

# How is COVID-19 affecting online footfall?

(And remember, increased footfall ≠ increased profit)

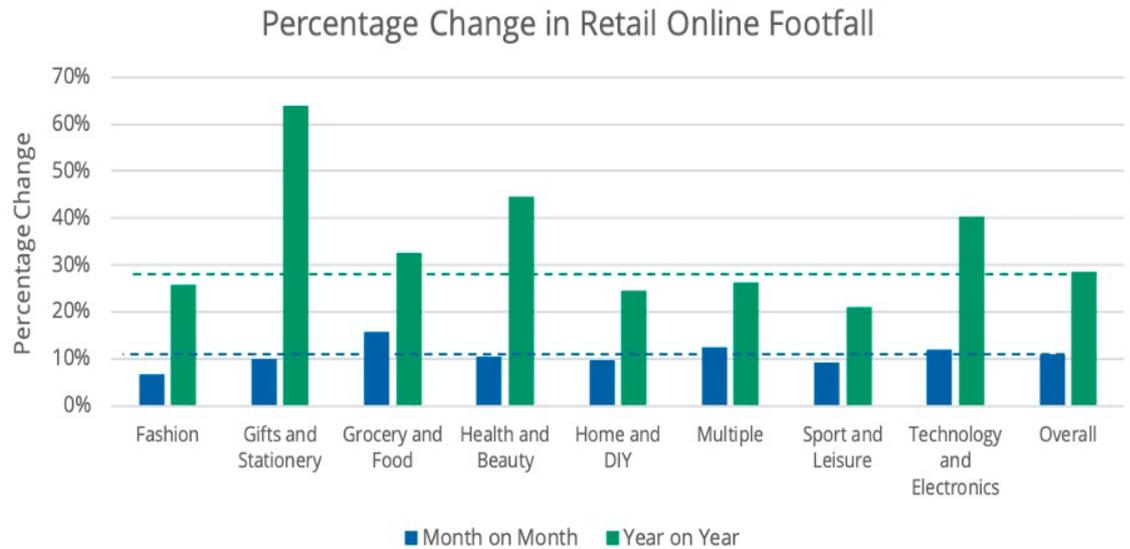
As the COVID-19 challenge continues to grip the UK, the retail sector continues to be tested in ways previously unknown. Even in wartime Britain, people were able to visit shops and keep the economy moving. This time it is different. As shops remain closed and high streets deserted, the role of ecommerce has never been more pivotal in determining the long-term success and survival of business of all sizes.

What will only start to become clear in the months to come is the financial evidence of which organisations were best prepared to turn this challenge into an opportunity. Before profit and loss is reported, one metric that can be analysed is the so-called 'online footfall'. Online footfall (the digital equivalent to traditional in-store footfall) measures the number of users visiting a website in a given time period – monthly for the sake of this report.

The analysis below looks at over 200 retailers in the UK and provides a summary of the sectors which are proving successful and those which are not faring as well. As is often the case 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 includes traffic from all devices from users based in the UK and is obtained from a publicly available data source.



# What does the data show?



	Month on Month	Year on Year
Fashion	+6.62%	+25.69%
Gifts and Stationery	+9.94%	+63.92%
Grocery and Food	+15.85%	+32.45%
Health and Beauty	+10.49%	+44.69%
Home and DIY	+9.61%	+24.51%
Multiple	+12.44%	+26.25%
Sport and Leisure	+9.21%	+20.89%
Technology and Electronics	+11.93%	+40.27%
<b>Overall</b>	<b>+11.03%</b>	<b>+28.60%</b>

Somewhat unsurprisingly, the data demonstrates that all retail sectors have experienced monthly and annual growth. Whilst overall month-on-month growth was recorded at 11%, the year-on-year figure was eighteen percentage points higher at 29%.

When compared to February 2020 only 6% of the companies analysed experienced a decrease in online footfall, of these the vast majority can be considered as luxury retailers. As individuals focus on the essentials of life, it appears luxury items are slipping down the customer's agenda.



An obvious sector to discuss, and one which has been covered extensively in the press, is grocery. Our data suggests a 16% increase on the previous month and a staggering 32% increase on the previous year. Taking just the big five supermarkets and Ocado, increases these figures by a further percentage point. So whilst there is demand to purchase groceries online, it is the availability of delivery slots that may have let these companies down. How costly this may prove to be will only become apparent on the reporting of financials in the months to come.

Another story in the data is in Gifts and Stationery. As loved ones are kept apart by the lockdown, it is no surprise that there has been a sharp increase in the purchase of online cards and gifts compared to the previous month and year. This increased demand has been so large that it has put many in the sector under pressure and some have had to reduce their range of products to keep up with demand. In an industry where user intent to make a purchase is high (it's often a last-minute purchase), the availability of product and speed of delivery are key, any compromise to either or both of these may prove costly.

The Multiples have long been dominated by Amazon. Often the movement in Amazon's figures have dictated the reporting on the sector as a whole. However, on this occasion, it is not solely Amazon who are responsible for the uplift in online footfall. In fact, the removal of Amazon from the figures increases the scale of uplift ever so slightly. For a sector that has been widely reported as one to struggle the increased traffic will be welcome but the challenge will remain around how this increased user base is being engaged and converted when on the site.





## 'Come on in, we might have what you're looking for'

The increases discussed above may be no surprise and somewhat inevitable given the closure of high streets across the nation. The challenge for retailers appears to not be one of acquiring users to the site but rather one of how to engage them effectively.

Bearing in mind that first impressions count and that many of these users will be visiting online for the first time, it is vital to understand what these users are looking for and how they behave – it may be a shock how differently they behave to customers in more normal times. To do this, organisations should be running 'always-on' insight that tracks the changes in behaviour as the country moves through lockdown and towards some sort of return to normality.

Alongside this, messaging about availability of products is key for both new and existing users. As supply chains and consumer demand begin to revert to business as usual, there will continue to be a strain in some places. When a product is out of stock, communicate clearly when this will be available again to users. Is it easy to receive a reminder when the product becomes available? Is there a waiting list the user can join? The same is true of delivery time frames. Be clear when the product will arrive and be upfront about it. It is this kind of relatively simple but smart innovation and communication that will drive improvement in changing times.



The Good Growth insights team will continue to track the online footfall of retail in the UK and will provide an updated report in the first couple of weeks of May.

In the meantime, to find out more about Good Growth's Online Footfall Report and to discuss how we could help you to respond to the challenges outlined above, please contact James Hammersley on +44 20 7183 0964 or at [enquiries@goodgrowth.co.uk](mailto:enquiries@goodgrowth.co.uk).

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