



MEDIA RELEASE
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RETAILERS POSITIVE IN LEAD-UP TO CHRISTMAS

Although more than half of retailers didn't hit their sales targets in the quarter ended 30 September, the sector is more positive about likely business performance in the run-up to Christmas, according to the latest Retail Radar snapshot of retailer sentiment, released today.

"Notwithstanding the gloom of winter trading, retailers are feeling relatively positive about the lead-up to summer, with three-quarters of retailers expecting to meet or exceed their sales targets for the rest of the calendar year," Greg Harford, Retail NZ's General Manager Public Affairs said today. "There continues to be a sense of ongoing uncertainty about the economy, and there is real pressure on household budgets, but retailers are expecting trading conditions to improve in the run-up to Christmas.

"Retailers are also getting into the Christmas spirit. Over half of retailers who plan to decorate their stores for the festive season are planning to have their decorations up by the end of November, with 46 per cent planning to decorate in December. However, there is a significant number of retailers who are not planning to put up Christmas decorations at all, mainly because it doesn't suit their store type or location, but a small number of retailers think that decorations look tacky or cluttered.

"Christmas is a busy time of year for retailers, and typically a time when extra staff are brought on to help out over the festive season. 23 per cent of retailers are planning to increase staff numbers over the next three months, but this is a significant drop on the 33 per cent reported at the same time last year. Reduced employment intentions may indicate that retailers are unable to meet the costs of additional staff, particularly given increases in the minimum wage, or that suitable staff are hard to find.

"Looking ahead to next year, there is likely to be continued pressure on prices, as a result of movements in the dollar, wage pressures, and higher rates and insurance bills. Over time, this will flow through into retail pricing, and 41 per cent of retailers are expecting to move their prices upwards over the next three months."

[Click here](#) to see the latest Retail Radar report.

For further information, please contact:

Greg Harford
General Manager, Public Affairs | Retail NZ
greg.harford@retail.kiwi
027 243 2842