CONTENT

Executive Summary

This survey of shoppers to Southampton over the Christmas and January Sales period was commissioned by Southampton City Council and carried out by Tourism South East between November 2007 and January 2008.

- The vast majority of shoppers (94%) were found to be visiting the City for the day. (This included those living in Southampton and those living outside Southampton but who were visiting for the day.) The remaining 6% of shoppers were non-residents on holiday or visiting friends/relatives.

- Overall, respondents were fairly evenly distributed between the age categories, but with the highest proportion of visitors falling into the 35 – 44, 45 – 54 and 55 – 64 age categories.

- Seventy-one percent of all respondents were female and only 29% were male.

- Fifty-five percent of respondents fell into the most affluent 'ABC1' socio-economic group.

- The most common composition of groups consisted of two adults (43%).

- Christmas shopping was the main reason for 86% of all trips to Southampton.

- Forty-one percent of all shoppers (the majority being day visitors) stated the main reason for shopping in Southampton was due to the range of shops available. A further 40% of all shoppers stated that the main reason for choosing to shop in Southampton was simply its convenience.

- Sixty percent of day visitors spent on average of 3 -4 hours shopping and 45% of staying visitors spent on average 5 – 6 hours shopping in Southampton.

- Almost three quarters (71.8%) of all visitors did not use any information source prior to their trip; however 45% of staying visitors received information from family members, friends and colleagues.

- Fifty-six percent of all visitors had considered shopping elsewhere, with Portsmouth, Bournemouth and London being the most popular.

- The average expenditure per person among all shoppers to Southampton on eating out, shopping, entertainment, travel and other was £82.84.

- Based on the average spend per head figure, it is estimated that approximately £524,222,642 was generated by Christmas and post-Christmas/January sales shoppers.

- With the addition of multipliers, it is estimated that the direct, indirect and induced economic value of Christmas shopping to the local economy was around £733,911,699 and sustained approximately 18,211 FTE jobs, primarily in the retail and catering sectors.

1. Introduction

1.1 Study purpose and objectives

"Christmas is a significant economic event, impacting growth, employment, spending, personal debt and consumer confidence. Many businesses rely on the Christmas period to generate a substantial proportion of their annual turnover" (London Chamber of Commerce and Industry, 2005)[1].

Christmas is typically the largest annual economic stimulus for the economies of celebrating Christian nations. Sales increase dramatically in almost all retail areas, as people purchase gifts, decorations, and supplies for parties and for visiting guests whilst the run-up of Christmas offers a boost to the takings of hospitality businesses through the office Christmas party season. The economic aspects of Christmas continue after the holiday, with Christmas sales and New Year's sales, when stores sell off goods that were not sold before Christmas.

To assist Southampton City Council and the City's Town Centre Management assess the relative importance of the Christmas period to the city centre business community, TSE Research was commissioned by Southampton City Council to undertake a piece of research into the seasonal Christmas and January Sales shopping market. The overall purpose of the study was to assess the economic impact of the period to the local economy in terms of shopper's expenditure.

- Identify main purpose for visiting Southampton City Centre
- Assess relative importance of Christmas shopping compared to other purposes of trip
- Identify competitor Shopping destinations
- Establish average expenditure on Christmas shopping per shopper

It is important to note from the outset that the study can only provide insights into one aspect of the Christmas economy, that is ascertaining the value of Christmas from interviews with a random sample of consumers to find out how much they have spent and what they have spent their money on. A fuller picture of the Christmas economy requires an assessment of total business turnover over this period by sector as well as a study of the late night economy and the hospitality and tourism sector.

[1] *London's Christmas Economy: A Business Perspective on the Retail and Hospitality Sectors', December 2005. A study carried out by the London Chamber of Commerce and Industry based on a telephone survey with 50 London businesses.*

1.2 Research methodology

In total 397 adult shoppers were randomly interviewed at key locations around Southampton City Centre over the months of November, December (2007) and January (2008).

Response rates for each survey contact base are shown in Table (i).

Table (i): Response rates

Outside Primark	171	43%
Outside West Quay	185	47%
Outside Virgin Megastore	24	6%
Outside The Mall (previously called Marlands)	17	4%
Total	397	100%

Shoppers were asked about the following:

- The purpose of their shopping trip that day;
- What made them choose Southampton to do their Christmas shopping/ January sales shopping
- What sources of information influenced them to shop in Southampton for their Christmas/ January sales shopping
- Whether they considered doing their Christmas shopping/January sales shopping elsewhere, and if so where
- An estimate of the amount of money they had spent or planned to spent on their shopping

2. Survey results

2.1 Type of trip

Of the total shoppers who were surveyed 94% were day visitors from home, the vast majority of which were local residents. Only 23 people (6%) confirmed they were staying overnight.

When asked to describe their visit to Southampton, 90.1% replied that they were visiting Southampton specifically on a special shopping trip. A much smaller proportion replied (2.4% of all shoppers) that were on a regular, general shopping trip and the other 7.5% replied that they were either shopping whilst visiting Southampton for other reasons, or out in Southampton town for Christmas meals.

Table 1: Reason for visiting Southampton

What describes your visit to the town						
	Base		Day visitors		Staying visitors	
	373		351		22	
Special shopping trip (non-regular)	336	90.1%	318	90.6%	18	81.8%
Shopping trip (household/ regular shopping)	9	2.4%	9	2.6%		
Shopping whilst on work break	4	1.1%	4	1.1%		
Shopping whilst seeing friends/ relatives	15	4.0%	12	3.4%	3	13.6%
Shopping whilst here on business	1	0.3%	1	0.3%		
Shopping whilst here on holiday	3	0.8%	2	0.6%	1	4.5%
Shopping whilst here for event/ special occasion	1	0.3%	1	0.3%		
Christmas meal with work colleagues						
Christmas meal with friends/ family other	3	0.8%	3	0.9%		
Shopping whilst here for other reason	1	0.3%	1	0.3%		

2.2 Profile of visitor

2.2.1 Group size and composition

The age group 45 – 54 contained the highest proportion of shoppers (19%). However this was only two percent above the age group 35 – 44 (17%) and three percent above the age group 16 – 24. The highest proportion of females however fell within the group 35 – 44 (19%). The highest for the males was 45 – 54 and 55 – 64 (both with 18%). Children only made up 11% of total visitors. There were clearly more females shopping than males. 71% of all visitors were female and only 29% male.

Table 2: Age of visitors

	Female		Male		Total	
Children (0-15)	46	9%	38	17%	84	11%
Adults (16-24)	92	18%	20	9%	112	15%
Adults (25-34)	62	12%	26	12%	88	12%
Adults (35-44)	93	19%	30	14%	123	17%
Adults (45-54)	92	18%	43	18%	135	19%
Adults (55-64)	79	15%	39	18%	118	16%
Adults (65-74)	37	7%	19	9%	56	8%
Adults (75+)	11	2%	6	3%	17	2%
Total	512	100%	221	100%	733	100%

A group of two adults was the most common composition that was shopping in Southampton (43.2%). 31.9% of total visitors were adults shopping alone. Only 17.6% of the group compositions contained one child or more.

Table 3: Composition of visitors

Base	382	
One adult	122	31.9%
Two adults	165	43.2%
Three or more adults	19	5.0%
Four adults	5	1.3%
Five or more adults	4	1.0%
One adult plus one child	13	3.4%
One adult plus two or more children	5	1.3%
Two adult plus one child	23	6.0%
Two adults plus two or more children	12	3.1%
Three adults plus one child	4	1.0%
Three adults plus two or more children	5	1.3%
Four or more adults plus one or more children	5	1.3%

2.2.2 Socio-economic status

Based on the occupation of their household's highest earner, 20% of all shoppers fell into the affluent 'AB' socio-economic group (higher and intermediate managerial or professional occupations). A further 35% were 'C1s' (clerical or supervisory and all other 'white collar' occupations).

Over a third of all shoppers (32%) fell into the skilled manual worker category (C2) and 13% were in the lowest 'DE' group (unskilled manual work or unemployed)

Table 4: Socio-economic status

Socio-economic group						
	Base		Visitor type			
			Day visitors from home		Staying visitors	
	342		323		19	
AB	68	20%	64	20%	4	21%
C1	119	35%	109	34%	10	53%
C2	111	32%	107	33%	4	21%
DE	44	13%	43	13%	1	5%

2.3 Trip characteristics

2.3.1 Main purpose of trip

All shoppers were asked about the main purpose of their shopping visit to Southampton on the day they were interviewed. However they were initially asked whether they would actually be purchasing any goods and services on the day. All but 2 shoppers stated they would be making a purchase of some kind.

Table 5: Purchasing goods and services

Will you be purchasing goods & services today						
			Day visitors from home		Staying visitors	
	397		374		23	
Yes	395	99.5%	372	99.5%	23	100.00%
No	2	0.5%	2	0.5%		

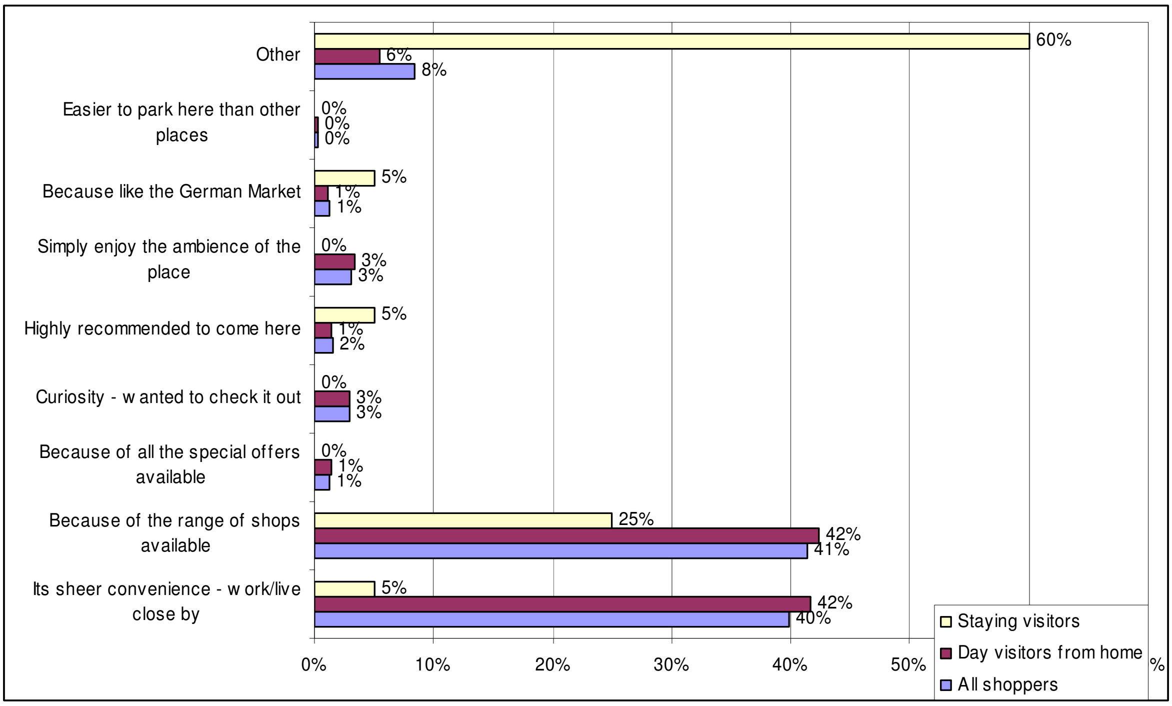
Christmas shopping (for gifts, food & beverages, clothes, decorations etc) was clearly the main purpose for the majority of people's shopping trip to Southampton accounting for 86% of shoppers. General household shopping (routine groceries, routine lunch, paying bills etc) was the reason for only 3% of all shoppers. 1% of shoppers were shopping for other special shopping (weddings, special events, other celebrations etc) and 10% were post Christmas only (January sales).

Table 6: Main purpose of trip

What is the main purpose of your shopping today?						
			Day visitors		Staying visitors	
	396		373		23	
Christmas shopping	343	86%	330	89%	13	57%
General household shopping	10	3%	9	2%	1	4%
Other special shopping	5	1%	3	1%	2	9%
POST CHRISTMAS ONLY January sale	38	10%	31	8%	7	30%

Christmas shopping was the main purpose for 89% of day visitors but only 57% of staying visitors. Nearly a third (30%) of staying visitors were post Christmas shopping in the January sales compared to 8% of day visitors from home. Less than 14% of both day visitors and staying visitors were shopping generally or for other special occasions both before and after Christmas.

Graph 1: Reasons for shopping in Southampton



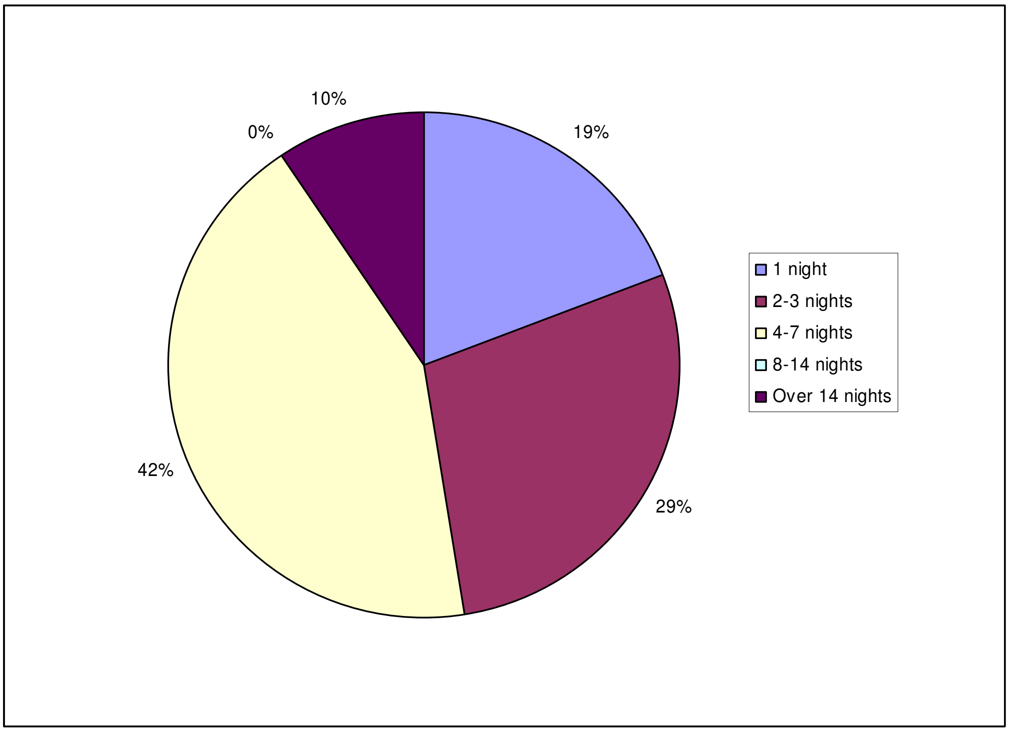
Forty-one percent of all shoppers (the majority being day visitors) stated the main reason for shopping in Southampton was due to the range of shops available. A further 40% of all shoppers stated that the main reason for choosing to shop in Southampton was simply its convenience. Although a quarter of staying visitors were shopping in Southampton due to range of shops available (25%), 60% stated there were other reasons for their shopping that day. Most replied that they had taken the opportunity to do some Christmas shopping whilst either on holiday or seeing friends/relatives in Southampton.

Overall 6% of shoppers stated that they chose to shop in Southampton for 'other' reasons not listed on the showcard. For most shoppers other reasons included combining a shopping trip with seeing friends/family who live in Southampton or that they were visiting because a specific shop they wanted to visit is located in the City.

The 'other' reasons for visiting Southampton were very different between the day visitors and the staying visitors. A fifth (20%) of day visitors were on a coach trip to Southampton or were near enough to travel into Southampton for the day especially to come to Primark (26.7%). Most of the staying visitors were shopping in Southampton because they were on staying in Southampton either on holiday or visiting family (66.6%).

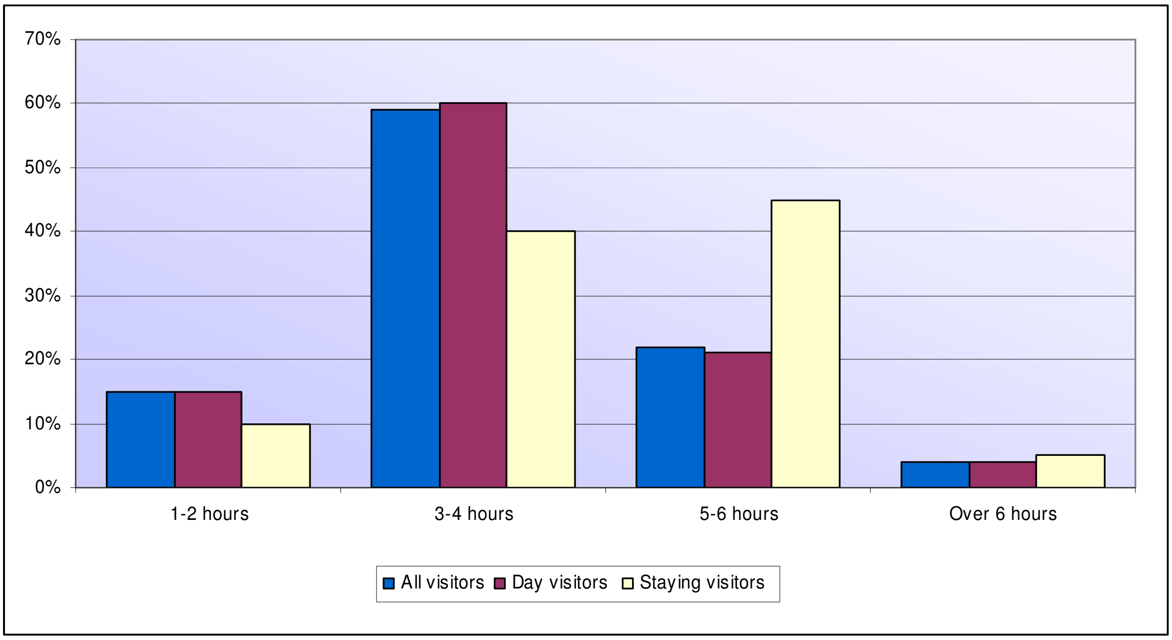
2.3.2 Length of stay

Graph 2: length of stay by staying visitors in Southampton



90% of staying visitors spent up to a week staying in Southampton. The majority of visitors (42%) spent 4 – 5 nights and 29% spent 2 – 3 nights. 10% spent over two weeks in Southampton.

Graph 3: Hours spent shopping



Eighty-one percent of all shoppers spent 3 – 6 hours shopping in Southampton. Of this, 59% shopped for 3 – 4 hours and 22% shopped for 5 – 6 hours. The majority of day visitors (60%) spent 3 – 4 hours where as the majority of staying visitors spent longer shopping with 50% spending over 5 hours. Only 15% of all visitors spent less than 2 hours shopping.

2.3.3 Information sources used

Shoppers were presented with a list of sources of information and asked whether any had influenced them to visit Southampton, especially for shopping. As shown in Table 7, almost three quarters of all visitors did not use any information source prior to their trip. Day visitors were more likely than staying visitors to have used no information prior to their trip however even 30% of staying visitors did not use any information (compared to 74% of day visitor). 14% of all visitors stated a TV advert attracted them to visit Southampton. Forty-five percent of staying visitors used family/friends/colleagues as sources of information to plan their trip.

Table 7: Sources of information used to influence trip – by visitor type

Did any of the following information influence you to come here today						
			Day visitors from home		Staying visitors	
	355		335		20	
Leaflets/brochures	2	0.6%	1	0.3%	1	5%
Posters	5	1.4%	5	1.5%		
Newspaper/magazine adverts	5	1.4%	5	1.5%		
Newspaper article/magazine feature	5	1.4%	5	1.5%		
Radio advert	2	0.6%	2	0.6%		
Radio programme	1	0.3%	1	0.3%		
TV advert	50	14.1%	47	14.0%	3	15%
TV programme	4	1.1%	4	1.2%		
Website or web advertisement	4	1.1%	3	0.9%	1	5%
Travel agent	1	0.3%			1	5%
Family/friends/colleagues	51	14.4%	42	12.5%	9	45%
Used no information	255	71.8%	249	74.3%	6	30%
Other	17	4.8%	15	4.5%	2	10%

The 4.8% who stated that other sources influenced their decision to come to Southampton mentioned that it had been recommended (13%), they knew the area (either from local knowledge or having used to live in Southampton – 18%), live nearby (6%), have visited before (25%), were on a coach trip (6%) or saw a sign on holiday (6%).

2.4 Places considered elsewhere

All shoppers were asked whether they had considered going anywhere else other than Southampton to go shopping.

Fifty-six percent of all shoppers considered doing their shopping elsewhere. A higher percentage of staying visitors considered shopping elsewhere (60% compared with 56% of day visitors). This would be explained by the sheer convenience of local shopping that influenced many day visitors. Table 9 shows some of the areas that visitors suggested they were also considering to visit for shopping.

Table 8: Other places considered

Where else did you consider or been Xmas shopping or January sales?						
			Day visitors		Staying visitors	
	208		197		11	
Portsmouth	51	24.5%	50	25.4%	1	9.1%
Bournemouth	27	13.0%	27	13.7%		
Poole	6	2.9%	6	3.0%		
Guildford	5	2.4%	5	2.5%		
Chichester	8	3.8%	8	4.1%		
Salisbury	29	13.9%	28	14.2%	1	9.1%
Basingstoke	10	4.8%	10	5.1%		
Central London	14	6.7%	12	6.1%	2	18.2%
Winchester	30	14.4%	29	14.7%	1	9.1%
Reading	3	1.4%	3	1.5%		
Fareham	33	15.9%	33	16.8%		
Eastleigh	25	12.0%	25	12.7%		
Andover	1	0.5%	1	0.5%		
Isle of Wight	7	3.4%	7	3.6%		
Other	67	32.2%	61	31.0%	6	54.5%

In addition to the places mentioned in Table 8 some other cities and towns not listed in the interviewer showcard were also suggested as places respondents had considered visiting for shopping. These included Bath, Bristol, Swindon, Romsey, Oxford, Lymington and Gosport. A few international cities were mentioned including New York, Paris and Singapore and some said that had considered buying mainly online.

3. Economic Impact Assessment

Christmas has a very significant impact on retail activity in the town and city centres across the UK in terms of expenditure and income, employment generation, and supply chain linkages. In this section of the report, we attempt to quantify how much shoppers spend over the festive period in Southampton city centre.

3.1 Direct impacts

Expenditure data was gathered from all shoppers. Shoppers were asked to estimate how much they would be spending in total during their shopping trip to Southampton City Centre.

The average expenditure per person among all shoppers to Southampton on eating out, shopping, entertainment, travel and other was £176.63 per group and £ 82.84 per person.

Table 10: Average spend by Christmas shopper

	Base	Average spend per group	Average spend per person	
Eating and drinking	312	£14.04	£6.38	8%
Retail	363	£152.08	£71.74	86%
Transport	340	£5.56	£2.53	3%
Entertainment	279	£1.65	£0.73	1%
Other	339	£3.28	£1.47	2%
Total average amount		£176.63	£82.84	

Shoppers spent the largest amount of money on retail purchases, estimated to be about £71.74 per person.

To estimate total Christmas expenditure in the City Centre footfall data for the main shopping malls in Southampton was obtained. The major shopping centres reported that approximately 7.3 million shoppers visited over the months of November and December 2007 and January 2008.

Table 11: City Centre Retail Footfall

November 2007	2,364,902
December 2007	3,242,742
January 2008	1,750,415
Total shoppers	7,358,059

Source: Town Centre Manager

An estimate of total expenditure can be calculated by simply multiplying total footfall with average spend per head per trip. However first of all we need to deduct from our calculations that proportion of shopping trips which was not specifically for

Christmas shopping. The survey found that 86% of all shoppers were Christmas shopping, 14% were shopping for other purposes

Based on this finding, it is estimated that out of the total of 7,358,059 shoppers, approximately 6,327,931 were Christmas shoppers.

Based on the average spend per head figure, it is estimated that approximately £524,222,642 was generated through purchases made by Christmas and post-Christmas/January sales shoppers.

Table 12: Expenditure over Festive season

	Estimated no. of Christmas shoppers	Estimated total spend by month
November 2007	2,033,816	£ 168,486,713
December 2007	2,788,758	£ 231,028,153
January 2008	1,505,357	£ 124,707,776
Total gross expenditure	6,327,931	£ 524,222,642

To establish the numbers of FTE jobs supported by visitor expenditure, turnover per job figures have been drawn from standard economic impact studies. On average £40,300 is required to support each FTE job.

Drawing on the above figures, it is estimated that visitor expenditure associated directly with Christmas shopping helped to sustain 13,000 FTE jobs in the City.

2.3 Indirect/Induced impacts

In addition to the direct economic impacts, the spending of Christmas shopper has a range of indirect and induced effects on the local economy.

An indirect multiplier is associated with the purchases on supplies from other local businesses by firms deriving part or their entire turnover from the direct expenditure of Christmas shoppers.

An induced effect is associated with the local expenditure of those deriving their salaries from businesses whose turnover results directly or indirectly from the expenditure generated through Christmas shopping.

To calculate the indirect impact, total shopping expenditure is multiplied by a factor of 1.30. This multiplier was devised by English Partnerships and indicates levels of further economic activity associated with the creation of local income and local supplier purchases. Thus every £1 of direct expenditure will result in a further expenditure of £0.30 pence down the supply chain. Using this approach approximately an extra £157,266,792 is generated.

The induced multiplier is estimated at 1.10 for the local economy. Thus every £1 of direct expenditure will result in further expenditure of £0.10 pence down the spending chain. Using this multiplier an extra £52,422,264 is generated.

On the basis of the estimated direct expenditure associated with the exhibition and these multipliers, the projections of indirect and induced economic benefit associated with the exhibition are presented in the table below.

Table 13: Indirect/induced economic benefits

Type Of Economic Benefit	Estimate Direct Expenditure	Economic	Additional Economic Benefit
	(£)	Multiplier	(£)
Direct	£524,222,642		
Indirect		1.3	£ 157,266,792
Induced		1.1	£ 52,422,264
Total (direct/indirect/induced) expenditure			£733,911,699
Total FTE jobs sustained			18,211

On the basis of these assumptions it is estimated that the total direct, indirect and induced economic value of Christmas shopping to the local economy, was around £733,911,699 and sustained approximately 18,211 FTE jobs, primarily in the retail and catering sectors.