

Record \$21 billion to be spent in post-Christmas sales

Pent-up demand for shopping is set to continue in the post-Christmas sales, with \$21 billion to be spent in stores and online across the country – an increase of 2.1% on the previous year and up 12.6% on pre-pandemic levels in 2019.

The Australian Retailers Association (ARA) has today released the forecasts in conjunction with Roy Morgan, which show a bumper trading period from Boxing Day through to mid-January.

Australians are expected to enjoy their freedoms over the festive period, spending \$2.9 billion in Hospitality – up 10.7% on the previous year.

There is strong sales growth forecast for Victoria, up 6.6% on the previous year, while Clothing, Footwear and Accessories continue to bounce back strongly across the country, up 6.9%.

ARA CEO Paul Zahra said retailers have strong momentum in the lead up to Christmas which is set to continue into the new year.

“It’s great to see people out and about in great numbers enjoying some retail therapy after another year disrupted by Covid. We’re continuing to see a lot of pent-up demand for shopping after the Delta lockdowns – we’ve experienced a record-breaking Black Friday with sales exceeding expectations, and that’s provided businesses with strong momentum for this critical trading period,” Mr Zahra said.

“Our post-Christmas sales forecasts measure retail trade from Boxing Day through to January 15, and pleasingly we’ll top last year’s record with over \$21 billion set to be spent – up 2.1%. All retail categories have recorded an increase in spending on last year, apart from Food, which is down slightly and not surprising given more people will be out socialising this year. Hospitality is set to thrive as a result - up 10.7% on last year’s post-Christmas period when the Covid threat was more severe, and the vaccines were yet to be rolled out.

“The Boxing Day sales are a key event on the retail calendar and with the states and territories staying committed to their reopening plans, we can look forward to a bumper trading period.”

Roy Morgan CEO Michele Levine says the post-Christmas retail sales are expected to hit new record highs this year as consumers enjoy the benefit of high vaccination rates.

“Australians have rolled up their sleeves in record numbers over the last few months and with around 90% of all Australians aged 16+ now fully vaccinated retailers are set to enjoy a bumper post-Christmas period with over \$21 billion in retail sales expected – a new record high.

“Australians have saved up many dollars over the last two years that they’ve been prevented from spending due to lockdowns, border closures and other restrictions on travel. While there still exists some uncertainty about travel conditions over the next few months the loosened restrictions around the country do provide an opportunity for retailers looking to maximise their revenues and tap into what is forecast to be a record summer retailing period.”

Post-Christmas sales forecasts – Retail Categories

Category	2019 Post-Christmas Sales (\$m)	2020 Post-Christmas sales (\$m)	2021 Post-Christmas sales forecast (\$m)	2021 Post-Christmas Forecasted growth (% vs. 2019)	2021 Post-Christmas Forecasted growth (% vs. 2020)
Food	7,722	8,552	8,466	9.6%	-1.0%
Household Goods	3,138	3,733	3,736	19.1%	0.1%
Clothing, Footwear and Accessories	1,474	1,606	1,717	16.5%	6.9%
Department Stores	1,050	1,116	1,146	9.1%	2.7%
Other Retailing	2,690	3,068	3,174	18.0%	3.5%
Hospitality	2,657	2,583	2,859	7.6%	10.7%
Total	18,731	20,658	21,097	12.6%	2.1%

Post-Christmas sales forecasts – States and Territories

States and Territories	2019 Post-Christmas Sales (\$m)	2020 Post-Christmas sales (\$m)	2021 Post-Christmas sales forecast (\$m)	2021 Post-Christmas Forecasted growth (% vs. 2019)	2021 Post-Christmas Forecasted growth (% vs. 2020)
New South Wales	5,884	6,430	6,453	9.7%	0.4%
Victoria	4,923	5,255	5,601	13.8%	6.6%
Queensland	3,821	4,314	4,229	10.7%	-2.0%
South Australia	1,209	1,324	1,361	12.6%	2.9%
Western Australia	1,978	2,302	2,378	20.2%	3.3%
Tasmania	392	426	462	18.1%	8.6%
Northern Territory	177	209	207	17.1%	-0.9%
Australian Capital Territory	347	398	404	16.3%	1.5%
National	18,731	20,658	21,097	12.6%	2.1%

Seasonally Adjusted Retail Sales in \$m

Food: Supermarket, grocery stores, Liquor, and Other specialised food retailing; **Household goods:** Furniture, houseware, textile goods, Electrical and electronic goods and Hardware; **Clothing:** Clothing, footwear, personal accessory; **Department stores;** **Other:** Newspaper, book, recreational goods, Pharmaceutical, cosmetic, toiletry, Stationery, flowers, etc.; **Hospitality:** Cafes, restaurants and takeaway.

Media Enquiries:

Dominic Cuschieri

M 0418 224 072

E Dominic.Cuschieri@retail.org.au

About us: The Australian Retailers Association (ARA) is Australia's oldest, largest and most diverse retail body, representing a \$360bn sector which employs 1.3 million Australians. As Australia's peak retail body, representing more than 100,000 retail shop fronts, the ARA informs, advocates, educates, protects and unifies independent, national and international retail members. To learn more about ARA's exclusive benefits and more, visit www.retail.org.au