



SW FSB Retail Regeneration





Retail Regeneration in the South West

This document is the summary of discussions and comments from FSB members involved in all sectors and not just retail.

Summary

1. The Retail sector is a vital part of the business infrastructure of an area, especially in the SW, where it forms part of the 'tourism offer'.
2. Small retailers differentiate retail centres one from another.
3. Key to the success of any retail business is the 'Shopping Experience', and that can only be affected by a combination of public and private sectors.
4. Attempts to reduce car use by reducing parking places or upping the charges hit small retailers the hardest.
5. Some retailers lack the skills and knowledge required to be successful. Local business support provision should meet this need.
6. Public authorities need to work more closely with all their local retail communities.
7. The FSB needs to work to help the public authorities better understand the needs of business

Background

Reports such as 'clone town Britain' and 'Ghost Town Britain' have encapsulated the pressure increasingly being felt by independent retailers in the SW. Over Xmas, we heard that spending on the Internet soared, while SW town centres were full of 'lookers' but not 'buyers' until the very last minute.

At a time when public policy is increasingly focussed on reducing travelling, the FSB should be able to get support for measures to maintain the financial viability of SW shopping areas. In addition, independent shops are often seen as part of the distinctiveness of the SW and hence part of its 'tourism offer'.

The purpose of this discussion document is to explore the reasons for the decline and the availability of public policy options to assist in retail regeneration.

- 1. The Retail sector is a vital part of the business infrastructure of an area, especially in the SW, where it forms part of the 'tourism offer'.**

Even with the internet, most people still do most of their shopping in person and in this age of specialisation, we buy practically everything we need. So shopping for 'supplies' in one form or another is part of everyday life.

However, in the UK, that has gone further. 'Shopping' is now the 4th most important leisure activity in the UK, so it is naturally part of the ultimate in leisure activity; a holiday. Seeing what is different, as well as buying the usual presents is a vital part of the holiday for most of us.

- 2. Small retailers differentiate retail centres one from another.**

National chains have their own standardised shop front and livery. Even in old city centres, they manage to make towns so very similar. 'Clone Town Britain' described this effect very well. Even listed buildings can find it difficult to resist the 'golden arches' to name just one.

Where they still exist, it is the independent retailer that makes the High St different. It is often the character and the specialist offer of the independents that gives the town its individual character.

Hay on Wye has become celebrated for its second hand book shops. Malmesbury is becoming a haven for those looking for ladies wear. Towns in Devon cater particularly well for the gourmet seeking local specialities.



Shopping specialisms are now being recognised as a way of regenerating run down areas. Hay started the trend with books. This has now been replicated across Europe so that there is even an international organisation of book towns. Other specialists could well follow.

Yet their particular problems are too often unrecognised.

3. Key to the success of any retail business is the 'Shopping Experience', and that can only be affected by a combination of public and private sectors.

Shops group together to improve footfall. The better the retail position the more people pass the shops, ie the greater the 'footfall'. Sites with high footfall are called 'primary', with lower footfall 'secondary'. Businesses in sites with lower footfall have to spend more money on advertising and other ways to bring the customers to them. This is why the right kind of anchor store is so important. Loss of footfall is also why an inappropriately sited supermarket can kill a town centre, whereas a properly sited store can enhance it. This is not something that an individual retailer can affect. Local businesses depend on the local planning authority to make the right kind of decisions.

The other issue around 'footfall', is the impact of interrupting the shopping street with non retail uses. Shoppers who are browsing will pass one non retail shopfront if they can see other shops beyond, but too many and they stop browsing and leave. The shops beyond will suffer accordingly. In some parts of the SW, conversion of retail to residential is having the same effect.

Apart from the shops, people will go to a particular shopping centre because of the quality of the experience. Influencing factors are how easy it is to get there, how clean the streets are, how easy the parking is, how accessible it is by public transport and whether there is a good range of shops.

Although retailers can affect the street scene with their frontages, it is the public authorities on whom we depend to keep it all clean and tidy, policing such matters as dog fouling, peddlers and other nuisances.

The FSB recognises that it is not easy for local councils to encourage a range of shops. We might wish they had the same powers as in France where every town has to have at least one boulangerie, butcher, florist shop etc, but we do not. In the UK, competition is the name of the game. But many councils are also major landlords, owning much of their retail areas. In such cases, in order to enhance the retail offer and hence economic development and tourism, they could adopt a policy of shopping variety.

The FSB is concerned about charity shops. They are increasingly selling new goods and continuing to benefit from significant rate reductions and in many cases, they pay no rates. If competition really is the name of the game, charity shops selling new goods should pay their way and pay full business rates.

If local councils value their High Streets and their importance to economic development and tourism, then they need to work to ensure that the support is there to help them continue.

Examples of useful help would be:-

- a. Local council as landlord following a mixed shop policy so residents have a variety of shops
- b. Appointment of a 'Town Centre manager' to develop the town (in rural areas, one manager could cover 2 or 3 smaller shopping centres)

4. Attempts to reduce car use by reducing parking places hit small retailers the hardest.

Time is money and this is very much the case for shoppers. If they are 'only going for a few bits', then they do not want to spend a lot of time getting there and back. Usually, that means going by car. All too often demand management is cutting car parking especially on street parking and that is killing the small 'pop 'n shop' business.



Conversely, comparison shopping, which is by its definition leisurely and occasional can be catered for by suitable public transport. Yet the large out of town centres that provide so much of our comparison shopping are notoriously difficult to reach by public transport, instead offering vast acres of free parking.

Perversely, local authorities are preventing much of the 'pop 'n shop' business with red routes and showcase bus routes which prevent short term parking. This approach is likely to result in longer trips by car as people go where there is easy parking rather than staying local.

Where demand management reduces the number of off street parking places and/or increases the prices, the burden is placed very firmly on the shoulders of those businesses without their own car parks. Invariably, this is the smaller businesses, the ones that give a town its character.

5. Some retailers lack the skills and knowledge required to be successful. Local business support provision should meet this need.

As shoppers and as business people we have all seen the shops where the owner expects to succeed just because they have opened their doors. Sadly, when things are quiet, these are the people stood at the door looking around. Little do they realise that that is exactly the behaviour which will stop people going in. But to be a successful retailer, life is getting much harder.

Apart from obvious competition from other stores, especially the multiples, there is now the internet. A member recently contacted me to complain that people were checking prices on the internet and now regarding those prices as the maximum they should pay for an item. Competing successfully in such a market requires a lot more skill than retailing just 20 or so years ago.

Yet the business support available for retailers is less than it was 20 years ago. In the 80s, a retailer could go to a specialist and get advice on merchandising, on buying, on numerous aspects of business including retailing. Such specialist support seems to be much harder to find these days. Some areas, such as east Bristol have specialist outreach organisations that provide such help. However, they are few and far between.

If local councils value their shopping centres and their importance to economic development and tourism, then they need to work to ensure that the support is there to help them continue.

Examples of useful help would be:-

- a. Availability of effective retail business advice, ideally from experienced retailers
- b. Links with the retail sector skills council to assist local retailers to get the right kind of training
- c. Support in fully utilising the building eg practical assistance to rent out surplus space as offices or as living accommodation.

6. Public authorities need to work more closely with all their local retail communities.

Retail regeneration is required in secondary shopping areas where most specialist shops are, as well as at seafronts and in town centres. At a time when much effort is expended trying to reduce travelling, secondary shopping areas often provide the footfall to help small local convenience stores keep going. Ironically, it is this drive to reduce travel by car and get people on to public transport that is killing many convenience stores, by making the 'pop 'n shop' trip almost impossible.

Public authorities seem to focus only on those areas and businesses that go to the Press and make a lot of noise. Many small retailers feel left out. They have little or no time left over from running their businesses to attract attention and so consider their views are never taken into account.

Small retailers consider that local councils must be pro active and seek out the views of their retailers. Putting plans in a caravan that is only open from 10 am to 4pm is not consultation, retailers consider it an insult.



Retailers would welcome:-

- a) Regeneration for all viable shopping areas, not just high streets and seafronts
- b) Proactive consultation with all retail businesses not just the 'big boys' and the Chambers
- c) Plans for consultation to be available outside working hours at a venue with adequate easy parking (25% of small businesses in the SW work more than 60 hours a week)

7. We need to work to help the public authorities better understand the needs of business

Rather like the authorities in Zimbabwe, some candidates for the recent local elections called on small retailers to reduce their prices to better compete with supermarkets.

We need to work harder to ensure that those in public service have a better understanding of small businesses, particularly small retail businesses. Somehow we need to ensure they realise that:-

- a. Small retailers are often forced to buy from supermarkets as that is cheaper than buying from an ordinary wholesaler
- b. Small retailers have great difficulties being accepted by manufacturers and importers for direct supply.
- c. Even when small retailers are accepted for direct supply, they do not get the big discounts as they cannot buy enough volume.

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Amended 17th August following comments from members – section 5 inserted and the old para 5 renumbered

Amended 27th August with new para 4 on parking inserted, non retail uses and charity shops in para 3

Amended 28th August following member comments on buildign use and town centre managers.