MONTHLY REVIEW

BDO CHARITY RETAIL SALES TRACKER

SEPTEMBER 2021

CHARITY RETAILERS CONTINUE TO SEE AN IMPROVED SALES PERFORMANCE

CHARITY

+84.5% Total sales

September 2020: -21.1%

+85.6% Total sales of donated goods

September 2020: -20.9%

+79.8%* New sales

September 2020: -40.1%

34.0% Gift aid conversion rate

September 2020: 29.4%

* Figure re-stated excluding extreme values

COMMERCIAL

+29.1% Commercial high street sales*

September 2020: -23.4%

**Source: BDO High Street Sales Tracker
www.bdo.co.uk/high-street-sales-tracker

High: +30.9%
Low: +14.6%
High street footfall

2020: -31.2% / -41.4%

High: +6.5%
Low: +1.8%
Retail park footfall

2020: -9.3% / -12.4%

High: +18.0%
Low: +9.5%
Shopping centre footfall

2020: -28.8% / -34.2%

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

CHARITY AND COMMERCIAL RETAILERS

Charity retailers saw Total LFL sales increase by +84.5% in September, off a weak base of -21.1% in September 2020. This was generally driven by the sale of both new and donated goods. Large-sized charity retailers reported the strongest performance across all categories, with a particularly strong gift-aided donated sales performance.

Charity retailers continued to see an improved sales performance as customers return to shops, compounded by early Christmas card sales. Several charity retailers are already back in growth mode, opening new shops and making key people appointments to drive strategic initiatives. Staffing levels remained the main challenge, while the weather also proved to be slightly more problematic.

On the commercial high street however, the spike in consumer spending over the summer appears to be slowing with recent evidence of a shift towards social spending and services. The decline has been limited thus far, however with retail sales across clothing stores stuck below pre-pandemic levels, according to the ONS, the outlook may be more concerning. Discretionary spending has faced relatively few hurdles since the re-opening; however, the autumn is likely to present some challenges. Consumer resilience will be tested by rising energy prices, taxes, the ending of furlough and the threat of higher costs leeching into a broader range of consumer goods. Recent reports already suggest that levels of concern are ramping up amongst shoppers. For retailers, the supply chain issues that have already contributed to lower-than-average stock levels for this time of year are also likely to persist over coming months. This could mean less scope for discounting as we enter the golden quarter as retailers struggle to re-stock, facing higher costs and unpredictable demand.

INDIVIDUAL CHARITY'S LIKE-FOR-LIKE GROWTH (SEPTEMBER 2021)

VERY LARGE CHARITIES (301+ SHOPS)

Charity	Total sales	Total sales of donated goods	New sales	Gift aid conversion rate	Comments
F	+33.06%	+34.58%	+18.30%	39.53%	Note that dates for the sales reported do not match the calendar month.
BB	+29.30%	+31.53%	+14.82%	28.89%	Note that dates for the sales reported do not match the calendar month.
C	+27.52%	+25.09%	+61.05%	36.99%	
B	+16.28%	+16.75%	+8.57%	31.27%	Note that dates for the sales reported do not match the calendar month.

LARGE CHARITIES (101-300 SHOPS)

Charity	Total sales	Total sales of donated goods	New sales	Gift aid conversion rate	Comments
L	+473.83%	+485.40%	+125.87%	38.82%	This month's highlight was ASP (average selling prices) which continue to outperform the prior year. Challenges this month were staffing levels, footfall, and the weather. Note that dates for the sales reported do not match the calendar month.
W	+258.76%	+262.48%	+224.68%	22.38%	
I	+108.80%	+105.67%	+229.49%	33.91%	
A	+40.99%	+45.94%	+13.41%	47.52%	This month's highlight was an overall strong performance.
T	+19.53%	+21.70%	-27.20%	16.77%	

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 September 2021 figures. Due to COVID-19-related closures, category classification has changed for some retailers.

INDIVIDUAL CHARITY'S LIKE-FOR-LIKE GROWTH (SEPTEMBER 2021)

MEDIUM CHARITIES (21-100 SHOPS)	Charity	Total sales	Total sales of donated goods	New sales	Gift aid conversion rate	Comments
	U	+98.49%	+94.16%	+232.70%	32.42%	This month's highlight was the opening of a new shop. Note that dates for the sales reported do not match the calendar month.
	O	+50.54%	+51.84%	-26.09%	26.43%	This month's challenge was staffing levels. Note that dates for the sales reported do not match the calendar month.
	N	+49.11%	+48.06%	+84.98%	33.78%	This month's challenge was staffing levels.
	AA	+33.86%	+32.26%	+73.22%	29.35%	This month's highlight was the sale of Christmas card, while staffing levels were a challenge.
	E	+25.86%	+25.78%	+83.82%	67.89%	
	S	+2.40%	+2.44%	-84.36%	23.88%	

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 September 2021 figures. Due to COVID-19-related closures, category classification has changed for some retailers.

KEY CHALLENGES THIS MONTH

- Staffing/volunteer levels
- Footfall
- Weather

HIGHLIGHTS THIS MONTH

- Overall strong sales performance
- Christmas card sales
- Growth initiatives

"Charity retailers continue to see an improved sales performance as customers return to shops, compounded by early Christmas cards sales."

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	+26.54%	+26.99%	+25.69%	34.17%
Large	+200.72%	+204.26%	+109.39%	29.83%
Medium	+70.00%	+70.37%	+98.10%* (+75.29%)	35.46%

* Figure re-stated excluding extreme values.

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	4/2,247	+26.54%	34.17%	28.89%	39.53%
Large	3/464	+200.72%	29.83%	16.77%	38.82%
Medium	8/473	+70.00%	35.46%	22.38%	67.89%

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 nearly 450 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.

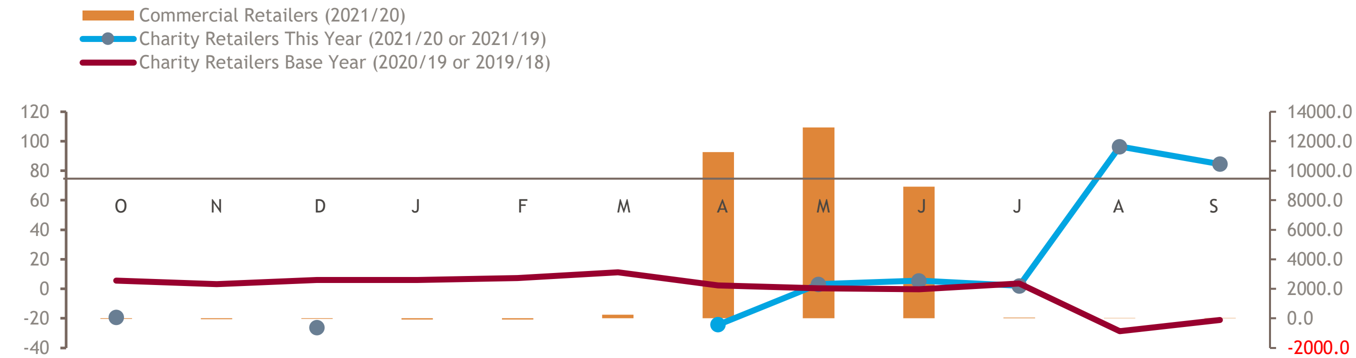
Please contact mail@charityretail.org.uk for further details.

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

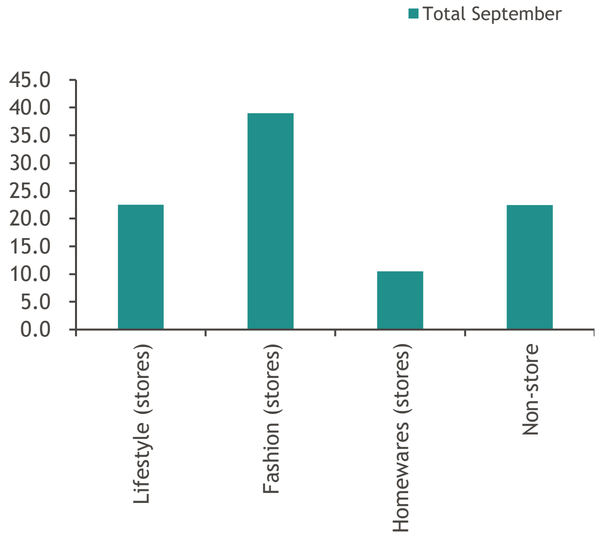
LFL Growth	Apr***	May	Jun	Jul	Aug	Sep
New Sales	-0.82%**	-3.55%**	+5.9%**	-6.98%**	+41.11%**	+79.83%** (+68.89%)
Total Sales of Donated Goods	-24.39%	+3.29%	+5.66%	+2.45%	+83.47%	+85.58%
Gift aid Conversion Rate	28.13%	29.71%	26.35%	30.59%	34.61%	33.99%
Commercial High Street (stores)	+11,266.9%	+12,922%	+8,923.0%	+54.0%	+35.7%	+29.1
Total Sales	-24.32%	+3.14%	+5.49%	+2.05%	+96.40%	+84.55%
Population						
No of retailers/Individual stores	14/3,015	14/3,048	13/3,067	18/3,202	15/2,355	15/3,184
- VL	5/2,462	5/2,391	2/2,180	3/2,205	3/1,549	4/2,247
- L	2/246	2/330	4/563	5/667	2/331	3/464
- M	7/307	7/327	7/324	10/330	10/475	8/473

* Due to store closures triggered by COVID-19 in 2020, LFLs for April, May, June and July 2021 use 2019 as a base year.
** Figure re-stated excluding extreme values. Figures incl. extreme value: +13% (Apr), -18% (May), +928% (Jun), -17% (Jul), +1,506% (Aug)
*** Results for April were based on a reduced trading period.

ANNUAL MONTHLY ROLLING LIKE-FOR-LIKE RESULTS 2021: CHARITY VS. COMMERCIAL RETAILERS



BDO HIGH-STREET SALES TRACKER LIKE-FOR-LIKE RESULTS SEPTEMBER 2021



FURTHER INFORMATION:

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