



ESSENTIAL TRENDS

BID MARKET INTELLIGENCE

ISSUE 11 AUGUST 2011





Introduction

Welcome to the eleventh issue of Essential Trends. It contains some pretty good news regarding footfall in the city centre and although the sales turnover figures look positive I am aware that this will vary from business to business and for many trading is still difficult.

As we publish, the future of the Trams is the big discussion point. We at Essential Edinburgh were championing hard the case for more support for business through the remaining disruption to Princes Street and St Andrew Square. With the Council decision to end at Haymarket coming as a surprise, we are now in discussion with them to fully understand all the implications for businesses in the BID and to lobby hard for the best outcome for them.

As we mentioned in last month's issue, we are investigating how we can get better procurement deals for every BID business and are currently in discussions with Meercat Associates, procurement experts. A representative from Meercat Associates is currently contacting all BID businesses to discuss your current waste and recycling arrangements and understand any issues you may have. Our objective is to save money for all of our members, while improving our environmental impact.

Regards,

Andy Neal
Chief Executive

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CACI Report

Roughly 40,000 people live 1km away from the very West End of Princes Street. That's 25,000 less than the number of residents living 1km around the East End of Edinburgh's principal street.

In comparison to many other city centres in the UK, Edinburgh has a very high share of Educated Urbanites. Paul Langston, Consulting Partner for Location Strategy at CACI said: "Our ACORN groups 'Urban Prosperity' and 'Starting Out' are consistently showing confidence in their financial prospects. Retail centres which serve these shoppers, such as King's Road, Covent Garden and Westfield in London, as well as Edinburgh, Brighton and Glasgow, generally seem to be faring better and look set to have the best growth prospects."

About 57,000 of the 65,000 living 1km away from the very East End of Princes Street are classified Educated Urbanites. An equally high share is present in the West End with almost 90% of the 40,000 residents living 1km around the West End of Princes Street belonging to this ACORN group.

Educated Urbanites are working in professional and managerial roles. Their average household income is £42,600. Typically, they are renting. They spend their

disposable income on travel, looking good and new technology.

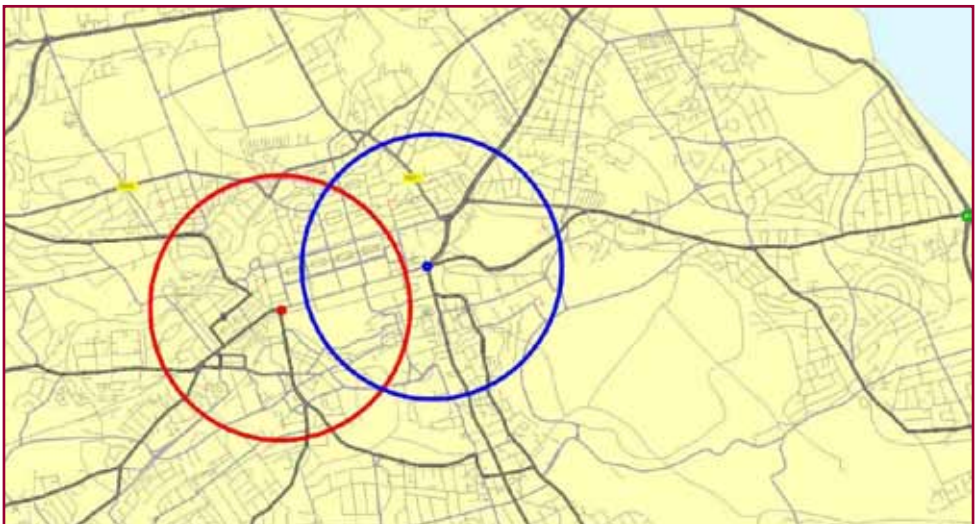
According to ACORN, almost 5,000 residents living in the 1km circle around the East End of Princes Street are the so-called Hard Pressed; the highest percentage being along Leith Walk. Most of them are older residents, especially over 65s. Over 60% of households within this group contain only one adult.

Paul Langston said that within this group, people feel increasingly nervous about their financial prospects since the 2010 General Election.

Some 2,000 of those living 1km away from the very West End of Princes Street are from the "Hard Pressed" ACORN group. That's 4.6% of the total living in that circle.

To find out how we can help you with relevant information on the city centre, please contact Grant Stewart, BID Liaison Officer on 0131 652 5940 or email:

grants@essentialedinburgh.co.uk



Retail Sales Turnover

In Edinburgh's city centre, sales in June 2011 were up 5.5% on June 2010. This compares to the Scottish average of 0% and the British average of +1.5%.

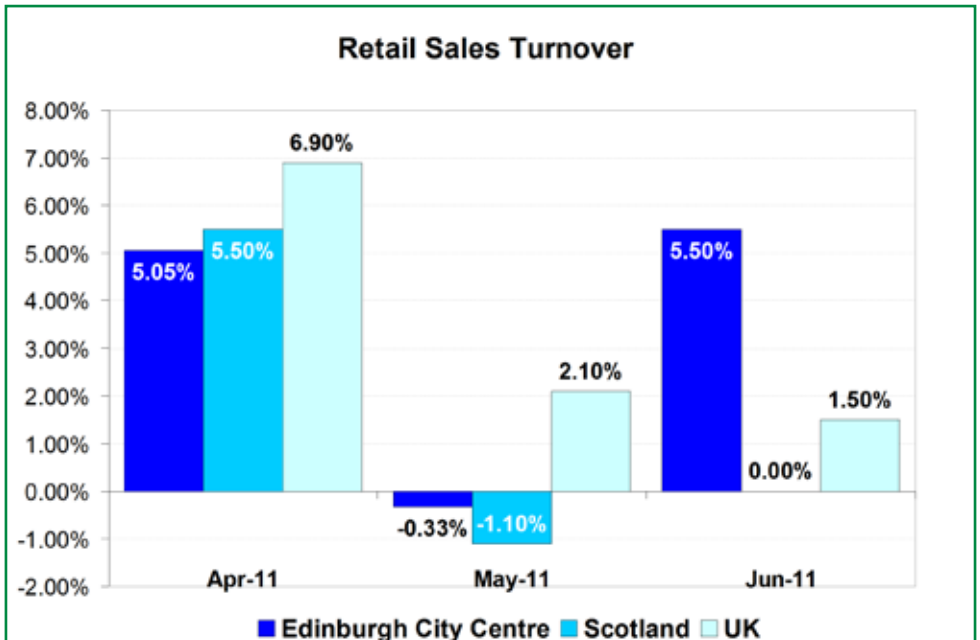
Retailers participating in the City Centre Monitoring Programme, which is co-organised between Essential Edinburgh and the City of Edinburgh Council, reported these figures for June 2011. The figures for Scotland and the UK were reported from the BRC-SRC-KPMG Retail Sales Monitor and the BRC Scottish Retail Sales Monitor.

Andy Neal, Chief Executive at Essential Edinburgh, said: *"Even though these figures show that Edinburgh's retail is performing better than the rest of the country, this does not mean we're not affected by the current economic climate. Footfall figures for the city centre show an increase in pedestrians of 9.7% for June*

2011 compared to 2010 but retailers in the city centre are still observing a general reluctance to spend."

Richard Dodd, Scottish Retail Consortium Head of Media, said: *"When zero sales growth is an improvement you know times are tough. In fact overall sales were not even that good when the effect on spending figures of inflation and higher VAT is factored in."*

Stephen Robertson, Director General, British Retail Consortium, said: *"After two previous months distorted by the later Easter and extra bank holiday, this is a more realistic reflection of how tough conditions on the high street really are."*



“Even though these figures show that Edinburgh’s retail is performing better than the rest of the country, this does not mean we’re not affected by the current economic climate.”

“Given June’s spate of shop closure announcements and weak company results, these figures are not as bad as they could have been but it shows just how tough times are when total sales growth of 1.5 per cent is regarded as not that bad. And remember, the higher VAT rate is making the year-on-year comparison look better than it really is, while retailers are coping with higher costs because of increased utility bills, rates and the burden of regulation.”

You can receive this information around 3 weeks before publication in Essential Trends if you agree to participate in the City Centre Monitoring Project. Contact Dr Tom Mathar, Market Research Executive at the Economic Development Service in the City of Edinburgh Council, on tom.mathar@edinburgh.gov.uk or 0131 529 4962 to participate in the City Centre Monitoring Project.

Edinburgh Conferences

Marketing Edinburgh, Convention Bureau promotes Edinburgh as a premier conference, incentive and event destination.

With high levels of product knowledge, specialist skills and effective coordination of venues and support services, Marketing Edinburgh, Convention Bureau works with its partners and members to maintain the profile of Edinburgh as a world-class business tourism destination.

Marketing Edinburgh, Convention Bureau reports that between October and December 2011, 21 conferences attracting 4,990 delegates will take place in the city worth a total of £8,061,675 to the local economy.

For many conference delegates, this may be their first visit to Edinburgh. We like to encourage delegates to stay a little longer as there is so much to see and do in and around the city. Our website

Edinburgh Convention Bureau 
Inspiring Conferences

www.experienceedinburgh.org can be easily added to a conference website and this helps delegates to plan their free time and extend their stay!

Recently we launched an ‘Experience Edinburgh’ app - this is free to download from the iTunes App Store and provides information and access to a wide range of suppliers including bars, restaurants, accommodation, golf courses, tours, adventure activities, visitor attractions and shopping.

To find out more or to be included in Experience Edinburgh listings, with preferential rates offered to suppliers in the BID area, please contact hillary.bett@marketingedinburgh.org

Upcoming Events

5-10 October 2011, British Society of Echocardiography, 800 delegates
22-25 November 2011, Vascular Surgical Society 2011, 800 delegates

Edinburgh footfall index, July 2011

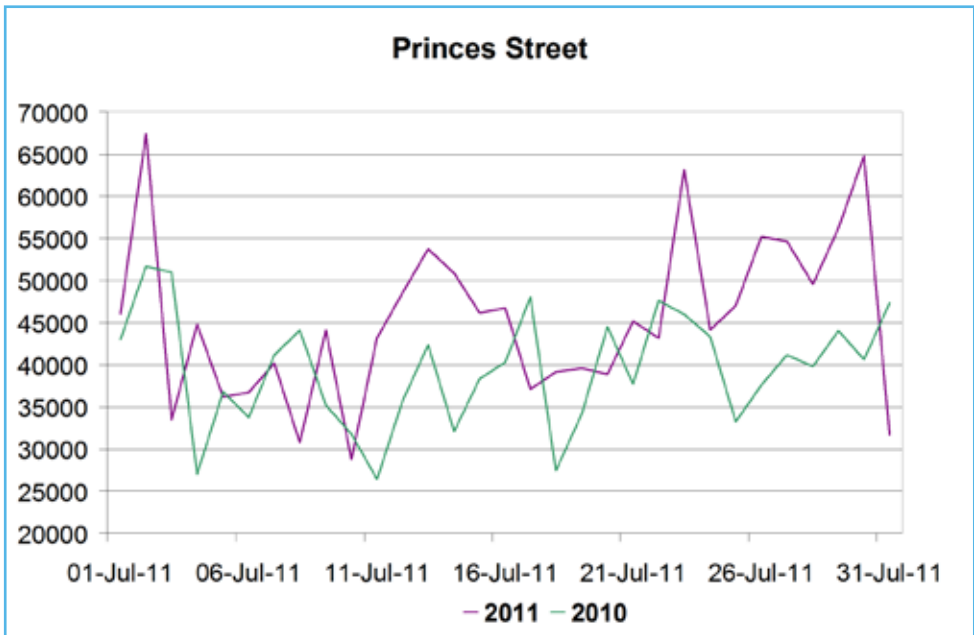
In July 2011, there were 11.7% more pedestrians out on Edinburgh’s city centre streets than in July 2010 – according to the 5 footfall counters installed throughout the city centre.

In total, 2,793,773 people passed the 5 counters installed at strategic sites in the city centre. The current figure is up 17.9% from June 2011. More importantly, it is up 11.7% from July 2010. As in previous months, Edinburgh is also performing far better than the rest of the UK (see Experian figures).

Princes Street at Marks & Spencer remains the busiest spot in the city centre: 1,407,330 people passed the counter installed there. That’s up 15% from this period in 2010 and a record for 2011.

Last 6 Month Breakdown Edinburgh City Centre*		
	Month-on-Month	Year-on-Year
Feb-11	6.22%	15.7
Mar-11	19.90%	14.10%
Apr-11	17.80%	24.50%
May-11	-7.70%	5.90%
Jun-11	-1.30%	9.70%
Jul-11	17.90%	11.70%

* Average figure from 5 counters (see article)



For the first time in 2011, pedestrian traffic on Leith Walk is up on last year: 255,733 people passed the counter installed at Vittoria, the Italian

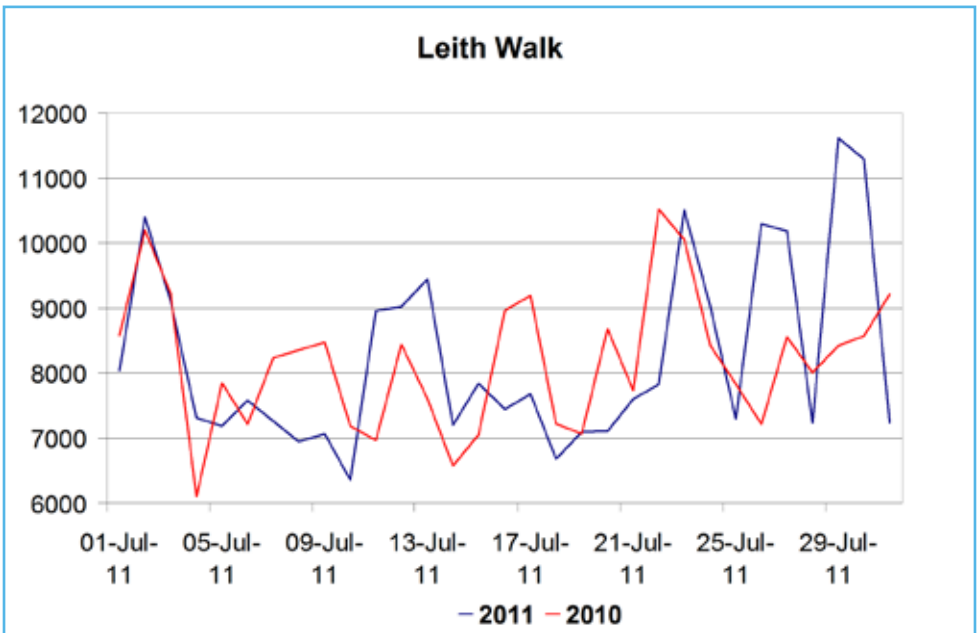
restaurant; that's up 0.8% from July 2010.

Footfall on Shandwick Place, according to the counter installed outside Specsavers, is up an impressive 46.2% on July 2010 though it is not clear, if that's because of moved bus stops and diverted pedestrian traffic due to construction works going on there (see Michael Apter's statement in Essential Trends 9).

The impressive footfall trend carries on in the Old Town: some 438,290 people passed the counter installed at Bella Italia, the Italian restaurant. That's up 24.7% from July 2010. As on Princes Street, the July figure is the highest in 2011.

Last 6 Month Breakdown United Kingdom*		
	Month-on-Month	Year-on-Year
Feb-11	5.50%	-1.80%
Mar-11	-0.40%	-2.30%
Apr-11	-1.50%	-2.10%
May-11	-3.90%	-1.30%
Jun-11	2.40%	0.20%
Jul-11	1.60%	-2.20%

* Experian Footfall National Index

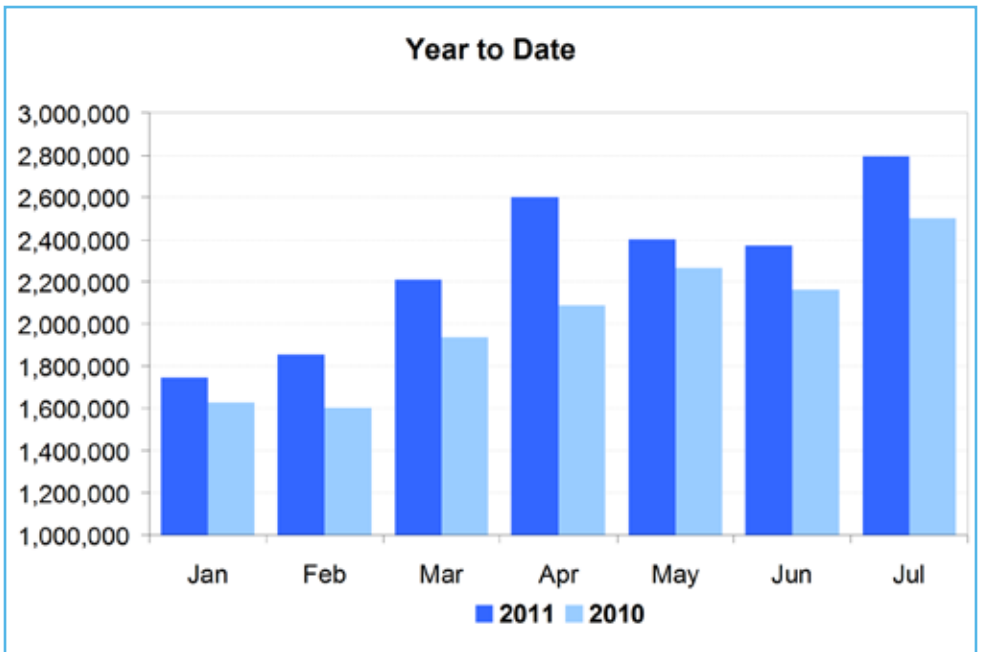


Footfall Continued...

Outside The Dome on George Street, 216,883 passersby were counted. That's down 2.6% from June 2011; it's also down 20.8% from July 2011.

The drop in footfall in the rest of the country may, according to Experian, "be a reflection of the financial pressures faced by consumers whose pockets are being squeezed by high petrol, rising bills and food prices."

Experian also observed that "the sectors that are most closely linked to the housing market have been hardest hit, particularly furniture, homewares, DIY and electrical retailers – a prime example being furniture chain Lombok which recently announced its plans to close half of its stores amidst tough trading conditions."



“The current figure is up 17.9% from June 2011. More importantly, it is up 11.7% from July 2010”

Parking Index - July 2011

As in previous months, the busiest area of the city centre was the New Town, with 44.3% of parking bays occupied on average; the quietest area was the East End, with 18.2% of bays occupied on average.

As in previous months, the New Town is the busiest area in the city centre in terms of occupancy rates – the average utilisation rate there was 44.3%.

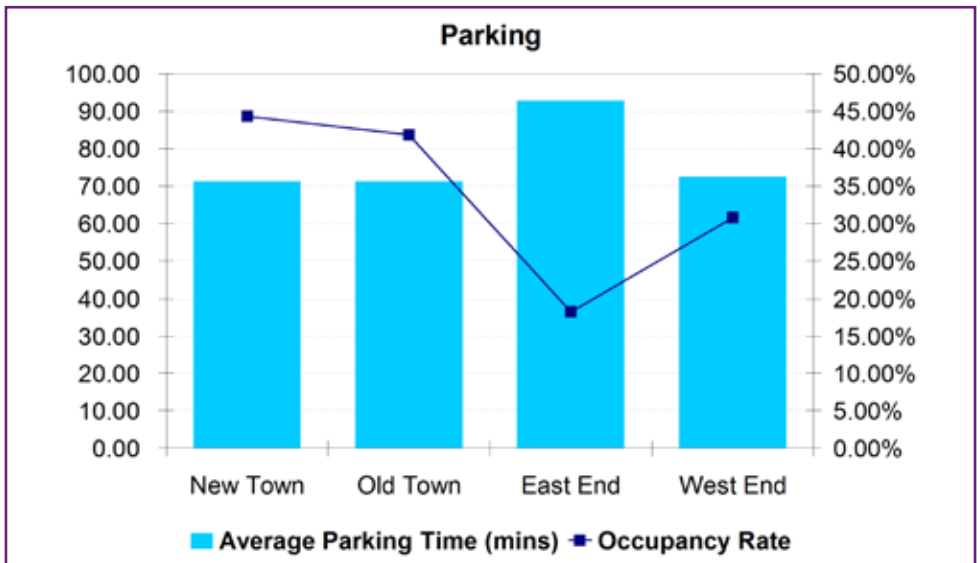
The picture is more diverse for different sites in the New Town: on George Street, for example, the average utilisation rate was 70.8%. The lowest average utilisation rate was seen at Abercromby Place and Heriot Row (23.49% and 23.95% respectively). Visitors to the city centre are thus advised to park their cars two blocks further downhill from George Street – it's cheaper there, too.

In the Old Town, average utilisation of on-street parking bays was 41.8%.

Within the Old Town, Market Street is particularly busy. It's easier, however, to find a bay on East Market Street. Utilisation rates in the West End and East End were 30.8% and 18.2% respectively.

As in the previous months, the longest average length of stay was in the East End where, in July, car owners parked for an average of 1 hour and 32 minutes. In the New Town, car owners, on average, returned after 1 hour and 11 minutes to their vehicles.

For real time information on utilisation rates in off-street car parks follow this link: <http://edinburgh.cdmf.info/public/carparks/list.htm>



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