

BRC – KPMG RETAIL SALES MONITOR

FEBRUARY 2023

COVERING FOUR WEEKS 29TH JANUARY – 25TH FEBRUARY 2023

SALES BEAT EXPECTATIONS DESPITE FALLING VOLUMES

<i>% CHANGE YEAR-ON-YEAR</i>		TOTAL	LIKE-FOR-LIKE
UK RETAIL SALES	▲	+5.2%	+4.9%
FOOD (3-MTH)	▲	+8.3%	+8.2%
NON-FOOD (3-MTH)	▲	+3.2%	+2.7%
NON-FOOD – STORE (3-MTH)	▲	+8.1%	+7.3%
NON-FOOD – ONLINE	▲	-3.1%	N/A

EXECUTIVE SUMMARY: 1-MINUTE READ

In February, the much-anticipated post-sales slowdown failed to materialise, as sales growth increased on a Total basis to 5.2%. That being said, volumes were down once again, as inflation continues to have an historic impact on sales, with price increases continuing to accelerate in the first two months of the year.

While Food sales value growth increased in February, resulting in the three-month average reaching 8.3% on a Total basis, it fell even further behind the rate of inflation and therefore volumes fell even further during the month. Thanks to a majority of the categories that comprise the Non-Food measure, this side of consumer spending only saw a slight softening of growth on a monthly level, and on a three-month basis saw growth accelerate to 3.2% year on year, which was the highest since April last year. Valentine's Day provided a significant boost for sales of perennial favourite gifting items, such as Jewellery and fragrances for people's loved ones.





Helen Dickinson OBE, Chief Executive | British Retail Consortium

“Retail sales held up better than expected this February, though volumes remained down on last year. While the cost-of-living crisis has made customers increasingly price sensitive, they are still ready to celebrate special occasions. This helped deliver strong sales of fragrance and jewellery for Valentine’s Day. Energy-saving appliances also continued to sell well, but the rush for warm coats and boots subsided as the January sales splurge satisfied customer appetite.

“The economic backdrop means retailers face volatile trading conditions. Many consumers will be concerned as they prepare for further energy price and tax rises in April. To protect people from ongoing price rises for goods, Government must avoid additional regulatory costs on business that compromise retailers’ ability to invest in lowering prices and in other areas that would contribute to the UK’s economic recovery.”



Paul Martin, UK Head of Retail | KPMG

“With overall inflation running at around 10%, and food inflation sitting nearer 20%, total sales growth for February of just 5% will be eating hard into retail margins and masking the true state of the sector’s health.

“Consumers are continuing to hold back on non-essential spending with sales of clothing, footwear and accessories, which have been very influential in spending for many months, continuing to decline in February. Furniture and homeware have been driving sales growth on the high street and online but we are starting to see more categories record negative sales year on year, as household budgets remain squeezed.

“With increases in energy, broadband, mobile phone and council tax bills on the horizon, consumers will continue to take steps to reduce spend where they can - switching where they shop, what they buy, whilst also cutting back on activities, such as eating out and takeaways. As much of the growth in retail is being driven by inflation, price and promotional strategies have become increasingly important growth engines for retailers. Online retailers will also have to review their business models, and there are likely to be some failures in this space, particularly among the businesses that are currently over-valued following the surge in demand during the pandemic which has now decelerated.

“The outlook will continue to be challenging with falling consumer spending in real terms and as more people choose to shop by ‘occasion’, retailers will be pulling out the stops for a buoyant Easter and Mothers’ Day.”

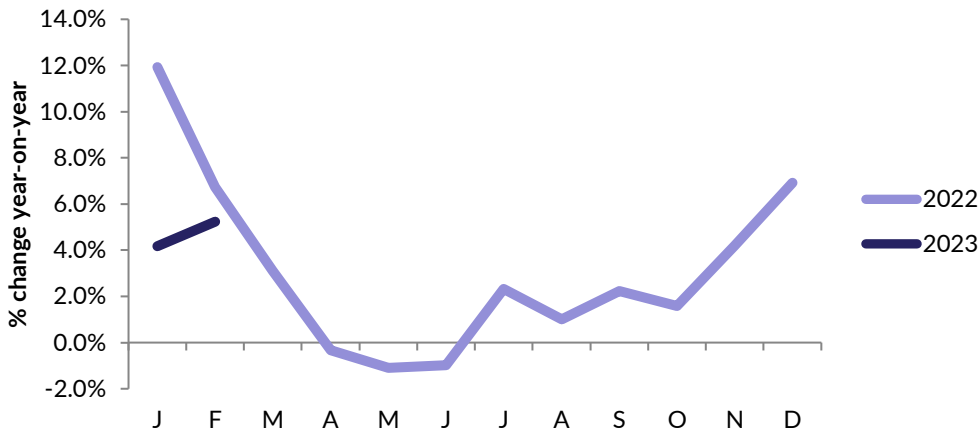


Food & Drink sector performance | Susan Barratt, CEO | IGD

“Food and drink sales, driven by historically high levels of inflation, grew in February and we’re seeing little sign of food inflation abating yet in 2023. Volume sales continued to decline and events like Valentine’s Day are failing to make a positive impact.

“Despite energy prices beginning to fall, the fact that food inflation remains stubbornly high means consumers’ trust and confidence is declining. With food supply chains challenged for fruit and vegetables, food availability concerns among shoppers remain high and fewer shoppers trust the food industry to ensure good availability (61% compared to 70% Feb ’22).”

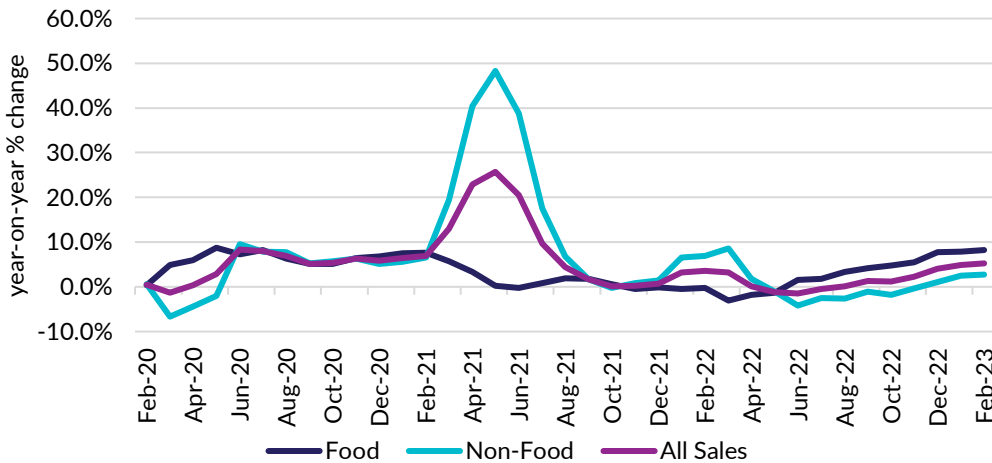
MONTHLY GROWTH OF TOTAL RETAIL SALES



	LFL	TOTAL
Feb 2023	4.9%	5.2%
Feb 2022	2.7%	6.7%
Jan 2023	3.9%	4.2%
3m average	5.2%	5.5%
12m average	1.6%	2.4%

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

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

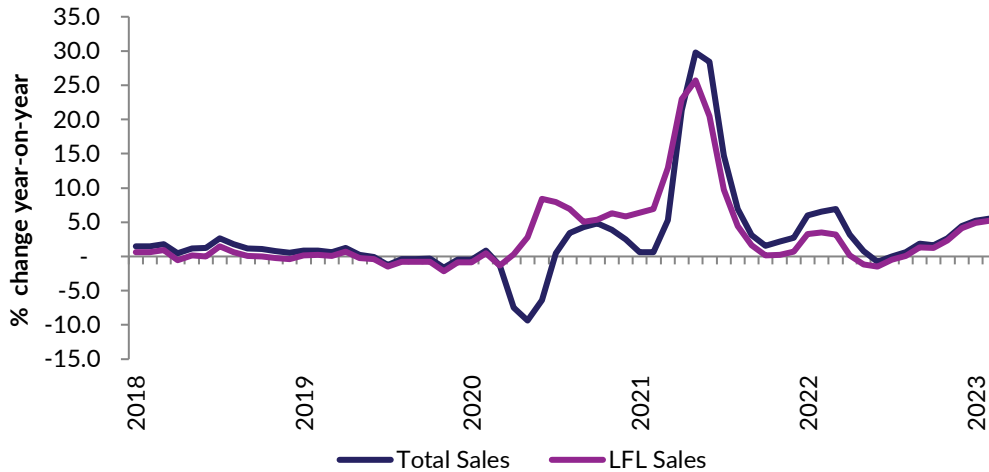


3-MONTH AVERAGE	LFL	TOTAL
Food	8.2%	8.3%
Non-food	2.7%	3.2%
All Sales	5.2%	5.5%

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

The step up in sales growth, which was up to 5.2% on a Total basis in February from 4.2% a month earlier, was a surprising result given the apprehension in the market at the beginning of the year. It was thought that the success of the January sales would likely lead to a lack of demand for the rest of the first quarter of 2023, due to cannibalisation of full price sales as consumers rushed to get their hands on the best deals and so forgoing the latest fashions and newly released household goods. The steep slowdown did not arrive in February, as consumer spending held up even though the sales period ended. That being said, volumes were down once again, as inflation continues to have an historic impact on sales, with price increases continuing to accelerate in the first two months of the year.

Rising prices continue to impact Food spending more than any other area of the retail landscape, which is further evidenced by the latest edition of the BRC-NielsenIQ Shop price Inflation monitor that, once again, saw the rate reach new heights. While Food sales value growth increased in February, resulting in the three-month average reaching 8.3% on a Total basis, it fell even further behind the rate of inflation and, therefore, volumes fell even further during the month. Transportation costs may be returning to more normal levels, but the disruptions to Food supply chains show no signs of being rectified in the near term.

Expectations for Non-Food sales were far from bullish at the beginning of the year, as many retailers were anticipating the aforementioned slowdown. However, thanks to a majority of the categories that comprise the Non-Food measure, this side of consumer spending only saw a slight softening of growth on a monthly level and, on a three-month basis, saw growth accelerate to 3.2% year on year, which was the highest since April last year. Valentine's Day provided a significant boost for sales of perennial favourite gifting items, such as Jewellery and fragrances for people's loved ones, which helped to drive both Jewellery & Watches and Health & Beauty towards the top of the growth rankings table in February. The drive to keep down domestic energy costs also continued to be high on consumers' agendas throughout the month, with energy efficient heating and cooking appliances also selling well. However, the lack of discounting did hamper Clothing sales in the month, as although the new summer ranges were said to see demand, sales fell short of where they were this time last year.

James Hardiman, Senior Analyst

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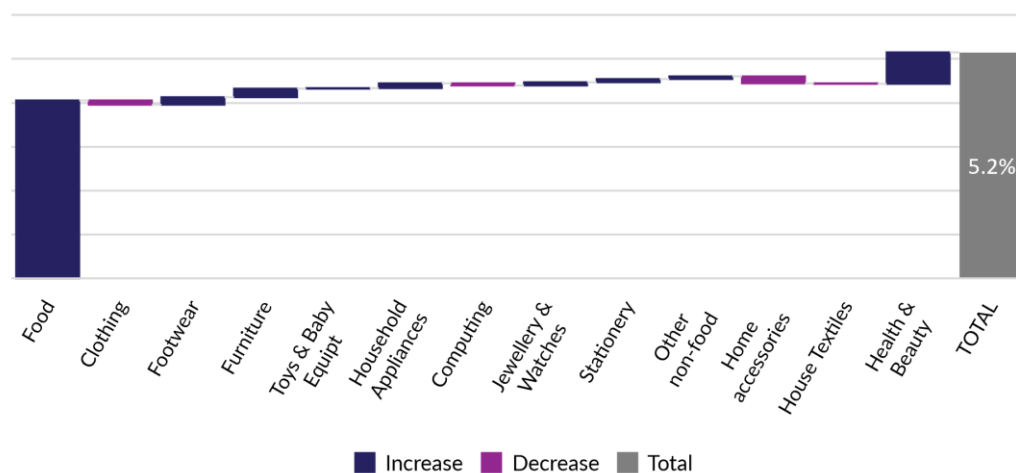
Covering the four weeks 29 January – 25 February 2023

PERFORMANCE BY CATEGORY

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

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

FEB: CONTRIBUTION TO TOTAL SALES GROWTH BY CATEGORY



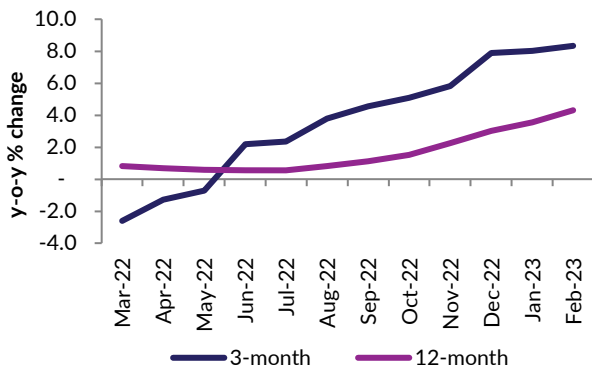
Source: BRC-KMG RSM (Includes Food data from IGD); in this chart, purple blocks represent negative contributions

BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2023

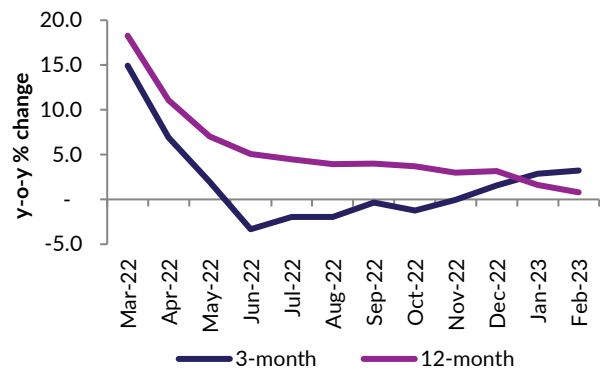
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FOOD

TOTAL SALES ROLLING AVERAGE GROWTH: FOOD



TOTAL SALES ROLLING AVERAGE GROWTH: NON-FOOD



FOOD

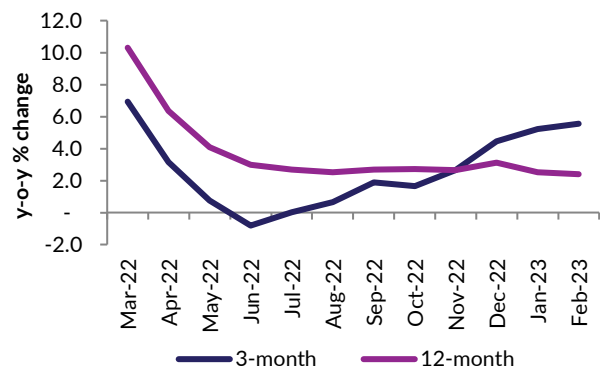
With Food inflation continuing to rise in February, it is no surprise to see an acceleration in growth in grocery sales, on a 3-month basis. Sales grew 8.3% in the 3 months to February, up from 8.0% in the period November 2022 to January 2023, which can be directly attributed to the increase in food prices. With growth in February falling even further behind the rate of inflation it is evident that volumes fell even further during the month. There were no signs that Valentine’s Day had a positive impact on grocery sales during the month. Food price inflation reached a record-high of 14.5% in February, up from 13.8% in the previous month, according to the BRC NielsenIQ Shop Price Index.



There were no signs Valentine’s Day had a positive impact on grocery sales in February



TOTAL SALES ROLLING AVERAGE GROWTH: UK

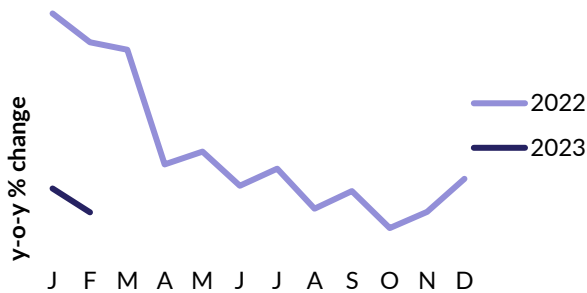


BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2023

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CLOTHING

CLOTHING: UK TOTAL SALES CHANGE



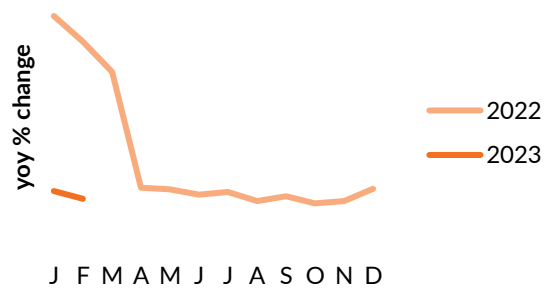
CLOTHING: ONLINE PENETRATION RATE



CLOTHING: ONLINE SALES CHANGE



CLOTHING: STORES SALES CHANGE



THE MONTH OVERALL

After two months of positive growth in the Clothing category, sales fell back into decline in February as consumers held back on updating their wardrobes. In line with the trend observed over recent months, Menswear remained the strongest performing category in Clothing, while there was said to be less demand for Womenswear. Summerwear, including swimwear, shorts and t-shirts, were said to have performed well both in the Men's and Women's category as consumers plan ahead for the summer holidays. Conversely, there was said to have been demand for jumpers and outerwear in Kidswear, which continues to be the weakest performing category in Clothing.

THE MONTH BY CHANNEL

For the fifth consecutive month the Online Clothing category recorded a year-on-year decline, with the February decrease the steepest observed since October last year. While In-store sales remained in positive territory, growth slowed significantly from December and January when there was said to have been strong demand for warmer weather clothing. There were no stand-out trends by channel in February, with summerwear ranges said to have been the most popular items both online and in-stores. The Online penetration rate decreased by 2.6 percentage points from the same month last year, to 43.0% in February.



Kidswear remains the weakest-performing category within Clothing

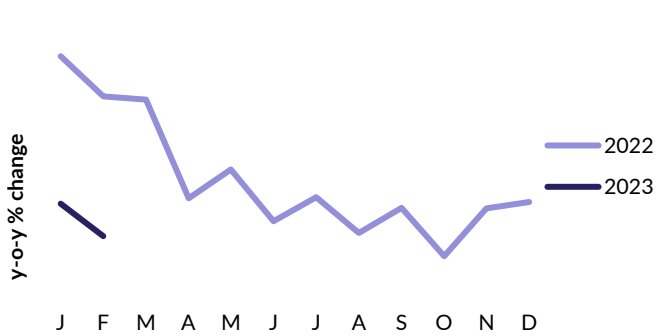


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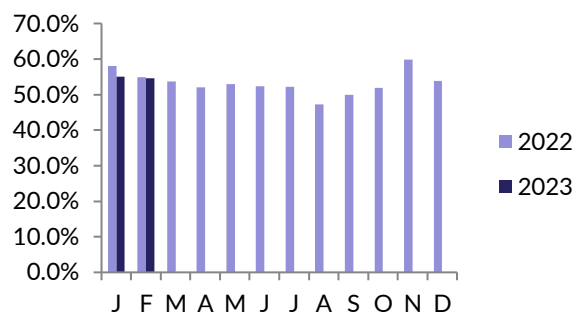
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FOOTWEAR

FOOTWEAR: UK TOTAL SALES CHANGE



FOOTWEAR: ONLINE PENETRATION RATE



FOOTWEAR: ONLINE SALES CHANGE



FOOTWEAR: STORES SALES CHANGE



THE MONTH OVERALL

Following three consecutive months of double-digit annual growth in the Footwear category, sales slowed in February. The Men's category remained the strongest performer in Footwear, although growth decelerated from the previous month. Sandals were said to have been popular purchases across all Footwear categories, which aligns with the demand for summer clothing as consumers plan ahead for the summer.

THE MONTH BY CHANNEL

There was little change in the Online Footwear category during February, with sales remaining in growth for the fourth consecutive month. While In-store sales slowed significantly compared with the previous three months, sales remained in growth on a year-on-year basis. There was said to have been reasonable demand for kids shoes during the half-term break, although this period does not typically see the strongest demand for school shoes. The Online penetration rate increased by 0.1 percentage point from the same month last year, to 54.8% in February.



Sandals were said to have been popular across all Footwear categories



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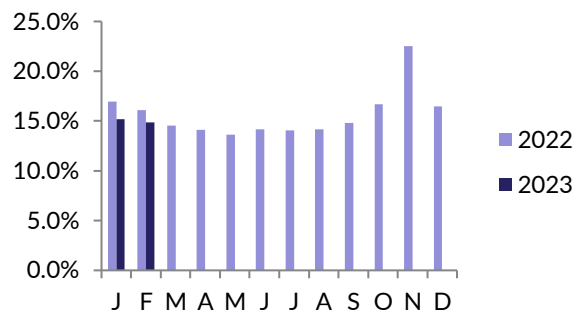
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HEALTH & BEAUTY

HEALTH AND BEAUTY: UK TOTAL SALES CHANGE



HEALTH AND BEAUTY: ONLINE PENETRATION RATE



HEALTH AND BEAUTY: ONLINE SALES CHANGE



HEALTH AND BEAUTY: STORES SALES CHANGE



THE MONTH OVERALL

Health & Beauty was the star performing category in February, boosted by sales of Valentine’s Day gifts, with annual growth reaching the highest recorded since March last year. There was said to have been strong demand for fragrances – a popular gift choice on the most romantic day of the year. Sales of make-up and skincare products were also reported to have performed well.

THE MONTH BY CHANNEL

Following two consecutive months of decline, the Online Health & Beauty category returned to growth in February, with sales peaking during the week leading up to Valentine’s Day. In-store sales remained strong, reaching double-digit growth for the third consecutive month, with make-up, fragrance and skincare products all said to have been popular purchases. The Online penetration rate decreased by 1.2 percentage points from the same month last year, to 14.8% in February.



Fragrances were said to have been a popular choice for Valentine’s Day gifts

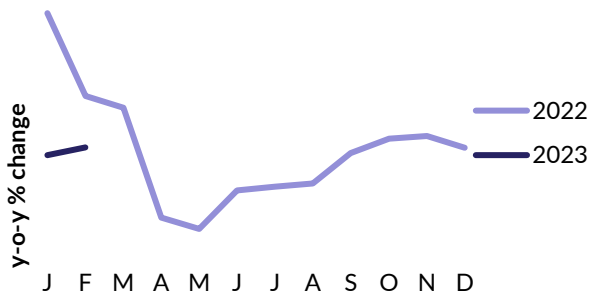


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FURNITURE

FURNITURE: UK TOTAL SALES CHANGE



FURNITURE: ONLINE PENETRATION RATE



FURNITURE: ONLINE SALES CHANGE



FURNITURE: STORES SALES CHANGE



THE MONTH OVERALL

The Furniture category remained in growth during February, with year-on-year sales improving compared with the previous month. However, retailers reported a continuing slowdown in sales of higher ticket items as the cost-of-living crisis continues to impact disposable income. Demand for dining and living room furniture remains weak, while sales of beds and bedroom furniture was said to have improved during the month. The GfK Consumer Confidence Major Purchase Index grew 3 points from the previous month, reaching -37 in February. This is 22 points lower than the same month last year.

THE MONTH BY CHANNEL

Following a slowdown in January, Online and In-store sales saw an improvement last month with both channels recording an uplift in year-on-year growth. However, demand for higher ticket furniture items remains weak overall which may be attributed to the slowdown in the housing market. The Online penetration rate in the Furniture category increased by only 0.1 percentage points from the same month last year, to 47.8% in February.



Sales of beds and bedroom furniture were said to have improved in February

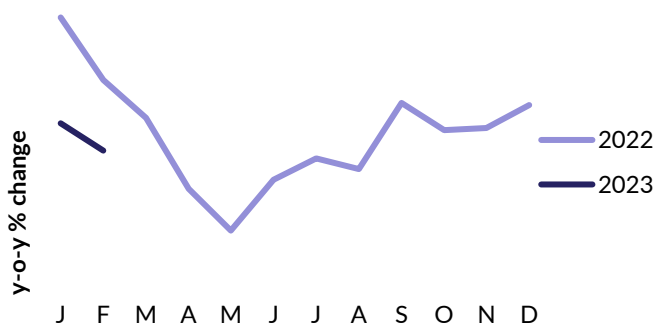


BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2023

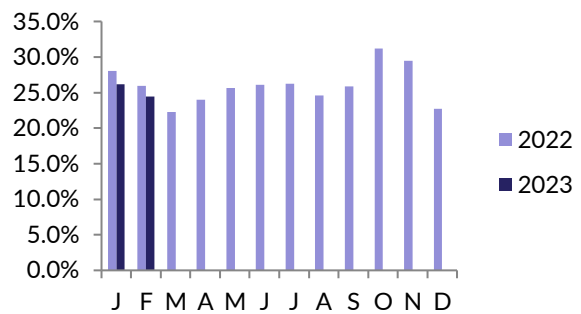
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HOME ACCESSORIES

HOME ACCESSORIES: UK TOTAL SALES CHANGE



HOME ACCESSORIES: ONLINE PENETRATION RATE



HOME ACCESSORIES: ONLINE SALES CHANGE



HOME ACCESSORIES: STORES SALES CHANGE



THE MONTH OVERALL

Home Accessories was the weakest-performing category in February, with the decline in sales steepening from the previous month. The year-on-year decrease was the steepest recorded in the Retail Sales Monitor since August last year. The diminishing demand for dining and table top items continued last month with some retailers reporting a fall in sales.

THE MONTH BY CHANNEL

Online sales continued to decline in the Home Accessories category, with the decrease steepening in February, compared with the previous month. The category has recorded a year-on-year decline in sales every month since May 2021. Over recent month In-store sales returned to growth, however, February saw sales fall back into decline compared with the same month last year. The Online penetration rate decreased by 1.5 percentage points from the same month last year, to 24.5% in February.



Demand for dining and table top items continues to slow



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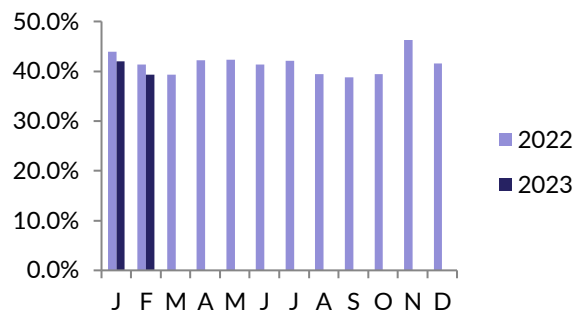
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HOUSE TEXTILES

HOUSE TEXTILES: UK TOTAL SALES CHANGE



HOUSE TEXTILES: ONLINE PENETRATION RATE



HOUSE TEXTILES: ONLINE SALES CHANGE



HOUSE TEXTILES: STORES SALES CHANGE



THE MONTH OVERALL

The performance in the House Textiles category remained broadly unchanged in February compared with the previous month, with sales declining on a year-on-year basis. As stated last month, we appear to be seeing a slowdown in sales for energy-saving textiles such as blankets and warm duvets, with consumer demand for these items having largely been satisfied during the colder winter months.

THE MONTH BY CHANNEL

There was little change in the Online House Textiles category, with sales continuing to decline year-on-year. While In-store sales have been in positive growth for six consecutive months, over recent months growth has slowed on an annual basis. The In-store performance in February is the weakest recorded since July last year. The Online penetration rate decreased by 1.7 percentage points from the same month last year to 39.7% in February.



Sales of energy-saving house textiles are slowing down



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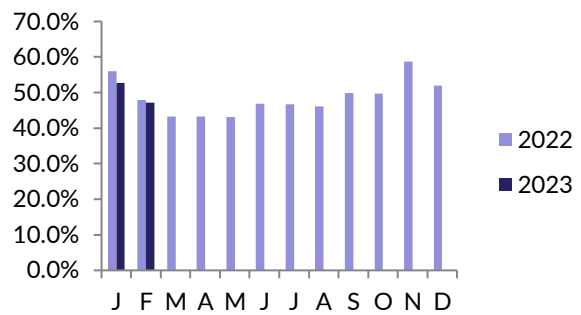
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TOYS & BABY EQUIPMENT

TOYS & BABY EQUIPMENT: UK TOTAL SALES CHANGE



TOYS & BABY EQUIPMENT: ONLINE PENETRATION RATE



TOYS & BABY EQUIPMENT: ONLINE SALES CHANGE



TOYS & BABY EQUIPMENT: STORES SALES CHANGE



THE MONTH OVERALL

While seeing a significant slowdown from the heights seen in the previous couple of months, Toys & Baby Equipment managed to remain in growth for the third consecutive month. The end of the January sales impacted the category, particularly for Toys, as it was said that demand for Baby Equipment such as prams and other nursery goods kept the category buoyant overall.

THE MONTH BY CHANNEL

Online, the category fell into decline for the first time since November, as Toys were said to see demand fall considerably as soon as the sales ended. While In-store sales growth fell dramatically from the level seen a month earlier, they remained in growth, as the half term break saw many families taking shopping trips together, once again. The Online penetration rate did fall, by 0.7 percentage points from where it was at the same point last year, to 47.2% in February.



The end of the January sales impacted the category, particularly for Toys



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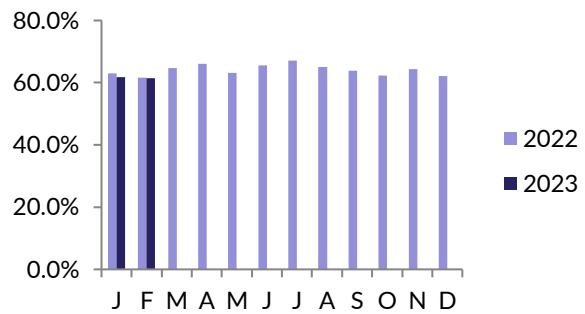
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HOUSEHOLD APPLIANCES

HOUSEHOLD APPLIANCES: UK TOTAL SALES CHANGE



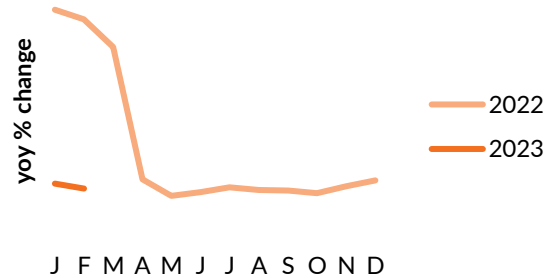
HOUSEHOLD APPLIANCES: ONLINE PENETRATION RATE



HOUSEHOLD APPLIANCES: ONLINE SALES CHANGE



HOUSEHOLD APPLIANCES: STORES SALES CHANGE



THE MONTH OVERALL

Household Appliances continued to perform well overall in February, albeit with the category seeing a slowdown from the stronger results posted in the previous three months. Once again, the cost-of-living crisis was weighing heavily of consumer spending decisions throughout the month. Smaller energy saving goods were the highlight of the month, with air fryers and heated airers flying off the shelves, once again. Larger goods failed to keep pace with the strong sales they saw in January, with white goods in particular seeing little demand once the sales ended.

THE MONTH BY CHANNEL

The category topped the online growth rankings table once again in February, as energy saving items were said to sell out almost immediately when stock appeared on retailers' websites. That said, sales on the channel did slow slightly from where they were a month ago. In-store sales suffered a similar fate, with growth falling considerably, albeit remaining in positive territory. The Online penetration rate only fell by 0.2 percentage points in February from the same point last year, to 61.4%, which was, once again, the second highest of all categories.



Once again, the cost-of-living crisis was weighing heavily on consumer spending decisions



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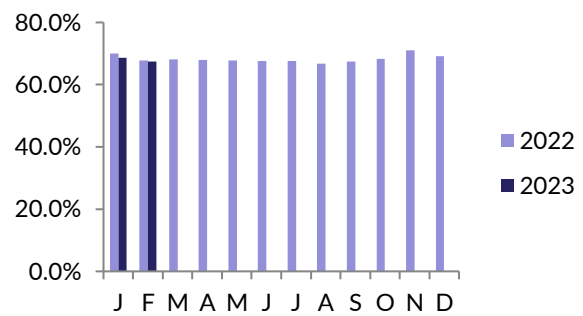
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COMPUTING

COMPUTING: UK TOTAL SALES CHANGE



COMPUTING: ONLINE PENETRATION RATE



COMPUTING: ONLINE SALES CHANGE



COMPUTING: STORES SALES CHANGE



THE MONTH OVERALL

While Computing sales remain challenging in 2023, the category saw its year on year decline ease to its best position since September last year. The high price tags of the majority of goods in this category has naturally hampered sales from consumers in the grips of a cost-of-living crisis, as people are naturally cautious when making significant purchases. That being said, any improvement and an upward trajectory towards growth is welcome news for retailers in this area. In all likelihood it will take either significant reductions in domestic energy costs or a shift in sales cycle for the category to return to significant growth.

THE MONTH BY CHANNEL

While Online the category was in decline for yet another month, now stretching to five back to back, the rate of decline improved significantly from that seen a month earlier. In-store, Computing was one of only two categories to see a decline year on year in February. The Online penetration rate fell by 0.3 percentage points from February last year, to 67.5% this time around.



The high price tags of goods in this category hampered sales from consumers in a cost-of-living crisis



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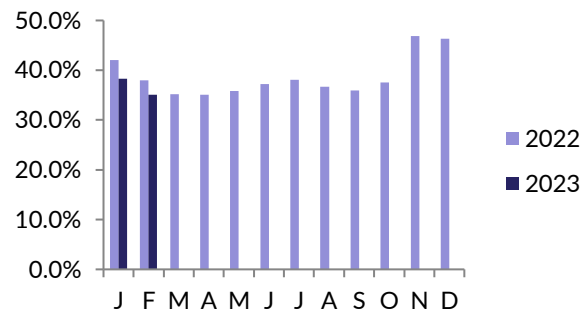
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OTHER NON-FOOD

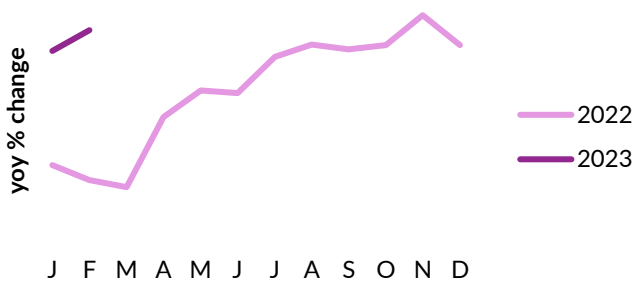
OTHER NON-FOOD**: UK TOTAL SALES CHANGE



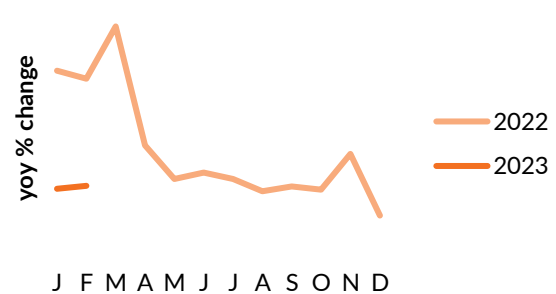
OTHER NON-FOOD**: ONLINE PENETRATION RATE



OTHER NON-FOOD**: ONLINE SALES CHANGE



OTHER NON-FOOD**: STORES SALES CHANGE



THE MONTH OVERALL

Other Non-Food returned to growth in February, as a number of segments within the category that normally perform well in January saw demand uncharacteristically arrive in February. Home improvements returned to the fore during the month, as DIY & Gardening goods were said to sell well, together with bespoke kitchens and bathrooms. However, the category overall was hampered by poor TV sales, once again.

“ Home improvements returned to the fore during the month as DIY & Gardening goods were said to sell well ”

** 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

While remaining in decline in February, the category saw its rate of decline Online ease considerably from January, resulting in the channel's best showing since November. The In-store growth accelerated from the previous month, as consumers continued to flock to stores, this time in search of home improvement goods. The Online penetration rate decreased by 2.8 percentage points from last year, to 35.0% in February.

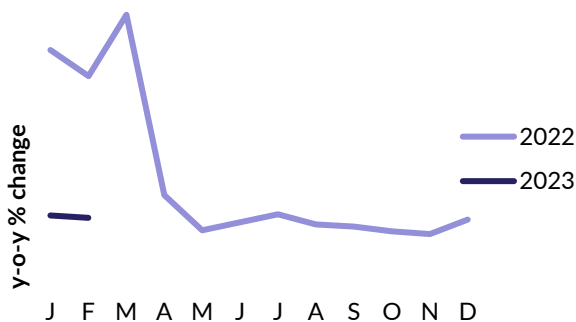
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OTHER NON-FOOD

Includes in particular:

Jewellery & Watches



February saw a slight slowdown from the recent high seen a month before, despite the reported strong demand for Valentine's Day gifts for loved ones. There was also said to be a dichotomy between those looking for luxury goods and those wanting to save money by trading down to cheaper options to celebrate the day. The half term holidays also helped to boost demand as tourism levels remain higher than that seen earlier in the pandemic.

Electricals & Electronics

As the January sales ended and the eye-catching discount rates disappeared, so it was said that any remnants of demand for TVs and their accompanying audio equipment went with them. Unfortunately for this segment, it seems that the fears of sales cannibalisation did occur in January. In other electrical goods, however, sales were said to be good, as wearable tech products were selling well for the fitness focussed consumers.

Leisure Goods, Gaming, Books, CDs & DVDs

Gaming was the standout performer of the segment once again, as the latest generation of consoles selling very well now that there is consistent stock availability in the market. However, it was not all plain sailing for the segment, as demand for travel goods fell away following its good start to the year.

DEPARTMENT STORES

The half term holiday mid-month was said to be a boon for Department Stores in February, as family shopping trips were very much on the agenda during that week. However, it was not only that event to make the difference in terms of the footfall levels experienced, as the shopper numbers were said to remain strong throughout the month. Holiday purchases were also said to remain strong from their good start to the year, as people finalised their preparations ahead of half term getaways and the upcoming Easter holiday.

BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2023

Covering the four weeks 29 January – 25 February 2023

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		
April	39.6	51.1	-1.7	-0.3		
May	18.5	28.4	-1.5	-1.1		
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-Feb average	8.3	-0.1	5.4	9.3	4.4	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
Dec 21 – Feb 22	-0.3	6.9	3.5	0.1	12.0	6.5
Jan – Mar 22	-3.1	8.6	3.2	-2.6	14.9	6.9
Feb – Apr	-1.8	1.8	0.1	-1.3	6.9	3.2
Mar – May	-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

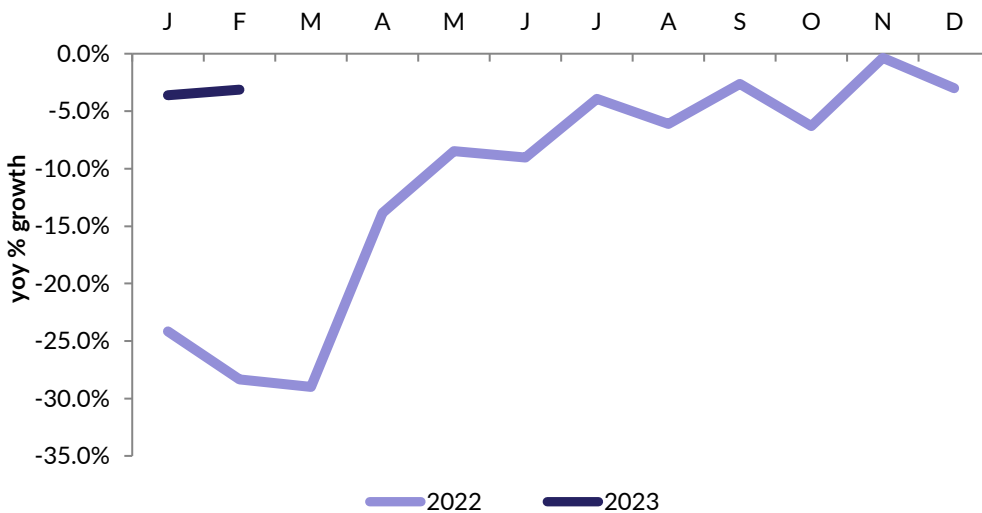
Source: BRC-KPMG RSM (Includes Food data from IGD)

(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 FEBRUARY 2023

Covering the four weeks 29 January – 25 February 2023

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

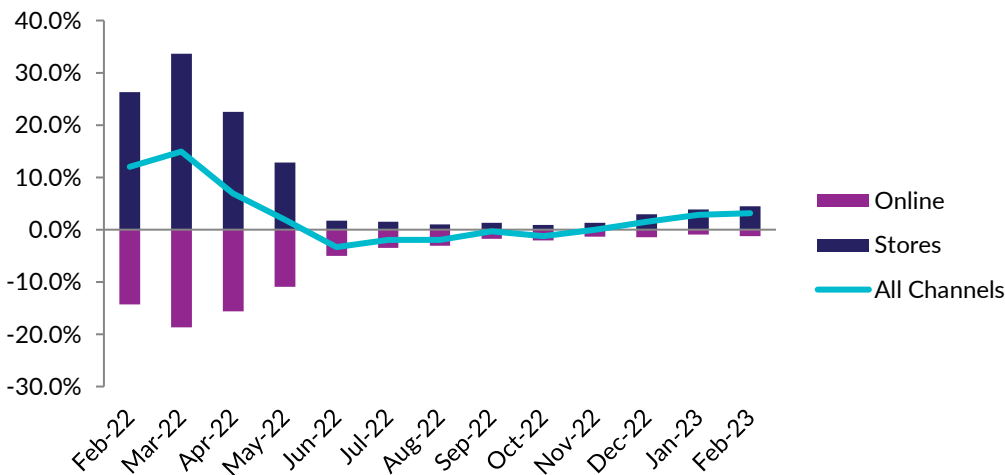


NON-FOOD GROWTH	ONLINE*	UK TOTAL
Feb 2023	-3.1%	n/d
Feb 2022	-28.4%	n/d
Jan 2023	-3.6%	n/d
3m avg	-3.2%	3.2%
12m avg	-7.7%	0.8%

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



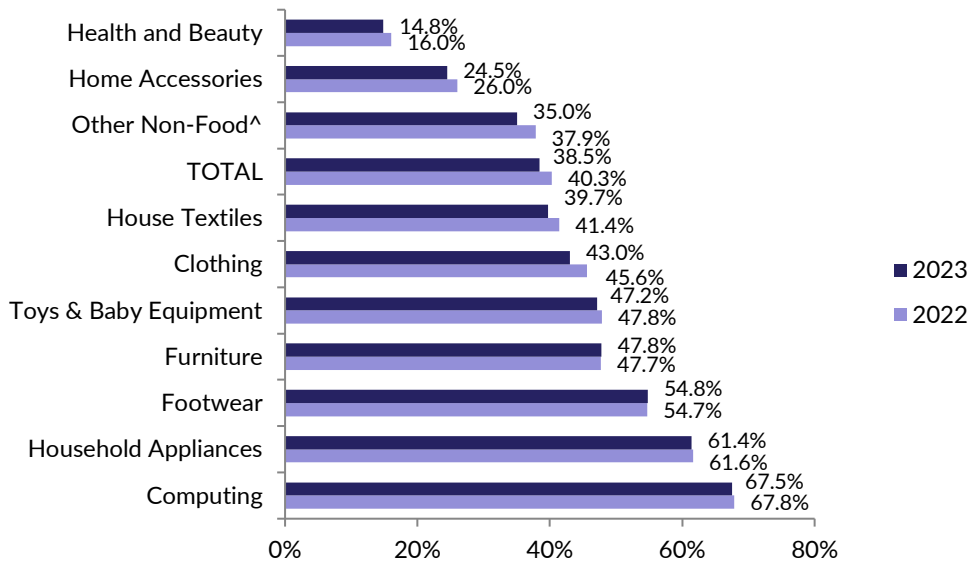
NON-FOOD IN-STORE % CHANGE YEAR-ON-YEAR		
	LFL	TOTAL
Dec 22 - Feb 23	7.3%	8.1%
Dec 21 - Feb 22	57.2%	71.2%
Nov 22 - Jan 23	6.5%	7.2%
12m avg	8.3%	10.8%

Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2023

Covering the four weeks 29 January – 25 February 2023

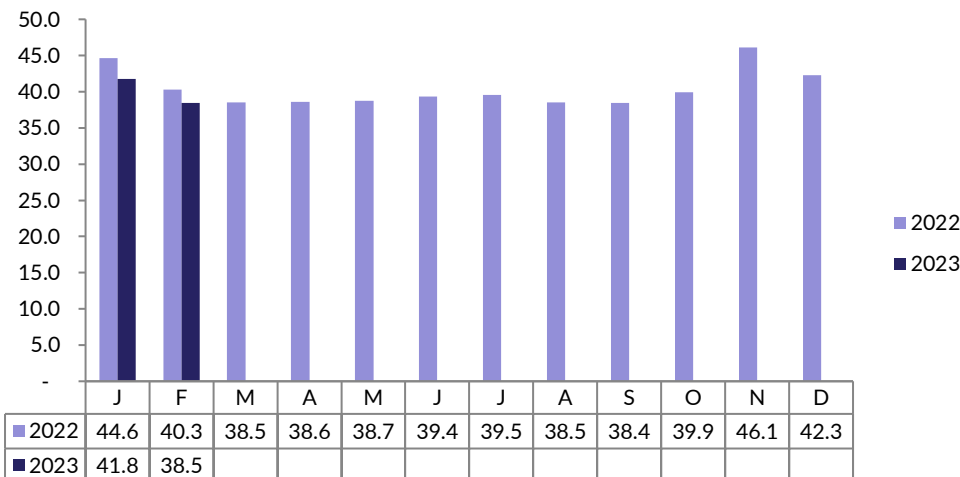
FEB: ONLINE PENETRATION RANKINGS BY CATEGORY



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	
Feb 2023	38.5%
Feb 2022	40.3%
Jan 2023	41.8%
3m average	41.0%
12m average	40.0%

Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2023

Covering the four weeks 29 January – 25 February 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
Feb 2022	-28.4	-21.5	40.3	43.2	-19.6	-14.3
Mar	-29.0	-27.3	38.5	40.9	-19.5	-18.7
Apr	-13.9	-24.1	38.6	39.1	-6.9	-15.6
May	-8.5	-18.0	38.7	38.6	-4.1	-10.9
Jun	-9.1	-10.3	39.4	38.9	-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

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
Feb 2022	71.2%	57.2%
Mar	92.9%	74.9%
Apr	59.3%	45.8%
May	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%

Source: BRC-KPMG Retail Sales Monitor

BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2023

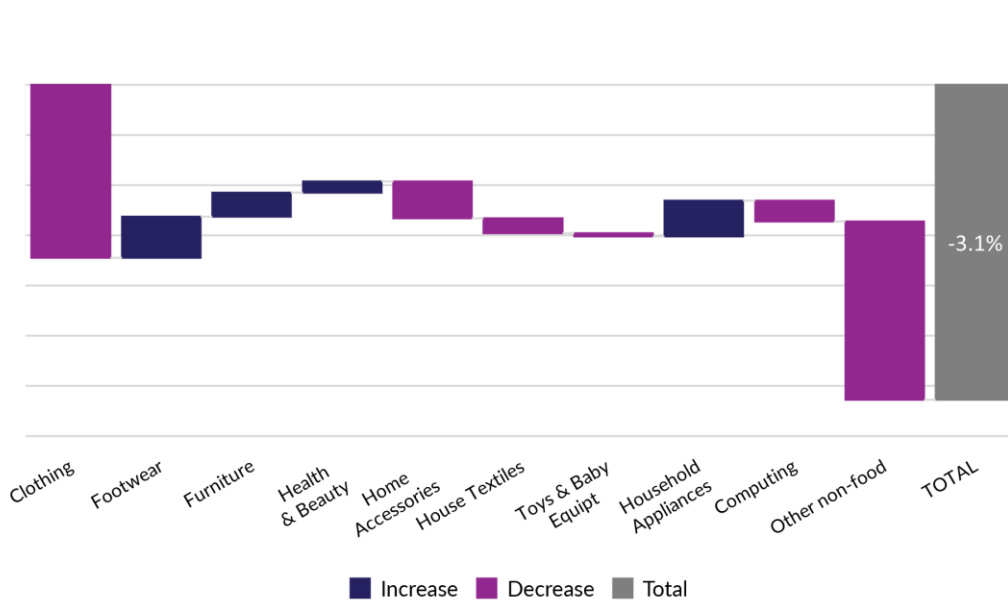
Covering the four weeks 29 January – 25 February 2023

SECTOR PERFORMANCE: ONLINE SALES GROWTH

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

Source: BRC-KPMG RSM

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



Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2023

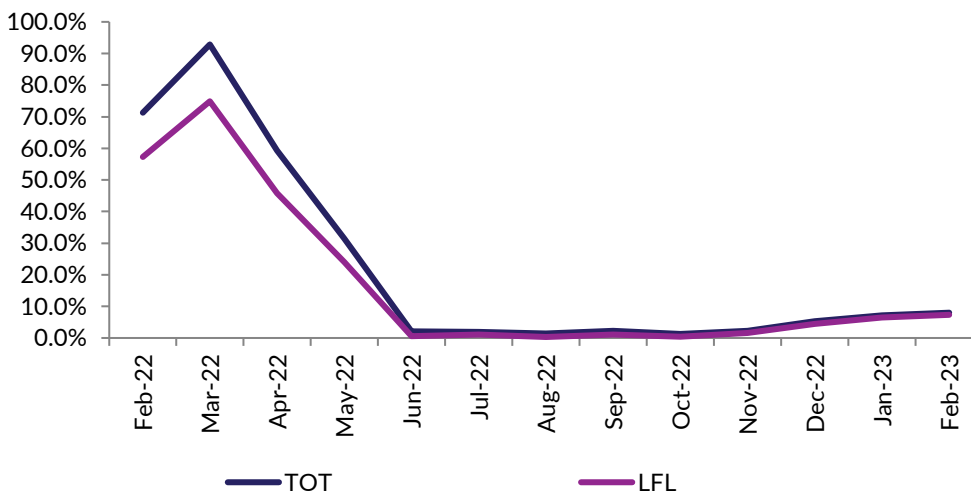
Covering the four weeks 29 January – 25 February 2023

SECTOR PERFORMANCE: STORE TOTAL SALES GROWTH

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

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 FEBRUARY 2023

Covering the four weeks 29 January – 25 February 2023

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 FEBRUARY 2023

Covering the four weeks 29 January – 25 February 2023

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The March 2023 Monitor, covering the five weeks 26 February – 1 April 2023, will be released at 00.01am on Tuesday 11 April 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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