Retail Policy Making

A guideline

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- A leading consultancy on urban development and real estate planning
- Based in The Netherlands
- Long-standing experience with retail planning in widely different urban environments…
Why is important to have a retail planning policy?

- Typically, one of the largest sectors of the economy and a large employer
- A sensitive sector, with
  - Almost always *imbalance* between demand and supply (over-supply in one segment, under-supply in another and geographically)
  - New market entrants that can have a disruptive effect on the existing structure
- Strong influence on sprawl, traffic & mobility and vitality of city centres and neighbourhoods
Imbalances within the retail sector
Disruptive market forces...
The retail sector is a highly specific part of the economy and requires particular attention

- *Economic and spatial* factors are equally important

- Very different from offices and other commercial real estate

- Has a substantial impact on shaping the Functional Urban Area
Retail policy: What should it look like and what is needed to formulate it?

• In-depth understanding of the *functioning* of the retail market.

• Examples from regional retail policy of the Province of South Holland (region with a specifically strong reputation in this field).
Expenditures on non-food retail
Market expansion room for food-retail
Market expansion room in various non-food segments
Essential: calculation of market expansion room

Total (net) retail expenditures

Floorspace productivity

Existing & Planned Supply
Retail Policy: objective

Outlines a strategic development perspective of the retail sector in a given area with targeted policy objectives to: improve/stimulate development of specific retail categories/zones and restrict retail development in other areas.

Achieving the right balance is difficult, EVERYWHERE

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Retail Policy: chapters

1. Rationale: background and connection with wider urban development policy
2. Macro trends in the retail sector
3. Retail market analysis
4. Main policy objectives
5. Policy instruments
A new generation retail policy for Cyprus