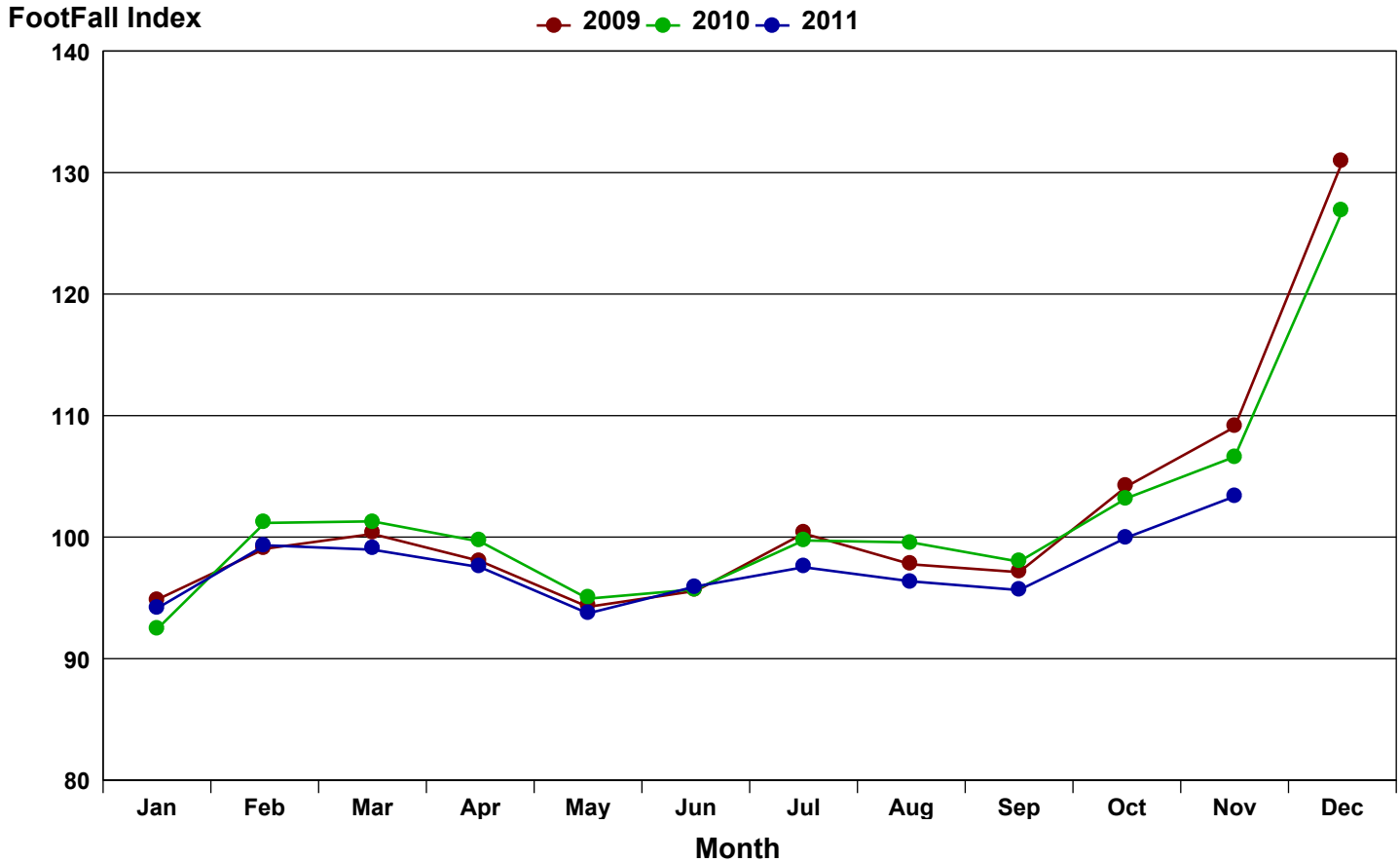


Monthly FootFall Index (UK) - p/c 31/10/11



* Compiled on a 4-4-5 month scheme

Last 6 Month Breakdown

	Jun	Jul	Aug	Sep	Oct	Nov
Month - on - Month	2.4%	1.6%	-1.2%	-0.7%	4.5%	3.4%
	↑	↑	↓	↓	↑	↑
Year - on - Year	0.3%	-2.2%	-3.2%	-2.4%	-3.1%	-3.1%
	↑	↓	↓	↓	↓	↓

About the FootFall Index

The FootFall Index is a UK national benchmark of numbers of visitors to shopping centres and retail centres geographically spread throughout the UK. For more information contact information@footfall.com

About the BCSC

BCSC was established in 1983 to provide a forum for those involved in ensuring the sustainable success of shopping centres and retail environments and it has since developed to represent the retail property industry as a whole. From its foundation, BCSC has built up a thriving and active membership with representatives from virtually every aspect of shopping and shopping centre activity - retailers, owners, developers, managers and consultants.



Commentary - p/c 31/10/11

November saw the Experian UK National Retail FootFall Index record a month on month increase of 3.4 per cent in visitors this year. The index typically sees this much growth during November compared to October. Although the rush for Christmas has arrived, the year on year Index for November is trailing behind 2010 by 3 per cent. Shifting channel choice, and more sophisticated and discerning consumers is one of the cause of scanty shoppers during this month. Many consumers will this year also be shopping from smartphones, predictions have been made that that 12% of online sales will be made via a smartphone. Also, consumers have become accustomed to initially price comparing and buying online before hitting the High Street and the confident consumers could be holding off right until the last minute to grab the best bargains.

We mustn't also forget that last year consumers were stung by the snowfall in early and late December, affecting deliveries of goods purchased online. Consumers will have therefore consciously shopped online a lot earlier than usual, the busiest online shopping Mondays of the year dubbed as 'Manic Monday' and 'Mega Monday', where retailers promoting discounts occurred a week earlier this year in reaction to last year's snowfall. Regardless of the online channel for convenient shopping, High Streets are still of the essence for Christmas shopping when you consider e-Retail only contributes around 10% of total retail sales and recently BBC News reported, that a fifth of the goods bought online arrive too late, with a third received in poor condition.

Aside from the channel choices we cannot defer from the reality of the economic backdrop and the challenging economy the UK is dealing with, the anguish of pay freezes and the squeeze on household incomes. November also witnessed Youth unemployment rising to over 1 million, all these factors are impacting consumer spend which could result in a bleak Christmas as cash strapped consumers cutback over the festive period, but retailers have been offering deeper discounts during the first flurry of promotional activity and are continuing to do so, in attempt to lure shoppers and make it affordable. No doubt retailer's margins will suffer as a consequence.

Despite the austerity measures put in place by the coalition government, we learned during November's Autumn Statement that the nation's overdraft has increased. The Chancellor of the Exchequer, George Osborne, also announced that 'economic growth will be lower than forecast' and that 'the UK economy was now forecast to grow by 0.9% this year - compared with 1.7% forecast in March and 0.7% next year, down from the 2.5% forecast in March'. The Office for Budget Responsibility clearly affirms these growth forecasts are based on eurozone resolving its problems. An assumption that looks impossible given the financial difficulties of countries across the eurozone.

For the past four months, the FootFall Index has lagged behind 2010 levels, with October's and November's lag being the greatest, following a muted October when the traditional half term period failed to mark the true kick start to Christmas on the High Street, establishing a weak grounding to the festive season. Questioning how joyful and triumphant Christmas will be now depends on December's result.

Unlike shopping centres, visitors to Retail Parks in November paint a more cheerful picture, with the Retail Park Index increasing 1 per cent this month on the same month last year. Given the fragile financial markets, rising utility bills, spending at Christmas is not going to exceed that of last year.

With just under four weeks to Christmas, promotional activity and discounting both in evidence and increasing, the late start to Christmas on the High Street and November visitors trailing those of last year must be firmly engrained on retailers' radar. Retailers will need to work incredibly hard to woo cash-strapped shoppers. It is building up

Commentary Supplied by Experian Business Strategies Division