

BRC – KPMG RETAIL SALES MONITOR

AUGUST 2022

COVERING FOUR WEEKS 31ST JULY TO 27TH AUGUST 2022

SALES SLOW AS PEOPLE SEE CLOUDS ON THE HORIZON

<i>% CHANGE YEAR-ON-YEAR</i>		TOTAL	LFL
UK RETAIL SALES	▲	+1.0%	+0.5%
FOOD (3-MTH)	▲	+3.8%	+3.3%
NON-FOOD (3-MTH)	▼	-2.0%	-2.6%
NON-FOOD - STORE (3-MTH)	▲	+1.4%	+0.3%
NON-FOOD - ONLINE	▼	-6.1%	N/A

EXECUTIVE SUMMARY: 1 MINUTE READ

UK retail sales slowed significantly in August, but remained in growth for the second consecutive month, with 1.0% on a Total basis.

Food sales led the way, but these were driven more by their ever-increasing price inflation than an increase in demand, with volumes down, once again. The amount of available consumer spending left over for discretionary items was therefore squeezed even more in comparison to previous months, which had a detrimental impact on Non-Food sales, which slumped back into decline.

The trajectories of the Non-Food categories perpetuated in August, with Fashion outperforming homewares, once again. However, demand for formal wear dropped off considerably, as wedding season drew to a close. Consumers were also ever-more conscious of the upcoming rise in energy prices, which drove demand for energy-saving items, such as air-friers.





Helen Dickinson OBE, Chief Executive | British Retail Consortium

“Retail sales growth slowed in August compared to the previous month as consumers reined in spending amidst the spiralling cost-of-living. While inflation in retail prices is lower than general inflation at over 10%, this still represents a significant drop in sales volumes. For the first time in recent months, clothing sales were sluggish as summer events ended, and parents held back on back-to-school spending. White goods and homeware remained hardest hit, but products such as air fryers and knitwear did get a boost as thrifty consumers prepare for soaring energy bills.”

“With some predictions of inflation reaching 20% in the new year, households and retailers are preparing for a particularly tough time ahead. As retailers face into their own rising costs from all directions, they continue to do all they can to protect customers from price rises. The new Prime Minister could help relieve some of the cost burden, and ease the upwards pressure on prices, by freezing the business rates multiplier for all retail businesses next year. Without this, inflation could whack an additional £800 million onto retailers’ rates bills, which will inevitably lead to even higher prices for households at a time when people’s income is under unprecedented pressure.”



Don Williams, retail partner | KPMG

“The warm weather combined with rising prices, saw August sales growth rise by 1% year on year, although volumes will have been challenged.

“The heatwave saw strong growth for health items such as suntan lotion, whilst food and drink sales for summer barbeques grew by 5% year on year and home accessories also saw growth for the first time in months. Online sales dipped by over 6% in August, however the locked-in step-up of online penetration remains.

“Worryingly, August data revealed a significant fall in clothing sales – the category which has been the most robust performer this year which could signal the start of shoppers pulling back from non-essential spending.

“As consumers return from summer holidays to an 80% increase in the energy price cap, double digit inflation and Christmas just 3 pay cheques away, the brakes could be firmly applied on non-essential spending for most UK households. The storm clouds are closing in as retailers brace themselves for a fall in demand - at a time when their own margins are under pressure from rising costs. Supporting customers through these difficult times will be paramount for the health of the sector as we move through the rest of this year. Doing this will require a more granular understanding of current and future customers, continual review of the cost base and focus on how to drive productivity, especially using more effective technology. It is in these areas that opportunity lies even in a challenging trading environment.”

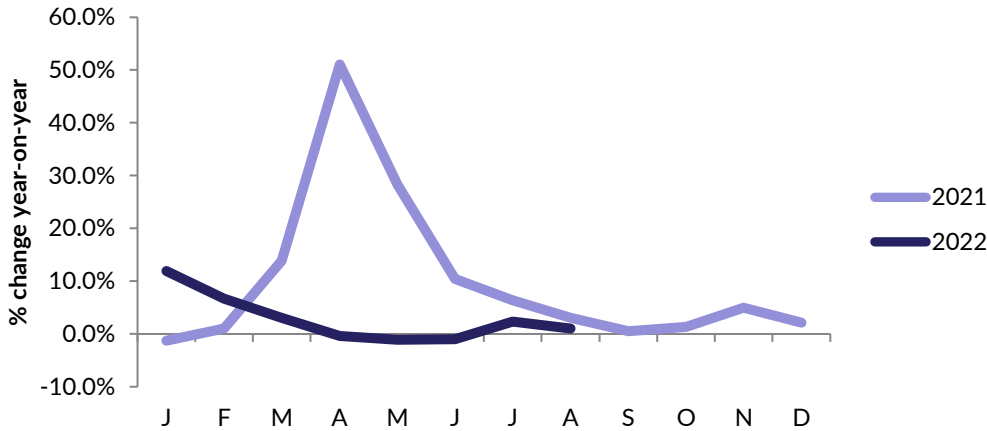


Food & Drink sector performance | Susan Barratt, CEO | IGD

“Food and drink sales volumes spent the entire month of August in negative territory, with value sales propped up by the ongoing inflationary pressures that are being steadily fed through the supply chain. IGD’s latest Shopper Confidence Index data shows another record-breaking low, down six points from July. Confidence has been steadily declining over recent months, but now we can really see that people are worried about their personal finances.

“August has been dominated by increasing inflation, with talks of this going even higher, along with energy price increases. People are reacting - taking action now to try and get ahead. Our data shows that shoppers are investing more time in how they can save money by planning more and searching for value with private label options and seeking out discounts.”

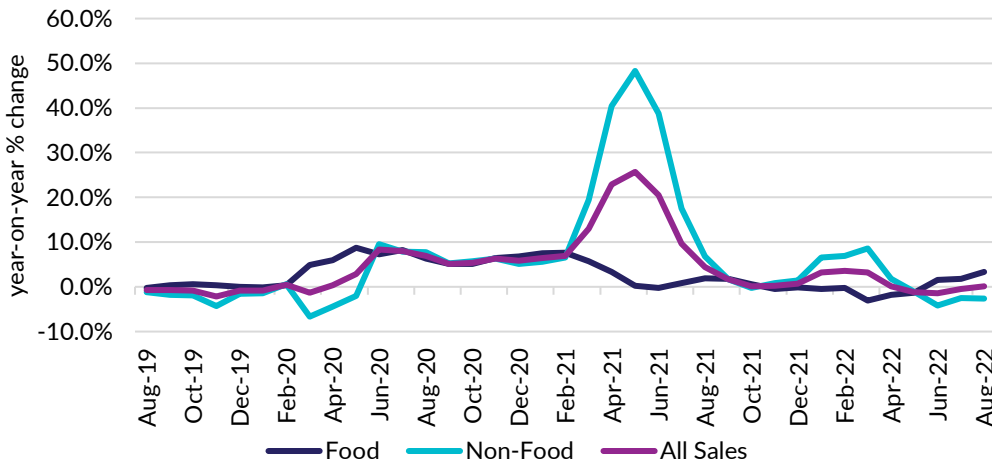
MONTHLY GROWTH OF TOTAL RETAIL SALES



	LFL	TOTAL
July 2022	0.5%	1.0%
July 2021	1.5%	3.0%
June 2022	1.6%	2.3%
3m average	0.1%	0.7%
12m average	0.7%	2.5%

Source: BRC-KPMG RSM (Includes Food data from IGD)

**LIKE-FOR-LIKE SALES:
3-MONTH AVERAGE % CHANGE YEAR-ON-YEAR**



3-MONTH AVERAGE	LFL	TOTAL
Food	3.3%	3.8%
Non-food	-2.6%	-2.0%
All Sales	0.1%	0.7%

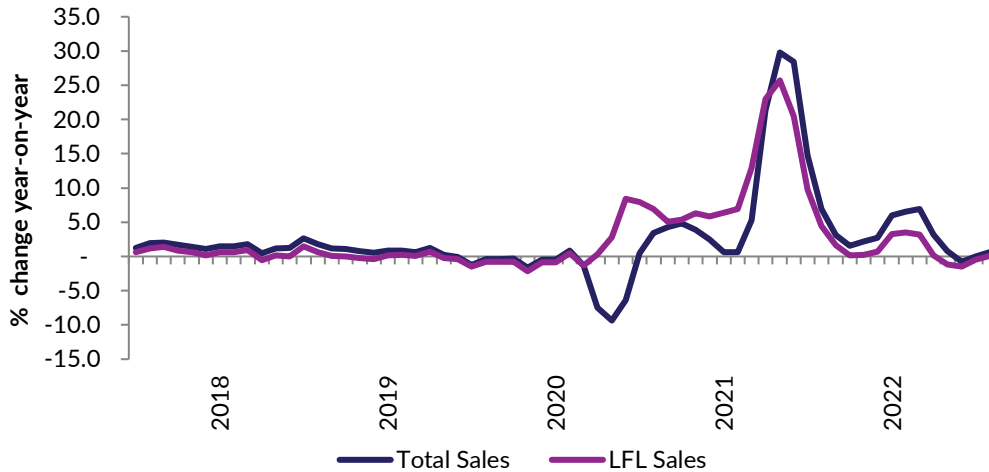
Source: BRC-KPMG RSM (Includes Food data from IGD)

Note: Like-for-like has been measured EXCLUDING temporarily closed stores due to COVID-19 but including Online sales

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3M ROLLING AVERAGE YEAR-ON-YEAR GROWTH OVER FIVE YEARS



Source: BRC-KPMG RSM (Includes Food data from IGD)

OVERVIEW

As reported in previous recent editions of this report, we have moved back towards analysing retail sales primarily on a year-on-year basis. However, pre-pandemic comparisons are still useful in certain circumstances, which will be clearly signposted in this report as three-year comparables.

August saw retail sales slow significantly from their recent high in July, with growth of only 1.0% on a Total basis. The well-publicised striking rise in inflation means that this meagre sales performance reflects a decline in volumes sold. This affected Food sales, in particular, as inflation has reached record-setting levels, with the category reaching its highest growth since May last year, with the three-month average at 3.8%. Even with consumers trading down and restricting spending on Food, this left less spending power left for other categories.

The cost-of-living crisis was clearly weighing heavier on consumers' minds than earlier in the summer, as the more discretionary Non-Food sales fell back into decline, following July's growth. Within Non-Food, once again, home-related products fared considerably worse than the fashion-related categories. However, the major difference in August was that fashion sales failed to compensate for the lack of spending on homewares. The main reason for this was that demand for formal wear and holiday clothing was already satisfied earlier in the long summer experienced across the country this year. August was very much a month between seasons, with people waiting for the weather to change to more autumnal conditions before spending on wet weather clothing. The popular items being purchased during the month also illuminate the thought process of many consumers, as knitwear and air-friers were said to fly off the shelves, as they are cheaper options for keeping warm and cooking food for the winter ahead.

Both consumer and retailer focus is naturally shifting towards the final quarter of the year, which is of course the most critical for the retail industry. Consumers are staring down the barrel of at least one significant increase in energy costs, the first arriving in October, which will certainly have a negative impact on spending levels. This prospect is naturally causing a significant level of trepidation for retailers, who are planning for the 'golden quarter' ahead.

James Hardiman, Senior Analyst

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Covering the four weeks 31 July – 27 August 2022

FOOD SALES: 3-MONTH AVERAGE



NON-FOOD SALES: 3-MONTH AVERAGE



Source: BRC-KPMG RSM

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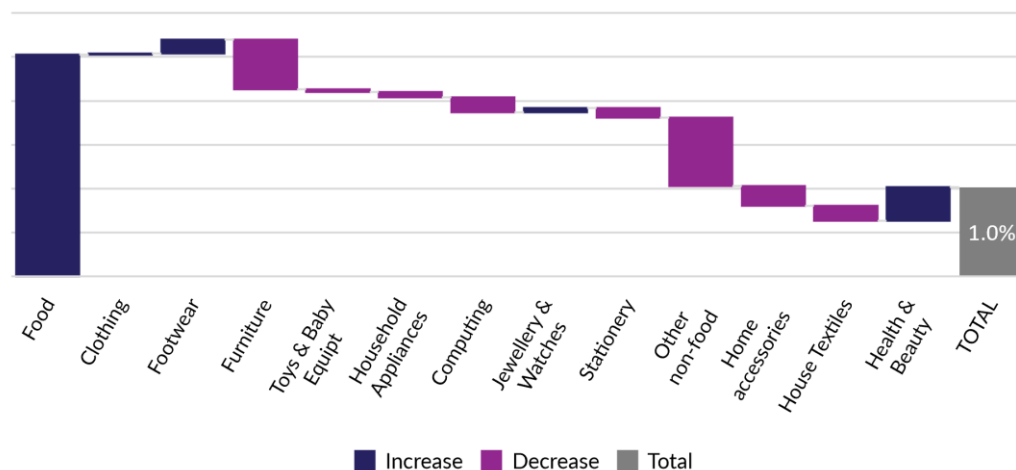
PERFORMANCE BY CATEGORY

By James Hardiman, Senior Analyst and Tina Spooner, Strategic Insight Manager

CATEGORY	UP / DOWN AUG-22		RANKINGS (TOTAL SALES)				
	LFL	TOT	AUG-22	JUL-22	AUG-21	3M AVG	12M AVG
Health and Beauty	▲	▲	1	3	5	2	4
Food	▲	▲	2	5	4	5	5
Footwear	▲	▲	3	1	2	1	3
Jewellery & Watches	▲	▲	4	4	3	4	1
Clothing	▲	▲	5	2	1	3	2
Toys & Baby Equipment	▼	▼	6	7	11	6	8
Household Appliances	▼	▼	7	6	12	7	10
Other Non-Food	▼	▼	8	8	6	10	11
Stationery	▼	▼	9	9	10	8	12
Home Accessories	▼	▼	10	11	8	11	7
Computing	▼	▼	11	10	13	9	13
Furniture	▼	▼	12	13	9	13	6
House Textiles	▼	▼	13	12	7	12	9

Source: BRC-KPMG RSM (Including Food data from IGD)

AUG: CONTRIBUTION TO TOTAL SALES GROWTH BY CATEGORY



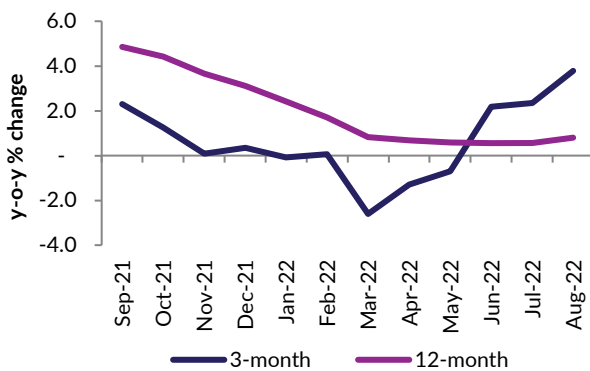
Source: BRC-KMG RSM (Includes Food data from IGD); in this chart, purple blocks represent negative contributions

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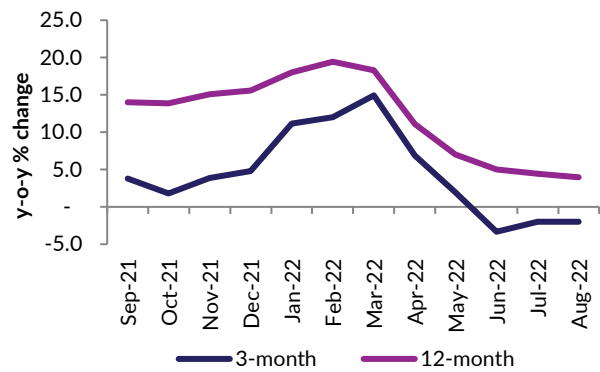
Covering the four weeks 31 July – 27 August 2022

FOOD

TOTAL SALES ROLLING AVERAGE GROWTH: FOOD



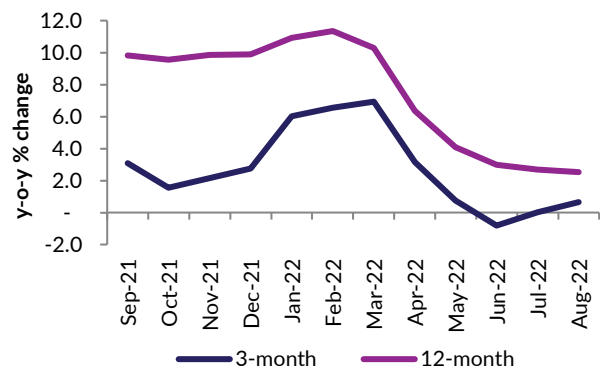
TOTAL SALES ROLLING AVERAGE GROWTH: NON-FOOD



FOOD

Growth in Food sales continued to accelerate during August, driven by the continuing surge in food inflation which rose to record levels. Total Food sales grew 3.8% in the three months to August, and 3.3% on a Like-for-like basis. The rise in the cost of fertiliser, animal feed, wheat and vegetable oils continue to push up food prices, resulting in fresh food inflation, in particular, surging to its highest level in 14 years. Not surprisingly, consumers are becoming more price conscious when shopping for groceries and responding well to promotions, especially for staple products. According to the BRC – NielsenIQ Shop price Index (SPI), Food price inflation accelerated to 9.3% in August, up from 7.0% in July. This is the highest inflation rate recorded since August 2008.

TOTAL SALES ROLLING AVERAGE GROWTH: UK



“

Food sales remained in growth in August, driven by the continuing surge in inflation

”

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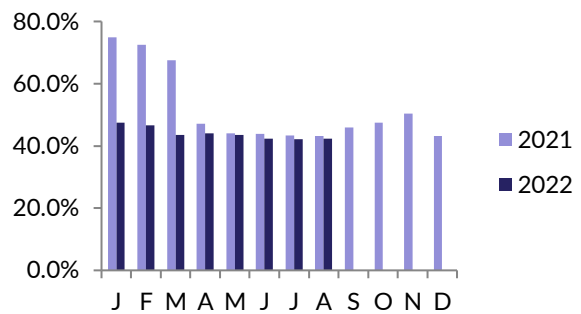
Covering the four weeks 31 July – 27 August 2022

CLOTHING

CLOTHING: UK TOTAL SALES CHANGE



CLOTHING: ONLINE PENETRATION RATE



CLOTHING: ONLINE SALES CHANGE (3-YR)



CLOTHING: STORES SALES CHANGE (3-YR)



THE MONTH OVERALL

Clothing has been one of the strongest performing categories this year, consistently outperforming the total UK retail market. However, during August growth slowed considerably, falling below the overall market performance. This is primarily due to the end of summer events such as weddings and social gatherings and also the effect of parents holding back on back-to-school spending. Sales of knitwear were said to be unseasonably high for the month of August, a sign that consumers are preparing to wrap up as autumn approaches to help reduce their energy bills. Following a return to growth in the childrenswear category in July, last month sales fell back into decline, resulting in the weakest performance year-to-date.

THE MONTH BY CHANNEL

Following four consecutive months of growth in Online Clothing sales, during August sales fell into decline on a year-on-year basis. However, Online sales continue to grow significantly ahead of pre-pandemic levels. In-store sales remained in growth compared with the same month last year, but slowed to the lowest rate recorded year-to-date. The Online penetration rate decreased by 0.9 percentage points from the same month last year, to 42.3% in August.

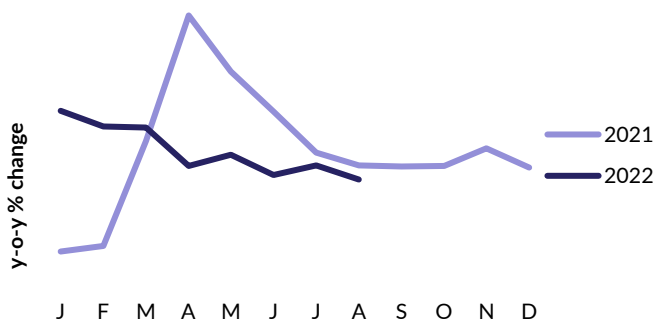
“Sales of knitwear were said to be unseasonably high for the month of August”

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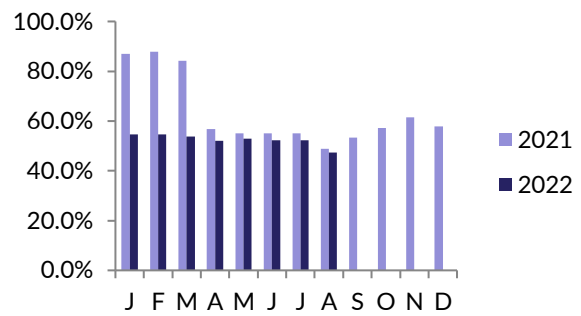
Covering the four weeks 31 July – 27 August 2022

FOOTWEAR

FOOTWEAR: UK TOTAL SALES CHANGE



FOOTWEAR: ONLINE PENETRATION RATE



FOOTWEAR: ONLINE SALES CHANGE (3-YR)



FOOTWEAR: STORES SALES CHANGE (3-YR)



THE MONTH OVERALL

Footwear sales slowed during August, recording the weakest year-on-year performance year-to-date. Sales also fell on a 3-year basis, resulting in the category returning to negative territory compared with pre-pandemic trends. Back-to-school shopping failed to reverse the declining performance in children’s footwear, resulting in a steeper decrease than the rate recorded in the previous three months. On a positive note, there was said to have been strong demand for sandals last month as people headed off on their holidays.

THE MONTH BY CHANNEL

Following four consecutive months of year-on-year growth in Online Footwear sales, August saw a return to negative territory. On a 3-year basis, there was little change, with Online sales growth in line with the strong performance recorded over recent months. In-store sales remain below levels recorded in 2019, with the decline in August steepening from the previous month. The Online penetration rate decreased by 1.5 percentage points from the same month last year, to 47.3% in August.



Back-to-school shopping failed to reverse the declining performance in children’s footwear

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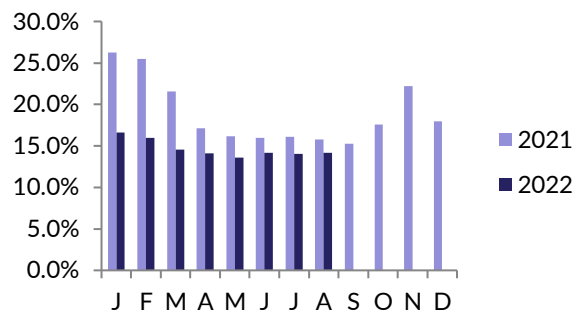
Covering the four weeks 31 July – 27 August 2022

HEALTH & BEAUTY

HEALTH AND BEAUTY: UK TOTAL SALES CHANGE



HEALTH AND BEAUTY: ONLINE PENETRATION RATE



HEALTH AND BEAUTY: ONLINE SALES CHANGE (3-YR)



HEALTH AND BEAUTY: STORES SALES CHANGE (3-YR)



THE MONTH OVERALL

Health & Beauty was the strongest performing category during August, although sales growth slowed from the previous month. Looking at the 3-year performance, sales were up slightly compared with the same month in 2019. Haircare and cleansing products were said to have sold well, while there were also reports of demand for beauty advent calendars with some people already planning their festive gifts.

THE MONTH BY CHANNEL

Following five consecutive months of a lessening decline in Online sales compared with last year, the Health & Beauty category recorded a slightly steeper decrease during August. However, Online sales remain significantly ahead of pre-pandemic levels, with the 3-year performance in line with recent growth rates. There was little change in the performance of In-store sales from the previous month, with sales marginally below 2019 levels for the second consecutive month during August. The Online penetration rate decreased by 1.6 percentage points from the same month last year, to 14.2% in August.



Health & Beauty was top of the category performance rankings in August



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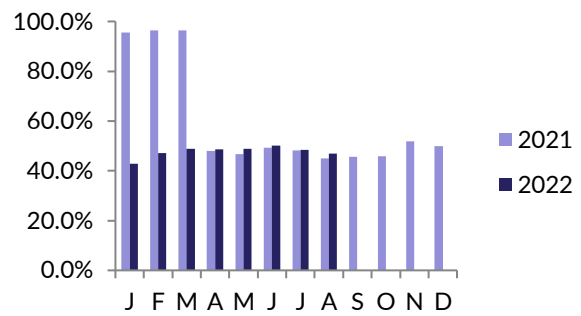
Covering the four weeks 31 July – 27 August 2022

FURNITURE

FURNITURE: UK TOTAL SALES CHANGE



FURNITURE: ONLINE PENETRATION RATE



FURNITURE: ONLINE SALES CHANGE (3-YR)



FURNITURE: STORES SALES CHANGE (3-YR)



THE MONTH OVERALL

Furniture continues to decline on an annual basis as consumers rein in their spending on higher ticket items, in line with the trend recorded over recent months. Following three consecutive months of growth on a 3-year basis, sales fell back into decline during August compared with pre-pandemic levels. Demand for sofas, beds and living room furniture continues to weaken as consumers tighten their belts due to rising inflation and surging energy costs. The GfK Consumer Confidence Index for Major Purchases fell by 4 points from the previous month, reaching -38 in August.

THE MONTH BY CHANNEL

While Online Furniture sales remain in decline on a year-on-year basis, the August performance was the shallowest decline recorded year-to-date. Sales continue to grow ahead of pre-pandemic levels, however, sales growth slowed significantly in August compared with the same month in 2019. In-store sales remain below 2019 levels, with the decline steepening in August compared with the previous month. The Online penetration rate increased by 2.1 percentage points from the same month last year, to 47.0% in August.



Demand for sofas, beds and living room furniture continues to weaken

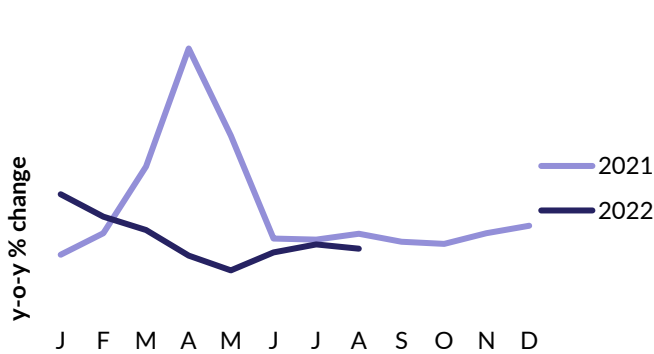


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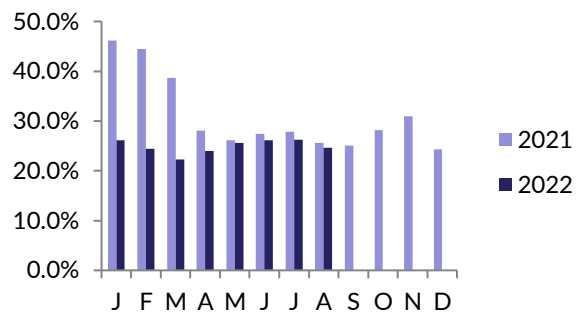
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HOME ACCESSORIES

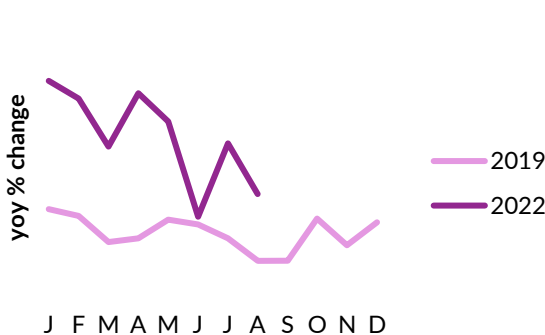
HOME ACCESSORIES: UK TOTAL SALES CHANGE



HOME ACCESSORIES: ONLINE PENETRATION RATE



HOME ACCESSORIES: ONLINE SALES CHANGE (3-YR)



HOME ACCESSORIES: STORES SALES CHANGE (3-YR)



THE MONTH OVERALL

Home Accessories continued to decline in August compared with the same month last year and also on a 3-year basis. Following two months of an improvement in the year-on-year performance, during August the decrease steepened, indicating that consumers are continuing to move away from spending on home related products, with demand mostly having been satisfied during the Covid pandemic.

THE MONTH BY CHANNEL

There was no change in the performance of Online Home Accessories in August compared with the previous month, with sales continuing to decline at the same rate. On a 3-year basis, Online sales remained in growth but slowed significantly from July. In-store sales remain below pre-pandemic levels with August recording a steeper level of decline compared with the previous month. The Online penetration rate decreased by 1.0 percentage point from the same month last year, to 24.6% in August.



The Online penetration rate in Home Accessories reached 24.5% in August



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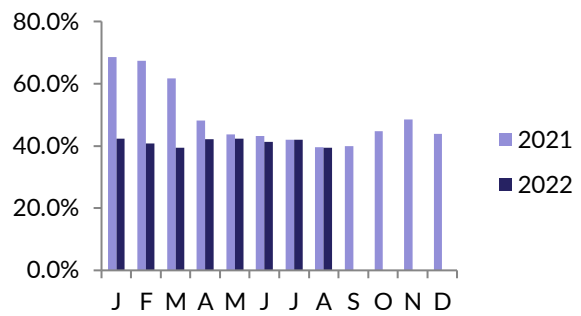
Covering the four weeks 31 July – 27 August 2022

HOUSE TEXTILES

HOUSE TEXTILES: UK TOTAL SALES CHANGE



HOUSE TEXTILES: ONLINE PENETRATION RATE



HOUSE TEXTILES: ONLINE SALES CHANGE (3-YR)



HOUSE TEXTILES: STORES SALES CHANGE (3-YR)



THE MONTH OVERALL

Sales of House Textiles continue to decline both on an annual basis and compared with pre-pandemic levels. On a 3-year basis sales fell at the steepest level recorded year-to-date, while the year-on-year performance recorded a double-digit decline for the fifth consecutive month. As previous reported, demand for bath and bed linens continues to slow due to demand having largely been satisfied during the pandemic and also consumers reining in their spending.

THE MONTH BY CHANNEL

Online sales of House Textiles continue to decline on an annual basis. On a 3-year basis, for the first time this year, the category recorded a decline compared with 2019. In-store sales remain below the levels recorded before the pandemic hit. The Online penetration rate decreased by 0.2 percentage points from the same month last year, to 39.4% in August.



The Online penetration rate in House Textiles reached 39.4% in August



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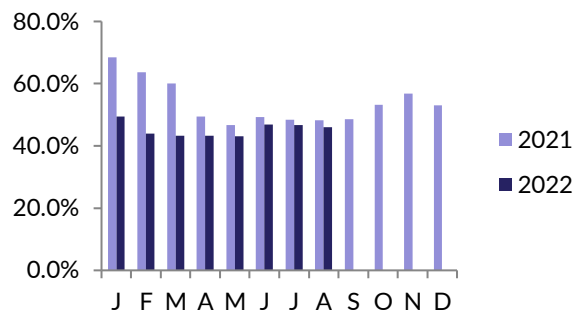
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TOYS & BABY EQUIPMENT

TOYS & BABY EQUIPMENT: UK TOTAL SALES CHANGE



TOYS & BABY EQUIPMENT: ONLINE PENETRATION RATE



TOYS & BABY EQUIPMENT: ONLINE SALES CHANGE (3-YR)



TOYS & BABY EQUIPMENT: STORES SALES CHANGE (3-YR)



THE MONTH OVERALL

August saw an easing of the declining trend for the category, as the school summer holidays drew to a close. However, it was yet another month of year-on-year decline for Toys & Baby Equipment, now stretching to twenty-two consecutive months. The good weather for the vast majority of the month boosted sales of outdoor toys, in particular, with only the mid-month storms slowing this trend. Sales picked up in the final week of the month, as people prepared to enjoy the final bank holiday weekend before Christmas.

THE MONTH BY CHANNEL

Online sales remained in decline on a year-on-year basis, albeit at the shallowest rate seen this year so far. When comparing to the category's sales levels pre-pandemic, Toys and Baby Equipment fell back into decline, following July's rare foray into growth. The Online penetration rate decreased by 2.1 percentage points from the same point last year, to 46.1% in August.



The good weather for the vast majority of the month boosted sales of outdoor toys in particular



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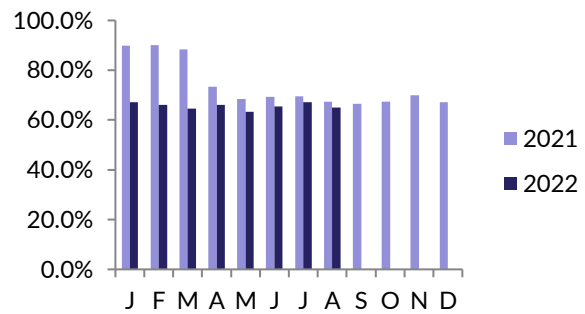
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HOUSEHOLD APPLIANCES

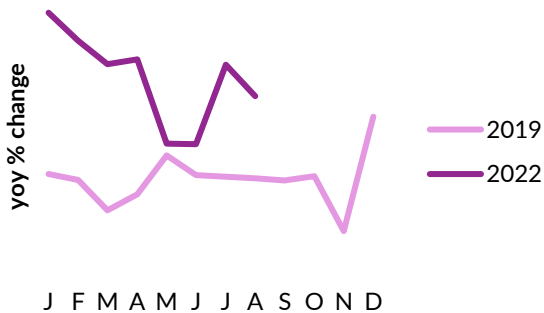
HOUSEHOLD APPLIANCES: UK TOTAL SALES CHANGE



HOUSEHOLD APPLIANCES: ONLINE PENETRATION RATE



HOUSEHOLD APPLIANCES: ONLINE SALES CHANGE (3-YR)



HOUSEHOLD APPLIANCES: STORES SALES CHANGE (3-YR)



THE MONTH OVERALL

From July's high point of the year – albeit still not managing growth – August saw a steeper rate of decline, which was not an unexpected result given the rush for fans arrived in the previous month. In a similar pattern to that seen in July, August saw the majority of demand focus on smaller items, as opposed to white goods. Consumers were clearly looking ahead to the rising energy price cap in October, as air-friers were reportedly in high demand. They are cheaper to run than electric ovens, so are seen as an ideal way for consumers to reduce their outgoings.

THE MONTH BY CHANNEL

Online sales continued to outperform their pre-pandemic levels in August but slowed from the rate seen in July. The category's In-store decline steepened for the second consecutive month in August, when compared to its pre-pandemic level of sales. The Online penetration rate decreased by 2.3 percentage points from August last year, to 65.1% this year.



Consumers were clearly looking ahead to the rising energy price cap in October, as air-friers were reportedly in high demand



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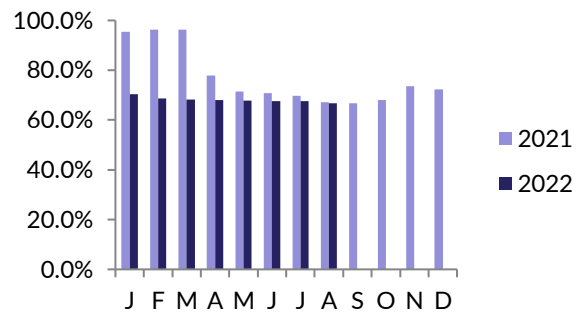
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COMPUTING

COMPUTING: UK TOTAL SALES CHANGE



COMPUTING: ONLINE PENETRATION RATE



COMPUTING: ONLINE SALES CHANGE (3-YR)



COMPUTING: STORES SALES CHANGE (3-YR)



THE MONTH OVERALL

August usually marks the point at which, in anticipation of the beginning of the new university year starting, computing sales pick up. However, this effect was much less pronounced than at the same point last year, leaving the category in decline, once again. Laptop sales have been particularly hard-hit by this factor, which are also suffering from their strong performance earlier in the pandemic period, leaving little demand left to be satisfied. This has also been compounded recently by the gradual return to the office for many workers.

THE MONTH BY CHANNEL

Online sales slowed significantly in comparison to their levels pre-pandemic. On a year-on-year basis, the category was in decline online, despite the chipset shortage at the same point last year. The category's in-store performance improved from the previous month, but remained in decline for yet another month year-on-3-year. The Online penetration rate decreased by only 0.3 percentage points from August last year, to 66.8% this time around.



Laptop sales performed poorly, despite the upcoming start of the new university year



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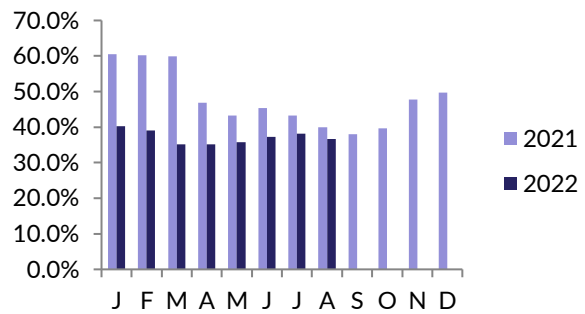
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OTHER NON-FOOD

OTHER NON-FOOD**: UK TOTAL SALES CHANGE



OTHER NON-FOOD**: ONLINE PENETRATION RATE



OTHER NON-FOOD**: ONLINE SALES CHANGE (3-YR)



OTHER NON-FOOD**: STORES SALES CHANGE (3-YR)



THE MONTH OVERALL

Other Non-Food sales remained in the doldrums in August, with broadly the same level of decline for the second consecutive month. It is now seven months since the category saw any growth. Electronics and gaming continued to perform poorly for the month, despite stock levels far ahead of where they were last year.



It is now seven months since the category saw any growth



** Note: The Online penetration rates, Online sales and Stores sales graphs include Jewellery & Watches and Stationery. The UK Total sales graph excludes Jewellery & Watches and Stationery.

THE MONTH BY CHANNEL

Online sales slowed slightly, but remained significantly up on their pre-pandemic levels. In comparison to its performance last year, the category was in decline once again online. In-store sales continued to be volatile in August, with a steep slowdown from the levels seen in July. However, they remained in growth for yet another month. The Online penetration rate decreased by 3.2 percentage points from the same point a year ago, to 36.7% this year.

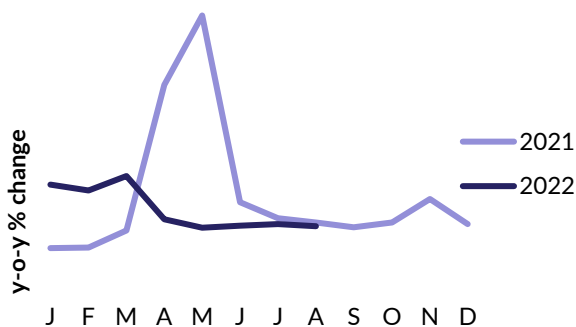
BRC – KPMG RETAIL SALES MONITOR AUGUST 2022

Covering the four weeks 31 July – 27 August 2022

OTHER NON-FOOD

Includes in particular:

Jewellery & Watches



The category has continued to see growth, despite the lack of tourism relative to that seen pre-pandemic. However, August saw a slowdown from the growth rate seen in July. The fact that growth perpetuated after the purchases ahead of the summer's weddings and formal occasions is encouraging for retailers in this sphere.

Electricals & Electronics

The segment was, once again, said to see lacklustre demand in August, as a consequence of the ongoing good weather throughout the majority of the month and its previous success a year earlier. TVs and their accompanying audio equipment was reportedly particularly affected by these factors, with indoor entertainment not at the top of priority lists in the late summer. Items carrying a higher price tag saw least demand of all, as consumers anticipate high energy prices in the near future.

Leisure Goods, Gaming, Books, CDs & DVDs

Outdoor sports equipment reportedly performed well in August, as the good weather and the beginning of the new football season drove sales. Gaming sales were surprisingly sluggish, despite stock levels of the latest gaming consoles improving over time.

DEPARTMENT STORES

Department Stores reportedly saw good footfall levels in August, which had a positive knock-on effect on sales. However, they were said to suffer from the ongoing lack of tourism levels in comparison to where they were in 2019. When customers did visit, they were also less enthusiastic about browsing for a wide range of goods and focused on necessities. This factor was felt particularly acutely by the homewares departments of the larger stores.

BRC – KPMG RETAIL SALES MONITOR AUGUST 2022

Covering the four weeks 31 July – 27 August 2022

MONTHLY RETAIL SALES: % CHANGE YEAR-ON-YEAR

MONTH	2020		2021		2022	
	LFL	TOTAL	LFL (1)	TOTAL	LFL	TOTAL
January	0.0	0.4	7.1	-1.3	8.1	11.9
February	-0.4	0.1	9.5	1.0	2.7	6.7
March	-3.5	-4.3	20.3	13.9	-0.4	3.1
April	5.7	-19.1	39.6	51.1	-1.7	-0.3
May	7.9	-5.9	18.5	28.4	-1.5	-1.1
June	10.9	3.4	6.7	10.4	-1.3	-1.0
July	4.3	3.2	4.7	6.4	1.6	2.3
August	4.7	3.9	1.5	3.0	0.5	1.0
September	6.1	5.6	-0.6	0.6		
October	5.2	4.9	-0.2	1.3		
November	7.7	0.9	1.8	5.0		
December	4.8	1.8	0.6	2.1		
Jan-Jul average	3.6	-2.1	13.5	14.0	0.9	2.7
Jan-Dec average	4.4	-0.3	8.9	9.9	n/a	n/a

Source: BRC-KPMG RSM (Includes Food data from IGD); Note (1) From April 2020, the LFL guidance was to exclude stores that were forced to close temporarily due to COVID-19 measures.

FOOD/NON-FOOD QUARTERLY ANALYSIS: 3-MONTH AVERAGE % CHANGE YEAR-ON-YEAR

3-MONTH AVERAGE	LIKE-FOR-LIKE (1)			TOTAL		
	Food	Non-Food	All Sales	Food	Non-Food	All Sales
Jun – Aug 21	1.9	6.8	4.5	2.9	10.3	6.9
Jul – Sep	1.7	1.6	1.7	2.3	3.8	3.1
Aug – Oct	0.6	-0.3	0.2	1.3	1.8	1.5
Sep – Nov	-0.5	0.9	0.2	0.1	3.9	2.2
Oct – Dec	-0.1	1.4	0.7	0.3	4.8	2.7
Nov 21 – Jan 22	-0.5	6.5	3.3	-0.1	11.1	6.0
Dec 21 – Feb 22	-0.3	6.9	3.5	0.1	12.0	6.5
Jan – Mar 22	-3.1	8.6	3.2	-2.6	14.9	6.9
Feb – Apr	-1.8	1.8	0.1	-1.3	6.9	3.2
Mar – May	-1.3	-1.0	-1.1	-0.7	2.0	0.7
Apr – Jun	1.6	-4.2	-1.5	2.2	-3.3	-0.8
May – Jul	1.8	-2.5	-0.5	2.3	-2.0	0.0
Jun – Aug	3.3	-2.6	0.1	3.8	-2.0	0.7

Source: BRC-KPMG RSM (Includes Food data from IGD)

(1) From April 2020, the LFL guidance was to exclude stores that were forced to close temporarily due to COVID-19 measures.



BRC - KPMG RETAIL SALES MONITOR AUGUST 2022

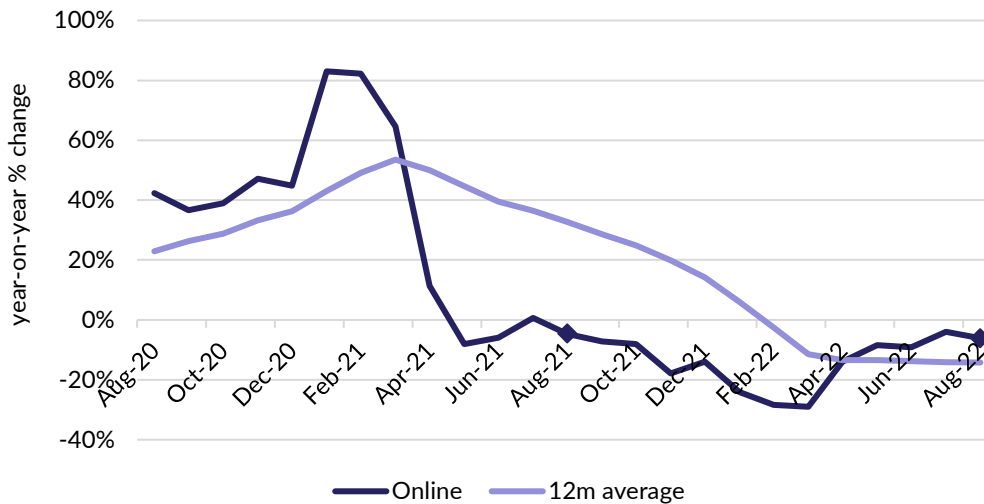
Covering the four weeks 31 July - 27 August 2022

ONLINE VERSUS STORE DATA

BRC - KPMG RETAIL SALES MONITOR AUGUST 2022

Covering the four weeks 31 July - 27 August 2022

ONLINE SALES GROWTH (NON-FOOD): % CHANGE YEAR-ON-YEAR

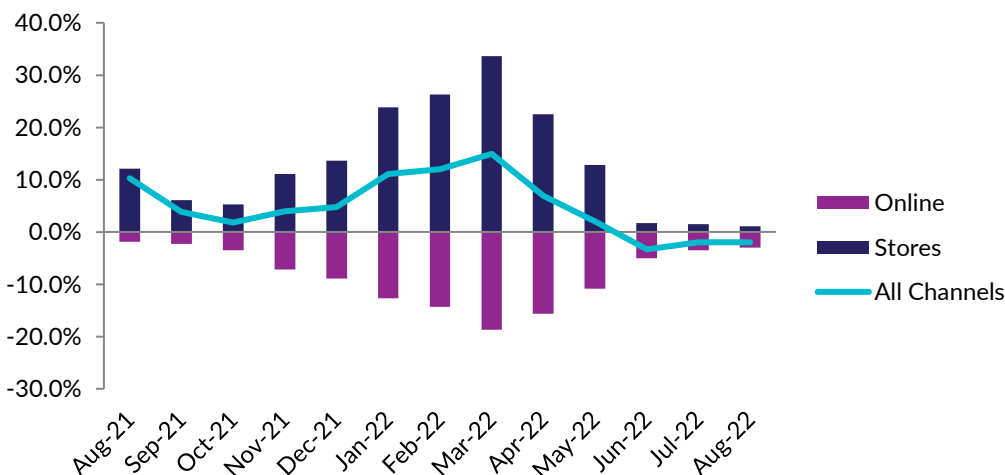


NON-FOOD GROWTH	ONLINE*	UK TOTAL
Aug 2022	-6.1%	n/d
Aug 2021	-4.6%	n/d
Jul 2022	-3.9%	n/d
3m avg	-6.6%	-2.0%
12m avg	-14.2%	4.0%

n/d: cannot be disclosed

Source: BRC-KPMG RSM: Online: online sales of non-food goods (including mail and phone orders)

3-MONTH AVERAGE: CONTRIBUTION TO NON-FOOD SALES GROWTH BY CHANNEL % CHANGE YEAR-ON-YEAR



NON-FOOD IN-STORE % CHANGE YEAR-ON-YEAR		
	LFL	TOTAL
Jun - Aug 22	0.3%	1.4%
Jun - Aug 21	16.7%	23.7%
May - Jul 22	1.2%	2.0%
12m avg	26.0%	33.7%

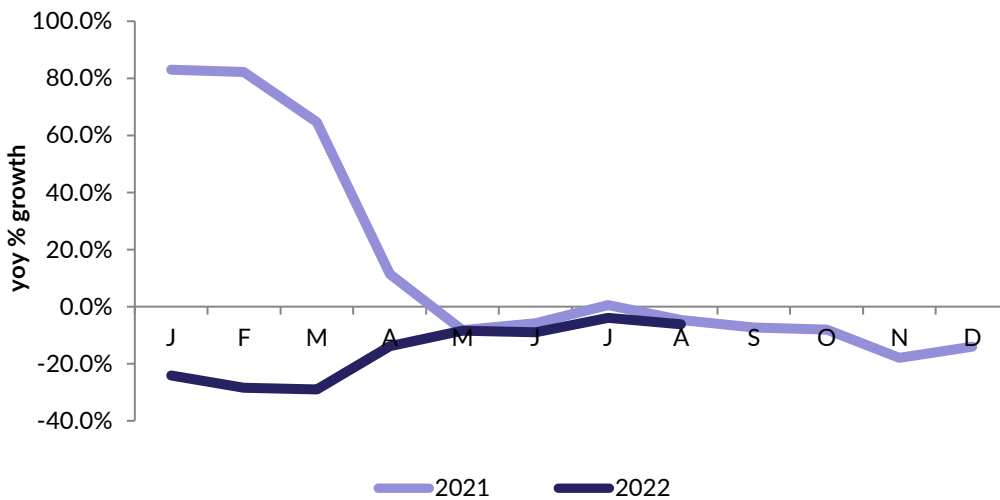
Source: BRC-KPMG RSM

BRC - KPMG RETAIL SALES MONITOR AUGUST 2022

Covering the four weeks 31 July - 27 August 2022

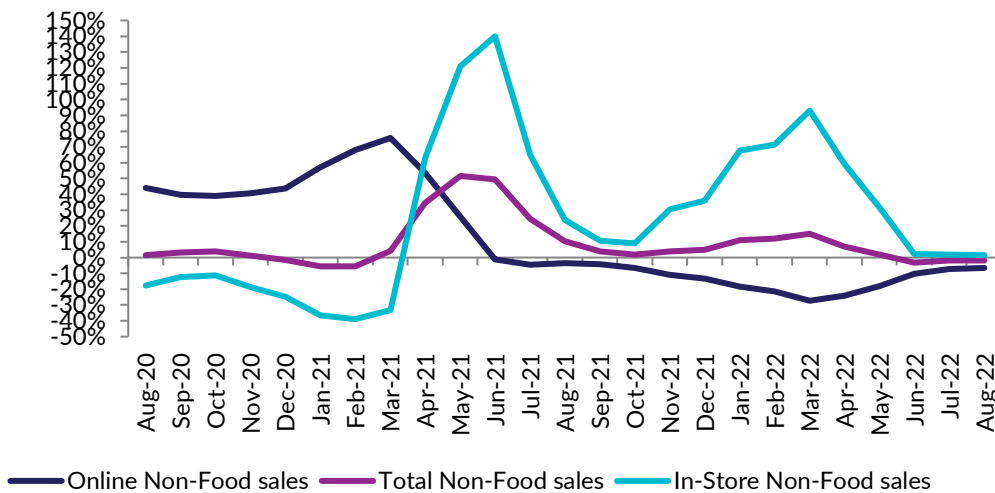
BRC-KPMG NON-FOOD RETAIL SALES YEAR-ON-YEAR GROWTH:

MONTHLY GROWTH OF ONLINE NON-FOOD RETAIL SALES



Source: BRC-KPMG RSM

3M ROLLING AVERAGE GROWTH OF NON-FOOD SALES

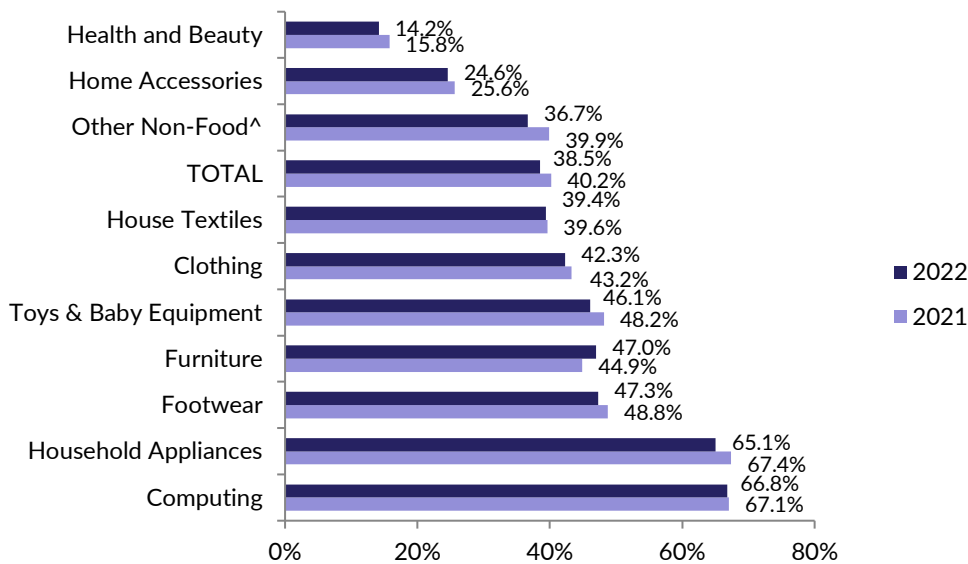


Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR AUGUST 2022

Covering the four weeks 31 July – 27 August 2022

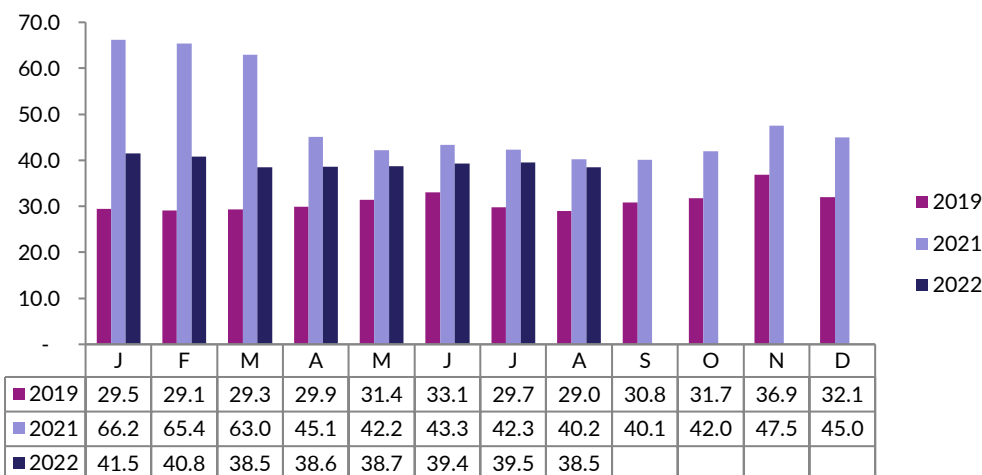
AUG: ONLINE PENETRATION RANKINGS BY CATEGORY



Source: BRC-KPMG RSM

Note: Online sales in the Monitor include all distance sales, notably mail and phone orders

TOTAL NON-FOOD SALES: WEIGHTED ONLINE PENETRATION



NON-FOOD ONLINE PENETRATION RATE ONLINE AS % OF TOTAL	
Aug 2022	38.5%
Aug 2021	40.2%
Jul 2022	39.5%
3m average	39.1%
12m average	40.8%

Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR AUGUST 2022

Covering the four weeks 31 July – 27 August 2022

NON-FOOD ONLINE RETAIL SALES

MONTH	TOTAL GROWTH % CHANGE YOY		ONLINE PENETRATION AS % OF TOTAL SALES		CONTRIBUTION TO TOTAL NON-FOOD GROWTH (PERCENTAGE POINT)	
	MONTHLY*	3M AVERAGE*	MONTHLY	3M AVERAGE	MONTHLY	3M AVERAGE
Aug 2021	-4.6	-3.5	40.2	42.1	-2.3	-1.9
Sep	-7.3	-4.0	40.1	40.8	-3.7	-2.3
Oct	-8.0	-6.7	42.0	40.7	-4.4	-3.5
Nov	-17.9	-10.8	47.5	43.0	-14.2	-7.2
Dec	-13.9	-13.3	45.0	44.9	-8.2	-8.9
Jan 2022	-24.2	-18.3	41.5	44.7	-16.7	-12.7
Feb	-28.4	-21.5	40.8	42.6	-19.6	-14.3
Mar	-29.0	-27.3	38.5	40.1	-19.5	-18.7
Apr	-13.9	-24.1	38.6	39.2	-6.9	-15.6
May	-8.5	-18.0	38.7	38.6	-4.1	-10.9
Jun	-9.1	-10.3	39.4	38.9	-4.4	-5.1
Jul	-3.9	-7.3	39.5	39.2	-1.7	-3.5
Aug	-6.1	-6.6	38.5	39.1	-2.7	-3.0

Source: BRC-KPMG Retail Sales Monitor. * 2020 ws a 53-week year in the ONS calendar: as a result of the extra week in January 2020, the comparable 2019 performances cited here may differ from those published last year, due to the one-week shift in the comparison

NON-FOOD STORE THREE-MONTH AVERAGE RETAIL SALES YEAR-ON-YEAR CHANGE

THREE MONTHS ENDING	TOTAL % CHANGE YOY	LFL % CHANGE YOY
Aug 2021	23.7%	16.7%
Sep	10.8%	6.6%
Oct	8.9%	5.1%
Nov	30.5%	22.2%
Dec	36.0%	26.8%
Jan 2022	67.6%	54.0%
Feb	71.2%	57.2%
Mar	92.9%	74.9%
Apr	59.3%	45.8%
May	31.5%	24.1%
Jun	2.2%	0.6%
Jul	2.0%	1.2%
Aug	1.4%	0.3%

Source: BRC-KPMG Retail Sales Monitor

BRC – KPMG RETAIL SALES MONITOR AUGUST 2022

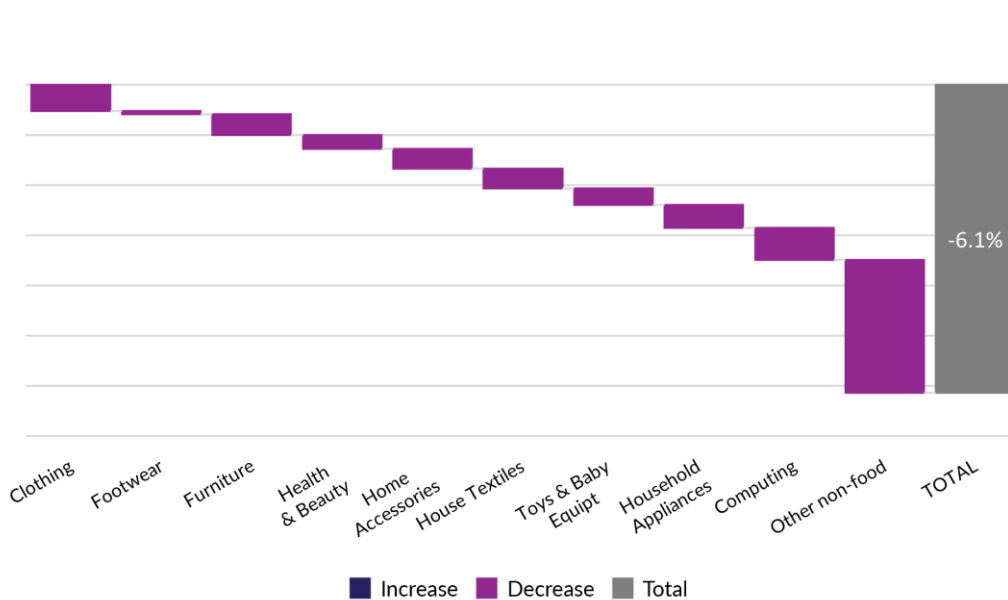
Covering the four weeks 31 July – 27 August 2022

SECTOR PERFORMANCE: ONLINE SALES GROWTH

CATEGORY	SALES UP / DOWN AUG 2022	GROWTH RANKINGS				
		AUG 2022	JUL 2022	AUG 2021	3M AVG	12M AVG
Footwear	▼	1	1	2	1	2
Clothing	▼	2	2	1	2	1
Health & Beauty	▼	3	3	4	3	3
Toys & Baby Equipment	▼	4	5	8	4	5
Household Appliances	▼	5	4	7	5	4
Furniture	▼	6	9	3	7	6
Other Non-Food	▼	7	8	5	9	7
Computing	▼	8	6	10	6	10
Home Accessories	▼	9	10	6	10	9
House Textiles	▼	10	7	9	8	8

Source: BRC-KPMG RSM

AUG: CONTRIBUTION TO NON-FOOD ONLINE SALES GROWTH BY CATEGORY



Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR AUGUST 2022

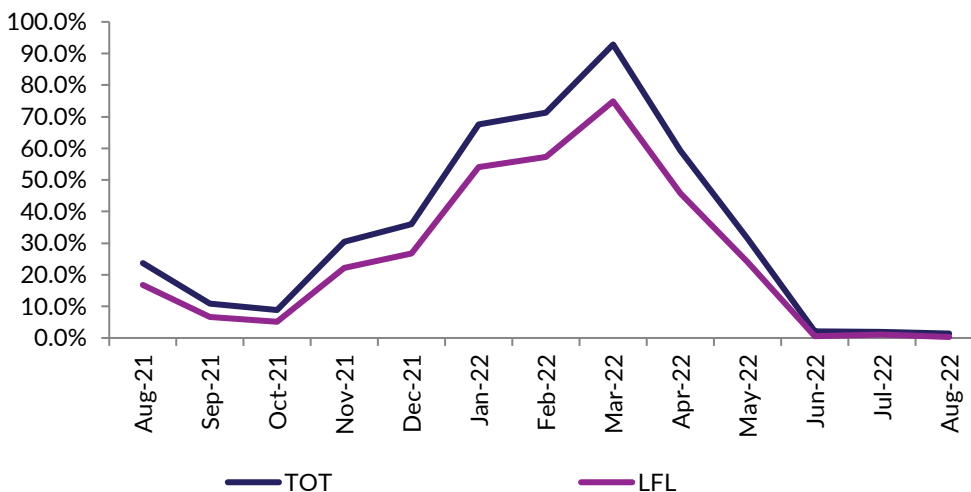
Covering the four weeks 31 July – 27 August 2022

SECTOR PERFORMANCE: STORE TOTAL SALES GROWTH

CATEGORY	SALES UP / DOWN AUG 2022	GROWTH RANKINGS				
		AUG 2022	JUL 2022	AUG 2021	3M AVG	12M AVG
Health & Beauty	▲	1	2	6	2	9
Footwear	▲	2	1	7	1	3
Other Non-Food	▲	3	4	5	3	6
Household Appliances	▲	4	5	9	5	5
Toys & Baby Equipment	▲	5	7	4	6	8
Clothing	▲	6	3	1	4	4
Home Accessories	▼	7	8	8	8	10
Computing	▼	8	6	2	7	2
House Textiles	▼	9	9	3	9	7
Furniture	▼	10	10	10	10	1

Source: BRC-KPMG RSM

NON-FOOD STORE THREE-MONTH AVERAGE RETAIL SALES YEAR-ON-YEAR CHANGE (%)



Source: BRC-KPMG RSM



BRC – KPMG RETAIL SALES MONITOR AUGUST 2022

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NOTES

The BRC-KPMG Retail Sales Monitor measures changes in the actual value (including VAT) of retail sales, excluding automotive fuel. The Monitor measures the value of spending and hence does not adjust for price or VAT changes. If prices are rising, sales volumes will increase by less than sales values. In times of price deflation, sales volumes will increase by more than sales values.

Retailers report the value of their sales for the current period and the equivalent period a year ago. These figures are reported both in total and on a 'like-for-like' basis. Total sales growth is the percentage change in the value of all sales compared to the same period a year earlier. The total sales measure is used to assess market level trends in retail sales. It is a guide to the growth of the whole retail industry, or how much consumers in total are spending in retail – retail spending represents approximately one-third of consumer spending. It is this measure that is often used by economists. Many retailers include distance sales as a component of total sales.

'Like-for-like' sales growth (LFL) is the percentage change in the value of comparable sales compared to the same period a year earlier. It excludes any spending in stores that opened or closed in the intervening year, thus stripping out the effect on sales of changes in floorspace. Many retailers include distance sales as a component of like-for-like comparable sales. The like-for-like measure is often used by retailers, the city and analysts to assess the performance of individual companies, retail sectors and the industry overall, without the distorting effect of changes in floorspace.

From April 2020, the LFL guidance was to exclude stores that were forced to close temporarily due to **COVID-19** measures from both the current period and the equivalent period a year ago. Online was considered open all the time. The majority of retailers could comply but some couldn't exclude temporarily closed stores from their LFL figures.

Online (including mail order and phone) sales of non-food are transactions which take place over the internet, or via mail order or phone. Online sales growth is the percentage change in the value of online sales compared to those in the same period a year earlier. It is a guide to the growth of sales made by these non-store channels. It should be noted that online sales are still a small proportion of total UK retail sales.

Penetration is the proportion of sales attributed to the online channel (including mail order and phone). Penetrations are calculated category by category as online sales submitted by participating retailers relative to total sales those retailers submit to the BRC-KPMG Retail Sales Monitor. Participants who do not sell online (or through non-store channels) are included but participants who do sell online but do not submit their online sales are excluded.

The responses provided by retailers within each sales category are weighted (based on weightings derived from the ONS Family Spending survey) to reflect the contribution of each category to total retail sales, thus making it representative of UK retail sales as a whole. Category weightings for Online and In-Store growth and contribution to growth are derived from the UK weightings. The methodology used for weightings is revised from time to time. Because the figures compare sales each month with the comparable period last year, a seasonal adjustment is not made. However, changes in the timing of Bank Holidays and Easter can create distortions, which should be considered in the interpretation of the data.

As well as receiving sales value direct from the retailers in the scheme the BRC-KPMG Retail Sales Monitor also receives food and drink sales value data from the IGD's Market Track Scheme.

In its role as sponsor of the BRC-KPMG Retail Sales Monitor, KPMG is responsible for the aggregation of the retail sales data provided by the retailers on a weekly basis. This data consists of the relevant current week's sales data and comparative sales figures for the same period in the prior year. The aggregation has been performed by KPMG on data for periods following 2 April 2000 and equivalent prior periods. The accuracy of the data is entirely the responsibility of the retailers providing it. The sponsorship role has been performed by KPMG since 10 April 2000 and the same for the aggregation of comparative sales figures for the period from 2 April 2000 it is not responsible for the aggregation of any data included in this Monitor relating to any period prior to 2 April 2000.

The commentary from KPMG is intended to be of general interest to readers but is not advice or a recommendation and should not be relied upon without first taking professional advice. Anyone choosing to rely on it does so at his or her own risk. To the fullest extent permitted by law, KPMG will accept no responsibility or liability in connection with its sponsorship of the Monitor and its aggregation work to any party other than the BRC.



BRC – KPMG RETAIL SALES MONITOR AUGUST 2022

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The September 2022 Monitor, covering the five weeks 28 August – 1 October 2022, will be released at 00.01am on Tuesday 11 October 2022. The data is collected and collated for the BRC by KPMG.

The British Retail Consortium (BRC) is the UK's leading retail trade association. It represents the full range of retailers, large and small, multiples and independents, food and non-food, online and store based.

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**FOOD DATA SUPPLIED BY**

IGD is an education and training charity for the food and grocery industry that undertakes research for the benefit of the public. Our in-depth understanding of shoppers, retailing and supply chains is supported by our knowledge of broader topics affecting the industry – health, nutrition, sustainability and economics among them. This gives us unparalleled insight that can help identify opportunities to improve performance and tackle business challenges. Our reach is global, with experts based in the UK, Singapore and North America. We invest the net income we make from selling our expertise back into our charitable activities.

BRC – KPMG RETAIL SALES MONITOR AUGUST 2022

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**Detailed weekly data by category
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