

BDO HIGH STREET SALES TRACKER

BANK HOLIDAY HEATWAVE MELTS IN-STORE SALES

AUGUST MONTHLY REVIEW
THE FOUR WEEKS TO 25 AUGUST 2019



STORE

-0.1%

AUGUST 2018: -2.7%



NON-STORE

+18.6%

AUGUST 2018: +13.7%



TOTAL

+3.7%

AUGUST 2018: +0.8%

- ▶ Total like-for-like (LFL) sales increased by +3.7% in August from a slight base of +0.8% for the same month last year. Total in-store LFLs fell by -0.1% this month from an already poor base (-2.7%) for August last year. Total non-store LFLs grew by +18.6% from a middling base of +13.7% for the equivalent month last year. Non-store LFLs remained steady on the back of good results in the middle of the month. However, the final week of the month resulted in a calamitous fall for in-store LFLs (-5.10%) as record-setting temperatures melted sales into the bank holiday weekend. August is now the sixth month this year to post negative LFL sales for total in-store.
- ▶ August began with total LFLs increasing by +4.49%, but from a negative base of -2.15% for the equivalent week last year. The second week saw total LFLs post its largest result of the month, increasing by +7.01% from a base of +1.52% for the same week last year. Total LFLs rose by +4.20% in the following week, from a base of +1.31% for the same week last year. In the final week of August, which included the bank holiday weekend, total LFLs recorded a marginal increase of +0.31% from a base of +3.09% last year.
- ▶ Overall footfall was down for the first three weeks of August, but increased slightly in the final week when compared to the same weeks in 2018. Despite improved footfall in the final week, LFLs suggest that retailers were unable to convert this into higher sales. The month began with footfall recording its largest decline of -2.3% and concluded with an uplift of +0.2%. Shopping centres experienced the best and worst results of the month with footfall dropping by -3.2% in the first week and rising by +2.1% in the final week of August. Shopping centres recorded negative results throughout the month, whereas retail parks saw footfall increase in weeks two and three (+2.0% and +1.6%).
- ▶ In the year-to-date, consumer confidence has remained relatively steady, despite maintaining a negative posture. However, recent reports suggest that consumers may be developing a more negative view of how ensuing economic conditions are likely to affect their financial situation as long-term confidence over household and personal finances dropped this month. Any possibility that this downturn in sentiment could lead to a fall in consumer spending will be a worry for retailers already struggling on thin margins. With Brexit continuing to dominate the agenda, it is unsurprising that pessimism is rife. Furthermore, with a potential election looming on the horizon, there is little clarity to provide a firm foundation for consumers or businesses to make important financial decisions.



LIFESTYLE

+0.3%

AUGUST 2018: +3.0%



FASHION

+5.7%

AUGUST 2018: +0.7%



HOMEWARES

+5.0%

AUGUST 2018: -3.3%

- ▶ Lifestyle total LFLs saw a small increase of +0.3% this month from a base of +3.0% for August last year. The category has now been positive for five straight months. Total LFLs for lifestyle suffered a significant decline in the final week (-4.42%) of August, but managed to remain positive overall. In-store LFLs for lifestyle logged a fall of -1.8% in August, but from a flat base (0.0%) last year. The result continues a long streak of no growth for in-store LFLs for lifestyle, which now stands at nineteen months.
- ▶ Fashion total LFLs increased by +5.7% this month from a base of +0.7% for the same month last year. Total LFLs for fashion have recorded fourteen consecutive months of positive LFL sales. In-store LFLs for fashion saw a slight increase of +0.9% in August, but from a negative base of -3.6% for August last year. The result keeps in-store LFLs for fashion out of negative territory for the third straight month.
- ▶ Homeware total LFLs increased by +5.0% in August, but from a base of -3.3% for the same month last year. Total LFLs for homeware have now posted positive LFL sales for ten consecutive months. In-store LFLs for homeware fell by -0.8% this month, but from a very poor base of -6.1% last year. The result ends an eight month run of positive LFL sales for in-store homeware.

As of September 2018, lifestyle, fashion and homewares figures represent combined in-store and non-store totals for that category.

FOR MORE INFORMATION

e: HighStreetSalesTracker@bdo.co.uk

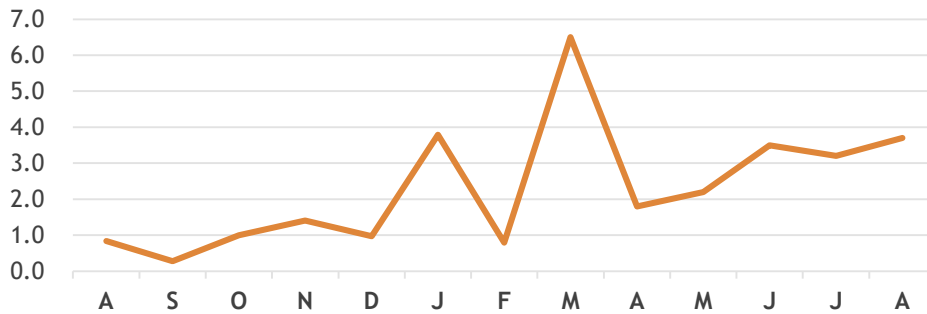
The High Street Sales Tracker outlines weekly like-for-like sales changes of some c85 retailers with c10,000 individual stores across Fashion: accessories, clothing, footwear. Lifestyle: general household goods, gifts, health and beauty, leisure goods. Homewares: cookware, furniture and floor coverings, lighting, linen and textiles. Non-store: mail order, online and other non-store channels. Total like-for-likes exclude non-store sales. Any footfall figures quoted are provided by Springboard who are a leading provider of automated visitor counting and retail sales analysis.

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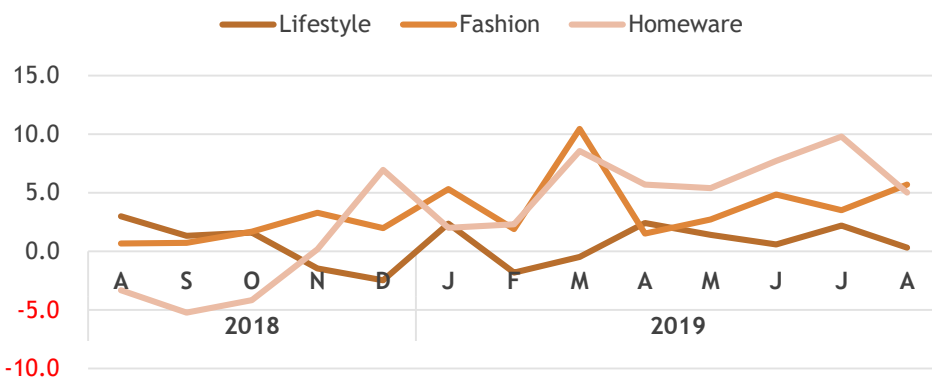
TOTAL LIKE-FOR-LIKE RESULTS FROM 2018-2019

LFL Growth %	Week 1 (we 04/08)	Week 2 (we 11/08)	Week 3 (we 18/08)	Week 4 (we 25/08)	Total August
Lifestyle	1.64	1.53	2.42	-4.42	0.3
Fashion	5.48	9.34	4.68	2.94	5.7
Homeware	7.43	9.30	6.45	-4.30	5.0
STORE	0.18	3.83	0.71	-5.10	-0.1
NON-STORE	12.59	25.90	21.39	14.62	18.6
TOTAL	4.49	7.01	4.20	0.31	3.7

MONTHLY LIKE-FOR-LIKE RESULTS 2018-2019



MONTHLY LIKE-FOR-LIKE RESULTS BY SECTOR 2018-2019



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