

**20th ANNUAL PACIFIC RIM REAL ESTATE SOCIETY CONFERENCE
CHRISTCHURCH, NEW ZEALAND, 19-22 JANUARY 2014**

**STRIP SHOPPING PRECINCTS: ANALYSIS OF RENEWAL POLICIES BY
LOCAL AUTHORITIES: AN EXAMINATION OF RECENT POLICY
IMPLEMENTATION.**

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ABSTRACT

Anecdotal and observational commentary suggests the Australian Retail Industry is experiencing a trend whereby consumers are changing the way they shop and that some traditional strip shopping precincts are beginning to lose their competitiveness in the marketplace. By examining the reasons for the decline of strip shopping precincts in United States and United Kingdom, and the actions taken to reverse the decline, this paper examines the situation in Australia and presents an example of how the changing impacts upon a strip shopping precinct has been managed by interested parties. The case study discusses a strip shopping street precinct that predominantly relies upon patronage by tourism and other inbound custom, despite the immediate proximity of a large local community that carry out their convenience shopping outside this catchment area. A resident survey, funded by the municipality, clearly indicates a strong theme amongst local people that they wish to use this local street precinct, not just as a place to obtain necessary goods and services, but also to build relationships with other local people and businesses. This paper discusses the municipality's response to a consultant's recommendations in regard to altering the retail mix for a more sustainable future for the precinct and to ensure that the needs of local residents are met as a first priority.

Keywords: Strip shopping precincts, corporate shopping centres, local government, fine grain zoning, local residents, business improvement district (BID).

INTRODUCTION

Anecdotal and observational commentary suggests the Australian Retail Industry is experiencing a trend whereby consumers are changing the way they shop and that some traditional strip shopping precincts are beginning to lose their competitiveness in the market place. This is further reinforced by some research conducted by a number of private consultancies. For example, recent research by Urbis Group (2013, p.1) identifies the Retail Industry in Australia struggling to redefine itself against a backdrop of economic headwinds and changes in consumer behaviour, indicating that there has been an increase in savings rates, a growth of e-commerce and the desire for consumer preference for retail experiences over purchase of merchandise. These observations in changes in behaviour are supported by, on the one hand, growth in household consumption of 6% in 2013, but retail spending growing by only 3%. The Australian Retailer's Association submission to the Productivity Commission (2011, p.4) highlighted that retail business margins were not growing substantially or indeed showing signs of sustained recovery. This was leading to an exodus from the market by retail businesses. The report (2011, p.4) highlighted that the number of retail businesses employing up to four staff fell from 529,000 in 2007 to 497,000 in 2011.

Over the last 20 to 30 years, traditional strip shopping precincts in the United States and United Kingdom have generally experienced a considerable reduction in patronage relative to modern mainstream shopping centres, Australia, up to recently, has not experienced the same trend.

Australia's strong economic performance relative to many other Western countries in United States and Europe, during the Global Financial Crisis, has also shielded the traditional strip shopping precincts from impact of change in the retail environment. Minimal research has been conducted within Australia on the competitiveness and productivity of traditional shopping districts compared to modern shopping centres. In contrast, there has been a considerable amount of research conducted within the United Kingdom and United States on this matter.

Although there does not appear to be any research of a trend of decline in traditional strip shopping precincts in Australia, anecdotal and observational evidence indicates that there is a change in the effectiveness in individual cases.

By examining the reasons for the decline of strip shopping precincts in United States and United Kingdom, and what actions have been undertaken to withstand or reverse the decline, this paper examines the situation in Australia and presents an example of how the changing impacts upon a strip shopping precinct have been managed by interested parties. Matters examined include changing demographics, risk mitigation, council policies, consultants' advice, actions and outcomes are examined.

LITERATURE REVIEW

One of the key issues identified by researchers into the competitiveness of traditional shopping districts has been the inability to control "fine grain zoning" either through planning policy or management style mechanisms (Flannigan, 2010, p.211). Flannigan (2010, p.211) describes "fine grain zoning" as a tiered system of place zone designation in strategic plans and small area planning for designated zones, thus allowing for smaller scale location decisions to be made and finer detailed conditions to be imposed at the local level. In consequence, unlike corporate shopping centres that control their retail mix, traditional strip shopping districts have been unable to take advantage of those synergies.

For the purposes of this report, we use Flannigan's (2011, p.2) definition of retail centres as follows:

'Traditional shopping district: shops and service premises in multiple ownership, developed along traditional streets using a process of land subdivision and development regulation rather than overall urban design and development.'

'Corporate shopping centres: shops and service premises that are planned, designed, owned and managed as a single corporate entity.'

The key argument put forward by Flannigan (2011, p.2-3) is that corporate shopping centres have a significant competitive edge over traditional shopping districts due to the single ownership and their ability to control mix, size and location of tenancies, thus exploiting potential synergies between businesses. Without synergy, the opportunity to create a cluster of complimentary business, where each business potentially supports others, is lost. This lack of synergy and control limits the ability of traditional shopping centres to take advantage of collaborations between businesses, and impacts upon accessibility, cleanliness and superior marketing and advertising. Ultimately, the outcome is a shopping experience whereby the consumer has limited access to local convenience retailing and is required to take multiple trips to service their requirements.

A resultant effect of not being able to manage and control fine grain zoning is to have the correct balance of destination shops and support shops. Within the context of a corporate shopping centre, management pays careful attention to the size and location of destination shops with support shops integrated between them to service consumers' requirements. It's this exploitation of synergies between specialty destination shops and supply shops, such as supermarkets, which helps create convenience for the consumer in a corporate shopping centre. It facilitates multiple visits to different outlets on a single trip. Flannigan, (1999, p.87-88) supports this view in stating that "Traditional shopping centres, on the other hand, do not have any collective responsibility for the purposeful placement of users" and that ".....destination and support shops (therefore) effectively locate themselves along a street according to their ability to pay rent for premises in the market". In effect, there are no decisions being made about the collective interest.

This issue of convenience is explored further by Rowlands (cited in Reimers, 2013, p.36) in their theory of the "citizen versus consumer paradox" related to the Electricity Industry, where the individual is caught in a dilemma between knowing the betterment of their community and the environment versus the preference of convenience. Reimers (2013, p.37) posits that consumers have used their perceived understanding of convenience to differentiate traditional shopping districts from corporate shopping malls, resulting in ".....traditional shopping districts (apparent) lack of convenience (as) not only serve(s)ing as one of its defining characteristics but also as a key reason behind its loss of market share". Reimers (2013, p.37) also indicates that a major distinguishing factor with the traditional shopping district is the sizable local population that is being serviced in conjunction with the transient population that use the district as a thoroughfare for mobility and or a destination for an entertainment activity.

Reimers (2013, p.44) expresses the view that consumers act on their perceptions of reality rather than reality itself. This impacts on consumers' view of car parking associated with shopping, in as much as, although traditional district parking is historically located in its core zone, consumers perceive shopping mall as offering better access and convenience, albeit mall parking being located at the periphery of shopping centres (Reimers 2013, p.44-45).

Reimers (2013, p.44-45), in their study of convenience shopping identified "the majority of traditional shopping district parking is located in its core zone in close proximity to the shopping which was found to be more preferable to corporate shopping centre parking, all of which is located at its periphery. This would suggest that the mall is at a relative disadvantage to the strip in terms of parking proximity. Because consumers act on their perceptions of reality rather than reality itself, the traditional district appears to have failed to capitalise on this source of differentiation. Unfortunately for the strip shopping district, consumers believe the opposite, perceiving the mall as offering better, access and convenience. (Reimers, 2013, p. 44-45)

Reimers's study indicates that the modern consumer, not only wants easy access and convenience to get to and from their destination, but also the ability to visit multiple shopping outlets conveniently in one visit.

There has been significant anecdotal evidence of the rise of e-commerce and the migration of bricks and mortar sales to online sales (Australian Retailers Association, 2011, p.3, Urbis, 2013, p.2). This is further enhanced by observational analysis which identifies increased vacancies, with concomitant change for traditional shopping districts, with the need to create synergies and convenience for consumers to interact with business.

Research conducted by Cao and Xu (2011, p.) in the Minneapolis-St Paul area, highlights that e-shopping may interact with travel behaviour in four ways: substitution, complementary, modification and neutrality. The result and analysis of the data found that "older people" tended to generate more in-store shopping trips. They also found that cost-conscious people, time-conscious people, and impulsive shoppers tended to conduct frequent product information searches on the internet and also tended to make more in-store shopping trips. Overall, they report that product information search encourages both internet purchases and in-store shopping, and online buying has a complimentary effect on in-store shopping. This indicates the impact of online shopping is not as substantial as anecdotal evidence suggests and the impact of personal shopping trip reduction is not likely to be significant. The research suggests that the complex nature of interactions within the shopping process plays a large role in determining the mode of shopping. Further research needs to be conducted to confirm the complementary nature of e-commerce on bricks and mortar retailing and its impact on access and convenience.

A by-product of not creating synergy within the traditional shopping district and not working for the collective good is the lack of investment that will sustain the district. The 2009 global financial crisis highlighted this problem to the retail environment in the United Kingdom. Teale (2012, p.157) of CBRE, pointed out that it has been as a result of poor quality (of retail space) stock, and a shortage in high quality stock that are the primary reasons for exacerbating the decline of traditional shopping districts in the United Kingdom. Teale, (2012, p.158-159) notes that almost half the shopping stock in the UK still pre-dates 1940, that the long term consequence of the disparity between top tier retail space and the second and third tier is the heavily inflated leasing terms associated with the primary stock. Teale (2012, p.158-159) reports that this has influenced consumers' shopping experience, with almost one-third of UK fashion shoppers reporting that they have departed traditional retail shopping areas prior to completing their purchases because of the "sheer unpleasantness of the shopping experience".

(Teale, 2012, p.158-159) further reinforces these assertions, by describing that, within the United Kingdom, corporate shopping centres have a significant advantage due to their ability to manage mix and provide convenience for the shopping experience, and notes that, within the United Kingdom, there is a greater complexity within the ownership of commercial properties within traditional shopping centres and thus cannot be managed for growth because nobody has control over the mix. Teale, (2012, p.160) asserts that although the stock is not intrinsically unproductive, there is a great deal of high street attrition, but this is occurring because the shopping district is not managed as an entity, and that multi-ownership always invariably leads to mix weakness in some form that, in time, can result in even the best high streets going into decline. "It only takes a handful of owners to introduce inappropriate occupiers, often combined with lack of maintenance, for the rot to set in" (Teale, 2012, p.162)..

METHODOLOGY

An analysis of the methods used in the United States and United Kingdom to address decline in traditional strip shopping precincts provides a basis for examination of a case study in Australia.

Business Improvement Districts (BIDs) are described by Grossman (2008, p. 290) as “....distinctive, formalized partnerships between the public and private sectors operating as sub governmental units at the local level”. BIDs began in Toronto in the 1960s and, in the United States, in New Orleans in the 1970s. Grossman (2008,p.290) estimates that there were 650 BIDS in the United States and 1,500 worldwide including 400 in Canada and 60 in the United Kingdom. Lloyd and Peel (cited in Grossman 2008, p.291) state that their growth in numbers over previous 40 years can be attributed to the understanding that “town centers represent increasingly competitive arenas that demand ever more sensitive and appropriate forms of governance, management and regulation”. Grossman (2008, p.291) further explains them as “special assessment districts established at the local level of government to bring together public, private, and civic actors to address necessary revitalization, economic development, and quality-of-life improvements to a designated business district” and that they are “unique, because they are usually managed and overseen by private as well as public agents and funded through a special assessment”.

BID management is usually found in traditional commercial areas, such as strip shopping precincts, that have not adapted to current competitive trends, including consumer standards, pedestrian accessibility, signage, modern store display, advertising, dining, entertainment, traffic safety and car parking, and a definable destination (Brodeur, 2003).

There has been extensive research conducted internationally on BIDs, but limited research on their potential within Australia, and their potential ability to improve uncompetitive shopping districts.

A partnership between the private sector and public sector can allow for greater levels of entrepreneurship in a targeted and mobile manner. It allows for public processes to achieve economic targets and community revitalization. BID's can be managed by private and or non-for-profit entities that are publically funded or through publicly employed individuals. At its core, BID's are formalised forms of local partnerships and working arrangements. The formalisation of BIDs is varied based on the use of local by-laws to provide financial and management support in achieving their targets. This helps determine taxation structures and public or private agents to oversee the BIDs. In its true form, BIDs should be seen as an extension of the community as their primary goal is community development. “A primary mission of most BIDs is to provide a safe environment for shopping, workers, residents, and tourists” (Grossman, 2008, p.292). However, in reality the goals of the BID's are set by the stakeholders that form the management teams. Hence the limitations of any business improvement will be limited by the involvement of the stakeholders. As a result, some of the identified problem with BIDs is that they are can be too consumption orientated as a short term fix of local business to the detriment of local community needs. Hence forms of standardisation and monotony can dictate the BID direction of the traditional shopping centre and not provide adequate diversity and local independence. “Convenience and ease can become monotonous” (Grossman, 2008, p.300).

The strength of BIDs is through their formation of a public organisation that takes advantage of entrepreneurial energy representing a synergy between the traditional management purposes and practices attributed to both public and private sectors. Such partnerships allow the public sector to enjoy more vigorous entrepreneurship while allowing the private sector to utilise public authority and processes to achieve economic and community revitalization with the advantages of specific focus and stable funding (Grossman, 2008, p.295). In many cases the stakeholders that form the management team are usually small businesses.

Mitchell (2001, p.20) describes three BID management aspects that are needed for success:

- a) Supervisor: designing organizational structures; entering into contracts; making budgets; hiring employees; conducting performance evaluations.
- b) Public Servant: following the directions of elected officials and/or board members; responding to complaints and requests for information or services from businesses, citizens, and the media.
- c) Entrepreneur: finding new services to provide; designing programs; marketing services; developing new sources of revenue.

For BID's to truly represent an evolution in local government processes the BID manager must involve individuals in developing and sustaining long term community engagement. As demographics change and behavioural patterns change, so too must traditional shopping districts change and be reinvented to reflect the

changing expectations. One of the most common forms of creating a successful BID management board is by having representation at board level from local community, commercial owners, business tenants, and local government authority. Diagram 1 describes Grossman’s structure of a BID Management model and its stakeholders.

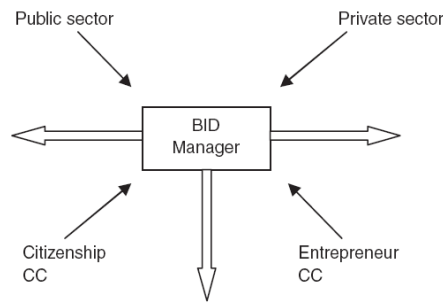


Diagram 1: Business Improvement District Management (Grossman, 2008, p.299)

This structure allows for the appointment of individual BID managers who can provide entrepreneurial and innovative solutions to individual district issues. Managers, who are outside government administration but are accountable to public processes, can channel greater focus to address public problems. Flannigan (2010, p.206) identifies that this form of district management can act as a link between proactive business, property owners, and tenants who cater for the local district problems.

These types of organisation structure raise the issue of funding. Local government authorities have introduced special taxation laws to create infrastructure levies to fund BIDs. The levy on all commercial property in the designated area must be spent in accordance with the budget (Flannigan 2010, p.207). The budget is spent on improvement and maintenance of public lands and buildings and to promote the shopping district as a destination for local shopping needs and people outside the local catchment.

Although similar mechanisms exist within the Victoria’s Local Government Act 1989 these have not been used to date. This would allow traditional shopping districts the opportunity to compete with corporate shopping centres by improving access, quality of (building) stock, marketing and advertising. Such forms of collective management and special taxation can be used to make traditional shopping districts more competitive and accessible.

Another form of BID used overseas is a structure that allows greater dialogue with business owners and real-estate agents. BID managers often act as channels of information on real-estate availability and prospective businesses that seek to locate in that district. Hence, BID managers can be in a position to influence placement of businesses and manage fine grain zoning. This position allows for more effective surveillance of the real estate market in terms of supply and demand. BID managers do not act as estate agents to provide services to prospective businesses. However, they include agents in discussions and negotiations with prospective business on understanding the needs of the district. (Flannigan, 1999, p.93) Flannigan (1999, p.92-93) describes the example of BID managers in Drayton, Ohio, where the BID management team, in 1993, created a set of business development and real estate guidelines. The BID partnership provided for the opportunity of bringing together property owners, local government officials, and other organisations and businesses to assist prospective businesses to locate to Dayton CBD.

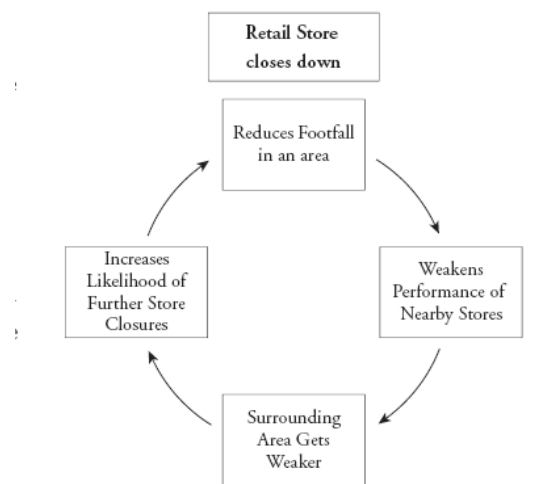
Having a BID business development manager responsible for the collective interest of the district and answerable to a management board is particularly useful in an era where it is not popular for government to hold real estate and develop it. As local government reduces its ownership and management of community buildings and outsources its management, the interests of the community and the traditional shopping district become the responsibility of the business development managers.

During and after the Global Financial Crisis, the United Kingdom experienced significant downturn in its economy. A large number of retail businesses, located in traditional shopping district, became uncompetitive and went out of business. In response, the British Government’s Department of Business, Innovation and Skills,

commissioned a review into the state of traditional shopping districts (high streets and town centres) and their future.

Known as ‘The Portas Review’ (2011), its recommendations included the formation of a management style formalised structure where the different stakeholders in conjunction with local government authorities provide innovative solutions to problems in the district. Portas (2011, p.2) points out the major supermarkets have delivered very highly convenient needs based retailing which has adapted to the changing landscape and serves today’s consumers better than the traditional shopping district. As a result new standards have been set with increased consumer expectations of value, service and entertainment to measure the retailing experience. This coupled with an increasingly time poor and knowledgeable consumer has exacerbated a downward spiral of decline in traditional shopping centres, including reduced foot traffic leading to increased vacancies and reductions in rents..

On the other hand, corporate shopping centres in the United Kingdom have developed their business model to become, in effect, successful urban entertainment centres. Entertainment options include, for instance, premier restaurants, art galleries, and luxury brands: they have looked to replace the inward enclosed shopping centre with a more open light filled experience. These new ‘experiences’ particularly in densely developed areas have raised consumer expectations. “We are in a new age of consumerism and the high street needs to adapt to that” (Portas, 2011, p.10). Diagram 2 provides a diagrammatic representation of the consequences of retail failure in traditional shopping districts.



Source: Department for Business, Innovation and Skills/Genecon and Partners (2011) *Understanding High Street Performance*. Citing Colliers International.

Diagram 2: The downward spiral of decline on the traditional shopping district (Portas, 2011, p.9)

To respond to the changing landscape and the new expectations on the shopping experience, Portas presented a 30 point plan to make the traditional shopping district into social and cultural experiences which will provide critical reasons to go “into town” as opposed to driving to the corporate shopping centre. She strongly advocates for a formalised conversation between all stakeholders, the formation of BIDs that will invest in traditional shopping districts and create social capital in the heart of communities.

She puts forward the model of a ‘town team’, a management team which will create co-ordinated planning and management with a single vision, strategy and direction resulting in targeting businesses and services to succeed in the shopping district. The Review advocates for landlords becoming stakeholders and thus contributing financially and socially to the vitality of the district. Portas advocates a form of governmental taxation concessions that would better support independent retailers and manage accessibility and the quality of the shopping district. The Review further advocates for the use of policy to make it more difficult for large retailers to develop alternative forms of development other than the traditional shopping district. In the UK it has been identified that out-of-town retail has been growing at the expense of high streets and so poses a major threat to the shopping district.

One of the biggest issues faced by all traditional business districts are the diversity in the ownership structure. Portas advocates for greater accountability of landlords and corporate agencies such as banks that have direct ownership of commercial property. Success at management level can only occur if there is cooperation by all stakeholders. The Report recommends policy mechanisms to ensure landlords comply with a code of conduct where leasing structures and vacant properties and negligent landlord behaviour are mitigated

The Review advocates a BID model where local communities have a greater say in the business mix, regarding it as being vital for the success of traditional business districts. Portas points out local people should have more say in what they want from their local business owners. Many local communities are experiencing changing demographics and evolving expectations of their shopping experience. By having communities on the management team, all the other stakeholders will be able to directly communicate with the people that will directly contribute to their success. More importantly it will make the businesses relevant to the lives of local consumers.

The key point the Report makes is that high streets are about so much more than shopping. A healthy shopping district which manages fine grain zoning and caters for local catchment areas will build local distinctiveness and can keep money circulating in the local economy thus ensuring the competitiveness of traditional districts. The Review points out the complex issues of ownership and limited communication with other stakeholders in the shopping district. As a result, Portas advocates the creation of a Management Board which can provide long term strategies to create social town centres and successful shopping districts.

CASE STUDY

In 2006 the City of Port Phillip in Inner Melbourne commissioned SGS Economics to provide a strategy paper that made recommendations regarding the future directions of the local municipality and address some of the concerns around population growth and demographic changes.

The report by SGS (2006), points out that the traditional shopping districts which characterise the Major Activity Centres (MAC's) of Port Phillip, do not function as a 'network'. A number of these shopping districts have their own distinctive customer bases with many of them drawing on catchments that extend well beyond the municipality. As a result of this, one of the major issues facing local residents is the decrease in convenience shopping opportunities.

Many of Port Phillip's traditional shopping districts are located in areas of significant cultural and architectural heritage and have reinvented themselves as successful economic areas by drawing in tourists and destination shoppers from overseas, interstate and Regional Victoria as well as Greater Melbourne. However the key point SGS (2006) make is that many residents in the municipality are limited in their access and convenience for staple shopping including local food / grocery facility. As a result many consumers choose to undertake longer, potentially car based shopping journeys outside their catchment area for necessities. This situation is further exacerbated by the inaccessibility of major supermarkets operating within the municipality: their inaccessibility being due to poor car parking, high traffic congestion and an increase in tourist numbers using the facilities needs.

SGS (2006) highlights that in the period 2001 to 2031, the population of Melbourne's Inner Region is expected to increase from 245,274 to approximately 405,100 at an average annual growth rate of 1.7%. Melbourne's inner region as defined by the municipalities of Melbourne, Port Phillip, Stonington and Yarra (City of Melbourne, 2014) extends to Fitzroy in the north, Port and North Melbourne to the west, Armadale and Hawthorn to the east and Elsternwick to the South East. The number of households in the region is expected to increase from 117,947 in 2001 to 207,500 in 2031, with average household size projected to decline from 2.08 to 1.9 persons. It indicates that, based upon Department of Sustainability and the Environment (DSE) housing capacity analysis, a projected population increase of 32,191 for the City of Port Phillip by 2030 (population in 2011 was approximately 95,000).

The challenge faced by many traditional shopping districts within Port Phillip is they are located within densely populated areas with heritage housing stock not suitable for more intensive development. A lack of vacant or brownfield land within inner urban areas will add additional pressure upon traditional shopping districts to accommodate demographic changes and population growth. A key theme identified by the Report for the

vitality of traditional shopping districts within the City of Port Philip was to address the weekly shopping and convenience needs of the local population. The Report notes that this theme was very strong in resident surveys conducted and indicated that local people wish to use their local centres, not just as places to obtain necessary goods and services, but also to continue to build relationships with other local people and businesses.

The case study of Acland Street in St Kilda is an example of a traditional shopping district that is one of the most distinctive areas within inner regional municipalities. It services multiple users including local residents, tourists of various age groups with major influxes of tourists during the summer months. In addition, Acland Street contains both major supermarkets and contains single lane vehicular traffic with a tram lane containing a terminus at the end of the street. The majority of business uses along Acland Street comprise of hospitality and service sector uses. Based upon ABS 2001 census data (cited in SGS, 2006, p.28) the hospitality and services sectors accounting for \$39.8m of \$110.3m retail turnover in 2001(SGS, 2006, p.28).

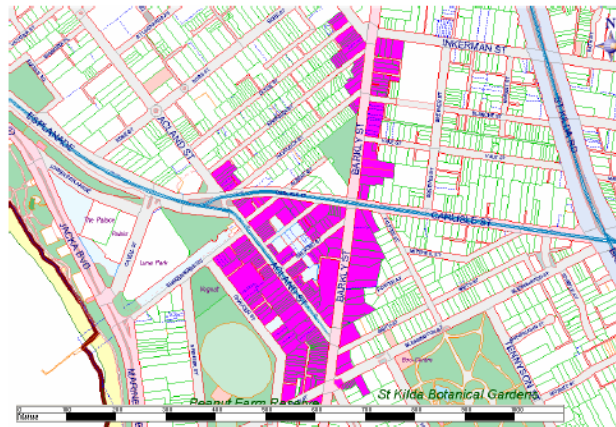


Diagram 3: Acland St Commercial Precinct (SGS, 2006, p.28)

The SGS (2006) report makes reference to the Department of Sustainability population statistics which identifies the retail and commercial strip within inner regional areas will accommodate 7.5% of the total projected household growth. For Acland Street St Kilda it is estimated there will be an influx of 2,356 people by 2031. Due to limited availability of development land including brownfield development sites, SGS (2006) pose the question of where future development can occur to accommodate the expected population growth. The question is, what impact will this have upon Acland Street as a traditional shopping district?

The second issue that is faced by Acland Street is its current ‘incarnation as a gentrified destination for food, drinks and fun’ (SGS, 2006, p.29). It is perceived to be and has become heavily reliant on tourist and destination shoppers. A key issue for Acland Street was “many local residents avoid Acland Street on Friday evenings, Saturdays, and Sundays when tourists take over” (SGS, 2006, p.29). As a result, there is heavy traffic congestion coupled with a lack of car parking on weekends and during the summer months. This has resulted in a high proportion of Acland Street local residents travelling outside their catchment area to do their convenience shopping requirements.

The report identifies the first and foremost responsibility of any future direction of Acland Street and other shopping districts within Port Philip, is to ensure the needs of local residents are met. By addressing this they advise that there will be greater income from the local economy staying within the shopping districts and provide greater long term sustainability. A by-product of this is that local shopping for local residents within a convenient walking distance is very much achievable within the short term. To achieve these goals, their advice was that high priority tenancies should be restricted to less than 500sqm (SGS, 2006, p23). This is because these activities are frequently visited and provide multi-purpose trips.

To achieve some of these structural changes within the Municipality, SGS (2006, p14) recommended consideration should be given to creating a ‘community betterment levy’. The report uses the example of the Planning and Environment Act being used in 1996 for expansion of Doncaster Shoppingtown which netted \$4.6 million towards infrastructure (SGS, 2006, p.14). In the context of Port Philip, SGS (2006, p.14) advise that such a levy would provide for a wide range of community infrastructure items including affordable housing and infrastructure upgrades to traditional shopping districts.

Despite commissioning SGS' Report (2006), the City of Port Philip did not adopt many of the key recommendations to revitalise local resident's interest or patronage, including adoption of a levy, introduction of local convenience shopping on the street, a reduction in the reliance on tourism for business. The minutes from the Council Policy Review Committee makes reference to encouragement of local weekly and convenience retail services in adjacent streets to Acland Street, but not Acland Street itself (Hartigan, 2006, p.11) .This strategy may have some benefits for increasing convenience shopping around one of the existing supermarkets. Ultimately, this does not support Acland Street for its future. It is noteworthy, however, that the Committee did not identify the manner in which their aspiration could be achieved: no strategy or plan has been adopted. The Committee rejected the recommendations of a community betterment levy, but did state that public private partnerships would be considered in the future.

CONCLUSION

Traditional shopping districts are greatly disadvantaged when compared to other forms of shopping due to their inability to take advantage of potentially synergies present within the corporate shopping district. Without the ability to manage fine grain zoning and cater for the local community there will be a reduction in the quality of stock and amenities available resulting in poor productivity and competitiveness.

The research indicates greater levels of co-operation between local government, business owners, business tenants and local community are required to ensure greater levels of success within traditional shopping districts. This co-operation, in a more formalised format such as a BID, potentially provides a way forward to take advantage of changes to how Australians live and shop. A significant advantage of adopting such a mechanism is the potential to allow for entrepreneurial solutions within a governmental framework, with constant monitoring to ensure targets for revitalization and quality of life are met. A second advantage is to create a localised environment responsive to local needs creating a distinct competitive edge against other forms of shopping including e-commerce and corporate shopping centres.

Anecdotal evidence suggests Australia is at the cusp of change in how consumers interact with shopping, whether this is by e-commerce, in traditional shopping districts or corporate shopping centres. There is a need to identify whether anecdotal evidence suggesting that some strip shopping precincts are beginning to fail or adapt to change is valid and should this be the case, should seek to ascertain the particular reasons that are impacting upon the Australian Retail Industry. In addition, further research is needed to examine the solutions adopted overseas to improve and rejuvenate those shopping districts, and importantly carefully examine whether such models could be adopted in Australia, and if so, analyse the efficacy of the models and the results over time.

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