

MARKET PROFILE



Spring Clean

As the economy deteriorated, the value of the household cleaning category may have been adversely affected by shoppers trading down to cheaper lines, however it returned to positive volume and value growth in 2010. Gráinne Burns reports on the latest market trends.

Self-sufficiency is back in vogue, with more consumers growing their own vegetables, altering clothes and home baking – it's as much about saving cash as embracing new (and cheap) hobbies.

While homemade cleaning products are not as fashionable (yet), the idea of the green spring clean is certainly appealing to many shoppers, something which is impacting on product formulation, packaging, more concentrated formats and eco-friendly detergents.

New players like Method are meeting the

needs of this nouveau market, with lines like the Go Naked handwash tapping into a more eco-friendly customer base.

Euromonitor **research** backs up this trend with studies showing that a significant proportion of Irish consumers would choose natural cleaning products over standard items if they were readily available.

PRIVATE LABEL IMPACT

According to Nielsen, the PL value share of household cleaning was 37% in 2010

(including discounters). This is five percentage points higher than grocery (32%), and makes the household category one of the top PL performers, ranking it up alongside PL super-categories like frozen (where circa 43% of value share is PL).

Indeed, in the run up to Christmas 2010, PL sales in the household category grew by almost 24%, and while this was based off overall category growth (PL and brands) of circa 14%, it shows how improved PL ranging by the big retailers is tempting shoppers to switch away from branded lines.

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BRAND WARS

Despite this, NPD remains vibrant within the household category, where the big international players like Reckitt Benckiser, along with the indigenous mega-brands such as Killeen, are rolling out a steady stream of new products.

Last year, Dettol launched its new No Touch Hand Wash System, while closer to home, Malones of Dublin aligned with the Asthma Society to roll out its range of natural cleaning products.

NEW RETAIL CHANNELS

While the household category has recovered much of the sales it lost to Northern Ireland during the cross-border frenzy, consumers in the Republic are still looking to alternative retail channels for cheaper household lines.

According to data from **Empathy Research**, published in our *Retail Intelligence* newsletter, more shoppers are frequenting Euro stores and similar independent outlets on a weekly basis, with cleaning products the main items purchased.

Such single price stores have grown in favour of late, with over 60% of survey respondents stating that they represent better value than mainstream retailers.

More of such outlets are expected to open this year, with the AIM group also planning to open 50 more €2 Euro shops nationwide – all of which could further cause a dent in market value.

Despite this, more people are spending time within their homes, and most want it to be in pristine condition, so there is still an active market for the taking.