“Data and desires – shopping and leisure in Winchester”

Presented by Simon Ward BSc MRICS
Propernomics Ltd
simonward@propernomics.co.uk
t. 01962 710145 m. 07810 655976

Propernomics

Contents

1. Economic context and trends
2. Forecasts for Winchester
3. Data and comparisons
4. Ambitions and desires
5. Next steps

1. Economic context & trends

- All too familiar recession and post-referendum uncertainty…
- But some forecasts have been overly pessimistic
- Nonetheless, perceptions and confidence are key to where we go from current plateau
- Structural change in retailing/distribution is fundamental – not cyclical

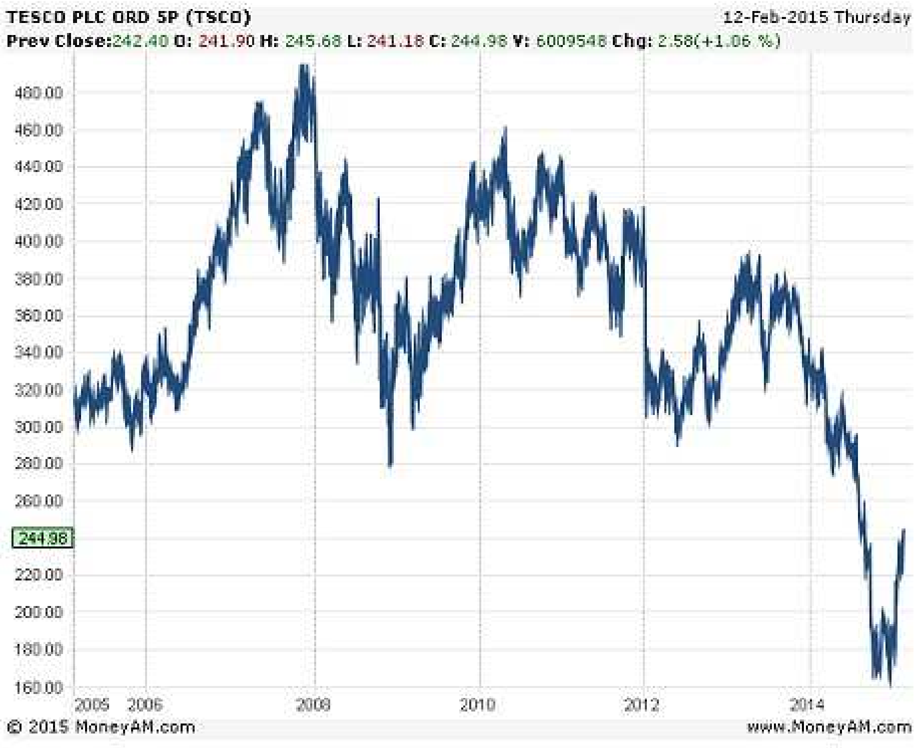
Propernomics

Consumers spoilt for choice?

Same day delivery…

Propernomics

Discounting pressures – what role for the High Street?

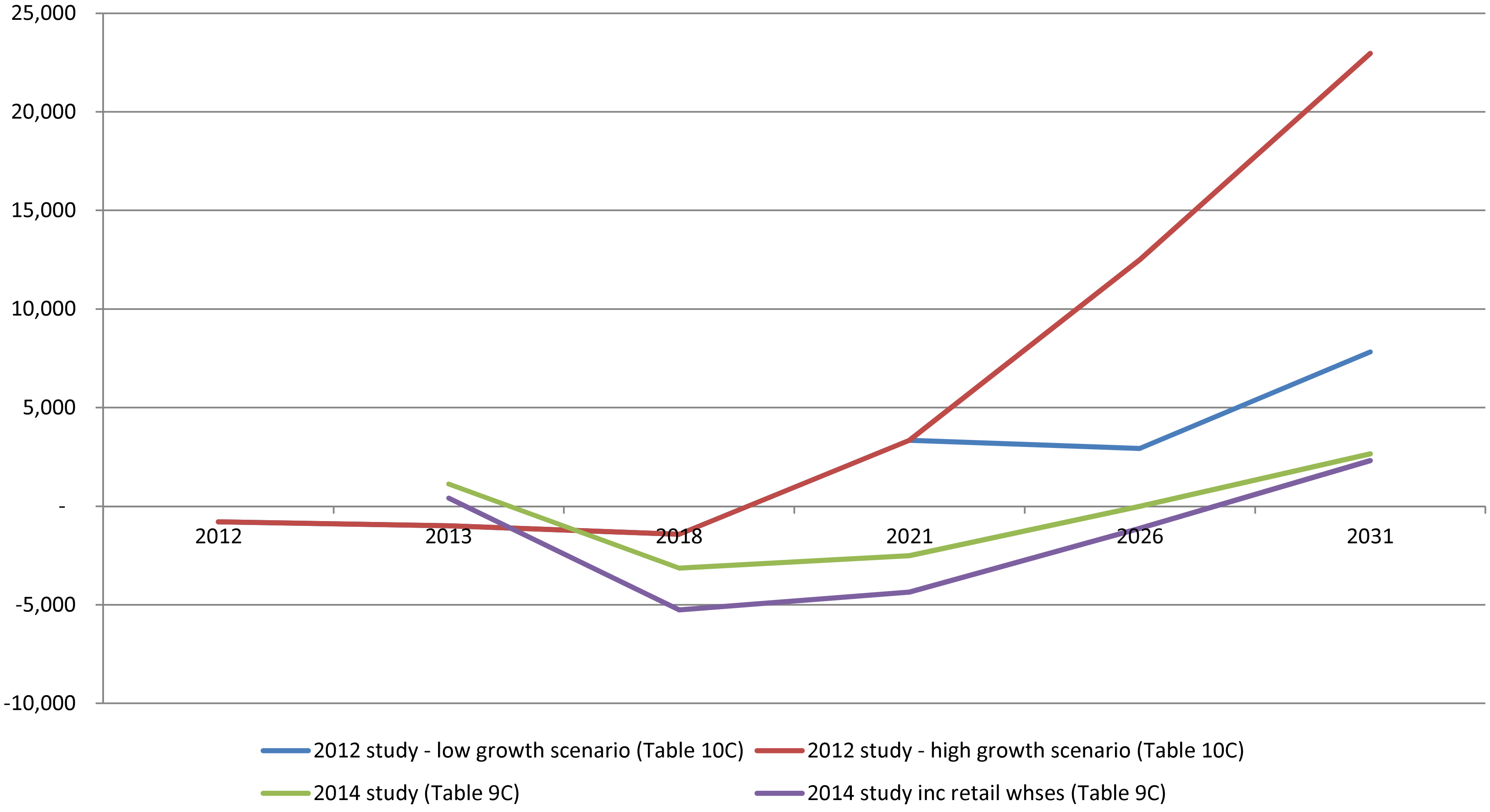


Definitions

- "Convenience" goods: regularly bought, often locally and at low-cost, including food, drink, tobacco, confectionery, shoe repairs and key cutting. Often seen as "essential" items.
- "Comparison" goods: generally bought infrequently, often at a higher price; includes clothing, books, items for the home, electrical goods, jewellery, vehicles. More "discretionary".
- Some retailers sell both. Available from town centres, edge or out-of-town shops and online.

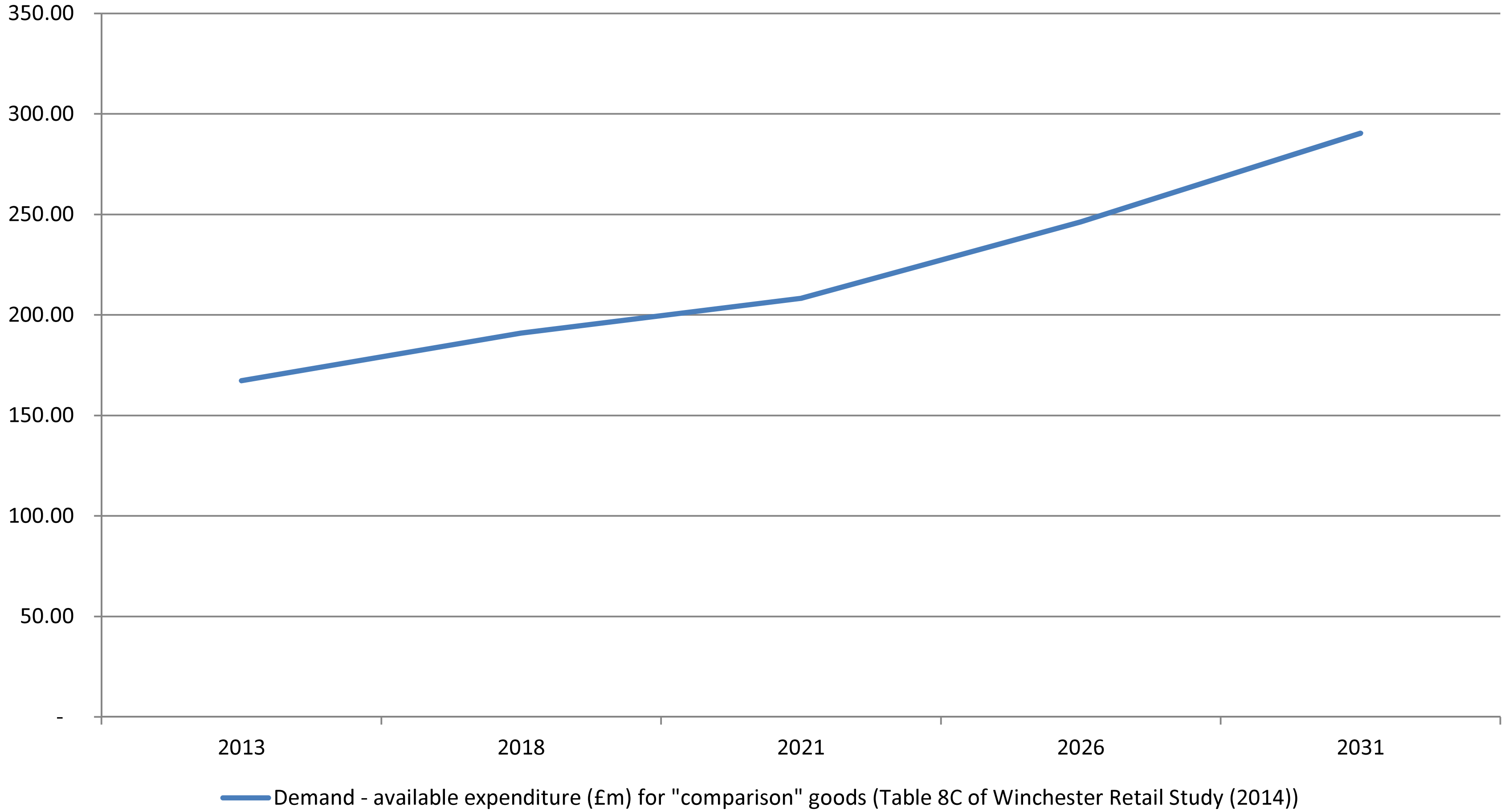
2. Forecasts for Winchester

Shift in comparison sales space projections (sq m)

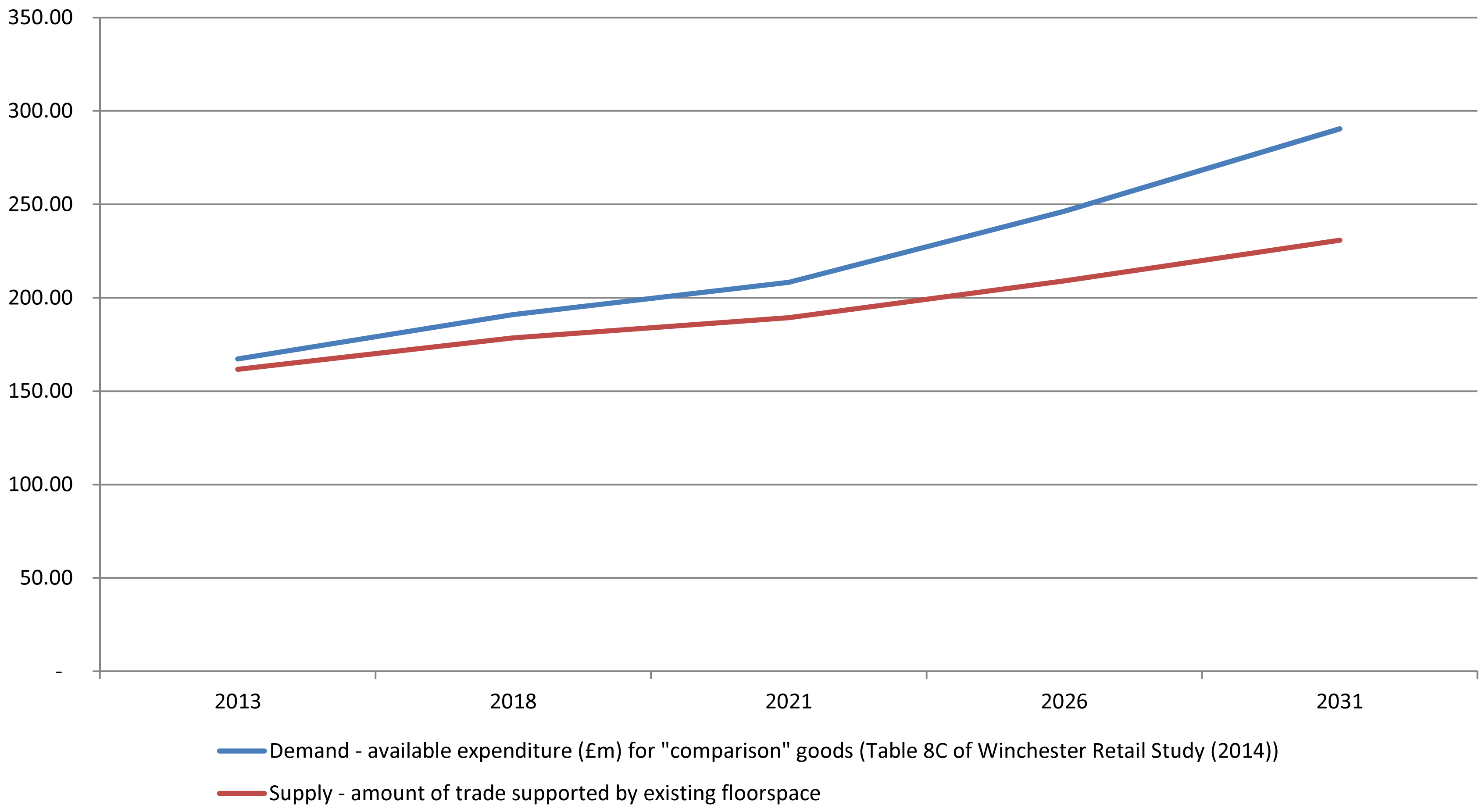


Propernomics

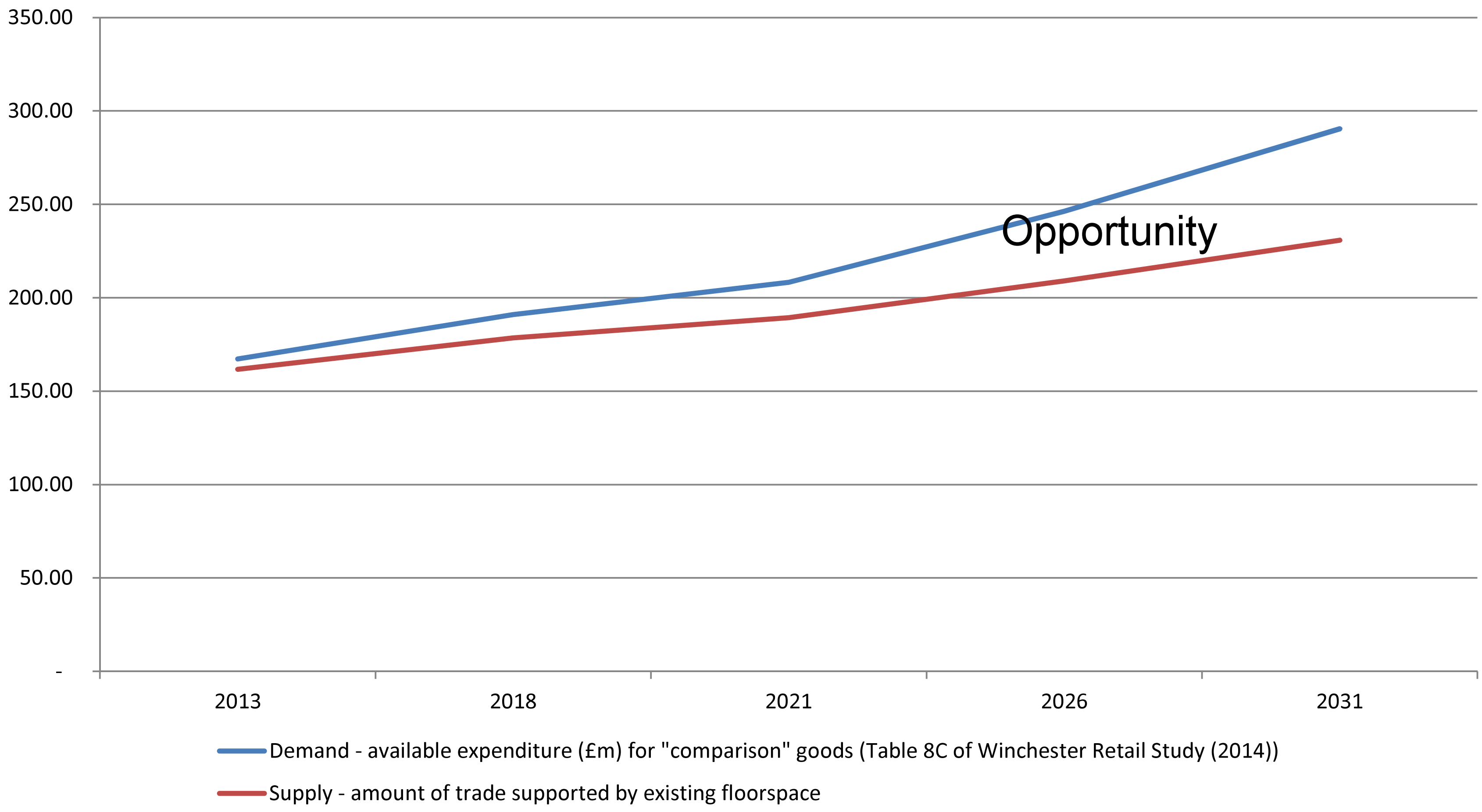
Comparison sales expenditure – forecast demand (£m)



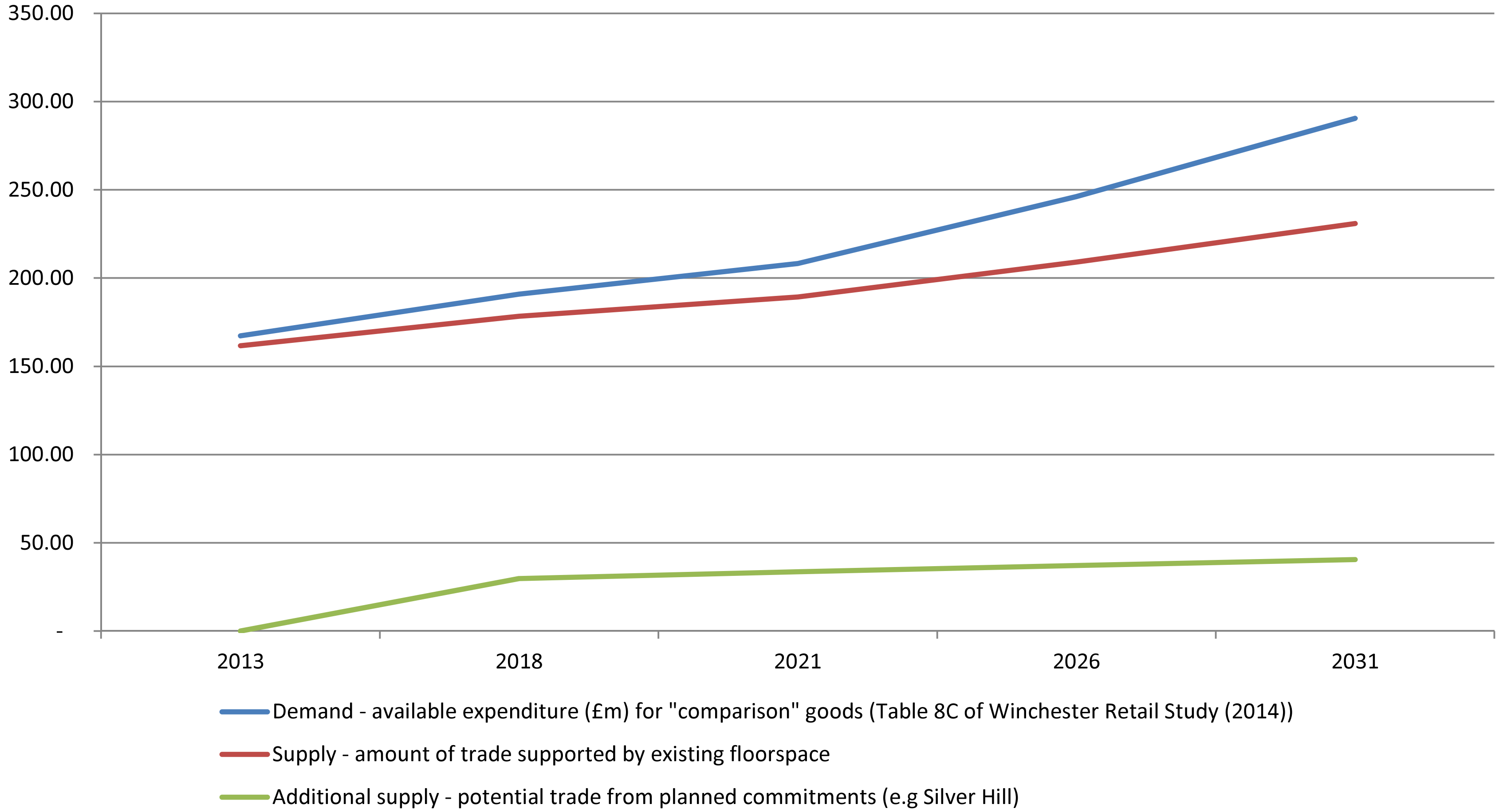
Demand gradually exceeds supply of space



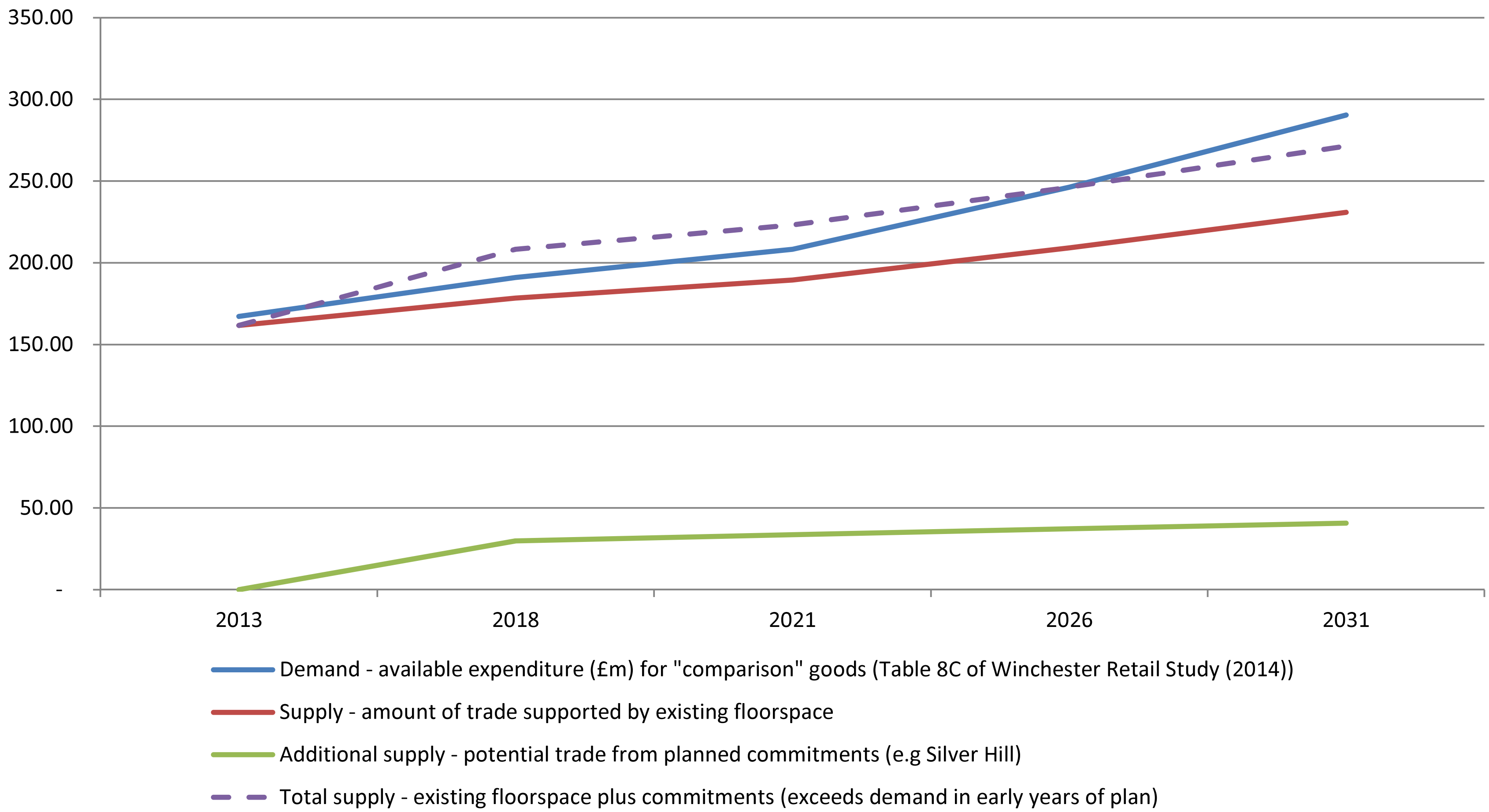
Potential gap spells opportunity



There is potential additional supply

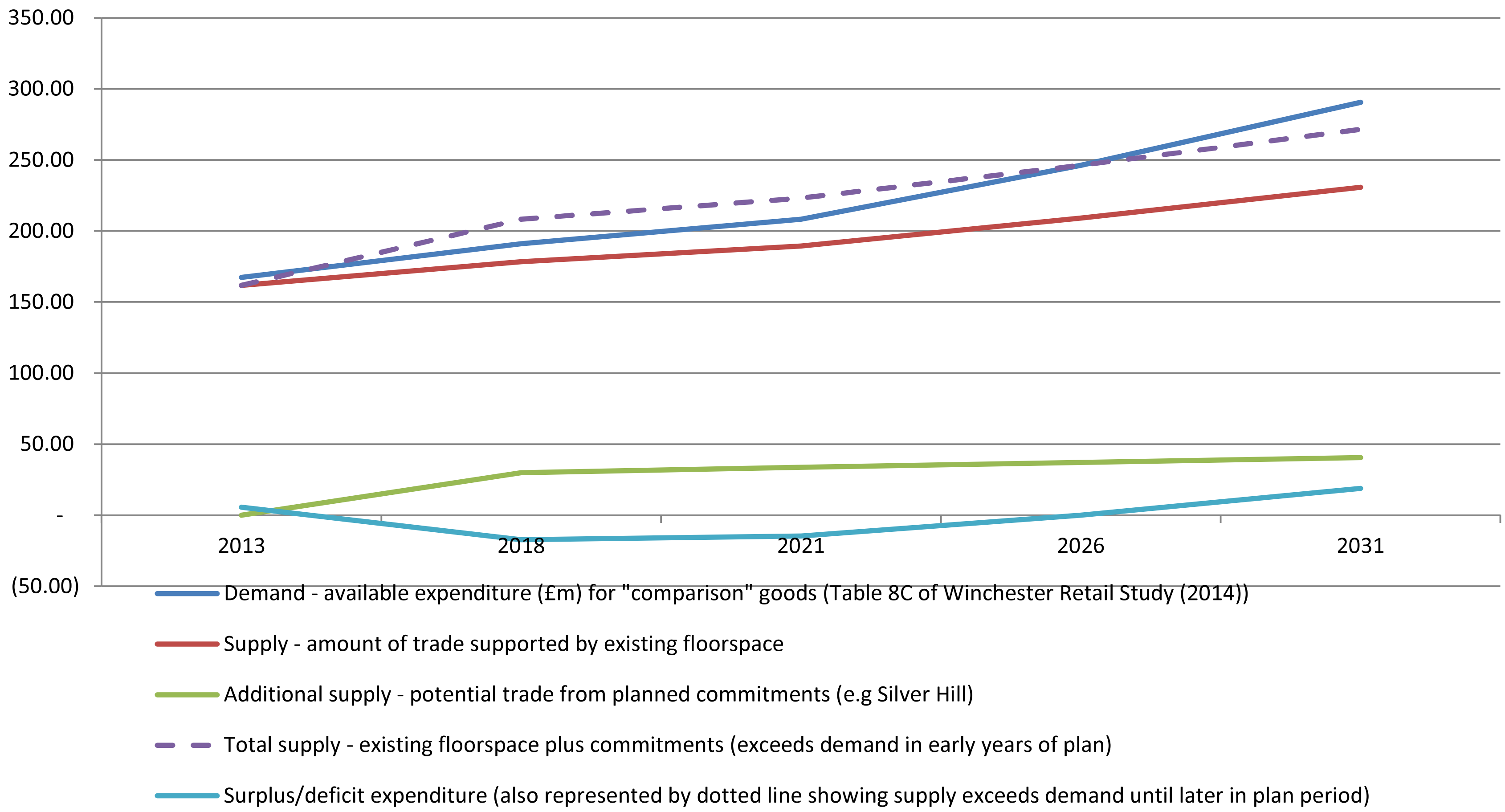


Current + potential supply > demand in s/m term

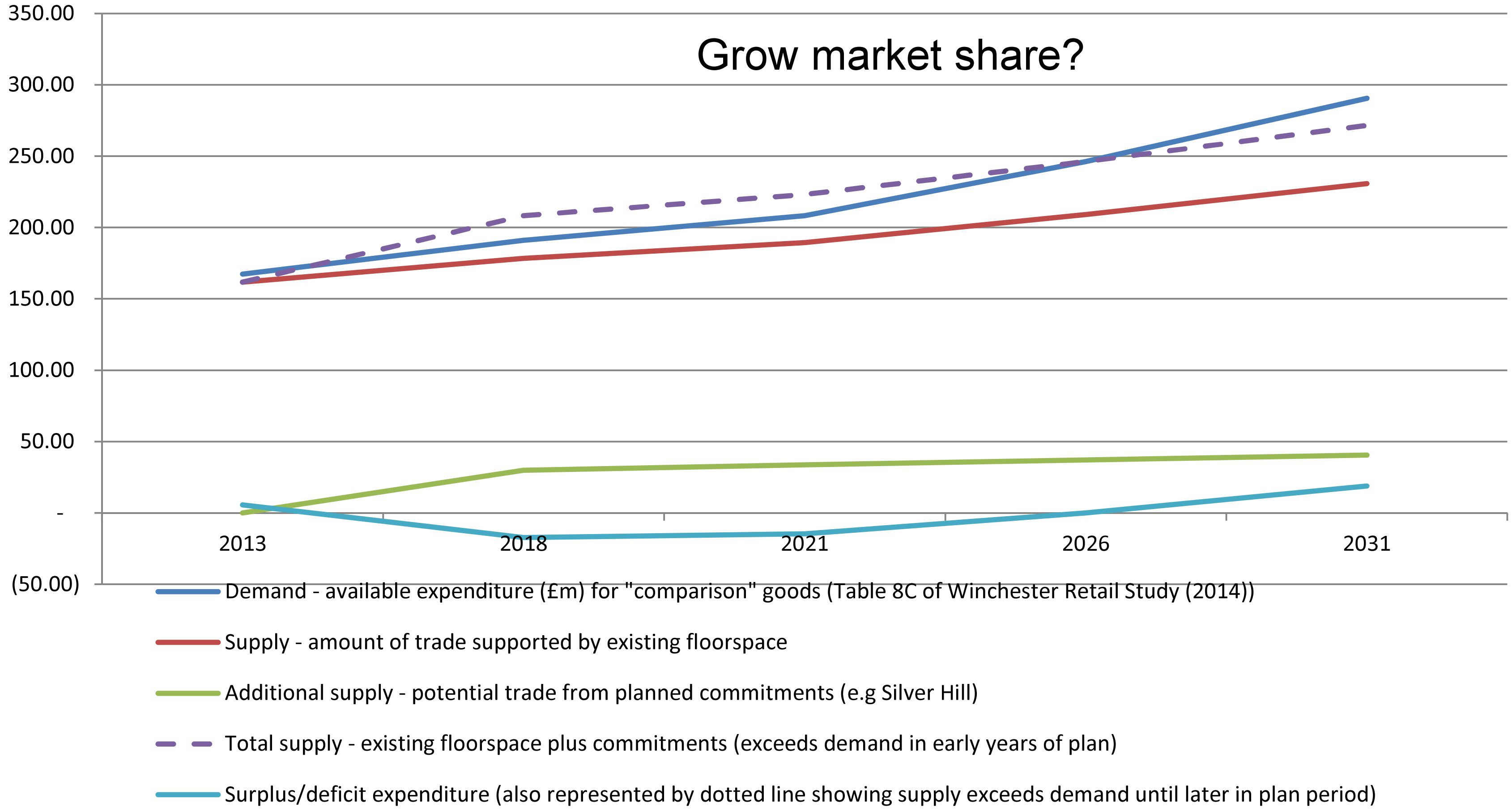


Propernomics

Potential deficit unless we gain more expenditure



Can we raise demand?



Key questions arising

- Hard for Winchester alone to elevate consumer expenditure around the region
- How can Winchester maximise its appeal in order to a) safeguard and b) grow its share of consumer expenditure?
- What makes Winchester attractive?
- What will make it more attractive?

3. Data & comparisons

What can we learn from other places?

Districts

- Bath
- Canterbury
- Chester
- Chichester
- Salisbury
- Winchester

Labour market data

- Population
- % aged 16 to 64
- Claimant rate (OWB)
- Jobs density
- Economically active
- Residents’ earnings

LABOUR MARKET DATA	Winchester	Chichester	Bath & NE	Canterbury	Salisbury	Chester West	
This is district data	District	District	Somerset	District	& Wiltshire	& Chester	Average
Population	120,700	117,000	184,900	160,000	486,100	333,900	233,767
% aged 16 to 64	61.10%	57.10%	64.50%	64.00%	60.60%	61.80%	61.52%
Population aged 16 to 64	73,800	66,800	119,200	102,400	294,800	206,400	143,900
Claimant rate (OWB)	0.50%	0.90%	1.10%	1.30%	0.90%	1.40%	1.02%
Job numbers	92,000	76,000	102,000	78,000	238,000	184,000	128,333
Jobs density	1.26	1.15	0.87	0.77	0.81	0.89	0.96
Economically active	64,100	60,200	98,400	71,700	252,300	162,000	118,117
Unemployed	2.50%	2.90%	4.10%	5.70%	3.30%	3.90%	3.73%
Residents' earnings	670.10	576.90	566.00	543.10	522.30	547.00	571
Employee jobs*	80,000	58,000	82,000	62,000	196,000	166,000	107,333
Civil service jobs	1,980	80	120	610	5,800	300	1,482
% of job numbers	2.15%	0.11%	0.12%	0.78%	2.44%	0.16%	0.96%
Business units	8,195	7,370	9,505	6,290	25,475	16,400	12,206
*Excludes self-employed, government supported trainees and HM Forces							
FLOORSPACE (BASED ON VO RECORDS SO GEOGRAPHIC AREA MAY DIFFER FROM LABOUR MARKET DATA)							
Retail premises (count)	835	1,110	1,824	1,496	946	1,451	1,277
Retail premises (sq m)	160,000	197,000	310,000	369,000	220,000	386,000	273,667
Sq m per shop	192	177	170	247	233	266	214

Propernomics

- Winchester/Chichester districts – similar in population; Winchester has a third fewer shops
- Bath – much larger but offers lessons?
  - Heritage focus, complex and varied network of streets, multiples and independents add interest
- Very strong demographics in Winchester compared to the 5 other districts
  - higher earnings, higher jobs density, less unemployment, lower claimant rate (OWB)

Propernomics

Types of town and how we compare

Retail town typologies	Typical characteristics
Type 1 - large, homogenous, thriving	i. Focused on Comparison retailing ii. Draws shoppers from a wide radius area iii. Relatively low, stable vacancy rates iv. Increasing in size over time
Type 2 - medium to large, diverse, struggling	i. Weak local economic context ii. Relatively high vacancy rates iii. Losing out to larger "destination" centres iv. Diverse, with above average non-retail spend
Type 3 - small to medium, weak local economic context, struggling	i. Convenience retailing focus; less comparison ii. Serves local community and small catchment iii. Local economic context tends to be weak
Type 4 - small, strong local economic context, thriving	i. Local economic context tends to be strong ii. Draws comparison shoppers from wide area iii. Reliant on local custom for convenience sales iv. Attracts a range of spending, including leisure and cultural expenditure v. Responsive to trends (a few of those studied have reduced surplus retail space)

Propernomics

Best fit with Type 4 towns?

- Strong economic context (also low vacancy rates)
- But with sub-regional competition…
- Strong provision of “convenience” shopping – our focus for the study area is on “comparison”
- Range of spending – retail (independents and chains), cultural, leisure – but not “leisure boxes” or “multiplexes”
- What flavour of leisure should Winchester offer compared to now? Compete or promote USPs?

Propernomics

And what about our response to trends?

- Consumer expectations – greater desire for an “experience” as distinct from convenience and online shopping?
- Online impact – game changing shift, then what?
- Rise of out-of-town – suits some retailers better (margins) and consumers (bulky goods into boots)
- Ageing demographic but cater for youngsters too
- Discounting culture vs. added value propositions
- What matters to you? Why pay a premium?

Our research suggests

- Exploit Winchester’s character but keep it special…
- Improve public realm for the “feel” of the place
- Improve infrastructure for the “practicality”
- Strive for more office space – especially for SMEs to compensate for losses and to stem departures
- Innovate to make the experience better…
- Markets – we want them, but not obscuring shops
- Manage the town as if it were a single entity (tcm)
- More of the same, or be unique and distinctive?

4. Ambitions and desires

- Change demands vision and purpose…
- As well as care over costs – no free cash


MARKS & SPENCER
FREE CASH
M&S
EST. 1884

More aspects to consider…

- Retailers' property requirements?
- Brands that might be desirable to attract?
- Your feedback on other town centre uses?
  – Offices (HQs/SMEs/shared workspace)
  – Any particular niche demand to flag?
  – Other uses that meet a need or drive footfall?
- Role of independents/pop-ups/small shops
- Public realm and TCM ideas
- Other desires/market gaps you foresee?

Our other research - offices

Propernomics

- 300 businesses questioned about priorities for office users (elsewhere on south coast)
  - Create a sense of prestige
  - Ensure it's a practical place in which to operate (e.g. easy transport and parking)
  - Have positive promotion and pride of place
- These desires chime well with retailing, plus tourism and Winchester's heritage


Independent
Shops
THE
SILVER
SHOP

Another survey said…

- We questioned 1,000 people about priorities for a new community (elsewhere in UK)
  - Provide access to independent shops (96% agree and 74% agree strongly)
  - 78% agree (and 37% agree strongly) that they would use independent shops even if more costly
- NB some shops need to be low overhead and low cost…
- And some multiples use small units too

Multiples in small units

Other desires

- Any other gaps in provision that shoppers would like to see (subject to demand)?
- E.g. home furnishings?
- Other ideas?

Public realm & TCM ideas

- Examples from Bath – different of course, but what can we learn?
  - Attractive public realm
  - Natural materials (but expensive…)
  - Five star loos!
  - Priority to pedestrians, bikes, arcades, quirky streets, interesting viewpoints
  - Independent shops – mix of “cheap and cheerful” and “chic and cheerful”
  - Multiples


YORK STREET
TIMPSON


M&S


PEDESTRIAN
ZONE
Except for loading
At any time
Blacks
M&S
EST. 1884
M&S CAFE
on the Ground floo
and 2nd floor


SAUSAGE
COMPANY
JACKS


THE CORRIDOR
CORNISH
AWARD WINNING CORNISH PASTIES
BAKEHOUSE
CORNISH BAKEHOUSE
SALE
THE
CORRIDOR
BATH


NEW BOND
STREET PLACE
TODAYS


MAZE

5. Next steps

- What do <u>you</u> think?
- What change(s) would you choose?
- Let us know!
  - Hands-on planning
  - Walkabouts
  - Talk to us!

Propernomics

Presented by Simon Ward BSc MRICS
Propernomics Ltd
simonward@propernomics.co.uk
t. 01962 710145   m. 07810 655976