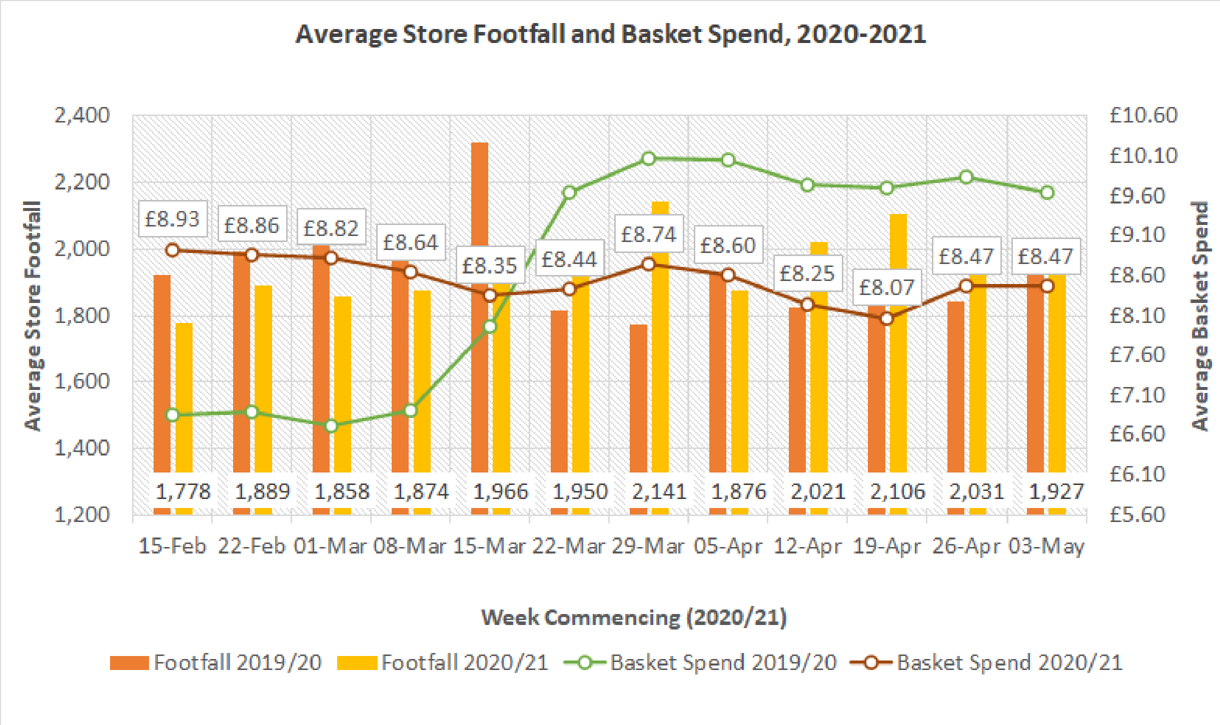
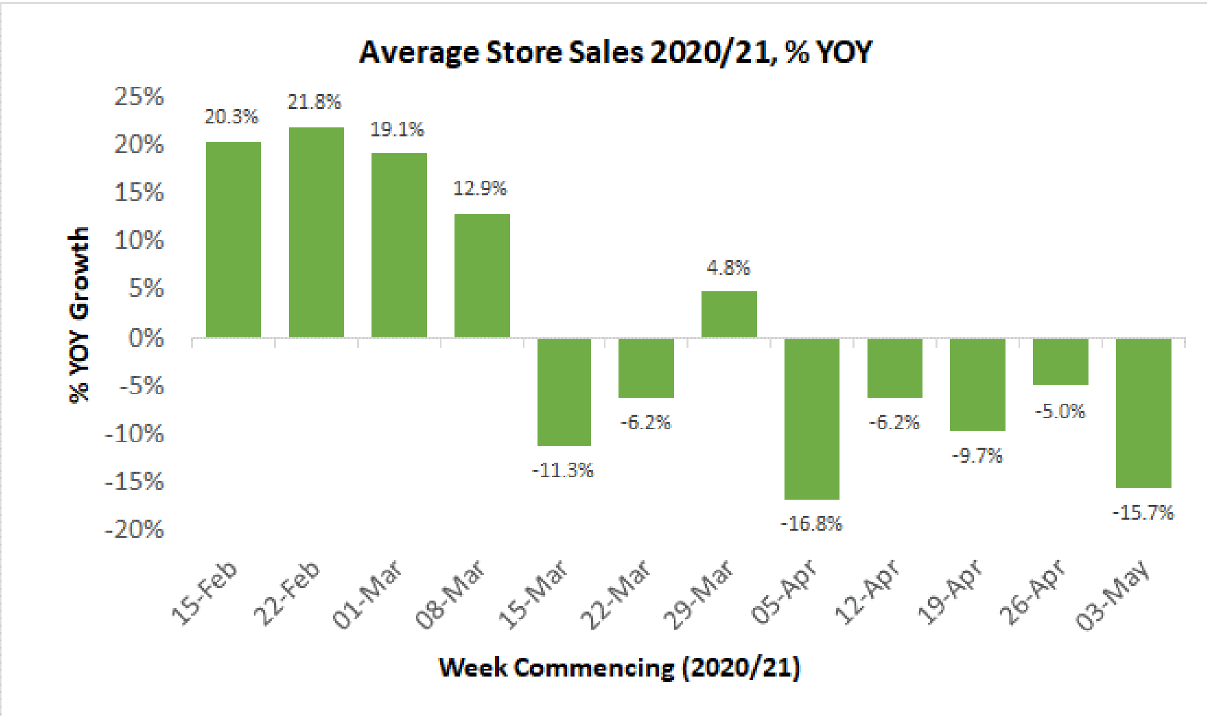
COVID-19 Impact on the UK's Independent C-Stores

The report shows average footfall, turnover, basket spend and category sales growth in the UK's symbol and indie convenience stores on a 12-week rolling basis. As a point of reference, the 1st Government Public Announcement on COVID-19 virus pandemic measures was on 12th March 2020 and the second announcement for lockdown in England was on 4th January 2021.

WEEKLY AVERAGE FOOTFALL, BASKET SPEND AND SALES, 15 FEB 2020 – 09 MAY 2021



NB: Footfall refers to number of shopper baskets (transactions)



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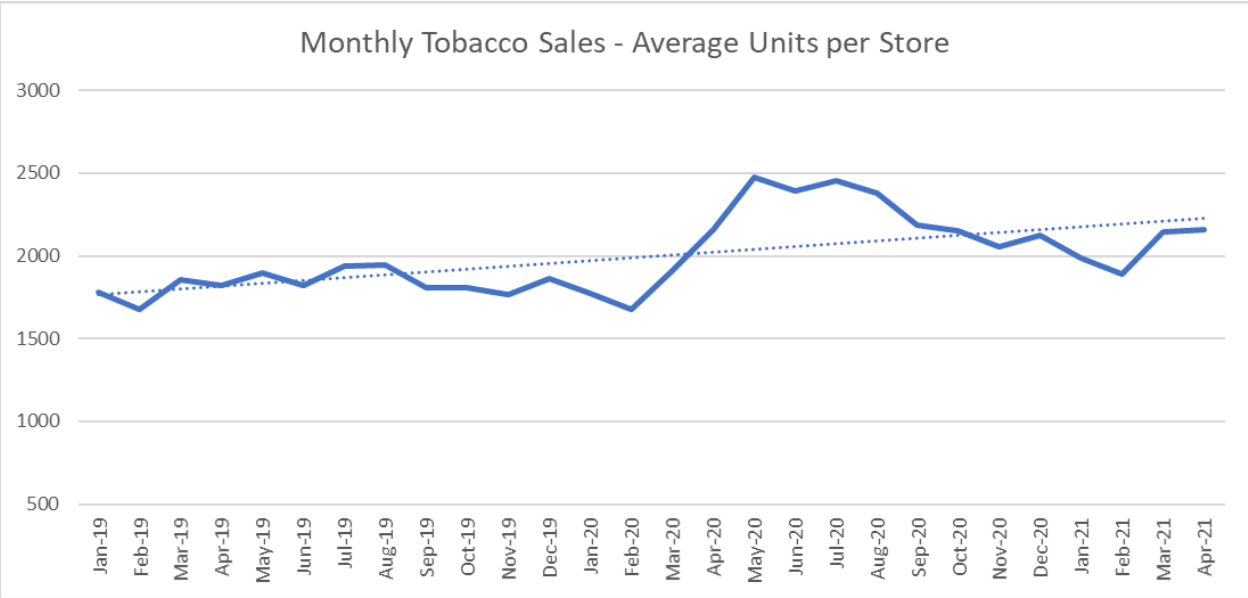
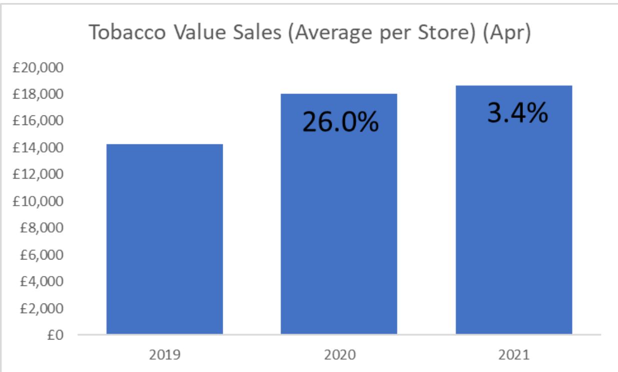
Focus on Tobacco

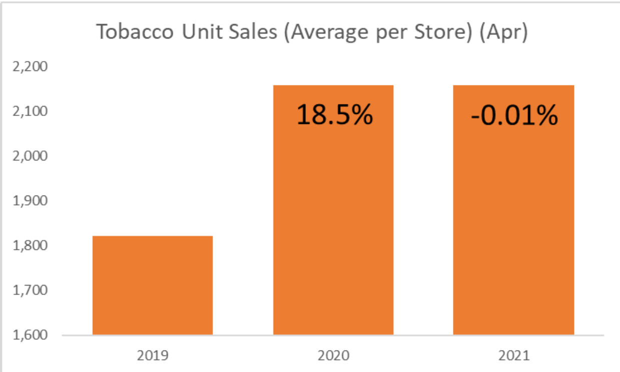
This report takes a look at the tobacco category and how the pandemic marked the start of significant and sustained growth. The charts use average unit sales per store to eliminate any effects from price increases and there is particular focus on Cigar performance.

Category Performance:



Tobacco, in common with a number of other categories, saw a large increase in sales for convenience stores as the UK went into lockdown at the end of March 2020. For most categories, sales began to drop back to more expected levels after this initial spike, yet Tobacco maintained a higher level of average sales.





Looking at average value sales per store for April over the last 3 years, Tobacco saw growth of 26.0% in 2020 (compared to 2019), but growth slowed to 3.4% in the latest YTD numbers. Value growth in the latest year is driven by price increases as unit sales saw a slight reduction for April 2021 versus 2020.

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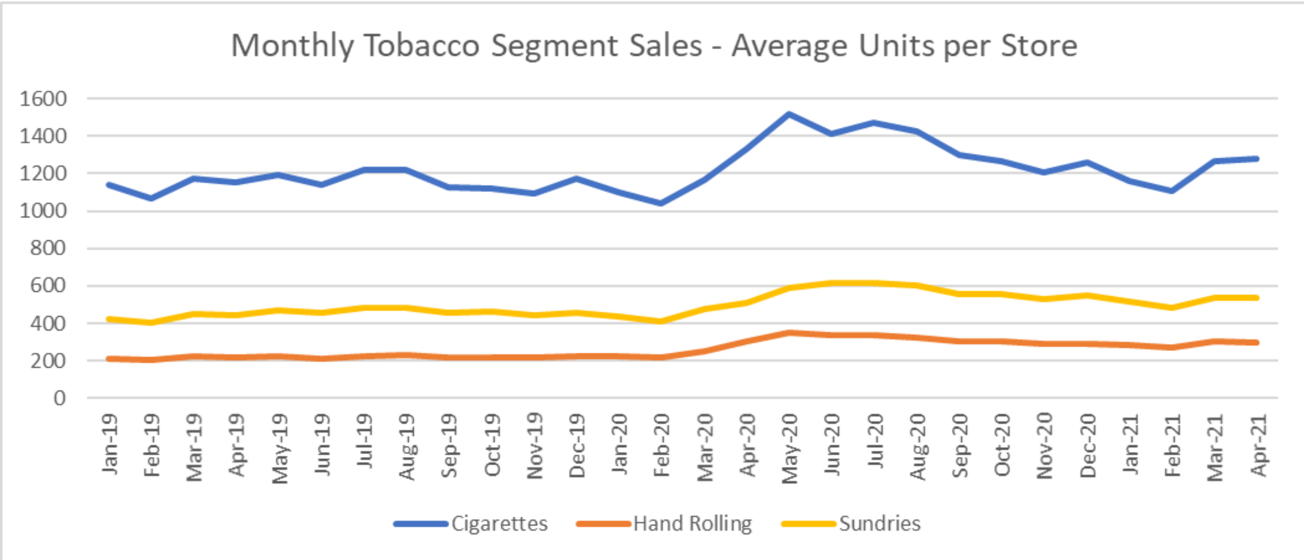
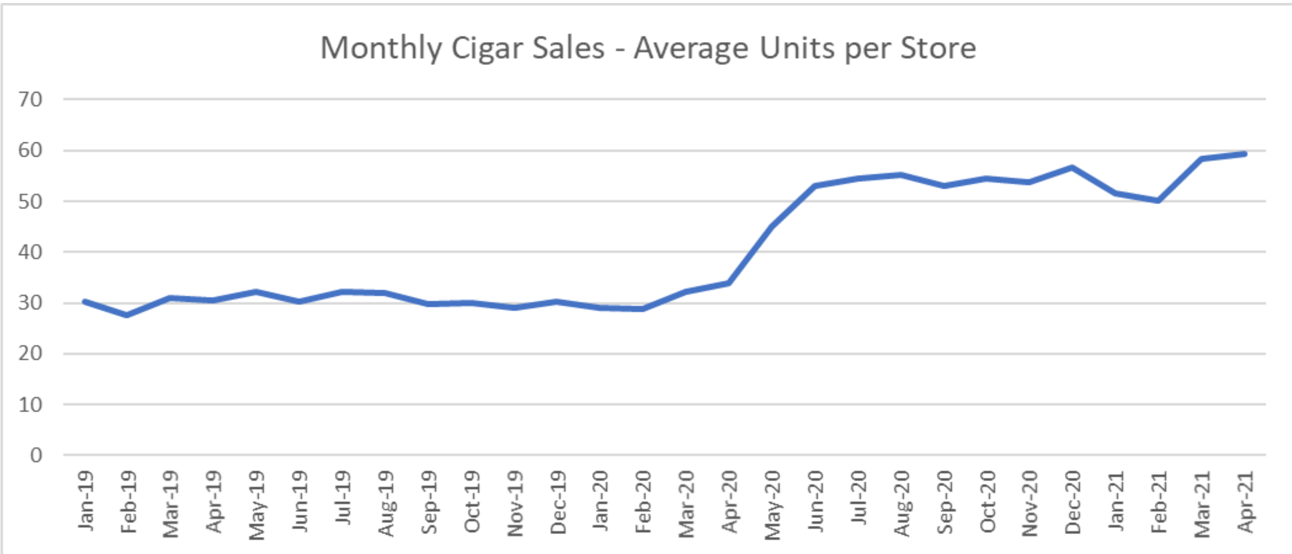
Segment Performance:



The three biggest selling segments, in volume terms, were Cigarettes, Sundries and Hand Rolling Tobacco. Cigarettes, with 59% category share, drove category performance with a similar growth curve to that seen for total Tobacco.

Sundries and Hand Rolling Tobacco also maintained higher monthly sales levels following the first lockdown.



Cigars account for 2% of Tobacco unit sales and performance was similar to other segments. The difference is that the growth seen from May 2020 onwards is largely driven by one product.

In the chart below, the orange section is monthly sales of products with continual sales from January 2019 to date. The blue section shows the introduction of Sterling Dual Capsule Leaf Wrapped 10s, which accounted for over 45% of Cigar volume sales from June 2020 through to January 2021.

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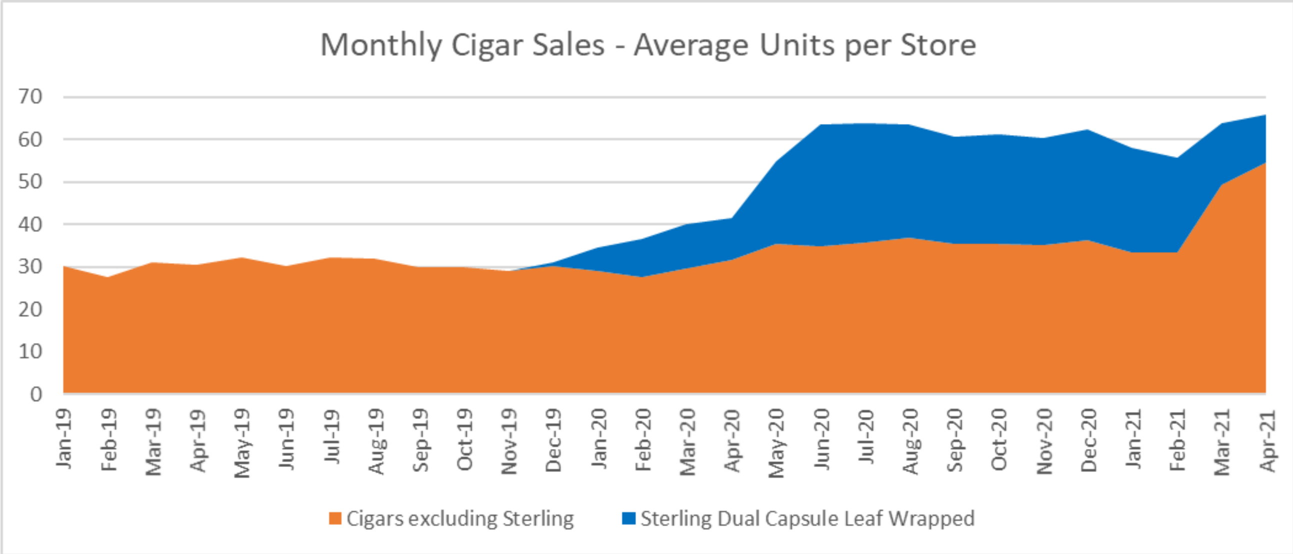

The last 2 months saw further growth for total Cigars driven by sales of single Hamlet Cigars and Signature Blues.

There are a number of factors which could potentially be responsible for the performance of Tobacco. C-stores have certainly benefited in sales of numerous categories as lockdown restricted choice of where to shop. In addition, the reduction in foreign holidays has meant smokers no longer have access to duty free purchasing.

As people have spent more time at home, they are unaffected by smoking bans in public areas and those who had turned to alternative smoking may have gone back to traditional products.

The ban on menthol cigarettes in May 2020 has not had a detrimental effect on Tobacco sales as a whole. Menthol cigarette smokers may have chosen another type of cigarette or switched to another segment within Tobacco.

Top Selling Barcodes:

These are the top ten biggest selling barcodes by volume in key Tobacco segments for 2021 YTD.

Cigarettes		Cigars		Hand Rolling Tobacco	
5000431027572	L&B Blue Real Blue 20s	5000143925814	Sterling Dual Capsule Leaf Wrapped Pm450 10s	5000143958621	Amber Leaf Original 30g
5000431026902	JPS Players Real Red 20s	5000143910629	Sterling Dual Capsule Leaf Wrapped Pm465 10s	5000143956610	Sterling Rolling Tobacco 30g
5000143917130	Benson & Hedges Blue 20s	5000143943429	Hamlet Fine Cigars Single	5000435010716	Gold Leaf 30g & Papers
5000431026995	JPS Players Superkings Real Red 20s	5000432013420	JPS Players Crush Leaf Wrapped Pm420 10s	5000435010778	Golden Virginia Original 30g
5000143923025	Sterling Dual 20s	8720400433193	Signature Blue Cigars 10s	5000143950328	Amber Leaf Original 50g
5000431027312	L&B Original Silver 20s	5000143923339	Sterling Dual Capsule Leaf Wrapped 10s	5000431029477	Riverstone Easy Rolling 30g
5000431027169	Carlton Original Superkings 20s	5000143949025	Hamlet Miniatures 10s	5000393364876	Cutters Choice Extra Fine 30g
5000143920628	Benson & Hedges Superkings Blue 20s	5000143941722	Hamlet Fine Cigars 5s	5000143956627	Sterling Rolling Tobacco 50g
5000431027084	Carlton Original 20s	5000435011409	Castella Classic Fine Cigars 5s	5000431029750	L&B Original Rolling Tobacco 30g
5000143920727	Sovereign Blue 20s	8720400433209	Signature Original Cigars 10s	5000435010747	Gold Leaf 50g & Papers

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STORE SAMPLE

The data in this report is drawn from 3,028 independent symbol and unaffiliated convenience stores. The breakdown is as follows: 351 stores in Wales, 264 stores in Scotland, 23 stores in Northern Ireland, 2,390 stores in England.

About TRDP Data Services

The Retail Data Partnership Ltd (TRDP) provides pure SKU and barcode level EPoS data from c. 3,100 independent symbol and unaffiliated convenience stores, collected daily via our own proprietary EPoS system. TRDP do not estimate, project or smooth out the data and therefore it provides sector suppliers an accurate view of category sales trends and distribution of their products. TRDP data services include:

- Cleaning of raw EPoS data – identifying stores with data gaps and reconciling product descriptions at SKU level for accurate sales statistics;
- Providing access to stores for suppliers to deliver distribution & R.o.S.-enhancing campaigns, which can be tailored further through shop-profiling;
- Aggregating store- and barcode-level data as per client's requirements.

We work with leading FMCG suppliers to the independent convenience channel, wholesaler partners, management consultants as well as academic institutions to help them drive sales in the channel, improve their offer to independent retailers, and understand the impact of legislative measures on retail sales. Our unique proposition (not available from any major EPoS data houses):

- ✓ Data from an identifiable set of stores
- ✓ Unmatched granularity and accuracy down to each individual shopper basket
- ✓ Bespoke KPIs
- ✓ Concept testing and new product trials in-store
- ✓ Shopper coupons distributed to consumers via store tills
- ✓ Independent retailer surveys
- ✓ Retailer communication campaigns

For any data related enquiries, please contact Stephen Burnett on 01780 483041, Stephen.burnett@retaildata.co.uk

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