

WEEKLY CONSUMER SPENDING SERIES

Week ending
8 October 2017



CHANGE IN SPENDING

Note: Calculations exclude spending on fuel

LAST 7 DAYS VS. SAME WEEK LAST YEAR	LAST 30 DAYS VS. SAME PERIOD LAST YEAR	LAST 52 WEEKS VS. SAME WEEKS YEAR PRIOR
SPENDING	SPENDING	SPENDING
+2.77%	+1.29%	+3.39%
TRANSACTIONS	TRANSACTIONS	TRANSACTIONS
+3.48%	+3.24%	+4.18%

THIS WEEK AT A GLANCE

School holidays bring growth across the board

Consumer spending was back in the green last week, after a lull the week prior. Spend was up 2.77%, while transactions maintained their steady growth at 3.48%. Looking to the regions, the areas with the strongest growth last week were Gisborne (+11.3%), and Hawke's Bay (+11%).

Department stores jumped into the top three growth categories this week, despite a four week average of -6.2%. Liquor and appliance stores also had a good week, likely a result of both school and university holidays.

Going up

Fuel	+10.5%
Takeaways	+9.1%
Department stores	+7.5%



Warm weather a winner for hospo

Seasonality is key for any retailer or business, as consumers often change their spending habits depending on the season, or even the weather on the day.

Last week, much of the country experienced their first 'real' taste of spring, with much warmer weather and a bit less rain than in recent months. At the same time, spending on bars, cafes and restaurants increased by 6.8%, a moderate jump from the 12 month average of 5.7%. Spending at supermarkets and dairies increased by 2.4% over the same period, less than half the average of 5.5%, hinting toward more people out and about enjoying the sunshine with a drink or meal, and less heading off to the supermarket.

So while it makes sense that more people head out to bars and cafes when the weather is good, they tend to stay indoors more when the weather is cold. This leads to higher spending on takeaways - in the last three months, takeaway spend is up 8% on the first three months of the year, while bars, cafes and restaurants have slowed by 2%.

As the weather continues to heat up, we expect this relationship to flip back, and bars, cafes and restaurants to enjoy their time in the sun.

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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info@marketview.co.nz

(04) 472 1991