



MEDIA RELEASE  
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## RETAIL SALES AND CONFIDENCE REBOUND AFTER SECOND LOCKDOWN LIFTS

A new Retail NZ Retail Radar report show retailer sales have improved in through September as the second wave of COVID-19 restrictions lifted.

Sales were up 20 per cent and 45 per cent of retailers said that their sales improved on the same time last year. Significantly, retailer confidence has also improved with 78 per cent of retailers now reporting they are confident or very confident that their business will survive the next 12 months.

“While these are positive signs, the significant fluctuations we are seeing, particularly in retailer confidence, points to the overall fragility of the retail market, “ Retail NZ Chief Executive Greg Harford said today. “Retail businesses typically operate on very low net margins, and if customers are unable to shop, there are real cashflow issues that threaten the survival of retail businesses.”

“Despite most COVID-19 restrictions being lifted this month online sales are still strong, with 60 per cent of retailers saying online sales were up on last year. This compares to just 33 per cent for bricks and mortar only retailers. Our report also shows that 77 per cent of retailers are now trading online which is a significant increase in digital capability since the start of the year. 24 per cent of respondents say that they have moved to establish online trading since COVID-19.”

“Another key finding from this month’s report is that 24 per cent of retailers have reduced employee numbers since 1 April 2020, and 15 per cent are planning to do so over the next few months. COVID-19 is not the sole cause of these retail job losses. 21 per cent of retailers that had to reduce employee numbers said they did so because of the \$1.20 an hour wage increase which came into effect on 1 April 2020, at almost the same time and the entire country went into the highest level of COVID-19 lockdown.”

You can view the report [here](#).

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