Betting Shop Footfall and Exit Survey Analysis

November 2012

Introduction

Proposals for betting shops can present planning officers with difficult challenges. Applicants often make a strong economic and social case for their proposed development; but planning officers must consider a broad range of implications and balance the interests of many local stakeholders.

Policy makers, planners and local people are rightly interested in how a new betting shop will impact on the local shopping area and they have questions such as:

- What will the betting shops impact be on the local economy?
- How will footfall levels be affected?
- Will the town centre be made more, or less, attractive as a result of the betting shop?

There are those that believe that betting shops, without exception, have a negative effect on the local economy. Paddy Power come up against this concern almost every time we make a new planning application.

Yet our experience tells us that the reality for a centre, is that having a new betting shop is invariably positive.

Whilst we know this to be true from our own experience, we were surprised to find that relatively little independent research has been conducted in this area. We therefore commissioned new independent studies of three locations in the UK, where a Paddy Power betting shop has been introduced.

Survey methodology

New surveys were commissioned for each of the locations below. These centres were chosen as they represent an inner London, outer London and northern town.

In centre survey: A footfall count was undertaken at each location on a typical weekday (Thursday). The survey covered 5 A1 shops within the shopping centre and the Paddy Power unit. Shops were chosen of a similar size and in a similar location in the shopping centre. The surveys were based on a 10 minute count per site per hour.

Exit survey: An exit survey of c. 100 respondents was undertaken with Paddy Power customers at each site.

The survey work was undertaken by Independent Market Research Company, RMG Clarity, during November 2012.

Example 1: East Ham

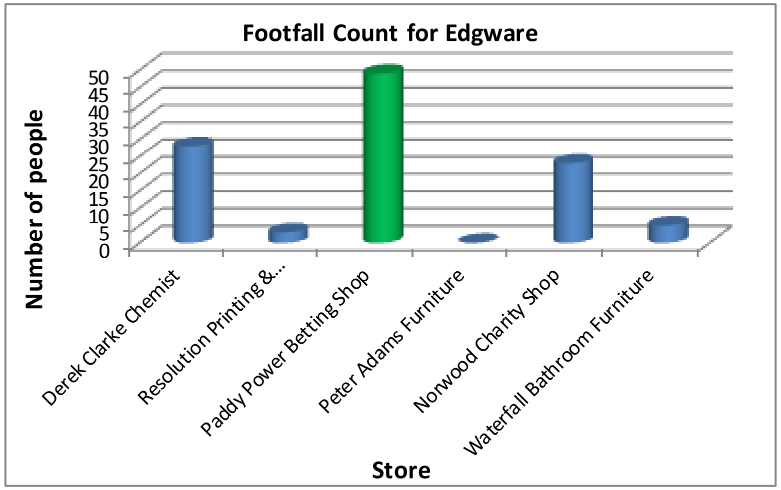
Example 2: Edgware

Example 3: Rochdale

Footfall counts

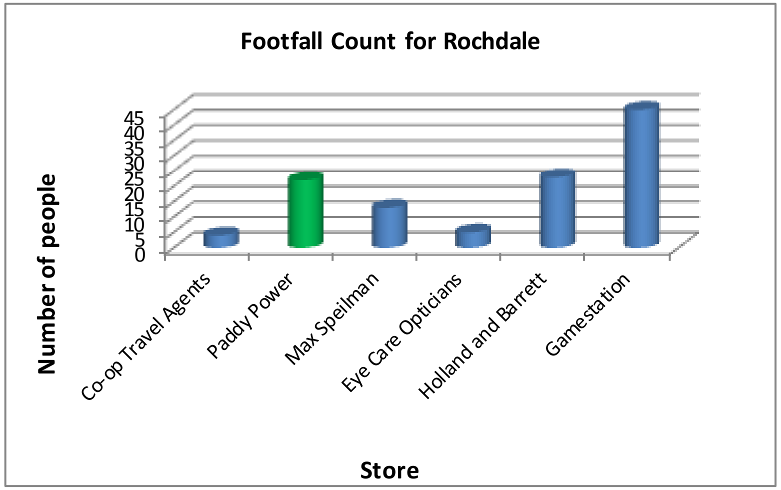
Each shopping unit and betting shop was monitored for a ten minute period within each hour between 9am and 5pm. So results do not show the actual daily count, rather the count for a 10 minute period per hour.

In Edgware, Paddy Power was the busiest unit of all those monitored. 45 customers were recorded entering the shop. The second busiest was the chemist with 28 customers, then the charity shop with 23 customers. The Bathroom Furniture shop only had 5 customers and the printing shop only had 3 customers. The furniture shop did not have any recorded customers in the survey period.



In East Ham, Paddy Power and Shoe Zone were the busiest units. 70 customers were recorded going into both units. The pharmacy had 54 recorded customers, then the travel goods shop with 30, then the furniture shop with 26 and the Opticians had the lowest number of customers with 23 recorded.

In Rochdale, the level of customer activity was much lower across the board. Paddy Power was the third busiest with 22 customers. Gamestation was top with 45 and Holland & Barrett had 23 customers (only 1 more than Paddy Power). The printing shop had 13 customers, the opticians had 5 and the Travel Agents only had 4 recorded during the survey period.



The results demonstrate that a Paddy Power bookmakers generates similar levels and often higher levels of footfall than A1 shops.

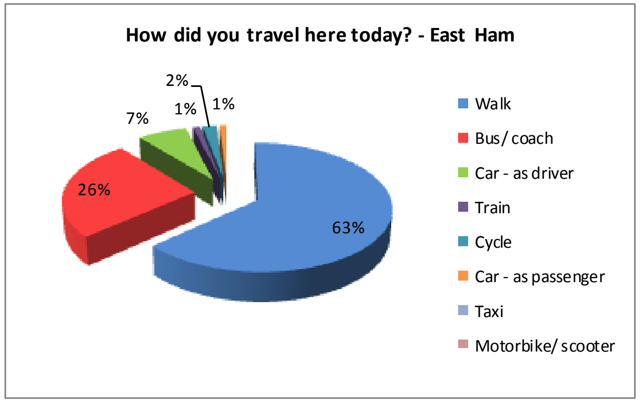
Exit surveys

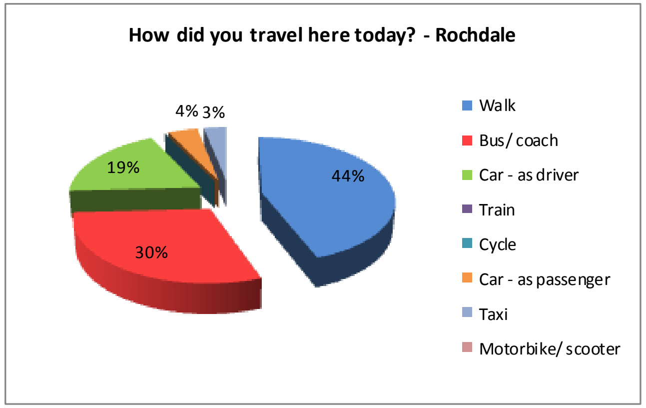
The aim was to interview 100 customers in each location. 101 interviews were obtained in East Ham, 94 in Edgware (1 refused) and 97 in Rochdale (3 refused).

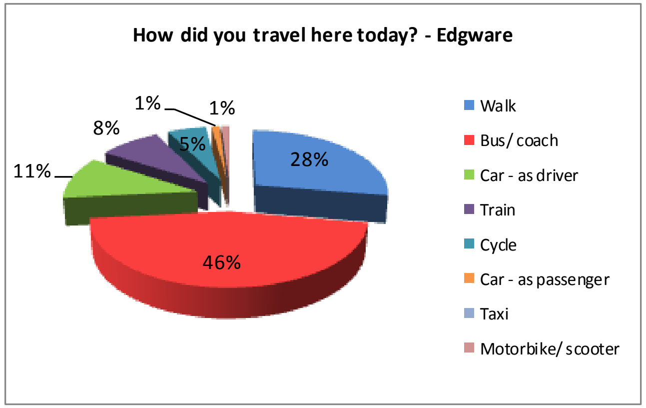
Travel

In East Ham and Rochdale, the majority of people walked and the second most popular mode of transport was the bus. Only 7% and 19% travelled by car (as driver or passenger), respectively.

In Edgware, the majority of people travelled by bus. Walking was the second highest answer. Only 11% travelled by car.



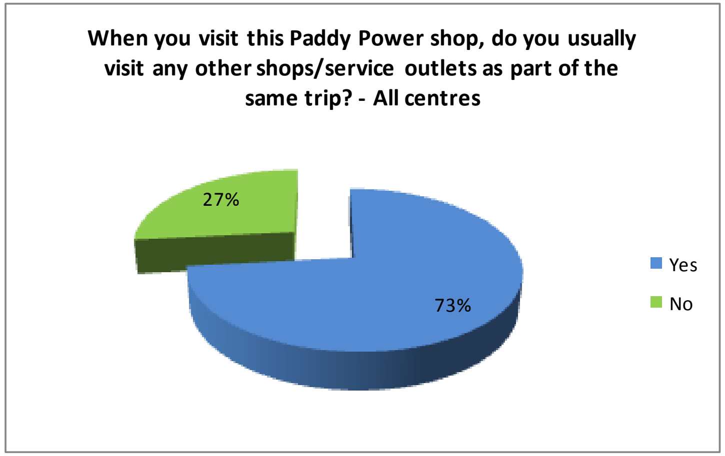


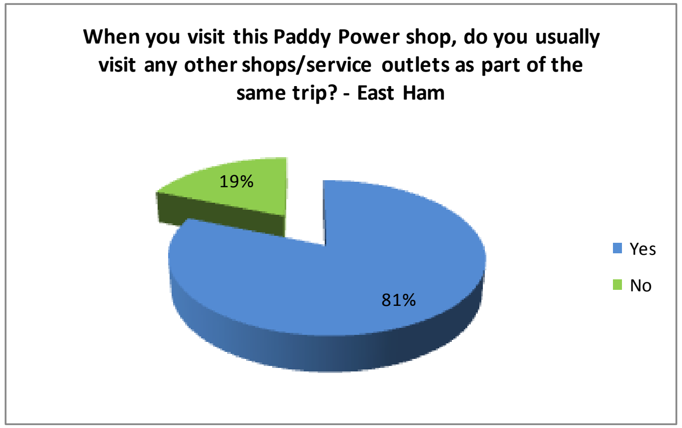


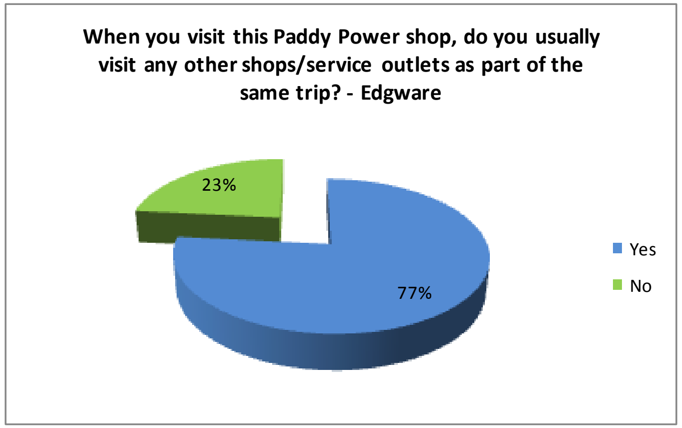
Linked Trips

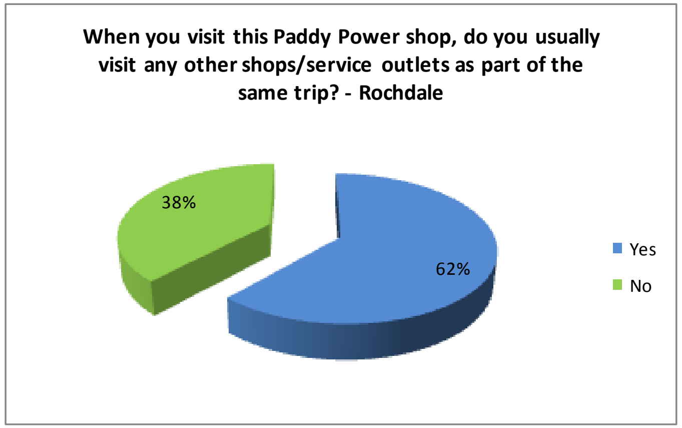
In terms of linked trips, the vast majority of customers in all 3 locations (East Ham – 81%, Edgware- 77%, and Rochdale – 62%) said that when they visit Paddy Power, they usually visit other shops/services as part of the same trip.

When asked why some customers do not undertake a linked trip, a mix of answers were provided, but the most popular answer was 'no need/no interest' in each location, although in Rochdale a number of people said that there was a poor range of shops and services in the centre.





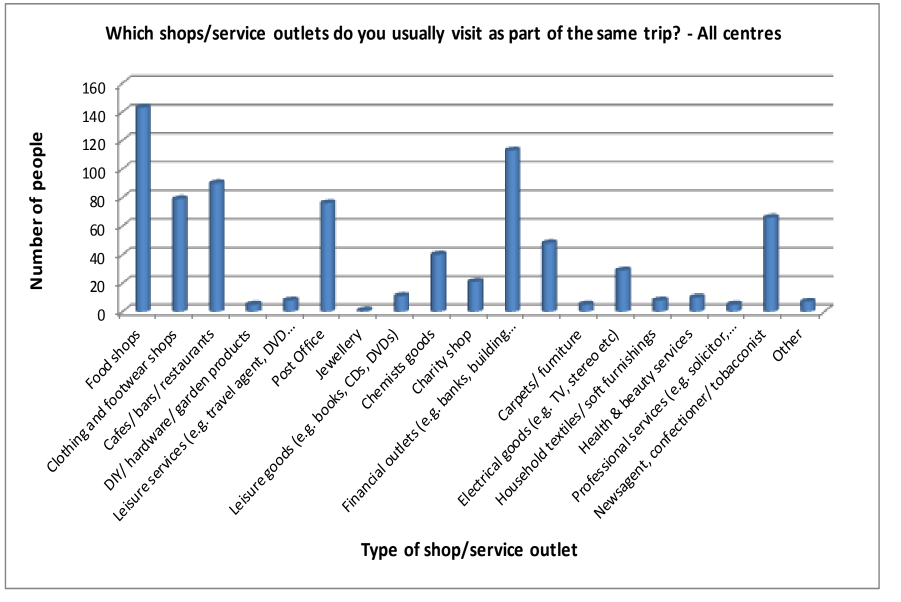




Other Shops and Services

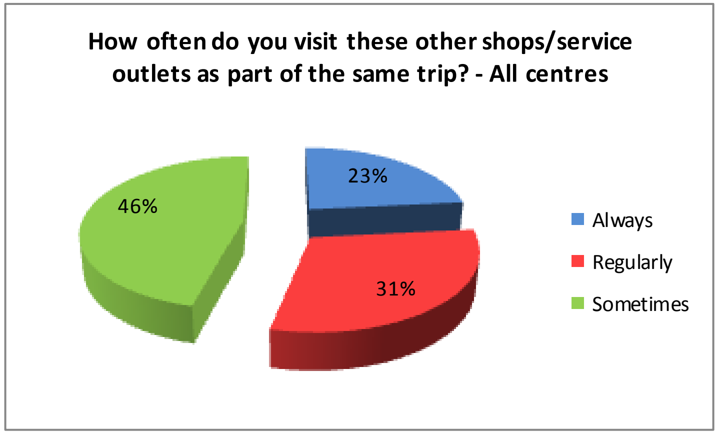
The exit survey asked customers which other shops and services they visited when they visited the betting shop.

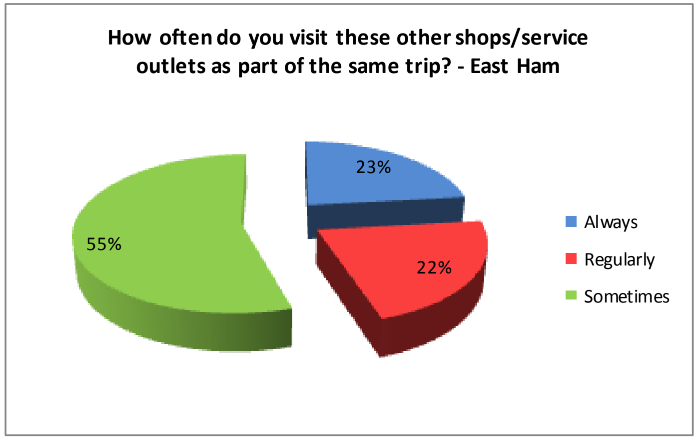
Of those customers that do visit other shops and services, the most popular answers when asked what types of shops/services they visit were: food shops, clothing & footware shops, cafes/bars/restaurants, post office and financial outlets.

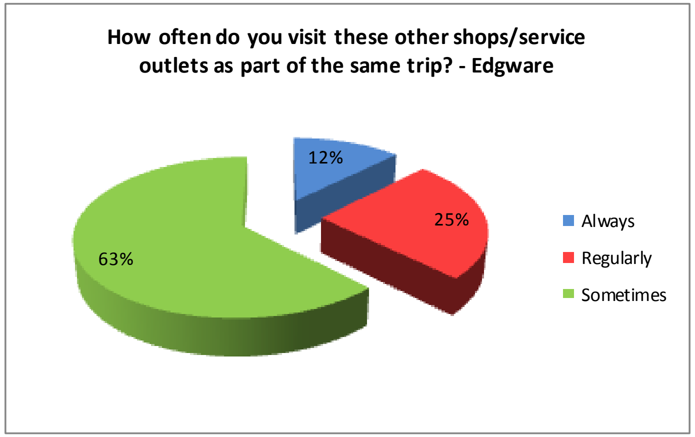


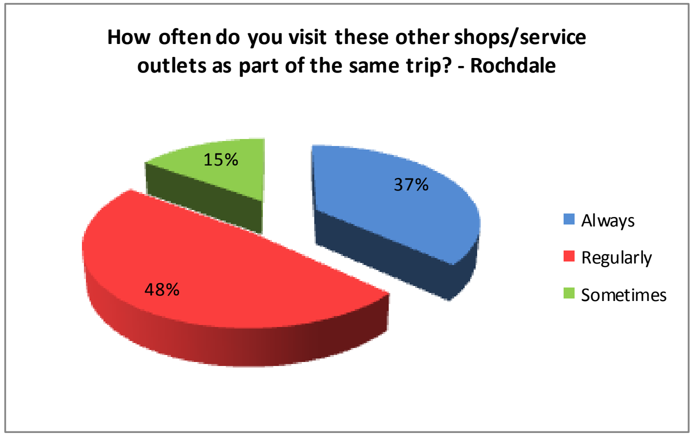
Frequency

In terms of the frequency of linked trips to other shops and services, 45% of customers in East Ham, 37% of customers in Edgware and 85% of customers in Rochdale said that they either 'always' or 'regularly' undertake a linked trip.



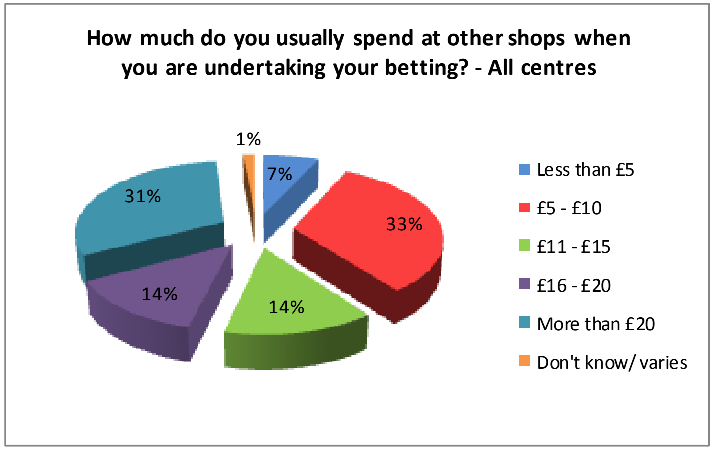




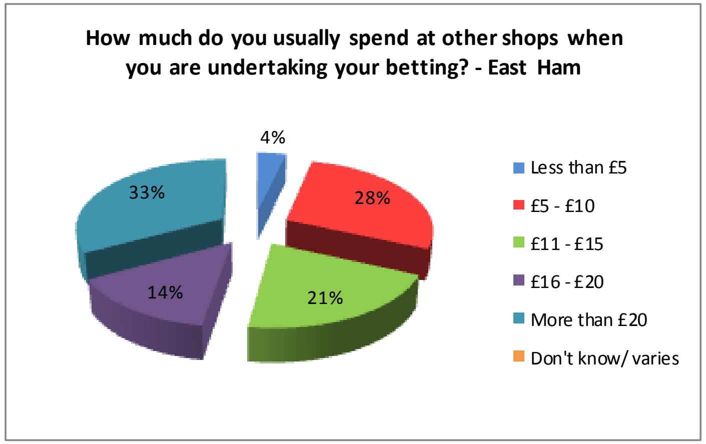


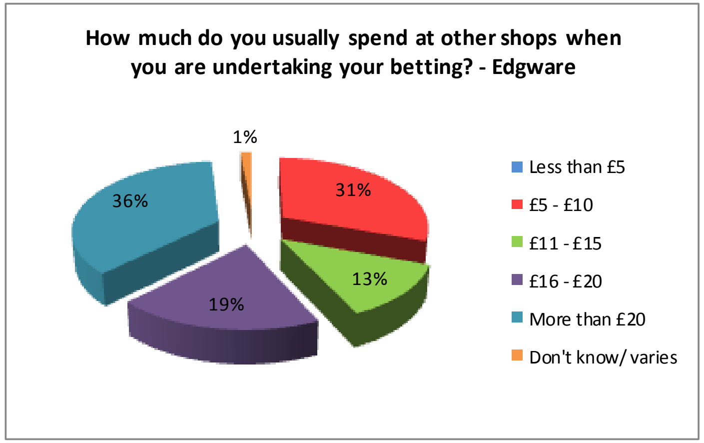
Spend

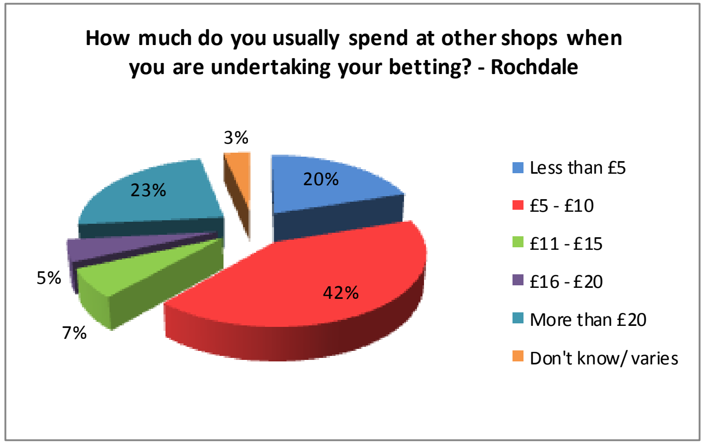
In East Ham and Edgware, the majority of customers spend more than £20 at other shops when undertaking a linked trip, and in Rochdale, the majority of customers spend £5 to £10.



The average spend per head in other shops is just under £15.







Summary

The results of the footfall counts clearly demonstrate that a Paddy Power bookmaker generates similar or higher levels of footfall than many A1 shops.

The survey information provides independent empirical evidence that betting shops generate high footfall. By providing a reason to visit the High Street betting shops support the local economy and the town centre.

The exit survey results demonstrate that a visit to a betting shops is undertaken as part of a wider linked trip and that contrary to popular belief, the majority of betting shop customers do not just visit a centre to place a bet, they will also visit other shops/services and spend money elsewhere within the centre.

We are able to provide the original survey data and excel spread sheets upon request.

Data collected by: rmg clarity the power behind the answers

Report compiled by: Planning Potential Planning Regeneration and Development