
# IVYBRIDGE MARKET SUMMARY

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# INTRODUCTION & BRIEF

## PROJECT BRIEF & APPROACH

- CACI have been instructed by South Hams District Council to provide a strategic and independent analysis to asses the value of opening an Aldi in Ivybridge and how it will help to future proof the town.
- This report will provide insight into:
  - Ivybridge's current position (inc. expenditure, competition, rankings)
  - Historic rankings and retail provision in the town
  - Benchmarking and tenant audit to understand missing gaps and potential targets
  - Demographic Profile
  - Impact of doing nothing to Ivybridge
  - Benefits that Aldi will bring to Ivybridge

**CACI PRODUCTS:**

- **Retail Footprint (RF)** is CACI's UK gravity model that predicts the catchments of all UK retail destinations and accounts for the attractiveness of the centre's mix, the location of competing schemes and the level of demand in the area.
- **Acorn** is CACI's consumer segmentation model. Acorn combines geography with a wide range of demographics and lifestyle data sources to group the entire population into 5 Categories, 18 Groups and 62 Types.

A full methodology can be found in the appendix of this report.

# SUMMARY & CONCLUSIONS

Residents across Ivybridge's catchment have a Convenience Goods household spend which is higher than the regional average.
In its current state, the **town centre is not fully capitalising on this high spend**, something that Aldi will enable Ivybridge to do.

An ALDI in Ivybridge would reduce the Convenience Goods spend leakage to other nearby supermarkets.
**Opening an ALDI would keep 16% more spend within the town centre**, with the out of town Tesco Extra currently dominating.

Ivybridge has an affluent to middle-income catchment with three quarters classed as family groups; this strongly aligns with the Aldi offering indicating that the **brand will be favoured by local users and prevent them spending their Convenience Goods spend elsewhere**.

Placing an Aldi in Ivybridge would encourage **more frequent visitation from catchment residents to the town**,
which in turn would drive more cross shopping with the existing offer and independents.

There will be **minimal cannibalisation with the current town centre offer**; affluent households will continue to use butchers and bakers in the town as they index above the UK average for choosing quality over price. They will then use Aldi for their everyday supplies.

Aldi would become the **anchor for Ivybridge town centre and boost opportunities to attract new brands and improve the high street offer**.
This in turn would enable Ivybridge to compete with Comparison Goods focussed competitors across the catchment

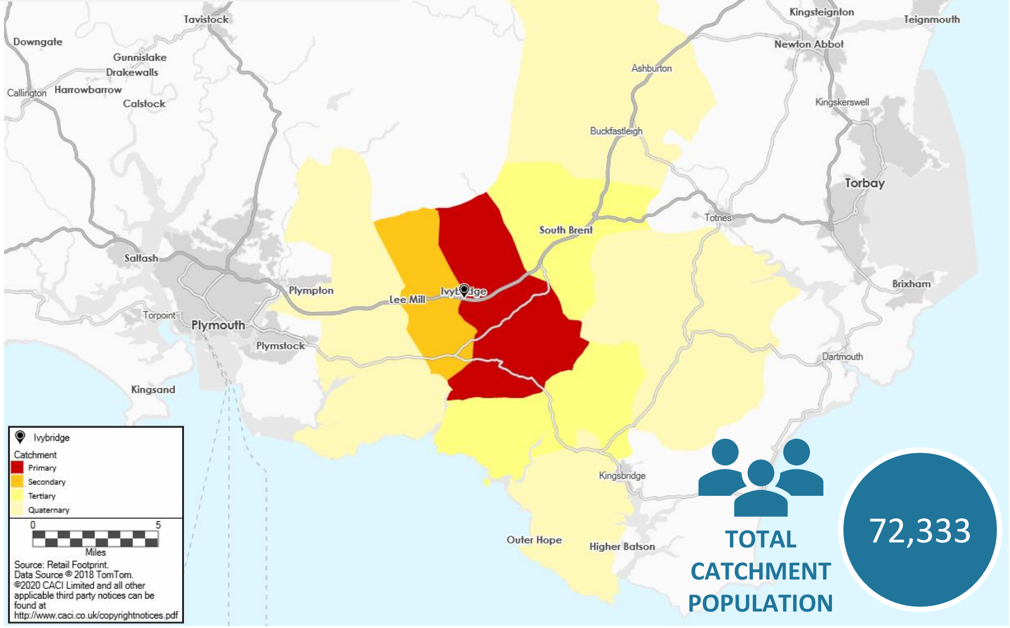
Introducing Aldi which has a limited online presence will **future proof the town and make it less susceptible to the threat of online**,
as the stores Convenience Goods offering is offline only.

# IVYBRIDGE:
# TODAY

# IVYBRIDGE: CATCHMENT

Ivybridge sits inside the top 25% of all Regional Towns in the UK, with a total Retail Goods spend potential of £22 million. Within its Total catchment of 72k people, Ivybridge attains a market share of 5.7%.

The **Core catchment** refers to the **Primary** and **Secondary catchments** where 75% of spend is expected to come from.




**£22.0m**
TOTAL RETAIL GOODS SPEND POTENTIAL

*TOTAL RETAIL GOODS SPEND (UNWEIGHTED):* ***£383.2m***

**%** MARKET SHARE

**5.7%** TOTAL CATCHMENT

**8.7%** REGIONAL TOWNS AVERAGE

**UK REGIONAL TOWNS:** TOP **24%** RETAIL CENTRE IN UK (174TH OUT OF 731 CENTRES)

**ALL CENTRES SOUTH WEST:** TOP **42%** RETAIL CENTRE IN UK (OUT 190TH OF 456 CENTRES)

*Note: Regional Towns, often called market towns, have small populations and are generally found more than 20 minutes drive time away from primary or major centres and tend to be dominant within their vicinity. A number of these centres do not reflect the affluence in surrounding residential areas with their retail offer, having fallen behind bigger and better centres nearby.*

## WHY IVYBRIDGE?

- Ivybridge's catchment covers a significant proportion of the South Hams area and beyond, limited to the east by Torbay and west by Plymouth.
- It is a strong centre in its own class, Regional Towns, sitting in the top quarter of all comparable centres. A number of these already have an Aldi present among their retail offering, indicating it could be sustained in Ivybridge.

Source: Retail Footprint 2020
Note: rankings are based on weighted catchment Comparison Goods spend potential

# IVYBRIDGE: UK & REGIONAL RANKING

Regionally, Ivybridge sits alongside Malmesbury and above the likes of Saltash and Verwood, the latter which is in the same class. There is scope for an Aldi at Ivybridge given the brand already operates in the majority of comparable Regional Towns.

## UK REGIONAL TOWNS RANKING

KEY: Aldi open in town or opening soon

| UK 'Regional Towns' Rank | Centre Name | Residential Comparison Goods Market Potential (£m) |
|---|---|---|
| 170 | Crook | £10.0 |
| 171 | Malmesbury | £9.8 |
| 172 | Barton-upon-Humber | £9.7 |
| 173 | Fleetwood | £9.7 |
| **174** | **Ivybridge** | **£9.6** |
| 175 | Spennymoor | £9.4 |
| 176 | Uppingham | £9.4 |
| 177 | Formby | £9.4 |
| 178 | Verwood | £9.3 |
| 179 | Bacup | £9.3 |
| 180 | Cranbrook | £9.2 |
| 181 | Princes Risborough | £9.1 |
| 182 | Merthyr Tydfil | £9.1 |
| 183 | Immingham | £9.0 |

Note: total number of UK Regional Towns is 731

## SOUTH WEST RANKING

| Regional Rank | Centre Name | Residential Comparison Goods Market Potential (£m) |
|---|---|---|
| 185 | St Austell - Stadium Retail Park | £10.1 |
| 186 | Exeter - Honiton Road | £10.1 |
| 187 | Exeter - Stone Lane Retail Park | £10.1 |
| 188 | Torquay - St Marychurch | £10.0 |
| 189 | Malmesbury | £9.8 |
| **190** | **Ivybridge** | **£9.6** |
| 191 | Bristol - Fox Den Road | £9.5 |
| 192 | Saltash | £9.5 |
| 193 | Cirencester - Cirencester Retail Park | £9.5 |
| 194 | Poole - Branksome | £9.3 |
| 195 | Verwood | £9.3 |
| 196 | Wincanton | £9.1 |
| 197 | Amesbury | £9.0 |
| 198 | Coleford | £8.8 |

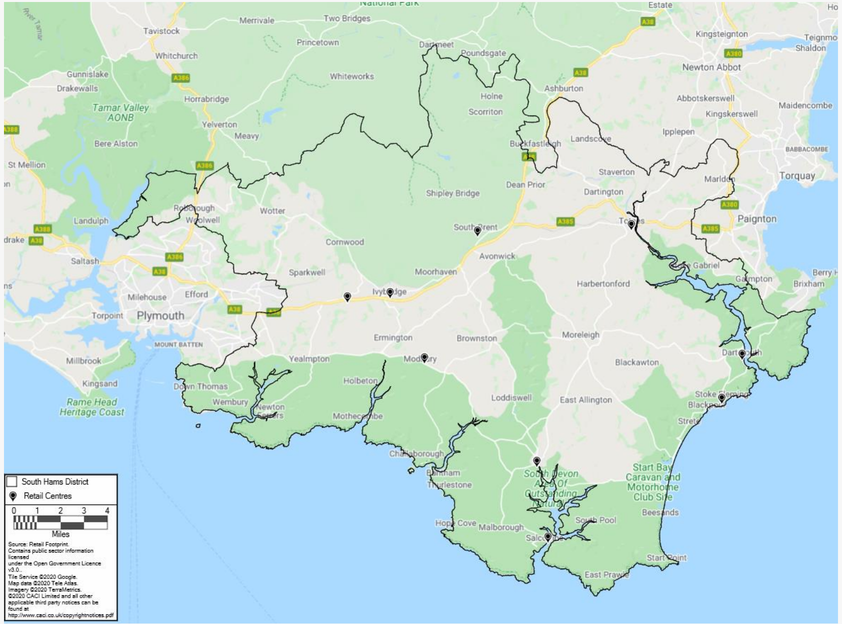
Note: total number of retail destinations in the South West 456

Source: Retail Footprint 2020
Note: rankings are based on weighted catchment Comparison Goods spend potential

# IVYBRIDGE: LOCAL RANKING

Of the 9 retail destinations in South Hams, Ivybridge sits 4th, indicating it is a key retail centre in the area and should focus on the everyday need rather than directly competing with tourist towns such as Salcombe. Aldi locating to Ivybridge would make it the first store in the district.

## SOUTH HAMS RETAIL OFFERING




## SOUTH HAMS RANKING

Tesco Extra is classed as its own centre as it is located out of the town and is therefore a competitor.

| Rank | Name | Minor Class | Attractiveness Score | Residential Comparison Goods Market Potential (£m) | Convenience Goods Market Potential (£m) |
|---|---|---|---|---|---|
| 1 | Totnes | Regional Towns | 178 | £25.8 | £26.3 |
| 2 | Dartmouth | Regional Towns | 176 | £17.8 | £18.8 |
| 3 | Kingsbridge | Rural Towns | 126 | £15.8 | £16.3 |
| **4** | **Ivybridge** | **Regional Towns** | **67** | **£9.6** | **£9.2** |
| 5 | Salcombe | Rural Towns | 121 | £5.3 | £5.3 |
| 6 | Tesco-Extra, Ivybridge | Regional Towns | 57 | £4.2 | £4.0 |
| 7 | Modbury | Rural Towns | 15 | £0.7 | £0.7 |
| 8 | South Brent | Rural Towns | 4 | £0.2 | £0.2 |
| 9 | Stoke Fleming | Rural Towns | 1 | £0.02 | £0.0 |

Note: rankings are based on weighted catchment Comparison Goods spend potential

Source: Google; Retail Footprint 2020

# IVYBRIDGE: HISTORIC SOUTH WEST RANKINGS

Ivybridge has grown in size and therefore moved up the South West ranking since 2017. Nearby towns, Dartmouth and Salcombe, have fallen down the ranking indicating scope for Ivybridge to take advantage of available spend which would have previously gone to these areas.

## 2017 RANKING

| SW Rank | Name |
|---|---|
| 4 | Plymouth |
| 21 | Torquay |
| 23 | Newton Abbot |
| 59 | Paignton |
| 96 | Totnes |
| 114 | Dartmouth |
| 129 | Brixham |
| 152 | Kingsbridge |
| 199 | Torbay |
| 200 | Plymouth - Plympton |
| 214 | Torquay - St Marychurch |
| 218 | Plymouth - Mutley Plain |
| 221 | Plymouth - Estover |
| **225** | **Ivybridge** |
| 231 | Salcombe |
| 240 | Plymstock |
| 255 | Plymouth - St Budeaux |
| 256 | Plymouth - Crownhill |
| 266 | Ivybridge - Tesco-Extra |

## 2018 RANKING

| SW Rank | Name |
|---|---|
| 4 | Plymouth |
| 20 | Newton Abbot |
| 24 | Torquay |
| 58 | Paignton |
| 96 | Totnes |
| 118 | Dartmouth |
| 130 | Brixham |
| 149 | Kingsbridge |
| 199 | Torbay |
| 201 | Plymouth - Plympton |
| 202 | Plymouth - Estover |
| 209 | Torquay - St Marychurch |
| 213 | Plymouth - Mutley Plain |
| **229** | **Ivybridge** |
| 235 | Plymouth - Crownhill |
| 236 | Salcombe |
| 245 | Plymstock |
| 261 | Plymouth - St Budeaux |
| 269 | Ivybridge - Tesco-Extra |

## 2019 RANKING

| SW Rank | Name |
|---|---|
| 3 | Plymouth |
| 23 | Newton Abbot |
| 30 | Torquay |
| 73 | Paignton |
| 87 | Totnes |
| 95 | Brixham |
| 119 | Dartmouth |
| 134 | Torbay |
| 136 | Kingsbridge |
| 170 | Plymouth - Estover |
| 197 | Torquay - St Marychurch |
| **199** | **Ivybridge** |
| 224 | Plymouth - Mutley Plain |
| 232 | Plymouth - Crownhill |
| 236 | Plymouth - Plympton |
| 240 | Salcombe |
| 241 | Plymstock |
| 245 | Plymouth - St Budeaux |
| 266 | Ivybridge - Tesco-Extra |

## 2020 RANKING

| SW Rank | Name |
|---|---|
| 3 | Plymouth |
| 25 | Newton Abbot |
| 32 | Torquay |
| 78 | Paignton |
| 88 | Totnes |
| 98 | Brixham |
| 126 | Dartmouth |
| 122 | Torbay |
| 140 | Kingsbridge |
| 204 | Plymouth - Estover |
| 188 | Torquay - St Marychurch |
| **190** | **Ivybridge** |
| 201 | Plymouth - Mutley |
| 233 | Plymouth - Crownhill |
| 247 | Plymouth - Plympton |
| 245 | Salcombe |
| 246 | Plymstock |
| 239 | Plymouth - St Budeaux |
| 254 | Ivybridge - Tesco-Extra |

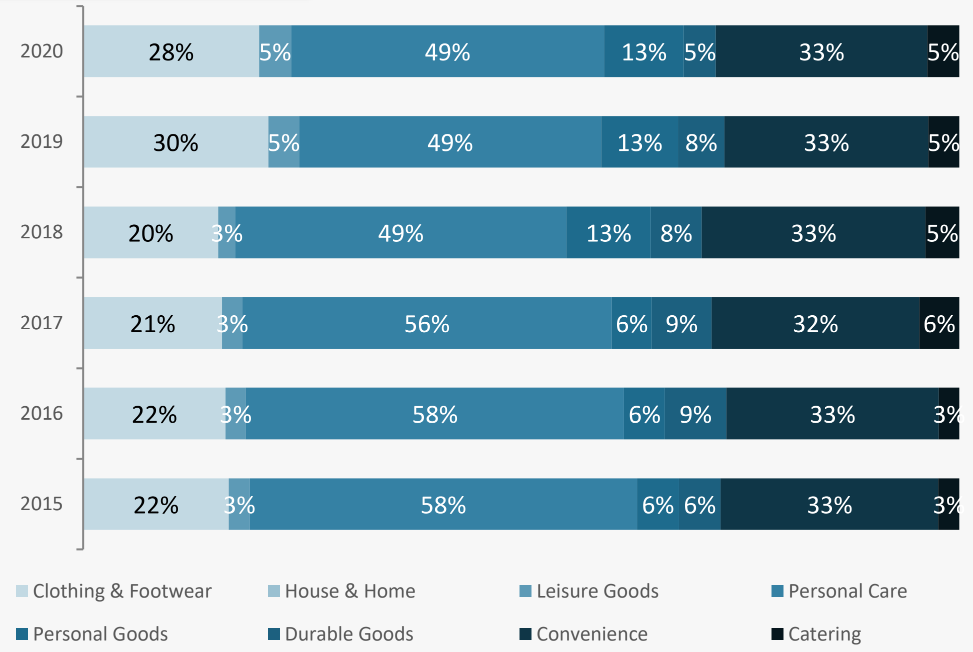
Source: Retail Footprint 2017/18/19/20

Note: Ranking is based on Comparison Goods market potential; Methodology changes will have influenced historic rankings.

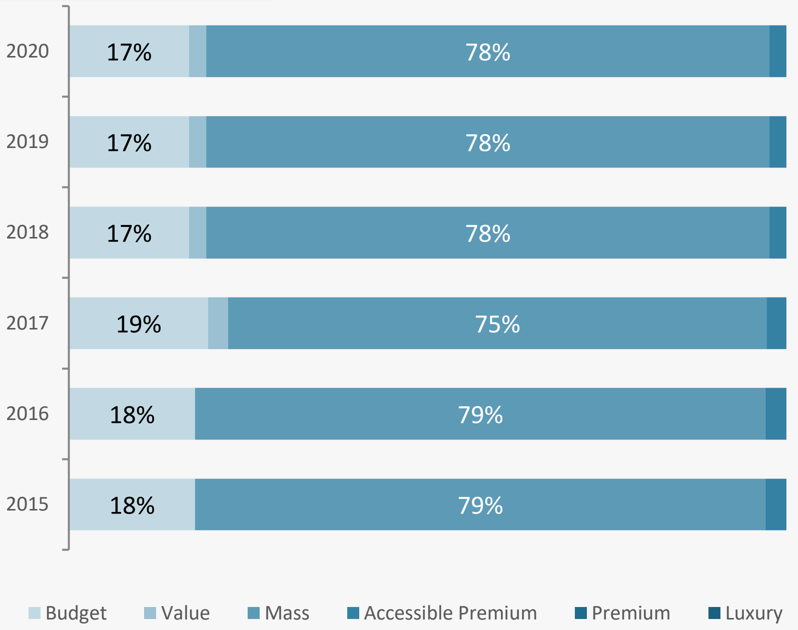
# IVYBRIDGE: HISTORIC RETAIL OFFERING

Ivybridge's retail make up has changed in the last five years, with a higher proportion of Clothing and Footwear at the expense of Leisure Goods. In terms of market position, Ivybridge has historically always been mass focussed; introducing an Aldi would grow the volume of Value brands.

## RETAIL MIX




## MARKET POSITION




Source: LDC 2015/16/17/18/19/20

Note: See appendix p28 for products within each product category

# IVYBRIDGE: LOCAL COMPARISON GOODS COMPETITION

Locally, Ivybridge faces fierce competition, with Plymouth dominating the area and attaining a quarter of the market share. Ivybridge achieves 19% of the market share in the Core, indicating that it has a strong hold over local shoppers which will only increase with an Aldi present.

## LOCAL COMPETITION

| Centre Name | Minor Class Name | Attractiveness Score | Distance (Miles) | Market Share (Core) | Market Share (Total) |
|---|---|---|---|---|---|
| Plymouth | City Centres | 1,231 | 9.8 | 28.7% | 28.2% |
| Plymouth - Marsh Mills Retail Park | Small Retail Parks | 276 | 7.5 | 19.1% | 15.1% |
| **Ivybridge** | **Regional Towns** | **67** | **-** | **18.7%** | **5.7%** |
| Totnes | Regional Towns | 178 | 10.7 | 0.6% | 4.0% |
| Kingsbridge | Rural Towns | 126 | 9.6 | 0.2% | 2.8% |
| Newton Abbot | Value Major Town Centres | 477 | 16.8 | No Core | 2.6% |
| Ivybridge - Tesco-Extra | Regional Towns | 57 | 1.8 | 7.2% | 2.5% |
| Plymouth - Plympton | Regional Towns | 81 | 5.8 | 1.6% | 2.1% |
| Plymouth - Coypool Retail Park | Retail Parks (in Towns) | 74 | 7.1 | 2.0% | 2.1% |
| Ashburton | Rural Towns | 35 | 11.3 | No Core | 1.9% |
| Kingsteignton - Newton Road Retail Park | Medium Retail Parks | 190 | 17.7 | No Core | 1.3% |
| Buckfastleigh | Rural Towns | 18 | 8.9 | No Core | 1.1% |
| Plymstock - Morrisons | Suburban Centres | 60 | 8.2 | 0.7% | 0.8% |
| Dartmouth | Regional Towns | 176 | 15.3 | No Core | 0.8% |

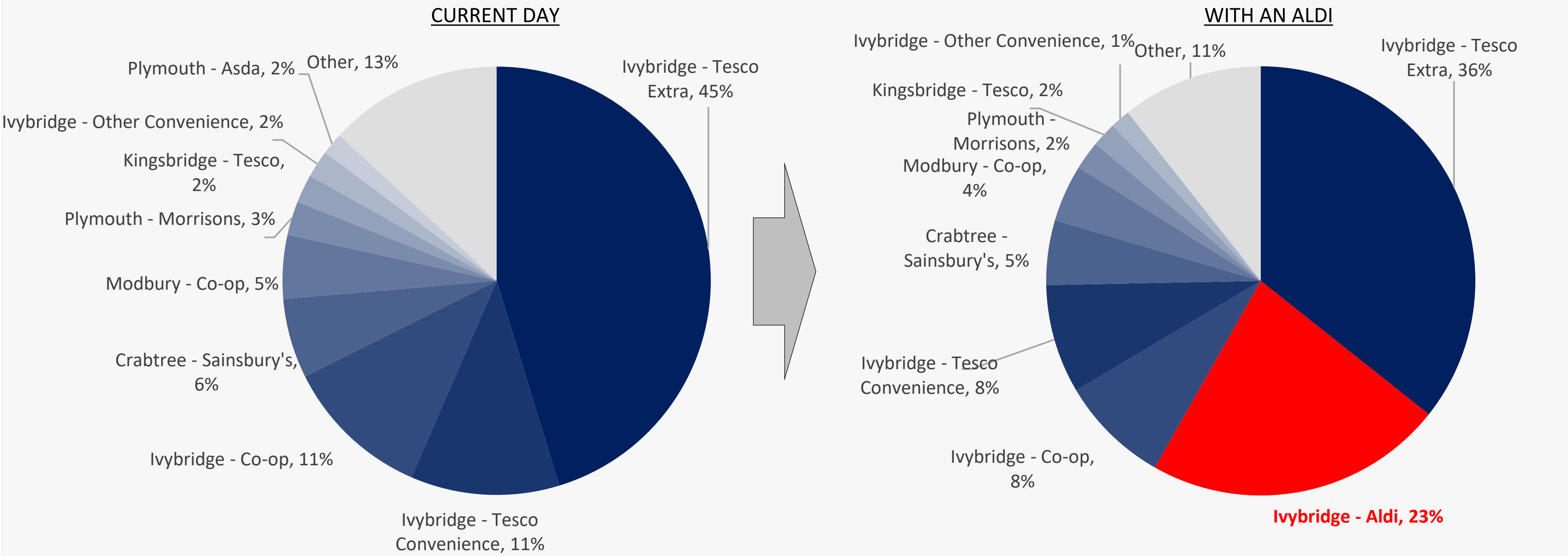
Source: Retail Footprint 2020

# IVYBRIDGE: LOCAL GROCERY COMPETITION

Currently three quarters (76%) of convenience spend form the Primary catchment is being spent outside of Ivybridge's town centre, primarily at Tesco Extra. Introducing an Aldi to the town would reduce leakage to 60%, with Aldi achieving 23% of the Primary catchment spend.

## PRIMARY CATCHMENT CONVENIENCE COMPETITION

Only the Primary catchment spend leakage has been shown as this is where the majority of spend comes from.




Source: Provision

# IVYBRIDGE: EXPENDITURE BY CATEGORY

Reflective of the affluence of Ivybridge residents, household spend sits well above the South West average on all product categories. This is particularly true for Convenience spend, which also sits 4pp above the UK benchmark.

## CATEGORY SPEND

| | | EXPENDITURE PER ANNUM (£M) | ANNUAL HOUSEHOLD SPEND | HHD SPEND VS UK AVG. | HHD SPEND VS SOUTH WEST AVG. |
|---|---|---|---|---|---|
| TOTAL SPEND CATEGORIES | Convenience | £9.2 | £5,424 | +4pp | +5pp |
| | Comparison Goods | £9.6 | £,667 | +3pp | +7pp |
| | Catering | £3.1 | £1,843 | +2pp | +7pp |
| TOTAL | | £22.0 | £12,934 | +4pp | +6pp |

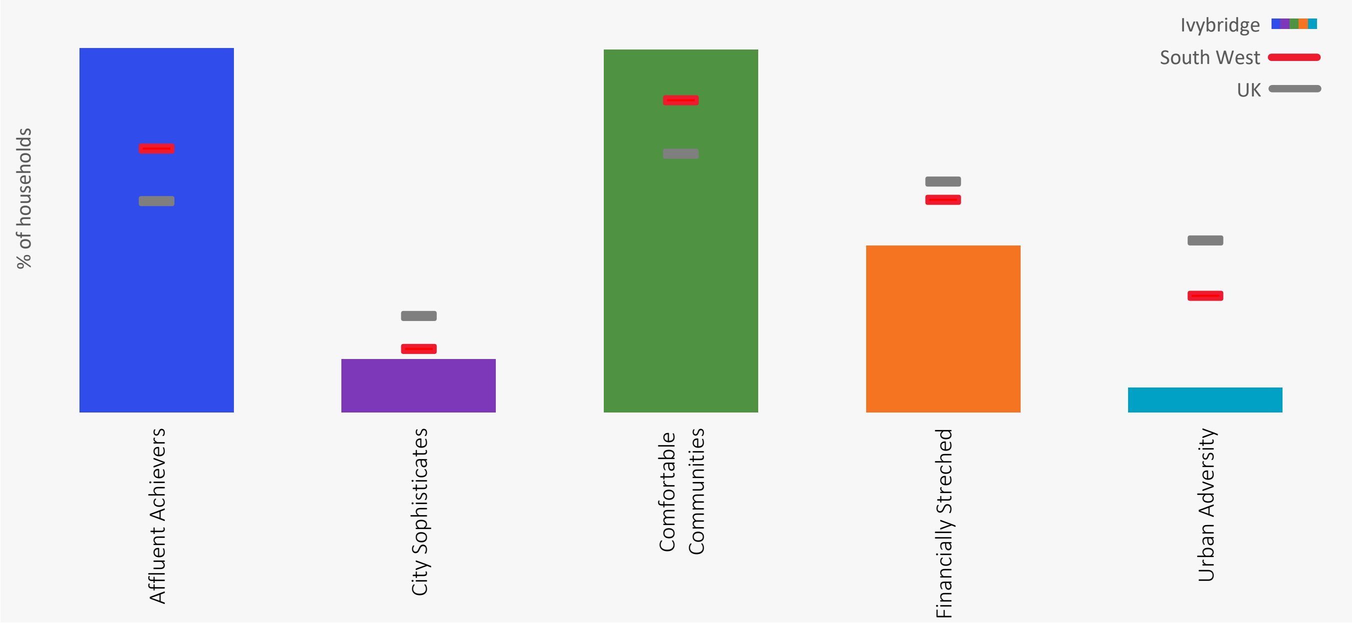
Source: Retail Footprint 2020

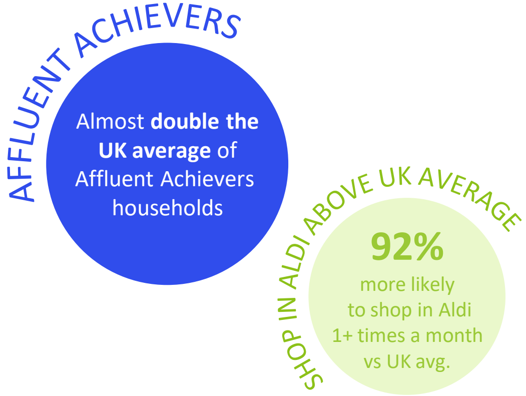
KEY: HHD spend above average; HHD spend below average

# IVYBRIDGE: CUSTOMER

Ivybridge has an affluent to middle-income catchment with a large number of family groups present which will align with the Aldi offering. Almost all households in the catchment index above the UK average on visiting Aldi at least once a month indicating brand affinity in the area.

| Affluent Achievers | Rising Prosperity | Comfortable Communities | Financially Stretched | Urban Adversity |
|---|---|---|---|---|
| 38% | 6% | 37% | 17% | 3% |




## WHY IVYBRIDGE?

- Compared to the South West and UK, Ivybridge has a higher volume of Affluent Achievers and Comfortable Communities households in the catchment. These are core family groups who are likely to engage with an Aldi as well as cross-shop with independents already in Ivybridge.

Source: Retail Footprint 2020; Acorn Knowledge

# BENCHMARKING

# BENCHMARKING

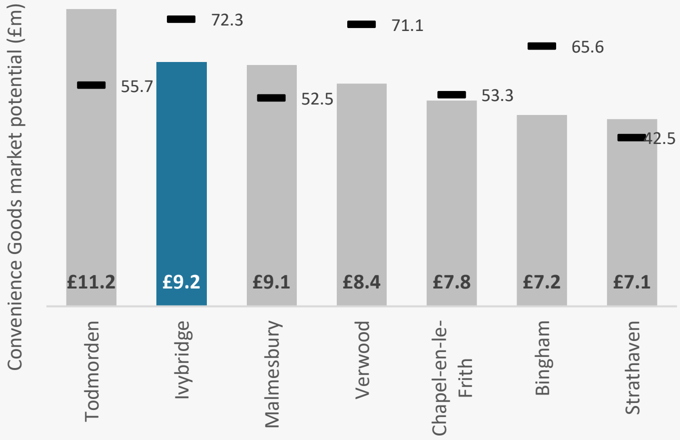
A number of different benchmark groups have been used to understand the areas of opportunity for Ivybridge in the future. This includes centres nationally which are similar to Ivybridge but already have an Aldi present, local benchmarks and city centre competitors.

## BENCHMARK CENTRES

Convenience Goods market potential (£m)
Total Population ('000s)

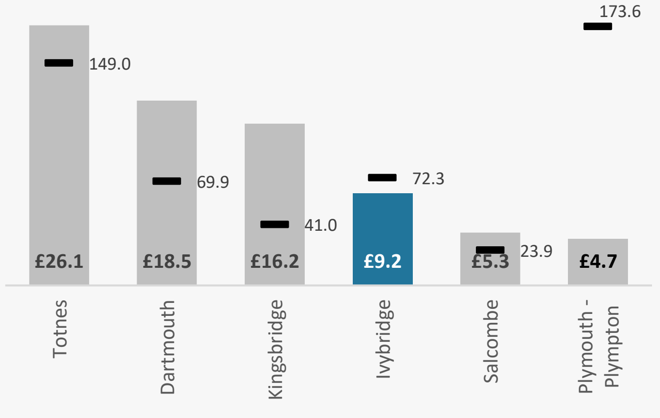
### NATIONAL BENCHMARK CENTRES WITH AN ALDI

These centres have been used as national benchmarks as they sit in the **same 'Regional Towns' class as Ivybridge** but **all have, or are due to have, an Aldi in the town**. **Ivybridge outperforms** all but Verwood in terms of **Convenience Goods spend potential and population showing capacity for an Aldi in the town.**.



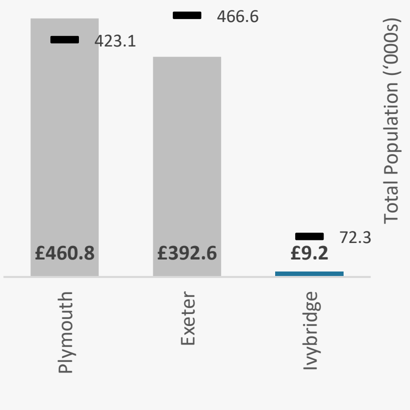

### LOCAL BENCHMARKS

Compared to local competitors, **Ivybridge sits above Salcombe and Plympton based on Convenience spend potential, almost double the smallest centre**. A new Aldi is due to open in Plympton shortly, **indicating that there should also be capacity for the brand to succeed in Ivybridge**.




### CITY CENTRE COMPETITORS

Local city centre schemes have also been shown in the benchmarking section to **understand why spend is being lost to these areas and how Ivybridge can better compete**.

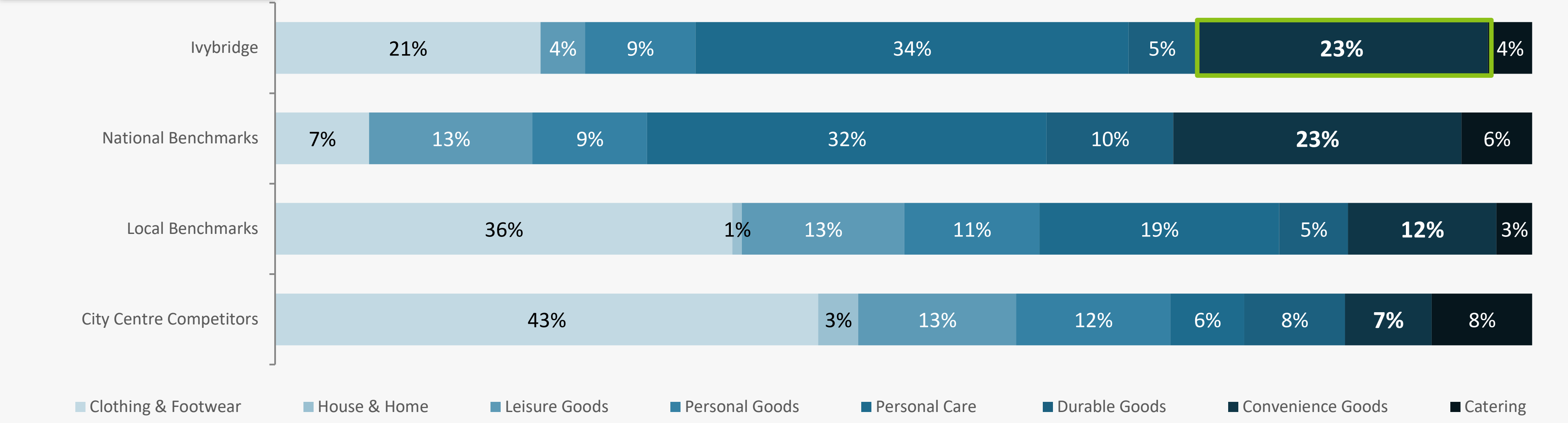



Source: Retail Footprint 2020

# BENCHMARKING: RETAIL MIX

Ivybridge is dominated by Personal Care brands to a much greater proportion than the local and city centre competitors. The town's retail mix is far more similar to the national benchmark centres where Aldi's already operate indicating it would fit in well with the existing offer.

## BENCHMARK CENTRES




WHY IVYBRIDGE?

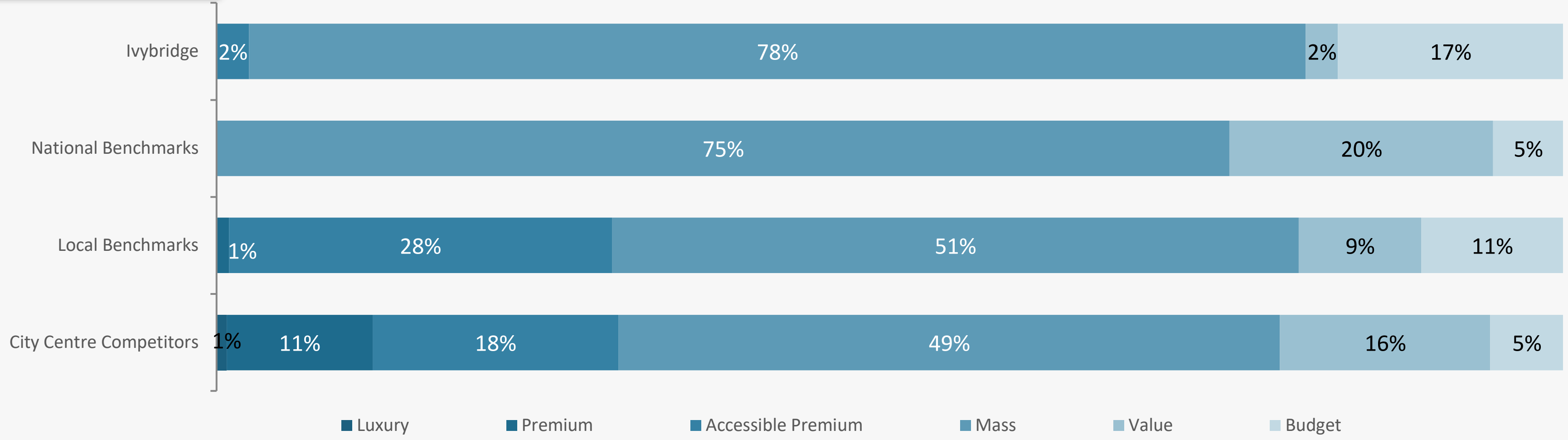
- City centre benchmarks have a much higher proportion of Clothing and Footwear, reflecting that shoppers visit these schemes for a high value, big day out trips.
- For Ivybridge to hold its own against the local and city centre competition, it needs continue to adopt a similar profile to the national benchmarks with a high proportion of Convenience Goods, through both independent bakeries and butchers as well as key supermarkets. This will encourage households in the area to perceive it as a local destination for the everyday need.

Source: Retail Footprint 2020, Local Data Company

# BENCHMARKING: MARKET POSITION

Ivybridge is predominantly mass focussed and to a significantly greater extent than nearby benchmarks. Given that Ivybridge needs to satisfy the everyday need to differentiate from larger and tourist destinations nearby, ensuring a varied market positioning of brands is key.

## BENCHMARK CENTRES




### WHY IVYBRIDGE?

- Introducing an Aldi to the town would grow the proportion of value brands at the centre to be more in line with national benchmarks and help to satisfy the everyday need of shoppers.
- There is also scope to introduce more accessible premium and premium brands to Ivybridge given the affluent nature of households in the catchment. Clothing brands which are either independent or accessible premium brands already present in some of the local benchmarks would resonate well with affluent groups.

Source: Retail Footprint 2020, Local Data Company

# IVYBRIDGE: FUTURE

# WHAT HAPPENS IF WE DO NOTHING?

While across the South West there is likely to be organic growth in offline spend, the huge growth in online convenience spend highlights the need to introduce a brand with a limited online presence, reducing leakage to online. Opening an Aldi in Ivybridge will future proof the town and make it less susceptible to the threat of online as the stores convenience goods offering is offline only.

## UNWEIGHTED CONVENIENCE SPEND PROJECTIONS: SOUTH WEST (£M/ANNUM)

| | Current Day | | 2025 | | 2030 |
|---|---|---|---|---|---|
| Residential (Offline) Convenience Spend | £12,376m | +12% | £13,886m | +7% | £14,850m |
| Online Convenience Spend | £1,233m | +111% | £2,600m | +51% | £3,916m |

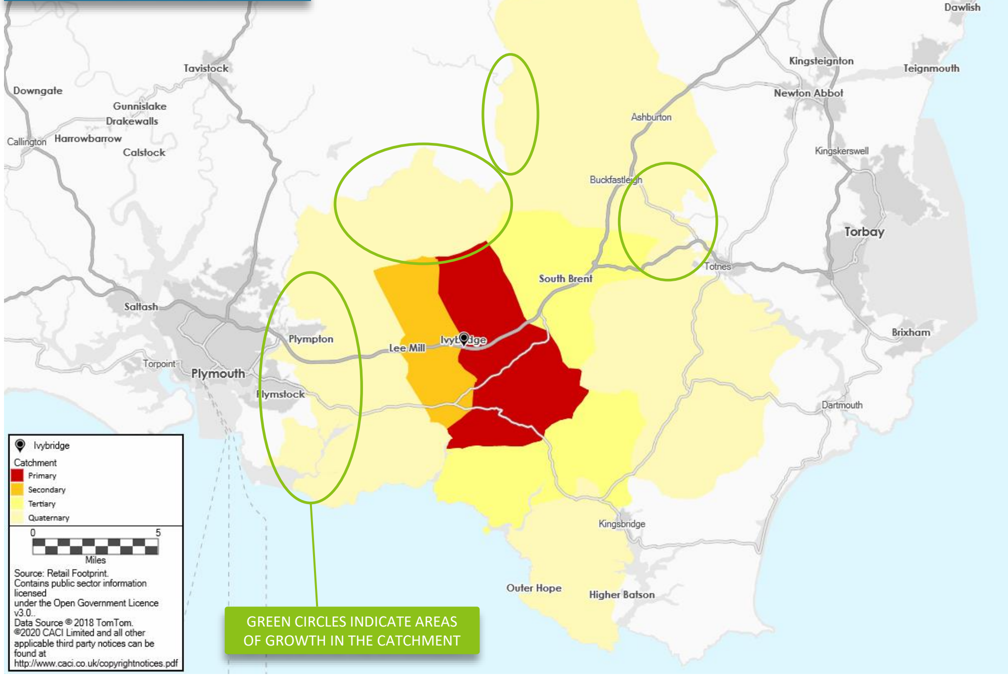
Source: CACI Spend Projections

Note: Current Day is 2019 figures to exclude the impact of Covid-19 on spend

# BENEFITS OF AN ALDI IN IVYBRIDGE

Opening an Aldi in the town would grow Ivybridge's catchment; while trips from this area will be drawn in by the Aldi, there is scope to encourage cross shopping with the existing offer. Affluent shoppers are more likely to purchase at independent bakeries and butchers alongside Aldi for essentials.

## AREAS OF GROWTH




## BENEFITS TO IVYBRIDGE

**WILL BE THE FIRST DISCOUNTER IN THE AREA**

Currently the nearest Aldi is in Plympton. Introducing a new Aldi to the area will not only make it the **first discounter in the area** but also encourage more local shopping and in turn a more **sustainable shopping experience**.

**ALDI WILL BRING IN MORE FREQUENT VISITORS**

In CACI's Shopper Dimensions, shoppers to a discount grocery in an In Town Centre or High Street had an **annualised frequency of 76 visits per year**, this is compared to an **average frequency of 58 visits per year**.

**ALDI WILL BRING NEW SHOPPERS WHO WILL CROSS-SHOP WITH THE EXISTING OFFER**

Aldi is unlikely to cannibalise the current offer at Ivybridge as it **doesn't feature in house bakeries or butchers etc**. Independent brands on the high street and in Glanvilles Mill Shopping Centre will appeal to more affluent and middle income households in the catchment who **prefer to buy locally produced and UK sourced goods**.

**ALDI WILL CONTRIBUTE TO EMPLOYMENT IN THE LOCAL CATCHMENT**

**15% aged 16-74** in Ivybridge's catchment are economically inactive (exc. retired). Aldi needs **between 30-50 staff in its new stores**, employing the majority from **within 2.5 miles of store**.

**ALDI CAN BENEFIT FROM THE INCREASING LOCALISM POST COVID-19**

Post-lockdown local centres are seeing a greater return in activity compared to city centres. **Ivybridge has seen a greater uplift in shoppers post-lockdown** vs. Plymouth and Exeter; highlighting the opportunity for Aldi to take advantage of this shifting trend.

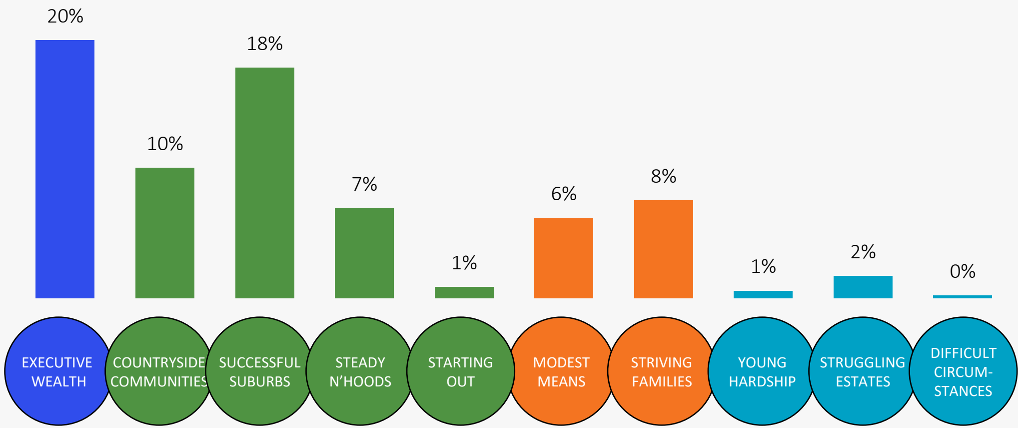
Source: Retail Footprint 2020, ProVision, Aldi Community Document, Acorn Knowledge; Shopper Dimensions

# KEY SELLING POINTS FOR AN ALDI IN IVYBRIDGE

Almost three-quarters of households across the catchment are classed as family groups, across a range of affluence, who will be likely to shop in Aldi. Added to this, the area is almost exclusively made up of households from white ethnic backgrounds. A Tesco Extra within a 10 minute drive will also allow a large proportion of cross shopping between the two stores to occur.

## ALIGNED DEMOGRAPHIC

% OF FAMILY GROUPS:




73%

OF HHDS IN CATCHMENT

## EXISTING SUPERMARKET OFFERING IN IVYBRIDGE

10 MINUTE

DRIVE AWAY

TESCO extra

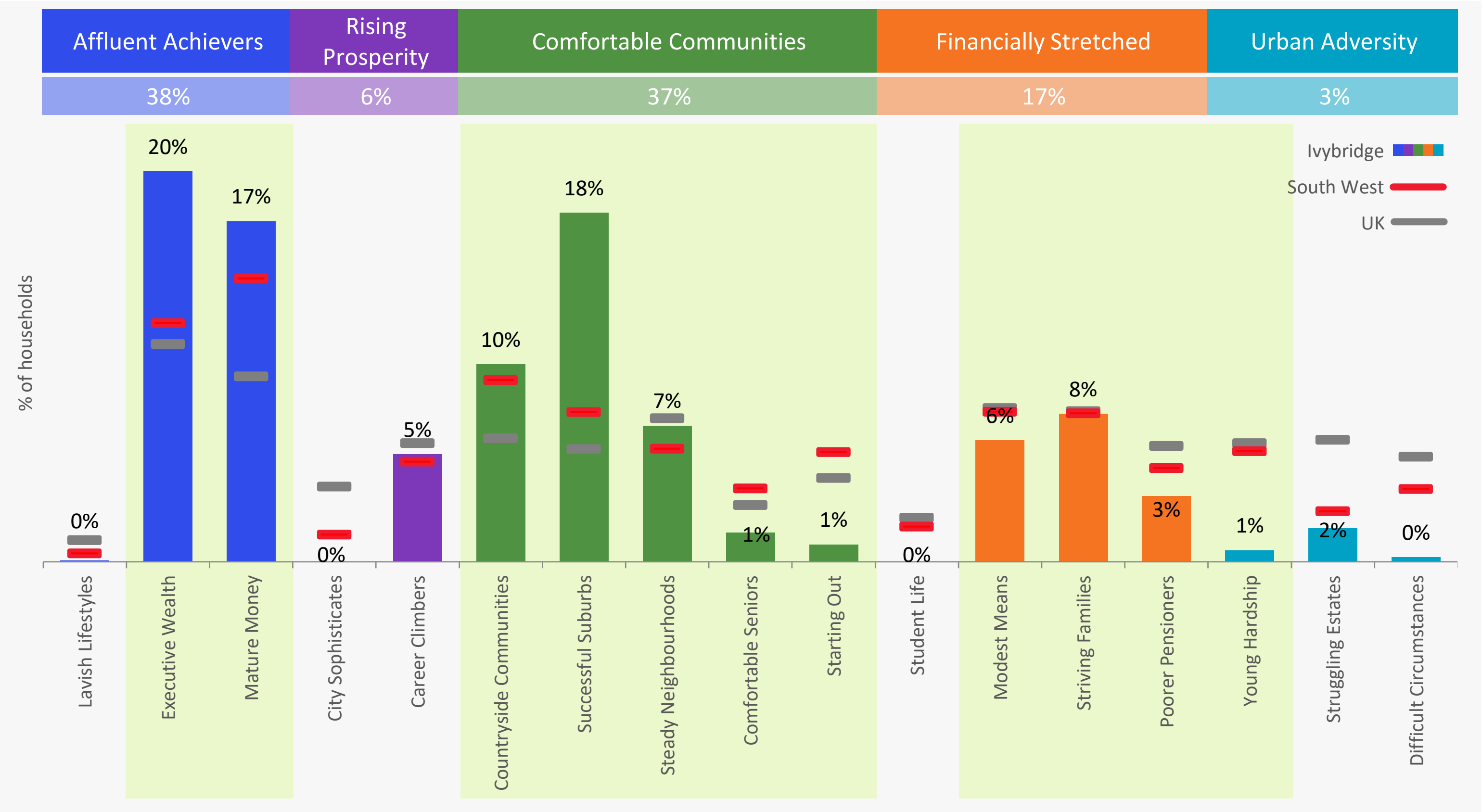
### WHY IVYBRIDGE?

- Tesco's close proximity to the town centre is a positive for Aldi, as it will encourage cross-shopping to take place between the two supermarkets. This is particularly true for affluent households who won't be able to buy everything they need from Aldi and will like that they can top up their shop in the nearby Tesco. An Aldi will also appeal to Tesco shoppers already in the area on a supermarket trip.
- Tesco and the Co-op are the only other major supermarket brands in the town. This means that Aldi would be the first discounter in the area, allowing it to gain a strong foothold.

Source: Retail Footprint 2020, Acorn, Retail Acornc

# APPENDIX

# IVYBRIDGE: CUSTOMER




Source: Retail Footprint 2020; Acorn

# IVYBRIDGE: CORE CUSTOMER GROUPS

## EXECUTIVE WEALTH

Wealthy families living in larger detached or semi-detached properties either in the suburbs, the edge of towns or in semi-rural locations. High spenders across retail and catering, due to good household incomes, preferring to go for premium goods and services over the standard. This group represents the core Marks & Spencer and John Lewis shopper. They are likely to shop in independents such as bakeries, butchers and greengrocers.

### DEMOGRAPHICS

Age
45-64

Household Income
£60K

House Tenure
Owned Outright

Children At Home
2

### ALIGNED BRANDS WITH EXECUTIVE WEALTH

M&S EST. 1884 · The North Face · John Lewis & Partners · Phase Eight · Kiehl's since 1851

## SUCCESSFUL SUBURBS

Home-owning families living comfortably in stable areas in suburban and semi-rural locations. They mainly live in three or four bedroom detached and semi-detached homes of an average value for the locality. These are households with high car ownership. As such, this group are likely to shop in Out of Town centres, such as shopping parks, retail parks and outlet centres.

### DEMOGRAPHICS

Age
35-54

Household Income
£48K

House Tenure
Mortgaged

Children At Home
2

### ALIGNED BRANDS WITH SUCCESSFUL SUBURBS

Ernest Jones · Nando's · Dunelm · mamas & papas · Whittard Chelsea 1886 · Tesco

## MATURE MONEY

Older, affluent people with the money and time to enjoy life. These people tend to be older empty nesters and retired couples, many live in rural towns and villages, in larger detached or semi-detached houses. Given their high levels of disposable income and living on the outskirts of urban areas, they are prepared to travel to shop. They regularly shop at Waitrose, Marks & Spencer and John Lewis.

### DEMOGRAPHICS

Age
65+

Household Income
£46K

House Tenure
Owned Outright

Children At Home
0

### ALIGNED BRANDS WITH MATURE MONEY

Crew Clothing Co. · Waterstones · M&S EST. 1884 · John Lewis & Partners · Lakeland

Source: Acorn

# TARGET BRANDS FOR IVYBRIDGE

The below highlights brands which are present in benchmark centres but not yet in Ivybridge. These brands would resonate well with the affluent and middle-income demographic of Ivybridge's catchment as well as cement the town as catering for the everyday need.

## BENCHMARK CENTRES

### NATIONAL BENCHMARK CENTRES WITH AN ALDI

National benchmarks are more mass focussed with target brands including Aldi, WHSmith's and Clarks. Introducing either an Aldi or Greggs to the brand line up in Ivybridge would bring the market position breakdown closer to the national benchmark average.

### LOCAL BENCHMARKS

Clothing and Footwear brands are more prevalent in local benchmark centres. These target brands are more aspirational but will appeal to the affluent demographic across the catchment, particularly Executive Wealth and Mature Money.

### CITY CENTRE COMPETITORS

The nearby city centres, unsurprisingly host a large proportion of well known mass market brands which Ivybridge can look to minimise spend leakage. The likes of Superdrug, Flying Tiger and Waterstones would help to encourage shoppers to visit the town for their everyday needs.

Source: Local Data Company

# METHODOLOGY

## In order to perform this analysis CACI have used a range of tools including:

### RETAIL FOOTPRINT

- Retail Footprint (RF) models the flow of people and spend across the UK to define catchments for over **4,400 retail destinations**.
- The model accounts for the retail **attractiveness** of a centre, the **location** of competing schemes, the **accessibility** of the centre and the level of demand in the area.
- The model* is **calibrated** using real world transactional (credit & debit card) data as well a mobile phone data.

### ACORN

- Acorn is CACI's consumer **segmentation** model.
- Acorn combines geography with a wide range of **demographics** and **lifestyle** data sources to group the entire population into:
  - 5 Categories;
  - 17 Groups;
  - 62 Types.

### RETAIL ACORN

- CACI conduct consumer surveys in over **200 retail locations across the UK.**
- Data on visits and spend recorded at an **individual retailer level** offers a detailed understanding of how different **Acorn groups** interact with **specific brands**
- Retail Acorn covers **over 280 top brands** in the UK, offering insight into the **brand engagement** by shopper group and **average spend**

### CENTRE FUTURES

- Using **Retail Footprint (RF),** CACI has the ability to model **retail catchments in the future.**
- In order to **accurately reflect the future retail landscape** a database of future retail developments is recorded. Their assumed size and attractiveness is then used to **model the impact on existing retail catchments/flows of spend across the UK**.
- In this report a Centre Futures (CF) model of 2022 has been used to reflect the assumed opening date of the development.

# RETAIL FOOTPRINT GRAVITY MODELLING: OVERVIEW

## A gravity model replicates customer behaviour using three main elements:

### 1.DEMAND

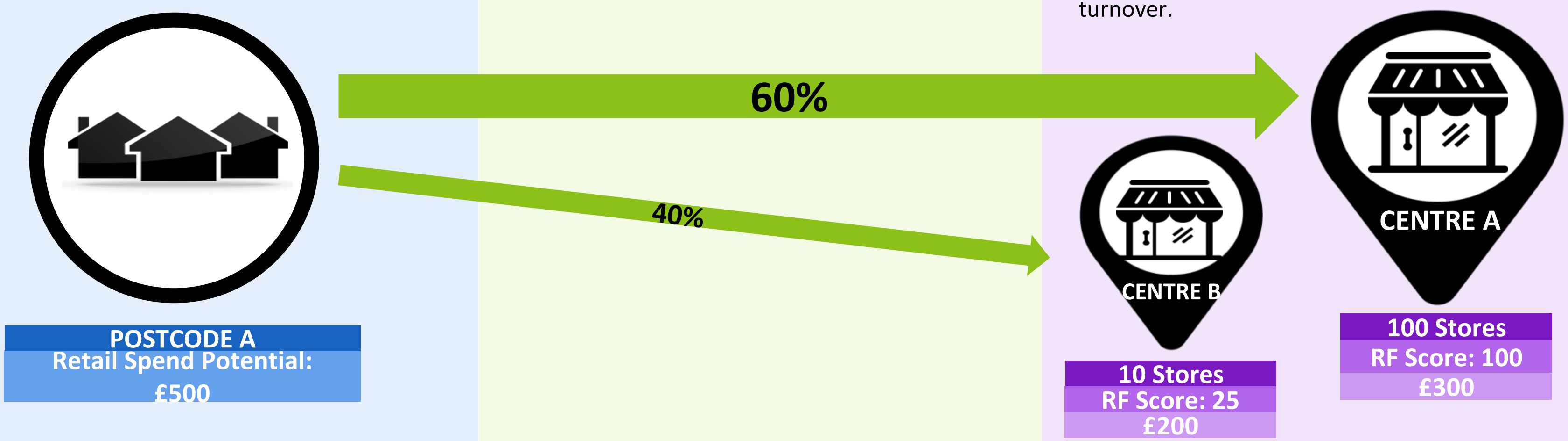
The location of the customer when they start their shopping journey and the money they have available to spend on retail. This is distributed by the smallest geographical zone available (Postcode).

### 2.INTERACTION

The way in which retail spend is distributed is allocated based on centre attractiveness and the time/cost it takes to travel from the demand location to the retail supply.

### 3.SUPPLY

Retail points of supply, typically shopping destinations. Centre class and centre score determine their attractiveness to consumers. The class takes into account how different types of centres interact with their catchment. The score is a function of tenants in a centre's average turnover.

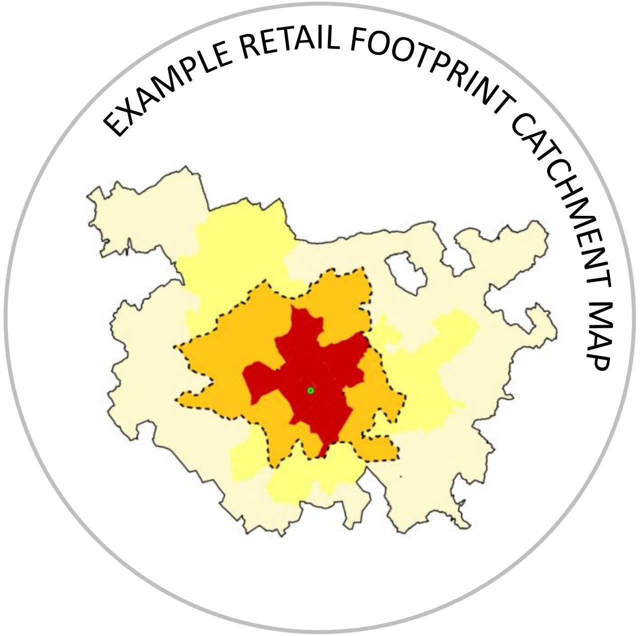



Source: Retail Footprint

# RETAIL FOOTPRINT CATCHMENT AREAS

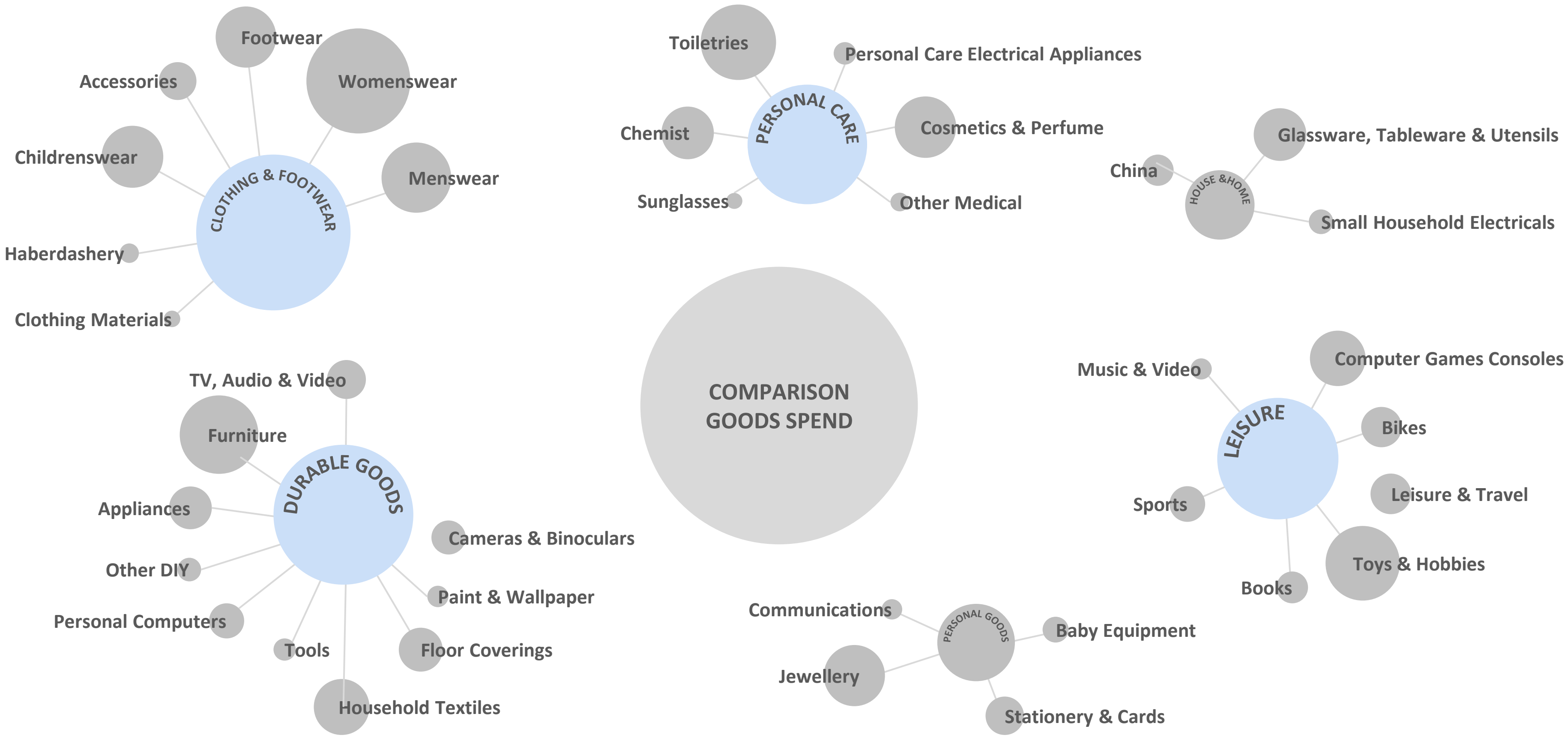
## 75% of spend is expected from the Core catchment

- Each catchment defined by the gravity model is split into four; Primary, Secondary, Tertiary and Quaternary. This is based on the proportion of trade expected to originate from each catchment area.
- The model expects 50% of trade/shoppers to originate from the Primary catchment area, the following 25% to originate from the Secondary catchment and the following 15% from the Tertiary.
- The final 10% of trade is expected to originate from the Quaternary catchment. This catchment area contains less frequent shoppers and as such covers a much larger geographical area. With 90% of trade expected to originate from the Primary, Secondary and Tertiary catchment areas it is this Major Catchment that should be the focus.




% Percentage of Trade

# RETAIL SPEND CATEGORIES

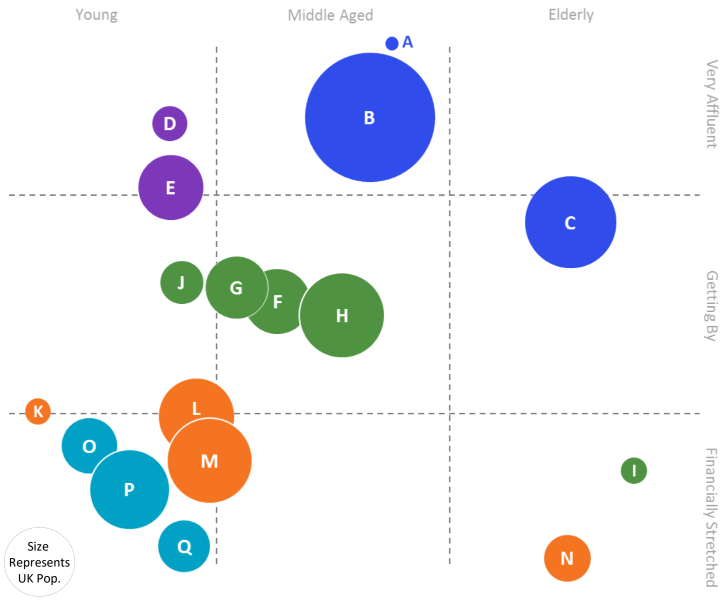


# ACORN IS THE INDUSTRY STANDARD CONSUMER SEGMENTATION

- A Lavish Lifestyles
- B Executive Wealth
- C Mature Money
- D City Sophisticates
- E Career Climbers
- F Countryside Communities
- G Successful Suburbs
- H Steady Neighbourhoods
- I Comfortable Seniors
- J Starting Out
- K Student Life
- L Modest Means
- M Striving Families
- N Poorer Pensioners
- O Young Hardship
- P Struggling Estates
- Q Difficult Circumstances

**Acorn is a geo-demographic classification that segments the UK population according to their lifestyle, lifestage and affluence.**

acorn



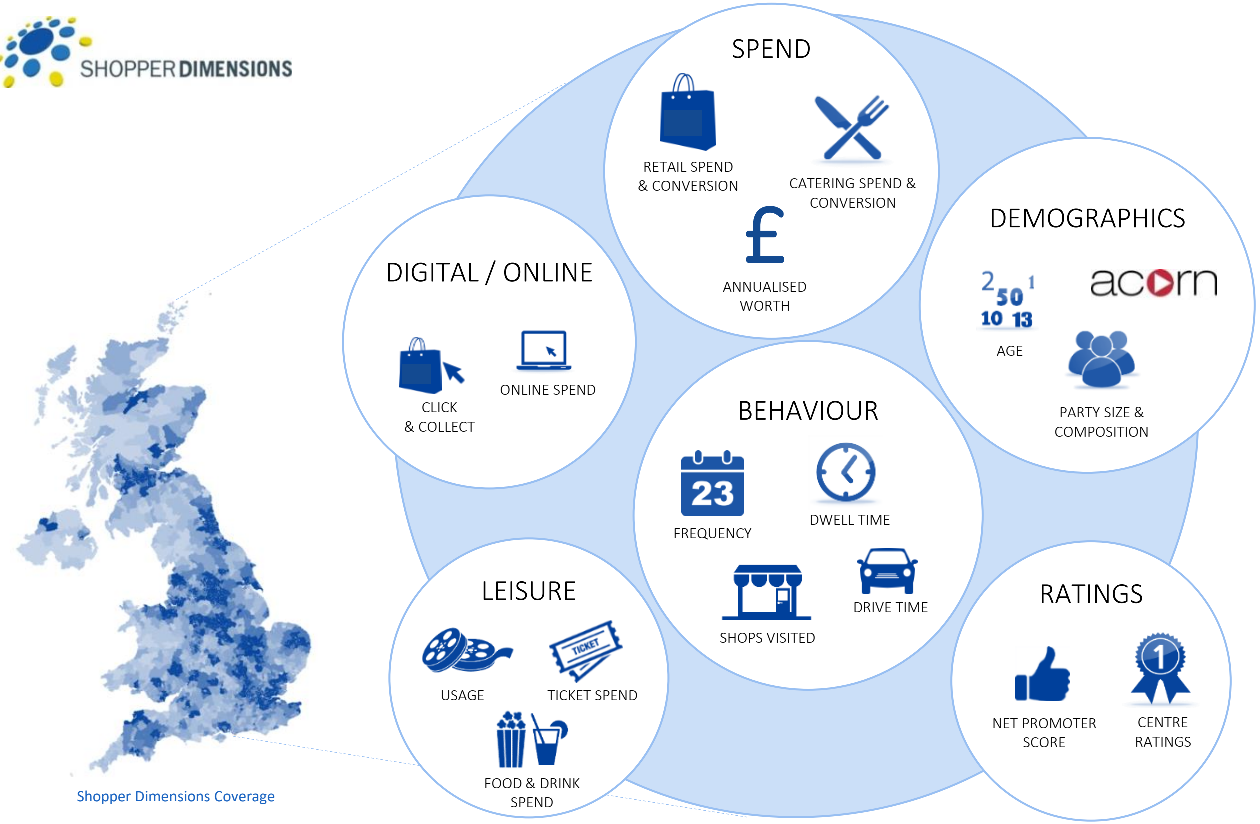

Classifies every UK postcode

Available at 3 levels: 6 Categories, 18 Groups & 62 Types

Common language across media, agencies and marketing organisations

# SHOPPER DIMENSIONS

SHOPPER DIMENSIONS




Shopper Dimensions Coverage

## WHAT IS SHOPPER DIMENSIONS?

- ✓ CACI conduct **standardised consumer interviews** in all types of **retail centre** throughout the **UK**. Shoppers provide information on all aspects of their trip on that day.
- ✓ Shopper Dimensions aggregates the data, enabling you to **benchmark a centre** against the **class average** and assess **how the centre is performing**.
- ✓ Shopper Dimensions is the most **comprehensive in-centre research study** and provides an unprecedented **view of the UK consumer**.

## LATEST NUMBERS:

**889K SURVEYS**

**250+ RETAIL LOCATIONS**

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