BRC – KPMG RETAIL SALES MONITOR

SEPTEMBER 2024

COVERING FIVE WEEKS 25TH AUG – 28TH SEP 2024

September dresses for success

% CHANGE year-on-year	**Vs AUG-24's % CHANGE**	**TOTAL**	**LIKE-FOR-LIKE**
UK Retail Sales	▲	2.0%	1.7%
Food *(3-mth)*	▲	3.1%	2.5%
Non-Food *(3-mth)*	▲	-0.3%	-1.3%
Non-Food – Store *(3-mth)*	▲	-1.5%	-2.9%
Non-Food – Online	▲	3.4%	n/a

BRC – KPMG RETAIL SALES MONITOR SEPTEMBER 2024

Covering the five weeks 25 Aug – 28 Sep 2024

Helen Dickinson OBE, Chief Executive | British Retail Consortium

"Retail sales saw the strongest growth in six months as non-food performed better than expected. As Autumn rolled out across the UK, shoppers sought to update their wardrobes with coats, boots and knitwear. The start of the month also saw a last-minute rush for computers and clothing for the new academic year. Ongoing concerns of consumers about the financial outlook kept demand low for big ticket items such as furniture and white goods.

"The coming months are crucial for the economy as retailers enter the "Golden Quarter". But in the face of weak consumer confidence and the continued high burden of business rates, retailers' capacity for further investment is limited. As a result, retailers are holding their breath ahead of the Budget as they work out their investment strategies for the coming year. Decisive action from the Chancellor, such as introducing a 20% Retail Rates Corrector, would help to drive investment and economic growth up and down the country."

Linda Ellett, UK Head of Consumer, Retail & Leisure | KPMG

"September saw modest, but welcome, sales growth for retailers. Children's clothing, footwear and accessories saw a boost from the start of the school year, with household budgets feeling slightly less constrained for some parents compared to last year. Similarly, the return to work after summer holidays also led to an upturn in adult clothing and footwear sales. With record rainfall levels in some counties, the cold and wet weather in September sped up purchases of extra layers and wet weather gear.

"With energy prices having again risen, all eyes now turn to the Budget and what impact that will have on household discretionary spending in the final quarter of the year."

Food & Drink sector performance | Sarah Bradbury, CEO | IGD

"Shopper confidence remained stable in September after a summer buoyed by sport. As shoppers turn their focus to the upcoming winter months, news of a difficult Autumn Budget and rising energy prices will likely cause a downturn in confidence with cost-of-living concerns remaining front and centre in shoppers' minds.

"Growth in the grocery retail market slackened with the arrival of autumn. September's sales were still ahead year-on-year, but the pace of increase was down versus August, no doubt depressed by the wet weather as well as cautionary economic messages from the government.

"With the golden quarter just beginning, retailers have been implementing seasonal ranging earlier than ever, determined to make the most of the coming key trading period."

BRC – KPMG RETAIL SALES MONITOR SEPTEMBER 2024

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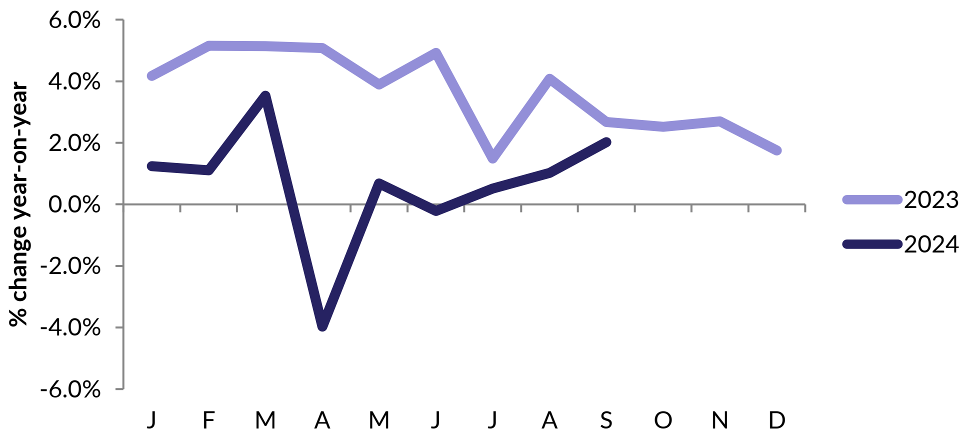
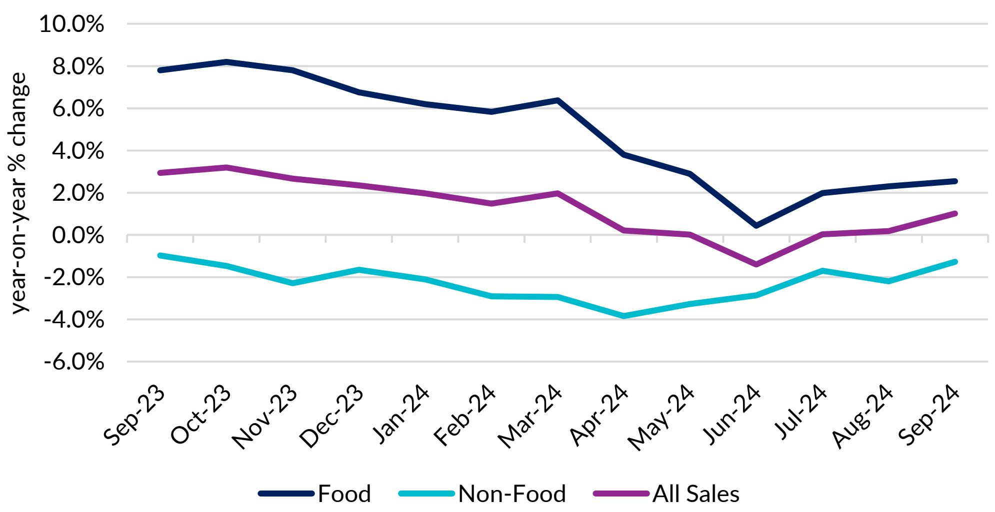
MONTHLY GROWTH OF TOTAL RETAIL SALES



	LFL	TOTAL
Sep 2024	1.7%	2.0%
Sep 2023	2.8%	2.7%
Aug 2024	0.8%	1.0%
3m average	1.0%	1.2%
12m average	1.0%	1.1%

Source: BRC-KPMG RETAIL SALES MONITOR (Includes Food data from IGD)

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



3-MONTH AVERAGE	LFL	TOTAL
Food	2.5%	3.1%
Non-food	-1.3%	-0.3%
All Sales	1.0%	1.2%

Source: BRC-KPMG RETAIL SALES MONITOR (Includes additional Food data from IGD)

BRC – KPMG RETAIL SALES MONITOR SEPTEMBER 2024

Covering the five weeks 25 Aug – 28 Sep 2024

OVERVIEW

In September 2024, retail sales experienced a year-on-year growth of 2.0%, marking a rebound from the sharp decline in April and the slight contraction in June. It also shows improvement over the slower growth seen in July and August. However, this remains below the 2.7% growth recorded in September 2023. Retailers continue to face challenges from the long-term effects of high inflation, tighter monetary policies, and global economic uncertainties, which are affecting consumer confidence and spending. Although the worst contraction occurred in April, growth remains weaker than in 2023 as economic pressures continue to hinder a stronger recovery.

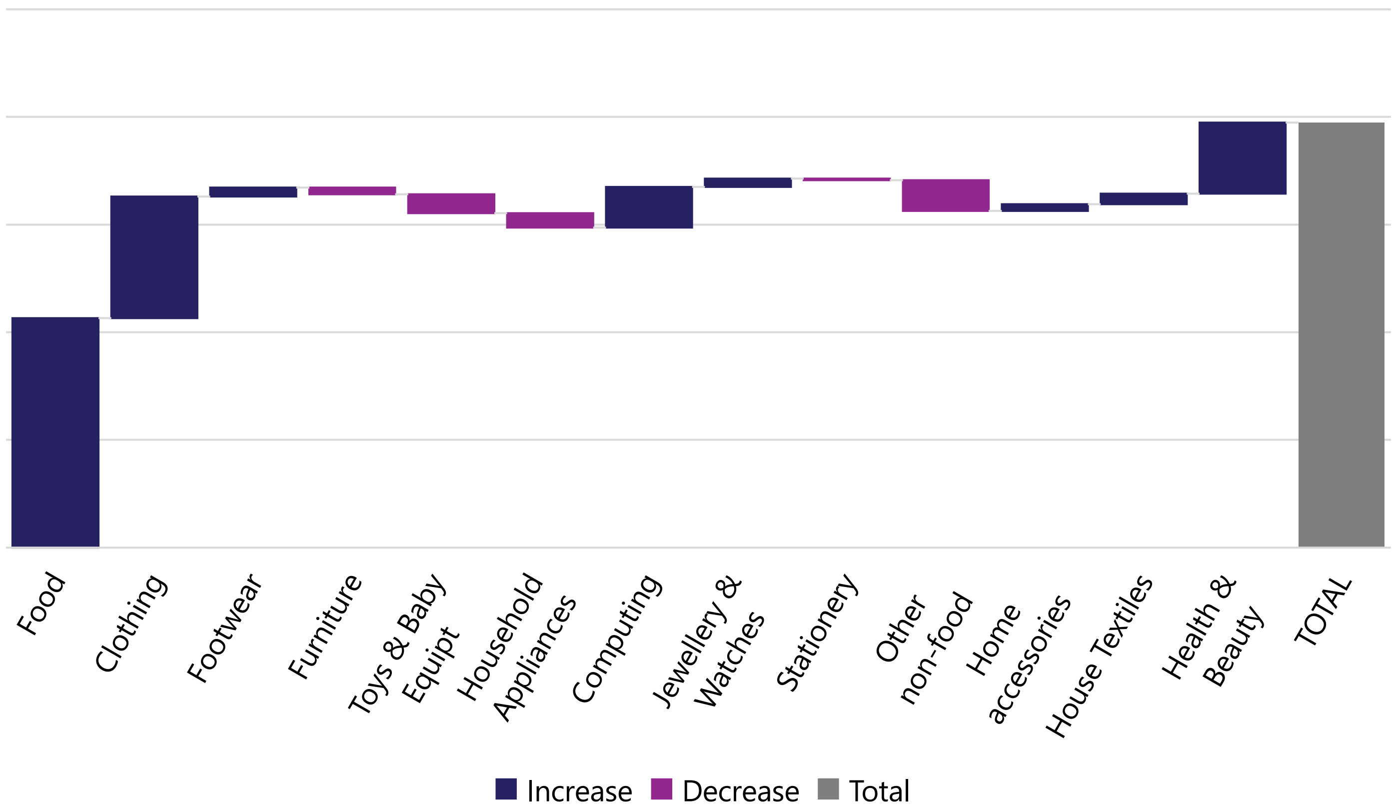
The 3-month average for UK food sales for September 2024 rose by 3.1% year-on-year, marking a modest rebound compared to earlier months in 2024. However, this growth is noticeably lower than the increase experienced in September 2023, suggesting a slowdown from the inflation-driven sales of the previous year. The more gradual recovery in September 2024 indicates that while consumer demand is stabilising, factors such as inflation, cost-of-living pressures, and potentially weaker consumer spending continue to limit stronger growth.

The 3-month average for UK non-food sales for September 2024 fell by 0.3%. Although a decline, this represents a significant improvement compared to earlier months in the same year, where declines were more pronounced. Notably, when compared to September 2023, which experienced a fall of 1.2%, the reduction in the rate of decline indicates a positive shift in sales performance and suggests that non-food sales are approaching a point of stability.

The data from September 2024 reveals a mixed performance in UK online sales, with growth rate of 3.6% indicating a moderate increase across various categories. Strong growth is observed in sectors such as Health & Beauty, Computing, and Men's & Children's Footwear, suggesting robust demand; conversely, categories like Furniture and Household Appliances are experiencing declines, potentially due to shifts in consumer spending habits or market saturation. The continued demand for Toys & Baby Equipment suggests that online shopping is increasingly favoured by parents seeking convenience. The resilience of e-commerce highlights the need for retailers to capitalise on strong-performing categories while re-evaluating strategies for those struggling, underscoring the importance of adapting to evolving consumer trends amid changing economic conditions.

Covering the five weeks 25 Aug – 28 Sep 2024

SEPTEMBER: CONTRIBUTION TO TOTAL SALES GROWTH BY CATEGORY



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

Detailed weekly data by category is available only to retailers that contribute sales data to the Retail Sales Benchmark. Further information is available here: https://brc.org.uk/insight/benchmarks/

If you would like to participate in the Retail Sales Benchmark, please contact:

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BRC – KPMG RETAIL SALES MONITOR SEPTEMBER 2024

Covering the five weeks 25 Aug – 28 Sep 2024

MONTHLY RETAIL SALES:
% CHANGE YEAR-ON-YEAR

MONTH	2022		2023		2024	
	LFL	TOTAL	LFL	TOTAL	LFL	TOTAL
January	8.1	11.9	3.9	4.2	1.4	1.2
February	2.7	6.7	4.9	5.2	1.0	1.1
March	-0.4	3.1	4.9	5.1	3.2	3.5
April	-1.7	-0.3	5.2	5.1	-4.4	-4.0
May	-1.5	-1.1	3.7	3.9	0.4	0.7
June	-1.3	-1.0	4.2	4.9	-0.5	-0.2
July	1.6	2.3	1.8	1.5	0.3	0.5
August	0.5	1.0	4.3	4.1	0.8	1.0
September	1.8	2.2	2.8	2.7	1.7	2.0
October	1.2	1.6	2.6	2.5		
November	4.1	4.2	2.6	2.7		
December	6.5	6.9	1.9	1.7		
Jan-Sep average	1.1	2.8	4.0	4.1	0.4	0.7
Jan-Dec average	1.8	3.1	3.6	3.6	n/a	n/a

Source: BRC-KPMG RETAIL SALES MONITOR (Includes Food data from IGD)

BRC – KPMG RETAIL SALES MONITOR SEPTEMBER 2024

Covering the five weeks 25 Aug – 28 Sep 2024

FOOD/NON-FOOD QUARTERLY ANALYSIS:
3-MONTH AVERAGE % CHANGE YEAR-ON-YEAR

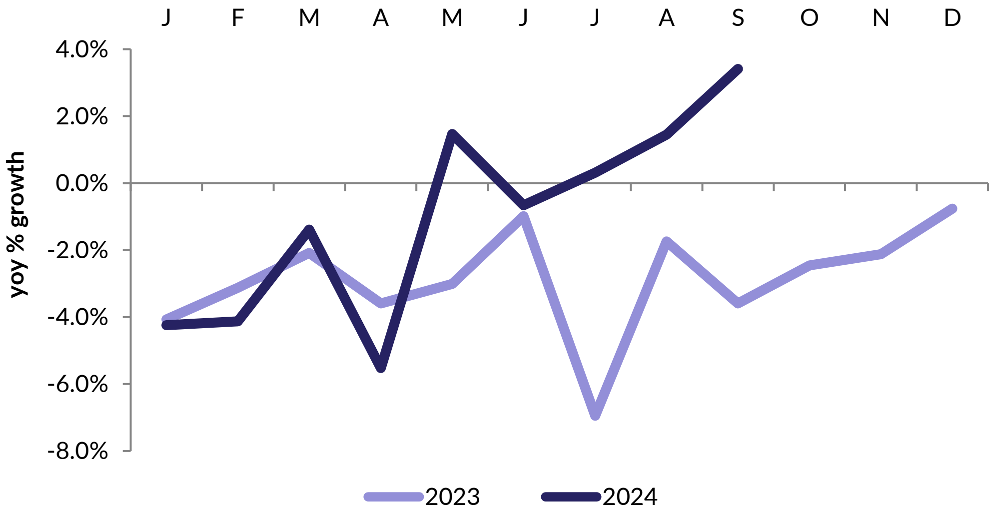
3-MONTH AVERAGE	LIKE-FOR-LIKE			TOTAL		
	Food	Non-Food	All Sales	Food	Non-Food	All Sales
2023 Jul - Sep	7.8	-1.0	2.9	7.4	-1.2	2.7
Aug - Oct	8.2	-1.5	3.2	7.9	-1.0	3.1
Sep - Nov	7.8	-2.3	2.7	7.6	-1.6	2.6
Oct - Dec	6.8	-1.7	2.4	6.8	-1.5	2.3
Nov - Jan	6.2	-2.1	2.0	6.3	-1.8	1.9
Dec - Feb	5.8	-2.9	1.5	6.0	-2.5	1.4
Jan - Mar	6.4	-2.9	2.0	6.8	-1.9	2.1
Feb - Apr	3.8	-3.8	0.2	4.4	-2.8	0.5
Mar - May	2.9	-3.3	0.0	3.6	-2.4	0.3
Apr - Jun	0.4	-2.9	-1.4	1.1	-2.9	-1.1
May - Jul	2.0	-1.7	0.0	2.6	-1.7	0.3
Jun - Aug	2.3	-2.2	0.2	2.9	-1.7	0.4
2024 Jul - Sep	2.5	-1.3	1.0	3.1	-0.3	1.2

Source: BRC-KPMG RETAIL SALES MONITOR (Includes Food data from IGD)

BRC – KPMG RETAIL SALES MONITOR SEPTEMBER 2024

Covering the five weeks 25 Aug – 28 Sep 2024

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

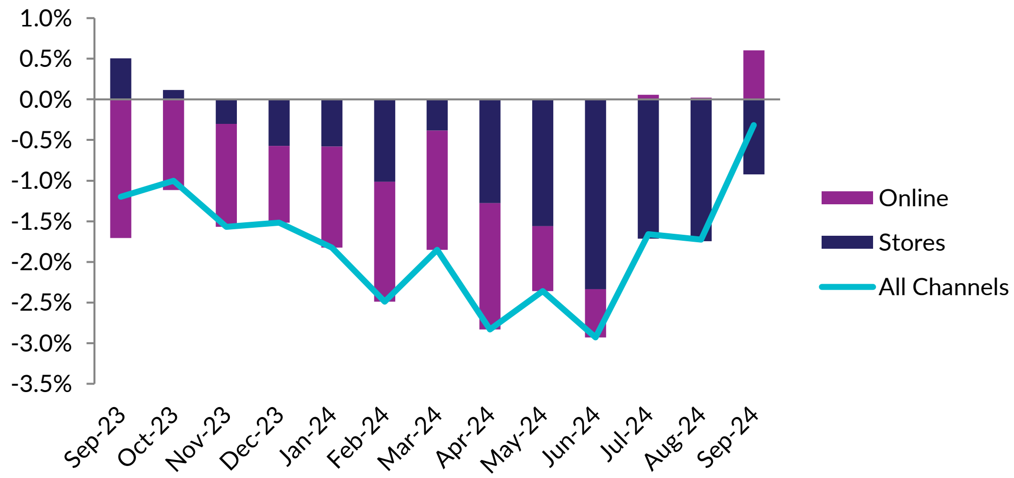


Source: BRC-KPMG RETAIL SALES MONITOR: **Online**: online sales of non-food goods (including mail and phone orders)

NON-FOOD GROWTH	ONLINE*	UK TOTAL
Sep-24	3.4%	n/d
Sep-23	-3.6%	n/d
Aug-24	1.5%	n/d
3m avg	1.9%	-0.3%
12m avg	-1.1%	-1.7%

n/d: cannot be disclosed

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



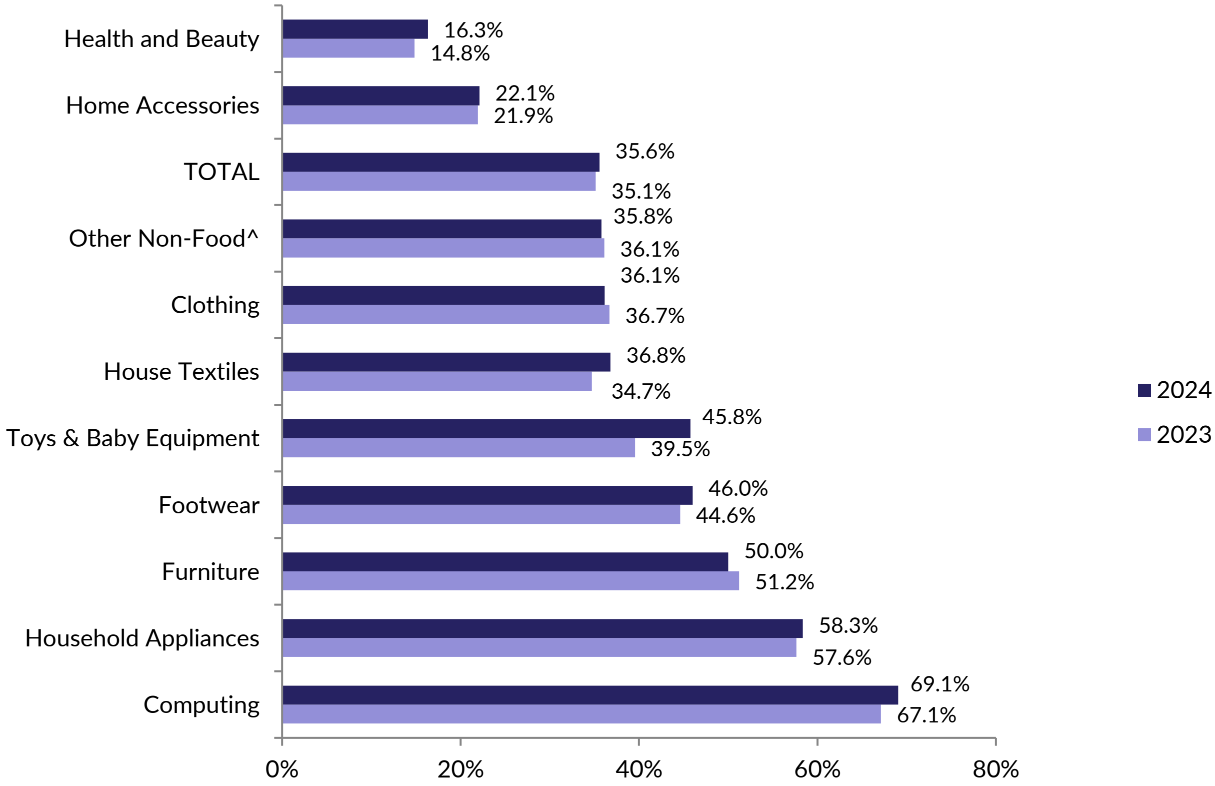
NON-FOOD IN-STORE % CHANGE YEAR-ON-YEAR		
	LFL	TOTAL
Jul 24 - Sep 24	-2.9%	-1.5%
Jul 23 - Sep 23	0.7%	0.3%
Jun 24 - Aug 24	-3.5%	-2.8%
12m avg	-2.7%	-1.9%

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR SEPTEMBER 2024

Covering the five weeks 25 Aug – 28 Sep 2024

SEPTEMBER: ONLINE PENETRATION RANKINGS BY CATEGORY



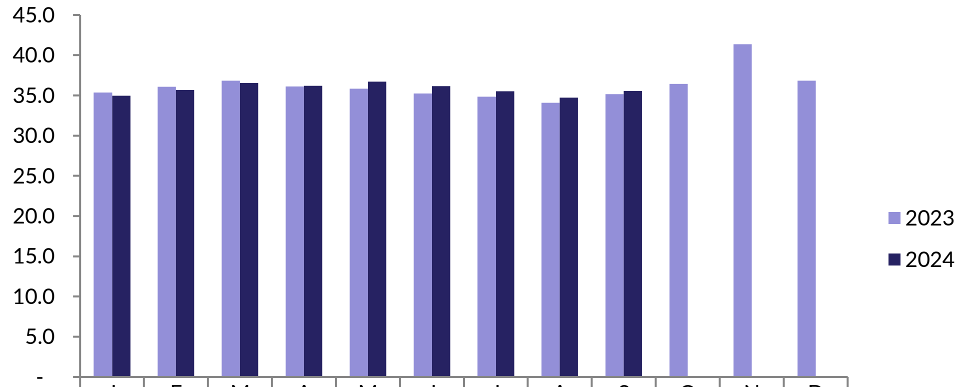
Source: BRC-KPMG RETAIL SALES MONITOR

Note: Online sales in the Monitor include all distance sales, notably mail and phone orders

BRC – KPMG RETAIL SALES MONITOR SEPTEMBER 2024

Covering the five weeks 25 Aug – 28 Sep 2024

TOTAL NON-FOOD SALES:
WEIGHTED ONLINE PENETRATION



	J	F	M	A	M	J	J	A	S	O	N	D
2023	35.4	36.1	36.8	36.1	35.9	35.2	34.9	34.1	35.1	36.5	41.4	36.8
2024	35.0	35.7	36.6	36.2	36.7	36.2	35.5	34.7	35.6			

NON-FOOD ONLINE PENETRATION RATE ONLINE AS % OF TOTAL	
Sep 2024	35.6%
Sep 2023	35.1%
Aug 2024	34.7%
3m average	35.3%
12m average	36.4%

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR SEPTEMBER 2024

Covering the five weeks 25 Aug – 28 Sep 2024

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
Sep 2023	-3.6	-4.1	35.1	34.7	-1.6	-1.7
Oct	-2.5	-2.7	36.5	35.2	-0.9	-1.1
Nov	-2.1	-2.8	41.4	37.5	-1.1	-1.3
Dec	-0.8	-1.7	36.8	38.1	-0.8	-0.9
Jan 2024	-4.2	-2.3	35.0	37.6	-1.9	-1.2
Feb	-4.1	-2.9	35.7	35.9	-1.9	-1.5
Mar	-1.4	-3.1	36.6	35.8	-0.8	-1.5
Apr	-5.5	-3.5	36.2	36.2	-2.2	-1.6
May	1.5	-1.8	36.7	36.5	0.6	-0.8
Jun	-0.7	-1.5	36.2	36.3	-0.2	-0.6
Jul	0.3	0.3	35.5	36.1	-0.1	0.1
Aug	1.5	0.3	34.7	35.5	0.4	0.0
Sep	3.4	1.9	35.6	35.3	1.3	0.6

Source: BRC-KPMG Retail Sales Monitor.

Covering the five weeks 25 Aug – 28 Sep 2024

NON-FOOD STORE THREE-MONTH AVERAGE RETAIL SALES YEAR-ON-YEAR CHANGE

THREE MONTHS ENDING	TOTAL % CHANGE YOY	LFL % CHANGE YOY
Sep 2023	0.3%	0.7%
Oct	-0.1%	-0.8%
Nov	-0.8%	-2.0%
Dec	-1.3%	-1.6%
Jan 2024	-1.5%	-2.0%
Feb	-2.3%	-2.9%
Mar	-1.1%	-2.8%
Apr	-2.4%	-4.0%
May	-2.7%	-4.1%
Jun	-3.7%	-3.6%
Jul	-2.7%	-2.8%
Aug	-2.8%	-3.5%
Sep	-1.5%	-2.9%

Source: BRC-KPMG Retail Sales Monitor

BRC – KPMG RETAIL SALES MONITOR SEPTEMBER 2024

Covering the five weeks 25 Aug – 28 Sep 2024

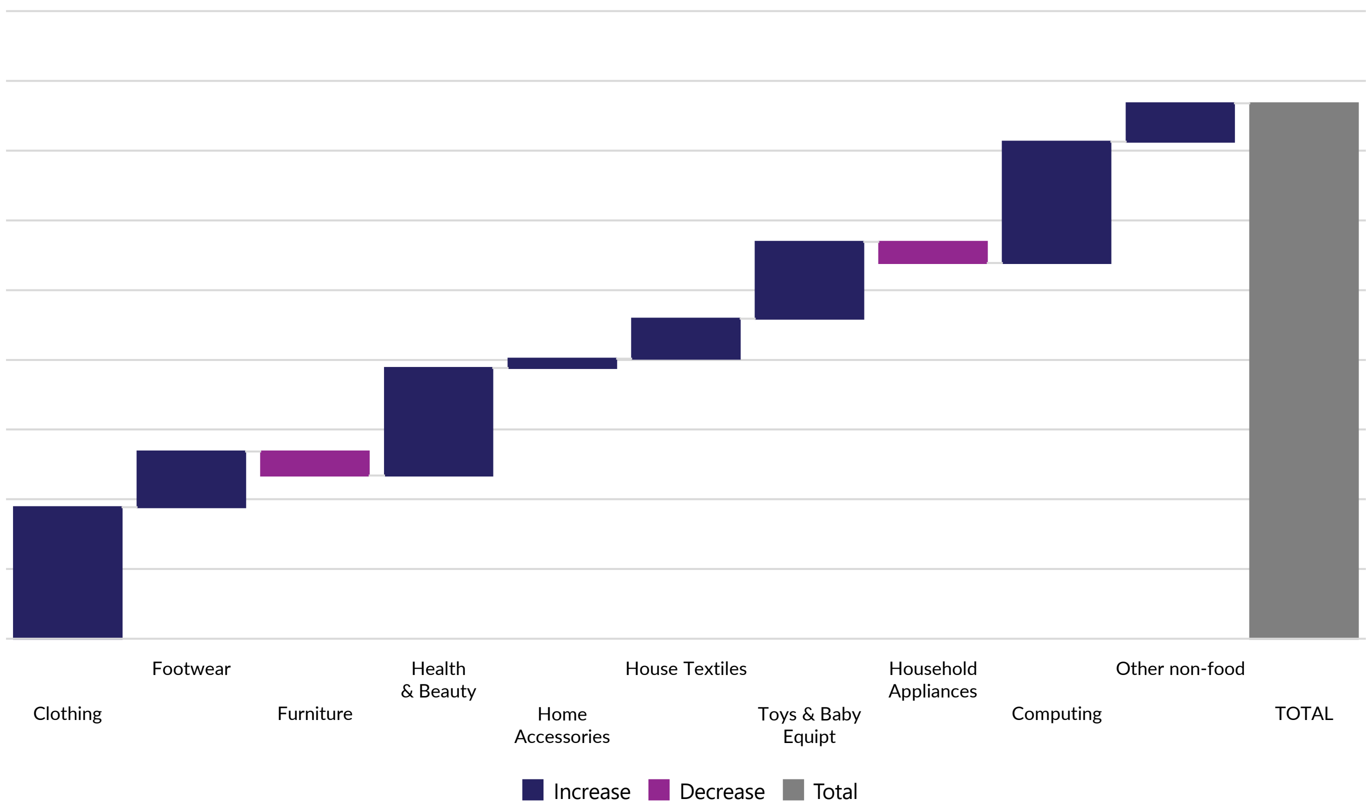
SECTOR PERFORMANCE: ONLINE SALES CATEGORY GROWTH RANKINGS

CATEGORY	RANKING UP / DOWN: SEP-24 vs AUG-24	GROWTH RANKINGS				
		SEP 2024	AUG 2024	SEP 2023	3M AVG	12M AVG
Health & Beauty	▲	1	2	1	1	1
Computing	▼	2	1	9	2	2
Toys & Baby Equipment	▬	3	3	6	3	3
House Textiles	▲	4	7	7	4	4
Footwear	▼	5	4	4	6	9
Clothing	▼	6	5	8	5	6
Home Accessories	▲	7	8	10	7	5
Other Non-Food	▲	8	10	3	10	7
Household Appliances	▼	9	6	2	8	10
Furniture	▼	10	9	5	9	8

Source: BRC-KPMG RETAIL SALES MONITOR

Covering the five weeks 25 Aug – 28 Sep 2024

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



Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR SEPTEMBER 2024

Covering the five weeks 25 Aug – 28 Sep 2024

SECTOR PERFORMANCE: STORE TOTAL SALES GROWTH

CATEGORY	SALES UP / DOWN SEP-24 VS AUG-24	GROWTH RANKINGS				
		SEP 2024	AUG 2024	SEP 2023	3M AVG	12M AVG
Clothing	▲	1	3	6	2	3
Computing	▬	2	2	8	3	6
Health & Beauty	▼	3	1	1	1	1
Furniture	▲	4	8	10	7	8
Home Accessories	▼	5	4	5	4	2
House Textiles	▲	6	7	7	6	4
Other Non-Food	▲	7	10	9	8	10
Footwear	▼	8	5	3	5	5
Household Appliances	▼	9	6	4	9	9
Toys & Baby Equipment	▼	10	9	2	10	7

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR SEPTEMBER 2024

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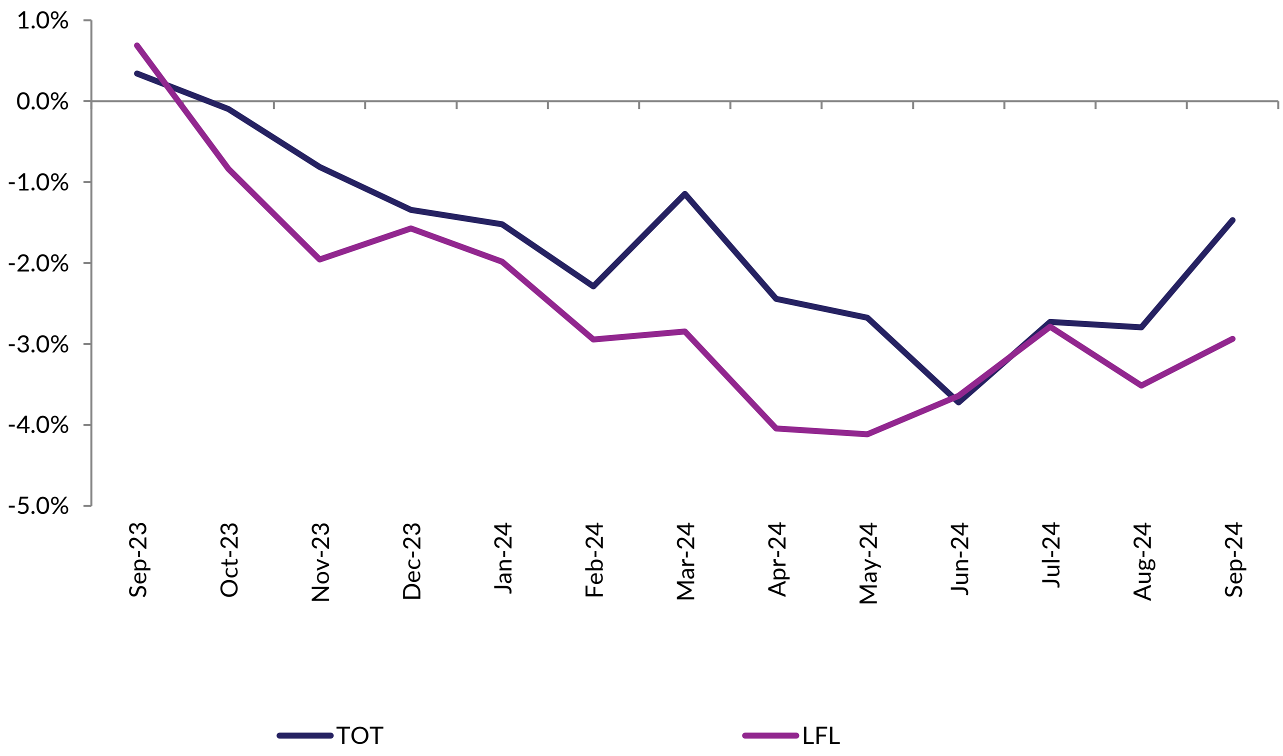
NON-FOOD STORE THREE-MONTH AVERAGE RETAIL SALES YEAR-ON-YEAR CHANGE (%)



Source: BRC-KPMG RETAIL SALES MONITOR

METHODOLOGY

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.

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The October 2024 Monitor, covering the four weeks 29 Sep – 26 Oct 2024, will be released at 00.01am on Tuesday 05 Nov 2024. 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.

SPONSORED AND ADMINISTERED BY

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.

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

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