

The Scottish Convenience and Local Small Shops Sector

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A Shocking Time

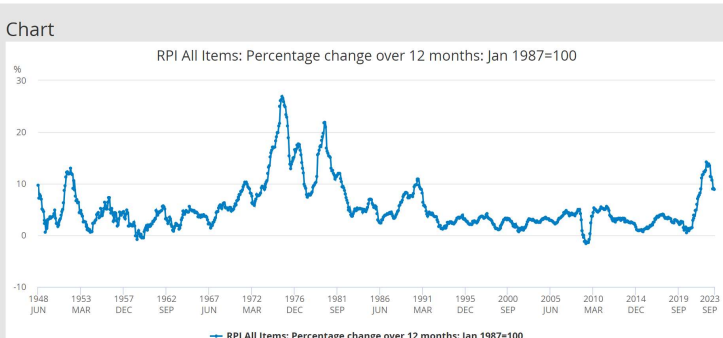
Brexit (2016+) – supply, consumers

Covid (2020+) – consumer demand


Ukraine War (2022+) – supply, inflation

What's Next

Chart



Source: <https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/czbh/mm23>



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Brexit

Covid

Ukraine War

+

Societal Change

Climate Change

Health and Wellbeing

Government Actions



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Convenience and Local Stores

- Local is good
- “Glue” for local communities
- “Go Local” and Healthy Living
- Alcohol and Tobacco
- Pricing Perceptions
- Operational Challenges





Locally-owned convenience stores and the local economy
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ARTICLE INFO **ABSTRACT**

The convenience store sector in the UK has been growing strongly to meet people. Academic commentary and media coverage claim that locally-owned stores are more advantageous for community cohesion and well-being, being embedded locally and economically more resilient than those owned by their local counterparts. This paper extends our understanding of this, following a review of the literature on social and economic aspects of convenience store operations, a qualitative study gathering research practice experience, using four case stores in Scotland. This research demonstrates the local engagement of locally owned convenience stores and points to a strategic concern and deficit of the academic sector that the social impact of this engagement. Differences with co-operatively owned convenience stores are identified. In policy terms the research shows that more work needs to be done to identify, quantify and then promote the advantages of local ownership of stores.

OPINION: The role of convenience in bringing the local community together





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The Scottish Local Shop Report 2023

A report by the Association of Convenience Stores and the Scottish Grocers' Federation

ACS the voice of local shops | SGF

www.sgfscot.co.uk

Who we are

There are **5,171** convenience stores in Scotland

70% are run by independent retailers

What we offer

- 76%** Bill payment services
- 47%** Free to use cash machines
- 26%** Local grocery delivery

Why we are important

£47.1bn total sales

Over **£10.6bn** in GVA

£62m invested by stores in Scotland

Over **49,000** jobs in Scotland

Most positive impact on the local area

1. Post offices
2. Pharmacies
3. Convenience stores

(Scottish data) (UK data unless stated Scottish data)

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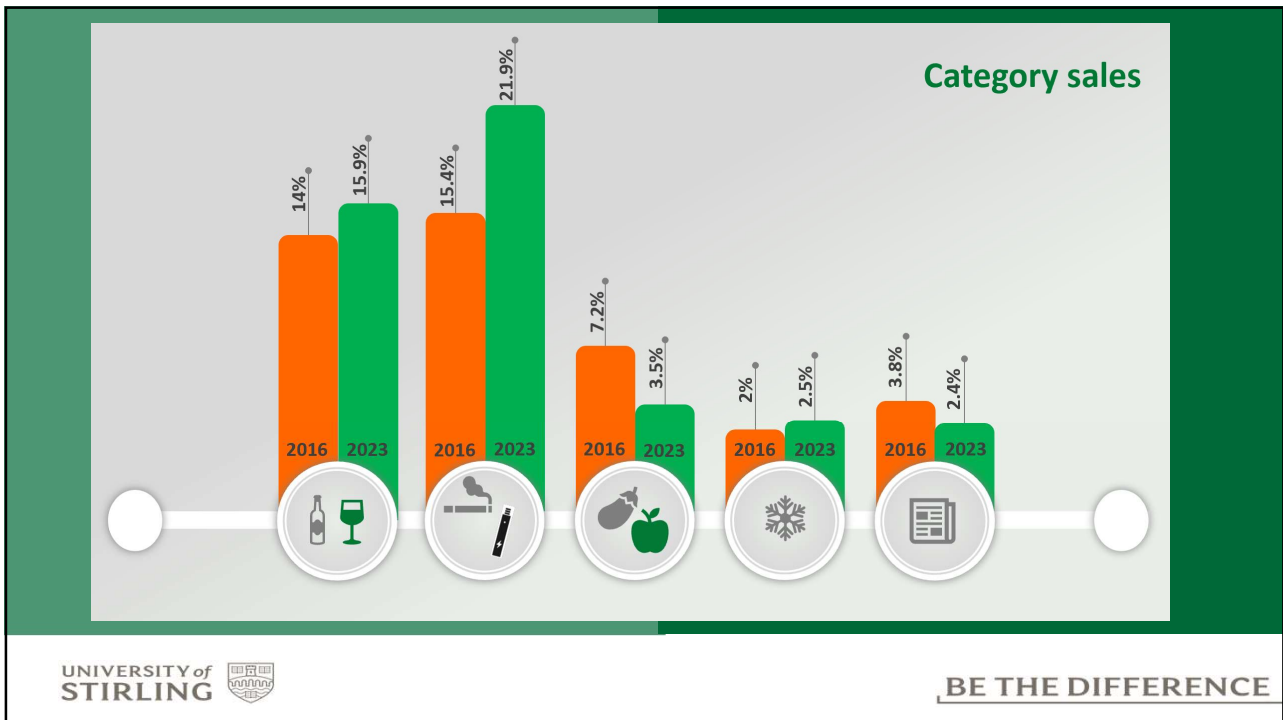
High Level Change 2016-2023

	2016	2023
Shops	5324	5171
Sales (UK)	£37.5bn	£47.1bn
Investment	£70m	£62m
Jobs	c42k	c49K

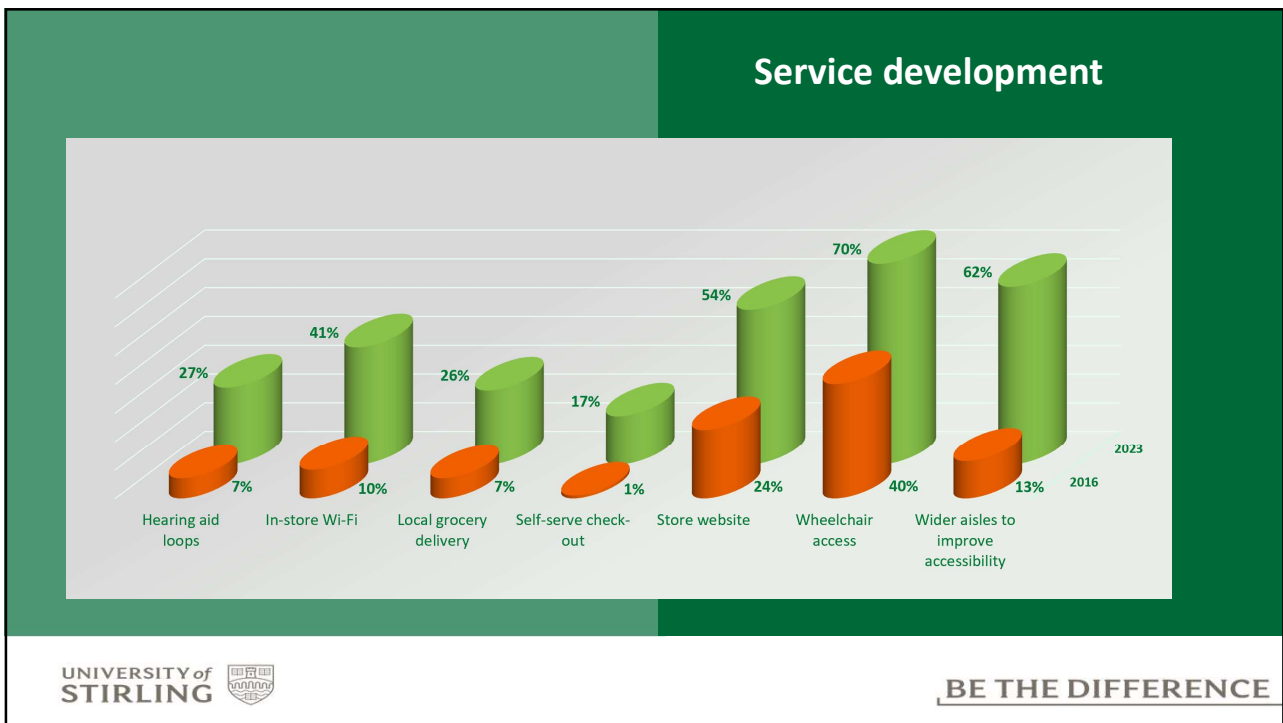
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Ownership and Employee working hours

Ownership age profile

Age Group	2016 (%)	2023 (%)
30 or under	11%	18%
31-40	21%	24%
41-50	25%	25%
51-60	31%	23%
60 or over	11%	12%

Hours worked per week

Hours Category	2016 (%)	2023 (%)
0 - 16 hours	~35%	~25%
17 - 30 hours	~30%	~28%
31 - 40 hours	~25%	~22%
40 hours +	~10%	~12%

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What Do We Draw From This?

Entrepreneurs

The people who own and run stores are:

Age Group	Percentage (%)
30 or under	18%
31-40	24%
41-50	25%
51-60	23%
60+	11%

Gender	Percentage (%)
Male	56%
Female	44%

Source: Lumina Intelligence 2023 (Scottish data), October 2023

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

84%	83%	76%	73%	70%	54%
Lottery	Mobile phone top-up	Bill payment services	ATMs	Cash back	Store website
47%	41%	39%	28%	27%	27%
Free to use cash machines	Mobile Wi-Fi	Digital advertising screens	Parcel collection point	Click and collect service (in-store)	Post office
26%	25%	22%	21%	21%	19%
Local grocery delivery	Click and collect services for groceries	Food bank collection	Healthy marketing (signage)	Recycling bins	Charged cash machine
17%	16%	15%	5%	3%	1%
Self service checkouts	Electronic shelf edge labels	Mobile news delivery	Subscription collection	Photo booth	Key cutting

The Scale of the sector and its significance

Remarkably robust over the last 7 years, especially given the shocks

High level figures mask the impact of the stores generally and on communities

Equality, diversity and inclusion

Some changes going “against the grain”

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Conclusions?

- “Use it or Lose It” or “You don’t know what you’ve got till it’s gone” ?
- Benefits vs Challenges (the balance and the perceptions)
- The People
- Convenience and local is the future, but it needs shaping and promoting



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THANK YOU FOR LISTENING

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