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# HIGH STREET PERFORMANCE AND EVOLUTION

A brief guide to the evidence

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## FOREWORD

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Much has been written about our high streets and town centres over recent years. As part of our work in the Future High Street Forum we were clear we didn't need another report to add to the pile but realised what was missing was an assessment of what was real evidence and what was conjecture, speculation and supposition.

This guide provides a valuable summary of a full and extensive assessment to bring clarity to many conflicting hypotheses as well as to highlight what we still don't know. It emphasises the creative destruction of many of the previous concepts of what constituted such a crucial part of our local communities and most importantly, how many high streets and town centres are emerging in a different shape and undergoing a process of reinvention and re-invigoration.

We must continue to learn from what's happened so far and this report aims to help us do just that. History is far from written, the journey to a re-imagined future is already underway.

**Helen Dickinson**

Director General, British Retail Consortium

Member of the Future High Streets Forum

## INTRODUCTION

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This guide is a summary of the evidence on recent high street and town centre performance. It is designed to help those developing local policies and strategies for these areas.

British town centres and high streets have undergone dramatic change over the last decade. Few would dispute the combined impact of long-term shifts in policy, demographics and transport with the medium and shorter-term impacts of online retail and the shockwave of economic crisis on our high streets. But for those charged with understanding these changes more fully and coming up with effective responses, hard evidence is not always easy to come by.

Partly because some of these effects are very recent, and partly given changes to the types of data collected by government, our anecdotal awareness of urban change is not consistently underpinned by reliable information.

Recognising this need, the *Future High Streets Forum*<sup>1</sup> co-commissioned with the Economic and Social Research Council (ESRC) a study of the available evidence base, led by Southampton University and funded by the ESRC.

Working with experts across the field<sup>2</sup>, the Southampton study reviews what robust evidence is available on the trends impacting high streets and town centres, and provides a guide to how those trends have changed, and will continue to change, those vital commercial and social spaces. This will be invaluable for those developing local policies and strategies to sustain the economic health and vitality of town centres and high streets. The study also identifies the most significant gaps in evidence.

The short Guide is published ahead of the full *Future High Streets Evidence Review* and outlines the key trends impacting high streets, considering in turn:

**The perfect storm** - the combination of short and long-term factors which combined in the period 2008-12 to affect high street performance negatively - raising concerns about the economic health and vitality of these crucial anchors of local economies.

**Characteristics of centres and high streets which weathered the storm better** - including discussion of the conflicting evidence which

has emerged on the roles of centre size and in particular of 'diversity' (measured by a larger presence of small and specialist independent stores) and the way these operate in the context of strong north-south regional variation.

**The forces of change** - the effects of the progressive rise of online retail; of competition from out-of-centre developments modified by a 'town centres first' policy; and of changes in consumer behaviour which can be referred to as the rise of 'convenience culture' - understanding that these forces not only operate separately but also together in complex ways which frequently strengthen their individual impacts.

**Managing the forces of change via institutional support** - the complexity of town centre uses, beyond purely retail, has driven the need for management across a variety of stakeholders and initiatives. But what is known of the effects of the considerable variation between centres in terms of this type of investment in enhancing the built environment and 'streetscape'; funding for 'town centre managers'; involvement in Business Improvement Districts (BIDs) schemes; supportive car parking policies; and investment in temporary 'crowd-pulling' attractors to enhance the attractiveness of the town centre/high street and to encourage spillover spending by consumers?

**Understanding behaviour to improve town centre performance** - the way town centre users 'interact' with the town centre environment has been demonstrated as being much more complex than a simple 'functional' one. In what ways is the 'customer journey' increasingly embracing a strong experiential aspect and what are the resulting challenges for high streets?

**Evolving and adaptive high streets** - what does the evidence suggest is likely to determine their future reconfiguration? Additionally, what are the fundamental gaps which remain in our understanding of what will determine future trajectories of UK high streets?

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For those charged with understanding high street changes and coming up with effective responses, hard evidence is not always easy to come by.

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## THE PERFECT STORM

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The economic shockwave sparked by the 2007 global financial crisis exposed our town centres and high streets to a perfect storm of short, medium and long term impacts.

The shortest-term phenomenon, the sudden end of an era of cheap credit and economic buoyancy and the collapse of consumer confidence in late 2007/early 2008 was never going to leave our town centres unscathed. Many sectors, but not all, were hard hit by the depth and suddenness of the crash.

Fragile consumer confidence – which remained stubbornly negative for the next five years – together with stagnating family incomes and unsustainably high costs of doing business, were some of the factors that helped push many retailers into administration, and some into liquidation. Nearly 75,000 employees were affected by 54 major retailer failures in the peak year of 2008, and there were secondary peaks in administrations/liquidations in 2009 and 2012.

Town centres and high streets provided highly visible and graphic evidence of the scale of the economic downturn. The crash in consumer confidence in early 2008 was followed by an immediate and abrupt increase in vacancies. Vacancy measured as either a percentage of floorspace in a centre or in terms of the percentage of empty property units (voids) more than doubled over the five years from 2008 – in the case of voids rising from 7% in 2008 to a peak of 16.3% in 2012, before trending downwards as the economy began to recover, falling to 15.1% by the end of 2013<sup>3</sup>.

Significantly, the shockwave also exposed and reinforced longer-term underlying forces of change which had been reconfiguring our town centres and high streets for some time. Not all those forces, it must be stressed, were negative for the high street. The period of turmoil offered new opportunities for those businesses which could change and adapt.

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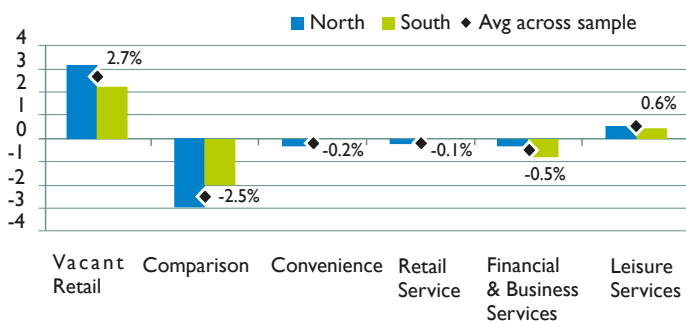
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## WHICH CENTRES AND HIGH STREETS WEATHERED THE STORM BETTER?

Britain's regional and local economies were in markedly different levels of economic health when the macroeconomic shockwave hit. As a result town centres and high streets in different regions responded to the challenges in significantly different ways. Some fared much better than others. At the regional scale, centres and high streets in the south were perceived to be less hard-hit by the slowdown than their northern counterparts.

But the broad north-south divide was only part of the story. Within each zone, there was noticeable variation in impact across centres of different size and composition, where composition is measured in terms of the balance of service (leisure, financial, business, medical, etc) units versus retail units, and/or in terms of the balance of small and specialised independents versus corporate providers. But to what extent has this been confirmed and extended by empirical research?

### Performance of broad retail/service categories between pre-crisis & within-crisis



Source: University of Southampton retail research group

Available evidence remains remarkably limited on this topic – in particular, there has been little assessment of how the possible drivers of performance interact with each other. That is to say, in a way that allows the impact of each driver to be measured 'holding all other factors constant'. Additionally, the available evidence is derived from studies which vary significantly in sample size and in which assessment is conducted over different time periods.

Nevertheless, what is available confirms the existence of a strong north-south divide and, embedded within that, significant variation between those centres

supported by catchments with higher levels of disposable household income, professional/higher managerial jobs, etc ('strong socio-economic context') compared to the opposite ('weak socio-economic context')<sup>4</sup>.

There are also indications that centres which were **more service than retail orientated** may have fared relatively better, reinforcing the longer-term and wider 'beyond retail' trajectory of UK town centres and high streets which has seen their leisure services, entertainment and hospitality roles become progressively more important over the past 15 years.

However, the studies offer conflicting findings regarding **centre size**, and most significantly, differ on the critical issue of the protective effects of, **diversity** in the sense of centres having a larger presence of small and specialist independent stores. Contrary to both expectations and initial findings from three separate research groups, forthcoming BIS research shows that centres which performed well tended to be more homogeneous than centres which under-performed. As a result, the BIS research concludes:

"A prevalence of independent stores does not look to be the reason for centres doing well in difficult circumstances"<sup>5</sup>

In addition, the Evidence Review also identifies a **lack of empirical evidence at the secondary centre level** - defined as high streets and local 'town' centres within conurbations, local parades and neighbourhood centres. This is important because research from Scotland<sup>7</sup> has suggested that contrary to popular opinion, some secondary centres, although widely assumed to be locationally obsolescent and under-recorded by commercial data providers, have proved far more robust to the economic crisis and recession than might be imagined.

The Scottish researchers suggest that because secondary spaces have low multiple-retail representation, and most of that in the convenience rather than the comparison sector, those spaces were simply not exposed to the same

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Available evidence differs on the critical issue of the protective effects of diversity in the sense of centres having a larger presence of small and specialist independent stores

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We need to reassess what determines town centre attractiveness and performance. Both qualitative aspects (perceptions) and quantitative measures are needed to evaluate 'success'; a 'refocused' view is required – one of town centres as places of social, community and cultural economies, and not merely as shopping destinations.

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type of risks as, for example, small accessible towns during the period of crisis and recession. That is to say, secondary spaces often experienced recession differently from other locations due to their relative lack of exposure to risk from business cycles.

It is also important to note that available studies vary in terms of how they measure performance. Most commonly, vacancy rates in some form - either the percentage of vacant floorspace in a centre or the percentage of empty property – have been used. But, **not all vacancy is the same**; long term structural vacancy has been found to have a detrimental impact on centres, affecting shoppers' perception of the centre, routes through the centre and dwell time, whereas short term, churn-related vacancy is an essential part of centre adjustment.

In this context of limited and differing evidence on the drivers of high street performance during the economic crisis and subsequent period of austerity, practitioners charged with developing policies for their local town centres and high streets might wish to supplement what is available nationally and regionally with detailed local area studies. In doing so, they should remain sensitive to the value of exploiting locally available time series of data, and take account of the constraints which they will face resulting from the lack of coherent and consistent metrics in areas such as:

### Data Gaps – Practitioner Implications

**Retail floorspace & retail turnover** – there are currently no agreed figures or time series of the amount of floorspace in the UK, or reliable estimates for retail turnover at a high street/town centre level

**Footfall & expenditure distribution** - we need to know how expenditure is distributed between store and online sales for major companies and how this is changing. Footfall data is commercially available for some centres but expensive to use by planners and policy makers

**Accessibility & town centre performance** – even though we have information on parking and transport provision at a local level, we have very little empirical evidence on the impact of accessibility on town centre performance<sup>6</sup>

**Statistical definitions of town centres and retail cores in them** – if we want to assess/compare performance at a town centre/high street level, we need to have clear statistical definitions of their extent.

Finally – and importantly – there is an increasing recognition<sup>8</sup> of the need to reassess what determines town centre attractiveness and performance. In particular, there is a need to (a) consider both qualitative aspects (perceptions) and quantitative measures of 'success'; and (b) include a 'refocused' view of town centres as places of social, community and cultural interaction, not merely as shopping destinations.

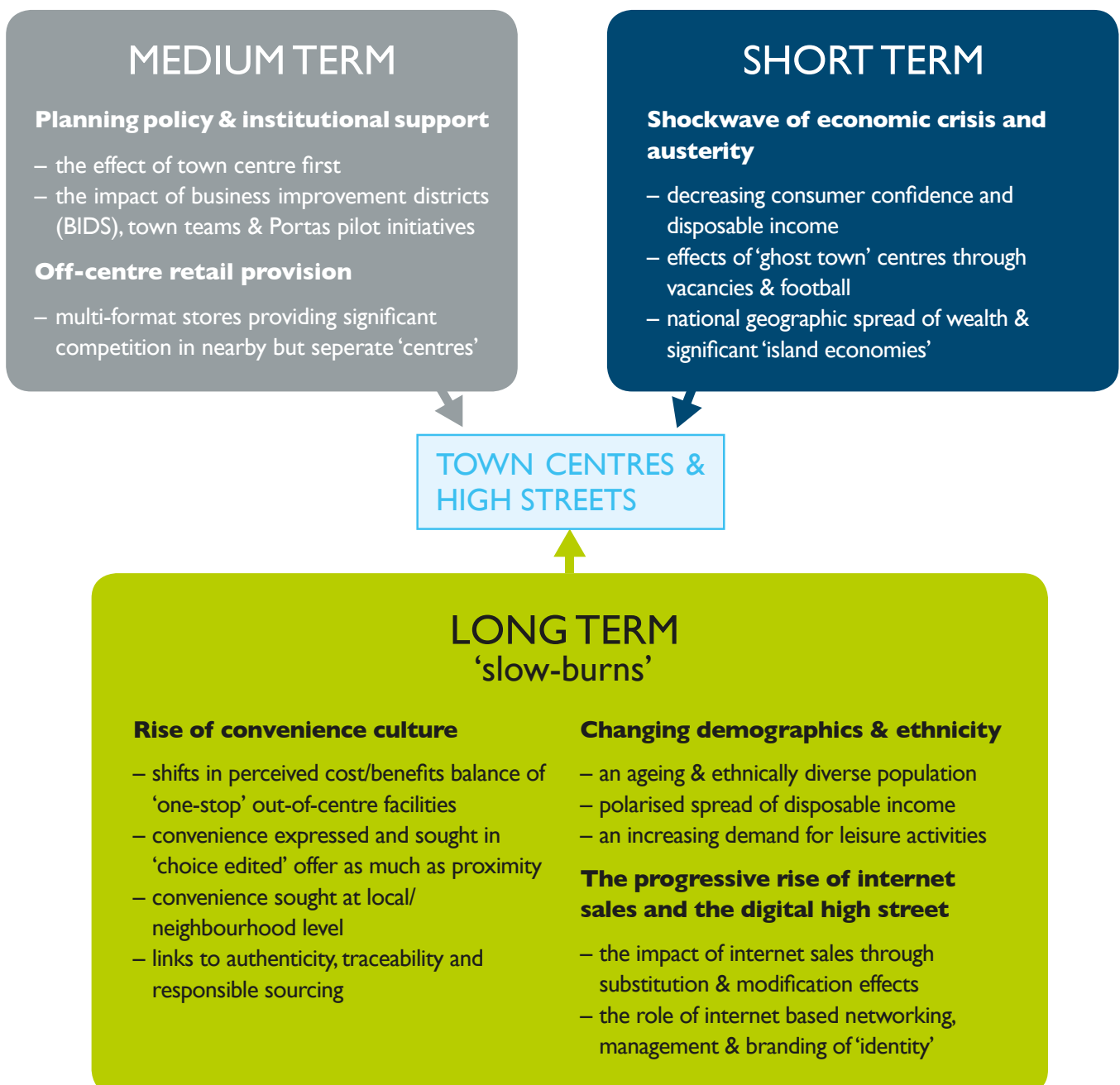
## THE FORCES OF CHANGE

Essentially, the macroeconomic shockwave exposed in the starkest manner the underlying forces of change which had been reconfiguring town centres and high streets for much of the previous decade. That is to say: the significant effects of the progressive rise of online sales; the impact of competition from out-of-centre retail development, which had been modified by adoption of a ‘town centres first’ development policy; and finally by a wider shift to what has been termed ‘convenience culture’.

‘what it means to shop is going to change....

[in a manner that] is going to be so far-reaching, and more rapid than we imagined”<sup>9</sup>

We now examine these forces in detail, noting that, whilst of themselves extremely powerful, they also work together in complex ways which strengthen their individual impacts. Indeed, as the ‘high street crisis’ developed, some of the leading players in the UK retail sector, suggested that the way these forces are combining together had become disruptive and unpredictable.



## Competition from ‘out-of-town’ centres

Development regulation in the UK changed significantly in the mid-1990s, shifting to a town centres first position which prioritised development in established centres. Despite this, the proportion of retail space and percentage of retail sales channelled through town centres continued to fall - e.g. from 50.7% in 2003 to 45% in 2013 - whilst the share of retail sales and retail space out-of-town continued to increase.

Nevertheless, towards the end of the period new trends had become clear. Food and groceries’ share of town centre sales had increased – from 16.9% in 2007 to 24.2% in 2013 – whilst clothing and footwear had similarly reinforced its position in town centres, increasing from 20.5% to 25.4%. In addition, a period of resurgence of in-town large shopping centres (West Quay Southampton, The New Bullring, Birmingham Liverpool One, etc) was reflected in department stores’ maintaining their share of town centre sales.

### HIGHLIGHTS

#### Town centres & out-of-town competition

1. Given the wide range of factors that influence town centre performance and their resilience to any competitive effects from out-of-centre development, it is extremely difficult to offer precise evidence of the ‘cause & effect’ relationship between town centre performance and out of town provision (both retail and leisure)<sup>10</sup>. However, for most of the period under review, the expanding non-food offer of supermarkets has put added pressure on the town centre – e.g. in the period 2008-2012 the value of non-food offerings sold by supermarkets rose by 83.2% – a considerable increase given the sluggish economic conditions. Clearly, *out of town* developments continue to pose a threat to nearby centres. However, case study evidence shows that *edge of centre developments*, if designed and managed appropriately, can complement the town centre retail and service offer<sup>11</sup>.
2. Evidence on the impact of large shopping centres developed in-town<sup>12</sup> suggests these can act as a catalyst for change, shifting the prime pitch, but in turn weakening peripheral areas and increasing turnover/vacancy rates. However, the attraction added the town centre frequently offsets the trade diversion impacts. Careful spatial design/planning is key to strengthening the functional linkages between regenerative improvements and the existing facilities.
3. Assessing the implications of in-town retail development on the vitality of existing centres is always problematic. The alternative ‘no development’ option is rarely studied. Evidence focusing on ‘return to the high street’ trends following the policy shift to ‘*town centres first*’ is still sparse. Recent case studies suggest that both in-centre larger foodstores and also corporate convenience stores in small centres can play important roles in ‘*clawing back*’ trade that would otherwise leak out to larger urban centres, hence maintaining the viability of those centres. Linked shopping trips generated by these developments play a vital role, but more evidence is needed on these forms of interaction.
4. Case study evidence<sup>13</sup> suggests that *out of town* leisure facilities have become popular destinations and constitute a major alternative to the city centre for night time leisure – in particular, the growth of casual dining on retail parks<sup>14</sup>. However to suggest that out of town leisure might destroy the city centre leisure economy is questionable as it fulfils a complementary role to the town centre offer.
5. Growing internet and mobile commerce, an evolving ‘convenience culture’, and accelerating petrol prices, have been influences on the recent under-performance of large out-of town stores and retail parks, leading to property write-down and discussion about the end of the ‘space race’<sup>15</sup>. This underlines the likelihood of locational obsolescence for some development sites. In contrast, the major retailers are channelling investment into ‘click and collect’ in town centres.

### IMPLICATIONS/QUESTIONS FOR TOWN CENTRES

In-centre retail developments can help ‘anchor’ the local economy. However, these must be carefully planned and functionally integrated with the existing town centre.

Availability and cost of parking are key issues for consumers. Evidence is suggestive of an overall dissatisfaction of town centre visitors with parking facilities and costs; this could push them to shop out-of-town.

Out of town leisure fulfils a complementary role to the town centre offer. Town centre management and policy initiatives need to focus their efforts on emphasizing the distinctive nature of city centre leisure.



### WE DON'T YET KNOW...

...the conditions for successful interaction between corporate retailers and independent town centre stores and services, like leisure. Expenditure retention and linked trips are vital – but we need to know more about how they work. How could these conditions for successful interaction be codified and communicated clearly to help decision makers?

...is the so-called retail “space race” really dead? If so, what are the implications for the town centre/high street?



## The progressive rise of online retail

Online sales as a proportion of total retail spend more than tripled from 2007 to 2014. Evidence suggests great variation in sector penetration with significant substitution effects being felt by retailers of books, music & video, computer games and electricals, and with the fastest growth in penetration occurring in department stores and fashion retail. In terms of annual sales growth, food retail - because of the size of the sector - is adding the most online sales. However, the 'threat' to town centres from online shopping is greatest for the non-food sector.

The convenience of browsing and comparing a wide selection of products 24/7 offered by PCs and more recently on smartphones and tablets is creating new forms of consumer behaviour. To reach an increasingly digitally sophisticated and time-constrained consumer base, retailers have been forced to innovate and explore the omni-channel offer - and to embrace both click and collect services & 'showroom' stores. Retailers have also had to reassess their store portfolios, in many cases leading to a concentration of their activities in primary centres.

### HIGHLIGHTS

#### Town centres in the digital era

1. Online retail has reached a point where it has become transformative. However, evidence suggests<sup>16</sup> that town centres still hold their own, despite that increasing competition, as consumers value the immediate satisfaction of shopping in their local centre. But how can town centres compete with the convenience of online shopping? The evidence is still emerging, but it suggests there is scope to improve on the softer, experiential factors influencing consumer choice of shopping destination.
2. The growth of click & collect pushes people back to stores, suggesting that town centres can be supported by online commerce. However, the predicted increase in consumers self-collecting their online orders will depend on choice of retailers' fulfilment options.
3. As smaller businesses that start online take over shops becoming vacant, a more varied retail landscape may emerge that moves away from 'clone town Britain' model. Interestingly, recent research<sup>17</sup> reports that one in six UK SME e-retailers are planning to expand into physical stores during 2014 as they increasingly feel the pressure from online competition for sales.
4. The proportion of users accessing the internet via mobile phones more than doubled between 2010 & 2013<sup>18</sup>. Six in 10 adults use a device such as mobile phone or a tablet to access the Internet 'on the go' - 17% of the 65+ age group is currently using mobile internet and this is expected to grow fast - confirming that on the go technologies are not limited to younger age groups. However, more robust evidence is needed on the effectiveness of the adoption of on-the-go technologies as a means to boost town centre vitality.
5. Multichannel reality offers significant opportunities for innovation on the high street. Early evidence<sup>19</sup> suggests that town centre management has an important role to play in the new digital era, to ensure that internet supports - rather than replaces - the town centre experience

### IMPLICATIONS/QUESTIONS FOR TOWN CENTRES

Big retail chains have seen the benefit of embracing the multichannel future. But what about smaller independent retailers and service providers? How can they access the necessary specialist knowledge to succeed in a digital era?



Does your town centre facilitate combining conventional trips to the town centre with click & collect? Evidence suggests that consumers welcome click & collect in easily accessible points. How are you exploiting that to ensure the viability of your centre and to attract additional brands and services on your high street?

Have you considered using town centre collection 'cafes' where online orders could be picked up during or at the end of shopping trips? Reports suggest that this idea could be piloted using an existing town centre facility (e.g. a coffee shop or bar) with available space, which would create an additional opportunity for social interaction for shoppers.

The disparity between investment and operation costs of physical and purely online retailers has implications for competitiveness. The business rates system has been subject to considerable discussion and ministerial action relating to recommendations by the *Future High Streets Forum*.



### WE DON'T YET KNOW...

...whether -and how- the adoption of on the go technologies can boost town centre vitality.

...which location-based online tools really work in engaging local communities?

...how the success of retail centres may be based on their engagement with IT and communication technologies? We also need to understand how differences in IT literacy among catchments, shapes the performance of retail centres..

## An evolving ‘convenience culture’

What consumers define as ‘convenience’ is rooted in the valuation they place on time and the trade-off they are prepared to accept between the costs and benefits of certain types of retail structure. That trade-off constantly evolves – in some periods slowly and incrementally, in others rapidly and disruptively.

Evidence suggests some groups of consumers being less convinced by the definitions of ‘convenience’ which held during 1960s to 1990s, specifically the costs versus benefits balance of ‘one-stop’ out-of-centre facilities. Instead, those groups seek ‘convenience’ at the ‘local’ level and are predisposed towards relocalising aspects of their routine shopping and broader consumption behaviour. This is particularly the case if businesses can supply either a ‘choice-edited’ neighbourhood version of the range and quality of the out-of-town offer, or alternatively if they can provide something specialist and/or rooted in the local community. Clearly these forces of change are potentially highly supportive of the future of the high street.

### HIGHLIGHTS

#### Town centres & the rise of convenience culture

1. The real impact of ‘convenience culture’ can be seen in the combined effects of online shopping and new generation convenience store use. One has its main effects in the context of primary/main shopping trips, whilst the impacts of the other are shown in top-up shopping behaviour. However, it is the way these work together which is proving to be of a scale sufficient to be disruptive – but more positive than negative for the future economic health of the high street.
2. Convenience retail in town centres/high streets, both independently and corporately owned, has experienced significant growth over the past 15 years – a growth sustained during the economic crisis and subsequent period of austerity. Indeed, recent research<sup>20</sup> suggests that over the next five years from 2014, convenience store sales and market share will continue to grow strongly – increasing to account for 24.1% of the grocery market by 2019. In contrast, the market share of superstores and hypermarkets is expected to fall over the same period from 42.2% to 34.9%. These sustained shifts in the market are too large to reflect merely a reactive response of consumers to new opportunities presented by the move of corporate food retailers into the convenience sector. They also reflect more fundamental shifts in the valuation of convenience and the proactive response of retailers – both corporate and independent – to those trends<sup>21</sup>.
3. The aspect of evolving convenience culture which links convenience to the ‘local’ and to ‘community’, predisposes the consumer groups which are driving its evolution to value authenticity, traceability, and sourcing which is both responsible and ethical. In addition, those groups expect the major retailers to reflect consumer expectations regarding the social and community responsibilities of leading retailers. These are complex and intertwined issues, but essential to any reading of future high street reinvention and reconfiguration.

### IMPLICATIONS/QUESTIONS FOR TOWN CENTRES

How well do you know your local demographics? (age, ethnic composition, income, etc...). Has your high street become more diverse over the last decade? How is that revealed and how does this relate to an evolving convenience culture?

Does your town centre have a dedicated website? If so, does it provide up-to-date information on local shops (sales, offers, shopping events, parking, closures)? Evidence suggests that convenience-seeking customers are deterred from visiting the town centre if they don’t have a seamless shopping experience.

What local evidence is there to suggest that convenience stores support high street performance in your area? What local evidence is there on how consumers link their shopping trips to these new stores with existing stores in the town centre?

Consumers increasingly value authenticity, traceability and ethical sourcing. How are local businesses – both retail and service providers (i.e. local cafes, restaurants) responding to these changing consumer expectations?



### WE DON'T YET KNOW...

...emerging from this great recession of 2008-2013 we don't yet know - as the economy grows - whether the cost vs benefits balance of one-stop shopping will re-emerge.

...to what extent and in what ways the evolving convenience culture & ethnic *super-diversity* of urban high streets are interlinked?

...how strong and long-lasting are the recent trends towards authenticity, traceability and responsible sourcing. To what extent have they been reinforced by or alternatively held back by recession?

## MANAGING THE FORCES OF CHANGE BY INSTITUTIONAL SUPPORT

Centres vary considerably in terms of investment in the design and maintenance of the built environment and 'streetscape'; funding of a 'town centre manager'; involvement in Business Improvement Districts (BIDs) schemes; supportive car parking policies; encouragement (perhaps by incentives) of the entry of key 'magnet stores' and/or investment in temporary 'crowd-pulling' attractors to enhance the attractiveness of the town centre/high street and to encourage spill-over spending by consumers.

Over the past decade, town centres and high streets have been increasingly shaped by active place making, with Town Centre Management (TCM) evolving in purpose and methods - with the ATCM playing a key role. The shockwave of the economic crisis was therefore filtered through local institutional structures supportive or less supportive of those centres, their business-practice environments and their entrepreneurial cultures.

### HIGHLIGHTS

#### Managing the forces of change by institutional support

1. The complexity of town centre uses, beyond purely retail, is driving the need for management across a variety of stakeholders and initiatives. Well-managed centres should be expected to perform better. Business Improvement Districts (BIDs) in particular are a key public-private partnership initiative shaping high street activity. Despite limited statutory powers, BIDs have proved a tangible and repeatable method by which commercial business in specified areas agree, co-ordinate and monitor communal improvements, paid for by an extra tax levy.
2. Aside from BIDs, a series of other strategies have evolved, including Town Teams, Neighbourhood plans, and Local Strategic Partnerships amongst others, which in their essence aim to bring together multiple stakeholders in a town centre to coordinate collective action.
3. Town centres are slowly exploiting the opportunities offered from adopting new technologies. The evidence is still emerging but early case study evidence suggests that schemes like ATCM's Digital High Street Programme<sup>22</sup> – and online platforms - such as myhigh.st – are successfully promoting and assisting town centres and independent retailers operating in those centres. Additionally those platforms seem to provide an effective means of engaging local consumers and make them part of the re-shaping of their local high streets.
4. Research suggests that shoppers can be deterred from engaging in the town centres' evening economy due to perceived safety issues, the lack of transport infrastructure and the associated costs of travelling and continuation of daytime parking fees into the evening. Preliminary evidence is emerging<sup>23</sup> suggesting how this gap can be addressed via active management of town centres after dark increasing visitor confidence and changing perceptions. For instance, the ATCM Purple Flag accreditation for town centre night time experience has produced increased footfall across participant centres year on year in places implementing a night time BID.

### IMPLICATIONS/QUESTIONS FOR TOWN CENTRES

Many local authorities, including those awarded the Purple Flag status, are taking positive steps to reap the benefits of a thriving night time economy; But what would your ideal high street look like, and how could it be managed to ensure safety, enjoyment and repeat visits from your specific local demographic group as well as from visitors?

Planning for the transition from day to evening economy can help local businesses take advantage of available opportunities. Have you explored with your local retailers and leisure/hospitality businesses the possibility of later closing times or the hosting of activities on your highstreet? These initiatives could entice town centre visitors and those working in the centre to stay a little longer, increasing custom for local businesses and possibly easing congestion in the centre.

### ? WE DON'T YET KNOW...

... Despite the move towards increasing Town Centre Management in various forms, little empirical evidence exists on its impacts on town centre performance, particularly evidence that is comparative, longitudinal and national in extent. In light of the trends towards local extra-statutory decision making and action, further impact testing is essential.

... Several reports on the future of UK high streets are providing recommendations on how the 'digitisation' of town centres can enhance their vitality – however, more robust evidence is needed on the success of relevant schemes. In addition, existing evidence on whether consumers and town centre visitors would value the availability of such platforms and technologies is very limited.

# IMPROVING HIGH STREET PERFORMANCE BY UNDERSTANDING THE BEHAVIOUR OF TOWN CENTRE USERS

Despite the challenges of out-of-town and online retailing, evidence suggests<sup>26</sup> that the majority of town centre users still continue to favour high streets and town centres as main shopping destinations for health, beauty and personal care products, clothing and footwear and for top-up grocery shopping. Available research also provides evidence of the complex role of the high street, beyond retail as a destination for personal finance, medical and educational services, as well as health and beauty services.

Moreover, the way consumers interact with the town centre environment has been demonstrated as being much more complex than a simple 'functional' one. Evidence of the town centre adjustment to an increasingly digital future is still emerging, but it is clear that the customer experience journey has become far more complex and increasingly embraces a strong experiential aspect.

## HIGHLIGHTS

### User perceptions of town centres and high streets: shifting expectations, changing challenges

1. Evidence suggests<sup>27</sup> that consumers are prepared to 'switch' their shopping from out-of-town locations to town centres when offered a wide range and quality of goods (both food and non-food). Case study evidence also suggests that people prefer town centres and high streets when purchasing pharmaceutical and beauty products, indicating the importance of chemists as a town centre retail destination. In addition, clothing and footwear still operates as a key anchor retail category and a top destination for shopping in-town.
2. Research suggests that when visiting a town centre for shopping, people want a trouble-free, 'functional' visit. However, that research shows that, simultaneously, when people choose a shopping destination, they also value softer, experiential "touch points"<sup>28</sup> - including the social interaction and leisure opportunities, the personal service they receive, the atmosphere and green spaces, the outdoor events and markets. These 'softer' factors were also highlighted by the Portas Review as drivers of regeneration.
3. Social activity not only enhances a town centre shopping visit, but it also translates into added value in terms of time and money spent in the town centre. Recent evidence shows that consumers shopping with others spend significantly more, increasing their dwell time, than when shopping alone<sup>29</sup>.
4. Recent research<sup>30</sup> demonstrates that the presence of coffee shops typically boosts local high street economies by 2 to 4% through a combination of increased footfall and dwell time. This research suggests that 58% of the 2,000 consumers surveyed planned to visit coffee shops – branded as well as independent – as part of their trip to the high street.
5. Case study research which combines both experiential and functional 'touch points' to examine how customers perceive their town centres as destinations, confirms that one size does not fit all<sup>31</sup>. Smaller centres appear to perform better in terms of experiential factors that customers value, such as town centre atmosphere and customer service, while bigger centres do better when it comes to functional aspects like parking provision and information on town centre stores and facilities.
6. Conversely, when reporting reasons for not achieving their purpose during a visit to the town centre, the lack of choice and problems of stock are the main sources of customer dissatisfaction. Additionally, the overrepresentation of certain types of stores/services on the high street, (i.e. charity shops, estate agents) is a continuing source of consumer concern<sup>32</sup>.

## IMPLICATIONS/QUESTIONS FOR TOWN CENTRES

Initiatives like linked promotions/offers for the combined use of local retailers and leisure & service providers, together with investment in placemaking activities is a significant help in collectively strengthening consumers' experiences in the town centre.

How are your local businesses performing in terms of customer service, stock management and other business skills? Does your LA provide incentives to local businesses to deliver a high-quality service? These are extremely important aspects of the customer experience. Have you considered the creation of a 'Business and enterprise hub' in your town centre? This could help local businesses get the training they need and could promote enterprise and innovation.

The use of heat maps which illustrate the areas and stores most frequently visited is a useful tool. Producing and analysing these maps can enable town centre management teams to focus their efforts in attracting customers to regularly 'under-visited' and 'under-shopped' areas through, for instance, targeted promotions and increased and clear signage.

## ? WE DON'T YET KNOW...

... the best way to measure consumer attitudes and perceptions of town centres. Such measures are needed in order to track changing consumer behaviour consistently over a period of time that can be implemented for example by town centre managers.

... how consumers use and interact with functional and experiential 'touch-points' within town centre journeys. Additionally, evidence is still modest on how online behaviour can link better with the use of physical facilities in the town centre.

... how customers perceive attractiveness of centres and high streets in an increasingly digital environment; in particular there is lack of research that integrates the quantitative measures based on utility for the customer, and qualitative measures from customer image perceptions, into a combined measure of attractiveness.

## ENHANCING TOWN CENTRE EXPERIENCE. CASE STUDY: LOUGHBOROUGH



The market town of Loughborough is an example of a BID team working with researchers at its university to use consumer insights to drive town centre strategy.

For example: identifying opportunities for Business and Enterprise meeting hub, centralised retail training involving students as digital advisors and using shopper 'hotspot' information to re-route pedestrians. In this way, town centres can use technology to support retailers to enhance the customers' experience of the town centre.

## TOWN CENTRE MANAGEMENT EMBRACING ONLINE. CASE STUDY: MANSFIELD

The case study of Mansfield BID reported in Distressed Property Taskforce Report (2013)<sup>24</sup> is an example of the successful implementation of online platforms as part of the town centre management toolkit. By employing ATCM's Spacehive platform<sup>25</sup>, the Mansfield BID has been successful in providing (via crowdfunding) free in-town Wi-Fi, alongside a website - which includes an interactive town map - and a town centre app. Reports suggest that, since then, Mansfield town centre has witnessed a 98% increase in website hits along with 10% increase in footfall and 7.4% increase in town centre expenditure.

### Example of a 'Heat Map'



Source: Hart et al (2014)

Large red circles show most activity or 'hotspots'  
 Blue dots represent town centres areas with least visit activity ('cold spots')  
 Orange represents medium activity areas.  
 No dots indicates no interaction recorded

### 60% of town centre routes are habitual

"Depending on my reason for going to the Town Centre I would park in the relevant car park nearest to the store I needed."

"If some of the empty properties down the side streets were occupied I would change my route."

"I try to avoid the main route because of traffic."

"I don't think the town centre is very well signposted, so you don't know what shops are available. There are a lot of shops at the back of the High Street - shops on side streets which you could be made more aware of."

## EVOLVING AND ADAPTIVE HIGH STREETS

“Far from being dead, the High Street appears to be showing great resilience and a capacity for re-invention”

Hugo Clarke, Deloitte, April 2014

High streets have always been dynamic and adaptive and have constantly been reshaped by periodic economic and competitive shocks. As the UK economy moves into more sustained recovery and town centres and high streets gradually emerge from crisis, what does the evidence suggest is likely to shape their future reconfiguration?

On the one hand, it is clear that the crisis triggered by the economic shockwave has had significant effects and that urban centres subjected to powerful reconfiguration pressures will not simply revert back to pre-crisis forms – particularly nostalgic images of those forms. On the other hand, evidence is accumulating that the country’s High Streets continue to evolve to play the changing roles required of them by residents, workers, visitors and their competitive context<sup>33</sup>

New relationships are being established in town centres and high streets, creating new opportunities and contributing to their resilience. The biggest challenge for future policy, is to understand that successful high streets are those which promote these new relationships.

At the heart of that evolution will be a continuation in many town centres and high streets of the long-term **structural shift away from retail provision to services of all types**, but especially leisure (e.g. bars and cafés), health and beauty, and medical-related services – a shift observed in several studies over the past decade<sup>34</sup>.

We also anticipate a continued rationalisation of non-sustainable retail spaces – albeit that we accept the logic of the research from Scotland that secondary retail spaces of local centres, shopping parades and peripheral streets, have in certain cases proved far more robust to the economic crisis and recession than might be imagined

The biggest challenge for future policy, lies in exploiting an understanding that successful high streets are those which promote new forms of complementary relationships. In particular, relationships:

- **between online retail and the traditional store**<sup>35</sup>

Despite the clear substitution effects from online retail in some retail categories, where the perception of terminal crisis seems increasingly appropriate<sup>36</sup>, in other retail categories the adoption of multichannel can be complementary to physical stores whereby new technologies and online/on-the go shopping can support the transformation of town centres and high streets. Indeed, latest figures show the UK leading the way with 35% of online shoppers using self-collect and poised to double within the next three years<sup>37</sup>.

“ (...)rather than taking shoppers away, the internet is pushing people back to shops with the growth of click and collect”

Hugo Clarke, Deloitte, April 2014

Understanding the significance of these new complementarities is essential, not least to inform institutional support for the high street and for town centre managers. The potential for online tools, hubs and connectivity to attract visitors (and persuade them to remain) has become essential to the role of those managers.

There is also an important need to work in networks with other town centre stakeholders – community groups, retailers, service providers - maximising the opportunities offered by new technologies and learning from retailers who have successfully managed customer experience seamlessly across multiple channels is key.

What is clear is that there are still significant evidence gaps relating to the effect of technological innovation on the high street. We still don’t know which of these emergent phenomena will have greatest lasting impact – i.e. will the fast adoption of on-the-go technologies, and/or the community-based online tools that some LAs are currently embracing to promote regeneration, have the most important role to play in enhancing town centre vitality?

With the plethora of online tools available and the speed with which these are adopted by retailers, we are at risk of overestimating the effect of technology in the short run, while underestimating it for the longer run. In addition, there are risks from ‘rushing’ to engage with new sophisticated technologies as it could lead to some population groups – i.e. the older population segment which are currently driving the growth in online sales– being marginalised if they are unable to embrace it.

### What do people say?

“Ease of access, ease of information. If you can find out what's happening on your phone then you're much more likely to do it”

“[Shopping online] you don't get to see the smaller, independent shops or boutique shops. So I'll go through phases where I'll shop online for a while and then kind of miss going into the town centre”

\*Town centre respondents – Loughborough University study (2014)<sup>38</sup>

### • between corporate retailers & small and specialist independent stores and services

Contrary to popular opinion, evidence suggests that local independent small and specialist stores together with service providers can co-exist with and indeed benefit from the presence of corporate outlets, given their mutual dependence on retaining and clawing back expenditure which might otherwise be lost to competing centres. Evidence is suggestive of emerging forms of **sybiotic relationships** between corporate retailers and local independent stores – though to our knowledge there have been no large-scale systematic empirical studies designed specifically to assess this issue.

People value range and diversity of offer but additionally (and arguably increasingly) value convenience – where convenience involves a ‘choice edited’ offer as much as it does proximity. The continued growth of both corporate and independent convenience stores has been repeatedly detected in many studies, most recently +8% and +17% respectively between 2011-13<sup>39</sup> - additionally a strong trend first identified by the Competition Commission's investigations in 2007/8, alongside a strong trend toward **relocalisation**<sup>40</sup>. In addition, there is persistent evidence that certain categories of small & specialist retailers such as artisanal bakers, butchers, and tea and coffee merchants are showing signs of modest resurgence.

Recent evidence from the comparison (non-food) goods sector similarly indicates that independent retailers are increasing in number relative to corporates (+2% and -5.2% respectively between 2011-13<sup>41</sup>). Indeed, the British Independent Retail Association (BIRA) reported in April 2014 that seven out of ten independent retailers were confident in the trading year ahead of them, the highest level since the recession<sup>42</sup>. Indeed, 56% of BIRA members reported higher sales for the first three months of 2014 than in the matching quarter of 2013. Businesses such as independent department stores, clothing and footwear, gift shops, books shops and garden suppliers, have all reported growth.

The potential for online tools, hubs and connectivity to attract and retain visitors has become essential to the role of town centre managers. But there are still significant evidence gaps relating to the effect of technological innovation on the high street. We still don't know which of these emergent phenomena will have greatest lasting impact

People value range and diversity of offer but, additionally & increasingly, value convenience – where convenience involves a ‘choice edited’ offer as much as it does proximity.

## What do people say?

“ I just never came to the town before the new foodstore came, I always went to Taunton whereas now I come this way which is slightly nearer, and therefore I use the town shops whereas before I never did... I came because of the new foodstore and now I use the town ”

Out-of-town resident – (Somerset Market Town)\*

“ it (the foodstore) is big enough for the area its serving. If it had been bigger I think it would have been too much for the town it would have taken over the town completely. Whereas the way they've worked it, it's actually complementary to the town. The shops you've got in town are not the same as what you've got in the foodstore...you really have got the best of both worlds. ”

Market town resident – (Somerset)\*

\*University of Southampton study on foodstore development impacts on UK market towns (2010)<sup>43</sup>

- **between high streets as retail spaces and high streets as spaces for leisure, service provision and social interaction**

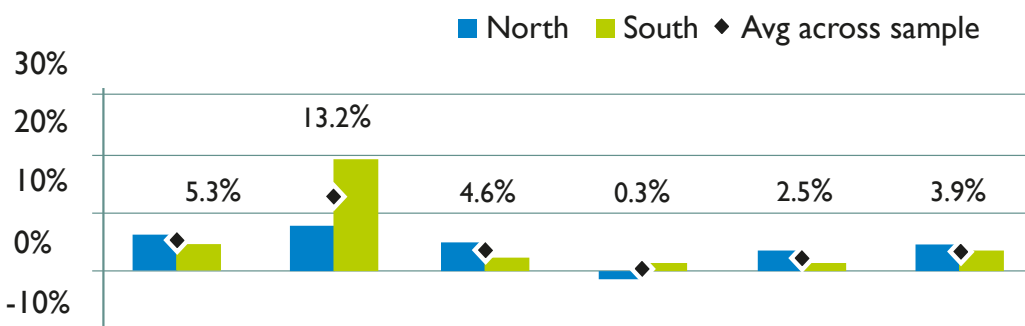
Long-term shifts towards high streets which are more orientated to service provision than retail can be expected to continue. Recent research<sup>44</sup> shows that health & beauty services (nail salons, hairdressers & barbers, tattoo parlours) continue to grow strongly - by +10.4% in the period 2011-2013.

Consumer spending on leisure is projected to increase further over the next ten years, with restaurants, cafes and gyms continuing their growth (see Figure x) Other services like pawnbrokers and betting shops have experienced recession-related differential growth (+17% in one recent study covering the period 2011-2013). As a result, their growth can be expected to slow as economic growth becomes re-established.

“ (...) the buzz of the market place is central to our human needs to forage and interact ”

Martin Hayward, Hayward Strategy & Futures, August 2013

## Change in leisure service categories – pre-crisis and within crisis



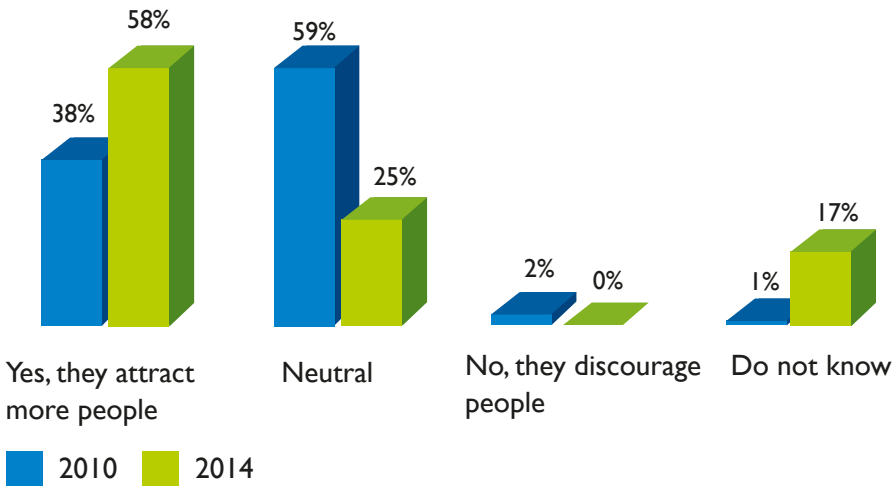
Source: Wrigley and Dolega 2011

Evidence suggests that the ‘leisure aspect’ of shopping trips is a significant driver of footfall; additionally, the leisure offer increases not only dwell time, but also the average spent during trips to town centres and high street<sup>45</sup>. Local businesses are increasingly seeing the benefits of the leisure offer on their high streets to their individual trading<sup>46</sup>. Additionally, people more and more see the value of leisure spaces – spaces for casual dining like cafes, pubs etc - as community meeting hubs and spaces for mobile working and networking.



### Coffee shops uplift to local trading, 2010-2014

In your opinion, do local coffee shops help attract more people to your business (% respondents)



The “experiential” side of the town centre journey – social interaction, visits to cafes and cultural activities and the overall town centre atmosphere – enhance enjoyment, increase dwell time and spent in the centre, and deter consumers from resorting to the online alternative.

Source: Allegra Strategies

However, these daytime leisure activities which potentially play an important role in the reconfiguration of town centres and high streets, are only one part of the picture. The evening economy of town centres and high streets remains an undeveloped area of research. What evidence there is largely focuses on the lack of public transport options and safety issues in the evening. That is to say, on the barriers that deter people from using the centres after hours. Far more empirical work is clearly needed on the complex and interlinked nature of attractors in centres with successful evening economies.

### What do people say?

“ They should consider allowing people to park their cars overnight for a nominal fee of £5 and introduce a taxi rank to local villages ”

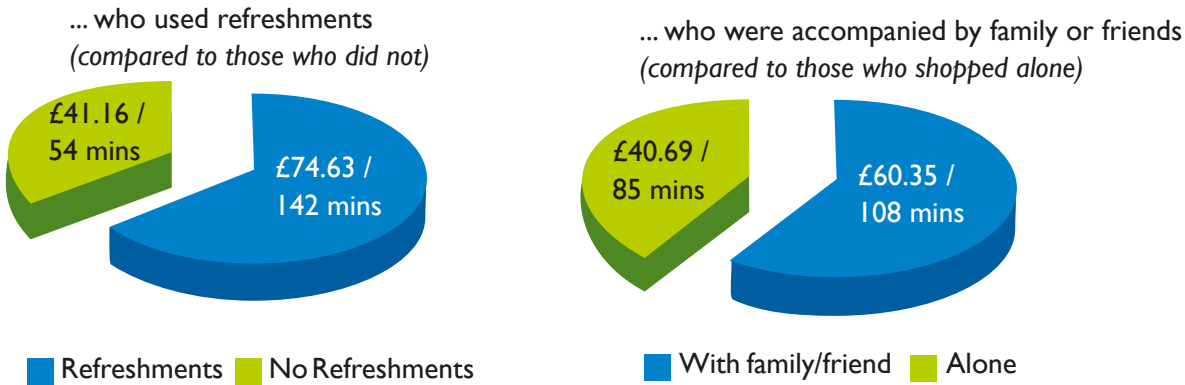
\*Town centre respondents – Loughborough University study (2014)<sup>47</sup>

Moreover, as the population of the UK ages (see below) town centres will need to adapt in order to cater for the growth of that ageing population. Appropriately-sited and well-connected/accessible healthcare facilities & services, as well as social and community facilities are likely to become increasingly important issues.

Overall, what becomes clear from the evidence reviewed is that the “experiential” side of the town centre journey – that is to say, social interaction, visits to cafes and cultural activities, together with the overall town centre atmosphere – heighten enjoyment, increase dwell time and spend in centres, and deter consumers from resorting to online alternatives.

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## Mean spend & dwell time by town centre shoppers engaged in a social/leisure activity



Source: Hart et al (2014)

In the light of these findings, it is a priority to understand more fully what users perceive to constitute an 'attractive' town centre. This should be done in a way that allows quantitative (functional) and qualitative (experiential) measures to be combined meaningfully – in this way revealing the drivers of visitor perceptions most likely to enhance urban vitality.

## One size does not fit all

The population of the UK is growing strongly (forecast to reach around 73 million by 2035<sup>48</sup>) and is changing composition in terms of age structure, ethnicity and household structure. In simple terms, the average age is rising—with those aged 65 and over expected to have increased by 43% by 2030. It is also becoming more ethnically diverse as a result of net inward migration.

The evidence we have reviewed on future high street reconfiguration is subject to important geographical differentiation, reflecting long-term structural imbalances between regional economies, together with strong differentiation within individual regional economies themselves (metropolitan core vs periphery).

It is also impacted by the way that differentiation is compounded by geographical variation in levels of inward migration and age composition. For example, the impact of ethnic inward migration was initially seen particularly strongly in high streets of London and the South East, producing the phenomenon of the 'Polish grocer'.

Similarly, the ageing population demands high streets to adapt in order to meet the mobility and accessibility needs of these groups. However, how those adaptations might develop to serve the needs of catchments with very different proportions of older groups is yet little documented.

As a result, the adaptive resilience we highlight in town centres and high streets can be expected to exhibit pronounced regional variation – the scale and nature of which is as yet little documented. In addition, complex intra-regional variation will inevitably characterise the evolution of UK high streets.

Understanding how a particular town centre or high street fits into these structures and what makes it perform relatively better or worse than its peers remains a key question.

## How town centres are surprising us all: the need to challenge myths on the state of the high street

Town centres and high streets can be viewed as highly complex urban ecosystems with myriad capacities to adjust to change - however rapid and disruptive that change might be. The recent trends and main drivers of recent high street change are now well known - not least as a result of how different interests have generated and informed public debate. There is also wider appreciation of the ways in which long-term ('slow burner') drivers such as 'digital consumption' in the broader sense, or the changing consumer expectations which underlie what we have termed 'convenience culture', combine in complex ways with short-term 'cyclical' forces to produce adaptations which are both unexpected and difficult to read and predict..

The research we have reviewed for this report often mirrors that sense of the complex and unexpected. Above all it challenges the notion of the decimation of the UK high street - and reveals a surprising degree of adaptive resilience. It is a position which we note has increasing support.

For example, recent research by Deloitte<sup>49</sup> traced the fate of nearly 5,900 shops that were affected by administrations since 2009, and showed that high street vacancies have been filled more successfully than those in out-of-town shopping centres and out-of-town retail parks. These surprising results were seen by Deloitte as '*challenging a number of myths around the state of the high street*'. Clearly, however, this is only one small study and indicator, and ultimately, academic research will determine what has 'worked' (or will in future) using robust and replicable techniques.

Nevertheless, we also note the spirit and tone of the Deloitte conclusions being mirrored in other recently published reports - both academic and those commissioned from commercial research consultancies. For example, a UCL research team<sup>50</sup> reinforced our own position by concluding that '*high streets are alive*' and '*high streets are adaptable*' - while soon to be published research commissioned by BIS suggests '*high streets seem to be faring well in the post-recession era*'.

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The same adaptive flexibility which has kept our urban centres alive over centuries is still a creative presence.

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The sense of our review then is that the same adaptive flexibility which has kept our urban centres alive over centuries - is still a creative presence. Clearly, as this review has highlighted, not all centres are showing the same capacity to adapt, both to disruptive change and to longer-term trends affecting their performance. Additionally, supportive or unsupportive local institutional structures can impact the centres' capacity for reorganisation and creation of a sustainable trajectory for growth. However, new opportunities are undoubtedly being created for the UK high street out of the problems of the economic crisis, and there is a necessity to challenge a number of myths which have been popularly accepted about the state of these vital commercial and social spaces.

Nevertheless, an assessment of the drivers of change in the performance of UK high streets is held back by the lack of 'open' data. The constraints of this will become particularly pressing when the evaluation of the experiments - e.g. the Portas Pilots - to establish '*what works*' in the recreation of the vitality of centres and high streets becomes a priority.

## ENDNOTES:

- 1 A government policy advisory group of leaders in the retail, property, hospitality, leisure and services sectors established in 2013 to understand the challenges faced by town centres and high streets and help them adapt and compete
- 2 The Southampton team worked with other experts in the field and also drew on guidance provided by the British Retail Consortium (BRC) the Department for Business Innovation and Skills (BIS) and the Department for Communities and Local Government (DCLG).
- 3 Colliers International 2014, **National Retail Barometer**, Quarter 1 2014.
- 4 **Wrigley N, Dolega L, 2011**, 'Resilience, fragility, and adaptation: new evidence on the performance of UK high streets during global economic crisis and its policy implications', *Environment and Planning A* 43(10) 2337 – 2363; **'The State of UK Retail Places' 2013** – Project Report, University of Oxford in collaboration with Local Data Company (ESRC sponsored project); **BIS (forthcoming)**, 'Policy Implications of Recent Trends in the High Street' – Report prepared by URS Infrastructure & Environment UK Ltd prepared for the Department for Business Innovation and Skills.
- 5 **BIS (forthcoming)** - ibid
- 6 This gap in the available evidence base is also noted in McDonald, O. 2013 *Re-Think! Parking on the High Street: Guidance on Parking Provision in Town and City Centres* [ Report by the Association of Town & City Management (ATCM) the British Parking Association (BPA)]. This report is one of the few sources to provide some evidence on the relationship between car parking provision and town centre prosperity. Report available at: [http://www.britishparking.co.uk/write/Docs/Re-thinking\\_Car\\_Parking.pdf](http://www.britishparking.co.uk/write/Docs/Re-thinking_Car_Parking.pdf)
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- 9 Chairman, Tesco (November 2013)
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- 12 **Crosby, N., Hughes, C., Lizieri, C. & Oughton, M. 2005** 'A message from the Oracle: the land use impact of a major in-town shopping centre on local retailing', *Journal of Property Research*, 22: 245-265.
- 13 **Hubbard P, 2002**, "Screen-shifting: consumption, 'riskless risks' and the changing geographies of cinema" *Environment and Planning A* 34(7) 1239 – 1258; **Hubbard, P. 2002**, "Out of town experience means centres must play to different audience", *Urban Environment Today*, Vol. 148 No. 8.
- 14 **Knight Frank 2013**, 'Out of town retail and leisure' – *Occupational and Investment Markets Report* Summer 2013.
- 15 Philip Clarke (CEO Tesco) Financial Times 12 January 2012: "I am not calling the end of hypermarket. All I'm saying is that in the future, the likelihood is that stores that open will be largely food... Do we need to continue to build large hypermarkets in the UK when the internet is taking much of the growth in clothing and electronics? You can reach your own conclusions".
- 16 **Hart et al 2014 (op.cit)**; **The Deloitte consumer review 2013**-Deloitte research report (October 2013).
- 17 Research conducted by Brass Insight, on behalf of Royal Mail based on 406 UK SME online retailers. Press release available at: [www.royalmailgroup.com/uk-sme-e-retailers-planning-combine-clicks-bricks-boost-2014-sales#sthash.A0BDmemn.dpuf](http://www.royalmailgroup.com/uk-sme-e-retailers-planning-combine-clicks-bricks-boost-2014-sales#sthash.A0BDmemn.dpuf)
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- 19 ATCM initiatives like the **Digital High Streets Programme** ([www.atcm.org/programmes/digital\\_high\\_street/digital\\_high\\_street\\_overview](http://www.atcm.org/programmes/digital_high_street/digital_high_street_overview)) or the **Crowdfunding project** in partnership with Experian FootFall & Spacehive ([www.atcm.org/policy\\_practice/tools\\_dir/crowdfunding\\_for\\_town\\_centres\\_high\\_streets](http://www.atcm.org/policy_practice/tools_dir/crowdfunding_for_town_centres_high_streets))
- 20 **IGD 2014**, The next five years: how the UK grocery market will evolve – Retail Outlook 30 June 2014
- 21 **Wrigley, N. Lambiri, D. Cudworth, K. 2010**, Revisiting the impact of large foodstores on market towns and district centres. (op. cit.)
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- 23 [www.atcm.org/programmes/purple\\_flag/case\\_studies](http://www.atcm.org/programmes/purple_flag/case_studies)
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- 29 **Howard, E.B. 1993**, Assessing the impact of shopping-centre development: the Meadowhall case, *Journal of Property Research*, Vol. 10, pp. 97-119; **Hart et al 2014 (op. cit)**;
- 30 **Allegra Strategies, 2014**, *Role of Coffee Shops on the High Street* Report
- 31 **Hart et al 2014 (op. cit)**
- 32 **Wrigley et al 2010 (op.cit)**.
- 33 **The State of UK Retail Places 2013 – op.cit**
- 34 **Competition Commission 2007**, Entry and exit of small and specialist stores, working paper (June), Competition Commission, London
- 35 **Deloitte 2014** The changing face of retail: Where did all the shops go? (April 2014)
- 36 **The State of UK Retail Places 2013** report on 1,300 UK High Streets indicates that in vulnerable categories like computer games, CDs & DVDs, bookselling and newsagents, there has been a -13% fall in High Street outlet numbers (both multiple and independent). The study indicates that whilst these categories only represent around 5% of all shops, their reduction represents a loss of diversity
- 37 **Deloitte 2014 (op.cit)**
- 38 **Hart et al 2014 (op.cit)**
- 39 **The State of UK Retail Places 2013 (op. cit)**.
- 40 **Wrigley, N. and Shaw, H. 2007** Relocalising Food Shopping: Consumer responses to supply chain transformation in the UK convenience store sector; **Wrigley, N. Cudworth, K, Li, J. 2012**, The Impact of Small-Format In-Centre Foodstores on Small Towns, Research report, Geography and Environment, University of Southampton (Available at: <http://www.riben.org.uk/report/> ).
- 41 **The State of UK Retail Places 2013** report (op.cit): sample of 1,300 centres and high streets - April 2011 to April 2013
- 42 <http://www.bira.co.uk/news/independents-confidence-rises-with-sales-despite-floods-and-rain>
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- 45 **Hart et al 2014 – (op cit)**
- 46 **Allegra Strategies 2014 (op cit)**
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- 48 <http://www.ons.gov.uk/ons/rel/npp/national-population-projections/2012-based-projections/index.html>
- 49 **Deloitte 2014 (op.cit)**
- 50 **University College London – The Bartlett School 2014** *The Past, Present and Futures of the High Street* – Report on the Closing Conference of the 'Adaptable Suburbs' project. Available at: [https://uclstc.files.wordpress.com/2014/06/highstreetconference\\_report.pdf](https://uclstc.files.wordpress.com/2014/06/highstreetconference_report.pdf)

## ACKNOWLEDGEMENTS

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This Evidence Guide forms one of the agreed contributions of Task & Finish Group 3 of the Government Policy Advisory Group - the Future High Streets Forum - to the wider policy evaluation and development objectives of the Forum. It also provides an example of the commitment of the Economic & Social Research Council (ESRC) to encourage and support knowledge transfer and co-production of knowledge between the UK social science research base, the retail and property industries, and Government.

In that context, Professor Wrigley and Dr Lambiri of the University of Southampton - the authors of the Guide - are particularly grateful on the one hand to Helen Dickinson, Director General of the British Retail Consortium (BRC) who chaired Task & Finish Group 3, and on the other hand to Bruce Jackson, Senior Knowledge Exchange Manager, ESRC, who played an invaluable and consistently constructive role in this 'path breaking' project.

Task & Finish Group 3, in practice, delegated responsibility for overseeing the design, development and quality-assurance aspects of the Guide (and the wider Evidence Review which it summarises) to a smaller steering group. That steering group included representatives of Government Depts DCLG and BIS, of industry trade body BRC (Dan Morgan), of the Association of Town & City Managers (Andres Coca-Stefaniak), and of ESRC (Bruce Jackson). We are immensely grateful for the huge commitment of time these individuals have put into the difficult task of finding an appropriate balance of reader-accessibility, empirical detail and rigour.

Likewise, we are grateful to all those members of the High Streets Forum, who responded to our requests for information on topics ranging from 'the role of coffee shops in boosting high street performance' to the latest statistics on vacancy rates of retail units or floor space. In particular, to those members of the FHSF: Mary Portas, Jason Cotta, Neil McCourt, Peter Cross, Mike Tye who have been particularly supportive and/or have increasingly shared our view (and recently that of Deloitte, IGD etc) that there is a need to challenge a number of myths surrounding the state of UK town centres and high streets and who have injected a spirit of dynamism, common purpose, achievement and innovation into the proceedings of the Forum.

Finally we would like to thank 'academic side' colleagues who have worked on and made important contributions to the wider Evidence Review which this Guide summarises - Cathy Hart (Loughborough Univ), Steve Wood (Univ of Surrey), Les Dolega (Univ of Liverpool). Also, and in particular to Mark Thurstain-Goodwin, Gaynor Astbury and Ruth Kelly of Geofutures Ltd who have worked with us and supported us in the production of the wider evidence review - bringing to that review a different perspective to that we could offer and in the process enriching our evaluation.

**Professor Neil Wrigley FBA AcSS DSc**





