

BRC – KPMG RETAIL SALES MONITOR

OCTOBER 2022

COVERING FOUR WEEKS 2ND – 29TH OCTOBER 2022

COST OF LIVING RISE SLOWS RETAIL SALES

EXECUTIVE SUMMARY: 1 MINUTE READ

<i>% CHANGE YEAR-ON-YEAR</i>		TOTAL	LFL
UK RETAIL SALES	▲	+1.6%	+1.2%
FOOD (3-MTH)	▲	+5.1%	+4.7%
NON-FOOD (3-MTH)	▼	-1.2%	-1.8%
NON-FOOD - STORE (3-MTH)	▲	+1.3%	+0.4%
NON-FOOD - ONLINE	▼	-6.3%	N/A

UK retail sales growth slowed significantly in October, falling to 1.6% on a Total basis. As it was the first month following the latest rise in the domestic energy price cap, this was by no means a surprise. However, it has increased pessimism in the market for the fortunes of the so-called 'Golden quarter' for retail, as volumes were down, once again.

Energy saving appliances were, once again, the items to see the strongest demand during the month. However, in October this was not accompanied by strong sales for warmer clothing, as the unseasonably mild weather dampened demand.

Looking ahead to Black Friday, the perennial event will determine the success of the festive season for retailers, as they will likely offer deeper discounts over a longer period to entice the ever-more price conscious consumer to spend.



Helen Dickinson OBE, Chief Executive | British Retail Consortium

“As the cost of living for consumers continued to rise, retail sales slowed in October. With November Black Friday sales just around the corner, many people look to be delaying spending, particularly on bigger purchases. Clothing and footwear, which saw stronger sales this year, declined as the mild weather meant customers held back on buying winter outfits. Meanwhile, electric blankets, air fryers and other energy efficient appliances continued to fly off the shelves as people seek future cost savings.”

“Christmas will come later than last year for many and may be more gloom than glitter as families focus on making ends meet, particularly as mortgage payments rise. Retailers hope the World Cup and Black Friday, will give sales a much-needed boost ahead of Christmas. However, with little sign of cost pressures easing, government action is needed to support households. Retailers face an additional government imposed £800m inflationary increase in their business rates bills next year so the government should freeze rates and reform the broken transitional relief system to alleviate cost pressures that are feeding through to higher prices at a time when people are least able to afford them.”



Paul Martin, UK Head of Retail | KPMG

“Despite the price of goods being higher than 2021, retail sales during October grew by just over 1% in value year on year. This increase is being driven by inflationary pressures and does not tell the true picture of sales volumes dropping as consumers purchase fewer products per shop.

“Sales across almost every category both online and in store fell year on year as consumers adjust to shrinking household incomes. Furniture, food and health products saved the day on the high street as consumers prepare for colder days at home. Online retailers saw sales decline in every category apart from furniture, as consumers head to the shops more frequently in search of bargains to manage daily expenditure.

“Retailers will be hedging their bets on a successful World Cup and Black Friday to boost sales during the crucial golden quarter. Given the economic headwinds, it is unlikely that the usual festive boost will be enough to counteract the ongoing issues that retailers face with rising costs, squeezed margins and falling demand. Many may feel that they have little choice but to reduce prices to hold onto customers but with their own inflationary pressures to contend with, bumper promotions before Christmas could damage already tight margins further. Whilst Christmas is by no means cancelled as consumers focus on one bright spot amongst the economic clouds, retailers are facing possibly their toughest festive season in a decade as shoppers look to trade down, search out bargains and purchase less to meet the economic challenges ahead.”

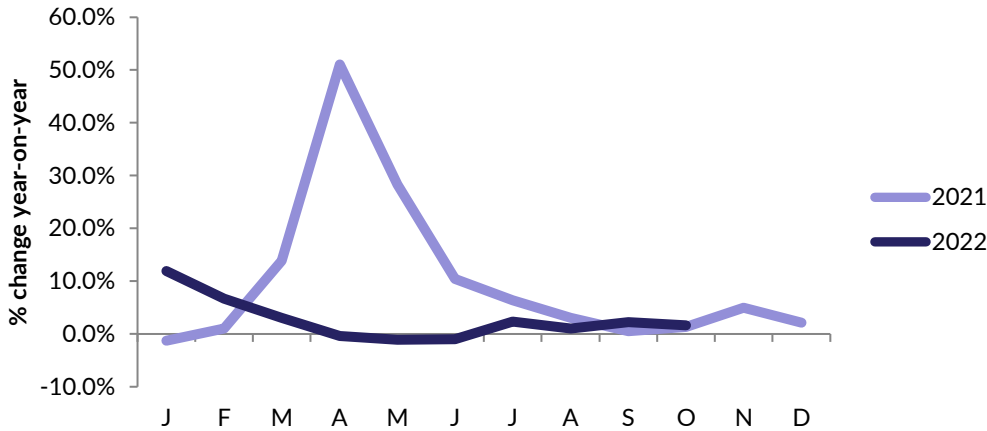


Food & Drink sector performance | Susan Barratt, CEO | IGD

“October’s food and drink sales were driven by inflation with volume sales over the period notably negative. Set against a turbulent backdrop with much uncertainty in both politics and the economy, shoppers are feeling cautious and are holding back their spending. The food industry will hope that upcoming events like the World Cup and Christmas will encourage shoppers to loosen the purse strings.

“In this environment, it’s little surprise that our Shopper Confidence Index remains historically low as shoppers contend with increased food prices, lower (real) wages and rising energy bills. More shoppers than ever are switching their focus to saving money on groceries – up to 47% compared to 26% in Oct ’21. Other tactics to save money include reducing spend on eating out with 70% doing this compared to 63% in May ’22 and more shoppers eating lower quality food (24% versus 17% in July ’22).”

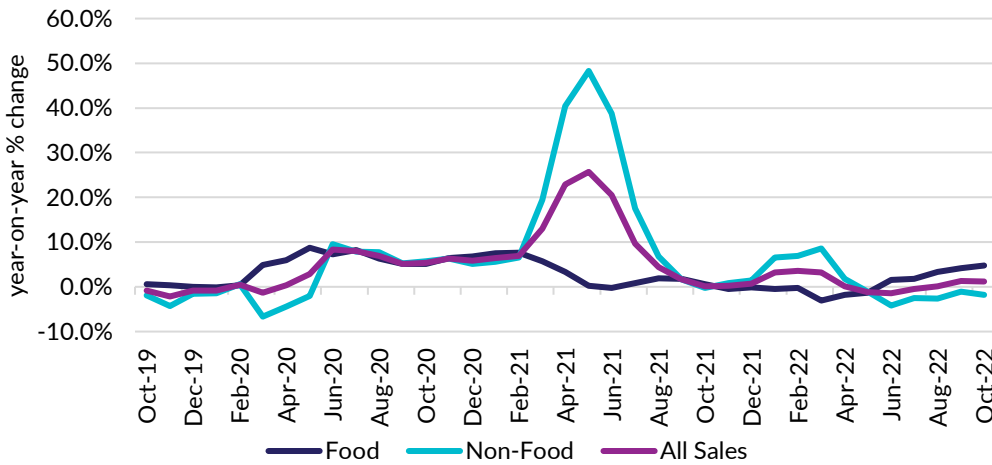
MONTHLY GROWTH OF TOTAL RETAIL SALES



	LFL	TOTAL
Oct 2022	1.2%	1.6%
Oct 2021	-0.2%	1.3%
Sep 2022	1.8%	2.2%
3m average	1.2%	1.7%
12m average	1.0%	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	4.7%	5.1%
Non-food	-1.8%	-1.2%
All Sales	1.2%	1.7%

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

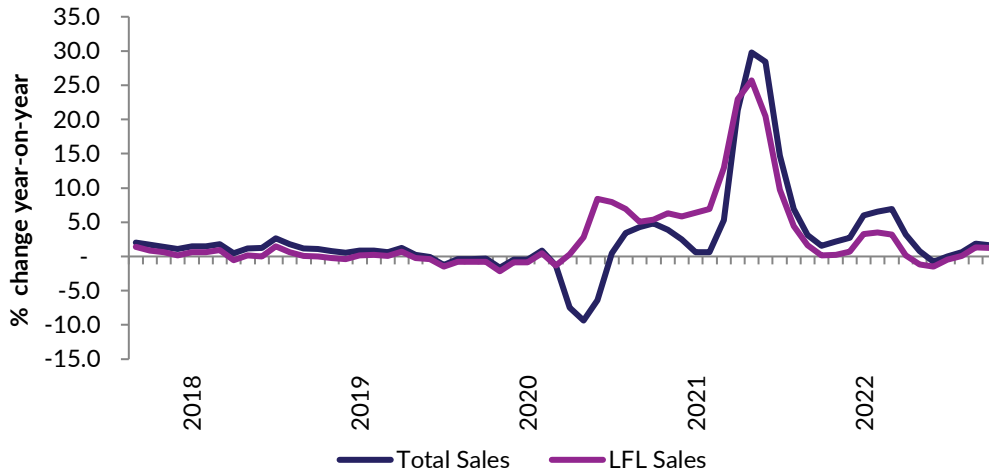
Note: Like-for-like has been measured EXCLUDING temporarily closed stores due to COVID-19 but including Online sales



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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.

October marked the first month of the much-anticipated increased domestic energy prices heading into the winter. This was a significant contributing factor in the slowdown of retail sales seen during the period, with only 1.6% on a Total basis in October, down from 2.2% a month earlier. While sales values remained in growth, when taking into account the record setting pace of price inflation currently, volumes are significantly down on where they were at the same point last year.

Food sales, once again, provided the buoyancy to keep sales overall in growth for the month, with the three-month average rising further to 5.1%. However, as Food price inflation has now reached double digits, the fall in volumes is a clear sign of consumers' efforts to tighten their belts and trade down and cut back. The severity of this impact is also worrying given people are reportedly showing restraint when it comes to visiting restaurants and pubs.

While Non-Food price rises haven't kept up with Food, that side of consumer spending encompasses categories that are far less necessary for day-to-day life, which bore the brunt of the change in consumer behaviour once again. The most notable change within Non-Food was in the fashion related categories, which up until October had fared well. However, as October was much milder and drier than usual, there was little impetus for people to buy jackets, boots and other outerwear to protect themselves from the elements. Tech and home-related categories also suffered from a lack of demand in October, particularly for higher-ticket items, which is in line with the recent trend as domestic costs increased. There were some rays of sunshine through the clouds however, as appliances and other goods that help to keep energy costs down saw stellar demand throughout the month. Heated clothing airers were, once again, selling well, as they can serve a dual purpose of drying clothes and warming rooms, together with air fryers, that are flying off the shelves as they reduce cooking costs significantly.

The milder weather also played a role in the severity of the decline seen Online in October, as it was easier for people to visit the shops than usual. At a decline of 6.3% for the month, the channel recorded its worst performance since June. It was also reported that people are starting their Christmas preparations later this year, which also hampered Online sales.

James Hardiman, Senior Analyst

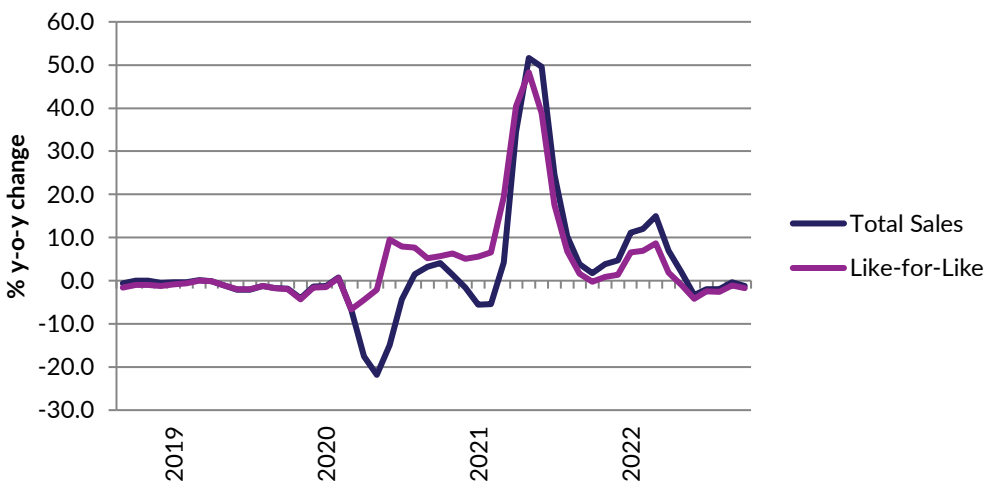
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FOOD SALES: 3-MONTH AVERAGE



NON-FOOD SALES: 3-MONTH AVERAGE



Source: BRC-KPMG RSM

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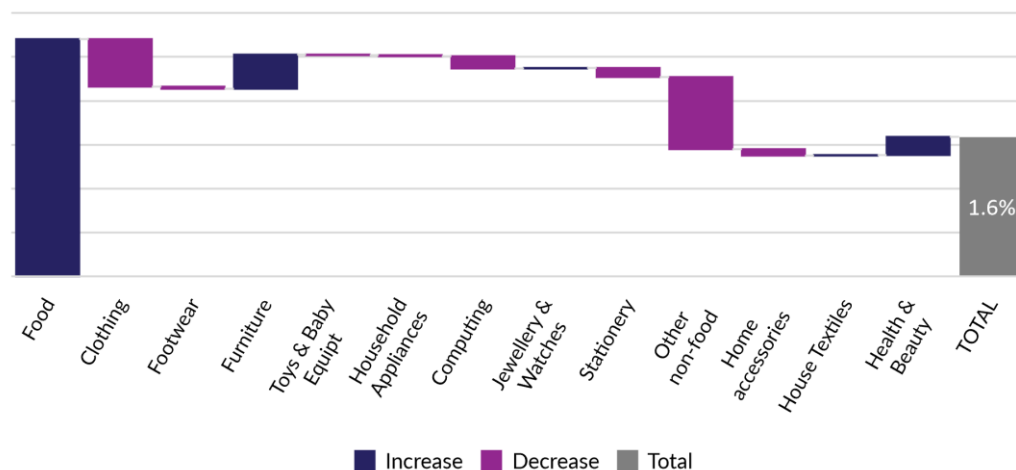
PERFORMANCE BY CATEGORY

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

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

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

OCT: CONTRIBUTION TO TOTAL SALES GROWTH BY CATEGORY



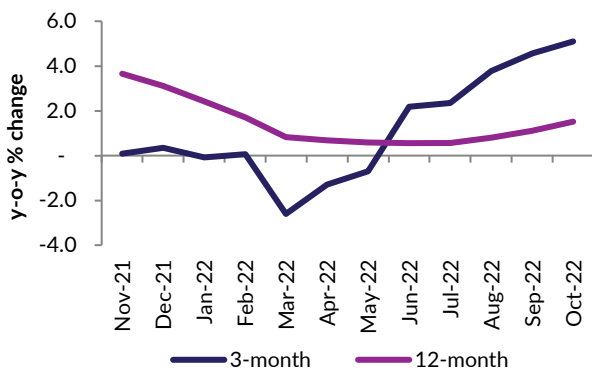
Source: BRC-KMG RSM (Includes Food data from IGD); in this chart, purple blocks represent negative contributions

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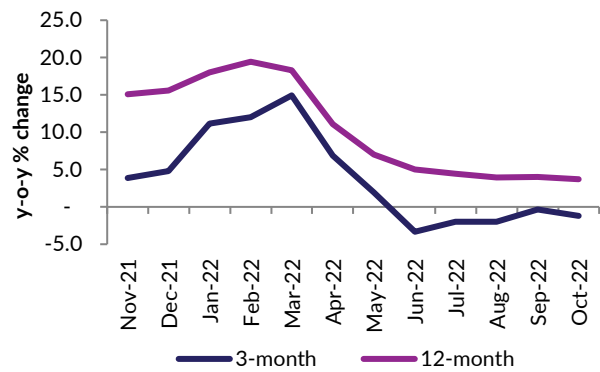
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FOOD

TOTAL SALES ROLLING AVERAGE GROWTH: FOOD



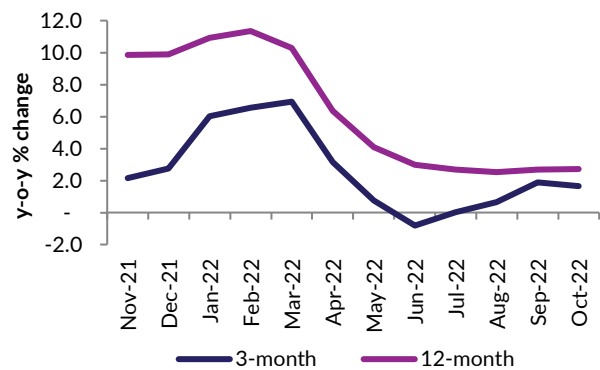
TOTAL SALES ROLLING AVERAGE GROWTH: NON-FOOD



FOOD

Growth in the Food category accelerated in October, compared with the previous month, reaching the highest level recorded since February last year, when sales were boosted by the closure of pubs and restaurants. This resulted in average growth in Total Food sales in the three months to October reaching 5.1%, and 4.7% on a Like-for-like basis. Inflation continues to drive sales of food and drink, with volumes continuing to fall as consumers hold back their spending amid concerns about the cost-of-living crisis. According to the BRC NielsenIQ Shop Price Index (SPI), Food price inflation accelerated strongly to 11.6% in October, up from 10.6% in September. This is the highest inflation rate in the Food category on record. Fresh Food inflation also accelerated in October to 13.3%, up from 12.1% in the previous month.

TOTAL SALES ROLLING AVERAGE GROWTH: UK



“

Inflation continues to drive sales of food and drink, although volumes are in decline

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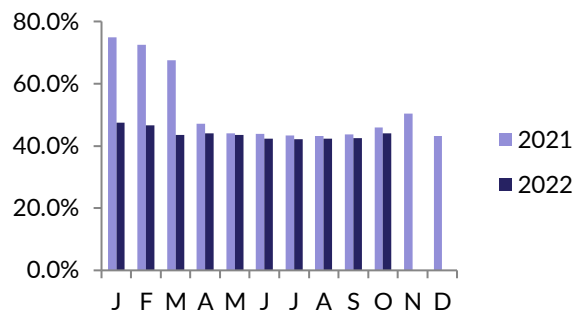
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CLOTHING

CLOTHING: UK TOTAL SALES CHANGE



CLOTHING: ONLINE PENETRATION RATE



CLOTHING: ONLINE SALES CHANGE (3-YR)



CLOTHING: STORES SALES CHANGE (3-YR)



THE MONTH OVERALL

For the first time since February last year, the Clothing category fell into decline on a year-on-year basis. The acceleration of growth observed in September, when consumers returned to more typical spending patterns after the summer holidays, appears to be short lived due to the mild weather during October. With the average temperature during the month reaching 11.5°C, resulting in the seventh warmest October on record, it is no surprise consumers held back on updating their winter wardrobes. Kidswear was the weakest performing category last month, with sales falling into decline following a boost in September driven by back-to-school shopping. Within womenswear, demand for knitwear was said to have been strong, while casual jackets and pyjamas were also reported to have performed well.

THE MONTH BY CHANNEL

Following a return to growth in September, the Online Clothing category, once again, fell into decline during October, reaching the weakest performance recorded since March this year. On a positive note, Diwali was said to have boosted sales of women's occasionwear and dresses for some retailers. In-store, sales also fell into decline during October, resulting in the worst performance year-to-date. The Online penetration rate decreased by 2.0 percentage points from the same month last year, to 46.0% in October.

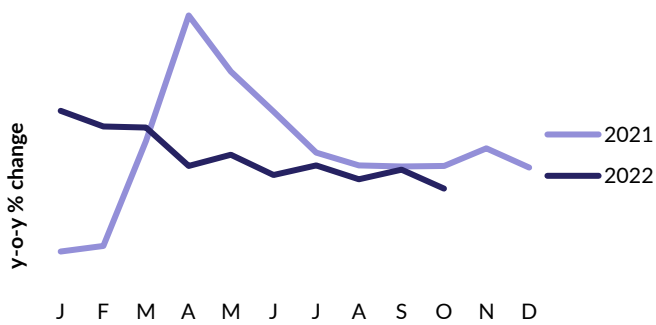
“ Consumers held back on updating their winter wardrobes due to the mild weather ”

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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

Following a strong performance in September, when Footwear reached the top spot in the category rankings, sales moved into negative territory during October, albeit marginally. In line with the Clothing category, this is the first time since February 2021 Footwear has recorded a year-on-year decline. It is evident the unseasonably mild weather, together with concerns about the cost-of-living crisis had a negative impact on sales last month. In particular, there was said to be weakened demand for women's boots which would typically be popular at this time of year.

THE MONTH BY CHANNEL

The mild weather last month also had a negative impact on the Online Footwear category, with sales falling into decline compared with the same month last year. While In-store sales remained in positive territory compared with October last year, growth slowed significantly from the strong performance recorded during September. The Online penetration rate decreased by 2.7 percentage points from the same month last year, to 51.8% in October.



There was said to be weakened demand for women's boots in October



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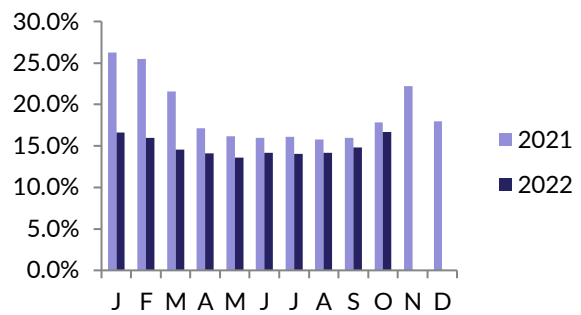
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HEALTH & BEAUTY

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

For the third consecutive month, we have observed a slowdown in growth in the Health & Beauty category, with the performance in beauty driving the overall slowdown. It appears early Christmas shoppers are driving sales of beauty advent calendars, although there was said to be less demand for luxury range calendars from some retailers, which suggests consumers are trading down to save money. Skincare, gifts and haircare products were reported to be in strong demand during October.

THE MONTH BY CHANNEL

There was little change in the Online Health & Beauty category from the previous month, with sales continuing to decline on a year-on-year basis. While In-store sales remained in growth during October compared with last year, for the third consecutive month we observed a slowdown in year-on-year growth. The Online penetration rate decreased by 1.1 percentage points from the same month last year, to 16.7% in October.



While sales of beauty advent calendars are increasing, there was less demand for luxury ranges



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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

Although the Furniture category reached the top spot in the category rankings in October, there is little positive to report here given the latest performance comes off the back of a significant decline in sales when compared with the same month last year. Demand for higher ticket items continues to weaken as consumers rein in their spending amid the cost-of-living crisis. The GfK Consumer Confidence Index for Major Purchases fell 3 points from the previous month, reaching -41 in October.

THE MONTH BY CHANNEL

For the second consecutive month, the Online Furniture category recorded year-on-year growth, with the performance accelerating in October, compared with the previous month. However, with the latest growth coming off the back of a significant decline in the same month last year, the October results are less impressive. Following six consecutive months of decline, In-store sales returned to positive territory in October. The Online penetration rate increased by 2.3 percentage points from the same month last year, to 46.9% in October.



Demand for higher-ticket items continues to weaken

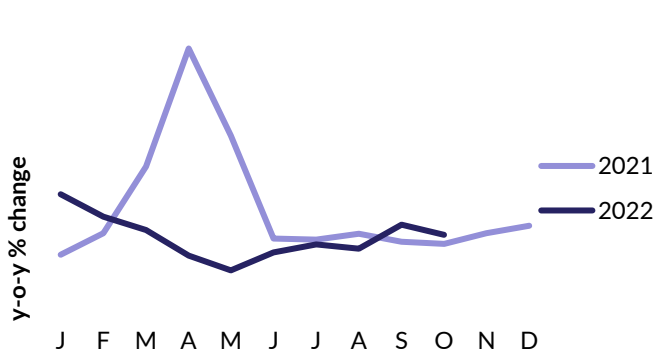


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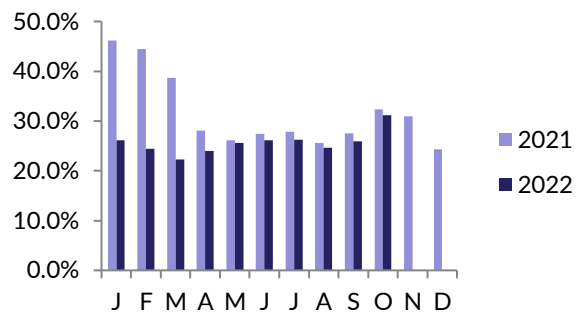
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HOME ACCESSORIES

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

Following a return to annual growth in September, the Home Accessories category, once again, recorded a decline in sales in October, compared with the same month last year. The category has recorded a decline in seven out of the past eight months, with September seeing a boost from consumers buying laundry accessories to help reduce energy costs. There was said to have been weak demand for cookware and dining accessories during October, which may be a sign that consumers are holding back on spending ahead of the festive season.

THE MONTH BY CHANNEL

Online sales of Home Accessories remained in decline in October, with the decrease steepening from the previous month. However, over the past two months we have seen sales edging closer to 2021 levels. In-store sales were slightly down compared with last year, following a return to growth in September. The Online penetration rate decreased by 1.1 percentage points from the same month last year, to 31.2% in October.



There was said to have been weak demand for cookware and dining accessories in October



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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

Following a strong performance in September, growth in the House Textiles category slowed last month with sales broadly flat compared with last year. However, demand for energy-saving home items such as duvets, blankets and curtains remained strong, with electric blankets also proving popular as consumers look to save money on their energy bills. House Textiles fell back into 5th place in the category rankings, from second place in the previous month.

THE MONTH BY CHANNEL

The Online House Textiles category fell back into decline in October, following a return to year-on-year growth in September, the first time the category had moved into positive territory since April 2021. In-store sales remained in growth due to increased demand for energy saving home items, compared with October last year, but slowed compared with the previous month.



Demand for energy-saving household textiles continued in October



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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

Toys & Baby Equipment recorded its strongest performance of the year so far in October. That being said, against by far the worst performance of last year, the fact that the category didn't make it into growth this time around was another cause for concern for retailers in this sphere. However, a variety of retailers reported that during half term at the end of the month demand picked up in comparison to the same point last year, when stock availability was negatively impacting sales.

THE MONTH BY CHANNEL

Following September's severe decline Online, the category improved somewhat in October. However, it only recorded its second weakest performance of the year so far on a three-year basis, so it was by no means a success for the channel. In-store, the category fared even worse falling further behind its pre-pandemic level than the previous month. The Online penetration rate decreased by 5.9 percentage points from the same time last year, to 49.7% in October.



During half term demand picked up in comparison to the same point last year



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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

October was another month of broadly flat performance for Household Appliances on a year-on-year basis. However, when delving deeper into the types of goods sold during the month, there was a clear dichotomy between the larger goods, that are more expensive, and smaller items. This is nothing new for the category, as white goods and other large appliances have struggled throughout much of the year. However, it was a continuation of the very recent trend of people searching for energy saving tools to keep their bills as low as possible when cooking or heating their homes. As a result, small electrical appliances, such as heated clothes airers and air fryers were seeing strong demand.

THE MONTH BY CHANNEL

Online sales maintained their strong performance for yet another month, far outpacing their pre-pandemic levels of sales. The consumer desperation for air fryers was particularly acute Online, as retailers stated that as soon as stock was made available on their websites, they would sell out in minutes. In-store sales fell further into decline from where they were in the previous month. The Online penetration rate for the category decreased by only 0.2 percentage points from the level seen in October last year, to 62.3%.



People were searching for energy saving tools to keep their bills as low as possible when cooking or heating their homes



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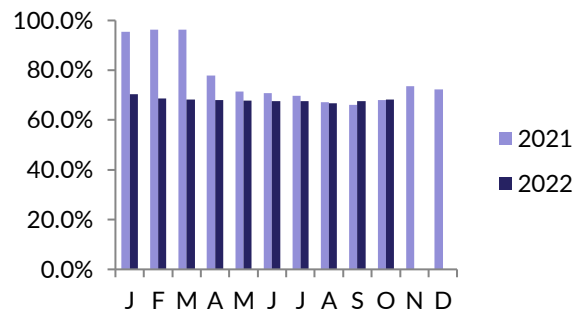
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COMPUTING

COMPUTING: UK TOTAL SALES CHANGE



COMPUTING: ONLINE PENETRATION RATE



COMPUTING: ONLINE SALES CHANGE (3-YR)



COMPUTING: STORES SALES CHANGE (3-YR)



THE MONTH OVERALL

With consumer attention focussed squarely on saving as much money as possible on domestic energy during the month, it is no great surprise that categories encompassing goods with higher prices suffered the most from waning demand. This was felt most acutely by Computing, which fell to the bottom of the growth rankings table in October. However, it was not merely the cost-of-living crisis that hampered sales, as the category is also a victim of its own success during earlier in the pandemic, leaving little demand left to satisfy.

THE MONTH BY CHANNEL

Online, sales growth continued to slow relative to its pre-pandemic level, but remained in significantly positive territory, once again, in October. This was in line with the trajectory seen throughout 2022, as the channel has seen a broadly slowing trajectory over the course of the year so far. The decline seen in-store softened in October on a three-year basis, but stores continue to suffer from the shift away from in-person purchases for the category, remaining well below their pre-pandemic levels once again. The Online penetration rate increased by 0.2 percentage points in October to 68.3%.



The category is a victim of its own success during the pandemic, leaving little demand left to satisfy



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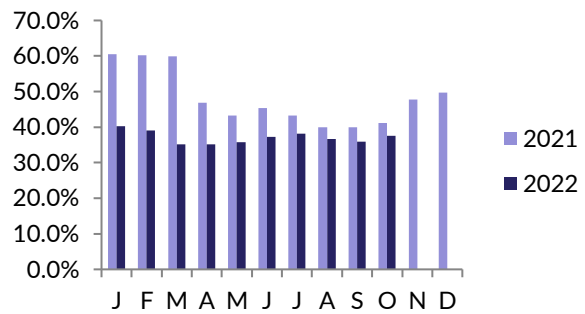
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OTHER NON-FOOD

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)



** 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

October was yet another month in the doldrums for the category, as it saw a broadly similar rate of decline for the fourth consecutive month. While travel equipment was said to perform well in the run up to the half term, this was counterbalanced by lacklustre demand for TVs.

“ The category saw a broadly similar rate of decline for the fourth consecutive month

”

THE MONTH BY CHANNEL

Online sales growth slowed, once again, on a three-year basis, but remained firmly in positive territory. People are far more accustomed to using the channel for purchasing electricals and travel equipment than before the pandemic struck. In-store sales also saw an improved performance year-on-3-year, with the unseasonably mild weather helping to drive people to visit the shops more than they usually would for the time of year. The Online penetration rate still fell by 3.6 percentage points from the same point a year ago, to 37.5% in October.

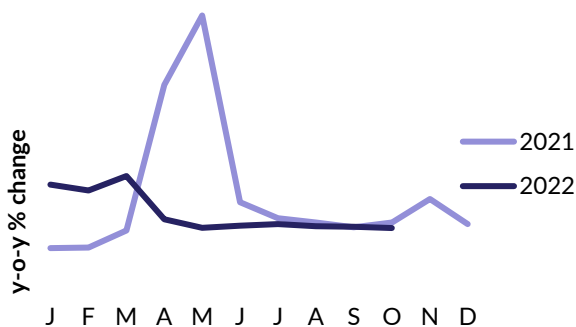
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OTHER NON-FOOD

Includes in particular:

Jewellery & Watches



Sales growth for Jewellery & Watches slowed to a broadly flat performance in October, on a year-on-year basis. While the number of flights to and from the UK has returned to pre-pandemic levels, the numbers of people visiting has not, which continues to hamper sales for the category as the weak pound is yet to pay dividends. Also, it was reported that people have not started their preparations for the festive party season as early this year.

Electricals & Electronics

When a World Cup is held in the summer months, retailers would normally see sales of TVs and their accompanying Audio Equipment pick up in the prior two months. However, it was reported by a variety of retailers that this effect was yet to be seen with the World Cup postponed to the winter this time around. This was also due to both the ongoing cost-of-living crisis hampering sales of big ticket items and the fact that many households recently bought new TVs earlier in the pandemic while undertaking wider home improvements.

Leisure Goods, Gaming, Books, CDs & DVDs

Luggage sales were said to improve over the course of the month, culminating in strong sales in the final half term week. More people were travelling abroad this time around than at the same point last year, when Covid-related restrictions were more prevalent. The unseasonably mild and dry weather did Gaming no favours, as people spent less time indoors than usual.

DEPARTMENT STORES

The warmest October on record was said to boost visitor numbers to Department Stores during the month. Particularly in the final half term week, where families were able to make shopping trips more easily, especially in comparison to last year. Also, the vastly improved stock availability compared to this time last year helped to satisfy this increase in demand. However, this was more than counteracted by the cost-of-living crisis, which became more acute as October was the first month since the latest increase in the domestic energy price cap. With the vast majority of consumers feeling the pinch already, this had an impact on Department Stores' Christmas shops, which were said to see demand start to pick up later than this time last year. However, last year people were looking forward to enjoying the festivities after missing out the year before, it may have been an anomaly unlikely to be repeated.

BRC – KPMG RETAIL SALES MONITOR OCTOBER 2022

Covering the four weeks 2 – 29 October 2022

MONTHLY RETAIL SALES: % CHANGE YEAR-ON-YEAR (2022 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	0.5	1.0	6.1	7.4
September	6.1	5.6	-0.6	0.6	1.8	2.2	6.5	7.7
October	5.2	4.9	-0.2	1.3	1.2	1.6	5.0	6.8
November	7.7	0.9	1.8	5.0				
December	4.8	1.8	0.6	2.1				
Jan-Jul average	4.0	-0.6	10.6	11.3	1.0	2.6	11.8	6.9
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
Aug - Oct 21	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
Jul - Sep	4.2	-1.1	1.3	4.6	-0.4	1.9
Aug - Oct	4.7	-1.8	1.2	5.1	-1.2	1.7

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 OCTOBER 2022

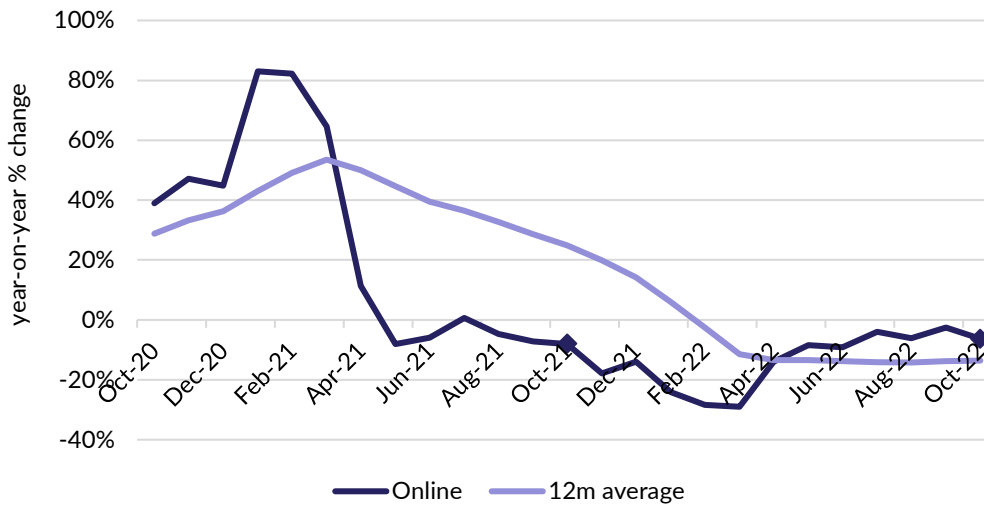
Covering the four weeks 2 - 29 October 2022

ONLINE VERSUS STORE DATA

BRC – KPMG RETAIL SALES MONITOR OCTOBER 2022

Covering the four weeks 2 – 29 October 2022

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

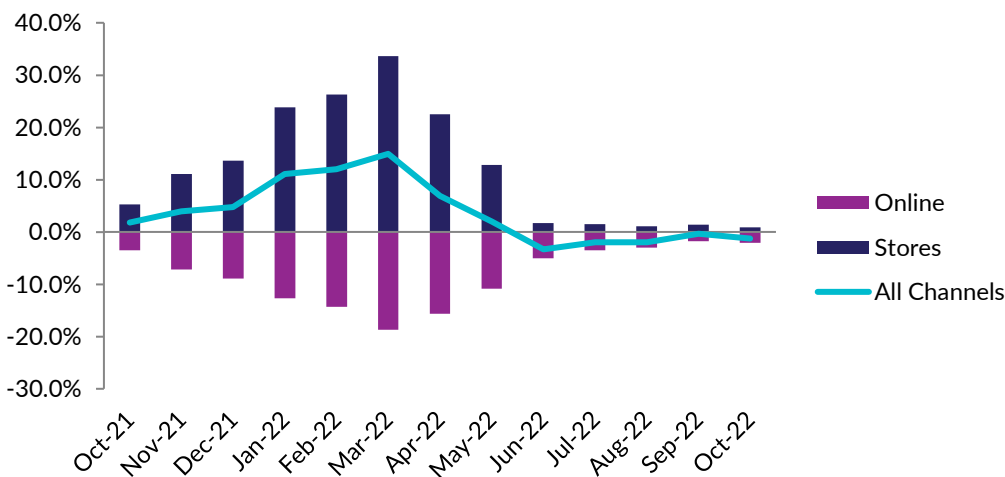


NON-FOOD GROWTH	ONLINE*	UK TOTAL
Oct 2022	-6.3%	n/d
Oct 2021	-8.0%	n/d
Sep 2022	-2.6%	n/d
3m avg	-4.8%	-1.2%
12m avg	-13.6%	3.7%

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
Aug - Oct 22	0.4%	1.3%
Aug - Oct 21	5.1%	8.9%
Jul - Sep 22	1.1%	2.2%
12m avg	25.3%	32.5%

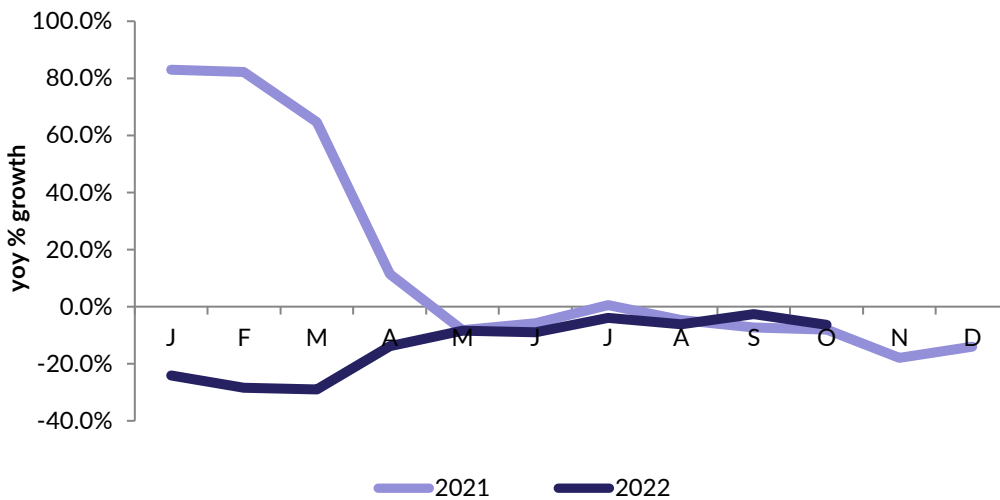
Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR OCTOBER 2022

Covering the four weeks 2 – 29 October 2022

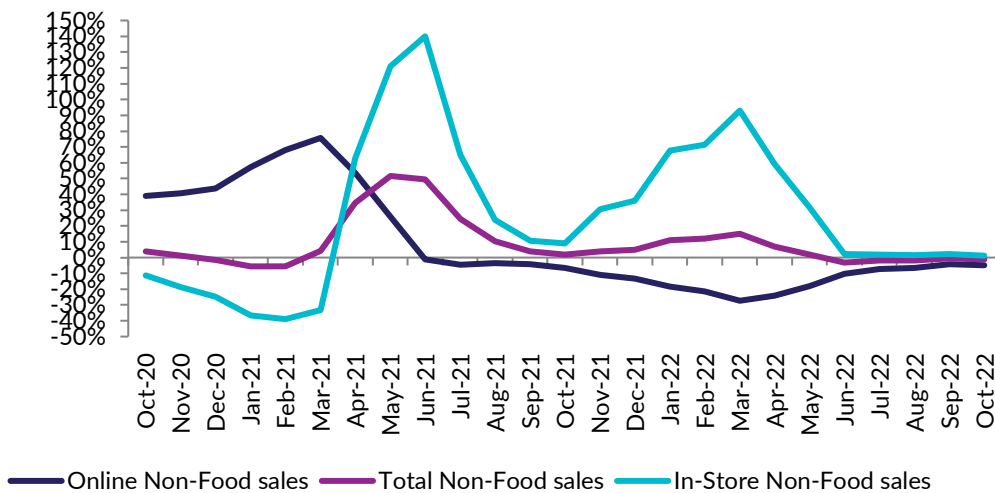
BRC-KPMG NON-FOOD RETAIL SALES YEAR-ON-YEAR GROWTH:

MONTHLY GROWTH OF ONLINE NON-FOOD RETAIL SALES



Source: BRC-KPMG RSM

3M ROLLING AVERAGE GROWTH OF NON-FOOD SALES

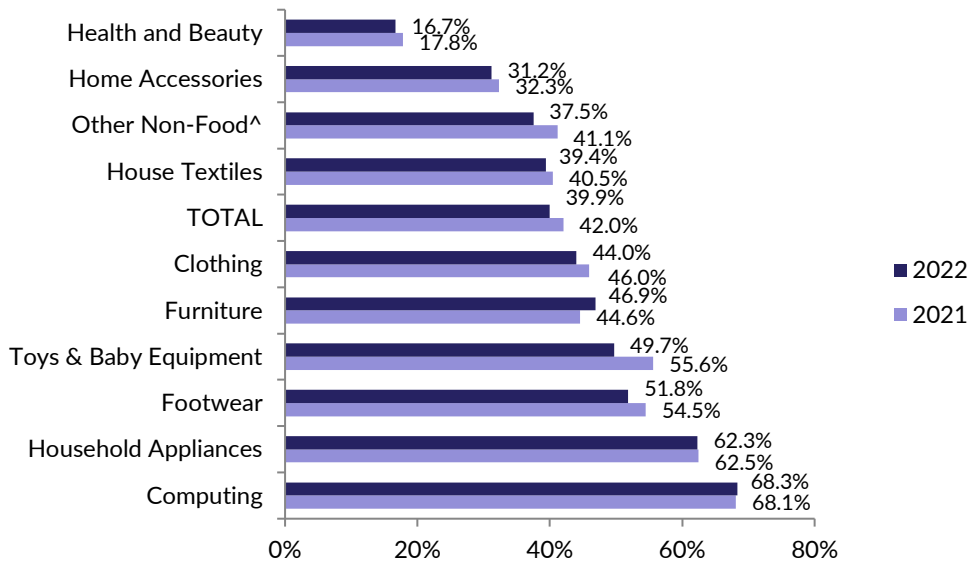


Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR OCTOBER 2022

Covering the four weeks 2 – 29 October 2022

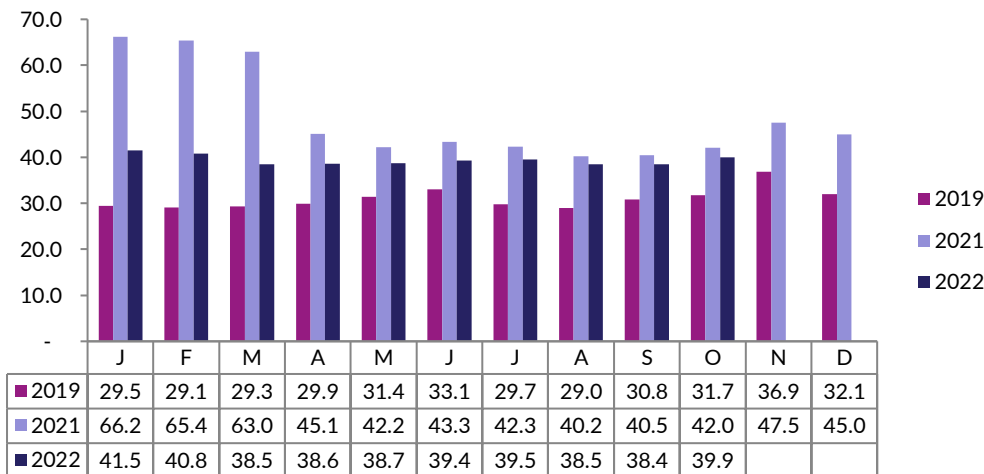
OCT: ONLINE PENETRATION RANKINGS BY CATEGORY



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	
Oct 2022	39.9%
Oct 2021	42.0%
Sep 2022	38.4%
3m average	38.9%
12m average	40.5%

Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR OCTOBER 2022

Covering the four weeks 2 – 29 October 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
Oct 2021	-8.0	-6.7	42.0	40.9	-4.4	-3.5
Nov	-17.9	-10.8	47.5	43.1	-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
Sep	-2.6	-4.1	38.4	38.8	-1.0	-1.7
Oct	-6.3	-4.8	39.9	38.9	-2.9	-2.1

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
Oct 2021	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%
Sep	2.2%	1.1%
Oct	1.3%	0.4%

Source: BRC-KPMG Retail Sales Monitor

BRC – KPMG RETAIL SALES MONITOR OCTOBER 2022

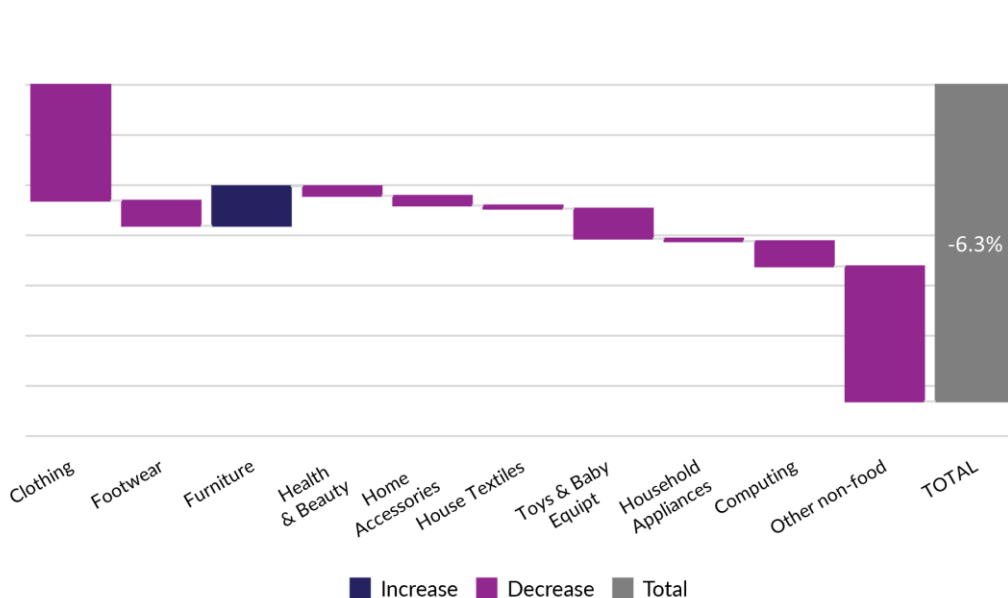
Covering the four weeks 2 – 29 October 2022

SECTOR PERFORMANCE: ONLINE SALES GROWTH

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

Source: BRC-KPMG RSM

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



Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR OCTOBER 2022

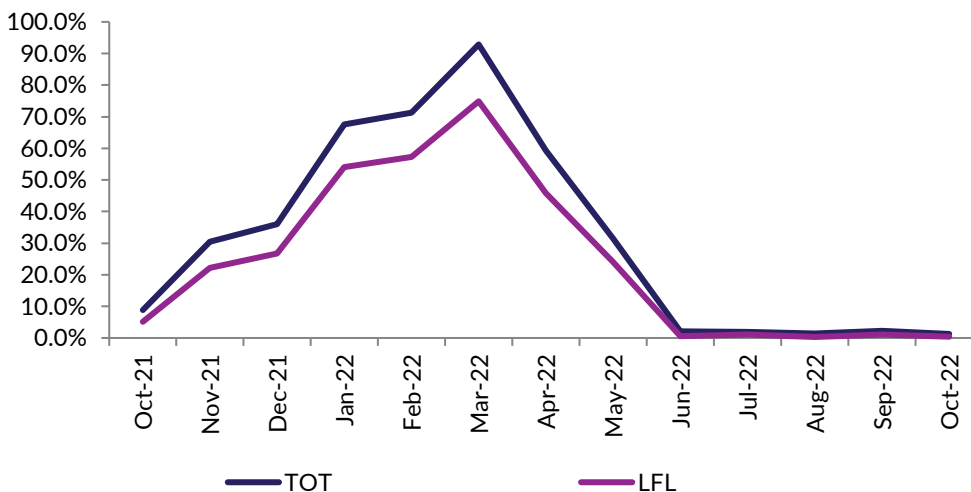
Covering the four weeks 2 – 29 October 2022

SECTOR PERFORMANCE: STORE TOTAL SALES GROWTH

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

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 OCTOBER 2022

Covering the four weeks 2 – 29 October 2022

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 OCTOBER 2022

Covering the four weeks 2 – 29 October 2022

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The November 2022 Monitor, covering the four weeks 30 October – 26 November 2022, will be released at 00.01am on Tuesday 6 December 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 OCTOBER 2022

Covering the four weeks 2 – 29 October 2022

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**Detailed weekly data by category
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