

Ashdale Insights

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When Do You Open?

This month we ask what are the benefits of operators being open all day?

I don't know about you but when it comes to the summer any thought of a regular routine seems to go right out of the window. Although times may vary depending on what I am doing, generally speaking in the colder and darker months of the year I usually conform to the usual stereo-type of when I wake up and when I eat breakfast, lunch etc.

Once it gets to around mid-May however that all seems to change. The lighter mornings and evenings seem to throw me completely out of sync. It then usually takes me a few weeks to adjust, at which point I find myself either starting work much earlier in the morning or sometimes starting again half way through the evening. Work notwithstanding, this pattern of behaviour then transports its self



into my social life where I then quite often eat or drink outside of the conventional windows. The best way to describe it is that I almost go into holiday mode.

It's during these months more than any other when I offer my thanks to those operators who have chosen to open all day. It doesn't mean I am in Wetherspoons first thing in a morning having a pint, but it does mean that I don't have to force myself to eat when I am clearly not hungry or indeed forgo a meal because nowhere is open.

All well and good from my point of view but what does it mean from

an operators perspective?

When does "all day" start

Fine dining restaurants aside there is a growing trend for pubs and those operating in the casual dining part of the market to open for longer than they historically would have done. High street coffee shops and well know fast food retailers have been expanding their morning food and drinks offer and many operators now want a slice of that growing market.

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

www.ashdale-consulting.com

The largest downward contribution to inflation came from food and non-alcoholic beverages as meat and chocolate prices fell

Aldi saw its fastest growth rate since January 2018 driven by fresh and chilled

The prospect of a no-deal/hard-deal Brexit seems to have dampened the mood

Economic Headlines

These headlines are from our Economic Bulletin.

CPI for September 2018 was +2.4% down on +2.7% in August, driven by lower prices for food and non-alcoholic drinks, easing pressure on the BoE to raise interest rates.

Latest figures from the ONS show that

unemployment remained at 4.0%, as wages excluding bonuses have risen at their fastest pace in nearly 10 years.

The estimate for GDP for the 3 months to August 2018 was +0.7%, rebounding strongly after a weak spring, with food & drink and housebuilding doing well.

CPI	+2.4%
RPI	+3.3%
CPIH	+2.2%

UNEMPLOYMENT	+4.0%
PAY	+2.7%

JUN - AUG GDP	+0.7%
TRADE BALANCE	(£2.8BN)
SERVICES	+£29.42BN

Retail Headlines

These headlines are from our Retail Bulletin.

Retail sales rose +3.0% in September 2018 vs. September 2017, with recent surveys indicating that households have begun to rein in their spending.

Sales of food were down **(1.5%)** compared to August, after the joint

hottest summer on record which saw consumers splash out on food, drink and barbecues.

Latest 12 week figures saw the Grocery Market grow by +3.2%, as shoppers returned to seasonal favourites such as whole chickens, roasting joints and even mince pies.

RETAIL VOLUMES	+3.0%
RETAIL VALUES	+4.9%
INTERNET SALES	+11.0%

GROCERY MARKET	+3.2%
GROCERY INFLATION	+2.0%

Aldi	+13.9%
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Consumer Spending Headlines

These headlines are from our Consumer Spending Bulletin.

Average family spending power was up £7 a week in September at £206, this represents the fastest annual rise since December 2016.

The estimated average mortgage debt in August was £124,732, meaning

the average annual interest paid would be £3,056 per household (based on a rate of 2.45%).

GfK's UK Consumer Confidence Index was **(10)** in October down **(1)** compared to September, with no immediate prospect of any feel good news on the horizon.

HOUSEHOLD INCOME	£794
TAXES & COST OF LIVING	£588
DISCRETIONARY	£206

HOUSEHOLD DEBT	£58,776
EXC MORTGAGES	£7,874

Overall Confidence	(10)
LY Personal Finances	+1
NY Personal Finances	+4

Beer Update

Latest data from the British Beer & Pub Association shows that beer sales in Q3 2018 were up +4.4% 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 slightly.

Sales through Pubs, Bars & Restaurants in the UK in Q3 were up +0.9%. This compares to a decline of (1.0%) in Q2 this year and a decline of (3.6%) in Q3 in 2017.

Sales through Supermarkets & Convenience Stores in the UK in Q3 were up +7.6% compared to the same quarter last year.

This compares to an increase of +7.7% in Q2 and a decline of (0.2%) in Q3 in 2017.

Total sales on a MAT basis are up +2.0%.

Source: BBPA October 2018



The great weather over the summer continued to benefit sales through Supermarkets & Convenience Stores

Supermarkets Update

Latest 12 week figures saw the Grocery Market grow by +3.2%, as shoppers returned to seasonal favourites such as whole chickens, roasting joints and even mince pies.

Grocery inflation is +2.0% for the 12 week period ending 7th October 2018.

Asda continues to focus

on its own-labels lines, in contrast Morrisons generated growth through brands.

With sales up +7.0%, Co-op was one of the few bricks and mortar retailers to gain market share.

Aldi saw its fastest growth rate since January 2018 driven by fresh and

chilled, with Lidl also doing well.

Tesco has now opened its first Jack's in Chatteris, Cambridgeshire, the new discount chain format.

Source: Kantar Worldpanel



Jack's stores will sell 2,600 products vs. 35,000 carried by a Tesco supermarket, with 1,800 branded as "Jack's"

Weather Summaries

For more months and years then simply go to:

www.ashdale-consulting.com

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

OCTOBER	
 DRY WARM	Temp = +0.1 Rain = 82 Sun = 122
<ul style="list-style-type: none"> Unseasonably warm in parts although cold end to the month Some wet & windy weather but 5th sunniest October since 1929 	

Rainfall was below normal in many areas, although north-west Scotland was wetter

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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

Dates and Events for Your Diary

General

November

5th Bonfire Night
11th Armistice Day
16th BBC Children In Need
22nd Thanksgiving (USA)
23rd Black Friday
26th Cyber Monday
30th St Andrew's Day

December

21st Winter Solstice
25th Christmas Day
26th Boxing Day
31st New Year's Eve

Licensed Trade

November

13th – 15th Pizza & Pasta Show (Olympia)
13th Purple Tuesday*
15th Beaujolais Day
15th – 18th Taste of London

December

12th All Parliamentary Drinks Reception
20th UKH (ALMR) Christmas Lunch

Sports

November

11th Grand Prix (Brazil)
15th Eng v USA Football
18th Eng v Croatia Football
25th Grand Prix (Abu Dhabi)

December

13th PDC World Darts (Ldn) (starts)
16th BBC SPOTY

Ashdale Training Dates

Helping Pubs & Bars Make More Money

Next Open Workshops – 2019

For more information [click here](#).

9th January

20th February

23rd January

27th February



*"Purple Tuesday" will see retailers across the country - and online - introduce new measures to make the shopping experience more inclusive for customers who have both physical and hidden disabilities.