

BDO HIGH STREET TRACKER

JULY MONTHLY REVIEW
Five weeks to 31 July 2022



Positive Sales Mask High Street Cracks

- ▶ Total like-for-like (LFL) sales increased by +12.4% in July from a base of +23.9% for the equivalent month last year. Total in-store LFLs rose by +22.9% this month from a base of +54.0% for July last year. Total non-store LFLs increased by +4.8% from a base of +16.1% last year. July marks seventeen months of positive total LFL sales, with recent months bolstered by solid growth across in-store channels. On the other hand, while total non-store LFLs extended a four-month run of positive results, growth rates have slowed and have failed to reach into double-digit territory since October last year.
- ▶ July began with total LFLs rising by +9.60% from a base of +23.53% for the equivalent week last year. Total LFLs increased by +11.40% in the second week of July from a base of +34.32% for the same week last year. The middle of the month saw total LFLs rise by +21.79% and +12.19% from bases of +21.36% and +28.75% last year. Total LFLs rose by +15.34% in the final week of the month from a base of +29.05% for the same week last year.
- ▶ Weekly overall footfall remained positive throughout July. Footfall on the high street saw a strong start to the month, increasing by +26.0% and +27.4% in the first two weeks, before slowing towards the end of the month. Shopping centres recorded fairly consistent footfall throughout July, though growth also slowed in the final two weeks (+14.6% and +12.4%). Retail parks, on the other hand, saw more mixed results concluding the month with two weeks of declining footfall (-1.3% and -1.0%).
- ▶ Like-for-like (LFL) sales continued to defy expectations in July, rising against the gravity of mounting cost burdens. Delving into the data, however, there are clear signs that the difficult economic environment is having a serious impact on the retail market. Recent months have seen a relative slowdown online, in part a knock-on effect from changing behaviours at the height of the pandemic. More recently, however, it appears as though mid-range retailers could be bearing the brunt of more discerning consumer spending habits. For example, LFL data since the beginning of May suggests that mid-range fashion retailers have been lagging well behind their more budget-friendly and luxury peers. In July alone, growth across a sample of mid-range fashion retailers was on average only a third that of lower-priced retailers. The differential was even more exaggerated when compared against up-market comparators. That is a very different picture from the same period last year when there was greater parity across the sample with mid-range and luxury retailers leading the way. Looking ahead, as concerns shift from inflation to recession the question will be whether these discerning habits deepen or become more widespread by the end of the year.

TOTAL LIKE-FOR-LIKE RESULTS FROM 2021-2022

LFL Growth %	Week 1 (we 03/07)	Week 2 (we 10/07)	Week 3 (we 17/07)	Week 4 (we 24/07)	Week 5 (we 31/07)	Total July
Lifestyle	7.00	5.51	15.20	12.81	17.75	11.6
Fashion	16.32	20.06	30.64	14.95	17.33	20.0
Homeware	-11.63	-15.65	0.83	-4.38	-0.95	-6.0
STORE	22.35	22.07	29.77	16.53	23.53	22.9
NON-STORE	1.31	-1.37	10.30	6.69	6.93	4.8
TOTAL	9.60	11.40	21.79	12.19	15.34	12.4

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

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LIFESTYLE

+11.6%

JULY 2021: +21.1%

► Lifestyle total LFLs increased by +11.6% in July from a base of +21.1% for the equivalent month last year. Total LFLs for lifestyle have been positive for seventeen straight months despite non-store LFLs for lifestyle recording nine months of negative results. In-store LFLs for lifestyle rose by +18.9% this month from a base of +46.8% last year. In-store LFLs for lifestyle finished the month on a high (+26.05%), leading to the seventeenth month of growth following the end of lockdown last year.



FASHION

+20.0%

JULY 2021: +36.5%

► Fashion total LFLs rose by +20.0% this month from a base of +36.5% for July last year. Fashion was the strongest performer in all but the final week of July, with this month's result marking seventeen consecutive months of positive LFL sales. In-store LFLs for fashion increased by +30.9% from a base of +67.3% last year. In-store fashion LFLs were positive in each week of July.



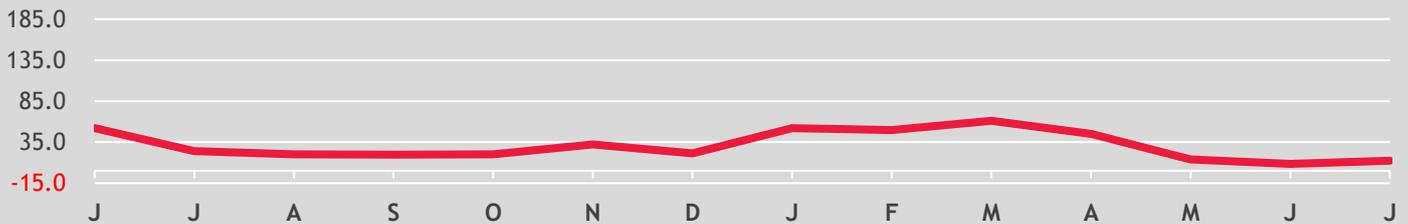
HOMEWARES

-6.0%

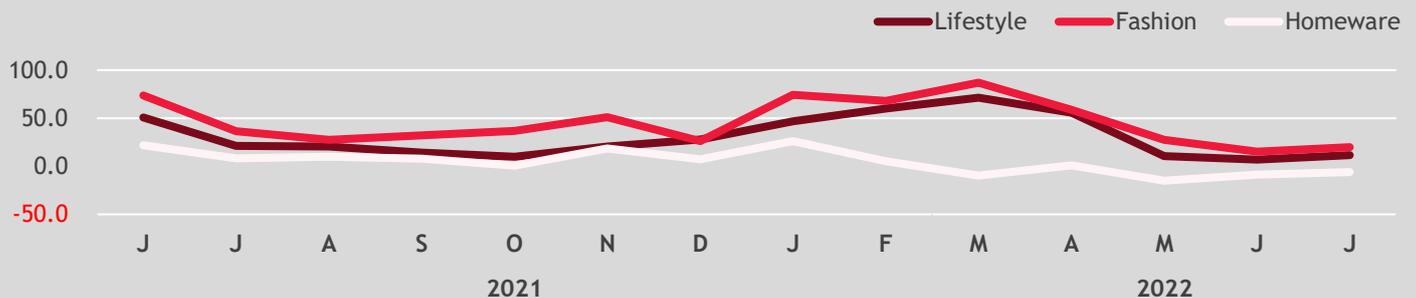
JULY 2021: +8.4%

► Homeware total LFLs fell by -6.0% in July from a base of +8.4% for the same month last year. Declining for the fourth time in seven months, total homeware LFLs were negative in all but one week in July. In-store LFLs for homeware decreased by -0.7% this month from a base of +19.0% last year. A slight mid-month lift (+0.83%) was insufficient to avert the third straight month of decline for in-store homeware LFLs.

MONTHLY LIKE-FOR-LIKE RESULTS 2020-2021



MONTHLY LIKE-FOR-LIKE RESULTS BY SECTOR 2020-2021



FOR MORE INFORMATION

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The High Street Sales Tracker outlines weekly like-for-like sales changes of some 80 mid-tier 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 include store and 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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