KNIGHTSBRIDGE PARTNERSHIP

MONTHLY INSIGHTS REPORT

October 2024

KEY RESULTS – OCTOBER 2024

Consumers appeared cautious in October as footfall rose annually whilst domestic spending declined, driven by fewer customers purchasing and a lower average transaction value. Consumer cautiousness was further demonstrated by a decline in spending from across London and the region, reflecting consumers cutting back on trips further afield that can lead to a higher spend

- Month on month decrease in footfall of -21% (-18.7% in October 2023)
- Year on year on increase in footfall of +2.7% (+1.2% in the West End)

- Month on month decrease in domestic spending of -1.7%
- Increase in number of customers and transactions (+12.6% and +13.8%) but decrease in average spend (-13.6%)
- Only sector with a month on month increase in domestic spending was Food & Drink (+13.5), with decreases in Fashion and General Retail (-0.2% and -5.3%)

- Annual decrease in domestic spending of -15.3% (-1.8% across UK towns and cities)
- Mainly driven by drop in average transaction value (-14.3%), but drops in transactions and customer numbers too (-1.2% and -9.3%)

- Proportionately less domestic spending from rest of London and South East (15.4% of total versus 22.1% in October 2023)

Insights commentary by Rendle Intelligence and Insights

INSIGHTS COMMENTARY – OCTOBER 2024

Consumers appeared cautious in October as footfall rose annually whilst domestic spending declined, driven by fewer customers purchasing and a lower average transaction value. Consumer cautiousness was further demonstrated by a decline in spending from across London and the region, reflecting consumers cutting back on trips further afield that can lead to a higher spend

Footfall in Knightsbridge was -21% lower in October than in September, which mirrored the month on month trend last year when footfall dropped by -18.7% from September to October 2023. Indeed, the monthly changes in footfall throughout 2024 have closely aligned to those in 2023.

The good news for the Knightsbridge District is that in October footfall rose annually by +2.7%, which was more than double the annual increase across the West End of +1.2%.

Whilst footfall was demonstrably lower in October than in September, domestic spending dropped by only -1.7% over the month, supported by increases from September in both the number of customers who purchased and the number of transactions they made (+13.8% and +12.8%). However, out of the three sectors that account for 89% of domestic spend in the District (Fashion, Food & Drink and General Retail), only Food & Drink spending rose over the month (+13.5%) while spending on Fashion was virtually flat on September (-0.2%) and General Retail spending was lower (-5.3%).

This cautiousness fed through to an annual drop in domestic spending from October 2023 of -15.3%; a significantly larger decline than the average of -1.8% across all UK towns and cities.

The drivers of the annual drop in domestic spending were a reduction in the average transaction value (-14.3%) and - despite a rise in footfall - fewer customers (-9.3%) making purchases than in October 2023. In contrast the number of transactions dropped only marginally from October 2023 (-1.2%), indicating that those who did make purchases made multiple transactions but at a lower value than last year, a strong indicator of consumers' reining in their spending.

Further evidence of greater cautiousness in terms of domestic spending is demonstrated by proportionately less spend coming from across the South East. As consumers pull back on spending they tend to reduce trips to destinations further afield which can lead to a higher spend, and in October 15.4% of domestic spending in Knightsbridge emanated from elsewhere in London and the South East versus 22.1% in October 2023.

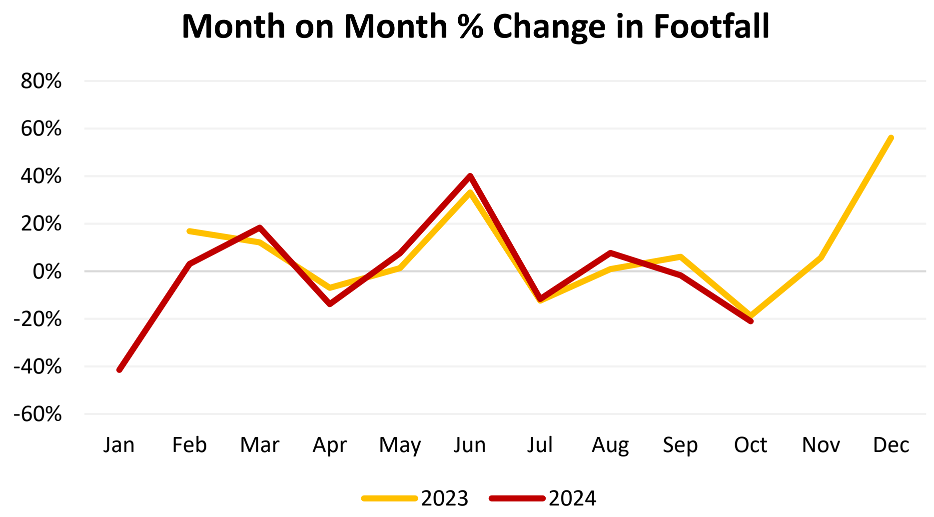
KEY HIGHLIGHTS – FOOTFALL – OCTOBER 2024

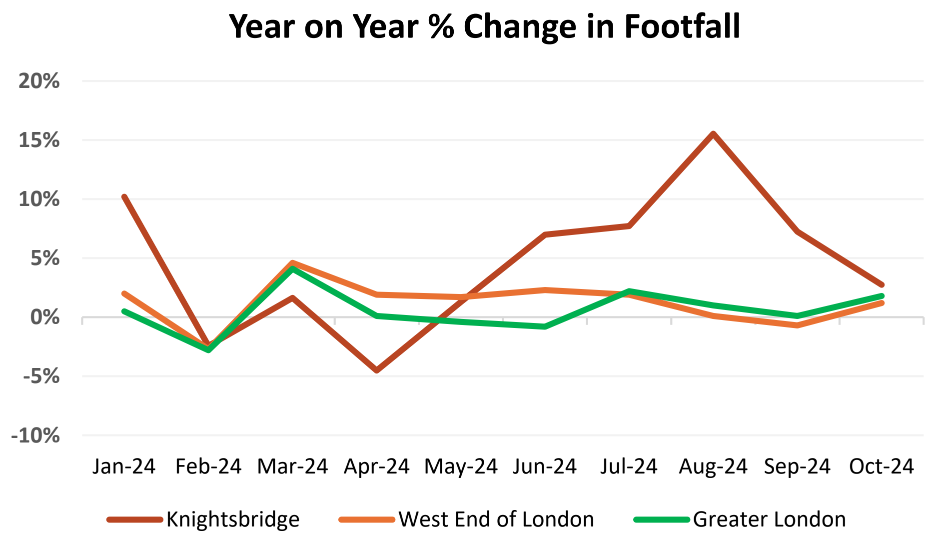
Knightsbridge Footfall		
	YoY % Change	MoM % Change
October 2024	+2.7%	-21.0%

Source: MRI

Footfall Benchmarks – October 2024		
	YoY % Change	MoM % Change
West End of London	+1.2%	+4.5%
Greater London	+1.8%	+2.2%

Source: MRI





KEY HIGHLIGHTS – DOMESTIC SPEND – OCTOBER 2024

Domestic Spend – October 2024

	YoY % Change	MoM % Change
Total £ Spend	-15.3%	-1.7%
Number of Transactions	-1.2%	+13.8%
Number of Customers	-9.3%	+12.6%
£ Average Transaction Value	-14.3%	-13.6%
Average Revenue per Customer	-6.6%	-12.7%

Source: Beauclair

Domestic Spend – UK Benchmark – October 2024

	YoY % Change	MoM % Change
Total £ Spend	-1.8%	+7.0%
Number of Transactions	-1.4%	+7.5%
Number of Customers	-2.4%	+4.4%
£ Average Transaction Value	-0.4%	-0.4%
Average Revenue per Customer	+0.5%	+2.5%

Source: Beauclair

Domestic Spend – Key Categories – October 2024

	YoY % Change	MoM % Change
Fashion	-10.9%	-0.2%
Food and Drink	-17.8%	+13.5%
General Retail	-18.8%	-5.3%

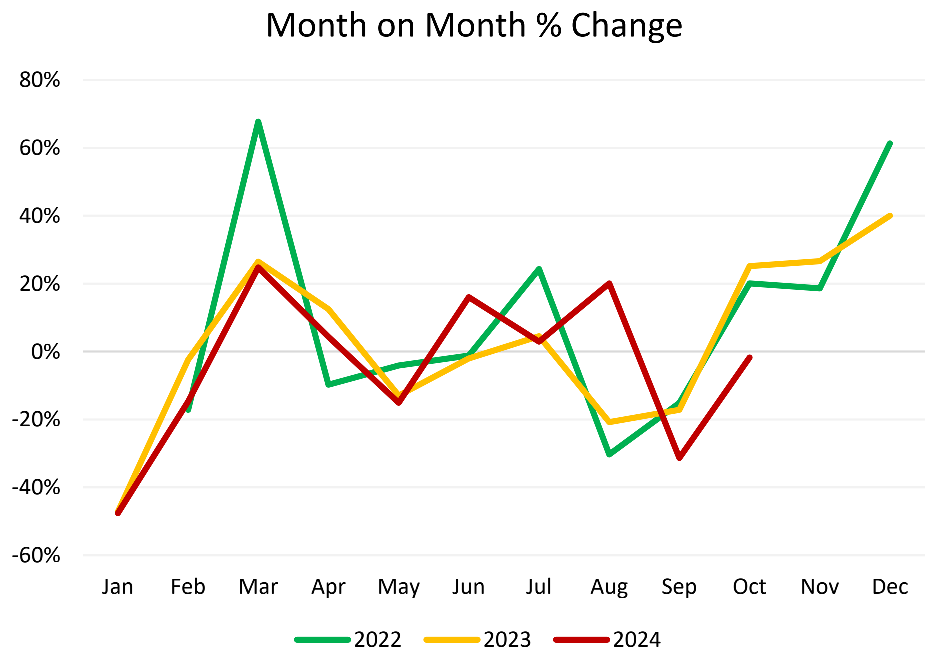
Source: Beauclair

Domestic Spend – Key Categories – UK Benchmark – October 2024

	YoY % Change	MoM % Change
Fashion	-2.6%	+6.1%
Food and Drink	+0.9%	+11.0%
General Retail	+1.6%	+13.8%

Source: Beauclair

KEY HIGHLIGHTS – DOMESTIC SPEND – OCTOBER 2024



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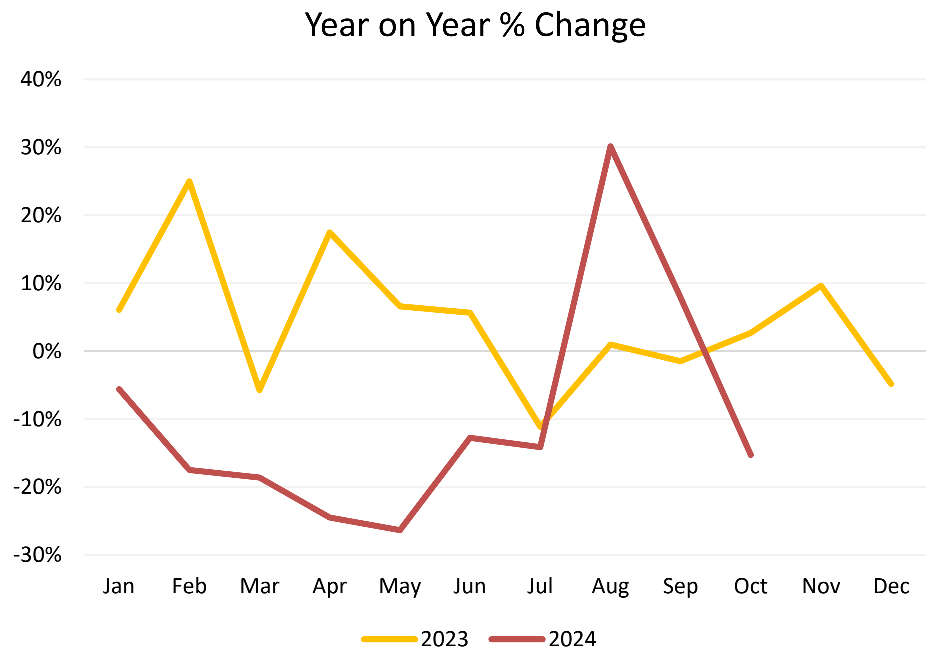

Source: Beauclair

Insights commentary by Rendle Intelligence and Insights

KEY HIGHLIGHTS – DOMESTIC SPEND – OCTOBER 2024

Domestic Spend - Contribution by Area		
	Oct-24	Oct-23
Chelsea & Kensington	19.7%	13.2%
Central London	1.4%	1.7%
South London	3.2%	5.3%
West London	5.3%	6.3%
Greater London	3.9%	3.1%
Brighton & West Sussex	0.1%	1.7%
Surrey & Berkshire	1.5%	4.0%
Rest of GB	64.8%	64.6%

Source: Beauclair

Domestic Spend - Demographic Contribution		
	Oct-24	Oct-23
A- City Prosperity	36.0%	33.2%
B - Prestige Positions	12.0%	11.1%
C - Country Living	5.6%	15.0%
D - Rural Reality	1.1%	1.7%
E - Senior Security	2.3%	2.4%
F - Suburban Stability	1.5%	1.4%
G - Domestic Success	8.1%	6.2%
H - Aspiring Homemakers	4.8%	5.6%
I - Family Basics	3.2%	2.2%
J - Transient Renters	0.6%	0.5%
K - Municipal Tenants	5.0%	7.4%
L - Vintage Value	0.4%	0.6%
M - Modest Traditions	1.1%	0.9%
N - Urban Cohesion	10.5%	5.7%
O - Rental Hubs	7.6%	6.2%

Source: Beauclair

KNIGHTSBRIDGE PARTNERSHIP

INSIGHTS COMMENTARY – NOTES – OCTOBER 2024

- MRI monthly footfall is based on a 445 calendar. October 2024 spans Monday 30th September 2024 to Sunday 27th October 2024 and September 2024 spans Monday 26th August to Sunday 29th September 2024.

- Beauclair spend data for the month is sourced from debit card transactions from UK bank accounts, and is based on the period covered by the calendar month.