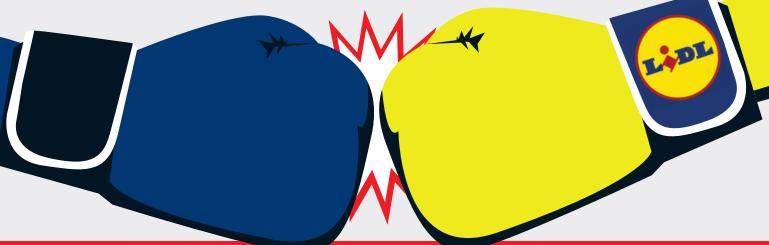




Fight back against the discounters



Insight, trends and retailer tips that will help you grow own-label sales

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NATIONAL COUNCIL

Politics and wholesale drive NFRN agenda

National president Mike Mitchelson discusses next week's meeting Page 14 >>>



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SAINSBURY'S-ASDA

CMA probe into merger could help discounters

Industry experts warn budget chains could increase market share Page 4 >>>

UNITE

Shaping the future of independent retail since 1889



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shouldn't be an opt-out for smaller retailers"

Kay Patel, p4

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WELCOME

We find out what their key issues are, what opportunities they're grasping, and give them a voice



Editor-in-chief
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mong RN's objectives is to focus on the challenges and opportunities within independent retail. Through our editorial each week, we tackle problems and share ideas with you to help you improve your business.

One of the ways we do this at a grassroots level is through our NFRN Regional News page, which we've been running since June.

Every week, our news editor, Megan, speaks to district presidents and NFRN members throughout the UK to find out what their key issues are, what opportuni-

ties they're grasping that are helping them to succeed, and to give them a voice.

We use these conversations to share best practice, confront the industry on retailers' concerns and hold those letting the independent convenience channel down to account.

This week's issue is a prime example of the grassroots matters we cover.

We've spoken to retailers in the London district of the NFRN about the ongoing problem they're having with Smiths News's Hemel Hempstead depot, as well as Scottish retailers about an open day in September that will give shop owners and their staff legal training, so they're up-to-date with the most recent legislation.

We've also got a preview of NFRN National Council ahead of it taking place next week, where national president Mike Mitchelson discusses what he hopes to achieve at the meeting and beyond for the membership.

Whether you're an NFRN member or not, we want to hear from you to find out what's happening in your area. It can be something that's having an impact on you at an individual shop level or a matter affecting several stores in your area.

Please get in touch with the team – all of our details are on the opposite page.

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A superhero launch leads the top picks this week, while Ben Harper from Magic Box Toy's gives expert advice



BREAKING NEWS

Nisa price worries at Co-op

Co-op staff have raised concerns Nisa retailers could take customers away from them by undercutting on the price of the multiple's own-label range.

Commenting on an internal staff website, a Co-op retail employee posting under the name 'M Gavaghan' said: "I think it's disgusting that Nisa stores are selling Co-op products cheaper."

A commenter called 'Steve' added: "If we lose sales from our own stores and receive less profit back, how is that benefitting us?"

However, another staff member under the name 'David Dopson' said Nisa retailers can set prices under UK competition law. "Independent retailers are free to set their prices to ensure customers still have choice," they said.

10p plastic bag levy considered

The government is considering extending the plastic bag levy to all retailers, including independents, and doubling it to 10p.

Kay Patel, from Bestone Global Food & Wine in London, welcomed the move. He said: "10p is a bit much, but there shouldn't be an opt-out for smaller retailers as it's confusing for customers and stops us from helping the environment.

"If they change the legislation and put it in all stores, it would be a lot easier."

The 10p levy would be an extension of the original charge introduced in 2015, which was applied to businesses who have 250 or more employees.

Sainsbury's-Asda deal in spotlight Forced store sales possible to appease CMA

CMA merger probe could benefit bargain chains

by Alex Yau

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The Competition and Markets Authority's (CMA) investigation into the Sainsbury's-Asda merger could help discount and bargain supermarket chains increase their market share, industry experts have warned.

The CMA's phase one investigation into the deal announced in April will examine whether choice and pricing will be affected. Both supermarkets have asked the CMA to fast-track the investiga-

tion to a more in-depth phase two process.

Global Data retail associate analyst Thomas Brereton told RN the CMA could ask Asda to sell the Netto stores it acquired in 2011 to meet its conditions. "Should the CMA force sales of stores, parts of the estate that once was Netto may be first for consideration."

"If Netto stores are passed on, the likely contenders are Iceland and Lidl. Iceland is looking to rebrand its image alongside the expansion of stores, as demonstrated

by its upcoming takeover of 19 Poundworld stores. Lidl remains a possibility given its £1.5bn expansion pledge, but the average ex-Netto store may still be slightly too small."

Shore Capital director Clive Black added that other discount stores could be interested. "The majority of former Netto stores are along the M62 corridor in the north, but Aldi and Lidl aren't short of stores in those areas," he said. "Waitrose and Marks & Spencer might want them, but their balance sheet for expansion is questionable. It poses the question whether Home Bargains and B&M wish to operate a supermarket?"

Mr Black added Aldi may look to expand in Northern Ireland. "Sainsbury's, Asda and Tesco have a 70% share in Northern Ireland, whereas Aldi doesn't have a major presence."

Harj Gill, of Select & Save The Windmill in Birmingham, said: "An Aldi is opening nearby and we're competing by ensuring promotional items are always visible and offering services they don't, such as food to go."

Blu will support vaping education

Blu has pledged to increase the educational support it provides retailers amid concerns there is a lack of awareness about vaping.

Speaking at the London Vape Show last week, Blu communications manager George Tucker told RN the support would involve more interaction. "Many retailers I've spoken to don't know where to start. They need support to build up their knowledge of vaping.

"The support we will provide will include roundtables and forums, while we'll also have a field team and will provide educational material such as leaflets. Education is essential and we want retailers to know the differences between devices and the best ways to sell vaping products."

Samantha Coldbeck, of Wharfedale Premier in Hull, said: "There needs to be more education because vaping is highly profitable. Education should also look at grey stock, however."

Mr Tucker's comments come as the Science and Technology Committee released a report this month recommending vaping as a smoking deterrent. "The report can boost awareness and have a positive impact," said Mr Tucker.

WW1 charity cacti deliver a welcome spike in sales for Woosnam & Davies

Trudy Davies, of Woosnam & Davies in Wales, is raising money for charity by selling cacti in her store. Over the past week, Ms Davies has sold 20 of the 40 cacti given to her by a local resident. "We will be donating the proceedings to the Poppy Appeal, to commemorate 100 years since the end of World War I," she said. "We will definitely be restocking once we have sold them all."



Supply worries may lead to stockpiling 'This isn't a sustainable long-term solution'

Retailers fear negative impact of no-deal Brexit

by Priyanka Jethwa

priyanka.jethwa@newtrade.co.uk

Retailers have raised concerns over the impact of a no-deal Brexit scenario, amid claims suppliers are stockpiling inventory to prepare for a negative result.

A RN source, who requested to remain anonymous, said although this will delay the immediate impact on retailers, it isn't sustainable.

"This isn't a sustainable long-term solution," they said. "This is just a temporary buffer. The real question is whether or not retailers will be able to access the same products at the same prices in this scenario, and for how long."

Meanwhile, Ravi Raveendran, of Colombo Food & Wine in Hounslow, west London, said he is concerned about the likely impact of price increases on his alcohol sales.

"I don't think a nodeal Brexit will wholly discourage shoppers from purchasing those foods and soft drinks that may increase in price, but I am concerned about the long-term effect it will have on my alcohol sales," he said.

"We sell a lot of European beer, so if the stock isn't coming in due to price increases, then I will suffer a hit."

However, Mr Raveendran said increases could encourage independents to source more locally. "The only good thing that can come from this is it will encourage retailers and wholesalers to source more locally, and perhaps further afield for vegetables," he said. "I just think there has been a lot of scaremongering going on about Brexit."

The news comes after the government published 25 documents of guidance for businesses last week, in case the UK ultimately leaves the EU with no deal in place.

RN contacted suppliers KP Snacks and Britvic to find out what contingency plans they had in place for a no-deal Brexit, but all those approached declined to comment.

Business rates set for hike

The retail sector's business rates could increase by £194m next April, as a 2.5% uprating for inflation would add an additional £759m to the overall gross business rates burden.

Next month could be crucial for town centres and high streets, as the Consumer Price Index (CPI) measure of inflation will determine business rate rises

According to real estate advisor Altus Group, business rates bills for 2019/20 could increase by £759m in England if the headline rate of inflation remains unchanged at 2.5%.

Chancellor Philip Hammond sought to appease concerns over last year's business rates revaluation by announcing a £2.3bn reprieve in his autumn 2017 Budget, after bringing forward plans to switch from the Retail Price Index measure to CPI.

Protests over new Co-op store

A North London campaign group met with Co-op representatives this week to oppose a store opening.

The 'No to the Co-op' group, alongside councillors from Camden Council, raised concerns around the proposed opening on the former site of the XO Restaurant in Belsize Park.

Campaign member
David Percy told RN: "The
store will potentially
destroy Belsize Village,
which is already under
threat due to increasing rents and rates. The
proposed store will affect
independent retailer the
Late Late Store as well as
other businesses."

The deadline by which concerns must be submitted is 13 September.

Appearing on The One Show boosted our sales, says store

Wortley Post Office and Stores in Sheffield was one of the shops featured on BBC's The One Show last week, talking about the importance of independent retailers. Owner Tony Sanger, who appeared with his wife Su, said being on the show has already led to increased sales. "The presenter joked about our range of agricultural magazines," he said. "The next day a customer came in to buy The Countryman's Weekly, as he never knew we sold it."



Scotland's eye on underage drinking

Independent retailers in Scotland can help tackle underage drinking by taking part in a new campaign that raises awareness of the impact of buying alcohol for under-18s.

The 'You're asking for it' campaign highlights the fact that it is a criminal offence to buy alcohol for minors, with fines of up

to £5,000 or up to three months in prison.

It is running across Glasgow, Kirkintilloch, East Dunbartonshire and Burntisland, with more areas looking to join, including Edinburgh, Aberdeen and Inverciyde.

John Lee, head of policy & public affairs at the Scottish Grocers Federation, said retailers are central to the success of the campaign. "A big aim is to develop a good and supportive relationship between police officers, licensing standards and retailers," he said.

"This would see the police visiting retailers to distribute the campaign packs containing posters and point of sale. Retailers are encouraged to

share intelligence about any proxy purchase-related incidents."

Dennis Williams, from Premier Broadway in Edinburgh, said: "It's an ongoing problem that's very difficult to solve as nobody gets charged for buying alcohol for minors," he said. "If this leads to people being charged, it will help."

STORE TOUR



Hungry for profit

After months of research into customer buying habits, Salim and Mumtaz Patel decided to put food to go at the heart of a £1.2m renovation of their forecourt store.

Marcello Perricone found out if the gamble paid off

have been in the retail business for nearly 22 years, but this is the first time I have tried a food to go area," says Salim Patel, owner of Crown Service Station in West Yorkshire. Thirty-year-old petrol forecourt Crown Service Station used to have a 500sq ft shop before Salim and his wife, Mumtaz, decided to completely rebuild it.

"Now it is four times bigger, about 2,000sq ft," Salim tells RN. The renovation, which cost £1.2m and was made possible by funding from the Royal Bank of Scotland, involved months of research. "Me and my wife, Mumtaz, designed the store with a premium feel, like Marks & Spencer, and we researched what the customers wanted, such as healthy meals instead of processed food. In line with that, we decided we didn't want grocery-heavy stock and focused more on food to go."

To that end, the Patels built a Grab & Go food kitchen that prepares meals onsite, alongside a seating area and a Costa machine. All staff members are trained by an ex-food inspector before they start, and the same expert carries out random kitchen checks every two weeks. "The cleanliness of the kitchen is very important to me, as I understand the mentality of the customer," Salim adds. "This is no ordinary takeaway, so we have to set a high standard."

Focusing on food to go was a risk, but the gamble has paid off, Salim says. The new range of hot food was an immediate hit with customers.

"Our shop is in a transient site, so we've got a lot of customers that want to grab something and go," he tells RN. "We do morning breakfast, from 6am to 10am, and then keep the kitchen open until 9pm, serving everything from sausage rolls and baked potatoes to sandwiches. People love the concept, the cleanliness, the presentation, so they are willing to pay for it."

The transformation has been challenging, Salim admits. But the process was made much smoother with support from Nisa. "They keep checking on us, and if we don't know how to do something, they will come in and do it for us," he says.

And now this dedicated approach is generating results, with the shop seeing revenue of £600 to £700 a day from the food to go area alone. "The shop is very busy – it is a petrol station with a lot of services, such as an ATM, parking for customers, disabled toilets facilities, electrical charging – we aim to provide customers with a place where they can take a break," Salim says. "My wife is a very good communicator. She is always at the food to go area making our customers feel comfortable, so they spend more."

My wife is always at the food to go area making our customers feel comfortable, so they spend more SALIM PATEL







Inside my shop

- 1 Salim and Mumtaz designed the store with a premium feel, like a Marks & Spencer
- 2 They have invested heavily in food to go and this area takes £600-£700 a day
- 3 Staff are given regular food-preparation training and undergo fortnightly kitchen checks to keep standards high
- Seating, disabled toilets and electric car charging encourages shoppers to stay for longer

INFORMATION

Location

Crown Service Station, Wakefield Road, Brighouse, West Yorkshire HD6 1QH

Size

2.000sa ft

Staff numbers

Average basket

This philosophy has been at the heart of Salim's store for years, and it really paid off when they were forced to temporarily shut the store for refurbishment. "We closed for six months, and when we opened, all our customers came back. I couldn't believe it – we reached our monthly target in two weeks, and it was all due to the relationship we had built up with our customers," says Salim. "My staff are like a family and we have been in this game a long time. I believe customer service is very important."

Looking to the future, Salim and Mumtaz plan to expand the store's food offering and operating hours. "Chicago Town pizza heard of our store and approached us through Nisa, so we are going to start working with them next month. We also received a 24-hour permit last week, so we're planning to recruit and train staff to start operating 24 hours," he says.

But above all, Salim is adamant that his customer service must continue to improve: "We treat our customers like guests, and I always ask my cashiers to treat customers well. If your service is good, your customers will always come back."



Want to see more of the Patels' store? Go to betterretailing.com/crown-service-station-brighouse

NEWS & MAGS

Supply chain issues under scrutiny 'There is a lack of policing and auditing in the industry'

Smiths voucher failures cost shops hundreds

by Marcello Perricone

marcello.perricone@newtrade.co.uk

Retailers across the UK are missing hundreds of pounds in voucher credits from Smiths News, prompting the NFRN to renew its challenge on publishers to address supply chain issues.

Store owners from depots in Croydon, Dorset, Hemel Hempstead, Newcastle upon Tyne and Stockport are all reporting missing restitutions of as much as £1,300.

Speaking to RN, Jayne Thomas, from The Sweet Shop in Dorset, said she has been chasing hundreds of pounds in missing credits since the beginning of the year.

"I have been waiting for the missing credits from hundreds of newspaper vouchers since February," she said. "Smiths still charges us for deliveries, services and newspaper copies, but none of the £319 of credits we're owed have been paid so far.

"We are a small shop, so that makes a lot of difference to us. We have been losing money for months because of those failed restitutions."

Daxit Patel, from
Tullets Newsagent in
Croydon, said he has been
calling Smiths regularly
about the problem for two
months, with no result.
"We've been having issues with mixed credits
every week since the end
of June," he said.

"I call Smiths every week trying to get it fixed, and they keep giving me new reference numbers and transferring me to different people, but it never gets solved."

NFRN head of news

Brian Murphy said the federation has called for publishers to apply pressure on wholesalers to fix the issues brought by the monopoly of the supply chain.

"There is a lack of policing and auditing in the industry that needs to be addressed," he said.

"Vouchers should be treated as cash at every stage and they have not been. This has led to retailers being disillusioned by publisher offers, and that can only have a detrimental effect on sales."

Heat's on for special edition

Publisher Bauer has commemorated Heat magazine's 1,000th issue with a 116-page bumper edition.

The special issue comes with a 26-page miniature magazine looking back on the gossip publication's 19-year history.

According to distributor Frontline, sales of the celebratory issue are already performing well, with 53,700 copies sold so far.

A spokesperson told RN: "To get any kind of uplift, there needs to be clear added value or covermounts, or the cover star and story has to big enough to drive sales on its own, like the Love Island covers on Heat.

"What we see in the market is that consumers don't really respond to brand anniversaries or events on their own, no matter what magazine category they are in."

Shake-up at Condé Nast

Condé Nast is aiming to halve its operational losses by next year, following plans to reduce its reliance on advertising revenue.

The move follows the US-based company's decision to focus on magazine sales, print investment and consumer events. It will start by merging the teams of the US and UK versions of Condé Nast Traveller magazine.

The British-led team will be responsible for both print editions.

A statement by the company read: "This strategic move complements the existing stability and strength of the Traveller UK brand to deliver longterm sustainable growth."

Joint odyssey for TI and NEFF

Publisher TI Media has partnered with kitchen appliance firm NEFF to release Food Odyssey, a booklet aimed at the readers of Woman & Home and Ideal Home. The launch is part of a promotional campaign featuring chef John Quilter, running until the end of September. The project has an expected reach of 3.7 million people. Group marketing manager Jo Eyers said: "TI Media did a fantastic job to bring the campaign to life."



Herald: new era for Glasgow sunday

Newsquest will replace Glasgow's The Sunday Herald newspaper with The Herald on Sunday.

The publisher has also launched a new title, The Sunday National, alongside The National. Prior to this, Newsquest had considered merging the weekly Herald with its Sunday edition.

Callum Baird, editor of The National, said the move will help sell more copies seven days a week. "This gives subscribers a genuine seven-day news operation for the first time," he said.

"It's exciting to be expanding our news operation with a new, bigger Sunday edition that will focus on investigations and big issues, and include some of Scotland's best columnists."

Speaking to RN, David Woodrow, of Woodrow Newsagents, Bishopton, said the move could bring back lost readership.

"I don't think this will harm the Herald; I think it will do some good to their subscriptions," he said. "They lost a lot of customers when they went hyperpolitical during the independence referendum, so the change may bring some of them back."

A final souvenir edition of The Sunday Herald will be published on 2 September.

PRODUCT TREA

JTI's new Kensitas **Club RYO**

JTI has announced the launch of Kensitas Club's first rolling tobacco in Sctoland, which has an RRP of £10.90 (30g) and £17.80 (50g).

The new line is JTI's lowest-priced roll-yourown (RYO) product.

With the category growing at 7% year on year, it offers retailers the chance to capitalise on the value RYO category, which has gained 15% market share since April 2015.

Ross Hennessy, head of sales at JTI, said: "The relaunch of Kensitas Club cigarettes earlier this year was successful, and the latest addition to the range will allow retailers to tap into Scotland's growing RYO category. Value rolling tobacco now makes up 37.6% of RYO volume in Scotland, and the launch will help retailers drive incremental sales in the segment."

Tempting Coca-Cola redesign

Coca-Cola European Partners' (CCEP) new design for Coca-Cola Original and Coca-Cola Zero Sugar aims to encourage more shoppers to try the zerosugar variant.

From September onward, the bottles and cans of both drinks will all be red, with a band at the top signifying whether it is Original or Zero-Sugar.

Simon Harrison, customer marketing director at CCEP, said: "Sales of Coca-Cola Zero Sugar have almost doubled in the past two years, and we believe this change will help us grow it even further and encourage more shoppers to give it a try."



Multi-function hot drinks machines will drive sales

by Priyanka Jethwa

priyanka.jethwa@newtrade.co.uk

Independent retailers should invest in hot drink machines that offer a range of coffee and tea options, according to supplier Aryzta Food Solutions.

Three-fifths of hot drink shoppers stated these products as their primary reason for going in store, in research from data analyst HIM.

Paul Whitney, head of marketing UK at Aryzta Food Solutions, said this

makes hot drinks an important category for convenience retailers.

"One way they can increase profit and compete with the numerous high street coffee chains is by creating a unit that offers hot drinks alongside bakery foods," he said.

'We have partnered with Seattle's Best Coffee. whose units offer retailers the option to build in Aryzta's bakery brand, Cuisine de France, and American sweet treat brand, Otis, into the unit to encourage

cross-merchandising and upsell."

In addition, Marshall Kingston, senior manager for out-of-home at Tetley, said the brand's research showed a 25% increase in the number of shoppers willing to a pay a premium for products.

"Overall, sales of hot beverages are being driven by tea purchases, with ready-to-drink options at breakfast growing 3% year on year," he said.

"Tea drinkers in particular are more likely

to purchase something alongside their drink compared to others, so having pastries, biscuits and cakes all within sight of a machine can increase basket spend."

Kamal Thaker, of Stop Shop News in Edgware, Greater London, said his Nescafé & Go machine helps drive sales.

"I put it near my selection of breakfast cereal bars and snacks. I charge £1.20 per cup and I'd definitely say it's a worthwhile investment," he said.

Shoppers seek spiced and flavoured rum

Spiced and flavoured rum is predicted to outgrow demand for white rum in the UK within the next year as more shoppers turn to new varieties.

Speaking at a pop-up event for rum brand Dead Man's Fingers in Shoreditch, London, last week, Lucy Cottrell, rum & tequila brand manager at Halewood Wines & Spirits, said the total rum category is growing in value by 3.8% year on year in the off-trade, driven by demand for flavoured rums.

"This growth can be attributed to the popularity of flavoured and spiced rums among millennials, with the sub-category growing in value by 10.5% year on year," she said.

Ms Cottrell added that it is important independent retailers offer a balanced range. "As important as it is to invest in new premium, flavoured rums to move with the trend.

retailers should not forgo standard brands to offer a price point for all.

"Although there hasn't been much innovation on the rum front, this is something that needs to be addressed by the industry, and Dead Man's Fingers aims to tap into this," she said.

BRAND SNAPSHOT



Cadbury's football comp

Mondelez's on-pack Match & Win promotion for Cadbury gives shoppers the chance to win prizes such as Premier League tickets and cash.



A sales-boosting safari

New Maynards Bassetts Soft Jellies Wild Safari are available in 160g bags, helping retailers increase sales in the confectionery category.



Bud Light knows the score

AB InBev has announced Bud Light as the official partner and official beer of the England senior men's football team.



Tricks and treats

Tangerine Confectionery has launched two products for Halloween this year: Barratt Trick or Sweet bucket (450g) and Barratt Tricks Mix bag (180g).



VK's watermelon twist

Global Brands has added a new Watermelon flavour to its VK portfolio, following consumer demand for the popular taste.



Tickets to a sweet Sunday

Mars Wrigley Confectionery's 'Sweet Sundays' promotion offers consumers free cinema tickets through chocolate brands such as M&M's and Maltesers.



Larazade Orange

Lucozade Energy has transformed into Larazade to mark its partnership with the new Shadow of the Tomb Raider game with limited-edition bottles.



Larazade Original

Each Larazade bottle gives your shoppers the chance to win from The Prize Tomb every day, with Xbox One X consoles, games and cash prizes up for grabs.



In association with

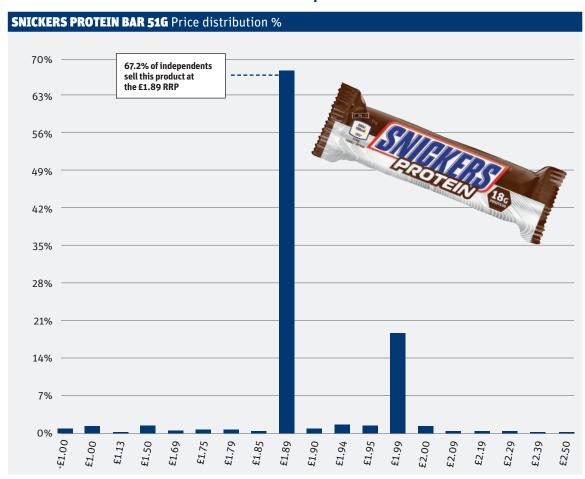
Energy

Larazade Croft Apple

This limited-edition flavour, Larazade Croft Apple, offers shoppers something new. Apple drinks are already bought by 46% of shoppers, so stock up now.

PRICEWATCH

Profit checker Protein products



Analysis

Pricing strategies on protein products are largely uniform as this week's Profit Checker graph, covering the Snickers Protein Bar 51g, shows.

The vast majority of retailers – almost seven in 10 – stick to RRP.

at £1.89. All the stores in our Price Checker table priced at this level. Of the few who price differently, nearly all charge 10p more, pricing at £1.99.

Barely any retailers sold below RRP. Retailers explained their pricing decisions were based on a desire to maintain margins while continuing to attract customers, and undercut potential competitors, such as gyms, in a category that is currently seeing strong growth.

Price checker

PRODUCT

Grenade Carb Killa Shake Fudge Brownie

330ml

Snickers Protein Bar 51g

Mars Protein Bar 57g

Boost Protein

Grenade Carb Killa Shake Cookies & Cream 330ml

Nature Valley Protein Peanut & Chocolate Bar

Nature Valley Protein Salted Caramel Nut Bar

Eat Natural Protein Packed 45g

Grenade Carb Killa Shake Chocolate Mint

330ml

Trek Protein Bar 55g

Weetabix On the Go Protein Drink Chocolate 275ml

Weetabix On the Go Protein Drink Vanilla 275ml

How we drive our profit

Kam Singh Nijjar

STORE Spar Meriden LOCATION Coventry SIZE 950sq ft TYPE village

TOP TIP

Listen to reps and your customers, and keep tweaking your range in line with their advice



The protein shakes sell better than the bars: I have got a £2 Ufit protein drink that is probably our bestseller. The Grenade products do well, too, especially the White Chocolate Cookie bar. It's still mainly gym-goers that buy them, but other customers do if they're feeling a bit run-down or need an energy boost. They're seen as healthier alternatives to energy drinks, which are a bit gassy. We stick to RRP - customers know what they cost in the gym, for example, and we want to make sure we are cheaper than that so that they'll come here first.

Anish Parekh

STORE Londis Broadoak Post Office LOCATION Ashton-under-Lyne, Greater Manchester SIZE 1,000sq ft TYPE neighbourhood

TOP TIP

Stock a range of bars, as different lines appeal to different types of customer



I was pretty sceptical about protein bars at first, but some lines are doing really well now. The Arla bars are popular - they have an RRP of 89p and I sell them at 99p. The own-brand Happy Shopper bars, pricemarked at 89p, are popular, too. I recently added the Grenade line to our range and they are doing fine, and just a few days ago we added the Boost protein bar, at £1.19 RRP. Different varieties are aimed at different groups: some, like Nature Valley, are more breakfast bars, while others such as Grenade are more for serious gym-goers.

RN • 31 August 2018 **13**

Alex Yau

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@AlexYau_RN

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AVERAGE UK RETAIL PRICE*	BOOKER RRP	RETAILER 1 STORE IN CENTRE OF LARGE SOUTH WALES TOWN	RETAILER 2 POST OFFICE AND SHOP IN PRECINCT IN GLASGOW SUBURB	RETAILER SHOP IN SOUTHAMPTON CITY CENTRE	RETAILER LIGHBOURHOOD SHOP IN LONDON COMMUTER SUBURB	RETAILER 5 C-STORE IN RESIDENTIAL SUBURB OF LARGE TEESSIDE TOWN	RETAILER 6 C-STORE IN BUSINESS AREA OF SWINDON
£2.42	£2.49	£2.49	£1.99	£2.49	£2.49	£2.29	£2.49
£1.86	£1.89	£1.89	-	£1.89	£1.99	_	£1.89
£1.82	£1.89	£1.89	-	£1.89	-	£0.50	£1.89
£1.28	£1.29	£1.29	£1.29	£1.29	-	-	£1.29
£2.40	£2.49	£2.49	£1.99	£2.49	£2.45	£2.29	£2.49
£0.85	£0.85	£0.85	-	-	£0.85	£0.85	£0.85
£0.85	£0.85	£0.85	-	_	£0.85	-	£0.85
£0.98	£0.89	£0.89	-	£0.99	-	-	£0.89
£2.41	£2.49	£2.49	-	£1.99	-	£2.29	-
£1.06	£1.25	-	-	-	£1.45	-	-
£1.46	£1.50	-	£1.50	-	-	£1.50	-
£1.48	£1.50	-	£1.50	-	-	£1.50	£1.50

* from a sample of 3,500 stores

MY LOCAL HERO

Retailers reveal the most profitable produce on their doorsteps

Carole Birnie

Corfe Castle Villiage Stores, Corfe Castle, Dorset

Lily's Produce Jam (£3.50)

Where did you discover it?

She found us - she is a local woman who makes jam, and she approached us and

offered to supply it. We are in a tourist area and local products are always popular, so I knew it would work well in the store. She does a range of flavours – strawberry, gooseberry, raspberry, Seville orange – and they all sell well, no matter what combination we have in stock.

Who buys it?

From the local area, it is probably the slightly older ladies who buy it. But we also have a lot of tourists – especially at this time of year, in the summer – and they like to buy some to take home with them, too.

Why is it so successful?

It's very English, it goes with cream and scones and so on. Plus it comes from the countryside around here, so it makes an excellent souvenir or gift for tourists passing through. They might want to take something back for their family, or the person who's been looking after their dog or cat, or maintaining their garden. It's also popular with regular customers – they like to feel like they're supporting local producers. They say how good it tastes, too, so that's probably a factor!

Anita Nye

STORE Premier Eldred Drive Stores LOCATION Orpington, Kent SIZE 1,200sq ft TYPE residential

TOP TIP

Match your prices to your area – there is no point overpricing here, people would notice



We do a range of protein bars -Grenade, Nature Valley, Happy Shopper and Trek, and I have just ordered in Kellogg's Special K but I find the drinks tend to sell better. The Protein Boost drink at £1.29 is one of our bestsellers in the category, for example. Otherwise, pricemarking works - the Nature Valley bars are pricemarked at 85p and sell well. Promotions also help: Grenade bars are currently reduced from £2.49 to £1.79 and are selling much better as a result. We tend to stick to RRP, it is just easier for us to manage.

Bhupinder Singh

STORE Newhouse Mini Market LOCATION Kilbirnie, Ayrshire SIZE 1,850sq ft TYPE main road

TOP TIP

Use cash and carry brochures to keep an eye on product launches, and try out new lines



Protein is one of our best categories. We have a few community football clubs around us and the teenagers buy a lot of the drinks and bars. All the branded shakes - Mars, Snickers and Weetabix - do particularly well. They're mostly pricemarked these days, so we don't have much freedom in what price we put on them. I used to make my own pricing decisions, but nowadays almost everything is pricemarked - and, to be honest, it's worth sacrificing the margin as it definitely helps sales. It's not just people who go to the gym who buy them, it's also construction workers.

REGIONAL NEWS

NFRN

London

Meetings to address paper row

Hertfordshire retailers have called for meetings with management at Smiths News after ongoing paper delivery issues.

NFRN branch secretary from the London district Alpesh Patel said he has received an increase in complaints over the past week about the local Hemel Hempstead depot, including late and missing papers.

"I have a group of 40 members out of the 400 I represent on a messaging app," he said. "If they are all complaining, I worry about how many others out there could be, too."

NFRN head of news operations Peter Williamson said: "The NFRN is working with Smiths management and is looking for a meeting to enable members to discuss the problems directly."

Scotland

Learn the law with Menzies

A Menzies open day to train retailers in legal protocols will take place in Scotland next month.

Scottish district president Rory O'Brien said he is looking forward to providing educational opportunities to NFRN members and non-members.

"We will be running sessions to help our members who are stuck in their shops all day and get them up to speed," he said.

"My mission for the district is to make members aware we have got their back, and to help keep them out of trouble."

The meeting will take place at Menzies Linwood depot on 20 September.



National Council Topics for next week's meeting revealed 'I hope this starts more debates'

Carriage charges and MP engagement lead agenda

by Megan Humphrey

megan.humphrey@newtrade.co.uk

This year's NFRN National Council meeting will tackle the issue of increased carriage charges and encourage political engagement, as it returns to Leicester, the location of the federation's first meeting in 1919.

President Mike Mitchelson told RN he is looking forward to meeting national councillors and debating current challenges facing the sector at the event at the Mercure Grand Hotel on 4-5 September.

"It's important we have come to Leicester, which is the launch pad for our centenary year," he said.

"One of the hot topics this year has been the increase in carriage charges. We will be letting members know where we are with our discussions with Smiths News. We've had more people than ever contact us to complain about how much pressure this increase is putting on their businesses and margins. Members will expect an opinion from us.

"We also hope to feed back on the meetings we have had with Racing Post and Citipost."

Meanwhile, Mr Mitchelson will be prioritising political engagement throughout the two days. "Since Annual Conference in June, we have been focusing on political engagement," he said.

"We will be discussing how to come up with a plan to move our political agenda forward.

"There is a whole range of issues that MPs and ministers can make decisions on that affect our newsagents."

Payment services

provider PayPoint will be the only presentation from outside the company at next week's meeting.

"I hope National Council takes the opportunity to follow their presentation with a robust question and answer format," said Mr Mitchelson.

"PayPoint has a business relationship with a lot of our members, and this gives them the chance to meet them personally."

However, the federation will also be asking for feedback on how it can improve. "Our organisation has been running for 100 years, and we need to start looking at ourselves," said Mr Mitchelson.

"We have really got to look at our structure. We want to find out from members what they would like us to provide them and what sort of service they want to see." Mr Mitchelson is hopeful next week's meeting will be a catalyst for future meetings. "I hope the information members obtain will be the start of more debates to come," he said.

"I want them to go back to their districts and bring feedback to the next council meeting with their districts and branches."

• Full coverage of NFRN National Council will appear in RN's 14 September issue



Upcoming regional trade events

NFRN/NewstrAid curry night & trade show Date 11 Sep, 6pm-10pm Location 3D Centre, Bolton

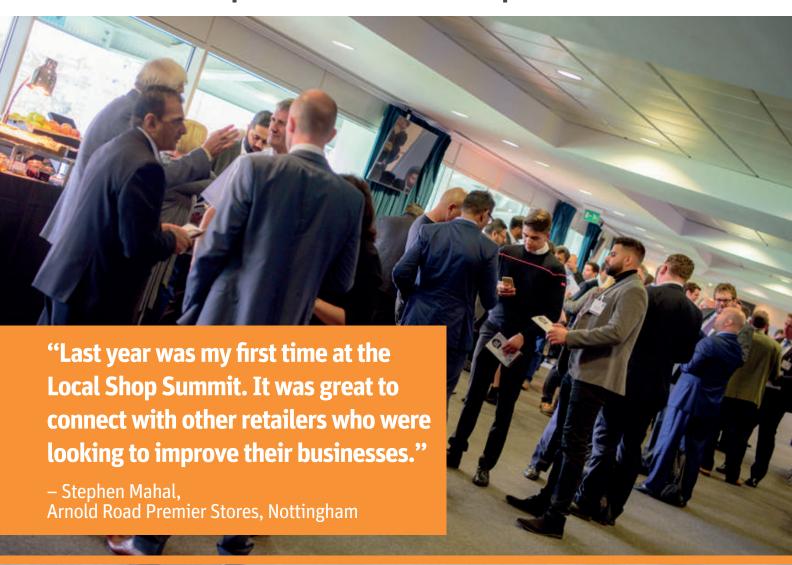
NFRN/Menzies open day Date 20 Sep, 9.30am-2pm Location Menzies Linwood

Contact Megan Humphrey with your trade news on O2O 7689 3357, megan.humphrey@newtrade.co.uk or @MeganH_RN



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YOUR VIEWS

■ I have been seriously let down by Menzies Distribution

I am writing because I have been seriously let down by Menzies Distribution.

A loyal and regular customer of mine asked me if I could order her a magazine she had seen advertised in Woman's Weekly, which was a Royal Wedding and Royal Family picture special. It took a week or so with telephone calls to Menzies to track down the book/magazine, as what was advertised was not what Menzies had logged in their system.

I requested an order of one copy on 14 June, and I told the customer that it might take a while as it was on back order, but she was more than willing to wait. I did suggest that she contact the publisher directly because she may get it quicker, but she was adamant that she wanted me to get the sale, and not cut me out completely.

I don't check my
account on the i-Menzies

app very often, as I don't have many supply issues, but with customers being away on an irregular basis, due to the school summer holidays, I had to log in and amend some supply figures.

After my amendments, I noticed a section titled 'back orders', and at the top of the list was the customer's magazine, but its status read as 'cancelled' on 22 June, only eight days after the order.

I then called Menzies to enquire as to why it was cancelled, and was told because the recall date was 21 June, its system deleted it, so I didn't receive something that I wouldn't be able to return. My problem is that no one informed me this could happen, or had happened. So, when I asked if I could reorder the magazine as the customer still wants it, I was told I couldn't.

Not only has this denied me a sale, but it is bad customer service on their behalf.

> Adrian Cooke Station Kiosk, Hockley, Essex

Menzies were unable to comment by the time RN went to print

Smiths News told me they couldn't deliver the Derby Telegraph... then they did, but too late

On Saturday, my delivery of the local Derby Telegraph wasn't delivered, so I rang up the Smiths News depot in Nottingham to see what had happened.

They said they would refund my money as they couldn't do anything about it, so I had to tell my customers that we wouldn't be getting the paper in.

But then, a few hours later, the delivery came through, but because we already told customers that we didn't have them, we didn't sell any – it was too late.

> **Manjit Mandair** First Choice, Derby

Smiths News were unable to comment by the time RN went to print



AROUND WITH THE ROUNDSMAN

Blanche Fairbrother



I don't know how other newsagents feel, but I am fed up with publishers who seem unable to let the Duke and Duchess of Sussex get on with their married life in peace. I'm sure that poor girl must want to crawl into a hole some days, if she reads what is on some of the front pages. As soon as I saw the Daily Mirror on 16 August, I felt like throwing the lot in the bin. It's not just the Mirror and the Mail on Sunday – but come on, go and find some real people to write about.

The Woodseaves Scarecrow Festival was a success. The weather helped, with wall-to-wall sunshine on Saturday. Everyone enjoyed it. I must say, there was quite an array of entries. Postman Pat and Mrs Goggins were outside the Post Office, Spider-Man was hanging upside down on a gate at a house in Glebefields, with Robin Hood at the next house pointing his bow and arrow. There were so many, it was hard to find a favourite, but the judges decided the winning entry was Shirley Hidderley, a cow made out of bales of hay with a face put on one end, and a tail on the other.

I had a nasty experience last Saturday morning. I was on my way up to Sutton to do Mr Fair's and Mrs Bulkeley-Jones papers, when a rather large black dog came down the road with its hair standing up on its back, growling and showing his teeth. Having been bitten on a couple of occasions, I was a tad scared, but someone must have heard my shouts for help because it got called back. Luckily it obeyed the call and went, much to my relief. I found out the next day the postman had been and left the gate open.

Severn Trent Water have now started the pipelaying project from one end of the village to the other, which is due to last 10 weeks. The road from time to time will be closed, causing a great deal of disruption for a lot of people, maybe even me.

YOUR SAY Would you be interested in offering a smartphone 'scan and go' payment method in store?



Paul Gardner

Budgens of Islington, London I do see a market for these apps and I will be trialling a similar system in my Islington shop, which already has self-checkout tills, in the coming month. Based in the centre of

London, I have a lot of customers who are millennials and want speed and efficiency when it comes to shopping in a convenience store. Smartphones are highly used among this audience and are natural to them.

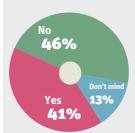
Dennis Williams

Premier Broadway, Edinburgh I think technology is changing every day, and further down the line applications like this will become more popular in the sector. A lot of people use Apple Pay to purchase items now, because there are more phones that exist than people. People just seem to prefer paying contactless than they do paying cash. Nowadays, as a retailer you have to be open-minded and be at the forefront of technology.

Peter Robinson

Londis, Pembroke Dock One day it may be relevant to our industry, but I don't think it will be anytime soon. The technology on customers' devices has to be compatible with our own EPoS technology so it can interact with our prices and stock control. I know of no system that may offer that interaction or connectivity. I think if technology catches up, it will probably need to be a businessowned device instead of a customer's mobile.

RN READER POLL



Would you like to see more government support for vaping?

NEXT WEEK'S QUESTION

Have you seen a boost in own-label products in the past year?



ONE CLICIONE VAPING



Change pod with 1 click



Powerful all day vape



A wide range of flavours



Quicker nicotine delivery with Intense





For more information please visit blu.com or email sales.uk@blu.com



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E-CIGS & NEXT-GEN

Retailers regularly tell RN they know vaping is a big opportunity, but they find it confusing.

Olivia Gagan and Toby Hill speak to retailers and suppliers to demystify e-cigarettes and next-generation products

The great vape



-cigarettes and vaping products have burst onto the market in recent years as an exciting new source of revenue for retailers, bolstering shrinking tobacco gantries and offering an opportunity to build a loyal new customer base.

As their use has spread – supplier JTI estimates the vaping market has grown 9.3% over the past two years – so too have the flavours, products and options for retailers to stock. It's a fast-moving, sprawling category that can sometimes feel confusing.

Like alcohol, it is a category that is particularly sensitive to regulatory change, requiring retailers to remain vigilant of legal requirements. In the past year alone, maximum refill container sizes shrank to 10ml and vaping tanks to a tiny 2ml.

Maximum nicotine strengths were curbed, too.

However, there are encouraging signs on the horizon. Earlier this month, an MP committee report urged for a loosening of regulations. E-cigarettes should be allowed to be used on public transport, it said, and it claimed vaping has been overlooked by the NHS as a tool to help people quit tobacco. It also called for a rethink on refill strengths and tank sizes and said the industry should have more freedom to advertise products.

We asked two suppliers to give us their top tips on selling e-cigs, and got a leading e-cig retailer to answer your questions on the category.



We sell up to 1,200 units of the liquid and kits every month

TOP TIPS

Sophie HoggHead of nextgeneration products, Blu



GET INVOLVED: Begin with a small range and work with your rep to understand the broader category – and what products will work best for existing vapers, as well as those who may be looking to transition to the category.

ENGAGE WITH CUSTOMERS: Speak to reps to understand the category so that you can offer shoppers advice. It will make them more likely to choose to shop in independent stores, rather than online or vape shops.

DON'T TREAT IT AS A SIDELINE:

The most common mistake retailers make is limiting their offering to, say, a small piece of PoS on the counter. This might result in the occasional purchase, but it won't signal that your store is a vaping destination.

INVEST IN THE CATEGORY: Point out the health benefits to adult smokers, who may be considering quitting, or are actively trying to quit, and focus on energising your e-vapour range. With the right preparation, you'll reap the results.

Nick Geens Head of reduced-risk products, JTI



KNOW WHAT'S POPULAR: Capsule and refillable products are currently the fastest-growing devices, and are now used by most UK vapers.

GET THE RIGHT FLAVOURS:

The three most popular vaping flavours are fruit (30%), followed by menthol (22%) and then tobacco (20%).

BE CONSISTENT: Of the 76% of adult vapers that use refillable devices, 72% of these use their device daily. Therefore, retailers can establish themselves as a destination store by stocking a consistent range for vapers and benefit from repeat custom and footfall.

MAKE THEM VISIBLE:

As consumer demand for vaping grows, retailers should display their products prominently, keeping a clear and tidy display to ensure customers are aware of the choice and range available.



TRAWBERR

VEXTEG

Logic has a 14% share in independents and symbols



The Blu Pro starter kit has benefited from 240% year-on-

year growth

RETAILER VIEWS

Anna **Patel** Star News, Nottingham



"Illegal trading of tobacco and vaping products is a problem for me. The council usually tell me they are too short-staffed when I contact them with information about illegal traders and ask them to visit in person. My sales have shrunk since illegal products started flooding the area. I'd like to know how to build loyalty and let customers know our products are higher quality than black-market products."

Seann **Sykes**

Denmore Premier Food & Wine Store, Rhyl

"E-cigarettes and vaping products have suddenly started to sell really well for us in the past few months. It seems price-driven - traditional cigarettes are so expensive now. We've stuck to traditional flavours, but we'd like to know how to get the right mix of these and more novelty flavours. Also, the margins have been pretty good so far, but we'd like to know how to price effectively to gain the best margins."



Cowpen Lane News, Billingham, Cleveland

"I sell some of the liquids as people will come in looking for them if they've run out. We sell maybe 20 bottles a week. But generally, vaping seems to be a very specialist category. People come in with questions or broken equipment and we're not knowledgeable enough to answer them satisfactorily. I'd like to understand how a convenience store can get the knowledge to match the specialists."





RECHARGEABLE SYSTEM

MASTER RETAILER Harry Patel

Kwiksave, Warlingham

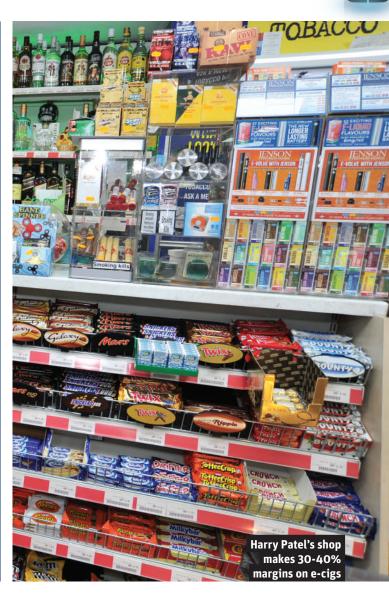
E-cigarettes and vaping play a key role in my store. We sell up to 1,200 units of the liquid and kits every month. The margins are excellent, especially compared to cigarettes. We can buy the liquids for £3, and sell them for between £4.50 and £4.99, which gives us margins of 30% to 40%.

I think the key way to avoid many of the problems these retailers have mentioned is to build a relationship with a particular supplier. I work very closely with Jenson, a British company. That stops customers getting confused by all the different brands and products. It also helps with choosing what range to build up - what balance of traditional and novelty flavours to stock. We have a sale-or-return arrangement with Jenson: whatever we don't sell, they take back. So, we can try out flavours, monitor what sells and get rid of what doesn't. I also work with Blu, but I don't want a clash of flavours, so in that case I just ask customers what they want and make sure I have it in stock for them.

Another advantage of working

closely with a single supplier is that they can introduce you to the category. They can explain how it all works, so you can talk to customers about the products. When someone comes in saying they're interested in a product, I'll ask them why they want it and how much they think they'll smoke. Then I can advise them on whether it's worth investing £30 in a quality device, or if they should look for something more disposable. Similarly, if people come in with problems or faulty products, I can just give them a new item and then contact my supplier about it to get a refund.

In terms of the illicit trade and cut-price products, I can't stop people selling them, I can just keep my own house tidy. There is someone down the road selling cheap products - three liquids for £10, that kind of thing. When customers tell me about that I explain that they could buy there, but it carries a risk - there are a lot of fake liquids around, and that could lead to coughing, a sore throat and infections. I assure them that I just stick to quality products they can trust.



TEN MOTIVES

INNOVATION IN CLOSED SYSTEMS

5.2 WITS SOLD IN 2017



THE # UK# CIGALIKE*





(1/8

OVER 18's ONLY. 10 Motives & Cirro products contain nicotine which is a highly addictive substance. Read leaflet in pack.

*10 Motives unit 64% share in cigalike format – Nielsen Scantrack, YTD Data to: WE 7.07.2018. †Source - Nielsen, UK Market Data, Q1 2018

SPECIAL REPORT



Owning it

With own-label products not just accepted, but actively sought after by today's shoppers, **Toby Hill** finds out how you can challenge the discounters and cash in

onvenience retail can feel like a battleground, and more often than not, there's something David and Goliath about the conflict, as small independent stores face up to the massive buying power of the multiples.

These days, it's tougher than ever: store owners don't just have to take on traditional supermarkets, they also face stiff competition from the discounters. Stores such as Lidl and Aldi have experienced huge growth over the past decade, triggered by the financial crash of 2007-08.

But sometimes adversity brings opportunity in its wake. The discounters, with 80% of their stock own label, have given people far more confidence in own-brand products across the grocery sector. They've spearheaded a major shift in buying habits, where old-brand loyalties have begun to fray and people are increasingly willing to trust their own judgement on the products they buy.

"Own-label sales are buoyant as consumers now value own-label

products as quality alternatives to brands, rather than solely cheaper versions," says Ed Smeaton, director of trading at Bestway. "Previously, own label was confined to dry goods and packaged grocery. We are now seeing innovation in own label across grocery, fresh and chilled and food to

go, which are real convenience drivers for shoppers."



These changes are being felt in stores across the UK, with retailers reporting dramatic growth in their





sales of own-brand products.

"Our own brand is just as competitive as the big brands these days: we sell more own-brand biscuits than we do McVitie's," says David Ramsey, owner of Best-one Knottingley. "Aldi and Lidl really kicked it off and it's had a knock-on effect in our shop."

One notable aspect of this shift has been the growth in more affluent customers also choosing to buy own brand, which is no longer seen as a purely economy option.

"We're in an affluent area – there's a local baker selling bread for £3 and over – and we avoided own brand for years," says Robert Madden, owner of Costcutter R & D Hardy in Chorlton-cum-Hardy, Greater Manchester. "But over time we added more lines. It started slowly, but people gradually came to trust it. Now we find it sells as well as branded lines."

Premium own brand

To meet this expanding demand for own-brand products, manufacturers have dramatically expanded their offering. As own brand is no longer synonymous with budget, new premium labels, such as Bestway's Best-one Inspired or Booker's Discover the Choice, are seeing great success.

The growth of premium own label expands retailers' ranging options, helping them tailor their store to the local area. Chris Herring, owner of Londis Shiphay Post Office in Tor-

Aldi and Lidl really kicked it off and it's had a knockon effect in our shop

quay, thinks carefully about which products work best under what he broadly classifies as economy (Happy Shopper) and premium (Discover the Choice) Booker own-label lines.

"Everyday goods that people replace frequently work well as Happy Shopper, but with more luxury items that last a while, people want something nice," he says. "For example, Happy Shopper has a jam for 99p, but I think it would work better as Discover the Choice – people aren't buying jam every day."

Meatier margins

Symbol group

both value and

own brands target

premium shoppers

This growth in own label is good news for retailers: more often than not, own-label products offer better margins than their branded equivalents.

"It's in our interest to sell own label, as we get better margins and make more money," says Baz Jethwa, owner of Spar The Rocket in Bolton. "Plus, it supports our brand and helps build confidence in our store."

SYMBOL GROUP TIPS



September sees the first anniversary of the Best-one own-label brand after replacing Bestway's former Best-in offer for retailers. Uptake of the brand has been incredibly positive. Since the introduction of Best-one, own-label sales have gone from a decline of 12% to an increase of 15% – a growth swing of 27%.

Alongside the chilled, frozen and ambient Best-one ranges, we now offer Best-one Inspired, which is our premium range and is driving new opportunities for our retailers. There is an ever-growing trend of consumers trading up and Best-one Inspired offers retailers the chance to take advantage of this and drive sales and footfall.

Since shoppers are searching for, and becoming increasingly loyal to, own label, retailers should make provision for it across all categories. Too many retailers stock the brand leader, but also tertiary brands, which is unnecessary. Duplication of tertiary brands only clutters shelves and adds confusion for the shopper. It is better to rationalise the range with the brand leader double-faced, where appropriate, and then offer a value alternative in own label beside it.

Ensure that you utilise PoS material to promote own label and not just the big brands. Offer link deals including own label, which allow you to hit a price point that will resonate with shoppers and increase basket spend.

Margins are also generally better on Booker's own-brand products, Herring adds.

"Usually with own label we can hit 30% POR, which is 10% to 15% more than on branded products," he says. "People don't necessarily want the cheapest products, but they do want value. Ultimately, that's what they feel own brand offers – better value for money."

SPECIAL REPORT





Robert Madden Costcutter R & D Madden, Chorlton-cum-Hardy, Manchester



Our own-label products sell an awful lot better than they used to. The Heritage brand has been doing very well, especially in the chilled section. And now we're beginning to sell Co-op ownlabel products, too.

We've reached the point where people come in looking for specific own-brand products. The other day, someone was asking for Heritage ground coffee. We've just started selling Co-op cookies, and a customer said: 'Oh, that's great, it saves me walking all the way to Co-op to get them.'

We deliver 2,000 promotional flyers every three weeks. We also use shelf-edge advertising whenever there's an offer. I think it's a result of people being more conscious of their budgets, and this has nudged them into trying own brand. It's like cigarettes: people are a lot less bothered about brand than they were 10 years ago.



Baz JethwaSpar The Rocket,
Bolton



Customers are becoming more and more confident about buying own brand. It's especially popular in our fresh lines, where there's a big price differential in comparison with branded stock. 70% of our fresh and chilled section is own brand now.

It's in our interest to sell more own brand, so we try to push it in every way we can. Obviously it's about hitting the right price point. And increasingly, we're stepping up our facings of Spar Brand products.

One category that is seeing a lot of own-label growth is wine. A third of our wine fixture is dedicated to Spar own-brand wine now, and it's very popular. The range goes from £5 value bottles up to a £9.99 premium range. It represents great value for money: you can get a good Malbec for £6.99 with Spar. Our margins on Spar wine run from 18% to 25%, whereas branded wines are 18% or 19%.



It's especially popular in our fresh lines, where there's a big price differential. 70% of our fresh and chilled section is own brand now

Londis

Chris Herring Londis Shiphay Post Office, Torquay



When I walk the streets, I look in people's recycling bins to see what they're buying, and these days I see a huge amount of own-brand products. There are categories that would never have sold as own brand in the past, such as pet food, where people are buying as much own label as they are the equivalent brands.

I'd like Londis to have its own label. I like Happy Shopper, and it can be a good seller, especially when it's pricemarked, but having your own brand helps build loyalty and trust with customers.

Now is the time for companies to be pushing their own brand. I remember the old wholesaler Nurdin & Peacock had a camper van that you could book to come to your store. Inside, it was branded with Happy Shopper and there was a table where you could sample own-brand products. I'd like to see a Londis own brand, and a campaign like this to promote it.



David Ramsey

Best-one Knottingley, West Yorkshire



When new products first come out, we do a display on the main promotional position at the front of the store to educate customers on the brands and product lines we have. We'll nearly always have the products pricemarked, too.

sages. They're just as competi-

tive as the major brands now.

After a while, once the product is established, it just sells itself. It boils down to price, really: own brand represents much better value. Plus, Aldi and Lidl have got people used to the idea that own brand doesn't mean lower quality.



Siva Thievanayagan Nisa Local Fletton, Peterborough

The Heritage brand is not massive in my stores: we're aiming for it to represent 15% of sales, and it's currently between 5%-10%. It sells best on certain lines, such as ready meals, biscuits, pizzas, ice-cream and garlic bread.

We're also seeing growth in our sales of own-brand spirits, such as whisky and vodka. It's a trend that's been pushed by Aldi and Lidl, but I don't pay attention to what they're doing. I keep my eye on the shop itself and it's all about listening to customers.

I look at the sales data, and if some lines aren't selling, I'll cut them down. So, I keep a close watch on the Heritage lines, for example, reviewing the data to decide whether to give a line a double-facing or discontinue it altogether.

ACADEMY IN ACTION







Three-month follow-up:

Retail Innovation

In May, NFRN's Graeme Collins visited Abdul Arain's store in Cambridge to help him take his retail innovation to the next level and form an action plan. Three months on, what benefits has Abdul seen?

IAA ADVICE

- Create and begin executing a social media plan that prioritises marketing the vision of the store
- Investigate and test a delivery service app with customers and analyse the results
- Begin collecting actionable feedback from customers about the store relaunch to create measurable and achievable targets

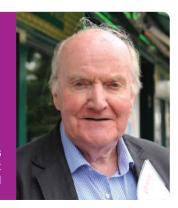
THE RESULTS

Since Graeme's visit, we've put more time into social media to communicate our expertise. I've noticed a 10% increase in engagement. We've begun asking customers for feedback about our store relaunch and encouraged them to use the IAA benchmarks to rate us and tell us what we could be doing better. One surprising recommendation we had was for us to wear name badges. It is not something I had considered, but it is an easy win.

PARTNER ADVICE

It is fascinating to see Abdul has increased engagement with his shoppers. It is now about communicating his future plans and continuing the interaction with his customers both online and in-store, as this will help him make his shop a brand.

Graeme Collins Head of Business Development NFRN



FIND OUT MORE

Visit **betterRetailing.com/IAA** to find out more about Graeme's visit from the IAA or call us on **020 7689 0500** to take part in a future visit.

COLUMNIST



Neville Rhodes

All-round improvement

With a takeover of Menzies expected next month, how can Endless ensure it delivers a better service to independent retailers?

can remember a time when even the 'hard men' in Menzies' senior management team would have been horrified at the way the company is treating some of its customers.

Menzies' retailers can judge from their own experience whether this comment is fair, but what I have read and heard through my work for RN, and witnessed at the newsagents where I collect my papers each day, is truly shocking.

For much of the summer, newspaper deliveries to our village have been late, on several occasions an hour or more after the RDT.

The worst occasion was earlier this month, when the papers came at 9am, almost five hours – according to the National Distribution Monitor – after the last title arrived at the depot – 21 miles from the shop by the most direct route, or 27 miles if the usual round was followed.

The driver just shrugged when he was asked what had

caused the delay, and there was no explanation or apology from Menzies' branch management. Apparently, the £8-a-day carriage charge doesn't cover the cost of a phone call to say sorry.

My newsagent also has a longrunning problem involving credits amounting to several hundred pounds.

He has talked to the call centre about it, spoken to a manager at his branch, shown the paperwork to a Menzies rep and discussed the matter with staff at the company's head office in Edinburgh: all this effort to try to resolve a number of administrative errors that are in his favour!

To me, these incidents look like symptoms of corporate malaise, and they may help to explain why the John Menzies board wanted to exit the news distribution market that they have served for more than 150 years.

Menzies' retailers will be hoping that Endless – the private equity group that is expected to complete its takeover of Menzies



Apparently, the £8-a-day carriage charge doesn't cover the cost of a phone call to say sorry Distribution within the next month – manages to live up to its mission to 'make business better for everybody'.

A good starting point would be the Menzies Customer Service Pledge, which was updated in May this year.

This document sets out high standards of service and provides the basis for good relationships with customers, but it lacks teeth.

When service failures occur, retailers need to know that measures will be put in place to prevent them being repeated in future, and that means putting senior managers in charge of retailers' complaints.

My first suggestion to Endless is that it should consider appointing a 'retailers' champion' at each of Menzies' hubs.

I would also strongly urge the company to announce an 18-month freeze to the Menzies carriage charges template.

This would give it time to undertake a thorough review of Menzies' distribution to retailers, to see where efficiency gains and savings could be made, rather than taking the easy option of yet another carriage charge increase.

Endless has a reputation for adding value to companies by bringing fresh insight and expertise to the businesses it acquires.

Menzies Distribution, and the wider newstrade, too, certainly provides plenty of scope for positive change, and I'm sure it can't come quickly enough for the wholesaler's customers.

★ New distribution route for mags?

Tive heard murmurings that newspaper publishers are questioning why magazines get a 'free ride' on daily delivery vans. They say handling magazines at drop-off points slows down paper delivery, and that magazine publishers should look for distribution models that reflect the changes in their market. Wholesalers need an income from magazines, but could they keep it without having to deliver them with papers? Could retailers with small sales of magazines have their supplies delivered two or three times a week to convenient collection points, or delivered to wholesalers to be forwarded with groceries? And would retailers with bigger magazines sales benefit from a supply separate from newspapers? A crazy idea? Don't bet against it.

Neville Rhodes is a freelance journalist and former retailer

THIS WEEK IN MAGAZINES



Launch of the week

SUPERPOWER YOUR SALES WITH MARVEL COLLECTION

The Deadpool movies were a huge success, making Marvel's rudest, goriest 'antihero' a firm favourite worldwide. Capitalise on this with Hachette's new hardback graphic novel partwork

SUPERHEROES ARE BIGGER than ever, thanks to multiple hit movies over the past decade, which have brought them to the attention of mainstream audiences. One of those was the comedy franchise Deadpool, which is about an eponymous superpowered mercenary played by Ryan Reynolds. The film earned £1.19bn in cinemas.

To capitalise on this popularity, Hachette Partworks and Marvel are releasing a Deadpool graphic novel collection, a partwork of 80 issues aimed at adult readers and comprised of the most relevant stories of the character. In total, the collection will cost £788.20, so make sure to grab loyal readers with this opportunity.





COLLECTION

On sale out now

Frequency fortnightly

Price £1.99 (1st issue),
£6.99 (2nd issue), £9.99
(subsequent issues)

Distributor Marketforce

Display with Warhammer
40,000: Legends
Coll'n, Marvel Universe
Figurine Coll'n

My week in magazines



Marcello Perricone

Magazines reporter marcello.perricone@newtrade.co.uk

PRE-SCHOOL TITLES PROVIDE THE PROFITS

Last week's ABCs showed unusual results, with the once-popular heavy hitters, including TV guides and home interest titles, taking a plunge in circulation. Pre-school was the only category that performed consistently – a good sign by itself, but made even better when compared to the number of new magazines in the segment.

Publications such as Peppa Pig and Fun To Learn have dominated the ABCs for years, and continue to do so despite the market's volatility. However, they now share the space with emerging titles such as Paw Patrol and Pokémon.

I spoke to Redan's managing director, Julie Jones, about how its pre-school titles continue to outperform the sector, and she said it comes down to offering magazines that are attractive to children at a price that's fair for parents. "We believe the unique mix of characters, combined with high-quality editorial and excellent value for money, keeps them at the top," she said.

This is pre-school in a nutshell: children don't care about the writing as much as they do the covergifts, whereas parents care more about what the magazine may add to their children's lives – and this is what they are willing to pay for. With that in mind, retailers should analyse their area and audience and decide which are the best titles for increasing their revenue.

Opportunity: pre-school

The holidays are over and school is about to start, but children will continue to drive sales regardless of the season. Keep abreast of top sellers and current trends to capitalise on this strong-performing sector.



Which titles fly off your shelves? Have you grown your sales with a great display or promotion?



Call 🕿 020 7689 3350

'HIS WEEK

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WORLD OF CRUISING

 A tourism-focused magazine first published in 1998, World of Cruising covers all kinds of waterbased leisure journeys, from ocean and river trips to adventure cruises.

 The September-October issue features a series of articles about cruising through the United States, visiting Seville in Spain and when it is best to visit Japan.

On sale 6 September Frequency 10 a year Price £4.95 **Distributor** Intermedia **Display with Sunday Times Travel, Cruise** International





SHARKS & CO.

This new collection is composed of 16 miniature sharks, alongside two limitededition ones that glow in the dark and three that change colour in water.

 DeAgostini recommends retailers display this alongside other collectables, such as football cards and stickers, in a prominent position or at the till point.









emoment IN THE MOMENT

 This mindfulness magazine features interviews, health and beauty tips, and diet and exercise suggestions.

 September's issue comes with a special 52-page book entitled Your Little Book of Mindfulness, alongside an extra 16-page mini-mag featuring a short story.

On sale out now **Frequency** monthly **Price £5.99 Distributor** Frontline **Display with Yours, Breathe, The Simple Things**





HEY DUGGEE STICKER MAGAZINE

 This relaunch of Hey Duggee sees it reinvented as a sticker magazine, with five sticker sheets in a foil pack mounted on the front cover.

 It also includes sticker activities and stories, and a reward chart with Hey Duggee badges to earn by completing activities.







WANDERLUST

 This travel-based magazine is full of suggestions of locations to visit across the globe.

 September's issue is focused on nature and wildlife, from walking through tracks in New Zealand and visiting sloths in Costa Rica to watching penguins in the Antarctic.





Bestsellers Children's Title On sale date 1 Fun To Learn Peppa Pig Bag-o-Fun 06/09 ² Fun To Learn Peppa Pig 29/08 3 CBeebies 29/08 4 Fun To Learn Friends 06/09 5 Paw Patrol 29/08 6 CBeebies Art 05/09 7 Thomas & Friends 22/08 8 CBeebies Special Gifts 05/09 9 Andy's Amazing Adventures 22/08 10 Toybox 05/09 11 Go Jetters 29/08 12 Fun To Learn Favourites 30/08 13 Swashbuckle 05/09 14 Disney Stars 15 Octonauts 05/09

Data from independent stores supplied by Smiths News







Price change

Launch Frequency

Bumper change issue









One shot

Special issue

Free Competition gift



COMING UP IN NEXT WEEK'S RN

Get ready for bigger sales during the autumn and winter with our big night in guide

Plus, find out how you can earn more dough with an in-store bakery, and compare your winter remedies prices to stores like yours



THIS WEEK IN MAGAZINES



SUPERZINGS SERIES 2

• This collectable's second season uses the same 'hero vs villain' format as the first.

• SuperZings Series 2 is made up of 80 characters in special 'hideout' boxes, customised with special stickers.

On sale out now Frequency n/a Price £5 (Starter and Mega packs), £6 (Cyber Squad Tin), £7 (Blister Pack) Distributor Seymour Display with Zomlings, Star Monsters





MAGIKI UNICORNS

• This unicorn-themed collectable series is made up of 12 unique Magiki Unicorns that change colour when immersed in hot or cold water.

 Retailers are advised to display this collection alongside other collectables in a prominent position or at the till point. On sale out now Frequency n/a Price £2.99 per pack Distributor Marketforce Display with SuperZings, Star Monsters, Zomlings





STEAM RAILWAY

• A magazine for train enthusiasts, Steam Railway includes features, articles and analysis about the steam locomotives of old.

• This issue comes with a free DVD that takes a look at 15 different trains, including their features, routes and engines.

On sale out now Frequency monthly Price £4.40 Distributor Frontline Display with Rail, Railway Magazine, Heritage Railway



On sale 5 September Frequency monthly Price £2.99 Distributor Marketforce

SPECIALIST CHOICE

GRAHAM DOUBLEDAY, NEWSMARKET, ASHTON-UNDER-LYNE



Who buys it?

I don't have any male clients that buy it, only women. They tend to be of all ages, but the main age range is 30 and over.

How do you display it?

In the culinary section, alongside other titles about food and health.



Expert advice Ben Harper UK & Ireland director,

UK & Ireland director
Magic Box Toys



he collectables market continues to be an area of strength and opportunity for the industry. The key for a retailer is to identify and stock the ones that children recognise and offer genuine impulse and repeat sales opportunities. Brand, design, price and marketing are key drivers in this sector and we believe that we deliver on all of those fronts.

We are launching series two of SuperZings, our superhero-based collectable toys. The characters are everyday items transformed into either a superhero or a supervillain. They are bright and engaging and there is humour and fun throughout the range.

We are marketing the range on TV, at cinemas, via digital media and doing sampling in kids magazines and schools. SuperZings is already one of the top TV advertised toys in the UK in 2018 and this brand awareness is getting stronger. Our retail prices start at just 80p for a SuperZings One Pack and we have a wide range of other products all at pocket-money-friendly prices.

Our strategy

Who buys your products?

Children, parents and plenty of grandparents, too. Our collectors range in age from four to nine, and often an adult buys them for a child.

How should they be promoted in store?

Display them as prominently as you can. The ideal solution for us is to have the CDUs at the counter. If space or security is a concern, a secure, visible spot is also good. Children quickly learn where they can get their products and will return with their parents dragged along, too. We also supply starter packs and mega packs that can sit in the magazine displays.

How are you investing in independents?

We are investing in all retailers with the extent of our marketing and with an openness to distribute our toys into news retailers. If a retailer would like any support in displaying and promoting our products, we would welcome them to get in touch with their news wholesaler or with our distributor, Seymour.



PROPERTY



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Ref:GT33499K



Newsagents Newmarket Leasehold £89,950 Takings £450,000pa

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West Midlands 01543 411036



High Turnover News/Conv/Lotto Near Preston Price £210,000 T/o £9,000pw+Lotto Ref:T33186NW

North West

01704 876600

Newsagents/Conv/Off-Licence Leicestershire Leasehold £52,000 Ref:T33625G Takings £258,229pa

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Get ready for the colder season with our big night in guide

Top advice on making the most of shoppers staying at home. Plus, find out how to earn more dough with an in-store bakery



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