

## MONTHLY REVIEW

# BDO CHARITY RETAIL SALES TRACKER

MAY 2021



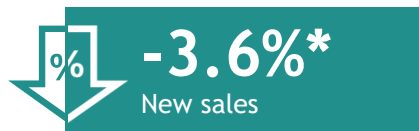
CHARITY RETAILERS REPORT POSITIVE RESULTS AFTER FIRST FULL MONTH OF TRADING

2019 Comparison for Charity Retailers (only)

### CHARITY

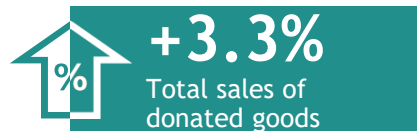


May 2019: +0.4%

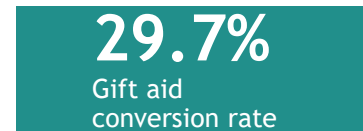


May 2019: +25.9%

\* Figure re-stated excluding extreme values



May 2019: -0.6%



May 2019: 32.2%

### COMMERCIAL



May 2020: -87.1%

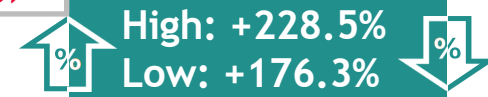
\*\*Source: BDO High Street Sales Tracker  
[www.bdo.co.uk/high-street-sales-tracker](http://www.bdo.co.uk/high-street-sales-tracker)

### CHARITY AND COMMERCIAL RETAILERS

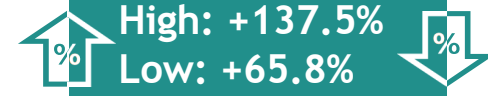
Charity retailers encouragingly reported positive results in May following the first full month of trading since lockdown restrictions were lifted in April, with total LFL sales up by +3.1%. This performance, however, compares to May 2019 results which were the weakest in six months at the time, as charity retailers' performance was impacted by drab weather conditions.

Although the weather was also a challenge this year, with May 2021 turning out to be one of the wettest on record in the UK, charity retailers consistently reported a good sales performance overall. With most shops already open following the lifting of trading restrictions, charity retailers are now focused on driving performance across the estate. This also includes initiatives such as growing online sales, as the uncertainty of COVID-19 measures going forward remains an issue for retailers.

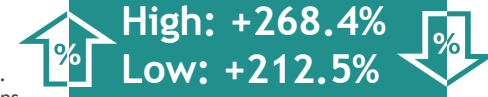
This sentiment is echoed on the commercial high street, where store re-opening progress continued in May - although the excitement of the first few weeks, which saw consumers hitting the high street in abundance, steadied as the month progressed. While businesses will be listening for further government guidance on the next stage of re-opening amidst worries over a new COVID-19 variant, May showed relatively little sign of escalating concern amongst consumers. On the contrary, reports suggest that consumer confidence returned to pre-pandemic levels for the first time in May, primarily on the back of improved expectations for the economic recovery over the coming year. While observers will be wary that the situation remains delicate with a prolonged re-opening and more challenging-than-expected recovery still possible, thus far retail spending appears buoyant. The continued strength of online channels, however, shows that consumers are not simply shifting back to pre-pandemic behaviours. Discerning the appropriate balance between channels remains a primary challenge for retailers as they begin to address the costs of the pandemic and re-examine their physical presence.



2020: -75.8% / -80.3%



2020: -40.8% / -57.4%



2020: -75.2% / -79.5%

Any footfall figures quoted come from Springboard who are a leading provider of automated visitor counting and retail sales analysis.

## INDIVIDUAL CHARITY'S LIKE-FOR-LIKE GROWTH (MAY 2021)

VERY LARGE CHARITIES (301+ SHOPS)	Charity	Total sales	Total sales of donated goods	New sales	Gift aid conversion rate	Comments
	C	+5.77%	+4.57%	+29.24%	36.99%	This month's highlight was the continuation of strong results, while challenges included the level of gift aid sign ups, staffing levels, footfall, and the weather.
	B	+3.25%	+2.80%	+10.83%	45.05%	Note that dates for the sales reported do not match the calendar month.
	F	+1.23%	+4.17%	-21.59%	39.94%	Note that dates for the sales reported do not match the calendar month.
	BB	-1.21%	-2.87%	+13.43%	29.35%	This month's highlight was New Goods growth vs 2019 and non-clothing donated sales almost matching 2019 levels. Staffing levels were a challenge this month. Note that dates for the sales reported do not match the calendar month.
	Charity	Total sales	Total sales of donated goods	New sales	Gift aid conversion rate	Comments
	T	+22.11%	+26.38%	-28.80%	19.94%	
	L	-2.69%	-2.64%	N/A	39.06%	Challenges this month included theft, the quality of donated stock, staffing levels, and footfall. Note that dates for the sales reported do not match the calendar month. NOTE: New sales in 2021 were £nil.
	I	-28.03%	-27.02%	N/A	34.36%	This month's highlight was a recovery from COVID-related challenges. NOTE: New sales in 2021 were £nil.
	LARGE CHARITIES (101-300 SHOPS)	Charity	Total sales	Total sales of donated goods	New sales	Gift aid conversion rate

NOTE: Category classification (Very Large, Large, and Medium) on pp 2 and 3 is based on the total store portfolio regardless of COVID-19-related closures still in place. Store count and category classification on pp 1, 4 and 5 is based on May 2021 figures. Due to COVID-19-related closures, category classification has changed for some charity retailers.

## INDIVIDUAL CHARITY'S LIKE-FOR-LIKE GROWTH (MAY 2021)

MEDIUM CHARITIES (21-100 SHOPS)	Charity	Total sales	Total sales of donated goods	New sales	Gift aid conversion rate	Comments
	S	+30.20%	+29.92%	N/A	21.40%	This month's highlight was a positive sales performance, although staffing levels were a challenge. NOTE: New sales in 2019 were £nil.
	E	+16.71%	+16.82%	-63.34%	12.08%	
	U	+8.23%	+7.83%	+42.83%	20.61%	
	FF	+6.08%	+6.33%	-50.98%	25.61%	This month's highlight was excellent sales levels, although the uncertainty of COVID-19 measures remains a challenge.
	O	-0.80%	-0.78%	-2.38%	28.06%	This month's highlight was online sales (eBay); aggression towards staff from customers was a challenge. Note that dates for the sales reported do not match the calendar month.
	N	-6.74%	-8.12%	+34.40%	32.00%	This month's challenges were the quality of donated stock, staffing levels, and the weather.
	A	-10.13%	-11.38%	-2.71%	31.48%	This month's highlight was strong sales, while volunteer levels were a challenge. Note that dates for the sales reported do not match the calendar month.

NOTE: Category classification (Very Large, Large, and Medium) on pp 2 and 3 is based on the total store portfolio regardless of COVID-19-related closures still in place. Store count and category classification on pp 1, 4 and 5 is based on May 2021 figures. Due to COVID-19-related closures, category classification has changed for some charity retailers.

## KEY CHALLENGES THIS MONTH

- Staffing levels
- Quality of donated stock
- Weather
- Footfall

## HIGHLIGHTS THIS MONTH

- Overall strong sales performance
- New goods
- Ongoing recovery from COVID-related issues

**“Charity retailers continue down a steady path of recovery, although the uncertainty stemming from COVID-related measures remains a significant challenge.”**

## LIKE-FOR-LIKE GROWTH BY RETAIL CHAIN SIZE

LFL SALES GROWTH	Retail chain size	Total sales	Total sales of donated goods	New sales	Gift aid conversion rate
	Very Large	+6.23%	+7.01%	+0.62%	34.26%
	Large	-15.36%	-14.83%	N/A* (-100.00%)	36.71%
	Medium	+6.22%	+5.80%	-7.03%	24.46%

\* Figure re-stated excluding extreme values - result is N/A as all contributors in the category recorded no new sales this month.

LFL GIFT AID GROWTH	Retail chain size	Number of retailers/ individual stores	Total sales	Retail gift aided sales as a proportion of total sales of donated goods (gift aid conversion rate)		
				Average	Lowest	Highest
	Very Large	5/2,391	+6.23%	34.26%	19.94%	45.05%
Large	2/330	-15.36%	36.71%	34.36%	39.06%	
Medium	7/327	+6.22%	24.46%	12.08%	32.00%	

The changes in consumer and buying behaviours driven by the COVID-19 pandemic mean that E-commerce is now essential to the success of almost all businesses.

> Visit <https://www.bdo.co.uk/en-gb/industries/retail-and-wholesale/e-commerce-services>



This report has been produced in association with the Charity Retail Association (CRA). The CRA is the only membership body in the UK that represents the interests of charity retailers. We have more than 400 members, running more than 8,700 shops between them.

The CRA produce a separate Quarterly Market Analysis report and specialist reports (e.g. on volunteers, salaries, selling prices, sources of stock, rag prices, etc.); which provide detailed retail benchmarking data for charities of all sizes.

Please contact Irina Preda for further details: [irina@charityretail.org.uk](mailto:irina@charityretail.org.uk)

## MONTHLY LIKE-FOR-LIKE RESULTS - LAST SIX MONTHS\*

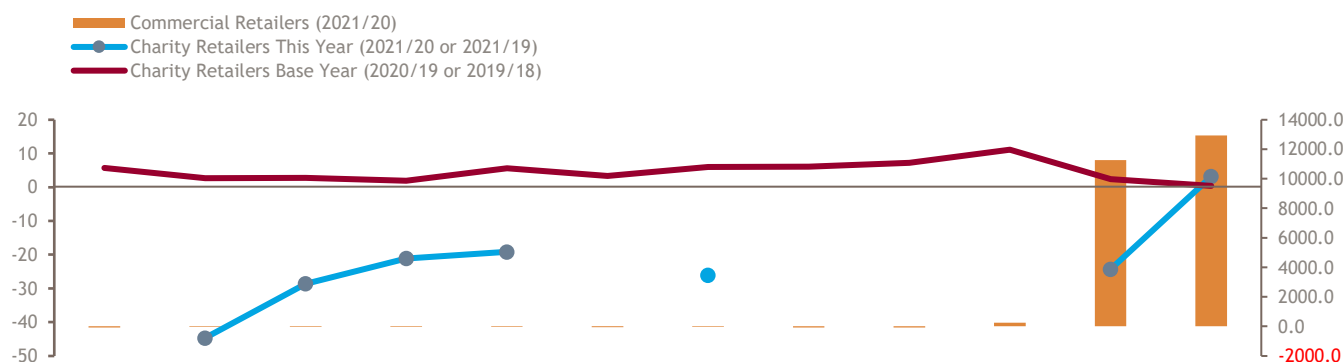
LFL Growth	Aug	Sep	Oct	Dec	Apr***	May
New Sales	-43.49%**	-40.07%**	-14.05%	-23.38%**	-0.82%**	-3.55%** (-18.39%)
Total Sales of Donated Goods	-28.10%	-20.90%	-19.51%	-27.26%	-24.39%	+3.29%
Gift aid Conversion Rate	29.58%	29.41%	32.31%	29.93%	28.13%	29.71%
Commercial High Street (stores)	-28.1%	-23.4%	-27.7%	-31.4%	+11,266.9%	+12,922%
Total Sales	-28.61%	-21.11%	-19.18%	-26.21%	-24.32%	+3.14%
<b>Population</b>						
No of retailers/Individual stores	13/2,796	12/2,663	13/3,180	11/2,814	14/3,015	14/3,048
- VL	4/2,009	4/2,165	5/2,443	5/2,449	5/2,462	5/2,391
- L	4/535	3/303	4/495	2/159	2/246	2/330
- M	5/252	5/195	4/242	4/206	7/307	7/327

\* Due to store closures triggered by COVID-19, data for November 2020 and January, February and March 2021 is unavailable.

\*\* Figure re-stated excluding extreme values. Figures incl. extreme value were +709% (Aug), +37% (Sep), -67% (Dec), +13.3% (Apr).

\*\*\* Results for April were based on a reduced trading period.

## ANNUAL MONTHLY ROLLING LIKE-FOR-LIKE RESULTS 2020: CHARITY VS. COMMERCIAL RETAILERS\*



This publication has been carefully prepared, but it has been written in general terms and should be seen as containing broad statements only. This publication should not be used or relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained in this publication without obtaining specific professional advice. Please contact BDO LLP to discuss these matters in the context of your particular circumstances. BDO LLP, its partners, employees and agents do not accept or assume any responsibility or duty of care in respect of any use of or reliance on this publication, and will deny any liability for any loss arising from any action taken or not taken or decision made by anyone in reliance on this publication or any part of it. Any use of this publication or reliance on it for any purpose or in any context is therefore at your own risk, without any right of recourse against BDO LLP or any of its partners, employees or agents.

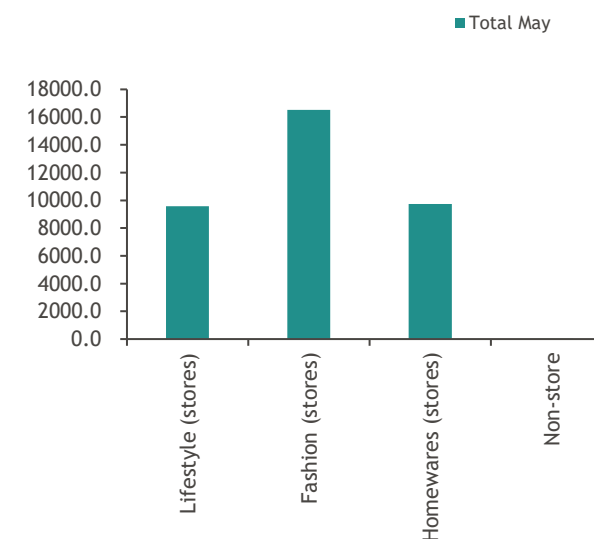
BDO LLP, a UK limited liability partnership registered in England and Wales under number OC305127, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. A list of members' names is open to inspection at our registered office, 55 Baker Street, London W1U 7EU. BDO LLP is authorised and regulated by the Financial Conduct Authority to conduct investment business.

BDO is the brand name of the BDO network and for each of the BDO member firms.

BDO Northern Ireland, a partnership formed in and under the laws of Northern Ireland, is licensed to operate within the international BDO network of independent member firms.

Copyright © May 2021 BDO LLP. All rights reserved. Published in the UK.

## BDO HIGH-STREET SALES TRACKER LIKE-FOR-LIKE RESULTS MAY 2021



### FURTHER INFORMATION:

**Zarine Manekshaw**  
Charity Retail Lead

zarine.manekshaw@bdo.co.uk  
+44 (0)207 893 2559

**Alistair Brisbane**  
Senior Research Analyst

Alistair.x.brisbourne@bdo.co.uk  
+44 (0)207 893 3259