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PRESS RELEASE

Freedom day blowouts cause spending to surge above pre-pandemic levels

- Restaurant and pub spending since 'Freedom Day' up over 53% compared to 2019
- 55 to 65 year olds spent the most in the pub, with 68% increase on 2019
- North East win race back to pubs and restaurants, as spending rises 77%
- Regional breakdown available

England's so-called 'Freedom Day' on the 19th July 2021 prompted a surge in spending which surpassed pre-pandemic levels in 2019, according to the latest Lloyds Bank Spending Power Report.

Pub punters and restaurant goers spent 53% more in the three weeks following the 19th July 2021, than the same period in 2019, as well as 41% more on cultural recreational activities, such as museums and attractions.

Spending on goods also passed the 2019 level, as lockdown savings were put to use. Shopping for clothes increased by 16%, alongside a huge 60% rise in purchases from department stores. Almost a third more (31%) was spent on electrical goods, perhaps driven by former commuters investing in tech to kit out their home offices.

This home working has led to a drop in the amount spent on commuting, down 3%. A different type of travel – that for leisure – also remains down, with 52% less spent on airlines and 29% less on cruises, than the mirror period in 2019. British hotels however, have managed to buck this trend, with people eager to book a break closer to home. A quarter (25%) more has been spent by Brits searching for some UK summer sun.

Consumer clicks

The online revolution seen during the peak of the pandemic, as restaurants, pubs, and other traditional 'in-person' services pivoted to e-commerce has not abated. Over a fifth (21%) of all restaurant and pub transactions were completed online since freedom day, compared to 8% over the same three weeks in 2019.

Clothes shopping via the web – already a popular option prior to pandemic – now stands at 38% of all clothing transactions, compared to 31% two years ago and, for electrical goods, 91% of purchases are online, compared to 84% in 2019.

Philip Robinson, PCA, Payments and Fraud & Financial Crime Director, Lloyds Bank, said: *"Spending has now surpassed levels seen before the pandemic struck, as the UK starts to unleash some of their lockdown savings. Shopping online however, a consequence of lockdowns and social restrictions, seems to be here for the long-term as almost a third of transactions are now made on the web, compared to just over a quarter two years ago."*

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“Consumer confidence appears to be high following ‘Freedom Day’ but the future does remain uncertain and, with Autumn around the corner, that confidence will be closely linked with the continued fight against the pandemic.”

Youngsters on the move

The amount spent by 18 to 24 years olds on commuting has increased 12% in the last three weeks compared to the same three weeks in August 2019, the only age category to have not seen a decrease.

Youngsters have also seen the second largest increase in spending at pubs and restaurants, up 58%, only topped by 55 to 64 year olds (68%).

The oldest in society, 65 and above, increased their charitable donations by almost two-thirds (60%), the greatest increase of any age group in this category.

Can-ny lads and lasses

The North East did its bit for England’s pubs and restaurants, with the biggest spending increase since restrictions were eased compared to before the pandemic, up 77%.

Yorkshire and Humber diners spent over two thirds more (71%) and those in the North West 68%.

Spending at restaurants and pubs in London only increased 28%, by far the lowest of any region in the UK.

London also has seen the second largest drop in spending on the commute, down 18%, closely followed by the South East, a common commuter hub for the capital which saw commuters spend 14% less.

-ENDS-

Notes to editor

Sample of Lloyds Banking Group (Lloyds Bank, Halifax, Bank of Scotland) debit card spending data scaled up to represent the entire customer base. Data is not weighted to be representative of UK population

Data range:

Comparisons made to 2019 are calculated by taking the average spend / proportion of online transactions in each category between 19 July 2021 to 8 August 2021 compared to the same three weeks in 2019 (22 July 2019 to 11 August 2019)