# The Town Centre of Stratford upon Avon: The Way Forward

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## Introduction

Stratford upon Avon (SuA) is a market town with more than 800 years of history containing not only many buildings that survive today and would have been familiar to Shakespeare, but also a thriving community offering a wide variety of leisure and shopping experiences. The ambience and atmosphere gives SuA a special and very different feel to other town centre locations which drives considerable footfall. However, there is some concern that SuA has seen better days. This document sets out to assist the Retail & Town Centre Working Party in putting forward their thoughts towards the Neighbourhood Plan and the long term planning of the town centre. The report highlights national retail trends that may impact on SuA, trends in SuA, prominent issues, and recommendations for the future development of SuA.

## Background and Scope

Desktop and field research took place across 5 days between January and March 2013. Interviews were carried out with stakeholders in the town and with various visitors. The emphasis of the assignment was on maximising research time and providing a presentation and summary document to the Retail & Town Centre Working Party. The author has 28 years of retail experience, 16 at senior management level. He has significant experience with town centre management and was Chairman of the Kingston upon Thames Town Centre Company.

# The State of the UK Retail Sector

## Sales 2012 vs 2011:

- Sector Sales +1 % Volume, +3% Value (Retail Week)

Retail sales are acceptable given the economic situation and recent indicators suggest that retail sales are improving slightly ahead of expectations. Over the coming years there is every reason to believe that total national retail sales will increase to pre-recession levels. However, the main difference will be that significantly fewer sales will occur in store.

## Changing Shopping Behaviour; the Expansion of Retail Sales on Line.

1. Non food sector (volume):

- 61% store only
- 21% internet direct only
- Multichannel 18%

Therefore digitally influenced transactions = 39% (Deloitte 2012).

2. Retail sales Q3 2012 £75billion +3% on Q3 2011:

- £68 billion stores (+2%)
- £7billion internet (+14%) (The office of national statistics).

It is forecast that Amazon will surpass M&S sales by 2015 (Planet Retail)

Internet shopping has already changed retail and particularly the high street of most towns. This trend is forecast to continue, however, this does not mean the end for the high street. Whilst some goods sell well on line, clothing and accessories remains overwhelmingly the domain of the stores.

The role of the store is evolving and it is expected that it will remain the biggest channel, but forms just one part of a multichannel experience. For retailers, the store will be a key experience to augment the brand and an essential part of a successful retail strategy, even if retailers reduce the number of stores by up to 40% (at most) as predicted.

**UK Shopping Centre Vacancy Rates:**

Shopping Centre Vacancy rates (Q4 2009, Q4 2010, and Q4 2011):

- Big shopping Centres 11%, 10%, and 8%
- Smaller Prime Shopping Centres 16%, 13%, and 11%
- Secondary Shopping centres, 18%, 19%, and 19%

The problem for many high streets and the reason underlying the proliferation of vacancies (particularly in small trading locations and in secondary stock) is that the bulk of this space is no longer viable for chain trading. Chain stores are retrenching into larger towns and branch numbers are reducing and shifting from small to big and from old to new. However, traditional retailing sales continue to increase by 2%+ and chain retail openings will continue to outpace closures (as they have done since 1998!); the demise of the high street is exaggerated, but the flight from secondary to prime is real.

## Retail in the Centre of Stratford upon Avon

### Stratford upon Avon footfall statistics:

- 2012 vs 2011 = -4%.
- Cum 2013 vs 2012 = - 10%

### Stratford Town Visitor Survey 2011:

- AB category 36% in 2011 - was 42% in 2005. Are these demographic changes perhaps reflecting the mix of housing?
- New visitors fell by 3% points from 30% in 2005 and 27% in 2011.
- Expenditure: Eating and drinking +51%, entertainment +58%, accommodation + 37% Shopping -33%.

SuA has atmosphere vibrancy, character, feel and a strong retail offer, however, footfall is falling. Some of this can be attributed to the weather which does significantly impact on tourism, but not all of it. The fall in total numbers of visitors, the reduction of the AB category and the reduction in spend on shopping, clearly indicates that the retail town centre is in financial decline. This is reaffirmed by people's perception that the retail environment in SuA has stagnated (at best, declined at worst) over the last 10 years. Additionally, the data on expenditure highlights the shift of trade from retail to tourism and entertainment.

In today's fast moving retail world, remaining the same, in effect, means going backwards.

## Retail Town Centre

To improve the environment of the town centre, retail needs urgent reenergising (and retail capital). A spiral of decline will see the environment decline further as chain retailers fail to invest in their shops preferring to invest in prime retail locations (making retail in SuA look even less acceptable). This in turn leads to more retail sales occurring in prime shopping locations, competitors to SuA. A spiral of success will see chain retailers taking up space in SuA enhancing the environment and creating a knock on effect for existing retailers to invest in their frontages, stock ranges and presentation. New brand retailers will increase footfall and sales in the centre of particular benefit of the independent stores. This positive spiral can be achieved; however, there are some prominent issues that will need to be addressed:

### 1. The Poor Perception of the Town by Some Potential Shoppers

The town has a poor perception due to the high number of tourists that are known to visit SuA. The perception is that the town can be overcrowded; sometimes the pavements impassable. Also, it can be very difficult to park and this adds to the poor perception. Additionally, there is a perception of a town that has traffic gridlock and this reflects the difficulty of accessing SuA at certain times.

These factors combined deter potential shoppers as SuA is perceived to be less of a 'leisure' experience than competitors, the essential ingredient for a thriving retail space. People that enjoy shopping look forward to a pleasant and relaxing experience.

### 2. Car Parking Charges

The price of parking in the town is seen as a deterrent to potential visitors. SuA rates are broadly similar to those of prime retail locations such as Leamington Spa and Cheltenham (see Appendix A for regional car parking rates) thus comparatively making them poor value. Car parking in Banbury Banbury is significantly cheaper. The psychological impact of the cost of car parking is significant and affects people's behaviour. The current tariffs may suit the business model of tourists visiting once only; however, it represents a real barrier to increasing visitor numbers and a considerable threat to maintaining existing visitor numbers.

### 3. Poor Pedestrian Environment

The retail centre environment is extremely poor as traffic dominates the space and pedestrians huddle on the pavements at busy times. There is large volume of cross town traffic which uses the main shopping streets (excepting Henley Street). This brings with it large lorries, excessive noise and visual noise (signage, railings etc). The difficulty of traversing across the town leads to a reduced dwell time and less exploring of the full width of the retail space. There is also intrusive on-street parking. Combine these factors and this makes for a poor shopper experience, compared with the prime retail locations that SuA is competing against.

### 4. Gaps in the Retail Offer

The retail offer is very mixed, transcending very high fashion expensive brands like Space NK to low fashion cheap brands like Poundland. The middle ground occupied by M&S, BHS and Debenhams are not of a size to offer their most fashionable ranges. Their core ranges (their best sellers) do not make for an inspiring offer and this compounds the problem for female fashion shoppers; the lack of fashion choice. There is a significant gap in the retail offer, particularly ladies fashion for those between the ages 25-45. Brands such as Zara, Mango, Hobbs, Karen Millen, Whistles, Russell & Bromley have no representation. This also replicates into men's fashion and brands such as Gap, Ted Baker, Armani etc. Simply put, SuA is missing the sort of fashions you might find in House of Fraser. Feedback identifies Cheltenham and Leamington as preferred shopping locations. White Stuff has been identified as doing extremely well and this may well be down to the lack of competition.

### 5. Town Square and Retail Space

Town Square has a 46% vacancy rate and a low quality tenant mix; it represents both an 'eyesore' and an opportunity for the town centre. There is also the problem of lack of large units in SuA which are typically required by national retailers.

### 6. Uneven Spread of Retail

The most prime retail locations are situated on the east side of the centre (Bridge Street, High Street, etc) where Debenhams, M&S and BHS trade. This makes it more difficult for retailers to the west, including Town Square up to Rother Street.

### 7. Strat>forward

The Business Improvement District (B.I.D) is a real advantage for the town and it is clear much is achieved and in a very organised and effective manner. Of course the B.I.D. is not there purely for the retailers. There is a question as to just how effective it is at a strategic level? Since its introduction has the centre of SuA been reinvigorated at a macro level? This is not helped by the fact that there appears to be much apathy by the majority of retailers. As is the same in many towns, occupants are reluctant to engage in working with the management of the B.I.D. towards the development of the town centre (despite being happy to pay the additional 1.6% of rates).

### 8. The Independents

It is recognised at a national level that survival of retailers and service businesses in secondary shopping locations such as SuA depends substantially on specialisation. This is crucial. Research suggests that up to 60% of the retail offer in SuA comes from independent stores and this represents a major competitive advantage. However, at a strategic level, the advantage is not being effectively communicated to the catchment area of SuA, which is a major opportunity not being taken. The success and promotion of the independents could be a major factor in the reinvigoration of SuA.

### 9. Maintenance of Retail Units

There is a national trend where maintenance of private sector owned buildings and shop fronts in secondary shopping areas is generally inferior to that in the prime retail areas. This trend is relevant to SuA and represents a further challenge to the negative perception by some of the retail town centre environment.

## Recommendations:

To maintain and develop the town centre in the longer term, SuA needs to address its advantages and opportunities to effectively compete and gain competitive advantage against its competitors.

### 1. Destination Marketing of SuA

The Tourism Group appointed a ‘Destination Manager’ last year and this is a positive step towards the successful marketing of the town as a whole at an operational or tactical level. If the marketing of the town is achieved to a high standard, then the whole town will benefit and this will be extremely important for the future prosperity of SuA town centre. However, I believe that a more strategic approach is required to destination marketing of SuA, over and above a ‘Destination Tourism Strategy’.

This will require collaboration of the major stakeholders to agree a marketing approach that encompasses all of the values of SuA, creating a single brand. From this overarching message sub brands can be created. For example the brand could be about exploring (which reflects tourism/history etc) so it could be ‘Explore SuA ‘and sub brands would be ‘Explore Shopping’ or ‘Explore Eating out’, and so on. Currently there is significant effort, energy and financial commitment in different stakeholders marketing activity. A more singular approach will see stakeholders make considerable efficiencies with more effect.

There is much that is right with the retail town centre and the communication of the offer needs to be enhanced. Many of the strengths of SuA are invisible to the catchment area.

In the years ahead social media will be more influential than press advertising and a new invigorated approach is required.

## 2. Town Centre Strategy

Strat>forward is and has been a very important vehicle for creating a strategic focus for the town centre. I believe however that the town centre needs a higher level strategic capability to address the macro issues identified. This is about a holistic, strategic approach not a tactical or operational approach. Experience and skills of working in this environment at this level will be very important. As with the marketing, a singular strategy to gain coherence of activity (rather than duplication of effort and parties pulling in different directions) is urgently required.

## 3. Strategic Leadership

'Leadership' could refer to an individual, several individuals or a group; however, strategic leadership will be fundamental to achieving the factors which will have the biggest impact and effect. Strategic leadership is required to achieve the following;

a) Initiate and implement an appropriate strategic marketing campaign that addresses the poor perception of SuA.

b) Support independent businesses proactively both operationally and through appropriate marketing. The number and mix of independents is a fundamentally sustainable proposition that requires effective communication to the catchment area.

c) Address the car parking cost issue by developing some innovative proposals to create 'win win' situations with the council. For example, a flexible parking rate that reflects high and low usage encouraging shoppers to visit at off peak times (as Kingston Upon Thames). There is a desire to see dwell times extended to increase average visitor spend. An appropriate pricing strategy could make the difference.

   Separately, car parking charges need to be reduced or at worst frozen, through effective coordination of stakeholders as this represents a fundamental visitor barrier.

d) The pedestrianisation or creation of shared surfaces in Bridge Street, Wood Street, High street and Sheep Street. High streets should be accessible, attractive and safe. Additionally a visual scheme, including lighting, street furniture and trees/flora etc, is required which will enhance the attractive street scene to create an excellent retail and leisure experience.

Creating a coherent pedestrian environment is crucial. Maps and guide boards should encourage people to visit shops across all areas of the town centre and experience the full mix of retail offer.

e) Liaise with the retailers and establish links to draw the desired mix of retailers which will enhance the overall offer and bring new and more shoppers to the centre.

f) Link this to discussions regarding Town Square and perhaps the centre could become a hotspot location for those missing female fashion brands. Town Square could also make a good location to bring together independents with a difference and, in itself, would be a considerable draw. The fashion mix proposal should be the preferred option.

g) Develop the Rother Street market area to draw visitor flow to the west of the town centre. For example, create an 'Entrepreneurs' market where people can set up a stall of product that is new or innovative; a testing ground for the entrepreneurs of Warwickshire. The development of Town Square is also pivotal in spreading footfall westwards.

h) Link in with the council to evolve more sophisticated planning policies to support the above initiatives.

## Conclusion

SuA is a successful tourist location with atmosphere and ambience, however it is perceived to be in a state of stagnation or decline. The footfall statistics, vacancy rates and observations suggest that national trends in shopping (multi channel shopping) are impacting the town centre. To gain advantage on its competitors and secure the long term success, SuA needs to invigorate the retail town centre by a strategic focus on the identified areas. This will require stakeholder coordination, a clearly defined strategy and strong strategic leadership. A 'more of the same' approach will lead to further decline of the retail environment in the short, medium and long term.

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# Appendix A

Regional Car Parking Charge
April 2013 (£)

| Hours | 1 | 2 | 3 | 4 | 5 | 6 |
|---|---|---|---|---|---|---|
| Locations | | | | | | |
| Cheltenham Town Centre East | 1.20 | 2.00 | 2.60 | 5.50 | 5.50 | 5.50 |
| Cheltenham High Street Car Park | 1.40 | 2.60 | 3.60 | 4.00 | 5.50 | 5.50 |
| Leamington Royal Priors | 2.00 | 2.00 | 2.00 | 3.50 | 5.50 | 8.00 |
| Leamington Chandos Street | 1.00 | 2.00 | 2.70 | 3.20 | 3.20 | 5.00 |
| Redditch Kingfisher centre | 1.20 | 1.20 | 1.20 | 2.50 | 2.50 | 6.00 |
| Banbury Horsefair West | 0.80 | 1.60 | 2.20 | 2.20 | 2.20 | 2.20 |
| SuA Arden Street Car Park | 1.00 | 2.00 | 3.00 | 4.00 | 6.00 | 6.00 |
| SuA Bridgefoot Car Park | 0.00 | 2.00 | 3.00 | 4.00 | 6.00 | 6.00 |