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2019 Christmas Footfall Review

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1. Overview

2019 delivered a fascinating Christmas trading period for bricks and mortar retail destinations, very different from past years but equally as challenging.

The 2019 Christmas trading period kicked off with Black Friday, as it has done for the previous five years. But unlike the previous two years when footfall declined due to the focus by retailers on offering online discounts, this year footfall in bricks and mortar destinations increased.

On the positive side, this provided a much needed fillip to retailers at the start of what is the most crucial trading period of the year. However, on the downside at least part of the reason for this bounce back was the fact that retailers deepened their discounting even further, both online and in-store. This inevitably prompted consumers to buy early which resulted in bringing forward the Christmas trading period with a modest rise in footfall over the first two weeks, but then heavily impacting the last two weeks of the month when footfall declined sharply from 2018.

There was a hope that the last weekend before Christmas that included Super Saturday, would deliver a last minute boost for retailers. However, this was not to be as footfall declined on both the Saturday and Sunday. Footfall only rose on 23rd December – which has been the peak trading day for a number of years – due to the fact that it fell on Monday versus Sunday in 2018 which meant shorter trading hours.

Post Christmas the picture was no better, with footfall on Boxing Day declining sharply from last year and recording the largest drop since the hang over from the recession in 2010. This was the seventh year out of the past eleven and the fourth consecutive year with declining footfall on Boxing Day, which is a clear indication of the diminution of its significance as a key trading day in the annual retail calendar. In addition to this, footfall on all but one other subsequent post-Christmas days also declined from 2018, with footfall only rising on Monday 30th December 2019 as it was compared with a Sunday in 2018.

One potential glimmer of more positive news was that whilst stores are still losing footfall, the UK Capture Rate – the share of footfall in a destination that enters stores – stayed level with December 2018 indicating that the reduction of in-store customer activity in December was in line with the market trend. However, what will be of continuing concern to retailers is the fact that store sales continued to decline in December, and to largely the same degree as in December 2018, with the cumulative impact on sales over the two years being a loss of more than 10%.

So what does this imply for the 2020 Christmas trading period? Firstly, the success of Black Friday in 2019 is likely to have "put paid" to the doubt previously expressed about its benefit for retailers, and so will continue to represent the kick off to this key month. But retailers also need to be aware that as it did in 2019 it will inevitably bring 2020 Christmas trading forward making Black Friday even more competitive, as retailers vie for the limited consumer pound. The issue for retailers will ultimately be how deep they are prepared or able to discount in the face of stiff competition whilst retaining their brand value.

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Christmas trading period
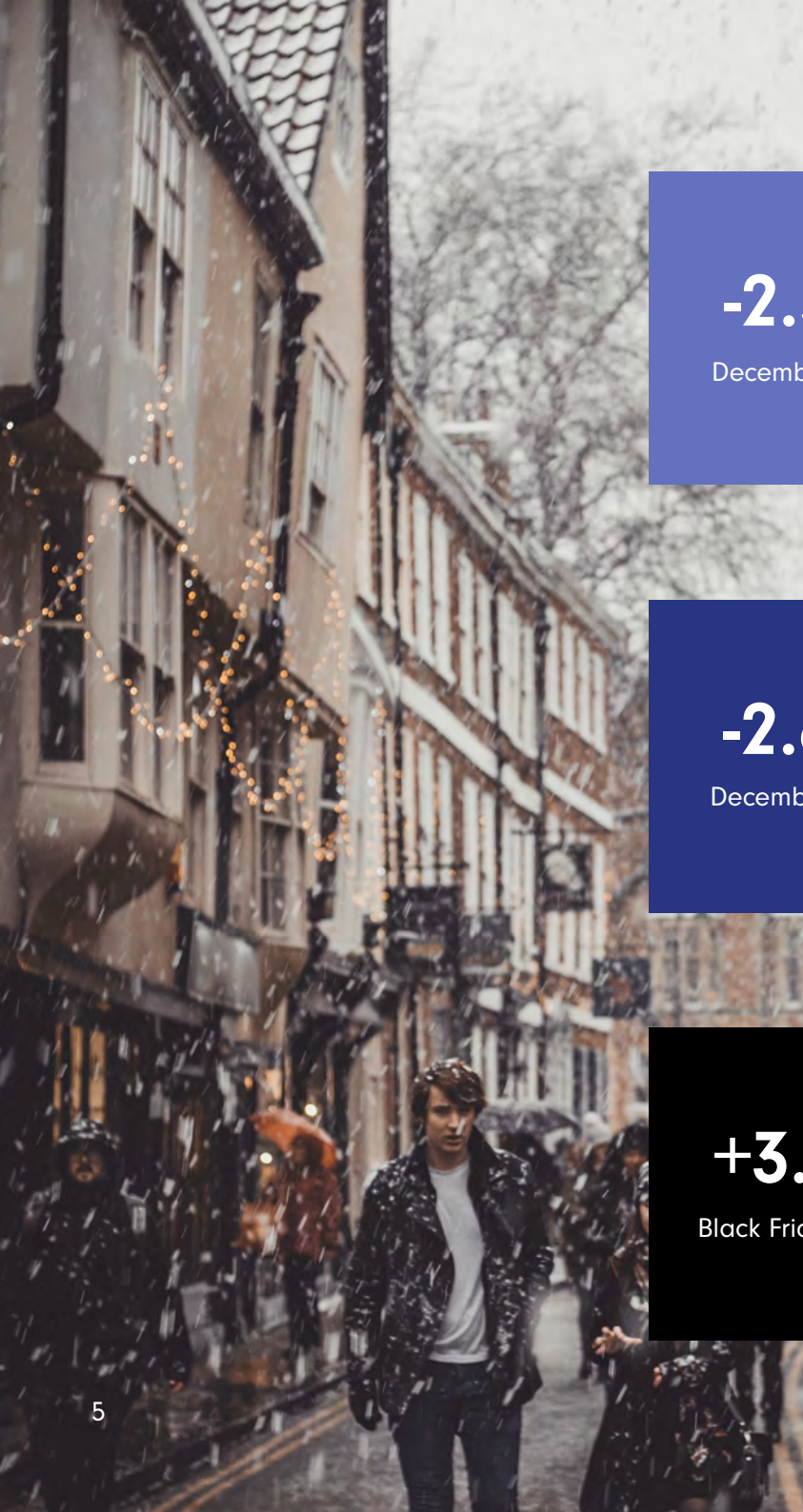
-2.5%

December 2019
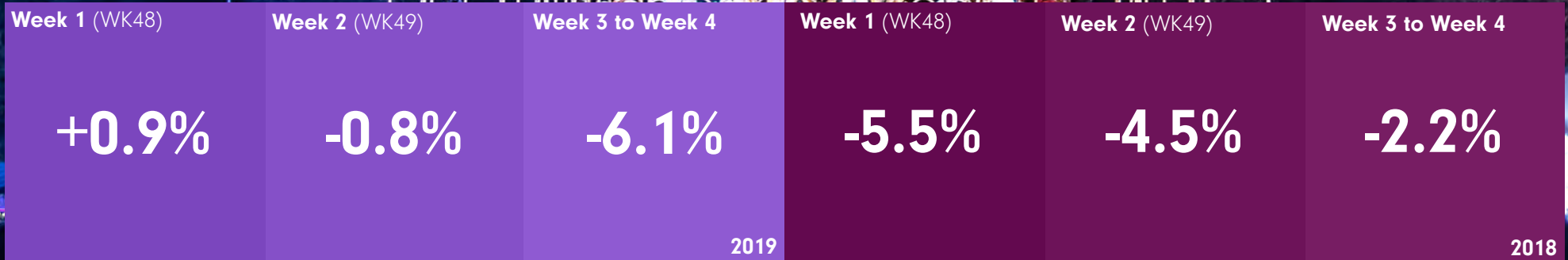
-2.6%

December 2018

+3.3%

Black Friday 2019

Footfall declined annually by -2.5% in December 2019. It was anticipated that footfall would decline in December as it has done so in all but one year since 2009, and so this magnitude of decline was not unexpected.

The year on year drop in footfall was marginally smaller than last year when footfall declined by -2.6%, but it is the third highest drop since the post recession year in 2010. The result is particularly disappointing as the 2019 December trading period included Black Friday when footfall rose by +3.3% from Black Friday 2018.

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Footfall in the first two weeks of the month reflected the success of Black Friday.

Footfall rose annually by +0.9% in the first week and dropping by just -0.8% in week two. This contrasts with drops of -5.5% and -4.5% in the first and second weeks of December in 2018. However Black Friday seems to have taken the steam out of Christmas trading, as footfall then declined by an average of -6.1% in the third and fourth weeks compared with a more modest drop of -2.2% over this two-week period in 2018.

High streets had a tougher time than shopping centres and retail parks. Footfall in high streets declined annually by -3.5% in December, a noticeably worse result than the drop of -2.1% in 2018, whilst in shopping centres footfall strengthened from -3.9% in 2018 to -2.1% in 2019.

Week 1 (WK48)	Week 2 (WK49)	Week 3 to Week 4	Week 1 (WK48)	Week 2 (WK49)	Week 3 to Week 4
+0.9%	-0.8%	-6.1%	-5.5%	-4.5%	-2.2%
		2019			2018

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3.
Black Friday

The distortion over the Christmas trading period created by Black Friday was more evident during the Christmas 2019 period than in any preceding year.

Unlike 2018 when Black Friday occurred during the November trading period, in 2019 it occurred during the first week of the December period. Footfall on Black Friday rose by +3.3% from Black Friday 2018, which led to a rise in footfall over the week as a whole of +7.6% from the week before.

However, somewhat inevitably footfall only rose by +1.3% between the first and the second week, which contrasts with a rise of +3.1% in the same week in 2018. What was more surprising was that footfall did not bounce back in Week 50, declining by -0.9% between the second and third week of December versus a rise of +3.4% in 2018. It was only in the fourth week of the month (WK51) - the peak trading week - that footfall rose, although the +7.2% increase from the week before was noticeably lower than in 2018 when footfall rose by +10.2%.

December week on week % change in footfall

	+12.0%
	+10.0%
	+8.0%
	+6.0%
	+4.0%
	+2.0%
	+0.0%
	-2.0%

Week 1 (WK48)   Week 2 (WK49)   Week 3 (WK50)   Week 4 (WK51)

—— 2018   —— 2019

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4.
Days leading up to Christmas

Following an annual decline in footfall of -7.2% in the previous week, the hope was that consumers were delaying purchases until the weekend before Christmas, and that "Super Saturday" would be a strong trading day. Unfortunately this turned out not to be the case.

Footfall on both Super Saturday and Sunday actually declined from the same days in 2018 - by -7.4% on Saturday and by -2.1% on Sunday. However, these declines may in part have been a consequence of an additional trading day before Christmas this year, which meant there was less of an urgency for consumers to make shopping trips over the weekend.

The peak trading day was Monday 23rd December, when footfall was +3.7% higher than on Saturday 21st December, +2.5% higher than on Black Friday and +21% higher than on Christmas Eve.

-7.4%

Sat 21st Dec 2019 vs
Sat 22nd Dec 2018

-2.1%

Sun 22nd Dec 2019 vs
Sun 23rd Dec 2018

+3.7%

Mon 23rd Dec 2019 vs
Sat 21st Dec 2019

+2.5%

Mon 23rd Dec 2019 vs
Black Friday 2019
(29th Nov)

+21.0%

Mon 23rd Dec 2019
vs Christmas Eve 2019
(Tues 24th Dec)

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5.
Boxing Day

Footfall declined on Boxing Day by -8.6%, the fourth year in a row that it has been lower than Boxing Day the year before, and footfall has now declined on this day in seven out of the past ten years.

This is clear evidence that Boxing Day is continuing to lessen in importance as a key trading day, particularly as the drop in footfall in 2019 was the largest since 2010 when we had the hang over from the recession.

Footfall deteriorated further than last year in both high streets and shopping centres, however, it was high streets that suffered the greatest decline in footfall of -11.3% - a huge drop compared with just -0.3% in 2018. Footfall in shopping centres fell by -7.4% from Boxing Day 2018, which was a noticeably poorer result than the drop of -5.0% on Boxing Day 2018.

High Streets
-11.3%

Retail Parls
-4.2%

SB Index
-8.6%

Shopping Centres
-7.4%
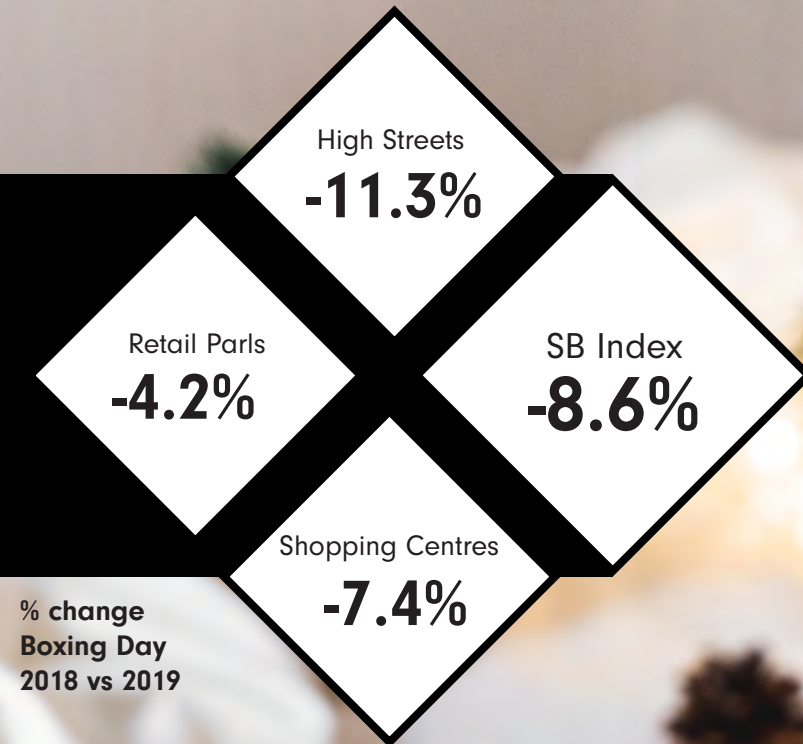
% change Boxing Day 2018 vs 2019

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-10.6%

Up to 12pm

-9.8%

Up to 5pm

-5.1%

5pm to midnight

-5.8%

8pm to midnight

-8.6%

24 hours

Boxing Day 2019 vs Boxing Day 2018
YOY % change in UK footfall

The day-part result for Boxing Day also demonstrates the way consumer habits have changed to become more focussed on leisure and experience, rather than visits solely for transaction-based shopping.

Whilst footfall over the period up to 12pm declined by -10.6% and by -9.8% up to 5pm, post-5pm the decline in footfall was more modest at -5.1%.

It is therefore evident that many consumers who do visit bricks and mortar destinations on Boxing Day do so later in the day and, given the fact that at 5pm that many stores are near to closing time, it indicates that the demand from consumers continues to strengthen for trips that are primarily focused on non-shopping activities such as leisure and eating out.

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6.
Boxing Day to New Year's Day

Footfall continued to decline post-Boxing Day, with a drop in footfall on all but one of the seven days over the period from Boxing Day to New Year's Day.

Footfall declined by an average of -4.3% over the seven day period from 26th December 2019 to 1st January 2020, but this was wholly due to 30th December falling on a Sunday this year. The results for Sunday 29th and Monday 30th December were distorted due to these days landing on Saturday and Sunday last year which meant that footfall on Sunday 29th declined by -16.0% from 2018 (a Saturday) whilst on 30th December it rose by +11.1% as it compared footfall on a Monday with a Sunday.

As on Boxing Day, it was high streets that were the least resilient over this period as a whole, with high street footfall declining by an average of -5.5% compared with -4.0% in shopping centres and -2.0% in retail parks. Footfall in high streets on each day was lower than in the other two destination types, with the largest differential between high streets and all UK destinations occurring on Boxing Day.

Average % change between Boxing Day and New Years Day

All destinations

-4.3%

High Streets	Retail Parks
-5.5%	**-2.0%**

**Shopping Centres**

-4.0%

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7.
Store Footfall performance - Capture Rate

The store Capture Rate rose from week to week over the Christmas trading period.

The Capture Rate represents the proportion of footfall in destinations that enters stores - or their market share of stores in the locations in which they trade. The Capture Rate across all store categories in the UK rose from 14.5% in the first week of the month to a peak of 16% in the last week which was post-Christmas. This pattern of activity was expected as shoppers become much more focussed on purchasing gifts as the month progresses towards Christmas, and so tend to visit a greater number of stores during their trips to destinations than at other times of the year.

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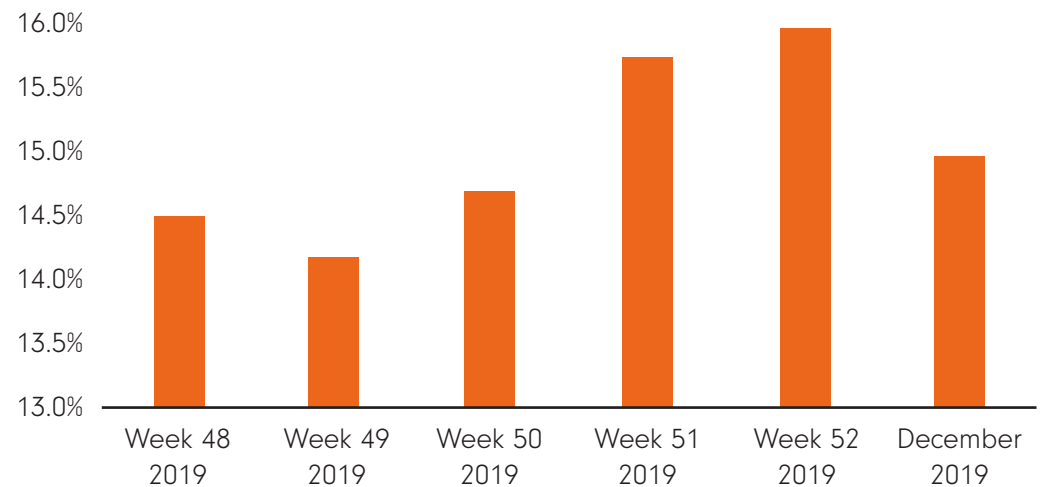
The Capture Rate improved marginally by +0.2% in December 2019 from December 2018, which followed on from a marginal drop of -0.1% the year before.

This is an encouraging result as a cumulative rise of +0.1% over the two years since 2017 demonstrates that footfall into stores decreased by slightly less than footfall in destinations.

The Capture Rate for four retailer categories rose in December 2019 from December 2018 - Department Stores/Multi Retail, Electricals & Mobile Phones, Entertainment & Books and Fashion & Accessories. The largest increase of +7.4% occurred in Department Stores/Multi Retail, however, this followed a drop in this category's Capture Rate of -4.3% in 2018. The demand from consumers for Food & Beverage is reflected in its Capture Rate, which declined only marginally by -0.4% in December between 2018 and 2019, despite the growth in operators within this category.

UK	Department Stores/ Multi Retail	Food & Beverage
+0.2%	+7.4%	-0.4%

Change in capture rate December 2018 to 2019

-0.1%	-4.3%	-0.8%

Change in capture rate December 2017 to 2018

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8.
Bricks and mortar store sales

Sales across all major store categories declined by -4.7% in December 2019, a slightly smaller drop than the -5.6% decline in December 2018.

The results for store sales in December reflect the footfall results for the month, which moved from -2.6% in December 2018 to -2.5% in 2019.

Sales declined in eight of the ten retailer categories, with the greatest downward movements recorded in Electricals & Mobile Phones (-13.3%), Entertainment & Books (-10.3%) and Department Stores/Multi Retail (-8.9%).

Over the two years from 2017, there has been more than a double digit decline in sales in four retailer categories - Department Stores/Multi Retail, Electricals & Mobile Phones, Entertainment & Books and Fashion & Accessories. In contrast sales in the Food & Beverage and Food & Convenience categories declined over the same two year period by just -1.1% and -0.5% respectively. These results reflect the trend revealed by Springboard's data for an increased demand for leisure/experience-based trips to bricks and mortar destinations, rather than trips that are wholly transaction focused.

UK Average
All retail categories

-4.7%

-8.9%
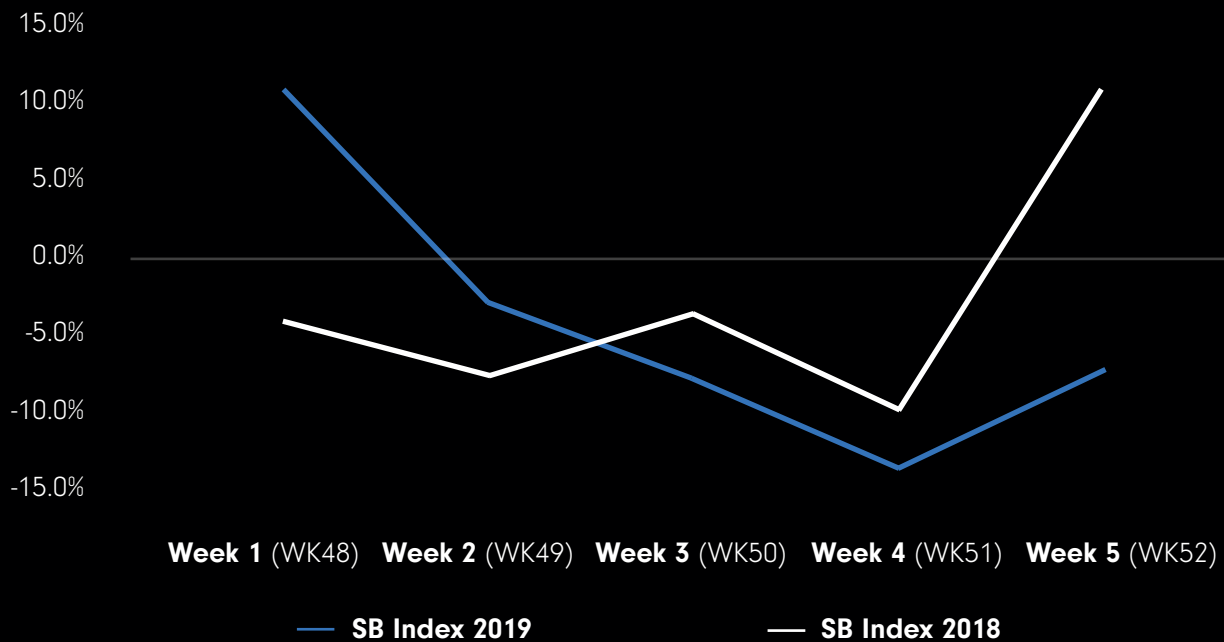Department Stores/ Multi Retail

-10.3%
Entertainment & Books

-13.3%
Electricals & Mobile Phones

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The results for store sales in each week in December reflect the fact that Black Friday brought Christmas shopping forward.

Sales rose annually by +10.5% in the first week of the month which was the week that included Black Friday itself, but then declined on a year on year basis in each of the remaining four weeks of the month which averaged -7.2%. This contrasts with December in 2018 when sales declined by -3.6% in the first four weeks of the month, but then rose by +10.5% in the final week post Christmas.

| | Week 1 (WK48) | Week 2 (WK49) | Week 3 (WK50) | Week 4 (WK51) | Week 5 (WK52) |

—— SB Index 2019   —— SB Index 2018

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