Bournemouth Coastal Bid

Retail Research Report 2014

Boscombe

Executive Summary

Boscombe

- The catchment contains a resident population of 282k, with a penetration of 23% generating a shopper population of 66k (73k incl. ‘pull-in’) – the largest of the 3 locations
- As found in all the catchments, proportions of *Retired Senior* households are significantly above UK average. The other Lifestages are below average except for the *Inner* catchment segment where *Pre-Family* are 20% above UK average
- Typical of an older population, household spend is below UK average whilst income is above average – a trend seen in all 3 locations. Boscombe has the lowest income of the 3 study areas but still 1% above UK average
- Total shopper Non-Grocery spend in Boscombe is £337m; £279m from resident shoppers and £58m from tourists
- Boscombe attracts the highest proportion of Visitors, accounting for 23% in Peak, 14% Off Peak
- Shopper profiles remained almost identical between Peak and Off Peak, with most (56%) falling into the *Financially Stretched* and *Urban Adversity* ACORN *Categories*
- The proportion of Day and Overnight Visitors increased during Peak, more so than at the other locations
- F&B spend increased dramatically in Peak, especially amongst Visitors; although Non-Food spend is lower during Peak
- *NPS*, although still negative, improved considerably during Peak (from -38 to -28), Boscombe is clearly not seen as a desirable retail destination

Executive Summary – all locations

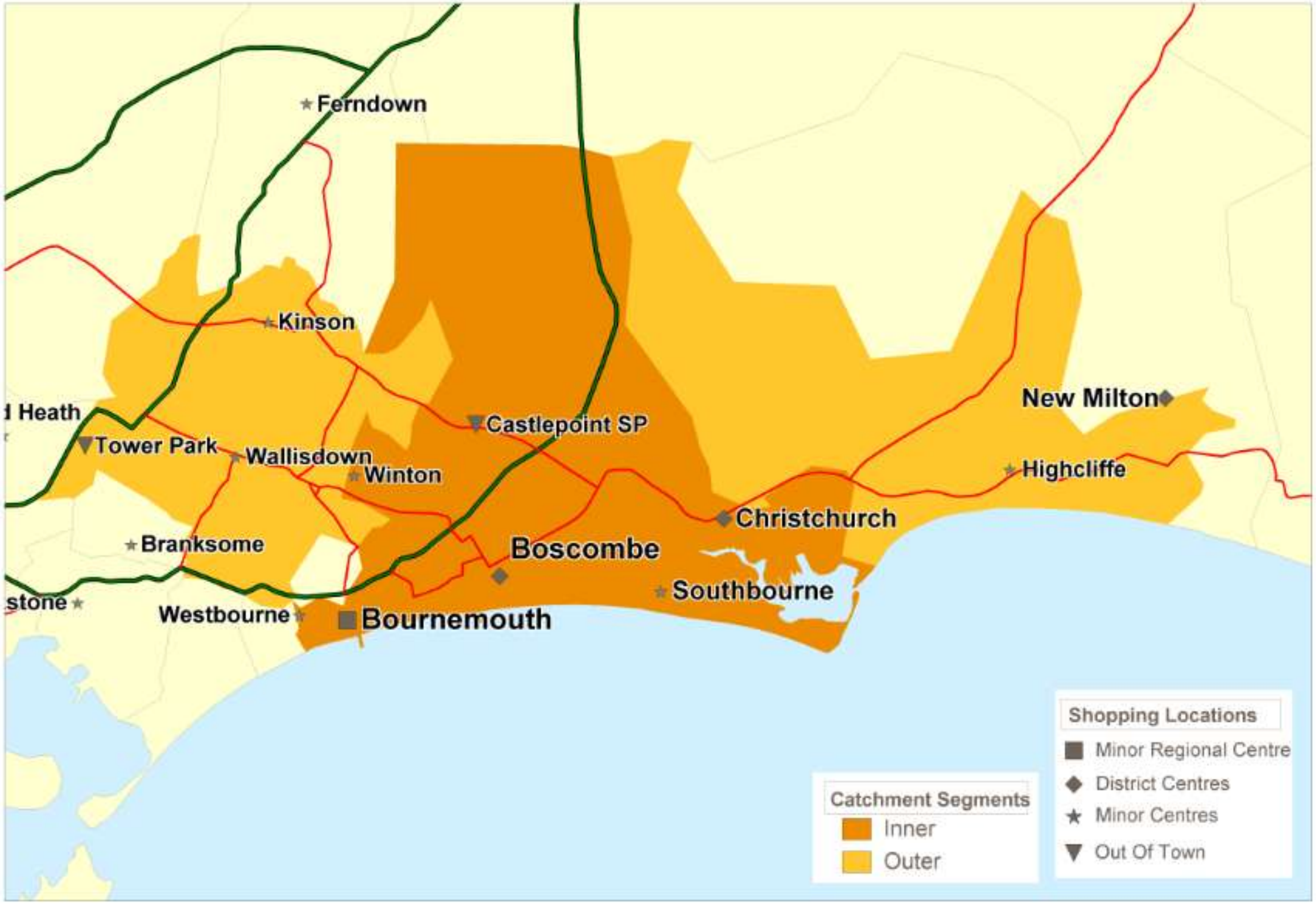
- Home locations
  - Peak/Off Peak remained similar across all three locations, with 80% or more respondents originating from within their Principal catchments. The catchments generated in April are still valid throughout the Peak period
  - The majority of Tourists across all locations tend to be more affluent than those living within the respective Principal catchments
- Shopper profiles
  - Remained largely similar between Off Peak/Peak, although there were some subtle changes in Westbourne and Southbourne
- Respondent Categories & Visit Frequency
  - The proportion of Visitors increased during Peak in all three destinations, increases in Overnight Visitors are especially notable. This caused drops in average visit frequency
- Non-Food Spend
  - Increased during Peak in Westbourne and Southbourne, fell in Boscombe
- F&B Spend
  - Increased during Peak in Boscombe and Southbourne, fell in Westbourne
- *NPS*
  - Increased dramatically in Peak in all locations, especially amongst Visitors

Key Terms

- **Residents** – Respondents who identified themselves as 'Local Residents' in Question 2
- **Visitors** – Those who identified themselves as either Day, Overnight (Staying Nearby) or Overnight (Staying Outside area) Visitors in Question 2
- **Tourists** – Respondents living outside the Principal catchment area (the combined Inner/Outer segments), irrespective of their response for Question 2 (resulting in a small proportion of those defining themselves Local Residents being re-classified as Tourists – identified in each location). This was established using postcode data and mapping software

Boscombe Phase 1 - Off-Peak

Catchment Area



Source: FSP/CES

Catchment Area

The map shows Boscombe's Principal (90%) catchment area, derived from 703 postcodes collected over a full trading week. The *Inner* segment represents the home location of 75% of Boscombe's shoppers and the *Outer* segment a further 15%. The last 10% has been disregarded as a shopper penetration rates beyond the Principal Catchment are usually very low.

- The *Inner* segment has a resident population of 154k
- The *Outer* segment has a resident population of 128k
- The total resident population for the Principal catchment area is 282k

The resident population is expected to increase by a slower rate than the UK, by 4% to 2023 (UK+7%).

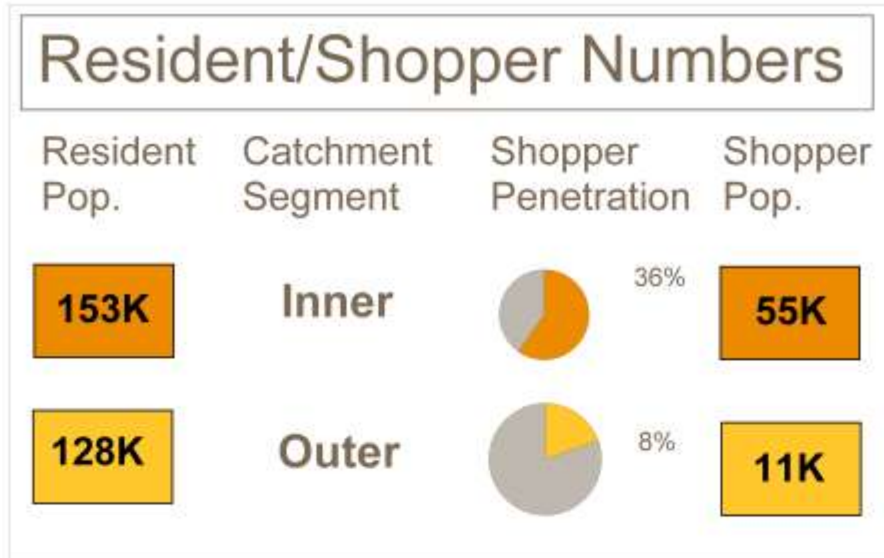
Source: FSP/NSLSP

Shopping Population

The shopping population represents the proportion of the resident population using Boscombe as a shopping destination. The total shopper population also includes a 10% ‘pull in’ figure which relates to those who use Boscombe town centre but live outside the Principal catchment area. The shopping populations are:

- *Inner* segment 55k – 36% penetration
- *Outer* segment 11k – 8% penetration

The Principal catchment produces 66k shoppers (73k incl. ‘pull-in’). Penetration is 23%.



The NSLSP Principal (90%) catchment has a resident population of 498k and a penetration of 4% generating a shopping population of 21k. This is lower than the bespoke catchment because the NSLSP asks respondents the location of their MAIN Non-Food shopping destination. Few people will choose any of the 3 survey areas as their main destination. Future catchments for Boscombe can be updated by re-weighting according to changes in the NSLSP catchment.

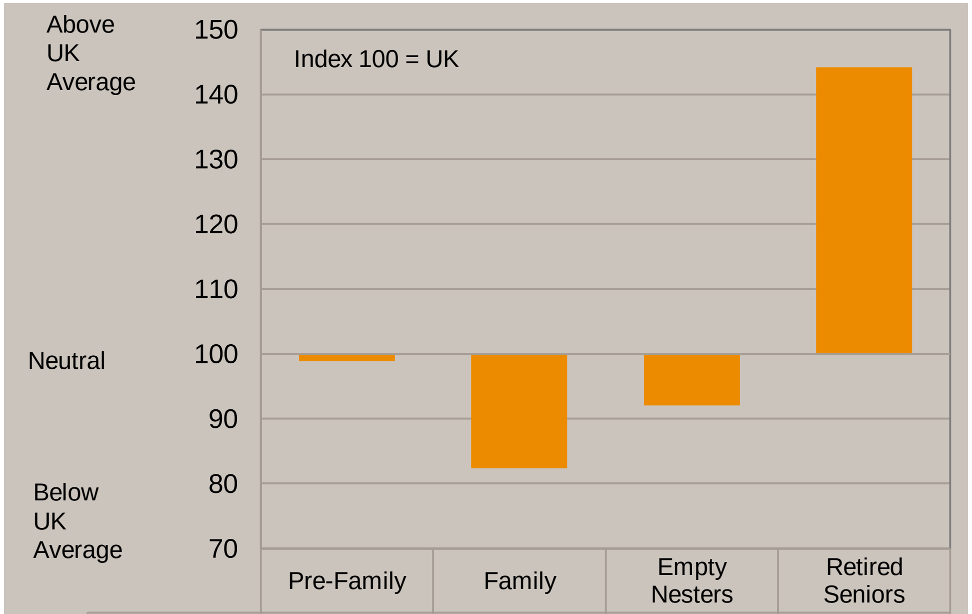
Source: FSP/CES

Catchment Demographics – Resident Lifestage

Catchment households have been classified into four Lifestage groups: *Pre-Family*: Main wage earner, under 45, no children; *Family*: Any age, dependent children living at home; *Empty-Nesters*: 45-69, no dependent children at home; *Retired Seniors*: 70+, no dependent children at home.

The graph shows the demographic characteristics of the Principal catchment compared to UK averages (represented by Index 100).

- Proportions of *Retired Senior* households are 44% above UK average, with highest proportions in the *Outer* segment
- The *Inner* segment is younger with *Pre-Family* 20% above UK average (overall 1% below UK average across the catchment)
- *Family* and *Empty Nester* households are both below UK average, by 18% and 8% respectively



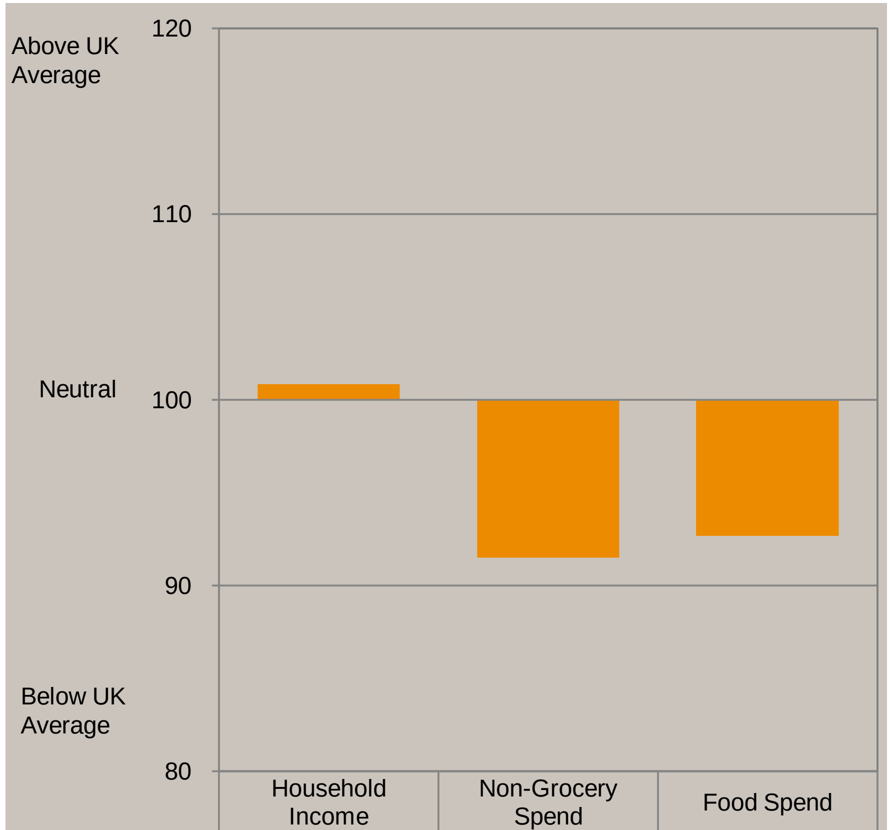
	Pre-Family	Family	Empty Nesters	Retired Seniors
Inner	120	79	88	136
Outer	73	86	97	154
Total	99	82	92	144
Boscombe %	18	26	29	27
UK %	18	31	32	19

Source: FSP/CES

Household Income and Retail Expenditure

The graph highlights the relationship between average resident household income and retail expenditure on Food and Non-Grocery. While income provides a good indication of catchment affluence, it tells only a partial story about the propensity for retail spending.

- Household income is 1% above UK average across the catchment
- Non-Grocery spending is 9% below UK average and Food spend is 7% below average
- The *Outer* segment has a higher spend than the *Inner* segment
- Below average spending is typical of an older population



	Household Income	Non-Grocery Spend	Food Spend
Inner	101	89	91
Outer	101	94	95
Total	101	91	93
Boscombe	£35,311	£8,605	£4,563
UK	£35,013	£9,405	£4,895

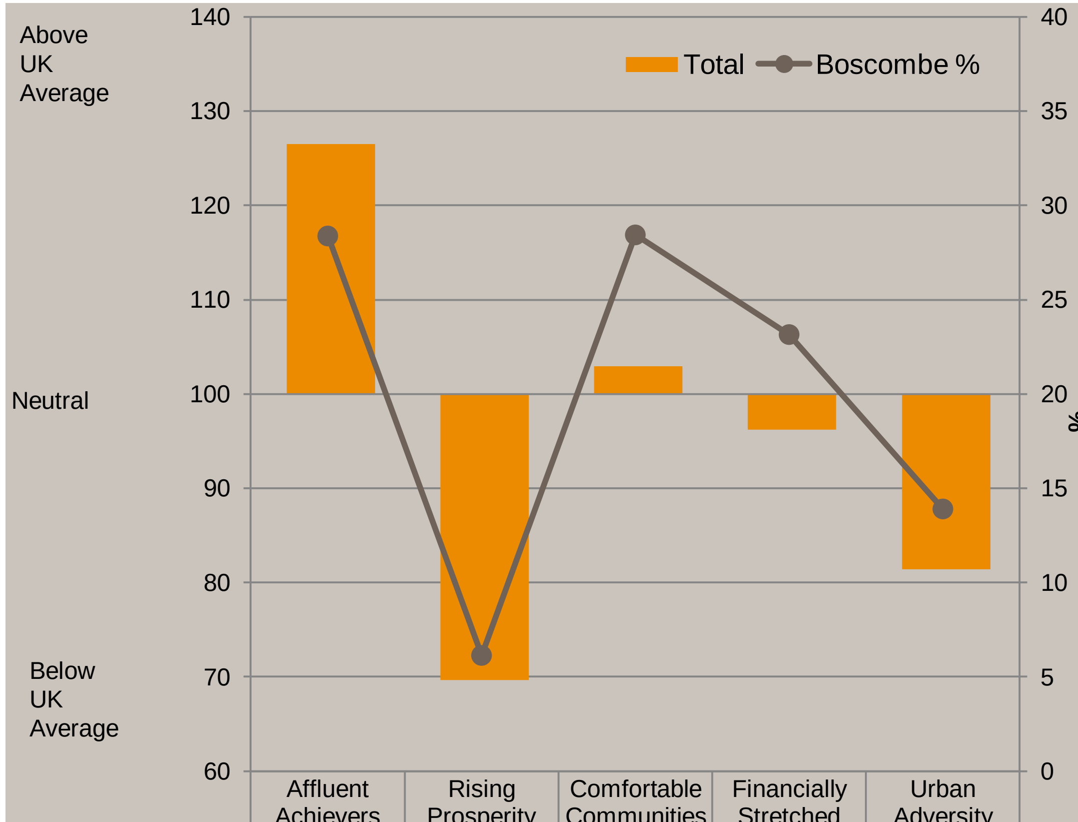
Source: FSP/CES

Catchment Demographics – ACORN Profile

Catchment residents have been classified by ACORN (A Classification Of Residential Neighbourhoods).

- The most affluent *Category, Affluent Achievers*, is 27% above UK average. This is driven by the *Outer* segment; the *Inner* segment is less affluent. Within this *Category* over 50% are *Mature Money* who tend to have an older age profile
- *Comfortable Communities* are 3% above UK average but below average in the *Inner* segment
- *Financially Stretched* and *Urban Adversity* are both below UK average overall but are respectively 10% and 13% above average in the *Inner* segment

Full ACORN definitions can be found in Appendix 2.



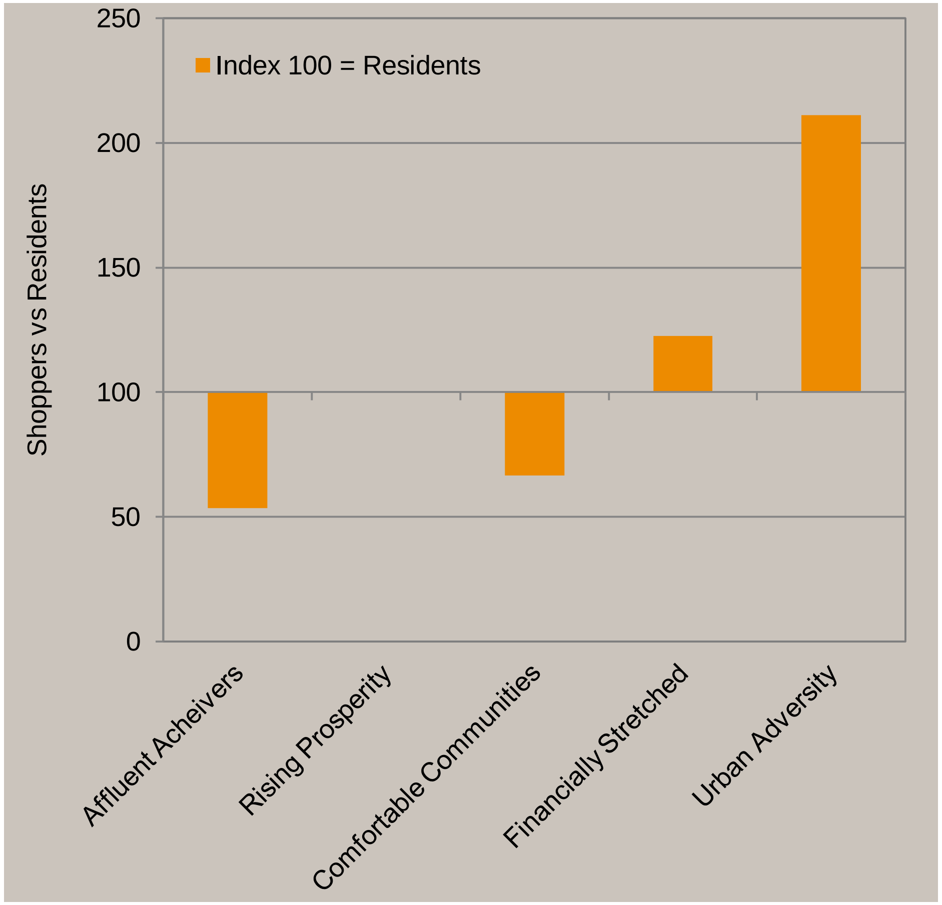
	Affluent Achievers	Rising Prosperity	Comfortable Communities	Financially Stretched	Urban Adversity
Inner	95	92	90	110	113
Outer	165	43	118	79	44
Total	127	70	103	96	81
UK %	22	9	28	24	17
Boscombe %	28	6	28	23	14

Source: FSP/CACI

ACORN Group Profile – Residents vs. Shoppers

The adjacent graph shows the ACORN profile of Boscombe's shoppers (survey respondents) indexed against catchment residents.

- Boscombe shoppers have a less affluent profile compared to its residents: *Affluent Achievers* and *Comfortable Communities* are under represented in the shopper profile compared to the resident profile
- On the other hand, *Financially Stretched* and *Urban Adversity* are over represented in the shopper profile, reflecting their dominance in the *Inner* segment, where conversion of residents to shoppers is highest

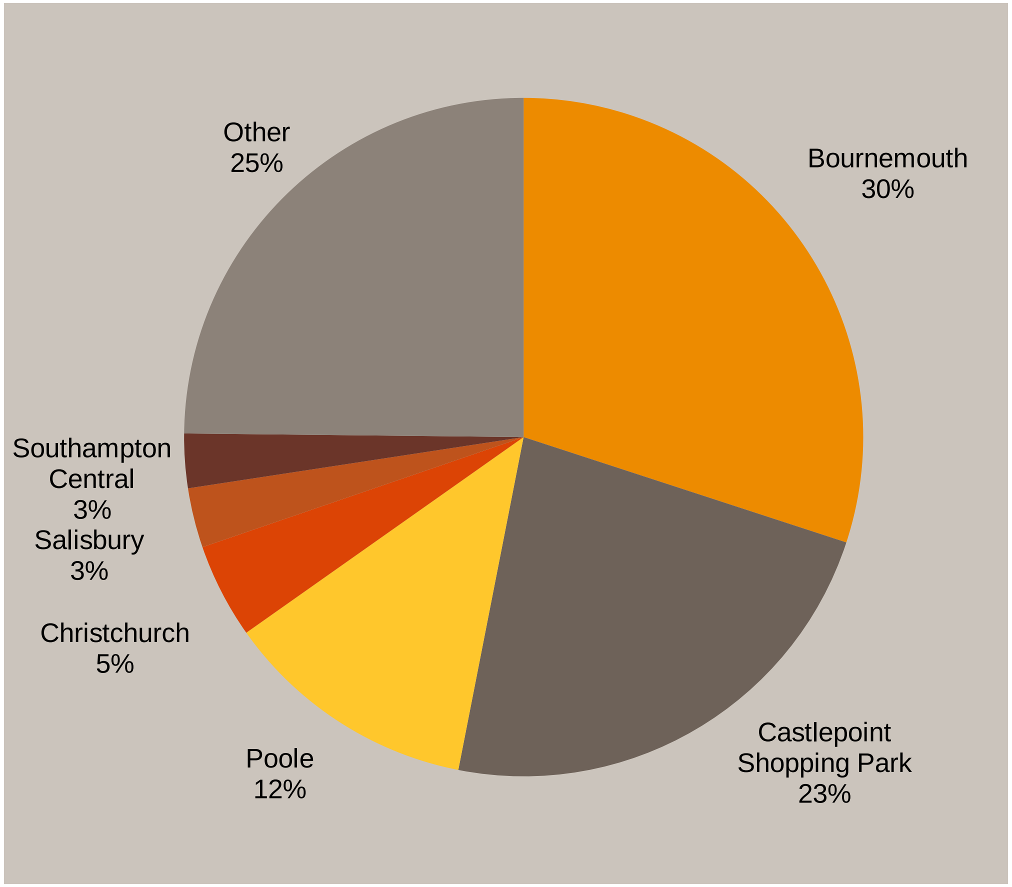


Source: FSP/CACI

Catchment Leakage

Penetration of the Boscombe Principal catchment is 23%. Leakage is made up of the remaining 77% of catchment residents who do not use Boscombe as a regular main Non-Grocery shopping destination.

- Bournemouth is the main competitor to Boscombe, accounting for 30% of leakage
- Castlepoint Shopping Park makes up 23% of leakage and Poole a further 12%
- Christchurch accounts for 5% and Salisbury and Southampton each make up 3% of leakage
- Locations accounting for less than 3% of leakage are included in 'Other'

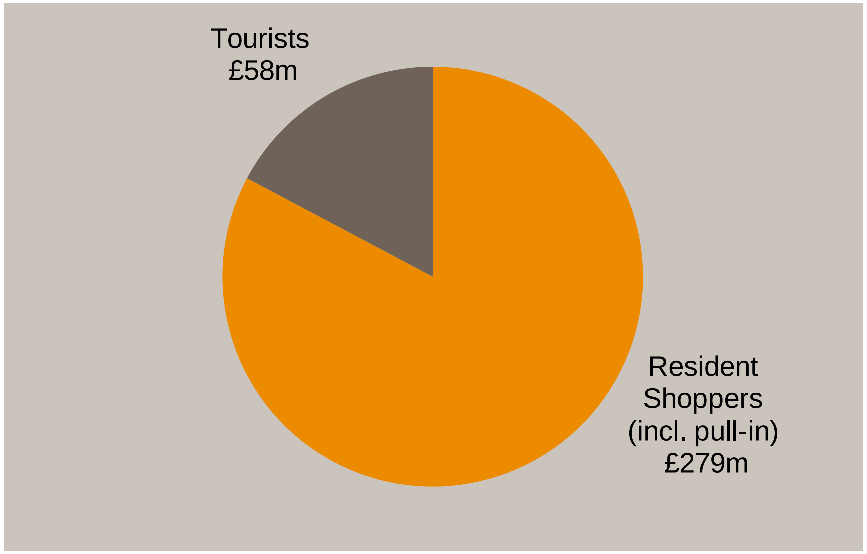


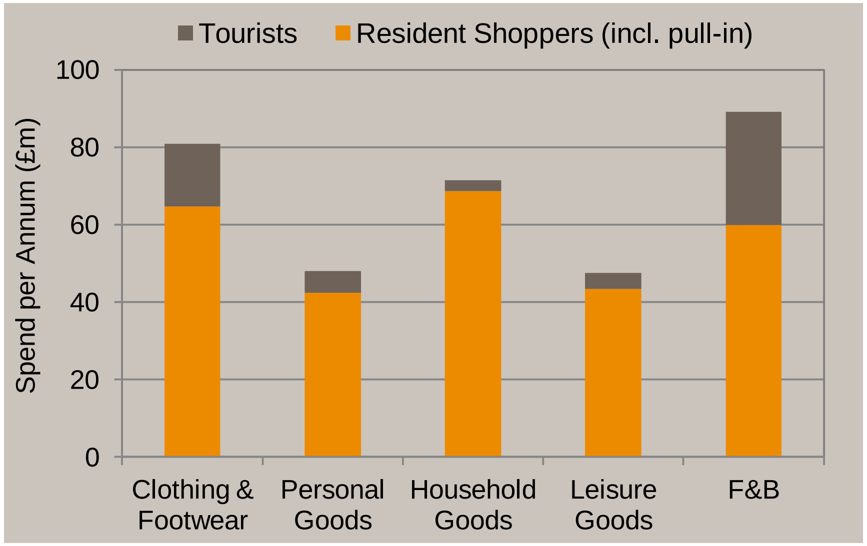
Source: FSP/CES

Available Spend

Available spend is the total disposable spending power of shoppers using Boscombe. It is not the same as retail sales as expenditure is inevitably committed to other locations and to the internet etc.

- Total Non-Grocery spend available to Boscombe is £337m; £279m from resident shoppers and £58m from tourists (17% of spend)
- Household Goods and Clothing & Footwear make up the largest amount of resident shopper spend at £69m and £65m respectively
- Of tourist spend, F&B makes up the largest proportion at £29m, followed by Clothing & Footwear at £16m

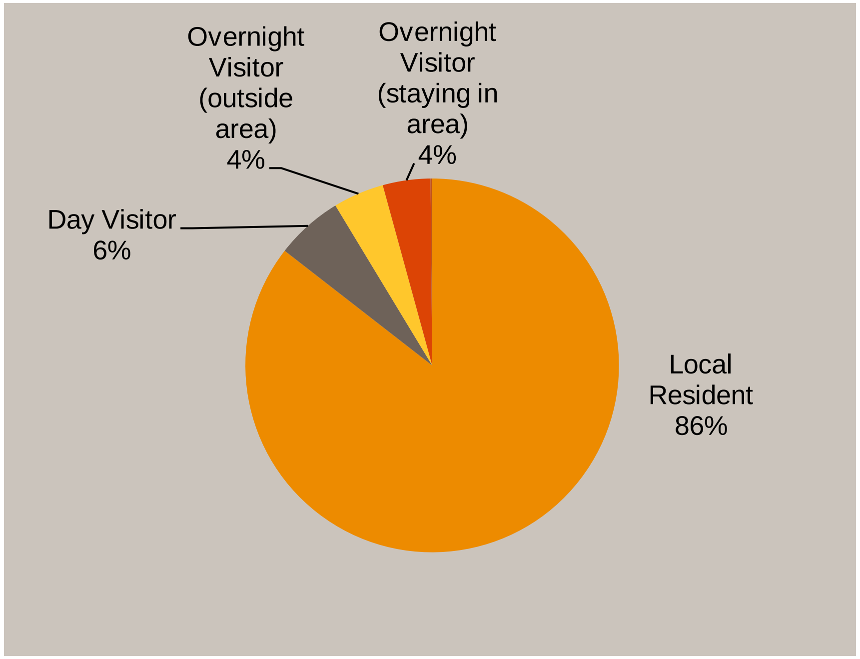


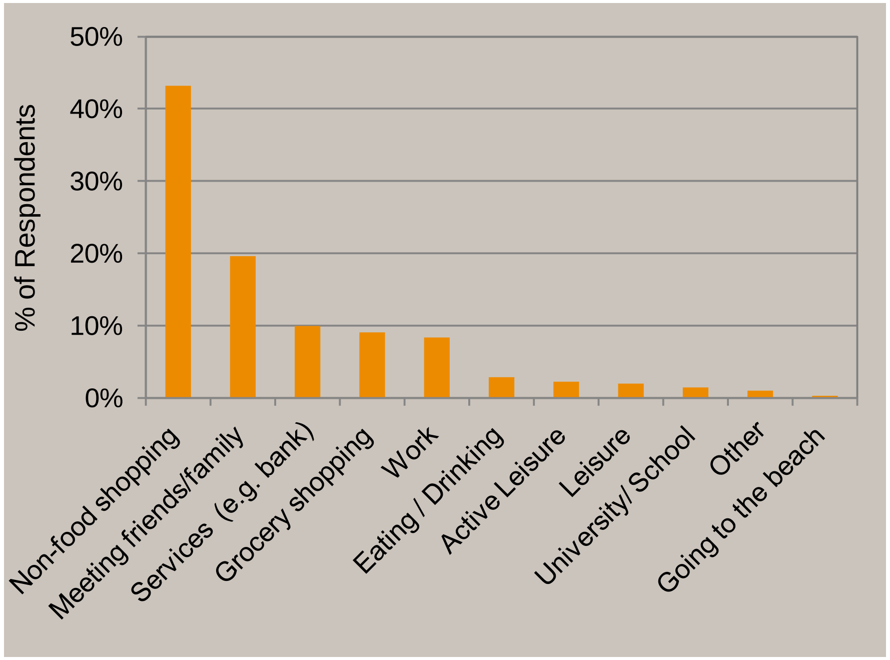


Source: FSP/CES

Survey Results – Visitor Type & Reason

- Local residents make up 86% of respondents, day visitors 6% and overnight visitors staying inside/outside the Bournemouth each make up 4%. The student proportion is very low suggesting a low contingent or that some have perhaps classed themselves as local residents
- At 43%, the majority of respondents' main reason for visiting Boscombe is for Non-Food shopping. This is followed by meeting friends/family (20% of respondents)
- Visit reasons by respondent type are largely in line, except for a higher propensity for Leisure among visitors and a higher proportion of local residents visiting for Grocery shopping

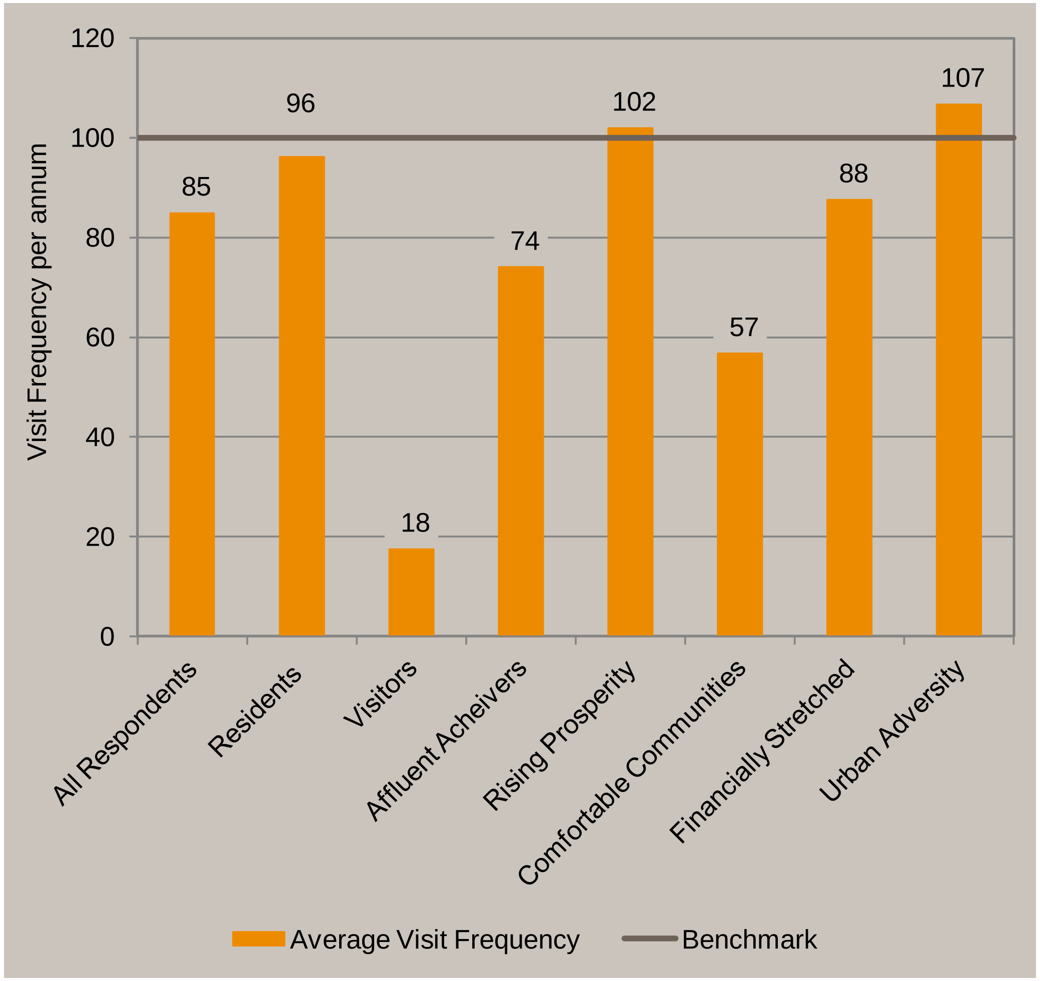




Source: FSP

Survey Results – Visit Frequency

- Average visit frequency to Boscombe is 85 times per annum – roughly 7 times a month. This is below the benchmark of 100 times per annum (average of the 3 locations studied. A typical small town centre visit frequency is 85 time per annum
- Residents visit 96 times per annum whilst visitors visit 18 times
- The least affluent ACORN *Category*, *Urban Adversity* visit the most frequently at 107 times per annum or just over twice a week
- *Comfortable Communities* and *Affluent Achievers* visit least often at 57 and 74 times per annum respectively

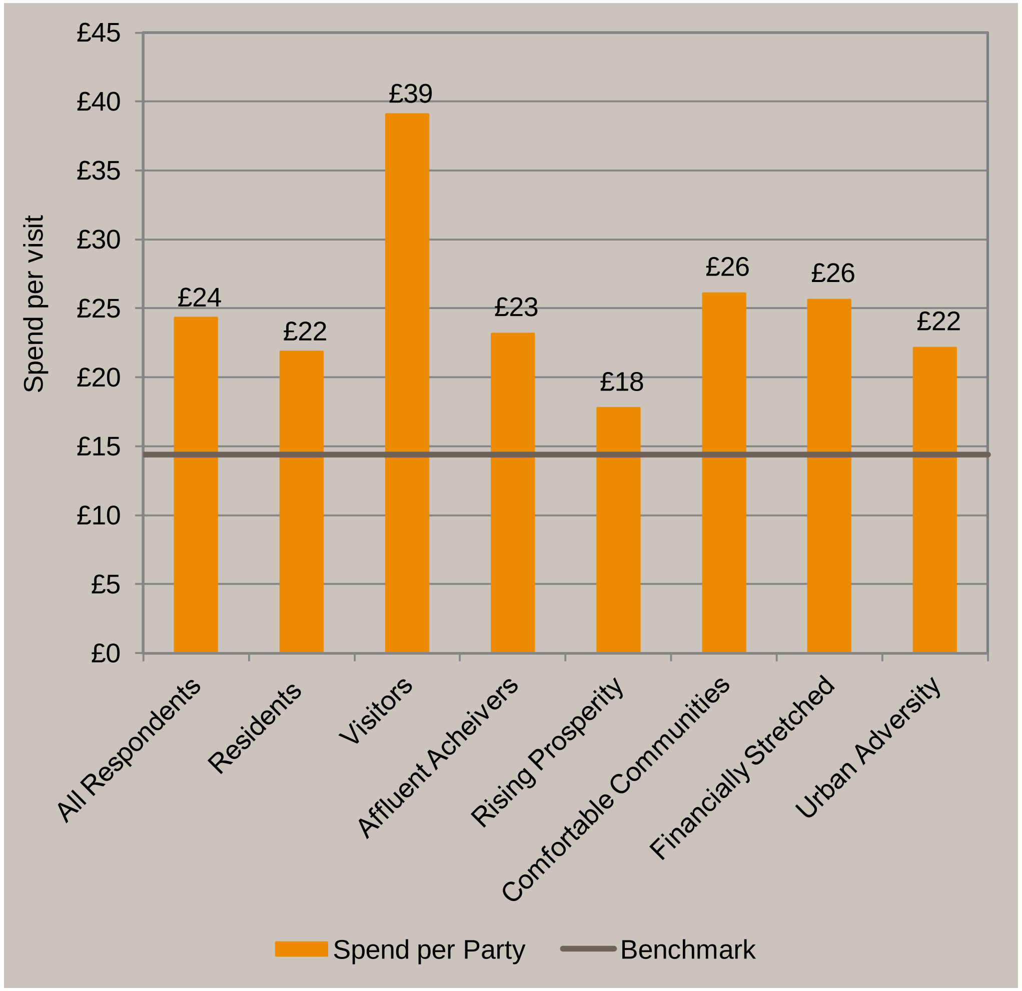


NB. Due to a low sample size visitors have been combined into one group.

Source: FSP

Survey Results – Estimated Actual Non-Food Spend

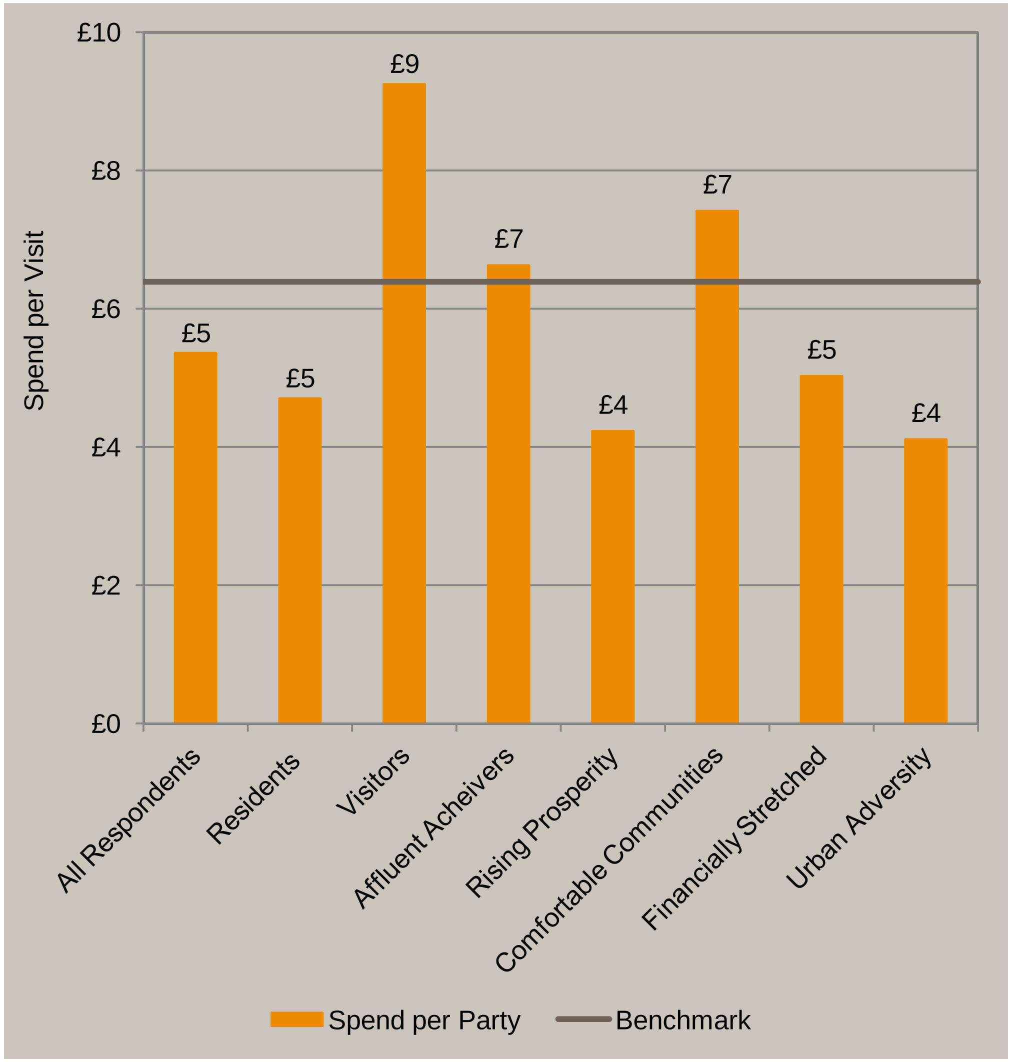
- Including spenders and non-spenders in the survey the average Non-Food spend per visit to Boscombe is £24 per party – well above the benchmark of £14
- This increases to £39 for visitors and less for residents at £22
- Whilst visiting Boscombe the least often, *Comfortable Communities* spend the most at £26 per visit
- Accounting for only 6% of shoppers, *Rising Prosperity* spend the least at £18
- Among spenders only (ie excluding non-spenders), Non-Food spend per party is £35



Source: FSP

Survey Results – Estimated Actual F&B Spend

- Including spenders and non-spenders in the survey the average F&B spend per visit to Boscombe is £5 per party – below the benchmark of £6
- This increases to £9 for visitors compared to £5 for residents
- Among spenders only (ie excluding non-spenders), F&B spend is £10. *Comfortable Communities* spend the most at £7 whilst *Urban Adversity* spend the least at £4 per visit



Source: FSP

Net Promoter Score

The *Net Promoter Score (NPS)* is a measure of customer loyalty and satisfaction. Respondents are asked how likely they are to recommend “x” to a friend on a scale of 0 to 10. By asking if you would “recommend to a friend”, people have been found to give a more accurate response to their real feelings and confidence about an area.

The *Net Promoter Score* is the percentage of *Promoters* (scoring 9 or 10) minus the percentage of *Detractors* (scoring 0-6). Those scoring 7 or 8 are classed as *Passive* and are excluded from the calculation.

And here are two examples

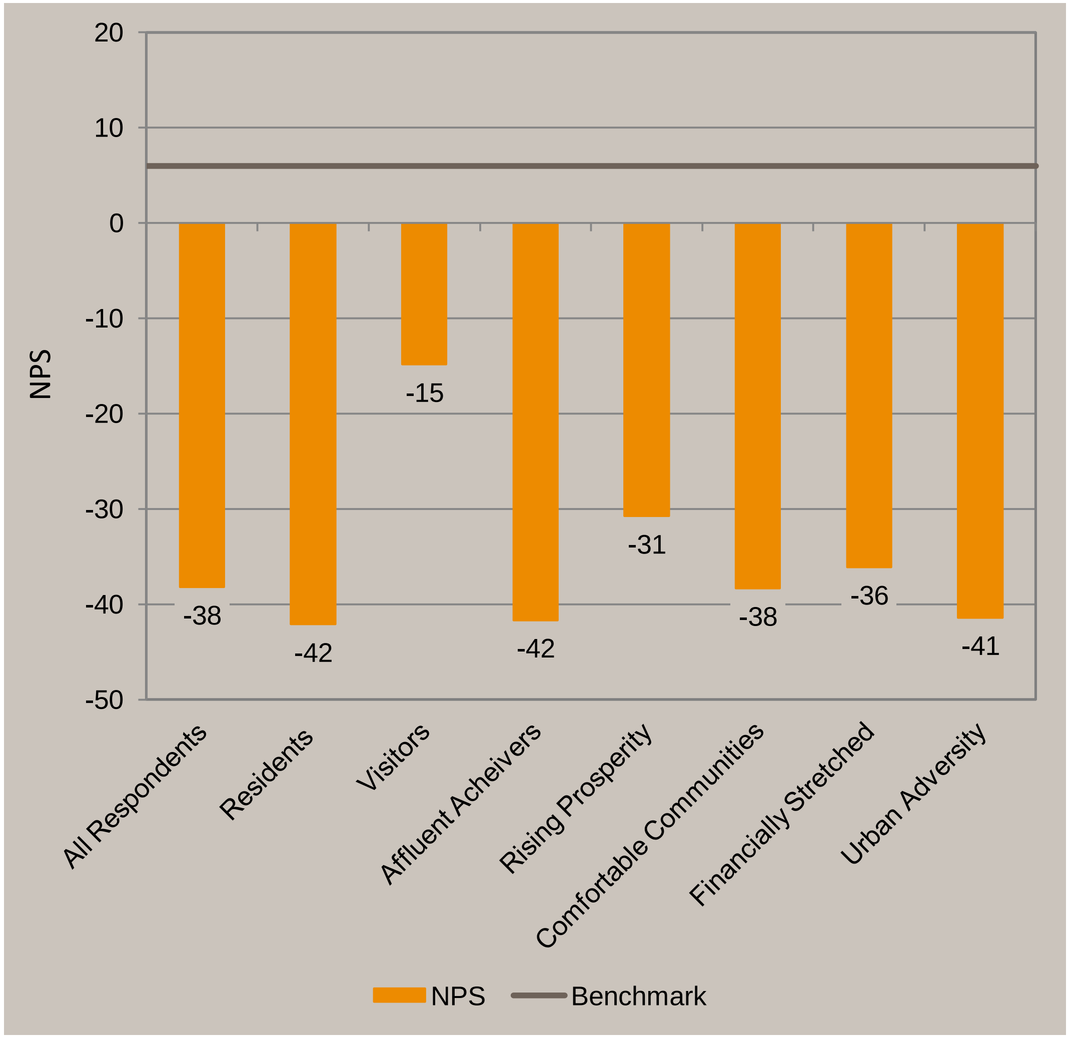
Score	Percentage of respondents	
	Example 1	Example 2
9 or 10	30%	40%
7 or 8	10%	30%
0 to 6	60%	30%
NPS =	(30% - 60%)	(40% - 30%)
	ie a score of -30	ie a score of +10

Source: FSP

Survey Results – Net Promoter Score

The *Net Promoter Score* (*NPS*) is a measure of customer satisfaction based on how likely respondents are to recommend Boscombe as a place to shop to a friend.

- The average *NPS* is -38, well below the 3 study area benchmark of +6. A negative *NPS* is indicative of shopping at a location out of necessity rather than by choice
- Visitors score highest at -15 whilst residents score -42, indicating Boscombe's apparent lack of appeal as a shopping destination
- The most affluent ACORN *Category*, *Affluent Achievers*, has the lowest score of -42. *Rising Prosperity* (typically younger people including students score it the highest at -31



Source: FSP

Pedestrian Flow

The map shows the weekly pedestrian count indexed against the value of the busiest point (i.e. Index 100 = highest count). The busiest point was the middle of the pedestrianised area on Christchurch Road.

Source: FSP/PMRS

Boscombe Phase 2 - Peak

Catchment Area

Source: FSP

Visitor Origins

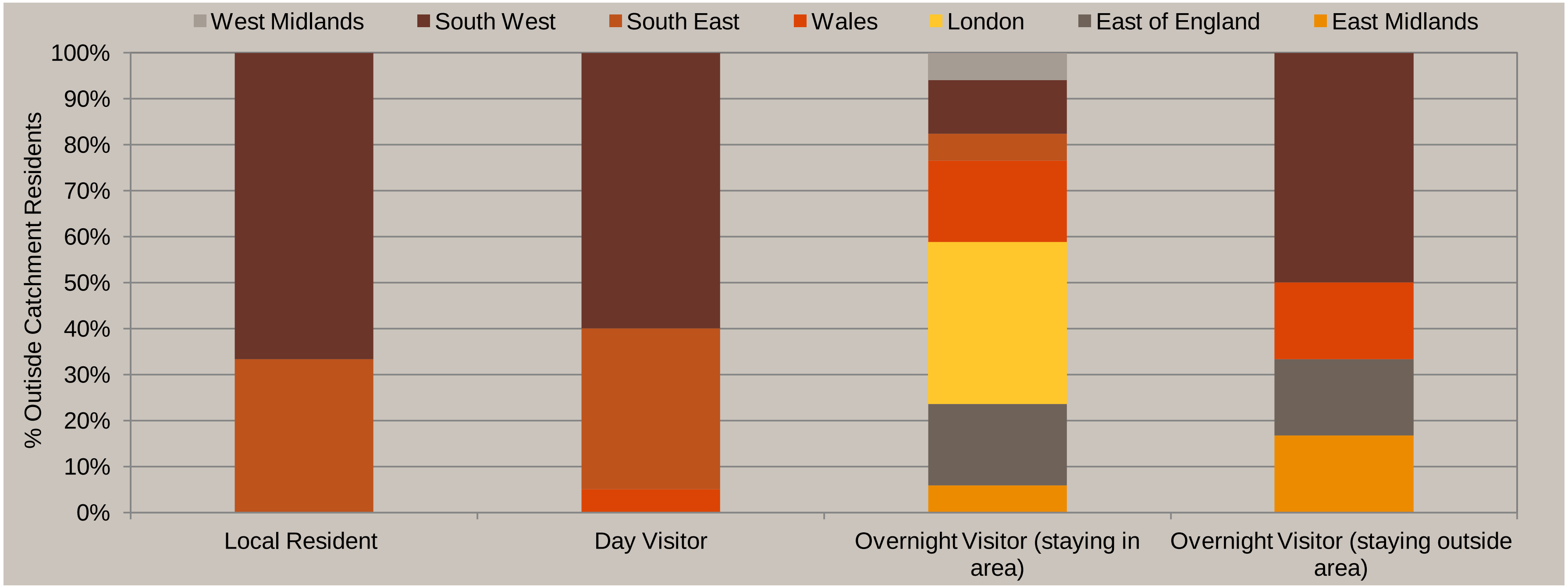
- The majority of Boscombe Peak respondents (82%) come from within the Principal catchment generated in April. This suggests that amendments to the catchment will not be necessary, as respondent origins have not changed significantly between the Peak/Off-Peak periods
- The average respondent drive time during Peak is 25 minutes, Overnight Visitors travel furthest, with those staying nearby averaging 2 hours 20 minutes, and those staying outside the area 2 hours 30 minutes. Local Residents have the shortest average drive time (8 mins)
- Overnight Visitors staying nearby are most likely to come from the London area (35%). Whilst Overnight Visitors staying outside the area were most likely to live in the South West region (50%). Day Visitors originated from either the South West (60%) or South East (35%). 5% stated they had travelled from Wales, they are likely to be on a trip and staying nearby
- Tourists appear more affluent than the average Peak profile, with lower proportions of *Urban Adversity* and higher proportions of *Affluent Achievers*

Source: FSP/NSLSP

Tourism

The chart below shows the regions in which Tourists (i.e. those living outside the Principal Catchment) live. Results are based on the Peak survey and show by respondents self classifications given in question 2 of the intercept survey. For a map of regional definitions, see Appendix 4.

- In total, 20% of Boscombe's respondents are Tourists (i.e. living outside the Principal catchment). Of these 48% are Overnight Visitors, 33% are Day Visitors, whilst 17% stated they are Local Residents, and a further 2% classified themselves as Students

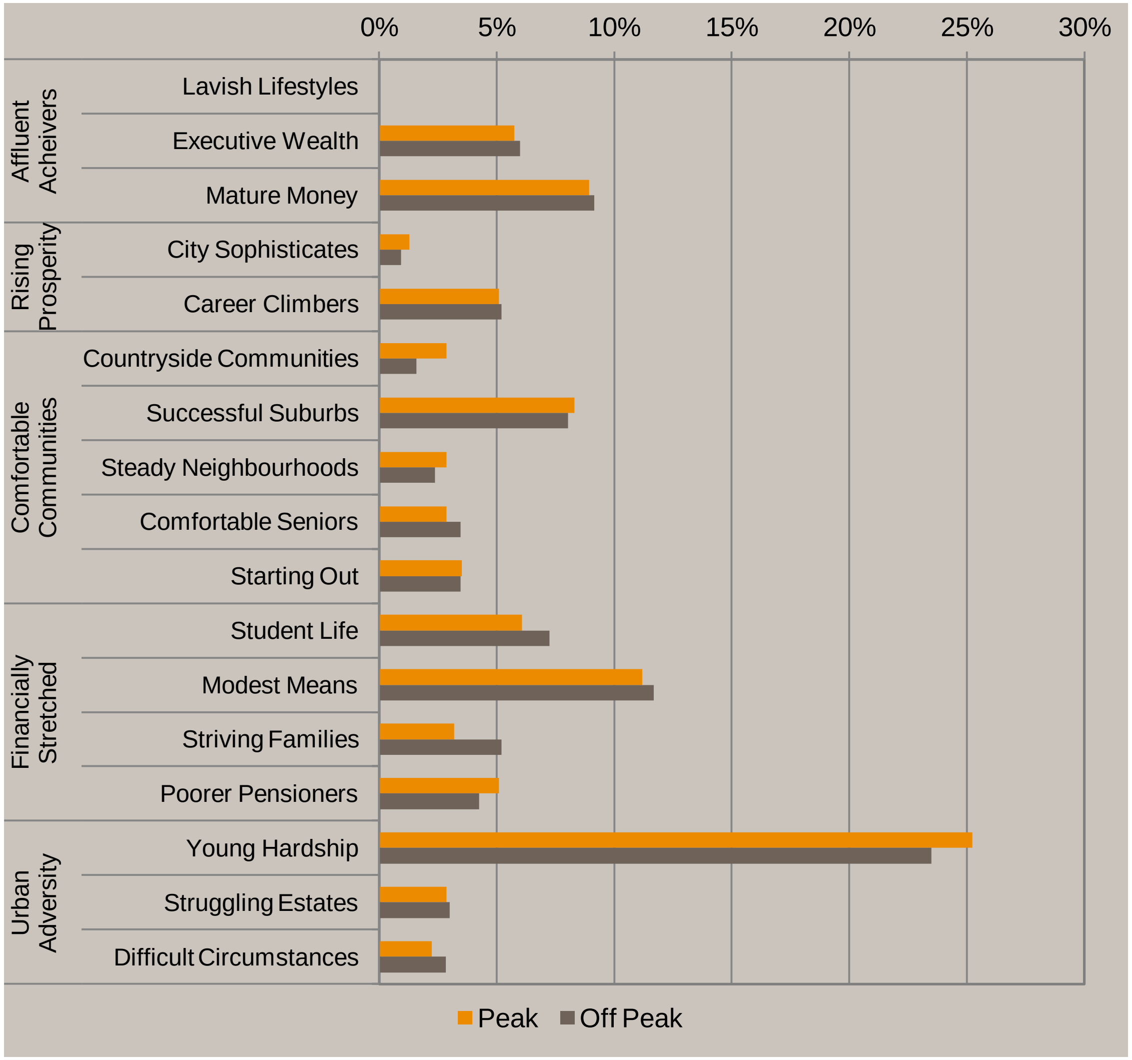


Source: FSP

ACORN Profiles

The chart shows the shopper profiles for April (Off Peak) Vs. August (Peak)

- The two profiles are almost identical, correlation = 0.99
- This suggests that the type of shoppers remains consistent year round and is not subject to great seasonal changes
- As in April, *Young Hardship* are the largest *Group*, accounting for 25% of survey respondents (24% Off Peak)
- The majority of respondents (Peak, 56%) fall into the *Financially Stretched* and *Urban Adversity* ACORN *Categories* (Off Peak, 58%)

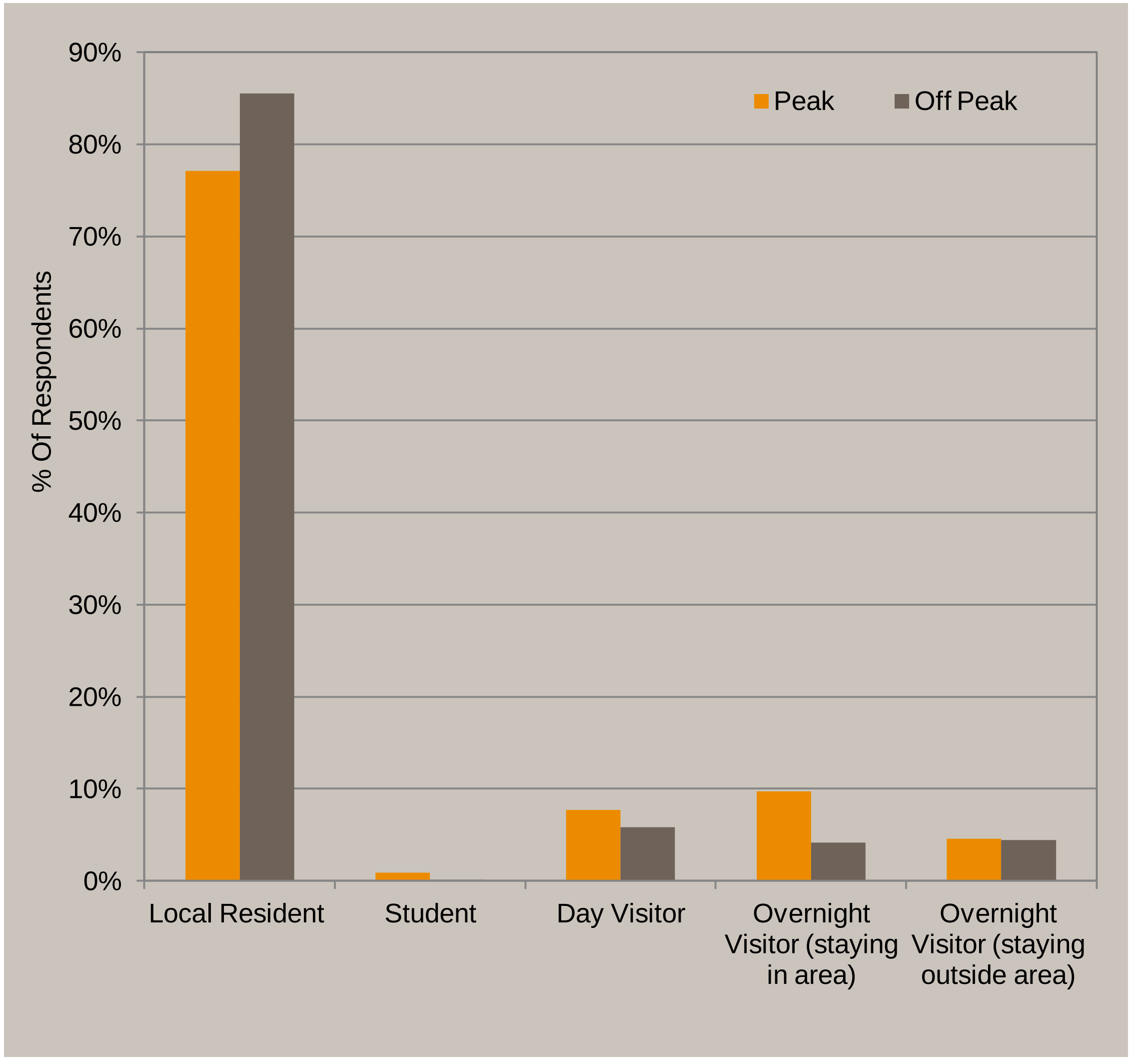


Source: FSP

Respondent Categories

The chart shows respondents' self classifications between Peak and Off Peak

- Local Residents accounted for the largest portion of respondents (77%), although this is lower than Off Peak (86%)
- Day Visitors are slightly over-represented in the Peak profile (8% vs. 6% Off Peak) as are Overnight Visitors (10% vs. 4%)
- Proportions of Overnight Visitors staying outside the area remained similar between Peak and Off Peak

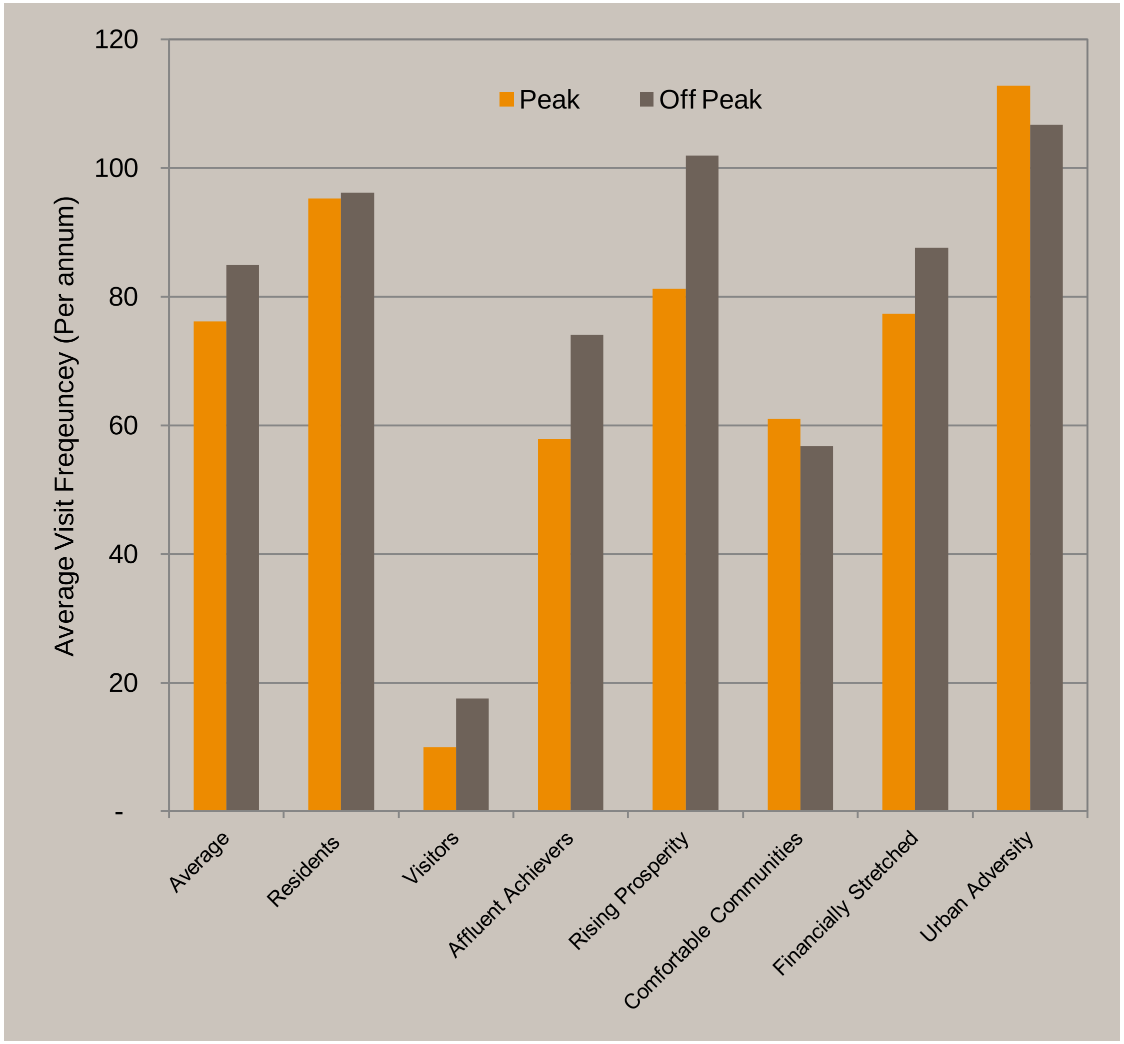


Source: FSP

Survey Results – Visit Frequency

The chart shows average visit frequency for Peak and Off Peak respondents

- Overall, the average visit frequency fell from 85 to 76 times p.a. between the Off Peak and Peak surveys
- This is unsurprising given the increase in Overnight and Day Visitors, especially considering the long average drive times for these groups
- Visit frequency increased amongst *Urban Adversity*, this *Category* is most prolific in the Resident profile, who live much closer to Boscombe

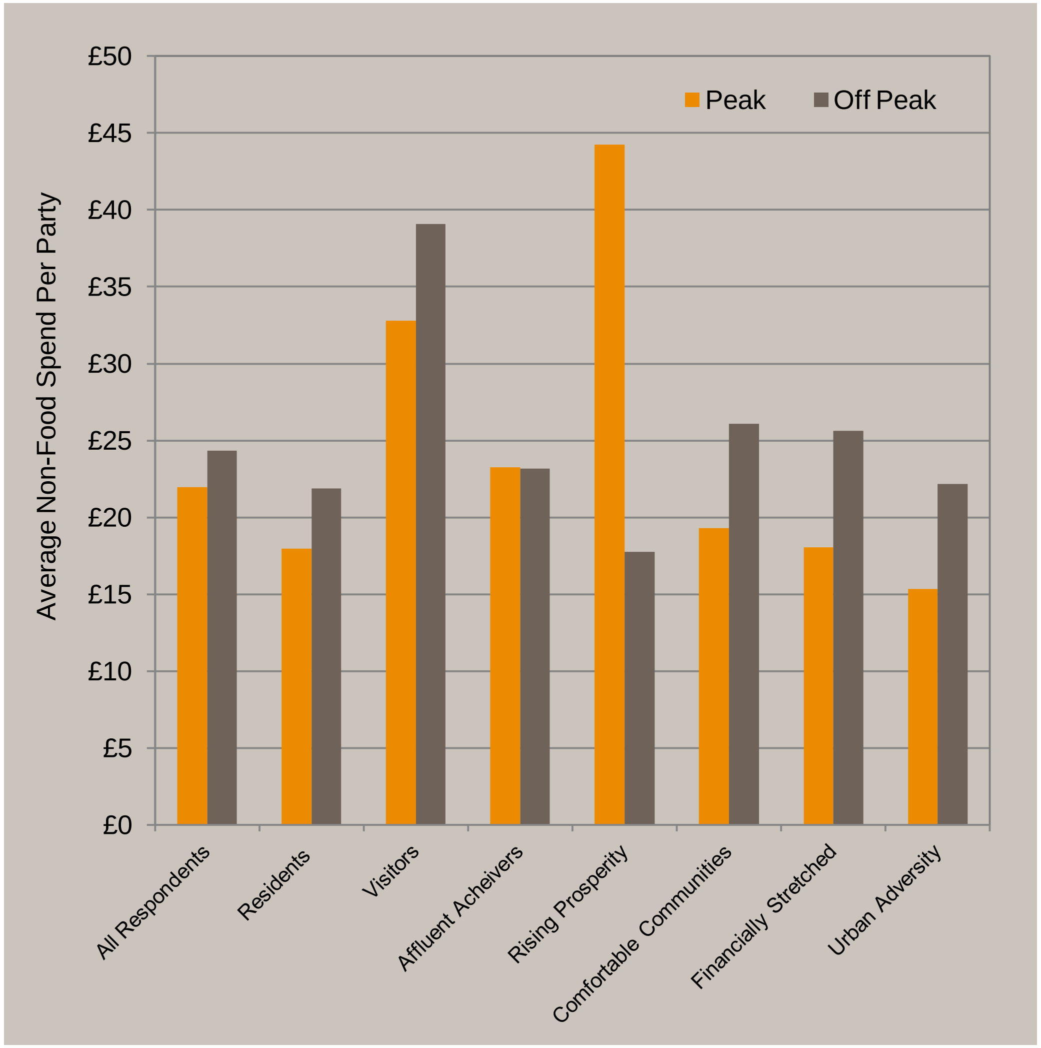


Source: FSP

Survey Results – Non-Food Spend

The chart shows average Non-Food spend per party, for the Peak and Off Peak surveys; **results include non-spenders**

- Non-Food spend fell slightly between Off Peak/Peak, from £24 to £22
- Visitors continue to spend substantially more than Residents, £33 vs. £18
- *Rising Prosperity* spend the most at £44, and show the largest increase in spend between the Off Peak and Peak reports. However, they account for just 6% of respondents in the Peak profile
- Non-Food spend drops amongst less affluent ACORN *Categories* during Peak

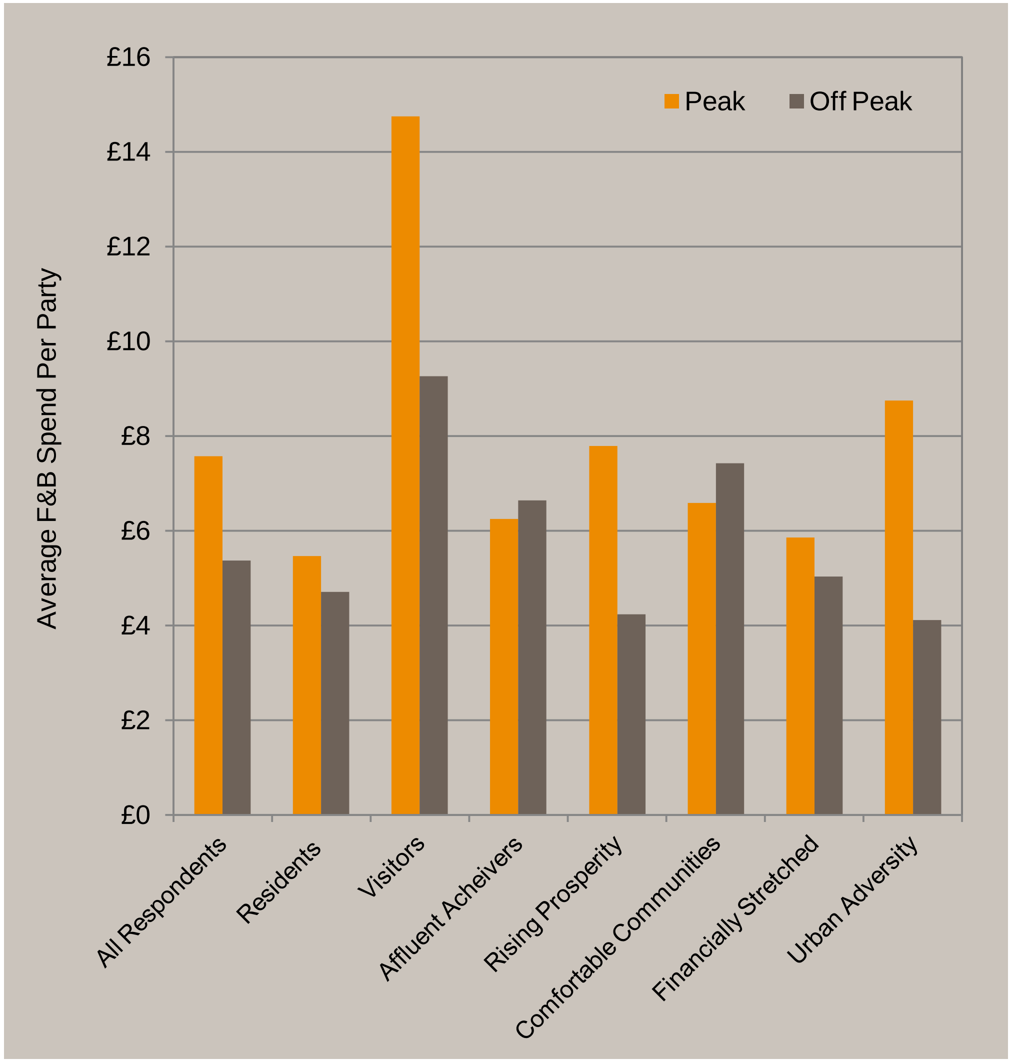


Source: FSP

Survey Results – F&B Spend

The chart shows average F&B spend per party, for the Peak and Off Peak surveys; **results include non-spenders**

- In contrast to Non-Food spend, F&B spend has increased during Peak, from £5.40 to £7.60
- Visitors continue to spend by far the most, they also had the largest increase in F&B spend, from £9.30 during Off Peak to £14.70 in Peak
- F&B spend has fallen slightly for *Comfortable Communities* and *Affluent Achievers*

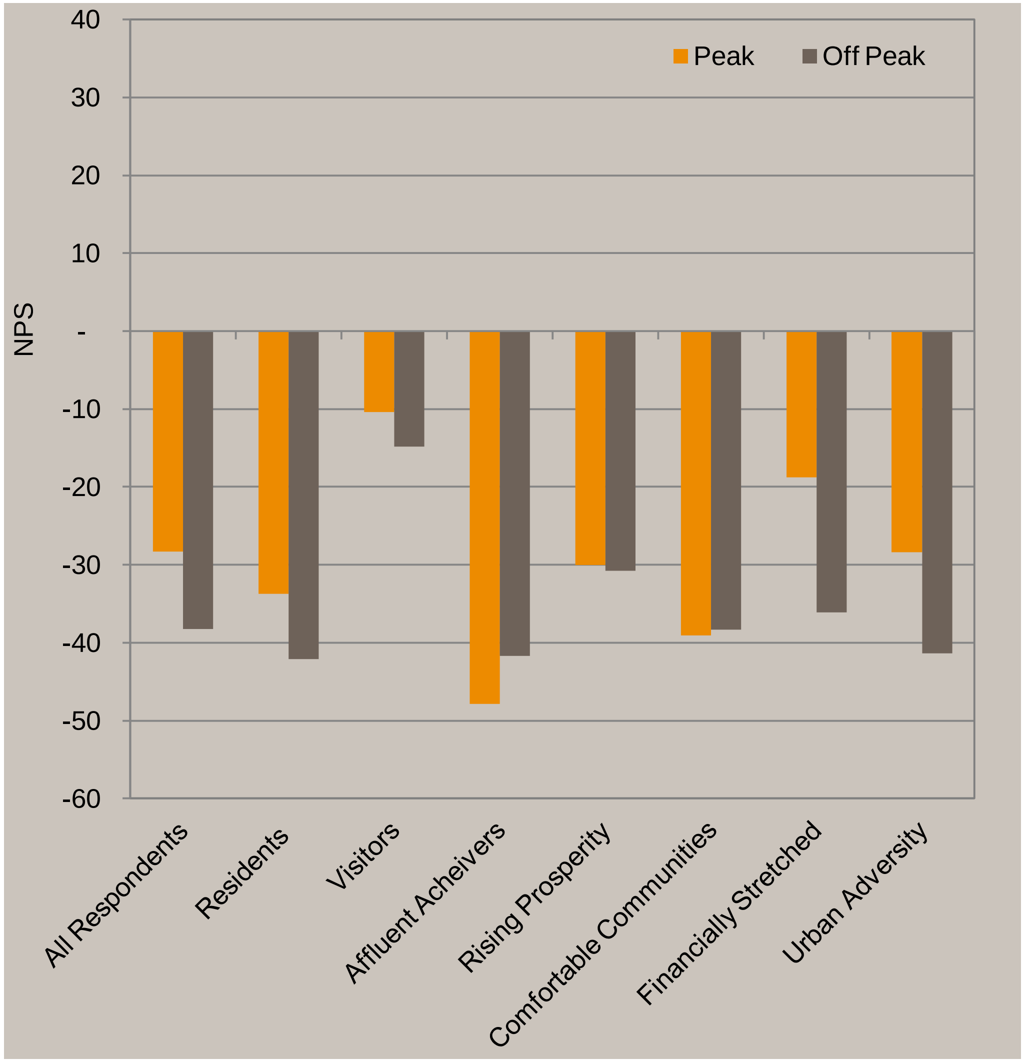


Source: FSP

Survey Results – Net Promoter Score

The *Net Promoter Score (NPS)* is a measure of customer satisfaction based on how likely respondents are to recommend Boscombe as a place to shop to a friend.

- The average *NPS* improved between Off Peak and Peak from -38 to -28,
- This is probably a result of the higher proportion of Visitors during Peak, who give Boscombe the most positive scores (-10)
- *Affluent Achievers* give the lowest score (-48), declining from Off Peak (-42). Proportions of *Affluent Achievers* are slightly higher amongst Residents (opposed to Visitors), suggesting that Boscombe is not a popular shopping destination for those who live nearby



Source: FSP

Summary

- Boscombe's Peak shopper profile has remained consistent with Off Peak, with less affluent ACORN *Categories Financially Stretched* and *Urban Adversity* dominating
- The majority of respondents (82%) originate from within the Principal Catchment, with the remainder all coming predominantly from South West/South East
- Proportions of Day and Overnight Visitors (staying nearby) increased Vs. Off Peak, balanced by a decrease in the proportion of Residents. Interestingly, Overnight Visitors staying outside the area remained similar between Off Peak/Peak
- Average visit frequencies fell, this is likely due to the increase in Visitors
- Non-Food spend also fell slightly between Off Peak/Peak, from £24 to £22. Visitors continue to spend considerably more than Residents
- F&B spend increased dramatically, especially amongst Visitors, whose spend was 59% higher than Off Peak (£9.30 vs. £14.90)

Conclusion

Conclusion

This report shows that there is little change between Peak and Off Peak shopper home locations, suggesting that the Off Peak catchment will not need to be revised to accommodate summer visitors. Although each of the destinations does have tourist appeal, and sees increases in Day/Overnight visitors during Peak, Local Residents still dominate the respondent profiles. Any new developments will therefore need to appeal strongly to residents with an eye to optimising tourism if feasible.

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