

BDO HIGH STREET SALES TRACKER

DELAYED SPRING FOR BRICKS-AND-MORTAR SALES GROWTH

MAY MONTHLY REVIEW
THE FOUR WEEKS TO 26 MAY 2019



STORE

-3.3%

MAY 2018: -2.2%



NON-STORE

+19.8%

MAY 2018: +14.5%



TOTAL

+2.2%

MAY 2018: +1.1%

- ▶ Total like-for-like (LFL) sales increased by +2.2% in May from a base of +1.1% for the equivalent month last year. Total in-store LFLs fell by -3.3% this month from an already poor base of -2.2% for May 2018. The result marks the worst in-store LFL for May since the HSST began recording and the fourth month of negative in-store LFLs this year. May's result extends the struggle for in-store LFL sales to sixteen months, a period that has underscored the importance of non-store sales for growth. Total non-store LFLs posted an increase of +19.8% this month from a middling base of +14.5% last year. The result marks the highest LFL for the category in seventeen months.
- ▶ May began as total LFLs increased by +0.90% from a base of +0.86% for the same week last year. Total LFLs declined by -1.30% in the second week of the month, but from a positive base of +4.57% last year, both of which included the early May bank holiday. The third week of the month saw total LFLs post a notable increase of +7.93%, but from a negative base of -1.38% for the same week last year. May concluded with a week that led into another long weekend as total LFLs increased by +2.31% from a base of +0.79% last year.
- ▶ Overall footfall was down for all four weeks in May as compared to the equivalent weeks in 2018. The month began with footfall dropping by -3.6% as the high street posted the largest decline (-5.7%). Beginning with a bank holiday, week two saw an even larger decline of -6.2% with the high street recording the worst result of -8.4%, which proved to be the worst category result for the month. Weeks three and four also saw overall footfall decline (-2.5% and -1.4% respectively). While the high street recorded some of the largest declines of the month, footfall at shopping centres was also negative in each week with the worst result coming in week two (-5.2%). Only retail parks saw positive footfall this month, in weeks one and three (+0.4% and +0.2%).
- ▶ With reports of declining business sentiment in the consumer services sector, reduced investment may underscore the impact of an increasingly difficult trading environment. The political calculus towards a decision on Brexit remains complex as the Tory leadership race begins; and business rates continue to be a source of woe for bricks-and-mortar shops, especially amid declining in-store sales. Any expectation that demand will fail to improve in the near future is likely to push many retailers to postpone investment decisions. Despite consumer confidence improving slightly the months ahead may hold little solace for a struggling sector unless legislators take the next opportunity to provide a desperately needed resolution.



LIFESTYLE

+1.4%

MAY 2018: +1.4%



FASHION

+2.7%

MAY 2018: +3.0%



HOMEWARES

+5.4%

MAY 2018: -12.0%

- ▶ Lifestyle total LFLs increased by +1.4% this month from an identical base of +1.4% for May last year. Total LFLs for lifestyle have now been positive for three out of five months in the year-to-date. The weekly results were more mixed, with total LFLs for lifestyle recording two weeks of both positive and negative results. In-store LFLs for lifestyle fell by -2.4% this month from an already negative base of -3.8% last year. The result continues the run of negative LFLs for in-store lifestyle to sixteen consecutive months.
- ▶ Fashion total LFLs increased by +2.7% in May from a positive base of +3.0% for the same month last year. Total LFLs for fashion recorded its strongest result in week three (+12.54%), which helped produce a positive LFL for the month. In-store LFLs for fashion decreased sharply by -4.2% this month from a slight base of +0.4% last year. In-store LFLs for fashion have been negative for three out of five months in the year-to-date.
- ▶ Homeware total LFLs increased by +5.4% this month, but from a very poor base of -12.0% for May last year. Total LFLs for homeware have been positive for every month in the year-to-date. In-store LFLs for homeware also increased by +4.3% in May, but from a dire base of -15.2% last year. Nonetheless, in-store LFLs for homeware have also been positive for five consecutive months.

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

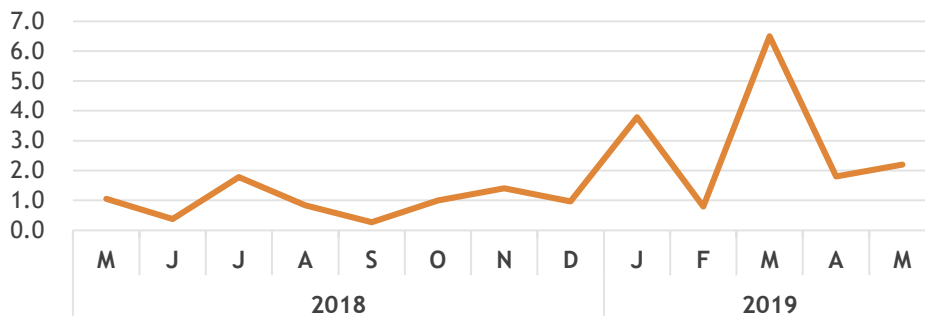
The High Street Sales Tracker outlines weekly like-for-like sales changes of some c85 retailers with c10,000 individual stores across Fashion: accessories, clothing, footwear. Lifestyle: general household goods, gifts, health and beauty, leisure goods. Homewares: cookware, furniture and floor coverings,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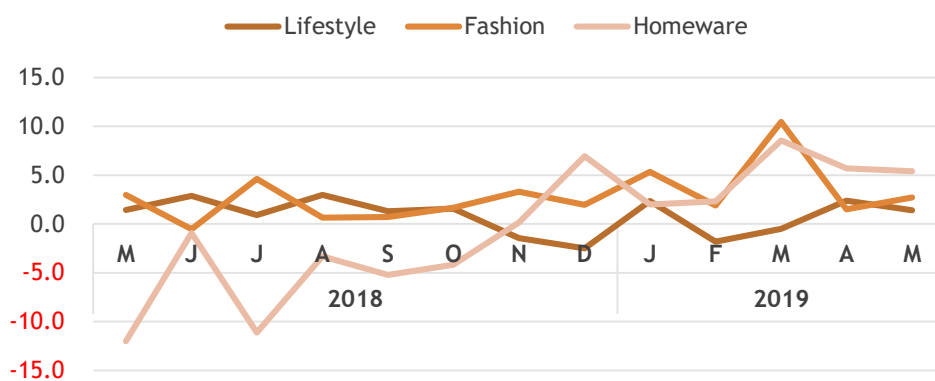
TOTAL LIKE-FOR-LIKE RESULTS FROM 2018-2019

LFL Growth %	Week 1 (we 05/05)	Week 2 (we 12/05)	Week 3 (we 19/05)	Week 4 (we 26/05)	Total May
Lifestyle	5.10	2.97	-1.27	-0.47	1.4
Fashion	-1.23	-4.00	12.54	3.26	2.7
Homeware	5.47	6.15	4.83	5.03	5.4
STORE	-0.73	-7.74	-0.21	-3.97	-3.3
NON-STORE	10.28	18.41	23.89	25.91	19.8
TOTAL	0.90	-1.30	7.93	2.31	2.2

MONTHLY LIKE-FOR-LIKE RESULTS 2018-2019



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



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