



Great North Road

Economic Baseline

August 2021



Background

Great North Road between Grey Lynn and Karangahape Road is one of Auckland’s most important urban corridors. Auckland Transport (AT) are proposing to make a section of Great North Road safer for people walking and on bikes, make bus journeys more reliable, and help reduce congestion along the route.

Aim

Auckland Transport’s aim is to proactively manage the impact of its urban redevelopment projects with local communities and businesses. AT has partnered with Datamine to undergo an economic analysis of the Great North Road corridor which will allow AT to objectively monitor, assess, and proactively manage the impact of the redevelopment as it occurs.

Economic baseline

In order to monitor, assess and proactively manage the redevelopment project a baseline has been established to define what the ‘normal’ level of economic activity and spend in the corridor and Grey Lynn village is. The baseline reporting which has been created is designed to be refreshed during and after the redevelopment periods so AT can track changes from the baseline over time.

Key questions

1. What is the spend baseline for the areas of interest (ie. normal spend and economic activity?)

The Great North Road Corridor was split into two sections for this analysis, the total area known as the corridor, and the village area which is defined by Grey Lynn village.

To calculate the baselines for spend and transactions, the period of 1st January 2018 – 31st March 2021 has been used.



Total Spend

- Corridor \$447.96M
- Village \$223.66M





Number of Transactions

- Corridor 9.8M
- Village 4.88M



2. How has retail spend been tracking over time?

Retail spend in the corridor and the village have been **decreasing YoY over time**, noting that 2020 is impacted by Covid-19.

Corridor	Village
	
2018: \$140.14M	2018: \$72.34M
2019: \$139.67M	2019: \$68.66M
2020: \$135.62M	2020: \$67.75M

3. Are there differences in retail categories. For example are we seeing more spend in hospitality vs retail and how has this changed over time?





Comparing YoY spend for the month of February to avoid impacts of Covid-19 beginning in March 2020, we see that corridor spend in **hospitality** has been consistently **increasing** YoY over time. **Retail** spend in the corridor was following the same upwards growth pattern as hospitality up until 2021 where we then see a decrease YoY, despite the number of retailers in the corridor remaining relatively consistent. This reduction in spend could be due the impacts of Covid-19, where the mix of retailers may have changed.

Hospitality	Retail (incl grocery)
	
Feb 2018: \$740.58k	Feb 2018: \$9.57M
Feb 2019: \$1.04M	Feb 2019: \$10.2M
Feb 2020: \$1.23M	Feb 2020: \$10.3M
Feb 2021: \$1.33M	Feb 2021: \$8.87M

4. How many businesses are operating in the area and how has this changed over time?




A total of **63 retailers** are included in this analysis who were operating in the corridor at the time of surveying in June 2021. This excludes car yards and industrial businesses.

In order to determine any changes in the number of businesses operating and change overtime, the corridor will need to be resurveyed. The baseline determines the number of businesses operating at the time the corridor was surveyed, it can not be determined what businesses may have been operating in the corridor prior to this.

	Category	# of Retailers
	Hospitality Eating Place and restaurants	15
	Hospitality Fast Food Restaurants	7
	Retail Grocery Stores and Supermarkets	15
	Retail Miscellaneous Retail	26



5. What is the average dwell time in the Grey Lynn village area?

Dwell time is calculated by the difference between the first and last transaction of customers shopping within the Grey Lyn village area.

		Weekday	Weekend
	Am peak (7am-9am)	15mins	13mins
	Pm peak (4pm-6pm)	24mins	30mins
	Off peak	26mins	26mins

6. Where is spend coming from (ie. catchment)?

The catchment of spend for the village and total corridor are relatively similar, however village spend is slightly more concentrated. For the total corridor, 90% of spend comes from within a 15.16km radius while 90% of spend in Grey Lynn village comes from within a 10.13km radius.

Corridor			Village		
	% of Spend	Max radius		% of Spend	Max radius
	10%	0.99km		10%	0.36km
	20%	1.02km		20%	0.66km
	30%	1.70km		30%	1.00km
	40%	2.20km		40%	1.68km
	50%	2.55km		50%	1.77km
	60%	3.10km		60%	2.30km
	70%	5.96km		70%	2.52km
	80%	9.52km		80%	3.75km
	90%	15.16km		90%	10.13km
	100%	49.82km		100%	49.81km

Methodology

1. Survey the corridor and list all retailers who are operating. Exclude car yards and industrial businesses. The corridor was surveyed on 14/06/2021.
2. Search for the surveyed retailers in Westpac BI data and pull their transactional data for the period 1st January 2018 – 31st March 2021.



Westpac electronic card data accounts for ~27% of all electronic transactions in New Zealand. Raw Westpac data is geo-weighted to take into account variations in Westpac market share across different regions in NZ. Once the Westpac sample has been established, spend is weighted based on the area or location of interest in order to establish total spend for an area or location.



Westpac BI privacy rules

When disclosing market share figures for retailers, each merchant category must consist of at least three retailers and cannot make up 80% or more market share. The GNR corridor being a relatively small area meant that retailers needed to be grouped together in four broad categories to adhere to these Westpac BI rules. The four categories are: Eating Places and Restaurants, Fast Food Restaurants, Grocery Stores and Supermarkets and Miscellaneous retail.

3. Calculate total spend and transactional metrics to answer AT's key questions and build the PowerBI dashboard.
4. Catchment is calculated by summarising spend from each Area Unit (AU). AU's are identified from the transactional BI data. The AU's are then sorted by distance from the corridor or village and the cumulative proportion of spend is calculated. This enables us to say " X% of spend is coming from a Y km radius".

List of merchants by category:

Eating Places and Restaurants:

- Ada Restaurant, Charlie Boys Coffee Bar, Craft Kitchen, Grey Lynn Roast, Grey Lynn Tavern, Grey Lynn Turkish Kebab, La Mexicana, Postal Service café, Ripe Deli, Satya Indian, Soul Thai2, Sushime, The Coffee Stop, Tiger Burger, Wise Boys.

Fast Food Restaurants:

- European and Chinese takeaway, Club sandwich lunch and café, Grey Lynn kebab, Hana sushi and salad, McDonalds, Newton fish and chipper, Pizza Hut

Grocery Stores and Supermarkets:

- Arch Hill dairy, Countdown, Crescent dairy, Grey Lynn bakehouse, Grey Lynn butcher, Grey Lynn fine wines, Grey Lynn superette, Hylite dairy, Arch Hill liquor land, Megha superette, Phillippe's chocolate and French pastry, Robinson's Food store/Market store, Sumit Superette, Tart bakery, The Vegan Shop.

Miscellaneous Retail:

- AS Colour, Bunnings, Caltex, Dynacom computer total care, Elouise, Haus of Flox design, Further Doings Studio, Gopals Pharmacy, Green Point, Liz Mitchell, Matan Florist, Mina, Monmouth Glass Studio, Natara massage and spa, Pearl, Pet.kiwi, Photo warehouse, Repco, Rose & Heather, Society Beauty, Sun Wave, The Surrey hotel (motel/pub), Thom Morrison, Unichem Pharmacy, V Hair and makeup, Vet Care

Datamine
15 Faraday Street
Parnell, Auckland 1052

██████████ +64 ██████████ ██████████ datamine.com

██████████ ██████████ +64 ██████████ ██████████ datamine.com

