

December trading puts Black Friday in the shade – *Clur Shopping Centre Index*

Retail trading in December 2023 far exceeded that for November, suggesting a loss of momentum for Black Friday deals and the re-establishment of December as the prime festive season month among South African consumers.



Photo by [Alexander Kovacs](#) on [Unsplash](#)

“What happened in the last two months of 2023 reveals a change in dynamic,” says Belinda Clur, managing director of Clur International.

“As Black Friday gained popularity a few years ago, it led to a month of deep discounts and effectively extended the festive season beyond only the December month. In this context, it made sense to view the festive season on a combined November and December basis.

“However, 2023 has broken this merged pattern and has revealed a significant split in the performance of these two important months in the retail calendar, suggesting that the festive season has now redefined itself back to a more traditional position of only being December. “

She says the *Clur Shopping Centre Index*, which tracks performance for listed and unlisted property funds at more than 4 million square metres of prime retail space in South Africa, tells a story of two extremes in trading densities in November and December.

Trading density levels

“An analysis of trading density levels at more than 100 shopping centres illustrates the weakness in November sales and growth in December performance reported by Statistics SA and in trading statements from listed retailing groups and property funds such as TFG, Mr Price Group, Woolworths and Vukile retail real-estate investment trust.

“It also underscores the view that the consumer position is recalibrating. A strong desire for balance in harsh economic times is making shoppers more resistant to enticements and pressurized shopping,” she says.

The Clur Index for December 2023, on an isolated basis, closed at an annualised trading density of R65,622/ sqm and 7.5% y/y growth. It therefore outperformed December’s consumer price index by 2.4%.

It also significantly overshadowed full year and combined festive season trading densities and growth. These were R40,899/sqm and 4.9% growth for the full 2023 year and R55,007/sqm and 4,4% growth for the combined festive season.



Growth contracts as consumers recalibrate – *Clur Shopping Centre Index*

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“On the other hand, the Clur Index for November 2023, on an isolated basis, came in at R44,490/ sqm and 0.4% y/y growth. It underperformed November’s CPI by 5.1%,” says Clur.

“In fact, during December, growth across all Clur Index shopping centre formats – from the large super regionals to smaller centres - outperformed CPI for the month. The opposite is true of November, when all shopping centre formats y/y growth underperformed CPI. “

Clur says that in November, regional centres had the best performance relative to CPI of -4.6%, and in December super-regionals outperformed CPI the most by 2.9%. In December smaller centres outperformed CPI by 1.8% and underperformed CPI by 6% in November.

While the Clur All Centres Index contracted for both months against the prior year’s growth, the contraction was far more severe in November 2023, shrinking by 8.8%, relative to December 2023’s lesser contraction of 2.7%.

Smaller centres showed a strong contraction in November 2023 of 10%, but then showed a growth expansion of 1.5% in December 2023 relative to 2022. Larger centres showed a far less pronounced contraction in December of 4.8% against November’s 8.6%.

Larger centres showed the highest annualised trading densities for both periods, at R71,107/ sqm in December 2023 and R47,473/sq m in November 2023.

Clur says super-regional centres top-performed at an exceptional R81,919/sqm in December and R53,487/sqm in November.

“In December they also showed the highest y/y growth of 8%, and in November regionals showed the highest y/y growth across all formats of 0.9%.

“Over the last few years, while December has always been more competitive than November in terms of relative trading density by about 35%, this performance gap grew to 47.5% in 2023, further pointing to the return of December as the festive season month.”

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