

QUARTERLY ELECTRONIC CARD RETAIL SPENDING

INCLUDING TOURISM
RELATED SECTORS //
SEPTEMBER 2022 QUARTER

CEDA
CENTRAL ECONOMIC
DEVELOPMENT AGENCY

 **MANAWATU**
DISTRICT COUNCIL

PALMY
PARADE
PALMERSTON
SOUTH
CITY

TE MAURI O
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 9.

OVERVIEW



There was a double digit increase in electronic card retail spending during the September 2022 quarter compared to the previous year. This is mainly due to:

- >> Comparison with the September 2021 quarter which experienced higher levels of Covid-19 restrictions. The region, like most parts of New Zealand went from Alert Level 1 to Level 4 on 18 August, and later moved down through the levels in the following months, before the nation switched over to the traffic light system.
- >> Price increase as the result of inflation. The annual inflation rate for the September 2022 quarter compared to the same quarter in 2021 was 7.2%.

The overall increase in quarterly and annual change in spending are mostly reflected in spending from:

- >> residents within and outside the region, as well as from visitors (see section on customer origin, and retail flow)
- >> various precincts within the region (see section on retail precincts)
- >> different retail categories (see section on retail sectors)

SEPTEMBER 2022 **QUARTER**

For the quarter ending September 2022, total electronic card spending in the region was \$422 million, a 17.2% increase from the September 2021 quarter. Retail spending in New Zealand was \$17,840 million, an increase of 22.8% from the September 2021 quarter. The breakdown is as follows:

- >> **Palmerston North City - \$354 million** 17.1% increase from the September 2021 quarter.
- >> **Manawatū District - \$68 million** 17.3% increase from the September 2021 quarter.

ELECTRONIC CARD RETAIL SPENDING

\$422M

in the region September 2022 Quarter



17.2%

increase from September 2021 Quarter

YEAR ENDING SEPTEMBER 2022

Annual electronic card retail spending in region was \$1,699 million an increase of 8.8% compared to the same period last year. Retail spending in New Zealand was \$70,380 million with 7% increase over the previous year. The breakdown is as follows:

- >> **Palmerston North City - \$1,424 million** (8.2% increase from last year)
- >> **Manawatū District - \$275 million** (11.7% increase from the September 2021 quarter)

ANNUAL ELECTRONIC CARD RETAIL SPENDING

\$1,699M

in the region

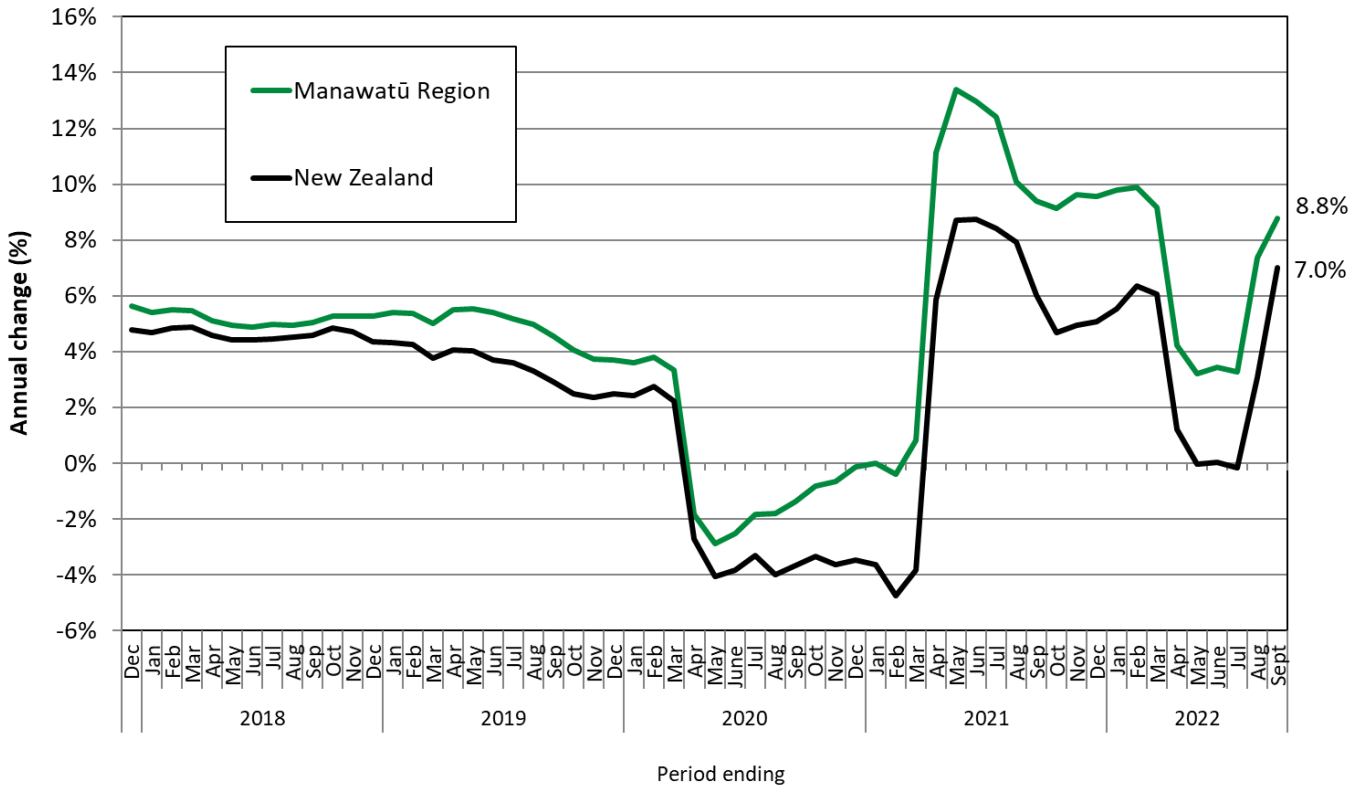


8.8%

increase compared to the
same period last year

The chart below shows the percentage of annual (ie. rolling 12 months) change compared to the same period the year before.

ELECTRONIC CARD RETAIL SPENDING ANNUAL CHANGE (%)



CUSTOMER ORIGIN

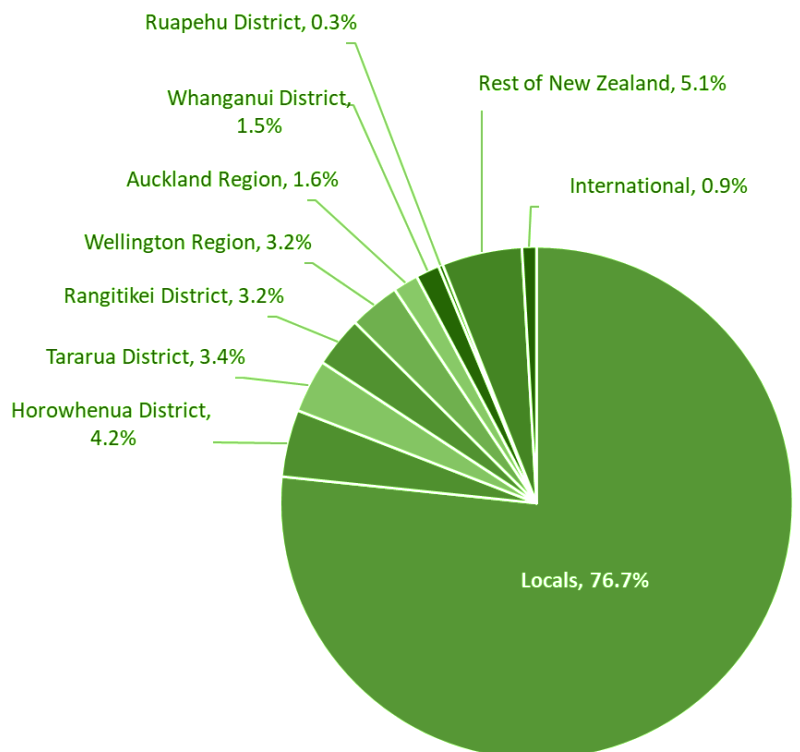
Cardholder origin	SEPTEMBER 2022 QUARTER		YEAR ENDING SEPTEMBER 2022		
	Spending (\$m)	Change from last year (%)	Spending (\$m)	Change from last year (%)	% share of spending
Locals	322.5	14.6	1,302.4	9.1	76.7
Horowhenua district	17.9	23.9	72.0	11.7	4.2
Tararua district	14.5	27.6	57.0	9.5	3.4
Rangitikei district	13.9	27.5	54.6	11.8	3.2
Wellington region	13.1	22.0	54.5	6.1	3.2
Auckland region	6.7	25.0	26.9	-1.0	1.6
Whanganui district	6.2	24.8	25.5	11.1	1.5
Ruapehu district	1.1	19.5	4.7	-1.6	0.3
Rest of New Zealand	21.0	24.3	85.9	1.4	5.1
International	5.0	73.0	15.5	33.3	0.9
Total	422.1	17.2	1,699.1	8.8	100.0
Total New Zealand	17,840	22.8	70,380	7.0	

International visitors recorded the highest quarter and annual growth as New Zealand's borders gradually opened - Australian visitors (12 April), visa waiver countries (2 May) and visitors from anywhere in the world (October). Despite high growth rates, international visitors represented only 1% of annual spending for year ending 2022.

MANAWATŪ REGION: CUSTOMER ORIGIN

(Year ending September 2022)

The visitor (i.e., non-local) share of the Manawātū region's spending was 23.3% of total spending for year ending September 2022.



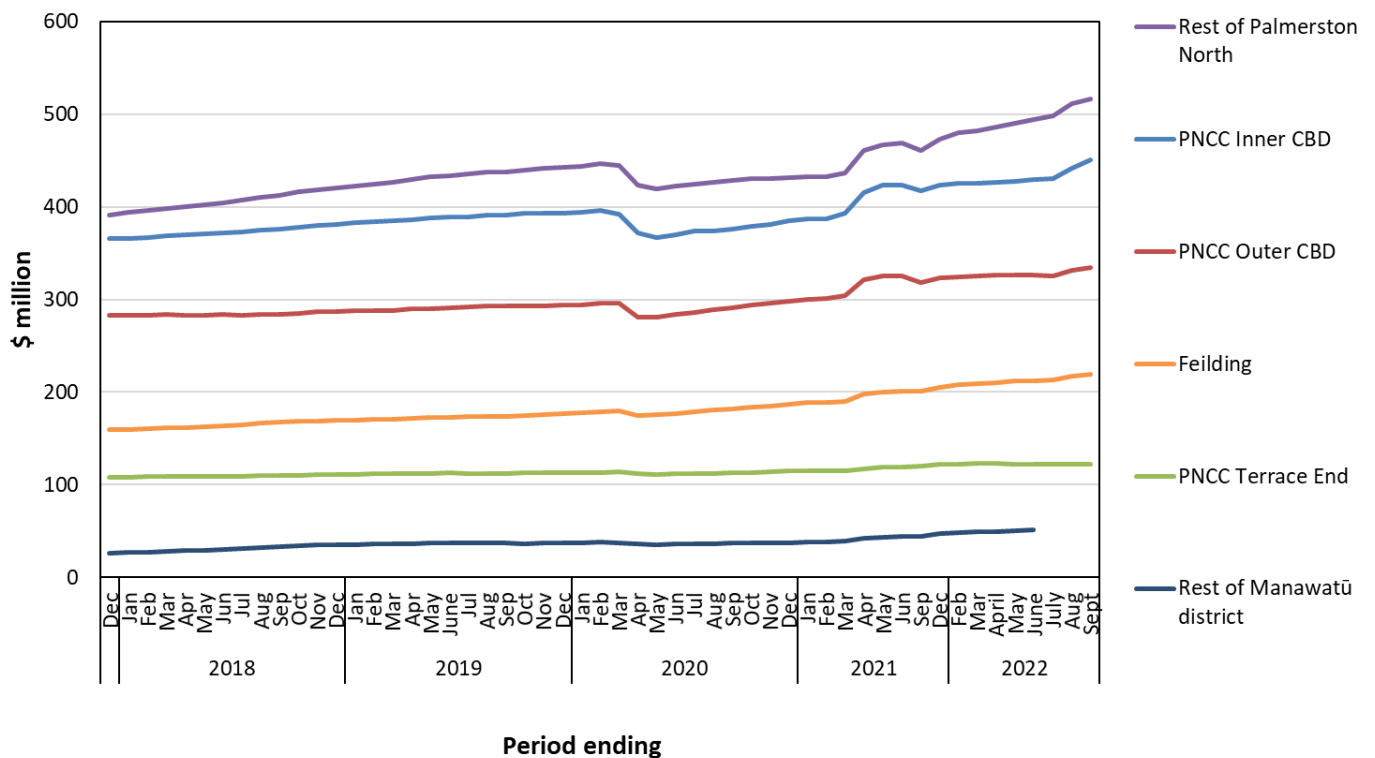
RETAIL PRECINCTS

SEPTEMBER 2022 QUARTER

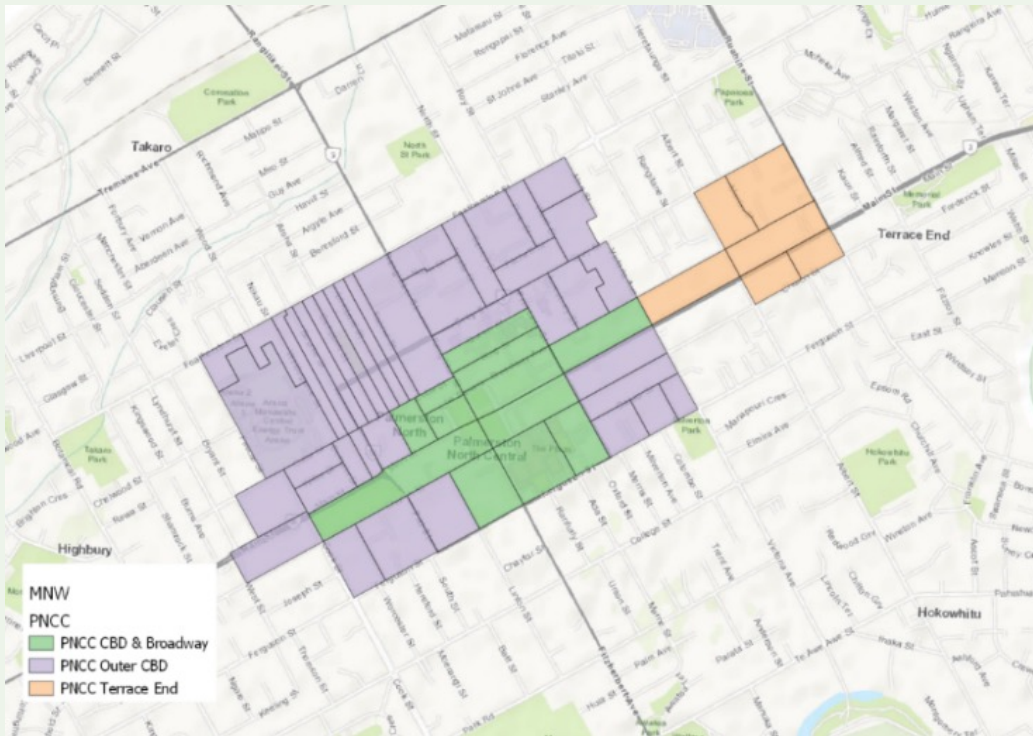
YEAR ENDING SEPTEMBER 2022

Merchant Location	Spending (\$m)	Change from last year (%)	Spending (\$m)	Change from last year (%)	Precinct share (%)
Palmerston North Inner CBD	116	22.8%	451	8.0%	26.5%
Palmerston North Outer CBD	79	11.1%	334	5.2%	19.7%
PNCC Terrace End	29	-0.2%	122	1.8%	7.2%
Rest of Palmerston North	130	20.9%	517	12.2%	30.4%
Palmerston North	354	17.1%	1,424	8.2%	83.8%
Feilding	54	14.2%	220	9.4%	13.0%
Rest of Manawatū District	13	31.4%	54	22.0%	3.2%
Manawatū district	68	17.3%	275	11.7%	16.2%
Total Manawatū region	422	17.2%	1,699	8.8%	100.0%
Total New Zealand	17,840	12.6%	70,380	7.0%	

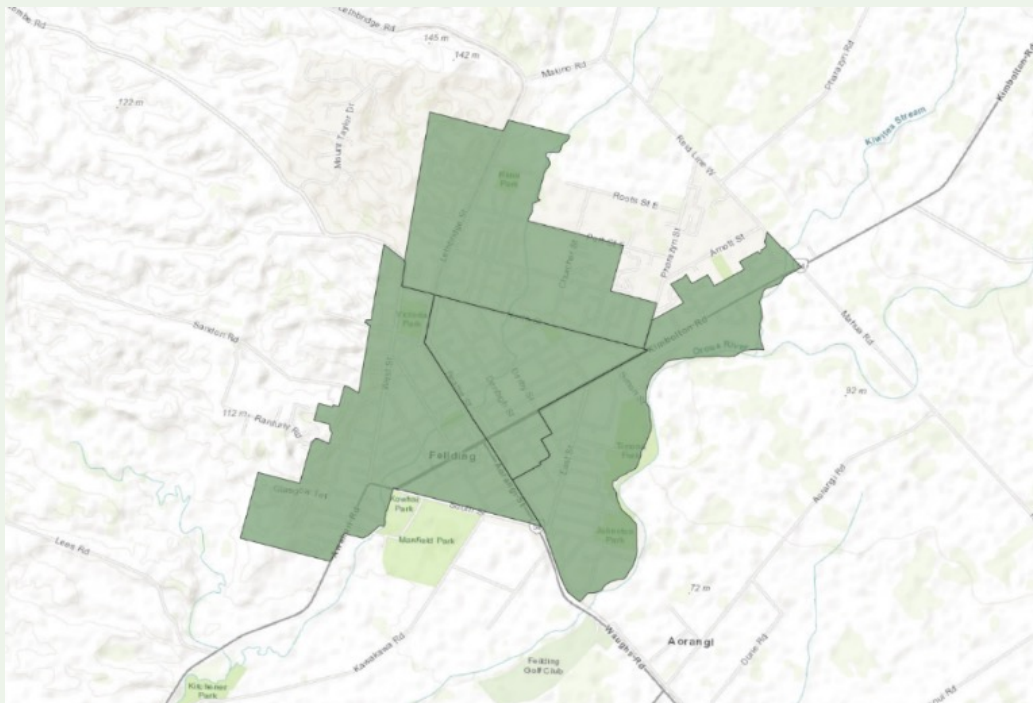
MANAWATŪ REGION: ANNUAL ELECTRONIC CARD SPENDING (\$ MILLION) BY PRECINCT



PALMERSTON NORTH RETAIL PRECINCTS



MANAWATŪ DISTRICT RETAIL PRECINCTS

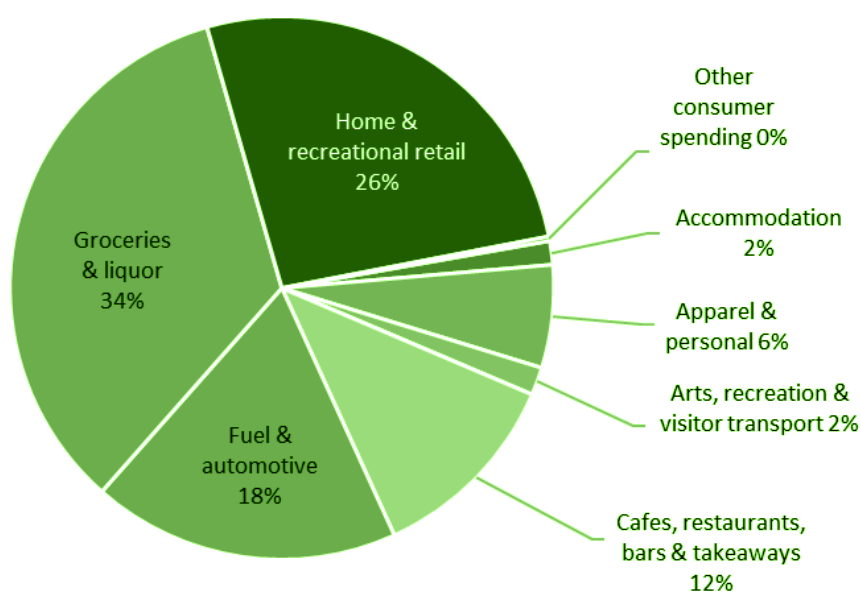


RETAIL SECTORS

Cardholder origin	MANAWATŪ REGION YEAR ENDING SEPTEMBER 2022		NEW ZEALAND YEAR ENDING SEPTEMBER 2022		
	Spending (\$m)	Change from last year (%)	Spending (\$m)	Change from last year (%)	Manawatū region share of New Zealand
Accommodation	24	-4.7%	1,347	-5.7%	1.8%
Apparel & personal	104	1.3%	4,022	1.1%	2.6%
Arts, recreation & visitor transport	28	21.5%	1,649	10.7%	1.7%
Cafes, restaurants, bars & takeaways	201	4.2%	9,177	-1.5%	2.2%
Fuel & automotive	311	28.6%	12,360	25.2%	2.5%
Groceries & liquor	578	6.4%	24,816	4.7%	2.3%
Home & recreational retail	448	4.6%	16,668	6.6%	2.7%
Other consumer spending	5	11.7%	342	0.1%	1.3%
Total	1,699	8.8%	70,380	7.0%	2.4%

MANAWATŪ REGION: ELECTRONIC CARD RETAIL SPENDING BY SECTOR

(Year ending September 2022)



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

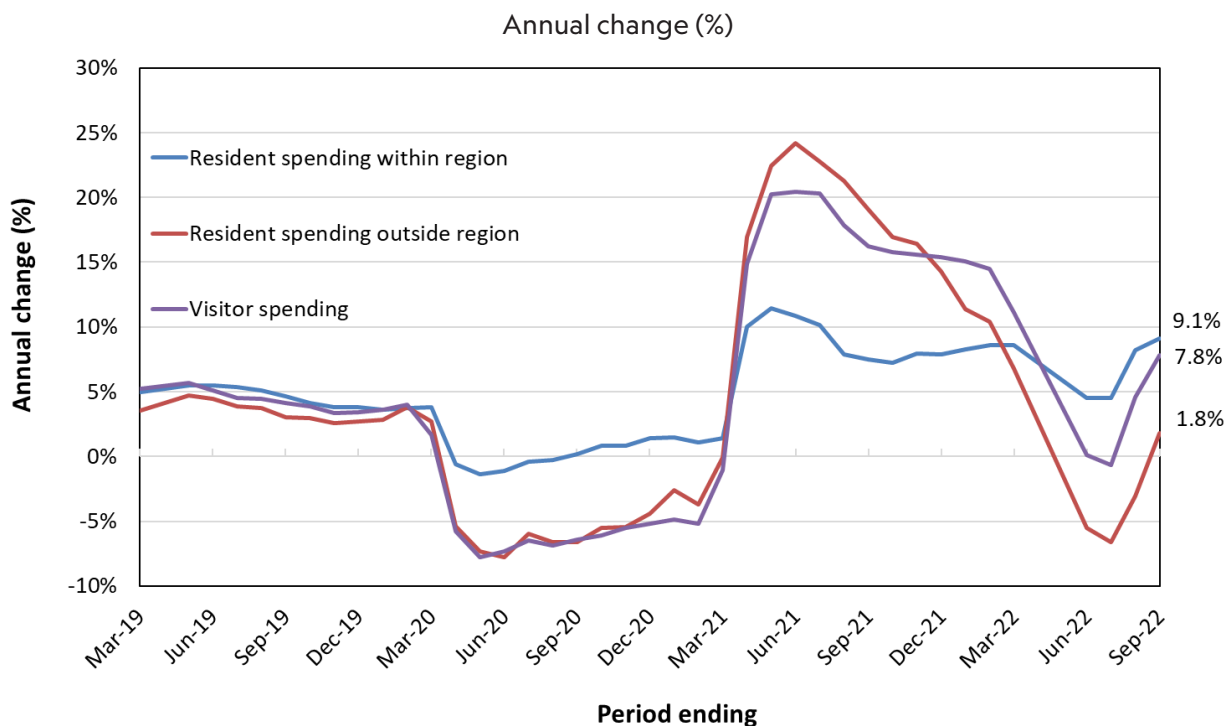
- >> Car retailing
- >> Motorcycle retailing
- >> Trailer & other motor vehicle retailing
- >> Retail commission-based buying & selling

RETAIL FLOW

Cardholder origin	SEPTEMBER 2022 QUARTER		YEAR ENDING SEPTEMBER 2022	
	Spending (\$m)	Change from last year (%)	Spending (\$m)	Change from last year (%)
Resident spending locally [a]	322	14.6%	1,302	9.1%
Visitor spending [b]	100	26.7%	397	7.8%
Total spending at Manawatū region merchants	422	17.2%	1,699	8.8%
Resident spending outside region [c]	64	25.1%	265	1.8%
Total resident spending [d] = [a]+[c]	386	16.2%	1,568	7.8%
Net gain in spending for region [b]-[c]	36	29.6%	131	22.3%
Manawatū region loyalty rate [a]/[d]*	83.5%		83.1%	

*Percentage of Manawatū region resident spending at Manawatū retailers

MANAWATŪ REGION: RETAIL FLOWS FROM ELECTRONIC CARD RETAIL SPENDING



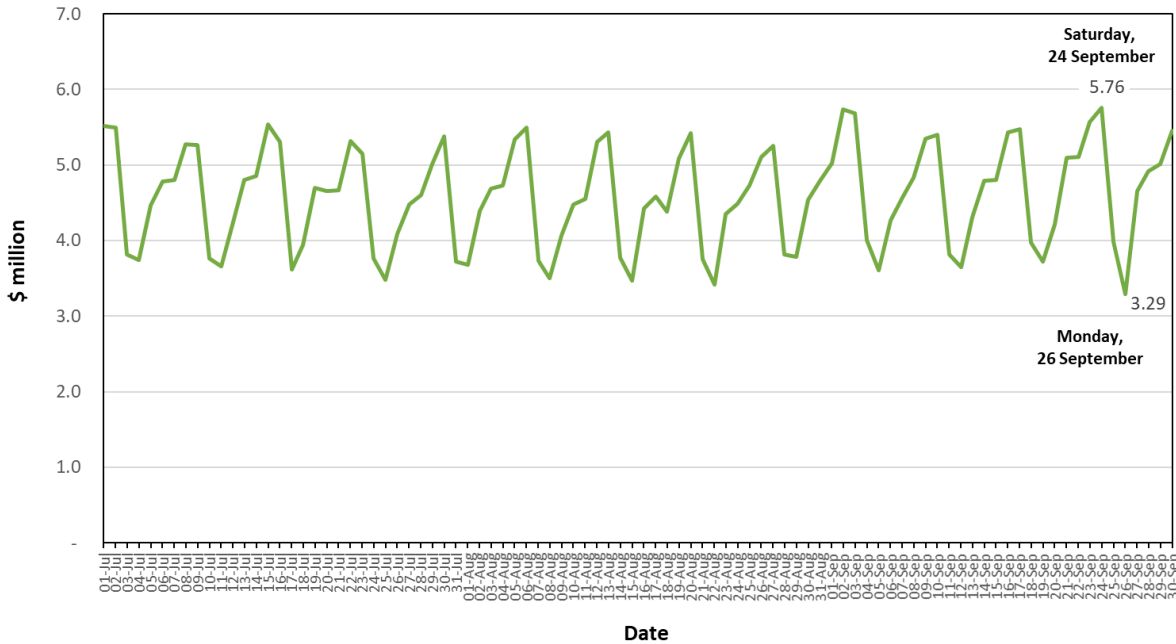
There is overall increase in annual change in spending - for residents within the region and visitors, as well as resident spending outside the region.

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 Saturday 24th September during the long weekend with the one-off national public holiday to mark the passing of Her Majesty Queen Elizabeth II (Monday 26th September 2022). The public holiday on Monday was the lowest spending day this quarter.

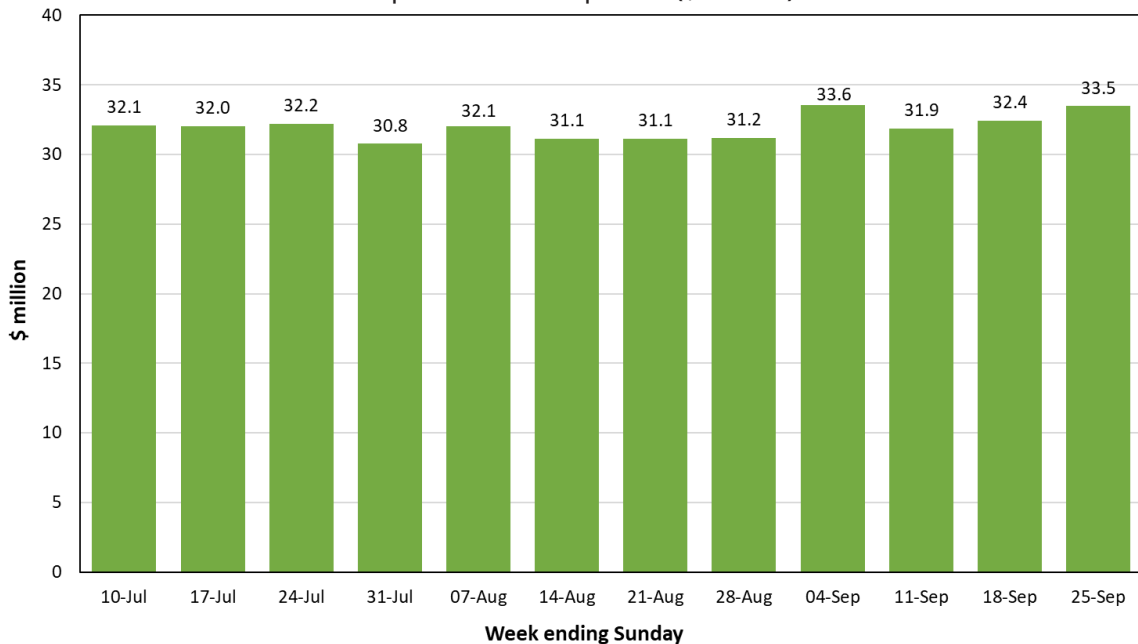
MANAWATŪ REGION: DAILY ELECTRONIC CARD RETAIL SPENDING

September 2022 quarter (\$ million)



MANAWATŪ REGION: WEEKLY ELECTRONIC CARD RETAIL SPENDING

September 2022 quarter (\$ million)





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