



Weather Events Disrupt Retail Sales Figures in Q2 2018
Hot beverage fell to its first monthly like for like declines since July
2013!

Retail Excellence, Ireland's largest retail representative body, have today released the results of the Grant Thornton Retail Excellence Q2 2018 Retail Productivity Review which highlights the role of weather in retail sales throughout the country.

CEO of Retail Excellence, Lorraine Higgins today said that "Q2 2018 was a very mixed trading period with the weather causing a degree of disruption. While the Quarter recorded an industry average of +0.87% increase in sales these figures were propped up by sales in Furniture / Flooring, Agri Retail, Consumer Electronics and Home Appliances. Overall it proved to be a very mixed trading period with the weather playing a central role in sales trends".

"Given the inclement weather, April performed poorly which impacted Fashion and Garden (-9%) but the heatwave in June lifted Garden (+42%) and Agri (+22%) sales to huge like for like gains with Grocery (+2%) continuing to perform robustly during this month".

“The Q2 figures further demonstrate continued growth in furniture, flooring (+4%), consumer electronics (+6%), small home appliances (+7%) and major home appliances (+6%) proving great fluidity in house renovations and sales”.

“On the other hand, hot beverage fell to its first monthly like for like declines since July 2013 – a five year low – which is wholly attributable to the heatwave.

“Concerning for the industry is the continued negative sales trends recorded by discretionary spend categories like Footwear, Ladies Fashion, Menswear and Jewellery which all traded down against last year. While weather played a role these sectors are particularly vulnerable to online shopping”.

“Overall, there remains a degree of volatility in the Irish Retail Industry which has been demonstrated over successive Trading Reports. The industry remains susceptible to outside influences such as Brexit, changes in weather patterns and aggressive marketing by retailers operating outside of Ireland” Lorraine Higgins concluded.

retail industry failure can be expected.

##Ends##

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Editor's notes:

Trading Headlines:

- The Irish Retail Industry remains vulnerable a fact that was further highlighted by the weather events in April and June.
- In particular, April '18 is -0.13% down against April '17 primarily as a result of the inclement weather. May is trading up +2.32% while June is up almost 2%.
- Discretionary spend categories Ladies Fashion, Childrenswear, Menswear, Jewellery and Footwear all traded down against this time last year.
- Home related categories including Furniture & Flooring and Gift & Homewares traded up, indicating the return of some fluidity to the housing market.

- Garden and Agri Retail benefited from better weather patterns especially in June and this propped the whole industry up over the period.
- Grocery had a robust quarter.

About Retail Excellence

Retail Excellence is by far the largest retail industry body in Ireland. Established in 1995, Retail Excellence is owned by the members, for the members. We are an organisation which invests in innovative and exciting learning, market intelligence, human resources services, Government representation and member networking initiatives. Retail Excellence has over 1,850 leading retail company members. Our members are the most progressive and innovative retailers.

About Grant Thornton

Grant Thornton are leading Irish retail industry advisors and exclusive financial and accounting partners of Retail Excellence. Grant Thornton is the fastest growing professional services firm in Ireland comprising over 1000 people operating from offices in Dublin, Belfast, Cork, Galway, Kildare, Limerick and Longford. The firm's Retail team has the expertise and knowledge to provide specific solutions to their retail clients. By identifying the key drivers of value creation crucial to the success of any retail business Grant Thornton can work with clients to maximise their business potential. Services include annual audits, regular business reviews, quarterly management accounts, bank financing applications, independent business reviews, franchise/supplier agreement negotiations, benchmarking and projections.

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