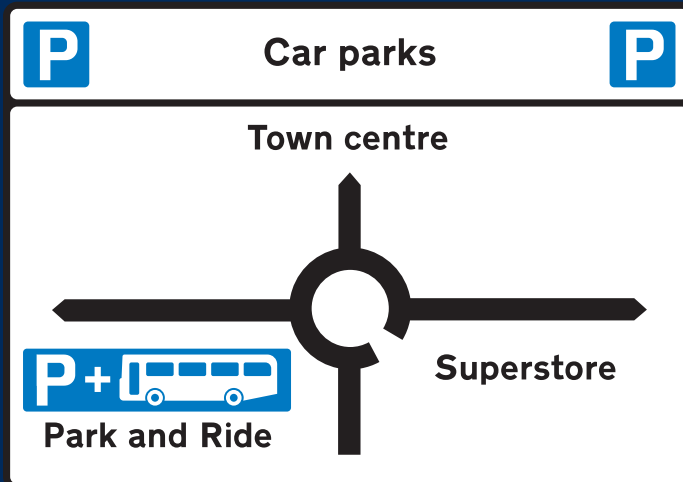


Motoring towards 2050

Shopping and transport policy



The Royal Automobile Club Foundation for Motoring Limited is a charity established to promote the environmental, economic, mobility and safety issues relating to the use of motor vehicles.

RAC Foundation
89-91 Pall Mall
London SW1Y 5HS

Tel: 020 7747 3445
www.racfoundation.org
Registered Charity Number 1002705

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Motoring towards 2050

Shopping and transport policy

This report has been produced as the latest in the series following-up *Motoring towards 2050: an independent inquiry*, published in May 2002. That inquiry considered the long-term prospects for car ownership and travel in the UK, taking account of economic and social factors, capacity problems of roads, impact of the car on the environment, technological changes to the car and transport infrastructure, growth of demand in traffic in the electronic age, the interaction between traffic and land use, and the future role of other areas of transport.

During the inquiry we identified several key subjects meriting further study. Our first follow-up inquiry, *Parking in transport policy*, was published in November 2004.

The relationship between shopping and transport policy is also a subject which is often overlooked. Shopping is the most frequent reason for travel in Great Britain. The RAC Foundation, supported by the British Retail Consortium, carried out this study to investigate the effect of shopping on transport policy and vice versa, in view of the high number of trips which shopping contributes to overall travel.

Shopping and transport steering committee

David Holmes Chairman, RAC Foundation

Paul Browne Policy Executive, British Retail Consortium

Elizabeth Dainton Research Development Manager, RAC Foundation

Edmund King Executive Director, RAC Foundation

David Leibling Transport consultant

Sheila Rainger Campaigns Manager, RAC Foundation

The RAC Foundation would like to thank the following people who met with the steering committee, sent submissions, or offered advice on the report. We stress that the opinions and conclusions outlined in the report are those of the Steering Committee, not necessarily those of the people or organisations listed.

Steve Burgin Delancey

Grant Butterworth Nottingham City Council

Laurence Chadwick Grosvenor Ltd

Paola De Pascali DTI

Jim Dowd MP, Chair, All Party Parliamentary Group for Small Shops

Norman Frost Wandsworth Council

Andy Godfrey Boots

Steve Gooding Department for Transport

Caroline Guy Sainsbury's

Mark Hannaford DTI

Ben Jebb Westfield Shopping Towns Limited

Joy Jefferys Bath and North East Somerset Council

Susan Kenyon Centre for Transport and Society, UWE

John Miller B&Q

David Quarmby RAC Foundation Public Policy Committee

Dr Brian Raggett Royal Town Planning Institute

Dr Jonathan Reynolds Oxford Institute of Retail Management

John Rigby Exeter Council

James Roper IMRG (Interactive Media in Retail Group)

David Sheppard John Lewis Partnership

Alex Smith ASDA

Professor Leigh Sparks Institute for Retail Studies, University of Stirling

Geoff Steeley National Retail Planning Forum

Nigel Williams British Parking Association

Shopping is the most frequent reason for travel in Great Britain, accounting for 20% of all trips by all transport modes in 2005. Another 10% are for personal business such as banking. Taken together, shopping and related activities account for 30% of all car journeys compared with 21% of journeys for commuting and business travel.

The RAC Foundation, supported by the British Retail Consortium, carried out this study to investigate the effect of shopping on transport policy and vice versa, in view of the high number of trips which shopping contributes to overall travel.

Our key recommendations are:

- A long-term vision is essential for a town's vitality.
- Cars can't be wished away – not even with Internet shopping – so they must be planned for.
- Parking is a service and not a source of revenue – and should be used creatively.
- Planning needs to reflect the reality of how people live – we suggest that each housing estate should have good public transport links to one supermarket, rather than vice versa.

A long-term vision

The study found that retail is a dynamic and complicated activity, and an important source of vitality for town centres, both through development of new retail centres, and through the continued success of existing outlets. Without the revenue generated by retailing, many town centres would decay.

Local authorities should have a clear set of objectives relating to their town centre as an efficient retail centre, and interventions should be linked clearly to these. Some local authorities need to be more pro-active in encouraging the right sort of retail development for their towns and cities. However, intervening in promoting retail involves intervention in a complex economic process. Developers of retail centres conduct extensive research on the potential of prospective sites and ease of access before committing to investment.

The study found conflicts between the objectives of town centre managers looking for commercial regeneration and traffic or transport planners intent on transport solutions. In some cases transport decisions on issues such as one-way streets or restricted parking had dire consequences for the commercial vitality of town centres.

Cars can't be wished away... ..but they can be planned for

The car accounts for over 60% of shopping trips and over 80% of shopping mileage. Even those without a car travel by car for one third of their shopping trips by getting lifts or taxis. While the average number of shopping trips per person has fallen by over 13% in the last 10 years, the average length of trip has increased.

Most, if not all, towns and cities are car dependent. Even historic cities such as York or Oxford, that restrict cars in the centre via strict parking policies, rely on cars to a great extent for their vitality via park and ride.

In the future, car ownership will rise, and older people will drive until a later age. Internet or home shopping will increase but will not have a dramatic effect on reducing the number of trips, as evidence suggests that for many goods bought on line, almost 80% of purchasers will still travel to the shops to browse and compare.

However, this changing shopping pattern may reduce the number of car trips. As goods bought on line are more likely to be home delivered, some browsers may choose public transport if good services at convenient times are provided. Given the increase in delivery services, it is debatable whether e-retail will increase or reduce the total number of trips.

Bus usage could be encouraged more for shopping trips if local authorities outside of London had more powers to influence bus routes, reliability and timing of buses. There have been problems cited by retailers where they may have funded bus stops and bus lanes as part of their planning approval, only to find that the bus company decides not to use them. Bus use could be further encouraged by more accurate real time information and the promotion of personalised travel plans so shoppers know when and where buses run, and by creative solutions to the problems of carrying heavy or awkward goods.

Executive summary

Parking is a service not a source of revenue

Ease of parking is crucial to shopping and needs to be seen as a service to shoppers rather than just a revenue stream. 44% of shoppers could not find a parking space whilst out shopping in the last twelve months. Parking must be well located, well signed and well maintained in order to attract shoppers.

Congestion can put off shoppers even though shopping is not normally time critical. Lack of parking is also a deterrent. Congestion charging could deter one third of shoppers from a charged zone as they have indicated in our polls that they would vote with their wheels and shop elsewhere. Hence it is important for local authorities to consider the effects of their policies on town centres and across conurbations. Steep congestion charges may well drive shoppers to out of town centres. Low off-peak charges may mitigate some of these negative effects.

Smarter parking, and smarter use of park and ride, can make town centres easier to access and significantly more attractive shopping destinations.

Retail needs to be planned for

Transport and land-use planners need to understand the consequences of their decisions for retail competition. As retail depends on consumers who are highly mobile, small changes in parking or ease of access can have significant consequences.

The study does not promote either out of town shopping or traditional town centre retail. It is not arguing for a change in planning policy – it is asking for a more level playing field. We recognise that ease of access is one advantage held by out-of-town centres at present. However, as fewer new out of town centres are being built, infilling with additional stores is putting pressure on access routes and parking spaces, eroding this advantage. The report also examines and challenges some of the barriers to access faced by shoppers and retailers seeking to use town centre stores.

Considering the very low usage of public transport either in town centres or out of town shops, the conceptual requirement that all sites must be served by a good network of public transport services seems to be unjustifiable. Rather than require each store to be well served by public transport, the study recommends that it would be more appropriate to ensure that each residential area is within good public transport access of at least one good supermarket.

We recommend that Government and local authorities should ensure that viable retail sites, supported by good transport and car parking, are built into future developments.

Conclusions

In conclusion, our study has found that, despite the increase in e-shopping, transport access to 'brick and mortar' shops will remain crucial in the foreseeable future.

We believe that local and national government can influence retail success through planning and development control, and through traffic management and parking controls. However, these interventions need to be used with care and in the context of a long-term vision for a successful town or city.

Motoring towards 2050

Shopping and transport policy

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1

Attitudes and experiences



- 40% have found parking too expensive when shopping.
- 44% could not find a parking space when shopping.
- 54% have experienced congested roads when shopping.
- 31% would drive to a different destination if a £5 charge were introduced to drive into town or city centre shops.
- 78% of Internet shoppers still want to go to the store to look at the goods.

Views on shopping and transport

People have strong feelings about shopping, parking and transport. Whilst the majority of people actually enjoy shopping, almost one third describe it as a ‘necessary evil’. It is important to know how people get to the shops, whether transport policies or tolls would affect their shopping patterns, whether the Internet will replace shopping trips and what the future holds.

In order to get a clearer picture of these issues the RAC Foundation commissioned GfK NOP to question approximately 1,000 adults over 17 years of age in an Omnibus survey and a Motorbus survey between 9-11 June 2006. Seventy nine per cent of those interviewed had a car in the household and 21% did not. Of those interviewed, 69% drove. Seventy seven per cent of men and 62% of women were drivers and even where there was no car in the household, 10% of the respondents said they drove, perhaps making use of a pool car for work or a car belonging to a friend or relative.

Shopping as a pleasure or a chore

Some people enjoy shopping on their own, whilst others prefer to shop with their family or friends. While many people find shopping a ‘necessary evil’, others enjoy it as a form of leisure activity or even retail therapy. Our attitudes to shopping may vary according to what we are buying and when. The weekly grocery shop may be a chore, but choosing a new outfit for a wedding may be an exciting occasion.

More women than men like to shop alone while young people prefer to shop with friends. Sixty per cent of women also like to shop with friends and family. This may not be inconsistent with women’s preference for shopping alone as views on shopping may depend on the shopping purpose. For example, it may be preferred to shop for food alone and to shop for clothes with friends. Fifty four per cent of those who like shopping alone also enjoy shopping with friends, but 64% of those who do not like shopping alone still enjoy shopping with friends.

Men and women agree about shopping being an ‘necessary evil’ but young people disagree – probably because they do not have to do the routine shopping, and they enjoy shopping for their own personal requirements such as clothes.

People with children are more likely to find shopping tedious because of the pressure of looking after children at the same time. Women tend to enjoy shopping as a leisure pursuit more than men do, with 18% of women strongly agreeing compared to just 10% of men.

Almost two thirds of 17-24 year olds, irrespective of sex, agreed that they enjoyed shopping as a leisure pursuit. This suggests that even with the rise in Internet shopping, a fair proportion of younger shoppers would still visit the shops as a leisure activity. However, some argue that young people regard e-shopping from their PCs as a leisure activity in itself, doing it in a social context or as a group.

Table 1.1

Attitudes to shopping

	Net agree* %
I like shopping alone	32
I like shopping with friends and family	22
I find shopping a necessary evil	28
I enjoy shopping as a leisure pursuit	-1

*Net agree = those agreeing less those who disagree. Source: RAC Foundation GfK/NOP survey June 2006

1 Attitudes and experiences

Problems with shopping

Even if the prospect of shopping is something to look forward to, the actual experience may fall far short of expectations. Shoppers were asked about their actual shopping experiences in the past 12 months.

Over half of drivers complained about congested roads. Nearly the same number of non-drivers had experienced the same problem.

The problems of shopping by bus were highlighted by the quarter of people saying that they had difficulty carrying their parcels on the bus, while one in seven people could not find out the information they required to use the bus.

Shopping and parking

A high proportion of respondents reported problems with their parking, finding it too expensive (40%) or difficult to find a space at all (44%). Almost a quarter of respondents reported that the parking space was too small for their car. This rose to a third of those with children in the household or to 67% of those with a MPV or 60% of those with a 4X4 vehicle. Just over 10% had received a parking ticket, which adds to the costs and hassle of shopping. Even those without a car found parking difficult by proxy, as a significant proportion of them get lifts to the shops.

Ten per cent of respondents have experienced problems with not being able to find secure cycle or motorcycle parking in the last 12 months while shopping. The 2003 RAC Report on Motoring asked how easy is it to park; 85% replied that it was easy when going to local shops, but only 69% found it easy at their nearest major shopping centre.

The availability of parking is important for 85% of people buying groceries and 76% of those buying household goods, but less so for clothes and shoe shopping (60%). Even for those in households without a car, parking is important because they often get lifts to the shops.

Table 1.2

Which of these problems have you experienced when shopping in the past 12 months?

	Households with children		Households with no car	
	All %	%	All %	%
Congested roads	54	58	45	
Couldn't find a parking space	44	52	18	
Parking was too expensive	40	49	21	
Parking space was too small for my car	24	32	10	
Found it difficult to carry shopping on the bus	23	23	40	
Tried to travel by bus but couldn't find information on times or routes	13	16	19	
Got parking ticket	11	13	4	
No secure cycle or motorcycle parking	10	13	9	
None of these	21	14	34	

Note: these are ranked by most frequent mention first. Source: RAC Foundation GfK/NOP survey June 2006

Table 1.3

Which, if any, of the following would you say would apply to you if parking were to become more expensive or you found it difficult to park/lack of parking when going to the shops?

	All %
Shop somewhere else	55
Share a car	41
Use public transport	40
Shop on-line	39
Walk	39
Use a park and ride scheme	37
Do not drive/have use of a car	24
Don't know	3

Note: multiple responses were allowed. Source: RAC Foundation GfK/NOP survey June 2006

1 Attitudes and experiences

When asked what they would do if parking became more expensive or difficult, over half of those surveyed said they would shop somewhere else. Those with no car in their household who nevertheless use a car to go shopping responded in a similar way to those in car-owning households. Of course, should universal road charging be introduced, shopping elsewhere will not be an option. However, current trends indicate that if road pricing is introduced, it will initially be done on a regional basis.

Effect of charges to enter towns or to go to shopping centres

With road pricing rising up the political agenda, we asked shoppers how they would react to a charge to enter a city centre, or for travelling to out-of-town centres. A similar question was asked in 1999 in the Lex (now RAC) Report on Motoring (to regular drivers only) for the two alternatives of a £3 or £6 charge.

In the current study, the main response to a £5 charge to go into a city centre would be a switch to another town (31%) followed by a switch to a non-car mode of travel (27%) and then doing the journey less often (21%). This is a marked change from the 1999 study; now, many more people would choose another destination.

When asked what they would do if a road charge was brought in, which would cost them to travel to an out-of-town centre, 39% of shoppers revealed they would switch to another destination. Only 13% said they would switch mode compared to 27% who would switch mode to travel to the town centre.

Table 1.4

Which one, if any, of the following would you say best applies to you if a £5 charge or road toll was introduced and you had to pay this to drive to the town or city centre shops?

	GfK NOP	Lex Report 1999	
	2006 (£5)	£3	£6
	All drivers %	%	%
You would go to a different destination	31	15	18
You would use public transport, walk or cycle	27	23	35
You would do the journey less often	21	30	34
It would make no difference, you would pay the charge and go anyway	10	32	13
Do not drive/have use of a car	10	n/a	n/a

Source: RAC Foundation GfK/NOP survey June 2006

Table 1.5

Which one, if any, of the following would you say best applies to you if a £5 charge or road toll was introduced and you had to pay this to drive to an out of town shopping centre?

	With car	Without car
	%	%
You would go to a different destination	39	5
You would do the journey less often	26	6
You would use public transport, walk or cycle	13	4
It would make no difference you would pay the charge and go anyway	10	1
Do not drive/have use of a car	13	84

Source: RAC Foundation GfK/NOP survey June 2006

1 Attitudes and experiences

Why do people choose to use their car for shopping

Two thirds of people use their car for shopping because of its convenience; whereas more than half of the people said it was because of its ability to carry their shopping. Almost half of people travelled by car because the distance to the shops made it the most suitable choice.

Shoppers who use the car as their main means of getting to the shops also believe their car is cheaper than using public transport, that it is easier if they have children, and that it is safer than using public transport.

Those families with children emphasise the convenience and carry-ability of the car, as well as the fact that it is difficult to take their children on public transport. The car also allows people the convenience of making chained trips, such as dropping children off, then going shopping, then visiting friends.

A new survey by Mother & Baby magazine and Transport 2000 reveals that mums in the UK are put off using public transport by inconsiderate staff and other passengers, poor access and a lack of suitable facilities. The national survey of Mother & Baby readers suggests a worrying trend of previous public transport users turning their backs on buses and trains on having a baby because they find staff, particularly bus drivers, unhelpful and feel other passengers treat them badly. In the survey, parents also highlighted the unreliability of being able to take a buggy on board a bus and the number of steps and out-of-order lifts on the rail and Tube networks. Clearly mums are facing a stark choice, say the survey organisers: struggle with public transport that is hostile to them, take the car and add to traffic congestion, or simply stay at home.

Source: Mother and Baby Magazine and Transport 2000

People perceive the car to be cheaper than public transport, which is almost certainly true at the marginal cost level when the car is full of passengers. However, it may well not be for single person journeys when all the costs are included. Many people are unaware of the costs and availability of public transport and never consider it for their journeys. Recent research for the Commission for Integrated Transport (CiT) shows that car drivers rarely considered any alternative form of travel, whereas users of other modes appeared to be more willing to select the mode they used for each journey.

Table 1.6

Which, if any, of the following reasons would you say apply to you if you use your car as your main means of getting to the shops?

	All %
Convenience	63
Carry-ability	56
Distance	47
Cost	32
Do not drive/have use of a car	26
Worried about crime	23
Children make it hard to take public transport	22
Find it difficult to walk (OAPs, people with disabilities)	21

Source: RAC Foundation GfK/NOP survey June 2006

Shopping and the Internet

Internet shopping is the fastest growing market in the retail sector. The Internet shopping questions asked in this study refer to hard goods as opposed to airline or theatre tickets, which can be delivered by post or electronically.

One in six people say they do not use the Internet at all. Just under half of men and women have used the Internet to buy hard goods, while the remainder have access to the Internet, but do not use it for on-line shopping. About 60% of households in the UK have computers at home and about 80% of these people have broadband. Others may have access through their work, educational establishment or local library.

There is a distinct age bias – only one in seven of those over 65 have bought on line and one in four of those without a car.

The main reasons for shopping online quoted by three out of four Internet shoppers are to search for the most competitive price; to save the hassle of getting the car out or waiting for a bus; and to avoid the frustration of struggling with congestion.

Men are more concerned about seeking the best price and greater choice. Older people and those without cars recognised the cost savings in not making the journey to the shops.

The actual delivery worked well for the vast proportion of people with very few negative experiences of wrong delivery.

Table 1.7

Have you shopped online/over the Internet for goods other than airline/theatre/sports tickets?

	Men %	Women %	Over 65 %	Households with children %	Households with no car %
Yes	45	46	14	61	25
No	40	36	46	31	24
Do not use the Internet	15	18	40	8	31

Source: RAC Foundation GfK/NOP survey June 2006

Table 1.8

Which, if any, of these reasons best explains why you have shopped online/over the Internet?

	All %
Better price	75
Less hassle – didn't have to get the car out/wait for the bus	75
Saved time – didn't have to struggle with congestion	73
Better choice	62
Saved me the cost of getting to the shops	51
None of these	3

Base: all who shopped online/over the Internet for goods other than airline/theatre/sports tickets (441). Source: RAC Foundation GfK/NOP survey June 2006

Table 1.9

Which one of these best describes how the delivery went the last home delivery after buying something online?

	All %
It was trouble-free arrived at the time and date promised	91
The parcel(s) were delivered at the wrong time	4
The parcel(s) were delivered on the wrong day	2
The parcel(s) never arrived	1
The parcel(s) were delivered to the wrong house	–
Other	2

Base: all who shopped online/over the Internet for goods other than airline/theatre/sports tickets (441). Source: RAC Foundation GfK/NOP survey June 2006

1 Attitudes and experiences

“The digital channel is rising and will play a significant part in the future of retail. But this market is very much about experience and consumers will always want to try on clothes or test and view products before purchase. To compete with the ease of online services, traditional stores need to be more creative, experiential and differentiated to encourage customers to visit.”

James Bidwell, Chief Executive, Visit London. Quoted in Marketing, 4 October 2006

The future of shopping

Shopping involves many more activities than the mere purchasing of goods – it can involve visiting the bank, the library or the health centre, meeting for a coffee or having a meal as part of the trip. Although conventional shopping hours used to be from 9am till 5 or 6pm, now shops are open for much longer hours. Many supermarkets are open till 10pm or even 24 hours a day (except on Sundays when opening hours are restricted to 6 hours per day).

Three out of four people would like shopping hours to be more flexible, with men showing a slightly greater preference as do those with children, possibly because shopping could be done while leaving the children at home in the evening. Older people and those without cars are less interested in extended shopping hours.

A similar proportion would like to stop for something to eat and drink while shopping, a message which town centre and shopping centre operators are increasingly recognising by integrating eating facilities with conventional retail.

Table 1.10

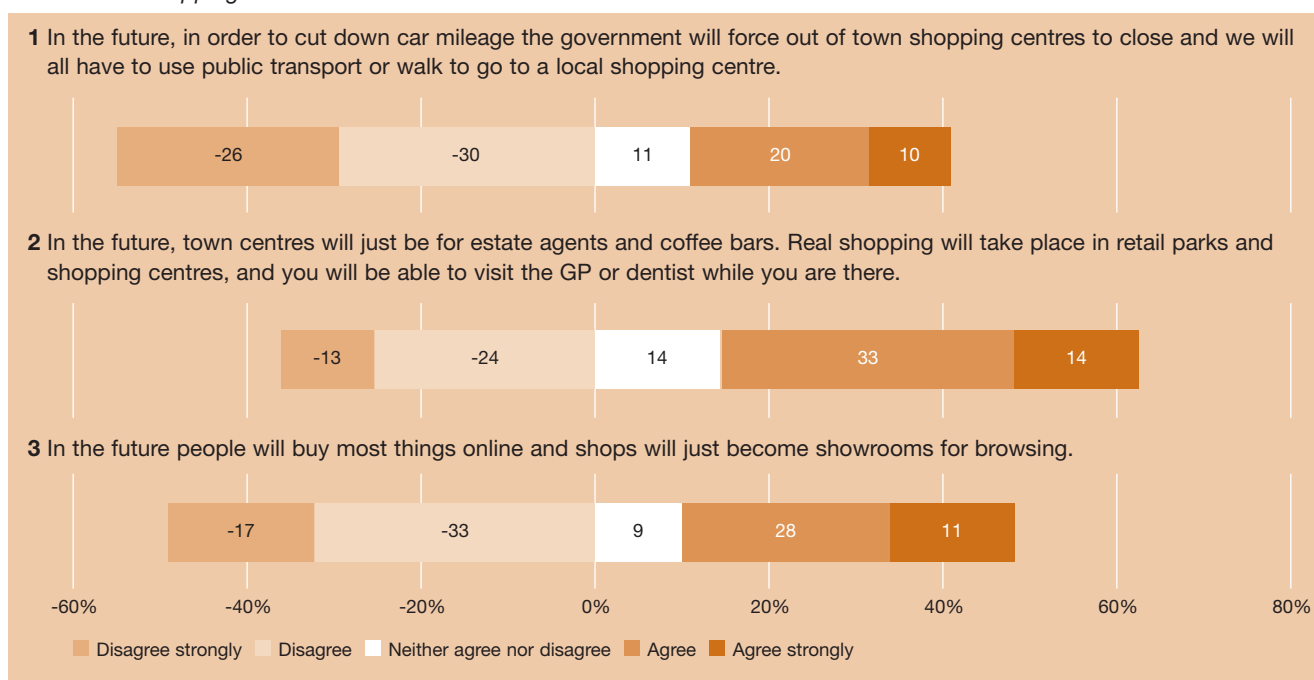
Which, if any, of the following would you also like to be able to do while you are out doing your shopping?

	All %
Shop at a time that suits you, rather than being restricted to 9-5	76
Stop for something to eat/drink	73
Visit GP/pharmacist/ hairdresser	43

Source: RAC Foundation GfK/NOP survey June 2006

Table 1.11

The future of shopping



Source: RAC Foundation GfK/NOP survey June 2006

1 Attitudes and experiences

Surprisingly, only four in ten would like to visit their GP, or hairdresser while out shopping. This might be because these facilities are currently not located where they do their shopping, although many supermarkets now have pharmacies and Sainsbury's has recently announced that it is planning to put GP surgeries in some of its supermarkets.

Looking at the long-term future of shopping, people have divided views.

One third of people agree that in the future government policies will force out of town centres to close and we will have to travel to the local shops by public transport, but the majority think this is unlikely.

47% think that town centres will no longer be the focus of our shopping and that real shopping will take place out of town, but 37% disagree.

As far as online shopping is concerned, 39% expect that in the future most people will buy online and shops will just become showrooms for browsing but 50% disagree.

Conclusions

Whether we like it or loathe it, shopping is essential part of modern life. For some, going to the shops is a necessary chore to buy essential items such as food and clothes. But for many, shopping has become an important leisure activity.

Even those individuals who use the Internet to shop say that they want to visit the stores to inspect their prospective purchases. Therefore transport is an essential part of the shopping experience.

For car drivers and passengers parking is a vital part of the shopping journey yet at least 40% find parking too expensive or too difficult to find. The biggest transport problem facing the majority of respondents is congested roads.

In terms of possible solutions to congestion, a £5 charge or toll road, if introduced on a local or regional basis, risks simply pushing the problem elsewhere: one third of drivers say they would go to a different destination, thus taking their spending out of the local economy.

In the future people would like to see more flexible shopping hours but one third think that government policy will force out of town shopping centres to close.

Other parts of this report will consider whether the transport and parking problems highlighted by the public can be resolved by less dramatic measures.

2

Getting to the shops



- 30% of all trips are for shopping and personal activities such as banking.
- The car accounts for over 60% of shopping trips and over 80% of the mileage.
- Those without a car travel by car for a third of their shopping trips, by getting lifts from friends or taking taxis.
- Buses account for 6% of all trips but nearly 30% of bus trips are for shopping.
- Ease of parking is more important when buying groceries compared with when buying shoes or clothes.
- Shopping and visits to banks, hairdressers etc account for nearly 20% of all mileage undertaken in the UK.

Shopping as part of our daily travel patterns

Shopping is the most frequent reason for travel in Great Britain, accounting for 20% of all trips by all transport modes in 2005. A further 10% of journeys are for personal activities such as banking.

On average we make a trip to the shops every other day. In addition, twice a week we make a trip for personal business, such as visiting hairdressers, dry cleaners, banks, estate agents, or libraries. Both types of journey are similar – generally short trips, by length and duration and to local or town centre destinations. Often we could walk to the local high street or village shop but we may choose to use our cars to carry the groceries home from the supermarket.

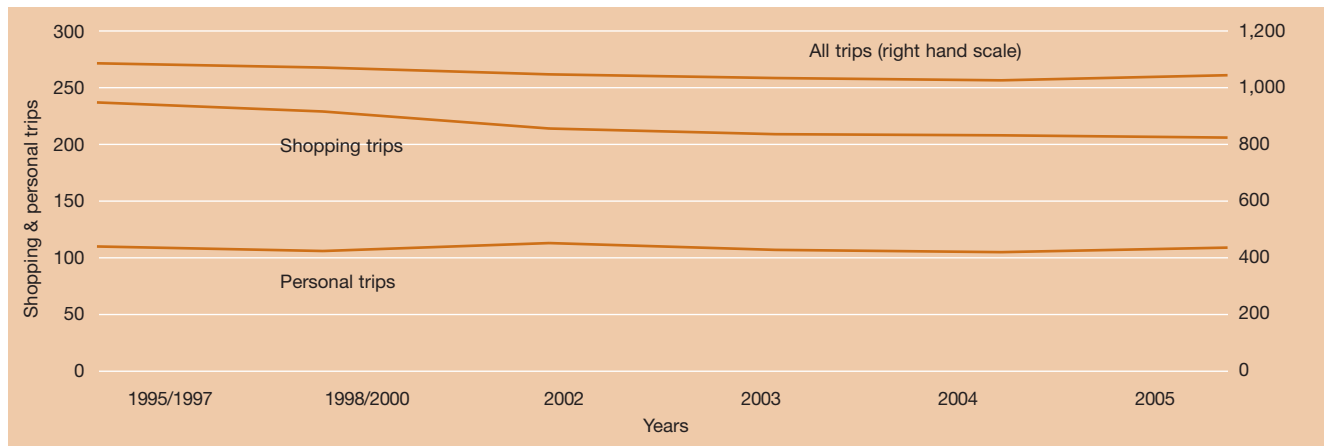
The average number of shopping trips per person has fallen by 13% over the past 10 years, but the average length has increased by over 10%, with a switch from more frequent, short shopping trips on foot, to longer, less frequent car trips.

On average, we travel 4.3 miles for each shopping journey; half the length of the average daily commute (8.7 miles each way). In total, shopping trips account for 12% of miles travelled each year, with personal business accounting for an extra 7%.

Grocery shopping is concentrated on Friday and Saturday (21% of the week's shopping visits each) with only 8% on Sunday.

Figure 2.1

Trips per person per year



Source: NTS 2005

Table 2.1

Trips taken for shopping, personal business and commuting

	No. of trips per year	Mileage per year	Average length of trip (miles)	Average time (mins)
2005				
Shopping	206	879	4.3	18
Personal business	109	521	4.8	18
Commuting	161	1,391	8.7	27
All trips	1,044	7,208	6.9	222

Source: NTS 2005

2 Getting to the shops

Are Sundays special?

According to a survey undertaken by British Market Research Bureau in 2004 for Footfall, which measures shopping trends, two thirds of respondents (65%) believe that Sunday is a 'less busy day to shop.' Retailers other than grocers say it is their second busiest day, and shoppers often feel it is a better day for browsing.

Others feel that Sunday is a day to spend with family and friends rather than on shopping: 58% of men and 44% of women feel that Sunday is a special day in this sense. The rise of shopping as a leisure activity to share with others may explain this apparent conflict.

Only 19% believe that Sunday should be respected for religious reasons. 55% of those over 65 have never shopped on Sunday compared with 17% of 16-24 year olds. The popularity of Sunday shopping is beginning to affect transport policy. Some local authorities have introduced Sunday parking controls, and begun charging in off-street car parks. Bus companies have been slower to introduce improved service frequencies to match increased travel demand.

How we travel to the shops

Table 2.2 shows how we travel to the shops. We are most likely to go shopping by car – 64% of shopping trips are as driver or passenger. We make a quarter of shopping trips on foot, but these account for only 4% of mileage as they are short trips (80% of all walking trips are less than one mile).

Table 2.3 shows another way of looking at travel, illustrating how we travel in terms of how many of our journeys are undertaken for different purposes – thus 20% of all car journeys (as driver or passenger) are for shopping, 11% for personal business and 21% for commuting or business travelling.

Women make 213 shopping trips per year, 24% more than men. They are slightly less likely to use a car and more likely to travel by bus (although the number of trips by bus is still small). This may be because the family car is used for commuting in the household. More women, particularly elderly women, do not drive or have access to a car, though this is changing and will be examined further below.

Table 2.2

Modal share for different types of trips

	% of trips				% of miles			
	Shopping	Personal business	Commuting/ business	All purposes	Shopping	Personal business	Commuting/ business	All purposes
Walk	25	24	10	23	4	3	1	2
Car driver	42	42	62	42	51	54	69	51
Car passenger	21	24	10	23	33	30	9	28
Bus	8	6	7	6	7	5	3	4
Other	4	4	12	6	6	8	18	14

Source: NTS 2005

Table 2.3

Share of mode

	% of trips by the particular mode					% of miles by the particular mode				
	Walk	Car	Bus	Other	Total	Walk	Car	Bus	Other	Total
Shopping	21	20	27	11	20	18	13	23	5	12
Personal business	11	11	11	7	10	9	8	9	4	7
Commuting/business	8	21	22	35	19	9	29	26	38	29
All purposes	100	100	100	100	100	100	100	100	100	100

Source: NTS 2005

2 Getting to the shops

Our commitment to using the car is very strong. A study of Scottish households showed 90% of drivers who shopped always used their car for supermarket shopping, while only half always used their car for town centre shopping. When asked how easy it would be for them to switch to another means of transport very few were willing to change when doing supermarket shopping or town centre shopping, but nearly half said it would be easy to change when doing 'top-up' shopping¹.

Trips by car are the majority every day of the week. Bus users tend to do less shopping on Sundays. This may reflect reduced bus services. The very small number who use trains for shopping are more likely to do so at the weekend (despite poorer services). This may reflect a decision to travel further to a regional centre to enjoy shopping as a leisure activity.

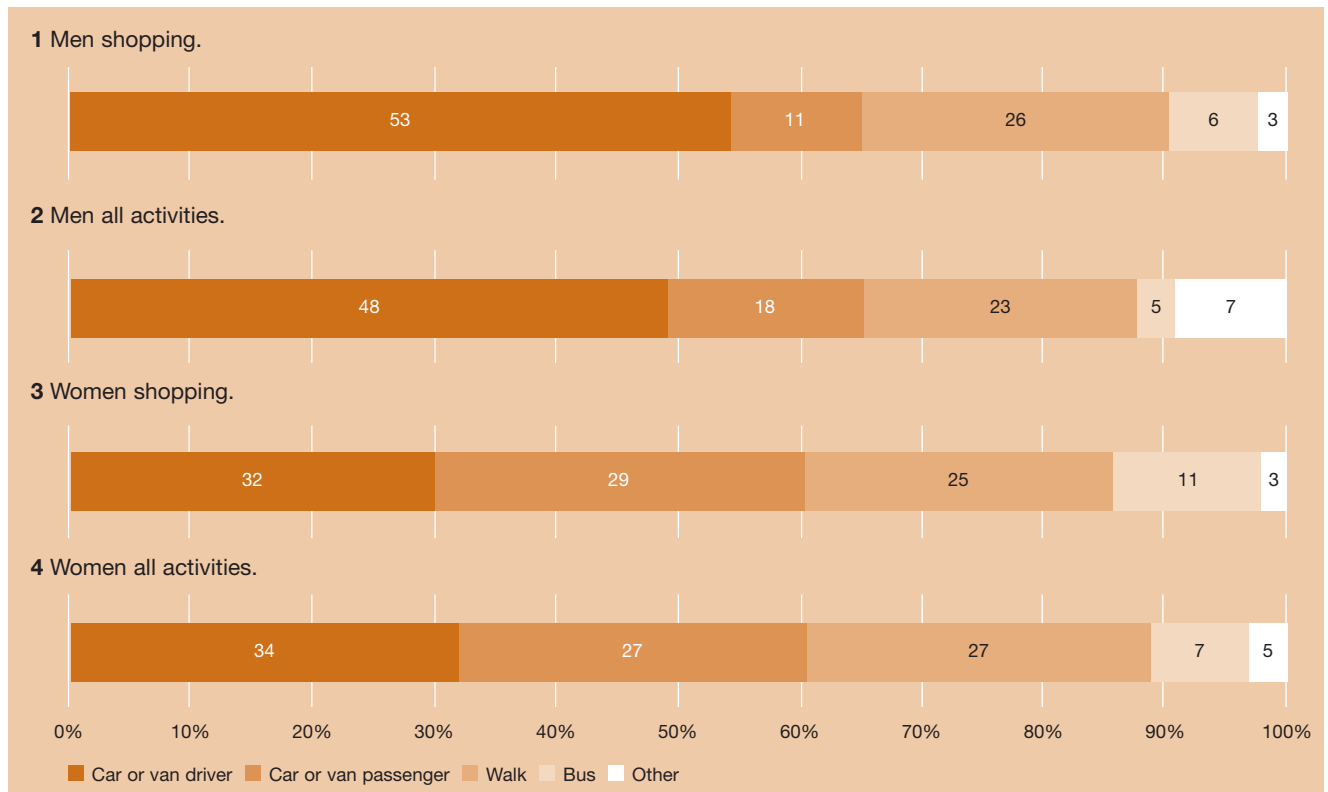
Does having access to a car change where people shop?

Over 80% of people in Britain live in a household with a car. Even for people over 65 it is 64% and it only falls to 40% at the age of 80. Nor does low income preclude car ownership: in the lowest income decile, 29% of households have a car, while in the third decile 59% own cars. Even where households have no car, 36% of the annual mileage is done by car (mainly as a passenger).

One of the assumptions in current transport policy is that the lack of a car prevents older and economically disadvantaged people from getting to large supermarkets at the edge of towns or in out-of-town shopping centres poorly served by public transport. However, statistics from the Target Group Index (TGI) present a more complex picture.

Figure 2.2

Mode share by trip



Source: NTS 2003/4

2 Getting to the shops

As seen in Table 2.5, shoppers with cars use both town centre supermarkets and out of town centres in equal proportions while those without cars use town centre supermarkets more.

The vast majority (91%) of car owners use their car for grocery shopping – only a small proportion walk or use buses, irrespective of whether they are going to a town centre or an out of town shop. Even for non-car owning households, a third (36%) use the car (by getting a lift or taxi), with walking (33%) and buses (27%) close behind. Use of train or two wheels is negligible.

Over half of shoppers from households without cars still travel to out-of-town supermarkets by car, while one quarter walk. When these shoppers travel to town centre shops, their choice of mode is equally split between car, walk and bus.

Table 2.4
Choice of shop for grocery purchases

	Households with car	Households without car
% of people	78	22
% of trips*		
Supermarket in high street/town centre	50	63
Supermarket out of town centre	54	31
Local independent grocer	17	20

*trip can visit more than one type of shop. Source: TGI 2005

Table 2.5
Mode used to access shopping types for households with cars

Adults in car owning households (37.2 million = 78 %)	Supermarket in High Street/ town centre		Supermarket out of town centre	Local Independent Grocer	Other type of shop
	All	50	54	17	11
% of shopping visits*					
Mode used					
Car	91	87	96	89	89
Bus	2	3	1	2	2
Train	–	–	–	–	–
Bicycle/Motorcycle/ Moped	0	1	–	1	1
Walk	7	9	3	8	8

*trip can visit more than one type of shop. Source: TGI (2005)

Table 2.6
Mode used to access shopping types for households without cars

Adults in households without cars (10.5 million = 22 %)	Supermarket in High Street/ Town Centre		Supermarket Out of Town Centre	Local Independent Grocer	Other Type Of Shop
	All	63	31	20	11
% of shopping visits*					
Mode used					
Car	36	31	54	30	30
Bus	27	30	21	31	29
Train	2	2	1	2	1
Bicycle/Motorcycle/ Moped	2	2	2	3	3
Walk	33	36	23	34	37

*trip can visit more than one type of shop. Source: TGI (2005)

Does having access to a car change how often people shop?

On average, UK adults shop for groceries between 1 and 3 days a week. Car-owning households are rather more likely to shop only 1 day a week; while those who travel by bus or walk shop more frequently, at least 2-3 times a week. Access to a car facilitates one-stop shopping and retailing has changed to accommodate this, as we will see in Chapter 3.

Does having access to a car change how much people spend?

In 2003/4, the weekly spend on shopping for major items of everyday expenditure (food, drink, clothing, cleaning materials, toiletries, petrol) by households without a car was £73. Car-owning households spent £130 on these items. Those without a car spent 46% of their expenditure in supermarkets, compared with 49% for those with cars (see table 2.8).

This difference in total spending may reflect the fact that households without a car tend to be the lower income families.

Table 2.7

Frequency of grocery shopping

%	Every day	4-5 days a week	2-3 days a week	Once a week	Less than once a week
Car owning households	7	6	35	41	12
Households without cars	12	7	32	37	12
All adults	8	6	35	40	12

Source: TGI (2005)

Table 2.8

Total weekly expenditure by households with and without cars

Location of shopping	Weekly spending £			% of purchases		
	All	With car	Without car	All	With car	Without car
Large supermarkets	55	64	33	48	49	46
Other type of shop	58	66	40	52	51	54
Total	113	130	73			

Source: Family Spending Survey 2003/4.

2 Getting to the shops

Case Study: Shopping in London

The pattern of travelling to the shops in London varies between local shopping centres, larger suburban centres and central London, reflecting the type of goods sought and the different ease of access by public transport.

Oxford Street ... is the fourth most expensive piece of retail real estate in the world; it accounts for £4.5 billion of retail spending annually; it employs 30,000 people; and remains a magnet for overseas and domestic visitors to London.

Evening Standard, 19 September 2006

A third of Londoners walk to their local shops and a further third use the bus. Only a fifth use their cars. In central London, nearly half use the tube or train with a quarter using buses or walking and only 5% use their car.

Shoppers were asked what measures would make them use the bus more. All shoppers, whatever mode they had used to get to the shopping centre, put regularity as the most important reason. Reliability was the second reason overall but train and tube users wanted faster buses while cyclists wanted cheaper fares.

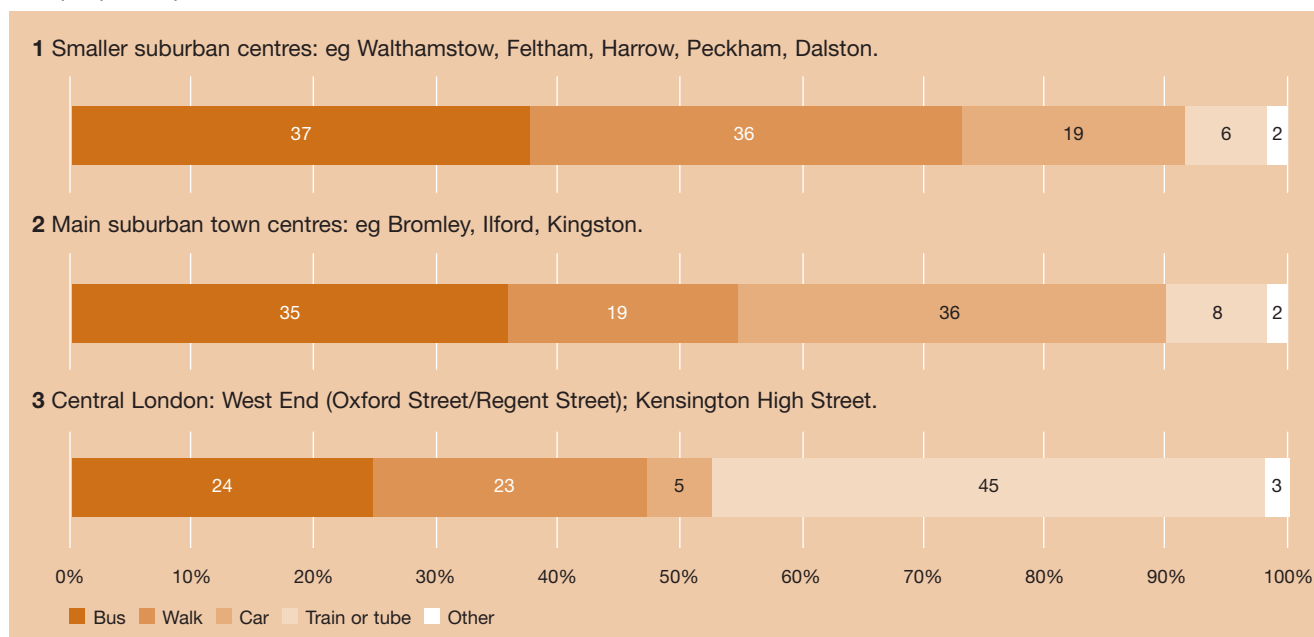
How many people use their car for shopping?

Retailers over-estimate the numbers using their car, according to a study undertaken by Sustrans in Bristol. Customers were asked how far they travel to their shopping location and what mode they used and retailers were asked to estimate their customers' behaviour according to these same measures. Retailers overestimated the number of car-borne shoppers and underestimated the number of walkers.

A similar survey of retailers in London showed that they too over-estimate the number of car-borne shoppers and therefore might be more concerned about parking facilities and restrictions than they may need to be. However, London is not representative of other cities as a greater proportion of shoppers use public transport.

Figure 2.3

How people shop in London



Source: *Town Centres Survey 2003/4 TfL July 2004*

Parking

Every car journey requires a parking space at the end and shopping is no exception. The choice of shopping location is strongly influenced by the availability of parking and the success of the large out of town shopping centres is evidence of the value of free, easily available and accessible parking.

Our survey showed that the availability of parking is extremely important to people buying groceries and household goods but slightly less so for clothes and shoe shopping. Parking when buying groceries is very important to women, but not as important to young people, reflecting who does the food shopping and who has lower car ownership. For young people, parking for clothes shopping is not very important, as they are more likely to use the bus to go to town for these items or be dropped off by a parent.

The 2002 Lockwood Survey assessed 174 centres and compared retail performance with the amount and convenience of parking. The report identified that the quantity of parking available within a five-minute walk of the principle shopping streets has a significant impact on store performance. For medium sized and larger towns the optimum level of parking provision was identified as between 45 and 89 spaces per 1000 sq metres of gross shopping floorspace, and at least 85% of parking should be within five minutes walk of key shopping streets.

Source: *Car parking – a retailer's view Jan 2006 Boots*

Shoppers are particularly sensitive to the cost of parking – it is often the only marginal cost for a car journey as ownership costs such as tax and insurance are fixed and the cost of petrol is not attributed to a particular journey. Many motorists object to the concept of paying for parking on the road, which they feel they have paid for with their motoring taxes even though the cost of parking may be very small relative to the cost of the shopping expedition and the true market value of the parking space. There is also the hassle of finding small change for meters and the possibility of receiving a heavy fine for a minor infringement of the complicated parking laws such as overstaying a meter by a few minutes.

Table 2.10

Measures to encourage greater bus use by means of access to shops

%	Mode used to get to shops				
	Car	Train/Tube	Bus	Cycle	Walk
More regular buses	39	40	46	48	40
More reliable buses	23	22	23	21	22
Direct bus route	22	16	10	17	14
Lower fares	12	11	16	24	16
Faster journey	11	26	13	15	15

Only top five reasons quoted. More than one response could be given so percents add up to more than 100%. Source: TfL Retail Shopper Survey 2004.

Table 2.11

Top 5 reasons for using chosen method of transport rather than any other method of transport to access shops

%	Car	Bus	Train/tube	Walk	Other
Quicker	46	18	70	28	50
Easier/more convenient	48	24	35	20	42
Cheaper/less expensive	9	39	11	16	37
Live very close by	20	20	38	16	27
Only method possible	1	4	1	50	8

Multiple responses allowed. Source: Town Centres Survey 2003-4 TfL July 2004

2 Getting to the shops

To discourage shoppers from entering town or city centres to reduce congestion and due to limited availability of car parking, some local authorities have introduced park and ride facilities on the edge of towns, particularly in historic locations such as York, Oxford and Cambridge. Having parked their car, shoppers can take the bus into the town centre often using priority bus lanes to speed up the journey.

There are issues of security at the car parks as thieves know the driver is likely to be away from the car for some time and the cost can be quite high for a family if the price is based on paying for the bus ride rather than the car parking.

Evidence suggests that park and ride may increase car mileage as drivers travel further to the park and ride site than they would if they made the direct journey to the shops. Nevertheless, park and ride provides a useful means of reducing city centre congestion, particularly in historic towns and cities.

One of the major issues in public parking is the abuse of disabled (blue badge) parking and to a lesser extent mother and child parking at supermarkets. According to the 2004 RAC Foundation Report *Parking in Transport Policy* 14% of drivers admit to having parked in a disabled bay without a permit because of a lack of parking space, while 29% say they have parked in a mother and child bay at a supermarket. While it is clearly essential to provide priority parking for certain groups, the number and location of such spaces, compared to general access parking, must be balanced, policed and kept under review. If drivers routinely abuse them, this may indicate an need for additional general access parking.

Table 2.12

How important a factor to you is the availability of parking at the shops when you shop for each of the following?

	Households with	Very important	Fairly important	Neither important or not	Fairly unimportant	Very unimportant	Don't know/ no car
Groceries	Car	71	20	1	5	2	1
	No car	39	20	3	8	11	18
Household goods	Car	57	27	2	7	4	3
	No car	34	17	5	10	13	20
Clothes, shoes	Car	31	34	6	20	8	2
	No car	24	20	5	14	18	19

Source: GfK/NOP for RAC Foundation

Conclusions

Shopping is the most frequent reason for travel in the UK accounting for 20% of all trips and therefore is an essential element in the consideration of transport policy. Even though the number of shopping trips has fallen over the last decade the average length has increased significantly and there has been a shift from walking to car trips.

90% of drivers use their cars for supermarket shopping but access by car to town and city centres is also essential for a fair proportion of shoppers. The growth of the one and two car family, accompanied by the decline in bus use outside London, has resulted in up to half of all town centre users arriving by car. As out of town shopping centres and supermarkets tend to have adequate free parking, it has become essential for town centre parking availability and quality to match customer expectations otherwise some customers will shop elsewhere.

There is unlikely to be a shift from car borne shopping journeys to the bus unless the frequency and reliability of buses is improved. Parking provision and good access thus remains one of the most important features of any attractive retail proposition. Shopping on Sundays has become more popular and these changes need to be reflected in transport planning and provision.

Acknowledgement

The data in this chapter come from three large-scale surveys of households. The National Travel Survey (2004) is carried out by DfT and monitors the travel patterns of approximately 8,000 households who keep a travel diary for a week. The Family Spending Survey (2003/4) is undertaken by the ONS and monitors the spending patterns of nearly 7,000 households. The third survey is the Target Group Index (TGI) database run by BMR, which is based on a self-completion questionnaire placed with selected respondents at the end of BMRB's Access Omnibus survey giving a sample size of 26,000 interviews per annum, which are grossed up to the adult population. The fieldwork period was Jan to Dec 2005. The RAC Foundation wishes to acknowledge the help of each organisation in providing special analyses of their data for this report.

3

The development of retail in the UK



- The first multiple stores were opened in the 1850s by W H Smith & J Menzies.
- The late 1960s and early 1970s saw the growth of supermarkets.
- The early 1980s saw the rise of out of town retail development.
- In the 1990s Planning Policy Guidance 6 was introduced to promote town centres.
- Good transport links, accessibility, and adequate parking are all essential to retail success.

3 The development of retail in the UK

Over the last 40 years we have seen rapid changes in the retail landscape. The offer has become increasingly sophisticated; there is now a much wider range of retail formats and crucially, retailing no longer takes place exclusively in the high street. In the last 20 years this pace of change has accelerated with the advent of the retail park and shopping centre.

In more recent years, Government policies designed to protect the town centre have caused retailers to return to the high street and retail investment in town centres now exceeds out-of-town and edge of town for the first time in nearly two decades.

After years of decline, niche retailing activity, such as farmers markets, farm shops and other specialist retail outlets are now also starting to flourish as consumers increasingly seek out retail experiences that provide an authentic experience and sense of place.

- 11% of all enterprises in the UK are retailers, with 184,000 VAT-registered businesses operating in 279,000 retail outlets.
- UK retail sales were £249 billion in 2005, larger than the combined economies of Switzerland and Ireland.
- The retail sector generates almost 6% of the Gross Domestic Product of the UK.
- More than a third of consumer spending goes through shops.
- The retail industry employed 2.9 million people, as at the end of March 2006. This equates to 1 in 9 (11%) of the total UK workforce.
- Over the last 5 years, employment in retailing has grown by 141,000.

Historical background

In the early days of retailing, all products had to be fetched by an assistant from shelves on one side of a counter while the customers stood on the other side and pointed to what they wanted. Most foods did not come in individually wrapped consumer-size packages and instead an assistant had to measure out the precise amount desired by the customer. These practices were obviously labour-intensive and therefore quite expensive.

The first major change to retailing and shopper behaviour came in the middle of the 19th century with the Industrial Revolution. The emergence of an urban working class with a regular wage produced a steady demand for mass consumer goods. At the same time, a new urban middle class appeared, requiring a different range of consumer goods. Mass production techniques developed in the heavy manufacturing industries were now applied to the food, shoe and clothing industries to create a previously unseen range of new consumer goods to meet this demand.

In the 1850s, newsagents W H Smith and J Menzies were the first retailers to open multiple stores, but the shoe retailers quickly emerged as the most numerous chain-store retailer. They held this position until the 1890s, when the grocers became the largest multiple retail group. Food retailers quickly understood the need to be in close proximity to their customer base – either near their homes or on their journeys to work.

By the beginning of the 20th century many of the features we think of as modern to retailing had been established, including multiple retailers, national brands and price competition. Although these trends were now a feature of the UK retail landscape, the penetration of multiple retailing was still limited and small, independent retailers continued to dominate all retail types².

Across the Atlantic, US retailers were leading the next wave of advancements in retailing. After World War II, US supermarkets started significantly increasing in size, adding more parking, shopping carts, high-speed cash registers with automatic conveyor belts, air-conditioning, automatic doors and pre-wrapped self-service meats. In contrast, food retailing in Britain was dominated by single outlet independent retailers and very small stores operating a full service format reminiscent of a US store in the early 20th century.

By the late-50s, only 175 food stores out of more than 150,000 exceeded 2000 sq ft of selling space and it was not until the 1960s and early 1970s that the larger format food retailer began to transform the grocery market in the UK. The next upward shift in store size occurred rapidly in the 1980s. In this decade, grocers in the UK started moving from the conventional supermarket format to superstore (usually defined as a single-level, self service store of a least 25,000 sq ft sales area supported by extensive parking)³.

3 The development of retail in the UK

The major UK retailers are now committed to multi-format strategies. These include stores of different sizes, operating under a variety of fascias and catering for different types of shopper and shopper behaviour. Store size and location will dictate what ranges are stocked and different format for some retailers will mean different pricing and promotion strategies. This is most noticeable in the grocery market where four distinct formats are currently in operation:

- Convenience store – A store with a sales area of less than 3,000 sq ft (280sq m), open for long hours and selling products from a least 8 different grocery categories.
- Supermarket – A store with a sales area of 3,000 sq ft (280 sq m) – 25,000 sq ft (2,250 sq m).
- Superstore – A store with a sales area of 25,000 sq ft (2,250 sq m) – 40,000 sq ft (3,600 sq m).
- Hypermarkets – A store with a sales area of over 40,000 sq ft (3,600 sq m)⁴.

Planning for Town Centres

NB This section discusses the planning framework in England and Wales only.

In the early 1970s, DIY retailers, garden centres and bulky goods retailers begin to move to sites away from the high street. A number of factors were responsible for this trend; increased levels of car ownership, growth in consumer spending and, for retailers, the availability of more attractive out of town shopping environments.

The first Government attempt to introduce planning policy for town centres appeared at this time with the 1977 Circular on Planning for Large New Stores. Although the Circular was introduced to protect the existing spatial distribution of retail centres, retail decentralisation during the 1970s appeared to have very little impact on town centres. By the early 1980s, the Circular had been relaxed and the pressure for retailers to locate out of town increased. The growth of large Regional Shopping Centres (RSCs) and out of town supermarkets, which followed has led some commentators to describe the 1980s as the ‘golden age of out-of town retailing’⁵. Development of new out of town shopping centres and retail parks peaked in 1989 and 60 new sites opened in this year alone⁶.

By the beginning of the 1990s, there was mounting public and political concern about the impact out of town development and the growth of RSCs was having on existing town centres and in 1993, the Conservative Government introduced Planning Policy Guidance 6 (PPG6)⁷. PPG6 emphasised a plan-led, as opposed to market-led, approach to town centre planning and set out a number of tests for developers to meet, including:

- ‘need’ for the development; and having established that such a need exists, developers were required to adopt a sequential approach to site selection;
- the impact on nearby centres;
- evidence on the site’s accessibility by a range of transport modes and the likely changes in travel patterns over the relevant catchment area.

The ‘town centre first’ principle set out in PPG6 was reinforced in 2005 with the publication of Planning Policy Statement 6: Planning for Town Centres (PPS6). Today, this document is the key planning policy for retailers and developers although it is not without its critics.

Retail planning policy remains one of the most controversial areas of planning. Retail is a highly competitive industry and it is natural and inevitable that this will spill over in to the planning system. Retailers do not have a single view about the development of planning policy. Most retailers, however, would support the Government’s assessment of PPG6 which concluded that ‘Local planning authorities perceived the policy largely as a development control tool to curb out-of-centre development and had not generally planned positively for town centres, failing to plan for, and assemble, sites for retail development’.

There can be no doubt that PPG6 made retailers look harder at town centre sites although many retailers complain that the last decade has been overshadowed by rigid adherence to the sequential approach. PPG6 and the later PPS6 were designed to meet local needs allowing the local community to shop locally but did not address the barriers, which can make town centre operations difficult.

The long and short of retail leases

Although many of the supermarkets own the freeholds to their stores and continue to develop new sites, most retailers now prefer to lease their property. Leasing allows retailers to be flexible enough to respond to the changing needs of consumers, protect cash-flow, and minimise risks. Without the flexibility of leasehold units, retailers are unable to react swiftly to changes in the business cycle, which could leave them vulnerable to market downturns.

The ability to terminate, renegotiate or re-gear leases and to receive landlord finance in the form of contributions to fit-out costs make leases commercially flexible in a way that freeholds are not. For a successful retailer, the returns on investment in retail are greater than investments in property. Leasing enables retailers to devote management and financial resources to retailing and not to property investment.

Approximately three quarters of retail outlets are leased, although this proportion is higher for small and medium sized retailers. Most shop leases are entered into for short to medium term periods because a freehold purchase is not normally an option. The average term of a retail lease is 22 years, as retailers require sufficient pay back time for the immense investment in capital that they made in their business premises. For SME retailers, the majority of leases have a term between 5 and 15 years and the average term is 12 years.

In franchise retail agreements the main retailer will often take a head lease and then grant a sub-lease to the franchisee. This is because the Franchisee may not have a strong enough covenant to enter into a lease directly with the landlord or the cost of doing so would be prohibitively high. This arrangement also gives the Franchisor control of the outlet in case of a change or failure of the Franchisee.

Research by the Cass Business School has shown that companies that lease their property generate higher returns for shareholders and experience stronger sales growth than those that own their property. Companies that lease also tend to make better use of their capital and more efficient use of space. Consequently, the proportion of occupiers choosing to lease their property rose from 11% in 1989 to 38% in 2002.

Retail is a property intensive industry and for most retailers, property is the second highest business costs after wages. Retail rents have increased by around 23% over the last 5 years and retailers continue to find it difficult to obtain the terms of leases to meet their operational needs. Competition for sites is fierce and the opportunity for lessees to negotiate is limited. This is particularly true for small, independent retailers who are rarely in a strong position when negotiating over the terms of a new lease.

Mixed-use development and the retail sector

Commercial pressures on developers to build large, urban sites have combined with policy drivers from central Government to focus future development on mixed-use schemes. Although the term evades a single definition, broadly speaking this type of development combines a variety of uses in a single building or in separate buildings on a shared site. The Government has indicated strong support for this type of development for a number of reasons:

- increased housing provision and higher development densities;
- reduced travel requirements;
- increased town centre vitality;
- improved security;
- enhanced townscape;
- strengthened economic base.

Although development trends show that an increasing number of mixed-use schemes are in the pipeline; mixing retail, residential and office space are not without their problems. It has been suggested that multi-use investment doubles the management workload. This is in part because of the scope for conflict between tenants: especially between residential and commercial tenants over noise. For retailers this is most noticeable in the area of deliveries and most retailers in mixed-use scheme face some type of delivery curfew or restriction.

3 The development of retail in the UK

Moreover, property owners who are used to dealing only with corporate tenants often lack experience in dealing with private residential tenants. A company staffed to deal with high value assets may not find it cost-effective to use staff negotiating with individual tenancies, when the incremental return and cost of employing such staff may not be cost-effective.

A major difficulty in mixing residential units with other uses is that non-residential uses are generally occupied under short/medium-term leaseholds, while residential occupiers tend to prefer to buy their own homes wherever possible. This leads to different development cultures. Furthermore, the residential developers do not retain any long-term interest in the property, largely because buyers wish to own and manage their own homes.

Mixed-use is seen by many policy makers as a way of minimising use of the private car and encouraging use of public transport, cycling and walking. This operates on the assumption that residents will very often be able to work, shop and carry out leisure activities near where they live, and journeys whether by car or public transport need only be short. In practice, however, many people like to impose a physical distance between home and work or are simply not able to live and work in the same area.

Whatever the challenges, mixed-use schemes seem a trend set to continue. As such, this patterns of development strengthens the need for good local transport and if mixed use areas are to attract visitors using retail and leisure facilities, they will need good public transport links, running regularly and cheaply, and late at night.

What are the barriers to retail investment in town centres?

Retailers, developers and town centre managers often complain about the poor alignment between town centre planning policies and transport policies. There have been calls for better-informed policy guidance to be issued to local authorities from central Government. Current planning policy is designed to allow local communities to shop locally but overlooks the barriers that can make town centre operations difficult. For retailers there are a number of reasons why the town centre may not be attractive, such as poor transport links, inadequate parking facilities, and restrictions on deliveries.

Insufficient parking provision reduces the viability of the town centre as a retail trading location. Current planning guidance recommends as standard a maximum of 1 parking space per 14m² for food retail and 1 parking space per 20m² for non-food retail (for retail outlets in excess of 1000m²). Evidence suggests that the current standards work quite well for out-of-town retail but are often inadequate for mixed use or town centre developments since they do not take account of the duration of stay – ie the turnover of spaces. For example, a visit to do a main food shop might take 45 minutes in an out of centre location. However, in a town centre or edge of centre location shoppers will often carry out linked trips to other shops or to access other town centre services and may stay in that space for an hour and half or longer. Ideally, in these locations, parking provision should be flexible enough to provide some longer stay parking to give customers enough time to shop locally and visit the town centre comfortably.

Deliveries are important to all industries, but particularly to the retail industry, where the primary business function is to bring products and services to customers. The retail consumer increasingly expects a full range of high quality products, available throughout the year at reasonable prices. The challenge for retailers is to balance the need to reduce cost and streamline operations with the need to have products available at all times. In striving to make deliveries as efficient as possible, retailers seek to avoid traffic congestion and so aim to avoid peak travel times, by making use of the road during the night. However, store access can be restricted by delivery curfews, as a result of planning restrictions established when the store is built or noise abatement orders implemented by a local authority after the store has opened. Almost one third of retailers are affected in this way.

Freight transport technologies have advanced in recent years to provide quieter deliveries and retailers now believe there is scope for local government to consider levying delivery curfews on a case-by-case basis, when they are suitably justified. It also strengthens the case for more flexible curfews, with a relaxation of 1-2 hours on either side of the existing delivery curfew time.

The relaxation of delivery curfews and improving the operation of freight vehicles could potentially offer significant benefits to everyone by reducing congestion and bringing environmental benefits. Being able to deliver at night would remove some lorries from the peak traffic travel periods, allow optimisation of the road network and maximise the availability of products for customers.

3 The development of retail in the UK

Conclusions

Most people regard a thriving, prosperous retail centre as a key ingredient for the success of their community. The quality of retail provision can have an important bearing on the perceptions of a town or region and can help to build a national and international reputation as a premier destination in which to invest, work, live, visit and learn.

The retail trade is wholly consumer oriented. Unlike most other businesses, it faces its customers directly every day. To survive and prosper it must understand and respond rapidly to consumer demand. Customers quickly make their feelings known and most can very easily apply the simplest sanction – to shop elsewhere. The speed and flexibility that the retail trade must now demonstrate is a direct response to this commercial pressure.

All retail is dependent on locations with good accessibility and connectivity with markets and their customers. Location is crucial in the battle to win shoppers' trade. For retailers, if you're not in the right location you are not in the market place. Retailers will not be attracted to move into locations where they do not see a market capable of supporting their retail criteria.

Customers must be able to arrive and leave easily by a variety of modes of transport, of which the car is an integral component, particularly for goods that by virtue of their size or collective weight cannot be carried on public transport. Car parking provision is essential to the vitality of retail and restricting the availability of car parking spaces can reduce the viability of locations, acting as a disincentive to investment, which will mean in that in marginal locations the development will simply not take place.

What if?

The speed of change in retail far outstrips the speed of change in transport planning. The difference between the retail world of now and 2050 is likely to be much greater than the difference between 1966 and now.

Given this context, making long-term predictions is perhaps unwise, but we have exaggerated current trends to present four possible futures, all influenced by policies that affect transport, access and mobility.

The real future is unlikely to resemble any of these individual projections. None is ideal, but different policies could help to develop a future which brings together the most positive aspects of each.

What if private cars were banned from retail areas?

In this vision of the future, as a response to concerns about the rising costs of fuel, the emphasis on sustainable development and the consensus that a global warming tipping point had been reached, private cars have been banned from retail areas.

People have been forced to think again about how they travel and shop for products and services:

- Small frequent purchases have become more associated with patterns of travel to work and places of work. Facilities around travel interchanges such as bus and railway stations have dramatically increased to catch this travelling footfall.
- Frequent but small grocery purchase has been supplemented by infrequent but bulky purchases facilitated by the Internet, with home delivery becoming a major force.
- The act of shopping for things other than everyday goods has become more leisure oriented with town centres and out-of-town shopping centres competing by adding facilities, transport links and attractions to make a day trip worthwhile.
- Urban consumers have generally been able to adapt more easily than rural ones.

Retailers have looked for new ways of meeting customer demand:

- Stores have increasingly separated purchase of products from delivery/distribution to consumers. Moving products to stores for people to buy has become less important than offering delivery to home or local store at times people want to receive products. This has led to increasing pressures on the rental side of town centres from new uses, but less need for storage as opposed to display space.
- Out-of-town shopping centres have responded to the reduction of their traditional car-borne shopper base by developing stronger public transport links. The expansion of bus and tram systems has been subsidised by developers to ensure a regular flow of consumers. With modern and still comparatively low cost facilities, combined with traditional attractions of covered, planned and managed centres, out of town centres have proved surprisingly adaptable and resilient.
- The larger grocery superstores and retail parks have had more difficulty, as people can no longer carry away their purchases. In some cases they have become showrooms, whilst in others have been turned into distribution hubs.

What if we all shopped on-line?

In this vision of the future, the exponential growth in take-up of e-commerce in the UK continues, against a background of reduced personal mobility owing to high fuel costs. Shopping might look a little like this:

"I'm scrolling through my on-line calendar trying to avoid the day-glo letters which are hanging in the centre of my line of sight. BUY OUTFIT FOR SISTER'S WEDDING. It's been hanging there on a roll-forward entry for months. Time to bite the bullet – but I have no firm view of what I want, so I ignore my favourites list and click the entrance to the e-souk for a shop on the wild side. As if by magic, a shopkeeper appears. It makes me jump – I'm still getting used to having my IT projected in 3D into my living room. Wedding outfit, I tell him. Family. My home system knows what size I am – yes, I did lie a touch, but it automatically corrects that before sending off search strings to the on-line boutiques and retailers. I've got a standing preference for ethically produced items in my on-line profile, but I'm setting that aside this evening.

"Come this way, madam," he says, drawing back a very plush digital curtain. "I think I can make some recommendations that will meet your approval." Within seconds, I'm surrounded by avatars – virtual shop assistants – offering the latest hot looks from high street and haute couture. Some of them have used my uploaded photos and movies to show me what the clothes would look like on, while others just drape them over an elegantly digitised arm, or show me clips from the catwalk shows. Private sellers and knock-off shops are trying to elbow their way into view, shouting loudly and offering to beat the price on the tag, or the delivery estimates, but this is a big occasion and I want to buy from a name I trust and recognize. When an avatar from my favourite department store – funny how we still call them that even though the departments have disappeared into a big warehouse we never see – nips forward and offers to set up a room for me tomorrow, with my shortlisted items and a few accessories that I might like to view, I accept double-quick. She enters the appointment direct into my calendar, adding a note that my favourite coffee and chocolates will be ready for me in case I need sustenance while making my purchasing decision. As it's a week-day, she's automatically chosen the dressing room nearest my office."

Contrary to predictions, the High Street has not died. Its function has changed, stores acting both as showrooms and distribution nodes. Retailers have increased the number of open-all-hours convenience formats to maintain 'share of wallet' by ensuring that their on-line customers do not look to another brand for impulse and emergency purchases. Retailers compete on added-value, such as customer service, being a trusted brand, making it easy to return unwanted goods, and offering quick and efficient delivery of purchases. Larger retailers with sophisticated information gathering systems are able to leverage additional spending by making recommendations based on spending patterns, while niche retailers benefit from access to a broad geographic market.

Trips to bricks-and-mortar stores are dominated by the leisure and social aspects of comparison shopping, offering customers reassurance and the opportunity to 'touch-and-feel'. Less space needs to be dedicated to maintaining a full range of stock as purchases are fulfilled direct from warehouses or manufacturers. This reduces the competitive advantage of out-of-town sites.

Out-of-town retail parks remain popular draws for leisure shopping, and respond by increasing the amount of space dedicated to dining and entertainment. The increased cost of travel means consumers make fewer trips but stay for longer.

Travelling for shopping has been turned on its head. For mundane convenience items, the goods come to the customer at a time and place of their choosing, rather than the customer travelling to the goods. Specialist fulfilment companies manage deliveries and co-ordinate them for maximum efficiency. Congestion has fallen as a result.

What if no-one planned for retail?

In this vision of the future, those responsible for delivering the Government's housing growth targets neglected to plan for community assets such as healthcare and retail. The house-building firms tasked with creating the new estates naturally concentrated on what they knew best, which was maximising the number of residential units on the sites. Exacerbating the problem, PPS6 and its successors restricted the development of new retail outlets in the designated growth areas, as they were not established town centres.

Thousands of new homes were built without local shopping parades. Short trips for carry-able items were therefore impossible, which created a vicious circle: small shops were unable to gain a foot-hold as there was inadequate passing trade to sustain them.

- The need for shoppers to have access to personal transport has become entrenched.
- Those able to afford a car coped by travelling to existing retail facilities, usually those on the edge of nearby towns.
- The appeal of low prices was offset by the difficulty in getting to these stores, and the stores themselves quickly became overcrowded. Expansion was not permitted as they were not town centre stores.
- The lack of local shops encouraged bulk-buying, further necessitating a car to carry the purchases home.
- Congestion around the out-of-town stores became a major problem, and 24-hour opening was widely introduced to spread the peaks.

Residents without cars suffered greatly from retail exclusion, with a very limited choice of everyday shopping opportunities. They have also suffered social exclusion as there is no obvious centre of community life. Local authorities lacked the power to direct bus providers to offer services between the new estates and existing retail provision. Unofficial retailers have moved into the retail deserts. These 'store sharks' offer high prices to a captive market. Social enterprise firms have developed to operate mobile stores in areas of transport deprivation.

Larger retailers sought to expand their home delivery services to these areas, though some residents complained at the number of delivery vehicles this brought onto the streets. The lack of local facilities such as post offices to hold parcels for collection presented a further challenge to efficient delivery and led to wasteful repeat attempts.

Some imaginative developers thought outside the box. Reasoning that, if retail development had to take place in town centres, then a town centre would need to be created, they worked closely with local authorities and residents to lobby for town centre status to be awarded as the key to tackling social exclusion and investing in the missing elements that were regarded as key to successful community living, such as shops, leisure facilities and community meeting rooms.

What if strong retail was made a priority?

In this vision of the future, local and regional governments took a proactive role in deciding what retail offers they wanted in their area. Research revealed what local people wanted on their doorstep, what they were willing to travel to, and how they wanted to get there. Developers, retailers and institutional investors were involved from the outset as key partners in planning to meet these needs.

Stronger emphasis was placed on using existing powers as a tool to respond directly to local needs by finding local solutions in partnership with local communities and private sector stakeholders. New powers were taken by local authorities where needed to allow a more flexible approach to retail and transport provision.

'Town centre first' was affirmed as a long-term commitment, giving developers confidence to commit to the more expensive investments needed to overcome some of the inbuilt problems of town centre shopping. Retailers became more willing to invest in updating their Town Centre premises.

Investment in the quality of the town centre environment was given a high priority. Increased footfall in town centre areas made people feel safer, creating a virtuous circle.

Carefully designed road pricing enhanced mobility by encouraging a shift to non-car modes without displacing shoppers to other locations or the internet.

Public transport access was improved by requiring operators to give proper weight to requests for new services, additional stops, or enhanced investment. Operators were required to grant these requests unless there were good reasons not to.

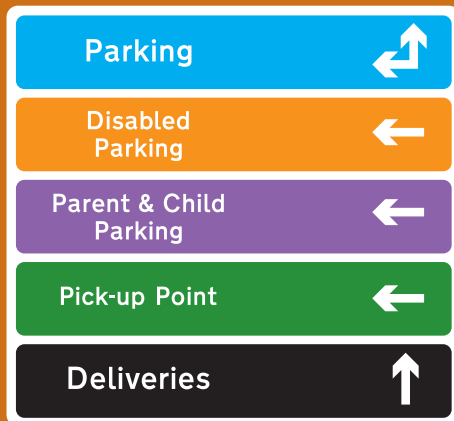
Town Centre access was improved for all modes of transport. Attractive and well-managed car parking provision allowed those shoppers who preferred to visit town centre shops to do so without incurring parking penalties.

Flexibility on leases encouraged boutique and niche retailers to take space in bigger developments. Many of these were run by local residents. Working with local communities and public bodies, retailers identified regeneration sites in disadvantaged areas. Temporary jobs were created in construction, and permanent jobs in the stores once opened, enhancing local employment opportunities and training local unemployed people in skills for work. Other businesses developed in the wake of the retail investment. More people working near to their homes reduced commuter travel. However, increased economic prosperity encouraged more leisure travel.

Customers show more variety in their shopping habits. Now that access is as easy for town centre as for out-of-town centres, trips are evenly spread between them. They are less likely to travel out of the area to shop.

4

Retail trends and their effects on transport



- Planning policy is re-focusing on town centres and transport policy needs to reflect this.
- Shopping patterns are changing, as more people prefer the convenience of one-stop shopping in out of town centres.
- Shops in retail parks are becoming more varied drawing shoppers from town centres.
- Town centre shopping is adapting to new shopping patterns. Shoppers use the convenience of 'metro' style supermarket shops in town centres and filling stations to buy daily meals.
- E-shopping is rising rapidly because it offers convenience and choice. There are differing views as to whether it reduces or increases mileage. Shoppers still want to touch and feel before they buy.

4 Retail trends and their effects on transport

Types of shopping and shoppers

For the majority of people, food shopping is largely a convenience activity, and perceived as a fairly routine chore. In contrast, trips to buy consumer durables, like clothes, furniture, and electrical goods, are more likely to involve comparison-shopping trips. However, this pattern is becoming less distinct.

When considering transport needs, shopping and shoppers can be classified in several different ways:

a) Frequency of shopping

Type of shopping	Description	Typical purchases/activity
Convenience or maintenance shopping	Regular purchases, buy with the maximum convenience 'Run shopping'	Groceries, household items
Comparison shopping	Infrequent purchases; looking for choice and alternatives 'Fun shopping'	Window shopping, Fashion items, cameras, jewellery

After Cairns in DfT 'Smarter choices – changing the way we travel' July 2004.

b) Carryability

Type of shopping	Description	Typical purchases/activity
Groceries	Once a week self shop probably by car to out-of-town or edge of town supermarket	Food, drink, household materials (46% of UK family expenditure)
Clothing and footwear	Infrequent shopping but personal choice, car or possibly public transport to major shopping centre	Clothing and footwear (17%)
2 person delivery items	Items which would require 2 people for home delivery, not immediately available, probably would not fit in car anyway	Furniture, floor covering, white goods (17%)
1 person delivery items	Items that require 1 person for home delivery. Would fit in car but may be too heavy or not immediately available	Soft furnishings, TVs videos, computers, toys, flowers (12%)
Postable	Ideal items for home delivery through buying over the Internet	Books, photos, CDs jewellery (but might come under clothing) (8%)

After Cairns, S Shopping And Personal Business Trips November 1997.

% based on Family Spending Survey

c) Motivation

Type of shopping	Description	Typical purchases/activity
Utilitarian shoppers	Focus mainly on completing a task of finding items in a rational and efficient way	Time is important
Hedonist shoppers	Enjoy the very process of shopping	Happy to move more slowly, to stop frequently and to change their routes

After Cairns in DfT 'Smarter choices – changing the way we travel' July 2004.

4 Retail trends and their effects on transport

Changing patterns of shopping and retail

Location has always been a key driver of success in retailing but it is now critical. The high-speed time-critical style of modern living has generated a desire to get the convenience shopping done as quickly and as efficiently as possible, and at the time of the day or night which most suits the customer.

...most late night shoppers enjoy the experience. "London is a 24-hour culture now, and I find shopping at this hour a pleasure", says Marina, 24, who has been playing poker with her flatmates all night and has come to buy flour to make crepes.

The Evening Standard, 17 October 2006

A Competition Commission report on supermarkets in 2000 found that 60% of shoppers travel less than 10 minutes to their regular supermarket and 90% travel less than 20 minutes. Consumer surveys routinely emphasise the demand for shopping facilities that are easy to get to, have good car parks and cover the widest possible range of product categories. Proximity is a powerful driver of store choice, although other factors such as brand loyalty are also very important, as shown in figure 4.1.

Key Drivers Year on Year

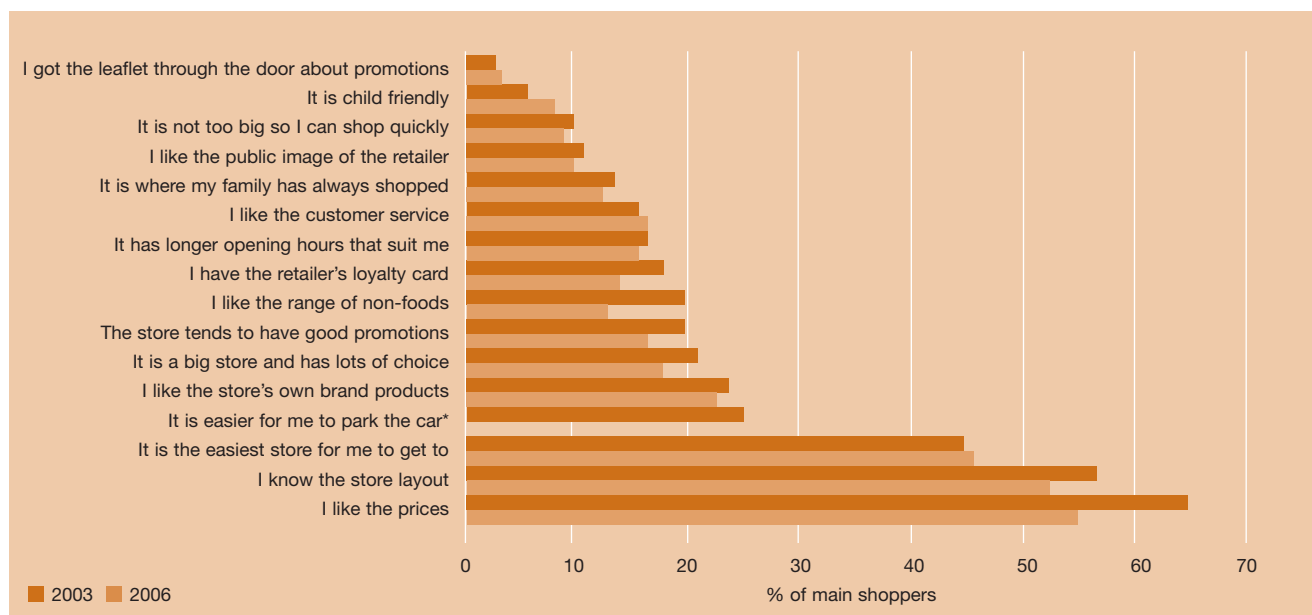
Retailers are continuing to develop progressively larger store formats with lower running costs per square foot than stores in more traditional high street locations and this trend is set to continue. Hypermarkets are projected to increase from 637 in 2005 to well over 800 by 2010, partly by extensions to existing stores. Hence the big multiples' focus on investment in out-of-town and edge of town retail parks and purpose-built shopping centres. However, planning restrictions have put a premium on these sites and generated a lot of competition between retailers.

Retail parks have been the biggest growth area and now account for one third of all retail sales. The advantage to retailers is their relatively high level of space productivity and with 2 to 3 million square metres of space in the pipeline; growth in this area is likely to continue. Demand for shopping centre space also remains high although there is around 5 million square metres of space planned this will impact on future demand.

Figure 4.1

Factors influencing choice

Price is having an increasing impact on store choice, although it is still not the ultimate factor. Easy location has seen the largest increase in importance, suggesting that time pressures continue to grow.



*not asked in 2006. Source: IGD Consumer Unit, 2006

4 Retail trends and their effects on transport

Retailers, especially the big food retailers, are focusing their portfolio development on large, low-cost formats. This is partly due to cost pressure and partly to their expansion into non-food markets. Around a third of supermarket sales are now in non-food categories and these sales are growing by over 10% a year. The development of supermarket own-brand clothing lines is an example of this trend: goods which were previously classed as comparison goods, such as children's clothes, have become 'everyday-type' goods which are purchased during the weekly convenience shop.

Supermarkets have responded to this trend by expanding their range of non-food merchandise, and offering other services such as pharmacies, dry cleaners, toys and electrical goods, almost becoming a self-contained village in the variety of goods and services on offer.

Aside from the diverse and comprehensive product ranges, the number of services Tesco Extra offers is equally impressive. Shoppers can visit the travel agency, exchange currency, get their watch or jewellery repaired, have a camera film processed, receive technology advice from the digital centre, stock up on health foods at the Nutri Centre and receive an eye test.

Retail Week, 29 September 2006

Some of these products take up a lot of space – hence the growth of the hypermarket format. Retailers have also increased floor space without increasing overall footprint by installing mezzanine floors in out of town centres, a move which until recently did not require planning permission.

J Sainsbury is poised to become the first supermarket group to house NHS surgeries in its stores...Sainsbury's believes that a move into healthcare would be a natural fit for its brand and is keen to install GP surgeries in those of its stores that already contain pharmacies.

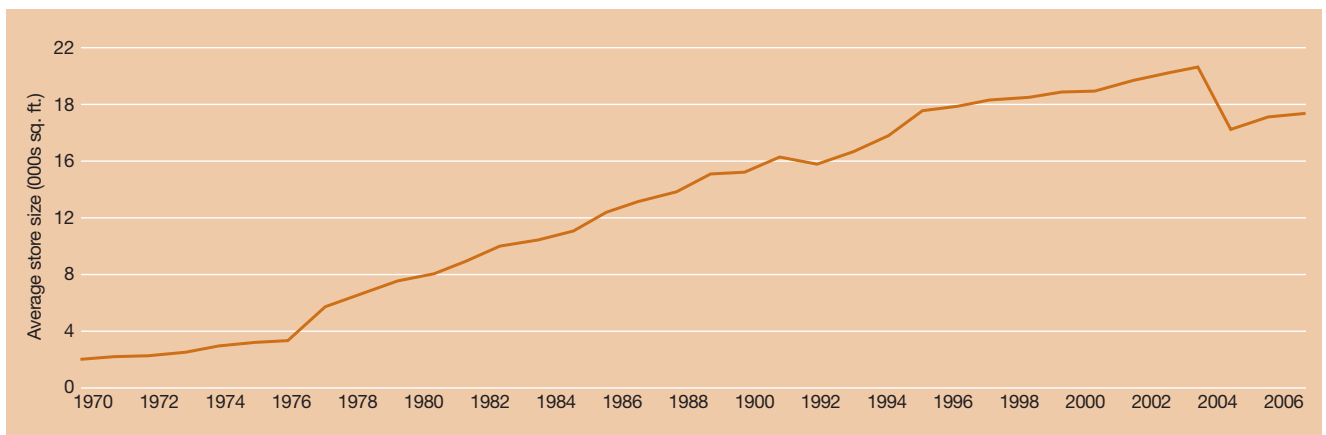
The Times, 10 February 2006

"The country has changed; customers want a one-stop shop where they can buy a variety of goods. If we were providing something that people didn't want, do you think we would have flourished in the way that we have?"

Sir Terry Leahy, Tesco Chief Executive, interviewed in The Guardian, 8 January 2006

Figure 4.2

Change in Combined Major Multiple Average Store Size 1970-2005



Source: Companies & IGD Stores Database NB. The dip in 2003 reflects the acquisition by Tesco plc of T & S Stores.

4 Retail trends and their effects on transport

Property services company CB Richard Ellis has tracked national shopping flows annually since 1995. The survey covers:

- comparison goods (non-food: high street/shopping centre, fashion parks, outlet centres)
- convenience goods (main grocery shop)
- bulky goods (retail warehouse goods: DIY, carpets, electricals, computers).

The trends identified in the survey are:

- Rapid growth in out-of-town shopping
- Decline in town centre shopping
- Strong increase in Internet and mail order shopping

Growth in out-of-town shopping

Shoppers are voting with their cars; over 50% of the population report a preference for clothing/fashion shopping out-of-town because of easier parking and larger and better-stocked shops.

Retail Under Threat: Local Market Share Trends in Great Britain, CB Richard Ellis for RAC Foundation, April 2006

A key trend identified by the CBRE research is the expansion of the 'convenience goods' category to include goods previously considered 'comparison goods', such as children's clothing. As a result, non-food trade is being drawn away from traditional comparison locations, such as the high street, into one-stop stores run by the major grocery retailers.

There are 826 out-of-town retail parks in the UK (FT, March 2006). Over 40% of retail parks include a main grocery retailer. Main grocery and other retail park facilities increasingly draw on the same core catchments, attracting similar customers but at different times. The supermarket therefore effectively and indirectly anchors shoppers to the site, a function normally fulfilled by a large department store such as Marks and Spencer or John Lewis.

Retail parks are now offering a much wider variety of stores. Retail parks were originally built for hard bulky goods such as furniture, DIY or carpets. These sectors have suffering a spending downturn, with Courts, Alders, Furnitureland, and other traditional retail park tenants giving up sites. Retail park shopping is so popular with customers that retailers more traditionally identified with the High Street have snapped up the space. Fashion discounters, such as Matalan, led this trend. Rents on retail parks are rising as a result, although they still remain at around 65% of high street costs.

High Street retailers such as Next, River Island and New Look are rushing to open stores in out-of-town retail parks despite Government attempts to revive city centre shopping destinations... The format does not suit all retailers, say experts. Zara and H & M, who are popular with teenagers who tend not to have cars, have trialled retail parks but are still cautious. It is the ease of car parking that has made retail parks so popular despite their dubious aesthetics and often poor facilities.

The Financial Times, 20 March 2006

Planners have been unable to prevent this trend in the parks constructed during the 1985-1995 period as these locations usually received open A1 consent (general retail but not hot food). For later developments, planners have tried to limit use to DIY, bulky goods and non-foods only. Retailers such as Boots seeking to open in these sites have had to show their food sales were a very small part of their business.

According to the British Council of Shopping Centres (BCSC) in its Good Transport Guide, recent trends have seen the growth of new out-of-centre retail parks and regional shopping centres at the expense of the large number of smaller centres, which have seen only slowly growing, stable or declining sales. Shopping journeys are therefore getting longer as shoppers are attracted to larger but more remote centres.

4 Retail trends and their effects on transport

London's Biggest Shopping Centre

Plans for London's biggest shopping centre were unveiled today. The £1.6 billion mall at Shepherd's Bush will include 40 restaurants, cafes and bars to reflect the capital's vibrant eating out culture. There will be everything from champagne bars to 'street food' stalls.

The complex will offer: flagship department stores; 265 smaller shops and a luxury mall over three floors dedicated to designer brands; a 14-screen cinema; more than 40 places to eat; a £170 million upgrade of local transport links; parking for 4,500 cars; a spa and gymnasium complex, medical centre and Citizens Advice Bureau.

Westfield claims the centre will act as a catalyst for a further £1 billion of development in the area.

The Evening Standard, 18 September 2006

While travel to out-of-town centres can increase travel distances, adding new developments can reduce them by being closer to a proportion of the population who were travelling to the original centre. There is also some evidence of 'standard' bulky goods retail warehouses (eg DIY goods, carpets and electrical goods stores) being developed in smaller towns. If this happens nationwide, it will have the potential to reduce car travel for this type of shopping.

According to recent figures from Verdict, edge of town is now the most successful retail location with sales growing by over 40% over the last 5 years to £72bn. The existence and success of edge of town and out-of-town centres cannot be ignored and transport policy must recognise the extent to which customers accept and, in their shopping habits, show preference for some modern retail formats. Starving existing out-of-town centre development of adequate transport infrastructure will not in itself secure retail provision in the town centre and could deprive communities of access to a range of facilities as a number of these existing sites provide an important service to nearby residents.

Decline in town centre shopping

The town centre as a retail location continues to lose market share, but town centres that have worked hard to attract new development or update their mix of retail on offer have held their own. Others are struggling to stem the drift of comparison-shopping to out of town stores.

High Street Britain 2015 – Report of the All Party Parliamentary Small Shops Group

Success of retail is dependent on good accessibility ... Consequently effective planning can lead to vibrant retail districts when it takes into account issues of accessibility. Local authorities and/or planners recognise the function that retailing can play in regenerating an area and building sustainable communities and the role of suitable transport infrastructures. For example, customers must be able to access food using a variety of modes of transport. This is especially important for small shops as they are, by and large, 'stuck' with their respective locations and cannot implement the same flexibility in terms of choice of location as larger stores can.

Retailers of all sizes are concerned about planning decisions which, although are made with good intentions for local residents, are not thoroughly examined. Schemes aimed at cutting congestion and making town centres more attractive places for pedestrians can have unintended consequences for the accessibility of the car borne consumer.

"It is self defeating to make it difficult to park: customers simply go elsewhere. There must be adequate parking in local neighbourhoods".

Bernard Hughes, Head of Government and Public Affairs, ASDA, in evidence to the inquiry.

4 Retail trends and their effects on transport

Reasons for the decline of the town centre as a shopping environment include:

- congestion
- difficult parking – one in three shoppers have abandoned a trip after being unable to find a place to park (Parking in Transport policy, RAC Foundation)
- environmental problems – particularly in the gap between the end of the working day and the start of the evening economy, when the town centre can be an unwelcoming and threatening environment
- poor high street management by local authorities more concerned with control than with customer care.

In 2005 town centre retail sales declined in value – the first such occurrence in modern times. Despite being the most important retail channel – achieving sales of £122.3bn – and accounting for just under half of all retail expenditure in 2005, the town centre has struggled in the face of intense competition from competing channels. In 2005 shoppers spent £767 million less in town centres than in 2004, a fall of 0.6%.

Town centre retailers continue to concede sales to their OOT retail park counterparts while a strengthening online channel further heightens competitive pressure.

Verdict Market Analysis Report: UK Town Centre Retailing 2006, published August 2006.

Can this trend be reversed?

One possible tool to overcome these disadvantages might be found in the Business Improvement Districts (BIDs). BIDs were introduced by the Government in 2004 as locally controlled public-private partnerships. They have powers to improve the environment and economic performance of an area by funding developments to the facilities and amenities of the centre.

Forward-looking authorities may also choose to fund a Town Centre Manager with a remit, which includes promoting and securing retail opportunities. However, the policy tools available to the Town Centre Manager are limited – for example, they do not have powers to vary business rates to attract key retailers. Frustration is also caused by the lack of joined-up thinking between transport planners and Town Centre Managers – in some local authorities, transport policy decisions are taken for traffic management reasons with little thought about their impact on the competitiveness of the town centre as a shopping destination.

Case study: Powers of councils to manage retail mix

The Royal Borough of Kensington and Chelsea wants to see a balanced, vibrant, diverse shopping mix throughout the borough. In order to achieve this, the council uses its planning powers to protect smaller shops as far as is possible under existing change of use regulations. However, many changes do not require formal change of use, for example a local butcher closing and re-opening as an estate agency.

The council also seeks to influence the retail mix through its Neighbourhood Shops Policy, which seeks to ensure that units where the council is landlord are only made available to suitable retailers.

To examine whether additional steps can be taken, Kensington and Chelsea has set up a commission on retail conservation, with a brief to investigate and produce proposals on ways in which retail areas might be balanced with a place for popular chain stores and a place for local shops, boutique retailers, and neighbourhood restaurants and cafes.

The commission is funded by the council using its powers to promote the 'well being' of the local area, as set out in section two of the Local Government Act. It has been asked to look at best practice in planning, regeneration and urban management, and to see what lessons can be learned from international successes. The commission will also consider the costs and benefits of allowing the market to settle retail mix issues. A report is expected in early 2007.

Cllr Merrick Cockell, leader of the Royal Borough of Kensington and Chelsea, said: "The most important thing is balance. It's clear that people want to buy food and clothes from the popular and very successful chain stores. These will continue to thrive – and good luck to them – but I for one don't want to see the demise of our quirky, unique local shops. This is not a nostalgic whim: these are important businesses, often providing products that the big chains do not."

A longer version of this article was published in Local Government First, July 2006

An emerging trend identified by Verdict Consulting, in *The Dynamics of Local Shopping* (October 2005), suggests that neighbourhood retail will become the new battleground for major multiples, who see great commercial opportunity in the town centre environment, currently characterised by weak competition, less onerous planning restrictions (compared to out-of-town locations), and an increasing number of young urban households who want to be able to visit a high-quality neighbourhood store 3 or 4 times a week, to buy that night's meal on the way home from work rather than plan a week's shopping at a supermarket.

Retailers have developed a new range of innovative, mixed use town centre formats to meet the needs of these customers, including smaller 'metro' formats, and convenience stores in filling stations, allowing commuters to buy groceries when buying fuel or driving past on one of their routine trips.

Retail development investment in town centres now exceeds out-of-town for the first time in 20 years.

4 Retail trends and their effects on transport

Professor Guy from Cardiff University, in his book *Planning for Retail Development* (2007) considers the evidence base underpinning current policy assumptions and summarises as follows:

Sustainability, Shopping Travel and Retail Policy Assumption

Out-of-centre retailing generates proportionally more car travel than similar retail provision in town centres.

Therefore, building more out-of-centre stores will increase total car travel.

Placing new retailing in town centres will reduce dependence on car trips.

Building supermarkets in or close to town centres will encourage linked trips, therefore reducing total car travel.

High-density residential and mixed-use development will encourage local shopping and reduce car travel.

Car parking should be restricted in order to discourage shopping trips by car.

Public transport/bicycle/walking modes are seen by shoppers as appropriate for shopping trips:

- essential for non-car owners
- adequate for car owners

Evidence-based Conclusion

Generally true

Not true in areas where other out-of-centre stores of similar type already exist

Not true for superstores or retail warehouses; not true for larger developments if they attract long distance trips

Will encourage linked trips, but unlikely to reduce total car travel

Unproven

Unproven

Generally untrue in present circumstances

The rise of Internet shopping

In less than ten years, Internet shopping has grown to an £8bn business. According to Verdict Research, e-tail is growing 15 times faster than the overall retail sector and now represents 3% of retail sales, almost as much as the sales of all department stores in the same period.

“Most analysts agree that in five years’ time, online shopping will be worth more than \$250 billion. But the future is brightest for retailers that can operate in a multi-channel environment in which consumers will shop in different ways, depending on their needs. The winning retailers will be those that offer a high-quality service, online and offline, and advance the distribution chains between them.”

John Brewer, regional director- Europe, Microsoft Shopping Services. Quoted in Marketing, 4 October 2006

The Interactive Media Retail Group (IMRG) gives even higher figures for growth in this sector. Including services such as travel and financial products, IMRG estimate that UK consumers spent £19.2bn in 2005.

Table 4.1

Estimates of the size of the home shopping market

	2000	2005	2010
Size of home shopping market	£16.3 billion	£30.5 billion	£57.0 billion
% of all retail sales	8%	13.8%	N/a
On-line sales	£4.9 billion	£11 billion	£22.5 billion
On-line sales as a % of all retail sales	n/a	4.3%	7.7%
Grocery home shopping market	£530 million	£4.25 billion	£13 billion
% of total food retail sales	0.6%	4.9%	11%

Cairnes S, Sloman L, Newson C, Anable J, Kirkbride A & Goodwin P (2004) Home Shopping. Chapter in 'Smarter Choices – Changing the Way We Travel'

4 Retail trends and their effects on transport

Professor Mokhtarian (2004) of the University of California highlights the following differences between the two types of shopping.

E-shopping

Large choice

Lower prices/search costs

Information easily accessible

Personalisation to customer

Convenience (not having to go out in rain, can be done at any time)

Speed

Store-shopping

Sensory information (touch and see)

Tangibility (familiarity with store)

Immediate possession (take goods away)

Social interaction (meeting people in store)

Entertainment (having a coffee in bookstore)

Movement (people just want to get out)

Trip chaining (linking shopping with other activities)

Developments in IT are making e-shopping easier. According to the Financial Times, 9.6 million shoppers have access to high-speed broadband, which has allowed e-tailers to provide more and better pictures of the product; movies demonstrating the product in use; and instant feedback to customer questions through instant messaging.

“Prices for retail centres expected to fall as online shopping grows”

John Fraser-Andrews of Panmure Gordon predicts that the rise of the Internet would have “alarming consequences for retail property owners.” Not only would it take a growing share of the shopping market, putting downward pressure on rents, but it would contribute to price deflation and therefore the value of retailers’ sales.

Bob de Barr, director of development partnerships at Land Securities... said shopping centres would survive as long as they continued to provide what consumers wanted. “There is no substitute for a shopping experience where you buy things; it can be a social occasion with food and beverages and even entertainment as well.”

The Financial Times, 24 January 2006

E-shopping is not limited to the young as Internet use among the over-55s is encouraged by silver-surfer clubs. In 2005, on-line spending by this age group almost doubled, rising 47% to £458m.

“It was said that the Internet was just catalogue shopping with bells on for nerds, but it’s now clear that it is the future.”

James Roper, IMRG Chief Executive, in The Scotsman, 21 January 2006

The Internet is particularly good at allowing consumers to compare goods and prices on-line. On-line shopping has also become popular for food shopping – Ocado makes 46,000 home deliveries a week for Waitrose, while Tesco’s home shopping service takes 150,000 orders each week. For retailers, e-shopping can be a cost-effective model – it is estimated that the cost of trading electrical goods on the Internet is 15% less than the High Street equivalent.

4 Retail trends and their effects on transport

Dixons quits the High Street after 70 years and moves from retail to e-tail

Dixons will move on-line as a pure-play e-tailer...the move will cost £7m but will bring savings of £3m a year. Dixon's existing e-commerce operation has seen its sales rise by more than 50% year-on-year over the past four years, with more than 1 million customers a month.

The Guardian, April 6 2005

Clicks and Mortar: Waterstone's and Currys start web fightback

During the frenzied dotcom bubble of the late 1990s, many retailers rushed to launch websites, convinced by management consultancies that 'clicks and mortar' retailers – those who combined their physical shops with an online presence – would triumph. However, disillusionment with comparatively small sales soon set in, and with logistical problems and lower-priced competitors looming large, many retreated just as quickly. Some, like Waterstone's, outsourced their web operation completely. A range of factors, including widespread broadband access, increased consumer confidence in buying online, and greater differentiation between rival sites, has made it impossible for the high street giants to remain on the sidelines – and many executives now believe the time is ripe to rejoin the battle.

The Guardian, 28 September 2006

Academic studies produce different answers on trip substitution

Has e-tailing reduced overall trips by replacing the customer's trip to the store – or increased them, by encouraging additional purchases which require delivery to the home?

If the shopping trip was part of a chained trip for other purposes, that trip may still take place without the shopping component. If the shopping trip was previously done on foot or public transport, then no car mileage will be saved, the shopper may get less physical exercise, and a trip will be created by the delivery vehicle.

For grocery shopping, ad-hoc trips are also likely to be made in between bulk deliveries. These may be made by car to a nearby supermarket, but some evidence suggests local shops will be the destination of choice for top-up purchases of fresh and perishable goods between larger on-line orders.

The 1997 Motors and Modems study, carried out by John Dodgson of NERA on behalf of the RAC Foundation, concluded that home shopping could replace 1-3% of all shopping trips after five years, 2-6% of shopping trips after 10 years, and 4-11% of shopping trips after 20 years. In 2000, the study was updated and the estimates revised upwards on the basis that the rapid growth in Internet shopping would reduce car-shopping travel by 5% by 2005 and by 10% by 2010.

One delivery vehicle dropping purchases at several homes can be more efficient than each of those customers making a trip to the store. Sally Cairns of UCL has estimated that if delivery vehicles directly substitute for car trips, the miles saved per shopping load are likely to fall by 70% or more. However, this depends on the logistic efficiency of the delivery company. Narrow delivery windows are less efficient, but more popular with the home shopper. A study by Helsinki University of Technology in 2003 concluded that a one-hour delivery slot eroded much of the environmental savings of home delivery.

E-shopping is also changing shopping behaviour by facilitating competition on price. There is evidence from retailers such as John Lewis that some people visit the store to look at goods but then leave to complete the purchase on the Internet, from whichever supplier offers the best price, thus creating two trips – one to the store and one by a delivery service. John Lewis aim to turn 'feels' into 'buys', by continuing to compete on service, quality and price.

4 Retail trends and their effects on transport

“We have the most vibrant, competitive high street in the world and shopping is one of our biggest leisure pursuits. It is therefore inconceivable that the future of retail would be solely online.”

James Murphy, chief executive, RCKC/Y&R. Quoted in Marketing, 4 October 2006

Analysis by Verdict suggests that consumers use the web to find the best price and the store most convenient to them to complete the purchase. This pre-purchase research may reduce trips by cutting down on comparison trips. However, B&Q's research shows that, despite the availability of information on the Internet, people still want to drive to the store and choose their purchases.

For some, the social aspect of shopping is so important that even the prospect of better value on the net will not replace the desire to visit the store.

“Shopping online is boring! I love to drive to MK, walk around, visit shops, and there's so many little stalls with knick knacks that you'd never even think of, and you can snack while you're at it. And I just love going with my mates.”

Angeljustice, contributing to www.discuss.aol.co.uk – If the Internet Kills the High Street, will we miss it?

Overall Professor Mokhtarian believes that the net effect will be to increase rather than decrease travel.

E-tail can generate trips

Efficient fulfilment remains the Achilles heel of e-tail. The best on-line experience and the quickest dispatch from the warehouse will be undermined if the last 200 yards to the front door are handled incompetently.

Trips will be generated if the initial attempt at delivery is frustrated. IMRG research shows that 11% of deliveries fail on the first attempt and 2% fail altogether. Internet retailers hope to reduce this by half. If this is successful, cost efficiency is expected to move from 15% to 25%. Our own survey showed more success in terms of home delivery.

Various solutions have been tested with mixed success, such as refrigerated cupboards outside homes, delivery to local corner shops or petrol stations which are open long hours, or to post offices. A government sponsored project, 'E-Flex' is looking at ways of maximising the efficiency of urban deliveries using new technologies such as radio tags on items, new vehicle types and novel temperature control systems. Argos now sends a text message to customers telling them the expected time of arrival, backed up by text messages from the driver back to the depot after each drop so that customer service staff can see where he is on the round. It also offers an option for a 10am-2pm delivery slot, which is ideal for people doing a school run. To save having to contact a specific person to accept the parcel, Argos is also looking at not requiring proof of delivery for low value products in selected postcode areas.

4 Retail trends and their effects on transport

Why do you shop on the Internet?

In 2000 the RAC Report on Motoring, asked 'Internet pioneers' about their experience of shopping from home.

- 88% of them had bought on line, compared with 32% of the general motoring public.
- They were also much more likely to buy more on line in the future.
- They were uncertain of the effect of home shopping on congestion – 42% said it would have no impact, 43% thought there would be less congestion, 5% more congestion and 10% did not know.
- 36% supported more home shopping even if it meant more vans and lorries on residential streets. 24% opposed it on this basis, with 38% neither supporting nor opposing.

In 2001, this research was repeated. Support for home shopping even if it leads to increased van and lorry traffic was slightly higher.

In 2002, the report asked people about their home shopping habits. 20% of home shoppers said they made fewer visits to the shops as a result of shopping from home, but home shoppers are no more likely than other motorists to say they could give up a shopping journey to save using their car or switch to public transport, possibly because they have reduced their shopping journeys already.

Internet's new wave threatens to wash the high street away

Doing business online is not just a matter of setting up a website. Mark Newton-Jones, chief executive of mail order group Littlewoods, points out that while retailers are expert at, say, distributing 3,000 items from a warehouse to one store in the middle of Nottingham, Internet and mail order require parcelling up 3,000 items and delivering them to separate addresses.

The Observer, 1 October 2006

4 Retail trends and their effects on transport

Conclusions

As supermarkets extend the range of their products and services the distinction between convenience and comparison-shopping is becoming blurred, which may further reduce the appeal of town centres.

However, the rise of 'metro' style supermarket shops in town centres and filling stations is changing buying patterns with shoppers (especially time-poor young working people) buying meals for today rather than planning a weekly shop at the supermarket.

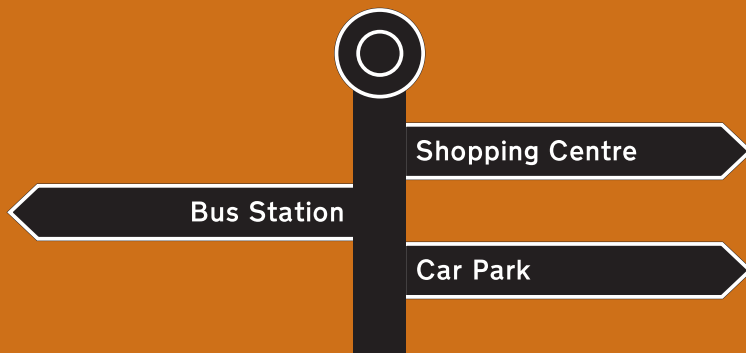
Town centre shopping could be promoted by reviewing parking policies, improving public transport, ensuring retailing is considered in conjunction with housing policy and by promoting walking and cycling.

E-shopping is rising rapidly because of the convenience and choice. There are differing views as to whether it affects shoppers' transport choices. However, the evidence suggests shoppers still want to touch and feel before they buy.

Planners who insist that each supermarket should be well served by public transport might consider whether it is more appropriate to ensure that each residential area is within good public transport access of at least one good supermarket.

5

Transport trends and their effect on retail



- Car ownership and use is forecast to rise, especially amongst older people.
- Parking must be seen as a service to shoppers, not a source of council revenue.
- Parking must be well located and well maintained to attract shoppers to the town centre.
- Congestion must be tackled to increase the appeal of town centres.
- Road pricing as a tool to cut congestion risks making town centres less popular for shoppers by adding cost to their journey.
- Alternatives to the car should be explored.
- Bus usage can be encouraged by better information, personalised travel plans, and by creative solutions to the problem of carrying heavy items.

5 Transport trends and their effect on retail

Car ownership and use

According to the National Travel Survey (NTS, 2005) 72% of adults (some 33 million people) now hold full car driving licences, compared with 64% in 1989. This rising trend is expected to continue. About 90% of licence holders drive at least once a month. Analysis of NTS data suggests that the profile of licence holders in 2020 will be as follows:

Significant demographic changes in the profile of licence holders may affect how people travel to the shops in future:

- The proportion of women holding licences has grown steadily throughout this period and is expected to continue to rise.
- The number of people over 60 holding a licence has also increased dramatically, as the baby-boomer generation reaches retirement. The proportion of female drivers in this group is also rising. Thirty years ago, just 4% of women over 70 held a driving licence – now 35% of women in this age group do.
- The number of young people with full licences has fallen in recent years.

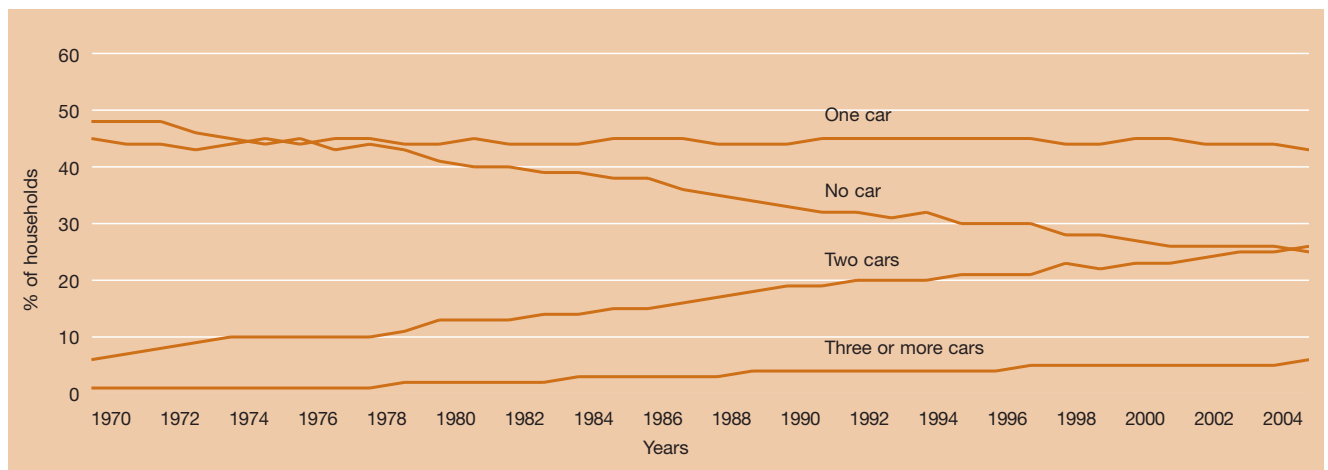
The rising trend in car ownership is also forecast to continue. Rising prosperity, coupled with a fall in the real terms cost of motoring, means that more people are able to afford to buy and run a car:

- In 1980, 41% of households did not have access to a car. By 2003 this had fallen to 26%.
- In the lowest income group, the proportion of households with access to a car has risen from 27% in 1989 to 46% in 2004.
- 75% of households now have access to one or more cars.
- Non-car owning households tend to be single-person households.

On average, transport represents 14% of total household expenditure. This proportion has been steadily rising. In rural areas, transport takes up 16% of the household budget, while in urban areas it is slightly less, at 13%.

Figure 5.1

Households with regular use of cars



Source: TSGB 2005/NTS 2005

Table 5.1

Profile of licence holders in 2020

Millions	Under 70	70+	Total
Males	16.8	3.1	19.9
Females	15.2	2.4	17.6
Total	31.9	5.5	37.4

(RAC Foundation analysis of NTS data, 2005)

5 Transport trends and their effect on retail

The rising cost of fuel does not seem to have significantly affected travel behaviour. Research by the EcoLane Transport Consultancy suggests that most car owners do not think in terms of ‘fuel cost per journey’ but regard the cost of a tank as a weekly or fortnightly fixed cost.

The choice of transport mode reflects not only economics, but factors such as convenience, comfort and personal security. Trends all seem to indicate that the car will continue to dominate as the preferred means of transport to the shops.

Access Trends: Parking

As noted in Chapter 2, the availability, quality and affordability of parking can be a key factor in people’s choice of shopping location.

Research in the Netherlands suggests that, where they are within driving distance, supply and price of parking affects competition between town centres; while the availability of good-quality, free parking is one of the key draws for out-of-town retail parks.

Competition between town centres and out of town shopping centres is a complex issue. Town centres typically offer a greater variety of clustered shops than the out-of-town locations but this is being eroded by the growth of purpose designed centres catering for car borne shoppers offering an increasing range of shops – so-called ‘Carcentrics’. Examples are Bluewater in Kent with a catchment area extending between Southampton and East Anglia, and Cribb’s Causeway near Bristol, which draws customers from South Wales and South West England.

Small specialist shops are at most risk of being disproportionately affected by parking difficulties. Many proprietors report that parking restrictions have affected passing trade to the extent of calling into question their continued viability. This has prompted newspaper campaigns such as the Evening Standard’s 2006 ‘Save our Small Shops’ campaign. Some local authorities have responded to these concerns by introducing free short-term parking schemes to encourage quick visits to local stores.

Historically, local authorities have regarded parking as a traffic management issue, and as an income generator. Councils also tend to give priority to the needs of residents through innovations such as the Controlled Parking Zones, which limit parking to residents with permits and to their visitors. Business, commercial and retail parking needs are typically seen as a lesser priority.

Planning policy in recent years has been predicated on reducing parking supply in residential, retail and commercial environments, to discourage car use in favour of alternatives. Caps have been set on spaces to be provided in new developments, while existing town centre on-street parking has become more strictly enforced.

If insufficient parking is allowed in a new development, marginal developments may simply not take place at all, while excessive restrictions can damage the town centre as a retail environment.

Table 5.1

Notional comparison of typical trips to larger town centres and to ‘Carcentrics’

Phase of shopping trip	Town Centre	Quality of experience	‘Carcentric’	Quality of experience
Drive from home	20 minutes	Stop, start urban driving	60 minutes	Main road driving
Find parking place and park	10 minutes	Search, queue, manoeuvre. Car park may be unattractive	5 minutes	Easy location of parking space in attractive modern surroundings
Walk to shops	10 minutes	Busy streets	5 minutes	‘Campus’ type environment
Shopping	1-3 hours	Varied retail and urban environment	1-4 hours	Carefully tailored and ‘secure’ environment
Return to car park	10 minutes	Busy streets, inadequate signs	5 minutes	‘Campus’ type environment
Leaving car park	5 minutes	Pay, manoeuvre, possibly queue	5 minutes	Free, easy exit
Drive home	20 minutes	Stop, start urban driving	60 minutes	Main road driving
Summary of experience	Duration 2-4 hours	Quicker but with some frustrations	Duration 3-6 hours	More leisurely but higher fuel costs

From British Parking Association Parking Forum Note 12

‘Carcentrics’ are car-borne shopping centres

5 Transport trends and their effect on retail

Village that thrived – until the traffic wardens appeared

Traders in Stoke Newington say turnover has dropped by 30 to 50 per cent since the 'zero tolerance' policy was introduced a year ago. They say it has frightened away customers from surrounding areas who used to come to shop and eat, but now go to Islington or Hoxton.

Evening Standard, 30 March 2006

Retailers hope that local authorities might start to prioritise the creation of good parking provision as a positive draw to shoppers, and an essential service for a thriving town centre.

"The parking aspect at the Trafford Centre is a huge attraction to consumers so we are urging councils like Liverpool to change their policy to car parks and stop using parking charges as a stealth tax. All it is doing is pushing people to the Cheshire Oaks and the Trafford Centre."

Nick Goulding, chief executive of the Forum for Private Business.

This is Liverpool, 19 October 2005

In some locations retailers are able to co-operate closely with local authorities on management issues such as the cost of parking in their car parks, and also on more complex issues such as problem parking. One example of this is 'park and share' – unlimited free parking in out of town shopping centres has become a temptation to commuters struggling with congestion and workplace parking restrictions. In locations like Bath and Lewisham, commuters arrange to meet up in an edge-of-town retail park with free parking, leave three cars there and share a fourth car to their workplace. To discourage this trend, and protect spaces for shoppers, retailers have begun to set limits on long-stay parking. Similar limits have been introduced by retailers in Wigan to prevent sports fans parking on match days.

Developers also seek to prioritise access as a draw for shoppers. In the absence of planning or policy constraints, the decision would be based on cost-benefit analysis – how many customers are needed, and how do they get to us? Recognising that up to 70% of shoppers arrive by car, the design and operation of efficient car parking is considered at an early stage of any development and plans are worked up in close negotiation with local authorities. This is the case both for shopping centres and for town centres, which need to be able to compete regionally on ease of access.

The demand for high-quality, safe parking is encouraging developers to retain control of the car parks once built, in order to prevent poor-quality third party maintenance or operation from compromising the quality of the retail environment.

Alternatives to town centre parking, such as park and ride at a competitive price, and parking integrated with railway stations and other major public transport interchanges can offer shoppers a viable alternative to driving and parking in the centre. Town centres with a unique retail offer can tolerate expensive or restricted parking. However, high charges or strict restrictions can create distortion in less unique centres.

Case study: parking and competition

The redevelopment of Lion Yard, Cambridge, caused the temporary loss of two-thirds of the parking spaces in its car park. The City Council was concerned that shoppers would migrate to Peterborough during the vital Christmas period. Grosvenor, the developer, worked with the local authority on a package of mitigation measures, including purchase of a park-and-ride site, sponsoring electronic information signs to give information about where spaces were available, refurbishing an edge-of-town car park, and the distribution of information leaflets to shoppers. Footfall figures measured over the Christmas period showed that these measures were successful, and that there was no drop in pedestrian flow count.

5 Transport trends and their effect on retail

Case study: Parking in Exeter

The provision of adequate parking within the City Centre is crucial to its continued vitality. The local planning authority is signed up to the Government's agenda to switch the emphasis away from the private car, but there is no doubt that much trade continues to be generated by car usage. The City Council is the major provider of parking in Exeter with some 4,200 spaces in over 20 car parks. Although there is significant pressure from a number of stakeholders to reduce City Centre parking provision in order to force people onto public transport, we are concerned that this is unrealistic and a highly risky approach. The Council's stance has therefore been to retain the total parking stock at broadly its current level and to switch the emphasis to short/medium stay parking to deter long stay commuter car parking provision. In recent years, one City Centre commuter car park has been closed and a new short/medium car park has opened as part of the delivery of the Princesshay scheme.

We also invest heavily in the existing car parking stock to ensure that it is fit for purpose. These enhancements have encompassed structural improvements to multi-storey car parks and enhancements to some elements of the car parks to improve the ambience of these facilities. There has been extensive investment in CCTV to ensure good levels of security. Almost all car parks now have the Safer Parking Award. The City Council is about to invest heavily in 'pay on foot' systems, which will be installed at the prime shopper car parks – the Guildhall and Mary Arches Car Parks. Land Securities have installed this equipment in the new Summerland Gate Car Park and will do so in the new Princesshay Car Park.

John Rigby, Director, Economy and Development, Exeter City Council

Congestion

We have seen that retailers and developers want to make it as easy as possible for customers to access their stores. The trend is for the majority of access to be by car and we forecast that this will continue.

However, rising car use on a finite network is a recipe for congestion. Two-thirds of congestion is attributable to volume of traffic, though it is also caused by accidents, poorly planned junctions, and street works.

The convenience and mobility benefits of one's own car can be undermined if congestion prevents a swift journey to the shops. Congestion can also put a retail centre, whether town centre or out-of-town retail park, at a competitive disadvantage compared to uncongested centres, though this is not uniform and depends on shoppers' expectations. For example, London suburban centres such as Wandsworth High Street have significant traffic congestion, which does not act as a deterrent as shoppers in these areas tend to arrive by foot or on public transport. Retailers seek to understand the tipping point at which congestion deters a shopper and forces them to change their plans.

Planning policy in recent years (PPG 6 and PPS6) has created a Catch-22: by directing development into the town centre, it can exacerbate congestion. Unless congestion is managed effectively, shoppers can be deterred from visiting the town centre in favour of a journey on less congested roads to an out-of-town centre.

The Traffic Management Act 2004 has charged local authorities with the duty to keep traffic moving. In addition, ten local authorities have been set specific congestion targets as their contribution to the Government's overall objective to contain congestion on the UK's roads.

Tools to cut congestion include:

- Road pricing
- Access improvements funded by developer contributions
- Promotion of alternatives to the car.

5 Transport trends and their effect on retail

Road Pricing

Road Pricing is promoted by the Department for Transport as a key tool for reducing congestion. At present, experience is limited to the cordon schemes in operation in London and Durham. Transport for London (TfL) estimates that congestion has fallen by around 26% as motorists have switched to public transport, chosen an alternative route, or re-timed their journey.

Analysis of the impact of the London congestion charge on retail behaviour has produced conflicting results. TfL analysis shows no impact on retail trade in central London. In contrast, a study commissioned by the John Lewis Partnership concluded: “within the sample surveyed the congestion charging scheme has caused a significant number to shop less often in central London and only a few to shop more often in the Oxford Street area. Negative experiences with the congestion charging scheme or a generally bad perception of the scheme are the main reasons for this. Evidence from other travel demand measures on city centre shopping activities suggests that the long-term effects of the congestion charge could be more positive.”⁸ It is also appropriate to question whether the London experience can be representative of the UK as a whole, given its special position as capital city and a high proportion of atypical shopping trips such as those made by overseas visitors.

Future road pricing schemes are expected to be distance-and-time based, using GPS or similar technology. These tools offer the potential to create a scheme, targeted at different sectors, such as commuter traffic, which might actually attract shoppers by cutting congestion without impacting on their own journey. Regional implementation of pricing might also allow regions to gain competitive advantage through the design of their pricing schemes.

Transport Innovation Fund Bids

Local authorities have been invited to submit bids to the Government’s Transport Innovation Fund (TIF), incorporating road pricing as a means of demand management. TIF schemes may put a town centre at a competitive disadvantage – our poll shows that the first response of most people to charges, whether town centre or out-of-town, would be to choose an alternative destination rather than change mode.

Local authorities preparing TIF bids have placed strong emphasis on improving public transport provision as the ‘carrot’ to place alongside the ‘stick’ of charging. However, local authorities will need to weigh very carefully whether the advantages accrued by cutting congestion will be undermined by the risk that visitors will simply shop elsewhere.

Regional approaches, such as the West Midlands bid, may mitigate this risk but once again there is a danger that residents living near the boundary of the charging zone will be deterred from entering the region.

Access Improvements Funded By Developers And Retailers

As part of the planning process, local authorities may ask developers and retailers to fund access improvements, such as placing new roundabouts, or removing a known congestion bottleneck or pinch point.

Generally known as ‘planning obligations’, these agreements can be reached as a ‘Section 106 agreement’ or as a condition of planning permission.

It is important to consider access improvements as early as possible in the planning process. Poorly planned access can add to congestion rather than reduce it. Westfield re-negotiated the plans for the White City redevelopment after modelling suggested that the car park as approved by the planning authorities, with one entrance and one exit, would lead to queues on main access routes.

5 Transport trends and their effect on retail

The amounts contributed by developers are large – in 2003-4, a total of £1.9bn was contributed by developers through Section 106 agreements, of which £300m was allocated for transport and travel obligations.

Section 106 is an inefficient tool for securing public transport improvements, as not every element is within the control of the developer, the retailer or the local authority. A retailer may construct a bus shelter as part of the design for a new store, but the decision on whether to lay on a bus service will rest with the private bus company. The retailer might then have to provide revenue support to a service to ensure it calls at their store: Sainsbury's support around 60 services in this way. Developers have also historically found it difficult to secure improvements in public transport access to shopping centres owing to inflexibility from the public transport providers.

Though Section 106 has limitations, it has one major advantage when compared to Planning Gain Supplement (PGS). Section 106 agreements are reached by negotiation and are spent on shared priorities, which are expected to benefit both the developer (or retailer) and the local community. PGS, a general tax on development, will not be linked to specific developments in the same way, giving the developer less certainty on how funds will be spent. This lack of certainty might lead to a reduced willingness to invest.

Alternatives To The Car

Local Authority transport planners are increasingly looking to Travel Plans to encourage modal shift and reduce unnecessary journeys. Travel Plans may include education on alternative modes to the car, advice on car sharing, and encouragement of walking and cycling through improved facilities.

In our study, *Car Dependence*, the RAC Foundation concluded that 20 per cent of car journeys could not be made by other means; 20 per cent of car journeys could easily be made by other means; and some of the remaining 60 per cent could be made by other means if cost or time considerations could be addressed. There is, therefore, some scope for encouraging other modes of transport where appropriate.

- Walking: Besides reducing congestion and pollution (bearing in mind that short car journeys generate more noxious emissions), switching from car to walking for short shopping trips would improve the health of the nation and should be encouraged.
- Cycling to shops would be more popular if proper cycle parking were provided – at present cycling parking tends only to be provided at transport interchanges. However bicycle parking is often regarded as unattractive and if it is not in plain sight it tends to be underused for security reasons.
- Motorcycling: safe and secure parking is also an issue for shoppers travelling by motorcycle or scooter. Motorcyclists also find it helpful to have a secure locker to leave helmets and safety clothing, as some shops ban the carrying of helmets.
- Buses are very convenient for shopping trips to town centres because the traditional pattern is a radial one, to a town centre hub. Consumer resistance to using buses is often related to lack of knowledge about bus routes so an education programme on bus routes and their convenience has been shown to pay dividends in changing shoppers' behaviour. For local shopping in rural areas, buses are less able to provide a sufficiently frequent service with adequate coverage for it to become a viable option. On-demand services such as taxis or shared minibuses could improve provision for rural shoppers.

Experience in Perth, Australia, has shown that personalised travel planning is one of the most successful approaches. Business travel plans are also an important tool for reducing congestion caused by staff travel, though the part-time and shift-based nature of retail work presents particular challenges.

5 Transport trends and their effect on retail

Case study: B&Q Travel Plans

As part of their Corporate Social Responsibility Plan, B&Q have made a commitment to reduce reliance on road transportation across the business. Travel plans and car share systems have been introduced to all new stores since 2002, while each store has a nominated travel plan co-ordinator who encourages employees to consider alternatives to the car for their journey to and from work. The company has set a target of reducing single car-occupant journeys by 5% within 2 years. At Crownhill Retail Park Warehouse, Plymouth, a reduction of 8% has been achieved. Use of car sharing, motorcycles, and bus travel has risen.

B&Q Social Responsibility Review 2003-2005

A 2002 study by DTLR concluded that shoppers were resistant to modal shift. The most effective policies combined traffic management measures with investment in improving ease of access and the quality of the city or town centre environment.

Colin Eastman, Coventry City Council's transport advisor, studied trip data from visits to Safeway in 1995 and concluded that considering the very low usage of public transport either in town centres or out-of-town shops, the conceptual requirement that all sites must be served by a good network of public transport services seems to be unjustifiable. A number of planning inquiry decisions have rejected sites due to the lack of public transport services, even though all parties involved have recognised that the proposed site would lead to a significant reduction in vehicle mileage. Rather than require each store to be well served by public transport it is more appropriate to ensure that each residential area is within good public transport access of at least one good supermarket.

Conclusions

In the absence of direct Government intervention, car ownership will continue to rise, especially among older people. Without action to tackle existing distortions such as congestion and difficult parking, the extra convenience, carrying capacity and flexibility that the car provides will reinforce accessibility and attractiveness of out-of-town shopping centres over town centres.

Although choice and attractiveness of the shops themselves are the prime factors affecting choice of shopping location, the availability and price of parking plays an important role too. It must be well located and well maintained to attract shoppers to the town. Parking must be seen as a service to shoppers, not a source of council revenue.

Congestion reduces the appeal of town centres. Local authorities need to adopt innovative solutions to tackle this in order to become more attractive retail environments. Such measures might include better car park management; sustainable transport initiatives such as park-and-ride; and travel plans.

Road pricing as a tool to cut congestion risks making town centres less popular for shoppers by adding a marginal cost to their journey. It needs careful planning to encourage modal or time shift rather than a complete change of destination.

Research shows that lack of knowledge about bus routes and timings is one factor affecting bus patronage. Usage of buses can be encouraged by better information and personalised travel plans.

Local authorities and developers must have better tools/powers to secure public transport improvements.

6

Conclusions and recommendations



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6 Conclusions and recommendations

This study has looked at the relationship between shopping and transport, examining current trends and testing their likely impact against current policy positions and interventions.

We have found that retail is a fast-moving and complicated activity, and an important source of vitality for town centres, the development of new retail centres, and the continued success of existing outlets.

We conclude that local and national government can influence retail success through planning, development control, traffic management and parking controls.

These interventions need to be used with care and an understanding of the consequences for retail prosperity. However, we have found that the dynamic relationship between shopping and transport is rarely considered holistically.

In many cases, transport policies and planning policies remain in separate silos. This is exacerbated as in the majority of areas, other than unitary authorities, planning and traffic responsibilities rest with different tiers of local government.

We have also found that the pace of change in retail far outstrips the reaction time of transport and land-use planners.

Our main conclusions are:

- a) Local authorities should have a clear long-term vision and set of objectives relating to their town centre as an efficient retail centre, and interventions should be linked clearly to these.
- b) Efficient transport, providing easy access to retail, should be a key policy goal of transport planners. Policies must recognise that cars will remain the preferred means of travel to the shops.
- c) Parking is a key component of an attractive, easy to access retail centre. As retail depends on consumers who are highly mobile, small changes in parking or ease of access can have significant consequences.
- d) Planning policy needs to be stable enough to allow for long-term investments but flexible enough to reflect the way people live now. As an example of this, we recommend that, instead of seeking to ensure that each retail site is served by a good network of public transport services, it should be a planning goal that each residential neighbourhood is within good public transport access of one good supermarket.

Our specific findings are:

Travel to the shops

- Shopping is the most frequent reason for travel in the UK, accounting for 20% of all trips. It is therefore an essential element in the consideration of transport policy.
- People choose different modes according to the purpose and location of the shopping trip.
- The majority of shoppers travel by car, because they enjoy its door-to-door convenience and its ability to carry heavy or bulky purchases. This trend is set to increase. Parking provision and good access remain among the most important features of any attractive retail proposition.
- Car ownership will continue to rise, especially among older people.
- There is unlikely to be a shift from car borne shopping journeys to the bus unless the frequency and reliability of buses is improved.

We recommend:

- **Planners must recognise this reality and provide the appropriate access and parking facilities to enable people to get to shopping centres, whether town centre or out-of-town.**
- **Park and Ride should be encouraged as a means of providing stress-free access to town centres.**

6 Conclusions and recommendations

The retail landscape

- Most people regard a thriving, prosperous retail centre as a key ingredient for the success of their community.
- All retail is dependent on locations with good accessibility and connectivity with markets and their customers. Location is crucial in the battle to win shoppers' trade. For retailers, if you're not in the right location you are not in the market place.
- The Government has made a policy decision that future retail development should be focused on the town centre. The clarity of this 'Town Centres First' policy has given developers and councils confidence to make long-term investments.
- Developments in technology over the past 20 years have resulted in cleaner, quieter HGVs, creating the opportunity to reduce congestion by increasing night deliveries, where appropriate.
- Internet shopping continues to grow in popularity and by volume of sales, but 80% of people say they still want to visit the shops to examine goods before buying. We believe that as confidence grows in e-shopping, this proportion will fall, though stores will seek to retain customers by offering high-quality environments incorporating social spaces and entertainment.

We recommend:

- **Changing patterns of social life (including shopping patterns) must be more clearly understood by local authority planners, so that they may be fully taken account of in decision-making.**
- **Transport decisions must not be taken in isolation, taking into account only traffic management or road safety issues, but with a view to their wider consequences for the vitality of the town or region as a shopping destination.**
- **There must be long-term consistency in policy so that shopping centre developers who have a 25 year timescale can have some degree of certainty in their planning.**
- **Local authorities must develop a more effective toolkit to facilitate and influence successful retail developments.**
- **Planners who insist that each supermarket should be well served by public transport might consider whether it is more appropriate to ensure that each residential area is within good public transport access of at least one good supermarket.**
- **Section 106 agreements should continue to be directed towards better road and public transport access to shopping centres. Any replacement for S106 should continue to maintain the strong link between the development from which the funding is sourced, and the spending which the contribution funds.**
- **The Highways Agency must play a creative role in ensuring access to shopping centres and participate in Section 106 agreements as appropriate.**
- **Local authorities should review night-time delivery curfews to examine whether any can be relaxed, to the benefit of retailers and daytime road users, without inconveniencing local residents.**
- **Further research should be undertaken to find the most efficient system for Internet deliveries.**

6 Conclusions and recommendations

Transport interventions

- Without action to tackle existing distortions such as congestion and difficult parking, the extra convenience, carrying capacity and flexibility that the car provides will reinforce the accessibility and attractiveness of out-of-town shopping centres over town centres.
- Environmental benefits, including reductions in CO2 emissions, reduced noise, and improved air quality, can be achieved by removing congestion bottlenecks, providing real-time parking information, and improving park-and-ride and public transport facilities.
- Well-located, clean and well-maintained parking is an essential ingredient in drawing shoppers into a particular location and is a gateway for the visit to the centre. Our polling has shown that spacious, accessible parking is particularly important to shoppers with reduced mobility, and to parents of young children.

We recommend:

- **Local authorities must tackle congestion through measures including better car park management; sustainable transport initiatives such as park-and-ride; and travel plans.**
- **Carefully-designed road user charging is acceptable as a tool to control congestion, subject to a number of conditions to ensure fair and equitable implementation, to minimise adverse impacts on retailers, and on the overriding condition that it is not a replacement for additional road capacity where it can be justified. The design of road user charges should be sophisticated enough to enable charging to discourage commuter travel while encouraging off-peak shopping travel.**
- **Car parking provision should be regarded as essential to the vitality of retail. Restricting the availability of car parking spaces can reduce the viability of locations, acting as a disincentive to investment.**
- **Parking must be well indicated by real time signage located on the approach roads so that motorists can know where they can find a space and adjust their journey accordingly. Signage must also meet the needs of the visitor to the area, unfamiliar with local road networks.**
- **Parking spaces designated for particular groups, such as disabled drivers, or parent-and-child spaces, should be respected by other motorists and enforced firmly but fairly. Expanding designated spaces to other groups such as the elderly may also be worthwhile.**
- **Local authorities and developers must have stronger powers to secure public transport improvements.**
- **Usage of buses should be encouraged by better information and personal travel plans.**

Research

- The impact of the congestion charge on retailers is a disputed area. Much more needs to be understood about the behaviour of shoppers when faced with additional marginal costs to their journey.
- Congestion could be tackled with the goal of reducing journey times; or with the goal of creating more reliable, convenient and predictable journeys which took slightly longer. It is not clear which of these shoppers would prefer.

We recommend:

- **More research into how shoppers may change their behaviour as a result of road pricing.**
- **Research into whether shoppers would value reliable journey times above short ones; and into how future transport policies might deliver such a goal.**

Glossary

'Carcentrics'	Car-borne shopping centres
CBRE	CB Richard Ellis
BCSC	British Council for Shopping Centres
BIDs	Business Improvement Districts
BRC	British Retail Consortium
E-shopping/ E-tail	Shopping via the internet
Footfall	Number of potential consumers who visit a shopping centre
IMRG	Interactive Media Retail Group
PPG6	Planning Policy Guidance Note 6: Town Centres and Retail Development, 1996, DETR
PPS6	Planning Policy Statement 6: Planning for Town Centres, 2005
Section 106	Previously known as Section 52 agreement under the 1971 version of the Act. Allows concessions for organisations involved in planning applications in return for investment in the area as agreed with the local authority
TSGB	Transport Statistics for Great Britain

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- 4 IGD Grocery Retailing, 2005.
- 5 Cardiff University and CB Hillier Parker, Policy Evaluation of the Effectiveness of PPG6, a Report for the Office of the Deputy Prime Minister, 2004.
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- 7 Revised again in 1996.
- 8 Schmocker, Fonzone, Quddus and Bell: Changes in the frequency of shopping trips in response to a congestion charge: Transport Policy 13.3, May 2006.

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RAC Foundation
89-91 Pall Mall
London SW1Y 5HS

Tel: 020 7747 3445
www.racfoundation.org
Registered Charity Number. 1002705

