

# Ashdale Insights

## INSIDE THIS ISSUE:

Economic Headlines	2
Retail Headlines	2
Consumer Headlines	2
Drinks Update - Beer	3
Supermarket Update	3
Weather Summaries	3
Dates for Your Diary	4

## Step Into Christmas

*This month we ask do operators give enough thought into how their Christmas offer needs to reflect circumstances?*

Many years ago I visited a friend, who had moved down to London to work, for the weekend. Living in the Midlands at the time I had taken Friday afternoon off and had travelled down to meet up with him and a couple of other friends for drinks after work. He was working in the 'city' at the time so the pub we arranged to meet in was surrounded by banks, offices and other businesses. I arrived at about 4.45pm and was surprised that there were already a few people enjoying a drink. My friends turned up just after 5.15pm during which time the number of people also in the bar had steadily begun to increase. Not something I was use to or expecting at that time of the day.

Over the next hour or so the pub became busier and busier to the point where it became impossible to get to the



bar to order a drink. Such was the noise that my friends and I were almost compelled to shout at each other in order to have our selves heard. Then as 7.30pm approached the bar began to empty almost as fast as it had filled. It's fair to say that by 8.00pm with the odd exception there were only my friends and I left. As we discussed what was happening it became obvious to me that this wasn't a one-off but the natural flow of business in these 'city' centre pubs on a daily basis. In fact it seemed that many of the pubs in the area didn't even bother to open up most weekends as there

simply weren't enough people around to make it worth their while. Unlike a typical pub they made their money in the week.

It may seem obvious but being aware and tuned into what your local market is all about is a really important part of running a pub, bar or restaurant. And this isn't just about what you do on a day to day basis. It is equally important when you come to run events and what plans you have when it comes to things like Christmas.

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

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

**Pay (including bonuses) was flat 0.0% on a year earlier, private sector pay fell by (0.9%) and public sector pay grew by 3.7%**

**Lidl has been in double-digit growth since December, accelerating its rate in the past 12 week period**

**Consumer confidence took a big hit this month despite low inflation and rock-bottom interest rates**

## Economic Headlines

*These headlines are from our Economic Bulletin.*

CPI for September 2020 was +0.5% up on +0.2% in August, due to a combination of Eat Out to Help Out finishing and a rise in the demand for second hand cars.

Latest figures from the ONS shows that the unemployment rate grew

to 4.5%, with pay flat +0.0%, with a second lockdown in November suggesting things will get worse.

The latest estimate for GDP for the 3-months to August 2020 was +8.0%, as all areas of the economy showed improvements over the short-term.

CPI	+0.5%
RPI	+1.1%
CPIH	+0.7%

UNEMPLOYMENT	4.5%
PAY	+0.0%

3-Mth to Aug-20 GDP	+8.0%
TRADE BALANCE	+£12.93BN
SERVICES	+£29.99BN

## Retail Headlines

*These headlines are from our Retail Bulletin.*

Retail sales were up at +4.7% in September 2020 vs. September 2019, with non-food store sales continuing to recover as consumers get use to wearing masks.

Food-led stores and on-line sales continue to be the big winners a

situation which will only continue as England moves into a second lockdown.

Latest 12 week figures saw the Grocery Market grow +9.4%, people spent an extra £261m on alcohol in September (probably due to the 10pm pub curfew and end of Eat Out to Help Out).

RETAIL VOLUMES	+4.7%
RETAIL VALUES	+3.4%
INTERNET SALES	+52.6%

GROCERY MARKET	+9.4%
GROCERY INFLATION	+1.9%
Lidl	+11.7%

## Consumer Spending Headlines

*These headlines are from our Consumer Spending Bulletin.*

Average family spending power was up +£2 a week in September at £219, helped by the fact that many employees began to return to work.

The estimated average mortgage debt in August was £134,694, meaning

the average annual interest paid would be £2,882 per household (based on a rate of 2.14%).

GfK's UK Consumer Confidence Index was (31) in October down (6) vs September, so expect a further drop as England enters a second lockdown.

HOUSEHOLD INCOME	£823
TAXES & COST OF LIVING	£604
DISCRETIONARY	£219

HOUSEHOLD DEBT	£60,526
EXC MORTGAGES	£7,471

Overall Confidence	(31)
LY Personal Finances	(9)
NY Personal Finances	+0

## Beer Update

Latest data from the British Beer & Pub Association shows that beer sales in Q3 2020 were down (2.3%) on the same quarter a year ago.

The decline was driven by sales through Pubs, Bars & Restaurants following the Covid-19 shutdown.

Sales through Pubs, Bars & Restaurants in the UK in

Q3 were down (27.2%). This compares to a decline of (95.6%) in Q2 this year and a growth of +0.9% in Q3 2019.

Sales through Supermarkets & Convenience Stores in the UK in Q3 were up +18.2% compared to the same quarter last year. This compares to growth of +39.3% in Q2 this year

and a growth of +5.8% in Q3 in 2019.

Total MAT sales as of Q3 2020 were down (7.4%) vs. +2.5% in the MAT to Q3 2019.

Source: BBPA November 2020



**Despite many pubs re-opening in July sales continued to be well below those of last year, due to capacity and curfew restrictions**

## Supermarkets Update

Supermarkets in England won't be banned from selling non-essential items - as those in Wales have been. With fears that the lockdown could be extended if the rate of coronavirus does not come down quickly enough.

Ocado's shares soared as the second wave of coronavirus boosted

demand for food deliveries. The online grocer said it expected profits for its retail business, which it runs as a joint venture with Marks & Spencer, to hit £60m this year – 50% higher than its previous forecast of £40m.

It is likely that many of the procedures

supermarkets employed during the first lockdown will return and in some cases there may be more added.



**Asda has created 1,000 new Asda Safety Marshals stationed at the front of every store and in the aisles of larger stores**

## Weather Summaries

For more months and years then simply go to:

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

SEPTEMBER	
 <b>DRY</b>	Temp = +0.2 Rain = 77 Sun = 117
<ul style="list-style-type: none"> <li>Started with showers but also quite warm &amp; sunny</li> <li>Most of the UK was dry with exception of Norfolk &amp; W Scot</li> </ul>	

OCTOBER	
 <b>WINDY</b>	Temp = (0.1) Rain = 142 Sun = 72
<ul style="list-style-type: none"> <li>Unsettled, cold with rain &amp; strong winds inc. Storm Alex</li> <li>The 5<sup>th</sup> wettest October since 1862 &amp; dullest since 1919</li> </ul>	

**Unsettled, with Storm Alex bringing rain and strong winds to much of England and Wales**

## Ashdale Business Consulting Ltd

6 Lichfield Street  
Burton-on-Trent  
Staffordshire  
DE14 3RD

### Phone

07967 197533

### E-mail

chris@ashdale-consulting.com

### Twitter

@Ashdale2012

## 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

#### November

3<sup>rd</sup> USA Election  
5<sup>th</sup> Bonfire Night  
8<sup>th</sup> Remembrance Sunday  
13<sup>th</sup> Children in Need  
26<sup>th</sup> Thanksgiving (USA)  
27<sup>th</sup> Black Friday  
30<sup>th</sup> St Andrews Day (Scot)

#### December

21<sup>st</sup> December Solstice  
25<sup>th</sup> Christmas Day  
28<sup>th</sup> Bank Holiday

### Licensed Trade

#### November

9<sup>th</sup>-11<sup>th</sup> Lo & No Beverage  
Summit (Virtual)  
19<sup>th</sup>-22<sup>nd</sup> Taste of Xmas (Lnd)

#### December

8<sup>th</sup>-9<sup>th</sup> Taste of Xmas (Lnd)  
15<sup>th</sup> UKH Lunch (Ldn)

### Sports

#### November

12<sup>th</sup> Masters (Augusta)  
15<sup>th</sup> Belgium v England  
18<sup>th</sup> England v Iceland

#### December

20<sup>th</sup> Scottish Cup Final

## Ashdale Training Dates

### Helping Pubs & Bars Make More Money

No current Open Workshops in 2020

For more information [click here](#).



**\*Events and Sports maybe subject to postponement or cancellation due to the Coronavirus**