



# BDO HIGH STREET SALES TRACKER

AUGUST MONTHLY REVIEW - the four weeks to 31 August 2016

09 September 2016

## TOTAL (excl non-store)

**-1.5%**

August 2015: -4.3%

## LIFESTYLE

**+0.7%**

August 2015: -1.3%

## FASHION

**-3.3%**

August 2015: -5.5%

## HOMEWARES

**+11.3%**

August 2015: -3.3%

## NON-STORE

**+21.1%**

August 2015: +11.5%

## August sees bricks-and-mortar fall

■ August's High Street Sales Tracker saw overall LFL sales decline by -1.5% off of a weak base of -4.3% for the same month last year, which was dubbed as the "worst month since November 2008".

■ The month was hampered by the retraction of summer discounting coinciding with poor footfall in week 35, a week that saw total sales plummet by -7.05% as shoppers opted to spend on travel and leisure in context of the August bank holiday weekend.

■ August marks the seventh month in succession in which total LFL sales for bricks-and-mortar retail has seen either a decline in growth, or no growth. However, it is also the case that the performance of online LFL sales growth remains very strong.

■ Overall footfall across all retail centres was up in every week of the month, with the exception of week 35 when it dropped by -1.6%, in a week that included the Saturday and Sunday of the August bank holiday weekend. Travel organisation Abta expected two million Britons to head abroad over the weekend. Footfall on the high street was up in every week of the month. That high street footfall in the month was better than last year suggests that retailers struggled to convert sales in August, as good weather, discounting and a surplus of visitors on the basis of a weak pound helped to sporadically boost numbers on the high street. Retail parks saw footfall up in every week of the month, until week 35 when footfall fell by -3.0%. Shopping centres saw the greatest declines in footfall in August, dropping into the negative from week 33 and crashing to a month low of -4.9% in week 35 to end the month.

■ Despite the challenging end to the month, a flurry of recent sentiment surveys suggest that consumer sentiment and disposable income are in positive territory. According to a Lloyds Bank spending power report, consumers are the most upbeat on their personal finances as they have been since the survey started five years ago. New research from Barclays has suggested that every region in the UK is more prosperous than last year, and that consumer spending rose to a 13-month high of +4.2% in August, with in-store spending (including pubs and restaurants) up by 1% with DIY cited as a driver.

■ Lifestyle LFLs were marginally up by +0.7% in August, its second positive month of growth in succession. It started the month strongly, with LFL sales of +3.83% in week 32 and remained in positive territory until it dropped to -4.00% in a tough week 35. Retailers of electrical goods struggled, while department stores and retailers of high end gifts performed strongly, benefiting from the tourist season. Retailers of sporting equipment also performed well as the Olympic effect filtered through with the better weather.

■ Fashion LFLs dropped by -3.3% off of a weak base of -5.5% for August last year. Despite heavy discounting, August marked its seventh negative month in a row. LFLs were in the negative for each week of the month, starting with a nominal decline of -0.04% in week 32, but dropping to a ten week low of -9.56% in week 35 as discounting retracted and footfall fell. However, some specialist fashion retailers were still posting positive LFLs in each week of August.

■ Homeware was the star performer this month, up by an impressive +11.3%, marking its strongest result since April 2016. It posted positive results in every week of the month, with a high of +19.10% coming in week 33. While department stores and retailers of kitchenware struggled, furniture and soft furnishing retailers performed strongly throughout the month as consumers demonstrated an appetite to continue making homeware purchases.

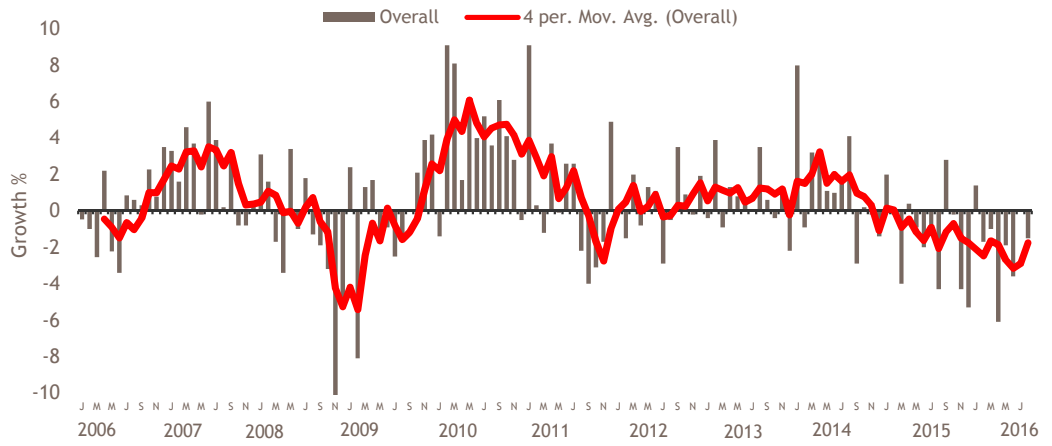
■ Non-store LFL sales were up by an impressive +21.1% in August, its second best monthly result of the year-to-date. The result was surpassed only by the +21.7% recorded in July. Online sales denotes a significant success story for British retailers, as consumers continue to switch to shopping on the Internet. Week 32 saw the highest result of +32.50%, declining each week thereafter and ending at +12.52% in week 35.

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 and beauty, leisure goods. Homewares: cookware, furniture and floorcoverings, lighting, linen and textiles. Non-store: mail order, online and other non-store channels.

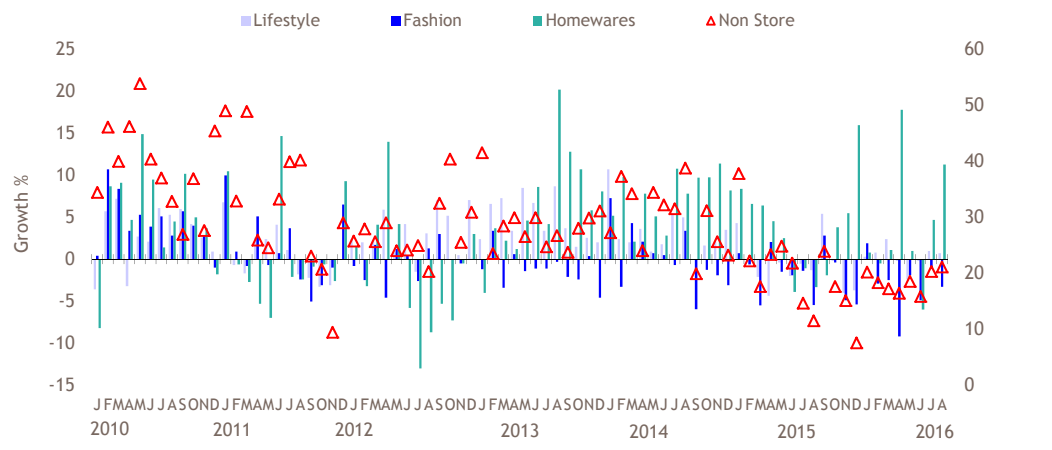
## MONTHLY LIKE-FOR-LIKE RESULTS AUGUST 2016

LFL Growth %	Week 32 (we 7/8)	Week 33 (we 14/8)	Week 34 (we 21/8)	Week 35 (we 28/8)	Total August
Lifestyle	3.83	1.71	1.70	-4.00	0.7
Fashion	-0.04	-2.65	-1.09	-9.56	-3.3
Homewares	23.90	19.10	8.23	9.20	11.3
Non-store	32.50	20.04	19.82	12.58	21.1
<b>Total (excl non-store)</b>	<b>1.74</b>	<b>-0.94</b>	<b>0.20</b>	<b>-7.05</b>	<b>-1.5</b>

## MONTHLY LIKE-FOR-LIKE RESULTS 2006-2016



## MONTHLY LIKE-FOR-LIKE RESULTS BY SECTOR 2010-2016



### Further Information: [HighStreetSalesTracker@bdo.co.uk](mailto:HighStreetSalesTracker@bdo.co.uk)

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