

5 post-COVID socio-economic trends to watch in 2021



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COVID-19 forced drastic changes on businesses, households and governments. The long-term socio-economic consequences would be profound if any were to stick. But the empirical reality of the pandemic's impacts has defied predictions at every turn. Business and economic plans should factor in the new trends and the uncertainty about how these will interact and play out in practice...



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1

More competition for jobs among young people

In the UK 18-24 year-olds are more likely to have been furloughed during the COVID crisis than any other age group. In the first half of 2020 online listings for graduate roles fell by almost double the rate for all jobs.*

2

Growing reliance of large employers on digital infrastructure

During the pandemic, technology has helped organisations to complete a growing number of tasks with teams spread across the globe. But it is the quality of local digital infrastructure and services that underpins this.*

3

Decoupling of online and high-street retailing

In 2019 50% of UK internet retail sales were tethered to physical shops through 'click and collect' and in-store ordering. Restrictions on movement in 2020 lessened this dependency as the market share of online retail grew.*

4

Working at distance, spending near home

If in 2021 home-working rates settled at halfway between the pre and post-lockdown peaks, the UK's 'permanent' work-at-home population would increase by 6 million - more than the population of Denmark.*

5

Growing importance to home buyers of space to work and play

Home buyers have always valued space and access to amenities. COVID reinforced this for many. Market intelligence suggests a growing preference for properties with gardens and easy access to public green areas.*

Did you know?

Research suggests* that past pandemics of the modern era affected income inequalities as economies recovered. The net outcomes depended on the health impacts across age groups, the effect on investment returns and the fiscal strategy for repairing public finances.

*CEPR COVID Economics Issue 52, Sayed and Peng, 2020

Useful links

Centre for Economic Policy Research
COVID Economics: [Vetted & Real-Time Papers](#)

Regional Economic Development
Institute (West Midlands, UK):
[Economic and Social Impacts of Coronavirus](#)

Centre for Cities: [Coronavirus resources](#)

Enterprise Research Centre: [COVID-19 Resource Directory](#)

For more information, please visit www.policydepartment.com

*[1] ONS Labour Market Indicators (Q3, 2020); CV-Library job vacancy data (Jan-June 2020); [2] Online Nation, Ofcom (2020); [3] CACI (2019); ONS Retail Sales data (October 2020); [4] Based on the share of those self-reporting as working exclusively from home rising from 5.7% to 24.4% of workers; Felstead and Reuschke, WISERD Report, (August 2020); ONS Labour Market Overview, UK (November 2020); [5] Dataloft (May 2020); Land Registry (August 2020).

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