

# Life After Lockdown: UK High Street Habits May Default to Digital

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**E**ven with a partial lifting of lockdown measures, the coronavirus continues to limit movement of people—and this has hit the UK high street hard. From retailers with a high dependency on physical stores to restaurants and coffee shops without delivery facilities, the obstacles have proven insurmountable for some. For others, the longer-term question is, "Will the UK high street be able to recover when (and if) normalcy returns?"

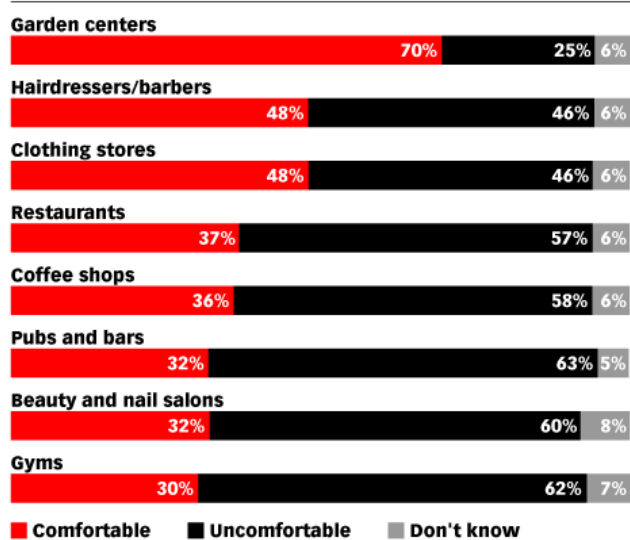
The unprecedented pressures that the pandemic has placed on retailers in the UK is put starkly into contrast when you look at the number of businesses that have fallen into administration. The [Centre for Retail Research](#) tracks those retailers that have "gone bust" each year, and the 2020 figures (through the end of April) indicated that 21 company closures and 1,128 store closures will affect more than 34,000 employees. The "banner year" for company failures came during the financial crash in 2008, with 54 company failures leading to closures of nearly 6,000 stores and impacting close to 75,000 employees. It looks like 2020 is well on track to hit those heady heights, and likely surpass them.

April 2020 data from [YouGov](#) doesn't assuage any concerns for those high street businesses teetering on the brink. Adults in Great Britain

were asked which places or stores they'd be comfortable visiting once lockdown measures were eased. Only garden centers were seen as relatively safe spaces, with 70% of respondents saying they would feel comfortable visiting them. Garden centers are usually out-of-town destinations, though. Those businesses more likely to be present on the high street were viewed with much less confidence—only about a third said they'd be confident visiting various food and drink venues, with hairdressers and clothing stores being cited by fewer than half.

**Coronavirus Impact: How Comfortable Would Adults in Great Britain Feel Visiting Select Places/Stores Once the Government Loosens the Current Lockdown Restrictions and Reopens?**

*% of respondents, by place/store, April 2020*



*Note: ages 18+; excluding those who don't go to each place/store; numbers may not add up to 100% due to rounding*

*Source: YouGov, April 22, 2020*

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From muted consumer confidence to business bankruptcies, the outlook for the UK high street isn't positive. Even before the pandemic hit, we were **predicting that digital would continue to disrupt physical retail at a growing rate**. It's already apparent that new digital habits are being formed during the stay-at-home orders.

According to the "Coronavirus Consumer Confidence Tracker" from **RetailX** and **Internet Retailing**, the UK lockdown—announced on March 23—had a significant impact on UK internet users' digital shopping habits.

Per the March 27 data, great uncertainty led to large proportions of people putting a complete halt to their digital buying. However, there were small hikes in the proportions that *increased* their digital buying habits. By May 6, though, the numbers of respondents who had increased their digital shopping rose for each category measured.

**How Has the Coronavirus Pandemic Affected UK Internet Users' Digital Shopping?**  
 % of respondents, by category, March-May 2020

	Stopped completely	Reduced	No change	Increased
<b>March 13</b>				
Shopping for groceries	11.3%	3.8%	78.0%	14.2%
Shopping for electronics	2.7%	5.0%	85.6%	6.7%
Shopping for groceries	2.6%	4.9%	82.7%	9.8%
Ordering takeout	7.5%	11.3%	74.3%	6.9%
<b>March 27</b>				
Shopping for groceries	43.5%	15.5%	15.2%	25.8%
Shopping for electronics	47.4%	28.8%	16.2%	7.5%
Shopping for clothing	44.6%	28.4%	16.9%	10.1%
Ordering takeout	34.1%	35.4%	18.1%	12.4%
<b>April 8</b>				
Shopping for groceries	15.0%	15.6%	41.2%	28.2%
Shopping for electronics	29.0%	18.8%	43.1%	9.1%
Shopping for clothing	27.1%	22.7%	37.4%	12.8%
Ordering takeout	37.7%	20.1%	28.5%	13.8%
<b>May 6</b>				
Shopping for groceries	13.1%	12.9%	41.6%	32.4%
Shopping for electronics	24.1%	19.8%	42.5%	13.6%
Shopping for clothing	19.8%	25.8%	33.5%	21.0%
Ordering takeout	33.7%	24.6%	26.9%	17.8%

*Note: ages 18+; numbers may not add up to 100% due to rounding*  
 Source: RetailX and Internet Retailing, "RetailX Coronavirus Consumer Confidence Tracker," May 7, 2020

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Shopping for groceries, in particular, has become an increasingly digital habit. The UK market was already well set for this digital shift, with advanced infrastructure in place for both click-and-collect and home delivery. However, the unprecedented demand didn't come without its difficulties, and **some digital grocery retailers struggled to cope**.

In the final week of April, though, Tesco became the first UK supermarket group to fulfill over 1 million online grocery orders in a week. And the digital disruption continues apace. Speaking to Reuters in April, Mike Coupe, CEO of supermarket chain Sainsbury's, laid this bare: "Whatever was happening anyway, which is broadly speaking a move toward digital, will probably have been accelerated as a result of

the COVID-19 situation, as customers just get used to a different way of shopping.”