

BRC – KPMG RETAIL SALES MONITOR

JANUARY 2023

COVERING FOUR WEEKS 1ST – 28TH JANUARY 2023

CHRISTMAS CHEER GIVES WAY TO JANUARY BLUES

<i>% CHANGE YEAR-ON-YEAR</i>		TOTAL	LIKE-FOR-LIKE
UK RETAIL SALES	▲	+4.2%	+3.9%
FOOD (3-MTH)	▲	+8.0%	+7.9%
NON-FOOD (3-MTH)	▲	+2.9%	+2.5%
NON-FOOD – STORE (3-MTH)	▲	+7.2%	+6.5%
NON-FOOD – ONLINE	▼	-3.6%	N/A

EXECUTIVE SUMMARY: 1-MINUTE READ

Although the Total sales growth figure of 4.2% may at first glance seem like more positive news, it is a significant slowdown from the 6.9% growth seen a month ago. Coupling this with the ever-increasing inflation levels experienced in the economy over this time, this represents an ever steepening fall in volumes sold. The increase in domestic costs, be it through energy or fuel prices, is still weighing heavily on consumer spending patterns, with people trying to rein in their spending by buying discounted goods or trading down to cheaper options.

While consumer confidence has taken a battering in recent months – with January no different – there were signs that consumers are prepared to spend when the right deal is there for them. Holiday bookings are performing better than earlier in the pandemic and this is having a knock-on effect for sales, as people were looking to prepare earlier than usual. However, it remains to be seen whether this is a matter of consumers weathering the colder months better than initially anticipated, or if this is more a cannibalisation of full price sales down the road.





Helen Dickinson OBE, Chief Executive | British Retail Consortium

“As Christmas cheer subsided, retailers felt the January blues as sales growth slowed. Many retailers discounted heavily to entice consumer spend, and while there were bargains to be had in the January sales, retailers continue to be hit by lower margins and falling volumes. Own brand ranges remain popular across food and non-food products, and big ticket items are seeing customers trade down.

“The coming months will continue to be challenging for retailers and their customers. Consumer confidence remains stubbornly low and looming rises in household bills and mortgages mean discretionary spending will remain weak. With ongoing cost pressures and labour shortages increases in sales don’t convert into increases in profits or cash. Given that backdrop, retailers can ill-afford the millions lost to the inflexibilities of the Apprenticeship Levy, so Government must urgently look to change the system so retailers can use the funds to train their workforce to better meet the needs of their businesses and the people who work in them.”



Paul Martin, UK Head of Retail | KPMG

“With inflation running at around 10%, sales growth for January nearly halved in comparison to December to just over 4% - sending a clear signal that consumers have started the year with a tight rein on spending as they face another period of rising costs.

“Sales of clothing continued to prop up the high street, with men’s clothes and shoes the strongest category in January, whilst purchases of energy efficient appliances remained a top purchase for consumers. The decline in sales taking place online continued this month, but is starting to level out and far from the 24% drop in sales that online retailers witnessed a year ago in January.

“As we head into a difficult time for consumers, the short-term outlook for the retail sector remains challenging. With the latest interest rate rise and utility price increases heading our way, shrinking household incomes means we will continue to see a shift in what consumers buy and where they buy from. Retailers face a tightrope as their costs rise and margins are squeezed, whilst at the same time having to ensure affordability and value for customers. Although retailers have demonstrated resilience over recent years, it is likely we will continue to see casualties both online and on the high street this year. Those retailers that have emerged from the pandemic in good shape will benefit from the current situation through market-share growth and consolidation opportunities, but all retailers are facing a tough few months of falling consumer spending in real terms.”

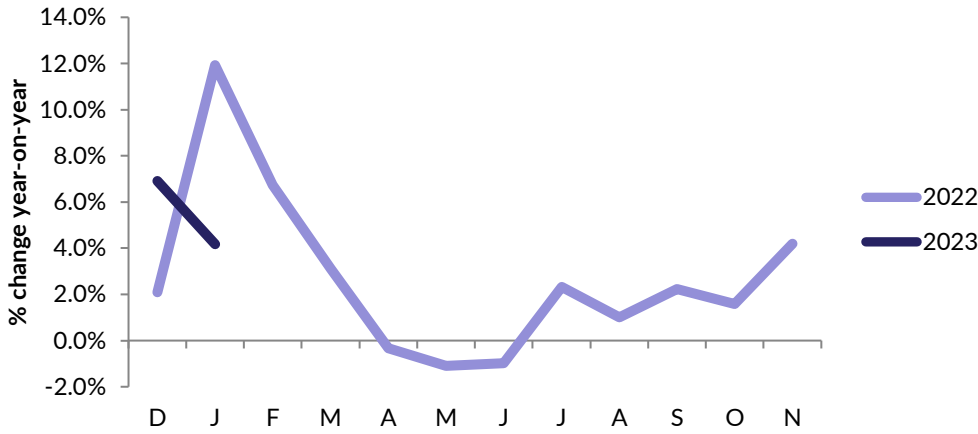


Food & Drink sector performance | Susan Barratt, CEO | IGD

“At first glance, food and drink sales in January look uncharacteristically strong, but in fact the typical slow start to the year has been heavily disguised by a big dose of inflation. After a slightly more buoyant December, it’s clear that volumes fell in January as shoppers put the post-festive brakes on their spending.

“However, there are glimmers of hope, with shoppers starting the year in a more upbeat mood and our Shopper Confidence Index improving to its highest level in a year. With the Prime Minister pledging to half inflation in 2023, coupled with our prediction that food inflation will slow this year, just 33% of shoppers expect food prices to get much more expensive compared to 53% last August. Furthermore, fewer food shoppers expect to increase their focus on saving money in the year ahead (35% vs 47% Oct’22). Shoppers are starting to benefit from lower petrol prices, and many are already adopting savvy shopping tactics like buying fewer products, making fewer trips, and only visiting certain supermarket aisles.”

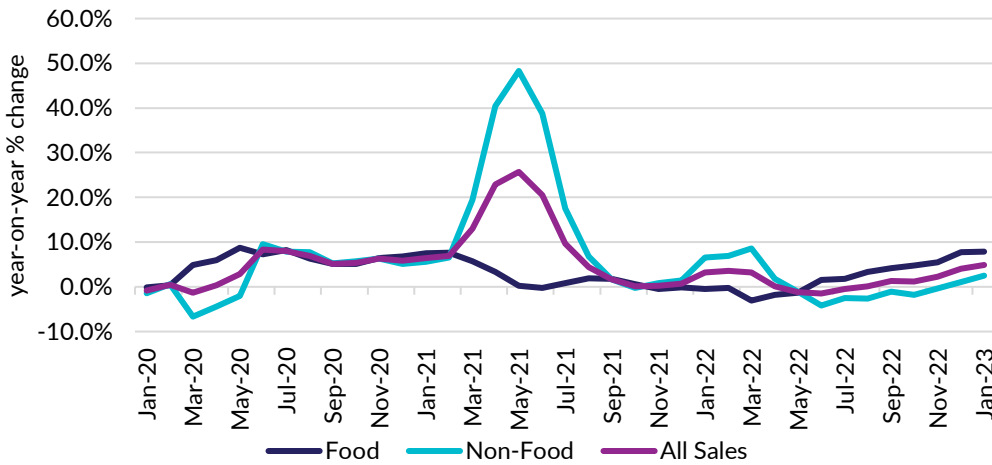
MONTHLY GROWTH OF TOTAL RETAIL SALES



	LFL	TOTAL
Jan 2023	3.9%	4.2%
Jan 2022	8.1%	11.9%
Dec 2022	6.5%	6.9%
3m average	4.9%	5.2%
12m average	1.5%	2.5%

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

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

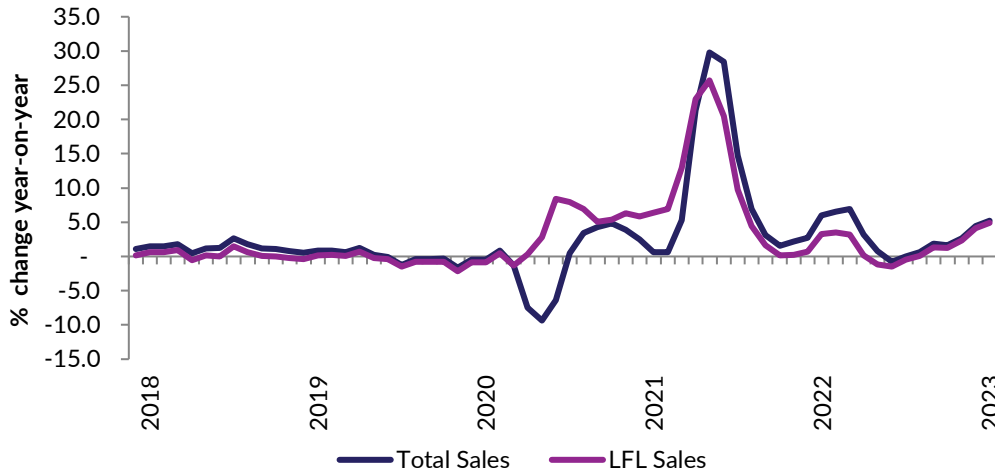


3-MONTH AVERAGE	LFL	TOTAL
Food	7.9%	8.0%
Non-food	2.5%	2.9%
All Sales	4.9%	5.2%

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

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



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

OVERVIEW

Although the Total sales growth figure of 4.2% may at first glance seem like more positive news, it is a significant slowdown from the 6.9% growth seen a month ago. Coupling this with the ever-increasing inflation levels experienced in the economy over this time, this represents an ever steepening fall in volumes sold. The increase in domestic costs, be it through energy or fuel prices, is still weighing heavily on consumer spending patterns, with people trying to rein in their spending by buying discounted goods or trading down to cheaper options.

The rising Food inflation naturally played a significant role in the 8.0% growth seen in the three months to January, which was a fraction higher than that seen in December. However, the level of growth in January itself was lower than that in the previous month. During the festive season, more Food items are essential to enjoy the occasion, which was, of course, not replicated in January as people revert to more normal purchasing decisions. January was also an easier time for people to trade down to cheaper options, as there is always less entertaining to be done during the month.

On the Non-Food side, the goods sold are generally far more discretionary, but the growth increased on a three-month basis, to 2.9% year-on-year, which was the highest seen since April. However, as with Food, on a single month basis Non-Food growth was lower in January than in December. Among the categories that comprise Non-Food, January saw largely a continuation of the trajectories seen since the end of last summer, as the cost-of-living crisis began to take hold. The fashion related categories, once again, led the way, with the home categories seeing little demand. While Footwear topped the growth rankings table for the month, a variety of retailers reported that demand was focussed on the heavily discounted goods. This may have been good for sales values, but the hit taken by retailer margins caused considerable concern. This factor was in play across the piste in Non-Food, which leaves little excitement for the immediate future, as the January sales are all but over and retailers are now hoping their new full-price ranges sell well. Computing goods, once again, sold particularly poorly, for the second consecutive month, as the high prices involved deterred all but the most essential sales.

While consumer confidence has taken a battering in recent months – with January no different – there were signs that consumers are prepared to spend when the right deal is there for them. Holiday bookings are performing better than earlier in the pandemic and this is having a knock-on effect for sales, as people were looking to prepare earlier than usual. However, it remains to be seen whether this is a matter of consumers weathering the colder months better than initially anticipated, or if this is more a cannibalisation of full price sales down the road.

James Hardiman, Senior Analyst

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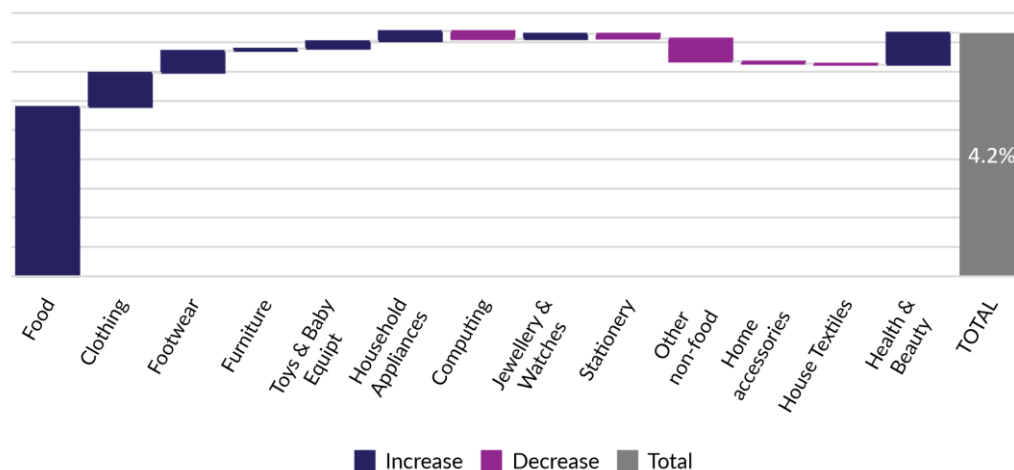
PERFORMANCE BY CATEGORY

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

CATEGORY	UP / DOWN JAN-23		RANKINGS (TOTAL SALES)				
	LFL	TOT	JAN-23	DEC-22	JAN-22	3M AVG	12M AVG
Footwear	▲	▲	1	2	4	1	2
Household Appliances	▲	▲	2	1	10	2	7
Health and Beauty	▲	▲	3	3	6	3	4
Jewellery & Watches	▲	▲	4	8	1	7	1
Toys & Baby Equipment	▲	▲	5	6	11	9	8
Food	▲	▲	6	5	9	4	5
Clothing	▲	▲	7	7	3	8	3
Furniture	▲	▲	8	9	2	6	6
House Textiles	▼	▼	9	4	7	5	9
Home Accessories	▼	▼	10	10	5	10	10
Other Non-Food	▼	▼	11	11	8	11	11
Stationery	▼	▼	12	12	12	12	12
Computing	▼	▼	13	13	13	13	13

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

JAN: CONTRIBUTION TO TOTAL SALES GROWTH BY CATEGORY



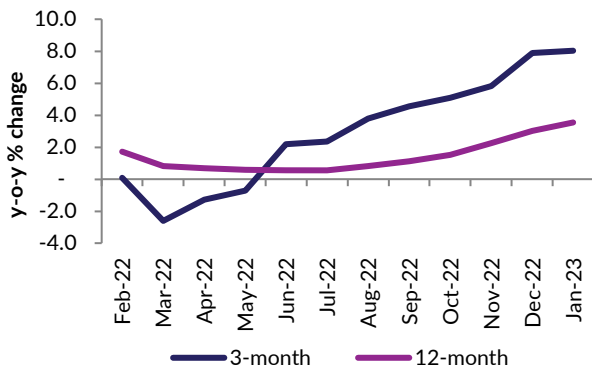
Source: BRC-KMG RSM (Includes Food data from IGD); in this chart, purple blocks represent negative contributions

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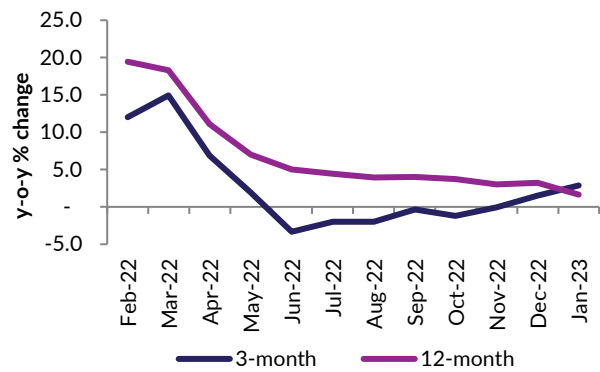
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FOOD

TOTAL SALES ROLLING AVERAGE GROWTH: FOOD



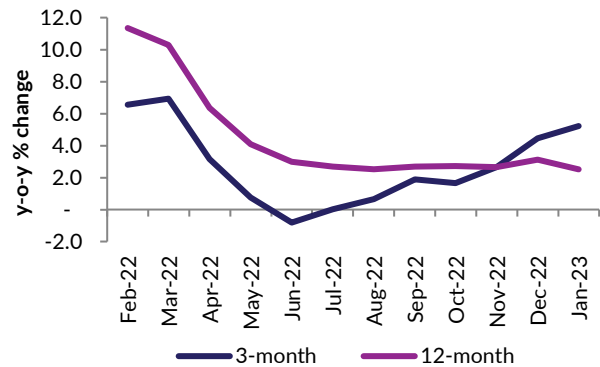
TOTAL SALES ROLLING AVERAGE GROWTH: NON-FOOD



FOOD

The Food category continued to see an acceleration in growth in January, on a 3-month basis, albeit at a slower rate than observed over recent months. Average growth in the three months to January reached 8.0% - which of course was attributed to increasing food inflation - up from 7.9% annual growth in the period October to December 2022. However, not surprisingly, overall Food sales during January slowed from the festive peak during December, which saw record sales for grocery retailers in the week before Christmas. Food price inflation continued to accelerate in January, reaching a record rate of 13.8%, according to the BRC NielsenIQ Shop Price Index.

TOTAL SALES ROLLING AVERAGE GROWTH: UK



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The Food category recorded average growth of 8.0% in the 3-months to January

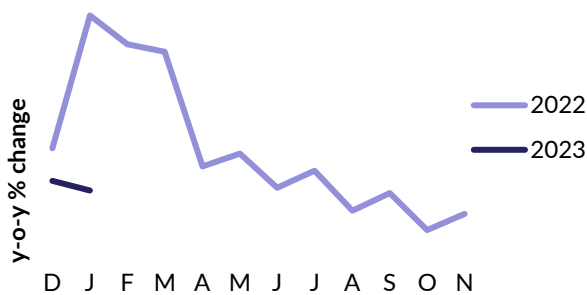
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BRC – KPMG RETAIL SALES MONITOR JANUARY 2023

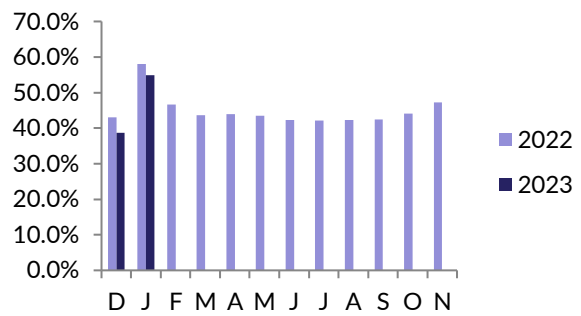
Covering the four weeks 1 – 28 January 2023

CLOTHING

CLOTHING: UK TOTAL SALES CHANGE



CLOTHING: ONLINE PENETRATION RATE



CLOTHING: ONLINE SALES CHANGE



CLOTHING: STORES SALES CHANGE



THE MONTH OVERALL

While annual growth in the Clothing category slowed in January compared with the previous month, sales remained in positive territory for the second consecutive month. The category saw a slow start to 2023, with growth accelerating during the second and third week of the month, as retailers ramped up their January sales and promotions. Menswear continued to be the strongest performer within Clothing, with tailoring, outerwear and sleepwear said to have been in demand. Kidswear remains the weakest performer, while some retailers reported strong sales of handbags, lingerie and nightwear in the Womenswear category.

THE MONTH BY CHANNEL

The Online Clothing category recorded a year-on-year decline for the fourth consecutive month, although the decrease in January was less steep than the rate recorded in the previous quarter. Conversely, in-store sales saw solid double-digit growth, boosted by an increase in consumers returning to physical stores, in what appears to be more 'normal' shopping behaviour. There was said to be higher demand for coats and outerwear in stores, perhaps due to consumers being more reactive during the colder weather. Some retailers reported unseasonably high demand online for summer and holidaywear, including swimsuits and bikinis, driven by consumers responding to discounts and promotions. The Online penetration rate decreased by 3.2 percentage points from the same month last year, to 54.9% in January.



There was said to be unseasonably high demand for summer and holidaywear online

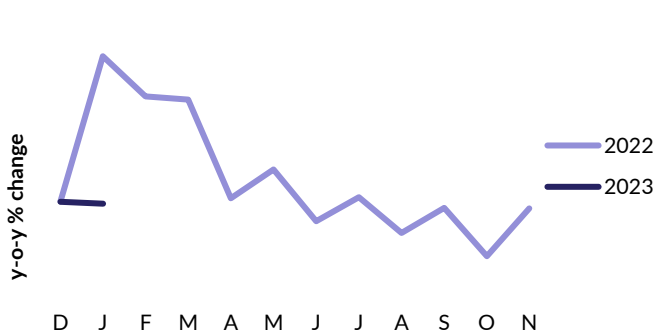


BRC – KPMG RETAIL SALES MONITOR JANUARY 2023

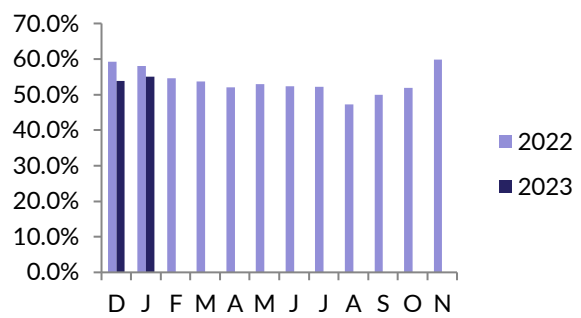
Covering the four weeks 1 – 28 January 2023

FOOTWEAR

FOOTWEAR: UK TOTAL SALES CHANGE



FOOTWEAR: ONLINE PENETRATION RATE



FOOTWEAR: ONLINE SALES CHANGE



FOOTWEAR: STORES SALES CHANGE



THE MONTH OVERALL

Footwear was the top performing category in January, with growth in line with the performance recorded in the previous two months. Men's ranges continued to perform ahead of Women's and Children's footwear, with boots and winter shoes said to have seen strong demand, boosted by discounts and promotions during the January sales.

THE MONTH BY CHANNEL

The Online Footwear category remained in growth for the third consecutive month, with the January year-on-year performance accelerating from the previous month. In-store sales also performed well, maintaining double-digit growth compared with January last year. However, while store footfall was said to have been strong, some retailers reported below average in-store conversion rates. The Online penetration rate decreased by 2.9 percentage points from the same month last year, to 55.1% in January.



Footwear was ranked the top performing overall category in January

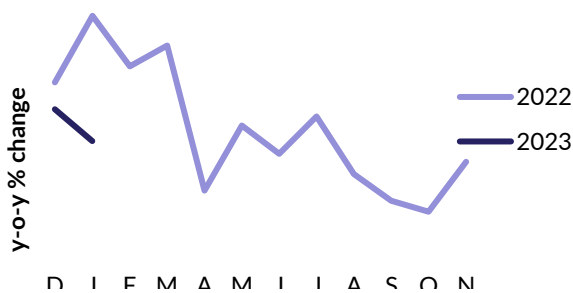


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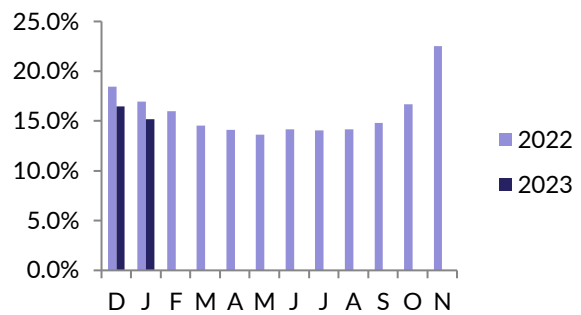
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HEALTH & BEAUTY

HEALTH AND BEAUTY: UK TOTAL SALES CHANGE



HEALTH AND BEAUTY: ONLINE PENETRATION RATE



HEALTH AND BEAUTY: ONLINE SALES CHANGE



HEALTH AND BEAUTY: STORES SALES CHANGE



THE MONTH OVERALL

The Health & Beauty category performed well in January, although growth slowed from the festive peak in December. Make-up and fragrance products were said to have been popular in January, along with hair styling items. With many consumers focusing on wellness at the start of the new year, some retailers reported strong demand for dental products.

THE MONTH BY CHANNEL

The Online Health & Beauty category continued to record an annual decline in January, with the decrease steepening from the previous month. As consumer confidence in returning to physical stores continues to grow, we appear to be seeing a return to more 'normal' shopping behaviour, with this category typically seeing a higher penetration of in-store purchases than most other categories. In-store sales maintained double-digit growth for the second consecutive month in January. The Online penetration rate decreased by 1.8 percentage points from the same month last year, to 15.2% in January.



Fragrance, make-up and hair styling products were said to have been popular purchases in January

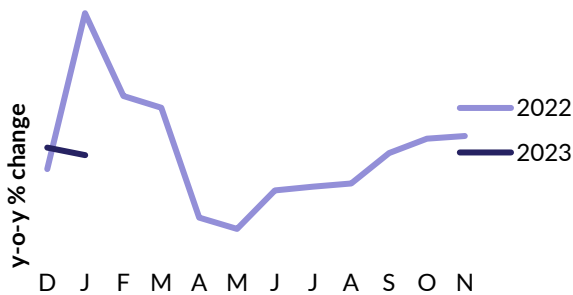


BRC – KPMG RETAIL SALES MONITOR JANUARY 2023

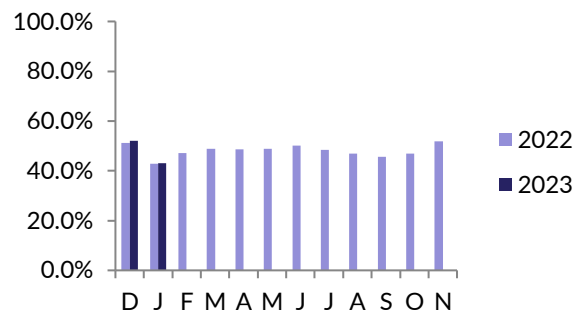
Covering the four weeks 1 – 28 January 2023

FURNITURE

FURNITURE: UK TOTAL SALES CHANGE



FURNITURE: ONLINE PENETRATION RATE



FURNITURE: ONLINE SALES CHANGE



FURNITURE: STORES SALES CHANGE



THE MONTH OVERALL

Retailers reported January was a tough month for the Furniture category and this is evidenced in the latest findings in the Retail Sales Monitor. Annual growth slowed for the second consecutive month, resulting in a marginal increase compared with January last year. This is particularly bad news for retailers in this area, as typically January is the biggest month of the year in terms of absolute spend. The GfK Consumer Confidence Major Purchase index fell 6 points from the previous month, reaching -40 in January. This is 30 points lower than the same month last year.

THE MONTH BY CHANNEL

Both Online and In-store sales continued to slow during January with the latest results revealing sales were up marginally compared with the same month last year for both channels. It is evident that consumer concerns around the cost-of-living crisis continues to impact discretionary spending, especially for larger household purchases. The Online penetration rate in the Furniture category remained unchanged from the same month last year, at 42.9%.

“ Both Online and In-store sales slowed in January, resulting in marginal year-on-year growth

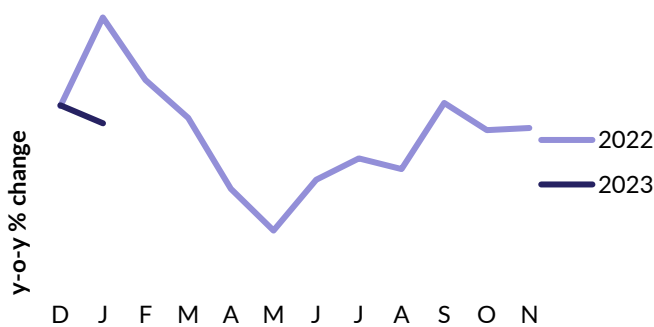


BRC – KPMG RETAIL SALES MONITOR JANUARY 2023

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HOME ACCESSORIES

HOME ACCESSORIES: UK TOTAL SALES CHANGE



HOME ACCESSORIES: ONLINE PENETRATION RATE



HOME ACCESSORIES: ONLINE SALES CHANGE



HOME ACCESSORIES: STORES SALES CHANGE



THE MONTH OVERALL

Following a return to annual growth in December, the Home Accessories sector fell back into decline in January compared with the same month last year. Home Accessories is one of the weakest performing categories in the Retail Sales Monitor, having recorded an annual decline in nine out of the past 12 months. There was said to have been a reasonable level of demand for cookware items during January, while sales of table top and dining items were less popular.

THE MONTH BY CHANNEL

Following three consecutive months of steepening decline in the Online Home Accessories category, there was some improvement in January, although sales remained in decline compared with the same month last year. Following an acceleration in In-store sales growth in December, last month saw a slowdown with sales marginally up on a year-on-year basis. The Online penetration rate decreased by 1.9 percentage points from the same month last year, to 26.1% in January.



The Online penetration rate fell to 26.1% in January



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HOUSE TEXTILES

HOUSE TEXTILES: UK TOTAL SALES CHANGE



HOUSE TEXTILES: ONLINE PENETRATION RATE



HOUSE TEXTILES: ONLINE SALES CHANGE



HOUSE TEXTILES: STORES SALES CHANGE



THE MONTH OVERALL

Following four consecutive months of year-on-year growth, the House Textiles category fell back into decline in January, compared with the same month last year. During the fourth quarter of 2022 we observed increased demand for energy-saving house textiles such as high-tog duvets and blankets, as consumers look to save money on their increasing energy bills. The January decline may be the start of a slowdown in these types of purchases but this will likely be dependent on the weather over the coming months.

THE MONTH BY CHANNEL

Online sales fell back into decline in January on a year-on-year basis, following a marginal return to growth in the previous month. In-store sales also slowed from the peak recorded in December, but remained in growth compared with the same month last year. In-store sales of bed linen were said to have performed well during January. The Online penetration rate decreased by 1.9 percentage points from the same month last year, to 42.0% in January.



In-store sales of bed linen were said to have performed well

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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



TOYS & BABY EQUIPMENT: STORES SALES CHANGE



THE MONTH OVERALL

January's performance has gone to show that December's growth was not a mere flash in the pan, with a second consecutive month in positive territory. While Toys for older children were naturally the highlight of the festive season, this was said to give way to Nursery goods and Baby Equipment in January. However, this result should be taken with a slight pinch of salt, as the comparables from last year were particularly weak for this category.

THE MONTH BY CHANNEL

In January, the Online channel saw broadly the same level of growth for the second consecutive month. While this was not an earth-shattering rate, the category was one of only four to see any growth at all online, which is no mean feat for the channel that has suffered significantly since the shops reopened. In-store, the category sat in second place in the channel's growth rankings table. The Online penetration rate fell by 3.2 percentage points from January 2022, to 52.8% this time around.



The highlight of the month was sales of nursery and baby equipment

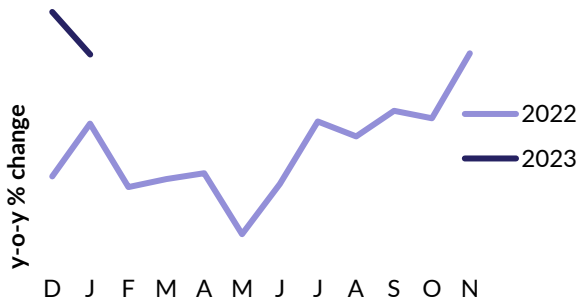


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HOUSEHOLD APPLIANCES

HOUSEHOLD APPLIANCES: UK TOTAL SALES CHANGE



HOUSEHOLD APPLIANCES: ONLINE PENETRATION RATE



HOUSEHOLD APPLIANCES: ONLINE SALES CHANGE



HOUSEHOLD APPLIANCES: STORES SALES CHANGE



THE MONTH OVERALL

Another winter month saw consumers hunting for smaller appliances that help to keep domestic energy prices as low as possible. However, growth slowed significantly from that seen a month earlier. Surprisingly, January was also reported to see demand pick up for larger goods as well, albeit not selling to the same sort of levels as smaller goods. White goods were said to sell well during the month, but unfortunately with people looking to trade down and buy cheaper items than pre-pandemic.

THE MONTH BY CHANNEL

Online, the category saw growth for the third month in a row, which was in part due to the easy comparable from last year. A variety of retailers reported that as soon as smaller energy-saving goods were made available they were selling out completely. In-store sales growth slowed from the previous month, but remained in double digits yet again. The Online penetration rate decreased by 1.1 percentage points from the same point a year ago, to 61.8% in January, once again the largest proportion of all categories bar computing.



Another winter month saw consumers hunting for smaller appliances that help to keep domestic energy prices as low as possible



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COMPUTING

COMPUTING: UK TOTAL SALES CHANGE



COMPUTING: ONLINE PENETRATION RATE



COMPUTING: ONLINE SALES CHANGE



COMPUTING: STORES SALES CHANGE



THE MONTH OVERALL

Following a particularly poor 2022 for Computing goods, and therefore the easier comparables it provides, it is concerning for retailers in this sphere that 2023 has begun in a similar fashion. January was the 21st consecutive month in decline for the category. In part this was due to the stellar sales seen during the depths of the pandemic, which will take some time for the renewal cycle to kick in. However, the cost-of-living crisis is also significantly impacting the category, due to the largely big-ticket prices tags.

THE MONTH BY CHANNEL

In January, the category fell into decline both Online and In-store. Online this was the fourth consecutive month in negative territory. However, for stores this was the first decline seen since October. The Online penetration rate decreased by 1.4 percentage points from January last year, to 68.6% this time.



It will take some time for the renewal cycle to kick in following the sales seen during the pandemic

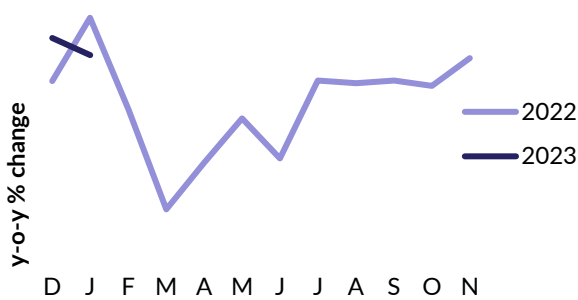


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OTHER NON-FOOD

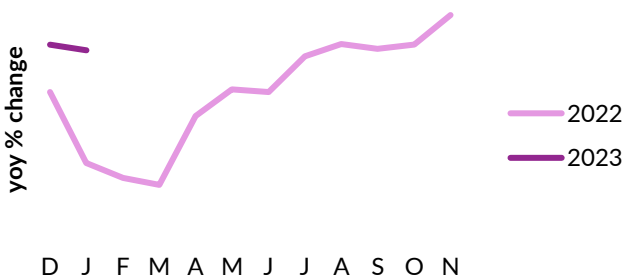
OTHER NON-FOOD**: UK TOTAL SALES CHANGE



OTHER NON-FOOD**: ONLINE PENETRATION RATE



OTHER NON-FOOD**: ONLINE SALES CHANGE



OTHER NON-FOOD**: STORES SALES CHANGE



THE MONTH OVERALL

January saw Other Non-Food fall further into decline from the recent high seen in December. A major factor in this decline was the winter World Cup's pull in TV sales, which would normally have been made during the January sales. DIY goods were also said to perform poorly, as people opted to only make the essential home repairs, as opposed to the traditional improvements made at the beginning of the year.



DIY goods performed poorly as people opted to only make essential home repairs



** 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

In-store sales returned to growth in January, following December's brief fall into decline. Jewellery & Watches and DIY goods were said to be more popular for in-person purchases during the month. Online, the category fell further into decline, with the steepest rate of decline since July. The Online penetration rate fell by 3.7 percentage points from last January, which was the largest swing of all categories, to 38.3% last month.

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OTHER NON-FOOD

Includes in particular:

Jewellery & Watches



The growth rate for Jewellery & Watches improved once again in January, with the category reaching its strongest growth rate since July last year. This was particularly pleasing for the category's retailers, as these sales were up against a particularly strong comparable from last year. Ever-increasing tourism helped to drive sales once again, particularly in the largest cities in the UK.

Electricals & Electronics

TVs were said to see demand fall considerably in the post-World Cup new year. Not only was there said to be less enthusiasm for the segment, but also when sales did happen, they were focussed around the most discounted products. This is bad news for retailers, who are concerned about the cannibalisation of sales further into the year. However, the new year is also traditionally a strong point for sales of fitness gear, with fitness focussed wearables said to be drawing some demand.

Leisure Goods, Gaming, Books, CDs & DVDs

Stock levels of gaming consoles are finally above the demand in the market, which is great news for consumers that have had to wait throughout the pandemic to make their purchases. This helped the segment attract significant demand, according to a variety of retailers. Travel goods were also said to be selling well, albeit with discounted goods naturally garnering the most attention.

DEPARTMENT STORES

The traditional January holiday booking phase was said to be particularly successful this year, with consumers clearly looking forward to trips away during the upcoming school breaks and beyond. This drove a considerable amount of demand for items across the board, with the January sales proving to be the ideal time to prepare well in advance. From bikinis to beach towels, the typically reactive consumers were said to be well inclined to spend when the right deals were available. This came to the benefit of department stores, as they were seen to be the ideal place to shop for everything under one roof.

BRC – KPMG RETAIL SALES MONITOR JANUARY 2023

Covering the four weeks 1 – 28 January 2023

MONTHLY RETAIL SALES: % CHANGE YEAR-ON-YEAR

MONTH	2021		2022		2023	
	LFL (1)	TOTAL	LFL	TOTAL	LFL	TOTAL
January	7.1	-1.3	8.1	11.9	3.9	4.2
February	9.5	1.0	2.7	6.7		
March	20.3	13.9	-0.4	3.1		
April	39.6	51.1	-1.7	-0.3		
May	18.5	28.4	-1.5	-1.1		
June	6.7	10.4	-1.3	-1.0		
July	4.7	6.4	1.6	2.3		
August	1.5	3.0	0.5	1.0		
September	-0.6	0.6	1.8	2.2		
October	-0.2	1.3	1.2	1.6		
November	1.8	5.0	4.1	4.2		
December	0.6	2.1	6.5	6.9		
Jan-Dec average	8.9	9.9	1.8	3.1	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
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
Sep – Nov	5.5	-0.4	2.3	5.8	0.0	2.6
Oct – Dec	7.7	1.1	4.1	7.9	1.5	4.4
Nov 22 – Jan 23	7.9	2.5	4.9	8.0	2.9	5.2

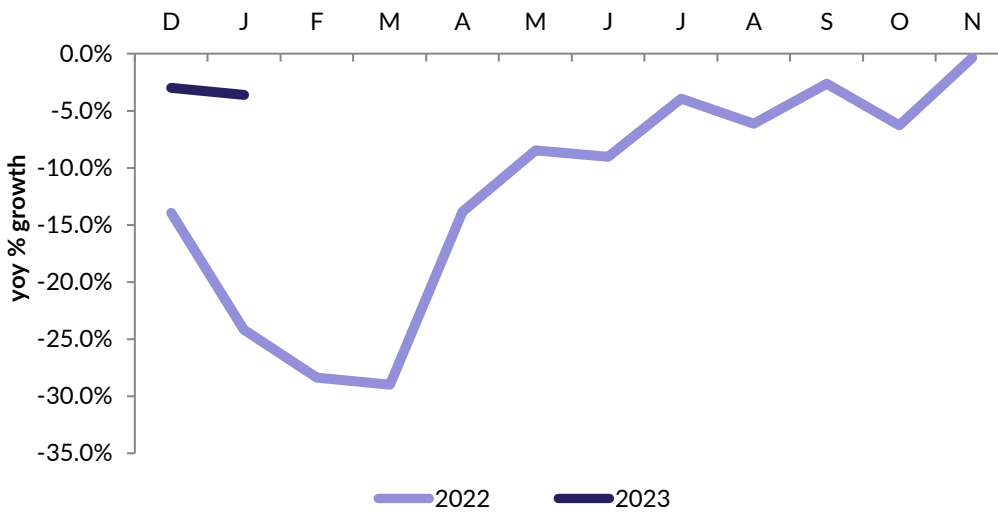
Source: BRC-KPMG RSM (Includes Food data from IGD)

(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 JANUARY 2023

Covering the four weeks 1 – 28 January 2023

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

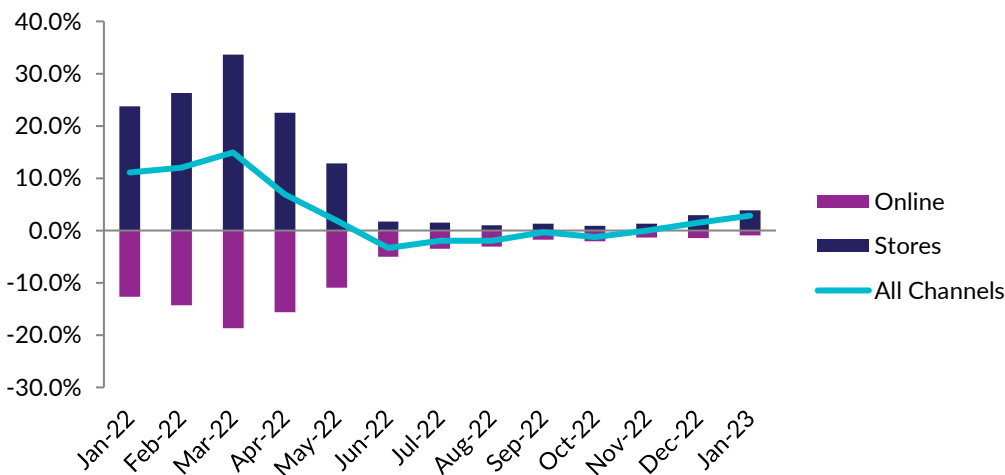


Source: BRC-KPMG RSM: **Online:** online sales of non-food goods (including mail and phone orders)

NON-FOOD GROWTH	ONLINE*	UK TOTAL
Jan 2023	-3.6%	n/d
Jan 2022	-24.2%	n/d
Dec 2022	-3.0%	n/d
3m avg	-2.4%	2.9%
12m avg	-9.7%	1.6%

n/d: cannot be disclosed

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



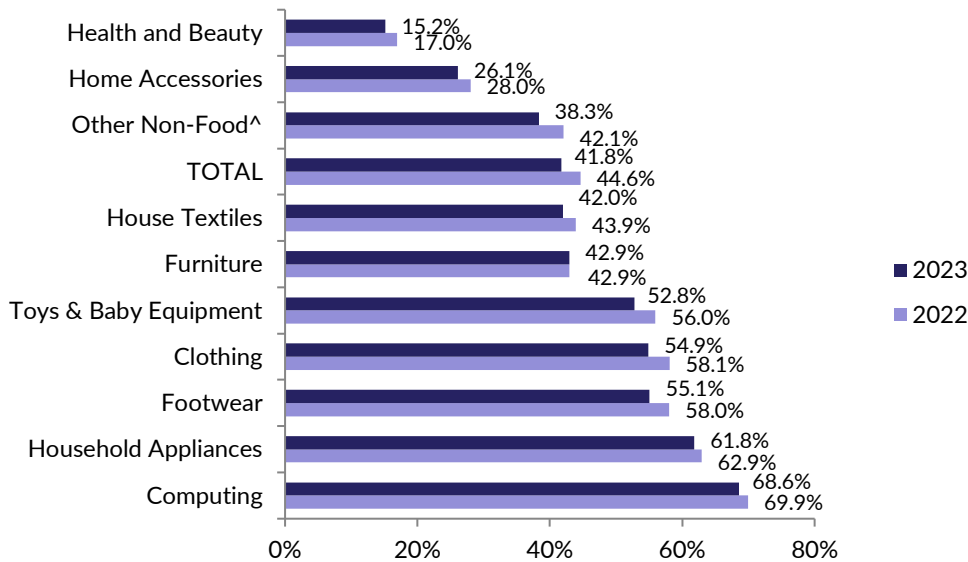
Source: BRC-KPMG RSM

NON-FOOD IN-STORE % CHANGE YEAR-ON-YEAR		
	LFL	TOTAL
Nov 22 - Jan 23	6.5%	7.2%
Nov 21 - Jan 22	54.0%	67.6%
Oct - Dec 22	4.5%	5.3%
12m avg	13.5%	17.4%

BRC – KPMG RETAIL SALES MONITOR JANUARY 2023

Covering the four weeks 1 – 28 January 2023

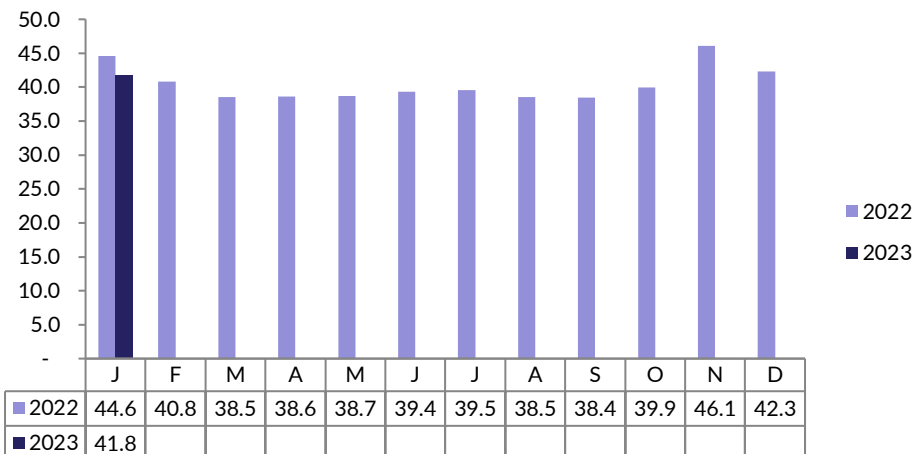
JAN: ONLINE PENETRATION RANKINGS BY CATEGORY



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	
Jan 2023	41.8%
Jan 2022	44.6%
Dec 2022	42.3%
3m average	43.3%
12m average	40.2%

Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR JANUARY 2023

Covering the four weeks 1 – 28 January 2023

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
Jan 2022	-24.2	-18.3	44.6	45.8	-16.7	-12.7
Feb	-28.4	-21.5	40.8	43.3	-19.6	-14.3
Mar	-29.0	-27.3	38.5	41.1	-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
Nov	-0.4	-3.1	46.1	41.3	-0.2	-1.3
Dec	-3.0	-3.2	42.3	42.8	-1.2	-1.4
Jan 2023	-3.6	-2.4	41.8	43.3	-1.5	-1.0

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
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%
Nov	2.2%	1.6%
Dec	5.3%	4.5%
Jan 2023	7.2%	6.5%

Source: BRC-KPMG Retail Sales Monitor

BRC – KPMG RETAIL SALES MONITOR JANUARY 2023

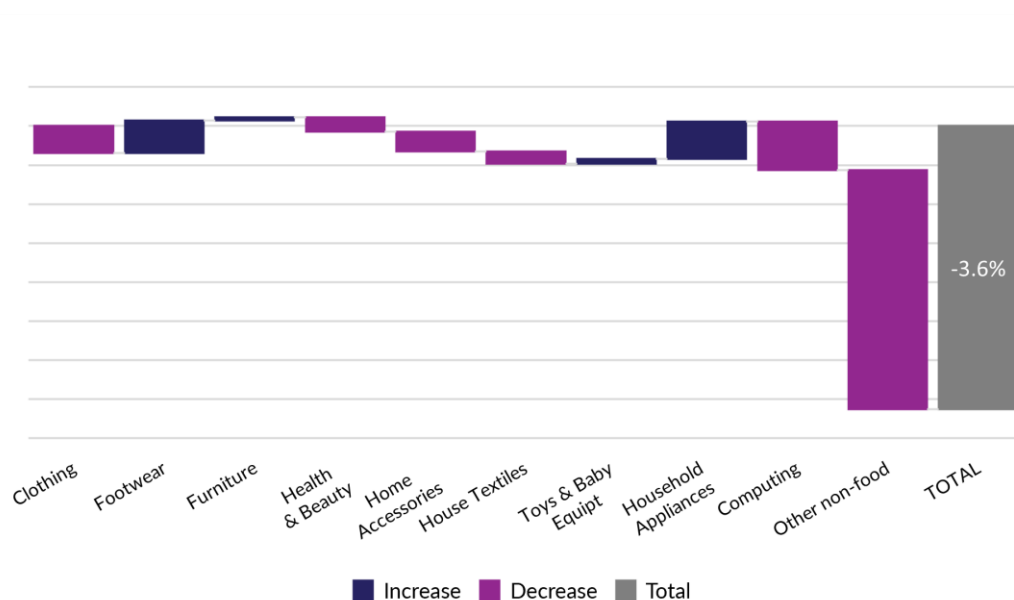
Covering the four weeks 1 – 28 January 2023

SECTOR PERFORMANCE: ONLINE SALES GROWTH

CATEGORY	SALES UP / DOWN JAN 2023	GROWTH RANKINGS				
		JAN 2023	DEC 2022	JAN 2022	3M AVG	12M AVG
Household Appliances	▲	1	1	4	1	4
Footwear	▲	2	4	1	3	1
Toys & Baby Equipment	▲	3	3	6	6	6
Furniture	▲	4	2	5	2	5
Clothing	▼	5	7	2	7	2
Health & Beauty	▼	6	6	3	4	3
House Textiles	▼	7	5	7	5	7
Home Accessories	▼	8	10	8	10	10
Computing	▼	9	8	10	9	8
Other Non-Food	▼	10	9	9	8	9

Source: BRC-KPMG RSM

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



Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR JANUARY 2023

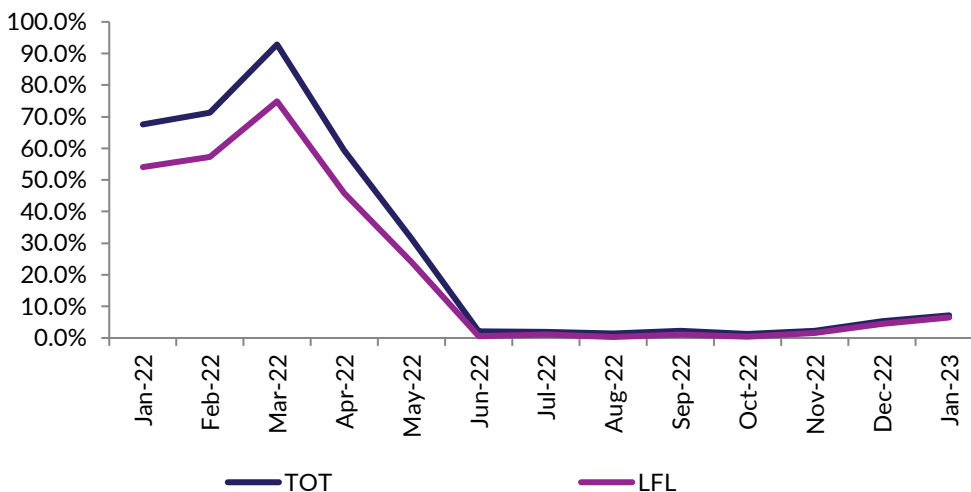
Covering the four weeks 1 – 28 January 2023

SECTOR PERFORMANCE: STORE TOTAL SALES GROWTH

CATEGORY	SALES UP / DOWN JAN 2023	GROWTH RANKINGS				
		JAN 2023	DEC 2022	JAN 2022	3M AVG	12M AVG
Footwear	▲	1	1	2	1	3
Toys & Baby Equipment	▲	2	2	9	6	9
Clothing	▲	3	5	5	4	5
Household Appliances	▲	4	4	4	2	4
Health & Beauty	▲	5	6	10	5	8
Other Non-Food	▲	6	10	8	7	6
House Textiles	▲	7	3	6	3	7
Home Accessories	▲	8	7	7	9	10
Furniture	▲	9	9	1	8	1
Computing	▼	10	8	3	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 JANUARY 2023

Covering the four weeks 1 – 28 January 2023

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 JANUARY 2023

Covering the four weeks 1 – 28 January 2023

MEDIA ENQUIRIES

British Retail Consortium

The Form Rooms,
22 Tower Street,
London WC2H 9NS

T 020 7854 8900

W www.brc.org.uk

Tom Holder

Media Relations Officer

T 0207 854 8924

M 0777 52382432

E tom.holder@brc.org.uk

KPMG

15 Canada Square
London
E14 5GL

T 020 7311 1000

W www.kpmg.co.uk

Emma Murray

PR Manager

T 0207 694 6506

M 07920 870 623

E emma.murray@kpmg.co.uk

IGD

Grange Lane
Letchmore Heath
Watford,
WD25 8GD

T 01923 857141

W www.igd.com

Laura John,

Corporate Communications Manager

T 01923 851986

M 07453 018505

E Laura.John@igd.com

The February 2023 Monitor, covering the four weeks 29 January – 25 February 2023, will be released at 00.01am on Tuesday 7 March 2023. 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 JANUARY 2023

Covering the four weeks 1 – 28 January 2023

British Retail Consortium

The Form Rooms, 22 Tower Street,
London WC2H 9NS

T 020 7854 8900

W www.brc.org.uk

AUTHORS

James Hardiman,
Senior Analyst

T 0207 854 8970

E James.Hardiman@brc.org.uk

Tina Spooner,
Strategic Insight Manager

T 0207 854 8960

E Tina.Spooner@brc.org.uk

EDITOR

Kris Hamer,
Insight Director

M: +44 (0)7557 231 991

E kris.hamer@brc.org.uk



**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,
please contact:

Tina Spooner
0207 854 8960

tina.spooner@brc.org.uk