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**DECLINE OF THE
BRITISH HIGH STREETS**

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Abstract

The UK highstreet has been a center of commerce and culture for many centuries, and is a major attraction in most cities. However, for the past decades, the high streets have been experiencing a massive decline and small cities have been hit worse than larger ones such as Manchester and London.

Our study aims to investigate and understand the different aspects of the British town centers' crisis. This can be explained by an accumulation of factors such as the sequels from the financial crisis that hit the world' economy in 2008/9, the changes in with the rise of out of town shopping as well the acceleration of e-commerce sales especially since the start of the pandemic. It has had various consequences on society and its environment as the number of vacant stores continuously increases, people losing their jobs —often women—, and many of the stores are ethnically diverse, thus hurting immigrants and people with lower educational qualifications and skills.

Stores that have been able to stay relevant are generally luxury goods, and more experience focused. At the same time grocery stores and cheaper goods have done well when they have been quick to convert to e-commerce, highlighting the importance of e-commerce and the experience aspect of shopping. A shift toward these two aspects of the shopping experience is essential for the High street of today to survive. Therefore, a decline in high street is an affront on inequality and would degrade the culture of the UK, thus making its research and remediation a priority.

1. Introduction

In the UK, high streets have been the quintessential heart of the civic community's life since the 19th century. High streets serve as important places of social, economic, political and cultural exchange in the nation and are major attractions in cities like London, Nottingham, Manchester and Sheffield. Not only do they contribute to the success of large cities, but also to the success of smaller cities and larger towns such as Bath, Durham and Dundee.

Historically, high streets first came into existence in the 1870s due to urbanization, which allowed people to spend a significant proportion of their incomes on retail. The high streets gained popularity during the Edwardian era, where shopping became retail therapy among the masses. Although the boom for high streets happened in the 1950-1970s, the demand for them has been steadily declining since the 21st century.

The high streets are facing a period of turbulent change. The past year has seen a watershed in the world for high streets as 2020 marked the onset of the coronavirus pandemic and Brexit coming into effect, both of which have been an unexpected catalyst in their decline. With major anchor stores on high streets shutting down as modern-day shoppers are increasingly valuing the convenience online shopping has to offer, high streets are continually being menaced.

This research aims at demonstrating how the decline of the UK high streets was primarily caused by a change in the nation's demographics and the rise of online shopping wherein the coronavirus pandemic and Brexit further fueled this decline. Moreover, the research also aims to shine a light upon the impacts the decline has had on the socio-economic aspects of the nation and the possible solutions that could be undertaken to reduce the decline, such as adapting to e-commerce, seeking government funding and making physical shopping more of an experience for shoppers.

2. Causes

2.1. 2008 Financial Crisis

After the 2008 financial crisis, the UK experienced the most severe recession since the 1950s. Unemployment rate continued to rise sharply, up to 7.9% at the end of 2009, and it took the UK five years to recover to pre-crisis GDP levels.(ONS, 2018) This recession brought job uncertainty through the increase in unemployment. Due to more uncertainty financial frictions grew and people started to save a larger proportion of their income. This means that the total consumption in the economy fell, meaning that AD will fall. This again then leads to lower revenue for high street stores as the population spends less money. Especially demand for non-essential goods will fall as people will save more during the crisis and only buy goods that are essential for . Since the high-street mainly consists of stores that sell goods that are non-essential this trend affected the highstreet stores a lot. (Office for National Statistics, 2021)

2.2. Rise of out of town shopping

The limitations of high streets, including lack of parking space and high rent encouraged the development of out of town shopping centres and open air retail parks. The shopping experience at these shopping centres and shopping parks becomes more enjoyable. One of the main reasons for this is the abundant parking space making the process of getting close to the stores much easier. In addition these shopping centres and parks have purposely built shopping areas that include leisure facilities such as cinemas, which makes the shopping experience more enjoyable. In addition these leisure facilities draw in more customers as people might visit for the leisure facilities and then be drawn into the shops.

Another advantage to the out of town shopping centres is that high street became hard to access as the traffic in the cities worsened as more people moved into the cities and the general population could afford cars. This meant that the out of town/city shopping centres became much more convenient than the UK highstreet. The main reason for this is that all the stores will be collected in one small space and therefore it is much easier to shop at several stores. Also the design means that there is almost never a large distance between the shops and the parking spaces, meaning that shopping at several stores becomes much easier. The shopping park/centres further had the advantage that the rent is much lower. Because rent is lower, generally stores in shopping centres and shopping parks are bigger, especially in shopping parks. Since the space is bigger, more products can be stored and therefore more variety can be offered. This would then again make the out-of-town shopping centres/parks more convenient. This increases the profit margins of the businesses. This further fuelled the movement of the highstreet from the city/town centres to large shopping centres/parks outside the cities/towns. (propertyfundsworld, 2021)

2.3. Rise of E-commerce

In 1971, MIT and Stanford students organised a first online commercial purchase (it involved marijuana) (M. Grothouse, 2015). However, for most people the first internet-based transaction only took place in 1994, when Dan Kohn, a 21 years old entrepreneur, sold a “CD of Sting’s ‘Ten Summoner’s Tales’ to a friend in Philadelphia” through his newly created website NetMarket (M. Fessenden, 2015). The importance of new electronic technologies and the proportion of e-commerce continuously rose throughout the years since then. (see figure below)

From £114.75 billion in 2015 it increased by 16% to £133.00 billion in 2016.



Figure: UK E-commerce Sales from 1995 to 2016 (in £)

Source: IMRG Capgemini eRetail Sales Index. Local currency (£) used not US\$.

The slow growth of e-commerce shopping can be explained by the appreciated advantages presented by this type of consumption. A survey conducted over 3 years (2018 to 2020) analysed motivation for online purchases from the consumer’s point of view. This study (results in figure 2) shows that predominantly cited motivations were competitiveness price as well as the abundance of choices available. These can be indeed explained by the simplicity of product comparison and the high number of brands accessible on the internet. The convenience (by removing the travelling time into stores for example) are key factors in the shift of consumers’ shopping habits.

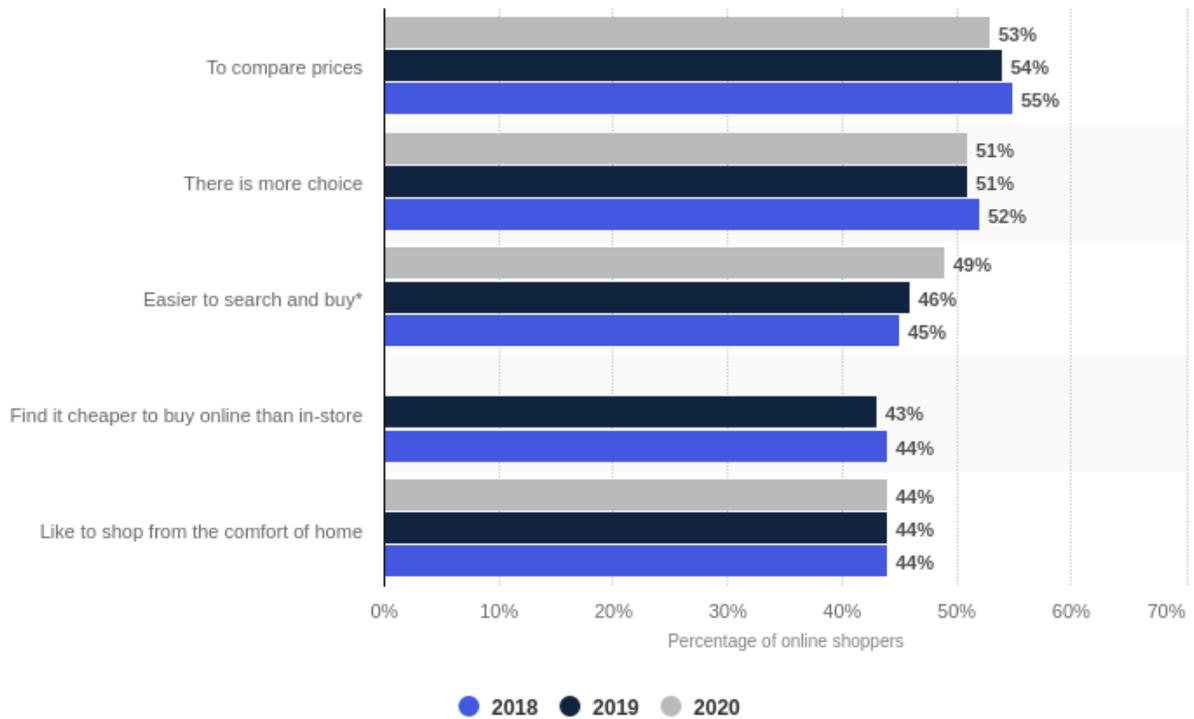


Figure: Consumer reasons for shopping online UK 2018-2020

Source: D. Tighe, Statista, February 2021

To complement our analysis, we conducted a survey to study people's shopping habits. We have discovered that 77.8% of our respondents prefer in person over online shopping. An important point to note, is that a vast majority of the interviewees are students (situated in St Andrews, Scotland).

Actually, consumers are still reluctant about the implementation of these new technologies in their shopping habits. One of the main reasons is the difficulty to assess the product's actual quality before their purchase. However, e-commerce businesses have been able to find a solution to these problems by offering free shipping and free return to their customers in case of low satisfaction, or not fitting products according to their expectation and needs. Other solutions are constantly being offered to consumers to reduce the gap between in store and remote purchases. Perpetual innovations, such as augmented reality which allows to try virtually the product directly in the desired environment, have enhanced the customer service online.

Furthermore, the coronavirus breakdown has resulted in an increase in online sales during the last year. Since March 2020, multiple lockdowns have been put in place to slow the spread of the virus, and forced non essential stores to shut down. This has given the opportunity to online retail to expand their number of shoppers rapidly. As stated by Dominik Ritcher, CEO of HelloFresh: “the pandemic has accelerated a ‘profound change in behaviour’ that he expected to last well beyond the end of any virus-related restrictions.” (Financial Times, 2020).

If consumers mostly purchased non-essential goods online, this trend seems to be changing since the start covid. For example, online food sales have seen an exponential growth at the start of 2020. The figure published by D. Coppola (Statista, 2021) shows a clear change in shopping habits through the increase in monthly internet food sales in the UK. Even though the number fell slightly during the summer 2020, it is unlikely that this type of essential good will go back to the same pre-pandemic level. The emergence of popularity for online groceries has had consequences and weakened in person grocery sales.

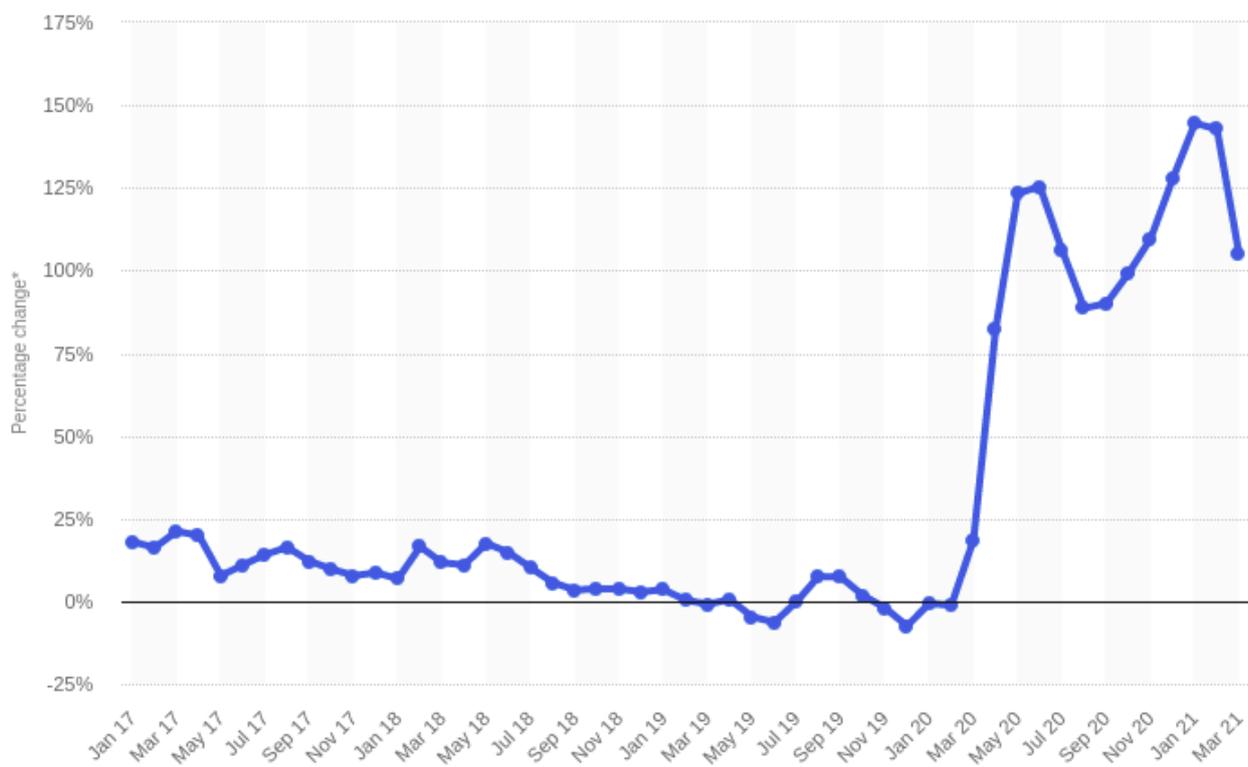


Figure: Internet food sales value trend monthly in the United Kingdom (UK) 2017-2021

Source: D. Coppola, Statista, May 2021

Parallely to this increase in demand for essential goods on the web, it is possible to observe changes in shopping habits towards e-commerce. A study made by D. Tighe (Statista, 2021) shows the changes in online sales between March 2020 and February 2021. As shown in the graph below online consumers have intensified the amount of e-commerce transactions throughout the analyzed period.

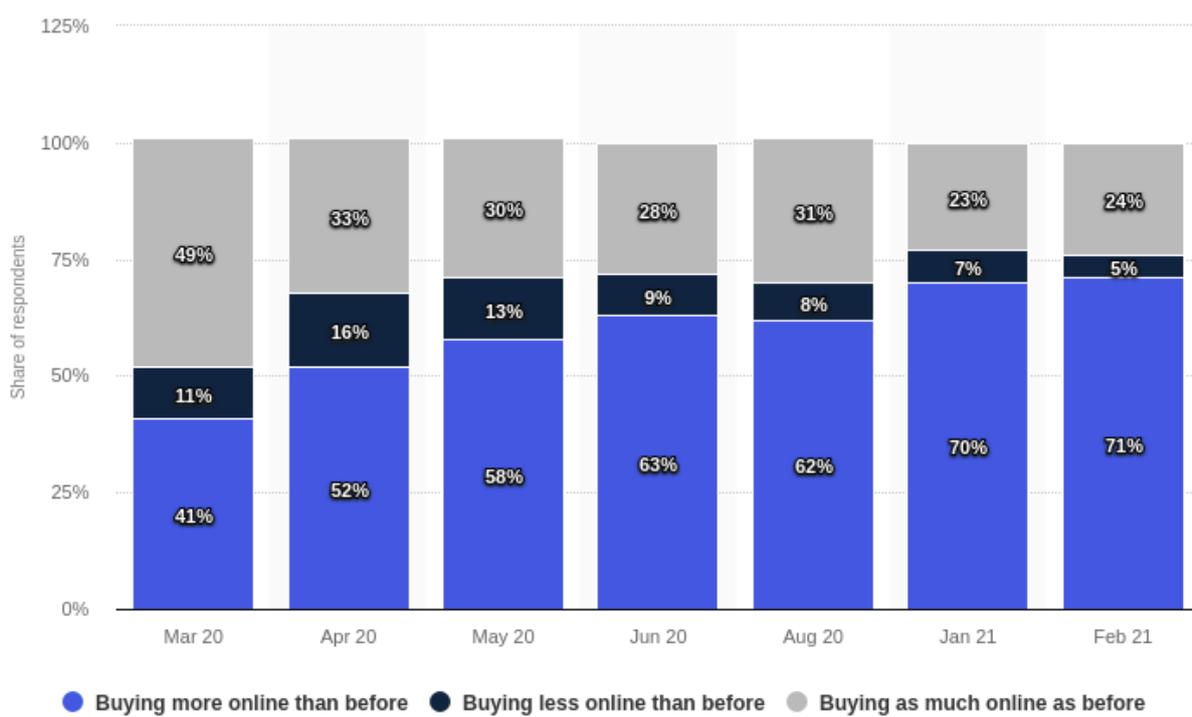


Figure: Changes in online buying among UK consumers since COVID-19 2020-2021

Source: D. Tighe, Statista, May 2021

The competitiveness of e-commerce's rise will probably continue to grow; studies show how shopping habits evolved during the pandemic (between May and August 2020) as well as consumers' positive prediction on their future purchases (eMarketer.com, 2020) among online shoppers online during the 6 past months. In fact, the figure below shows that a higher number of online shoppers responded positively to more digital shopping (42% in May and 55% in August), a lower number of people predict to have unchanged online shopping habits (52% in May and 43% in August) or predict to shop more in store (6% in May and 3% in August).

How Do UK Digital Buyers Predict that the Coronavirus Pandemic Will Affect Their Future Purchasing Habits?

% of respondents, May 2020 & Aug 2020

May 2020



Aug 2020



Note: ages 18+ who have bought items digitally in the past 6 months; vs. before the pandemic; numbers may not add up to 100% due to rounding
Source: ChannelAdvisor, "Life After Lockdown Part II: UK Consumer Attitudes to Shopping & The Christmas Holiday Season" in collaboration with Dynata, Sep 17, 2020

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www.eMarketer.com

Figure: How do UK Digital Buyers predict that the Coronavirus Pandemic will affect their future purchasing habits? (in May 2020 and August 2020)

Source: eMarketer.com

These compound effects have changed the economic necessity of high street shopping and thus changed the culture of British towns.

3. Impact

3.1. Economic

The retail sector has been facing a crisis for a few years which has had a negative impact on the British economy. The changes occurring in the high streets is only a symptom of the retail industry's structural change with an increasing number of chain retailers introduced in the market. (Retail Think Tank, 2015) This phenomenon shapes the evolution of consumers' shopping habits and needs by driving them towards these large companies located in primary cities and pulling them away from smaller companies. This operates as a vicious circle: on one hand, more consumers are looking for international brands resulting in the closure of local companies and on the other hand, having fewer shops decreases the choice of products for consumers which deteriorates shopper's experience and enjoyment. This situation has changed the utility of shopping that has now become more of a necessity than enjoyment. The elderly are the most affected group on a daily basis by this structural change as they are forced to change life long habits and adapt to the new situation.

Retailers situated on less visited high streets are facing critical economic consequences due to the rise of e-commerce, the fall in consumer confidence, the excess of physical space as well as the pandemic since March 2020. This has resulted in a significant increase in the unemployment rate in the retail sector. The graph published by the Financial Times, illustrates how the number of positions in this sector is decreasing dramatically when compared to the gradually decreasing jobs in the manufacturing industry in the past years. The "Retail [sector] is the UK's biggest private sector employer, with more than 3m workers" however it has been observed that "57 000 jobs were lost in the year [2019] to June" (Financial Times, 2019).

The economic consequences are not only perceived by the companies themselves or their shareholders but also by their employees. Studies show that in Northern England, women are especially hit by the crisis in the high streets as, “women make up almost three-quarters of the loss of 108,000 retail jobs over the last seven years, while 49 000 warehouse roles created have mostly gone to men” This highlights the gender inequality experienced by the sector since the economic consequences are “not being felt evenly” between men and women. (Independent, 2019).

The decline in British high streets has had a serious impact on society in terms of equality, diversity and inclusion as, “half of retail employees were low-paid, two thirds were female”. (Financial Times, 2019) This displays the current situation of the retail industry that has resided for several years in the heart of the British communities, the foundation of Britain’s modern society.



Figure: Number of Jobs based on the first Quarter in 2016 (corresponding to 100 jobs)

Source: The Financial Times, from ONS

“While the retail workforce in London grew by 16-percent between 2011 and 2018, the North East and East Midlands have both suffered an 11-percent drop” (Independent, 2019). The fact that retailers are leaving these less frequented areas does not solely impact the quality of environment in the surrounding communities in those regions as vacant stores reduce the income from selling or renting properties to owners or landlords. (RetailThinkTank, 2015).

In recent years there have been calls to ‘delondonize’ the economy, as that is where most of the jobs are, which has detracted from the rest of the country. The decline of highstreets accentuates this as high streets were focal points for tourists. For a successfully dynamic country-wide economy, small cities must be able to attract visitors and business.

Local authorities are financially hit by the increasing emptiness in town centers and now have to face the “loss of income from [these] vacant shops” but also the other benefits brought by visitors and local inhabitants enjoy services sold by other service companies as for instance the catering service. (RetailThinkTank, 2015) Instead, “unsafe or ‘no-go’ areas” (RetailThinkTank,2015) are created and contribute negatively into the surrounding communities’ lives.

3.2. Social and Cultural impact

High streets are the epicentres of the UK's retail sector which serve as places of social interaction that are extremely important to its success. High streets are not only places of political and economic transactional exchange but also places that promote cultural and ethnic diversity in major towns and cities. However, in recent times their decline has diminished this very sense of community and caused negative socio-cultural impacts.

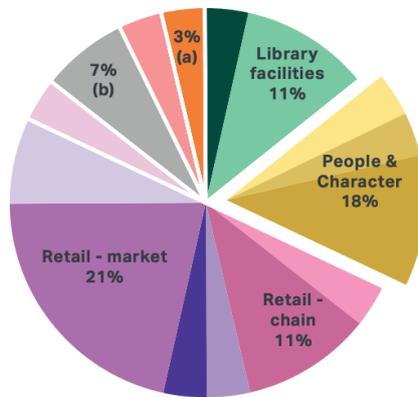
The absence of stores selling fresh and affordable produce have led to the creation of food deserts with the most basic range of produce in cities and towns. The impact of food deserts are strongly felt among the elderly and those with children in less affluent neighbourhoods, who are now suffering with health problems due to the wide availability of fast-food chains that have rapidly filled the void caused by the absence of shops.

A few towns have even lost their local Tesco Metro which offers a cheap range of products. This has caused marginalised groups, the elderly more specifically, the inconvenience of using public transport to carry out their grocery shopping. A study conducted by the Mayor of London found that 45% of the respondents used the high street for non-retail related purposes, which signifies that Londoners value the social exchanges that high streets offer, which is especially important for the vulnerable elderly. (Mayor of London) Moreover, in the recent years the high street's decline has also made the heart of the community "unwelcoming". The elderly deeply value the convenience the high streets have to offer, over the variety of retail options. Britain's high streets are now eroding as community cohesion increases. Maintaining community cohesion is extremely important as with the rise of social media, people are spending more time isolated, and less time in outdoor recreational activities.

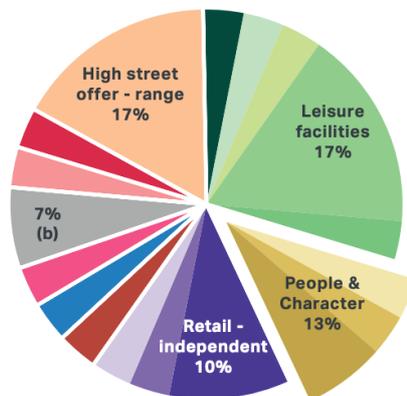
A study conducted by the local government of London asked respondents what they consider is the best aspect of the high street:



Lewisham



Lower Clapton



The study highlighted that respondents valued the non-retail and non-physical features of the high street such as the social-cultural effects they bring. Besides retail, recreational facilities and libraries were amongst the most valued places meant for socialising and networking among teenagers and the youth. This change has killed the job opportunities that high streets offer to the youth and an estimated 50% of high street visitors are unemployed across the nation and 27% across London.

High streets are places that promote cultural diversity and mutual cordiality, for instance, ethnic food joints offer a high value of importance to the high streets, and the speedy decline in them has lowered the ethnic diversity levels in towns and cities across the nation. Not only do they provide local opportunities but are also places for global social exchanges to take place and it is estimated that over 75% of high street users value the cultural aspect of it the most. While the primary function of high streets is transactional exchange, these are key aspects of civic life; they are everyday spaces of diversity which allow people from all over the world, including immigrants and tourists to coexist within a city. (Hall, King & Finley, 2016) Thus exemplifying that a decline in highstreets disproportionately harms marginalized communities.

The decline has deeply endangered the sense of community that high streets have to offer in towns and cities across the UK. High streets contribute to the social interactions of the most marginalised people of the society such as jobseekers, immigrants, the young and the elderly, and the closure of high streets poses a great socio-cultural impact on the nation.

3.3. Technological and Coronavirus

While the high streets' decline has negative socio-cultural effects on the community, it brought positive effects for some retailers and consumers. The shift from physical high streets to online high streets was already underway and the COVID-19 pandemic accelerated the need for rapid growth in e-commerce.

This online revolution has enhanced the retail sector drastically but has caused the decline of high streets as the need for online shopping. High street retailers have been forced to switch to online systems due to high capital costs from rent and staff, and low consumer demand for physical stores. For example, due to the coronavirus pandemic, Marks and Spencer started their home delivery service, which they previously did not have before March 2020. The digital revolution gave rise to online high streets which since the pandemic has been thriving. Post pandemic, it is likely that our shopping habits will permanently change even as lockdown measures ease out and life goes back to normal, as many of us are now valuing the convenience online shopping brings as opposed to the high streets. A record number of older people have also switched to online shopping during the pandemic, who previously might have been hesitant towards new technologies.

Brands like Primark made headlines in early 2020 for losing millions of customers during the first few months of the lockdown due to their absent online presence. However, as lockdown measures eased out mid 2020, consumer demands grew. Although Primark was able to survive the effects of the pandemic, other brands may be unable to do so and to keep up with the consumer demand, retailers will have to establish their digital and physical high street presence. Moreover, high business rates and declining incomes means a rising number of UK consumers are choosing to spend their incomes on experience rather than material goods. This presents an adapted business model for the high street.

The British high streets have weathered various changes in society, economic cycles, development and technological growth. However, the pandemic along with the rise of e-commerce is proving to be the nail on the coffin for UK high street retailers. According to the Digital High Street Report 2020, in the next five years, technology will redefine consumer and retailer interactions, which is an important aspect of the high street community.

It is reported that over 200 of Britain's high streets risk serious closure of major anchor stores such as Toys R Us, Debenhams, Marks & Spencer, Fraser and Mothercare and much of the decline of the high street falls at the feet of technology. This is the transformational impact that technology is having on consumers and businesses and on high streets, towns and city centres. Consumers now have the convenience of shopping online instead of physical shopping. Although the older generations prefer physical shopping, online shopping is widely popular among the younger generations.

Online shopping has brought convenience for people living in smaller towns and cities which are less mobile in terms of transportation. While the pandemic served as a catalyst to the digital change, Brexit was also one of the factors that impacted this change.

3.4. Brexit

The UK economy performed well even after the Brexit referendum since 2016 and according to a report by The Guardian, the economy has seen its lowest rate of unemployment in 40 years. However, Brexit has changed consumer confidence and the way customers shop on British high streets.

Brexit has directly impacted consumer confidence as, according to The Wall Street Journal, low consumer confidence has decreased current spending on non-household items by 4%. Prior to Brexit, the UK economy was experiencing improved labor market prospects. However, after Brexit a significant decrease in consumer spending led to reduced sales for the high streets. It has shifted consumer behavior as declining incomes and lowered job security are causing shoppers to cut back on their spending habits. Brexit poses a major challenge on high street retailers' future.

According to a report by Drapers, Brexit was at the top of shoppers' worries post-Brexit as around 48% of shoppers expressed their concerns over the matter. During the referendum period, it was expected that consumer spending will further decline after the UK has left the EU and this prediction has turned true. Big retailers are the most hard hit by Brexit cutbacks in consumer spending. A report by The Independent suggests that prices are expected to increase to over 64% due to the rising import prices, and more than 50% of high street shops are expected to close. Anchor stores like Marks & Spencer, Toys R Us and House of Fraser are closing across UK high streets.

Brexit has imposed enormous costs on UK high streets that have led to reduced incomes and less economic activity as consumers are reluctant to splurge on high streets due to the lack of consumer confidence. Overall, these cutbacks in spending and changed consumer behavior have had a disrupting effect on high street retailers and pose a major threat to its future.

4. Solutions

4.1. Experience

From the analysis it is evident that there have been large demographic differences in the UK on the severity of the fall of the high street. The difference is deeply rooted in the size of the cities and towns. Larger cities like Manchester and London have struggled much less than smaller cities like Sheffield. To find solutions it is important to highlight what differences there are between the larger cities and smaller cities, and towns that have contributed to the skewed effects on the high street.

One reason could be rooted in the experience aspect. In the survey we conducted, we found over 50% valued the experience aspect and mentioned it as a reason why they prefer the larger cities. London is one of Europe's largest cities, with a huge variety of stores compared to Sheffield, a steel-focused industrial city in England. Further evidence of the importance of the experience aspect comes from looking at the finances of two retail suppliers at two widely different price points, offering two very different shopping experiences. In recent years H&M has seen a flattening or even a slight decline in revenue. Meanwhile, Moncler has had exponential growth with the revenue growing around 400% since 2012. These differences can be seen with two graphs showing the revenue from the two firms since 2012. (Sabanoglu, 2020) (Shahbandeh, 2020)

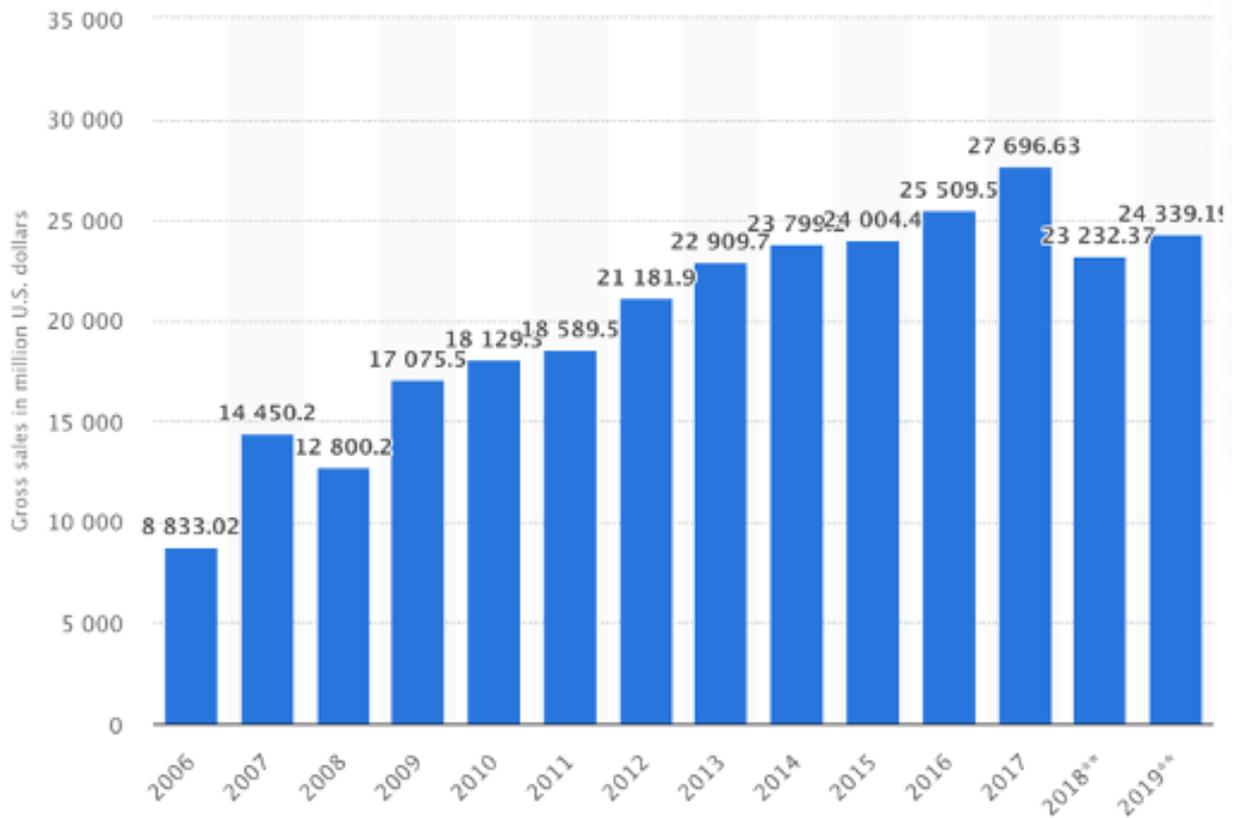


Figure: H&M revenue from 2006 to 2019

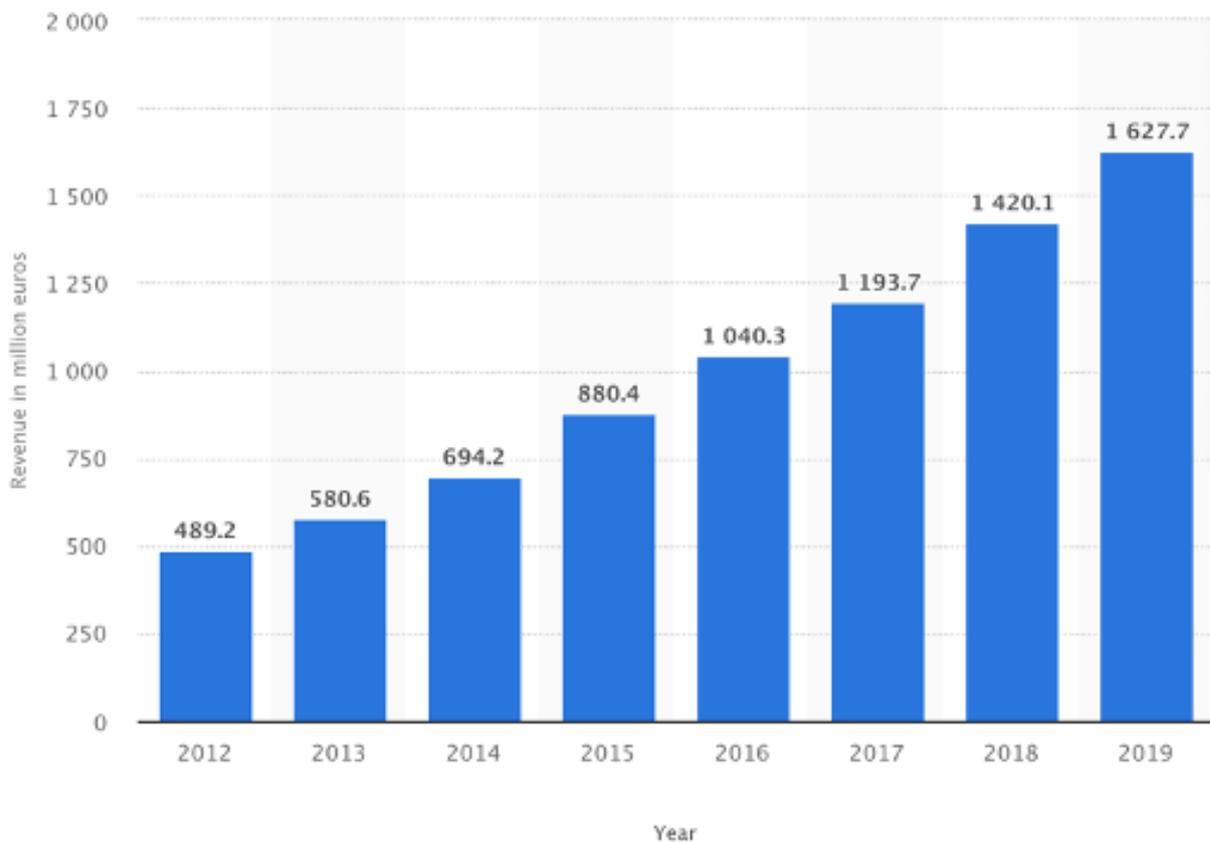


Figure: Moncler revenue from 2012 to 2019

These two graphs show a clear difference in terms of growth in recent years for these two clothing chains. Moncler's business model is much more focused on the experience aspect as stores are generally equipped with marble and have extremely high standards of customer service, with much more expensive clothing and higher margins. Meanwhile, H&M focuses more on providing its customers with an affordable product, with a large variety of stock in all sizes, and a more basic shopping experience. This could be evidence that customers in recent years value the experience higher than before. Whilst London does have many H&M stores, it also has no less than four Moncler stores, as well as many stores on the London high streets similar to Moncler. The presence of so many experience stores in London may therefore be a reason why the decline in highstreet shopping in London is not as significant as in other cities. Another store that focuses on the experience and service aspect that has seen a strong growth in revenue in recent years is Fortnum & Mason, a luxury brand selling a wide variety of products from home products to food. In recent years they have experienced growth in revenue and in 2019 they had an increase in 26% alone, much due to the huge success of their online shopping product. However, they have also experienced continued success with their high street stores such as The London flagship store which experienced a 6% growth since 2019. An increase of 6% is impressive when considering the store did not increase in size. (Szajna-Hopgood, 2019) (Coppola, 2020)

With this it can be concluded that one of the key drivers of the differences between the growth of the high streets in smaller cities and towns versus larger cities could be the experience aspect. However, the question that now arises is— how can stores improve the experience aspect? Not all stores that have seen great success in recent years after focussing on the experience aspect are luxury brands. Abercrombie & Fitch is one more mass / mass affluent example. For example, If you entered an Abercrombie & Fitch store in the early 2010s you might remember the muscular model at the door, the strong smell of perfume, and the loud pop music. This business model became a huge success with the main customers being teenagers and people in their 20s. However, after 2012 the revenue dropped, and the firm was struggling. In response to this they quickly changed their strategy. They removed the models, reduced the volume of the sound, and reduced the smell of perfume, but whilst retaining an experience orientation with high quality service and quality surroundings. Simultaneously they changed the style of their clothing, with more subtle logos and moved away from main hoodies to clothes such as shirts. This meant that they endured their best sales week ever during the black week in 2019 and their stock price soared in 2020. The revival can be seen in the diagram below. (Wilson, 2020) (Shahbandeh, 2020)

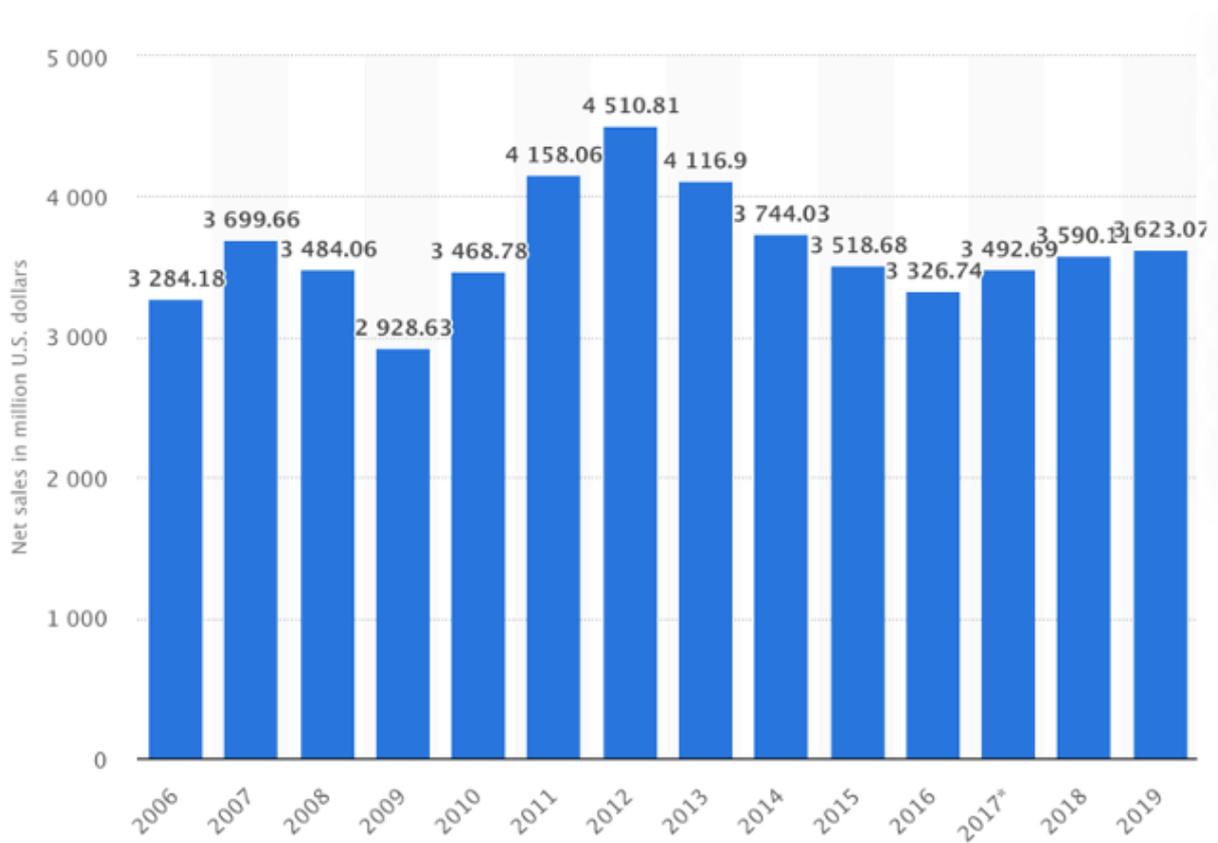


Figure 3: Abercrombie & Fitch revenue from 2006 to 2019

Abercrombie & Fitch highlights the importance of the experience aspect and shows how a change in experience and business strategy, whilst retaining a focus on experience can revive high street stores.

4.2. Online Shopping

Even though Abercrombie & Fitch is a good example of how high street stores with chains can improve their experience and potentially increase their revenue, large improvement and shift in the experience aspect of a smaller individual shop, such as the sole trader, is much harder if not impossible. However, these smaller businesses still have several potential strategies to improve revenue. Online shopping has grown over the recent years and exploded due to the COVID-19 pandemic. Many sole traders or small businesses do not have an online business. By these smaller businesses partnering up with e-commerce platforms, they can put their business online. Joining e-commerce is very easy and could only cost 29\$ at the start for the basic subscription to Shopify. From this, the subscription can be upgraded as online sales increase, and the business can see a growth in online shopping. The main advantage of online shopping is that the customer reach becomes much larger. According to research done by KMPG 57% of goods bought online are bought abroad from their customers' home address. (KMPG, 2017) This shows how small businesses can experience large growths in sales due to entering new markets and therefore finding new customers. A possible drawback is that even by going online some businesses will still not get the reach and exposure they need to increase their sales revenue to survive and therefore might still struggle. (Kumar, 2021)

4.3. Selling product through Amazon

Since creating an online business can be hard, even using e-commerce platforms such as Shopify, businesses can supply their product to other established online shopping e-commerce such as Amazon. By selling their product through Amazon, businesses would be able to increase the number of customers. However, they would not have to create their own website. Moreover, Amazon would have a much larger number of customers, and therefore the business would have a larger customer base to sell the product to compare with their own online website. The challenge to manage is the share of revenue that Amazon would require, however, if the business sells a large number of goods through Amazon this may still be an effective way to grow profits and to enable the business to survive. (Amazon, 2021)

4.4. Government intervention

Another solution would be, the government stepping in and supporting businesses. However, finding a suitable government policy to support only long term healthy businesses can be challenging and the government can often end up supporting businesses that are structurally uncompetitive and will most likely go under immediately after the support stops. This is also an expensive policy that can contribute to increased budget deficits. An example for this is the COVID-19 furlough scheme, a government support scheme for businesses, and the extremely low-interest rate. This scheme has supported many businesses. (Gov.uk., 2020) However, fewer than usual businesses went bankrupt. This is very unexpected as the world is in the biggest global crisis since the second world war. Therefore, many experts expect that when the coronavirus pandemic ends there will be a huge number of businesses that will go bankrupt, based upon research asking businesses' likelihood of surviving. According to an LSE research document, 14.7% businesses that were asked said it had low or no confidence that the business would survive. (Peter Lambert, 2021) The huge government deficit and debt accumulated by governments around the world, especially in the UK shows how costly this blanket support policy is. As it is impossible to differentiate between businesses that anyway would have gone bankrupt and the ones that would have survived this is a policy that is both expensive and also relatively ineffective in the long-term.

It is evident throughout the analysis of possible solutions for the UK high street businesses to survive that some stores will go bankrupt and cause store vacancies around the UK, especially in smaller cities and towns when the coronavirus support ends. Possible solutions will depend on the changes that will happen due to the coronavirus pandemic. If the coronavirus pandemic does not cause large changes in the population demographic and desire to live in urban areas, stores can be changed into housing and office space. Around the world, housing prices have increased exponentially, especially in cities and the leasing price for office space also remains high. Therefore, it may be an option to turn store spaces into housing and office places such that the store vacancies can be fully utilized.

On the other hand, many experts do predict that the population demographics will change due to the COVID-19 pandemic, and it is already seen in America (Roper, 2021). This would mean that people move out from the cities and towns as people move from urban to rural areas. This change would be the opposite of the trend since the Industrial Revolution, where people moved from rural to urban areas. This change would be due to people being able to work more from home as the COVID-19 pandemic has massively improved the adoption and use of virtual office spaces such as Zoom and Microsoft teams. This would also cause a decrease in demand for office spaces as businesses and firms would no longer need as many office spaces when people work more from home. (Rose, 2020), together with a reduction in the demand for urban housing. A possible solution would then be to turn the vacant stores into restaurants and cafés. In support of this concept it is predicted that the population around the world, especially in western countries and the UK will have a huge appetite to experience the town centers restaurants and cafés at both nighttime and daytime, as many of these businesses have been shut during the coronavirus pandemic.

4. Conclusion

This research report explores the reasons behind the decline of the high street, the differences in impact for small and large cities, the impacts this decline of the UK's high street has had on society and possible solutions.

One of the main reasons highlighted, is the change in population demographics in recent years where people have moved from smaller cities or towns into large cities such as Manchester and London. This has resulted in falling population numbers in smaller cities and towns, with growing numbers in large cities. Another change is due to online shopping, as online shopping websites such as Amazon have increased convenience and made online shopping a mass market phenomenon. Another cause of the decline has been the 2008 financial crisis, as households on different points on the income aspect have used longer time to recover. Finally the design of the U.K. highstreet has its flaws, such as the dependency to travel into the smaller cities and towns.

The decline of the UK highstreet has had a great impact as the socio-cultural aspect of shopping has moved away from high streets and towards online shopping. This shift was further fuelled by the coronavirus pandemic, causing a shift that is unlikely to be reverted post-pandemic. As a result there will be less shopping done in the high street and more will be done online, causing greater store vacancies. Furthermore, Brexit has reduced revenues and profits as products become more expensive to ship and buy.

Even though the outlook for the UK high streets looks dim, there are some possible solutions to the problem. Stores can receive government support, focus more on the experience aspect, move their stores/brand online and start selling their product on Amazon. All of these solutions can solve or contribute to the stores in the UK high street surviving, but even then if they do not survive, towns and smaller cities can adapt to make use of store vacancies, which includes using spaces for housing, restaurants and cafes.

To conclude, the UK high street has been a vital part informing the socio-cultural life in the UK for many years, and with stores now going bankrupt, this will impact the social and cultural life in the UK. As highlighted in the paper, there are however possible solutions to save the UK highstreet, or changes to the structure of town centres that can use the vacant store spaces.

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