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Newmark Retail Vitality Rankings 2024

NEWMARK

Foreword

James Ebel

Vice Chairman,
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Newmark's 2024 Vitality Ranking has seen a recovery for many of the retail centres that performed well before the pandemic. Since our 2022 ranking, many people have returned to their previous shopping behaviours and general movement patterns, with the 'new normal' not looking too dissimilar from the 'old normal'.

Whilst footfall might be slightly lower than pre-COVID levels in some major city and town centres due to hybrid working, sales have recently recovered to – or bettered – 2019 values for many tenants trading in these areas. Consequentially, many prime retail destinations across the UK have experienced a welcome return to the top positions.

Some locations have been held back in the 2024 rankings. They have seen increased vacancy rates, as high street chains and independents alike have suffered during a tough trading period and left empty units throughout Britain's high streets, whilst the cost of living crisis is constraining shopper expenditure in less affluent areas.

However, the 'waves of creative destruction' that result from periods of economic and social turmoil provide opportunities for new brands and concepts. Online brands are taking their first steps onto the high street; successful occupiers are expanding into new territories; and new offers are finding space where it was previously unavailable.

Therefore whilst many centres have returned to their pre-pandemic levels of vitality, others provide the opportunity for regeneration and renewal – both for the centres themselves and occupiers that trade in them.

Introduction

Andy Metherell

Head of Consultancy & Analytics, Retail UK & EMEA

The Vitality Rankings are created by Newmark's Consultancy & Analytics team each year, using **metrics that reflect the drivers of retail health at that time**. During the pandemic's lockdowns, these factors included very specific types of occupier that were able to trade (such as grocers, pharmacies and takeaways), vaccination rates, residents' age, and Google's mobility data that was monitoring consumer movement in residential, commercial and park areas.

However the data points used to **demonstrate retail vitality in 2024 are the traditional drivers** that would normally be expected, such as market size, quality of retail offer and vacancy rate. This is due to consumers across the UK returning to their pre-COVID behaviours in 2024, with lockdowns thankfully now a distant memory.

There are some residual impacts that affect retail centres, with ecommerce levels higher than in 2019, and working from home more common amongst white collar workers. The former especially means that there is now **an over-supply of retail space across the UK**, leading to increased vacancy rates and unproductive space. We have therefore used the amount of floorspace under redevelopment as an additional positive factor, to show locations that are taking **proactive steps to improve or reduce the building stock**.

Furthermore the **presence of banks in retail centres is declining**, as they move their client interactions online. However the physical presence of banks is a vital service for many local residents, helping to **drive footfall and increase the community value of a centre**, and so we have used the falling number of bank units as a negative.

In addition, everyone across the UK has experienced **rapidly rising costs for the past year** – often in the context of **static wages**. A number of factors, from geopolitics to climate change, have created these levels of inflation, although rates do seem to be reducing finally. However less affluent shoppers experience higher personal rates of inflation and are most affected by the cost of living crisis, and their presence in a catchment is therefore unfortunately a negative given the restriction on their spending.

Despite the challenges faced by retail centres, and the consumers that make or break their success, **many locations have regained their previous positions in our 2024 Vitality Ranking**. The smaller centres that benefited from their convenience-led offers during the lockdowns have largely fallen away, and have been surpassed by major retail destinations to which shoppers, tourists and workers have returned. The make-up of a visitor profile may be slightly different, with fewer workers, but many tenants are experiencing strong sales in the major shopping destinations.

Luxury destinations have performed better this year than in the past: the demise of tax-free shopping may be affecting overall sales in these locations, but their retail vitality compared to other centres is stronger – particularly benefiting from **tourism** and the **presence of high-net wealth individuals** who are unaffected by cost of living. These specific trading dynamics may being boost luxury locations specifically, but overall the health of retail centres across the UK is looking better than at anytime in the past three years.

Top 25 Retail Centres

Newmark's 2024 Vitality Ranking reveals some changes in the top 25 compared to 2022. Beaconsfield falls to 9th place, while Cambridge takes the top spot. Marlborough and Wimbledon Village remain in their respective 2nd and 3rd positions. Cobham, previously 16th, now stands at 2nd place. Other notable movers include Sloane Street, Chelsea, Knightsbridge, and Westfield Stratford City.

The standing of some very affluent areas, such as Sloane Street and Chelsea, has improved on their consistently low vacancy rates, with their positions rising by 103 and 123 places respectively.

The sustained trend of working from home, along with a boost in domestic tourism, has led to a notable increase in retail visits in historical centres, outpacing similar locations.

Shopping centres like Westfield Stratford and Bluewater have experienced a significant rise in ranking, likely due to new retailers attracting increased footfall.

The majority of the top 25 locations have maintained their ranking from 2022, apart from a few new additions in the Greater London area.

2024 Ranking	Retail Centre	Region	2022 Rank	Change vs 2022 Rank	2019 Rank	Change vs 2019 Rank
1	Cambridge City Centre	East of England	36	35	1	0
2	Cobham	South East	16	14	17	15
3	Wimbledon Village	Greater London Authority	3	0	7	4
4	Sloane Street	Greater London Authority	107	103	16	12
5	Kingston upon Thames	Greater London Authority	4	-1	20	15
6	Knightsbridge	Greater London Authority	102	96	3	-3
7	Westfield Stratford City	Greater London Authority	85	78	11	4
8	Chester City Centre	North West	19	11	46	38
9	Beaconsfield	South East	1	-8	64	55
10	Chelsea	Greater London Authority	133	123	4	-6
11	Milton Keynes City Centre	South East	24	13	58	47
12	Reigate	South East	9	-3	12	0
13	Ilkley	Yorkshire and The Humber	13	0	29	16
14	Oxford City Centre	South East	26	12	42	28
15	Sevenoaks	South East	7	-8	30	15
16	Marlborough	South West	2	-14	10	-6
17	Harrogate	Yorkshire and The Humber	15	-2	22	5
18	Bath City Centre	South West	28	10	13	-5
19	York City Centre	Yorkshire and The Humber	18	-1	47	28
20	St Albans	East of England	23	3	19	-1
21	Chiswick	Greater London Authority	22	1	24	3
22	Bluewater	South East	78	56	5	-17
23	Harpenden	East of England	10	-13	139	116
24	Henley-on-Thames	South East	5	-19	28	4
25	Wilmslow	North West	66	41	51	26

Source: Newmark

Top 26-50 Retail Centres

The locations ranked 26th to 50th exhibited more variation compared to the top 25. Last year, this group featured more retail hubs which were thriving at the time on “staycations” and day trips.

City centres have performed well over the past year, buoyed by a significant influx of shoppers. These areas are not just shopping hubs; they also attract visitors for dining and socialising.

In contrast, locations in the South East, including Farnham, central Brighton, and Tenterden, have fallen in the ranking. This may be due to residents increasingly commuting to larger cities.

Beyond the top 50, areas within Greater London such as Clapham, Kings Cross, and Wimbledon, have significantly improved their rankings since 2022, each climbing over 100 places.

It is also notable that outside of the top 50, larger retail centres are seeing a resurgence in vitality. Major destinations like Reading, Edinburgh and Liverpool have all climbed at least 100 places compared to 2022, a sign that the larger centres are recovering their retail health.

2024 Ranking	Retail Centre	Region	2022 Rank	Change vs 2022 Rank	2019 Rank	Change vs 2019 Rank
26	Hampstead	Greater London Authority	27	1	43	17
27	Farnham	South East	11	-16	75	48
28	Brighton City Centre	South East	20	-8	21	-7
29	Kensington	Greater London Authority	258	229	40	11
30	Tenterden	South East	6	-24	39	9
31	Beverley	Yorkshire and The Humber	17	-14	70	39
32	Berkhamsted	East of England	12	-20	14	-18
33	Muswell Hill	Greater London Authority	21	-12	38	5
34	Leeds City Centre	Yorkshire and The Humber	94	60	34	0
35	Cribbs Causeway	South West	256	221	18	-17
36	Tunbridge Wells	South East	32	-4	88	52
37	Liverpool City Centre	North West	166	129	48	11
38	Exeter City Centre	South West	29	-9	80	42
39	London West End	Greater London Authority	304	265	9	-30
40	Windsor	South East	31	-9	53	13
41	Edinburgh City Centre	Scotland	245	204	15	-26
42	Westfield London	Greater London Authority	56	14	2	-40
43	Yarm	North East	51	8	65	22
44	Horsham	South East	52	8	136	92
45	St Ives (Cornwall)	South West	134	89	45	0
46	Brent Cross	Greater London Authority	89	43	57	11
47	Guildford	South East	49	2	25	-22
48	Richmond	Greater London Authority	75	27	6	-42
49	Marlow	South East	33	-16	36	-13
50	Reading	South East	267	217	112	62

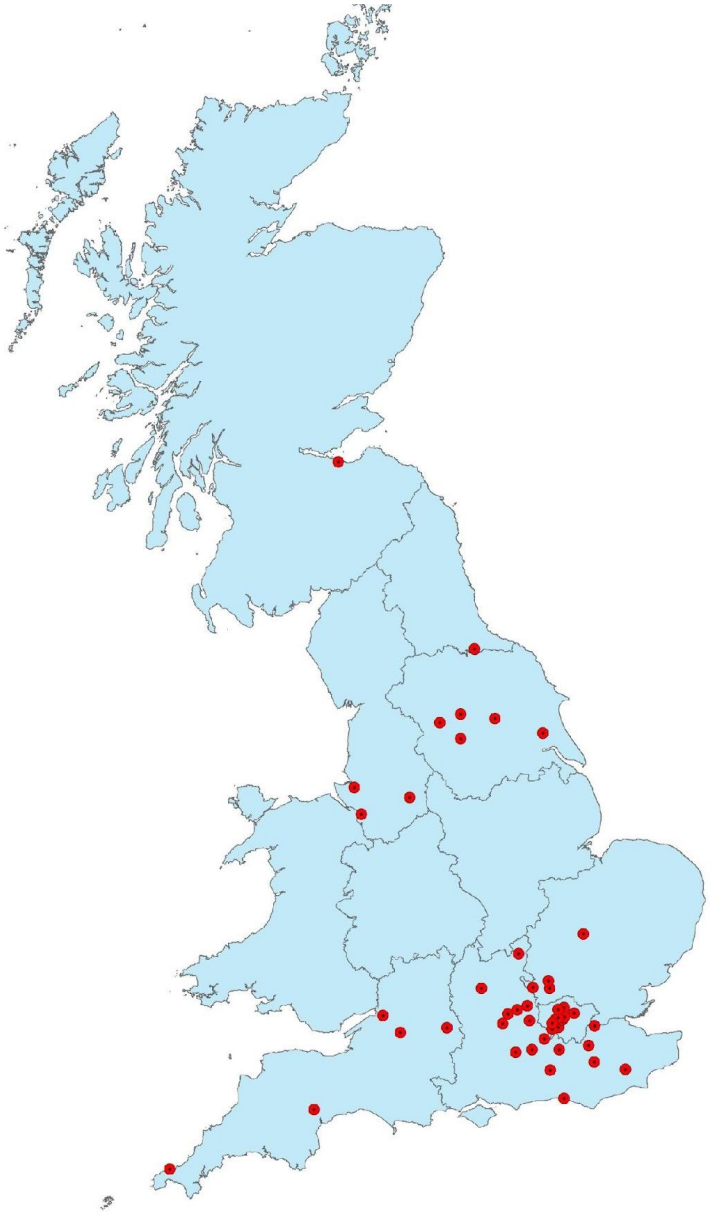
Source: Newmark

Top 50 – Geographic Spread

The 2024 Newmark Vitality Rankings show notable changes from 2022, with 19 new retail centres entering the top 50.

The new additions, which include both Westfield centres, Brent Cross and Bluewater, reflect a shift back to large retail centres that attract high levels of shopper expenditure.

Scotland now boasts a top 50 location, with the Edinburgh City Centre ranking 41st. Despite increasing visits to Welsh retail properties, particularly in tourist areas, no Welsh locations yet feature in the top 50.



Source: Newmark

Retail Centres Ranked 51-100

The retail centres ranked from 51 to 100 are shown in the tables below, along with their 2024, 2022 and 2019 ranks.

In addition to the small aspirational retail centres that retained more spend during the pandemic, these centres contain a mixture of locations that have benefited from domestic tourism over the past year and larger destinations that are recovering as shoppers return to their previous shopping habits. Notable examples of the latter include Birmingham City Centre in 51st place, White Rose in 77th position and Trafford Centre in 97th place.

2024 Ranking	Retail Centre	Region	2022 Rank	Change vs 2022 Rank	2019 Rank	Change vs 2019 Rank
51	Birmingham City Centre	West Midlands	435	384	31	-20
52	Lymington	South East	61	9	73	21
53	Truro City Centre	South West	30	-23	89	36
54	Bowness-on-Windermere	North West	47	-7	105	51
55	East Sheen	Greater London Authority	79	24	62	7
56	Islington - Upper Street	Greater London Authority	127	71	35	-21
57	Clapham Junction	Greater London Authority	566	509	66	9
58	Saffron Walden	East of England	62	4	132	74
59	Bromley	Greater London Authority	40	-19	69	10
60	Shrewsbury	West Midlands	282	222	100	40
61	Bristol - Clifton	South West	438	377	27	-34
62	Sherborne	South West	35	-27	26	-36
63	Hitchin	East of England	53	-10	109	46
64	Ealing Broadway	Greater London Authority	73	9	173	109
65	Cheltenham	South West	92	27	67	2
66	Leamington Spa	West Midlands	37	-29	82	16
67	Ringwood	South East	14	-53	90	23
68	Clitheroe	North West	34	-34	118	50
69	Hertford	East of England	69	0	135	66
70	Fulham Road	Greater London Authority	87	17	41	-29
71	Cirencester	South West	234	163	83	12
72	King's Cross	Greater London Authority	173	101	37	-35
73	Blackheath (London)	Greater London Authority	88	15	59	-14
74	Wimbledon	Greater London Authority	174	100	117	43
75	Totnes	South West	42	-33	111	36

2024 Ranking	Retail Centre	Region	2022 Rank	Change vs 2022 Rank	2019 Rank	Change vs 2019 Rank
76	Portobello Road/Westbour	Greater London Authority	91	15	84	8
77	White Rose	Yorkshire and The Humber	770	693	96	19
78	Watford	East of England	67	-11	95	17
79	Skipton	Yorkshire and The Humber	8	-71	110	31
80	Newcastle upon Tyne City	North East	157	77	85	5
81	Fulham - High Street	Greater London Authority	144	63	146	65
82	Notting Hill Gate	Greater London Authority	455	373	177	95
83	Lichfield City Centre	West Midlands	164	81	223	140
84	Chichester City Centre	South East	140	56	32	-52
85	Peebles	Scotland	113	28	106	21
86	Stratford-upon-Avon	West Midlands	513	427	92	6
87	Whetstone	Greater London Authority	401	314	155	68
88	Norwich City Centre	East of England	201	113	103	15
89	Barnes	Greater London Authority	65	-24	78	-11
90	West Wickham	Greater London Authority	71	-19	220	130
91	Nottingham City Centre	East Midlands	209	118	54	-37
92	Stamford	East Midlands	77	-15	91	-1
93	Weybridge	South East	50	-43	183	90
94	St Andrews	Scotland	416	322	76	-18
95	Bude	South West	60	-35	232	137
96	Greenwich	Greater London Authority	478	382	287	191
97	Trafford Centre	North West	236	139	44	-53
98	Market Harborough	East Midlands	25	-73	119	21
99	Heswall	North West	46	-53	140	41
100	Morpeth	North East	261	161	150	50

Source: Newmark

Analysis of Results – Pre-Pandemic Comparison

The 2019 top 50 list differs significantly from the current rankings, but there are encouraging signs for major cities and traditional retail centres. Chester, Cobham, and Kingston stand out, each having more than tripled their 2019 ranking. These areas are thriving, largely due to local customers who are less impacted by cost-of-living increases, in contrast to other regions. Additionally, affluent areas like Sloane Street and Sevenoaks are also displaying signs of recovery.

2019 Rank	Retail Centre	2024 Rank	Rank Change Vs 2019
1	Cambridge - Central	1	0
2	Westfield London	42	-40
3	Knightsbridge	6	-3
4	Chelsea	10	-6
5	Bluewater	22	-17
6	Richmond (London)	48	-42
7	Wimbledon Village	3	4
8	Canary Wharf	112	-104
9	London West End	39	-30
10	Marlborough	16	-6
11	Westfield Stratford City	7	4
12	Reigate	12	0
13	Bath	18	-5
14	Berkhamsted	32	-18
15	Edinburgh - Princes Street	41	-26
16	Sloane Street	4	12
17	Cobham	2	15
18	Cribbs Causeway	35	-17
19	St Albans	20	-1
20	Kingston upon Thames	5	15
21	Brighton Central	28	-7
22	Harrogate	17	5
23	Meadowhall Centre	300	-277
24	Chiswick	21	3
25	Guildford	47	-22

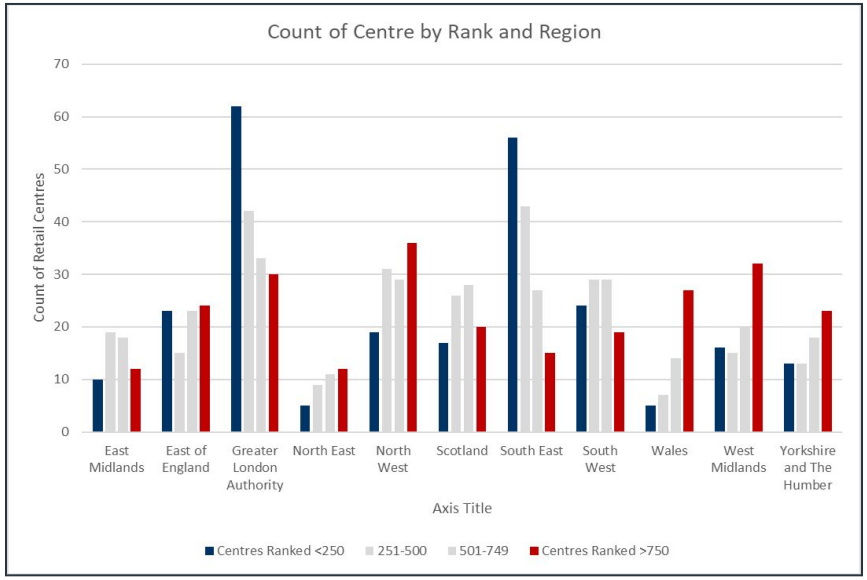
2019 Rank	Retail Centre	2024 Rank	Rank Change Vs 2019
26	Sherborne	62	-36
27	Bristol - Clifton	61	-34
28	Henley-on-Thames	24	4
29	Ilkley	13	16
30	Sevenoaks	15	15
31	Birmingham Central	51	-20
32	Chichester	84	-52
33	Glasgow Central	157	-124
34	Leeds - Central	34	0
35	Islington - Chapel Market	56	-21
36	Marlow	49	-13
37	Kings Cross (London)	72	-35
38	Muswell Hill	33	5
39	Tenterden	30	9
40	Kensington	29	11
41	Fulham Road	70	-29
42	Oxford	14	28
43	Hampstead	26	17
44	Trafford Centre	97	-53
45	St Ives (Cornwall)	45	0
46	Chester	8	38
47	York	19	28
48	Liverpool - Central	37	11
49	Lakeside	105	-56
50	Manchester Central	108	-58

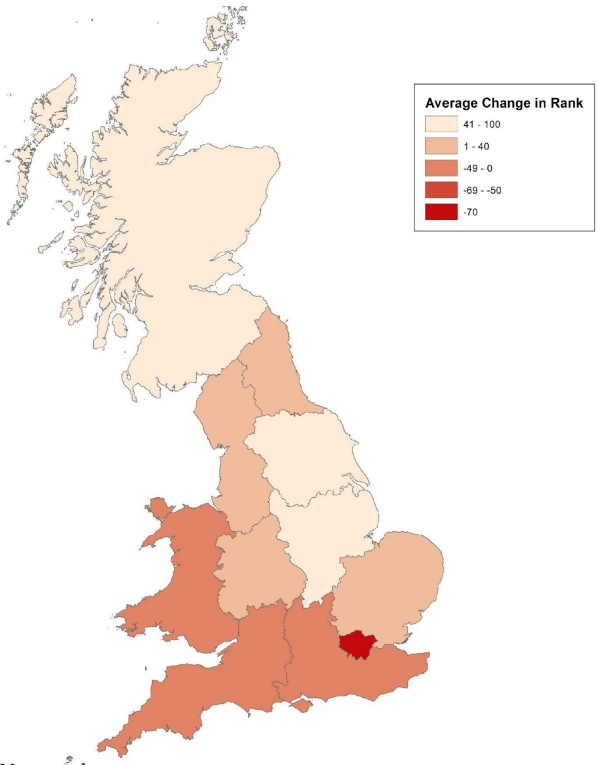
Source: Newmark

Analysis of Results by Region

The chart below groups retail centres by region, and aggregates the number of retail centres by rank quartiles, to better understand regional differences in the 2024 Vitality Rankings and determine if certain regions exhibit greater vitality. The Greater London Authority region boasts the most retail centres with rankings under 250, indicating it has the highest number of vital retail centres. In contrast, most retail centres in the North West and West Midlands rank below 750th.

The map to the right displays regional changes in average rank since the 2022 Vitality Index. Darker shades denote an improvement of average position. Although most regions are still ranked below 750th, Wales overall has shown notable improvements in their average rankings. The East Midlands experienced the most significant worsening, followed by Yorkshire and The Humber.





Source: Newmark

Region	Average 2024 Rank	Average 2022 Rank	Average Change
East Midlands	511	421	90
East of England	524	485	40
Greater London Authority	410	481	-70
North East	569	551	18
North West	552	535	17
Scotland	529	480	49
South East	372	407	-34
South West	480	502	-22
Wales	705	751	-47
West Midlands	588	563	25
Yorkshire and The Humber	553	502	51

Analysis of Results by County/Urban Area

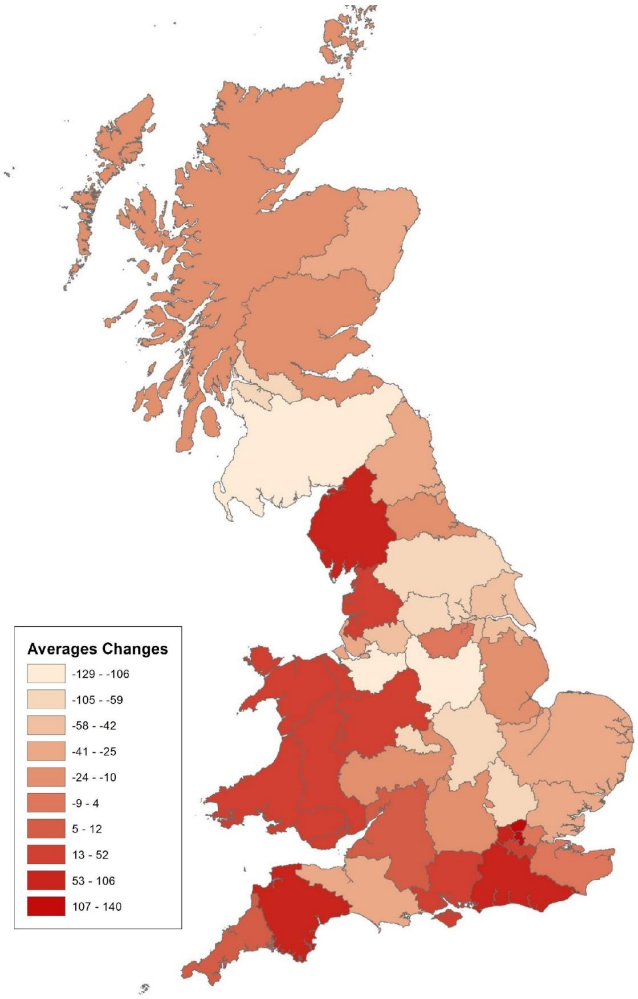
Mapping changes in retail health rankings by county and urban area helps to illustrate which locations have improved or declined.

Inner and North London show the greatest improvement since 2022, attributed to increased business activity as some companies resume office operations. A rise in domestic tourism over the past year has also driven significant activity in these centres.

Tighter pandemic restrictions imposed by local authorities have somewhat hindered performance, though this has not held back Eastern Scotland, East Wales, and West Central Scotland.

Region	Average Rank in 2024	Average Rank in 2022	Change in Rank: 2022 to 2024
Inner London	339	479	140
North London	389	517	128
Devon	501	607	106
Surrey, East and West Sussex	315	401	86
Cumbria	503	584	81
West London	488	568	80
West Wales	697	749	52
Lancashire	519	557	39
South London	329	367	38
Hampshire and Isle of Wight	451	487	35
East Wales	726	758	32
Shropshire and Staffordshire	616	644	28
Gloucestershire, Wiltshire and Bath/Bristol area	481	493	12
Cornwall and Isles of Scilly	399	407	9
East London	500	504	4
South Yorkshire	600	602	2

Source: Newmark



Top Five Centres by Region

Analysis of the top five centres in each region reveals that Small and Medium Towns are leading, excepting the Greater London Authority. Notably, Nottingham and Cambridge have enjoyed a resurgence of activity in their city centres and now rank among the top five in their respective regions. Affluent towns like Harpenden, Berkhamsted, Chester, and Yarm maintain strong positions in 2024's rankings.

Region Rank	Retail Centre	Region	Centre Type
1	Cambridge - Central	East of England	City Centre
2	St Albans	East of England	Town - Medium
3	Harpenden	East of England	Town - Small
4	Berkhamsted	East of England	Town - Small
5	Saffron Walden	East of England	Town - Small

Region Rank	Retail Centre	Region	Centre Type
1	Nottingham Central	East Midlands	City Centre
2	Stamford	East Midlands	Town - Medium
3	Market Harborough	East Midlands	Town - Medium
4	Oadby	East Midlands	Town - Small
5	Lincoln	East Midlands	City Centre

Region Rank	Retail Centre	Region	Centre Type
1	Wimbledon Village	Greater London Authority	London District
2	Sloane Street	Greater London Authority	London District
3	Kingston upon Thames	Greater London Authority	Town - Large
4	Knightsbridge	Greater London Authority	London District
5	Westfield Stratford City	Greater London Authority	Out of Town Mall

Region Rank	Retail Centre	Region	Centre Type
1	Yarm	North East	Neighbourhood
2	Newcastle upon Tyne - Central	North East	City Centre
3	Morpeth	North East	Town - Small
4	Washington	North East	Town - Medium
5	Darlington	North East	Town - Large

Region Rank	Retail Centre	Region	Centre Type
1	Trafford Centre	North West	Out of Town Mall
2	Chester	North West	City Centre
3	Liverpool - Central	North West	City Centre
4	Manchester Central	North West	City Centre
5	Wilmslow	North West	Town - Medium

Source: Newmark

Top Five Centres by Region

The trend is consistent across various regions. Notably in the South East, the top five retail hubs are predominantly Small Towns. However, city centres in other regions consistently rank in the top five, implying significant returning footfall. Cardiff, Wales' largest retail centre, features in the top five, though leading city centres in the South West and Yorkshire and The Humber are generally in smaller affluent towns.

Region Rank	Retail Centre	Region	Centre Type
1	Edinburgh - Princes Street	Scotland	City Centre
2	Glasgow Central	Scotland	City Centre
3	Glasgow - Silverburn Shopping Centre	Scotland	Out of Town Mall
4	St Andrews	Scotland	Town - Small
5	Aberdeen	Scotland	City Centre

Region Rank	Retail Centre	Region	Centre Type
1	Cobham	South East	Town - Small
2	Beaconsfield	South East	Town - Small
3	Milton Keynes	South East	City Centre
4	Reigate	South East	Town - Small
5	Oxford	South East	City Centre

Region Rank	Retail Centre	Region	Centre Type
1	Marlborough	South West	Town - Small
2	Bath	South West	City Centre
3	Cribbs Causeway	South West	Out of Town Mall
4	Exeter	South West	City Centre
5	St Ives (Cornwall)	South West	Town - Small

Region Rank	Retail Centre	Region	Centre Type
1	Prestatyn	Wales	Town - Small
2	Cardiff	Wales	City Centre
3	Monmouth	Wales	Town - Small
4	Ruthin	Wales	Neighbourhood
5	Blackwood	Wales	Town - Medium

Region Rank	Retail Centre	Region	Centre Type
1	Birmingham Central	West Midlands	City Centre
2	Shrewsbury	West Midlands	Town - Large
3	Leamington Spa	West Midlands	Town - Large
4	Lichfield	West Midlands	Town - Medium
5	Stratford-upon-Avon	West Midlands	Town - Medium

Region Rank	Retail Centre	Region	Centre Type
1	Ilkley	Yorkshire and The Humber	Town - Small
2	Harrogate	Yorkshire and The Humber	Town - Large
3	York	Yorkshire and The Humber	City Centre
4	Beverley	Yorkshire and The Humber	Town - Medium
5	Leeds - Central	Yorkshire and The Humber	City Centre

Source: Newmark

Top Five Centres by Type

The analysis of the top five centres by type shows Cambridge leading in the city centre category, followed by the West End, highlighting a rise in footfall in commuter towns and areas with high footfall. Scotland, absent from the top 50 last year, now features in the top five for both city and neighbourhood centre types.

Type Rank	Retail Centre	Region	Centre Type
1	Cambridge - Central	East of England	City Centre
2	London West End	Greater London Authority	City Centre
3	Bath	South West	City Centre
4	Edinburgh - Princes Street	Scotland	City Centre
5	Brighton Central	South East	City Centre

Type Rank	Retail Centre	Region	Centre Type
1	Wimbledon Village	Greater London Authority	London District
2	Sloane Street	Greater London Authority	London District
3	Knightsbridge	Greater London Authority	London District
4	Chelsea	Greater London Authority	London District
5	Chiswick	Greater London Authority	London District

Type Rank	Retail Centre	Region	Centre Type
1	Yarm	North East	Neighbourhood
2	Bowness-on-Windermere	North West	Neighbourhood
3	Bristol - Clifton	South West	Neighbourhood
4	Birmingham - Hall Green	West Midlands	Neighbourhood
5	Edinburgh - Old Town	Scotland	Neighbourhood

Type Rank	Retail Centre	Region	Centre Type
1	Fulham - High Street	Greater London Authority	Neighbourhood - London
2	Holborn - The Brunswick	Greater London Authority	Neighbourhood - London
3	Hendon - Brent Street	Greater London Authority	Neighbourhood - London
4	Tooting - Tooting Bec	Greater London Authority	Neighbourhood - London
5	Whitechapel - Whitechapel Road	Greater London Authority	Neighbourhood - London

Source: Newmark

Top Five Centres by Type

In the South East, Small Town centres continue to thrive with substantial footfall, demonstrating their resilience and appeal despite the proximity to larger cities.

Type Rank	Retail Centre	Region	Centre Type
1	Westfield Stratford City	Greater London Authority	Out of Town Mall
2	Bluewater	South East	Out of Town Mall
3	Cribbs Causeway	South West	Out of Town Mall
4	Westfield London	Greater London Authority	Out of Town Mall
5	Brent Cross	Greater London Authority	Out of Town Mall

Type Rank	Retail Centre	Region	Centre Type
1	Kingston upon Thames	Greater London Authority	Town - Large
2	Harrogate	Yorkshire and The Humber	Town - Large
3	Truro	South West	Town - Large
4	Bromley	Greater London Authority	Town - Large
5	Shrewsbury	West Midlands	Town - Large

Type Rank	Retail Centre	Region	Centre Type
1	St Albans	East of England	Town - Medium
2	Wilmslow	North West	Town - Medium
3	Farnham	South East	Town - Medium
4	Beverley	Yorkshire and The Humber	Town - Medium
5	Tunbridge Wells	South East	Town - Medium

Type Rank	Retail Centre	Region	Centre Type
1	Cobham	South East	Town - Small
2	Beaconsfield	South East	Town - Small
3	Reigate	South East	Town - Small
4	Ilkley	Yorkshire and The Humber	Town - Small
5	Sevenoaks	South East	Town - Small

Source: Newmark

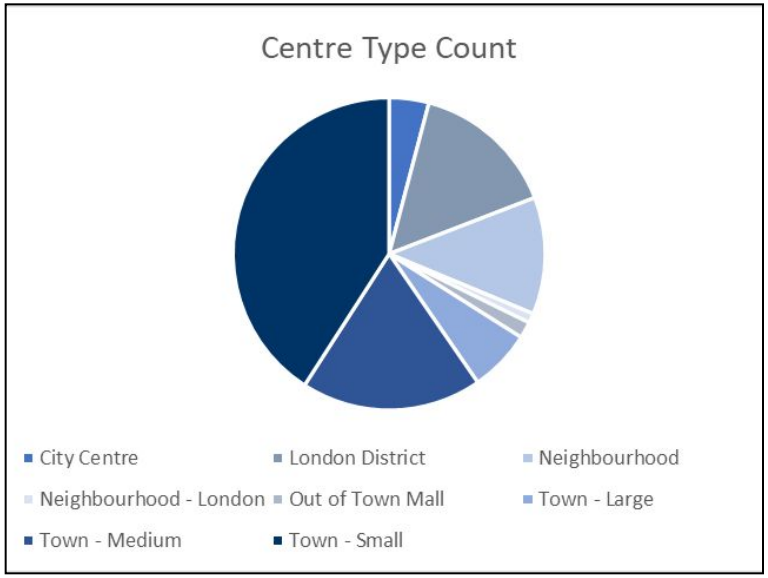
Analysis of Results by Centre Type

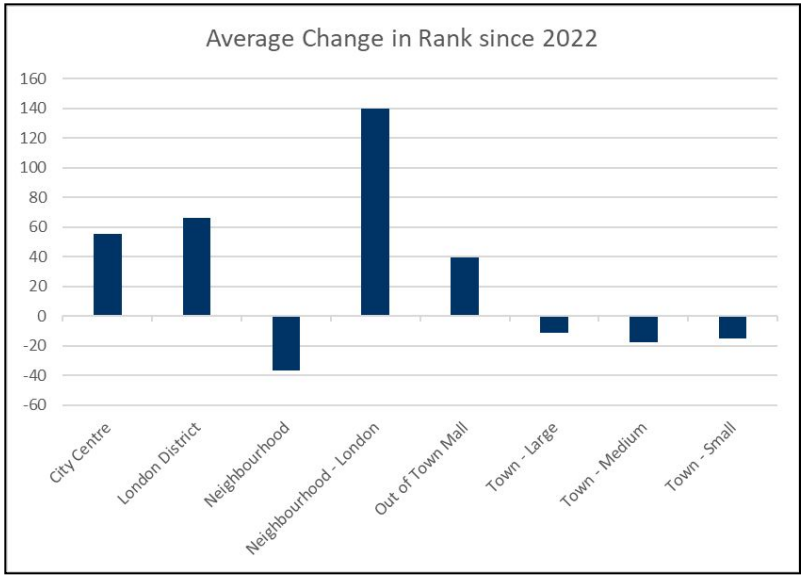
In 2024, London's Neighbourhoods witnessed the most significant improvement in rank among various centre types. City centres and out-of-town malls ranked best; specifically, city centres improved, moving from an average rank of 307 in 2022 to 252 in 2024.

For the second consecutive year, Large, Medium, and Small Towns also saw improvements in their average ranking positions.

Small Towns host the highest number of retail centres, followed by Medium Towns and London Districts.

Centre Type	Count	Average Rank 2024	Average Change In Rank
City Centre	41	252	55
London District	150	421	66
Neighbourhood	121	572	-37
Neighbourhood - London	10	490	140
Out of Town Mall	17	342	40
Town - Large	64	484	-11
Town - Medium	187	546	-17
Town - Small	408	522	-15





Source: Newmark

Newmark Sector Commentary

James Ebel

Vice Chairman,
Retail UK & EMEA

It is great to see major shopping destinations rebounding and restoring their retail vigour. These areas experienced significant shifts in visitor numbers during the pandemic, yet their key attributes - diverse retail offerings, accessibility, and ample space - have helped them to recover as people resume their usual shopping habits.

We are similarly witnessing a resurgence in occupier demand for space, especially along Oxford Street in the West End. Substantial redevelopment is underway there, particularly along the street's western side. As retailers eagerly await shoppers' return, many prominent brands have newly staked their claim, quickly transforming this world-renowned retail destination.

While certain areas are still experiencing vacancies, an overall trend of rejuvenation offers a chance for fresh brands and concepts to break into the market.

Simon Carson

Head of Leisure, Food & Beverage,
Retail UK & EMEA

Catering and leisure activities have played a crucial role in revitalising city and town centres, offering unique experiences that draw people to local destinations. These services, which cannot be replicated online, will counterbalance any reduced foot traffic caused by the rise in hybrid working.

Several global brands, particularly in the coffee and fast food industries, are capitalising on newly accessible spaces. They are embracing swift expansion plans nationwide, offering local communities more variety and enriching the retail centres they operate in.

The growth of coffee brands in both London and regional centres is particularly surprising, given that fewer workers are visiting city centres, and suggests that the impact of reduced worker footfall may be overstated. These brands are seeing further opportunity to broaden their consumer base on the high streets of small towns.

The catering and leisure sector will be very active in the coming years, promising exciting new options for visitors at local retail centres.

Conclusion

Andy Metherell

Head of Consultancy & Analytics, Retail UK & EMEA

2023 saw city and town centres continue to **evolve to meet the needs of their local communities**, unimpeded by the recent restrictions on trading or consumer movement. Some occupiers, such as banks or larger fashion chains, have cut back their store networks, administrations have removed some famous names from the high street, and once-popular brands who struggled to survive the pandemic have found new homes at Frasers, Next and Marks & Spencer. These closures can leave **major gaps in retail centres**, and have the biggest impact on the smaller locations where a popular brand will have occupied a relatively large and prominent unit.

However, **leisure and catering occupiers are now taking a larger proportion of space** – especially in the bigger destinations – which help the centres to compete more effectively against the online offers and provide consumers with a wider-ranging experience. New market entrants and concepts are also more able to find space, and at potentially more affordable rents, which will hopefully spark the next tranche of popular brands.

The evolution of retail centres has been **aided by the government's amendments to the use class system** in 2020. This has made the conversion of retail, leisure or catering units potentially much quicker, and allows **unproductive space to be transformed to meet local shopper needs**. Whilst a positive move by the government, there is also the potential unintended consequences of fragmented retail circuits and these occur most often in locations with multiple landlords and therefore uncoordinated retail mix strategies.

Proactive planning or effectively managed retail centres are required to offset this risk – especially in light of an over-supply of retail space across the UK. In theory retail areas should shrink to match the level of local demand, with tertiary areas of pitch being converted to other uses (such as residential or offices) in order to create a more productive core area. Fragmented ownership makes this harder to achieve, with each landlord working independently to maximise their rents whilst minimising the costs of converting their buildings, although the growth of Business Improvement Districts going some way to helping to manage local town centres.

The UK **government creates the environment for retail centre success or strife**. It influences both the demand side directly, via altering taxes and shopper's incomes, and indirectly, by nudging consumer habits, as well as the supply side. **More can be done to support occupiers on the supply side**, with business rates still remaining relatively slow to mirror property and rental values, whilst the removal of tax-free shopping restricting performance of tourist-led centres and putting them at a disadvantage compared to other European countries.

The **regeneration of retail centres and their effective management** is going to be vital. Shopper demand may experience falls, due to the cost of living crisis impacting less affluent consumers and mortgage costs rising for the 'squeezed middle', with online a significant drain on a retail centre's potential spending. This makes **proactive management even more important for the future** of the UK's retail locations, and it will be interesting to see how these impact the Vitality Rankings in 2025.

Appendix: Detailed Description of Variables

Summary of Variables

The table presents the primary variables utilised in our 2024 Vitality Ranking, closely aligning with those of 2019 rather than the unusual factors influencing retail vitality during the pandemic. As traditional drivers of retail centre performance have regained prominence, metrics such as shopper expenditure, vacancy rates, and the alignment of retail offerings with local consumer needs have resumed their status as standard indicators of retail centre vitality. Thankfully, pandemic-era concerns like vaccination rates, restricted retail categories, and essential stores are becoming a thing of the past.

Unique to the 2024 rankings uniquely are the decline bank branches and the percentage of retail floorspace under alteration. The former reflects a diminishing role of some centres as community hubs; while many can access financial services elsewhere, this loss significantly impacts those living in remote areas. On the other hand, the transformation of retail spaces is generally considered a positive, as it upgrades underused areas, enhancing stock quality or repurposing them for different uses.

Several factors can impact retail centres negatively, including the proportion of spending by local workers, high vacancy rates, and the number consumers facing financial challenges. These consumers are particularly affected by the cost-of-living crisis, with spending constrained on increasing prices, rising interest rates and rents, and unemployment risk.

Variable	Type of Influence
Shopper Spend Per Annum	+ve
Proportion of Spend from Workers	-ve
Vacancy Rate	-ve
Change in Vacancy Rate	-ve
Floorspace Under Alteration	+ve
Bank Branches Lost Since 2019	-ve
Proportion of Catering Floorspace	+ve
Suitability to Local Consumer	+ve
Affluent Consumer Groups	+ve
Less Affluent Consumer Groups	-ve

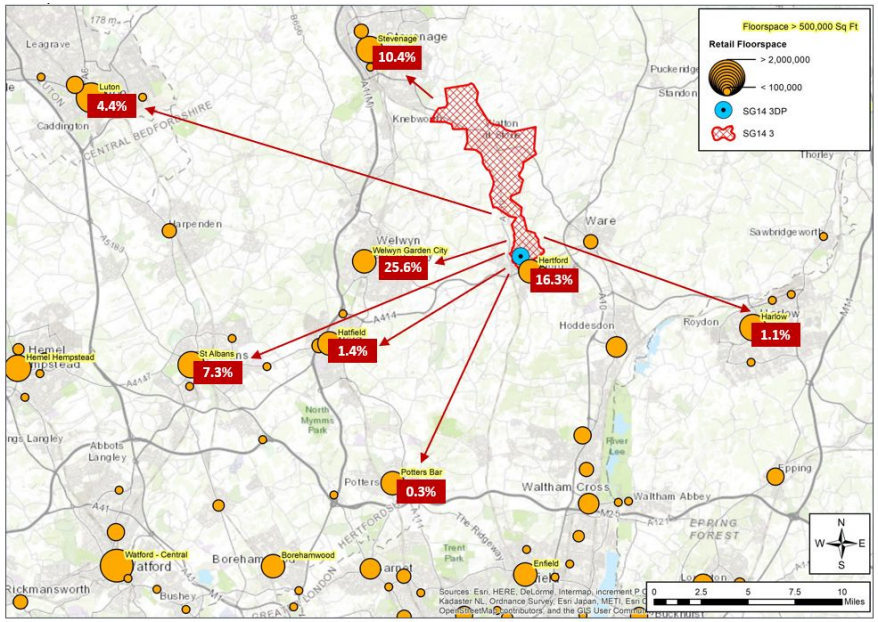
Source: Newmark

Shopper Spend Per Annum & Worker Spend

We use **gravity modelling to distribute consumer spending** across UK retail centres. This approach gauges a centre's attractiveness by comparing its ability to draw shopper expenditure versus rivals. The model is calibrating using GPS mobility data, which reveals annual visitor numbers and where they are visiting from; insights from consumer movement surveys we conduct for councils and landlords; and data we have on how far shoppers will travel for a particular brand. Higher levels of shopper spend correlate to stronger and more vital retail centres.

Hybrid working, a legacy of the pandemic, has significantly increased home-based work. Our shopper spend data comprises three demand sources: home, work, or tourism-based spending. The worker spend proportion serves as a risk indicator, as centres overly dependent on worker spending may experience lower annual visitor numbers. Examples include transport hubs and the City of London, as detailed in the accompanying table.

Distribution of Shopper Spend by the Gravity Model



Source: Newmark; ONS

Shopper Spend and Proportion of Worker Spend

Retail Centre	Shopper Spend Per Annum (Billions)
London West End	£18.0
Glasgow	£5.4
Birmingham	£4.5
Manchester	£4.3
Leeds	£3.8

Retail Centre	Proportion of Spend from Workers
Victoria Street (London)	80.4%
London City	71.1%
Canary Wharf	55.7%
Euston (London)	52.0%
Kings Cross (London)	32.0%

Vacancy Rates & Floorspace Under Alteration

Higher vacancy rates in retail centres signal an imbalance where supply surpasses shopper demand. A shift towards online shopping has led to excess retail space, accelerated by the pandemic, though ecommerce has declined somewhat as physical retail centres have reopened. A high or significantly increased vacancy rate since 2019 suggests a retail centre experiencing declining vitality.

The exception is vacant floorspace currently under alteration, as noted in Experian's Goad database of retail properties. Centres undergoing significant regeneration are either improving their retail spaces or repurposing them for alternative uses, thus diminishing supply. A prime example is London's West End, notably the substantial Debenhams and House of Fraser stores on Oxford Street. These are being reconfigured following administration closures. This will both improve the building stock in a prime retail destination, benefiting future occupants but also aiding to curtail the retail supply, as upper floors are transformed into office spaces.

Proportion of Retail Space that is Vacant

Retail Centre	Proportion of Vacant Retail Space	Increase in Vacancy Rate Since 2019
Southsea	47.8%	42.9%
Wolverhampton	37.3%	13.9%
Stretford	35.9%	3.3%
East Kilbride	35.9%	18.1%
Rotherham	35.7%	9.8%

Source: Newmark; Goad

Floorspace Under Alteration

Retail Centre	Floorspace Under Alteration (Sq Ft)	Proportion of Retail Floorspace
London West End	1,283,010	8.0%
Nottingham	411,870	10.0%
Birmingham	297,950	5.9%
Victoria Street	241,620	23.5%
Milton Keynes	234,700	12.1%

Source: Newmark; Goad

Affluence Levels of Consumer Groups

The cost-of-living crisis resonates differently across various shopper segments, most notably impacting those in less affluent circumstances. These individuals, classified as 'Critically Affected', encompass the three least affluent shopper segments. Their income typically comes from inconsistent, lower-paying jobs and government support, with limited opportunities for wage growth. This group faces particularly high levels of personal inflation, as a significant portion of their income is allocated to essentials like food, housing, and utilities, all which have recently experienced substantial price increases.

The crisis is impacting even the five mid-income shopper segments, often referred to as the 'squeezed middle'. These consumers are facing challenges including higher mortgages, escalating food prices, and increased costs for leisure and clothing, which contribute to their personal inflation rates. However, they are better able to adjust their spending to mitigate some of these impacts, or to increase their incomes by securing new positions or negotiating with their current employers.

At the opposite end of the spectrum are the two most prosperous shopper segments, who either benefit from family wealth or have accumulated significant savings. Retail centres catering to these customers tend to be more resilient during economic downturns.

Less Affluent Consumer Groups

Retail Centre	Critically Affected: 3 Least Affluent Shopper Segments	Tightening Belts: 5 Mid-Affluence Shopper Segments
Hackney - Mare Street	82.5%	6.5%
Runcorn	72.0%	26.6%
Birmingham - Ward End	71.2%	28.2%
Colne	68.0%	29.5%
Glasgow - Shettleston Rd	65.7%	32.4%

Source: Newmark

More Affluent Consumer Groups

Retail Centre	Floating in Cash: 2 Most Affluent Shopper Groups
Barnes	70.4%
Kensington	56.2%
Gerrards Cross	54.9%
Chelsea	54.1%
Knightsbridge	52.3%

Source: Newmark

Appendix: UK Shopper Segments

NEWMARK

Shopper Segments

Shopper Segment 1

Most Purchased Brands

Paul Smith
Reiss
Canada Goose
Flannels
Burberry
Coach
Selfridges & Co
Harvey Nichols
Apple
Ralph Lauren
Tory Burch
Wholefoods Market

	Shopper Segment 1
Annual Salary Per Capita	£70,000
Adult Age	20-59 yrs
Child Age	Few Children
House Price	Very High
Geographical Area	Inner City / Suburbs
Social Group	AB
Qualifications	Very High
Employment Type	Professional
Newspaper Readership	Financial / Quality
Car Ownership	Low
Internet Usage	Very High
Example Locations	Kensington, Chelsea, Knightsbridge, Notting Hill Gate

Source: Newmark; ONS

Shopper Segment 2

Most Purchased Brands

M&S
L.K.Bennett
John Lewis & Partners
Radley
Fenwick
Waitrose & Partners
Barbour
Joules
Hunter
Jo Malone
Hackett
Whistles
Hobbs

	Shopper Segment 2
Annual Salary Per Capita	£60,000
Adult Age	40+ yrs
Child Age	15+ yrs
House Price	Very High
Geographical Area	Suburbs / Rural
Social Group	AB
Qualifications	High
Employment Type	Professional
Newspaper Readership	Financial / Quality
Car Ownership	High
Internet Usage	Above Average
Example Locations	Guildford, Tunbridge Wells, Epsom, Bath, Berkhamsted

Source: Newmark; ONS

Shopper Segments

Shopper Segment 3

Most Purchased Brands

Lululemon

Mint Velvet

M&S

Disney Store

Phase Eight

John Lewis & Partners

L'Occitane

Oliver Bonas

Jigsaw

JoJo Maman Bébé

Sweaty Betty

	Shopper Segment 3
Annual Salary Per Capita	£50,000
Adult Age	30-64 yrs
Child Age	5-19 yrs
House Price	Above Average
Geographical Area	Rural
Social Group	AB
Qualifications	Above Average
Employment Type	Professional, White Collar
Newspaper Readership	Regional / Quality
Car Ownership	Very High
Internet Usage	High
Example Locations	Salisbury, Thame, Bury St Edmunds, Grantham, Harrogate

Source: Newmark; ONS

Shopper Segment 4

Most Purchased Brands

Timberland

Charles Tyrwhitt

Superdry

White Stuff

Trespass

Waterstones

M&S

Robert Dyas

Lakeland

GAP

Holland & Barrett

Sainsbury's

	Shopper Segment 4
Annual Salary Per Capita	£42,000
Adult Age	30-74 yrs
Child Age	0-15 yrs
House Price	Average
Geographical Area	Towns / Suburbs
Social Group	ABC1
Qualifications	Above Average
Employment Type	White & Blue Collar
Newspaper Readership	Regional / Mid Market
Car Ownership	High
Internet Usage	High
Example Locations	Ruislip, Clacton-on-Sea, Maidstone, Potters Bar

Source: Newmark; ONS

Shopper Segments

Shopper Segment 5

Most Purchased Brands

Sainsbury's
Clarks
Ikea
Next
Regatta
River Island
The Body Shop
Roman Originals
Tesco
Zara
H. Samuel

	Shopper Segment 5
Annual Salary Per Capita	£34,000
Adult Age	30-74 yrs
Child Age	5-15 yrs
House Price	Below Average
Geographical Area	Towns / Suburbs
Social Group	BC1C2
Qualifications	Average
Employment Type	White & Blue Collar
Newspaper Readership	Regional / Mid Market
Car Ownership	Average
Internet Usage	Average
Example Locations	Glasgow, Plymouth, Birmingham, Leicester

Source: Newmark; ONS

Shopper Segment 6

Most Purchased Brands

Cotton Traders
Next
Morrisons
Clarks
Boots
New Look
Primark
H&M
Deichmann
Claire's
Asda

	Shopper Segment 6
Annual Salary Per Capita	£26,000
Adult Age	30-64 yrs
Child Age	5-19 yrs
House Price	Below Average
Geographical Area	Towns / Suburbs
Social Group	C1C2D
Qualifications	Below Average
Employment Type	White & Blue Collar
Newspaper Readership	Mid Market
Car Ownership	Average
Internet Usage	Average
Example Locations	Coventry, Swansea, Torquay, Swindon, Hastings

Source: Newmark; ONS

Shopper Segments

Shopper Segment 7

Most Purchased Brands

Urban Outfitters
FootAsylum
Shein
Uniqlo
Flannels
Zara
END.
Vinted
Weekday
Gymshark
Apple
ASOS
Lush
boohoo

	Shopper Segment 7
Annual Salary Per Capita	£22,000
Adult Age	20-44 yrs
Child Age	0-19 yrs
House Price	Low
Geographical Area	Inner City / Suburbs
Social Group	BC1
Qualifications	Above Average
Employment Type	Professional, White Collar
Newspaper Readership	Quality / Mid Market
Car Ownership	Below Average
Internet Usage	Very High
Example Locations	Bristol: Clifton, Leeds: Headingley, Oxford: Headington

Source: Newmark; ONS

Shopper Segment 8

Most Purchased Brands

Sports Direct.com
Matalan
Greggs
T.K.Maxx
JD
b&m
Iceland
Lidl
Dorothy Perkins
Primark

	Shopper Segment 8
Annual Salary Per Capita	£18,000
Adult Age	35-59 yrs
Child Age	0-15 yrs
House Price	Low
Geographical Area	Small Towns / Suburbs
Social Group	C1C2D
Qualifications	Below Average
Employment Type	White & Blue Collar
Newspaper Readership	Regional / Popular
Car Ownership	Low
Internet Usage	Average
Example Locations	Tottenham, Leyton, Burnley, Stratford, Mansfield, Corby

Source: Newmark; ONS

Shopper Segments

Shopper Segment 9

Most Purchased Brands

Wilko
Home Bargains
Peacocks
Aldi
Pep&Co
Card Factory
Primark
Budgens
Burton
Londis

	Shopper Segment 9
Annual Salary Per Capita	£12,000
Adult Age	20-59 yrs
Child Age	0-19 yrs
House Price	Low
Geographical Area	Small Towns / Suburbs
Social Group	C1C2D
Qualifications	Low
Employment Type	Blue Collar / Unskilled
Newspaper Readership	Popular
Car Ownership	Low
Internet Usage	Low
Example Locations	Colne, Bradford, Luton, Blackburn, Braehead

Source: Newmark; ONS

Shopper Segment 10

Most Purchased Brands

Poundland
The Money Shop
Bargain Booze
Oxfam
Costcutter
McDonalds
Ladbrokes
Farmfoods

	Shopper Segment 10
Annual Salary Per Capita	£9,500
Adult Age	20-59 yrs
Child Age	0-19 yrs
House Price	Very Low
Geographical Area	Small Towns / Suburbs
Social Group	C2DE
Qualifications	Very Low
Employment Type	Blue Collar / Unskilled
Newspaper Readership	Popular
Car Ownership	Very Low
Internet Usage	Low
Example Locations	Jarrow, Sheffield, East Kilbride, Rhyl, Toxteth

Source: Newmark; ONS

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