

Retail sales - November 2011



Coverage: **GB**

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Geographical Area: **Other**

Theme: **Economy**

Retail Sales - November 2011

- **Headline:** Value of retail sales in November 2011 showed an increase of 4.6 per cent compared with November 2010.
- **Headline:** Sales volumes in November 2011 increased by 0.7 per cent compared to November 2010.
- Non-store retailing and automotive fuel sales volumes increased in November 2011 compared to November 2010 by 18.9 and 2.7 per cent respectively. The predominantly food and predominantly non-food sectors saw sales volumes decrease by 0.6 and 0.7 per cent respectively.
- Non-seasonally adjusted volume data shows that again small stores provided the most upward pressure increasing by 4.5 per cent, in comparison large stores decreased by 0.1 per cent over the same period. Non-seasonally adjusted value data shows that small stores value sales grew by 7.8 per cent, in comparison large stores increased by 3.6 per cent.
- The average weekly spend on online retailing has increased to £787.9 million up from £546.4 million in October 2011 and is now estimated to account for 12.2 per cent of all retail sales (excluding automotive fuel).

Key figures

Key Figures November 2011

**All retailers,
November
2011
(seasonally
adjusted
percentage
change)**

	Most recent month on a year earlier	Most recent 3 months on a year earlier	Most recent month on previous month	Most recent 3 months on previous 3 months
Value	4.6	5.2	-0.1	1.8
Volume	0.7	0.8	-0.4	0.7
Value excluding automotive fuel	3.3	3.7	-0.5	1.6
Volume excluding automotive fuel	0.5	0.6	-0.7	0.7

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Supplementary Analysis

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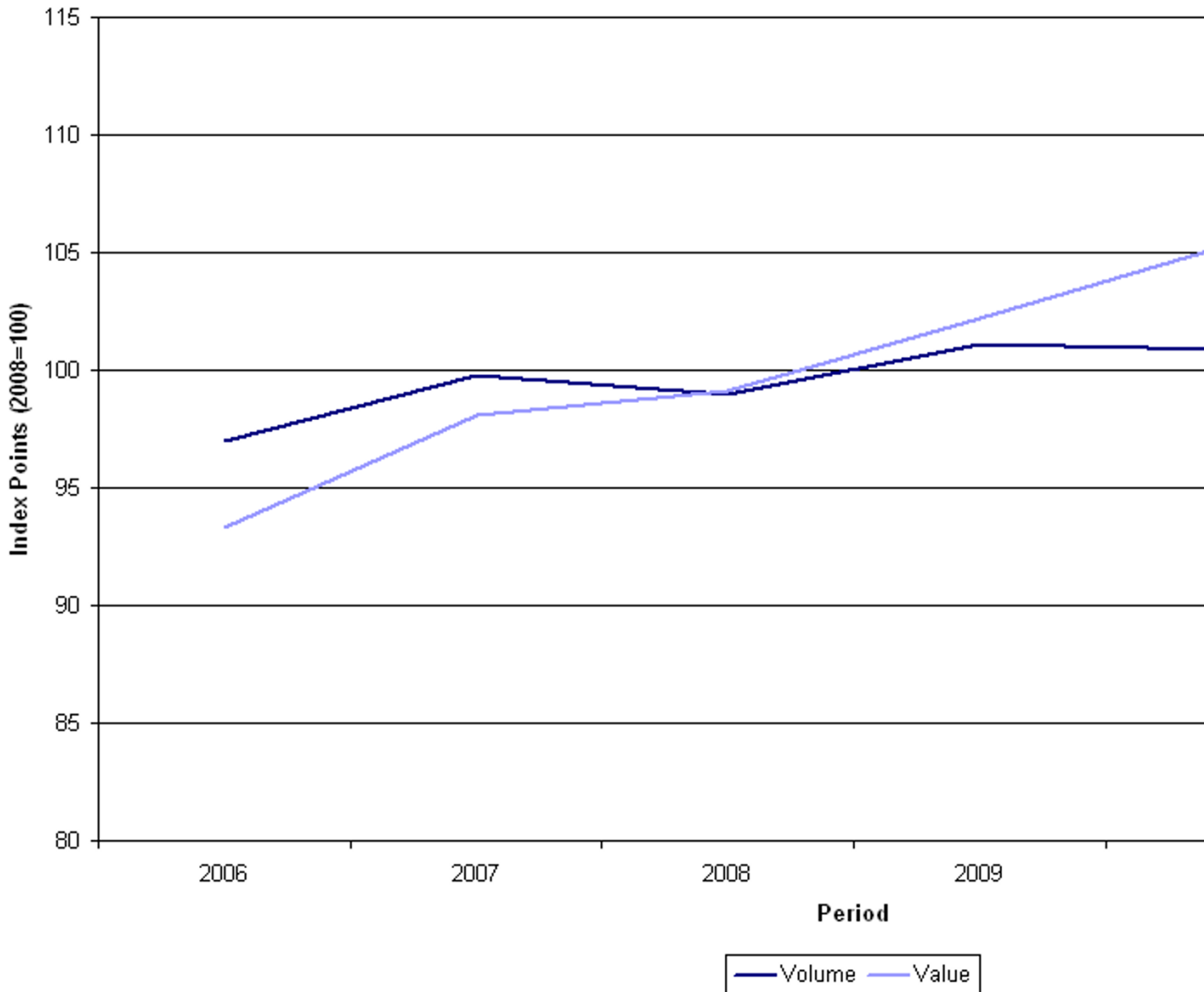
In November 2011, compared to November 2010 all retail sales volumes increased by 0.7 per cent with sales values increasing by 4.6 per cent. Over the same period prices are estimated to have increased by 3.6 per cent (down on the 4.4 per cent estimated year on year price in October).

Compared to October 2011, retail sales volumes in November 2011 decreased by 0.4 per cent and sales values decreased by 0.1 per cent.

Looking at the monthly all retail sales value and volume index numbers for the November trading periods in the years 2006 to 2011 (see graph below), the volume series is relatively flat with the value series increasing from 2009; this is partly attributed to estimated price increases.

Monthly Retail Sales Value and Volume Index Numbers for the November Trading Period from 2006 to 2011

Monthly indices in value and volume



Source: Monthly Business Survey - Retail Sales Inquiry - Office for National Statistics

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Non-store retailing

The non-store retailing sector consists of retailers that sell predominantly online, through mail order, on stalls or markets, auction houses or other means of non-store activity.

Between November 2010 and November 2011 non-store retailing saw:

- Sales values increase by 19.1 per cent

- Sales volumes increase by 18.9 per cent

Indicating that consumers were buying a significant amount more from non-store retailers than they did a year ago and also spending more.

The prices of goods sold through non-store retailing are estimated to have increased by 0.1 per cent between November 2011 and November 2010, suggesting that the increase in sales values is from a small price rise but largely due to the amount bought.

Internet sales

The experimental Internet Sales estimates include sales made over the internet by all retailers that is they include on-line sales from supermarkets, department stores, clothing stores and predominantly non-store retailers.

In November 2011 the non-seasonally adjusted value of Internet retail sales was estimated at £787.9 million which was approximately 12.2 per cent of all retail sales (excluding automotive fuel), compared with November 2010 which was £593.4 million which was approximately 9.5 per cent of retail sales (excluding automotive fuel).

Retail Sales in detail

The Retail Sales Index (RSI) measures spending (value) and volume of retail sales in Great Britain. Figures are adjusted for seasonal variations unless otherwise stated and the reference year for both value and volume statistics is 2008 = 100. For an explanation of the terms used in this bulletin, please see the background notes section. Care should be taken when using the month on month growth rates due to their volatility, an assessment of the quality of the retail statistics is available in the background notes.

Year on year growth rates and contributions to all retailing by sector

Year on year growth rates and contribution to all retailing by sector

	% of all retailing	Volume (SA) Year on year growth (%)	Contribution to all retailing (% points)	Value (SA) Year on year growth (%)	Contribution to all retailing (% points)
All retailing	100.0	0.7		4.6	
Predominantly food stores	41.7	-0.6	-0.3	4.1	1.7
Predominantly non-food stores					
Total	43.2	-0.7	-0.3	0.7	0.3
Non-specialised stores	7.8	2.7	0.2	3.1	0.2
Textile, clothing and footwear stores	12.2	0.1	0.0	2.9	0.4
Household goods stores	9.7	0.1	0.0	0.4	0.0
Other stores	13.5	-4.0	-0.5	-2.5	-0.3
Non-store retailing	4.9	18.9	1.0	19.1	1.0
Automotive fuel	10.2	2.7	0.3	15.4	1.6

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Amount spent in retail

In November 2011 an estimated £29.1 billion was spent in the retail sector, compared to £26.9 billion in October 2011 and £27.8 billion in November 2010.

Sector Analysis

Sector Analysis

Predominantly food stores volume sales in November 2011 decreased by 0.6 per cent compared to November 2010. Sales values increased by 4.1 per cent over the same period and the reason behind this increase can be found in the prices of goods sold at these stores which are estimated to have increased by 4.6 per cent.

Non-seasonally adjusted data for this sector shows that again small stores fared better than their larger counterparts, with small stores, ie. those with employment less than 100 increasing by 3.2 per cent with sales volumes at large stores decreasing by 1.0 per cent.

In the non-specialised food stores sub-sector, which could be described as supermarkets or corner shops, year on year non-seasonally adjusted data shows that sales volumes decreased by 0.8 per cent in all stores, with small stores (or corner shops) increasing by 0.8 per cent and large stores (or supermarkets) decreasing by 1.0 per cent.

Non-seasonally adjusted data for the other sub-sectors in predominantly food stores shows that year on year sales volumes in specialised food stores decreased by 6.6 per cent and in stores selling alcohol, other drinks and tobacco increased by 31.2 per cent and feedback from retailers suggests this increase is the result of promotions.

In November 2011 an estimated £11.5 billion was spent in this sector, the equivalent of 39 pence per pound spent in retail during this month.

Predominantly non-food stores volume sales in November 2011 decreased by 0.7 per cent compared to November 2010 with the largest decrease in this sector coming from other stores decreasing by 4.0 per cent. Over the same period sales volumes in non-specialised stores increased by 2.7 per cent, household goods stores increased by 0.1 per cent and textile, clothing and footwear stores increased by 0.1 per cent .

Sales values increased by 0.7 per cent in November 2011 compared to November 2010. Looking at the sub-sectors, non-specialised stores increased by 3.1 per cent, textile, clothing and footwear stores increased by 2.9 per cent and household goods stores increased by 0.4 per cent, the only sub-sector to experience a fall was other stores which fell by 2.5 per cent. Feedback provided by retailers in this sector suggests that this increase in sales values is a result of promotions.

The prices of goods sold in predominantly non-food stores are estimated to have risen by 1.3 per cent. An estimated £12.5 was spent in this sector in November 2011 the equivalent of 43 pence per pound spent in retail sector this month and more than any other sector.

Non-specialised stores volume sales in November 2011 increased by 2.7 per cent compared to November 2010 more than in any other non-food sub-sector. Sales values within this sector increased by 3.1 per cent.

The prices of goods sold within these stores are estimated to have increased by 0.3 per cent and an estimated £2.5 billion was spent within this sector in November 2011.

Textile, clothing and footwear sales volumes increased by 0.1 per cent in November 2011 compared to November 2010 and sales values increased by 2.9 per cent over the same period. Compared to October 2011 sales volumes and values both increased with sales volumes increasing by 1.1 per cent and sales values increasing by 1.2 per cent.

Non-seasonally adjusted data show that only the footwear sector experience year on year growth with sales volumes increasing by 2.4 per cent. Non-seasonally adjusted sales volumes in clothing stores decreased by 0.3 per cent and in textiles stores decreased by 29.9 per cent.

The prices of goods sold within these stores are estimated to have increased by 3.0 per cent and an estimated £3.6 billion was spent in this sector in November 2011.

Household goods stores sales volumes increased by 0.1 per cent in November 2011 compared to November 2010 and sales values increased by 0.4 per cent over the same period. However, it was a mixed picture for the stores within this sector.

Non seasonally adjusted data shows that hardware or DIY stores sales volumes increased by 1.2 per cent, sales volumes in electrical household appliance stores increased by 0.5 per cent and sales volumes in furniture and lighting stores increased by 0.6 per cent. Only stores selling music and videos recordings and equipment experienced sales decreases with sales volumes decreasing by 12.0 per cent.

The prices of goods sold within these stores are estimated to have decreased by 0.1 per cent compared to November 2010 and an estimated £2.5 billion was spent in these stores in November 2011.

Other stores

Other stores sales volumes fell more in November 2011 than in any other sector decreasing by 4.0 per cent compared to November 2010 and sales values fell by 2.5 per cent over the same period.

Within this sector there were a mixed set of results for retailers. Stores selling computers and telecomms; toys and sporting goods; watches and jewellery; and carpets and rugs all saw sales volumes decrease year on year but stores selling cosmetics and toiletries; books and newspapers all saw sales volumes increase over the same period.

The prices of goods sold within these stores are estimated to have increased by 1.3 per cent year on year and an estimated £3.8 billion was spent in these stores in November 2011.

Non-store retailing sales volumes increased by 18.9 per cent in November 2011 compared to November 2010 and sales values increased by 19.1 per cent over the same period.

The prices of goods sold within these stores are estimated to have increased by 0.1 per cent year on year and an estimated £1.9 billion was spent in this sector in November 2011.

Predominantly automotive fuel sales volumes, which includes the sales of automotive fuel at supermarkets, increased in November 2011 by 2.7 per cent compared to November 2010 and sales values increased by 15.4 per cent over the same period.

The prices of goods sold within these stores are estimated to have risen by 12.6 per cent. An estimated £3.2 billion was spent in this sector in November 2011.


Distribution analysis

The table below illustrates the mix of experiences among different sized retailers. It shows the distribution of the reported increase in sales values of businesses in the RSI sample, ranked by size of business (based on number of employment). For example, this shows that the largest retailers, with 100 or more employment, reported an average increase in sales of 4.3 per cent between November 2010 and November 2011.

Increase in reported retail sales values between November 2010 and November 2011 standard reporting periods (by size and of business)

Increase in reported retail sales values between November 2010 and November 2011 standard reporting periods (by size of business)		
Number of employment	Weights (%)	Growth since October 2010 (%)
100+	78.1	3.7
40-99	1.8	-3.8
10-39	6.1	7.0
0-9	14.0	8.7

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Analysis of individual returns from businesses

The table below illustrates the extent to which individual businesses experienced actual changes in their sales between November 2010 and November 2011. The table contains information only from

businesses which reported in both periods. Cells with values less than 10 are suppressed for some classification categories, this is denoted by n.a.. Note that large is defined as 100+ employment and 10-99 employment with annual turnover of more than £60m, while small and medium is defined as 0-99 employment.

[PRT RSI Analysis of individual returns from businesses November 2011](#)

Background notes

1. What's new?

2. [Code of Practice for Official Statistics](#)

National Statistics are produced to high professional standards set out in the Code of Practice for Official Statistics. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. © Crown copyright 2011. Further information can be found on the website at:

[Code of Practice](#)

3. Understanding the data

[Quick Guide to the Retail Sales Index](#)

Interpreting the data

The Retail Sales Index (RSI) is derived from a monthly survey of 5,000 businesses in Great Britain. The sample represents the whole retail sector and includes all large retailers and a representative panel of smaller businesses. Collectively all of these businesses cover approximately 95 per cent of the retail sector in terms of turnover.

The RSI covers sales only from businesses registered as retailers according to the Standard Industrial Classification (SIC), an internationally agreed convention for classifying industries. The retail sector is division 47 of the SIC 2007 and retailing is defined as the sale of goods to the general public for household consumption. Consequently the RSI includes all internet businesses whose primary function is retailing and also covers internet sales by other British retailers, such as online sales by supermarkets, department stores and catalogue companies. The RSI does not cover household spending on services bought from the retail sector as it is designed to only cover goods. Respondents are asked to separate out the non-goods elements of their sales, e.g. income from cafeterias. Consequently on-line sales of services by retailers, such as car insurance, would also be excluded.

The monthly survey collects two figures from each sampled business: the total turnover for retail sales for the standard trading period, and a separate figure for sales made over the internet. The total turnover will include internet sales. The separation of the internet sales figure allows an estimate relating to internet sales to be calculated separately.

Definitions and explanations

The value or current price series records the growth since the base period (currently 2008) of the value of sales 'through the till' before any adjustment for the effects of price changes.

The volume or constant price series are constructed by removing the effect of price changes from the value series. The Consumer Price Index (CPI) is the main source of the information required on price changes. In brief, a deflator for each type of store (5-digit SIC) is derived by weighting together the CPI's for the appropriate commodities, the weights being based on the pattern of sales in the base year. These deflators are then applied to the value data to produce volume series.

The estimated prices of retail sales (sometimes called the implied price deflator) is derived by comparing the value and volume data non-seasonally adjusted. In general, this implied price deflator should be quite close to the retail component of the CPI.

Experimental statistics are those which are in the testing phase and are not yet fully developed. The main reason why the Internet retail sales are designated as experimental is that the methods and data sources are still being improved. Here is more information on the [internet retail sales strategy](#).

Use of the data

The value and volume measures of retail sales estimates are widely used in private and public sector institutions, particularly by the Bank of England and Her Majesty's Treasury, to assist in informed decision and policy making.

4. Methods

Information on retail sales methodology is available at: [guidance and methodology](#)

A video explaining retail sales is available on the ONS YouTube Channel at: [ONS YouTube Channel](#)

Composition of the data

Estimates in the Statistical Bulletin are based on financial data collected through the monthly Retail Sales Inquiry. The response rates for the current month reflect the response rates at the time of publication. Late returns for the previous month's data are included in the results each month. Response rates for historical periods are updated to reflect the current level of response at the time of this publication.

Overall response rates

Period		Overall response rates	
		(per cent)	
		Turnover	Forms
2011	Nov	91.0	62.8
	Oct	97.6	78.4
	Sep	97.0	80.0
	Aug	98.0	81.8

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Seasonal adjustment

Seasonally adjusted estimates are derived by estimating and removing calendar effects (e.g. Easter moving between March and April) and seasonal effects (e.g. increased spending in December as a result of Christmas) from the non-seasonally adjusted (NSA) estimates. Seasonal adjustment is performed each month, and reviewed each year, using the standard, widely used software, X-12-ARIMA. Before adjusting for seasonality, prior adjustments are made for calendar effects (where statistically significant) such as: returns that do not comply with the standard trading period (see section methods, calendar effects), bank holidays, Easter and the day of the week Christmas occurs.

Calendar effects

The calculation of the RSI has an adjustment to compensate for calendar effects which arise from the differences in the reporting periods. The reporting period for November 2011 was 30 October 2011 to 26 November 2011 compared with 31 October 2010 to 27 November 2010 the previous year. For example, the annual growth in sales volume between November 2010 and November 2011 requires 0.2 per cent adjustment to take account of the differences in reporting periods and other calendar effects.

The following table shows the difference between the calendar and seasonally adjusted estimates.

Calendar effects

	Year on year percentage change	
	Value	Volume
Calendar adjusted	4.7	1.1
Seasonally adjusted	4.6	0.7

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5. Quality

Basic quality information

The standard reporting periods can change over time due to the movement of the calendar. Every five or six years the standard reporting periods are brought back into line by adding an extra week. For example, January is typically a four week standard period but January 1986, 1991, 1996, 2002 and 2008 were all five week standard periods. The non-seasonally adjusted estimates will still contain calendar effects. If the non-seasonally adjusted estimates are used for analysis this can lead to a distortion depending on the timing of the standard reporting period in relation to the calendar, previous reporting periods and how trading activity changes over time.

The non-seasonally adjusted series contain elements relating to the impact of the standard reporting period, moving seasonality and trading day activity. When making comparisons it is recommended that users focus on the seasonally adjusted estimates as these have the systematic calendar related component removed. Due to the volatility of the monthly data, it is recommended that growth rates are calculated using an average of the latest three months of the seasonally adjusted estimates.

When interpreting the data, consideration should be given to the relative weighted contributions of the sectors within the all retailing series. Based on SIC 2007 data, Total retail sales consists of: predominantly food stores 41.7 per cent, predominantly non-food stores 43.2 per cent, non-store retailing 4.9 per cent and automotive fuel 10.2 per cent.

Standard errors

A measure of the accuracy of the RSI has been produced by estimating the standard errors of index movements. For more detail see the article by Winton, J and Ralph, J (2011) 'Measuring the accuracy of the Retail Sales Index', Economic & Labour Market Review, February 2011, available at: [Summary quality report](#)

Summary Quality Report

A Summary Quality Report for the RSI can be found on the National Statistics website at:

[Summary Quality Report for Retail Sales releases](#)

This report describes, in detail the intended uses of the statistics presented in this publication, their general quality and the methods used to produce them.

Revision triangles

Revisions to data provide one indication of the reliability of key indicators. The table below shows summary information on the size and direction of the revisions which have been made to the volume data covering a five year period. Note that changes in definition and classification mean that the revision analysis is not conceptually the same over time. A statistical test has been applied which has shown that the average revision in month to month statistics are not statistically different from zero.

Revision triangles summary November 2011

Volume seasonally adjusted	Growth in latest period (per cent)	Revisions between first publication and estimates twelve months later (percentage points)	
		average over the last five years (mean revision)	average over the last five years without regard to sign (average absolute revision)
Latest three months compared to previous three months	0.7	-0.2	0.32
latest month compared to previous month	-0.4	-0.07	0.41

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A spreadsheet giving these estimates and the calculations behind the averages in the table is available to download under "data in this release".

6. Relevant links

Methodological changes were introduced in the April 2009 and January 2010 releases. For more detail see:

[Classification changes in retail sales](#)

[An experimental measure of internet retail sales](#)

[Frequently asked questions](#)

More details on changes in 2009 include

[Changes to retail sales methodology](#)

[Frequently asked questions](#)

For videos on retail sales please see the [ONS You Tube Channel](#)

7. **Publication policy**

Details of the policy governing the release of new data are available from the Media Relations Office. Also available is a list of the organisations given [pre-publication access](#) to the contents of this bulletin.

8. **Accessing data**

The complete run of data in the tables of this statistical bulletin is available to view and download in electronic format using the ONS Time Series Data service. Users can download the complete bulletin in a choice of zipped formats, or view and download their own sections of individual series. The Time Series Data can be accessed at: info@ons.gov.uk

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