JOINT RETAIL AND COMMERCIAL LEISURE STUDY – 2018

For North Dorset District Council, West Dorset District Council, and Weymouth & Portland Borough Council

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4 CATCHMENT (STUDY) AREA DEFINITION & SHOPPING PATTERNS

4.1 This section first defines the catchment/study area that provides the basis for the analysis of current shopping patterns and leisure preferences across the three local authorities and a wider area. This also helps to inform the analysis of market shares for all centres, stores and shopping facilities that will underpin the quantitative needs (‘capacity’) assessment set out in Section 19 to this report.

Study Area and Zones

4.2 The definition of an appropriate study (catchment) area is an important starting point for any retail and town centre assessment. In this case the study area has been defined using wards that make up the three Council areas, as well as outlying areas; including small parts of the surrounding local authority areas (namely East Devon District Council, South Somerset District Council and Wiltshire Council) (see **Appendix 1**).

4.3 The study area has been divided into 12 zones based on ward geography, as follows:

Table 4.1: Study Area – Zones

Zone	Ward Name/Code
1	Tophill West (E05003775); Underhill (E05003776); Tophill East (E05003774)
2	Weymouth West (E05003783); Weymouth East (E05003782); Westham North (E05003779); Wyke Regis (E05003784); Westham West (E05003780); Melcombe Regis (E05003771); Radipole (E05003773); Westham East (E05003778); Wey Valley (E05003781); Preston (E05003772); Littlemoor (E05003770)
3	Chickerell & Chesil Bank (E05010587); Upwey and Broadwey (E05003777); Winterborne St. Martin (E05010602)
4	Burton Bradstock (E05010585); Trinity (E05003487); Netherbury (E05010596); Chideock & Symondsbury (E05010588); Broadwindsor (E05010584); Lyme Regis & Charmouth (E05010594); Bridport South (E05010582); Bridport North (E05010581)
5	Dorchester West (E05010592); Dorchester North (E05010590); Dorchester South (E05010591); Dorchester East (E05010589)
6	Lulworth and Winfrith (E05009535); Broadmayne & Crossways (E05010583); Wool (E05010754)
7	Cerne Valley (E05010586); Piddle Valley (E05010597); Puddletown (E05010598)
8	Maiden Newton (E05010595); Beaminster (E05010580); Frome Valley (E05010593)
9	Queen Thorne (E05010599); Yetminster & Carn Vale (E05010603); Lydden Vale (E05010007); Blackmore (E05009997); Blackmoor Vale (E05006820); Milborne Port (E05006841); Sherborne West (E05010601); Sherborne East (E05010600)
10	Sturminster Newton (E05010012); The Stours & Marnhull (E05010014); Mere (E05008378): Gillingham Rural (E05010003); Motcombe & Bourton (E05010008); Gillingham Town (E05010004)
11	Nadder and East Knoyle (E05008380); Tisbury (E05008401); The Beacon (E05010013); Shaftesbury West (E05010011); Shaftesbury East (E05010010)
12	Abbey (E05009996); Bulbarrow (E05010002); Lower Tarrants (E05010006); Hill Forts (E05010005); Riversdale & Portman (E05010009); Blandford Hilltop (E05009999); Blandford Old Town (E05010001); Blandford Central (E05009998); Blandford Langton St. Leonards (E05010000)

4.4 These zones provide the sampling framework for the household telephone interview survey (HTIS). This zone-by-zone approach also enables more detailed analysis of shopping patterns, market shares and expenditure flows both within and outside the Study Area for the purpose of the retail capacity assessment, in accordance with good practice.

4.5 For the purpose of this assessment it has been assumed that Zones 1-2 are broadly representative of the Weymouth and Portland Borough area; Zones 3-9 broadly represent the West Dorset District area; and Zones 10-12 are equivalent to the North Dorset local authority area. Clearly parts of these zones lie outside the local authority areas (i.e. Zones 4, 6, 9, 10 and 11), and this has been taken into account by our population, expenditure and capacity forecasts.

Household Telephone Interview Survey & Market Share Analysis

4.6 NEMS Market Research was commissioned to carry out a HTIS across the defined study area and zones in July 2017. The questionnaire was designed by Carter Jonas (CJ) in collaboration with the three Councils. In total, some 1,200 interviews were conducted across twelve zones. This involved structured interviews by telephone with the person responsible for the main household shop.

4.7 A number of measures were put in place by NEMS to ensure each sample was representative of the profile of the person responsible for shopping in the household. Responses across the study area were also weighted by the population in each zone to ensure that the results of respondents in more sparsely or heavily population areas were not under or over represented in terms of the market share assessment. In addition, these results were further filtered to remove *'null'* responses (including *"don't know*" responses). This is a standard approach that helps to ensure the survey results provide a robust and realistic picture of shopping and leisure patterns. The full 'weighted' survey results are set out in **Appendix 25** (Volume 2), along with the survey methodology and questionnaire.

4.8 The survey results help to identify broad patterns and preferences for different types of retail (convenience and comparison goods) shopping purchases and online shopping, as well as leisure use across the study area. The key findings are used to inform the baseline market share analysis[23] and the centre/store turnover estimates that underpin both the quantitative and qualitative needs ('gap') assessment.

Convenience Goods – Market Share Analysis

4.9 Convenience goods[24] retailing is generally defined as comprising everyday essential items (including food, drinks, newspapers/magazines and confectionery), as well as an element of non-durable housing goods (such as washing up liquid, kitchen roll, bin bags, etc.). The survey-derived market share (%) analysis for all convenience goods shopping is set out in **Table 1 (Appendix 5**). It should be noted that for this stage of the analysis the market shares for both convenience and comparison goods retailing include expenditure on '*Special Forms of Trading*[25] (SFT - including internet sales), but exclude 'null' responses in accordance with good practice.

4.10 The overall market shares in Table 1 have been derived from the analysis of the responses as to where people normally shop for their main ('bulk') and 'top up' grocery purchases. In order to avoid the market share analysis of food shopping patterns being 'skewed' by larger superstores and food stores in the study area, the survey also asked respondents where else they normally shop (if anywhere) for their 'main' and 'top up' purchases in addition to the first store identified. The market shares for these different types of food shopping are set out in detail in **Tables 2-5 (Appendix 5**).

[23] It is common practice in retail assessments to deduct special forms of trading (i.e. purchases over the internet, mail order shopping and market stalls) from average expenditure per capita figures at the outset according to national forecasts derived from Experian Business Strategies. Internet shopping and special forms of trading have therefore been filtered out from the survey results before undertaking the market share assessment.

[24] For the purpose of this retail assessment 'convenience goods' and 'food' shopping have the same meaning.

[25] A more detailed explanation of SFT is set out in Section 3

4.11 The responses for 'primary' and 'secondary' food shopping purchase have then been merged through the application of a weighting based on judgements as to the proportion of household expenditure normally accounted for by each type of convenience goods shopping. These judgements have been informed by Question 9 of the household survey, which identifies the proportion of expenditure spent on main food shopping. In this case we have applied a reasonable and robust weighting of 60% for main 'bulk' shopping; 15% for secondary main 'bulk' shopping; 15% for primary 'top-up' shopping; and 10% for secondary 'top-up' shopping.

4.12 The key findings of the market share analysis are briefly described below.

4.13 In terms of the market share of **special forms of trading** (SFT), and principally internet shopping, **Table 1** (**Appendix 5**) shows that the share of all food shopping across the study area (i.e. zones 1-12) is 4.9%. The market shares vary for the different zones that broadly make up the three local authority areas as follows:

- In the West Dorset district area (zones 3-9) SFT accounts for 5.8% of all convenience purchases;
- In Weymouth & Portland (zones 1-2) SFT accounts for 2.6%; and
- In North Dorset (zones 10-12) SFT accounts for 5.2%.

4.14 To place these local SFT market shares in context, Experian's latest *Retail Planning Briefing Note 15* (RPBN 15, December 2017) indicates that the national average for non-store (SFT) convenience goods retail sales is 10.8% in 2017 (see Section 3). This is significantly higher than the market shares identified for the study area zones. A number of factors may explain this lower than average market share at the local level. For example, it may reflect an older age profile who have more traditional food shopping patterns and are less reliant on the internet to meet their shopping needs; and we consider that this is most likely the case for the three local authority areas surveyed. Alternatively, the lower than average market shares for internet shopping in certain locations may reflect the good provision/choice and convenient access to (physical) food stores, compared with more limited access to internet food shopping/deliveries, and the coverage of the 'internet infrastructure'. In this case there would therefore appear to be potential for SFT market penetration to increase in the future as online grocery shopping becomes more popular, accessible and convenient. If this was to occur, then it would reduce the residual expenditure available to support the need ('capacity') for new ('physical') retail floorspace over the forecast period (see **Section 19**).

4.15 Turning to the market share analysis for the main centres and stores in the three local authority areas, **Table 1 (Appendix 5)** shows that they are achieving an overall convenience goods market share ('retention level') of 80.4% within the study area. This represents a relatively strong 'retention level' in our experience. **Table 4.2** below summarises the market shares for the main food and convenience stores within the three Council areas and across the wider study area.

Table 4.2: Convenience goods market shares for key centres in the Council areas

Council Area	Centre	Total Study Area	Council Area Only
West Dorset Zones	Dorchester TC	**5.1%**	**9.4%**
	Bridport TC	**2.0%**	**4.0%**
	Sherborne TC	**1.4%**	**2.7%**
	Lyme Regis TC	**0.8%**	**1.5%**
	Beaminster Local Centre	**0.5%**	**1.0%**
	Other/Local Centres	**2.3%**	**4.2%**
	Out of Centre	**17.2%**	**32.0%**

	WEST DORSET SUB TOTAL:	**29.3%**	**54.8%**
	OTHER CENTRES OUTSIDE WEST DORSET:	**65.8%**	**39.4%**
	SFT:	**4.9%**	**5.8%**
	TOTAL:	**100.0%**	**100.0%**
Weymouth & Portland Zones	Weymouth TC	**1.7%**	**6.5%**
	Portland, Easton Local Centre	**2.7%**	**12.6%**
	Portland, Fortuneswell Local Centre	**0.3%**	**1.5%**
	Other/Local Centres	**0.6%**	**2.7%**
	Out of Centre	**19.9%**	**70.8%**
	WEYMOUTH & PORTLAND SUB TOTAL:	**25.3%**	**94.0%**
	OTHER CENTRES OUTSIDE WEYMOUTH & PORTLAND:	**69.8%**	**3.4%**
	SFT:	**4.9%**	**2.6%**
	TOTAL:	**100.0%**	**100.0%**
North Dorset Zones	Gillingham TC	**8.4%**	**25.2%**
	Blandford Forum TC	**3.4%**	**12.3%**
	Shaftesbury TC	**4.4%**	**14.7%**
	Sturminster Newton TC	**1.4%**	**4.4%**
	Stalbridge	**1.1%**	**0.3%**
	Other/Local Centres	**0.4%**	**0.9%**
	Out of Centre	**6.7%**	**22.7%**
	NORTH DORSET SUB TOTAL:	**25.8%**	**80.5%**
	OTHER CENTRES OUTSIDE NORTH DORSET:	**69.3%**	**14.3%**
	SFT:	**4.9%**	**5.2%**
	TOTAL:	**100.0%**	**100.0%**

Source: Table 1, Appendix 5

West Dorset

4.16 As the table above shows, West Dorset's main centres and stores are achieving the highest overall market share of 29.3% within the study area. However the local authority as a whole has a relatively low retention rate of only 54.8% compared with North Dorset (80.5%) and Weymouth and Portland (94.0%). We consider that this lower 'retention' level is probably explained by the wider geographic area covered by the district's defined zones and its population distribution, as well as the proximity and convenience of competing stores/shopping locations outside of the district area. For example whilst zone 3 is within the West Dorset area, some of the outlying areas are situated close to the boundary of Weymouth & Portland Borough. The results indicate that whilst this zone accounts for 24.3% of the overall market share within the West Dorset area, there is a 'leakage' of 66.3% to Weymouth & Portland Borough. The lower 'retention' level may also indicate a 'gap' in the district's larger food store offer, and we consider this in more detail in our health check and capacity assessments.

4.17 In summary:

- **Dorchester** acts as the main food and convenience shopping destination in the district, with a market share of 9.4% within the West Dorset area and 5.1% across the entire study area.
- The other main town centres of **Bridport** (4%), **Sherborne** (2.7%), **Lyme Regis** (1.5%) and **Beaminster** (1%) are achieving lower market shares, which reflects the more limited scale and range of the food and