

Retail Spending in Christchurch March 2020

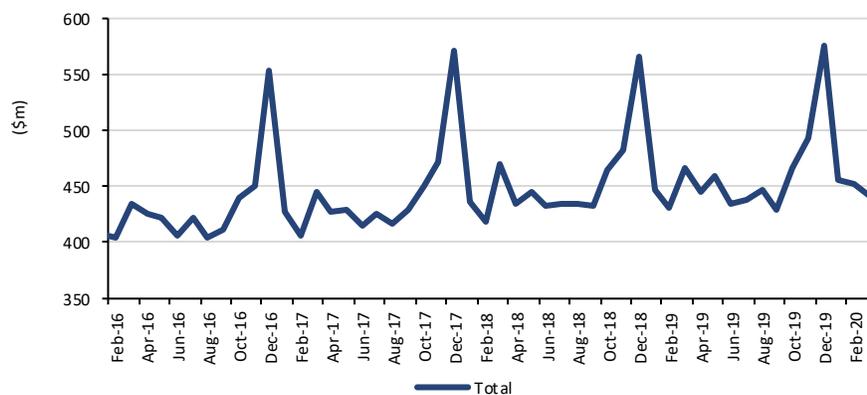
Summary

- Spending in Christchurch's central city core was down 24 per cent to \$15m in March 2020, compared to the same month last year.
- Christchurch saw an overall spending decrease of 5 percent for March 2020 to \$442m compared with the same month last year.
- The period March 23 to March 31 (following the closure of all but essential businesses/ services) spending in Christchurch fell 34% compared to the same period last year.

Retail spending in March 2020 was influenced by the COVID-19 crisis. Total spending in Christchurch reached \$442m in March 2020, 5 percent down on the same month last year.

Christchurch Total Spend

Source: Market View, ChristchurchNZ



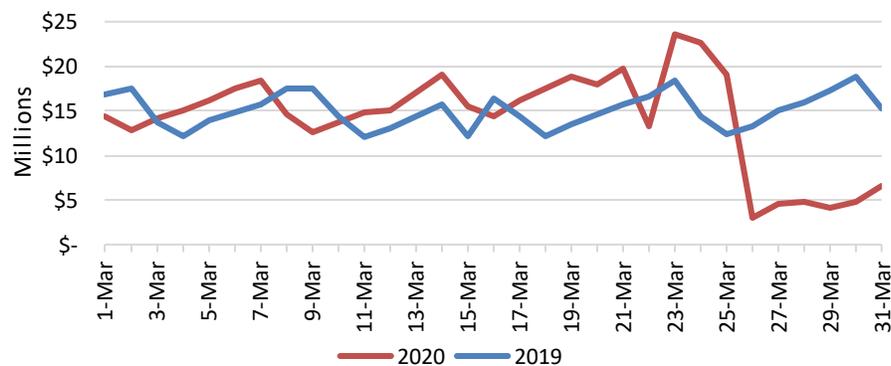
Since March 23, all but essential businesses and services continued operations dampening consumer spending activity in the later part of the month. It is therefore useful to also take a closer look at daily activity to better analyze the impact of COVID-19 on consumer spending. For the period of March 23 to March 31 2020, compared to the same time last year, spending in Christchurch fell 34%. (Figure 1)

Figure 1

Christchurch daily spend

March 2019 vs March 2020

Source: MarketView, ChristchurchNZ



In the days leading up to lockdown you can see locals of Greater Christchurch (Christchurch City, Waimakariri and Selwyn) were spending more money elsewhere (Figure 2). However, upon the announcement of lockdown level 4 you can see a jump in local spending locally, as residents prepare to lockdown, and then a sharp fall in spending as all non-essential businesses close.

Figure 2



Examining spending flows by Greater Christchurch residents show that in the month of March compared with the same month last year spending across all categories fell other than groceries and liquor and home, hardware and electrical. (Table 1)

Table 1

Spending by Greater Christchurch Area Residents

Show results for:

SPENDING VALUES

CHANGE IN SPENDING



	Cafes, Restaurants, Bars & Takeaways	Groceries & Liquor	Department Stores and Leisure	Apparel and Personal	Accommodation	Fuel & Automotive	Home, Hardware & Electrical	Other Consumer Spending	Total
Greater Christchurch Area	-31.0%	+24.3%	-1.6%	-28.8%	-35.8%	-20.6%	+6.5%	-57.3%	-2.0%
Rest of Canterbury	-29.4%	+17.8%	-14.7%	-30.2%	-28.7%	-32.2%	-19.3%	-37.2%	-17.8%
Rest of NZ	-37.4%	-5.3%	-27.5%	-39.2%	-36.2%	-23.5%	-25.8%	-49.8%	-28.0%

Spend by location

The core and central city (core and fringe, see Figure 3) saw a significant drop in spend in March 2020 of 24 percent and 27 percent respectively compared to March 2019. Other areas that saw a decline in spending were Shirley, Akaroa and Riccarton at 27 percent, 24 percent and 20 percent. Being a tourist hub the fall in spend for Akaroa was likely due to COVID – 19. The other suburbs have in recent history been experiencing decline therefore it's more difficult to determine the cause.

Figure 3

Akaroa	Four Aves Core	Central City (core & core fringe)	Riccarton	Shirley
-24%	-23.7%	-26.7%	-20.2%	-26.7%

Areas that have continued to see growth despite COVID – 19 (see figure 4) were Spreydon, Linwood and Belfast at 24 percent, 14 percent and 11 percent respectively. Interestingly these are suburbs that have been experiencing declines in spending in the months leading up to March.

Figure 4

Belfast	Linwood	Spreydon
10.9%	14.1%	24%

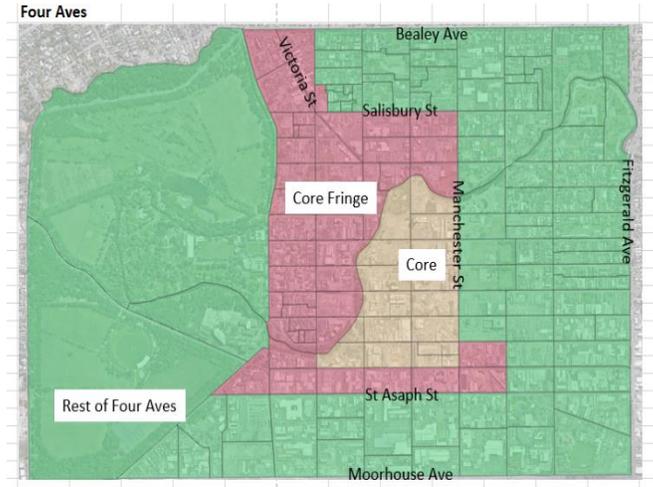


Figure 5 depicts a summary of annual growth in Christchurch by geographic location.

Figure 5

Annual Change	Christchurch City	Central City (Core & Core Fringe)	Core
18/19	2%	13%	24%
19/20	1%	6%	11%

Daily spend by Location

The only area to see positive growth for the period of March 23 to March 31 2020 was Spreydon with an 8 percent increase on the same period last year. The top five declines are depicted in figure 6.

Figure 6

Mar 23 to March 31	Core	Central City (Core & Core Fringe)	Four Aves Fringe	Akaroa	Riccarton	Spreydon
19/20	-84%	-83%	-80%	-65%	-63%	8%

Spend by store type

Within the central city core, home, hardware and electrical and groceries and liquor were the only store types to see any growth at 68 percent to \$680,724 and 5 percent to \$1.4m respectively. Industries with a strong link to the visitor economy, such as accommodation and cafes, restaurant, bars and takeaways, saw the greatest declines in spend at 46 percent and 26 percent respectively as can be seen in figure 7.

Figure 7

Accommodation	Cafes, Restaurants, Bars and Takeaways	Groceries and Liquor	Home, Hardware and Electrical
-45.8%	-25.8%	5.0%	68.2%

Within the central city (core and core fringe), groceries and liquor grew by 9 percent to \$1.9m. Likewise, spending on home, hardware and electrical grew by 2.9 percent to \$2m. Both modest increases when considering the previous couple months. Like activity seen in the core accommodation and cafes, restaurant, bars and takeaways, saw the greatest declines in spend of 44 percent and 31 percent respectively (see figure 8).

Figure 8

Accommodation	Cafes, Restaurants, Bars and Takeaways	Groceries and Liquor	Home, Hardware and Electrical
-44.1%	-31.0%	9.2%	2.9%

In Christchurch, again like the previous two analyses, the only store types to see growth was groceries and liquor up 24 percent to \$186m and home hardware and electrical, up 6 percent to \$46m. Accommodation and cafes, restaurants, bars and takeaways fell 40 percent and 32 percent respectively as seen in figure 9.

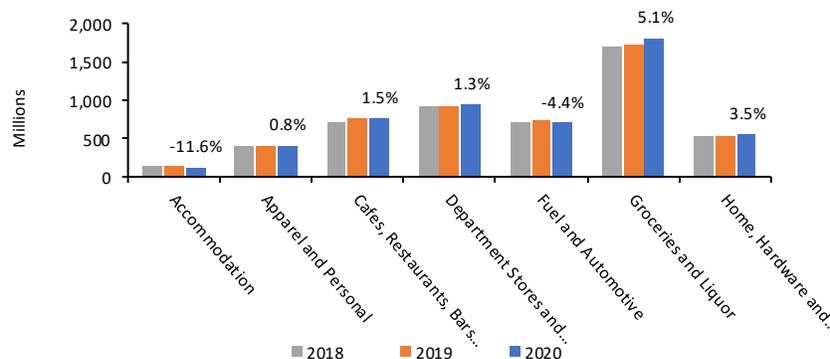
Figure 9

Groceries and Liquor	Home, Hardware and Electrical	Accommodation	Cafes, Restaurants, Bars & Takeaways
24%	6%	-40%	-32%

Figure 10 depicts a summary of annual spend and growth in Christchurch by category.

Figure 10

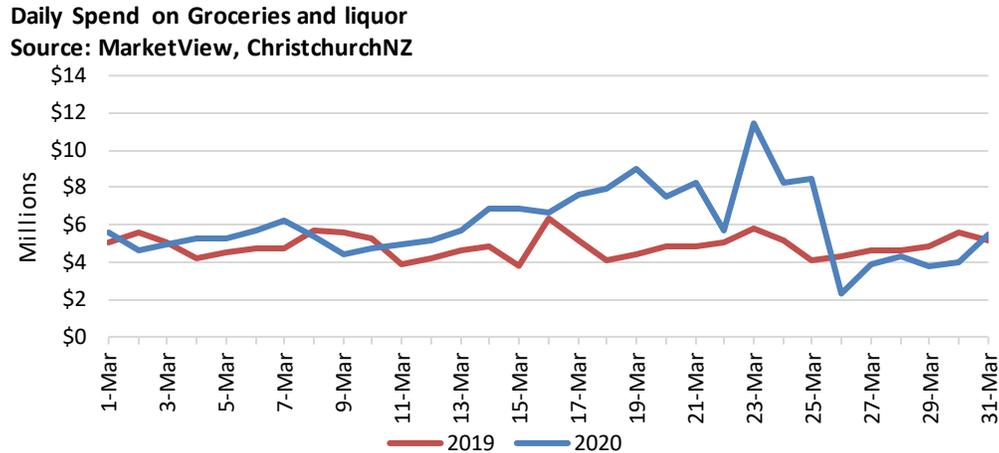
Total Spend in Christchurch (YE Mar)
By Spend Category
Source: MarketView, ChristchurchNZ



Daily spend by store type

For the period following lockdown, March 23 to March 31, groceries and liquor was the only retail category that saw growth in Christchurch up 17 percent on the same period last year (figure 11). When considering activity in this category across the month the effects of panic buying in the lead up to lock down are evident.

Figure 11



The store types to see the most decline for this period are depicted in figure 12

Figure 12

Mar 23 to March 31	Cafes, Restaurants, Bars and Takeaways	Apparel and Personal	Accommodation	Fuel and Automotive	Department Stores and Leisure
19/20	-88%	-86%	-71%	-52%	-39%

Spend by visitor type

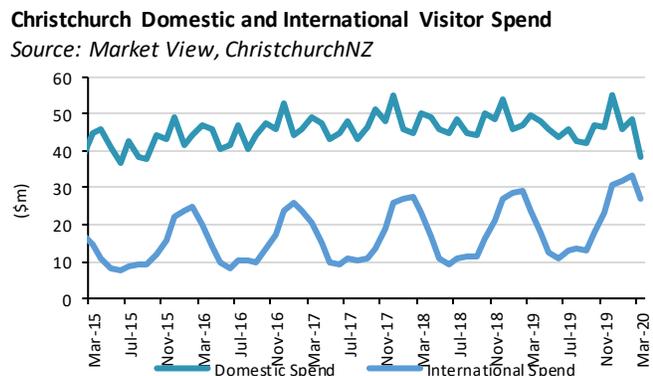
Despite COVID-19 disruptions to consumer spending in Christchurch international spend still saw a 14 percent increase on the same month last year to \$38m compared to a 23 percent decline to \$48m for domestic spend (figure 13).

Figure 14 depicts monthly international and domestic visitor spending in Christchurch.

Figure 13

Domestic visitors	International visitors
-23%	14%

Figure 14



Spending by Christchurch residents in Christchurch (excluding fuel) increased by 1.1 percent, but in the central city declined by 22 percent as seen in Figure 15.

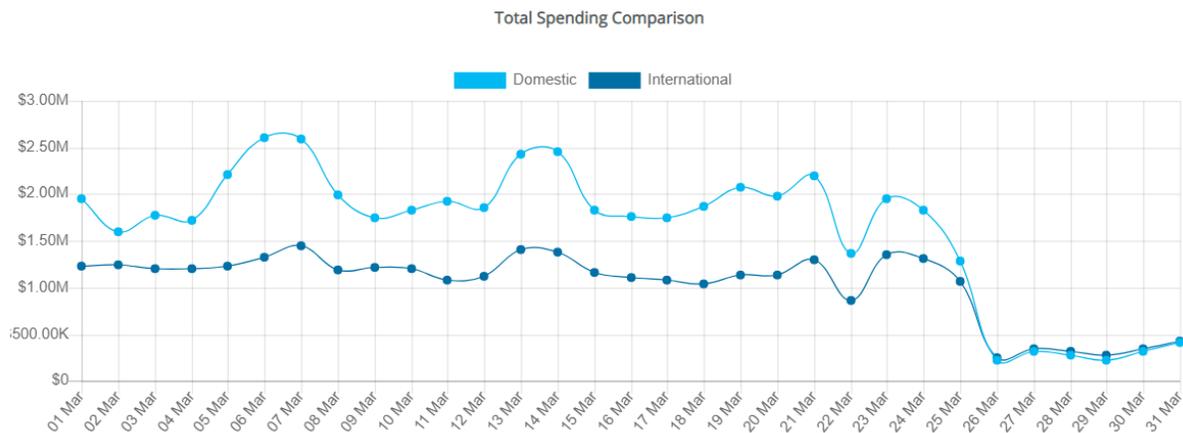
Figure 15

Christchurch	Central city
1.1%	-22.0%

Daily spend by visitor type

Much like the other graphs depicting daily spend the impact of lock down and consequently the closing of all non-essential businesses is visible in both international and domestic spend in Canterbury (Figure 16) in the days following March 23.

Figure 16 Canterbury*¹ spending flows



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.



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¹ (Excluding Mackenzie, Kaikoura & Waitaki)