

Downtown Vancouver Business Improvement Association

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Economic & Business Development

Then and Now: An Analysis of Downtown Retail – Parts 1 & 2 August 2019 to March 2020

The the Downtown Vancouver Business Improvement Association's (DVBIA) two-part report series, "Then and Now: An Analysis of Downtown Retail", quantifies and benchmarks retail in the DVBIA's 90-block catchment between 2012 and 2018.

Part 1 examines non-edible goods and services, while Part 2 examines the food and beverage sector.

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The reports addressed a gap in downtown Vancouver's retail research and the DVBIA's need to strategically monitor its catchment's retail growth and mix. Prior to the reports, there were few sources that measured downtown Vancouver's retail mix in great detail over a multi-year period. By better understanding the retail mix and its changes year-over-year, the DVBIA is well positioned to advocate on its members' behalf and inform the types of businesses best suited for downtown.

The project was conceptualized after researching how Yelp used business data to measure economic growth. The DVBIA built on the concept by cross-referencing city business license data to Yelp business categories to increase the data set's granularity. For example, the business license data lists Burley Barber as a "beauty" business, but in Yelp it is listed as a "men's barbershop". Thus, the DVBIA classified Burley Barber as a "beauty" business in the "men's barbershop" segment. This classification system enabled the identification of men's barbershops as the fastest-growing segment in downtown's beauty sector.

The reports also identify average annual growth rates, business openings and closings and the percentage of businesses operating for 10 years or more. The results were cross-referenced with events that shaped downtown's retail mix such as completed developments, government policies and emerging North American retail trends.

Part 1 was released in November 2019 and Part 2 was released in February 2020. Each report's release coincided with a round table event. The events consisted of a 25-minute presentation followed by a 30-minute panel discussion with industry experts." "Vision: The retail reports will provide a critical source for measuring downtown's retail health for the purpose of making policy recommendations and evaluations.

Specific objectives:

- 1) Establish KPIs to measure downtown's retail health that are meaningful, in addition to representing shifts in downtown's retail mix.
- 2) Develop a method to consistently and accurately generate insights that can be tracked on a year-to-year basis.
- 3) Identify trends and events that influence downtown's retail mix.
- 4) Actively communicate KPIs to relevant stakeholders to highlight the downtown retail's strengths, challenges and opportunities.
- 5) Be seen as a well-informed and strategic civic organization by the City of Vancouver, real estate brokers, and current and prospective members." The intended audience was city staff, commercial brokers, existing business owners, prospective business owners, developers, and building owners. The report is meant to act as a source of information for city staff to review downtown's retail health and potentially make program or policy changes. The report is also meant to inform DVBIA members of trends and changes in downtown retail mix, highlighting the impacts of development, policies from various level of government, and changes in consumer values. The report is publicly available and produced in a style that is easy to comprehend for a wide audience. "The project was initially developed when the DVBIA realized there was little information of businesses openings and closings, survival rates and changes in the retail mix over time.

To start, the DVBIA familiarized itself with the structure of the City of Vancouver's business license data to identify limitations, researched data analysis best practices, and developed a series of definitions to better classify business types and increase the granularity of the data. Next, a series of key performance indicators were developed to summarize the data and identify trends. The subsequent results were then compared to global and regional industry reports, and the DVBIA's Economic Development team sought feedback from local industry experts. Once the reports were complete, round table events were planned for each report's launch, media releases were sent to local news outlets, and the DVBIA recruited two industry experts to participate on a panel for each report's round table event.

A main challenge was the breadth and complexity of the data. Initially, the DVBIA planned to produce a single general retail report; however, it was more manageable and meaningful to create two separate reports – one for non-edible good and services and the other for food and beverage.

Our concern was that a single report could dilute the data-driven narrative by providing general overviews or by perhaps overwhelming readers with too much information. Our hypothesis was that non-edible goods and services, and food and beverage had two different stories. By creating two reports, we were able to produce two distinct data-driven narratives for targeted audiences, generate sustained interest in the retail report series and obtain more media coverage.

From conceptualization to development, it took five months to complete Part 1 of the report and three months to complete Part 2."

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