

Retail Spending in Christchurch June 2020

Summary

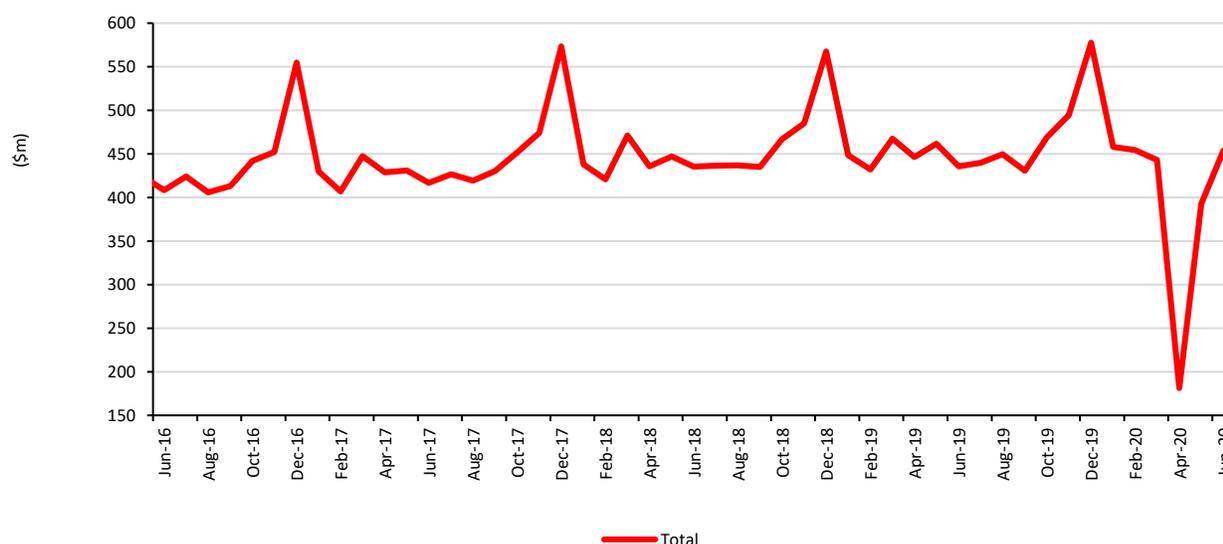
- Christchurch saw an overall spending increase of 4 percent for June 2020 to \$454m compared with the same month last year.
- Spending in Christchurch’s central city was up 2 percent to \$31m in June 2020, compared to the same month last year.
- Retail spending figures since mid-May 2020 have returned to pre COVID levels due to both pent up demand and eased restrictions on domestic travel and social gatherings.
- In the period June 9 to June 30 (Move out of alert level 2 to level 1) spending in Christchurch increased 6 percent compared to the same period last year.

Retail spending in June 2020 continues to be influenced by the COVID-19 crisis, however, for the first month since the outbreak total spending has been positive. Total spending in Christchurch reached \$454m in June 2020, 4 percent up on the same month last year (Figure 1).

Figure 1

Christchurch Total Spend

Source: Market View, ChristchurchNZ



Between March 26 and April 27 (Alert Level 4), all but essential businesses and services were in operation dampening consumer spending activity in the later part of March and throughout April. It appears that as New Zealand moved to Alert Level 2 (14 May), consumer spending recovered and returned to pre COVID – 19 levels due to many of the restriction on businesses and hospitality venues lifting. Midnight June 8th marked the beginning of alert level 1 which allowed for social gatherings of a greater magnitude, domestic travel and other minor changes to when compared to

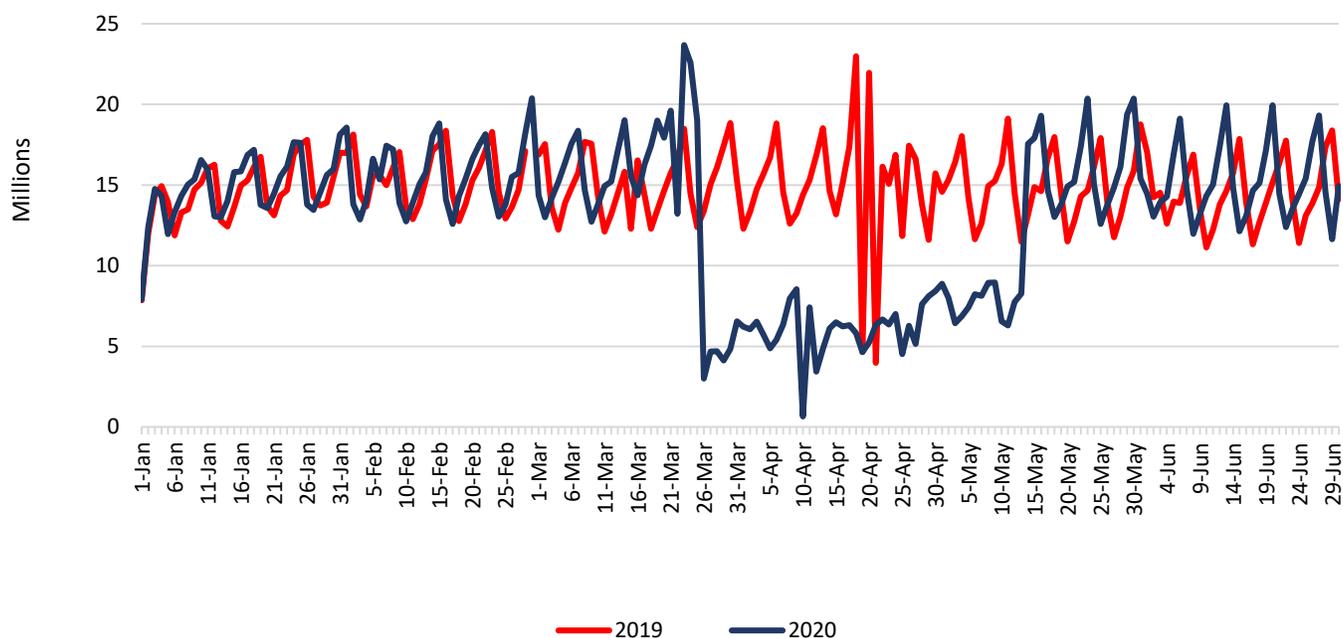
alert level 2. For the period of 9 June to 30 June 2020 compared to the same period last year spending was up 6 percent. Pent up demand likely remains the reason for the artificially high consumer spending that has continued into June. (Figure 2)

Figure 2

Daily Spend Christchurch

2019 vs 2020

Source: MarketView, ChristchurchNZ



Spending by location

Many locations regained spending momentum in June 2020 with the greatest increases in spend being seen in Spreydon, up 26 percent, followed by Akaroa, up 20 percent, when compared to the same time last year. Tower junction, Papanui and New Brighton were part of the five suburbs to see the most growth in June, when compared to last year, up 18.5 percent, 17 percent and 15 percent respectively. The core and the core fringe saw increases of 3 percent and decreases 0.7 percent respectively. The central city (core and fringe combined, see Figure 3) saw limited growth in June 2020 of 1.8 percent compared to June 2019.

Figure 3

Spreydon	Akaroa	Tower Junction	Papanui	New Brighton	Central City (Core & Core Fringe)
+26%	+20%	+18.5%	+17%	+15%	+1.8%

Figure 4 depicts a summary of annual growth in Christchurch by geographic location.

Figure 4

Annual Change	Christchurch City	Central City (Core & Core Fringe)	Core	Core Fringe
18/19	+2%	+9%	+18%	-4%
19/20	-5%	-6%	-3.2%	-12%



Daily spending by location

The top recoveries for the period following Alert Level 2 seen in Figure 5.

Figure 5

June 9 to June 30	Akaroa	Spreydon	Papanui	Tower Junction	Linwood
19/20	+27%	+26%	+21%	+21%	+15%

*Note that growth in Papanui is supported by the opening of new stores, including a Kmart at the Northlink Centre. The Kmart relocated from Shirley (The Palms) to its new location. As a result, Shirley has experienced a significant decrease in spending in June 2020 compared to the previous year.

Spend by store type

Department stores and leisure and apparel and personal saw the greatest increases of 26 and 20 percent in June 2020 compared to last year in the central city. Accommodation and café restaurants and bars decreased 60 percent and 4 percent respectively (see Fig 6). Home hardware and electrical also saw significant growth 23 percent.

Figure 6

Department Stores and Leisure	Apparel and Personal	Accommodation	Cafes, Restaurants and Bars
+26%	+20%	-60%	-4%

When considering all of Christchurch some store types saw growth in June 2020. Both home and hardware and apparel and personal saw some growth of 26 percent and 16 percent respectively. Accommodation and fuel and automotive registered the biggest falls in spending of 41 percent and 10 percent respectively as seen in Figure 7.

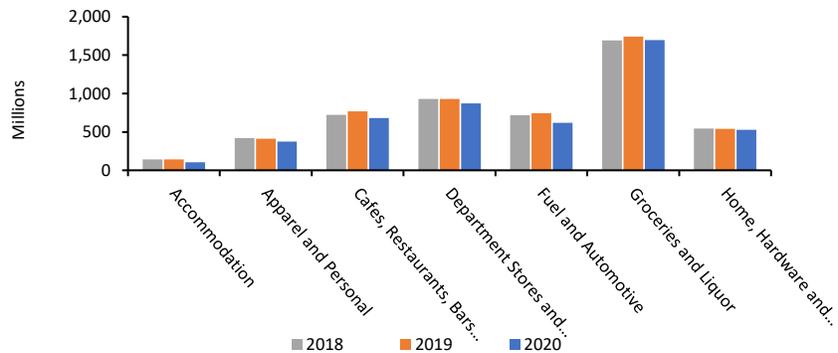
Figure 7

Home Hardware and Electrical	Apparel and Personal	Accommodation	Fuel and Automotive
+26%	+16%	-41%	-10%

Figure 8 depicts a summary of annual spend in Christchurch by category.

Figure 8

Total Spend in Christchurch (YE June)
By Spend Category
Source: MarketView, ChristchurchNZ



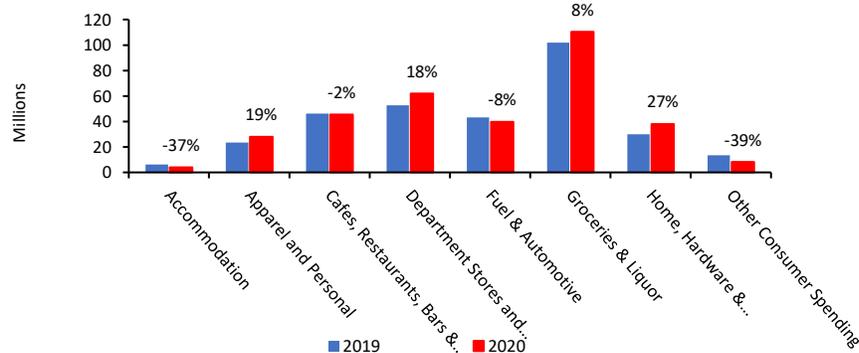
*Note: due to confidentiality issues there was no categorical data provided for the month of April. As a result, the 2020 annual figures will be understated by one months' worth of data.

Daily spend by store type

For the period following the lifting of restrictions on domestic travel and social gathering sizes (June 9 to June 30) some store categories saw recovered growth. Home hardware and electrical (27 percent) and apparel and personal (19 percent) saw the strongest growth (Figure 9). The rate of growth is lower than the transition from alert level 3 to 2 due to the lifting of restrictions on consumer spending options having been greater.

Figure 9

Total Spend in Christchurch June 9 to June 30
By Spend Category
Source: MarketView, ChristchurchNZ



Spending by visitor type

Due to COVID-19 disruptions to international and domestic consumer spending in Christchurch, figures for June 2020 remain soft. However, domestic visitor spend is decreasing at a lesser rate thanks to lifted domestic visitor restrictions.

International spending saw a 58 percent decrease on the same month last year to \$4.5m compared to a 5 percent decline to \$41.5m for domestic spending (Figure 10).

Figure 11 depicts monthly international and domestic visitor spending in Christchurch.

Figure 10

Domestic visitors	International visitors
-5%	-58%

Spending by Christchurch residents in Christchurch (excluding fuel) increased by 9 percent, and in the central city increased by 13 percent as seen in Figure 12.

Figure 12

Christchurch	Central city
+9%	+13%

Want to know more?

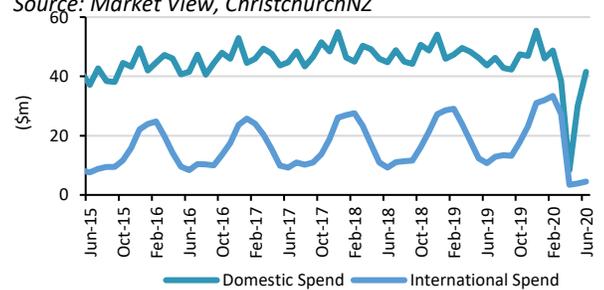
Read the latest [Quarterly Economic Report](#), or get the latest insights on the dynamics of the Christchurch and Canterbury economies directly from the experts. To view more work from our economics team exploring the impacts of COVID-19, please visit ChristchurchNZ.com

[Contact us](#) to find out more.

Figure 11

Christchurch Domestic and International Visitor Spend

Source: Market View, ChristchurchNZ



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