GLAECONOMICS

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Retail and Leisure

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GLA Economics provides expert advice and analysis on London's economy and the economic issues facing the capital. Data and analysis from GLA Economics form a basis for the policy and investment decisions facing the Mayor of London and the GLA group. The unit is funded by the Greater London Authority, Transport for London and the London Development Agency.

Contents

Executive summary

This paper forms part of the GLA Economics' study of the retail sector in London and investigates the relationship between retail and leisure, particularly focussing on London.

One reason for a relationship between retail and leisure is because, over time, shopping has become more of a leisure activity in itself. The reason for this shift in the way people view shopping appears to be because disposable incomes have risen and, as a result, people's demand for leisure has increased. This theory is backed up by the data, which shows that disposable incomes have increased and spending on leisure has risen in London and the UK over recent decades. In fact, spending on leisure has increased more quickly than total spending (and retail spending), indicating that people are demanding more leisure.

The literature defines three different types of leisure associated with retail; these are ambient, magnet and heritage-destination. Ambient leisure refers to the factors that make a shop or shopping centre pleasant to be in, such as the provision of toilets, seating and food courts. The purpose of ambient leisure is to increase the amount of time people spend shopping and their enjoyment of the shopping experience. Magnet leisure refers to standalone leisure attractions, such as cinemas or bowling alleys. The purpose of magnet leisure is to draw people primarily for leisure purposes but with the spin-off advantage that people who visit the leisure attraction will also shop at the retail outlets located nearby. Heritage-destination leisure refers to instances when retail is located close to a heritage tourist destination and, as a result, has the spin-off advantage that customers visiting the heritage site spend money on the nearby retail outlets. Both magnet and ambient leisure have featured in retail developments in London over the past ten years or so.

While there are three identifiable types of leisure associated with retail, it is only ambient leisure that is designed purely for the purposes of retailers. Although magnet and heritage-destination forms of leisure may have spillover effects for retailers, their main purpose is not for the benefit of retail. For example, the principal purpose of magnet leisure is to act as a standalone business in its own right, rather than to generate retail revenue, and heritage-destination leisure is not something that can be manufactured.

It appears that the trend towards more leisure has resulted in more ambient leisure facilities being incorporated into shops and shopping areas in order to improve the shopping experience and promote it as a leisure activity. This is because retailers have recognised the change in consumer preferences towards shopping as a leisure activity and reacted by incorporating ambient leisure into the design of shops and shopping centres.

While ambient leisure may have become so common that people take it for granted, it is still a factor for people deciding where to shop and this may be an issue for some of London's older shopping centres, which are, relative to more recent developments,

lacking in ambient leisure facilities. Indeed, a report by London First found that one of the main criticisms shoppers have about the West End relates to the environment, for example noise, congestion and lack of toilets. Therefore, the importance of improvements to retail surroundings and environment, such as the provision of seating and toilets, should not be underestimated.

1. Introduction

The purpose of this paper is to analyse the link between retail and leisure and, more specifically, to determine the following:

- How (if at all) retail and leisure are linked?
- What are the reasons for a link between retail and leisure?
- In retail developments, what forms does leisure take?
- What evidence is there of a retail-leisure mix in London?

The Office of the Deputy Prime Minister (ODPM) in its town centres report states that evidence on the link between leisure and retail remains largely anecdotal and theoretical. This is because there is little (and no consistent) statistical data on leisure activities in town centres.[1]

Nevertheless, this paper draws on the available literature and data to better understand the link between leisure and retail, with particular reference to London. The paper starts by considering why a link between retail and leisure might exist, and analyses data on household spending to consider how spending on retail and leisure has moved over the recent past. The paper then looks at the different types of leisure that are associated with retail in the literature and explains the purpose of each type. Retail planning applications are then analysed to see if there has been a trend towards leisure and retail in London. Finally, the main findings of the paper are drawn together and policy implications are highlighted. The appendices provide more detail on the data used in the paper.

[1] Office of the Deputy Prime Minister Centre for Advanced Spatial Analysis, Producing Boundaries and Statistics for Town Centres, London Pilot Study Technical Report, UCL, pp 31. View: www.casa.ucl.ac.uk/towncentres/cd/Technical.pdf (Accessed: 22/12/05)

2. Is there a link between leisure and retail?

This section of the paper looks at the possible reasons for a link between leisure and retail and the evidence to support such a link. The literature provides several reasons as to why there might be a link between retail and leisure. These reasons are considered below.

Shopping as a leisure activity

In the literature, it is argued that leisure has become a growing part of the retail offer because consumers now view shopping as more of a leisure activity than in the past. The literature states that as people's disposable incomes increase, so too will their demand for leisure. Therefore, as disposable incomes increase, people need not shop just for essential items, such as food and drink, but can devote more income to discretionary purchases and, as a result, shopping becomes more of a leisure activity. A report by Kooijman (2002) considered the link between leisure and retail in the Netherlands and concluded that when a certain level of prosperity is achieved, culture and leisure become important to people.[2]

The literature suggests that retailers have recognised this change in consumer preferences and, as a result, provide cafes and restaurants, more comfortable surroundings, and more interesting architecture.[3] Indeed, GLA Economics' *Spending Time* publication states that Londoners currently rate shopping (for leisure) as their favourite leisure activity.[4] Moreover, McGoldrick, in his book *Retail Marketing*, investigates the different reasons why people shop, and found that some of the main reasons included providing a break from daily routine or for self-gratification.[5]

It has also been argued that one reason for the emergence of leisure in retail is partly as a response to the internet. The theory is that retailers use leisure to make their customers' shopping experiences more enjoyable by allowing customers to browse through the store in a pleasant environment. The idea is that even if customers do not buy the goods on offer in the store, they may use that retailer's website to make purchases rather than use a competitor's website. This is a relatively new phenomenon and is not really touched upon on in the literature.

Change in income over time

Figure 2.1 looks at real disposable income per capita in the UK between 1955 and 2004.[6] Between 1955 and 2004, real disposable income increased by approximately 2.5 per cent per annum (pa) in the UK. If the literature is correct, then this increase in disposable income will have led to an increase in spending on leisure.

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[2] D Kooijman, 2002, A third revolution in retail? The Dutch approach to leisure and urban entertainment, Journal of Leisure Property, Volume 2, No 3, pp 214–229, pp 216

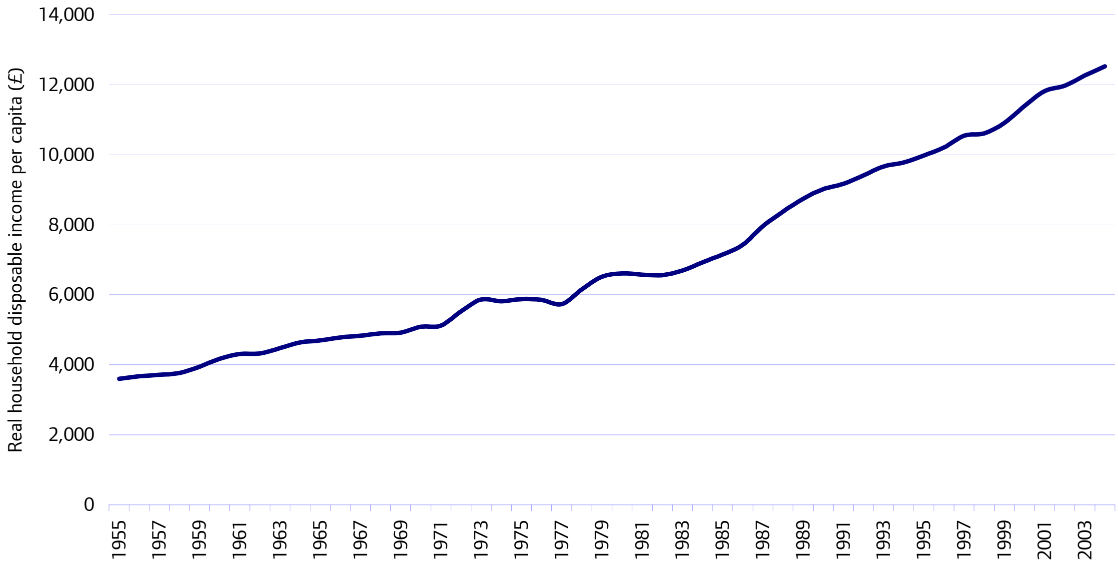
[3] J Reynolds and C Cuthbertson (eds), 2004, Retail Strategy the view from the bridge, pg 338

[4] GLA Economics, 2003, Spending Time: London's Leisure Economy, GLA: London

[5] Peter McGoldrick, 2002, Retail Marketing, 2nd Edition

[6] Data: ONS Economic Trends Annual Supplement, Table 1.5, column IHXZ, 'Real Households' disposable income - chained volume measure' (2002)

Figure 2.1: Real disposable income per capita in the UK, 1955–2004



Source: ONS

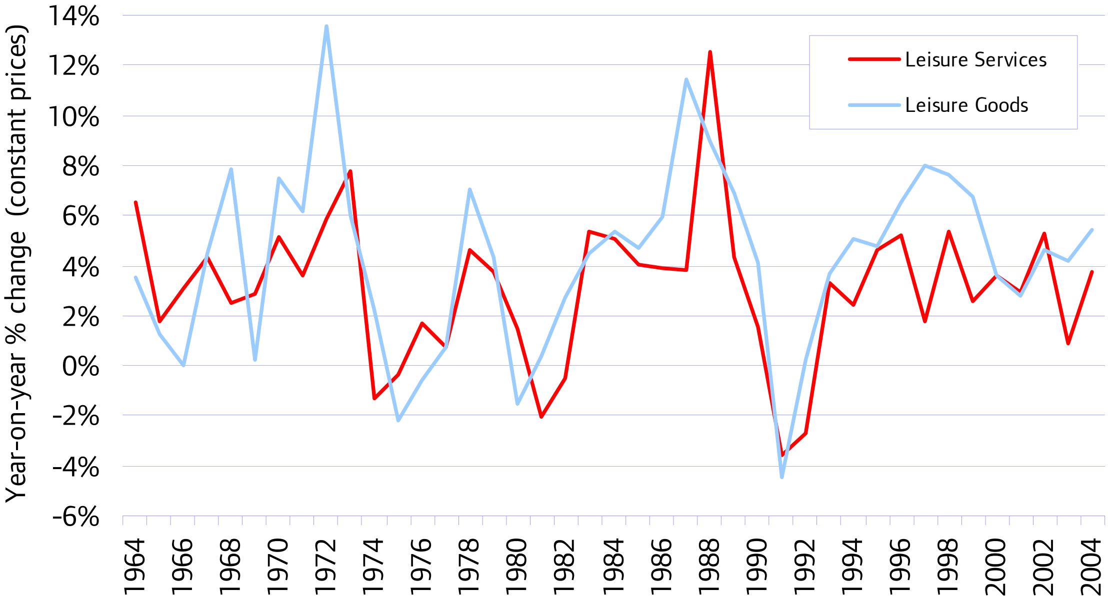
Spending on leisure in the UK

The literature suggests that people are demanding more leisure. For example, research by Keynote in 2001 concluded that consumers are increasingly interested in spending their disposable income on areas such as leisure and lifestyle experiences.[7] As well as this, McGoldrick in his book *Retail Marketing* found that between 1990 and 1999 the largest increase in consumer spending in the UK was on categories such as leisure and holidays.[8]

The data in Figures 2.2–2.5 use statistics from the Office for National Statistics (ONS) on spending patterns in the UK. Figure 2.2 illustrates data on leisure spending in the UK between 1964 and 2004. This data comes from the ONS Consumer Trends series[9]. It shows the long-run trend for both leisure goods and leisure services spending. Leisure goods include equipment for audio, photography, sports, music, gardens etc together with books and newspapers. Leisure services include restaurants, sporting, recreational and cultural activities and gambling (but not package holidays or accommodation services). Fuller details of the definitions used are included in Appendix A.

[7] Keynote, 2001, Retail Development 2001: Market Assessment, Strategic Market Intelligence, pp 47
[8] Peter McGoldrick, 2002, Retail Marketing, 2nd Edition
[9] View: www.statistics.gov.uk/StatBase/Product.asp?vlnk=242&Pos=&ColRank=1&Rank=422. Time series data, tables DG.CN, NDG.CN, SDG.CN, SER.CN – see appendix A for more information.

Figure 2.2: Growth in UK spending on leisure goods, 1964-2004



Source: ONS Consumer Trends

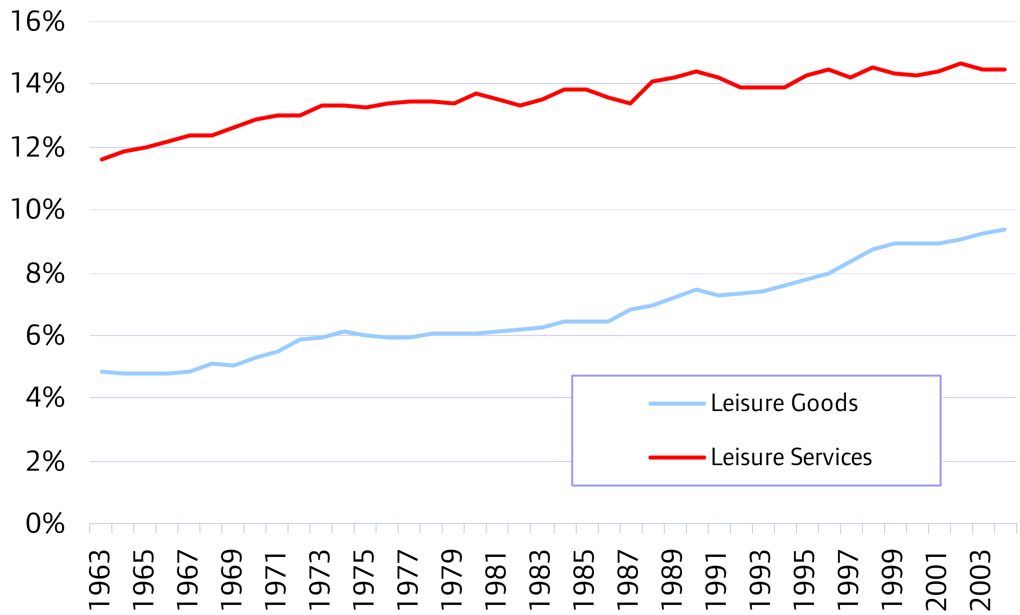
Figure 2.2 shows that UK spending on both leisure services and leisure goods has grown strongly over the past four decades. Average annual growth has been 4.1 per cent for leisure goods and 3.1 per cent for leisure services.

It can be seen that leisure spending can decline in times of recession. However, there has now been over ten years of growth in spending on both leisure goods and services across the UK and as such the long-term trend towards greater expenditure on leisure appears to be continuing.

This long-term trend is illustrated in Figure 2.3 which shows spending on leisure as a proportion of total household spending in the UK between 1964 and 2004. It shows that spending on leisure goods has risen from five per cent of total spending to over nine per cent over the past four decades whilst spending on leisure services has risen from under 12 per cent to over 14 per cent of total spending over the same period.

As noted earlier, package holidays or accommodation activities spending within the leisure services category have not been included. However, some definitions of leisure services do include this holiday spending and if it were to be added then the growth in leisure services spending would be even stronger than shown in Figures 2.2 and 2.3. For the purposes of this report, however, the focus remains on spending that may have some relationship to UK retail, either through the sales of leisure goods or through the co-location of retail outlets and leisure services. In this context, spending on holidays, mostly abroad, by UK residents is not considered to be relevant.

Figure 2.3: Spending on leisure as a proportion of total UK household spending in the UK, 1963 to 2004



Source: ONS Consumer Trends

So far, the analysis has looked at spending on leisure at the UK level. Data at the regional level is not as widely available and certainly not over such a long-time scale. However, it seems reasonable to assume that the trend towards more leisure spending seen at the UK level has been replicated at the regional (London) level. The next section considers the data that is available on leisure spending within London.

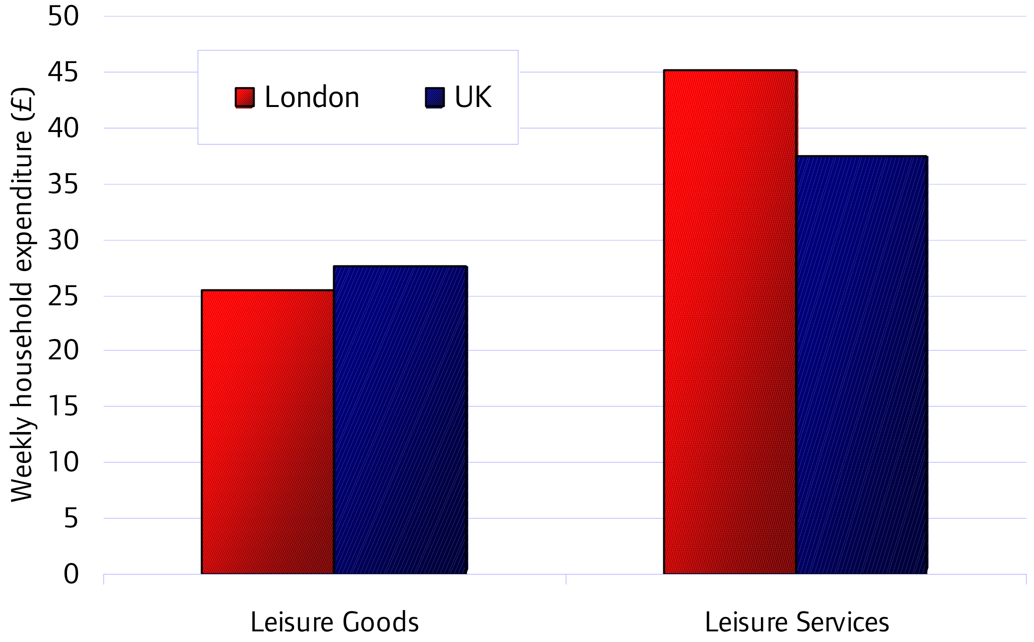
Spending on leisure in London

Unfortunately, consistent time series data for household spending within London is not available due to a series of definition changes over recent years that makes comparisons over time largely unreliable. However, the ONS Family Spending Survey does provide a means to compare current spending within London on leisure to that across the rest of the UK.

Figure 2.4 compares average household weekly expenditure on leisure goods and services in London and the UK. The definitions used are the same as in Figures 2.2 and 2.3.

Figure 2.4 shows that spending per household on leisure goods is actually lower in London than across the UK as a whole. Whilst spending on books is higher in London, spending on pets and outdoor goods is lower.

Figure 2.4: Spending on leisure goods and leisure services in London compared to the UK, 2002/03 – 2004/05



Source: ONS Family Spending: 2005 Edition

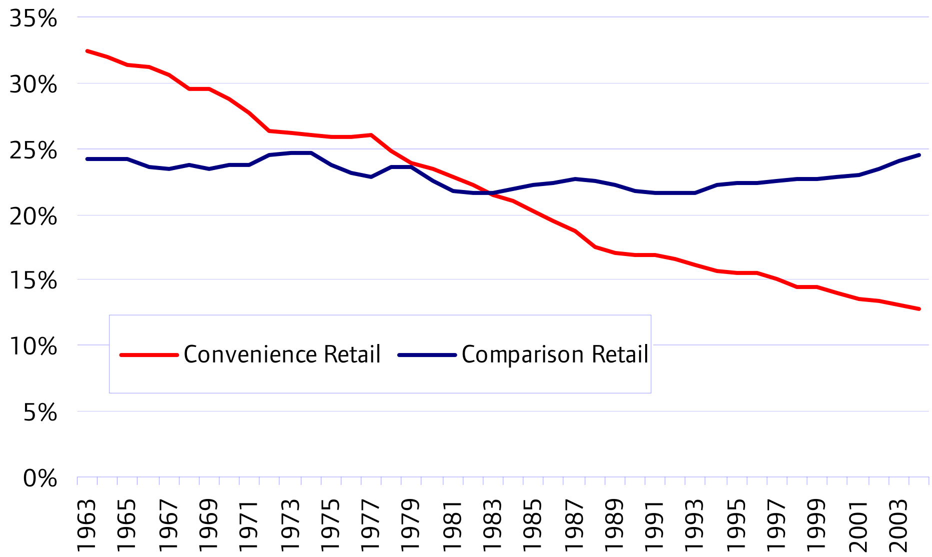
In contrast, spending on leisure services is significantly higher in London than the rest of the UK. Spending in London is higher on sports (including gyms), cinema/theatre/museums, restaurants and bars. Only on gambling is spending higher elsewhere in the UK.

Overall, therefore, leisure spending per household is higher in London than across the rest of the UK. However, the share of total household spending accounted for by leisure is actually slightly lower, with 17.5 per cent of total spending leisure-related in London (11.2 per cent on leisure services and 6.3 per cent on leisure goods) compared to 18.3 per cent across the UK as a whole (10.5 per cent on leisure services and 7.7 per cent on leisure goods). This lower percentage share within London is due to the fact that Londoners spend a greater share of their available incomes on housing rentals.

Spending on retail

Figure 2.5 illustrates retail spending as a proportion of total spending by households in the UK between 1963 and 2004. It is directly comparable to Figure 2.3 which shows leisure spending as a proportion of total UK spending.

Figure 2.5: Retail spending as a proportion of total UK household expenditure, 1963 - 2004



Source: ONS Consumer Trends

Figure 2.5 shows that the share of total household expenditure being spent on retail has declined over the past four decades, due mainly to a decline in the relative share of expenditure spent on convenience retail (food and drink). Figure 2.3 shows that, in contrast to the situation for retail, spending on leisure as a proportion of total UK household expenditure is increasing. Therefore, given the trends in spending, it is not surprising that the provision of leisure has become more important in the retailing sector. The next section of this report examines the ways in which increased integration of retail and leisure have occurred.

3. What form does leisure associated with retail take?

This section of the paper defines the different types of leisure that have been identified in the literature as relating to retail. It then looks at retail planning applications in London to see if there has been a trend towards what might be considered a greater retail-leisure mix in London.

Different types of leisure associated with retail

It is useful to define the different types of leisure that occur alongside retail and to explain their purpose. Three types of leisure have been highlighted in the literature:

- ambient leisure
- magnet leisure
- heritage-destination leisure.

These are explained in more detail below.

Ambient leisure

The purpose of ambient leisure is to enable people to enjoy shopping as a leisure activity in itself and therefore increase the amount of time they spend shopping. One of the ways that this is achieved is by making the shopping centre a pleasant environment in which to spend time. Therefore, many of the factors cited as being important in the provision of ambient leisure at a retail centre are not typically associated with leisure but they make the retail experience itself a more pleasant activity. Some important factors in the provision of ambient leisure at retail centres include the provision of toilets, food courts, plants, and seating.[10] Indeed, a Keynote report on retail development summed up the purpose of ambient leisure as catering to the complete needs of the consumer within a defined area (such as a shopping centre) by emphasising shopping as a pleasurable experience and encouraging the consumer to increase dwell time at the location.[11]

It should be noted that the provision of ambient leisure facilities can relate to individual shops as well as shopping centres. For instance, many large stores now provide a restaurant and some bookstores provide comfortable seating and even a coffee shop within the store.

Ambient leisure may have become so commonplace in shopping centres that people take it for granted but it is still a factor for people deciding where to shop and its absence may mean that people choose not to shop in a particular location.[12] The lack of what might be considered as ambient leisure facilities in some of London's more established shopping centres, such as the West End for instance, may mean that they are viewed less favourably when compared with newer shopping developments that have ample ambient leisure facilities. For example, there is evidence that shoppers

[10] Keynote, 2001, Retail Development 2001: Market Assessment, Strategic Market Intelligence, pp 47
[11] Peter McGoldrick, 2002, Retail Marketing, 2nd Edition - Retail and leisure developments, pp 15.
[12] Property Management, 1999, The relationship between retail and leisure, Volume 17, No 1

regard Bluewater as a more pleasurable shopping experience than some central London locations, such as Oxford Street.[13]

While there may not be any evidence of a direct link between ambient leisure and spending, research by the Oxford Institute for Retail Management in the late-1980s indicated that the presence of ambient leisure facilities at some shopping centres had increased dwell times.[14]

Magnet leisure

The purpose of magnet leisure is to attract people primarily for leisure purposes. However, there may be spin-off advantages to retailers in that people who visit the leisure attraction also shop at the retail area located nearby or around the leisure activity (and vice versa). For example, a cinema in a shopping centre is a destination in its own right, but may have a spillover effect on retail in the shopping centre.[15]

Nevertheless, while there may be spin-off advantages for retailers from having magnet leisure located nearby, the provision of a magnet leisure attraction is made on the basis of the attraction being a standalone business, rather than simply to increase retail sales at a retail centre (as would be the case with ambient leisure).[16]

The literature does not agree on the strength of the link between magnet leisure and retail. For example, one report referring to the West End states that there is a link between shopping and leisure but that the link is between shopping and catering as a means of refuelling, not between shopping and mainstream, or magnet, leisure (for example, cinemas and the theatre).[17] However, another study found that while people choose cinemas primarily because of location, rather than for the retail nearby, a high number of moviegoers shop at the retail centre as part of their trip.[18]

Therefore, it seems that the provision of magnet leisure will help to increase the attractiveness of a retail centre and may provide for some spillover or impulse shopping at the retail centre. However, the provision of magnet leisure is likely to be based on an analysis of its commercial attractiveness as a leisure activity, rather than as a generator of retail revenues (although retail revenues may well be a factor in accessing its commercial attractiveness).

Heritage-destination leisure

Heritage-destination leisure refers to instances when retail is located close to a heritage tourist destination and (as with magnet leisure) has the spin-off advantage of

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[13] Transport for London (prepared for), 2004, London Congestion Charging Economic & Business Impacts: Shopper Survey, Research Report
[14] Office of the Deputy Prime Minister Centre for Advanced Spatial Analysis, Producing Boundaries and Statistics for Town Centres, London Pilot Study Technical Report, UCL, p 1. View: www.casa.ucl.ac.uk/towncentres/cd/Technical.pdf (Accessed: 22/12/05)
[15] Keynote, 2001, Retail Development 2001: Market Assessment, Strategic Market Intelligence, pp 47
[16] J Reynolds and C Cuthbertson (eds), 2004, Retail Strategy the view from the bridge, pg 338
[17] London First West End Syndicate, 1999, Shopping Patterns in the West End, Property Market Analysis, Final Report
[18] Property Management, 1999, The relationship between retail and leisure, Volume 17, No 1

customers visiting the heritage site spending money at nearby retail outlets. There is little evidence in the literature on this type of leisure but heritage-destination leisure is something that is likely to feature in London, especially in the West End.

Due to its nature, heritage-destination leisure is not something that can be manufactured by retailers and because of the lack of evidence about heritage-destination leisure the following analysis focuses on ambient leisure and magnet leisure only.

4. Evidence on the retail-leisure mix in London

This section of the paper looks at retail planning applications in London between 1992 and 2004 to investigate the prevalence of leisure facilities in retail planning applications in London in the recent past.

The analysis in this section relates to data on all approved retail planning applications (retail applications) larger than 1,000 square metres (m^2) in London between 1992 and 2003. The data is divided up into total retail applications and, of that total, retail applications that contained a leisure component. The definition of leisure used in this paper is the same definition used by the Office of Deputy Prime Minister when assessing planning applications that contain a leisure component: D2 Leisure and Assembly[19]. This includes the following:

- cinemas
- concert halls
- bingo halls or casinos
- dance halls, swimming baths, skating rinks, gymnasiums or areas for other indoor or outdoor sports or recreations, not involving motorised vehicles or firearms.

Retail applications with space allocated to D2 have been categorised as retail applications with a leisure component. Likewise, retail applications with no space allocated to D2 have been categorised as retail applications with no leisure component.

Table 4.1 shows the total number of approved retail applications (and of those the number that contained a leisure component) between 1992 and 2003 in different areas of London. The table also shows the size of all retail applications, and the size of those applications that contained a leisure component.[20]

The largest proportion of all retail applications (and leisure applications), and the largest amount of space allocated to retail applications with a leisure component was in Central London. This is not unexpected given the high concentration of retail in Central London. Boroughs in the East of London had the second-largest number of retail applications (and leisure applications) and the largest amount of total retail space allocated.

[19] Source: Office of the Deputy Prime Minister: www.planning-applications.co.uk/uconewclasses.htm

[20] Note that because of the way retail applications with a leisure component have been defined in this analysis (ie as applications that allocate some space to D2) some retail applications that do contain leisure, but do not allocate any space to leisure or D2, may be excluded from the analysis. The descriptions that accompanied the planning applications are discussed later in the analysis.

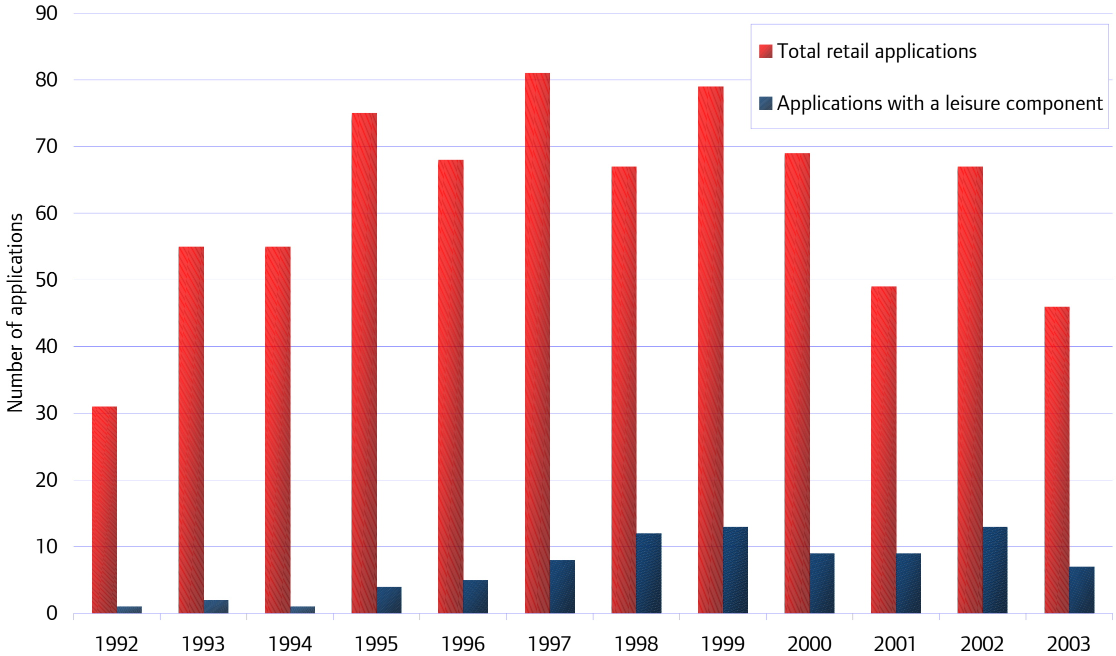
Table 4.1: Retail planning applications by region

Number of applications					Size of applications			
Area	Total retail applications		Leisure applications		Total retail applications		Leisure applications	
	Number	%	Number	%	Square metres	%	Square metres	%
Central	247	33	31	36	984,765	26	236,454	35
North	66	9	11	13	381,698	10	56,629	8
East	224	30	22	25	1,171,978	31	219,868	32
West	106	14	10	11	715,552	19	71,245	11
South	110	15	13	15	511,932	14	92,514	14
Total	**753**	**100**	**87**	**100**	**3,765,925**	**100**	**676,710**	**100**

Notes: **Central London** covers Islington, Wandsworth, Kensington & Chelsea, Lambeth, Southwark, Camden, and Westminster.
North London covers Haringey, Waltham Forest, Enfield, and Barnet.
East London covers Hackney, Newham, Tower Hamlets, Barking & Dagenham, Havering, Redbridge, Lewisham, Bexley, Greenwich, and City of London.
West London covers Hammersmith & Fulham, Brent, Ealing, Harrow, Hillingdon, and Hounslow.
South London covers Bromley, Croydon, Kingston upon Thames, Merton, Richmond upon Thames, and Sutton.

Figure 4.1 illustrates the number of retail applications in London between 1992 and 2003 and, of these applications, how many contained a leisure component.

Figure 4.1: Retail planning applications for London, 1992–2003



Source: London Development Monitoring System Major retail permissions

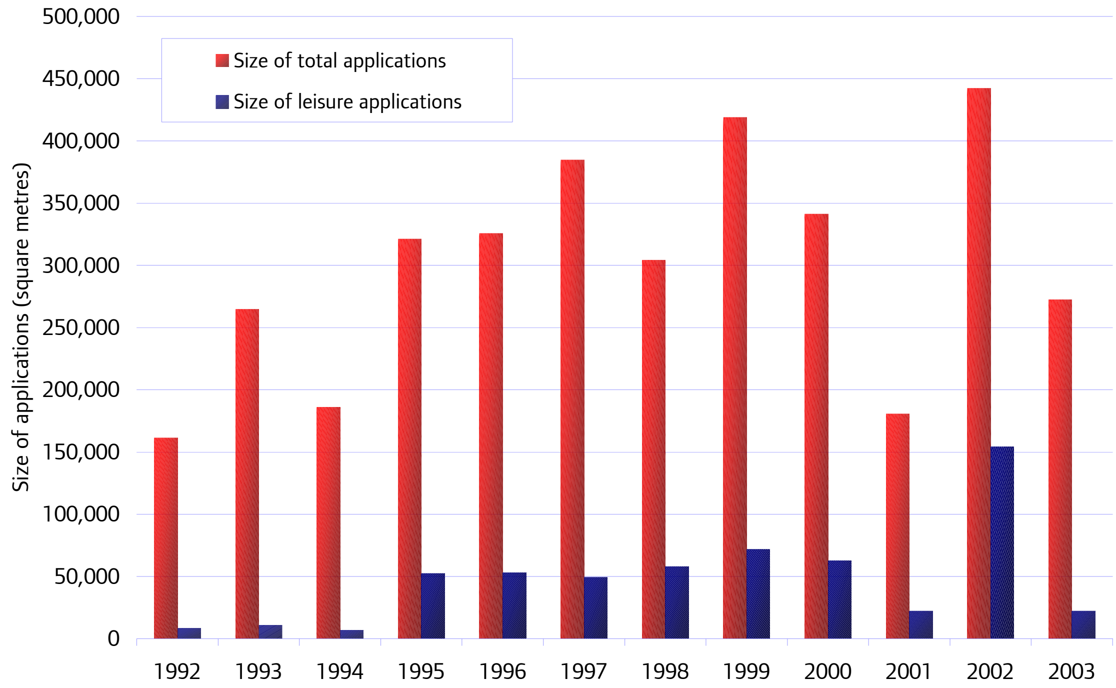
Between 1992 and 2003, on average, 11 per cent of all retail planning applications in London contained a leisure component.[21] Figure 4.1 shows that, broadly speaking, both the total number of retail applications and the number of applications including a leisure component rose from 1992 until 1999. Since 1999, there has been a decline in the number of retail applications and a levelling off in the number of applications that include a leisure component.

Therefore, while there has been an increase in the absolute number of retail planning applications with a leisure component in the 1990s, that increase appears to have levelled off somewhat since 1999.

Figure 4.2 shows the amount of space allocated to all retail applications, and those applications with a leisure component in London between 1992 and 2003.

[21] 84 out of a total of 742 applications.

Figure 4.2: Size of retail applications in London between 1992 and 2003



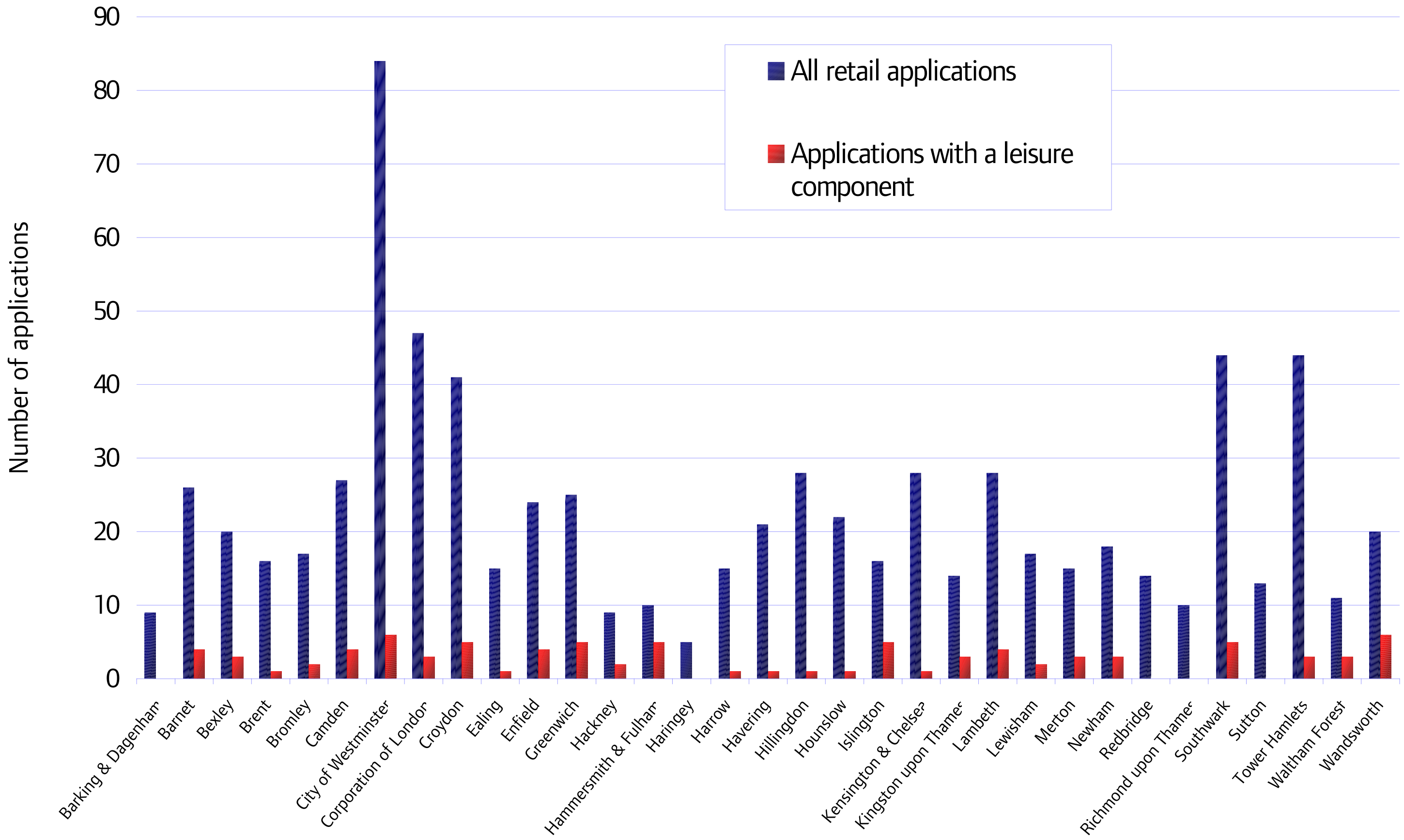
Source: London Development Monitoring System Major retail permissions

With the exception of 2002, Figure 4.2 shows a similar trend to Figure 4.1. As previously stated, between 1992 and 2003, 11 per cent of all retail planning applications contained a leisure component, however, during this time, retail applications with a leisure component accounted for 16 per cent of the total space allocated to retail planning applications. What this means is that retail planning applications with a leisure component tend to be larger in size than retail planning applications on their own.

A similar trend is observed in terms of the number and size of retail applications if 2002 is excluded. However, in 2002, retail applications contained a significant amount of leisure (in terms of size).

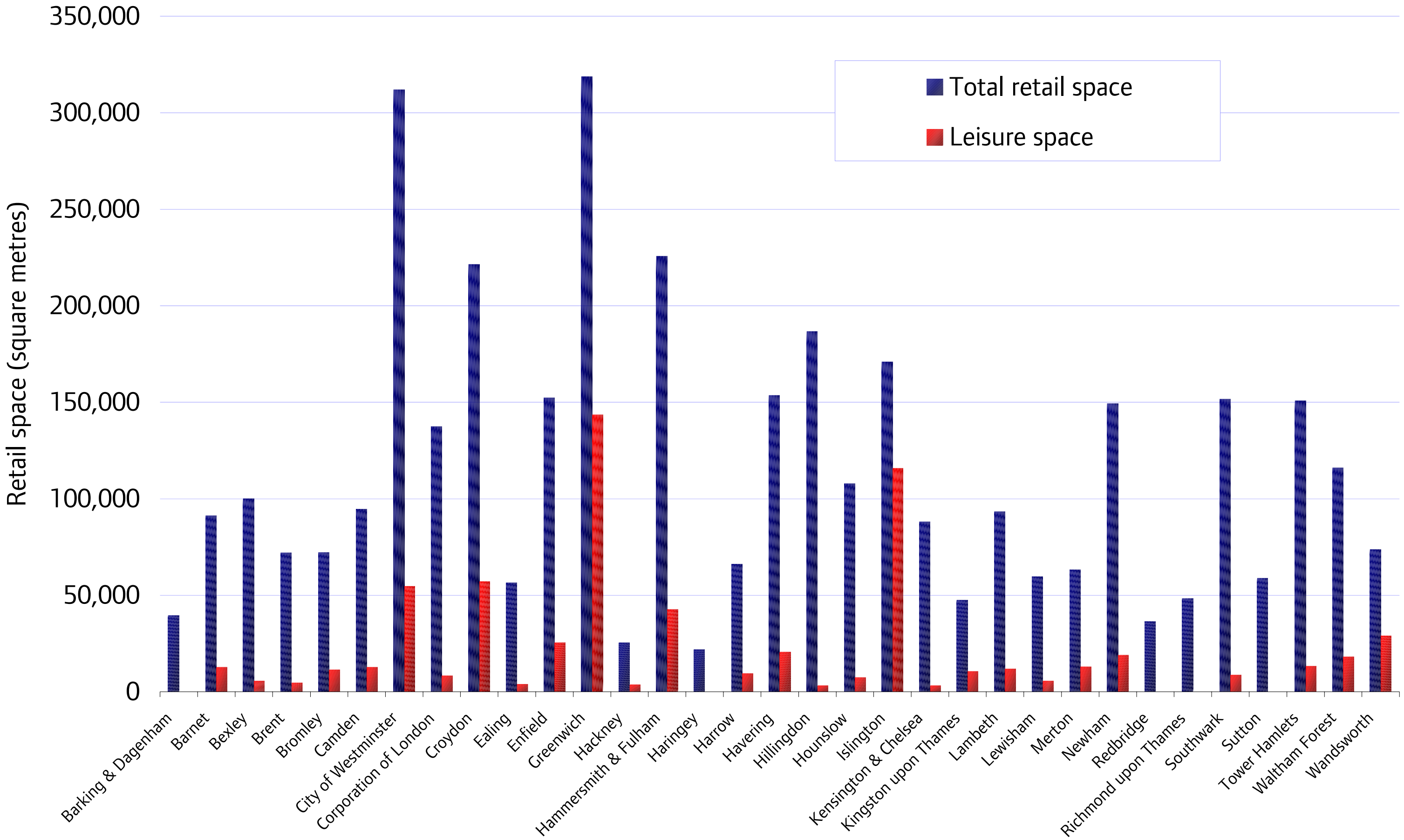
Figure 4.3 considers the total number of retail planning applications between 1992 and 2004 displayed by borough, and the number of these applications that had a leisure component.

Figure 4.3: Planning applications by borough, 1992–2004



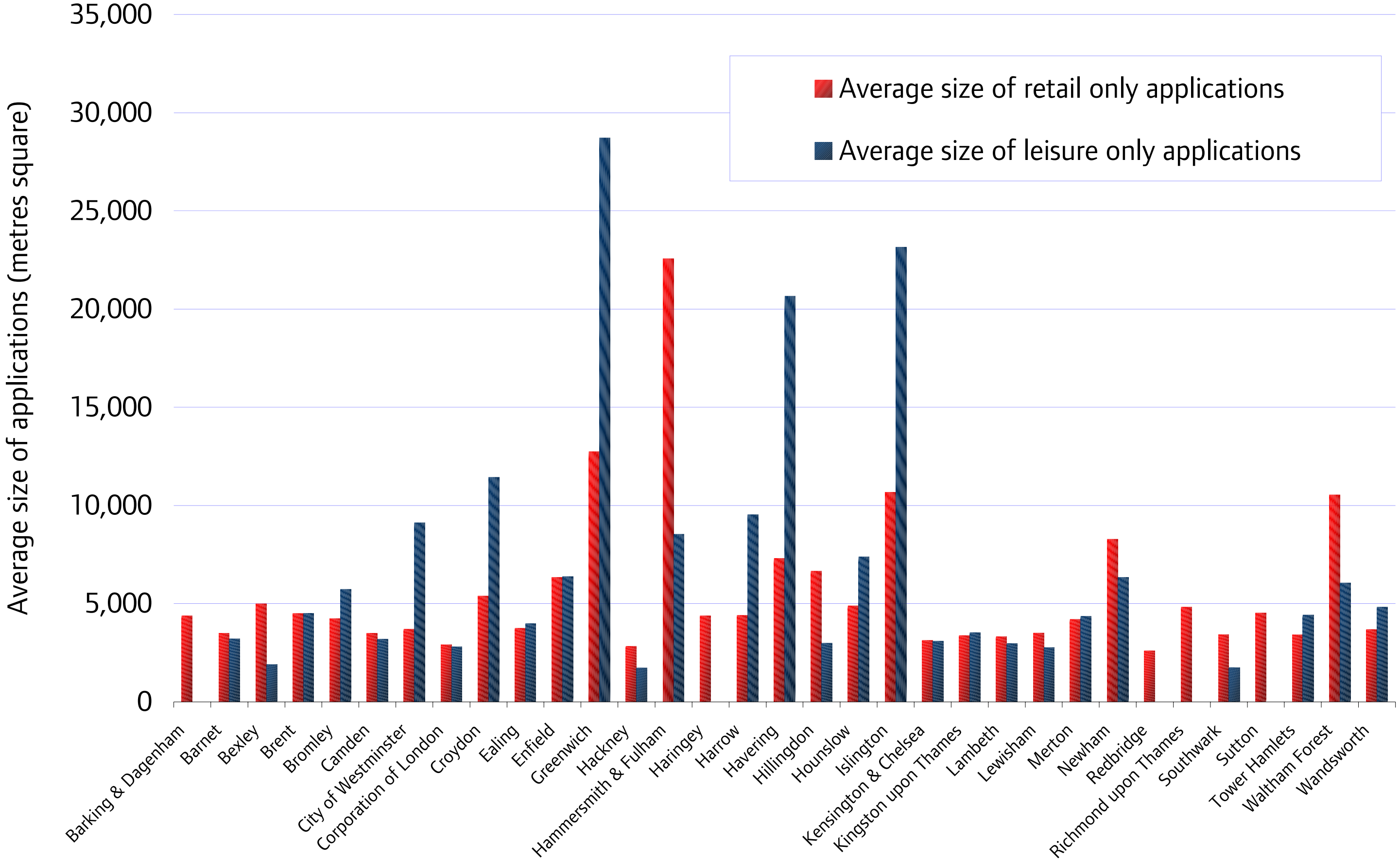
Source: London Development Monitoring System Major retail permissions

Figure 4.4: Size of applications by borough, 1992–2004



Source: London Development Monitoring System Major retail permissions

Figure 4.5: Average size of retail applications by borough, 1992–2004



Source: London Development Monitoring System Major retail permissions

The City of Westminster had the most planning applications (84 applications in total, six of which had a leisure component). Wandsworth borough also had six applications with a leisure component.

Figure 4.4 illustrates the size of retail planning applications by borough. It shows that retail applications in the boroughs of Westminster and Greenwich had the greatest amount of floorspace allocated to retail, both accounting for approximately eight per cent of the total space allocated to retail in London between 1992 and 2004. Retail applications in the boroughs of Greenwich and Islington accounted for the largest amount of retail space allocated to leisure (21 per cent and 17 per cent of the total space allcoated to leisure in London between 1992 and 2004 respectively).

Figure 4.5 shows that, in some of the boroughs, retail applications with a leisure component accounted for a significant proportion of all applications:

- In Islington, retail applications that contained a leisure component accounted for approximately 68 per cent of all applications.
- In Greenwich, around 45 per cent of all applications were accounted for by leisure applications.
- In Wandsworth, leisure applications accounted for approximately 39 per cent of all applications.

Figure 4.5 shows the average size of retail-only applications and retail applications with a leisure component in London by borough between 1992 and 2004.

Figure 4.5 shows that many boroughs had retail applications with a leisure component significantly larger than the average size of retail-only applications. The most noticable differences are:

- In Greenwich, the average size of leisure applications was nearly 16,000m^2 larger than the average size of retail applications.
- The average size of leisure applications in Havering was over 13,000m^2 larger than the average size of retail applications.
- In Islington, leisure applications are, on average, approximately 12,500m^2 larger than retail applications.

Figure 4.5 would tend to suport earlier comments that retail applications with a leisure component tend to be larger in size than retail applications without a leisure component although, given the small number of applications over which these averages are taken, some caution is required when considering these findings.

Types of leisure

So far, the paper has considered the number, or size, of retail applications in London that contain some form of leisure. This section looks at the descriptions that accompany the retail planning applications to try and achieve an understanding of what forms of leisure are included in the retail developments in London over the recent past.

Some of the leisure applications did not provide enough information to ascertain exactly what leisure component was included in the application. For example, a couple of applications had the following descriptions:

- 'Erection of two-storey extension to provide two retail units (3,800m^2) plus enclosure of existing terrace to provide an extra unit.'
- 'That part of outline 9800407 superseded by 20011584.'

However, other applications are clearer about the leisure component they contain and these are considered below.

Ambient leisure

As noted earlier, ambient leisure refers to the factors that make a shopping environment pleasant and because of the nature of ambient leisure it is sometimes difficult to tell from the retail applications whether they include any ambient leisure or not. For example, the descriptions used in the retail planning applications do not give any detail about whether they include plants, seating or toilets. However, the following forms of ambient leisure are identifiable from the retail planning applications with a leisure component:

- Over 50 per cent included a restaurant or some provision of food or drink (the A3 Food and drink component).
- Six per cent mentioned public houses or bars.
- Two per cent included crèches.

Magnet leisure

Magnet leisure has become a common feature in new shopping centres. Indeed, a 2001 report by the British Council of Shopping Centres (BCSC) concluded that 'In the past five years a quarter of new shopping centres contained 'Big Box' leisure facilities that includes bowling, bingo, cinemas and nightclubs'.

The following forms of magnet leisure featured in the 87 retail planning applications, with a leisure component in London between 1992 and 2004:

- Thirty per cent included a cinema
- Three per cent featured a nightclub
- Two per cent had casinos
- One per cent featured a bowling alley
- One per cent contained a bingo hall.

Observations

Retail-only applications

Because of the way retail applications with a leisure component were identified in this analysis (ie as retail applications with some space allocated to D2), it is possible that some form of leisure component does appear in some of the retail-only applications. In fact, many of the retail applications with no space allocated to D2 did include some form of leisure in their description. For example (there were 666 retail applications with no space allocated to D2), the following forms of leisure were present in the descriptions of the retail-only applications:

- Over 20 per cent included restaurants, or some provision of food and drink (this includes the A3 Food and drink category, and food retail), bars or pubs.
- Nearly four per cent of the applications mentioned 'leisure' or D2.[22]
- Nearly one per cent included a cinema.

What the descriptions show is that while the retail-only applications may not have any space allocated to leisure in terms of planning land use classification (ie D2) some do include leisure. In particular, ambient leisure, in the form of provision of food or drink, features in many of the retail-only applications.

What this investigation of the planning applications shows is that both magnet and ambient leisure feature in retail planning applications with a leisure component. Some ambient leisure also features in the retail planning applications that do not allocate any space to leisure. While ambient leisure, due to its nature, may be underrepresented in the descriptions of the retail applications, this data shows that leisure of one form or another has formed a significant part of many retail applications in London over the recent past.

[22] Although these applications did not allocate any space to D2 — according to their description, they do include some form of leisure.

5. Conclusions

One of the theories put forward in the literature as to why there may be a trend towards more leisure in retail is that shopping has become more of a leisure activity than it was in the past. The reason for this shift in the way people view shopping appears to be because disposable incomes have risen and therefore people's demand for leisure has increased. This theory is backed up by the data, which shows that disposable incomes have increased and spending on leisure has risen in London and the UK over recent years. In fact, spending on leisure has increased quicker than total spending and retail spending, indicating that people are demanding more leisure.

The literature provides definitions of three different types of leisure in retail all with slightly different purposes and these are: ambient; magnet; and heritage-destination. Both ambient and magnet leisure have featured in retail developments in London over the past ten years or so.

It should be noted that while there are three identifiable types of leisure in retail, it is only ambient leisure that is designed purely for the purposes of retailers. Although magnet and heritage-destination forms of leisure may have spillover effects for retailers, their main purpose is not for the benefit of retail. For example, the main purpose of magnet leisure is to act as a standalone business in its own right, rather than to generate retail revenue, and heritage-destination leisure is not something that can be manufactured.

It appears that the trend towards shopping as a leisure activity has resulted in an increasing number of ambient leisure facilities in shopping centres and shops. This is because retailers have recognised the change in consumer preferences towards shopping as a leisure activity and reacted by incorporating ambient leisure facilities into the design of shopping centres and shops.

While ambient leisure may have become so common that people take it for granted, it is still a factor when people are deciding where to shop. This may be an issue for some of London's more established shopping centres, which tend to compare unfavourably in terms of ambient leisure facilities with more recent shopping centres (such as Bluewater and Lakeside). Indeed, a report by London First found that some of the main criticisms of shoppers to the West End relate to the environment, for example noise, congestion and the lack of toilets.[23] Therefore, the importance of improvements to retail surroundings, such as the provision of seating and toilets, should not be underestimated.

[23] London First West End Syndicate, 1999, Shopping Patterns in the West End, Property Market Analysis, Final Report

Appendix A: Definition of leisure goods and leisure services

In Figures 2.2 and 2.3, data is taken from the ONS data set Consumer Trends, via the ONS website. Figure 2.4 is taken from the ONS publication *Family Spending 2005*[24]. This report has aimed to make the data used within consistent throughout. In general, from both publications, the data for those goods and services listed within the broader 'Recreation & Culture' category has been used. To these, spending at restaurants and bars has been added whilst package holidays have been excluded.

The list below shows the categorisation used as taken from *Family Spending 2005*.

Leisure goods

9.1 Audio-Visual, photographic and information processing equipment
9.1.1 Audio equipment and accessories, CD players
9.1.2 TV, video and computers
9.1.3 Photographic, cine and optical equipment
9.2 Other major durables for recreation and culture
9.3 Other recreational items and equipment, gardens and pets
9.3.1 Games, toys and hobbies
9.3.2 Computer Software and games
9.3.3 Equipment for sport, camping and open-air recreation
9.3.4 Horticultural goods, garden equipment and plants
9.3.5 Pets and pet foods
9.5 Newspapers, books and stationary
9.5.1 Books
9.5.2 Diaries, address books, cards etc
9.5.3 Newspapers
9.5.4 Magazines and periodicals

Leisure Services

9.4 Recreational and Cultural Services
9.4.1 Sports admissions, subscriptions, leisure class fees and equipment hire
9.4.2 Cinema, theatre and museums etc
9.4.3 TV, video, satellite rental, cable subscriptions, TV licenses and the internet
9.4.4 Miscellaneous entertainments
9.4.5 Development of film, deposit for film development, passport photos, holiday and school photos
9.4.6 Gambling payments
11.1.1 Restaurant and Café meals
11.1.2 Alcoholic drinks (away from home)

[24] Office for National Statistics, 2005, Family Spending - A report on the Expenditure and Food Survey 2002–03. View: www.statistics.gov.uk/StatBase/Product.asp?vlnk=361

The following list shows the categorisation used as taken from Consumer Trends:-

Leisure goods
Audio visual equipment (ADWQ)
Photo & cinema equipment & optical instruments (ADWR)
Information processing equipment (ADWS)
Major durables for outdoor recreation (ADWV)
Musical instruments & major durables for indoor recreation (ADWW)
Recording media (ADWT)
Games, toys & hobbies (ADWY)
Equipment for sport, camping etc (ADWZ)
Books (CDEO)
Gardens, plants & flowers (AWTW)
Pets & related products (ADXB)
Newspapers & periodicals (CDEP)
Miscellaneous Printed Matter (ADXI)
Stationary & Drawing Materials (ADXJ)

Leisure Services
Restaurants, cafes etc (ADXO)
Repair of audio-visual, photographic & information processing equipment (ADWU)
Maintenance & repair of other major durables for recreation and culture (ADWX)
Veterinary and other services for pets (ADXC)
Recreational & Sporting Services (ADXD)
Cultural Services (ADXE)
Games of Chance (CDEM)

In Figures 2.2 and 2.3, leisure spending has been compared to Final Household Expenditure in the UK by resident household (ABQI) minus Imputed Rents for Housing (ADFT), all from Table 6.4 of HM Treasury's *Blue Book*.

Appendix B: Use class definitions

This appendix provides details of the 'use class' definitions that are used in planning applications by the Office of the Deputy Prime Minister.

Retail planning applications

The following use classes feature in the retail planning applications.

Table B1: Use classes from the retail planning applications data

Class	Use
A1	Shops
A2	Financial and professional services
A3	Restaurants and cafes
A4	Drinking establishments
A5	Hot food takeaways
B1	Businesses
B2	General industrial
B8	Storage and distribution
C1	Hotels
C2	Residential institutions
C3	Dwelling houses
D1	Non-residential institutions
D2	Assembly and leisure

Source: Office of the Deputy Prime Minister: www.planning-applications.co.uk/uconewclasses.htm

Abbreviations

BSCS	British Council of Shopping Centres
COICOP	European system of Coding by purpose
FES	Family Expenditure Survey
GLA	Greater London Authority
m^2	Square metres
ODPM	Office of the Deputy Prime Minister
ONS	Office for National Statistics
pa	Per annum
UK	United Kingdom

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Online resources

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www.london.gov.uk/mayor/economic_unit

HM Treasury
www.hm-treasury.gov.uk/

Office for National Statistics
www.statistics.gov.uk

Office of the Deputy Prime Minister, planning applications
www.planning-applications.co.uk/uconewclasses.htm

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Hindi

यदि आप इस दस्तावेज की प्रति अपनी भाषा में चाहते हैं, तो कृपया निम्नलिखित नंबर पर फोन करें अथवा नीचे दिये गये पते पर संपर्क करें

Vietnamese

Nếu bạn muốn có văn bản tài liệu này bằng ngôn ngữ của mình, hãy liên hệ theo số điện thoại hoặc địa chỉ dưới đây.

Bengali

আপনি যদি আপনার ভাষায় এই দলিলের প্রতিলিপি (কপি) চান, তা হলে নীচের ফোন্ নম্বরে বা ঠিকানায় অনুগ্রহ করে যোগাযোগ করুন।

Greek

Αν θέλετε να αποκτήσετε αντίγραφο του παρόντος εγγράφου στη δική σας γλώσσα, παρακαλείστε να επικοινωνήσετε τηλεφωνικά στον αριθμό αυτό ή ταχυδρομικά στην παρακάτω διεύθυνση.

Urdu

اگر آپ اِس دستاویز کی نقل اپنی زبان میں چاهتے هیں، تو براہ کرم نیچے دئے گئے نمبر پر فون کریں یا دیئے گئے پتے پر رابطه کریں

Turkish

Bu belgenin kendi dilinizde hazırlanmış bir nüshasını edinmek için, lütfen aşağıdaki telefon numarasını arayınız

Arabic

إذا أردت نسخة من هذه الوثيقة بلغتك، يرجى الاتصال برقم الهاتف أو مراسلة العنوان أدناه

Punjabi

ਜੇ ਤੁਹਾਨੂੰ ਇਸ ਦਸਤਾਵੇਜ਼ ਦੀ ਕਾਪੀ ਤੁਹਾਡੀ ਆਪਣੀ ਭਾਸ਼ਾ ਵਿਚ ਚਾਹੀਦੀ ਹੈ, ਤਾਂ ਹੇਠ ਲਿਖੇ ਨੰਬਰ 'ਤੇ ਫ਼ੋਨ ਕਰੋ ਜਾਂ ਹੇਠ ਲਿਖੇ ਪਤੇ 'ਤੇ ਰਾਬਤਾ ਕਰੋ:

Gujarati

જો તમને આ દસ્તાવેજની નકલ તમારી ભાષામાં જોઇતી હોય તો, કૃપા કરી આપેલ નંબર ઉપર ફોન કરો અથવા નીચેના સરનામે સંપર્ક સાધો.

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