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South Ayrshire Town Centre Assessment

Ayr Town Centre: Business Survey

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1. Survey Questionnaire
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1.0 SURVEY BACKGROUND, OBJECTIVES AND METHODOLOGY

Background

1.1 South Ayrshire Council, along with Project Partners, has been awarded funding from the European Regional Development Fund's INTERREG IVA Programme for delivery of the Business Improvement Districts (BIDS) Project. The Project has been funded through Priority 2, Theme 1: Public Sector Collaboration.

1.2 A Joint Committee of 5 local authorities (Ballymena Borough Council, Coleraine Borough Council, Larne Borough Council, Sligo County Council and South Ayrshire Council) has been established with Ballymena Borough Council acting in role of Lead Partner. A Partnership Agreement has been produced to provide governance guidelines and an operating framework.

1.3 The purpose of the study is to gauge the views and priority issues of customers, businesses and residents of the towns. The town centres to be included are: Ayr, Girvan, Maybole, Prestwick, and Troon. The issues to be investigated include public space and environment, accessibility and events. Cameron Research, in partnership with IBP Strategy and Research, were appointed to conduct a series of surveys to establish the views and priority issues of customers, businesses and residents of the towns and their landward villages.

Objectives

1.4 This analysis will inform the development of town centre plans in South Ayrshire to deliver improvements for businesses, shoppers and residents. Overall, the purpose is to inform the South Ayrshire Strategy Plan to provide consumers with a compelling reason to use the shops and services of each town centre. This work will help to inform the strategy and planning process and provide a baseline against which future initiatives can be measured

1.5 Four distinct surveys were conducted in August 2014:

- shoppers/customers recruited within each of the 5 town centres to collect information on their specific shopping trip/services visit, plus perceptions and attitudes towards the town centre offering
- residents within the settlement boundary of each of the 5 towns and landward villages to expand the information gathered from the town centre surveys
- commercial operators/business: to determine issues and concerns regarding the area, from the business perspective
- representative population survey within South Ayrshire to ask specifically about usage of, and attitudes towards, Ayr town centre.

1.6 For shoppers and residents, questions included demographics, shopping locations, frequency of visits, shopping patterns, perceptions of safety and cleanliness, awareness of offer, spend profile, areas for improvement and alternative shopping locations.

1.7 For businesses, questions included size and type of business, trading operations, perceptions of trading circumstances, assessment of town centre facilities, potential barriers to business and areas for improvement.

1.8 **This document presents the key findings for the Ayr Business Survey. The residents / shoppers surveys and the wider survey and that related specifically to Ayr town centre are detailed in separate reports.**

Methodology

1.9 A database of businesses within the town centre was provided by South Ayrshire Council; this contained 505 businesses. Surveys were hand-delivered to individual businesses and the purpose of the survey explained where possible.

1.10 An initial period was allowed for postal responses and, thereafter, top-up telephone interviewing was undertaken.

1.11 A total of 81 responses were received (16% of the total).

1.12 Detailed appendices are included under separate cover. These include the survey questionnaire (Appendix 1), detailed data tables (Appendix 2) and a full listing of “other” responses and responses to open-ended questions (Appendix 3).

2.0 SUMMARY OF OVERALL CONCLUSIONS

Respondents to the Ayr Business Survey came from a diverse set of business sectors and were predominantly independent businesses but with some respondents being part of UK-wide or Scottish / regional chains. They were of varying sizes but with a majority (58%) having 5 or fewer full-time equivalent employees (though 25% had between 6 and 10 full-time equivalent employees). Businesses had typically been trading within Ayr for a considerable period and drew 44% of their business from outwith Ayr and its surrounding villages, including 18% from outwith Ayrshire.

The issues that Ayr business respondents were most likely to raise as positive aspects of Ayr town centre as a business location generally related to location / convenience / access issues. Issues most likely to be raised as negative aspects of Ayr town centre as a business location were parking and empty shops.

The only issue (from a prompted list) rated positively by a majority of respondents is access by public transport (83%). Ratings are significantly poorer for a number of important issues: only 33% give a positive rating for street cleaning, 27% for a safe / secure environment, 27% for variety of shops and services, 21% for available car parking near shops, 7% for time restrictions on car parking and 6% for a positive feel to the place.

Existing businesses were quite likely to consider that there were too many charity shops (72% believing this to be the case), betting shops (65%) and discount / pound shops (62%). Conversely, they were quite likely to consider that there were too few small / independent shops (81% believing this to be the case) and large / chain stores (49%).

Overall, only 8% of respondents overall gave a positive view regarding Ayr town centre as a place to do business.

40% of businesses in Ayr town centre indicate that their business performance has declined over the past year, compared to only 20% that consider it to have improved.

Businesses most commonly rented their premises (73% do). A significant minority plan to refurbish existing floor space over the next 3 years (20%) but 11% indicate that they plan to relocate outwith South Ayrshire, with there being a number of declared reasons for this including reduced footfall in the town centre, overheads / rent, business rates and the condition of current premises. 10% indicate that they may close their business in the future.

In terms of their marketing approach, businesses were quite likely to use a business website (78%), to use social media (70%) and to use the local press (43%) but somewhat less likely to use other communications channels.

Only 32% of Ayr businesses indicate that they are members of any business organisations and only 19% indicated that they had accessed business support, advice or training over the past 5 years.

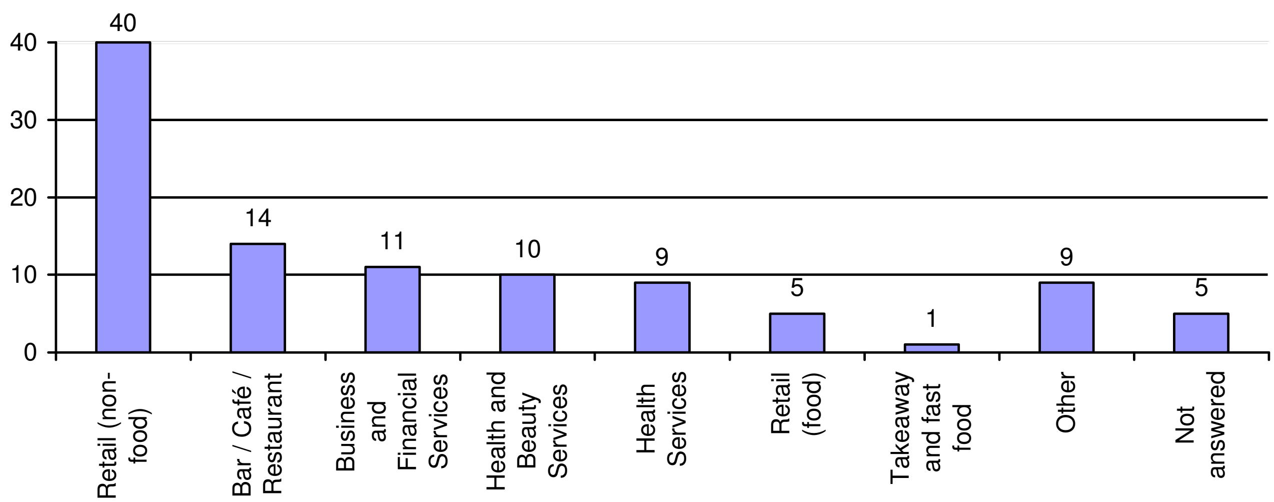
The final comments made by Ayr businesses in response to the survey reinforce the above themes with these comments most commonly being about the perceived need for a vision / plan for the town.

3.0 BUSINESS RESPONDENT PROFILE

3.1 The profile of respondent businesses by business sector is set out in Figure 3.1 below. It should be noted that, throughout the report, sums may not add to 100% due to rounding.

Figure 3.1 Business sector

Which of the following best describes your business sector? Base 81

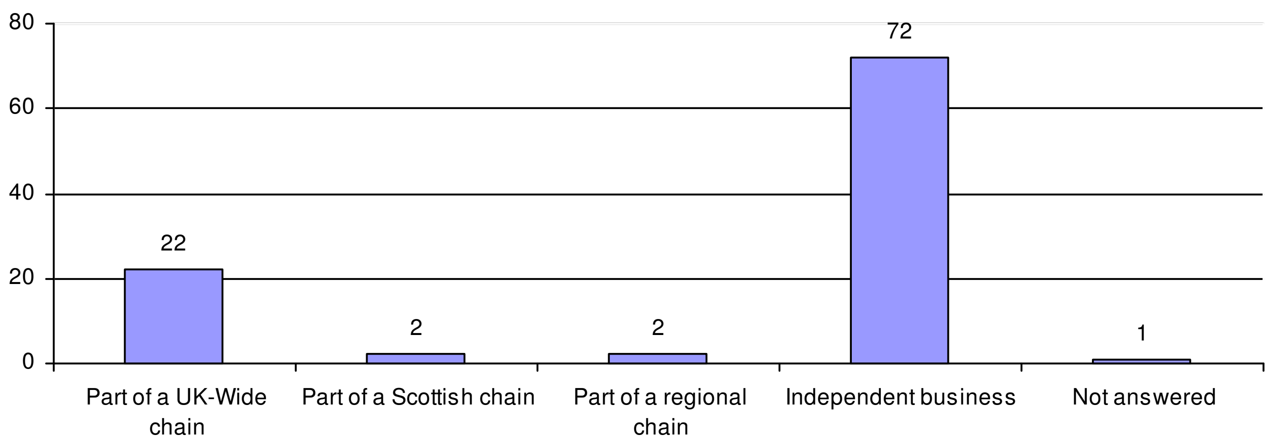


Most commonly, respondents were either in the retail (non-food) sector, the business and financial services sector or were cafes / restaurants, although there was broad representation across most sectors. The "other" responses are listed in full in the appendices.

3.2 As shown in Figure 3.2 below, the majority of respondent businesses (72%) were independent with most others that provided a response being part of a UK-wide chain (22%) and a further 4% being part of a regional or Scottish chain.

Figure 3.2 Ownership status

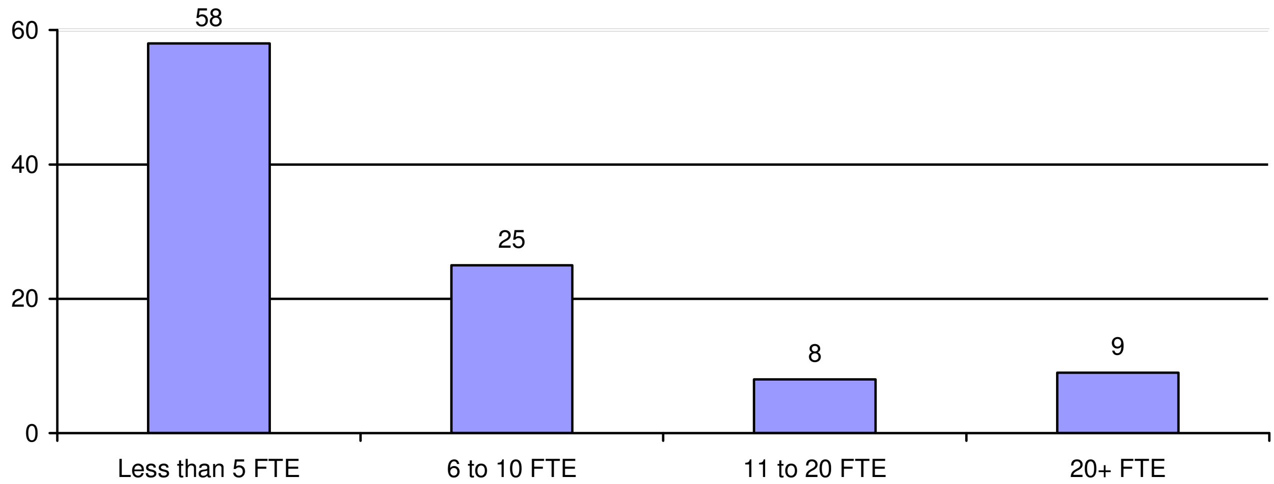
Which of the following best describes the business's ownership status? Base 81



3.3 Figure 3.3 profiles the breakdown of employee numbers amongst this group of business respondents:

Figure 3.3 Employee numbers

How many staff does the business employ at this location? Base 77

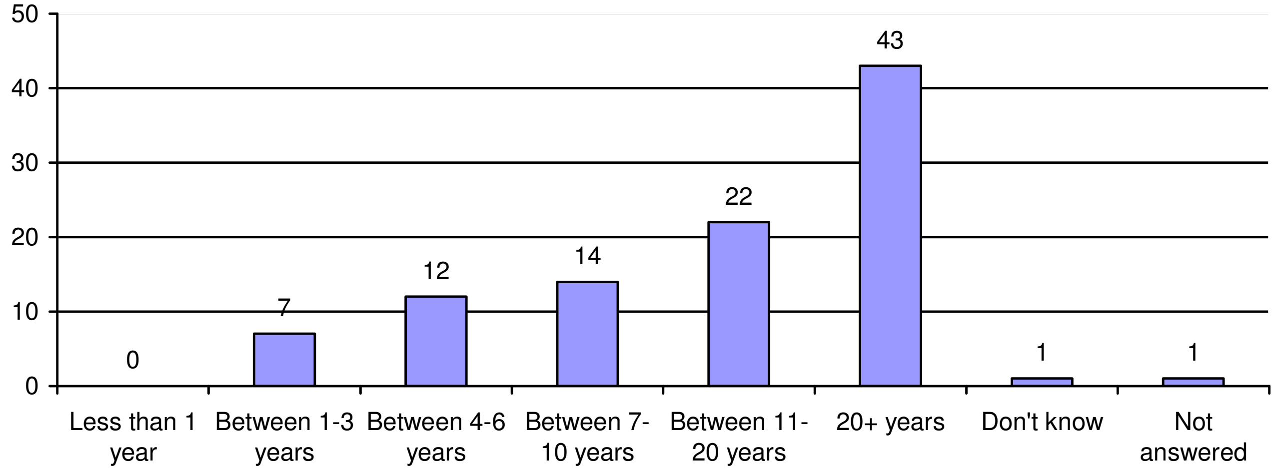


The total number of full-time equivalent employees amongst the 77 businesses that provided this information was 594. The mean number of full-time equivalent employees was 8 and the median number 4 (all numbers have been rounded to the nearest whole number and a part-time job is assumed to be 0.5 times a full-time job).

3.4 A very significant proportion of those businesses that responded to the survey have been trading for some time. As shown in Figure 3.4 below, 43% of businesses had been trading for 20+ years and a further 22% for between 11 and 20 years.

Figure 3.4 Length of time trading

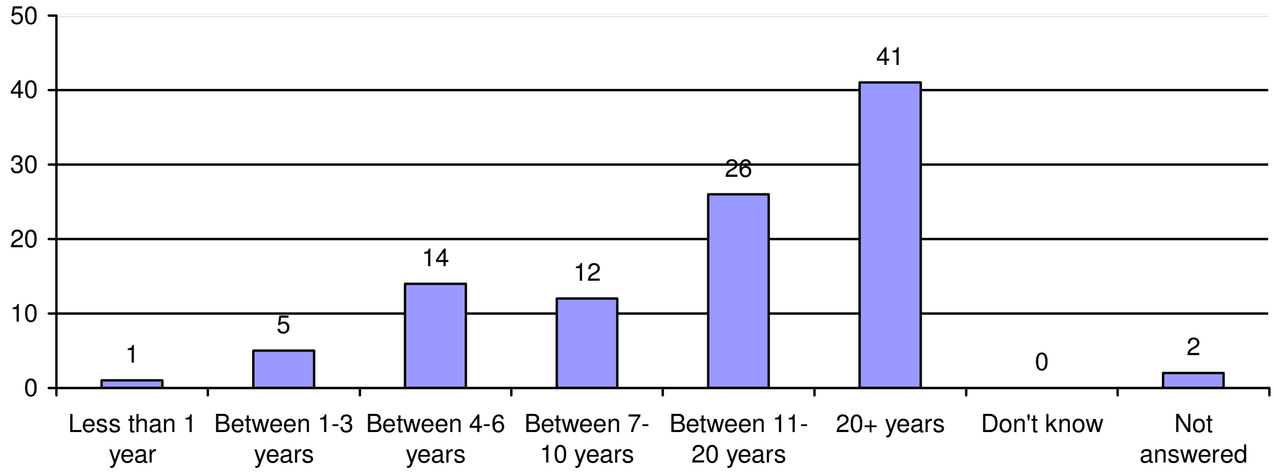
How long has your business been trading for? Base 81



3.5 This pattern is also apparent in terms of the period of time that the businesses have traded in Ayr town centre. As shown in Figure 3.5, 41% of businesses have been trading in the town centre for 20+ years and a further 26% for between 11 and 20 years.

Figure 3.5 Length of time trading in Ayr town centre

How long has the business traded in Ayr town centre? Base 81



3.6 Respondents were also asked to provide details as to the dates and times at which their business was usually open. This information will be provided to the Council in spreadsheet form for subsequent analysis.

3.7 Finally, in terms of the profile of responses, respondents were asked to estimate the proportion of their business that came from three categories of customer, broken down geographically. 76 respondents provided this information. Figure 3.6 shows the average proportion of business that comes from each of these areas amongst these respondents. It should be noted, however, that this figure does not take account of the different overall sizes of certain businesses (i.e. it is a raw average figure with the figures for each business being given equal weight, irrespective of business size). The majority of business is from the local market albeit with a significant proportion from further afield.

Figure 3.6 Business breakdown

Approximately what proportion of your business would you say comes from the following categories of customer?

Base: 77	
	%
Residents of Ayr and its surrounding villages	57
Residents from elsewhere in the South Ayrshire Council area	26
Visitors from outwith South Ayrshire	18

4.0 VIEWS ON AYR TOWN CENTRE

4.1 Respondents were asked firstly to rank the things that they liked about Ayr town centre as a business location. This was an open-ended question and the responses have been coded into a set of common categories as set out in Figure 4.1.

Figure 4.1 Things liked most about Ayr town centre

In broad order of importance, please list up to three things that you like about Ayr town centre as a business location?

Issue	1st rank (base: 60 comments)	2nd rank (Base: 47 comments)	3rd rank (34 comments)
Location / convenience / access issues	48%	28%	32%
Customer base / community	12%	6%	9%
Good footfall / busy area	12%	9%	3%
Good physical and natural environment	12%	19%	15%
Good range and type of shops	10%	21%	21%
Compact / easy to get around	7%	4%	6%
General positive comments	2%	2%	3%
Parking	0%	4%	0%
Other	7%	9%	12%

It should be stressed that the figures quoted are the proportion of comments made in each priority rank (1st, 2nd, 3rd). It is certainly clear from these figures that the things that businesses most like about Ayr town centre relate to location / convenience / access issues. Other issues that are mentioned relate to the nature of the customer base / community, footfall and the physical and natural environment of the area. A full listing of these comments is contained in the appendices.

4.2 Conversely, respondents were also asked to rank the things that they liked least about Ayr town centre as a business location. Again, this was an open-ended question and the responses have been coded into a set of common categories as set out in Figure 4.2.

Figure 4.2 Things liked least about Ayr town centre

In broad order of importance, please list up to three things that you like least about Ayr town centre as a business location?

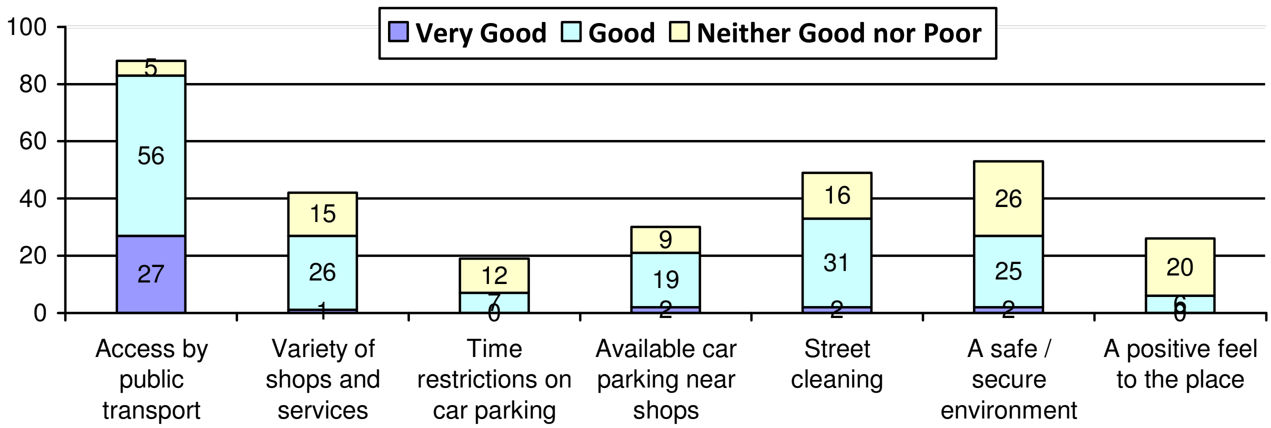
Issue	1st rank (base: 79 comments)	2nd rank (Base: 74 comments)	3rd rank (70 comments)
Parking	25%	22%	17%
Empty shops	20%	19%	14%
Business rates / lack of investment and support	15%	12%	16%
Congestion / heavy traffic	10%	8%	9%
Poor physical and natural environment	9%	15%	19%
Poor range and type of shops / services	8%	14%	14%
Undesirable people	5%	11%	6%
Poor footfall / area not busy	4%	4%	0%
General negative comments	3%	3%	9%
Less convenient to access than other locations	1%	7%	0%
Other	1%	0%	4%

The most common issues that are mentioned as being least liked about Ayr town centre as a business location include parking and empty shops. A number of comments are also made with respect to the perceived high level of business rates and a lack of support for business generally. Congestion and heavy traffic in the area is also a concern for some. Again, a full listing of these comments is contained in the appendices.

4.3 Following on from this open-ended question, a list of specific town centre features was shown to respondents and they were asked to rate each of these. The results are summarised in Figure 4.3 below:

Figure 4.3 Attitudes towards town centre

How do you rate Ayr town centre with regard to each of the following? Base 81



The only issue rated positively by a majority of respondents is access by public transport (83%).

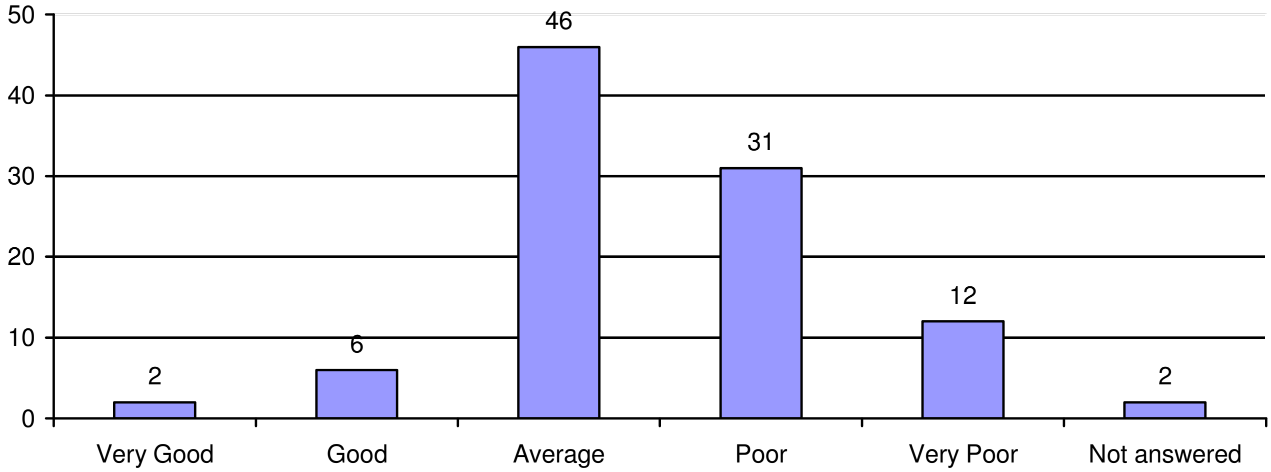
Ratings are significantly poorer for a number of important issues: only 33% give a positive rating for street cleaning, 27% for a safe / secure environment, 27% for variety of shops and services, 21% for available car parking near shops, 7% for time restrictions on car parking and 6% for a positive feel to the place.

4.4 When taken as a whole, only 8% of business respondents gave a positive view overall about Ayr town centre as a place to do business, compared to 43% that gave an expressly negative rating (the balance being neutral respondents or respondents that did not express an opinion). These results are shown in figure 4.4 below.

Figure 4.4 Overall rating of Ayr town centre

What is your overall view of Ayr town centre as a place to do business?

Base 81

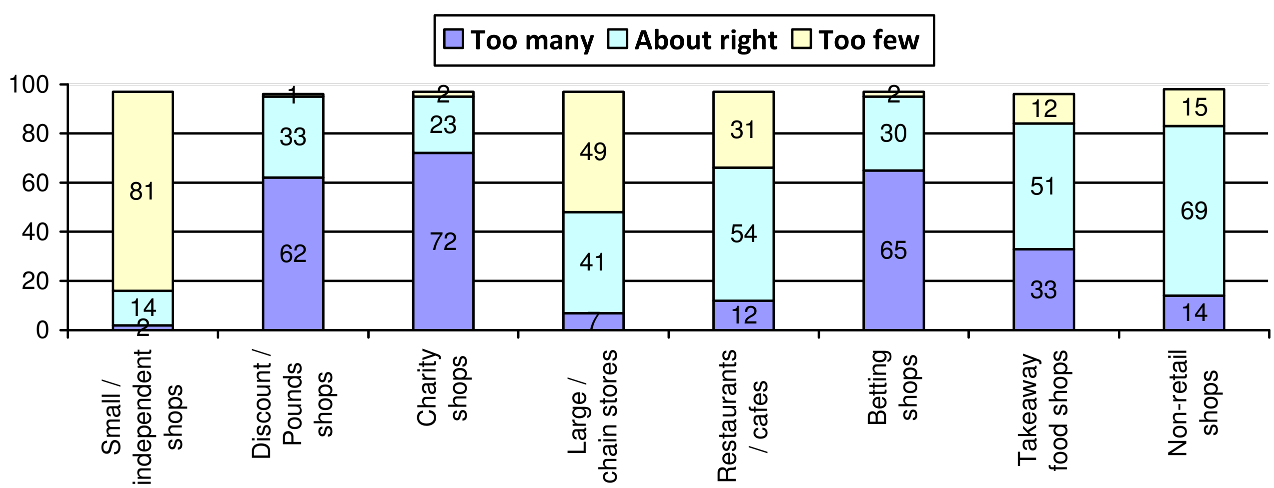


4.5 A further question relating to attitudes to the town centre concerned views on the types of outlet in the town centre and whether this number was too many, about right or too few. The results are illustrated in Figure 4.5 below:

Figure 4.5 Types of outlet

What do you think about the number of these types of outlet in Ayr town centre?

Base 81



A clear divide is apparent in that respondents were quite likely to consider that there were too many of: charity shops (72% considered there to be too many of these), betting shops (65%) and discount / pound shops (62%).

Conversely, they were quite likely to consider that there were too few small / independent shops (81% felt this to be the case) and large / chain stores (49%).

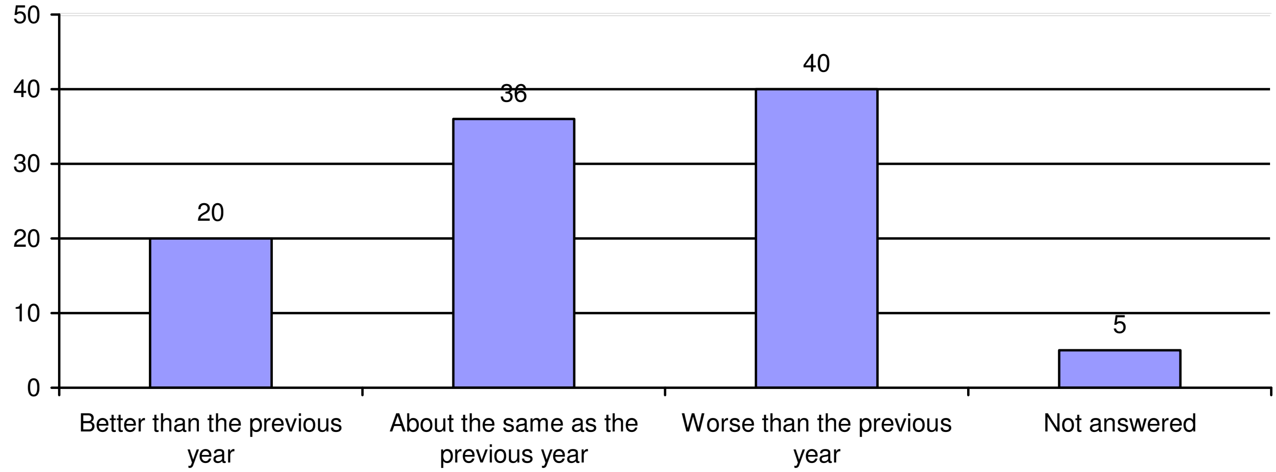
The number of non-retail shops (e.g. hairdressers) was seen as about right by a majority (69%) as was the number of restaurants / cafes (54%) and takeaway food shops (51%).

5.0 BUSINESS PERFORMANCE AND EXPECTATONS

5.1 As part of the section on attitudes to Ayr town centre, businesses were asked to comment on their own recent business performance and future expectations and these results are summarised in this section. Figure 5.1 summarises how businesses indicated that they had performed over the past year:

Figure 5.1 Business performance

How would you say that the business has performed over the past year? Base 81



It is notable that 40% of businesses in Ayr town centre indicate that their business performance has declined over the past year, compared to only 20% that consider it to have improved.

5.2 Those respondents that indicated that their business had performed worse in the past year were asked to comment on the reasons for this through an open-ended question. These responses have been coded by IBP into common categories and are set out in Figure 5 .2.

Figure 5.2 Reasons for business performing worse

If your business has performed worse than in the previous year, what would you say were the reasons for this? Base 31

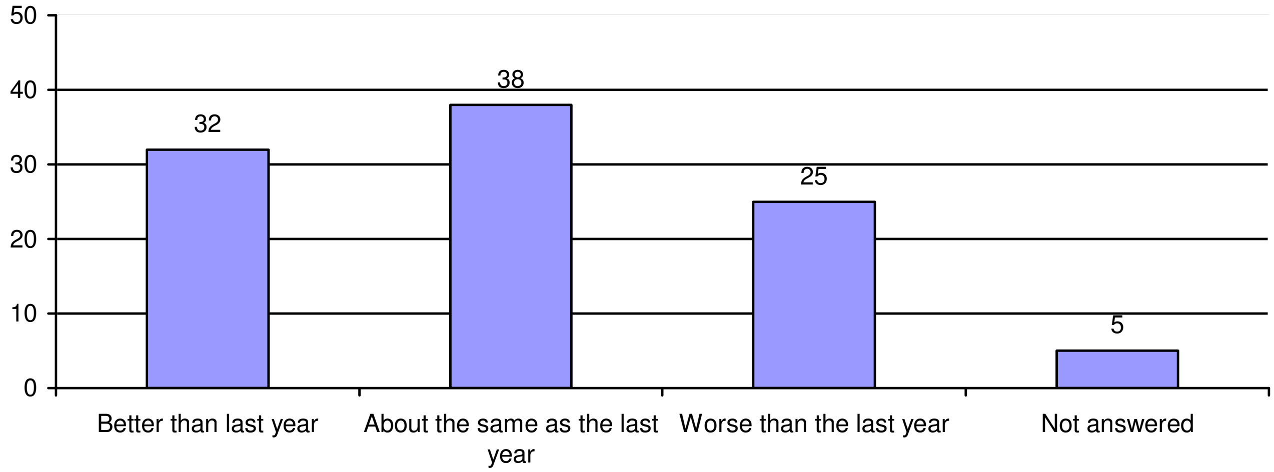
Reason	% of comments
Footfall / customer base	55
Competition from other areas	32
Economic downturn / less money	23
Other	9

Again, a full listing of these comments is contained in the appendices.

5.3 Businesses were then asked how they expected their business to perform over the next year. The results are summarised in Figure 5.3 below:

Figure 5.3 Expected business performance

How would you expect the business to perform over the next year? Base 81



These figures are slightly more positive in that slightly more anticipate an improvement (32%) than a worsening (25%), though some element of optimism bias may be apparent here.

5.4 Respondents were asked as to their reasons for these future expectations and these are detailed in full in the appendices. Illustrative comments are shown below to highlight the key themes.

Figure 5.4 Reasons for future business expectations

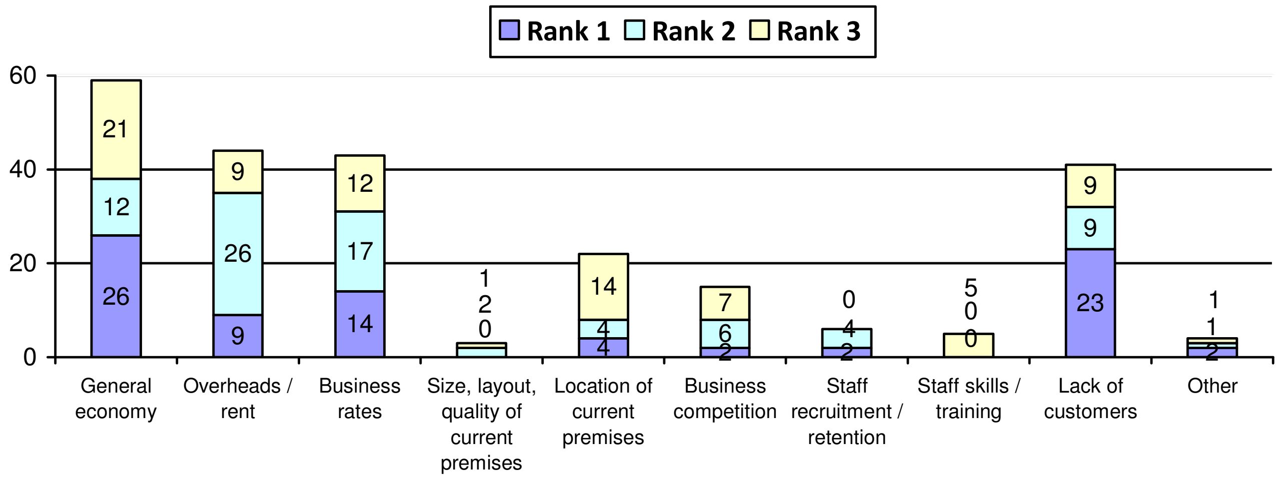
Please give brief reasons for your answer (to the question about expected business performance) in the space below?

Business performance expected to be better than last year
"We are a growing business and our location is excellent" *"Have just relocated to a busier area"*
Business performance expected to be about the same as last year
"No real changes to the High Street projected" *"General economy is slow to pick up"*
Business performance expected to be worse than last year
"The town is dying" *"Where is there in the local area to entice guests to Ayrshire"*

5.5 More generally, business respondents were asked to rank the top 3 challenges facing their business, from a prompted list. The results are illustrated in Figure 5.5 below:

Figure 5.5 Business challenges

From this list, please rank the top 3 business challenges facing your business, in order of importance, where 1 is most important and 3 is 3rd most important?
Base 81



Whilst a broad set of such challenges are important it is clear that the general economy (ranked as top priority by 26% of respondents and in the top 3 priorities by 59%) and lack of customers (top priority for 23% and in the top 3 for 41% of respondents) are key issues. Business rates were a concern for many with 14% identifying this as their first challenge and 43% in their top 3 challenges.

5.6 For those respondents that indicated business competition as one of their challenges, a subsequent question asked where such competition came from. 13 respondents answered this question with the apparent competition coming from a variety of sources including from within the town centre (46%), nearby town centres (31%) and the internet (31%).

6.0 BUSINESS PREMISES

6.1 A series of questions were asked within the business survey as to respondents' business premises. We understand that this information may be used on a case-by-case basis by the Council and appropriate information will be provided in Excel format to facilitate this. In this section, however, we summarise the key points arising from these questions.

6.2 23% of respondents indicated that their premises were owned and 73% rented. The remaining 4% (3 respondents) did not answer this question.

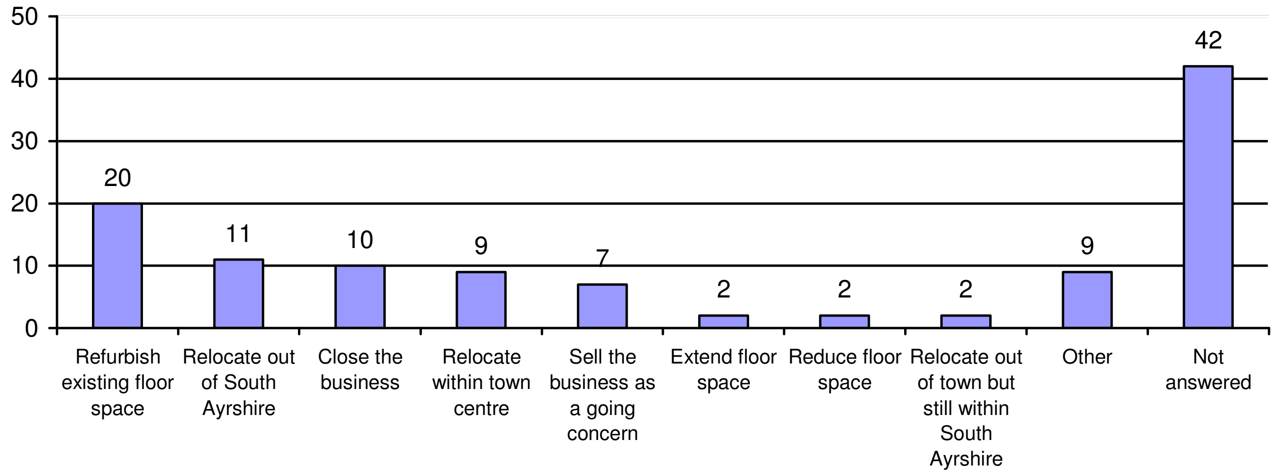
6.3 The floor space occupied by respondent businesses ranged from 150 square feet to 45,000 square feet. The average figure amongst the 38 respondents that answered this question was 4,552 square feet.

6.4 41% of businesses indicated that they occupied a single floor in the building they occupied whilst 32% had more than one floor in the building, but with all floors occupied by their business. In 27% of cases, the premises had multiple floors, some of which were occupied by other businesses.

6.5 In relation to premises, businesses were asked as to whether they had any plans in terms of space / relocation over the next 3 years. The results of this are set out in Figure 6.1 below:

Figure 6.1 Future plans in relation to premises

Do you plan to alter the business in any of the following ways in the next 3 years? Base 81



A significant minority of businesses indicated an intention to refurbish existing floor space (20%) but, more concerningly, 11% of businesses surveyed indicated a plan to relocate out of South Ayrshire, with 9% indicating they would relocate within the town centre and 2% to elsewhere in South Ayrshire. 10% also indicate that they may close their business in the future. Amongst the 18 respondents that indicated a plan to relocate there were a range of reasons for this, which were, most commonly, reduced footfall in the town centre (59%), business rates, overheads / rent and condition of current premises (35% of respondents in each of these cases). It should be noted that multiple responses were allowed to this question. The "other" responses are listed in full in the appendices but typically included responses such as "no plans".

6.6 17 respondents indicated that they were housed within a Listed Building; of these, 2 indicated that the building was A listed, 9 that it was B listed and the remainder did not provide an answer to this question.

7.0 BUSINESS SUPPORT

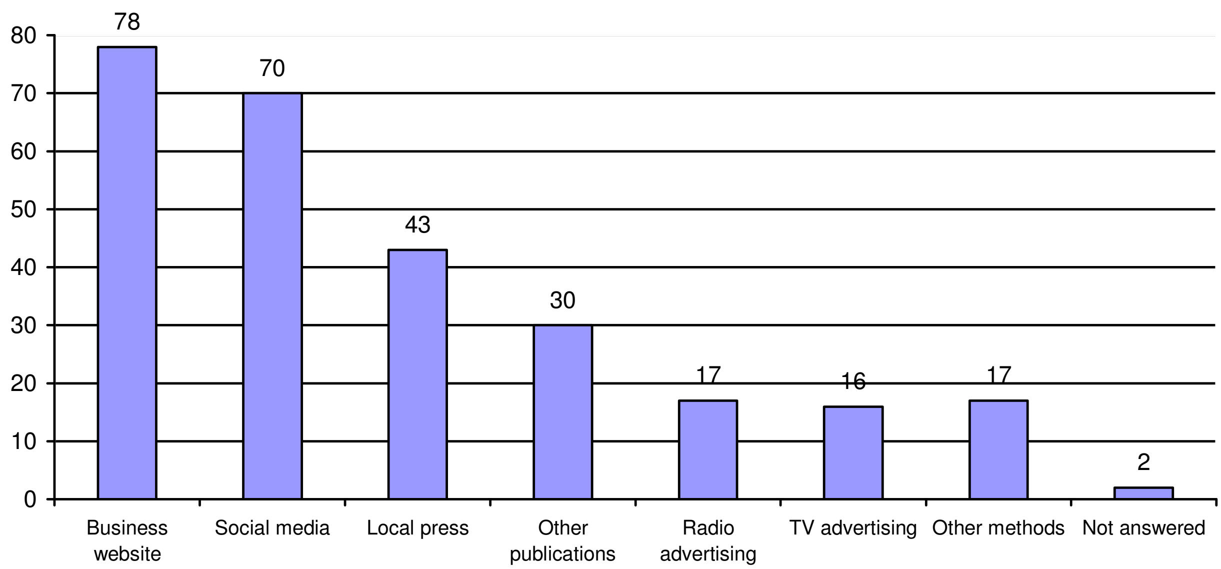
7.1 32% of respondents (26 businesses) indicated that they were members of business organisations. The details of these organisations are listed in full in the appendices but most commonly included Ayrshire Chamber of Commerce (10 respondents) and the Federation of Small Businesses (4 respondents) with other instances usually being individual trade bodies.

7.2 The marketing/ advertising methods that businesses indicated they used are set out in Figure 7.1 below.

Figure 7.1 Use of marketing / advertising methods

Which of the following marketing / advertising methods do you use for your business?

Base 81



Businesses were more likely to use a business website (78%), social media (70%) and the local press (43%) but somewhat less likely to use other communications channels.

7.3 Only 19% of respondents (15 businesses) indicated that they had accessed business support, advice or training over the past five years. Examples of this support are detailed in full in the appendices but generally included a range of specific individual training courses or qualifications, with no particular pattern being evident with regard to this.

7.4 Businesses that had not accessed any such advice were asked as to the reasons for this. Again, comments are listed in full in the appendices but typically related to a perceived lack of need or to training being conducted in-house.

8.0 ADDITIONAL COMMENTS

8.1 Respondents were given the opportunity to make any further comments that they wished in the form of a final, open-ended question. These comments have been coded and the results are summarised in Figure 8.1 below:

Figure 8.1 Further comments

Please use the space below to make any further comments that you would like about the issues raised in this questionnaire? Base 31 comments (some comments are attributed to more than one heading)

Issue	% of comments made
Need for a plan / vision for the town	48%
Costs of doing business	26%
Issues related to parking	23%
Competition	10%
Need to market the town	3%
General negative comments	3%
Other	16%

The perceived need for a plan / vision for the town was very prevalent in these final comments. Other common issues raised related to the costs of doing business and to parking. A full listing of these comments is contained in the appendices.