

QUARTERLY ELECTRONIC CARD RETAIL SPENDING

INCLUDING TOURISM
RELATED SECTORS //
JUNE 2023 QUARTER



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MANAWATŪ





MANAWATŪ REGION QUARTERLY ELECTRONIC CARD RETAIL SPENDING

This report presents analysis of electronic card retail spending (i.e., total value of electronic card transactions made in person) in the Manawātū region. The data is obtained from Marketview and is based on information from Worldline (formerly known as Paymark) the largest electronic card payment network in New Zealand. Analysis covers eight retail sectors consisting of:

- >> accommodation
- >> apparel & personal
- >> arts, recreation & visitor transport
- >> cafes, restaurants, bars & takeaways
- >> fuel & automotive
- >> groceries & liquor
- >> home & recreational retail
- >> other consumer spending

See retail sector classification on page 11.

This Retail Report captures data from the Manawātū region, which consists of Palmerston North city and Manawātū district.

OVERVIEW



Retail card spending in the region increased by 3.6% in the June 2023 quarter compared to the same period in 2022. This is lower than the New Zealand growth rate of 3.8% compared to the previous June quarter.

There is still a gap between the regions year on year growth with a 7.4% increase, compared to the New Zealand average of 12.2% for the year ending June 2023. This is shown in more detail on the Electronic Card Retail Spending Annual Change graph on page 4.

The annual inflation rate in June 2023 was 6%. There is sustained positive annual growth in spending by residents within the region by 5.8%, visitors 12.6%, as well as resident spending outside the region by 10.8%. See Retail Flow graph on page 9.

Annual growth was mainly supported by accommodation spend with a 38% increase while art, recreation and visitor transport saw an increase of 28.7%. Spend in cafes, restaurants, bars and takeaways saw an 18.8% increase while fuel and automotive grew by 10.3%.

JUNE 2023 QUARTER

For the quarter ending June 2023 total electronic card spending in the region was \$436 million, an increase of 3.6% from the June 2022 quarter. The breakdown is as follows:

>> **Palmerston North city: \$366 million**
(3.9% increase)

>> **Manawatū district: \$70 million**
(3.6% increase)

Retail spending in New Zealand was \$18,475 million, an increase of 3.8% in the same period.

ELECTRONIC CARD RETAIL SPENDING

\$436M

in the region June 2023 Quarter

▲
3.6%

Increase in the region from the
June 2022 quarter

▲
3.8%

Increase nationally from the
June 2022 quarter

YEAR ENDING JUNE 2023

Annual electronic card retail spending in the region was \$1,775 million in the year to June, an increase of 7.4% compared to the same period last year. The breakdown of annual spending during this period are as follows:

- >> **Palmerston North city: \$1,489 million**
(7.5% increase)
- >> **Manawatū district: \$286 million**
(7% increase)

The annual growth rates above are higher than the annual inflation rate of 6% for the year to June 2023, indicating positive growth. Retail spending in New Zealand was \$76,599 million with a 12.2% increase over the previous year.

ANNUAL ELECTRONIC CARD RETAIL SPENDING

\$1,775M

in the region



7.4%

increase in the region
compared to the same
period last year

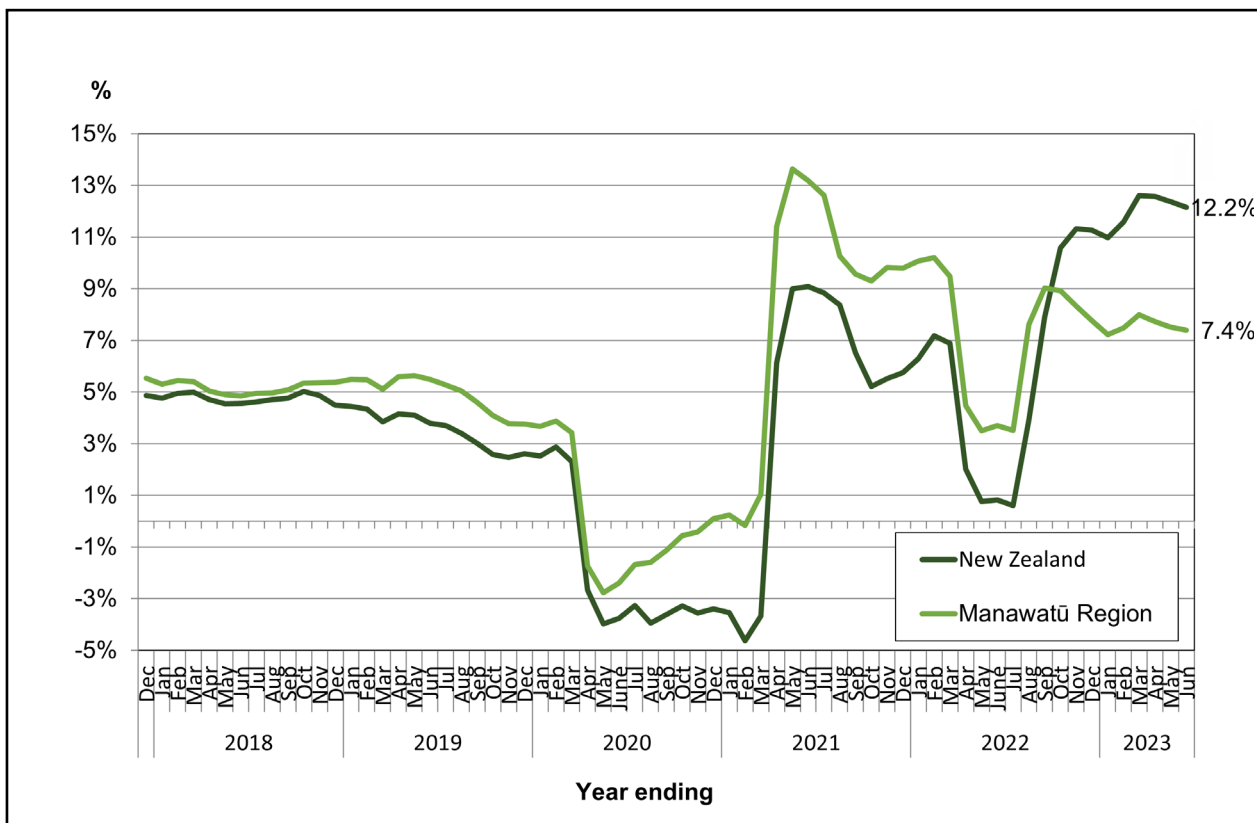


12.2%

increase nationally
compared to the same
period last year

The chart below shows the percentage of annual change compared to the same period the year before. The New Zealand growth rate began to increase higher than the region starting from October 2022.

ELECTRONIC CARD RETAIL SPENDING ANNUAL CHANGE (%)



CUSTOMER ORIGIN

Cardholder origin	MARCH 2023 QUARTER		YEAR ENDING MARCH 2023		
	Spending (\$m)	Change from last year (%)	Spending (\$m)	Change from last year (%)	% share of spending
Locals	332	3.1	1,349	6.4	76.0
Horowhenua district	17	-0.9	73	5.3	4.1
Wellington region	13	2.0	55	3.6	3.1
Tararua district	15	7.0	61	12.1	3.4
Rangitikei district	14	4.7	58	11.0	3.3
Auckland region	7	-2.5	29	12.0	1.6
Whanganui district	7	6.7	26	7.5	1.5
Ruapehu district	1	16.9	5	8.8	0.3
Rest of New Zealand	23	5.6	94	12.9	5.3
International	6	71.2	27	146.4	1.6%
Total	436	3.8	1,775	7.4	100.0
Total New Zealand	18,475	3.6	76,599	12.2	

For the year ending June 2023, 76% of retail spending in the Manawatū region was from locals, totalling \$1349 million, an increase of 6.4% compared to the previous year. The visitor share of total spending was 24% with international visitor spend showing the highest quarterly and annual growth as New Zealand's borders gradually opened from April 2022 onwards. Despite reaching the highest annual growth rate of 118%, international visitors represented only 1.4% of annual spending for the year to June 2023 in our region.

For the year ending June 2023, the top five spenders in our region were from Horowhenua 4.1%, Tararua 3.4%, Rangitikei 3.3%, Wellington 3.1%, and Auckland 1.6%. Together, these contributed to 15.5% of total annual spending for the year ending June 2023.

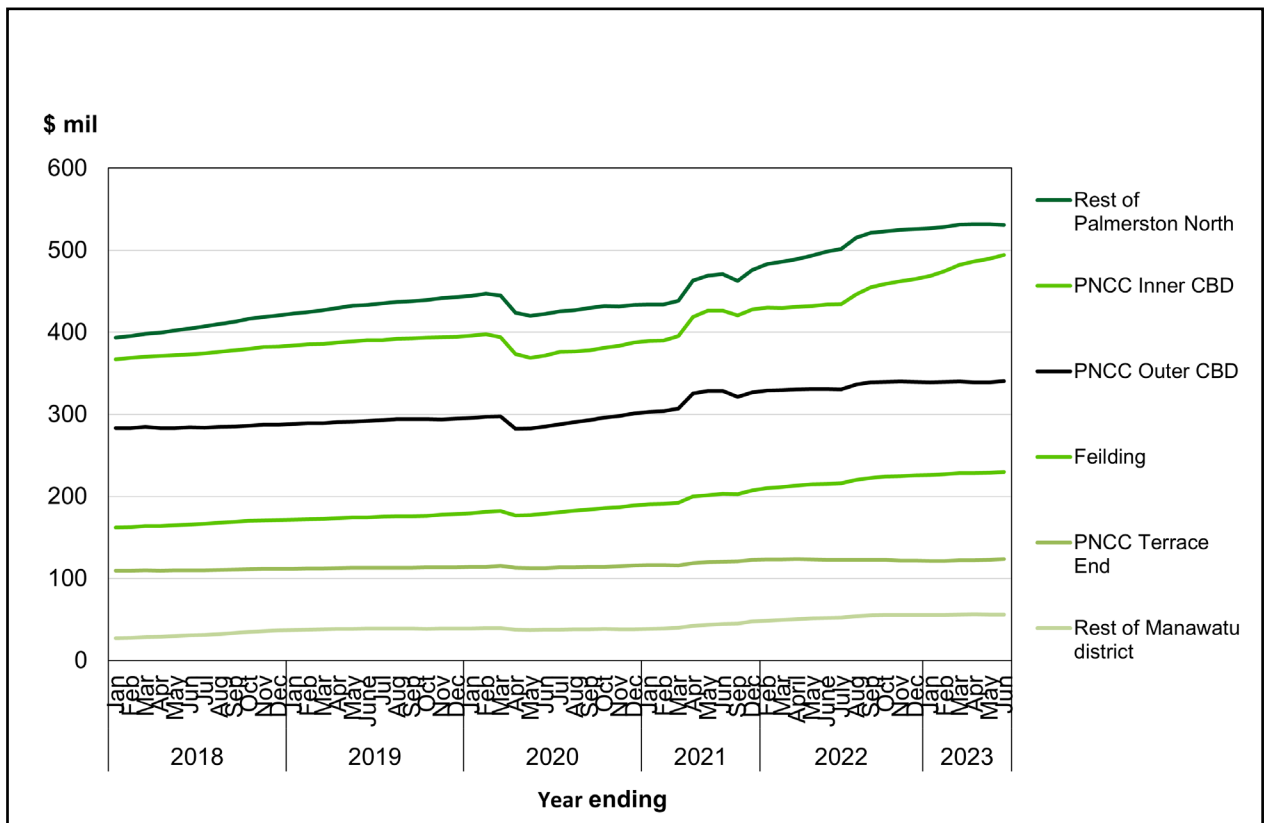
RETAIL PRECINCTS

MARCH 2023 QUARTER

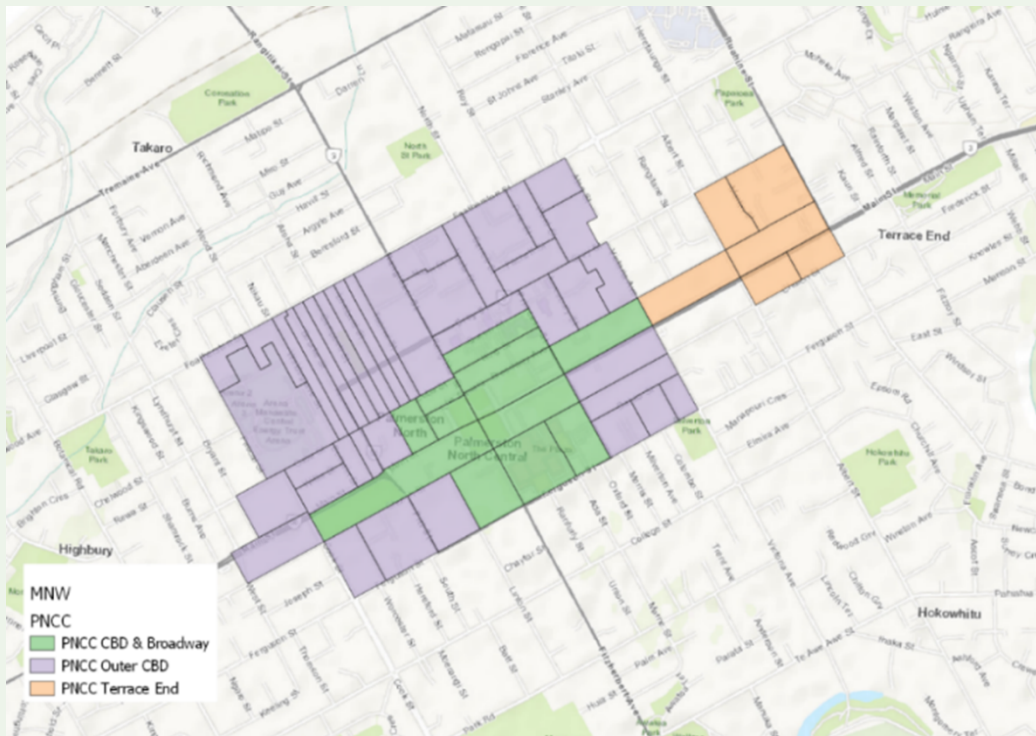
YEAR ENDING MARCH 2023

Merchant Location	Spending (\$m)	Change from last year (%)	Spending (\$m)	Change from last year (%)	Precinct share (%)
Palmerston North Inner CBD	112	10.8	494	14.0	27.8
Palmerston North Outer CBD	83	0.9	341	2.9	19.2
PNCC Terrace End	31	4.9	123	0.5	7.0
Rest of Palmerston North	130	-0.3	531	6.6	29.9
Palmerston North	366	3.9	1,489	7.5	83.9
Feilding	56	3.3	230	6.8	13.0
Rest of Manawatū district	14	-1.1	56	7.8	3.1
Manawatū district	70	2.4	286	7.0	16.1
Total Manawatū region	436	3.6	1,775	7.4	100.0
Total New Zealand	18,475	3.8	76,599	12.2	

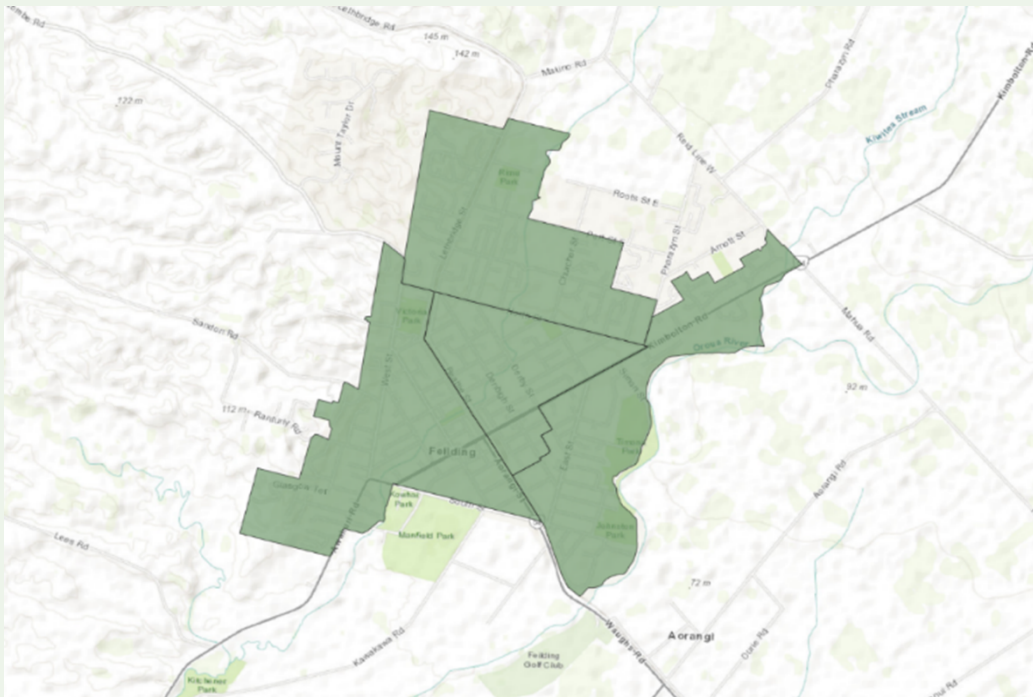
MANAWATŪ REGION: RETAIL PRECINCTS ANNUAL ELECTRONIC CARD SPENDING (\$ MILLION)



PALMERSTON NORTH RETAIL PRECINCTS



MANAWATŪ DISTRICT RETAIL PRECINCTS



RETAIL SECTORS

MANAWATŪ REGION YEAR ENDING MARCH 2023

NEW ZEALAND YEAR ENDING MARCH 2023

Cardholder origin	Spending (\$m)	Change from last year (%)	Spending (\$m)	Change from last year (%)	Manawatū region share of New Zealand
Accommodation	30	30.8	1,903	54.6	1.6
Apparel & personal	110	8.8	4,573	20.7	2.4
Arts, recreation & visitor transport	33	28.7	2,340	60.5	1.4
Cafes, restaurants, bars & takeaways	229	18.8	11,237	26.4	2.0
Fuel & automotive	319	10.3	12,731	10.9	2.5
Groceries & liquor	606	4.9	26,311	5.0	2.3
Home & recreational retail	444	0.9	17,148	6.9	2.6
Other consumer spending	4	-15.2	355	4.6	1.0
Total	1,775	7.4	76,599	12.2	2.3

The Manawatū region had an annual growth rate of 7.4% supported mainly by spending in the following categories related to tourism and travel.

>> **Accommodation: 38%**

>> **Art, recreation and visitor transport: 28.7%**

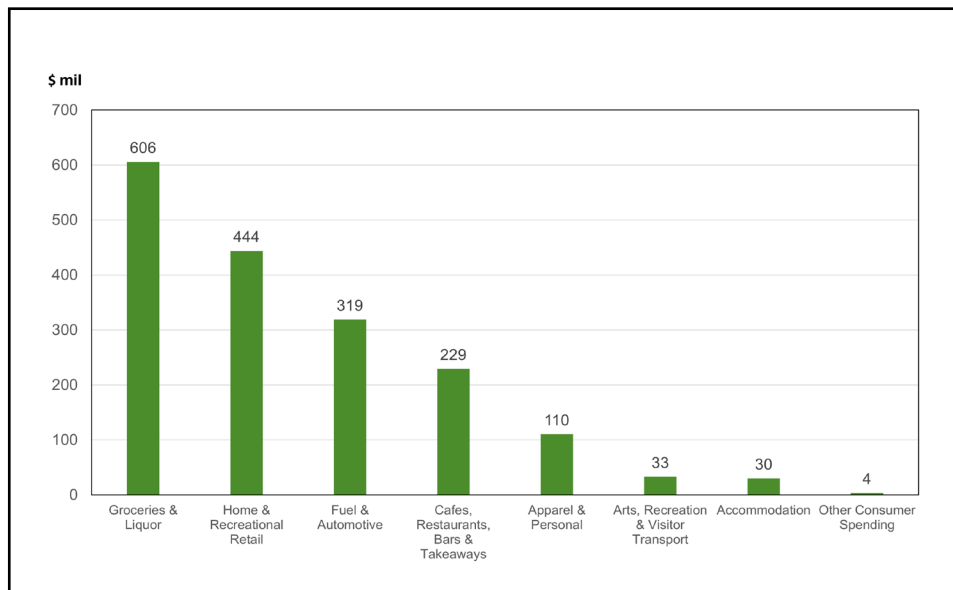
>> **Cafes, restaurants, bars and takeaways: 18.8%**

>> **Fuel and automotive: 10.3%**

Although annual spending for 'other consumer spending' decreased by 15.2% and may appear to contrast with other categories, this category experienced a decrease of 36.1% for the year ending December 2021.

MANAWATŪ REGION: ELECTRONIC CARD SPENDING BY RETAIL SECTOR

(Year ending June 2023)



In terms of share of annual spending for the year ending June 2023, the top three categories were:

>> **Groceries and liquor: \$606m**

>> **Home and recreational retail: \$444m**

>> **Fuel and automotive: \$319m**

Together these make up 77.1% of total electronic card retail spending. See Retail Sector Classification on page 11.

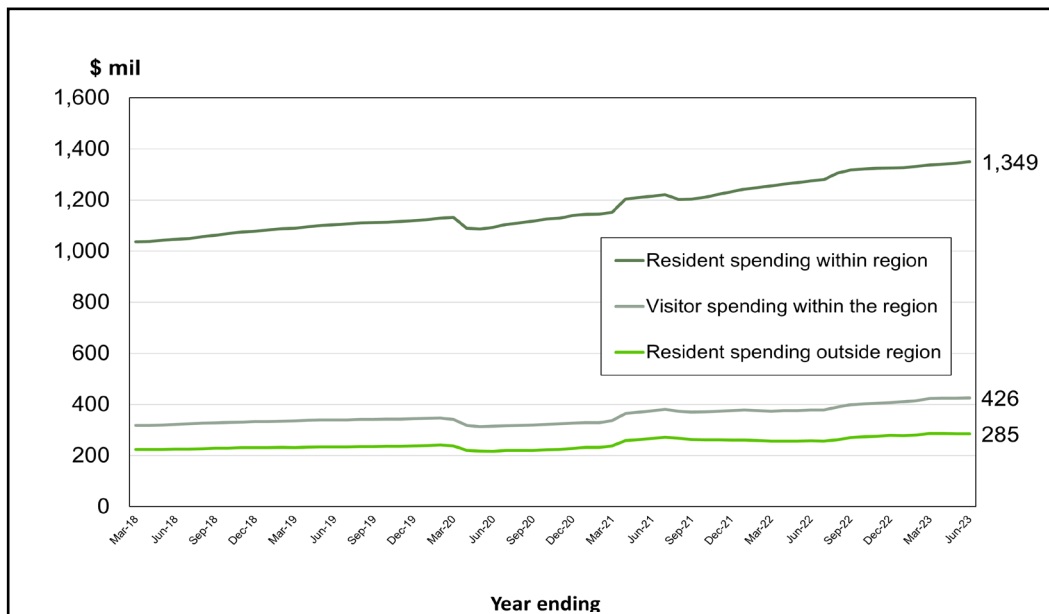
RETAIL FLOW

Cardholder origin	MARCH 2023 QUARTER		YEAR ENDING MARCH 2023	
	Spending (\$m)	Change from last year (%)	Spending (\$m)	Change from last year (%)
Resident spending locally [a]	332	4.0	1,349	5.8
Visitor spending [b]	104	2.4	426	12.6
Total spending at Manawatū region merchants	436	3.6	1,775	7.4
Resident spending outside region [c]	65	-1.4	285	10.8
Total resident spending [d] = [a]+[c]	397	3.1	1,634	6.7
Net gain in spending for region [b]-[c]	39	9.6	141	16.6
Manawatū region loyalty rate [a]/[d]*	83.5		82.6	

*Percentage of Manawatū region resident spending at Manawatū retailers (i.e., [a]/[d])

MANAWATŪ REGION: RETAIL FLOWS FROM ELECTRONIC CARD RETAIL SPENDING

(\$mil)



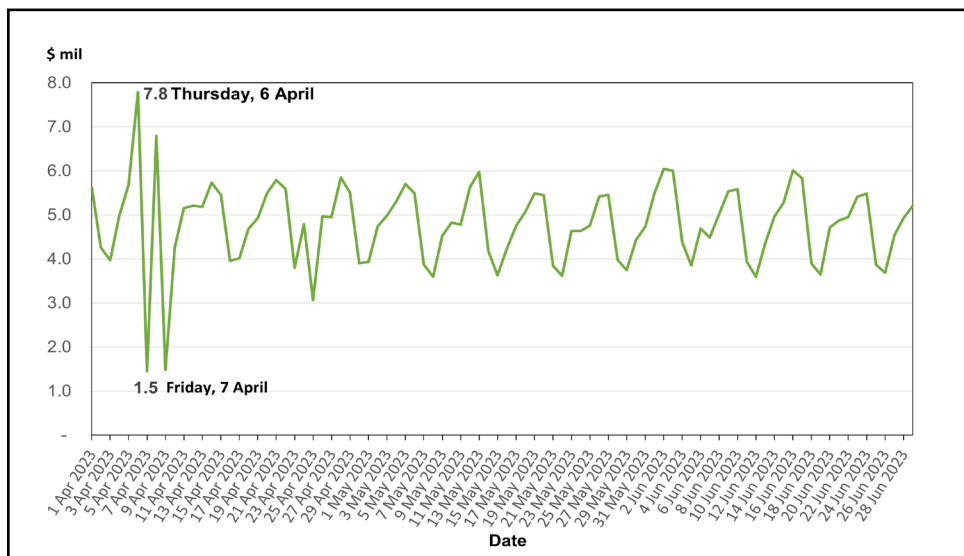
For the year ending June 2023, annual residents spending within the region was \$1349 million, increasing 5.8% year on year. Visitor spending was \$426 million increasing 12.6% while resident spending outside the region was \$285 million increasing by 10.2%. Our region's loyalty remains high at 82.6% compared to five- year average of 82.7%.

DAILY & WEEKLY SPENDING

The busiest day of the week for the region is usually on Fridays and Saturdays. This quarter, the highest spending was on Thursday 6 April which coincided with the eve of Good Friday. The lowest spend was on Good Friday, 7 April.

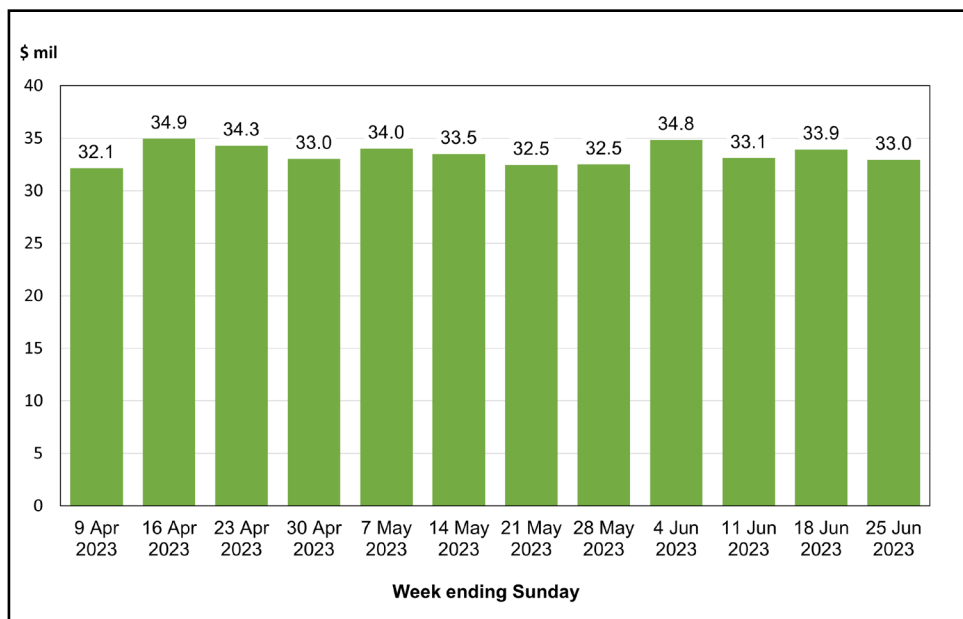
MANAWATŪ REGION: DAILY ELECTRONIC CARD RETAIL SPENDING

June 2023 quarter (\$ million)



MANAWATŪ REGION: WEEKLY ELECTRONIC CARD RETAIL SPENDING

June 2023 quarter (\$ million)



RETAIL SECTOR CLASSIFICATION

Accommodation

- >> Accommodation

Apparel & personal

- >> Clothing retailing
- >> Footwear retailing
- >> Watch & jewellery retailing
- >> Other personal accessory retailing
- >> Hairdressing & beauty services

Arts, recreation & visitor transport

- >> Interurban & rural bus transport
- >> Urban bus transport (including tramway)
- >> Taxi & other road transport
- >> Rail passenger transport
- >> Water passenger transport
- >> Air & space transport
- >> Scenic & sightseeing transport
- >> Passenger car rental & hiring
- >> Other motor vehicle & transport equipment rental & hire
- >> Travel agency & tour arrangement services
- >> Museum operation
- >> Zoological & botanical gardens operation
- >> Nature reserves & conservation parks operation
- >> Performing arts operation
- >> Creative artists, musicians, writers & performers
- >> Performing arts venue operation
- >> Health & fitness centres & gymnasias operation
- >> Sport & physical recreation clubs & sports professionals
- >> Sports & physical recreation venues, grounds & facilities
- >> Sport & physical recreation admin & track operation
- >> Horse & dog racing administration & track operation
- >> Other horse & dog racing activities
- >> Amusement parks & centres operation
- >> Amusement & other recreation activities n.e.c
- >> Casino operation
- >> Lottery operation
- >> Other gambling activities

Cafes, restaurants, bars & takeaways

- >> Cafes & restaurants
- >> Takeaway food services
- >> Catering services
- >> Pubs, taverns & bars
- >> Clubs (hospitality)

Fuel & automotive

- >> Motor vehicle parts retailing
- >> Tyre retailing
- >> Fuel retailing
- >> Other automotive repair & maintenance

Groceries & liquor

- >> Supermarket & grocery stores
- >> Fresh meat, fish & poultry retailing
- >> Fruit & vegetable retailing
- >> Liquor retailing
- >> Other specialised food retailing

Home & recreational retail

- >> Sport & camping equipment
- >> Entertainment media retailing
- >> Toy & game retailing
- >> Newspaper & book retailing
- >> Marine equipment retailing
- >> Department stores
- >> Pharmaceutical, cosmetic & toiletry goods
- >> Stationery goods retailing
- >> Antique & used goods retailing
- >> Flower retailing
- >> Other store-based retailing n.e.c.
- >> Furniture retailing
- >> Floor coverings retailing
- >> Houseware retailing
- >> Manchester & other textile goods retailing
- >> Electrical, electronic & gas appliance retailing
- >> Computer & computer peripheral retailing
- >> Other electrical & electronic goods retailing
- >> Hardware & building supplies retailing
- >> Garden supplies retailing

Other consumer spending

- >> Car retailing
- >> Motorcycle retailing
- >> Trailer & other motor vehicle retailing
- >> Retail commission-based buying & selling



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