

# BDO HIGH STREET SALES TRACKER

## Worst February in a decade turns up the heat on beleaguered retailers

FEBRUARY MONTHLY REVIEW  
THE FOUR WEEKS TO 24 FEBRUARY 2019



### STORE

**-3.7%**

FEBRUARY 2018: -1.6%



### NON-STORE

**+12.4%**

FEBRUARY 2018: +15.8%



### TOTAL

**+0.8%**

FEBRUARY 2018: +1.6%

- ▶ Total like-for-like (LFL) sales saw a small increase of +0.8% this month from a positive base of +1.6% for February last year. Total in-store LFLs fell by -3.7% in February from an already poor base of -1.6% for the equivalent month last year. The result marks the sixth consecutive year of negative in-store LFL sales for February and the worst February result in a decade. Over the past thirteen straight months, in-store LFL sales have been negative and in that period only March and April 2018 posted lower results, when the weather turned truly sour. Total non-store LFLs saw sluggish growth of +12.4% this month from a mediocre base of +15.8% for the same month last year. The result puts this month's non-store LFL growth well below the February long-run average and is the lowest February LFL since the HSST began recording for this channel in 2010.
- ▶ February began with total LFLs experiencing strong growth of +4.68% from a positive base of +1.85% for the same week last year. Total LFLs remained positive in week two increasing by +2.35% from a base of +2.27%. Week three, which included Valentine's Day, saw total LFLs slip into negative territory, decreasing by -2.44% from a base of +1.39% in 2018. In the final week of February, total LFLs fell by -1.04%, as non-store sales suffered a poor week during half-term holidays, from a base of +1.74% last year.
- ▶ Overall footfall was down in all weeks except the last (+1.7%) when a Saharan plume ushered in warm weather during half-term. The worst result of the month came in week three (-3.9%) as shopping centres suffered a dramatic decline in footfall (-6.9%). Both the high street and shopping centres mirrored the overall trend, only reporting increases in footfall for the final week of the month, +4.1% and +0.1% respectively. Retail parks suffered a decrease in footfall for each week of February with its worst result (-2.0%) coming in the final week.
- ▶ Economic fundamentals such as wage growth and low inflation point towards a basis for consumer spending. However consumer confidence remains low, suggesting there is sensitivity towards the longer-term lack of growth in real earnings and, as recent reports have advised, that consumer financial well-being has declined over the past 11 months citing concerns over job security and increasing expenses. The political uncertainty surrounding Brexit is heightening consumer anxiety and the lack of resolution so late in the day will also be making life difficult for the high street. Consumer spending priorities have already shifted towards value-for-money and with some reports suggesting that consumers may shift towards higher savings and/or further reducing spending on non-essential items there is pressure piling on retailers.



### LIFESTYLE

**-1.8%**

FEBRUARY 2018: -0.5%



### FASHION

**+1.9%**

FEBRUARY 2018: +2.8%



### HOMEWARES

**+2.3%**

FEBRUARY 2018: +1.0%

- ▶ Lifestyle total LFLs declined by -1.8% this month from a marginally negative base of -0.5% for February last year. Total LFLs for lifestyle were negative for three out of four weeks this month, including week three that included Valentine's Day, with the worst result (-5.78%) coming in week four. In-store LFLs for lifestyle suffered a more severe drop of -4.9% this month from a negative base of -0.6% last year. The result marks the worst monthly LFL for in-store lifestyle since November 2008 and the worst February result since the HSST began recording.
- ▶ Fashion total LFLs increased by +1.9% this month from an already decent base of +2.8% for the equivalent month last year. Total LFLs for fashion recorded the strongest growth in week one (+8.05%) and was positive in all weeks except for week three (-4.06%). In-store LFLs for fashion recorded a decline of -3.5% in February from a poor base of -1.9% last year. In-store LFLs for fashion recorded three consecutive weeks of negative LFLs leading to the worst February result since 2009.
- ▶ Homeware total LFLs increased by +2.3% this month from a base of +1.0% for February last year. Total LFLs for homeware saw growth in every week of February with the strongest result coming in week three (+5.46%). In-store LFLs for homeware recorded a slight increase of +0.4% this month, but from a dismal base of -4.2% last year. In-store LFLs for homeware have not exceeded +1% for the first two months of the year.

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

#### FOR MORE INFORMATION

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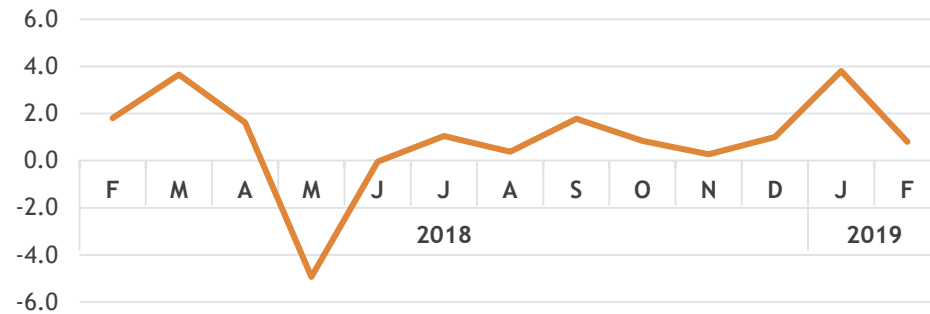
The High Street Sales Tracker outlines weekly like-for-like sales changes of some c85 retailers with c10,000 individual stores across Fashion: accessories, clothing, footwear. Lifestyle: general household goods, gifts, health and beauty, leisure goods. Homewares: cookware, furniture and floor coverings, 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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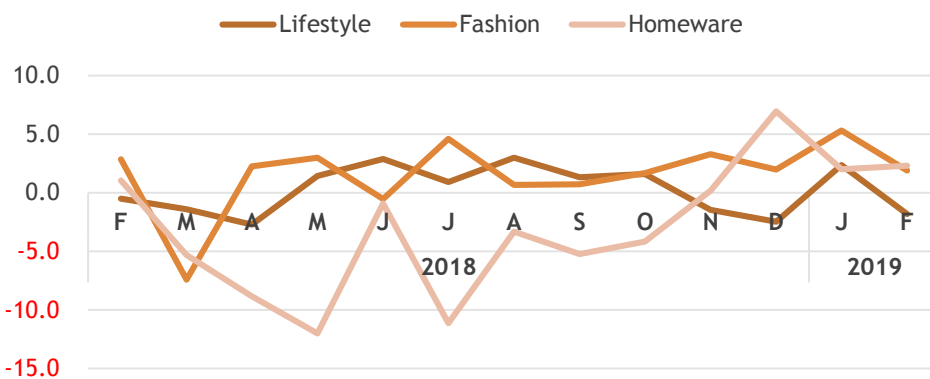
## TOTAL LIKE-FOR-LIKE RESULTS FROM 2018-2019

LFL Growth %	Week 1 (we 03/02)	Week 2 (we 10/02)	Week 3 (we 17/02)	Week 4 (we 24/02)	Total February
Lifestyle	-1.32	1.12	-1.07	-5.78	-1.8
Fashion	8.05	2.90	-4.06	0.88	1.9
Homeware	0.08	2.40	5.46	1.28	2.3
<b>STORE</b>	<b>-5.89</b>	<b>-1.42</b>	<b>-6.55</b>	<b>-0.66</b>	<b>-3.7</b>
<b>NON-STORE</b>	<b>17.99</b>	<b>12.81</b>	<b>18.45</b>	<b>0.34</b>	<b>12.4</b>
<b>TOTAL</b>	<b>4.68</b>	<b>2.35</b>	<b>-2.44</b>	<b>-1.04</b>	<b>0.8</b>

## MONTHLY LIKE-FOR-LIKE RESULTS 2018-2019



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



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