Customers shopping differently due to cost-ofliving crisis, says Aldi boss

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he boss of Aldi's UK and <u>Ireland</u> business has said the costof-living crisis has changed shopping habits as the supermarket chain was boosted by shoppers seeking to reduce their grocery bills.

Giles Hurley, chief executive officer of Aldi UK and Ireland also said that "households are still under real pressure from higher living costs" as it reported its finances for last year.

Shoppers are making fewer trips to the supermarket, buying more own-branded items and are switching which supermarket chain they use more regularly, he added.

The <u>German</u> supermarket firm's UK and Ireland business has reported annual sales of £15.5 billion for 2022, jumping from £13.6 billion in the previous year.

It also reported an operating profit of £178.7 million for the year, jumping from £60.2 million in 2021 on the back of increased sales.

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It added that more recent sales data, compiled by <u>Kantar</u> earlier this month, showed the business saw 17.1% growth yearon-year as shoppers seek to reduce the cost of their weekly shop.

Mr Hurley said: "said: "Although inflation is easing, households are still under real pressure from higher living costs.

"As a result, Britain is shopping very differently to how it did 18 months ago – fewer trips, more own label products, and switching supermarkets in search of better value.

"What we're seeing is a new generation of savvy shoppers who've turned their back on traditional, full-price supermarkets in favour of transparent, low prices, which is what we're famous for.

"That's why we're still welcoming more and more customers through our doors – people who come to us for our low prices but stay for the award-winning quality of our exclusive brands."

It comes as the supermarket group, which currently has more than 1,000 UK shops, continues to expand around the country.

Aldi said on Monday that it plans to open a further 18 stores by the end of the year and has laid out plans to open up to 500 more shops across the UK over the longer term.

Earlier this year, Aldi overtook <u>Morrisons</u> as the UK's fourth largest supermarket chain following its strong period of growth.

The update also comes after other retailers, such as <u>John</u> <u>Lewis</u> and the Co-op, warned over a recent rise in shoplifting impacting shops across the UK.

Mr Hurley said he would not disclose the financial cost of recent shoplifting but recognised that the issue has worsened.

"It's a top issue for us as a business," he told reporters.

"There has been an uptick in this crime across the whole industry and we have not been immune to that."

He added that the business has trialled body-cameras for staff in some stores and is continuing to invest in security as part of efforts to support staff.