



# **COVID-19 Retail Industry Sentiment Survey**

## Key findings

Week commencing 11 May 2020

# Introduction

To help identify the business impact of COVID-19 in the retail industry, Deloitte is conducting a weekly survey of sentiment from retail executives

- These are the key findings from the Deloitte Retail Industry Sentiment Survey, conducted in May 2020, as part of our ongoing coverage of the UK retail industry. The findings are based on the responses of 28 senior figures representing businesses with a combined 2019 revenue of over £100 billion across both food and non food retail.
- The findings in this document represent the fifth survey conducted during the week of May 11, 2020.
- Stay tuned for our next set of COVID-19 Retail Industry Sentiment Survey findings and please visit our [registration page](#) to sign up.

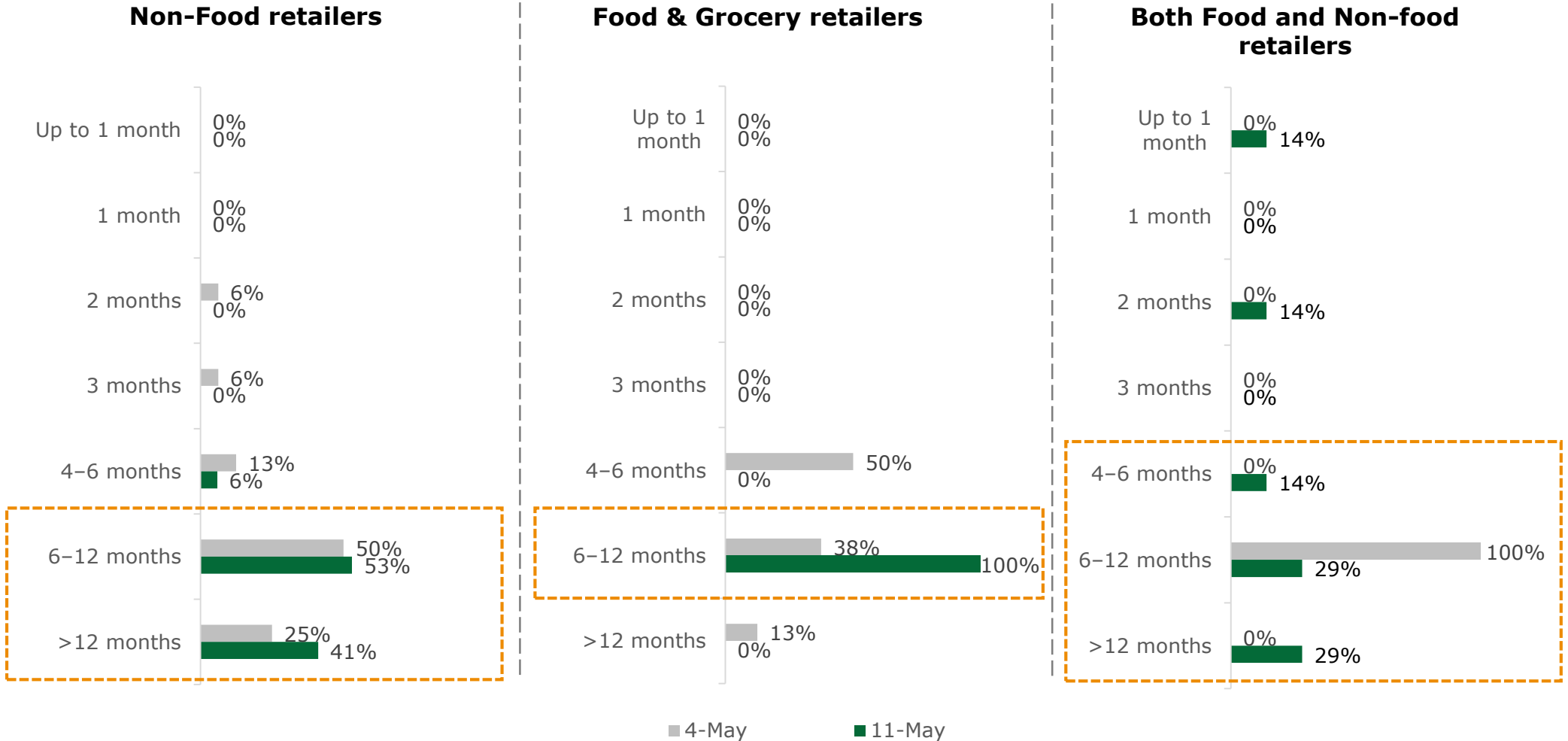


*Deloitte treats survey responses as being made in the strictest confidence. Access to such responses is restricted to those within the firm working on the survey. The results of the survey will solely consist of data aggregated from individual responses to our questions, therefore respondents will not be identified on an individual basis. The data for the survey is collected via an open weblink and as such, participation is not limited to a controlled list of intended recipients.*

# Survey responses

# Length of the disruption to the retail sector

Non-food retailer sentiment on disruption has shifted towards longer term with 94% (+19ppts) expecting a disruption period of more than 6 months while all food retailers anticipate a 6–12 month disruption period (vs. 38% last week)



Q1: From now, how long do you expect material disruption to your business to last?

Note: Please note that percentages may not add up to 100% due to rounding-off error

# Retail industry's recovery speed

Non-food retailer sentiment on recovery is consolidating on a long-term horizon, with 88% of the respondents expecting a recovery period of more than 6 months; food retailer sentiment on recovery is split as 50% anticipate normalcy to return in less than a month, while the rest foresee a 6–12 month horizon

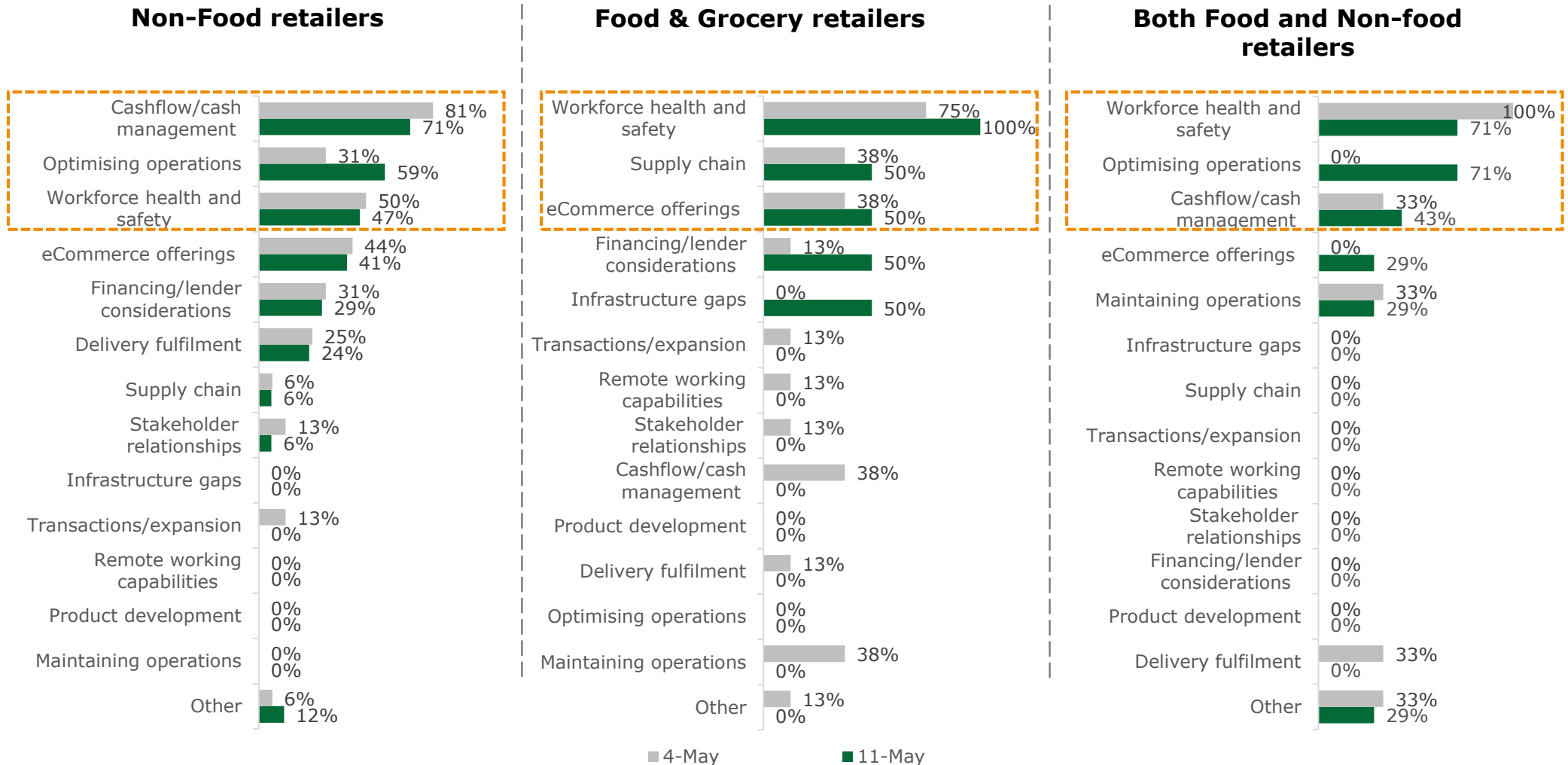


Q2: Once the COVID-19 outbreak is contained, how long do you estimate it will take for your business to get back to business as usual?

Note: Please note that percentages may not add up to 100% due to rounding-off error

# Current key priorities

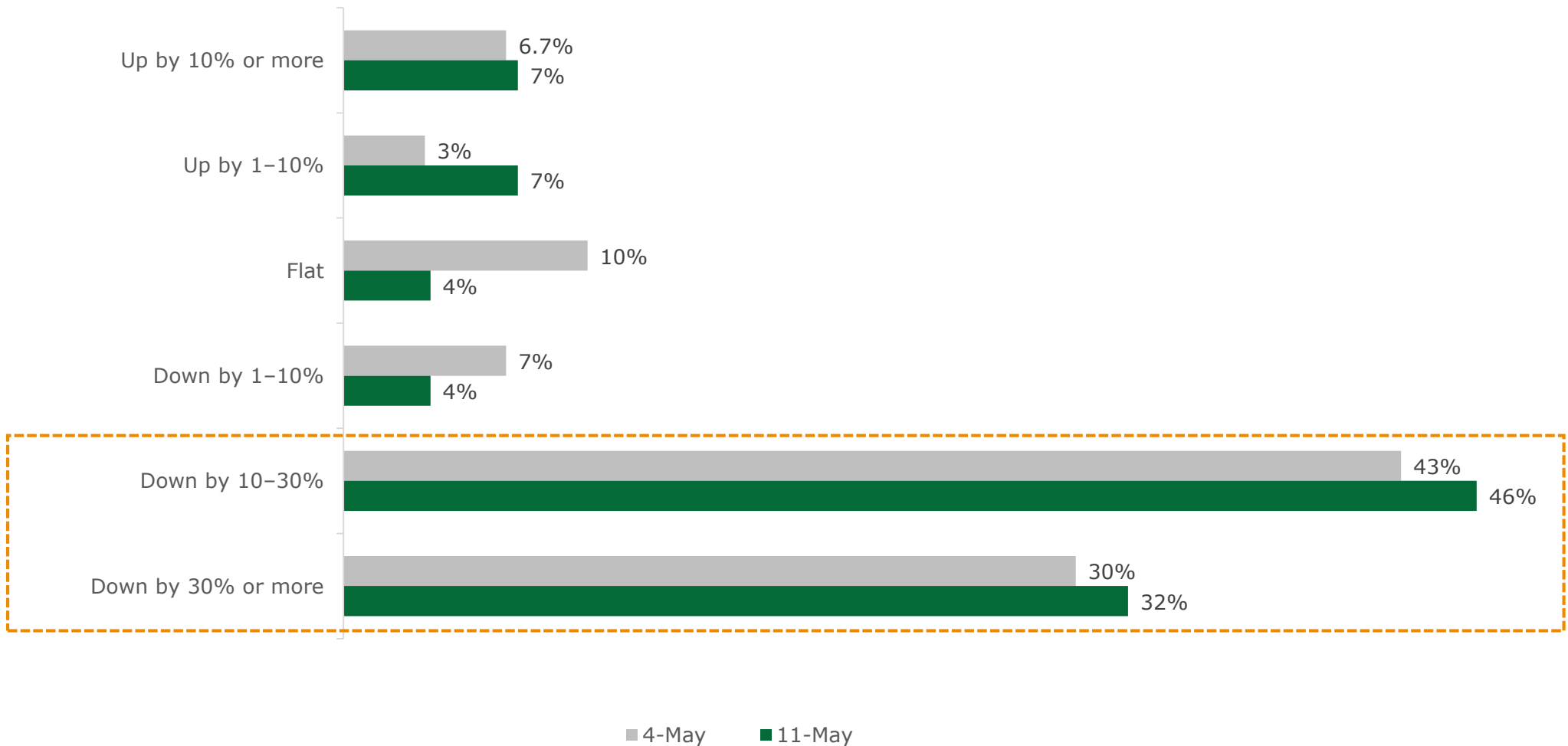
Cash management, optimising operations, and workforce health and safety are the top priorities for non-food retailers; workforce health and safety, supply chain and eCommerce offerings are the key priorities for food retailers with an additional focus on financing and infrastructure gaps



Q3: What are your key priorities over the next four weeks? (multiple answers possible)

## Impact on earnings – Q3 2020

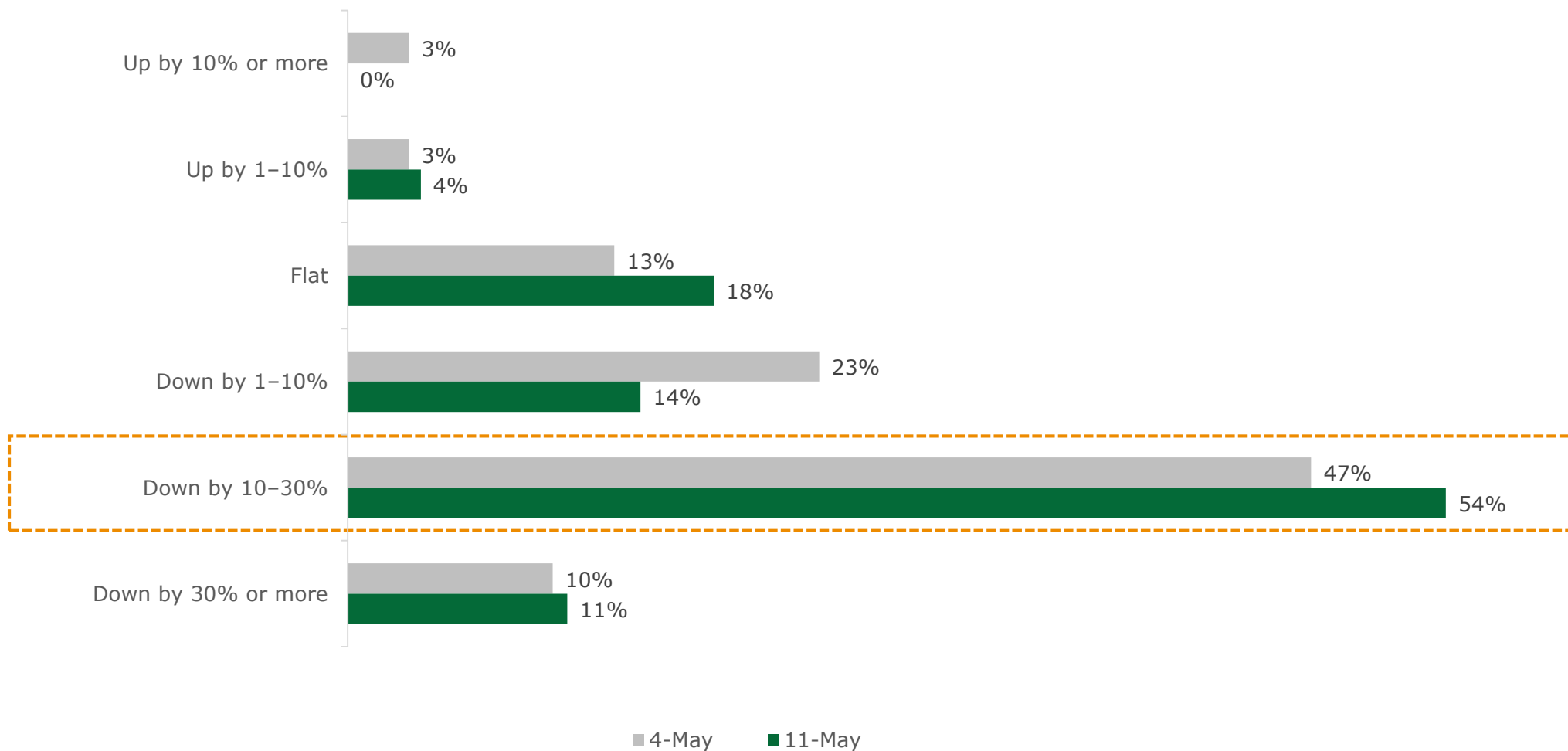
Retailer sentiment on revenue impact due to COVID-19 continues to become more negative, with 78% (+5ppts) expecting top-line figures to contract by more than 10% in Q3 2020, as compared to last year; 18%, primarily food and mixed retailers, expect earnings to either increase or remain at last year's levels in Q3 2020



Q4: By how much do you expect revenue to be impacted in Q3 (Jul-Sep) 2020 compared to last year?

## Impact on earnings – Q4 2020

More than three-quarters of the respondents (79%), mainly non-food retailers, expect their revenue to decline in Q4 2020, with 54% foreseeing a 10–30% drop in their revenue; 22% (+3ppts) respondents expect the impact in the golden quarter of 2020 to be flat or better



Q5: By how much do you expect revenue to be impacted in Q4 (Oct–Dec) 2020 compared to last year?

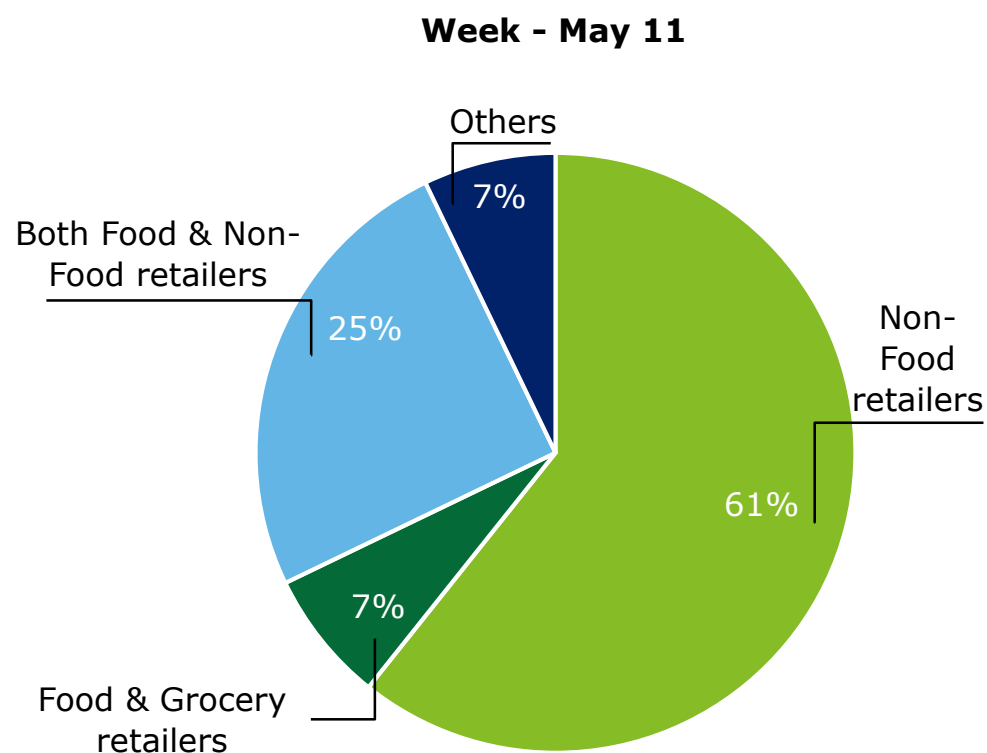
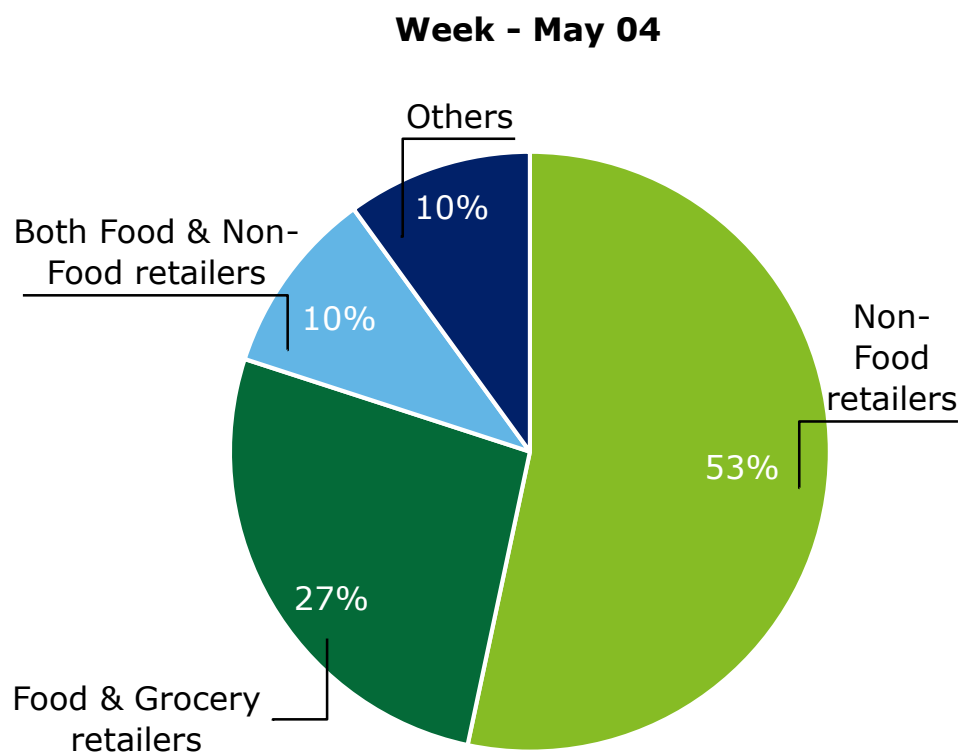
Note: Please note that percentages may not add up to 100% due to rounding-off error



# Appendix

## Respondent profile

More than three-quarters of the respondents (86%) identified themselves as non-food retailers (both pure and mixed) in the fifth Retail Industry Sentiment Survey rolled out in week commencing May 11



Q: Is your business predominantly a Food & Grocery retailer or a Non-Food retailer?

Note: Please note that percentages may not add up to 100% due to rounding-off error

# Contacts

Please get in touch if you have any questions



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