Wellington West BUSINESS IMPROVEMENT AREA

RELEASE OF 2018 RESEARCH REPORTS

A special workshop for BIA members and partners

AGENDA

- 8:30: Welcome & Introductions
- 8:40: 2018 BIA Member Census Report
- 9:00: 2018 Retail Trade Area Analysis
- 9:20: Takeaways for the BIA
- 9:30: Questions & Discussion

WELCOME AND INTRODUCTIONS

- Name and business/ organizational affiliation

Wellington West
BUSINESS IMPROVEMENT AREA

2018 BIA MEMBER CENSUS REPORT

Michel Frojmovic,
Creative Neighbourhoods

Wellington West BIA

5 November 2018

Market Research Program Highlights from 2012-2018

Presented by Michel Frojmovic

BIA market research program highlights
Part 1 Census of businesses

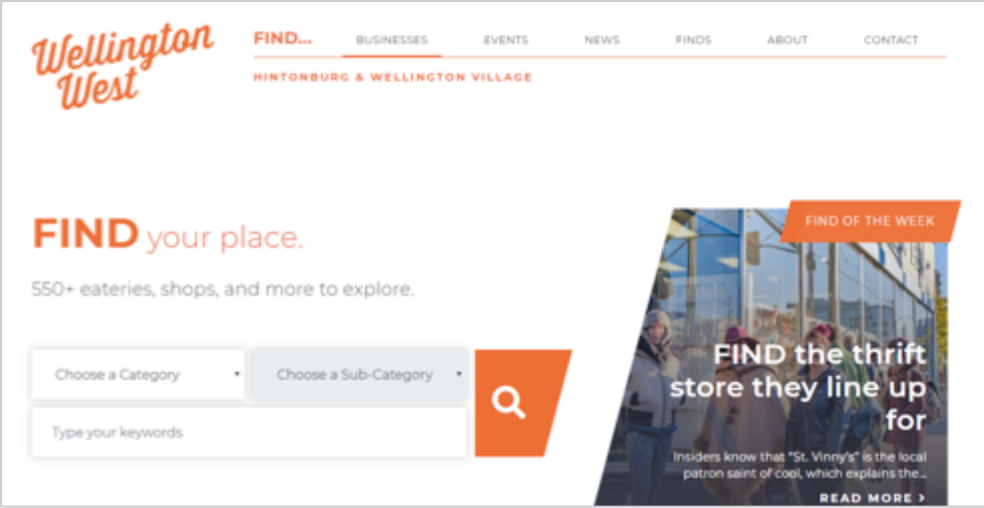
- What types of businesses are here?
- How are they doing?
- Delivered every year since 2014

BIA market research program highlights
Part 2 Visitor Survey

- Who visits the BIA neighbourhood?
- How do they get here?
- How much do they spend?
- Conducted annually from 2012-2017

How the BIA uses the Market Research

1. Member Engagement
2. Marketing & promotion
3. Understanding the Local Economy



https://wellingtonwest.ca/a-business/

Wellington West BIA Business Census

- Door-to-door and floor-to-floor survey of all non-residential locations within the BIA
- Over 80 variables collected on a range of topics of relevance to the BIA, its members and potential members

WWBIA boundary divided into 10 zones, each containing similar numbers of businesses.

Used for analysis and comparison.

Figure 1. Business census: Basic profile

	2014	2018
Total # of unique non-residential locations (businesses, non-profits, parks, parking lots; excludes home-based businesses, street food vendors)	556	594
Members (property is levied)	505	542
Non-members	51	52

Figure 2. Businesses by category, 2018

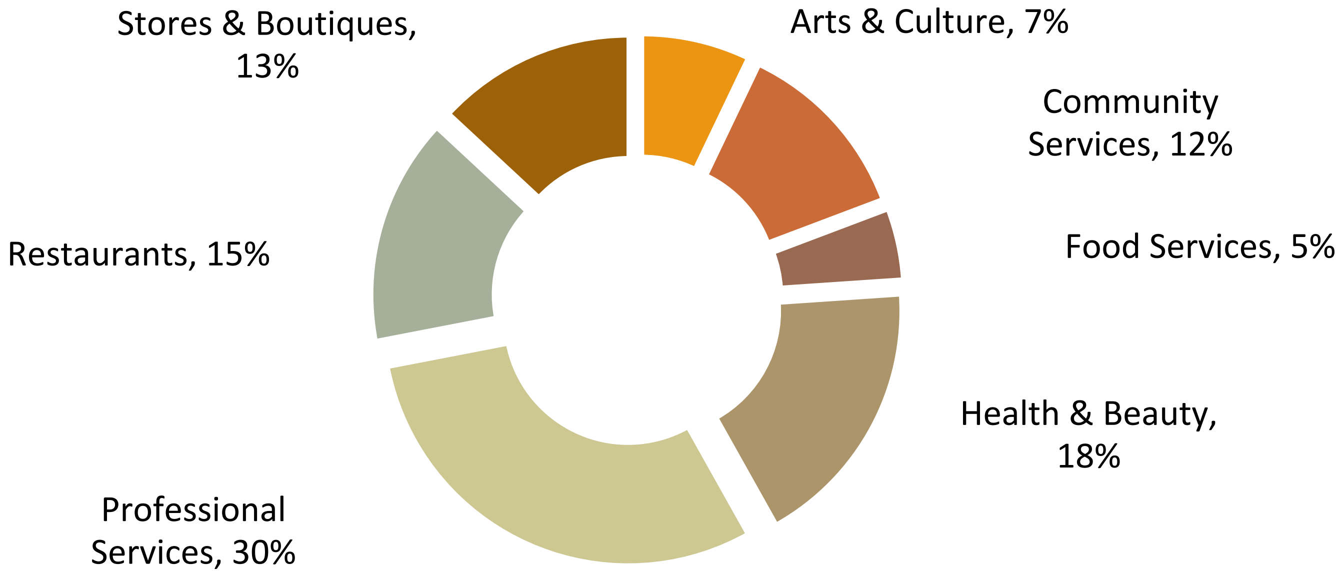


Figure 3. Social media presence (How visible is our membership online?) 2014 and 2018

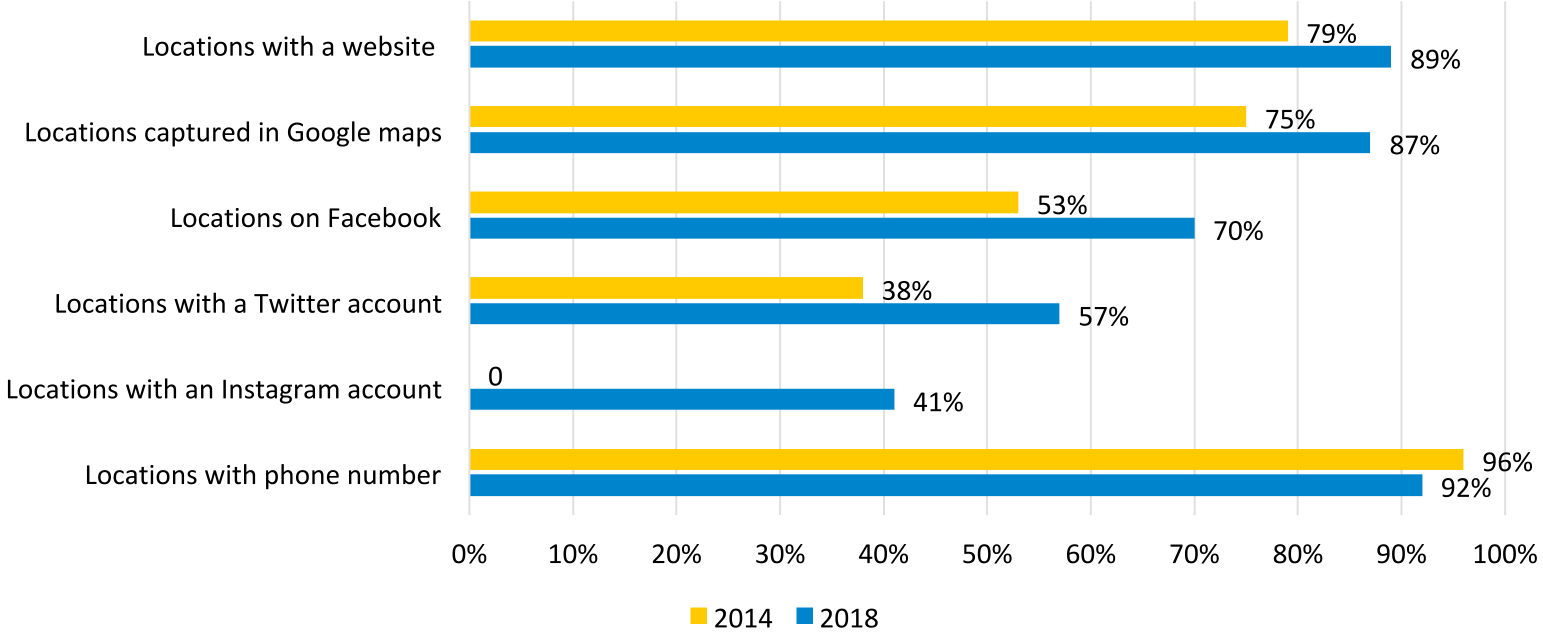


Figure 4. Reliance on Social Media platforms varies significantly by type of business

Business category	% of businesses using Instagram in 2018
Arts & Culture	42%
Community Services	18%
Food Services	60%
Health & Beauty	44%
Professional Services	23%
Restaurants	69%
Stores & Boutiques	63%
All Businesses	**41%**

Figure 5. How busy is our street life? (Hours of operation in 2016 and 2018)

	2016	2018
Closed on Sunday	50%	44%
Closed on Monday	15%	16%
Open before 10:00am on Wednesday	56%	53%
Closing time occurs later than 5:00pm on Thursday	53%	59%
Closing time occurs later than 9:00pm on Friday night	19%	18%
(number of businesses with posted business hours)*	506	458

Figure 6. The character of our street life varies depending on the neighbourhood

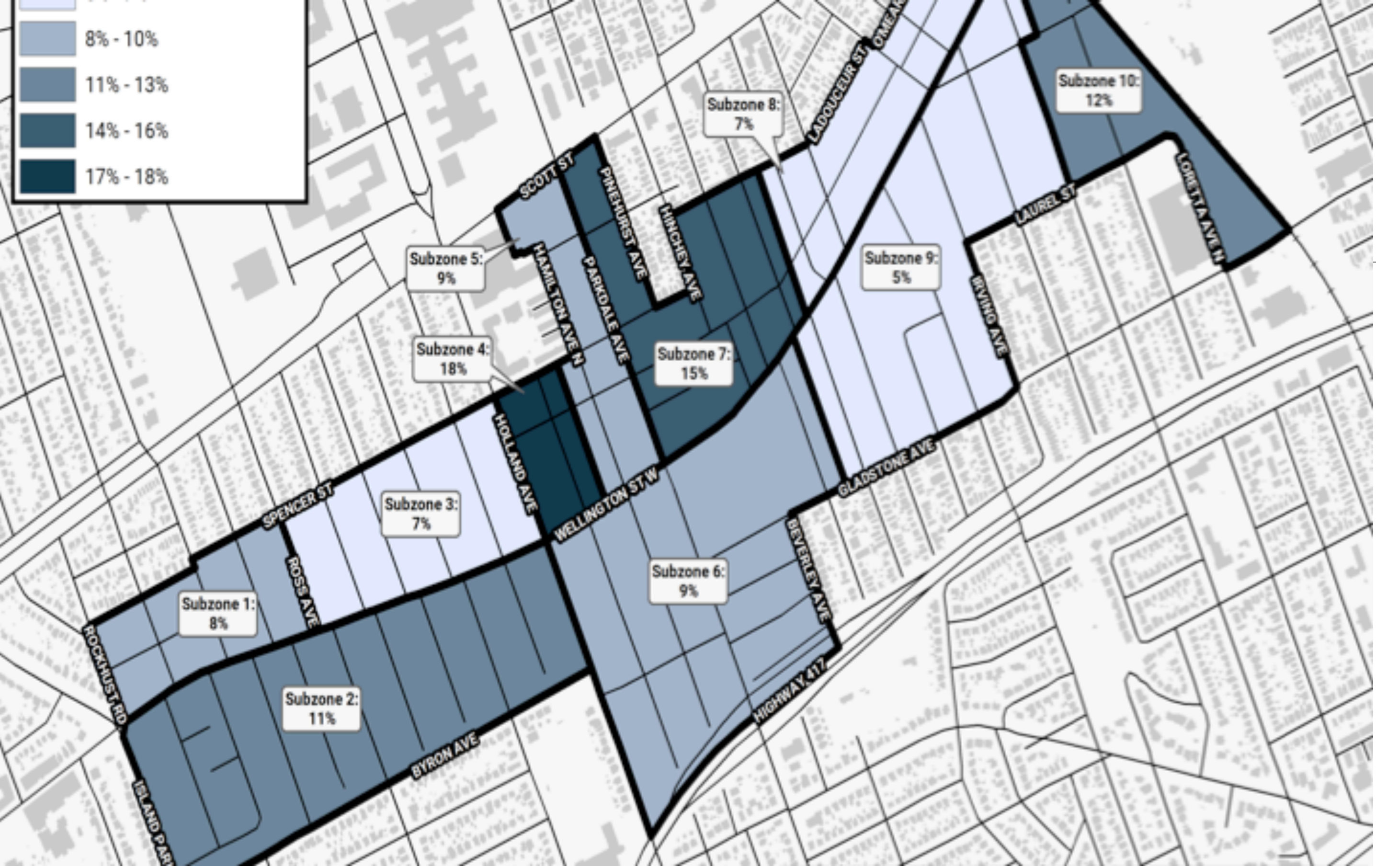
	Hintonburg Mainstreet	Wellington Village Mainstreet	Off Mainstreet
Closed on Sunday	39%	41%	51%
Closed on Monday	19%	17%	12%
Friday night closing time occurs later than 9:00pm	24%	7%	15%
(number of businesses with posted business hours)	153	123	182

Figure 7. Vacancies Rates and Turnover

	2016	2018
Vacant businesses & properties (as of Aug 31, 2018)	46	59
Vacancy rate	8.0%	9.9%
Continued vacancies (since previous year)	19	49

Figure 8. Vacancies by type of business

Location Type	2018
Overall vacancy rate	9.9%
Non-storefront vacancy	14.0%
Storefront vacancy	5.5%
Hintonburg mainstreet storefront vacancy	8.1%
Wellington Village mainstreet storefront vacancy	1.9%
Off mainstreet storefront vacancy	5.0%



Highest vacancies are in the centre of the BIA: Zones 4 (18%), 7 (15%)

Lowest are in the heart of mainstreet Hintonburg

Zone 9 (5%)

Figure 9. How long have businesses been here? (Years of operation as reported in 2018)

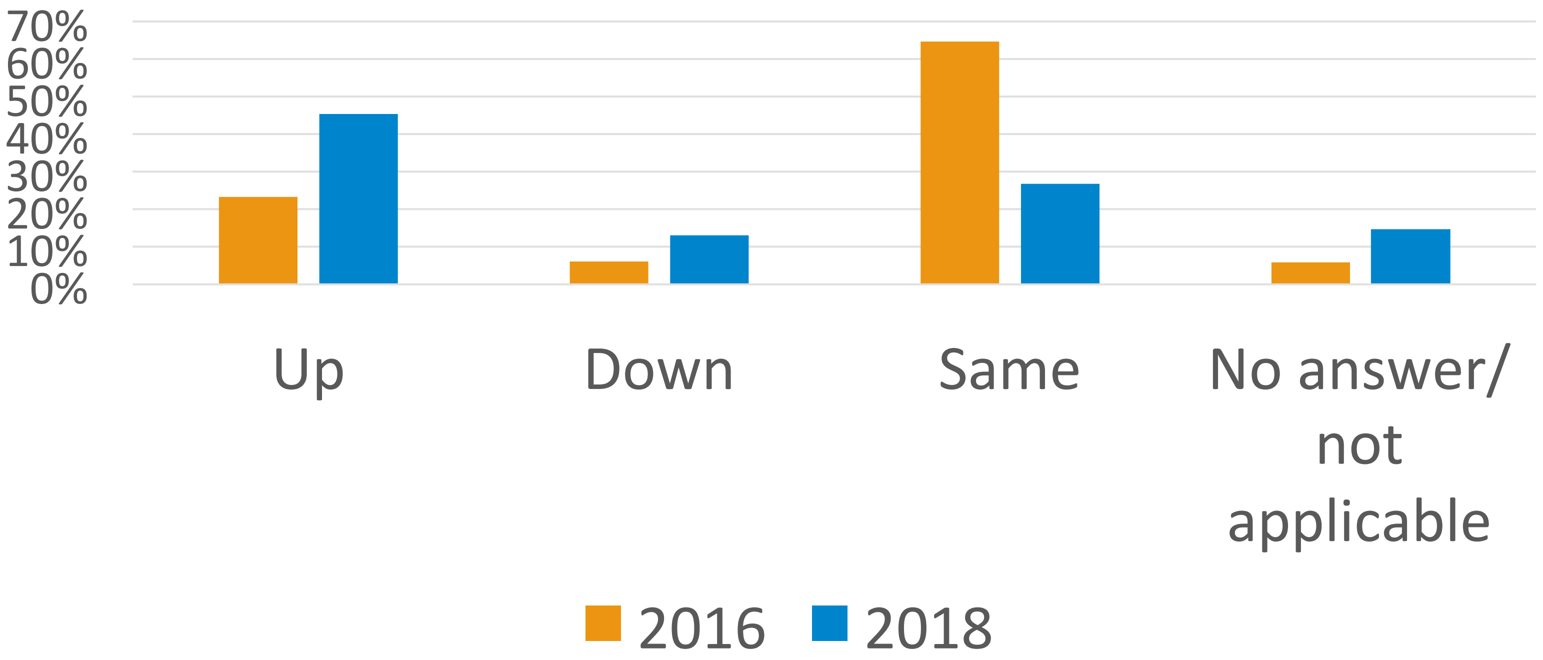
	% of businesses
Less than 5 years (Since 2013)	44%
5 – 10 years (2008-2012)	23%
11 – 30 years (1988-2007)	23%
31 – 50 years (1968-1987)	5%
More than 50 years (1967 and earlier)	5%
(number of responses)	425

Largest proportion of lease renewals within next 2 years

Zones 1 (43%) 7 (41%) 10 (48%)

Lowest proportion Zones 3 (21%) 4 (26%)

Figure 10. How are businesses doing? (Sales in the last 12 months as reported in 2016 and 2018)



Highest proportion of businesses with increase in sales:

Zone 4 (65%)

Lowest proportion:

Zone 5 (24%)

Figure 11. Average number of employees in 2018

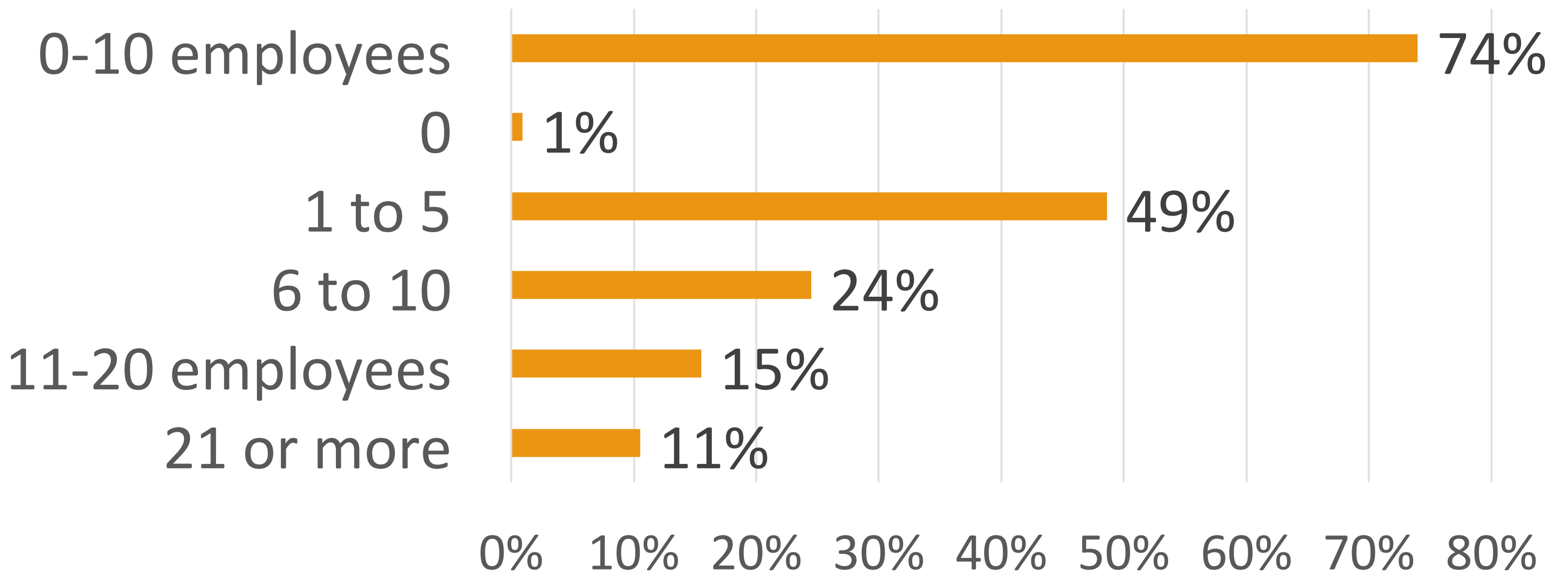


Figure 12. % of businesses with minimum wage staff, by number of minimum wage staff, 2018

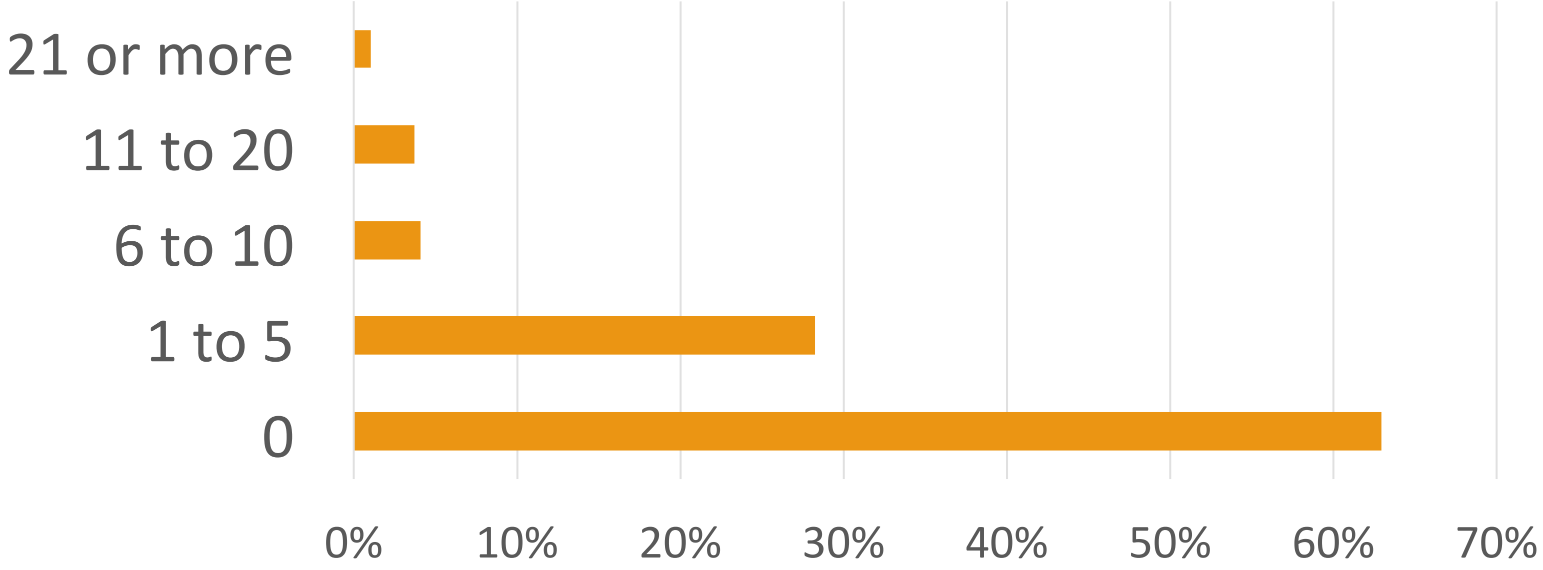


Figure 13. Percentage of businesses employing Minimum wage staff, by business category, 2018

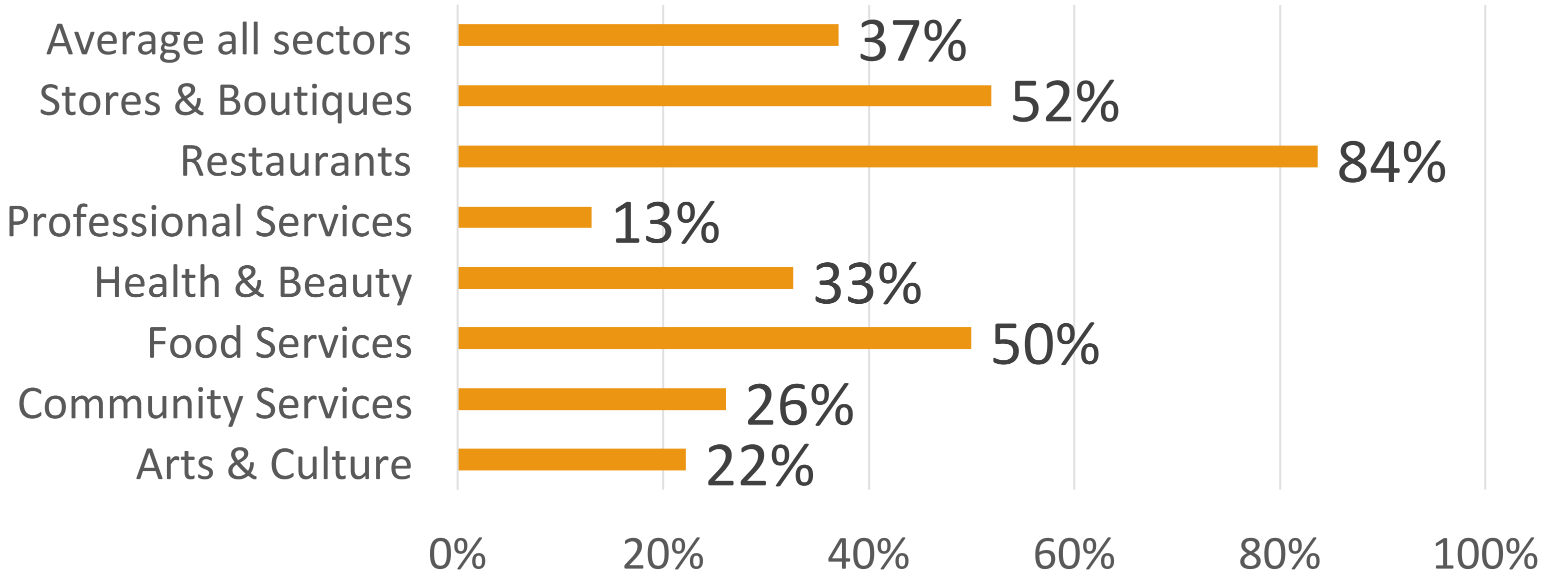


Figure 14. New in 2018: Street Parking

Difficulty Parking (5.0 is most difficult)	
Customers	3.0
Employees	2.4
Parking available for employees?	
Yes	72%
No	28%
Employees use street parking?	
Yes	43%
No	57%
Total reporting	327

Businesses with employees relying on on-street parking

Highest proportion (>50%): Zones 1,2,5

Lowest proportion (<30%): Zones 7, 10

Businesses offering employee parking

Highest proportion (>85%): Zones 4, 8,10

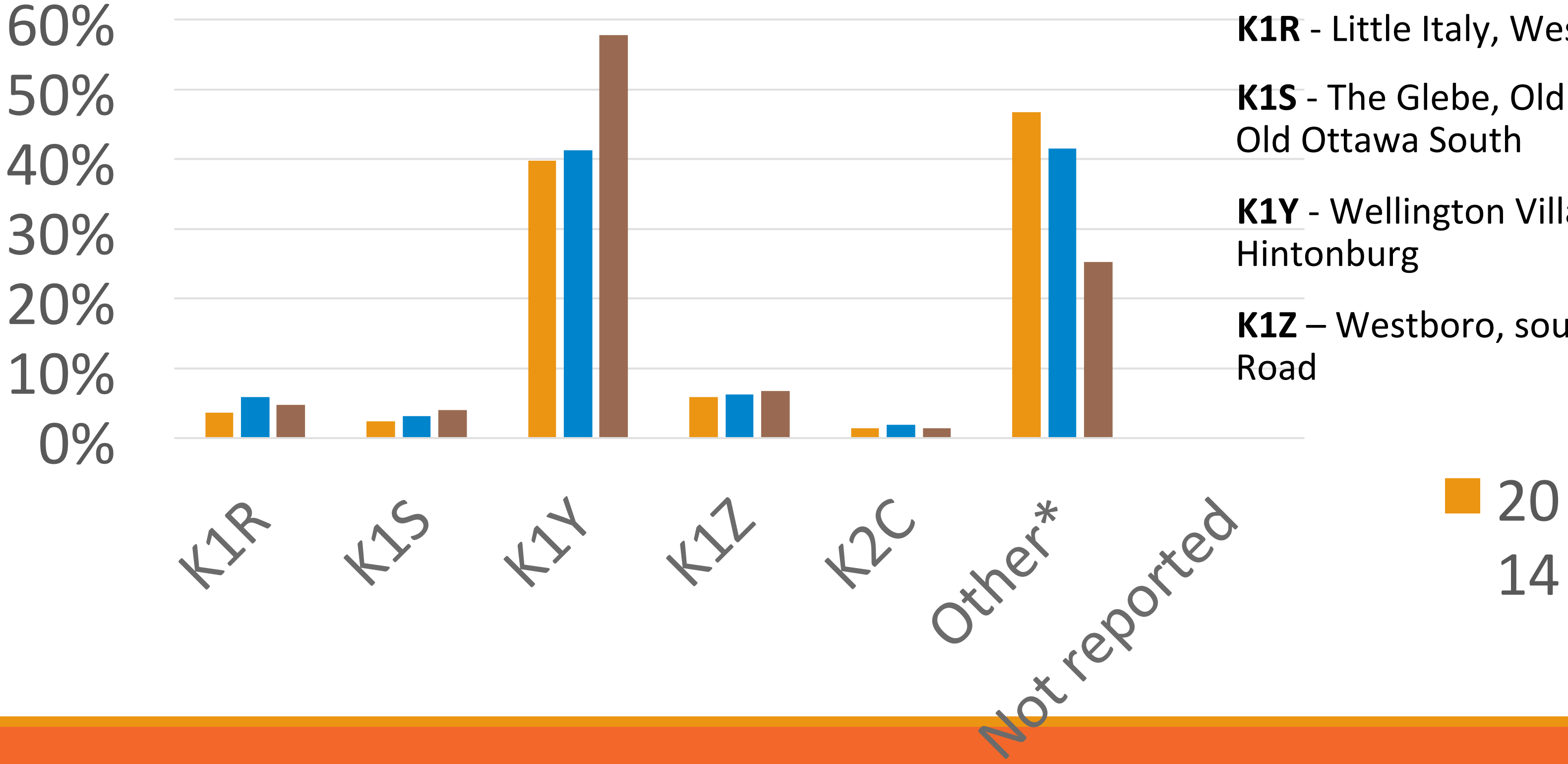
Lowest proportion (>65%): Zones 3,5,7,9

Wellington West
SHOPPER SURVEY 2017 Highlights

The survey's purpose is to gain more knowledge about visitors to the BIA.

The survey also helps the BIA better target their marketing, beautification, and business development efforts.

Figure 15. Where they live
Home postal code of respondents, 2014-2017



K1R - Little Italy, West Centretown

K1S - The Glebe, Old Ottawa East, Old Ottawa South

K1Y - Wellington Village & Hintonburg

K1Z – Westboro, south to Baseline Road

Figure 16. Distribution of respondents by place of work

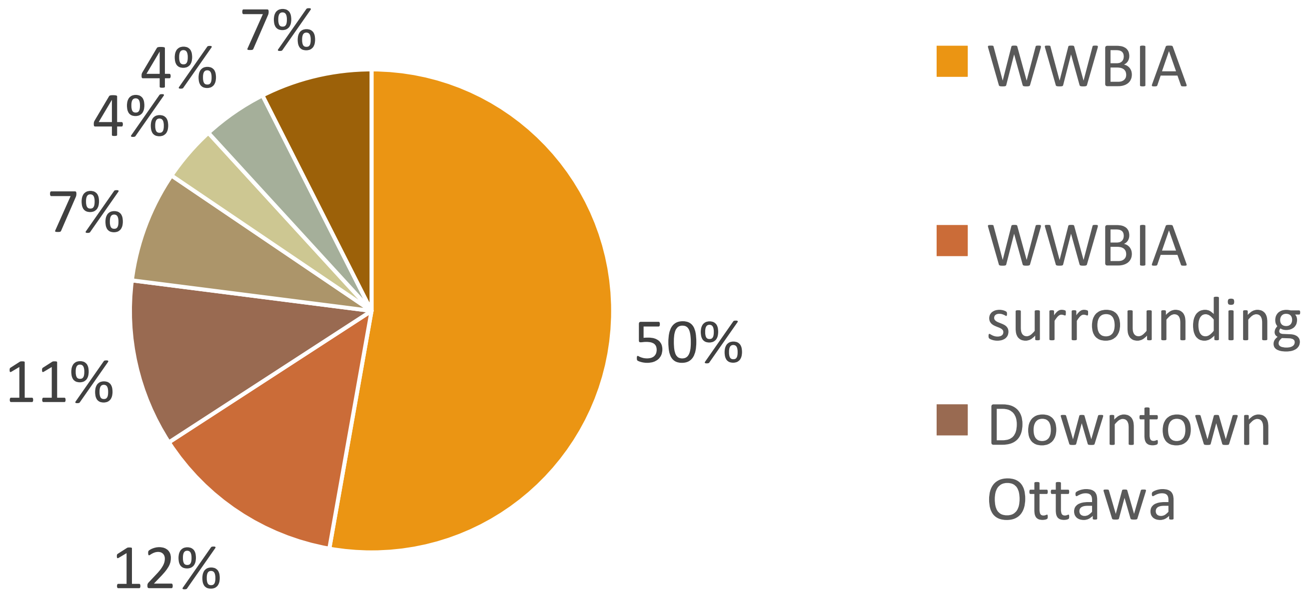
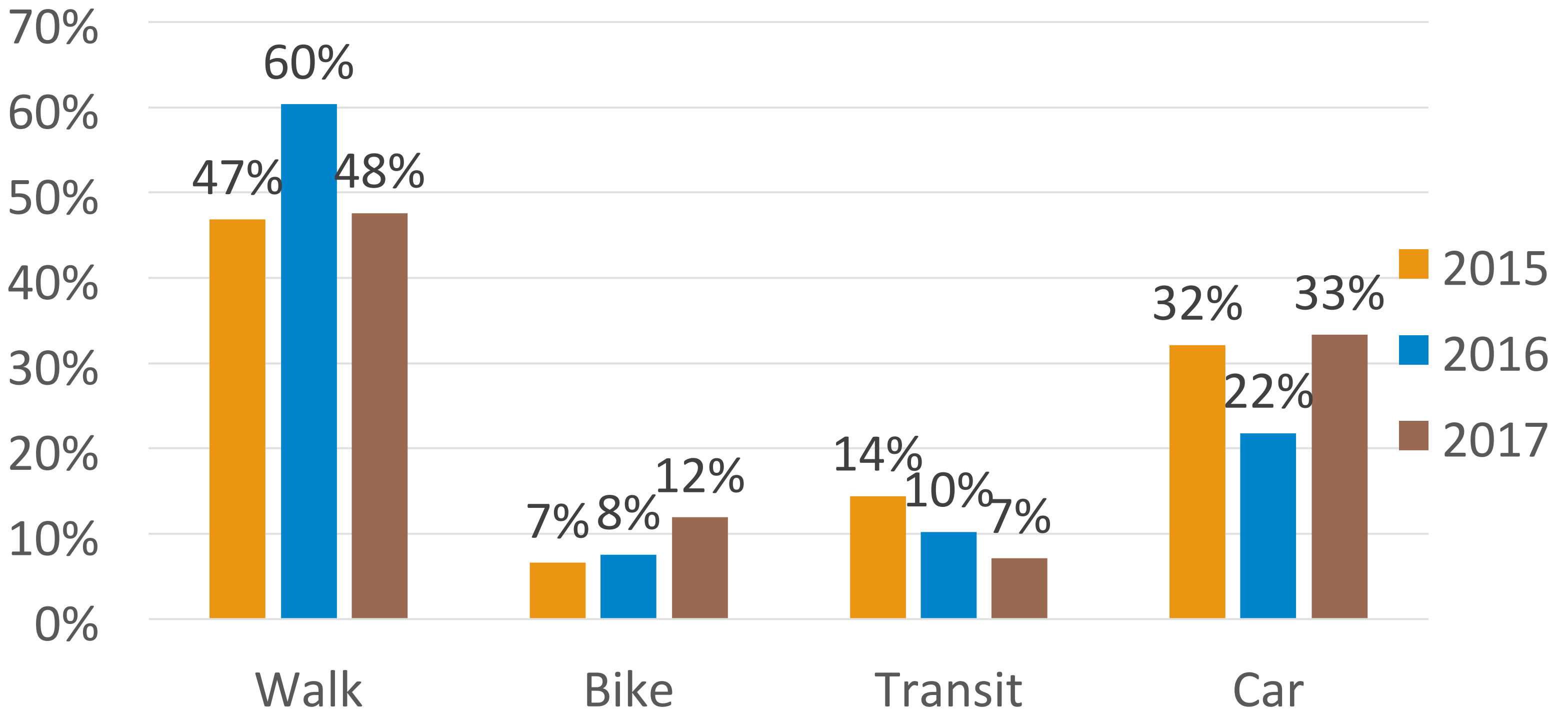
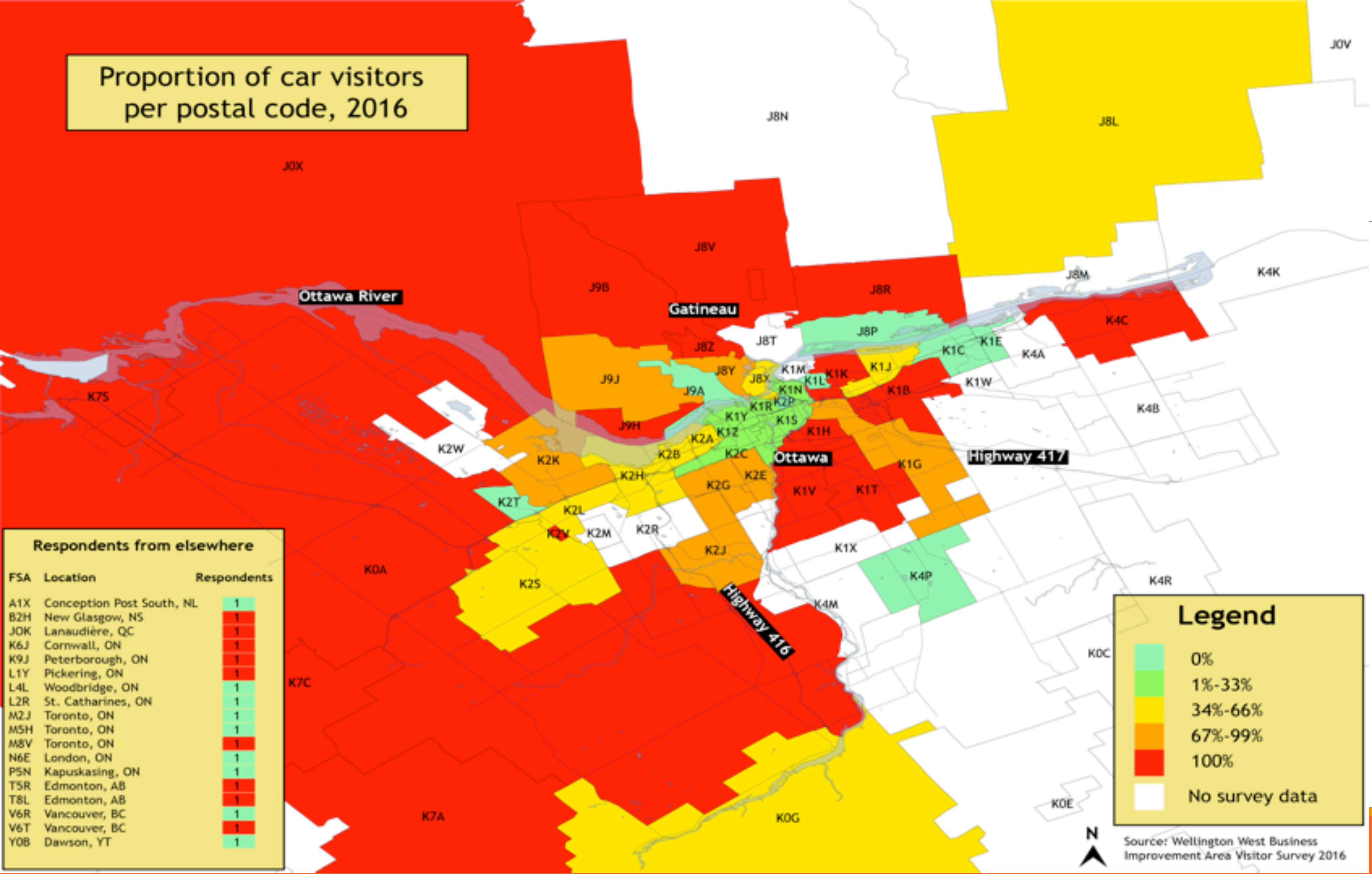


Figure 17. How they got here:
Change in visitor mode of transport, 2015-2017





Respondents from elsewhere

FSA	Location	Respondents
A1X	Conception Post South, NL	1
B2H	New Glasgow, NS	1
JOK	Lanaudière, QC	1
K6J	Cornwall, ON	1
K9J	Peterborough, ON	1
L1Y	Pickering, ON	1
L4L	Woodbridge, ON	1
L2R	St. Catharines, ON	1
M2J	Toronto, ON	1
M5H	Toronto, ON	1
M8V	Toronto, ON	1
N6E	London, ON	1
P5N	Kapuskasing, ON	1
T5R	Edmonton, AB	1
T8L	Edmonton, AB	1
V6R	Vancouver, BC	1
V6T	Vancouver, BC	1
Y0B	Dawson, YT	1

Figure 18. Frequency of visits per week to BIA

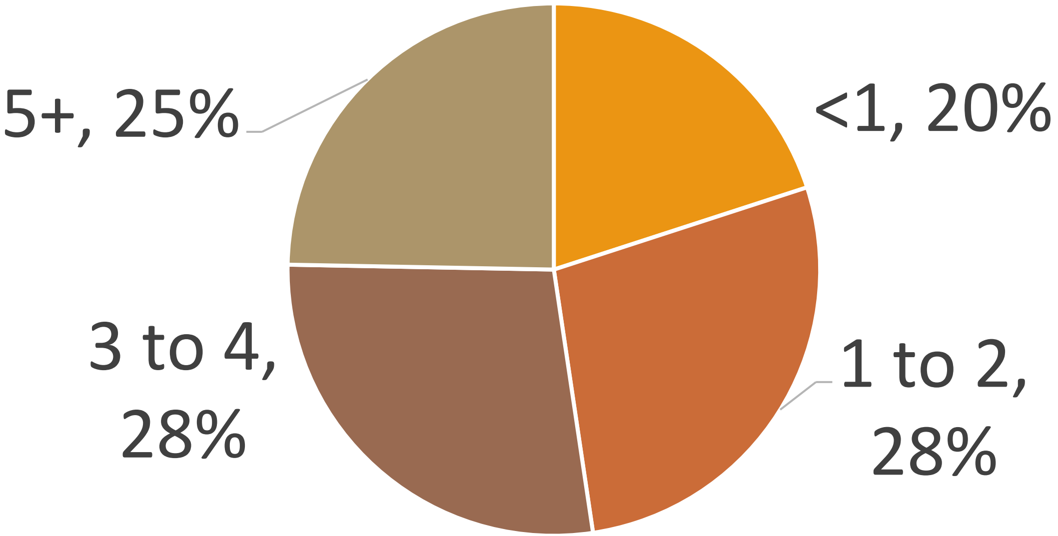


Figure 19. Number stores entered during respondent's last visit

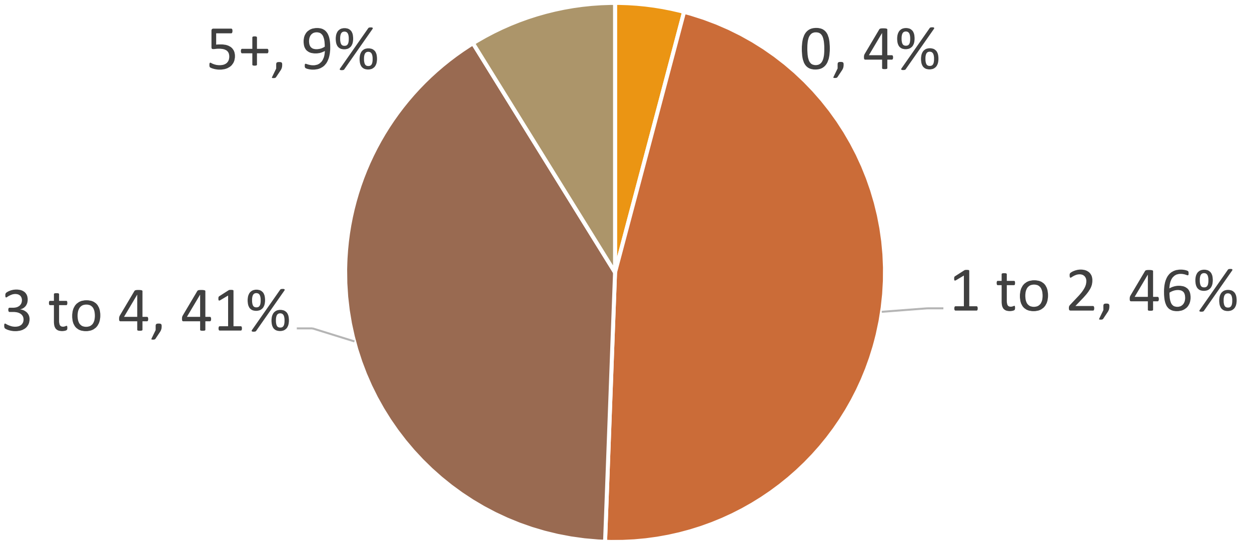


Figure 20. Average spending per visit

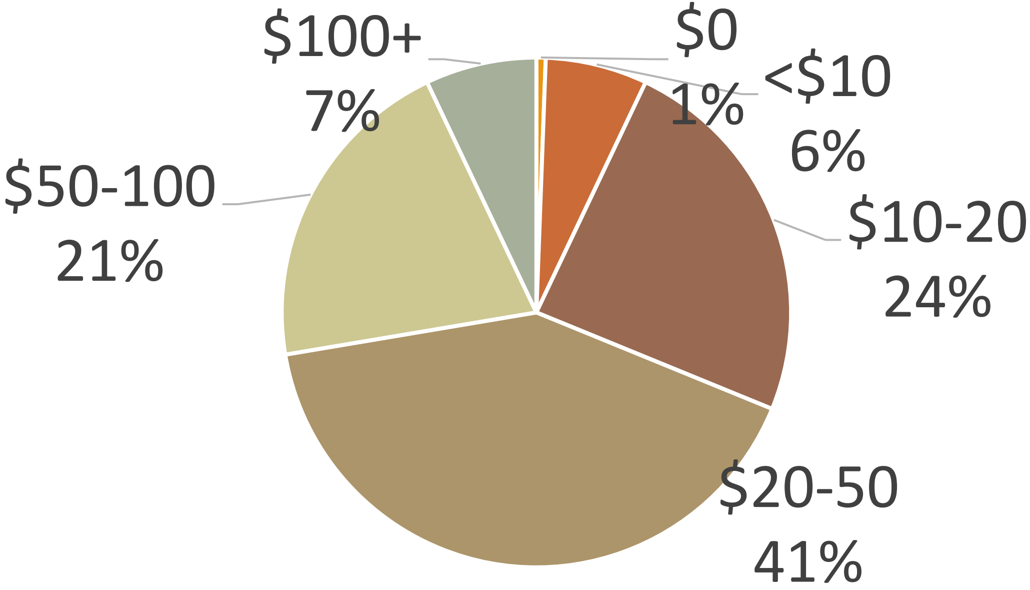


Figure 21. Duration of stay by WWBIA visitors

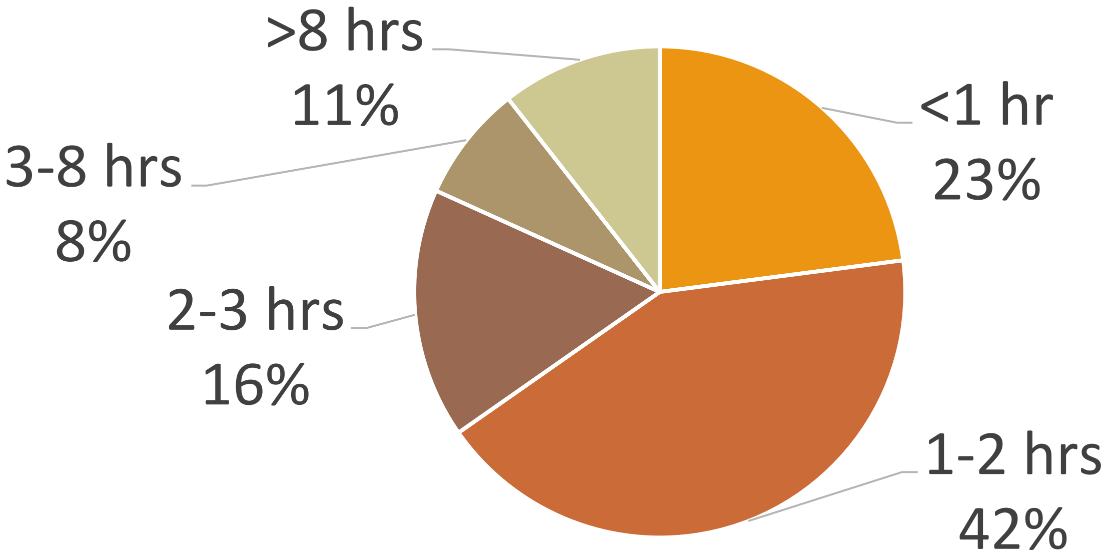


Figure 22. Purpose of visit to the WWBIA

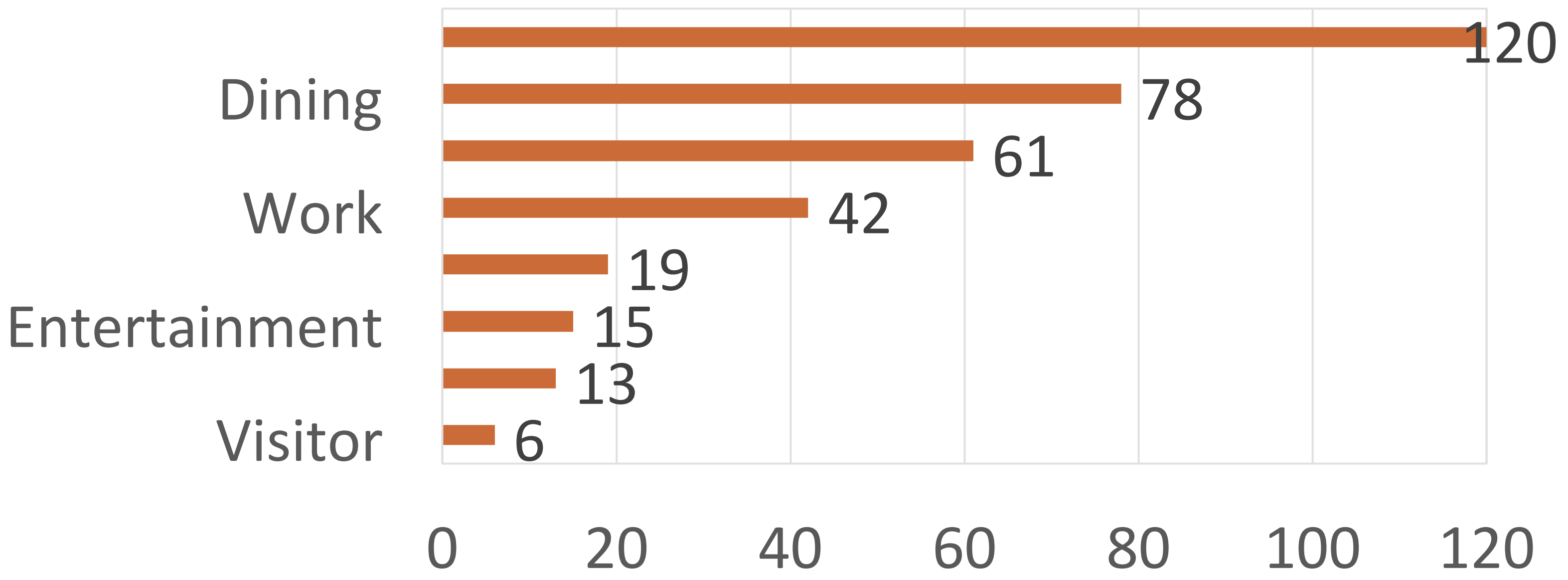


Figure 23. Visitors' concerns with their experience

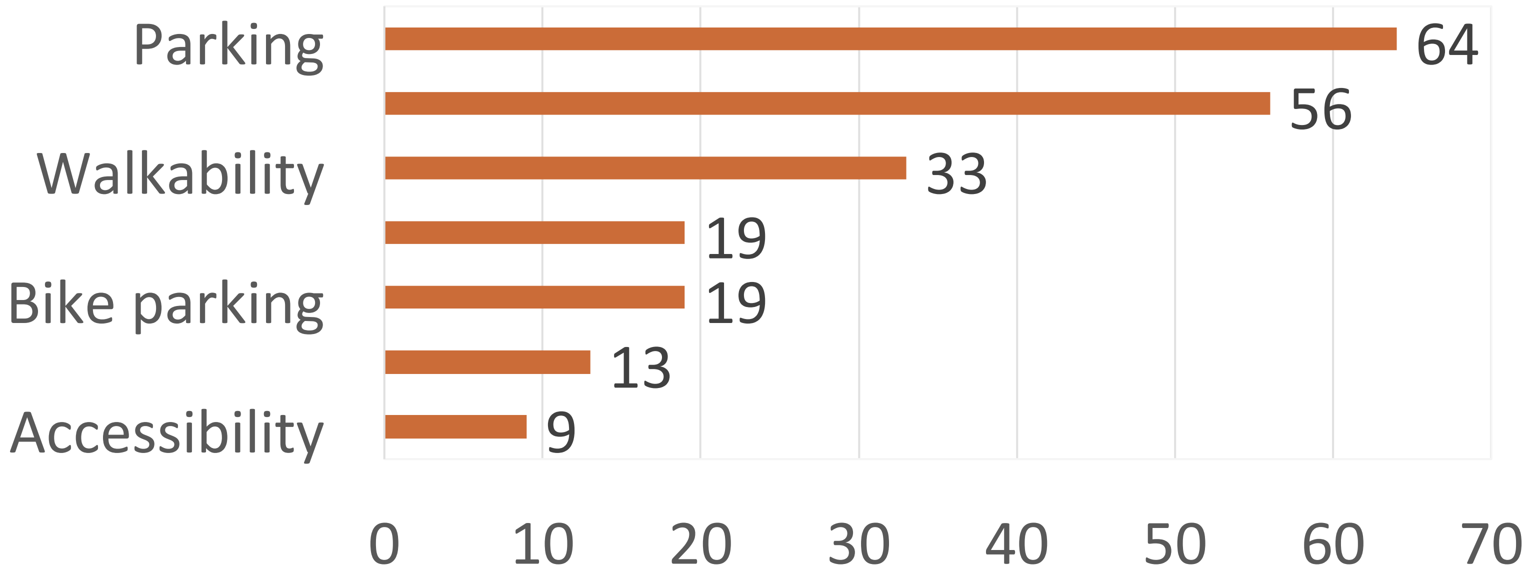


Figure 24. Visitor knowledge of the WWBIA

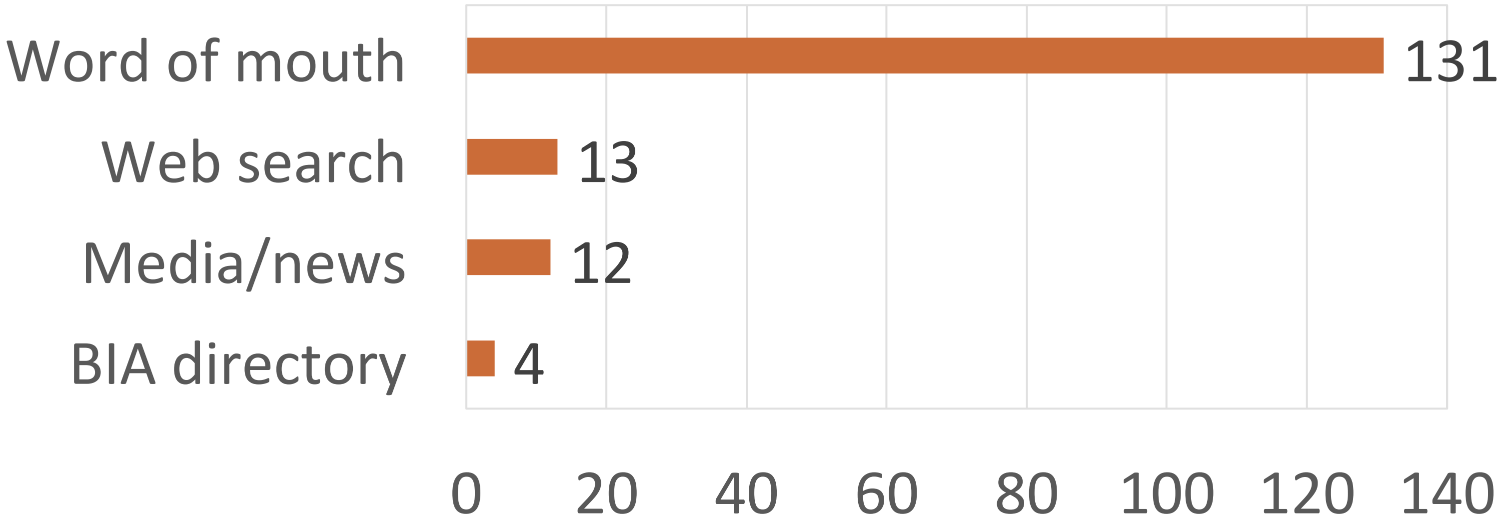
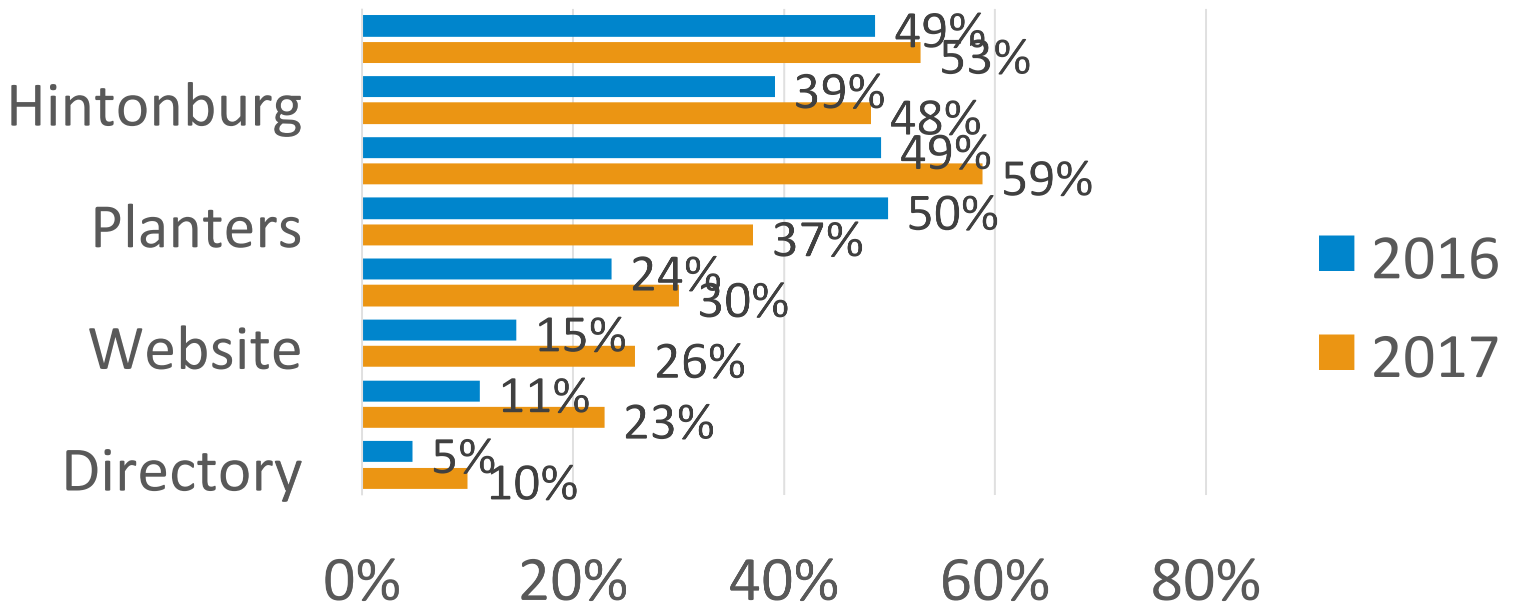
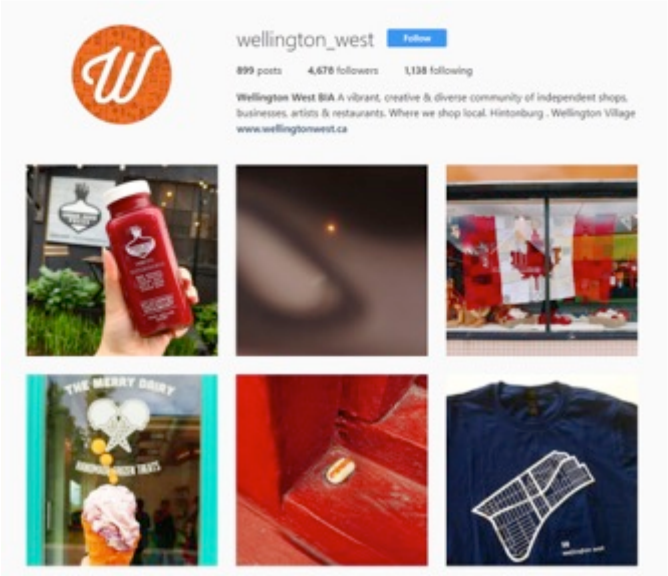


Figure 25. Visibility of WWBIA initiatives



Questions?

- Are the findings consistent with your impressions of the area?
- Any surprises?
- Do you have any suggestions for future market research?



Wellington West
BUSINESS IMPROVEMENT AREA

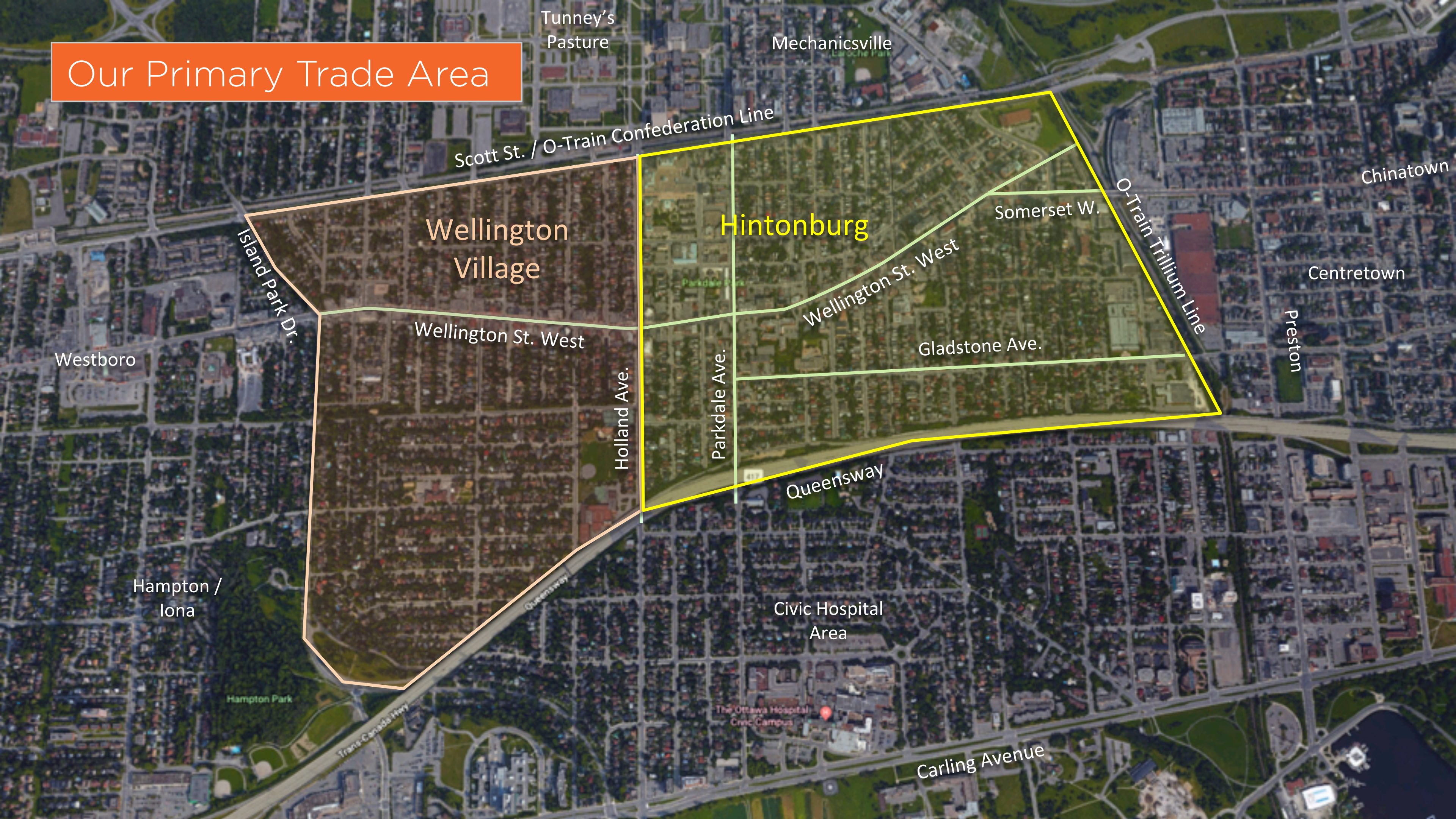
2018 RETAIL TRADE AREA ANALYSIS

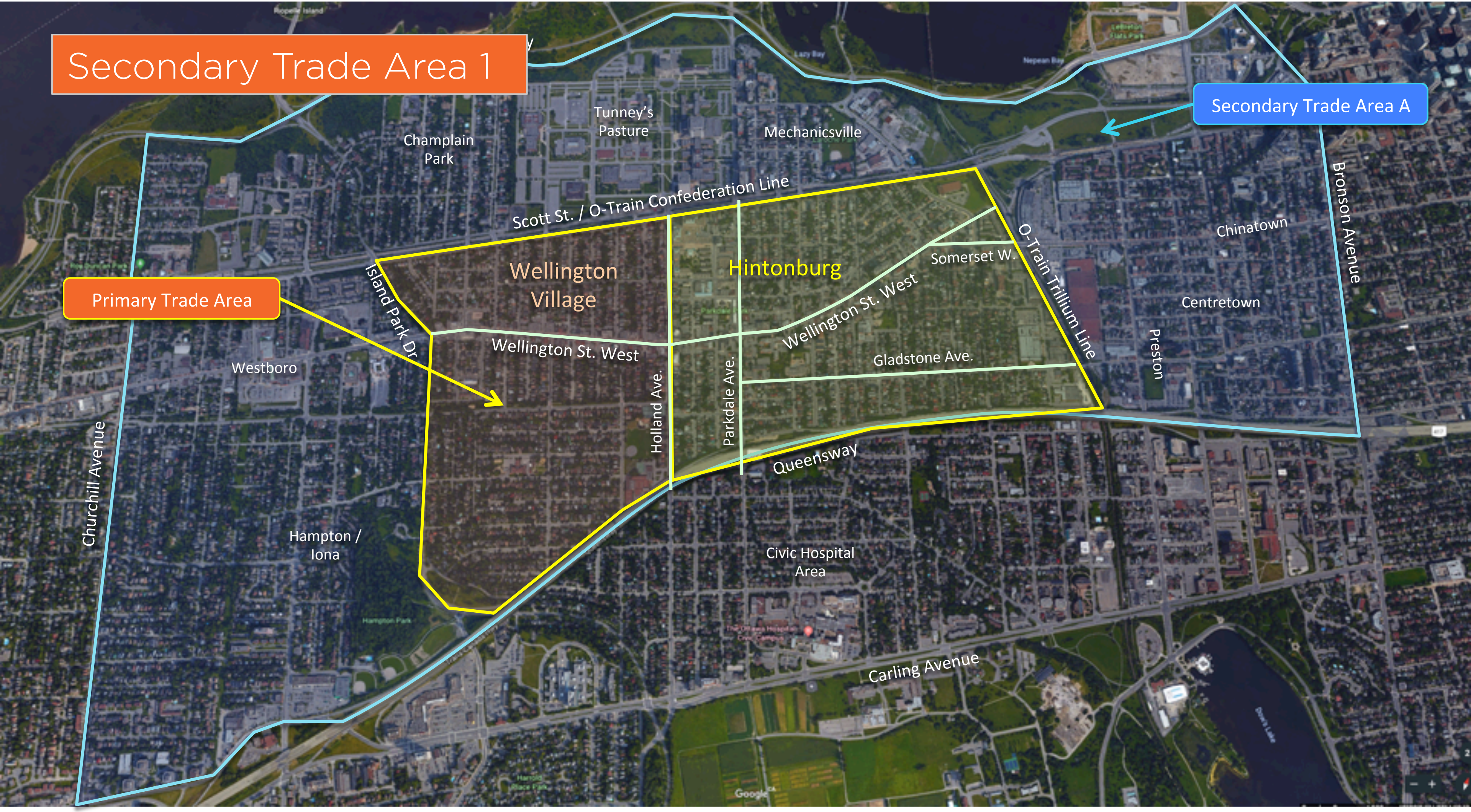
Study by Barry Nabatian, Shore, Tanner & Associates

SUMMARY OF FINDINGS: OVERVIEW

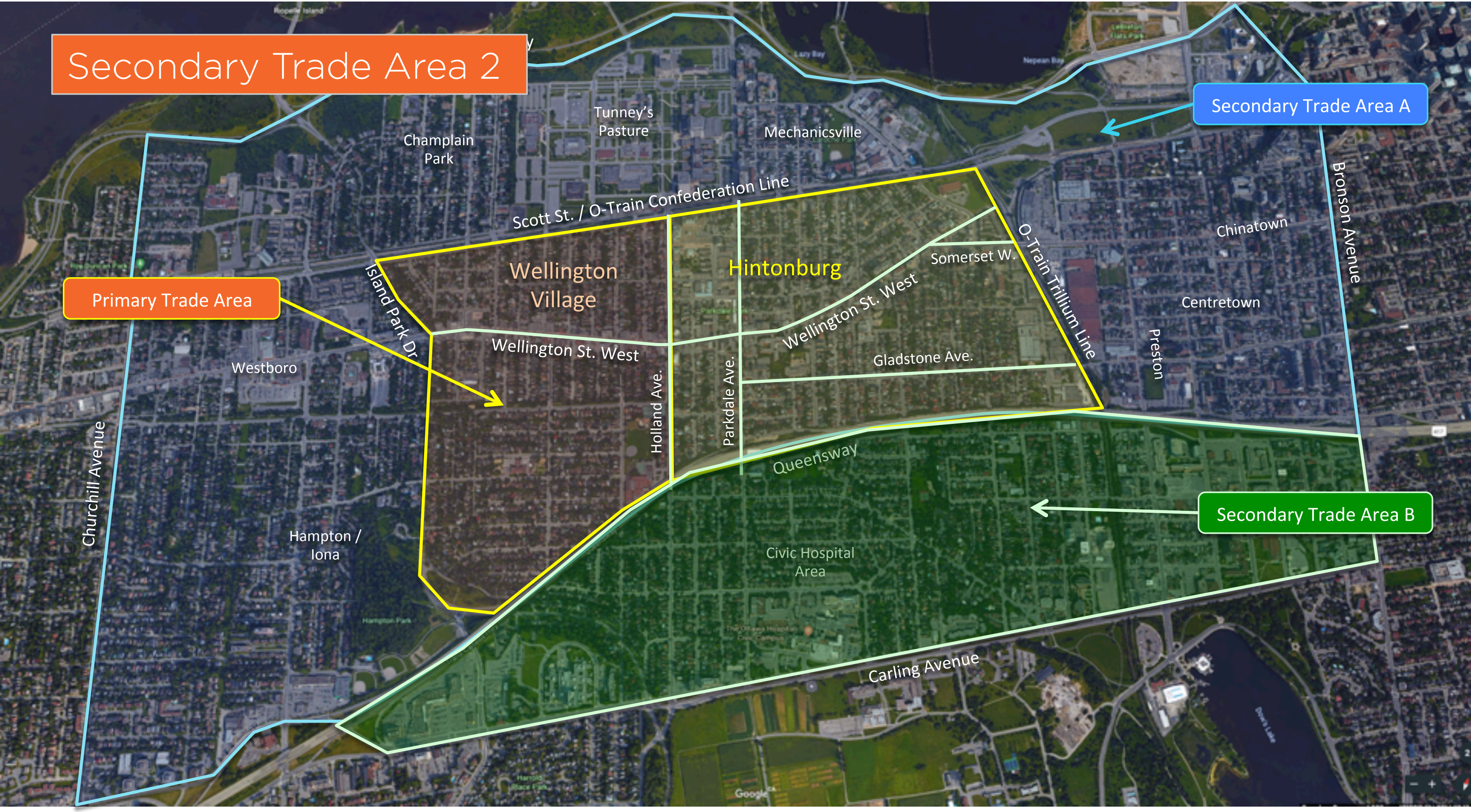
- WWBIA has been experiencing major renovation, redevelopment, and gentrification in the last 5-10 years, and these trends are expected to continue for the next 10 years or more.
- **As a commercial district, WWBIA is in a strong and growing position in terms of the performance, improvements, and expansion of its businesses based on this study's findings.**

Our Primary Trade Area





Secondary Trade Area 1
Secondary Trade Area A
Primary Trade Area
Tunney's Pasture
Champlain Park
Mechanicsville
Scott St. / O-Train Confederation Line
Wellington Village
Hintonburg
Somerset W.
Chinatown
Bronson Avenue
O-Train Trillium Line
Centretown
Island Park Dr
Wellington St. West
Wellington St. West
Westboro
Gladstone Ave.
Preston
Holland Ave.
Parkdale Ave.
Queensway
Churchill Avenue
Hampton / Iona
Civic Hospital Area
Carling Avenue


Secondary Trade Area 2
Secondary Trade Area A
Secondary Trade Area B
Primary Trade Area
Tunney's Pasture
Champlain Park
Mechanicsville
Scott St. / O-Train Confederation Line
Wellington Village
Hintonburg
Somerset W.
Wellington St. West
Wellington St. West
O-Train Trillium Line
Chinatown
Centretown
Bronson Avenue
Island Park Dr.
Westboro
Holland Ave.
Parkdale Ave.
Gladstone Ave.
Preston
Queensway
Churchill Avenue
Hampton / Iona
Civic Hospital Area
Carling Avenue

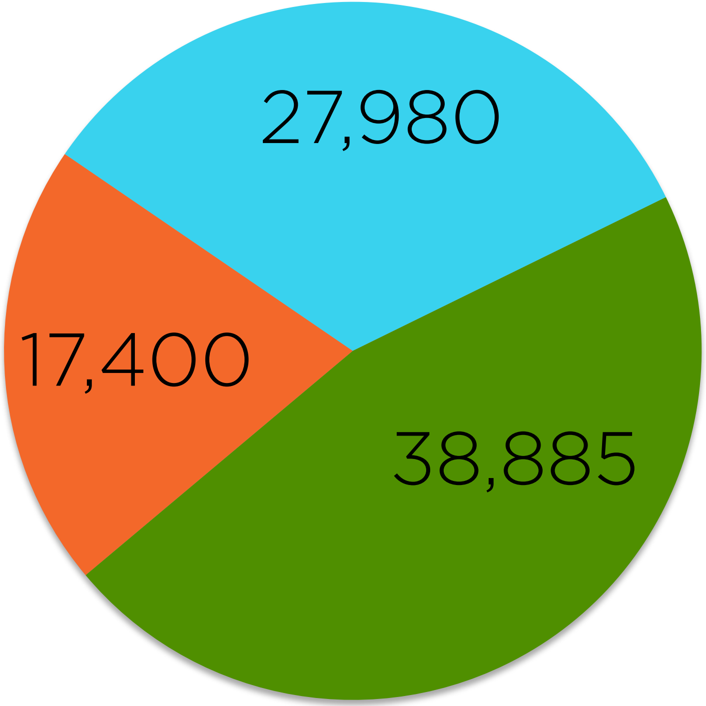
REASONS FOR OPTIMISM

1. Great “product”: Excellent fundamentals.
2. Transit changes with LRT.
3. Population growth.
4. Demographic shift.
5. Income Growth.
6. Changing shopping habits.
7. Room to grow within local base
8. Growing base of outside employees & “experience” shoppers.

POPULATION: SUMMARY OF FINDINGS

1. **Our Trade Area covers a substantial customer base.**
   - Population equivalent to Victoria BC or Peterborough Ontario.
2. **Population growth is projected to outpace other Ottawa areas for the next ten years.**
   - Growth is being fueled by 8,416 new housing units under construction / planned / proposed.

POPULATION C. 2016



TOTAL:
84,265

ESTIMATED POPULATION GROWTH

- **Total Trade Area population of 86,600 in 2017 consisting of up to 17,700 in the PTA, 29,300 in the STA1, and 39,600 in the STA2.**
- Average annual population increase of 3,040 or 3.5% in the Trade Area from 86,600 in 2017 to 117,000 in 2027.
- Average annual population growth of 1,030 or 5.8% in the PTA, from 17,700 in 2017 to 28,000 in 2027.
- The PTA’s growth rate of 5.8% is the largest within the Trade Area.

POPULATION – BY NEIGHBOURHOOD

- The total population of Hintonburg increased by 48 persons or 0.53% annually, from 9,041 in 2011 to 9,282 in 2016.
- Population growth was slightly higher in Wellington Village as it increased by 60 persons or 0.57% annually from 10,695 in 2011 to 10,997 in 2016.
- **The Primary Trade Area had a total (rounded) population of 20,300 in 2016.**

EMPLOYMENT: SUMMARY

- **There are far more people commuting INTO our area for work than commuting OUT of the area.**
- **Existing and future retail businesses in the Trade Area benefit from spending of employees as well as the residents of the Trade Area**

INCOMES: SUMMARY

- Average household incomes are on pace with general incomes in Ottawa – among the top three in Canada.
- In 2016, the proportion of households with annual income of $80,000 or more was 47.0%, and quite likely over 50.0% now.

DEMOGRAPHICSAGE GROUPS

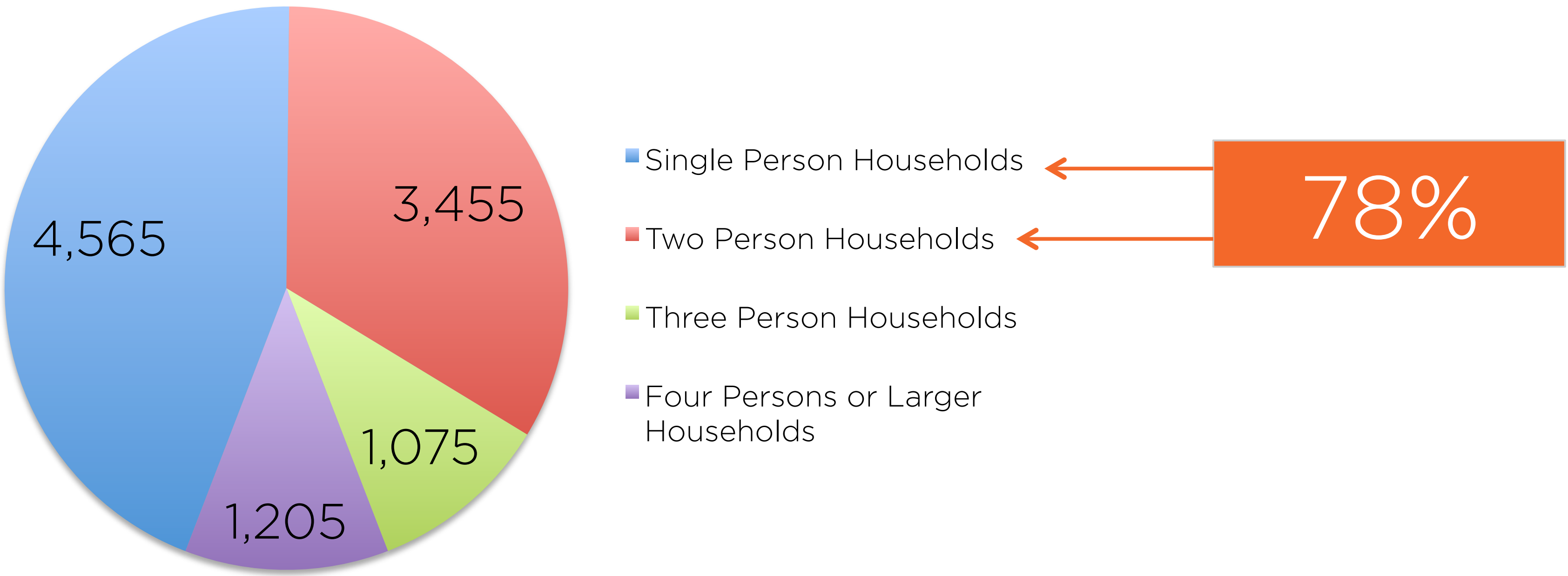
- Based on housing growth, we expect the largest growth in population in the Trade Area to be new residents in the age groups 25-65 in the next 10 years.
- On a per capita basis, these residents spend more at retail and service businesses, are more likely to work, especially in office-based jobs, and thus have higher incomes than the overall average per capita for the entire Trade Area residents.

• Under 19	7,475	18.9%
• 20-39	10,705	27.0%
• 40-59	12,155	30.7%
• 60-74	5,765	14.6%
• 75 & older	3,495	8.8%
Total	**39,595**	**100.0**
Median Age (years)	42.8	–

HOUSEHOLD SIZE: SUMMARY

- Small households:
  - 78% of households in the Primary Trade Area consist of only one or two persons.
- **Dominance of single and two-person households is expected to continue, and become even more prominent in the next 10 years and beyond.**

HOUSEHOLD SIZE



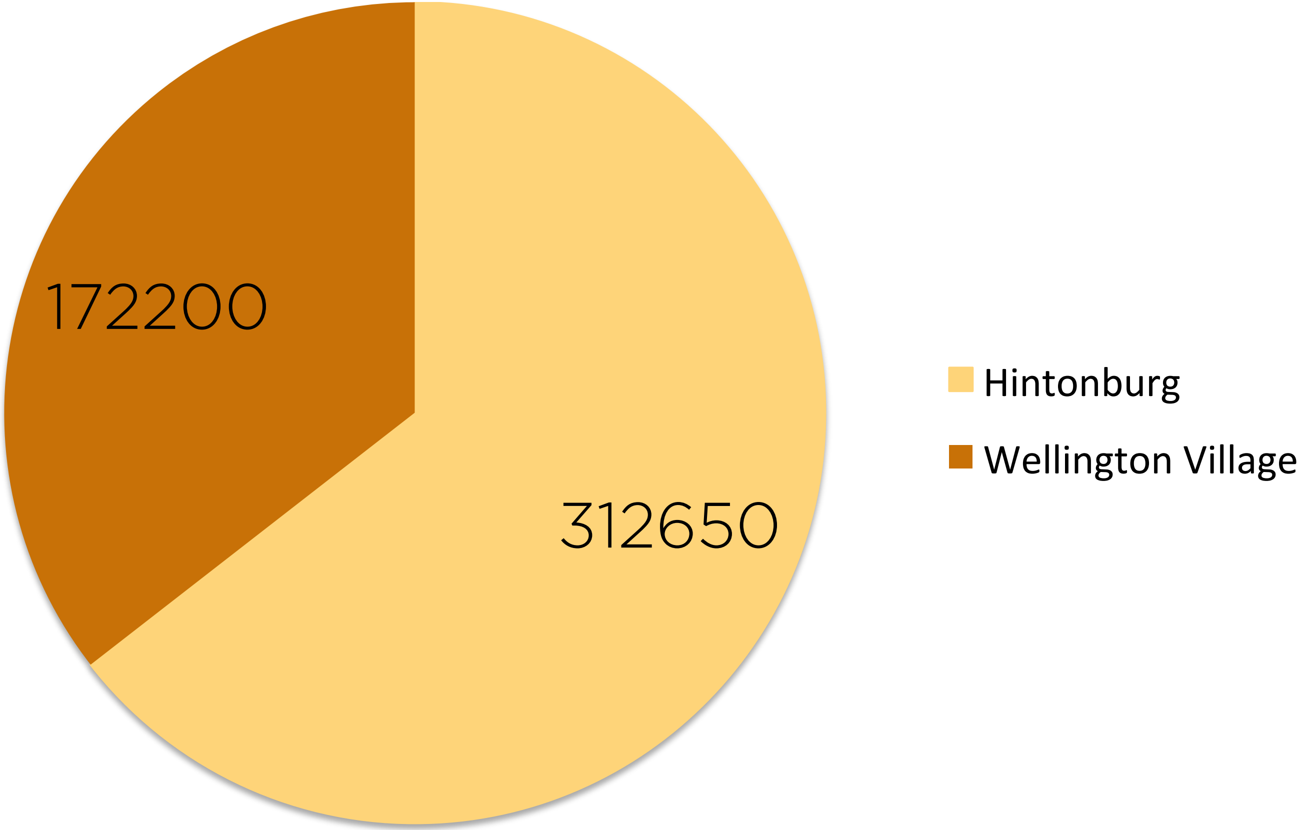
LANGUAGES:

- English is the mother tongue of 74.5% of the residents.
- French is the mother tongue of 10.0% of the residents.
- All other languages are mother tongues of 15.5% of the residents.
- Hintonburg North highest percentage of residents (22.1% or 1.0 in 4.5) whose mother tongue is other than English or French.

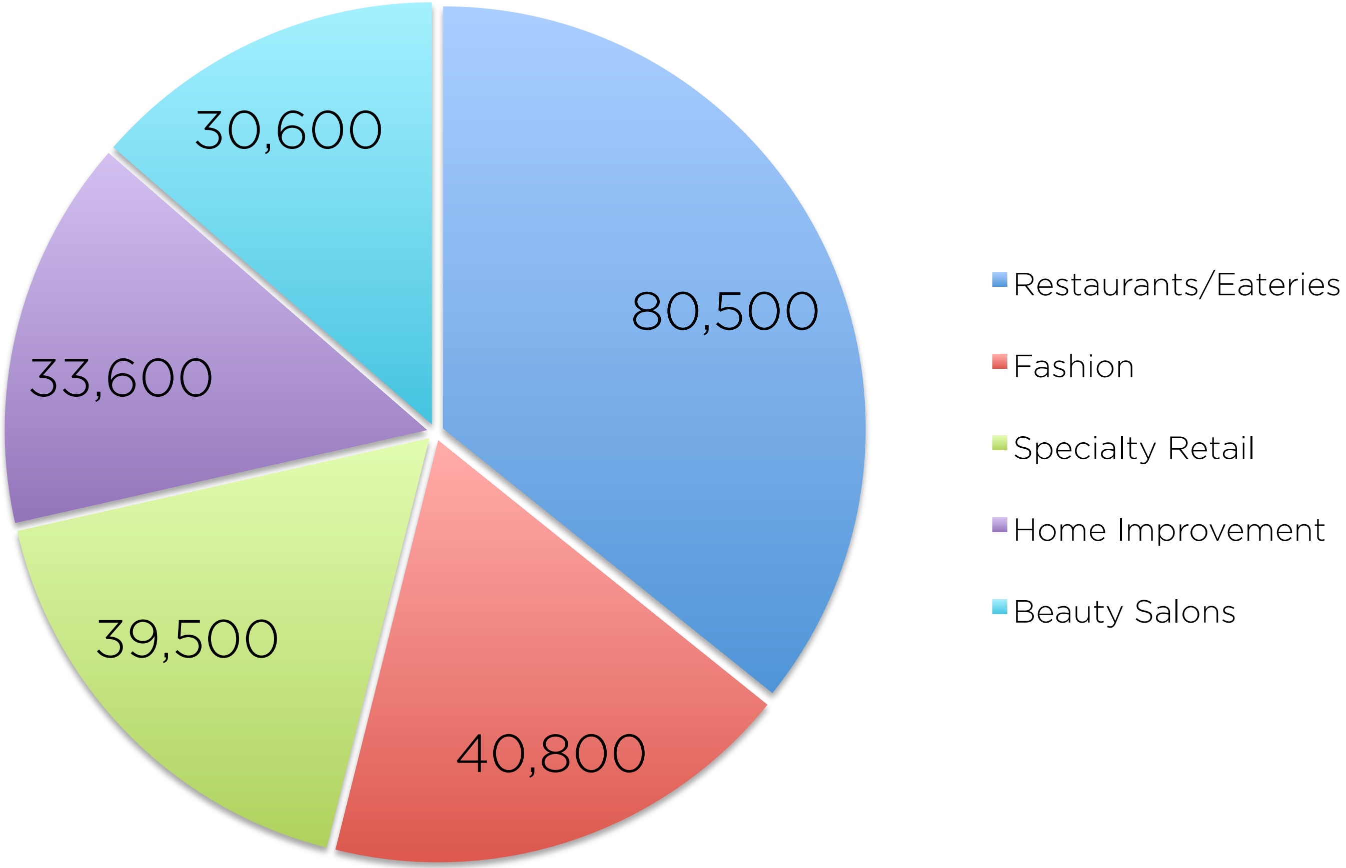
The top five mother tongues after English and French are:

- Chinese: 210 / 1.07%
- Arabic: 165 / 0.84%
- Spanish: 115 / 0.59%
- Vietnamese: 55 / 0.28%
- Somali: 55 / 0.28%

DISTRIBUTION OF RETAIL SPACE



RETAIL FOOTPRINT: BY SQ. FOOTAGE



TAKEAWAYS FOR WELLINGTON WEST BIA?

Suggested priorities:

1. Learn more about shopping behaviour in Trade Area – build loyalty.
2. Market to commuters and outside workers - get them to visit / linger.
3. Focus overall messaging on shopping experience / unique differentiators.
4. Work with property managers to attract regional draw retailers.
5. Build digital marketing fundamentals across member base.

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THANK YOU!