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business rates threat

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Shaping the future of independent retail since 1889



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magazine's publisher,

Independents are the industry lifeblood. So I know how important it is to maintain supply Page 30

WELCOME

The 9% rise in basket spend and growth through diversification is testament to the strength of our industry

Editor Chris Rolfe @ChrisRolfeRN 020 7689 3362

on't write about alcohol, avoid convenience products if you can and stick to chocolate, tobacco, snacks and drinks." Those were the instructions I received in my first week as RN's new products reporter, in September 2004.

In an era where huge symbol groups, food to go and e-cigarettes were alien concepts and newspapers and magazines ruled the roost, the headline news in my first issue included scepticism over The Times and Independent on Sunday "going compact", the demise of kingsize chocolate bars and celebration of the

National Lottery's 10th birthday.

The independent news and convenience retail sector has changed beyond recognition since then, but RN's commitment to help store owners run successful businesses has remained consistent.

In my first issue, an article advised stores how to build sales of budget cigarettes "as premium cigarettes hover around the £5 mark". In this week's issue, our Pricewatch guide focuses on the same topic, helping you devise strategies to earn the best margins and sales on products now double that price. It also contains advice on magazines and confectionery, and tackles issues such as wholesale supply and parcel services.

This is my last issue at RN, but I am proud to have been part of a team of journalists which has consistently supported independent retailers and showcased your innovative ideas, fierce commitment to local communities and ingenuity in an extremely challenging market.

The 9% rise in basket spend and growth through diversification achieved by the Independent Achievers Academy Top 100 stores (pages 4 and 16) is testament to the strength of our industry.

I have loved meeting you and reporting on your inspiring businesses over the past 14 years.

Thank you for your support for RN and I wish you every success for the future.

BREAKING NEWS

Back-toschool tip for stores

Retailers should invest in strong stationery ranges as the school summer holidays draw to a close.

According to research from the Independent Achievers Academy's Top 100, 85% of independent retailers now sell stationery, giving children the chance to buy supplies locally.

Joe Williams, from The Village Shop in Hook Norton, said: "Stationery sales go up by about 5% at this time of year. We make sure stock levels of items such as notepads, pencils or pens are high two weeks before term begins so parents can pick up anything they may have forgotten at one of the bigger or more specialist stores."

Gut health and new pizzas are top trends

Food supplier Eurostar Commodities has published its 2018 summer trends report, highlighting health as one of the biggest trends retailers should invest in.

The report stated retailers must invest in foods such as sushi, kimchi and kefir, as more shoppers turn to foods that promote gut health.

Philip Bull, managing director at Eurostar Commodities, said when it comes to trends affecting sales of pizzas, retailers should expect more consumers looking for new varieties.

"We have noticed a new, very artisan trend of people eating purple pizza that include bases made from spinach, potato and even liquorice," he said. **Stores reap benefits of IAA visits** 'I have much higher returns on almost every product'

Expert advice leads to 9% boost in basket spend

by Olivia Gagan

RNreporter@newtrade.co.uk

Retailers have benefited from a 9% increase in average basket spend this year by taking advantage of expert advice and the latest trends, according to the Independent Achievers Academy (IAA).

The IAA Top 100 report, which was released this week, revealed an average basket spend of £7.74, compared with the £6.28 national average.

David Ramsey, of Bestone Byram Park Stores in Knottingley, said a shop visit from the IAA as part of its Academy in Action programme helped him to increase his profit by suggesting a new floor planogram.

"They recommended we move our soft drinks to sit next to our food to go offering," he said. "After the move, our soft drink sales increased by 15%-20%.

"This gives customers the opportunity to grab a drink on the go. Our basket spend is currently sitting at £7 when it is usually £6.70 at this time of year," he said.

This sales uplift taps

into the on-the-go trend which continues to rise, with 63% retailers now selling store-baked goods, and 52% offering smoothie and slush machines.

Dipak Shah, of H&R News in Camberley, increased his product range by 50% after a visit from the IAA in June. "Since doing so, I have much higher returns on almost every one of my products," he said.

"I offer 24 different National Lottery scratch cards. I'm also stocking more vaping flavours, which has led to a 50% increase in sales. It's all about making use of every piece of space in your square footage."

Meanwhile, Anita Nye, from Premier Eldred Drive Stores in Kent, said she installed an ice cream machine following a visit from the IAA.

"The IAA has helped us think about how we can improve our store, so we decided to install this machine four weeks ago," she said. "Sales have started slow, but now word of mouth has meant we're seeing a lift."

• Store Tour, p6; Top 100, p16

Court to rule on ATM tax rates

Retailers are facing a further threat to the profitability of their ATM machines if a legal battle ends in favour of charging additional business rates on external cashpoints.

A decision is expected in the coming weeks on whether retailers should pay extra taxes on external ATMs. The decision will settle a five-year fight between the Valuations Office Agency (VOA) and supermarkets over external hole-in-the-wall business rate charges.

If the Court of Appeal decides in the supermarkets' favour, the VOA could face paying out £496m in backdated overpaid business rates to retailers, researchers Colliers International estimated.

If the VOA wins, the additional rates will continue to be enforced.

Dave Hiscutt of Londis Westham Road, Weymouth, told RN he has had to start charging customers to use his business' two external cash machines. "We are completely against charging, but we are losing money by offering our customers free ATMs. The number of transactions has dropped, but we're clawing back the income we're losing from business rates."

Fruit, movies and cowboy hats make sure firework show goes off with a bang

Wholesaler Spar Appleby Westward Group sponsored the British Firework Championships in Portsmouth for the third year running, by hosting a film screening. Liz Code, support manager at the wholesaler, said: "We gave away apples and bananas to those who were watching the show across both days, and screened Toy Story and Toy Story 2 for parents who had brought their children. In line with the movie choice, we also sold cowboy hats."



BREAKING NEWS

Trade body condemns proposed charge 'Taxing e-cigarettes would be a backwards step'

Vaping 'sin tax' would hit consumers hardest

by Priyanka Jethwa

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Retailers have criticised a rumoured government 'sin tax' on vaping products, fearing it will affect sales in a growth market.

The alleged proposal was revealed via a journalist tip-off from a source at Whitehall two weeks ago. Details of when a 'sin tax' would be introduced, or how much it would be, were not provided.

In response, a letter signed by seven co-sig-

natories, including John Dunne, director at the UK Vaping Industry Association, was sent to the Chancellor of the Exchequer and the Secretary of State for Health and Social Care condemning the move.

The letter stated: "It is consumers who will pay the price if taxation policies target vaping.

"If the government does decide to increase taxes on vaping, retailers and manufacturers will be forced to raise prices and pass on the costs to consumers." Harj Gill, of The Windmill in Birmingham, said the tax would mainly affect those who buy premium vaping products. "We were looking into offering tanks, some of which are priced at £50, so if the tax does come into force, it is something we will need to reconsider."

However, Will Hill, head of legal and external affairs at British American Tobacco, said: "We have been told by the Treasury that there are no plans to introduce any form of vaping tax. Any move that increases the price of electronic cigarettes would be an unwelcome U-turn in policy."

A Philip Morris International spokesperson concluded: "Taxing e-cigarettes would be a backwards step in achieving a smoke-free country. Anything that deters smokers from switching to less harmful alternatives would be contrary to the government's tobacco control plan."

MUP for Wales set for 2019

A new law introducing a minimum unit price (MUP) for alcohol in Wales has been granted Royal Assent by the Queen and is expected to come into effect in summer 2019.

The MUP value will be specified following a consultation, which will be launched this autumn.

NFRN national president Mike Mitchelson said: "The NFRN is supportive of MUP, as we believe it helps cut consumption from heavy drinkers while protecting independent store owners who are often targets of antisocial behaviour.

"It also allows independents to compete with multiple chains on pricing, and our members look forward to working with Alcohol Concern Wales and the Welsh government on shaping the legislation, to ensure it benefits independent retailers."

C-stores 'will grow by £7.1bn'

The UK convenience channel is set to increase by £7.1bn to £47.2bn in the next five years, according to a new report by the IGD.

The forecast looks at the current state of the market and predicts the convenience channel will benefit from a 3.3% average annual growth until 2023.

IGD's senior business analyst, Patrick Mitchell-Fox, said: "New store development will continue to be a key over the next five years, and this makes for a positive outlook for convenience retailing, as it remains one of the fastest-growing channels in the UK food and grocery market."

Manchester store records first £10,000 win in Camelot comp

Waguar Akhtar, from Choudhry Brothers in Manchester, was the first retailer to win £10,000 in Camelot's Site, Stock, Sell competition. The programme evaluates retailers by asking questions about placement of Camelot products, stock levels and point of sale materials, then awards cash prizes according to their scores. Mr Akhtar said: "Scratchcards are the biggest seller in our store. People come in and play, win and buy other things from us, too."



Shop-and-go scanners at Sainsbury's

Sainsbury's has rolled out a 12-week trial of its first shop-and-go phone scanner at its Clapham North Underground station branch in London.

In a UK-first, customers can use a smartphone app to scan items directly from shelves, pack them in bags and pay using a

digital code at the front of the store. Customers must register a Nectar card to use the service.

Store manager Sekhar Dey said the demographic of the region was prioritised when deciding which store to trial the service in. "There are a lot of customers who use Apple Pay in Clapham and use their phones to pay for goods at checkouts," he said.

"This service is aimed at that audience who want their products quickly and don't want the hassle of waiting in big queues. We have had really good customer feedback so far."

Mr Dey added that in order to crack down on theft, some products are tagged. "A lot of the products are registered in the app and have security tags, but not all of them," he said.

The service could be made permanent if successful, and Android users are soon to be included.

STORE TOUR





The store bowling people over

Dipak and Jayshree Shah swapped international property investment for independent retailing and found their niche in a newsagents in the cricket-loving town of Camberley. **Toby Hill** reports hen Dipak and Jayshree Shah took over H & R News in August 2017, it marked a big change from their former life. They had previously worked in property, managing investments as far away as Dubai and Mumbai. It was a fast-paced, jet-setting lifestyle – but after decades in the game, they were ready for a change.

As luck would have it, as they were considering their next career move, the newsagents they now own in Camberley came on the market.

"It's a very good business, in a great location, which guarantees a steady income whatever the weather," Dipak says.

It was the first time they had worked in retail. And while the location was indeed excellent - on a busy high street, with plenty of passing footfall - they quickly found there was a lot of competition for customers.

"There are two independent stores on the high street, and three kiosks within the nearby shopping centre, as well as supermarkets," he says.

But Dipak and Jayshree brought their old business acumen to their new enterprise, quickly getting to know the local area and finding small ways to set themselves apart from the competition.

"There are a lot of different people passing by," Jayshree says. "So, on some smaller items we began cutting down the number of facings of the best-selling lines and putting in more variety. Now we have a very wide range of products such as drinks and chocolate. People like it. They tell us, 'We can't find this flavour anywhere but your shop.'"

To extend their drinks range, they removed an old freezer and installed two branded fridges: one for Red Bull, and one for Wall's ice cream. The change was a huge success. By widening their range, their Red Bull sales multiplied five times.

"It takes careful stock management, and my wife and I are constantly filling up to make sure we don't run out of anything," Dipak says. "We fill up the night before, and again in the quiet period after lunch, so the drinks are always cold. We get comments on the coldness of our drinks all the time."

Another key part of the store is their HND service. Dipak estimates they have one of the largest in Surrey, delivering 400 papers daily to 350 customers. And, counter to conventional wisdom, they find their newspaper business is going from strength to strength.

"I was worried about the future, but the opposite has happened: every week we have an increase in newspaper sales," he says, adding their overall sales total around 3,500 copies each week.

They have achieved this by taking a proactive attitude to selling newspapers. They approach local businesses – such as nearby



We have a very wide range of products, such as drinks and chocolate. People like it. They tell us, 'We can't find this flavour anywhere but your shop' JAYSHREE SHAH







Inside my shop

- 1 Dipak and Jayshree have built their business around the products and community their customers are passionate about
- 2 Magazines and newspapers are core to their store – they deliver 400 newspapers daily
- Installing a branded fridge and widening their range helped multiply Red Bull sales by five
- 4 H & R News fights off competition by offering a wide range and products customers can't find elsewhere

INFORMATION

Location

H & R News, 35A High Street, Camberley, Surrey, GU15 3RB

Size

700sa ft

Turnover £15,000

Average basket

retirement homes – and offer deals of three or six months without delivery charges.

"We also make sure the service is excellent: any problems, like a wrong delivery, and we'll get it sorted in minutes."

On top of these central CTN roles, the couple began layering additional services. Their store offers dry-cleaning, PayPoint and UPS parcel collection, each of which get people coming back again and again.

After a while in the town, they began noticing what people were passionate about. There were several events – classic car and arts and crafts festivals, a carnival. Similarly – being in Surrey – there was a cricket team, the Camberley Cricket Club, viewed with affection by their customers.

"We realised it would be a good idea to take part in these things, so we began sponsoring them," Dipak says. "We give a little money to the festivals and some crates of beer to the cricket club for their evening gettogethers. Then they'll put up a board with H & R News on it. People get to know the name, it makes us stand out in the area."

After a lifetime of jetting between continents, they have found their own little corner of the world. And it's a cricketloving town in Surrey.



SYMBOL NEWS

Stock issue after depot sell-offs

Retailers have struggled to secure stock in the wake of a stream of Blakemore depot takeovers.

Helen Rogers, of Midway Convenience Express in Ledbury, switched to sourcing stock from Bestway last week, after Landmark subsidiary Blakemore sold off depots. "We had a good experience with Blakemore until they sold the warehouses. We've had no promotions for five weeks," she said.

Gail Bosier, of Lifestyle Express Marsh Stores, Pendine, is halfway through a three-year contract with Landmark fascia Lifestyle Express and uses the Cardiff and Swansea depots formerly owned by Blakemore.

"I've been unable to get essential products for a month and a half. We haven't decided who else to sign with yet," she said.

Landmark Wholesale declined to comment.

Bestway expands retail base

Bestway Wholesale has added more former Blakemore customers to its retail base after completing a takeover of the business' Walsall depot, which will be rebranded as Bestway Walsall.

Bestway Wholesale managing director
Martin Race said: "Over the past year, no other wholesaler has invested in the sector as much as Bestway following our acquisitions of Conviviality Retail, two Blakemore depots and establishing Bestway Vans Direct. This clearly demonstrates our ambitions within the wholesale and retail sectors."



Clearly a better way to sell

Premier Speke Town Lane Convenience store in Liverpool has sold 50% of the products in its newly unveiled reduced to clear section, after launching this week. Store manager Ramsey Hasaballa said the idea came from looking at what they could learn from supermarket competitors. "We knew this was a way to profit from stock that wasn't selling," he said. "I also brought some stock from suppliers at a reduced rate. Half of the stock went in just one day."

Merger outcome rests on September vote 'We haven't had any communication'

Retailers wait for details of Landmark-Today's deal

by Olivia Gagan

RNreporter@newtrade.co.uk

Retailers operating under Today's Group and Landmark Wholesale's symbol fascias are still waiting to hear from the buying groups about a proposed deal to merge the businesses.

The merger depends on wholesaler members of the businesses voting in its favour on 6 September.

This week, retailers running the groups' fascia stores told RN they had not yet received any information from the firms about the deal. Ajaz Ali, of Lifestyle Express Seaforth Road, Falkirk, said: "This is the first I've heard about it. We have a Landmark representative visiting us next week, so hopefully we'll hear about it then."

Gail Bosier, of Lifestyle Express Marsh Stores, Pendine, said: "We haven't had any communication about the merger. We had an inkling for a long time that something was going to happen, though."

Hari Sraw, of Today's

Extra Oakridge Stores, Basingstoke, said: "We only found out on Sunday [12 August]. We haven't heard from Today's Group yet, we found out online on betterRetailing.com.

"The importance of it for us boils down to what the savings and benefits are going to be, and if these trickle down to retailers."

Retailers were keen to keep operating under their respective fascias. Mr Ali said: "We've only been with Landmark since the start of the year, but it's been a good decision for us. We're happy with the fascia as it is."

Ms Sraw said: "We'd like to stay with the Today's fascia – it's instantly recognisable and it's got more presence than Landmark's fascias."

Today's Group and Landmark Wholesale had not replied to a request for comment by the time RN went to press.

The companies issued a joint statement on 10 August that said the fascias "will continue as they are".

Data worries and 'loyalty fatigue' thwart Spar

Customer concern about data protection and 'loyalty fatigue' have hampered take-up of Spar's new loyalty scheme, a retailer testing the initiative has said.

Leicestershire-based retailer Raj Aggarwal has been exclusively trialling the loyalty programme app at his stores since the start of the year. However, he said despite more than 100 customers signing up, he needs hundreds more to make the scheme a success.

"It's hard to convince people it won't divulge or delve into their personal data," he said. "That's what we've found difficult - getting customers engaged in a loyalty scheme and reassuring them we comply with data rules. Another obstacle is training staff."

Mr Aggarwal is planning to revamp the scheme later this year. "We offered a 5% discount on total spend at the start as an incentive, but you can't keep on doing that, it simply isn't profitable.

"We're not giving up
- we're analysing data,
becoming more strategic
and adjusting the offer so
our customers get targeted
deals," he said.

Spar were unable to comment by the time RN went to press.



Early season drove £18m of the £24.6m growth last year*

Quality Street® sales +8.5% last year across key formats**

Matchmakers® sales +11% in 2017 vs 2016***

Source: IRI & KWP 20 w/e 31st Dec 2017 Source: IRI - Twistwrap value £ sales WE 30.12.2017

^{***}Source: IRI Infoscan 20 w/e 31 Dec, 17

NEWS & MAGS

First increase in seven years for popular market NFRN calls for supply chain investment

'Let ad revenue growth ease paper price squeeze'

by Marcello Perricone

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Research showing that print advertising revenue in national newspapers has grown for the first time in seven years has prompted a call from the NFRN for further investment in the news supply chain.

A report by the Advertising Association showed a 2.8% increase in ad revenue in the popular market – which includes the Mail, the Sun and other tabloid newspapers – reaching £77.8m during the first quarter of 2018.

Advertising in the quality market – which includes titles such as the Guardian, Telegraph, Times and Financial Times – decreased by 0.3% to £48m.

Both results are the best quarterly performance in six years, and in total, print display advertising in the national newspaper market rose 1% to £153m – the first general sector growth in print display advertising since 2010.

NFRN national president Mike Mitchelson said he is looking forward to seeing what opportunities this may bring to independents.

"We are pleased to see an increase in advertising revenue on national newspapers, and hope the increased revenue received by national publishers will take away their leaning towards squeezing margins on cover price for newsagents," he said.

"The news industry needs to take some responsibility to make sure we have got a viable news supply chain in the future.

"I hope this increment in revenue takes the pressure off cover prices and allows them to invest in maintaining margins for retailers – or even increasing them."

However, chief executive officer of Ender Analysis Douglas McCabe has warned the growth may not be sustainable during 2019 and beyond.

"A lot of revenue left the marketplace during 2016 and 2017, and to some degree what you are seeing is a normalisation of the market," he said.

"While what's happening now is very positive, my note of caution would be that I don't think this is a return to a sustainable growth model."

New look for Real Homes

Future has relaunched its woman's interest title Real Homes, with the aim of modernising it to appeal to new audiences.

The revamped magazine features a new cover and updated editorial content.

Jason Orme, editorial director at Future, said the redesign reflected the digital era.

"The home interest shelf hasn't been relevant to the generation excluded from buying houses, so we wanted to create a new type of magazine that not only reflected the shifting media usage of the audience, but also the changing nature of that market.

"In this busy digital age, a magazine has to be a treat, an edited chunk of enjoyment and fun."

The relaunch comes following a 12.2% decline in sales between March 2017 and February 2018.

Evening Telegraph makeover

DC Thompson's Dundee Evening Telegraph has had an editorial redesign.

The paper has changed its cover and added dedicated weekly sections for health, family, fashion and beauty. The cover price remains unchanged, retailing at 65p a copy.

Editor Andrew Kellock said: "'Dundee born and bred' are four words that sum up the ethos of the Evening Telegraph.

"The newspaper had a makeover to give it a fresh new face, but some things won't be changing – we will continue to deliver the stories that really matter to our readers in the city, Angus, Perthshire and Fife."

Herald gets royal approval The Queen has congratulated

The Queen has congratulated weekly regional newspaper Tamworth Herald on its 150-year anniversary. In a 24-page special supplement to celebrate the paper's history, Her Majesty offered "warm good wishes" in a letter from her assistant private secretary, Tom Laing-Baker. Executive editor Charlotte Hart said: "We are very proud to be a local newspaper and value the important role we play within our town."



Autumn Elle printed on eco paper

The autumn issue of monthly women's lifestyle magazine Elle has been printed on 100% recycled paper, providing retailers with a fresh marketing opportunity.

As part of the new strategy by the title to raise awareness of environmental issues, the issue is printed on 70gsm ultraSKY paper recycled from 100% post-consumer waste, and according to Elle's supplier paper mill Leipa, the move is calculated to "save" the equivalent of 1,000 trees.

Nainesh Shah, from Mayhew Newsagents in London, told RN: "This is a popular move, as people nowadays are very conscious of the need to keep the environment clean and any recyclable item will catch customers' attention.

"The magazine looks good, but the cover only says 'sustainability issue', which can mean a lot of things – now that I know it is made of 100% recycled paper, I will market it accordingly."

The autumn issue of the magazine was chosen specifically for the campaign because it is a bumper issue.

US-based publisher Hearst has confirmed the September issue of Elle will be its biggest edition of the year.

PRODUCT TRENDS

Sales of bottled water soar

Sales of bottled water increased by 56% in volume between 2012 and 2017, Danone Waters has reported.

Maria Teresa, head of category management for Danone Waters, said ongoing health trends and concerns regarding the amount of sugar people are consuming has supported this growth. Bottled water is the third biggest contributor in the soft drinks category in symbol stores and independents, according to data supplied by IRI.

"It is important to remember on-the-go and top-up shoppers heavily contribute to this growth. This is clear when you look at the fact small single formats are the biggest contributor to bottled water's rise, with small multipacks growing at 29.4% year on year," she said.

Hot food the key to success

Retailers should invest in hot food if they are to meet growing demand for increased variety in the food to go category, according to Lomond Fine Foods Wholesale.

Director Barbara Henderson said it is essential independents offer high-quality, affordable food to go options if they want to compete with other high street businesses.

"To capitalise on this, Lomond has extended its hot food to go range, with new lines including sausage or bacon rolls, breakfast pizza twists, and Scottish muffins with sausage patties and egg. The new hot food is available with point of sale," she said.



Sharing chocolate is big business at Christmas

by Priyanka Jethwa

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Independent retailers can attract the best Christmas sales by investing in the growing sharing chocolate category, says Ferrero.

Alex Paulson, category development manager at the company, said sales of products given as gifts to share grew by 6.4% year on year.

"Around 60% of shoppers now plan a purchase within this segment, compared with 40% who buy on impulse," he said. Speaking at the chocolate supplier's annual Christmas event last week in London, Levi Boorer, customer development director at Ferrero, said: "The premium part of the sharing category is growing even faster, at 15% year on year."

Ferrero intends its new product, Thorntons Pearls, to tap into this premium trend and target younger shoppers.

"Thorntons Pearls is designed for sharing, with the category worth £84m and growing at 6% year on year in the UK. Plus, during Christmas 2017, Ferrero's boxed portfolio grew by 7.3%.

"We attribute this to the Thorntons brand, which returned to double-digit growth, at 12%," added Mr Boorer.

Ketul Desai, who runs Leiston Londis in Leiston, said during Christmas, his sales of chocolate sharing formats grow by 60%, and on average he sells 1,200 tubs, compared with 10 to 15 tubs "Sharing chocolate formats always pick up around seasonal events such as Christmas, and last year, Londis offered some good deals," he said.

However, growth in premium isn't limited to sharing formats, with premium advent calendars growing at 48% year on year, according to data from Nielsen Scantrack.

"With the premium advent segment growing at 48%, Thorntons had a 21% share of value sales in the category last year," Mr Boorer added.

Think miniature to drive cigar sales

Investing in growing cigar formats such as miniatures will help independent stores maximise sales in the category, Scandinavian Tobacco Group (STG) has advised.

Jens Christiansen, head of marketing and public affairs at STG, said volume sales of miniatures have increased by 4% year on year, with volume share increasing by 1.3% in the UK.

"For the past 10 weeks, yearly volume for total cigars has remained relatively stable, so to capitalise on this, retailers must invest in popular miniature

brands such as Café Crème Blue, which has a 22% share of the topselling cigar products," he said.

Mr Christiansen added Moments Blue holds a 50% share of the value-for-money segment, and has grown by 1.9% year on year.

"To maximise minia-

ture cigar sales in-store, retailers need to engage more with shoppers," he said.

"The average profitability for cigars is double that of cigarettes, so it's worth investing in understanding the category and different products available."

BRAND SNAPSHOT



PG adds pricemarks

Unilever is adding two pricemarked packs to its PG Tips The Tasty Decaf range of decaffeinated tea bags, designed for convenience channels.



Regional love for Walkers Walkers is marking its 70th anniver-

Walkers is marking its 70th anniversary on packs by matching six of its flavours with the respective UK region where that flavour is most popular.



Urban Eat gets fruity

Food to go brand Urban Eat has created a new range of fruit and cheese-based snack pots to cater for demand for healthy snacking options.



Dolmio's veggie pouch

Mars' new Dolmio Veggie Goodness sauce pouches contain two portions of fruit and vegetables in every serving and is available in four varieties.



Jacob's to crack snacks

Pladis has launched Jacob's Cracker Crisps Thins in three variants. The baked snack combines the crunch of a cracker with the flavour of a crisp.



Joyfill launch for Mondelez Mondelez has developed a bite-sized

Mondelez has developed a bite-sized snack. Joyfills are creme-filled wheat pillow-shaped biscuits. Just 1g each, they are available in Cadbury and Oreo variants.



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 LUCUZATE 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.

BRAND IN FIVE



Gordon's

With sales booming, summer in full swing and new products creating a stir, there is plenty of opportunity for independents to grow gin sales in the coming months.

Gordon's manufacturer Diageo explains how to cash in on this trend

he rise of gin over the past few years has been meteoric. The drink is driving spirits sales across the off-trade, with figures from the Wine & Spirit Trade Association's latest report showing UK sales reached £1.5bn in the 12 months to March.

While traditional brands have climbed the drinks charts, new products are also enticing customers keen to experiment with different flavours. Last year, pink gin made headline news, with variants from brands such as Gordon's earning places on core planograms soon after launch.

Now, independents have another opportunity to widen their ranges with this year's growth trend: low- and noalcohol brands.

Here, we give you the lowdown on the latest new products from Gordon's and provide tips on how you can make the most of the blossoming gin category.

1 Cash in on a growth trend

Gin continues to perform extremely well. The £1.5bn sales in 12 months revealed by the Wine & Spirit Trade Association is the equivalent of almost 55 million bottles sold. But now, Diageo is capitalising on a new trend to drive this growth still further. With non-alcoholic wine up 66% and non-alcoholic beer showing 37% value growth, there is an opportunity for branded spirits within the low- and no-alcohol category.

2 Seize a new opportunity

In June, Gordon's launched two ultra-low-alcohol pre-mixed gin & tonic flavoured sparkling variants – Gordon's Ultra Low Alcohol G&T with a Hint of Lime and Gordon's Ultra Low Alcohol G&T with a Hint of Grapefruit – with ABVs of less than 0.5% and each bottle containing just 68 calories. The drinks are designed to provide a premium low-ABV alternative for consumers who are socialising but have chosen not to drink or want to moderate their alcohol intake.

3 Understand your shoppers

Until now, customers looking for credible low- or non-alcoholic gin alternatives have had little choice, but the new Gordon's drinks provide independent retailers with an opportunity to change that. "Gordon's Ultra Low Alcohol G&T provides a unique spirit-based drink that uses our distillant techniques to ensure the final product does not compromise on taste or quality," says Chris Brooks, senior innovation commercialisation manager at Diageo.

4 Build a brilliant display

Low- and no-alcohol drinks are relatively new additions to retailers' ranges, but there are a few simple steps which will help attract customers' attention. Around 53% of shoppers expect to find low- and no-alcohol products on a dedicated shelf in the alcohol aisle, so blocking sub-categories together will help shoppers easily identify them. Big brands are instantly recognisable, so placing them at the centre of displays will help, too. And, with shoppers less likely to make a purchase if they are unsure of the cost, clear pricing is essential.

5 Go the extra mile

In addition to great merchandising on your main display, cross-merchandising low- and no-alcohol variants with other summer drinks, barbecue products and al-fresco dining ranges will encourage shoppers to make impulse purchases. Staff knowledge is crucial, too. An employee who can talk enthusiastically about a new product, explaining its ABV and calorie content, for example, can help drive sales, so make sure your staff are fully informed.

WHAT'S NEW

المرية

Fine foods

For shoppers looking for something slightly more special, offering a range of gourmet condiments can help attract incremental sales



Tiny Tigg's dressings

Tiny Tigg's small-format dressings are available in Sweet Tomato & Onion, Bold Beetroot & Honey, Cool Basil & Pea, Subtle Pepper & Mustard and Smokin' Tomato & Chilli varieties.

RRP 99

Contact info@tiggitup.co.uk



A Little Bit sauce

A Little Bit's all-natural cooking sauces and dips range, which includes Freshly Picked Thyme & Blackberry Ketchup and Mint, Pea & Parley Dip, caters for demand for fine premium foods.

RRP £4.20

Contact sophie@alittlebit.co.uk



The Protein Ball Co Breakfast Balls

The Protein Ball Co's bite-sized Breakfast Balls are on-the-go snacks for breakfast and are available in Apple + Blueberry, Hazelnut + Cacao and Strawberry + Vanilla flavours.

RRP £1.99

Contact info@theproteinballco.com



Aviko Hash Browns

Perfect for retailers looking to expand their breakfast range, Aviko's Hash Browns can help attract incremental sales on weekends from shoppers looking for special treats.

RRP £1.29

Contact s.khan@aviko.com



Artisan Bread Organic meat-free burgers

Artisan Bread Organic has launched a range of meat-free burgers – Burger in Bun and Mushroom Burgers – following growing consumer demand for meat-free barbecue and picnic food.

RRP £3.15 (Burger in Bun)

Contact info@ether.uk.com



Seed and Bean chocolate bar

Each Seed and Bean chocolate bar is Fairtrade, Soil Association Organic-certified and has recyclable and compostable packaging. It comes in Aromatic Fennel and Sweet Orange & Thyme.

RRP £2.69 (Aromatic Fennel 85g)

Contact orders@seedandbean.co.uk

Priyanka Jethwa

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@priyanka_RN



New Forest Ice Cream

New Forest Ice Cream's Party Push Up ice cream comes in colourful packaging designed to appeal to children. The individually-wrapped 80ml portions are available to buy in cases of 24 units.

RRP £1.50

Contact info@newforesticecream.com



Flower & White meringue

Flower & White's collection of Christmas meringues are available in Meringue Truffle and Chocolate Covered Meringue Drop varieties. They are gluten-free and suitable for vegetarians.

RRP £10.95 (Meringue Truffles)

Contact sales@flowerandwhite.co.uk

ACADEMY IN ACTION







Three-month follow-up:

In-store Display

In April, Susan Nash from category partner Mondelez International visited Helen Rogers at her shop in Ledbury to advise on how to improve her in-store display. Three months on, we look at how Helen has improved her sales

IAA ADVICE

- Create impact by promoting the brand names of locally-sourced products, like meat from a nearby butcher, on signs around the shop
- Put up posters to promote buying a quick meal, and create excitement by trialling better adjacencies
- Get more details from reps and suppliers to ensure you get the maximum benefit from any new displays

THE RESULTS

The visit has inspired a number of changes. We moved the chillers with soft drinks next to the food to go and sales are up. After Susan came, Maggie from Mondelez organised our confectionery and biscuit displays and this has tidied up the store so people are now shopping more of it. Losing our wholesaler Blakemore means shoppers missed its promotions but the IAA's help means we are ahead year on year as we move to a new supplier.

PARTNER ADVICE

The display improvements make it easier for shoppers to find what they want and the results are in the numbers. Helen already stocked these but now she is seeing sales growth for little extra effort, highlighting how small steps can really make a big difference.

Susan Nash Trade Communications Manager Mondelez International



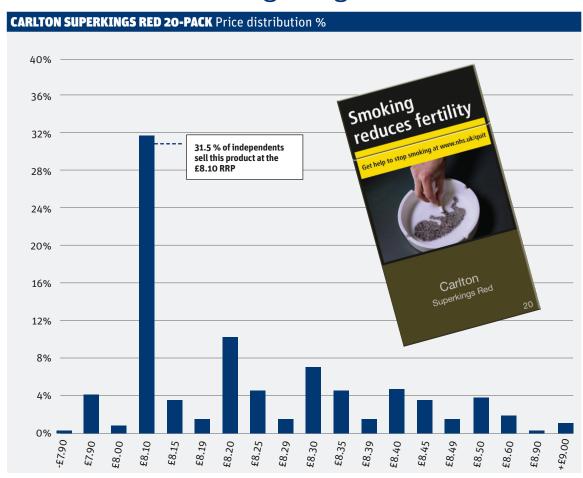
FIND OUT MORE

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

Next week: Shop Layout

PRICEWATCH

Profit checker Budget cigarettes



Analysis

Despite manufacturers' efforts to persuade independent retailers to stick to RRPs, the trend is to price budget cigarettes above RRP.

Our Profit Checker graph shows 58% charge above Booker's £8.10 for Carlton Superkings Red, with £8.20 and £8.30 the next favoured prices. The average selling price for all 12 products featured on our Price Checker graph is above RRP and just six of the 72 price points fall below.

That said, the Cornish shop on the table shows how some stores are bucking this trend – all its budget cigarettes are in line with Booker's RRP, and 31.5% of stores chose RRP for Carlton Superkings Red.

Price checker

PRODUCT

Sterling Kingsize Dual 20-pack

Players Superkings Real Red 20-pack

Players Kingsize Real Red 20-pack

B&H Kingsize Blue 20-pack

L&B Kingsize Original Silver 20-pack

L&B Kingsize Real Blue 20-pack

Carlton Superkings Red 20-pack

JPS Kingsize Real Blue 20-pack

Carlton Kingsize Red 20-pack

Players Crushball 20-pack

Mayfair Kingsize 20-pack

Sovereign Kingsize Blue 20-pack

How we drive our profit

Anita Nye

STORE Premier Eldred Drive Stores
LOCATION Orpington
SIZE 1,200sq ft
TYPE suburban area

TOP TIP

Keep cheaper options available as cigarettes are a popular product across all price points



We get our budget cigarettes from Booker and stick to the RRP, which results in average margins of 5%. Our most popular products include those from brands such as Benson & Hedges Blue. Budget cigarettes are important because, since the EUTPD II and plain packaging came in, customers aren't so bothered about branding and some just ask what our cheapest cigarettes are. We increase the likelihood of a sale during peak times by stocking tobacco upside down. Staff can easily see which brand it is and customers won't be waiting as long.

Bimal Patel

STORE Londis Ferme Park Road LOCATION London SIZE 2,800sq ft TYPE city store

TOP TIP

Be reasonable with the pricing and make sure you always have good availability of your products



The price we charge on budget cigarettes tends to be 5p above the Booker RRP and some of our most popular products are from the Benson & Hedges Blue range. Sometimes we might even go as high as 8p above RRP, but you have to be reasonable. Customers don't mind paying a bit extra for cigarettes, but you can't really go too over the top with your pricing. There's already an expectation on the price of cigarettes and customers will go elsewhere for them if they find out you're charging much more than your nearest competitor.

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Data supplied by



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

				10 liliu out now they could help you, call 07 970 293094				
AVERAGE UK RETAIL PRICE*	BOOKER RRP	RETAILER 1 VILLAGE SHOP IN SOUTH YORKSHIRE	RETAILER 2 SMALL HIGH STREET STORE IN WARWICKSHIRE VILLAGE	RETAILER OFF-LICENCE IN NORTHAMPTON- SHIRE VILLAGE	STORE IN SMALL SOUTH WALES TOWN	RETAILER 5 NEWSAGENT IN CENTRE OF SUSSEX COASTAL TOWN	RETAILER 6 SHOP IN CORNISH TOWN	
£9.29	£9.10	£9.10	£9.05	£9.05	£9.30	£9.30	£9.10	
£8.11	£8.00	£8.05	£8.00	£8.05	£8.30	£8.30	£8.00	
£8.11	£8.00	£8.05	£8.00	£8.05	£8.30	£8.30	£8.00	
£8.23	£8.00	£8.05	£7.95	£8.05	£8.30	£8.30	£8.00	
£9.84	£9.65	£9.70	£9.65	£9.75	£9.95	£9.90	£9.65	
£8.21	£8.00	£8.05	£8.00	£8.04	£8.49	£8.30	£8.00	
£8.24	£8.10	£8.15	£8.10	£8.15	£8.40	£8.40	£8.10	
£8.81	£8.65	£8.70	£8.65	£8.70	£8.95	£8.90	£8.65	
£8.24	£8.10	£8.15	£8.10	£8.15	£8.40	£8.40	£8.10	
£8.16	£8.00	£8.05	£8.00	£8.05	£8.30	£8.30	£8.00	
£9.91	£9.75	£9.70	£9.75	£9.70	£9.30	£9.95	£9.75	
£8.25	£8.09	£8.05	£8.10	£8.05	£8.30	£8.30	£8.09	

* from a sample of 3,500 stores

MY LOCAL HERO

Retailers reveal the most profitable produce on their doorsteps

Anish Panchmatia

Spar Wylde Greene, West Midlands

Gelato Gold



Where did you discover them?

The company is based in Tamworth, which isn't far from the store. We introduced the option to have their products in the store after we noticed a lot of ice cream parlours popping up in the town centre. We also offer a similar ice cream parlour service with Kelly's Ice Cream.

Who buys them?

A variety of customers buy them, from families and their children to workmen who might want something to cool down. There is a large range of flavours available and customers get a lot of choice as a result. Sometimes, someone might come into the store to purchase the more well-known packaged ice cream, but the parlour will catch their eye.

Why are they so successful?

The demand for the ice cream can increase during the summer months. Sales in the warmer period can reach more than £3,000 a week and our average profit margin on the products is around 70%. The option of an ice cream parlour just helps us differentiate and it communicates the message of quality and freshness.

Anish Parekh

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

TOP TIP

Customers are often looking to buy the cheapest products quickly, so know your range and layout well



I tend to add a couple of pence on top of the Booker RRP and one of the most popular brands among my customers is Carlton. Since legislation on plain packaging and closed tobacco gantries came in, customers aren't really bothered about the branding on cigarettes now. They'll normally ask us what the cheapest pack is. We'll also run deals on cigarettes when we can. For example, we had a deal on packs of Carlton for £7.94 which lasted for seven weeks. This helped because our sales increased as a result.

Ajaz Ali

STORE Lifestyle Express Seaforth Road LOCATION Falkirk SIZE 1,500sq ft TYPE estate

TOP TIP

If you are part of a fascia or buying group, ask about any new budget lines and if they have an own-brand you can stock



Old-school budget brands such as Players Superkings Red cigarettes always sell well - the name has strong recognition among customers. We've also embraced ownbrand value cigarettes as people increasingly notice price rises and want good value. Our buying group is Landmark - I operate the store under its Lifestyle Express fascia. We've only been with them since the start of the year, but I've been pleased with our sales of their own-brand value cigarettes, which are called No3. We sell them at £7.90 for a 20-pack and they are among our bestsellers.

REGIONAL NEWS

NFRN

South East Delivery idea for Citipost

The NFRN has proposed to Citipost that it uses independent retailers to deliver consumables to bookmakers wherever the company doesn't have direct coverage.

The news comes after retailers reported losses of more than £1,000 at a South East district council meeting earlier this month, after Citipost announced it would deliver Racing Post directly to bookmakers.

NFRN president
Mike Mitchelson said:
"We would like them
to consider using our
members to deliver
consumables on their
behalf. This would
mean giving back some
business to retailers.

"We have asked them to look at how they can give support to our members to build bridges."

Shops in late Star talks

Retailers met Johnston Press in South Yorkshire earlier this month to discuss the ongoing late delivery of the Sheffield Star newspaper.

James Wilkinson, of Pybus Newsagents, confirmed the problem has since been resolved. "We had a meeting with Johnston Press in Dinnington because the Sheffield Star was coming in later than the cut-off time, forcing other papers to be late," he said.

"Since the meeting, delivery times have improved greatly. Papers are now coming into the shop roughly 45 minutes before the cut-off time"



Northern Shock change to delivery service 'Amazon represents 70% of my parcel service'

Blow for retailers as DHL ditches Amazon parcels

by Megan Humphrey

megan.humphrey@newtrade.co.uk

DHL will not be handling Amazon parcels as part of its takeover of the Pass My Parcel delivery service, retailers have told RN.

Graeme Pentland, president of the NFRN's Northern district, said he learned of the change from a customer.

An email from Amazon to Mr Pentland's customer read: "This is a reminder that from 16 August you will no longer be able to send your Amazon parcels to Ashburton Village Store. This address has now been removed from your Amazon address book."

Mr Pentland said:
"I'm really disappointed.
Amazon represents 70%
of my parcel service. The
worst part is I had to find
out from a customer."

The email said that customers could use alternative locations to pick up parcels. "They are advising people to use alternative shops which is diverting people away from mine," he said.

NFRN president Mike Mitchelson said he would challenge DHL at their next meeting. "Customers would have been hoping DHL would be able to expand the business through these outlets," he said. "We are awaiting a meeting with DHL, so we will be chasing this up."

Last week, retailers received a letter from Smiths News confirming terms of the deal. "It was confirmed our margins would remain the same," said Mr Pentland.

"It said DHL would only be dealing with UK Mail and DHL Mail from 9 August, but it didn't say Amazon would be removed," he added.

Customers can continue to use their retailers to return orders before their window expires.

DHL had not provided a comment by the time RN went to press.

North West Menzies opts for text supply fix

Menzies Distribution has revealed plans to roll out a text messaging service to deal with supply issues.

Retailers welcomed the news at a meeting at the wholesaler's Preston depot last month.

North West district president Muntazir Dipoti said this would address local-level issues. "We spoke about a text messaging service which would send a mass text to members if there was a run problem, for example," he said.

"Having a national relationship with your wholesaler is helpful, but getting features like this is also down to having a strong local relationship."

Mr Dipoti went on to praise house manager Steve Wade for his fast response in dealing with late and missing deliveries. "Steve is really hands-on, and when there have been problems in the past, he has even been known to do night shifts until he has rectified them," he said.

"Menzies is willing not to just listen to our faults, but work out how we can improve together by introducing a two-way relationship."

Retailers can request the service via the NFRN's contact centre.



Date 11 Sept, 6pm-10pm Location 3D Centre, Bolton

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

Contact Megan Humphrey with your trade news on 020 7689 3357, megan.humphrey@newtrade.co.uk or @MeganH_RN

YOUR VIEWS

■ Smiths News aren't crediting my returned magazines

I have been having problems with Smiths News where they have not been crediting the magazines I am returning to them. I deliver all my magazines back to the depot myself, and when I went there last Saturday, I saw that my magazines from the day before were still left out - no wonder I am not being credited. They are going to put me under the ground if they carry on like this.

Furthermore, after a misunderstanding between my bank and Smiths News, the bank cancelled my direct debit, so I ended up sending the direct debit straight to Smiths, which they said they lost. I then sent another one, to which they told me they found my first one. However, the following week, I noticed they still hadn't taken any money out, saying there was a problem, and again, sent another form for me to fill out. My issue is that

I like paying everything on time, and it is very difficult when payments build up like this and end up coming out of my account in a lump sum.

Darren Corner

Dunston News, Gateshead

A Smiths News spokesperson said:

"Smiths News has a robust returns service wherehy customers' returns are collected and scanned back the same day. As Mr Corner does not have a secure location at his store, he brings his returns back to our Newcastle depot himself, by which time our night teams have gone and the scanning has to be done the following day by our mag team. As this is outside our usual process, there can sometimes be a delay in scanning, for example, if we are short-staffed. To manage this process better, we have now trained colleagues specially so Mr Corner gets his credits earlier.

"Futhermore, for the past three weeks, our accounts department has been liaising with the NFRN to try and help Mr Corner set up his direct debit for payments. We have done as much as we can to assist but we do need Mr Corner to provide the information

from his bank so we can ensure the direct debit is set up correctly. To date, he has been paying by cheque. We have tried on several occasions to contact Mr Corner, but each time have to leave a message for a call back. We are presently awaiting a call from the customer."

Correction

RN would like to clarify facts in the story 'Community shop owners vow to carry on' in our 23 February issue following concerns raised by Tywardreath village residents.

The community meeting highlighted in the story was held to discuss concerns surrounding the lack of information being distributed by Hunter Grange Investments Ltd to its funders, and lasted for more than an hour. The meeting's organiser, Collin Harker, does not oppose the store. Residents also refute personal opinions expressed by Trudy Thompson in a quote, which caused offence.

RN apologises for any inaccuracies or upset caused.

AROUND WITH THE ROUNDSMAN

Blanche Fairbrother



On 18 July, Norbury had a surprise visitor. A rather posh-looking helicopter was seen landing and out of it stepped Prince Charles, who was there to see the work going on at the BIFOR project in the woods. Birmingham Institute of Forest Research has got a free-air carbon dioxide enrichment experiment facility, where carbon dioxide is pumped through large pipes into the trees to form a prediction of what the atmosphere will look like in 30 years' time. Three large tankers arrive every day. I do wonder whether there is a connection with the shortages of newspapers a few weeks ago.

Last time I wrote my column, I told you about the chat I had with Tom and Julie from a company I referred to as Newstrade. Well, I got the name wrong, and it is News Team – my apologies to them for this.

I thought the article in last week's RN about local papers hit the nail on the head – they are in decline. Sales of both the local papers I sell have gone down drastically since I first took the round on 24 years ago. At that time, I sold 200 Staffordshire Newsletters, now I sell less than 100. The Newport Advertiser sold over 150 a week, now it's only 65. However, I hear people saying they are too expensive for what they are. The Newsletter is priced at £1.10 and the Advertiser at 70p. People won't pay so much to read the obituary columns, when that is all they want to read.

I think the novelty of the heatwave has worn a bit thin with most people now, including me. I am fed up with the temperature gauge in my car reading in the high-20s every day. Mind you, we were fortunate enough to have a short and sharp shower yesterday, so I just had to go outside and stand in it. Sheer bliss, let's have some more.

YOUR SAY What are the next steps you would like to see the police take to tackle retail crime?



Vince Malone

Tenby Post Office,
Pembrokeshire
We need to ensure these
people are properly dealt
with once they have
been caught. Locally, we
have a small hardcore
group of people that
shoplift and everyone
knows who they are.

There is no mechanism in place to make sure they do not do it again. They see getting caught as an occupational hazard, where they can have a day out in court and be told to pay a fine they can't afford. I think it is more of a social issue.

Ketul Desai

Leiston Londis, Leiston I think there needs to be a greater police presence on the streets. I understand that with budget cuts, it is difficult, but something definitely needs to be done to address the situation properly and cuts need to be really thought about. This is much more important in London, where moped crimes are on the increase. Having more police patrolling the area would make neighbourhoods safer.

Nainesh Shah

Mayhew Newsagents, London That is a very difficult question to answer. It is the police's job to stop and catch them - I think it is a good thing to suggest retailers can make citizen's arrests, but what worries me is you never know what someone will be carrying nowadays. It can be dangerous to try to stop someone on your own it takes skills to do it, or you need to have more people with you, such as staff members.

RN READER POLL

No 66%
Yes 33%

Are you concerned about the Today's Group and Landmark merger?

NEXT WEEK'S QUESTION

Would a potential tax on vaping impact negatively on your sales?





KitKat[®] singles are in growth ahead of the market!

KitKat[®] Chunky is +4% vs LY^{*}



Have a break, have a KitKat



New students, new customers

Freshers' Week brings a flood of potential new customers into towns and cities across the UK. Priyanka Jethwa considers how retailers can channel this spending power into their stores

Promote to price-conscious students with pricemarks and deals

Students' budgets are often tight, so with bargain-hunting a priority, the key to attracting freshers is offering value for money through discounts, deals and multipacks.

Amy Burgess, trade communications manager at Coca-Cola European Partners (CCEP), suggests using multibuy deals to drive sales of food to go. "Meal deals that include discounts when a soft drink is purchased alongside a sandwich or a snack are a great way of meeting the demands of lunchtime students looking for a cost-effective meal on the go, while also giving a high perception of value," she says.



In the snacks category, pricemarked packs can help drive impulse sales among price-conscious students. "We have a range of formats and price points to suit all needs," says Matt Collins, sales director for convenience, wholesale, discounters and foodservice at KP Snacks, "Our £1 pricemarked range in particular is performing well, growing ahead of the total £1 pricemarked market at 30% year on year."

Emily Barker, customer activation manager at Nestlé Confectionery, adds that on-pack promotions are also a great way for retailers to boost confectionery sales. "To maximise sales, convenience retailers should be sure to stock up when a promotion launches and ideally display it off-shelf, so shoppers can't miss it."

Meanwhile, sales of cans are growing at nearly 18% year on year in the alcohol category. "Offering cans of drinks as part of promotional deals can help to encourage purchase, while also recruiting new drinkers," says Jen Draper, head of marketing at Global Brands.



Students are increasingly healthconscious

Invest in healthier snacks and lowsugar options

Millennials are fuelling rapid growth in sales of healthier and innovative snacks. With Freshers' Week on the horizon, retailers should start considering alternatives to traditional snacks and confectionery in order to harness snacking trends among younger consumers. "We know young people are more healthconscious and are increasingly looking for guilt-free snacks, but they are also seeking something different in terms of taste and texture," says Debbie King, director of commercial sales and marketing at Eat Real.

Trends towards

healthier living combined with the introduction of the sugar tax mean students will likely be looking for lowsugar drinks. "Diet is worth £144m, equating to 11.3% of the sports and energy category," says Mark Bell, strategy and planning manager at Red Bull. "For example, Red Bull Sugarfree 250ml is growing at 7%

Amy Burgess at CCEP highlights similar trends among fizzy drinks. "Students are increasingly health-conscious and it is a trend only set to grow in 2018. This is why we have introduced new flavours for Diet Coke and Coca-Cola Zero Sugar. They have been designed to tap into the growing popularity of light cola options, which

are worth £915.5m."



FRESHERS' WEEK

Make displays attractive and easy to shop

The start of the academic year is a great opportunity to drive impulse sales by siting selected products near the front of the store. Keely Bolger, group category assistant at Costcutter, suggests prioritising

food to go.

"Food to go is one of the biggest sellers, with students and lecturers popping in for convenient meals, so should be ranged in prime position at the front of the store from the outset," she says.

Snacks are a key opportunity, too, with students getting together throughout Freshers' Week. Around 45% of snackers agree crisps are essential for an evening in. Alongside stocking the right range, it is also vital to have strong promotions and displays in place to drive impulse purchases. "Retailers can encourage cross-category purchases by grouping products such as snack foods, bottles of wine and beer, as well as sharing bags of crisps and nuts together,"

can be an effective way of boosting sales. "Once the main display has been utilised, retailers could benefit from showcasing products in other areas, such as close to the entrance of the store, aisle ends or adjacent to the till queuing lane to help attract students' attention," says CCEP's Amy Burgess.

Meanwhile, sugar confectionery is an important impulse sales opportunity for students, according to Levi Boorer, customer development director at Ferrero.

"The new campaign for Tic Tac will refresh the brand, helping put it front of mind with shoppers. Retailers can capitalise on this by stocking the core range and supporting it with PoS which can be downloaded from our trade website," he says.



Food to go should be ranged in prime position at the front of the store



Utilise the power of social media and keep track of freshers' events

Social media has proven to be one of the best tools for advertising to students, as well as to 18-to-24-year-olds more generally. It is important for retailers to keep up-to-date with the key dates and social events that the university's student union is hosting, so they can prepare and stockpile on essentials, such as alcohol and tobacco.

Global Brands' Jen Draper says VK's brand strategy prioritises advertising on social media to speak directly to consumers. Then, once customers are in-store, PoS material directs them to brands they recognise from Facebook or Instagram. "From shelf wobblers to talkers, we can provide everything a store would need to best promote their offering," she says.

Costcutter's Keely Bolger adds retailers should also consider promoting their own store on social media: "Social media, particularly channels such as Instagram stories and polls, is most effective in engaging students, giving you a platform to share the great activity your store is undertaking, in addition to highlighting and promoting offers such as meal deals."





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CONFECTIONER

How to win at impulse

With four in five purchases made on impulse, few categories are as sensitive to ranging, display and promotional decisions as sugar confectionery. **Toby Hill** speaks to leading retailers and suppliers to help you perfect your approach





Catching all customers

Casual observers associate colourful sweets with kids, but any experienced retailer knows the potential sugar confectionery market is far broader than that. "A lot of adults buy sweets, it is definitely not just children," says Sharon Walker, owner of Sandylands Spar in Kendal, Cumbria. "Dexters sweets in packets of 10 are very popular with adults just now."

With every store attracting its own unique demographic, it is essential to tailor your range to your customer base. For Kate Clark, owner of Sean's News in Upton-upon-Severn, summer brings waves of tourists to her waterside town.

"We are on the river and lots of tourists drop in for boat trips, especially in the summer," she says. "We step up our range of sharing bags at this time of year, with options for adults and children such as Maynards Bassetts Sports Mix and Wine Gums, and Rowntree's and Haribo bags."

Tourists are likely to be more

relaxed about health concerns, but in some areas, trends towards health-conscious eating are also having an impact on confectionery sales. In particular, reduced-sugar and sugar-free sweets have grown rapidly in popularity.

Perfetti Van Melle is one confectionery manufacturer which has aimed to harness these trends with its range of 'better for you' products,

such as Fruittella 30% Less Sugar and Fruittella Sugar Free.

"Research is already showing that 73% of better-for-you sales are incremental to the category, implying people who previously may not have considered confectionery are buying it," says Mark

Roberts, trade marketing manager at Perfetti Van Melle.

As a result, it is vital to flag up to customers that you offer lowsugar products.

"Signposting is key for sharing confectionery," Roberts adds. "Around 80% of confectionery sales are purely based on impulse. Displaying and clearly signposting



Around 80% of confectionery sales are purely based on impulse



ranges of sugar-free and sugarreduced products among classic sugar products helps consumers make a conscious choice when selecting sharing formats."

Cashing in on growth trends

The dominant trend in the confectionery category is a shift away from single packs towards bags and boxes. "The confectionery market has seen bags and boxes grow £9m in the last year, however singles fell £10m in that period," says Perfetti Van Melle's Roberts.

In response, he says, retailers need to prioritise hanging bag displays, keeping their range fresh with new products.

"Vimto Chewy Bon Bons are selling well right now, and bags of Haribo are as strong as ever," notes Walker at Sandylands Spar.

Trends towards larger packs dovetail with the growing importance of the 'big night in' sales opportunity.

"With 47% of consumers spending less money on out-of-home entertainment and 50% eating out less, the 'big night in' remains a key sales opportunity, as consumers are more conscious of their spending," says Dan Newell, fruit confection-



.we're always happy to

THE ROLL OF THE STATE OF THE ST

ery portfolio director at Mars Wrigley Confectionery. "Around 60% of Skittles are consumed as an evening snack, for example."

Derbyshire manufacturer Swizzels Matlow has also developed new products to meet this growing niche. It has converted traditional favourites such as Drumsticks and Refreshers into soft chews to create Squashies, available in a range of flavours in £1 pricemarked packs. Alternatively, these traditional favourites are available in their original form in the brand's Loadsa Sweets, Loadsa Lollies and Loadsa Chews £1 pricemarked sharing bags.

Getting displays right

With impulse sales central to the category, creating an eye-catching display is absolutely essential.

"We have £1 bags displayed directly in front of customers as they come through the door," says Hitesh Pandya, owner of Toni's News in Ramsgate. "It is a colourful category and creates an immediate impact."

Variety is also important, he adds. "Don't just have a small range. Have

and keep trying new products, which helps keep your regular customers' attention," he says.

a large selection,

A diversity of display styles can also help drive impulse sales. Kate Clark keeps a range of sweets in jars, which appeals particularly to children.

"They love being able to pick out their own selection from the colourful display," she says.

While a dedicated section is a must, secondary siting is also common sense when it comes to sweets. In particular, having a display close to the till will encourage adults to treat themselves while purchasing other, less colourful items.

"We have a sweets shelf parallel to the till, but we also have a second display right next to the till, so people grab something before paying," says Walker.

Moving with the seasons

As the summer heatwave recedes, ranges will need adjusting to suit the changing seasons.

"In the summer, people like

products such as Starburst or Fruittella, which are refreshing in the heat," says Pandya. "But in autumn, tastes shift. We always do Bonds of London bags of sweets, and from September we start to sell more autumnal flavours, such as blackcurrant, liquorice, humbugs and aniseed balls."

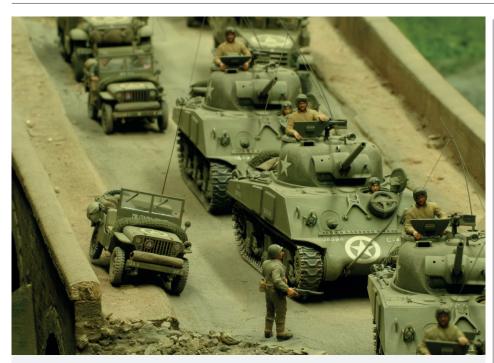
As well as the shift in seasons, retailers also need to start thinking about the big confectionery events that come with the autumn, such as Diwali and Halloween. This means doubling down on stocks of sharing bags and boxes, and keeping up-to-date with manufacturers' seasonal innovations.

However, while sales are sure to spike, it is important to keep a measured eye on how much you are likely to sell, using previous years' sales figures as a guide.

"Halloween has become a cutthroat business. Sainsbury's and Tesco will throw money and space at it and charge below cost price," says Pandya. "Don't go overboard, but do things in moderation to get your share of sales."



THIS WEEK N MAGAZINES



Launch of the week

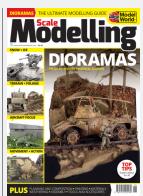
SCALE UP MAGAZINE SALES WITH MODELLING SPECIAL

Key Publishing's new bookazine, focusing on scenic modelling and dioramas, is a great way to capitalise on a hobby which generated more than £5.2m in magazine revenue last year

MINIATURES ARE A profitable hobby, full of expensive products and dedicated fans - between March 2017 and February 2018, modelling magazines sold 1.2 million copies and generated more than £5.2m in revenue.

With that in mind, Key Publishing is launching a new bookazine focused on scenic modelling and dioramas. A special instalment of the Airfix Model World series, Scale Modelling: Dioramas includes features about products and the techniques needed to produce your own dioramas.

The bookazine is aimed at fans of railway and gaming sectors as well as modellers, so be aware of extra potential sales outside the more obvious audiences.





Modelling

My week in magazines



Marcello Perricone

Magazines reporter marcello.perricone@newtrade.co.uk

MAGAZINES ARE STILL GOING STRONG

Last week, we exclusively reported the May edition of BBC Gardeners' World was the bestselling monthly magazine of the past three years. This is very much welcomed news in a market that has been in decline for quite some time.

However, print is still going strong, with the newspaper market also receiving some great news this week. According to a report by the Advertising Association and ad intelligence agency WARC, print display advertising revenue for national newspapers has grown for the first time since 2010. This shows an interesting uplift in what, so far, has been a constantly losing battle against the digital onslaught.

These small victories are by no way the end of the war, but they do show the sector as a whole is energetically fighting every battle. Aside from BBC Gardeners' World's performance, the magazine industry is also seeing the relaunch of Future's Real Homes this week and the 300th issue of Attitude - the latter of which is about to complete 25 years of existence. Magazines are still going strong, and if the publishers have anything to say about it, they will continue to do so.

Opportunity: special editions

From redesigns to sports events, several magazines are relaunching or creating special editions that are guaranteed to attract more sales. Pay attention to promotional issues and display them prominently in your store.



success stories for a chance to feature



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HIS WEEK

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COUNTRY WALKING

- This guide to walking the British countryside has competitions, gear reviews and features about the UK's best hiking spots.
- Aimed at collectors, this special A to Z of Country Walking edition has 27 route suggestions appealing to both newcomers and enthusiasts.

On sale out now **Frequency** monthly **Price £4.50 Distributor** Frontline **Display with Trail, The Great Outdoors, Bushcraft** & Survival Skills





GRAND & GRAND DESIGNS

- An architectural magazine about extensions and renovations, Grand Designs is full of ideas, guides and analysis of the latest trends.
- September's issue debuts the magazine's new design, and features articles about how to conceptualise and build your own home.







VIVE LE ROCK

- This rock magazine includes features and interviews about the world's most famous and promising rock bands.
- This month's issue includes a free seven-inch flexi disc record by Vive Le Rock's award nominees Bar Stool Preachers.

On sale 22 August **Frequency** monthly Price £5.25 **Distributor** Seymour Display with Mojo, Classic Rock, Uncut





PUZZLER TRAVEL SPECIAI

- This themed puzzle magazine offers more than 200 puzzles of over 40 types, including acrostic, crossword, codeword, kriss kross, outsider, pieceword, sudoku, suguru and wordsearch.
 - This special travel issue has puzzles of varying difficulties for the whole family, and includes a free pen and a competition to win £4,999.

On sale out now **Frequency** monthly Price £3.70 **Distributor** Marketforce **Display with Puzzler** Collection, Jumbo Collection, Take a Break's Take a Crossword



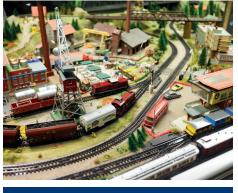


- Overing everything from hatchbacks to sports cars, this motoring magazine includes features, reviews and news about every aspect of the automotive world.
- The September issue reviews the best hatchbacks of 2018, test drives a £50,000 Toyota Supra and comes with a special 40-page BMW supplement.

On sale out now **Frequency** monthly **Price £4.80 Distributor** Frontline **Display with Autocar,**

Auto Express, Classic

& Sports Car



Bestsellers Modelling							
Title	On sale date	In stock					
1 Railway Modeller	09/08						
2 Hornby Magazine	09/08						
3 Model Rail	02/08						
4 British Railway Modelling	16/08						
5 Airfix Model World	02/08						
6 Model Boats	03/08						
7 Scale Aviation Modeller	30/08						
8 Scale Aircraft Modelling	30/08						
9 Model Engineers' Workshop	10/08						
10 Model Engineer	17/08						
11 Model Railway Journal	24/08						
12 Scale Military Aircraft	23/08						
13 Scale Military Modeller	30/08						
14 Continental Modeller	16/08						
15 Model Airplane International	23/08						

Data from independent stores supplied by SmithsNews

SYMBOL KEY







Price change

Launch Frequency

Bumper change issue









One shot

Special issue

Free Competition gift





THIS WEEK IN MAGAZINES



ATTITUDE

• This gay men's lifestyle and fashion magazine has interviews and features about music, theatre, entertainment, gadget, cars, sport and health.

• Attitude is celebrating 300 issues with a special edition, guest-edited by Edward Enninful, and it includes a 52-page special supplement showing 50 past covers selected by the editorial team.







TAKE A BREAK'S TAKE A CROSSWORD

● Take a Crossword was launched in 1993 and is solely focused on crossword puzzles.

• It offers more than £5,000 in prizes, alongside a £1,550 competition for a two-person trip to Cyprus. On sale 23 August
Frequency four-weekly
Price £2.50
Distributor Frontline
Display with Puzzler Travel
Special, Jumbo Collection,
Take a Break's Take a Puzzle





TAKE A BREAK'S TAKE A PUZZLE

 This mixed puzzle magazine includes crosswords and codebreakers alongside logic and illustrated puzzles.

• The latest issue includes several competitions, including £2,500 in cash prizes, £10,000 in products and a trip to Cape Verde worth £3,000.

On sale 23 August
Frequency four-weekly
Price £2.50
Distributor Frontline
Display with Take a Break's
Take a Crossword, Puzzler
Travel Special





Who buys it?

People of all ages and genders – it's a magazine about business start-ups, so I can't honestly say there is only one specific demographic interested in it.

How do you display it?

We put it front of shelf and on the window display – we reserve the window for magazines we really like, and I think Courier is special.



Expert adviceDarren Styles OBE

Publisher, Attitude magazine



his August marks the 300th issue of
Attitude magazine, now established as
the world's biggest gay media brand.
What began life as part of Richard Desmond's publishing empire, disposed of
en route to his becoming a newspaper and broadcast baron, is now independently owned and – for
the first time in its history – gay owned.

Published every four weeks, 13 times a year, Attitude is Europe's best-selling LGBT+ title in print and digital forms – and bumper issues include our travel edition, body issue, swimwear issue, Pride and our huge awards special, timed to coincide with our flagship black tie event. There will also be a special bookazine along before the end of the year.

To add value, we often bag supplements and boost pagination, and Attitude 300 is no exception – carrying a 52-page supplement showing 50 of our favourite covers, among them George Michael, David Beckham, Cher and His Royal Highness Prince William, Duke of Cambridge.

Our strategy

Who buys your title?

Ostensibly gay men aged from 18 to 80 – the demographic profile is that diverse. But the average age is 38, with a higher-than-average level of disposable income.

How should your titles be promoted in-store?

Attitude is a broad-based, general men's interest title – carrying celebrity interviews and sections dedicated to travel, fitness, fashion, grooming and LGBT+ issues. As such, it should sit alongside GQ, Esquire and their ilk.

How are you investing in independents?

My father was an independent CTN owner for 21 years; I grew up working behind the counter and covering paper rounds. Independents are the industry lifeblood. So I know how important it is to maintain supply to maximise opportunity and availability. Every sale is important to us. Singer Sam Smith, diver Tom Daley and comedian Matt Lucas, all gay men, grew up in rural communities and will tell you that Attitude was their lifeline growing up.



On sale out now Frequency bimonthly Price £5 Distributor Seymour

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