



# BDO HIGH STREET SALES TRACKER

SEPTEMBER MONTHLY REVIEW - the four weeks to 27 September 2015

3 October 2015

## TOTAL (excl non-store)

**+2.8%**

September 2014: -2.9%

## LIFESTYLE

**+5.4%**

September 2014: -2.9%

## FASHION

**+2.8%**

September 2014: -5.9%

## HOMEWARES

**-1.9%**

September 2014: +9.7%

## NON-STORE

**+23.9%**

September 2014: +19.9%

### Consumer spending rebounds after a poor summer

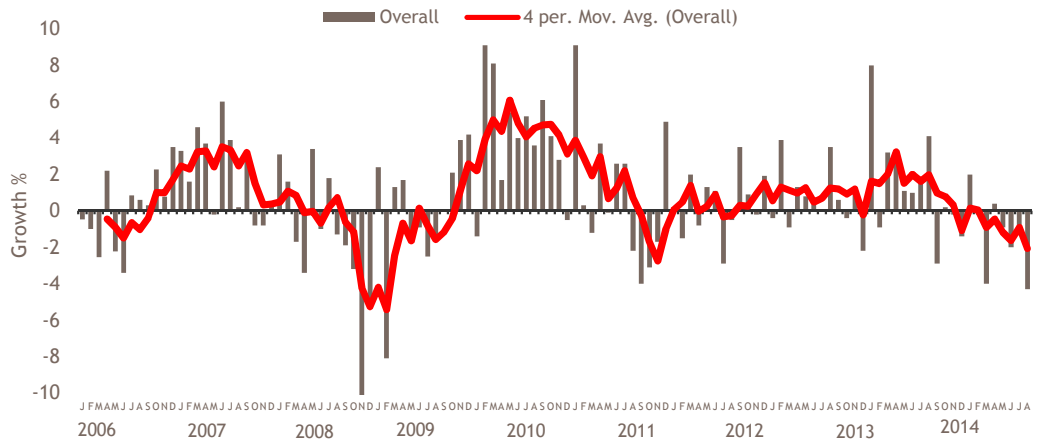
- After the high street suffered its worst spell of spending since 2008, consumer spending rebounded in September with sales recording a year-on-year uplift of 2.8% - the best figures for the month of September since 2012, and the highest monthly rise since April last year.
- August like-for-likes recorded their lowest figure since the height of the financial crisis in November 2008, but the picture has been reversed this month. Inflation has hit zero and, with wage growth continuing to rise, consumers continue to feel buoyant about their financial prospects. Teamed with the end of the holiday season, this buoyancy has translated into elevated spend on the high street this month.
- The arrival of September brought autumnal conditions with it almost immediately, prompting consumers to spend on updating winter wardrobes which helped to provide an uplift to sales. However, had we not experienced such a wet final weekend of the month the overall uplift would have been even greater.
- Discounting remained fragmented, with some retailers launching midseason sales towards the end of the month with mixed results.
- Lifestyle saw an impressive rise of +5.4%, largely caused by an uplift in spending of giftware and stationery items. Sales of lifestyle orientated goods were particularly strong in department stores this month, buoyed by elevated footfall in metropolitan areas with Greater London particularly strong. Some retailers indicated the Rugby World Cup had helped to boost sales.
- Fashion retailers had their greatest rise in like-for-likes since March last year, with like-for-likes rising by +2.8%. Pent up demand for goods was strong after a particularly disappointing summer for the fashion sector, with customers spending strongly on new autumn lines at the beginning of the month. Footwear was a particular benefactor of this elevated spending, with sales of footwear rising by +6.0% year-on-year. Sporadic mid-season discounting helped to drive volume sales at the end of the month, although some retailers reported this was to the detriment of their margins.
- Homeware like-for-likes slumped by -1.9% for the month, and were the worst performing sector for the month. Spending on big ticket furniture items was particularly muted, and DIY stores also reported weaker sales this month.
- Non-store sales rose by over 20% for the first time since June (+23.9%), indicative of the overall greater consumer confidence. There was a notable uplift in non-store sales for mass market fashion retailers at the beginning of the month, whereas lifestyle retailers reported a strong end to the month. Retailers who launched targeted email campaigns towards the end of the month to promote mid season sales noted a resultant uptick in online transactions.

The High Street Sales Tracker outlines weekly like-for-like sales changes of c85 mid-tier retailers with c10,000 individual stores across Fashion: accessories, clothing, footwear. Lifestyle: general household goods, gifts, health & beauty, leisure goods. Homewares: cookware, furniture & floorcoverings, lighting, linen & textiles. Non-store: mail order, online & other non-store channels.

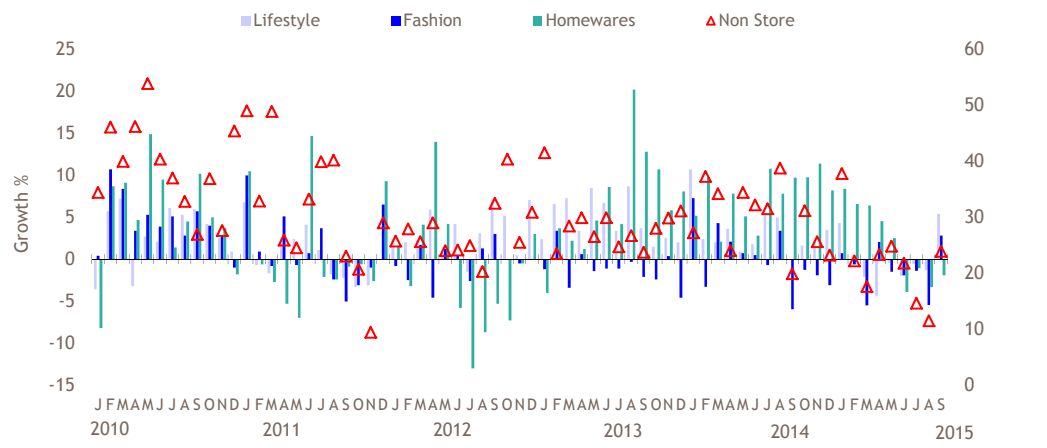
## MONTHLY LIKE-FOR-LIKE RESULTS SEPTEMBER 2015

| LFL Growth %                  | Week 1<br>(we 06/09) | Week 2<br>(we 13/09) | Week 3<br>(we 20/09) | Week 4<br>(we 27/09) | Total<br>September |
|-------------------------------|----------------------|----------------------|----------------------|----------------------|--------------------|
| Lifestyle                     | 8.45                 | 5.60                 | 4.78                 | 2.94                 | 5.4                |
| Fashion                       | 9.29                 | -0.15                | 3.92                 | -1.66                | 2.8                |
| Homewares                     | 8.00                 | -4.46                | -4.00                | -2.70                | -1.9               |
| Non-store                     | 33.29                | 27.74                | 23.83                | 11.77                | 23.9               |
| <b>Total (excl non-store)</b> | <b>9.06</b>          | <b>0.79</b>          | <b>3.94</b>          | <b>-0.63</b>         | <b>2.8</b>         |

## MONTHLY LIKE-FOR-LIKE RESULTS 2006-2015



## MONTHLY LIKE-FOR-LIKE RESULTS BY SECTOR 2010-2015



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