

Definition of Net Sales Area and Floor Space Comparisons

There are two commonly used definitions relating to the net sales area of a supermarket devised by the National Retail Planning Forum (NRPF) and the Competition Commission (CC). These are defined as follows:

National Retail Planning Forum (NRPF):

“The area within the walls of the shop or store to which the public has access or from which sales are made, including display areas, fitting rooms, checkouts, the area in front of checkouts, serving counters and the area behind used by serving staff, areas occupied by retail concessionaires, customer services areas, and internal lobbies in which goods are displayed; but not including cafes and customer toilets.”

Competition Commission (CC):

“The sales area within a building (i.e. all internal areas accessible to the customer), but excluding checkouts, lobbies, concessions, restaurants, customer toilets and walkways behind the checkouts.”

Floor Space Comparisons

Scheme	Sales area using NRPF definition	Sales area using CC definition:
GCP/Weybourne Road (Waitrose)	1,250sqm	927sqm
Cromer Road (Tesco)	1,429sqm	1,175sqm

In comparative terms therefore the GCP/Weybourne Road proposal is approximately 14% smaller than Cromer Road based on the NRPF definition and approximately 27% smaller based on the Competition Commission’s definition. Thus the GCP/Weybourne Road proposal, based on the comparative figures, is the smaller of the two schemes. In general terms therefore the GCP/Weybourne Road proposal (all things being equal) would generate the lowest turnover. This reflects the smaller area within which goods would be displayed and available for purchase and the fact that Waitrose generate a company average sales density somewhat below Tesco Stores Ltd.

(Source: Mark Wood Associates - February 2010)