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Future Strategy for Street Trading in Birmingham City Centre

Prepared for:

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Date: **November 2011**

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Draft report prepared November 2011

By **The Retail Group**

1 Background

Who we are

1.1 The Retail Group is a management consultancy that works in the broad retail, markets, consumer and retail property sectors. We provide outstanding retail consultancy and detailed advice, which leads to real actions to improve the performance of our client's business.

Why our clients use us

1.2 Our background and experience as retail operators, combined with decades of consulting experience for retailers, market operators, developers and local authorities has provided us with a clear understanding of consumers and their behaviour at the frontline; in shops, high streets, markets and many non-traditional 'retail' venues.

1.3 Our role is to identify strategies to ensure that retail offers are appropriate for the needs of consumers. Our clients include local authorities, market operators and shopping centre owners.

1.4 The Retail Group has helped to grow and improve a whole variety of markets including major city centre markets, local town centre markets, street markets and even specialist niche markets. We apply the same philosophy to markets as that employed for retail and retail location projects.

1.5 This approach ensures that we get it right for the customer, the market trader and the market operator.

This study

1.6 The Retail Group was appointed by Retail Birmingham, on behalf of Birmingham City Council, City Centre Partnership and Scottish Widows Investment Partnership in June 2011 to undertake this study, of which the main aims are to identify how street trading in the core city centre area of Birmingham City Centre can be improved.

1.7 The city centre has changed considerably over the last decade, with the retail offer being one of the most attractive in the country, particularly as a result of the redeveloped Bullring Centre.

1.8 The quality position of the city centre has also been improved significantly with the introduction of the upmarket Mailbox.

1.9 The city centre retail offer is set to further improve with the introduction of a full line John Lewis Partnership in the redeveloped and extended Pallasades. Many other planned improvements are identified in the design strategy for the city centre, which sits within the overall Big City Plan.

1.10 This study has been commissioned to look at the existing street trading offer from a variety of perspectives, particularly the consumer's, and to assess how it is performing today, as well as identify a strategy that identifies how the offer needs improving in order to play a worthy and memorable part and role in the future shopping experience of Birmingham City Centre.

2 Objectives

2.1 The overall objective of this study is to:

"Identify an optimum street trading offer for Birmingham City Centre, given the needs of consumers, retailers, property owners, Birmingham City Council and the traders themselves"

2.2 Study objectives include:

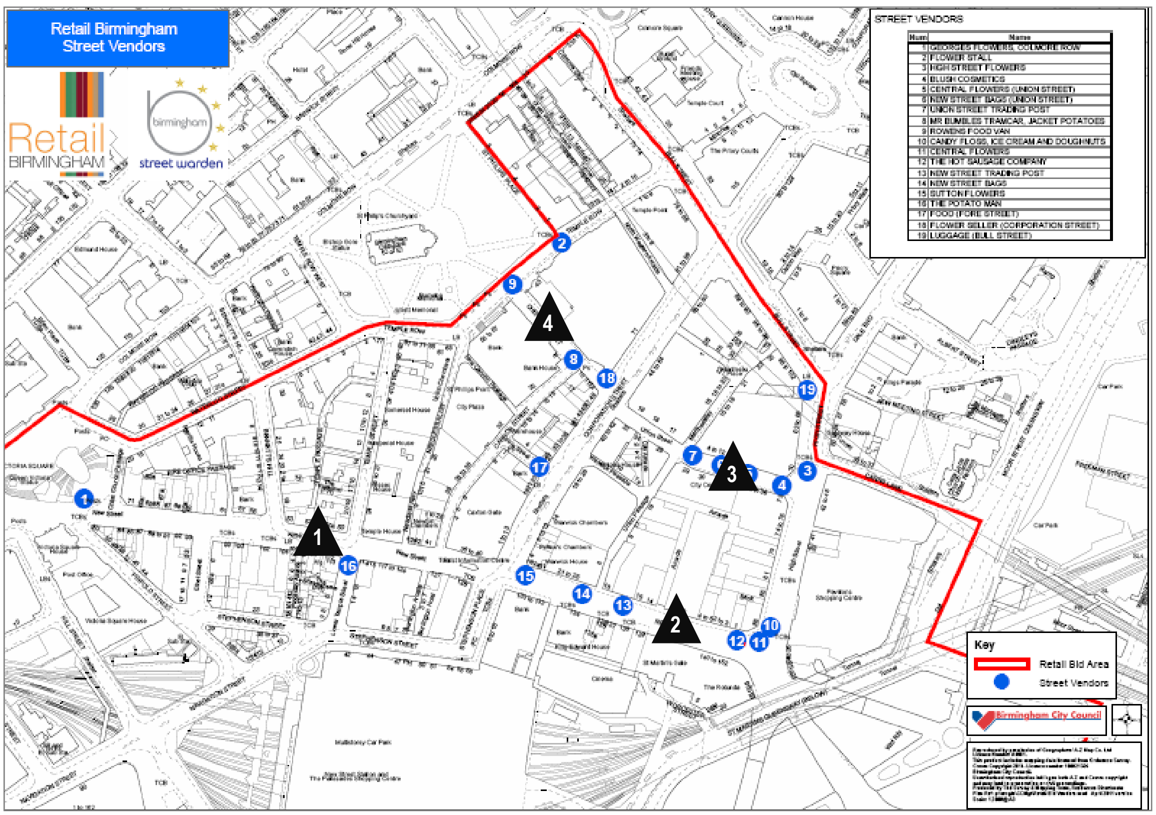
- Identify the optimum mix of categories for street trading, as directed by consumer demand
- Identify the optimum locations for street trading within the BID area
- Identify how the street trading kiosks should look in the future
- Identify how the street traders as a whole could be better managed
- Consult leading city centre stakeholders on how they want to improve street trading, including the traders themselves.

3 Consumer Research

Introduction

3.1 Consumer research was carried out in Birmingham City Centre during June 2011. The aims and objectives of the research were to; confirm the type and profile of consumers present across the city centre, investigate who is buying and not buying from street traders, identify reasons for use and non-use and to probe views and opinions on a variety of attitudes towards street trading.

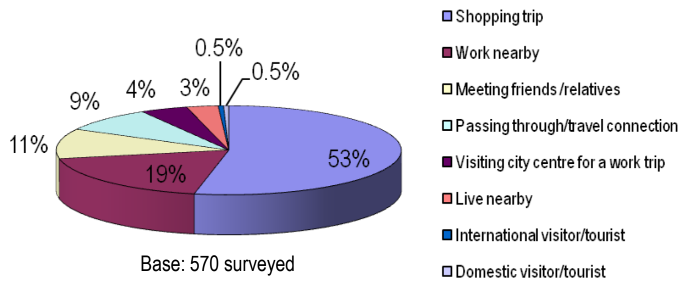
3.2 A bespoke questionnaire was develop for the project and is contained in Appendix A. Consumers were stopped at random and included both users and non-users of street traders. The survey was conducted in four locations over both weekdays and weekends. 570 surveys were completed in total. The map below identifies the four survey locations.



3.3 The responses have been analysed and the survey findings are summarised on the following pages along with graphs and charts where applicable to report the responses. The responses were also analysed by location and customer type in order to highlight any differences and these are also reported where applicable.

3 Consumer Research

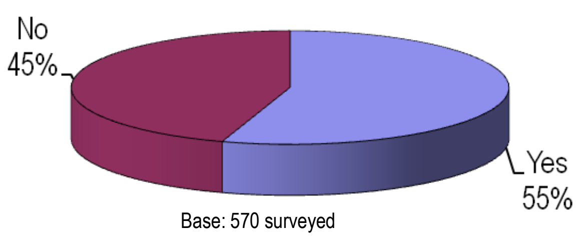
Question 1: What is your main reason for being in the city centre today?



3.4 Those surveyed were primarily in the city centre for a shopping trip. In particular 'shoppers' are more likely to be found on New Street (61%) and Union Street (60%) and are more prevalent at weekends. However 'workers' were more likely at Cherry Street (23%) and 'West' New Street (20%).

3.5 Shoppers and workers are the key targets going forward for street traders in the city centre.

Question 2: Have you ever bought anything from a street trader in Birmingham City Centre?

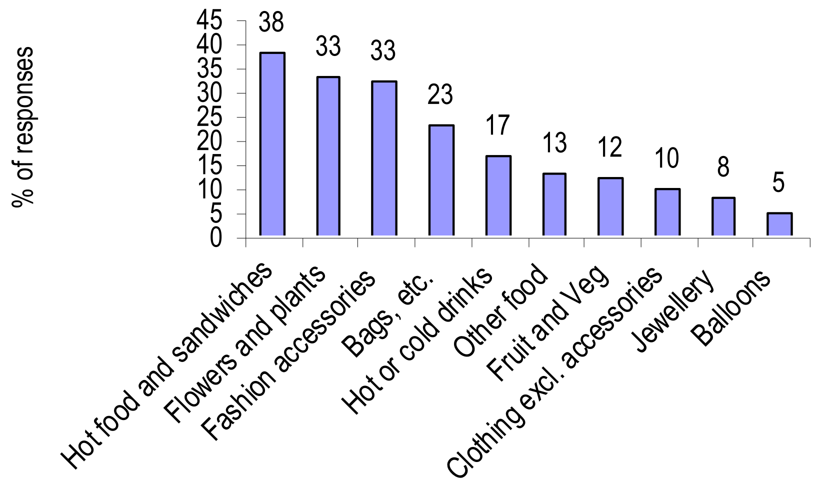


3.6 Over half of those surveyed have bought from a street trader in Birmingham City Centre. In particular workers, those meeting friends and 'regulars' have a higher propensity to use. Union Street is also capturing more users, probably as a result of the workforce.

3.7 While the majority of consumers have bought from a street trader at some point, there are many that have not!

3 Consumer Research

Question 3: What have you bought?



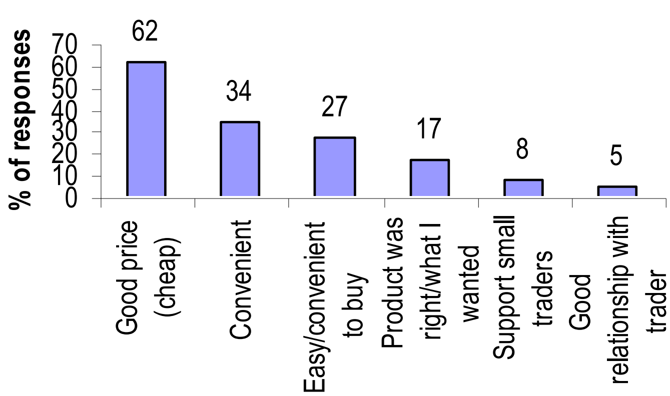
Base: 314 who have previously bought

3.8 Hot food and sandwiches dominate as the most bought items. However, overall a broad range of products have been bought from street traders.

3.9 Workers are the most **likely to have** purchased hot food (especially near the baked potato stalls). Other food and drink are also important, combined circa 42% have bought.

3.10 Flowers are more likely to be bought by workers and / or regular users and destination shoppers are more likely to buy fashion accessories.

Question 4: What appealed to you about buying from a street trader?



Base: 314 who have previously bought

3.11 Good price is a key factor in deciding to buy from a street trader. 'Shoppers' and those surveyed at weekends are particularly likely to buy on price.

3.12 'Workers' and those surveyed on weekdays tended to be more likely to buy because of convenience.

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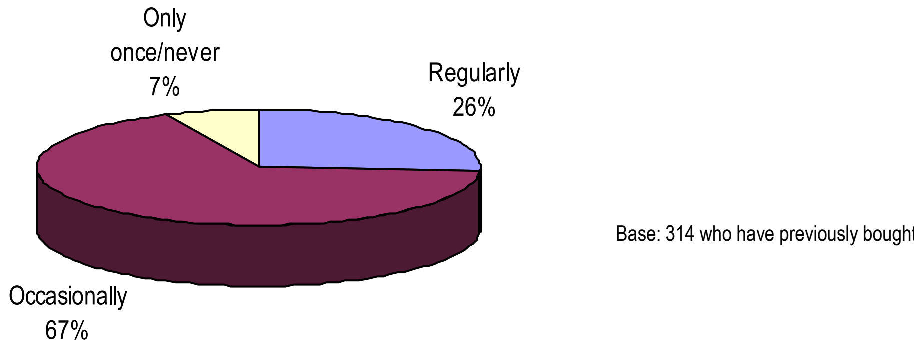
3 Consumer Research

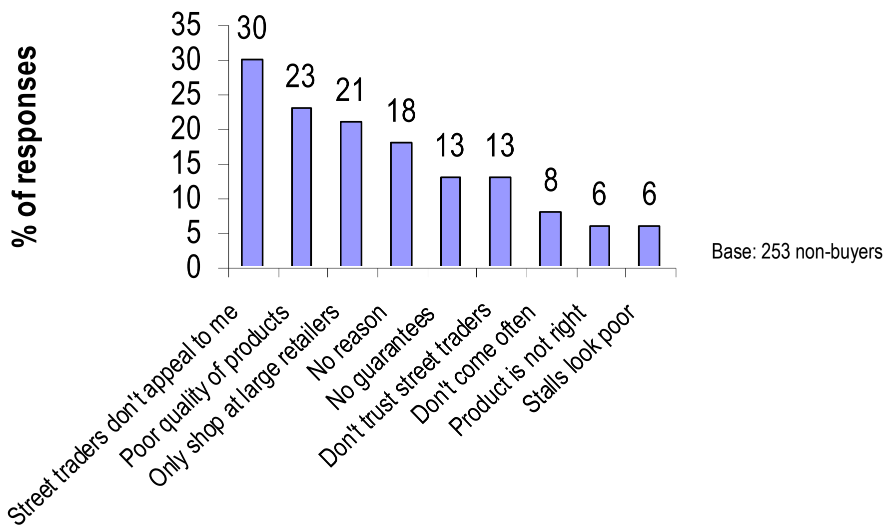
Question 5: How often do you buy from street traders in Birmingham City Centre?



3.13 Use of street traders on the whole is 'occasional', only 26% say they use them regularly. 'West' New Street near Lower Temple Street has the highest level of regulars and the lowest level of 'one-offs'.

3.14 Unsurprisingly 'workers' are the most 'regular' (43% of workers are regular users) and meeting friends and relatives are the highest 'occasional' users (80%).

Question 6: You said you don't buy from street traders, is there a particular reason for that?



3.15 For the majority of non-users, street traders and the perceived poor quality of their products fundamentally hold no appeal.

3.16 'Workers' tend to have less trust and are more wary of street traders.

3 Consumer Research

Question 7: Which products would you like to see sold more often by street traders in Birmingham City Centre?

Product	% of respondents
Quality drink	22%
Quality food	20%
Mobile phone top-up	18%
Newspapers & magazines	15%
Grocery, fruit & vegetables	15%
Flowers & plants	14%
Other food	12%
Clothing & accessories	11%
Maps and guide books	8%

Base: All 570 surveyed

3.17 Food and drink, in various guises, are the most wanted products. In particular, previous buyers from street traders along with 'workers' are more likely to want quality food.

3.18 Half of non-buyers said 'none of them', indicating a limited opportunity to convert these consumers.

3.19 'Shoppers' tend to be looking for instantly consumable food and convenience / trip related items.

3 Consumer Research

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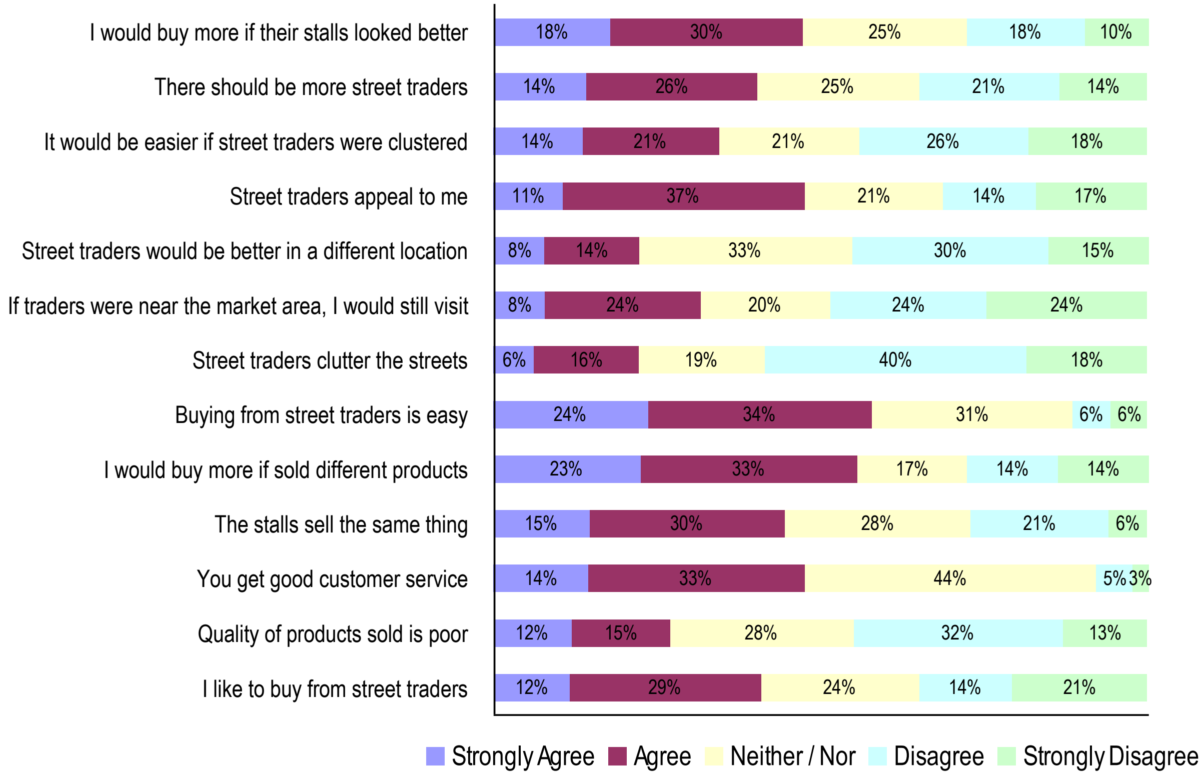
Question 8: Which statements about street trading do you agree or disagree with?



3.20 Survey respondents' answers to these statements have been grouped into 3 groups below; those where the bias is towards those that agree, those that disagree and those where views were more ambivalent.

Agree	Ambivalent	Disagree
Buying from street traders is easy *I would buy more if sold different products* *I would buy more if their stalls looked better* *Street traders appeal to me*	*The stalls sell the same thing* *You get good customer service* *There should be more street traders*	*Quality of products sold is poor* *I like to buy from street traders* *It would be easier if street traders were clustered* *Street traders would be better in a different location* *If traders were near the market area, I would still visit* *Street traders clutter the streets*

3 Consumer Research

Question 8: Which statements about street trading do you agree or disagree with? cont.

3.21 On the whole consumers' views and opinions of street trading are fairly positive. Existing users, unsurprisingly, tend to be the most positive, with 57% agreeing that there should be more street traders.

3.22 Shoppers (49%) more than workers (37%) feel that the stalls sell the same thing, the response was also particularly high with those that live nearby (59%).

3.23 Over 70% of those who use street traders 'occasionally' agree that they like to buy from street traders, indicating a good future opportunity.

3.24 If street traders sold different products, 76% of existing users agree that they would buy more, along with 75% of occasional users.

3.25 Poor quality products is a significant factor among non-users, over 50% agree that the quality of products is poor.

3.26 74% of 'users' agree that street traders provide good customer service.

3.27 Workers appear to be less likely to use street traders if they were near the market, 23% agree that they would still use them, while over 60% disagree.

3.28 Non-users felt the strongest that street traders clutter the streets (37%).

3.29 Of the non-users, street traders actually only have appeal to 13% indicating limited opportunity to convert them.

Summary

3.30 Shoppers and workers dominate in the city centre. However there are a broad range of reasons to visit and therefore potentially many different needs to cater for. Food products are the most bought items followed by flowers and accessories with price the main purchase driver.

3.31 Use of street traders is primarily occasional.

3.32 Nearly half of all consumers surveyed never buy. Those that do are positive, especially about customer service. For circa a third of non-users street traders have no appeal, others have a perception of poor quality (products and traders). Only 14% of the consumers surveyed are regular purchasers. Quality food and drink top the list of products consumers would like to see sold more.

3.33 On the whole consumers' views and opinions of street trading are fairly positive, in particular existing users. Non-users' responses indicate they may be difficult to convert.

3.34 Street trading would appear to serve an impulse and convenience role. In order to sell more, the offer needs to be better quality, wider range, with more appealing stalls and better product presentation.

4 Street Traders Survey

Introduction

4.1 A survey of street traders in Birmingham City Centre was carried out in June 2011. A bespoke questionnaire was designed to capture views on a variety of aspects, including; typical customer type and shopping behaviour, current trading patterns and performance and the views of traders on street trading in the city and the changes they would like to see.

4.2 Prior to the survey all traders were written to and invited to a launch meeting. The questionnaire was handed out to traders. This face to face contact and detailed discussions with individual traders successfully generated a positive response rate with 12 completed surveys received (out of 19 issued).

4.3 Individual confidentiality has been pledged and responses have therefore been analysed collectively.

Customer Type and Behaviour

4.4 Traders typically consider the majority of their customers to be either 'city centre workers' or 'destination shoppers', with the majority of customers visiting stalls making a purchase. In addition circa half of stalls report a high proportion of regular customers.

4.5 Average spend is typically less than £5 and the average number of items purchased is typically one (this is affected by the type of goods sold).

Trading Patterns

4.6 The majority of traders are well established in the city centre having traded there for over 10 years. Many traders operate more than one stall in the city centre. Trading hours vary by business, there is no 'norm'.

4.7 The busiest trading days for traders are primarily Saturday and Friday and most traders report lunchtime as the busiest time of day. The average number of customers served a week varies wildly, due to the nature of the business and in several cases by significant seasonal peaks.

4.8 Trading for many is currently difficult, traders are either trading down on last year or at best level. Subsequently traders report that they are either serving less customers or about the same as last year.

4.9 Traders are operating their businesses commercially, aware of their best sellers and reviewing / changing products in the range (where permitted). However some are restricted by current licenses to make the changes they would like. A number of traders have / would consider selling other products, in particular food and small / novelty items and souvenirs.

4.10 Most consider their business to have competition, but primarily from stores (value operators and supermarkets) rather than other stalls (with the exception of unlicensed peddlers / traders).

4 Street Traders Survey

Improvements Wanted

4.11 The majority are happy with their current location. They are also largely happy with the surrounding environment, the only issues raised relate to the presence of charity workers and peddlers and a request for better lighting.

4.12 Several traders indicated ways they would like to change their products sold, for most this was about adding to the range / variety. Most traders are happy with the design of their stall, improvements where cited included electricity and more space.

4.13 When asked for any 'other' changes they would like, the responses reflected the issues already raised above.

Good Location and Stall Design

4.14 Traders were asked for their views on what makes a good location for a stall and what makes a good / effective stall design, their responses are summarised as follows:

Location	Stall Design
For most good footfall and passing trade was the most important factor for a good location Additional 'location' factors included; – Prominence of the location – Access – Space (including good sightlines) – Proximity to others	Good lighting Easy access Good cover Open (easy to see products) Clean, bright, colourful Quick to open and close

4.15 Responses indicate that many traders are very commercially aware. Good footfall is the primary location criteria and good stall design focuses on making the products easy to see.

Current and Future Trading

4.16 Traders were asked if they agreed or disagreed with four statements relating to the current and future street trading experience, their responses are summarised as follows:

- The majority are optimistic about the future of their business
- However most do not agree that there are more customers these days
- They all consider that they get on well with their neighbouring retailers
- Equal numbers agree and disagree that the controls on what they sell are too restrictive.

4.17 Despite the current trading economic climate, traders remain pretty positive about the future.

4 Street Traders Survey

Current and Future Trading cont.

4.18 Asked what they would like to change most about street trading in Birmingham City Centre, the most requested was static or semi-static units with power and better control of charity workers, peddlers and illegal traders.

4.19 Other comments included;

- ‘Rent free holiday allowance’
- ‘Lifting of restrictions on goods sold’
- ‘Better communication with the Council Street Trading department, not forthcoming with help, advice and information’
- ‘Retail Birmingham to recognise their professionalism (20 years experience) and not just promote large retail multiples’
- ‘Happy as is, any changes viewed with great concern, city centre not the same after relocation of the market’.

Summary

4.20 City centre workers and destination shoppers are typical customers, with many regulars.

4.21 Stalls experience a high conversion rate, however average transaction values and volumes are small, in line with the nature of products sold.

4.22 Traders are experienced and their businesses well established, many operate more than one stall in the city centre.

4.23 The end of the week and lunchtimes are peak trading times. There is little consistency in business trading hours or average number of customers served, though some traders report significant seasonal peaks. Street traders appear to provide a fairly wide variety of products to city centre consumers.

4.24 Trading is difficult for most traders with customer numbers and sales down on last year or at best level.

4.25 Traders are commercially aware. Good footfall is the primary location criteria and good stall design focuses on making the products easy to see.

4.26 Despite the current trading climate, on the whole traders are pretty happy with the way things are, providing electricity for more stalls would be considered an improvement as would better control of peddlers and illegal traders. However in the main traders are optimistic about future trading.

5 Stakeholder Survey

5.1 To garner a representative sample of leading retail business leaders in the city centre, a stakeholder survey was undertaken during June and July 2011. To ensure consistency, a structured discussion prompt was used.

List of Stakeholders

5.2 We met with the following list of stakeholders as part of this study:

- Councillor Tilsey, Birmingham City Council
- Penny Smith, Birmingham City Council
- Mark Chamberlain, Birmingham City Council
- Steve Aldous, Birmingham City Council
- Tim Walley, The Bullring
- Jonathon Cheetham, Pallasades
- Paul Sutton, House of Fraser
- Claire, (Deputy Manager) Primark
- Chris Hurst, Retail Birmingham
- Mahendra Chauhan, City Centre Management

What Do You Think of Existing Street Trading?

5.3 Comments received were overwhelmingly negative and include:

Which Are Existing Good and Bad Examples?

5.4 Most stakeholders could not think of a good example when asked. One person mentioned a good example being the hot potato stall on Cherry Street. The flower stall on Victoria Square was also mentioned by one respondent, as was the hot sausage stall on New Street.

5.5 When asked which were bad examples, the most common response was "all of them". The New Street and Union Street Trading Posts were mentioned by three respondents as a result of their size, and because of the tacky products sold. The luggage stalls were also mentioned several times as a result of their gloomy and dark outlook.

5 Stakeholder Survey

Positives and Negatives

5.6 Few positives were mentioned. Only one respondent was outright positive with comments such as "Affordable prices", "Supports low income families" and "Adds variety and choice".

5.7 Negatives included "Gives poor impression of city centre", "Encourages chuggers and other nuisances", "Makes city centre tatty", "Does not support aspirations of city centre retail", "Causes unattractive vistas" and "Creates negative perceptions of city centre".

Changes Wanted by Stakeholders

5.8 There was a fair amount of consistency in the improvements wanted, which included:

- Units to be upgraded
- Increase quality positioning
- Improve standards of delivery
- Move them to near the markets
- Sell more food
- Improve how they look
- Condense into one location
- Have a street trading offer that adds to the shopping experience
- Move new street traders into middle of road
- Have fixed units with power.

The Perfect Stall

5.9 The most common attribute described included "fixed" and "made of glass or steel".

5.10 Other attributes include branded, clear, focussed product, lots of circulation space, appeal to shoppers and workers, well lit and looks great at night as well as during the day.

5.11 As can be seen, stakeholders are mostly negative about the existing offer and would like to see significant and urgent improvement. Three of the ten stakeholders wanted street trading removed completely from the city centre but this is more of a function of the many poor looking stalls currently in the city centre.

6 Online E-Survey

Introduction

6.1 An online e-survey was developed in order to invite views and opinions on street trading in Birmingham from a wide range of interested stakeholders. The survey was available to be completed online until July 2011. In total the survey attracted 23 responses. Respondents included:

Colmore Business District	Davis Langdon
Lambert Smith Hampton	Phones 4 U
Horton's Estate Ltd	Tesco
CP Bigwood	Bidwell Webber De Pons
Retail Birmingham	Cushman & Wakefield
PRUPIM	GVA
DTZ	Jones Lang LaSalle
Prêt a Manger	Bitters 'n' Twisted Venues
Jacks of London	Levis
Six Eight Kafe	Birmingham City Council
Hush Hair and Beauty	Birmingham City Council (Design)
Wright Silverwood	

Views on Existing Stalls

6.2 On the whole views are not positive. Issues relate to; the poor quality of the stalls, their untidy appearance, their negative effects on the streetscape, sightlines and pedestrian flow and inconsistent design and standards. However one or two concede that the stalls do have the opportunity to offer something different if done well.

6.3 Asked for 'good' examples the majority don't mention any. However the visiting stalls for the themed markets are viewed positively. Other specific good examples where received include; some food sellers (donuts, potato man, sausage seller) and the flower stall (offers product not readily available elsewhere but delivery poor).

6.4 Many consider *all* the traders to be poor examples but specific areas of concern include; Union Street and New Street, leather goods / bags and luggage sellers, odours from food sellers.

6.5 Issues with the stalls tend to be the conflict with the quality of the surrounding retail, blocking of sightlines and pedestrian access.

6 Online E-Survey

Positive Benefits and Negative Issues

6.6 While quite a few respondents (8) don't see any positive benefits many do see potential if done well. Where benefits were mentioned these included;

- Something different / variety
- Can bring shoppers in (themed markets)
- Can deliver a good atmosphere
- Encourage and increase footfall along streets
- Chance for small businesses they couldn't otherwise afford
- Alternative lunchtime food
- Offer a different price point.

6.7 More respondents cited negative issues, only 3 did not respond, the remainder cited a variety of issues, the most common relating to;

- Effect on pedestrian access and flow
- Cluttering the streetscape
- Impact on sightlines
- Unattractive appearance
- Downmarket image and poor public perception
- Mismatch with quality retail
- Rubbish
- Discourages retailers trading there.

Best Practice

6.8 Asked for good examples of street trading seen elsewhere that may be applicable in Birmingham City Centre, most respondents were unable to think of any (10 out of 23!) Where mentioned examples included;

- Borough Market
- Camden Town
- Oxford Street (West side by Selfridges)
- La Ramblas, Barcelona
- Liverpool ONE Centre
- Some European Countries in general and Christmas, Farmers and Continental Markets.

6 Online E-Survey

Best Practice cont.

6.9 Reasons given for citing these as good examples included:

- High quality
- Low tables that don't interfere with sightlines (Barcelona)
- Attractive kiosks
- Bespoke locations, wider pedestrian areas and / or against blank walls.

A 'Perfect Kiosk'

6.10 Respondents were asked their views on what makes a 'perfect kiosk', attributes mentioned included:

- 'Standard design and look professional'
- 'Quality materials, e.g. glass so can see in and quality products'
- 'Wide streets only, semi-permanent design, wood'
- 'Stalls made of painted steel and made to look like a design item'
- 'Robust materials, easy to maintain, design should be distinctive, practical, flexible and distinct to Birmingham'
- 'Attractive, visually appealing, selling lunchtime food, emphasis on locally sourced / local Birmingham products'
- 'Mix of food stalls, highlighting ethnic diversity, not just burgers'
- 'Gifts, jewellery, local food and / or general specialist merchandise sold from low tables'
- 'Food and quality handmade produce'
- 'Managed location process and tightly controlled / set pitches'
- 'Avoid locations that interrupt sightlines'
- 'Edgbaston Street lends itself, with stalls similar to Christmas Market selling low cost household items, flowers, etc.'
- 'Designated area, would have better impact as could be easily standardised'
- 'Locations should help to give life and activity to an area of street or frontage, e.g. Edgbaston Street'.

6 Online E-Survey

Summary

6.11 On the whole respondents have a fairly negative view of street trading in Birmingham City Centre.

6.12 A small minority identified one or two good examples and the temporary stalls for the themed markets appear to be viewed more positively.

6.13 Issues focus on the poor appearance of the stalls and their negative impact on customer flow, sightlines and perceptions.

6.14 However while many do not see any positive benefits to street trading, a significant number concede there can be benefits if done well, primarily that street trading can add an additional dimension to the retail offer, attract more customers and increase footfall.

6.15 Respondents view of a perfect kiosk is something that is professional, of a standard design, made from quality materials and located in wide streets and / or where sightlines are not interrupted, selling a range of products, including food, ideally with a focus on 'local' / 'Birmingham'.

7 Retail Review

Introduction

7.1 The aim of this section of the report is to qualitatively assess the retail offer of the existing street traders in Birmingham City Centre. The visual review focused on a broad spectrum of criteria with a particular emphasis on product mix, width and depth of choice, merchandising and display, product layout, stall quality and environment, location, retail standards and customer experience/service.

7.2 A proforma was created to ensure that all traders were assessed across similar aspects and to ensure consistency of the rating they were given. From this review, it was possible to create a clear picture of the strengths of the offer, as well as the issues that need addressing in order to maximise the retail potential of street trading going forward.

Overview of the Retail Offer

7.3 There are circa 13 street traders in Birmingham City Centre operating 18 stalls. The city centre is a major regional retail destination, with all the major high street names trading from flag ship status units and as a result draws consumers from a wide geographical area. Historically the street trading provision has provided additional retail choice and has benefited from the high pedestrian footfall throughout the city centre. The street trading offer is a combination of catering, horticulture and comparison goods.

Stall Types

7.4 There are four core types of stall being used in the city centre – marquees, small and large trailers and kiosks. The quality of these stalls is variable with the marquees and kiosks, in general, providing a better quality retail facility than the trailers. There is, however, no obvious minimum standard currently enforced resulting in a mix of acceptable, poor and really bad stalls across the city centre.

Marquees

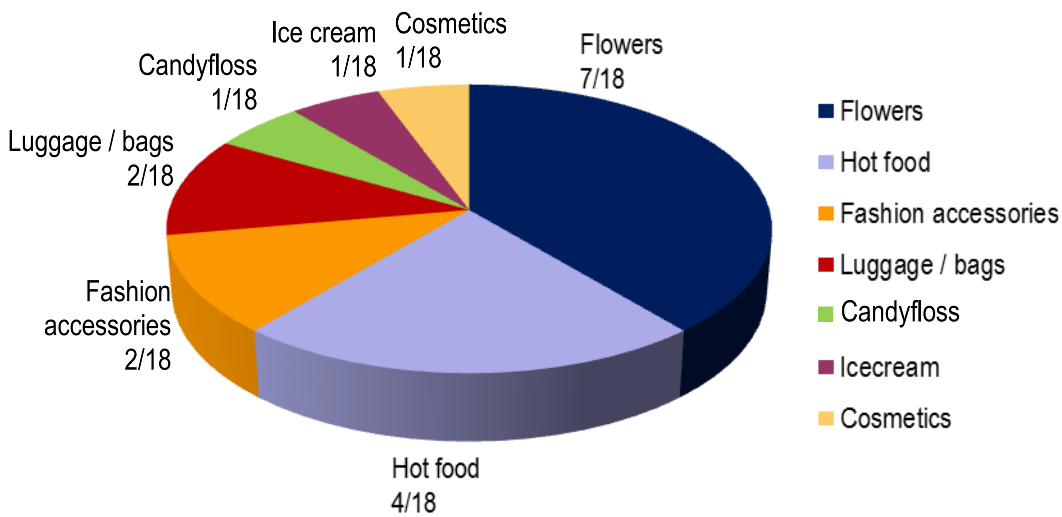

Small, towable trailer

Large, towable trailer

Towable kiosks

7 Retail Review

Product Mix



7.5 As the above diagram shows, there is currently an oversupply or flower stalls in the city centre. In addition, many of the flower stalls offer shoppers a similar range of products with similar price points and product quality.

7.6 Given the size of the city centre, the plethora of 'high street' retailing and the large numbers of shoppers, the existing street trading offer is too narrow, with limited product choice given the strength of the location.

Location of Stalls

7.7 Many of the stalls are currently located in such a way that they are blocking the windows of adjacent windows reducing the impact of these retailers, but also reducing the impact of the stall as it appears to merge into one element of visual clutter.

7.8 The size of some of the stalls, together with their positioning is blocking customer access and the pedestrian flow. These 'pinch points' are reducing the perceived attractiveness of the street to shoppers and also reflect poorly on the traders and the image of street trading as a whole. The stalls that are located in the two busiest streets in the city centre, New Street and High Street cause the least interference with pedestrian flow, other than at Rotunda Sq., at their junction.

7 Retail Review

Location of Stalls cont.

7.9 Most of the stalls are positioned in such a way that they can trade/display products on all four side of the stall, with every stall benefiting from at least dual trading. Most traders choose not to do so.

7.10 While most of the macro and micro locations are acceptable, the overall image of the stalls is the bigger problem.

Initial Impressions

7.11 The stalls are not attempting to grab the attention of shoppers. Very few of them are lit – many do not have any access to power. As a result, stalls have limited impact, products are easily missed and the traders are not competing on an even footing with the bright, well lit, highly noticeable high street retailers.

7.12 Many of the stall staff either have limited experience/ability to actively display their products to their optimum or simply cannot not being active enough. Either way the perceived quality of the products is being reduced given the poor display techniques many traders are using.

7.13 In addition, the stall appearance and fabric of many of the stalls are in poor condition, which further reduces the attractiveness and competitiveness of the street traders.

7.14 The initial impressions are often off-putting and are not encouraging consumers to buy or even to browse the product ranges. This lack of visual impact is reducing the 'value' of the products.

7 Retail Review

Display Techniques

7.15 The merchandising techniques currently being used are limited and on the point of non-existent! At best, the techniques being used are confined to simple rack hanging which offers limited opportunities to display products at their best/most impactful.

7.16 Overall very few of the product items are priced, and of those that are, they are typically hand-written. The flower traders tend to have the most obvious price tickets and these are also the simplest to read.

7.17 The current retail standards do not match those being employed by the high street retailers in the surrounding area, although single category displays tend to be slightly better than those traders who have a muti-product range!

Hygiene and Cleanliness

7.18 Hygiene standards are very varied across the street traders, but on the whole are very basic and substantially below the standards expected of ‘retailers’ trading in a major regional trading location.

7 Retail Review

Hygiene and Cleanliness cont.

7.19 Litter and waste do not appear to be a particular issue, with all the stalls except one trading on a litter free pavement area.

Summary

7.20 Overall customer service standards are relatively good, with traders approaching and interacting with customers and engaging in banter to attract attention/encourage customers to browse.

7.21 Overall the appearance of the stalls lacks consistency across the city centre and as a result creates zero identity for the street trading operation and also reduces the perceived professionalism of individual traders/street trading in general.

7.22 The existing environments/stall facilities vary considerably across the city centre. As a result some stalls have a better image than others and are also better able to display their products and as a result create impact/attract attention.

7.23 The product quality lacks consistency across the existing street trading operation; as a result traders selling poor quality goods have a negative effect on all the street traders in the city centre. Shopper perception is further reduced and traders are not able to compete even with the discount/low price point high street operators

7.24 Display techniques are virtually non-existent amongst the street traders. Products often look like they have been 'dumped' rather than displayed at typical market standard levels rather than what you'd expect in England's number 2 retail destination. As a result the perceived quality of the products is further reduced in the minds of consumers and therefore the 'value' of the products are also reduced.

7.25 There is minimal branding and signage across the street trading operation in Birmingham City Centre. As a result there appears there is little 'ownership' of the stalls and consumers are likely to feel that the traders are temporary and also less than professional – more of a here today, gone tomorrow perception.

7.26 The existing offer looks haphazard, appears to be of a low quality and is frequently poorly delivered and executed by the traders.

7.27 There is a clear need to raise the bar of the street trading across the city centre in terms of product quality, retail delivery and stall environment.

8 Conclusions

8.1 The aim of the following section is to draw together the findings from the various separate research areas in order to draw out key conclusions with regards to street trading in Birmingham City Centre. In particular, we will identify the factors that are preventing street trading from performing to its true potential. The section ends with a list of specific issues that have to be addressed as a matter of urgency going forward, for the better of traders and consumers.

The Customer and Their Needs

8.2 Consumers on the whole are positive about street trading in the city centre, particularly in terms of its convenience and the customer service offered by traders. They are certainly not in favour of large scale relocation of traders out of the city centre.

8.3 Having said that, circa half of consumers we stopped never bought anything. Furthermore, in total only 14% of potential consumers are regular users. The majority of consumers are being put off by what's been sold, how it's being sold and how the stalls look visually.

8.4 Consumers have told us they want street trading improved, and more customers would by more as a result. In particular, consumers want to see better quality products sold, as well as more food and drink. They also want to see more attractive and better quality stalls in operation.

The Existing Offer

8.5 There is no consistency in how stalls look. Too often the framework and canopies are old and tired. Many of the stalls look down and gloomy as a result of no electricity supply. Few stalls have fascias or brand names. Many of the stalls look typical of indoor / covered market stalls.

8.6 There is no sense of collective mass in the street trading community. They have no stamp of authority or any recognisable consistent appeal.

8.7 Unfortunately, some of the worst examples of street trading are in the most high profile locations. The standard of retailing in place within the stalls is well below the standard of retailing in the surrounding shops, which amplifies the gap in standards. Birmingham City Centre has improved significantly over the last 8 years and is set to do even more so over the next 3. Street trading has to improve significantly with urgent effect to stop that gap being even larger.

8.8 Many of the stalls look temporary, which is undoubtedly reinforced by the daily set-up / de-mounting. When visiting markets trading in the city centre, they will often look more professional and permanent that the existing street trading stalls.

8.9 There is an urgent need for a step change in the standards of retailing from the street trading community, the quality of what's being sold, the environment of the stalls and the overall visual appeal of the offer.

Trader Perspective

8.10 Traders have told us they want to get better but are restricted by current licensing guidelines. Some have said they are keen to invest but are nervous to do so as a result of the very short term licence they had.

8.11 Traders do not feel included within the management of the city centre. If anything, they feel they are positively excluded. Traders don't feel supported and are worried about the future.

8 Conclusions

Trader Perspective cont.

8.12 having said that, a number of traders have a fairly one-dimensional view as to who the customer is and would appear to be aiming at the lowest common denominator in terms of market positioning.

8.13 Most traders we spoke to are keen to improve their stalls and their product offers, and are supportive of the ambition to improve the city centre as a place to shop, work in and visit.

Strengths and Weaknesses

8.14 The following table draws together the overall strengths and weaknesses of street trading currently in Birmingham City Centre.

Strengths	Weaknesses
– Consumer support	– Product quality
– Customer service provided	– Visual appeal
– Convenience	– Stall environments
– Adds personality / differentiation	– Retail standards
– Satisfying demand	– Some stalls too big
– Trader 'passion'	– Blocking windows as a result
	– Inconsistent designs
	– Temporary feel / lack of permanence
	– Weak stalls in high profile locations
	– Traders not included as part of the city centre retail offer
	– Management of stalls is focused on licensing and enforcement and is reactive not proactive
	– Low usage / low capture rates

8.15 As can be seen, the strengths relate more to the individuality of the offer / the traders themselves.

8.16 The negatives relate more to the physical delivery of the offer, the non-inclusion of traders and a reactive management regime.

Key Issues That Need Addressing

8.17 In order to move forward and achieve a street trading offer that is thriving, popular and a recognisable strength of the city centre, there are a number of issues that need addressing as a marker of priority.

8.18 There is little consistency in the offer in terms of how the stalls look, including the physical structure, canopies, branding / signage, size and design. This is further compounded by the low average standard of retailing, which is well below the surrounding retail offer. Many of the stalls look like temporary market stalls or show ground kiosks.

8 Conclusions

Key Issues That Need Addressing cont.

8.19 Many of the stalls are poor quality, tatty and in need of urgent investment.

8.20 Customers want to buy better quality products, particularly food and drink.

8.21 All stalls need power and lighting and water / drainage if appropriate.

8.22 Many of the highest profile retail locations are not being supported of matched by the accompanying street trading offer.

8.23 Traders are isolated and operating in a bubble and need including within the management, promotion and future planning of the city centre retail offer.

9 Recommendations

9.1 The following section details our recommendations to improve street trading in Birmingham City Centre in the future. They are based on a combination of the detailed bespoke findings identified earlier in the report, the conclusions in the previous section and our experience of undertaking similar projects elsewhere in the UK.

Future Vision

9.2 Our vision of the future street trading offer in Birmingham City Centre in the medium to long term (3-5 years) is:

"An attractive, visually appealing, recognisable, convenient and quality street trading offer, which adds to the Birmingham City Centre consumer experience and compliments the wider retail offer:

Strategy Objectives

9.3 In order to achieve the Mission, a number of key strategy objectives have been developed. When achieved, these objectives will also have the bonus of resolving the strategic issues identified at the end of the previous conclusions that are preventing street trading in Birmingham City Centre from achieving its considerate potential.

9.4 The 5 key Strategy Objectives are:

A Sell More to More Customers

B Improve Visual Appeal

C Priority Locations = Best Stalls

D Include Traders

E New Management Regime

STRATEGY OBJECTIVE A – Sell More to More Customers

9.5 At its most basic, there are only 2 ways of increasing turnover: sell more – i.e. higher sales closures or multiple products; or sell to more customers – i.e. greater capture rates or repeat purchases.

9.6 The consumers we spoke to as part of the consumer research told us they wanted to buy more quality food and drink. This includes coffee from beans, fresh soups, fruit and salads, gelaterie, sandwiches, Panini's, wraps, smoothies / fruit drinks, frozen yoghourt, burritos and so on.

9.7 Consumers also want to buy quality clothing and fashion accessories, confectionary, newspapers and magazines and trip related items such as mobile phone top-up, maps and guidebooks, umbrellas and so on. Few people expressed an interest in purchasing luggage and this is a category that would be better located in a market elsewhere.

9.8 Whilst a number of consumers said they wanted to buy more flowers, we would not interpret this as being a demand for more stalls; instead, we would recommend the price and quality positioning of the existing flower stalls be increased, especially near the major worker areas of the city centre.

9.9 There is the opportunity of creating a distinct street trading food zone and near Colmore Row would be a sensible location for this. Other markets in London such as Whitecross Street and Exmouth Market provide good inspiration for how a demountable daily market could be achieved. We would recommend a provision of communal tables and chairs be provided to encourage workers to spend part of their lunchtime (and daily expenditure) here.

9 Recommendations

Strategy Objectives cont.

STRATEGY OBJECTIVE B – Improve Visual Appeal

9.10 There is widespread consensus from consumers to stakeholders that the average standard of visual appeal has to improve significantly. This will of course achieve the major benefit for traders in that they will sell considerably more, as well as help to secure the future of street trading in Birmingham City Centre.

9.11 It is very important that an agreed stall design criteria be developed, to cover both fixed semi-permanent stalls, as well as stalls on or part of movable trailers. It is recommended that stalls which look totally temporary, e.g. tents, gazebos and simple iron frame stalls are not allowed. It is also important that traders are fully included within the process of developing the stall design criteria. It is not necessary that the stalls be sourced from one specific supplier; what is important is that every stall should meet a minimum level of design and aesthetic appeal.

9.12 The following list provides a start point as to how the stalls should look as a minimum, based on what consumers, traders and stakeholders have said to us as part of this study.

- Develop agreed stall design criteria in conjunction with traders and other city centre stakeholders. Includes both fixed kiosks (removable in extreme situations), or a tow on / off unit (no gazebos, no tents, no market stalls)
- New stalls
  - To be fit for purpose, self contained units
  - Well lit
  - Signed with stall name
  - Branded as Birmingham City Centre Street Trading, including licence
  - Clean & tidy
  - Recognisable
  - No trading on the floor around unit
  - Focused product ranges
  - No external or protruding racking
  - Look permanent and / or credible

9.13 To help traders improve, it is recommended a package of support be provided, to include help with visual merchandising and product presentation as minimum. This could be in the form of individual stall improvement plans developed in conjunction with each trader, or it could be via a recognised industry support mechanism such as NMTF 400. As above, with the stall design criteria, minimum operating and trading standards should be developed in conjunction with traders, with non-compliance being a trigger for a licence review process. Having recognisable items of “uniform” such as jackets, t-shirts and baseball caps could also help to instil a sense of consistency, cohesion and collective appeal.

9 Recommendations

Strategy Objectives cont.

STRATEGY OBJECTIVE C – Priority Locations = Best Stalls

9.14 It is unfortunately not the case that the best examples of street trading are in the highest profile streets and the most visible locations. It is therefore recommended that a Location Masterplan be developed which contains clear identification of what type of street trading is suitable for the various parts of the city centre.

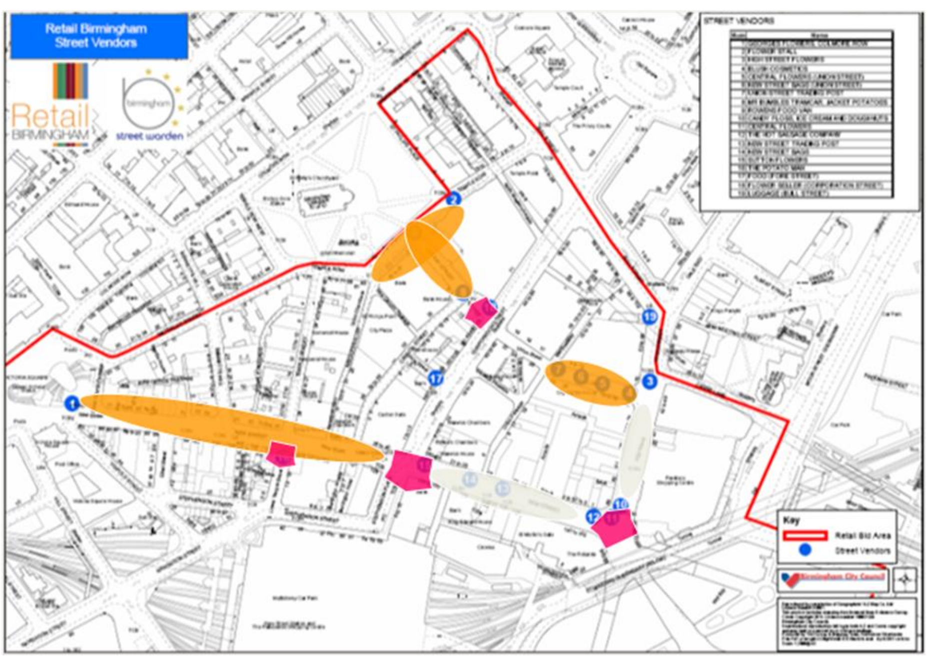
9.15 In particular, we would recommend no street trading activity takes place in the primary interchange areas of the city centre, namely Rotunda Square, junction of Corporation Street / New Street / existing / future entrance to Pallasades. Future interchange at junction of New Street / Lower Temple Street and Corporation Street. It is also important that no other pedestrian interfering activity is allowed in these areas; peddlaring, chugging, research, human ‘A’ boards etc.

9.16 We would also recommend that High Street and “Lower” New Street be designated Street Trading Premium Zones. This is where the fixed, semi-permanent and highest quality kiosks will be located. All traders should have the opportunity of submitting proposals on how they will deliver a world class street trading offer in this location. Only the absolute best submissions should be accepted, with perhaps a second stage open tender. If the existing traders seem unwilling or incapable of raising their game sufficiently high, premium rents / charges could be applied within this area to ensure traders have to work harder and sell more to meet the enhanced rents.

9.17 Delivering a vastly improved offer and stall quality on these very important streets will help to ensure street trading matches the aspirations of the Big City Plan and therefore earns it’s place in the city centre in the future.

9.18 The enhanced minimum standards of retail professionalism should be reviewed as part of the licence renewal system.

9.19 The following graphic illustrates the zoning of street trading recommended and detailed above (orange areas are Street Trading Zones, pink are Pedestrian Priority Zones – no street trading, and light grey are Street Trading Premium Zones).



9 Recommendations

Strategy Objectives cont.

STRATEGY OBJECTIVE D – Include Traders

9.20 It is recommended that street traders are much more included in the day to day management and promotion of the city centre. This should also include city-wide websites and guides for maximum benefit to all. A new city centre Trader of the Year competition will also help to promote improved street trading.

9.21 Traders would benefit from belonging to an accredited NMTF Branch, with an appointed branch chairman who should be included in discussions about regeneration and future plans in the city centre, so that street traders are aware of and can take part in future initiatives. The Branch should be encouraged to define a minimum trading standards policy as well as a customer charter.

STRATEGY OBJECTIVE E – New Management Regime

9.22 It is recommended that there is a culture shift in the management of street trading from an historic one focussed on licensing, enforcement and regulation, to one that is centred on a premise of pro-active improvement and development of the offer.

9.23 A street trading management group should be set up urgently, to include Birmingham City Council, the Branch Chairman, City Centre Partnership and Retail Birmingham. The Terms of Reference of the Group to be clearly focussed on improvement of street trading for the benefit of all.

9.24 Traders would benefit from having longer licenses such as 3-5 years, as the current very short license is putting them off investing in their stall. A regular (annual) review process should ensure enhanced standards of retailing are achieved, with an exit clause triggered for non-adherence. Operating within standard, agreed and consistent hours and trading days should also be included within the review process.

9.25 It is important that there is a public show of commitment from all parties for the concept of enhanced and improved street trading to have a future in the city centre.

9.27 **Street trading in Birmingham City Centre currently is in need of vast and urgent improvement. A focus on quality as well as enhanced food and drink provision, trading from enhanced fit for purpose kiosks will be of particular benefit to consumers and traders alike. Providing a step change in retail presentation and visual appeal is achieved, street trading should continue to be a central component of the Birmingham City Centre shopping experience long into the future.**

informed solutions

Appendix 1

Consumer Research Questionnaire

THE RETAIL GROUP

informed solutions

R3234 Birmingham City Centre, Street Trading Questionnaire

Interview point........**Col 8**

Intro. We are carrying out a study of **Street Trading** in Birmingham City Centre on behalf of Birmingham City Council and Retail Birmingham.

The survey is about **kiosks** and **stalls** trading in the streets on and near **New Street, High Street, Union Street and Cherry Street.** *(Point to example nearby)* Those are the things we are talking about.

Q1 Have you ever bought anything from a street trader in Birmingham City Centre?
Col 9

Yes 1 >Q2a
No 2 >Q3

Q2a What have you bought**?** *Code on the list below but do NOT prompt*
***Probe; What Else ? TWICE** but do not prompt from list.*

Col 10

Clothing of all kinds excluding accessories 1
Fashion accessories -hats, ties, scarves, sunglasses, belts, socks, umbrellas 2
Jewellery -including watches 3
Bags, luggage, wallets, purses 4
Tourist souvenirs Union Jack items, Magnets, ornaments, postcards 5
Fruit and Veg 6
Meat, Fish or eggs 7
Hot food baked potatoes, sandwiches, baguettes 8
Other food popcorn, sweets, ice-cream, chestnuts 9
Hot or cold drinks 0
Flowers and plants, Christmas trees **X**
Balloons **Y**
Something else

(Write in below)

Col 11

....

Q2b **What appealed to you about buying from a street trader?** *Code on the list below*
***Probe What Else**? but do not prompt from list*

Col12

Good price (cheap) **1**
Easy/convenient to buy 2
Good relationship with trader 3
Support small traders 4
Product was right/what I wanted 5
Convenient 6
Can't find it elsewhere 7
Urgent (e.g. umbrella in rain) 8
Something else (*Write in below)*

....

Q2c **How often do you buy from street traders in Birmingham City Centre?**

Col13

Prompt: **Regularly 1** **Q4**
Occasionally 2 **Q4**
Only once/never 3 **Q3**

-2-

Q3 You said you don't buy from street traders, is there a particular reason for that?

Code on the list below ***Probe What Else****? but do not prompt from list*

	Col 14
Product is not right	1
Poor quality of products	2
Poor standards	3
Poor location	4
Stalls look poor	5
Street traders don't appear to me	6
Only shop at large retailers	7
No guarantees	8
Don't trust street traders	9
Bad customer service	0
Other answers (*Write in below)*	

……………………………………………………………………………………………………Col15

(SHOW CARD A) and <u>ASK ALL</u>

Q4 Which of the products on the card would you like to see sold more often by street traders in Birmingham City Centre?

	Col17
Grocery, fruit and Veg	1
Other food (e.g. Meat, nuts, olives etc. Specify)	2
Good quality food (hand made sandwiches, sushi, pastries, etc.	3
Flowers and plants	4
Newspapers and magazines	5
Quality drinks (fresh coffee from beans, smoothies, fresh squeezed juice)	6
Clothing and accessories	7
Maps and guide books	8
Travel cards and bus passes etc	9
Mobile phone top up, international phone cards	0
Something else (Specify, *write in below)*	
None of them/nothing	*A*

……………………………………………………………………………

Q5 I am going to read out some statements people have made about buying from Street traders. On the Card (SHOW CARD B) are a series of phrases which show how far you agree with a statement. When I read out a statement give me the number beside the phrase on the card to show how far you agree with that statement. Level Col

The stalls sell the same thing ….. … 20

I like to buy from street traders in Birmingham City Centre. ………21

I would buy more often from street traders if they sold different products ……..22

I find buying from street traders easy ……….23

The quality of products sold by street traders is poor ………24

You get good customer service from street traders ………25

There should be more street traders in Birmingham City Centre ………26

Street traders would be better in a different location ………27

It would be better if street traders were clustered together………28

I would buy more from street traders if they looked nicer, tidier, more professional…….29

If traders were near the market area (Edgbaston St) I would still visit them…….30

Street traders clutter the streets……..31

Street traders appeal to me …… 32

Q6 What is the main reason for you being here in the City Centre today?

	Col 33
Live nearby	1
Work nearby	2
Shopping trip	3>Q7
Passing through/travel connection	4
Meeting friends /relatives	5
Visiting city centre for a work trip	6
Record where from……………………………..	
Domestic visitor/tourist	8
Record where from………………………	

International Origin………………..
Col34
Col35

Domestic origin……………………
Col36

If a shopping trip at Q6

Q7 How long have you been shopping in the city centre today?

	Col38
15minutes to 30 minutes	2
30minutes to 1 hour	3
1-2 hours	4
2-3 hours	5
3-4 hours	6
More than 4 hours	7

Finally, what is your FULL home postcode?

E.g. B20	1EP

Interviewer…………………………… **Date…………………..**

R3234 **CARD A** (i) Q4

Products wanted more available from Street traders

Grocery, Fruit and vegetables (1)

Other Food (2)
(e.g. meat, nuts, olives, Farmers' Market**)**

Specialty foods (3)
(e.g. Hand made sandwiches, sushi, salads, soups, croissants, pastries, gourmet ice cream)

Flowers and plants (4)

Newspapers and magazines (5)

Quality drinks (6)
(Fresh coffee from beans, smoothies, freshly squeezed juices)

Clothing and accessories (7)

Maps and guide books etc (8)

Travel cards bus passes etc (9)

Mobile phone top-up, international phone cards (0)

Something else specify what

None of them, nothing (A)

R3234 **CARD A** (ii) Q4

Products wanted more available from
Street traders

Mobile phone top-up, international phone cards (0)

Travel cards bus passes etc (9)

Maps and guide books etc (8)

Clothing and accessories (7)

Quality drinks (6)
(Fresh coffee from beans, smoothies,
freshly squeezed juices)

Newspapers and magazines (5)

Flowers and plants (4)

Specialty foods (3)
(e.g. Hand made sandwiches, sushi, salads, soups, croissants, pastries,
gourmet ice cream)

Grocery, Fruit and vegetables (1)

Other Food (2)
(e.g. meat, nuts, olives, Farmers' Market

Something else specify what

None of them, nothing (A)

R3234 **CARD B** (i) Q5

Extent of agreement or disagreement with statements

Agree strongly	**5**
Agree	**4**
Neither agree nor disagree	**3**
Disagree	**2**
Disagree strongly	**1**

R3234 **CARD B** (ii) Q5

Extent of agreement or disagreement with statements

Disagree strongly 1

Disagree 2

Neither agree nor disagree 3

Agree 4

Agree strongly 5