PART OF GROUP HUGO CEUSTERS - SCMS NV

Summary

The impact of mobility on Belgian shoppers

(2015)

1. Purpose

As the largest independent property manager for Belgian shopping centres, we have investigated the impact of traffic on the retail sector. Do we go shopping less if there are roadworks near a shopping centre? These days, do we increasingly use public transport to go shopping? Or do cars still rule supreme for Belgian shoppers? And what impact does paid parking have on shopping behaviour? ...

If there is one thing we can infer from this study, it is that in a country such as Belgium, the growing traffic jams and mobility problems play an increasingly important part in shopping. More than ever, accessibility and parking facilities are a decisive factor in a shopping centre's success.

2. We shop less frequently, but spend more

Basing ourselves on a series of recent surveys of 13,298 Belgians (carried out in 2014), we arrived at the following important conclusion: Belgians are shopping more consciously than ever. It appears we go shopping at our shopping centres less frequently. But when we do, we go the whole hog. The number of people who spend three hours or more in a shopping centre, has gone up slightly, from 24 percent in 2013 to 27.6 percent in 2014. Moreover, more money is being spent: the average amount spent during a day of shopping has risen somewhat from 89 euros per visit in 2013 to 92 euros in 2014.

3. Relation between shopping and public transport

The following can be gleaned from that same survey of 13,289 Belgians: last year, four percent more people (nearly one in five) used public transport to go to shopping centres. More specifically: 13.5 % in 2013 versus 17.5 % in 2014. This is especially due to the younger generation of shoppers, because the older shoppers are, the more likely they are to come by car. The oldest category of visitors (60+), however, more often come by public transport.

Means of transport vs. age

	overall	0-19	20-29	30-39	40-49	50-59	+ 60
Car	66.9 %	33.5 %	66.9 %	77.0 %	81.8 %	76.3 %	62.2 %
Public transport	17.5 %	43.3 %	20.7 %	11.3 %	8.3 %	8.6 %	15.8 %
On foot	10.8 %	11.2 %	8.4 %	9.2 %	6.7 %	10.7 %	17.8 %
Bicycle/moped	4.8 %	12.0 %	4.0 %	2.5 %	3.2 %	4.4 %	4.2 %

It is remarkable, however, that people going to the shopping centre by car often spend more than those going by public transport, going by bike or on foot. Visitors coming by car remain essential in today's retail sector.

Spending pattern per means of transport

	Car	**Public transport**	**Bicycle/ moped**	**On foot**
0 euros	6.6 %	20.0 %	6.5 %	17.7 %
1 - 25 euros	13.9 %	27.5 %	33.9 %	30.9
25 - 125 euros	50.8 %	40.2 %	51.6 %	44.6 %
125 - 250 euros	18.1 %	7.5 %	4.4 %	4.8 %
over 250 euros	10.6 %	4.8 %	3.6 %	2.0 %

Specifically, on average € 110 is spent per car. The average spending for public transport, bicycle/moped or on foot is respectively € 61, € 60, or € 48.

Note: these amounts are spent per visit, and not necessarily per visitor! The percentage of visitors who come to the shopping centre by themselves amounts to exactly 50 % for those coming on foot or by bike, but to only 30.8 % for public transport and to just 23.8 for cars.

And still, slow though the evolution may be, the general trend is clearly towards public transport. Slowly but surely, we are increasingly using public transport to go shopping. In the nineties, for example, the early years of Wijnegem Shopping Center, over 90 percent of visitors there came by car. Today, in part thanks to the construction of a tram line from Antwerp to Wijnegem, this number has dropped to "only" 77 percent. Where public transport is expanded, we see a clear increase in its use.

<u>Nota</u> <u>bene:</u> the absolute number of visitors coming by car was higher in 2014 given the rise in total visitor numbers for Wijnegem Shopping Center compared to the late nineties; extrapolations teach us that, in the early years of Wijnegem Shopping Center, some 6 million visitors came by car on a yearly basis, with 6.5 million today. Of course, between then and now, the number of shops has risen and, thankfully, parking capacity has been substantially expanded.

Means of transport: nearly 7 in 10 drive to the shopping centres

By car	66.9 %
By public transport	17.5 %
On foot	10.8 %
By bicycle/moped	4.8 %

Origin: we go shopping nearby

Zone 1 (no more than 5 km)	36.4 %
Zone 2 (5 to 10 km)	26.3 %
Zone 3 (10 to 15 km)	14.9 %
Zone 4 (15 to 20 km)	13.2 %
Zone 5 +6+7 (+ 30 km)	9.3 %

Most visitors (36.4 %) live no more than 5 km away from the shopping centre.

Visitor frequency

Several times a week	17.5 %
Once a week	16.4 %
Once a fortnight / several times a month	15.8 %
Once a month	18.7 %
Less often	26.6 %
This was the first time	5 %

Visit duration

Less than half an hour	7.4 %
About half an hour	11.5 %
About an hour	28.8 %
About two hours	24.8 %
About three hours	12.5 %
About four hours	8.8 %
Longer than four hours	6.3 %

4. Important impact of roadworks on shopping centres' performance

We looked at the shopping centres in our management portfolio where roadworks were being carried out during the past few years.

It turns out roadworks have a clear impact on the number of visitors to our shopping centres: roadworks near the projects or the access roads led to an average drop in visitor numbers of 10.8 %; we gleaned as much from the three practical examples we studied. At worst, roadworks lead to a drop in visitor numbers of nearly one fifth.

5. **Accessibility and parking facilities are a decisive factor in a shopping centre's success**

Accessibility and parking facilities are a decisive factor in a shopping centre's success. The information below provides an overview of the satisfaction scores (out of 5) that visitors gave to extra-urban shopping centres with free parking for both items. Put concretely: according to a survey, 70 percent of visitors are very satisfied with regard to parking facilities at the shopping centres, just as, for example, 68.9 percent are very satisfied with the shopping centre's accessibility.

	Average	**1**	**2**	**3**	**4**	**5**
Parking facilities	4.52	1.8	3.0	8.1	16.6	70.6
Accessibility	4.53	3.3	0.5	5.6	21.8	68.9

(1 = not satisfied at all vs. 5 = completely satisfied)

Parking satisfaction survey

Visitors of extra-urban shopping centres with free parking were asked to score their satisfaction with regard to the following aspects of the car park:

Accessibility from public roads	4.24
Car park cleanliness	4.06
Number of parking spaces	4.02
Size of parking spaces	3.83
Signs on the car park	3.80
Safety on the car park	3.74
Smooth transit to public roads	3.66
Smooth traffic on the car park	3.60

Conclusion: people who go shopping in a shopping centre are most satisfied with the accessibility from public roads, but on average, all aspects get a (more than) positive evaluation.

As an extra service to visitors, the shopping centres we manage also offer free charging stations where visitors can recharge their electric bicycles or cars while shopping.

6. Paid parking = fewer visitors

Extra-urban shopping centres, as opposed to town centres, always offer free and sufficient parking. That's why we asked visitors about the advantages of these shopping centres.

Below you will find an overview (ranked by importance) of shopping centres' greatest advantages. As regards mobility, we can distil some interesting information from this survey: *the mobility aspects "easily accessible", "free parking" and "easy parking" turn out to be the most important advantages for 22.1 % of visitors, or 1 in 5.*

Wide range of shops	21.07 %
Dry/warm in winter/cool in summer	16.42 %
Diverse range of shops	12.92 %
Easily accessible	**10.36 %**
Free parking	**6.65 %**
Wide range of catering outlets	6.13 %
Long opening hours	5.79 %
Easy parking	**5.09 %**
Safe shopping	4.12 %
Good quality of shops	3.22 %

*Another remarkable figure from the survey: **56.1 %** of visitors claim they would come less frequently if they would ever have to pay for parking at shopping centres.*

In that regard, we can link mobility to the vacancy of many shops. We would go so far as to deduce from our survey and our investigation that making a city or shopping centre inaccessible to cars has a negative impact on shopping as a whole. Thanks to some mobility changes, the retail sector in several cities could be revived.

An interesting case to be considered is that of the Welsh town of Cardigan, where visitor numbers at local retailers soared by half because all the parking meters were out of order. (http://www.dailymail.co.uk/news/article-3163067/Surprise-surprise-North-Wales-town-parking-meters-action-month-sees-shopping-boom.html)

MORE INFORMATION

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