BRC – KPMG RETAIL SALES MONITOR

JANUARY 2025

COVERING THE FIVE WEEKS 29 DECEMBER 2024 – 01 FEBRUARY 2025

RETAIL SALES WEATHER A STORMY JANUARY

Note: Like the ONS, the BRC typically follows a 4-4-5 pattern for the number of reporting weeks in each month (January-4 weeks, February-4 weeks, March-5 weeks and so on throughout the year). Following the ONS, the BRC is using a 5-week January this year instead of the typical 4 weeks. Therefore, 2025 will be a 53-week year. The comparison weeks for last year will follow this year's schedule; weeks 1-5 of this year will be compared to weeks 1-5 of last year for January, then February weeks 6-9 of both years, and March weeks 10-14 of both years. The rest of the year will follow the 4-4-5 pattern with week 53 being compared to week 1 2025.

% CHANGE year-on-year	Vs Dec-24's % CHANGE	Total	Like-For-Like
UK Retail Sales	▼	2.6%	2.5%
Food	▲	2.8%	2.8%
Non-Food	▼	2.5%	2.2%
Non-Food – Store	▲	2.6%	2.1%
Non-Food – Online	▼	2.2%	n/a

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

Helen Dickinson OBE, Chief Executive | British Retail Consortium

"January sales kicked off a solid month for retail with stores delivering their strongest growth in almost two years, albeit on a weak comparable. Consumers headed to the shops to refresh their homes for the year ahead, taking advantage of big discounts on furniture, bedding and other home accessories. With growth across nearly all categories, only toys and baby equipment remained in decline. While the bouts of stormy weather put a temporary dampener on demand, sales growth held up well throughout the rest of the month. This was also helped by the earlier start of the reporting period, adding a few more post-Christmas shopping days into the mix.

"Whether this strong performance can hold out for the coming months is yet to be seen. Inflationary pressures are rising, compounded by £7bn of new costs facing retailers, including higher employer national insurance contributions, higher National Living Wage, and a new packaging levy. Many businesses will be left with little choice but to increase prices, and cut investment in jobs and stores. Government can mitigate this by ensuring its proposed business rates reforms do not result in any shop paying more in business rates."

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

"2025 got off to a welcome start for retailers with much needed sales growth in January. But viewed over a three-month period that included Christmas and Black Friday, non-food sales have flatlined. Overall, the golden quarter failed to shine.

"The trading environment remains tough for retailers, with consumer demand still subdued and household essential bills still high. Business costs are also coming under pressure, with rising employment costs only increasing that in the coming months. Boardroom focus on costs and competitiveness is sharpening. Pricing adjustments, product launches, store closures, job losses, and increased automation and AI are all set to reshape the retail landscape in 2025."

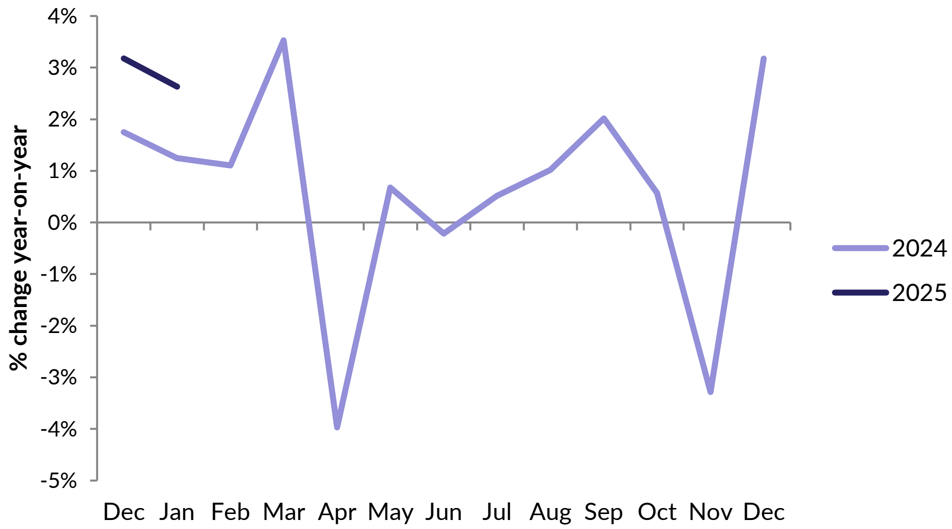
Food & Drink sector performance | Sarah Bradbury, CEO | IGD

"The current climate of economic uncertainty is reflected in IGD's January shopper confidence index, which has declined by 3 points. With unemployment at 4.4% (+0.4% vs this time last year), shoppers have responded by employing strategies to control their spend. The notable increase in volume over value sales suggests a shift towards private label products and a change in purchasing categories, as shoppers anticipate further price rises for food and drink."

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

MONTHLY GROWTH OF TOTAL RETAIL SALES

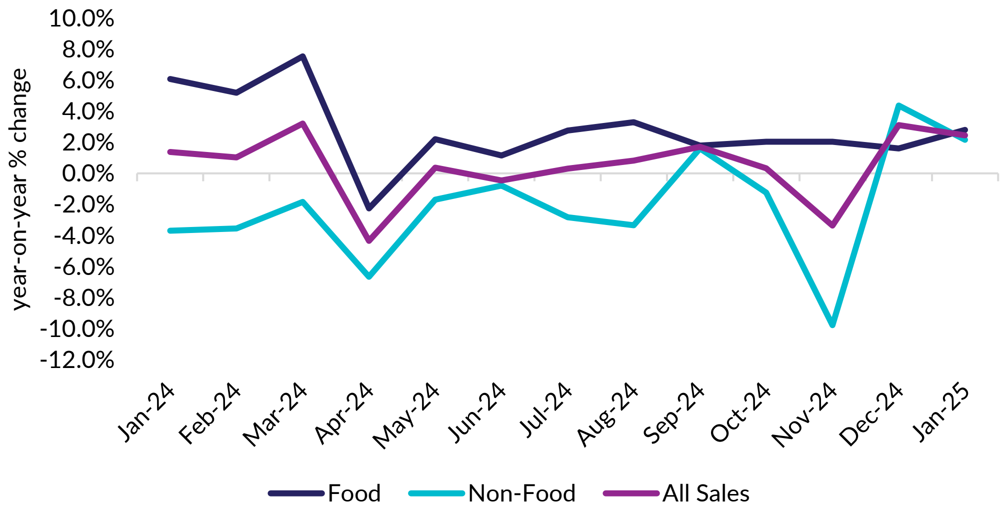


	LFL	TOTAL
Jan-25	2.5%	2.6%
Jan-24	1.4%	1.2%
Dec-24	3.1%	3.2%
3m avg	1.0%	1.1%
12m avg	0.6%	0.8%

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

LIKE-FOR-LIKE SALES:

MONTHLY AVERAGE % CHANGE YEAR-ON-YEAR



MONTHLY AVERAGE	LFL	TOTAL
Food	2.8%	2.8%
Non-food	2.2%	2.5%
All Sales	2.5%	2.6%

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

Covering the five weeks 29 December 2024 – 01 February 2025

OVERVIEW

While January was a strong month compared to last year, take that with a fairly large pinch of salt for three reasons:

- First, the comparable period, January 2023, was an especially weak month for non-food (-2.8% from January 2022)
- This year's numbers also got a boost from how the reporting-month dates fell, with this year starting on the 29th of December vs the 31st last year, giving this year a couple of additional prime shopping days between Christmas and New Year
- Lastly, there was an uncommon week 5 in this year's January (see note at the top of the report) and that week ended up being the second-strongest week of the month, behind only week 1, which got the artificial boost referred to in the second bullet point

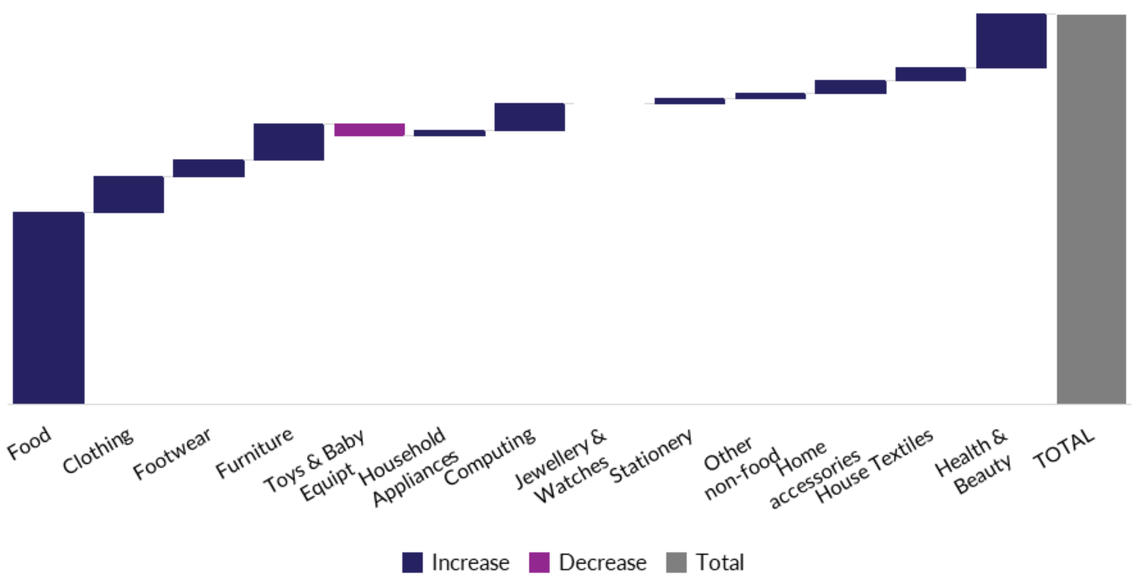
With that being said, January was still a positive story, overall, and it was much needed for a retail industry that has been struggling. Non-food (+2.5) had one of its best performing months YOY in the last couple of years and was positive for in-store (+2.6%) and online (+2.2) after both being negative last year (-2.0% and -4.2%, respectively). Food also remained positive, coming in at +2.8%.

At a category level, everything was up except Toy's and Baby Equipment, led by Computing, House Textiles (bedding and throw pillows etc), and Health and Beauty.

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

JANUARY: 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

Covering the five weeks 29 December 2024 – 01 February 2025

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 JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

MONTHLY RETAIL SALES:

% CHANGE YEAR-ON-YEAR

MONTH	2023		2024		2025	
	LFL	TOTAL	LFL	TOTAL	LFL	TOTAL
January	3.9%	4.2%	1.4%	1.2%	2.5%	2.6%
February	4.9%	5.2%	1.0%	1.1%		
March	4.9%	5.1%	3.2%	3.5%		
April	5.2%	5.1%	-4.4%	-4.0%		
May	3.7%	3.9%	0.4%	0.7%		
June	4.2%	4.9%	-0.5%	-0.2%		
July	1.8%	1.5%	0.3%	0.5%		
August	4.3%	4.1%	0.8%	1.0%		
September	2.8%	2.7%	1.7%	2.0%		
October	2.6%	2.5%	0.3%	0.6%		
November	2.6%	2.7%	-3.4%	-3.3%		
December	1.9%	1.7%	3.1%	3.2%		
Jan-Dec average	3.9%	4.2%	1.4%	1.2%	2.5%	2.6%

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

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

FOOD/NON-FOOD ANALYSIS:

MONTHLY AVERAGE % CHANGE YEAR-ON-YEAR

MONTHLY AVERAGE	LIKE-FOR-LIKE			TOTAL		
	Food	**Non-Food**	**All Sales**	**Food**	**Non-Food**	**All Sales**
2024 Jan	6.1%	-3.7%	1.4%	6.1%	-2.8%	1.2%
Feb	5.2%	-3.5%	1.0%	5.6%	-2.7%	1.1%
Mar	7.5%	-1.8%	3.2%	8.3%	-0.4%	3.5%
Apr	-2.3%	-6.7%	-4.4%	-1.6%	-6.0%	-4.0%
May	2.2%	-1.7%	0.4%	2.8%	-1.1%	0.7%
Jun	1.2%	-0.8%	-0.5%	1.8%	-1.9%	-0.2%
Jul	2.8%	-2.8%	0.3%	3.3%	-1.8%	0.5%
Aug	3.3%	-3.3%	0.8%	3.9%	-1.4%	1.0%
Sep	1.8%	1.6%	1.7%	2.3%	1.7%	2.0%
Oct	2.0%	-1.3%	0.3%	2.6%	-1.1%	0.6%
Nov	2.0%	-9.8%	-3.4%	2.2%	-7.9%	-3.3%
Dec	1.6%	4.4%	3.1%	1.7%	4.4%	3.2%
2025 Jan	2.8%	2.2%	2.5%	2.8%	2.5%	2.6%

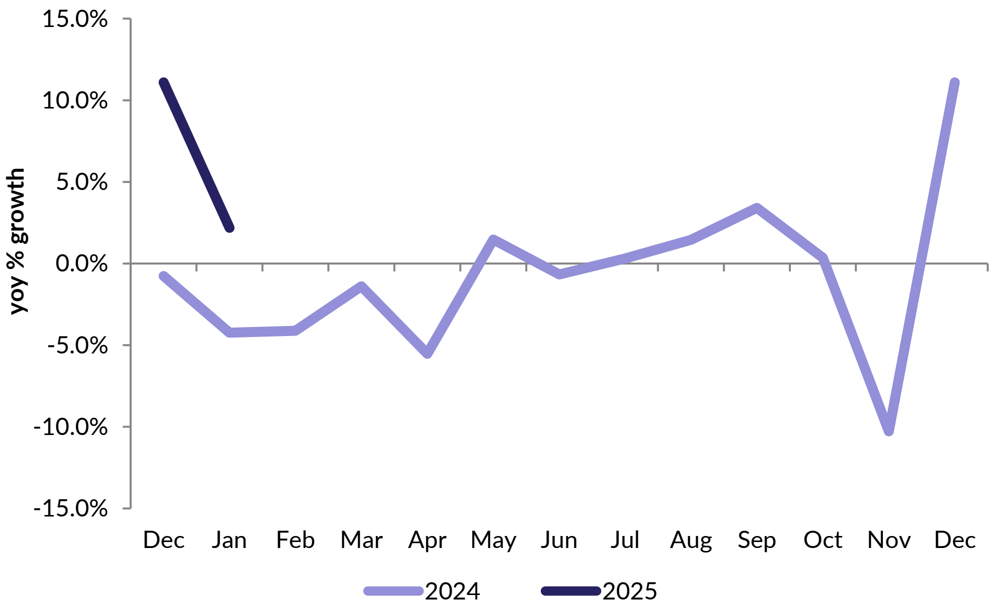
Source: BRC-KPMG RETAIL SALES MONITOR (Includes Food data from IGD)

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

ONLINE SALES GROWTH (NON-FOOD):

% CHANGE YEAR-ON-YEAR

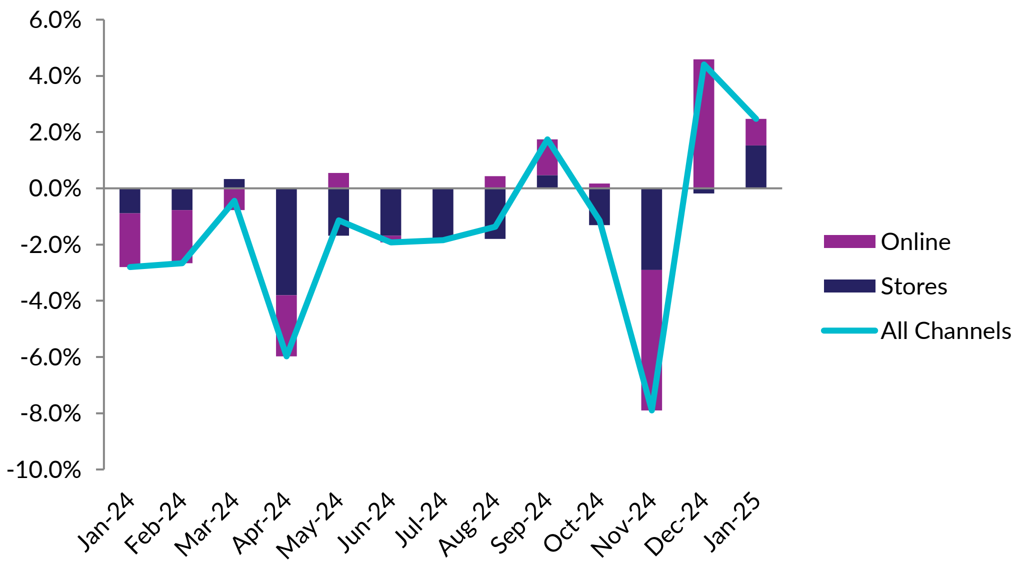


NON-FOOD GROWTH	ONLINE*	UK TOTAL
Jan-25	2.2%	2.2%
Jan-24	-4.2%	-3.7%
Dec-24	11.1%	4.4%
3m avg	1.8%	0.2%
12m avg	0.1%	-1.1%

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

MONTHLY AVERAGE: CONTRIBUTION TO NON-FOOD SALES GROWTH BY CHANNEL

% CHANGE YEAR-ON-YEAR



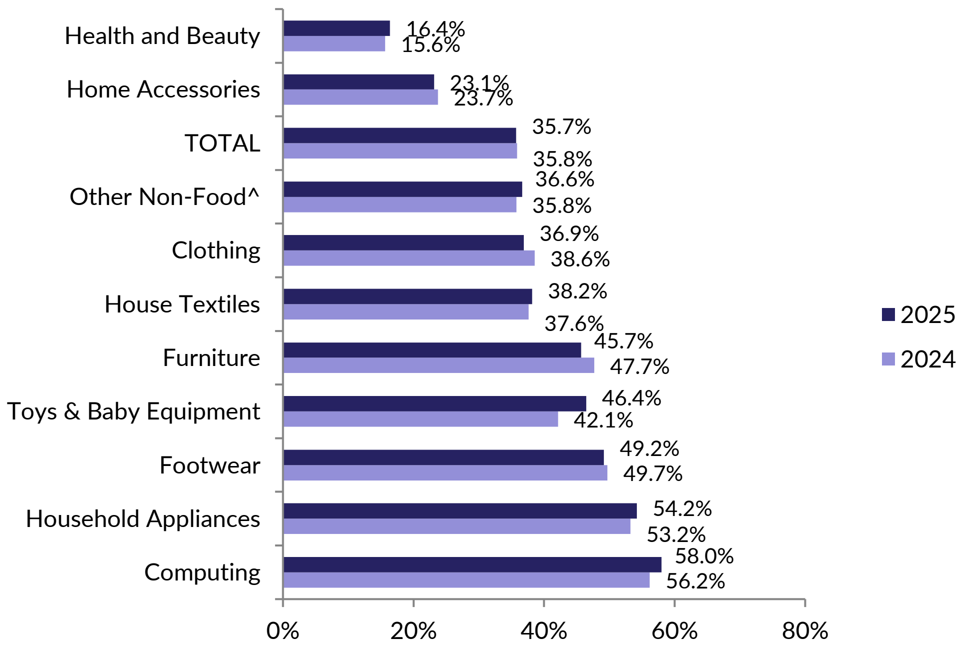
NON-FOOD IN-STORE % CHANGE YEAR-ON-YEAR		
	LFL	TOTAL
Jan-25	2.1%	2.6%
Jan-24	-3.4%	-2.0%
Dec-24	0.4%	0.4%
3m avg	-1.8%	-0.7%

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

Monthly: Online Penetration rankings by category



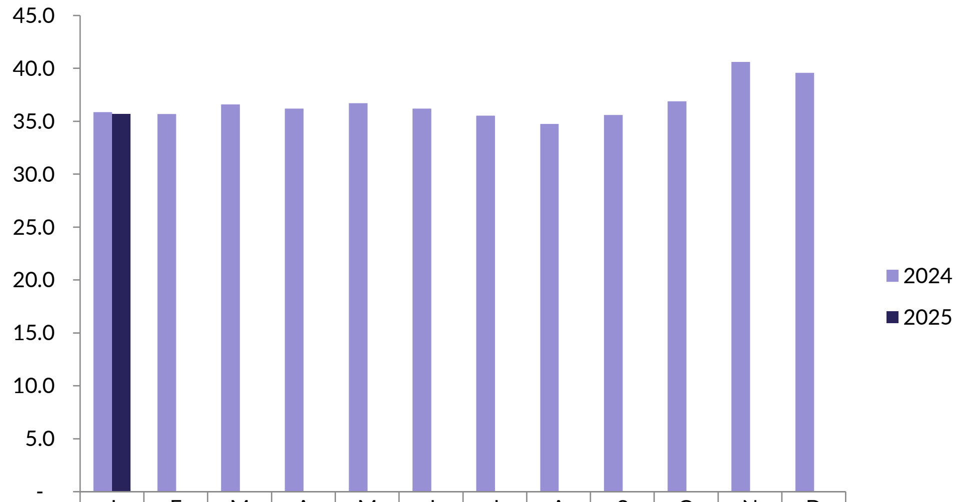
Source: BRC-KPMG RETAIL SALES MONITOR

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

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

TOTAL NON-FOOD SALES:
WEIGHTED ONLINE PENETRATION



	J	F	M	A	M	J	J	A	S	O	N	D
2024	35.8	35.7	36.6	36.2	36.7	36.2	35.5	34.7	35.6	36.9	40.6	39.6
2025	35.7											

NON-FOOD ONLINE PENETRATION RATE ONLINE AS % OF TOTAL	
Jan-25	35.7%
Jan-24	35.8%
Dec-24	39.6%
3m average	38.5%
12m average	36.7%

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

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 AVG*	MONTHLY	3M AVG	MONTHLY	3M AVG
Jan 2024	-4.2%	-2.3%	35.8%	38.1%	-1.9%	-1.2%
Feb	-4.1%	-2.9%	35.7%	36.3%	-1.9%	-1.5%
Mar	-1.4%	-3.1%	36.6%	36.1%	-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%
Oct	0.4%	1.9%	36.9%	35.7%	0.2%	0.7%
Nov	-10.3%	-1.7%	40.6%	37.5%	-5.0%	-1.0%
Dec	11.1%	1.2%	39.6%	39.1%	4.6%	0.3%
Jan 2025	2.2%	1.8%	35.7%	38.5%	0.9%	0.5%

Source: BRC-KPMG Retail Sales Monitor.

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

NON-FOOD STORE MONTHLY AVERAGE RETAIL SALES YEAR-ON-YEAR CHANGE

MONTH	TOTAL % CHANGE YOY	LFL % CHANGE YOY
Jan 2024	-2.0%	-3.4%
Feb	-1.8%	-3.2%
Mar	0.1%	-2.1%
Apr	-6.2%	-7.3%
May	-2.6%	-3.5%
Jun	-2.6%	-0.9%
Jul	-3.0%	-4.5%
Aug	-2.8%	-5.8%
Sep	0.8%	0.6%
Oct	-2.0%	-2.2%
Nov	-6.2%	-9.4%
Dec	0.4%	0.4%
Jan 2025	2.6%	2.1%

Source: BRC-KPMG Retail Sales Monitor

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

SECTOR PERFORMANCE: ONLINE SALES CATEGORY GROWTH RANKINGS

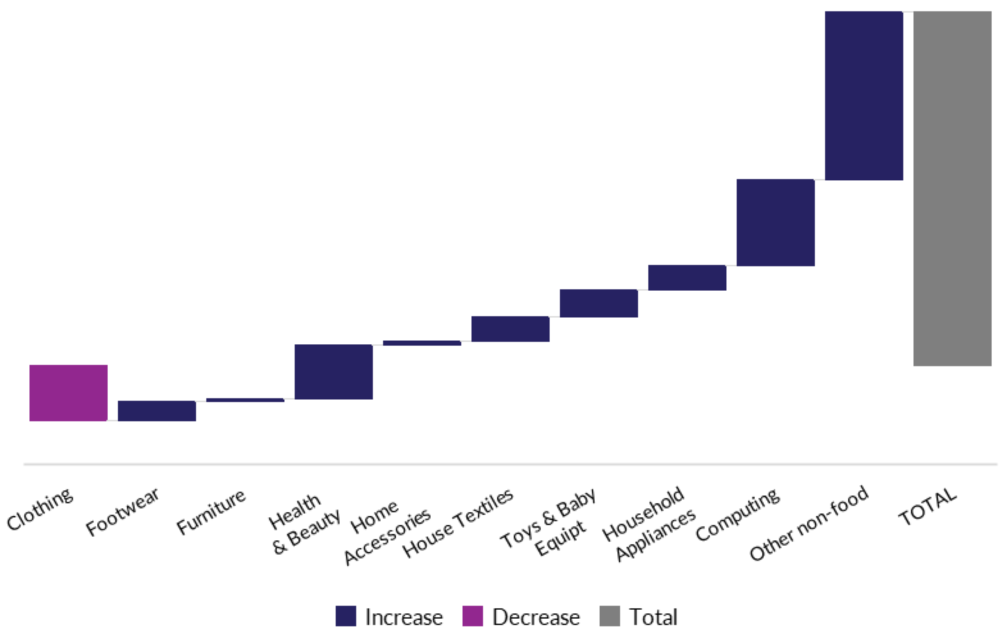
CATEGORY	Ranking Up/Down vs Dec-24	GROWTH RANKINGS				
		JAN-25	DEC-24	JAN-24	3M AVG	12M AVG
Computing	▲	1	1	7	1	1
Health & Beauty	▲	2	2	1	2	2
House Textiles	▲	3	8	6	3	3
Toys & Baby Equipment	▲	4	4	2	4	4
Household Appliances	▲	5	6	5	5	9
Other Non-Food	▲	6	3	10	9	10
Footwear	▲	7	5	9	7	8
Home Accessories	▲	8	9	3	8	5
Furniture	▲	9	10	8	6	7
Clothing	▼	10	7	4	10	6

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

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



Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

SECTOR PERFORMANCE: STORE TOTAL SALES GROWTH

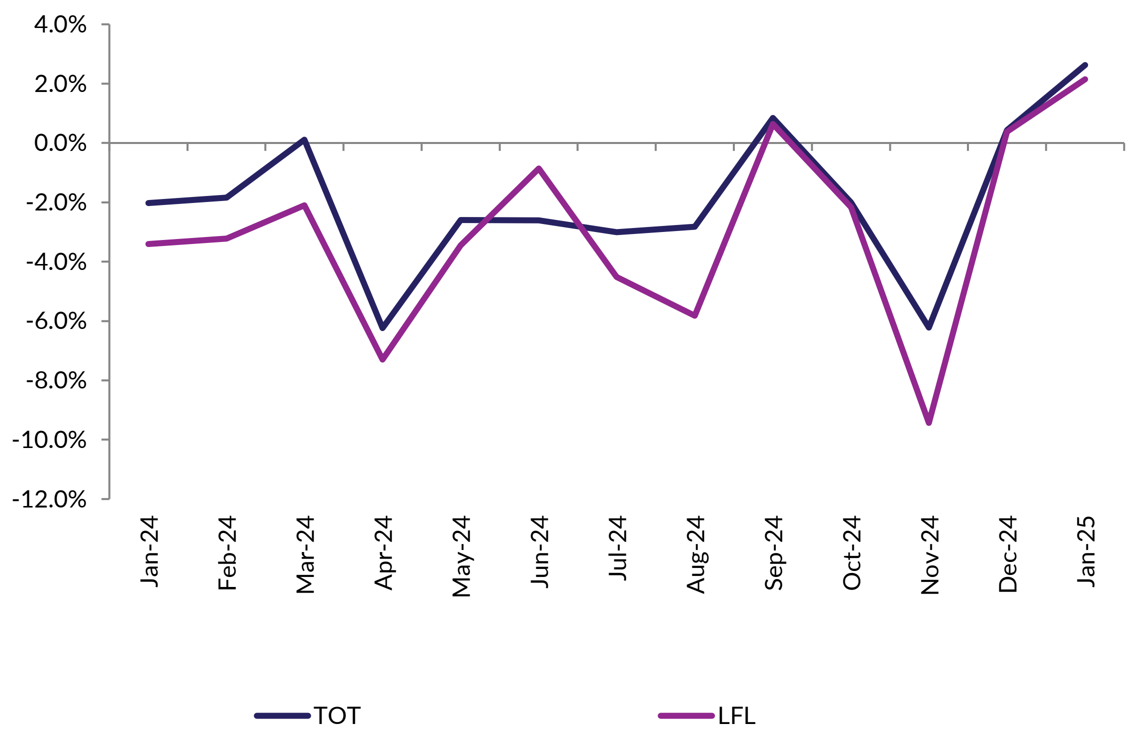
CATEGORY	Ranking Up/Down vs Dec-24	GROWTH RANKINGS				
		JAN-25	DEC-24	JAN-24	3M AVG	12M AVG
Furniture	▲	1	6	8	3	6
Computing	▲	2	1	9	1	2
House Textiles	▲	3	9	5	5	4
Footwear	▲	4	8	2	8	7
Clothing	▲	5	7	3	6	5
Home Accessories	▲	6	4	4	4	3
Health & Beauty	▲	7	3	1	2	1
Household Appliances	▼	8	5	7	9	8
Other Non-Food	▼	9	2	10	7	9
Toys & Baby Equipment	▼	10	10	6	10	10

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

NON-FOOD STORE MONTHLY 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.

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

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

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

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

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

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

BRC – KPMG RETAIL SALES MONITOR JANUARY 2025

Covering the five weeks 29 December 2024 – 01 February 2025

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The February 2025 Monitor, covering the 4 weeks 02 Feb – 01 March 2025, will be released at 00.01am on Tuesday 11 March 2025. 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 October 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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