



Enabling Priorities

**McGregor Tan Research Outcomes
June 7, 2022**

Strategy, Insights and Performance



CITY OF
ADELAIDE

Purpose

In January 2022, Council resolved to conduct market research to seek the views of city employers, city workers and consumers to understand drivers for workers to return to the city and spend time/money.

McGregor Tan were engaged to conduct the Market Research.

This work offers valuable insights into the changes in attitude and behaviour of businesses and individuals as a result of covid, and will inform our service, strategic and capital planning into the future.

Currently, we are using this information to progress our residential growth work, night-time economy work, City Plan development and the critical work of AEDA and Arts and Cultural Events.

Methodology

Methodology in brief

This quantitative research study was conducted by McGregor Tan from Thursday 10 March to Tuesday 15 March 2022.



The purpose of this study is to provide evidence to guide and underpin decisions of what actions and incentives the City of Adelaide should implement to encourage South Australian residents to increase their usage of and visitation to the City.



This quantitative market research has been conducted in accordance with ISO 20252.

Quantitative surveys were distributed through McGregor Tan's online panel, the largest panel of South Australians used exclusively for market research purposes.

Participants were provided with at least 3 reminders to encourage and provide opportunity for participation.



A sample of 465 South Australian residents were surveyed in relation to their use of Adelaide City, impacts COVID may have had on their travel to and around the City and activities within / uses of the City, and any decentralisation / localisation of such activities.

While sampling ensured diversity in terms of age, residential location and gender, the data was weighted to reflect the demographics of the broader South Australian general population.



Findings have categorised broadly into strengths, weaknesses and threats. Where appropriate, findings are marked and watermarked with the following icons:



strength



weakness



threat










opportunities are presented in the Key Insights report section.

Findings have been analysed to locate differences between segments and subgroups of interest. Details can be seen at Appendix 3.

SWOT (Strengths, Weaknesses, Opportunities, Trends) Analysis

Strengths

	Events	Adelaide's various event offerings (including Fringe, WOMAD etc) are considered a key strength of the City. In the City User SWOT survey, 'Lots of events' was named the best thing about the City of Adelaide CBD by 9% of City Users unprompted (top 6 association overall), and 78% of City Users agree that Adelaide is a creative city.
	Precincts/ hubs	Trends in urban planning show large cities splitting into multiple 'mini-cities' and CBDs separating into clearly defined precincts for different activities. <i>(Desk Research)</i> The City of Adelaide already has distinct retail, cultural, education, research, health, innovation, work and residential precincts and hubs, which is considered a strength aligned with global trends.
	Green and open spaces	There is an increase in city users interacting with open public spaces to reduce their risk of contracting COVID, and an uptake in biking and walking across major cities globally. <i>(Desk Research)</i> Adelaide is proud to be a 'green city', appreciated by City Users ranking 'Parklands and greenery' a top strength of the city. <i>(City User SWOT)</i>
	Innovation/ being known for something	The desk research shows that cities that are known for specific, high-tech and innovative industries were more successful during COVID and in the economic recovery. CoA's vision to be a 'smart' city, known for innovation and research, is therefore a key opportunity and taps into an existing strength and infrastructure. (Lot 14, SAHMRI biomedical precinct, Ten Gigabit City etc.)
	Education	In 2021, University, TAFE and other school students comprised 15% of City Users. CoA has a strong education offer, is home to world-class universities and received a perfect score in the education category of the <i>Global Liveability Index 2021 (Desk Research)</i> .
	Food and eateries	Hospitality and dining is a perceived top strength of the City (14% of City Users unprompted naming this the best thing Adelaide has to offer). <i>(City User SWOT)</i> The Adelaide Central Market is also considered a strength of the city.
	Size/ Proximity/ Peacefulness/ Safety	There are high levels of positivity in relation to the Adelaide CBD; the biggest unprompted associations with the City are beauty and cleanliness. Other top responses included peace, quiet and comfort, vibrancy and excitement, convenience and liveability. <i>(City User SWOT)</i>

SWOT (Strengths, Weaknesses, Opportunities, Trends) Analysis

Weaknesses



Perceived prestige

Prestige is the weakest association with the Adelaide CBD and received the highest level of disagreement or neutrality amongst City Users (45%). *(City User SWOT)* This view is shared by City employers; many agreeing that having a city base is still an important factor, however, views on associated prestige had shifted in recent years.



Vibrancy not as strong an association

Whilst still a positive association (74%), city users do not associate vibrancy as strongly as others attributes. This is particularly noticeable with hospitality venues adhering to SA Health COVID restrictions on capacity, but is expected to shift when these restrictions are lifted. Some employers mentioned the lack of vibrancy on a Friday night with many staff opting to work from home either day of the weekend.



Parking

Availability and cost of parking still considered pain points of city users (uncovered consistently in previous research) and are seen as a barrier hindering a return to pre-COVID City use for 65% of South Australians. *(City User SWOT)*. City employers also named parking as a barrier and suggested that money saved on parking is a major consideration for employees.






Homelessness

The presence of the homeless community in the CBD remained a cause of concern for respondents across all internal market research conducted by McGregor Tan (2017, 2018, 2021). *(Desk Research)*







SWOT (Strengths, Weaknesses, Opportunities, Trends) Analysis

Opportunities (short-term/ functional)

 <p>City Rewards Program</p>	<p>A number of rewards appealed to various city user segments, including: being recognised for supporting city businesses through loyalty incentives / City Rewards Programs to encourage length of stay, e.g. parking / travel incentives, coffee / food discounts.</p> <p>Large City Employers supported the idea and suggested it might help overcome barriers of working in the City office more often (especially parking incentives).</p>
 <p>Communicate City Activities aligned with vision</p>	<p>Regular communications to employers regarding "what's on" particularly focussed on business and student networking, and positioning the City as an innovative (Lot 14, 10 GGB), green (environment and open space) and smart (education, research institutes) city. <i>(Large Employer Interviews)</i></p>
 <p>More walking and cycling/ 'Park n Walk/ Ride'</p>	<p>Walking, biking or scooting are increasingly popular travel modes around the City since COVID. <i>(City User SWOT)</i></p> <ul style="list-style-type: none">• Reducing the barrier of parking and encouraging a healthy, active lifestyle in the 20-minute city is a key opportunity to explore for the CoA.• Investigating options for 'Park n Walk or Ride' infrastructure as it aligns with the current trend to walk and cycle more and could help overcome perceived parking challenges.
 <p>Improve accessibility/ Parking</p>	<p>Accessibility is the greatest perceived strength <u>and</u> weakness of the City. Parking has been a consistent pain point for City users and workers, now accelerated by an increase in personal car use to travel to and around Adelaide. <i>(City User SWOT)</i></p> <p>Improving access to affordable parking is likely to increase City usage for leisure activities and work.</p>
 <p>Activations targeting students</p>	<p>COVID has changed the way education is delivered; with students moving to online and remote learning they are missing out on forming social and professional connections and expressed a desire for a more vibrant campus life <i>(Desk Research)</i>. Adelaide has some of the best Universities in the world in the heart of the most liveable city in Australia.</p>

SWOT (Strengths, Weaknesses, Opportunities, Trends) Analysis

Opportunities (longer-term, strategic)

	Knowledge sharing and collaboration	<p>Knowledge sharing and partnering with those interested in increasing City visitation is a key opportunity for the City of Adelaide. Desk research shows that many avenues are already explored by City stakeholders including government departments, transport, local/ national and global businesses. <i>(Desk Research)</i></p> <p>Many large City Employers further indicated that they already introduced initiatives to encourage staff to work from their City premises more frequently and would welcome a partnership with Council. <i>(Employer IDs)</i></p>
	Focus on liveability	<p>Liveability is the strongest perceptual association with the City of Adelaide <i>(City User SWOT)</i>. Our desk research showed this is recognised globally, by becoming the 3rd liveable city in the world, and most liveable City in Australia, in 2021.</p>
	Environment & Sustainability	<p>Adelaide is widely perceived a beautiful city with plenty of green space. People are moving away from congested large cities to smaller hubs, for which Adelaide meets the criteria. In addition, people are expecting more businesses, workplaces and brands to be environmentally and socially responsible. The City of Adelaide has many initiatives that align with this expectation, making it both a strength and an opportunity for amplification <i>(Desk Research)</i></p>
	Amplify existing precincts to enhance sense of place	<p>The City of Adelaide already has distinct precincts, which bodes well according to the desk research and urban trends. The amplification of existing precincts such as the visitor precinct (North Terrace/ Festival Plaza/ Adelaide Oval), Smart (Universities and SAHMRI), Green (parklands), workers (Victoria Square and surrounds) will enhance the sense of place, giving the city purpose. <i>(Desk Research)</i></p>
	Positive migration	<p>South Australia recorded its first increase in net migration (n = 98) in 2021 since 1991. Attracting people to, and retaining those already here, is a key strategy of the South Australian Government</p>
	Students/ Residential growth	<p>With border restrictions lifting and South Australia recording a positive net migration, an opportunity exists to develop urban growth strategies aimed at affordable housing, students and young professionals. The City of Adelaide's strengths and core attributes are appealing to people seeking to leave larger, more congested cities.</p>

SWOT (Strengths, Weaknesses, Opportunities, Trends) Analysis Threats



More activity in suburbs & decentralisation of cities

Over three quarters of South Australians have used the city less for at least one activity due to COVID (*City User SWOT*). The decrease is closely related to a decentralisation of activities and almost two in five people now engage in leisure activities such as having coffee, breakfast or brunch more in local areas rather than the city.

Desk research confirmed the trend of increasingly decentralised cities, subdued activity in CBD hubs and correspondingly more activity in suburbs.



Rise of online shopping and dining

Retail shopping and dining out in the City are high frequency activities reduced since COVID. The main threats to retail and grocery shopping in the City is online shopping (and suburban grocery shopping); although substantial proportions of shoppers also report having reduced their shopping frequency overall. Reasons underpinning a decrease in City restaurant visits include that people are now dining at home more and ordering more food from local restaurants. (*City User SWOT*)



Working from home trends





There is a global trend for increased flexible work arrangements, expected to remain post COVID. Research suggests that workers have no desire to relinquish this flexibility, and working 3.3 days per week from the office is the most common expectation. (*Desk Research*)

The *City Worker Survey* shows that almost two thirds of employees work from home for at least some of their working week. While in the coming months, many employees will be encouraged to return to working more from City offices, flexible arrangements are expected to stay in place. Interviews with large city employers painted a similar picture; hybrid working in various forms is here to stay. However, different to the expectations of workers, most leaders in large organisations do not expect their staff to return to the city premises 100% of the time with the exception of customer facing industries. (*Large Employer Interviews*)

SWOT (Strengths, Weaknesses, Opportunities, Trends) Analysis

Threats cont.



	Cost and time of commute	The extra time employees gain without the daily commute is a decisive factor for working from home. <i>(Employer Review IDIs)</i> Additionally, there is a cost to commuting, increased by the obvious trend favouring the use of personal vehicles to get to and around the City since the start of COVID. <i>(City User SWOT)</i>
	Global workforce	Increased flexibility in work arrangements are opening opportunities to work for national or global organisations with no base in Adelaide. Younger generations in particular are open to the shift, which opens a broad range of career opportunities. <i>(Desk Research)</i>
	The risk of catching COVID	The reduction in public transport usage and the overall risk of catching COVID in public spaces still remains a threat to City usage. <i>(City User SWOT)</i>
	COVID restrictions impacting vibrancy	Distinct from the fear of catching COVID, many mentioned negative impacts of COVID affecting their City usage. For example, restrictions making it difficult or unenjoyable to visit the City, event cancellation, reduced business hours and business closures, and an overall lack of vibrancy in the City at present. <i>(City User SWOT)</i> City Employers noted that "Friday Night Drinks" were not the same with more people working from home on Mondays and Friday

McGregor Tan Reports

Full versions of the McGregor Tan Research findings are available and can be accessed using the below links:

- City of Adelaide – City User SWOT Study (Conducted 10 to 15 March 2022) (Link 1 view [here](#))
- City of Adelaide – Large Employer In-Depth Interview Report (Conducted 21 Feb to 25 March 2022) (Link 2 view [here](#))
- City of Adelaide – Return to the City Program – Summary Report (Conducted 21 to 25 March 2022) (Link 3 view [here](#))
- City of Adelaide – Desk Research Report (Conducted 21 Feb to 31 March 2022) (Link 4 view [here](#))

Next Steps

Focus Groups

Commencing on 31 May, focus groups will further explore the outcomes of phase 1 of the research.

- Group 1 – Young professionals (skewed towards 'Out and about' segment)
- Group 2 – Parents accessing childcare (have some barriers to returning to the city full time)
- Group 3 – City workers (not parents accessing childcare and young professionals)
- Group 4 – City Users (mix of city usage ie., leisure, shopping, evening entertainment, recreation, personal services)

In addition to the focus groups meetings, McGregor Tan are undertaking 'pulse checks' to gauge a quick insight into how thoughts and sentiments have progressed since the initial surveys.

A report will be provided to Council with insights and outcomes from these activities upon their completion.

Questions

Do Council Members have any questions for McGregor Tan on their research? ie:

- findings / outcomes
- specific areas of interest from the full survey results (Links available on slide 12)
- trends
- future implications