

# Ashdale Insights

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## Eat, Sleep, Repeat

*This month we ask are operators risking profits by not training their teams on a continuous basis?*

In 2010 Team Sky entered the world of professional cycling. Its stated ambition was to win the Tour de France with a British rider within five years. This was achieved in 2012 as Bradley Wiggins became the first British winner in the history of the race. This was followed up in 2013, 2015, 2016 and 2017 as Chris Froome went on to win the same race. Although the team name and sponsor changed the core team, including their performance director, Sir Dave Brailsford remained the same. This saw additional wins by Geraint Thomas and Egan Bernal in 2018 and 2019 respectively.

So what was their secret?

Much of how they succeeded is specific to their particular sport however there are two broader principals which are worth noting. First of



these is the idea of marginal gains. Speaking to the BBC in 2012, Sir Dave Brailsford explained “the whole principle came from the idea that if you broke down everything you could think of, that goes into riding a bike, and then improved it by 1%, you will get a significant increase when you put them all together”.

The second principal but very much linked to the first is the idea of continuous improvement. So why should operators be thinking about this when it comes to training their teams?

### **It's not just for new employees...**

When a new employee joins an operation it's usual for them to undergo some form of training. This may include familiarising them with operating procedures as well as the various health & safety and food hygiene training which is now legally required. Unfortunately for many people working in the industry once this introductory training has been completed they are expected to just get on and do their job.

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

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

**The largest downward contributions to CPI this month came from transport, where motor fuel prices fell this year but rose a year ago**

**Convenience stores have become increasingly important during lockdown with the Co-op benefitting accordingly**

**There still remains much uncertainty as to what the new 'normal' will look like and how long it will take the economy to bounce back**

## Economic Headlines

*These headlines are from our Economic Bulletin.*

CPI for May 2020 was +0.5% down on +0.8% in April, this is a four-year low driven by a record fall in fuel prices and as a result of most retail remaining closed.

Latest figures from the ONS shows that the unemployment rate was

3.9%, as concerns remain that this could worsen as the reality of the post lockdown economy set in.

The latest estimate for GDP for the 3-months to April 2020 was **(10.4%)**, as the impact of the Covid-19 lockdown took full effect on the economy.

CPI +0.5%

RPI +1.0%

CPIH +0.7%

UNEMPLOYMENT +3.9%  
PAY +1.0%

3-Mth to Apr-20 GDP **(10.4%)**  
TRADE BALANCE **(£4.48BN)**  
SERVICES +£25.56BN

## Retail Headlines

*These headlines are from our Retail Bulletin.*

Retail sales were down at **(14.2%)** in May 2020 vs. April 2019, as internet sales continued to grow, up +59.0% vs. the same month last year.

Food-led stores continued to thrive as did non-store retailing as the majority of the rest of retail remained

closed during the month of May.

Latest 12 week figures saw the Grocery Market grow +13.7%, with shopping patterns still disrupted compared with more normal times.

RETAIL VOLUMES **(14.2%)**  
RETAIL VALUES **(13.1%)**  
INTERNET SALES +59.0%

GROCERY MARKET +13.7%  
GROCERY INFLATION +4.0%

Co-op +34.5%

## Consumer Spending Headlines

*These headlines are from our Consumer Spending Bulletin.*

Average family spending power was down **(£3)** a week in May at £210, as the impact of the Covid-19 lockdown can be seen on individual and family spending power.

The estimated average mortgage debt in January

was £132,242, meaning the average annual interest paid would be £3,134 per household (based on a rate of 2.37%).

**No update this month**

GfK's UK Consumer Confidence Index was **(30)** in June up +4 vs May as it remains too early to say whether consumers have begun to move on from the Covid-19 crisis.

HOUSEHOLD INCOME £808  
TAXES & COST OF LIVING £598  
DISCRETIONARY £210

HOUSEHOLD DEBT £60,363  
EXC MORTGAGES £8,082

Overall Confidence **(30)**  
LY Personal Finances **(9)**  
NY Personal Finances **(4)**

## Wine Update

Latest data from the HMRC shows that still wine returns for March 2020 were down (6.3%) versus March the previous year.

This combined with January up +6.5% and February up +4.1% meant that Q1 was up +0.4% vs. Q1 2019.

This means that the

current MAT is down (2.2%) vs. the same time last year.

Sales of sparkling wines in March were down (22.9%).

Combined with a decline in January of (8.1%) and a decline of (2.3%) in February meant Q1 finished down (12.0%) vs. Q1 2019.

This means that the current MAT is in decline of (5.26.2%).

Wine sales have suffered in recent years as the category has come under pressure from Gin.

Source: HMRC May 2020



**Sparkling wine (most notably Prosecco) has struggled in recent years as other categories have taken center stage**

## Pub & Bar Update

Drinks giant Diageo, maker of Guinness has launched a £80 million program to help pubs across the world to recover from the impact of the Covid-19 crisis. The two-year program called 'Raising the Bar' is to start in July across hospitality sectors globally.

Ei Publican Partnerships has announced a Personal

Protective Equipment support package of almost £300,000, for its pubs ahead of reopening. Each pub will receive a free PPE starter kit, which will comprise disposable masks, disposable gloves, hand sanitizer and rolls of black/yellow self-adhesive floor tape.

Latest figures from real

estate firm, Altus Group, suggest that pub closures have stabilized in the first half of 2020 despite the Covid-19 lockdown. Time will tell if this continues.



**It is currently estimated that there are 40,835 pubs in E&W a drop of 466 outlets since June 2019**

## Weather Summaries

For more months and years then simply go to:

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

MAY	
 <b>DRY</b>	Temp = +1.0 Rain = 47 Sun = 143
<ul style="list-style-type: none"> <li>Exceptionally dry month over E&amp;W, some rain in Scotland</li> <li>The sunniest May since 1929 with over 300 hours in places</li> </ul>	

JUNE	
  <b>STORMS</b>	Temp = +1.0 Rain = 144 Sun = 97
<ul style="list-style-type: none"> <li>Warm but quite unsettled with showers &amp; longer spells of rain</li> <li>Month ended with a hot sunny spell which saw thunder storms</li> </ul>	

**Sunshine was 97% of average, but it was a rather dull month in many western areas and in central and eastern Scotland**

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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

#### July

4<sup>th</sup> Independence Day (USA)  
14<sup>th</sup> Bastille Day (Fra)

#### August

3<sup>rd</sup> Bank Holiday (Sco)  
31<sup>st</sup> Bank Holiday (E&W)

### Licensed Trade

#### July

4<sup>th</sup> Pubs & Restaurants to re-open in England

#### August

7<sup>th</sup> International Beer Day  
13<sup>th</sup> National Prosecco Day  
16<sup>th</sup> National Rum Day

### Sports

#### July

5<sup>th</sup> Austrian Grand Prix  
8<sup>th</sup>-12<sup>th</sup> Eng via West Indies  
12<sup>th</sup> Austrian Grand Prix (2)  
19<sup>th</sup> Hungarian Grand Prix  
31<sup>st</sup> Snooker World Championship

#### August

1<sup>st</sup> FA Cup Final  
2<sup>nd</sup> British Grand Prix  
9<sup>th</sup> British Grand Prix (2)  
23<sup>rd</sup> Champions League Final

## Ashdale Training Dates

### Helping Pubs & Bars Make More Money

No current Open Workshops in 2020

For more information [click here](#).



\*Events & Sports subject to postponement/cancellation due to the Covid-19