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4. Worker Market Potential

Worker Market Potential

- With the influx of workers, the daytime population of a town centre can change substantially from normal residential times.

- CACI have quantified this change by analysing the Census 2001 Special Workplace Statistics, in order to quantify the volume of workers within each of the 5 Towns + Chichester.

- CACI has then applied its unique Workday Wallet expenditure estimates, to calculate the worth of these visitors in terms of comparison goods, convenience and catering spend.

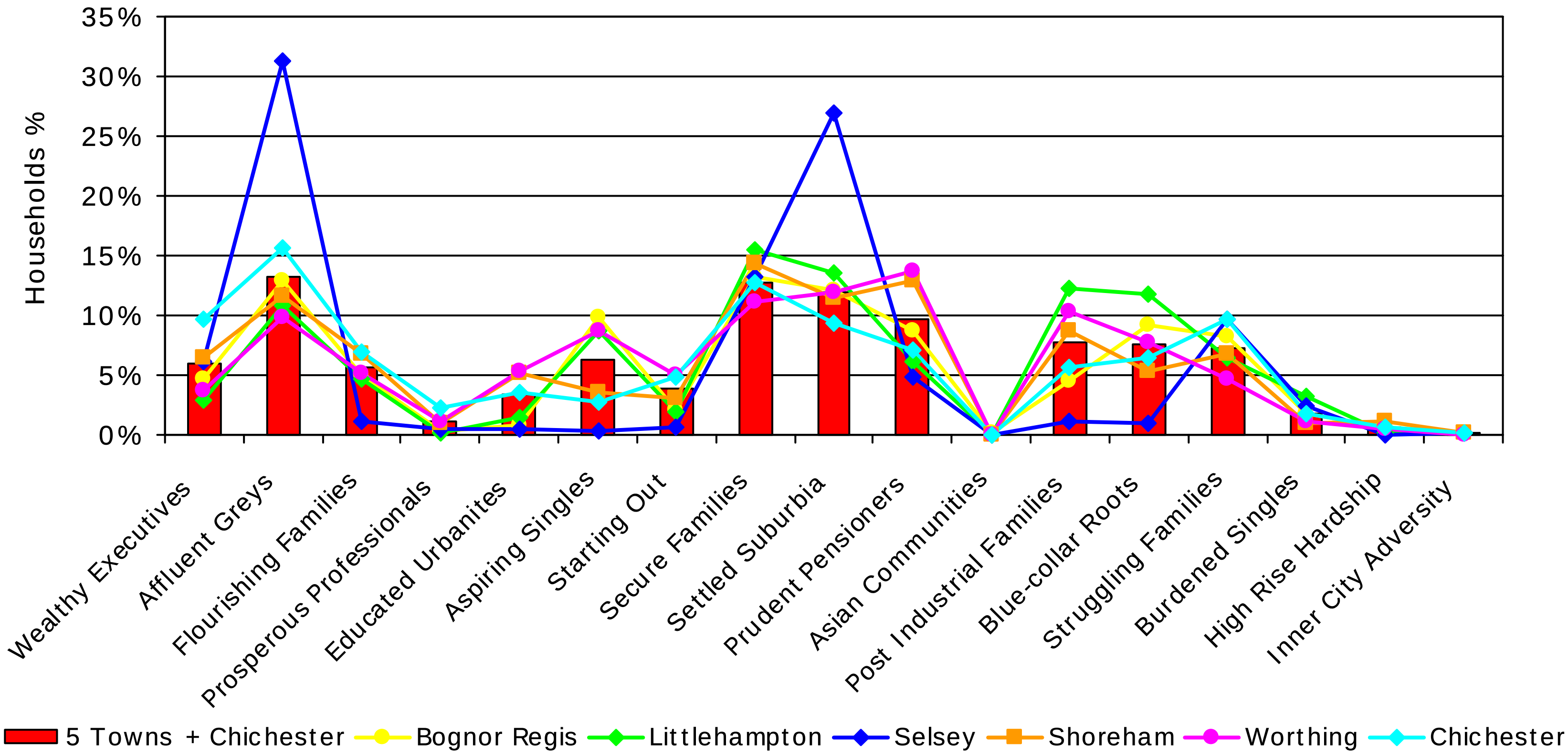
- The lifestyle groups that comprise the worker population have also been analysed for each town, in order to understand how these visitors may differ to residents in terms of retailer preferences. This analysis will be incorporated into later stages of the study to ensure that these consumers are being targeted effectively in terms of the offer within each town.

Worker Market Potential

	Bognor Regis	Littlehampton	Selsey	Shoreham	Worthing	Chichester
Number of Workers	**7,497**	**5,602**	**1,930**	**3,526**	**15,024**	**15,326**
Clothing	£21,020	£16,370	£10,850	£10,810	£40,550	£43,170
Footwear	£2,410	£1,880	£1,250	£1,240	£4,660	£4,960
House & Home	£1,220	£1,000	£680	£630	£2,410	£2,650
Leisure Goods	£2,890	£2,270	£1,540	£1,460	£5,420	£5,780
Personal Goods	£2,760	£2,150	£1,440	£1,410	£5,270	£5,610
Personal Care	£6,980	£5,430	£3,620	£3,560	£13,370	£14,210
Durable Goods	£3,880	£3,140	£2,130	£2,000	£7,570	£8,260
Comparison	£41,150	£32,230	£21,490	£21,120	£79,260	£84,640
Convenience	£88,520	£68,780	£46,900	£44,140	£162,870	£171,840
Catering	£53,760	£41,960	£29,060	£26,270	£97,300	£102,670
Total	**£183,430**	**£142,980**	**£97,450**	**£91,530**	**£339,440**	**£359,150**

- The table above shows that Chichester and Worthing, being the largest of the centres analysed, have the largest influx of workers in addition to residents. Unsurprisingly, Selsey and Shoreham have the fewest.
- Worker spend is dominated by the Clothing and Personal Care categories, which account for 51% and 17% of worker spend on average, respectively.
- In all cases, worker spend on Convenience and Catering is above the amount spent on Comparison Goods. In total, worker spend contributes an additional £1.2 million of market potential to the 5 Towns + Chichester.
- Worker spend boosts Chichester's resident market potential by a further £359,000, although this equates to less than 1% of total resident expenditure.

Worker ACORN Profile



- The chart above shows the ACORN profiles of workers in each centre in comparison to the 5 Towns + Chichester overall.
- The centres all have a fairly similar bias towards the Affluent Greys, Secure Families and Settled Suburbia categories.
- Each town's worker and resident ACORN profile is examined in turn in the following slides.

Worker ACORN Profile: Selsey

- The chart above shows the ACORN profiles of workers in Selsey compared to the town's residential profile, and the worker lifestyle profile of the 5 Towns + Chichester overall.
- The skewed nature of Selsey's residential ACORN profile resulting from its very small catchment size is replicated for workers; Affluent Greys and Settled Suburbia comprise the majority of workers (58%).
- Compared to Selsey's residential profile, there are stronger concentrations of the Secure Families and Struggling Families groups, giving the worker population more of a family bias than the resident population.

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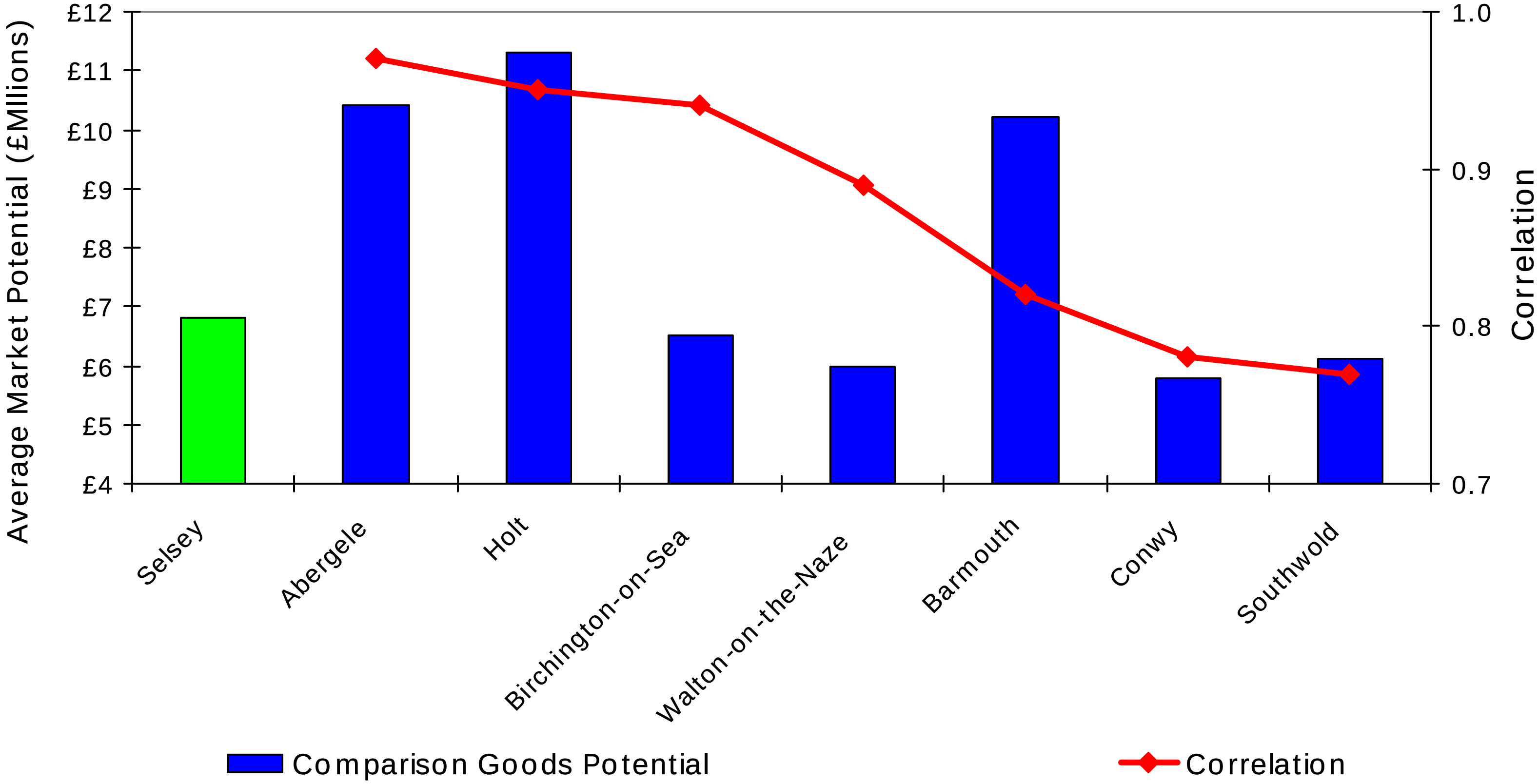
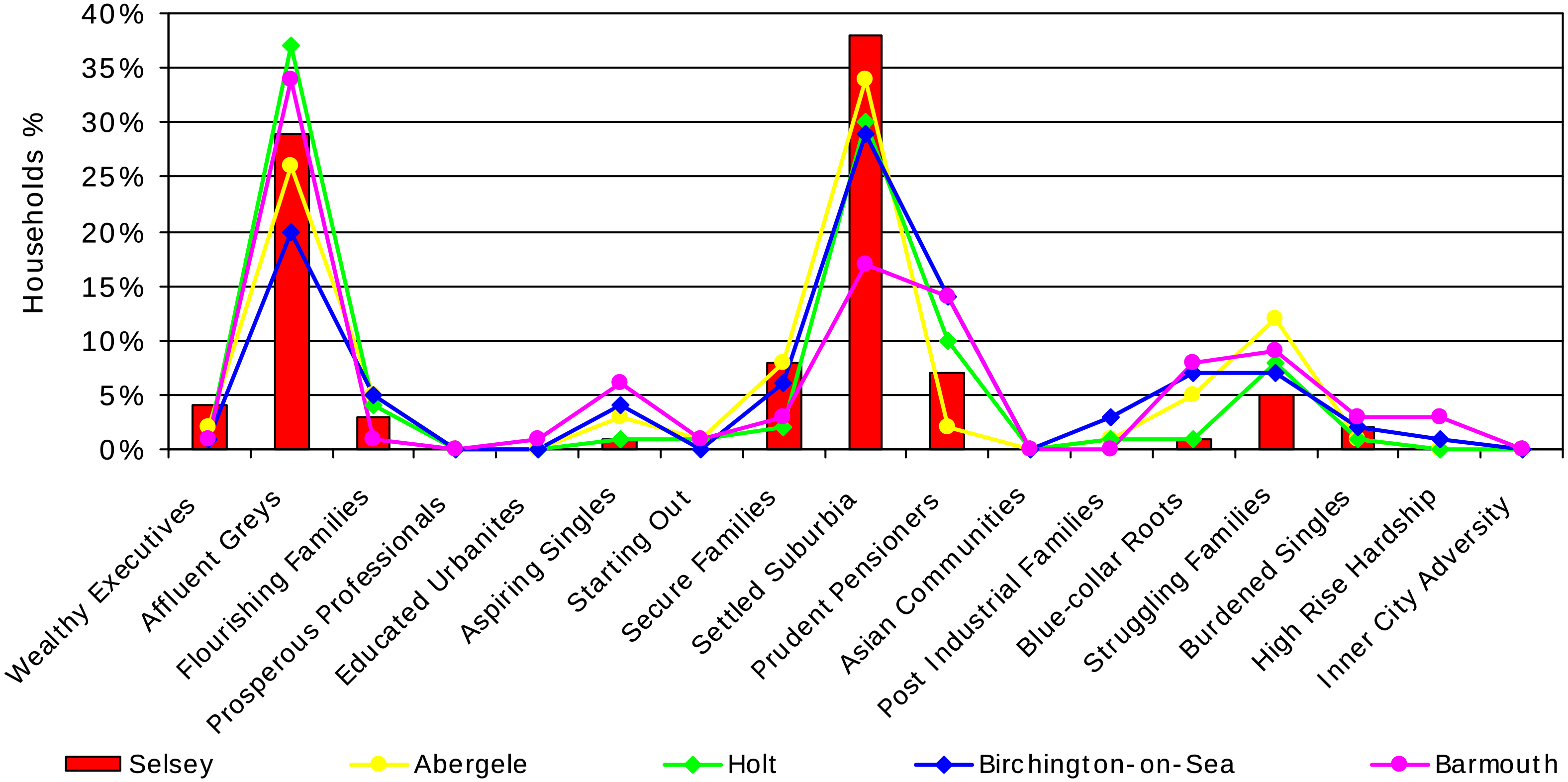
5. Benchmarks & Retail Provision

Benchmarking: Towns with Similar Shoppers to Selsey



- CACI have used ACORN and expenditure data to identify towns with a similar market size and shopper profile to Selsey.
- Abergele has the strongest correlation with Selsey in terms of ACORN profile, with a correlation of 0.97.
- In terms of market size, Birchington-on-Sea and Southwold have very similar market sizes to Selsey (£6.8 million).
- Although larger in size, Abergele and Holt both provide a very good fit with Selsey in terms of ACORN profile (correlations of 0.97 and 0.95 respectively).

Selsey: ACORN Lifestyle Profile



- The chart above shows the ACORN profiles for a selection of the chosen benchmark centres, reflecting the similarities that exist in terms of demographics between the centres, which provide strong retail comparisons to Selsey.
- The benchmark centres have a similar bias towards the Affluent Greys and Settled Suburbia categories, and away from Prosperous Professionals, Educated Urbanites, Starting Out, Asian Communities and Post Industrial Families.

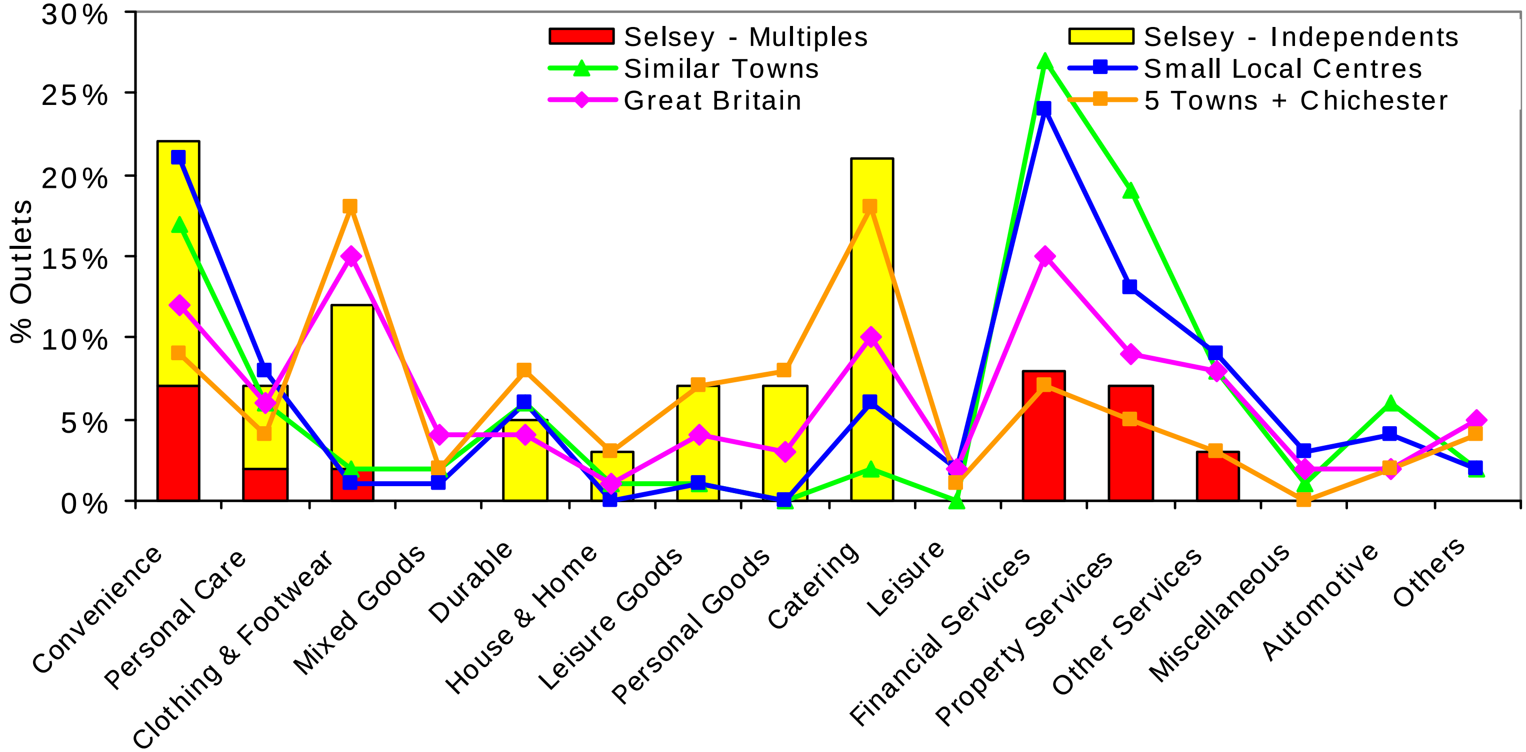
Selsey: Independent Retailer Analysis - Retail Sectors

	Retail Units	% of Retail Units
Clothing	5	10.2%
Footwear	1	2.0%
House & Home	2	4.1%
Leisure Goods	4	8.2%
Personal Goods	4	8.2%
Personal Care	3	6.1%
Durable Goods	3	6.1%
Comparison Goods Total	**22**	**44.9%**
Convenience & Catering	22	44.9%
Vacant	5	10.2%
Grand Total	**49**	**100.0%**

- 44 independent Comparison, Convenience and Catering retailers were recorded in Selsey.
- According to Retail Locations, there are just 6 multiple retailers falling within these categories in the town.
- 5 vacant units were recorded.
- Total retail provision in Selsey therefore amounts to 55 units.
- Independents account for 80% of total units.

- An audit of independent retail provision in Selsey was undertaken for the study, in order to supplement multiple retail provision data available from Retail Locations.
- In total, 22 independent Comparison Goods retailers were recorded, rising to 49 units when Convenience & Catering and vacant units are included.
- The majority of independent Comparison Goods retailers in Selsey fall within the Clothing category (10% of total units audited).
- Of the 49 units audited, 5 are vacant. As a proportion of total independent and multiple retail units in Selsey (55), this gives a vacancy rate of 9%.

Selsey: Market Coverage by Broad Retail Category



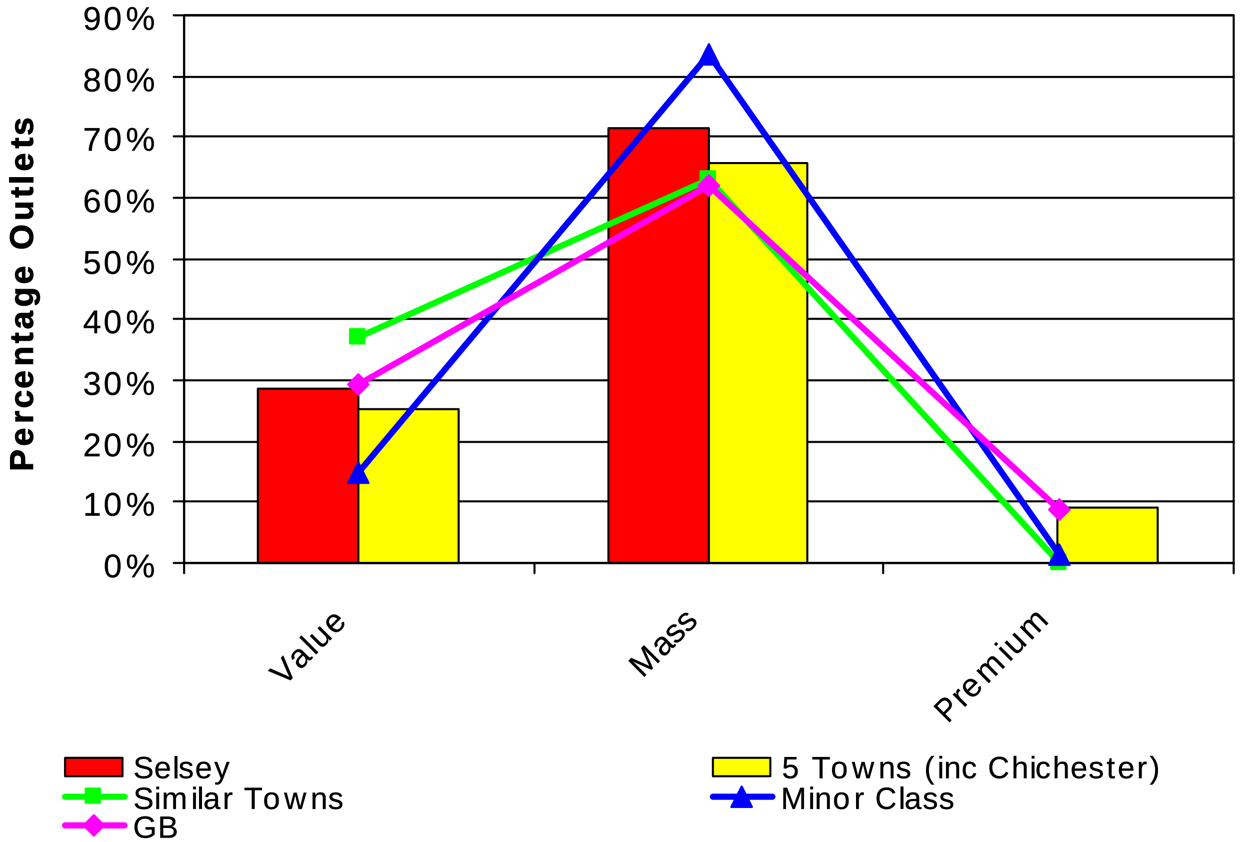
- Compared to similar sized towns with similar shoppers, Selsey lacks Mixed Goods and Leisure outlets.
- There is a strong representation of Convenience, Leisure Goods, Personal Goods and Catering outlets.
- Independent retailers make up 100% of the Durable, House & Home, Leisure Goods, Personal Goods and Catering goods provision in Selsey, and the majority of retail provision in the town in general.

Selsey: Independent Retailer Analysis – Market Position

Market Position	% of Independent Comparison Goods Units						
	Bognor Regis	Little-hampton	Selsey	Shoreham-by-Sea	Worthing	Chichester	5 Towns + Chichester Total
Value	24.4%	22.2%	40.9%	9.4%	9.5%	7.7%	14.4%
Mass	75.6%	77.8%	59.1%	90.6%	86.5%	71.8%	77.3%
Premium	0.0%	0.0%	0.0%	0.0%	4.1%	20.5%	8.3%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

- The market position of each independent Comparison Goods retailer was recorded during the audit.
- The above chart shows the proportion of independent Comparison Goods units falling within each market position category (Premium/Mass/Value) for each of the 5 Towns + Chichester.
- Selsey has the highest level of provision of Value independent retailers of the 5 Towns + Chichester, at over 40%.
- This compares to 29% of multiple retailers in Selsey falling within the Value Classification (see next slide).
- 59% of independent units were classed as having a Mass market position, compared to 71% of multiple retail units.
- No independent Comparison Goods outlets were classed as having a Premium market position, which is the case in the majority of the 5 Towns + Chichester, the exceptions being the larger towns of Worthing and Chichester.

Selsey: Market Position



- Compared to similar sized towns with similar shoppers, the market position of Selsey is strongly mid market and lacks value retailers.
- While towns with similar shoppers have more value retailers, the current mass market-biased offer in Selsey is an advantage and further concentration should be avoided.

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6. Retail Development Scenarios

Scenario Assessment

- Making use of the flexibility to undertake 'what-if' scenarios within CACI's Retail Footprint gravity model, CACI have assessed a range of development scenarios for the 5 Towns + Chichester.

- All scenarios model each town's future competitive position in 2016, utilising CACI's extensive database of competing retail developments; 'Centre Futures'. When incorporating these developments into the model, CACI have taken a realistic view on their future performance based on the latest information available.

- In addition to data on major competing schemes from Centre Futures, CACI have supplemented this with information obtained from each relevant local authority about committed retail developments which may not yet be in the public domain, and smaller developments not picked up by Centre Futures.

- The following slide summarises the potential competing developments relevant to the town, on the basis of the top 15 competing centres identified in Section 2 above.

Selsey: Potential Competing Developments

- CACI summarise below key competing retail developments within and peripheral to Selsey's catchment, included within the gravity model for all post-development scenarios. Each scheme has been extensively researched to ensure effective, proportionate representation within the model.

Name of Development	Town	Type of Scheme	Planning Type	Planning Status	Current Size (sq.ft.)	Retail Space Uplift[1] (sq.ft.)	Centre Futures Opening Date	% Change in Retail Footprint Score
Shippams Site	Chichester	Retail Park	New Build	Under Construction	n/a	52,743	2007	4%
Cascades Shopping Centre	Portsmouth	Shopping Centre	Extension	Under Construction	44,284	56,672	2007	6%
Potash Retail Park	Havant	Retail Park	New Build	Application	n/a	79,998	2007	New site
Antelope House	Southampton	Retail Park	New Build	Permission	n/a	199,456	2007	New site
Churchill Square Shopping Centre	Brighton	Shopping Centre	Extension	Permission	43,664	19,999	2008	1%
Hedge End Retail Park	Southampton	Retail Park	Extension	Permission	8,092	39,310	2008	153%
Tricorn Centre / Northern Quarter	Portsmouth	Shopping Centre	Redevelop-ment	Outline Application	Redevelop-ment	899,995	2009	55%
The Friary Shopping Centre	Guildford	Shopping Centre	Extension	Outline Permission	13,904	270,552	2009	13%

[1] Retail space uplift i.e. allowance made for any replacement of existing retail space

Note: These represent major potential competing developments only. As well as these,
CACI have included every retail development in the pipeline between now and 2016 across the UK.

Retail Development Scenarios: 5 Towns + Chichester in 2016

- The table below summarises forecast change in market potential (Comparison Goods spend) in the retail catchment of each town between 2006 and 2016.
- An outline of the methodology used to calculate population and expenditure growth to 2016 is provided on the next slide.

Location	Comparison Goods Spend 2006 (£m)	Comparison Goods Spend 2016 (£m)	Change in Spend 2006-2016 (£m)	2016 Spend with Consumer Expenditure & Population Growth (£m)
Bognor Regis	£101.1	£99.2	-£1.9	£148.5
Littlehampton	£53.5	£51.9	-£1.6	£77.7
Selsey	£6.8	£6.6	-£0.2	£9.9
Shoreham-by-Sea	£10.6	£11.9	£1.3	£17.8
Worthing	£247.8	£253.5	£5.7	£379.5
Chichester	£361.7	£360.1	-£1.6	£539.0

- The majority of the 5 Towns + Chichester experience a decline in market potential between 2006 and 2016. In proportional terms the greatest losses are experienced by Littlehampton (-3.0%) and Selsey (-2.9%).
- Bognor Regis, Littlehampton, Selsey and Chichester are all being impacted by larger competing retail schemes coming onstream in surrounding locations (e.g. Portsmouth, Southampton, Guildford), and by the lack of confirmed retail developments included in the development scenarios for most of these towns.
- Shoreham experiences the greatest proportional increase in market potential over the period, a 12.3% increase from £10.6 million in 2006 to £11.9 million in 2016 (at current prices), predominantly as a result of the Ropetackle scheme.

Retail Development Scenarios: Population & Consumer Expenditure Growth

- In addition to providing change in expenditure potential at current prices, CACI have calculated population and expenditure growth for the 2006-2016 period. Growth figures have been built up from ward level estimates, based on wards falling within West Sussex.

- Growth at individual COICOP product category level has been used, and amalgamated to broad sector level in order to match comparison goods spend categories. These growth rates take account of population growth as well as growth in consumer expenditure.

- Annual RPI (Retail Prices Index) of 2% has been subtracted from these growth rates, based on the UK's RPI target.

- Annual growth rates range from 3.3% in 2007 to 5.0% in 2008-2010.

Selsey: Market Penetration 2006

Selsey: Market Penetration 2016

Selsey: Competitive Position - 2016

Centre Name	Market Share (Primary & Secondary)	Market Share (Total Catchment)
Chichester	64.8%	64.8%
Selsey	**24.8%**	**24.8%**
Portsmouth - Gunwharf Quays	4.8%	4.8%
Bognor Regis	1.7%	1.7%
Whiteley Village Outlet Centre	1.2%	1.2%
Southampton	1.0%	1.0%
Brighton	0.6%	0.6%
Bognor Regis - Arun Retail Park	0.4%	0.4%
Guildford	0.4%	0.4%
Havant	0.3%	0.3%

- As in 2006, Selsey's retail catchment is too small in 2016 to be divided into Primary, Secondary, Tertiary and Quaternary, so the core Primary & Secondary catchment equates to the centre's total catchment.
- Selsey's market share of the core and total catchments declines by 0.7% over the period, from 25.5% in 2006 to 24.8% in 2016, primarily as a result of increased competition from Chichester following completion of the Shippam's Site development.
- Chichester's market share of Selsey's catchment increases by 1.0% over the period, to 64.8%. Selsey's catchment, unsurprisingly, remains dominated by Chichester, due to its relatively large size and close proximity.

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7. Residential Development

Residential Development: Methodology

- Given their location in the South East, a significant amount of residential development is likely to occur in the catchments of the 5 Towns + Chichester between now and 2016.
- In order to take account of the effect that new dwellings will have on household numbers and therefore retail spend, CACI have used planning application records and information from each local authority to estimate the amount of additional spend that will be generated by residential development in the town's catchments.

Methodology:

- Residential developments that have gained planning permission within the last year and applications submitted within the last 3 months in each area have been included in the analysis.
- In addition, information obtained from each local authority on proposed major developments that look certain to go ahead has been included for each town, where relevant.
- Each unit is allocated to an ACORN lifestyle category (Wealthy Achiever, Urban Prosperity, Comfortably Off, Moderate Means or Hard Pressed) based on the type of unit (house, flat, apartment, maisonette).
- Retail spend per household is calculated based on average spend per household figures for the South East.
- Each household is aggregated up to Postcode Sector level.
- The estimated market share of each Postcode Sector being achieved by the town in 2016 is applied to the total amount of additional expenditure to produce a 'residential development' spend figure for the core catchment.

- Using this methodology, residential development could bring an estimated **£35 million** of additional spend (at current prices) into the 5 Towns + Chichester, based on residential developments with planning permission up to the end of May 2006 in each area.
- It should be noted that additional residential development is likely to occur in the town's catchments between now and 2016 for which planning applications have yet to be submitted. Residential development 'aspirations' based on masterplans and local development frameworks have generally not been included in the analysis.

A full list of retail schemes included in the analysis is available on request.

Residential Development: Summary of Developments Included

Location	Bungalows/ Retirement Homes	Houses	Flats	Total by Location
Bognor Regis	29	1,373	171	1,573
Chichester	1	28	776	805
Littlehampton	2	37	696	735
Selsey	42	101	16	159
Shoreham-By-Sea	4	4	0	8
Worthing	41	1,098	468	1,607
Grand Total	**119**	**2,641**	**2,627**	**5,387**

- The above table summarises the types of residential developments that have been included in the analysis for each town.
- Overall there is a fairly even split between flats and houses, with bungalows/retirement homes making a small contribution to the total.
- Bognor Regis and Worthing have the greatest number of committed residential developments in the pipeline, followed by Chichester and Littlehampton.
- The following slide lists all residential developments of 15 or more units included in the analysis.

Residential Development: Major Schemes Included

Location	Development Name	Postcode Sector	Bungalows/ Retirement Homes	Houses	Flats	Total	Status	Year Due
Bognor Regis	26 Retirement Flats	PO21 5	26			26	Approved	2006
Bognor Regis	Regis Gate	PO21 2			38	38	Approved	2007
Bognor Regis	Seafront Development	PO21 2			24	24	Approved	2007
Bognor Regis	20 Apartments	PO22 9			20	20	Application	2007
Bognor Regis	18 Flats	PO22 0			18	18	Application	2007
Bognor Regis	'Site 6', North Bersted	PO22 9		650		650	Major Application	2011
Bognor Regis	'Site 6', Felpham	PO22 8		700		700	Major Application	2011
Littlehampton	21 Houses	BN17 7		21		21	Application	2007
Littlehampton	396 Apartments/Houses	BN17 7			396	396	Application	2007
Littlehampton	43 Apartments	BN17 5			43	43	Application	2007
Littlehampton	19 Houses/Flats	BN16 3		9	10	19	Application	2007
Littlehampton	41 Apartments	BN16 2			41	41	Application	2007
Littlehampton	24 Flats	BN16 3			24	24	Application	2007
Littlehampton	Railway Wharf	BN17 5			100	100	Masterplan	2013
Littlehampton	St Martins Car Park	BN17 5			73	73	Masterplan	2013
Selsey	Selsey Gate	PO20 0		100		100	Constructed	2006
Selsey	Canal Court	PO20 0	42			42	Constructed	2006
Selsey	110 High Street - St Wilfreds Walk	PO20 0			16	16	Application	2007
Worthing	Norfolk Hotel	BN1 1			48	48	Major Application	2007
Worthing	20 Apartments/Houses	BN11 1		10	10	20	Application	2007
Worthing	West Durrington	BN13 3		800		800	Under Construction	2008
Worthing	Eirene	BN11 5		10	127	137	Major Application	2008
Worthing	4-10 Charmandean Road	BN14 9	35			35	Major Application	2008
Worthing	Northbrook College - Union Place	BW1 1			74	74	Major Application	2008
Worthing	Union Place/Police Station site	BN1 1			103	103	Major Application	2008
Worthing	Station Gateway - Teville Gate	BN14 7		250		250	Masterplan	2009
Chichester	39 Flats	PO20 8			39	39	Approved	2006
Chichester	14 Flats & 9 Houses	PO19 6		9	14	23	Approved	2006
Chichester	South Walls, Stockbridge Road	PO19 8			90	90	Approved	2007
Chichester	N. Chichester, Graylingwell Hospital Site	PO19 6			300	300	Proposed	2009
Chichester	MOD Barracks, Broyle Road	PO19 5			300	300	Proposed	2009

Residential Development

- The table below shows the amount of additional spend which could be drawn to each town in 2016 through currently committed residential developments, broken down by retail sector.

Retail Category	Bognor Regis	Littlehampton	Selsey	Shoreham-by-Sea	Worthing	Chichester
Clothing & Footwear	£1,638,891	£572,695	£68,765	£16,544	£1,308,399	£2,774,266
House & Home	£557,364	£175,480	£23,281	£5,558	£428,952	£876,440
Leisure Goods	£1,337,847	£452,342	£56,348	£13,544	£1,060,925	£2,224,819
Personal Goods	£413,077	£139,969	£17,459	£4,200	£328,832	£685,344
Personal Care	£609,624	£210,275	£25,603	£6,156	£485,093	£1,021,298
Durable Goods	£1,727,761	£562,309	£72,557	£17,385	£1,350,272	£2,782,810
Comparison Goods Total	**£6,284,564**	**£2,113,070**	**£264,012**	**£63,387**	**£4,962,471**	**£10,364,977**
Convenience	£1,236,406	£456,487	£52,123	£12,574	£1,007,816	£2,213,077
Catering	£1,491,975	£542,747	£62,732	£15,140	£1,209,012	£2,586,906
Grand Total	**£9,012,946**	**£3,112,304**	**£378,868**	**£91,101**	**£7,179,299**	**£15,164,959**

- Chichester has the highest level of additional spend generated by known residential developments in the town at just over £10.3 million of Comparison Goods spend (at current prices), rising to £15.2 million when Convenience and Catering spend is included.
- Shoreham-by-Sea has the lowest level of additional spend from residential development, at just over £91,000 (at current prices), £63,000 of which is Comparison Goods spend.
- The proportional contribution this additional spend makes to each town’s overall catchment in 2016 is examined in the Future Market Summaries section.

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8. Occupier Suitability

Occupier Suitability

- This section explores the appropriateness of occupiers for each of the 6 towns in the analysis.
- For each UK multiple retailer, CACI have compared the typical portfolio characteristics with individual 5 Towns Network centres in order to determine suitability in terms of market potential and shopper ACORN correlation.
- A correlation coefficient close to 1 indicates a perfect match between a portfolio and the shopper profile while centres with coefficients of less than 0.7 begin to show noticeable differences.
- CACI classify the suitability of potential occupiers into 4 broad categories;
    - Very Strong
        - Occupier's typical catchment potential is smaller than the target town, is present in benchmark towns and there is a strong portfolio correlation (>.7) with target town shoppers.
    - Strong
        - Occupier's minimum catchment potential is smaller than the target town, is present in benchmark towns while there is a strong portfolio correlation (>.7) with target town shoppers.
    - Possible
        - Occupier's minimum catchment potential is smaller than the target town and is present in benchmark towns while there is a moderate portfolio correlation (>.3) with target town shoppers.
    - Unlikely
        - Occupier's minimum catchment potential is larger than the target town, occupier is not present in benchmark towns and there is only weak portfolio correlation (<.3) with target town shoppers

Multiple Retailer Requirements: Level of Demand

Retail Category	Bognor Regis	Littlehampton	Selsey	Shoreham-by-Sea	Worthing	Chichester	5 Towns Network
Clothing & Footwear	4	4	0	4	9	14	**35**
House & Home	1	1	0	1	1	2	**6**
Leisure Goods	2	2	0	0	4	2	**10**
Personal Goods	2	2	0	2	2	2	**10**
Personal Care	0	0	0	0	1	1	**2**
Durable Goods	5	1	0	1	3	1	**11**
Mixed Goods	3	2	0	0	4	5	**14**
Comparison Goods Total	**14**	**10**	**0**	**8**	**20**	**22**	**74**
Convenience	7	7	0	6	8	8	**36**
Catering	5	8	0	5	12	9	**39**
Grand Total	**26**	**25**	**0**	**19**	**40**	**39**	**149**

- To get an indication of retailer demand for units in each of the towns, CACI have undertaken a Retailer Requirements search on EGi (Estates Gazette web site) for each town, and collated current requirements.
- There is a strong demand from multiple retailers across the 5 Towns Network. There is an equally high demand for space in Worthing and Chichester. Bognor Regis and Littlehampton equally have the next level of demand, closely followed by Shoreham-by-Sea. Selsey is currently not sought after by multiple retailers.
- Only Chichester is attracting the interest of premium Clothing & Footwear retailers, such as Jaeger. The other towns are attracting interest from retailers such as The Officers Club and River Island.
- All towns are in demand by value supermarket chains such as Aldi, Spar and Morrisons. There is no recorded interest from dominant mass market supermarket chains Tesco and Sainsbury's, while premium supermarket chain Waitrose has expressed interest in all towns.
- Littlehampton is attracting interest from Catering retailers such as ASK, Papa John's and Pizza Express. This interest is not repeated in other towns. This would appear to reflect strong potential to strengthen Littlehampton's current catering offer.

Multiple Retailer Requirements: Relative Demand

Retail Category	Bognor Regis	Littlehampton	Selsey	Shoreham-by-Sea	Worthing	Chichester	5 Towns Network
Proportion within Comparison Goods							
Clothing & Footwear	29%	40%	-	50%	45%	64%	**47%**
House & Home	7%	10%	-	13%	5%	9%	**8%**
Leisure Goods	14%	20%	-	0%	20%	9%	**14%**
Personal Goods	14%	20%	-	25%	10%	9%	**14%**
Personal Care	0%	0%	-	0%	5%	5%	**3%**
Durable Goods	36%	10%	-	13%	15%	5%	**15%**
Mixed Goods	21%	20%	-	0%	20%	23%	**19%**
Proportion between Two Main Categories							
Comparison Goods	54%	40%	-	42%	50%	56%	**50%**
Convenience & Catering	46%	60%	-	58%	50%	44%	**24%**
Proportion across centres	**17%**	**17%**	**0%**	**13%**	**27%**	**26%**	**100%**

Source: EGi

- In Littlehampton and Shoreham-by-Sea there is relatively less demand from Comparison Goods retailers, and greater demand from Convenience & Catering retailers.
- The profile of demand from Comparison Goods retailers differs across centres.
- In Bognor Regis there is less demand from Clothing & Footwear retailers, with a higher demand from Durable Goods retailers.
- In Chichester there is a relatively strong demand from Clothing & Footwear retailers compared to demand from other types of retailers.

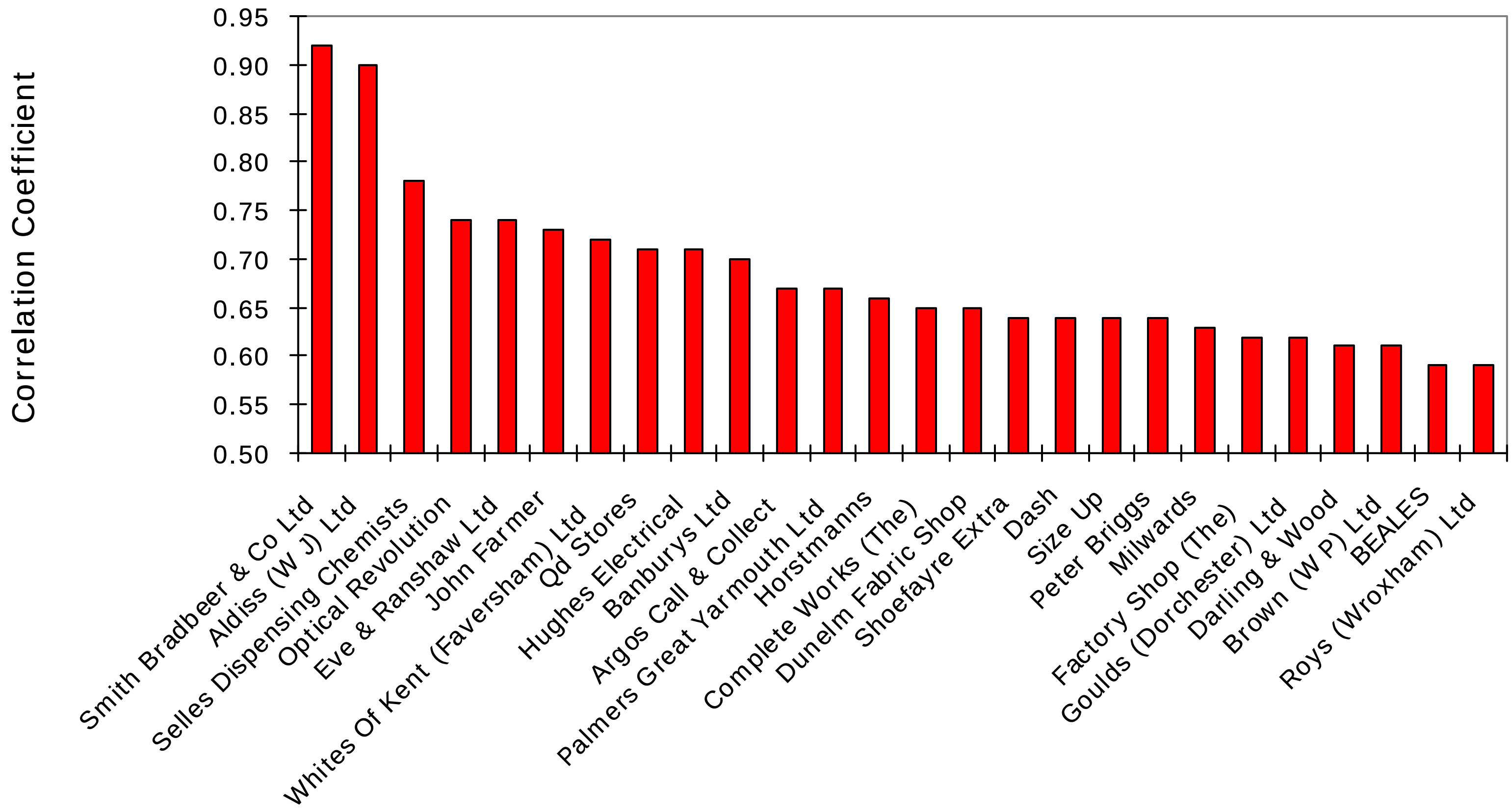
Selsey: Occupiers Selection Summary

- Existing occupiers with high/weak correlations to Selsey's shopper profile have not been analysed given that there are less than 10 existing multiple retailers present in the town.

	Premium	Mass	Value	Other	Total
Very Strong	0	0	0	0	0
Strong	0	2	1	5	8
Possible	2	61	21	87	171
Unlikely	177	302	98	739	1,316
Total	179	365	120	831	1,495

- CACI have compared the typical portfolio characteristics of UK multiple retailers with the profile of shoppers in Selsey in order to determine suitability in terms of market potential and shopper ACORN correlation.
- There are relatively few occupiers with either Very Strong or Strong correlations. Over 170 occupiers are classified as possible matches suggesting weak potential and significant challenges in attracting new multiple retailer occupiers.

Selsey: Potential Occupiers with High Correlations



- A correlation coefficient close to 1 indicates a perfect match between a portfolio and the shopper profile while centres with coefficients of less than 0.7 begin to show noticeable differences

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9. Future Market Summaries

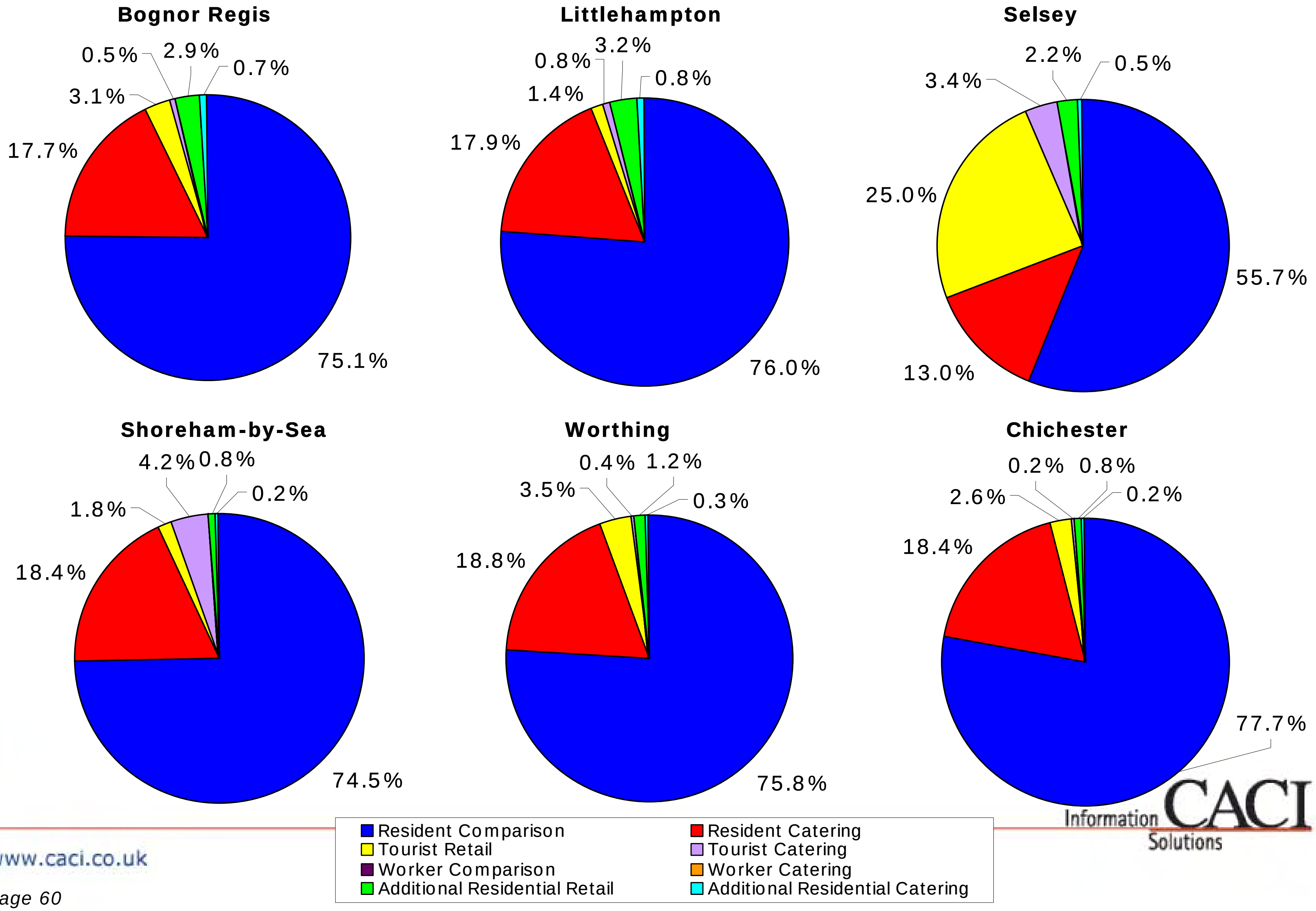
Future Market Summaries

- The methodologies employed in this study emphasise the importance of analysing several elements of spend, in addition to resident-based market potential; namely retail and catering spend derived from tourists and workers, and additional retail spend derived from new residential development.

- The following slides summarise the market position of each town in 2016, providing a breakdown of spend by each of the spend elements examined during the study.

- Where possible, figures for the town as at 2016 have been used in order to reflect changes to the towns as a result of development, both within the towns themselves and in competing centres.

Future Market Summaries: Total Spend Profiles - Unweighted



Future Market Summary: Selsey

Retail Spend Type	**£m (Current Prices)**	**% of Total**
Resident-based Comparison Goods Spend (2016)	£6.6	57.4%
Resident-based Catering Spend (2016)	£1.5	13.0%
Tourist Retail Spend in WRC (2006)	£3.0	26.1%
Tourist Catering Spend in WRC (2006)	£0.1	0.8%
Worker Comparison Goods Spend (2006)	£0.02	0.2%
Worker Catering Spend (2006)	£0.03	0.3%
Additional Residential Development Spend (2016)	£0.3	2.3%
Grand Total	**£11.5**	**100.0%**

- Even with the addition of tourist and worker retail and catering spend to resident market potential, as well as spend from additional residential development, Selsey's expenditure total still only amounts to £11.5 million.
- It is the only one of the six centres analysed where total spend is not dominated by resident-based Comparison Goods expenditure, which accounts for just over 57% of the total (£6.6 million).
- Resident-based catering spend accounts for 13% of the total (£1.5 million), but it is the large contribution made by tourist retail spend which marks Selsey out from the rest of the 5 Towns + Chichester. Tourist retail spend based on Selsey's small weighted retail catchment amounts to £3.0 million, or a substantial 26% of the total.
- This is a result of Selsey's popularity as a holiday destination, and the relatively high market share it achieves within the weighted retail catchment, due to its extremely small size and relatively isolated location.

Future Market Summary: Selsey

- The extremely small nature of Selsey's retail catchments and lack of employment opportunities in the town means it has a resident and worker profile biased towards a narrow range of lifestyle groups, predominantly Affluent Greys and Settled Suburbia.
- Taking tourist visitors into consideration gives more balance to the overall profile of those spending on retail goods in the town, the majority of tourist visitors falling into the Secure Families group. Given that tourist retail spend accounts for a greater proportion of total retail and catering spend in Selsey than any of the other towns, it is important to consider the tourist lifestyle profile when devising a local strategy for the town.

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10. Local Strategies

SWOT Analysis: Selsey

Strengths	**Weaknesses**
-High index of Affluent Greys -Large number of tourists balance out local lifestyle profile during the season -Nearby caravan park – Comfortably Off tourist visitors -Convenient, traditional, 'chocolate box' high street	-Isolated location, inaccessibility -Skewed lifestyle profile – Affluent Greys & Settled Suburbia -Proximity to Chichester, which dominates local retail provision -Tired shops, Value-oriented independents -Lack of tourist retail/catering provision
Opportunities	**Threats**
-Galleries, antiques and craft shops catering to the tourist market -Locate incubator independent retail units in town, with strong internet-based offer, thereby creating year-round 'cyber community' -Caravan park as an events venue during off-season? -Gastro pubs, cafés and tearooms; strengthen the B&B 'getaway' market -Improve connectivity to beach – bus? -Improve signage to beach	-Chichester's improved retail provision -Lack of multiple retailer demand

Retail Vision: 'Cyber Community' and Gastro Secret

Local Strategies: Selsey

- As the smallest of the 5 Towns, the combined resident, worker and tourist retail and catering market potential of Selsey is forecast to be worth just £11.5 million in 2016 (at current prices).
- The composition of this total spend in Selsey differs to that in the other towns; the high numbers of tourist visitors relative to residents mean that tourist retail and catering expenditure accounts for almost 27% of the total, a far greater proportion than in the rest of the towns.
- The town has few multiple retailers and a very small retail catchment. 80% of retail units in the town are independent rather than multiple.
- Selsey's market share of the core and total catchments declines by 0.7% over 2006-2016 period, primarily as a result of increased competition from Chichester following completion of the Shippam's Site development. The relatively isolated location of the town means that it retains a relatively high market share, but over a very limited area.
- As a result of its small catchment size, Selsey's shopper profile is dominated by two ACORN groups; Affluent Greys and Settled Suburbia. The influx of tourists provides a challenge for local retailers, given the divergence of the tourists' lifestyle profile from the skewed local profile.
- Analysis of market coverage by retail category indicates that the Mixed Goods and Leisure categories are particularly under-provided relative to similar towns. Given the importance of tourists to Selsey, a focus on provision of appropriate leisure and catering facilities is key.
- A more upscale offer and dilution of the value based clothing offer would build on the town's attractive environment and make Selsey more appealing to more affluent visitors. However, the lack of current multiple retailer requirements for the town and lack of strong matches for suitable occupiers presents a challenge for the town.

Local Strategies: Selsey

- At present, tourists are not being provided for in Selsey's retail or catering offer. There is an opportunity to capture far more of this market by improving the retail offer to include art galleries, antiques and craft shops.
- Locating incubator independent retail units in the town will help to diversify retail provision and grow successful retailers from within the town. These retailers should be encouraged to have a strong internet-based offer in order to sustain trade year-round – grants/incentives to assist with website set-up would help to promote this – thereby creating a 'cyber community'.
- There are a handful of good quality independent catering units (mainly cafés) already operating in Selsey, but the catering offer needs significant improvement in order to capture more of the large tourist market e.g. cafés, tearooms and gastro pubs.
- A strengthened catering offer, including some high quality gastro pubs/restaurants, could be used to promote Selsey as a 'gastro secret' – one of the south coast's best kept secrets with regionally renowned catering destinations in an attractive environment.
- This would also help to improve the attraction of Selsey as a B&B 'getaway' destination for tourists, in addition to the caravan park, and strengthen the town's night time leisure offer.
- Seasonality of trade could be reduced by using the caravan park as an events venue during the off-season.
- Connectivity and signage from the town centre to the beach needs to be improved, perhaps with a bus service between the two during peak season.

Retail Vision: 'Cyber Community' and Gastro Secret

5 Town Network & Chichester

Strategy & Sustainable Opportunities

11. Strategic Conclusions

Strategic Conclusions

- The 5 Towns generally have an older mid market shopper profile. Typically these groups tend to spend less on fashion, which is increasingly focused in the UK's largest towns and cities.
- CACI's analysis of occupier demand identifies a lack of interest in the smaller 5 Towns as a result of the particular bias in lifestyle profile for most multiple retailers - except Value retailers.
- The retail offer in the smaller 5 Towns has a strong Value bias. The larger towns are more mid market and Chichester has a strong premium offer. It is important that the decline of Bognor is addressed with a more mid market offer (with a sprinkling of more up scale occupiers) in order to encourage visitors from outside the town.
- Generally speaking, tourists visiting the 5 Towns have a broader and more upscale profile. However the offer presented to visitors is distinctly middle and lower scale. Tourists need improved catering facilities and a variety of opportunities. The smaller towns can build upon their attractive environment and establish a more upscale tourist offer comprising better catering facilities, galleries, craft shops and obvious tourist attractions such as local museums.
- Generally, there is a need to develop a more balanced lifestyle profile in order to improve local trading performance and create year-round opportunities for new occupiers. Shoreham is already attracting young professionals thanks to its rail links and proximity to Brighton.
- However, the other towns in the Network should aim to widen the profile of residents through attracting other groups such as Wealthy Achievers. It is important to ensure that current and future residential developments are appropriate to attract these lifestyles into the area.
- The 5 Town Network has an important role to play in the regeneration of the towns, in terms of marketing the towns appropriately and enabling the towns to act as one town, or one destination.

Strategic Conclusions

- The 5 Town Network can help to 'sell' the 5 Towns, to residents, workers and tourists, by promoting the following:
  - Accessibility – promote train links to London and road links between the towns
  - Independent retailers – 'incubator' environment and diversity of retail offer
  - Tourist experience – seaside experience, coastal heritage, galleries & craft shops, café culture
  - Public realm – public spaces as focal points for the towns, and locations for events to invigorate the retail environment year-round
  - Leisure facilities
    - restaurants, bars, cafés
    - children's facilities e.g. play parks, soft play centres; a great family day out
    - leisure facilities for rain or shine e.g. cinema, bowling, play centres, theatre, local museums
  - Ease of use & accessibility within the towns – improve connectivity between town centre and beach by using marketing tools (e.g. on parking tickets), signage and wayfinding
  - Linked trips – 5 Towns as one; car parking 'smart card' could be used as an incentive (one ticket to be used in all 5 Towns)