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2

### Shaping the future of independent retail since 1889







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### "We're targeting larger stores to capitalise on the opportunity John Kinney, retail director, Today's Group Page 10

### **HEADLINES**

- **4 BREAKING NEWS** Scots slam referendum
- **6 STORE LOOKBOOK** Baz Jethwa's new Spar
- **10 SYMBOL NEWS** Today's eyes food to go growth
- **11 NEWS & MAGS** Mirror cuts retail margins
- **12 PRODUCT TRENDS** Meal deals to grow snacks
- **14 BRAND SNAPSHOT** News from 12 big brands
- **16 WHAT'S NEW?** Devon produce in focus

**18 PRICEWATCH** Benchmark your pre-mix prices

### **OPINION**

**21 YOUR NEWS** Innovative Irish c-stores

**22 YOUR VIEWS** Your letters, tweets and views

**24 YOUR REGION** NFRN Republic of Ireland, West Midlands and East Midlands district reports





key shoppers

missions and

how to capitalise

on them Page 32

10



### **INSIGHT**

#### **27 INDUSTRY PROFILE**

What Brexit means for the food and drink industry

**28 COLUMNIST** Questions to ask when expanding

**30 ACADEMY IN ACTION** Effective ranging in focus

**32 SHOPPER MISSIONS** Advice from 10 great retailers

**38 ICE CREAM** Four ways to grow ice cream sales

**41 THIS WEEK IN MAGAZINES** Build-A-Bear Workshop and 10 other opportunities



### How I sell **300 ice** creams a day Page 38





ne key lesson sticks in my mind from the session I hosted on shopper missions at last year's Local Shop Summit: make it as easy as possible for customers to get what they've come in for, but interact with them on their journey around your store to get extra things in their baskets.

Editor Chris Gamm 🕑 @ChrisGammRN 02076893378

I heard a brilliant example of this working in a RN reader's store last week.

While completing her new Spar forecourt in Cubbington, Warwickshire, Susie Tew gave a clear brief to a cabinet manufacturer. She commissioned a bespoke chiller to

showcase her meal for tonight offer at the store's entrance. It must be suitable for all elements of a meal deal, chilled and ambient, and be capable to hold enough stock so it always looks full. It can't be too tall, so shoppers can see the whole store on entry. And it has to be really easy to use - no knocking off the PoS when taking something off the shelf.

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It is just one of the ways she is turning high-value, lowmargin fuel missions into £10+ retail baskets and encouraging customers to spend more.

For this week's special report, we've identified 10 key missions and 10 great retailers share their advice on how to capitalise on them.

There will be some missions customers will already be doing with you. For others, they'll be going to your competition because you don't sell what they need or, worse, they don't know you do.

Look for synergies between your shoppers and existing missions. The opportunities to make their lives easier - and grow your sales - might just be a chiller away.

3

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to get what they've

possible for customers

# **BREAKING NEWS**

### Work with local police to tackle retail crime

Retailers need to work in partnership with community agencies and forge strong relationships with their local police force.

That was the advice given by retailers and industry figures at the Association of Convenience Stores' Crime Seminar in London last week, after its latest crime report revealed robberies and burglaries combined cost the sector £28m in 2016.

Faced with an average cost per robbery of £5,842, Dilip Patel, of Clapham Park Supermarket in London, urged retailers to build a rapport with local police officers.

"More retailers are realising that yes, we are vulnerable and yes, we need to take action," he said.

"If you work together you can make a difference but we can't do it in isolation."

Richard Barron, chief executive of the National Association of Business Crime Partnerships agreed local partnerships fighting crime is working.

### NFRN's bill hike battle takes step forward

The NFRN has said it is progressing its plans to raise concerns about carriage charges hikes in parliament. The federation announced the move after Menzies' informed retailers of a further rise from April, with an average increase of 1.7%.

NFRN chief executive Paul Baxter said: "Retailers do not expect their supplies to be delivered for nothing, but if these continual increases are applied without greater thought then it will all be too late."

### Another vote north of the border would hit business 'I'm worried. We need to stay as we are' Scots' re-referendum bad for business say retailers

#### by Dave Songer dave.songer@newtrade.co.uk

A second Scottish independence referendum would be bad for business and have a detrimental effect on communities, retailers from across the UK have warned.

The stark caution comes after first minister Nicola Sturgeon announced the Scottish government plans to hold another referendum by spring 2019.

Fifty-five percent of Scots voted in favour of staying part of the UK in 2014, while 62% voted to stay in the EU last year. Mo Razzaq, who owns two stores in South Lanarkshire, told RN he thought another vote would mean businesses pulling back on expansion plans, including his own.

"Employers won't expand workforces or businesses because of uncertainty as we saw in 2014. We've been hoping to build another shop and have three sites in mind, but now we will have to have another look at the areas," he said.

Naresh Gajri, who owns Cranhill Convenience Store in Glasgow, said he feared the repercussions a 'yes' vote for independence would have on the value of his business. "A problem may come about if we try to sell; last time business was tough. I really worry about it and we need to stay as we are," he said.

Edinburgh retailer Linda Williams, who also does not want another vote, said she was worried about a return to the arguments that ensued during 2014's referendum, when she banned discussion of the subject in her Premier store.

"We had one staff member who was violently 'yes' and was intent on imposing her views on the customers. It was really quite uncomfortable," she said.

UK retailer Mike Mitchelson, owner of Mitchelson News in Cumbria, also said he felt a 'yes' vote would be a backwards step.

"Uncertainty is never good for retailers. We need confidence in the economy to enable people to spend," he said.

Meanwhile, the Scottish Grocers Federation's chief executive, Pete Cheema, said businesses welcomed stability and called on the Scottish government to be clear on "timeframes, process and potential outcomes as soon as possible".

### Mum's the word for a special day

Retailers are starting to pull out all the stops for Mother's Day. Raj Aggarwal said he stocks a big range of cards, balloons, mugs and wine glasses at his Londis store in Leicester (pictured left). "We sell around 100 bunches of flowers the week before and we get a margin of up to 40%," he said. Meanwhile, Spar retailer Julian Taylor-Green said he aims to appeal to customers looking to splash out (pictured right). "We have high-end prosecco on offer, as well as fresh cakes," he said.



### Great food to go brings happy returns

A quality food to go offer for breakfast can make stores a destination and encourage customers to return, retailers who focus on the category have said.

"Breakfast is a stepping stone for us," said Julian Taylor-Green, of Lindford Spar in Hampshire. "The commuter mission is important; doing a good job then increases the chance of someone coming back later that day."

Harj Dhasee, from Village Stores in Mickleton, Gloucestershire, told RN his sales of breakfast food increased around two years ago.

"Morning customers

used to buy newspapers and cigarettes, but more often it's hot food to go for breakfast now," he said.

Mr Dhasee said his customers were prepared to pay "premium prices" for quality products.

"Breakfast food to go is just as important for us as lunch now, and we can sell a sausage and bacon bap for £3 and a baguette for £4."

John Stevenson, manager of Nisa Local in Stockton-on-Tees, said product quality was also key to driving sales. "Having a breakfast offer already means customers understand the quality of our food," he said.

### Spar team sets its sights on Irishthemed sales

Spar Oswaldtwistle in Accrington has set up a colourful display for St Patrick's Day. Store manager Susan Preston said: "We celebrate as many holidays or special events as we can. "We have 10-packs of Guinness on sale for £7.99, we've got Guinness-flavoured crisps and the staff will wear Guinness hats on the day. We don't have many Irish people around here, but we predict our Guinness sales will double."



### Analysts reveal £40,000 a week opportunities Research finds 1,532 available store sites

### Mults' small store snub opportunity for indies

#### by Jennifer Hardwick jennifer.hardwick@newtrade.co.uk

Reluctance from the multiples to take on stores below 1,500sq ft has created a "massive opportunity" for independent retailers, new research shows.

The study, conducted by location analysis company Maximise UK, shows there are 1,532 remaining sites in the UK fitting supermarkets' criteria for potential earnings – stores capable of delivering sales in excess of £40,000 a week.

However, the majority of those sites – up to 80% – have a selling area of below 1,500sq ft, which is normally considered too small by the multiples.

David Haywood, Maximise UK managing director, said: "This is a massive opportunity for independent retailers. It's quite clear from the research that the sites which the multiples require have pretty much run out."

Vince Malone, of the 900sq ft Tenby Post Office in Pembrokeshire, agreed there is an opportunity for independent retailers to develop smaller stores as long as they are "open-minded" on what they stock. "We wanted to offer a deli format but our customer research showed it would be better to offer a wider range and just limit the number of varieties of each product we stock," he said.

David Ramsey, of the 600sq ft Best-One Byram Park Stores in West Yorkshire, also agreed it is possible to run a very successful smaller store, but added being part of a symbol group is helpful for business owners.

"Because we're with Best-one, we have the option to take new stock every month," he said. "It is all about variety. Customer relations are paramount and you've got to know what your shoppers want."

Spar UK retail director Ian Taylor said almost half of Spar's stores are below 1,500sq ft – around 1,300 out of 2,700 stores.

"These stores are run very successfully by our great independent retailers," he said.

"As with any store size, to be successful you need to know what shopper missions your store is providing and then ensure you have the right proposition to meet these customer needs."

Rates revaluation 'not far enough'

Chancellor Philip Hammond's measures to ease the burden of the business rate revaluation have not gone far enough, retailers have said.

In last week's Spring Budget the chancellor announced businesses that no longer qualify for rate relief from April will have any increases capped at £50 a month. A £300m fund will also be created for local authorities to provide discretionary relief to individual cases.

However, Mike Nicholls, who owns a Costcutter and a Mace store in Yorkshire, said he was disappointed with the announcements. "It just feels like the

government is destroying

us," he said.

Association of Convenience Stores chief executive James Lowman said he is "disappointed" the government did not address the fact the current system favours online companies, although consultation on this is promised ahead of the next revaluation. It was also announced the sugar levy will be set between 18p and 24p a litre, although revenues from the tax are expected to be lower than anticipated due to soft drinks companies reformulating. A further rise in the

National Living Wage from April, to £7.50, was also confirmed.

### Big brand firms back improved labelling

Some of the world's largest FMCG manufacturers have backed plans to overhaul on-pack labelling to help consumers make healthier choices.

Nestlé, Coca-Cola, Mars, Mondelez, PepsiCo and Unilever have backed a potential move to a new initiative that uses a traffic light system for products with smaller portions.

A spokesman for Coca-Cola Great Britain said the scheme would "remove confusion", while Hubert Weber, president MEU at Mondelez International, said it would "help consumers make balanced and mindful choices".

Vip Measuria, owner of two One Stop stores in Derby, was unsure whether the system would work.

### Illicit trade tax worry

The new minimum excise tax (MET) will fuel the illicit tobacco trade, manufacturers have warned.

During his Budget speech last week, the chancellor announced from 20 May the tobacco excise duty of 20-packs will be at least £5.37, for any pack with an RRP below £7.35.

A Treasury spokesman said: "For example, on a £6 packet of 20 cigarettes, the manufacturer would already pay £5.15 tobacco duty (from 6pm Budget day), they will now have to pay 22p additional duty to bring it in line with the MET of £5.37."

An Imperial Tobacco spokesman said: "If you continue to increase the price of tobacco you're pushing people to an illegal market."

JTI added it needs to be supported by greater enforcement to deal with the illegal trade.

#### 17 March 2017 • RN

## **STORE LOOKBOOK**



## Cue the rocket science

Having a USP in a highly competitive market is vital to compete and stand out. For his third store, Bolton-based retailer Baz Jethwa opted for a Spar fascia to focus on food to go. **Gurpreet Samrai** reports very good convenience retailer has a USP that sets them apart from the competition, but how is that established when you're opening a new store in an area already well served by a nearby supermarket? That was the dilemma faced by Bolton

retailer Baz Jethwa, who opened the doors of his third site, Rocket Stores, earlier this month.

"I looked at the area and there was a Morrisons nearby, which is one of the busiest in Bolton. We looked at their offering and thought, if we are going to compete against them, we need to make sure we have got the right offer in-store and the right layout," says Baz.

For Baz, determining his USP was the easy part. "Fresh and food to go is where I want to take my business, it is my USP. The category is going to be worth another £3bn by 2020," he says.

His first real challenge was making sure he had the right symbol group behind him to take that focus "to another level".

"I already have two Costcutter stores. Costcutter is good and I have got where I am because of them, but Spar is very good at food to go and fresh and we wanted to take it to another level. We needed to make sure we had the right wholesaler partner behind us to do that," says Baz. The 5,000sq ft store – formerly The Rocket pub – has a 3,000sq ft sales area, with one-third dedicated to food to go, including a Daily Deli hot food counter, ready-made sandwiches with meal deals, a Costa Express machine, a slush machine, and cakes, cookies, and bread from local bakery Clayton Park.

"The Morrisons does food to go well, but we have tried to do it better. We have a lot of local products, for example the sandwich meats and some of the pastries come through a local supplier. Our offer is also convenient. The Morrisons is a large format store so it might take 25 minutes by the time you get your hot meal there, whereas with ours it's more like 10 minutes," says Baz. "We've had really good feedback about it. The hot meals have been the most popular and we sold 400 slush cups in the first week."

Another 1,000sq ft of the store is dedicated to fresh produce, with a loose fruit and veg section as well as packaged options and flowers in a crate-style display at the front of the store.

"Fresh is one of the store's focal points, and it's worked really well. It's so important because people don't want to do a big shop anymore, they want fresh food daily, they want food for now," says Baz.

Other features include deals on every end bay, three metres of frozen, more

**RN** • 17 March 2017

The What's New section is good. I share that with the team and tell them to get some of the products in. I also like reading other retailers' stories." BAZ JETHWA







"The Morrisons is a large format store so it might take 25 minutes by the time you get your hot meal there, whereas with ours it's more like 10 minutes"

### INFORMATION

**Location** Rocket Stores, 63 New Lane, Bolton BL2 5BP

Size 5,000sq ft with 3,000sq ft sales space

Key categories Fresh, food to go

Average basket £6.50

# **STORE LOOKBOOK**



than 24 metres of chilled dairy space and a wide selection of alcohol including more than five metres dedicated to wine, as well as an ATM outside the store and

20 parking spaces. The store shelving has also been kept to a "low level" to make it more inviting for customers to browse.

For Baz, the make-up of Rocket Stores is the format of the future and one he will be replicating at his two other Bolton stores. He also revealed it will be the base for a new store he is set to open in Manchester in the next few months.

"We have created three feature areas around fresh, Daily Deli and alcohol. That's the way forward and for that we have the right wholesale partner, which is key," says Baz.

"The local population have been really positive and have said it's really convenient. We opened at 3pm on Thursday and by 4pm on the Monday we'd had almost 4,000 transactions, and the average basket spend was around £6.50. I'm happy with the basket spend, but it will grow because our availability will get better as we identify what our customers want." ●



Want to see more of Baz's store? Go to betterretailing.com/rocketstores-bolton





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# **SYMBOL NEWS**

### James is aiming to double its estate

James Convenience Retail (JCR) has announced plans to double the size of its estate with a focus on alcohol.

Owner Jonathan James said he intends to add 200 stores to the group by 2020. "Our main focus will continue to be alcohol-led convenience," said Mr James. "Alcohol is a key focus because of working alongside Conviviality."

The company will spend between £10,000 and £100,000 on existing and new stores to bring them up to speed as GT News and Select Convenience fascias.

"Some of our stores are transport hubs and some can't even sell alcohol at the moment, so it's about making sure they're delivering a strong alcohol offering," said Mr James.

JCR is also selling 10 Supernews Stores.

### Morrisons opens 40 forecourts

Morrisons has announced it is opening 40 further Morrisons Daily forecourt convenience stores with Rontec after dropping its trial with Motor Fuel Group (MFG).

They will join the 10 pilot stores. It comes as Morrisons also announced a 50% increase in pre-tax profit – up from £217m in 2016 to £325m this year.

David Potts, chief executive of Morrisons, said: "Our full year of like-for-like sales and profit growth was powered by listening to customers, and shows what our hard-working team of food makers and shopkeepers can do."

From next month, MFG will convert the five stores piloted with Morrisons to the Londis fascia.



Larger stores are focus for group's expansion 'We want to be best for our retailers'

### Today's puts quality first as it looks to the future

#### by Charlie Faulkner charlie.faulkner@newtrade.co.uk

Today's Group has revealed it is targeting larger stores to capitalise on the "significant opportunity" presented by chilled and food to go.

Speaking to RN at the Today's Group trade show (*pictured*), John Kinney (*inset*), retail director of the buying group, said it is more efficient for its members to work with bigger stores.

"A store taking £30,000 to £40,000 a week, rather than 10 stores taking £4,000 a week, is going to benefit from a better range and a bigger return," said Mr Kinney.

"For stores to work as pure convenience stores they need to offer a chilled range so that's one of the key targets we've got, capitalising on fresh and chilled opportunities."

The group, which has 464 stores and 2,000 Today's Retail Club members, has seen its estate grow 10% each year for the last two years, which it expects to continue. Today's said it has also been performing better than the market in terms of foodservice for the last four years.

"Foodservice is a challenge but if retailers don't do it they won't get consumers shopping in their stores. However, you've got to have the operational expertise to deliver it otherwise consumers won't buy from you," said Mr Kinney.

"Some have implemented things like a Subway, others have said 'we'll do it in-house and train up our staff', and sometimes you need to recruit someone with a foodservice background to be successful." Mr Kinney added

'Today's does not play the numbers game' in terms of stores.

"We're not aiming to be number one, we want to be the best for our retailers and the best symbol group for support – in the way we work with them, access to promotions, and the advice and support we give them," he said.

"Our mantra is we want quality stores rather than lots of stores."

### **Retailers missing out on own label sales**

Retailers who don't stock own label products could be missing out on an opportunity to increase sales, as symbol groups increase investment in their brands.

Costcutter is set to launch a number of campaigns throughout the year to help its retailers drive sales of its Independent brand, Jodene Rogers, head of marketing for Independent, told RN.

"The focus next year will remain on quality, benchmarked against branded and non-branded products, and creating everyday prices for shoppers, giving retailers a real point of difference," she said.

Liz Tolson, store manager at Costcutter Lyneham, said Independent now accounts for 25% of her offering.

"Feedback from our customers is very positive, with many saying they are glad to see cheaper alternatives to everyday items and they can see value for money in the products we offer," she said.

Meanwhile, Spar's own brand pulled in £300m in retail sales in 2016. RN looks in-depth at modern own label next week.

# MS & MAG

Retailers hit out at publisher's margin cut 'Total contempt for newsagents' says NFRN

### Stores miss out on £1.2m **Mirror profit opportunity**

#### by Toby Hill RNreporter@newtrade.co.uk

Retailers have hit out at a missed potential annual profit opportunity of nearly £1.2m after Trinity Mirror announced a price rise for both editions of the Mirror with a percentage

margin cut. From this week, the price of the Daily Mirror increased from 65p to 70p, with an increase in retailers' pence per copy sold will increase from 14.5p to 14.98p. The Saturday Mirror will increase from £1 to £1.10, with profit per paper rising from 21p to 22.6p.

However, this represents a downward shift in percentage margin from 22.3% to 21.4% on the weekday edition and from 21% to 20.6% on the Saturday edition. It comes a year after the Mirror's last price rise and percentage margin cut.

Neil Oakes, of Kirk Ella News in Hull, said: "We got a letter saying how much Trinity Mirror values its retailers, implying they were doing us a favour by raising its prices, when in fact for us it's a real-term cut. They treat us like we're daft.'

Assuming sales remain

the same, RN calculations show the decrease in percentage margin means retailers will miss out on an additional £984.954 on the weekday edition, and £210,223 on the Saturday edition annually.

This equates to around £30 per store in earnings per year.

Paul Baxter, NFRN chief executive, said: "By acting in this way, Trinity Mirror is displaying nothing but total contempt for retailers who it obviously views as little more than cash cows that exist to be repeatedly milked."

Neil Jagger, general

manager MGN and group newspaper sales director, said: "We do not like raising our cover prices to consumers. In the same way, we would prefer not to impact retail margins. However we, as a business, face our own financial pressures that we have to manage.

"Some of these are current and external, e.g. raw material price increases such as newsprint. Some are as a result of legacy issues such as a huge rise in the pension fund deficit and the ongoing costs associated with phone hacking."

### Complaint guidance document from PDF

The Press Distribution Review Panel (PDRP) is producing a guidance document for wholesalers on dealing with comnlaints

It comes as the PDRP's annual report revealed a 43% increase in the number of complaints reaching Stage 2 in 2016.

Neil Robinson, chairman of the review panel in the annual report, said: "It will remind those operatives responsible for handling PDC Stage 2 complaints that once a complaint has been received from a retailer, it must be logged and referred to the appropriate person submitting monthly returns to the PDRP Administrator.

"It is this capture of data that enables the efficiency of the industry to be monitored."

### Hello! and Facebook joint effort

Hello! magazine has teamed up with Facebook to promote its special Mother's Day issue, which is out on Monday.

The magazine will be streaming live on Facebook all of next week, with coverage including a series of interviews with stars appearing in the issue, as well as a live Pilates class for new or expectant mothers.

Editor Rosie Nixon said the "unique" collaboration with the social media company will introduce a wider audience to the magazine.

A competition to win the issue's entire lifestyle section, worth £16,000, will also be on offer to readers.

### What's On TV is top Xmas seller

What's On TV was the best-selling weekly TV listing magazine during the Christmas period in terms of RSV for the 10th year running, according to Time Inc. UK. The festive issue achieved 2.02 million copy sales, which the publisher believes was driv en by the fact it was a double issue to cover the Christmas and New Year TV schedules. In total Time Inc's titles What's Or TV, TV Times, and TV & Satellite Week, which were all double issues, delivered a retail sales value of £4.2m with their Chris mas editions.



### News Retail Group calls for RDT focus

Retailers whose delivery times (RDTs) are consistently not hit are being brought to the attention of Smiths News by the News Retail Group (NRG).

Representatives from the NRG, formed last summer by the NFRN, Co-op, and the Association of Convenience Stores

(ACS), recently met with Smiths News to discuss concerns about the supply chain, with RDTs being a primary concern.

John Barn, the Co-op's category trading manager for newsagency and chairman of the group, said: "As these times are set to allow for stock ahead of the sales curve, common sense and practicality suggests that RDTs should be met and would benefit all involved."

He said solutions raised at the meeting included ensuring cut-off times for publishers are effective and reviewing the current demand for daily returns. Another issue raised

was the possibility of SNapp reducing paperwork in the future.

Simon Gage, Smiths News' publisher and retailer services director said the wholesaler is open to any initiatives which would make the news category simpler and more efficient for retailers.

# PRODUCT TRENDS



# Meal deals key to revive single crisp packet sales

#### by Tom Gockelen-Kozlowski tom.gk@newtrade.co.uk

Meal deals are key to getting the singles crisps category back into growth, KP Snacks has told RN.

The manufacturer, which produces snacks including McCoy's, Skips and Hula Hoops, as well as the KP-branded nut range, believes traditional single packets of crisps are "under pressure" from both the rise of sharing bags and multipacks, falling by 8.2% year on year.

"If we can get the singles category into growth that's

a real win for everyone," said Matt Collins, trading director – convenience, wholesale, discounters and foodservice, at KP Snacks. "A well-executed meal deal is really key to that."

The company has previously run linked deals with major soft drinks brands including Coca-Cola and Red Bull, but Mr Collins believes there is often one element missing from independents' ranges, when compared to high street chains such as Boots and Sainsbury's: a credible sandwich offer. "When you think about the lunchtime mission it's a sandwich, a soft drink and a packet of crisps," he said.

Mr Collins was speaking at the launch of a new in-depot activation for McCoy's latest on-pack promotion – which gives five customers the chance to win £10,000 by finding a golden crisp in their pack.

The promotion extends across the McCoy's brand including Flame Grilled Steak, Salt & Malt Vinegar and Cheddar & Onion.

"We try to run promotions across the range so it fits for the mission, but also the occasion. Is it going into a meal deal at lunch? Is it a multipack for lunchboxes or for the cupboard? We're trying to cater for all the different meals and needs," said Mr Collins.

The in-depot activation is set to appear in 36 wholesale depots across the UK and will be supported by advertising including online, print and TV.

"This is part of our Mc-Coy's plan for 2017, giving more reasons for retailers to buy into the McCoy's brand," he said.

### Smirnoff's new cider is in the pink



Diageo has added a Mandarin & Pink Grapefruit variant to its Smirnoff Cider range. It comes as retailers told RN flavoured cider sales are overtaking alcopops.

Katie Hunter, innovation commercialisation manager at Diageo, said the ciders, which are less sweet and more lightly carbonated than other ciders, can make the range more compelling for retailers, helping to "unlock the full potential of the category".

Manjinder Singh, who owns Dunston Convenience Store in Gateshead, said alcopops are a "dying trade" because people are "moving towards flavoured ciders". He now only sells the bigger brands such as WKD, Hooch and Smirnoff.

The new Smirnoff variant has an RRP of £2.19. • *Pre-mixed drinks Pricewatch – p18.* 

### A cocktail in a can

William Grant & Sons is to launch an Amaretto Sour cocktail in a can in time for summer.

Unveiled at the Today's Group trade show last week, the drink will contain a double measure of Disaronno at 6% ABV and is to be launched either at the end of April or early May. Retailers have told RN canned spirit and mixers are very popular.

Meanwhile, Jameson has unveiled two ready to drink cans in Classic Cola and Ginger & Lime flavours.

### **Retailers told to improve craft ale stock**

Retailers need to stock a core range of IPAs, pale ales and lagers and learn the basics about them to capitalise on the craft ale trend, the head of new beers at Heineken has said.

Speaking exclusively to RN, Sam Fielding, craft beer brand unit director at Heineken, said a 28% volume growth for craft ale between 2012 and 2016 highlighted an opportunity for independent retailers.

"We advise independent retailers to start thinking about this trend, and to maximise their beers sales it starts with making it available. "If you build it they will come," said Mr Fielding.

Retailers should consider appealing to the "savvy connoisseurs and beer drinkers" he added, by including signage and basic beer descriptors. "Whether you offer two products or 12, start small, learn the basics and understand 90% of the market in the ontrade is for IPAs, pale ales and lagers.

"Just knowing that will really help any retailer to talk with confidence about them," said Mr Fielding.

**RN** • 17 March 2017



in association with



To find out how you can make your store a destination for cigar sales speak to your Ritmeester rep or contact alyles@ritmeester.com today

## Five things you need to know about cigars

It's all change in tobacco and there are big opportunities for retailers who embrace it. RN's Dave Songer joins cigar manufacturer Ritmeester on its national roadshow to find out more

head of the arrival of plain packaging and EUTPD II regulations in May, retailers are making major decisions about their tobacco ranges and merchandising solutions. Cigar maker Ritmeester says this makes it the perfect time for store owners to look again at their cigar offer.

"With a little category knowledge and the right range, the cigars market provides retailers with a real opportunity to grow sales and become a destination for a new loyal customer base," says Tony Lyles, Ritmeester's field development manager.

To support retailers further, since 2015, the company has been touring the UK holding seminars attracting those who want to learn more about cigars.

From what goes into each stick and who smokes them, to what the latest legislation means and how the market is broken down - the seminars are an opportunity to learn important lessons and get tricky questions answered.

RN met up with Tony and his team in Sutton Coldfield to discover the lessons about the category.

#### Lesson 1:

### You can stock branded packaging

The upcoming standardised packaging restrictions do not affect cigars (which will instead gain a 65% health warning). This means brands such as Moods and Royal Dutch will be among the only branded products on the gantry. "They'll look different to the totally plain cigarette packs, so they will stand out," says Tony.



Lesson 2:

Cigarettes and rolling tobacco are subject to pack size restrictions (banning packs smaller than 20 sticks or 30g, respectively) which don't apply to cigars. This will make cigars both more affordable and more convenient for many smokers. "It could make shoppers ask themselves what else is available; cigarillos could be that occasional alternative," says Tony.

You can stock small formats

#### Lesson 3: You can see category growth

The long-term decline of tobacco sales continues but Ritmeester is highlighting how sales growth and extra profits can still be found. "The cigar market is in decline by 8% a year but at Ritmeester we are experiencing a 3% rise in our annual sales, giving retailers a good opportunity in a difficult market," says Tony Lyles.

#### Lesson 4: You can make more profit

Ritmeester says retailers can expect margins of around 18% from selling its cigars, with 25% possible for its Mini Moods cigarillos. That's a return of more than £1 when priced at £4.11 the cash margin equivalent of two-and-a-half packs of 20 cigarettes. Retailer Harshal Kshatri is impressed: "The margins I get from Ritmeester's cigars are so generous, they're available in all the leading wholesalers," he says.

### Lesson 5:

You can benefit from innovation Ritmeester's charcoal-containing double-filtered cigarillo, Moods, has been developed to be a smoother smoke than traditional cigars. With the aromatic sector showing growth, it highlights the benefit investment in innovation can have. "Sales of smaller cigarillo varieties account for 70% of all cigar sales, so I advise retailers to stock them," says Tony.

### RETAILER WPOINT



Harshal Kshatri Connoisseur Newsagents Wallington, Surrey

#### Harshal was one of many to attend his local Ritmeester event. Since selling

Ritmeester's range my sales have gone up to an outer or so a week, and I'm selling more cigars in general than ever before. No other retailers in my area sell Ritmeester cigars so it's made us a destination store. The margins we get are a lot better than with cigarettes and rolling tobacco too.

"Their presentation gave a really informative explanation of the cigar market and developed my knowledge. This will help us take away business from the multiples.







The cigar market is in decline by 8% a year but at Ritmeester we are experiencing a 3% rise in our annual sales



## **BRAND SNAPSHOT**



### Highland's new bottle Highland Spring has refreshed its bot-

Highland Spring has refreshed its bottled water with a 3D embossed design to be used for 330ml and 500ml sports and flat caps and 750ml sports caps.



#### **Iced coffee from Baileys** Baileys has extended its portfolio with an iced coffee. The 200ml ready-todrink cans are available in Latte and Mocha variants.



### More ice cream bars

Häagen-Dazs has expanded its range of ice cream bars with Salted Caramel, White & Almond and Vanilla Caramel Almond varieties.



### Heinz ad for UK

Kraft Heinz has rolled out its latest ad in the UK following a run in the US. It will be supported by in-store PoS and digital throughout 2017.



Weetabix ad returns Weetabix has brought back its Have You Had Your Weetabix? strapline with a new ad campaign, supported by a £10m investment and new pack.



**Trebor competition** Mondelez has launched an in-store competition for Trebor. Get Minted is exclusive to c-stores, and will help drive sales.



### **Nurishment pricemark**

Grace Foods UK has introduced a £1 pricemark can for Nurishment Original, for two months, in vanilla, strawberry, chocolate and banana flavours.



#### **Cakes for Easter** Premier Foods has launched Choc Tarts under the Cadbury Cakes brand. The four-pack range comprises Crunchie, Flake and Caramel variants.



**Boost adds a flavour** Challenger brand Boost Drinks is updating its isotonic sport drinks offer exclusive for independents. The range will be joined by Citrus Boost Sport.



### Hellmann's refresh

Unilever's Hellmann's brand has undergone a refresh and has changed its recipe. The latest deli-inspired glass and squeezy bottles are backed by a £7m marketing campaign.



**Desperados updated** Heineken has released an updated variant of its tequila-flavoured beer, Desperados. Desperados Dos has a higher ABV of 7% and will be backed by a multi-million pound campaign.



**Less sugar for Müller** Müller will be adding a 40% less sugar range to its Frijj portfolio from April. The latest recipe will be available in six flavours, including a new Choco-Hazelnut flavour.



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### 16 WHAT'S NEW







### PopaBall

PopaBall Lemon Bursting Bubbles can be added to a gin and tonic to add some extra flavour. Bubbles for prosecco are also available.

RRP £3.49 (lemon), £3.79 (prosecco) Contact 0191 4326231 / trade@popaball.co.uk

### Mossy

Mossy's bio yogurt contains no artificial colours, thickeners or flavourings and has a smooth, creamy texture. It is suitable for vegetarians. **RRP** £11.40 (6 × 140g)

Contact amos@mossysoriginal.com

### Saida Mia

A fusion of traditional Italy and Somalia, Saida Mia Sauces are homemade and designed to complement meat, fish, vegan and vegetarian dishes. RRP £3.99 Contact 07958 336 639 / saida@saidamia.com

### Graham's

Made from a family recipe, Graham's began by making wholegrain mustard, but has since expanded its range to include Dijon and a horseradish sauce. **RRP** £3.70

**Contact** www.grahamsmustard.com/contact



### Crush

Crush is a single variety cold-pressed rapeseed oil that is grown, pressed and bottled in Norfolk. The producer also has a range of infused oils for a variety of cuisines. RRP £4.50 (500 ml) Contact 01263 805009



### **Salubrious Sauces**

Salubrious Sauces are available in three flavours – British Breakfast Sauce, Chip Shop Curry Sauce and Original Sunday Lunch – inspired by three iconic British dishes. RRP £3.95

Contact 01394 548709 / monty@salubrioussauceco.co.uk





### Fairfields Farm

Fairfields Farm has launched a new travel snack pack, 'Fairfields To Go', which is ideal for retailers. Each box contains hand-cooked crisps that can be quickly and easily opened. **RRP** £1.20-£2.00 (40g)

Contact 01206 241613 / hello@fairfieldsfarmcrisps.co.uk



### **Bloom Gin**

Bloom Gin's three main flavours are chamomile and honeysuckle flowers and the citrus fruit pomelo. It is best enjoyed with tonic and strawberries or mixed in cocktails. RRP £24 (700ml) Contact 0207 4943138 **Devon producers** 

Continuing RN's theme of highlighting some of the county's finest producers, this week is the turn of Devon, with popcorn, pies and jalapeño





### South Devon Chilli Farm

FOL

New for 2017, South Devon Chilli Farm's Cool Jalapeno salsa is ideal as a dip, pasta sauce or pizza topping. Its ingredients include chopped tomato, sweet red peppers and fresh chillies. **RRP** £3.20 (240g)

**Contact** 01548 550782 / orders@southdevonchillifarm.co.uk



### **Portlebay Popcorn**

With 10 flavours including Wasabi & Sweet Ginger and Chilli & Lime, Portlebay Popcorn is gluten-free. RRP 79p (25g), £1.79 (75g) Contact 01752 424426

### Tom's Pies

Handmade from locally-sourced ingredients, Tom's Pies thin shortcrust pastry allows for deep fillings including Steak & Ale, Ham Hock & Pea, and Venison & Mushroom. RRP £3.49 Contact 01395 239000

### **Mark Spry**

Food hall manager, Darts Farm Topsham, Devon

"We've been stocking Tom's Pies for many years now and it's always a pleasure to welcome them to Darts Farm to offer tastings to our customers. Their pies are delicious and we feel very lucky to have such amazing producers on our doorstep."

# PRICEWATC

### Profit checker Pre-mix drinks

### VODKA SORTED BLUE 700ml Price distribution %



### Analysis

That this is a category where small price changes matter is highlighted perfectly by our graph.

Altogether, 35% of stores keep tightly to the RRP, with another 21% of shops pushing their price down

20p to £1.99. Around this, a few retailers seem to have found their perfect price at a range of different figures (6% at £2.09, 1% at £2.10, 0.5% at £2.15) suggesting these products - challenged by the like of flavoured cider - need to be priced carefully to attract maximum sales.

Meanwhile, our retailers suggest that the best sales are now available with premix cans, while ready to drink products are falling away.

### **Price checker**

PRODUCT

PRODUCT
WKD Blue 70cl
<b>Jack Daniel's &amp; Cola</b> 330ml
WKD Blue 4-pack 275ml
Dragon Raspberry Vodka 500ml
<b>Vodka Sorted</b> <b>Blue</b> 700ml
Smirnoff Ice Big Bottle 4% 700ml
<b>Crabbie's</b> <b>Ginger Beer</b> 500ml
Dragon Sour Apple 500ml
Smirnoff Ice 4-pack 275ml
WKD Ironbrew 4 x 275ml
<b>Red Square</b> <b>Reloaded</b> 700ml
<b>Vodka Sorted</b> <b>Red</b> 70cl

### How we drive our profit

### Martyn Ward

**STORE** Cowpen Lane News **LOCATION** Cleveland SIZE 450sa ft **TYPE** residentia

### TOP TIP

**Everyone expects** a promotion these days so make sure your customers know they can always expect a deal or two



It's something that's picking up. We've only been selling alcohol for a year. The off-licence down the road closed in December so we're just starting to see the uplift as a result. We sell Captain Morgan & Coke, Gordon's Gin and Tonic, WKD Irn Bru. Hooch as well as Smirnoff Vodka & Coke. Our most popular are the cans of gin and tonic, and vodka and coke. We get through a couple of outers of each every week. Pricemarking is really important in this area so I shop in Booker and often I'm able to sell the products slightly cheaper than the pricemark.

### Paul Cheema

**STORE** Costcutter - Malcolm's Store **LOCATION** Coventry SIZE 1,400sq ft and 2,500sq ft **TYPE** residential

### **TOP TIP**

Use manufacturers' guidelines because they've done the research into what we can charge so why not go with the RRP?



Alcopops have had their day and we only really sell the 70cl bottle of WKD Blue. We stick to the manufacturer's RRP and we get through 10 cases a week across my three stores. However, pre-mix cans are very popular and we sell the whole range with the manufacturer's offer of two for £3. Discounts aren't always the best option though - it's about sales versus profit. We only give cans about two metres of space and still get through up to 25 cases a week across all of our stores. Customers buying them tend to be in their 30s and it's a part of their shop.

BOOKER

RRP

AVERAGE

UK

RETAIL

#### 📀 Charlie Faulkner

charlie.faulkner@newtrade.co.uk



<i>EDFM is a specialist in helping leading suppliers to the UK's independent convenience channel get value, insights and business benefits from EPoS data. To find out how they could help you call 07976 295094</i>					Μ
ER	RETAILER	RETAILER	RETAILER		Ret pro
N KENT WN	SUBURBAN GLASGOW NEIGHBOURHOOD	NEIGHBOURHOOD SHOP IN NORTHAMPTON	C-STORE IN INDUSTRIAL AREA OF NORTH EAST		In

PRICE*		NEIGHBOURHOOD OFF LICENCE IN CHESHIRE TOWN	WEST YORKSHIRE VILLAGE STORE	LARGE OFF- LICENCE E IN KENT COASTAL TOWN	SUBURBAN GLASGOW NEIGHBOURHOOD SHOP	NEIGHBOURHOOD SHOP IN NORTHAMPTON SUBURB	C-STORE IN INDUSTRIAL AREA OF NORTH EAST CITY
£2.95	£2.99	£2.99	£2.99	£2.99	£2.99	£2.99	£2.99
£2.53	£2.49	-	-	£2.49	-	£2.49	£2.49
£4.93	£4.99	£4.99	£4.99	£4.99	£4.99	£4.50	£4.99
£2.99	£2.99	-	£2.99	£2.99	£2.99	_	£2.99
£2.23	£2.29	£1.99	-	£1.99	£2.00	-	£2.29
£3.96	£3.99	£3.49	-	£3.99	-	_	-
£2.52	£2.49	_	£2.49	-	£2.20	_	-
£2.99	£2.99	-	-	-	£2.99	_	£2.99
£4.59	£4.59	-	-	-	£4.59	_	-
£4.87	£4.99	£4.99	£4.99	-	-	£4.50	-
£2.96	£2.99	-	-	-	£2.99	_	-
£2.35	£2.29	£2.29	-	£1.99	£2.00	£2.55	£2.29
						* from a samp	le of 3,500 stores

Data supplied by

RETAILER

2

RETAILER

1

RETAILER

2

### IY LOCAL HERO

ailers reveal the most profitable duce on their doorsteps

nran Ahmed

Premier Poplar Stores, Huddersfield

Cole Vallev Bacon (£1 for 250g/£1.99 for 500g)



#### How did you discover them?

A local business was supplying us with sandwiches and we approached them about delivering local meats for us, too. This is the same local farm as they use to make their products but they now supply us with bacon, hams and other meats.

#### Who buys them?

Everyone seems happy to pick the local product so although we have Danish products and used to stock Booker and Makro products, people young and old seem to prefer to choose these.

#### Why are they so successful?

I think people understand that because they are local they are fresher and you are likely to get a longer life out of them. Also the quality is better and our customers like to think they're helping a local business. They're the same price if not cheaper than the other products we stock so customers don't really need to pay a premium to get a better, more local product.

### **Bob Sykes**

**STORE** Denmore Premier Food & Wine Store **LOCATION** Denbighshire SIZE 1,000sq ft TYPE main road, residential

#### **TOP TIP**

Price individual cans or bottles at a premium price as they are easy to steal. A higher price helps to account for the loss



We don't stock alcopops as a rule because we have an off-licence 300 yards away. But we offer the pre-mix cans such as Gordon's Gin & Tonic, Captain Morgan & Coke and Smirnoff Vodka & Cranberry. We've stocked them for a few years but recently seen a big uplift in sales. The Gordon's gin can has doubled its sales. We offer two for £3 but price individual cans at £1.99 which gives us a margin of either 20% or in the top 30s. We tried the Crabbie's Ginger Beer bottles but they weren't successful so we're trialling the cans of ginger beer - they go through phases.

### Manjinder Singh

**STORE** Dunston Convenience Store **LOCATION** Gateshead SIZE 1.000sa ft TYPE main road, residential

**TOP TIP** 

Stock known brands and get what you can for them because they're the ones people are interested in nowadays



We sell WKD - big bottles and sixpack – Hooch and Smirnoff, but it's a dying trade because people are shifting towards flavoured ciders. I tend to stick to the RRP apart from WKD Blue which I sell two for £5 and we get through up to seven cases a week at a 25% to 30% margin. I tend to bulk buy to make sure I can keep an offer on all the time but if I don't we'll only sell a case a week. However, the same offer doesn't seem to take off as much with Hooch and Smirnoff. The cheaper brands like VS don't sell at all in my store so I don't sell them anymore.

# YOUR NE

### School deal stationery adds up to 50% profit

A Surrey retailer is making 50% profit margin on hundreds of bags of stationery essentials as the official supplier for a local international school.

David Worsfold, of Farrants in Cobham, told RN he now sells 300 bags of stationery to students at ACS International School after it approached the store around three years ago.

"ACS used to have its own shop but came to us after it was closed. The bags are sold to students for around £22, the contents of which cost around £11," he said.

Farrants includes items such as files, rulers and ring binders, with sales continuing throughout the year. "They come back because new kids join out of term time, especially at an international school," he said.



### **Promotion** in the bag

Magazine retailer Perry Thaker has found an innovative way to promote his store giving away free branded bags to customers who spend more than £10.

"When people buy a lot of magazines they need something strong, not just an ordinary plastic bag, so we thought we'd take the opportunity to advertise ourselves," said Mr Thaker, owner of Charlotte Street News in London.

"They're made in India and cost 20p each for production and shipping costs. Customers love it - before they didn't want a bag, but now when they see them they say, 'Please can I have one?"



### 19-year-old Harnek's new store

A newly-graduated 19-yearold has opened a One Stop store in Hartlepool.

Harnek Sanghera was planning to attend flight school when he drove past an empty lot with his mum and had the idea of opening a convenience store. "I've always had a passion

for business so I jumped at the opportunity," he said. "I've worked in my parents" fish and chip shop since I was eight, so I picked up a good work ethic there. And my uncles own a One Stop in Belton so I learned the tricks of the trade from them."

Between October and December, Mr Sanghera spent three months travelling between his uncles' store and the construction site of his own shop. It was built on the site of an old pub called The Saxon, so he decided to name it 'One Stop working with the Saxon'.

The store opened on Saturday and Mr Sanghera is already full of ideas for making it a success.

"It's about the littlest things, like having a laugh with the people who come in," he said. "With pensioners, you might be the only people they talk to all day."

Just Eat-style platform available for £6.50 a day Online ordering demand 'not being met'

### **Retailers invited to join UK-wide delivery service**

#### by Toby Hill RNreporter@newtrade.co.uk

Convenience stores across the UK will be able to sign up to a new Just Eat-style delivery platform launched by a retailer from the beginning of April.

Scottish store owner Zahid Ullah originally developed the model for his own store, Day-Today Express in Main Street, Kelty.

"I saw demand for a delivery service that wasn't being met, so after taking over my parents' store I decided to set something

#### up," he said.

Working with Zeus Labs, he designed a website, groceronline.co.uk, where customers can browse products and place orders between 4pm and 9pm. When an order comes through it prints a receipt, and Mr Ullah delivers himself. The average delivery time has been eight minutes; and Mr Ullah runs a two-tier system for delivery charges, with £2 for deliveries within his local area, and £2.50 beyond.

'Retailers will have the freedom to define the boundaries themselves,

but I want them to focus on their local area and customer base," he added.

From April, the platform will be opened up to retailers across the UK. They will be able to sign up for a onemonth free trial and then subscribe to the service, which will cost £6.50 a day (£195 per month).

"That means just three deliveries a day will cover the running costs, and anything more is a bonus." said Mr Ullah.

He said 90% of orders have involved alcohol or cigarette delivery, and Mr Ullah hopes the service will discourage drink-driving. "If people are having a party and run out of beer, it's tempting to drive down to the store instead of carrving several 18-packs half a mile," he said. "Delivery removes that temptation."

To prevent underage sales, alcohol purchases will have to be made via a credit or debit card and paid at the customer's door rather than online. Mr Ullah also recommends that retailers talk to their local licensing board to clarify regulations before starting deliveries.

## YOUR NEWS

### Retail expert shares Dublin retailers' success stories Foodservice is point of difference

### C-stores can learn from RoI on food to go offer

### by Toby Hill

RNreporter@newtrade.co.uk Convenience stores in the UK should follow the lead of their counterparts in

\_\_\_\_\_

of their counterparts in the Republic of Ireland by improving and expanding their food to go offer, according to a retail expert.

With competition increasing from the multiples and discounters, food to go and foodservice "has got to be the point of difference" for convenience retailers in the UK, Tom Fender, director of Fizz Enterprises, told RN.

"Your average convenie-

nce store in Dublin dedicates 50% of its space to food to go and 50% to grocery," said Mr Fender. "Every single one has dine-in facilities, including tables and chairs that staff wipe down every 15 minutes.

"I reckon most UK stores could cull a quarter of their range and replace it with foodservice."

He said Irish stores also offer lessons to UK stores on improving quality and service. "Food is not only made on

site but prepared to order,"

bespoke to what you want,

Mr Fender said. "So it's

and you have the theatre of it being prepared in front of you. There's also a much greater focus on healthy food, with salad and fruit bars."

Staff training was clearly a priority – he noted "brilliantly maintained standards of service" – as was the quality of the final product.

"It's not cheap – €6.50 for a sandwich – but consumers still feel it's good value because the quality is so high," said Mr Fender. "You have to wow your customers and let your product sell itself." Mr Fender has worked in the convenience industry for 20 years, including 17 years at the helm of research firm Him!. He visited a dozen stores in Dublin as part of a research trip for e-learning company Bolt, which aims to emphasise the importance of staff training in the convenience sector.

"100,000 members of the public join convenience stores every year, but according to the industry's own data, 22% get no induction training whatsoever," said Mr Fender. "That needs to change."

### Free teacake treats wow the customers

Customers at Imran Ahmed's Premier Poplar Stores in Huddersfield enjoyed free Tasteez teacakes samples. The store stocks a range of niche and local products and - during an Academy in Action visit with PayPoint last week – developed a plan to use social media to tell more customers about the latest products to arrive in-store. "Imran also works with the local school and good causes, but he's not getting enough good press, which social media can help with," said PayPoint's regional development manager Matt Stringer.



### Margin cut on stamps 'is a kick in the teeth'

A retailer has described the Royal Mail's decision not to increase profit margin on stamps despite a price increase as a "kick in the teeth".

Royal Mail has confirmed the price of stamps will increase on 27 March by 1p to 65p for a first class stamp and to 56p for a second class stamp. However, cash margin will remain the same for retailers across all pack sizes, which equates to a percentage margin cut of between 0.1% and 0.2%.

Julia Bywater, of Bywater News in Dudley, has raised concerns about the move.

"We're barely making a penny on a stamp," she said. "We've always been one of the newsagents who will sell single stamps to the regular customers but we'll probably stop selling singles altogether and I won't be surprised if it stays at that level for the foreseeable future."

### Roy Eaton's funeral date

The funeral of past NFRN national president Roy Eaton will take place on Tuesday.

Mr Eaton died last week, aged 85, after suffering a heart attack. He was national president from 1980-1981, district president in 1970 and a former national councillor. He was also put on the Mersey, Dee, North Wales & Isle of Man district's roll of honour in 1980.

The funeral service will be held at Blacon Crematorium in Chester at 2pm, with refreshments served at the Mollington Banastre Hotel Chester after the service.



### 'Proactive' approach to deter in-store crime

Independent retailers can protect their business and increase sales by providing great customer service, according to a security expert.

Speaking at the Association of Convenience Stores' Crime Seminar, Michelle Douglas, River Island national safety and loss manager, said the retailer has introduced a 'no arrests in-store' policy and launched the 'ACE service scheme' in a bid to protect its staff and deter thieves.

"ACE stands for 'acknowledge', 'connect' and 'engage'. We now do not arrest anybody in-store because it puts staff at risk of harm and it leaves you with scared employees," she said.

"Instead, we offer a proactive service which reduces loss, reduces verbal abuse and violent incidents."

The aim of the scheme is to greet customers and offer them help while they browse. It is a way to subtly communicate with would-be thieves the staff are aware of, while providing great service to legitimate shoppers who are then more likely to make a purchase.

The seminar also heard from an anonymous professional shoplifter who said the biggest weakness a store can have is poor customer service. 21

# **YOUR VIEWS**

### **YOUR LETTERS**

### Camelot's direct debit error left us without lottery and out of pocket

We have been a lottery retailer for 15 years and got cut off by Camelot after we changed bank accounts.

Camelot's action meant we were without the lottery for around 24 hours and we feel we should be reimbursed. It's not a large amount of money, but they could look at our average spend to work it out.

From the beginning, Camelot said it would be in contact to give us further guidance.

However, it cut us off because it had removed our old mandate and not set up our new one, thus requiring an interim payment that we didn't know about.

We feel they could have been clearer. When we phoned up to complain about being cut off they told us they had notified us by letter, however the letter was sent on the same day they took action – Monday 16 January. To add insult to injury, it was posted second class and it said we'd be cut off at midday – not 11am We have been a lottery retailer for 15 years and got cut off by Camelot after we changed bank accounts Ashley Kempson like we were. Camelot has our email address and could have emailed us. Straight after it happened I called Camelot, which said we'd get connected when the payment was received – checking on a half-hourly basis. We weren't connected until the next morning after we called them again at our own cost.

> Ashley Kempson KP Stationers, Wallingford, Oxfordshire

A Camelot spokesman said: "This was down to a slight timing variance - the new direct debit was being finalised, while the old one had already been cancelled. If a direct debit fails, the National Lottery terminal is automatically switched off while we investigate. Although Mr Kempson made a manual payment soon after the switch-off, this didn't reach our bank account until after 10pm. The terminal was switched back on at 9.25am the following day. We depend on Mr Kempson to sell National Lottery tickets and want to keep any disruption to an absolute minimum, so we're sorry for any inconvenience caused."

### Short supply of newspapers leaves us short at the till

On 11 March I was short of four copies of The Telegraph. I did claim

those copies but did not get them. So, I am £8 short in my till. This is what happens when you have a monopoly in wholesale and weak publishers.

From 13 March, we have had our newspapers from Milton Keynes. I don't hold my breath for any improvement in claims.

I would like to hear from publishers with some positive response and ask what penalty they would impose on wholesalers for any mistake, regardless of how small it is. Would Smiths senior management like to credit my account with £8?

Recently, I have completely refurbished my shop and I have no regrets of reducing my news. The reason for this is the lack of return on newspapers, delivery charges, and no direct contact with publishers or senior managers at the wholesalers.

In any other industry you can speak to people in authority.

Vijay Patel Higham News, Higham Ferrers, Northamptonshire

#### **A Smiths News spokesperson**

**said:** "Mr. Patel will be contacted directly to discuss and resolve the concerns raised."

### YOUR SAY How are e-cigarettes selling in your store?



### Nishi Patel

Londis Bexley Park, Kent They are still a great growth area for me. I've definitely had more people coming in and asking about the starter packs and about the different flavours I do. I have been selling three liquids for £12 which has gone really well. I have noticed people in their 40s and 50s are coming in to try them because they are trying to kick cigarettes for good, particularly with all the price rises.

### **Adrian Thompson**

Mace Filby, Great Yarmouth I have noticed a decline in the past couple of months. I think it's for different reasons for different people, but to be honest, people are trying to just cut out the cigarettes now or cut down the number they smoke. It was a bit of a fad really and they're not cheap so that's probably playing a part. Most people now seem to be more focused on just cutting down.

### Meryl Williams

Pike's Newsagents, Porthmadog We have seen a sales decline in the past couple of months; I'm not sure why really. There is always a new e-cigarette product coming out so it could be to do with more people buying more advanced products which we don't stock yet. It's hard to say, but I think because there's always new things out there, and that might be why people are going elsewhere. Our cigarette sales seem to be staying the same.

### **RN READER POLL**



Has your wholesaler helped you develop your business?

### **NEXT WEEK'S QUESTION**

Would a second Scottish referendum be bad for business?



### **MORE PROBLEMS ARE THE REAL REASON FOR MORE COMPLAINTS**

#### I read with interest the 'Wholesaler complaints are up 43% in 2016' story (10 March issue), but I'm afraid I don't entirely agree.

We have problems with

our wholesaler a few times a week, so we simply don't believe it's wholly due to increased awareness of complaints processes.

We think it is as simple as retailers are experiencing a higher rate of problems than they have before, not only the fact that people are more aware they can complain.

If I was a wholesaler, I would probably think the number of complaints were staying the same and that the

Wholesaler complaints are up 43% in 2016 plaints about rs in 2016 to an awareness of the by 43% year on year to 166. Of those, 75% were made against Smiths News and rot control to the sales of the against Smiths News an 8% Menzies, with 34% relating to delivery time lines and 22% relating to ber of comple

it - that's not the case

statistic that says 75% of

those complaints were

made against Smiths

is a ridiculous figure; they're obviously having

a lot of problems. It

restructuring is

for retailers and

lot of branches,

which I think is

staff alike.

strikes me the whole

causing difficulties

It has closed a

in my opinion. The

combined Costcutter and sides

PDRP chai e. an Neil

only reason there has been a rise is because more people report

members in various ways. port package

a cost-cutting exercise, thus the high-level of complaints from Smiths News' customers.

ers struggling to speak to

ve their proble

peopue will res

ned

**Raiesh Ganatra** Sweetnews. Luton

**Smiths News did not** respond to RN's request for a comment by the time of going to press

### YEARS AGO 17 March 1917

The Gardener offered a solution to the mid-war food shortage by giving away free packets of turnip seeds, as well as articles on potatogrowing success and poultry keeping.

### **AROUND WITH** THE ROUNDSMAN **Blanche Fairbrother**

Storm Doris certainly made her presence felt. I came home to find my television ariel had blown down, damaging part of the roof, a panel had blown out of the fence and broken, and the bird table had fallen breaking the top.

It meant an afternoon spent tidying up the mess and finding a roofer. He said he had been called out many times and I thought it's an ill wind that does no one any good.

The roofing and fencing trade will be coining it in for weeks.

I read Mike Brown's column on the closure of the local library and bank last week - it just doesn't make any sense.

The same thing has happened at Eccleshall, which is a very busy village with a number of shops, including a large Co-op, small supermarket, Post Office, busy chip shop, a couple of takeaways, and three pubs.

It used to have two banks - Natwest and Midland Bank - but both closed meaning people have to travel to Stafford or Market Drayton.

I do wonder where the common sense is when decisions are made.

They are building lots of new houses there and despite what these whizz kids, who live their lives pushing buttons and staring at screens all day think, there are still a lot of people out there who prefer personal over the counter service.

I have seen the first lot of lambs out in the field at Mr and Mrs Bracknell's farm at Loynton. They are Jacob sheep and are so cute with their posh brown and white fleeces.

It is March and it looks to be coming in like Lion, will it go out like a lamb, as the old saying goes?

### **YOUR SOCIAL MEDIA** COMMENTS THIS WEEK contact us facebook.com/ThisisRN

and @ThisisRN

**#DailyMirror** puts its price up and whilst thanking us for our "much-valued support" cuts retailers' terms by 4%

Kirk Ella News @kirk\_ella\_news

Anyone fancy a swim? #WetMagazines #menzies

Loch Lomond News @LochLomondNews



Always good to know we can support local suppliers. One Stop working with Royals Leamington Spa

Sunder@ One Stop @sundersandher

We've been a little busy since 6am - I think we will be needing a collection from @RoyalMail & @parcelforce soon! **#NearlyFull Boscombe East PO** 



This week I've covered two meetings for @ThisIsRN and it's great to see how passionate indie retailers are about the challenges they face.

Simon King @simonkingmedia

@bepo836

Beginning to look like a **#cafeloungebar** now **#Barista #coffee** the aroma is amazing!!! Dan@WhitstoneStores



### r, NFRN head f news Brian Murphy alled the complaints rise "alarming" and questi whether the PDF's role

#### 17 March 2017 • RN



### 24 **YOUR REGION**

### **REPUBLIC OF IRELAND** NFRN DISTRICT COUNCIL 28.02.2017

Jack Geary reports from the NFRN Republic of Ireland district council meeting

### **Smuggling is still** a maior worry

The ongoing threat of smuggling, was discussed by delegates.

Olivia Brennan, a representative from Retailers Against Smuggling (RAS), wrote to members about the organisation's ongoing efforts to combat the issue. This includes working on a private member's bill on fuel, tobacco and alcohol alongside Irish political party Fianna Fáil.

Members welcomed the move and spoke of their own experiences with smuggling. They said cigarette sales were down in January, which was attributed in part to the rise of illegal



Mulligan

Midlands & West member Martin Mulligan added this was an issue that would have to

Ireland.

cigarettes across

be addressed. "We are all affected by this," he said. "It is an illicit trade and it is growing."

An event in order to raise public awareness is scheduled to take place in July and a formal meeting has been tabled for the third quarter of 2017.

### **Podcast promotes** use of local shops

Broadcaster Ryan Tubridy has spoken out in support of small newsagents and used a February podcast to encourage people to support their local shops, a move which was welcomed by delegates.

He pointed out lossleading hurts smaller institutions and adjustments to legislation have hit smaller stores particularly hard, adding store closures mean that "the heart and soul is



being ripped out of the towns of Ireland".

Members welcomed the support and agreed more and more newsagents are being closed. The recent closure of Barrett's in North Dublin means there are now no newsagents in Raheny, so the local butcher has started to sell newspapers.

Martin Mulligan said: "Vendors are expected

to deliver the same degree of service - this is the only sector where there is an expectation to receive

### Your say

### What are you doing to improve efficiency in your store?



have benefited by putting in place better staff rotation - having the right people working at the right time. We've also saved money through the installation and use of LED lighting in-store.

**Peter Steemers** Steemers-O'Leary's, Co Wexford

We are all affected by smuggling. It is an illicit trade and it is

**Martin Mulligan** 

growing

The growth of illicit tobacco is an ongoing Worry for RoI district council members

> more for less." Chairman Peter Steemers added: "Rural business is at a low ebb everything is breaking records in the wrong way."

### Some business rates up 300%

Business rates are rising by as much as 300% due to an ongoing review of stores across Ireland, council heard.

The current revaluing system involves looking at the worth of the premises on the open market, and adjusting the store valuation and rates bill accordingly. For some, the last rates review was

carried out up to 40 years ago, resulting in large increases

Members discussed one Roscommon-based newsagent whose rates had become particularly high, and they pointed out the disparity between the rates of businesses in different areas

Dublin member Joe Sweeney said: "There appears no proper rule that applies as to how they assess the rates.

"I had my rates reviewed a year ago, and I was one of the fortunate people who got a reduction in my rent - I was very happy with that.

"But I would get quite angry about individuals getting 100%, 200%, 300% increases. It's outrageous. I wish there was some way we could get it through to the authorities that we need an even playing field and there's a way to keep a control on these readings which are different across the whole country."

Affected members were advised to take up any concerns with an independent assessor.

### **Carriage up again**

Delegates agreed to take formal action against carriage charges, after fees were increased again.

Members agreed they would continue to challenge the new charges, and began drafting a letter which would require a formal response. The letter will address the concerns of NFRN



members, objecting to the increase in charges and requesting evidence to justify the increase.

"As far as we are concerned, no increase is justified," said Joe Sweeney.



Peter

Steemers

a lot. We've learned new skills in watching dates and more prudent buy-

ing. We tried out bulk buying and palette buying and it's paid off with more offers, which has worked well for us.

#### Martin Mulligan

Mulligans Londis, Co Westmeath

I suppose during the recession we learned



broker who keeps me aware of the best price on the market. We keep a very tight control of wages, as it's our biggest cost. That might mean rejigging hours.

Joe Sweeney Newscentre. Dublin

# YOUR REGION

### WEST MIDLANDS NFRN DISTRICT COUNCIL 06.03.2017

### **Simon King** reports from the NFRN West Midlands district council meeting

### Stick together to meet challenges

Incoming district president Manjit Samra called on members to unite in the light of major challenges this year.

Mr Samra said: "I am calling for unity; for members to stick together to work together and help one another.



"We have a number of challenges this year, with the new tobacco legislation about to hit us

in two months' time, the farce that is business rates, food hygiene regulations, sugar tax and retail crime. The list goes on and on."

Quoting former US president John F Kennedy. Mr Samra said: "While JFK said 'It's not what your country can do for you, ask what you can do for your country', this also applies to us.

"It's not what the NFRN can do for you, it's what you can do to progress the district and the federation."

Mr Samra mentioned the introduction of the new £1 coin on 28 March, reminding delegates that the old one is still legal tender up until September.

"Then there is the new £10 note, scheduled for the summer. Those of you that have ATMs, make sure you update them so they can accept the new note," he added.

### Be on lookout for contactless crooks

South East Birmingham member Narinder Randhawa raised concerns following an article on contactless card crime in the Daily Mail.

Mr Randhawa said banks are racing to fix a Council members heard about a Daily Mail report that contactless

Customers

who ask if

you accept

contactless

people who

you don't

recognise

Narinder

Randhawa

Retailer, Birmingham

are, generally,

cards can be used eight months after being reported stolen

**Delegates take** 

to poundzone

Delegates expressed

concept presented by

membership services

manager Chris Apple-

Chris

interest in a poundzone

security flaw in contactless cards as it had been revealed that thieves can use them for up to eight months after they have been reported stolen.

Mr Randhawa said: "From customers that we do not know, we will only accept payment by Chip & PIN or Apple Pay.

"Customers who ask if you accept contactless are, generally, people who you don't recognise."

West Birmingham member Sukhdeep Balaghan advised delegates to check statements to ensure they had not been duped.

### Your say

Will you sell all your non-compliant tobacco stock by 20 May?



sellers have already been sold. The deadline has been known for a long time, so it hasn't been a problem.

Randhawa News.

Birmingham

**Narinder Randhawa** 

We should sell it all before the deadline,

but if we don't our reps have said that they will take it over. I've already changed some of my slow sellers with reps.

**Amy Sandu** News & Booze Express, Staffordshire



definitely not have sold all of my non-compliant stock by then. I bought products for regular customers but have now been left with them.

I am really

concerned

**Manesh Pancholi** Birchills News. Walsall

ary and it had helped to grow his business by 20% compared with the same period last year.

"In this example, the poundzone has changed the perception of his shop and people now come to him first rather than go to the big boys."

Wolverhampton member Julia Bywater. elected district vice president at the AGM. asked where £1 signage could be purchased.

Narinder Randhawa told the meeting a company had been approached to design the signs.

### **Rogue business** advisers warning

Central branch member Anne Newman said she was "really worried" about rogue business rate advisers potentially targeting

independent outlets. She said: "I don't un-



derstand the logistics, but we have seen it before where a company offers to help a business.

"All these 'companies' need to do is contact little newsagents and I am really worried that these members may be targeted."

Manjit Samra offered to put members in touch with a company he has used, which works on a no win, no fee basis.

### **Report issues**

Membership services manager Chris Appleton highlighted that in the week commencing 19 February, there were only 20 registered complaints from 1,306 West Midlands members to the NFRN. He said: "It's imperative that members report all problems."

### 25



ton.

He said:

"Stores have

been boost-

lv turnover

ing their

week-

#### 17 March 2017 • RN



### 26 **YOUR REGION**

### EAST MIDLANDS NFRN DISTRICT COUNCIL 07.03.2017

### Simon King reports from the NFRN East Midlands district council meeting

### Merger scrutiny should be priority

Delegates argued the competition commission should investigate Tesco's £3.7bn merger with Booker as a priority.

Hincklev member Mike Hopkins said: "We could have a situation where Booker might refuse to supply you because you're near a Tesco and a One Stop or a Premier.

"If nothing changes with Booker, then it is wonderful. But things will change because it's

been bought out by Tesco - and we know how autocratic Tesco can be." Mr Hopkins Mike said if the Hopkins companies

integrate 'properly', the merger could be good news.

He added: "Tesco will realise there is a level below which it cannot economically work, but we can."

Nottingham member Anna Patel said: "Booker has never been interested in supporting independents; if it has two Premier retailers in an area, it doesn't want a third one."

District president Alan Smith said the merger may make other operators, including Bestway and Costco, step in "if Booker doesn't play fair by us".

Leicester member Sunil Patel said: "We go to the cash and carry for the best pricing. Bestway and Costco will not be able to compete if Booker and Tesco get together."

### News supply is worst in 30 years

Alan Smith said members are going through one of the worst periods



from news wholesalers he had experienced in more than 30 years in business.

Mr Smith said: "I've told Smiths at Nottingham it should make plans for the papers to come in near cut-off time everyday. One day we got an email that the papers were late because they arrived after 2.20am, when the cut-off time is 3.30am - there is something wrong in Nottingham. They should have enough time in that period to meet everyone's RDT but it doesn't happen.

"I've put in fast track restitution forms that have not been responded to and I've put in queries

### Your say

being added to the district roll of honour

for RDTs that have not been responded to." Meanwhile. Peterborough member John Green presented the findings from the Smiths Ramification Report, which detailed the transfer of business from the Northampton depot to a new facility in Newport Pagnall.

> Mr Green said the report would not affect businesses and that it would not effect RDTs.

Northampton member Matthew Croft said his magazines and newspapers had been coming from the new depot

John for around five Green weeks

Coca-Cola is to trial a deposit return scheme for drinks containers in Scotland to increase recycling and reduce litter. Do you think this is a good idea, and would it work in your area?

This is a very good idea. When I

first started in business in 1988, Barr Soft Drinks ran a deposit scheme. Such a scheme now would make consumers more responsible, reduce the waste, and bring customers back into the

store. **Jack Patel** IRS News Nottingham



however, we live in a disposable society, so I don't think

it will work. Consumers would not be prepared to pay the deposit and the storage needed instore would make it a hassle

**Depak Tanna** 

Francis Street News Leicester



The problem with the Scottish trial is Coca-Cola

is running the scheme in isolation. Coca-Cola does not cover the entire soft drinks category. This would need a crosscategory approach to be successful. That said, I am not interested in a deposit scheme. **Anna Patel** 

Star News Nottingham

Mr Croft said: "Smiths phased it in route by route. We've experienced missing totes of magazines since the changeover; before we never had any issues at all and believed we were serviced well. It is disappointing that after a good service, it feels like we're going back."

### Get selling noncompliant stock

Alan Smith encouraged delegates to sell through their non-compliant tobacco products before the 20 Alan May deadline.



Ron Kendal, membership services manager, suggested members in the district help each other out with non-compliant stock

Mr Smith added: "You don't want to be left with any non-compliant stock on the shelves on 20 May when plain packaging comes in."

### **Terry added to** roll of honour

Long-standing member Terry Jones was added to the district roll of honour by Alan Smith.

Northampton member Mr Jones joined the NFRN in March 1982 and became the branch secretary in 1992.

Mr Jones said: "I am delighted and proud to be added to the prestigious district roll of honour."

Northampton member Matthew Croft said: "The branch has had patchy times with membership and attendance, but if it wasn't for Terry and his continued efforts in getting members to meetings, I'm sure it would be a struggling branch."





**Tesco** will realise there is a level below which it cannot

economically

work, but

**Mike Hopkins** 

Retailer, Hinckley

we can

# **INDUSTRY PROFILE**

## Food & Drink Federation

The Food & Drink Federation's director general Ian Wright says independent retailers must prepare for all Brexit outcomes and the massive impact it will have in the UK. He speaks to Gurpreet Samrai

### RN What are your main priorities this year?

IW Brexit, the childhood obesity strategy, plus the prosperity and integrity of the industry. I also have a personal aspiration to grow the Food & Drink Federation to be the most effective representative body in the British industry.

### RN How will Brexit impact the food and drink industry?

IW It's going to have a massive impact and the job of people like me is to both chart what those impacts will be, and mitigate as much as possible where these will be damaging. Separately it's also my job to optimise to get the biggest possible bang for our buck out of the opportunities Brexit creates.

### RN What are your biggest concerns in relation to Brexit?

IW Right now, it's access to labour and that falls into two parts. Firstly, the immediate situation of the 120,000 European workers we have in our manufacturing industry, and, by extension, the more than one million workers the food chain employs from farming to fork, and making sure those people are secure in their futures in this country. The other priorities for us are the food regulation regime, customs and tariffs.

### RN What is your advice on Brexit to independent retailers?

IW Start preparing for three possible scenarios. One, it all goes swimmingly, and we have an orderly exit and the prime minister is able to maintain our wish for frictionless borders. The second is we crash out in a very disorderly way, there's no deal and we can't reach an agreement. And the third is we can't get a deal in the time available and we therefore go into extra time without any real clarity.

#### RN Various manufacturers have blamed recent price increases on Brexit. Do you think we will see more?

IW Manufacturers are having to pay 20% higher costs for the products they bring in. A lot of manufacturers had hedged and therefore were able to withstand the currency for a period, although those hedges are by and large unwinding now.

I don't think it will necessarily continue to happen, but we need to be aware there are other pressures in the system such as harvest for fresh food and labour costs.

#### RN What impact do you think the Booker-Tesco deal will have on suppliers' negotiations?

**IW** We don't know how Booker-Tesco is going to structure its buying.

### \*\* Company CV \*\*

\_\_\_\_\_

**Company** Food & Drink Federation **Director general** Ian Wright **Profile** The federation acts as the voice of the UK food and drink industry, which accounts for 16% of the total manufacturing sector – the largest in the country – and employs around 400,000 people in the UK across 6,620 businesses.



\*\*

It will have 20% extra buying power, but it might manifest itself through different buying teams for the convenience channel, for mainstream Tesco and for the wholesale channel. Suppliers already deal with Tesco

Suppliers already deal with Tesco, Aldi, Lidl, Asda and Booker. It is a new factor to consider, but they will become confident in dealing with the new merged Booker-Tesco company.

### RN How do you help and support independent retailers?

IW We have great relationships with independent retailers, they are 20% of our customer base. I've spent the past 20 years working for two companies – Boots and Diageo – both of whom had shoppers right at the heart of what they do. So, my bias is towards thinking about retailers in everything.

Living in the countryside, where the closest store is Londis, when I think of shops I don't just think of Tesco or Aldi or Sainsbury's, I think of Mr Singh who runs my local shop and am committed to making sure they are in our heads.





## COLUMNIST



Guest columnist Barry Frost

## Futureproof your business

If you want to expand or take on a new site, there are plenty of questions to consider. Barry Frost guides you through them

ore and more business owners are expanding with new sites as they work to take advantage of new opportunities and trends in the industry. From a commercial property perspective, an important question to ask is what can be done to ensure a store has the flexibility it needs to adapt and change – now and in the future.

There are several things to think about when considering how to expand or adapt an existing business. There is even more to think about if you are thinking of taking on a new site in a different location.

With rented properties, the key to being flexible in your offer lies in what the lease actually permits you to do and sell. More importantly, there are also the covenants in place that prevent you from selling certain items, such as alcohol or news and magazines.

Typically, leases have what is called a permitted user clause which will identify the main use of the shop as a newsagent, post office or general store, for example. Generally, these clauses were written years ago and in most cases they don't reflect modern trends in retailing, where the need to diversify and bring in additional products has been essential.

Before considering what you can do, it is important to look at what you can't do.

Many landlords, councils and housing associations in particular

tend to have commercial properties in blocks. It is fairly normal for them to have a user clause that may state the property can be used as a newsagent, but a covenant elsewhere in the document that restricts the sale of alcohol.

These covenants can sometimes be renegotiated, especially where a new store is being considered, the property has been empty for a while and the landlord is keen to get a new tenant in. Lease renewal time is also a good time to test the water with a landlord to see if they will let you expand your range. There is no guarantee with this, however, as landlords only need to offer a lease on the same terms unless something different can be negotiated. It's worth remembering leases are legally binding documents, but anything can be changed with the agreement of both parties, so it's always worth asking, even if you suspect you may be told no.

### \* Checklist

- **Read leases** carefully and don't be put off by the jargon
- + Don't be frightened to ask a landlord about making changes
- to user clauses. If you don't ask, you won't get
- **Try to** ensure leases give as much flexibility as possible as to what you can sell

**Don't forget**, changes to existing leases can be made if all parties agree

Consult a property professional if you are nervous about speaking to a landlord or agent



An important question to ask is what can be done to ensure a store has the flexibility it needs to adapt and change – now, and in the future When looking at a new site, it is important to have as much flexibility to sell as greater variety of produce as possible, even though you might not choose to sell certain things when you first open. A business that can sell more is likely to build a significantly higher value than one which has a narrow user clause and restrictive covenants in place.

Many user clauses I see these days simply aren't fit for purpose because they were written at a time when convenience retailing didn't exist as it does today. It's therefore always a good idea to try and modernise this and gain greater flexibility at the same time, if possible.

But remember the ability to sell a wider range of produce may mean the landlord might ask for a slightly higher rent if the open market value increases.

Ensure you always get the landlord's agreement before adding a product line so you are not in breach of any covenants in the lease.

The pace of change in this sector has been so rapid of late that it is difficult to predict which new trends or products may come next.

However, it will be the business owner who has ensured they have a shop and premises that can adapt and take advantage of anything new that will be in the best position to reap the benefits.

Barry Frost is managing director of Commercial Plus

# Which five products could make you an extra £8.5k in sales per year?

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### Find out only in RN's What to Stock 9 June

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Red Bull 💡



WTS house ad.indd 1

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## **ACADEMY IN ACTION**



# Effective Ranging

The IAA's **Gurpreet Samrai** joined CCEP's Tina Childs and retailer Hitesh Modi to help identify improvements to his range.



Name:	Hitesh Modi
Shop:	Costcutter Newsagents
Location:	Chesham
Size:	800sq ft
Staff:	2 full time, 3 paper boys

The Independent Achievers Academy is a learning and development programme. Academy in Action shows how retailers like you are working with our partners to use the Academy's advice to increase sales and profits



itesh Modi runs two Costcutter shops, a CTN and an off-licence, on a small parade of shops in a residential area in Chesham. Along the same parade, a door down, his father-in-law owns a grocery-focused Costcutter and a Post Office.

Hitesh has made a clear distinction between his two shops and his fatherin-law's by clearly segmenting them by shopper missions. The CTN focusses on core ranges with predominately pricemarked products, news and mags, tobacco, the National Lottery and parcel delivery, and the shop next door is a traditional off-licence. While his fatherin-law's shop contains food-to-go, meals for tonight and groceries.

With space in his shop that could be better used, Hitesh is looking for new opportunities. He has recently introduced a coffee machine, but wants to make better use of the space he has and introduce new products.

### **Hitesh's Challenge**

Hitesh knows his range requires expansion but needs advice on how to do that without competing with the other shops.



### **HITESH SAYS**

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We try to introduce different products and services such as the coffee machine, Millions sweets, slush machine and a range of American-style sweets, but we know newspapers and magazines are struggling. We want to know whether our 7.5m magazine stand should be reduced, what we're missing in the shop, what new products could work here and how we can expand our range without directly competing with my father-in-law.

. . . . . . . . . . . .





### **IAA ADVICE**

#### **Review and adjust** your core range

Hitesh has four branded fridges in his shop with a wide range of soft drinks. He has all the key brands in bottle, can and carton variants across the fridges, but in one fridge Tina sees sports drinks are on different shelves with higher priced ones on the top shelf and lower priced at eye level. She suggests blocking all the sports drinks together to encourage shoppers to trade up. "Blocking the colas together to make it easier for shoppers and adding a Cherry variant which is often an incremental purchase."



Action: Add more no added sugar variants to offer consumer choice

Tina also notices no added sugar variants in products such as Ribena, and Capri-Sun are missing and suggests Hitesh adds more to offer better choice to consumers.

#### Identify new niche and 2 local products to stock

Hitesh has a 7.5m bay of magazines and says adult colouring in and children's magazines sell well. "Try putting colouring pencils next to the colouring in titles and introducing collectables toys such as Shopkins to encourage additional purchases," says Tina. Hitesh says he is keen to introduce other products and suggests expanding the shop's card range which he sources from three companies including a local business.

"Look at stocking cards from a local supplier

featuring landscapes of the area, and other local

items such as everything you need for a barbecue.

Ask customers if there's anything else they'd like you to sell

With four shops owned by the family on the parade,

customers can buy everything from newspapers to

food to go and customers go to the different shops for

their specific missions. Hitesh is very engaged with

the community and Tina suggests he tap into that to

She suggests carrying out a survey with a prize draw

he can send them promotions and find out what new

products they would like to see in the shop. He adds the

surveys can be delivered with newspapers and offered

find out what they would like to buy from the CTN.

to encourage participation. Hitesh sees this as an opportunity to source customers' email addresses so

products to create a point of difference," Tina suggests.

Tina also suggests Hitesh introduces more seasonal



Action: Identify new range opportunities including children's toys and local products



Action: Conduct a customer survey to understand customer preferences

PARTNER ADVICE

in-store to maximise response.

It's been challenging because all of the shops are connected. They've got a really good set up and they're all good quality. There are opportunities to expand the choice of soft drinks and look at magazines, collectable toys and stationery. But they need to get the survey results. You can't look at this shop in isolation, you need to look at everything because it could mean moving offers from one shop to another.

> **Tina Childs Category Planning Manage** Coca-Cola European Partners (CCEP)



## BENCHMARK

& save your progress at betterRetailing.com/IAA

#### Tick all that you see evidence of

Ensuring a strong core range and reviewing it regularly Do you have a list of everything

- in your core range?
- Do you review and update your core
- range at least six times a year?
- Does your core range give shoppers three choices e.g. value, own brand, known brand?
- Analysing sales data and deciding when to delist

  - Do you have a way to understand your best and worst sellers?
  - Do you measure the overall margin
  - on best and worst sellers?
  - Do you check why or what is brought
  - with a product before delisting?

### Identifying new and niche products to stock

- Do you look for new or niche products
- to stock in trade magazines? Do you visit other retailers to
- spot new products to stock?
- Do you have a minimum percentage margin
- on a product before deciding to stock it?

### Understanding customer preferences

- Do you have a comments box or similar for shoppers to suggest new products?
- Do you have a process to decide when
- to introduce a requested product?
- Do staff ask customers if there is anything you don't sell which they'd like you to?

#### Planning and measuring success

- Do you encourage your team to upsell
- on key items to ensure their success?
- Do you measure the stock turn of the products you sell?
- Do you have a long-term plan for how you
- will increase your sales and margins?

#### What's working and things to fix

#### Your action plan

- Review this week's benchmarks in your shop, then save your answers at betterretailing.com/IAA
- Go to betterretailing.com/Academy-in-Action to see more of Hitesh's shop
- Call the events team on O2O 7689 O6OO (Option 3)
- to find out how you can take part in a future visit

## **SHOPPER MISSIONS**

## Make your customer knowledge pay

Suppliers and wholesale groups are united in their belief that the modern store should be built around the reasons customers walk through the door. **Tom Gockelen-Kozlowski** talks to 10 retailers to learn what this means in practice

n recent times it has become common for suppliers and wholesalers to champion a "mission-based" approach to retailing. Rather than placing products randomly, or running promotions without focus, working around "missions" means understanding why your shoppers are visiting your business, what they want and how you can adapt your store's offer to cater to them most effectively and profitably.

If this sounds like yet another bit of jargon, a trend that will disappear in a year or two, then all the evidence points to the opposite. As early as 2014, then Tesco boss Philip Clarke outlined how central missionbased shopping was to his plans for the Tesco estate.

He said the company's aspiration was to: "understand the shopping mission for our customers. Is it a neighbourhood store where they want to top up, or is it a store on the move used for snacking and impulse? We then work on the store proposition, adjusting the space and adjusting the range based firstly on the mission, then, using unrivalled insight from Clubcard, we overlay affluence and ethnicity data, to ensure that the store provides the most relevant convenience range and offer, locally."

And the report in which this comment was made was clear that this approach had already led to success for the company "It has enabled us to tailor the ranges for every single one of our 17,000 Express stores over the last twelve months, and we continue to use this approach to ensure that we are maintaining our promise of delivering the most relevant range for our customers," the report stated.

This is a fascinating insight into the way the industry's biggest player has been thinking for years, but there's good news. Firstly, ever greater numbers of suppliers and wholesalers are providing the support and insight retailers need to identify which shopper missions are most relevant to them. More than his, however, great retailers across the country have already been building their businesses around their shoppers' behaviour for years - providing fantastic real-life examples that show the "shopper mission" theory in practice.

This week, we speak to 10 retailers about the missions that define the way they do business.



John Stevenson has developed a reputation for serving great fresh breakfasts

> Cater for your customers' immediate needs

### **MISSION: MORNING**

#### John Stevenson

Nisa Local, Stockton-on-Tees, County Durham



John has built a reputation in his local community for offering a range of great quality breakfast options – and it's giving him the confidence to take his food to go further

### **THE OPPORTUNITY**

Although we're a forecourt business, there's lots of residential areas around us so it's usually local workmen and busy families who come into the store early on. Our breakfast range and coffee machine is really popular with them.

#### WHAT I DO The range

• Full English Breakfast tray (£3.99) We serve these from our hot counter as well as smaller breakfast wraps for £2.99. They sell right through to 1.30pm.

• **Costa coffee** (from £2.30) Our machine is popular during the mornings and the afternoon but it's most popular in the morning rush.

• **Porridge pots** (£1.49) They don't sell as well as our fresh breakfasts but add a healthier choice. We also make our own yogurt and granola pots.

• Newspapers (varies) Customers buy from around the shop once they're in but newspapers are definitely among the most common linked purchases.

#### **THE LOCATION**

Our food to go cabinet is essentially a continuation of our till and at the end of that is our Costa coffee machine. It means customers can be tempted to pick something up as they're paying for their petrol or general shopping. Our newspapers are actually at the other end of the entrance but customers will often pick up a paper first then get their breakfast.

### WHAT'S NEXT

Breakfast has been a really good bedrock on which to cater for other meals. We have a range of burgers, hot wraps and are about to bring in a range of salads for later in the day. Having a breakfast offer already means customers know the quality of our food.





#### WORK WITH YOUR SYMBOL GROUP

Mike Owen Category director fresh and frozen foods and direct to store solutions, Costcutter

In 2017 we are rolling out our new food to go strategy which gives retailers a framework around which they can create a fully-tailored offer, both in size and product mix, to meet the needs of their local shoppers.

#### THE RIGHT PACKS SPEED THINGS UP Kevin Verbruggen Head of brand, Weetabix

We're committed to making it quicker for shoppers to find our packs and easier to navigate the cluttered cereal fixture - this is something which can really help with the morning mission. We've simplified our pack designs to focus on the main brand cues to help this further.

### **MY MISSION: NEWSPAPERS**

Because of the area we're in, I've noticed it makes a big difference when there are more visitors around. When the tourists come and the caravan parks open for the season I notice we sell more of the higher-quality titles, rather than the tabloids. We make sure people see newspapers as soon as they come through the door because we have a stand at the front. They don't tend to ask us about the newspapers because they know which one they want when they come in, but we are always ready for questions about magazines.

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Breakfast has been a really good bedrock on which to cater for other meals Meryl Williams Pike's Newsagents, Porthmadog 33

FRIES

from your in-stor

## SHOPPER MISSIONS

### **MISSION: LUNCH**

#### Paul Edwards Edwards at Townfield.

Edwards at Town Noctorum, Wirral



It's nine months since Paul opened his enlarged, freshfocused convenience store. Tapping into the local lunch trade has been key to his success

### THE OPPORTUNITY

There's a doctors surgery near to our store and the staff and patients all come in looking for lunch. We also have a school nearby, so we get a lot of school kids.

### WHAT I DO The range

• Locally-made sandwiches (£1.70-£1.99) We make 35% on these on sale or return and the company regularly updates the range of fillings.

• **Pasta pots** (£2.50) These are popular with women and help give our range some healthier options.

• Booker sandwiches (£1) These come with a 30% margin and more than 10 days life. They are popular with local school children.

• Sausage rolls etc (varies) We introduced bake off and food to go last year and now make £470 per week, though our wastage is currently too high.

### THE LOCATION

Our store has a chiller that faces the door and two weeks ago I switched from stocking local meats there to our fresh sandwich range. Our sales immediately went up from £270 to £450 in the first week. Our sandwiches were always just round the corner on a nearby cabinet but now they're really in people's faces and it's made a big difference.

### WHAT'S NEXT

I'm looking at introducing a meal deal with crisps and a drink, probably for £2.49 and am talking to PepsiCo and Booker about what I can do. I know if I want to make really good money then we'll need to make our own sandwiches, which is something I might consider soon too.

### INDUSTRY TIPS

### OFFER THE RIGHT FORMATS

Ian Garrett Sales director convenience, Kerry Foods

Shoppers are increasingly looking for healthier options on the move and to help unlock sales, Kerry Foods has turned its attention to adult snacking with the launch of GoGo's in January this year.

### USE BRANDS TO INCREASE CREDIBILITY

**Jen Godfrey** Category manager, Florette

Many consumers do not buy salads from food to go fixtures because they find them uninspiring. Florette therefore launched its Tasty & Balanced protein salads in 2016, presenting shoppers with a leafy based high protein, low carbohydrate lunch option.

### **MY MISSION: TOURISTS**

Our layout is geared for tourists all year round because we are in the middle of the Norfolk Broads, but we move around stock depending on the season. We are busiest from Easter onwards and into summer and that's when we'll put out more gift items and display them in more prominent places, and also put out barbecue equipment. We have had similar products for a number of years but I will always keep an eye on trends to see if there's something new I should be stocking, and always make sure my staff know what is selling well.



Mace Filby, Great Yarmouth

> Snacks are great for onthe-go impulse sales







### **MISSION: TOPPING UP**



After working in a budget food factory Duncan wanted to champion top quality local food. He and his wife Sarah's village store offers great produce that saves customers the time and petrol of visiting a supermarket

### **THE OPPORTUNITY**

Our nearest supermarket is more than three miles away so locals – particular the elderly and younger families – will come to our store to avoid having to travel further.

#### WHAT I DO The range

• Essentials (varies) Bread and milk are big sellers and our milk comes from a local dairy. We get our bread from the Shropshire Oven and sourdough from the Shrewsbury Bakehouse.

• Local meats (varies) We stock meats from local farms too, including sausages, chicken breasts and cooked hams.

• **Pasta sauces** (varies) Customers want to be able to pick up an easy meal option and we have a range of sauces called A Little Bit Saucy and A Little Bit on Top.

• Local vegetables (varies) As far as possible we sell local vegetables. We even grow our own produce, including flavourful beans and potato varieties. The local nursery school sells us vegetables from their garden in the summer. THE LOCATION

When we opened the store we followed supermarket best practice including putting fresh produce at the front and moving round to have top-up products like tea and coffee further back. It wasn't a conscious thing to cater to top-up shoppers but it works well.

### WHAT'S NEXT

Nishi Patel

Londis Thamesmead,

Kent

We're building a new website at the moment which will allow customers to buy products and get them delivered. We'll also offer a click and collect service which will mean people still come through the door to pick up their shopping and maybe buy something else.



### UTILISE OWN LABEL RANGES Cath Mcllwham

Head of brand, Spar UK

We recently redesigned Spar's everyday frozen vegetable range giving them a £1 pricemark to ensure customers return again and again. We have developed a range of slow-cooked meats for quick mid-week meals. The range along with accompa-niments is perfect to meet the needs of this valuable shopper mission.

### USE ONLINE TOOLS Laurie Billsom

Customer marketing manager, Concha y Toro

We developed an online sales tool, Wine Wise (www.wine-wise. co.uk) which gives free category advice and examples of key wines to stock from 'signpost' brands which most wine shoppers are looking for. We've put all our category knowhow into it, to simplify the sometimes complex business of organising a wine range.

### **MY MISSION: PAYMENTS**

Everyone knows we offer PayPoint service so people come in just for that and I generally find it is 50/50 whether they will buy something else. Recently, however, I have been putting more food to go near the machine. That has worked well because people see the sweet things as they're queueing and then they're more likely to impulse buy. I will only have experienced staff using the PayPoint machine and if there's a new staff member I will make sure they are watched for the first day they're doing it, because if you make a mistake it's very hard to change it.

#### 17 March 2017 • RN

**SHOPPER MISSIO** 

### **MISSION: MEAL FOR TONIGHT**

Dal Singh Nijjar Spar Meriden, Coventry

Located at the centre of the UK, Spar Meriden was ahead of the curve at offering fresh tasty and easy to cook meal options – thanks to a longstanding link with a local firm.

#### **THE OPPORTUNITY**

For the past 20 years we've stocked Indian ready meals from a company called Classic Cuisine and, particularly at the weekends customers will come in for a quick meal.

#### WHAT I DO The range

• Classic cuisine curries (from £2.99) We sell a large range including classics like chicken jalfrazi and lamb tikka balti – we also do meals for one for £3.50.

• Sundries (varies) We stock everything from pakoras and mango chutney to onion bhajis and naan breads.

• **Spar ready meals** (2 for £5) This range includes chili con carne, chicken and bacon bakes, shepherd's pie and lasagne.

• **Cobra beer** (4-pack for £4.99) We stock Cobra beer which is popular with our Indian dishes.

#### **THE LOCATION**

Our Indian range is kept with the rest of our meals and our bagged salads in the chiller towards the back of our store. Putting our whole range together means people are more likely to buy extra items but I do want to second site our beers nearby too.

### WHAT'S NEXT

I'd like to offer linked deals between our curries and our beers, for example. We'd like to be able to serve the curries hot in our store but because of our lease we aren't able to service hot food or drink.



### **MY MISSION: THE POST OFFICE**

We introduced the post office to our pound store in 2013 and have found it consistently increases footfall and leads to a bigger basket spend for customers. People buy retail goods with cash they have withdrawn here at the post office and customers would have previously spent that money elsewhere. Parcels are big for us and there are lots of eBay customers who come and use us as their sole distributor. The post office counter takes up very little space and we have a shop counter next to it, which allows one person to operate both tills during quiettimes of day.

Mohammed Cheuhan Pound Plus, onge Fold Post Office

### INDUSTRY TIPS

### ORGANISE FIXTURES BY MEAL

Jen Godfrey Category manager, Florette

So these consumers can quickly grab and go, retailers should consider organising fixtures by meal type or bundle. For example, a ready-to-cook lasagne would be perfectly complemented by garlic bread and 115g bag of Florette Crispy. To generate a higher basket spend, retailers should also think about strategic merchandising with promotions restricted to multiply offers – such as three for £10 on meals.

### **OFFER HEALTHY OPTIONS**

#### Mike Owen

Category director fresh and frozen foods and direct to store solutions, Costcutter

Our data tell us that what we call 'busy impulsers' are looking for healthy, easy and practical meals for the family to eat that night. We have created simple solutions, providing the component parts for consumers to prepare themselves. Some of our most popular options include spaghetti bolognese, pizza and curry recipes.



Putting our whole range together means people are more likely to buy extra items


## **MISSION: BIG NIGHT IN**

Maria Lewis Bargain Booze, Porthcawl, Bridgend

Maria serves her community with a full c-store offer but the business comes into its own when locals are planning events at home with family or friends



#### **THE OPPORTUNITY**

People around here like to get together to watch sport at home because the pubs are so expensive, then there's the cost of getting a taxi home afterwards too.

#### WHAT I DO The range

• **Crisps** (£1) We sell Doritos in plain, cheese and chilli flavours, and Kettle Chips too, all of which we display under the till.

• **Popcorn** (£1) My bestseller is Butterkist Toffee popcorn. Bargain Booze sent other weird and wonderful flavours, but customers prefer this one.

• Chocolate blocks (£1) We sell brands like Cadbury Dairy Milk and Galaxy and display them in our main confectionery display.

• **Soft drinks** (£1.29-£1.85) The prices on soft drinks have gone up lately, but our bestsellers are Coca-Cola and Pepsi. We have a two for £2.50 offer which is popular.

#### **THE LOCATION**

Our shop is tiny so we're restricted on space and display sharing products all around the shop – in the main sections and on stands where I can find the space. Bargain Booze runs "sound as a pound" offers which grab people's attention, so a lot of our stock is priced at £1 because customers seem to like this.

#### WHAT'S NEXT

Bargain Booze is trialling Doritos' new Heatburst flavours with us soon, so we'll give those a try.



## **INDUSTRY TIPS**

#### STOCK UP FOR BIG EVENTS

Amy Burgess Trade communications manager, Coca-Cola European Partners

Retailers should monitor for occasions such as popular TV events, including reality shows like The Voice or Premier League football, and keep stocks high in order to meet demand.

#### BRING IN THE RIGHT PRODUCTS David Lette

Premium brands director, Heineken

Target the "shift" moment during late night drinking occassions. Our new Desperados Dos adds value and expands the beer category to high tempo later night occasions. Built on UK consumer insight, it has a higher ABV at 7% and smaller serve size in 250ml bottles, Desperados Dos also has reduced carbonation, making it smoother too.

## **MY MISSION: TOBACCO**

Our tobacco shoppers are our best customers because they come into the store most often. They pick up anything from hot food to energy drinks and newspapers. Even milk and bread. Our bestsellers are Amber Leaf for roll your own as it's still available in the small packets and Rothman's pricemarked cigarettes at £5.99. The real worry for this category is that the plain packaging is going to be a real menace as we have to distinguish between all of the different products. Despite this our sales are now settling down as customers get to understand the changes and tobacco will be an important footfall driver in the future.

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# ICE CREAM

## Lessons from across the sea

According to Unilever, sales of ice cream are four times higher in Ireland than in the UK. **Dave Songer** spoke to four retailers in different locations across the Emerald Isle to find out how they drive sales

## **NEAR A SCHOOL**

## Lorna Roach

Located near a school, Lorna Roach finds selling ice cream easy in her store in County Limerick. She explains how she appeals to her young clientele to increase sales in this profitable category

#### Always offer something new

New products are always a hit with Lorna's young customers, so she stocks a constant stream of the latest launches, such as Unilever's Minions. "We always make room for new products – retro ice creams like last year's relaunched Freaky Foot always get noticed," she says.

#### Keep your core range stocked up

Despite the popularity of new ice creams, the most consistent sellers in Lorna's freezer remain old favourites, and she keeps good availability of these. "My bestsellers are choc ices and Cornettos – they always sell well," she says.

#### **Try something different**

Lorna's Mr Whippy machine makes her shop memorable and the novelty factor it offers is great for tempting customers back. "It's been behind the till for years and there's no other store in the immediate area that has one. A "99" is €2 and that will give us a margin of around 40%," she says.

#### Don't slash your prices

With high demand for ice cream all but guaranteed, Lorna avoids promotions in this category, instead setting prices to allow for 30% margins. "We tend not to do promotions as ice creams sell themselves. Also, we have such a wide choice there is something for all budgets," she says. **NEIGHBOURHOOD** 

#### **Andrew Johnston**

Centra Kilmihill, Dublin

Take-home ice creams have been so successful in Andrew Johnston's store that he is planning to introduce an extended range of premium products when he develops his business this summer

#### Include ice cream in your refit plans

Ice cream is so popular in Andrew's store that he has dedicated a section of his new layout to it as part of his refit to attract more impulse sales from regular customers. He will install a large freezer by the till, which he expects to be popular with families who already visit the store to buy take-home tubs.

#### Widen your range with the latest trends

When his freezer is installed, Andrew will extend his range of ice creams and tubs with a selection of gelateria-style ice cream from his wholesaler. "It's important to keep up with trends; Musgrave's premium soft scoop ice cream will help me do that and has a better margin too," he says.

#### Match your stock to shopper behaviour

With the extra space afforded by the refit, Andrew says he will stock more ice creams that encourage linked sales. Positioning take-home tubs, which are displayed at the back of the store, alongside dinner ingredients such as frozen vegetables will encourage customers to buy them as accompanying desserts.

#### **Use PoS to entice customers**

Andrew has a branded bin outside his store to advertise the fact he sells ice cream, but post-refit, he plans to use more material to help maximise his impulse sales. "PoS grabs attention, so we'll introduce a lot more posters and in-store shelf reminders," he says.

Category stalwart Fab will soon be 50. "Fab continues to rank highly and is a top choice for shoppers," says Charlotte Hambling, head of UK marketing at Froneri.

New products help boost sales in Ireland "Shoppers are influenced by PoS, with good examples increasing sales by up to 177%," says Emma Mayo, convenience category executive at Unilever.

Do you stock a range that reflects your customer base?



#### **PRODUCT NEWS** Four of the latest products for your freezer

Magnum tubs

biscuit pieces.

New for 2017, Magnum tubs

Dairy Milk

contain vanilla ice cream

and shards of chocolate.

They are available in

#### Häagen Dazs

With a range including Salted Caramel and Vanilla Caramel Almond, these 70g ice creams are available in three-bar multipacks with a £3.49 RRP.



#### Calippo Combo

Unilever's latest Calippo is a Strawberry & Vanilla flavour fruit ice designed to appeal to kids and adults.

## **TOURIST TRADE**

#### **Peter Steemers**

Steemers-O'Leary, Ennisclothy, County Wexford Many of Peter Steemers' customers are tourists visiting the coast, so he knows it is vital his store makes a good first impression. For his ice cream, this means a rigorous cleaning regime and in-store theatre

#### **Maintain high standards of cleanliness**

A big proportion of Peter Steemer's sales come from a Carpigiani whippy-style dispenser. He says greattasting ice cream is about keeping this machine clean. "I clear the lines twice a week and I take it apart to clean it every two weeks. It's quite a lengthy process but it's totally worthwhile to get the best product."

#### Take advantage of big events

Peter's most popular day for ice cream sales is St Patrick's Day. "I can sell up to 300 – around 100 more than I would on a normal busy day." Peter also takes advantage of the opportunity to create in-store theatre around it. "I add green food colouring to my ice cream for St Patrick's Day. It's a great idea to tap into major events," he says.

#### Drive spend with the novelty factor

Peter offers a range of flavoured syrups and toppings to boost spend and, with his ice cream machine, he adds more than 25% to the price by adding toppings. "A €1.85 ice cream climbs to €2.35 with two toppings. It always surprises me how many people go for them," he says.

#### Make a great impression

Peter has maintained high standards since opening his store 30 years ago and this has paid dividends, with repeat custom from visitors to the area. "We often have people who have been here before and make a point of visiting our shop," he says. A €1.85 ice cream climbs to €2.35 with two toppings. It always surprises me how many people go for them

According to Carpigiani, £10 worth of mix poured into its machines will produce £210 worth of ice cream, meaning the first few cones a day pay for the machine.

## **HIGH STREET**

#### James Callanan

Costcutter, Tipperary, Munster

James Callanan's high street Costcutter stocks a comprehensive range that is so popular, he brings out a second freezer in the warmer months

#### **Double displays for summer**

James Callanan's ice cream sales hold up during the colder months, but to make the most of summer sales spikes, he installs another freezer when the weather gets warmer. "Sales pick up in the summer, and caseswise we'll sell around 35 a week, including sticks and blocks," he says.

#### **Champion smaller, local suppliers**

For many shoppers, a freezer containing the five most popular brands is not enough, so James has introduced something a little different. "We sell a locally-made product, Dale Farm, in blocks and stick formats, which have margins of around 30%. It gives customers a better choice," he says.

#### **Bigger formats boost basket spend**

As an alternative to take-home tubs, James has also found multipack ice creams are a good option for his large store, with shoppers buying them to store at home as a treat. "Four-pack boxes sell especially well; Cornettos are the most popular," he says.

#### **Base your range on shopper habits**

Unlike Lorna Roach, James has found older customers buy the most ice creams, so he has positioned his freezer to tempt them to make impulse purchases. "They're located in a large freezer close to the till. Customers pick them up if they're waiting to pay," he says.

> Mars has released "eyecatching packaging and familiar brand appeal" for its Mars and Snickers tubs to boost their appeal as favourite brands.

Larger formats help sales continue in colder weather



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RN helps me keep up-to-date with new stock changes across retail and provides great tips for product placement. It also inspires my staff to try new ideas.

JASDEV JATANA, FAMILY SHOPPER SUBWAY, CAMBRIDGESHIRE

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## THIS WEEK IN MAGAZINES



## Ready, teddy, go...

## ONE TITLE CUSTOMERS CAN'T BEAR TO MISS

Build-A-Bear Workshop celebrates its 20th birthday and its loyalty club has 12.2 million UK members. Don't paws for thought, stock up.

**AFTER CREATING** a successful Build-A-Bear Workshop-themed issue of Girls Love magazine, Signature Publishing is giving its furry friends their very own title with this new bi-monthly creation. Timed to coincide with Build-A-Bear Workshop's 20th birthday celebrations, the publisher says the brand already has 12.2 million loyalty members in the UK. Aimed at children aged between six and 12, every issue has a free gift and includes puzzles, posters and colouring activities. The launch issue comes with a free bear ready to be dressed up by readers, as well as a set of badges for both humans and teddies to wear.





BUILD-A-BEAR WORKSHOP On sale 29 March Price £3.99 Frequency bi-monthly Distributor Seymour Display with The Official Jacqueline Wilson Magazine, Hello Kitty Magazine

### | Round up



Jennifer Hardwick Magazines reporter jennifer.hardwick@newtrade.co.uk

## RECYCLING MAY END PARTWORK PAIN

Partworks are one of the most maligned magazine categories for several understandable reasons. Frustration over missing copies or missing parts on ordered issues is high, with the fear of losing newly-hooked customers always at the back of retailers' minds.

But in the last couple of weeks I have heard a couple of positive pieces of news which might just convince you to look again at the sector.

I don't want to speak too soon, but it looks like the issue of waiting too long for missing parts could be starting to be resolved by the new recycling system, established after the creation of a pan-industry partworks group.

The idea is wholesalers do not send returned issues straight back to publishers, but instead hold on to them and use them to supply other retailers in need of more copies.

It sounds simple, but of course it makes sense to keep products which are of a higher value – both financially and sentimentally to customers – more readily available in the supply chain.

I'm sure it might not always work quite so simply in practice but anything that helps clear the backlog has to be a good thing, so let's hope this could be a solution to some wellworn partwork woes.

Secondly, Dublin retailer Joe Sweeney told me he has seen a 25% uplift in partworks sales this year, which he puts down to both a more prominent display in his store and the strength of many recent launches, with Hachette's Assassin's Creed: The Official Collection and DeAgostini's My Animal Farm and The Beatles Vinyl Collection doing well for him.

It looks like publishers' innovation in the sector is paying off so it might be worth considering whether one or more of those titles could do well in your store.



## HIS WEEK **I MAGAZINES**



## **Bestsellers** Crafts

	Title	On sale date	In stock
1	Woman's Weekly Home Series	06/04	
2	Relax With Art	30/03	
3	Simply Knitting	31/03	
4	Let's Knit	13/04	
5	<b>Relax With Art Pocket Collection</b>	07/04	
6	Love to Knit & Crochet	n/a	
7	<b>Relax with Art Holiday Special</b>	03/05	
8	Cardmaking & Papercraft	13/04	
9	Colouring Heaven	22/03	
10	Ultimate Dot 2 Dot	22/03	
11	World of Cross Stitching	28/03	
12	Simply Cards & Papercraft	23/03	
13	Knit Now	30/03	
14	Simply Crochet	30/03	
15	Papercraft Inspirations	23/03	
16	Knitting	06/04	
17	Craft Network	n/a	
18	Women's Weekly Love To Make	n/a	
19	Crafts Beautiful	30/03	
20	Love Patchwork & Quilting	29/03	
Dat	a from independent stores supplied by	SmithsNo	ews

#### **SCALE MODELLING** Modelling MOSOUITO

The Mosquito was one of the most famous and capable aircraft of World War Two. This 100-page special from the team behind Airfix Model World magazine celebrates that fact with five full model builds, type histories, accessory listings and exclusive scale drawings.



VOGUE SPECIA The April issue of Vogue celebrates Britain's "biggest, brightest and finest" 100 fashion brands from the most successful heritage labels to newer talents growing in international prominence, as well as smaller enterprises. The idea is to celebrate the best of Britain at a time when the future of the country is the centre of so much debate and scrutiny. Categories include homespun, craft champions, couture and jewellery.

MATCH OF THE DAY

This Match of the Day special celebrates the most amazing records in the history of the

scored thousands of goals to the team who

beautiful game - from the Brazilians who have

couldn't stop scoring own goals. Readers can also

test their footy knowledge via a special record

breakers quiz and have the opportunity to win prizes worth more than £500, including the new Nintendo Switch. Each magazine comes with a free silver limited edition Match Attax card.



### REE GIN SPECIAL

On sale out now

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On sale out now

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Cosmopolitan

**Frequency** monthly

**Distributor** Comag

**Display with Glamour,** 

Frequency one shot
Price £5.99

**Distributor** Seymour

**Display with** Scale Modelling, Aviation, BBC

On sale out now **Frequency** weekly Price £2.99 **Distributor** Frontline Display with Kick, Strike It, FourFourTwo

Frequency nine issues a

**Distributor** Frontline

Take a Break Wordsearch

**Display with Take a** Break's Puzzle Selection,



Price £3.39

vear

AUNCH



## **TAKE A BREAK'S SEASONAL** PUZZLE COLLECTION

Take a Break's biggest collection of puzzles is back them. There's £500 to be won, as well as the usual





for the Easter period, with 164 pages of puzzles. The mixed selection is designed to ensure that the whole family will have something to occupy free pen, and the broad selection of word searches, sudokus, codebreakers and arrowwords.



The magazine series and accompanying build-up model kit gives readers the opportunity to build a 1:8-scale model of the classic Series 1 3.8 litre Jaguar E-type sports car. The first issue is priced £1.99, second £4.99, and £8.99 thereafter. It will be supported by TV, digital and social media ads.

On sale out now Frequency weekly Price £1.99 **Distributor** Comag **Display with** Build the Ford Mustang, Classic & Sports Car, Top Gear

PLEASE STOCK THE TOP PERFORMING **CROSSWORD TITLE IN 2016** akea Issue 4 on sale 23 March LECT ION 





#### **PRIDE LIFE**

In this issue, Pride Life celebrates the life and career of George Michael, looks at the movers and shakers in the LGBT world, and at the forthcoming gay Pride season, as well as offering tips for travelling adventures. During the on-sale period of this issue there will be Pride events taking place in many cities across the UK, including Exeter, Oxford, Canterbury, York and Birmingham.

On sale 21 March Frequency bi-annual Price £3.95 **Distributor** Seymour **Display with** Attitude, Diva, Gay Times



### BREATHE

The latest issue of this newly-launched magazine. aimed at women who want to make time for themselves, includes a free pull-out family tree with stickers. Publisher GMT Publications says family history research is one of the UK's fastest-growing hobbies. The issue also includes papercraft projects and highquality illustrations and pictures. The magazine is notable in general for its ad-free strategy, relying on the quality of its content alone to drive revenue.

On sale out now Frequency bi-monthly Price £5.99 **Distributor** Seymour **Display with Simple** Things, Flow



## STRIKE-IT

REE GIN <u>This issue comes with three free gifts – a Panini</u> Superstars figurine plus two packets of Panini Football 2017 stickers. Content includes 10 posters, in-depth World Cup 2018 qualifying previews, as well as an article on the 20 most expensive footballers in the world. Plus, readers can learn the secrets behind Manuel Neuer's super saves, and read about Monaco's new star Kylian Mbappé.

On sale out now Frequency four-weekly
Price £3.99 **Distributor** Marketforce **Display with** Match of the Day, FourFourTwo

# ane

## LANDSCAPE

The spring edition of Landscape, which focuses on gardening, cookery, crafts, the countryside and heritage, takes a look at avens and other colourful ideas for lighting up a spring garden. It also delves into the hidden secrets of a ghostly garden and drifts back in time to look at how traditional wooden footwear is made. Meanwhile, the team is in the kitchen making cold puddings such as trifles in preparation for the warm summer evenings ahead.

**On sale** out now Frequency eight per year Price £5.49 **Distributor** Frontline **Display with** Countryfile Magazine, Country Living

#### AUTOSPORT

The 2017 Formula 1 season is one of the most eagerly anticipated for years, with new rules and faster cars. The edition's bumper guide looks at how all the teams have fared in testing, assesses Lewis Hamilton's chances of taking a fourth world title, and includes ex-F1 designer Gary Anderson's views on the cars.

On sale out now Frequency weekly Price £3.90 **Distributor** Seymour **Display with** Motorsport News, Motor Sport

### Industry viewpoint **Julie** Jones Managing director, Redan Publishing

he pre-school magazine market is still going strong, increasing by 5.8% in the past 12 months, and competition for shelf space and access to the hottest characters is fierce. Key to

making each magazine stand out is the covermount gift, closely followed by the inclusion of the hottest characters around.

It may be a robust market but it is also a fickle one. While children do show some brand lovalty, they can always be swaved by an impressive free gift when faced with a newsstand full of enticing magazines. The fickle nature of these impulse purchases works in favour of retailers, as there's very little call for subscriptions to kids' magazines, so 99% of our business is done at newsstand in the UK.

Top tip

Take note of which cover-

mounts/characters do best

and move these to the front

of the display to attract

attention. Also try to

keep the shelves tidy

To help our magazines

stand out, Redan strives to offer great value with stand-out covermounts, the highest page counts and loads of extras, including the free gift, pull-out workbooks, stickers and posters.

The children's market, in particular the pre-school sector, has perhaps more launches and closures than any other, which can be a real challenge for retailers in deciding which ones to accept. At Redan, we invest in our highly successful portfolio, including our flagship multi-character titles Sparkle World, Fun To Learn Friends and Fun To Learn Favourites. in which we constantly update the mix of characters. Our titles now generate a massive joint RSV of £7.6m per year.

We know from speaking to our customers how much they appreciate the personal service they receive from their local shop, with the family trip to pick up their child's favourite magazine being a highlight of the week.



## HIS WEEK N MAGAZINES

No Pts

13 40 **11.99** 

63 100 **8.99** 

11 100 **8.99** 

6 60 **5.99** 

40 60 **19.99** 

83 104 **7.99** 

209 200 **3.99** 

94 95 **10.99** 

81 80 **9.99** 

£

**Amercom UK** Ships of War

**DeAgostini** Build the Ford Mustang

Build your own R2-D2

My Animal Farm

Zippo Collection **Eaglemoss** Build A Solar System

Marvel Fact Files Military Watches

Star Trek Ships

Enhancing your mind, body, spirit 11 120 3.99

Jazz at 33 and third RPM 31 70 14.99 Simply Stylish Knitting 64 90 3.99 Star Wars Helmet Coll'n 32 60 9.99 The Beatles Vinyl Collection 2 23 9.99

DC Comics Graphic Novel 42 60 9.99 Doctor Who Figurines 93 120 8.99

Title	No	Pts	4
Hachette			
Art of Crochet	82	120	2.99
Art of Cross Stitch	12	90	2.99
Art of Knitting	113	90	2.9
Art of Quilting	64	90	3.99
Art Therapy	105	120	2.9
Art Therapy 50 Mindful Patterns	12	80	4.99
Assassins Creed: the			
official collection	3	80	9.99
Build the U96	134	150	5.99
Dr Who Complete History	41	80	9.9
Draw The Marvel Way	32	100	4.99
Judge Dredd Mega Collectior	ı 57	80	9.99
Marvel's Mightiest Heroes	85	100	9.99
Transformers GN Collection	n 7	80	9.99
Warhammer	15	80	9.99
<b>RBA Collectables</b>			
Real Life Bugs & Insects	30	60	0.9
Panini			
F1 Collection	25	60	9.9

Title	Starter	Cards	Title
Panini			Тор
Disney Princess			Disney
Sticker Collection	2.99	0.50	Trading
Doctor Strange			Shopki
Trading Card Collection	4.99	1.00	Collecti
Fantastic Beasts and Where to	0		UEFA C
Find Them Sticker Collection	2.99	0.50	Sticker
FIFA 365 Sticker Collection	4.99	1.00	Premi
FIFA 365 Trading Cards	4.99	1.00	Sticke
Football 2017 collection	2.99	0.50	Star W
Frozen Northern Lights Sticke	er		Star W
Collection	2.99	0.50	Star W
Frozen Sticker Collection	n <b>2.99</b>	0.50	Sticke
Moana sticker collectior	3.99	0.50	Trolls
Paw Patrol 'A Year of			Trolls
Adventures' Stickers	2.99	0.50	WWE S
My Little Pony	2.99	0.50	Match A
Peppa Pig Around the World	2.99	0.50	
Beauty & the Beast			
Sticker Collection	2.99	0.50	
Magic Poy			Title
Magic Box			DeA
Zomlings Series 5		0.50	
Star Monsters		1.00	Magik

Collectables

⊠	jennifer.hardwick@newtrade.co.uk
0	020 7689 3350

Carde

Startor

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The	Juiter	carus
Topps		
Disney Princess		
Trading Card Game	4.99	1.00
Shopkins Sparkle Sticker		
Collection	2.99	0.50
UEFA Champions League Off	icial	
Sticker Collection 2016/17	2.99	0.50
Premier League		
Sticker collection	1.99	0.50
Star Wars Force Attax	4.99	1.00
Star Wars Rogue One	4.99	1.00
Star Wars Rogue One		
Sticker Collection	2.99	0.50
Trolls Trading Card Gam	e <b>4.99</b>	1.00
<b>Trolls Sticker Collection</b>	2.99	0.50
WWE Slam Attax Takeover	4.99	1.00
Match Attax 2016/17	4.99	1.00

Title	No	Pts	£
DeAgostini			
Magiki Mermaids			2.50

#### Newspapers

Daily newspapers price/margin pence/margin %				
Sun	50p	11.15p	22	2.3%
Mirror	70p	14.98p	21	L.4%
Mirror (Scotland)	75p	16.05p	21	L.4%
Daily Record	65p	14.3p	22	%
Daily Star	30p	7.26p		24.2%
Daily Mail	65p	14.5p	22	2.31%
Express	55p	13.31p		24.2%
Express (Scotland)	50p	12.10p		24.2%
Telegraph	£1.60	34.4p	21.	5%
Times	£1.40	30.1p	21.	5%
FT	£2.70	54p	20%	
Guardian	£2	44p	22	%
i	50p	12p		24%
i (N. Ireland)	50p	12.5p		25%
Racing Post	£2.30	54.Op		23.48%
Herald (Scotland)	£1.30	29.90p	2	3%
Scotsman	£1.50	33.75p	22	2.5%

#### Saturday newspapers Sun 70p 14.98p 21.4% Mirror £1.10 22.6p 20.6% Mirror (Scotland) £1.10 22.6p 20.6% Daily Record 90p 19.8p 22% Daily Star 50p 12.085p 24.17% Daily Mail 21% £1 21p Express 80p 17.152p 21.44% Express (Scotland) 80p 18p 22.5% Telegraph £2 48p 24% Times £1.50 35.25p 23.5% FT £3.50 79.1p 22.6% Guardian 22% £2.90 63.8p i Saturday 24% 60p 14.4p i (N. Ireland) 25% 60p 15p Racing Post £2.60 61p 23.46% Herald (Scotland) £1.70 39.1p 23% Scotsman £1.95 43.88p 22.5%

Sun	£1	21p	21%
Sunday Mirror	£1.40	29.40p	21%
People	£1.40	29.40p	21%
Star Sunday	90p	19.89p	22.10%
Sunday Sport	£1	24.3p	24.3%
Mail on Sunday	£1.70	35.70p	21%
Sunday Mail	£1.70	35.70p	21%
Sunday Telegraph	£2	45.50p	22.75%
Sunday Times	£2.50	52.50p	21%
Observer	£3	73.50p	22%
Scotland on Sunday	£1.70	39.95p	23%
Racing Post	£2.60	61p	23.46%
Sunday Herald (Scotland	) <b>£1.70</b>	35.7p	21%
Sunday Express	£1.40	29.65p	21.18%
Sunday Post	£1.60	33.6p	21%

**Sunday newspapers** 



Title

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