

The **Welsh Local Shop** Report 2020

A report by the Association of Convenience Stores

#LSRWales

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» INTRODUCTION

There are **46,388** convenience stores in mainland UK



2,931 of these stores are in **Wales**

Wales has **more shops per head** than any other part of mainland UK

Source: WRBM 2019

We have developed this report to provide an overview of the convenience sector in Wales, including detail on the stores themselves, the people who own and run stores and the communities in which they trade. The majority of convenience stores in Wales are owned and operated by small businesses and together, independent retailers make up 84% of the sector.
A range of business types operate in Wales including unaffiliated independents, independent retailers trading under a common fascia (also known as symbol groups), multiples, co-operatives and forecourts. For more information about the make up of the sector and definition of store types please see ACS' Local Shop Report 2019.

Over the last year, convenience stores in Wales have:

Achieved **£2.5bn**[1] in sales

Contributed **£562m**[2] in GVA

Provided around **27,000**[3] jobs

[1] Source: IGD 2019. [2] Source: ACS calculation based on Retail Economics 2019. [3] Source: ACS/HIM 2019

Investment

Over the last year **convenience stores in Wales have invested** around **» £42m** in their businesses

73% of



fund investments from **own reserves**



Refrigeration is the most common area of investment

Source: ACS Investment Tracker 2018/2019

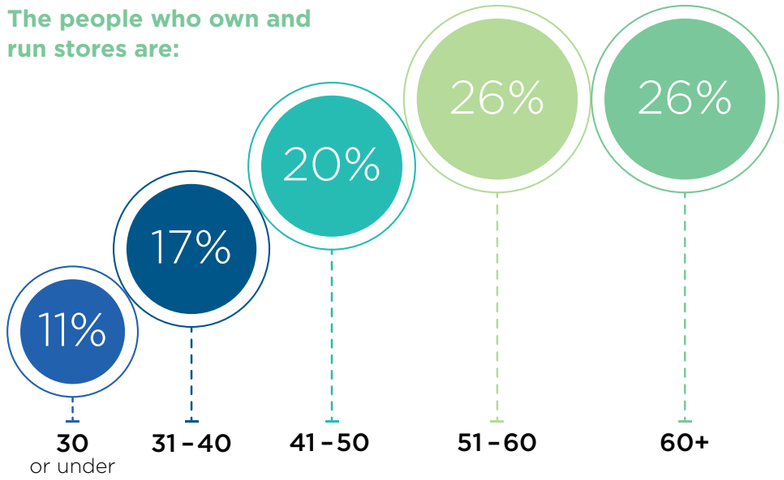
» WHO WE ARE

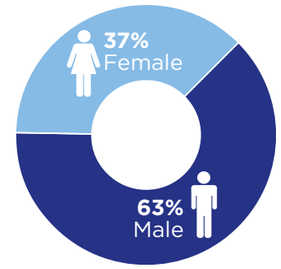
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84%[4] of convenience stores in Wales are **independently owned**

29% have been in the business for **more than 25 years**

The people who own and run stores are:





White British	77%
Asian or Asian British	13%
Other	11%

Source: ACS/HIM 2019. [4] Source: WRBM 2019

Location



62% Rural



22% Suburban



16% Urban

Source: WRBM 2019

Neighbouring businesses

39% **Isolated store** **No other** retail/service businesses close by



43% **Located on a small parade** **Up to five** retail/service businesses close by



12% **Located on a larger parade or a high street** **Up to 10** retail/service businesses close by



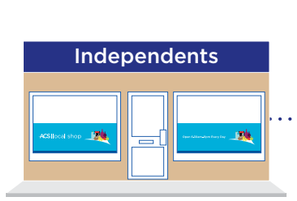
6% **Located on a main high street or within a city centre** **More than 10** retail/service businesses close by



Source: ACS/HIM 2019 (independents only)

» HOW WE OPERATE

Sales space



61% 1-999 sq. ft.

26% 1,000-1,999 sq. ft.

13% 2,000-3,000 sq. ft.

Additional space

21% of independents have **no additional space** in-store

	1-499 sq. ft.	500-999 sq. ft.	1,000-1,999 sq. ft.	2,000-3,000 sq. ft.	Over 3,000 sq. ft.
Independents	52%	13%	7%	6%	1%

Premises ownership



77% Own | 23% Rent

Average opening hours

13.70 Monday to Saturday

11.89 Sunday

How independent retailers source their products

51% I get all of my products delivered

24% **I get some products** delivered and some from a cash and carry

25% **I get all of my products** from a cash and carry

Employment of family members

58% of retailers employ at least one family member

42% of retailers employ no family members

15% of retailers employ family only

All data on this page – source: ACS/HIM (independents only)

» OUR COLLEAGUES

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Convenience stores provide around 27,000 jobs in Wales

Source: ACS/HIM 2019

Colleagues in the convenience sector are:

UK average

72% 28%

Source: ACS Colleague Survey 2019

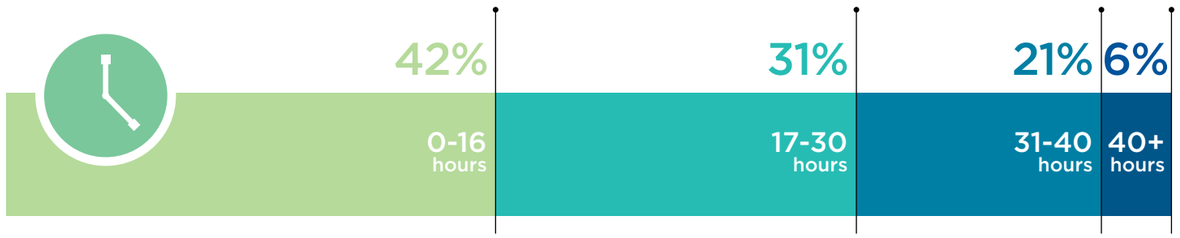
21% 16-24years old

67% 25-60 years old

13% Over 60

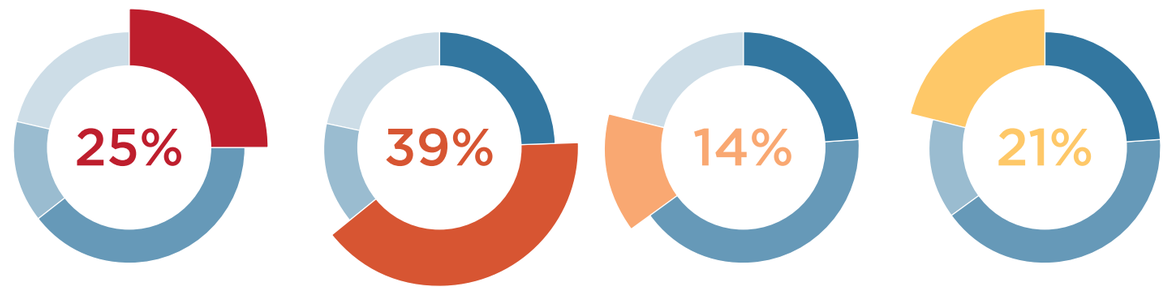
Source: ACS/HIM 2019

Hours worked



Source: ACS/HIM 2019

Length of employment



Less than one year | One to five years | Six to 10 years | More than 10 years

Source: ACS/HIM 2019

Future plans

1	The same/similar role with my current employer	37%
2	A more senior role with my current employer	18%
3	A job outside of the sector	18%
4	Not working/retired	9%
5	A similar/more senior role with a different employer in the same industry	8%
6	Other	10%

Source: ACS Colleague Survey 2019 (UK average)

» TECHNOLOGY AND SERVICES

The percentage of stores in the Welsh convenience sector that provide each service is as follows:

- 88% Mobile phone top-up
- 84% Lottery
- 79% Bill payment services
- 67% Cash back
- 48% Free to use cash machines
- 30% Click and collect service
- 28% Parcel collection point
- 25% Post office
- 24% Loyalty card
- 20% Charged cash machine
- 18% Home news delivery
- 12% Local grocery delivery

Food service

- 40% Customer operated coffee machine
- 26% In-store bakery
- 25% Food preparation area/kitchen
- 24% Hot food counter or cabinet
- 19% Microwave for customers
- 16% Serve over coffee machine
- 11% Food-to-go-concession

Technology

The percentage of stores in the Welsh convenience sector that have each of the following are:

- 75% EPoS
- 11% Digital shelf edge labels
- 37% Store website
- 11% Mobile marketing platform/ loyalty scheme
- 25% Digital advertising screens
- 5%* Power outlets/USB ports for charging customer devices
- 21% In-store Wi-Fi
- 3% Self-service checkouts

90% of stores have CCTV

Payment methods

- 100% Cash
- 94% Debit card
- 91% Credit card
- 87% Contactless payment
- 82% Mobile payment

Social media

- 39% Facebook
- 25% Twitter
- 9% Instagram**
- 6% WhatsApp**

All data on this page: Source: ACS/HIM 2018/2019 unless stated otherwise.
* Refers to 2019 only ** refers to independents only.

» WHO WE SERVE

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82% **of independent** retailers engaged in some form of **community activity** in the past year

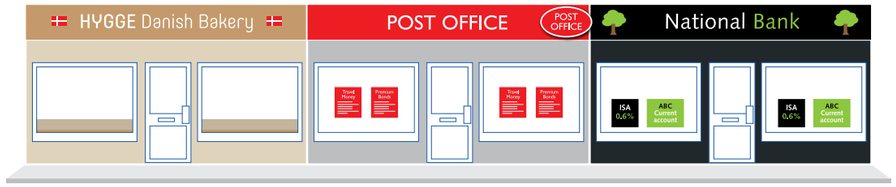
Source: ACS VOLS 2018/2019

Most positive impact on the local area



1. Post offices
2. Convenience stores
3. Coffee shops/cafés

Top three most wanted services



1. Specialist food shops
2. Post offices
3. Banks

Source: ACS Community Barometer 2019

Customers

The average customer in Wales visits their local store

4.06 times per week

The average basket size is 2.1 items

46% of shoppers in Wales **drive to store...** versus **38%** UK average

Average distance travelled 2.07 miles

1.63 MILES **UK average**

The average spend is £5.55

Average age is: 48

53% 47%

Source: HIM CTP 2019

» METHODOLOGY

ACS Welsh Local Shop Report draws on data from the ACS Local Shop Report 2019.

New primary data for the Local Shop Report was undertaken by ACS in the form of two surveys:

1. Independent Retailer Survey – A sample of 2,371 independently owned convenience store businesses in the UK. ACS commissioned HIM Research and Consulting to aid in the design and delivery of the survey. The survey was carried out over the phone by BCC Marketing between 20th June and 17th July 2019. The telephone survey gathered responses from unaffiliated independent convenience stores, independent forecourt stores and independent stores that are part of a central buying or marketing group (known as 'symbol' groups). These are represented in the survey in the same proportion as they are represented in the market. The survey covers the nine regions of England, along with Wales and Scotland. The data in the report refers specifically to 220 independent respondents in Wales.

2. Multiple Retailer Survey – ACS conducted an online/paper survey of its multiple chain members. This survey was based on the questions asked in the Independent Retailer Survey, where relevant, to ensure consistency and accuracy of results. This survey returned results relating to a sample of 7,556 stores.

The results of these two surveys have been collated and figures for independents and multiples have been combined according to the proportion of stores in the market, in order to determine overall results for the sector.

William Reed Business Media (WRBM) –
Store numbers and sector data
WRBM continually updates data through re-registering customers thereby adding changed recipients, closures and new stores. This is through postal, telephone research, online delivery and events, plus the ongoing work of the editorial teams on its brands Convenience Store, Forecourt Trader and The Grocer.

The UK Convenience Market 2019 –
IGD (Institute of Grocery Distribution)
This report is compiled by the IGD based on the sales data up to the end of March 2019.

ACS Economic Report
ACS commissioned Retail Economics to provide an economic overview of the convenience sector in 2018. ACS have updated the figures for 2019 based on revised data.

Convenience Tracking Programme 2019 –
HIM Research and Consulting
This programme is a survey of over 20,000 convenience shoppers conducted at the 'moment of truth' in store. Data refers specifically to 1,732 Welsh customers.

Population data –
The Office of National Statistics
Data is taken from mid-2018 UK population estimates.

Community Barometer
Survation surveyed a nationally representative online sample of 2,016 UK adults aged 18+, between 19th and 20th June 2019. Welsh data refers specifically to 97 adults in Wales. Respondents were surveyed using a questionnaire designed by ACS.

For more Community Barometer results please visit the ACS website or email katie.cross@acs.org.uk

ACS Voice of Local Shops
A quarterly telephone survey with a sample of 1,210 independent retailers, covering the nine regions of England, along with Wales and Scotland. Welsh data refers specifically to 100 independent retailers in Wales. The sample consists of unaffiliated, symbol group and forecourt independents which are represented in the survey in the same proportion as they are in the market. HIM Research and Consulting aid in the design and delivery of the survey.

ACS Investment Tracker –
Data obtained in the form of two surveys:
ACS Voice of Local Shops survey – Questions are asked relating to the amount retailers have invested over the past quarter, what they have invested in and how they have funded their investments.

Multiples Investment Tracker survey – A sample of over 3,000 multiple stores in the UK. Questions in the Multiple Investment Tracker survey are based on the questions asked in the Voice of Local Shops survey, where relevant, to ensure consistency of results.

The results of these two surveys are collated and combined according to the proportion of independent and multiple stores in the sector. The ACS Investment Tracker is completed every quarter and an average has been taken across the latest four quarters (November 2018 to August 2019).

ACS Colleague Survey
An online and paper survey with a sample of 2,493 staff working within the convenience sector. The fieldwork was conducted between 4th February and the 15th March 2019. The data in this report excludes store managers and refers to a sample of 1,676 colleagues. Store managers have been excluded from the analysis to be consistent with previous reports. For more Colleague Survey results please visit the ACS website or email katie.cross@acs.org.uk

Acknowledgements

This report would not have been possible without the support of a number of industry and research organisations that have helped by providing data. These sources are referenced alongside the relevant sections of the report, and those organisations are:

him · IGD · RetailEconomics · Survation. · William Reed INFORMING BUSINESS GROWTH

CONTACTS

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