

# RETAIL IN DETAIL

1<sup>st</sup> May 2015

WEEKLY RETAIL NEWS HIGHLIGHTS FROM AROUND THE MARKET

KNIGHT FRANK RETAIL NEWS

## GENERAL RETAIL NEWS

**Stefanel** the Italian fashion retailer, has taken a 2,600 sq ft store across basement and ground floors at 78 Regent Street, opening later in the Spring.

**Billionaire Boys Club** the streetwear label funded by Pharell Williams, has opened its first UK flagship store on Carnaby Street.

**MAC** the Canadian make-up brand, is opening a 5,500 sq ft store across three floors on Carnaby Street in September.

**BHS** the department store, has unveiled a partnership with Bookers Group to expand its convenience food offering, creating 250 new jobs.

**Uniqlo** the Japanese fashion retailer, is to open a 940 sq metre store at the Polygone Riveira in Nice, South of France. This will be the retailers' second store in the country.

**Homeslice** the pop-up pizzeria, has announced plans to open a second permanent restaurant at Wells Street, Fitzrovia with an underground cocktail bar.

**Tiger** the Danish homeware chain, is continuing its UK expansion with the opening of a new 4,300 sq ft store at Centre:MK in Milton Keynes.

**Nespresso** the coffee machine brand has launched a pilot 'Nespresso Café' in Vienna combining a coffee and take-away service, with a retail store.

**GLH** the London hotel group, has announced a new budget hotel, 'Thistle Express' that allows guests to choose their own rooms and benefit from free Wi-Fi.

**The Kooples** the luxury Parisian retailer, is to expand its UK flagship store on Carnaby Street where it is set to launch its new 'Kooples Sports' range.

**AMI** the Parisian menswear business, is opening its first UK store at 75 Duke Street.

**Oi Polloi** the Manchester menswear independent, has opened a two storey 1,170 sq ft store at 1 Marshall Street in London's Carnaby Street.

**Tom Oldyrod** the chef director at Polpo, has announced plans to open his own restaurant Oldyrod on Upper Street, Islington in June.

**Ariella** the women's eveningwear brand, has returned to retail and opened a new 2,400 sq ft store in Brent Cross shopping centre.

**Rola Wala** the Indian street specialists, are launching Rola Cage, their second pop-up concept in Dalston Yard from May 1<sup>st</sup>.

**Bull in a China Shop** the Japanese Whiskey concept, founded by the owners of Chinese-inspired Drunken Monkey pub have just opened their doors at 196 Shoreditch High Street.

**Superdrug** the health and beauty specialist, has revealed plans to open 100 new UK stores creating 1,350 new jobs over next three years.

**Giggling Squid** the Thai tapas brand, is to open their 13<sup>th</sup> site in Bluecote House, Bath with plans for a further eight sites across Essex, East Anglia and the Midlands.

## DEAL OF THE WEEK



### 11 Knightsbridge Green, SW1

Acting on behalf of their client Prime Development London Ltd, the Knight Frank retail team have disposed of this property to an established jewellery brand looking for an affluent area of London.

## TWEET OF THE WEEK



**Knight Frank Retail**  
@KFRetail



15 April 2015

Congratulations to the #KFRetail team's own #LondonMarathon runner. Over £1,650 raised for @TLCTanzania.

# RETAILER OPTIMISM

**LK Bennett** the women's luxury fashion retailer, has reported a 4.4% rise in sales for the 12 months to August 2 2014. Gross profit at the retailer climbed 3.2% to £61.2m in 2014. In 2014, LK Bennett opened new international stores in Boston and Chicago, also adding a new flagship store on Madison Avenue in New York.

**Thorntons** the chocolatier, has reported mixed third quarter performance. In the 15 weeks to 25 April, a lower than expected performance resulted in flat like-for-like sales growth of 0.1%. However, due to successful periods through Easter and Valentines day, like-for-like sales grew by 1.5%. UK commercial sales fell by 6.1% due to reduced levels of orders from one of the chocolatier's grocery partners. Meanwhile, international sales have grown 12.2% in the year to date.

**Greggs** the British Bakery, has reported a growth of 5.9% on like-for-like sales for the first four months of the financial year, with the 16 weeks to 25 April, total sales increased by 5%.

## RETAIL OUTLOOK FOR THIS WEEK



**Argos** the British catalogue retailer, has reported indifferent results in the eight weeks to 28 February. Sales slid 5% after a difficult Christmas however an overall rise in sales at the chain for the year to 28 February lifted group sales by 1% to £5.7bn. Pre tax profits also rose by nearly 15% to £129.5m. This comes on the back of news that the retailer is to open 200 updated store formats in a bid to modernise the brand, with 80 new outlets at Homebase and a further 10 in Sainsbury's.



**Next** the fashion and homeware retailer, has reported better than expected results in the first three months of its financial year. Full price sales in the 13 weeks to 25 April rose by 3.2% with total sales climbing 4.1% as a result of a longer tail to the retailer's winter-end sale and a bigger mid-season sale.

### Did You Know?

In every **Abercrombie & Fitch** store is a fake moose head, usually above the cashier or checkout area.

## MARKET SENTIMENT

Retailers across all platforms remain bullish in the face of potential consumer uncertainty generated by next week's 'too close to call' election. Experts believe that retailers will take heart from the fact that in the aftermath of the 2010 election, consumer confidence was broadly unaffected. Experts share a general concern in the lack of improvement in the business rate laws. High street retailers are being heavily burdened with tax on their properties, compared to online outfits that are saving considerably. The next government must address this in order to improve confidence.

Multichannel retailers recorded strong quarter 1 figures, growing at 42% year-on-year reports have shown. This reflects the increasing trend in the UK toward click-and-collect services. Consumers are valuing the convenience of in-store collection, and particularly for apparel, the ability to easily return goods to store. This comes on the back of new figures have revealed that UK consumers are making greater use of their handheld devices to shop. During the first quarter of 2015, the number of people searching for apparel rose by 54% on their smartphones or tablets, compared to the same period last year.

These figures come out on the back of reports published by GFK's that consumer confidence in the UK held steady in April and its highest level since 2002. The latest barometer shows that the headline index remained at 4 during the month.

Elsewhere, UK retail footfall edged up 0.2% year-on-year last month to mark the best overall footfall performance since March 2014.

## KEY CONTACTS

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