



Fall of Retail, Rise of the Night Time *Economy*



Contents

- Introduction p. 3
- Data Analysis p. 4
- UK Shift Work: A Year in Review p. 5
- Retail industry p. 23
- Hospitality industry p. 23
- Healthcare industry p. 32
- Services industry p. 39
- Conclusion: The Future of Shift Work in the UK p. 52
- The Path Forward: Stability, Innovation, and Policy Reform p. 52

Introduction

We are seeing one of the most significant labour market transitions in recent years. Retail, once a dominant employer of shift workers, continues to shrink, driven by the rise of automation, e-commerce, and changing consumer behaviors. Traditional retail roles are declining, and workers are moving elsewhere—seeking better wages, stability, and career opportunities in hospitality, healthcare, and services.

At the same time, London’s night-time economy is booming. The past year has seen a dramatic resurgence of hospitality, late-night retail, and entertainment, fuelled by changing consumer habits and businesses adapting to after-dark demand. This growth isn’t just about extended trading hours—it reflects a fundamental shift in how and when people engage with work, leisure, and city life.

Just one year ago, it appeared that the rise of the neighbourhood economy—which pulled demand and services into suburban and local areas—would permanently alter the role of central business districts. Instead, we are seeing a clear reversal, with businesses, workers, and consumers returning to London’s core, reigniting demand for jobs and reshaping economic patterns in real time.

We’re also seeing the structure of employment as we know it be transformed. As the gig economy faces increasing scrutiny, workers are moving toward micro-shifts—structured but flexible employment that balances stability with control over hours. This is redefining strategies for businesses that once relied on unpredictable, last-minute staffing solutions.

Understanding these changes isn’t just valuable—it’s essential. For businesses, it means rethinking hiring strategies, wage structures, and workforce planning. For policymakers, it presents an opportunity to create more balanced, future-ready labor policies. For shift workers, it highlights where opportunities are growing—and where they are disappearing.

The Big Shift: Fall of Retail, Rise of the Night-Time Economy report is more than just a report—it’s a roadmap to the future of work.



Silvija Martincevic

CEO, Deputy



Data Analysis

The Big Shift: The Fall of Retail and Rise of the Night Time Economy report was produced by the leading scheduling software platform, Deputy, utilising aggregated Deputy customer data. The report features an industry-focused data analysis of UK shift workers across the hospitality, retail, healthcare, and services sectors.

Chief Economist at Geografia, Dr. Shashi Karunanethy, analysed **20.8 million shifts and 165.07 million hours of 189,290 shift workers** to produce the insights in this report.



Dr. Shashi Karunanethy

Chief Economist at Geografia

Dr. Karunanethy provides specialized advisory services in policy and market design; thought leadership in the city, workforce, and future technologies spaces; and economic strategies. He works with a variety of federal and state government entities, international development organizations, tech start-ups, and ASX-listed companies. Prior to this, he held senior professional roles in several consulting firms. He obtained his Ph.D. from the University of Melbourne.

Industry sample sets will not add up to the overall number of shift workers due to data being analysed from other industries not called out in the report, churn, and other events that have occurred between Dec 2022 and Dec 2025.

This data has been normalised to account for seasonality and demand of workforce fluctuations throughout the week (e.g. weekdays vs. weekends). In the report "women" refers to female-identifying Deputy users and "men" refers to male-identifying users



The Big Shift Report

UK Shift Work: A Year in Review

The shift worker sector was resilient in 2024, despite stagnant economic conditions in the UK and the broader European economy. The total number of shift workers saw modest increases, reflecting the continued demand for essential services and consumer-facing industries.

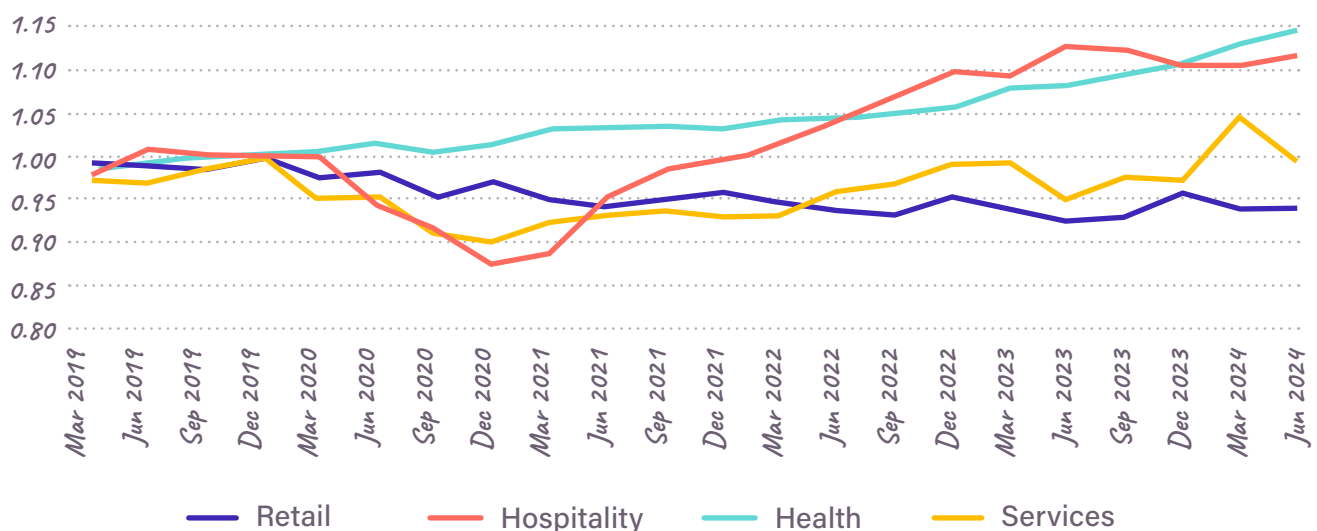
Growth was largely driven by the healthcare sector, which expanded by 6% over the year. This followed by the services industry, which recorded a 5% increase, marking a full recovery to pre-pandemic employment levels. The services sector was among the hardest hit during the COVID-19 pandemic, but its steady rebound in 2024 underscores its fundamental role in the UK economy.

The hospitality industry continued its upward trajectory, growing by 2% in 2024. This marks the third consecutive year of sustained growth across multiple subsectors. Bars and pubs experienced the strongest gains, with employment rising by 4.1% compared to the previous year. The accommodation sector also expanded, growing by 1.2%, while sit-down restaurants (0.6%) and fast food/cashier restaurants (0.8%) saw more modest increases.

Deputy's data also highlights robust growth in key healthcare subsectors. Employment in hospitals rose by 4.1%, while care facilities recorded a 3.8% increase. These figures reflect the ongoing demand for healthcare services and the essential role shift workers play in supporting the nation's wellbeing.

Deputy Shift Work Index - Industries

Source: Deputy (2024) and ONS (2024) indexed to December 2019



In contrast, the retail sector continued to experience declines in employment levels throughout 2024. This aligns with broader global trends observed in major cities like New York, Los Angeles, and Sydney, where retail workers remain affected by the rise of e-commerce and the adoption of labour-replacing technologies, such as self-checkout systems. As a result, retail employment in the UK remains 5% below pre-pandemic levels.

Job losses were particularly pronounced in home, hardware, and garden stores, where employment fell by 9%. Pharmacies and chemists also saw a 2% decline, while clothing and personal care stores experienced a 1% drop. These declines reflect shifting consumer priorities, with both essential and non-essential retail sectors facing continued challenges.

However, not all retail segments struggled. Supermarkets, categorized under food and beverage stores, emerged as the sole sector to experience growth, with employment rising by 4%. This suggests that grocery retail has remained the most resilient segment of the industry, likely driven by its fundamental necessity during the UK's ongoing cost-of-living crisis.

As the UK's shift work economy continues to evolve, these trends underscore the varying degrees of resilience across industries. While healthcare and hospitality are expanding, retail remains under pressure, adapting to changing consumer behaviors and technological advancements.



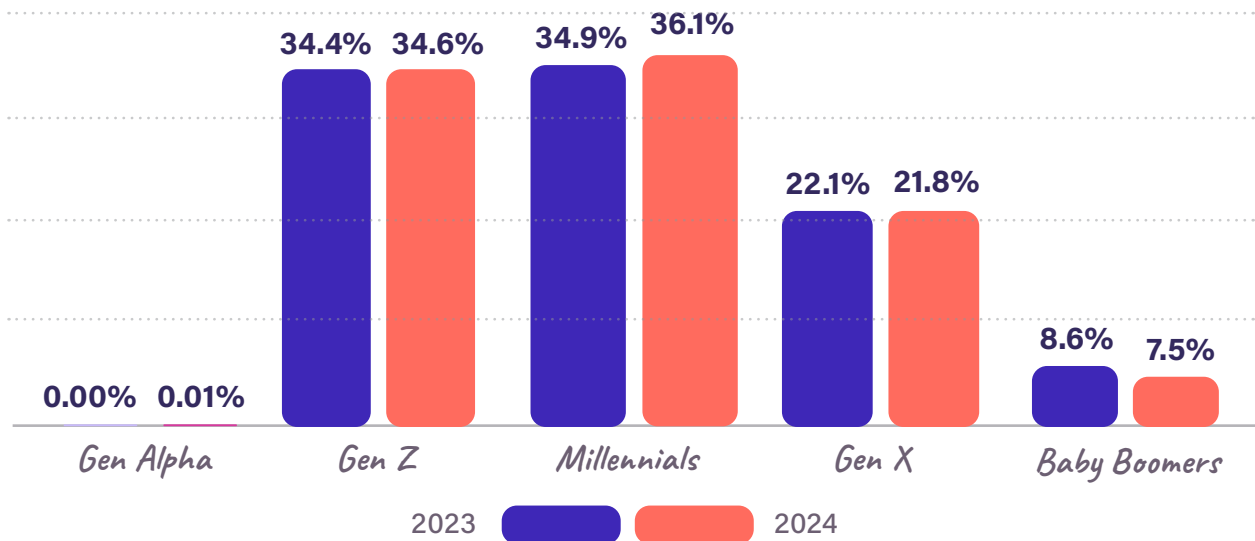
Gen Alpha Enters the Workforce

The arrival of Gen Alpha in the UK shift work economy marks a pivotal transition. Their first participation was observed in 2023, primarily in hospitality and retail, though they still represent a small share of the workforce. Currently, 90% of Gen Alpha shift workers are in hospitality.

While most Gen Alpha workers are still of school age, their participation in shift work is expected to increase significantly over the next two to three years as they enter college and adult employment. By 2038, Gen Alpha is projected to surpass both Gen Z and Millennials, becoming the dominant generation in the workforce and reshaping labor dynamics across industries.

Share of All Shift Work Hours by Generation

Source: Deputy (2024) Comparing Jan-Oct 2023 and 2024 Years
(as identified from Deputy Shift Work Surveys Aug 2024)



Millennials

Maintain the Largest Share of Shift Work

Millennials remain the largest generational group in shift work, accounting for 36% of total shift hours on Deputy's platform. Interestingly, the UK shift work economy saw an increase in the share of Millennials in 2024, **driven by two key factors**:

- **The rise of poly-employment**, with more non-shift workers—including professionals—taking on hospitality shifts to supplement their income.
- **Millennials stepping into managerial roles**, as Baby Boomers and older Gen X workers exit the workforce, contributing to a generational shift in leadership.



GenZ Set to Overtake Millennials by 2026

Although Millennials currently dominate shift work, Gen Z follows closely behind at 35% and is projected to overtake Millennials as the dominant shift-working generation by 2026–27. As Gen Z takes centre stage in the workforce, their career habits and expectations will redefine the labour market.

- 42% of Gen Z workers are actively looking for job opportunities outside their current employer, demonstrating a high level of job mobility.
- 26% aim to advance within their current workplace, highlighting their career-driven mindset.

With Gen Z’s demand for flexibility, career growth, and mobility, businesses must evolve their workforce strategies to retain and engage this generation, ensuring long-term labor market stability.

Changing Gender Dynamics in Shift Work

Gendered shift work has significantly changed throughout 2024, with the female workforce declining in key sectors. The share of female shift work hours in Healthcare fell by 3.4%, despite the industry’s historically strong female representation. In Hospitality, female shift work hours declined by 0.6%, reflecting broader labour force participation changes. In contrast, Retail saw a 2.5% increase in female shift work hours, indicating a growing female presence in a sector facing long-term economic challenges.

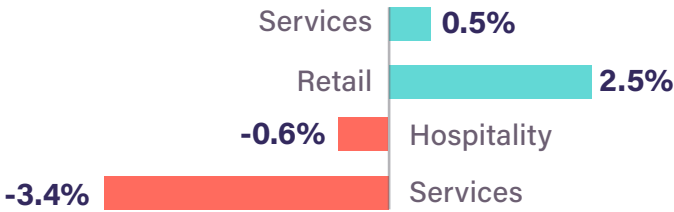
The biggest gains in female participation were seen in:

- Clothing & Personal Care Stores (+7%)
- In-Home Care (+5%)
- Gyms (+6%)
- Catering (+5%)

These shifts illustrate the evolving workforce dynamics, with some industries struggling to retain female workers while others attract increasing participation.

Change of Share Female Employment 2024

Source: Deputy (2024) Comparing 2023 and 2024 full calendar years



Women and Men Responding Differently to Economic Pressures

Deputy's data highlights distinct gender-based differences in how workers respond to financial challenges. While women and men face similar economic pressures, their approaches differ significantly.

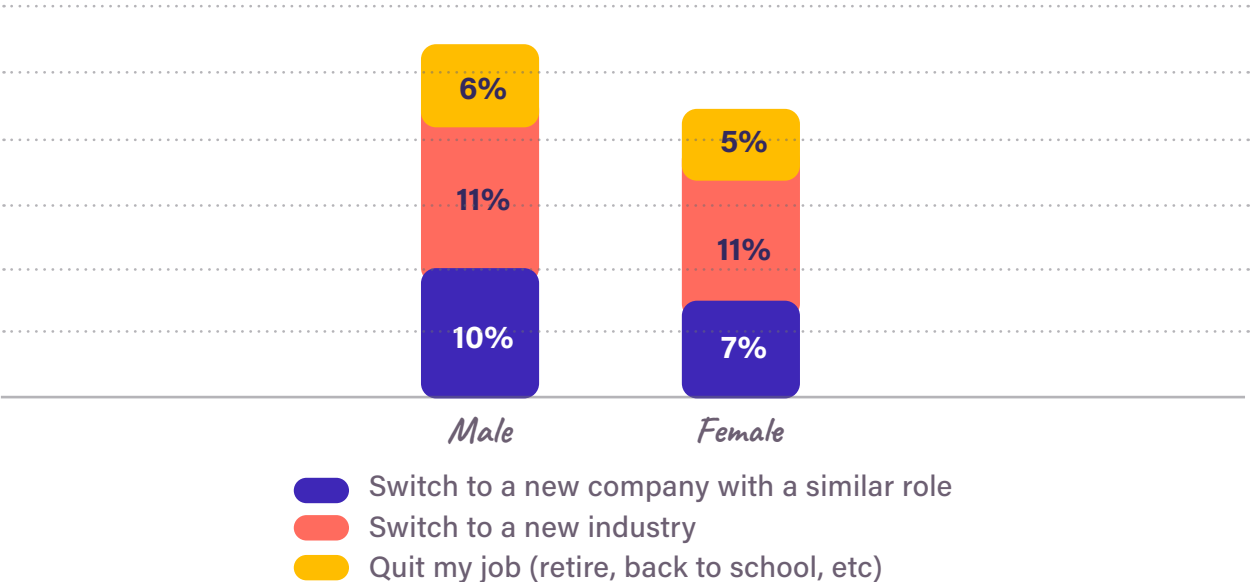
- **Lower job mobility** – Only 23% of female shift workers are actively looking to change jobs, 4% lower than men.
- **Higher poly-employment** – Rather than leaving their roles, women are more likely to take on multiple jobs to manage rising costs.

This underscores a major opportunity for technology to improve labour mobility for women. By leveraging AI-powered job-matching platforms and digital workforce solutions, businesses can simplify job searches, streamline applications, and enhance access to stable shift work.

By integrating smarter workforce strategies and digital tools, companies can close gender-based income gaps, improve workforce stability, and strengthen employer-employee alignment, ultimately fostering a more inclusive and resilient labourmarket.

Shift Work Job Intentions by Gender

Source: Deputy (2024) Comparing Jan-Oct 2023 and 2024 Years



London Leads The Charge for Shift Work Employment Growth

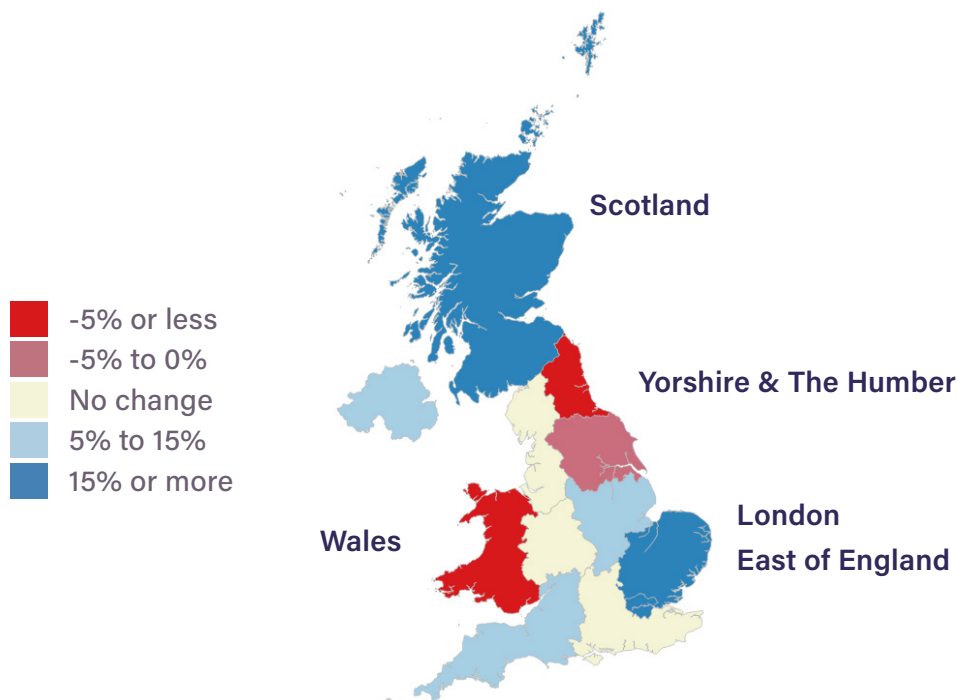
The growth in national shift work employment has been primarily driven by London, which continues to serve as the engine of employment expansion in the UK. In 2023, shift work employment in London increased by 12%, adding 236,000 new jobs. In contrast, Wales and the East Midlands experienced declines in shift work employment over the same period.

However, these declines were largely offset by job growth in London, the East of England, and Scotland, underscoring regional disparities in shift work trends.

London remains the driving force behind shift work employment growth, with Healthcare and Hospitality leading the expansion. These industries have seen consistent job gains, reinforcing London's status as a key hub for shift work employment. Retail employment, however, remained largely flat in 2024, with some sectors experiencing slight declines.

Hospitality Job Growth by Regions

Source: Deputy (2024) and ONS (2024). Change from June 2022 to June 2024.



London's Post-Pandemic Recovery and Economic Resilience

Deputy's Job Index for Greater London showed that the hospitality sector has experienced a strong post-pandemic recovery, while healthcare and services continue to grow steadily. The retail sector, however, has struggled to gain the same momentum, aligning with global shifts in consumer behaviour and automation trends.

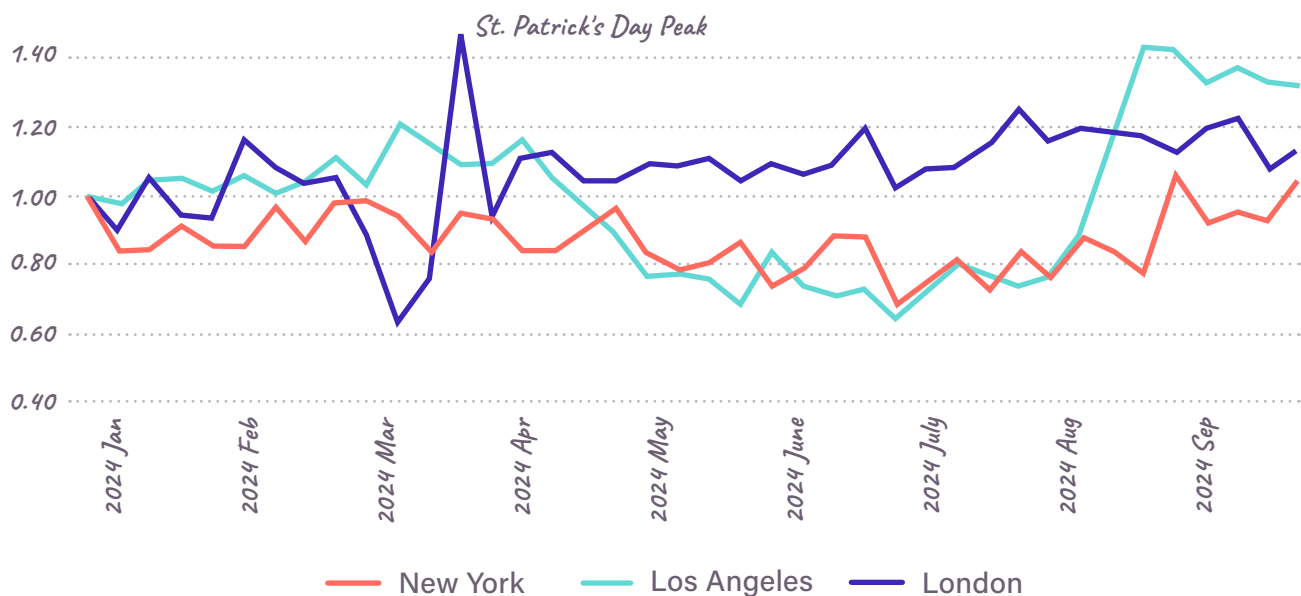
Despite broader economic challenges, London's strong shift work market reflects the city's resilience and ability to drive national employment trends, even as some industries undergo structural changes. Like many global cities, the City of London was significantly impacted by work-from-home trends and shifting economic activity post-pandemic. However, Deputy's Mobility Trends by Global Cities data reveals that London has rebounded strongly, reinforcing its role in the economic recovery through shift work expansion.

Three key factors have contributed to this rebound:

- **New job growth in healthcare**, responding to increased demand for medical and care services.
- **A resurgence in international tourism**, boosting foot traffic in key retail and hospitality areas.
- **An increase in night-time spending**, driving job creation in entertainment, dining, and late-night retail.

Deputy Shift Index by Major Night Cities

Source: Deputy (2024) indexed to Jan 2024. London refers to City of London geography.



The Growth of London's Night-Time Economy

London's night-time economy has become a key driver of shift work growth, creating new opportunities in hospitality and retail. The share of night-time spending has increased across the UK, fuelled by higher consumer spending and a greater variety of entertainment options. Businesses that adapt to extended trading hours and evolving consumer habits will be best positioned to capitalise on this growing market segment.

London remains the epicentre of the UK's night-time economy, with nearly 25% of total spending occurring during evening and late-night hours.

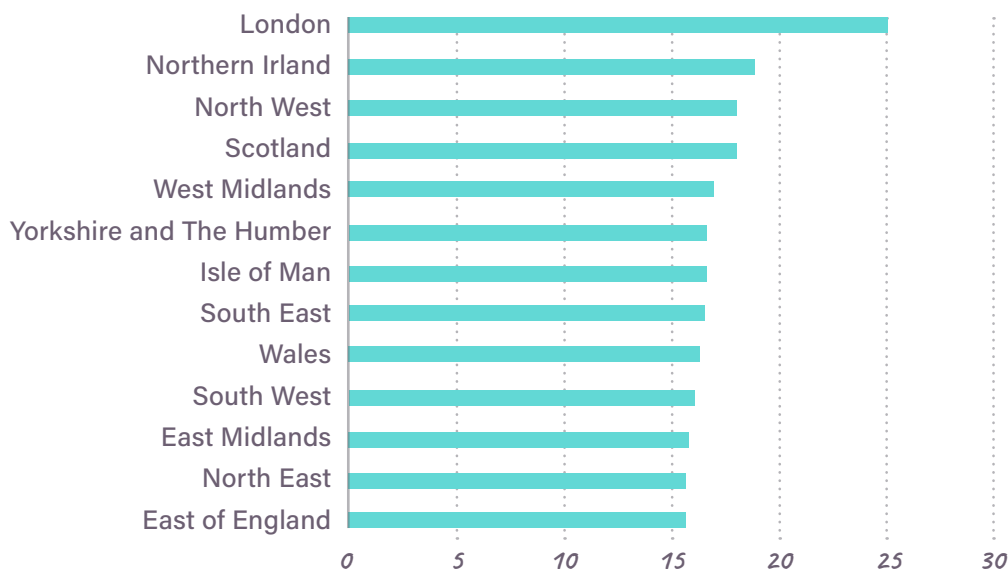
The highest concentration of night-time spending is found in:

- **City of London - 58%** of total spending occurs at night, making it the only area where the night-time economy surpasses daytime activity.
- **Shoreditch - 47.3%** of spending happens during the evening.
- **Soho - 46.7%** of transactions take place at night.

As shown in the Share of Night-Time Spending by UK Region, London outpaces all other regions in after-hours economic activity, reinforcing its position as the UK's leading city for late-night hospitality, entertainment, and retail.

Share of night-Time Spending by UK Region (%)

Source: Visa data by ONS (2024)



London Outperforms Global Night-Time Economies

Deputy's global shift data reveals that throughout 2024, London has consistently outperformed major night-time economies such as New York and Los Angeles in terms of night shift activity, London has maintaining higher night shift activity levels. This demonstrates greater economic resilience and sustained workforce participation, and is highlighted by the Deputy Shift Index by Major Night Cities. Specifically, changes in dining habits have driven this sharp increase in night-time shift patterns across London.

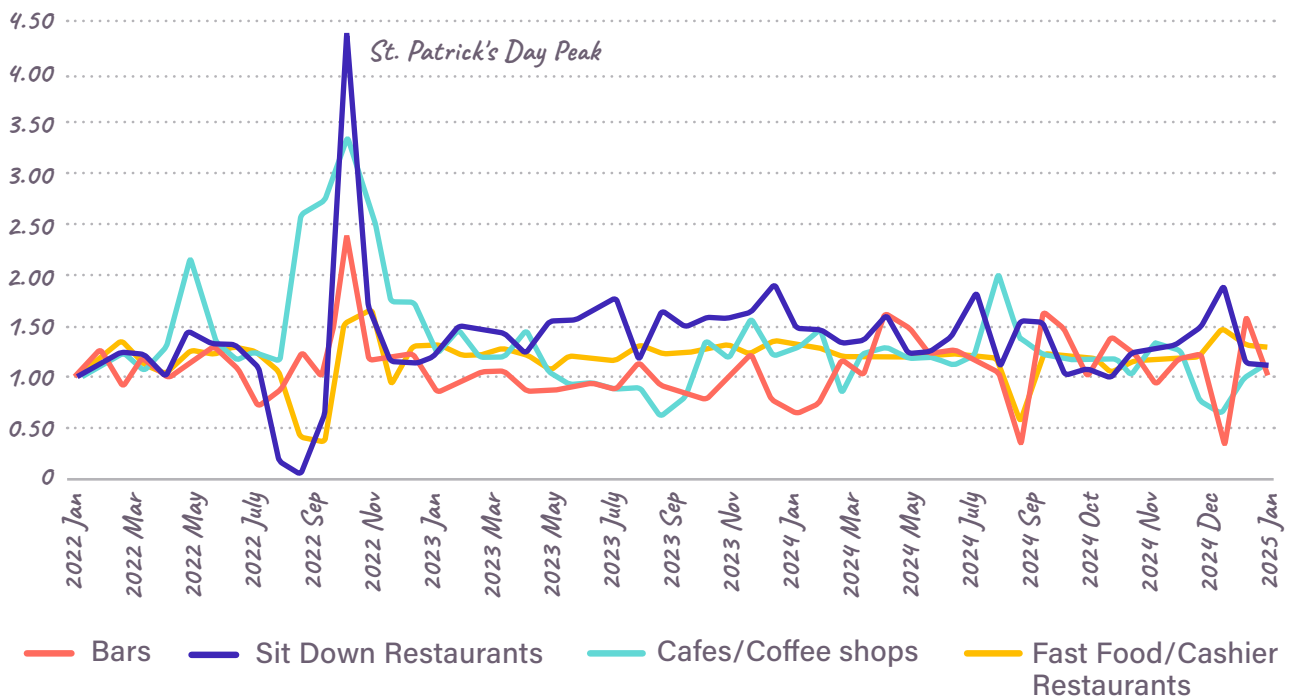
The largest increase in night shift hours was observed in:

- **Fast Food and Cashier Restaurants (+31%)**
- **Cafés and Coffee Shops (+16%)**
- **Sit-Down Restaurants (+14%)**

Bars and clubs, however, have underperformed, with only 2% growth—a notable departure from previous years. This shift in consumer preferences suggests moving away from traditional late-night clubbing toward dining-focused nightlife experiences, such as bistro pubs and restaurants with extended evening service. As shown in the Deputy Shift Index by London's Sectors, food-focused venues drive night-time employment, reshaping the city's night economy.

Deputy Shift Index by London's Sectors

Source: Deputy (2024) indexed to Jan 2024. London refers to City of London geography.



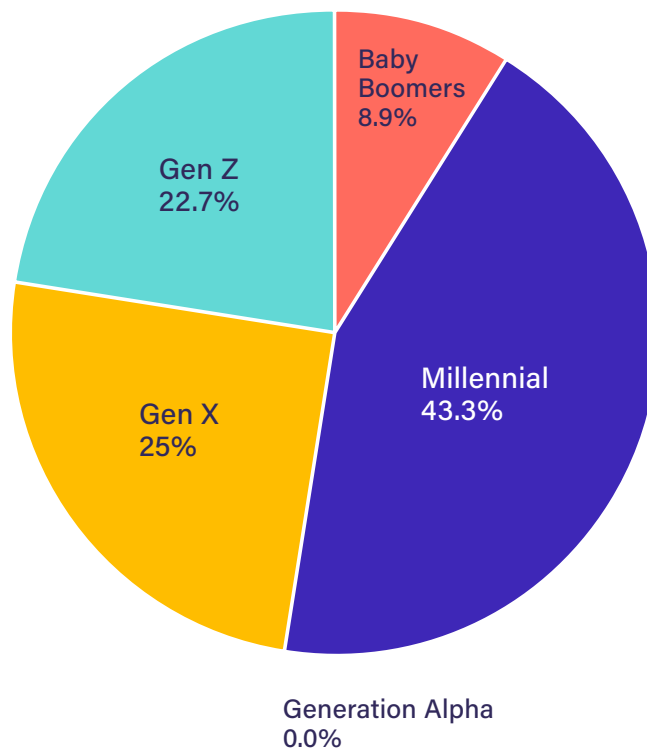
As London continues to lead the UK's night-time economy, understanding the demographics of its night shift workforce provides insight into evolving labour market trends.

- **56% of night shift workers are female**, reflecting strong female participation in late-hour employment.
- **Millennials dominate the night shift workforce (43.3%)**, followed by Gen X (25%) and Gen Z (22.7%).
- **On average, night shift workers work 2.6 night shifts per week**, log 22 hours per week on night shifts and work an average of 8.4 hours per shift

Millennials and Gen X make up the largest share of the night shift workforce (shown in the Share of Night-Time Shift Hours by Generation). With London's growing night-time economy, these trends will play a crucial role in shaping future workforce policies, employer strategies, and the demand for shift-based employment opportunities.

Share of Night Time Shift Hours by Generation

Source: Deputy (2024)



Inflation Stabilises, but Economic Pressures Remain

In 2024, the UK successfully brought inflation under control, marking a significant shift after years of economic pressure. Inflation cooled considerably throughout the year, providing some relief to consumers and businesses. However, despite this progress, inflation is expected to remain slightly above the Bank of England's 2% target rate in the near future.

While economic conditions are stabilising, persistent inflation above target levels may continue to impact consumer spending and business costs, influencing labour markets and shift work patterns across the UK. As inflation levels steady, interest rates are expected to decline, offering much-needed relief to households and businesses. Lower interest rates will reduce borrowing costs, easing financial pressure on mortgages, loans, and business investments. This shift is expected to support economic recovery, making housing, credit, and business expansion more accessible.

Although the cost-of-living crisis is easing, the pace at which interest rates decline will play a crucial role in determining how quickly financial conditions improve for both consumers and businesses.



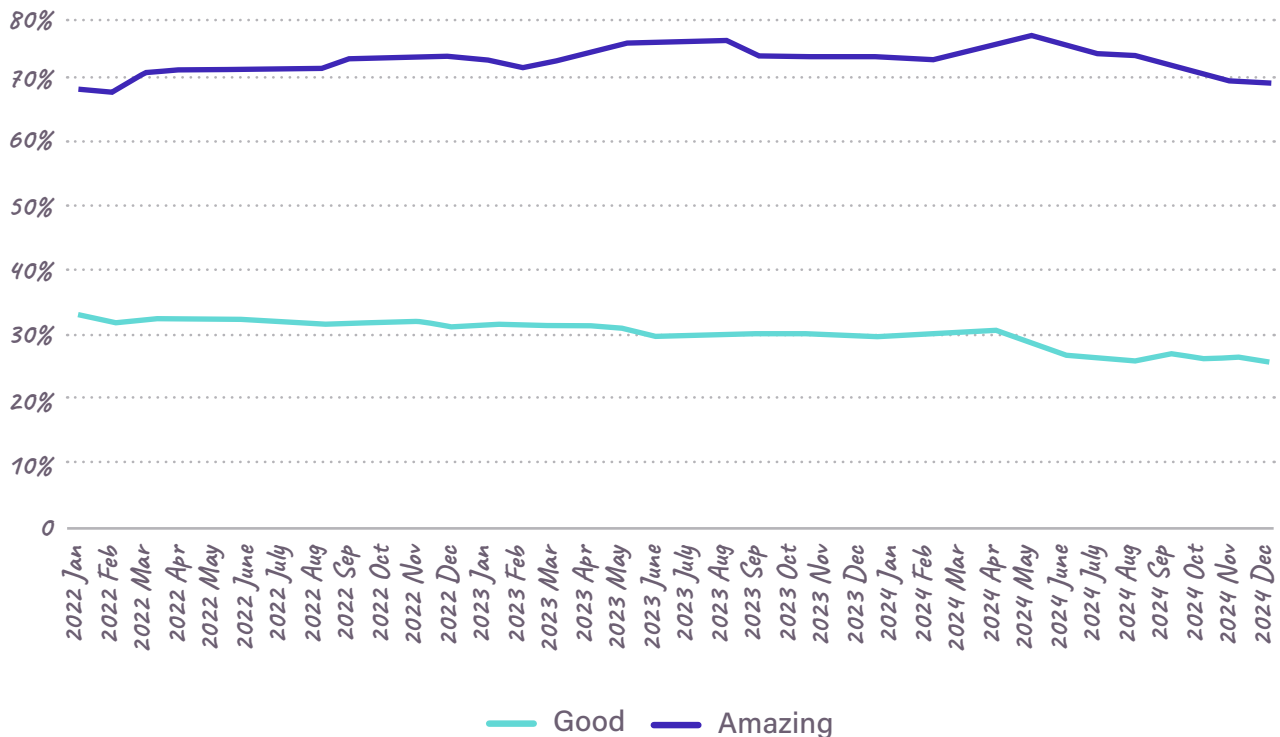
Worker Sentiment Remains Low Despite Economic Stability

The peak of cost-of-living pressures in 2024 coincided with a decline in worker sentiment, as reflected in Deputy's Shift Pulse Worker Sentiment Index. The share of workers who rated their shift experience as 'Good' or 'Amazing' continued to decline throughout 2024, even as interest rates began to fall.

This trend suggests that cost-of-living concerns remain a dominant factor, affecting both consumer confidence and worker well-being. The stabilisation of inflation alone has not been enough to reverse declining worker sentiment, highlighting the need for businesses and policymakers to address broader economic challenges, including wage growth and job security.

Deputy Shift Index by London's Sectors

Source: Deputy (2024)



Middle-Aged Generations Face the Greatest Financial Strain

Middle-aged workers experienced the highest financial strain in 2024 with 15-16% of Millennials and Gen X reported being unable to cover their current living expenses, the highest among all generations. Baby Boomers followed closely, with 14% also struggling with affordability. Gen Z experienced the least financial strain, with only 12% reporting difficulties meeting their living costs.

These findings suggest that middle-aged workers face unique financial challenges, likely due to higher household costs, mortgage repayments, and family expenses, making them more vulnerable to economic pressures.

Financial Pressures Drive Job Switching and Poly-Employment

This shift in financial burden has had a direct impact on job intentions among shift workers. Currently, 11% of Millennials and Gen X workers are actively seeking to switch to a new company while maintaining a similar role—a significantly higher rate than that of Gen Z and Baby Boomers, who reported experiencing relatively less financial pressure over the same period.

With the rising cost-of-living concerns, more shift workers are exploring new job opportunities that offer better pay, greater stability, or improved working conditions.

In 2024, the UK's poly-employment rate peaked at 3.9%, reflecting a growing reliance on multiple jobs as workers seek additional income to manage rising living expenses. This increase in poly-employment underscores the ongoing financial strain faced by many workers, particularly in shift work industries.

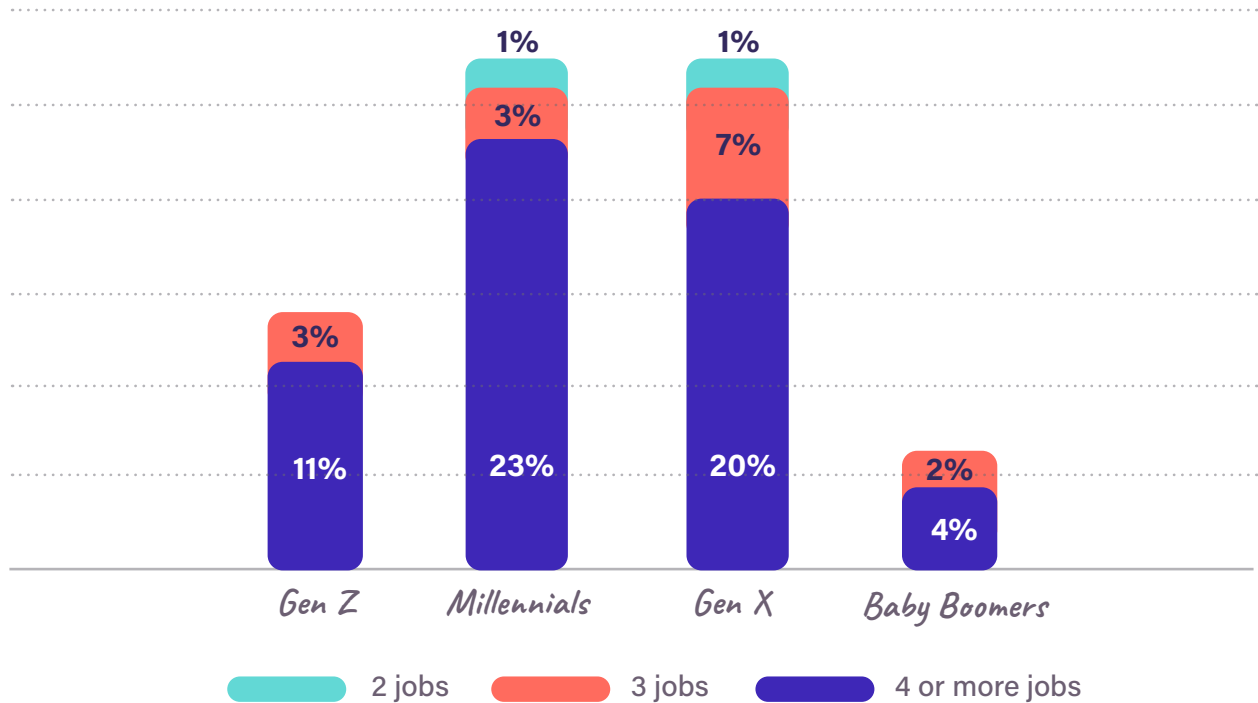
Poly-employment is most prevalent among middle-aged workers with 27% of Millennials and Gen X holding two or more jobs, aligning with the heightened financial pressures these generations are experiencing. The employment trend is concentrated in specific industries, with Hospitality emerging as the most common sector for multiple job-holding workers, with 44% of poly-workers are employed in Hospitality, reflecting the industry's reliance on flexible shift work. Healthcare follows at 11%, as many workers take on additional shifts in this



Interestingly, the gender distribution among poly-workers is evenly split, indicating that financial pressures are influencing workers across all demographics. This trend reinforces the need for businesses to offer better wage structures, shift flexibility, and economic stability to reduce the dependence on multiple jobs and support a more sustainable workforce.

Share of Poly-Workers by Generation

Source: Deputy (2024) Comparing Jan-Oct 2023 and 2024 Years



Easing Inflation & Interest Rates Support Economic Recovery

As the UK economy moves into 2025, inflation and interest rates are set to continue easing, offering further stability after years of economic turbulence. As a result, consumer sentiment and spending patterns are expected to recover, driving renewed activity in key industries.

The retail sector is expected to be a major beneficiary of improving economic conditions. Households have largely deferred spending on big-ticket and luxury items, but as financial pressures ease, these sectors are poised for growth. A rebound in consumer spending could help stabilise retail employment, which has faced challenges in recent years due to shifting consumer habits and automation.

Healthcare & Service Sectors Poised for Long-Term Growth

The UK's ageing population is set to drive substantial growth in healthcare and service sector jobs over the next decade. By 2035, care workers and home carers are projected to become the largest shift work occupation, overtaking retail roles for the first time. This trend underscores the increasing demand for human-centric jobs that require personal interaction and hands-on expertise—roles that are largely resistant to automation and AI displacement.

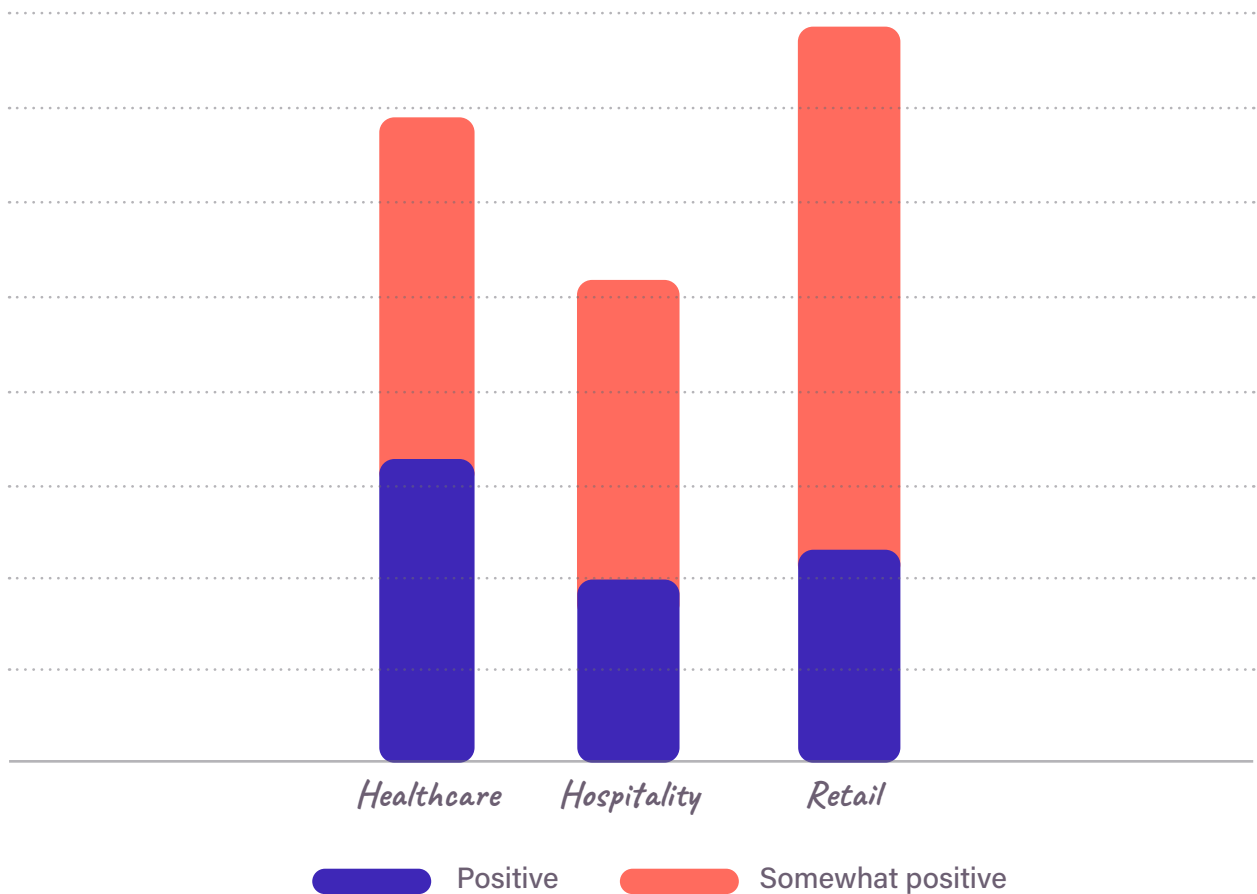
As technology advances, AI is expected to enhance, rather than replace, jobs in these sectors. This is reflected in positive worker sentiment towards AI, particularly among shift workers:

- **Nearly 80% of retail shift workers have a positive view of AI's role** in improving productivity and streamlining operations.
- **70% of healthcare workers express optimism about AI**, particularly in its ability to support patient care and administrative efficiencies.
- **In the hospitality sector, 50% of workers view AI positively** — though this is lower than in retail and healthcare, suggesting that adoption may be slower in this industry.



As AI and digital tools become essential for improving workplace productivity, shift workers are demanding greater investment in these technologies. Over 80% of middle-aged workers, particularly Millennials and Gen X, believe that their employers should invest more in digital tools to help them perform their jobs more effectively. Access to better technology may become a key factor in employee retention and satisfaction, particularly as these generations are also the most likely to seek new job opportunities within their existing roles.

Shift Worker Sentiment on AI



Regulatory Reforms to Reshape the Shift Work Economy

In the medium to long term, regulatory reforms are expected to play a significant role in shaping job stability, flexibility, and worker protections in the UK's shift work economy.

Proposed labour market reforms could include:

- **Improved scheduling regulations** to provide shift workers with more stability and predictability.
- **“Right to disconnect” laws**, similar to those introduced in Australia, protecting workers from excessive after-hours communication and ensuring better work-life balance.
- **Tighter controls on working hours**, addressing concerns about long shifts and unpredictable schedules that have traditionally affected shift workers.

The new UK Labour government has pledged to reform or ban zero-hour contracts, ensuring greater job security for shift workers. However, a likely compromise would allow workers to request guaranteed hours, similar to Fair Work Week legislation in parts of the US. Employers that proactively manage shift planning and invest in workforce forecasting technology will be best positioned to comply with new regulations while remaining competitive in talent retention.

Rising Wages & Their Impact on Businesses

Nearly three million low-wage workers are set to receive pay increases in 2025, following a 6.7% increase in the National Living Wage set for April 2025. With inflation expected to be around 2.5%, this increase will deliver real income growth for workers, particularly in industries where low wages have historically been a challenge.

While this wage increase is a positive development for workers, it will also create higher operational costs for businesses that rely on shift work. Companies will need to absorb these costs without compromising profitability or reducing workforce hours. To remain competitive, employers are expected to:

- Invest in workforce management technology to optimize scheduling and reduce inefficiencies.
- Improve labor resource allocation to balance wage increases with productivity gains.
- Leverage AI-driven forecasting tools to predict demand and streamline shift planning.

Employers that effectively navigate these rising cost pressures while maintaining fair pay and stable employment conditions will have a strong advantage in attracting and retaining talent.



The Shift from Gig Work to Structured Micro-Shifts

A major trend emerging in 2025 is the transition of vulnerable gig roles into more structured micro-shift employment opportunities. Micro-shift jobs offer a balance between flexibility and security, blending the independence of gig work with the predictability of permanent employment contracts. This shift allows workers to maintain control over their schedules while benefiting from guaranteed income and job protections.

Public sentiment is strongly in favour of these reforms, with 41% of shift workers believing they will benefit from regulatory changes aimed at improving job stability. Businesses that offer structured shifts with fair pay and predictable schedules will gain a competitive edge in hiring and retention.

Deputy's shift data reveals that micro-shift employment patterns already exist within many traditional occupations. **These trends suggest that structured short shifts could appeal to specific workforce segments, particularly:**

- **Gen Alpha and Baby Boomers**, who have the shortest average shift lengths, highlighting an untapped opportunity to attract these groups into the workforce through flexible micro-shifts.
- **Poly-workers, particularly young female workers**, who show a strong demand for multiple job roles, reinforcing the need for more structured employment alternatives to gig work.
- **Caregivers and individuals with education responsibilities**, who may have previously been reluctant to enter or re-enter the workforce due to rigid scheduling.

By adapting to these emerging workforce expectations, businesses can enhance job security, provide flexible scheduling, and build a more inclusive labor market that supports workers at all stages of life.



Subsector

Retail Industry



Retail Employment Continues to Decline Amid Structural Changes

The retail sector continued to experience employment declines in 2024, following long-term trends observed in other major global cities such as New York, Los Angeles, and Sydney on Deputy's platform. Shift workers in retail remain affected by the combined impact of online e-commerce growth and labour-replacing technologies, such as self-checkout systems and automation.

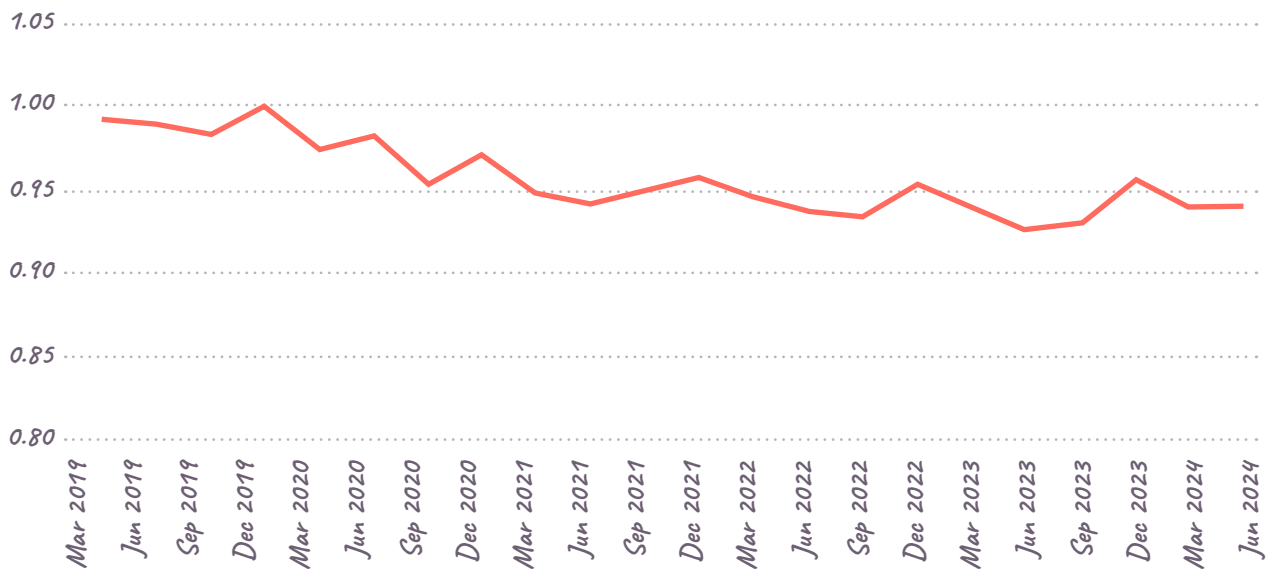
As a result, retail employment remains 5% below pre-pandemic levels, with multiple subsectors experiencing job losses:

- **Home, Hardware, and Garden Stores saw the sharpest decline, with employment dropping by 9%.**
- **Pharmacies & Chemists reported a 2% decline.**
- **Clothing & Personal Care Stores experienced a 1% decrease.**

These job losses reflect shifting consumer priorities, as economic pressures continue to reshape both essential and non-essential retail spending patterns.

Retail Industry Deputy Job Index

Source: Indexed to January 2024 using data from Deputy (2024)

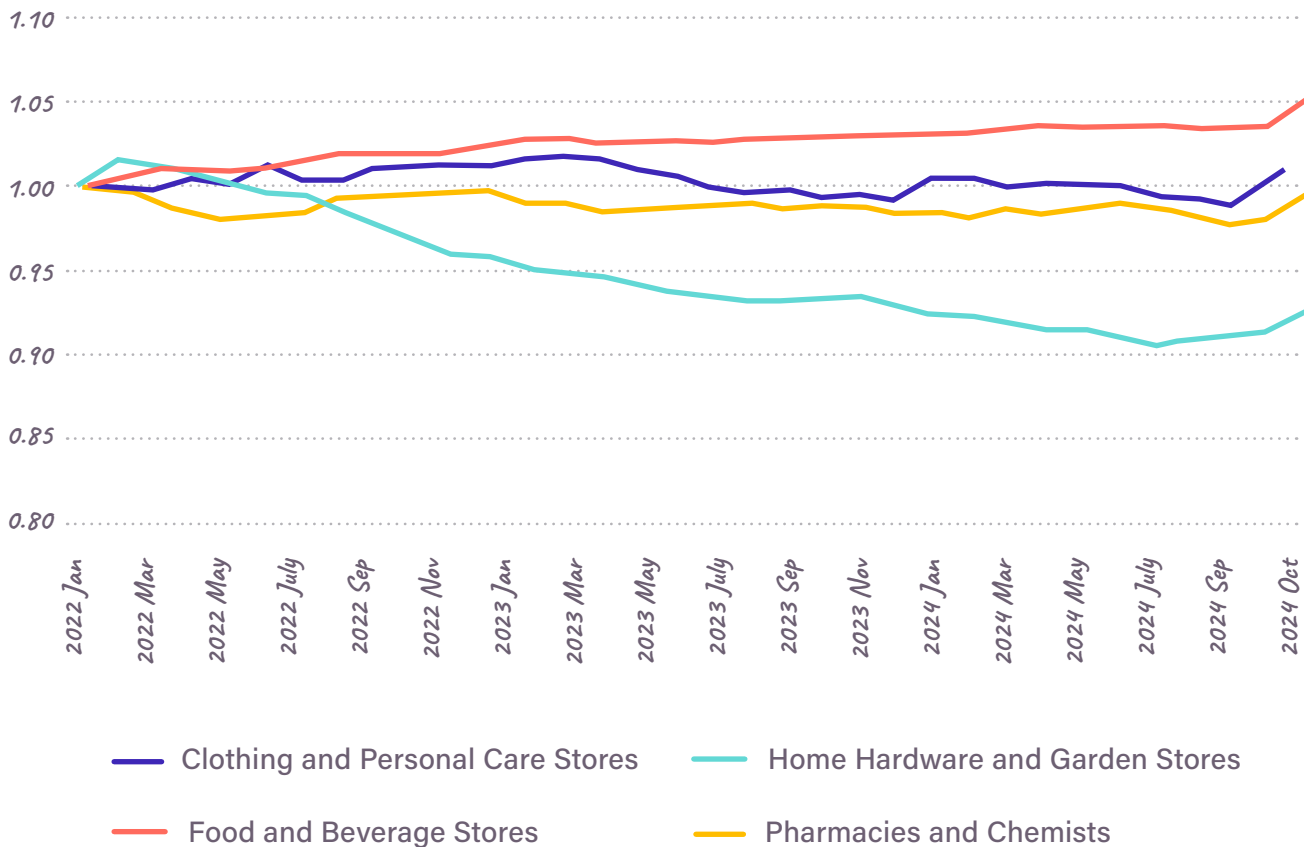


Supermarkets Remain the Exception Amid Economic Pressures

Despite the broader decline, supermarkets emerged as the only retail subsector to see job growth, with employment rising by 4%. With households prioritising necessities over discretionary spending, particularly during the cost-of-living crisis, supermarkets have outperformed other retail categories, maintaining steady demand for shift workers.

Deputy Job Index by Sectors

Source: Indexed to Jan 2022 using data from Deputy (2024)



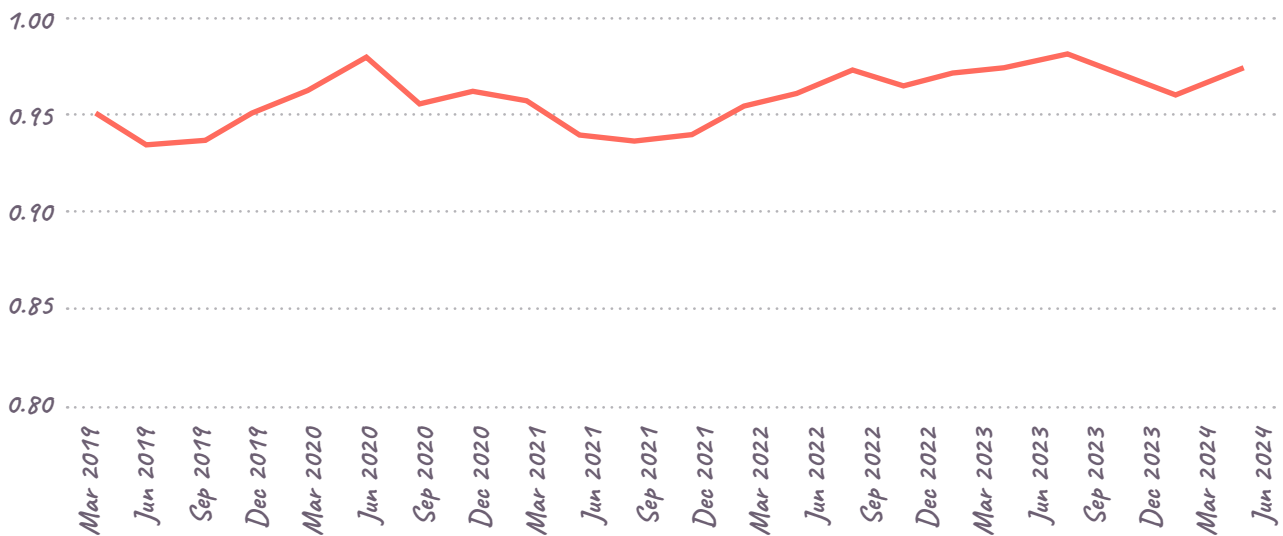
London's Resilience in Retail Employment

London remains the driving force behind employment growth in the retail sector, even as it faces sector-wide challenges. The city recorded a modest 1% increase in retail employment, highlighting its relative resilience compared to national and global retail employment trends.

While this growth remains minimal compared to gains in other industries, it reflects London's ability to absorb economic shocks and adapt to shifting labor market dynamics. However, the small increase in retail employment underscores the ongoing impact of automation, e-commerce expansion, and changing consumer behaviors on traditional retail jobs.

Job Index - Greater London

Source: Deputy (2024) and ONS (2024) Indexed to Dec 2019



As automation and digital transformation continue to reshape the retail landscape, certain roles are disappearing while new opportunities emerge in tech-driven retail and logistics. The growing integration of AI-powered inventory management, cashierless checkouts, and online fulfillment centres is expected to drive demand for higher-skilled shift roles in logistics, digital commerce, and customer experience.

While London's retail sector has demonstrated some resilience, the long-term future of retail shift work will depend on how businesses balance automation with the need for human-led customer service and operational roles.



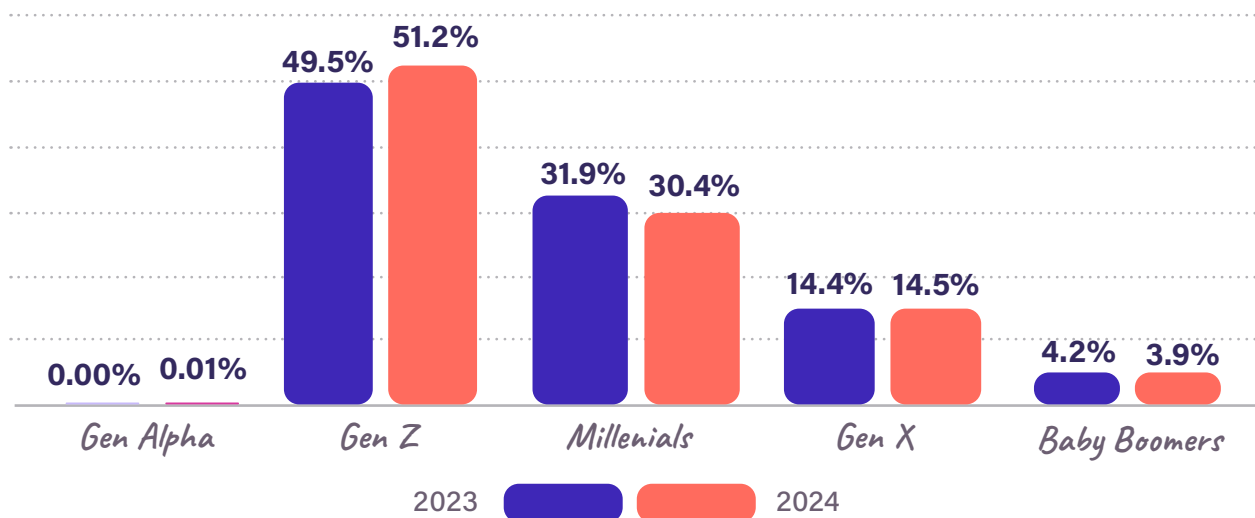
Gen Z Becomes the Dominant Workforce in Retail

Gen Z now accounts for 51.2% of retail shift work hours, up from 49.5% in 2023, solidifying its position as the dominant generation in the sector. This growth comes at the expense of Millennials, whose share of retail shift work has declined to 30.4%, reflecting generational shifts in employment patterns.

At the same time, Gen Alpha has officially entered the labour market. While their participation remains minimal for now, a significant increase in Gen Alpha shift workers is expected over the next three years. Their growing presence will reshape workforce dynamics, particularly in retail, as businesses prepare for the next wave of young workers.

Share of All Shift Work Hours by Generation

Source: Deputy (2024) Comparing Jan-Oct 2023 and 2024 Years



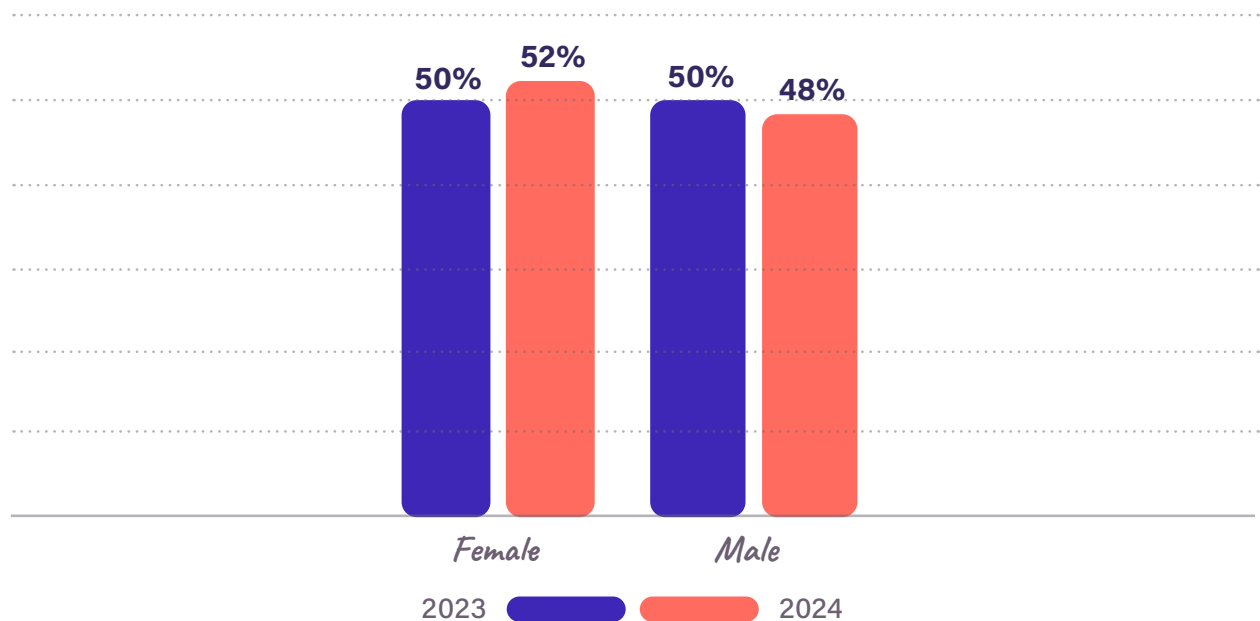
Female Participation in Shift Work

The share of shift work hours worked by women increased to 52% in 2024, up from 50% in 2023, while male shift worker participation declined to 48% over the same period. This growing female presence in retail is likely driven by greater female participation in traditionally male-dominated sectors, such as logistics and technology-enabled retail.

Employers must adapt to this demographic shift by ensuring workplace policies, flexibility, and career progression opportunities align with the needs of a growing female workforce.

Share of Shift Work by Gender and Year

Source: Deputy (2024) Comparing Jan-Oct 2023 and 2024 Years



Retail Wage Growth vs. Cost-of-Living Pressures

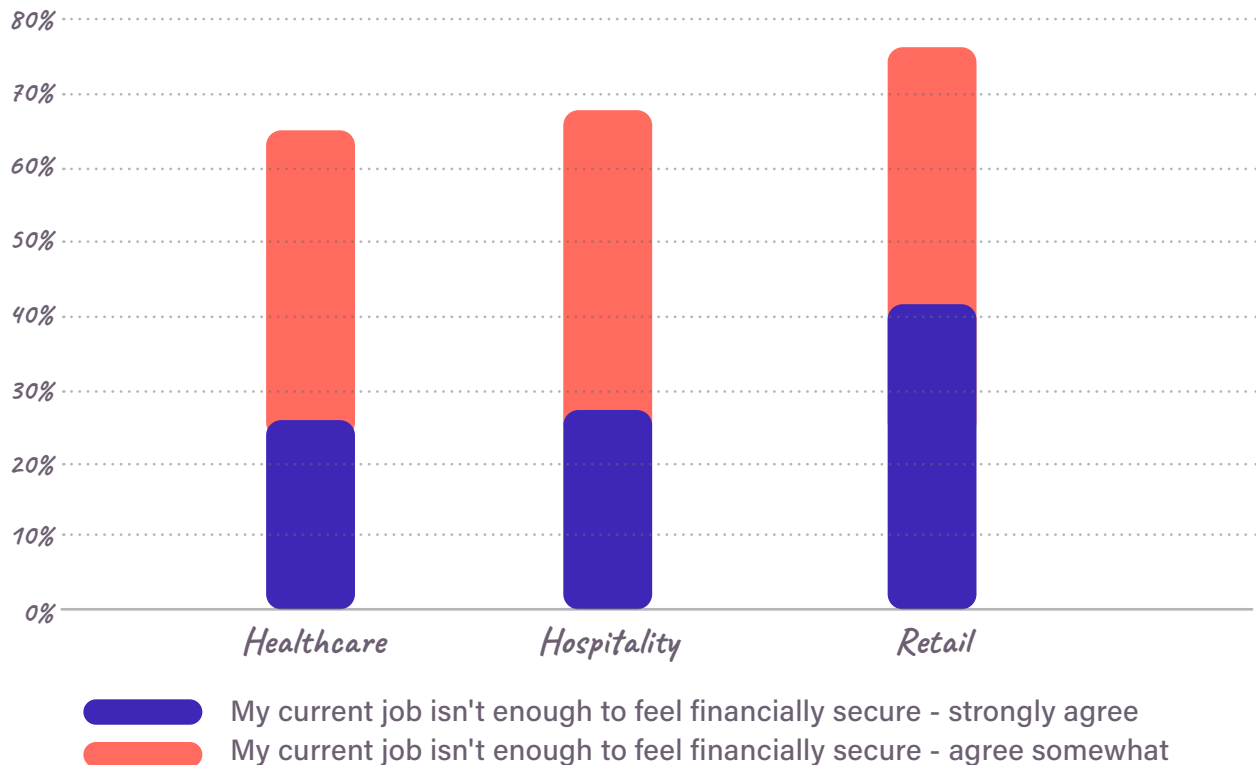
Retail workers saw an increase in average hourly pay, rising from £10.10 to £12.00 over two years—an 18.8% wage increase. However, with inflation rising by 11.04% over the same period, real wage gains have been modest when adjusted for cost-of-living pressures.

While retail wage growth has outpaced inflation, financial insecurity remains a significant issue. Nearly 75% of retail workers report that their current job does not provide enough financial security, with many strongly agreeing with this statement. Retail workers express higher levels of financial concern than those in hospitality and healthcare, where financial insecurity remains prevalent but slightly lower.

However, higher wages alone are not enough to address these concerns. Predictable schedules, stable hours, and access to full-time employment remain critical factors for financial stability among retail workers. Employers must look beyond hourly pay increases and implement long-term workforce stability measures to reduce financial strain.

Concerns of Financial Security

Source: Deputy Survey (2024)



High Job Mobility & Turnover in Retail

Retail workers are demonstrating high levels of job mobility, with a significant share actively seeking better opportunities. Over 25% of retail workers are considering leaving their current jobs, either to switch industries or find roles with better wages and working conditions. High turnover rates in retail highlight growing concerns over job stability and financial security.

Retention strategies must focus on improving wages, scheduling consistency, and benefits, particularly as retail competes with other sectors—such as healthcare and logistics—that offer greater job stability.

Poly-Employment on the Rise in Retail

As retail workers face continued financial pressures, many are taking on multiple jobs to supplement their income. Retail has the highest rate of poly-employment, with over 25% of workers holding more than one job.

Deputy's data identifies wages and job stability as key drivers behind this trend. Many retail workers are unable to rely on a single job to meet financial needs, leading to increased workforce fragmentation.

Employers must address rising poly-employment rates by offering:

- More flexible scheduling to accommodate workers with multiple jobs.
- Stable hours and guaranteed shifts to reduce economic uncertainty.
- Higher retention incentives, such as performance-based bonuses and benefits.



Rising Stress & Frustration Among Retail Workers

Deputy's Shift Pulse data reveals that 18% of retail shift workers report feeling 'Stressed' or 'Frustrated' about their work shifts. **Worker stress and frustration levels have steadily risen, closely aligning with:**

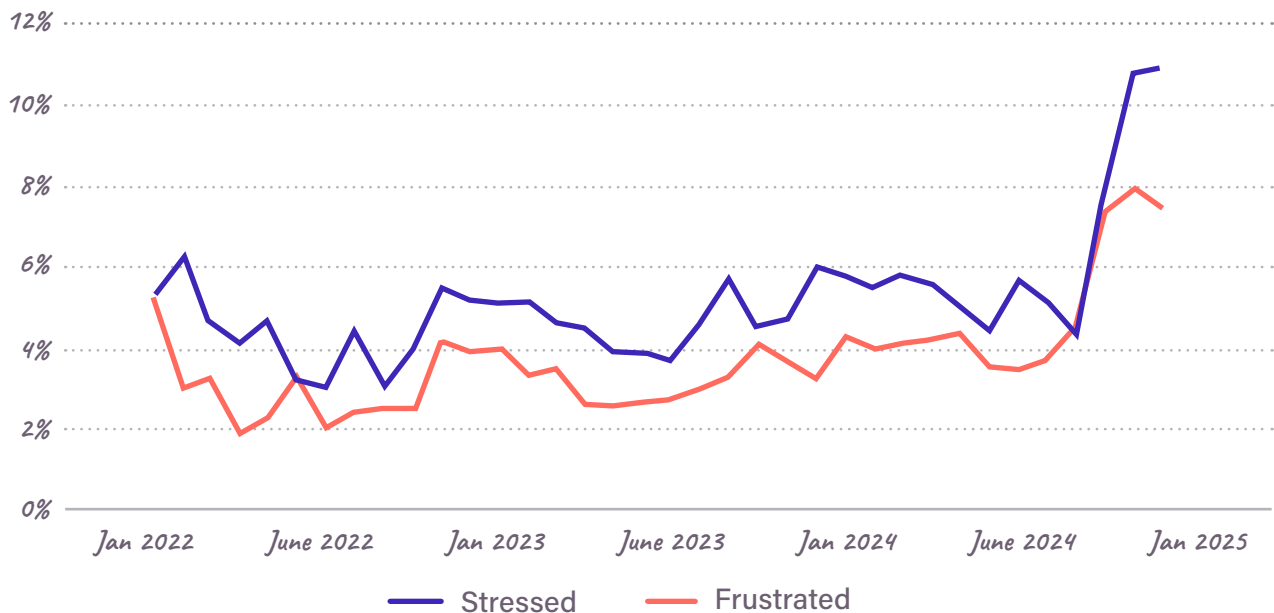
- Increased job turnover and workers actively seeking new employment.
- A doubling in negative worker sentiment, with a sharp spike in late 2024.
- A peak in job terminations in December 2024, coinciding with negative sentiment reaching its highest levels in November.

Hiring rates fluctuated between 0.6% and 1% over the past two years, showing no clear upward or downward trend. However, the sharp termination spike in December 2024 suggests that layoff announcements may have fuelled worker stress and dissatisfaction, leading to increased resignations and high termination rates may be disrupting workforce morale, affecting retention and job satisfaction as a result.

Employers must address job security concerns, as uncertainty over layoffs and unstable schedules is likely fuelling workforce dissatisfaction and turnover. Strengthening employee engagement, offering clearer career pathways, and improving workplace conditions will be essential to maintaining a stable retail workforce in the coming years.

Worker Sentiment Trends in Retail

Source: Deputy ShiftPulse (2024)



Subsector

Hospitality Industry



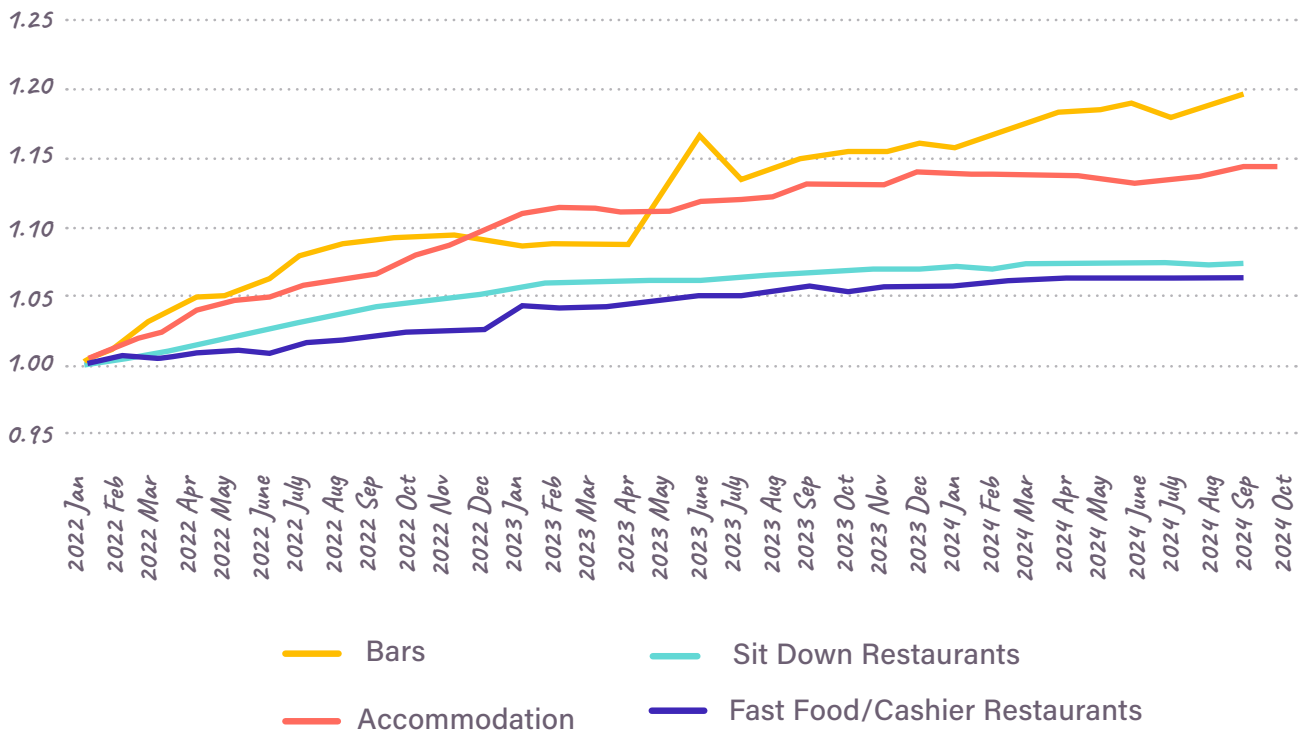
Hospitality Industry Continues to Expand

The hospitality industry grew by 2% in 2024, marking its third consecutive year of steady growth. This consistent expansion underscores the sector’s resilience and ability to rebound following pandemic-era disruptions. Growth has been observed across multiple hospitality sub-sectors, with notable gains in:

- **Bars and Pubs**, which experienced a 4.1% increase in employment compared to the previous year.
- **Accommodation**, which grew by 1.2%, reflecting steady demand for hotel and lodging services.
- **Sit-Down Restaurants**, which saw a 0.6% rise in employment, suggesting continued consumer interest in dining experiences.
- **Fast Food and Cashier Restaurants**, which grew by 0.8%, showing stable demand for quick-service food options.

Deputy Job Index by Sectors

Source: Indexed to Jan 2022 using data from Deputy (2024)



London is the Driving Force **Behind Shift Work Employment Growth**

London remains the epicentre of shift work employment growth, with hospitality and healthcare leading the expansion. Hospitality sectors have consistently added new jobs, reinforcing London's role as a key hub for shift work employment.

As shown in Deputy's Job Index for Greater London, the hospitality sector experienced significant post-pandemic recovery, while healthcare and service industries continue to see steady employment growth. London's robust shift work market highlights the city's resilience and its ability to drive national employment trends, even as some industries face structural challenges.

London's Economic Growth Offsets Regional Employment Declines

The growth in national shift work employment has been primarily fuelled by the London economy. In 2023, shift work employment in London increased by 12%, adding 236,000 new jobs—a figure that significantly outpaced other regions.

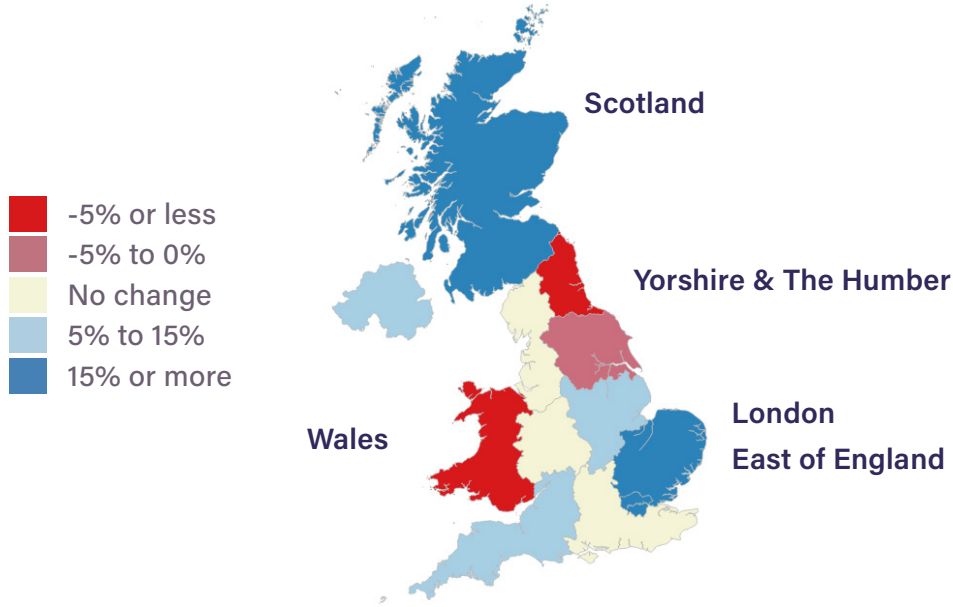
In contrast, Wales and the East Midlands experienced declines in shift work employment over the same period. However, these declines were largely offset by strong job growth in London, the East of England, and Scotland.

This highlights regional disparities in shift work trends, with London and surrounding areas acting as the primary engine of employment growth for the UK economy. As the hospitality and healthcare sectors continue to expand, London is expected to remain a crucial hub for job creation in shift-based industries, even as economic conditions shift in other regions.



Hospitality Job Growth by Regions

Source: Deputy (2024) and ONS (2024). Change from June 2022 to June 2024.

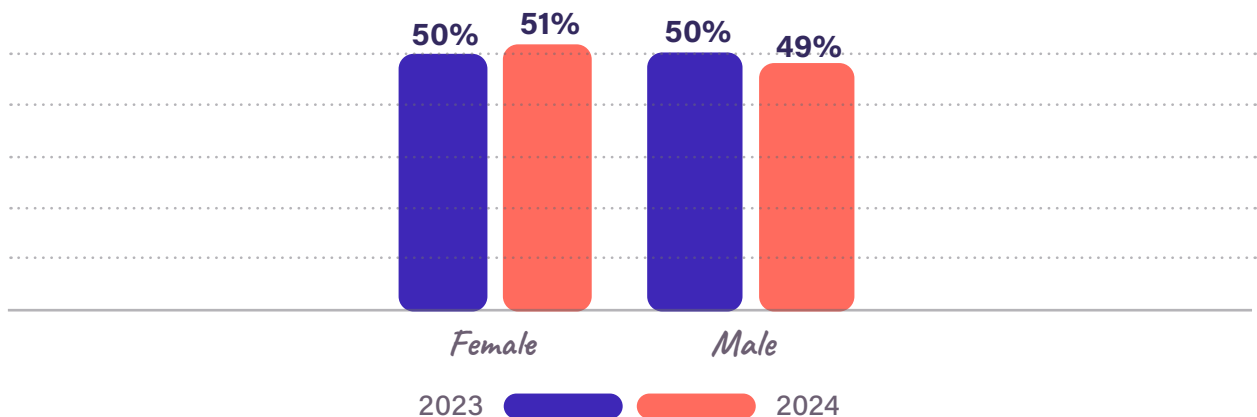


Women Continue to Dominate the Hospitality Workforce

Women continue to make up a slight majority of shift workers in hospitality, accounting for 51% of the workforce in 2024. This represents a 1% increase in female participation compared to the previous year, highlighting a gradual shift in workforce composition. The growing representation of women in hospitality reflects broader employment trends, including higher female workforce participation in service-based industries and greater flexibility in hospitality roles compared to other sectors.

Share of Shift Work by Gender and Year

Source: Deputy (2024) Comparing Jan-Oct 2023 and 2024 Years



Wage Growth in Hospitality vs. Cost-of-Living Pressures

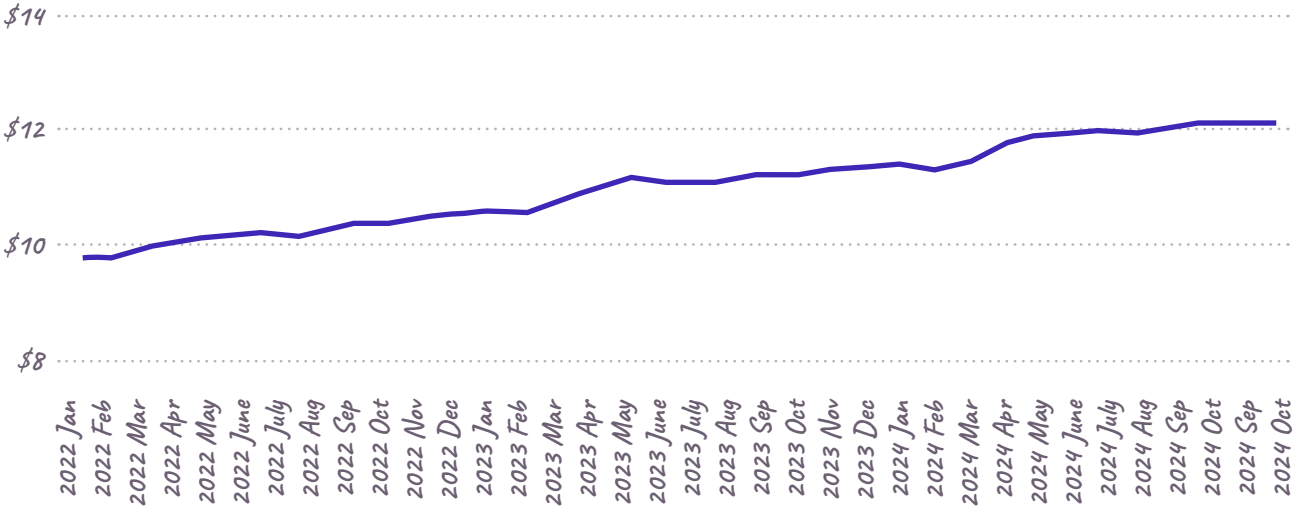
Hospitality workers saw an increase in average hourly pay, rising from £9.80 to £12.10 over two years—a 23% wage increase. However, with inflation rising by 11.04% over the same period, real wage gains have been more modest when adjusted for cost-of-living pressures.

While wage growth in hospitality has outpaced inflation, financial insecurity remains a persistent challenge for many workers. Nearly 68% of hospitality workers report that their current job does not provide enough financial security, with a significant portion strongly agreeing with this statement. Higher wages alone are not solving financial insecurity — predictable schedules and stable hours remain critical for workers to effectively manage expenses.

As a result, employers must go beyond hourly pay increases and focus on improving economic stability for their workforce through consistent scheduling, access to full-time work, and career development opportunities.

Average Hourly Pays

Source: Deputy HR (2024)



Hospitality Sees Highest Levels of Job Mobility

The hospitality industry has the highest rate of job mobility across shift-based industries, with over 31% of workers considering leaving their current jobs—the highest turnover rate recorded on Deputy's platform.

A significant portion of hospitality workers are looking to switch industries, indicating concerns over wages and cost-of-living pressures, unpredictable working hours and limited career progression opportunities

High turnover rates highlight the urgent need for stronger retention strategies. Employers that offer competitive wages, stable schedules, and better benefits will be better positioned to retain talent and reduce labor shortages in the industry.

Poly-Employment Becomes a Growing Trend in Hospitality

As hospitality workers face financial strain and job instability, poly-employment is becoming increasingly common, with many taking on multiple jobs to supplement their income.

Hospitality now has the second-highest rate of poly-employment, with over 23% of workers holding more than one job. More notably 6% of hospitality workers hold three or more jobs—the highest rate among all shift-based industries. This group represents the most vulnerable and time-poor shift workers, juggling multiple roles to make ends meet.

Flexible scheduling is becoming more critical than ever, as hospitality employers must accommodate workers balancing multiple jobs. Competing with industries like healthcare, where workers seek greater stability and higher earnings, will require improved job quality and working conditions in hospitality.



Hospitality Workers Show Resilience Despite Economic Pressures

Deputy's Shift Pulse data reveals that 8% of hospitality workers report feeling 'Stressed,' 'Frustrated,' or 'Okay' about their work shifts. Despite rising financial pressures and the growing prevalence of poly-employment, the data does not indicate significant changes in shift worker sentiment through 2024. This suggests that hospitality workers may have become accustomed to economic instability, adjusting their work habits accordingly.

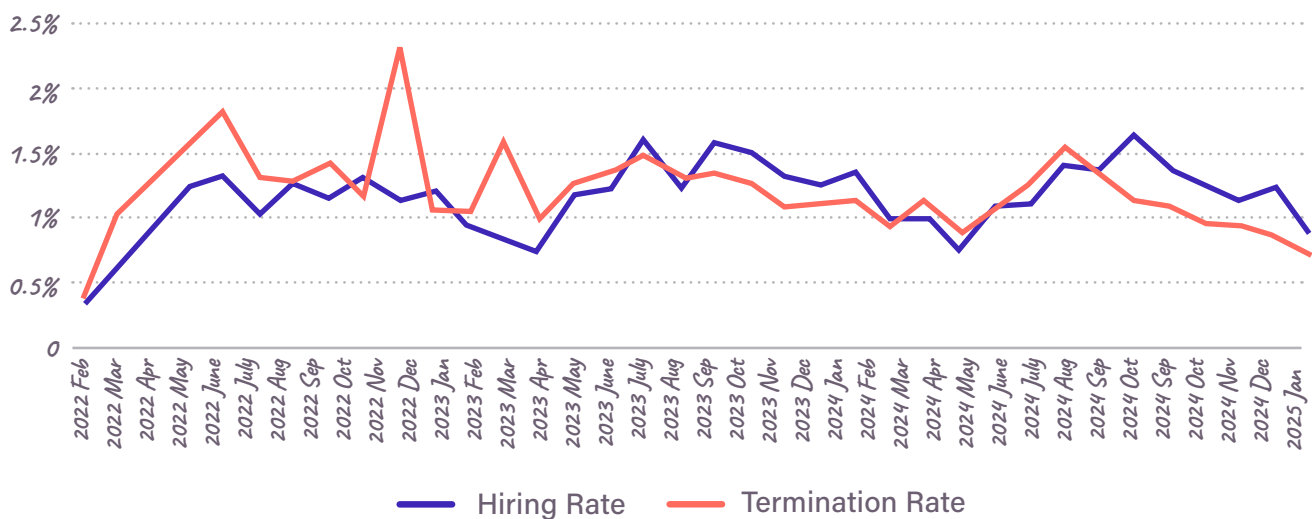
Cyclical Hiring Patterns in Hospitality

Hospitality hiring rates have fluctuated between 0.7% and 1.5% over the past two years, showing no clear upward or downward trend. However, data suggests that hiring and termination rates follow a four-month cyclical pattern, with peaks and troughs occurring consistently throughout the year. This cyclical nature of hospitality hiring indicates that workers are accustomed to seasonal job changes, where they expect short-term employment opportunities or job losses based on demand fluctuations and juggle multiple roles to manage financial uncertainty during hiring slowdowns.

For businesses, understanding these seasonal hiring trends can help optimize workforce planning and improve retention strategies. Employers that offer more stable contracts, ensure year-round scheduling consistency, and provide opportunities for career advancement will have a competitive advantage in attracting and retaining hospitality talent.

Hiring and Termination Rates in Hospitality

Source: Deputy HR (2024). Hiring rates are calculated as the total number of monthly new hires divided by total number of monthly shifts.



Subsector

Healthcare Industry



Healthcare Leads UK Shift Work Employment Growth

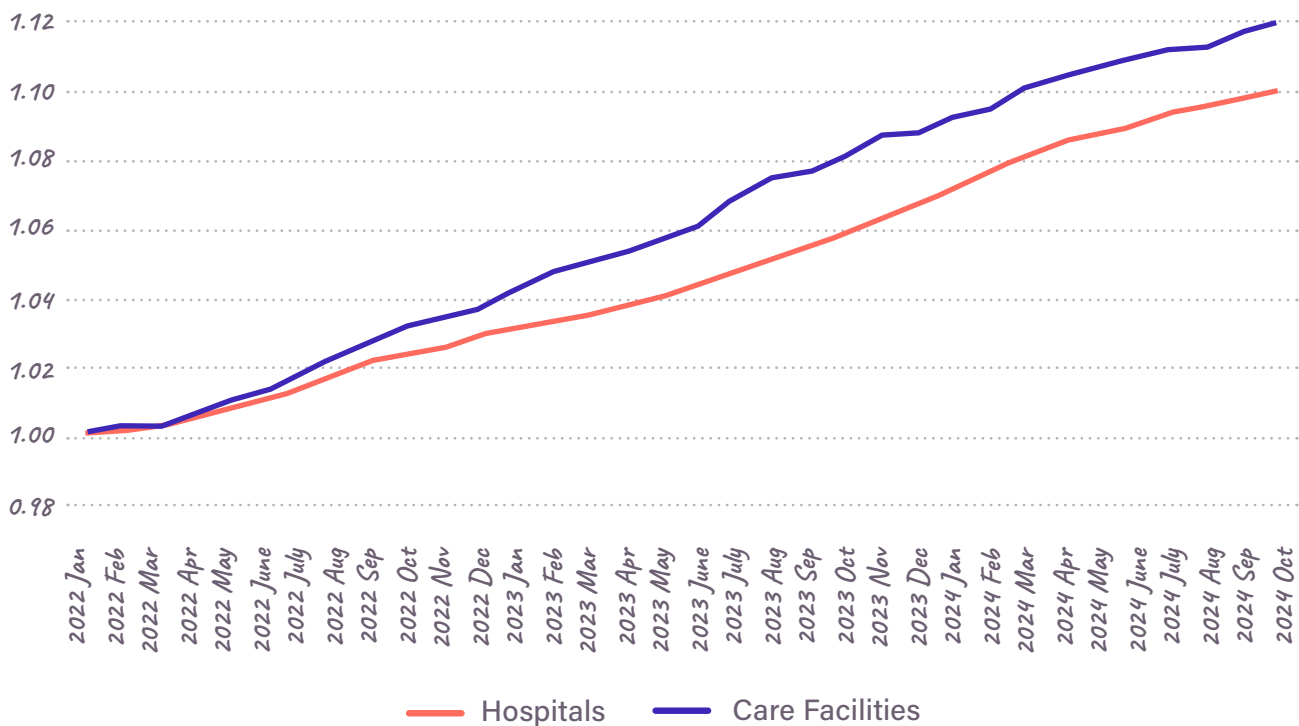
The healthcare industry experienced the strongest shift work employment growth in the UK, expanding by 6% in 2024. This marks the third consecutive year of steady growth, with signs of acceleration as demand for healthcare workers rises. The industry's expansion aligns with long-term forecasts predicting a sustained increase in demand, driven by the UK's ageing population and growing need for care services.

The healthcare sector's employment gains were led by Hospitals, which grew by 4.1% in 2024, reflecting increased investment in medical services and hospital staffing. Care Facilities, which expanded by 3.8%, continuing a multi-year growth trend as demand for aged care and home care services rises.

Both hospitals and care facilities have experienced consistent and positive employment growth over the past two years, a trend that is expected to persist into the long term.

Deputy Job Index by Sectors

Source: Indexed to Jan 2022 using data from Deputy (2024)



London Drives Healthcare Employment Growth

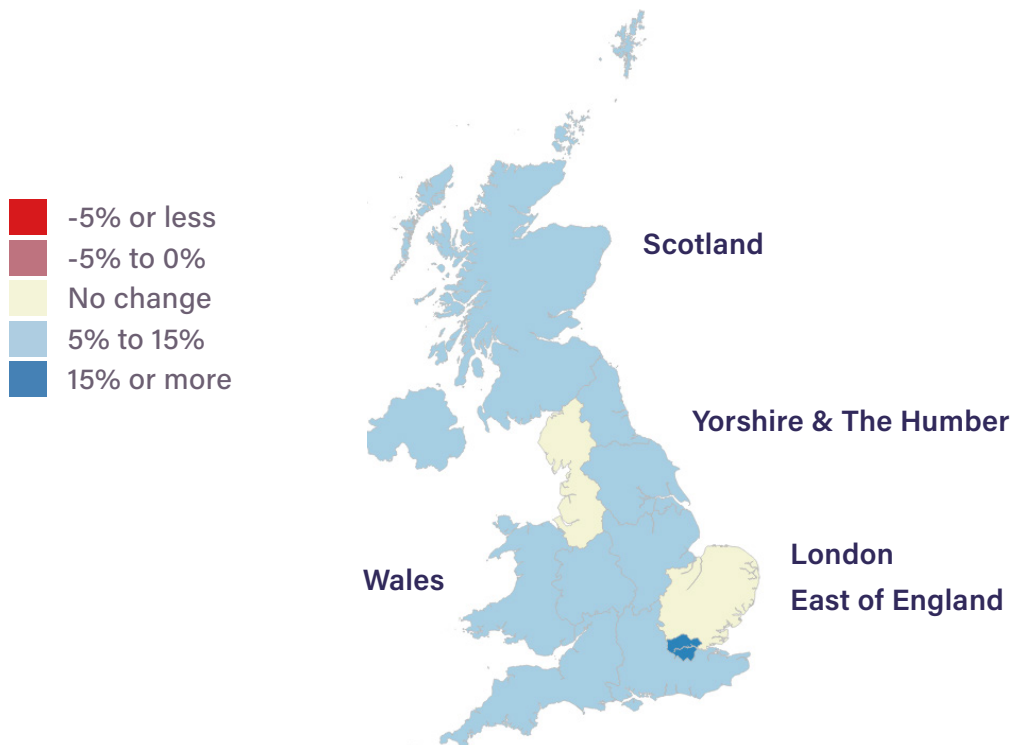
London remains the driving force behind healthcare employment growth, reinforcing its status as a national hub for shift work industries. The city's strong demand for healthcare workers has contributed to the overall resilience of its shift work economy, even as some industries face structural challenges.

While London led employment growth in healthcare, almost all UK regions saw higher levels of healthcare job creation in 2024. The widespread expansion of healthcare employment highlights the sector's critical role in national workforce growth, as both urban and regional areas respond to increasing demand for medical and care services.

As the UK's demographics continue to shift, the healthcare sector is positioned to remain one of the fastest-growing industries, providing stable employment opportunities and long-term career pathways for shift workers nationwide.

Hospitality Job Growth by Regions

Source: Deputy (2024) and ONS (2024). Change from June 2022 to June 2024.

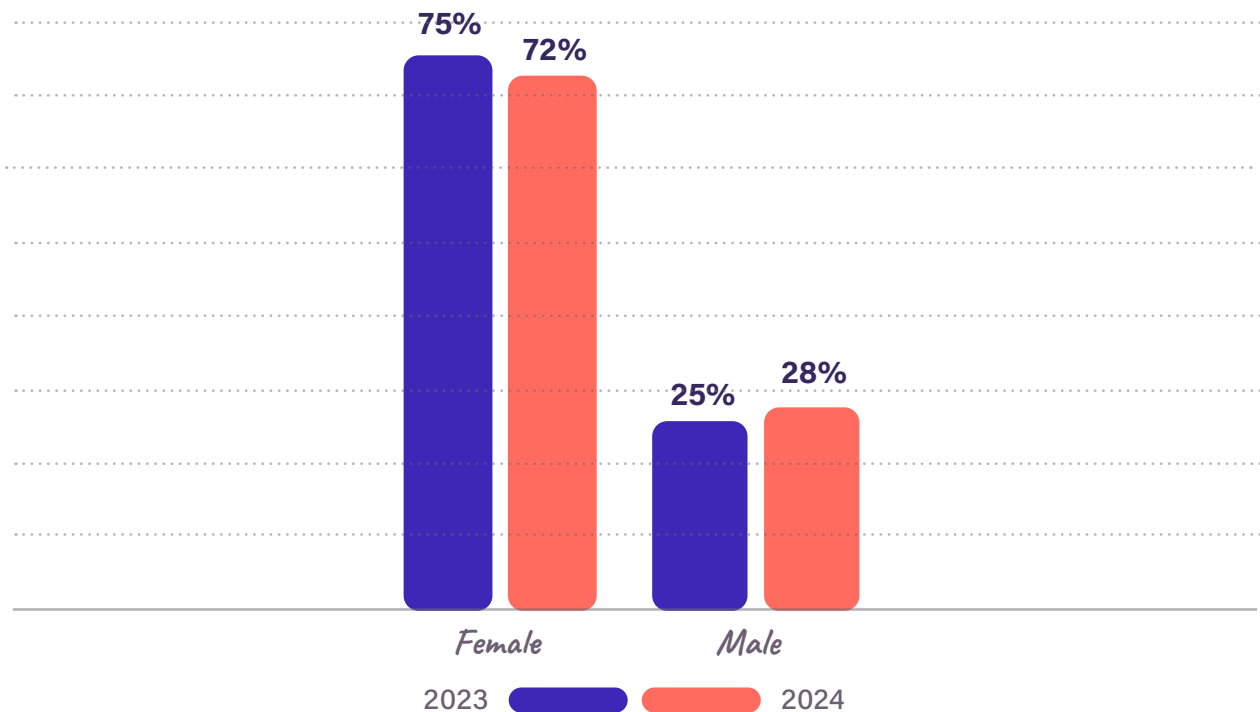


Women Continue to Dominate Healthcare, but Workforce Composition Shifts

Women continue to represent the overwhelming majority of the healthcare workforce, making up 72% of shift workers in the industry. However, the share of female shift work hours declined by 3% compared to 2023, suggesting early signs of a shifting workforce composition. Despite this decline, female work patterns still largely dictate employment trends in healthcare, given their dominant presence in the sector.

Share of Shift Work by Gender and Year

Source: Deputy (2024) Comparing Jan-Oct 2023 and 2024 Years



Wage Growth vs. Cost-of-Living Challenges

Healthcare workers saw a significant increase in hourly wages, rising from £9.30 to £12.40 over two years — a 33% wage increase. While this suggests strong earnings growth, inflation rose by 11.04% during the same period, meaning real wage gains were more modest when adjusted for rising living costs.

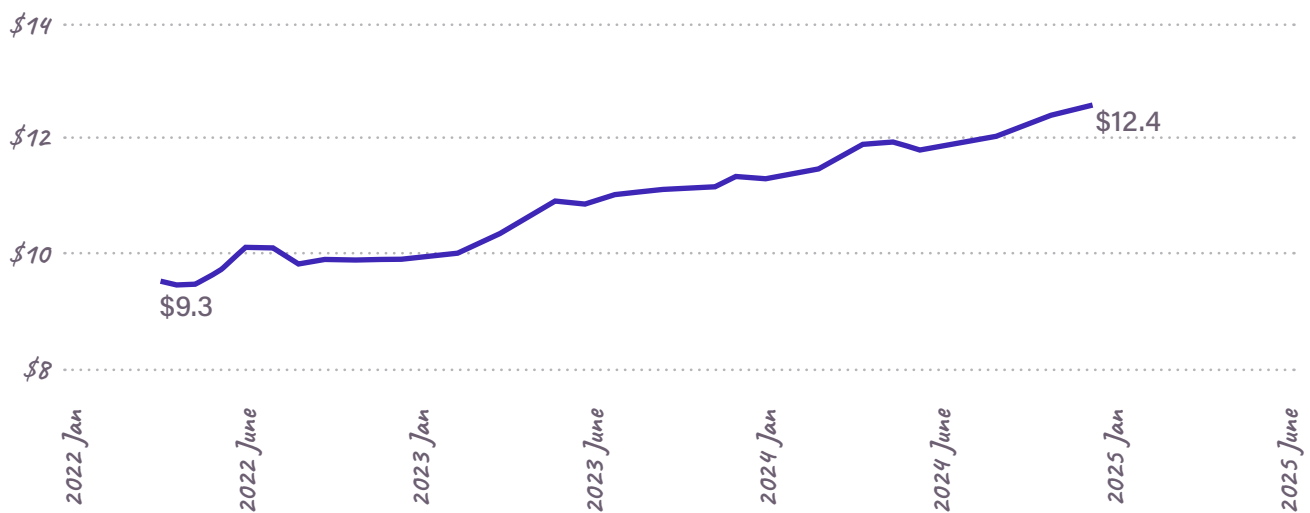
The increase in healthcare wages likely reflects a higher demand for skilled healthcare professionals, particularly in hospitals and care facilities, wage adjustments to offset inflation and retain staff amid a growing labor shortage and shifts in workforce availability, with more workers seeking flexible schedules or leaving the industry due to financial strain.

Despite these wage increases, many healthcare workers still struggle with financial insecurity, with 66% of healthcare workers reporting that their current job donot provide enough financial stability, with many strongly agreeing with this statement. Higher wages alone are not enough — predictable schedules and stable hours remain critical for workers to manage expenses effectively.

As financial insecurity persists, healthcare employers must focus on long-term workforce stability, including career development opportunities, full-time contracts, and improved shift flexibility.

Average Hourly Pays

Source: Deputy HR (2024)



Job Mobility in Healthcare: **Growing Concerns Over Retention**

Although healthcare workers demonstrate lower job mobility than those in retail and hospitality, many still seek career changes. 19% of healthcare workers are considering leaving their current jobs, a relatively high figure for a sector that traditionally offers long-term employment opportunities. A significant share are looking to switch industries, reflecting concerns over wages, working conditions, and job stability.

These figures highlight the increasing importance of retention strategies in healthcare. Employers must prioritise improvements in wages, scheduling consistency, and workplace conditions to prevent workforce shortages in an already high-demand sector.

Poly-Employment **on the Rise in Healthcare**

As financial pressures persist, healthcare workers are increasingly taking on multiple jobs, making poly-employment a growing trend within the industry. 20% of healthcare workers hold more than one job, making healthcare one of the top industries for poly-employment. 4% of healthcare workers are juggling three or more jobs at once, making them among the most time-poor and vulnerable shift workers.

The need for additional income and financial stability is driving more healthcare professionals to balance multiple roles, often across different industries. To address this, healthcare employers must offer better wage structures, provide guaranteed hours, and accommodate flexible scheduling to prevent workers from seeking supplemental employment elsewhere.



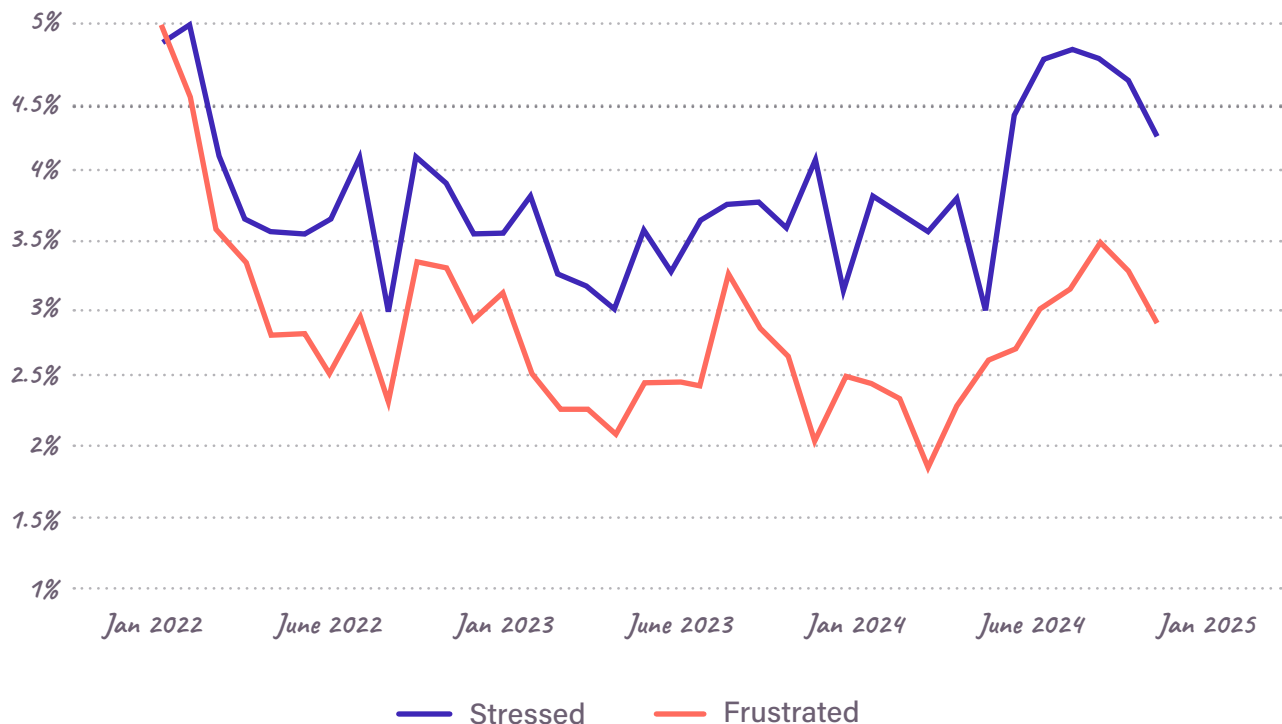
Workplace Sentiment and Stability in Healthcare

Deputy's Shift Pulse data reveals that 8% of healthcare shift workers report feeling 'Stressed,' 'Frustrated,' or 'Okay' about their work shifts. Despite the ongoing cost-of-living pressures and increased poly-employment, worker sentiment has remained relatively stable through 2024.

One notable trend is that termination rates in healthcare have seen modest declines, indicating a slight improvement in workforce stability. This suggests that some employers are adapting to retention challenges by improving working conditions, although continued efforts will be required to maintain a stable and satisfied workforce. As demand for healthcare professionals continues to grow, ensuring job security, competitive compensation, and a sustainable work-life balance will be essential in preventing high turnover and workforce shortages in the coming years.

Worker Sentiment Trends in Healthcare

Source: Deputy ShiftPulse (2024)



Subsector

Services Industry



Services Industry Sees Strongest Post-Pandemic Recovery

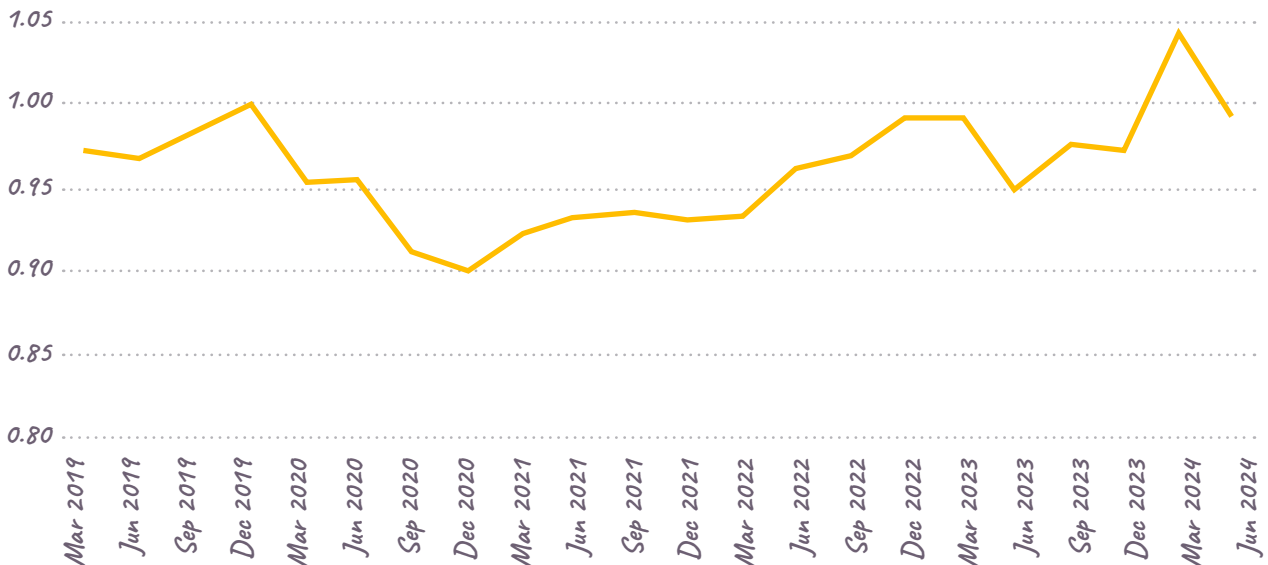
The services industry experienced a 5% increase in employment over the past year, marking the strongest level of recovery among all shift work sectors. As one of the hardest-hit industries during the COVID-19 pandemic, services employment in 2024 officially returned to pre-pandemic levels. However, despite this short-term rebound, longer-term growth in services has been relatively modest compared to other sectors such as healthcare and hospitality.

London remains the primary driver behind the recovery in services, reinforcing its role as the UK’s hub for shift work employment growth. The city’s resilient labor market has played a crucial role in revitalizing service-based employment, even as structural changes in other industries continue to reshape national employment trends.

Despite London’s strong performance, no significant national growth trends have emerged in services over the past two years. While some regions have benefitted from London-driven employment recovery, others continue to struggle.

Services Industry Deputy Job Index

Source: Indexed to January 2023 using data from Deputy (2024)



Regional Disparities in Services Employment

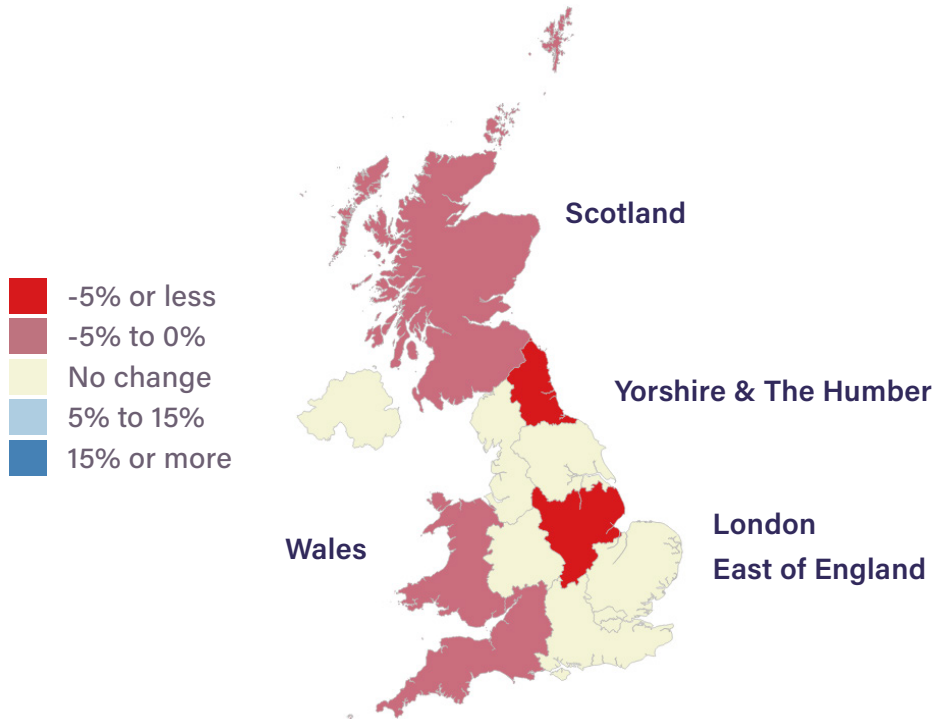
While services employment has recovered at the national level, several regions have experienced continued declines in service-based jobs. Scotland, Wales, and Yorkshire & The Humber all reported declining employment levels in the services sector through 2024.

These regional disparities highlight the uneven nature of recovery across the UK. While urban centres like London are driving growth, many areas outside major metropolitan hubs continue to lag behind, facing slower economic recovery and weaker demand for service-based roles.

As national employment trends evolve, ensuring regional workforce resilience and economic stability will be crucial in maintaining service industry growth beyond London and supporting sustained recovery across the UK.

Services Job Growth by Regions

Source: Deputy (2024) and ONS (2024). Change from June 2022 to June 2024.



Gen Z and Millennials Continue to Dominate the Services Workforce

In 2024, there were no significant changes in the employment shares of Gen Z and Millennials in the services sector. Both generations continue to represent approximately 36% of total shift work employment hours on Deputy’s platform, indicating a stable generational composition in the industry.

While Gen Alpha has not yet made a significant impact in the sector, their entry into the workforce is expected to increase in the coming years. As more Gen Alpha workers exit school-age levels, they are likely to enter entry-level administration roles within the services industry, particularly in sectors such as customer service, office administration, and support roles.

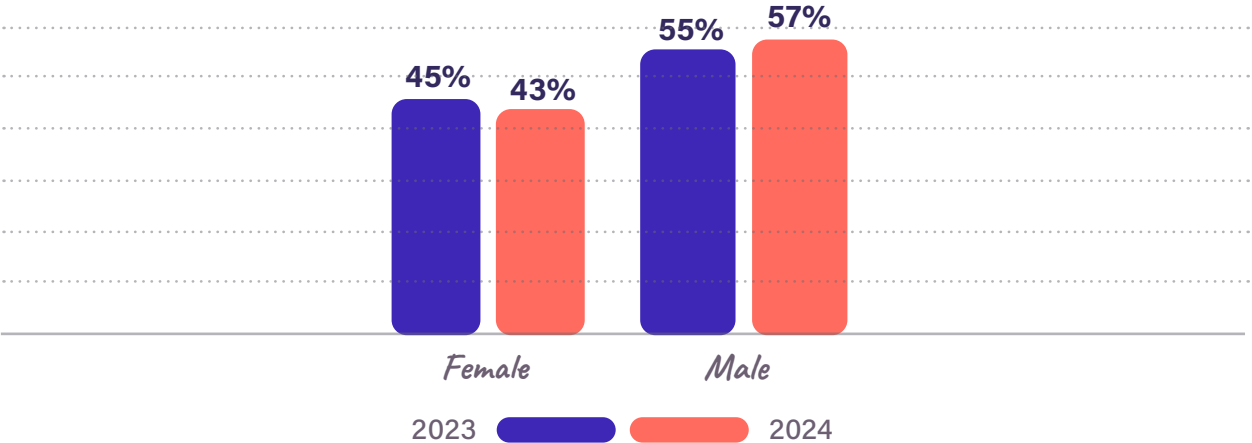
Gender Disparities in Services Employment

Women account for a smaller share of shift work hours in the services sector, with female workers representing 43% of total shift work employment. This marks a 2% decline in female participation compared to 2023, indicating that the industry remains male-dominated. The decline in women’s workforce participation could reflect shifting employment preferences, changes in job availability, or barriers to entry such as limited flexibility or career progression opportunities.

As workforce demographics evolve, employers may need to reassess workplace policies to attract more female workers, including offering flexible scheduling, career development programs, and improved job stability.

Share of Shift Work by Gender and Year

Source: Deputy (2024) Comparing Jan-Oct 2023 and 2024 Years

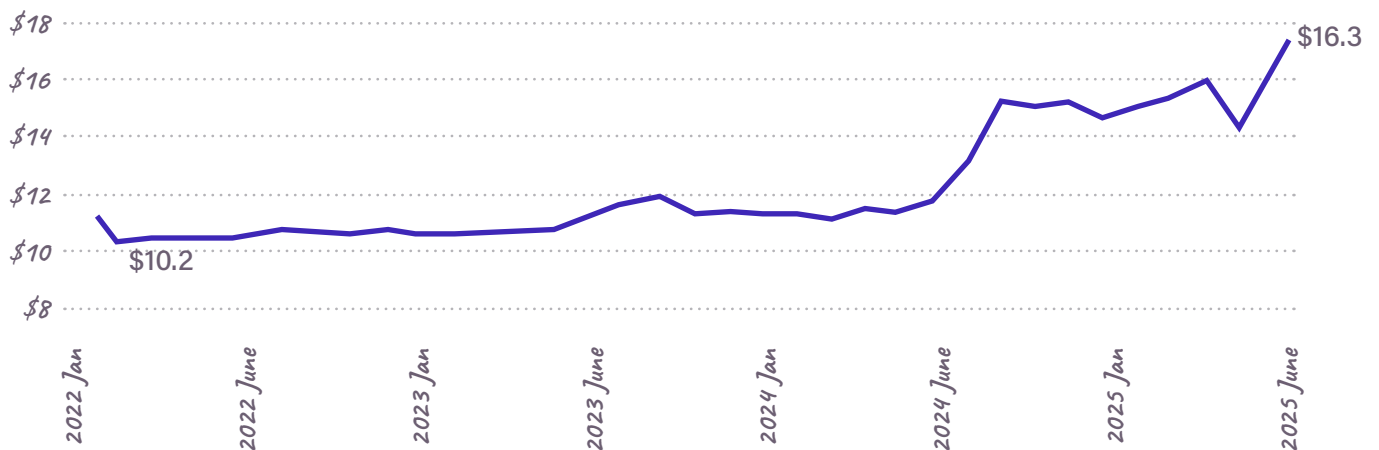


Wage Growth in Services: Highest Increase Among All Industries

Workers in the services industry experienced the highest wage growth among all shift-based industries, with average hourly pay increasing by over 60%—rising from £10.20 in 2022 to £16.30 in 2024. However, inflation rose by 11.04% during the same period, meaning that real wage gains were more modest once adjusted for rising living costs. While higher wages have improved financial outcomes for many service workers, cost-of-living pressures remain a challenge for those who rely on stable income to manage expenses.

Average Hourly Pays

Source: Deputy HR (2024)



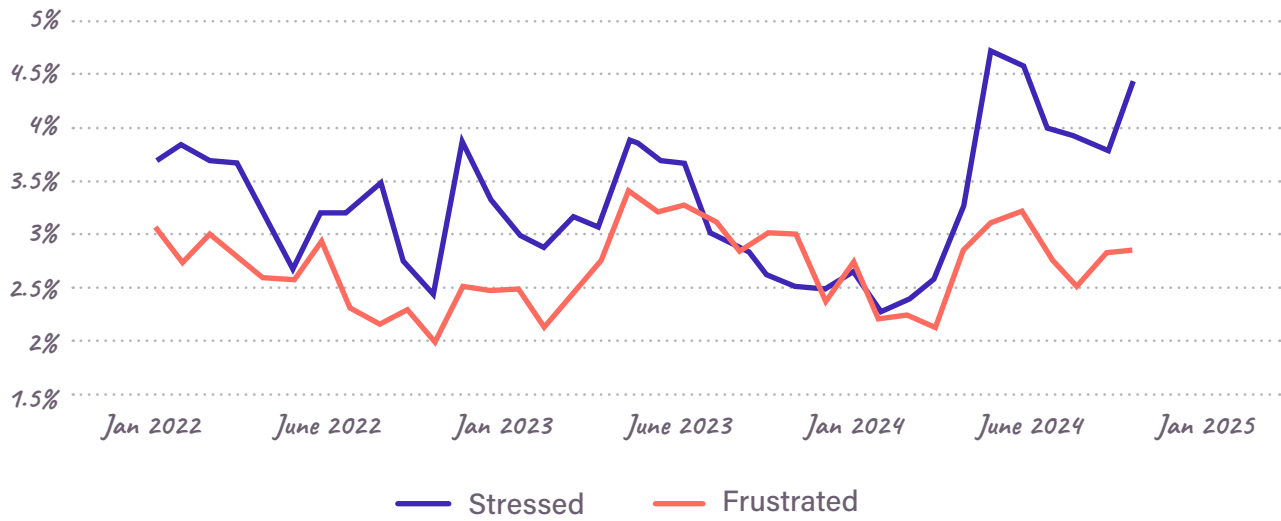
Worker Sentiment and Job Stability

Deputy's Shift Pulse data reveals that 9% of services shift workers report feeling 'Stressed,' 'Frustrated,' or 'Okay' about their work shifts. Despite rising cost-of-living pressures and the prevalence of poly-employment, negative shift work sentiment in the services sector remained largely unchanged in 2024. This suggests that economic pressures and juggling multiple jobs do not necessarily lead to lower worker sentiment in services. Many service workers may have already adapted to the realities of financial pressures, managing job stability through multiple roles and wage growth.



Worker Sentiment Trends in Healthcare

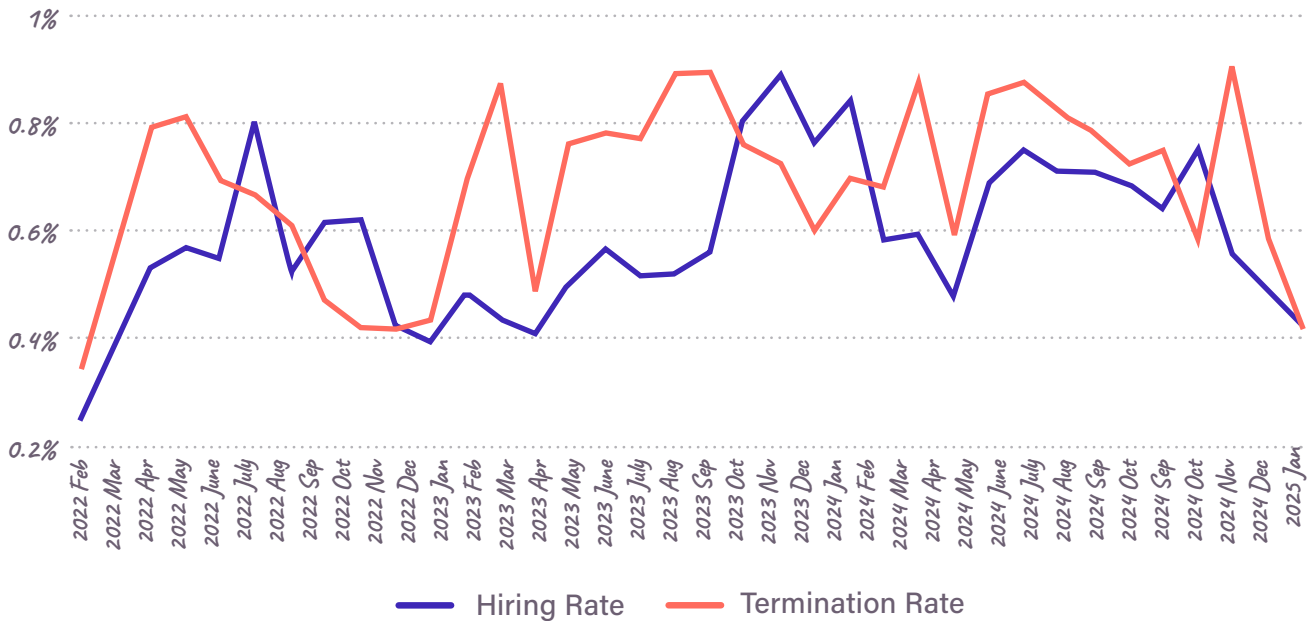
Source: Deputy ShiftPulse (2024)



Additionally, termination rates in services saw modest declines in 2024, suggesting slightly improved workforce retention. The combination of higher wages, stable sentiment, and lower termination rates indicates that the services industry may be experiencing a period of stabilization, despite ongoing economic fluctuations. As the services sector continues to recover, maintaining job stability, competitive wages, and predictable scheduling will be critical in ensuring long-term workforce sustainability and attracting new talent.

Hiring and Termination Rates in Services Industry

Source: Deputy HR (2024). Hiring rates are calculated as the total number of monthly new hires divided by total number of monthly shifts.



Conclusion:

The Future of Shift Work in the UK

The UK shift work economy has demonstrated remarkable resilience in 2024, despite ongoing economic challenges, cost-of-living pressures, and structural shifts in key industries. While inflation has stabilized and wage growth has outpaced rising costs, financial insecurity remains a persistent concern for many shift workers, driving higher job mobility and an increase in poly-employment across multiple sectors

London has consistently led national employment trends, acting as the primary hub for shift work job creation, particularly in healthcare and hospitality. However, regional disparities persist, with areas such as Scotland, Wales, and Yorkshire & The Humber seeing employment declines, particularly in retail and services. Ensuring a more even economic recovery across the UK will require targeted investment in regional employment programs and job stability initiatives.

While higher wages have provided some relief, many workers still face economic instability, highlighting the critical need for predictable schedules and more structured employment opportunities.

With more than 25% of retail and hospitality workers considering leaving their jobs, job mobility remains a major challenge for industries that rely on low-wage shift work. Retention strategies, including stable scheduling, workforce benefits, and opportunities for career growth, will be essential for businesses looking to secure long-term labor stability.

The Path Forward: **Stability, Innovation, and Policy Reform**

Looking ahead, the UK shift work economy is poised for continued transformation, driven by technological advancements, demographic shifts, and regulatory changes. AI and digital tools are becoming increasingly essential, with many workers expressing a strong demand for investment in workplace technology to improve efficiency and job satisfaction.

Additionally, policy reforms, including potential regulations on fair scheduling, job security, and the right to disconnect, could reshape shift work practices in the coming years. The proposed National Living Wage increase in April 2025 will provide much-needed financial relief for nearly three million low-wage workers, but businesses will need to balance rising labor costs with operational efficiency to maintain profitability.



As shift work continues to evolve, businesses that proactively invest in workforce planning, embrace flexible employment models, and leverage technology to improve worker experience will be best positioned to thrive in this new era of work. By prioritising stability, job quality, and economic security, the UK can build a more sustainable and resilient shift work economy—one that works for both businesses and the workers who keep the country running.

Acknowledgements

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The Big Shift: The Fall of Retail and Rise of the Night Time Economy

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**Improving the world of work,
one shift at a time**

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