

# linked trips and town centre viability

**Neil Wrigley, Dionysia Lambiri and Katherine Cudworth** report new evidence on linked trips and town centre viability obtained from a study of the relocation of an 'out-of-centre' foodstore to an 'edge-of-centre' site



**Above**

Shepton Mallet – a 'before/after' study examined the consequences of store relocation from out-of-centre to edge-of-centre

There is a widespread consensus in the UK planning community that 'linked trips'<sup>1</sup> generated by large foodstores are potentially of critical importance to the viability and vitality of town centres. Indeed, in the case of market towns, some academics have argued that carefully sited supermarkets provide an essential 'anchor' for other services and must be seen, therefore, as a vital element in 'sustainable development' plans for those towns.<sup>2</sup> Despite that – as a National Retail Planning Forum (NRPF) scoping study<sup>3</sup> of 2004 makes clear – there are very

considerable gaps in the evidence base on these topics, and 'studies specifically focused on the retail planning aspects of linked trips are few and far between'. Meanwhile, planning applications and planning inquiries frequently merely recycle as 'factoids' a small and increasingly dated body of evidence.

After a decade in which the 'town centres first' approach to retail planning policy has become progressively more effective, and a new generation of foodstores developed '*with the grain*' of planning

policy on either 'in-centre' or 'edge-of-centre' sites has emerged, a critical issue is how such developments are performing in terms of generating the linked trips essential to the 'urban buzz' and economic strength of town centres. As Guy<sup>4</sup> has noted, there has tended to be the assumption that established patterns of linked trips would be replicated by the newer forms of development. However, recent evidence on these issues, and on the related matter of the levels of 'clawback' of retail trade associated with such developments, is largely missing and is urgently needed. In particular, as Guy<sup>5</sup> notes, data on linked-trip generation levels achieved by *similar* types of store on 'in-centre' or 'edge-of-centre' sites compared with 'out-of-centre' locations would be particularly valuable.

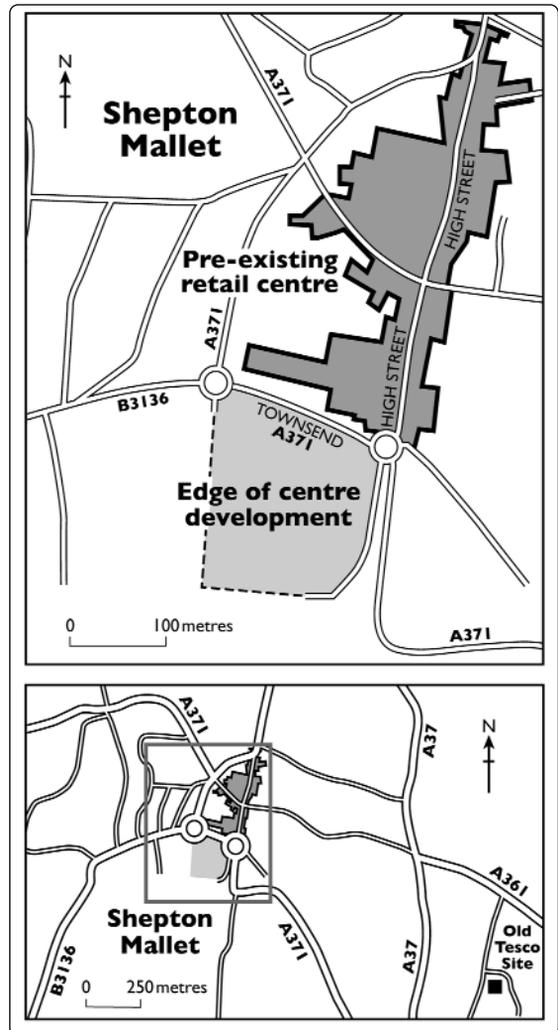
In this article we begin the process of providing that essential new evidence to the planning community by reporting the main findings from a detailed study of a relatively uncommon but potentially insightful case in which a previous *out-of-centre* foodstore was relocated onto an *edge-of-centre* site in a UK market town in October 2007.

The study was *before/after* in design. It consisted of three cross-sectional consumer surveys (averaging 418 respondents in each survey), together with associated 'trader' surveys, and retail-unit usage mapping to update available Experian-Goad survey data on the centre. The surveys were conducted two months before the relocation of the store (August 2007), six months after the relocation (April 2008), and 12 months after (October 2008). Consumers were questioned face-to-face by the researchers, primarily in the town's existing high street, and the surveys were stratified to ensure representation across age groups and across the town's catchment area.

The study forms part of a wider investigation, commissioned by Tesco and conducted by the University of Southampton. In this article we concentrate solely on the research gap identified by Guy – namely, what are the linked-trip generation levels achieved by a very *similar* store (a direct replacement involving no change of ownership) in its new edge-of-centre location compared with its previous out-of-centre location? The article begins with a brief outline of the case. It then summarises the main findings on linked-trip generation and the initial impact of the new store on the vitality and viability of the town centre. Finally, it addresses the potential significance of the findings in planning policy terms.

### The case – a regeneration-focused edge-of-centre development

The case centres on the relocation of Tesco's store in Shepton Mallet, Somerset – a medium-sized market town (9,000 population) which by the mid-2000s had a viability and vitality problem. Specifically, it had a limited retail offer, a high level



Above

Fig. 1 Locations of the new store and the former out-of-centre site

of shopping expenditure leakage to other centres,<sup>6</sup> and a vacant unit level twice the national average. The existing Tesco store (18,362 square feet) was located 1.6 miles out-of-centre. Additionally there were two small supermarkets – Somerfield and Co-op – located in-centre.

In 2005 Tesco sought planning permission for a new, larger (41,321 square feet), more central store, involving a proportionally smaller (58%) increase in food retail space, which would anchor a proposed retail development on a former industrial site at the periphery of the town centre. The development was to include other smaller non-food retail units, a petrol station and a family restaurant. As Fig. 1 demonstrates, its location adjacent to the existing town centre implied both an extension of the existing town centre and an inevitable realignment

of the centre of gravity of the existing centre from north to south.

The application was granted in August 2005, essentially to increase the town's retail catchment area, reduce 'leakage' of shopping expenditure to other centres, and to act as a catalyst for the wider regeneration of the town centre.<sup>7</sup> The new Tesco store and separate petrol station opened in October 2007, and by October 2008 all but one of the remaining nine units in the development were occupied – two by national retailers (Boots and New Look) relocating from the High Street to the edge-of-centre development, and others by national chains (Laura Ashley, Argos, Costa Coffee) not previously represented in the town. At the same time as the new Tesco store opened, the existing Somerfield supermarket closed and, following a period of vacancy, was converted to an Aldi limited-range discount supermarket which was in operation at the time of the '12 months after opening' survey.

### Trade 'clawback' and linked-trip generation

Averaging across the three surveys, 47% of respondents lived within the immediate (5 minute drive time) catchment of the town centre. Prior to the relocation of the Tesco store, 48.4% of those 'outshopped' – that is to say, conducted their main food shopping outside the town centre. Six months after the opening of the new edge-of-centre store, and using an 'extended boundaries' definition of the town centre (see Table 2 on the right) 'outshopping' had fallen by two-thirds to 16.9%, and that level continued to fall, reaching 10.3% 12 months after the opening of the new store.

Conventionally defined, the clawback level was therefore almost 80%, most of which related to existing consumers simply shifting with the store as it relocated from out-of-centre to edge-of-centre. However, part also related to the new store attracting a significantly greater number and percentage of consumers from all zones of the town's catchment. In the 5 minute drive time zone,

for example, 82% used the new store for their main food shopping 12 months after its relocation, compared with 61% who had used the out-of-centre store. Similarly, in the outer parts of the catchment (5-15 minute drive time), the 'pull power' of the town centre as a main food shopping destination increased significantly, from 16% of respondents using it in the pre-relocation period to an average of 50% in the 'post opening' surveys – essentially as those consumers switched their food shopping from competing stores/centres equidistant or further from their homes.<sup>8</sup>

Table 1 documents, for all main food shoppers at the Tesco store (either the out-of-centre store in the pre-relocation survey or the edge-of-centre store after relocation), their perceived likelihood of engaging in linked trips involving a visit to other town centre shops on their visits to the Tesco store. Factoring in the sample variability which results from using three cross-sectional surveys, the percentage of respondents who claimed to 'always or frequently' combine visits to stores in the pre-existing town centre with their visit to the Tesco store increased by more than 70% from the 'out-of-centre' base level, to 33.6% across the 'post-relocation' surveys. Alternatively, using a wider definition of linked-trip propensity to also include those who claimed to 'occasionally' combine visits, that percentage increased to approximately 64%.

Relocation of the store was accompanied by a substantial increase in the percentage of main food shoppers at Tesco whose usual mode of accessing the store was via walking. That percentage rose from 6.9% in the pre-relocation period to an average of 25.3% across the two 'post-relocation' surveys. Reciprocally, car usage declined from 88.7% to 71%. The propensity for linked trips among those who usually walked to the store was significantly higher than among car users – 49.6% of walkers compared with 27% of car users claimed 'always or frequently' to combine visits to stores in the pre-existing centre with their visits to the relocated Tesco store.

**Table 1**  
**Linked-trip propensities of main food shoppers at the Tesco store ('out-of-centre' in pre-relocation survey, 'edge-of-centre' after relocation)**

|  | Pre-relocation survey |              | 'Six months after opening' survey |              | '12 months after opening' survey |              |
|--|-----------------------|--------------|-----------------------------------|--------------|----------------------------------|--------------|
|  | No.                   | %            | No.                               | %            | No.                              | %            |
| Always or frequently combine the town centre and store | 30                    | 19.2         | 75                                | 34.9         | 80                               | 32.3         |
| Occasionally combine town centre and store             | 45                    | 28.8         | 70                                | 32.6         | 71                               | 28.6         |
| Never combine town centre and store                    | 81                    | 51.9         | 70                                | 32.6         | 97                               | 39.1         |
| <b>Total valid responses<sup>a</sup></b>               | <b>156</b>            | <b>100.0</b> | <b>215</b>                        | <b>100.0</b> | <b>248</b>                       | <b>100.0</b> |

<sup>a</sup> Out of 160, 227 and 249 Tesco main food shoppers, respectively

**Table 2****Shepton Mallet retail structure, 2006 and April 2008 and October 2008**

|                                 | Goad 2006    |              | 'Six months after' survey (fixed boundaries) |            | 'Six months after' survey (extended boundaries) |              | '12 months after' survey (fixed boundaries) |            | '12 months after' survey (extended boundaries) |              |
|---------------------------------|--------------|--------------|--|------------|---|--------------|---|------------|--|--------------|
|                                 | No. of units | %            | No. of units                                 | %          | No. of units                                    | %            | No. of units                                | %          | No. of units                                   | %            |
| Comparison retail               | 40           | 32.8         | 32   | 26.2       | 39  | 29.3         | 33  | 26.8       | 40   | 29.9         |
| Convenience retail              | 6            | 4.9          | 6  | 4.9        | 7   | 5.3          | 7   | 5.7        | 8  | 6.0          |
| Retail services                 | 17           | 13.9         | 18   | 14.8       | 19  | 14.3         | 18  | 14.6       | 19   | 14.2         |
| Financial and business services | 15           | 12.3         | 16   | 13.1       | 16  | 12.0         | 15  | 12.2       | 15   | 11.2         |
| Leisure services                | 16           | 13.1         | 20   | 16.4       | 20  | 15.0         | 20  | 16.3       | 21   | 15.7         |
| Health and medical services     | 1            | 0.8          | 2  | 1.6        | 2   | 1.5          | 2   | 1.6        | 2  | 1.5          |
| Public services                 | 7            | 5.7          | 7  | 5.7        | 7   | 5.3          | 7   | 5.7        | 7  | 5.2          |
| Transport services              | 5            | 4.1          | 5  | 4.1        | 5   | 3.8          | 5   | 4.1        | 5  | 3.7          |
| Vacant units                    | 15           | 12.3         | 16   | 13.1       | 18  | 13.5         | 16  | 13.0       | 17   | 12.7         |
| <b>Total retail/ services</b>   | <b>122</b>   | <b>100.0</b> | <b>122</b>                                   | <b>100</b> | <b>133</b>                                      | <b>100.0</b> | <b>123</b>                                  | <b>100</b> | <b>134</b>                                     | <b>100.0</b> |

**Town centre viability and vitality**

Three perspectives on the changes in viability and vitality of Shepton Mallet as a retail centre are available from the Southampton surveys – the opinions of consumers who use the town; the opinion of traders located in the town centre; and evidence on retail and service unit usage before and after the relocation of the Tesco store and the opening of the edge-of-centre development.

In terms of the latter, Table 2 – compiled from Experian-Goad survey data relating to 2006 and updated by the Southampton researchers six and 12 months after the new store opened – outlines the changes in the retail/service composition of the town on both a pre-existing town centre boundaries and 'extended' boundaries (to include the new edge-of-centre development) basis. Three trends stand out:

- The overall increase of 10% in the number of retail/service units observed on an 'extended boundaries' basis – and which simply reflects the additional retail capacity created by the new development – was *not* accompanied by a decimation of the pre-existing centre. Indeed, there was *no change* in the number of occupied units in the pre-existing centre 12 months after the new foodstore/development opened. And 'convenience' retail in the pre-existing centre did not experience the adverse impact often suggested – indeed, retail units in this category increased slightly.<sup>9</sup>
- The centre of gravity of 'comparison' retail shifted towards the edge-of-centre development, as two national retail chains relocated to the new development, other national chains entered the development, and a small number of existing retailers exited the market.<sup>10</sup>

- The 'gaps' in the pre-existing centre resulting from that realignment were filled, in particular, by 'leisure services' – notably by the opening of new cafés and delicatessens, which in turn contributed to the vitality of the centre. Vitality benefits also accrued from the decision of a leading local 'comparison' retailer within the pre-existing centre to make a substantial investment in refurbishing its store.<sup>11</sup>

In terms of consumer opinions, there were clear perceptions of regenerative impacts on the town. When asked their views on the declining viability of the town as a retail centre ('Is the town centre in decline?'), the percentage 'agreeing or agreeing strongly' decreased consistently across the surveys – from 60.3% in the pre-relocation survey to 43.4% in the '12 months after' survey. Twelve months after the opening of the relocated store a majority (62%) of consumers had concluded that the new store was beneficial for themselves and their families (compared with 8% who believed the opposite). Additionally, 65% of consumers perceived beneficial effects for 'local residents' in general – overwhelmingly because of reduced shopping travel miles consequent on improved local access to a wider-range retail offer.

In terms of their perceptions of the impact of the new store on 'the town', 46% regarded the impact to have been positive – largely because of the 'buzz' and vitality benefits associated with the store attracting more people to shop in the pre-existing town centre – whereas 31% believed the opposite, taking the counter-view that the new store had diverted footfall from the town centre.

In terms of trader opinions – perhaps surprisingly to commentators who subscribe to a 'supermarket

onslaught' on small towns thesis – traders in the town did not hold overwhelmingly negative perceptions of the effect of the new store. Indeed, at a very similar level (64% of traders) to that of consumers, their view 12 months after the opening of the new store was that it was beneficial for 'local residents'.

In terms of the new store's effects on their 'own business', however, they were less sure. Twelve months after the opening of the new store, 28% of traders believed those effects to have been positive – largely because of the extra 'pull power' of the town as a retail centre – whereas 33% believed the effects to have been negative, citing the realignment of the centre of gravity and relocation of two national chains to the edge-of-centre as the main reason. But, once again, the fact that roughly equal numbers of traders perceived positive, rather than negative, impacts of the new store on the prospects of their own businesses may surprise those who subscribe to a destruction of local businesses perspective on these issues.

### The findings and their significance

Although any single case study is inevitably limited in the extent to which it can be generalised, extra leverage can be obtained by taking advantage of opportunities to build case studies around 'natural experiments'.<sup>12</sup> In this case, the natural experiment arises from the relocation of a *very similar* type of store (in terms of operator, merchandising style, core ranging, etc.) from an out-of-centre to an edge-of-centre location, and the opportunity presented by that relocation to observe the linked-trip generation and town centre viability consequences. Despite the fact that the natural experiment in this case is affected by the enlargement of the store and its embedding into a larger development which occurred *simultaneously* with the relocation, some of that extra leverage remains and enables the study to offer useful insights into policy-significant issues.

In summary, the findings of the study regarding linked trips are that:

- An edge-of-centre rather than an out-of-centre location for a similar store produces a *substantial uplift* in linked-trip propensity – in this case an increase of more than 70%.
- Despite extreme difficulties in comparing overall linked-trip levels between studies, because of survey design, questionnaire wording, definition of linked-trip propensity, etc., the edge-of-centre linked-trip generation levels reported here (between 33% and 64% depending on definition used) are *considerably higher* than the extremely low levels (in the region 10-15%) reported by Guy<sup>13</sup> from two UK studies relating to the 1990s.<sup>14</sup> This is particularly the case given that levels are known to depend on the range and quality of the town centre retail offer, and, in that regard, Shepton Mallet's acknowledged limited retail offer suggests linked trips at the lower end of the spectrum.<sup>15</sup>

- As expected from previous studies, an edge-of-centre location results in higher levels of consumers able to satisfy their main food shopping requirements via walking to the store – additionally those consumers have a greater propensity to undertake linked trips. However, the linked-trip propensities of the non-car users reported here appear to be *significantly higher* than evidence from the 1990s indicates.<sup>16</sup>

Although it was not the primary objective of the wider study from which this case is drawn to explore 'causal' links between linked-trip generation and town centre viability, the case nevertheless offers some useful (albeit indirect) perspectives on these issues. The findings of the study – which must be positioned within a general context of the considerable 'churn' in retail/service units that inevitably occurs over time in any town centre – are that:

- Trade clawback on a conventionally defined basis was considerable (80%). Although most of this related to existing consumers simply shifting with the store as it relocated from out-of-centre to edge-of-centre, the new store substantially increased the 'pull power' of the town from the less central and outer parts of its catchment, and resulted in more intense usage by consumers within the immediate catchment. In turn, these extra consumers – via linked trips – potentially increased footfall and 'buzz' in the town centre (although some traders did not perceive that).

## 'The edge-of-centre linked-trip generation levels reported here are *considerably higher* than the extremely low levels reported by two 1990s studies'

- Despite popular views which assume the opposite and the fears of many local traders, the new edge-of-centre store was *not* accompanied by a decimation of the pre-existing centre – at least over the first year of its operation. Although the edge-of-centre development, anchored by the new store, produced the anticipated realignment of the town's pre-existing retail centre of gravity, new entry by small traders occurred, resulting in no overall change in the number of occupied retail/service units in the pre-existing retail core 12 months after the opening of the new store/development.
- The increased attractiveness of the town as a main food shopping destination – perceived by both consumers and traders – was accompanied by a potentially important shift in prevailing consumer attitudes towards the town's previously declining viability. However, the extent to which that might

lead to a more sustainable future for the town was unclear – not least as a consequence of the recession, which deepened significantly immediately after the final case study survey.

What then is the potential significance of these findings in planning policy terms? Here we note that whereas the policy context for the ‘with the grain’ foodstore developments of the past decade has been the ‘town centre first’ approach of Planning Policy Guidance 6 (PPG6) and subsequently Planning Policy Statement 6 (PPS6), the policy context in which studies of the impact of those developments becomes germane is the new consolidated planning statement *PPS4: Planning for Prosperous Economies*.<sup>17</sup> That statement (currently in draft form) will bring together key policies concerned with sustainable economic development in both urban and rural areas with policies relating to promotion of the vitality and viability of town centres to enable them to act as drivers of economic development.

In comparison with PPS6, which it subsumes, the draft version of PPS4 includes details of the envisaged ‘impact assessment’ of retail development proposals which had been the subject of a separate Department for Communities and Local Government (DCLG) consultation during 2008.<sup>18</sup> What is clear from draft PPS4 is that impact assessments will be required to address sustainability and accessibility issues together with the effects of development proposals on town centre vitality and viability.

In particular, the extent to which ‘the location of the proposed development will promote linked trips with existing centres’<sup>19</sup> is explicitly mentioned, and there is also stress throughout the draft on the importance of the evidence base. In the context of ‘impact’, the latter implies longitudinal assessment of development proposals. It is suggested that, ideally, that should involve consideration of impact over the first five years following the opening of a development. However, the publicly available evidence base in the UK relating to assessments of this type is remarkably limited – as also is evidence relating to the generation of linked trips from differently located retail developments and the consequent effects on town centre viability.

In this article, we have contributed new findings to that extremely sparse evidence base using a ‘before/after’ study to examine the consequences of a relatively uncommon but revealing store relocation. The findings are of importance to a future planning policy environment in which ‘impact’ assessments of retail development proposals become a key feature. Additionally, they have relevance in terms of the new PPS4’s guidance (policy EC5) on what to do about existing retail centres judged to be in decline.

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## Notes

- 1 Defined in a NRPf Scoping Paper (see note 3) as a ‘secondary trip which follows a primary trip – e.g. when after a visit to an edge-of-town retail store, a shopper undertakes an associated trip to one or more destinations within the town centre’
- 2 N.A. Powe and T. Shaw: ‘Exploring the current and future role of market towns in servicing their hinterlands: a case study of Alnwick in the North East of England’. *Journal of Rural Studies*, 2004, Vol. 20, 405-18
- 3 *Linked Trips and the Viability and Vitality of Centres of Retail Activity*. NRPf Scoping Paper. Oxford Institute of Retail Management, Templeton College, University of Oxford, 2004
- 4 C.M. Guy: *Planning for Retail Development*. Routledge, 2006
- 5 *Planning for Retail Development* (see note 4), p.183
- 6 *Retail and Town Centre Retail Uses Study*. Mendip District Council, 2006
- 7 *Retail and Town Centre Retail Uses Study* (see note 6), p.80
- 8 For example, from Wells Tesco, Glastonbury Morrisons, Midsomer-Norton Tesco, and Frome Asda
- 9 An independent greengrocer opened in the existing centre immediately prior to the Tesco relocation and remained open 12 months after the Tesco opening. Additionally, the conversion of the Somerfield store to Aldi arguably strengthened the convenience retail offer
- 10 Of the net reduction of seven comparison retail units in the ‘pre-existing centre’ between the Goad 2006 and Southampton ‘12 month after’ surveys, three relate to exits which occurred before the new Tesco opened, two to relocations to the new ‘edge-of-centre’ development, one to a conversion of a unit from comparison to leisure services, and just one (an independent men’s clothing retailer) to the exit of a small comparison retailer after the opening of the new store/development and realignment of the centre. Additionally, there was one case (a health and beauty product independent) which involved a comparison retailer entering the pre-existing centre after the opening of the Tesco store and then quickly exiting
- 11 Haskins furniture store
- 12 M. Pettecurew *et al.*: ‘Natural experiments: an underused tool for public health’. *Public Health*, 2005, Vol. 119, 751-7
- 13 *Planning for Retail Development* (see note 4) p.182-5, reporting studies by Hass-Klau *et al.* (1998) and Bennisson *et al.* (2000)
- 14 However, it is important to note that the figures Guy reports are from exit surveys of shoppers, and it can be expected that those figures are likely to be lower than those from surveys reporting stated/perceived behaviour
- 15 However, this is likely to be offset by the short distance (150-350 metres) and easy pedestrian access between the edge-of-centre development and the pre-existing town centre
- 16 However, once again, it is important to note the difference between linked-trip levels likely to be reported from exit surveys compared with those from surveys reporting stated/perceived behaviour
- 17 *Consultation Paper on a new Planning Policy Statement 4: Planning for Prosperous Economies*. DCLG, May 2009
- 18 *Proposed Changes to Planning Policy 6: Planning for Town Centres*. DCLG, Jul. 2008
- 19 *Consultation Paper on a new Planning Policy Statement 4: Planning for Prosperous Economies* (see note 17), p.35