

## BRC – KPMG RETAIL SALES MONITOR

MAY 2023

COVERING FOUR WEEKS 30<sup>TH</sup> APRIL – 27<sup>TH</sup> MAY 2023

# BANK HOLIDAYS FAIL TO BOOST SALES GROWTH

<i>% CHANGE YEAR-ON-YEAR</i>		TOTAL	LIKE-FOR-LIKE
UK RETAIL SALES	▼	+3.9%	+3.7%
FOOD (3-MTH)	▼	+9.6%	+9.8%
NON-FOOD (3-MTH)	▼	+0.7%	+0.5%
NON-FOOD – STORE (3-MTH)	▼	+2.7%	+2.2%
NON-FOOD – ONLINE	▲	-3.0%	N/A

### EXECUTIVE SUMMARY: 1-MINUTE READ

Sales growth slowed considerably in May, falling to 3.9% on a Total basis, down from 5.1% in the previous month. This represents a far steeper fall in volumes sold in the retail industry, due to the ever-increasing rate of price inflation in the market. This slowdown is clear evidence of the toll that the cost-of-living crisis is having on consumer spending power, as people are clearly holding back on spending unless they are necessary purchases. This result was also quite a surprise given the extra bank holiday during the month, for the Coronation of King Charles III, which was hoped to provide a boost.

The issue of falling online sales continued for yet another month in May, which brings the run to an astonishing 22 months of consecutive declines. While many people are continuing to return to the office for a higher proportion of the working week all the time, this does not fully account for the significant declines seen. The figures recorded are more evidence of the heightened price sensitivity of online shoppers during this inflationary cycle, as it is easier for them to hunt for deals on the channel than anywhere else.





**Helen Dickinson OBE, Chief Executive | British Retail Consortium**

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“The trio of bank holidays failed to get shoppers spending as sales growth slowed to its lowest level in six months. While food sales got a boost from the Coronation weekend, this was not sustained for the rest of the month. Meanwhile, growth in discretionary spend continued to tumble as the high cost of living squeezed households. There was cause for some optimism, however, as brighter weather at the end of the month led to a much-needed pick-up in summer fashion sales, as well as gardening and DIY products.

“With consumer confidence still recovering from record depths, and continued tightening of household incomes, we are unlikely to see substantial sales growth in the coming months. But, with signs that inflation has possibly peaked, retailers are hopeful that confidence will continue to improve. Now is not the time for Government to impose more regulation and tax on business that will push up costs for retailers and prices for their customers.”



**Paul Martin, UK Head of Retail | KPMG**

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“Despite warmer weather, a national celebration and month of bank holidays, retailers saw pretty mild growth in May with sales figures up just 3.9% on last year, and lower than the 5% growth seen in April.

“High street retailers saw more categories slip into negative sales territory last month, with health, beauty and food driving sales on the high street. The gloom continued for online retailers with just four categories registering positive sales figures and total sales down by 3%. Online penetration rates continued to slide, sitting at 36%, as consumers return to bargain hunting in store.

“Retailers will be hoping that inflation levels in the wider economy continue to move in the right direction in order to boost much needed consumer confidence. The wild card for the retail sector remains uncontrollable food inflation, which shows little sign of coming down in the near future, and this is having a significant knock-on effect on non-essential spending. The grocery sector is the fastest growing part of the consumer wallet at the moment, so consumers are having to spend more of their money in the one area that is getting disproportionately more expensive.

“UK consumers are resilient, but with stubbornly high food inflation continuing and the prospect of further interest rate rises threatening to impact their ability to spend elsewhere, it is likely to be a long, hot summer for the retail sector.”



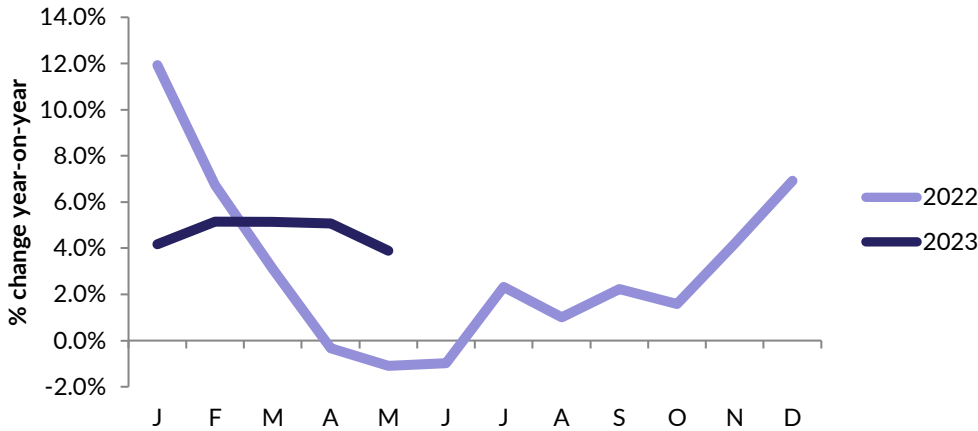
**Food & Drink sector performance | Susan Barratt, CEO | IGD**

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“May’s food and drink sales again saw strong value growth, with double-digit inflation driving sales consistently over the four-week period. Volume sales were marginally negative, even with a brief uptick from the events surrounding the Coronation of King Charles.

“Despite food price inflation reaching its highest level for 45 years in the first quarter of 2023, shoppers overall seem slightly less fearful about how high prices will go. Although three-quarters (75%) expect food prices to get more expensive in the year ahead, this is actually the lowest level since July 2021, and IGD’s Shopper Confidence Index continued to improve in May to reach its highest level in more than two years. At the same time, the number of shoppers expecting to be better off financially in the year ahead has risen, up from 14% this time last year to 18%.”

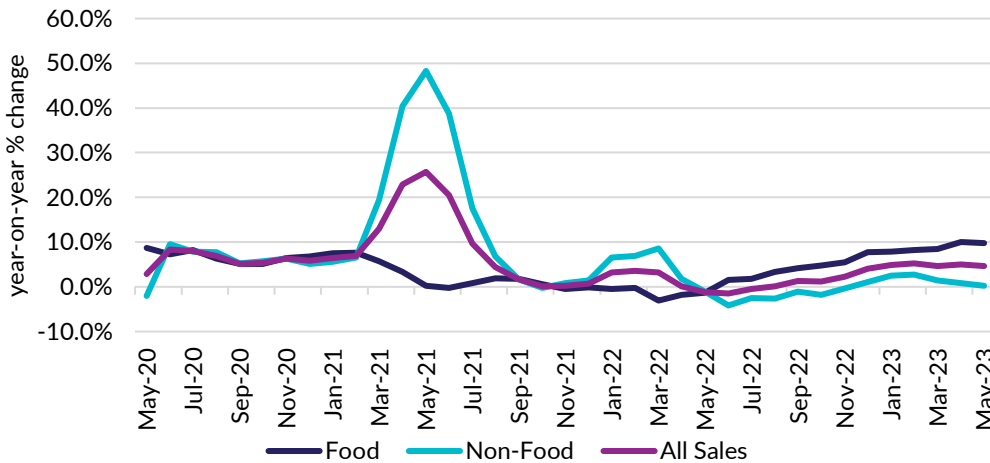
**MONTHLY GROWTH OF TOTAL RETAIL SALES**



	LFL	TOTAL
May 2023	3.7%	3.9%
May 2022	-1.5%	-1.1%
Apr 2023	5.2%	5.1%
3m average	4.6%	4.7%
12m average	3.1%	3.4%

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

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

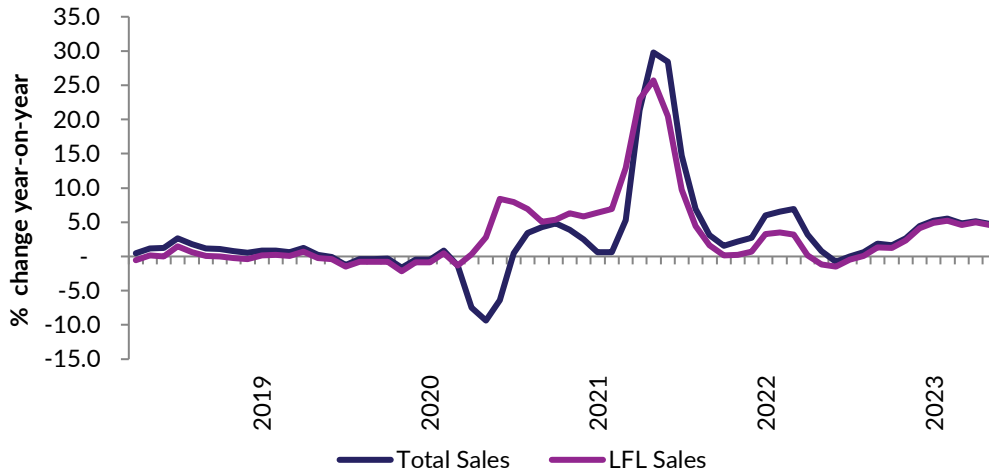


3-MONTH AVERAGE	LFL	TOTAL
Food	9.8%	9.6%
Non-food	0.2%	0.5%
All Sales	4.6%	4.7%

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

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



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

### OVERVIEW

Sales growth slowed considerably in May, falling to 3.9% on a Total basis, down from 5.1% in the previous month. This represents a far steeper fall in volumes sold in the retail industry, due to the ever-increasing rate of price inflation in the market. This slowdown is clear evidence of the toll that the cost-of-living crisis is having on consumer spending power, as people are clearly holding back on spending unless they are necessary purchases. This result was also quite a surprise given the extra bank holiday during the month, for the Coronation of King Charles III, which was hoped to provide a boost.

Food sales, once again, dominated the industry, both in terms of growth as it slowed only slightly to 9.6% for the three months to May, but also as it left little available spend left for more discretionary purchases. Price inflation continued to be the main driving force behind this growth rate, with the BRC-Nielsen Shop Price Index recording a year on year inflation rate of 15.4% for the month. However, this inflation rate was lower than that seen a month earlier, so the industry is waiting with bated breath to see if this trend continues to slow, or whether this is a false dawn on the way to a cost-of-living recovery.

Only three Non-Food categories saw any growth in May, which highlights the plight of the more discretionary side of consumer spending, as people are only spending on items they need at any given time. Over the last few months, as the cost-of-living crisis has really taken hold, there have been significant fluctuations between categories that have seen success. So, there is evidence that consumers are focussing their spending when going to the shops, rather than spending across more than one category at a time. In May, Health & Beauty was the standout performing Non-Food category, as the good weather towards the end of the month pushed people to buy items with SPF protection in order to enjoy the period of sunshine for the final bank holiday weekend as much as possible. Household Appliances continued to perform well, albeit some way behind its winter highs, as energy saving appliances were once again flying off the shelves. There was also a little encouragement for the fashion industry in May, with the much-anticipated summer weather finally arriving to bring some attention to the spring/summer collections before the mid-season sales coming up in June. Retailers were breathing sighs of relief, as summer goods were finally selling well for the final two weeks of the month.

The issue of falling online sales continued for yet another month in May, which brings the run to an astonishing 22 months of consecutive declines. While many people are continuing to return to the office for a higher proportion of the working week all the time, this does not fully account for the significant declines seen. The figures recorded are more evidence of the heightened price sensitivity of online shoppers during this inflationary cycle, as it is easier for them to hunt for deals on the channel than anywhere else.

**James Hardiman, Senior Analyst**

## BRC – KPMG RETAIL SALES MONITOR MAY 2023

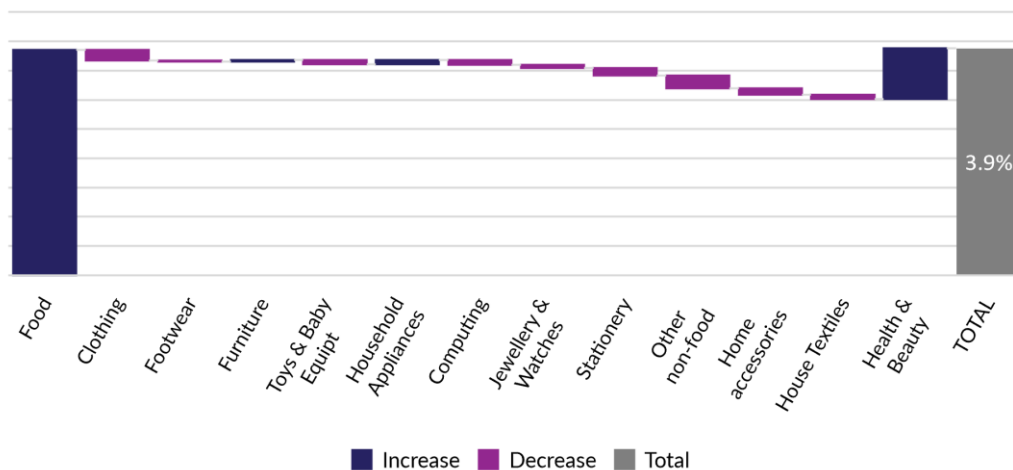
Covering the four weeks 30 April – 27 May 2023

### PERFORMANCE BY CATEGORY

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

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

### MAY: CONTRIBUTION TO TOTAL SALES GROWTH BY CATEGORY



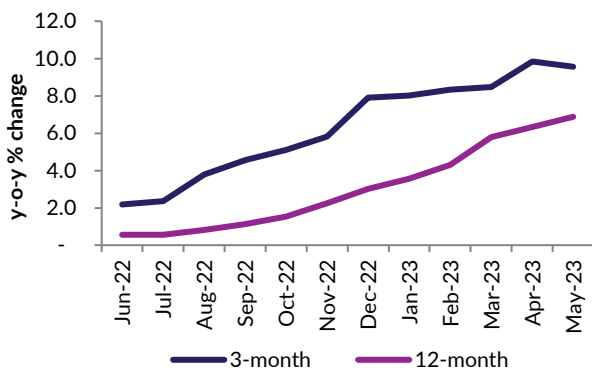
Source: BRC-KMG RSM (Includes Food data from IGD); in this chart, purple blocks represent negative contributions

## BRC – KPMG RETAIL SALES MONITOR MAY 2023

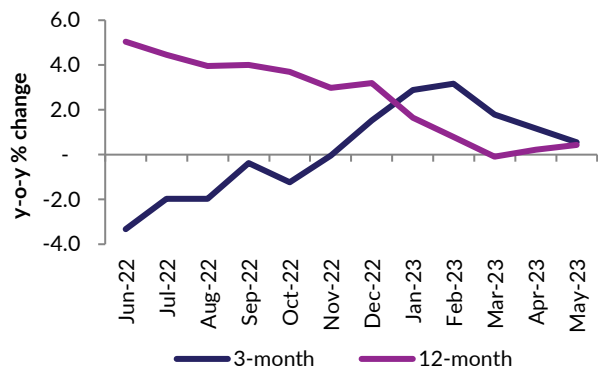
Covering the four weeks 30 April – 27 May 2023

### FOOD

TOTAL SALES ROLLING AVERAGE GROWTH: FOOD



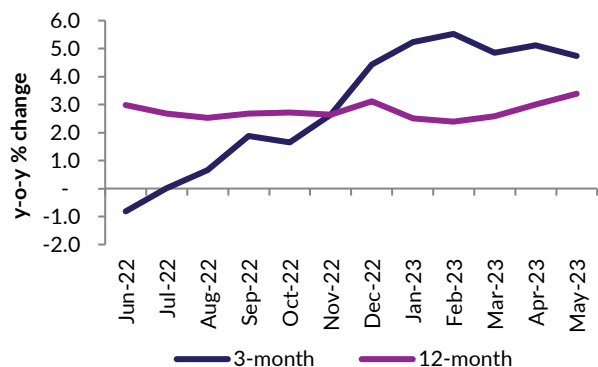
TOTAL SALES ROLLING AVERAGE GROWTH: NON-FOOD



### FOOD

Growth in the Food category slowed slightly during May from the previous month, resulting in a year-on-year increase of 9.6% in the 3-month period March to May. This compares with 9.8% annual growth in the period February to April. During the first week of May sales were boosted by celebrations during the King's Coronation, but dipped the following week, before recovering in the second half of the month, likely boosted by more entertaining at home as the weather improved. For the first time in almost two years, Food price inflation decelerated in May, reaching 15.4%, down from 15.7% in April, according to the BRC NielsenIQ Shop Price Index.

TOTAL SALES ROLLING AVERAGE GROWTH: UK



The King's Coronation helped to boost Food sales at the beginning of the month



## BRC – KPMG RETAIL SALES MONITOR MAY 2023

Covering the four weeks 30 April – 27 May 2023

### CLOTHING

CLOTHING: UK TOTAL SALES CHANGE



CLOTHING: ONLINE PENETRATION RATE



CLOTHING: ONLINE SALES CHANGE



CLOTHING: STORES SALES CHANGE



#### THE MONTH OVERALL

While the Clothing category remained in decline on a year-on-year basis, May saw an improvement compared with April's performance, which was the weakest in over two years. The warmer weather towards the end of the month, brought a much needed boost for fashion retailers, in particular for sales of summer ranges, resulting in a spike in sales in the last week of May. There was said to have been increased demand for women's casual trousers, lingerie and swimwear, while men's shorts reportedly saw a boost in sales towards the end of the month for some retailers. Conversely, demand for childrenswear remained weak in May, despite the improvement in the weather.

#### THE MONTH BY CHANNEL

The Online Clothing category continued to record a year-on-year decline in May, with sales decreasing for the eighth consecutive month compared with the same month last year. Following a decline in In-store sales during April, there was a return to positive annual growth in May, albeit a marginal increase. The Online penetration rate decreased by 1.4 percentage points from the same month last year, to 39.0% in May.

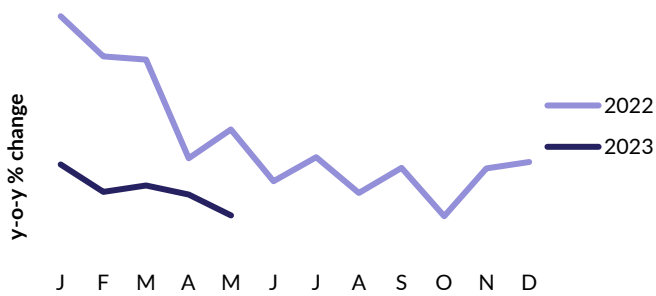
“The warmer weather boosted sales of summerwear towards the end of May”

## BRC – KPMG RETAIL SALES MONITOR MAY 2023

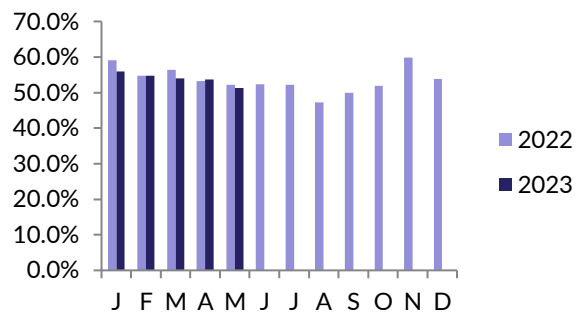
Covering the four weeks 30 April – 27 May 2023

### FOOTWEAR

FOOTWEAR: UK TOTAL SALES CHANGE



FOOTWEAR: ONLINE PENETRATION RATE



FOOTWEAR: ONLINE SALES CHANGE



FOOTWEAR: STORES SALES CHANGE



#### THE MONTH OVERALL

In line with the trend observed in the Clothing category, Footwear also saw an improvement in sales during the last week of the month, boosted by the warmer temperatures. However, the increased demand failed to lift overall sales for the month, resulting in a marginal decline compared with May last year, the weakest performance recorded since October 2022. Men's ranges remain the strongest performing within Footwear, while the Women's and Children's categories recorded a year-on-year decline. There was said to have been improved demand for summer ranges, including sandals, at the end of May.

#### THE MONTH BY CHANNEL

For the first time since October last year, the Online Footwear category recorded a year-on-year decline, despite the warmer weather helping to boost sales in the last week of May. However, it should be noted that the May performance comes off the back of double-digit growth in the same month last year. While In-store sales remained in positive territory, the May performance was the weakest recorded in over two years. The Online penetration rate decreased by 0.9 percentage points from the same month last year, to 51.3% in May.



Increased demand in the final week of May failed to lift overall sales for the month





## BRC – KPMG RETAIL SALES MONITOR MAY 2023

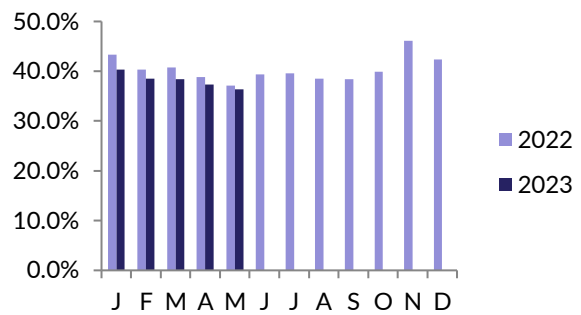
Covering the four weeks 30 April – 27 May 2023

### 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

Health & Beauty continues to perform well, reaching the top spot in the category rankings during May. While annual growth dipped slightly from the previous month, it remained strong, especially when compared to a similar performance in the same month last year. Over recent months, the Beauty category has been the key driver of growth in the Health & Beauty category and the trend continued in May, although sales of Health products also remain positive. Make-up, fragrances and skincare products, including sun protection creams, were all said to have seen strong demand last month.

#### THE MONTH BY CHANNEL

Online sales continue to perform well, with May recording the strongest year-on-year growth since November last year. However, it should be noted that the growth comes off the back of a decline in May last year. In-store sales remain in growth, recording double-digit growth in five out of the past six months. The Online penetration rate decreased by 0.3 percentage points from the same month last year, to 14.3% in May.



Health & Beauty remains one of the strongest performing categories, reaching the top of the category rankings in May



## BRC - KPMG RETAIL SALES MONITOR MAY 2023

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Covering the four weeks 30 April - 27 May 2023

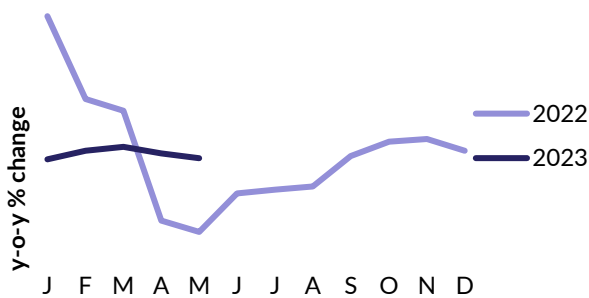
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## BRC – KPMG RETAIL SALES MONITOR MAY 2023

Covering the four weeks 30 April – 27 May 2023

### FURNITURE

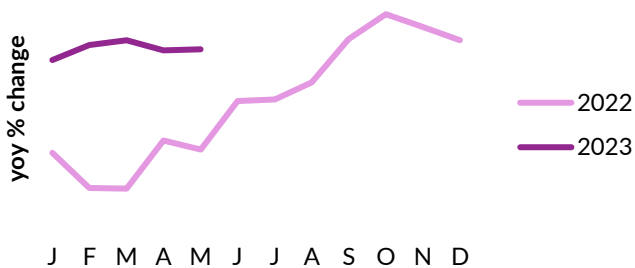
FURNITURE: UK TOTAL SALES CHANGE



FURNITURE: ONLINE PENETRATION RATE



FURNITURE: ONLINE SALES CHANGE



FURNITURE: STORES SALES CHANGE



#### THE MONTH OVERALL

Growth in the Furniture category continued to decelerate in May, with sales increasing marginally compared with the same month last year. Demand for higher-ticket furniture items, including sofas and beds continues to weaken as consumers tighten their discretionary spending. The GfK Consumer Confidence Major Purchase Index grew 4 points from the previous month, reaching -24 in May. This is 11 points higher than the same month last year.

#### THE MONTH BY CHANNEL

Online sales remained in positive territory during May, with year-on-year growth improving slightly compared with the previous month. Conversely, in-store sales recorded a decline for the first time since September last year, resulting in a particularly poor performance given the fact this comes off the back of a significant decline in May last year. The Online penetration rate increased by 1.1 percentage points from the same month last year, to 48.8% in May.



In-store sales recorded a year-on-year decline for the first time since September last year



## BRC – KPMG RETAIL SALES MONITOR MAY 2023

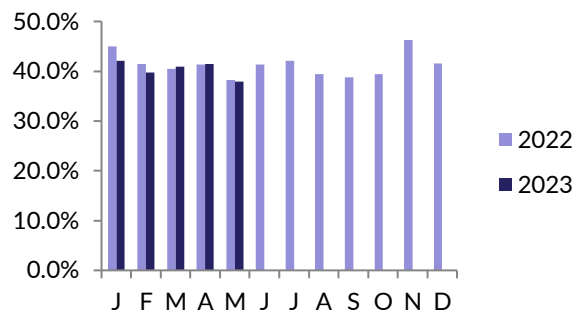
Covering the four weeks 30 April – 27 May 2023

### 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

For the fifth consecutive month the Home Accessories recorded a year-on-year decline, with the decrease steepening in May compared with the previous month. Sales rose slightly in the first half of the month on a year-on-year basis, before falling into decline during the last two weeks of May. Demand reportedly continues to weaken for cookware and tabletop items.

#### THE MONTH BY CHANNEL

Online sales also recorded an acceleration in year-on-year decline in May, compared with April, with the decrease steepening in the second half of the month. In-store sales also declined at a steeper level than the previous month. The Online penetration rate decreased by 1.1 percentage points from the same month last year, to 23.4% in May.



After a positive start, Home Accessories sales fell into decline in the last two weeks of May



## BRC – KPMG RETAIL SALES MONITOR MAY 2023

Covering the four weeks 30 April – 27 May 2023

### 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

Sales in the House Textiles category continued to decline in May, resulting in the weakest performance in the category year-to-date. As reported last month, demand for bed linen was said to have been strong, while sales of warmer home textiles continue to weaken.

#### THE MONTH BY CHANNEL

Online sales continued to decline, with the decrease in May steepening from the previous month. For the second consecutive month, In-store sales also recorded a year-on-year decline, with the latest performance coming off the back of a steep decrease in the same month last year. The Online penetration rate decreased by 0.3 percentage points from the same month last year, to 37.9% in May.



House Textiles recorded the weakest performance year-to-date in May



## BRC – KPMG RETAIL SALES MONITOR MAY 2023

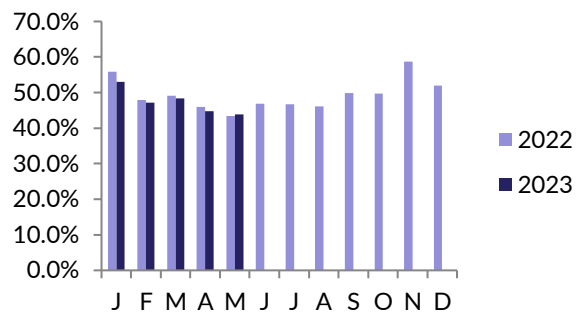
Covering the four weeks 30 April – 27 May 2023

### 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

Without an event such as school holidays to draw consumer attention towards Toys, the category fell back into decline for the first time this year. This was perhaps a surprise given the extra bank holiday weekend in the month this year in comparison to last, but the category is perhaps suffering from its success during the Easter break, which saw a significant amount of demand satisfied. That being said, it wasn't all bad news for the category, as although Toys performed poorly, this was balanced somewhat by the continued strong demand for Nursery goods.

#### THE MONTH BY CHANNEL

Online sales slumped to its worst performance of the year, falling back into decline following April's brief foray into growth. In-store sales suffered a far steeper fall in May, as people avoided the shops during the Coronation weekend, in particular. However, it was said that outdoor toys did see a slight uptick in demand in stores when the good weather arrived at the end of the month. The category was one of only two to see its Online penetration rate increase, with 43.9%, half a percentage point up on the same point last year.



Without an event such as school holidays to draw consumer attention the category fell back into decline



## BRC – KPMG RETAIL SALES MONITOR MAY 2023

Covering the four weeks 30 April – 27 May 2023

### 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

Despite being one of only three Non-Food categories to see any growth at all in May, growth in Household Appliances slowed once again, now its lowest level of the year and some way behind the high point seen during the winter. The cost-of-living crisis actually came to the benefit of this category, as energy saving appliances were in high demand. This demand is waning as the temperatures improve, with less home-heating required. However, fans and air-conditioning units were said to sell well during the month when the sunshine arrived.

#### THE MONTH BY CHANNEL

Online sales held up relatively well in May, despite slowing once again from the previous month, now seeing seven months of consecutive growth. In stores, the category also remained buoyant despite slowing in line with the overall result. The Online penetration rate increased by 0.4 percentage points from the same point last year, to 59.8% in May.



Demand is waning as the temperatures improve, with less home-heating required



## BRC – KPMG RETAIL SALES MONITOR MAY 2023

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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

May saw an improvement for the category in comparison to the rate seen in the previous month, but it remained in decline, yet again. Consumers are clearly waiting for significant newness in this sphere before making significant outlays on improving home computing. Coupling this with more people moving back to office-based working, where companies are responsible for upgrades, leaves little demand in the market for personal computing.

#### THE MONTH BY CHANNEL

Both Online and In store sales saw an improvement from the previous month, in line with the overall result. However, both channels remained in decline, once again. The Online penetration rate decreased by 0.9 percentage points from May last year, to 65.8% this time around.



Consumers are clearly waiting for significant newness in this sphere before making significant outlays





## BRC – KPMG RETAIL SALES MONITOR MAY 2023

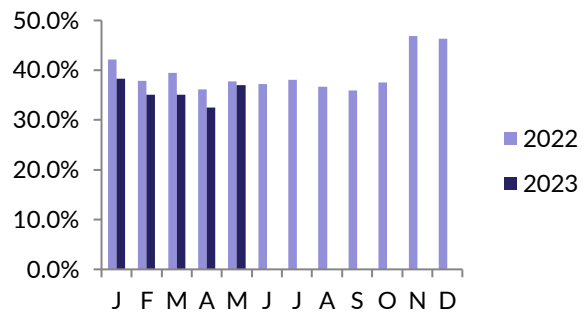
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### OTHER NON-FOOD

OTHER NON-FOOD\*\*: UK TOTAL SALES CHANGE



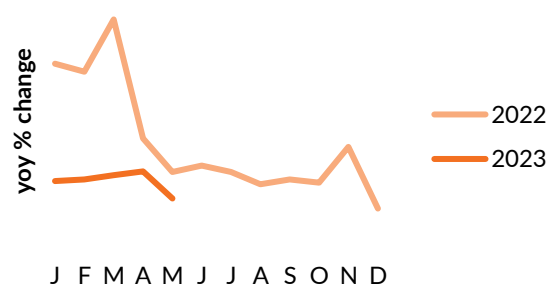
OTHER NON-FOOD\*\*: ONLINE PENETRATION RATE



OTHER NON-FOOD\*\*: ONLINE SALES CHANGE



OTHER NON-FOOD\*\*: STORES SALES CHANGE



#### THE MONTH OVERALL

Other Non-Food remained in decline for the third consecutive month, with electronic goods dragging down the category considerably. Outdoor goods sold well, but it was not enough to continue the category's upward trajectory from the previous month. Luggage also didn't perform well, as much of the demand was satisfied earlier in the year.



Outdoor goods sold well, but it was not enough to continue the category's upward trajectory



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

#### THE MONTH BY CHANNEL

Online sales continued its upwards approach towards growth in May, with its best performance of the year so far. However, it will take the resurgence of electronics goods, which are bought significantly online, to bring the channel back into growth. In-store sales suffered considerably in May, falling back into decline for the first time since December. The Online penetration rate decreased by 0.8 percentage points from last year, to 37.0% in May.

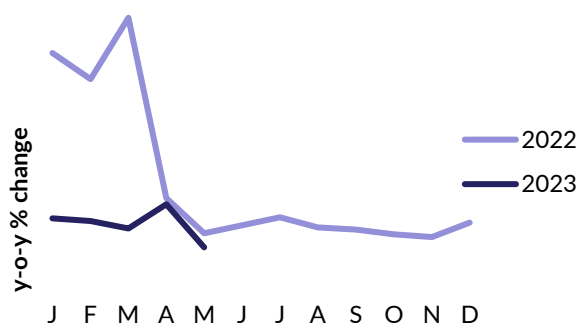
## BRC – KPMG RETAIL SALES MONITOR MAY 2023

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### OTHER NON-FOOD

Includes in particular:

#### Jewellery & Watches



Without an event such as the Easter holidays to draw large numbers of tourists to the country, the segment fell back into decline following April's chart-topping performance. Despite the hope that the Coronation of King Charles III would draw the crowds, particularly from abroad, this failed to translate into strong sales.

#### Electricals & Electronics

Once again, TV sales and their accompanying audio equipment failed to sell well, as we are in a period out of phase with the typical purchasing cycle. Their relatively high price tags are also proving detrimental during the cost-of-living crisis. Wearable tech goods are selling well, as people are looking to enjoy the outdoors during the good weather.

#### Leisure Goods, Gaming, Books, CDs & DVDs

It was very much a case of outdoor goods selling well in May, as the last two weeks of the month were sunny and warm. Whereas this came to the detriment of gaming and indoor leisure goods, this was more than counterbalanced by the strong sales seen in gardening and DIY goods.

### DEPARTMENT STORES

Footfall was naturally hampered significantly during the Coronation weekend at the beginning of the month, which led to Department Stores playing catch-up for the rest of May. Several retailers in this sphere rolled out some tentative focussed sales to attract customers, which was said to help matters. However, the cost-of-living crisis is clearly weighing on people's minds, as people were not enticed to spend on other goods that were not in the sales. The improvement in the weather as the month went on did benefit Department Stores, however, as people opted for days out shopping, particularly for fashion.

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### 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	4.9	5.2
March	20.3	13.9	-0.4	3.1	4.9	5.1
April	39.6	51.1	-1.7	-0.3	5.2	5.1
May	18.5	28.4	-1.5	-1.1	3.7	3.9
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-May average	19.1	18.4	1.4	4.0	4.5	4.7
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
Mar – May 22	-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
Dec 22 – Feb 23	8.2	2.7	5.2	8.3	3.2	5.5
Jan – Mar	8.5	1.4	4.6	8.5	1.8	4.8
Feb – Apr	10.0	0.8	5.0	9.8	1.2	5.1
Mar – May	9.8	0.2	4.6	9.6	0.5	4.7

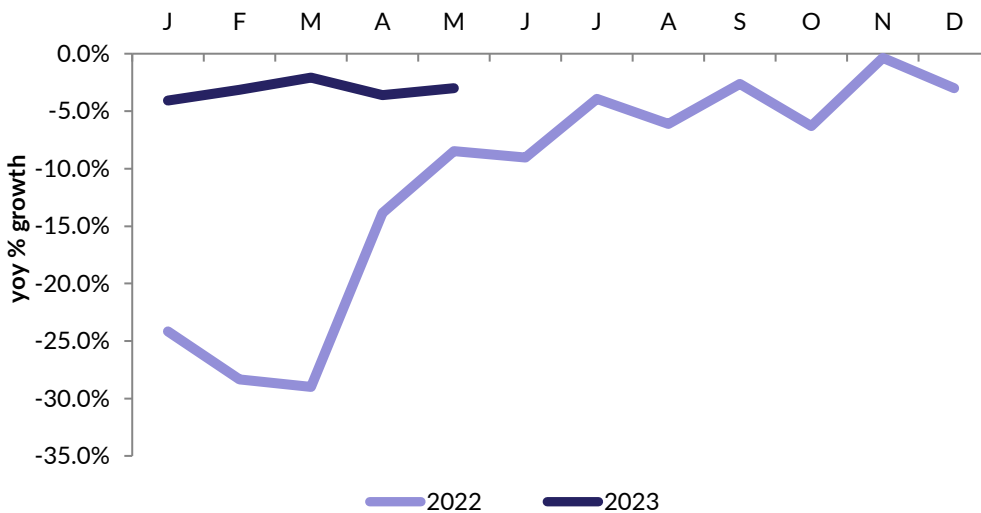
Source: BRC-KPMG RSM (Includes Food data from IGD)

(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 MAY 2023

Covering the four weeks 30 April – 27 May 2023

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

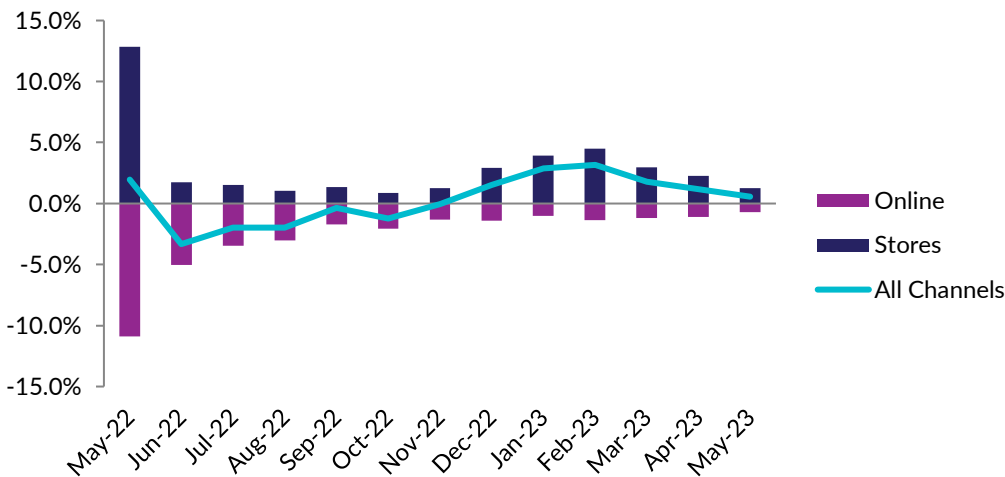


NON-FOOD GROWTH	ONLINE*	UK TOTAL
May 2023	-3.0%	n/d
May 2022	-8.5%	n/d
Apr 2023	-3.6%	n/d
3m avg	-2.8%	0.5%
12m avg	-4.0%	0.4%

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



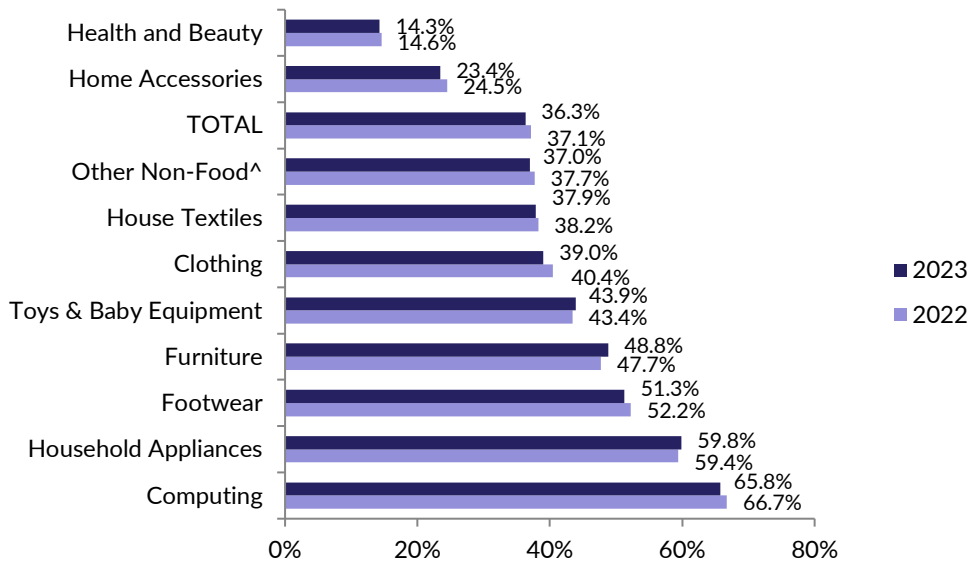
NON-FOOD IN-STORE % CHANGE YEAR-ON-YEAR		
	LFL	TOTAL
Mar - May 23	2.2%	2.7%
Mar - May 22	24.1%	31.5%
Feb - Apr 23	3.3%	3.9%
12m avg	2.9%	3.6%

Source: BRC-KPMG RSM

## BRC – KPMG RETAIL SALES MONITOR MAY 2023

Covering the four weeks 30 April – 27 May 2023

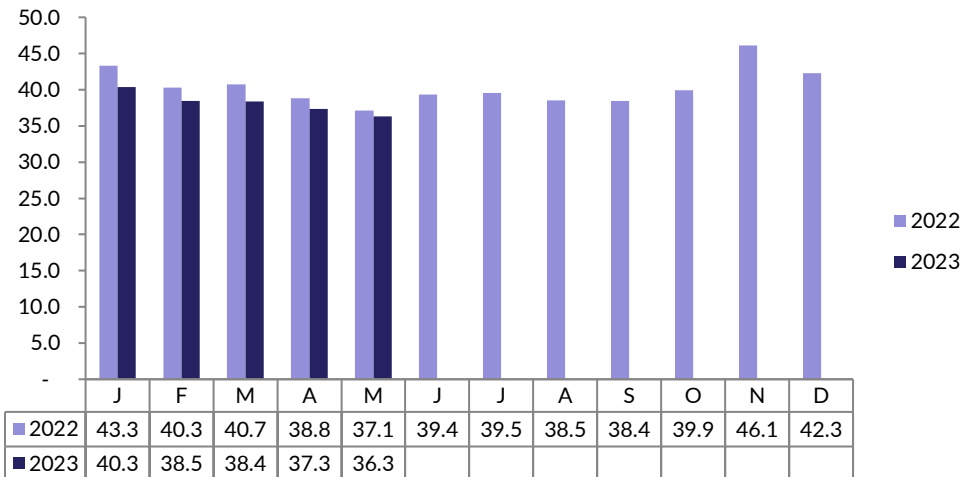
### MAY: ONLINE PENETRATION RANKINGS BY CATEGORY



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	
May 2023	36.3%
May 2022	37.1%
Apr 2023	37.3%
3m average	37.4%
12m average	39.6%

Source: BRC-KPMG RSM

## BRC – KPMG RETAIL SALES MONITOR MAY 2023

Covering the four weeks 30 April – 27 May 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
May 2022	-8.5	-18.0	38.7	39.5	-4.1	-10.9
Jun	-9.1	-10.3	39.4	39.0	-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
Feb	-3.1	-3.2	38.5	41.0	-1.2	-1.3
Mar	-2.1	-3.0	38.4	39.0	-0.7	-1.2
Apr	-3.6	-2.9	37.3	38.1	-1.4	-1.1
May	-3.0	-2.8	36.3	37.4	0.0	-0.7

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
May 2022	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%
Feb	8.1%	7.3%
Mar	5.2%	4.6%
Apr	3.9%	3.3%
May	2.7%	2.2%

Source: BRC-KPMG Retail Sales Monitor

## BRC – KPMG RETAIL SALES MONITOR MAY 2023

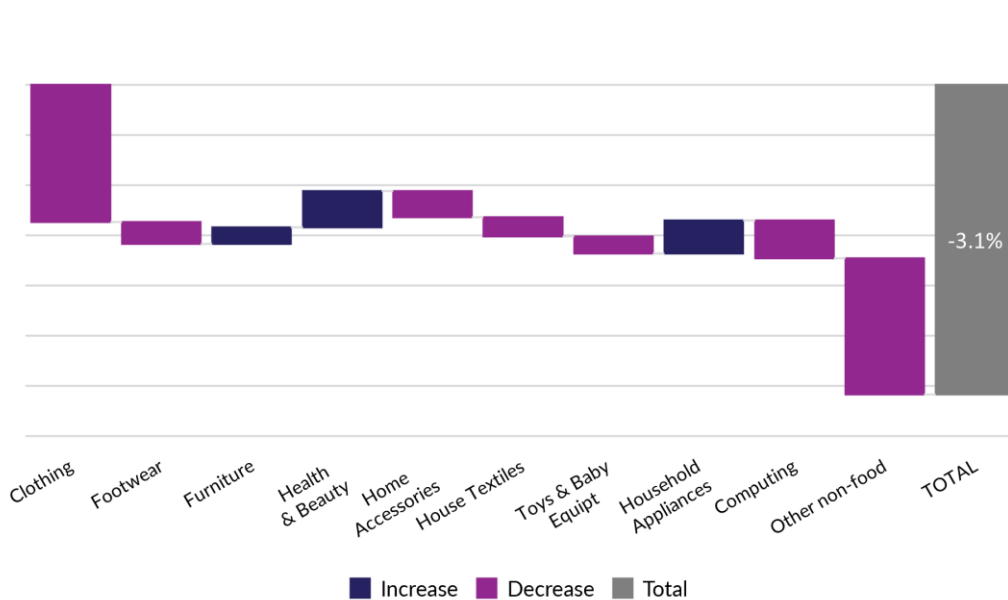
Covering the four weeks 30 April – 27 May 2023

### SECTOR PERFORMANCE: ONLINE SALES GROWTH

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

Source: BRC-KPMG RSM

### MAY: CONTRIBUTION TO NON-FOOD ONLINE SALES GROWTH BY CATEGORY



Source: BRC-KPMG RSM

## BRC – KPMG RETAIL SALES MONITOR MAY 2023

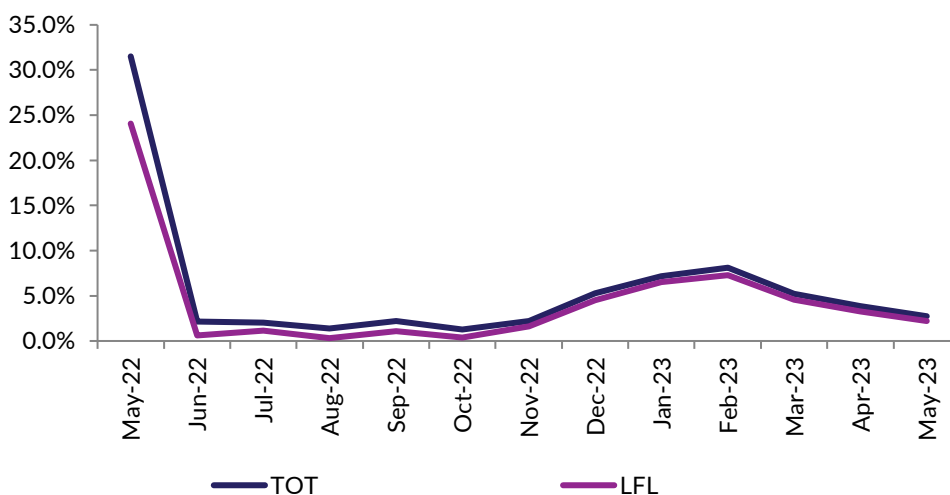
Covering the four weeks 30 April – 27 May 2023

### SECTOR PERFORMANCE: STORE TOTAL SALES GROWTH

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

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 MAY 2023

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Covering the four weeks 30 April – 27 May 2023

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### NOTES

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

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

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

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

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

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

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

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

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

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



## BRC – KPMG RETAIL SALES MONITOR MAY 2023

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Covering the four weeks 30 April – 27 May 2023

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The June 2023 Monitor, covering the five weeks 28 May – 1 July 2023, will be released at 00.01am on Tuesday 11 July 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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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 MAY 2023

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Covering the four weeks 30 April – 27 May 2023

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

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