



# QUARTERLY ELECTRONIC CARD RETAIL SPENDING

INCLUDING TOURISM RELATED SECTORS // SEPTEMBER 2023 QUARTER

NEW



TE MAURI O

# MANAWATŪ



Manawatū comprises the two councils of Palmerston North City and Manawatū District



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# 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 Manawatū 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 Manawatū region, which consists of Palmerston North city and Manawatū district.

# OVERVIEW



Retail card spending in the region increased by 2.5% in the September quarter 2023 compared with the previous September quarter. This is slightly lower than the New Zealand average growth of 2.8% over the same period

See Electronic Card Retail Spending Annual Change Graph on page 4

Annual electronic card retail spending in the region was 4.1% compared to the annual inflation rate of 5.6% for the period ending September 2023. Hence, the annual growth in retail spending is lower than the rate of annual inflation, indicating a real decline in the value of retail spending in the region, over the year.

**Retail spending in the region was supported by spending on accommodation with a +27% increase while art, recreation and visitor transport saw an increase of 15%, and cafes, restaurants, bars and takeaways spending increased by 13%**

See Retail Sectors on page 8

Overall annual retail spending growth in the region is behind national growth of 7.4% over the year.

## ELECTRONIC CARD RETAIL SPENDING

# \$437M

in the region September 2023 Quarter



## 2.5%

Increase in the region from the September 2022 quarter



## 2.8%

Increase nationally from the September 2022 quarter

## SEPTEMBER 2023 QUARTER

For the quarter ending September 2023, total electronic card spending in the region was \$437 million, a 2.5% increase from September 2022 quarter. The breakdown is as follows:

>> **Palmerston North city: \$366 million**  
(2.5% increase)

>> **Manawatū district: \$70 million**  
(1.9% increase)

Retail spending in New Zealand was \$18,780 million, an increase of 2.8% on the same period the previous year.

# YEAR ENDING SEPTEMBER 2023

Annual electronic card retail spending in the region was \$1,787 million, an increase of 4.1% compared to the same period last year. As this is lower than the annual inflation rate of 5.6% for period ending September 2023, this means that the increase in spending is mainly due to inflation.

This is showing that we have experienced negative real growth in retail spending over the year, after taking inflation into consideration. On the other hand, retail spending in New Zealand was \$77,217 million, an increase of 7.4% compared with the previous year.

The breakdown of annual spending between Palmerston North city and the Manawātū district over this period, is as follows:

**>> Palmerston North city: \$1,500 million**  
(4.2% increase)

**>> Manawātū district: \$287 million**  
(3.5% increase)

## ANNUAL ELECTRONIC CARD RETAIL SPENDING

# \$1,787M

in the region



## 4.1%

Increase in the region compared to the same period last year



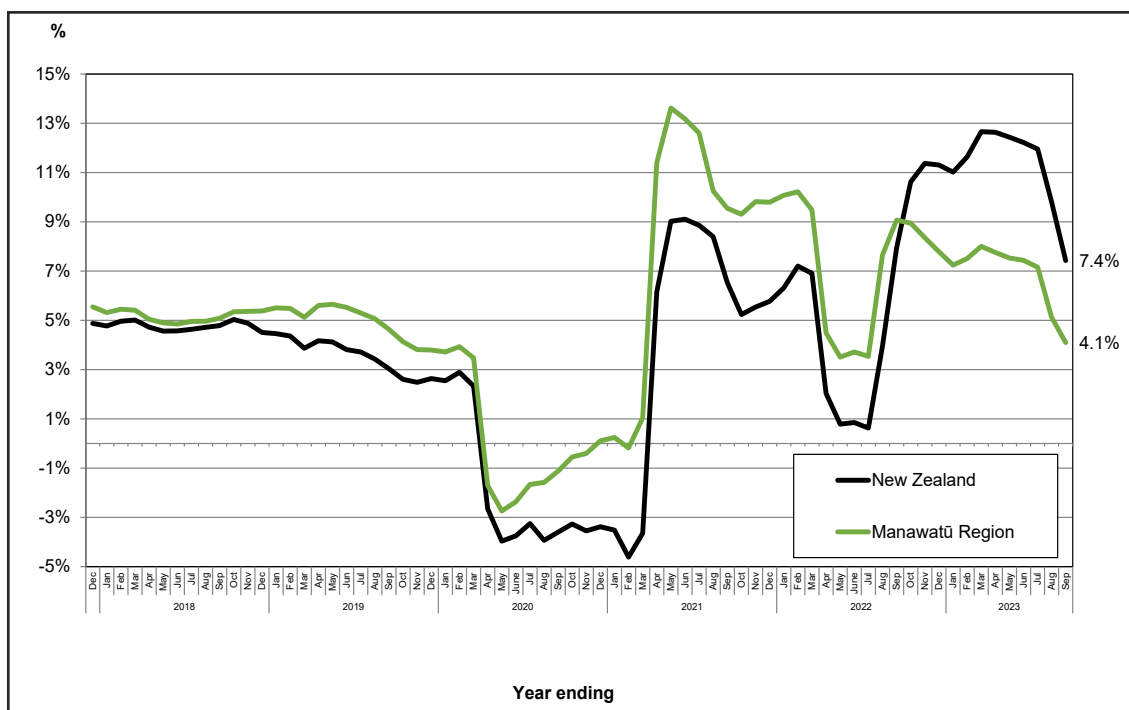
## 7.4%

Increase nationally compared to the same period last year

The chart below shows the percentage of annual (i.e. rolling 12 months) change compared to the same period the year before. The New Zealand growth rate began to increase above the rate of growth in the region starting from October 2022.

Previously, our region's retail spending experienced stronger performance relative to national spending due to parts of the country continuing to be more greatly affected by reduced tourism and supply chain issues.

### ELECTRONIC CARD RETAIL SPENDING ANNUAL CHANGE (%)



# CUSTOMER ORIGIN

Cardholder origin	SEPTEMBER 2023 QUARTER		YEAR ENDING SEPTEMBER 2023		
	Spending (\$m)	Change from last year (%)	Spending (\$m)	Change from last year (%)	% share of spending
Local	335	3.6	1,361	4.1	76.1
Horowhenua district	17	-4.7	72	0.9	4
Wellington region	13	-1.9	55	3.6	3.1
Tararua district	15	1.9	61	6.5	3.4
Rangitikei district	14	-4	57	3.8	3.2
Auckland region	7	5.2	29	8.7	1.6
Whanganui district	6	1.9	27	2.7	1.5
Ruapehu district	1	11.7	5	7.2	0.3
Rest of New Zealand	22	4.2	93	9.5	5.2
International	7	43	27	99.5	1.5
<b>Total</b>	<b>437</b>	<b>2.5</b>	<b>1,787</b>	<b>4.1</b>	<b>100.0</b>

For the year ending September 2023, 76% of retail spending in the Manawatū region was from locals, totalling \$1,361 million. This is an increase of 4.1% compared to the previous year. The visitor (i.e. non-local) share of Manawatū regional spending was 24% of total spending.

International visitors recorded the highest quarter and largest annual growth as New Zealand's borders gradually opened from April 2022 onwards. Despite reaching the highest annual growth rate of 100%, international visitors represented only 1.5% of annual spending in the region for the year ending September 2023.

**The top five spenders into our region in the year to September 2023, were Horowhenua district which accounted for 4% of spend at \$17million, followed by Tararua district at 3.4% of spend, Rangitikei district at 3.2%, the Wellington region at 3.1%, and the Auckland region at 1.6%. Together, these areas contributed 15% total annual spending for the year ended September 2023.**

# RETAIL PRECINCTS

The breakdown of annual spending between Palmerston North city and the Manawatū district over this period, is as follows:

>> **Palmerston North city:** \$1,500 million, an increase of 4.2%

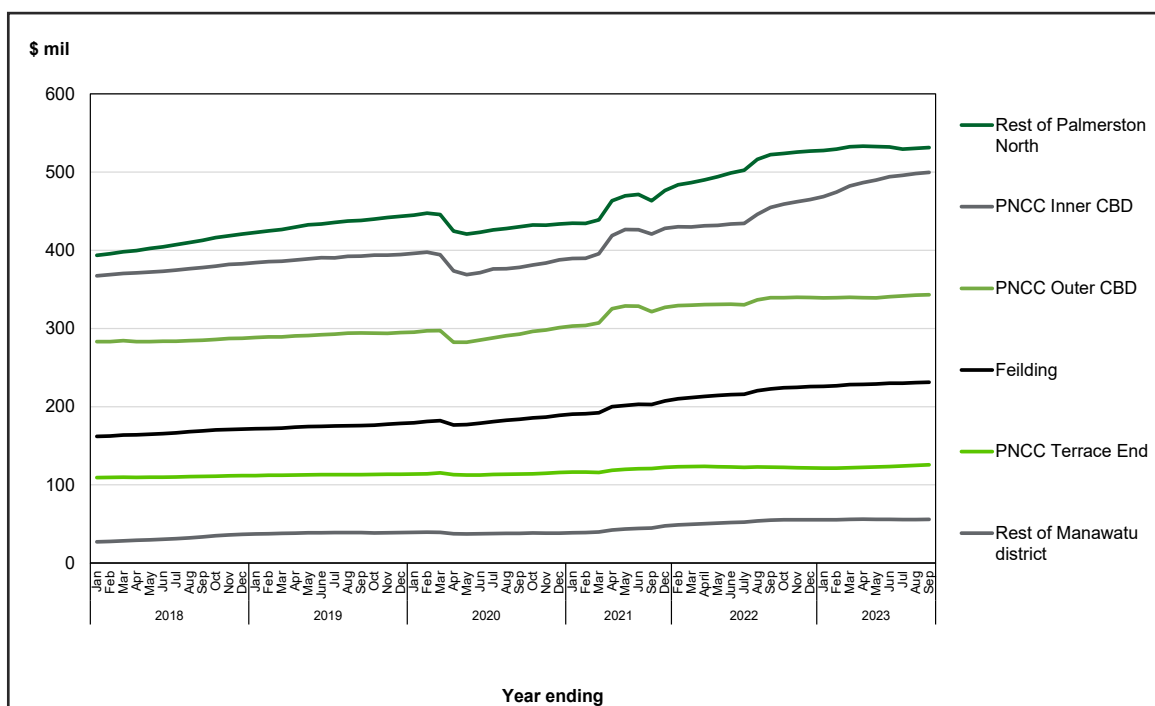
Among the four Palmerston North city precincts, the CBD and Broadway Avenue (inner business zone) precinct achieved the highest annual growth rate of 9.9% which is higher than the annual inflation rate, and New Zealand's annual growth rate of 7.4%.

>> **Manawatū district:** \$287 million, an increase of 3.5%

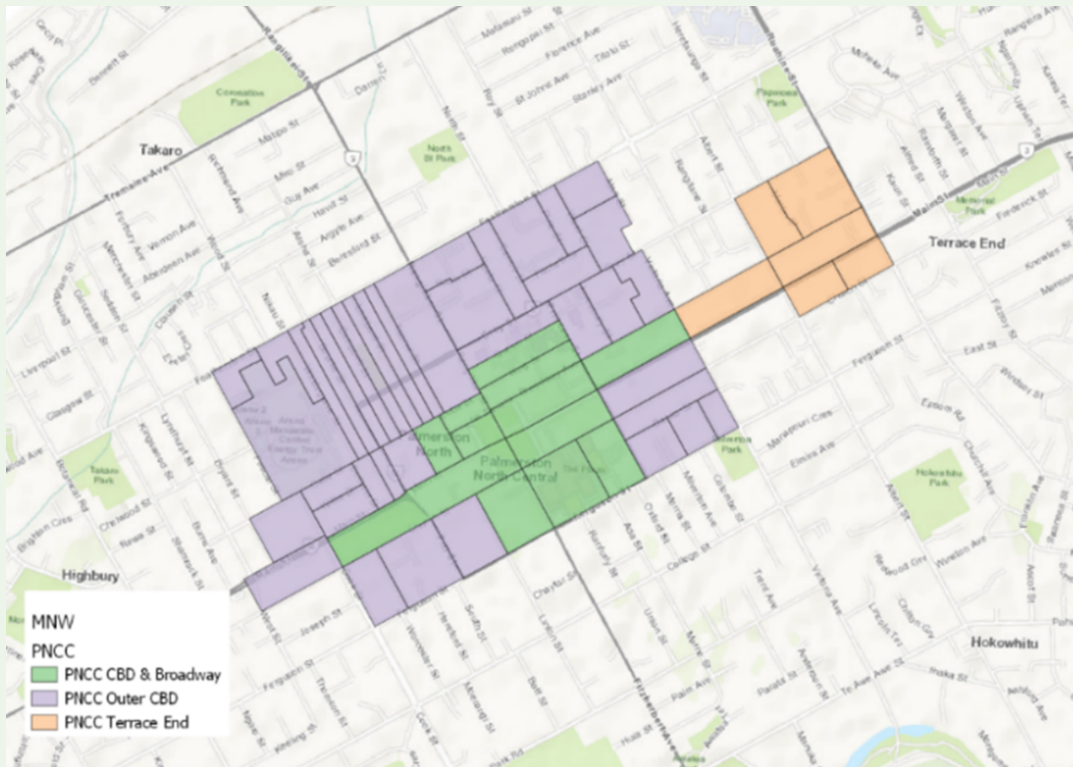
At a precinct level, Feilding precinct achieved an annual growth rate of 3.9%

Merchant Location	SEPTEMBER 2023 QUARTER		YEAR ENDING SEPTEMBER 2023		
	Spending (\$m)	Change from last year (%)	Spending (\$m)	Change from last year (%)	Precinct share (%)
Palmerston North Inner CBD	122	4.7	500	9.9	28.0
Palmerston North Outer CBD	82	2.9	343	1.1	19.2
PNCC Terrace End	32	8.0	126	2.5	7.0
Rest of Palmerston North	131	-0.8	531	1.7	29.7
<b>Palmerston North</b>	<b>366</b>	<b>2.5</b>	<b>1,500</b>	<b>4.2</b>	<b>83.9</b>
Feilding	57	2.3	231	3.9	12.9
Rest of Manawatū district	14	0.6	56	1.7	3.1
<b>Manawatū district</b>	<b>70</b>	<b>1.9</b>	<b>287</b>	<b>3.5</b>	<b>16.1</b>
<b>Total Manawatū region</b>	<b>436</b>	<b>2.5</b>	<b>1,787</b>	<b>4.1</b>	<b>100.0</b>

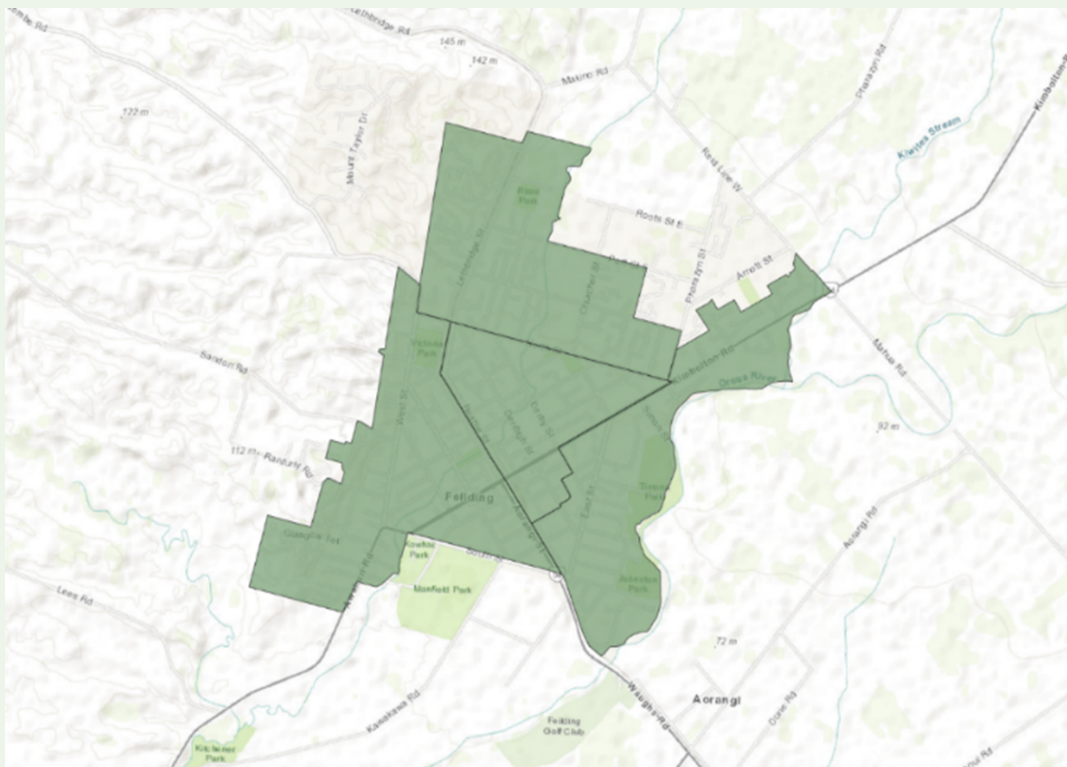
## MANAWATŪ REGION: RETAIL PRECINCTS ANNUAL ELECTRONIC CARD SPENDING (\$ MILLION)



## PALMERSTON NORTH RETAIL PRECINCTS



## FEILDING, MANAWATŪ DISTRICT RETAIL PRECINCT



# RETAIL SECTORS

MANAWATŪ REGION  
YEAR ENDING SEPTEMBER  
2023

NEW ZEALAND  
YEAR ENDING  
SEPTEMBER 2023

Cardholder origin	Spending (\$m)	Change from last year (%)	Spending (\$m)	Change from last year (%)	Manawatū region share of New Zealand
Accommodation	30	26.7	1,866	34.4	1.6
Apparel & personal	111	4.8	4,575	10.6	2.4
Arts, recreation & visitor transport	33	14.7	2,318	35.3	1.4
Cafes, restaurants, bars & takeaways	234	12.8	11,405	16.9	2.1
Fuel & automotive	317	1.3	12,674	1.6	2.5
Groceries & liquor	623	7.6	27,027	7.8	2.3
Home & recreational retail	435	-4.2	16,988	0	2.6
Other consumer spending	3	-26.8	365	1.3	0.9
<b>Total</b>	<b>1,787</b>	<b>4.1</b>	<b>77,217</b>	<b>7.4</b>	<b>2.3</b>

Manawatū region had an annual growth rate of 4.1%, supported mainly by spending in the following categories:

>> **Accommodation up 27% YoY**

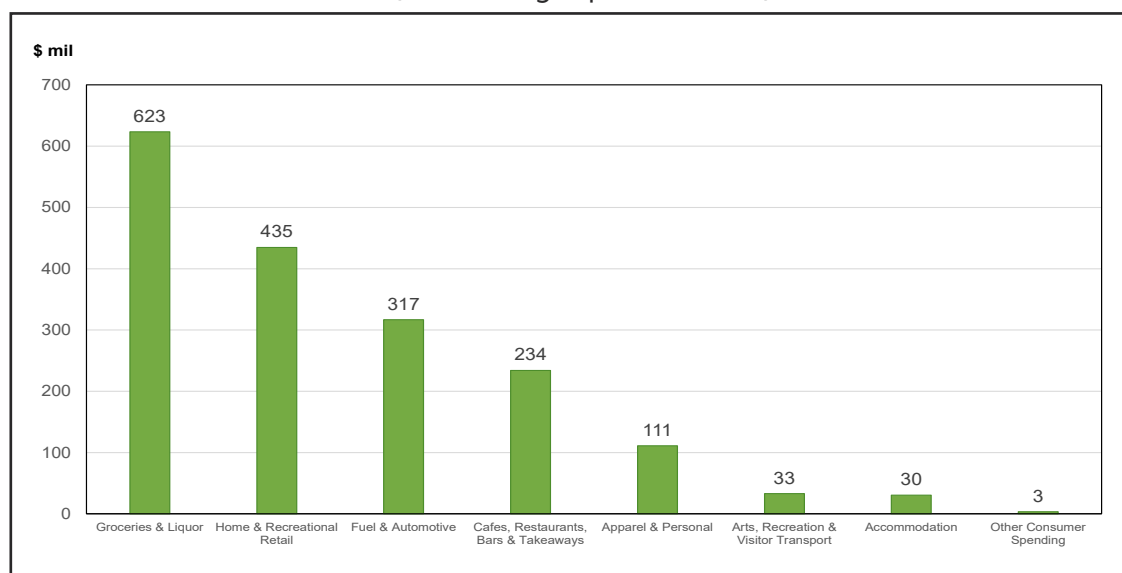
>> **Art, recreation and visitor transport up 15% YoY**

>> **Cafes, restaurants, bars and takeaways up 13% YoY**

On the other side of the equation, annual spending for “other consumer spending” decreased by 26.8% over the September 2023 year. This has weakened from a decline of 36.1% for the year ended December 2021. The contraction of spending on big ticket household and business goods is observed nationally, as household and business budgets come under pressure due to sharply higher borrowing and living costs.

## MANAWATŪ REGION: ELECTRONIC CARD SPENDING BY RETAIL SECTOR

(Year ending September 2023)





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

>> **Groceries and liquor: \$623m**

>> **Home and recreational retail: \$435m**

>> **Fuel and automotive: \$317m**

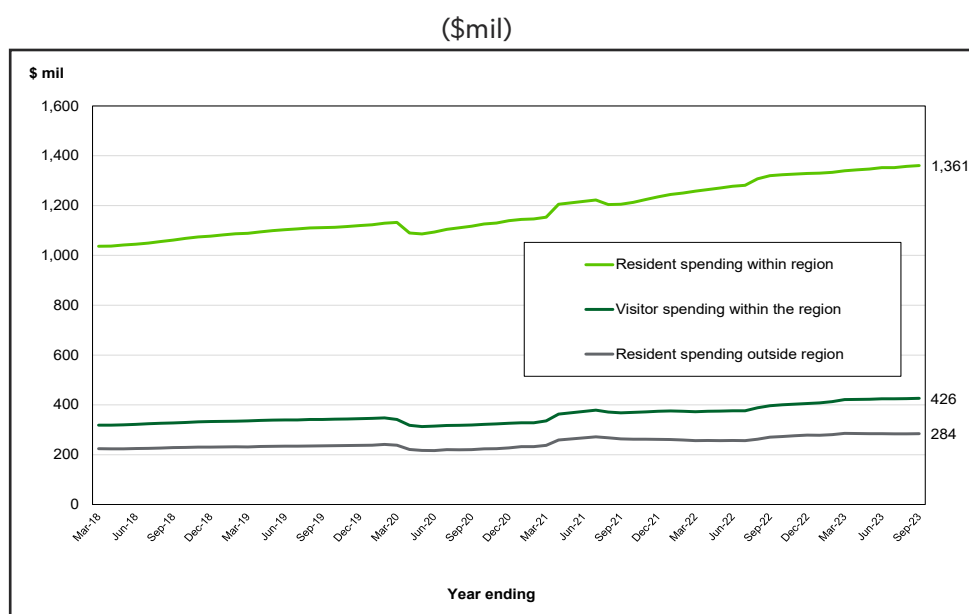
Together these make up 77% of total electronic card retail spending. [See Retail Sector Classification on page 11.](#)

# RETAIL FLOW

Cardholder origin	SEPTEMBER 2023 QUARTER		YEAR ENDING SEPTEMBER 2023	
	Spending (\$m)	Change from last year (%)	Spending (\$m)	Change from last year (%)
Resident spending locally [a]	335	2.6	1,361	3.1
Visitor spending [b]	102	2.1	426	7.4
<b>Total spending at Manawatū region merchants</b>	<b>437</b>	<b>2.5</b>	<b>1,787</b>	<b>4.1</b>
Resident spending outside region [c]	65	0.1	284	5.1
Total resident spending [d] = [a]+[c]	400	2.2	1,645	3.4
Net gain in spending for region [b]-[c]	37	5.7	142	12.5
<b>Manawatū region loyalty rate [a]/[d]*</b>	<b>83.8</b>		<b>82.7</b>	

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

## MANAWATŪ REGION: RETAIL FLOWS FROM ELECTRONIC CARD RETAIL SPENDING



For the year ending September 2023, annual residents spending within the region was \$1,361 million, an increase of 3.1% compared to year ending Sept 2022. Visitor spending was \$426 million, an increase of 17.4%, while resident spending outside the region was \$284 million, increasing by 5.1%. Our region's loyalty is stable at 82.7%, which is the same as our five-year annual average.

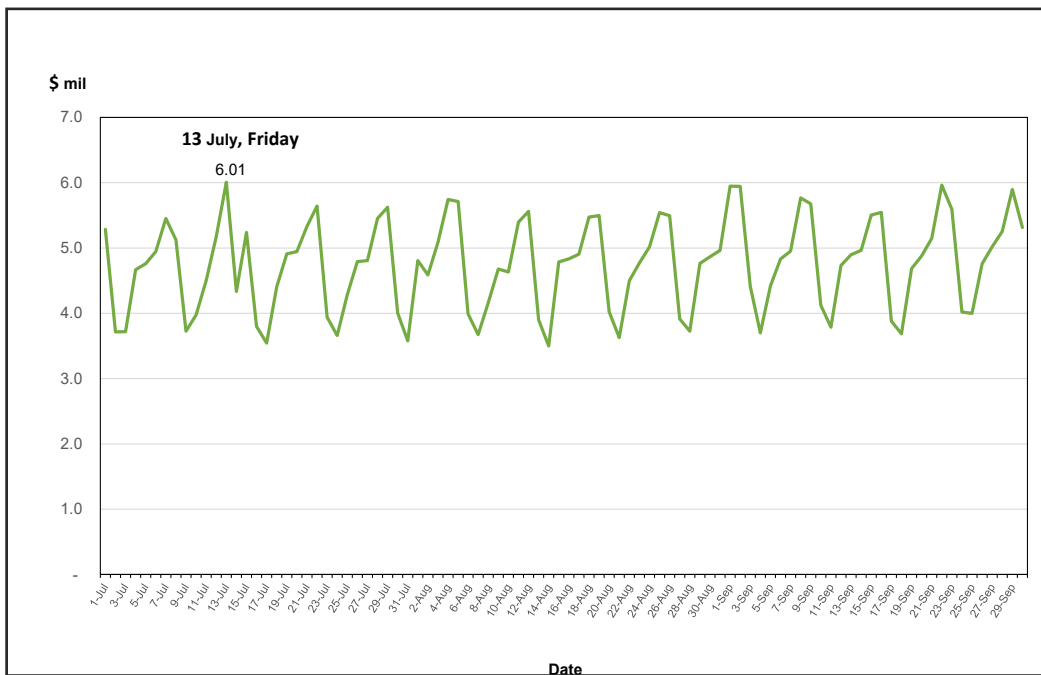
# DAILY & WEEKLY SPENDING

The busiest day of the week for the region is usually on a Friday or a Saturday. This quarter, the highest spending was on Thursday, 13 July which coincided with the eve of this year's Matariki celebrations on 14 July and the last few days of the school holidays. Weekly spending during this quarter ranges between \$32 million to \$35 million.



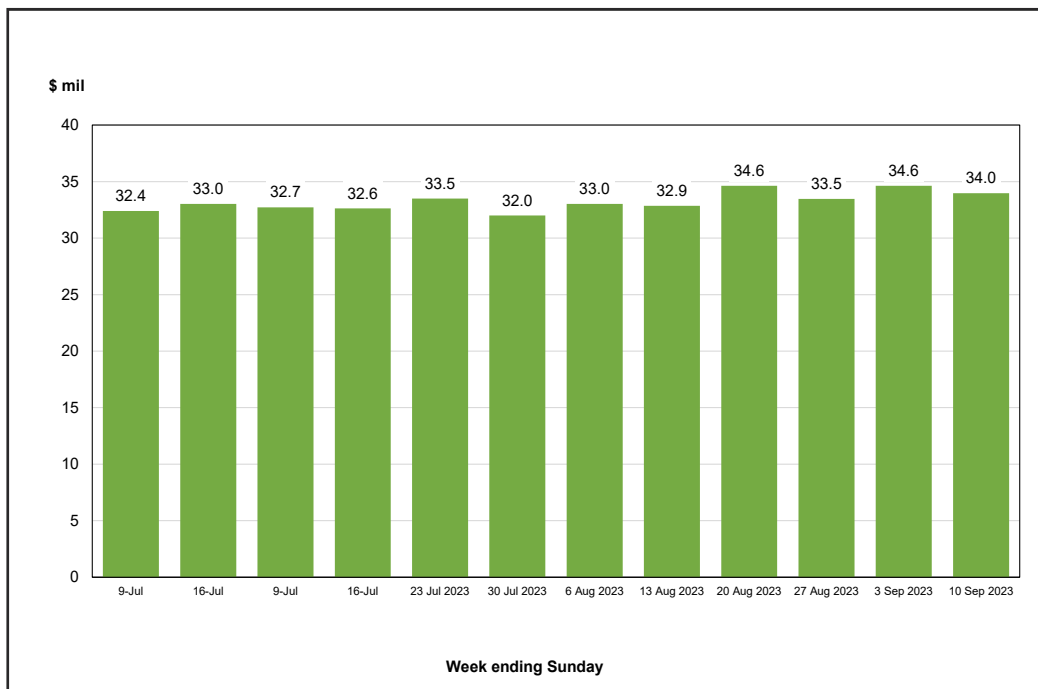
## MANAWATŪ REGION: DAILY ELECTRONIC CARD RETAIL SPENDING

September 2023 quarter (\$ million)



## MANAWATŪ REGION: WEEKLY ELECTRONIC CARD RETAIL SPENDING

September 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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