

RAIN DAMPENS FREEDOM DAY DEMAND

Covering the four weeks 4 – 31 July 2021

Strictly Embargoed until 00.01 hrs – Tuesday 10th August 2021

JUL: LIKE-FOR-LIKE
RETAIL SALES
% change year-on-year

4.7%

In July, UK retail sales increased 4.7% on a Like-for-like basis from July 2020, when they had increased 4.3% from the preceding year. In July, Like-for-like has been measured

EXCLUDING temporarily closed stores but including Online sales.

JUL: TOTAL
RETAIL SALES
% change year-on-year

6.4%

On a Total basis, sales increased by 6.4% in July, against a growth of 3.2% in July 2020. This is below the 3-month average growth of 14.7% the 12-month average growth of 10.4%.

MAY – JUL: NON-FOOD LFL
IN-STORE GROWTH
% change year-on-year

48.1%

Over the three months to July, In-Store sales of Non-Food items grew 64.9% on a Total and increased 48.1% on a Like-for-like basis. This was above the 12-month average growth of 20.0%. On a 2-year basis, stores saw Like-for like growth of 10.7% over the last three months.

MAY – JUL: TOTAL
FOOD
% change year-on-year

2.9%

Over the three months to July, Food sales increased 0.8% on a Like-for-like basis and increased 2.9% on a Total basis. This is below the 12-month Total average growth of 5.6%. For the month of July, Food was in growth year-on-year.

MAY – JUL: TOTAL
NON-FOOD
% change year-on-year

24.6%

Over the three-months to July, Non-Food retail sales increased by 17.6% on a like-for-like basis and 24.6% on a Total basis. This is above the 12-month Total average decline of 14.4%. For the month of July, Non-Food was in growth year-on-year.

JUL: NON-FOOD
ONLINE GROWTH
% change year-on-year

0.6%

Online Non-Food sales increased by 0.6% in July, against a growth of 41.0% in July 2020. This is above the 3-mth average decline of 4.6%. Non-Food Online penetration rate decreased from 54.0% in July 2020 to 48.4% this July.



BRC – KPMG RETAIL SALES MONITOR JULY 2021

Covering the four weeks 4 – 31 July 2021



Helen Dickinson OBE, Chief Executive | British Retail Consortium

"July continued to see strong sales, although growth has started to slow. The lifting of restrictions did not bring the anticipated in-store boost, with the wet weather leaving consumers reluctant to visit shopping destinations. Online sales remained strong, and with weddings and other social events back on for the summer calendar, formalwear and beauty all began to see notable improvement, so fashion outlets in particular saw a bounce back to pre-pandemic levels. As many people prepare to return to the workplace, purchase of home office equipment began to fall after a month of high sales, meanwhile other homeware, such as furniture and household appliances continued to do well."

"However, the vacancy rate is continuing to rise. Many shops and local communities have been battered by the pandemic, with many high streets in need of further investment. Unfortunately, the current broken business rates system continues to hold back retailers, hindering vital investment into retail innovation and the blended physical-digital retail offering. The Government must ensure the upcoming business rates review permanently reduces the cost burden to sustainable levels. Retailers want to play their part in building back a better future for local communities, and Government must give them the tools to do so."



Don Williams, Retail Partner | KPMG

"Retail sales continued to grow in July, although at a slower rate as the reopening of the hospitality and leisure sectors led to a dilution in consumer spending."

"Whilst the high street saw continued growth in July, with sales up 6%, unsurprisingly online sales fell back - although less than expected - by -0.4% compared to July 2020. Both women's and men's clothing continued their revival with strong growth in-store and online. Many other non-food categories had a less strong performance, especially those related with the home after the house moving frenzy of recent months started to abate. With better weather and school holidays underway, consumers are happy to shop for clothes, shoes and accessories for those much needed social events."

"Over the coming months the health of the sector is expected to grow at a much slower rate as retailers face increasing challenges on a number of fronts. Staffing pressures, increases in commodity and component costs, rising inflation eating into households' spending power and stalling consumer confidence could lead to a slowdown in retail sector growth as we head into autumn."



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

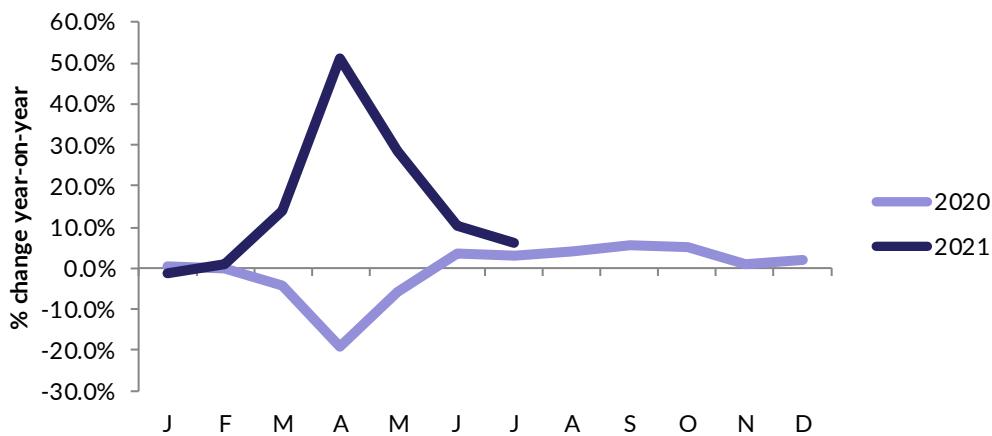
"UK food and drink sales returned to growth in July, following several months where sales struggled to match the high peaks of sales generated post-Easter in 2020. As well as the Euro 2020 football tournament, the UK experienced two exceptional weeks of hot weather in July, providing ample opportunities for shoppers to celebrate with food and drink."

"However, while sales were boosted in July, looking forward there are many challenges to overcome. The UK's K-shaped recovery persists; IGD's [ShopperVista](#) insight reveals higher income groups believe they are more likely to be better off financially (23%) than worse off (20%) in the year ahead. In contrast, lower income groups are more likely to believe they will be worse off (23%) than better off (15%). Furthermore, shoppers are increasingly concerned about food and grocery price inflation, with 16% of shoppers expecting that prices will get much more expensive in the year ahead, up from just 8% of shoppers in April'21."

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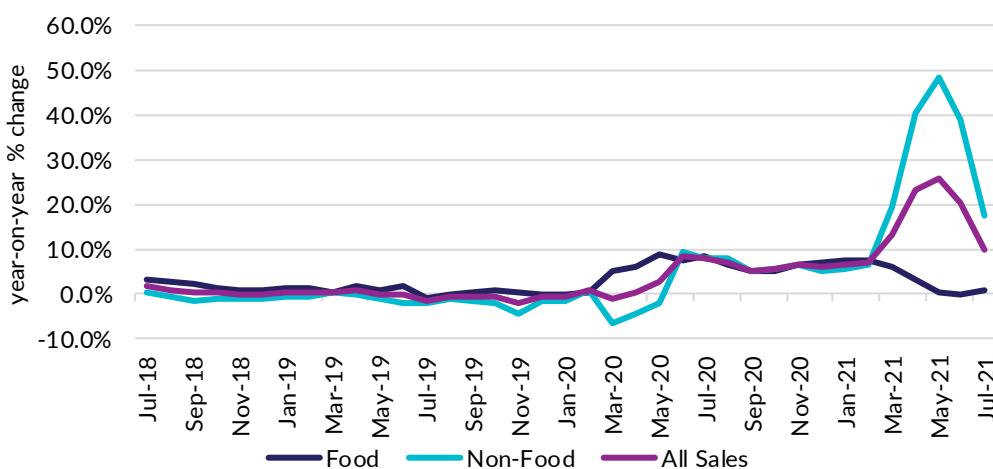
MONTHLY GROWTH OF TOTAL RETAIL SALES



	LFL	TOTAL
Jul 2021	4.7%	6.4%
Jul 2019	4.3%	3.2%
Jun 2021	6.7%	10.4%
3m average	9.7%	14.7%
12m average	11.1%	10.4%

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	0.8%	2.9%
Non-food	17.6%	24.6%
All Sales	9.7%	14.7%

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

BRC – KPMG RETAIL SALES MONITOR JULY 2021

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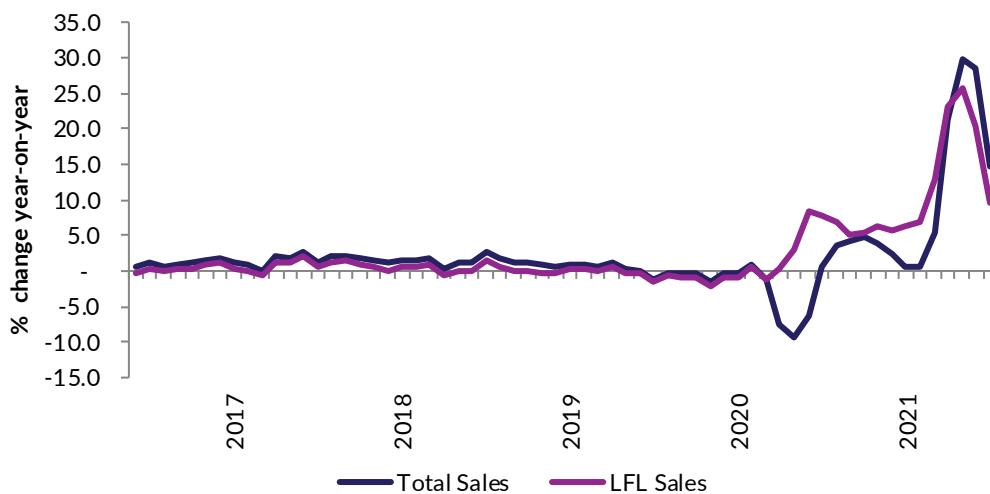
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BRC – KPMG RETAIL SALES MONITOR JULY 2021

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



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

OVERVIEW

Now that we are comparing against the post-lockdown period from last spring, we are moving back towards analysing retail sales primarily on a year-on-year basis as stores were open both in this and last July. However, year-on-two-year comparisons are still useful in certain circumstances, which will be clearly signposted in this report.

Retail sales growth slowed slightly on a year-on-year basis, to 6.4% in July. This was significantly lower than the three-month average of 14.7% but given that July was the first month comparing against a whole month of reopened stores from last year this was a creditable result. Indeed, outperforming the strong comparable month from last year highlights the strong confidence in the market currently.

As a sign that there may well be some 'normality' returning, the weather played a key role when looking at the performance of the broad Food and Non-Food categories in July. Despite Food sales slowing on a three-month basis year-on-year, to 2.9% in July from 3.2% in June, the month saw a stronger performance than the previous two thanks to the return of poor weather at the end of the month that kept people indoors rather than going out to eat. Non-Food on the other hand saw growth slow dramatically in July, although the sunshine at the beginning of the month boosted Clothing sales considerably. Rainfall dampened sales in the second half of the month, and hampered consumer appetite to visit the shops which led to 'Freedom Day' having little impact on sales.

From a channel perspective, Online returned to growth for the first time in three months, as the post-reopening boom to stores faded. Poor weather at the end of the month was also cited as a factor in this swing back toward online shopping, as people are now more comfortable switching channels if stores become less convenient for any reason, rather than holding off on spending as much as they did prior to the pandemic. In-store sales, while naturally stronger than the heavily restricted trading levels at the same point last year, fell back against 2019. However, July 2019 was a high point for physical retail, thanks in part to the heatwave in the UK at that time.

It was widely reported that the trend towards out-of-town shopping and away from city centres continued in July, there were signs towards the end of the month that this may be beginning to change. The tapering of the furlough scheme began during the month, with more people said to be returning to office working. It remains to be seen, however, how much of an effect this will have over the next couple of months as the scheme is unwound altogether.

James Hardiman, Senior Analyst

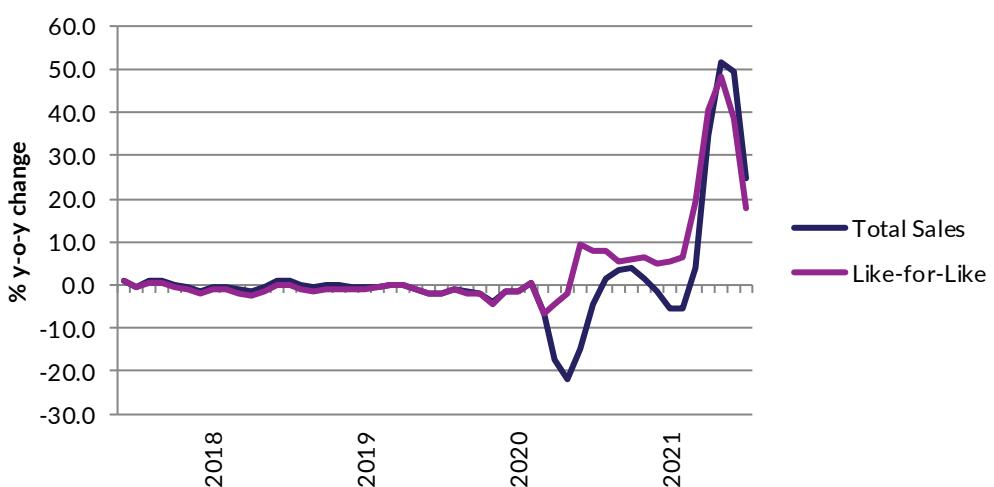
BRC - KPMG RETAIL SALES MONITOR JULY 2021

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FOOD SALES: 3-MONTH AVERAGE



NON-FOOD SALES: 3-MONTH AVERAGE



Source: BRC-KPMG RSM

BRC - KPMG RETAIL SALES MONITOR JULY 2021

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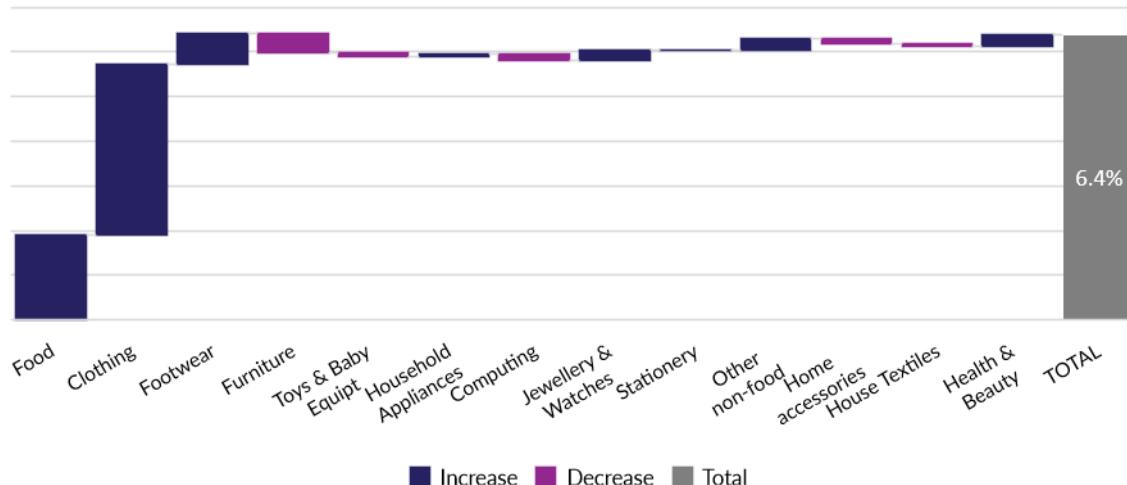
PERFORMANCE BY CATEGORY

By James Hardiman, Senior Analyst

CATEGORY	UP / DOWN JUL-20		RANKINGS(TOTAL SALES)					
	LFL	TOT	JUL-21	JUN-21	JUL-20	3M AVG	12M AVG	
Clothing	▲	▲	1	1	12	2	3	
Footwear	▲	▲	2	2	13	3	9	
Jewellery & Watches	▲	▲	3	3	9	1	1	
Food	▲	▲	4	6	7	9	10	
Health and Beauty	▲	▲	5	4	10	5	11	
Household Appliances	▼	▲	6	9	6	8	5	
Other Non-Food	▼	▲	7	7	4	11	4	
Stationery	▼	▲	8	11	11	10	12	
House Textiles	▼	▼	9	8	5	6	8	
Toys & Baby Equipment	▼	▼	10	12	8	12	13	
Home Accessories	▼	▼	11	10	3	7	6	
Furniture	▼	▼	12	5	1	4	2	
Computing	▼	▼	13	13	2	13	7	

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

JUL: CONTRIBUTION TO TOTAL SALES GROWTH BY CATEGORY



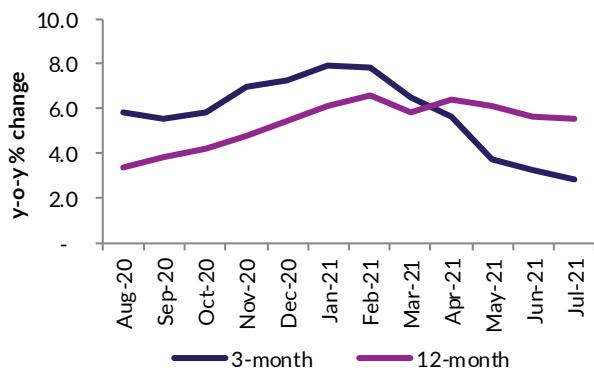
Source: BRC-KMG RSM (Includes Food data from IGD); in this chart, purple blocks represent negative contributions

BRC - KPMG RETAIL SALES MONITOR JULY 2021

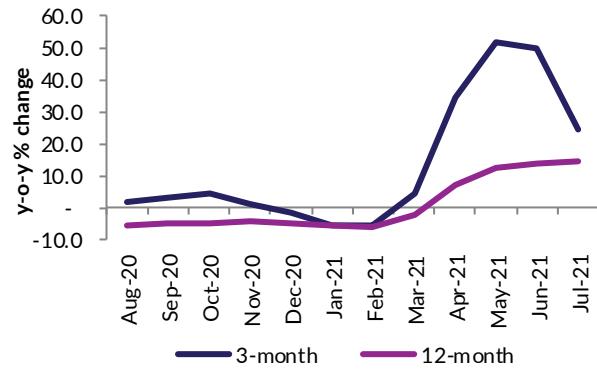
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FOOD

TOTAL SALES ROLLING AVERAGE GROWTH: FOOD



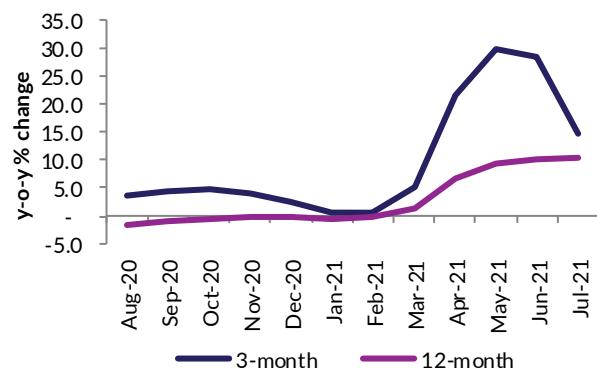
TOTAL SALES ROLLING AVERAGE GROWTH: NON-FOOD



FOOD

Over the 3 months to July Food sales increased 0.8% year-on-year on a Like-for-like basis and grew 2.9% on a Total basis, compared with the same period in 2020. The Total 3-month average performance slowed from 3.2% in the previous month, however, it should be noted this is on the back of particularly strong growth in the period May to July 2020 when sales were up 6.1% year-on-year – the highest 3-month average rate recorded since June 2009. The good weather at the beginning of the month saw people enjoying the outdoors, with barbecue food and accompanying salads reportedly selling well.

TOTAL SALES ROLLING AVERAGE GROWTH: UK



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Three-month average growth rates continue to slow on an annual basis.

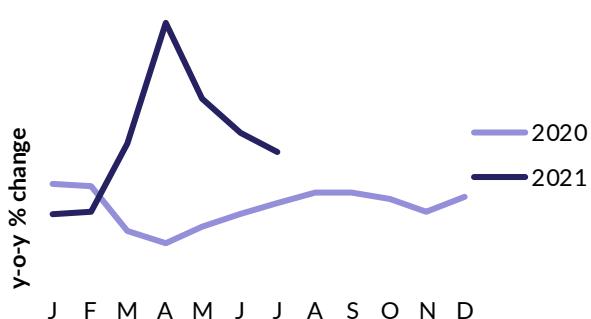
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BRC - KPMG RETAIL SALES MONITOR JULY 2021

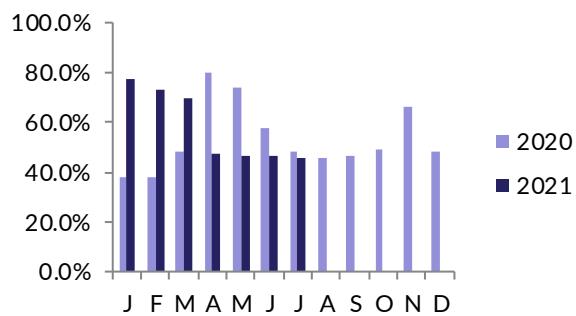
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CLOTHING

CLOTHING: UK TOTAL SALES CHANGE



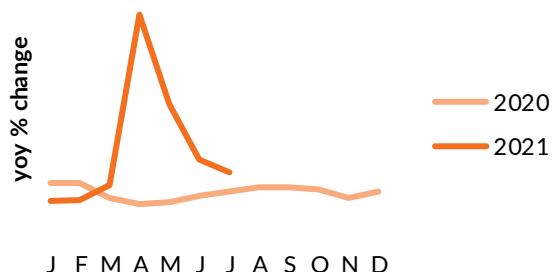
CLOTHING: ONLINE PENETRATION RATE



CLOTHING: ONLINE SALES CHANGE



CLOTHING: STORES SALES CHANGE



THE MONTH OVERALL

Clothing sales continued to recover during July, with the record temperatures during the middle of the month helping to boost sales of summer ranges. Men's and women's workwear was said to have improved as more people returned to office-based working, while some retailers reported demand for suits and formalwear remained weak. With the majority of holidays taking place in the UK this summer, not surprisingly, summer wear continues to lag although it was reported swimwear sales were doing quite well during the month.

THE MONTH BY CHANNEL

For the second consecutive month growth in Online Clothing sales increased both on an annual basis and compared with the same month in 2019. Online sales of menswear picked up during July with an increase in formalwear, while sales of casualwear were stronger online in womenswear. The Online Penetration rate has remained stable since April, with the average rate in July reaching 45.7%, down 2.5 percentage points from the same month last year.

The gradual return to office-based working resulted in a shift towards workwear and a slowdown in sales of casual clothing.

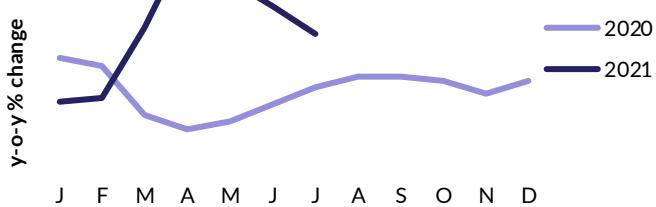
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BRC - KPMG RETAIL SALES MONITOR JULY 2021

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FOOTWEAR

FOOTWEAR: UK TOTAL SALES CHANGE



FOOTWEAR: ONLINE PENETRATION RATE



FOOTWEAR: ONLINE SALES CHANGE



FOOTWEAR: STORES SALES CHANGE



THE MONTH OVERALL

Footwear sales recorded a solid year-on-year performance, however, on a 2-year basis were down slightly compared with July 2019. While sales of women's footwear continues to outperform men's, it was said that sales of men's formal shoes picked up with the slow return towards office-based working, albeit with many only going back part-time.

THE MONTH BY CHANNEL

Online Footwear sales remained strong during July, both on an annual basis and compared with the same month last year. The Online Footwear Penetration rate remained in line with the average rate recorded since April this year, reaching 56.1% in July. This is up 1.7 percentage points from the same month last year.

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The Online Footwear penetration rate has remained stable since April with the average reaching 56.1% in July.

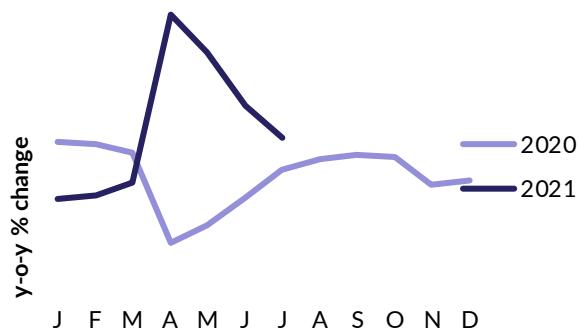
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BRC - KPMG RETAIL SALES MONITOR JULY 2021

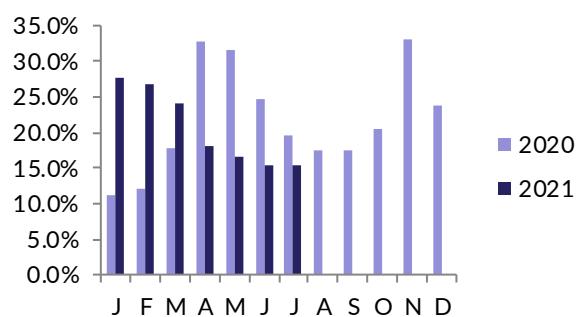
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HEALTH & BEAUTY

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 continues to perform below pre-pandemic levels. However, for the first time since the start of the Covid crisis, sales of beauty products outperformed health-related goods on a year-on-year basis. This is in part due to the re-opening of stores and also the category seeing a boost with the gradual return to office-based working. In particular, sales of make-up and fragrance were said to have performed well during the month.

THE MONTH BY CHANNEL

The annual decline in Online Health & Beauty sales slowed during July, however, sales growth continues to be well ahead of pre-pandemic levels. The Online penetration rate remained unchanged from the previous month at 15.5% in July, down 4.1 percentage points from the same month last year.

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Beauty products outperformed health-related goods year-on-year, for the first time since the start of the pandemic.

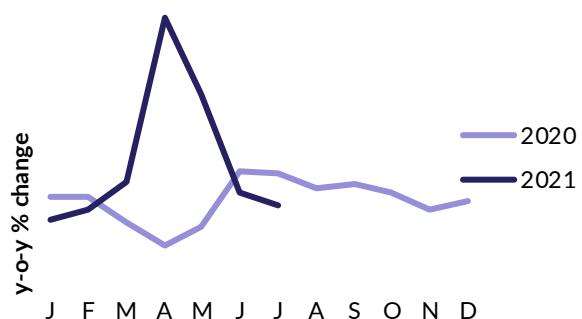
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BRC - KPMG RETAIL SALES MONITOR JULY 2021

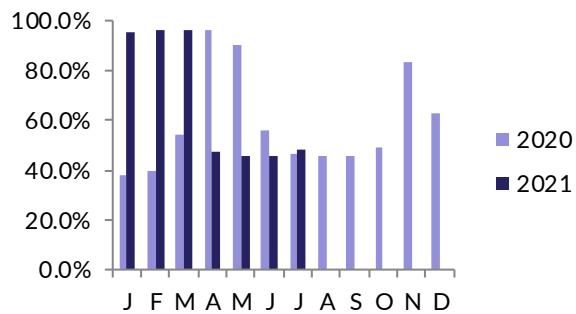
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FURNITURE

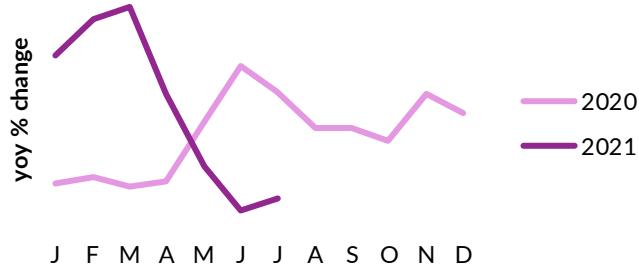
FURNITURE: UK TOTAL SALES CHANGE



FURNITURE: ONLINE PENETRATION RATE



FURNITURE: ONLINE SALES CHANGE



FURNITURE: STORES SALES CHANGE



THE MONTH OVERALL

The downward trend continued in July with sales in this category falling compared with last year's record growth, when consumers' focus turned to improving their homes during the early part of the pandemic. Despite supply chain issues continuing for some retailers, during July Furniture sales continued to see solid double-digit growth on a 2-year basis. As more workers return to offices, it is no surprise that sales of home office furniture slowed during July, while it was reported that spend was diverted towards living, dining and bedroom furniture. The GfK Consumer Confidence Index for Major Purchases increased by a healthy 7 points from June, to 2 in July.

THE MONTH BY CHANNEL

Online sales were in decline for the second month in a row, following the record growth seen at the beginning of the year. The Online Penetration rate in the Furniture category has remained stable since April, with the average rate in July reaching 47.9%. This is 1.8 percentage points higher than the rate recorded in July 2020.

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It was reported that sales of home office furniture slowed as workers returned to office-based working.

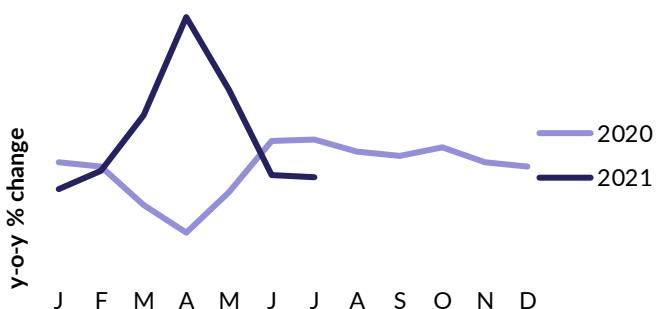
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BRC - KPMG RETAIL SALES MONITOR JULY 2021

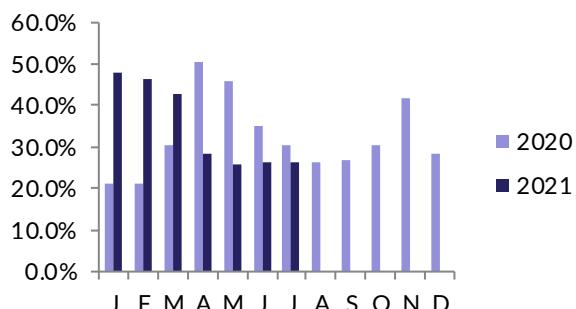
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HOME ACCESSORIES

HOME ACCESSORIES: UK TOTAL SALES CHANGE



HOME ACCESSORIES: ONLINE PENETRATION RATE



HOME ACCESSORIES: ONLINE SALES CHANGE



HOME ACCESSORIES: STORES SALES CHANGE



THE MONTH OVERALL

The Home Accessories category recorded a slowdown in growth on a 2-year basis for the second consecutive month, while the year-on-year performance was in line with June, recording a decline from the same month last year. This is hardly surprising, when compared to the strong performance observed in the same period last year when consumer spend very much focused on home improvements.

THE MONTH BY CHANNEL

Online sales of Home Accessories continued to decline year-on-year during July, when compared with the strong performance in the same month last year. However, on a 2-year basis, the July performance is up significantly on pre-pandemic growth levels. The Online Penetration rate for Home Accessories remained stable in July at 26.2%, down 4.5 percentage points compared with the same month last year. This is in line with the average rates recorded since April this year.



The Online Penetration rate in Home Accessories remained in line with average rates observed since April.

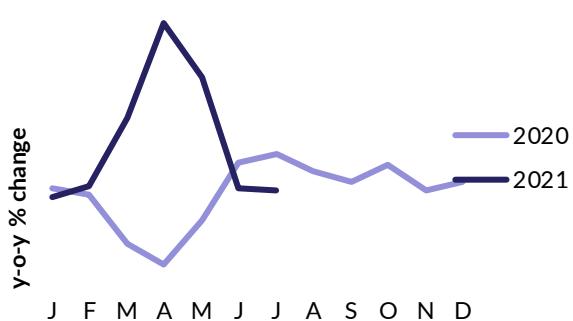


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HOUSE TEXTILES

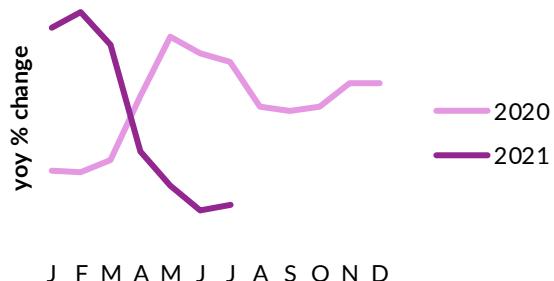
HOUSE TEXTILES: UK TOTAL SALES CHANGE



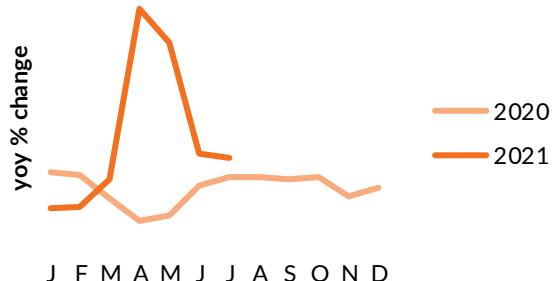
HOUSE TEXTILES: ONLINE PENETRATION RATE



HOUSE TEXTILES: ONLINE SALES CHANGE



HOUSE TEXTILES: STORES SALES CHANGE



THE MONTH OVERALL

This category followed a similar trend to Home Accessories in July, with the year-on-year performance in line with that observed in June, recording a slight decline in sales. However, on a 2-year basis, sales are ahead of pre-pandemic growth levels.

THE MONTH BY CHANNEL

The Online performance of House Textiles continued to decline year-on-year during July, but the decrease was less steep than the average rate observed in June. The Online Penetration rate for House Textiles reached 43.8% in July, down 2.7 percentage points from the average rate recorded in the same month last year.

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On a 2-year basis, sales continue to perform ahead of pre-pandemic levels

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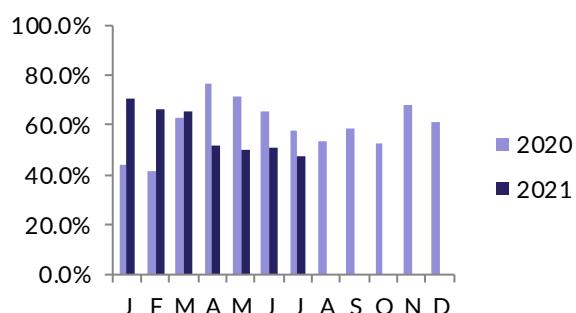
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TOYS & BABY EQUIPMENT

TOYS & BABY EQUIPMENT: UK TOTAL SALES CHANGE



TOYS & BABY EQUIPMENT: ONLINE PENETRATION RATE



TOYS & BABY EQUIPMENT: ONLINE SALES CHANGE



TOYS & BABY EQUIPMENT: STORES SALES CHANGE



THE MONTH OVERALL

Toys & Baby Equipment's sales performance improved somewhat from June. According to a variety of retailers, this was primarily down to the improved sales of Push Chairs and other Baby Equipment during the month, which could be a sign of a predicted baby boom resulting from the lockdowns over the last year or so. Toys were said to be in demand when the schools broke up for the summer holidays, which is more in line with traditional trading patterns, following the turbulent times seen since the pandemic hit. Against the trading levels seen pre-pandemic, the category remained some way behind once again.

THE MONTH BY CHANNEL

The decline in Online continued to ease in July, against last year's strong growth rates. However, on a 2-year basis the channel continues to outperform its pre-pandemic levels. This was mirrored by the In-store performance, as it remains languishing behind normal trading conditions. The Online penetration rate decreased by 10.5 percentage points from the same period last year, to 47.4% in July.

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Baby Equipment sold well, which could be a sign of the much-anticipated baby boom

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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

The category returned to growth in July, on a year-on-year basis. This was a creditable performance, especially given the stellar run recorded in the second half of 2020. The continued demand for white goods is testament to the ongoing focus from consumers on home improvements. Smaller items were also said to be in demand at the beginning of the month, with fans and air-conditioning units proving unsurprisingly popular when the weather was at its hottest.

THE MONTH BY CHANNEL

For stores, the post-lockdown boom from late spring appears to be coming to an end, with growth slowing. Also, against the more normal trading conditions in 2019 the category remained in decline for the second consecutive month. Online, the category improved from the record low seen in June but remained in decline against the strong performance seen last year. The Online penetration rate decreased by 6.2 percentage points from July last year but remained the highest of all categories this year with 69.4%.

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Fans and air-conditioning units popular when the weather was at its hottest

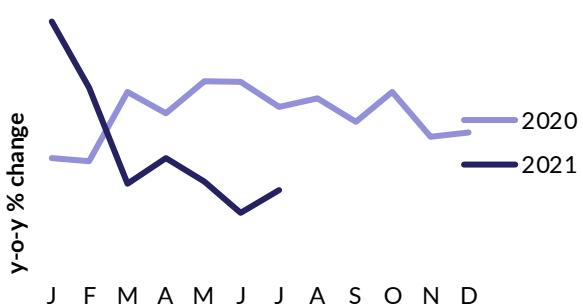
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COMPUTING

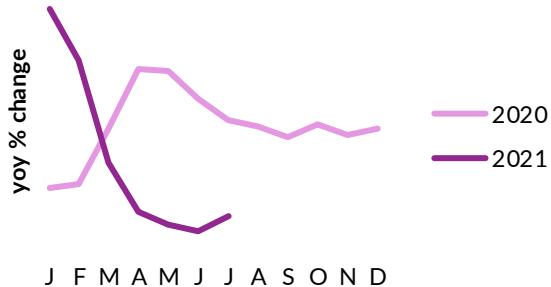
COMPUTING: UK TOTAL SALES CHANGE



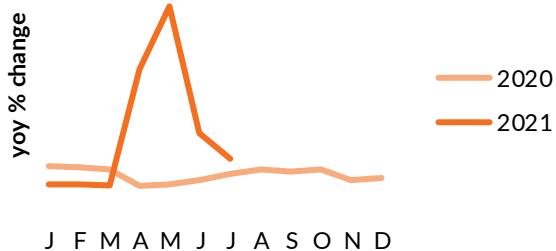
COMPUTING: ONLINE PENETRATION RATE



COMPUTING: ONLINE SALES CHANGE



COMPUTING: STORES SALES CHANGE



THE MONTH OVERALL

Computing remained in decline for the third consecutive month in July on a year-on-year basis. However, the category continues to trade ahead of its pre-pandemic levels. With many moving towards a hybrid working model, spending part of their working week in the office, lightweight laptops were said to be selling well but demand waned for home-office equipment.

THE MONTH BY CHANNEL

The Online decline continued once again, with the channel not seeing year-on-year growth since the end of the lockdown earlier in the year. In-store sales slowed again in July, but just remained ahead of the levels seen before the crisis began. The Online penetration rate decreased by 10.7 percentage points from July last year, to 68.1%.

“

Lightweight laptops sold well but demand waned for home-office equipment

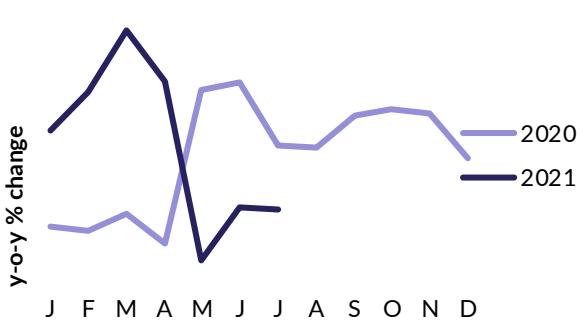
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BRC - KPMG RETAIL SALES MONITOR JULY 2021

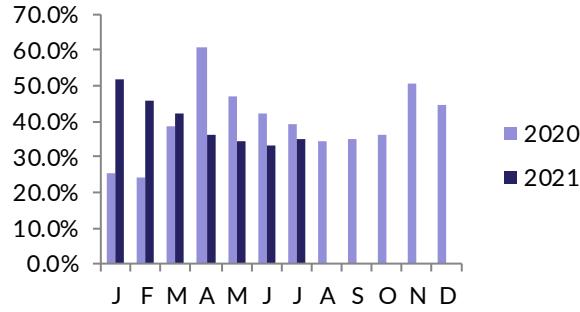
Covering the four weeks 4 – 31 July 2021

OTHER NON-FOOD

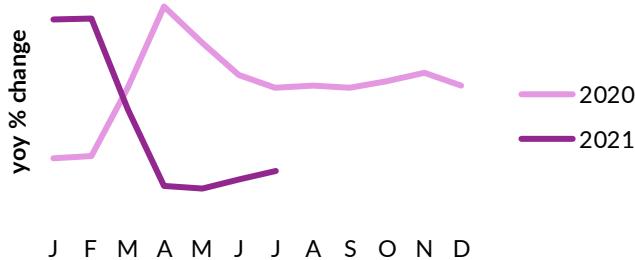
OTHER NON-FOOD**: UK TOTAL SALES CHANGE



OTHER NON-FOOD**: ONLINE PENETRATION RATE



OTHER NON-FOOD**: ONLINE SALES CHANGE



OTHER NON-FOOD**: STORES SALES CHANGE



** 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

On a year-on-year basis, the category saw growth for the second month in a row, albeit at a much lower rate than that seen for most of the crisis period so far. The fact that any growth was seen is testament to the strong demand for TVs and Gaming, with consumers still looking for indoor entertainments.

In-store growth accelerated in July, with physical retailing continuing to outperform even the pre-pandemic levels from 2019. The Online decline eased once again for the month. The Online penetration rate decreased by 4.0 percentage points from the same point in 2020, to 35.2%.

“

TVs and Gaming sold well, with consumers still looking for indoor entertainments

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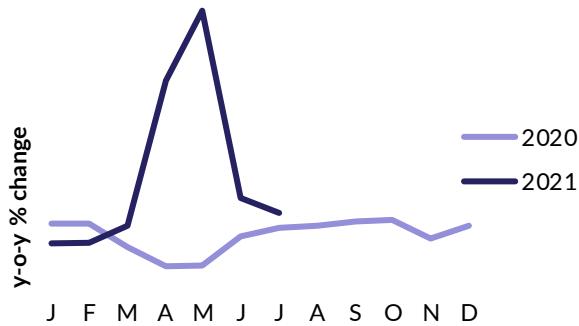
BRC – KPMG RETAIL SALES MONITOR JULY 2021

Covering the four weeks 4 – 31 July 2021

OTHER NON-FOOD

Includes in particular:

Jewellery & Watches



Given the stronger comparable month from last year, Jewellery & Watches put in a creditable performance and remained in growth both on a year-on-year basis and against the levels of trading in 2019. The slower rate was once again no surprise, as the post-reopening release of demand is now behind us.

Electricals & Electronics

Indoor entertainments were once again at the forefront of consumers' minds in July, TVs and Gaming consoles performing well once again, further extending their incredible run of form. The former was helped by the tail end of the European Championships at the beginning of the month, as people upgraded their TVs to watch England play in their first international final for 55 years. The latter was aided by more stock of the latest generation of consoles coming on to the market.

Leisure Goods, Gaming, Books, CDs & DVDs

Luggage was said to see some demand return, as more people are feeling brave enough to book holidays abroad than previously in the crisis, but it was still some way off the levels seen beforehand. Sports equipment was said to have a bad month, with the weather not playing ball in the latter half of July.

DEPARTMENTSTORES

The delayed arrival of 'Freedom Day' caused some consternation for Department Stores, who were looking for a considerable boost to offset some of the losses endured from the lockdown earlier in the year. However, it was not to be, as the first weekend following the relaxation of restrictions coincided with a spate of bad weather across the country. This dampened footfall considerably, although thanks to the increased comfort in Online retailing, sales didn't tail off as they would have done pre-pandemic. The long wait for office workers to return to city centres continues once again, with Department Stores continuing to suffer accordingly. We may have to wait until the furlough scheme is unwound entirely before we see the long-lasting effects on the numbers of people working in cities.

BRC – KPMG RETAIL SALES MONITOR JULY 2021

Covering the four weeks 4 – 31 July 2021

MONTHLY RETAIL SALES: % CHANGE YEAR-ON-YEAR

MONTH	2019		2020		2021	
	LFL	TOTAL	LFL	TOTAL	LFL	TOTAL
January	1.8	2.2	0.0	0.4	7.1	-1.3
February	-0.1	0.5	-0.4	0.1	9.5	1.0
March	-1.1	-0.5	-3.5	-4.3	20.3	13.9
April	3.7	4.1	5.7	-19.1	39.6	51.1
May	-3.0	-2.7	7.9	-5.9	18.5	28.4
June	-1.6	-1.3	10.9	3.4	6.7	10.4
July	0.1	0.3	4.3	3.2	4.7	6.4
August	-0.5	0.0	4.7	3.9	.	.
September	-1.7	-1.3	6.1	5.6	.	.
October	0.1	0.6	5.2	4.9	.	.
November	-4.9	-4.4	7.7	0.9	.	.
December	1.7	1.9	4.8	1.8	.	.
Jan-Jul average	-0.1	0.3	3.5	-2.9	15.1	15.5
Jan-Dec average	-0.5	-0.1	4.4	-0.3	n/a	n/a

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

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 20	8.2	7.9	7.9	6.1	-4.3	0.4
Jun – Aug 20	6.3	7.7	7.0	5.9	1.4	3.5
Jul – Sep	5.1	5.2	5.1	5.6	3.2	4.3
Aug – Oct	5.2	5.7	5.4	5.8	4.0	4.9
Sep – Nov	6.4	6.4	6.3	7.0	1.3	3.9
Oct-Dec	6.8	5.1	5.8	7.3	-1.5	2.5
Nov 20 – Jan 21	7.5	5.6	6.4	7.9	-5.6	0.6
Dec 20 – Feb 21	7.6	6.6	7.0	7.9	-5.5	0.6
Jan – Mar 21	5.7	19.5	12.9	6.6	4.2	5.3
Feb – Apr	3.3	40.4	23.0	5.7	34.6	21.4
Mar – May	0.2	48.3	25.7	3.8	51.6	29.8
Apr – Jun	-0.2	38.8	20.5	3.2	49.6	28.4
May – Jul	0.8	17.6	9.7	2.9	24.6	14.7

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 JULY 2021

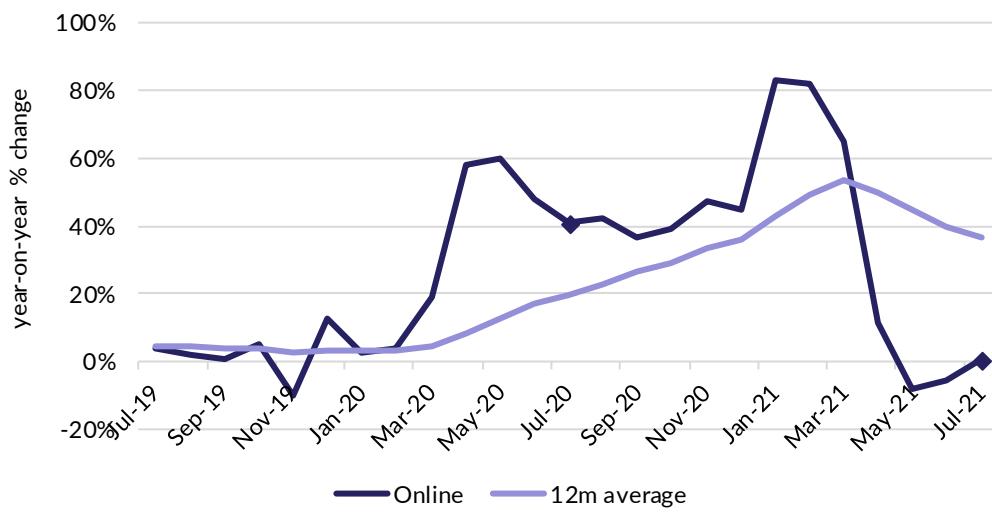
Covering the four weeks 4 – 31 July 2021

ONLINE VERSUS STORE DATA

BRC - KPMG RETAIL SALES MONITOR JULY 2021

Covering the four weeks 4 – 31 July 2021

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

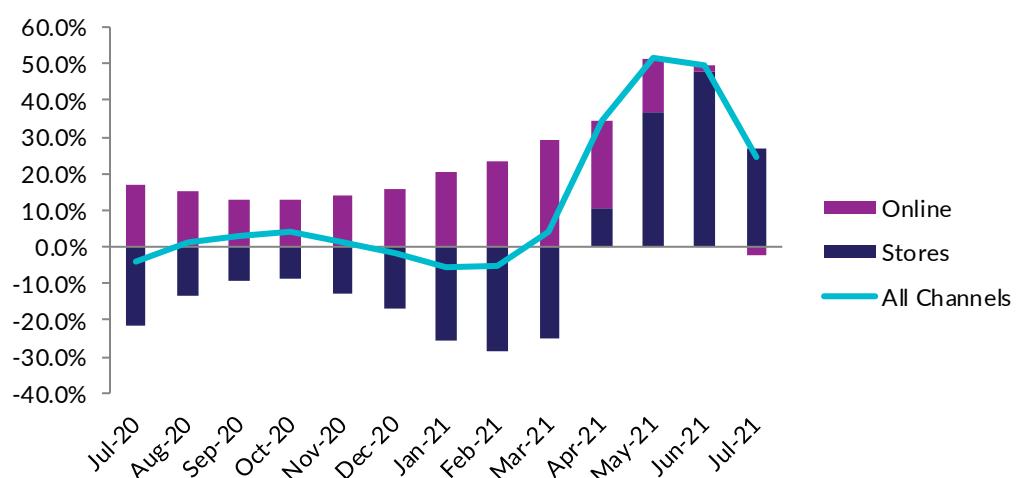


NON-FOOD GROWTH	ONLINE*	UK TOTAL
Jul 2021	0.6%	n/d
Jul 2020	41.0%	n/d
Jun 2021	-5.9%	n/d
3m avg	-4.6%	24.6%
12m avg	36.4%	14.4%

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 21	48.1%	64.9%
May - Jul 20	-11.3%	-29.3%
Apr - Jun 21	110.4%	140.0%
12m avg	21.2%	20.0%

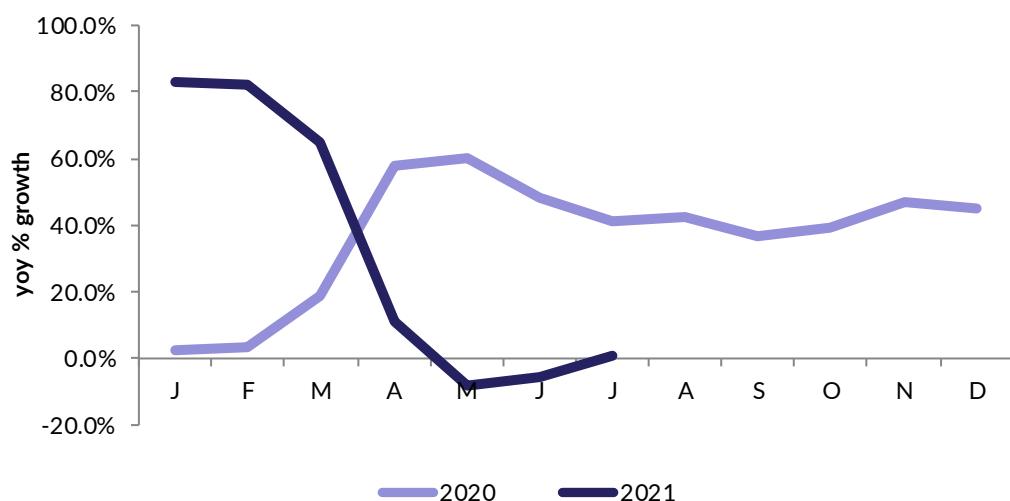
Source: BRC-KPMG RSM

BRC - KPMG RETAIL SALES MONITOR JULY 2021

Covering the four weeks 4 – 31 July 2021

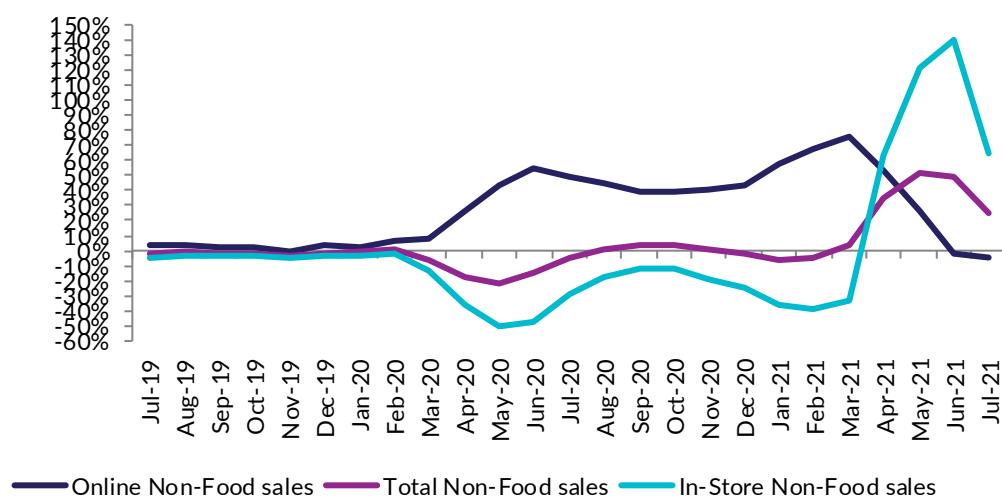
BRC-KPMG NON-FOOD RETAIL SALES YEAR-ON-YEAR GROWTH:

MONTHLY GROWTH OF ONLINE NON-FOOD RETAIL SALES (2021 2-YEAR % CHANGE)



Source: BRC-KPMG RSM

3M ROLLING AVERAGE GROWTH OF NON-FOOD SALES

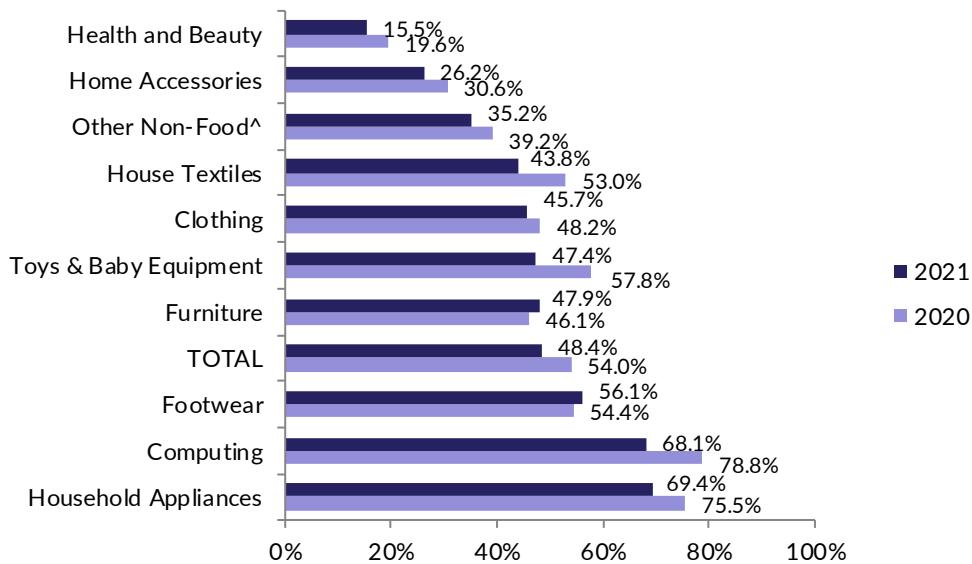


Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR JULY 2021

Covering the four weeks 4 – 31 July 2021

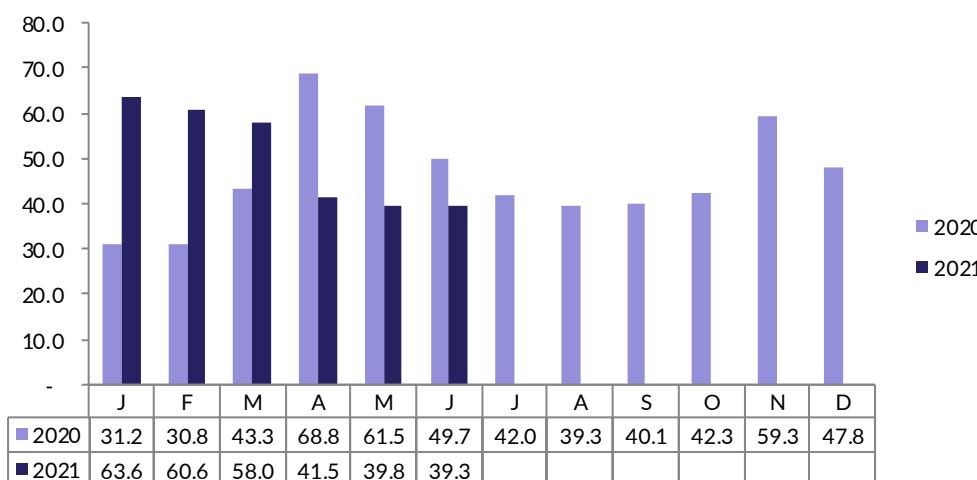
JUL: ONLINE PENETRATION RANKINGS BY CATEGORY



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	
Jul 2021	48.4%
Jul 2020	54.0%
Jun 2021	39.3%
3m average	42.3%
12m average	48.2%

Source: BRC-KPMG RSM

BRC - KPMG RETAIL SALES MONITOR JULY 2021

Covering the four weeks 4 – 31 July 2021

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 2020	41.0	49.7	54.0	54.7	12.9	17.1
Aug	42.4	44.2	39.3	47.8	13.4	15.0
Sep	36.7	39.7	40.1	44.1	12.0	12.7
Oct	39.0	39.2	42.3	40.5	13.0	12.8
Nov	47.2	40.6	59.3	46.7	18.0	14.2
Dec 2020	44.8	43.8	47.8	49.7	15.7	15.6
Jan 2021	83.0	57.3	63.6	56.2	28.4	20.3
Feb	82.2	68.1	60.6	56.6	27.2	23.1
Mar	64.7	75.7	58.0	60.5	31.4	29.2
Apr	11.3	53.6	41.5	53.7	11.5	24.0
May	-8.1	25.8	39.8	47.3	-3.4	14.6
Jun	-5.9	-1.3	39.3	40.1	-2.7	1.5
Jul	0.6	-4.6	48.4	42.3	-0.4	-2.2

Source: BRC-KPMG Retail Sales Monitor. * 2020 was 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 2020	-29.3%	-11.3%
Aug	-17.8%	-8.5%
Sep	-12.3%	-9.5%
Oct	-11.4%	-9.0%
Nov	-18.6%	-10.8%
Dec 2020	-24.7%	-14.4%
Jan 2021	-36.5%	-19.8%
Feb	-38.9%	-21.4%
Mar	-33.1%	-9.2%
Apr	63.1%	65.3%
May	120.8%	104.9%
Jun	140.0%	110.4%
Jul	64.9%	48.1%

Source: BRC-KPMG Retail Sales Monitor

BRC - KPMG RETAIL SALES MONITOR JULY 2021

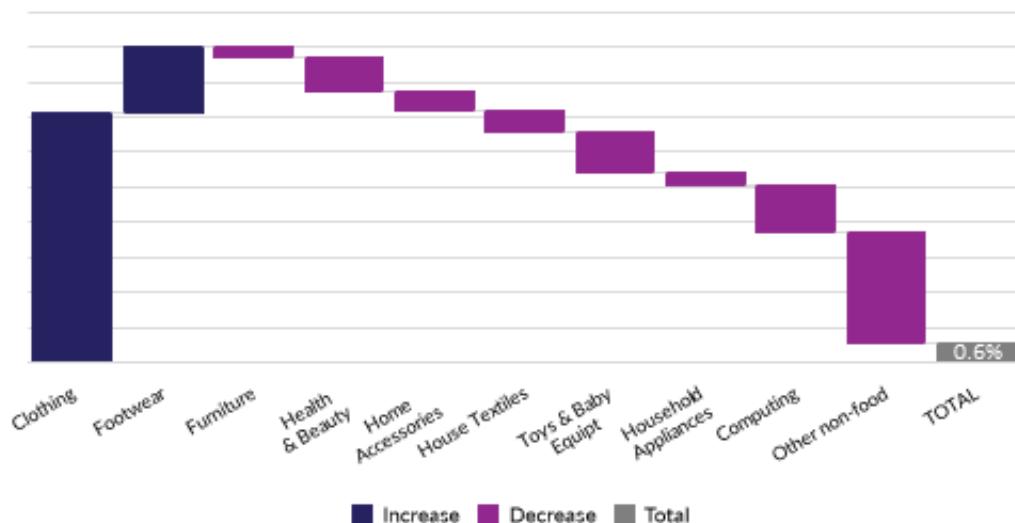
Covering the four weeks 4 – 31 July 2021

SECTOR PERFORMANCE: ONLINE SALES GROWTH

CATEGORY	SALES UP/ DOWN JUL 2020	GROWTH RANKINGS				
		JUL 2021	JUN 2021	JUL 2020	3M AVG	12M AVG
Clothing	▲	1	2	9	2	6
Footwear	▲	2	1	10	1	9
Furniture	▼	3	3	6	3	1
Household Appliances	▼	4	5	7	4	5
Other Non-Food	▼	5	4	5	6	3
Health & Beauty	▼	6	7	3	8	8
Home Accessories	▼	7	8	2	7	4
House Textiles	▼	8	6	4	5	7
Toys & Baby Equipment	▼	9	9	8	9	10
Computing	▼	10	10	1	10	2

Source: BRC-KPMG RSM

JUL: CONTRIBUTION TO NON-FOOD ONLINE SALES GROWTH (2-YR) BY CATEGORY



Source: BRC-KPMG RSM

BRC - KPMG RETAIL SALES MONITOR JULY 2021

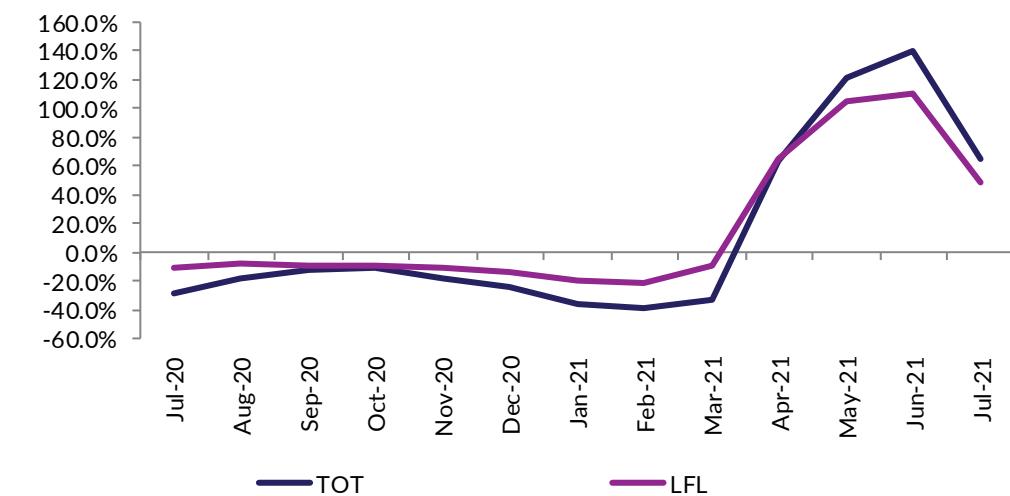
Covering the four weeks 4 – 31 July 2021

SECTOR PERFORMANCE: STORE TOTAL SALES GROWTH (2-YEAR TOTAL SALES)

CATEGORY	SALES UP/ DOWN JUL 2021	GROWTH RANKINGS				
		JUL 2021	JUN 2021	JUL 2020	3M AVG	12M AVG
Clothing	▲	1	2	7	5	3
Computing	▲	2	1	8	2	2
Other Non-Food	▲	3	9	3	10	8
Household Appliances	▲	4	4	10	3	5
Toys & Baby Equipment	▲	5	5	6	7	10
House Textiles	▲	6	8	4	6	6
Footwear	▲	7	3	9	4	4
Health & Beauty	▲	8	6	5	8	9
Home Accessories	▲	9	10	2	9	7
Furniture	▼	10	7	1	1	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 2021

Covering the four weeks 4 – 31 July 2021

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. Any one 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 2021

Covering the four weeks 4 – 31 July 2021

MEDIA ENQUIRIES

British Retail Consortium

2 London Bridge
London SE1 9RA

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 August 2021 Monitor, covering the four weeks 1 – 28 August 2021, will be released at 00.01am on Tuesday 7 September 2021. 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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KPMG LLP, a UK limited liability partnership, operates from 22 offices across the UK with approximately 16,300 partners and staff. The UK firm recorded a revenue of £2.338 billion in the year ended 30 September 2018. KPMG is a global network of professional firms providing Audit, Tax, and Advisory services. It operates in 154 countries and has 200,000 professionals working in member firms around the world. The independent member firms of the KPMG network are affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. Each KPMG firm is a legally distinct and separate entity and describes itself as such.

**FOOD DATA SUPPLIED BY**

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

BRC – KPMG RETAIL SALES MONITOR JULY 2021

Covering the four weeks 4 – 31 July 2021

DATA ENQUIRIES

British Retail Consortium

Suite 60, 4 Spring Bridge Road
Ealing, W5 2AA.

T 020 7854 8900

W www.brc.org.uk

James Hardiman,
Analyst

T 0207 854 8970

E James.Hardiman@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:

James Hardiman
0207 854 8970
james.hardiman@brc.org.uk