

Overview for Q2 2018

It's not just the high street that is having its toughest period for some years: the online footfall index also suggests a significant slow-down with the majority of sectors showing no growth or a reduction in traffic.

Importantly, this is the first time since the launch of this index in June 2016 in which we have reported a reduction in online footfall and not just a slow-down in the rate of growth.

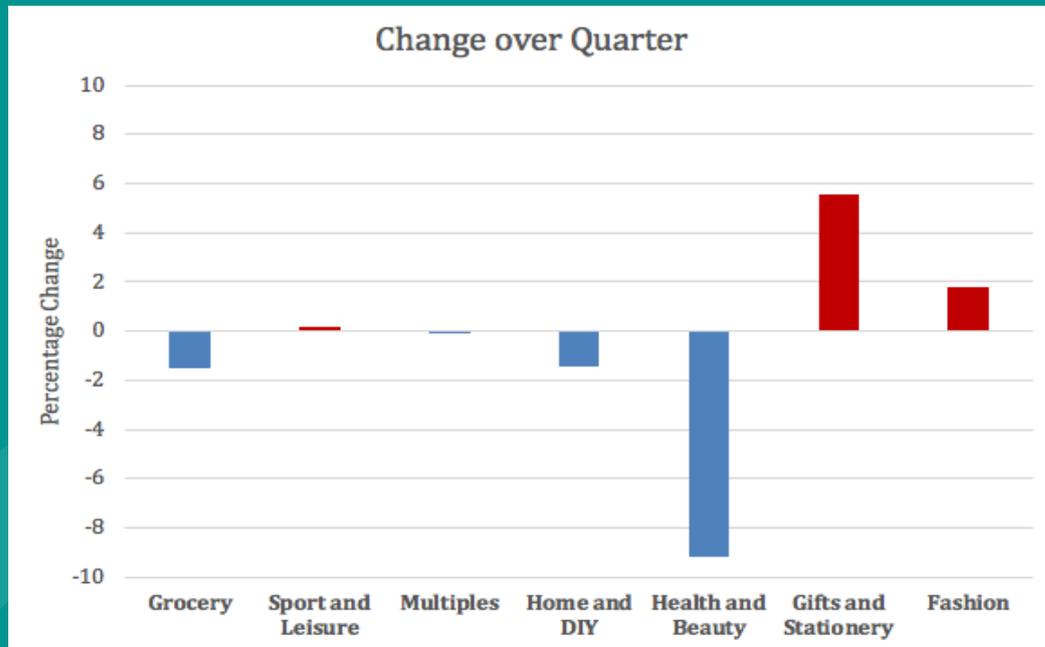


Figure 1: Online Footfall change over the Quarter

A caveat as always before we start – as with any externally available data, this data is indicative not definitive but it continues to track with what we know from our all-client index. It also excludes traffic to mobile devices and although this normally tracks that of desktop/laptop, there is a possibility that the reverse in trend we see on these figures could be the result of a significant shift from desktop/laptop to smartphones, although our all-client index suggests that this is probably not the case.

The data from April to June 2018 reveals a significant drop in health and beauty and a slight fall-off in grocery and home/DIY. Gifts and stationary may have been boosted by the significant increase in traffic following the major online gaming conference E3 (Electronic Entertainment Expo) 2018 held in Los Angeles which saw a number of major announcements, and upcoming releases in games for the rest of 2018 and early 2019, and by Fathers' Day.

The Fashion sector growth is remarkable for a significant increase in traffic to Primark which accounted for nearly all of the uplift. Even more remarkable for the fact that this website is not one that offers an online shopping opportunity apart from gift cards. Some of the decline reflects the departure of stores like Maplin and Poundworld from the index and that traffic, as yet, not going into other propositions.

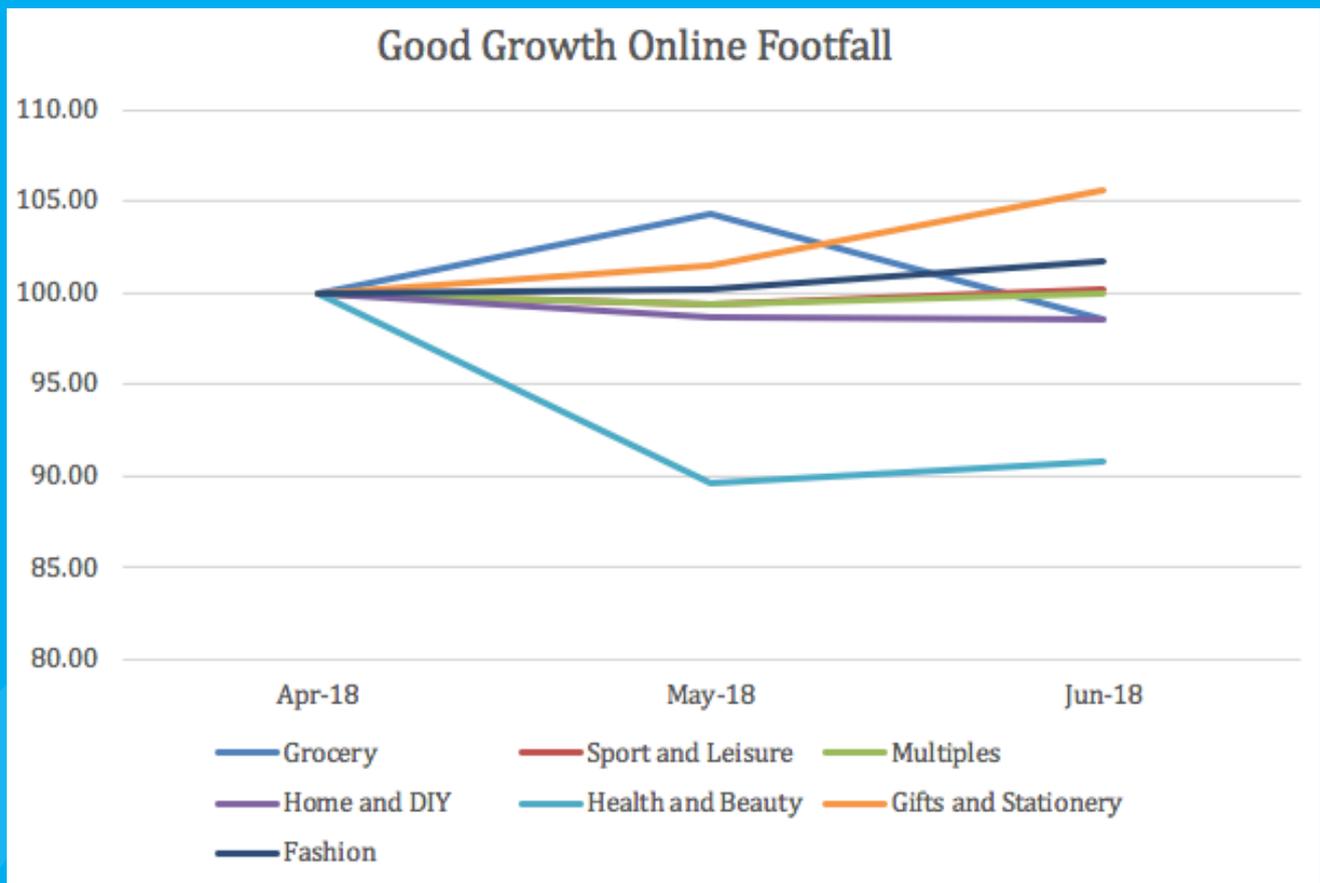


Figure 2: Online Footfall trend across Q2 2018