

BRC – KPMG RETAIL SALES MONITOR

JULY 2022

COVERING FOUR WEEKS 3RD TO 30TH JULY 2022

SUMMER SUN STIMULATES SPENDING

EXECUTIVE SUMMARY : 1 MINUTE READ

% CHANGE YEAR-ON-YEAR		TOTAL	LFL
UK RETAIL SALES	▲	+2.3%	+1.6%
FOOD (3-MTH)	▲	+ 2.3%	+1.8%
NON-FOOD (3-MTH)	▼	-2.0%	-2.5%
NON-FOOD - STORE (3-MTH)	▲	+2.0%	+1.2%
NON-FOOD - ONLINE	▼	-3.9%	N/A

UK retail sales returned to growth in July, following 3 months of consecutive declines.

The strong summer sunshine over the month, peaking in the mid-month heatwave gave demand a boost, led both Food and Non-Food to see growth for the first time since December to 2.3%.

As the record-breaking temperatures were well-forecast, consumers prepared beforehand, with strong non-food sales in light summery clothing any appliance to cool people's homes – especially as many continue to work from remotely.

Barbecue food and drinks were also in high demand throughout the month, as people are more inclined to socialise than at this point last year.

Despite the advanced hot weather warning, online sales continue to struggle from their highs last year, with sales down 3.9% although considerably better than the 9.1% reported last month. The proportion of sales online across the industry has stabilised at 39.5%.





Helen Dickinson OBE, Chief Executive | British Retail Consortium

“Sales improved in July as the heatwave boosted sales of hot weather essentials. Summer clothing, picnic treats, and electric fans all benefitted from the record temperatures as consumers made the best of the sunshine. However, with inflation at over 9% many retailers are still contending with falling sales volumes during what remains an incredibly difficult trading period.

“Consumer confidence remains weak, and the rise in interest rates coupled with talk of recession will do little to improve the situation. The Bank of England now expects inflation to reach over 13% in October when energy bills rise again, further tightening the screws on struggling households. This means that both consumers and retailers are in for a rocky road throughout the rest of 2022.”



Paul Martin, UK Head of Retail | KPMG

“The sun came out for retailers in July, as like for like sales grew 1.6% on last year. Against a backdrop of the cost of living crisis and on-going reports of low consumer confidence actual sales are still holding up. Online retailers also saw the benefit of warmer weather with sales growth falling more slowly, by just 3.9% on July 2021.

“Despite consumer polls suggesting confidence is at an all-time low, this hasn’t translated to money not being spent at the tills, as consumers are determined to enjoy delayed holidays and an unrestricted summer. Pent up demand, especially for new clothes, has so far been at significant enough levels to keep the overall retail sector in relatively good health. With travel and summer socialising back on the agenda, retailers will be hoping the feel good factor continues into August.

“However, the summer could be the lull before the storm with conditions set to get tougher as consumers arrive back from summer breaks to holiday credit card bills, another energy price hike and rising interest rates. With stronger cost of living headwinds on the horizon, consumers will have to prioritise essentials, and discretionary product spending will come under pressure. As margins continue to be challenged, and costs continuing to rise, a significant drop in demand come the Autumn will have detrimental impact on the health of the retail sector. Truly understanding individual customer buying patterns and being able to differentiate these will become increasingly more important for the sector.”

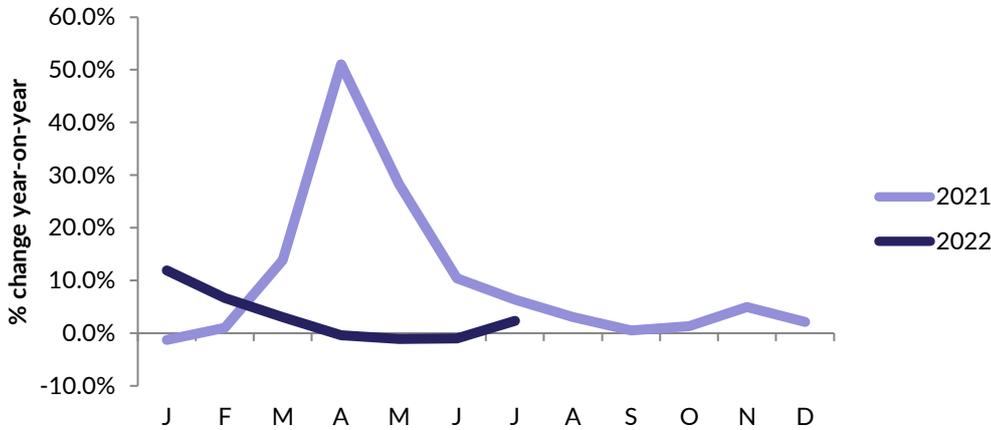


Food & Drink sector performance | Susan Barratt, CEO | IGD

“July’s food and drink value sales were again flattered by inflation, masking some ongoing dips in sales volumes. Shoppers are genuinely tightening their belts by buying fewer items in addition to switching stores and buying more private label products.

“Our Shopper Confidence Index improved a little in July, no doubt boosted by England’s Lionesses successful Euro 2022 football campaign. Plus, the heatwave and one in four families receiving the first cost of living payment, fewer were impacted by rising energy bills (68% compared to 74% in April ’22). However, with food price inflation forecast to increase in the coming months and Ofgem expected to announce a significant increase in the energy price cap at the end of August, there are still significant challenges ahead.”

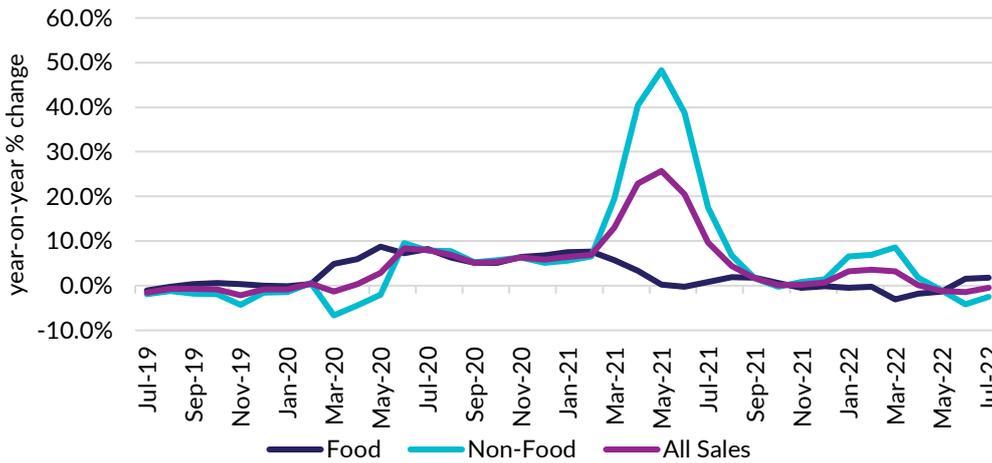
MONTHLY GROWTH OF TOTAL RETAIL SALES



	LFL	TOTAL
July 2022	1.6%	2.3%
July 2021	4.7%	6.4%
June 2022	-1.3%	-1.0%
3m average	-0.5%	0.0%
12m average	0.8%	2.7%

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	1.8%	2.3%
Non-food	-2.5%	-2.0%
All Sales	-0.5%	0.0%

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

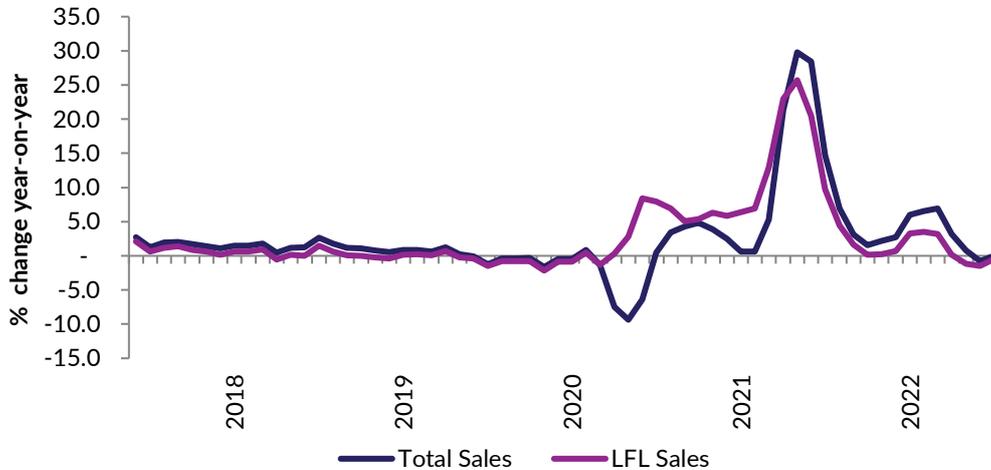
Note: Like-for-like has been measured EXCLUDING temporarily closed stores due to COVID-19 but including Online sales



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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.

The sun shone on UK retail in July, with a return to growth for the first time since March. On a Total basis, the year-on-year growth rate of 2.3% was heavily influenced by the heatwave that arrived in the second week and was surrounded by good weather for the rest of the month. Another important factor boosting sales was the first cost-of-living relief payments for lower income households being paid in July.

Both sides of the consumer spending equation performed well in July, with Food leading the way with its strongest showing since April last year. The weather played a significant role in this improvement, as people were keen to socialise as the temperatures soared, which boosted sales of barbecue food and refreshments in comparison to recent months. However, a significant portion of the 2.3% growth over the last three months remains to be price inflation at the checkouts, which is driving many consumers to either cut back on their amounts of consumption, or trade down in the ranges they are purchasing.

In July, Non-Food sales were in growth for the first time since March, however the three-month average remained in decline of 2.0%. This improvement was primarily driven by the continued revival of the Fashion-related categories that all saw growth once again in the month. However, the record-setting 40°C temperatures for much of the country had consumers scrambling to get their hands on anything that would help cool their homes, as many continue to work from home. Other homewares did not perform well, once again, as the demand for the aforementioned categories left little discretionary spend to go around, with consumers ever-more price sensitive.

Despite remaining in decline for yet another month, Non-Food Online sales saw their shallowest rate of decline since July last year. This was largely driven by consumer demand for fans and air-conditioning units, to escape the heat, as the heatwave was well-forecast and so giving people enough time to prepare and have goods delivered in advance. That being said, store sales also saw their strongest performance in three months and their 16th consecutive month of growth.

James Hardiman, Senior Analyst

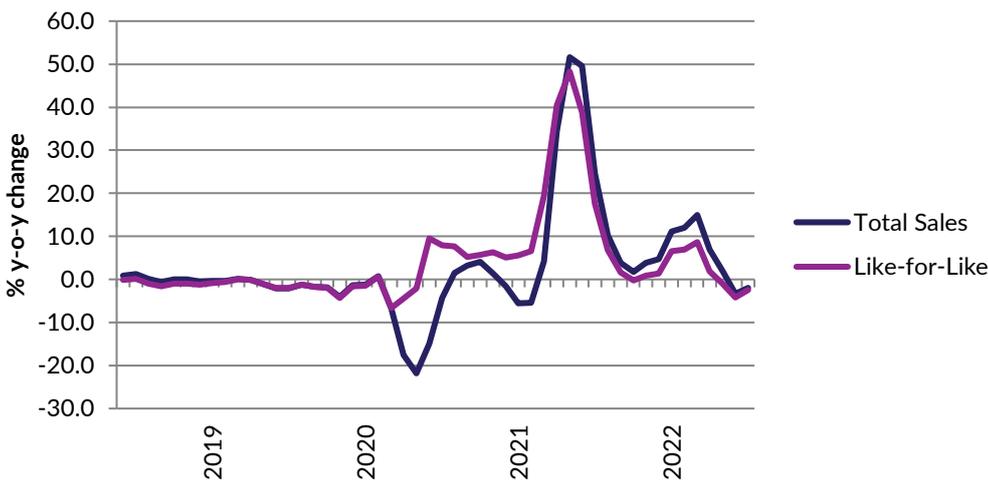
BRC – KPMG RETAIL SALES MONITOR JULY 2022

Covering the five weeks 3 – 30 July 2022

FOOD SALES: 3-MONTH AVERAGE



NON-FOOD SALES: 3-MONTH AVERAGE



Source: BRC-KPMG RSM

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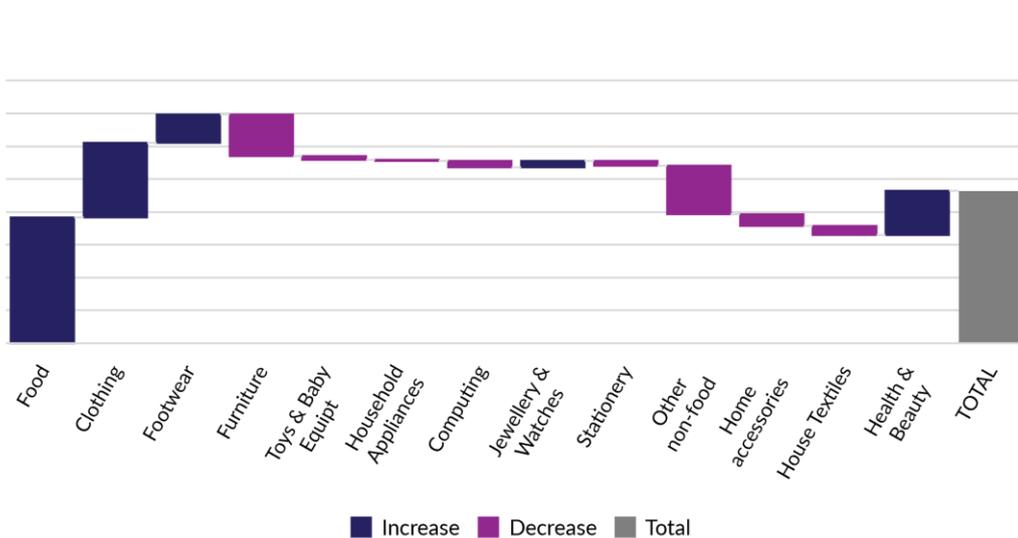
PERFORMANCE BY CATEGORY

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

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

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

JUL: CONTRIBUTION TO TOTAL SALES GROWTH BY CATEGORY



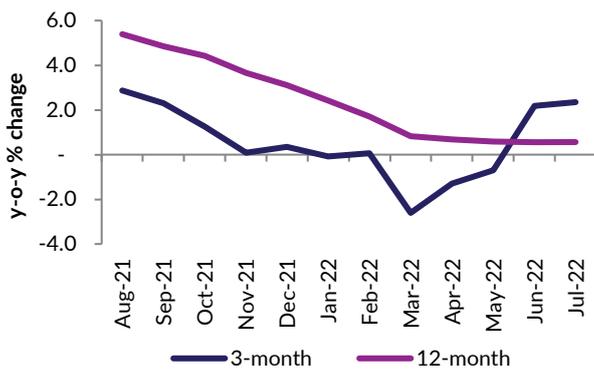
Source: BRC-KMG RSM (Includes Food data from IGD); in this chart, purple blocks represent negative contributions

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FOOD

TOTAL SALES ROLLING AVERAGE GROWTH: FOOD



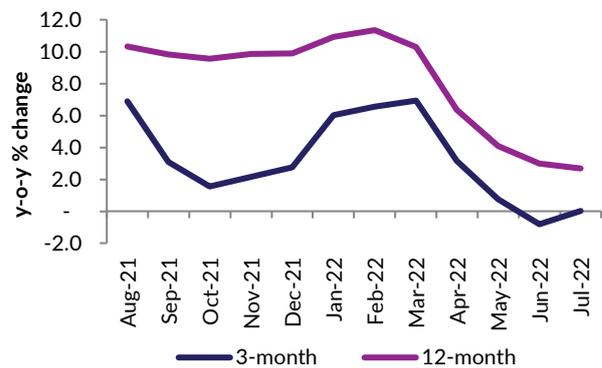
TOTAL SALES ROLLING AVERAGE GROWTH: NON-FOOD



FOOD

Food sales grew 2.3% on a Total basis in the three months to July, up from 2.2% in the period April to June. On a Like-for-like basis, sales rose 1.8% year-on-year in the 3-month period. While the Food category remained in growth during July, the increase is more a result of rising inflation, rather than an increase in sales volumes. However, during the heatwave there was reportedly an increased demand for beer and soft drinks as people gathered with family and friends to enjoy the sunshine. According to the BRC – NielsenIQ Shop Price Index (SPI), Food price inflation accelerated to 7.0% in July, up from 5.6% June. This is the highest inflation rate recorded since May 2009.

TOTAL SALES ROLLING AVERAGE GROWTH: UK



“

There was said to be increased demand for beer and soft drinks during the heatwave

”

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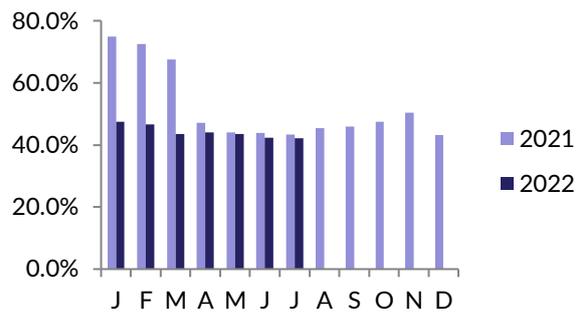
Covering the five weeks 3 – 30 July 2022

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

The strong performance in clothing and apparel continued in July, with both the menswear and womenswear categories recording solid year-on-year growth. Not surprisingly, summer ranges were in high demand with dresses, swimwear and nightwear performing well in womenswear, while shirts and T-shirts were popular in the menswear category. While childrenswear returned to growth, following four months of year-on-year decline, the category remains the weakest performer overall in Clothing.

THE MONTH BY CHANNEL

Online Clothing sales remained in growth during July and accelerated from the previous month, reaching the second-highest growth rate recorded year-to-date. In-store sales were boosted by the scorching temperatures around the middle of the month, with reports of less returns from some retailers, due to more people trying on items in stores. The Online penetration rate decreased by 1.3 percentage points from the same month last year, to 42.1% in July.



In-store Clothing sales were boosted by the scorching temperatures in July



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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

Once again, Footwear was the top-performing category in terms of year-on-year sales during July, with growth accelerating from the previous month. Looking at the performance compared with pre-pandemic trends, for the first time this year sales moved into positive territory, albeit marginally, compared with 2019. Both men’s and women’s ranges performed well during July, with sandals in high demand for the latter group. While children’s footwear was broadly flat last month, this is most likely due to the anticipation of typical back-to-school shopping expected in August.

THE MONTH BY CHANNEL

Online Footwear sales remained in growth during July, with the year-on-year performance reaching the second-highest level year-to-date. On a 3-year basis, Online sales remain significantly ahead of pre-pandemic levels with growth accelerating from the previous month. Although In-store sales remain below pre-pandemic levels, for the third consecutive month the performance improved, with the July decline improving significantly from the previous month. The Online penetration rate decreased by 2.8 percentage points from the same month last year, to 52.2% in July.



Women’s sandals were said to be in high demand in July



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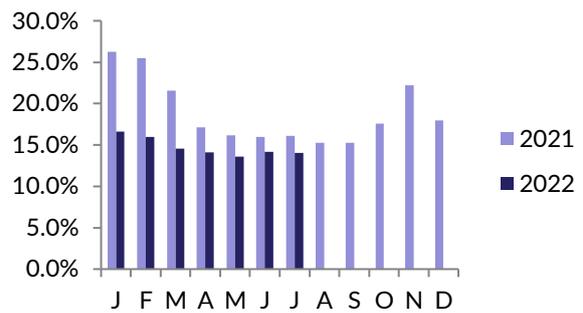
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HEALTH & BEAUTY

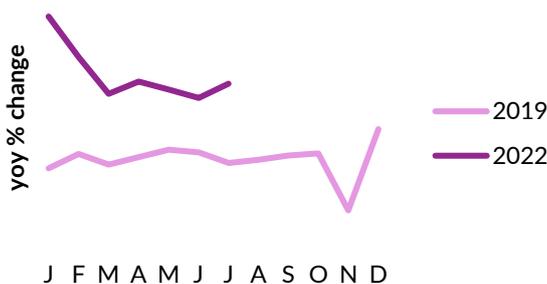
HEALTH AND BEAUTY: UK TOTAL SALES CHANGE



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

The Health & Beauty category continued to improve during July, with sales edging up from the previous month, resulting in the strongest year-on-year performance since March. On a 3-year basis, sales moved back into positive territory for the second time this year, resulting in the strongest performance year-to-date, compared with pre-pandemic levels. The demand for skincare and wellness products continued in July, with bath & body products and sun protection creams said to have performed well.

THE MONTH BY CHANNEL

Although Online sales in Health & Beauty remain below 2021 levels, the improving trend continued during July with the year-on-year performance edging closer to positive territory. On a 3-year basis, Online sales remain significantly ahead of pre-Covid levels. Conversely, In-store sales remain below 2019 levels, although the July performance edged closer to pre-pandemic trends, with the best performance year-to-date. The Online penetration rate decreased by 2.0 percentage points from the same month last year to 14.1% in July.



Health & Beauty recorded the strongest performance year-to-date, on a 3-year basis



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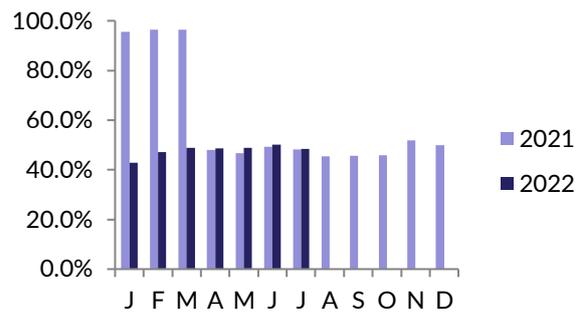
Covering the five weeks 3 – 30 July 2022

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 remains the weakest performing category in the Retail Sales Monitor, with year-on-year sales continuing to decline. On a positive note, the decrease lessened from the previous month, resulting in the best performance year-to-date. On a 3-year basis, sales slowed significantly from the previous month but remained above pre-pandemic levels. Higher ticket furniture items were said to have seen the biggest impact from the cost of living crisis, while lower ticket items fared better. The GfK Consumer Confidence Index for Major Purchases rose by 1 point from the previous month, reaching -34 in July.

THE MONTH BY CHANNEL

There was little change in the performance of Online Furniture sales from the previous month, with a strong July performance compared with pre-pandemic levels, while year-on-year sales remain in decline. In-store sales fell back into decline in July, on a 3-year basis, following two consecutive months of growth in May and June. The Online penetration rate increased by 0.2 percentage points from the same month last year, to 48.5% in July.



Higher ticket items of furniture were said to have seen the biggest impact from the cost of living crisis



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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

There was little change in the performance of the Home Accessories category in July, with sales declining both year-on-year and compared with pre-pandemic levels. However, the year-on-year decline was less steep than the average rate observed in the previous three months. We appear to be seeing a continuing trend with consumer spend moving away from home related products predominantly due to demand largely having been satisfied throughout the pandemic.

THE MONTH BY CHANNEL

Although Online sales of Home Accessories remain in decline, the July performance was the best performance recorded since April last year. On a 3-year basis, Online sales continue to grow, with the July performance bouncing back to strong growth following a slowdown in the previous month. While In-store sales remain below 2019 levels, sales continue to edge closer to pre-pandemic levels for the second consecutive month. The Online penetration rate decreased by 1.6 percentage points from the same month last year, to 26.3% in July.



Online Home Accessories sales continue to grow ahead of 2019 levels





BRC - KPMG RETAIL SALES MONITOR JULY 2022

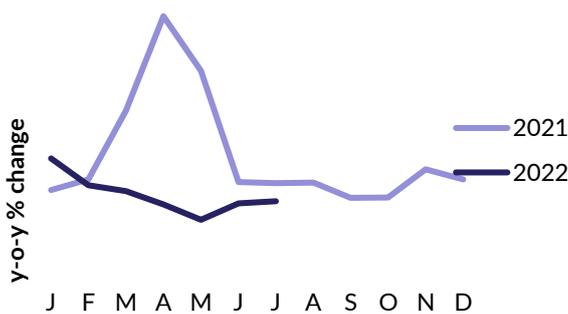
Covering the five weeks 3 - 30 July 2022

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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

The House Textiles category is following a similar trajectory to Home Accessories, with sales continuing to decline compared with the same period last year. On a 3-year basis, sales were also in decline in July, but to a lesser extent than the rate observed in the previous month. Demand for bath and bed linens was said to have slowed last month, most likely due to consumer belt tightening, but also demand having largely been satisfied during the pandemic, as seen in the overall Home category.

THE MONTH BY CHANNEL

In June we observed a slowdown in Online sales growth, when compared with 2019. However, during July sales bounced back to almost double the rate recorded in the previous month. While In-store sales remain below pre-pandemic levels, the decline softened in July, resulted in the best performance year-to-date. The Online penetration rate increased by 0.1 percentage point from the same month last year, to 42.1% in July.



Demand for bath and bed linens was said to have slowed in July



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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

July was the second consecutive month at a broadly equal level of decline for the category, with the month's result just shy of June's best year-to-date level. While another decline is not good news for retailers in this sphere, there were reasons to be hopeful, as the sunshine drove demand for outdoor toys. This was especially apparent ahead of the record-breaking temperatures seen mid-month. Sales were also said to be strong in the final week of the month, where the first week of the summer holidays coincided with the good weather.

THE MONTH BY CHANNEL

On a year-on-year basis, online sales remained in decline, once again. However, when comparing against their level prior to the pandemic, sales were in growth for only the second time this year, as parents had plenty of time ahead of the heatwave to prepare and so could wait for home delivery of outdoor toys. In-store sales performed worse than the previous month. The Online penetration rate decreased by 1.7 percentage points from the same point last year, to 46.7% in July.



The record-breaking temperatures drove demand for outdoor toys



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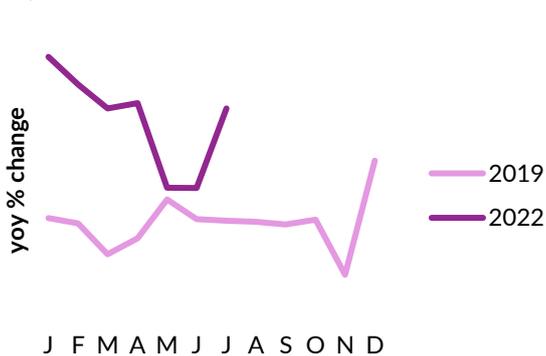
Covering the five weeks 3 – 30 July 2022

HOUSEHOLD APPLIANCES

HOUSEHOLD APPLIANCES: UK TOTAL SALES CHANGE



HOUSEHOLD APPLIANCES: ONLINE SALES CHANGE (3-YR)



THE MONTH OVERALL

The perennial rush from consumers for electrical items to cool their houses finally arrived in July. This may have occurred later in the year than retailers would have ideally liked, as it left them holding stock for longer, but this was more than made up for by two factors; the heatwave brought record-breaking temperatures with over 40°C in large swathes of the country, also the good weather was well forecast. This gave more people as much motivation as possible to buy fans and air-conditioning units and also gave them ample time to order them. Conversely, it was reported that all other areas of the category saw lacklustre demand, as there remains little discretionary spend available overall.

HOUSEHOLD APPLIANCES: ONLINE PENETRATION RATE



HOUSEHOLD APPLIANCES: STORES SALES CHANGE (3-YR)



THE MONTH BY CHANNEL

The early forecasting of the heatwave gave consumers plenty of time to order home cooling equipment online and have them delivered before the temperatures hit their record-breaking heights mid-month. This benefitted online sales accordingly. In store sales also performed well, particularly mid-month as some were organised enough to plan ahead. The Online penetration rate decreased by 2.4 percentage points from last July, to 67.1%.

“The perennial rush from consumers for electrical items to cool their houses finally arrived in July



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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

Computing saw a slightly worse performance in July, from the already declining trend seen in the previous month. The category continues to suffer from its popularity up to early last year when far more people were working from home. Laptops were said to see little demand, with only the start of the new academic year likely to attract consumers in the near-term future. Also, a variety of retailers commented that stock levels are now at a good level, which should help sales going into the autumn and the all-important 'golden quarter'.

THE MONTH BY CHANNEL

Online sales were fairly stagnant on a year-on-year basis, with a broadly similar rate of decline as that seen in the previous month. However, compared to their pre-pandemic levels, they were still in significant growth and above the level seen a month earlier. In-store sales continued to improve from the previous month, as footfall was said to improve. The Online penetration rate decreased by 2.0 percentage points from July last year, to 67.6%, but the category remains the highest in terms of proportion of online sales.



Only the start of the new academic year is likely to attract demand in the near-term future



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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)



** 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 OVERALL

Other Non-Food picked up to record its second best performance of the year so far, but remained in decline for the sixth consecutive month. Much of this improvement was driven by strong sales of outdoor leisure goods and furniture. On the downside, the lack of a summer World Cup and warm weather left little demand for indoor goods.



The month saw strong sales of outdoor leisure goods and furniture



THE MONTH BY CHANNEL

Online, the category saw a vastly improved performance in comparison to the previous month and a reversal of the slowing trend seen over the last few months, when compared to its pre-pandemic levels. In-store sales also performed well, with outdoor furniture particularly in demand. The Online penetration rate decreased by 5.1 percentage points from last July, to 38.1% this time.

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OTHER NON-FOOD

Includes in particular:

Jewellery & Watches



Jewellery & Watches saw a slight improvement from the already growing trend in July. A variety of retailers reported an increase in tourism levels and formal events that have driven this growth. However, the levels of tourism – even in the largest cities in the country – remain subdued in comparison to their pre-pandemic levels.

Electricals & Electronics

Indoor entertainment was certainly off the menu in a July that had such levels of sunshine and encompassed a record-breaking heatwave mid-month. This left little demand for Audio & Video equipment in particular, as people spent much more time enjoying the outdoors than the same point a year ago. Looking ahead to the rest of the year, retailers claimed that they are much more confident in their ability to fulfil the increase in demand that will arrive in the final quarter, especially for the winter World Cup.

Leisure Goods, Gaming, Books, CDs & DVDs

Outdoor sports equipment performed well throughout the month, despite the ongoing constriction of discretionary spending. Luggage sales were also said to be performing well on a year-on-year basis, as there are much more holidays occurring this year.

DEPARTMENT STORES

Department Stores were widely reported to perform well throughout July, as the good weather perpetuated for the entire month. The exceptional temperatures recorded mid-month also, counterintuitively, boosted shopper numbers, as people looked to enjoy the air-conditioned spaces while searching for fans. However, disappointingly there was little 'halo-effect' on sales of other categories, due to the ongoing cost-of-living crisis. Department Stores located near or joined to shopping centres were also said to see shopper numbers improve, which is in stark contrast to their performance since the pandemic arrived. This was attributed to the continuation of the mid-season sales for Fashion, that were still performing well.

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MONTHLY RETAIL SALES: % CHANGE YEAR-ON-YEAR (2022 IS ALSO YO3Y)

MONTH	2020		2021		2022		2022 (YO3Y)	
	LFL	TOTAL	LFL (1)	TOTAL	LFL	TOTAL	LFL	TOTAL
January	0.0	0.4	7.1	-1.3	8.1	11.9	12.3	6.8
February	-0.4	0.1	9.5	1.0	2.7	6.7	9.4	4.7
March	-3.5	-4.3	20.3	13.9	-0.4	3.1	8.2	5.4
April	5.7	-19.1	39.6	51.1	-1.7	-0.3	32.2	3.9
May	7.9	-5.9	18.5	28.4	-1.5	-1.1	17.4	6.2
June	10.9	3.4	6.7	10.4	-1.3	-1.0	13.0	8.8
July	4.3	3.2	4.7	6.4	1.6	2.3	9.3	10.6
August	4.7	3.9	1.5	3.0				
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	3.5	-2.9	15.1	15.5	0.9	3.0	14.3	6.7
Jan-Dec average	4.4	-0.3	8.9	9.9	n/a	n/a	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
May – Jul 2021	0.8	17.6	9.7	2.9	24.6	14.7
Jun – Aug	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

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 JULY 2022

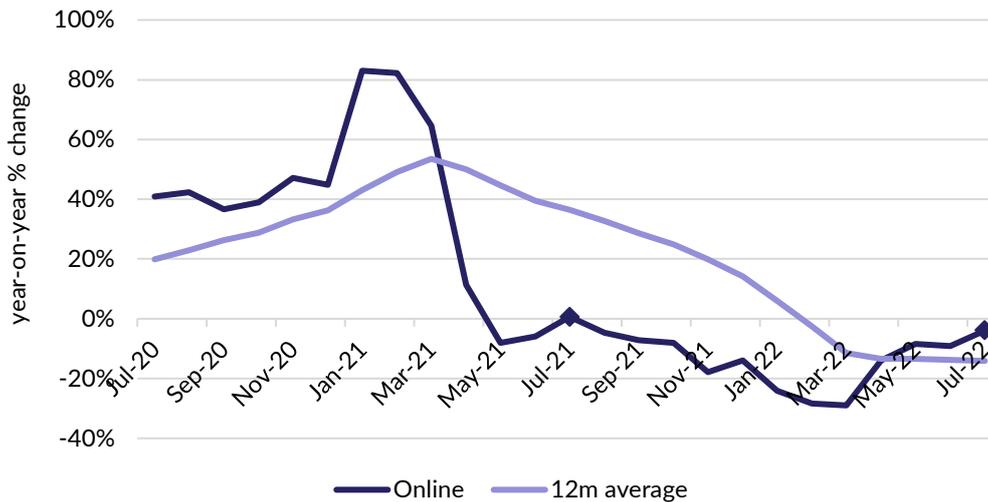
Covering the five weeks 3 - 30 July 2022

ONLINE VERSUS STORE DATA

BRC – KPMG RETAIL SALES MONITOR JULY 2022

Covering the five weeks 3 – 30 July 2022

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

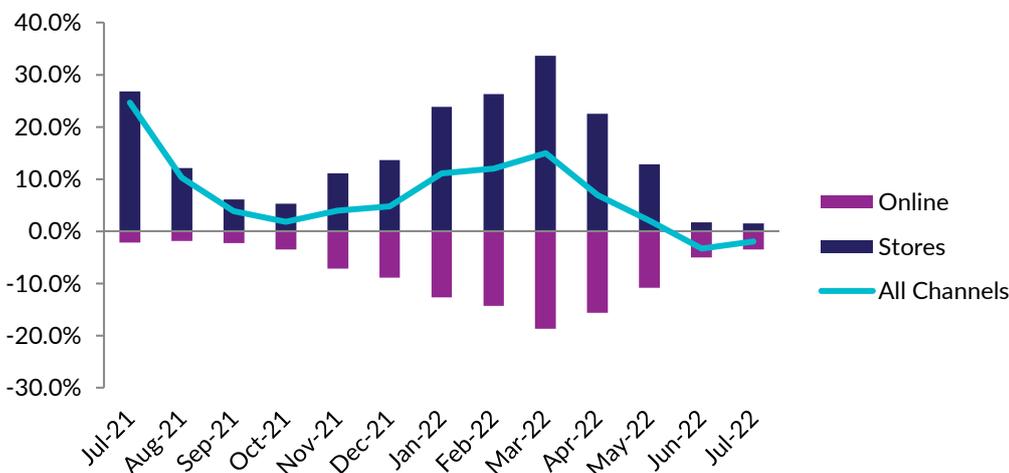


NON-FOOD GROWTH	ONLINE*	UK TOTAL
July 2022	-3.9%	n/d
July 2021	0.6%	n/d
Jun 2022	-9.1%	n/d
3m avg	-7.3%	-2.0%
12m avg	-14.1%	4.5%

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
May - Jul 22	1.2%	2.0%
May - Jul 21	48.1%	64.9%
Apr - Jun 22	0.6%	2.2%
12m avg	26.5%	34.4%

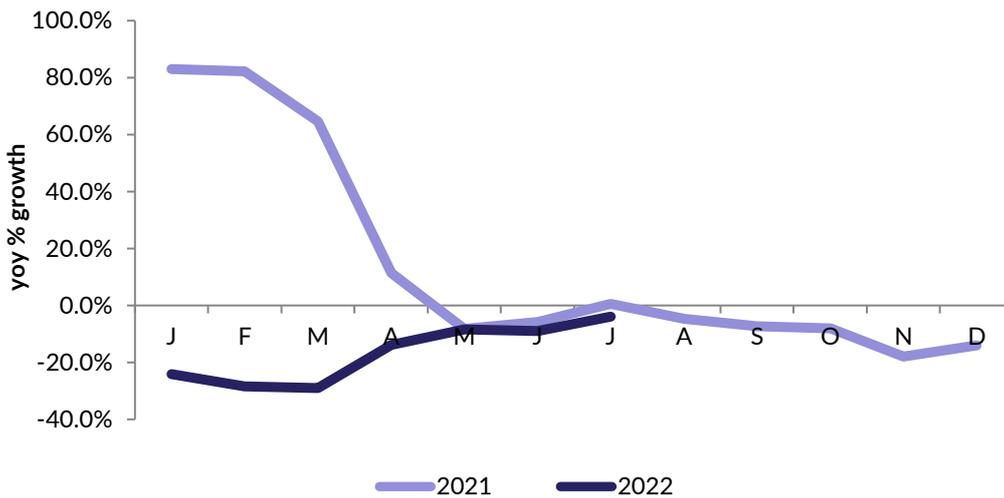
Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR JULY 2022

Covering the five weeks 3 – 30 July 2022

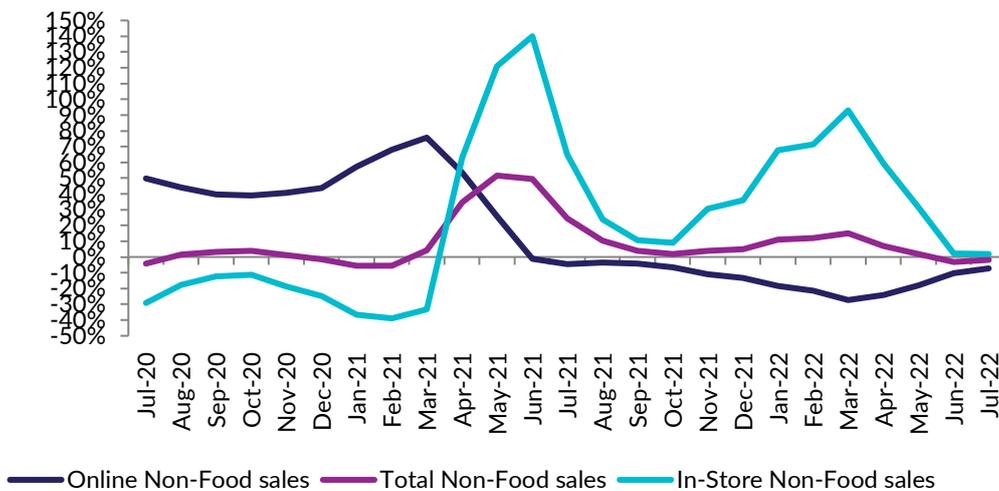
BRC-KPMG NON-FOOD RETAIL SALES YEAR-ON-YEAR GROWTH:

MONTHLY GROWTH OF ONLINE NON-FOOD RETAIL SALES



Source: BRC-KPMG RSM

3M ROLLING AVERAGE GROWTH OF NON-FOOD SALES

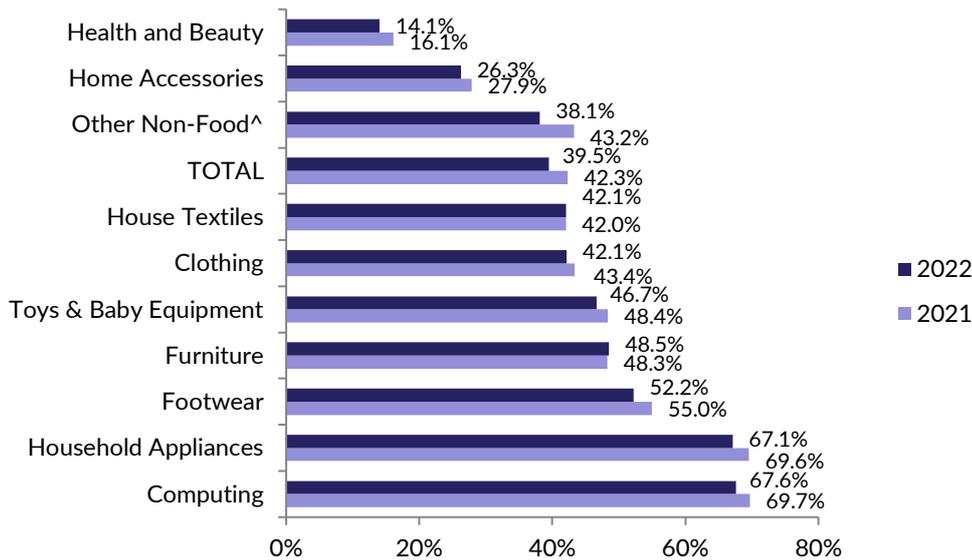


Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR JULY 2022

Covering the five weeks 3 – 30 July 2022

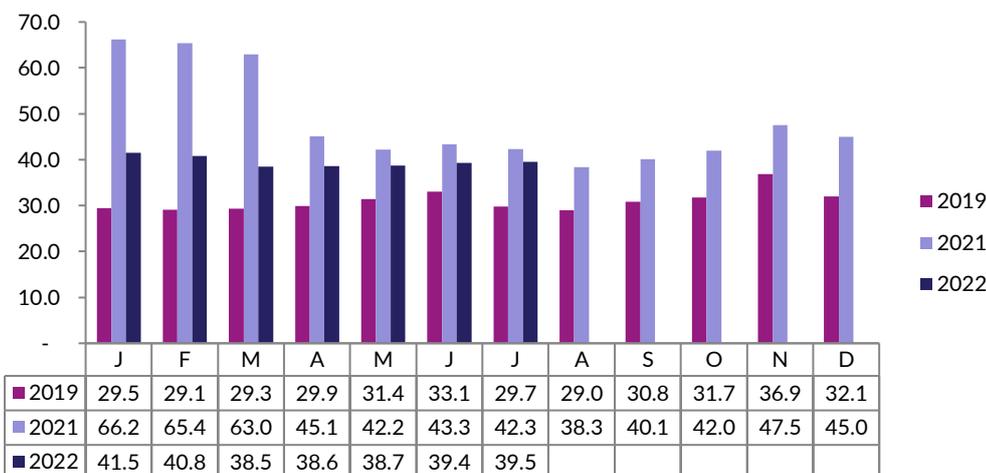
JUL: ONLINE PENETRATION RANKINGS BY CATEGORY



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	
July 2022	39.5%
July 2021	42.3%
June 2022	39.4%
3m average	39.2%
12m average	40.8%

Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR JULY 2022

Covering the five weeks 3 – 30 July 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
Jul 21	0.6	-4.6	42.3	42.7	-0.4	-2.2
Aug	-4.6	-3.5	38.3	41.5	-2.3	-1.9
Sep	-7.3	-4.0	40.1	40.2	-3.7	-2.3
Oct	-8.0	-6.7	42.0	40.2	-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

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
Jul 21	64.9%	48.1%
Aug	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%

Source: BRC-KPMG Retail Sales Monitor

BRC – KPMG RETAIL SALES MONITOR JULY 2022

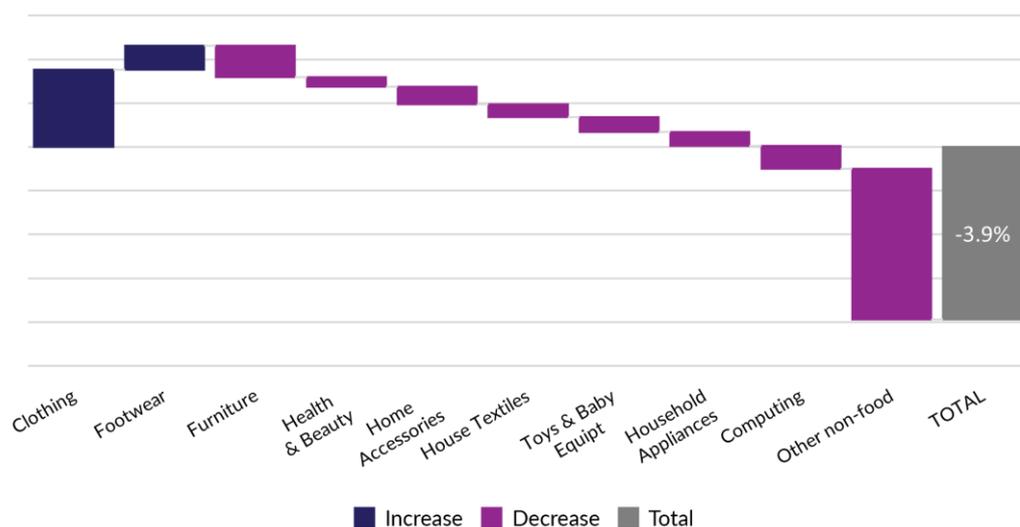
Covering the five weeks 3 – 30 July 2022

SECTOR PERFORMANCE: ONLINE SALES GROWTH

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

Source: BRC-KPMG RSM

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



Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR JULY 2022

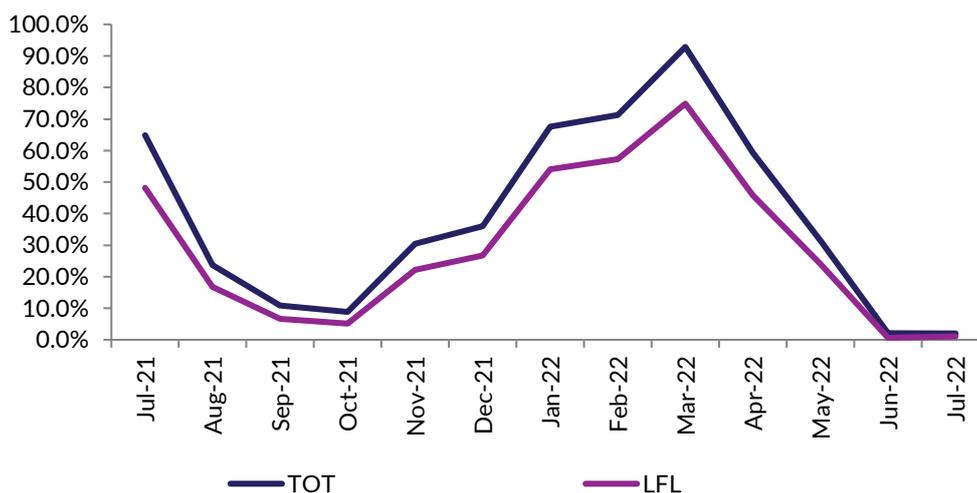
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SECTOR PERFORMANCE: STORE TOTAL SALES GROWTH

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

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The August 2022 Monitor, covering the four weeks 31 July – 27 August 2022, will be released at 00.01am on Tuesday 6 September 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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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 JULY 2022

Covering the five weeks 3 – 30 July 2022

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**Detailed weekly data by category
is available to retailers who contribute to the monitor:**

If you would like to participate in the Retail Sales Monitor,
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