

BDO HIGH STREET SALES TRACKER

Political drama threatens boost from seasonal discounting

OCTOBER MONTHLY REVIEW
THE FOUR WEEKS TO 27 OCTOBER 2019



STORE

+0.7%

OCTOBER 2018: -2.0%



NON-STORE

+17.4%

OCTOBER 2018: +10.5%



TOTAL

+3.7%

OCTOBER 2018: +1.0%

- ▶ Total like-for-like (LFL) sales increased by +3.7% this month from a base of +1.0% for October last year. Total in-store LFLs recorded a slight increase of +0.7% in October, but failed to offset a poor base of -2.0% for the same month last year. Total non-store LFLs grew by +17.4% this month from a base of +10.5% last year. Deep autumn discounting and early seasonal promotions helped to boost sales in the first few weeks of October despite poor footfall and changeable weather conditions. However, the final week saw total LFL sales collapse (-2.50%) as it became clear that the Brexit deadline was likely to be extended into 2020 and talk of an early election was renewed.
- ▶ October began with total LFLs increasing by +7.76% from a relatively flat base of +0.36% for the equivalent week last year. Total LFLs recorded an uplift of +5.28% in the second week, but from a poor base of -2.21% for the same week last year. The penultimate week of October saw total LFLs increase by +5.28%, from a good base of +3.27% last year. The month concluded with total LFLs falling by -2.50%, but from a positive base of +2.88% for the same week last year.
- ▶ Overall footfall was down for all weeks in October when compared to the same weeks in 2018. The month began with footfall recording a decline of -1.8% and concluded with its largest fall of -5.3%. The high street was the worst performer in each week recording the worst result of the month (-6.1%) in the last week. Shopping centres also saw negative footfall throughout October with the category experiencing its worst result (-5.6%) in the final week. Retail parks, on the other hand, started the month well recording two weeks of increasing footfall (+1.3% and +0.3%), but this also fell negative in the final two weeks of October.
- ▶ Seasonal promotions, some starting slightly earlier this year, provided a measure of success for retailers in October. While growth in LFL sales this month came off poor sales last year, any uptick will be welcome as retailers look to allay concerns around the trading environment in the run-up to Christmas. The relatively auspicious start to October, however, came to a grinding halt in the final week of the month when the combination of poor weather, the reality of another Brexit extension, and a December election sunk in across the country. This holiday trading period was already expected to be critical for retailers relying on margin-squeezing tactics to tempt shoppers. There are now additional obstacles to be navigated, and the fear will be that October's results provide an indication of just how sensitive consumers could be to the extended political drama.



LIFESTYLE

+1.4%

OCTOBER 2018: +1.6%



FASHION

+4.9%

OCTOBER 2018: +1.7%



HOMEWARES

+7.8%

OCTOBER 2018: -4.2%

- ▶ Lifestyle total LFLs increased by +1.4% in October from a base of +1.6% for the equivalent month last year. The result puts total LFLs for lifestyle back on positive ground following a poor result in September. In-store LFLs for lifestyle fell by -1.9% this month from an already low base of -2.9% last year. This month's result continues a dismal run of twenty-one months without growth for in-store lifestyle. The category recorded negative results in each week of October.
- ▶ Fashion total LFLs increased by +4.9% this month from a base of +1.7% for October last year. Total LFLs for fashion have now been positive for nine out of ten months this year. In-store LFLs for fashion saw an increase of +1.7% in October, but from a base of -1.3% last year. In-store fashion recorded its worst weekly LFL since May in the final week of the month (-7.38%), but had three weeks of positive results to begin October.
- ▶ Homeware total LFLs posted a rise of +7.8% in October, but from a base of -4.2% for the same month last year. Total LFLs for homeware have now recorded twelve straight months of positive LFL sales. In-store LFLs for homeware also increase, by +6.6%, this month, but from a negative base of -4.1% last year. The result means that in-store LFLs for homeware have managed nine months of positive LFL sales this 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. 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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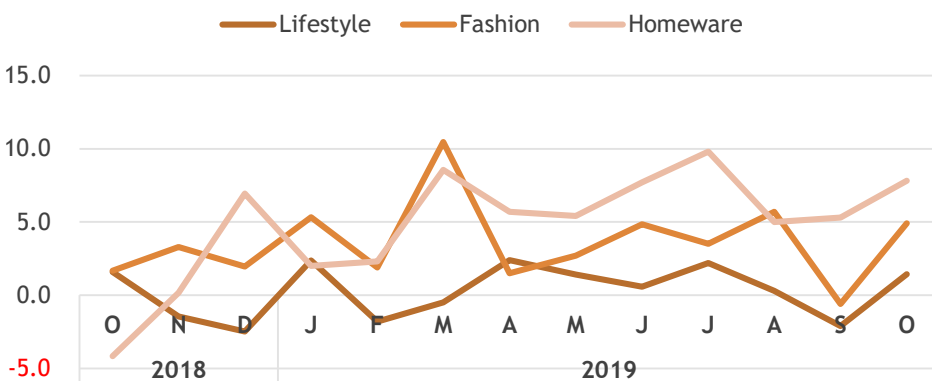
TOTAL LIKE-FOR-LIKE RESULTS FROM 2018-2019

LFL Growth %	Week 1 (we 06/10)	Week 2 (we 13/10)	Week 3 (we 20/10)	Week 4 (we 27/10)	Total October
Lifestyle	2.09	3.16	5.42	-4.90	1.4
Fashion	10.20	5.60	4.77	-1.58	4.9
Homeware	9.90	11.40	10.50	-0.57	7.8
STORE	3.09	4.01	1.85	-6.45	0.7
NON-STORE	21.51	15.66	20.33	11.53	17.4
TOTAL	7.76	5.28	5.28	-2.50	3.7

MONTHLY LIKE-FOR-LIKE RESULTS 2018-2019



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



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