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Convenience stores
Shopping on the fly
Supermarkets

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Good to go

New technologies and good old fashioned customer service are helping to drive growth in the convenience store sector.

Convenience stores are typically less than 280 sq m in size and stock at least seven key product categories such as alcohol, confectionery, chilled food and newspapers/magazines. This is according to the Association of Convenience Stores (ACS), the campaigning voice of more than 33,000 local shops in the UK. The latest data on the UK grocery retail structure from William Reed Knowledge Store reveals that there are now 50,449 stores in the UK across convenience and forecourt formats.

As some of the big supermarkets fight to gain a bigger piece of the convenience store pie, the smaller retail groups and independents are going to have to work harder to maintain customer loyalty. Customer service is where local retailers can have the edge over larger retailers, as more people head to nearby shops for a more personal service from staff.

Lighting the way

Petrogas, one of Ireland's leading independent forecourt retailers, opened its second UK Applegreen format service station in Corby, Northamptonshire earlier this year. The 185 sq m store offers a full hot and cold deli, coffee shop, wine cellar, food products and flowers – everything a customer could need on the fly.



Top: Waitrose opened its second convenience store in the UK in Clifton, Bristol.

Above: BÄRO has created a lighting solution for Applegreen service station in Corby, Northamptonshire.

Commenting on the location, Ron Sanderson of Applegreen says: '[It] met our criteria in terms of geographical search within an outer South East, strong residential catchment; large plot for developing the type of store we wanted with plenty of space for the all important parking and of course the commercial deal suited our economics'. The company has a strategy to build a network at least the size of the Irish operation (53 sites) over the first three years.

Retail lighting specialist BÄRO was involved in creating and implementing a lighting solution for the Corby store. With an open ceiling design, the company's brief was to create an aesthetically pleasing, low maintenance, energy efficient lighting solution that also provided the correct store ambience and visual comfort for customers. As a result, BÄRO used a selection of its Batwing fixtures, product-specific downlights over the fresh food counters

Right: Spedi software is saving 50 hours a week for the new Nisa Local store in Stevenage.

Below: Microlights has worked with Costcutter in Exeter to reduce its energy bills while improving light levels.



and attractive feature pendants in the customer seating area to create an effective lighting solution.

'Although basic retail lighting theories and techniques remain the same, there is a greater need for flexibility within smaller stores,' explains Steve Brough, design manager at BÄRO. 'Here, the retailer is more likely to experiment with the shop layout and displays so the lighting proposals need to be able to accommodate any changes. The double asymmetric or batwing distribution from the Econdo luminaire we used here enables one luminaire to illuminate two opposing displays, where two would normally be required. Minimising the number of luminaires is particularly important in this relatively small store, as there is a possibility that they might otherwise visually dominate the space.'

BÄRO has a wealth of experience working in the convenience store sector, having worked with Musgrave Retail Partners GB and Bargain Booze.

Another retail lighting specialist faced with the challenge of reducing costs in a convenience store without a reduction in light levels is Microlights. The company has worked with Costcutter in Exeter to

reduce its energy bills, while improving light levels. A total of 12 600mm x 600mm V2s were spaced at 2.4m distances apart in the centre of the aisles to replace the 22 existing 1,200mm x 600mm fittings. Microlights maintains that the reduction in quantities of fittings was possible due to the V2s reflector efficiency and design, which spreads light further and illuminates vertical as well as horizontal surfaces.

'Although basic retail lighting theories and techniques remain the same, there is a greater need for flexibility within smaller stores.'

The store energy bills for the period 31/01/09 (previous lighting scheme) to 31/03/09 (Microlights lighting scheme) were then compared and for the two month period there was a reduction of 10450kwh, which when calculated at costing 8.1kwh leads to a saving of £423.23 per month.

Driving in-store efficiencies

Spedi Software, a software specialist for the convenience store and newsagent

markets, has recently partnered with Musgrave Retail Partners GB to help its Londis stores replace the cash registers with a low-cost EPOS system as well as drive in-store efficiencies. The system, according to Spedi, allows retailers to throw away the pricing gun and replace it with professional shelf edge labels that give consumers confidence and clarity. The technology allows retailers to place orders and download prices via the EPOS system. Mark Trevorrow, Interim IT director at Musgrave Retail Partners GB, says: 'The cost and complexity of existing systems was a barrier to adopting EPOS for a large number of our customers. We needed a solution that was easy to use, reliable and at a price point that is low enough for smaller stores to justify the return on investment over a three-year period.'

David Mendus, managing director at

Spedi Software, adds: 'This technology is a proven way of driving footfall and volumes into your business. A good EPOS system will not only improve the day-to-day operations of the business but it will also help staff to provide better customer service and encourage them to be more productive.'

Spedi software is also saving 50 hours a week for the new Nisa Local store in Stevenage. The owners of the store found that by having all software on



Left: Compass Group has successfully increased sales with the help of JDA category management technology.

Below: Checkpoint Systems offers a variety of solutions for reducing shrinkage in convenience stores.



their POS, staff can carry out all their duties from the till environment, rather than spend too much time away from the shop floor. It has effectively enabled the business to simplify its store operations, drive down costs and improve profitability. Kishor Patel, managing director of the store, says: 'By putting the back office at the POS it enables our staff to be more productive.'

'A good EPOS system will not only improve the day-to-day operations of the business but it will also help staff to provide better customer service...'

Staff can carry out reporting, ordering and other back office functions during quieter times such as early morning and after lunch when previously they would be at the till manning the shop, unable to carry out other duties.'

Compass Group, a European food services provider, has successfully increased sales with the help of JDA category management technology. The company operates more than 1,200 retail outlets in the UK, selling a targeted range of products, including drinks, snacks and convenience goods, to people in the workplace. Due to its previous lack of space planning and retail technology, Compass Group had limited visibility into sales, was unable to effectively manage its product categories and had a lack of insight into what products customers wanted.

In a bid to improve the efficiency of its business, Compass Group invested in JDA Space Planning to streamline the

execution of top-level category plans, manage its store-specific planograms, achieve store-specific assortment management, maximise profits and extend customer loyalty by placing the right products in the right positions at the right time.

'Implementing JDA Space Planning was a quick and easy fit for our business,' says Matthew Harker, space planning manager at Compass Group. 'It will also result in less of a need for modifications further ahead. It allows us to collaboratively plan with our manufacturers and suppliers, and speed up the whole range review process as we can share data quicker and in the same format.'

The company can provide complete range planning across all of its retail outlets to help appeal to different demographic types. For example, the company stores that Compass Group operates for large manufacturers that

employ blue-collar workers prefer soft drinks during their breaks, in contrast to the different range of products in Compass Group stores located in airports where flight crews tend to be looking for quick, ready-to-eat meals or toiletries while in transit.

In today's day and age, more customers are seeking good old-fashioned one-to-one service and this is where local convenience stores really come into their own. This can really give them the edge over supermarkets; they just need to make sure that they have the right systems in place to ensure smooth, cost-effective running of the business.

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