

Article

# Research and developments in the transformation of UK consumer price statistics: April 2025

Research to modernise the measurement of consumer price inflation in the UK: eighth in a series of biannual articles to update users.

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Next release: To be announced

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# 1. Other pages in this release

The following articles are included in this iteration of our research series:

- Transformation of UK consumer price statistics, groceries scanner data analysis, April 2025
- Introducing alternative data into consumer price statistics: aggregation and weights
- Introducing grocery scanner data into consumer price statistics

## 2. Overview

- This is the eighth article in our <u>series on the transformation of consumer price statistics</u>; this series aims to update users on our research to modernise the measurement of consumer price inflation in the UK, while maintaining the quality and integrity of our outputs.
- We have published three other articles: an impact analysis for the introduction of grocery scanner data, a
  methodology article describing the methods used for measuring grocery scanner data inflation, and a
  methodology article describing changes to our aggregation structure that we have made in 2025.
- We aim to introduce grocery scanner data into our consumer price statistics from 2026; the articles in this series provide methods guidance and an indication of the impact of introducing this data.

# 3. Updates on our transformation work

## Impact analysis series

We have updated our impact analysis series to show the indicative impact of new groceries data and methods on headline consumer price statistics. We outline the impact of including new data and methods on groceries in Consumer Prices Indices including owner occupiers' housing costs (CPIH), the Consumer Prices Index (CPI), and the Retail Price Index (RPI) in our <u>Transformation of UK consumer price statistics</u>, groceries scanner data analysis, April 2025 article

#### Methods research

Alongside our impact analysis article, we have also published two methodology articles.

We describe the new aggregation structure that is now in use widely across the basket from 2025 in our <a href="Introducing alternative data">Introducing alternative data</a> into consumer price statistics: aggregation and weights article. This structure introduces a new "consumption segment" level, which will allow us to make full use of alternative data sources while aggregating both traditional and alternative data into a single system. We showed the indicative impact of introducing this new aggregation structure, along with some improvements to imputation techniques in our <a href="Impact analysis on transformation of UK consumer price statistics: January 2025 article">Impact Impact analysis on transformation of UK consumer price statistics: January 2025 article</a>.

We describe what grocery scanner data are, the advantages of using these data, and the methods we will use to measure inflation from grocery scanner data when they are introduced in 2026, in our <u>Introducing grocery scanner data into consumer price statistics article</u>.

## 4. Future developments

The next improvement we intend to make is introducing grocery scanner data in February 2026 (published in March 2026). We will introduce scanner data for 50% of the groceries market, with the remainder still covered through the existing local collection. Our impact analysis article shows that we can already calculate experimental indices using grocery scanner data. However, these data and methods are complex and the statistics are important. Further quality assurance is required to ensure they are of the highest quality before we introduce them officially into our statistics. Before introduction, we are planning a parallel run of grocery scanner data throughout the remainder of 2025.

We are also exploring a new method to stratify retailers based on market share, rather than the number of outlets owned by the retailer. This is intended to help account for retailer size in an increasingly online-focussed economy.

We will continue to work with our <u>Advisory Panels for Consumer Price Statistics</u> and broader users during this period of research. We welcome feedback on any of the research completed to date, which may help shape the ongoing transformation of consumer price statistics to include new data and methods. Share your feedback with us by emailing <u>cpi@ons.gov.uk</u>.

## 5. Related links

#### Impact analysis on transformation of UK consumer price statistics

Article series | Last updated 23 January 2025

This series demonstrates the indicative impacts on our headline consumer price statistics of introducing new data and methods into our consumer price inflation statistics.

### Transformation of consumer price statistics

Article series | Last updated 6 August 2024

Our plans to transform UK consumer price statistics by including new improved data sources and developing our methods and systems.

#### Consumer prices development plan

Article series | Last updated 6 August 2024

An update on the proposed development plan for consumer price statistics. Includes the rationale for our priorities, their potential impact, resource requirements, and a broad timeline of our planned development work.

#### Consumer price inflation. UK

Bulletin | Released monthly

Price indices, percentage changes, and weights for the different measures of consumer price inflation.

#### Consumer Prices Indices Technical Manual, 2019

Methodology | Last revised 26 March 2025

This technical manual is a reference tool for anyone wanting to understand how measures of consumer price inflation and associated indices are compiled.

## 6. Cite this article

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