

# Weekly Consumer Spending Series

Week ending  
28 May 2017



## CHANGE IN SPENDING

Note: Calculations exclude spending on fuel

LAST 7 DAYS VS. SAME WEEK LAST YEAR	
SPENDING	+2.22%
TRANSACTIONS	+4.77%

LAST 30 DAYS VS. SAME PERIOD LAST YEAR	
SPENDING	+3.74%
TRANSACTIONS	+4.23%

LAST 52 WEEKS VS. SAME WEEKS YEAR PRIOR	
SPENDING	+3.76%
TRANSACTIONS	+4.14%

## THIS WEEK AT A GLANCE

### Spending activity growth continues to outstrip value

Transactions were again the winner this week, with growth over last year more than double that of spending, up 4.77%. The value of consumer spending was up 2.22% on the same week last year, but was down 0.9% on the week prior. Transactions were down 0.3% on the week prior.

We recorded growth in 10 storetypes last week, and the usual discretionary categories down on last year (with the exception of hospitality and takeaways).

#### Going up

	Takeaways	+12.2%
	Fuel	+10.3%
	Liquor	+8.2%



#### More apparel brands in trouble as spending slows in the industry

Over the last 12 months or so, retail news has been littered with brand closures, both locally and across the ditch. Last week brought more news of brands in crisis, with the Australian branch of Topshop announcing their placement into voluntary administration. Closer to home, the family-owned Banks Group announced they were in receivership, along with the immediate closure of two of their 18 footwear stores.

Looking at the figures, it unfortunately seems like the (im)perfect storm for some players in the apparel industry. Local spending on clothing and footwear over the last 52 weeks is almost unchanged on a year prior (+0.6%). Meanwhile, discretionary categories such as hospitality and homeware are experiencing growth in excess of 5% for both spending and transactions, indicating consumer priorities for disposable income. Department stores are also entering the fast fashion environment, forcing discounting in high street stores with already low margins. These circumstances have likely been escalated by the booming property market, driving up retail rents, and encouraging property owners to invest in their homes, rather than spending their money elsewhere. Online shopping has also provided an affordable and easily accessible option for consumers, and a very real threat for their local bricks and mortar counterparts.

**NB:** The BNZ Marketview Consumer Spending Series provides a measure of national consumer spending trends in the core retail categories (excluding fuel). It is based on the monthly credit and debit card spending of BNZ customers. It includes GST, but excludes other forms of electronic transactions such as overseas cards, gift cards, corporate and fuel cards. Numbers reported are actual values and volumes i.e. not seasonally or inflation adjusted. Accordingly the series may differ from other electronic transaction data reports.

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