

# NORTHAMPTON BOROUGH COUNCIL

## Scrutiny Panel 2 – Retail Experience

### CORE QUESTIONS RESPONSE FROM UNIVERSITY OF NORTHAMPTON

How can Northampton Borough Council (NBC) further develop partnership working with the town centre business community?

N/A

How can NBC support local businesses throughout the development period of any major building projects in and close by to the town centre

N/A

How can Northampton's retail experience be supported and the impact of low inflation and the economic downturn be mitigated?

#### Impact of the recession on retailers

- Value retailers outperformed the market, growing by almost 6% in 2009 to achieve sales of £8.1 billion, with companies such as Primark and Matalan benefiting from the trading down trend.
- Over 20 clothing and footwear companies, accounting for over £2.9 billion of sales, have collapsed including Ethel Austin, Adams Childrenswear and Mosaic Fashions, but most occurred at the start of the recession. (Mintel June 2010)

#### Consumer spending patterns in 2009 and intentions for 2010

- Over half of the population did not reduce their spend on clothes in 2009 despite the recession. While more than four in ten adults spent less in 2009 than they usually would, they did not cease buying clothes altogether, indicating that while many people are being more cautious, they now consider buying clothes as a necessary spend.
- Some pent-up demand will be released this year as nearly one fifth of consumers plan to spend more on clothes in 2010, more than the one in ten who spent more in 2009. The year 2010 is, nevertheless, set to continue to be challenging for retailers, with one in three adults planning to spend less on clothing in the coming year. (Mintel June 2010)

It is worthwhile noting the research findings that in essence consumers are still spending, but perhaps not as much as they would like. With regards to shopping the report (Mintel 2010) continues as follows:

- Marks & Spencer is the most popular place to shop for clothes overall, in-store and online, and is used by over half of clothes buyers.
- Value retailers and supermarkets have become the preferred places to buy clothes in-store and are both used by six in ten consumers.

- Just under half of consumers currently shop at midmarket fashion stores. These retailers need to do more to target the fashion conscious 25-34s, which are set to increase by 11.4% by 2015.
- Over four in ten consumers shop at Next in-store and more than one in ten shop online.

Department stores' sales have performed well during the recession, particularly John Lewis, as they benefit from a customer base that tends to be more affluent and were the big-spenders of 2009 and again in 2010.

So if Northampton wants to support the retail experience in the current climate then a focus on the retailers that consumers are using would perhaps be beneficial.

How can the independent retail sector and multiple/larger chains work in partnership to ensure work towards sustaining the viability of the retail sector?

Northampton needs to try and attract consumers into High Street. If the multiple chains could focus on enhancing their current merchandise mix to try and target new markets then perhaps this could attract consumers who would normally go to Milton Keynes or London into the area. Independent retailers need to try and specialise, so by finding niche markets they could attract visitors. Perhaps programmes trying to attract specialists into the town centre would be advantageous, similar to the efforts in Leamington Spa.

What effective marketing and promotion would benefit the town's retail sector and how do you feel the profile of the town centre could be raised?

Last Christmas Corby enhanced the appeal of the town centre through free parking and an ice rink to attract visitors to shop in Corby. Perhaps Northampton could use a similar approach this year by attracting consumers by providing Christmas entertainment. This could also be an opportunity to show new visitors the benefits of coming to Northampton.

There have been a few events taking place in Northampton town centre that I have become aware of by accident. I reside in one of the outlying villages, and there seems to be a lack of communication on events that are being hosted by the town. So perhaps some more communication is needed to attract consumers from villages on the outskirts of town could improve the appeal of the town.

Certainly the need for easy parking and consideration to free parking at key times would influence consumers from further afield to come into town.

The recent student lock in the Grovesnor Centre was an excellent idea, and the students at the university were very excited about the event, however, I

am not aware of the overall success of the event and whether it was worthwhile for the retailers.

How can retailers, landlords, prospective developers and agents develop the town's retail sector?

How can regulations and advice regarding the retail sector be utilised and accessed more by retailers?

I do not know what committees or working groups are currently in place, however, a retail forum is perhaps advisable where new legislation and new practise techniques could be discussed.

What other activities could have a more positive impact on retailers?

The town centre needs to attract independents into the high street. If Northampton could differentiate itself from every other high street then a real advantage could be gained. Good eating and cafe facilities are needed to satisfy the experience for visitors. A cafe culture is certainly growing in the UK and the high street needs to embrace this consumer need.

Easy access into the town is needed for retailers, and convenient parking facilities in order to compete with the out of town retail parks.

How can independent retailers compete with both larger multiples and internet shopping?

Independent retailers need to compete with the larger multiples on the basis of addressing a niche market and providing better more personalised service to the consumer. Everyone needs to embrace the internet and independents need to use this technology to enhance their own offering. While there has been a significant growth in shopping on line, consumers still want the retail experience, where shopping is seen as a leisure activity, therefore the additional facilities of cafes, restaurants and entertainment is essential to attract shoppers into Northampton.

What would you like the town centre will look like in 5 years time?

How good are the communication channels from the Borough Council regarding new town centre developments?

N/A

What do you feel would enhance the retail experience to attract new visitors / shoppers and increase the number of return visits to the town centre

Ease of parking and access to shops

A varied retailer selection from mainstream high street stores to more specialised retailers offering exclusivity, additional service and variety.

Good cafes and eating places.

Entertainment or Pop up markets to give variety to the town.

Limited number of mobile stores and charity shops

At the weekend shopping needs to be family orientated, with children's entertainment included.

A good modern department store with prestige brands on offer, as middle aged shoppers want to shop in department stores, but they also want a good variety of merchandise, from own brand through to designer options.

Northampton is directly competing with Milton Keynes and London. If you look at Milton Keynes, it has lots of parking, lots of entertainment nearby, so that shoppers can turn their trip into an all day event. There are excellent facilities from baby facilities through to eating places. The centre of the Mall has a regular new themed event going on most months from Christmas experiences to arts exhibitions to summer time beach events. Northampton has to compete against this to attract the shoppers into Northampton rather than consumers travelling to Milton Keynes.

**Has there be any occasion where you have used the Internet to buy any item and why?**

I use the internet all the time. I hardly ever shop in the town or at a shopping centre. Why? Because, I find it convenient. I am time poor, and like many other consumers I work fulltime, I have a young family and spend most of time taking children from one hobby to the next. Shopping on line means that I can get the merchandise that I need delivered directly to my door, and since my husband works from home, I have no problems accepting deliveries. On Saturday night I ordered 5 items from M&S, they were delivered at 8am this morning. This type of service is hard to beat.

However, I still enjoy shopping in the high street and when I can get the time; I like a full day of retail therapy! However, I also like to combine it with other treats e.g. a good lunch and perhaps some kind of beauty treatment, e.g. nail counters or indeed the fish tank scenario of fish eating your feet! Adding these types of services into the high street to enhance the retail experience are essential in order to compete with e-retailers. Retailers can also combine the internet type of technology with in-store experience and there are examples of high tech shopping experiences coming forward, where consumers still go to the high street but have the option of using technology to browse and select merchandise and even virtually try on garments, prior to perhaps asking for the garments to be taken to traditional changing rooms.

I also travelled out to Thrapston at the weekend to shop in a baby shoe shop (Funky Lil Feet) that offers a wide variety of merchandise, but is different to that of Clarkes or any other high street retailer. So like me, many consumers still have disposable income to spend however, consumers are more demanding and are looking for specialised retailers, and if Northampton can attract these specialists into the town, then new consumers will be attracted into the town time and time again.

#### **Any other comments**

I have tried to make comments in a more generalised way, as I am fairly new to Northampton, and am not overly familiar with all the shopping formats available. Therefore I do not feel that I am overly expert in giving much advice or too many specifics, as I am not very knowledgeable on the town centre. From the experiences I have had in Northampton, I feel there are many retailers missing from the Northampton town centre that would continually attract me into town, and I am representative of a fairly typical shopper. I am aware that Northampton does not attract its fair share of shoppers in from the local geography and that many shoppers will choose to travel to other locations rather than come into town. This can only be addressed by changing the mix of retailers in the town and trying to attract specialists and niche retailers into Northampton. Supported by good facilities and attracting events and entertainment to enhance the shopping experience would give the retailers a better chance of being successful in the long term.