

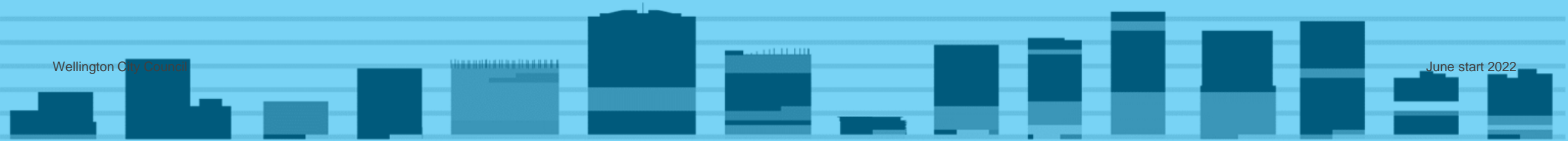
A photograph of a person sitting on a modern wooden bench in an outdoor urban setting. The bench is made of light-colored wood and is positioned against a wall of reddish-brown brick. The person is wearing a dark jacket and is looking down at something in their hands. The ground is paved with grey and white tiles. The overall scene is well-lit, suggesting daytime.

# **Johnsonville: analysis of merchant spend**

**For the local Business Improvement District**

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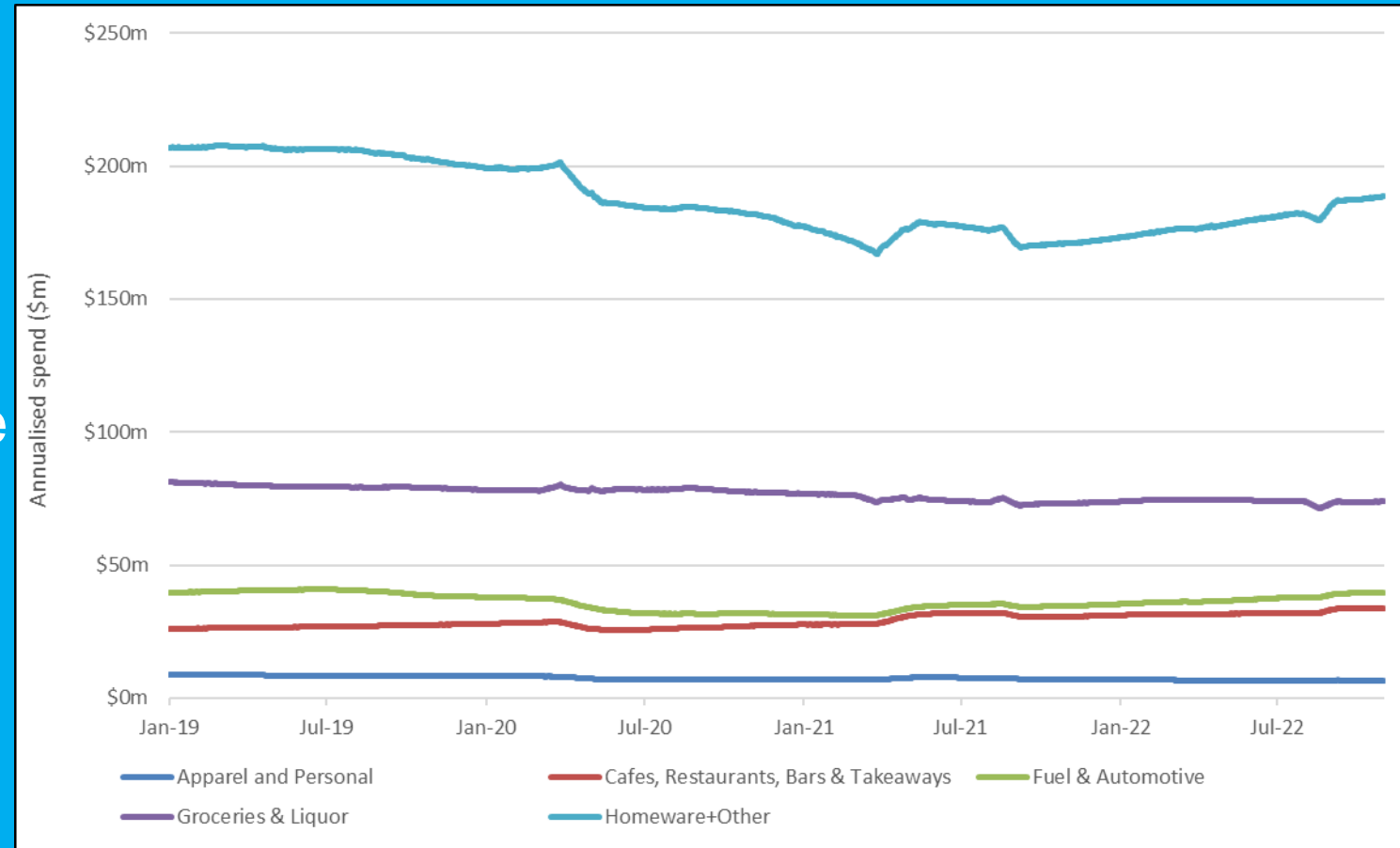


# Johnsonville: Overview commentary

- Johnsonville like other suburban centres benefited from a buoyant economy, working from home and a supportive community.
- However rising interest rates and inflation is likely to change the consumer mood. Consumer destinations and businesses need to work smarter, understand their audiences more closely and be adaptive to customer needs.
- Johnsonville is the largest and most significant urban centre in Wellington outside of the Central City and is recognised, hieratically, as a metropolitan centre.
- Johnsonville needs to better understand the needs of these consumers and deliver a compelling proposition of range, experience and convenience to earn their support.

# Annualised spend by category

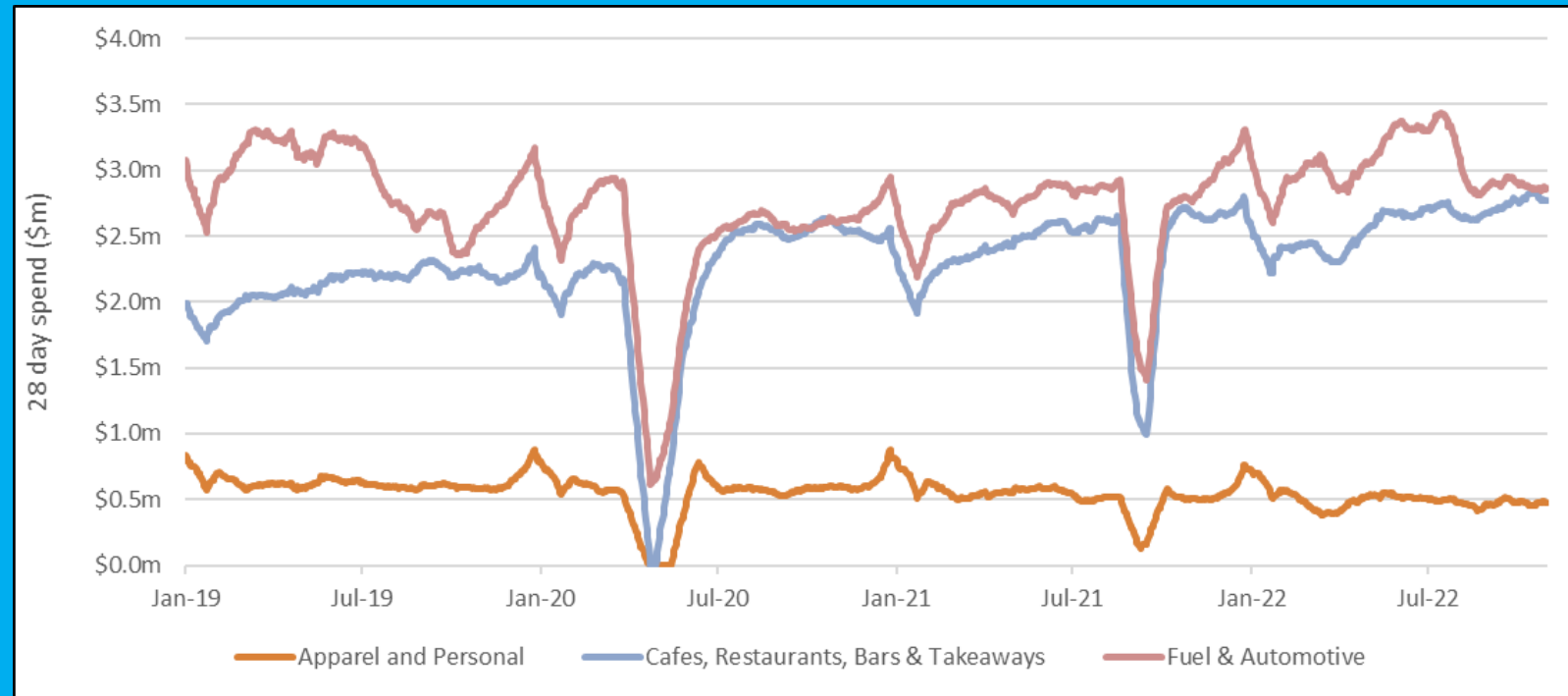
- Homeware dominate
  - Ngauranga gorge
- Essentials follow
  - Groceries losing market share
  - Fuel growing
- Hospo growing



Source: MarketView

# 'Monthly' spend by 'minor' categories

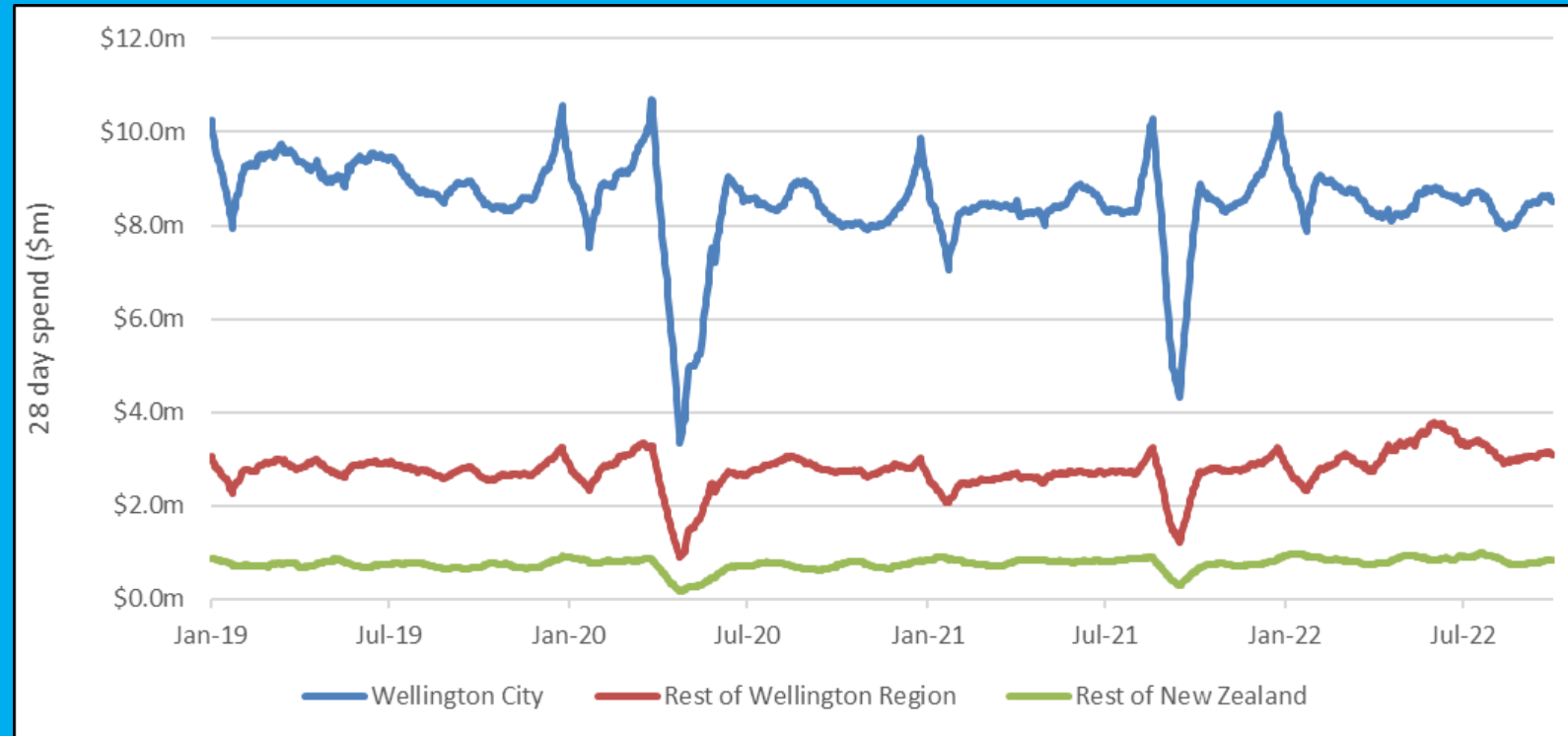
- Hospo
  - Grew by almost 50%
- Fuel
  - Losing market share (slightly)
- Apparel
  - Slowly declining



Source: MarketView

## Customer origin spend

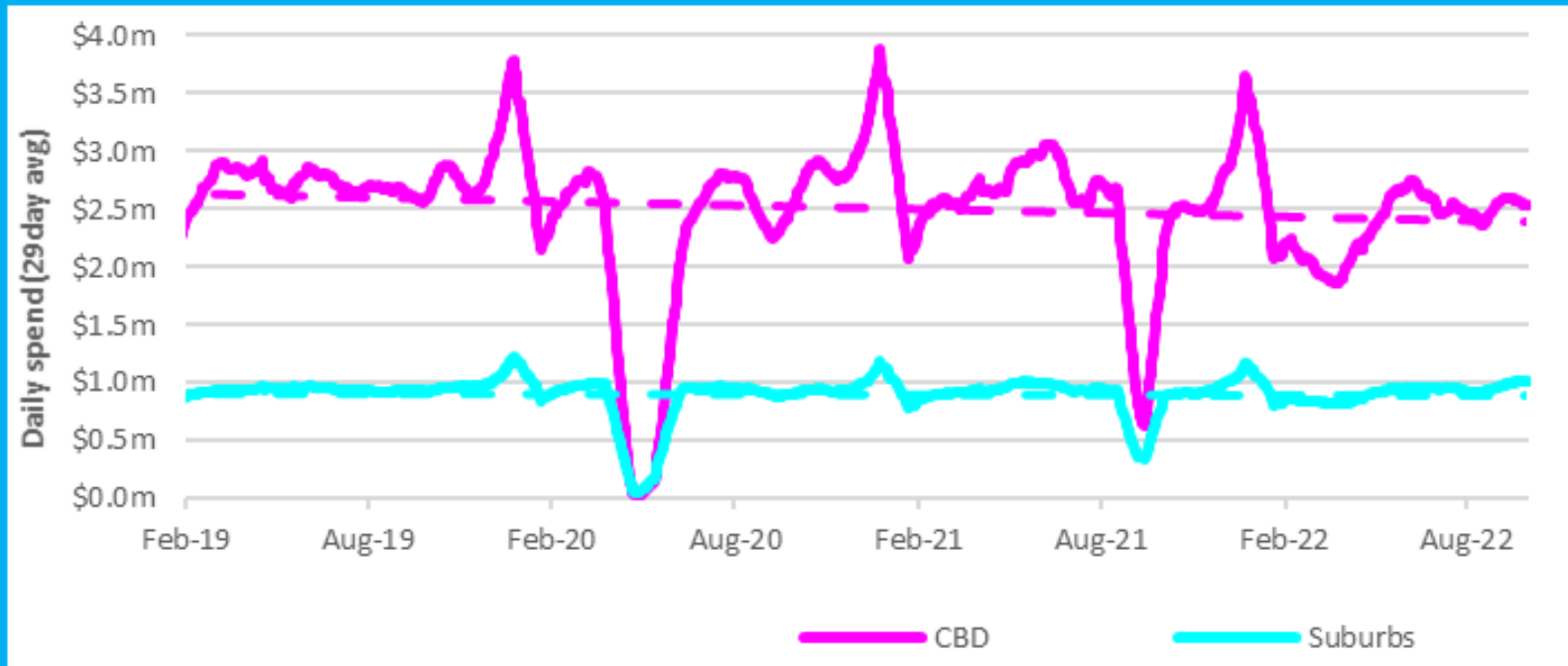
- City residents
  - Declining slowly
  - Influence of Working from home making fewer car trips into CBD?
- Rest of Wellington
  - Growing slowly
- Visitors
  - Minor and constant



Source: MarketView

# Context City wide for retail and hospo spend

- CBD declines
  - Note Christmas peaks
- Decline attributed to combination of
  - Working from home
  - Fewer visitors
  - Earthquake damage
  - COVID-19 business failure
  - Urban decay as high needs people move into the 'vacuum' left as fewer people are around
- Suburbs stable
  - Beneficiary of the above

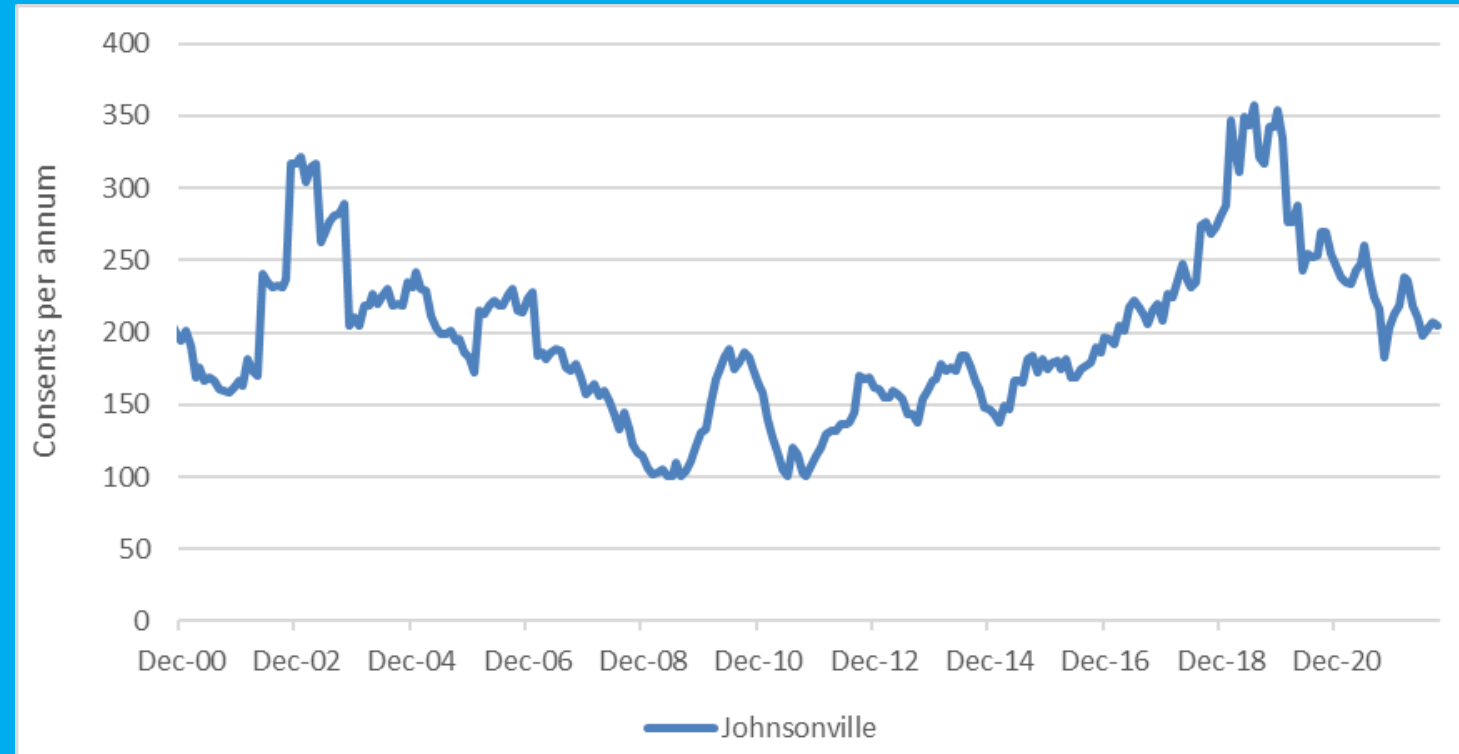


Source: MarketView



# Residential building consents

- Declining from a peak
  - Greenfield subdivisions that have fuelled this activity are more expensive due to new rules and facing competition

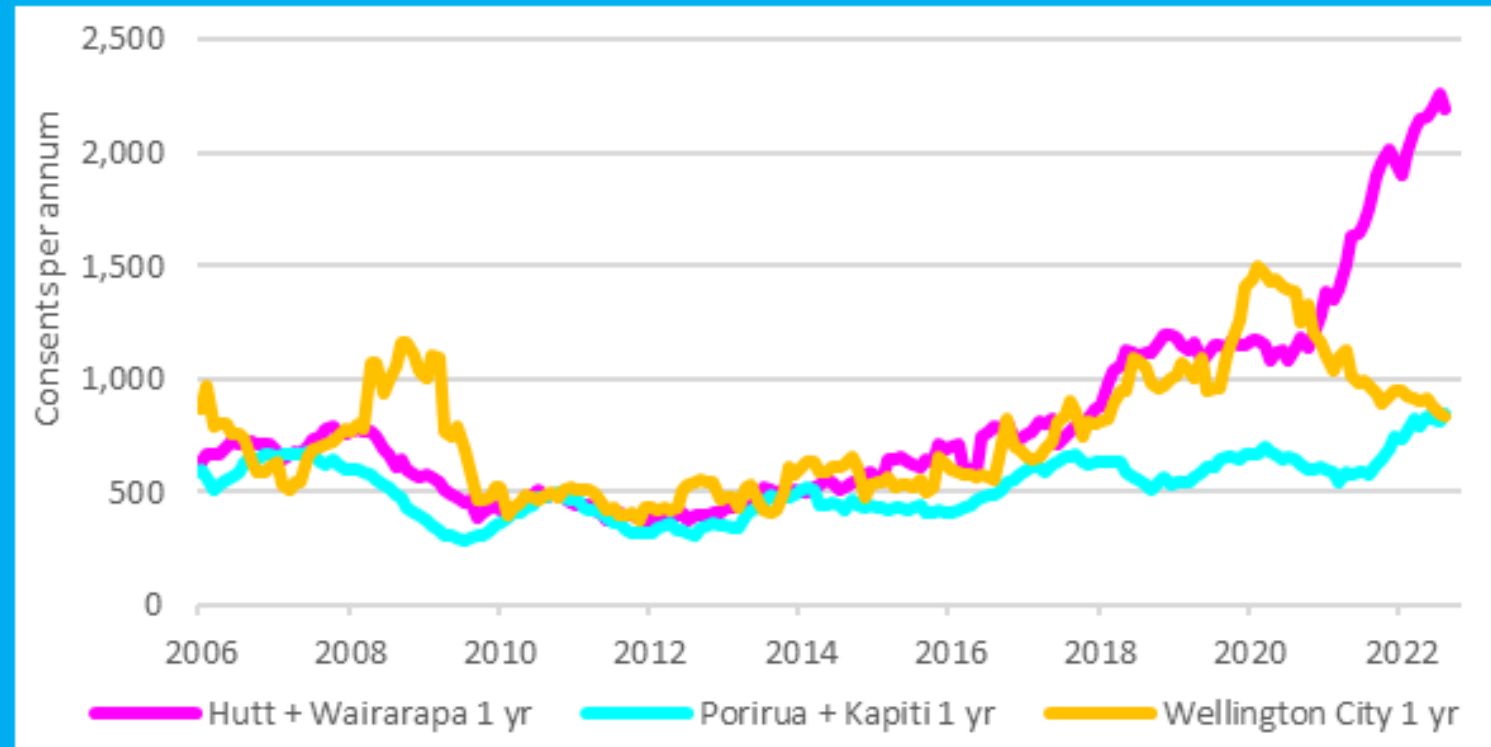


Source: StatsNZ



# Residential building consents: Region wide context

- Hutt + Wairarapa dominate
  - More 'affordable' housing
  - Flat land and simple buildings
- Porirua rising
  - Ngati Toa and Kainga Ora make progress
  - Greenfields plus Brownfields
- Wellington City declines
  - Expensive to build compared to Hutt/Porirua
    - Land expensive, seismic costs, large projects risky
  - Will the growth that Johnsonville has historically enjoyed with Greenfield developments start to slow?



Source: StatsNZ

# Summary: BID issues to think about

- Urban intensification
  - How will urban intensification and medium density developments affect Johnsonville
  - The new BID will Create attraction and decision-supporting information to attract tenants & investment
  - Align Business objectives with Council strategy.
  - Develop greater insight into the needs and expectations of residents & consumer