DIY retailer Wickes avoids post-pandemic slowdown

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IY retailer Wickes has said it expects to avoid the slump in post pandemic trading with home improvement customers still returning to stores and trade customer order books at record levels.

Wickes said it would deliver full year results in line with expectations with sales "significantly ahead of pre-lockdown levels".

The company revealed that business still remained healthy ahead of its AGM today (Thursday) and said it was looking forward to revitalising the business with a series of store refits and new openings.

It added that it was "mindful" of the current economic environment with customers facing huge rises in the cost of living due to inflationary pressures and interest rate rises.

However, although trading remained widely level, currently group sales are down 0.6% for the first 20 weeks to 21 May this year compared to the same period last year. Like for like sales were also down 7.2% for the period.

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DIY sales increased by 30.9% during the period compared to last year. On a three-year basis, which compares with the pre-Covid period, total group sales are 22.4% ahead.

Unlike rival Kingfisher Group's B&Q, Wickes seems to have weathered the drop of in DIY and trade purchases as its customers return to their places of work.

Earlier this week, Kingfisher reported a slump in sales that was thought to ring the death knell for post-lockdown DIY.

While Kingfisher said demand was resilient and it is on track to hit profit targets for the year of £770 million, the City closed in as like-for-like sales, the most keenly studied measure, fell 5.4% in the first quarter.

David Wood, CEO of Wickes, said of the trading update from the retailer: "I am delighted to report continued momentum, and a promising start to the year where we continue to take market share. I am particularly proud of our long-term performance, with sales remaining significantly ahead of pre-lockdown levels.

"Looking ahead, while we remain mindful of the uncertain macroeconomic environment, we continue to be confident of the opportunities available to Wickes within the large and growing home improvement market," Wood added.