How Covid-19 is changing the movement of your customers

Data for week ending 7th February 2021

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CACI | DO AMAZING THINGS WITH DATA

EXECUTIVE SUMMARY

In a week where lockdown has held firm we start to see how long-term migration patterns may shape the future landscape

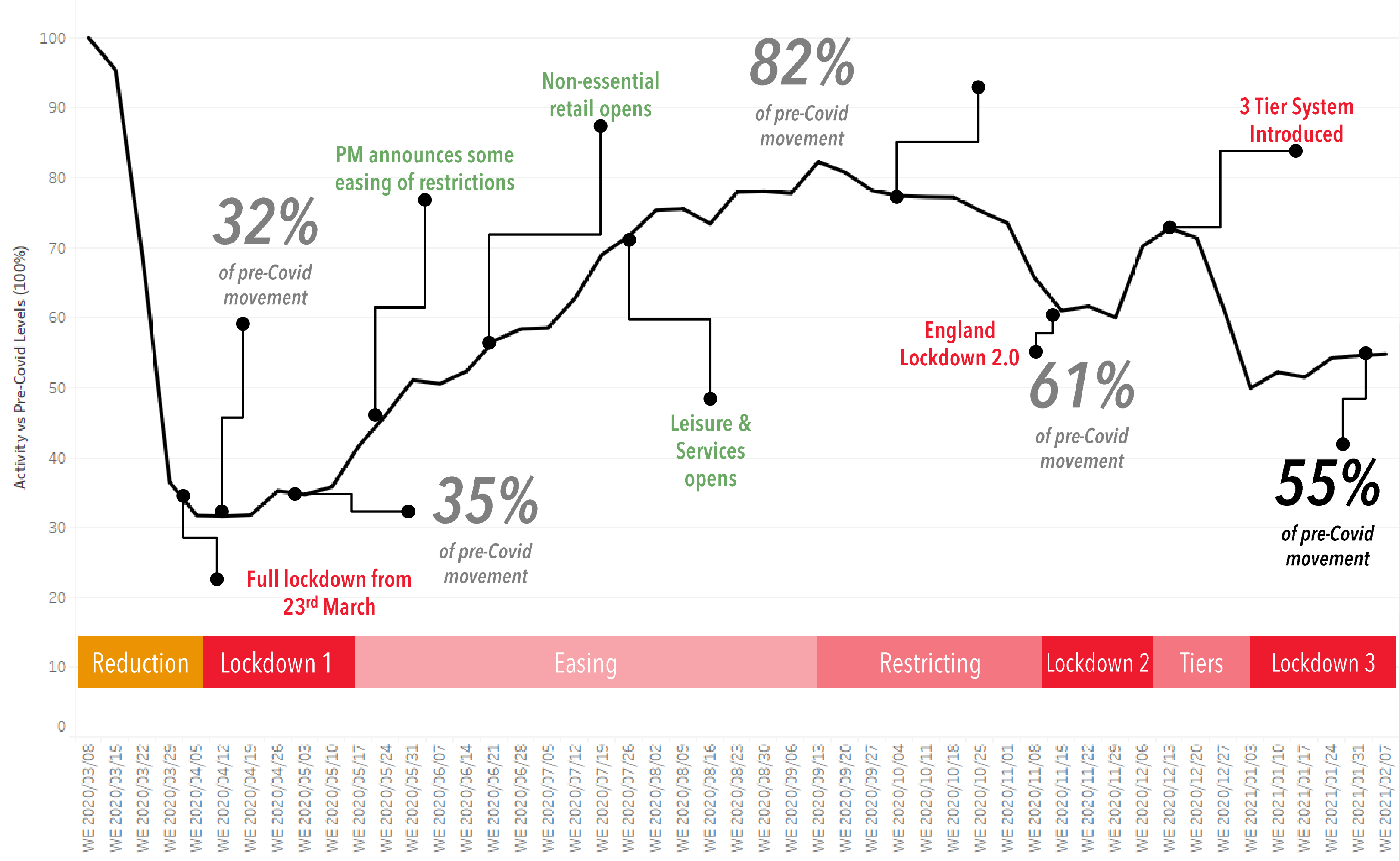
- *Lockdown 3.0 is holding extremely strongly, which is a huge achievement given how long the various restrictions have now been in place and the inevitable frustrations resulting. However, with no changes to the places that we can visit and a cold-snap striking across the country there is no reason for movement to change. As a result, national movement has increased only a fraction of a percentage point this week and remains at 55% of pre-Covid levels.*

- *With such little change, and with consumers locked in the same properties for a number of weeks, we have taken the opportunity to start to drill into the underlying data to see if we can see long-term changes in populations. Slides 4 and 5 are a toe in the vast lake of data that we are building. By tracking the changing neighbourhood of residence from the start of the pandemic to the current week of lockdown, for a large sample of mobile phones, we can see evidence to back up the anecdotes we read in the press and see in our friends and neighbours:*
    - *London is seeing the most long-term migration of people – but it is not yet an exodus*
    - *Student Life are most likely to have moved place of residence – and urbanites across the income spectrum are most likely to have moved home*
    - *The South East and South West are benefitting the most from this migration – principally due to their proximity to London*
    - *Most moves remain in the same Acorn Group and neighbourhood – as we still like familiarity and life circumstances are still shifting incrementally*

- *Logical and notable shifts by Acorn and region are starting to emerge of possible long-term migration patterns, and we will look to unpick these in the near future using a combination of this unique mobile app data and other CACI and public datasets.*

THE NATIONAL PICTURE

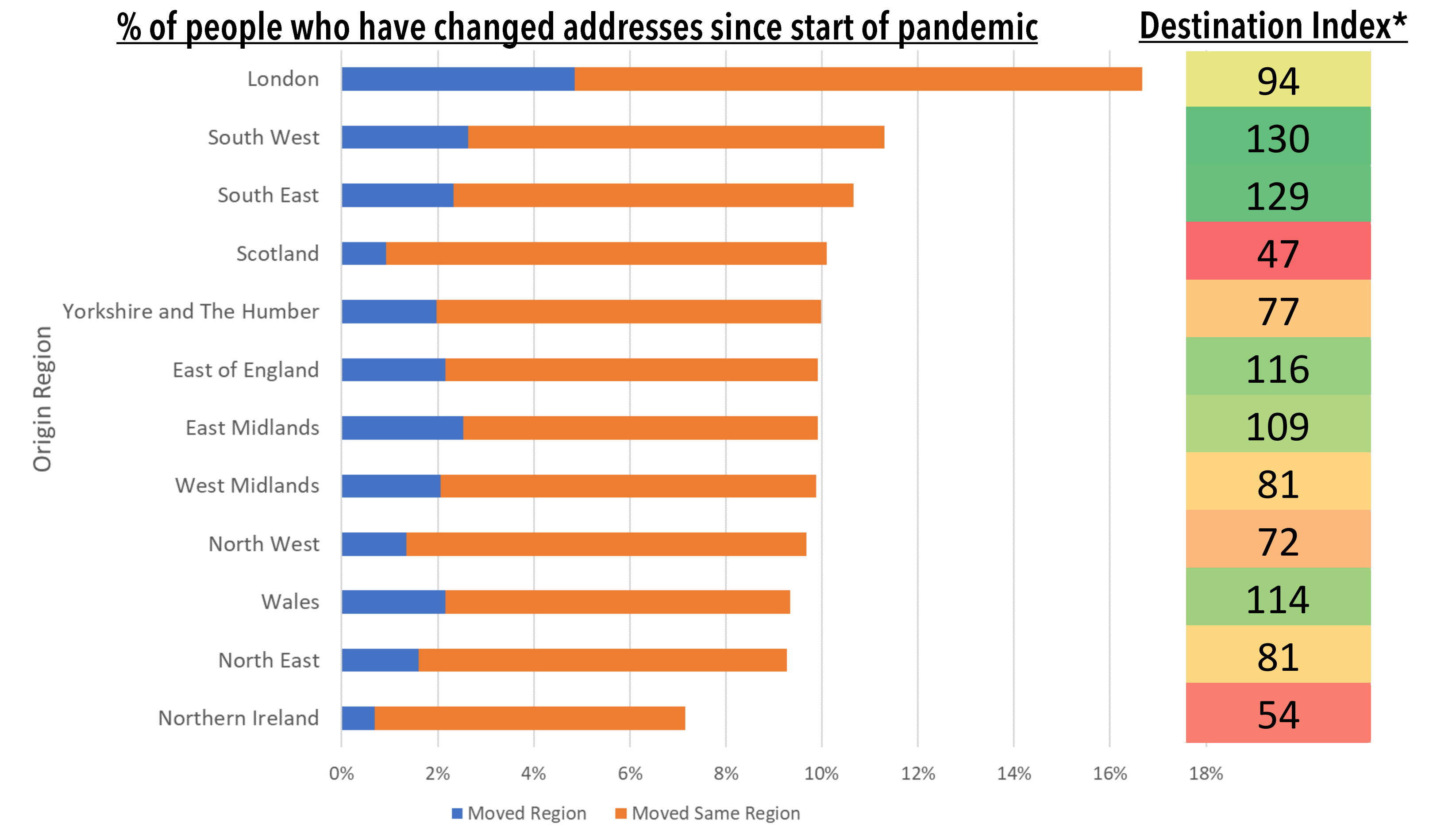
Lockdown 3 holds firm and we equal the longest period of stability since the start of the first Lockdown



- Five weeks into Lockdown 3.0 we have equalled the longest period of flat-lining movement level since the start of the pandemic.
- This is an impressive achievement given the length that the country has lived with restrictions and the enhanced frustrations of being locked in during the winter.
- Looking back to the first lockdown, movement stepped up 3 percentage points in the equivalent of next week and then started to climb sharply, effectively forcing the government to formally ease restrictions.
- Next week's data will include the first weekend of Half-Term for most schools and those seeking to control the pandemic's spread will be keen to ensure that this does not trigger the same step up in movement of the spring.
- However, the cold weather, and increasingly firm enforcement may just keep movement in check as the vaccine roll-out continues.

WHO HAS MOVED HOME?

Londoners are most likely to now be living in a different property, and a different region – the South West receives the most movers

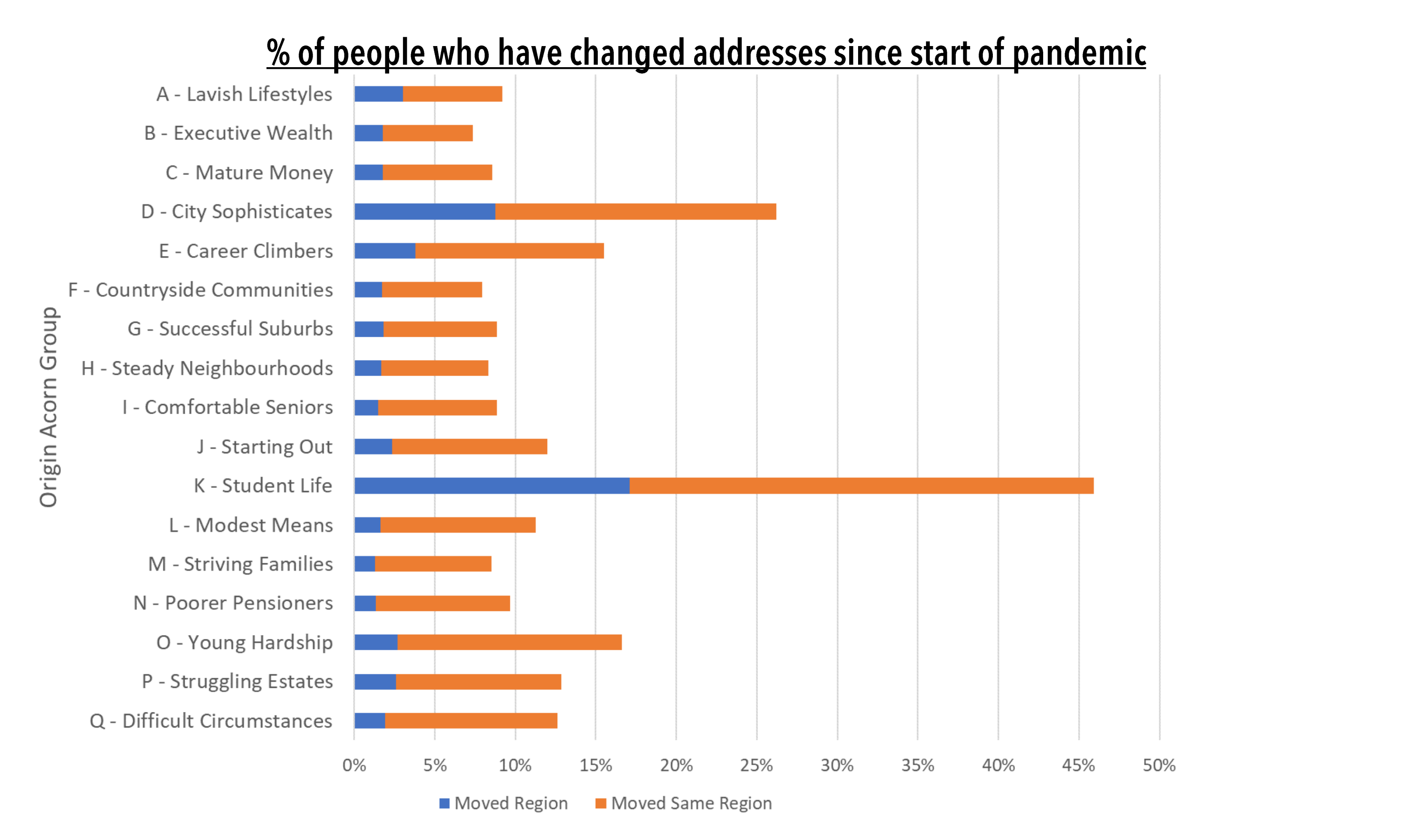


* Destination Index compares the % share of movers <u>in to</u> the region to the total population share of the region. Index >100 means region is receiving a larger share of movers into the region than would be expected,, and are likely to be witnessing net growth.

- Almost **17% of Londoners** tracked at the start of the pandemic are this week residing in a different neighbourhood from at the start of the pandemic. This is 6pp above the average across the UK and evidences the anecdotal stories of Londoners moving, either back to family or to larger spaces outside the capital.
- This does not represent an exodus of London, as 12 percent have moved but stayed in the same region. However, with 5% moving region, twice the UK average, London has certainly seen the greatest overall population shift during the pandemic.
- The **South West**, followed by the **South East** are the only other regions to have seen above average migration.
- When controlled against the population size of each region it is the South West, followed by the South East that are picking up the majority of moves. A **Destination Index*** of 130 means 30% more new residents than would have been expected for the resident population. So, moves are not to the far reaches of the UK, with **Scotland** & **Northern Ireland** receiving the fewest migrants relative to their existing populations.

WHO HAS MOVED HOME?

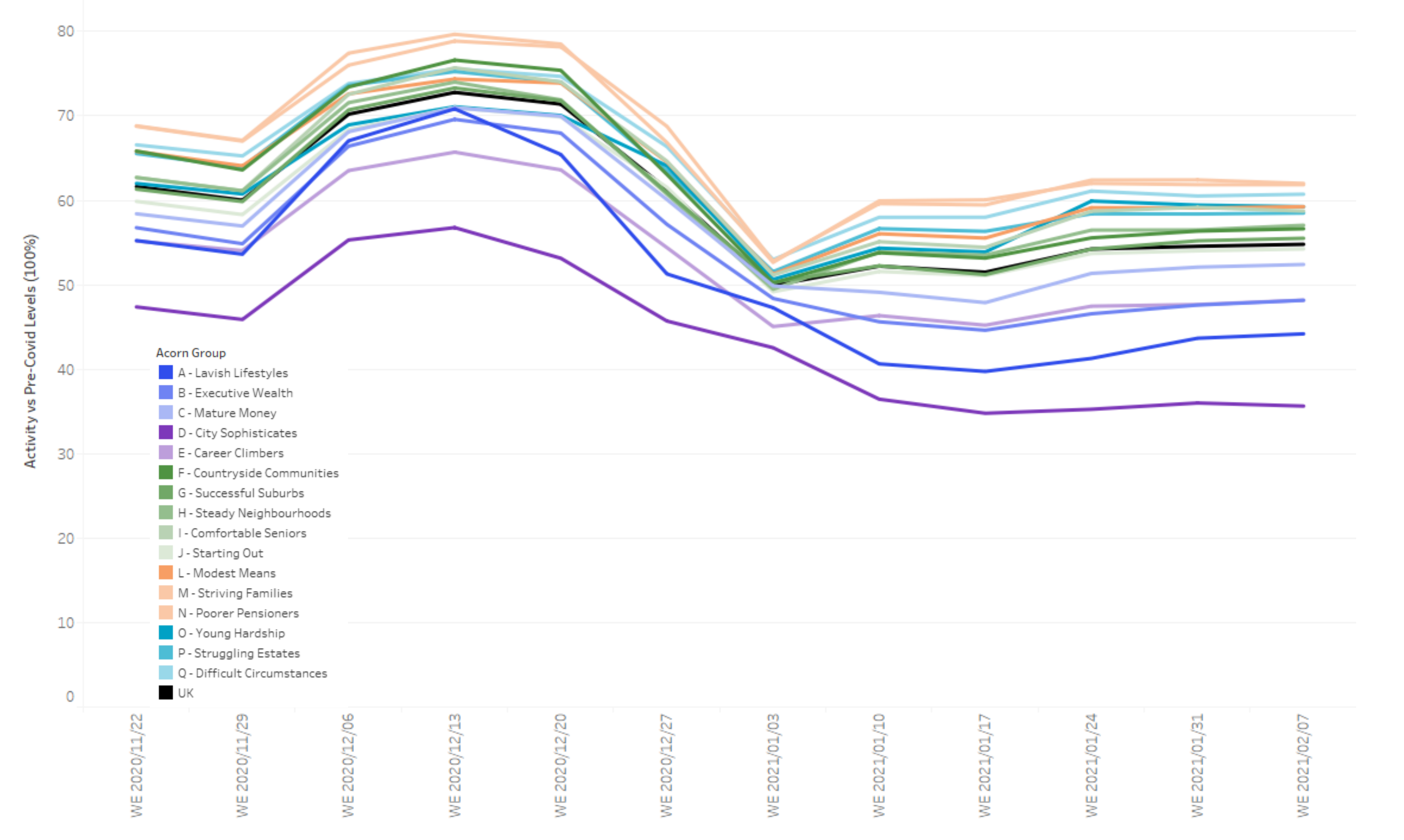
Student Life relocate the most, the City Sophisticates move on and often up and urbanites across the income spectrum start to relocate



- Inevitably **Student Life** are most likely to have moved home since the start of the pandemic. **45%** now reside in a different neighbourhood. This will include students moving to their parents during lockdown or having changed term address. Remember though, this group also includes young people at the start of their careers in flat shares, and many of them also appear to have moved for figures to be this high.
- **26% of City Sophisticates** have also moved, more than double the UK average, with 9% moving region (3 x the UK average). The majority have moved to other City Sophisticate areas, potentially moving to live with partners, friends or new homes with more space. However, the next most common destination is moving to **Executive Wealth** areas. Is this moving up, or moving back to their parents' homes?
- **Young Hardship** are next most likely to have moved, most stay local and in the same Acorn Group, but a sizeable group have moved to more **Modest Means** areas. Again, is this back to parents or moving to these family areas in the quest for space?

UNDERSTANDING CONSUMERS

Complete demographic solidarity as not a single Acorn Group changes their movement levels



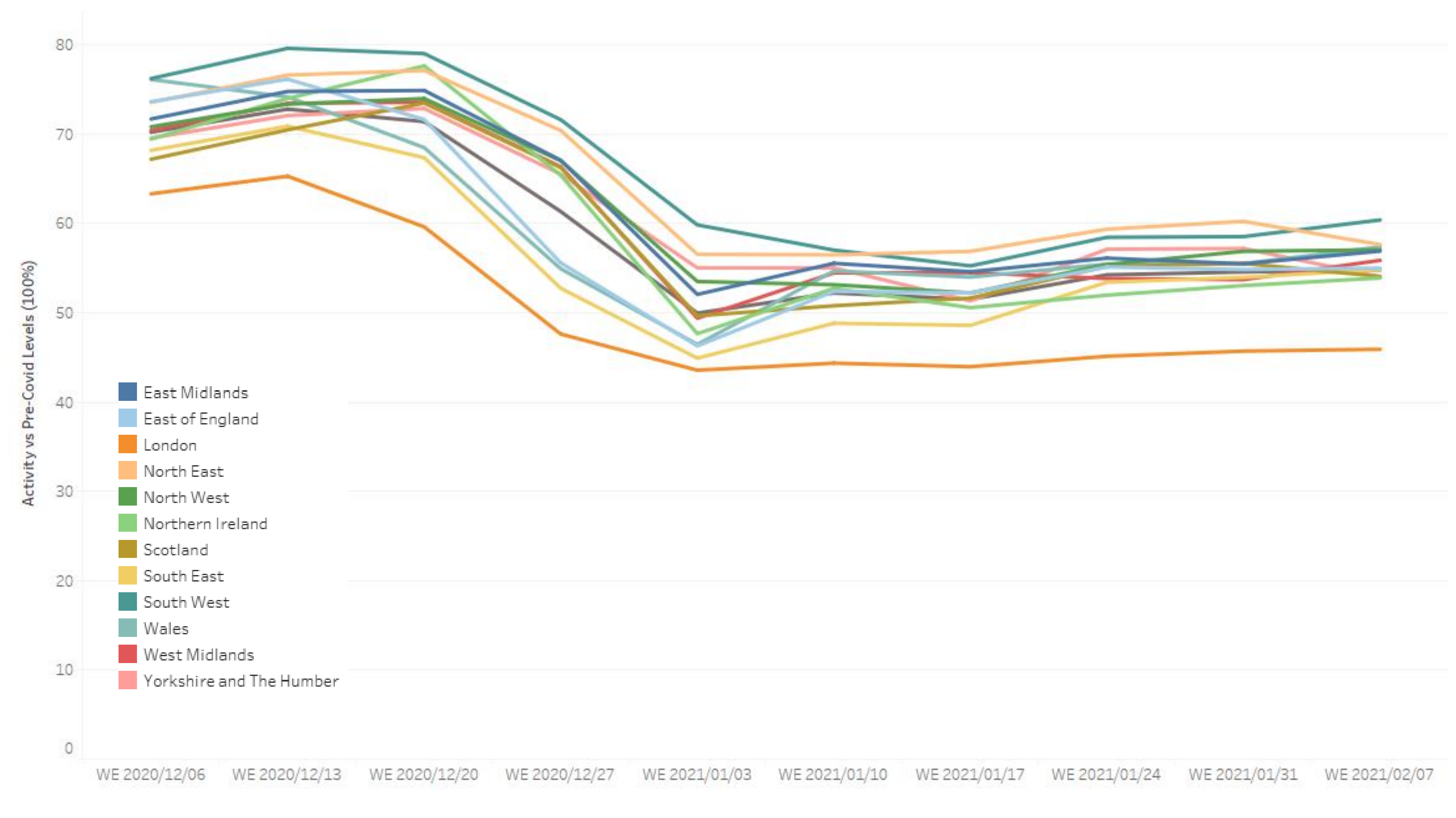
- In what I believe to be the first time throughout the pandemic no Acorn Group has changed their movement by a single percentage point.

- Clearly we are all in this for the long-haul, have found our routines and our levels of movement and are sticking to them.

- The divide across the affluence spectrum holds firm with the lowest income Acorn groups continuing to see more movement relative to pre-Covid times than the more affluent categories.

REGIONAL VARIATIONS

The gap between the regions closes further as the nation pulls together as it starts to shiver



- The gap in mobility between the most mobile and least mobile regions has closed a further 1pp to 6 percentage points reflecting the national policies.
- The **South West** has seen mobility increase by 2pp this week and returned to the position it held for much of the autumn and winter as the most active region. This change is slight, but should be monitored over the next few weeks to see if there is a trend of emerging confidence growing here. Similarly the **West Midlands**, which saw a similar increase, but in the middle of the pack of regions.
- The **North East** saw movement decrease by 2 percentage points and **Yorkshire and Humber** by 3 to pull them back into the pack. With the "Beast from the East 2" starting to bite this may well be the weather helping to restrain the spread of the virus.
- **London** remains the outlier and has not moved by more than 2pp since the turn of the year

USEFUL LINKS & RESOURCES

CACI are focussed on using all the resources and approaches available to us to help our clients successfully navigate the crisis

To read more of our thought leadership on the new consumer reality please click here.

We will be increasing our content in the coming weeks on the CACI Blog: Click here

Official govt guidance on Covid-19 Click here

ONS Covid-19 Hub: Click here

An updated map tracking Covid-19 cases: Click here

For access to the specific analysis relevant to your business locations and customers please contact your account manager or email locationintelligence@caci.co.uk

In partnership with Location Sciences, CACI analyse billions of up-to-date events captured from a range of apps on smart phones. These provide a highly accurate geocode of places visited from the pings of their handsets.

By coding this UK wide sample of mobile location data with Acorn we are uniquely placed to understand how different consumers are re-engaging as we come out of lockdown.

Only CACI can provide the power of Mobile Location Analytics with the consumer insight of Acorn.

During the Covid-19 restrictions we will now be publishing weekly findings looking at weekly variations in how people are moving across different:

- Acorn demographic groups
- Regions
- Types of destination

Through this regular tracking we aim to provide an evidence base that can be applied to scenarios of how different groups will move as restrictions change, in order to support our clients in focussing on the correct locations to meet their customers' needs.

Our methodology tracks changes in the number of events occurring outside of the neighbourhood in which people live or work compared to baseline levels at the beginning of February.

LOCATION SCIENCES

Location Sciences is a UK AIM listed location data and insights company.

- UK's largest location data lake – 4 million monthly devices
- Privacy and GDPR at the heart of all our systems and technology