Sensormatic Solutions

Comprehensive measure of store customer traffic

Benchmark by UK nations, location type and major cities

BRC-SENSORMATIC IQ FOOTFALL MONITOR

January 2023

Period covered:
01 January – 28 January 2023

Headline commentary

Helen Dickinson OBE | Chief Executive | British Retail Consortium

"Footfall saw strong growth this month as employees made more trips into the office and international tourism improved, compared with last year when some Covid restrictions were in place. Growth was most pronounced in high streets and shopping centres as many shoppers sought out a bargain in the January sales. Meanwhile, retail parks faltered as the cost of living crisis put many shoppers off buying big-ticket home products often located there.

"Retailers will welcome this recovery, and despite the cost of living squeeze, footfall has continued towards its pre-pandemic levels. The challenge for retailers will be to convert this extra footfall into sales, at a time when many consumers are reining in their discretionary spending. Government could capitalise on the growth in tourism by reintroducing VAT-free shopping to help entice even more international shoppers to the UK."

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Andy Sumpter | Retail Consultant – EMEA | Sensormatic Solutions

"High Street performance started off the year on a positive footing, with total UK footfall seeing a robust rise on 2021 levels. Shopper counts rallied despite the threat of disruption from ongoing rail strikes, cold snaps and shaky consumer confidence. While retailers will take heart from the demand signals that bricks-and-mortar remains shoppers' channel of choice, footfall levels hover stubbornly just below pre-pandemic levels, even though January saw the highest recovery point in the past year. With the economic outlook continuing to put inflationary pressures on consumers' discretionary spend and, facing inflationary pressures of their own across their manufacturing, supply chain and labour costs, retailers will once again have to run even faster to stand still. This will put the emphasis squarely on doubling down on operational efficiencies, as well as focusing on core ranging that delivers value to price-sensitive shoppers."

Note: The pandemic disrupted footfall patterns with the opening and closure of shops. To date, we have reported footfall figures in comparison to pre-pandemic (2019) levels

As footfall has now stabilised, albeit remaining lower than pre-pandemic levels, for the purpose of using recent performance benchmarks, we are reintroducing year-on-year (YoY) comparisons.

Executive Summary

The UK's footfall contracted in January, showing a decline from the previous month but significantly improved on the level seen last year, and the second highest year-on-year increase seen in the last 6 months.

Total Retail Footfall Index

Total UK footfall increased by 12.5% in January (YoY), 2.6 percentage points worse than December but better than the 3-month average increase of 10.3%.

+12.5%

% change vs 2022

[-6.5% compared to January 2019]

BY SHOPPING LOCATION:

High Street Footfall

High Streets footfall increased by 20.2% in January (YoY), 0.5 percentage points better than last month's rate and better than the 3-month average increase of 15.2%.

+20.2%

% change vs 2022

[-8.5% compared to January 2019]

Retail Park Footfall

Retail Parks saw footfall decrease by 3.5% in January (YoY), 1.9 percentage points worse than last month's rate and worse than the 3-month average decline of 2.9%.

-3.5%

% change vs 2022

[-7.7% compared to January 2019]

Shopping Centre Footfall

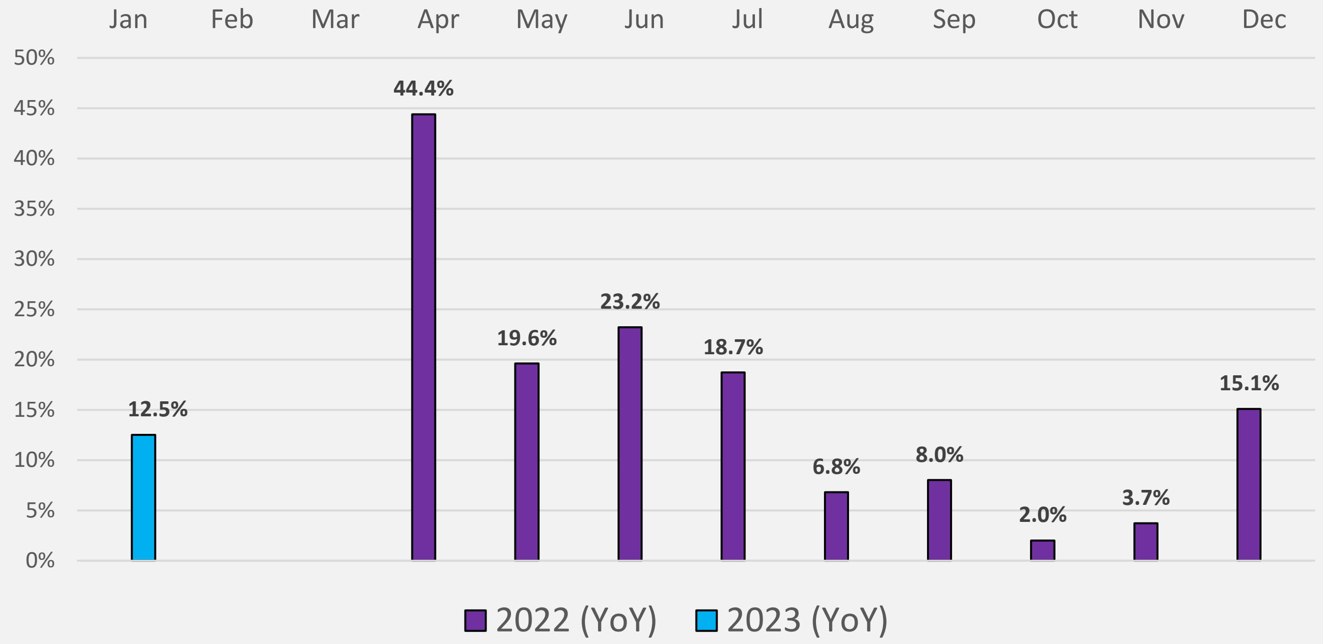
Shopping Centre footfall increased by 12.4%, 1.0 percentage points worse than last month's rate but better than the 3-month average increase of 10.2%.

+12.4%

% change vs 2022

[-25.2% compared to January 2019]

TOTAL UK FOOTFALL (% CHANGE YoY)



Footfall boost from tourism bump

Please note: Jan-Mar 2022 YoY data points have not been included in the chart above as some covid restrictions were in place for that time period in 2022.

UK Footfall saw strong growth in January compared to last year, boosted by more employees returning to work and increased international tourism. This marks the second highest recovery point in the last six months.

Compared to the previous month, January's performance dropped, with a -2.6% point fall. However, this would be expected as December is historically high due to Christmas shopping.

January

+12.5%

Year-on-Year

[**-6.5%** compared to 2019]

12-month average

+25.7%

Year-on-Year

[**-11.4%** compared to 2019]

TOTAL FOOTFALL – BY WEEK

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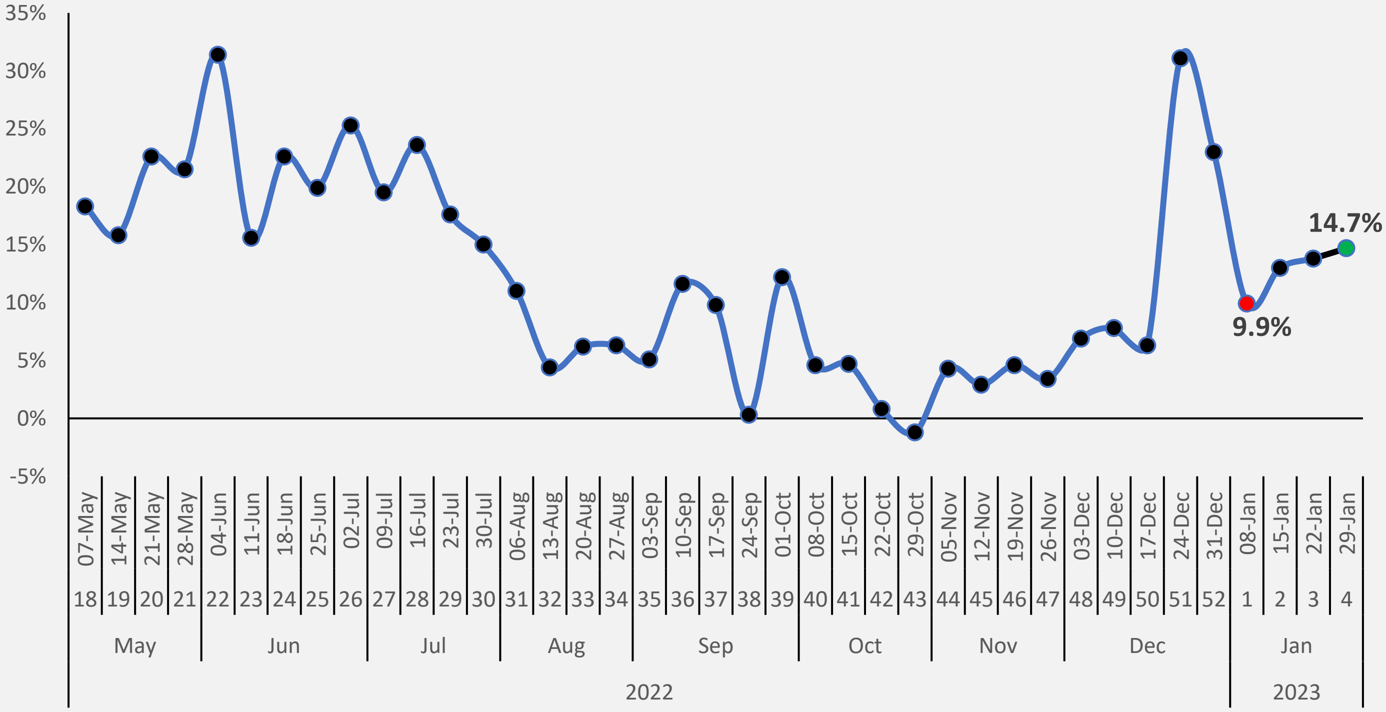
WEEKLY TOTAL RETAIL FOOTFALL (% CHANGE YoY)



JANUARY UK WEEKLY FOOTFALL

When comparing Jan 2023 weekly data against Jan 2022, footfall is higher for all four weeks of 2023, with the percentage difference between the 2 years never falling below 9.9%

The fourth week of January shows the strongest percentage difference compared to 2022, at +14.7%.

Disruption from rail strikes and the cold weather would have contributed to the lower footfall of +9.9% seen in the first week of January, compared to the subsequent weeks.

Week 04 (22 – 28 Jan)

+14.7%

Year-on-Year

[**-4.9%** compared to Week 04 Jan 2019]

Week 01 (01 – 07 Jan)

+9.9%

Year-on-Year

[**-4.3%** compared to Week 01 Jan 2019]

FOOTFALL BY RETAIL LOCATION

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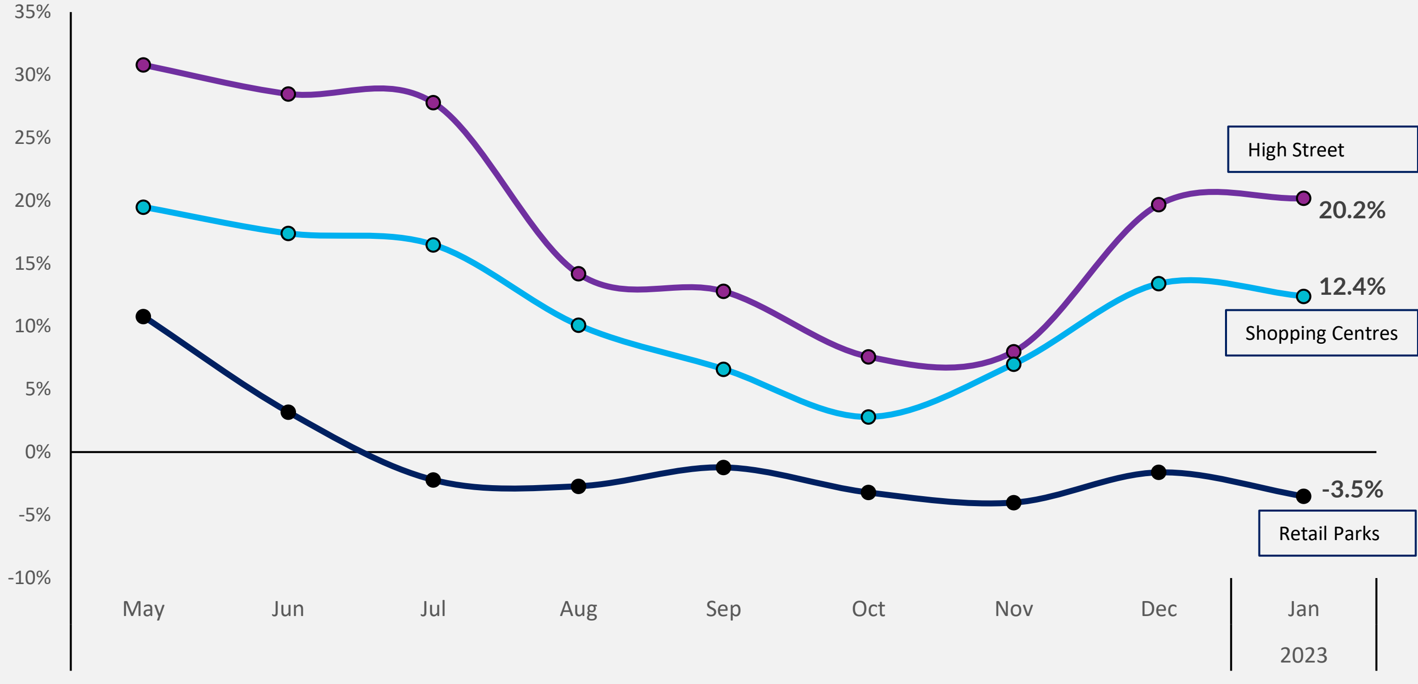
FOOTFALL BY LOCATION (% CHANGE YoY)



Shopping Centres remain ahead of other locations

Compared to last year, January 2022

All retail footfall was up 12.5% on average.

High Streets saw an increase of +20.2%. This compares to the 3 month and 6 month averages of +15.2% and +29.9%, respectively.

Shopping Centres saw an increase of +12.4%. This compares to the 3 month and 6 month averages of +10.2% and +24.5%, respectively.

Retail Parks saw a decline of -3.5%. This compares to the 3 month and 6 month averages of –2.9% and +8.6%, respectively.

Compared to pre-pandemic, January 2019

Footfall on **High Streets, Shopping Centres** and **Retail Parks** continue to remain below pre-pandemic (2019) levels. With **shopping centres** exhibiting the largest fall in footfall on comparison to January 2019.

High Streets

+20.2%

Year-on-Year

[**-8.5%** compared to January 2019]

Shopping Centres

+12.4%

Year-on-Year

[**-25.2%** compared to January 2019]

Retail Parks

-3.5%

Year-on-Year

[**-7.7%** compared to January 2019]

UK TOTAL FOOTFALL BY REGION

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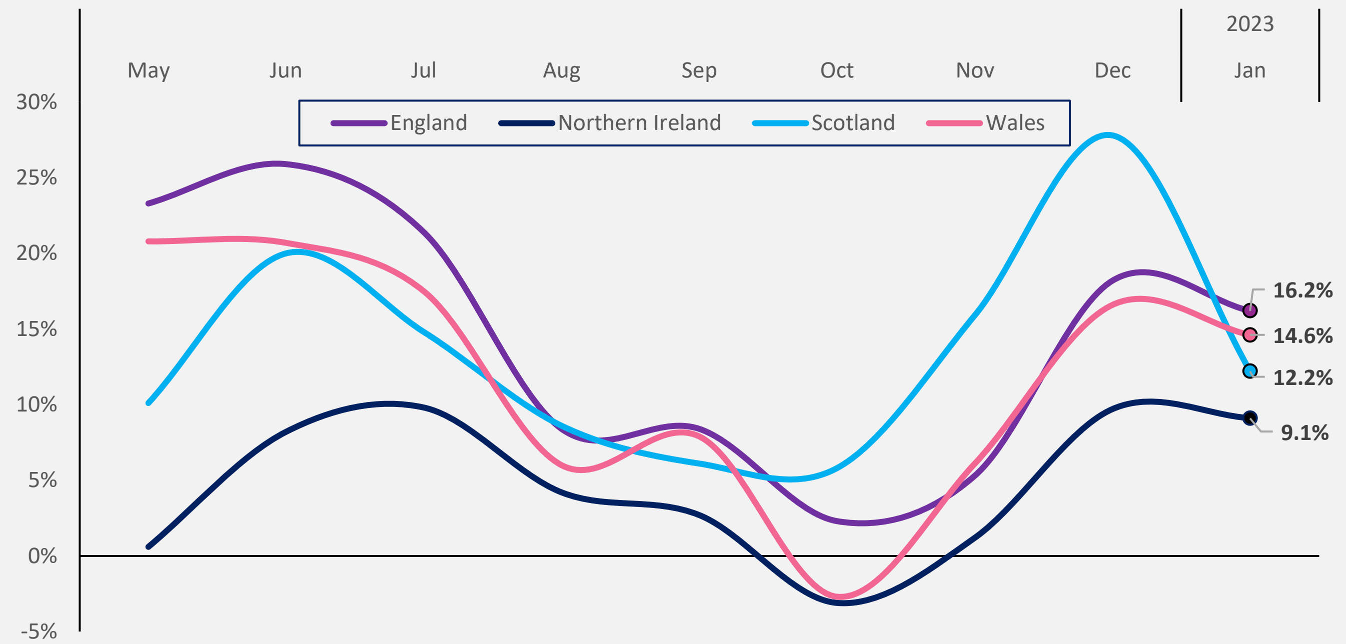
NATIONAL FOOTFALL (% CHANGE YoY)



UK Nations

vs. 2022

England saw the strongest recovery of all the UK's nations, with an increase of +16.2% vs 2022, but is down -6.0% vs pre-pandemic.

+16.2%

Wales saw an increase of +14.6% vs 2022, but is down -2.0% vs pre-pandemic.

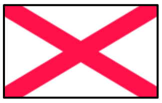
+14.6%

Scotland saw a footfall increase of +12.2% vs 2022, but is down by -6.8% vs. pre-pandemic.

+12.2%

Northern Ireland saw a footfall increase of +9.1% vs 2022, but is down -8.3% vs pre-pandemic.

+9.1%



UK FOOTFALL BY ENGLISH REGION

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TOTAL FOOTFALL BY REGION (% CHANGE YoY)

CURRENT RANK	RANK CHANGE	REGION	% GROWTH YoY
1	↔	London	+24.0%
2	↔	East of England	+11.1%
3	↑+5	West Midlands	+11.0%
4	↑+2	South East England	+10.5%
5	↓-2	Yorkshire and the Humber	+10.1%
6	↑+3	North East England	+9.2%
7	↓-3	North West England	+8.0%
8	↓-3	East Midlands	+7.7%
9	↓-2	South West England	+6.7%

ENGLISH REGIONAL BREAKDOWN

London again saw the **strongest footfall performance** in January, with an increase of 24.0 %. This means, with regards to recovery, it has topped the monthly English regional table, 7 out of the last 9 months.

The **West Midlands** saw the **highest ascent** up the ranking table, from position 8 to 3.

North West England and the **East Midlands** saw the **biggest ranking drop**, from position 4 to 7 and 5 to 8 respectively.

However, **South West England** was the **worst performing region**, dropping down two places from last month, to the bottom of the table.

Best Performing Region

+24.0%

London (YoY)

[-8.5% compared to January 2019]

Worst Performing Region

+6.7%

South West England (YoY)

[-6.3% compared to January 2019]

UK FOOTFALL BY CITY

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TOTAL FOOTFALL BY CITY (% CHANGE Y3Y)

CURRENT RANK	RANK CHANGE	CITY	% GROWTH YoY
1	↔	Edinburgh	+24.2%
2	↔	London	+24.0%
3	↑+4	Manchester	+16.1%
4	↓-1	Glasgow	+16.0%
5	↑+1	Cardiff	+15.4%
6	↑+2	Birmingham	+13.6%
7	↓-3	Nottingham	+11.6%
8	↑+3	Belfast	+10.0%
9	↓-4	Liverpool	+9.4%
10	↓-1	Leeds	+8.7%
11	↓-2	Bristol	+2.9%

CITY TRACKER

Although significant variation was seen, major cities showed an improvement of 13.8% on average compared to 2022 but fell 2.2% when compared to last month's average, and are still below pre-pandemic 2019 levels.

Despite rail strikes at the beginning of January, this appears to be counter-balanced with footfall from regular office visits and improved tourism numbers.

For the third month in a row, the best-performing city was Edinburgh, with an increase of +24.2% compared to Jan 2022 although it fell by 5.5% compared to last month's YoY figure.

For the second time in 3 months, the worst-performing city was Bristol, with an increase of +2.9% compared to Jan 2022 but a fall of -7.7% compared to last month's YoY figure.

Best Performing City

+24.2%

Edinburgh (YoY)

[**-2.9%** compared to January 2019]

Worst Performing City

+2.9%

Bristol (YoY)

[**-7.7%** compared to January 2019]

THE BRC & SENSORMATIC SOLUTIONS

Together with the BRC and its members, Sensormatic Solutions has worked to develop the most representative and robust indicator of UK store footfall traffic available – providing retailers with confidence to rely on the data for their business decision making.

Sensormatic Solutions, the leading global retail technology portfolio from Johnson Controls, is the UK's market leader in in-store footfall measurement. Its index delivers insights based on input from more than 1.5 million data collection devices in the retail marketplace and 40 billion shopper visits captured by the Sensormatic IQ brand each year.

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