# Superdrug to close Grantham store amid rising UK retail closures



Superdrug, a well-known fixture in the UK retail landscape, is set to close its store in Grantham after more than four decades of continuous service, with the closure scheduled for 9 August. The decision has sparked a wave of disappointment among local customers, many of whom took to social media to express their concerns about the town's declining retail environment. Comments ranged from “This town is dying” to “Grantham will have nothing soon,” reflecting a broader unease about the future of local high streets.

The Grantham store closure is not an isolated incident but part of a troubling trend affecting the entire retail sector. Recent findings from the Centre for Retail Research (CRR) indicate that the UK could see around 17,350 retail closures in 2025, building on the already significant losses endured in 2024, where approximately 13,000 shops shut their doors—a staggering increase of 28% compared to the previous year. Professor Joshua Bamfield, director of the CRR, highlighted the precarious state of retail, suggesting that with rising operational costs and decreasing consumer disposable income, job losses in the sector may soon surpass the levels witnessed during the peak of the pandemic.

Superdrug did not provide specific reasons for the Grantham store's closure but did extend thanks to its customers for their loyalty. According to the company, all employees affected by the closure will receive individual consultations regarding potential opportunities within the larger business, offering some semblance of support during this transition.

The challenges faced by retailers like Superdrug are exacerbated by broader economic conditions. Increased business costs—stemming from government measures such as higher National Living Wages, enhanced employer National Insurance contributions, and rising business rates—are making it increasingly difficult for many shops to remain viable. A report from PwC corroborates this view, indicating that these financial pressures will likely accelerate the rate of closures in the coming years, causing further disturbances in the high street landscape.

Interestingly, while high streets struggle, there is a contrasting trend emerging in retail parks and out-of-town shopping centres, which have seen fewer closures and even some new openings. This shift suggests that consumers are favouring locations that offer convenience and accessibility, a trend that further complicates the future for traditional high street retailers.

The ongoing retail crisis highlights a fundamental shift in consumer behaviour, preferences fuelled by the rise of e-commerce, and the swift changes in the economic landscape. As expected store closures loom on the horizon, many retailers might need to reevaluate their strategies to survive in an increasingly competitive and challenging market.

With Grantham's Superdrug closing, the emotional reactions reflect not only a loss of a local shopping option but echo a broader narrative of change and uncertainty facing towns across the UK. The future of these high streets, once bustling with shoppers, now teeters on the edge as both businesses and consumers navigate this tumultuous period.

### Reference Map

1. Paragraph 1: Information from lead article
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Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.birminghammail.co.uk/whats-on/shopping/major-high-street-chain-set-31676459> - Please view link - unable to able to access data
2. <https://www.birminghammail.co.uk/whats-on/shopping/major-high-street-chain-set-31676459> - Superdrug, a major UK high street chain, has announced the closure of its Grantham store after over 40 years of service. The store is set to close on August 9, 2025. Customers have expressed disappointment over the decision, with some commenting on social media about the town's decline. The retailer did not provide a specific reason for the closure but thanked customers for their support. This follows a trend of increasing retail closures in the UK, with the Centre for Retail Research forecasting around 17,350 retail sites to shut down this year.
3. <https://www.reuters.com/business/retail-consumer/rate-uk-shop-closures-accelerate-after-budget-tax-changes-says-report-2025-03-20/> - A report from PwC indicates that the rate of shop closures on Britain's high streets is expected to accelerate in 2025 due to increased business costs imposed by the government's latest budget. These costs include higher National Living Wage, employer National Insurance contributions, and business rates, which are making marginal retail and hospitality locations unviable. The Finance Minister Rachel Reeves' budget, aimed at raising funds for infrastructure and public services, has faced criticism from the business community. In 2024, a net of 12,804 shops belonging to multiples and chains closed in the UK, with overall net closures averaging 10 per day. The British Retail Consortium warns that these added costs could lead to higher prices, job losses, and reduced investment. While high street closures continue, out-of-town locations have experienced fewer closures and a rise in new store openings, driven by shifts from high streets to more convenient retail parks. The Labour government defends the budget measures as necessary steps to address a £22 billion deficit inherited from the previous Conservative administration.
4. <https://www.retailresearch.org/retail-crisis.html> - The Centre for Retail Research provides data on retail job losses and store closures month-by-month, offering comparative figures for 2018-2024. The year 2022 was considered the worst for retailers in 25 years. The figures relate to large and medium-sized retailers (five stores or more) and independents (fewer than five stores, mostly one or two). The data highlights the challenges faced by the retail sector, including administrations, Company Voluntary Arrangements (CVAs), and rationalisation efforts to meet reduced or changing demand.
5. <https://www.ft.com/content/dd845d85-12a6-42bd-92e2-27b9d1070232> - Vacancy rates at open-air shopping centers in the US have reached historic lows, dropping to just 6.2%, due to landlords' increased ability to raise rents as existing leases expire. The trend defies previous predictions that ecommerce would cause a retail apocalypse, and retailers, particularly discount chains, continue to expand. Limited new construction, driven by high interest rates and building costs, has contributed to the scarcity of available retail space. Ecommerce still only accounts for a small fraction of total US sales, and traditional retailers are adapting by using physical stores as hubs for online orders and returns. Open-air shopping centers, mainly featuring storefronts facing parking lots, are thriving in contrast to declining enclosed malls, many of which, like Macy's, are closing. The retail real estate market has been positively influenced by basics and value stores rather than luxury brands. The scarcity of new spaces means landlords now enjoy significant pricing power, with rents for open-air centers averaging nearly $18 per square foot this year, making new construction unfeasible in many markets.
6. <https://www.retaildive.com/news/retail-store-closures-outpace-openings-2025/738105/> - U.S. retailers are expected to close more stores than they open again this year, according to Coresight Research. Last year, 5,970 stores opened and 7,325 closed, a net loss of 1,355 as of Jan. 10. In 2025, Coresight expects about 15,000 U.S. stores to shutter, as openings remain steady at about 5,800. As of Friday, Coresight tracked more than 2,000 closures slated for this year, which represents a year-over-year increase of more than 334%, compared to nearly 30% fewer openings.
7. <https://www.forbes.com/sites/chriswestfall/2025/03/02/15000-store-closures-expected-in-retail-as-private-equity-pulls-back/> - Retail closures are expected to spike to approximately 15,000 stores in 2025, according to reports from Coresight, a leading advisory firm on retail and technology trends. The closures are driven by weak consumer demand, inflation, and investor expectations inside an increasingly unforgiving business environment. Inflation and a growing preference among consumers to shop online to find the cheapest deals took a toll on brick-and-mortar retailers. Beyond consumer preferences, a rising trend in private equity is emerging—as investors don’t want to salvage struggling businesses in the retail sector, turning to closings and bankruptcy as a solution for excessive debt. The Private Equity Stakeholder Project (PESP) shows that private equity firms played a role in 56% of the largest corporate bankruptcies in 2024 (that’s 27 of 48 bankruptcies from last year where liabilities exceed $500 million).