Father’s Day gives a boost to spring spending as retail merchants put weak winter behind them

**AUCKLAND, 6 September 2023 – Consumer spending has generally been weak and merchant conditions tough over the winter months, according to Worldline spending transaction data released today, although spring has started well as Kiwis spent up for their dads.**

Consumer spending in August 2023 through all Core Retail merchants (excluding Hospitality) in Worldline NZ’s payments network reached $2.934B, which is up 5.2% on August 2022, and up 17.8% on the same month in 2019. This brought the rolling three-month winter season spend at Core Retail stores to $8.740B, and to $11.580B if Hospitality merchants are also included.

Notably, spending spiked by around $10m in the last week of August across several merchant groups, compared to the same days in the previous week, in a pattern most likely related to Father’s Day (3 September) – a positive kick-off to the spring and summer months ahead.

“It looks like Kiwi dads now have more tools, sporting goods and books, and many were treated to a meal out on Sunday,” says Worldline NZ’s Chief Sales Officer, Bruce Proffit.

“The lift in spending across these retail categories will be a welcome change for merchants following what has been a tough winter. These months are traditionally the slowest for retailers and this has been made more challenging with a combination of generally higher prices – including recently for petrol - and modest demand.”

Proffit says Core Retail spending through Worldline was up in the three months ending in August 2023 (+4.6%) but the pattern varied both between and within merchant sectors.

“There was more spent on Food and Liquor and other groceries during winter, either through shops (+10.2%) or cafes and bars (+3.4%) but otherwise spending was lower at Accommodation merchants (-2.9%) and lower across the rest of the Core Retail sector (-2.4%),” he says.

“To reinforce the challenge faced by Accommodation merchants, their spending over the three months remained below 2019 levels. Following a positive Father’s Day, however, Core Retail merchants will no doubt be keen to see the seasonal upswing in spending continue in the weeks ahead”.

|  |
| --- |
| **WORLDLINE All Cards underlying\* spending for CORE RETAIL merchants for three months ending August 2023** |
|   | Value | Underlying\* | Underlying\* |
| **MERCHANT GROUP** | transactions $millions | Annual % change on 2022 | Annual % change on 2019 |
| Food and Liquor Shops | 5,509 | 10.2% | 30.5% |
| Food and Liquor Services | 2,559 | 3.4% | 12.5% |
| Accommodation | 281 | -2.9% | -11.7% |
| Core Retail less Hospitality less Food | 3,230 | -2.4% | 4.4% |
| Total Core Retail | 11,580 | 4.6% | 16.8% |

Figure 1: Daily All Cards NZ underlying\* spending through Worldline Core Retail merchants for three months ending August relative to the same months in 2022 and 2019 (\* Underlying excludes large clients moving to or from Worldline)

Around the regions, annual spending growth (excluding Hospitality merchants) for August was highest in West Coast (12.4%) and lowest in Wellington (3.6%). Auckland/Northland (+4.4%) growth remains below the national average.

|  |
| --- |
| **WORLDLINE All Cards underlying\* spending for CORE RETAIL less HOSPITALITY merchants for August 2023** |
|   | Value | Underlying\* | Underlying\* |
| Region | transactions $millions | Annual % change on 2022 | Annual % change on 2019 |
| Auckland/Northland | 1,086 | 4.4% | 12.7% |
| Waikato | 240 | 6.9% | 27.0% |
| BOP | 197 | 4.1% | 21.2% |
| Gisborne | 27 | 4.7% | 14.6% |
| Taranaki | 68 | 5.1% | 29.5% |
| Hawke's Bay | 106 | 5.0% | 25.3% |
| Whanganui | 41 | 10.8% | 32.2% |
| Palmerston North | 90 | 5.9% | 24.2% |
| Wairarapa | 36 | 3.7% | 25.5% |
| Wellington | 279 | 3.6% | 10.5% |
| Nelson | 58 | 7.7% | 16.1% |
| Marlborough | 36 | 10.1% | 21.0% |
| West Coast | 21 | 12.4% | 31.9% |
| Canterbury | 355 | 5.3% | 22.0% |
| South Canterbury | 53 | 11.5% | 29.4% |
| Otago | 170 | 6.8% | 18.3% |
| Southland | 70 | 4.9% | 20.7% |
| **New Zealand** | **2,934** | **5.2%** | **17.8%** |

Figure 2: All Cards NZ underlying\* spending through Worldline in August 2023 for Core Retail (excluding Hospitality) merchants
(\* Underlying excludes large clients moving to or from Worldline)

- ENDS -

**Note to editors:**

These figures reflect general market trends and should not be taken as a proxy for Worldline‘s market share or company earnings. The figures primarily reflect transactions undertaken within stores but also include some ecommerce transactions. The figures exclude transactions through Worldline undertaken by merchants outside the Core Retail sector (as defined by Statistics NZ).

For more information, contact:

**Brendan Boughen**T 027 839 6044

E brendan.boughen.external@worldline.com

ABOUT WORLDLINE IN NEW ZEALAND

We are New Zealand's leading payments innovator. We design, build and deliver payment solutions that help Kiwi business succeed. Whether you’re looking for in store, online or mobile payment solutions or powerful business insights, Worldline is here to help with technology backed by experience. [www.worldline.co.nz](http://www.worldline.co.nz)

About Worldline (GLOBAL)

Worldline [Euronext: WLN] helps businesses of all shapes and sizes to accelerate their growth journey – quickly, simply, and securely. With advanced payments technology, local expertise and solutions customised for hundreds of markets and industries, Worldline powers the growth of over one million businesses around the world. Worldline generated a 4.4 billion euros revenue in 2022. [www.worldline.com](http://www.worldline.com)

Follow us