resonate
www.resonate.cx

Current Landscape of the UK Nursery

Market Research Report 2025

A market study commissioned by Resonate

The insights presented in this report are based on a survey conducted with a 95% confidence level and a margin of error of ±5%.

About Resonate CX

Resonate CX is a global Voice of the Customer (VoC) platform disrupting the Customer Experience Management (CXM) space. With rapidly growing success in retail, we are turning raw customer insights into decisive business actions.
Our native AI-driven experience analytics deliver real-time business results. Driving conversions, helping grow basket sizes, and power charging customer lifetime value.
We are re-defining CX the be the most powerful growth engine for a company.

Research

A statistically significant market study of 600 respondents was conducted in January 2025, with a 95% confidence level and a margin of error of less than ±4%.

The biggest names in retail swear by Resonate CX

Highest User Adoption
Enterprise
WINTER 2025

Best Results
Enterprise
WINTER 2025

Momentum Leader
WINTER
2025

High Performer
WINTER
2025

Best Support
Mid-Market
WINTER 2025

Easiest To Do Business With
Mid-Market
WINTER 2025

Highly recommend Resonate for their CX knowledge and expertise.

Beck Davis
Customer Experience Lead | Bluescope

Resonate allows us to learn, adapt and best serve our customer in a changing retail environment.

Madeline Harris
National Customer & Communications Manager | Rebel Sports

A key enabler for my business. Enabled to bring the cultural shift in my organization to be more customer focused.

Samuel Mathew Krishnamoorthy
Head B2B - Country Head UK | brillen.de

Valuable tool to harness the voice of customer.

Dave Hallewell
Retail Customer Experience Specialist | Super Cheap Auto

Easy to navigate. Great for deep diving for strategy planning.

Rob Mason
Store Manager | BCF

Resonate allows us to see the drivers that customers are happy and unhappy with.

Jennifer Karcz
Store Manager | Super Cheap Auto

Resonate is giving me feedback on the service my customers experience, and what they are unhappy with.

Jo-Anne Nel
Retail Manager | Rebel Sports

Resonate has been extremely helpful and insightful in my stores.

Matt Steinbergs
Area Manager | Super Retail Group


nationwide
High Childcare Costs Are Pushing Parents to Rethink Work and Family
Families are rethinking future children and work as the latest
The Guardian
News
Opinion
Lifestyle
Education
Schools
Teachers
Universities
Students
Severe Staff Shortages Threaten Free Childcare Expansion
The Guardian
News
Opinion
Lifestyle
Education
Schools
Teachers
Universities
Students
Limited Availability & Access Gaps in Government-Funded Childcare
WIRED
Megan Carnegie
Tech Culture
The Collapse of Childcare is Putting Pressure on UK Employers
British parents often can't affor to go back to work, exacerbating a labor shortage.

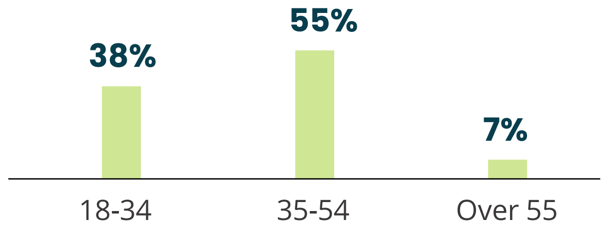
AGENDA

Growth focused CX insights

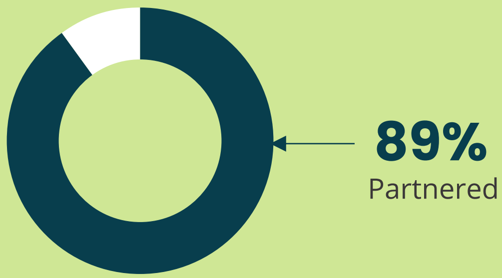
1. Market Overview & Key Trends
2. Family Segments
3. Building a High-Quality Nursery Experience
4. Subsides Nursery & Market Impact
5. The Dream Experience
6. Regional Breakdown

WHAT MAKES UP THE CURRENT MARKET?

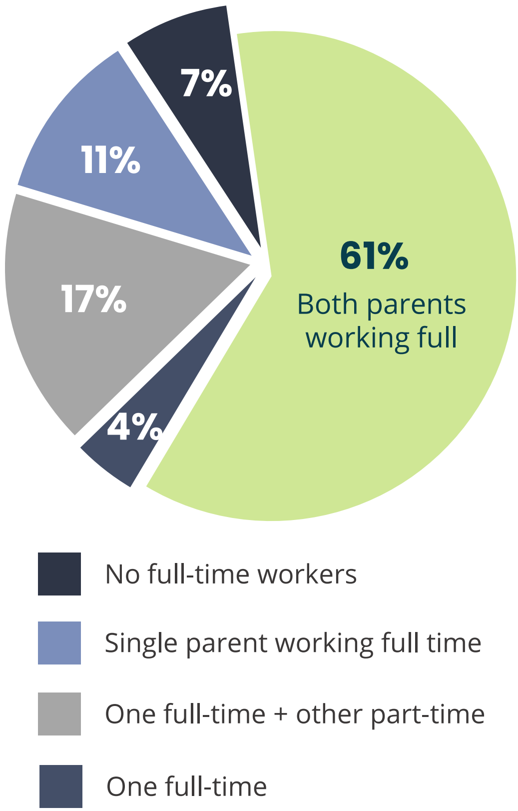
Age of parents responding to the survey



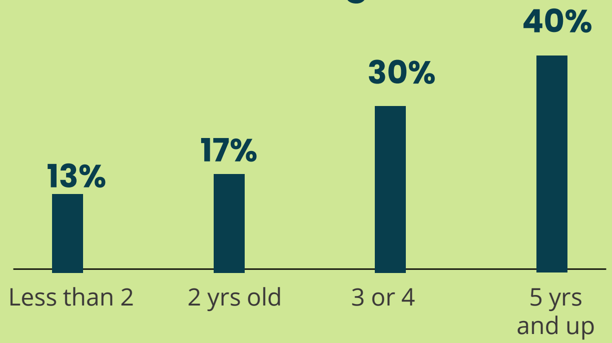
Marital Status



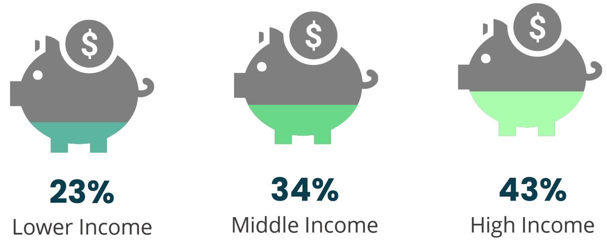
Working Status of Partnered



Kids Age



Income group of current service users

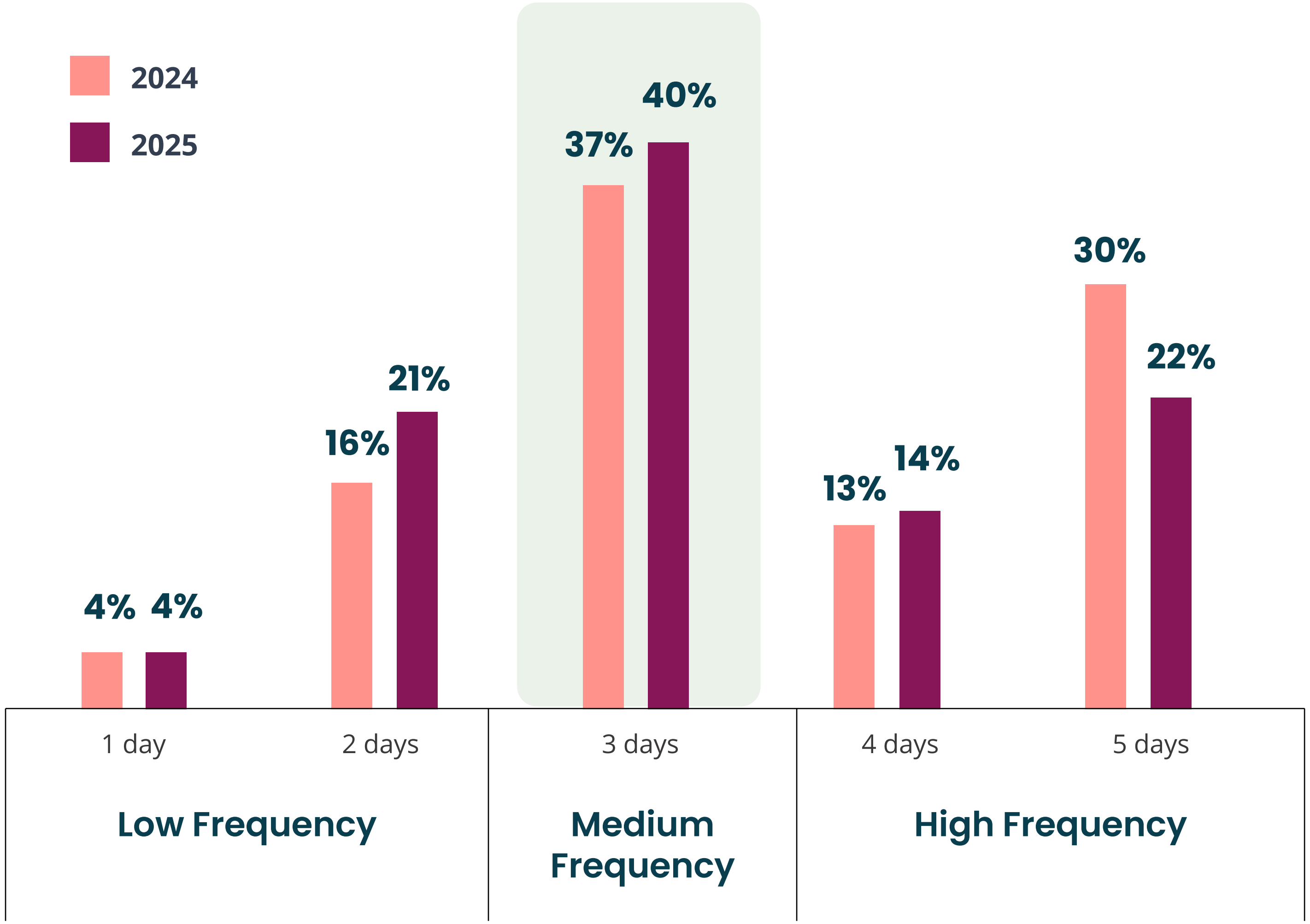


PART 1

Market Overview & Key Trends

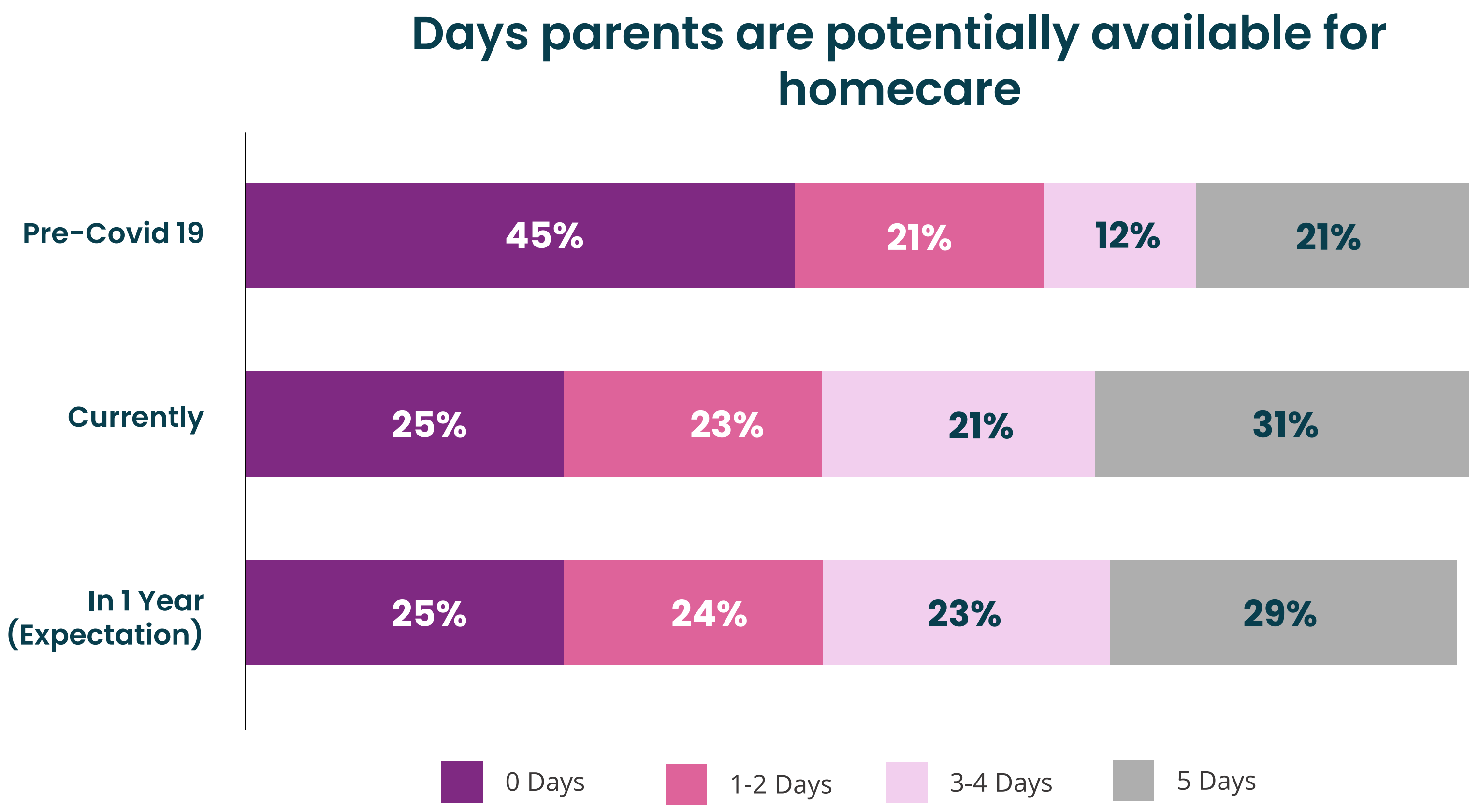
- Shifting usage patterns
- Changing work habits
- Key decision drivers & barriers
- Churn risk & provider switching

SHIFT IN USAGE PATTERNS SINCE 2024



- The ***most significant decline*** was in the **5-day** usage category.
- This was mainly offset by ***increases in 2-day and 3-day*** usage.
- Indicates a ***shift towards more flexible*** nursery arrangements, possibly driven by rising living costs.

CHANGES IN WORKING PATTERNS AND FUTURE OUTLOOK

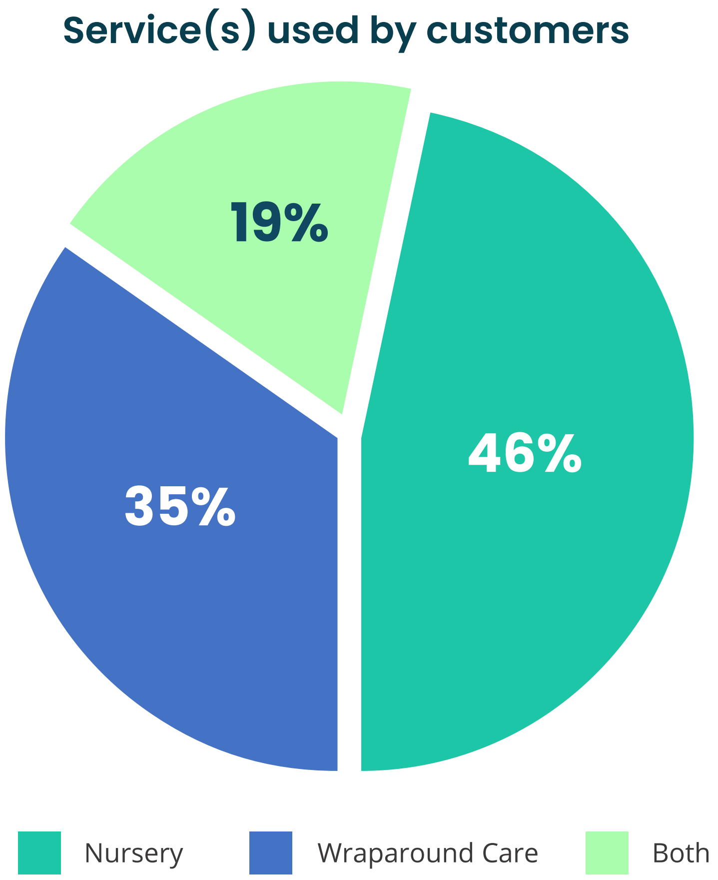


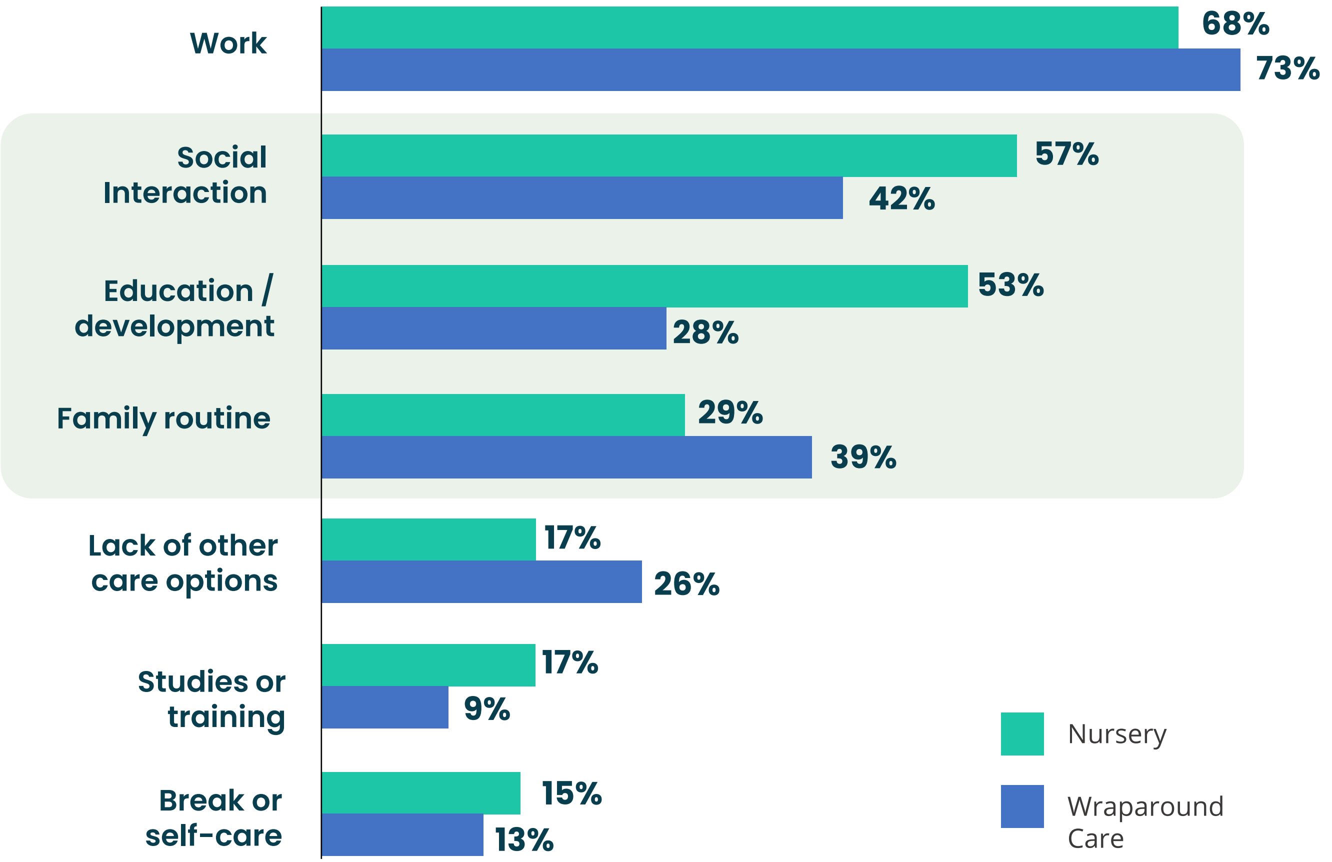
The ***impact of COVID*** on in-person work is evident, **directly affecting the demand** for Nursery services.

The UK is returning to full-time office work slower than countries like the US or Korea, but the shift is expected to accelerate over the next year.

Note: Potential caregiving days are calculated by adding the number of days both parents work from home, assuming they can alternate caregiving duties. For example: If both work outside the home 5 days, potential caregiving days are 0.If each works from home 1 day (and outside 4 days), potential caregiving days are 2.If one works from home 5 days and the other works outside 5 days, potential caregiving days are 5.

WHY DO CUSTOMERS USE NURSERY & AFTER-SCHOOL CLUB SERVICES?





There are no surprises that the number one reason is work, but factors like social interaction and educational development are almost just as strong for nurseries. For wraparound care, family routine stands out as key. Any communication or strategy based on these factors should have a greater impact.

WHY NOT MORE? NURSERY

42%
Too expensive

25%
Other care options

15%
Part-time work

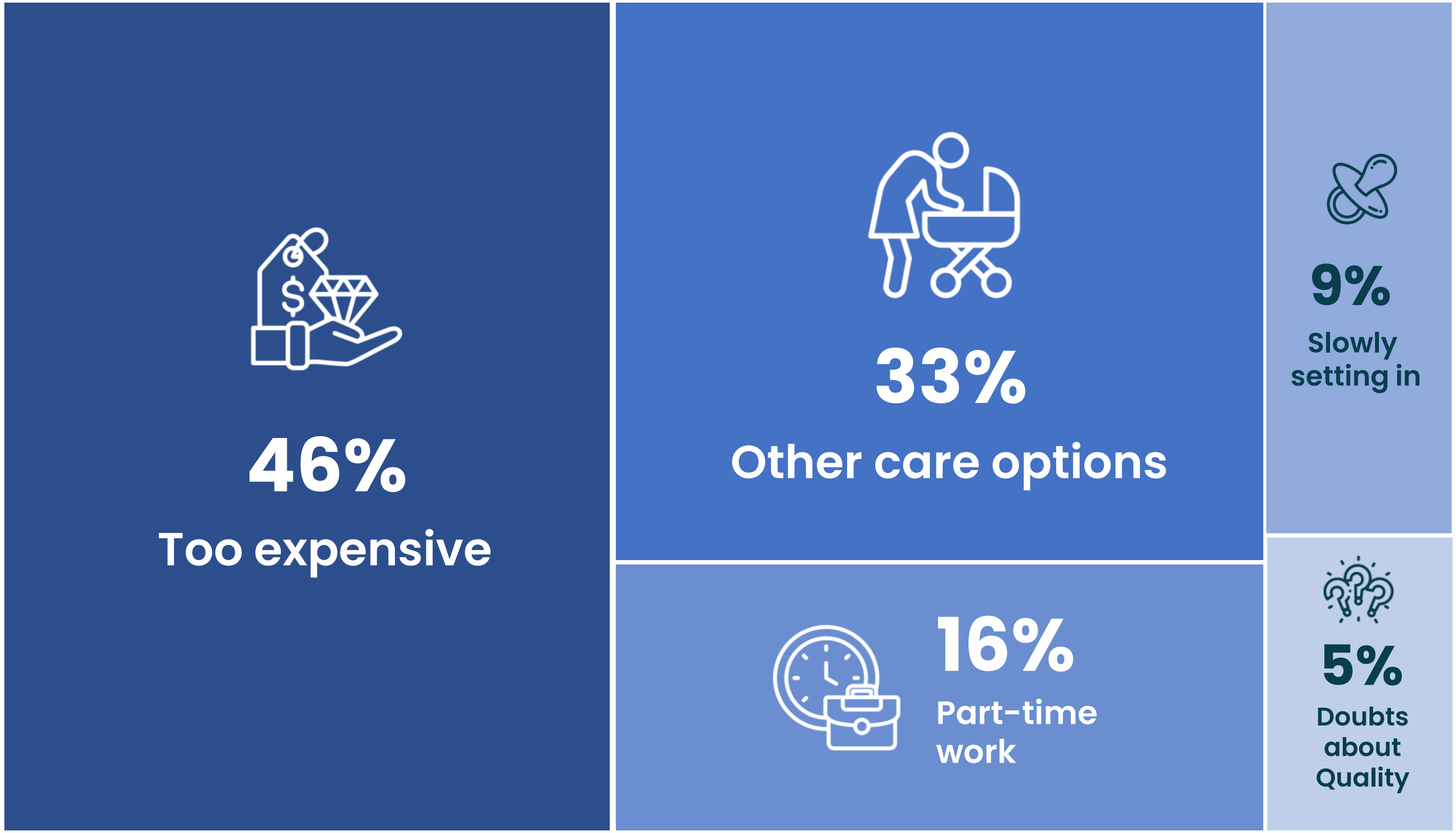
15%
Slowly setting in

4%
Doubts about Quality

It's key to note that 15% mentioned "**slowly setting in**" and 4% cited "**quality concerns**". While not top reasons, they are easier to improve than cost or alternative care options.

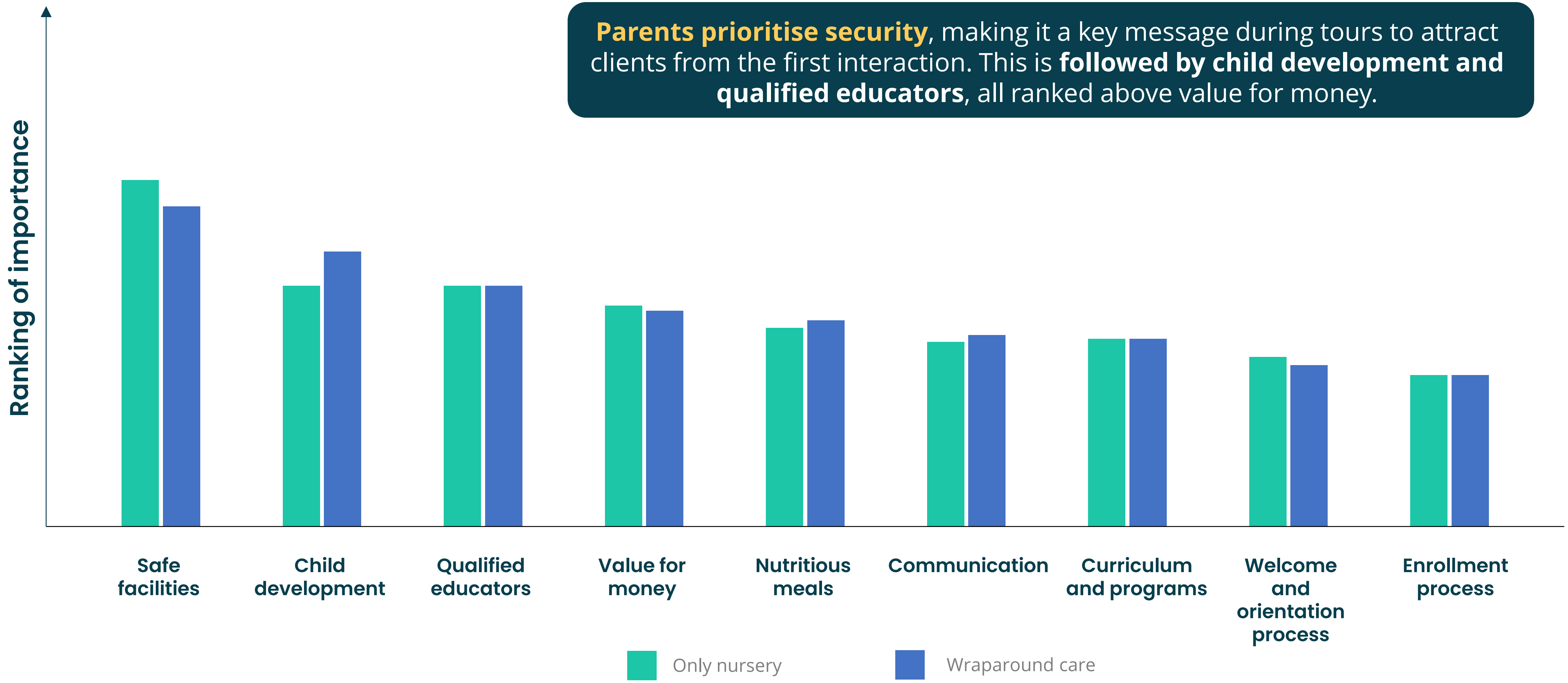
WHY NOT MORE? WRAPAROUND CARE

As with nurseries, **“slowly setting in"** and **“quality doubts”**, though less common, are still relevant and can drive higher usage.



TOP FACTORS FOR CHOOSING NURSERY OR WRAPAROUND CARE

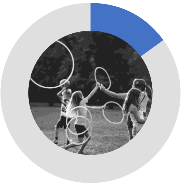
Parents prioritise security, making it a key message during tours to attract clients from the first interaction. This is **followed by child development and qualified educators**, all ranked above value for money.



CHURN IN CURRENT MARKET

Nursery

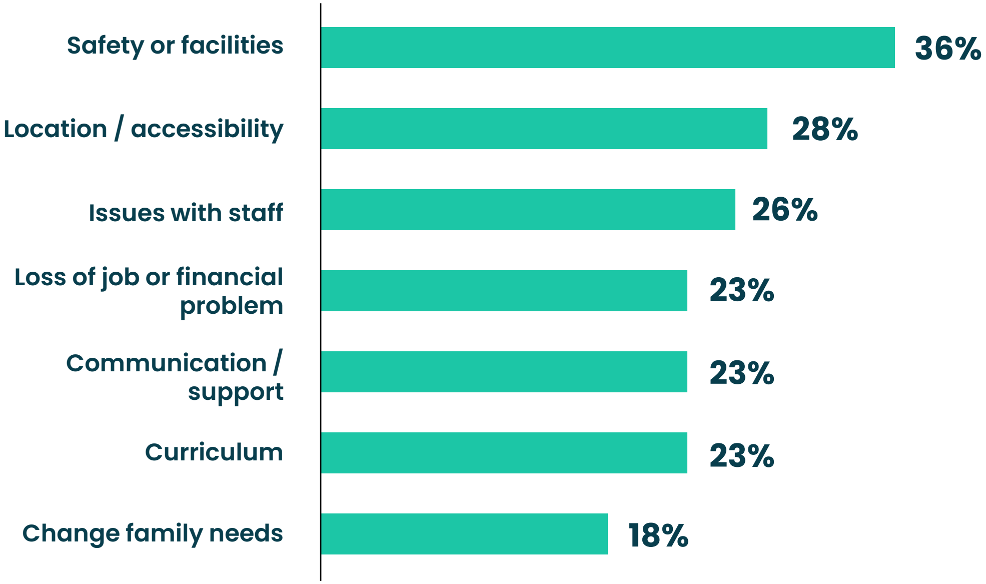
25% changed provider in the last 12 months

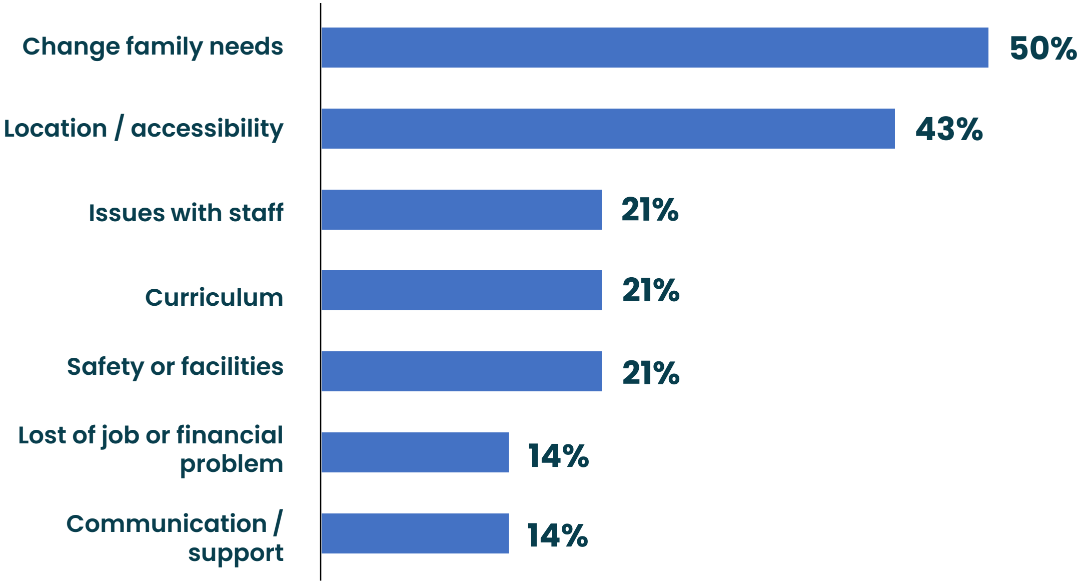


Wraparound care

15% changed after school club provider in the last 12 months

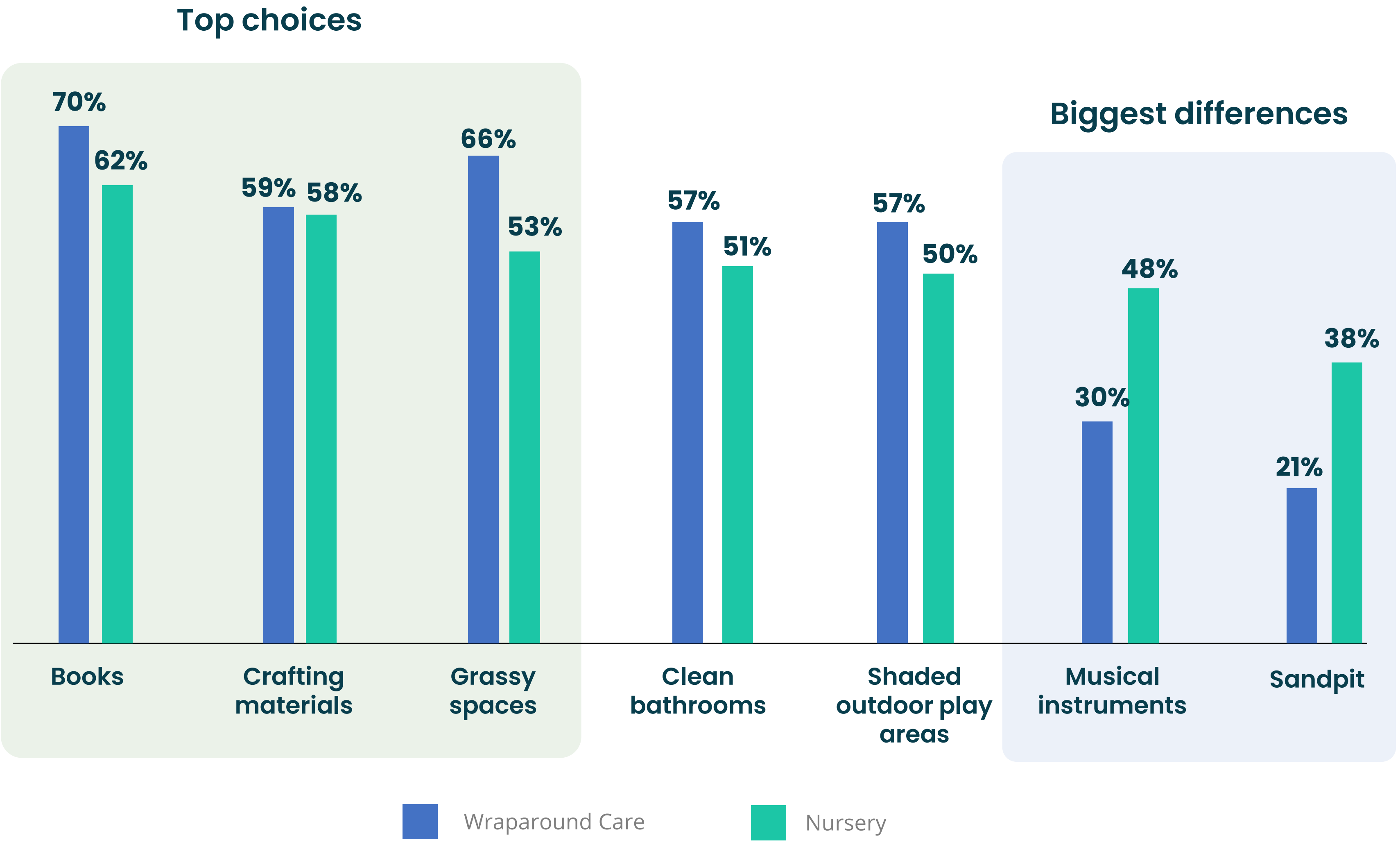
Primary reasons for changing providers





There is significant churn in the UK, likely driven by subsidy changes and shifting office conditions. Among the factors within providers' control, safety and facilities are key in nurseries, while in wraparound care, staff issues and curriculum also play a critical role. Addressing these areas can help retain current clients and capture market churn.

FACILITIES



Families that only use ***nurseries*** have ***more consistent preferences*** overall, while ***after school clubs / wraparound care*** show ***greater differences*** between maximum (books) and minimum values (musical instruments/sandpit).

Books stand out as the most important factor in both services, making it essential to communicate this effectively. Crafting materials and grassy spaces follow closely, further shaping preferences.

PART 2

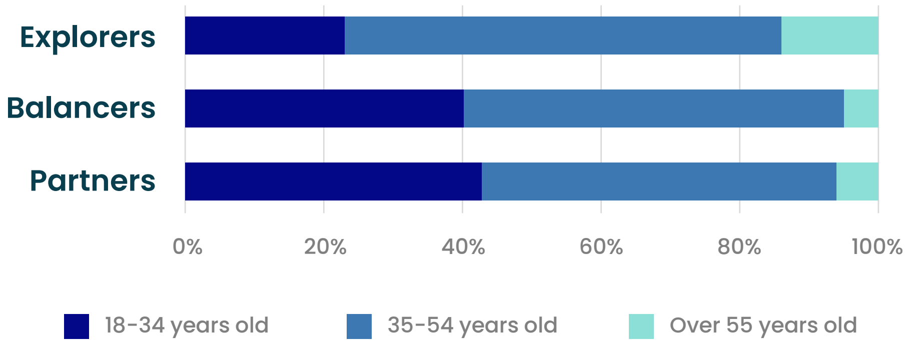
Family Segments: Who Uses Nursery & Why?

- Personas: Explorers, Balancers, Partners
- Differences in usage pattern
- Main drivers of attendance
- Retention risks

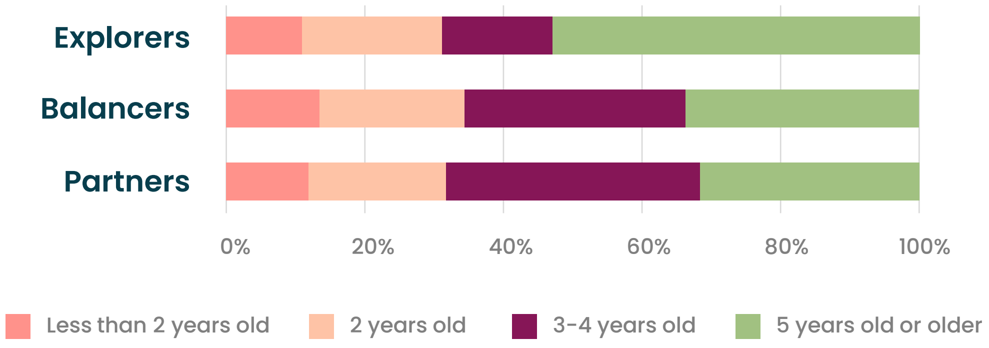
DEMOGRAPHIC BREAKDOWN

By diving deeper into **demographics**, we **identify trends** among different parent **groups based** on their Nursery or wraparound service **usage**, helping shape **targeted personas**.

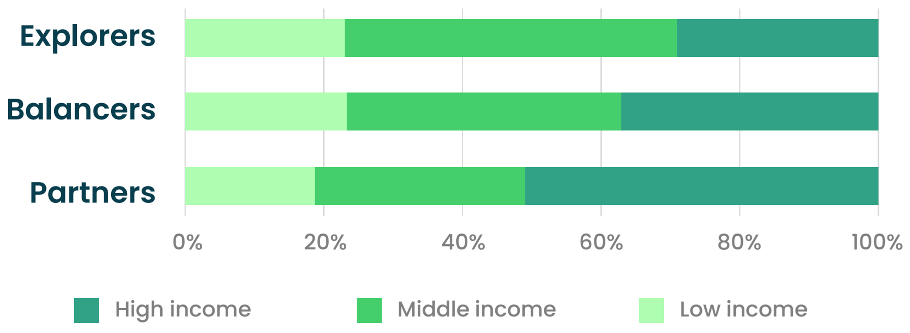
AGE OF RESPONDENT



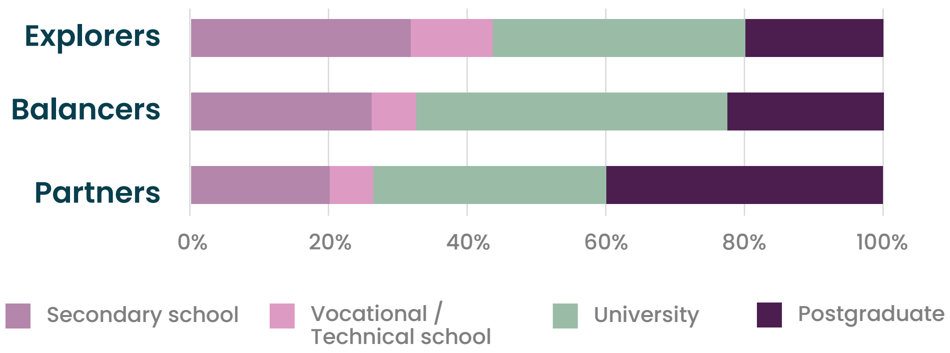
AGE OF CHILDREN



INCOME



EDUCATION



resonate
www.resonate.cx

THE PERSONAS

Resonate has identified **three key personas** based on their service usage and demographic.

Understanding these personas and their expectations from these services will create visibility on opportunities and vital insights on what is blocking them from increasing their attendance



	EXPLORERS Seeking Value *High opportunity segment*	**BALANCERS** Not fully Convinced *High risk / opportunity segment*	**PARTNERS** Essential Need and Convinced *High profit segment*
USAGE	~2 Days	3 Days	4-5 Days
WORK STATUS	3 in 5 working full time		4 in 5 working full time
INCOME	Middle income bracket		High income bracket
INDUSTRY	Healthcare and Social Care		Finance and Insurance, Education

resonate
www.resonate.cx

EXPLORERS

1-2
Enrolled Days

WHAT CHARACTERISES THE DIFFERENT EXPLORERS?

NURSERY

Main Reason For Use

- *Work*
- *Social Interaction*
- *Education / development*

Why Not More

- *Too expensive*
- *Other care options*
- *Part-time work*

WRAPAROUND CARE

Main Reason For Use

- *Work*
- *Family routine*
- *Social Interaction*

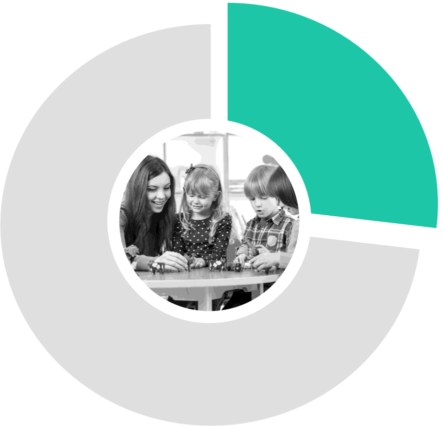
Why Not More

- *Too expensive*
- *Other care options*
- *Part-time work*

WHAT CHARACTERISES THE EXPLORERS?

Churn
(Last 12 Month)

NURSERY



27%
Churn

Main reasons

Lost job or financial problems

WRAPAROUND CARE

6%
Churn

Main reasons

Location / accessibility

There is significantly higher churn in Nurseries than in Wraparound Care. The main reasons are job loss or financial problems for Nurseries, while for Wraparound Care, location and accessibility are the key factors.

TOP FACTORS FOR EXPLORERS' CHOOSING NURSERY OR AFTER-HOURS CLUBS

Safety facilities is the top factor in both nursery and wraparound care and must be highlighted early when parents first visit, followed by development, educators, and communication.

NURSERY EXPLORER

WRAPAROUND CARE EXPLORER

1. Safe Facilities

NURSERY EXPLORER	WRAPAROUND CARE EXPLORER
2 Child Development	2 Qualified educators
3 Communication	3 Communication

WHAT CHARACTERISES THE EXPLORERS?

Curriculum

Main factor: ***Balance between academics and play***

Second priority: **Outdoor learning**

Staff

It's the persona that finds ***staff experience*** a little **less important** than the rest

Facilities

Top 3 facilities factor all rated almost equally:

Books

Crafting materials

Grassy spaces

Subsidies

- Most likely to ***reinvest subsidy savings*** in family **social events or community activities**
- ***Least likely to switch providers*** despite subsidy changes

resonate
www.resonate.cx

Persona Opportunity Summary

- Main Drivers: Social interaction, flexible Nursery, and child development.
- Key Barriers: **Cost concerns**, availability of other care options, and less emphasis on structured learning.
- Churn Propensity: Wraparound families are the least likely to switch providers.
- Response to Subsidies: **Likely to reinvest** savings in family activities & social events, but unlikely to increase days.

EXPLORERS

1-2
Enrolled Days

BALANCERS

3
Enrolled Days

WHAT CHARACTERISES THE BALANCERS?

Main Reason For Use

NURSERY

Work

Social Interaction

Education / development

WRAPAROUND CARE

Work

Social Interaction

Family routine

Too expensive

Other care options

Part-time work

Why Not More

Too expensive

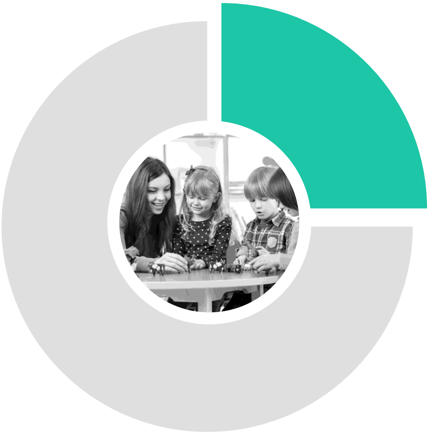
Other care options

Part-time work

WHAT CHARACTERISES THE BALANCERS?

Churn
(Last 12 Month)

NURSERY

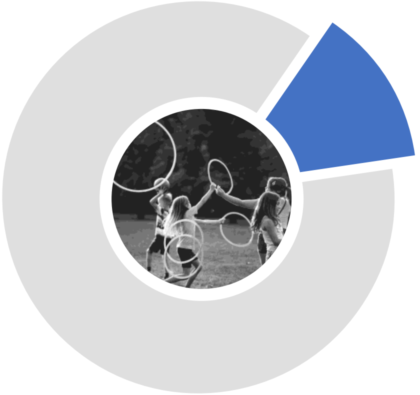


25%
Churn

Main reasons

-Issues with staff
-Location / accessibility

WRAPAROUND CARE



14%
Churn

Main reasons

- Location / accessibility
- Change family needs

Churn numbers for nurseries remain stable, while wraparound care is seeing a noticeable increase compared to Balancers, though still lower than nurseries.

TOP FACTORS FOR BALANCERS' CHOOSING NURSERY OR AFTER-HOURS CLUBS

Safety facilities is once again the top factor in both nursery and wraparound care and must be highlighted early when parents first visit, followed by development, educators, and value for money.

NURSERY BALANCER

WRAPAROUND CARE BALANCER

1 Safe Facilities

Nursery Balancer	Wraparound Care Balancer
2 Child Development	2 Value for Money
3 Qualified Educators	3 Child Development

WHAT CHARACTERISES THE BALANCERS?

Curriculum

Main factor: ***Balance between academics and play***

Second priority: **Outdoor learning**

Staff

Staff qualifications matter more than **experience** for them.

Facilities

Top 3 facility factors stay the same, but ***books stand out more***.

Books

Grassy spaces

Crafting materials

Subsidies

Most likely to ***reinvest subsidy savings in extra trips & days out***

More likely to **switch providers due to subsidy** changes

Persona Opportunity Summary

This group has the greatest potential (and risk) to impact revenue. Over the next year, their usage is likely to shift by a day, directly affecting revenue. Increasing their days would help lower retention costs as children become more settled.

- Main Drivers: **Work-life balance,** affordability, and structured Nursery.
- Key Barriers: **Cost** concerns, need for **experienced** (not just qualified) **educators**, and employer **flexibility**.
- Churn Propensity: **Medium** – likely to switch if costs increase or subsidies change.
- Response to Subsidies: **Would increase usage** if financial support improves; most likely to **reinvest** savings in **extra trips & enrichment activities.**

BALANCERS

3
Enrolled Days

PARTNERS

4-5
Enrolled Days

WHAT CHARACTERISES THE PARTNERS?

Main Reason For Use

NURSERY

- *Work*
- *Social Interaction*
- *Education / development*

WRAPAROUND CARE

- *Work*
- *Social Interaction*
- *Family routine*

WHAT CHARACTERISES THE PARTNERS?

Churn
(Last 12 Month)

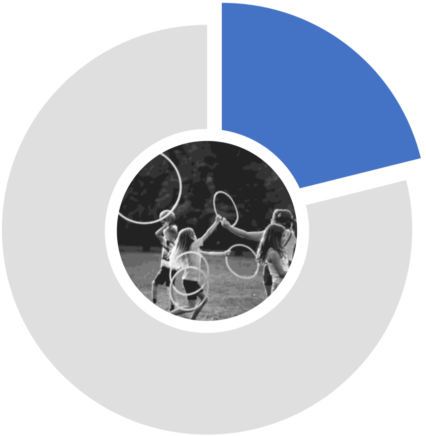
NURSERY

25%
Churn

Main reasons

- Location / accessibility
- Communication / support

WRAPAROUND CARE



21%
Churn

Main reasons

Change family needs

For partners, wraparound care shows higher churn, driven by increased usage and expectations, unlike nurseries where churn remains stable. In **nurseries**, **communication and support are key churn factors**—areas that can be improved to retain clients or capture market churn.

TOP FACTORS FOR PARTNERS' CHOOSING NURSERY OR AFTER-HOURS CLUBS

For this persona, **child development is the main focus**, making it a key attraction factor. Given the significant time spent in care, expectations around development are high. Safety and facilities remain top priorities, along with the quality of educators, reinforcing the importance of a strong developmental environment.

NURSERY PARTNER

1. Child Development
2. Safe Facilities
3. Qualified Educators

WRAPAROUND CARE PARTNER

1. Safe Facilities
2. Child Development
3. Qualified Educators

WHAT CHARACTERISES THE PARTNERS?

Curriculum

Main factor: ***Balance between academics and play***

Second priority: **Assessment of progression**

Staff

This persona ***values staff qualifications and experience the most,*** considering both **equally important.**

Facilities

Top 3 facility factors stay the same, but ***books stand out more***.

Books

Grassy spaces

Crafting materials

Subsidies

Most likely to **reinvest subsidy savings** in ***extra trips & days*** out followed by ***nutritious food.***

Moderate risk of ***switching providers*** due to subsidy changes.

Persona Opportunity Summary

- **Main Drivers**: **Nursery is essential**, prioritising stability, structure, and academic development.
- **Key Barriers**: **High expectations** for both qualifications & experience, strong need for provider communication.
- **Churn Propensity: Moderate** – unlikely to switch but high standards must be met.
- **Response to Subsidies:** Would **increase spending on premium services** like nutritious meals & extended hours.

PARTNERS

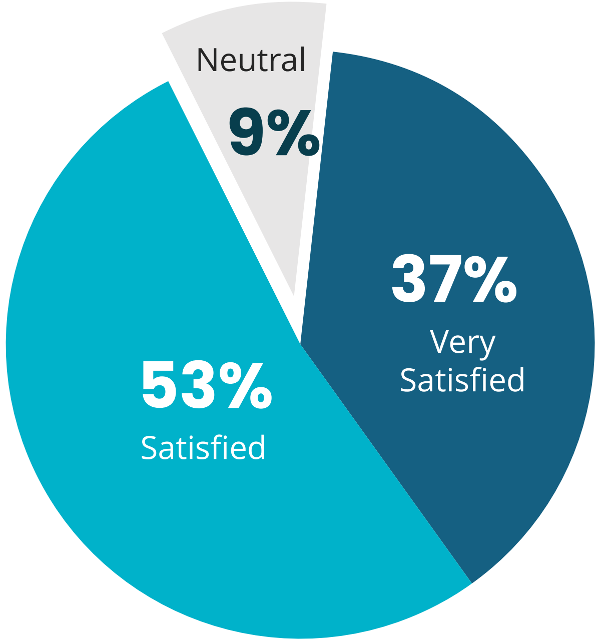
4-5
Enrolled Days

PART 3

Building a High-Quality Nursery Experience

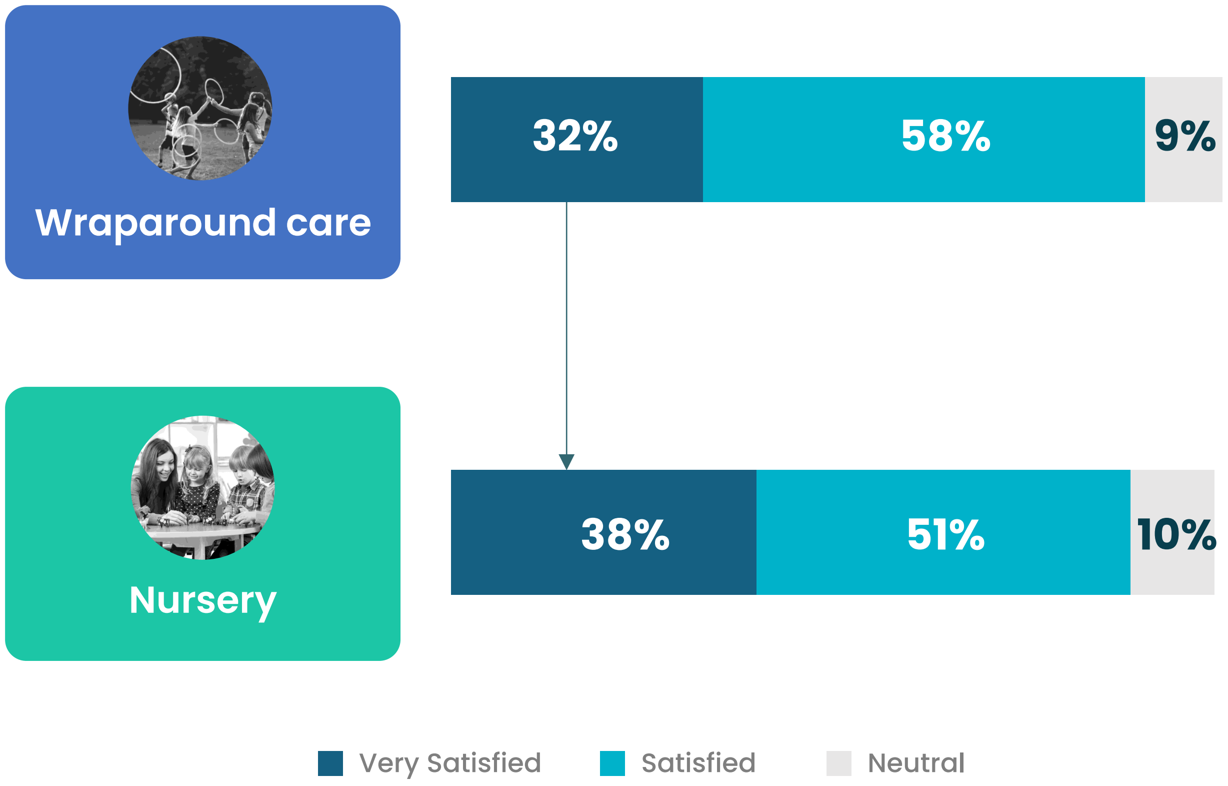
- **Curriculum**: Satisfaction levels, top priorities, and improving update communication
- **Staff**: Valued qualities, performance strengths, and areas for improvement

CURRICULUM



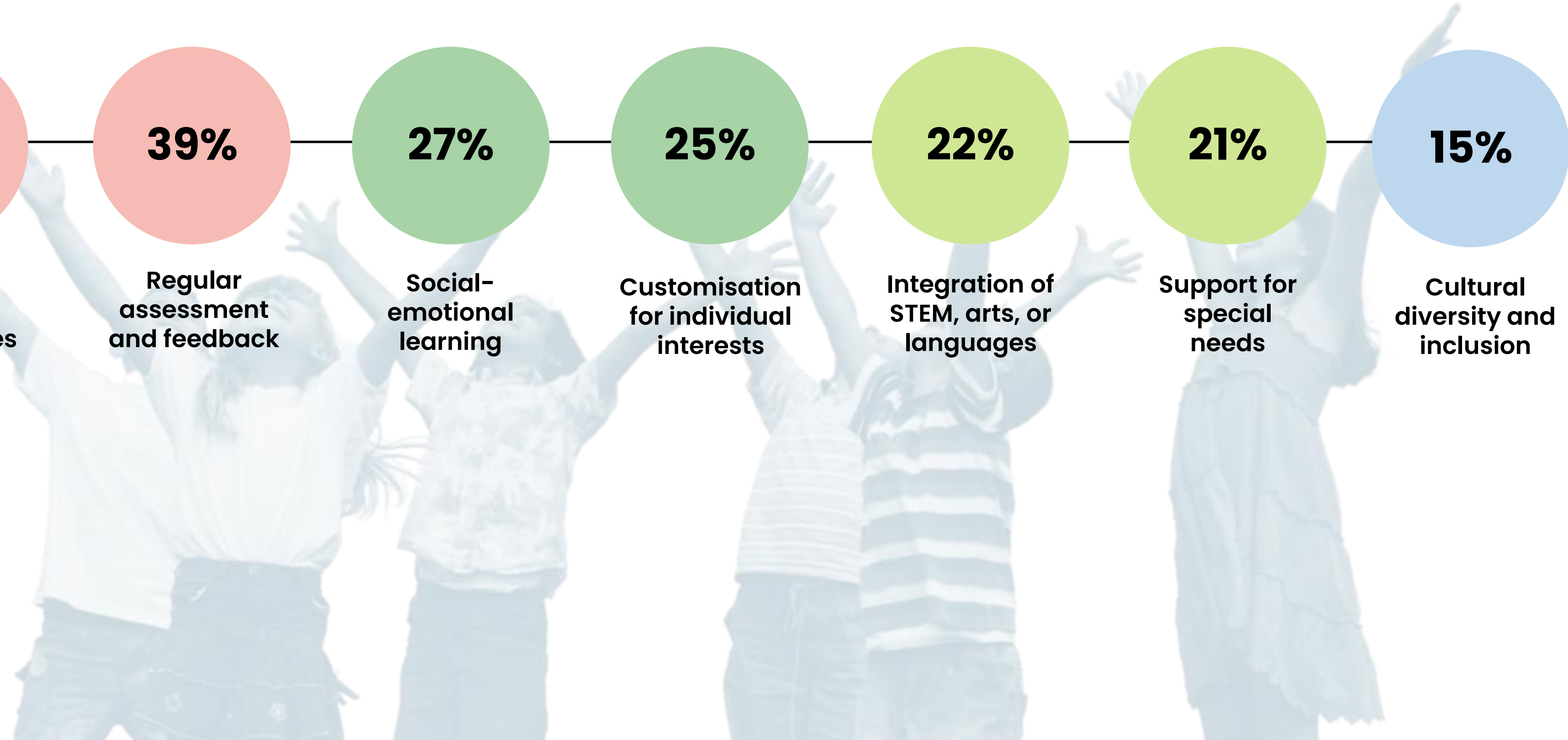
Satisfaction with the curriculum is ***overwhelmingly positive***, with over ***9 out of 10*** being ***satisfied or very satisfied.***

These numbers are ***even better*** for ***Nursery*** compared to ***Wraparound Care,*** representing a greater opportunity to acquire clients by highlighting the strengths of the current curriculum



KEY CURRICULUM ASPECTS FAMILIES PRIORITISE IN NURSERY

For parents, the ***key in curriculum is balancing academics with play,*** followed by ***outdoor opportunities.*** The growing ***need for regular assessments and feedback***, seen across industries, also applies to nursery Strengthening trust through this can help increase attendance for those still undecided.



48%
Academic and play-based balance

41%
Outdoor learning opportunities

39%
Regular assessment and feedback

27%
Social-emotional learning

25%
Customisation for individual interests

22%
Integration of STEM, arts, or languages

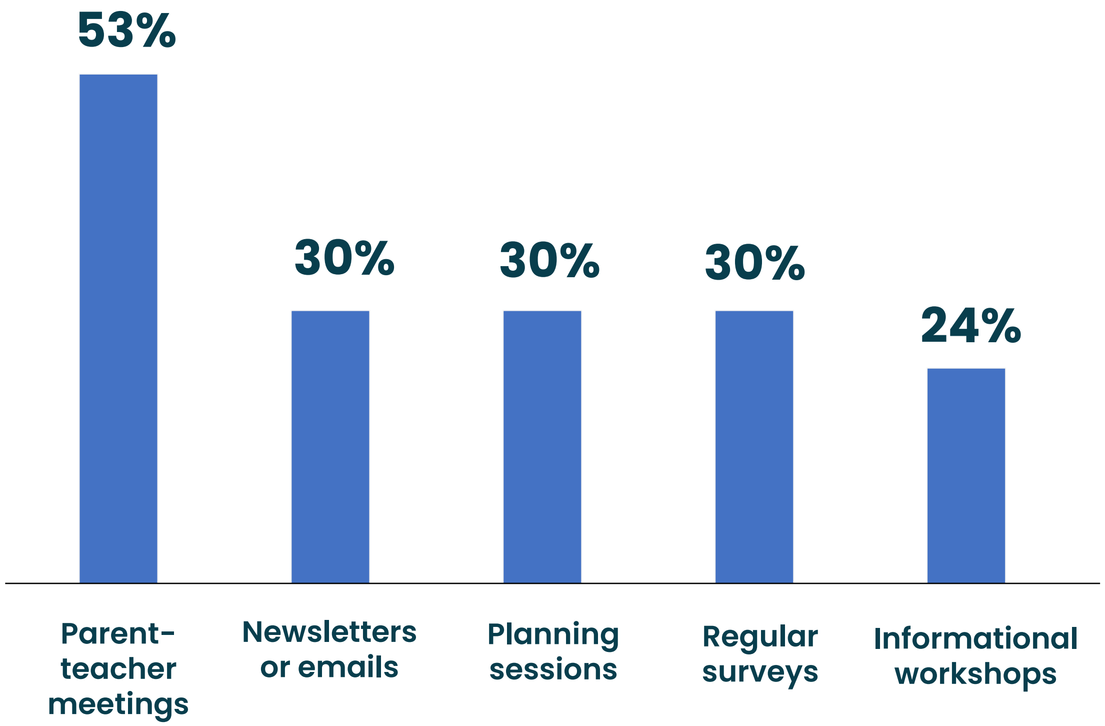
21%
Support for special needs

15%
Cultural diversity and inclusion

14%
Recognised educational frameworks

HOW FAMILIES PREFER TO STAY UPDATED ON CURRICULUM CHANGES

Parent-teacher meetings are increasingly valued for curriculum-related topics, presenting a strong opportunity. This trend is ***consistent across all three segments*** and requires no tech investment or major development.



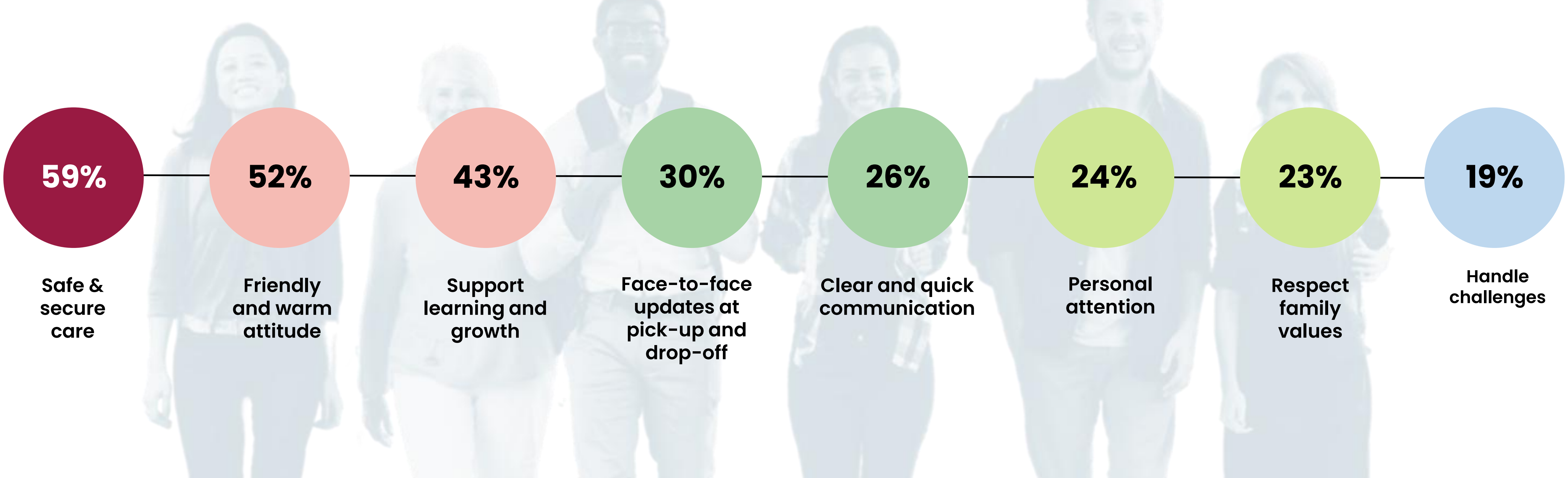


Rank	EXPLORERS	BALANCERS	PARTNERS
1	Parent-teacher meetings	Parent-teacher meetings	Parent-teacher meetings
2	Regular surveys	Newsletters or emails	Planning sessions
3	Newsletters or emails	Planning sessions	Regular surveys

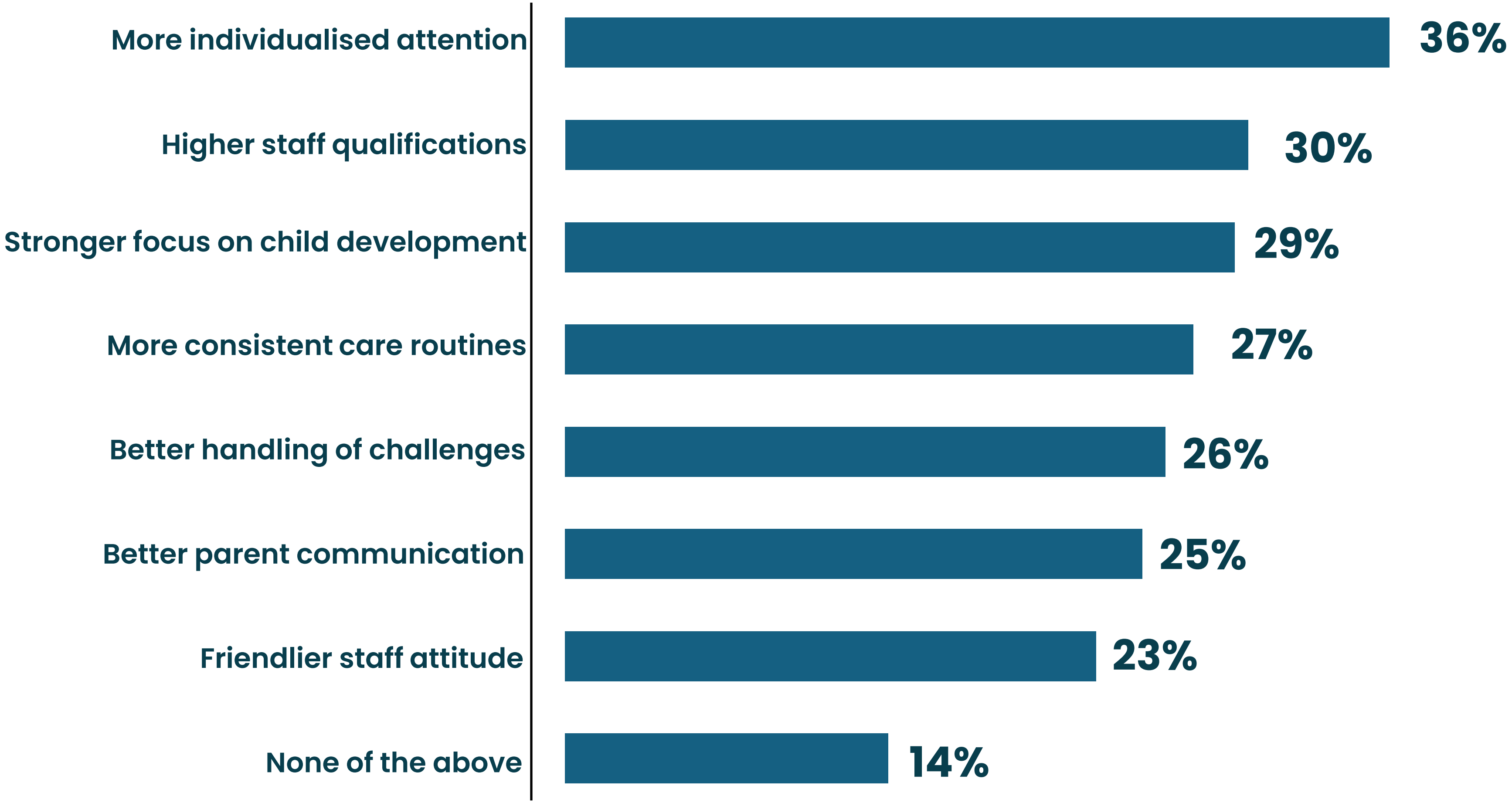
IMPORTANCE OF STAFF-RELATED FACTORS IN CHOOSING Nursery

Safe & and secure care is the ***top priority when it comes to staff-related factors*** in choosing Nursery, followed by ***friendly and warm attitudes—often overlooked but highly impactful***. This trend appears across industries and should be an easy, high-impact must-have.

Most valued aspects of staff interaction



WHERE IS THE BIGGEST NEED FOR IMPROVEMENT (EDUCATORS)



Many of these improvements are likely already in place, but as with everything in this report, they reflect parents' perceptions of their providers. ***It's crucial to ensure they recognise the personalised attention and qualifications of the staff***, especially during the early stages of tours.

PART 4

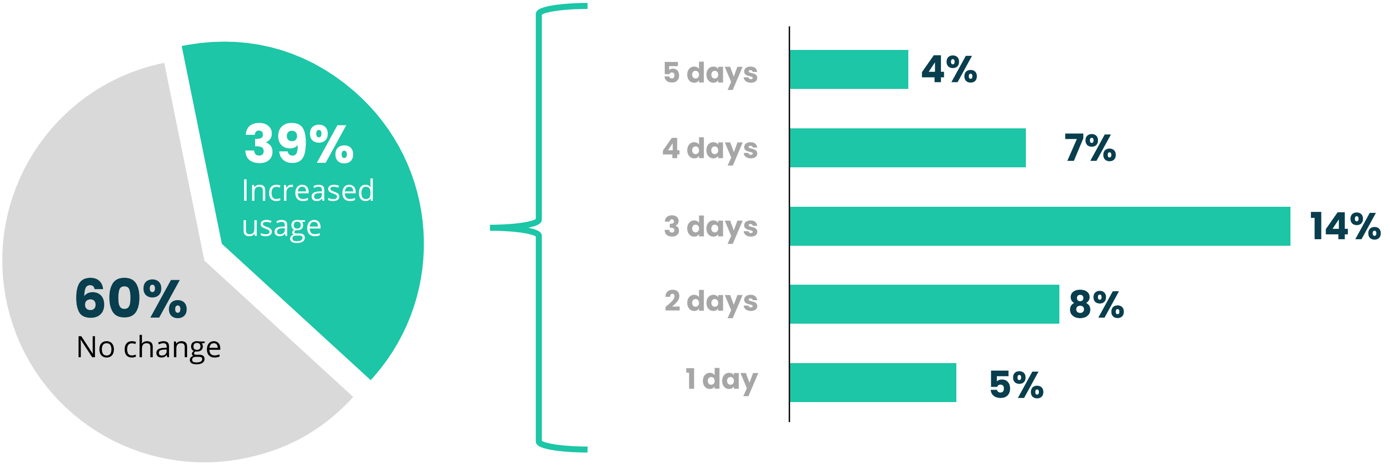
The Role of Subsidies: Impact on Nursery Decisions

- How subsidies influence provider choice
- Emerging risks & opportunities

IMPACT OF SUBSIDISED Nursery HOURS ON EXTRA USAGE

Nursery

Extra days added due to increased subsidies



A significant portion of the increase is due to subsidy changes, with nearly ***40% stating their usage increased directly because of these adjustments***. Within this group, the **largest share** reported an **increase of three days**.

SUBSIDY CHANGES ARE CREATING GREATER COMPETITION

Nursery

54%

are willing to switch due to changes in Nursery subsidies

Increased flexibility and **affordability** are driving choices. **The market is open**.

Opportunity or risk? Providers must ***adapt*** to stay competitive.

REINVESTMENT DRIVEN BY SUBSIDY CHANGES

Nearly all parents are open to reinvesting their savings into Nursery, whether ***through extra days, higher-quality providers, or additional services***. This clearly represents a **great opportunity** and indicates that the **market is set to expand.**

Nursery

96% **are open to reinvest in** additional services

Preferred reinvestment

1. Extra trips / days out
2. Nutritious food
3. Wellness
4. Workshops

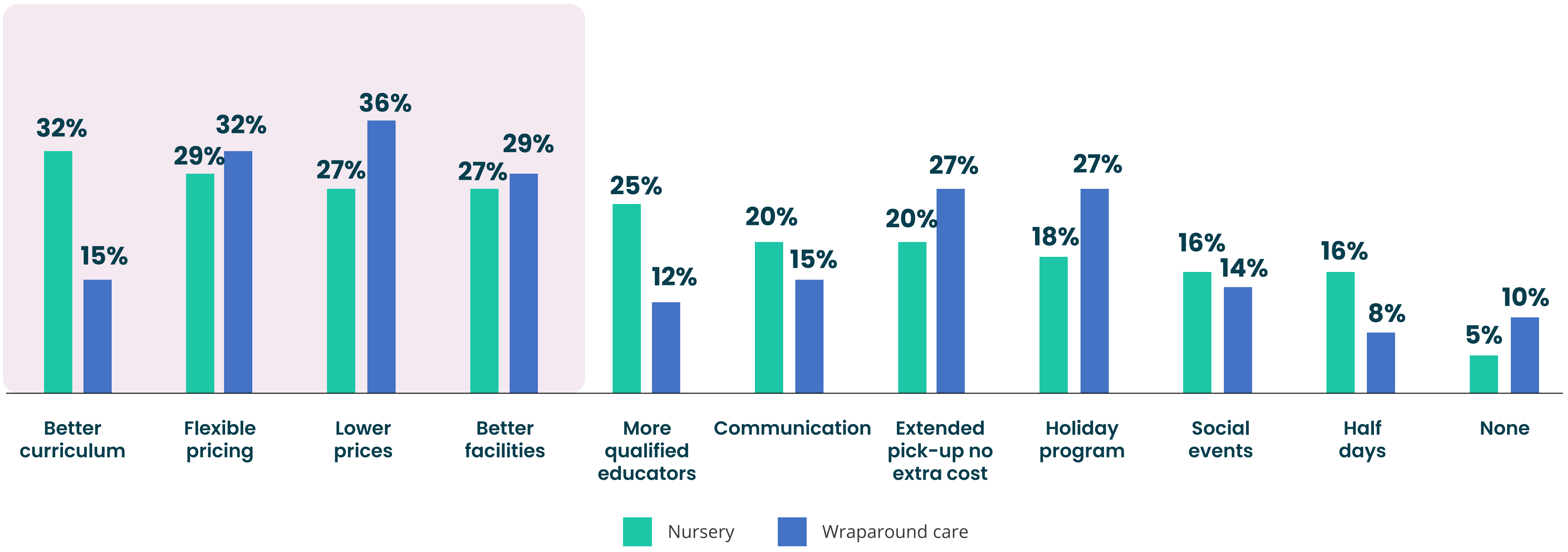
PART 5

The Ideal Nursery: What Families Want

- Desired features & willingness to switch
- NPS trends & loyalty potential

INCREASE FREQUENCY

In **nurseries**, the ***focus remains on the demand for a better curriculum***. In **wraparound care, *better facilities and holiday programs*** stand out as key factors that enhance the offering without directly tying into base pricing or simply providing more for the same cost.



resonate
www.resonate.cx

INCREASE FREQUENCY

Setting price reduction aside, as it's not a viable option, ***better curriculum*** consistently appear across personas. Focusing on these areas ***could encourage a shift from Explorers to Balancers and Balancers to Partners.***

EXPLORERS

Nursery	Wraparound care
1 Better curriculum	Lower prices
2 Flexible pricing	Holiday program
3 Lower prices	Extended pick-up no extra cost

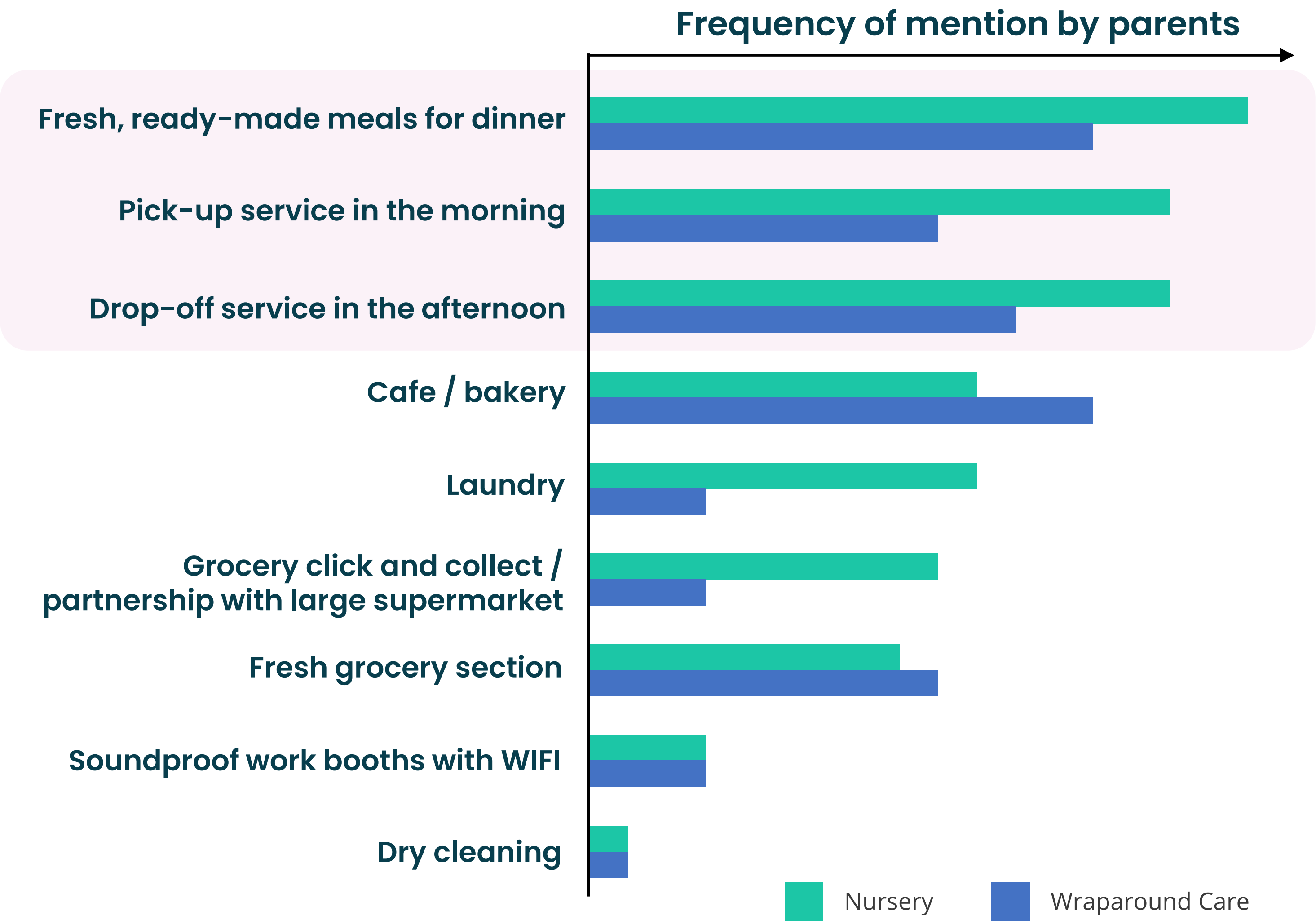
BALANCERS

Nursery	Wraparound care
1 Lower prices	Flexible pricing
2 Better curriculum	Lower prices
3 Flexible pricing	Better Facilities

PARTNERS

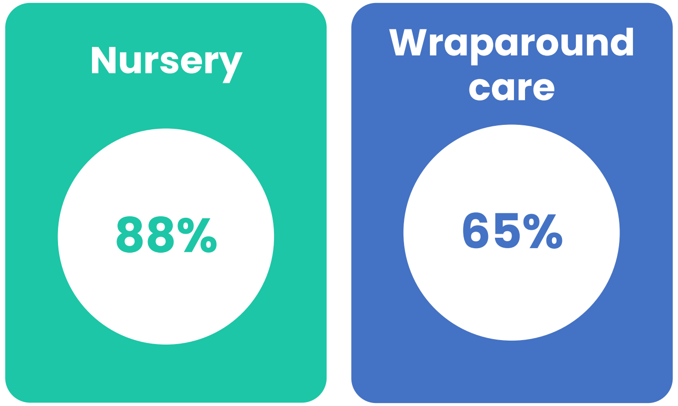
Nursery	Wraparound care
1 More qualified educators	Flexible pricing
2 Better curriculum	Lower prices
3 Better Facilities	Planning sessions

DESIRED ADDITIONAL SERVICES & FEATURES



This chart shows the additional services most requested for each type of provider, ***not those expected for free, but those parents are willing to pay for.***

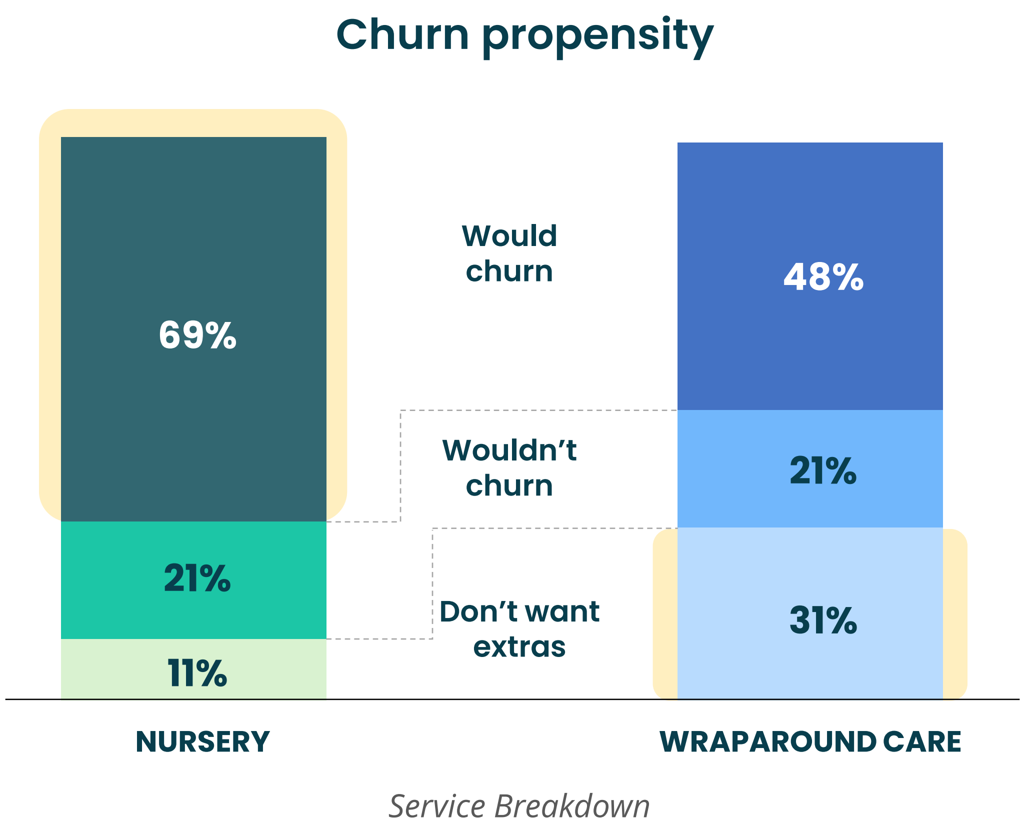
Looking for extras



A **huge percentage** of the parents in both service show **willing to pay for extra services.**

DREAM EXPERIENCE THAT WILL WIN CUSTOMERS

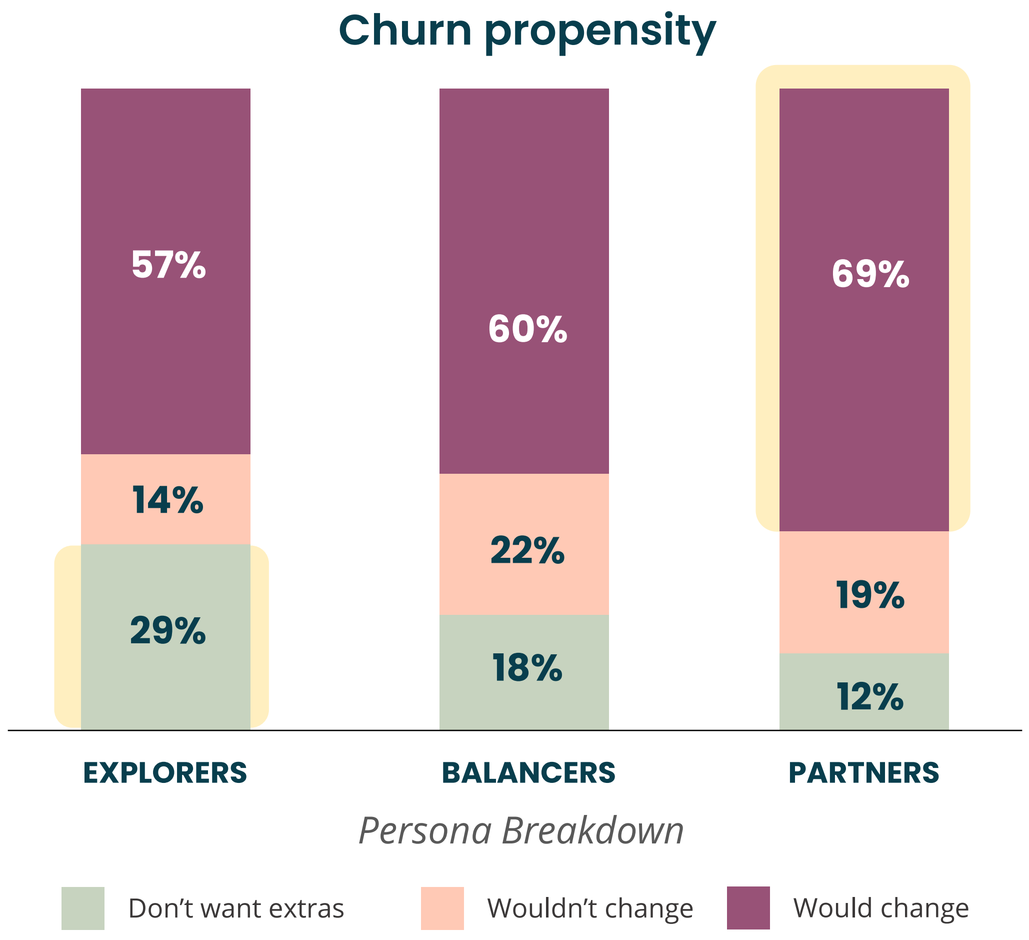
Nursery parents are the ***most demanding*** but also the most valuable clients. Nearly ***7 out of 10 expect more features*** and are willing to switch providers if others offer them.



Wraparound care parents are the ***least demanding*** customers, with the highest percentage not seeking any additional features. Likewise, ***1 in 2 expects more*** and ***would be willing to churn*** if someone else offers it.

DREAM EXPERIENCE THAT WILL WIN CUSTOMERS

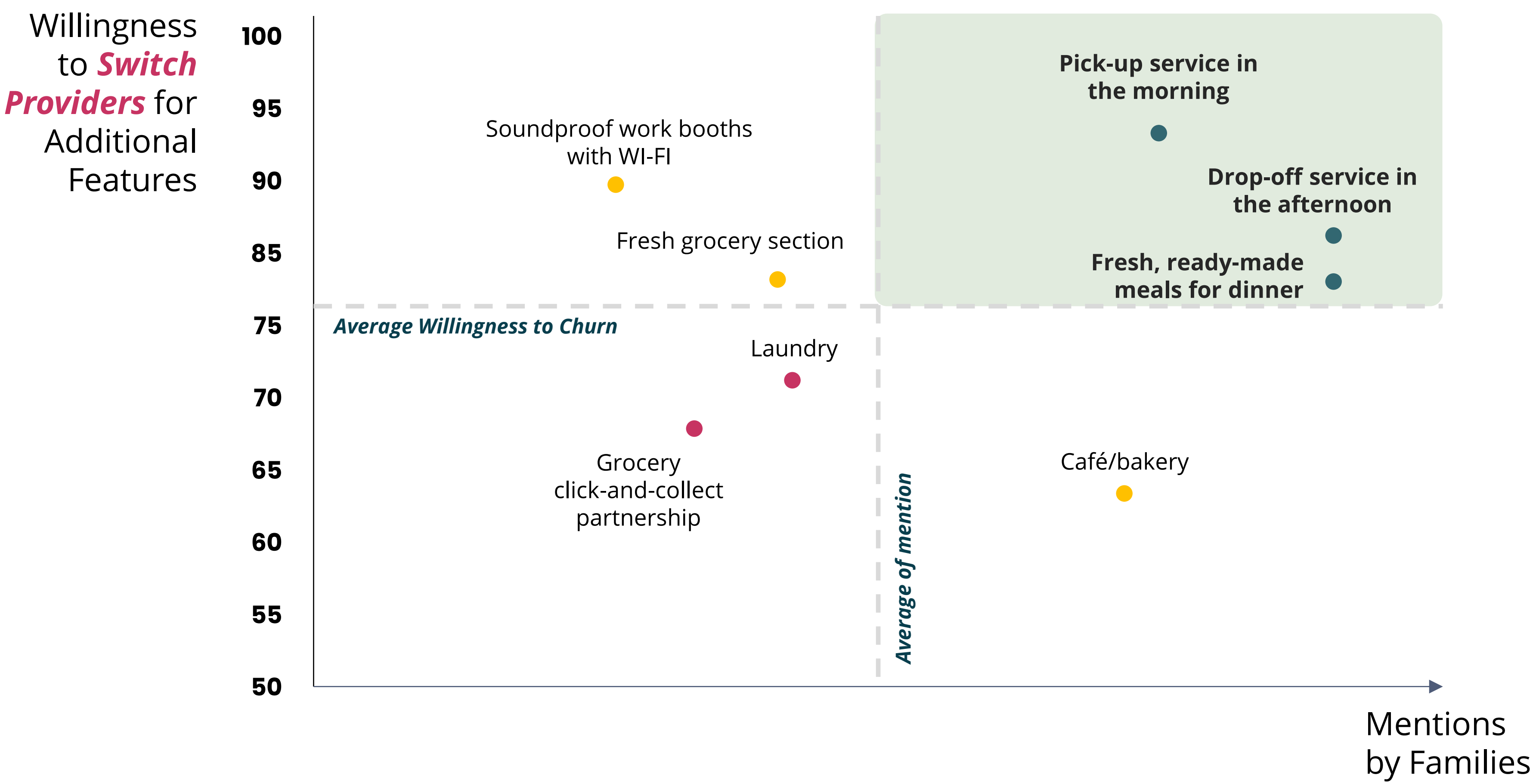
Explorers are the ***least demanding*** customers, with the highest percentage not seeking any additional features.



Partners are the ***most demanding*** but also the most valuable clients. Nearly **7 out of 10** expect more features and are ***willing to switch*** providers if others offer them.

The trend driven by a younger generation of parents is reflected in their search for ease, evident in the additional services mentioned and the importance placed on willingness to churn for providers that offer it.

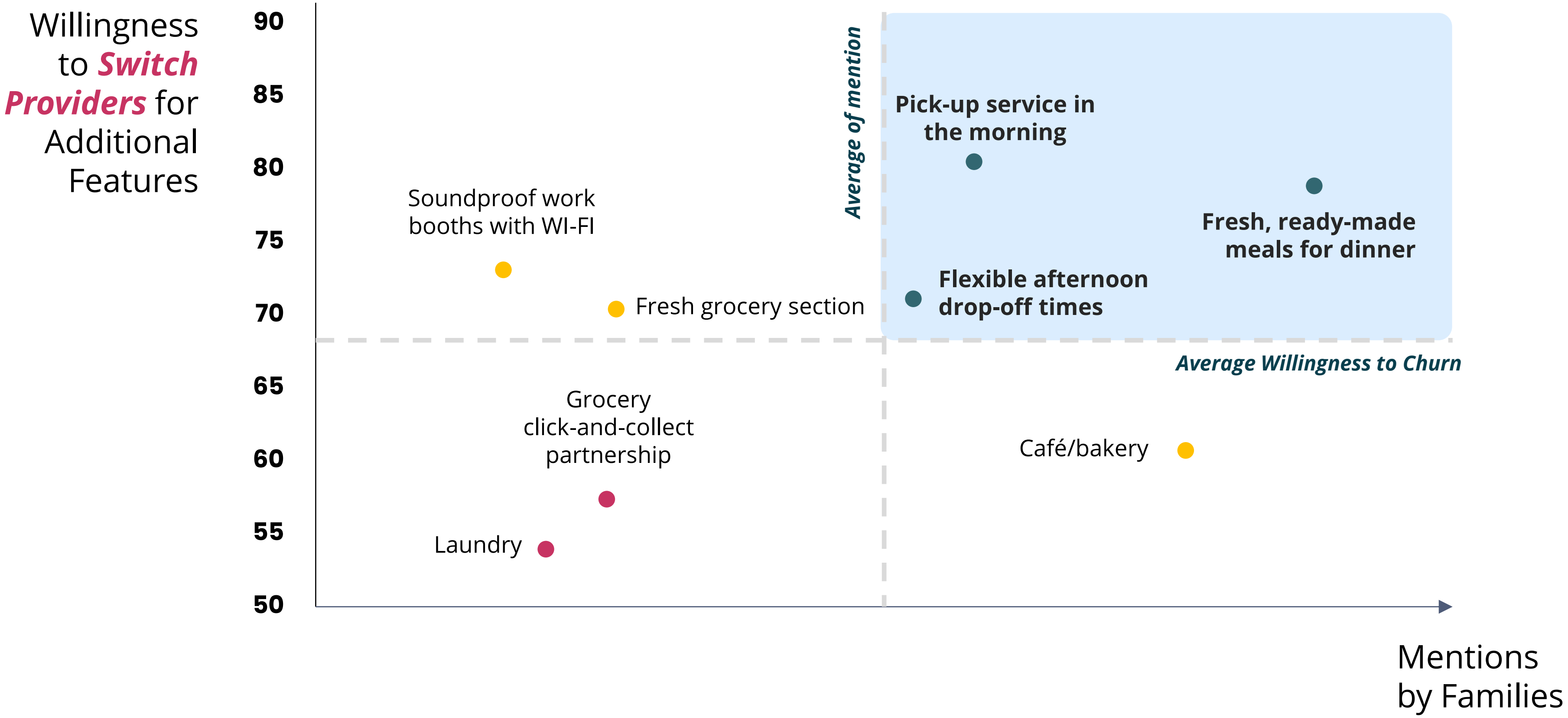
DREAM EXPERIENCE THAT WILL WIN CUSTOMERS – NURSERY



Focus should be on the top-right quadrant, these key features are ***frequently mentioned and impact churn.***

Missing them risks losing customers, while having them can attract new ones.

DREAM EXPERIENCE THAT WILL WIN CUSTOMERS – WRAPAROUND CARE



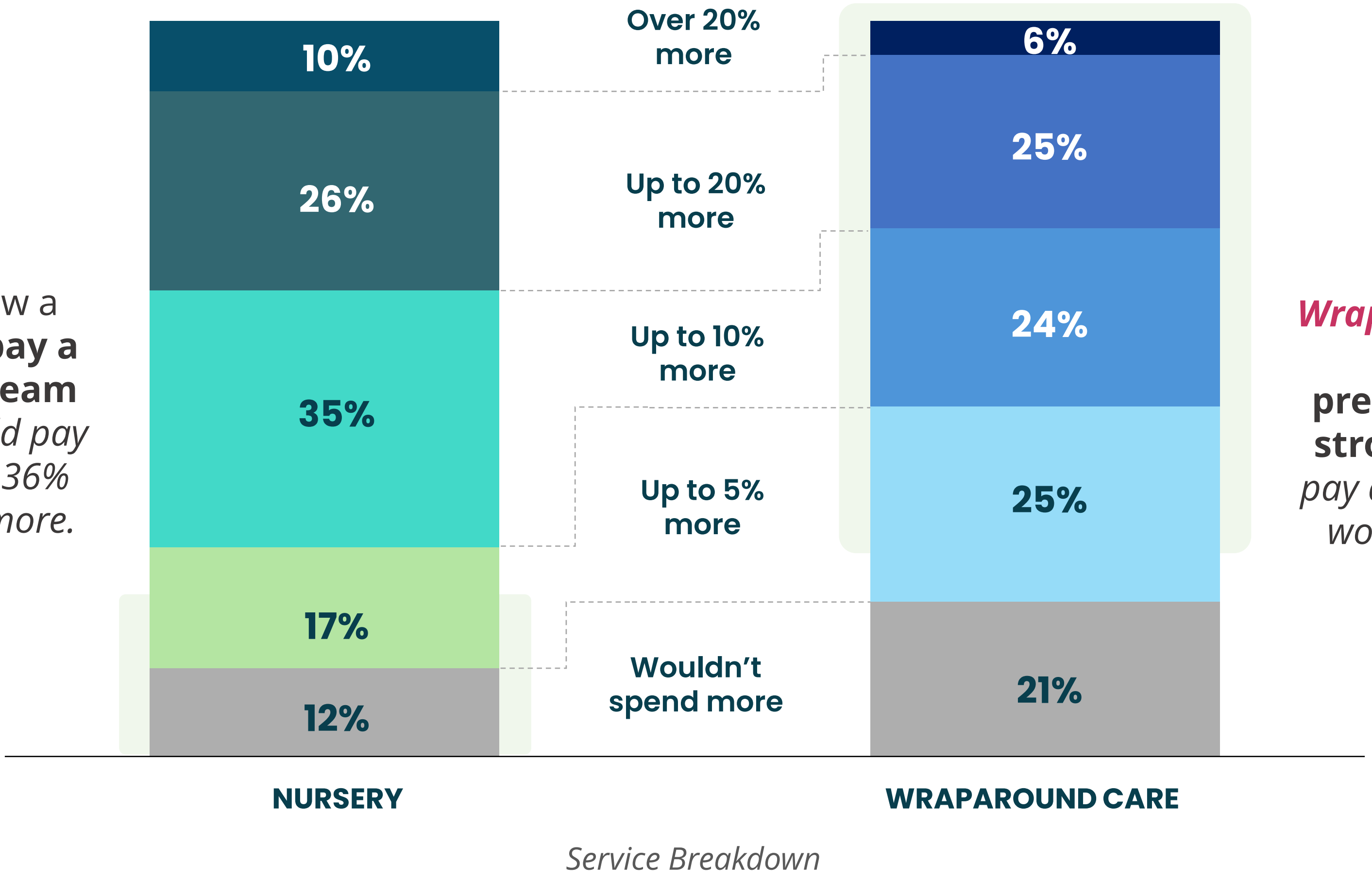
Focus should be on the top-right quadrant— these key features are ***frequently mentioned and impact churn.***

Missing them risks losing customers, while having them can attract new ones.

resonate
www.resonate.cx

PREMIUMS IN THE DREAM EXPERIENCE

Willingness to Pay a Premium



Nursery parents show a **high willingness to pay a premium** for their **dream experience**. *88% would pay at least 5% more, and 36% would pay up to 20% more.*

Wraparound care parents are ***less willing*** **to pay a premium, but there is still strong interest.** *79% would pay at least 5% more, and 31% would pay up to 20% more.*

ADVOCACY BY PERSONA: CO-RELATION

+24 is the ***overall NPS of respondents*** with their respective providers, which is **39 points lower than the NPS of Resonate's UK customers**.

Last quarter CX Focused Providers

+63

7

-100 +100

**Resonate Relationship Benchmark*

NPS Score

After school care	Nursery
+17	+26
16	18

Overall NPS **+24** 17

EXPLORERS

+8

26

BALANCERS

+16

15

PARTNERS

+40

2

All NPS scores **dropped vs. the 2024 annual market research**, with **Explorers** seeing the **biggest decline** among the personas, and **nurseries dropping more than after-school clubs** but still maintain higher overall scores.

This is a **key insight**, as it suggests a **likelihood to shop around**. Parents may currently be staying due to price or availability, but these factors constantly shift, meaning their **dissatisfaction could translate into opportunities.**

PART 6

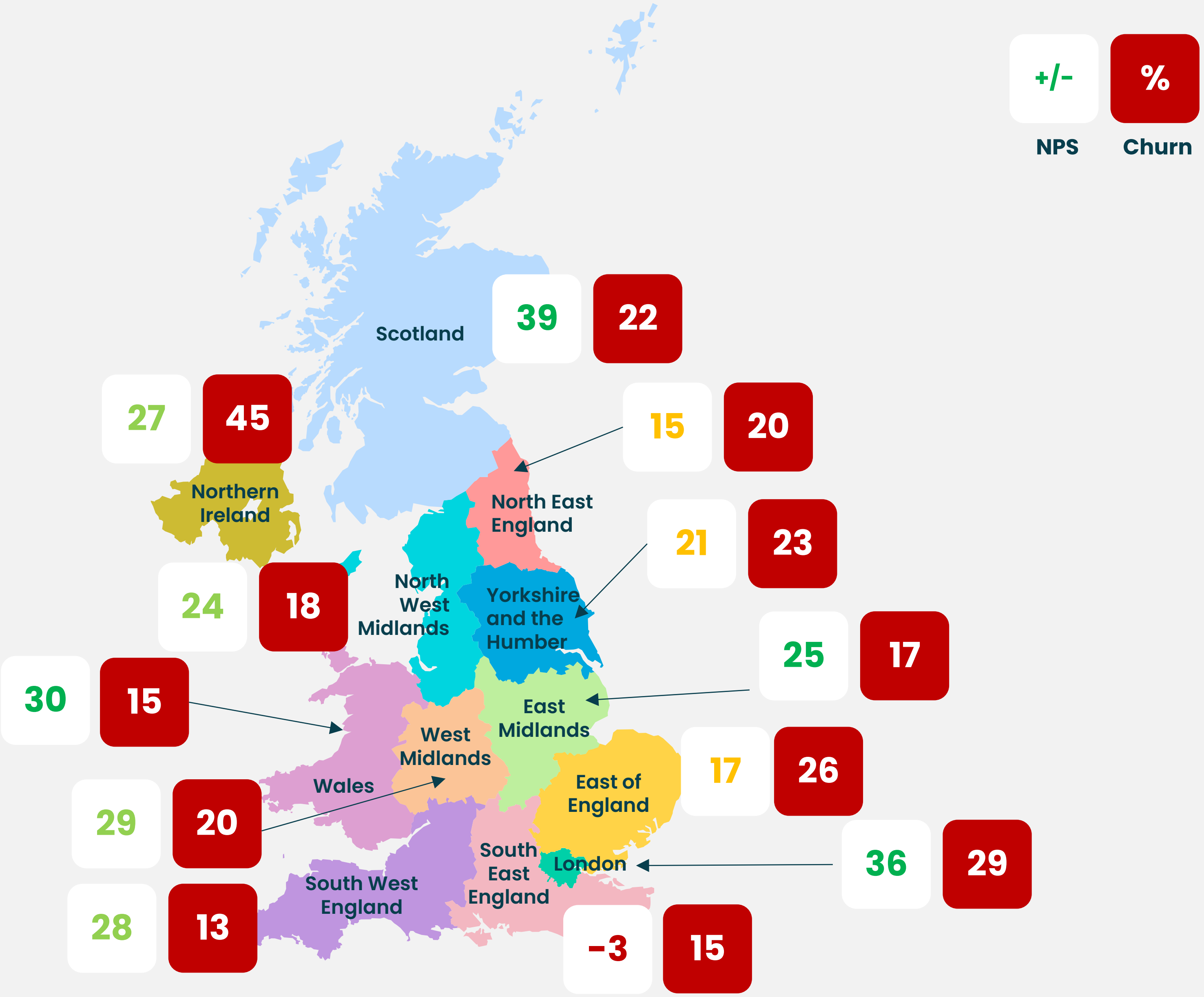
Regional breakdown

- NPS trends by region
- Regional churn rates
- Usage patterns

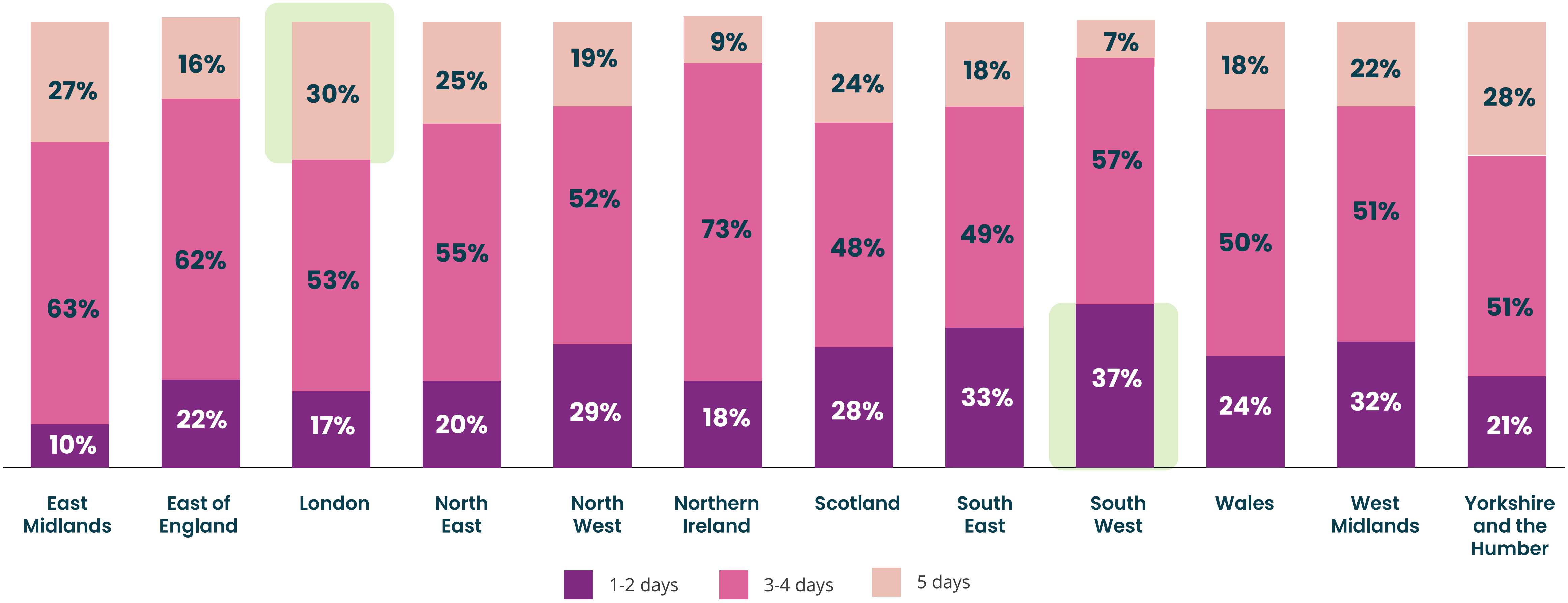
NPS REGIONAL BREAKDOWN

Given that an ***NPS of 50 is considered high for this industry, no region in the UK currently exceeds it***. However, Scotland and London show stronger results, while South East England lags behind.

Churn isn't directly proportional to NPS, as some regions have less flexibility to switch due to price or availability. However, ***a low NPS signals potential market shifts***—parents won't keep their child in a place they wouldn't recommend unless necessary. As demand rises, supply eventually adjusts, creating new opportunities.



REGIONAL BREAKDOWN – USAGE



This final chart shows the regional usage breakdown, highlighting the different reasons behind how people use the service. ***Understanding these patterns is essential for effective targeting and growth.***

OUR EXPERTS

Mita Bedi
Chief Executive Officer,
Resonate CX

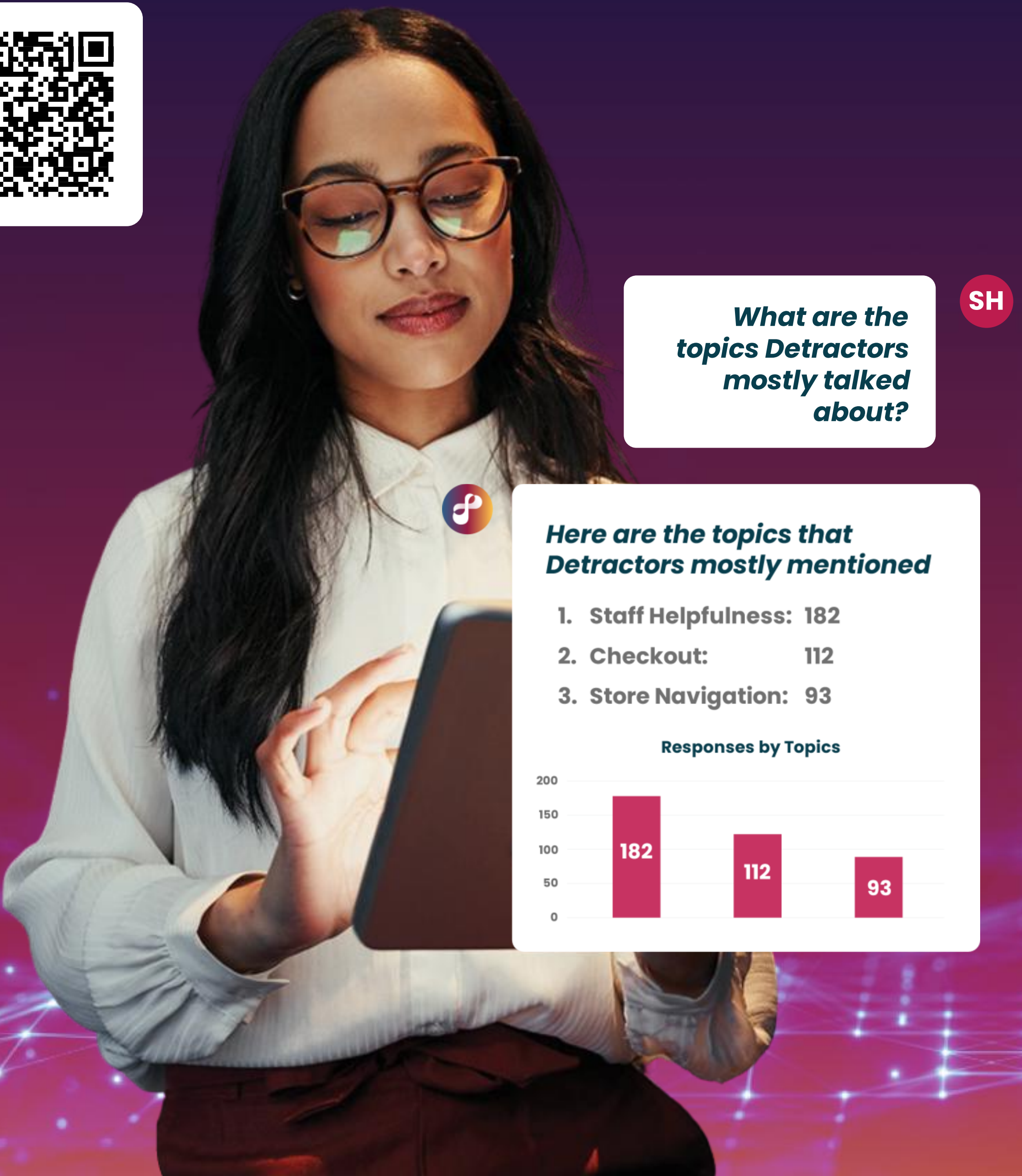
Joris Dries
Chief Technology Officer,
Resonate CX

Jacob Kandathil
Head of Product and Marketing,
Resonate CX

Federico Sasse
Market Insights and Expansion Lead,
Resonate CX

The insights presented in this report are based on a survey conducted with a 95% confidence level and a margin of error of ±5%.

Scan for more info



The future of CX is here. Are you in or out?

Robyn AI

Your Personal CX Analyst

Short on time? Just ask Robyn.

Robyn makes digging for insights easier and faster.

Don’t know where to start?

Robyn offers suggestion on what to drill down.

Need a quick analysis?

Robyn does the heavy lifting, giving you clear, concise answers and visual.

resonate
www.resonate.cx

Book a Demo Here

Unlock Retail Growth

Increase Conversion
Optimise the Sales Journey

Increase Recommendation
Greater Customer Lifetime Value

Product & Service Development
For Value Added Services

Make Experience the Differentiator
Move away from Price Competition

Increase Market Share
Win in a Highly Competitive Environment

Reduce Complaints and Churn
Turn Detractors to Promoters