6.0 OVERVIEW OF SHOPPING NEEDS

Defining Need in Winchester

6.1 The need for retail development should not solely be based on demand in terms of available expenditure or demand from operators, or that there is physical capacity to accommodate new development. A qualitative assessment of the range and scale of existing shopping facilities and the characteristics of residents in the catchment area is required.

Socio-Economic Characteristics within Winchester

6.2 Shopping needs may vary considerably, often related to socio-economic characteristics. For example, residents without access to a car or those on low incomes will have different needs to those who are mobile by car or who enjoy higher income. Lower income groups without access to a car may be less able to travel to shopping facilities and may also be socially excluded from high priced shops, therefore, the availability of discount or value retail facilities may be important for these groups.

6.3 The socio-economic characteristics of Winchester District in 1991 are compared with the national average in Table 6.1. The household survey results suggest that car ownership has probably increased since 1991.

Table 6.1 Socio-Economic Characteristics in Winchester District

Characteristic	% Households 1991	
	Winchester District	GB Average
Car Ownership		
Two or more	39.2%	23.1%
One	41.3%	43.5%
None	19.4%	33.4%
Occupation - Chief Wage Earner		
AB	29.7%	18.3%
C1	25.8%	23.6%
C2	21.1%	28.3%
DE	21.2%	29.2%
Other	2.1%	0.6%

Sources: MapInfo Illumine Report and 1991 Census of Population

6.4 Car ownership in Winchester District (80.6%) was above the GB average (66.6%) in 1991. A much higher proportion of households have two or more cars in Winchester District (39.2% compared with the national average of 23.1%). Car ownership is usually higher in predominantly rural rather than urban areas. Therefore high car ownership does not necessarily imply higher levels of affluence. However, the proportion of households with two or more cars can be an indication of affluence.

6.5 Winchester District had a higher proportion of households within the most affluent socio-economic groups (i.e. Classes A, B and C1 including professional/ managerial and white-collar workers) than the national average. The District had a low proportion of households in the lower social groups (C2 - skilled manual, D - semi-skilled manual and E - unskilled).

6.6 Winchester has a higher proportion of retirement age people than the national average, as shown in Table 6.2. Conversely the District has a low proportion of children under 15 years old. The proportion of economically active adults is just below the national average.

Table 6.2 Age Structure 2001

Age	% of Population 2001	
	Winchester District	UK
Children 0-14	17.5%	18.9%
Adults 15 to 29	18.5%	18.8%
Adults 30 to 44	21.4%	22.6%
Adults 45 to 59	20.7%	19.0%
Adults 60 to 74	13.7%	13.0%
Adults 75 +	8.4%	7.4%

Source: Census of Population 2001

6.7 MapInfo's local expenditure estimates for the Winchester Study area (shown in Table 1C, in Appendix C and summarised in Table 6.3) suggest that comparison expenditure per capita is 8.6% above the national average, reflecting the area's higher level of affluence. Convenience expenditure per person in the study area is only slightly above (3.7%) the national average.

Table 6.3 Expenditure Per Person 2000

	Annual Expenditure Per Capita	
	Convenience	**Comparison**
Winchester Study Area	£1,583	£2,248
Great Britain Average	*£1,526*	*£2,070*

Sources: MapInfo Illumine Data

6.8 The socio-economic analysis of Winchester and its catchment area suggests that the area is generally affluent and mobile. Most residents in the catchment area will have the ability to chose between competing retail centres and can travel to their preferred destination.

The Need for Different Types of Shopping

6.9 Each household will have different needs and expectations and the extent to which Winchester's shopping facilities provide for these needs will vary. The relative importance of selected forms of shopping for each customer group is summarised in Table 6.4.

6.10 The relative importance of each type of shopping facilities to the three main customer groups has been broadly assessed based on the following definitions:

- high importance - facilities required on a regular basis, where customers expect to find a good provision of these types of shops in Winchester;
- medium importance - facilities required on an occasional basis, where the availability of these facilities in a in Winchester is desirable if not essential; and
- low importance - facilities used infrequently by customers (if at all), and customers may not necessarily expect to find these facilities within Winchester and may be prepared to travel long distances.

Table 6.4: The Relative Importance of Shopping Facilities in Winchester

Examples of Types of Shopping	Level of Importance to Each Group		
	Local Residents	**Employees/ Commuters**	**Visitors/Tourists**
Convenience shops/services	High	High	Medium
Bulk food shopping	High	Medium	Low
Fashion shopping	High/Medium	Medium	High
Craft, arts, gifts	Medium	Low	High
Bulky non-food items (electrical, furniture, DIY)	High/Medium	Low	Low
Discount/value shopping	High	Low	Low
Other household items	High	Medium	Low

New Forms of Retailing

6.11 New forms of retailing have emerged in recent years as an alternative to more traditional shopping facilities. For example, factory outlet centres (for example Whiteley Village) have been developed across the country as an alternative to fashion shops within town centres. These developments are usually large and can provide over 10,000 sq m of comparison retailing, focusing primarily on fashion items and clothing, offering designer clothing at discounted prices.

6.12 Home/electronic shopping has also emerged with the increasing growth in the use of personal computers and the Internet. Trends within this sector may well have implications for retailing within Winchester. Therefore, it will be necessary to carefully monitor the growth within this sector particularly in the long term and the effect that it may have on diverting expenditure that might otherwise be spent in shops.

6.13 In broad terms home/electronic shopping is classified by MapInfo as *"non-store activity"*, which also includes other forms of retail expenditure not spent in shops e.g. mail order. Non-store activity has been excluded from the quantitative capacity analysis within this study. The Data Consultancy's retail expenditure information briefs indicate that expenditure on special forms of trading had not increased in proportional terms in the years running up to 1997. Therefore, the impact of electronic shopping was not taken into account in these figures, and was insignificant before 1997. Therefore, it is difficult to project this type of shopping accurately beyond 1997 from past trends.

6.14 The growth in home computing, Internet connections and interactive TV may lead to a growth in home shopping and may have effects on retailing in the high street. However, there is no clear evidence of the likely extent of this growth in the long term. The household survey results suggest that only 0.2% of households in the study area do most of their food and grocery shopping on the Internet. Only 0.7% do most of their non-food shopping via mail order. These results suggest that the reductions made for non-store activity in this study are reasonable.

6.15 This study does not assume that there will be a significant increase in home shopping over the next decade, however the possibility is recognised. It will be necessary to monitor the amount of sales attributed to home shopping in the future in order to review future policies and development allocations.

6.16 On-line shopping has experience rapid growth since the late 1990's. However, in proportional term it remains an insignificant percentage of total retail expenditure (0.29% in 1999). However, it may still be in its infancy, and there is uncertainty about its longer-term prospects. Verdict Research project that online retail sales will grow to 5.6% of retail sales by 2006, of which 40% will be online grocery sales. However, if this growth if achieved it may (to a large extent) be at the expense of other forms of home shopping such as catalogue and mail order shopping. In addition the implications on the demand for retail space is unclear. For example, some retailers operate on-line sales from their traditional retail premises e.g. food store operators. Therefore, growth in on-line may not always mean there is a reduction in the need for retail floorspace.

6.17 In addition to new forms of retailing, retail operators have responded to changes in customers' requirements. For example, extended opening hours and Sunday trading increased significantly in the 1990's. Retailers also responded to stricter planning controls by changing their trading formats. For example, some major food operators have introduced smaller store formats capable of being accommodated within town centres, such as the Tesco *Metro* and Sainsbury *Central/Local* store formats. Food operators have also entered the local convenience store market, for example *Tesco Express* store and convenience stores linked with petrol filling stations. The entrance of European discount food operators such as Aldi, Lidl and Netto has also been rapid over the last decade.

6.18 Food store operators have also commenced a programme of store extensions, particularly Tesco, Sainsbury and Safeway. These operators, faced with limited growth in food expenditure, have attempted to increase the sale of non-food products within their food stores, including clothing and electrical goods.

6.19 Comparison retailers have also responded to recent market conditions. The bulky goods retail warehouse sector has rationalised and there have been a number of mergers. For example there are fewer DIY operators, following the merger of Focus, Do It All and Great Mills and the B&Q take-over of Texas. B&Q and Homebase have developed very large *'category killer'* retail warehouses (some exceeding 10,000 sq m gross). Other traditional high street retailers have sought large out-of-centre stores, for example Big W (Woolworth), Boots, TK Maxx and Poundstretcher. Matalan has also opened numerous discount clothing stores across the country.

6.20 Within town centres some high street multiple comparison retailers have also changed their format. High street national multiples have increasingly sought larger modern shop units (over 200 sq m-2,150 sq ft) with an increasing polarisation of activity into the larger regional and sub-regional centres. The continuation of these trends may also influence future operator requirements in Winchester. Current published operator requirements in Winchester are shown in Appendix F, many of which are for units over 200 sq m.

Access to Different Forms of Shopping

6.21 Local residents will generally want access to all forms of shopping, although more affluent households may be more selective and may be prepared to travel further for certain types of shopping.

6.22 The level of accessibility to shopping centres/stores, in terms of the convenience to the home or work, is an important consideration for customers as shown by the visitor survey. The distance (or time) customers are prepared to travel for each type of shopping will vary. For example, residents might reasonably expect to have easy walking access to local shops (for daily top up purchases). Employees working within offices will also expect to find shopping facilities within easy walking distance to meet their lunchtime needs.

6.23 For bulk or main food shopping, residents should be able to visit a supermarket that provides a reasonable range of goods by car or public transport within the wider locality. Residents may be prepared to travel further for higher order comparison goods purchased on an occasional basis, such as Christmas gifts, fashion, furniture or electrical goods.

6.24 The household survey results within the Winchester study area clearly demonstrates that residents tend to visit a diverse selection of shopping centre/stores for different forms of shopping particularly non-food shopping. Winchester City Centre is a primary destination for both food and non-food shopping. Approximately 45% of households within the study area indicated that they do most of their non-food shopping in Winchester, and over 60% do so for food shopping. However, Southampton is also a major non-food shopping destination, which attracts customers from across the study area.

6.25 The survey results suggest that the many residents in the study area regularly shop at retail warehouses in Winchester. Approximately 48% visit retail warehouses in Winchester at least once every three months or more often. However, about 43% of residents regularly shop at retail warehouses outside Winchester, which suggests residents in the study area choose to shop at a variety of retail warehouses destinations in the wider area. Based on our experience elsewhere, retail warehouse customers are prepared to travel reasonable distances to visit large retail parks. Extensive retail warehouse facilities are available at Hedge End, which are within 20 minutes drive time from Winchester. Hedge End has a significant number and range of retail warehouse operators, which attract customers from across the sub-region.

6.26 Employees will have different needs focusing on lunchtime purchases, food and convenience products and gifts and speciality purchases. They will expect suitable facilities near to their place of work. Their needs should be catered for in Winchester. These shopping facilities will also need to be supported by other facilities such as sandwich bars, cafés, restaurants and bars.

6.27 An assessment of the ability of existing shopping facilities to meet the existing and likely future needs of customers against these criteria is undertaken within the remainder of this study.