



How to maximise value from parking

in challenging retail conditions



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Intro

Retail parks and shopping centres have been part of the fabric of our lives for many years, with much of their success driven by the convenience and wide range of offers made available in a single location.

Changing macro-economic conditions e.g. Brexit, consequent pricing inflation rises and the continued rise of omni-channel retailing are starting to affect their fortunes.



Visits to retail parks this year continued to fall, dipping 1.6% in February – the biggest drop since November 2013 - while shopping centres also failed to see any improvement, suffering a 2.6% decline in year-on-year visitor numbers.

Conversely the high street saw a 0.1% increase in footfall but this was driven primarily by leisure trips and visits to restaurants and bars.

With retail park and shopping centre revenue under pressure as a result of our changing times, new ways of improving customer experience and driving value will need to be found. Both these markets are likely to have parking as a feature of their customer offer.

And parking is important:



55% of people would never return to a retail park if they'd had a poor parking experience.

But how many operators are looking to further maximise this customer benefit which they provide – and is expected by customers – to maximum effect?

Parking is a facility which can be used to attract customers:

55% of people say good parking facilities are the most important factor when visiting a Retail Park.

Parking can also improve the overall customer experience using a number of different levers. As the start and end of the customer journey to their retail visit, closer monitoring, measurement and analysis of parking behaviour can truly add value to the site's operation by helping to manage costs, provide additional revenue and even collect customer data. Improving the parking experience, and deploying digital parking products integrated with retail park and shopping centre schemes can hold the key to delivering significant benefits across many business areas.

| Managing costs

Understanding parking and therefore footfall patterns to a Retail Park or Shopping Centre can drive insight into where and how costs can be controlled and resources applied more effectively.



Installing back end systems

linked to parking equipment like ANPR cameras and pay machines can provide reporting based on customer data.

Knowing when the car parks peak capacity times are will allow better scheduling of staff (whether they're operating the car park or working in the shops within the Retail Park), and allow more of a customer focus from the operations function.



Deploying strategies to manage demand based on capacity knowledge is also possible, whether it's through simple awareness of busy periods or offering incentives to parkers.

Often the parking facility will be open to abuse with people parking for another purpose e.g. to attend a football game close by or to commute onwards. Understanding where and when this is happening helps to install systems and processes to free up spaces for the appropriate customers.

| Drive additional revenue

On certain occasions, driving value means finding new revenue streams. In the current economic climate this is something which is coming higher up many retail owners' agendas. Charging for parking when once it was free, is an important decision and many factors need to be considered, not least an understanding of local market rates for parking. What tariff banding to apply is also an obvious decision when assessing how to drive additional revenue. It's not always the case that people are unwilling to pay, but the rates have to be balanced with the standard of the parking offer itself. For example



51% of people want to see space availability information in Retail and Shopping Centre car parks.

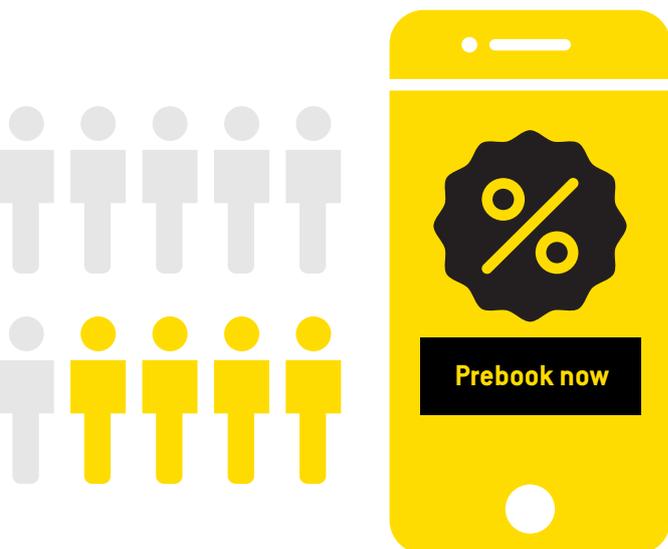
Indeed, to make the transition easier to sell to customers, improving the car park environment and customer experience are two factors to be considered.

Services and solutions, like digital payment systems which enable a better customer experience for customers through features like ticketless parking, can soften the impact of parking charges.

| Customer data

The availability and access to customer data is increasingly a common benefit of installing new technology to help manage the parking offer. Systems which capture number plates and visit times can, even at the most basic level, deliver insight into customer frequencies and demand on the parking facility. This can help a business become more efficient at driving value and applying this to the business needs. Perhaps a business wants to drive more repeat visits from its customers. Using data from an ANPR camera can help monitor and measure the level of repeat business over time.

At a more complex level, using account based payment solutions, data can be used for the benefit of both customer and business organisation.



40% of customers would be more likely to visit a retail park if they could pre-book and get discounted parking, perhaps encouraging longer dwell times

So by enabling a payment solution like this, the customer experience can be improved. The business can benefit from account based payments data, capturing and leveraging the data including email addresses. This can be effective primarily in communicating to customers, across a range of messages, including marketing comms for those customers opted in to receive such messages. This might be comms to drive a loyalty scheme/ reward

program, or individual retailer promotions which can be offered as added value to the Shopping Centre's tenants.

The disruption occurring in other industries from the shift to digital is widespread and commonplace now.

A lot of the above solutions and benefits are enabled through digital technology.

At NCP, we embrace this new technology and apply it in solutions designed around meeting our customers' business needs. Our **Car Park Managed Services** are a range of flexible solutions which can help the customer drive more value from their parking offer, including a return on investment where required.

Services including Revenue Management and Considerate Enforcement – managed by our experienced in-house team, are some of those we offer which can turn the parking offer into a business asset.

**To find out more about how we can help your parking drive your business needs, get in touch.
www.ncpsolutions.co.uk/contact-us**

Data sources

Telegraph.co.uk, February 2017,
www.telegraph.co.uk/business/2017/03/20/dining-saving-high-street-retail-parks-shopping-malls-suffer/

NCP Retail Park and Shopping Centre report 2017

