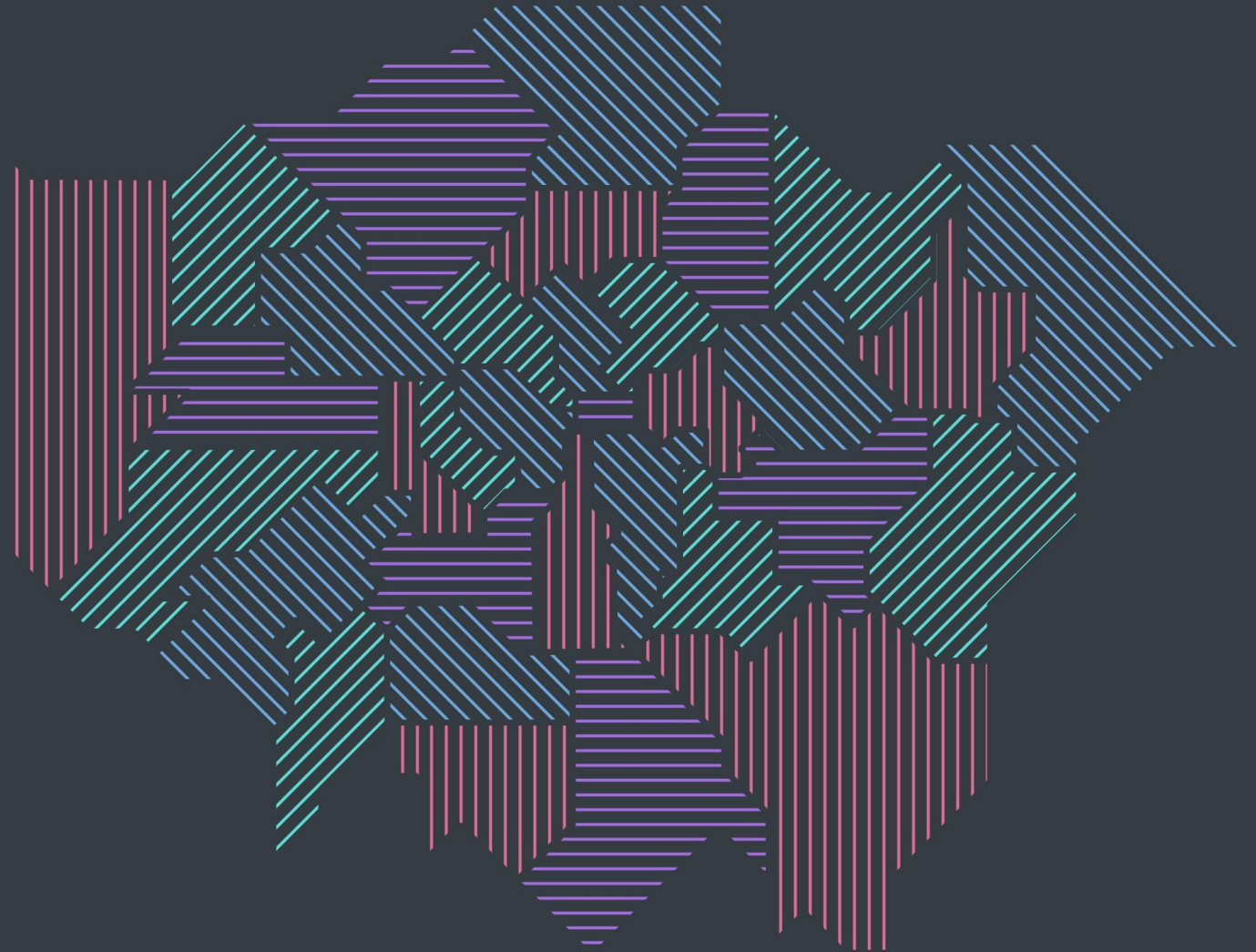


**HIGH STREETS
DATA SERVICE**

The Friday Effect

29 February 2024



A NEW (EMPTY) LONDON?

Many major cities are concerned about the health of their downtowns post-COVID. Anecdotally, in London, there has been a slow return of workers to the office on Fridays.

This phenomenon, captioned “The Friday Effect” describes the lull in Friday activity relative to other weekdays.

Is there a new Friday effect?

Where is this activity lull most prominent?

How does Friday activity compare with midweek?

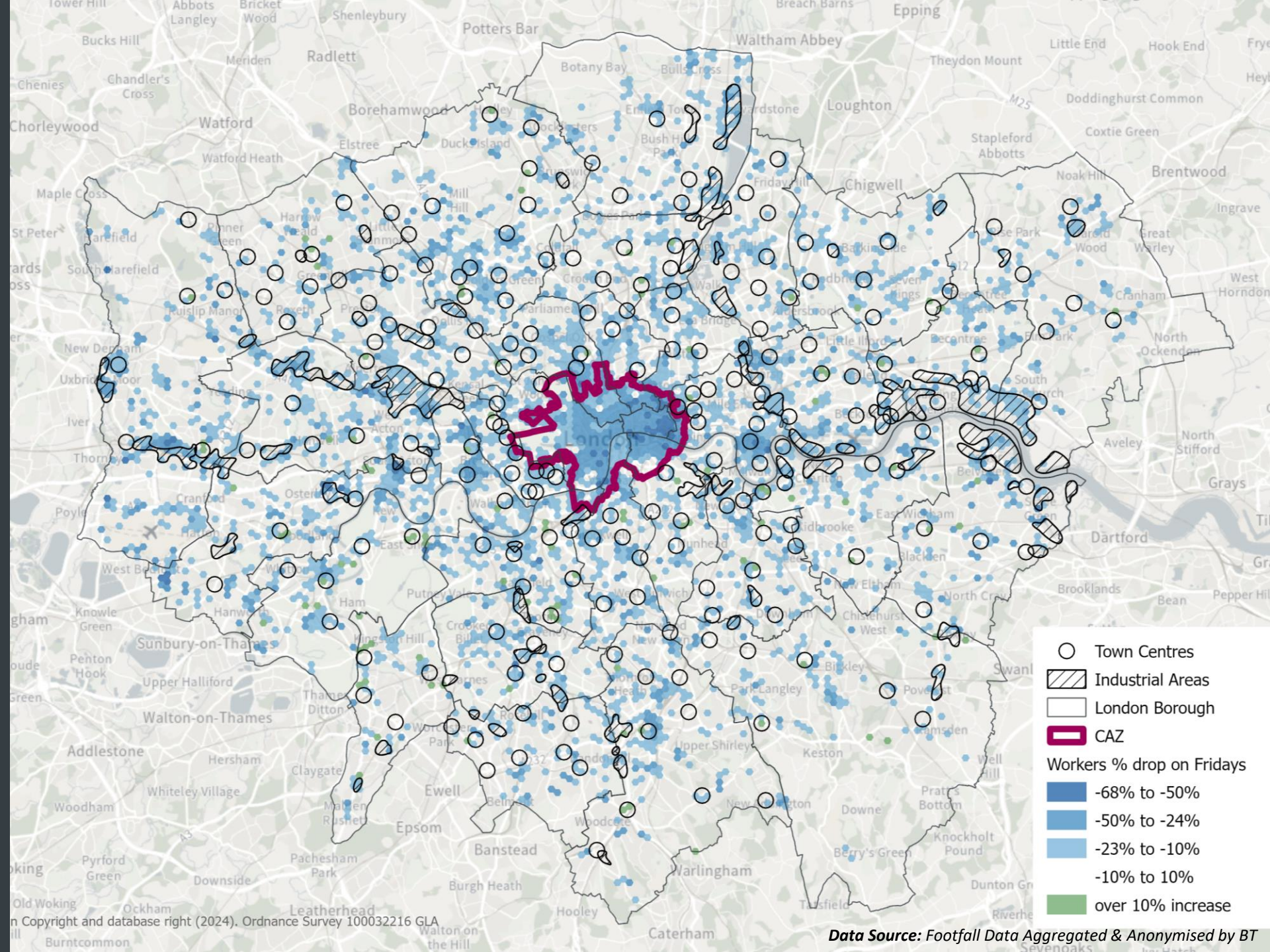
What are the consequences to London's local businesses?

WHERE DO WE SEE THE EFFECT?

The drop in Friday daytime workers can be seen in all boroughs across London.

The Central Activities Zone (CAZ) contains the largest concentration of areas with fewer daytime workers.

However, a drop can also be seen in many town centres & industrial areas.

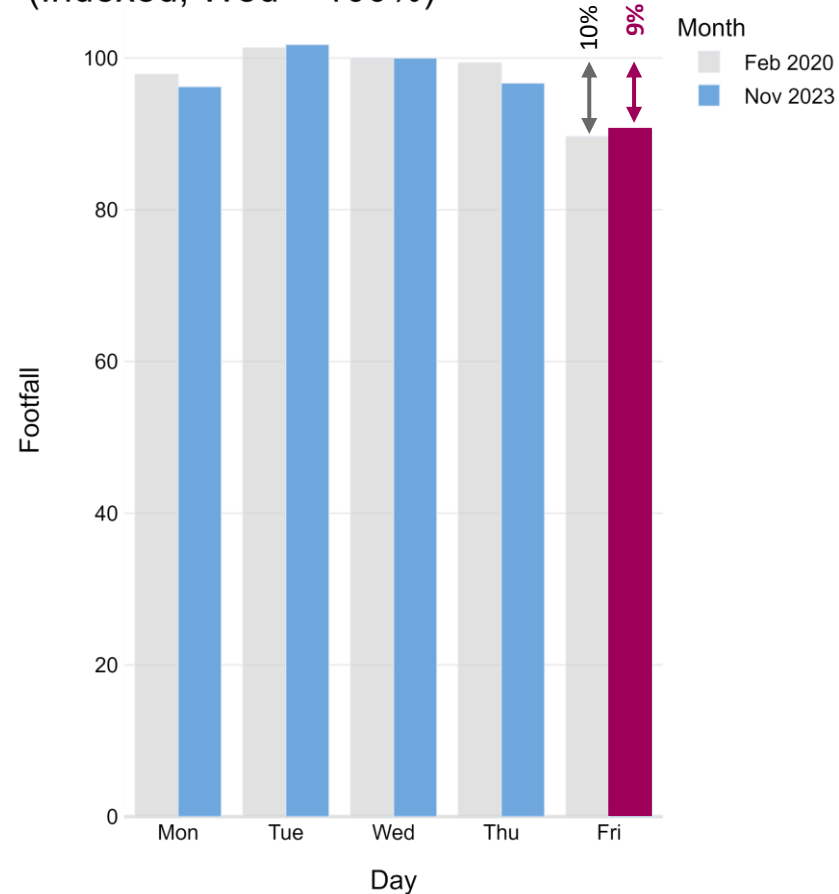


THE FRIDAY EFFECT IN THE NON-CAZ

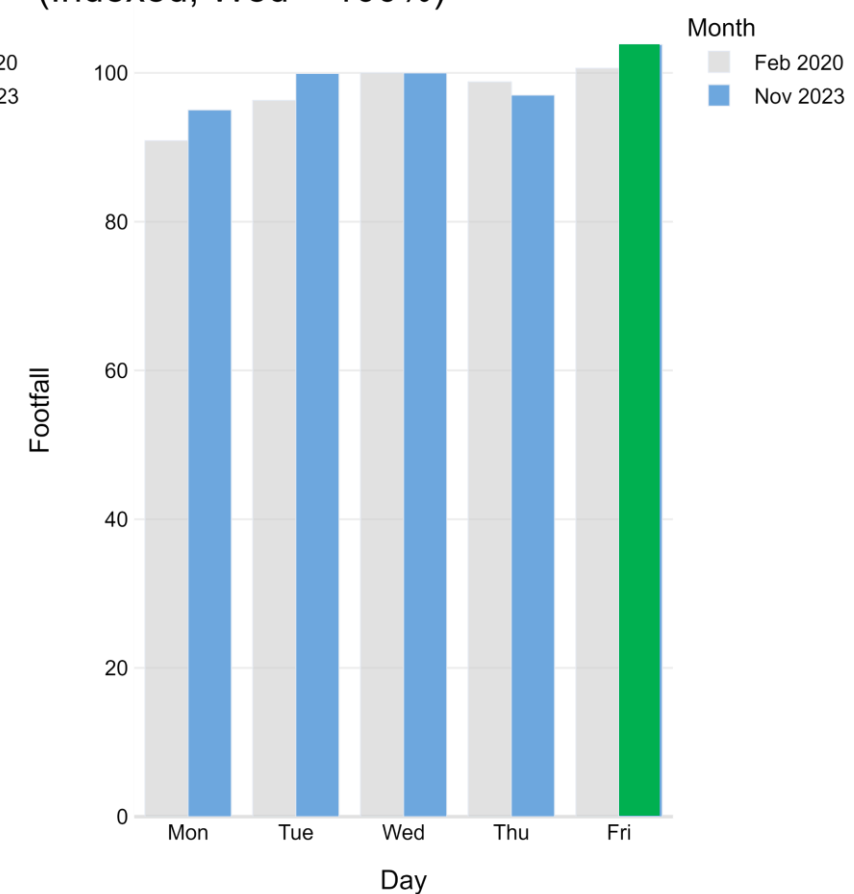
In the Non-CAZ, the Friday effect is present among workers albeit not as strongly as it is seen in the CAZ.

Visitor footfall on the other hand appears to be unaffected pre and post pandemic.

Daytime Workers in the Non-CAZ (Indexed; Wed = 100%)



Daytime Visitors in the Non-CAZ (Indexed; Wed = 100%)



■ Nov 2023 Friday Footfall (below index)

■ Nov 2023 Friday Footfall (above index)

Data Source

Footfall Data Aggregated & Anonymised by BT

THE FRIDAY EFFECT IN THE CAZ

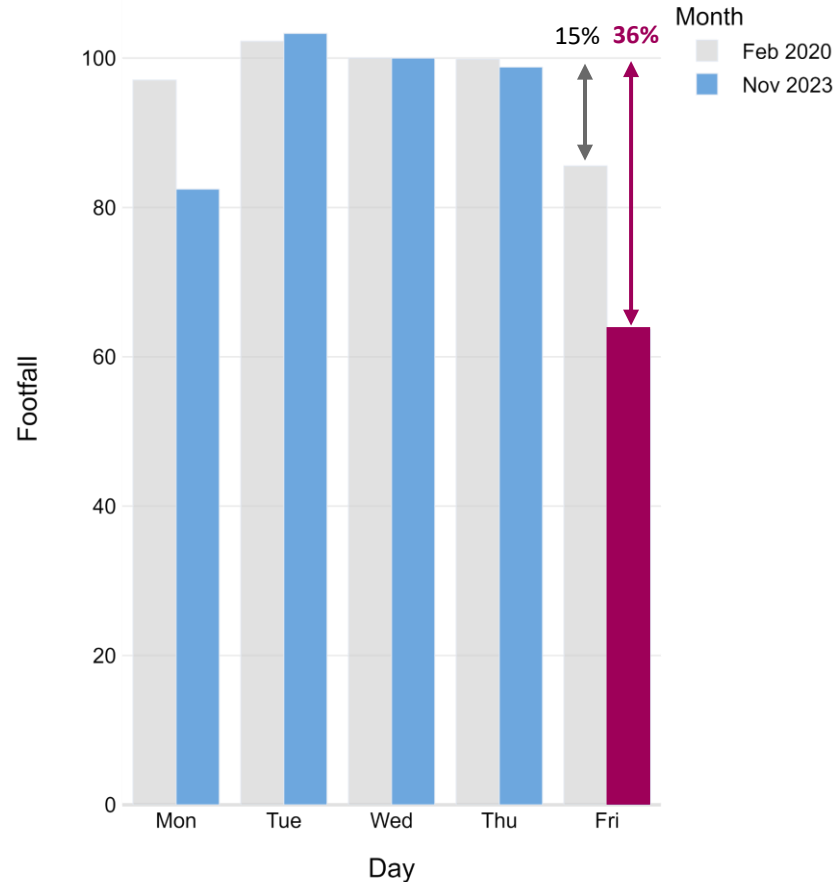
The Friday effect has always been present but has increased in recent times.

The effect is more pronounced in the Central Activity Zone or CAZ, and at daytime.

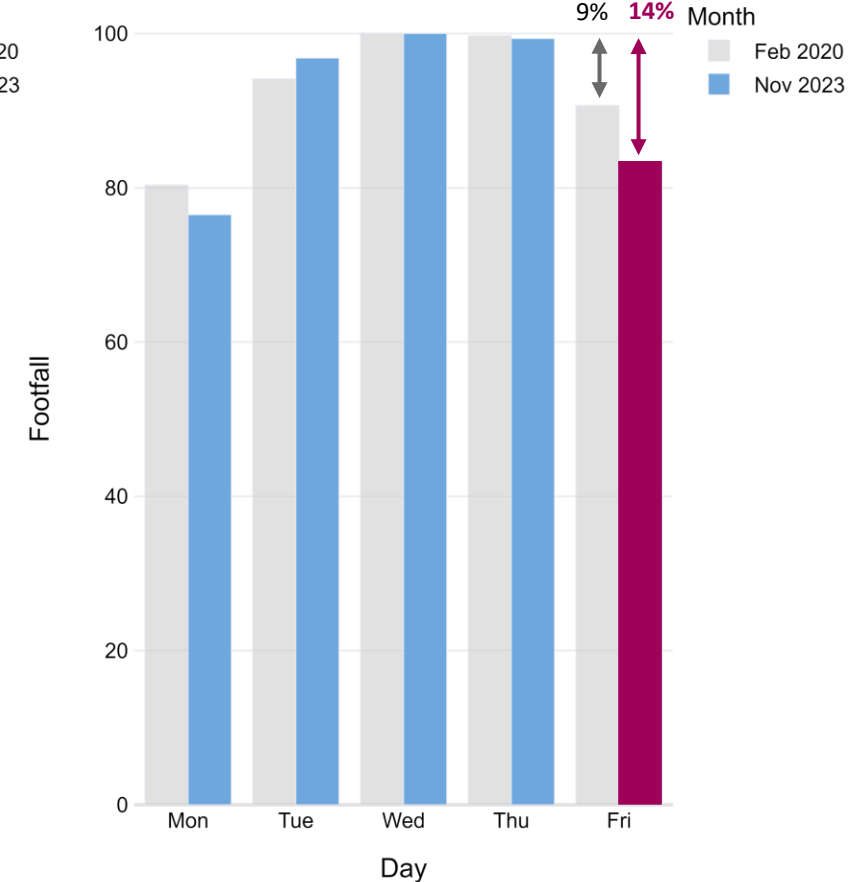
It is seen in visitors but is more prevalent amongst workers.

At nighttime, the Friday effect is only present among workers.

Daytime Workers in the CAZ (Indexed; Wed = 100%)



Daytime Visitors in the CAZ (Indexed; Wed = 100%)



■ Nov 2023 Friday Footfall (below index)

CHANGES ACROSS THE DAY

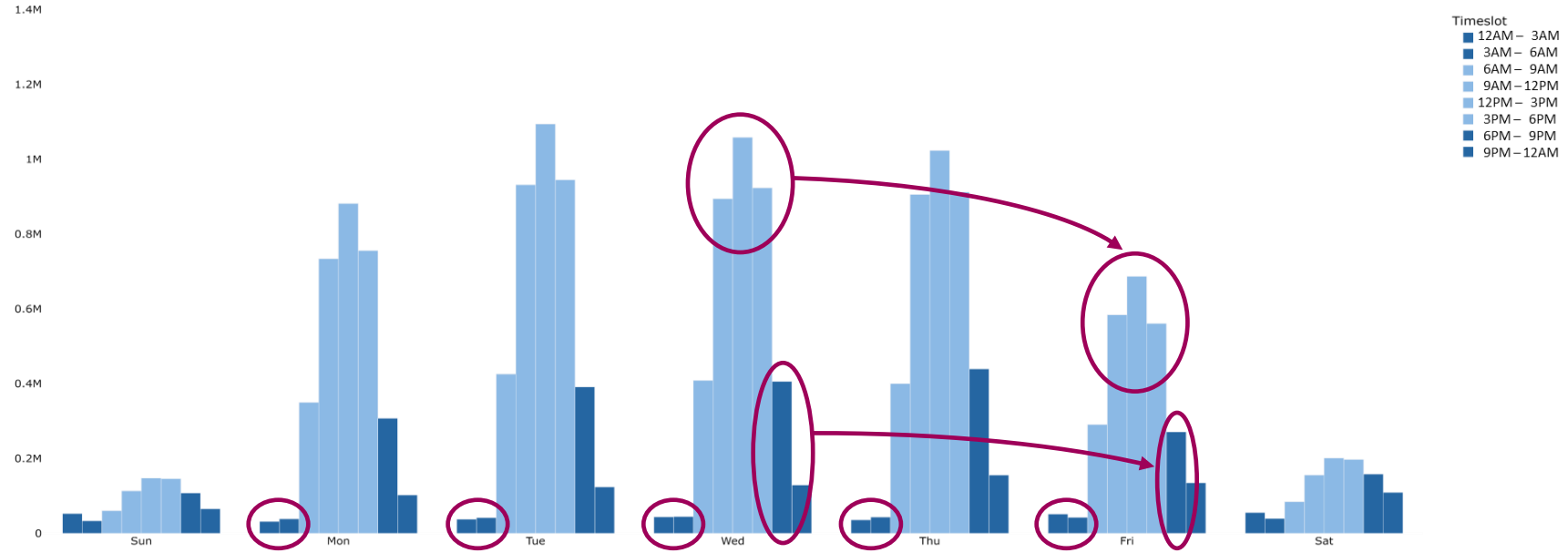
The Friday effect is seen at nearly all hours of the day after 6am in the worker category.

Night worker footfall (9pm-6am) is consistent throughout the week.

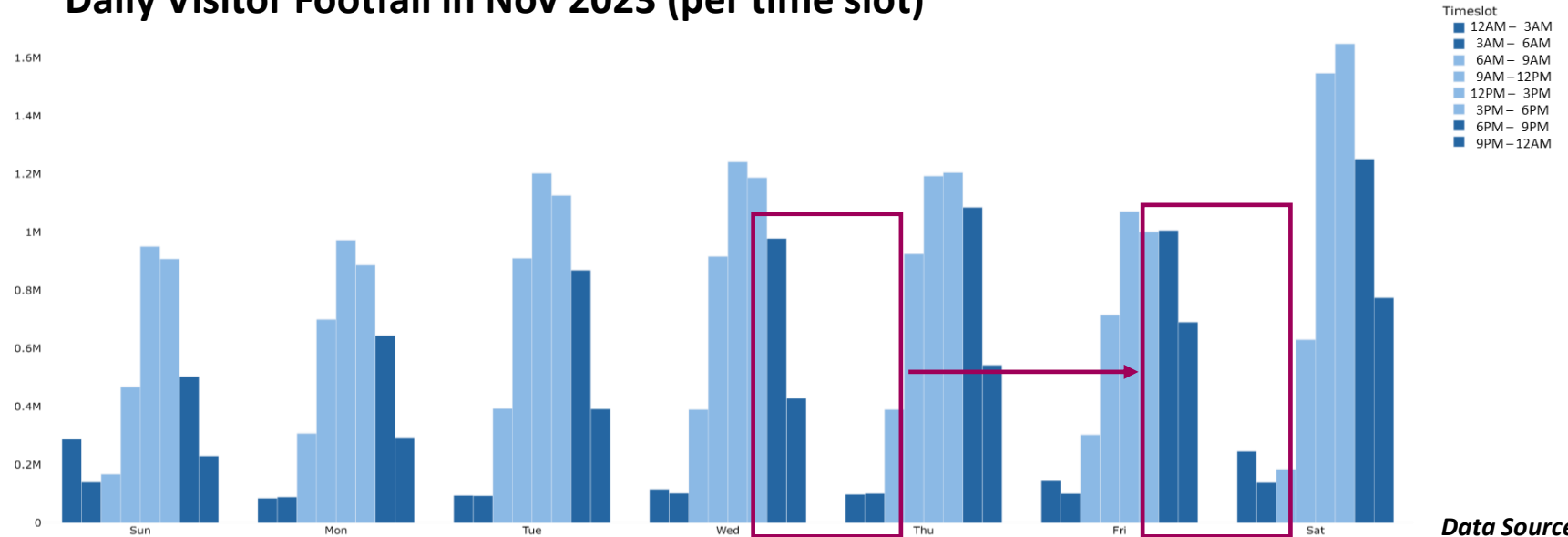
While Friday midday visitors go down, Friday evening visitors go up, implying that people still travel into the CAZ, but for the nightlife rather than for work.

Early weekday evening visitors (6-9pm) peak on Thursdays but followed closely by Fridays.

Daily Worker Footfall in Nov 2023 (per time slot)



Daily Visitor Footfall in Nov 2023 (per time slot)



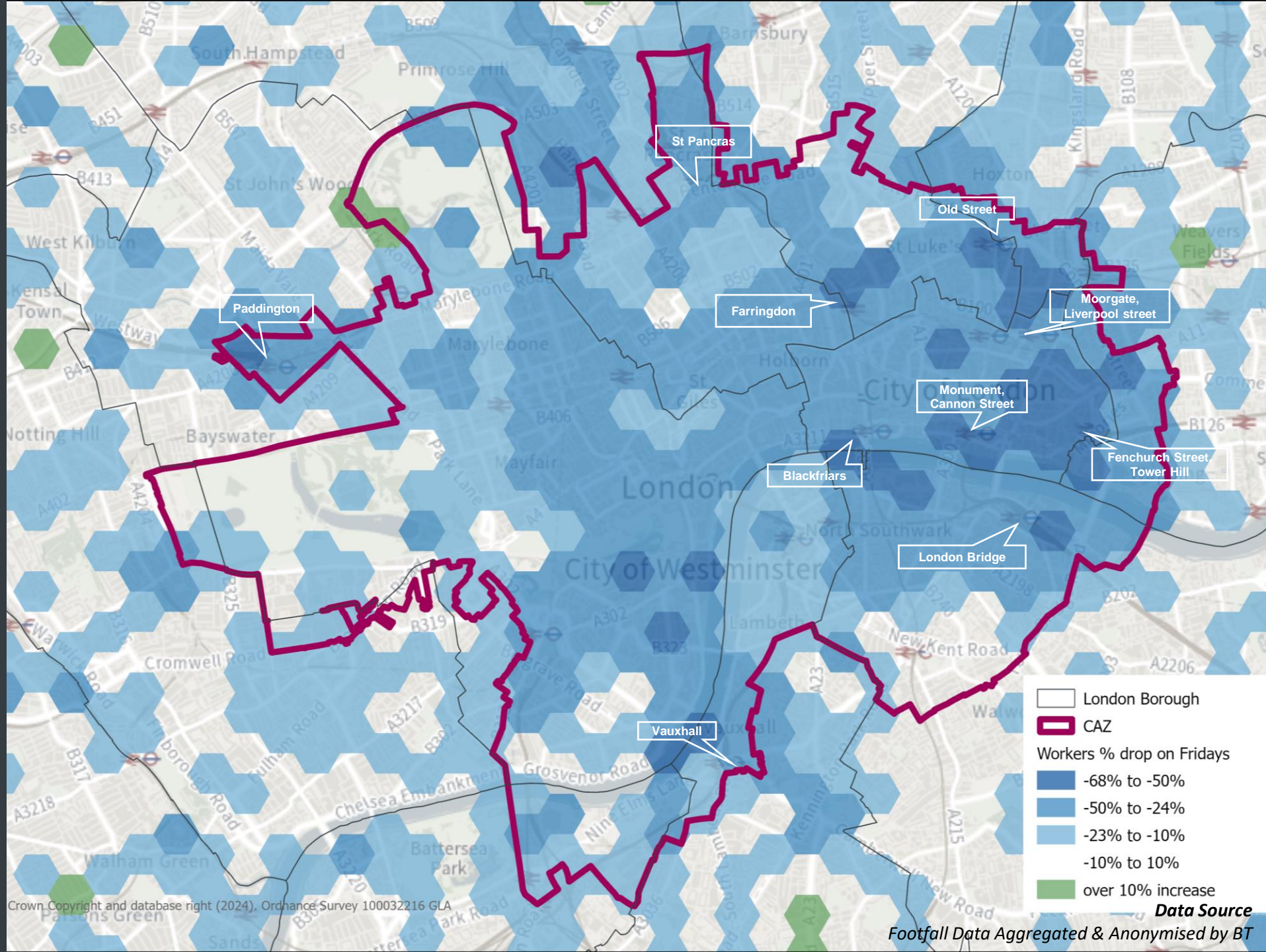
Data Source

Footfall Data Aggregated & Anonymised by BT

THE CENTRAL LONDON STORY

Nearly all of the CAZ sees at least a 36% drop in daytime workers between midweek and Friday.

However, some areas see as much as a 68% drop, many of which are bordered by major tube stations such as Monument, Paddington, Blackfrairs, et al.



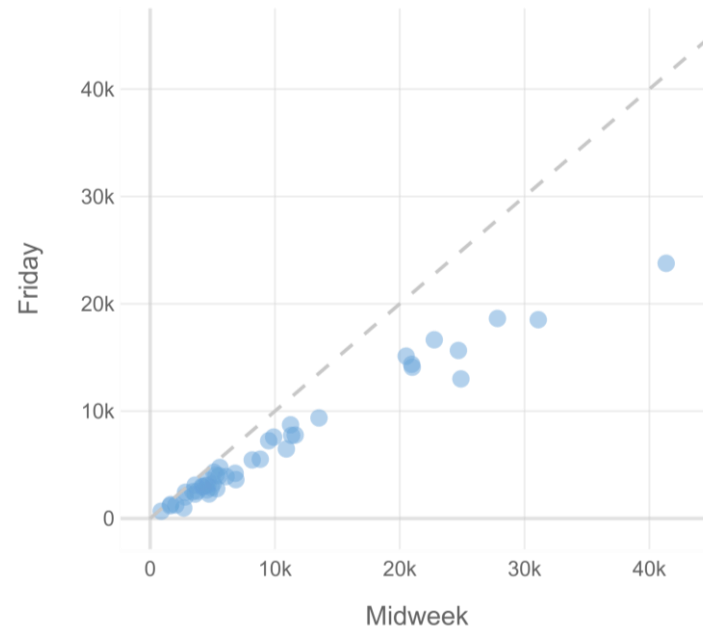
COMMUTES INTO THE CAZ

TfL captures travellers 'tapping out' of TfL stations. While this is quite different from footfall data, the trends are very similar.

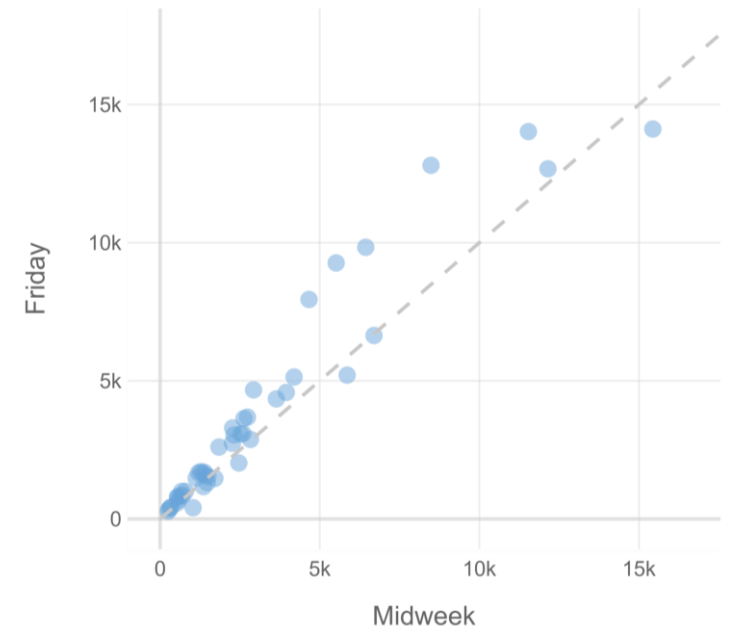
TfL stations in the CAZ have fewer peak-morning travellers arriving on a Friday than midweek (**-32%**).

Conversely, TfL stations in the CAZ have more evening travellers arriving on a Friday than midweek (**+21%**).

Daytime Travellers



Nighttime Travellers



■ TfL Train Stations in the CAZ

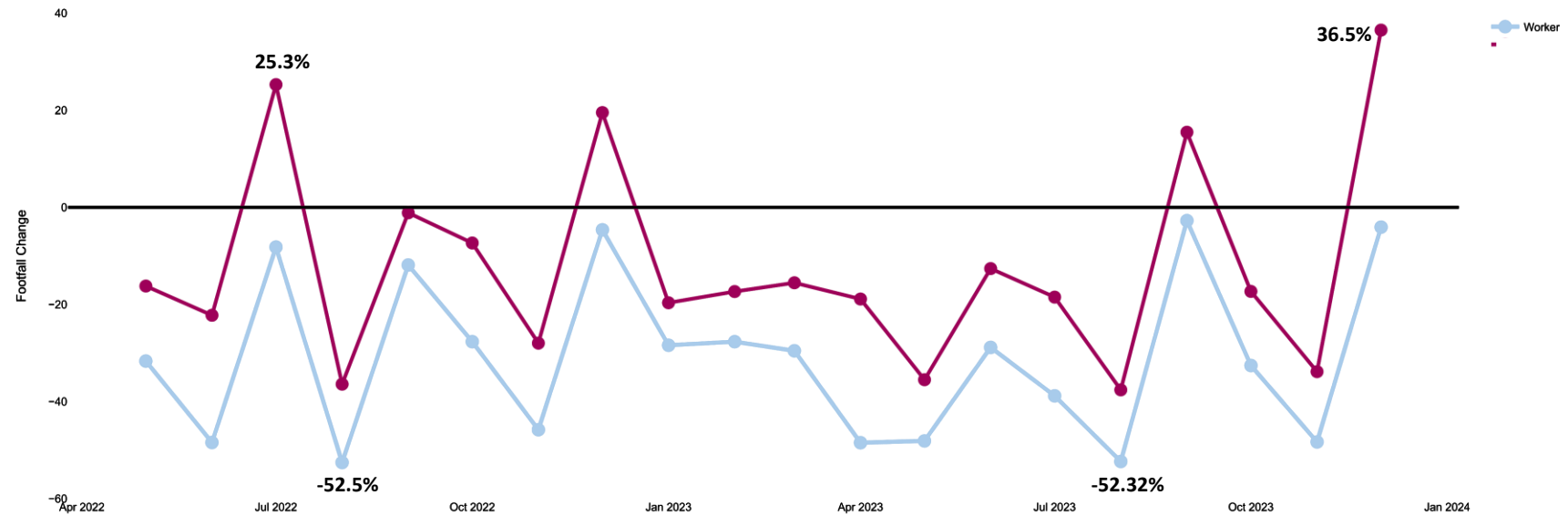
FOOTFALL CHANGE OVER TIME

At daytime, the Friday effect was more evident among workers as Fridays consistently saw as much as **50%** less activity than the midweek.

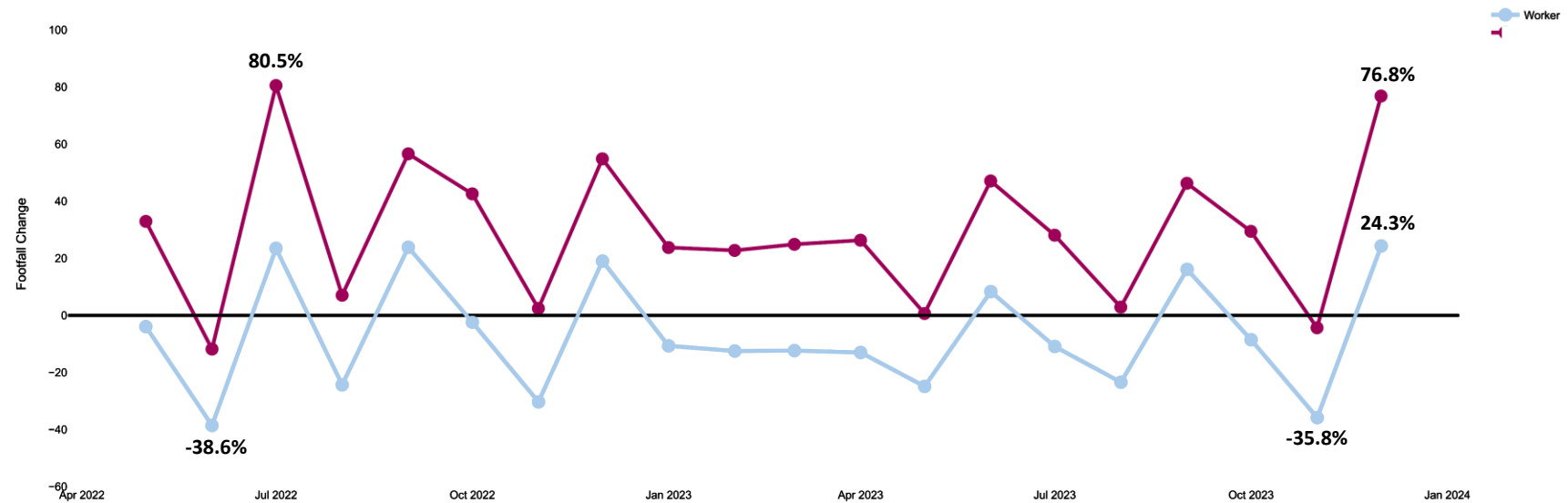
While it was also present among visitors, Fridays saw more activity on a handful of occasions.

At nighttime, the Friday effect is less prominent in both categories. Among workers, the midweek led in most cases while among visitors, Fridays outperformed the midweek more frequently and by as much as **80%**.

Daytime Footfall Change



Nighttime Footfall Change



Data Source

Footfall Data Aggregated & Anonymised by BT

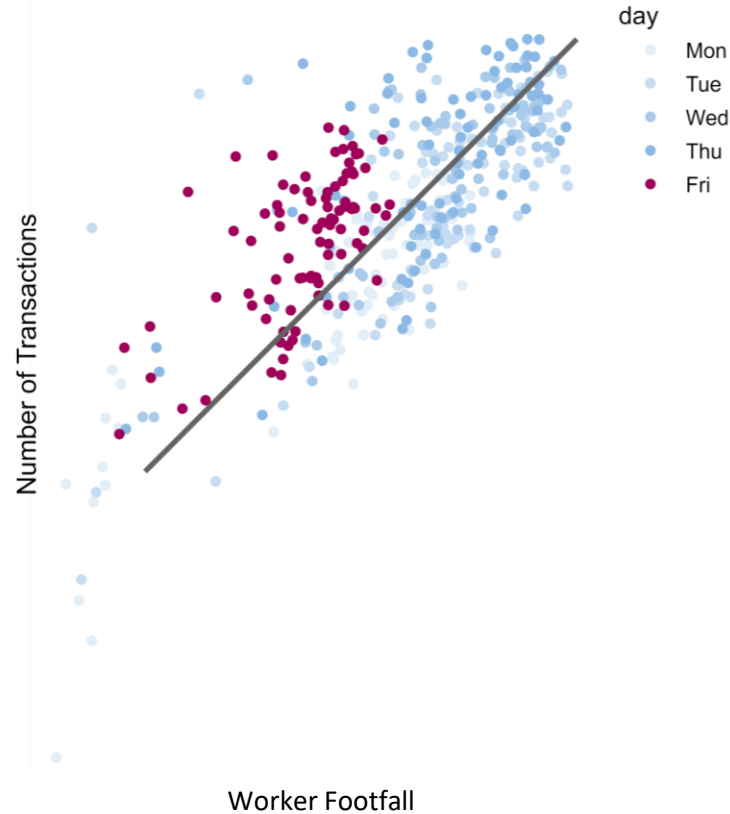
DAYTIME SPEND INFLUENCERS

The relationship between spend and footfall shows that:

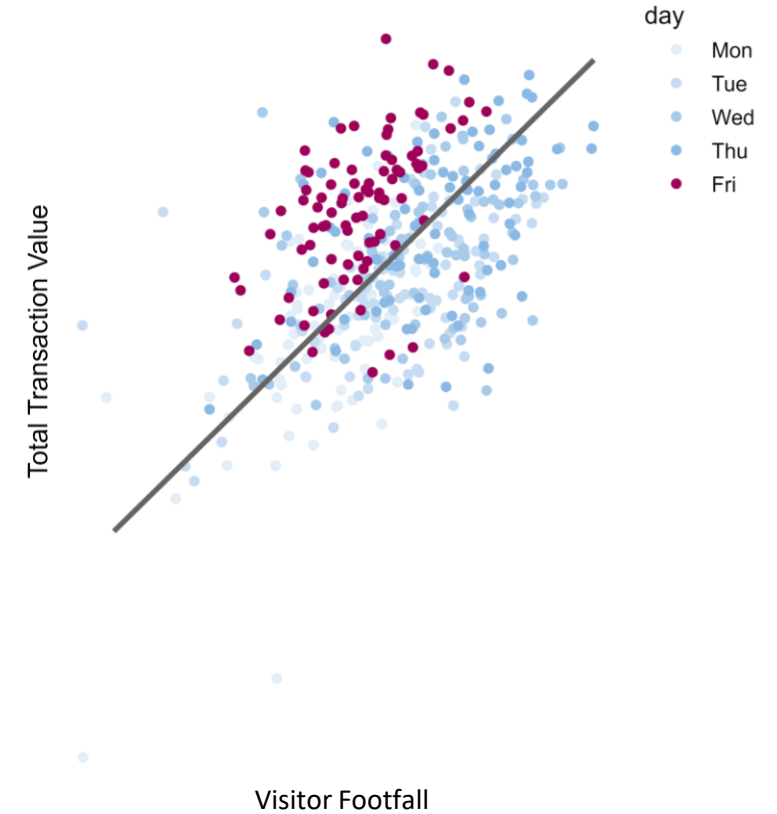
Worker footfall is a strong driver of transaction volumes while visitor footfall influences transaction values the most.

In simpler terms, while workers are likely to spend more frequently, visitors are likely to spend more money on purchases.

Worker Footfall vs Spend Frequency



Visitor Footfall vs Spend Value



Data Sources

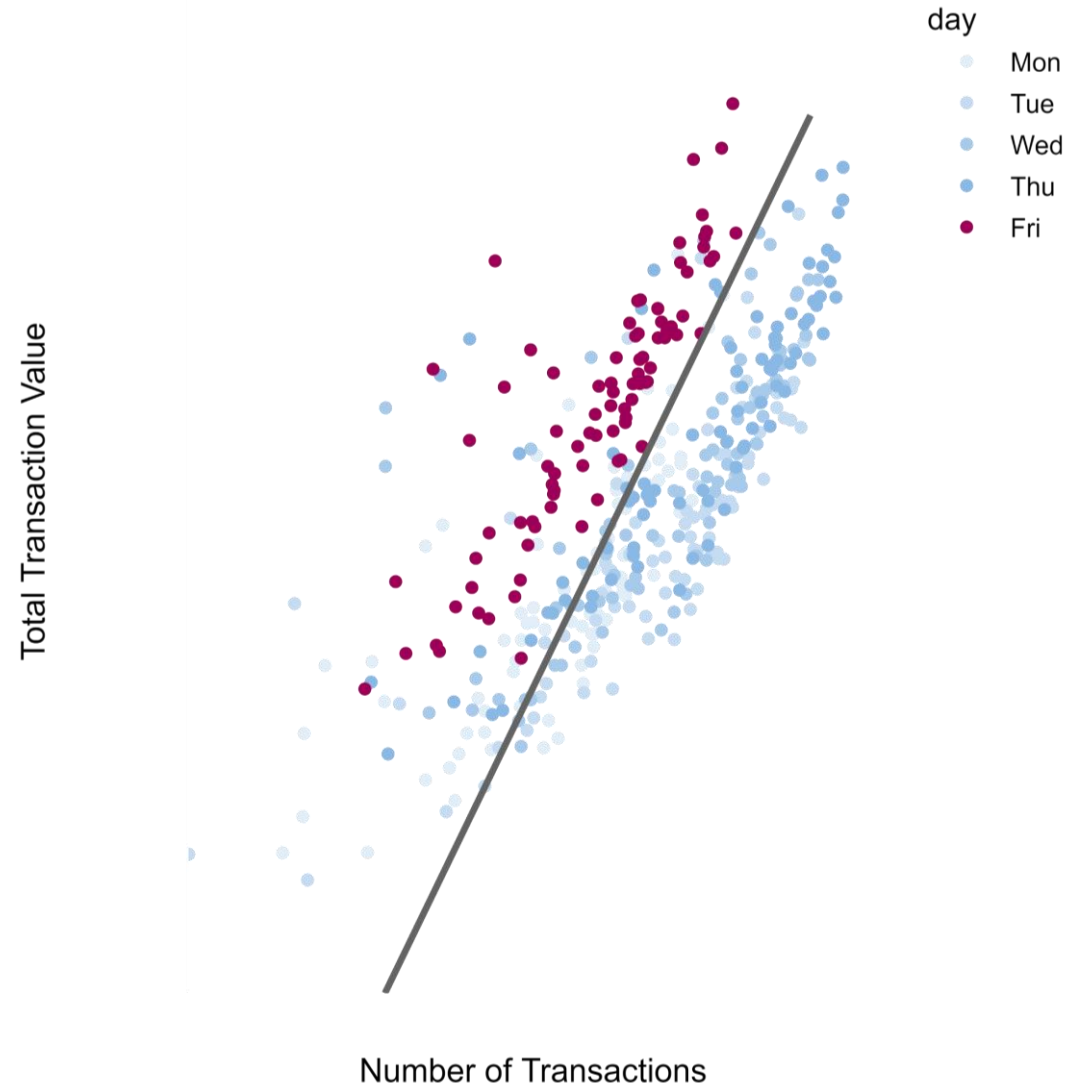
Footfall Data Aggregated & Anonymised by BT;
Spend Data Aggregated & Anonymised by Mastercard (Inflation Adjusted)

FRIDAYS TRANSACTIONS

On Fridays, although transaction volumes are generally lower, transaction values remain high.

This indicates that Fridays typically see higher value purchases than other weekdays.

Spend Value vs Spend Frequency



Data Source

Spend Data Aggregated & Anonymised by Mastercard (Inflation Adjusted)

WHAT CAN WE CONCLUDE?

Is there a new Friday effect?

Yes, there is a Friday effect in London. No, it is not new by any means.

Where is it most prominent?

- The Friday Effect is most prevalent in the daytime and in the central activity zone (CAZ).
- It is also more prominent amongst workers than visitors.

How does Friday activity compare with midweek?

- There is a widening gap between Fridays and midweek largely due to varying growth rates in Midweek activity (which increased by 8.6% between 2022 and 2023), and Fridays activity (which only saw a 1.1% increase).
- Nighttime activity is however strong on Fridays with visitor footfall, transaction values and transaction volumes 14%, 18% and 13% higher, respectively compared to the midweek.

What are the consequences to London's local businesses?

Some service providers are tapping into the changing Friday economy. Companies that help us stay in are doing better than those that help us “go out”.