SEPTEMBER 2024 TOWN & CITY CENTRE BEAUCLAIR INSIGHTS:

A SHARP DOWNTURN IN SALES IN UK TOWNS AND CITIES IN SEPTEMBER 2024 DUE TO A COMBINATION OF HEAVY RAIN, LOWER CONSUMER CONFIDENCE AND A STRONG COMPARABLE IN SEPTEMBER 2023. According to Diane Wehrle, of Rendle Intelligence and Insights & Beauclair's Brand Ambassador.

Sales in UK towns and cities took a sharp downturn in September, dropping by -6.5% from September 2023, versus an annual drop of -3.1% in August.

Some of this drop may be accounted for by a relatively strong comparable in September 2023 when sales rose by +1.6% from September 2022. However, the torrential rain that hit most of the UK for a number of days in September will undoubtedly have had a noticeable impact. Additionally, there was a large drop in consumer confidence according to the GfK Consumer Confidence indicator.

Both the number of customers purchasing products and the number of transactions made in stores in towns and cities dropped significantly during September (by -5.4% and -8% respectively). At the same time, however, average spend rose by +1.6%, indicating that those who did purchase during September 2024 spent more than they did during September 2023.

All of the five key sectors, which together account for 85% of sales in towns and cities, were hit in September with a drop in sales, but the impact was felt in varying degrees. The greatest impact was felt by the Food & Drink sector, with the heavy rain undoubtedly affecting his sector particularly hard due to its discretionary nature, and sales dropped by -10.1% from September 2023. In contrast, Fashion - which has had a particularly challenging trading year - recorded a much smaller annual drop in sales in September of -4.7%.

Whilst Food and Drink sales were hardest hit of the five key sectors, it was the only one where average spend rose - by +1.2% - indicating that those who did venture out to dine in towns and cities made the most of their experience, spending more during their visit than last year. In all the other four key sectors average spend in September was lower than last year, with average spend in Fashion declining the most (by -1.6%).

The results for September are clearly disappointing, but looking forward to Q4 we are forecasting that sales will be stronger than last year. Part of this expected uplift is likely to be due to a bounce back from disappointing sales in Q4 last year, when sales declined annually in each of the three months. Alongside this, the economic landscape has improved with lower price inflation, wage inflation that is exceeding price inflation, and interest rates are also starting to come down, all of which provide a rationale for cautious optimism for the remainder of 2024.

GB Benchmark – September 2024

sector	Sales vs Sep 2023	Customers vs Sep 2023	ATV vs Sep 2023	ATV
All Sectors	-6.5%	-5.4%	+1.6%	£18.38
Fashion	-4.7%	-3.3%	-1.6%	£32.80
Food & Drink	-10.1%	-6.7%	+1.2%	£12.87
General Retail	-4.8%	-4.3%	-1.0%	£16.38
Grocery	-7.4%	-6.0%	-0.6%	£14.10
Health & Beauty	-8.9%	-6.8%	-0.6%	£24.92

GB Benchmark – YTD September 2024

sector	YTD Sales vs Sep 2023	YTD Customers vs Sep 2023	YTD ATV vs Sep 2023	YTD ATV
All Sectors	-4.2%	-2.2%	-1.0%	£18.23
Fashion	-6.3%	-5.0%	-1.8%	£32.27
Food & Drink	-1.7%	-2.9%	+2.2%	£13.10
General Retail	-1.0%	-1.4%	-0.2%	£16.13
Grocery	-1.2%	-2.1%	+0.3%	£14.22
Health & Beauty	-1.0%	-3.9%	+2.2%	£25.43

Our GB Benchmark is based on the median retail performance of 62 Town & City Centre's nationwide, as defined by Centre for Cities.