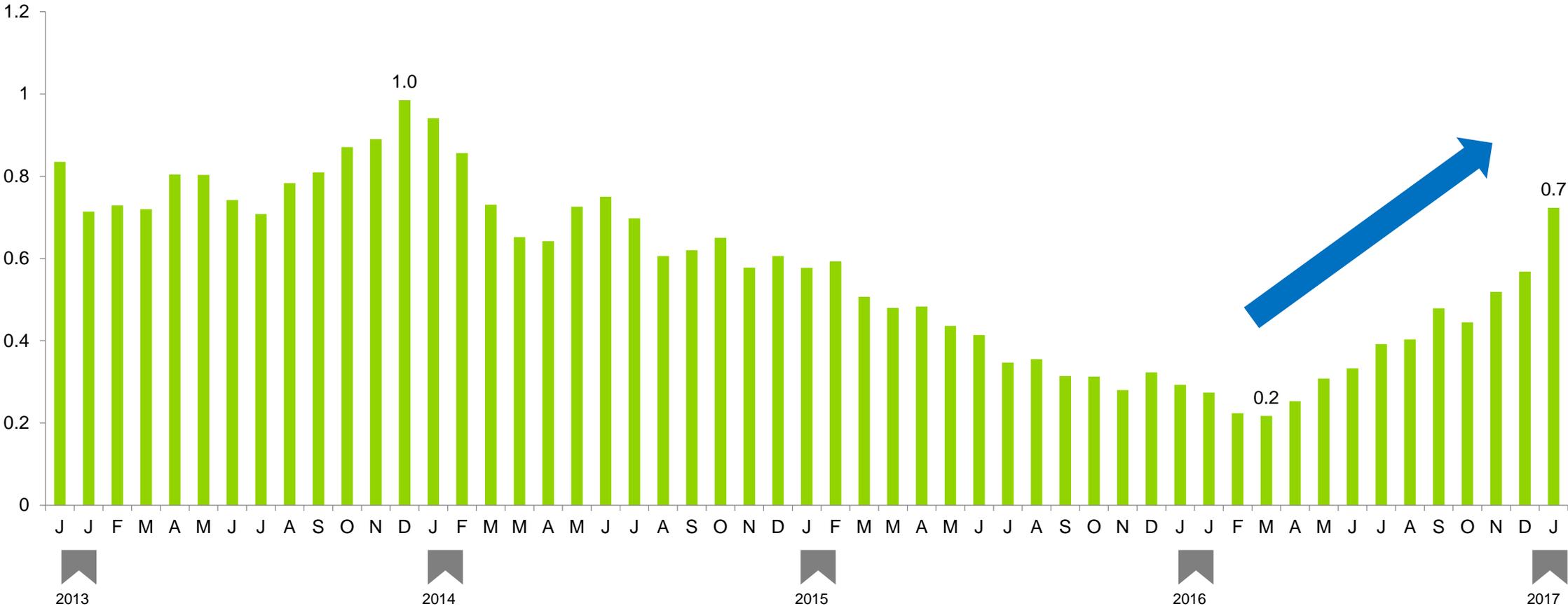
12% will decrease

79% will stay at same level

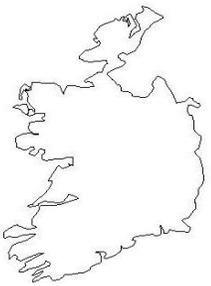
# Cross border share is up compared to the same period last year

PLEASE NOTE: CROSS BORDER AS DEFINED BELOW SHOWS ASDA & SAINSBURY SHARE ONLY

12w Total Grocery – Total Cross Border value % of ROI grocery

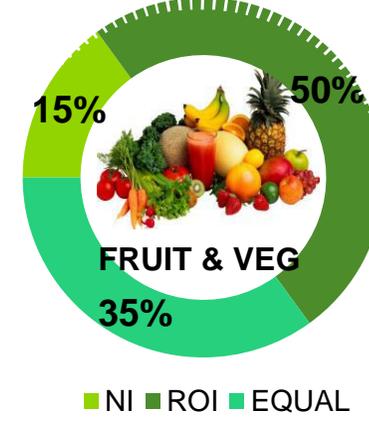
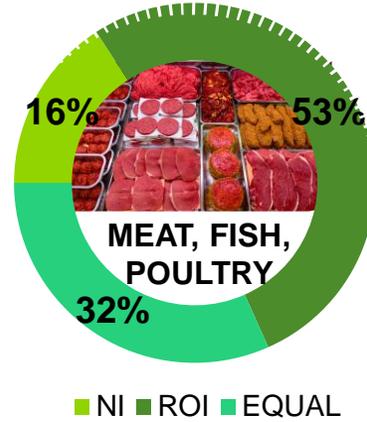
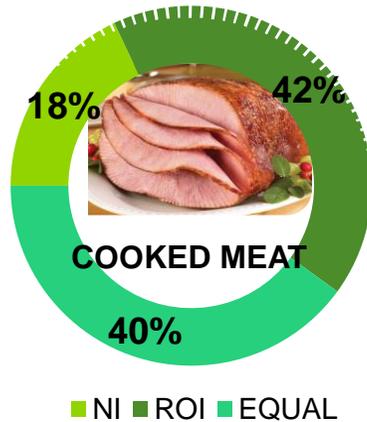
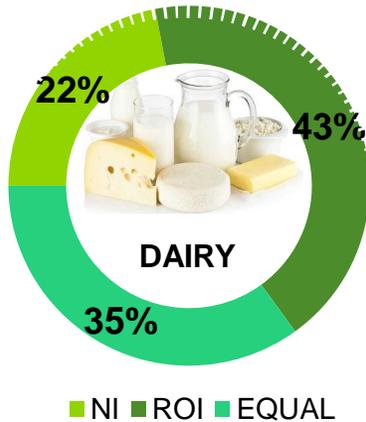
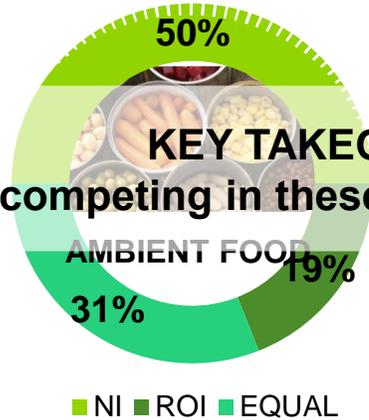
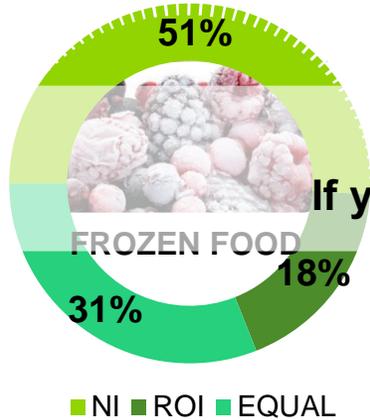


# ROI Shoppers feel they get better value for money on Frozen and Ambient Food in Northern Ireland



% Shoppers agree there is better Value for Money

**KEY TAKEOUT FOR IRISH SUPPLIERS**  
 If you're competing in these categories value may drive shoppers to NI



NI Shoppers are brand buyers with 50% of spend going to Brands vs PL

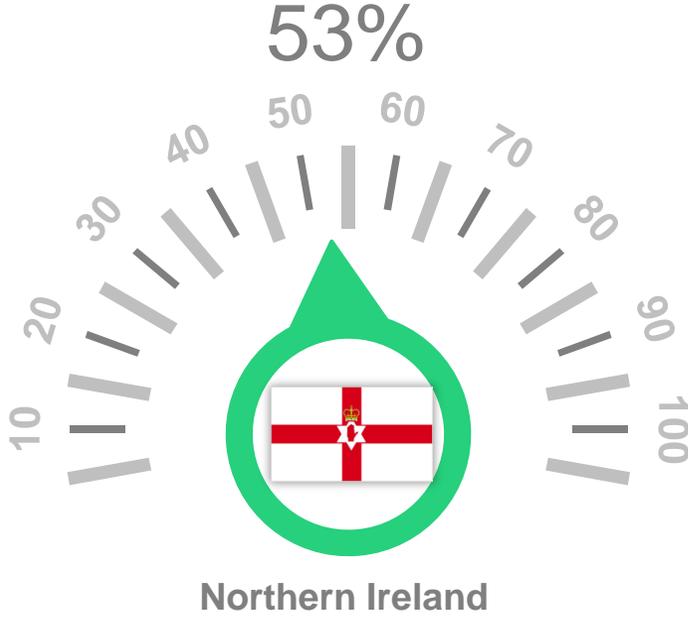
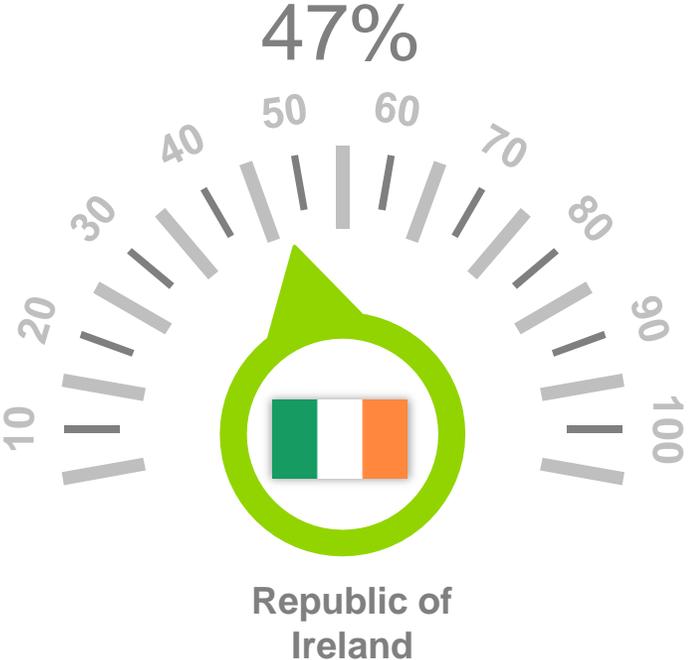
Brands are more important in NI

Opportunities for Irish suppliers in NI

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graph RL; A[Opportunities for Irish suppliers in NI] --> B[Brands are more important in NI]; B --> C[NI Shoppers are brand buyers with 50% of spend going to Brands vs PL];
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# NI Shoppers more likely to buy Brands than both ROI & GB shoppers

Branded % Value Share

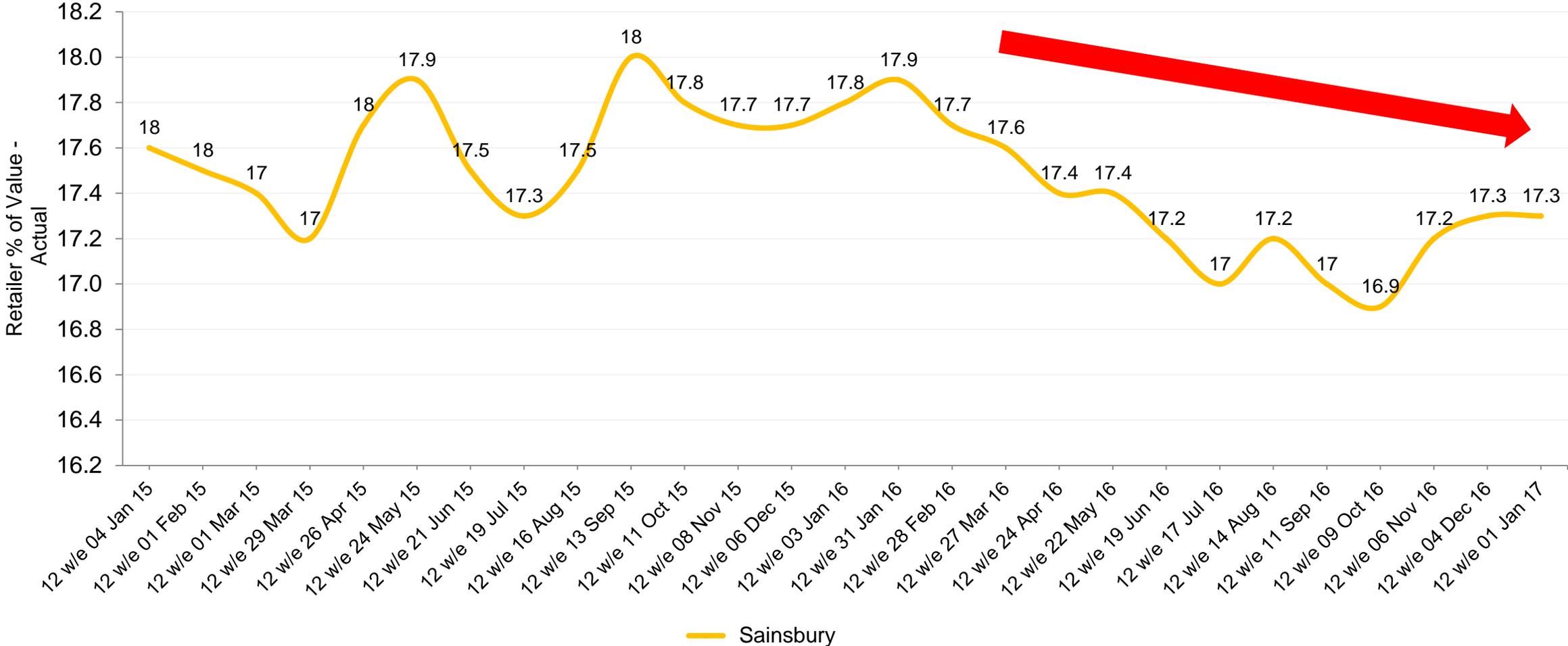


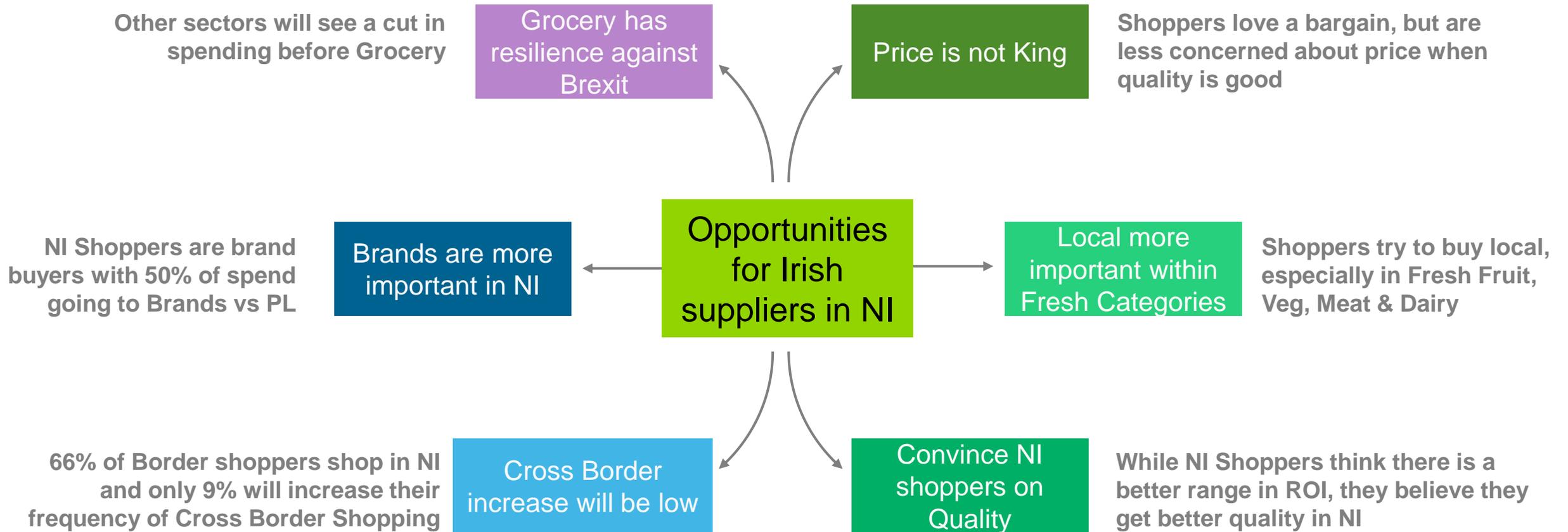
# Despite the importance of Brands, Tesco, Sainsbury's and Lidl are not growing branded sales



# You can help Sainsbury's drive share growth by turning around this performance

12w Total Grocery – retailer value % trended





# Questions?

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