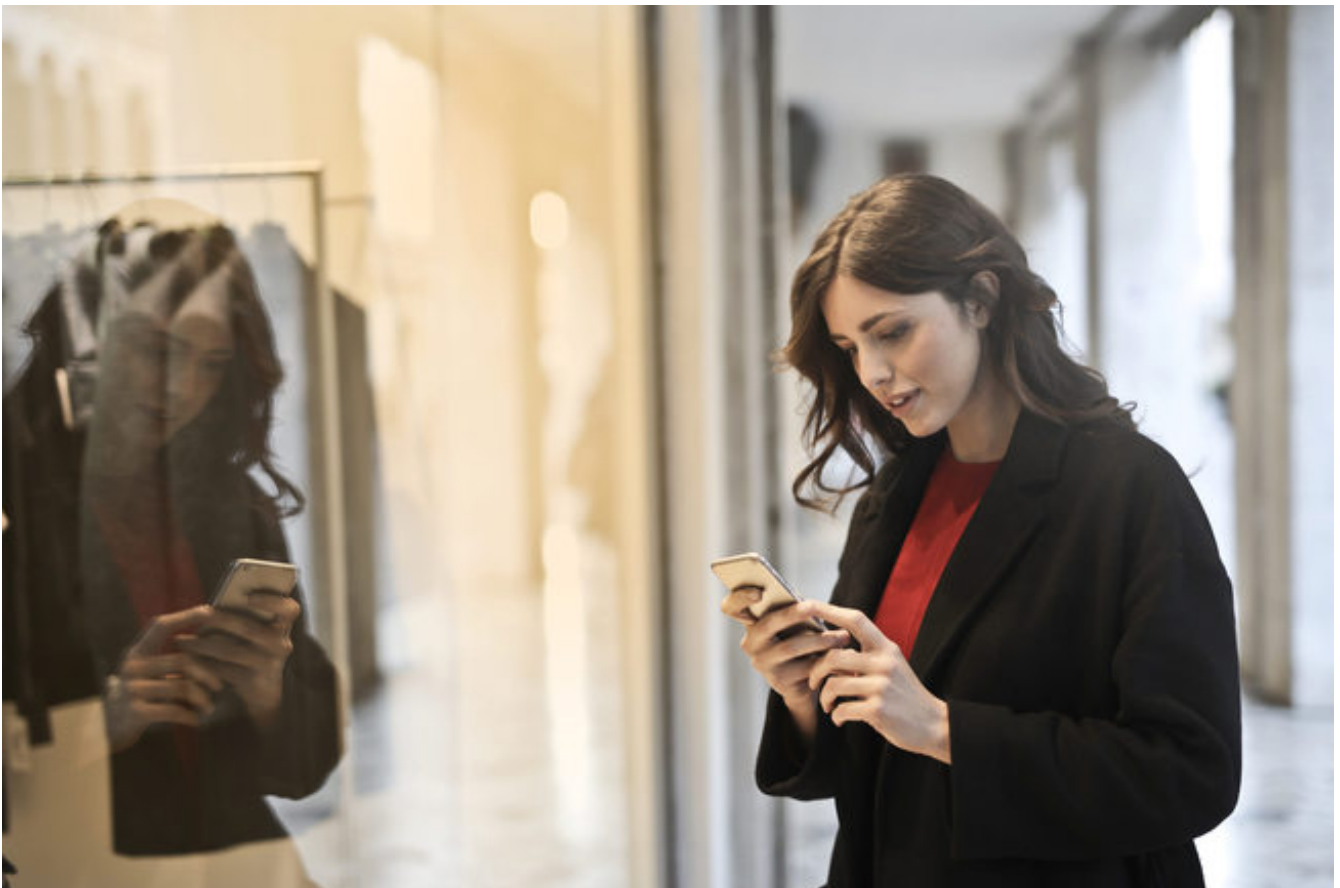


UK store footfall down again, analyst says "first-class click & collect" strategy is key

By [Sandra Halliday](#) - 12 February 2018

January retail footfall dropped in the UK with the 1.6% fall being even bigger than the 1.3% drop of a year ago. On the upside though, at least it's better than the three-month average of 1.8% that really underlined how tough UK retail was over the pre-Christmas period.



Springboard said stores need to offer a seamless omnichannel experience to boost footfall

Back with January, the whole country saw declining visitor traffic to stores, the latest BRC-Springboard tracker showed on Monday. The sharpest drops were seen in Scotland (4.6%), the South West (2.6%) and The East (2.5%). Greater London had been a poor performer in recent months but its decline eased,

footfall was down 1.2% compared to December's fall of 3.7%.

These figures may not give us much detail about what consumers were actually doing last month, but there are some obvious conclusions to be drawn. For a start, the combined impact of the migration online and squeezed discretionary incomes still hasn't reached maturity and continues to dent footfall month after month. We can probably expect more declines in the months ahead.

And consumers are still picking and choosing those store destinations they do visit very carefully. Shopping centres, which have a huge concentration of fashion stores, were the biggest sufferers in January with a 3.1% decline, worse than the 2.8% three-month average drop.

By contrast, retail parks grew 0.9%, above the three-month average. That offers a crumb of comfort as these destinations that used to be all about DIY megastores and supermarkets are increasingly seeing fashion tenants moving in. And in the South East and West Midlands, footfall to retail parks was actually stronger in January (up 4% and 3.3% respectively).

And high streets? Footfall was down 1.9%, which is a disappointment given that high streets had appeared to be picking up in earlier periods, although the last few months of 2017 saw them suffering along with the rest of the UK.

And of course, any money consumers did spend in any of these destinations was affected by inflation, which BRC chief executive Helen Dickinson said masks the lack of real growth.

GOOD NEWS?

There was a little bit of good news with the national town centre vacancy rate at 8.9% in January 2018, better than 9.3% in October 2017. This was largely due to reduced vacancy rates for Greater London, which were running at 5.6%, better than 7.1% three months earlier. Northern Ireland and Scotland also saw improvements.

However, the BRC wasn't exactly upbeat on this given that the pre- and post-Christmas period traditionally sees a surge in temporary lets so some of those occupied stores are probably empty again now.

Springboard's marketing and insights direction Diane Wehrle said: "[The] drop in footfall is an improvement on December, but it is the worst result for January since 2013. So it is clear that the challenges facing bricks and mortar retailing are continuing to build.

"[But] activity in retail parks continues to grow, despite furniture and household

appliance sales in January being the worst of all 13 categories. Retail parks clearly now fulfil a wider role for shoppers; yes, they are convenient and functional shopping locations, but are buoyed by the continuing growth in online spending. Not only are they efficient click-and-collect points, but their attraction is enhanced by a wider offer, embracing hospitality.

“Herein lies the lesson for stores in urban locations of high streets and shopping centres; their longevity is contingent upon their ability to embrace all steps of consumers' path to purchase, which implicitly necessitates a first-class click-and-collect experience.”

By Sandra Halliday

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