



ESSENTIAL ECONOMICS

# **Albury Retail Development Strategy 2015 to 2025**

Prepared for

AlburyCity

by

Essential Economics Pty Ltd

In association with

Michael Baker Consulting

**October 2015**

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## Preface

The Albury Retail Development Strategy has been prepared by **Essential Economics**, in association with **Michael Baker Consulting**. In preparing the Strategy, a detailed consultation program has been undertaken, including a general call for submissions, a shopper intercept survey, a business survey, face-to-face meetings, and stakeholder briefings.

The Strategy comprises a detailed assessment of the demand and supply for retail development in Albury, and presents recommendations to guide the future prosperity of the retail sector.

This Strategy emphasises the importance of ensuring that Albury remains a key service centre for a broad region of southern New South Wales and north-eastern Victoria. For this reason, a focus is placed on ensuring that the Albury CBD undergoes a continuing process of investment and renewal that confirms its role as a 'Central Activities District' meeting the higher-order retail, commercial, cultural, administrative and other needs of a wide geographic area that extends well beyond municipal boundaries. Likewise, the importance of Lavington and Thurgoona as complementary retail-focussed centres is recognised.

A policy framework is also applied in the Strategy that emphasises the importance of the retail sector in Albury and acts as a tool to guide investment and determine the role and function of individual centres.

Ultimately, it is envisaged that this Strategy will be an overarching document that helps to inform decision-making by Council and relevant stakeholders.

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## EXECUTIVE SUMMARY

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### ***Project Background***

AlburyCity has commissioned Essential Economics Pty Ltd, in conjunction with Michael Baker Consulting, to prepare the Albury Retail Development Strategy (**the Strategy**). The Strategy comprises a detailed assessment of the demand and supply for retail development across Albury, and presents recommendations to guide the future prosperity of the retail sector.

The retail sector is an important part of the Albury economy, both in terms of the direct contribution to employment and activity, and through indirect influences on a wide range of economic and social outcomes.

### ***Context Analysis***

Albury plays an important role as the major regional service for a broad geographic region that includes southern New South Wales and north-eastern Victoria. Furthermore, Albury occupies a strategic location on the Hume Highway between Sydney and Melbourne, and is also located in proximity to a wide range of tourist regions.

The role of Albury and nearby Wodonga in providing complementary retail facilities needs to be reflected in planning for the growth and development of the retail sector in Albury.

AlburyCity has a strong history of support for the retail sector, including a range of existing policies and initiatives which the Retail Strategy can build on.

The retail industry is a dynamic industry that is continually responding to changing consumer trends, shopping patterns and new forms of retailing.

### ***Retailing in Albury***

An activity centre hierarchy has been prepared for Albury and is summarised in the following Table. This hierarchy reflects the role of the Albury CBD as a higher-order retail centre for a wide geographic area, and the role of Lavington and Thurgoona as important supporting retailing destinations

### **Retail Hierarchy Serving AlburyCity**

<b>Level in Hierarchy</b>	<b>No. of Centres in Albury</b>	<b>Centre</b>
Central Activities District	1	Albury CBD
Sub-Regional Centre	2	Lavington CBD, Thurgoona District Centre (proposed)
Neighbourhood Centre	2	Thurgoona Plaza, Hamilton Valley (proposed), Thurgoona x2 (proposed)
Small Neighbourhood Centre	2	East Albury, Springdale Heights
Local Centre	5	North Albury, Thurgoona x4 (proposed)
Homemaker Centre	1	Albury Homemaker Centre (East Albury)

### ***Economic Analysis***

The population of the Albury trade area is estimated at 127,920 persons in 2015, including 51,480 people in the Primary sector. By 2035, this trade area population is forecast to increase to 147,690 people, including 58,320 persons in the Primary sector.

Total retail spending by residents of the Albury trade area is forecast to increase from \$1,679 million in 2015 to approximately \$2,441 million in 2035 (expressed in constant 2015 dollars).

At present, the retail sector in Albury has a market share of approximately 45% of spending by residents of the trade area. This includes 86% of spending by residents of the Primary sector and 18% from residents of the Secondary sector.

Total requirement for additional retail floorspace in Albury is forecast to be between 22,800m<sup>2</sup> and 39,400m<sup>2</sup> over the period to 2035, based on forecast growth in both the trade area population and retail spending per person over the period.

### ***Vision Statement***

A vision statement has been prepared to guide the growth and evolution of the retail sector in Albury over the next ten years.

*The retail sector in Albury will be a leading example for regional Australia. This includes high-quality centre design, a strong mix of national brand and local traders, and the ability to meet - and exceed - the needs and expectations of residents and visitors.*

*Growth of the retail sector will create benefits for Albury in terms of investment, business development and employment. Development of a vibrant retailing sector is also closely associated with on-going development of tourism, events and cultural activities, all of which are part of the broader and very popular Albury 'brand'.*

### ***Objectives and Actions for Activity Centres***

A set of objectives and actions have been identified to guide the overall application of retail policy in Albury. These are summarised as follows:

- Retain the Role of the Albury CBD as the Highest-Order Retail Destination in the Region
- Increase the Ability of the Retail Sector to Attract Sales and Visitation from Residents and Visitors Living Outside Albury
- Ensure that Albury has a Hierarchy of Retail Centres that Operate in a Complementary Manner
- Use the Retail Sector as a Catalyst for Investment and Economic Development
- Develop and Promote a Retail Sector that Reflects Positively on Albury and Enhances the Albury 'brand'.



# INTRODUCTION

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## Background

AlburyCity commissioned Essential Economics Pty Ltd, in association with Michael Baker Consulting, to prepare the *Albury Retail Development Strategy 2015 - 2025*. The Strategy comprises a detailed assessment of the demand and supply for retail development in the Local Government Area (LGA), and presents recommendations to guide the future prosperity of the retail sector.

The Strategy provides a policy basis that considers all retail across the Albury LGA, and combines existing strategic policies and strategies related to individual centres.

The **Part A Background Report** provides the analysis and discussion upon which the Strategy is being developed.

The **Part B Activity Centres Strategy** is to be read in conjunction with the Background Report that informs the actions and directions contained in the Strategy.

## Study Objectives

The purpose of the *Albury Retail Development Strategy 2015 – 2025* is to guide the future direction of the retail sector in Albury (including Lavington and Thurgoona) in order to drive retail spending growth over the next 5-10 years. Albury's retail experience ultimately aims to provide the community with:

A vibrant, entertaining and welcoming retail sector with a creative and optimistic vibe

First class service, knowledgeable and well-trained workforce

Offering a diversity of experiences and uses across shopping (boutique and chain stores), cafes, dining, visitor accommodation and entertainment

Regionally located, accessible and connected to the majestic Murray River

Embracing Albury's past, present and future.

The strategy is accompanied by a set of easily implementable actions designed to support the growth and prosperity of the retail sector in Albury over the next decade.

## Terms and Definitions

### Retail activities

Retail activity is defined according to the Australian Bureau of Statistics (ABS) classification adopted for the 1991/92 Retail and Services Census, but for the purposes of sales and floorspace analysis, excludes garden supplies, marine equipment and motor vehicle and

related traders. This definition of retail is consistent with the normal practice for undertaking retail-economic analysis in Australia.

A range of non-retail uses often operate in conjunction with, or adjacent to, many retail traders. These uses include cinemas, offices, travel agencies, lotto and gaming outlets, banks and other financial institutions, equipment hire and garden supplies, and so on.

In addition, a range of other activities are excluded from the definition of retail because they mainly serve the trade, or non-household, sector. These activities include building supplies, garden supplies, timber yards and so on.

### **Retail Categories**

For the purpose of this Strategy, estimates of retail floorspace and expenditure are divided into the following product categories:

- **Food, Liquor and Groceries (FLG):** Comprises household spending and floorspace involved in the selling of take-home food, groceries and liquor.
- **Food Catering:** Comprises household spending and floorspace associated with cafes, restaurants and take-away food stores.
- **Non-Food:** Comprises spending on non-food retail products such as apparel, homewares, bulky merchandise, leisure goods and other general merchandise.
- **Retail Services:** Comprises spending on services such as hairdressers, video hire, dry cleaning, photo processing and optical dispensing which typically operate from shopfront locations.

### **Homemaker Retail**

Homemaker retail refers to large format retail stores (usually tenancies of 500m<sup>2</sup> and larger) which typically sell merchandise in bulky goods and homewares product categories, including:

- Furniture and floorcoverings,
- Large appliances,
- Hardware,
- Camping equipment,
- Household electrical products, and
- Manchester.

Homemaker retailing often operates in association with traders in non-retail product categories such as automotive and trade supplies, especially where large sites with main road frontage are required.

## **GST**

All spending and turnover figures expressed in this report are inclusive of GST.

## **Shopfront Office**

This term refers to offices located in shopfront tenancies that could otherwise be used as retail tenancies.

## **Dedicated Office**

This term refers to purpose-built office buildings and offices located above ground floor shopfront tenancies.

## **Consultation**

In developing this Strategy a comprehensive consultation program was undertaken, including the following:

- A call for submissions from the general public
- Face-to-face meetings with private stakeholders, including retailers, developers, shopping centre owners and trader group representatives
- Phone conversations with a range of stakeholders through the course of the study
- A project briefing to representatives of Council, Albury North Chamber of Commerce, and Albury Central
- An online Business Survey
- An in-centre survey of shoppers in the Albury CBD and Lavington.

More detail on the results of this consultation program is provided throughout the Strategy and in Appendices A, B and C to this report.

## PART A: BACKGROUND REPORT

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# 1 CONTEXT FOR ALBURY RETAIL SECTOR

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This Chapter provides an overview for the broad context of retailing in the Albury LGA, including a description of the need for a Retail Development Strategy.

## 1.1 Why Have a Retail Development Strategy?

AlburyCity has a longstanding history of encouraging a strong and vibrant retail sector through pro-active engagement with retailers, developers, consumers, property owners and other stakeholders. This engagement means that the Albury CBD is considered one of the most attractive and best-performing retail centres in regional Australia. Residents of Albury also have access to a range of supporting retail locations including Lavington, Thurgoona and East Albury.

In 2004, the previous Retail Development Strategy was prepared for AlburyCity by AEC Group. Since that time, the Strategy has guided Council decision-making on a range of issues related to operation of the local retail sector.

Retail policy requires consistent updates and adjustments to reflect the changes that are continuously occurring in the industry. For example:

- Changing consumer tastes and demand for retail and commercial services
- Recent shifts in how the internet is used for the sourcing and purchasing of goods and services
- Changes in the type and level of competition from other centres.

For this reason, it is important to have an up-to-date Retail Development Strategy which can be used as a tool to guide the ongoing performance of the retail sector, and which provides a framework for the future growth and prosperity of retailing in Albury.

The Retail Development Strategy can:

- Highlight locations where private sector investment and new business activity should be encouraged,
- Identify where new and expanded public infrastructure is required,
- Implement a policy framework that supports the growth and prosperity of the retail sector, and
- Develop a marketing and promotions program that drives increased visitation and sales for local retailers.

For the Albury LGA, the importance of the retail sector is also related to the connections that shopping has to a wide range of business, civic and community functions that make a direct contribution to the liveability enjoyed by local residents.

## 1.2 Retail in the Albury Economy

The retail industry is one of the most important industry sectors in Albury as a result of its contribution to employment, incomes and the provision of goods and services to residents. However, in many respects the contribution of the retail sector to economic and community outcomes is often overlooked.

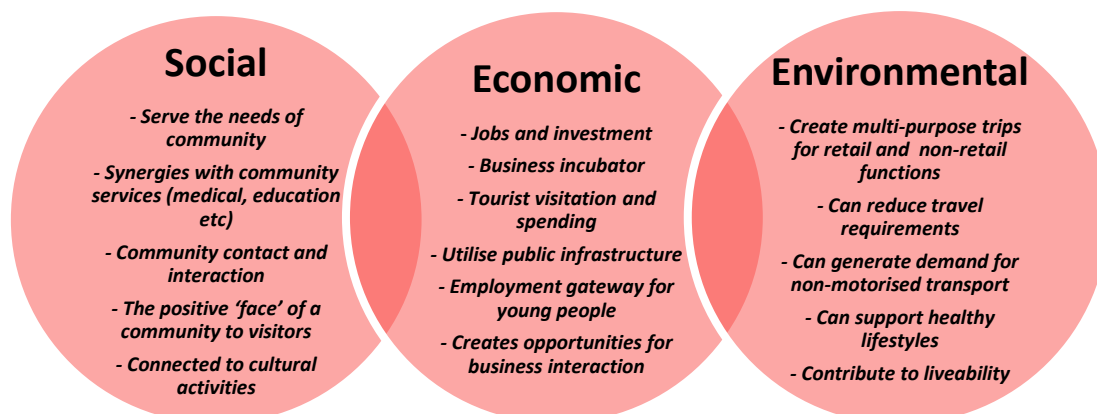
Although the retail sector in Albury is a major source of employment, investment and economic activity, a range of other benefits are also associated with the operation of a vibrant and successful retail sector, including the following:

- The retail sector provides goods and services to the community that are fundamental to quality of life
- Retail supports interaction between individuals, businesses and the wider community
- Retail is an important business incubator that can support long-term employment and business growth.

Retail centres, such as the Albury CBD, also represent to many people the 'face of a community' and are important in influencing perceptions of a town or city to the outside world. This has implications for local government areas such as Albury seeking to attract investment and new residents from outside the region.

On this basis, the retail sector is an important part of the Albury economy, both in terms of the direct contribution to employment and activity, and through indirect influences on a wide range of economic and social outcomes.

## Benefits of a Strong Retail Sector



## Employment

In 2011, the retail sector in Albury employed approximately 2,900 persons based on ABS Census data. This figure represents 14% of total employment in Albury and means that retail is the 2<sup>nd</sup> largest sector of the local economy in employment terms.

The retail sector for Albury is particularly important in view of the role of Albury as a major regional service centre to a large rural and semi-rural hinterland.

Top 5 Industries by Total Employment in Albury	
Health Care and Social Assistance	15.8%
Retail Trade	13.9%
Manufacturing	9.7%
Public Administration and Safety	9.3%
Accommodation and Food Services	8.6%

### 1.3 The Regional Context for Albury

Albury occupies a strategic location in southern NSW on the Hume Highway, approximately 330 kilometres north of Melbourne and 550km south of Sydney.

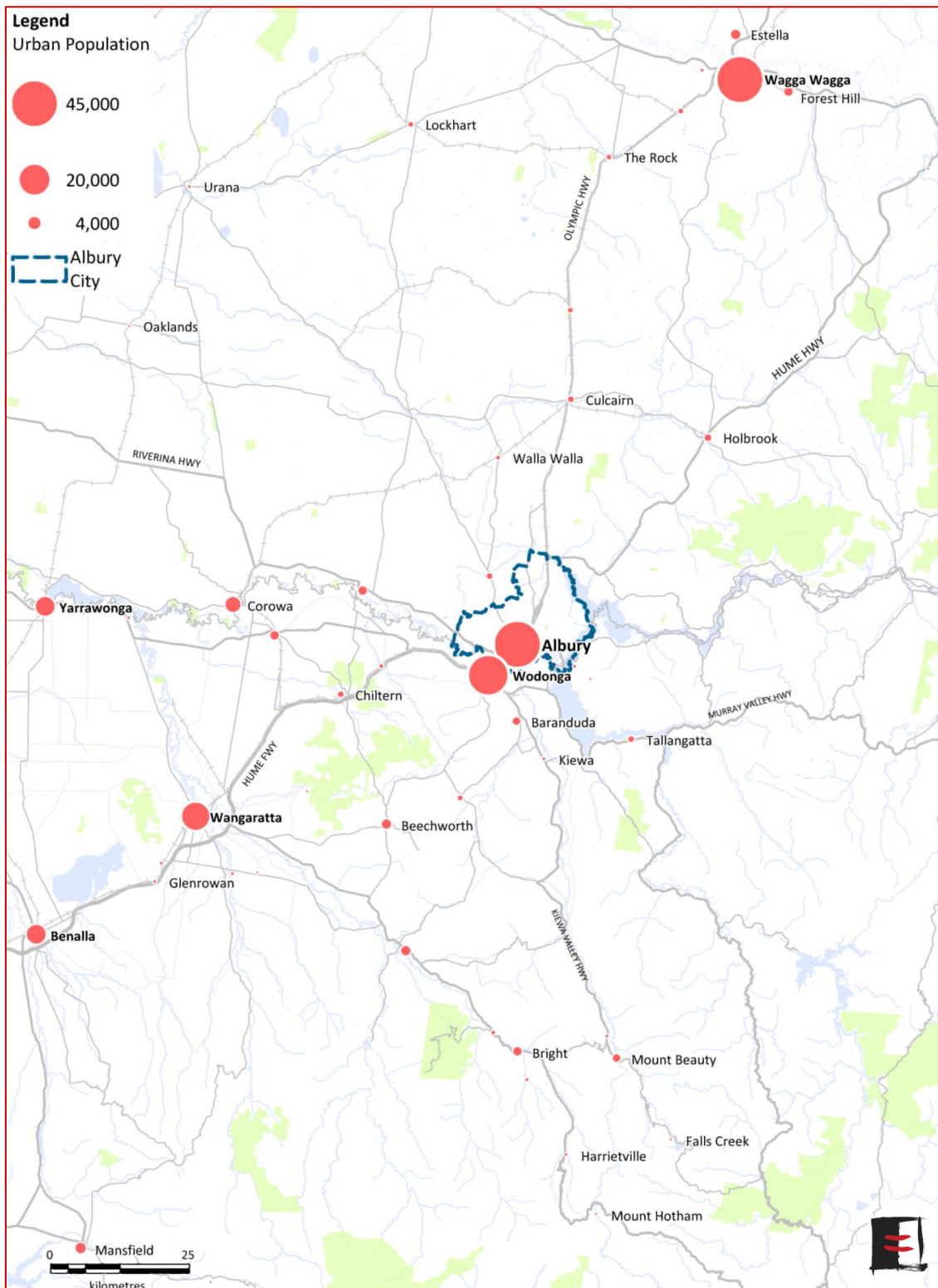
For the retail sector, the locational attributes of Albury have important implications for future growth and development. In particular, the following three factors are important considerations for the Strategy:

- 1 **Regional Service Role:** Albury has an important role as a major regional service for a broad geographic region that includes southern New South Wales and north-eastern Victoria. Retaining and enhancing this role for the retail sector in Albury will generate substantial social and economic benefits.
- 2 **Twin Cities:** The role of Albury and Wodonga in providing complementary retail facilities needs to be reflected in planning for the growth and development of the retail sector in Albury. Wodonga is undergoing a process of urban renewal in its own CBD, and although this outcome is supported, it is important that the retail sector in Albury continues to also grow and evolve.
- 3 **Tourists and Other Visitors:** Albury occupies a strategic location on the Hume Highway between Sydney and Melbourne, and is also located in proximity to a wide range of tourist regions. A strong events program is also present in Albury that generates significant visitation throughout the year. For this reason, the retail sector in Albury has a significant opportunity to generate sales and shopping visits from tourists and other visitors. Where this occurs, it effectively represents 'export income' for Albury that directly generates additional employment and income.

These factors mean that consideration of the retail sector must at all times take into account matters relevant to regional shopping patterns and business activity, even where this is outside the municipal boundaries of Albury.

An overview of the locational context for Albury, and the dominance of the Albury-Wodonga urban area in the wider region, is shown in Figure 1.1.

Figure 1.1 Albury Regional Context



Produced by: Essential Economics with MapInfo



## 1.4 Policy Context

A number of Council's economic, environmental and social strategies provide directions relevant to the retail sector.

The importance of retail in Albury is reiterated throughout these strategies, with a number of policies directed towards improving customer experience and driving investment in the retail sector. The following section outlines a selection of key policies that have been considered in preparing the 2015 Albury Retail Development Strategy.

### ***Albury 2030***

Albury 2030 is a community strategic plan that outlines an overarching view of how the Albury community should move forward. The report is based on four pillars:

- A growing economy
- An enhanced natural environment
- A caring community
- A leading community.

The strategy outlines the importance of planning for an increased population in Albury, and advocates development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Key strategies include supporting and encouraging a diversity of residential and commercial development in the Albury CBD and Lavington, as well as achieving a minimum 10 years supply of undeveloped urban land (commercial, industrial and residential).

### ***Albury CBD and Lavington Masterplans***

In 2009, AlburyCity engaged a team led by Allen Jack+Cottier to complete masterplans for the Albury CBD and Lavington. The key purpose of these plans is:

- To provide a long-term planning framework for both centres
- To improve the public face of both centres at their entry points
- To improve the public open space
- To reinforce the role of Albury and Lavington at the top of the regional hierarchy
- To grow the centres in a cohesive manner.

### Albury CBD Masterplan

The Albury CBD Masterplan suggests a number of design outcomes that will help solidify Albury CBD's primacy. These include:

- Improved bicycle and pedestrian connections to help draw people to commercial areas
- An improved streetscape to help improve the sense of place
- A parking strategy to increase the legibility and improve access to destination car parking areas in the CBD. This will be achieved through directional signage, extending parking limits, and improved circulation and distribution.

The Masterplan divides the CBD into a number of different precincts, each with a singular focus, and makes reference to those areas on the periphery of the CBD that have been overlooked in previous policy documents. This can be seen in more detail in Figure 1.

**Figure 1.2 Albury Masterplan CBD Precincts**

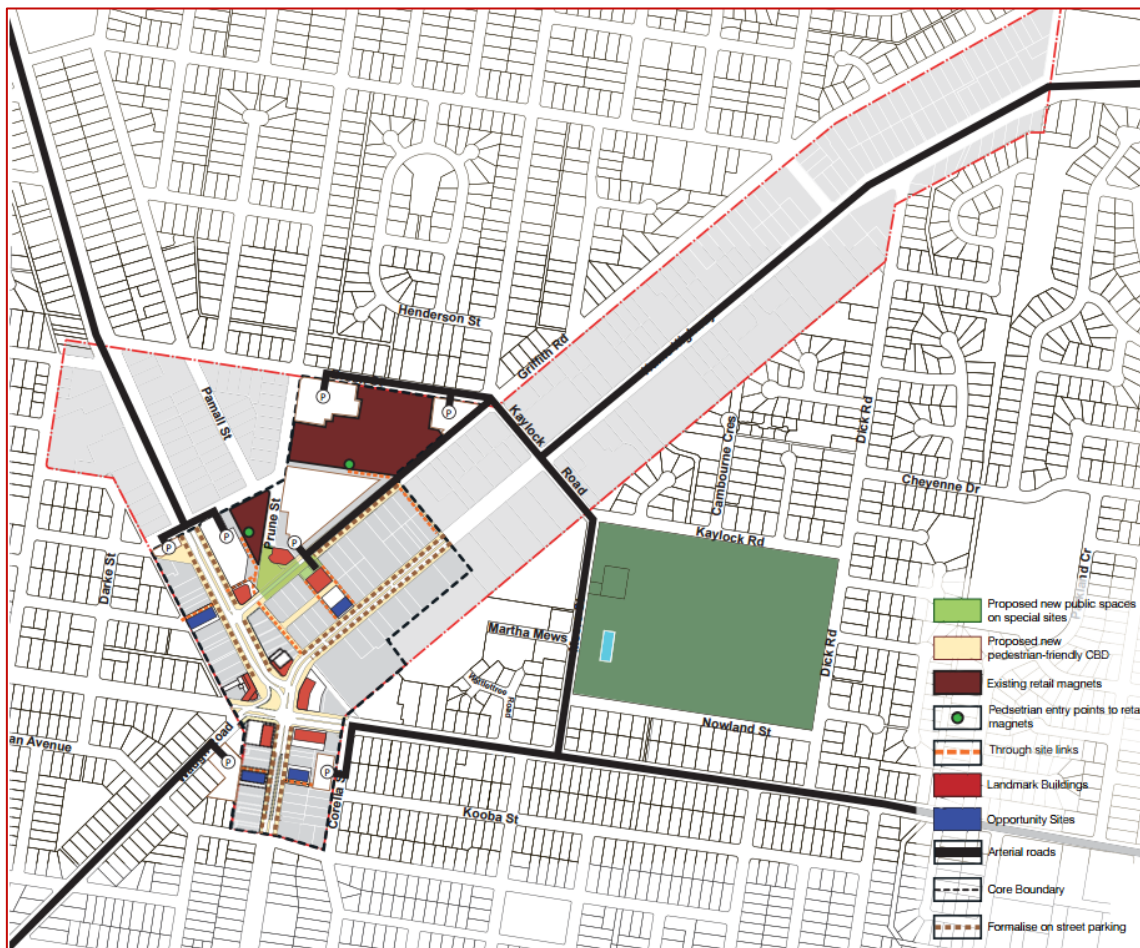


### Lavington CBD Masterplan

Lavington's Masterplan seeks to encourage a sense of identity which will, in turn, strengthen its role as a commercial centre.

Gateway plantings and landmark buildings have been identified to delineate entry points to Lavington and to create a sense of place. The strategy also includes initiatives to make Lavington a more attractive place to live and visit by improving streetscapes, such as the completion of median landscape plantings along Mate Street, Urana Road and proposed works in Wagga Road. The success of recently completed projects such as the Lavington Library and Zauner North Point Tower will be built upon, to create a sense of vibrancy for the neighbourhood. Land uses in the structure plan can be seen in Figure 1.3.

**Figure 1.3 Lavington Overall Structure Plan**



Source: Lavington CBD Masterplan

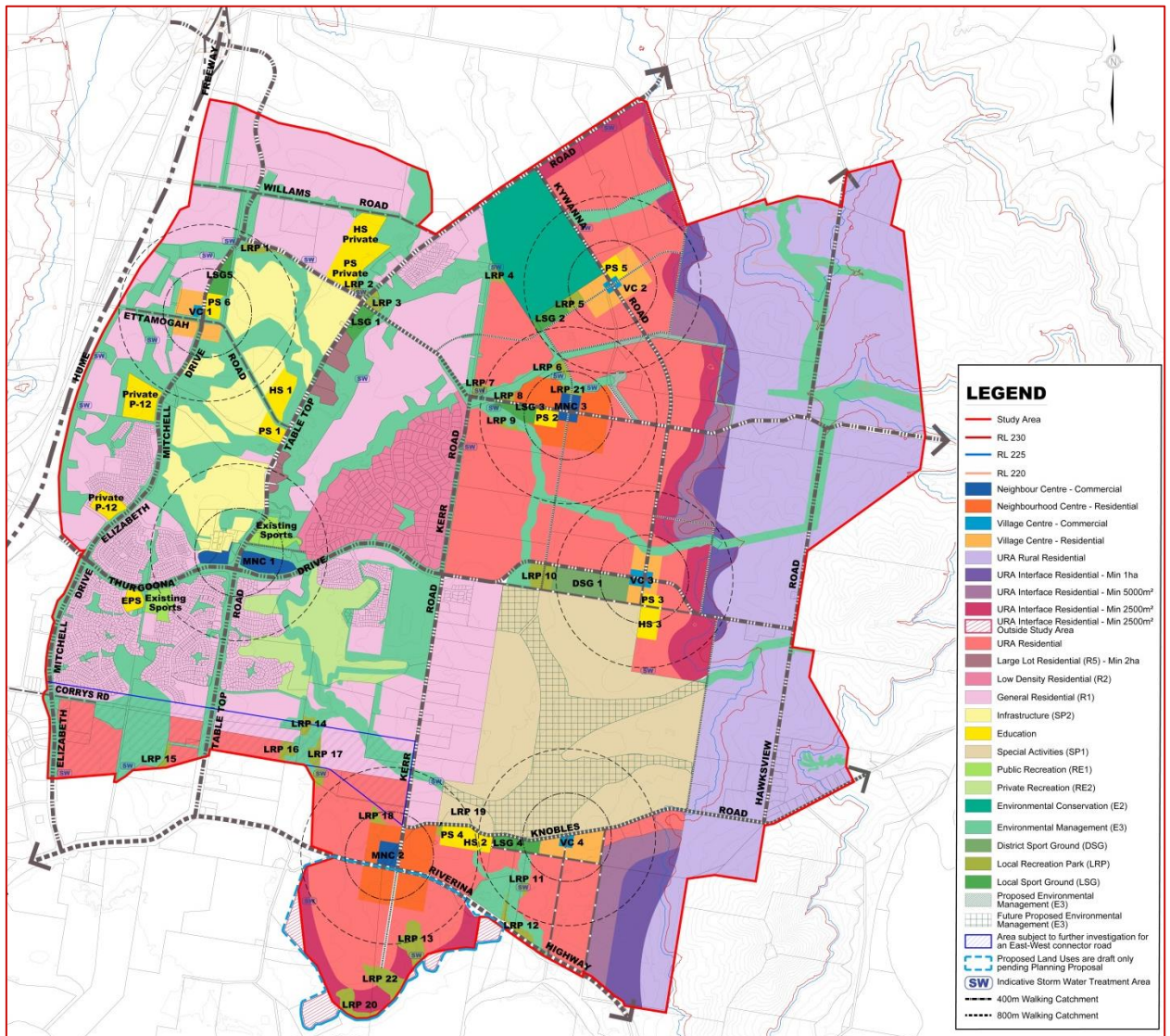
### ***Thurgoona Wirlinga Precinct Structure Plan***

At capacity, the population of the Thurgoona Wirlinga growth area will be in excess of 50,000 people which will double the population of the existing urban centre of Albury.



To meet the need for retail and commercial facilities arising from this growth, the Thurgoona Wirlinga Precinct Structure Plan suggests that at full development capacity, an additional seven retail centres will be required. These are outlined in Figure 1.4 and Table 1.1 below.

**Figure 1.4 Proposed Thurgoona Retail Areas**



**Table 1.1 Population thresholds and facilities required in Thurgoona Wirlinga**

Facility Type	Per Population	Number Supported	Existing	Additional Supported	Comments
District Centre	1 : 40,000	1	0	1	Total size 35,000m <sup>2</sup> Including a DDS, 2 x full line supermarket, speciality stores and office space
Major Neighbourhood Centre	1 : 15,000	3	1	2	Total size 7,000m <sup>2</sup> each 1 x full line supermarket, speciality and office
Village Centre	1 : 10,000	4	0	4	Total size 2,000m <sup>2</sup> each Small supermarket and speciality

Source: Thurgoona Wirlinga Precinct Structure Plan

### ***Hamilton Valley Strategy***

While not expected to commence implementation during 2015 - 2025, it is important to note that an urban planning Strategy has been developed for Hamilton Valley, as well as a Hamilton Valley Urban Design Investigation. These documents include investigation into the need, and most appropriate locations for, a neighbourhood commercial centre. The most appropriate mix of land use activities and land area required to accommodate the convenience needs of Hamilton Valley have also been identified. Consideration of Hamilton Valley as a secondary growth area for the City is important for future retail development in the wider Albury region. The Hamilton Valley Strategy will be reviewed in the 2015/16 financial year.

### ***Albury Development Control Plan 2010***

The Albury Development Control Plan (ADCP) seeks to encourage and facilitate a high standard of design, minimise land use conflicts, and clearly set out the processes, procedures and responsibilities of applicants and Council. The plan aims to protect heritage, yet encourage innovative design and ensure developments are economically, socially and environmentally sustainable.

A number of requirements for development in commercial zones are identified in the plan, with the key objectives of:

- Creating well-designed, vibrant and centralised places of office, retail and community activity within the Albury and Lavington B3 Commercial Core and B4 Mixed Use Zones (as they apply to the CBDs), using tailored place-based development controls that are underpinned by the Albury CBD Masterplan 2009 and the Lavington CBD Masterplan 2009.
- Guiding future development in the smaller, supporting commercial centres within the B1 Neighbourhood Centre and B2 Local Centre Zones.

- Promoting contemporary and attractively designed development within the highly visible B5 Business Development, B6 Enterprise Corridor and B7 Business Park Zones.

### ***Albury Local Environment Plan 2010***

The Albury Local Environmental Plan 2010 provides the rules and guidelines for the control of land (both private and public) through zoning for the Albury Local Government Area. Council has a range of business zones identified in the LEP to cater for commercial development including zones B1-B7. The purpose of the document is to:

- Reduce the conflict between adjacent land uses
- Ensure adequate supply of land
- Reinforce the importance of the existing business districts in the city, while enhancing and improving smaller retail areas in the Local Government Area
- Anticipate social and economic trends and respond accordingly, while still protecting the environment.

### ***Albury Economic Development Strategy 2012-2015***

The Economic Development Strategy seeks to establish a vibrant and diverse economy through growing investment and job creation. Key projects recently completed or announced at the time of the Economic Development Strategy include:

- Volt Lane (Tax office, markets, multi-deck car park and Accor Hotel)
- Northside Tower
- Botanical (residential and commercial space)
- Albury Airport Upgrade
- The Grange Thurgoona
- Thurgoona Plaza
- Ettamogah Rail Hub
- Establishment of the Nexus Precinct and Hub Road upgrade
- Mercy Health expansion
- Gardens Medical Centre
- Mates building redevelopment
- Myer Centrepoint refurbishment
- CSU expansion

- Albury Wodonga Cancer Centre.

With a diverse economic base, Albury is expected to continue to maintain a relatively stable economic position over the coming three years.

### ***Destination Management Plan (DMP) for Albury 2014 – 2017***

The mission statement of the plan is “to progressively fill Albury’s product gaps and use digital marketing to attract target markets to our leading brand-based experiences”.

Product gaps identified in the complementary document, the Murray Region Destination Management Plan, include:

- International standard golf facility
- Destination / signature dining
- Arts and Cultural Festival
- Self-contained business accommodation.

Strategies identified in the DMP are as follows:

- 1 Gather, distribute and use consumer research and market intelligence to improve the competitive strengths and marketing of Albury
- 2 Develop and market a destination brand for Albury
- 3 Create and reinvigorate visitor experiences most likely to strengthen brand Albury, appeal to the target markets and grow overnight visitation
- 4 Grow and align events that are naturally aligned to the brand and competitive strengths of Albury
- 5 Tighten marketing to focus on overnight visitation from target markets
- 6 Maintain conventional and progressively move towards contemporary visitor information services
- 7 Integrate stakeholders across the visitor economy and assist in its development.

As part of the DMP, a combined Albury Wodonga Destination brand has been developed with the tag line "See Both Sides".

The Brand Book outlines a branding strategy for Albury Wodonga to encourage tourism visitation. The document identifies a number of tourism trends in the area including:

- 85% of visitors come from Victoria and NSW;
- The value of tourism in Albury Wodonga was \$538 million in 2013-14;
- 79% of visits to Albury are repeat visitors;



- 85% of visitors drove to Albury on the Hume Freeway.

The Brand Book outlines a number of key attractions in Albury Wodonga which will help draw visitors including the LibraryMuseum, Twilight Markets and the Flying Fruit Fly Circus.

The brand is focused on four key areas: the great outdoors, the great indoors, connected cities and sophisticated country. The branding for Albury Wodonga is built on these contrasts.

## 1.5 Albury Central

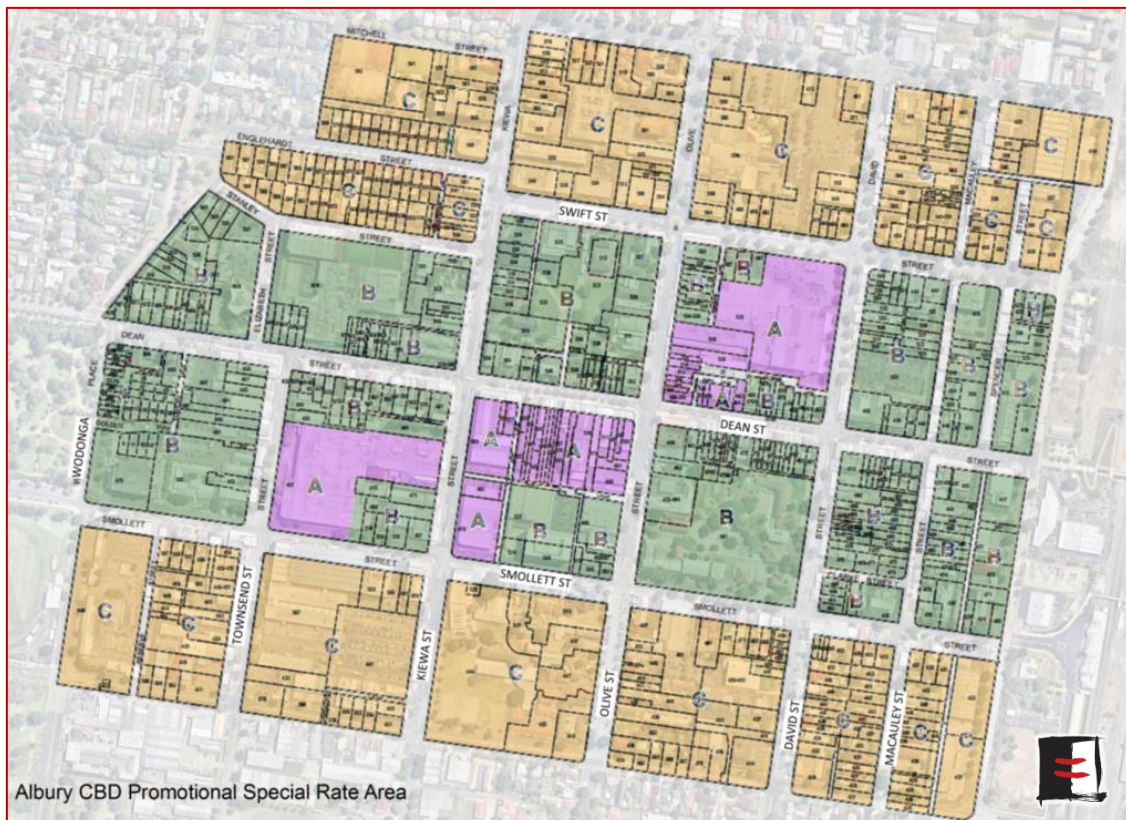
Albury Central was founded in 1999 and aims to promote businesses and draw customers to Albury's CBD. At present Albury Central has just over 600 members.

### CBD Promotional Special Rate

The group is funded by a CBD Promotional Special Rate on all commercial businesses in the blocks bounded by Wilson Street, Hume Street, Young Street and Wodonga Place. Funds collected are then used to undertake marketing and activities to bring people into the CBD.

The area where this CBD Promotional Special Rate is collected is illustrated in Figure 1.5.

**Figure 1.5 Collection Area for Albury CBD Promotional Special Rate Area**



Source: Albury Central and Essential Economics



The map shows the area divided into areas A, B and C with businesses in each area contributing slightly different rates as shown below.

- A = Land value x 0.001014
- B = Land value x 0.000547
- C = Land value x 0.000416

The CBD Promotional Special Rate is reviewed every four years, with the next review to take place in 2015 / 2016. An outline of funds collected is shown in Table 1.2.

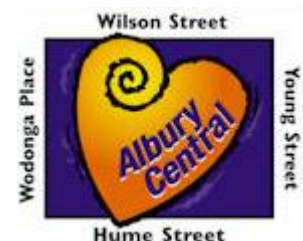
**Table 1.2 Albury Central Funding**

Funding Type	Who	2013/14	2014/15	2015/16
Special Rate Collection	Commercial Businesses	\$134,886	\$142,199	\$156,528
Administration	AlburyCity	\$25,000	\$15,000	\$10,000
Applause Festival – Cash	AlburyCity	\$11,000	-	-
Applause Festival – In Kind	AlburyCity	\$6,000	-	-
<b>TOTAL</b>		<b>\$176,886</b>	<b>\$157,199</b>	<b>\$166,528</b>

Source: Albury Central 2015

The total collected each quarter from traders has increased to \$39,132 per quarter in 2014/15.

Funding from Council that does not form part of the CBD Promotional Special Rate has slowly decreased. In 2014/15, Albury Central received \$15,000 in funding. In 2015/16, Council will contribute \$10,000 with the Applause Festival to be funded from the CBD Promotional Special Rate. Note: the Applause Festival did not take place in 2014/15.



‘Shepparton Show Me’ is a comparable marketing and promotions body that aims to promote the retail and business sector in the Shepparton CBD. Shepparton Show Me derives its budget from a percentage of rates in the dollar on all commercial and industrial premises within a designated area in the Shepparton urban area. The designated area is bounded by River Road, Doyleys Road, Ford Road and the River which encompasses much of Shepparton and Kialla. Of Greater Shepparton Council’s current rate assessments, 6.0% contribute to the Shepparton Show Me program (32,319 total rate assessments; 1,950 Shepparton Show Me), which is considerably higher than Albury with only 1.9% of current rate assessments contributing to the Albury Central Promotional Special Rate (23,237 total rate assessments; 443 CBD PSR levy). This allows Shepparton to have considerably more income annually to allocate to its promotional program.

In 2013/14, Shepparton Show Me had revenue of approximately \$646,000 derived entirely from a similar promotional special rate to that applied in the Albury CBD. This does not include

cash reserves held by Shepparton Show Me of approximately \$390,000. It is important to note that the group does not receive any income from Shepparton Rural City Council.

### **Description of Activities**

A new coordinator joined Albury Central in January 2015 and, along with an associate, Albury Central has 1.3 FTE employees. An executive committee of four traders and a general committee of ten traders including an AlburyCity representative meet bi-monthly.

Funding for Albury Central goes towards four major events each year:

- Applause Festival (not held 2014)
- Labour Day
- Emergency Services Day
- Christmas Family Fun Day.

In addition, Albury Central undertakes a “Street Talk” traders function in alternative months which provides opportunities for networking and feedback. It is understood that attendance at these functions is generally between 30 and 40 traders.

Other actions of Albury Central include preparing and publishing a CBD map which is distributed to traders, and is intended to assist shoppers in navigating the CBD. A CBD map and opportunity for advertising by traders is also prepared for special events.

Albury Central has a website that is has been inactive for many months.

The current retail marketing program in place by Albury Central has limitations in terms of the breadth of potential customers it engages with. A focus on community based events is beneficial in maintaining market share from customers within Albury but has a limited ability to draw in customers from across southern NSW and north-eastern Victoria. However the group do well at bringing together traders to work as a collective, in particular the “Street Talk” events which provide an excellent opportunity for traders to network.

### **Potential Merger with Albury Northside Chamber of Commerce**

Albury Central and the Albury Northside Chamber of Commerce recently entered into a 12-month period of discussion with the potential for a formal merger to be undertaken in June 2016.

## **1.6 Implications for the Strategy**

Key Implications for the Retail Strategy identified in this Chapter include the following:

- The retail sector is an important aspect of economic and land use planning due to the significant influence it has on a wide range of economic, social and environmental outcomes.

- For Albury, the retail sector is particularly important due to the fact it helps meet the needs of residents and businesses located in an extensive geographic area that includes much of southern New South Wales and north-east Victoria.
- Retail policy needs to reflect the dynamic nature of the sector and the continuing shifts in consumer tastes, business practices and property market trends.
- AlburyCity has a strong history of support for the retail sector, including a range of existing policies and initiatives which the Retail Strategy can build on.

## 2 RETAIL INDUSTRY TRENDS

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This Chapter considers the current and future insights in the retail sector of specific relevance to the Albury Retail Development Strategy, and considers a selection of comparable centres, both domestically and internationally, that can provide lessons for the retail sector in Albury. A selection of leading indicators that can provide guidance on the future development of the retail sector are also identified.

### 2.1 Current Trends in Retailing

In assessing the future prospects for the retail sector in Albury, it is important that the latest trends in retailing are taken into account. This is because the retail sector is one of the most dynamic sectors in the Australian economy.

Continuous shifts in the retail sector are evident over time, resulting from a wide range of factors including consumer taste, product innovation, changes in technology and the creation of new retailing formats. Because of these ongoing changes, retailing is a highly competitive industry that requires vigilance and innovation from retailers and associated industry stakeholders.

In the following section, the current trends in the retail sector are classified under four general themes:

- Industry Size and Structure
- Consumer Behaviour and Demographics
- New Forms of Retailing
- Internet and Technology.

#### ***Industry Size and Structure***

##### **Industry Profile**

The retail industry is important in terms of the Australian economy. Retail accounts for a significant 5% share of gross domestic product in Australia (*ABS, Cat. No. 5204.0*), and generates employment for approximately 1,270,000 persons. Significantly, more than 60% of retail operations are small businesses. In the Albury LGA the percentage is even higher with the retail sector representing 6.8% of the city's GRP (REMPLAN Economic Modelling Software March 2015).

##### **Industry Participants**

Retail is a highly diverse industry comprising a wide range of stakeholders including retailers, suppliers, landlords, developers and other associated

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Approximately 25% of advertising industry revenue is generated by the retail sector.  
(various published sources)

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industries.

Retailers range from single owner-operators to family businesses, medium-scale operations, national chains, major corporations, big-box/bulky goods retailers, and the like. These traders provide a diverse range of goods and services, in all manner of sizes and varieties, which aims to meet the needs of consumers.

The retail sector is also an important driver of the commercial property sector. Although some retailers have a direct capital investment in their shop premises, most retailers hold a lease on their premises. Major corporate entities such as Westfield and Stockland hold tens of billions of dollars value of retail property. The development and redevelopment of retail property is a major contributor to construction activity in urban areas of Australia.

### **Growth of Major Retail Chains**

While the diversity of retailing is likely to continue, fundamental shifts are continually occurring in the structure of the retail industry.

In particular, over the past 20 years a trend has been for smaller operators to lose market share to the retail 'giants' such as major supermarket chains, chain and franchise stores, big-box retailing in homemaker merchandise, etc. These larger operations do not always seek locations in the traditional shopping strip – they often prefer an enclosed shopping centre or free-standing site with good exposure to passing trade.

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Supermarkets sell approximately 70% of all household purchases of fresh food, take-home liquor and groceries. The four largest supermarket chains account for 90% of total supermarket sales.

(various published sources)

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### **Resurgence of Traditional Street-Based Centres**

Signs exist that traditional strip shopping centres are recapturing market share through re-focused and improved marketing, as well as a growing preference by consumers for 'main street' style shopping compared with enclosed shopping centres. This trend is also apparent in Albury, as evidenced by the continued success of traditional strip shopping in the Albury CBD.

In response, many shopping centre owners are developing new formats that seek to replicate the look and feel of street-based retailing.

## ***Consumer Behaviour and Demographics***

### **Shifts in Behaviour**

Consumers continually redefine their demands for goods and services (in terms of types of goods and services required and the total level of expenditure), and their expectations of the way in which these are sold and delivered to them.

New considerations are being applied to shopping 'decisions'; for example, competition for people's disposable income from an increasing range of activities and products (travel,

entertainment, dining-out, gambling, DIY home improvements, mobile phones, internet and a whole range of other activities). Higher levels of personal debt and the financial vulnerability this creates can also make shoppers more price-conscious.

### **Demographic Shifts**

An important factor in explaining these behavioural trends of shoppers is the changing socio-economic and demographic profile experienced throughout Australia (and in many countries overseas). Briefly, these changes include:

- An ageing population as the 'baby-boomers' approach retirement age – approximately 15% of Albury's population is now aged over 65, and this proportion is forecast to increase to 23% in 2031 (NSW Government Projections, 2015)
- Increased labour force participation by women, with the result that many more families are 'time-poor', and therefore have greater demand for convenience shopping, extended shopping hours, and accessible centres where shopping can be undertaken in conjunction with other activities
- Smaller household units, and a higher proportion of households with double income and no kids – the so-called 'DINKS'
- Historically-high levels of household debt, coupled with high rates of home ownership, with the result that households have to devote a greater proportion of their disposable income paying-off the mortgage and have an increased sensitivity to interest rate movements.

#### **AlburyCity Population Aged 65-plus years**

2011:	7,400
2016:	8,750
2021:	10,300
2026:	11,950
2031:	13,300

Source: NSW Govt.

### ***Forms of Retailing***

#### **Resurgence of Markets**

In recent years the popularity of markets has increased significantly. This includes permanent markets (e.g. Queen Victoria Market - Melbourne, Fremantle Market - Perth, Eat Street Markets - Brisbane) and temporary markets, including farmers markets and other one-off or regular market events.

This resurgence reflects an increased desire by consumers to seek 'authentic' or different products relative to traditional retail formats. For markets selling fresh food and produce, the perception that the product is fresh and direct from 'paddock to plate' is considered a positive aspect for many shoppers.



### **Food, Food, Food!**

Food retailing, including fresh food and groceries, cafes and restaurants and takeaway food, is the strongest performing component of the retail sector at present.

Fresh food and groceries have traditionally been seen as a relatively stable component of retail spending, and this has proven to be the case since the GFC of 2008. For this reason, food-based major retailers such as supermarkets and large fresh food stores continue to be important components of the retail mix in most centres. No other retail format is visited as regularly by such a high a share of the population as supermarkets.

Spending at cafes and restaurants in the past five years has experienced real growth of 0.7% per annum, above that for the wider retail sector (0.5% per annum). A mix of economic, cultural and social changes mean that consumers now spend more time and money interacting with friends and family at cafes and restaurants.

### **Retailing as a Social and Cultural Exercise**

For many people, the retail sector is closely related to the desire for entertainment and social interaction. This has given rise to the concept of ‘recreational shopping’, which places retailing as part of a wider social and cultural experience.

For example, shopping centres now provide a high degree of amenity for shoppers in terms of mid-mall seating, natural sunlight, children’s play areas, and prominent café and dining areas. These changes are designed to encourage social interaction and maximise the time that people spend in the centre.

Traditional street-based retailing in particular has benefited from this trend, due to the increased opportunities for retail to integrate with public infrastructure such as parks, libraries, galleries, and administrative functions (e.g. Council and other Government offices).

### **Foreign Retailers Come to Australia**

In recent years, Australia has increasingly become an attractive location for foreign retailers to establish store networks. ALDI established this trend in 2002 with their first Australian store, and this success has attracted a range of other international brands including Zara, Top Shop, H+M, Uniqlo and Daiso.

These new retailers generally offer a product range that benefits from access to global buying networks, and can respond to changing consumer demand relatively quickly. Service levels and quality of store presentation are also generally considered to be high. A continued interest in entering the Australian market has been identified for a relatively high number of international chains, ranging from fashion to fast food and homewares.

## Internet and Technology

Ongoing advances in information technology have impacted on the way in which retailing is undertaken, including - most importantly - the increasing use of the Internet as a purchasing medium, as well as other changes which affect how retailers operate.

- Traditional retailers have lost market share as households undertake a greater share of their shopping through the Internet and other media. The extent to which Internet sales are likely to affect the existing retail industry remains uncertain, although it is apparent that particular retail sectors are well-suited to purchase by Internet, including music, books, wines, etc. Nonetheless, the Internet continues to account for just 6% of overall retail sales in Australia.
- In many respects, the Internet is used in conjunction with traditional retail outlets. Consumers are increasingly using the Internet to research prices and products before going to stores to purchase items.
- The Internet presents significant opportunities for local retailers to expand their market significantly, including the potential to export to a world-wide market. This opportunity is more pronounced for specialty retail or niche shops which otherwise do not have an extensive store network.
- The extent to which the Internet and other sales media (eg, telemarketing) can capture retail market share is likely to be limited by the community and entertainment-related aspects of shopping. Thus, while some retail purchases are likely to be made over the Internet, the majority of shopping will continue to be undertaken at shopping centres or individual stores as this form of 'traditional' shopping provides an opportunity for social interaction and browsing, etc, which, of course, cannot be experienced online. This social aspect is recognised as a key strength of traditional 'bricks and mortar' retailing.

### Online Sales by Category

Clothing, footwear & accessories:	20.6%
Homewares & domestic appliances:	18.3%
Computers, software & electronics:	16.4%
Groceries & liquor:	13.1%
Printed material, music & movies:	12.2%
Recreational goods:	11.7%
Cosmetics, fragrances & toiletries:	6.5%
Other Goods:	1.2%

Source: IbisWorld

## 2.2 Comparable Centre Case Studies

This section outlines four examples of centres comparable to Albury. These centres all contain elements of best practice and have lessons that can be applied to Albury.

The examples are:

- Traralgon, Victoria
- Allenstown, Queensland
- Publika, Malaysia
- Easton Town Centre, Ohio, USA.



# Traralgon, Victoria

## Overview

Traralgon is a city in the Latrobe Valley with a population of 26,500 people, located 160km east of Melbourne. The CBD is the major service centre for the Latrobe Valley and draws customers from the surrounding towns of Moe and Morwell, as well as the rural hinterland.

## How does it perform?

Traralgon's CBD is comprised of a compact grid of streets tenanted with a relatively diverse range of local and national-brand retailers. A low vacancy rate of 4% adds to the vibrancy of the centre. A large standalone Woolworths supermarket and the Stockland Traralgon Centre (Coles and Kmart) are key anchors located within the CBD grid.

## What works well?

- Investment in high quality streetscapes, including street plantings, and rigorous maintenance of civic buildings creates a sense of pride and shopper amenity.
- The compact grid shape layout encourages pedestrian movement throughout the centre and contributes to a vibrant streetscape.
- Princes Highway (main east west route through Victoria) runs along the edge of the CBD, ensuring it is highly accessible for both locals and visitors.



## What could work better?

- The surrounding region has below average income levels and is very dependent on the health of a few local industries. This means the performance of the CBD has in the past been impacted by economic re-structuring.
- Achieving improved public transport linkages is a key policy objective and is expected to increase CBD visitation.



## Lessons for Albury

1. Investment in attractive streetscapes will draw people to the city centre and create a sense of place and pride for the community.
2. A mix of strong local retailers and national brands will help encourage a wider range of people to visit the CBD.
3. A compact and walkable town centre encourages a sense of vibrancy.
4. Farmer's market or food and wine event in QEII Square will cater for an increased consumer desire to seek 'authentic' local products.



# Publika, Kuala Lumpur, Malaysia

## Overview

This is a mixed use precinct in Kuala Lumpur, Malaysia, located 8km North West of the CBD. The centre is marketed towards young expatriate clientele through a number of high-end unique boutiques and quality restaurants. The centre hosts a number of creative community-run events each year, fostering a sense of community and providing a sense of difference to other malls in Malaysia.

## How does it perform?

During 2013, Publika hosted 550 events, 300 of which were community-initiated and organised. Wheelie Sundays sees the city centre closed to traffic for three hours while people bike, walk and jog through the city centre, encouraging community interaction and highlighting the importance of health and wellbeing. The centre is dominated by a large open space area called The Square where many community events take place. The Square is lined by alfresco eateries and office buildings.

## What works well?

- Retail at Publika consists of independent retailers and small chain stores. Retail is kept vibrant through a unique mix of shops that change regularly. Lease terms are usually two or three years and space is set aside for pop up shops. The only anchor tenant in the centre is a supermarket.
- Events connect the community and encourage social interaction.
- Mixed-use precincts (i.e. retail and non-retail) add vibrancy and encourage 'secondary' shopping missions.
- Integration of residential and office development with the retail enhances the size and consistency of sales and visitation.



## Lessons for Albury

1. Events have the power to drive sales and visitation, including those that are community-led rather than established by a central events body.
2. The town square should be the focal point for community gatherings – although this area should have direct exposure to nearby retailers.
3. Independent retailers / designers create a point of difference.





# Allenstown, Queensland

## Overview

Allenstown is a suburb of Rockhampton, 2km south of the Rockhampton CBD and contains a secondary centre to the nearby CBD. The Allenstown centre is bordered by the Bruce Highway which contains a number of large format retail and light industrial uses and is the major north-south route through not only Rockhampton but all of Queensland. Allenstown Square Shopping Centre contains a strong performing Woolworths, as well as a number of specialities that complement main street retail, open space and community facilities outside of the shopping centre.

## How does it perform?

Allenstown Square has high overall sales levels and was recently refurbished to meet increased demand. The retail area includes Rockhampton's only Dan Murphy's which anchors the retail areas and draws customer from across Rockhampton.

## What works well?

- Tightly held grid with a variety of uses and national brands.
- Pedestrian-friendly, with a traffic calming measures to encourage walkability.
- Integration of retail with community facilities and open space encourages ancillary retail visits.
- Integration of the shopping centre with surrounding street-based retail.



## What could work better?

- Retail could better capitalise on high levels of passing traffic along the Bruce Highway by improving signage and visibility.
- A greater variety of shops will improve choice and diversity for shoppers.

## Lessons for Lavington

1. Improving signage and knowledge of the Lavington Centre for visitors travelling along Wagga Road may help to improve visitation levels.
2. Having a major anchor tenant not located elsewhere in the urban area is vital.
3. Integration between shopping centres and surrounding street-based precincts is vital in ensuring the cross-use of facilities and spreading activity more evenly.



# Easton Town Centre, Ohio, USA

## Overview

Easton Town Centre in Northeast Columbus, Ohio, is widely considered the benchmark for a purpose-built town centre development. It achieves a sense of place by successfully combining the key elements of design, landscaping, tenant mix, dining options, and accessibility. Sales performance is believed to be well over typical industry benchmarks.

## How does it perform?

Two major “hubs” with green space and water features link the shopping areas and form natural recreational spaces for visitors. These are labelled “Town Square” and “Central Park Fountain”. Both of these “piazzas” are flanked by large casual dining restaurants that offer alfresco seating. The piazzas are ideal for hosting seasonal entertainment events, including a moonlight cinema program and weekly farmers market during summer. The architecture of Easton Town Centre is varied to avoid the homogeneous look of a mainstream shopping centre.



## What works well?

- The development has 20,000m<sup>2</sup> of office space and is headquarters to global retailer ‘L Brands’ and a number of financial institutions.
- The three hotels are of good quality but not high-end, making them affordable accommodation alternatives for visitors with moderate incomes from other parts of Ohio.
- A tram operates on the property partly as a tourist attraction and partly as a functional people-mover from one area to another.

## Lessons for Albury

1. Green or paved piazzas that are strategically located, have appropriate scale and are well designed, can serve as a community recreational space and gathering points. They also serve as natural focal points for alfresco dining and ideal locations for seasonal entertainment events.
2. A mix of open-air and indoor shopping optimises the opportunity to take advantage of different seasons and weather conditions.
3. The non-retail functions in the Albury CBD such as offices, health and medical services and public administration are themselves strong drivers of retail sales and visitation.



## 2.3 Leading Ideas and Indicators

This section outlines a summary of leading ideas and indicators for the future of retailing. This is presented with reference to anticipated future trends, rather than current trends, in retailing to ensure that Albury remains competitive and that policy remains relevant in the ever-changing retail landscape.

### *The Technology Revolution Marches On*

#### **What is omni-channel retailing?**

Omni-channel retailing is the integration of physical stores with e-commerce.

The concept of 'click-and-collect' (buy online and collect in-store) is now mainstream, as is 'ship-from-store' for e-commerce sales (send goods from retail shop rather than warehouse).

Retailers are increasingly trying out new businesses and product lines on their e-commerce channels before putting them in stores. And e-commerce is used as a means of testing new geographic markets before risking a real estate presence.

**Leading Indicator 1:** We expect that over the period of the Retail Development Strategy, the lines between traditional bricks-and-mortar retailing and e-commerce will continue to blur. Retailers must embrace the internet as part of their sales and marketing platform.

#### **Mobile technologies that facilitate personalised and location-aware marketing**

Retailers and whole shopping areas can now 'geofence' their perimeter so that consumers moving inside the 'fence' are recognised by their mobile phone signals and delivered personalised marketing messages. Consumers must be given the opportunity to easily opt-in and opt-out of these services.

**Leading Indicator 2:** Technology will emerge that allows the retail sector in Albury to identify customers as they arrive in centres such as the CBD, and to engage with them as a sales and marketing tool.

#### **Technologies that reduce the traditional 'pain points' of shopping.**

For example, potential shoppers may be deterred by a litany of common issues such as:

- Difficulty finding parking spots
- Difficulty navigating a shopping mall to find a particular store
- Difficulty navigating the interior of a store to find needed products
- Scarcity of knowledgeable and helpful in-store sales associates
- Difficulty finding the right clothing sizes and fits
- Lengthy delays in paying for merchandise before leaving the store.

Using a range of technologies such as beacons, RFID (Radio Frequency Identification) and near field communication, solutions to each of these problems is now becoming feasible, with leading retailers and shopping centre operators either already conducting pilots or planning to do so.

**Leading Indicator 3:** Some of the issues identified by stakeholders in relation to the retail centres in Albury may be resolved by a technological solution rather than an infrastructure one. For example, carparking in the Albury CBD may be used more efficiently by technologies which inform consumers of where vacant spaces are currently located.

#### **The convergence of technology with fashion, which is changing dressing habits.**

Wearable technology is only one example of the integration of fashion with technology. Retailers that have made heavy investments in fabric technology (e.g. Uniqlo, Nike, Lululemon, Lorna Jane) and have an advantage over less technology-intensive operators.

**Leading Indicator 4:** The nature of some goods will change over time, with technology being incorporated into standard retail merchandise categories such as fashion. The exact nature of these technological changes is impossible to predict.

#### ***Retail Format Obsolescence***

Inter-generational shifts in shopping preferences and technological change have brought about obsolescence in various retail formats. One of the most obvious victims of format obsolescence is the department store sector (i.e. David Jones, Myer and Harris Scarfe) which has been undergoing consolidation for many years and will continue to do so. In Australia, Myer is expected to shortly close at least ten unprofitable stores.

Discount department stores (eg. Kmart, Target and Big W) are also showing signs of obsolescence due to their simplistic merchandise mix and – in Europe, North America and Asia – the superior performance of related formats such as hypermarkets.

More generally, the growth of e-commerce market share is driving the downsizing of most ‘big box’ retail formats, causing a scramble to find alternative uses for unwanted stores and unwanted space within viable stores.

In the shopping centre realm, the traditional enclosed mall has some fundamentally obsolete characteristics, resulting in the closure, redevelopment or reconfiguration of many malls worldwide. This process will continue at a rapid pace over time as shopping centre operators struggle to adapt to changes in the way people shop and what they buy.

**Leading Indicator 5:** Previously dominant retail formats in the Australian retail sector are now in relative decline, and this is impacting on how retail centres are being used and developed. In the future, significant physical changes in centres may be required to respond to shifts in how major retail chains operate.



### ***Health and Wellness***

The demand for health and wellness products and services is being driven by two separate demographic segments:

- Younger people who are interested in fitness, performance and appearance; and
- Older people who interested in anti-ageing products and healthier lifestyles.

The products and services encompassed by health and wellness include fitness clubs, organic foods, technical apparel, cosmetics and medical services.

**Leading Indicator 6:** Health and wellness is now closely connected to the retail sector in terms of both the products and types of stores that are available, and how people are accessing and using retail centres (e.g. increased rates of cycling and jogging to, and within, centres).

### ***Experience more important than 'stuff'***

While retail sales growth has been relatively sluggish in the developed world over the past five years, including in Australia, consumer spending growth in other areas has actually been robust. This reflects a shift in spending patterns away from merchandise toward categories such as travel, education, health and entertainment.

This shift is driving a necessary change in thinking about shopping centre tenant mix, with a decrease in the percentage of space being allocated to traditional categories such as home furnishings and apparel, and a greater percentage allocated to food service, personal and business services, fitness and entertainment.

Population ageing will be a key driver of this trend in coming years, since seniors spend much less of their income on clothing and other material goods, and a greater percentage on services and experiences.

**Leading Indicator 7:** Shopping is likely to become as much about selling an experience as it is about selling goods and services.

### ***The rise of new urbanist shopping centre development***

This trend is particularly evident in America where design and tenant mix have evolved more quickly and in tune with consumer preferences than they have in Australia or elsewhere. The essential features of this new urbanist development are:

- Community gathering spaces such as piazzas, with interactive water features and green space. These spaces are focal points for shopping centres and serve the dual purpose of encouraging people to relax and hang out, and to stage entertainment events.
- A mix of open-air and enclosed air-conditioned shopping options.
- Varied but compatible architectural styles, always in harmony with each other and the surroundings.

- A mix of uses, e.g. with 3-4 levels of residential, with retail at street level. Also a range of office, hotel, fitness and entertainment uses.
- Free street/storefront parking.
- Conventional surface parking lots and deck parking – all free of charge up to a time limit.
- Very high-quality food service establishments, with alfresco options.
- Pedestrian-friendly.

**Leading Indicator 8:** The most successful retail centres in the future are likely to be those that provide a mix of the best aspects of both shopping centres and traditional street-based retailing.

## 2.4 Implications for the Strategy

Key Implications for the Retail Strategy identified in this Chapter include the following:

- In assessing the future prospects for the retail sector in Albury, it is important that the latest trends in retailing are taken into account.
- Key changes include shifts in industry size and structure, shifts in consumer behaviour and demographics, changes in retail formats and types, and the evolution of the internet and technology.
- A selection of case studies shows that lessons can be learnt from the experience of other centres around the world, and applied to the Albury context. This includes lessons related to marketing and events, and retail (urban) design.
- It is clear that over the next 10 years the retail sector in Albury will need to respond to some fundamental shifts in how people undertake shopping. A challenge for the local retail sector is to respond pro-actively to these changes and ensure that the City is seen to be at the leading edge of retailing for residents of the surrounding region.



### 3 ALBURY RETAIL REVIEW

This Chapter presents a description of the retail sector in Albury, and highlights current issues and opportunities that will require a response in the Strategy.

#### 3.1 Overview of Locations for Retailing in Albury

In urban planning policy and retail policy, it is useful to categorise centres according to their place in a *hierarchy*. The centres hierarchy is a conceptual tool which recognises that different centres have different roles in their provision of retail and other goods and services.

For example, in a retail sense, large centres that offer a wide range of higher-order shopping facilities with the opportunity to browse and compare goods among a range of different shops tend to attract people from a larger catchment in geographic and population terms. Smaller centres with a limited role in selling convenience and grocery merchandise tend to trade more locally from a smaller catchment.

In Table 3.1 the retail hierarchy for Albury is shown.

**Table 3.1 Retail Hierarchy Description**

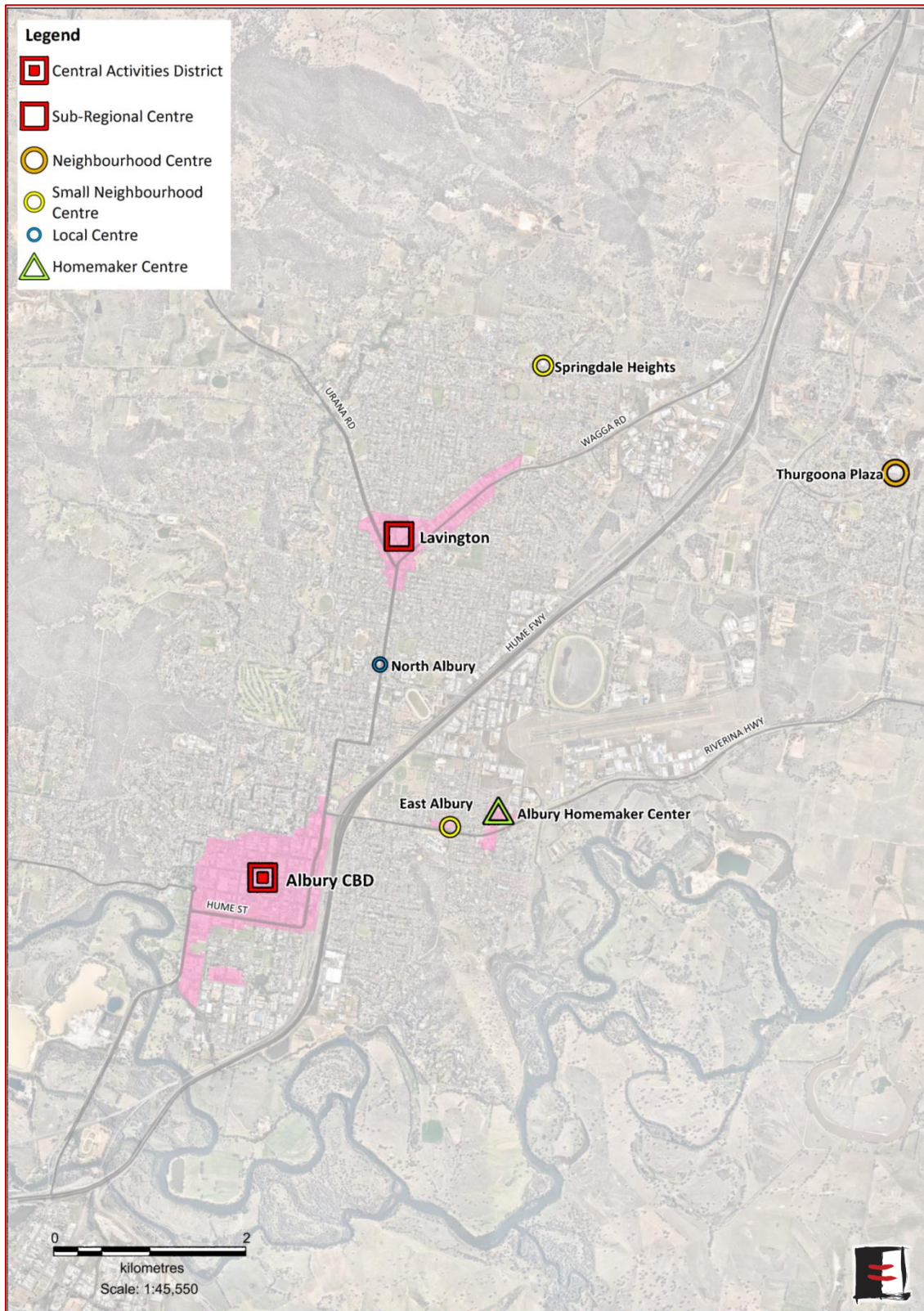
Level in Hierarchy	No. of Centres in Albury	Centre
Central Activities District	1	Albury CBD
Sub-Regional Centre	2	Lavington CBD, Thurgoona District Centre (proposed)
Neighbourhood Centre	2	Thurgoona Plaza, Hamilton Valley (proposed), Thurgoona x2 (proposed)
Small Neighbourhood Centre	2	East Albury, Springdale Heights
Local Centre	5	North Albury, Thurgoona x4 (proposed)
Homemaker Centre	1	Albury Homemaker Centre (East Albury)

Source: Essential Economics

It is important to acknowledge that although centres may perform the same role in the hierarchy as described above, all centres are unique and provide varying levels of services and facilities.

Encouraging individual centres to exhibit their own unique 'local' characteristics will provide a network of centres that provides the full range of essential services, as well as providing a range of experiences for residents and visitors.

Figure 3.1 Retail Hierarchy in Albury



Source: Essential Economics with MapInfo and Nearmap

## 3.2 Albury CBD

As the highest-order centre in the region, the Albury CBD has a wide trading influence for retail goods and services, and is also the main service centre for a range of commercial, administrative and community functions not found elsewhere in the region.

### Location and Description

The Albury CBD is located centrally to the wider Albury-Wodonga urban area. For the purposes of this Strategy, the CBD has been defined to include those areas in the Business 3 (Commercial Core) Zone and the Business 4 (Mixed Use) Zone. This area is generally bounded by the railway corridor in the east and the alignment of Wodonga Place in the west. Established residential areas are predominantly located to the north and south.

Albury CBD is highly accessible to surrounding regional transport networks, including:

- The Hume Highway which has freeway status through urban Albury and runs to the east of the CBD
- The Riverina Highway which runs in an east-west direction through the CBD and links to towns along the Murray River
- The old Hume Highway which runs through the CBD and links to urban areas of Albury to the north and to Wodonga to the south
- The Albury railway station that is located on the eastern edge of the CBD
- Local bus, cycle and walking networks.

These transport connections are an important competitive advantage for the Albury CBD and help the centre retain its role as a significant regional attractor for retail and other services.

### Floorspace Survey

The Albury CBD contains a total of approximately 126,790m<sup>2</sup> of shopfront floorspace, according to the results of a detailed floorspace audit undertaken as input to this Strategy in May 2015.

This total includes 113,590m<sup>2</sup> of retail floorspace, as well as 8,290m<sup>2</sup> of commercial shopfront uses and 4,910m<sup>2</sup> of vacant shopfront floorspace.

Total retail floorspace component includes the following categories (see page 3 for definitions):

- 13,960m<sup>2</sup> of food, liquor and groceries
- 12,460m<sup>2</sup> of food catering
- 82,020m<sup>2</sup> of non-food
- 5,150m<sup>2</sup> of retail services.

This level of retail floorspace provision means that the Albury CBD is the largest retail centre located in the broad region between Melbourne and Canberra.

A total of 489 shopfront tenancies are identified in the survey, comprising 380 retail tenancies, 58 other commercial tenancies, and 51 vacant premises.

The vacant shopfront tenancies account for approximately 4% of total shopfront floorspace. A particular concentration of vacant tenants is located in the City Walk Arcade linking Dean Street to Volt Lane.

#### **Comparison of Retail Floorspace Provision**

Bendigo CBD (excludes Marketplace)	115,000m <sup>2</sup>
<b>Albury CBD</b>	<b>113,590m<sup>2</sup></b>
Ballarat CBD	110,000m <sup>2</sup>
Wagga Wagga CBD	110,000m <sup>2</sup>
Central Geelong	105,000m <sup>2</sup>
Shepparton CBD	85,000m <sup>2</sup>
Wangaratta CBD	60,000m <sup>2</sup>
Wodonga CBA	40,000m <sup>2</sup>

A vacancy rate of 4% of shopfront tenancies represents a relatively strong outcome for the Albury CBD. The typical range of vacancies for a well-performing street-based activity centre of between 4% and 6% has been identified across Australia.

Vacant shopfront tenancies are distributed across the Albury CBD and include areas considered 'core retailing' such as in Dean Street, as well as areas on the fringe of the centre where a higher vacancy rate may be expected.

Commercial shopfront businesses (i.e. non-retail uses such as industrial / medical etc) comprise 12% of the total shopfront floorspace in the Albury CBD. This is lower than the benchmark of approximately 20% to 30% of shopfront floorspace which is typically identified in similar street-based activity centres in Australia.

The low share of shopfront commercial businesses reflects the availability of a significant number of dedicated or stand-alone office tenancies in the centre, and also indicates that a number of shopfront tenancies that would otherwise be available to office-type businesses are either of a type, or in a location, that is not well-suited to these commercial office users.

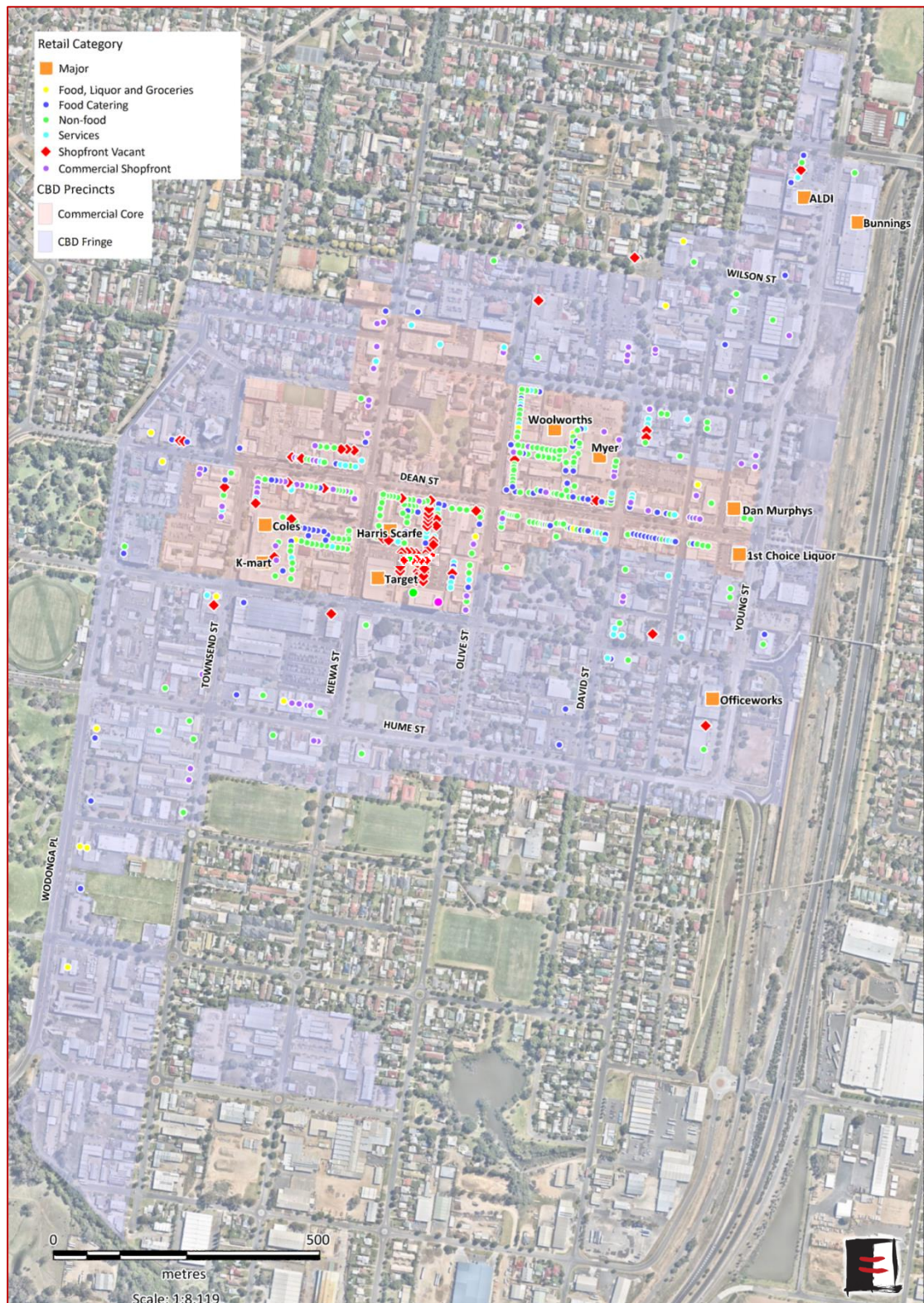
Typically, the commercial uses found in shopfront tenancies are businesses seeking to meet the professional and other needs of shoppers, residents and businesses. Commercial shopfront businesses in the Albury CBD include:

- 16 banking and finance tenants
- 10 real estate agents
- 7 medical and para-medical tenancies
- 3 travel agents.

An overview of the Albury CBD key land uses is shown in Figures 3.2 and 3.3.



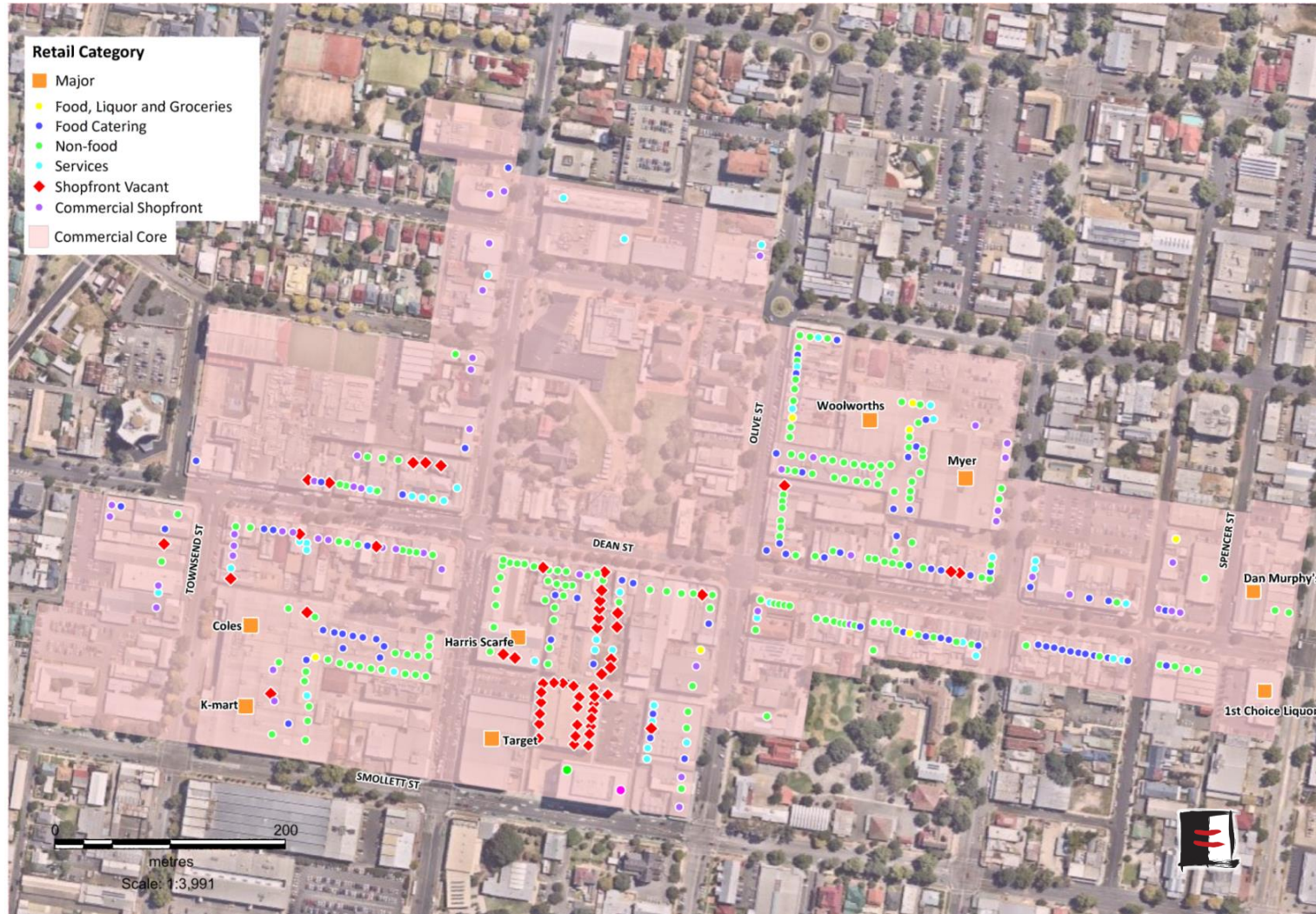
Figure 3.2 Albury CBD Retail Locations and Tenant Mix



Source: Essential Economics Floorspace Survey May 2015, with MapInfo and Nearmap



Figure 3.3 Albury CBD Retail Locations and Tenant Mix – Commercial Core



Source: Essential Economics Floorspace Survey May 2015, with MapInfo and Nearmap

## **Key CBD Precincts**

In considering the operation of the Albury CBD, it is useful to consider the various key components of the CBD and their floorspace mix, function and characteristics.

### **Commercial Core**

The Commercial Core of the Albury CBD is defined as those areas within the B3 (Commercial Core) zone in the Albury Local Environment Plan. This area (also shown in Figure 3.2) is centred on Dean Street which is the key retail and commercial spine of the CBD.

Two major enclosed shopping centres are located in the Commercial Core, namely:

- **Myer Centrepoint:** This enclosed shopping centre has active entrance from Olive Street, Dean Street (via The Block arcade) and from David Street (Myer entrance).

Myer Centrepoint is an important 'anchor' for the CBD which provides a central carparking location and key tenants in terms of a Myer mini-department store and Woolworths. The Woolworths is understood to be trading very strongly, while Myer is an old format store with a relatively dated appearance. A good range of national brand specialty shops is also present in the centre, including a selection of mid to high-end fashion labels.

Total retail floorspace in Myer Centrepoint is estimated at approximately 17,000m<sup>2</sup>, with no vacant tenancies.

- **West End Plaza:** Fronting Kiewa Street, West End Plaza is anchored by a Kmart discount department store and a Coles supermarket, both located at the rear of an internal mall. The mall incorporates a food court as well as a mix of specialty shops which are generally aimed at the low to mid-market. Total retail floorspace is estimated at approximately 13,500m<sup>2</sup>, with one vacancy located outside the Coles supermarket.

The balance of the Commercial Core is dominated by retailing located on Dean Street, as well as Kiewa Street (south of Dean Street) and Olive Street (north of Dean Street).

Volt Lane is a new development that currently has only two tenants; however, once fully let, Volt Lane – with shops, cafes and restaurants – will be a vibrant part of the Albury CBD.

The section of Dean Street between Kiewa Street in the west and David Street in the east is considered the high-intensity core of retailing in the Albury CBD, and this is reflected in high shop rental levels up to \$750/m<sup>2</sup>. In comparison, achievable rents in street-based centres in regional Australia rarely exceed approximately \$600/m<sup>2</sup>.

Major tenants include a Target discount department store and a recently-opened Harris Scarfe store in Kiewa Street, and 1<sup>st</sup> Choice Liquor and Dan Murphy's large format liquor stores at the eastern end of Dean Street with frontage to the Riverina Highway.

Total retail floorspace in the balance of the Commercial Core is estimated at approximately 40,000m<sup>2</sup>, with a total of 29 vacant tenancies identified during the course of the floorspace survey. These vacancies represent approximately 5% of the total shopfront floorspace in this part of the centre. Much of the vacant floorspace in Albury is located in the City Walk Arcade which has recently changed ownership and undergone a refurbishment.

### **CBD Fringe**

The CBD Fringe includes those areas in the B4 (Mixed Use) Zone in the Albury Local Environment Plan which are part of the Albury CBD. This area (also shown in Figure 3.2) surrounds the Commercial Core of the CBD and is characterised by generally less-intensive levels of activity and a lower provision of retail and shopfront tenancies.

Retailers in this part of the CBD generally co-exist with a wide range of non-retail uses, including offices, showrooms, trade supplies and light industry.

A range of retailers with frontage to the Riverina Highway are benefiting from good accessibility and exposure to the large volumes of traffic passing each day. This includes Bunnings, Officeworks, McDonalds, ALDI and The Good Guys.

Total retail floorspace in the CBD Fringe is estimated at 43,000m<sup>2</sup>, including approximately nine vacant shopfront tenancies.

### ***Main Features and Issues***

Input to the Strategy was sought from a wide range of stakeholders in order to improve the understanding of how the Albury CBD operates as a destination for shoppers and other centre users, and as a location for business and other activity.

Key insights in relation to the role and function of the Albury CBD are as follows:

- **Higher Order Role** – Albury CBD is clearly the highest-order centre in southern New South Wales and North-Eastern Victoria, providing a range and quality of shops and services that is not matched by competitors. The centre has a strong selection of major traders which are supported by an extensive range of specialty shops, including well-known national brands. It is vital that this higher-order role is protected and enhanced over time. Albury CBD should be considered as the 'Central Activities District' for the entire region.

**Trader Comment**

"Albury is great to do business from. I get access to customers from Albury-Wodonga and across the region including Wangaratta, Benalla, Wagga Wagga, Corowa, Corryong and even beyond sometimes."
- **Regional Geographic Draw** – customers from outside Albury represent a very important part of the sales revenue generated by many retailers who reported

**Key National Brand Anchor Tenants in Albury CBD**

  - Myer
  - Kmart
  - Coles
  - ALDI
  - Target
  - Harris Scarfe
  - Dan Murphy's
  - 1st Choice Liquor
  - Bunnings



consistent sales from areas including Corowa, Beechworth and Yackandandah and this custom is an important driver of revenues and profitability.

- National Brand Tenants** – an important strength of the Albury CBD is the extensive range of national brand tenants. These traders are attracted by the strong sales performance of the Albury CBD, and in turn are key drivers of customer visitation and spending. Nonetheless, some feedback from stakeholders suggests that the CBD would benefit from more independent and niche retailers that emphasise a point-of-difference.
- Shared Vision** – although the large size and diversity of uses in the Albury CBD is a key strength, this means that it can be difficult to develop an integrated approach to centre planning and strategy that meets the needs of all stakeholders. For example, some retailers argue that they do not receive any benefit from some CBD events, while others argue that these events are an important driver of customer traffic and sales.
- Parking and Access** – parking and accessibility issues are typically always at the forefront of opinions in relation to retailing. General perceptions are that parking in the CBD can be difficult at peak periods, however the number of car parking spaces in the Albury CBD is considered adequate for the population. Other feedback also related to the need to support access to the centre by non-motorised forms of transport, and cycling in particular.
- Competition** – although Albury CBD is the dominant higher-order centre in southern New South Wales and north-eastern Victoria, it will face increased future competition from the Wodonga CBA which is undergoing a significant urban renewal program. Furthermore, local retailers will also experience increased competition from online sources over time. Some stakeholders warned against a sense of complacency when considering the current dominant position of Albury CBD.
- Rents** – the Albury CBD in the core retailing areas of Dean Street includes some of the highest shopfront rents in regional Australia. This is not necessarily a weakness, as these rents reflect the success of the Albury CBD in attracting visitation and sales. However, it is important that rental levels are realistic and reflect retailers' ability to pay, and that this is also reflected in a commitment by landlords to ensure high standards of property maintenance and presentation. Outside of core retailing areas, rental levels in the CBD are significantly more affordable and provide opportunities for the establishment of new start-up businesses.

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**Paid Parking in CBD**

Albury - No
Wodonga - No
Wangaratta - Yes
Bendigo – Yes
Ballarat – Yes
Shepparton – Yes
Wagga Wagga - No

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**Stakeholder Comment**

“There is no doubt rent in the Albury CBD can be expensive. But this reflects the centre’s popularity and the presence of national brands that can pay higher rents than local businesses.”

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- **Business Community** –positive feedback was received on the efforts of Albury Central and the Albury Northside Chamber of Commerce to promote the retail/business sector and create opportunities for stakeholder engagement; however, in an overall sense many businesses felt that a shared sense of purpose and identity is lacking across the retail sector. In particular, traders outside of Dean Street and the core commercial areas of the CBD feel that they have little role to play in supporting the growth and prosperity of the wider CBD.
- **Night Economy** – the Albury CBD has a relatively strong night economy for a regional City, and this is reflected in a vibrant bar/club/pub/nightclub scene, as well as a high quality entertainment and dining offer (primarily cinemas and restaurants). A selection of stores are also open Thursday night, although the trading hours are inconsistent between businesses. Current social and lifestyle trends in Australia are supporting increased visitation and sales outside of traditional core retail hours, particularly in relation to dining and entertainment. The Albury CBD needs to ensure that it responds positively to this trend.

- **Shopfronts and Streetscape Quality** – Albury CBD offers one of the highest quality street-based shopping environments in regional Australia, and provides a range and standard of facilities that would also be notable in major metropolitan cities. Over many years, Council has invested heavily in streetscape and other improvements which project a positive and prosperous image for Albury and the local retail sector. Recent changes in AMP Lane which is now a high-quality laneway retail precinct reflect this achievement. Pedestrian amenity is also generally good.

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**Trader Comment**

“I’m actually quite pleased at the level of investment and effort that Council has made in the CBD. My dealings with Council officers, although rare, have been pretty good too.”

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- **Heritage Significance and Features** Heritage items and conservation areas contribute greatly to the Albury CBD identity and sense of place. These buildings and areas also contribute to a sense of civic pride and are a key consideration for Council in the ongoing development of the City.

- **Crime and Perceptions of Safety** – although Albury is primarily known as a safe and welcoming community, in recent times some incidents related to the safety of people in the CBD and surrounds has had a negative influence on community perceptions.

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**In-Centre Survey Respondent**

“The CBD isn’t as safe as it used to be”

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- **Events** – the Albury CBD benefits from a range of events and programs that assist in generating customer visitation and sales to local businesses. Examples include various events, conferences and festivals for Albury more generally, as well as CBD-specific events such as the QE11 Twilight Markets, the Applause Festival (not held in 2014) and

Christmas Family Fun Day. Opportunities may exist for a more targeted range of events that cater to specific target markets.

### 3.3 Lavington

Lavington has a traditional role as Albury's second major retail centre and provides a range of retail and other services that are complementary to the Albury CBD. Overall, the centre functions in a sub-regional role that primarily serves residents of Albury and regional areas to the north of the Murray River.

#### Location and Description

The Lavington centre is located approximately 4.5km north of the Albury CBD, and is positioned around the intersection of Mate Street, Wagga Road, Urana Road, Union Road and Waugh Road (known as Fiveways).

A stand-alone Coles supermarket and the adjacent Lavington Square Shopping Centre are set slightly back from Wagga Road and Urana Road, and comprise the highest-intensity retail 'heart' of the precinct. The balance of the centre comprises a mix of street-based shopfront strips and stand-alone showrooms and shops.

The Lavington Centre has also traditionally attracted a number of light industrial, trade supplies, showroom and bulky goods outlets due to the availability of large parcels of land, relatively low land prices and the former role of Wagga Road as the major connection between Melbourne and Sydney. Since the relocation of the Hume Highway to the new freeway bypass, the volume of traffic using Wagga Road has decreased considerably and this is reflected in a general downturn in those parts of the centre with frontage to Wagga Road.

The overall levels of amenity in the centre are inferior to the CBD, with low-quality pedestrian connections and a higher share of vacant shops. For this reason, the Lavington CBD Masterplan prepared in 2009 is an important document in

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#### Stakeholder Comment

"This centre needs a revitalisation plan. Not just a masterplan"

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terms of identifying the future directions for planning and design of the centre, but lacks an integrated approach to attracting investment and supporting business development.

#### Floorspace Survey

The Lavington Centre currently contains a total of approximately 54,335m<sup>2</sup> of shopfront floorspace, including approximately 37,570m<sup>2</sup> of retail floorspace and 5,590m<sup>2</sup> of vacant floorspace.

Total retail floorspace includes the following categories (see page 3 for definitions):

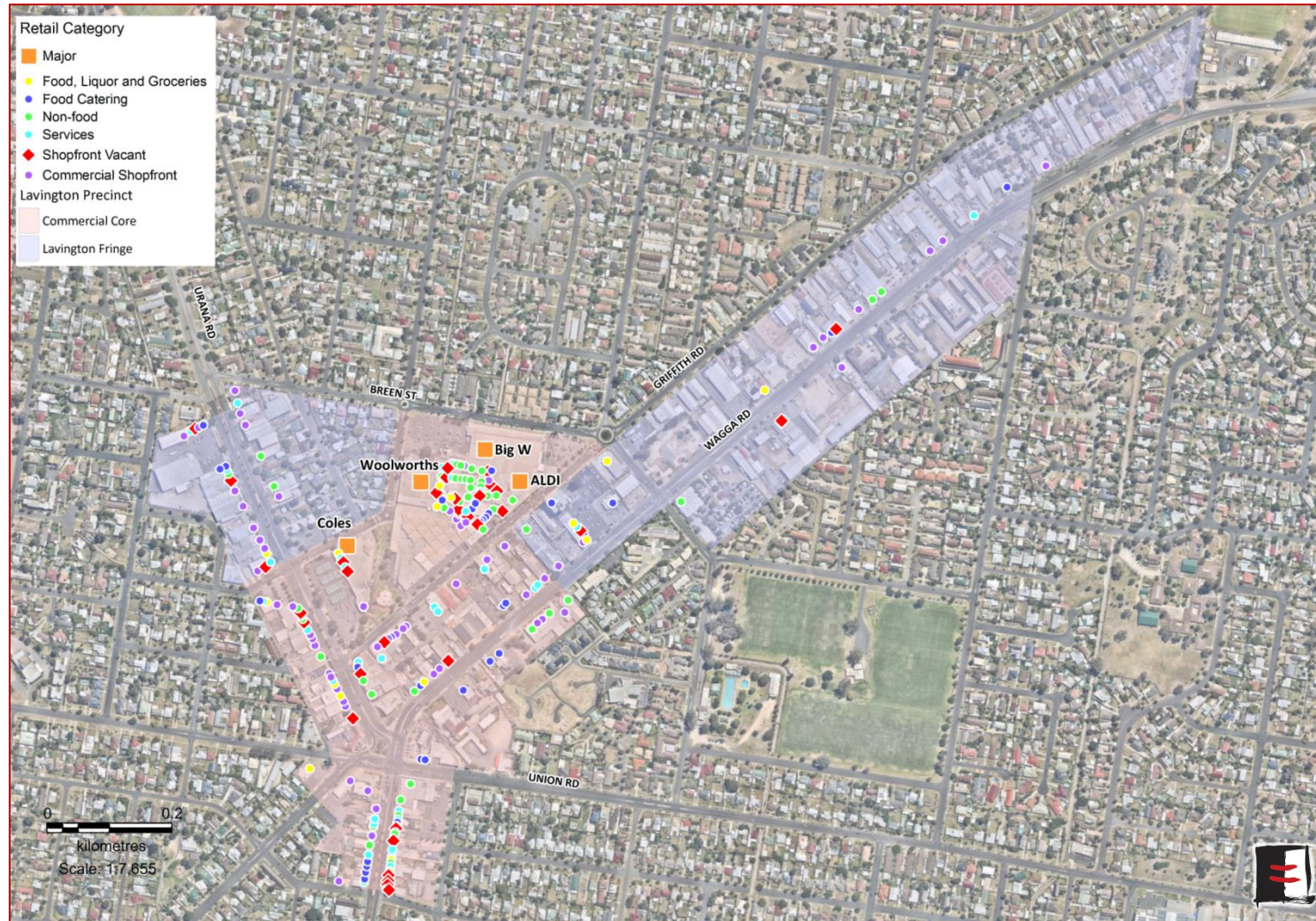
- 9,970m<sup>2</sup> of food, liquor and groceries
- 3,940m<sup>2</sup> of food catering

- 19,580m<sup>2</sup> of non-food
- 4,080m<sup>2</sup> of retail services.

An overview of the tenancy mix in the Lavington centre is shown in Figure 3.4.



**Figure 3.4 Lavington Retail Locations and Tenant Mix**



Source: Essential Economics

A total of 33 vacant shopfront tenancies were identified across the Lavington Centre, out of a total of 225 shopfronts, giving a total shopfront vacancy rate of 15%. On a total floorspace basis, the vacancy rate is just over 10%.

Thus, the total rate of vacancies in Lavington is above normal expectations for a centre of this type (4% to 6% would be typical), reflecting generally below-average trading levels. Nonetheless, many of the vacant tenancies are located with frontage to Wagga Road, and have thus been impacted by the relocation of the Hume Highway.

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**Trader Comment**

“We have been very successful in growing our business from nothing here at Lavington. It’s a great centre. Unfortunately though, we have a perception problem with people who don’t live locally”

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In combination, Lavington Square (17,800m<sup>2</sup>) and Coles Lavington (3,100m<sup>2</sup>) account for approximately 58% of the total retail floorspace in the Lavington Centre. This reflects the overall positioning of Lavington as providing a comprehensive range of convenience and day-to-day retailing, complemented by some specialist retail formats and other personal and professional services.

**Main Features and Issues**

The key issues for Lavington relevant to the Strategy are as follows:

- **Role and Function Relative to Albury CBD** – the Lavington Centre must continue to operate in a complementary manner to the Albury CBD in providing a comprehensive range of day-to-day retail facilities, supported by specialist traders seeking a high-profile, but lower rent location to the CBD.
- **Performance of Major Traders** – It is understood that all the major supermarkets in Lavington (Coles, Woolworths, ALDI) are trading strongly, while Big W is also considered to be trading well. This highlights the ability of Lavington to meet the basic day-to-day needs of the surrounding population, and is potentially the basis for future sales growth and revitalisation of the broader centre.
- **Geographic Trading Draw** – Lavington generates a high share of its trade from the northern suburbs of Albury, with a lower share of sales from residents of Thurgoona, southern Albury and regional areas to the north and west. The lower trading draw of Lavington relative to the CBD means that the overall opportunities for future sales growth are more limited.

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**Trader Comment**

“No question, both Lavington and Albury CBD have an opportunity to increase sales to people living outside of Albury. We just need to give them a compelling reason to come here.

How? I wouldn’t have a clue – I just run my shops as best as I can. That’s where Council and the Chamber [of Commerce] come in I guess. ”

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- **Impact of Thurgoona Population Growth on Lavington**– this area is located immediately east of Lavington and the Hume Highway. This urban growth corridor is expected to accommodate approximately 50,000 residents at completion. Lavington has some opportunity to serve current and future residents of this area, although over time Thurgoona will also develop its own network of retail centres to meet local needs.
- **Redevelopment of Lavington Square** – Lavington Square is the most important component of the retail sector in Lavington. However, the centre includes a number of vacant tenancies, and the overall centre layout and presentation reflects the relative age of the centre (opened 1979). The redevelopment of Lavington Square to modern shopping centre standards, and potentially including non-retail functions (including commercial and residential uses) would be an important outcome for the wider Lavington centre.
- **Street-based Shopping Environment** – outside of Lavington in the street-based parts of the centre, the quality of the shopping environment is generally poor. Low levels of customer activity are combined with poor pedestrian amenity and no sense of a genuine integrated shopping environment. The quality of some shopfronts and buildings is poor, and reflects negatively on other traders who do ensure their stores are well presented.
- **Consumer Perceptions** – Lavington is considered to be a lower-order centre relative to the CBD, with a negative perception from many shoppers in relation to levels of comfort and personal safety.

### 3.4 Thurgoona

#### Location and Description

Thurgoona is the major urban growth area for Albury and is expected to be developed over the next 30 years. Located on the north-east edge of the Albury urban area, Thurgoona is situated immediately adjacent to the Hume Highway which provides easy access to the balance of Albury and Wodonga.

At present, Thurgoona Plaza is the only significant retail centre in Thurgoona and is located immediately adjacent to the Charles Sturt University Albury-Wodonga campus.

#### Centre Role and Function

Thurgoona Plaza is a neighbourhood-level centre anchored by a Woolworths supermarket and supported by approximately ten specialty shops. The centre serves a localised catchment that is limited to the Thurgoona urban growth area, but this is expected to strengthen and expand as the population increases.

Total retail floorspace is estimated at 4,200m<sup>2</sup>, including the full-sized Woolworths store of 3,200m<sup>2</sup>. No vacant tenancies are located in the centre, which is understood to be trading moderately, although successfully, for a centre of this format.

### **Main Features and Issues**

Key considerations for the Strategy which are relevant to Thurgoona include:

- **Growth Area Centres Network** – the most important factor relevant to Thurgoona is the appropriate development of a successful hierarchy of retail centres in the growth area over time. In the future, the Thurgoona Wirlinga Precinct Structure Plan identifies the potential for two new neighbourhood centres similar to the existing Thurgoona Plaza, and a future ‘District Centre’ of up to 35,000m<sup>2</sup>. A critical retail planning objective over coming years is to ensure appropriate development of this network of centres in a sustainable manner that does not undermine the role and function of existing centres at Lavington and Albury CBD.
- **Local Service Role** – new residents of Thurgoona have a reasonable expectation of strong access to basic convenience and grocery retailing. Ensuring that this local service role is met by Thurgoona Plaza and other future centres is particularly important for the lifestyle and liveability of Thurgoona.

## **3.5 Other Retail and Business Locations in Albury**

### **Albury Homemaker Centre**

The Albury Homemaker Centre is located on the Riverina Highway in proximity to the Albury Airport. This centre comprises approximately 24,300m<sup>2</sup> of retail floorspace, including primarily major brand homemaker retailers. The centre contains one vacant tenancy.

Development of the homemaker centre has resulted in the relocation of selected homemaker tenants away from the CBD. As a result, opportunities for new tenants to locate in the CBD have been generated, with no significant CBD vacancies attributable to the development of the homemaker centre.

In this respect, the Albury Homemaker Centre represents a successful example of retail and planning policy in Albury.

### **East Albury**

The East Albury centre is located on the north side of the Riverina Highway, opposite the Albury Wodonga Health Hospital. The centre primarily serves a localised convenience role and includes an IGA supermarket and six retail specialty stores which are accessed via a service lane.

Further east of the East Albury centre is the Peards complex incorporating a garden centre, landscaping supplies and the large and well known Café Borrella.



### Springdale Heights

A small local convenience centre is located on Kaitlers Road at Springdale Heights in the north of Albury. This centre serves local convenience needs only.

### Hamilton Valley (proposed)

Hamilton Valley is proposed residential area north east of Albury that will accommodate 5,000 residents at completion. The development will contain a single neighbourhood centre of 4,000m<sup>2</sup> including a 1,500m<sup>2</sup> IGA. The centre will serve a local catchment for convenience shopping only and will be supported by Lavington and Albury CBD for high level goods and services.

### Other

Some limited convenience and food retailing is located in the balance of Albury including small clusters in West and North Albury, although this retail activity is not considered significant in terms of the overall retail provision in the local government area.

## 3.6 Existing Retail Floorspace Provision

Estimates of current retail provision across Albury have been prepared for the purposes of this Strategy, and are based on information obtained from a land use survey undertaken by the consultant in May 2015.

### Shopfront Floorspace by Centre

The centres hierarchy in Albury accommodates a total of approximately 183,290m<sup>2</sup> of occupied retail floorspace. This is summarised in Table 3.2.

A further 25,280m<sup>2</sup> of commercial shopfront floorspace and 12,500m<sup>2</sup> of vacant shopfront floorspace has also been identified (refer *Terms and Definitions*, Introduction).

**Table 3.2 Shopfront Floorspace by Centre, 2015**

Centre	Total Retail	Commercial Shopfront	Vacant Shopfront	Total Shopfront
Albury CBD	113,590m <sup>2</sup>	12,755m <sup>2</sup>	4,910m <sup>2</sup>	131,255m <sup>2</sup>
Lavington	37,570m <sup>2</sup>	11,175m <sup>2</sup>	5,590m <sup>2</sup>	54,335m <sup>2</sup>
Homemaker Centre	24,300m <sup>2</sup>	0m <sup>2</sup>	2,000m <sup>2</sup>	26,300m <sup>2</sup>
Thurgoona	4,180m <sup>2</sup>	0m <sup>2</sup>	0m <sup>2</sup>	4,180m <sup>2</sup>
East Albury	1,730m <sup>2</sup>	1,350m <sup>2</sup>	0m <sup>2</sup>	3,080m <sup>2</sup>
Springdale	1,920m <sup>2</sup>	0m <sup>2</sup>	0m <sup>2</sup>	1,920m <sup>2</sup>
<b>Total Albury</b>	<b>183,290m<sup>2</sup></b>	<b>25,280m<sup>2</sup></b>	<b>12,500m<sup>2</sup></b>	<b>221,070m<sup>2</sup></b>

Source: Essential Economics Floorspace Survey May 2015

Note: Total Shopfront Floorspace includes retail, non-retail and vacant shopfront tenancies.  
Excludes local centres and some stand-alone retail outlets which comprise a very small share of total floorspace.

The Albury CBD accounts for approximately 64% of the total shopfront floorspace in Albury. This reflects the importance of the Albury CBD in the regional economy and its dominance in the retail sector serving Albury and the surrounding regional catchment.

### **Retail Floorspace by Centre**

The Albury CBD is the dominant centre in terms of retail floorspace, accounting for approximately 62% of total retail floorspace in Albury, as shown in Table 3.3.

In particular, the Albury CBD dominates in terms of food catering floorspace (72% of total) and non-food retail floorspace (65% of total).

**Table 3.3 Retail Floorspace by Centre, 2015**

Centre	Food, Liquor and Groceries	Food Catering	Non-food	Services	Total Retail
Albury CBD	13,960m <sup>2</sup>	12,460m <sup>2</sup>	82,020m <sup>2</sup>	5,150m <sup>2</sup>	<b>113,590m<sup>2</sup></b>
Lavington	9,970m <sup>2</sup>	3,940m <sup>2</sup>	19,580m <sup>2</sup>	4,080m <sup>2</sup>	<b>37,570m<sup>2</sup></b>
Homemaker Centre	0m <sup>2</sup>	300m <sup>2</sup>	24,000m <sup>2</sup>	0m <sup>2</sup>	<b>24,300m<sup>2</sup></b>
Thurgoona	3,600m <sup>2</sup>	320m <sup>2</sup>	150m <sup>2</sup>	110m <sup>2</sup>	<b>4,180m<sup>2</sup></b>
East Albury	1,330m <sup>2</sup>	400m <sup>2</sup>	0m <sup>2</sup>	0m <sup>2</sup>	<b>1,730m<sup>2</sup></b>
Springdale	1,820m <sup>2</sup>	100m <sup>2</sup>	0m <sup>2</sup>	0m <sup>2</sup>	<b>1,920m<sup>2</sup></b>
<b>Total Albury</b>	<b>30,670m<sup>2</sup></b>	<b>17,510m<sup>2</sup></b>	<b>125,740m<sup>2</sup></b>	<b>9,330m<sup>2</sup></b>	<b>183,290m<sup>2</sup></b>
<b><u>Share of Total Albury</u></b>					
Albury CBD	46%	71%	65%	55%	62%
Lavington	33%	23%	16%	44%	20%
Homemaker Centre	0%	2%	19%	0%	13%
Thurgoona	12%	2%	0%	1%	2%
East Albury	4%	2%	0%	0%	1%
Springdale	6%	1%	0%	0%	1%
<b>Total Albury</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Essential Economics Floorspace Survey May 2015

Note: Total Shopfront Floorspace includes retail, non-retail and vacant shopfront tenancies.  
Excludes local centres and some stand-alone retail outlets which comprise a very small share of total floorspace.

## **3.7 Proposed and Approved Developments**

A number of developments have occurred or are planned to occur reflecting the strength of the retail sector in Albury. Proposed developments in Albury include:

- **Smollett Street Woolstore Redevelopment** – A developer has expressed interest in redeveloping the remainder of the Woolstore building in Smollett Street that was left vacant by the ATO. Part of the building is occupied by Quest Apartments, with the

remainder to be redeveloped as a two-storey retail development with two ground floor tenancies of 1,946m<sup>2</sup> and 2,069m<sup>2</sup>, plus a first floor tenancy of 4,700m<sup>2</sup>.

- **East Albury Industrial Precinct** – A 13.5ha industrial, bulky goods and council depot precinct is proposed in East Albury. Approximately 5.9ha of this land is earmarked for bulky goods retailing which will complement the existing homemaker centre located approximately 700 metres west on the Riverina Highway.
- **Lavington ALDI Replacement** – The existing ALDI store located in Lavington Central is relocating to a larger store on Wagga Road. The new store will have increased exposure to passing trade and will be presented in the larger modern ALDI store format to better meet the needs of the community.
- **Thurgoona** – Future development of new centres as identified in the Thurgoona Wirringa Precinct Structure Plan (see Table 1.1).
- **Hamilton Valley** – A future neighbourhood retail centre can potentially be developed on land identified for this purpose in the Albury LEP.

Recent developments in Albury include:

- **Mates Building Redevelopment** – The \$11.7 million redevelopment included the construction of Harris Scarfe and Trade Secret. A 110 room Novotel Hotel is planned for construction in 2016.
- **Volt Lane Redevelopment** – Includes the 10,000m<sup>2</sup> ATO, a 497-space multi-level car park, a 66-space convenience car park and a number of shops, cafes and restaurants.
- **Botanical Apartments and Office** – A new residential and commercial development in Dean Street.

### 3.8 Implications for the Strategy

Key Implications for the Retail Strategy identified in this Chapter include the following:

- The Albury CBD should be considered the highest-order centre, not only in Albury, but in the wider region of southern New South Wales and north-eastern Victoria. This role needs to be understood, protected and enhanced over time.
- Albury CBD can be generally described as including a Commercial Core surrounded by an extensive CBD fringe area. Total retail floorspace of 113,500m<sup>2</sup> means that the Albury CBD is a significant retail centre in the context of regional Australia.
- On an overall basis, the Albury CBD is considered to provide a high-quality shopping environment that includes a strong selection of national brand retailers.
- Lavington has a traditional role as Albury's second centre. Despite the strong performance of major tenants such as Big W, Woolworths and Coles, this is not reflected in the overall performance of the centre. The vacancy rate is higher than reasonable

industry expectations, and the relocation of the Hume Highway has negatively impacted on parts of the centre.

- Across the hierarchy of centres, Albury contains a total of 183,290m<sup>2</sup> of occupied retail floorspace, with approximately 64% of this floorspace located in the Albury CBD.

## 4 ECONOMIC ANALYSIS

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This Chapter provides a review and analysis of population and socio-economic trends relevant to the retail sector in Albury, and includes:

- Overview of retail competition
- Assessment of trading patterns generated by the retail sector
- Analysis of socio-economic characteristics of the region
- Preparation of population trends forecasts
- Estimates of retail spending by current and future residents
- Assessment of current market share and future retail development opportunities.

The regional service role served by the retail sector in Albury means that this analysis extends well outside the physical boundaries of the local government area to include a substantial rural and regional hinterland.

### 4.1 Competition Analysis

Albury competes with a number of regional centres for a share of spending by residents and visitors, particularly in relation to higher-order retailing that includes large-scale purchases and comparison shopping.

The following section outlines key regional competitors for Albury.

#### ***Wodonga***

The Wodonga Central Business Area (CBA) is located 6km south of the Albury CBD, and is the key competitor to the Albury CBD for higher-order retail shopping trips.

Wodonga CBD comprises:

- **Wodonga Plaza:** a fully enclosed sub-regional shopping centre, including a Target discount department store and Coles and Woolworths supermarkets. The centre is relatively aged in format and appearance, and incorporates a total of approximately 17,500m<sup>2</sup> of retail floorspace.
- **High Street:** this precinct is located approximately 500 metres east of Wodonga Plaza and is predominately street-based retail activity which includes Safeway and Coles supermarkets. The High Street strip offers a basic range of convenience and comparison shopping specialty shops, as well as a range of personal and professional services.

- **Balance:** the balance of the Wodonga CBA includes an ALDI and 1<sup>st</sup> Choice Liquor located opposite Wodonga Plaza, and a range of traders located in fringe areas of the CBD.

At present, the total retail occupied retail floorspace in the Wodonga CBD is estimated at approximately 40,000m<sup>2</sup>. This is equivalent to approximately one-third of the retail floorspace currently trading in the Albury CBD.

Although the Wodonga CBA provides an important range of facilities serving households living predominantly south of the Murray River, the overall range and quality of shopping in the Albury CBD is currently considered superior.

### Wodonga Revitalisation

Wodonga is undergoing a process of urban renewal associated with the removal of the former railway corridor and the commitment of considerable investment associated with Places Victoria, the Victorian Government property development agency.

At completion, 'Junction Place' will contain mix of homes, shops, public open space, cafes and restaurants, as well as opportunities for retail, entertainment and commercial development. As part of this redevelopment, a new shopping centre is being proposed (Mann Central) which will be anchored by Coles and Kmart. The proposed retail development area can be seen in Figure 4.1 below.

**Figure 4.1 Proposed Wodonga Redevelopment Area**



Source: Places Victoria

The considerable investment by the Victorian Government in the Wodonga CBA over the next 20 years means that the overall quality of the retail offering in Wodonga is expected to improve significantly over-time. It is important that this is reflected in considerations for the future of the Albury CBD.

### **Other Wodonga**

In addition to the Wodonga CBA, other centres include the following:

- **Wodonga Homemaker Centre:** located at eastern end of the Wodonga urban area, this centre incorporates a range of national brand homemaker retailers located immediately opposite a Bunnings Warehouse. This centre is the primary competition to the homemaker centre located at East Albury, and other similar traders located in the Albury CBD and Lavington.
- **Birallee:** a neighbourhood centre incorporating a Coles supermarket and specialty shops serving residential areas in the west of Wodonga.
- **White Box Rise:** a recently-developed centre incorporating a Woolworths and small amount of specialty shops primarily serving residential areas in south-east Wodonga.

### ***Wangaratta***

The Wangaratta CBD is located approximately 70km by road south-west of Albury and contains approximately 60,000m<sup>2</sup> of retail floorspace focused mainly in Murphy and Reid Streets. The traditional CBD is laid out in a grid pattern and contains Woolworths, ALDI, Big W, Target Country and Harvey Norman. A Coles and Kmart complex is located approximately 600m to the south of Murphy Street.

### ***Wagga Wagga***

Wagga Wagga is a major retail centre located 130km (by road) north of Albury. The city contains a number of high profile tenants including Myer, Target, Kmart, Coles, ALDI, Woolworths, Harris Scarfe, Officeworks and The Good Guys.

Total floorspace in the CBD is estimated at approximately 110,000m<sup>2</sup> (including the CBD North precinct located north of Wollundry Lagoon). The centre has the potential to attract customers who live in rural areas north of Albury.

### ***Other***

Smaller centres of some limited competitive relevance include Corowa, Beechworth and Holbrook.

## 4.2 Trade Area

For the purposes of analysing the role and operation of the overall retail sector in Albury City, a Trade Area has been identified that reflects the wider patronage and 'trading draw' generated by all retail centres operating in combination (CBD, Lavington, Thurgoona, East Albury Homemaker etc).

The Trade Area has been divided into three sectors that reflect the relative level of sales and patronage generated by Albury retail from each sector. This has been informed by a range of factors including:

- Results of the in-centre survey undertaken as input to this Strategy
- Discussions with retailers
- The consultant's understanding of trading patterns
- Location and quality of retail competition.

Based on these factors, the trade area has been defined to include a Primary and a Secondary sector. In order to understand more detailed trends, the Secondary has been divided further into north and south sectors.

An overall description of the trade area is as follows:

- **Primary** – the Primary sector reflects that region in which the highest market share is expected to be generated, and residents of this sector can be expected to direct most of their sales and visitation to retailers in Albury. For the purposes of this Strategy, the boundary of Albury LGA has been used to define the Primary Trade Area.
- **Secondary North** – a Secondary North sector has been defined to include the rural areas and regional towns located north of the Murray River and this includes Corowa, Howlong, Holbrook, Culcairn and Henty. Residents in this area are likely to visit Albury for a range of purposes, although they also have access to other local and regional destinations (such as Wagga Wagga).
- **Secondary South** – the Secondary South sector includes areas of north-eastern Victoria that provide regular patronage to retailers in Albury. This region includes urban Wodonga, as well as areas further afield including Chiltern, Rutherglen, Beechworth, Yackandandah and Kiewa.

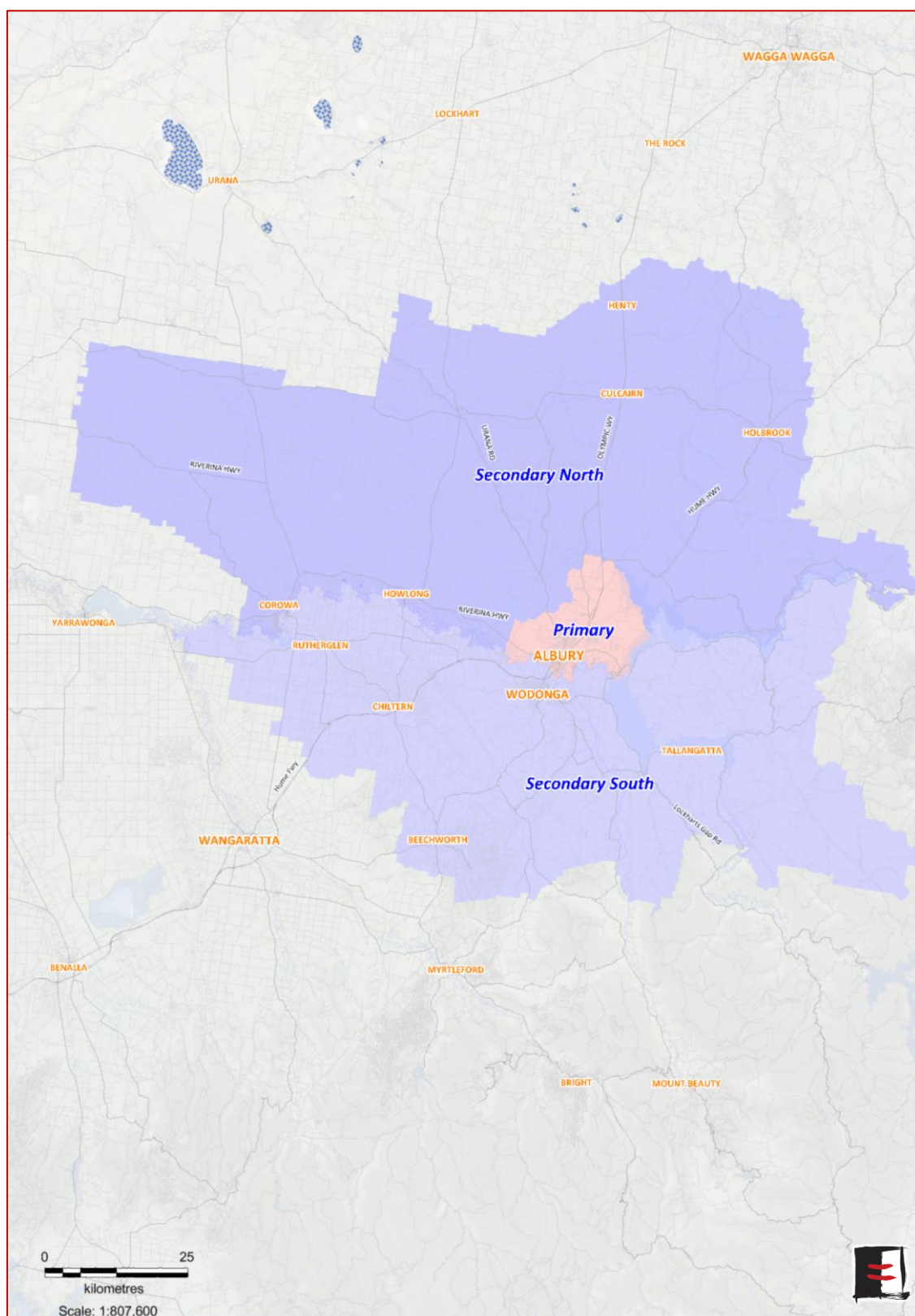
In combination, these sectors are referred to as the Albury Trade Area.

Note that areas outside the trade area may still be a consistent source of trade for selected retailers in Albury. However, the trade area definition represents that region which provides a notable and consistent source of patronage across the Albury retail sector.

A map of the Albury trade area is shown in Figure 4.2.



Figure 4.2 Competition in Albury's Catchment



Source: Essential Economics, 2015

### 4.3 Socio-Economic Characteristics

The socio-economic characteristics of residents in the Albury trade area are summarised in Table 4.1 and are based on ABS 2011 Census of Population and Housing data.

In general, the trade area demographics reflect the urban centres located in the Primary (Albury) and Secondary South (Wodonga, Beechworth etc) sectors, in comparison with the largely rural population located in the Secondary North.

The data shows the following:

- **Household Income** – median household incomes in the trade area are approximately 5.9% higher than regional NSW average. This is driven by higher incomes in the primary (6.3% higher) and the Secondary South (10.4% higher). In contrast, the largely rural Secondary North has an average income 5% lower than the regional NSW median.
- **Age profile** – the population in the Secondary North has an older median age of 43 years relative to Primary (37 years) and Secondary South (38 years).
- **Country of Birth** – the trade area is generally characterised by a high share of Australian-born population (90.4%). The Primary sector (89.2%) has the lowest share of Australian-born population, although this is still higher than the average for regional New South Wales (88.6%).
- **Dwelling Structure** – the Secondary North, as a primarily rural area, has a significant majority (92.3%) of its total dwelling stock as separate houses compared with the Primary (77.6%) and Secondary South (86.5%) sectors. Flats, units and apartments comprise a significant 16.3% of the total dwelling stock in the Primary sector.
- **Housing costs** – are generally lower in the trade area compared to regional NSW. Median monthly mortgage repayments are 7.6 % lower than the regional NSW average in the PTA, 8.2% lower in the secondary south and a significant 20.3% lower in the Secondary North.
- **Managers and Professionals** – the trade area has a slightly lower proportion of employed residents working as managers & professional (30.8%) compared to regional NSW (31.4%). The PTA has an above-average share of clerical and sales workers (36.5%) relative to the regional NSW average (34%), and this is related to the role of Albury as a key service centre for the surrounding region, including its retail role.

Overall, the review of socio-economic characteristics highlights the very different markets located to the north and south of Albury.

The Secondary North is characterised by an older demographic that has a lower income level reflecting the rural nature of this area. In contrast, the Secondary South has a younger and higher income socio-economic profile reflecting the more urbanised nature of this region.

**Table 4.1 Socio-Economic Characteristics, Albury Trade Area, 2011**

Category	Primary	Secondary North	Secondary South	Trade Area	Regional NSW
<b><u>Income</u></b>					
Median household income (annual)	\$53,320	\$47,620	\$55,410	<b>\$53,130</b>	\$50,150
Variation from Rest of NSW median	6.3%	-5.0%	10.5%	<b>5.9%</b>	0.0%
% of H'holds earning \$2,500pw or more	11.8%	8.7%	10.4%	<b>10.7%</b>	12.7%
<b><u>Age Structure</u></b>					
0-4 years	6.5%	6.0%	6.8%	<b>6.5%</b>	6.3%
5-19 years	20.4%	20.9%	21.6%	<b>21.0%</b>	19.7%
20-34 years	19.7%	12.3%	17.1%	<b>17.4%</b>	16.0%
35-64 years	38.2%	40.5%	40.5%	<b>39.6%</b>	39.9%
65-84 years	12.9%	18.0%	12.3%	<b>13.4%</b>	15.7%
85 years and over	2.3%	2.3%	1.8%	<b>2.1%</b>	2.3%
Median Age (years)	37	43	38	<b>39</b>	41
<b><u>Country of Birth</u></b>					
Australia	89.2%	93.0%	90.5%	<b>90.4%</b>	88.6%
Other Major English Speaking Countries	4.8%	4.3%	4.5%	<b>4.6%</b>	5.9%
Other Overseas Born	6.0%	2.7%	5.0%	<b>5.1%</b>	5.5%
% speak English only at home	94.4%	98.2%	96.1%	<b>95.7%</b>	94.7%
<b><u>Dwelling Structure</u></b>					
Separate house	77.6%	92.3%	86.5%	<b>83.8%</b>	83.4%
Semi-detached, terrace house etc	5.6%	2.0%	6.0%	<b>5.2%</b>	7.3%
Flat, unit or apartment	16.3%	4.6%	6.7%	<b>10.3%</b>	7.7%
Other dwelling	0.5%	1.1%	0.8%	<b>0.7%</b>	1.5%
Average household size	2.4	2.4	2.5	<b>2.4</b>	2.4
<b><u>Housing Costs</u></b>					
Median monthly mortgage repayment	\$1,460	\$1,260	\$1,450	<b>\$1,430</b>	\$1,580
Variation from Rest of NSW median	-7.6%	-20.3%	-8.2%	<b>-9.5%</b>	0.0%
Mortgage as a share of h'hold income	32.9%	31.8%	31.4%	<b>32.3%</b>	37.8%
Median weekly rents	\$200	\$170	\$210	<b>\$200</b>	\$220
Variation from Rest of NSW median	-9.1%	-22.7%	-4.5%	<b>-9.1%</b>	0.0%
<b><u>Occupation</u></b>					
Managers & professionals	30.4%	32.1%	30.8%	<b>30.8%</b>	31.4%
Clerical & sales workers	36.5%	28.3%	33.1%	<b>33.7%</b>	34.0%
Technicians & trades workers	15.3%	15.0%	16.3%	<b>15.7%</b>	15.4%
Machinery operators & drivers	7.4%	8.8%	7.8%	<b>7.8%</b>	7.7%
Labourers & related workers	10.5%	15.8%	12.0%	<b>11.9%</b>	11.5%

Source: 2011 ABS Census of Population and Housing, Essential Economics

#### 4.4 Population Trends and Forecasts

In 2015, the Albury trade area has an estimated population of 127,920 persons. This includes a total of 51,480 persons in the Primary; 19,160 persons in the Secondary North; and 57,280 persons in the Secondary South.

Population estimates and forecasts are shown in Table 4.2 have been prepared with regard to Albury's mid forecast, official Australian Bureau of Statistics (ABS) population estimates, Victoria in Future 2014 forecasts, the latest forecasts prepared by the Department of Transport,

Planning and Local Infrastructure (DTPLI, 2014), and forecasts prepared by the NSW Department of Planning and Environment.

Key population trends identified for the trade area to 2035 are as follows:

- The population in the Primary sector is forecast to increase by +6,840 residents over the next 20 years at an average annual rate of +0.6% p.a.
- The Secondary North is forecast to experience total population growth of +1,400 persons over the period to 2035 at an average annual rate of 0.4%
- The fastest rate of population growth is forecast for the Secondary South which is expected to have total growth of +11,530 residents in the period to 2035 at an average annual growth rate of 0.9%.

These population trends are indicative of growth patterns in Regional Victoria and NSW, where regional centres such as Albury and Wodonga are experiencing modest population growth, with the surrounding rural areas experiencing stable or marginally declining population levels.

For Albury, it is important to note that 58% of forecast population growth in the Albury trade area is expected to occur in the Secondary South over the next 20-years. This reflects higher rates of population growth forecast for Wodonga relative to Albury.

**Table 4.2 Population Forecasts for Albury Trade Area, 2015 to 2035**

Trade Area	2015	2020	2025	2030	2035	Average Annual Growth
Primary	51,480	53,510	55,320	56,980	58,320	0.6%
Secondary North	19,160	19,510	19,910	20,240	20,560	0.4%
Secondary South	57,280	59,960	62,860	65,850	68,810	0.9%
<b>Total Secondary</b>	<b>76,430</b>	<b>79,470</b>	<b>82,760</b>	<b>86,090</b>	<b>89,370</b>	<b>0.8%</b>
<b>Albury Trade Area</b>	<b>127,920</b>	<b>132,980</b>	<b>138,090</b>	<b>143,080</b>	<b>147,690</b>	<b>0.7%</b>

Source: Essential Economics, .id forecasts

### **Population Growth Patterns**

Over coming years, population growth in the Albury trade area is expected to be primarily generated by urban growth on the fringe of Albury (mainly Thurgoona) and Wodonga (Leneva Baranduda growth area).

Some limited opportunities for infill development will also occur in established areas of Albury and Wodonga. This potentially includes growth in the unit and apartment market in both Albury and Wodonga, as a reflection of changing lifestyle needs and an increasing acceptance of this form of housing across Australia, including regional areas.

## 4.5 Retail Spending Analysis

### *Per Capita Retail Spending, 2015*

Estimates of per capita retail spending by trade area residents have been prepared with reference to the *MarketInfo* retail spending model. *MarketInfo* is a micro-simulation model which uses data from the ABS Household Expenditure Survey, the ABS Census of Population and Housing, ABS Australian National Accounts, and other relevant sources.

Estimates of average per capita retail spending in 2015 for trade area residents are shown in Table 4.3, and are compared with the regional NSW average. A detailed breakdown of the average per capita retail spending by Primary and Secondary sector residents is also shown.

Average per capita retail spending by Albury trade area residents in 2015 is estimated at \$13,130 p.a. which is approximately 0.8% above the regional NSW average, and comprises:

- Food, Liquor and Grocery (FLG): \$5,680 p.a.
- Food catering: \$1,020 p.a.
- Non-food merchandise: \$5,980 p.a.
- Retail services: \$450 p.a.

**Table 4.3 Albury Trade Area Per Capita Retail Spending, 2015 (\$2015)**

Trade Area	Food, Liquor and Groceries	Food Catering	Non-Food	Services	Total
<b><u>Average Per Capita Retail Spending, 2015</u></b>					
Primary	\$5,670	\$1,060	\$5,870	\$480	\$13,080
Secondary North	\$5,670	\$940	\$5,460	\$440	\$12,510
Secondary South	\$5,690	\$1,000	\$6,240	\$430	\$13,360
<b>Albury Trade Area</b>	<b>\$5,680</b>	<b>\$1,020</b>	<b>\$5,980</b>	<b>\$450</b>	<b>\$13,130</b>
<i>Regional NSW</i>	<i>\$5,700</i>	<i>\$1,010</i>	<i>\$5,760</i>	<i>\$560</i>	<i>\$13,030</i>
<b><u>Variation from Regional NSW</u></b>					
Primary Trade Area	-0.5%	5.0%	1.9%	-14.3%	0.4%
Secondary North	-0.5%	-6.9%	-5.2%	-21.4%	-4.0%
Secondary South	-0.2%	-1.0%	8.3%	-23.2%	2.5%
<b>Albury Trade Area</b>	<b>-0.4%</b>	<b>1.0%</b>	<b>3.8%</b>	<b>-19.6%</b>	<b>0.8%</b>

Source: MarketInfo; Essential Economics. Figures rounded

Per capita spending is highest from Secondary South residents (\$13,130 per capita) and lowest for residents of the Secondary North (\$12,510 per capita).

### ***Total Retail Spending, 2015 to 2035***

In 2015, total available retail spending by trade area residents is estimated at \$1,679 million, which includes:

- Food, Liquor and Groceries: \$726 million
- Food catering: \$130 million
- Non-food: \$764 million
- Services: \$58 million.

A total of \$674 million or 40% of available retail spending by the trade area residents in 2015 is generated by people living in the Primary Sector.

Forecasts of spending have been prepared for the period to 2035, with the application of real growth in spending per capita based on historical growth rates in retail spending over the past 20 years. These rates are derived from ABS Australian National Accounts data and reflect an average growth rate of 1.2% pa. The forecasts are expressed in constant 2015 prices and therefore exclude inflation.

Real growth in retail spending per capita is generated by a mix of economic growth, household credit and lifestyle factors. Therefore, although forecast population growth in the trade area is moderate, a significant increase in the total retail spending of trade area residents is forecast to occur over the next 20 years. This growth in available retail spending has the potential to contribute to future retail development opportunities in Albury.

Total retail spending by residents in the Albury trade area is forecast to increase to \$2,441 million by 2035, at an overall increase of 1.9% pa.

In 2035, total retail spending by Albury trade area residents is forecast to comprise \$959 million from Primary sector residents, \$322 million from Secondary North residents and \$1,160 million from Secondary South residents.

As described above and shown in Table 4.4, in 2035, total available retail spending by trade area residents is estimated at \$2,441 million, comprising:

- Food, Liquor and Groceries: \$894 million
- Food catering: \$172 million
- Non-food: \$1,282 million
- Services: \$93 million.

**Table 4.4 Total Retail Spending Albury Trade Area, 2015 to 2035 (\$2015)**

Retail Category	2015	2020	2025	2030	2035	Average Annual Growth, 2015-2035
<b><u>FLG</u></b>						
Primary	\$292m	\$309m	\$325m	\$340m	\$353m	1.0%
Secondary North	\$109m	\$113m	\$117m	\$121m	\$124m	0.7%
Secondary South	<u>\$326m</u>	<u>\$348m</u>	<u>\$370m</u>	<u>\$393m</u>	<u>\$417m</u>	<u>1.2%</u>
<b>Albury Trade Area</b>	<b>\$726m</b>	<b>\$770m</b>	<b>\$811m</b>	<b>\$853m</b>	<b>\$894m</b>	<b>1.0%</b>
<b><u>Food Catering</u></b>						
Primary	\$55m	\$59m	\$63m	\$67m	\$71m	1.3%
Secondary North	\$18m	\$19m	\$20m	\$21m	\$22m	1.0%
Secondary South	<u>\$57m</u>	<u>\$62m</u>	<u>\$67m</u>	<u>\$73m</u>	<u>\$79m</u>	<u>1.6%</u>
<b>Albury Trade Area</b>	<b>\$130m</b>	<b>\$140m</b>	<b>\$150m</b>	<b>\$161m</b>	<b>\$172m</b>	<b>1.4%</b>
<b><u>Non-Food</u></b>						
Primary	\$302m	\$343m	\$390m	\$441m	\$496m	2.5%
Secondary North	\$105m	\$116m	\$131m	\$146m	\$163m	2.2%
Secondary South	<u>\$357m</u>	<u>\$409m</u>	<u>\$471m</u>	<u>\$542m</u>	<u>\$622m</u>	<u>2.8%</u>
<b>Albury Trade Area</b>	<b>\$764m</b>	<b>\$868m</b>	<b>\$991m</b>	<b>\$1,129m</b>	<b>\$1,282m</b>	<b>2.6%</b>
<b><u>Services</u></b>						
Primary	\$25m	\$28m	\$31m	\$35m	\$39m	2.3%
Secondary North	\$8m	\$9m	\$10m	\$11m	\$13m	2.0%
Secondary South	<u>\$25m</u>	<u>\$28m</u>	<u>\$32m</u>	<u>\$36m</u>	<u>\$41m</u>	<u>2.6%</u>
<b>Albury Trade Area</b>	<b>\$58m</b>	<b>\$65m</b>	<b>\$73m</b>	<b>\$83m</b>	<b>\$93m</b>	<b>2.4%</b>
<b><u>Total Retail</u></b>						
Primary	\$674m	\$739m	\$809m	\$883m	\$959m	1.8%
Secondary North	\$240m	\$257m	\$278m	\$299m	\$322m	1.5%
Secondary South	<u>\$765m</u>	<u>\$846m</u>	<u>\$940m</u>	<u>\$1,044m</u>	<u>\$1,160m</u>	<u>2.1%</u>
<b>Albury Trade Area</b>	<b>\$1,679m</b>	<b>\$1,842m</b>	<b>\$2,026m</b>	<b>\$2,226m</b>	<b>\$2,441m</b>	<b>1.9%</b>

Source: MarketInfo; Essential Economics. Figures rounded

## 4.6 Retail Turnover and Market Share Analysis

### *Sales*

Retail facilities in Albury are estimated to be generating total sales in the order of \$878 million in 2015, as shown in Table 4.5. This (rounded) figure includes:

- Food, liquor and grocery turnover: \$305 million
- Food catering turnover: \$96 million
- Non-food turnover: \$446 million
- Services turnover: \$31 million.



In this context, total retail turnover comprises sales that are attributable to residents of the Albury City trade area and to non-residents, including tourists.

These estimates have been prepared by applying appropriate estimates of average turnover productivity (i.e. dollar sales per sq. metre) to the retail floorspace estimates shown in Table 4.5. Where possible, these turnover estimates are based on published sales data from the Property Council of Australia, and other industry media sources including SCN and Inside Retailing magazines, and from an assessment of likely turnover performance of individual retailers gathered from the floorspace surveys conducted as input to this Strategy.

The figures presented in Table 4.5 should be regarded as a fair and reasonable approximation of existing trading conditions in Albury.

**Table 4.5 Albury Retail Turnover, 2015 (\$2015)**

Centre	Food, Liquor & Groceries	Food Catering	Non-food	Services	Total Retail
Albury CBD	\$129m	\$68m	\$313m	\$20m	<b>\$531m</b>
Lavington	\$119m	\$20m	\$66m	\$11m	<b>\$216m</b>
Homemaker Centre	\$0m	\$2m	\$66m	\$0m	<b>\$68m</b>
Thurgoona	\$27m	\$2m	\$1m	\$0m	<b>\$30m</b>
East Albury	\$14m	\$3m	\$0m	\$0m	<b>\$17m</b>
Springdale	\$15m	\$1m	\$0m	\$0m	<b>\$16m</b>
<b>Total Albury</b>	<b>\$305m</b>	<b>\$96m</b>	<b>\$446m</b>	<b>\$31m</b>	<b>\$878m</b>

Source: Essential Economics

### **Market Share**

A measure of the relative trading performance of the retail sector in Albury is the 'market share' of total retail spending by residents that is directed to centres.

Of the \$878 million of total retail sales in Albury, an estimated \$760 million or 87% is derived from residents of the Albury trade area.

This represents 45% of total available spending by residents of the Albury trade area or, alternatively, can be expressed as Albury retailers capturing 45 cents in every dollar spent on retail goods and services by all residents of the trade area .

By individual sector, the market shares are as follows, as shown in Table 4.6:

- Primary sector (Albury LGA): 86%
- Secondary sector: 18%

A key objective for the Strategy is ensuring that in the future, these market shares are maximised to ensure that the economic opportunities for the retail sector in Albury are realised.

**Table 4.6 Albury Retail Market Share, 2015 (\$2015)**

Area	Sales	Share of Sales	Retail Spending	Market Share
Primary Sector	\$582m	66%	\$674m	86%
Secondary Sector	\$178m	20%	\$1,005m	18%
<b>Albury Trade Area</b>	<b>\$760m</b>	<b>87%</b>	<b>\$1,679m</b>	<b>45%</b>
Beyond	\$118m	13%	-	-
<b>Total</b>	<b>\$878m</b>	<b>100%</b>	-	-

Source: Essential Economics

***Escape Spending***

'Escape spending' refers to the extent to which retail spending by residents within a particular region is directed to retail locations outside that region. A high level of escape spending identifies a relative lack of conveniently-located retail facilities in the area, and may indicate latent demand for additional retail development. Alternatively, it may also indicate that the range and type of retail facilities in a region are not meeting the needs of local residents, and that residents are therefore shopping outside the region.

An important point is that by reducing escape spending (by increasing local retail sales activity), opportunities are created to increase locally-generated jobs, particularly for young people (who comprise the majority of retail staff), leading to increased wages and salaries and a stimulus to the local economy.

The broad analysis of escape spending presented here is based on estimates of available spending by Albury residents, and estimates of existing retail sales at shops in Albury that are attributable to local residents. Note again that the Primary trade area corresponds with the Albury LGA.

The escape spending analysis is presented in Table 4.7 and shows that in 2015 a total of approximately \$92 million in retail spending by residents in Albury 'escapes' to retail facilities located outside the LGA. This represents approximately 14% of total available retail spending by the City's residents.

This level of escape spending – i.e. 14% of all retail spending by residents directed to retail facilities located outside the region – would be higher except for the location of major shopping facilities in the LGA that serve both regional and sub-regional markets.

**Table 4.7    Escape Spending from Albury, 2015 (\$2015m)**

<b>Factor</b>	<b>Total</b>
Total Sales	\$878m
Sales to Albury Residents	\$582m
Available Spending by Residents	\$674m
Escape Spending	\$92m
<b><i>Escape Spending as Share of Available Spending</i></b>	<b>14%</b>

Source: Essential Economics

The analysis indicates there is a low overall degree of escape spending from Albury, which is well within reasonable expectations for a regional area. Note that some spending will always be directed to Wodonga, other major regional cities and metropolitan areas (Melbourne, Sydney and Canberra).

Furthermore, internet sales that do not have a local 'bricks and mortar' component, such as books purchased from an overseas website, will also comprise part of this escape spending. These are called 'internet-only' sales.

Overall, escape spending is not considered to be an issue that is resulting in a significant foregone economic opportunity for Albury. In the future, escape spending levels at or marginally below the current level of 14% should be considered a successful policy outcome.

## **4.7    Forecast Retail Floorspace Requirements**

Opportunities for new retail development in Albury will occur as a result of the following factors:

- Population growth, which generates additional demand for retail goods and services
- Real growth in per capita retail spending, which is ongoing in an environment of economic growth, and which generates retail demand by existing and future residents
- Opportunities for additional 'market share' of the available spending by residents of the trade area, and from tourists and other visitors
- Opportunities to increase the share of resident spending that is captured by retail facilities in the region (i.e., a reduction in escape spending).

These factors form the basis for this assessment of opportunities for new retail development in Albury over the period 2015 to 2035.

***In view of the degree of uncertainty associated with longer-term spending forecasts (i.e. over a 20-year period), the following analysis should be seen as an indicative forecast, and should not form the basis of prescriptive policies limiting further retail development.***

## ***Forecast Retail Turnover***

### **Market Share**

Based on current market share patterns, an estimated 45% of spending by Albury trade area residents is directed to traders in Albury.

It is the objective of retail policy to ensure that in the future this market share of spending is maximised through the provision of retail facilities that continue to meet the needs of consumers. This will be associated with:

- Continued improvements to existing centres
- The provision of new retail facilities in existing centres, and new centres associated with urban growth areas
- Increased spending and visitation from residents of the Secondary sector of the Albury trade area.

However, factors that will serve to *reduce* the achievable market share of activity centres in Albury include:

- Improvements to other competing centres, such as Wodonga and Wagga Wagga, that reduce the need of residents in regional areas to visit Albury
- Continued escape spending to higher-order centres located in metropolitan areas of Melbourne, Sydney and Canberra that provide a scale and range of retail goods and services unable to be provided in Albury
- Growth in internet-only spending.

In the analysis shown in Table 4.8 (over page), two scenarios are applied in which it is assumed that the market share of additional spending generated by trade area residents is either 35% (Base Case) or 55% (Growth Scenario).

The **Base Case** represents an outcome where a decline in the market share of Albury is occurring due to the factors identified previously. This is effectively a 'Do Nothing' scenario for Albury and the local retail sector.

Under the Base Case scenario, by 2035 an estimated \$267 million of spending growth by residents of the trade area is retained at local retail facilities.

In contrast, the outcomes for the **Growth Scenario** are associated with the development of a retail sector in Albury that best meets the needs of local residents, as well as people living outside Albury who visit the LGA to undertake shopping. This represents outcomes associated with an active and dynamic retail sector in Albury, including measures identified in this Strategy.

Under the Growth Scenario, by 2035 an estimated \$419 million of spending by residents of the trade area is retained at local retail facilities.

**Table 4.8 Increase in Trade Area Spending to Albury, 2015 to 2035 (\$2015)**

Item	Base Case	Growth Scenario
<u>Retail Spending (\$m)</u>		
2015-2025	+\$347 m	+\$347 m
2025-2035	+\$415 m	+\$415 m
<b>Total Spending Growth</b>	<b>+\$762 m</b>	<b>+\$762 m</b>
Market Share of Retail Spending Growth	35%	55%
<u>Retained Spending (Sales \$m)</u>		
2015-2025	+\$121 m	+\$191 m
2025-2035	+\$145 m	+\$228 m
<b>Total Spending Growth Retained</b>	<b>+\$267 m</b>	<b>+\$419 m</b>

**Captured Spending**

An opportunity to support additional retail facilities will also arise from “captured” spending by visitors and tourists to Albury. Approximately 13% of current retail turnover in Albury is derived from captured spending from people living outside the Albury trade area.

A higher allowance of 18% captured spending is applied in the Growth Scenario, with this additional captured spending potentially generated by outcomes which include:

- Improvements to the Albury CBD that enhance its operation as a premium shopping destination in southern NSW and north-eastern Victoria
- Forecast increases to tourism visitation levels over coming years
- Continued growth in the homemaker/bulky goods sector that typically draws patronage from a wide geographic area.

Based on the analysis shown in Table 4.9 (over page), it is estimated that the increase in total retail sales in Albury over the period 2015 to 2035 will be approximately \$296 million under the Base Case, and approximately \$511 million under the Growth Scenario.

In effect, an additional **\$215 million** in retail sales by 2035 is the economic opportunity associated with the application of the Retail Development Strategy and other measures to support the growth of the retail sector in Albury. This is calculated as the difference between sales achieved in the Base Case relative to the outcomes achievable with the Growth Scenario.

**Table 4.9 Albury Forecast Retail Sales Growth, 2015 to 2035 (\$2015)**

Item	Base Case	Growth Scenario
<u>Retained Spending - Table 4.8</u>		
2015-2025	+\$121 m	+\$191 m
2025-2035	+\$145 m	+\$228 m
<b>Total Retained Spending Growth</b>	<b>+\$267 m</b>	<b>+\$419 m</b>
<u>Plus Sales from beyond Trade Area</u>		
<i>Share of Sales from Beyond Trade Area</i>	<i>10%</i>	<i>18%</i>
2015-2025	+\$13 m	+\$42 m
2025-2035	+\$16 m	+\$50 m
<b>Total Sales Growth From Beyond Trade Area</b>	<b>+\$30 m</b>	<b>+\$92 m</b>
<u>Retail Sales Growth in Albury</u>		
2015-2025	+\$135 m	+\$233 m
2025-2035	+\$161 m	+\$279 m
<b>Total Sales Growth (Trade Area and Beyond)</b>	<b>+\$296 m</b>	<b>+\$511 m</b>

Source: Essential Economics

In view of the forecast growth in retail spending, the opportunity for new retail floorspace has been calculated by applying average sales levels that reflect the requirement for new retail development. Typically, these sales levels are higher than that achieved by established retailers, which recognises the additional costs borne by new retail shops (in building costs, fit-out stock, etc).

It is also important to note that not all new retail sales will necessarily be reflected in new retail development. A share of retail sales growth will also be directed to existing retailers.

In this instance, an estimated 50% share of the growth in total sales shown in Table 4.9 is expected to be directed to existing retail facilities, thus supporting continuing improvements in retail performance for these existing retailers.

Total sales to support new retail development over the period 2015 to 2035 is therefore estimated at approximately \$148 million under the Base Case, and approximately \$256 million under the Growth Scenario.

These calculations are presented in Table 4.10, and show that **potential will exist for the provision of between 22,800m<sup>2</sup> and 39,400m<sup>2</sup> of additional retail floorspace in Albury over the period 2015 to 2035.**

**Table 4.10 Albury Indicative Retail Floorspace Growth, 2015 to 2035 (\$2015)**

Item	Base Case	Growth Scenario
<u>Sale Available to New Retail Facilities, \$million</u> <u>(@50% of total growth)</u>		
2015-2025	\$67 m	\$116 m
2025-2035	\$81 m	\$139 m
<b>Total Retail Sales</b>	<b>\$148 m</b>	<b>\$256 m</b>
<u>Additional Supportable Retail Floorspace, m<sup>2</sup></u>		
<u>Floorspace Increase, m<sup>2</sup></u>		
2015-2025	+10,800m <sup>2</sup>	+18,600m <sup>2</sup>
2025-2035	+12,000m <sup>2</sup>	+20,800m <sup>2</sup>
<b>Total Floorspace Growth</b>	<b>+22,800m<sup>2</sup></b>	<b>+39,400m<sup>2</sup></b>

Source: Essential Economics

## 4.8 Implications for the Strategy

Key Implications for the Retail Strategy identified in this Chapter include the following:

- An Albury trade area has been defined that reflects the wider patronage and 'trading draw' generated by all centres operating in combination. The trade area includes a Primary sector (effectively the Albury LGA boundary) and a Secondary Sector that extends into regional areas to the north and south.
- In 2015, the population of the Albury trade area is estimated at 127,920 persons including 51,480 people in the Primary sector. By 2035, the trade area population is forecast to increase to 147,690 people, including 58,320 persons in the Primary sector.
- Importantly for Albury, 58% of total population growth in the Albury trade area is forecast for the southern part of the Secondary sector, reflecting higher rates of population growth for the Wodonga urban area.
- Total retail spending by residents of the Albury trade area is forecast to increase from \$1,679 million in 2015 to approximately \$2,441 million in 2035 (expressed in constant 2015 dollars).
- At present, the retail sector in Albury generates a market share of approximately 45% of spending by residents of the trade area. This includes 86% of spending by Primary sector residents and 18% from residents of the Secondary sector.
- Total requirement for additional retail floorspace in Albury is forecast to be between 22,800m<sup>2</sup> and 39,400m<sup>2</sup> over the period to 2035.
- A key competitor for Albury's higher-order shopping offer is the Wodonga CBA. Although the Wodonga CBA is currently under-performing relative to the Albury CBD, the centre remains an important competitor to Albury retailers. This competition will be potentially enhanced by the urban renewal activities in Wodonga, with substantial support and investment from the Victorian Government.



## 5 ISSUES AND OPPORTUNITIES ASSESSMENT

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### 5.1 Issues

A number of issues facing the retail sector in Albury have been identified both in discussions with the community and business owners and during the background work for this report. These issues are outlined in detail below.

#### ***Perception of safety***

Discussions with local retailers and findings from the intercept survey indicate that a number of security incidents have occurred in recent years which have impacted adversely on the perception of safety for visitors to the CBD and Lavington. A number of local residents have indicated that perceived safety concerns would prevent them from visiting retail areas after hours and from visiting certain locations.

It is important that perceptions of poor personal safety and security are not allowed to linger. Albury should focus on being known as a 'clean, safe and friendly' place, and if even one of these ideals is compromised the retail sector will be negatively impacted.

#### ***Competition from the internet***

Retailers across Australia have experienced growing competition from online retailers in recent years. High freight costs and a small market size can result in higher prices in regional areas, including Albury. Online retailers are able to offer reduced prices, variety and convenient home delivery, all of which impacts on traditional bricks and mortar retail.

Retail categories that are most vulnerable to impacts from online retailing include clothing, homewares, leisure goods and electronics – particularly mid-market and high-end products. These categories comprise a significant proportion of Albury's retail sector, and as such may mean Albury is vulnerable to future impacts from the continued growth of internet sales.

#### ***Availability of Car Parking***

The perception exists within the community that the car parking available within the Albury CBD is inadequate. While Council has already identified in its Parking Strategy that the city cannot provide parking for 'absolute' peaks, the number of car parking spaces available is considered adequate for the population. Council will therefore be required to manage the output of information and consumer expectations around this issue.

#### ***Wodonga redevelopment***

Central Wodonga is currently receiving significant investment as part of an urban renewal program. This will revitalise the Wodonga CBA, providing improved retail options for customers.

In part, this renewal will strengthen the regional draw of the wider Albury-Wodonga urban area. However, it is important that Albury does not become complacent, and remains proactive in attracting investment and staying relevant to customers. This is particularly true for the Albury CBD which must retain its role as the higher-order 'Central Activities District' serving southern New South Wales and north-eastern Victoria.

### ***Tired anchor tenants (Myer, Coles, Kmart)***

A number of major tenants in Albury have seen little investment in recent years. As a result, these stores may experience a reduced ability to draw customers from across the wider region.

Despite recent changes in the retail sector, anchor tenants such as supermarkets and discount department stores continue to be very important in driving customer traffic to the benefit of nearby speciality shops. As such, if anchor tenants don't invest in their stores, smaller retailers suffer.

### ***CBD Fringe areas***

Businesses around the retail core of Dean Street perform strongly and exhibit high levels of customer traffic. In contrast, some areas of the outside this core retailing area have significantly lower levels of amenity and customer traffic. Considering options to extend the retail core, or create strong secondary levels of activity, may provide new retail opportunities and increase the total strength of the CBD.

### ***Streetscape and pedestrian amenity in Lavington***

Despite the realignment of the Hume Highway, a large amount of freight traffic continues to travel through Lavington. Furthermore, the overall layout of the centre is currently not suited to an integrated street-based shopping experience. As a result, poor pedestrian amenity is reducing the achievable sales of traders located outside of the core retail area of Lavington Central and Lavington Coles.

### ***Lavington's Role and Function***

Lavington has a number of high-performing tenants with Coles, Woolworths and Big W all understood to be performing strongly, and ALDI relocating to a larger store to meet demand. However, the overall centre has a high number of vacancies and poor-performing stores.

The realignment of the Hume Highway has led to improved access to the Albury CBD for customers in Thurgoona, and this has reduced Lavington's service centre role for this catchment. Lavington's eclectic mix of light industrial uses, showrooms, homemaker retail and convenience retailing makes it difficult to precisely define the role and function of the centre in Albury's retail hierarchy.

### ***How will Thurgoona evolve within the retail hierarchy?***

Thurgoona is the major growth area in Albury and at completion (30-plus years) is expected to be home to approximately 50,000 residents. As part of this growth, a retail network has been planned which will create a major new 'District centre' serving a sub-regional retail role, and two new neighbourhood centres. It will be important that Thurgoona's role in the evolution of the Albury retail hierarchy is carefully managed so that growth can occur in a sustained and appropriate way.

## **5.2 Opportunities**

A number of opportunities to strengthen and increase sales and visitation to the retail sector have been identified. The following outlines a selection of these key opportunities.

### ***Collective marketing and trader collaboration***

Working as a collective will increase the strength of Albury's retail areas. At a basic level, retailers should support each other and think of themselves as operating collectively to grow overall sales. For example, when approached by a customer or visitor about where to make a particular purchase, retailers should be proactive in directing them to a local outlet and providing a map showing where that store is located.

On a larger scale, opportunities exist for traders to work collectively on customer loyalty programs, and to provide package deals for retail and entertainment.

### ***Web Presence***

As competition from online retailers increases, it is important for retailers in Albury to have a greater web presence, including facilities for customers to shop for goods and services online. It is not unusual in regional areas for retailers to have a lower understanding of, and exposure to, online marketing and sales channels.

Many retailers in Albury do not have an existing web presence, or a web presence that is up-to-date and includes dynamic (i.e. changing) content. The opportunity exists for stakeholders to help educate the traders of the importance of an appropriate online presence.

Despite a number of local business groups indicating their opposition to the idea in the business survey (see appendix B), Albury retail groups should have collective online marketing and promotions. It is important these sites are updated regularly and have a high level of functionality.

### ***Mobile Technology***

Mobile technology can now sense when a user is within a 'geofence' and send tailored marketing material. For example, special offers could be circulated to people in the city or people exiting the train station could be alerted to events. Furthermore, opportunities for

targeted mobile advertising and data mining should be explored to improve knowledge of the customer base and ensure that marketing reaches as many potential consumers as possible.

### ***Pedestrian, cyclist and public transport access***

Improving access for pedestrians and cyclists, and improved public transport options, will encourage more people to visit retail locations in Albury, Lavington and Thurgoona. While the current levels of parking available are considered adequate, these transport options can reduce demand for road space and parking, and represent cost-effective solutions when measured against the high capital costs associated with creating additional road and parking infrastructure for motor vehicles.

Cycling is one of the fastest growing recreational pastimes in Australia and this encourages social interaction and improved health and fitness. Centres across Australia are investing heavily in improved cycling infrastructure, including end-point facilities (bike racks, showers etc).

Furthermore, high quality pedestrian links can increase the amount of time (and thus money) that local residents spend in their local shopping centres.

Improvements to the variety and frequency of public transport also represent an opportunity to increase overall levels of accessibility and visitation to the Albury CBD and Lavington.

### ***Embrace difference in tenant mix***

An increased range of boutique and independent traders would provide a point of difference to the retail mix in Albury. Although the high share of national brand name stores is considered an advantage, an increased diversity of traders may help draw additional customers by creating a tenancy mix that is unique to Albury. This is already in evidence with the Volt Lane/AMP Lane development which includes independent and boutique traders located immediately off Dean Street.

Another option to drive a point-of-difference is for Albury to be a 'brand pioneer' for emerging national brands and international brands seeking to establish in regional Australia.

### ***The Albury Cultural Precinct***

Albury's Cultural Precinct is made up of the award winning LibraryMuseum which attracts in excess of 200,000 visitors per year, the soon to be opened MAMA (Murray Art Museum Albury), the Retro Youth Cafe and the Albury Entertainment Centre. Located in the heart of the precinct is QEII Square, which provides the CBD with an attractive centralised gathering place and open space area for hosting a diverse range of events.

As a result, the Albury CBD benefits from key pieces of social and cultural infrastructure that create significant opportunities for the retail sector. Promoting the cultural precinct and the 'Albury Experience' for visitors living outside the LGA can be a point of difference to competing regional centres.

### ***Targeted events***

The events program for Albury is an important driver of visitation and sales for local retailers, and is important in building awareness of the Albury retail sector to non-residents. Over the course of a year, the events program should be targeted to ensure people across all major age and cultural groups are catered for.

On a more occasional basis, major cultural events of national and even international profile (an example is the 2012 Grace Kelly Exhibition in Bendigo) can draw attendance from across south-eastern Australia who will stay in Albury and support retail and other services. These exhibitions are major undertakings, and so would only be undertaken every 2 to 3 years. However, these successful signature events operate as a short-term major drawcard, with a longer-term benefit in terms of driving future repeat visitation. The importance of event attraction is outlined in the Albury Event Attraction Strategy.

### ***Tourism and Visitors***

Albury's strategic location on the Hume Highway provides an excellent opportunity to attract visitors to the town. Albury has a strong domestic tourism market, with international visitors only accounting for 3% of total visitors. During 2013, over 47% of domestic visitors came to see friends and relatives, while holiday travellers accounted for 25% of visitors. Moreover, between 2012 and 2013 domestic overnight visitors increased their total spend by \$30 to \$157 per night.

A significant increase (66.6%) in the number of day trip visitors to Albury occurred in 2013 when compared to 2012. This may be reflective of the strong events program and investment in visitor amenity from AlburyCity.

These visitor groups present an excellent opportunity to increase short-term spending, while strengthening market share from outside of Albury.

## **5.3 Ten Ideas to Grow Market Share**

The following represents ten ideas to build market share in Albury which are explored in more detail in the subsequent *Albury Retail Development Strategy 2015 to 2025*:

- 1 **Encourage boutique and independent traders** (including pop up shops) to locate in the Albury CBD, particularly on the fringe of core retailing areas.
- 2 **Build on the existing events program across Albury to include more community-led activities** which cater to community members from different age groups and cultural backgrounds.
- 3 **Attract local retailers with innovative concepts and emerging international retailers to Australia** to create excitement and draw more customers from across the surrounding region.

- 4 **Improve public transport, cycling and pedestrian access and amenity** so as to reduce the pressures on parking and to provide residents with increased transport choice.
- 5 **Encourage a selection of events of international and national significance to Albury** as outlined in the Event Attraction Strategy in order to drive growth in the tourist market and encourage visitors to support complementary retail facilities.
- 6 **Promote the substantial social and cultural infrastructure in Albury** to drive the creation of a unique 'Albury Experience' that includes a high-quality shopping environment.
- 7 **Bring the local business community together to undertake collaborative marketing and promotions** that adopts new technologies, and educate traders on the importance of the internet as a sales and marketing tool.
- 8 **Improve the sense of place in Lavington**, including the implementation of recommendations in the Lavington Masterplan, e.g. streetscape improvements, traffic calming and way finding signage. Integrate this urban design change with an economic revitalisation program.
- 9 **Improve the perception of safety and personal security** in Lavington and the Albury CBD through the implementation, in coordination with relevant stakeholders, of appropriate measures (e.g. CCTV, improved lighting and graffiti management). Passive surveillance opportunities should also be emphasised in the planning and design of retail and associated spaces.
- 10 **Encourage re-investment in the major shopping centres in Albury** (West End Plaza, Myer Centrepoint and Lavington Central) by emphasising the willingness of Council to engage with landowners in regard to opportunities to increase the scale and diversity of uses on these sites.



## PART B: RETAIL DEVELOPMENT STRATEGY

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## 6 VISION AND OBJECTIVES

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This Chapter provides an overall vision for the retail sector in Albury, and identifies a set of overarching objectives to guide the development of the Strategy.

### 6.1 Vision for the Retail Sector

A vision statement has been prepared to guide the growth and evolution of the retail sector in Albury over the next ten years. This Vision is supplementary to, and does not replace, any other overarching vision relevant to Albury or individual centres identified in other policy documents.

The Vision to guide the Albury's retail sector is as follows:

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**The retail sector in Albury will be a leading example for regional Australia. This includes high quality centre design, a strong mix of national brand and local traders, and the ability to meet – and exceed – the needs and expectations of residents and visitors.**

**Growth of the retail sector will create benefits for Albury in terms of investment, business development and employment. Development of a vibrant retailing sector is also closely associated with on-going development of tourism, events and cultural activities, all of which are part of the broader and very popular Albury 'brand'.**

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### 6.2 Objectives for Retailing in Albury

A set of objectives have been prepared to guide the physical and functional development of the local retail sector. These principles are intended to become the basis for decision-making by Council and by others, including the private sector, in regard to the future of retail in Albury.

**Objective A:** *Retain the Role of the Albury CBD as the Highest-Order Retail Destination in the Region*

**Rationale**

The Albury CBD is the highest-order retail, commercial, administrative and cultural centre in southern New South Wales and north-eastern Victoria. However, the nearby Wodonga CBA is benefitting from substantial investment from the Victorian Government, and in the future it is likely that population growth patterns in the region will also benefit the Wodonga CBA.

Although the growth and prosperity of the Wodonga CBA will have positive implications for the local economy, this should not be at the expense of the dominant higher-order role of the Albury CBD. It is vital that no sense of complacency develops around the currently dominant role and function of the Albury CBD.

For retailing, this means ensuring that the Albury CBD provides quality retail facilities with a range and scale that is pre-eminent in the region, providing flow-on benefits to other parts of the Albury economy.

**Objective B:** ***Increase the Ability of the Retail Sector to Attract Sales and Visitation from Residents and Visitors Living Outside Albury***

**Rationale**

At present, the retail sector in Albury successfully captures a high share of spending from local Albury residents. In the future, although retail sales growth will be generated from population and spending growth in the LGA, the actual share of total spending that is retained locally (currently 86% - see Table 4.7) is unlikely to significantly increase.

For this reason, the significant growth opportunities for the retail sector in Albury over the next 10 years are associated with attracting additional sales and visitation from non-residents of Albury. That is, additional sales from people living in the secondary sector of the Albury trade area (see Section 4.2) and locations beyond, as well as from tourists and other visitors to Albury.

**Objective C:** ***Ensure that Albury has a Hierarchy of Retail Centres that Operate in a Complementary Manner***

**Rationale**

At present, Albury is served by a hierarchy of centres that generally operate in a complementary manner and are highly effective in meeting the needs of the local population.

A retail hierarchy is an important tool in defining the type and extent of retail provision for centres. The hierarchy reflects the fact that individual centres perform different roles in retailing and related activities, and the hierarchy assists in planning for the efficient delivery of these retail and associated business and community services.

As the retail sector in Albury grows and evolves, reference to the retail hierarchy in making investment, planning and policy decisions will help ensure that all centres within the LGA continue to function in a complementary manner. This will also provide increased certainty for stakeholders including Council, developers, property owners and businesses, as well as help ensure that centres perform their intended role and function in manner that best meets community need.

**Objective D:** ***Use the Retail Sector as a Catalyst for Investment and Economic Development***

**Rationale**

A strong and vibrant retail sector can be a substantial economic advantage, particularly for a regional centre such as Albury. Retailing is a generator of 'export income' as local sales are generated from people living outside of Albury, while the sector is also an important employer of young people and those seeking to re-enter the workforce.

For Albury, the retail sector has the potential to generate significant economic benefits. For this reason, retailing needs to be considered an important part of the wider economic development responsibility of Council and other relevant agencies (Albury Northside Chamber of Commerce etc). In particular, it should be recognised that the retail sector has the ability to support local business development, facilitate investment attraction (particularly for the property sector), and generate synergies with other economic development objectives related to tourism and events.

**Objective E:** ***Develop and Promote a Retail Sector that Reflects Positively on Albury and Enhances the Albury 'brand'***

**Rationale**

The Albury CBD and the balance of the retail hierarchy in Albury represents the 'face' of the community to the outside world. Centres that have a high quality design, and which project an image of vibrancy and prosperity, are important in building positive perceptions of liveability and investability.

For Albury, the ability to host major events and conferences is an important source of tourist and other visitation. A strong retail sector means that the local economic benefits derived from these events and conferences are maximised, and likewise that attendees are exposed to a dynamic and interesting selection of shops which may encourage repeat visitation or recommendations to friends and family.

Another important consideration is the strong presence in Albury of major arts and cultural infrastructure, including the LibraryMuseum, MAMA and the Albury Entertainment Centre. Where possible, this cultural infrastructure and the local retail sector should operate in an integrated manner that increase visitation levels to both.

## 7 ACTION AND IMPLEMENTATION PLAN

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### 7.1 Roles, Responsibilities and Timeframes

This Chapter presents a detailed agenda comprising a range of actions that aim to achieve the Vision and Objectives described in Chapter 6, and provides recommendations with regard to implementation mechanisms and regular monitoring and review.

The strategies presented include:

- **Retail Hierarchy and Roles:** a set of actions which ensures the development of a coherent and complementary retail hierarchy across Albury
- **Future Development Outcomes:** guidance to Council on the opportunities to support future retail and complementary development in Albury
- **Investment Attraction:** which identifies strategies to attract new retail traders and associated investment to Albury
- **Marketing and Promotions:** which identifies opportunities for improved efforts to increase sales and visitation for retailers
- **Built Form:** that considers actions related to the built form environment in which retail operates.

The following conventions have been adopted in identifying the suggested timing for implementation:

- Ongoing: continuation of action indefinitely
- Short-term: immediate - 2 years
- Medium-term: 2-5 years
- Long-term: 5-10+ years

#### ***Note on Resourcing the Implementation Action Plan***

In preparing this Action Plan, an important consideration has been to ensure that the resourcing required to implement the program is realistic. This is not considered a theoretical 'wish list' of outcomes, but rather a practical set of achievable actions to be undertaken by the relevant stakeholders identified in the course of preparing the Retail Development Strategy.

## 7.2 Retail Hierarchy and Roles

### *Objectives:*

**Objective A: Retain the Role of the Albury CBD as the Highest-Order Retail Destination in the Region**

**Objective C: Ensure that Albury has a Hierarchy of Retail Centres that Operate in a Complementary Manner**

The following actions are intended to provide a framework for the future operation of the retail hierarchy in Albury.

**Action 1                      Confirm the Primacy of the Albury CBD as the Highest-Order Retail Commercial and Cultural Centre serving southern New South Wales and north-eastern Victoria.**

Instigator: Council (Planning and Economic Development)

Implementers: Property owners, Albury Northside Chamber of Commerce, Council

Timeframe: Ongoing

Supporting Tasks:

- 1.1 In all relevant future strategic documents, Council will classify the Albury CBD as operating with the role and function of 'Central Activities District' for southern New South Wales and north-eastern Victoria. This term is to be used in a policy sense only (i.e. it does not represent a name change for the Albury CBD in day-to-day use) as a descriptor of the role and function of Albury CBD as the primary retail, commercial and cultural centre for the region. The term Central Activities District also differentiates the Albury CBD from other centres including the Lavington CBD, Wodonga CBA, Wagga Wagga CBD and Wangaratta CBD.
- 1.2 In future planning and investment decisions by Council and other relevant entities, the role of the Albury CBD as the Central Activities District for the wider region will be explicitly reflected. Council will advocate for public infrastructure and investment (from State and Federal Government and the private sector) which reflects this role and function.
- 1.3 Ensure that all retail planning decisions related to the operation of the Albury CBD consider the wants and needs of people living both within the Albury LGA and the broader region.



**Action 2**

**Consolidate Lavington's Role as the 'second centre' for Albury which serves a strong sub-regional role north of the Murray River**

Instigator: Council (Planning and Economic Development)

Implementers: Property owners, Albury Northside Chamber of Commerce, Council

Timeframe: Ongoing

Supporting Tasks:

- 2.1 In all relevant future strategic documents, Council will classify Lavington's role as a 'Sub-regional' centre that has an important, but secondary, role to the Albury CBD as a provider of retail, commercial and cultural facilities. Emphasise the role and function of Lavington in comprehensively meeting the day-to-day needs of the population living in the northern and eastern parts of Albury (including Thurgoona). In addition, the centre provides some higher-order and niche retailing and commercial services to people living in the balance of Albury and in rural and regional areas to the north and west.
- 2.2 Ensure that large format homemaker retailing is concentrated to the areas identified in the East Albury Industrial Precinct with limited showroom and bulky goods retail operations along Wagga Road, in line with the Lavington CBD Masterplan.

**Action 3:**

**Support Growth in Appropriate Homemaker and Large-format Retailing in East Albury**

Instigator: Council (Planning and Economic Development)

Implementers: Developers, traders, Council, Albury Northside Chamber of Commerce

Timeframe: Medium to long-term

- 3.1 In all relevant future strategic documents, Council will classify the existing homemaker centre and any future expansion of homemaker retailing at East Albury as operating with the role and function of 'Homemaker Centre'. This area has been identified for future expansion of large format homemaker retailing in the East Albury Industrial Precinct Master Plan.
- 3.2 Ensure that the function of the homemaker centre is consistent with promoting businesses along main roads and encouraging a mix of compatible uses. Providing a range of employment uses (including business, office, retail and light industrial uses) and maintaining the economic strength of centres by limiting retailing (Albury LEP). If required, ensure that retailers and the types of goods sold at the homemaker centre remain consistent with the definition of 'bulky goods' in the Albury LEP.

**Action 4: Establish a Network of Centres in Thurgoona in a Manner that meets Local Needs and is Complementary to Operation of Existing Centres**

Instigator: Council (Planning)

Implementers: Property owners, developers, Council

Timeframe: Ongoing

- 4.1 Implement the network and hierarchy of centres identified in the Thurgoona Wirlinga Precinct Structure Plan.
- 4.2 To ensure the timing of the proposed Thurgoona District Centre development is consistent with the retail environment across Albury, and supports the local service needs (basic essentials) of residents living within close proximity of these centres.

**Action 5: Support Role and Function of Smaller Retail Centres**

Instigator: Council (Planning and Economic Development)

Implementers: Property owners, developers, traders, Council, Albury Northside Chamber of Commerce

Timeframe: Ongoing

- 5.1 Continue to support the operation of smaller centres in Albury, including the small neighbourhood centres at East Albury and Springdale Heights as well as the proposed centre at Hamilton Valley by ensuring new neighbourhood development is only permitted within these existing centres.
- 5.2 All future policy should recognise the role and function of these centres in meeting the basic day-to-day convenience needs of the local population.

### **7.3 Future Development Outcomes**

***Objectives:***

**Objective D: Use the Retail Sector as a Catalyst for Investment and Economic Development**

**Objective B: Increase the Ability of the Retail Sector to Attract Sales and Visitation from Residents and Visitors Living Outside Albury**

The following actions provide guidance on future retail development outcomes for Albury.

**Action 6: Consolidate Retail Activity in the Centres Hierarchy**

Instigator: Council (Planning)

Implementers: Developers, Council

Timeframe: Ongoing

- 6.1 Ensure ongoing private and public investment are directed to the appropriate retail centre within the defined Hierarchy to ensure development is focused and consolidated.
- 6.2 Support the consolidation of existing retail and business when the opportunity arises, in accordance with the hierarchy of activity centres contained in this Strategy.

**Action 7:                    Redevelopment of Key Shopping Centres**

Instigator: Council (Planning and Economic Development), Centre owners

Implementers: Developers, Major retailers, Council

Timeframe: Short, Medium and Long-term

- 7.1 **(Specific short-term action)** Meet with representatives of the owners of West End Plaza, Myer Centrepoint, City Walk and Lavington Square to inform them of Council's in-principle support for redevelopment of retail and other activities at these sites. Obtain from the owners of these centres their long-term visions for the properties (if available). Work pro-actively with centre owners to facilitate the upgrading and redevelopment of these facilities.
- 7.2 Support development outcomes, as outlined in the Albury and Lavington CBD Masterplans, which enhance the integration of these centres into the surrounding shopping precincts, and which incorporate both retail and non-retail activities (including entertainment and leisure).

**Action 8:                    Support Future Retail Growth and Development with an Emphasis on Key Locations**

Instigator: Council (Planning and Economic Development)

Implementers: Property Owners, Council, Developers, Retailers, Albury Northside Chamber of Commerce

Timeframe: Ongoing

- 8.1 Proactively encourage appropriate retail and mixed-use development at the following locations:
  - Transport NSW / ARTC landholdings on the eastern side of Young Street / Riverina Highway, between Wilson and Atkins Streets (potentially for bulky goods/showroom as part of any major development as per the Albury CBD Masterplan)
  - Under-utilised land along the former Hume Highway route (Wodonga Place, Hume and Young Streets)

- Vacant and under-utilised sites on Wagga Road in Lavington (bulky goods/showroom)
  - Bulky goods at East Albury as identified in the East Albury Industrial Precinct Masterplan
  - Under-utilised or vacant CBD fringe locations (e.g. wool stores / former ATO site)
  - Thurgoona commercial centres in accordance with the Thurgoona Wirlinga Precinct Structure Plan
  - Hamilton Valley Strategy (currently under review).
- 8.2 Support the development of retailing in laneways in the Albury CBD, and the development of 'laneway culture' as part of Council's wider placemaking activities, providing opportunities for start-up businesses, emerging artists etc.
- 8.3 Target small niche and independent traders (including food and beverage) for laneway locations outside the traditional core commercial areas of the CBD, including:
- Continued activation of AMP Lane
  - Volt Lane
  - New Albury Lane
  - Westpac Lane
  - Linder Lane
  - Potential activation at rear of properties in Globe Lane and National Bank Lane
  - LibraryMuseum laneway

**Action 9: Complementary Development of Residential, Commercial and Community Activities**

Instigator: Council (Planning and Economic Development), Land owners, Developers

Implementers: Land owners, Developers

Timeframe: Ongoing

- 9.1 Promote the development of residential uses within the Albury CBD and the Lavington centre through appropriate policy. This is consistent with existing planning controls.

**Action 10: Placemaking / Urban Design Initiatives**

Instigator: Council (Planning and Economic Development), Land owners, Developers

Implementers: Land owners, Developers, Council, Albury Northside Chamber of Commerce , business and community groups

Timeframe: Ongoing

- 10.1 Encourage an improvement of the built form in under-utilised areas such as laneways to increase local business activity and encourage longer visitor stay.
- 10.2 Create opportunities to encourage initiatives such as 'pop-up' cafes / stalls.
- 10.3 Encourage a wider range of users across different times of the day and week in order to activate these areas and promote greater trading times.
- 10.4 Determine appropriate trading hours for users and businesses within laneways so as not to conflict with current access arrangements and the primary function of the laneway.

## 7.4 Investment Attraction

### *Objectives:*

**Objective B: Use the Retail Sector as a Catalyst for Investment and Economic Development**

**Objective D: Increase the Ability of the Retail Sector to Attract Sales and Visitation from Residents and Visitors Living Outside Albury**

The following actions seek to ensure that the retail sector is a driver of investment activity in the Albury economy.

#### **Action 11: Attract New Retailers to Stay at Cutting Edge**

Instigator: Council (Economic Development)

Implementers: Commercial Real Estate Agents (local and national)

Timeframe: Ongoing

- 11.1 Council to work with landlords, shopping centre owners and commercial agents to ensure they continue to attract and retain quality retail traders. Council has a role in working with these stakeholders to ensure that Albury has a quality range of national, and even international, brand tenants that are superior to that of competing centres at Wagga Wagga, Wodonga and Wangaratta. Specific targets for new retailers are included in Appendix C and broadly include:
  - New international retailers in Australia seeking a regional store

- Quality food and beverage (including fine dining)
  - A contemporary mix of fashion stores, including labels aimed at those aged 18 to 25 years
  - Pop up shops, food vans and other opportunities to temporarily activate underutilised spaces.
- 11.2 In the event a major anchor tenant within any of the Albury Shopping Centres was to close (ie. Myer, Coles, Big W), Council should work to assist the Shopping Centre owners to either find a replacement tenant, or support redevelopment of the vacant tenancy.
- 11.3 Council will prepare a “Retailer Prospectus”, potentially with the assistance of an appropriate consultant, with the Prospectus to be provided to Commercial Real Estate Agents in Albury and, if required, be presented directly by Council to prospective retail investors. This prospectus would provide relevant and up-to-date information on a range of demographic and retail data of interest to retailers making store network planning decisions.

**Action 12: Encourage Renewal of Existing Buildings**

Instigators: Council

Implementers: Property owners

Timeframe: Ongoing

- 12.1 Continue to encourage property owners to invest in the appearance and amenity of buildings. This will require redevelopment and refurbishment of building stock, and means property owners will need to be encouraged to devote resources to maintaining and improving the quality and presentation of their buildings. This may involve highlighting examples where investment in shopfront tenancies has contributed positively to the financial returns of property owners.
- 12.2 Where buildings are redundant, or no longer suitable for modern business requirements, Council will support the redevelopment or refurbishment of this space (subject to other relevant planning and design considerations) through appropriate policy, clear lines of communication with relevant Council departments, and clarity of the planning process. Opportunities for mixed-use development of older building stock while protecting heritage value, including commercial and residential uses, is explicitly encouraged.
- 12.3 Ensure the identified heritage buildings and conservation areas identified in the Albury CBD are protected in any retail development to ensure the identity and sense of place are retained.



**Action 13: Active and Community-Led Events Program**

Instigators: Council

Implementers: Albury Northside Chamber of Commerce, Community Groups, Council

Timeframe: Short-term

- 13.1 Continue to support a mix of major cultural, sporting and social events, in association with conferences and exhibitions, as a means of driving additional sales and visitation to the retail sector.
- 13.2 Ensure that attendees at these major events are provided with appropriate supporting marketing material related to local retailers, including specific advertising and attendee discounts (in association with Chamber of Commerce).
- 13.3 Continue to provide facilitation support to community organisations seeking to hold community events in publicly owned spaces (such as QEII Square). Council to clearly promote the facilitation support offered for community-led events to local groups, to supplement Council's own events schedule.
- 13.4 On an occasional basis (every 2+ years) seek to attract, facilitate and support the location in Albury of a major event or exhibition with a national or international profile to Albury, in line with the Albury Event Attraction Strategy. This 'big bang' event can be a significant temporary driver of visitation and spending, with longer term benefits of building the profile of Albury.
- 13.5 Council to implement existing placemaking strategies to promote pop-up events and opportunities.

**Action 14: Continue implementation of Albury's established growth area plans.**

Instigators: Council

Implementers: Property owners, Developers, Council

Timeframe: Ongoing

- 14.1 Continue to implement the actions contained in the Thurgoona Wirlinga Precinct Structure Plan in light of its identification as Albury's growth corridor.
- 14.2 Continue to monitor the priorities of the Hamilton Valley growth area and implement any retail development in line with the Hamilton Valley Structure Plan.

**Action 15: Revitalisation Plan for Lavington**

Instigators: Council

Implementers: Property owners, Community, Council, Albury Northside Chamber of Commerce

Timeframe: Medium-term

- 15.1 Continue to implement the actions contained in the Lavington Masterplan, including high-quality guidance on future urban planning and development outcomes.
- 15.2 Complement the masterplan with an “Economic Revitalisation Plan” for the Lavington centre to identify private sector investment opportunities. Closely involve key property owners and traders in the development of the plan to ensure that it aligns with their own current and future priorities. The Economic Revitalisation Plan should actively consider investment opportunities and drivers across all relevant land uses including retail, commercial, residential and community. Outcomes should be focussed on practical initiatives to unlock investment opportunities in the centre, and in a manner that is complementary to the implementation of the existing masterplan.

It is anticipated that the Economic Revitalisation Plan will be developed by Council staff in consultation with key stakeholders. Scope for the Plan will include the identification of properties that would benefit from revitalisation works and the proactive steps required to engage with the building owners, as well as new investment opportunities. The Plan will act as an extension to the Lavington CBD Masterplan and the Economic Development Strategy.

## **7.5 Marketing and Promotions**

***Objectives:***

**Objective B: Increase the Ability of the Retail Sector to Attract Sales and Visitation from Residents and Visitors Living Outside Albury**

**Objective E: Develop and Promote a Retail Sector that Reflects Positively on Albury and Enhances the Albury ‘brand’**

It is appropriate for Council to consider the following actions in relation to marketing and promotions for the retail sector in Albury.

**Action 16: Look Outside Albury**

Instigators: Council, Albury Northside Chamber of Commerce

Implementers: Retailers, Albury Northside Chamber of Commerce

Timeframe: Ongoing

- 16.1 Recognise that the marketing and promotions efforts should aim to retain the current high levels of local retail spending, as well as seek to increase spend from areas outside of the Albury LGA. As a result, advertising should be primarily directed at the following LGAs:

**New South Wales**

- Greater Hume Shire
- Corowa Shire
- Lockhart Shire Council
- Urana Shire Council

**Victoria**

- City of Wodonga
- Towong Shire
- Indigo Shire
- Rural City of Wangaratta
- Alpine Shire.

With the following LGA's targeted for day trip visitation as a secondary audience:

- City of Wagga Wagga
- Griffith City Council
- Greater Shepparton Council
- Moira Shire Council

- 16.2 Have a moderate bias towards investing in marketing and promotions 'south of the Murray'. This region is experiencing higher rates of population growth than in regional areas north of Albury, and is more vulnerable to a loss of market share associated with improvements to the Wodonga CBA.

## Action 17

### An Overarching Marketing and Promotions Capability

Instigators: Albury Northside Chamber of Commerce

Implementers: Albury Northside Chamber of Commerce, Council

Timeframe: Short-term

- 17.1 Create a new brand for marketing retail in Albury by creating a retail marketing arm in the overall structure of the Albury Northside Chamber of Commerce, incorporating and expanding upon the current activities of Albury Central. The newly created 'Retail Marketing Arm' will be autonomous and have the focus of promoting retail in Albury through advertising, events, social media, trader education, networking and advocacy.
- 17.2 The Retail Marketing Arm to develop a 5-Year Marketing Strategy and Implementation Plan for endorsement by Council and report the outcomes and achievements against the activities identified on a bi-annual basis.
- 17.3 Council to commit funding in five-year intervals to the Retail Marketing Arm to ensure consistency and forward planning. This includes clear delineation between funding and in-kind support. Successful implementation of the approved Marketing Strategy and Implementation Plan will be a key consideration of ongoing funding.
- 17.4 The Retail Marketing Arm to engage a marketing firm to develop an updated brand encompassing the Albury-wide retail offer. The new retail brand to be complementary to the existing Albury Wodonga Destination Brand, but clearly identifiable in its own right so as not to cause market confusion.
- 17.5 Consider options to broaden the collection area of the CBD Promotional Special Rate to increase funding available to the Retail Marketing Arm, to a level that is comparable with other major marketing and promotions organisations in regional Australia. Options to widen the collection area for may include:
  - Expansion to the Albury CBD, Lavington and Thurgoona retail businesses;
  - All retail operators within the Albury LGA;
  - All ratepayers within the Albury LGA.
- 17.6 All major marketing material and promotions programs created by the Retail Marketing Arm should reflect objectives for the Albury CBD in retaining and enhancing its higher-order role, and the desire to support the growth and development of retailing in other locations, including Lavington. The regional service role of Albury means that

such marketing and promotions can generate considerable 'export income' for Albury, with associated economic benefits.

- 17.7 The promotional focus for the Retail Marketing Arm will align with the centre hierarchy outlined in this strategy. The primary focus will be the Central Activities District, with secondary messaging covering the sub-regional centre and neighbourhood centres.

**Action 18: Identify Key Messaging**

Instigators: Albury Northside Chamber of Commerce

Implementers: Albury Northside Chamber of Commerce, Traders, Council

Timeframe: Ongoing

- 18.1 Any activity related to events, marketing and promotions should have the core objective of ***generating sales and visitation that otherwise would not occur.***
- 18.2 The focus of marketing and promotions is on creating new customers, or ensuring that existing customers visit and spend more money at businesses located in Albury.
- 18.3 Avoid marketing and promotions that involve excessive spending 'churn'. This is spending that otherwise would have occurred in any instance in Albury, but the timing and location (i.e. store) has simply been changed. No net gain in spending to the retail sector is associated with this outcome.
- 18.4 Ensure that marketing and promotions encourage a perception of retailing in Albury as 'clean, safe and friendly' for consumers. This is particularly relevant for Lavington in view of existing community perceptions for this centre.
- 18.5 In considering advertising campaigns, place an emphasis on creating sales and visitation during the colder winter months (particularly for street-based retail), embrace the challenge with innovative, interesting and evolving marketing and promotions during this period.

**Action 19: Technology Savvy**

Instigators: Albury Northside Chamber of Commerce

Implementers: Albury Northside Chamber of Commerce, Traders, Council

Timeframe: Short-term

- 19.1 Develop a new digital platform following the finalisation of the new retail brand in order to promote Albury's retailer offer, activities and

events. In the interim, re-activate the Albury Central website to ensure there is an ongoing digital presence to market the Albury retail offer.

- 19.2 The Retail Marketing Arm to promote the free Wi-Fi areas of Albury.
- 19.3 Consider the implementation of a customer loyalty program that provides shoppers to Albury with access to a range of discounts and promotions. Participating retailers, expected to be primarily small businesses, would be able to obtain the marketing, customer data and other benefits associated with such schemes, with significantly reduced up-front time and costs.
- 19.4 Collect visitor data from local events for creation of customer databases and to identify visitor trends to ensure marketing and promotional activities are targeted. For example, inter-state attendees at a particular conference may be sent discount accommodation offers (potentially transferable to family and friends) in Albury for a return visit.
- 19.5 Investigate the potential to utilise geo-fencing technology e.g. for visitors arriving at the train station. Messages should highlight any current offers or events and should be updated regularly.
- 19.6 Ensure that the Chamber of Commerce and its Retail Marketing Arm remain up-to-date on the shifts in e-commerce and online retailing as well as opportunities identified in the Albury Wodonga Digital Economy Strategy.

## 7.6 Built Form

### *Objectives:*

**Objective B: Increase the Ability of the Retail Sector to Attract Sales and Visitation from Residents and Visitors Living Outside Albury**

**Objective D: Use the Retail Sector as a Catalyst for Investment and Economic Development**

The following actions are intended to provide a framework for the future operation of the retail hierarchy in Albury.

#### **Action 20: Alternative Transport Options**

Instigators: Council

Implementers: State Government, Property owners, Council

Timeframe: Short-term and Medium-term



- 20.1 Investigate the use of sustainable modes of transport for accessing retail centres as they provide an important contribution to the principles of Ecological Sustainable Development, as well as improving the amenity of local environments through reduced private vehicle traffic, reduced air emissions, safer public spaces, and so on.
- 20.2 As outlined in the Albury and Lavington CBD Master Plans, ensure that future transport planning for the Albury CBD and Lavington takes into account cycling access and facilities. Recognise the ability of high-quality cycling infrastructure to create additional visitation associated with recreational visits, as has been identified in main street centres elsewhere in Australia.
- 20.3 Ensure that all centres are easily accessible via footpaths and walking trails.

**Action 21: Centre Design Considerations**

Instigators: Council

Implementers: Public / private property owners, Council

Timeframe: Ongoing

- 21.1 Continue to implement the directions and actions contained in the Albury and Lavington CBD Masterplans. These have been reviewed as part of this strategy and it is recommended they are implemented in full to improve visitor amenity.
- 21.2 Upgrade the pedestrian amenity and streetscape in the following key locations by way of tree planting, awnings, improved street furniture, public art and shopfront upgrades etc:
  - Olive Street (eastern side) between Dean Street and Swift Street, and wrapping around the corner to Arnolds Lane
  - Dean Street between Macauley Street and Young Street, in order to improve the functional and visual link of the commercial core to Young Street
  - As required in laneway locations in the Albury CBD (see Action 8)
  - Enhanced tree plantings in Dean Street and balance of Commercial Core
  - Key areas highlighted in the Lavington CBD Master Plan, including but not limited to:
    - Intersection of Urana Road and Mate Street/Wagga Road - a key gateway location for Lavington;

- Griffith Road - to improve the amenity and promote main street principles.
- Key areas identified in the Thurgoona Wirlinga Precinct Structure Plan - to encourage improved pedestrian access and streetscapes for both commercial and residential areas.
- Key areas identified in the Hamilton Valley commercial precinct in line with the Structure Plan for the area.

21.3 Create points of interest with the use of public art, and provide places for public performances, events and street artists.

**Action 22: Trader Education, Support and Engagement**

Instigators Council, Albury Northside Chamber of Commerce

Implementers: Retailers, Council, Albury Northside Chamber of Commerce

Timeframe: Ongoing

- 22.1 Council to take a proactive approach in facilitating and co-ordinating management of shopping centres, particularly those with a multiple land ownership structure (Albury CBD, Lavington, East Albury). Encourage frequent dialogue between Council and traders through Albury Northside Chamber of Commerce. Include in dialogue non-trader stakeholders such as commercial agents and property owners, where possible.
- 22.2 Albury Northside Chamber of Commerce to continue to create opportunities for interaction and dialogue between retailers, as currently occurs with “Street Talk” sessions.
- 22.3 Provide occasional opportunities for business development through promoting suitable sessions or programs related to aspects such as e-commerce, customer service, merchandising and presentation, selling skills and business management and planning.
- 22.4 Continue to promote the Albury business awards scheme or other mechanism through which is used to engage with retailers and encourage greater group participation in matters relevant to the industry.
- 22.5 Provide appropriate support to traders who are open outside normal business hours, and work with relevant businesses to enhance the night time retail economy (beyond alcohol-related venues).

## 8 CRITICAL SUCCESS FACTORS

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### DOs

Do consider the retail sector as an important part of the Albury economy

Do ensure that Council takes into account the retail hierarchy in relevant land use planning considerations

Do ensure that the Albury CBD operates in functional terms as a true higher-order “Central Activities District” for southern New South Wales and north-eastern Victoria

Do support the revitalisation of Lavington through a dual approach that considers both planning/design and economic/investment outcomes

Do engage with key landowners to support redevelopment of key retail locations in the Albury CBD and Lavington

Do support an integrated marketing and promotions program for the retail sector in Albury that generates sales and visitation from non-Albury residents

Do support an events program for Albury that generates maximum benefits for retailers and encourages future repeat visitation

### DON'Ts

Don't allow a sense of complacency to occur in the local retail sector

Don't pretend that the internet and changes in technology have not changed the way that consumers shop

Don't allow Albury CBD to lose its status as one of the highest-quality shopping precincts in regional Australia

Don't under-estimate the ability of a strong and vibrant retail sector to create a wide range of economic and social benefits.

## APPENDIX A – IN-CENTRE SURVEY

**Table 1 Survey Location**

Location	%	Total
Dean Street – between Kiewa Street and David Street	25%	101
Olive Street – between Dean Street and Swift Street	25%	103
Kiewa Street - between Dean Street and Smollett Street	25%	101
<b>Albury CBD</b>	<b>75%</b>	<b>305</b>
Lavington Square	25%	101
<b>Total</b>	<b>100%</b>	<b>406</b>

Total sample; Unweighted; base n = 406

**Table 2 Main Purpose of Visit**

Purpose of Visit	Albury CBD	Lavington Square	Total
Shopping (Includes Hairdresser, Beauty Salon, Dry Cleaners, etc.)	46%	55%	48%
Visit café or restaurants	8%	5%	7%
Visiting library, community centre, other cultural facility	3%	1%	2%
Work here	12%	11%	12%
Business or work-related visit	5%	3%	5%
Meeting friends/family	8%	2%	7%
Bank, Post Office, or other service (eg. Solicitor, Accountant)	6%	16%	8%
Civic, Medical or Community services (Council, Health Service, etc.)	4%	6%	5%
Tourist or other temporary visitor undertaking shopping	3%	0%	2%
Only passing by or through and not intending to shop/visit	5%	1%	4%

Total sample; Unweighted; base n = 406

**Table 3 Main Reason Choosing Albury CBD/Lavington for Shopping**

Main Reason	ALBURY CBD	Lavington Square	Total
Convenient to home/work	69%	82%	72%
Large range of goods and services	29%	28%	29%
Accessible by Public Transport	1%	3%	2%
Good Car Parking availability	2%	10%	4%
Competitive prices	2%	18%	6%
Good service from traders	1%	3%	2%
Products not available elsewhere	1%	2%	1%
Has exactly what I am shopping for	24%	33%	26%
Nice place to shop/ good amenity / unique atmosphere	23%	8%	19%
Good range of eating places	7%	7%	7%
Has specialist products and services	1%	3%	1%
Is the only local option able to meet this need	2%	2%	2%
Other	2%	0%	2%

Total sample; Unweighted; base n = 225; total n = 406

**Table 4 How Often You Visit Albury CBD/ Lavington**

How Often	ALBURY CBD	Lavington Square	Total
More than once a week	59%	68%	61%
About once a week	16%	13%	16%
About once a fortnight	6%	7%	6%
About once a month	8%	3%	7%
About once every six months	3%	6%	3%
Once a year or less	4%	1%	3%
First time	4%	2%	4%

Total sample; Unweighted; base n = 406

**Table 5 Normal Shopping Patterns (Supermarket and Fresh Food)**

<b>Normal Shopping Patterns</b>	<b>Albury CBD</b>	<b>Lavington Square</b>	<b>Total</b>
Centrepoint/ Myer (Myer, Woolworths)	31%	10%	26%
Lavington Square (Woolworths, Big W)	10%	70%	25%
West End Plaza (Coles, Kmart)	29%	1%	22%
ALDI Albury CBD (Guinea Street)	27%	8%	22%
Lavington	5%	37%	13%
Coles Lavington	5%	26%	10%
Wodonga CBD	11%	3%	9%
Albury CBD	8%	6%	8%
Thurgoona Plaza	6%	9%	6%
Somewhere else	7%	5%	6%
Wodonga Plaza	7%	2%	6%
White Box Rise (Woolworths)	5%	0%	4%
IGA East Albury	4%	2%	3%
Dean Street	4%	0%	3%
Other	4%	0%	3%
Wangaratta	2%	1%	2%
I don't shop for these items	2%	1%	1%
Wagga Wagga	1%	1%	1%
Urana Road	0%	1%	0%
East Albury Homemaker Centre (including Harvey Norman)	1%	0%	0%
Riverina Highway (edge of Albury CBD)	0%	1%	0%
Mate Street	0%	1%	0%
Wagga Road	0%	1%	0%

Total sample; Unweighted; base n = 406

**Table 6 Which Locations You Visit for Day to Day shopping**

Locations	Albury CBD	Lavington Square	Total
Albury CBD	19%	7%	16%
Dean Street	8%	1%	6%
West End Plaza (Coles, Kmart)	21%	2%	16%
Centrepoin/ Myer (Myer, Woolworths)	20%	5%	16%
Riverina Highway (edge of Albury CBD)	0%	1%	0%
Target Albury CBD	1%	0%	1%
ALDI Albury CBD (cnr Guinea Street)	11%	5%	10%
Lavington	6%	39%	14%
Lavington Square (Woolworths, Big W)	7%	66%	21%
Urana Road	1%	1%	1%
Mate Street	1%	1%	1%
Wagga Road	0%	1%	0%
Coles Lavington	3%	15%	6%
Thurgoona Plaza	5%	10%	6%
East Albury Homemaker Centre (including Harvey Norman)	0%	0%	0%
IGA East Albury	7%	2%	5%
Union Rd/Norris Park IGA	0%	0%	0%
Wodonga CBD	7%	2%	5%
Wodonga Plaza	2%	2%	2%
White Box Rise (Woolworths)	2%	0%	2%
Wodonga Homemaker Centre (Bunnings)	0%	0%	0%
Corowa	0%	0%	0%
Wangaratta	2%	1%	2%
Yarrawonga	0%	0%	0%
Wagga Wagga	1%	1%	1%
Other	3%	1%	3%
I don't shop for these items	2%	0%	2%
Somewhere else	11%	9%	10%

Total sample; Unweighted; base n = 405; total n = 406



**Table 7 Shopping Locations for Clothing and Footwear**

Locations	ALBURY CBD	Lavington Square	Total
Albury CBD	54%	55%	54%
Dean Street	49%	22%	42%
West End Plaza (Coles, Kmart)	31%	14%	27%
Centrepont/ Myer (Myer, Woolworths)	34%	17%	30%
Riverina Highway (edge of Albury CBD)	0%	0%	0%
Target Albury CBD	15%	7%	13%
ALDI Albury CBD (cnr Guinea Street)	0%	2%	0%
Lavington	3%	31%	10%
Lavington Square (Woolworths, Big W)	7%	65%	21%
Urana Road	0%	0%	0%
Mate Street	0%	1%	0%
Wagga Road	0%	0%	0%
Coles Lavington	0%	0%	0%
Thurgoona Plaza	0%	1%	0%
East Albury Homemaker Centre (including Harvey Norman)	0%	0%	0%
IGA East Albury	0%	0%	0%
Union Rd/Norris Park IGA	0%	0%	0%
Wodonga CBD	4%	5%	4%
Wodonga Plaza	2%	3%	2%
White Box Rise (Woolworths)	0%	0%	0%
Wodonga Homemaker Centre (Bunnings)	0%	0%	0%
Corowa	0%	0%	0%
Wangaratta	1%	2%	1%
Yarrawonga	0%	0%	0%
Wagga Wagga	2%	1%	1%
Other	2%	0%	2%
I don't shop for these items	1%	0%	1%
Somewhere else	9%	9%	9%

Total sample; Unweighted; base n = 406

**Table 8 Shopping Locations for Household Items**

Locations	ALBURY CBD	Lavington Square	Total
Albury CBD	27%	22%	25%
Dean Street	10%	2%	8%
West End Plaza (Coles, Kmart)	15%	6%	13%
Centrepont/ Myer (Myer, Woolworths)	13%	8%	12%
Riverina Highway (edge of Albury CBD)	7%	6%	6%
Target Albury CBD	7%	4%	6%
ALDI Albury CBD (cnr Guinea Street)	3%	11%	5%
Lavington	3%	17%	6%
Lavington Square (Woolworths, Big W)	4%	50%	16%
Urana Road	0%	0%	0%
Mate Street	0%	0%	0%
Wagga Road	0%	0%	0%
Coles Lavington	0%	0%	0%
Thurgoona Plaza	1%	2%	1%
East Albury Homemaker Centre (including Harvey Norman)	47%	38%	44%
IGA East Albury	1%	0%	0%
Union Rd/Norris Park IGA	0%	0%	0%
Wodonga CBD	5%	3%	4%
Wodonga Plaza	1%	1%	1%
White Box Rise (Woolworths)	0%	0%	0%
Wodonga Homemaker Centre (Bunnings)	2%	6%	3%
Corowa	0%	0%	0%
Wangaratta	2%	1%	1%
Yarrawonga	0%	0%	0%
Wagga Wagga	2%	1%	1%
Other	3%	0%	2%
I don't shop for these items	9%	6%	8%
Somewhere else	8%	5%	7%

Total sample; Unweighted; base n = 405; total n = 406

**Table 9**                      **Locations Visited for Dining and Entertainment**

<b>Locations</b>	<b>ALBURY CBD</b>	<b>Lavington Square</b>	<b>Total</b>
Albury CBD	55%	59%	56%
Dean Street	64%	35%	57%
West End Plaza (Coles, Kmart)	5%	0%	4%
Centrepont/ Myer (Myer, Woolworths)	1%	0%	1%
Riverina Highway (edge of Albury CBD)	0%	0%	0%
Target Albury CBD	0%	0%	0%
ALDI Albury CBD (cnr Guinea Street)	0%	0%	0%
Lavington	2%	34%	10%
Lavington Square (Woolworths, Big W)	1%	9%	3%
Urana Road	0%	3%	1%
Mate Street	0%	3%	1%
Wagga Road	0%	3%	1%
Coles Lavington	0%	0%	0%
Thurgoona Plaza	1%	1%	1%
East Albury Homemaker Centre (including Harvey Norman)	0%	0%	0%
IGA East Albury	0%	0%	0%
Union Rd/Norris Park IGA	0%	0%	0%
Wodonga CBD	7%	8%	7%
Wodonga Plaza	0%	0%	0%
White Box Rise (Woolworths)	0%	0%	0%
Wodonga Homemaker Centre (Bunnings)	0%	0%	0%
Corowa	0%	0%	0%
Wangaratta	3%	2%	2%
Yarrawonga	0%	0%	0%
Wagga Wagga	1%	1%	1%
Other	3%	0%	2%
I don't shop for these items	9%	11%	9%
Somewhere else	7%	9%	8%

Total sample; Unweighted; base n = 406

**Table 10      Retail Chains Lacking Across Albury CBD and Lavington**

<b>Retail Chains</b>	
Country Road	40
David Jones	13
Masters	12
Ikea	11
Ally	10
Dotti	9
Costco	6
DFO	6
Zara	6
Baby Bunting	4
Seed	4
Apple store	3
Footlocker	3
Rm Williams	3
Body Shop	2
Columbia	2
Discount Shops	2
Forever 21	2
Gift Shops	2
H&M	2
Lush	2
Outlets	2
Peter Alexander	2
Pumpkin Patch	2
RB Sellars	2
T2	2
Witchery	2

**Table 11 Do Community and Cultural Attractions Increase Time and Money Spent at Local Shops**

	ALBURY CBD	Lavington Square	Total
Yes	50%	50%	50%
No	50%	50%	50%

Total sample; Unweighted; base n = 405; total n = 406

Table 17

**Table 12 Public Awareness of Marketing and Events Promotions**

Awareness	ALBURY CBD	Lavington Square	Total
Yes	40%	58%	45%
No	60%	42%	55%

Total sample; Unweighted; base n = 405; total n = 406

**Table 13 Effectiveness of Marketing, Events and Promotions in stimulating the local economy**

Effectiveness	ALBURY CBD	Lavington Square	Total
Very Ineffective	3%	0%	2%
Ineffective	13%	4%	11%
Undecided	32%	24%	30%
Effective	44%	58%	47%
Very Effective	7%	14%	9%
<b>Total</b>	<b>151</b>	<b>50</b>	<b>201</b>

Total sample; Unweighted; base n = 201; total n = 406

Table 19

**Table 14 Opinion on Aspects of Shopping in Albury CBD and Lavington (Score)**

**Green**                      **Net Positive View**  
**Red**                         **Net Negative View**

Aspects	Albury CBD	Lavington	Total
Range of shops/services at the centre	5.9	5.5	5.8
Range of quality eating places like cafés & restaurants	6.0	4.9	5.7
Price and value for money	5.5	5.4	5.5
Availability of car parking	4.4	5.6	4.7
The level of service from traders	5.8	5.6	5.7
Level of personal comfort and safety	6.0	5.2	5.8
Quality of the overall shopping experience relative to other centres (price, range, service etc.)	6.0	5.4	5.8
Quality of Public Spaces	5.7	5.3	5.6
Accessibility to public transport	4.2	5.4	4.5

Score Weighting: Very Poor – 0 points, Poor – 2 points, Average/OK – 4 points, Good – 6 points, Very Good – 8 points

**Table 15 Main Reason for Visit Albury CBD and Lavington (Visitors and Tourists)**

Record Main Reason For Visit Albury CBD and Lavington	Total
Passing Through	22%
Family Holiday	0%
Work-related visit	11%
Visiting family and friends	44%
Other	22%

Total sample; Unweighted; base n = 9; total n = 406

**Table 16 Other Reasons for Visiting Albury CBD and Lavington (Visitors and Tourists)**

Reasons	ALBURY CBD	Lavington Square (LAVINGTON CENTRE)
Response 1	Car service	
Response 2	Appointment	

**Table 17**      **What Are Your Impressions While Visiting Albury CBD and Lavington (Visitors and Tourists)**

<b>Impressions</b>	<b>Total</b>
Very Poor	0%
Poor	11%
Average/OK	0%
Good	67%
Very Good	22%
<b>Total</b>	<b>9</b>

Total sample; Unweighted; base n = 9; total n = 406

**Table 18**      **Are You Likely to Recommend Albury as A Place for Friends and Family (Visitors and Tourists)**

<b>Likely to Recommend Albury As A Place for Friends and Family</b>	<b>Total</b>
Yes	89%
No	11%
<b>Total</b>	<b>9</b>

Total sample; Unweighted; base n = 9

**Table 19**      **Age Groups Distribution**

<b>Age Groups</b>	<b>ALBURY CBD</b>	<b>Lavington Square</b>	<b>Total</b>
18-24	27%	10%	22%
25-34	16%	14%	16%
35-44	18%	11%	16%
45-54	11%	15%	12%
55-64	12%	17%	13%
65+	15%	34%	20%
Prefer not to say	1%	0%	1%

Total sample; Unweighted; base n = 406



**Table 20 Work Status**

Work Status	ALBURY CBD	Lavington Square	Total
Full time employed	32%	26%	31%
Part time/casual employed	25%	21%	24%
Home duties	8%	13%	9%
Currently unemployed	5%	5%	5%
Student	12%	4%	10%
Retired	14%	23%	16%
Pensioner	4%	8%	5%

Total sample; Unweighted; base n = 405; total n = 406

**Table 21 Online Shopping More than Once a Month**

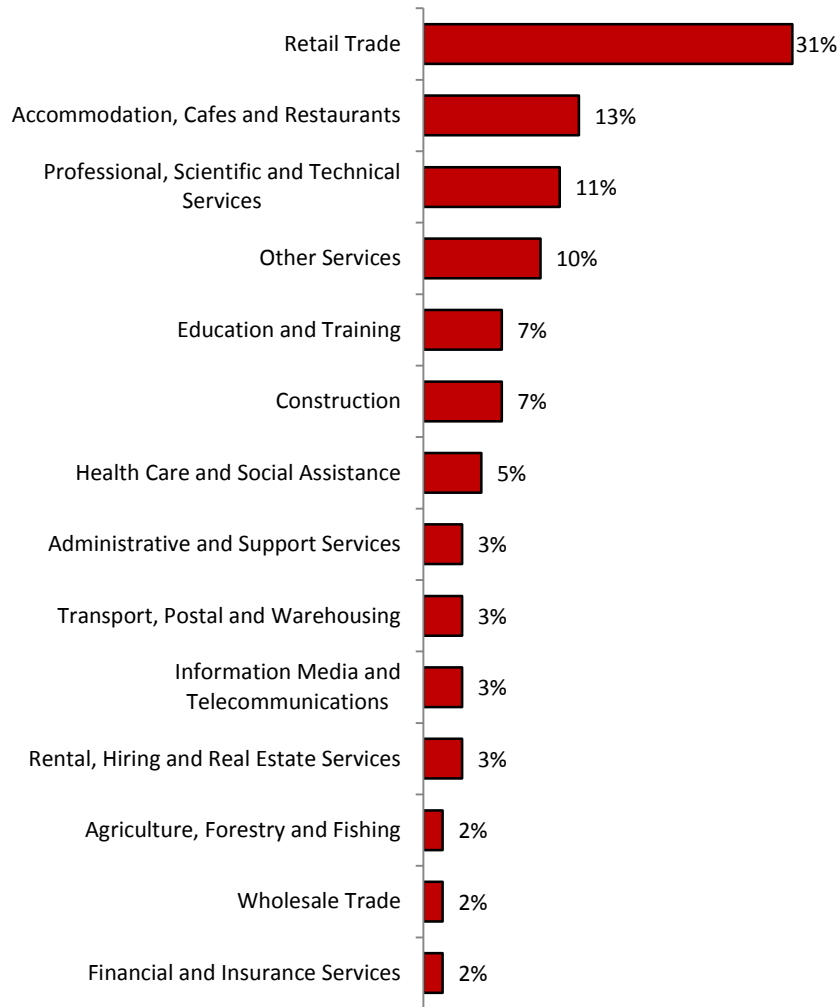
Online Shopping	ALBURY CBD	Lavington Square	Total
Yes	50%	40%	47%
No	50%	60%	53%

Total sample; Unweighted; base n = 405; total n = 406

## **APPENDIX B – BUSINESS SURVEY**

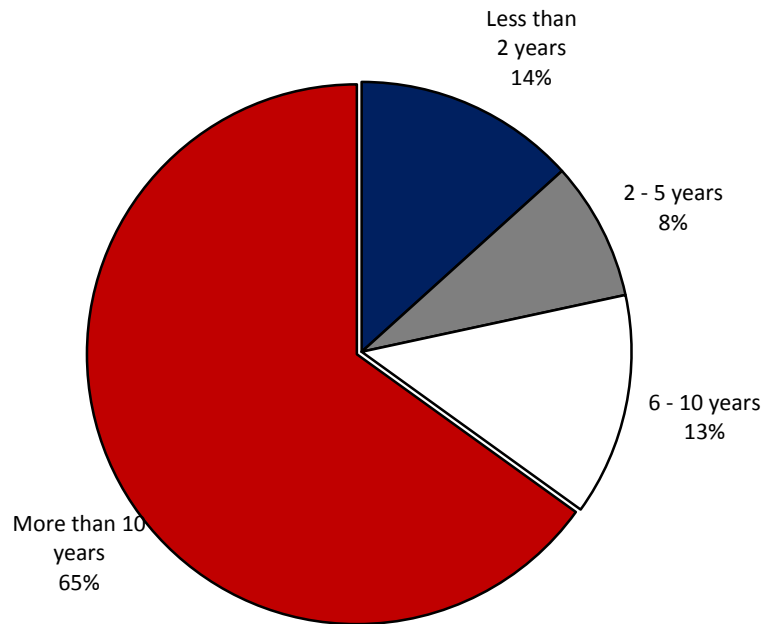
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# What is the nature of your business?



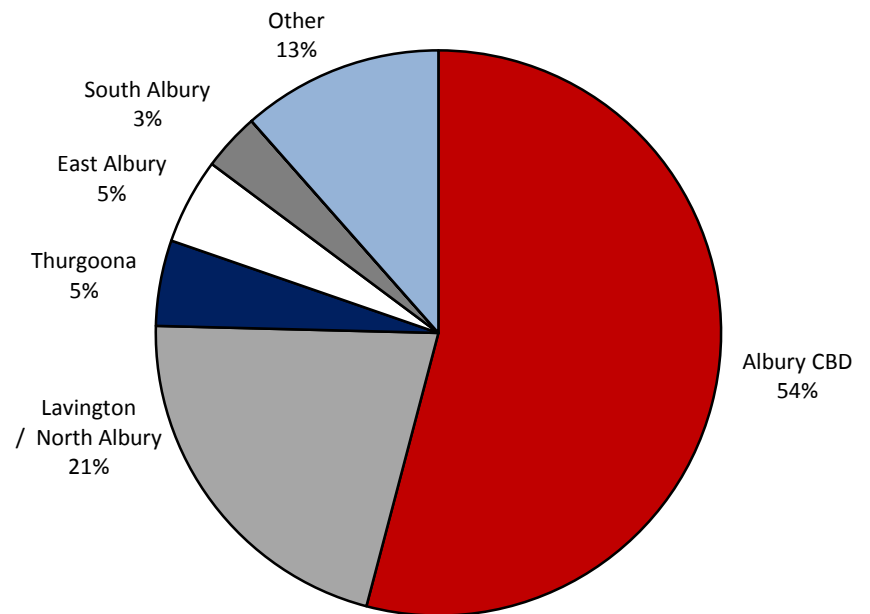
Answer Options	Response Percent	Response Count
Retail Trade	30.6%	19
Accommodation, Cafes and Restaurants	12.9%	8
Professional, Scientific and Technical Services	11.3%	7
Other Services	9.7%	6
Construction	6.5%	4
Education and Training	6.5%	4
Health Care and Social Assistance	4.8%	3
Rental, Hiring and Real Estate Services	3.2%	2
Information Media and Telecommunications	3.2%	2
Transport, Postal and Warehousing	3.2%	2
Administrative and Support Services	3.2%	2
Financial and Insurance Services	1.6%	1
Wholesale Trade	1.6%	1
Agriculture, Forestry and Fishing	1.6%	1
Public Administration and Safety	0.0%	0
Manufacturing	0.0%	0
Arts and Recreation Activities	0.0%	0
Mining	0.0%	0
Electricity, Gas, Water and Waste Services	0.0%	0
<b>Answered Question</b>		<b>62</b>
<b>Skipped Question</b>		<b>0</b>

## How long has your business been operating in Albury?



	Percent	Count
Less than 2 years	13.3%	8
2 - 5 years	8.3%	5
6 - 10 years	13.3%	8
More than 10 years	65.0%	39
<b>Answered question</b>		<b>60</b>
<b>Skipped question</b>		<b>2</b>

## What best describes the location of your business?

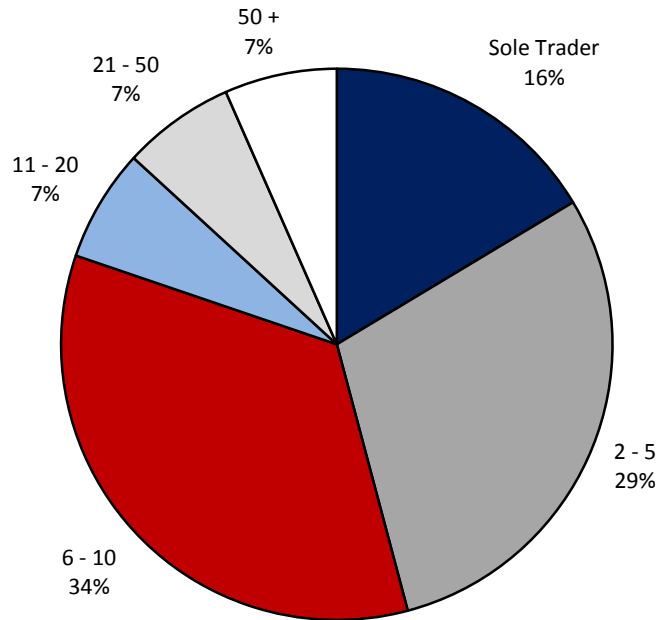


	Percent	Count
Albury CBD	54.1%	33
Lavington / North Albury	21.3%	13
Thurgoona	4.9%	3
East Albury	4.9%	3
South Albury	3.3%	2
West Albury	0.0%	0
Other	11.5%	7
<b>Answered question</b>		<b>61</b>
<b>Skipped question</b>		<b>1</b>

### Other included:

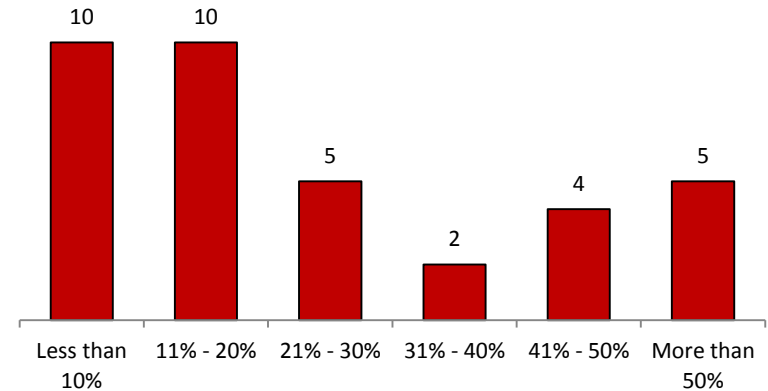
- Mobile business operating throughout all Albury and Wodonga suburbs
- Have sites at both East & West Albury
- We are in Albury CBD and Lavington
- Wodonga
- Fringe Albury CDB
- Office in Lavington with future Display home being built in Thurgoona
- Wodonga

## How many people work in your business?



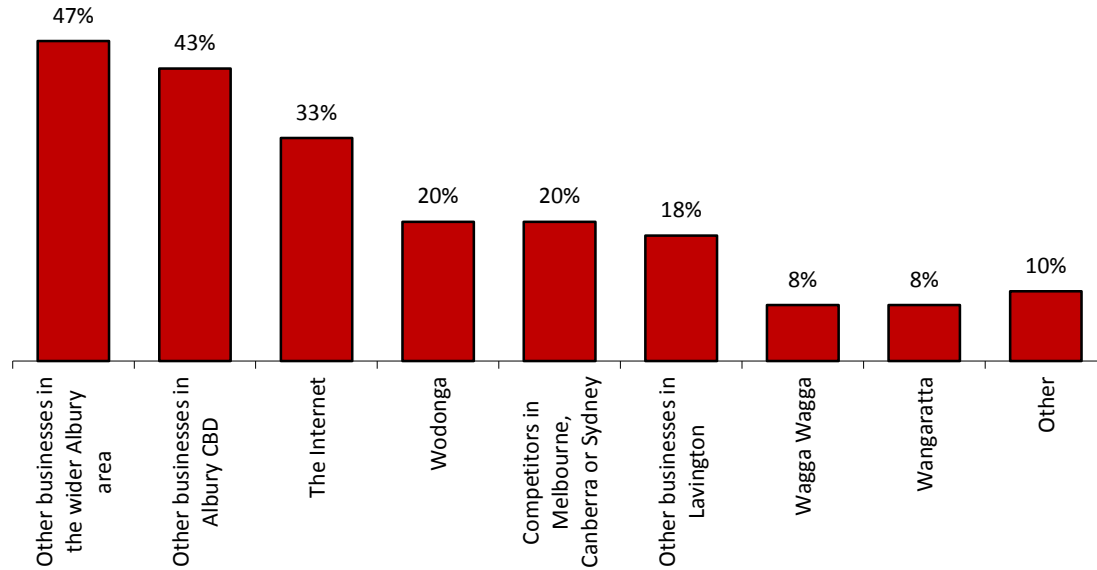
	Percent	Count
Sole Trader	16.4%	10
2 - 5	29.5%	18
6 - 10	34.4%	21
11 - 20	6.6%	4
21 - 50	6.6%	4
50 +	6.6%	4
<b>Answered question</b>		<b>61</b>
<b>Skipped question</b>		<b>1</b>

## What proportion of your customers live outside of Albury / Wodonga?



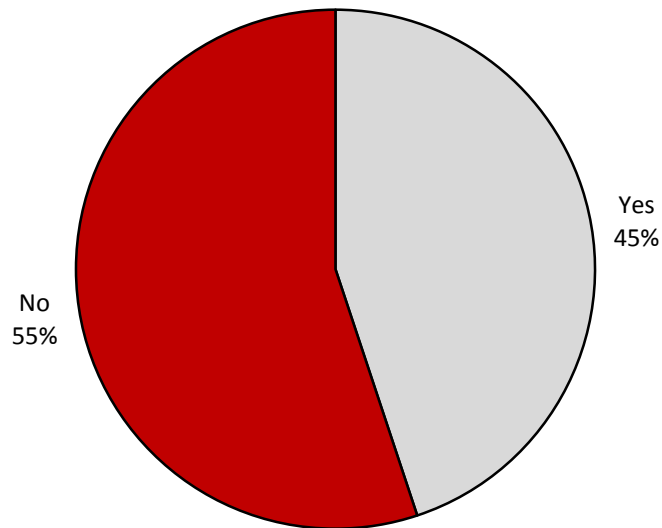
Less than 10%	11% - 20%	21% - 30%	31% - 40%	41% - 50%	More than 50%	Response Count
10	10	5	2	4	5	36
<b>Answered question</b>						<b>36</b>
<b>Skipped question</b>						<b>26</b>

# Who do you see as the main competition for your business?



	Percent	Count
Other businesses in the wider Albury area	46.9%	23
Other businesses in Albury CBD	42.9%	21
The Internet (online shopping)	32.7%	16
Wodonga	20.4%	10
Competitors in Melbourne, Canberra or Sydney	20.4%	10
Other businesses in Lavington	18.4%	9
Wagga Wagga	8.2%	4
Wangaratta	8.2%	4
Other (please specify)	10.2%	5
<b>answered question</b>		<b>30</b>
<b>skipped question</b>		<b>5</b>

## Are you an active member of any local retail marketing / promotion groups or industry associations?

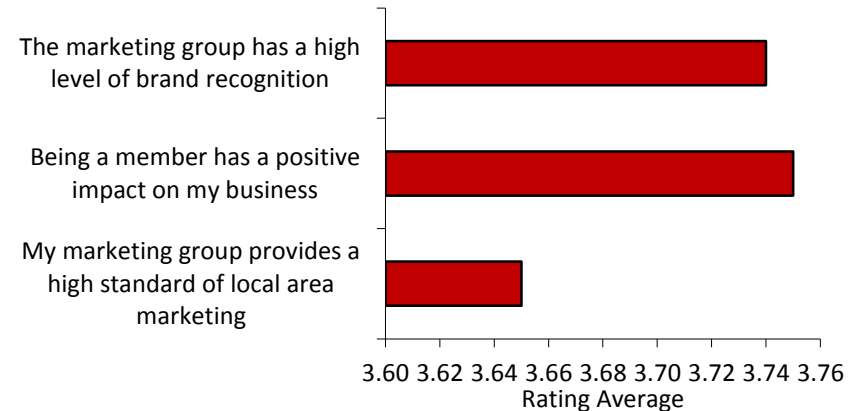


	Percent	Count
Yes	44.9%	22
No	55.1%	27
<b>Answered question</b>		<b>49</b>
<b>Skipped question</b>		<b>13</b>

### If yes, which one(s)?

- Albury Central x 4
- Albury Northside Chamber of Commerce x 15
- Lightning Network
- ATA
- AFRA
- ANCC
- Association of Investigators and Security Professionals
- Baking Industry Association

## If yes, how do you feel about the following statements related to your local retail marketing / promotion groups or local industry association



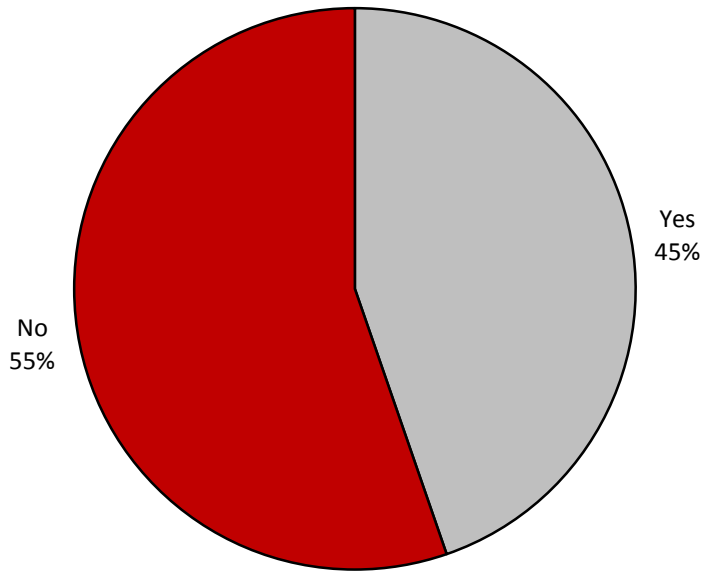
	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree	Response Count
My marketing group provides a high standard of local area marketing	1	1	7	10	4	23
Being a member has a positive impact on my business	1	0	6	14	3	24
The marketing group has a high level of brand recognition	1	0	7	11	4	23
						Answered question
						24
						Skipped question
						38



## Do you have any suggestions to improve city-wide marketing and promotions in Albury?

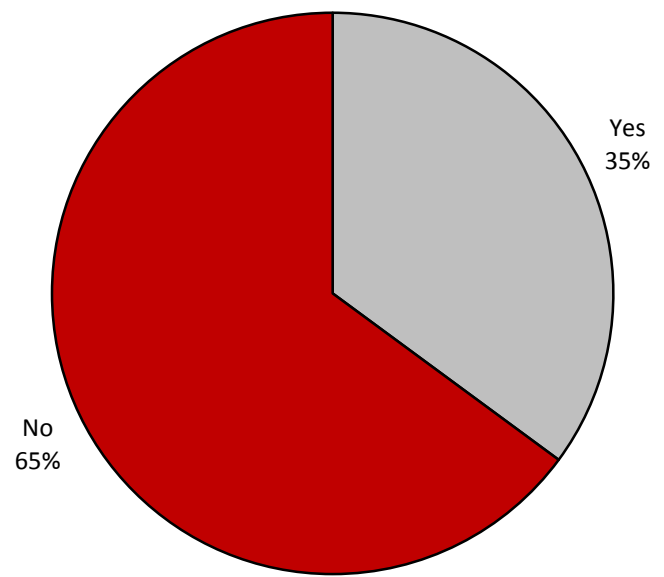
1. Albury Council to bring in more conventions, groups to Albury
2. Speak with the business owners before making decisions.
3. Maintain Dean St as a vibrant street with ample car parking within easy walking distance. Promote street fairs and activities.
4. Introduce Webinars
5. Promote to the larger area population the benefits provided by buying in Albury/ Lavington
6. Cycling paths and facilities
7. Cease Albury Central and continue to promote Chambers of Commerce
8. Public Searchable Business Directories of business who live/work/operate locally. No franchises/chains/branches. Just true local businesses.
9. Albury City Council is very much CBD Centric. Lavington is a poor relation. Spending more time and money in Lavington would be a start.
10. Focus the promotions on what their intention actually is... eg the Applause Festival was meant to bring people into the CBD to bouy retailers... it actually took trade AWAY from retailers and we were financially supporting it!!
11. Allow for more activity and spontaneous business and entertainment. Pop up promotions, Activity Booths, Engagement of tangible elements such as promotions related to the upcoming Ski season, Winery Walk about, open Art Show in QEII square, Theatrical groups such as the fruities, flash mobs of entertainers and musicians, wine exhibitions, small carnival activities. Coffee/ Food Exhibition.
12. Don't focus solely on Albury CBD and Myer Centrepont

Would you be interested in participating in a city-wide/cooperative retail marketing strategy?



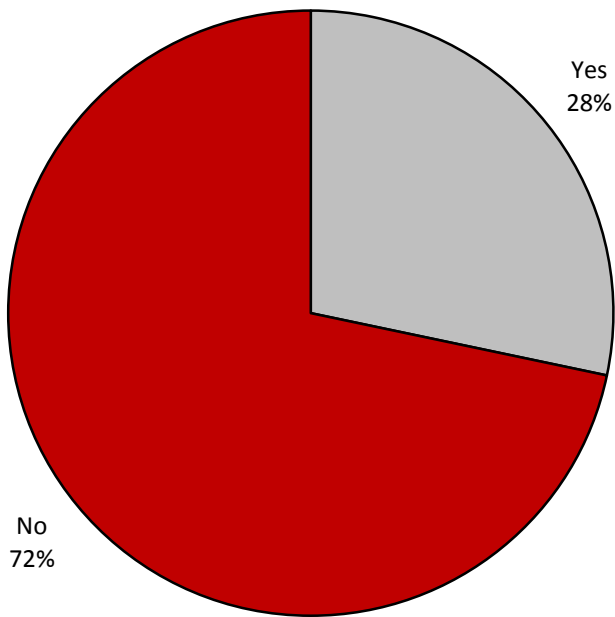
	Percent	Count
Yes	44.7%	21
No	55.3%	26
Answered question		47
Skipped question		15

If yes, would you be willing to make a financial contribution or 'buy-in' to the campaign?



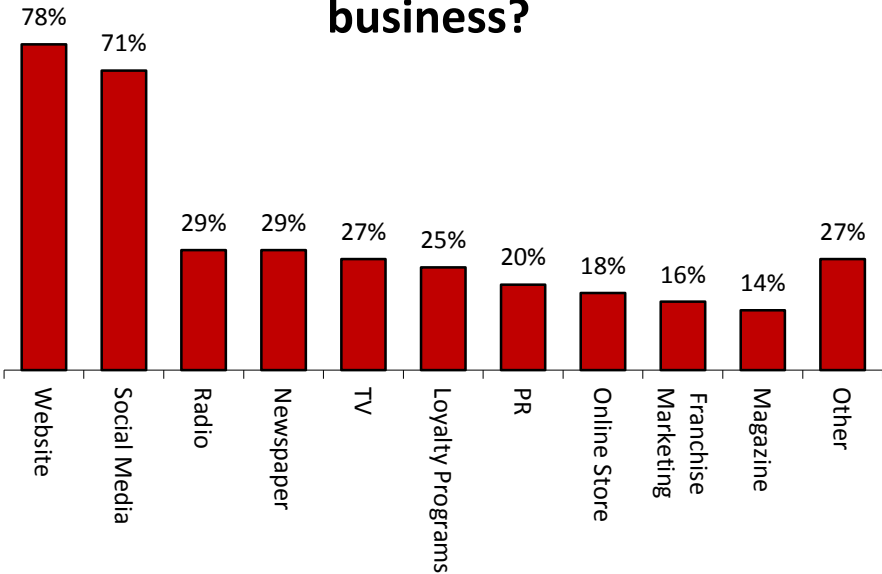
	Percent	Count
Yes	35.1%	13
No	64.9%	24
Answered question		37
Skipped question		25

# Would you be interested in contributing to a city-wide online store?



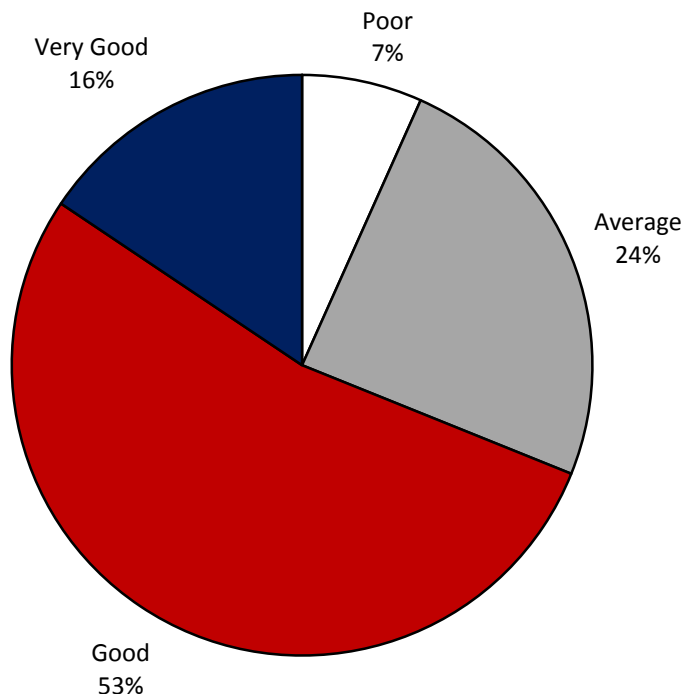
	Percent	Count
Yes	28.3%	13
No	71.7%	33
Answered question		46
Skipped question		16

# What marketing activities are you currently undertaking to promote your business?



	Response Percent	Response Count
Website	77.6%	38
Social Media	71.4%	35
Radio	28.6%	14
Newspaper	28.6%	14
TV	26.5%	13
Loyalty Programs	24.5%	12
PR	20.4%	10
Online Store	18.4%	9
Franchise Marketing	16.3%	8
Magazine	14.3%	7
Other	26.5%	13
Answered Question		49
Skipped Question		13

## How would you describe the experience / amenity of Albury's shopping precincts?

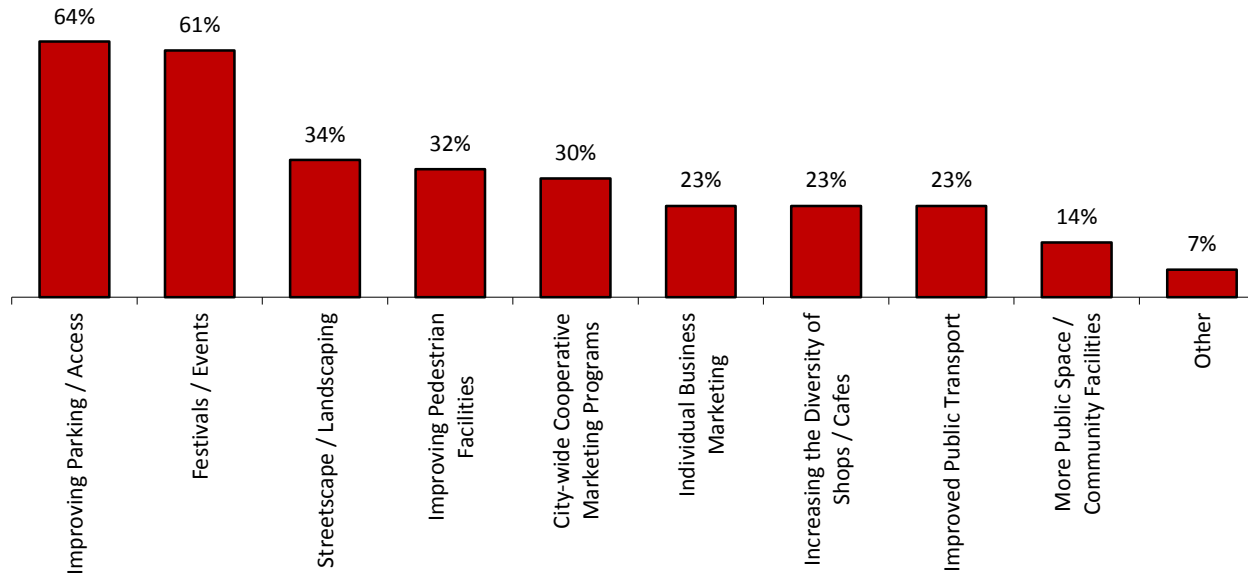


Answer Options	Response Percent	Response Count
Very Poor	0.0%	0
Poor	6.7%	3
Average	24.4%	11
Good	53.3%	24
Very Good	15.6%	7
<b>Answered question</b>		<b>45</b>
<b>Skipped question</b>		<b>17</b>

## Are there any improvements you could suggest for Albury's retail precincts to enhance the shopping experience for your customers?

1. Improve parking spaces by stopping retailers allowing their staff to park in 1 hour parking spots.
2. Updated and/or cleaned rubbish bins cleaned pavements
3. Have a strategy when planning for new business.
4. The buildings offered for rental in the past on Wagga Road need Lots of attention to come up to the rents that are being asked for sub-standed frontages, for instance no individual toilet facilities or hot water in properties multi businesses
5. Better facilities
6. Myer City Centre and associated carpark are in drastic need of a total overhaul, and have been for the past 20 years. As an anchor tenant Myer itself needs a total makeover and improvement in the range of goods it carries, rather than a 'sample' of product lines.
7. More activity on the street and outside the malls.
8. "Retailer mix Traders App with go fencing to inform special on that shop for example Strong Wi-Fi accessible in stores Parking more"
9. Events to draw people into town
10. MORE POLICEING OF THESE PLACES
11. Improve pedestrian access from Myers complex to ss and a car park
12. Treating Lavington as an equal of central Albury
13. Parking! Traffic flow!
14. Brighten up the alley walkways through painting and lighting and improved shop signage.
15. STOP STOP STOP building MORE physical retail stores. Empty stores look awful - fill the ones that are available first. STOP the sprawl of retail away from the CBD - a gently condensed area would keep Albury focussed.
16. Toilets, More areas of social gathering
17. Parking is becoming a big problem in Albury CBD, improvements need to be made to make trading viable in the CBD.
18. Real estate issues are forcing local businesses, successful businesses to close down which in turn has put many hard working local people out of work.
19. The amount of vacant stores along dean street is ridiculous and embarrassing.
20. I have recently lost my job due to store
21. Closure. The cost of relocation is not viable in a regional town. This is not Melbourne! Locals should be supporting locals, not forcing store closures with the price of unrealistic rent prices."
22. Undercover shelter/roofing through AMP Lane

# What additional investment do you believe could best contribute to improving retail customer visitation and sales?



	Percent	Count
Improving Parking / Access	63.6%	28
Festivals / Events	61.4%	27
Streetscape / Landscaping	34.1%	15
Improving Pedestrian Facilities	31.8%	14
City-wide Cooperative Marketing Programs	29.5%	13
Individual Business Marketing	22.7%	10
Increasing the Diversity of Shops / Cafes	22.7%	10
Improved Public Transport	22.7%	10
More Public Space / Community Facilities	13.6%	6
Other (please specify)	6.8%	3
<b>Answered question</b>		<b>44</b>
<b>Skipped question</b>		<b>18</b>

## Other:

1. Introducing a DFO next to Bunnings at the old mill site. It will bring people from out of town, its close to the railways, and will create plenty of jobs.
2. Unfortunately franchising is affecting the diversity of the (small store) shopping experience. While it can provide critical mass to the shopping experience, it inevitably means that we become yet another "me too" shopping destination.
3. Parking is good, but more now before it is NEEDED again.

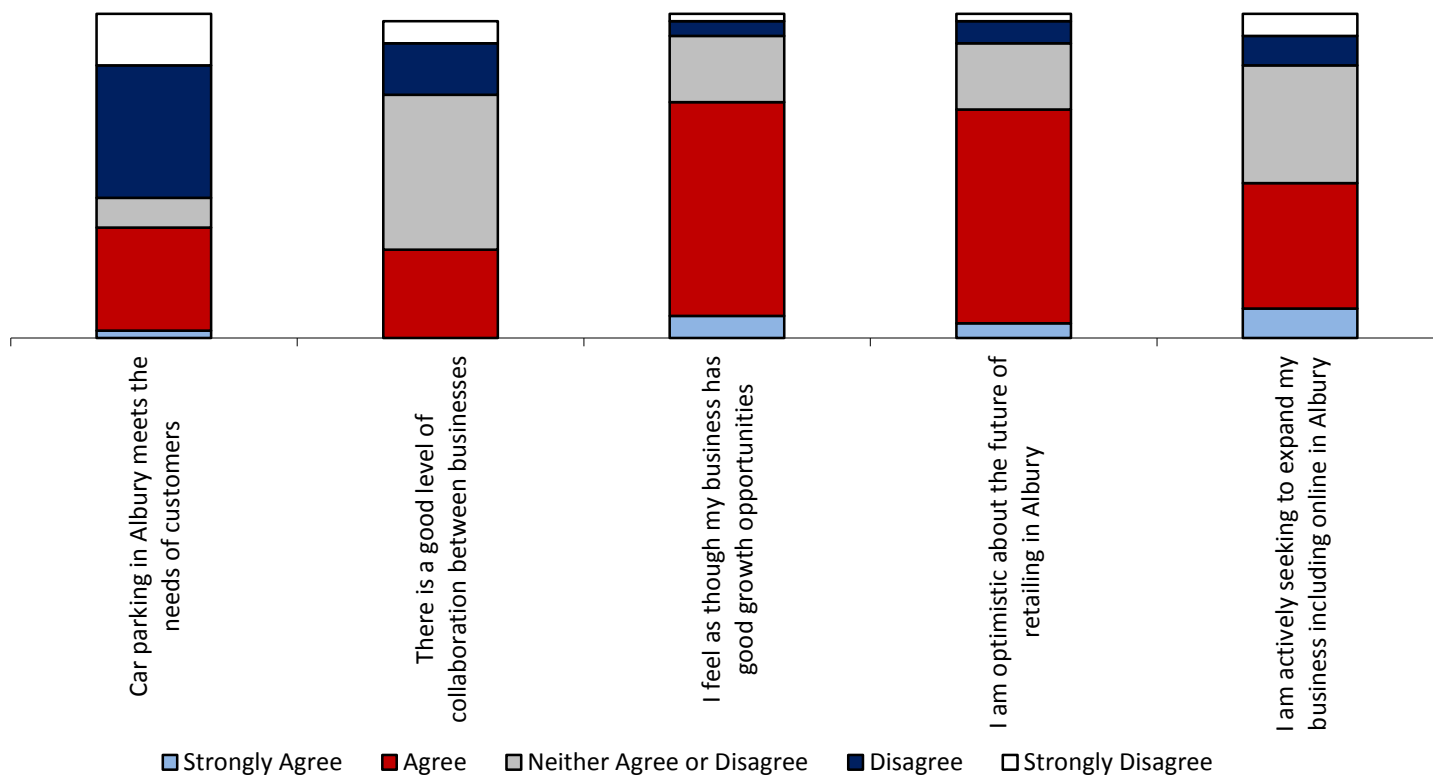
# What is the number one issue facing your business at this time?

1. Parking
2. Administrative capacity
3. Competition. We are a small cafe and the number of cafes / restaurants in central Albury is excessive. You only need to look at the businesses closing down, yet Albury City Council goes and creates another restaurant at the new Art Gallery - just what the CBD needs!!!
4. out of the way unsuitable affordable accommodation
5. Cheap competitors who don't pay correct wages or insurances basically backyard businesses who take work away from legitimate businesses
6. Growing the business and maintaining clients
7. Money is tight. Our customer numbers are increasing but they are always looking for ways to reduce spend
8. Federal government issues, lack of medical facilities in Thurgoona
9. Depressed trading conditions.
10. Increasing trade
11. Slow growth in national economy
12. Lack of exposure
13. Car parking restrictions
14. Position
15. Government regulation
16. Funding
17. Consumer confidence
18. Attracting appropriately qualified staff to a regional area
19. Reluctance in consumers to spend
20. Legislation
21. Parking spaces,
22. Low sales
23. No enough customers.

## What is the number one issue facing your business at this time? (continued)

25. Parking at the Garden end of Dean Street is very limited
26. Staff
27. Talent drain to metropolitan areas
28. Sales declining/soft market conditions
29. Finding & retaining committed tradespeople
30. Competitors. There are a lot of businesses offering services I offer. The issue is how to be the 'go-to' business without breaking the bank with advertising costs.
31. Market awareness
32. Lack of public confidence.
33. Competition from Internet providers
34. Lack of local business awareness.
35. Low consumer purchasing sentiment.
36. Always competition - not really a council issue though. Actually one of the issues we have recently had to reconsider is waste disposal - the change in local waste collection has basically halved for business - I have no biodegradable (food) waste BUT since the paper recyclers in Fallon Street closed I have to DRIVE my excess cardboard packaging to the Albury tip as the street collection has effectively HALVED. We have not been offered a 'green' bin.
37. In activity by stimulus in the street i.e. what makes the shopping experience in Albury different to any other regional centre/and what does the shopper take with them to remember?
38. Vacancies and low customer spend
39. Foot traffic
40. Real estate prices are forcing businesses to close and putting people out of work. I have just lost mine due to this.
41. Lack of foot traffic

## How do you feel about the following statements?



	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree	Response Count
Car parking in Albury meets the needs of customers	7	18	4	14	1	44
There is a good level of collaboration between businesses	3	7	21	12	0	43
I feel as though my business has good growth opportunities	1	2	9	29	3	44
I am optimistic about the future of retailing in Albury	1	3	9	29	2	44
I am actively seeking to expand my business including online in Albury	3	4	16	17	4	44
<b>Answered Question</b>						<b>44</b>
<b>Skipped Question</b>						<b>18</b>



# Do you have any ideas that might attract more customers and investment to Albury?

1. Promoting Albury more
2. More events and promotion.
3. "Albury main appears to be getting the crowds
4. Lavington does not, nowhere to walk and browse outside malls"
5. "improved car parking Stronger marketing/promotion of the smaller retail business's in the CBD and Lavington Strong focus on customer service
6. as above DFO and increase the population
7. manufacturing jobs. stop the losses and get industry here by whatever means, including free land
8. A significant improvement to the Myer store (including more floor space to allow for a greater assortment of goods) as the anchor to the CBD retail experience. MAMA is a fabulous development - congratulations! It sits well with the newish library museum in creating a cultural hub for the city. Amp Lane should be covered to provide protection from the weather - it is one of the few 'nooks' that could be a feature. The area outside the Myer Arcade could similarly become another hidden gem, but this would require moving the charity shop and fencing off the Myer goods delivery area.
9. TOURISM INFRASTRUCTURE
10. Promote lifestyle to attract people to leave Sydney and Melbourne and live in Albury.
11. Encourage growth, encourage increased business hours on weekends and public holidays (possibly through financial incentives) with aims to achieve a 7 day per week full-day trading. This would assist Albury to be seen as "open for business" when weekend visitors arrive.
12. The two cities not competing with each other need on unified approach to one another
13. Increasing tourism through cultural events might help to attract more customers and investment and would raise the profile/brand of the City
14. Further development in accordance with the Evocities strategy would help to attract appropriately qualified staff to the region
15. Easily accessible, facilitated events and partnership-building opportunities between businesses would help to build networking links of a meaningful and sustainable nature. However, as business owners are time-poor these events need to be easy to access and demonstrate immediate and tangible outcomes in order for them to be sustainable. "
16. Family oriented tourism attractions/activities
17. a form of local food market as per grand central Los Angeles and many other cities, particularly asia
18. Albury is strategically well placed for businesses such as transport, manufacturing. Market this region for it's fantastic lifestyle and continue to build on the transport hub to assist manufacturing businesses get their product to market.
19. Tourism and Regional identity in particular River frontage

# What do you think are the main weaknesses of Albury as a place to do business?

1. Parking in the CBD
2. Mish mash of developments. Volt Lane area an eye sore and poorly planned. too many new commercial premises coming on line. too many national businesses who aren't necessarily actively involved at a management level in the community.
3. Too many of the same shops. Excessive rents.
4. Not enough happening to draw crowds to Lavington
5. limited population
6. parking in Albury & Lavington
7. A very insular and 'cliquey' city, however this is probably the same for every regional city of Albury's size. Breaking into the market was/is challenging.
8. COMPETITION
9. The first floor of Dean Street is badly under-utilized.
10. The phasing of traffic lights, particularly the diagonal pedestrian times, are too long and should be shortened. The parking times in Dean Street should be shortened to encourage higher turn over of customers.
11. Distance from Melb & Sydney
12. Parking and NBN taking so long to arrive we have poor conductivity in the area
13. Perception of being to far away from everything.
14. Organisations operating in isolation with a mindset of competition, rather than collaboration and Attracting suitable staff in a regional area is a challenge
15. talent drain to metropolitan areas
16. Distance from major capital cities. Cross-border issues in some industries regarding state licensing requirements.
17. city perception that we are 'country'.
18. Lack of employment opportunities and an increase in social welfare. Albury's economy has generally declined since the 1980's
19. Lack of high speed internet.....dial up speeds at broadband/nbn prices.
20. Lack of street shelter in extreme heat days and for heavy wet weather. Inconvenient parking arrangements for Kiewa/Dean St shops.

## **What do you think are the main weaknesses of Albury as a place to do business? (continued)**

21. Lock of cultural integrity - the museum refurbishment may help. The improved River Deck eating facility will embellish that great area around Nouriel. Albury is beautifully placed - to send people OUT to the weir, AWAY to the North East Wineries, OUT AWAY ... there is nothing special about being IN IN IN Albury. Even the Ettamogah Sanctuary is gone. People come into our retail store in the CBD and ask what is there in Albury for families to do.... um... we say... well there is a nice park now (we used to send them to Wodonga).
22. Name 5 things you would come to Albury for?
23. When we are in peak trading our customers find it hard to get to us due to a lack of parking premises in the CBD
24. Commercial real estate agencies forcing businesses to close due to hikes in rent.
25. Increasingly high commercial property and the landscape of the main CBD ant track. Lack of culture, vibe.

## What are the strengths about retail trading in Albury?

1. Lots of individual business and family owned business. Friendly staff. A great variety of shops.
2. Great street scape. everything is here. great café culture
3. Loyal customers
4. All or most of the marketing is done for central Albury
5. Wide range of shops in the retail areas
6. Customer loyalty
7. Good range of shops
8. A good concentration of services. Growing population.
9. Main regional centre
10. Dean Street is an attractive street - good diversity among retailers.
11. As a non-retail business I feel I am unable to provide an informed response. As a customer of retail businesses the ease of movement is a definite benefit (besides the length of time for traffic light phasing).
12. Pleasant shopping precincts.
13. National Retailers draw customers
14. We have it all on our door step, and if we don't it can be here over night
15. Loyal customer base (possibly due, in part, to being a regional area)
16. Generous coverage of services by local media (Border Mail, Prime, Win TV, ABC Radio) which results in free marketing
17. Pedestrian friendly, which increases foot traffic
18. Opportunity to advertise via banners across Dean St
19. Dean Street location - High visibility to potential customers
20. Good variety of stores, excellent position between cities and close to smaller country towns.
21. Lifestyle. Has everything you need without the drawbacks of major metropolitan areas, but only a short distance to those areas
22. Relative ease of parking. Well set out CBD.
23. Room to grow!
24. Ease of mobility

## **What are the strengths about retail trading in Albury? (continued)**

25. Good range of retail outlets.
26. Well laid out streetscape and shopping precincts.
27. The easy to manoeuvre main street, not too many blocked or one way streets. Clean streets. Streets are not too skinny. Good infrastructure for freight. Good current variety of retail stores - 'Majors' and independent styles of stores. There is not an abundance of national chains that only fill shopping complexes because they are obliged to by the centres.
28. Close proximity of all the Major retailers.
29. A vibrant food and shopping precinct.
30. Located in Albury we have a large surrounding customer base to feed off.
31. Community minded about supporting local people and businesses. Just a shame there are more and more businesses losing closing in the CBD due to real estate.
32. Variety of businesses