

Winchester: Thinking Ahead factsheet 5

Retailing in the digital world

Winchester has long been a centre for cultural, creativity and commerce. The retail offer in the city is unique with an equal split of national and independent businesses and thus differentiates the county's retail offer from major retailing outlets at Southampton, Portsmouth and Basingstoke.

Retail and Digital Sales

The retail sector generates 5% of the Gross Domestic Product of the UK.

- Over 2.8 million people are employed in the industry.
- Total sales in 2014 were valued at £339 billion, 12% of which were Internet sales.
- Retail internet sales are estimated to be growing at 10% per annum totaling around £40 billion.

Source: [Retail Economics](#), 2016

- The share of online sales in the retail sector will rise to 21.5% by 2018.
- As a result, around 41% of town centres will lose 27,638 stores.
- Retailers with a strong web presence will need just 70 national premises compared to 250 a decade ago.
- It has been estimated that the annual social value for an individual of getting online for the first time is £1,064, rising to £3,568 for a more advanced or business user.

Source: [Centre for Retail Research](#), 2013

Retail Spend

In 2014, for every £1 spent in the retail sector (online and in stores),

- 42p was spent in food stores.
- 41p was spent in non-food stores.
- The remainder was spent in other types of retailers, such as market stores or mail order catalogues.
- It is estimated that people in the UK will buy £221bn of goods and services a year online by 2016.

Source: [House of Commons Library](#), 2014