



## RETAILERS GLOOMY AS ELECTION LOOMS

More than half of retailers failed to meet their sales targets in the quarter to 30 June, according to the latest Retail NZ Retail Radar Report.

"While retail trade spending has been steady, with Statistics NZ reporting a 1.6 per cent increase in seasonally adjusted terms, some parts of the retail sector are under significant pressure," Retail NZ's General Manager for Public Affairs Greg Harford said today. "51 per cent of retailers have reported that they didn't meet their sales targets in the last quarter, although strong growth was recorded in the accommodation, liquor and motor vehicle segments.

"Strong spending on hospitality, entertainment and food was driven by a number of events, including the Lions tour, the World Masters' Games and Field Days, and heartland North Island areas performed better than the rest of the country.

"Retailers continue to face strong competition, both domestically and from foreign websites who don't have to pay their share of tax. This is keeping prices down, but is creating unsustainable pressure on businesses in the long-term, particularly SMEs that may lack scale. Many retail businesses are looking to develop a more experiential offering and to connect with consumers in an attempt to retain business in a highly competitive market."

The latest Retail Radar Report is available at: <http://bit.ly/2wc6BPC>

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