

Ashdale Insights

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It's beginning to look a lot Like Christmas

This month we ask how traditional are operators at Christmas?

Notwithstanding the weather I always consider October to be the beginning of winter. And although the clocks don't go back until towards the end of the month and bonfire night is still ahead of us, more and more of our thoughts turn towards Christmas. That said many operators will probably have locked down Christmas weeks if not months before the start of October. Menus will have been printed, promotions signed-off and in some cases bookings already beginning to fill up their diaries. For others however there will still be the opportunity to fine tune and perhaps make those all important changes which will make the current year their busiest and hopefully most profitable yet.

Regardless of when you do your planning the following may give you some food for thought for things to consider



next time round.

The 50 days of Christmas

For many operators and indeed suppliers the run up to Christmas and of course New Year represents one of the most important trading periods they have all year. When it comes to pubs the brewers sell around 11% of their annual volumes during December. Interestingly the figure goes up to 12% when you look at sales of beer through Supermarkets etc. during the same time. Although I don't have exact figures, I expect that for some operators December will represent an even higher

percentage when it comes to cash through their tills.

But when should Christmas begin? Christmas is somewhat unique in terms of timings compared to other key trading events and dates. Although you may take some bookings either side of say Valentine's Day or Mothering Sunday, on balance the majority of people booking to celebrate those events plan to do it on that specific day.

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

www.ashdale-consulting.com

The largest downward contribution to CPI this month came from recreation & culture, particularly computer games including downloads

Lidl reached a new record share as it crossed the 6% market share line for the first time

Family spending increased by +6.9% the fastest growth rate since May 2016

Economic Headlines

These headlines are from our Economic Bulletin.

CPI for August 2019 was +1.7% down on +2.1% in July, after computer prices dropped and clothing prices were slow to recover from the summer sales.

Latest figures from the ONS show that the unemployment rate was

3.8%, as wage growth continues to increase ahead of inflation.

The latest estimate for GDP for the 3-months to July 2019 was +0.0%, this is an improvement on the June figures but still not particularly encouraging.

CPI	+1.7%
RPI	+2.6%
CPIH	+1.7%

UNEMPLOYMENT	+3.8%
PAY	+4.0%

3 MTH TO JULY	+0.0%
TRADE BALANCE	(£2.89BN)
SERVICES	+£26.41BN

Retail Headlines

These headlines are from our Retail Bulletin.

Retail sales rose +2.7% in August 2019 vs. August 2018, as all the major categories saw growth this month, although department stores continue to struggle.

Both Food Led and Non-Food Led stores saw low levels of growth this

month, in part due to the good weather last year but also a general slowdown in demand.

Latest 12 week figures saw the Grocery Market +0.5%, despite the good Bank Holiday weather as retailers faced tough comparisons vs. last years.

RETAIL VOLUMES	+2.7%
RETAIL VALUES	+3.4%
INTERNET SALES	+11.6%

GROCERY MARKET	+0.5%
GROCERY INFLATION	+1.0%

Lidl	+9.2%
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Consumer Spending Headlines

These headlines are from our Consumer Spending Bulletin.

Average family spending power was up £14 a week in August at £216, helped by a combination of favourable wage growth and a slowdown in the rate of inflation.

The estimated average mortgage debt in July was

£130,460, meaning the average annual interest paid would be £3,157 per household (based on a rate of 2.42%).

GfK's UK Consumer Confidence Index was (12) in September up +2 compared to August, as all five measures showed month-on-month increases this time.

HOUSEHOLD INCOME	£818
TAXES & COST OF LIVING	£602
DISCRETIONARY	£216

HOUSEHOLD DEBT	£59,319
EXC MORTGAGES	£7,855

Overall Confidence	(12)
LY Personal Finances	+2
NY Personal Finances	+4

Wine Update

Latest data from the HMRC shows that still wine returns for June 2019 were down (6.7%) vs. June the previous year.

This combined with April down (5.7%) and May down (2.1%) meant that Q2 2019 was down (4.8%) vs. 2018.

This means that the current MAT is down

(3.0%) vs. this time last year.

Sales of sparkling wines in June were down (11.9%).

Combined with a decline in April of (4.7%) and growth of +0.8% in May meant Q2 2019 finished down (5.5%) vs. 2018.

This means that the current MAT is in decline of (3.0%).

Wine over 15% ABV has also been in decline, down (3.1%) in Q2 2019 vs. 2018.

Source: HMRC Aug 2019



Total wine sales (all types) have now been in MAT decline since August 2018

Pub & Bar Update

Consumers are budgeting for bigger occasions on a night out, according to the latest Deltic Night Index. Spending an average of £70.69 on a night out. With 61% of those asked going at least once a week and the average Brit is going out more than five times a month.

Admiral Taverns has

announced that it has reached an agreement to acquire a portfolio of 150 tenanted community pubs from Star Pubs & Bars. On completion, the acquisition will take the group's estate to circa 950 pubs.

Fuller's has introduced 'Good Food Talks' in its managed pubs, offering a

talking menu service to make it easier for visually impaired, blind or dyslexic diners to independently browse and order from the food menu.





The British Beer and Pub Association (BBPA) has announced the appointment of Emma McClarkin as its new chief executive, who succeeds Brigid Simmonds at the beginning of November

Weather Summaries

For more months and years then simply go to:

www.ashdale-consulting.com

AUGUST	
	Temp = +0.9 Rain = 153 Sun = 107
<ul style="list-style-type: none"> Unsettled weather with showers as well as long spells of rain Then it was very hot around the Bank Holiday (24th to 26th) 	

SEPTEMBER	
	Temp = +0.5 Rain = 127 Sun = 115
<p>WARM</p> <ul style="list-style-type: none"> The month started and ended with quite a lot of rain However there were also quite a bit of sun and warm temps 	

The first few days of September saw quite a lot of rain across much of the country

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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

October

8th Queens Official Birthday
8th-9th Yom Kippur
27th Clock go back
31st Halloween
31st UK Leaves the EU

November

5th Bonfire Night
11th Armistice Day
15th Children In Need
28th Thanksgiving (USA)
29th Black Friday
30th St Andrew's Day

Licensed Trade

October

2nd & 3rd Bar & Pub (Lnd)
9th Bites Live (Lnd)
4th Seafood Week
7th National Curry Week
19th & 20th RumFest (Lnd)

November

7th National Pizza Awards
13th-15th Pizza & Pasta Show (Olympia)
12th Purple Tuesday
21st Beaujolais Day
21st-24th Taste of London

Sports

October

11th Czech Rep vs Eng
12th Rugby League Final
14th Bulgaria vs Eng
27th Mexico GP

November

2nd Rugby Union WC Final
14th Eng vs Montenegro
17th Kosovo vs Eng

Ashdale Training Dates

Helping Pubs & Bars Make More Money

Next Open Workshops – 2019

For more information [click here](#).

17th October

31st October

