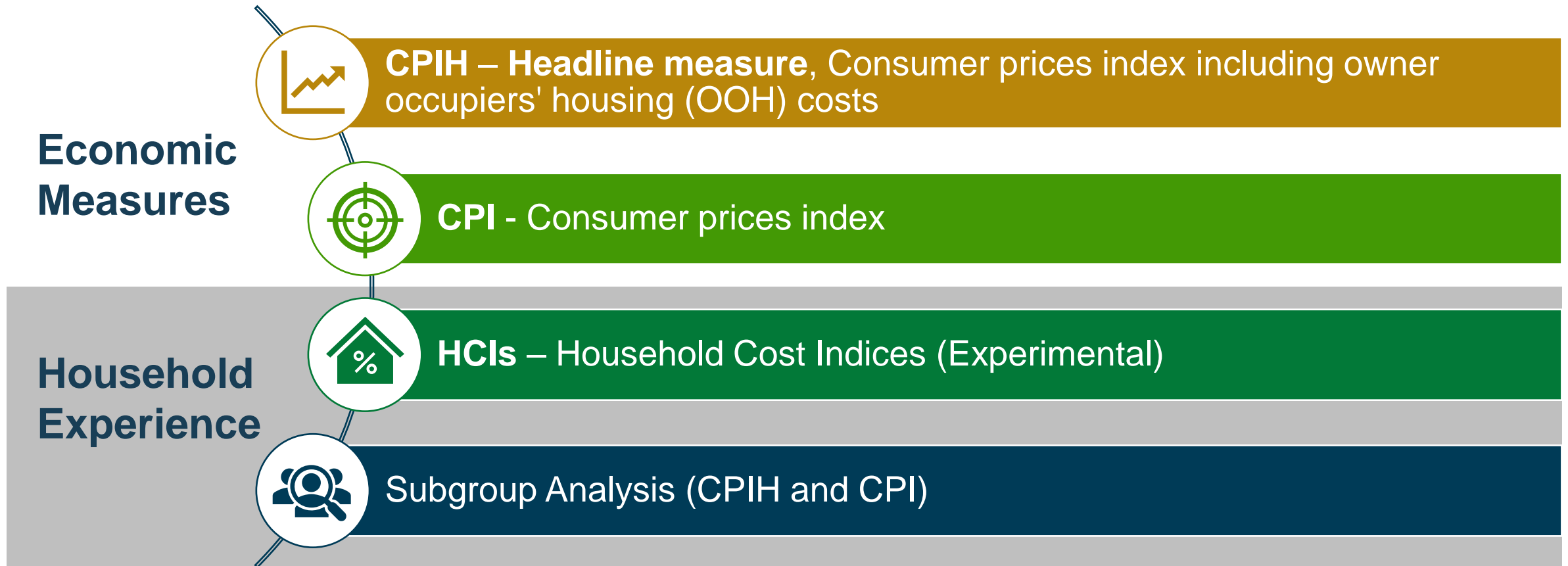# Transforming the UK's consumer price statistics – May 2022

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Prices Landscape

Economic Measures

CPIH – **Headline measure**, Consumer prices index including owner occupiers' housing (OOH) costs

CPI - Consumer prices index

Household Experience

HCIs – Household Cost Indices (Experimental)

Subgroup Analysis (CPIH and CPI)

Consumer prices transformation: Alternative data sources

- Obtaining **robust sources of alternative data**, including web-scraping & scanner data

- **Researching methodologies** to most effectively incorporate the data

- Developing **statistical systems**

- Embedding new **processes**

This will be a **continuous programme of improvements** for consumer price statistics, allowing us to improve the accuracy, efficacy and representativity of consumer price inflation statistics.

Primarily, new data will help us to **inform the narrative** around what is driving inflation for our users

Advantages of acquiring new data sources

Alternative data sources have several advantages:

➤ Primarily **scanner** (transaction) **and web-scraped data**

- Increased product coverage
- More frequent collection
- Scanner data: product-level weights

➤ **Goal: use traditional and alternative data in conjunction**

Significant progress on data acquisition:

➤ Regular scanner data feeds from grocery retailers, which now make up around 60**% of UK grocery market share.**

➤ Great progress on many of our other priority categories through administrative and web-scraped data providers, including **rail fares, used cars, clothing.**

➤ Increased in-house web scraping capability, with a long-term goal to bring all web scraping in-house

ONS to gather inflation data from supermarket checkout scanners

The Office for National Statistics will use "big data" by collecting information directly at the point of sale

The UK will soon see the most accurate and detailed measure of inflation in its history as the nation's official statistics body begins to collect price and transaction data directly from supermarket checkout scanners.

In a significant move to modernise the way that prices are collected to measure inflation, the Office for National Statistics is to start incorporating data taken from scanners in grocery stores across the UK.

Prices transformation timescales

Go/No-Go decision
Final impact assessments to determine suitability of new data for rail fares and used cars

Go/No-go decision
Final impact assessments to determine suitability of new data for groceries

APCP review of findings from preliminary impact analysis

Publication of research and experimental headline inflation indices incorporating new data

Incorporation of rail fares/used cars new data into live production

Incorporation of grocery scanner data and private rents into live production

Rolling Programme
Further capability drops for priority categories

Jan 2022

Jun-Nov 2022

Nov 2022

Mar 2023

Nov 2023

Mar 2024

Jan 2025