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Retail bosses reveal the stores they love to spend in **p16**



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Asda's new direction

The road ahead for the grocer after £6.8bn deal **p4**

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EDITOR'S COMMENT

Luke Tugby



Whisper it, but retail is on the road to recovery

One would be forgiven for thinking retail was on its proverbial deathbed given some of the media coverage of the last fortnight.

National news bulletins last week led on Greggs' job cuts warning and the profit declines at Hotel Chocolat, Card Factory and ScS. Some snippets charting how Ocado's market cap briefly surged above Tesco's were used as evidence that physical retail was ailing and technology was taking over.

But those headlines do not even begin to paint the full picture – one of an industry that is battling back amid the most challenging social and economic circumstances.

Of course, further headwinds lie ahead for the sector. Current Covid-19 restrictions are likely to be tightened as the government seeks to reduce the impact of a rapidly brewing second wave.

The Christmas and Black Friday peaks could be subdued for many, particularly for retailers that rely on in-store experiences to drive sales.

As the furlough scheme winds down and the rent moratorium ends, cost bases will soon be reinflated, leaving leaders facing tough but necessary measures if they are to streamline their businesses to be fit for the future.

But despite the tale that some headlines tell, retail is tackling that climate head-on with courage and strategic conviction. Many are doing so with levels of success even they had not dared to predict at the start of the crisis.

Plenty of ground is still to be covered, with many a twist and turn to come, so whisper it for now, but retail is on the road to recovery.

Take Greggs. The previously fast-growing food-to-go specialist's admission that there is no longer enough demand to keep all of its store staff in full-time employment came as a blow. The business has launched a consultation with workers but hopes to minimise the scale of job losses by reducing hours.

But there were plenty of positives in its update to the City. In the four weeks to September 26, like

for likes recovered to 76% of 2019 levels – a solid showing considering a sizeable chunk of Greggs' estate is based in travel locations.

The business has ramped up its digital drive, facing into Covid-19 restrictions by rolling out its click-and-collect and home-delivery propositions at a quicker pace than previously planned.

It revealed that it is to resume its store opening programme, with a net 20 new stores expected in its financial year.

Hotel Chocolat is taking a similar tack and is eyeing further opportunities. It has crystallised its joint venture partnership with cosmetics manufacturer Rabot 1745 to grow its health and beauty offers and also struck a five-year deal with THG Ingenuity, using its tech and logistics expertise to expand its online operations in the US.

Boohoo has been beset by modern slavery allegations at the warehouses of its suppliers in Leicester – something its boss John Lyttle has vowed to put right – but that has not deterred its stunning sales performance.

Revenues surged 45% to £817m in the six months to August 31, while pre-tax profit jumped 51% to £68m – a testament to the manner in which it

rapidly adapted its operations and its product.

Its fashion rival H&M returned to profit in its third quarter, the three months to August 31. Boss Helena Helmersson insists: "Although the challenges are far from over, our assessment is that the worst is behind us and we are well placed to come out of the crisis stronger."

Plenty of retailers will be starting to feel the same – and rightly so. There remains no room for complacency, of course, and there will, unfortunately, be more store closures and job losses on the horizon. But retail is, yet again, displaying its ability to adapt and identify new opportunities.

There are hard yards still to travel, but after a bruising six months, retail is on its road to recovery. **RW**

The headlines do not even begin to paint the full picture of an industry that is battling back

THE BIG STORY

Asda's £1bn question: where to splash the cash?

Asda's new owners the Issa brothers have pledged to invest £1bn into the business over the next three years. Retail Week looks at the areas they should prioritise to return the grocer to former glories. **Hugh Radojev** reports

Hours after EG Group co-founders Mohsin and Zuber Issa were confirmed as Asda's new owners last Friday, the supermarket giant's chief financial officer Rob McWilliam summed up their intentions.

"This transaction is ultimately about growth," he tells Retail Week, adding that the combination of the Issas, private equity backers TDR Capital, Asda and Walmart – which has maintained a minority stake – "will allow us to take a material step forward for customers, UK suppliers and staff."

McWilliam pointed to the Issa brothers' pledge to invest £1bn over the next three years as evidence of that growth focus.

But where will the billionaire brothers from Blackburn need to spend that money if Asda is to win back shoppers from its discount and big-four rivals and start gaining market share again?

Mergers on the forecourt

Despite the headline-grabbing £1bn figure, Shore Capital analyst Clive Black notes that such a cash injection would likely put Asda "behind the annual investment spend of its major quoted peers and the German discounters". Just last week, Aldi revealed that its investment in the UK during 2020 and 2021 would hit £1.3bn.

Capital-light areas of growth are likely to be sought by Asda as a result – and there is a clear opportunity to leverage EG Group's nationwide presence on petrol forecourts to grow a convenience footprint of sizable scale.

The vast majority of Asda's 630-strong store portfolio in the UK

is taken up by its superstore format. Such reliance on large out-of-town sheds has not only allowed the discounters to make inroads but has seen more traditional rivals Tesco, Sainsbury's and the Co-op steal a march in convenience.

McWilliam stresses the retailer will seek to harness the Issa brothers' vast experience in garage forecourts and c-stores in a bid to establish fresh revenue streams.

"We see growth in all channels, including superstores. But coronavirus taught us all a lot," McWilliam says. "Community convenience has clearly done very well too, and we want to benefit from that".

The retailer has already signalled its intent in that space, launching its Asda on the Move convenience fascia on three EG sites last month as part of an increased focus on "making our busy customers' lives easier".

Retail Remedy partner Phil Dorrell, a former head of central operations and in-store marketing at Asda, says adding an Asda grocery offering on to EG Group's UK estate of around 400 petrol forecourts would be one of the quickest and easiest ways to gain sales and increase market share.

"If you've only got around 630 stores across the UK, it means, from a food perspective, you're the least populous [of the big four] going," Dorrell says. "Suddenly, you add EG's locations and you can maximise that. That's where the growth and capital investment is going to be."

Dorrell can also see the Issa brothers repurposing some existing

EG sites as Asda supermarkets to help plug gaps around the UK where the grocer currently doesn't have much of a presence.

"That's the sweet spot. Looking at where, format-wise, they can come up with something that has small, medium and large from a convenience perspective: small forecourt, with a medium-sized supermarket, or a larger forecourt with a smaller convenience store."

Catherine Shuttleworth, an Asda alumna and chief executive at marketing agency Savvy, agrees, but cautions: "Asda's not going to become a convenience business overnight."

She suggests the Issas will look at each supermarket "on a store-by-store basis" and could seek to invest cash into modernising its better-performing locations.

Collaboration is key

There are other ways Asda can leverage EG Group's expertise. The Issa brothers already have long-established partnerships with the likes of Greggs, KFC and Starbucks – and Dorrell believes bringing such third-party businesses into Asda's existing stores would help to increase the appeal for customers.

"That's another quick win and way to gain extra capital and improve the profits per site from those Asda stores," he says.

It is a point that the Issa brothers made themselves following the acquisition last Friday. "We believe that our experience with EG Group, including our expertise around convenience and

brand partnerships... can help to accelerate and execute [Asda's] growth strategy," they said.

Black, meanwhile, speculates whether the Issa brothers may look to take advantage of Asda having on average "the largest average store footprint in the UK" to bring more store-within-store partnerships, like those it has with Decathlon in its supercentres.

He says partnerships with "value-based apparel groups" would help to "bring new life, resource and investment" to its George clothing and Asda at Home brands. Black describes the latter as having been "the poor cousin" under Walmart's ownership.

Euromonitor International analyst Frida Polyak agrees, suggesting the Issa brothers should "focus more on non-grocery" and turn sections of its supermarkets "into variety stores such as Home Bargains or B&M".

For Shuttleworth, it won't just be in-store partnerships the Issas will pursue. She believes deals could also be on the cards that will help drive Asda's ecommerce strategy, even suggesting Asda could seek to strike a supply partnership with Amazon now that it is no longer under the majority rule of its arch rival Walmart.

"Asda has a reasonably young shopper base, so they should be thinking more digitally," she says. "Morrisons may have cornered things with Amazon but I don't think that would necessarily rule them out. They could never have looked to partner with Amazon under Walmart because the two are such close rivals. But now, I wouldn't rule something like that out."

Who are the Issa brothers?

Mohsin and Zuber Issa took their first steps into retail as shopfloor workers in their dad's petrol station and leased their first site together back in 1999 – the same year Walmart paid £6.7bn for Asda.

Twenty-one years later, the ambitious lads from Lancashire have won the race to take Asda back into British hands.

It was in 2001 that EG Group was formed, when the brothers, who moved to Blackburn with their Indian parents in the 1960s, purchased their first petrol station.

The derelict site in Bury cost £150,000 and is around 15 miles from the town they still call home.

It took them until 2012 to build their portfolio to 76 sites across the UK, but then the group shifted its growth plans into another gear.

With Mohsin running the business day-to-day, Zuber, who leads on strategy and acquisitions, struck deals with ExxonMobil and Shell to establish EG as a serious player in the petrol forecourt game. By the end of 2015, its 370-strong estate gave it a nationwide footprint.

The Issas set their sights on international expansion after securing investment from TDR Capital – the private equity firm the brothers joined forces with to buy Asda. It merged with European Forecourt Retail, taking its petrol station estate to 1,100 locations. Further acquisitions in Germany, Italy and the Netherlands followed, before in 2018 it snapped up stores from US giant Kroger. In 2019, it bought 500 stores from Woolworths in Australia.

EG now operates more than 6,000 petrol stations, employs 44,000 people across three continents and works with a who's who of food and beverage operators including Subway, Greggs, Starbucks, Burger King and KFC.

But building their business is not the Issas' only focus – community and charity work has always been at central to EG Group.

The brothers founded the EG Foundation and the Issa Foundation to support communities and organisations with activities that promote education and health and tackle poverty.



Asda's new owners
Zuber and Mohsin Issa

Ecommerce opportunities

Online is likely to become an increasing focus for Asda under the Issas.

Ecommerce sales have surged during lockdown and the grocer has ramped up its online capability at pace. It can now fulfil 700,000 orders a week and has pledged to increase that to 740,000 by Christmas and to more than 1 million by the end of 2021.

That would still leave it lagging behind market leader Tesco's 1.5 million weekly slots. Both Shuttleworth and Dorrell suggest there is much more Asda can do in the online space.

For Shuttleworth, the launch of a click-and-collect proposition through EG Group's footprint presents a huge opportunity.

"I think they'll look to grow online through offering click-and-collect drive-thrus at petrol stations," she says. "In Leeds, outside Asda House, there's already a petrol station where you can drive up and collect your shopping. I think they will look to roll out more of those kinds of things."

By contrast, Dorrell believes the new owners will look to their sprawling petrol forecourt empire to transform some into dark stores for picking and packing Asda grocery deliveries.

"If you haven't got an Asda store in, for example, the Isle of Wight, but the EG Group has three, suddenly you can fulfil online shopping there from a dark store and now you've got access to a new part of the market you didn't have before," Dorrell suggests.

Supply and demand

The Issa brothers have also pledged to invest more in Asda's supply chain, particularly to "increase the proportion of UK-based suppliers" in categories like chicken, dairy and potatoes, and a commitment to source 100% British beef.

Black says this would provide a "boost" to domestic UK suppliers but remains unconvinced by such promises at this stage. "We will wait to see what a cash-focused and potentially deleveraging business does with its manufacturing," he says.

Such scepticism is warranted when you consider that former parent and now minority stakeholder Walmart will also retain an influence on Asda's supply chain, with McWilliam admitting the US titan is "continuing to give us access to innovation and sourcing".

Sawyer's Shuttleworth, though, can see the advantages of Asda targeting

more British suppliers, with the ongoing coronavirus pandemic and a potential no-deal Brexit likely to add strains to international supply chains.

However, given Asda's relative size compared with the likes of Tesco, which has also established a buying alliance with Carrefour, Shuttleworth wonders if the brothers may look to spend some capital on merging the buying departments of the grocer with the wider EG Group business.

"They're the third-largest retailer, so they haven't got the biggest amount of clout, but they could start buying for EG as well," Shuttleworth suggests.

"If you work for Walkers, it would be a good reason to get straight on the phone to the crisps buyer at Asda, because suddenly they'd have an additional 6,000 buying points globally to add to your list."

The ink is barely dry on the £6.8bn cheque, and the seal of approval from the Competition and Markets Authority is still to come, but the Issa brothers will already be plotting their growth strategy for the business.

With work to do in stores, online and in the supply chain, the biggest question may not be where to spend the £1bn, but how far that money will go. **RW**

NEED TO KNOW

Boohoo boss on striving to get things right

Following an independent review of its supply chain, Boohoo chief John Lyttle outlines the fashion etailer's plan of action. **Rosie Shepard** reports

In the past six months, Boohoo has faced a number of challenges, but chief executive John Lyttle and the board are confident they are on the right path.

While many fashion retailers have struggled in recent months due to the impacts of the coronavirus pandemic, fast-fashion pureplay Boohoo has seen sales and profits soar as more customers chose to shop online in the midst of the pandemic.

With its “speed to market” and “test-and-learn” approaches, the retailer, which owns Boohoo Man, PrettyLittleThing, Nasty Gal, Miss Pap, Karen Millen, Coast, Oasis and Warehouse as well as its eponymous label, was able to quickly pivot its styles to match lockdown trends such as loungewear and athleisure, making it a popular choice for consumers.

On July 5, allegations of modern slavery at some of Boohoo's suppliers in Leicester came to light, prompting the retailer to launch an independent review into its supply chain led by Alison Levitt QC.

The results and a list of recommendations were revealed last week, and Lyttle has confirmed Boohoo will implement all the suggestions Levitt made in the coming years.

Far from being cowed by the challenges of the past six months, Lyttle recognises that Boohoo “won't succeed” if things don't change, and has vowed to “get it right” in Leicester in order to support a sustainable future for the group.

“Boohoo has a huge influence on the UK textile industry,” he said.

“Our ongoing commitment both to UK manufacturing and also to working in conjunction with local partners to improve standards in the region means we have the ability to be a real driving force behind positive change.



John Lyttle: ‘We will not be the fashion ecommerce leader if we do not get this right’

“We are aware that we will not achieve our ambition to be the fashion ecommerce leader, not be a strong investment proposition and not succeed if we do not get this right in terms of compliance and sustainability.”

Four key steps

Boohoo has identified four key stages in its plan to revamp its supply chain and ensure total compliance: first, completing an audit of its supply chain in partnership with compliance specialist Verisio; second, accelerate its compliance programme including Levitt's recommendations from the independent review; third, create a roadmap for its UK supply chain and publish a list of suppliers; and finally, roll out the learnings to its international supply chain.

Lyttle said Boohoo is still in the process of setting out a timeframe for completing each of these stages and implementing all of Levitt's changes, but the group has already followed some suggestions, for example hiring a director of sustainability and a director

of responsible sourcing.

He told Retail Week: “We're committed to doing everything said in the review. As you can imagine, we got the document last week so we're in the process of evaluating each recommendation – what does it require, when can we complete it by?”

“I've made a number of statements about what we can do in the next six months and what we can do in the next 12 months, so it's not something we want to dwell on for years – we want to do it all in a very reasonable timeframe, but we're working through the details.”

Fine-tuning suppliers

He also said that as the company grows it will look to source products further afield as well as placing bigger orders with a limited number of UK suppliers.

“I would describe it as consolidation,” he said. “We're not looking to reduce the volume of products we source in the UK, but consolidating the number of people we work with so that we drive more volume through a smaller number,

meaning better efficiency. It will be better-planned production.

“We're growing at 45% in the last six months. It was only this time last year that we talked about breaking the billion-pound barrier and now we've reached £1.5bn.

“We're growing very fast, we need more capacity. But equally, we need more categories – things like jeans, cosmetics, jackets, knitwear. These are a lot of categories that just aren't made in the UK, so naturally our international supply chain will grow.

“When you think about where, I'd describe it as the usual places. If you look at China, for example, just under 50% of the world's garments and textiles come out of China so we'll definitely be expanding there. We'll be expanding in Bangladesh, Turkey – the usual sourcing countries really.”

When asked why the board was confident in the future success of the retailer's various brands, Lyttle said: “I think everything we've achieved in the last six and a half years since our IPO has been very successful.

“We've overcome the past six months in terms of Covid-19 and continued to keep the business growing, continued in the M&A field. We clearly have work to do regarding compliance and our supply chain, but equally, as we've done in other areas of our business, we're very confident that we can achieve that and deliver on it.”

Boohoo bought struggling fashion retailers Oasis and Warehouse out of administration in June – much like it did with Karen Millen and Coast last year – after it raised £200m in funding specifically for M&A.

In terms of future acquisitions, Lyttle said Boohoo was reviewing “lots of different opportunities”, including some internationally. **RW**

What went wrong and what should be done?

Following the publication of the Boohoo independent review into allegations about factories in Leicester, Retail Week explores its key findings and solutions to the controversy

Since it was founded in 2006, Boohoo has grown exponentially as a pureplay business, reaching customers online and carving a niche for itself on social media.

It listed on the stock market in 2014 and Levitt points out it is now worth more than Marks & Spencer.

In recent years, Boohoo grew as it took over other fashion brands, most recently Oasis and Warehouse in June.

Levitt says one reason scrutiny of the supply chain fell by the wayside was Boohoo's focus on growth alone.

"Commercial concerns such as growth and profit were prioritised in a way which made substantial areas of risk all but invisible at the most senior level," she says.

Part of the issue is that Boohoo does not see its suppliers as part of the business and factory workers are "largely invisible to them".

Levitt concludes that the Leicester situation received insufficient attention because problems in the city's textile industry did not directly affect the company.

"The Leicester workers are not employed by them and so they are not their responsibility in the way that their own workforce is. To some extent this is understandable, but can lead to serious issues of the kind which Boohoo is now facing," she says.

The problem was exacerbated amid the pandemic as Boohoo sought to capitalise on lockdown trends such as loungewear.

The retailer placed orders with

suppliers without first checking their capacity or compliance with safety requirements such as hand sanitiser, social distancing or PPE.

The review reveals a number of emails sent between Boohoo's leadership team discussing whether it was ethically viable to continue to place orders, as well as emails sent directly to suppliers asking for evidence of safety measures.

Ultimately, those ignored emails were not followed up and Boohoo continued to place large orders, which in turn meant suppliers turning to more subcontractors in order to keep up with demand.

The problem with subcontracting was highlighted in the initial investigation carried out by *The Sunday Times* in July. The article claimed garments were being made for Nasty Gal in a factory with inadequate working conditions, run by Jaswal Fashions.

What Levitt reveals is that Jaswal Fashions ceased operating in 2018 and the garment in question was placed with a company called Revolution, which subcontracted to Morefray, which in turn manufactured the item in a subsidiary in Morocco.

That Nasty Gal had no knowledge of its garments being produced abroad exemplifies how clueless the Boohoo team were about where their products came from. How could they ensure they were produced in safe conditions?

Levitt found a key issue for Boohoo is the level of autonomy given to buyers to place orders wherever they see fit and to negotiate their own prices.

That will often drive suppliers to accept orders they cannot realistically fulfil while paying workers a fair wage, and in turn leads to subcontracting.

The group has no robust testing system for bringing new suppliers into the fold, with few onboarding controls.

While Boohoo has an in-house

compliance team, monitoring of suppliers was lax at best with visits informal, short and often announced.

The Leicester apparel industry has had problems with ethical standards for years and Levitt concludes that Boohoo knew of issues in factories it used from March 2019 at the latest, but was too slow to react.

"Boohoo's culpability lies not in doing nothing, but that they did too little too late," says Levitt, who has created a roadmap to lead the retailer forward on a better path.

What should be done?

"If Boohoo is willing to take a different approach to how it views and interacts with the Leicester supply chain, it has it within its power to be a tremendous force for good," Levitt believes.

While the group initially set about making some changes in December 2019, albeit with an "insufficient sense of urgency", Levitt's review lays out an "agenda for change" including short, medium and long-term suggestions.

In the immediate term, within the next six months, Levitt suggests Boohoo reduce its approved suppliers to a list that contains a manageable number of companies, with the goal of eliminating subcontracting and therefore giving full visibility of the workings of its supply chain.

By having direct contractual relationships with all suppliers, Boohoo will be able to track its sourcing and complete a sufficient onboarding process to ensure ethical and sustainable credentials.

Levitt says that Boohoo should publish a list of both its Tier 1 and Tier 2 suppliers within six months of her review, and should commit to publishing an updated list annually. Approved suppliers and subcontractors will have to adhere to a strict list of "essential parameters" in order to be eligible.

By placing a "mixed bag" of orders across brands with each supplier, for example, mixing more complicated clothes with higher margin with basic cheaper items, Boohoo will be able to keep the prices of simple clothing low while still allowing the supplier to pay proper wages and make a reasonable profit, suggests Levitt.

In the same way Boohoo looks after its own employees, Levitt thinks the retailer should welcome suppliers' staff into the fold so as not to let standards slip again.

"The factory workers who make the clothes upon which Boohoo's success is founded, whilst not becoming employees, should be celebrated as part of the Boohoo family," she says.

To tackle the problem in house, Levitt advises Boohoo to retrain its buyers to understand the cost of creating garments so they do not push for the lowest prices at the risk of impacting ethical practices.

With strict sanctions for misbehaviour and rewards for using the approved list of suppliers, Levitt hopes the Boohoo buying team will also help to drive change.

Boohoo has already said it intends to hire a sourcing director and Levitt suggests it hire an independent person – not a director – to oversee the changes across the group in the coming months and years.

She also tasks Boohoo with creating a supply chain compliance committee within the next four weeks to establish an audit programme and ensure that supply chain issues are on the agenda at every board meeting.

Longer-term, Levitt believes Boohoo should rethink its brand position. While she acknowledges that it is in essence a fast-fashion business, she hopes the controversy has highlighted the social responsibility that comes with being a public company. **RW**

NEED TO KNOW



B&Q's small-concept store in Merton

How Kingfisher is switching to digital-first stores

Kingfisher has shifted strategy to prioritise in-store picking and new store types as it seeks to accelerate the integration of on- and offline. **Rosie Shepard** reports

DIY giant Kingfisher has found itself in a strong position despite the impact of the pandemic as more consumers turned to home enhancement projects and gardening to pass the time during and after lockdown.

While the retailer, which operates B&Q and Screwfix in the UK, was classed as essential and began reopening its stores to the public in April, its ecommerce sales soared in the six months to July 31 when they were up 164% year on year.

As part of its digital-first strategy, Kingfisher is supporting its online operations with in-store initiatives such as picking and packing, click-and-collect and final-mile delivery through partner DPD. The retailer is also trying out a variety of smaller formats, including compact shop-in-shops in four Asda stores.

Keeping up with demand

Ecommerce sales now amount for 19% of the group total at Kingfisher.

To keep up with the online demand, the home improvement colossus has leveraged its store estate, switching to in-store fulfilment for the majority of products while its distribution centres serviced the rest.

Kingfisher boss Thierry Garnier believes that making home delivery and click-and-collect services as efficient as possible is the way forward.

"We were starting to do experiments before the crisis, so when it started we accelerated our plans around store picking. I believe we can go very far with store picking, click and collect and home delivery from the store."

Using in-store fulfilment, B&Q can now offer next-day delivery to 98% of the UK population and was

processing 50% of home-delivery orders in stores by the end of July.

The store-to-home orders are picked in one of the retailer's 56 "digital hub" stores by a dedicated team with their own manager. The team picks orders for both home delivery and click-and-collect orders for those stores.

For stores that only offer click and collect, the orders are picked by existing store staff. That is by far the most popular option, which Kingfisher has supercharged during the pandemic.

Throughout the six-month period, click-and-collect sales grew by 243% – its fastest-growing channel. Click and collect now accounts for 79% of group ecommerce sales. B&Q commits to offering the service within an hour and Screwfix in as little as one minute.

Store picking, Kingfisher says, makes sense because there is only a marginal extra cost to move stock from the shelves to the designated collection storage area.

For home delivery, on the other hand, B&Q has the added costs of fulfilment – a cost that will likely rise as it aims to offer same-day delivery options over the coming months.

I believe we can go very far with store picking, click and collect and home delivery from the store
Thierry Garnier, Kingfisher

In the 56 digital hubs, which are fulfilling orders that would previously have been sent from a distribution centre, the retailer has added more stock.

In the rest of the stores, which only fulfil click-and-collect orders alongside the ordinary store operations, stock levels are adjusted on a case-by-case basis according to consumer demand, in the same way that would happen if items were taken directly from the shelves by customers.

In these cases, the majority of customers would have bought the item from that store anyway – click and collect is just an alternative way of shopping, according to Kingfisher.

While stock levels may not be as big an issue, Eagle Eye head of industry insights Miya Knights also talks about the cost, time and hassle of having workers pick from the store, giving the example of Waitrose, which previously ran a picking service from its stores at night, causing problems for the colleagues who came into the store the next morning.

With an extra team in the digital hub stores, organisation will be key to keep both operations running alongside one another.

Knights suggests a combination of in-store picking, distribution centres, dark stores and smaller formats could be the answer in order to ensure all customers are served without taking too big a hit on profitability.

New store models

Garnier is adamant that a combination of stores and online will set Kingfisher up for success, but envisages smaller store formats leading the way in future.

While retail parks, where the majority of Kingfisher's B&Q big-box stores are located, have emerged as the coronavirus winners as social distancing is more easily maintained, Garnier believes convenience will be king.

"Retail parks have recently shown better results and we can understand why," he says.

"If you look at grocery retailers, however, the smaller formats have had better results during the crisis. So, if you think in the longer term, I still believe smaller formats are key for demographic reasons to help with online."

The group has been piloting various smaller store formats,

including what Garnier has dubbed "B&Q Express".

The first iteration opened in Merton, south London, in January – a 13,000 sq ft compact store that stocks 6,000 SKUs, with an additional 40,000 available for next-day home delivery or click-and-collect.

The store, which is only a 10th of the size of standard B&Q stores, also features a small showroom for kitchen, bathroom, tiling and flooring ranges, a paint mixing service, and an indoor and outdoor plant selection.

The retailer has also revealed plans to open shop-in-shops in four Asda branches this year.

Garnier hopes that a test-and-learn approach will enable the creation of the right smaller urban format for the future, and has given Kingfisher's chains, which include Castorama in France, the freedom to conduct their own experiments.

Like the Merton store, the new formats will carry limited ranges, showcase design options, and act as a hub for additional products available for home delivery or click and collect.

Knights agrees that smaller formats are a good idea, but the retailer will need to be careful that the lack of space in store to keep products to sell immediately does not add friction to the customer journey.

"They will need more centrally located, smaller stores in urban

That they have been able to ramp up their ecommerce capacity, open up their deliveries and scale their click and collect is a testament to the fact that they've been sitting on this capacity all along
Miya Knights, Eagle Eye

areas and their most popular areas to service those people and not impact on shelf availability in their other stores," she says.

"It will be interesting to see how a home improvement retailer does a smaller-format store when they can't keep large products without adding extra friction to the customer experience because they can only fulfil requests at a point in time in the future, whether it's next-day or same-day delivery or click and collect.

"That leaves me with some question marks as the smaller format can't possibly cover the range.

"What they'll probably do is bring more of the planning, for example, kitchens, into the store. They'll be able to experiment with technology and immersive experiences,

perhaps even allowing customers to use a virtual-reality headset to design their next project.

She also suggests the smaller stores could act as hubs for kerbside pick-ups of larger items, whether for delivery by smaller vehicles in an urban location or collected by customers.

While there's little doubt that these new store strategies are a step in the right direction for Kingfisher, Knights thinks it is ironic that it took a global pandemic for such options to be put in place by some retailers.

"That these retailers have been able to ramp up their ecommerce capacity, open up their deliveries and scale their click and collect is a testament to the fact that they've actually been sitting on this capacity all along – almost throttling it deliberately as they know it's not as profitable," she says.

Knights is sceptical whether the DIY sector will continue to boom in the coming months because of economic uncertainty and the potential for more pandemic disruption, meaning Kingfisher could ultimately be basing its positive outlook off unrealistic numbers.

Garnier, however, is excited about the prospect of testing new concepts and driving faster and more efficient delivery and collection services as Kingfisher adjusts to the new operations, and is betting on a "better than average" market for the DIY sector in the coming months. **RW**



Thierry Garnier

NEED TO KNOW



Sharry Cramond

M&S' Cramond: How retail changed my life

As part of our No Limits campaign, Sharry Cramond of M&S tells **George MacDonald** how a positive attitude, hard work and strong role models helped her achieve her goals

When Sharry Cramond was growing up on a council estate in central Scotland she never dreamed she would work for some of the biggest names in global retail. However, the industry opened the door to phenomenal opportunities that she gladly seized, spending time at giants such as Tesco and Australian firms Target and Coles before nabbing what she terms her dream role – not just any marketing director job, but the M&S Food marketing director job.

“I grew up in a happy but low-income family and didn’t have any sort of business leader role models in my life. No one would really expect me to do anything other than live in the town and work in the town,” she recalls.

Despite this lack of expectation, she never doubted herself, turned setbacks to her advantage and vowed to grab any chances she was offered.

Teased as an 11-year-old because her second-hand blazer was a different

colour to the other children’s, she told herself she preferred the one she had.

“This highlighted to me at an early age that if you tell yourself something over and over again it can become your truth, and it started off my obsession with the power of self-talk and the power of the mind to achieve whatever you want in life,” she says.

Abandoning ambitions to become a journalist after failing a spelling test, Cramond forged ahead with a career in marketing, working at food conglomerate Kraft before joining the world of retail. She spent more than a decade at Tesco with roles ranging from convenience business planning manager through to dealing with the Competition Commission, before joining Coles in Australia – a pivotal moment.

She says: “My big break was meeting Archie Norman when he was interviewing me for Coles in Melbourne and then joining the turnaround team

in Australia. With [now M&S Food managing director] Stuart Machin, [former Halfords and Asda director] Ian McLeod and others. Archie had assembled the most incredible team and I learned so much from them.

“I had never worked so hard in my life, but equally never achieved so much or had so much fun. I think you get addicted to turnarounds – well, I did anyway, as I then worked with Ian again on another one in the US and am back with Archie and Stuart now at M&S. I could truly pinch myself that I get to work with such incredible people.”

Dream job

Cramond joined M&S in 2018 and is responsible for the way the retailer communicates with customers, which covers everything from packaging design to social media and advertising.

She recently launched M&S Food’s ‘Remarksable’ campaign, which

emphasises the competitive prices of its grocery staples. This marketing plan is key to attracting a wider audience to M&S, particularly as it forges ahead with its online venture with Ocado.

However, Cramond’s role is incredibly varied. “In a typical day, I might be working with product developers on new launches, meeting with the trading team or on a video shoot with our panel of celebrity tasters – Amanda Holden, Rochelle Humes, Paddy McGuinness and Emma Willis.”

Being pushed to go further

She regards Norman, Machin and McLeod as her mentors and explains: “They pushed me to go further and do more than I ever thought possible, and it’s because of their leadership that I’m in the position I’m in.”

And Cramond believes that is representative of retail more widely: “I haven’t met anyone in retail who cares a jot what school you went to or what type of accent you have.

“Everyone is as important as anyone else – in fact, the most important people are working in the stores. They are our brand and anyone can rise up the ranks. It’s all about working hard, having the right attitude and putting the customer first. There are lots of people who have gone from shop floor to chief executive.”

Cramond has just a book about her career, called *Win Your Lottery*. She says: “I’ve written it because the thing that I’m most passionate about in my life, apart from my family and working hard for M&S, is helping others see that anyone can be whatever they want to be and achieve their dreams, regardless of background.

“My advice to anyone who’s starting out is to always go the extra mile. In my experience, there will always be someone smarter than you or from a more privileged background, but I believe that where I am today was definitely helped by having a positive attitude: ‘The answer’s yes, now what was the question?’”

Cramond and her career so far are testament to how the retail industry can be a powerful force for social mobility for those with a can-do attitude. **RW**

Get involved in No Limits

If you are a senior retail leader and want to get involved in the No Limits campaign, or if you are a retail employee with an inspirational story of how the sector has changed your life for the better, contact Retail Week editor Luke Tugby on luke.tugby@retail-week.com.

Help us keep retail at its brilliant best for everyone

Retail Week's new campaign seeks to highlight the vital role retailers need to play to ensure social mobility continues to thrive within the industry. By **Charlotte Hardie**

The retail industry's meritocratic reputation has always been celebrated. With its enviable track record of embracing people of all backgrounds, it has for decades been a place where people can succeed through innate ability – aided by the oft-acknowledged shopfloor-to-boardroom career path.

As former Tesco boss Sir Terry Leahy puts it: "Retail is one of the great engines of social mobility. In every town and every community, they're the local employer."

Yet retail's standing as a proponent of social mobility, and with it a strong track record for youth employment, is now on more fragile post-pandemic ground.

More than 125,000 job losses, hundreds of store closures and acceleration of the shift in consumer spend to online channels – boosting the need for tech and digital talent – all have the potential to reshape the retail workforce demographic.

This once-strong engine of social mobility risks grinding to a halt, replaced by a conveyor belt delivering an even greater number of the more privileged and university-educated to head offices.

Leahy, a council-estate boy from Liverpool, is one of the ambassadors of Retail Week's No Limits campaign that launches today.

After months of sector upheaval, the aim is to raise awareness of and reinvigorate a focus on social mobility as a benefit to us all as individuals, the teams we work in and the society in which we live.

Another No Limits ambassador, AO.com founder and chief executive John Roberts, says: "Talent is evenly distributed. Opportunity is not."

In part owing to the Black Lives Matter movement, the conversation about addressing diversity on all four corners of the world has been fuelled over the past six months. Race and gender inequality remain, thankfully, high up the agenda. But diversity of socioeconomic status is not always

viewed and debated in the same way.

Over the coming months, the No Limits campaign – in association with Retail Week's existing Be Inspired diversity programme – will highlight the vital role that all retail leaders have to play in helping to ensure social mobility is not forgotten in the immediate fight to trade and survive, and the longer-term journey to transform and thrive.

As retail's strategies and business models shift, the sector needs to work even harder to build on all it has achieved for many hundreds of thousands of people from all backgrounds, as well as to continue its reputation for providing young people with opportunities.

To help retailers do exactly that, Retail Week is joining forces with the Social Mobility Commission, which is launching a new toolkit for retailers next year – a charter that will help retail leaders promote social mobility within their businesses and across the sector. We are encouraging retailers to engage with the commission over the coming months to help it shape that toolkit.

The passion with which our No Limits launch ambassadors discuss social mobility, and the way in which



Charlotte Hardie
Group content
director, Retail Week



retail has transformed their lives, sums up how important it is for businesses across the sector to contribute to the Social Mobility Commission's drive.

Sainsbury's regional managing director for the North, Bridget Lea, was a single mum living in a council flat in Manchester when she took a filing job at the Co-op looking after graduate trainees.

The Body Shop boss Linda Campbell worked her way up from a part-time job at an Estée Lauder counter.

Covid-19 has widened the gap between the haves and have-nots, and perhaps permanently impacted the life chances of many children from disadvantaged or low-income families.

We're imploring every leader in retail to evaluate their culture and think differently about how they can play a role in helping level the playing field.

This can seem an added challenge amid a fight to keep the lights on and protect jobs. But this is not about the short term. The No Limits campaign is not just for the benefit of individuals, it's about the future health of the sector.

Diversity leads to a greater purpose, more creative thinking, better decision-making and better financial performance.

As former Waitrose boss and campaign ambassador Lord Mark Price says: "If we exclude people because they haven't been born into a certain place or title, then no business, society or country can achieve its best."

Together, we can ensure retail is at its brilliant best. **RW**

CaRe20



Alongside healthcare professionals, retail workers are the lifeblood of the UK right now.

RWRC – the home of Retail Week and World Retail Congress – retailTRUST and the British Retail Consortium have joined forces to raise £10m for retail staff facing financial distress.

'**CaRe20** – Caring for Retail during COVID-19' is aiming to raise vital funds to provide financial, emotional, physical and vocational support to store workers, pharmaceutical staff, and those working in food distribution and the medical supply sectors who may be ineligible for government support during this health emergency.

HELP CHANGE THE LIFE OF SOMEONE WORKING IN RETAIL TODAY.

Find out more about the appeal and donate through JustGiving by visiting retail-week.com/donate20

Retailers can help fund the appeal by contacting **Claire Greenwood** at cgreenwood@retailtrust.org.uk

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OPINION

Don't wall off data in the marketing department

Retailers who leave data analytics to the marketing department are missing a trick. **Ian Shepherd** explains why data can add value to your business

In more than one high street retailer I've heard the same thing, "Oh, yes, we do data science stuff – it's over there in the marketing department where we decide who to email".

I suppose that isn't surprising. After all, the marketing team probably generates quite a lot of the data through their loyalty programmes, and using data to fine-tune which marketing emails to send to which customers is an obvious and straightforward application.

But those retailers who leave data analytics locked in the marketing department are missing a trick – and they are also revealing something seriously wrong with their overall strategy.

The trick they are missing is that data science techniques can be used to add value to a retail business in a huge variety of ways. Clever analysis of stock in channel can reveal pockets of slow-moving lines and unlock valuable working capital.

More than one fashion retailer, for example, has built models with data by day, SKU, colour, size and store in order to forensically determine which markdowns to apply when. And yet other retailers in the same sector continue to manage pricing by instinct and by spreadsheet.

Models can also help get the right sizes and varieties of the right products into the right stores at the right time. And that kind of modelling does not have to be the preserve of giant retailers – fashion specialist River Island, for example, has used AI and predictive analytics to improve its stock management and merchandising.

Analytical techniques can be applied not just to data about customers and products, but to supply chains, delivery networks and even stores.

Imagine building a segmentation model, not of customers but of different store types in your network. One supermarket did exactly that and was able to build completely different

models for stores based on the type of customer and type of shopping journey they served.

Even more profoundly, careful use of data can spot emerging consumer trends and purchasing habits that transcend any individual product.

Consumer interest in low-fat and organic meals and in environmentally responsible products were all spotted long in advance by those retailers making full use of their data, and they responded by sourcing new products and ranges before their competitors.

Too many retailers, however, have effectively walled off data and analysis into their marketing teams.

Data denial

Indeed, in one retailer the language the leadership team used was a dead giveaway. Ask a trading director or retail regional manager about data and they'd proudly point to the small team working on it and refer to them as "the email factory".

That label revealed not just a series of missed opportunities but also a real

Many retail leaders have grown up in a business where 'big data' did not really exist

strategic problem. It revealed a wider leadership team in "data denial".

As they pointed to the email factory they did so with real pride – they appreciated that what the team was doing was complex and valuable, but the idea that the data being analysed might not just drive emails, but could decide which stores to open and close, which products to buy and where to send them seemed to have never occurred to them.

At a cultural level, that is understandable. Retail leaders in many functions have grown up and become senior based on their deal-making skills, their product knowledge, their instincts about customers and their operational excellence. But many have done so in a business where 'big data' did not really exist.

In a world that has changed beyond recognition and where data science can augment and enhance many leadership functions, denial is understandable.

That's why, in my new book *The Average is Always Wrong* I ended up focusing as much on the cultural challenge facing the leadership team as I did on writing case studies of how data can be used.

The journey towards real data-centricity can be a tricky one for management teams, but it is vital. All those pureplay start-up and technology businesses crowding into the retail space are data natives, after all, and established retailers need to keep up.

Time to let the analysts out of the email factory. **RW**



Ian Shepherd is author of *The Average is Always Wrong*; he has also held senior roles at Game, Odeon, Sky and Vodafone

Data is one of the biggest opportunities in retail

Brands and retailers have an opportunity to pause and listen to what their customers want before blindly marketing products at them, says **Sarah Curran-Usher**

If your customers seem happy to fit into the box you designed for them, then you are making the false assumption that they will be happy next time.

Consumers are fragmenting into what is sometimes called the 'niche of one'. A successful product purchase increasingly relies on the retailer being able to support them with personalised social, email and text communications. But how can a brand or retailer actually know what the customer really wants?

There are many valuable data points that businesses may not know about their customers but that benefit how they can engage: a customer's preference on style, colours, fit and size; what they feel about sustainability and how it affects how they shop; their delivery preferences, whether to store or home; their communications preferences; their public persona on social media or the price points in which they shop.

But this is not a one-way street; we call this the loyalty loop, where retailers gain an increasingly deeper understanding of their customers as those customers interact, buy and feed back.

This then enables the retailer to only display products, prices and packages that they know the customer is looking for.

Using data to learn about a customer and market in a meaningful way strikes me as one of the biggest opportunities still available in retail.

The most generous reward a brand can give is to show customers that they understand exactly what they want

Sarah Curran-Usher
Founder of
My-wardrobe.com
and managing
director EMEA of
True Fit Corporation



Consumers don't just wear brands, they own and live them, and they are telling the world what they want through Facebook, TikTok, YouTube and blog sites. But are brands listening?

Selfridges does it well because it knows who its customer is in real life and what they want in store, and works with its brand partners to build amazing in-store experiences.

Boden is another. Having seen conversion rise for womenswear by enabling customers to use a fit tool to express their exact preferences, it is now adding kids. Ugg has taken a similar route because it is a unique product and customers found it hard to choose their perfect fit. Conversion has doubled since it offered personalisation tools.

The rewards are significant because retailers can then act in near real time based on what they are seeing, on particular spending trends, so they can make seasonal product drops rather than holding stock for months ahead. They can identify their full-price shoppers as opposed to discount-only shoppers and play to their strengths.

Consumers are telling the world what they want via social media – but are brands listening?

New segments

Such insight might reveal new potential segments, such as customers who want to buy some things second hand or rent rather than buy. Brands are experimenting with this, but they are reading the macro market trends rather than tuning in to individual customers' preferences.

Privacy is important but only to the extent that customers need to trust retailers not to share information with the wrong people. (This does not mean they do not want to share it if the rewards are visible and generous.) The most generous reward a brand can give is to show customers that they understand exactly what they want.

How many companies have been launched by people who said they could not find what they wanted on the internet so they did it themselves? The answer of course is many. Here is the clue for brands to respond by creating a more level- and data-rich playing field on which both they and their customers can participate as equals.

But the bottom line is higher revenue. Personalised communications based on insight into individual preferences translates to higher conversion, increased purchase frequency, higher average order value over time and lower returns, leading to a positive lifetime value measure.

And of course, current investment in acquisition, re-marketing and returns management can all be reduced as retailers get it right first time more and more often. **RW**

ANALYSIS

Where retail's top bosses love to shop

Where do retail chief executives most like to shop? Retail Week asked industry leaders to reveal their favourite bricks-and-mortar stores

Jason Tarry, UK chief executive, Tesco Farlows, Mayfair, London

"The store is an Aladdin's cave for the fly fisherman, with every conceivable piece of specialist equipment and item of clothing you could think of – and many more you couldn't. The place is steeped in tradition and staffed by patient, courteous experts who dispense advice and knowledge freely and with charm."

Sir Malcolm Walker, executive chair, Iceland Coltellieria Fazzini, Verona, Italy

"I go to the opera in Verona most years and always visit this shop. I think its range of knives, slicers and espresso machines is just amazing. Every year I buy a penknife – it's the boy Scout in me, growing up when catapults, air guns and pen knives were allowed and every boy had them."

Jacqueline Gold, chief executive, Ann Summers Flannels

"I love everything about Flannels – it is an awesome retailer. The in-store experience is faultless and I can easily spend an afternoon browsing through the great product it stocks. Ordering online is quick and easy, and I never seem to come away empty-handed."

Toni Galli, UK and Ireland country manager, H&M Peter Jones, Sloane Square, London

"For me, Peter Jones is the perfect example of a department store offering a great physical shopping experience – relaxing and calm with a wonderful sense of escapism for the customer. I could spend all day in there, exploring the array of departments."

Nick Beighton, chief executive, Asos Woody Grill, Camden, London

"I'm a huge fan of Selfridges, but I'll go for Woody's. It fed me during lockdown as all the other outlets were closed. Don't tell my wife I had a kebab at lunchtimes – she'll kill me."

Doug Putman, owner, HMV Peter Harrington, Mayfair, London

"I'm a voracious reader, whether it's American classics like Hemingway or musical biographies, and I can't help browsing for hours every time I walk past a good bookstore. Whenever I'm in the UK I make a point of going to Peter Harrington on Dover Street. Shopping there, you have the sense that you're surrounded by history, a great museum-like collection that you can explore at your leisure. The staff's expertise is incredible – they really know their stuff – so even if you don't come away with a book, you learn something new."

Wilf Walsh, chief executive, Carpetright Ryder & Hope, Lyme Regis, Dorset

"I am one of those repugnant second-homeowners in Dorset and Lyme Regis has a clutch of distinctive, attention-grabbing shops. Ryder & Hope is an eclectic, brilliantly curated craft and homeware retailer, which always has interesting stuff from cacti through to unique pieces of furniture. Creative, innovative shopkeepers with practical landlords who give them a chance to make a living is what we need."

Julian Dunkerton, chief executive, Superdry Lorforde, Tetbury, Gloucestershire

"What a fantastic collection of largely Italian and French antiques. With two aircraft hangars of objects, I defy any interiors enthusiast not to find something incredible."

Claire Davenport, chief executive, Notonthehighstreet Frog Orange Party, Oxford

"I love the Frog Orange Party shop in the heart of Jericho in Oxford. There's something for everyone in there and it's full of fun and fancy dress. But it's also special because it's independent and run by people who are part of the local community, who really care about their customers."

Doug Gurr, UK country manager, Amazon Blazing Saddles, Hebden Bridge, West Yorkshire

"I live in Yorkshire and am a bit of a cycling nut. You can find me tinkering with my bikes most weekends and this shop has it all – road bikes, mountain bikes and accessories galore. I could spend hours in there and the team are so friendly and knowledgeable."

Mark Constantine, chief executive, Lush Waitrose

"I like Waitrose because I like the partnership structure and I like the quality of the product. I've moved from Ocado because Marks & Spencer doesn't offer that and, unlike the boss of Ocado, I believe it's the product and not the delivery service that people are buying. I do think M&S food is tasty, though, but I feel it would add 15 kilos to me!"

Kenny Wilson, chief executive, Dr Martens Michanicou Brothers, Holland Park, London

"It's an Aladdin's cave of fruit and vegetables. It has amazing product, which speaks for itself, and the service is fantastic."



Clockwise from top left: Hoopers, Tsutaya Books, Peter Harrington, Coltelleria Fazzini

**Seb James, managing director,
Boots UK and Ireland
Tsutaya Books, Daikanyama, Tokyo**

"My favourite shop is the Tsutaya bookshop in Daikanyama, Tokyo. The amazing Klein Dytham building nestling in a posh suburb is the only shop I would happily live in (well, maybe Boots Covent Garden). Incredibly stylish, a very beautiful cafe and cocktail bar, full of rare magazines from around the world and stuffed with achingly cool people of all ages. And the best stationery department in the world with incomparably smooth Japanese paper and gorgeous slender pencils."

**Alex Baldock, chief executive
Dixons Carphone
The Spice Shop, Notting Hill,
London**

"Many of us in big chains of big shops strive for the personal touch of the small. My favourite store, The Spice Shop in Notting Hill, is very small (you'll have been in larger cupboards) and very personal (it is owner Birgit's baby). If you love cooking, need expert advice (as I certainly do), enjoy discovery, don't mind leaving with much more than you came for and admire unrelenting high standards, this one is for you."

**Edwin Booth, chair and chief
executive, Booths
Anta, Edinburgh**

"I love Anta in Edinburgh when we visit. Texture, space, lighting, product and knowledgeable people create a wonderful juxtaposition of modern Scottish design and Scandi chic. It is hard not to buy with your eyes."

**Barry Williams, managing director,
Poundland
The Food Warehouse**

"The Food Warehouse is my one to watch. Richard [Walker] and his team continue to quietly do a great job. Their rapid rollout, sharpness of pricing and clear customer proposition is inspiring us as we roll out our own frozen food offer."

**Julian Richer, founder, Richer Sounds
Paul Smith, York Designer Outlet,
North Yorkshire**

"I had enjoyed a cuppa with Paul in his office in the 1990s but hadn't frequented his shops because I felt I wasn't trendy enough and couldn't afford to. I very nervously popped into his York outlet store a few years ago and the staff were all welcoming and very helpful, and have remained so for many visits since... and I love buying a beautiful £200 shirt for £50!"

**Ewan Venters, chief executive,
Fortnum & Mason
Private White VC, Mayfair,
London**

"My favourite shop, other than Fortnum's of course, is Private White VC on Duke Street. The staff are fantastic, super-friendly, the space is understated yet totally sophisticated and, of course, I simply love that all the product is beautifully made in the UK."

**Peter Pritchard, chief executive,
Pets at Home
Hoopers, Wilmslow, Cheshire**

"I love how they have brought a very local feel to the store and it is the anchor of the town centre. It reminds me what great shops are about: a lovely environment, a brilliantly selected range (it knows its market and sticks to it) and fabulous service."

**James Sturrock, chief executive,
Tapi Carpets
Majestic, Twickenham, London**

"Consistently impressive customer service with store colleagues that really care about their trade, alongside a creative in-store experience and a great selection of wine. Thank you for keeping me sane through lockdown!"

ANALYSIS

Clockwise from top: Liberty, Niketown, Daylesford, Neptune, Paul Smith, Slowear



Henry Birch, group chief executive, The Very Group Burrows & Hare, Birmingham and Oxford

"Its ethos is 'buy less but buy better-quality goods' and its shops are beautifully curated with evangelical staff – well worth battling through Covid for."

Gavin Peck, chief executive, The Works Card Factory

"There's no other business in retail that has a proposition that's quite as clear and strong as Card Factory's. They are a true destination retailer, they own their market and their pricing proposition is clear. I will always look fondly on that business, which isn't without its challenges at the minute because social distancing in a greetings card shop at Christmas is tricky. In terms of clarity of proposition, pricing and giving customers what they want, it's extremely strong."

Jo Whitfield, food chief executive, Co-op Liberty, London

"My favourite store is Liberty for its in-store inspiration and visual merchandising. The windows and the way the store is laid out adds colour and imagery throughout. It always has a top assortment and a range of new designers and established brands – the selection is spot on and caters for many different customer types and trends. Services in-store are always good, too. It has a wonderful florist and both vintage areas and lovely cafe and beauty services. The staff are always friendly, knowledgeable and focused on giving advice."

Charlie Marshall, founder, Loaf Hilal Food Centre, Kilburn, London

"Hilal Food Centre on Kilburn High Road has been my lockdown highlight. It is an outstanding example of how to retail a product. It has exceptionally good fruit. It is then visually merchandised in great piles outside to draw you in. And it then has an Aladdin's cave of other products inside. You want seven different types of almond? They've got it. Guaranteed to empty your wallet and yet leave you feeling good. Boom!"

Murray Lambell, general manager, Ebay UK Slowear, Milan, Italy

"Recommended by an Italian colleague about a decade ago when I was travelling to Italy regularly for work, I discovered the joy of buying men's clothes for the first time here. Niccolo, the store manager, spent time recommending what suited (and what didn't). The addition of good music and tasteful homewares were a plus. And I am still in touch with Niccolo whenever I've needed a fashion steer."

Tim Stacey, chief executive, DFS Restoration Hardware, United States

"Restoration Hardware is truly inspirational in terms of furniture collections, designs and a shopping experience. Last year, we went to the stores in Chicago, New York and San Francisco, and took huge amounts of inspiration from a design and customer-service perspective. It's like a six-star hotel, with the most amazing cafe where you can quite happily get yourself a glass of chardonnay and walk around looking at the furniture. The room collections and the designs of the rooms are incredible; the furniture itself is beautiful and the customer service is very well done in terms of omnichannel. For a luxury experience, it's the best I've ever seen."

Mary Homer, chief executive, The White Company Selfridges, London

"I applaud its constant innovation across every area of the business – from its creativity to its strong stance on sustainability. There is always a sense of discovery and, most importantly, it just epitomises the joy of shopping."

Nick Jones, chief executive, Joules Daylesford, Kington, Gloucestershire

"Daylesford's Kington store never disappoints. It offers a full lifestyle experience bringing together everything from food and drink to wellness and workshops, all without compromising on the high quality or attention to detail, which I really admire. That seamless and consistent brand experience has been integral to Daylesford building a loyal customer following as the business has expanded over the years."

Peter Williams, chair, Superdry Paul Smith, Covent Garden, London

"A flagship store with a cornucopia of colours spread over what was originally four small adjoining shops, which enables this brand to display its values of being quirky but not frivolous and eccentric but not silly – all underpinned by a British sense of humour, both through the products for sale and the interior decoration. I have been a fan of Paul Smith for decades, as he manages to bring colour and creativity to menswear. A place for male peacocks – like me!"

Cheryl Calverley, chief executive, Eve Sleep Decathlon, Croydon, London

"Decathlon is brilliant, not least because we can lose three hours on a rainy Saturday as the kids try out the archery, bounce on the trampoline and ride the skateboards... and I can buy yet more thermal socks with the promise of warm and comfortable toes."

James Bailey, executive director, Waitrose Slate Cheese, Suffolk

"Slate is a family-run cheese shop and delicatessen with shops in Aldeburgh and Southwold, Suffolk. Both offer a fantastic range of artisan cheeses, displayed theatrically as a wall of cheese. There's always a warm welcome and staff have real knowledge and passion about the cheeses they sell."

Richard Hurren, vice-president for European retail, Levi's Niketown, Oxford Circus, London

"Niketown offers a hugely accessible brand experience with theatre from the moment you enter the store thanks to a live DJ. The dedicated category zones make the store easily navigable and you can clearly identify their priorities by how they flow the store. The women's top floor is a must-see. I genuinely go to this store every time I am in town. The integrated digital solutions, including an app that identifies me in-store, make it feel personal. Its integration of London-centric merchandise makes this a tourist play, too. Running clubs etc also bring to life Nike's commitment to sport and wellbeing."

Claire Arksey, global director for retail, Urban Outfitters Neptune, Bath

"Founded around a kitchen table, its shops are unique and individual. It has room sets for inspiration, a cafe to relax in and beautiful flowers. It is all about detail and quality. A true shopping experience."

James Daunt, chief executive, Waterstones Tokyobike, Shoreditch, London

"Tokyobike is special for its calming white space, formerly a gallery, which now houses not just its stylish bicycles but also an ever-changing selection of Japanese design, from everyday household items to beautiful craft objects. You get wonderful service and irresistible things to discover."

Clare Clough, UK managing director, Pret a Manger Liberty, London

"Tough choice, but in the end it has to be Liberty. It's partly about the history, but more the way the shop has managed to combine classic and contemporary styles for so many years. I especially love the gift coins!"

Rob Parker, chief executive, Topps Tiles Decathlon

"I really like Decathlon. Speaking as a customer, it is a category killer with great value on offer and lots of space to showcase new products and create some theatre. As a retailer, I admire the scale of range and depth of own-brand penetration." **RW**

INTERVIEW

Sowing the seeds of change

From the accounting scandal to Covid-19, Dave Lewis has steered Britain's biggest grocer through the most turbulent times in its history – and left it thriving. By **Luke Tugby**

It was almost eight months ago, in the early weeks of February, that Tesco boss Dave Lewis last welcomed Retail Week to the grocer's Welwyn Garden City headquarters. Lewis had just agreed to stay on at the grocer until the end of September as successor Ken Murphy's start date was stalled by a non-compete clause. He could not have foreseen what those extra few months would entail.

In February, coronavirus was as a mere footnote to our conversation, with the first two cases of the virus in the UK reported in York the previous week.

Having already led the business through an accounting scandal, the resulting fraud trial, the acquisition of Booker and a radical transformation, who would have thought the most turbulent period of Lewis' stewardship was still to come?

"I've got people who have worked in retail for 45 years and never seen anything like it," Lewis says. "There's a terribly overused word now: unprecedented. But there's a reason we overuse it and that's because it's the only one we can reach for at times like this."

Tesco and its grocery peers had to reinvent store-based retailing almost overnight, introducing queuing systems outside stores, social distancing measures in the aisles, sanitising stations for customers and plastic screens to protect checkout staff.

Grocery spend shifted online at an exponential rate. Tesco doubled its home-delivery capacity within weeks, fulfilling 1.5 million orders every seven days and prioritising elderly, disabled and vulnerable shoppers.

It drafted in 50,000 new staff in the space of just eight days, slashing its usual onboarding processes from three days to one hour as it raced to cope with demand.

"I stayed out and about pretty much all the way through and in those first few weeks, watching people fighting for food and seeing that challenge we faced in stores was really quite something," Lewis recalls.

"But what I also saw, and what will stay with me, is some tremendous acts of kindness. I saw some things that I will remember forever.

"It was impactful in every sort of way – it was impactful emotionally, but also there were some

very positive experiences watching people do things they didn't think they could.

"Watching store teams double their delivery capacity in a week – that really is something, when you change absolutely everything and watch people really enjoy doing it."

Yet there are mounting concerns that Britain is about to be struck by an equally severe second wave of the virus.

Supermarkets are reintroducing purchasing restrictions, designed to temper a second stockpiling splurge. Last week, Tesco – along with Morrisons – reinstated limits on the number of products such as toilet paper and cleaning items that could be purchased.

Lewis, however, insists there will be no shortage of supply in the coming weeks.

"The media needs to help keep everybody calm. The reports and pictures of empty shelves we saw last time and are starting to see again are really unhelpful," he says.

"There wasn't a supply chain issue last time, there was a demand-led issue. And, actually, the whole industry did quite a good job of responding to very unprecedented demand. I can see now that some people are stocking up but I don't see panic.

"If we are not careful, we create a problem where there doesn't really need to be one. If the 'rule of six' carries on, that shouldn't have any real impact in terms of how we do our shopping."

Online step-change

As for the longer-term ramifications, that is a different story. The 'big shop' is back in fashion as consumers strive to get everything they can in one supermarket visit, while online grocery sales have rocketed.

Lewis believes online penetration will remain at close to current levels, even after the health emergency has passed.

"It's definitely not going back to pre-pandemic levels," he insists. "It was 8% of our business before and it grew to be 16%. Maybe it moderates back to 14%, I don't know, but it's certainly not going back to 8% or 10% that's for sure.

"Our [ecommerce] like for likes continue to grow at 90% or 100%. The 600,000 slots that we had have grown to 1.5 million a week.

"Quite a lot of those people who either were



Dave Lewis has left Tesco in impressive shape after some of the rockiest times in the grocer's history

shielding or vulnerable, or just felt vulnerable, really embraced the delivery. Once they have embraced that and they are happy with the service, they stay with it."

Lewis remains characteristically tight-lipped about the profitability challenge posed by Tesco's online division but admits its contribution to the bottom line "went backwards" during the spring.

He says the grocer "lost productivity efficiencies" at the peak of the pandemic and jokes that his own pick rates when mucking in on the shopfloor "were not up to" chief operating officer Tony Hoggett's standards. "He doesn't let me do dot-com any more," Lewis laughs.

Tesco also offered its cheapest delivery fee, £2 per slot, to every customer at the height of the crisis, further denting margins.

"Some of my investors say to me privately: 'Why did you do that? People would have paid a fortune for home delivery at that time?' That's not how we thought about it. It was about feeding as many people as you can," Lewis says.

"We have gone back and started to charge the normal rates for delivery. So, the productivity is improving, the model is improving and we've gone back to charging a fair rate for delivery, at which point you can start to recover the profitability to what it was pre-pandemic."

To read a longer version
of this interview visit
Retail-Week.com/DaveLewis



PETER SEARLE

Watching people fighting for food and seeing that challenge we faced in stores was really quite something Dave Lewis

Retaining loyalty

Online isn't the only growth engine Lewis sees in Tesco's future under his successor Ken Murphy, the former Walgreens Boots Alliance executive who took the reins on October 1.

Lewis believes there are big strategic plays that can turbo-charge its Clubcard loyalty scheme and its Finest premium brand, in particular, to drive the business further forward.

'Loyalty' is the word Lewis repeatedly refers back to, though.

The grocer has won back market share from the discounters during the pandemic, aided by its 'one-stop shop' reputation, consumer belief that its larger supermarkets provide safer shopping environments and its Aldi Price Match scheme – Lewis simply raises a smile

and gives a thumbs up to the camera when asked how that campaign has fared.

But now the aim of the game is to keep hold of the spend it has gained over the past six months.

Its Clubcard Plus subscription scheme, which ties together its bank, Tesco Mobile and core retail business, could become central this.

Lewis concedes that take-up of the £7.99-a-month membership, which gives shoppers 10% off two in-store shops a month, has been muted, but he is pleased with its overall impact.

"Penetration was at the lower side but the impact on purchasing behaviour was better than we ever expected," Lewis says.

"As a marketeer, I've never put a proposition together that has worked better against its marketing objectives than that. The question for us is when is the right time to amplify it, and we decided not to do that during the pandemic."

That amplification is likely to mean the addition of online grocery deliveries into the Clubcard Plus mix, creating an Amazon Prime-like free delivery service.

Lewis says: "If you take delivery saver and Clubcard Plus as propositions, you don't have to be a brilliant marketeer to say: 'If you put those together that would be one hell of a deal.'"

"The only question for us is when to do that because, if I put free delivery into Clubcard Plus

now, 1.5 million orders a week would suddenly become 3 million and we'd get a massive capacity problem."

Building a better grocery industry

Sustainability issues are very close to Lewis' heart and he has put those values at the top of the agenda in Welwyn Garden City, too.

His work on food waste, in particular, has improved efficiencies within the business and helped restore a corporate reputation that was scarred by its £326m profit overstatement in 2014.

Tesco recently revealed it is working with 71 suppliers to slash 200,000 tonnes of food waste from their combined operations. The 45,000 tonnes Tesco has cut on its own exceeds the UN's goal of halving food waste by 2030.

Lewis himself is chair of Champions 12.3 – the coalition of businesses, governments, research institutions and farmer groups spearheading efforts to achieve that target – and he became chair of the World Wide Fund for Nature (WWF) earlier this year. In his new role, Lewis is determined to help the UK seize the "great opportunity" to create a new, more sustainable food strategy off the back of the coronavirus pandemic.

"It can't be right that we as a human race destroy the national habitat in order to produce more food because the population is growing, at the same time as we waste a third of everything that's grown already," he says.

Lewis urges the government to take inspiration from countries such as Norway and Finland, where politicians have recognised that eating too much red meat is not good for people or the planet, and have put plans in place to change their nations' diets.

"We have to change what we eat," Lewis says, "and move from an animal-based protein to a plant-based protein diet. From a UK point of view, we have to change what we incentivise people to produce."

"Why not vertical agriculture? Why not give capital grants to build that capability? Because they do work. One of our suppliers has a vertical farm for strawberries that is now working. It requires a fraction of the water, a fraction of the energy, it's just the capital outlay that's difficult."

The man who saved Tesco

Just over six years since he was parachuted headfirst into a financial crisis, 55-year-old Lewis has now departed, his 'Drastic Dave' moniker replaced by another that sits uneasily with the modest leader: 'The man who saved Tesco.'

Lewis insists a three-to-six-month break from a commercial position now awaits. But before that, he tells Retail Week of his immediate plans.

"You'll never guess what we're going to do after I've spoken to you," he says. "We're going to go and plant 100,000 trees."

The event, taking part at Tesco locations in every corner of the UK, forms part of the grocer's centenary celebrations.

In every sense, the seeds Lewis has sown at Tesco will flourish long after his departure. **RW**

ANALYSIS

The discounters do digital

The discounters lost share during the pandemic as more grocery shoppers switched to online. But digital moves are afoot at Aldi, Lidl and Poundland. **Hugh Radojev** reports

Coronavirus has completely transformed the grocery landscape, both in terms of consumer demand and supermarkets' capacity to fulfil it. One of the biggest changes is the growth in online shopping.

In terms of overall market share, online accounted for 12.5% of total sales in the latest Kantar figures to September 6 – down from a peak in June of more than 13.5% – compared with 7% in 2019. Since March, customers have bought an extra £3.2bn worth of groceries online.

This seismic shift has seen Ocado's market capitalisation balloon to more than £21bn from just £7bn in February and has led Tesco to treble capacity to meet spiralling demand.

However, it has also left discounters Aldi and Lidl in something of a bind.

Although Aldi has been selling wines, spirits and a limited selection of general merchandise online since 2016, digital has been a channel largely ignored by the discounters.

And it could cost them market share. Aldi and Lidl saw their share slip during lockdown when ecommerce grocery began to explode. Although both have seen an improvement in recent months, it still lags pre-lockdown levels.

But it appears the two are doing something about it by finally embracing digital.

And it's no surprise, according to Ocado Solutions chief executive Luke Jensen.

"There's no doubt that now is the time that everyone has to think about this. There's been such a surge in demand," he says.

"The extent to which you're likely to lose trade has become starker now than ever before in terms of having an online solution."

Let's get digital

So what have the discounters done?

Aldi has been adding digital enhancements since the beginning of lockdown and was one of the first supermarkets to launch home-delivery food boxes for shielding customers in April, its first proper foray into grocery delivery in the UK.

It followed that up with a delivery trial with Deliveroo in May, which it has since expanded from the Midlands to London, and yesterday it rolled out a click-and-collect trial to customers near its Loughborough store after a successful staff pilot.

Although Lidl has not launched online delivery of any sort, it has rolled out its Lidl Plus app to UK customers since the beginning of August.

The app offers customers a range of price coupons, scratchcards and a monthly reward scheme, and provides "an even better tailored shopping experience for our customers, as well as to thank them for their loyalty", according to Lidl UK boss Christian Härtzel. It also opens up a range of additional services, such as a store locator and digital receipts.

Retail marketing specialist TCC Global's UK managing director Sebastian Hill says the app launch signifies that Lidl has "realised they shouldn't compete on price alone" and that the myriad features will "increase the brand's connections with customers both in and out of stores".

Late to the party

There may have been a flurry of digital activity over the past few months, but the discounters are still lagging behind the rest of the UK grocery industry.

Edge by Ascential research director David Gordon says this is true to form: "Historically,



Aldi is rolling out its click-and-collect trial

the discounters have never led from the front. They've always operated by watching, waiting and then, when they're clearer on what a successful format or formula is, they move quickly and progress at scale. They've always done that very successfully."

But are they too late to the online party?

"When Morrisons finally got around to offering online home delivery five years or so ago, we all thought they were late to the party then," says one online grocery expert.

However, he says their reticence to sell online is completely understandable.

"Can you beat them up for not wanting to go after volume in a market that was not, certainly pre-Covid, very profitable?"

He argues that, while the discounters and supermarket competitors may sell similar products, the razor-thin margins Aldi and Lidl operate on to deliver market-beating prices effectively mean they are operating in a different marketplace to other grocers where it is more challenging to make money.

But could they overcome the profitability challenge and launch a full ecommerce offer?

One discounter who believes they can, and is launching a transactional website next year, is Poundland.

This is not new ground for the pound shop.



There's been such a surge in demand. The extent to which you're likely to lose trade has become starker now than ever before in terms of having an online solution
Luke Jensen, Ocado

It previously traded online, but closed down the service in 2016. Poundland's director of transformation Mat Ankers says the cost considerations of ecommerce are front of mind in its new online venture.

Poundland is turning one of its three stores in Cannock, Staffordshire, into an online fulfilment centre for the service. Ankers says: "This is going to be a pilot – it's very tentative

steps. We'll learn from everyone who's already paid their school fees. It's about utilising assets that we already have and our operational experience."

"We want to do it quite differently across the entire supply chain. We need to think about every element of cost, like we do in stores, and engineer it out. We're in a gutter fight and that's how we'll approach it."

Could the German discounters follow suit?

Härtnagel seems unconvinced about the staying power of online, which could rule out a full ecommerce offer.

"Online has clearly been an important channel during this crisis, to bring food in the safest way to vulnerable and shielding customers, but this is not the new normal," Härtnagel told *The Times* earlier this month.

"We haven't arrived there yet. I call it the temporary normal that we're in."

However, it may be a different story at Aldi and its recently launched click-and-collect service could pave the way to a wider online offer.

A source close to Aldi says it is paying attention to the shift in ecommerce that has been driven by the pandemic. But the source insists the retailer is unlikely to venture into this market until it can figure out how

to reduce the costs associated with home delivery as it refuses to increase its prices to offset rising overheads.

Can they make money online?

Jensen says not compromising their low-price model will be the discounters' biggest challenge in the world of ecommerce.

"When you do online, if you use the traditional methods – in-store fulfilment and so on – you're basically just adding extra costs to your existing cost base," he says.

"If your model is based on having the lowest cost base in the industry, you really can't afford to mess it up by adding costs."

But Jensen believes there is likely a way that Aldi could scale a home-delivery business nationally without compromising on price. "I'm sure there is a way of doing a low-cost online model that can be made to work for the discounters."

He believes it would require some innovation on Aldi's side, "rather than just adopting what others are doing".

However, Jensen does not think Aldi's newly launched click-and-collect service is the route to online success for the grocer.

The online grocery expert agrees. He says: "Click and collect looks operationally more easy, but I've found it to be less profitable than home delivery, ironically."

So what model can work for the discounters online?

Gordon says partnering with other players could be the way forward. He points to Aldi's partnership with grocery delivery firm Instacart in the US as one possible way it could eventually make home delivery work.

"Aldi, certainly in the US, is almost leading in this field. It's built up its partnership with Instacart and recently rolled that out nationally. The fact that the model has worked in the US is very encouraging for Aldi in the UK," he says.

Gordon says that Aldi could form a similar partnership with a UK player, akin to Morrisons' tie-up with Amazon.

IGD retail analyst Lucy Ingram also believes third parties could "be a good option for discounters", but does note that the added costs of paying an intermediary are not insignificant.

From an online capex perspective Aldi has spent little so far, which the online grocery expert applauds.

"If you compare that to where M&S is – it has outlaid more than £1bn before making its first online delivery."

In a sense, then, the discounters broadly find themselves in a similar situation with online to that of the supermarkets a decade or more ago – aware of the growing opportunities presented, but unsure of which way to go.

They will be watching Poundland's venture closely and working out the right time – and the right model – to make their own online play. **RW**



Coronavirus Consumer Pulse: Web traffic falls despite fresh restrictions

Amid the coronavirus crisis, it has arguably never been more important, nor more difficult, for retailers to understand their customers.

As retailers grapple to understand evolving consumer trends and how they could shape the future of commerce amid the coronavirus pandemic, Retail Week has joined forces with analytics specialist The Smart Cube to monitor online shopping habits.

Our bi-weekly Coronavirus Consumer Pulse monitor pulls together data from a multitude of sources to better understand consumer behaviour and sentiment, and establish the businesses that are emerging as the online winners during the crisis.

No lockdown lift for online

Traffic to retailers' websites has fallen over the past two weeks despite the introduction of fresh social restrictions.

The government made face coverings mandatory for all retail workers last week and introduced the 'rule of six' earlier this month, preventing people across England from meeting indoors or outdoors in groups of more than six people.

Parts of the UK, including the North East and locations across Wales, have had even tighter local lockdown restrictions imposed upon them, while students at several universities have been told to quarantine.

But despite such restrictions being imposed, traffic to retailers' websites, which might have been expected to increase as footfall to shopping destinations declines, dropped during the two weeks to September 19.

Retailers received an average of 304,286 visits to their websites every day during the week beginning September 13, a 4% drop compared with two previous weeks and the lowest level recorded since the final week of July.

Stockpiling second wave

Grocery retailers bucked the overall online trend, as an increase in the number of people in lockdown, coupled with fears over in-store availability as some consumers resume stockpiling, sparked an uptick in online traffic.

On average, grocery retailers received 473,571 website hits



The government has tightened social restrictions in recent weeks

every day during the week beginning September 13 – a 1.7% uplift on the levels recorded two weeks beforehand.

Tesco, Waitrose and Aldi were the biggest beneficiaries of that trend. Britain's biggest grocer registered a 10% jump in average daily visits to its website over the last two-week period covered by Similar Web's data. The 1.2 million hits per day it recorded during the week beginning September 13 marked its busiest week since the start of June.

Over the same two-week period, Waitrose grew website traffic 14% to an average of 195,992 visits per day as the upmarket grocer also saw its busiest week since the beginning of June.

Average daily visits to Aldi's website were up 1.9% to 284,144 in the week beginning September 13, compared with two weeks previously. The discounter has since launched a limited click-and-collect grocery trial as it seeks to capitalise on its growing online traffic.

Ocado, which severed ties with Waitrose in favour of a supply deal with Marks & Spencer, saw traffic go in the opposite direction.

Daily visits to the online grocer's website slumped 17% from an average of 293,300 in the first week of September – the week the M&S joint venture went live – to 243,075 in the week beginning September 13.

Sitting pretty

Health and beauty was the only other category to grow online traffic over the two-week period, with major high street chains Boots, Superdrug and Holland & Barrett all registering upticks.

Holland & Barrett enjoyed the strongest growth, as average daily visits increased 18.2% from 174,525 in the week beginning August 30, to 206,287 during the seven days starting September 13.

Over the same two-week period, Boots' website hits edged up 0.4% to an average of 513,757 per day, while Superdrug grew traffic 6.3% to reach an average of 279,245 daily visits.

Fashion disaster

By contrast, the fashion sector suffered a sharp decline in online traffic – perhaps as a result of shoppers buying clothes for fewer social occasions as government restrictions are tightened.

All major clothing retailers analysed saw their online traffic drop over the two-week period, with M&S, Boohoo and River Island among those seeing the deepest declines.

Average daily visits to M&S' website fell 15% from 828,188 in the week beginning August 30, to 703,052 in the seven days starting September 13.

According to the Similar Web data compiled by The Smart Cube, Boohoo had an even sharper 23% drop across the same two-week period to 234,994,

while River Island's traffic tumbled 25%. Next was the most resilient fashion performer over the two weeks to September 19, but its traffic still declined 4.6% to 975,114 visits per day. That figure, however, was still triple the levels seen at the peak of the crisis.

Home truths

Visits to the websites of home and DIY operators were similarly subdued during the two weeks to September 19, as B&Q, Screwfix, Ikea, Dunelm and Homebase all suffered significant declines in online traffic.

Dobbies Garden Centres was the only retailer covered in the Coronavirus Consumer Pulse to register an uptick in website visits during that period.

Dunelm, Ikea and Wickes booked the sharpest drops in online shopper numbers. Average daily visits to Dunelm's website sunk 13% from 530,583 in the week beginning August 31 to 461,073 in the seven days starting September 13.

Across the same two-week period, Ikea's online traffic dropped 12% to an average of 571,927 a day, while Wickes lost 6.6% of its daily traffic.

Kingfisher stablemates B&Q and Screwfix saw their website hits slip 5% and 4.9% respectively. **RW**

To find out more about

The Smart Cube or the Coronavirus Consumer Pulse monitor, email retail.solutions@thesmartcube.com