The Virgin Media O_2 Business Movers Index

How people are moving around the UK
and what that means for business

Virgin media O_2 Business

2023 Q3 Edition

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Foreword

Harnessing data is essential for businesses looking to gain a competitive edge.

It is no longer a question of whether we should embrace data, but rather how effectively we can use it.

We understand data is not about charts and graphs – the true value of data is realised by generating insights that can inform decision making and drive tangible progress forward.

That's why our team of dedicated data engineers and data scientists painstakingly scour through anonymised and aggregated data on population movement captured by O_2 mobile events on a daily basis to get these insights, so you don't have to.

This data and expertise can benefit our business customers, enabling them to make quick and informed decisions.

Every quarter, we release a new Movers Index report which dives into the latest UK movement insights.

Our Q3 edition combines trends revealed by our O_2 Motion data with polling findings from 2,000 businesses and 2,000 consumers, providing a reliable picture of the state of commuting, retail and transport in the UK and the trends behind them.

As always, our Virgin Media O_2 Business Movers Index is a free and accessible resource – we believe data is a tool that everyone should be able to benefit from, whether they're our business customers or curious individuals.

Read on to reveal some of the trends impacting your industry and potentially discover some untapped growth opportunities for your business.

Diego Tedesco, Director of Commercial, Product and Marketing, Virgin Media O_2 Business

Commuting

Brits are returning to the office, with **56%** spending four or more days a week at their workplace.

Significantly, September saw a surge in commute trips, rising by **18%** compared to a **6%** month-on-month fall through July and August.

This coincides with schools reopening and indicates many parents may have chosen to work from home to look after their children over the summer months.

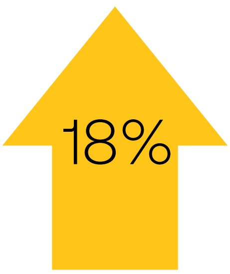
But what else is behind this increased return to the office?

While the prospect of a four-day workweek was alluring, British workers are now viewing the office as more than just a workspace.

21% of British workers expressed a desire to commute more often for the promise of free heating, for example, rising to **24%** for over 65s.

A **quarter** of respondents highlighted the importance of connecting with colleagues as a driver for their increased office presence. This reveals that, for some at least, there is a deep-seated need for human interaction and collaboration that they feel cannot be fully replicated in a remote work setting.

Meanwhile, **22%** of individuals also identified improved mental wellbeing as a motivating factor for their return to the office, giving them a boost that goes beyond day-to-day work.



September saw an 18% surge in commute trips

highlighted the importance of connecting with colleagues as a driver for more office presence

Commuting index findings:

	Q1	Q2	Q3
Have changed how they commute (public)	27%	45%	37%
Employees are commuting more regularly (businesses)	N/A	55%	64%
Reported remote working decreasing productivity (public)	6%	8%	8%
Cost a more important issue when commuting (public)	55%	62%	63%
Most popular day to commute (public)	Weds	Weds	Weds

Retail

Q3 was marked by an overall decrease in retail activity with trips to high streets dropping to **-6%** over the summer months, but the month of September presented a distinct and promising deviation from this pattern.

In September, retail growth rose to **5.95%** for high streets and **3.28%** for shopping centres, compared to stagnant rates of **-0.6%** and **0.5%** the previous month.

September's growth in shopping was driven by individuals aged between 35 to 54, an age group most likely to have families with school-age children and university-bound students, suggesting the surge could be connected to back-to-school purchasing.

This increased highstreet footfall in September suggests physical retail spaces remain a vital shopping destination, as aspects of the shopping experience can only be met by traditional retail spaces.

With winter sales events around the corner, business optimism is high.

Black Friday has retailers most excited, with **88%** expecting Black Friday to have an impact on sales, closely followed by 'Panic Saturday' – the last Saturday before Christmas – with **85%** believing it will have an impact.

The data shows savvy shoppers are planning to maximise how they spend their hard-earned cash, with over half (**55%**) saying they are likely to participate in Black Friday shopping.

To cope, businesses plan to make changes to:

- Staffing levels (64%)
- Customer service (41%)
- Shop floors (40%)
- Checkout support (35%)

Retail index findings:	Q1	Q2	**Q3**
Noticed changing customer shopping patterns (businesses)	83%	78%	88%
Customers spending more (businesses)	N/A	19%	25%
More budget conscious when shopping (public)	49%	44%	40%
Buying food less than 3 months ago (public)	30%	13%	12%
Buying food more than 3 months ago (public)	10%	28%	31%
Buying clothing less than 3 months ago (public)	52%	39%	30%
Buying clothing more than 3 months ago (public)	12%	19%	22%
Buying electronics less than 3 months ago (public)	53%	45%	33%
Buying electronics more than 3 months ago (public)	11%	12%	14%
Shopped second hand last month (public)	N/A	44%	47%

Transport

Despite strikes and delays, Brits have remained resilient in their commitment to using public transport.

Just under one in five (**19%**) revealed they've increased their use of public transport for non-work travel in the past three months.

However, Brits believe that cars (**52%**) and walking (**40%**) are the most reliable transport modes, compared with bus (**13%**), train (**12%**) and tube (**8%**).

The age group most likely to travel during the day are those aged over 65, with **26%** travelling between 9am and 3pm.

Meanwhile, younger age groups tend to favour travelling between late afternoon into the night, with over a third (**38%**) of 18-24 year olds' trips taking place between 6pm and 3am.

Of those who increased their use of public transport, almost half (**44%**) cited cost savings as the primary motivation behind this. Brits are balancing the inconvenience of public transport with the ability to help keep their bank accounts healthy.

To counter delays and other transport woes, **63%** of Brits reported that they have arrived at transport terminals earlier due to potential disruption caused by strikes – this rises to **78%** among Londoners.

Beyond cost-saving, a third (**33%**) are prioritising public transport due to growing environmental concerns, recognising the importance of collective environmental responsibility.

a third are prioritising public transport due to environmental concerns

Transport index findings:	Q1	Q2	Q3
Noticed a change to customer travel patterns (businesses)	73%	35%	39%
Anticipate these changes having positive impact (businesses)	6%	63%	64%
Mode of public transport most typically used for non-work travel (public)	Bus – 56%	Bus – 49%	Bus – 43%
Increased public transport use in past 3 months (public)	23%	22%	19%
Increased public transport use in past 3 months to save money (public)	N/A	48%	44%
Increased public transport use in past 3 months for environmental reasons (public)	N/A	35%	33%

Methodology

O_2 Motion provides aggregated, anonymised data on origin-destination insights into population movement around the UK by trip mode, purpose, time of day, age and gender by week. The data captured by O_2 represents 35% of the UK's population. Through the use of advanced methodologies, O_2 is able to expand that figure to represent the whole of the UK's population movement. This analysis has layered the journey start time, mode and journey purpose onto geographic boundaries and land use data to generate transport, commuting, and retail focused insights. O_2 Motion data does not capture international visitors in the UK or children.

Strand Partners' specialist research team conducted an online survey of 2,000 nationally representative members of the public (by age, gender and NUT1 region) online between 30.09.23 and 05.10.23. All data was then weighted against the latest ONS census. For businesses, 2,000 UK business leaders were surveyed who confirmed that they were currently in senior leadership roles (e.g. CEO, C-suite, director-level) of UK businesses. All data gathered is of a publishable quality and is produced within Market Research Society guidelines. For full data tables and more detail of the methodology, please e-mail: polling@strandpartners.com.

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