Bournemouth Coastal Bid

Retail Research Report 2014

Westbourne

FSP RETAIL BUSINESS CONSULTANTS

Executive Summary

Westbourne

- Westbourne has the most extensive catchment covering 301k residents. A weaker penetration than Boscombe at 10% generates a smaller shopping population of 31k (35k incl. ‘pull-in’)
- Total shopper Non-Grocery spend in Westbourne is £174m; £139m from resident shoppers and £36m from tourists
- The catchment is the most affluent in terms of average household income, at 4% above UK average
- *Affluent Achievers* are above UK average throughout the catchment, particularly high in the *Inner* segment, and successfully convert into shoppers. Being situated close to Bournemouth town centre, the urban *Rising Prosperity* are above average in the *Inner* segment and also convert well into shoppers
- Amongst survey respondents, there are higher proportions of older ACORN *Groups,* such as *Comfortable Seniors* and *Mature Money* in the Peak profile, although on the whole the profile does remain similar (correlation = 0.93)
- Proportions of Visitors, especially Overnight Visitors staying outside the area, increased during Peak, but to a lesser extent than Boscombe. This causes a fall in average visit frequency
- In contrast to Boscombe, Non-Food spend increases considerably in Peak, whilst F&B spend falls. This could be because Westbourne has lower proportions of visitors than Boscombe but is also perhaps related to F&B availability
- Westbourne achieves the highest *NPS*, increasing from +30 (Off Peak) to +49 (Peak)

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

Westbourne Phase 1 – Off Peak

Catchment Area

Source: FSP/CES

Catchment Area

The map shows Westbourne's Principal (90%) catchment area, derived from 710 postcodes collected over a full trading week. The *Inner* segment represents the home location of 75% of Westbourne's shoppers and the *Outer* segment a further 15%. The last 10% has been disregarded a shopper penetration rates beyond the Principal Catchment are usually very low.

- The *Inner* segment has a resident population of 130k
- With a resident population of 175k, the *Outer* segment extends far to the east past Christchurch. Liverpool Victoria offices are located in Westbourne, employing c1600 people - a possible explanation for residents travelling such a distance
- The total resident population for the Principal catchment area is 305k

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

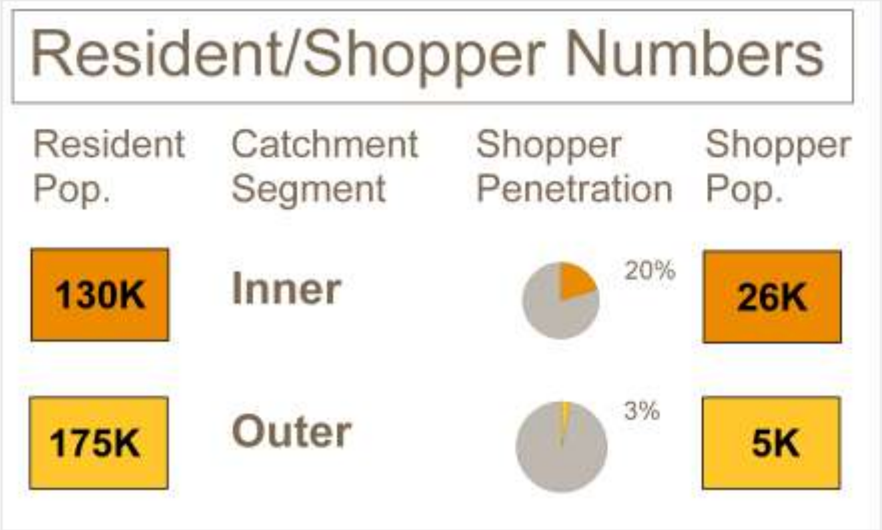
Source: FSP/NSLSP

Shopping Population

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

- *Inner* segment 26k – 20% penetration
- *Outer* segment 5k – 3% penetration

The Principal catchment produces 31k shoppers (35k incl. 'pull-in'). Penetration is 10%. Though the map on page 24 shows the catchment expansion far to the east it is clear that shopper penetration in these postal sectors is minuscule.

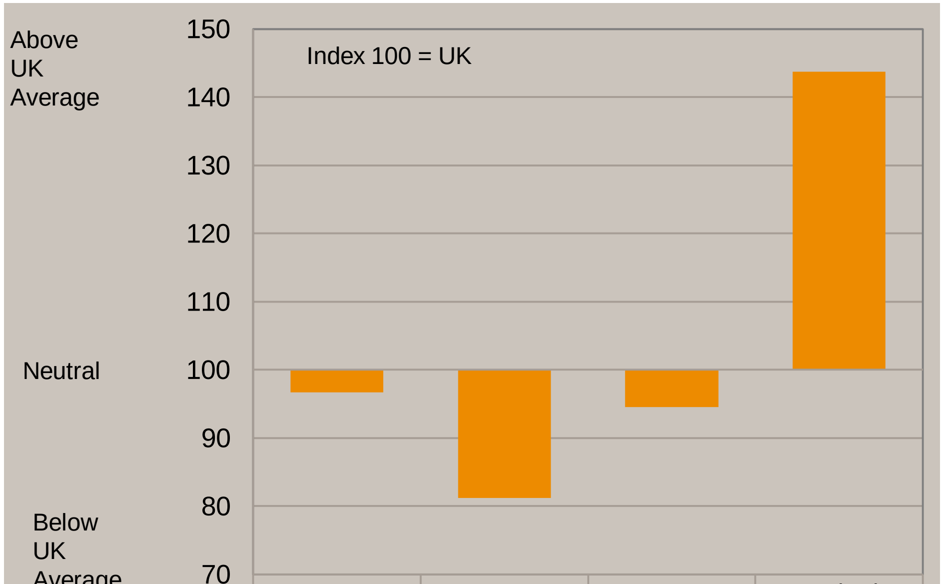


The NSLSP Principal (90%) catchment has a resident population of 146k and a penetration of 1% generating a shopping population of only 2k. This is lower than the bespoke catchment because the NSLSP asks respondents the location of their MAIN Non-Food shopping destination. Future catchments for Westbourne can be updated by re-weighting according to changes in the NSLSP catchment.

Source: FSP/CES

Catchment Demographics – Resident Lifestage

- A similar Lifestage profile to Boscombe, proportions of *Retired Seniors* are 44% above UK average
- *Pre-Family* are only 3% below UK average across the catchment, increasing to 7% above UK average in the *Inner* segment
- *Family* and *Empty Nester* households are both below UK average, by 19% and 5% respectively

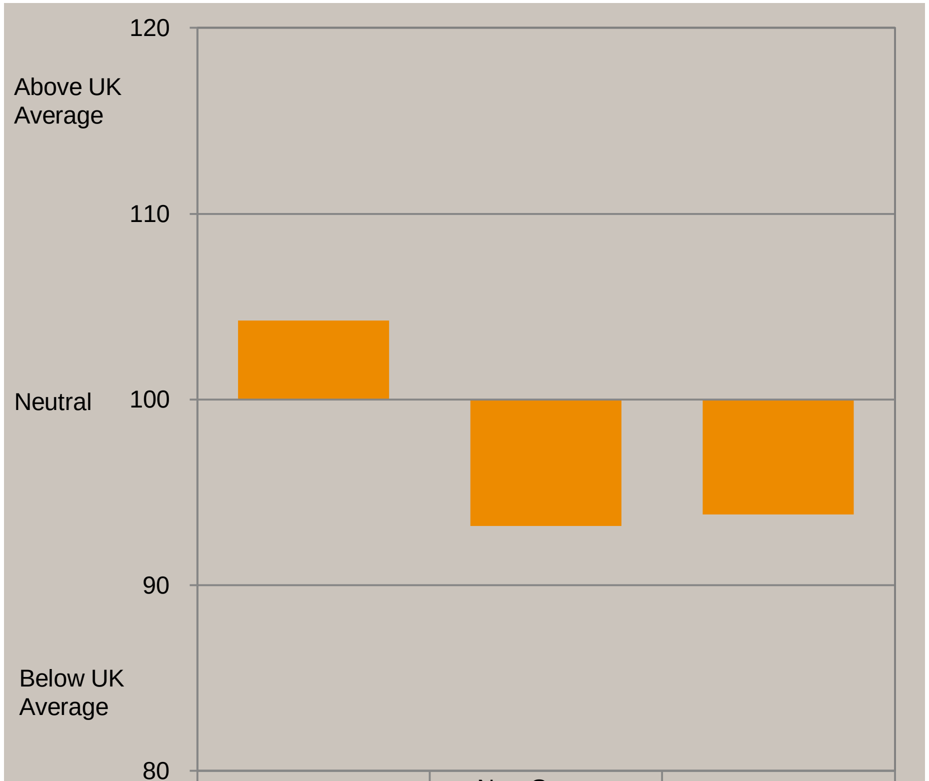


	Pre-Family	Family	Empty Nesters	Retired Seniors
Inner	107	72	91	155
Outer	89	88	97	135
Total	97	81	95	144
Westbourne %	18	25	30	27
UK %	18	31	32	19

Source: FSP/CES

Household Income and Retail Expenditure

- Average household income is 4% above UK average – the highest of the 3 locations. Income is highest in the *Inner* segment at 6% above average
- Typical of an older population, spend is below average. Spend on Non-Grocery is 7% below UK average and Food spend 6% below
- Opposite to income, spend is higher in the *Outer* segment

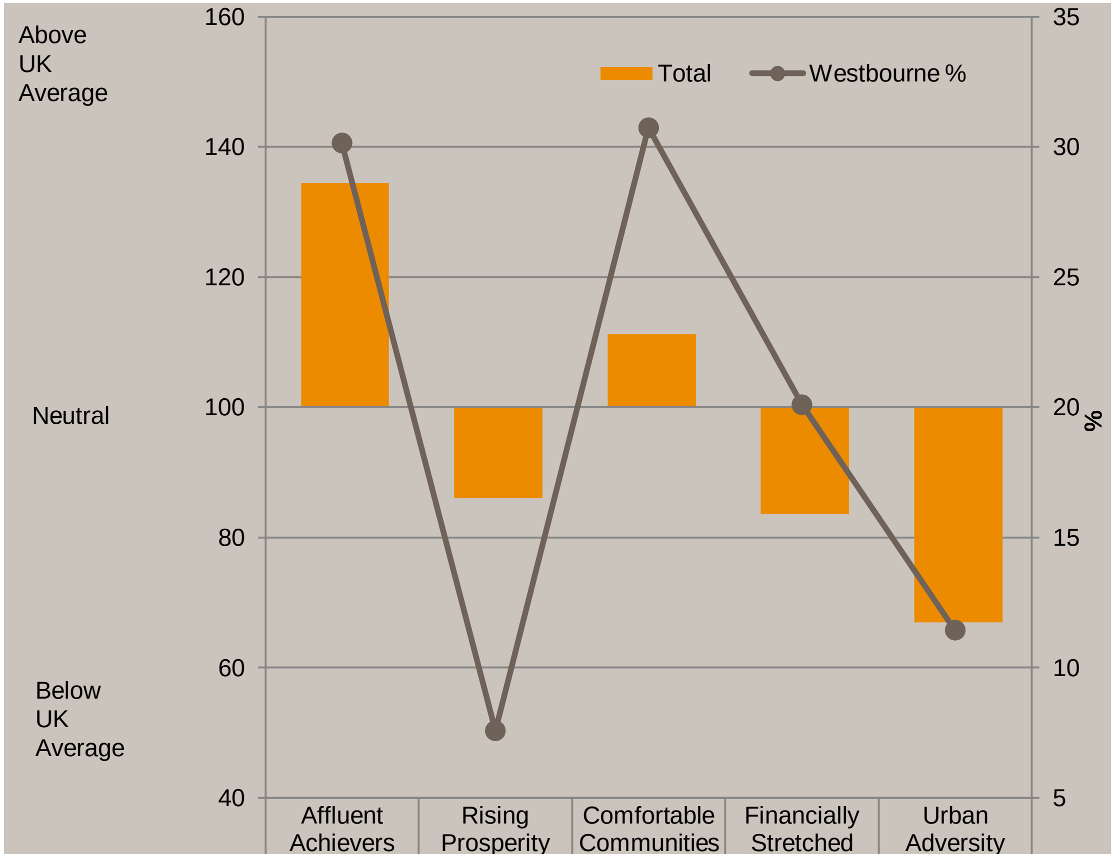


	Household Income	Non-Grocery Spend	Food Spend
Inner	106	90	91
Outer	103	96	97
Total	104	93	94
Westbourne	£36,496	£8,766	£4,605
UK	£35,013	£9,405	£4,895

Source: FSP/CES

Catchment Demographics – ACORN Profile

- *Affluent Achievers* account for 30% of residents – 34% above UK, highest in the *Inner* segment at 44% above average. Within this *Category*, *Mature Money* account for 48%
- *Rising Prosperity* are 29% above UK average in the *Inner* segment but overall 14% below average
- *Comfortable Communities* are 11% above UK average
- *Financially Stretched* and *Urban Adversity* are both below UK average across the catchment, respectively 16% and 33% above UK average

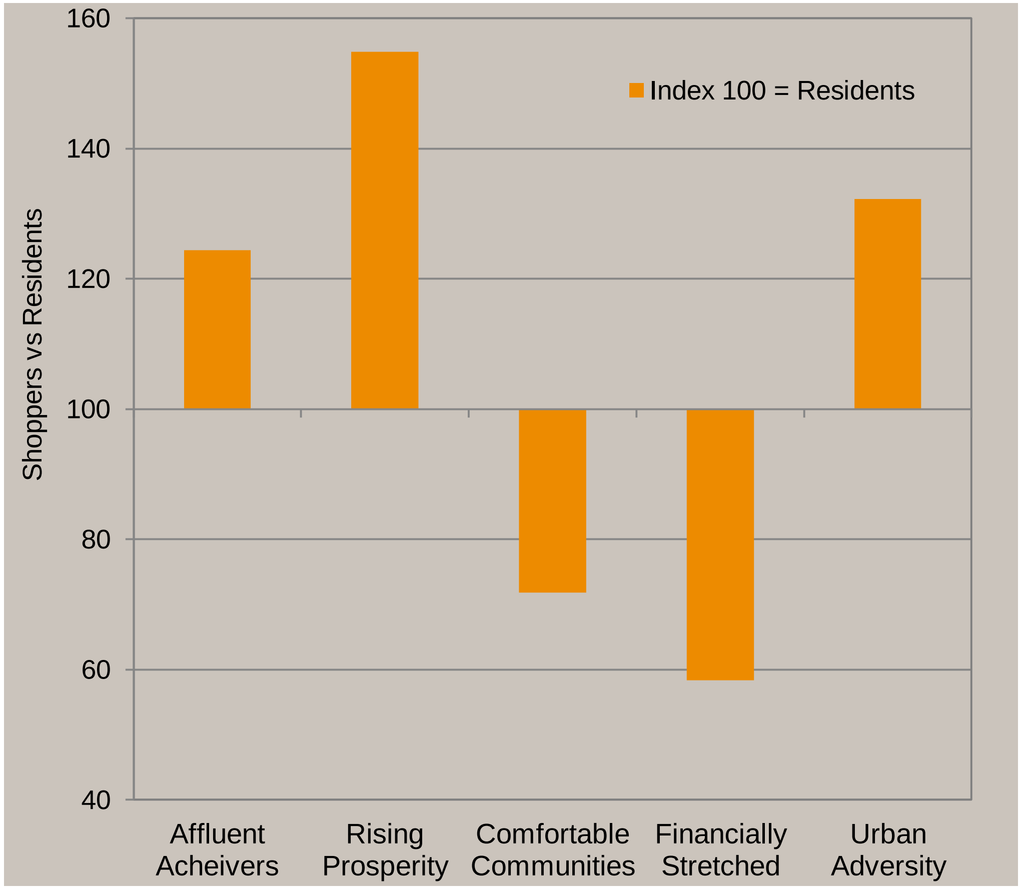


	Affluent Achievers	Rising Prosperity	Comfortable Communities	Financially Stretched	Urban Adversity
Inner	144	129	95	67	81
Outer	127	54	123	96	56
Total	134	86	111	84	67
UK %	22	9	28	24	17
Westbourne %	30	8	31	20	11

Source: FSP/CACI

ACORN Group Profile – Residents vs. Shoppers

- Westbourne successfully converts affluent residents into shoppers. *Affluent Achiever* residents convert well into shoppers
- *Rising Prosperity* also convert well, 55% above the resident proportion, suggesting the retail and F&B offer appeal to this typically urban, affluent *Category*
- *Comfortable Communities* and *Financially Stretched* are under represented in the shopper profile whilst *Urban Adversity* are over represented compared to residents

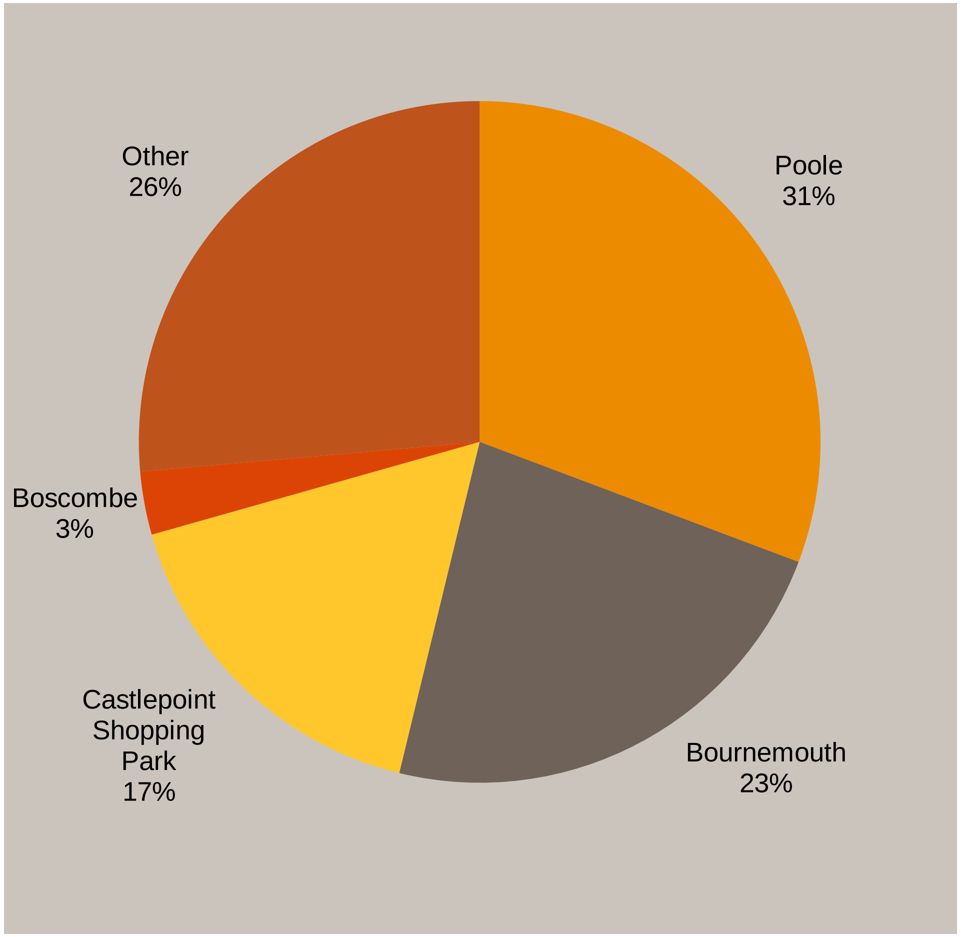


Source: FSP/CACI

Catchment Leakage

Penetration of the Westbourne Principal catchment is 10%. Leakage is made up of the remaining 90% of catchment residents who do not use Westbourne as a regular main Non-Grocery shopping destination.

- Poole is the main competitor to Westbourne, accounting for 31% of leakage
- Bournemouth makes up 23% of leakage and Castlepoint Shopping Park a further 17%
- Boscombe accounts for 3% of leakage
- Locations accounting for less than 3% of leakage are included in ‘Other’

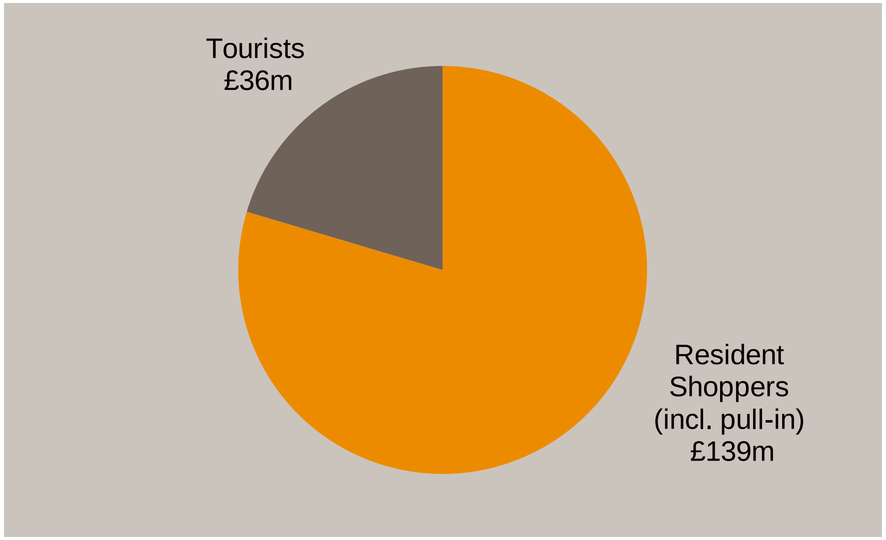


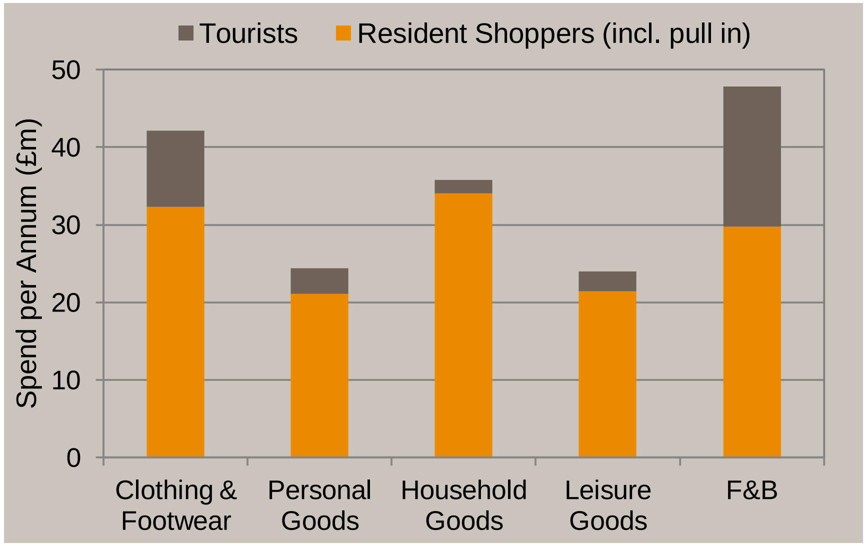
Source: FSP/CES

Available Spend

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

- Total Non-Grocery spend in Westbourne is £174m; £139m from resident shoppers and £36m from tourists
- Household Goods and Clothing & Footwear make up the largest amount of resident shopper spend at £34m and £32m respectively
- Of tourist spend, F&B makes up the largest proportion at £18m, followed by Clothing & Footwear at £10m

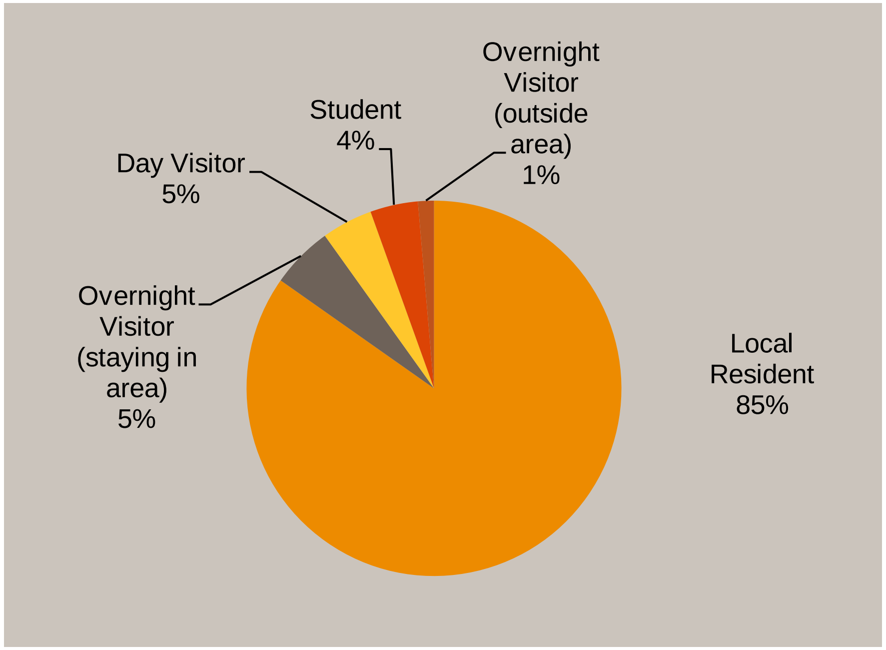


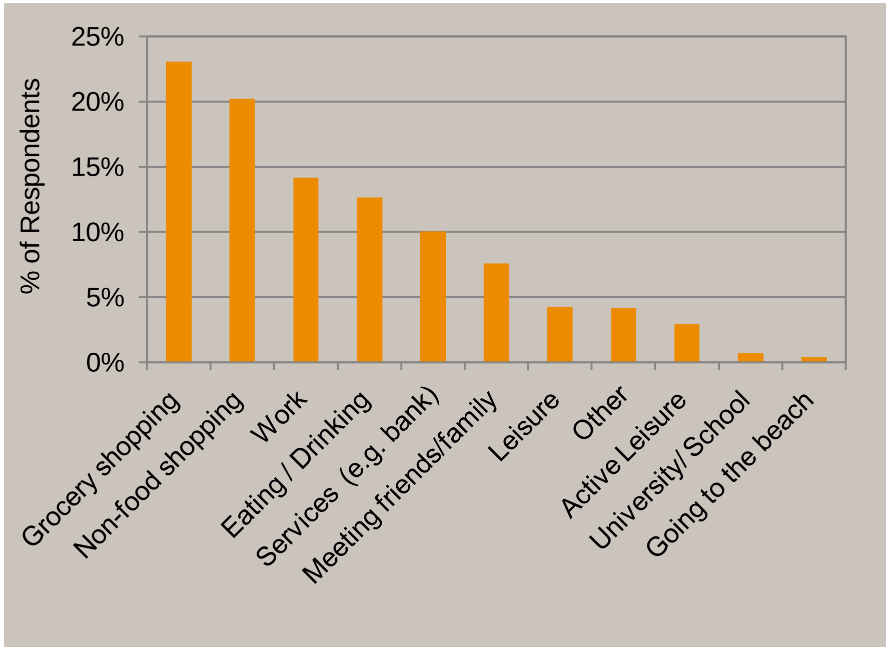


Source: FSP/CES

Survey Results – Visitor Type & Reason

- Local residents make up 85% of respondents, day visitors and overnight visitors staying in the area each make up 5%. Students account for 4% with 87% of these international students
- The main reasons for visiting Westbourne was shopping – 23% for Grocery and 20% for Non-Food. 14% of respondents were mainly working and 13% eating & drinking
- Eating & Drinking was the main visit reason among 67% of students. Among overnight visitors, leisure was the most significant visit reason

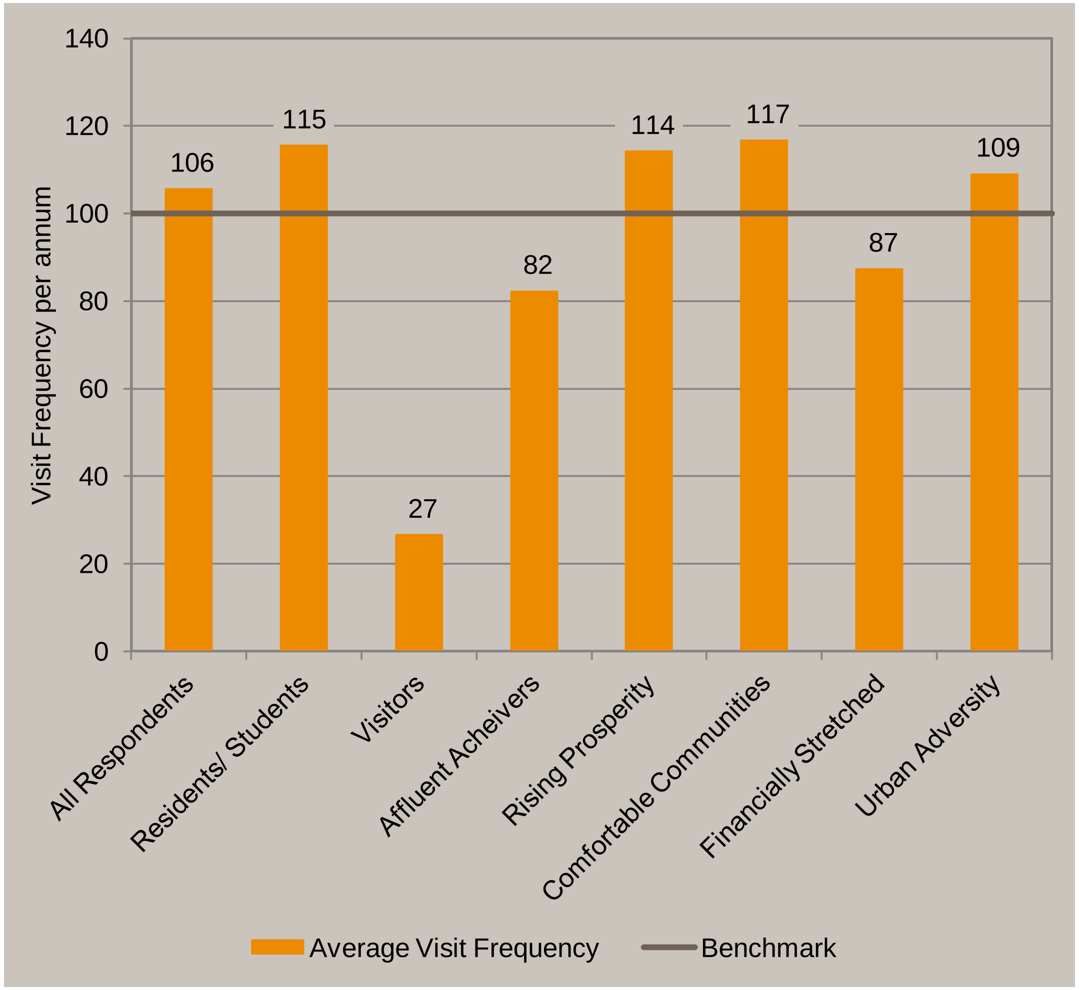




Source: FSP

Survey Results – Visit Frequency

- Average visit frequency to Westbourne is 106 times per annum – more than twice a week. This is above the benchmark of 100 times per annum
- Residents/students visit 115 times per annum whilst visitors visit 27 times
- *Comfortable Communities* visit most often at 117 times per annum and *Affluent Achievers* visit least often at 82

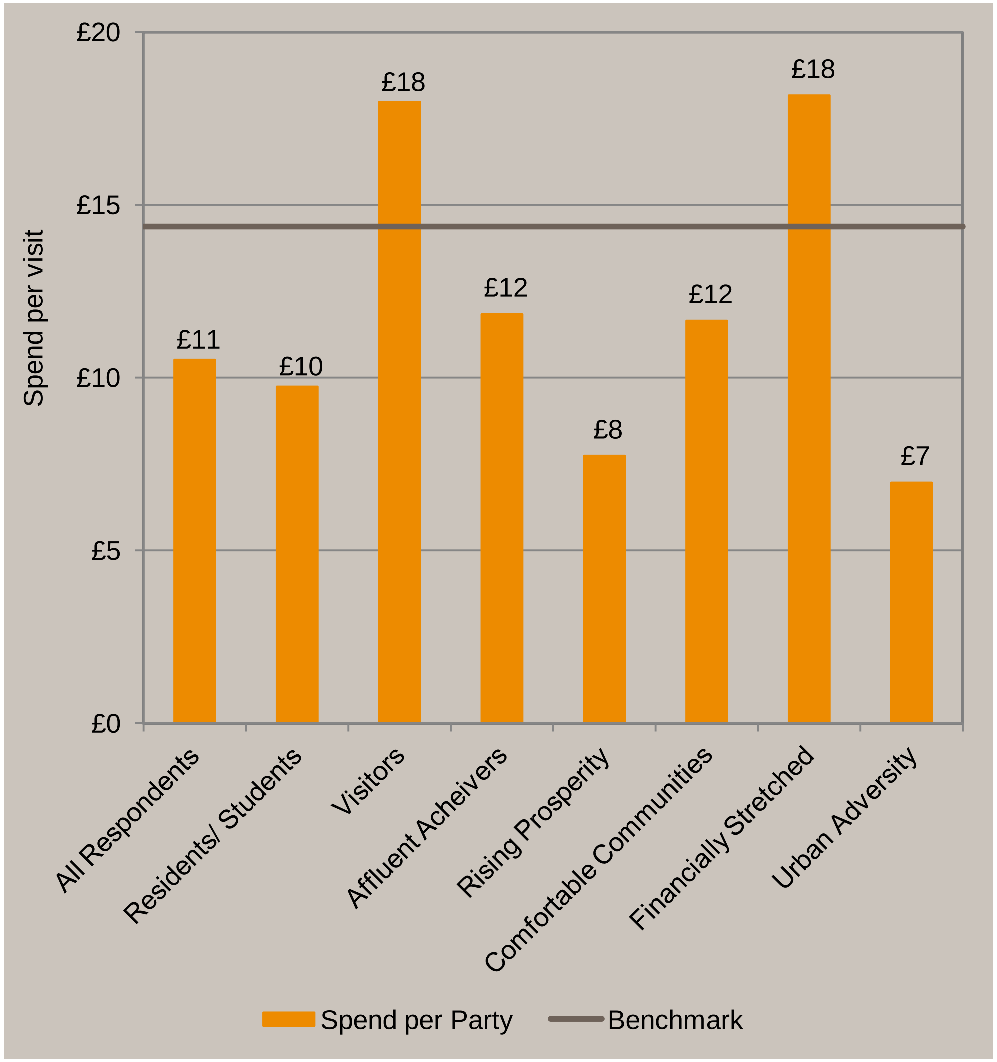


NB. Due to a low sample size visitors have been combined into one group.

Source: FSP

Survey Results – Non-Food Spend

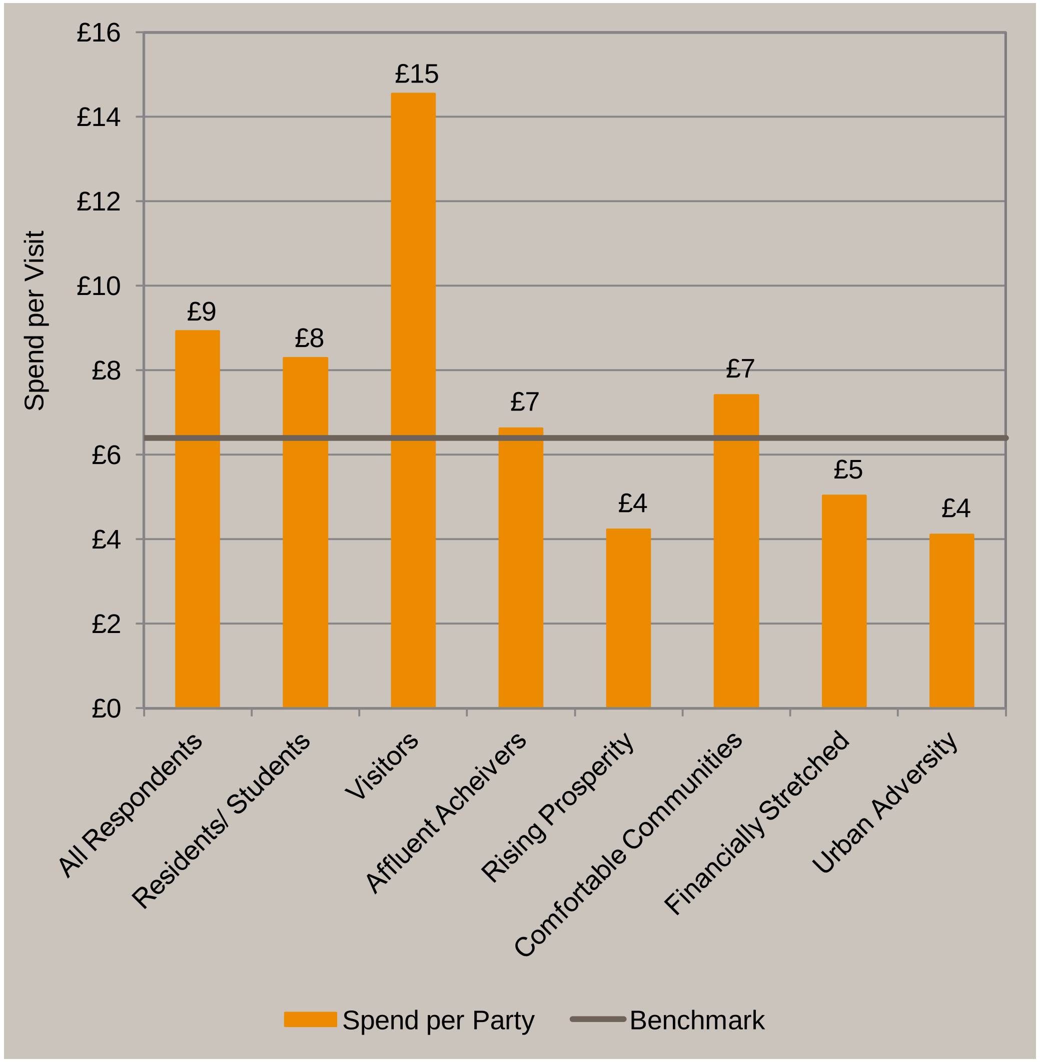
- Including spenders and non-spenders in the survey the average Non-Food spend per visit to Westbourne is £11 per party – below the benchmark of £14
- This increases to £18 for visitors, whilst only £10 for residents/students
- *Financially Stretched* report the highest spending at £18 per visit whilst *Urban Adversity* spend the least at £7
- Among spenders only (ie excluding non-spenders), Non-Food spend is £20



Source: FSP

Survey Results – F&B Spend

- Including spenders and non-spenders in the survey the average F&B spend per visit to Westbourne is £9 per party – above the benchmark of £6. This is the highest among all the locations
- This increases to £15 for visitors compared to £8 for residents/students
- *Comfortable Communities and Affluent Achievers* spend the most at £7 each whilst *Urban Adversity* spend the least at £4 per visit
- Among spenders only (ie excluding non-spenders), F&B spend is £13



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.

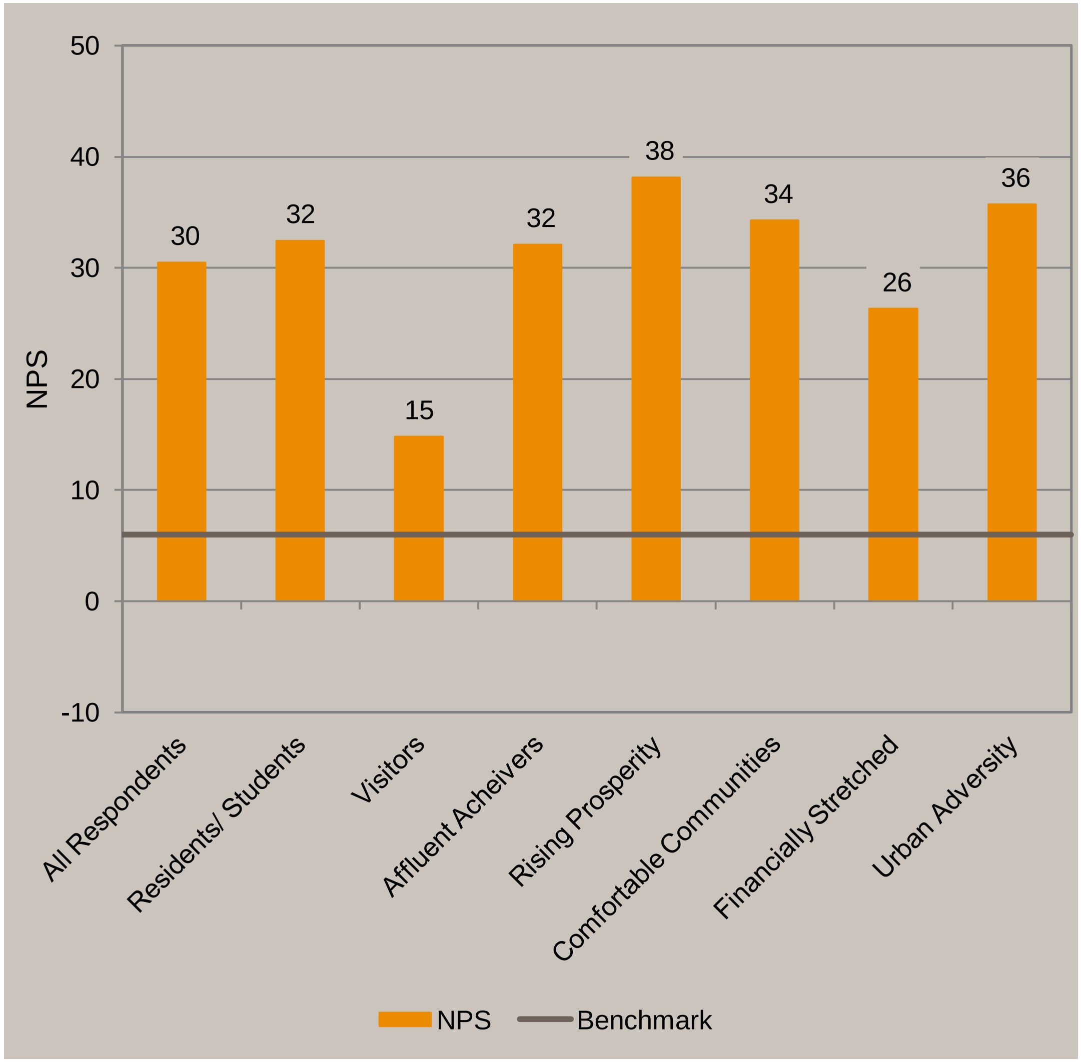
And here are two examples

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 average *NPS* is +30, well above the benchmark of 6
- Residents/students give a higher score of +32 whilst visitors score +15. Local users are clearly delighted by the offer in Westbourne but it is worth highlighting that this impression extends less to those visiting the area
- *Rising Prosperity* give the highest *NPS* of +38, indicating their satisfaction with the Westbourne's shopping appeal



Source: FSP

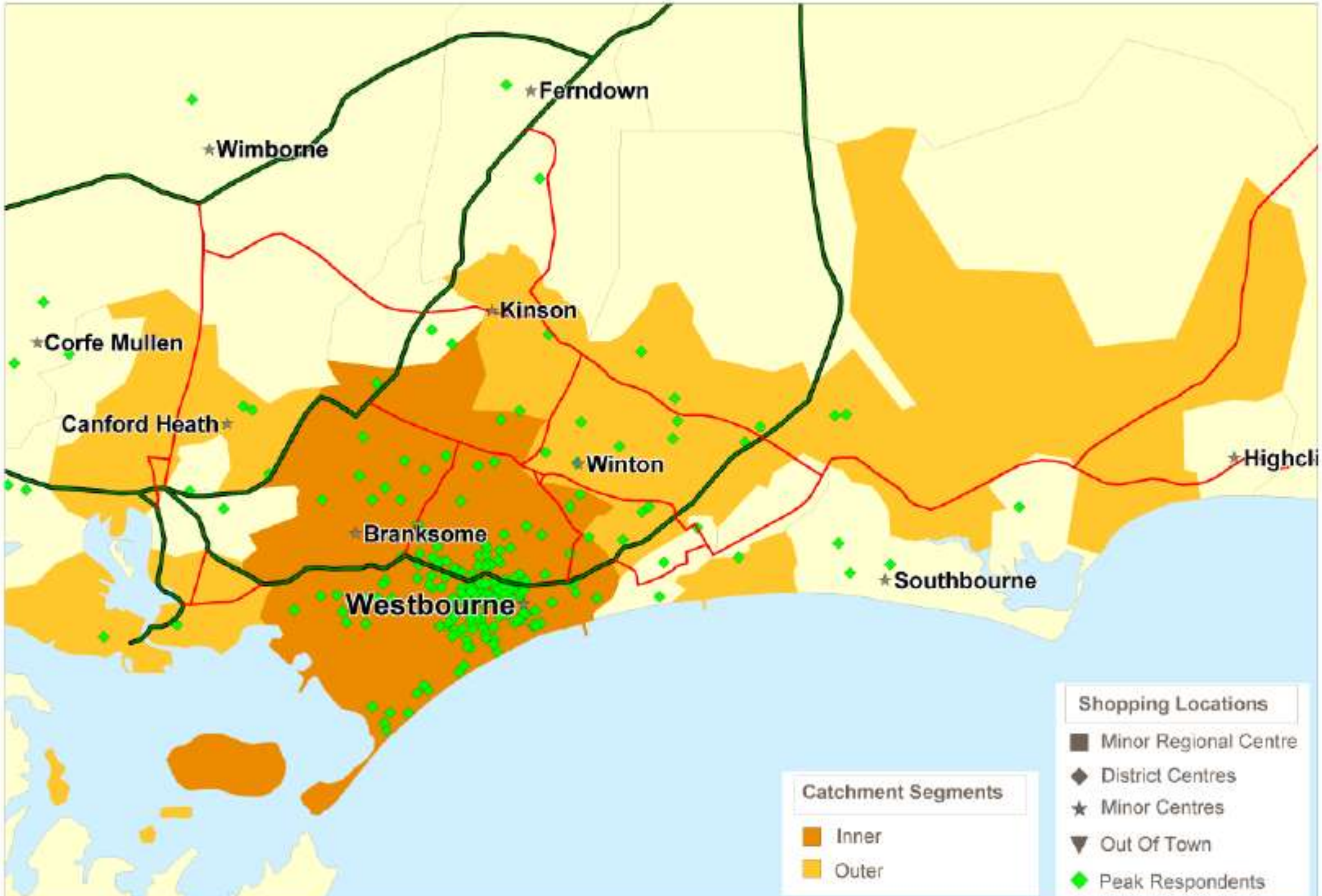
Pedestrian Flow

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 on Poole Road outside Starbucks.

Source: FSP/PMRS

Westbourne Phase 2 – Peak

Catchment Area



Source: FSP/CES

Visitor Origins

- As with Boscombe, the majority of Westbourne Peak respondents originate from within the Principal catchment generated in April (81%). Respondent origins have not changed significantly between the Peak/Off-Peak periods, showing the catchment is still valid during Peak
- The average respondent drive time is 24 minutes, very similar to Boscombe. Overnight Visitors staying nearby travelled the furthest at almost 3 hours, Overnight Visitors staying elsewhere travelled for 2 hours on average, and Day Visitors 1 hour 8 minutes – although Day Visitors only account for a small portion of the sample (1%). Residents' average drive time is just 7 minutes
- Day Visitors all travel from the South East (25%) or South West (75%). There is much more variance amongst Overnight Visitors, those staying nearby are most likely to travel from the London area (29%), whilst those staying elsewhere are most likely to live in the South East (42%)
- Tourists appear to be more affluent than the average Peak profile, with higher proportions of ACORN *Affluent Achievers*

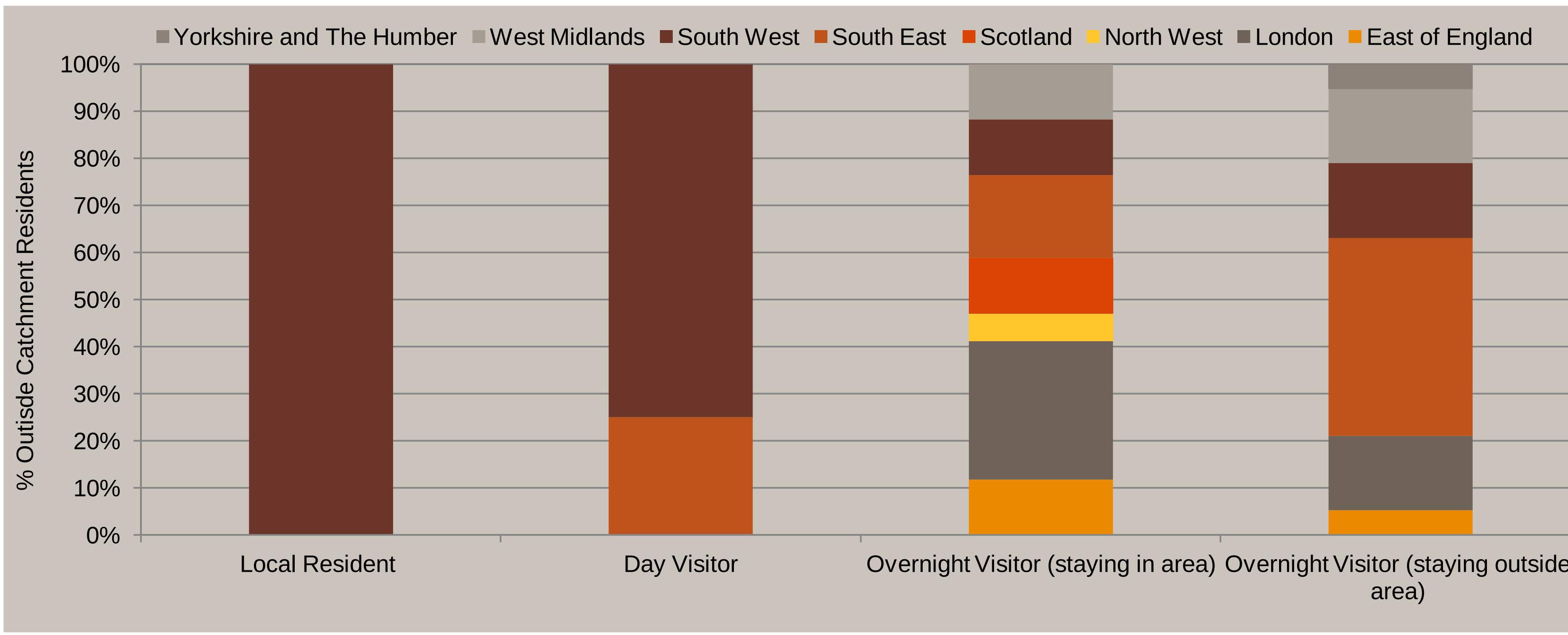
See Appendix 5 for a zoomed out map of the UK, overlaid with Westbourne's Peak respondents

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

- 21% of Westbourne's respondents are Tourists. Of these, 7% are Day Visitors, 28% Overnight staying nearby and 31% Overnight staying outside the area. The remaining 34% (i.e. 7% of total respondents) classified themselves as Local Residents despite living outside the catchment

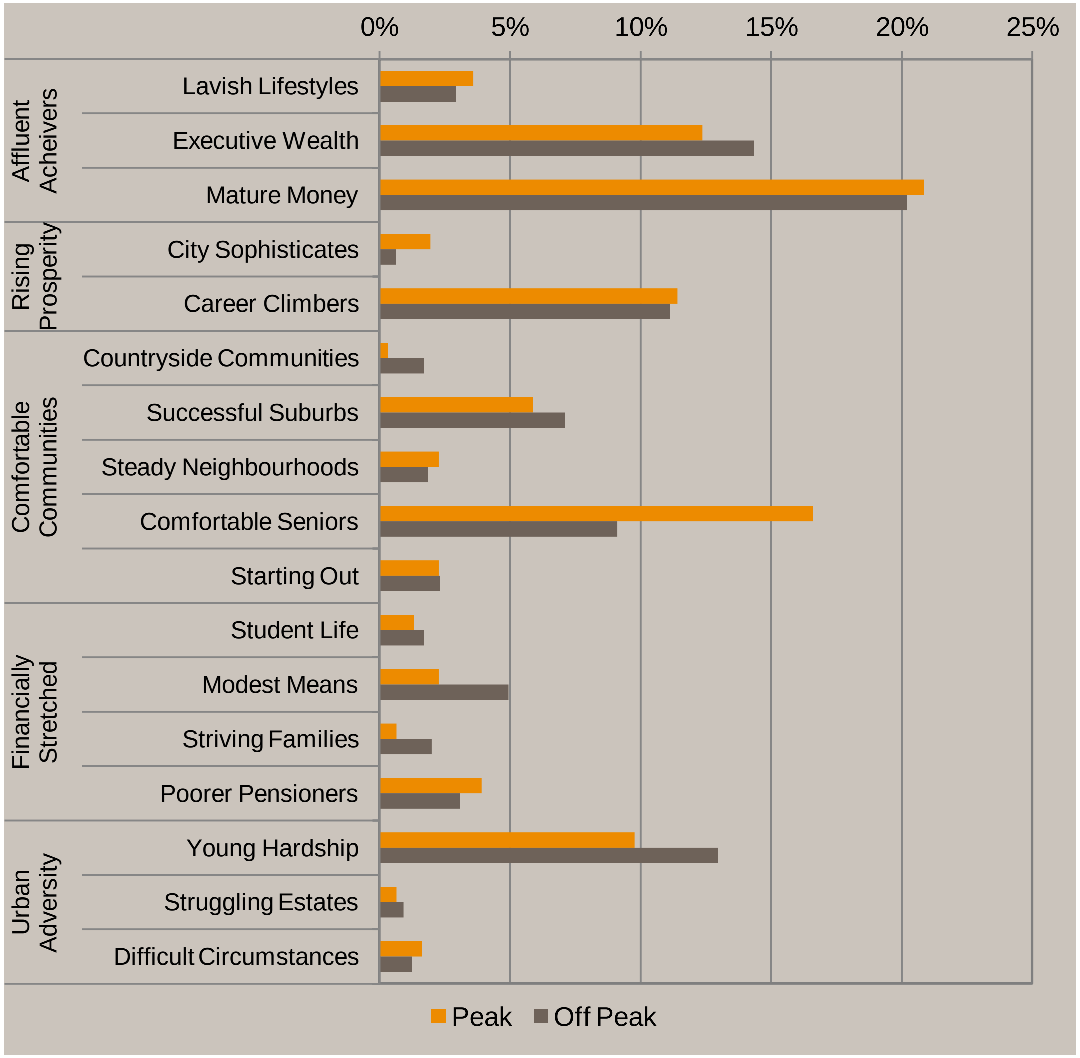


Source: FSP

ACORN Profiles

The adjacent graph shows the Peak and Off Peak shopper profiles for Westbourne

- The majority of shoppers are in the three most affluent ACORN *Categories*, *Affluent Achievers, Rising Prosperity* and *Comfortable Communities* 78% in Peak, 71% Off Peak (UK= 59%)
- Although still relatively similar (correlation 0.93), during Peak there are much higher proportions of the older ACORN *Groups*, *Comfortable Seniors* and *Mature Money.* Combined, these *Groups* account for 37% of Peak Visitors (29% Off Peak)
- *Young Hardship*, *Modest Means* and *Executive Wealth* have decreased during Peak

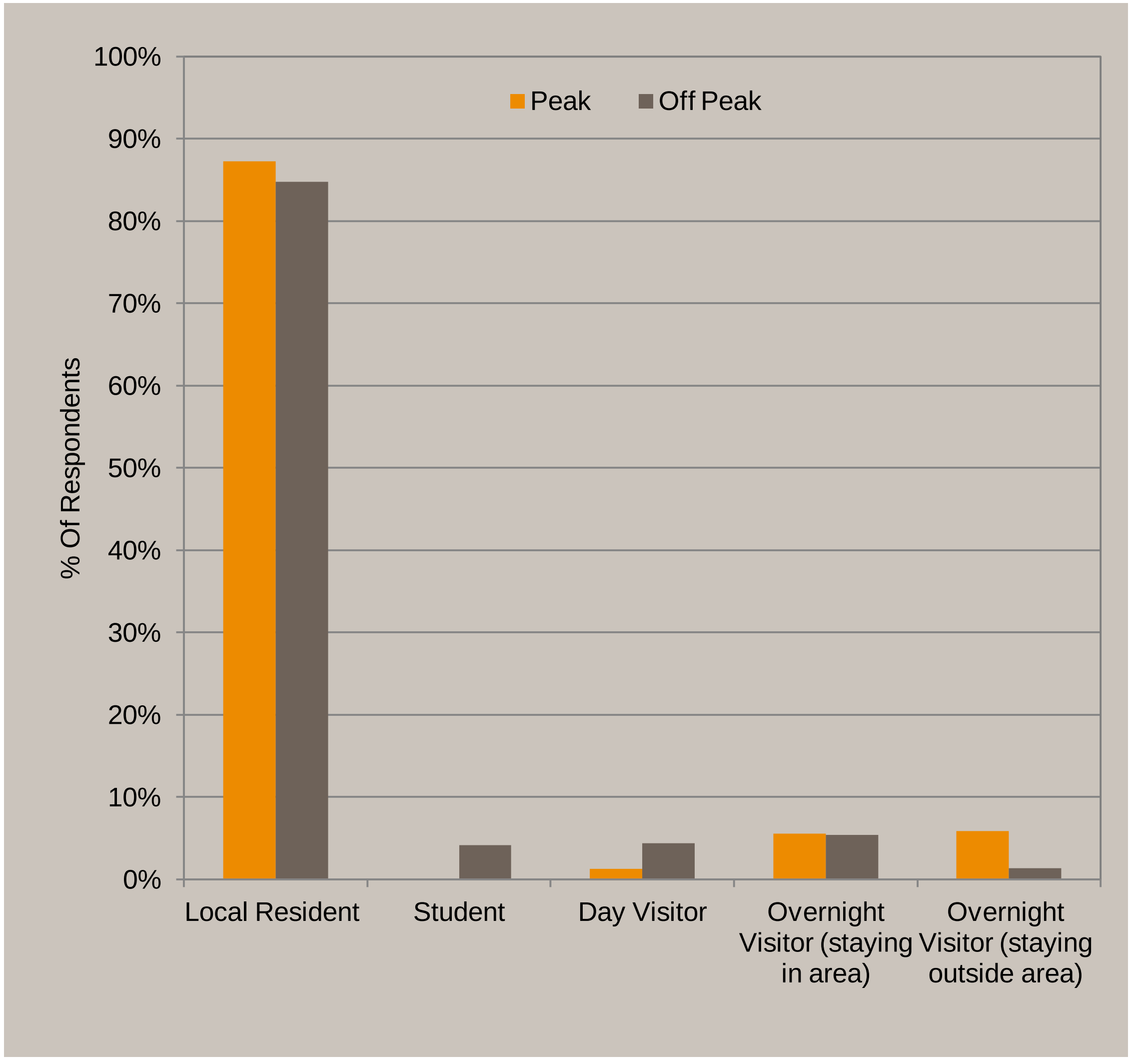


Source: FSP/CACI

Respondent Origins

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

- Proportions of Residents remained similar (87% Peak vs. 85% Off Peak)
- The proportions of Day Visitors fell from 4% to 1%, off set by an increase in Overnight Visitors
- Proportions of Overnight Visitors staying in the area increased from 5% to 6%, whilst those staying outside the area increased to 6% from 1%



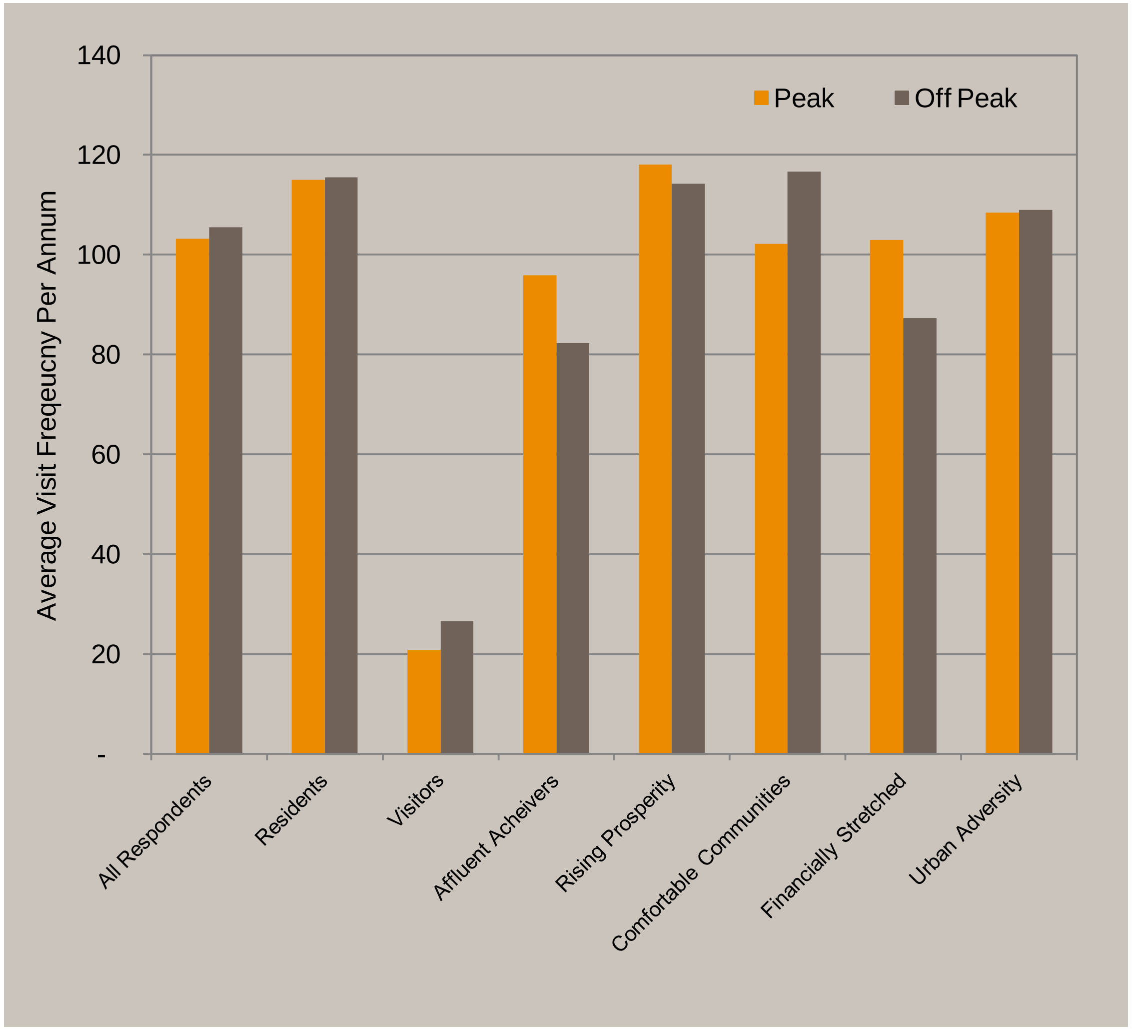
Source: FSP

Survey Results – Visit Frequency

The chart shows the average visit frequencies for Peak vs. Off Peak

Overall, average visit frequencies fell slightly, from 106 (Off Peak) to 103 (Peak)

- Frequencies for Residents remained identical (115), but declined amongst Visitors, perhaps unsurprising given the increase in Overnight Visitors
- Frequencies also fell amongst *Comfortable Communities*, who make up a large portion (31%) of Visitors

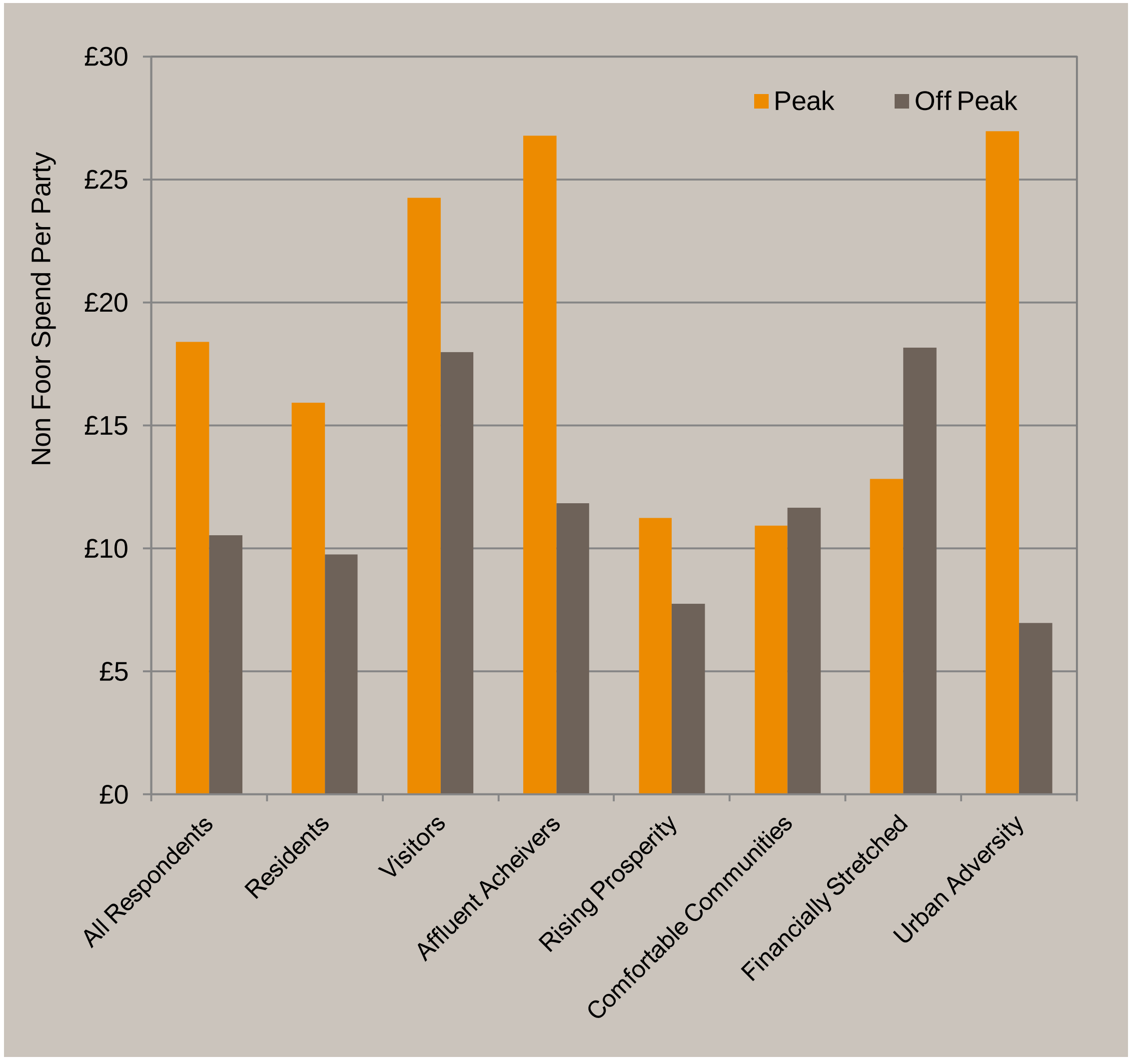


Source: FSP

Survey Results – Non-Food Spend

The chart shows Non-Food spend for Peak and Off Peak

- Average Non-Food spend increased considerably, from £10.53 (Off Peak) to £18.40 during Peak
- Spend increased most amongst *Urban Adversity*, from £7 to £27, *Affluent Achievers* also saw a big rise, from £12 to £27
- Visitor spending increased from £18 to £24

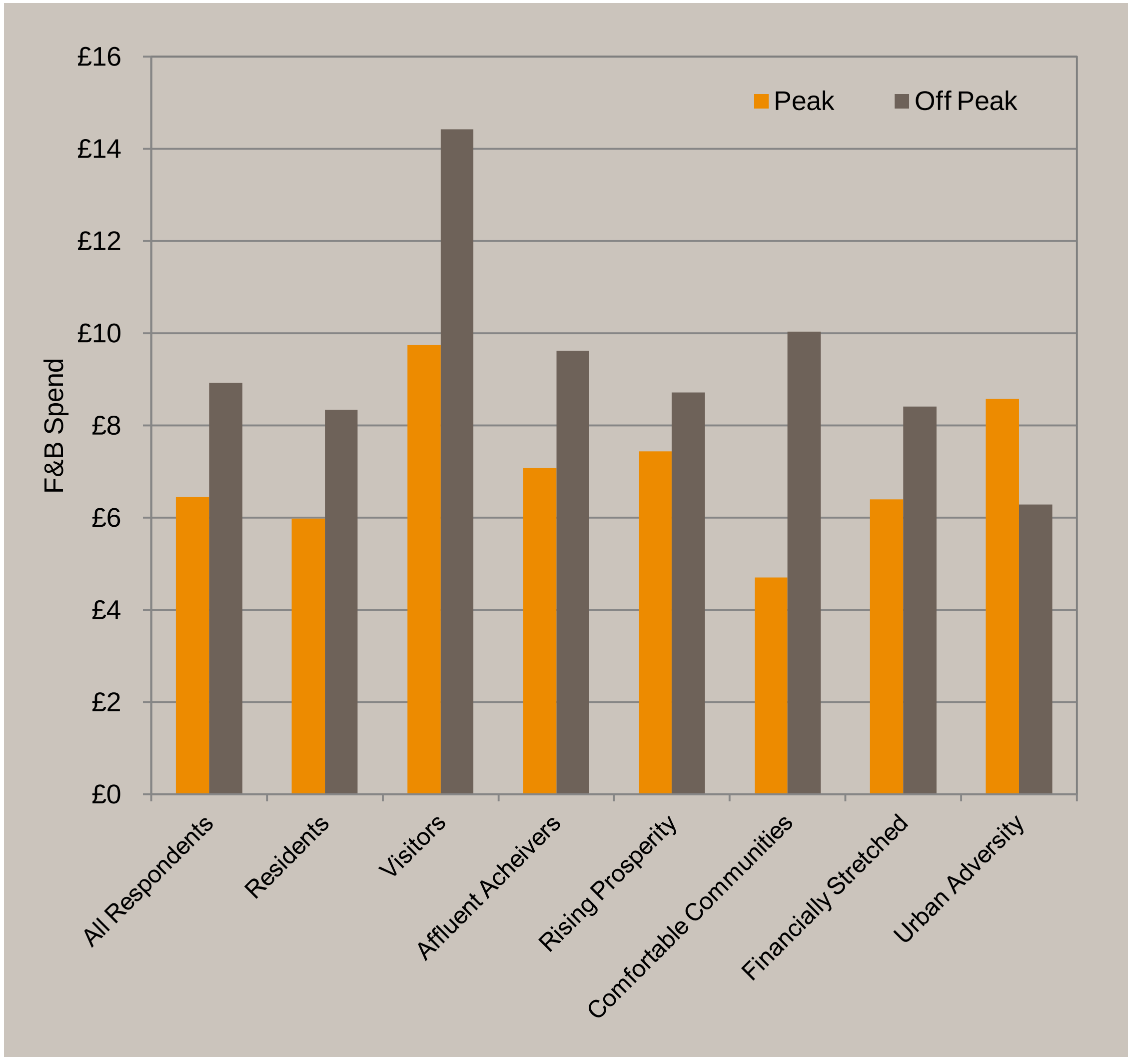


Source: FSP

Survey Results – F&B Spend

The chart shows F&B spending, between Off Peak and Peak

- Average spending fell from £8.90 during Off Peak to £6.40
- Visitor spend dropped from £14.40 to £9.73
- Spend only increased amongst *Urban Adversity*, from £6.30 in Off Peak to £8.60 during Peak

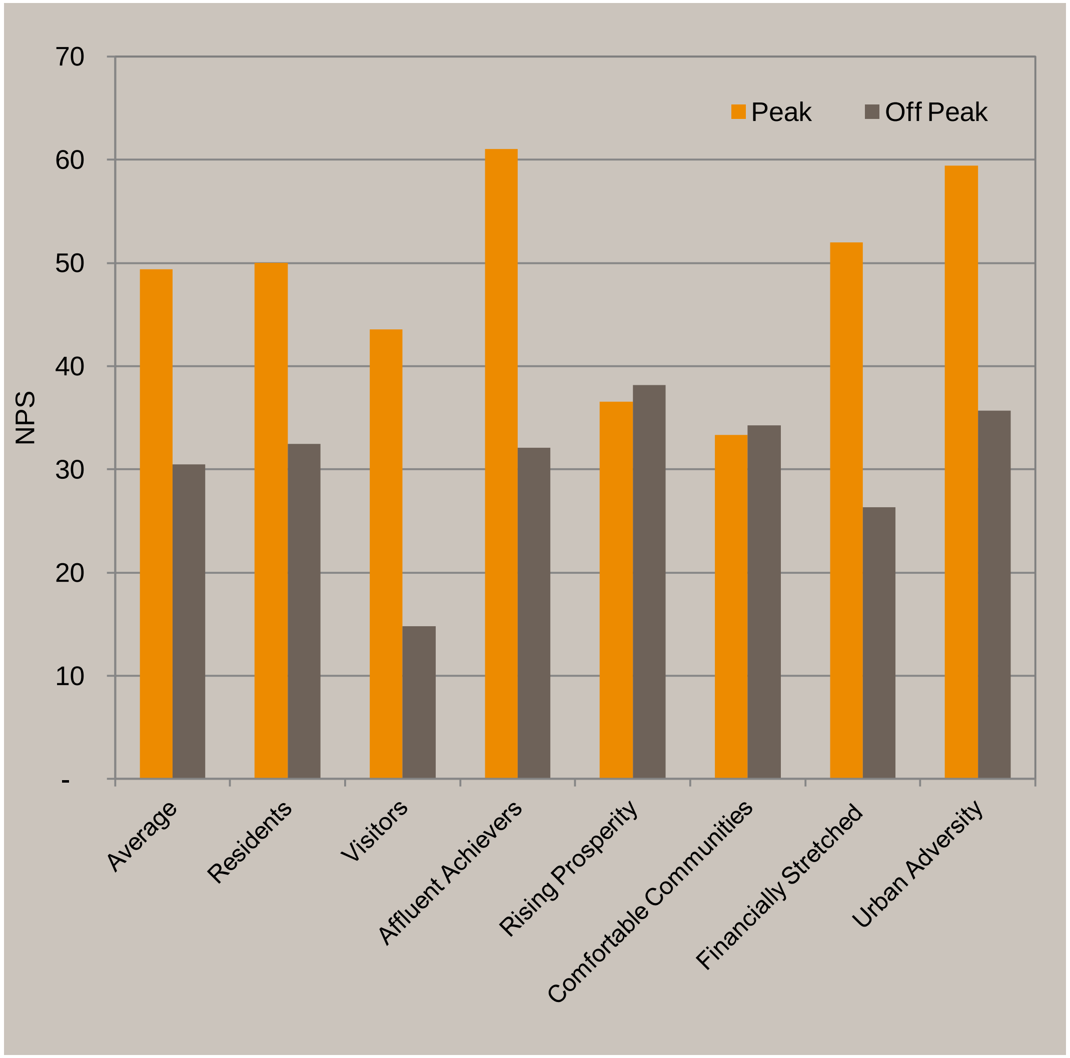


Source: FSP

Survey Results – Net Promoter Score

The chart shows *Net Promoter Score* (*NPS*) for Peak and Off Peak

- *NPS* increased considerably, from +30 during Off Peak to +49 in Peak
- Interestingly, *NPS* also increased amongst Residents/Students during this time, from 32 to 50
- Visitors and *Affluent Achievers* had the largest increases:
  - Visitors = +44 vs. +15
  - *Affluent Achievers* = +61 vs. +32
- During Peak, *Affluent Achievers* score Westbourne most highly, with an exceptionally high *NPS* of +61



Source: FSP

Summary

- Westbourne’s shopper profile changes slightly between Off Peak and Peak, with higher volumes of older ACORN *Groups* apparent in the Peak profile. For example, proportions of *Comfortable Seniors* almost doubled between Off Peak and Peak
- Proportions of Overnight Visitors increased during Peak, especially those staying outside the area. Day Visitors actually decreased during Peak
- Visit frequency fell slightly, as with Boscombe and Southbourne. This is largely to do with the increase in Overnight Visitors, who by definition have further to travel and are likely to visit less
- Non-Food spend increased dramatically during Peak, especially amongst *Affluent Achievers*, *Urban Adversity* and Visitors. In contrast, F&B spend fell during Peak, across all *Groups* except *Urban Adversity*
- *NPS* increased across most ACORN *Categories* and respondent types; *Affluent Achievers* rate Westbourne the highest, with a very high score of +61 (benchmark = +6)

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