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The impact of the school holidays on retail footfall

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MRI's footfall data from 25.08.2024 – 31.08.2024 shows the significant impact of the final week of the school holidays on the UK's retail industry. Here, Jenni Matthews, Head of Marketing, MRI Software, gives us her industry insight and tells us all about it.

The final week of the school summer holidays saw a strong rebound in footfall across all retail destinations when compared with the week before. This surge is likely to be aligned with many consumers finishing their back-to-school shopping, and university-bound students beginning to shop for essentials. This also coincided with payday weekend creating an ideal environment for retailers particularly following the turbulent weeks experienced for many.

Footfall rose by +2.1% in all UK retail destinations last week from the week before which was led by a +2.3% boost in high streets followed by shopping centres (+1.8%) and retail parks (+1.7%).

The beginning of the week saw activity fall by -1.8% week on week from Sunday to Tuesday and was particularly noticeable in high streets with a drop of -3% recorded for the same period. However, this was short lived, with the second half of the week experiencing daily rises in all retail destinations. Again, high streets felt the benefits of end of summer events and back to school shopping, especially on Saturday, as activity rose by +13.7%. At a regional level, high streets in the East of England (+6.9%) and the South East (+6.6%) recorded substantial increases compared to the week before.

As the school summer holidays drew to a close, many may have chosen to use this as an opportunity to extend the bank holiday weekend into a full vacation week. This was noticeable in coastal towns (+7.7%) and market towns (+5.5%) week on week. In contrast, MRI Software's Central London 'Back to Office' benchmark (-5.7%) recorded a sharp drop in activity from the week before, however did witness a strong rise in activity compared with 2023. While regular commuters into the city may have chosen not to travel in for the final week of the month, and the school summer holidays, the surge in year-on-year activity could be attributed to day trippers visiting the city and overall tourism.

These trends are important for the retail sector to follow, particularly leisure and hospitality venues, in ensuring their back of house equipment is fully maintained and working to be able to cater for the increase in footfall during this period. Failure in doing so could mean substantial costs for venues in the form of emergency repairs as well as any losses in sales as a result of equipment not functioning correctly.

Compared to 2023 levels, footfall remained higher in high streets and retail parks by +2.3% and +3.7% respectively, however shopping centres witnessed a marginal decline of -0.6%. With many businesses enforcing a return to office this September, retailers, leisure and hospitality establishments should prepare for an increase in weekday footfall and ensure staffing, facilities and operations are all managed accordingly to cope with the influx. Footfall levels, as of week 35, currently remain only -7.7% lower than 2019 across all UK retail destinations which suggests the gap is narrowing as the year progresses and businesses supporting a return to office will improve this further. For context, footfall in 2023 remained, on average, -11.3% lower than 2019 levels.

As we look ahead to the final part of the year, the retail sector on the ground will be preparing for the Golden Quarter, ensuring staffing schedules are planned accordingly, based on historical trends during the lead up to Christmas and other busy periods. For establishments that have a dining element, the focus will be on ensuring all equipment is maintained and serviced in time to avoid any downtime during one of the busiest periods of the year.

For those operating at head office level and managing property portfolios, lease renewals will be a key part of the 2025 strategy; many property owners are likely to have signed five or 10 year leases as the pandemic set in in 2020, fast forward to now and decisions will need to be made on renewing or ending leases based on a seismic shift in consumer behaviour as well as office workers and the adoption of hybrid working. With more and more people likely to return to offices from September, commercial property owners will be monitoring trends closely that will likely influence their asset portfolio in the next three to five years.