

Taking Care of Business

Economic Development Unit Newsletter — January 2014

EDM Update

Hello and welcome

As 2013 closes it seems appropriate to reflect on the things that went well during the year. The ED Unit can report that our flagship events, Marrickville Business Awards, Small Business Expo, Westpac Wednesdays, and Lunar New Year, were all well attended and highly valued by local and other Inner West businesses.

This year also included the first Business Forum based around the newly conceived Marrickville Business Panel and the first mini conference of the Economic Development Network, a state wide practitioners network initiated by the ED Unit.

The Urban Centres consolidated their existing activities and have already started planning for bigger and better things in 2014. The Christmas decorations look good and add to the expectations of a Merry Christmas for all. The Food Fair in Newtown Square and the activation of Telstra Plaza highlighted another very busy year for the Newtown Precinct Business Association. Marrickville Chamber of Commerce adds greatly to the excitement and vibrancy of the CBD during Easter and Christmas with plans to create more family friendly events. The Marrickville Fair was again a huge success.

It looks as though there will be a changing of the guard in Dulwich Hill with their Fair moving to September in 2014 while in Petersham Bairro continues to grow but produces our only major disappointment, Roads & Maritime Services not allowing the whole of New Canterbury Road to be closed (Please note we have not given up on this occurring)

The ED Unit is now well settled in the Community Services Directorate and I would like to thank the Director, Simone Schwartz and the other managers for the very warm and supportive reception extended to the ED Unit. A significant driver of the Marrickville economy is its connection to the community with businesses being very much in touch with the needs and demands of its customers and wanting to be part of Marrickville's sense of place. This will become even more apparent as the ED Unit works with other sections of Council on the Connect Marrickville Project and the place making involved.

Trust you all had a very Merry Christmas and a Happy New Year

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Marrickville Business Panel

The Marrickville Business Panel is now up and running having had its inaugural Business Forum in early December at Seed Cuisine in Audley Street Petersham.

The purpose of the Panel is to provide timely advice and information to Council which will assist its decision making process where the interests of local businesses are impacted.

Any business located in the LGA may be a member provided they are prepared to respond to the short on line survey that will be emailed around from time to time and attend at least two of the four Business Forums which will be held during the year. The Business Forums in 2014 will be held on the first Tuesday of the months of March, June, September and December. Gathering at 11.30 am for a 12.00 noon start the format will be a working lunch which concludes no later than 1.30pm. Matters discussed at the Forums will include a summary of the survey results for that period and any new business.

The Panel currently consists of business owners representing a range of very different businesses. From large employers to small home based businesses.

General consensus at the first Forum was that the initiative was a good one. The presence of the Mayor, Cllr Jo Haylen, to address the group was very well received and the Panel is looking forward to more meetings with the Mayor and other interested councillors at future Forums.



Newtown Food Fair

Presented as part of Good Food Month in October this niche event, featuring the fine foods on offer from Newtown businesses, held in Newtown Square was an outstanding success. Hundreds of good natured residents and visitors mingled in the square to the sound of 200 Kilometres enjoying a truly great day out. Well behaved four legged friends of all shapes and sizes added to the atmosphere.



Around The Networks

NEWTOWN PRECINCT BUSINESS ASSOCIATION

Newtown Precinct Business Association, Telstra and Marrickville Council collaborated to turn the space under the "I Had A Dream" mural into a rare piece of public space where locals and visitors could relax, take in the eclectic atmosphere of Newtown and be entertained by local musicians.



The extremely hard working coordinator for Newtown, Maree Pagano has added assisting the **Marrickville Chamber of Commerce** to her very challenging 'to do' list for 2014. She has started in fine style by organising a number of events in and around Alex Trevallion Plaza over the Christmas festive season. In February the Chamber, supported by Marrickville Council and the Australian Federation of Chinese Organisations, will again be presenting Lunar New Year. This event is greatly appreciated by business owners of many cultures who see this as an opportunity to seek good fortune for their trading in the coming year. The Chamber has big plans for the Marrickville CBD in 2014 including the resumption of Saturday trading by Westpac Bank. Clr Morris Hanna, Chamber President, urges all businesses and local residents to support the petition which will be circulated in January as many people have already indicated how much they miss the opportunity to do their banking on a Saturday.



Possibly the nation's only cyber business association, the **Marrickville Business Association** and its website marrickvillebusiness.com.au continue to do an excellent job providing information and networking

opportunities for all business throughout the Marrickville LGA. The very successful Westpac Wednesday series of presentations wound up the year with some fine fare and a drink at Celini's in Marrickville Road. Businesses wishing to join the MBA only have to visit the website and add their details to the business directory. There are no fees and no obligation to attend meetings as the meetings are in fact networking events, workshops, seminars and/or presentations. Members can follow the Event's Calendar and decide what does or does not interest them. The MBA will again be hosting the Marrickville Excellence in Business Awards in 2014.



The **Marrickville Manufacturers Association** continues to promote 'Made in Marrickville' as a premium brand and hopes to increase the depth in three more clusters; beauty and health products, clothing/accessories and furniture. The Association will be meeting in late January 2014 to plan its promotional and events agenda for 2014.



Marrickville's Women in Business networking group continue to meet monthly at Seed Cuisine in Audley Street Petersham. The decision to not have a meeting in December was rapidly reversed due to an overwhelming desire by all members to have a Christmas bash. New members are always welcome and you can join through the links on the MBA website.



The importance of a healthy economy to sustain a thriving community is gaining more and more recognition and EDN provides a platform for all local councils and practitioners in NSW to be part of a professional network that shares information and ideas which benefit local economies. Marrickville Council is looked upon as being a leader in economic development, the evidence being its tremendous rapport with, and support for, local businesses. Practitioner wishing to join can do so through

www.economicdevelopmentnetwork.com.au

Christmas in Marrickville A Mix of Traditional and Non-Traditional Entertainment



Alex Trevallion Plaza was the focus of attention for families looking for a traditional or a not so traditional Christmas experience. Families were entertained by the Salvation Army Band on one day and by the Australian Reptile Park the next.

While children were happy to compare tongues with goannas and untangle the 'popcorn' snake they were a little more tentative when it came to Burmese pythons and alligators.

The events provided a very interesting snap shot of the 'new' Marrickville demographic with attendees evidencing a broad spectrum of ages and cultures, in particular parents with young families.

The events are designed to attract Christmas shoppers to the Marrickville CBD not just for the wonderful range of products and services available but also for the opportunity to share in the spirit of the season. For many of the children (and parents) it was an opportunity to come face to face with animals known only through books and film.

Throughout 2014 further events will be held in the various Urban Centres, Marrickville, Petersham, Newtown and Dulwich Hill, to provide enhanced shopping experiences for all the family.

Every effort is made to provide advanced notice of upcoming events through advertisements in local papers, council and business web sites, newsletters and even flyers direct to your letter box. Feedback about events and/or promotions is invited and greatly appreciated at any time.

Let us know by emailing edm@marrickville.nsw.gov.au or calling 9335 2204.



Business Briefs - A new regular feature presenting some ideas from current business thinking. In this edition we ask who are your customers and dispel some of the myths surrounding the impact of online shopping.

WHO ARE YOUR CUSTOMERS? - Matching Current Demographics to Business Strategies

Many small businesses rely heavily on the support of local residents for their core income. In many cases these businesses started up, or relocated to, the Marrickville LGA because the business owner saw an opportunity to match their product and/or services to local demand. Savvy business operators, those that research demand to forecast retail hot spots, started up with the intention of growing their business in line with this predicted demand and so stay ahead of the 'pack'.

However, history evidences that over time the consumer profiles in various parts of the Sydney metropolitan area are constantly changing, sometimes slowly, sometimes rapidly especially when triggered by large infrastructure projects or planning changes.

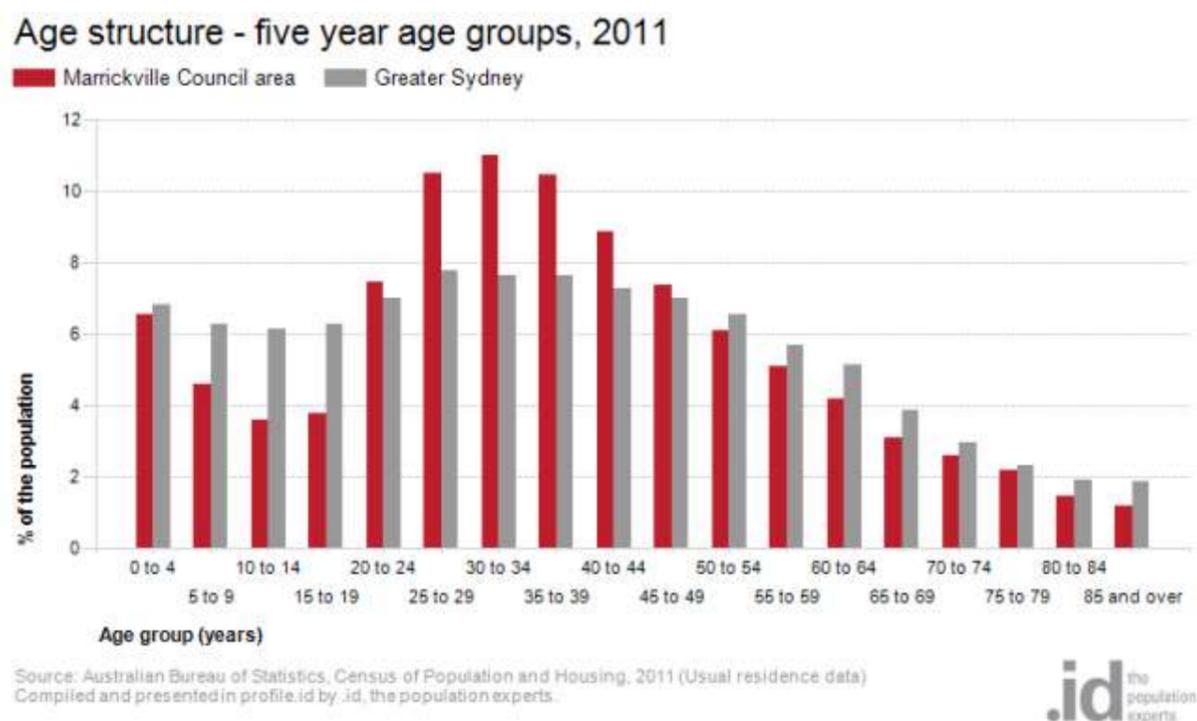
When was the last time you did a compatibility audit to find out whether or not the target market for your products/services required adjustment to meet current demands?

Marrickville is a classic example of a Sydney area that has undergone radical demographic changes over a relatively short period. From a 1930's hub for large old fashioned production line manufacturing which also attracted many migrants from around the Mediterranean it went on to become a favourite for Chinese and Vietnamese businesses and now 'gentrification' as young professionals exploit the proximity to Sydney CBD.

Analysing census data and other information sources in order to provide local councils with comprehensive community profiles is a thriving industry in its own right. The demand by Councils to better understand levels of service and budget allocations in great detail has resulted in a goldmine of information being available for those wishing to undertake market research—usually free of charge.

Businesses are encouraged to access Council's resources in this area through its web site or the Economic Development Unit.

The following extracts may act as a prompt for you to better understand the current market place in which your business now operates.



Emerging Groups

From 2006 to 2011, Marrickville Council area's population increased by 4,684 people (6.5%). This represents an average annual population change of 1.27% per year over the period.

The largest changes in age structure in this area between 2006 and 2011 were in the age groups:

- 0 to 4 (+729 persons)
- 25 to 29 (+640 persons)
- 40 to 44 (+615 persons)
- 5 to 9 (+476 persons)

An analysis of the jobs held by the resident population in Marrickville Council area in 2011 shows the three most popular occupations were:

- Professionals (15,032 people or 35.9%)
- Clerical and Administrative Workers (6,211 people or 14.8%)
- Managers (5,790 people or 13.8%)

In combination these three occupations accounted for 27,033 people in total or 64.6% of the employed resident population.

So, ask yourself, “Is my business catering for young highly skilled professionals with young children?” or maybe, “Am I tapping into this market as well as I should to maximise revenue?”

The current demographic is reflected in the type of food that is consumed, clothing fashions worn, education and health services provided and so on. An excellent example is the café scene in Marrickville where all kinds of vertical and horizontal integration has resulted in a plethora of local outlets providing local manufactured coffee products that according to the experts is without peer in Australia—Marrickville is the acknowledged coffee capital of Sydney. This business segment aligns with the demands of the population demographic. (Tip: Free babyccinos and suspended coffees are good for business)

Something you have to dig a little deeper to discover is that Marrickville loves its pets and a council which is happy to be the most pet friendly council in the country. The ED Unit works with a number of businesses who are already reaping the rewards of catering for pampered pets, especially those owned by people who like to travel.

ON LINE SHOPPING - Some Facts

If you are wringing your hands in despair as a result of all the hype surrounding on line shopping then you have two choices, retire or move with the times. Before you make the decision look more closely at how statistics relating to on line shopping are reported and to the comments of ordinary everyday people.

The headline, 14% Increase in On Line Shopping, creates the impression that 14% of product/services are purchased on line. In fact, on line shopping accounts for around 2% of total sales so a 14% increase on 2% is only 0.28%, hardly newsworthy. A recent survey completed by the National Australia Bank in relation to on line trading by its customers indicated that less than 27% of transactions were outside Australia.

Consumer surveys indicate that customers still enjoy the personal shopping experience but will buy on line when it is convenient. For example, David Jones has customers prepared to travel considerable distances to shop at the main Sydney store but the same customers regularly respond to special offers by purchasing on line.

The reality is that the average consumer does more research into purchases due to access to the Internet. However, the same emotions are still present and operators can still appeal to the consumer provided they work smarter. As most of this activity is taking place in cyberspace then it is increasingly important to have a good web site that is not only regularly updated but also has links to popular social media.

Fact is, on line shopping is here to stay. Knowing who your customers are and how likely they are to demand access to on line shopping for your product will determine the risk you take if you ignore this alternative purchasing method.

How many of these findings relate to the Marrickville demographic profile?

- Findings show 59 per cent of adults went online to purchase goods or services in the six months to April 2011, compared to 53 per cent in the six months to November 2009.
- Businesses are increasing engagement with consumers via the internet: 59 per cent of Australian small to medium enterprises had taken orders online from consumers at April 2011.
- **Approximately 62 per cent of internet users purchased a good or service online in the six months to April 2011.**
- **Internet users aged 35-44 years were more likely to have shopped online than any other age group (73 per cent).**
- **Those with higher incomes—\$150,000 or more per annum—were more likely to have shopped online (86 per cent).**
- Australians living in remote locations had a higher incidence of online shopping than those living in anywhere else—70 per cent of internet users in remote or very remote areas had purchased goods or services online in the six months to April 2011.
- Convenience and price were identified as the main reasons Australians shop online.
- A ‘lack of trust’, ‘no need’ and preferences to shop in-store were the main reasons people chose not to shop online.
- Online shopping was predominately conducted via computer, with mobile phone internet e-commerce largely used for banking and bill payment.
- Travel goods, tickets and accommodation were the most popular items purchased online, although there was some variation based on age and location of the purchaser.
- **The majority of online shoppers continue to buy from Australian websites.**
- For those who purchased online the proportion of shoppers accessing overseas websites increased from 19 per cent to 29 per cent during the period from November 2009 to April 2011. This increase is likely due to an increase in the Australian dollar.
- **Supporting local industries was the leading reason why people mainly shopped on Australian websites (30 per cent).**

ACTIONS

1. Review your business plan to improve alignment with the current customer demographics
2. Modernise your website and add a shopping cart
3. Add social media links such as a Business Facebook
4. Meet and talk with other business owners and attend business skills seminars such as Westpac Wednesday
5. Find out what your competition is doing
6. If you need help, ask.

Westpac Wednesdays

Our most popular business skills development and networking events
Continues in 2014—last Wednesday of every month

Check the MBA website and your email alerts for details of speakers and topics:



6:15pm
Westpac Bank
Cnr. Marrickville & Illawarra Roads
Marrickville
LIGHT REFRESHMENTS PROVIDED



2014
YEAR OF THE HORSE

Marrickville
Lunar New Year Festival

8 February 2014
Calvert Street Car Park

Presented by Marrickville Chamber of Commerce Supported by Marrickville Council

Bairro Portugues

Sunday 16 March 2014, 10am–6pm

Taste Portuguese culture at the annual Bairro Português Petersham Food & Wine Fair at **Audley Street and Fisher Street, Petersham**. Now in its 12th year, the streets in Petersham will come alive with a party atmosphere with both contemporary and traditional Portuguese and Brazilian dancing and music. Stalls lining the streets will serve delicious Mediterranean, Portuguese and Brazilian cuisines, wines, beers and sangria!



She business
be extraordinary

Marrickville's Women in Business Network will continue to meet once a month in 2014
at Seed Cuisine, Audley Street, Petersham
For more information regarding dates and times go to www.marrickvillebusiness.com.au