



---

# FESTIVE FAQs

## 2017



---

**THE BRC IS THE GO-TO  
TRADE ASSOCIATION  
FOR ALL UK RETAILERS,  
DELIGHTING OUR  
MEMBERS, PROMOTING  
THE STORY OF RETAIL,  
SHAPING DEBATES AND  
INFLUENCING THE ISSUES  
AND OPPORTUNITIES  
THAT MATTER TO  
THE INDUSTRY.**



---

## CONTENTS

<b>SUMMARY OF KEY FACTS</b>	<b>04</b>
How important is Christmas to the retail industry?	04
How much will be spent this year?	05
Where will this spending go?	05
How far will the £'s stretch?	06
How busy will the shops be?	06
What will be popular this Christmas?	06
Will snow disrupt play?	07
Is Christmas starting earlier, or is it just me?	07
When will the January sales start?	07
How is retail employment affected by the Christmas rush?	07
How much do retailers contribute to charity?	07
Case study	08
Key dates for your diary	12
Further information	15

## SUMMARY OF KEY FACTS

 <p><b>10 MILLION:</b> THE NUMBER OF TURKEYS COOKED IN THE UK EVERY YEAR</p>	 <p><b>45%:</b> THE PROPORTION OF ALL GREETINGS CARDS SENT ANNUALLY THAT ARE CHRISTMAS RELATED</p>	 <p><b>16:</b> THE AVERAGE NUMBER OF CHRISTMAS PRESENTS A UK CHILD RECEIVES</p>
 <p><b>38%</b> OF TOY PURCHASES IN THE UK ARE MADE ONLINE AND A THIRD (34%) OF ANNUAL SPENDING ON TOYS IS AT CHRISTMAS</p>	 <p><b>6.8 MILLION:</b> THE NUMBER OF IOS AND ANDROID DEVICES THAT WILL BE ACTIVATED ON CHRISTMAS DAY</p>	 <p><b>83 KM<sup>2</sup>:</b> THE AMOUNT OF WRAPPING PAPER SOLD IN THE UK EVERY CHRISTMAS</p>

## FAQS

### HOW IMPORTANT IS CHRISTMAS TO THE RETAIL INDUSTRY?

Thanks to all the festivities that occur during Christmas time, December is the biggest month of the year for retailers in the UK. According to the ONS Retail Sales Index, last year over £43 billion was spent in December, accounting for 12.5 per cent of the year's sales. This was an increase of 6.8 per cent on the ONS figures from December 2015, and retailers will be hoping that the UK's shoppers will be spending even more this year. December is particularly critical for non-food retailers, even more so due to the gifts purchased for friends and family at this time of year.

### RELATIVE MONTHLY SPENDING

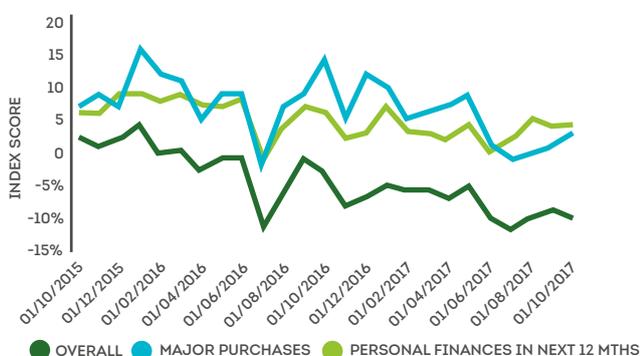
	MONTH AS A % OF TOTAL RETAIL SALES IN 2016
JAN	6.8
FEB	6.9
MAR	8.9
APR	7.2
MAY	7.5
JUN	9.2
JUL	7.6
AUG	7.3
SEP	9.3
OCT	7.9
NOV	8.8
DEC	12.5

## HOW MUCH WILL BE SPENT THIS YEAR?

According to our [BRC-KPMG Retail Sales Monitor](#), sales growth this year has averaged 1.5 per cent, higher than the 1.1 per cent in 2016. However, inflation has been a significant factor in sales growth this year, particularly for food. A higher proportion of spending on food will eat into money available to purchase other items, and given that wages are not keeping pace with inflation, Christmas is not likely to outperform last year by much.

According to the GfK Consumer Confidence Index, shoppers' confidence has fallen over this year. However, there has been an uptick in consumers' confidence in purchasing big ticket items, suggesting that while shoppers are nervous about the wider economic environment, they are not so concerned about their personal situation. That could mean a bit of extra joy on Christmas morning from those opening more luxurious presents than they were expecting.

## CONSUMER CONFIDENCE



Source: GfK Consumer Confidence Index

According to research conducted by VoucherCodes.co.uk and the Centre for Retail Research, British families will spend an average of £821.25 on Christmas this year. This includes gifts, food and drink and decorations, with gifts taking up £244 per adult. This would be an increase of 1.3 per cent on last year, where the same survey predicted a spend of £809.97. They also showed how our appetite for these festivities compare to our European neighbours, as we are predicted to spend 54 per cent more than the EU average of £532.

## WHERE WILL THIS SPENDING GO?

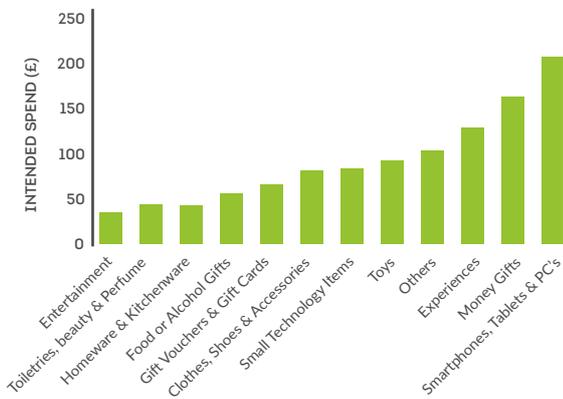
Last December, food sales made up around 44 per cent of the total months spend, however with the onset of food price inflation, we would expect this figure to be even larger this year.

When it comes to non-food items, which play an important role in online sales, we have measured online sales at around 22 per cent of total sales so far this year. In the run up to Christmas last year, this expanded to over 27 per cent in November and over 24 per cent in December. We expect the pattern to continue as the more organised among us take advantage of the Black Friday sales that are becoming more prevalent with every passing year.

Although Black Friday is a day of discounts both online and in-store, when it comes to online sales it has outgrown Cyber Monday in recent years, even though the latter is a purely online discounting day. According to Hitwise, last year's Black Friday saw over 243 million visits to retail websites compared to 181 million visits on Cyber Monday. Cyber Monday is, though, still a significant draw for consumers looking for online bargains, as the average before this period was 108 million visits. Our [BRC-Hitwise Digital Retail Insight report](#) provides more detailed analysis on last Christmas' online retail browsing activity.

This year's ICM poll on consumers' intended spending for Christmas showed that smartphones, tablets and PCs are likely to top the list of spending on gifts this Christmas, which is no surprise given the price tags associated with these tech items. Giving money as a gift will also be a popular option this year, although this may be a symptom of people lacking in inspiration before the Christmas advertising cycle takes full effect.

## SHOPPERS INTENDED SPENDING OVER CHRISTMAS

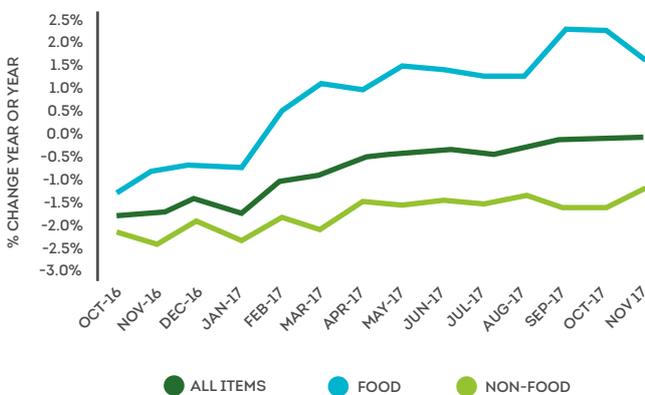


Source: ICM

## HOW FAR WILL THE £'S STRETCH?

In 2016, prices faced high deflation relative to where they are this Christmas. However, this is not affecting all categories equally, as our [BRC-Nielsen Shop Price Index](#) shows, food prices have seen consistent inflation since February. This will affect the volume of mince pies and Brussels sprouts we are able to consume this year. It is a very different story for non-food items though, as deflation has persisted throughout the year. However, our sample is weighted more towards basic goods than used by the ONS, so when buying Christmas gifts consumers are likely to see price increases in stores.

## SHOP PRICE INFLATION

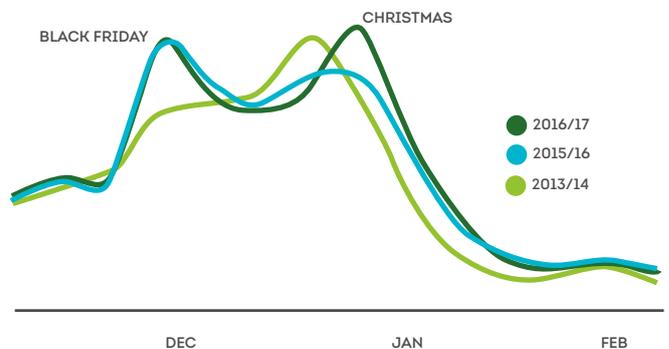


Source: BRC-Nielsen Shop Price Index

## HOW BUSY WILL THE SHOPS BE?

As the more traditional (or least organised) shoppers will testify, the weekend before Christmas is generally very busy when visiting retailers, not just for food shopping and we don't expect anything different this year. However, in recent times the pattern of overall spending has shifted due to the advent of the Black Friday sales, with a separate peak of shopping activity occurring during the last weekend of November, although most of this is expected to be online.

## SPENDING PATTERNS OVER THE FESTIVE PERIOD



Source: BRC-KPMG Retail Sales Monitor

Over the three months to November, our [BRC-Springboard Footfall Monitor](#) has shown a 1 per cent decline for shops in the UK. However, this has not been evenly distributed among all shopping destinations. Although the High Street and Shopping Centres have seen the number of shoppers dwindle, with -1.2 per cent and -1.7 per cent respectively, Retail Parks have bucked the trend with year on year growth of 0.6 per cent. As Christmas Eve fell on a Saturday last year, the last minute rush was particularly pronounced and given that this year the whole weekend will arrive just before Christmas Day, we expect a similar level of in-store activity this time around.

## WHAT WILL BE POPULAR THIS CHRISTMAS?

Last December, the categories: Toys & Baby Equipment, Home Accessories and Health & Beauty enjoyed the highest year on year growth according to our [BRC-KPMG Retail Sales Monitor](#). As these categories encapsulate the traditional gifts purchased for friends and family at Christmas, this year we expect these categories to prove popular for shoppers once more.

---

### WILL SNOW DISRUPT PLAY?

Modern retail logistics has changed significantly in part due to the prevalence of online shopping. As consumers' expectations have become more demanding in terms of next day deliveries, retailers have upped their game to account for even the most treacherous conditions. So even if there is a white Christmas this year (the bookmakers Betfair have odds of a white Christmas in London at 4/1 this year, as of 15th November 2017), retailers' contingency plans will minimise the disruptions to shoppers.

### IS CHRISTMAS STARTING EARLIER, OR IS IT JUST ME?

Although it may feel to some that retailers start rolling out their Christmas products earlier and earlier every year, many aspects of Christmas in retail are fixed.

The unveiling of department store Christmas window dressings is a sign to many shoppers of the beginning of Christmas, which in London are timed to precede the switching on of the Christmas lights on their streets, usually in the first weeks of November. Retailers' Christmas advertising campaigns, particularly on TV, begin on (or around) the 1st November with some retailers building up to their release with some 'blipverts' (five second adverts) that tease their arrival a week or so in advance. However, some retailers do not release them that early so not to diminish the impact of other events, such as Armistice Day.

### WHEN WILL THE JANUARY SALES START?

Traditionally, the January sales begin (in true British fashion) on December 26th, with department store and shopping centre visits a key part of many households' Christmas festivities on this day.

### HOW IS RETAIL EMPLOYMENT AFFECTED BY THE CHRISTMAS RUSH?

As Christmas is the busiest time of the year for retailers, they will increase front line employee numbers to manage this extra demand and provide the services necessary to make this time of year as enjoyable as possible for the UK. However, there has been a downward trend in employment in retail, owing to structural change in the industry and total numbers working over Christmas are likely to be lower this year.

### HOW MUCH DO RETAILERS CONTRIBUTE TO CHARITY?

According to the Charities Aid Foundation, consumer goods companies of the FTSE 100 gave just under £100 million per year during the period from 2009 to 2014. Although this is spread throughout the year, Christmas giving remains a priority for many retailers, with many donating money, food and other stock to a variety of charities over the festive period. The SRC's research last Christmas showed Scottish retailers donated £10m to charity in 2016.





---

## CASE STUDY // TESCO FOOD COLLECTION

**Ahead of Christmas Tesco has held its tenth annual Food Collection, collecting long-life food for leading food charities FareShare and The Trussell Trust.**

The collection took place at Tesco stores throughout the UK, with collection points open at Express stores from November 20 to December 2 and large Tesco stores from November 30 to December 2.

Tesco is topping up the value of the food donated by the public by 20 percent, providing additional funds to support the charities in their work this Christmas.

During the collection in larger stores volunteers from the charities greet customers with a list of items that are most badly needed, with shoppers encouraged to pick up items to donate at the end of their shop.

More than 43 million meals have been donated to the food charities by Tesco customers since the scheme began, and more than three million meals were collected throughout the last collection.

Samantha Stapley, Operations Manager for The Trussell Trust said: "During every Food Collection we've been humbled by the staggering generosity of Tesco customers, store colleagues and volunteers."

Tesco's Head of Community Alec Brown added: "Tesco Food Collection scheme is the UK's biggest Christmas food collection, with more than three million meals-worth of food collected last year. "We know that the items that our customers donate can make a real difference to people who really need that little bit of extra help this year - whether it is a food parcel for someone at a time of crisis, or a hot meal which means that a vulnerable person does not feel lonely and isolated this Christmas."

The Christmas Food Collection is not the only way that Tesco helps to support people in need of food. The supermarket is making £1 donation split between the two food charities from the sale of fresh turkeys this Christmas, and its clothing arm F&F is making a similar donation for every novelty Christmas

'hat with a heart' sold in store or online.

The supermarket also operates permanent food collection points at 600 stores throughout the year, and through its work with FareShare has donated more than 16 million meals to charities and community groups through its surplus food redistribution scheme Community Food Connection.

Lindsay Boswell, CEO at FareShare said:

---

**"FOR CHARITIES DOING THEIR BEST TO FEED SOME OF THE MOST VULNERABLE OVER THE CHRISTMAS PERIOD, THESE DONATIONS MAKE A HUGE DIFFERENCE."**

---



R  
T  
and the value  
you  
for options  
TRACE  
you need to  
FULLY  
S

HELLO I'M  
**JOSH**  
MANAGER  
Here to help

Argos

HERE TO HELP

Argos



---

## CASE STUDY // JOSH CANTRELL - ARGOS

**Josh Cantrell joined Argos as a Christmas temp when he was 16 at his local store in Longton.**

Josh had always wanted to work at Argos, as a child he dreamed of working for the business and wanted to gain some work experience alongside his studies to help him gain employment in the future.

After joining the Argos team on a temporary Christmas contract, Josh was made permanent the following February. Since then he has been able to climb the career ladder at Argos.

Josh said:

---

**"I WAS DELIGHTED TO BE MADE PERMANENT, I KNOW IT'S NOT ALWAYS A GUARANTEE AND I WAS SO NERVOUS GOING INTO THE MEETING WITH MY MANAGER. I HAD REALLY ENJOYED MY TIME OVER CHRISTMAS AND WAS REALLY HAPPY I GOT A CHANCE TO CARRY ON MY EXPERIENCE AT ARGOS."**

---

Josh was at Longton for two years when an opportunity arose to join the management progression training programme, which is readily available for all levels in store. It is an intense training course, helping to develop colleagues' skills and confidence. This led to Josh taking on the role of

'Makeshift Team Leader' looking after the new Fast Track Collection proposition, which then enabled him to be promoted to his current position as Operations Manager.

In June this year, he took on the additional role of Regional Financial Services Champion.

---

**"ARGOS OFFERS SO MANY PROGRESSION OPPORTUNITIES AND THERE ARE ALWAYS WAYS TO DEVELOP AND GET INVOLVED. FOR ME, RETAIL IS THE PERFECT CAREER AS EVERY DAY IS DIFFERENT AND IT OFFERS LOTS OF EXCITING CHALLENGES. THE BEST BIT ABOUT WORKING AT ARGOS IS KNOWING THAT THROUGHOUT THE BUSY PERIODS, YOU ARE HELPING AROUND HUNDREDS OF CUSTOMERS AND REALLY MAKING A DIFFERENCE."**

---

## KEY DATES FOR YOUR DIARY

### DECEMBER 2017

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
3	4	5 BRC-KPMG Retail Sales Monitor (November)	6	7 BRC-Hitwise Digital Retail Insight (November)	8	9
10	11 BRC-Springboard Footfall and Vacancies Monitor (November)	12 ONS Consumer & Producer Price Inflation (November)	13 SRC-KPMG Scottish Retail Sales Monitor (November) & ONS UK Labour Market Statistics (December)	14 ONS Retail Sales (November)	15	16
17	18	19	20	21	22 BRC OFFICE CLOSES UNTIL 2ND JANUARY	23
24	25 CHRISTMAS DAY 	26 BOXING DAY - JANUARY SALES BEGIN	27	28	29	30
31 GfK Consumer Confidence Index (December)						

## JANUARY 2018

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
	1 NEW YEAR'S DAY	2 BRC OFFICE REOPENS	3	4 Bank of England Money & Credit (November)	5 BRC-Nielsen Shop Price Index (December)	6
8	8	9 BRC-KPMG Retail Sales Monitor (December)	10	11	12 BRC-Hitwise Digital Retail Insight (December)	13
14	15 BRC-Springboard Footfall & Vacancies Monitor (December)	16 ONS Consumer & Producer Price Inflation (December)	17 SRC-KPMG Scottish Retail Sales Monitor (December)	18 BRC Quarterly Trends Analysis (Q4 2017)	19 ONS Retail Sales (December)	20
21	22	23	24 ONS UK Labour Market Statistics (January)	25 BRC Retail Employment Monitor (Q4 2017)	26	27
28	29	30 Bank of England Money & Credit (December)	31 BRC Economic Briefing report (December) & BRC-Nielsen Shop Price Index (December) & GfK Consumer Confidence Index (January)			



---

## FURTHER INFORMATION

### WHAT WE CAN GIVE YOU GOING FORWARD

Over the Christmas period you can get our most up-to-date statistics and commentary on our Twitter accounts.

Follow us at [@the\\_brc](#).



### BRC MEDIA ENQUIRIES

T: 020 7854 8924

E: [media@brc.org.uk](mailto:media@brc.org.uk)

M: 07557 747 269 (Out of office hours)



### WHERE TO FIND SALES FIGURES FOR CHRISTMAS 2017

The BRC office is closed from 22nd December until 2nd January and our detailed report on December's retail sales will be released on 9th January, which will include year on year spending patterns by category. Prior to this, the Centre for Retail Research may be able to help in this regard.

### WHERE TO FIND INFORMATION ON LENDING LEVELS OVER CHRISTMAS

The Bank of England publishes monthly data on lending levels to individuals that is broken down by type of credit, which for December is due to be released on 30th January. Alternatively contact the Finance and Leasing Association who are a trade body for the consumer finance sector, for information on storecards, or the UK Giftcards and Vouchers Association for statistics on giftcards and vouchers.

### LOOKING FOR COMMENTARY ON INDIVIDUAL RETAILERS

As a member organisation we cannot comment on individual companies, therefore retail analysts should be contacted directly.

### REGIONAL BREAKDOWNS FOR SALES INFORMATION

Our Scottish Retail Sales Monitor covering December will be released on 17th January, which breaks down retail sales performance by category. We also publish a monthly regional breakdown of retail footfall across the High Street, Shopping Centres and Retail Parks, which for December will be released on 15th January. For more locally focused sales data, we recommend contacting local retailers directly.

### INFORMATION ON LEVELS OF CRIME IN RETAIL

Our 2017 Retail Crime Survey is due to be released in February, which will go into detail regarding the costs and prevalence of retail crime. However, if you require Christmas specific information, we recommend contacting the Centre for Retail Research.



**BRITISH RETAIL CONSORTIUM**

2 London Bridge, London SE1 9RA  
+44 (0)20 7854 8900 | [info@brc.org.uk](mailto:info@brc.org.uk) | [brc.org.uk](http://brc.org.uk)

British Retail Consortium - a company limited by guarantee  
Registered in England and Wales No. 405720

---