

Enterprise Dunedin

DUNEDIN CBD – 5 OCTOBER 2020 COVID-19 ECONOMIC UPDATE

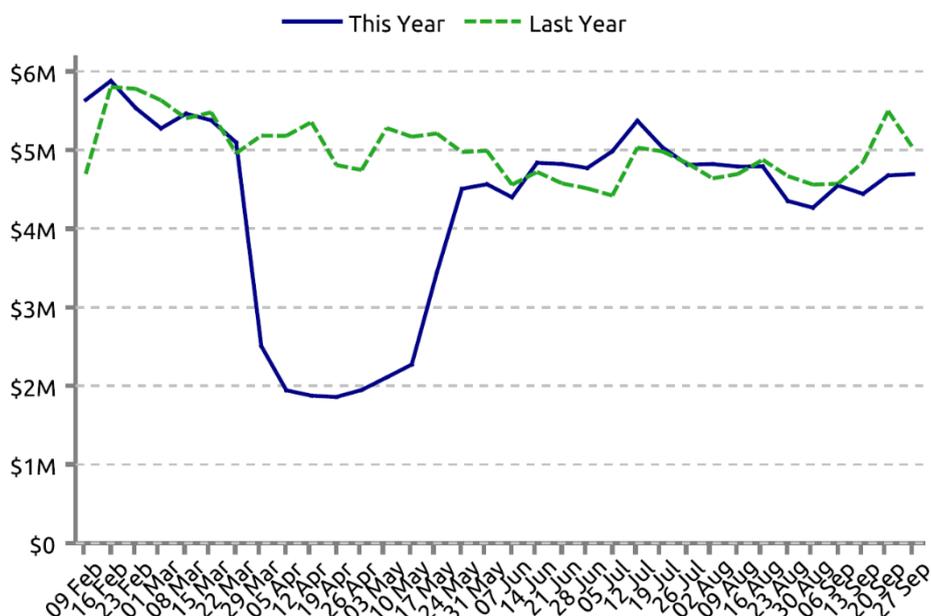
This document gives a high-level overview of economic activity within Dunedin’s central city. The indicators followed include foot traffic and retail spend. These two indicators allow us to understand how visitation to the CBD is holding up and the extent to which visitation is being converted into spending with CBD retailers.

Foot traffic has been proxied using population counts in the central city on different dates. The data has been provided by Data Ventures (Statistics New Zealand’s commercial arm) and is derived from mobile phone records. Retail spend data is provided by Verisk from transactions occurring in the Paymark system.

Spending in the central city

Retail spending in Dunedin’s central city over the week ended 27 September was 6.6% below its level from a year earlier. Spending in the central city initially slipped as COVID-19 Alert Level 2 restrictions were reintroduced and has now remained below its 2019 level for seven consecutive weeks. The spending patterns in the central city over recent weeks have been softer than other parts of Dunedin.

1. WEEKLY VALUE OF SPENDING



Even with the removal of social distancing restrictions, hospitality spending in the central city is still subdued. A pronounced decline in the “other” category is also persisting, which captures a range of categories including travel, vehicle hire, tours, events, casinos, beauty and health services.

High street retailing within the central city is variable, with clothing and footwear retailing still growing strongly, while homeware retailing has softened over the past three weeks.

Supermarket, pharmacy, and liquor retailing continued to rise sharply.

Different domestic travel patterns these school holidays may be a partial contributor to softer spending last week. But households are also displaying more caution in their consumer behaviour than they did in June and July when we first moved to COVID-19 Alert Level 1. Ongoing resilience to retail spending will be contingent on several factors, including resilient local employment conditions and patterns of domestic tourism throughout the country this spring.

Week ended 27 September 2020	2020 Spend	2019 Spend
Food, liquor & pharmacies	\$2,125,574	\$1,951,437
Hospitality & Accommodation	\$1,094,946	\$1,240,651
Fuel & Automotive	\$83,544	\$69,538
Clothing, Footwear & Department Stores	\$359,874	\$306,830
Home & Recreational Retailing	\$328,032	\$330,978
All other	\$701,236	\$1,123,196
Total	\$4,693,205	\$5,022,631

Foot traffic in the central city

The average daily number of people in Dunedin's central city across the week ended 27 September 2020 was 2.9% below its level from a year earlier, according to estimates from Data Ventures database derived from hourly monitoring of mobile phones.

The move back down to COVID-19 Alert Level 1 has not led to an immediate resumption of growth as occurred in June the first time we returned to Level 1. Visitation to the central city area has been below its 2019 level for five consecutive weeks.

