

# Ashdale Insights

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## Every Day Is A School Day

*This month we ask do operators invest as much time in training their teams as they should?*

Over the last few years I have delivered a number of lectures and run various other training workshops. Some have been specifically aimed at those working in the hospitality industry whilst others have been more around general Marketing principals. In most instances I am usually blown away by the enthusiasm of those attending and with very few exceptions I also come away having learnt something new as well as hopefully sharing my own experiences and knowledge with those attending.

Perhaps as impressive are the managers and business owners who have had the foresight to recognise that helping their employees to develop is more about investment than cost.

In these situations I am often reminded of the supposedly quoted conversation between



two company managers “What happens if we train them and they leave? Yes, but what happens if we don’t and they stay?” Whilst it has become a bit of a cliché the sentiment is definitely true. Along similar lines Richard Branson famously penned the following in 2014 “Train people well enough so they can leave, treat them well enough, so they don’t want to”.

Wise words but from a practical point of view what does it mean for operators running restaurants, bars etc.?

### **Not just about ticking boxes...**

For anyone familiar with working in a pub or a restaurant there are a number of things these days which are all but mandatory. Depending on exact roles these may include being up to speed on Health & Safety, Food Hygiene through to more specific training around Cellar Management.

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

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

**Unemployment remains at a 40 year low as wage growth rises higher than expected**

**Both Aldi and Lidl continued to perform strongly with growth coming from household brand names**

**With less than 200 days before Brexit the consumer mood dropped a couple of notches**

## Economic Headlines

*These headlines are from our Economic Bulletin.*

CPI for August 2018 was +2.7% up on +2.5% in July, this is the highest level it has been in six months, driven in part by increasing fuel prices.

Latest figures from the ONS show that unemployment remained at 4.0%, as wages saw

faster than expected growth in the three months to July.

The 2nd estimate for GDP for the 3 months to June 2018 remained at +0.4%, although this is expected to rise in July/August boosted by the good summer weather.

CPI	+2.7%
RPI	+3.5%
CPIH	+2.4%

UNEMPLOYMENT	+4.0%
PAY	+2.6%

APR - JUN GDP	+0.4%
TRADE BALANCE	(£3.4BN)
SERVICES	+£29.20BN

## Retail Headlines

*These headlines are from our Retail Bulletin.*

Retail sales rose +3.3% in August 2018 vs. August 2017, which was stronger than expected helped by sales through both non-food and household goods shops.

The figures for the month of August were a little more mixed, with food

sales falling after strong sales earlier in the summer and clothing sales declining.

Latest 12 week figures saw the Grocery Market grow by +3.8%, with Supermarkets' convenience format stores benefitted from shoppers staying close to home.

RETAIL VOLUMES	+3.3%
RETAIL VALUES	+5.6%
INTERNET SALES	+14.2%

GROCERY MARKET	+3.8%
GROCERY INFLATION	+2.0%

**Aldi +13.9%**

## Consumer Spending Headlines

*These headlines are from our Consumer Spending Bulletin.*

Average family spending power was up £4 a week in August at £203, this has to be seen with a degree of caution as inflation has jumped to a 6 month high.

The estimated average mortgage debt in July was

£124,506, meaning the average annual interest paid would be £3,063 per household (based on a rate of 2.46%).

GfK's UK Consumer Confidence Index was (9) in September down (2) compared to August, as consumers mood slips as the Brexit clock counts down.

HOUSEHOLD INCOME	£791
TAXES & COST OF LIVING	£588
DISCRETIONARY	£203

HOUSEHOLD DEBT	£58,658
EXC MORTGAGES	£7,848

Overall Confidence	(9)
LY Personal Finances	+1
NY Personal Finances	+5

## Wine Update

Latest data from the HMRC shows that still wine returns for June 2018 were up +3.2% versus June the previous year.

This combined with April up +13.0% and May down (1.4%) meant that Q2 was up +4.8% vs. 2017.

This means that the current MAT is up slightly

at +0.4% vs. this time last year.

Sales of sparkling wines in June were up +8.0%, reversing the trends of recent months.

Combined with decreases in April of (0.9%) and (4.0%) in May meant Q2 finished up +1.1% vs. 2017.

This means that the

current MAT is only seeing growth of +1.0%.

Significantly lower than we have seen over recent years.

Source: HMRC August 2018



***Wine clearly benefited from the great weather we saw in June, particularly sparkling wine***

## Pub & Bar Update

Over half of all student consumers enjoy an alcoholic drink at least once a week, with 35% drinking three to four times a week, a survey has revealed. Sixty three percent of respondents claimed spirits were one of their top two favourite drinks for a night out.

Pub company Punch has launched The Academy, a

new training facility based in its support centre in Burton upon Trent, following an investment supported by industry brand owners. The Academy also contains a 300-seater conference room with full AV, theatre and table style seating.

Bar and restaurant operator Novus has

announced details of its annual Cocktail Month, celebrating a range of new cocktails. The initiative is set to run throughout the month of October across the entire Novus estate.





***Punch's new training and development centre features a food development kitchen, The Academy Kitchen and a fully-kitted bar and training cellar***

## Weather Summaries

For more months and years then simply go to:

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

AUGUST	
	Temp = +0.3 Rain = 95 Sun = 90
<ul style="list-style-type: none"> <li>Started warm but became more unsettled, cooler with some rain</li> <li>The rain was quite significant in the SE of England</li> </ul>	

SEPTEMBER	
	Temp = (0.2) Rain = 108 Sun = 108
<ul style="list-style-type: none"> <li>An unsettled month with both fine weather, rain and wind</li> <li>Sunny/dry in the East/South but Colder/wetter in the West/North</li> </ul>	

***As the month progressed August became cooler with some significant rainfall in some regions***

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## Helping clients...

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

## About Ashdale Business Consulting

Ashdale Business Consulting is an independent consultancy providing analysis, insight and strategy across the UK alcohol and hospitality industry. Specialist areas include Strategic & Marketing Analysis, Scenario Planning & Forecasting, Category Management and Profit & Value Chain Modelling. We also deliver training across a range of business and marketing activities, all of which help to improve an organisations ability to make more profitable decisions.

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 our website:**

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

**For more information about our FREE and chargeable eLearning training go to:**

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

## Dates and Events for Your Diary

### General

#### October

28<sup>th</sup> Clock go back  
29<sup>th</sup> The Budget  
31<sup>st</sup> Halloween

#### November

5<sup>th</sup> Bonfire Night  
11<sup>th</sup> Armistice Day  
16<sup>th</sup> BBC Children In Need  
22<sup>nd</sup> Thanksgiving (USA)  
23<sup>rd</sup> Black Friday  
30<sup>th</sup> St Andrew's Day

### Licensed Trade

#### October

1<sup>st</sup> – 3<sup>rd</sup> Bar & Pub (Lnd)  
3<sup>rd</sup> National Pizza Awards  
10<sup>th</sup> Bites Live (Lnd)  
19<sup>th</sup> RumFest (Lnd)  
22<sup>nd</sup> National Curry Week

#### November

13<sup>th</sup> – 15<sup>th</sup> Pizza & Pasta Show (Olympia)  
13<sup>th</sup> Purple Tuesday\*  
15<sup>th</sup> Beaujolais Day  
15<sup>th</sup> – 18<sup>th</sup> Taste of London  
TBC Autumn Budget

### Sports

#### October

12<sup>th</sup> Croatia v Eng Football  
13<sup>th</sup> Rugby League Final  
15<sup>th</sup> Spain v Eng Football

#### November

15<sup>th</sup> Eng v USA Football  
18<sup>th</sup> Eng v Croatia Football  
25<sup>th</sup> Abu Dhabi – last GP

## Ashdale Training Dates

### Helping Pubs & Bars Make More Money

#### Next Open Workshops

5<sup>th</sup> September  
19<sup>th</sup> September – **Sold Out**

3<sup>rd</sup> October - Burton-on-Trent  
17<sup>th</sup> October - Burton-on-Trent