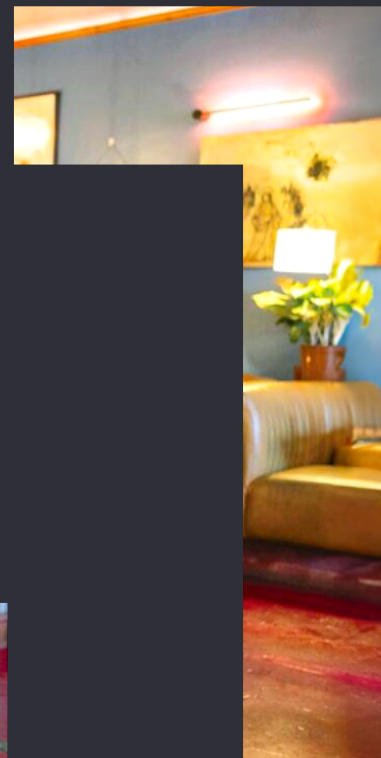


April 2024

Edition no. 28



Bannon Retail Pulse



F&B Market Focus - Activity Q1 2024

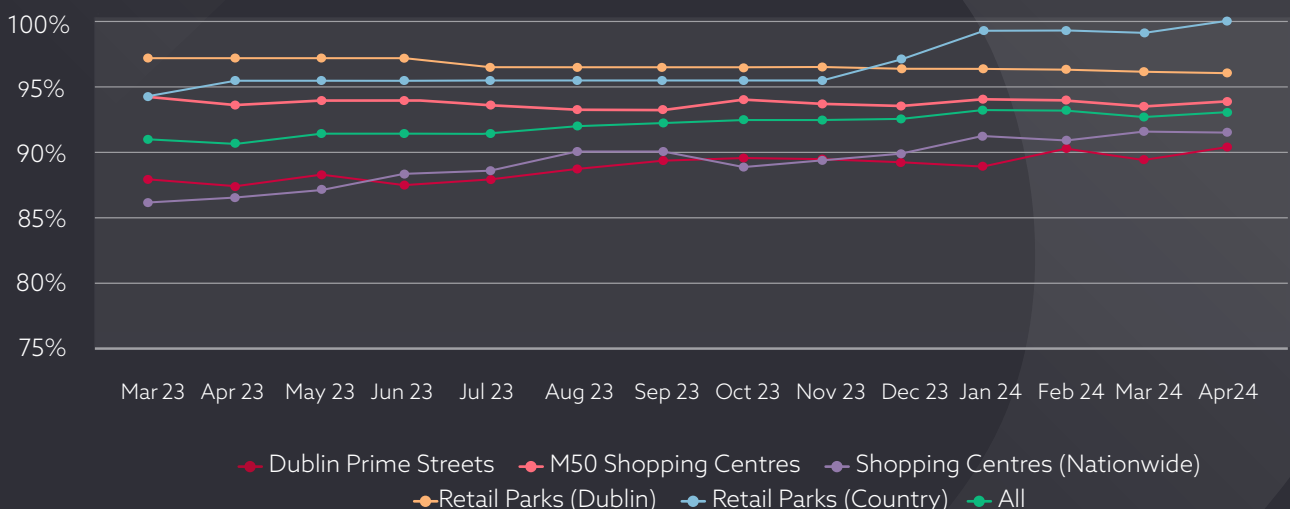
The Food and Beverage (F&B) sector in Ireland continues to hold its own against a challenging wider market backdrop. Whilst closures and upcoming vacancies feature regularly in the media, property transactions and rental values in the Dublin City Centre market have remained strong. The end of 2023 and first quarter of 2024 have seen a raft of new openings from both Irish and International food and beverage operators. A number of brands continue to expand their respective footprints across Ireland which strengthens the case for Ireland as a country with loyal and far-reaching customer bases. This makes the Irish market an enticing proposition for the UK and international F&B operators "waiting in the wings" for the right opportunity.

There is a growing gap in the demand for fitted space versus shell and core units. Recent closures, often subject to liquidation or receivership processes, have increased the number of fully fitted restaurant units available which has generated a noticeable uptick in demand for this space and has assisted in sustaining the rental tone. The high fit-out and construction costs associated with fitting out shell & core restaurant units since covid has made acquiring an existing lease or premises a more attractive option for prudent F&B operators keen to avoid the cost and potential regulatory pitfalls associated with a new build.

Active Brands



Bannon Retail Occupancy Tracker



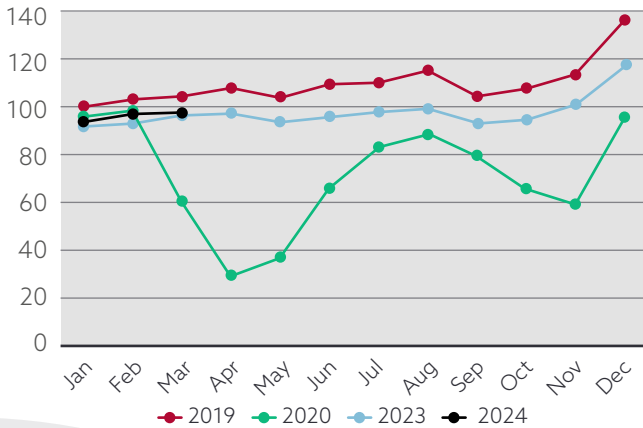
Bannon Trading Analysis

As at 31st March 2024



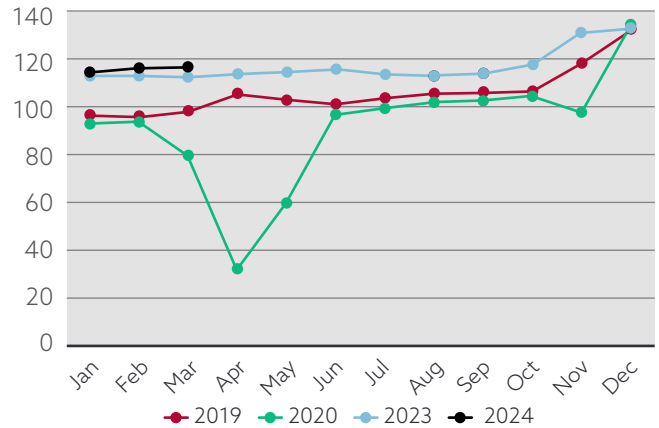
Shopping Centre Footfall

(Indexed: Based = Jan '19)



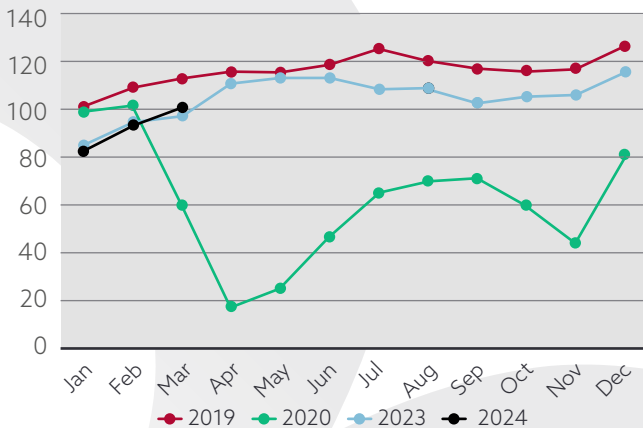
Retail Park Footfall

(Indexed: Based = Jan '19)



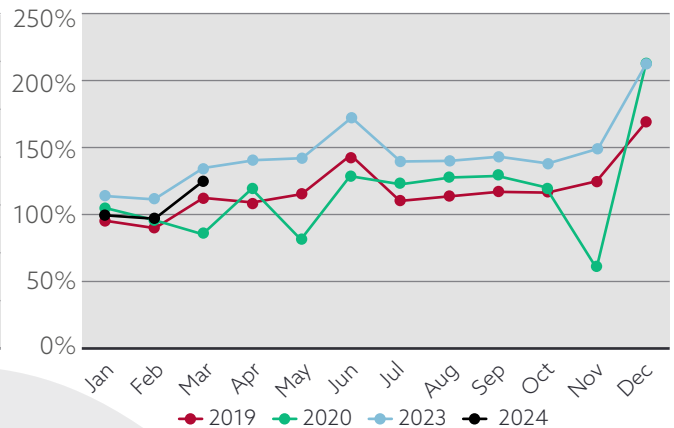
High Street Footfall

(Indexed: Based = Jan '19)



Ratio - Sales : Footfall

(Indexed: Based = Jan '19)



Footfall across our shopping centre portfolio in March 2024 was 1.05% ahead of March 2023, but we saw a slight drop in sales of 3.08%.



High street footfall in March 2024 was 3.09% ahead of March 2023 while still 10.71% behind pre-COVID levels (March 2019).



Footfall across our retail park portfolio in March 2024 was 4.4% ahead of March 2023 and 16.57% ahead of pre-COVID levels (March 2019).

Data is preliminary in nature and subject to revision.



Expert Insight

By Neil Bannon

Are Irish Consumers ready to break open the Piggy Bank?

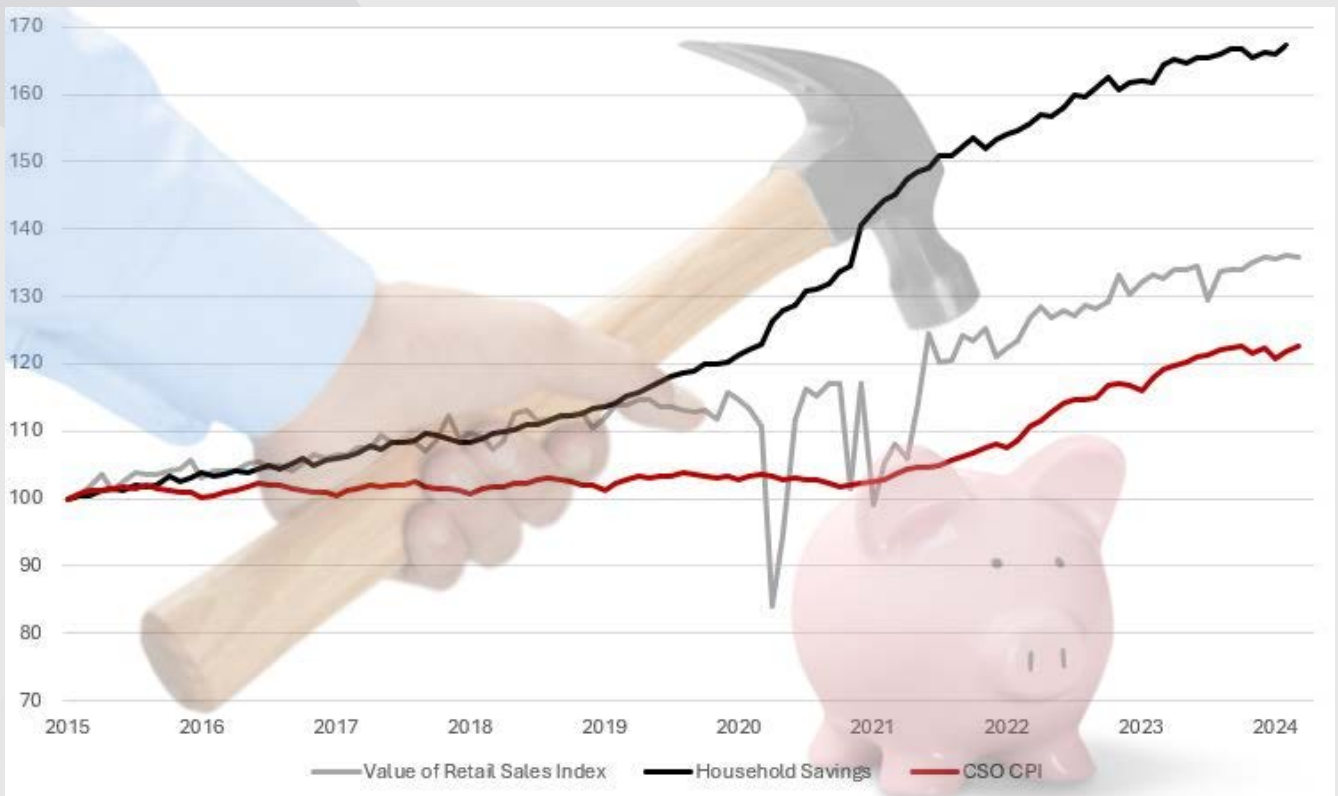
The narrative of a cost-of-living crisis has dominated the Irish media for the last 2 years, predictably feeding into a cautious attitude towards consumer spending.

Figures such as the 21% increase in the Consumer Price Index (CPI) since 2015 attracted headlines yet this level of increase over 9 years is not historically high, falling below the ECB target of close to but below 2% per annum over this period. During the same period, Household Savings and the CSO's Retail Sales Index increased by 67% and 33% respectively.

The period of high inflation looks like it is being contained

to 2 years, with the CSO reporting the EU Harmonised Index of Consumer Prices (HICP) for Ireland is estimated to have increased by 1.7% in the 12 months to March 2024, its lowest point in 31 months.

As the graph demonstrates, the 2-year spell of inflation directly impacted retail sales which has tread water since 2022. With inflationary pressures and the CPI increases abating, creating a more stable cost of living environment, will consumers open up their burgeoning piggybanks and resume the upward trend we saw pre-COVID? The data indicates they have the cash.



April 2024

Bannon Retail Pulse

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