

# Supermarket comparisons

John Gundry

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Here is a paper aimed at helping thinking about the current supermarket applications facing Malmesbury at the present time. It has been approved by the Council's Planning and Environmental Issues Committee for circulation to all Town Councillors and placing on the Malmesbury Town Council website.

I have waited until now to release this paper in case a Waitrose application is made, to allow a full comparison, but none has to date.

These views are entirely my own and do not represent the views of Malmesbury Town Council.

The statements and facts attributed to Waitrose come either from their brochure or website or from [Ruth Jeffrey's account](#) of their presentation to the Chamber of Commerce on 21<sup>st</sup> November. Many thanks to Ruth.

Statements and facts attributed to Sainsbury's come from the same sources updated with detail from their planning application 11/04092/OUT which can be viewed on the [Wiltshire Council Planning Website](#).

My reading of these sources and the conclusions drawn from them may be in error and users of this document are advised to check source documents and draw their own conclusions. E&OE.

Thanks

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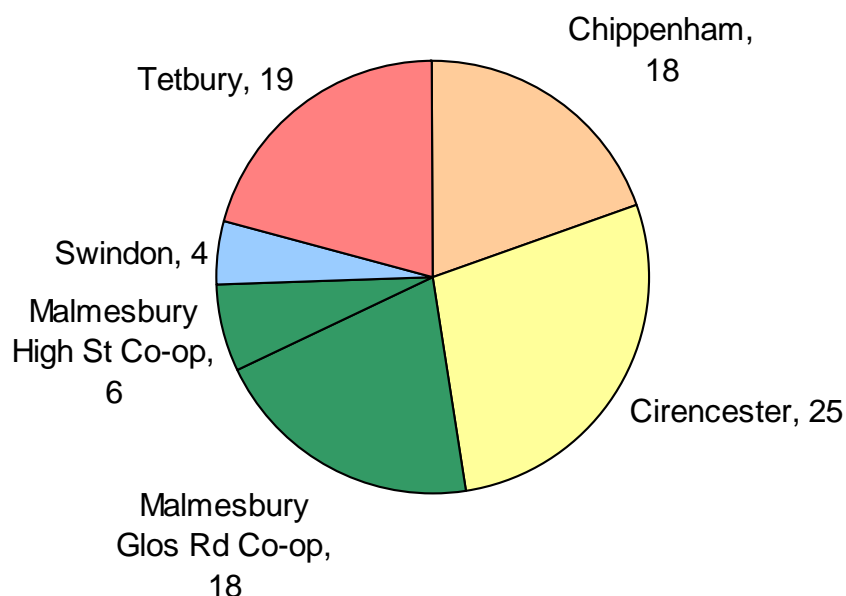
## Summary table of factors

The following table reviews what seem to me significant factors in thinking through the expected planning applications by Waitrose and Sainsbury's. The first three factors are then dealt with in more detail.

	Waitrose	Sainsbury's
<b>Shopper choice &amp; CO2 footprint (see below)</b>	Greater shopper choice without travel to other towns.	Greater shopper choice without travel to other towns.
<b>Impact on town centre shops and local economy (see below)</b>	May be beneficial, especially if access to town is facilitated.	May not be beneficial, even if access to town is facilitated.
<b>Jobs in stores themselves (see below)</b>	Net employment increase needs to be established.	
	Consideration of job quality.	
<b>Further employment at site</b>	None extra promised.	Business units promised, but is retail the best use of most of this employment-zoned land?
<b>Access</b>	Car, cycle route, pedestrian route.	Car, "frequent bus service" (which takes shoppers out of the town to the store as well as vice versa).
<b>Car parking</b>	Wiltshire Council propose to run it.	Wiltshire Council propose to run it.
	Not open outside store hours - no overnight parking.	Presumably not open outside stores hours.
<b>Town benefits</b>	Section 106 contributions not yet proposed.	S106 contributions: "200k is certainly within the remit of similar proposals." Draft proposals are in the following areas: <ul style="list-style-type: none"> <li>• Public Transport</li> <li>• Cycle/ Footpath Links</li> <li>• Town Centre Enhancement Initiatives</li> <li>• Green Travel Plan</li> <li>• Local Labour Agreement</li> </ul>
<b>"Local sourcing"</b>	Needs to be rigorously assessed	
<b>Site</b>	Greenfield	Brownfield
<b>Visual impact, impact on neighbours</b>	To be assessed	
<b>Traffic flow</b>	To be assessed	
<b>Daily deliveries</b>	Four	Four lorries + vans. Buildbase = 5-10 lorries.

## Shopper choice and CO2 footprint

The chart below shows where percentages of SN16 residents do their household's main food shopping.



*Percentages of respondents identifying in which shop or shopping centre they did their household's main food shopping. Small numbers omitted. Sample = 95 SN16 residents, 2010. From Wiltshire Council Retail Survey, Appendix, March 2011.*

Waitrose and Sainsbury's would give SN16 shoppers a wider choice for their main food shopping without travelling to neighbouring towns. Positive effect, lowering CO2 emissions.

## Impact on town centre shops and local economy

### ***Shopping patterns that affect town centre trade***

The following seem to me to be the shopping patterns by which any new store would affect town centre trade.

- **Pattern 1:** SN16 shoppers' main shopping which is currently out-of-town (see chart above, 56% of people) switches to a new store. Effect on town centre trade is neutral.
- **Pattern 2:** SN16 and non-SN16 shoppers' top-up shopping, daily shop, non-food items and incidental items that would have been purchased in the town are purchased at a new store on regular or (now easier) additional visits. Effect on town centre trade is negative.
- **Pattern 3:** SN16 shoppers' main shopping or incidental shopping which is currently at one of the Co-ops (6% and 18%) switches to a new store. No spill-over footfall (linked journeys) are retained in the town. Effect on the Co-ops is negative and effect on town centre trade is negative.
- **Pattern 4:** SN16 and particularly non-SN16 shoppers at a new store extend their shopping at the stores to come into Malmesbury (known as "linked journeys"). Effect on town centre trade is positive.

### ***Siting and effect on town centre footfall***

In my view, Waitrose is almost edge-of-town while Sainsbury's is out-of-town:

- The key siting factor for Waitrose is whether it is in walking distance of the town centre. Rough estimates are that the centre of its car park will be a 600 metres walk from St Dennis Road on the High Street. Planning guidance is that "easy walking distance" is 300 metres.
- Sainsbury's is "out-of-centre" because, planning guidance says, there is a "barrier such as a major road" and "no existing or proposed pedestrian route".

Clearly, there is greater likelihood of beneficial linked journeys (Pattern 4 above) from a store that is in walking distance of the town centre than one that is not in walking distance, across a significant barrier. This seems to be borne out by our research.

At the request of the P&E Committee, our Deputy Town Clerk did some research on the effects of Waitrose stores on towns like Malmesbury. (We can do similar research on Sainsbury's stores. They have cited Wombourne, West Midlands.) Summarising his email (dated 28-Oct-11):

- Droitwich (Population 25,00) (Spoke to Deputy Town Clerk): Store opened two years ago and increase in footfall, " It does appear that Waitrose continues to attract shoppers to the town."
- Kenilworth (Population 25,000) (Spoke to Chair of the Chamber of Commerce): A Waitrose close to the town opened two to three years ago. Thought that footfall has increased 40% and that people will travel to the town because of it.
- Wimborne Minster (Population 6700) (Spoke to Town Clerk and Mayor, a retailer): Much more like Malmesbury. Waitrose here is very close to the town centre. He believes some retailers have come into town who may not have done without Waitrose.

In my view, Waitrose is on the margins of having a (net) positive linked-journeys effect for Malmesbury. Sainsbury's recognise that they are out-of-town and counter that through proposing a bus service (in their [Draft S106 Contributions proposal](#)).

However, shopper journeys into the town from either will be critically dependent on the cost and times allowed for parking, which Wiltshire Council seek to control. It is difficult to see any positive effect on the town if store shoppers don't have time to do any shopping in the town or the parking cost of spending time in the town is unattractive.

### ***Competition***

The two stores present different profiles in terms of competition:

- Waitrose is a *supermarket*, principally retailing food with a retail area of 18,000 sq ft (1,674 sq metres). They say they would be providing food and drink plus deli counters, and possibly a small café.
- Sainsbury's is what in planning regulations call a *superstore* with 29,540 sq ft (2,744 sq metres) of mixed food and non-food retail floorspace. However, they prefer to call it a foodstore. It will "incorporate a customer café." Their [PPS4 Statement / Retail Assessment](#) says that 12% of that retail floorspace (329 sq metres) would sell non-food items, promising "a limited range of product groups including kitchen and homeware, electrical appliances, pet products, CD/DVD's [sic], clothing and seasonal goods, and health and beauty products."

- (Malmesbury town centre has approximately 2,500 sq metres of retail floorspace <sup>1</sup>. Sainsbury's total would be 110% of that whole, Waitrose 72%. Sainsbury's non-food-floorspace would be about one-seventh of all Malmesbury's retail floorspace.)
- Sainsbury's application further includes ([Design & Access Statement](#)) car and cycle parking, a three-pump petrol filling station, an employment site, a builder's merchant and an industrial site. These five aspects of the development are not further considered here, although the impact of the proposed filling station on the business of Malmesbury Motors – a local employer – should not be overlooked.

Impacts on the town's shops would be through Pattern 2 and 3 shopping patterns. Thus any direct impact from Waitrose would be on the town's food shops. Any direct impact from Sainsbury's would be on food shops plus potentially the newsagents, Knees, Carnegie, the vet's and Lumley's, the kitchen and homeware shops, ladies and gents' clothing shops and the chemists').

If the stores take trade away from town centre shops:

- Competing shops may struggle or close. Shops closed for a long time then create more closed shops as the town centre becomes less attractive. This has been called a "community collapse cycle" <sup>2</sup>.
- Money will leave the local economy. Estimates are that 70-80% of the money spent in supermarkets leaves the area <sup>3</sup>. Money spent in locally-owned shops, however, especially those selling local products, circulates around the local economy, creating a multiplier effect that adds to prosperity.

## Jobs

Sainsbury's say in their [Economic Statement](#) that their store would create approximately 200 new jobs (about 60 full-time and 140 part-time). Waitrose say "140 new job opportunities". Those are ratios of one "job" for every 150 sq ft and 128 sq ft of retail space respectively. However:

- Research for the Stop Sainsbury's campaign in Bedminster Bristol <sup>4</sup> found that average supermarket staffing ratios are around one job per 200 sq ft of retail space. So the stores' promises are at the attractive end of the staffing density scale.
- Staffing density in small town centre shops will be much larger than any stores, and pounds spend in a town centre support perhaps twice as many retail jobs as those in spent in stores <sup>2</sup>.
- These "new" jobs are not net increases in town employment if town centre shops and the local businesses that support them lay off staff.
- The view could be taken the store jobs are of less quality than working in a Malmesbury town centre shop.

Finally, if the Sainsbury's site is the only site designated for employment use in the North Wiltshire Local Plan 2011 (says the Sainsbury's brochure), wouldn't it be better to put employment units there that could grow into a business park, rather than irrevocably cover over half of the area with retail space and car parks?

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<sup>1</sup> *Wiltshire Council Retail Study March 2011*

<sup>2</sup> House of Commons All-Party Parliamentary Small Shops Group *High Street Britain: 2015, 2006*

<sup>3</sup> *Plugging The Leaks* The New Economics Foundation, 2002

<sup>4</sup> <http://www.stopsainsburys.co.uk/seven-myths/myth-1-jobs/>