

# Ashdale Insights

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## Useful tips

*This month we ask can the way that an operator deals with tips be a big turn-off for staff and customers?*

Working in a restaurant or bar in one capacity or another is something many of us have experienced at some point in our lives. For me it started in a small wine bar in the town I lived in when I was 17/18. My duties included cooking in the kitchen, although mainly reheating pre-cooked meals in a microwave, serving tables and from time to time serving drinks from behind the bar. As there were usually only a couple of us working most of the time, it was generally agreed that any tips which were received would be shared equally at the end of each session. This also helped balance off the fact that there were no set rules in terms of who served the food and cleared the tables – it depended on how busy we were.

It wasn't until I started to work in other outlets



that I realised that this was not the way things normally worked. This was made very real for me when after working quite a long shift in one particular restaurant albeit behind the scenes. I discovered that tips received were kept by the individual waiting staff who worked which ever table it was who left a tip.

Over the last few years I have heard similar stories from both front and back of house team members who have questioned why it seemed that only those waiting on tables were the ones to benefit from this additional boost to their pay.

So is this fair?

### The tipping point

Although there will be exceptions, in this country tips are often seen as an added bonus, particularly in more casual dining outlets and pubs. Contrast this to America where tips form a very important part of what an individual can and is expected to earn during any shift. Talking with friends and colleagues, there is also quite a varied view on where or when a tip is appropriate.

**To read this in full and previous articles go to Ashdale Articles**

[www.ashdale-consulting.com](http://www.ashdale-consulting.com)

**The largest downward contribution came from housing and household services, principally electricity and gas**

**Tesco was the only retailer to increase its promotional activity year-on-year, with 29p vegetables for example**

**Family spending increased by +5.8%, this is the strongest annual growth rate since August 2016**

## Economic Headlines

*These headlines are from our Economic Bulletin.*

CPI for December 2018 was +2.1% down on +2.3% in November, this is its lowest level in almost 2 years, helped by falling oil prices.

Latest figures from the ONS show that unemployment fell to 4.0%, the lowest level

since February 1975, as the number of people in work reached a record high.

The estimate for GDP for the 3-months to November 2018 was +0.3%, driven by Construction and Service industries off-setting contraction in Production.

CPI	+2.1%
RPI	+2.7%
CPIH	+2.0%

UNEMPLOYMENT	+4.0%
PAY	+3.4%

Q3 GDP	+0.3%
TRADE BALANCE	(£7.9BN)
SERVICES	+£26.73BN

## Retail Headlines

*These headlines are from our Retail Bulletin.*

Retail sales rose +3.0% in December 2018 vs. December 2017, down versus November after consumers brought forward their Christmas shopping.

Although all the major retail sectors saw growth this month a number of

retailers reported a fall in sales over the Christmas period, notably M&S and Debenhams.

Latest 12 week figures saw the Grocery Market grow by +1.6%, its slowest rate since March 2017, however it still saw average December households grocery bills of £383.

RETAIL VOLUMES	+3.0%
RETAIL VALUES	+3.7%
INTERNET SALES	+13.9%

GROCERY MARKET	+1.3%
GROCERY INFLATION	+1.9%

Aldi	+10.4%
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## Consumer Spending Headlines

*These headlines are from our Consumer Spending Bulletin.*

Average family spending power was up £11 a week in December at £207, as wage growth continues to increase faster than headline inflation (+3.3% vs +2.1%).

The estimated average mortgage debt in

November was £128,062, meaning the average annual interest paid would be £3,202 per household (based on a rate of 2.5%).

GfK's UK Consumer Confidence Index was (14) in January flat compared to December, five points lower than this time last year.

HOUSEHOLD INCOME	£799
TAXES & COST OF LIVING	£592
DISCRETIONARY	£207

HOUSEHOLD DEBT	£58,948
EXC MORTGAGES	£7,854

Overall Confidence	(14)
LY Personal Finances	+0
NY Personal Finances	+1

## Beer Update

Latest data from the British Beer & Pub Association shows that beer sales in Q4 2018 were up +3.1% on the same quarter a year ago.

The growth was driven by sales through Supermarkets & Convenience Stores although sales through Pubs, Bars & Restaurants also grew.

Sales through Pubs, Bars & Restaurants in the UK in Q4 were up +2.2%. This compares to growth of +0.9% in Q3 this year and a decline of (2.3%) in Q4 in 2017.

Sales through Supermarkets & Convenience Stores in the UK in Q4 were up +3.8% compared to the same quarter last year.

This compares to an increase of +7.6% in Q3 and growth of +3.6% in Q4 in 2017.

Total sales on a MAT basis are up +2.6%.

Source: BBPA January 2019



***This is the third year out of the last 5 which has finished in growth over the previous year***

## Supermarket Update

Latest 12 week figures saw the Grocery Market grow by +1.6%, its slowest rate since March 2017, however it still saw average December households grocery bills of £383.

Grocery inflation is +1.3% for the 12 week period ending 30<sup>th</sup> December 2018.

Tesco was the only retailer to increase its promotional activity year-on-year, with 29p vegetables for example.

Co-op was the only retailer to beat its 2017 growth rate, up +3.2%, as they continue to gain market share.

Lidl again performed well with growth being driven

by the sale of branded products and its 'Deluxe' range.

Tesco has announced it will close food counters in 90 of its stores as part of a wider cost-cutting plan that will affect 9,000 staff.



***Tesco also confirmed it will no longer offer a hot food service at its canteens and that head office staff will be cut***

## Weather Summaries

For more months and years then simply go to:

[www.ashdale-consulting.com](http://www.ashdale-consulting.com)

DECEMBER		
MILD	DRY	Temp = +1.9
COLD		Rain = 99
		Sun = 92
<ul style="list-style-type: none"> <li>Starting mild, then much colder before becoming mild again</li> <li>Slightly warmer than average but with less sunshine</li> </ul>		

JANUARY		
DRY		Temp = +0.0
COLD		Rain = 52
		Sun = 101
<ul style="list-style-type: none"> <li>Dry &amp; mild start, becoming colder with some frost &amp; snow</li> <li>9<sup>th</sup> driest January since 1910 and driest since 2006</li> </ul>		

***Frost and snow were quite widespread between the 17<sup>th</sup> and 23<sup>rd</sup> of January, and more especially during the last few days of the month***

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## Helping clients...

**Sell More**  
**Charge More**  
**Lower Costs**

## About Ashdale Business Consulting

I help my clients **sell more, charge more** and **lower costs**.

Having been a client myself I understand you always have **more things which need doing** than you ever have time for. Sometimes you also need **additional skills or experience** to complement those already in your organisation.

### Sound familiar?

That's where help. I provide an independent flexible resource to draw from on just those occasions. I work across a range of different industry sectors providing **analysis, insight** and **strategic thinking**, however I specialise in helping the UK alcohol and hospitality sector.

Clients range from **individual outlets** and **microbrewers** through to **regional/national brewers**, as well as **global drinks companies** and **trade organisations**.

For more information go to my website:

[www.ashdale-consulting.com](http://www.ashdale-consulting.com)

## Dates and Events for Your Diary

### General

#### February

2<sup>nd</sup> Groundhog Day (USA)  
5<sup>th</sup> Chinese New Year (Pig)  
14<sup>th</sup> Valentine's Day

#### March

1<sup>st</sup> St David's Day  
5<sup>th</sup> Shrove Tuesday  
17<sup>th</sup> St Patrick's Day  
29<sup>th</sup> Brexit  
31<sup>st</sup> Mother's Day  
31<sup>st</sup> Clocks Go Back

### Licensed Trade

#### February

5<sup>th</sup>-6<sup>th</sup> Pub 19  
20<sup>th</sup> National Burger Awards  
21<sup>st</sup>-23<sup>rd</sup> Craft Beer Rising  
27<sup>th</sup>-28<sup>th</sup> Casual Dinning Show

#### March

13<sup>th</sup>-14<sup>th</sup> Beer X (SIBA)

### Sports

#### February

3<sup>rd</sup> Super Bowl (USA)  
12<sup>th</sup> – 13<sup>th</sup> Champ League last 16  
24<sup>th</sup> League Cup Final (Lnd)

#### March

17<sup>th</sup> Grand Prix (Aus)  
31<sup>st</sup> Grand Prix (Bahrain)

## Ashdale Training Dates

### Helping Pubs & Bars Make More Money

Next Open Workshops – 2019

For more information [click here](#).

20<sup>th</sup> February

6<sup>th</sup> March

