TABLE 6.

WA Retail Turnover Comparisons by Sub-Sector

2016-17 v's 2017-18

Source: ABS 8501.0 Retail Trade , Australia - June 2018 Seasonally Adjusted

Group	TOTAL Clothing, Footwear and other Personal Accessories			Clothing 69% of sector sales			Footwear and other Personal Accessories 31% of sector sales		
Year	2016/7	2017/8	% Var	2016/7	2017/8	% Var	2016/7	2017/8	% Var
Jul	172.2	162.5	-6.0%	105.9	97.8	-8.3%	66.3	64.7	-2.5%
Aug	170.3	161.7	-5.3%	104.3	98.6	-5.8%	66.0	63.1	-4.6%
Sept	169.5	156.6	-8.2%	104.0	91.9	-13.2%	65.5	64.8	-1.1%
Oct	166.3	164.3	-1.2%	101.1	97.3	-3.9%	65.2	67.1	2.8%
Nov	166.3	169.5	1.9%	100.6	100.9	0.3%	65.8	68.6	4.1%
Dec	168.8	167.0	-1.1%	104.2	98.6	-5.7%	64.6	68.4	5.6%
Jan	167.9	169.5	0.9%	102.3	99.9	-2.4%	65.6	69.6	5.7%
Feb	161.6	168.6	4.2%	98.0	101.0	3.0%	63.6	67.6	5.9%
Mar	162.6	167.8	3.1%	101.1	99.1	-2.0%	61.5	68.8	10.6%
Apr	160.9	170.0	5.4%	99.0	98.3	-0.7%	61.9	71.7	13.7%
May	162.7	162.0	-0.4%	97.8	93.5	-4.6%	65.0	68.5	5.1%
Jun	160.9	169.8	5.2%	96.2	100.6	4.4%	64.7	69.3	6.6%
WA Total Sales	1990.0	1989.3	0.0%	1214.5	1177.5	-3.1%	775.7	812.2	4.5%

National % Variation 2016/7 v's 2017/8	TOTAL Clothing, Footwear and other Personal Accessories	2.1%	Clothing	2.6%	Footwear and other Personal Accessories	1.1%

Total Sector:

Nationally: Sales in this sector had a growth of 2.1% for the year returning positive growth for each month during 2017/8. Starting slowly, considerable sales improvements commenced in February 2018, continuing through to a strong June finish. The stand-out trading months were February and June. This could be influenced by inventory reduction, a sales reaction to poor trading leading-into and post Christmas and late seasonal change May/June.

There are significant differences between what influences consumers when choosing a Clothing & Footwear retailer depending on which sub-sector a retailer falls into: high-end fashion, mid-range fashion or value fashion. High-end fashion expects personalisation factors, niche and boutique products, ongoing marketing campaigns and in-store services.
Consumers shopping for mid-range fashions more influenced by customer service and value being able to interact with the retailer through social media. Efficiency factors, such as seamless channel integration, sales and promotions including viewing products with the facility to provide reviews.

Website design, functionality, customer service and low prices strongly influences the value fashion consumers.

Delivery and returns, product quality, design, and location of stores have a significant influence on all consumers' decision-making processes for all retailers in this sector.

WA: After a disastrous start to the year, November sales were encouraging but short-term, any improvement was negated with poor results during December. The second half showed greater stability for each month with May being the only month that returned negative sales. Trading in the WA sector was unchanged (0.0%) for 2017/18.

WA Retail Turnover Comparisons by Sub-Sector

2016-17 v's 2017-18

Source: **ABS 8501.0 Retail Trade , Australia -** *June 2018 Seasonally Adjusted*

Clothing, Footwear and other Personal Accessories cont.

Clothing:

Nationally: According to research firm, IBISWorld, weak retail conditions, high wage and rent costs, international entries and fierce competition from emerging online players have been identified as the key factors negatively impacting the Australian clothing retail sector.

Competitive activity and challenging operating conditions have caused many prominent brands entry into administration. Store closures, low-sales, reduced profits and increased costs continues to destabilise this sector. Retail sales for the year grew +2.6%

Clothing - WA: The disastrous start to the year continued the lower sales pattern that commenced in February 2016. This sector returned high negative sales (up to -13.2%) for 9 concecutive months and for 14 months in the most recent 16 month period.

The peak promotional and selling period of November, December and January sales were disappointing (-2.6%), failing to meet recent year increases of around +6.0%.

Currently, higher margins are being used to provide the retailer with more latitude to markdown product to promote and drive their businesses. During this period we have seen that clothing companies are taking markdown activity beyond product related issues, addressing short-term sales, seasonal change and inventory issues within the business. A strategic related activity to meet and match competitor offerings by delivering greater incentives by constantly promoting increased heavy discounting aiming, to clear excess stock and attract demand.

Weak consumer sentiment and heavy discounting has encouraged bargain hunting, leading to price becoming an increasingly important aspect of competition. As customers become more conditioned to high and even higher markdowns, they simply wait until further markdowns become available.

Footwear and other Personal Accessories:

Nationally: This sub-sector enjoyed moderately consistant sales throughout the year enjoying increased sales for 9 months during the year.

Footwear and other Personal Accessories turnover grew 1.1% during 2017/18. Lower sales during December and January further indicates the problems encountered by retailers during the traditional peak trading months.

WA: After a very poor start to the year with first quarter June sales falling -2.6% on the previous year comparison. The sector recovered with healthy sales growth every month from October through to June. March and April were the highlight months, returning +10.6% and +13.7% growth respectively. Much of this is attributed to seasonal change and Mother's Day sales.

Over the year this sub-sector sales increased +4.5% which makes this one of the few WA retail sectors that out perfomed national sales. This result was even more suprising given that footwear and personal accessories (handbags, costume jewellery and millinery) have become increasingly popular as online purchased products.