

**CMA: Potential designation of Aldi and Lidl under the Groceries Market Investigation (Controlled Land) Order 2010**  
**A Submission from the Association of Convenience Stores**

ACS (the Association of Convenience Stores) welcomes the opportunity to respond to the CMA's Invitation to Comment on the potential designation of Aldi and Lidl under the Groceries Market Investigation (Controlled Land) Order 2010.

ACS represents 50,487 local shops and petrol forecourt sites, including Co-op, BP, One Stop and thousands of independent retailers, many of which trade under brands such as Spar, Budgens and Nisa. These retailers operate in all locations, including neighbourhoods, villages, petrol forecourts and city centres, but their primary trading locations are secondary shopping areas close to where people live and work.

### **Convenience store locations and shopping missions**

Convenience stores typically trade from secondary and tertiary shopping locations: 33% are located in isolated areas with no other retail or service businesses nearby, while 40% are located in small parades with up to five retail or service businesses close by<sup>1</sup>. By contrast, Aldi and Lidl typically operate larger standalone stores or edge-of-centre formats serving a wider catchment area, meaning their competitive impact can extend well beyond the immediate site and affect the viability of nearby local convenience provision.

Convenience retailers generally focus on top-up shopping and service provision, with lower basket spend, rather than competing directly on value for a full weekly grocery shop. However, there is a strong case for the CMA to consider whether Aldi and Lidl are now operating in a way that is materially closer to designated Large Grocery Retailers than to Limited Assortment Discounters. Members have reported that Aldi and Lidl have changed significantly over time and now compete much more directly with convenience retailers than they did 10 to 15 years ago.

### **Application of the Article 3(4) criteria**

ACS supports a grocery market in which retailers compete fairly for sites and consumers benefit from strong local competition. In our view, the Controlled Land Order should apply consistently to retailers that meet the criteria set out in the Order.

In relation to Article 3(4)(a), which provides that a *Large Grocery Retailer* operates “throughout Great Britain or Northern Ireland, or in a considerable part or parts of the United Kingdom”, it is clear that Aldi and Lidl meet this criteria<sup>2 3</sup>. Part 1 of the Order defines a *Larger Grocery Store* as a Grocery Store with a “Net Sales Area of more than 1,000 square metres”. Aldi and Lidl’s existing store portfolios and opening programmes are centred on stores above this threshold (Aldi require 1,200 sq m or more<sup>4</sup>, Lidl state 1,772 sq m<sup>5</sup>). Therefore, the scale, geographic reach and store formats of the discounters mean that they now clearly resemble other major grocery operators covered by the Order.

In relation to Article 3(4)(b), which states that a Large Grocery Retailer “carries a full range of groceries for sale at the retail level”. In recent years, our members observe that, Aldi and Lidl have expanded their grocery ranges substantially and are increasingly viewed by consumers

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<sup>1</sup> ACS Local Shop Report 2025

<sup>2</sup> [Aldi store finder](#)

<sup>3</sup> [Lidl store locator & opening hours](#)

<sup>4</sup> [Aldi typical store layout](#)

<sup>5</sup> [Lidl standard concept store](#)

as destinations for a broader grocery shop, rather than simply a limited discount offer. While their stores may sit somewhere between large supermarkets and convenience stores in terms of sales area size, their range and proposition are now more akin to a weekly grocery shop and should therefore be viewed in the same way as other large grocery retailers for the purposes of the Order.

Their wider fresh and grocery range, food-to-go offer, in-store bakery and self-checkout facilities have strengthened their competitive position and made them more comparable to mainstream grocery retailers than in the past. Aldi and Lidl are no longer perceived in the market as offering a significantly more limited range of groceries than designated Large Grocery Retailers.

In relation to Article 3(4)(c), which refers to an integrated grocery wholesaling function that purchases directly from grocery suppliers, ACS members have also pointed to the scale and sophistication of Aldi and Lidl's operations and supply arrangements, and do not consider that they operate in practice as a distinct or materially separate category from other national grocery retailers. There is therefore a strong case that Aldi and Lidl now meet the criteria in Article 3(4), and that it is logical and fair that they should be subject to the same rules as other large grocery operators.

### **Impact on convenience retailers and local markets**

Members have reported that Aldi and Lidl are now a significant barrier to establishing new convenience stores. In some cases, members have been offered new store opportunities on housing or development sites that initially appeared attractive, but where the prospect of a nearby Aldi or Lidl opening materially reduced the viability of the proposed store. Members have also reported that this is particularly relevant in new communities, where local centre retail provision, often anchored by a convenience store, can be materially affected by a discounter opening in the immediate vicinity. Members have expressed concern that there appears to be little consideration of this dynamic within the planning process.

Some convenience retailer businesses have also reported examples where the opening of Aldi or Lidl stores nearby had a direct negative effect on existing convenience stores. This includes reports of store closures and a significant impact on trade following the opening of a Lidl nearby. Members have further raised concerns about planning applications for new discounter stores in market towns, particularly where they may affect the viability of larger convenience stores located in town and village centres, with wider consequences for surrounding independent high street retailers.

While members have reported limited specific experience of site negotiations being affected because Aldi and Lidl were not subject to the same restrictions as other large grocery retailers, they have consistently highlighted the wider market impact of Aldi and Lidl's expansion, store formats and competitive offer, and the importance of ensuring that the Order reflects the reality of how these businesses now operate.

### **Conclusion**

Support for the designation of Aldi and Lidl as Large Grocery Retailers is driven not only by direct competition at store level, but also by the importance of maintaining a level playing field across the grocery market. In members' view, Aldi and Lidl now hold a sufficiently significant market position that they should be covered by the Controlled Land Order in the same way as other major grocery retailers. This is consistent with wider evidence that

discounters are expected to remain the fastest-growing physical grocery channel through to 2030, supported by continued expansion, innovation and a broader customer proposition<sup>6</sup>.

ACS supports the CMA's decision to review whether Aldi and Lidl should be designated under the Order. Based on member experience, Aldi and Lidl are no longer perceived in the market as sufficiently distinct from other large grocery retailers to justify remaining outside the regime. Their continued exclusion risks creating inconsistency in the application of rules designed to support fair competition for sites and protect consumer choice.

**For further information on this submission, please contact the ACS Public Affairs Team.**

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<sup>6</sup> [IGD's Global discount trends 2026 report](#)