The Effects of Corporate Foodstores on the High Street: Rebalancing the Debates?

Professor Neil Wrigley PhD, DSc, AcSS
University of Southampton

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Introduction

I am motivated to write this statement, and to inject it into the policy debates surrounding the competition Commission's Inquiry into the Groceries Market, by two considerations.

(1) First, by my recent experience in leading a rigorously designed and executed University of Southampton study of the responses of 650 consumers in four communities in Hampshire to the conversion of previous One Stop convenience stores in those communities into Tesco Express format outlets. Conducted during a period (2005) in which there was considerable national press coverage and concern about the spread of the corporate food retailers into 'the High Street in the guise of convenience stores' (CPRE, 2006) and the 'local economic, social and environmental impact of the big supermarkets' (NEF, 2006), what was striking about the University of Southampton study were the findings that in all four communities the Tesco Express conversions had induced:

- A major *relocalization of food shopping* (particularly secondary/top-up food shopping) – away from distant superstores and towards stores in the local community.
- Important travel-mode substitution effects involving significantly *increased* walk/cycle-based and *reduced* car-based food shopping travel miles, supportive of Government objectives on transport sustainability and health.
- Highly positive community responses to, and increases in consumer welfare from, being able to access products locally (particularly fresh/'healthy' foods) which previously had involved considerable travel distances to obtain.
- Negligible diversion of trade from local independent stores – with the large majority of items additionally brought at the Tesco Express stores having previously been sourced from more distant superstores – and, moreover, indications of the possibility that food shopping 'claw back' from distant superstores might increase the patronage and viability of other local retailers and service providers.

(2) Second , and set against those findings from the Hampshire study, my growing sense of disquiet that the overwhelming majority of the representations to the Competition Commission are presenting merely the environmental, economic/social and planning cases *against* corporate foodstore development. Moreover, that they are simply accepting as fact, opinion (often based on now rather dated and poorly digested evidence) that corporate foodstore development has potentially uniformly negative impacts on high streets and small-scale local retailing. However, as Professor Cliff Guy (2006) has recently argued in a paper '*Retail productivity and land-use planning*' which considers issues surrounding large-format store development in the UK, there are also important planning, economic/social and sustainable development cases *in support* of corporate foodstore development which deserve to be heard. And, this is particularly the case in an era in which retailers have become far more flexible in store format development, and in which there is 'a recognition on the part of [corporate] retailers of the benefits of more centrally located foodstores' (DETR, 1998, 7).

This statement is presented, therefore, in the spirit of attempting to rebalance debates on the effects of corporate foodstores on the high street. It will be argued that those debates need to more adequately reflect a body of research evidence produced in recent years which is far less accepting of uniformly negative impacts of new corporate foodstores (even in some cases large-format stores) on High Streets and proximate small-scale local retailing.

What then is that evidence, and what in Guy's (2006) terms are the planning, economic, social, and sustainable development cases *in favour* of a continuation of the foodstore development trends of recent years in the UK – recognizing that those development trends have been materially altered since the mid 1990s by both tightened retail planning regulation (PPG6/PPS6, etc), and retailer responses to shifting consumer expectations on issues such as convenience, sustainable development, corporate social responsibility/community responsiveness, and the 'good neighbourliness' of foodstore developments? In the body of this statement I address these issues and evidence in the context of the debates surrounding: foodstore development and the vitality of small towns, foodstore development led urban regeneration, and the expansion of corporate food retail into the convenience store sector

The Contribution of Foodstore Development to the Vitality of Small Towns

There is now considerable academic agreement with the proposition that food retail provision – in particular the quality of 'supermarket' provision – is vital to both the maintenance and enhancement of the role of small towns, district centres and rural market towns in servicing their hinterlands. In Powe and Shaw's (2004) study of Alnwick in North East England, for example, the central importance of the link between and sustained use of other services in the market town is highlighted, together with the critical potential role that enhanced supermarket provision would play in 'clawing back' trade from larger urban centres and supporting the use of other services in the town. Indeed, when Powe and Shaw asked survey respondents in the hinterland of Alnwick what was the single most important thing which could be improved in order to encourage them to utilize the town, improved supermarket provision was the key issue identified. Moreover, among survey respondents currently doing their main food shopping outside Alnwick ('outshopping'), 61% suggested that they could be encouraged to shop more in the town if another improved supermarket was developed. On the basis of their surveys, Powe and Shaw (2004, 407) conclude that 'through careful siting within market towns, supermarkets at least have the potential to provide an important 'anchor' for other services within the towns' and, more generally, must be seen as a vital element in '*sustainable development*' plans for market towns.

Similarly, in Thomas and Bromley's (2002, 2003) studies of retail revitalization and small town centres in South Wales, their conclusion is that 'the revitalization process is strongly dependent on the scale, quality and location of the food shopping facilities of such centres and the associated 'spin off' shopping linkages' (Thomas & Bromley, 2003, 47). Moreover, they show, in the case of Llanelli, that a large-format food retail development, if appropriately integrated into the existing physical infrastructure of the centre, can generate high levels of linked trips, become 'strongly functionally integrated' with other parts of centre, and have significant 'positive revitalization potential' (Thomas & Bromley, 2003, 68). Significantly, the large-format 'in-town/edge-of-centre' foodstore development in Llanelli which they studied 'did *not* function solely as a 'one-stop' food-shopping opportunity, uneasily welded onto an existing centre, and having little functional relationship with the other facilities offered in the centre'. Rather it generated 'a valuable element of "spin-off" shopping activity – enhancing the shopping opportunities for those visiting other sites' in the town centre, (Thomas & Bromley, 2003, 66, 68).

These studies equate with other evidence of positive contributions of new foodstore development to the vitality of town centres provided for Beverley (East Yorkshire) and Ludlow (Shropshire) in studies commissioned in 2003 by the East Riding of Yorkshire Council and Tesco Stores Ltd. In the case of Beverley, a detailed study conducted one year after the opening of a 32,500 sq ft (net) edge-of-centre store in July 2002 reported: (a) considerable 'claw-back' of food shopping spend from distant superstores (valued at £3.75 million); (b) a high level of linked trips combining food shopping at the edge-of-centre store and other town centre shops and services (involving 65% of shoppers at the foodstore); (c) little change in convenience shopping provision – indeed additional corporate foodstore investment (in the form of a Marks & Spencer Simply Food store) in the town centre – and a significantly decreased overall shop vacancy rate; (d) an increased overall 'vitality and viability index' for the town centre, reflecting what the report suggests is the 'positive contribution' of the new store to the attraction of Beverley as a place to shop and the health of the town centre (England & Lyle Town Planners for East Riding of Yorkshire Council, 2003).

In the case of Ludlow, a study conducted almost three years after the opening of a 22,000 sq ft (net) edge-of-centre store in August 2000 reported: (a) stability in the number of convenience retail units operating in the town over the three year period – at a higher level than the national average; (b) a stable overall shop vacancy rate – at a significantly lower level than the national average. The report concludes that no evidence could be found that the new store has had a detrimental impact on the town centre's vitality and viability – rather that 'all indicators suggest that Ludlow is a healthy and improving town centre'. The 'claw back' of trade from distant superstores and urban centres, although unspecified in terms of level, is considered to have 'benefited the town centre by retaining the comparison [retail] expenditure which may have been lost through linked trips to other centres' (Development Planning Partnership for Tesco Stores Ltd, 2003, 18).

In addition, it is important to note the many local authorities in the UK currently attempting to harness the potential of 'supermarket' development to revitalize small towns suffering from problems of declining attractiveness and viability. Monmouthshire County Council provides a useful example – not least as its efforts can be understood within a context of an extremely valuable time series of surveys of town centre vitality and viability conducted by the County Council from 1994 onwards. In the case of Caldicot, one of the four principal county towns in Monmouthshire, those surveys show relatively stable convenience-retail provision over the six year period to 2003 at a higher level than the national average, together with a high proportion of locally-owned, family-run, independent businesses. Nevertheless, in its *Unitary Development Plan: Retail Background Paper* (2004, 23), the County Council draws attention to the way Caldicot town centre has suffered in recent years from limited supermarket provision – 'the existing Somerfield store is the sole supermarket for the town centre, with local residents now seeking more choice and a better range of food shopping' outside the town. As a result, the Council has recently (Dec 2005) promoted a foodstore-development-led regeneration project which seeks to address 'the town's current poor trading position', to 'anchor' the town, 'instil confidence in the town's smaller traders', and 'act as a catalyst for future investment in the town centre' (Monmouthshire County Council, 2006).

The positive contribution of corporate foodstore ('supermarket') development to the vitality of small town centres which these studies either argue for (Powe & Shaw, Thomas & Bromley), observe (Llanelli, Beverley, Ludlow), or seek to promote (Monmouthshire County Council), can be regarded as a form of *positive spatial externality* conferred by the foodstore developments on other comparison and convenience retailers and service providers in those towns. The externality is articulated via the mechanisms of: linked trips; retention of expenditure which would otherwise have been lost to distant superstores and larger urban centres, and the generation of the footfall/face-to-face contact and associated urban 'buzz' (Venables and Storper 2004) essential to the health of the town.

Interrogating the converse view

Clearly these views of a positive contribution of 'supermarket' development to the vitality of small towns stand in sharp contract to the uniformly negative opinion presented by campaigning organizations such as the Campaign to Protect Rural England (CPRE) and the New Economics Foundation (NEF) which equate the vitality and sustainable development of small towns with 'the extra value that small, independent and genuinely local shops provide in terms of economic benefit, environmental distinctiveness and the social glue that holds communities together' (NEF, 2006) and with attempts to 'lock out' of small towns and high streets further corporate foodstore development. They also stand in contrast (albeit less sharp) to the concerns about the effects of large foodstores on small centres outlined in the influential DETR (1998) report on *The Impact of Large Foodstores on Market Towns and District Centres*. Interrogating the latter offers a route into addressing - albeit clearly not reconciling - these highly contrasting views on the potentially positive and negative contributions of contemporary supermarket development on small towns.

In the DETR (1998) report, which reflects the somewhat different development and corporate/community responsiveness environments of the early to mid 1990s, a study of 9 small and medium-sized market towns and district centres impacted by out-of-centre (7 cases) or edge-of-centre (2 cases) large foodstore development is presented. The main conclusions of the study were as follows.

- Market towns and district centres were found to be particularly vulnerable to the cumulative impact of a succession of large foodstore developments.
- Smaller centres, which are dependent to a large extent on convenience retailing to underpin their function, were felt to be most vulnerable to those effects.
- Where there was already a well developed provision of out-of-centre foodstores, a cautious approach to any further non-central development was felt to be warranted.

Many of these conclusions, of course, relate in the most part to the impacts of *out-of-centre* superstores (7 out of 9 cases). As such they reflect a very different development era to that of the mid 2000s. However, of particular significance for current debates are the conclusions of the study regarding the *two* edge-of-centre developments studied (Cirencester and Warminster). These findings are still regularly reported, sometimes in a rather incautious manner, and are clearly still germane to the issues being addressed in this statement. These conclusions regarding edge-of-centre stores were that:

- edge-of-centre stores clawed back less food shopping expenditure from distant superstores than commonly claimed, whilst also competing directly with town-centre supermarkets, and absorbing some of the 'top-up' trade of specialist convenience retailers (DETR, 1998, 84);

- linked trips were generated by edge-of-centre stores – 58% of trips with 80% of those involving walking between the edge-of-centre foodstore and town centre in the case of Warminster – however the level of those trips depended heavily on the physical integration of the foodstore and the town centre, and in both Cirencester and Warminster there was 'limited evidence that this has secured any significant benefits for the town centre by way of additional expenditure in the comparison and service sectors' (DETR, 1998, 85).

In retrospect, however, what is notable about these conclusions are three things. First, the extremely limited empirical evidence base from which they are derived – just two cases, and in the context of the significantly changed development and community responsiveness environment since the mid 1990s, now rather dated cases. Second, the subsequent view of many academics – even those who strongly supported the overall spirit of the DETR report's conclusions – that the report tended to considerable '*ambiguity in detail*´ (Thomas & Bromley, 2003, 56). Third, the over-generalized way the 'headline' findings were reported and have subsequently been used. For example, in the case of Warminster the headline (and subsequently much reported) figure of a 75% decline in the market share of the town centre convenience sector (DETR, 1998, 7) is attributable solely to the relocation of the existing town centre Safeway store (and its market share) 300 metres to a new edge-of-centre site, defined as being marginally outside the 'town centre'. Moreover, this seriously masks the more detailed conclusions in the report which show that:

- if the Safeway store was considered as part of the town centre, its overall market share had increased by 20% (DETR, 1998, 120);
- the new store had resulted in a 12% increase in respondents undertaking a main food shop in the town centre more frequently than 2-3 times a week (DETR, 1998, 120);
- car usage for main food shopping by Warminster respondents had reduced against a background of increased car availability (DETR, 1998, 120);
- the new store had 'improved the range of convenience goods available to the town's shoppers' (DETR, 1998, 63) – with the overall convenience goods market share of Warminster increasing from 20% to 25% (DETR, 1998, 85);

and finally, that:

- the investigators were 'unable to identify any substantive change in the viability and viability of Warminster town centre' (DETR, 1998, 63) – surely a rather surprising overall conclusion, given the supposedly 75% decline in the market share of the town's convenience sector.

Unfortunately, the ambiguous headline finding of the Warminster study continues to be reported as a key 'fact' in debates on supermarket development and small towns. For example, CPRE's (2006) 'Cranbrook' report on the threat of the 'supermarket onslaught' on independent stores and the local food economy on East Suffolk states unequivocally that 'more supermarkets result in fewer independent shops' and cites as evidence (albeit incorrectly) Warminster as having 'lost 75% of its convenience stores' (CPRE, 2006, 6). In contrast, many academics have suggested that the only reasonable way to interpret the slender and ambiguous DETR findings is to conclude that they *left in dispute* whether edge-of-centre foodstore developments 'enhance the attractiveness of the centre, compete with existing facilities, or are completely neutral' (Thomas & Bromley, 2003, 55).

In these circumstances, attention should instead be focused on what the range of more recent studies (reported above) are showing. As we have seen, those studies which reflect an era in which the major retailers have increasingly proposed and opened developments which work '*with the grain*' of the Government's 'town centres first' approach to planning policy, tend towards a view which recognises the positive potential and contribution of 'supermarket' development to the viability of small towns. Not least, the need for edge-of-centre foodstore development to be far more tightly functionally integrated with the nodes of shopping activity in the existing town centre, the symbiotic relationship of such development with the wider health of the existing centre, and the need to encourage investment in linking developments which support the emergence of new axes of retail/service provision between the foodstore development and the older nodes of retail/service activity, are lessons which local authorities and the major food retailers have both increasingly taken to heart.

Foodstore Development Led Urban Regeneration and Social Inclusion

Another area in which recent corporate foodstore development has worked 'with the grain' of government policy – indeed in many respects has led the development of retail planning regulation – and where there is considerable academic support for the argument of a positive contribution of corporate foodstore development, relates to retail-led urban regeneration schemes. All three of the leading food retailers have, since the late 1990s, been involved in some form of *partnership scheme* with local authorities and other agencies, who have sought to kick start regeneration in deprived communities with the help of private sector investment, and to link regeneration with programmes of skills training and employment favouring the local community, particularly the long-term unemployed. Initially several commentators castigated such schemes as merely 'clever devices to get stores built and passed by planners' (*The Scotsman*, 20 Sept 2000). However, the retailers were able to mount a strong argument for involvement in such schemes based on the contribution they could make to tackling of social exclusion (Wrigley et al, 2002). First, they emphasised the employment benefits of the stores, not just in terms of total numbers, but also the special contribution which a large-scale reputable employer could offer in areas of long-term unemployment and low standards of motivation and skills amongst the workforce. Second, they emphasised the benefits of providing access to full-range high-quality food-convenience shopping and essential services in deprived areas where the existing retail infrastructure was failing to serve the needs of the local community.

Tesco's involvement in regeneration partnership schemes involving local authorities, the USDAW trade union, the Department of Work and Pensions, and local community organizations is well documented (Wrigley et al, 2002; McQuaid et al, 2005; Cummins et al, 2005a). By the mid 2000s, the firm had completed 14 regeneration partnership stores creating over 3,500 jobs in some of the UK's most deprived communities, more than 60% of these being employed through its 'Jobs Guarantee' scheme for the long-term unemployed within those communities.

McQuaid et al (2005) provide a detailed examination of the operation of the 'Jobs Guarantee' scheme in the context of the Alloa regeneration partnership store development in central Scotland. The store, which opened in July 2002, created 278 jobs, 184 of which were filled by unemployed local residents. Of those 184, 109 completed an eight-week employability Training Course (ETC) which guaranteed jobs at the store and which provided a route into work for local unemployed people who would otherwise have struggled to compete for jobs at the store. Given the characteristics of that group – many of whom had not worked for a prolonged period – and the high staff turnover often experienced in retail, job retention rates were highly impressive. 26 weeks after taking up their positions, 95 of the 109 ETC trainees (87%) were still working at the store. This led McQuaid et al (2005, 74, 77) to conclude that the scheme had 'enjoyed considerable success in assisting long-term unemployed and disadvantaged job seekers into work' fostering social inclusion in a deprived community by 'encouraging vulnerable job seekers to "take a risk" in the labour market'.

Typically the urban regeneration stores have involved a large-format-foodstore-anchored development of former industrial brownfield sites or dilapidated district centres in deprived local authority housing estates (e.g. Seacroft in Leeds, Castle Vale in Birmingham). The assumption has often been made that trade diversion to these new stores would have a damaging effect on neighbouring local high streets and small-scale retailing. The academic evidence available, however, suggests that this is not necessarily the case – indeed that there may be strongly positive regenerative impacts on neighbouring local retail. In this context, Cummins et al (2005a) studied the local retail structure impacts following the opening of the Tesco St Rollox regeneration partnership store in Springburn, Glasgow in late 2001, comparing what occurred in Springburn to retail structure change over the same period in the 'matched' and similarly deprived 'comparison' community of Shettleston. By May 2003 (18 months after the opening of the partnership store), the local retail structure in Springburn had experienced a substantially lowered retail vacancy rate, significantly in excess of that recorded in the 'comparison' area. In addition, there had been no loss of convenience retail outlets in the area following the opening of the Tesco store, and a small increase in comparison retail outlets. In contrast, the 'comparison' area of Shettleston had lost both convenience and comparison retail outlets over the same period. On the basis of these findings, Cummins et al (2005a, 297, 299) conclude that the vitality of the retail structure of Springburn had been increased both absolutely and relatively, that claw-back of retail customers to the area had served 'to enhance local use and increase retail spend within the area', and that the findings 'challenge the widespread assumption that the opening of a [large-format foodstore] always has an immediate and deleterious effect on the retail structure of an area'.

In other parts of the wider St Rollox study (Cummins et al, 2005b), and in the earlier 'before/after' study of the Seacroft regeneration partnership store development in Leeds (Wrigley et al, 2003), the public health impacts of these types of schemes have been investigated. In both Leeds and Glasgow considerable switching to *walking* as the main mode of food shopping journeys by the local community was recorded (in Seacroft an almost tripling of respondents walking to the main foodstore from 12% to 31%). This was an increase in 'healthy' activity of itself, but also in the process it also reduced the dependence of some vulnerable groups in the community on complex, and hard to manage, coping mechanisms to access food shopping (Whelan et al, 2002). Additionally, in Glasgow there was evidence of improved psychological health amongst members of the local community, and in Leeds evidence of modest but important dietary improvement among certain groups in the community (a result which could not be replicated in Glasgow because of sample size/statistical power issues).

The potential of retail-led development in deprived areas towards advancing the Government's wider policy objectives of promoting social inclusion, remedying deficiencies in provision in areas with poor access to facilities, regenerating deprived areas, and delivering more sustainable patterns of development, is now acknowledged in *Planning Policy Statement (PPS) 6: Planning for Town Centres*. Local planning authorities are now required, in implementing retail planning policy, to take account of government objectives to promote social inclusion, and to encourage investment to regenerate deprived areas, creating additional employment and an improved physical environment (PPS6, para 1.5). Recent academic research has clearly shown that contemporary foodstore-development-led urban regeneration will frequently offer not only land remediation and socially-inclusive employment benefits, but can also help promote both the self-esteem of, and aspects of the public health of, deprived communities. Moreover, it appears that this can be achieved within development frameworks which are supportive of the health of town centres and local high streets – that is to say which work 'with the grain' of retail planning policies that seek to promote the vitality and viability of town centres.

Consumer Benefits from the Injection of Competition and Improved Standards/Product Range into Convenience Sector Retail

The recent expansion of two of the major food retailers within the small store convenience shopping sector (stores below 3,000 sq ft) has proved highly controversial. Although the convenience retail market had begun to grow rapidly (IGD, 2006), it was a sector in which the major corporate food retailers previously had limited presence, and which had been largely left to independent retailers, smaller corporate chains, and 'symbol groups'. It was also a sector in which there had been a long-term trend (certainly back to 1950s) of declining numbers of small independent stores. Expansion into the sector brought Tesco and Sainsbury into what campaigning groups ranging from the Association of Convenience Stores (ACS) and Friends of the Earth (FoE), to CPRE and NEF have regarded as direct competition with the small independent retailers, and the assertion has been made (notably by the ACS) that the expansion of the corporate retailers into the convenience sector has *caused* a rapid decline in the number of small independents, precipitating a significant loss of diversity and amenity within the retail sector and local high streets.

It is necessary, however, to set this assertion into context and note the following.

- The long-term decline in the number of small independent retailers in the UK – which predates the rise of the current 'supermarket' retailers, let alone their very recent entry into the convenience store sector – and which has reflected a wide range of issues including: increasing car ownership, changing consumer expectations, inter-generational succession problems, increasing regulatory burdens, and the difficulties of spreading rising costs of doing business across a limited scale of turnover.

- The fact that some of the decline over the past five years in the number of independent retailers highlighted by the ACS clearly does not reflect closures but is merely a statistical artefact of those retailers joining 'symbol' groups as a logical competitive response to greater competition in the sector.

- Significant levels of new entry into a sector which the Institute of Grocery Distribution (IGD, 2006) expects to expand significantly (23%) over the next five years, and which is clearly benefiting from the 'convenience culture' shift in consumer behaviour.

- A *slowing* rate of decline in the number of small independent retailers predicted by the IGD over the next five years.

In this context it is difficult to construct an academic argument which would support the ACS's assertion of a causal and essentially anti-competitive link between the entry of the corporate food retailers into the convenience sector and the decline during the past five years in the number of small independent retailers. In contrast, there does seem to be important evidence and a body of opinion which supports the view that entry of the corporate food retailers into the convenience sector has brought significant competitive *benefits* to consumers and negligible threat (quite possibly the reverse) to local high streets.

The Verdict Research (2006) report on *Neighbourhood Retailing* summarizes the consumer benefits from the entry of the corporate food retailers into the convenience sector in the following way:

> 'The multiple retailers have brought fresher food, new ranges, lower prices, better store environments and increased scale to the neighbourhood, and it has forced smaller players to improve to keep up'

That is to say, entry has served to spur the improvement of retail standards and merchandising in the sector, and to enhance 'value for money' for consumers. The IGD (2006) *Convenience Retail* report reinforces this by concluding that corporate food retailer entry into the sector has induced changes which are 'on the whole assisting the growth of the convenience sector through bringing improved performance, store standards and operational efficiencies to a larger group of stores'.

Detailed research evidence on the nature and scale of these consumer benefits is, as yet, rather lacking. However, the major exception is the Hampshire study of 650 respondents in four communities experiencing Tesco Express store conversions, conducted during 2005 by the University of Southampton. The main conclusions of that study were noted in the introduction to this statement. However, it is instructive to consider in detail the reasons why large numbers of respondents in these communities *relocalized* their secondary food shopping following the conversion of convenience stores in those communities into Tesco Express format. The overwhelming reason was that, as a result of the new Express stores being tied into state-of-the-art supply chains/store replenishment systems and being fitted out with higher quality chilled food facilities, the quality and range of products available had improved significantly. Consumers in these communities could now access products locally that previously they had to travel considerable distances to obtain and, in particular, it was fresh fruit and vegetables, fresh meat and poultry, and chilled meals which they bought significantly more often at the Express stores than they did at the unconverted stores one year previously. In addition, they were clearly, via their shopping behaviour, responding to what they perceived to be, and reported as being, considerable improvements in the quality of the store environment (cleanliness, layout, range) and in the 'value for money' offered by the Express stores compared to what had previously been available to them.

As noted in the introduction, where that trade being 'relocalized' into the four communities in Hampshire had overwhelmingly come from was distant superstores. Indeed, when respondents were questioned about where items now bought at the Express stores that were *not* bought at the unconverted stores had previously been purchased, the overwhelming answer was from distant superstores – only a small number of respondents (4%) suggested that they had diverted trade from other local independent retailers. Moreover, many suggested that during their 'relocalized' food shopping they were inclined to 'spillover' trade to those other local independent retailers and service providers. Additionally, as noted in the introduction, the Southampton researchers estimated that relocalization of food shopping had induced important *transport sustainability* benefits in the form of a 9% increase in walk/cycle-based food shopping travel miles and a 4% reduction in car-based travel miles.

Set against:

- the body of opinion (IGD, Verdict) which sees competitive benefits to consumers from the entry of the corporate food retailers into the convenience store sector;

- the significant behavioural ('relocalization' of food shopping) shifts experienced in the four Hampshire communities – supportive of Government objectives on transport sustainability and health, and suggestive of a negligible threat to the vitality of the independent-retailer based high streets of those communities;

- the limited number of convenience stores currently owned by the corporate food retailers (around 4.5% of the total)

how is it possible to sustain the apocalyptic view of campaigning groups, ranging from ACS through FoE, CPRE and NEF, that local communities risk a terminal decline in the diversity and amenity provided by small independent and locally-owned retailers as a consequence of the entry of the 'supermarkets' into the convenience sector? Although it is impossible, in my view, to sustain that view, both Powe and Shaw's 'Alnwick' study and the University of Southampton 'Hampshire' study permit both an appreciation and interrogation of the view.

In their Alnwick study, Powe & Shaw (2004, 416) show that, rather than having a sense of affinity and/or loyalty to the market town and its services, their survey respondents had a *'purely instrumental'* relationship with it. In contrast, even though their survey respondents largely shopped elsewhere (outshopped), 'village level services were held dearly'. Similarly, in the 'Hampshire' study there were related mismatches between attitude and behaviour which affected particular groups and communities more than others. In the qualitative dimensions of the Hampshire study, respondent groups who expressed the most concerns about corporate food retail convenience store entry destroying a sense of 'localness' and/or disregarding local opinion were typically more affluent 'outshoppers' who were heavy car users for food shopping. Moreover, of the four communities studied, the one where overall there were least concerns about such issues, and the greatest congruence between shifts in shopping behaviour (relocalization of food shopping into the community) and positive attitudes to the Express store entry, was the significantly disadvantaged inner-city community of St Mary's in Southampton.

Arguably, it is these mismatches revealed in the Alnwick and Hampshire studies between:

(a) the way consumers 'vote with their feet' if given the opportunity to access wider-range/good value food retail locally and what, on the other hand, they like to believe and frequently say about valuing the diversity of small locally-owned retailers, together with

(b) the way certain social groups who may, curiously, have either less to gain from, and/or more resistance in their established shopping behaviour to, the benefits of the 'relocalization' of food shopping, are able to set the agenda of opposition to supermarket entry into high street convenience sector retail,

which lie at the heart of the highly polarized debates about the threats and benefits of ‘supermarket’ entry into the sector.

Reconciliation of these contrasting views would seem to be highly unlikely. However, what is clear is that, in expanding in the convenience store sector, the ‘supermarkets’ must be highly sensitive to these conundrums posed by the deeply held views of the value of local services. As the Department of Environment, Food and Rural Affairs (Defra) stated in its recent review of the UK grocery retail sector, the ‘supermarkets

> ‘have responded in innovative, dynamic and generally profitable ways to socio-economic change and rising consumer expectations within the evolving regulatory and cultural framework in which they operate’ and those that ‘do not anticipate and meet customer needs efficiently are unlikely to prosper’.

However, that success

> ‘has historically been predicated on high levels of public and political support, but that is no longer guaranteed. Concerns and adverse publicity, well founded or not, reflect growing expectations regarding the social responsibility of supermarkets’
> (Defra, 2006, 23).

Expansion within the convenience store sector clearly poses the ‘supermarkets’, and particularly the innovative and customer-centred market leader, the ultimate test of their ability to demonstrate that their success is built on their skills of working ‘*with the grain’* of consumer and community opinion, and that they can continue to respond in flexible and ‘good neighbourly’ ways to the need to promote themselves as the hub of the local communities which they now serve in much more direct and visible ways.

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