BRC – KPMG RETAIL SALES MONITOR

JULY 2024

COVERING FOUR WEEKS 30TH JUNE – 27TH JULY 2024

Summer's arrival boosts clothing and beauty

% CHANGE year-on-year	**Vs Jun-24 % CHANGE**	**TOTAL**	**LIKE-FOR-LIKE**
UK Retail Sales	▲	0.5%	0.3%
Food *(3-mth)*	▲	2.6%	2.0%
Non-Food *(3-mth)*	▲	-1.7%	-1.7%
Non-Food – Store *(3-mth)*	▲	-2.7%	-2.8%
Non-Food – Online	▲	0.3%	n/a

BRC – KPMG RETAIL SALES MONITOR JULY 2024

Covering the four weeks 30 June – 27 July 2024

Helen Dickinson OBE, Chief Executive | British Retail Consortium

“Retail sales returned to growth, driven by an increase in food purchases. The late arrival of British sunshine led to a rise in sales for summer clothing and health & beauty products as shoppers prepared for days out with friends and holidays away. However, as consumers spent on holidays and hospitality, sales for indoor goods, such as furniture and household appliances, found themselves squeezed out. This left non-food once again in negative growth, particularly for in-store sales.

“Now that the election uncertainty is over and Government is rolling out their plans to kickstart economic growth, retailers are planning their own investment strategies. Many will be looking to the Autumn Budget to find out whether business rates will continue to rise under a Labour government. They will also be looking for any details of the reform of the whole business rates system, promised in Labour’s manifesto.”

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

“While summer staples, such as health, beauty, and gardening products have helped to drive retail sales growth both online and in-store in July, the upturn is likely much less than retailers were hoping for at this key time of the year. A busy summer of televised sport has played a beneficial role in increasing TV, mobile and tablet sales over the last two months, but there’s little evidence of other big ticket purchases taking place.

“Spending levels continue to be governed by whether households have been able to absorb the likes of mortgage and rent increases or had to limit their spend elsewhere as a consequence. Also, while some sectors are seeing wage growth, others are cutting posts - leaving some consumers mindful that they may need to fall back on savings if they find themselves out of work.

“ONS data for the first quarter of 2024 shows a growing average percentage of household income being put into savings. But it's looking increasingly likely that the retail sector will see a gradual drip effect from those choosing to spend some, rather than the spending taps suddenly being turned on full.”

BRC – KPMG RETAIL SALES MONITOR JULY 2024

Covering the four weeks 30 June – 27 July 2024

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

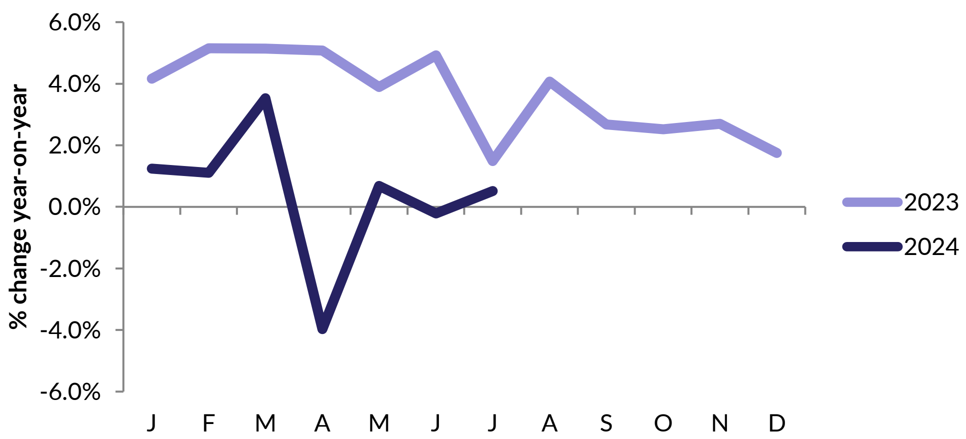
"Shopper confidence rose nine points in the days immediately after the election, while England's success at the Euros inspired a nine-point increase in focus on quality. Although, they have both fallen back in line since. Further good news comes from July's volumes which were higher than they were last year, marking three consecutive months of year-on-year volume growth for the grocery market.

"Grocery sales in July were higher than last year, with sales particularly strong in the final two weeks of the month, undoubtedly helped by the mini heatwave the UK enjoyed at the time which saw the hottest day of the year recorded so far.

"While the new Government sets expectations around change taking time, shoppers are adjusting their outlook. As Labour lay out their plans for the years ahead, we expect to see further divergence in experience.

"An August heatwave and GB's successes at the Olympics are likely to cause a short-term uplift in confidence and therefore more trade-up opportunities as we've previously seen at the Euros. This would continue a three-month trend of continued growth for grocery, as spurred on by the weather."

MONTHLY GROWTH OF TOTAL RETAIL SALES



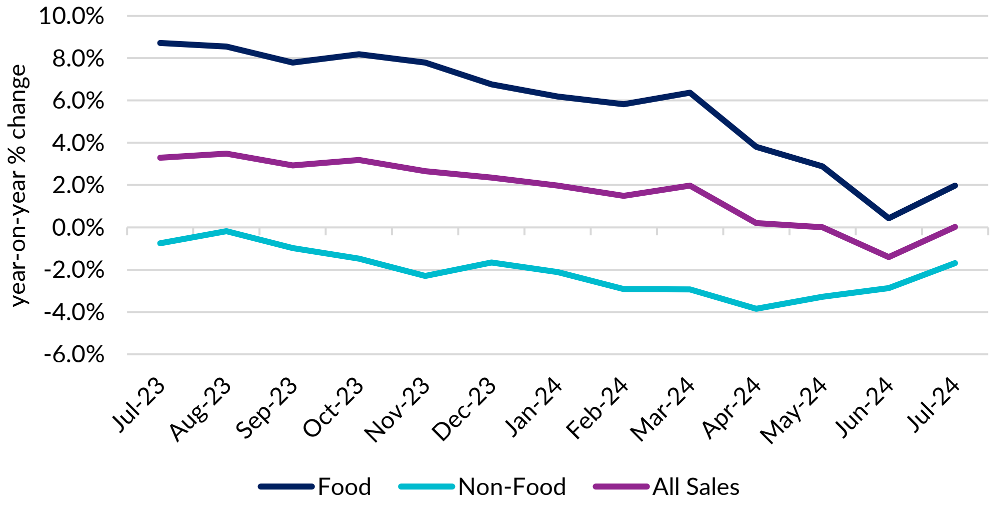
	LFL	TOTAL
Jul 2024	0.3%	0.5%
Jul 2023	1.8%	1.5%
Jun 2024	-0.5%	-0.2%
3m average	0.0%	0.3%
12m average	1.4%	1.4%

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

BRC – KPMG RETAIL SALES MONITOR JULY 2024

Covering the four weeks 30 June – 27 July 2024

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



3-MONTH AVERAGE	LFL	TOTAL
Food	2.0%	2.6%
Non-food	-1.7%	-1.7%
All Sales	0.0%	0.3%

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

BRC – KPMG RETAIL SALES MONITOR JULY 2024

Covering the four weeks 30 June – 27 July 2024

OVERVIEW

In July 2024, Total UK retail sales saw a modest rise of 0.5%, falling short of the 1.5% growth recorded in July of the previous year. July's YoY growth suggests that the retail sector maintained a somewhat stable performance compared to the previous months. This stability is further supported by the fact that July's growth falls within the range observed in the first five months (excluding the significant decline in April and the small dip in June).

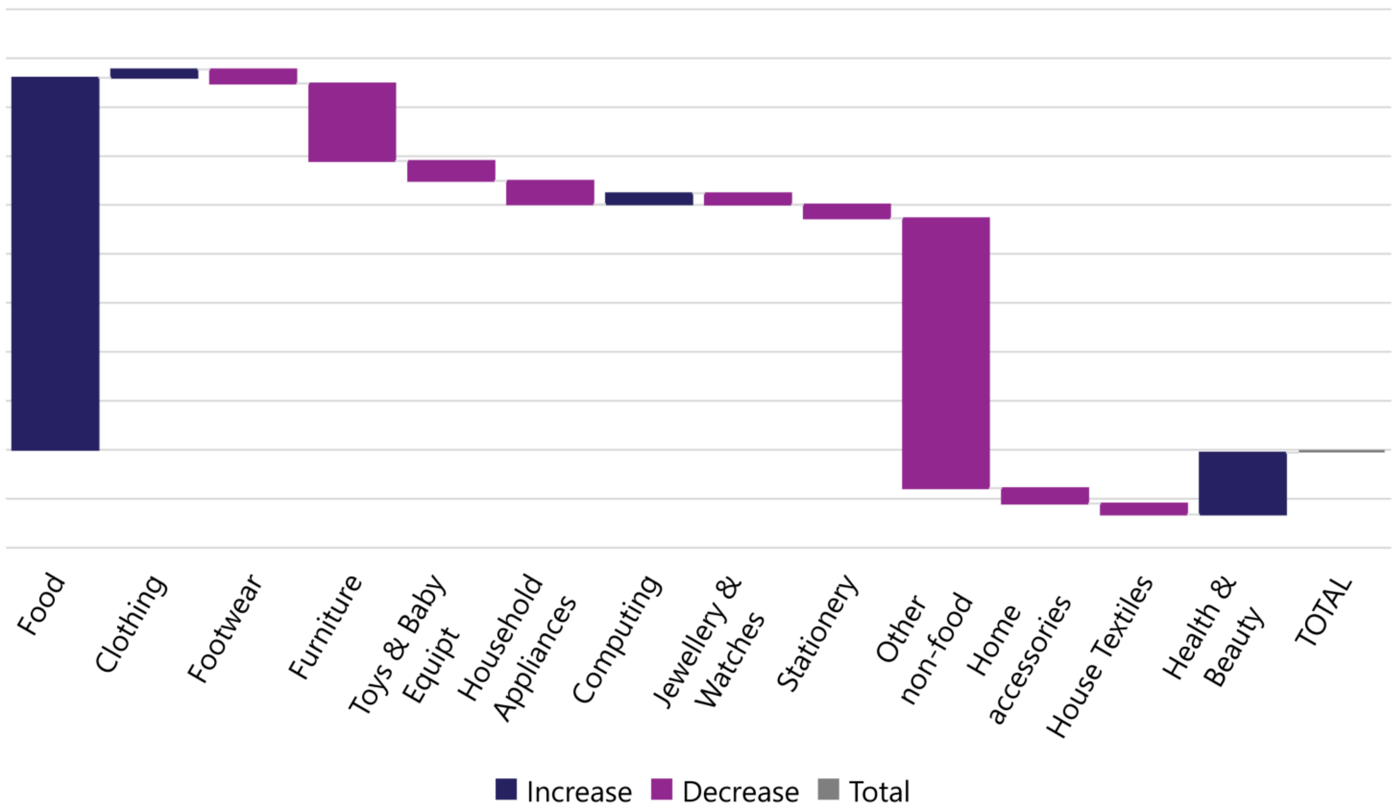
Food sales exhibited a rise in the three months leading up to July, signalling favourable performance compared to the corresponding period last year. This increase was higher than the growth observed in the preceding three months leading up to June. While the rate of growth has been steady rather than exponential, it suggests a gradual improvement in consumer confidence relating to food purchases.

Non-food sales experienced a decline in the three months leading up to July when compared to the same timeframe in the previous year. This downturn indicates a reduction in consumer expenditure on non-food items. While the rate of decrease has moderated compared to the preceding three months leading up to June, it suggests continued economic pressures on consumers. Despite the overall decline, certain product categories demonstrated growth. Notably, computing equipment, health and beauty products, and homeware experienced increased sales. Conversely, household appliances and stationery sales contracted. These varying performances may reflect shifting consumer priorities and spending patterns influenced by economic conditions and lifestyle changes.

Online sales experienced a modest year-on-year growth of 0.3% in July, representing a positive shift from the more significant declines observed in previous months. While categories such as footwear, household appliances, and homewares contracted compared to the same period last year, other sectors demonstrated resilience. Notably, toys, baby equipment, and clothing recorded increased sales, while computing also performed strongly. The online health and beauty sector exhibited particularly robust growth, reflecting sustained consumer demand for these products.

Covering the four weeks 30 June – 27 July 2024

JULY: 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 four weeks 30 June – 27 July 2024

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 JULY 2024

Covering the four weeks 30 June – 27 July 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		
September	1.8	2.2	2.8	2.7		
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-Jul average	1.1	3.1	4.1	4.3	0.2	0.4
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 JULY 2024

Covering the four weeks 30 June – 27 July 2024

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

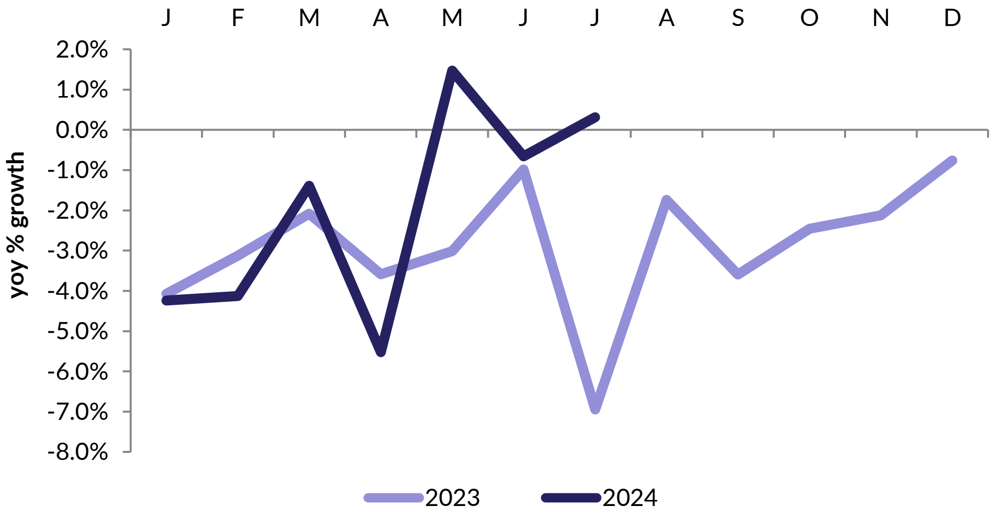
3-MONTH AVERAGE	LIKE-FOR-LIKE			TOTAL		
	Food	Non-Food	All Sales	Food	Non-Food	All Sales
2023 May - Jul	8.7	-0.8	3.3	8.4	-0.5	3.5
Jun - Aug	8.6	-0.2	3.5	8.2	-0.2	3.6
Jul - Sep	7.8	-1.0	2.9	7.4	-1.2	2.7
Aug - Oct	8.2	-1.5	3.2	7.9	-1.0	3.1
Sep - Nov	7.8	-2.3	2.7	7.6	-1.6	2.6
Oct - Dec	6.8	-1.7	2.4	6.8	-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
2023 May - Jul	2.0	-1.7	0.0	2.6	-1.7	0.3

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

BRC – KPMG RETAIL SALES MONITOR JULY 2024

Covering the four weeks 30 June – 27 July 2024

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

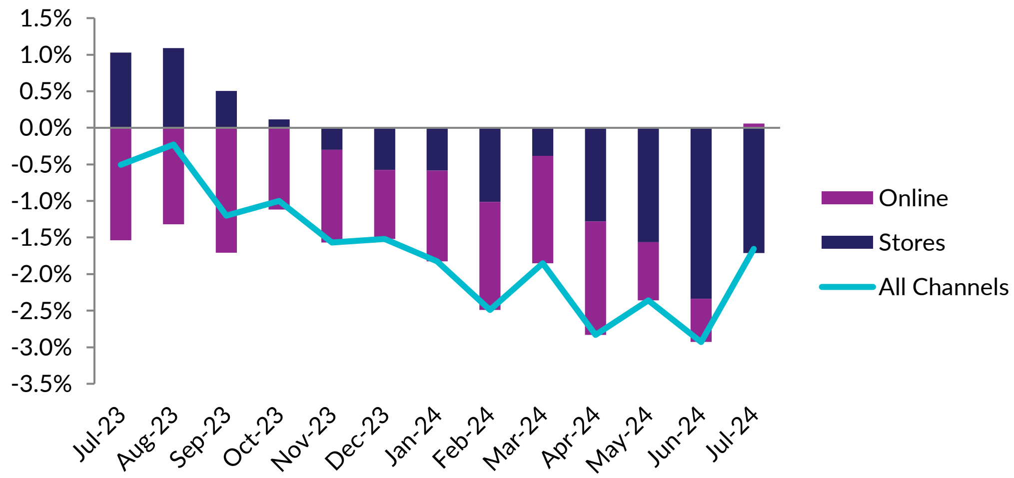


NON-FOOD GROWTH	ONLINE*	UK TOTAL
Jul-24	0.3%	n/d
Jul-23	-6.9%	n/d
Jun-24	-0.7%	n/d
3m avg	0.3%	-1.7%
12m avg	-2.0%	-1.8%

n/d: cannot be disclosed

Source: BRC-KPMG RETAIL SALES MONITOR: **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



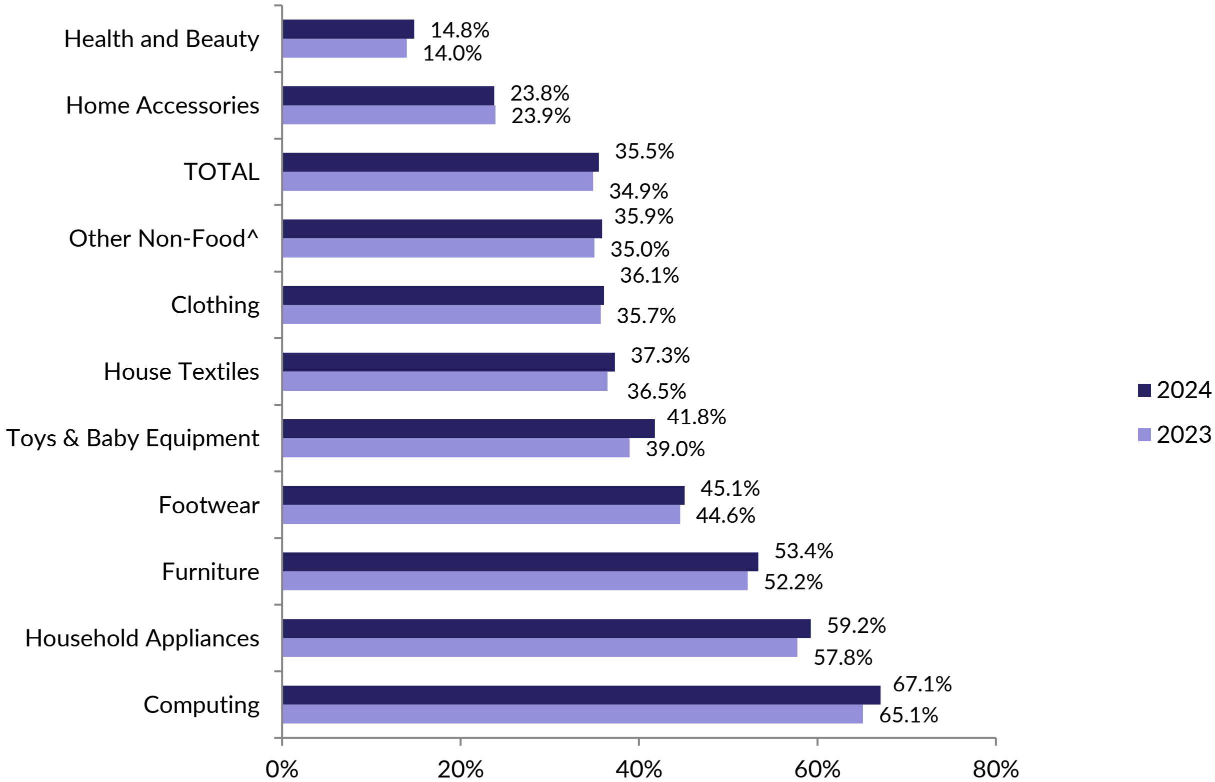
NON-FOOD IN-STORE % CHANGE YEAR-ON-YEAR	LFL	TOTAL
May 24 - Jul 24	-2.8%	-2.7%
May 23 - Jul 23	0.8%	1.2%
Apr 24 - Jun 24	-3.6%	-3.7%
12m avg	-2.4%	-1.7%

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR JULY 2024

Covering the four weeks 30 June – 27 July 2024

JULY: ONLINE PENETRATION RANKINGS BY CATEGORY

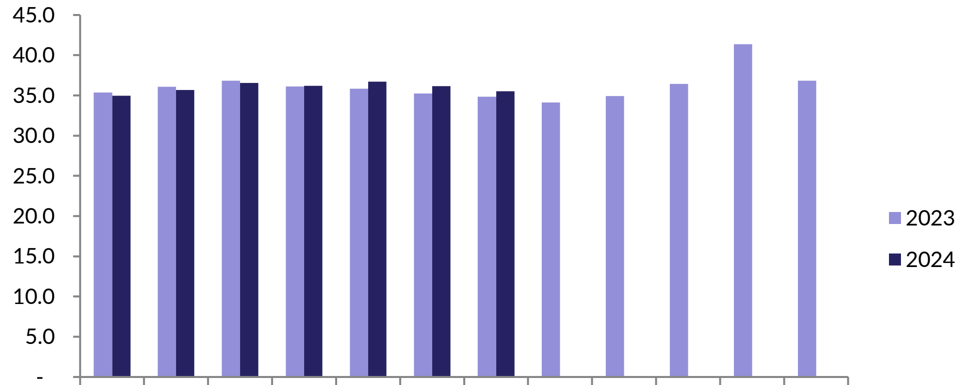


Source: BRC-KPMG RETAIL SALES MONITOR
Note: Online sales in the Monitor include all distance sales, notably mail and phone orders

BRC – KPMG RETAIL SALES MONITOR JULY 2024

Covering the four weeks 30 June – 27 July 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	34.9	36.5	41.4	36.8
2024	35.0	35.7	36.6	36.2	36.7	36.2	35.5					

NON-FOOD ONLINE PENETRATION RATE ONLINE AS % OF TOTAL	
Jul 2024	35.5%
Jul 2023	34.9%
Jun 2024	36.2%
3m average	36.1%
12m average	36.3%

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR JULY 2024

Covering the four weeks 30 June – 27 July 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
Jul 2023	-6.9	-3.4	34.9	35.3	-2.9	-1.5
Aug	-1.7	-3.1	34.1	34.8	-0.7	-1.3
Sep	-3.6	-4.1	34.9	34.7	-1.6	-1.7
Oct	-2.5	-2.7	36.5	35.1	-0.9	-1.1
Nov	-2.1	-2.8	41.4	37.4	-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

Source: BRC-KPMG Retail Sales Monitor.

BRC – KPMG RETAIL SALES MONITOR JULY 2024

Covering the four weeks 30 June – 27 July 2024

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

THREE MONTHS ENDING	TOTAL % CHANGE YOY	LFL % CHANGE YOY
Jul 2023	1.2%	0.8%
Aug	1.3%	1.4%
Sep	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%

Source: BRC-KPMG Retail Sales Monitor

BRC – KPMG RETAIL SALES MONITOR JULY 2024

Covering the four weeks 30 June – 27 July 2024

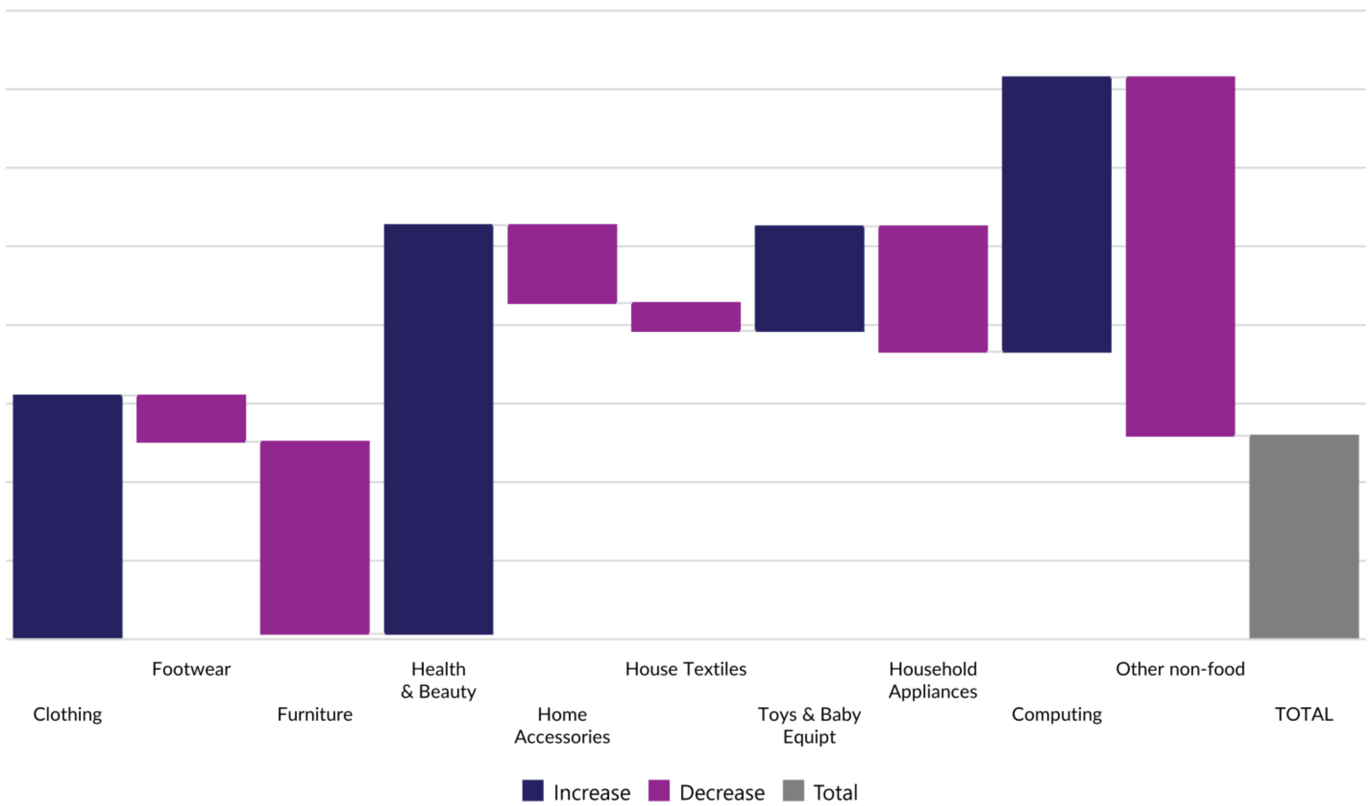
SECTOR PERFORMANCE: ONLINE SALES CATEGORY GROWTH RANKINGS

CATEGORY	RANKING UP / DOWN: JUL-24 vs JUN-23	GROWTH RANKINGS				
		JUL 2024	JUN 2024	JUL 2023	3M AVG	12M AVG
Health & Beauty	▲	1	3	2	2	1
Computing	▼	2	1	7	1	2
Toys & Baby Equipment	▲	3	7	5	3	4
Clothing	▲	4	8	9	8	7
Footwear	▲	5	9	8	9	9
House Textiles	▼	6	2	4	4	3
Household Appliances	▲	7	10	10	10	10
Home Accessories	▼	8	5	6	5	5
Other Non-Food	▼	9	4	3	7	6
Furniture	▼	10	6	1	6	8

Source: BRC-KPMG RETAIL SALES MONITOR

Covering the four weeks 30 June – 27 July 2024

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



Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR JULY 2024

Covering the four weeks 30 June – 27 July 2024

SECTOR PERFORMANCE: STORE TOTAL SALES GROWTH

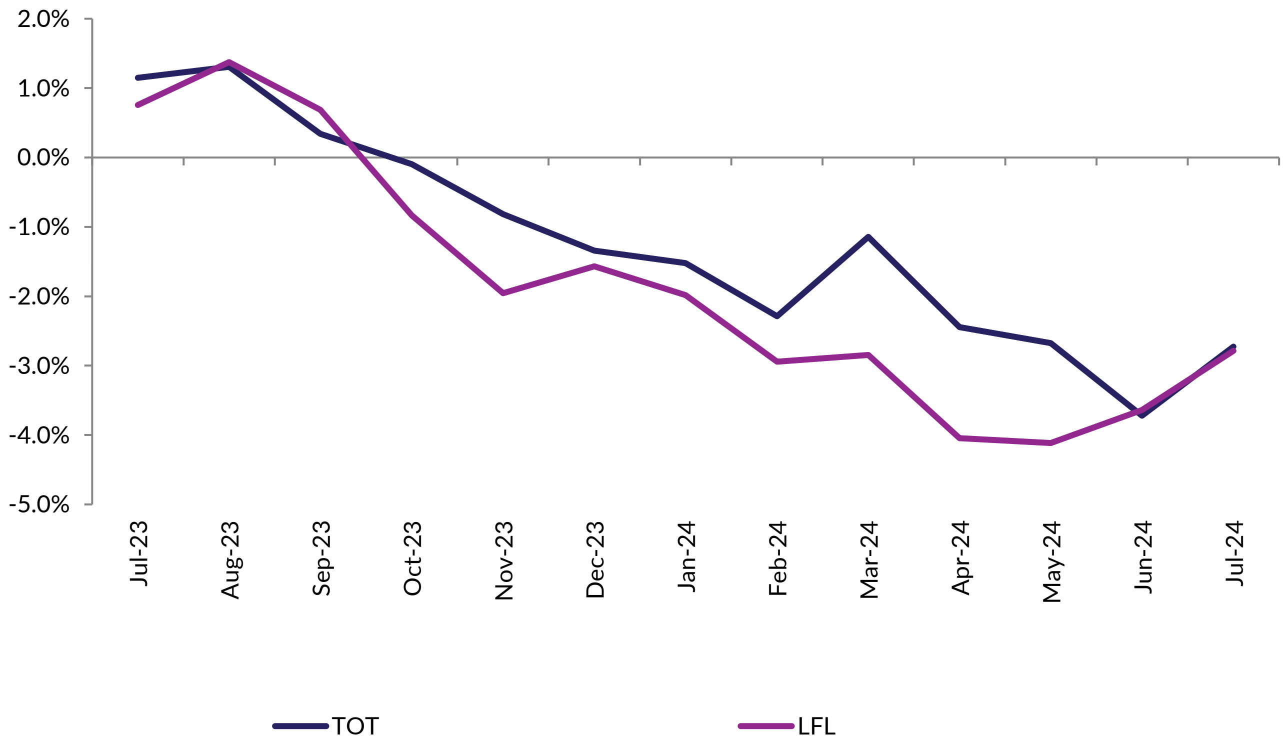
CATEGORY	SALES UP / DOWN JUL 2024	GROWTH RANKINGS				
		JUL 2024	JUN 2024	JUL 2023	3M AVG	12M AVG
Health & Beauty	▲	1	4	4	1	1
Clothing	▼	2	9	9	5	5
Footwear	▼	3	10	7	8	2
Home Accessories	▼	4	1	6	3	3
Computing	▼	5	2	3	2	6
House Textiles	▼	6	3	2	4	4
Other Non-Food	▼	7	6	5	7	10
Household Appliances	↔	8	8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

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR JULY 2024

Covering the four weeks 30 June – 27 July 2024

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.

BRC – KPMG RETAIL SALES MONITOR JULY 2024

Covering the four weeks 30 June – 27 July 2024

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The August 2024 Monitor, covering the four weeks 28 July – 24 August 2024, will be released at 00.01am on Tuesday 03 Sep 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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