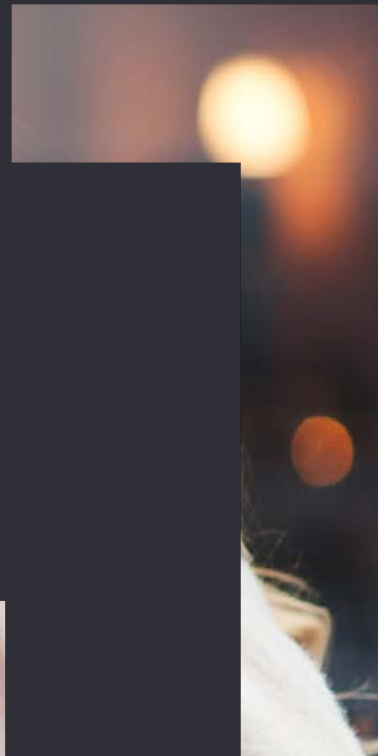
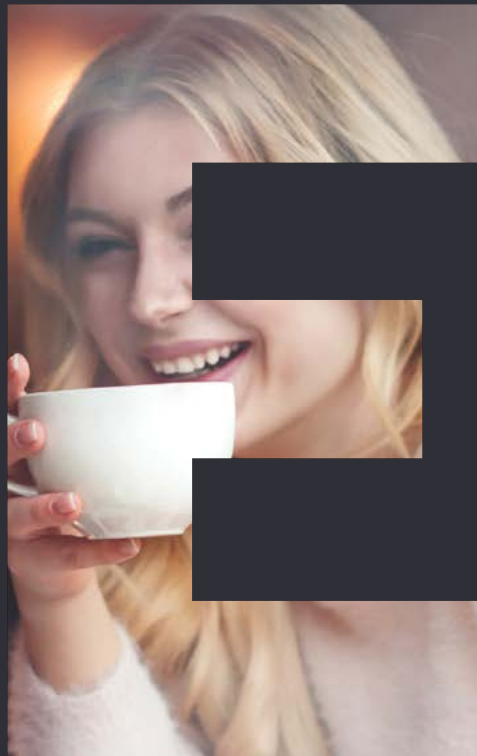


April 2022

Edition no. 4



Bannon **Retail Pulse**



April 2022 Retail Pulse



Transactional Analysis F&B Market Focus – Activity Q1 2022

While there are concerns in the market over the removal of government supports to businesses and inflationary pressure impacting available disposable income there continues to be good activity in the F&B sector.

We have seen strong take-up and relatively low levels of vacancy across the sector. Suburban Dublin for example has experienced a big increase in take-up, primarily driven by increased footfall from remote working and the “shop local” change in consumer shopping habits. We are expecting some more activity in the F&B sector over the next six months, with some closures expected, however we are confident that these will be replaced by stronger and more innovative operators. There continues to be a strong underlying demand from both existing and new to market operators.

★ PRET A MANGER ★

PRESS UP
HOSPITALITY GROUP

SIX by NICO
DUBLIN

Butlers
chocolateCafe
PURVEYORS OF HAPPINESS

brother
hubbard
south

THE
GABLES
HOUSROCK

SIAM
THAI RESTAURANT

SANO

BuJo

INSOMNIA
coffee company

GiJo's
GELATO



Retail Requirements

★ PRET A MANGER ★ Tim Hortons GiJo's GELATO

SHAKA
POKE

Il Fornaio



The
NATURAL
BAKERY

NUTBUTTER

MILANO

INDIVIDUALLY
ITALIAN
Zizzi

INSOMNIA
coffee company

CAFFÈ
NERO

SHAKE DOG

AMT
COFFEE



Bannon Retail Occupancy Tracker

Scheme Type	Occupancy	+/- (month on month)
Dublin Prime Streets	83%	↓ -2.1%
M50 Shopping Centres	91%	↓ -4.2%
Shopping Centres (Nationwide)	87%	↑ +1.8%
Retail Parks (Dublin)	96%	↔ 0.0%
Retail Parks (Country)	94%	↔ 0.0%
All	89%	↓ -1.6%

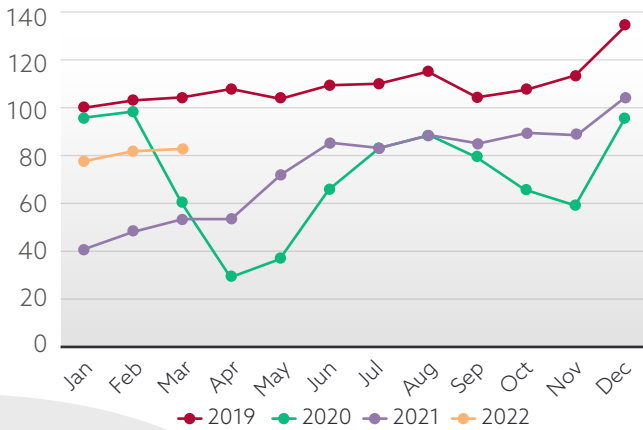
Bannon Trading Analysis

As at April 2022



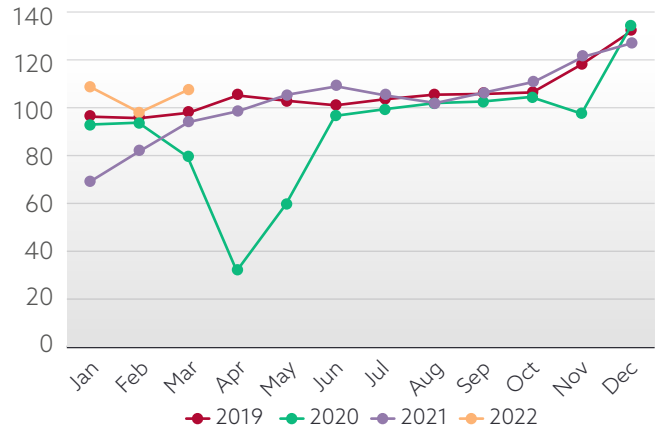
Shopping Centre Footfall

(Indexed: Based = Jan '19)



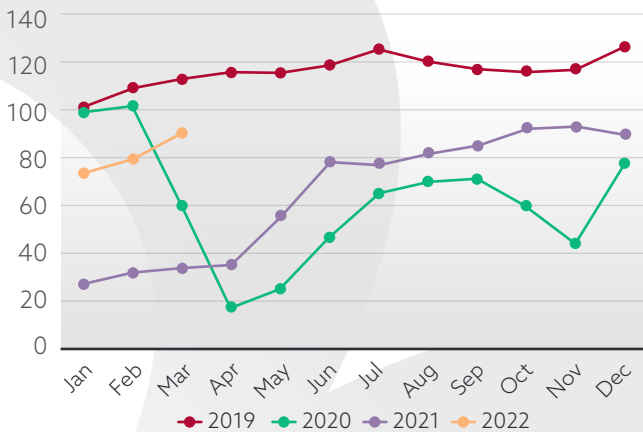
Retail Park Footfall

(Indexed: Based = Jan '19)



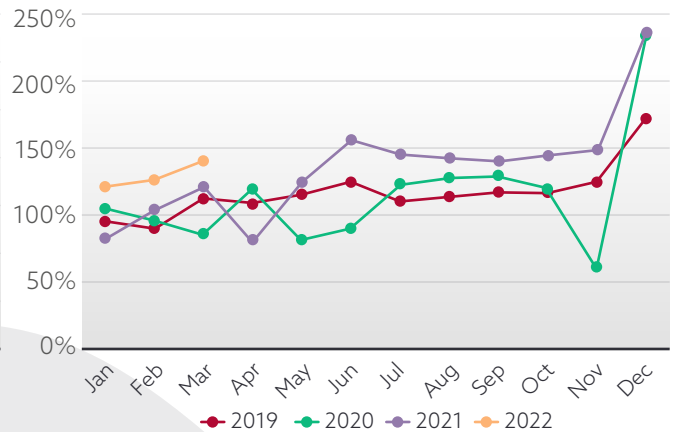
High Street Footfall

(Indexed: Based = Jan '19)



Ratio - Sales : Footfall

(Indexed: Based = Jan '19)



Shopping Centre footfall for April 2022 continued on trend at c.20% behind pre-pandemic levels (April 2019). Spend on the other hand remained very strong in April 2022 and underlines the continued improvement in conversion being seen across our portfolio.



Our retail park portfolio continued to outperform other sectors during April 2022 with footfall growth of 14.2% versus April 2021. More notably footfall in retail parks was up 8.9% versus pre-pandemic levels taken from April 2019.



Expert Insight

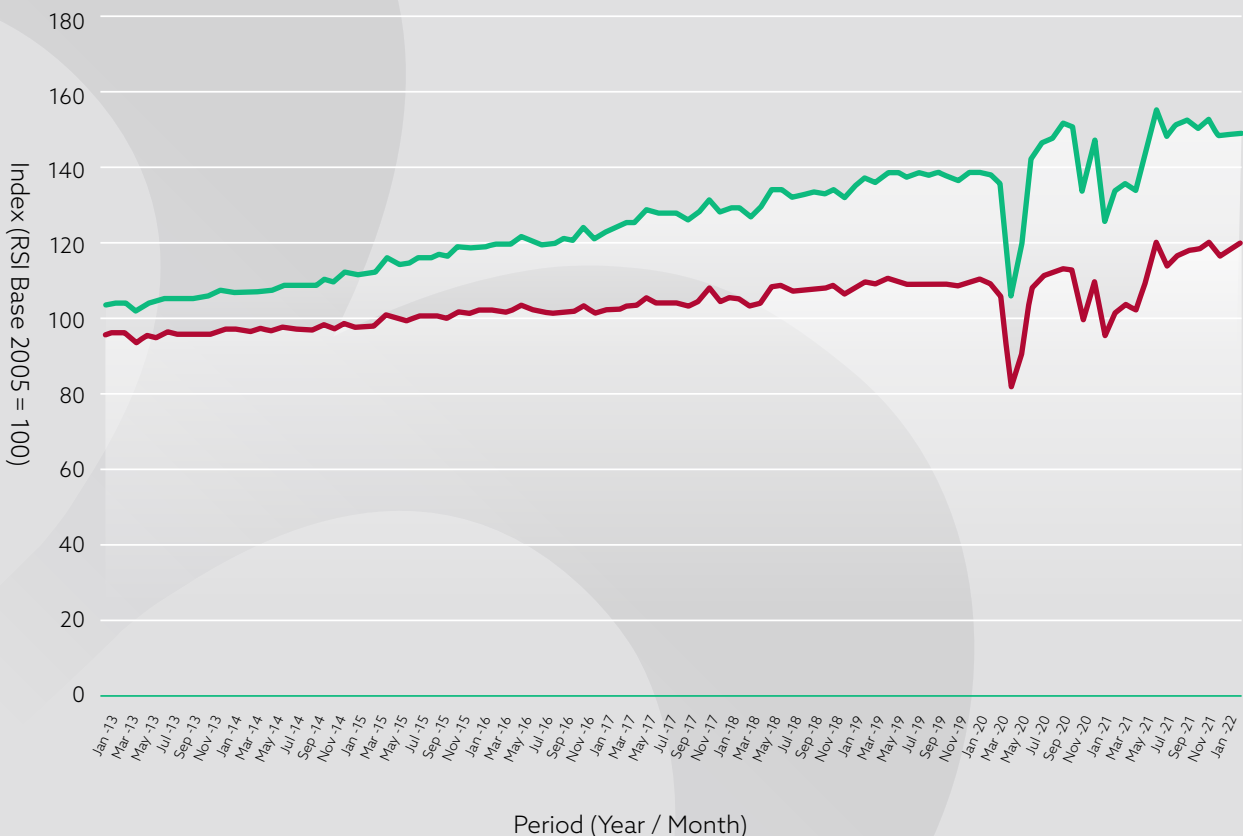
By Neil Bannon

Inflation and its potential impact on different markets is the current hot topic. We are aware of a number of retailers who are concerned about the combined impact of increased transportation costs, shortage of staff and product availability and how each will lead to greater inflation. In this context it is worth reflecting on what has been happening in the retail sector over the last 10 years. Based upon the Retail Sales index the sector has been going through a prolonged period of deflation which has lasted a decade. Growth in Retail Volumes have outstripped growth in the value of retail sales consistently, implying more stock being sold but in aggregate at a lower price.

In value terms retail sales are over 25% higher than they were 10 years ago, but 40% more product is being sold. This has been particularly relevant in certain sectors such as Clothing & Footwear. The trend has been driven by the growth of fast fashion and either unprofitable or marginally profitable on-line competition. Neither is sustainable. We would expect to see the lines reverse in an inflationary market with growth in the value of retail sales exceeding their volume. We have also been told over the last decade that deflation is bad for retail sales, i.e. that if the consumer believes the product will cost less tomorrow, then they will delay purchases. It will be interesting to see if the opposite effect takes place.

Retail Sales Index Values & Volumes (2013 - Present)

- RSI (Value of All retail businesses, excluding motor trades)
- RSI (Volume of All retail businesses, excluding motor trades)



April 2022

Bannon Retail Pulse

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