

SALES IMPROVE AS RETAIL OUTLOOK BRIGHTENS

Covering the four weeks 31 January – 27 February 2021
Strictly Embargoed until 00.01 hrs – Tuesday 9th March 2021

**FEB: LIKE-FOR-LIKE
RETAIL SALES**
% change year-on-year

9.5%

In February, UK retail sales increased 9.5% on a Like-for-like basis from February 2020, when they had decreased 0.4% from the preceding year. In February, Like-for-like has been measured excluding temporarily closed stores but including Online sales.

**FEB: TOTAL
RETAIL SALES**
% change year-on-year

1.0%

On a Total basis, sales increased by 1.0% in February, against a growth of 0.1% in February 2020. This is above the 3-month average growth of 0.6% and the 12-month average decline of 0.3%.

**DEC – FEB: NON-FOOD LFL
IN-STORE GROWTH**
% change year-on-year

-21.4%

Over the three months to February, In-Store sales of Non-Food items declined 38.9% on a Total and 21.4% on a Like-for-like basis. This is better than the 12-month Total average decline of 31.4%. For February, the like-for-like excluding temporarily closed stores remained in decline.

**DEC – FEB: TOTAL
FOOD**
% change year-on-year

7.9%

Over the three months to February, Food sales increased 7.6% on a Like-for-like basis and 7.9% on a Total basis. This is higher than the 12-month Total average growth of 6.6%. For the month of February, Food was in growth year-on-year.

**DEC – FEB: TOTAL
NON-FOOD**
% change year-on-year

-5.5%

Over the three-months to February, Non-Food retail sales increased by 6.6% on a like-for-like basis and declined 5.5% on a Total basis. This is above the 12-month Total average decline of 6.1%. For the month of February, Non-Food was in decline year-on-year.

**FEB: NON-FOOD
ONLINE GROWTH**
% change year-on-year

82.2%

Online Non-Food sales increased by 82.2% in February, against a growth of 3.6% in February 2020. This is above the 3-mth average of 68.1% and the 12-mth average of 49.1%. Non-Food Online penetration rate increased from 30.8% in February 2020 to 60.6% this February.



BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2021

Covering the four weeks 31 January – 27 February 2021



Helen Dickinson OBE, Chief Executive | British Retail Consortium

“February saw a return to growth after a disappointing start to the year. The Prime Minister’s roadmap to reopening prompted a burst in spending on non-food items, such as school uniforms. Furthermore, with another month of lockdown still to go, online sales were high, rewarding the retailers who have invested digitally. Couples staying home for Valentine’s Day found themselves splashing out at their local supermarket, benefitting food sales. Meanwhile, the continued closure of so-called ‘non-essential’ retail has meant that non-food instore sales remained significantly down, underlining the importance of a successful reopening in April.

“While the uptick in sales is encouraging, many retailers are concerned about the months ahead. Many retail businesses will be hoping that customers will return to shops, and have spent hundreds of millions on making their premises Covid-secure, but previous reopenings have shown that demand can be slow to come back. Government has a vital role to play in building up consumer confidence across the country to power the spending-led recovery.”



Paul Martin, UK head of retail | KPMG

“After a bleak January sales performance and as the national lockdown continued, February saw the mildest of upturns for the retail sector, with just 1% year on year growth as high street stores across the country kept their doors closed.

“Consumers continued to nest down for further weeks at home, with food and drink, technology, furniture and home accessories recording strong growth both online and on the high street. Online channels recorded strong sales across all categories, with some even registering triple figure growth, whilst high street clothing and health and beauty categories continue to suffer, with sales falling by double figures.

“With the Government’s roadmap out of lock down in place and the vaccine rollout moving at pace, there is finally light at the end of the tunnel for non-essential retailers. High streets will be counting down the weeks until they can finally open their doors and hoping consumers swap their slippers for trainers as they start to hit the shops. Although the Budget threw retailers a short term lifeline with the extension of Covid support packages until after the summer, conditions will continue to be incredibly challenging as they face subdued demand, thinner margins and rising logistics costs, alongside the accelerated structural changes to the sector. All hopes will be pinned on consumers wanting to break free from home to browse the stores that have been out of bounds for months.”



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

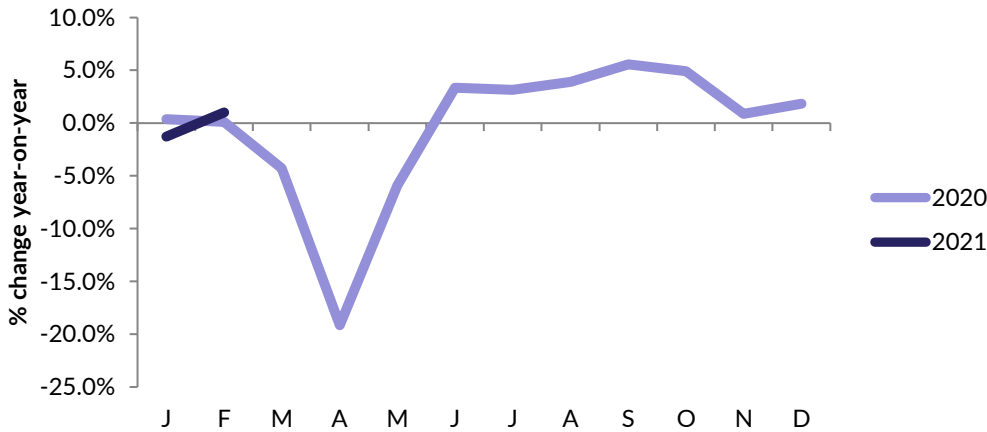
“Food and drink sales remained strong in February with supermarkets continuing to benefit from the ongoing closure of non-essential retail and the out-of-home sector. Furthermore, sales were boosted by Valentine’s Day as shoppers splashed out on treats and gifts. However, from now this growth trend will face much tougher comparisons versus the onset of panic buying in March 2020. Nevertheless, the value of the grocery market is still unlikely to return to a more usual level until lockdown restrictions start to ease and a more normal consumer landscape is restored.

“IGD’s Shopper Confidence Index improved for the second month running in February, reaching its highest level since January 2020. Confidence has been buoyed by the planned easing of lockdown restrictions and the swift rollout of the COVID-19 vaccination programme. This boost will likely continue in the short-term as more people are vaccinated and the further extension of financial support for sectors impacted by the pandemic. However, confidence is likely to remain fragile among lower affluence groups.”

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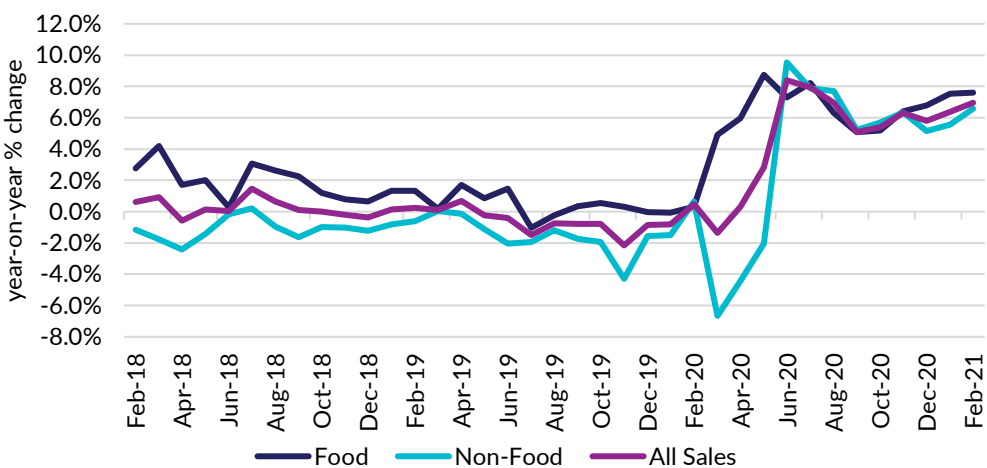
MONTHLY YEAR-ON-YEAR GROWTH OF TOTAL RETAIL SALES



	LFL	TOTAL
Feb 2021	9.5%	1.0%
Feb 2020	-0.4%	0.1%
Jan 2021	7.1%	-1.3%
3m average	7.0%	0.6%
12m avg	5.8%	-0.3%

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	7.6%	7.9%
Non-food	6.6%	-5.5%
All Sales	7.0%	0.6%

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



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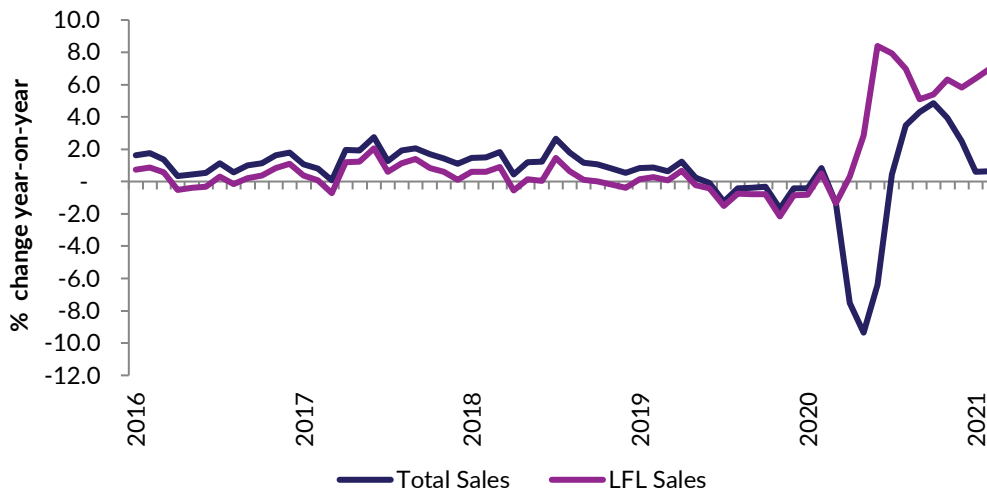
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BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2021

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



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

OVERVIEW

Retail sales recovered from the poor start to 2021, with 1.0% growth in February on a Total basis. With the lockdown covering the entire reporting period for Feb this result is encouraging, highlighting the presence of consumer demand despite present conditions. Sales were particularly strong towards the end of the month, as news of restrictions easing in the future bolstered optimism.

Food sales were once again the strongest contributor to growth, with the three month average remaining at 7.9%, the same rate as that seen in January. Ongoing closures in the hospitality sector – namely pubs and restaurants – continued to encourage home cooking, which was accompanied in February by the necessity of home pampering for loved ones on Valentines Day. The fine weather during the final weekend of the month led to many getting their barbecues out of winter storage, to make the most of the sunshine. Non-Food on the other hand continued to struggle and remained in decline in February, with the three-month average at -5.5%, despite the good news towards the end of the month of future coronavirus related restrictions promised to ease in the near future, which led to somewhat of a revival for discretionary spending.

In terms of the Non-Food category performance, much of the trends seen over the crisis period persisted once again. The fashion related categories once again fared worse than the others, as home-working continued to keep most people away from the office and social gatherings were kept on ice for the time being, which naturally dampened demand for formalwear. News of schools reopening led to a belated back to school rush at the end of the month for parents who haven't had to buy new uniforms for their children in almost a year. Home entertainment was also high on consumers' priority lists in February, with TVs continuing their strong performance on the back of strong sales for the next generation of gaming consoles, with their stock levels improving during the month. However, the change in fortunes for other home related goods continued from the new year, with Furniture and home décor sales not keeping pace with their pre-Christmas performances.

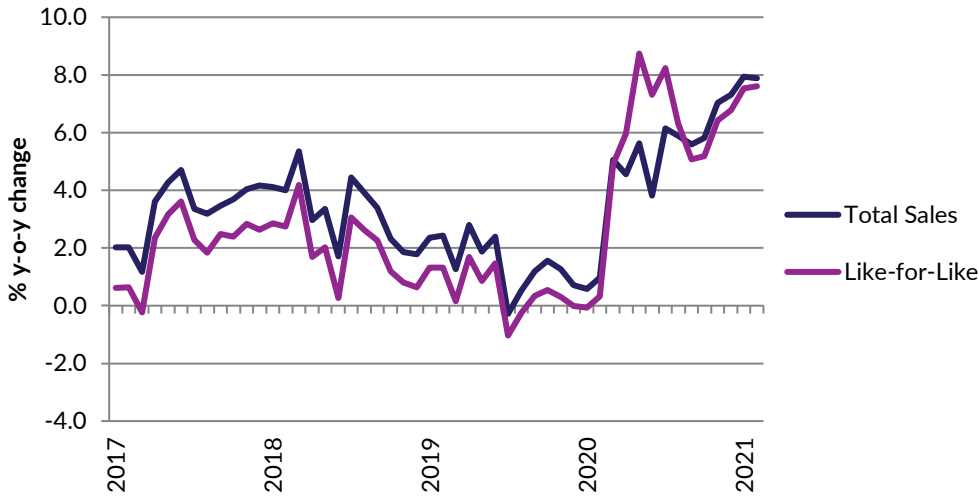
With little alternative for consumers for the second consecutive month, the Online channel saw another month of stellar growth, albeit narrowly missing the record-setting pace from January. The impending return of non-essential stores to the retail landscape was still too far in the future to lead people to put off purchases before seeing the goods beforehand, but it remains to be seen whether this will impact sales in March as the reopening date approaches.

James Hardiman, Analyst

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FOOD SALES: 3-MONTH AVERAGE



NON-FOOD SALES: 3-MONTH AVERAGE



Source: BRC-KPMG RSM

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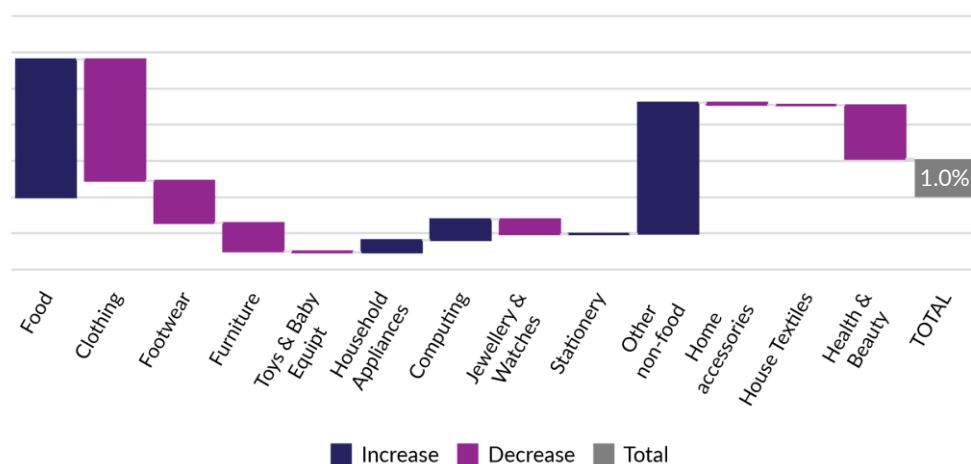
PERFORMANCE BY CATEGORY (TOTAL SALES)

By James Hardiman, Analyst

CATEGORY	UP / DOWN FEB-21		RANKINGS (TOTAL SALES)				
	LFL	TOT	FEB-21	JAN-21	FEB-20	3M AVG	12M AVG
Computing	▲	▲	1	1	2	1	1
Other Non-Food	▲	▲	2	2	8	2	2
Household Appliances	▲	▲	3	3	1	3	3
Food	▲	▲	4	4	4	4	4
Stationery	▲	▲	5	7	10	8	9
House Textiles	▲	▼	6	6	11	5	7
Toys & Baby Equipment	▲	▼	7	5	12	7	5
Home Accessories	▲	▼	8	8	6	6	6
Furniture	▲	▼	9	10	3	9	8
Health and Beauty	▼	▼	10	9	5	10	10
Clothing	▼	▼	11	11	9	12	12
Jewellery & Watches	▼	▼	12	12	7	11	11
Footwear	▼	▼	13	13	13	13	13

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

FEB: CONTRIBUTION TO TOTAL SALES GROWTH BY CATEGORY



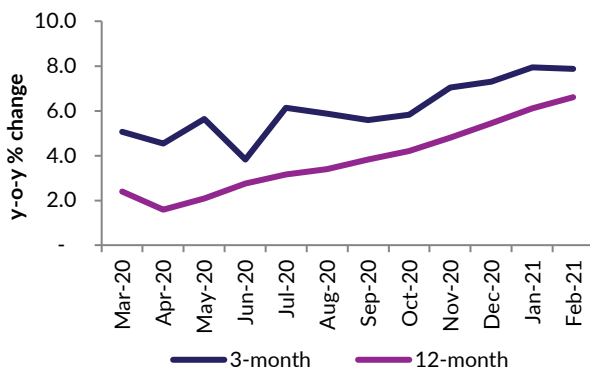
Source: BRC-KMG RSM (Includes Food data from IGD); in this chart, purple blocks represent negative contributions

BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2021

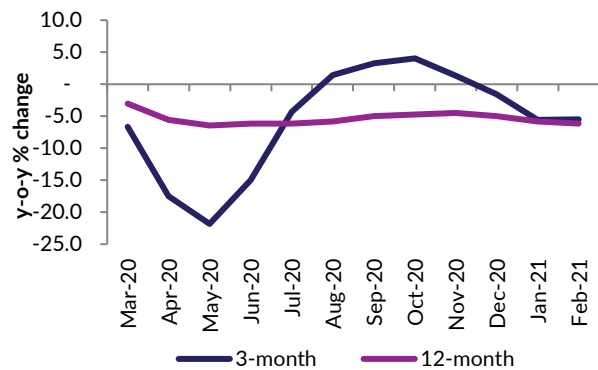
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FOOD

TOTAL SALES ROLLING AVERAGE GROWTH: FOOD



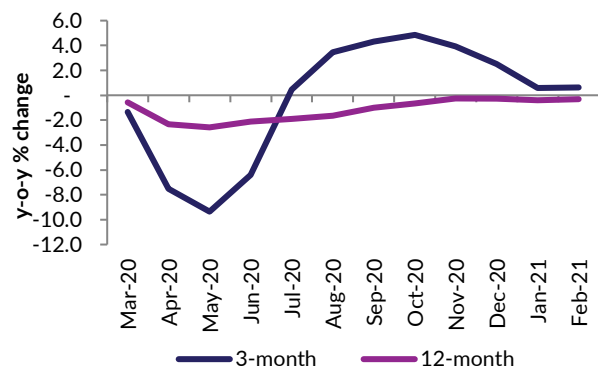
TOTAL SALES ROLLING AVERAGE GROWTH: NON-FOOD



FOOD

Food growth held firm in February, at the same record-setting three-month average of 7.9% as seen in January. This continued strong performance helped to lift the longer-term twelve-month average higher than ever before, to 6.6% on a Total basis. While the continued effect of the closure of pubs and restaurants boosted Food sales overall once again, this was compounded in February by Valentine's Day as people were forced to pamper their loved ones at home rather than going out for a meal. This led to people 'trading up' for higher quality meals and deserts in the second week of the month. The good weather in the final week of the month saw people looking to make the most of the first sunny weekend of the year, with barbecue foods selling well during the week. Food price inflation played a lesser role in the three-month average than any time in over three years, with inflation at 0.3% according to the BRC-Nielsen Shop Price Index (SPI). This resulted in a real-terms growth of 7.6% in the three-months to February.

TOTAL SALES ROLLING AVERAGE GROWTH: UK



“

For Valentine's Day people were forced to pamper their loved ones at home rather than going out for a meal

”

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CLOTHING

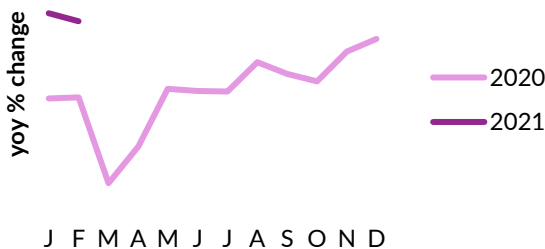
CLOTHING: UK TOTAL SALES CHANGE



CLOTHING: ONLINE PENETRATION RATE



CLOTHING: ONLINE SALES CHANGE



CLOTHING: STORES SALES CHANGE



THE MONTH OVERALL

Clothing sales saw a very slight improvement from the level of decline in January, but the level remained well below what would be considered normal under traditional trading conditions. Once again, the coronavirus crisis trends perpetuated in February, with formalwear bearing the brunt of the ongoing lack of demand. In contrast, towards the end of the month the news that schools would be reopening at the beginning of March led to the belated back to school rush arriving, which was delayed from what would have been at the end of the Christmas holidays. However, the news of future social restrictions easing did little for the spring/summer ranges, as holiday planning continued to be put on ice as considerable uncertainty over the future remained.

THE MONTH BY CHANNEL

Online sales were the only avenue available for those looking to update their wardrobes in February, which drove the strong growth for the channel albeit slower than that seen in January. This slowdown was in part due to the early end of the clearance sales from the beginning of the year, with discount rates still a key part of enticing customers to open their wallets. In store sales were not quite as muted as in January, with essential purchases – particularly for school uniforms – still being made in supermarkets. The Online penetration rate increased by 34.5 percentage points from the same point last year, to 72.8% in February.



The news that schools would be reopening led to the belated back to school rush

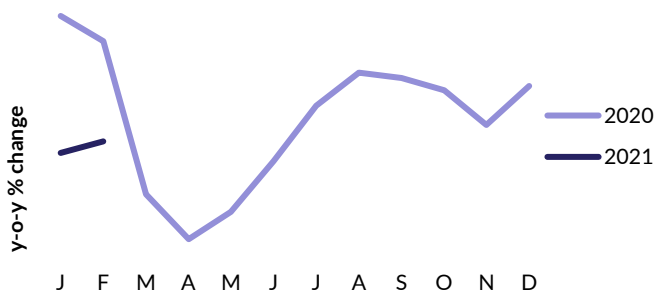


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FOOTWEAR

FOOTWEAR: UK TOTAL SALES CHANGE



FOOTWEAR: ONLINE PENETRATION RATE



FOOTWEAR: ONLINE SALES CHANGE



FOOTWEAR: STORES SALES CHANGE



THE MONTH OVERALL

While the decline for Footwear eased slightly from January, the category remained at the bottom of the growth rankings table once again. Back to school purchases finally arrived for children's shoes, after retailers missed out on these sales in January. However, as children are returning to school on 8th March, some of this spending will also be released in the next trading period. The poor performances for both men's and women's Footwear were no doubt a consequence of the ongoing crisis, which has decimated demand for formal shoes due to the cancellation of social functions and office workers remaining largely house-bound. The news of stores reopening will be particularly welcome for retailers in this space, but with holiday planning remaining grounded for most this year, summer ranges may not see demand return quickly.

THE MONTH BY CHANNEL

Online sales took a large step up in February, with parents having little other option but to use the channel with time running out ahead of children's return to school. However, there is some consternation in the market as to whether this will trigger an increase in returns in coming months, given the difficulty of accurately measuring shoe sizes from home. The Online penetration rate increased by 42.6 percentage points from last year, to 85.4% in February.



The back to school purchases finally arrived for children's shoes, after retailers missed out on these sales in January

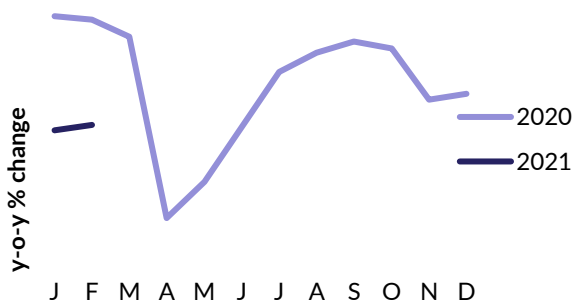


BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2021

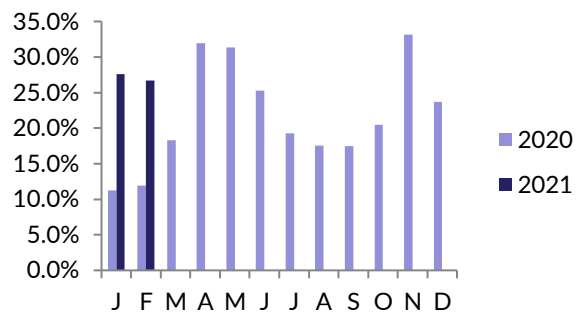
Covering the four weeks 31 January – 27 February 2021

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 saw only a slight recovery from January, with another poor performance in February. This was hardly a surprise given the tendency for this category to rely on impulse purchases. The improved weather towards the end of the month encouraged many to enjoy the outdoors even more, which had a positive effect on sales of skin repair creams. Other cosmetics products are still suffering from the absence of direct selling opportunities from the ongoing store closures. Health products were not as badly affected during the month, although they were still severely impacted by the lack of impulse purchases.

THE MONTH BY CHANNEL

Online growth slowed from the even stronger level in January but remained impressive in February. While repeat purchases are becoming ever more common online, several retailers reported that there are signs that consumers are becoming more used to buying new cosmetics for the first time online. Store sales suffered significantly, thanks to the continued closure of non-essential stores. The Online penetration rate increased by 14.8 percentage points from February last year, to 26.7%.



Skin repair creams the stand out product for the month

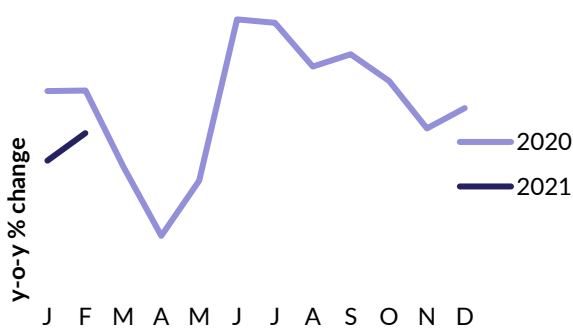


BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2021

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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

Furniture sales remained in decline for the fourth consecutive month. However, February’s performance was stronger than that seen in the previous month. As non-essential stores remained closed for the duration of the month, consumers were reluctant to splash out on larger items of Furniture without getting the opportunity to see them beforehand. This naturally affected sofa sales more than other items, with comfort a higher priority. The GfK consumer Confidence Index for Major Purchases increased by 5 points from January, to -19 in February. Smaller items, such as those for storage were said to perform better than larger items, however.

THE MONTH BY CHANNEL

Online Furniture sales went from strength to strength in February, improving significantly from January’s record setting rate of growth. Without non-essential stores allowed to open, it is no surprise that the decline seen in the channel overall was near a record low. The Online penetration rate increased by 56.3 percentage points from last year, to 96.0% in February.



Consumers were particularly reluctant to splash out on larger items of Furniture



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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 saw a second consecutive month of declining sales year on year, despite significant improvement from that seen in January. The category is suffering from its own success from the second half of last year, as people were focussed on home improvements. However, this demand has been satisfied and people seem to have shifted attention to home entertainments.

THE MONTH BY CHANNEL

Online sales saw a record-setting rate of growth in February, which was a natural consequence of the non-essential store closures coupled with increased consumer confidence in using the channel for a wider variety of goods with every passing month. The Online penetration rate increased by 25.3 percentage points from last February, to 46.4% this year.



The category is suffering from its own success from the second half of last year



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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

House Textiles remained in decline for the second consecutive month in February, despite seeing an improvement from January's performance. The weather played a role in consumer preferences over the course of the month, as the warmer temperatures in the final week drove many to look for lighter bedding options. However, fitted curtains continued to perform poorly, as fitters were not visiting many homes.

THE MONTH BY CHANNEL

Online sales improved even further from their already record growth recorded in January, as non-essential stores remained closed. Click and Collect options were said to be pivotal in driving this increase, as it gives the consumer the opportunity to experience the look and feel of the items and return them immediately if not as expected. The Online penetration rate increased by 32.7 percentage points from the same point last year, to reach 68.6% in February.



Warmer temperatures in the final week drove many to look for lighter bedding options



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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

Toys & Baby Equipment remained in decline for the fourth consecutive month in February. However, the rate of decline did improve once more, as Toys were said to see demand increase during the month. Outdoor toys performed particularly well during the final week of the month, which was no surprise as it coincided with the period of good weather. Boys Toys also reportedly outperformed girls toys for the month, with board games continuing to perform well.

THE MONTH BY CHANNEL

Online growth increased to its highest level since April last year, as the whole month was spent with stores off limits for all but Click and Collect. The weak comparable also played a part in this strong growth rate once again, as we have not yet annualised against the first lockdown in 2020. The Online penetration rate increased by 25.3 percentage points from last year, to 66.5% in February.



Outdoor toys performed particularly well during the final week of the month



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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 recorded their strongest performance since October, as both large and small items saw strong demand over the month. However, it was said to be the larger items that made the most of the trading conditions, with the continued strong housing market helping sales. Smaller items, particularly those aimed at making home life more convenient, also continued to see strong demand as much of the workforce are still working from home. However, personal care items were said to see demand fall, which are not anticipated to see an upturn until social engagements are reinstated.

THE MONTH BY CHANNEL

Online sales improved on their already record-setting pace from January, as the whole month had non-essential stores closed. Naturally, smaller items were better positioned to make the most of Click and Collect provisions that were not available during the previous nationwide lockdown. The Online penetration rate increased by 36.3 percentage points from last February, to 91.9%.



Smaller items aimed at making home life more convenient continued to see strong demand



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COMPUTING

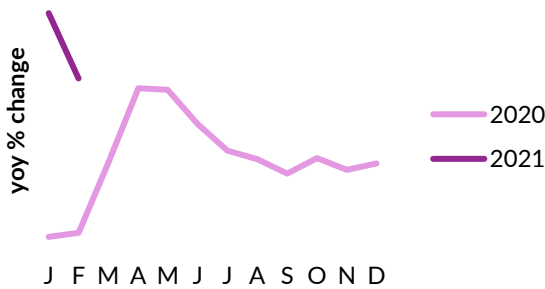
COMPUTING: UK TOTAL SALES CHANGE



COMPUTING: ONLINE PENETRATION RATE



COMPUTING: ONLINE SALES CHANGE



COMPUTING: STORES SALES CHANGE



THE MONTH OVERALL

Computing sales growth slowed dramatically from the record rate seen in January, but remained in line with the high points from last year in February. Laptops – a perpetual highlight of the crisis period – continued to perform well, with many looking to upgrade from temporary solutions for home working and schooling purchased last spring. Home entertainment was also high on people’s priorities in February, as it was reported that gaming laptops were selling well. This strong showing was also encouraging, given the categories ongoing challenge in regards to stock availability. Computing accessories were also in demand, which make home-working a more comfortable experience.

THE MONTH BY CHANNEL

Online growth slowed in February, down significantly from January’s record level. However, it remained above anything seen last year, as more people are becoming accustomed to online retailing than ever before. The Online penetration rate increased by 41.3 percentage points from the same point in 2020, to 96.6% in February.



Home entertainment was popular in February, as gaming laptops sold well



BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2021

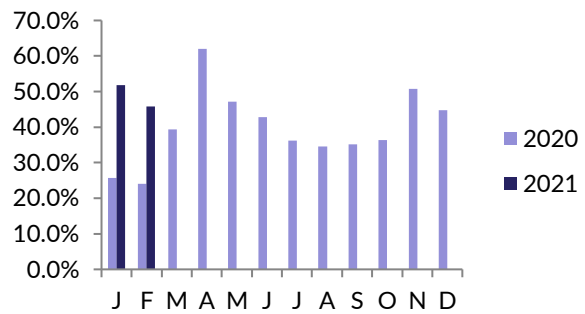
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OTHER NON-FOOD

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



** 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 OVERALL

The category saw growth rise to a level similar to the heights seen during the first lockdown last year. Gaming consoles and TVs were once again the stars of the show, as sales for both were limited only by stock availability.



Gaming consoles and TVs were once again the stars of the show



THE MONTH BY CHANNEL

While Online sales remained strong for the second consecutive month, which is no surprise given the closure of nonessential stores for the entire month, they did not quite hit the heights seen in April last year. The Online penetration rate increased by 21.9 percentage points from February last year, to 45.9%.

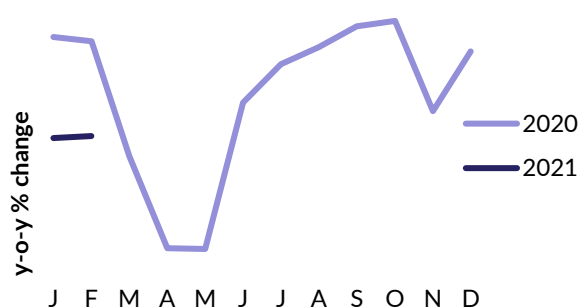
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OTHER NON-FOOD

Includes in particular:

Jewellery & Watches



February was the second month in a row at a broadly similar rate of decline for Jewellery & Watches, which highlights consumers' reluctance to purchase these goods without seeing them in person beforehand. However, the rate of decline was nowhere near the depths seen during the first national lockdown in spring last year, as they are becoming ever more comfortable with online retailing.

Electricals & Electronics

TVs remained one of the standout performers in February, continuing their stellar run of impressive demand since the beginning of the coronavirus crisis last March. Demand has been significantly buoyed by the newly released gaming consoles, which are a natural accompaniment. Other home automation electronics also reportedly performed well during the month.

Leisure Goods, Gaming, Books, CDs & DVDs

Stock availability for the next generation of gaming consoles reportedly improved significantly in February, which was a primary driver of the overall category's strong showing. Demand for travel goods has yet to improve, even though the news for restrictions being eased in the near future was announced during the month.

DEPARTMENT STORES

Department Stores naturally bore the brunt of the closure of all non-essential stores in England for the month. This negative impact affected them on two fronts in January. Firstly, their reliance on impulse purchasing was exposed thanks to the lack of browsing in stores. Secondly, as many of them are in large city centres, this made them less attractive for Click and Collect in comparison to smaller, more provincial locations.

BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2021

Covering the four weeks 31 January – 27 February 2021

MONTHLY RETAIL SALES: % CHANGE YEAR-ON-YEAR

MONTH	2019		2020		2021	
	LFL	TOTAL	LFL (1)	TOTAL	LFL	TOTAL
January	1.8	2.2	0.0	0.4	7.1	-1.3
February	-0.1	0.5	-0.4	0.1	9.5	1.0
March	-1.1	-0.5	-3.5	-4.3	.	.
April	3.7	4.1	5.7	-19.1	.	.
May	-3.0	-2.7	7.9	-5.9	.	.
June	-1.6	-1.3	10.9	3.4	.	.
July	0.1	0.3	4.3	3.2	.	.
August	-0.5	0.0	4.7	3.9	.	.
September	-1.7	-1.3	6.1	5.6	.	.
October	0.1	0.6	5.2	4.9	.	.
November	-4.9	-4.4	7.7	0.9	.	.
December	1.7	1.9	4.8	1.8	.	.
Jan-Feb average	0.8	1.4	-0.2	0.3	8.3	-0.1
Jan-Dec average	-0.5	-0.1	4.4	-0.3	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 19 – Feb 20	0.3	0.6	0.5	1.0	0.7	0.8
Jan – Mar 20	4.9	-6.7	-1.3	5.1	-6.6	-1.4
Feb – Apr	6.0	-4.5	0.3	4.5	-17.5	-7.5
Mar – May	8.7	-2.1	2.8	5.6	-21.8	-9.4
Apr – Jun	7.3	9.5	8.4	3.8	-15.0	-6.4
May – Jul 20	8.2	7.9	7.9	6.1	-4.3	0.4
Jun – Aug 20	6.3	7.7	7.0	5.9	1.4	3.5
Jul – Sep	5.1	5.2	5.1	5.6	3.2	4.3
Aug – Oct	5.2	5.7	5.4	5.8	4.0	4.9
Sep – Nov	6.4	6.4	6.3	7.0	1.3	3.9
Oct-Dec	6.8	5.1	5.8	7.3	-1.5	2.5
Nov 20 – Jan 21	7.5	5.6	6.4	7.9	-5.6	0.6
Dec 19 – Feb 21	7.6	6.6	7.0	7.9	-5.5	0.6

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 2021

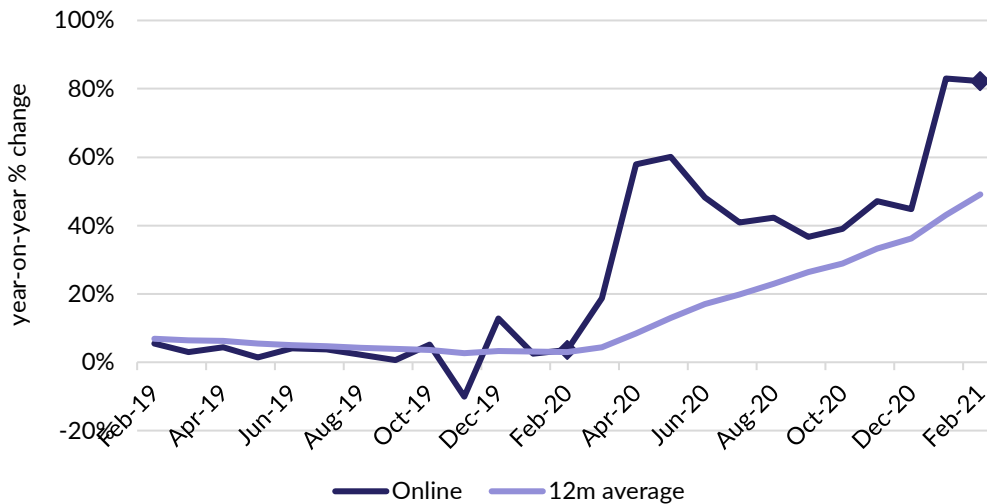
Covering the four weeks 31 January - 27 February 2021

ONLINE VERSUS STORE DATA

BRC - KPMG RETAIL SALES MONITOR FEBRUARY 2021

Covering the four weeks 31 January - 27 February 2021

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

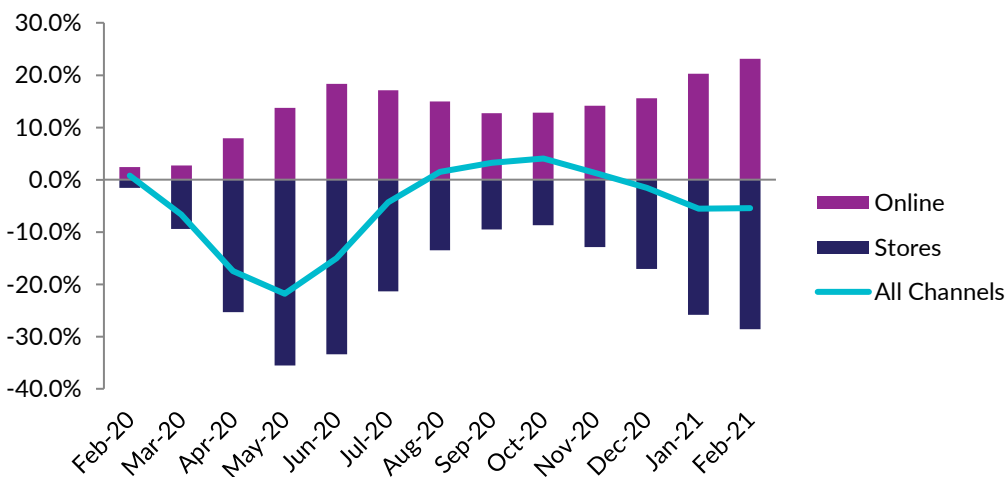


NON-FOOD GROWTH	ONLINE*	UK TOTAL
Feb 2021	82.2%	n/d
Feb 2020	3.6%	n/d
Jan 2021	83.0%	n/d
3m avg	68.1%	-5.5%
12m avg	49.1%	-6.1%

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 - Feb 21	-21.4%	-38.9%
Dec - Feb 20	-1.9%	-1.8%
Nov - Jan 21	-19.8%	-36.5%
12m avg	-15.7%	-31.4%

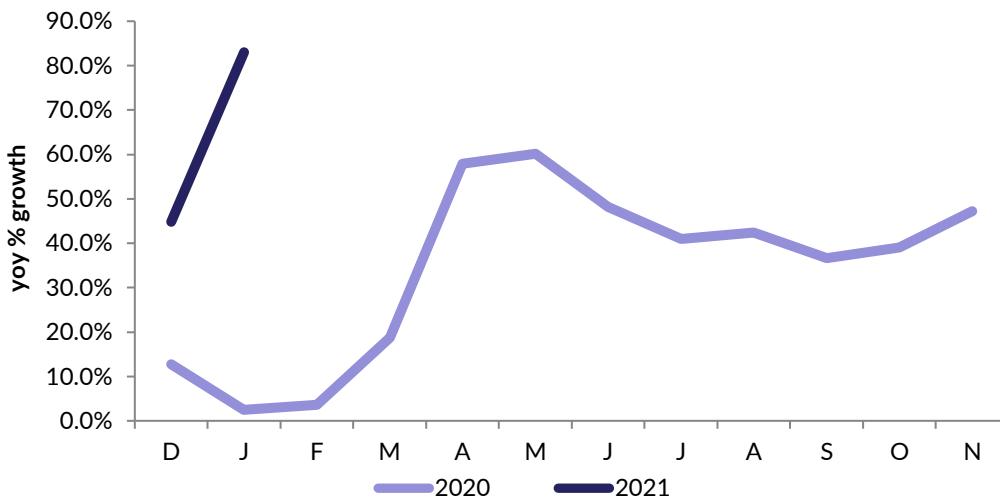
Source: BRC-KPMG RSM

BRC - KPMG RETAIL SALES MONITOR FEBRUARY 2021

Covering the four weeks 31 January - 27 February 2021

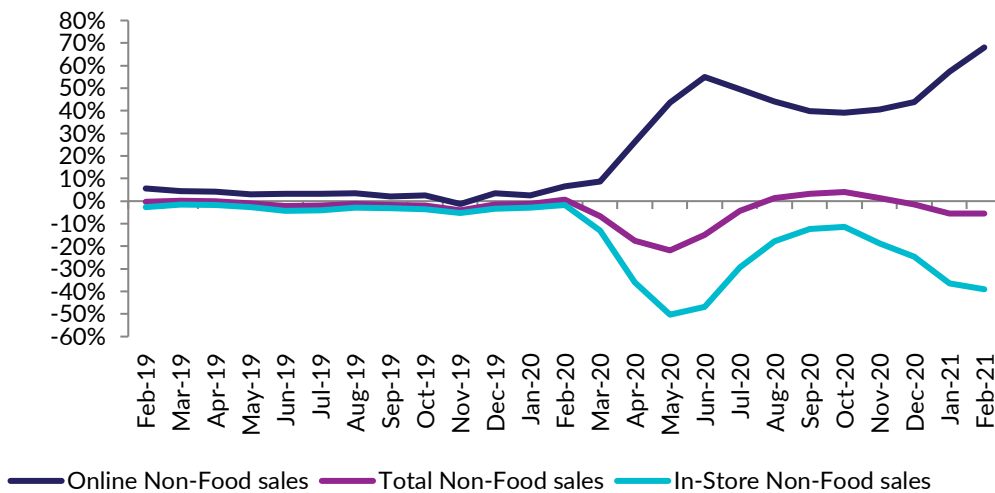
BRC-KPMG NON-FOOD RETAIL SALES YEAR-ON-YEAR GROWTH:

MONTHLY GROWTH OF ONLINE NON-FOOD RETAIL SALES



Source: BRC-KPMG RSM

3M ROLLING AVERAGE GROWTH OF NON-FOOD SALES

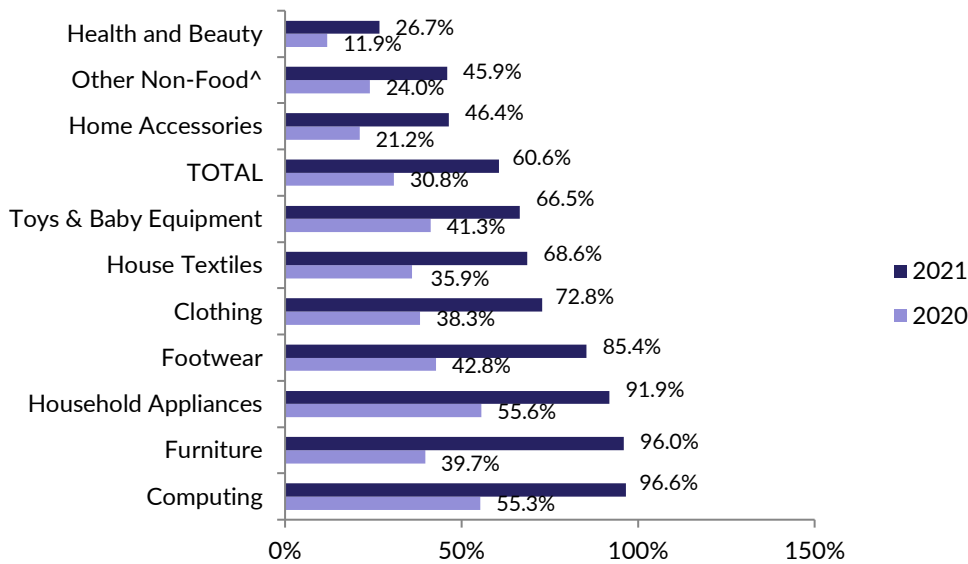


Source: BRC-KPMG RSM

BRC - KPMG RETAIL SALES MONITOR FEBRUARY 2021

Covering the four weeks 31 January - 27 February 2021

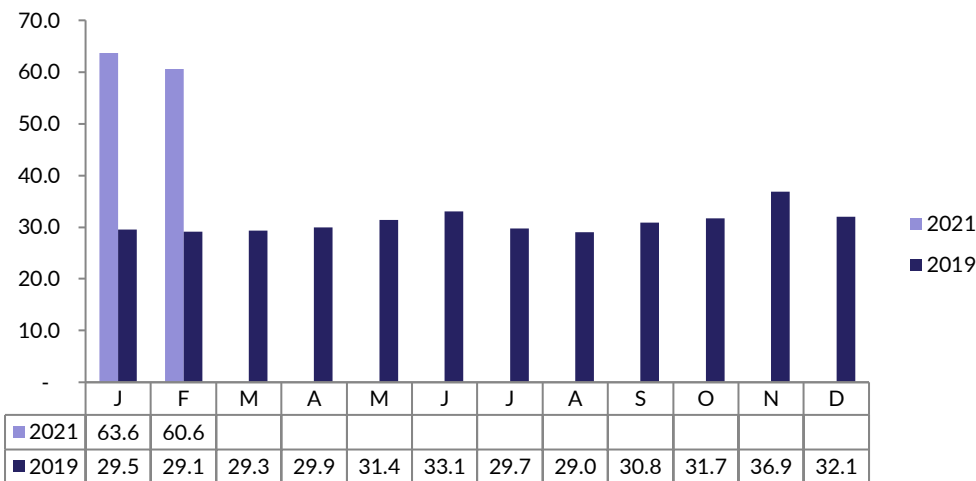
FEB: ONLINE PENETRATION RANKINGS BY CATEGORY



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 2021	60.6%
Feb 2020	30.8%
Jan 2021	63.6%
3m average	56.6%
12m average	51.3%

Source: BRC-KPMG RSM

BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2021

Covering the four weeks 31 January – 27 February 2021

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 2020	3.6	4.7	30.8	31.4	1.3	2.4
Mar	18.8	8.6	43.5	35.5	5.7	2.8
Apr	57.9	26.1	69.9	47.7	17.1	7.9
May	60.2	43.5	61.9	57.3	20.3	13.7
Jun	48.2	54.9	50.5	60.0	17.9	18.4
Jul	41.0	49.7	42.0	51.4	12.9	17.1
Aug	42.4	44.2	39.3	44.5	13.4	15.0
Sep	36.7	39.7	40.1	40.4	12.0	12.7
Oct	39.0	39.2	42.3	40.5	13.0	12.8
Nov	47.2	40.6	59.3	46.7	18.0	14.2
Dec 2020	44.8	43.8	47.8	49.7	15.7	15.6
Jan 2021	83.0	57.3	63.6	56.2	28.4	20.3
Feb	82.2	68.1	60.6	56.6	27.2	23.1

Source: BRC-KPMG Retail Sales Monitor. * 2020 is 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 2020	-1.8%	-1.9%
Mar	-13.0%	-13.0%
Apr	-36.0%	-17.3%
May	-50.3%	-21.9%
Jun	-46.8%	-11.3%
Jul	-29.3%	-11.3%
Aug	-17.8%	-8.5%
Sep	-12.3%	-9.5%
Oct	-11.4%	-9.0%
Nov	-18.6%	-10.8%
Dec 2020	-24.7%	-14.4%
Jan 2021	-36.5%	-19.8%
Feb	-38.9%	-21.4%

Source: BRC-KPMG Retail Sales Monitor

BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2021

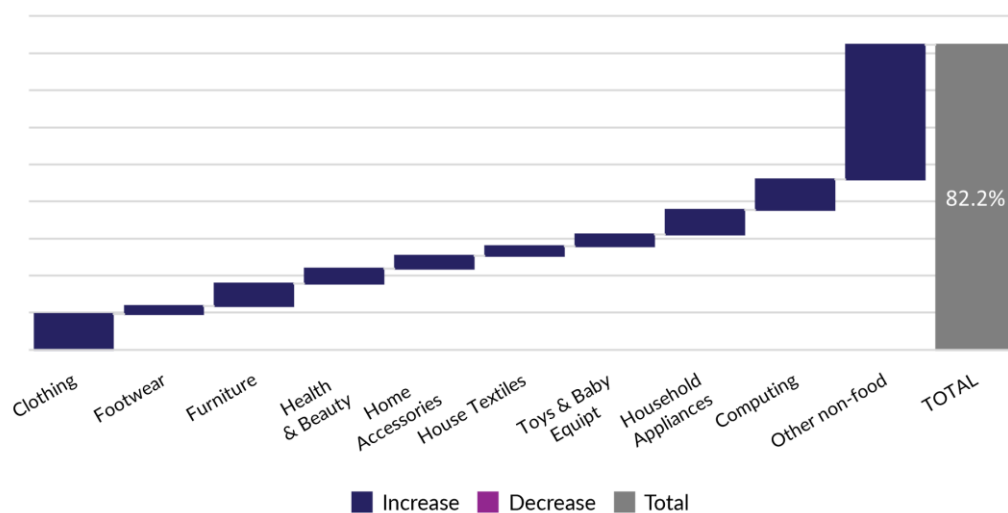
Covering the four weeks 31 January – 27 February 2021

SECTOR PERFORMANCE: **ONLINE SALES GROWTH**

CATEGORY	SALES UP / DOWN FEB 2021	GROWTH RANKINGS				
		FEB 2021	JAN 2021	FEB 2020	3M AVG	12M AVG
Computing	▲	1	1	3	1	1
Other Non-Food	▲	2	2	7	2	2
Home Accessories	▲	3	3	6	3	4
Furniture	▲	4	6	4	5	7
Household Appliances	▲	5	4	2	4	5
House Textiles	▲	6	7	8	6	6
Health & Beauty	▲	7	5	1	7	3
Toys & Baby Equipment	▲	8	8	10	8	8
Clothing	▲	9	9	5	9	9
Footwear	▲	10	10	9	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 2021

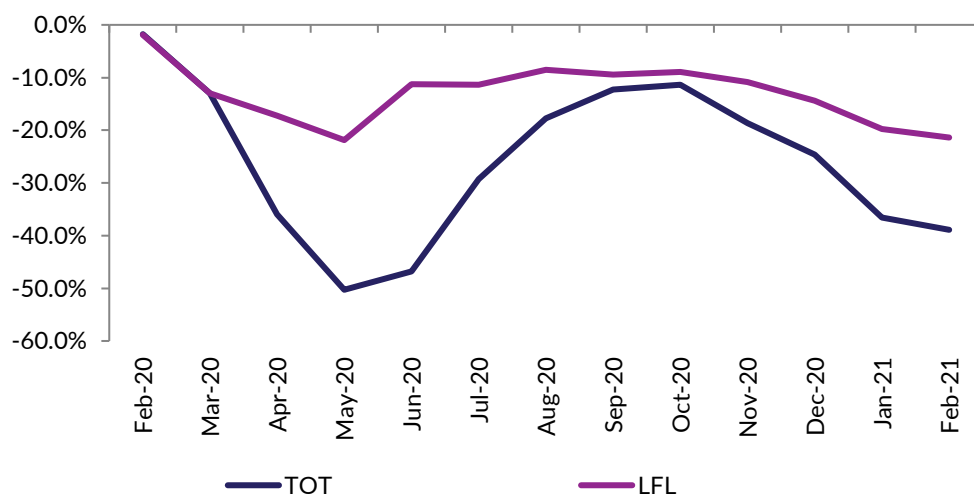
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SECTOR PERFORMANCE: STORE TOTAL SALES GROWTH

CATEGORY	SALES UP / DOWN FEB 2021	GROWTH RANKINGS				
		FEB 2021	JAN 2021	FEB 2020	3M AVG	12M AVG
Other Non-Food	▼	1	1	4	1	1
Home Accessories	▼	2	3	1	2	2
Health & Beauty	▼	3	2	2	3	3
Toys & Baby Equipment	▼	4	4	9	4	4
House Textiles	▼	5	5	8	5	5
Clothing	▼	6	6	7	6	9
Household Appliances	▼	7	7	5	7	7
Footwear	▼	8	8	10	8	10
Computing	▼	9	9	6	9	8
Furniture	▼	10	10	3	10	6

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 2021

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NOTES

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

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

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

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

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

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

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

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

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

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



BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2021

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The March 2021 Monitor, covering the five weeks 28 February – 3 February 2021, will be released at 00.01am on Tuesday 13 April 2021. 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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IGD is an education and training charity for the food and grocery industry that undertakes research for the benefit of the public. Our in-depth understanding of shoppers, retailing and supply chains is supported by our knowledge of broader topics affecting the industry – health, nutrition, sustainability and economics among them. This gives us unparalleled insight that can help identify opportunities to improve performance and tackle business challenges. Our reach is global, with experts based in the UK, Singapore and North America. We invest the net income we make from selling our expertise back into our charitable activities.

BRC – KPMG RETAIL SALES MONITOR FEBRUARY 2021

Covering the four weeks 31 January – 27 February 2021

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