

APPENDIX 4

**In-Flow Expenditure
(to the Survey Area)**

APPENDIX 4A

**In-Flow Expenditure from
Residents**

APPENDIX 4A

In-Flow Expenditure to Stratford-on-Avon District from Residents Living Outside the Survey Area: Convenience Goods Shopping

Derivation of Expenditure Estimates

Stratford upon-Avon

1. We assume that convenience goods sales equivalent to 7.5% of survey generated turnover will flow to the town from residents living outside the survey area, primarily from areas to the north. This amounts to £6.3 million for 2008 (at 2006 prices).

(Note: this excludes monies generated by visitors/tourists to the town see **Appendix 4B**).

Alcester

2. We assume that convenience goods sales equivalent to 5% of survey generated turnover will flow to the town from residents living outside the survey area, primarily from areas to the west, and from visitors/tourists.
3. This amounts to £0.4 million for 2008 (at 2006 prices).

Shipston-on-Stour

4. We assume that convenience goods sales equivalent to 2.5% of survey generated turnover will flow to the town from residents living outside the survey area, primarily to the south and south east, and from visitors/tourists.
5. This amounts to £0.2 million for 2008 (at 2006 prices).

Southam

6. We assume that convenience goods sales equivalent to 2.5% of survey generated turnover will flow to the town from residents living outside the survey area, primarily from the north, east and south east, and from visitors/tourists.

This amounts to £0.2 million for 2008 (at 2006 prices).

APPENDIX 4B

**In-Flow Expenditure from
Visitors/Tourists**

APPENDIX 4B

In-Flow Expenditure to Stratford-upon-Avon from Visitors/Tourists: Convenience Goods Shopping

Derivation of Expenditure Estimates

1. The household telephone survey provides data on the scale and pattern of expenditure on convenience goods shopping in Stratford-upon-Avon by residents living within the survey area, whilst **Appendix 4A** provides estimates of in-flow expenditure by residents living just outside the survey area. However, because of Stratford-upon-Avon's Shakespeare connections, the town also attracts significant numbers of visitors/tourists and their spending also needs to be estimated and taken into account in the quantitative convenience goods floorspace needs assessment.
2. A tourism study of Stratford-upon-Avon prepared by The Research Solution¹ in 2005 gave the number of visitors to the town as 1,278,000. Of this total, 343,000 (27%) were overnight visitors and 935,000 (73%) were day visitors. A further breakdown from the study indicates that the overnight visitors spent a total of 890,000 days in Stratford-upon-Avon in 2005.
3. Thus, according to the report, there was a total of 1,825,000 visitor days in Stratford-upon-Avon in 2005 broken down as follows:-

| | |
|---------------------------|------------------|
| <i>Day visitors</i> | <i>935,000</i> |
| <i>Overnight visitors</i> | <i>890,000</i> |
| | ----- |
| | 1,825,000 |
| | ===== |

4. The Research Solution estimates that the total expenditure of visitors for 2005 in Stratford-upon-Avon was £118 million (at current prices). Just under two-thirds originated from overnight visitors (£75 million) with the balance coming from day visitors (£43 million). The report then disaggregates the total spend by sector and

¹ Stratford Town Tourism Economic Impact Assessment, 2005, The Research Solution.

estimates that £33.2 million of visitor expenditure in 2005 was on **retailing**,¹ with £14.4 million originating from overnight visitors and £18.8 million from day trippers.

5. We assume that the overall number of visitors will not have changed significantly since 2005. However, in order to produce a current (2008) estimate of visitor spend, we adjust upwards the total of £33.2 million to c. £37 million to reflect conversion to a 2006 price base and to take account of the annual real growth in retail spend per head between 2005 and our base year of 2008.
6. The Research Solution report does not disaggregate the visitor spend on retailing into expenditure on convenience goods and comparison goods shopping. However, visitor surveys carried out by Colliers CRE in other towns and cities indicates that the vast majority of visitor spend is on comparison goods (typically up to 70%-90% of the total). We therefore assume that visitors/tourists will spend 20% of their total retail expenditure of £37 million in 2008 in Stratford-upon-Avon on convenience goods. This gives a figure of £7.4 million.
7. We assume that this total of visitor/tourist spend on convenience goods shopping will grow in real terms at 1% per annum through to the latest forecast year of 2026. This annual growth rate is a little higher than that which we apply to the convenience goods expenditure of the resident population, because we also allow for some growth in the total number of visitors/tourists to Stratford-upon-Avon.
8. Our estimates for in-flow visitor/tourist expenditure on convenience goods shopping in Stratford-upon-Avon (at constant 2006 prices) are therefore as follows:-

| Forecast Year | £m |
|----------------------|-----------|
| 2011 | 7.6 |
| 2016 | 8.0 |
| 2021 | 8.4 |
| 2026 | 8.9 |

¹ Excluding catering expenditure and spend on eating and drinking in hotels and pubs.