

## Enterprise Dunedin

### DUNEDIN CBD – 27 JULY 2020 COVID-19 ECONOMIC UPDATE

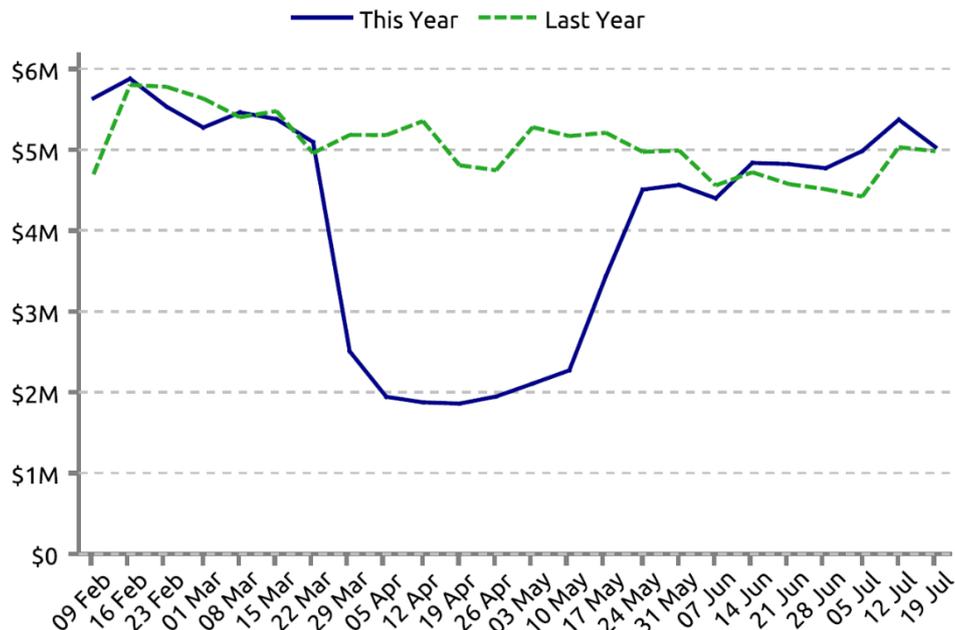
This document gives a high-level overview of economic activity within Dunedin’s central city. The indicators followed include foot traffic and retail spend. These two indicators allow us to understand how visitation to the CBD has recovered and the extent to which visitation is being converted into spending 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 second week of the school holidays (week ended 19 July) totalled \$5.0 million, up just 1.0% from the same week a year earlier. Spending growth last week compares to 6.8%pa growth the previous week (to 12 July) during the first week of the school holidays.

### 1. WEEKLY VALUE OF SPENDING



Lower spending continues to persist in the “other” category, which captures a range of categories including travel, vehicle hire, tours, events, casinos, beauty and health services.

All other retail categories are performing more strongly. Initially the recovery was concentrated on homeware and clothing, while supermarket spending has remained elevated throughout the pandemic. However, hospitality and accommodation spending has now sat above its 2019 level for three consecutive weeks.

It is too early to say whether the slower growth in inner city retailing last week represents an emerging trend or is a one-off related to different patterns of spending behaviour during the school holidays. Nevertheless, there remains a risk that retail spending softens in the coming months as households display caution against a backdrop of economic uncertainty. Sustained retail spending growth will be contingent on a number of factors, including resilient local employment conditions and ongoing levels of domestic tourism.

Week ended 19 July 2020	2020 Spend	2019 Spend
Food, liquor & pharmacies	\$2,038,636	\$1,900,725
Hospitality & Accommodation	\$1,226,761	\$1,208,741
Fuel & Automotive	\$93,379	\$74,670
Clothing, Footwear & Department Stores	\$398,723	\$305,004
Home & Recreational Retailing	\$437,927	\$387,579
All other	\$838,096	\$1,105,521
<b>Total</b>	<b>\$5,033,523</b>	<b>\$4,982,240</b>

### Foot traffic in the central city

The average daily number of people in Dunedin’s central city across the week ended 19 July 2020 was 7.0% higher than a year ago, according to estimates from Data Ventures database derived from hourly monitoring of mobile phones.

Foot traffic in Dunedin Central has been higher than its 2019 level since the first week of June.

