



10 September 2018

Dear Deputy Morel,

Responding on behalf of Visit Jersey I refer to the retail policy review undertaken by the Economic Affairs Scrutiny Panel.

Visit Jersey began trading on 30th March 2015. Our role is to promote tourism to and within Jersey in an innovative, economic and efficient way, delivering on our vision of a vibrant and sustainable tourism industry. Over the longer term our priorities are to:

- Inspire visitors from overseas to visit and explore Jersey
- Maximise public investment through partner engagement, and
- Advise government and the industry on tourism issues, particularly those affecting our competitiveness.

The following response outlines some of the themes Visit Jersey would encourage the retail sector to consider and address, as part of the retail policy review.

#### **Is retail part of the visitor economy?**

- Shopping is one of the most commonly undertaken activities by visitors to destinations around the world with the United Nations World Tourism Organisation (UNWTO) noting that there is an increasing tendency for tourists to indulge in shopping while travelling.
- Over one-fifth of the amount spent in the UK by overseas visitors is on items purchased in shops with almost six-in-ten visitors reporting that they undertook some shopping while in the UK.
- The figure in Jersey is lower, reflecting a variance in the range and scale of retail opportunities, and higher costs associated with other items typically within a visitor's expenditure profile.
- Shopping expenditure by visitors largely falls into two distinct categories – 'provisions' bought by those who are self-catering and 'discretionary' shopping for other types of products, for example clothing, souvenirs etc.
- Jersey's visitors want to enjoy the island's retail offer. Visitors from Great Britain (GB) are twice as likely to 'shop for items they don't regularly buy' when in Jersey than is the case when they holiday in mainland GB (11% vs 5% doing so).
- Visit Jersey research found that 59% of GB residents had visited 'local markets' while on holiday in the past three years - that's more than went to museums, castles, sunbathed or visited a garden.

## Is retail important to the visitor economy?

- It is estimated that in 2017 visitors spent £16m in Jersey's shops.
- This expenditure generates £800,000 of GST revenue.
- According to Visit Jersey's Brand Tracker research, among our target market 24% say that they often choose a destination for a holiday/short-break based on being able to shop at local or independent shops – higher than the 10% who say they often choose a destination based on being able to shop in large chains.
- 48% say they prefer shops to be open on a Sunday, 27% say that they don't mind whether shops are open or not while 26% prefer shops not to open.
- Shopping is a relatively more important aspect of the overall visitor experience for those visiting outside of the main summer season and for shorter weekend breaks – a concern is that Visit Jersey's Visitor Experience research found that those visiting for a weekend short-break rated Jersey's value for money and shopping offer less favourably than did other types of visitor.
- Although being rated well, with a typical score of 3.9 out of 5, 'Shops / Retail' is an aspect of the visitor experience rated less favourably than others.

## What are the opportunities for retail?

### Opening hours

- The independent research by Kantar TNS and Island Global Research found that retail priorities include reviewing the range of shops available and the opening hours of these shops because they currently pose a relatively high threat to the strength of the visitor experience.
- A separate independent Product Audit conducted by Colliers International found Jersey's retail offer to be 'moderate' and noted that tourism would benefit were a greater number of shops to be able to open on Sundays, particularly to French and Guernsey day-trippers.
- An aim of Jersey's town centre regeneration should be to make it attractive to shops to open on Sundays. As a starting point, the Visit Jersey Product Action Group advocating opening in key seasonal timeframes, i.e. February and October half-term school holidays, opportunities presented in Condor Ferries' scheduling.
- We note the retail sector has significant vacancies operating on a six days basis and this staffing concern could be exacerbated moving to seven days.

- Many retailers with whom the JRA have consulted with are open too to deregulation. Likewise, organisations such as Liberty Bus, Condor and the JHA all supported Sunday opening in the 2014 retail policy review.
- As retailers globally need to reduce costs and increase efficiency in a challenging market where consumer spending is being squeezed and costs are rising, non-Sunday trading is an inhibiting factor affecting the competitiveness and desirability of Jersey when attracting brand prospects to the island.
- The current footfall camera paints a positive retail picture – namely as there is one camera; however, there used to be three. The current live camera is by Viosins– whereas other retail areas are not experiencing increased footfall. Any measurement of the retail economy should be based upon on reliable data. This too will help inform future decisions aimed at improving the retail provision.
- Religion should not be a challenge inhibiting commercial progress. In this respect, Ireland, with a strong religious bias, is an exemplar destination; shops and businesses may largely open when they please.

#### **Retail mix**

- The ‘experience economy’ is an important metric for the success of Jersey’s retail provision. The digital and physical need to work hand-in-hand. Retail isn’t dead, there is opportunity for retail to maximise the experience per square foot through the real-life interactions customers. There are retail opportunities to be more than a store, put the digital in the physical and sell online, offline.
- The Product Audit notes that St Helier would benefit from a quarter where there is a distinctive, independent, retail offer with plenty of places to eat and drink and a vibrant atmosphere. We acknowledge restructuring the town into quarters in practical terms it not easy to achieve; for example, retailers are tied into leases, planning restrictions etc.
- The Central Market and Fish Market are attractive features of St Helier that are not now seen in most UK towns, although, in our opinion, the Fish Market, is tired. A substantial makeover of the markets as the centrepiece of establishing a defined zone for independent businesses in that part of the town could be a good project. There is an opportunity for the Property Management company of the States of Jersey to influence the retail mix in the Markets.
- Exploring authentic or local retailers and developing a night life opportunity through short-term nightlife pop-ups or in the long-term through a glass experience would conserve the asset but inject new life into the Markets by celebrating Jersey’s unique sense of place through contemporary culture and retail theatre.
- The town is also lacking a section for designer brands. It is common now for regional towns and cities to have a cluster of such brands,

either on a street or in a centre. Given the prosperity in the island, there is opportunity to explore this avenue.

- The public realm plays a significant role in the experience.

### **Inconsistent pricing**

- Many destinations with which Jersey is competing offer simple and easy-to-access 'tax refund' schemes. An example of this is the shopping destination, Bicester Village, facilitated by a world-class on-the-spot tax refund partnership with the Change Group.
- Retailers set their prices at the level they believe the market can stand. Various Jersey outlets are not owned by Jersey businesses and Jersey sales may be a small part of their overall estate. Some retailers in Jersey include the UK VAT amount within the price they levy before also adding GST. This is not currently an aspect of the visitor experience that can be leveraged to attract more visitors despite recent improvements in Jersey's GST refund scheme.
- Jersey currently doesn't offer clear and consistent price proposition across retailers, leading to no apparent competitive advantage.

The reports referenced throughout this submission are available on Visit Jersey's corporate website- [business.jersey.com/product-deliverables](https://business.jersey.com/product-deliverables).

Yours sincerely,



CEO  
Visit Jersey