



The Scottish Local Shop Report 2023

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

ACS | the voice of
local shops

SGF
Scottish Grocers' Federation

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Introduction




The Scottish Local Shop Report provides a comprehensive view of the convenience sector, looking at where and how stores trade, the colleagues we employ, our contribution to the economy and our essential contribution to local communities. The report is produced in partnership with our colleagues from the Association of Convenience Stores and the information is gathered from primary research.

The report also draws on data supplied by Lumina Intelligence, William Reed, IGD, Plunkett Foundation, Retail Economics, SmartSpotter, The Retail Data Partnership, Yonder Data Solutions and Google. Some of the figures in the report have been scaled to reflect the entire convenience sector. Detailed information about the methodology and calculations in the report can be found on pages 14-15.

Who we are

There are **5,171** convenience stores in Scotland
70% are run by independent retailers

What we offer

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

(Scottish data)

www.sgfs Scot.co.uk

Why we are important

£47.1bn total sales
 Over **£10.6bn** in GVA
£62m invested by stores in Scotland
 Over **49,000** jobs in Scotland

Most positive impact on the local area

		
1. Post offices	2. Pharmacies	3. Convenience stores

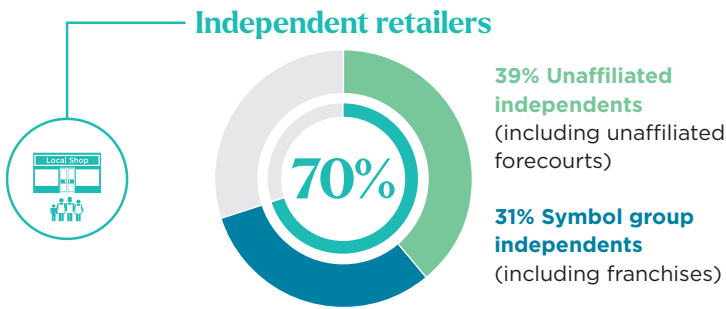
(Scottish data)

(UK data unless stated Scottish data)

Who we are

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

Shop ownership



Unaffiliated independents

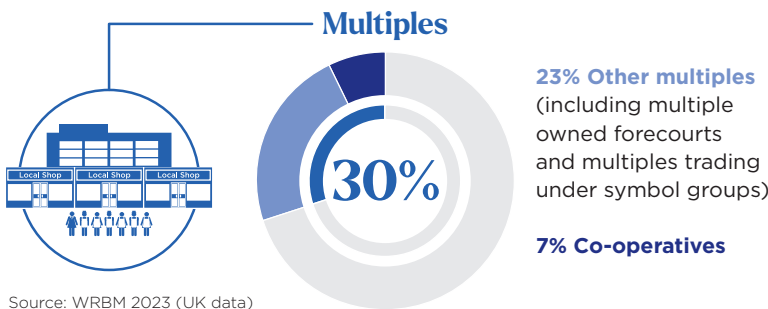
Independent retailers operating under their own fascia.

Symbol groups

Independent retailers who trade under a common fascia e.g. Nisa. Multiple businesses can also trade under a symbol group e.g. A.F. Blakemore (SPAR).

Co-operatives

Groups of stores that are owned by their members.



Convenience multiples

Retail businesses operating chains of 10 or more convenience stores under a centrally-owned fascia e.g. McColl's.

Forecourts

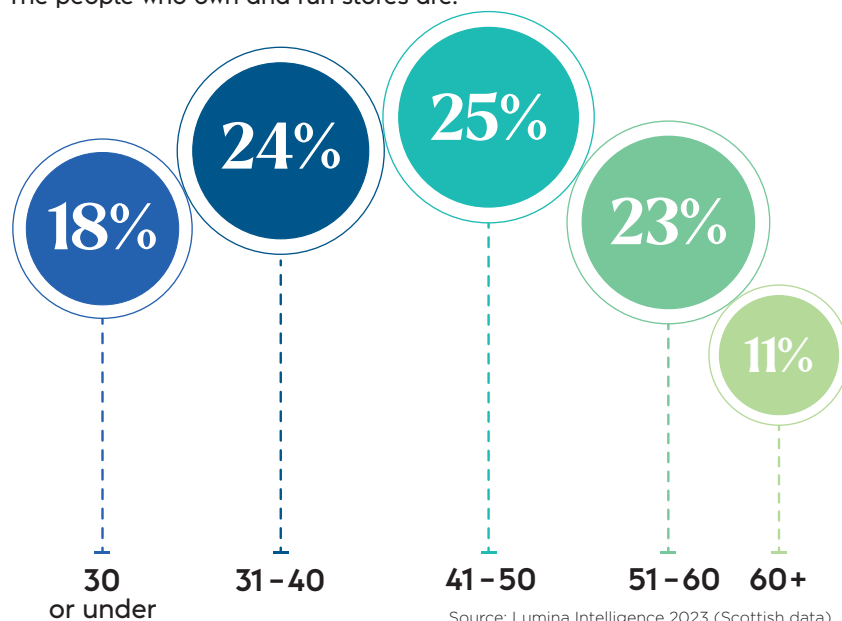
Convenience stores located on petrol filling stations. Forecourts are included within each of the retailer types and can be unaffiliated, symbol group, multiple or co-operative businesses.

For more information about the forecourt sector please see the ACS Forecourt Report.

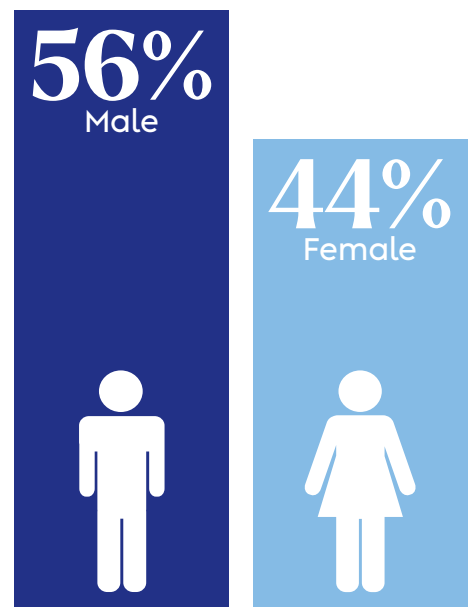
Source: WRBM 2023 (UK data)

Entrepreneurs

The people who own and run stores are:



Source: Lumina Intelligence 2023 (Scottish data)



Source: Lumina Intelligence 2023 (Scottish data)

Where we trade

Location

Rural

A 'traditional' convenience store, often providing the only shopping option for the local community.



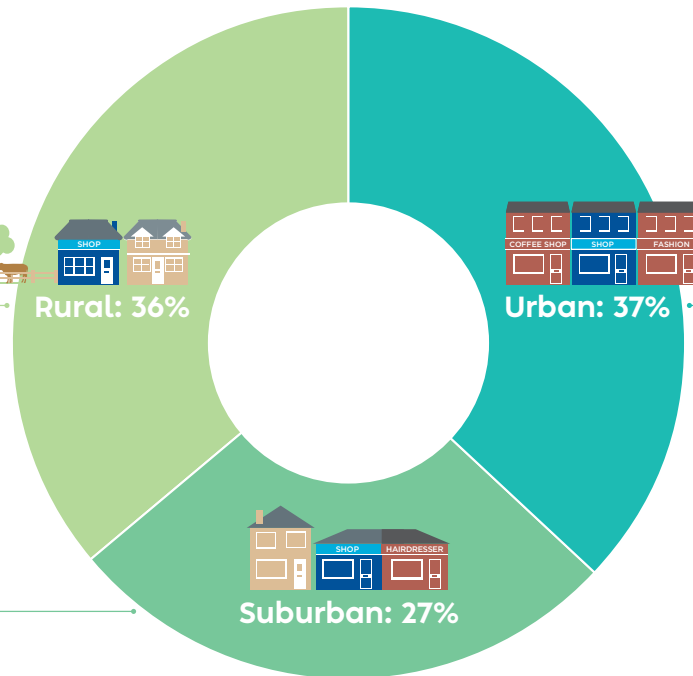
Suburban

Providing a focal point for suburban communities and estates sometimes standalone or alongside a small number of other local services.



Urban

Operating as part of a mix of stores serving the needs of those living in centres and the shopping needs of workers and residents.



Source: WRBM 2023 (UK data)

Neighbouring businesses

39%

Isolated store

No other retail/service businesses close by.



27%

Located on a small parade

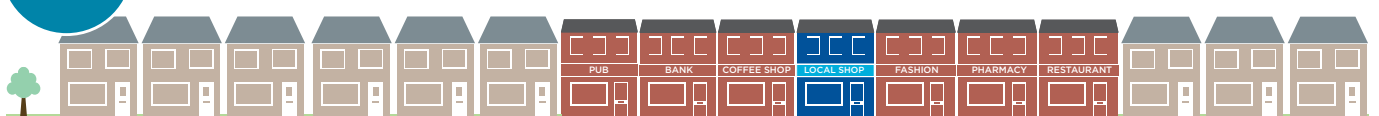
Up to five retail/service businesses close by.



10%

Located on a larger parade or a high street

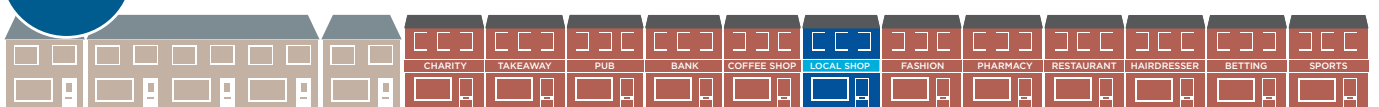
Up to 10 retail/service businesses close by.



24%

Located on a main high street or within a city centre

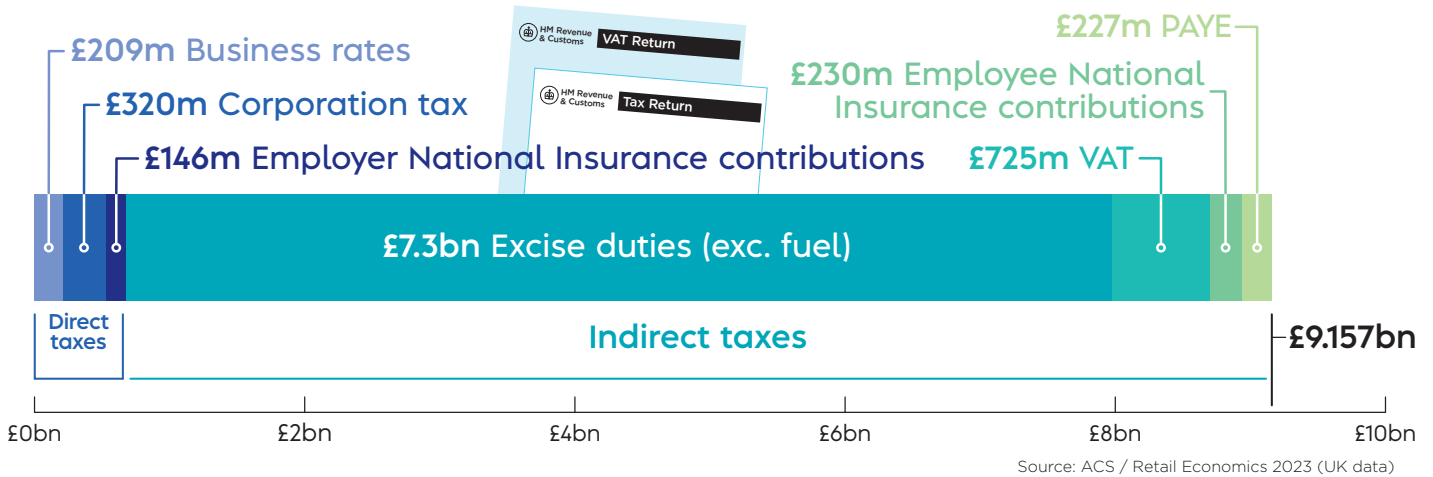
More than 10 retail/service businesses close by.



What we contribute to the economy

Economic contribution

Over the last year, the convenience sector contributed Over **£10.6bn** in GVA and over **£9.1bn** in taxes



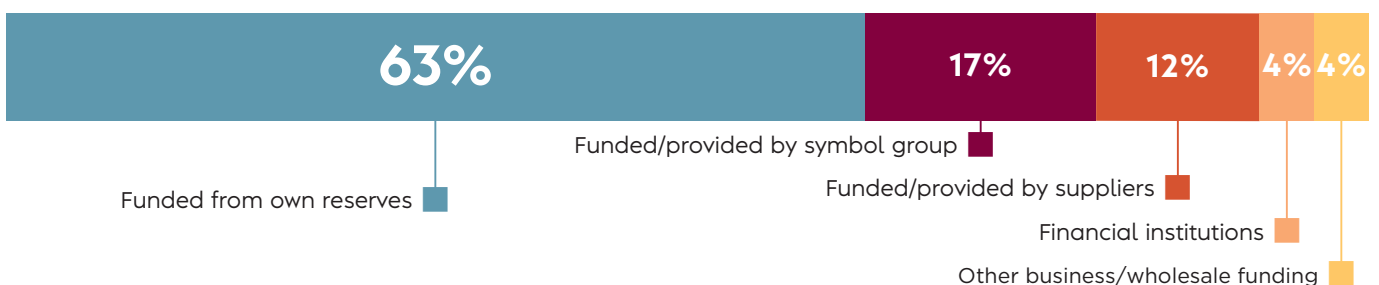
Investment

Scottish convenience stores have invested **£62m** in their businesses over the last year

Areas of investment (of those investing)



Main source of investment



What we sell

Total value of sales

£47.1bn

(in the convenience sector in the year to March 2023)

The convenience sector is expected to grow to

£50.9bn by 2026

Source: Source: Lumina Intelligence 2023 (UK data)

Number of products sold

On average, there are around:

4,735 SKUs

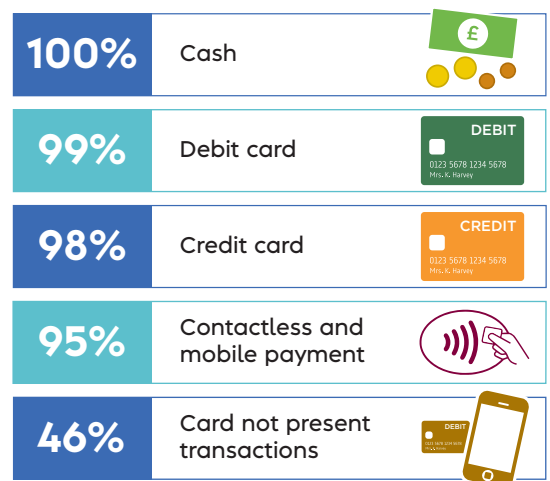


(products with different barcodes)

sold in an independent convenience store during the course of a year

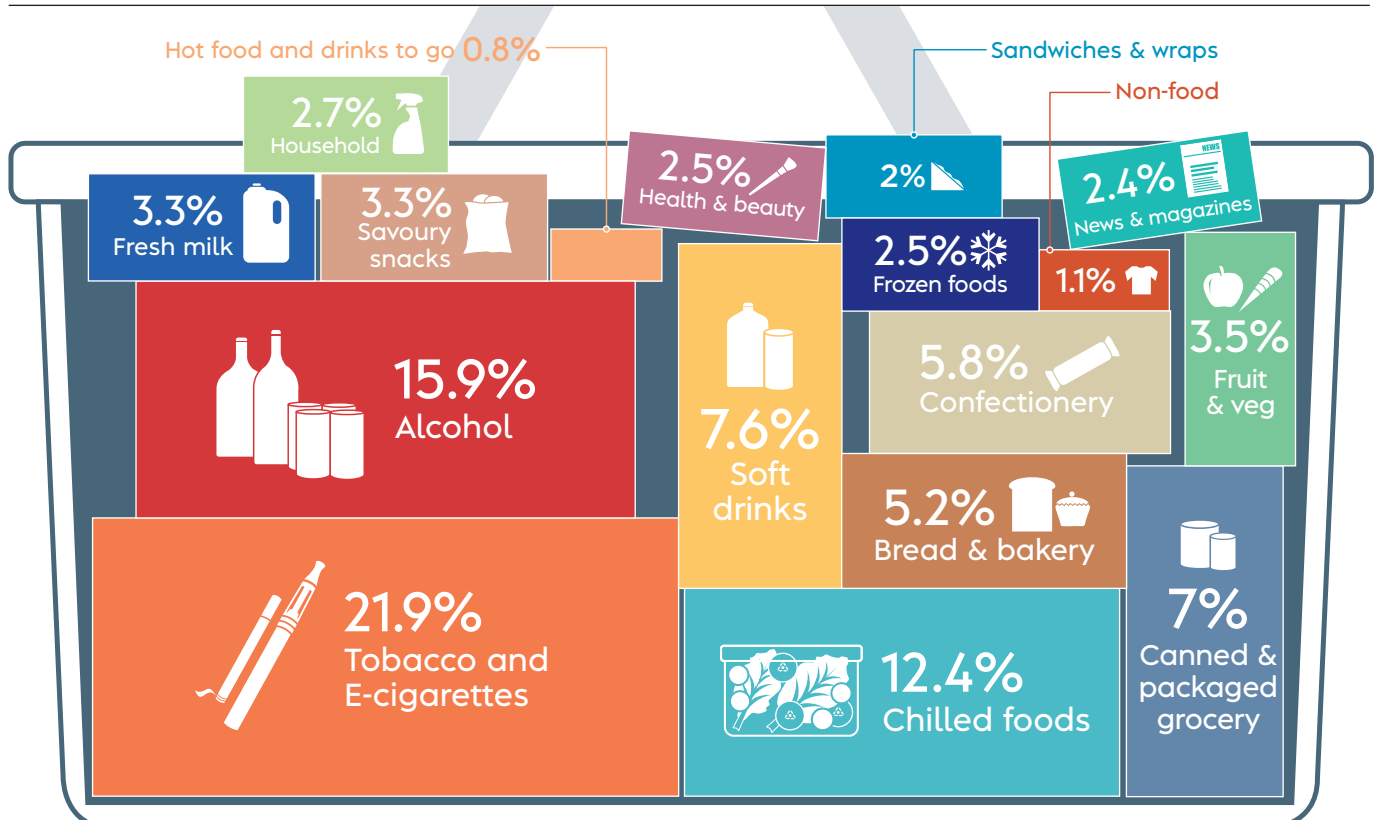
Source: The Retail Data Partnership 2023 (UK data)

Payment methods



Source: ACS/Lumina/The Retail Data Partnership, 2023 (Scottish data)

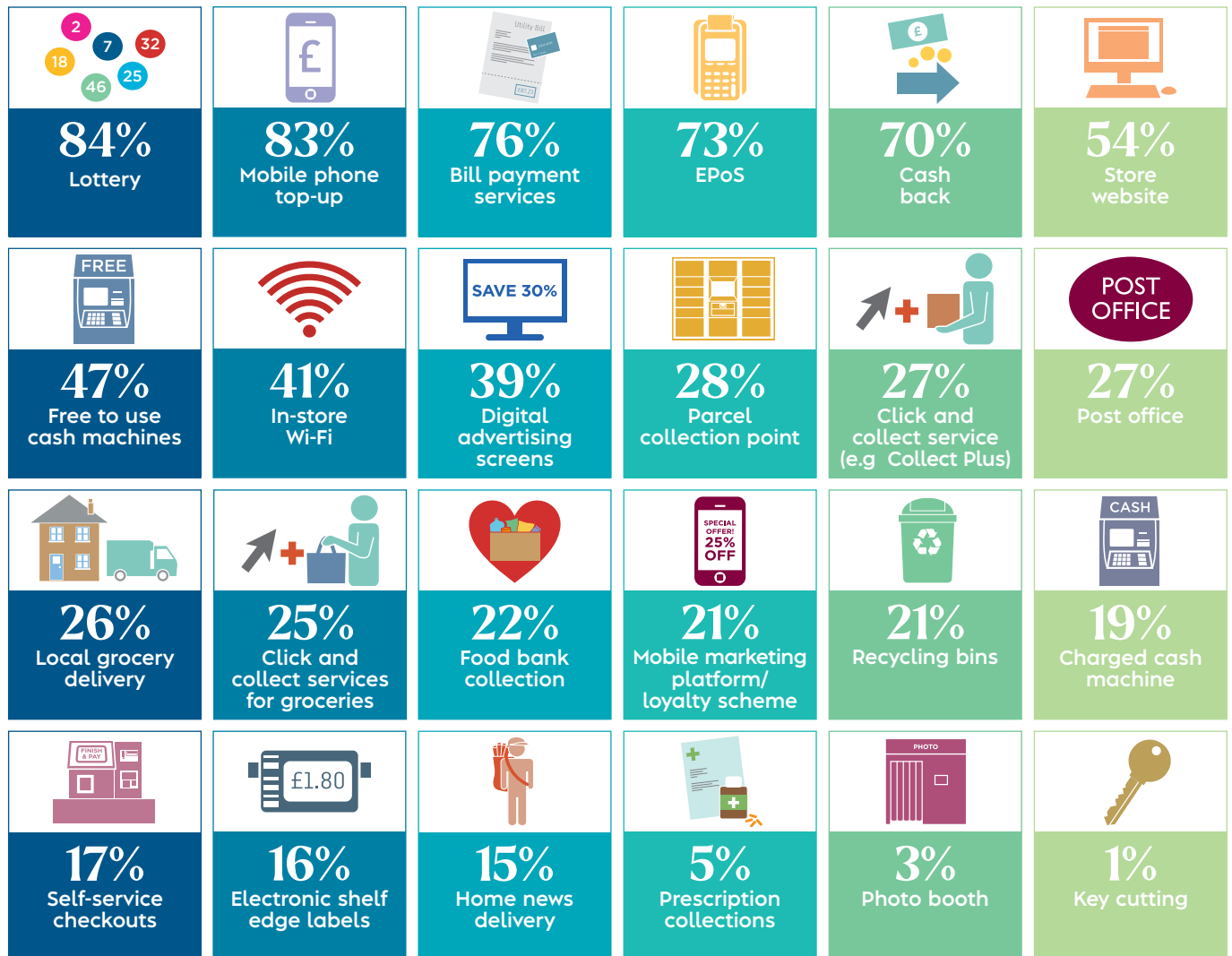
Category sales: Overall market (2022)



Source: IGD September 2022 (UK data) – data refers to overall convenience market

The services and technology we offer

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



Accessibility in stores

The percentage of convenience stores that have:

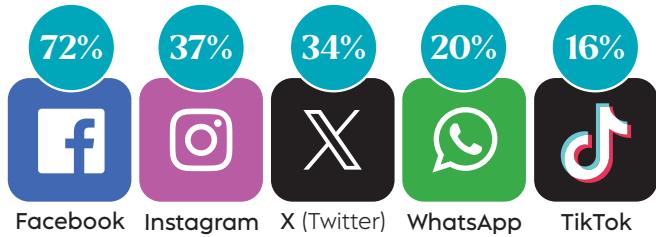


Energy saving



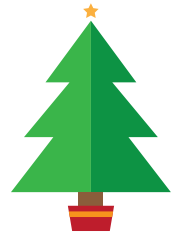
Online and home delivery

Social media and online searches



Source: ACS/Lumina Intelligence/The Retail Data Partnership 2023 (Scottish data)

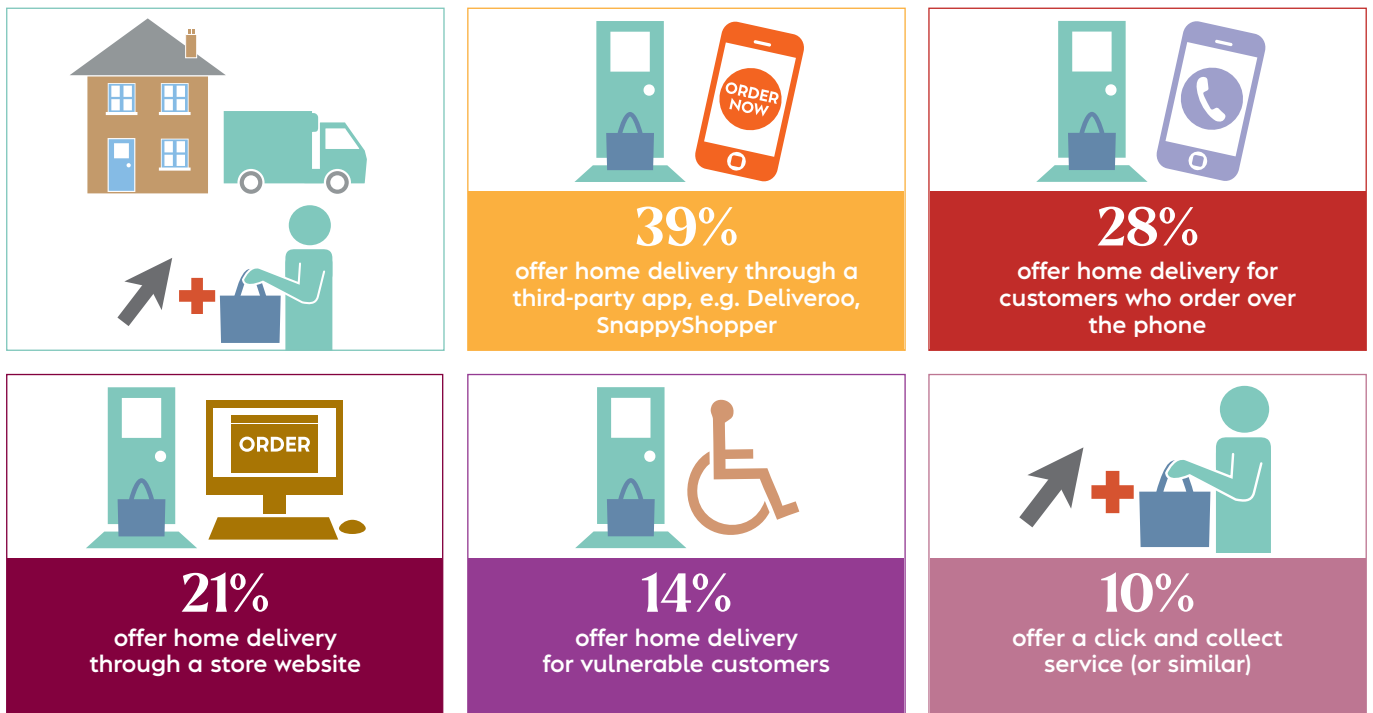
More customers searched for convenience stores on Google during the week of (25th - 31st December) than any other time in the last 12 months.



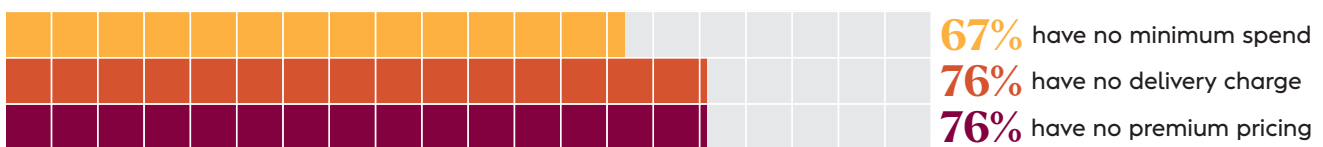
Source: Google Trends 2023 (UK data)

Home delivery

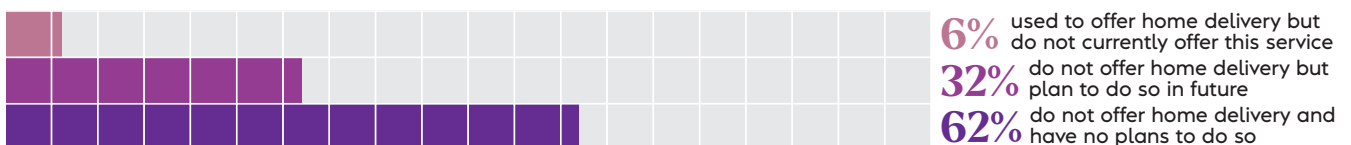
Of stores who currently offer home delivery/click and collect services:



Of stores offering these services:



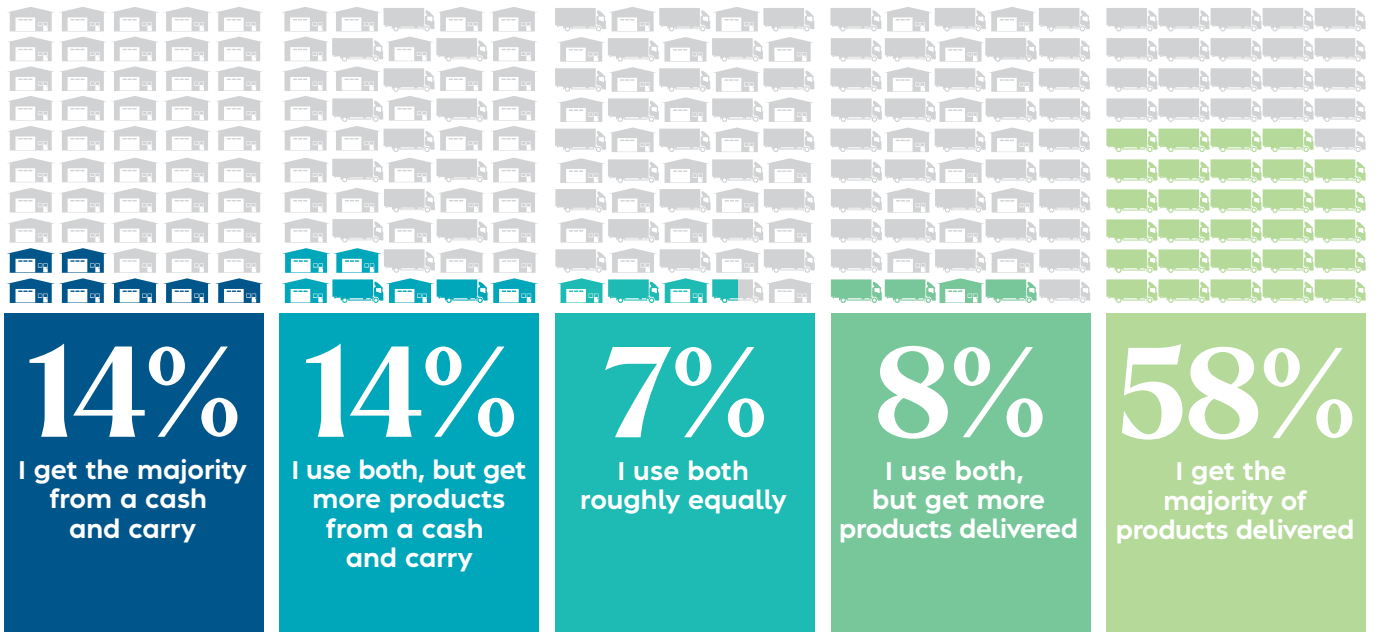
Of those who don't offer delivery:



Source: Voice of Local Shops polling May 2023 (UK data)

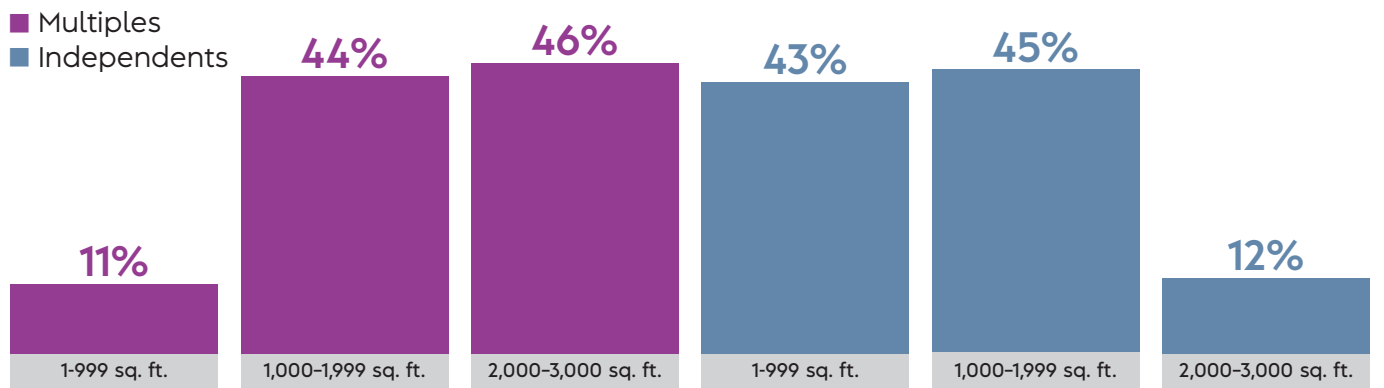
How we source products

How independent retailers source their products



Source: ACS/Lumina Intelligence 2023 (Scottish data)

Sales space in-store



Source: ACS/Lumina Intelligence 2022/2023 (Multiples: UK data, Independents: Scottish data)

Use of online wholesaler platforms



Source: Voice of Local Shops polling May 2022 (Scottish data)

How we operate

70%

of independents operate **one store**

4%

of shop owners work more than **70 hours** per week



20%

take **no holiday** per year

Opening hours

Typical convenience stores are open



7am until 10pm

5%

are open **24 hours**



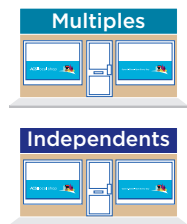
Average opening hours

13.8 **12.7**

Monday to Saturday

Sunday

Premises ownership



26% Own

74% Rent

64% Own

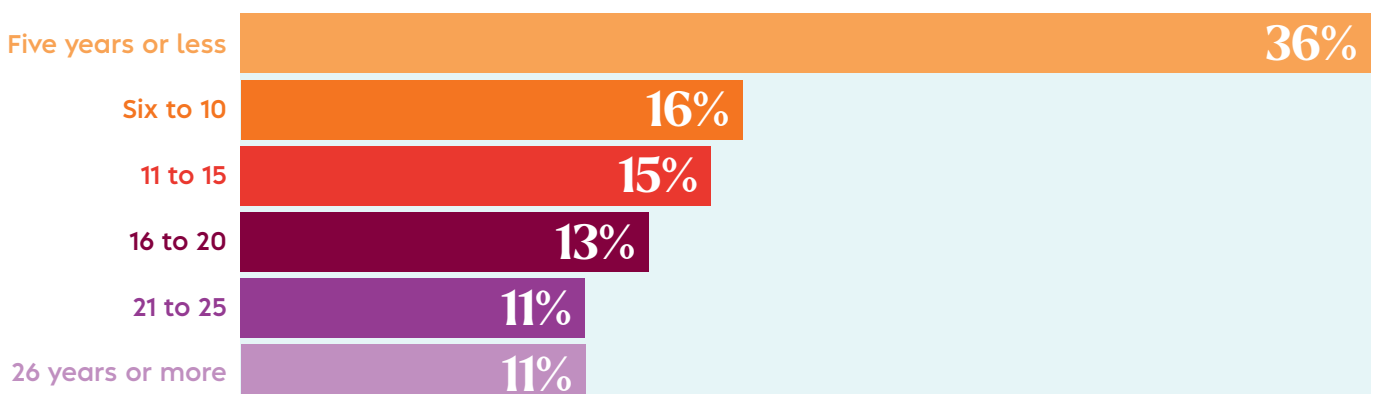
36% Rent

Employment of family members

35% of retailers employ at least one family member

65% of retailers employ no family members

Time in business



Our colleagues

Convenience stores in Scotland provide over

49,000 jobs

Source: ACS/Lumina 2023 (Scottish data)

Colleagues in the convenience sector worked a combined

12.1m hours

a week over the last year

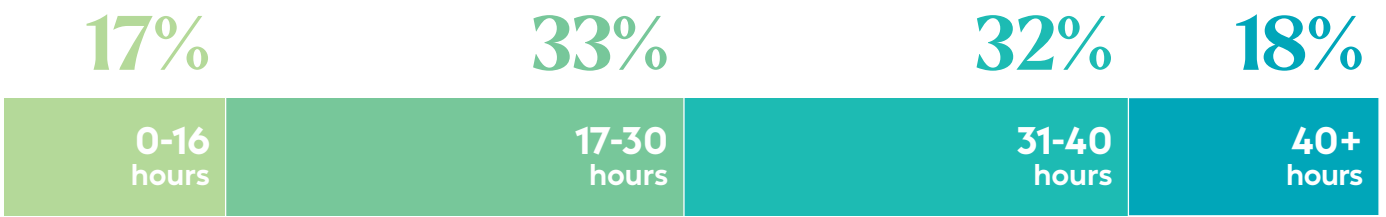
Source: ACS/Lumina 2023 (UK data)

Colleagues in the convenience sector are



Source: ACS/Lumina Intelligence 2023 (UK data)

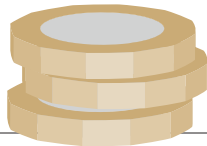
Hours worked



Travel to work

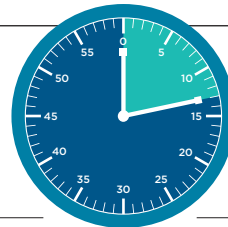
Average travel cost

£3.00
per day



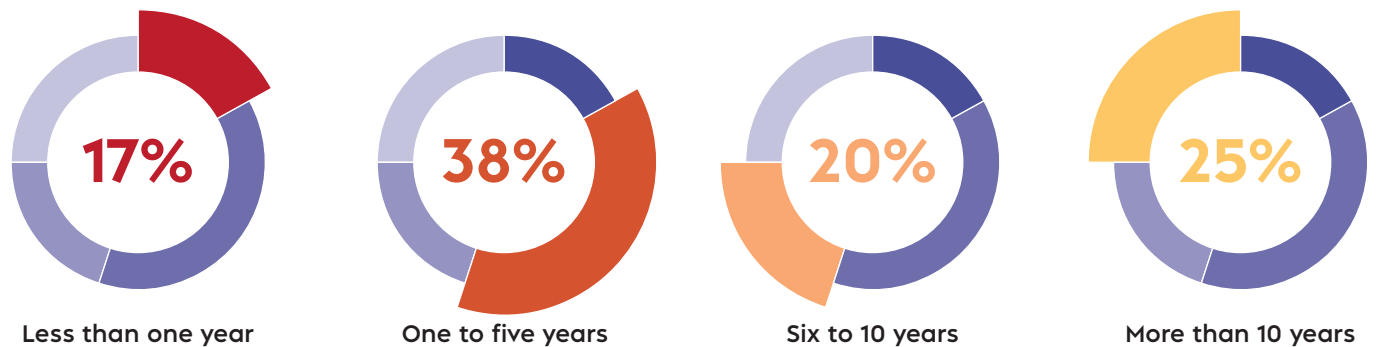
Average travel time

13 minutes



42%
Walk/on foot

Length of employment



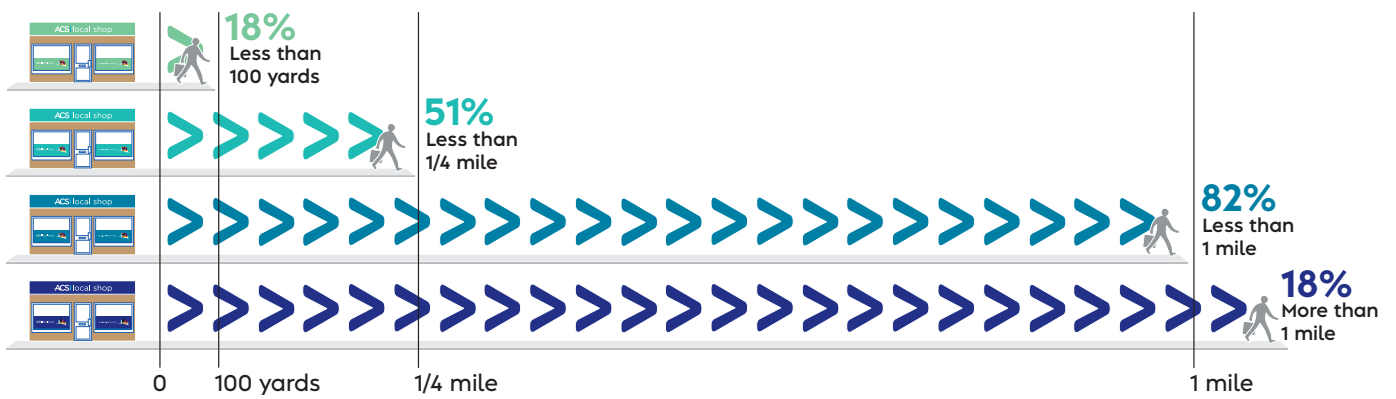
Who we serve

How customers get to store



Source: Lumina Intelligence CTP 2023 (UK data)

Distance travelled to store



Source: ACS Community Barometer 2023 (UK data)

If their local shop was no longer there, customers would have to travel **1.59 miles** to find another local shop

Source: ACS Community Barometer 2023 (UK data)

The average customer visits their local store **2.7** times per week

Source: Lumina Intelligence CTP 2023 (UK data)

36% know the people running and working in their local shop very well or quite well

ACS Community Barometer 2023

Purchases

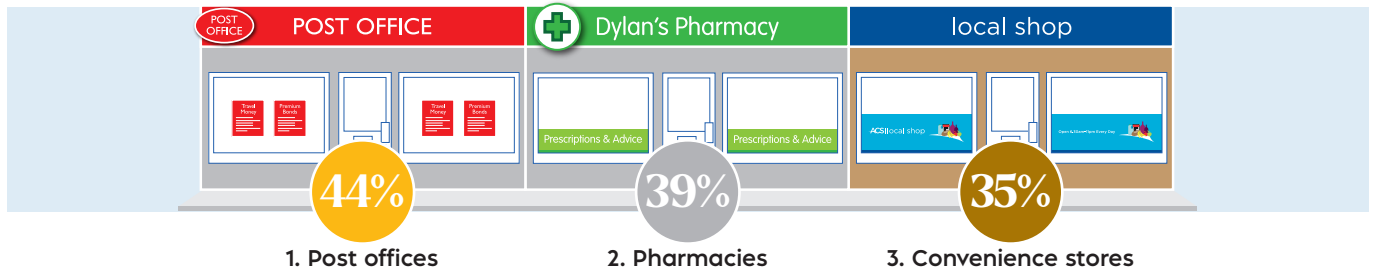
The average basket size is **2.8** items

Source: Lumina Intelligence CTP 2023 (UK data)

The average spend is **£7.75**

Our communities

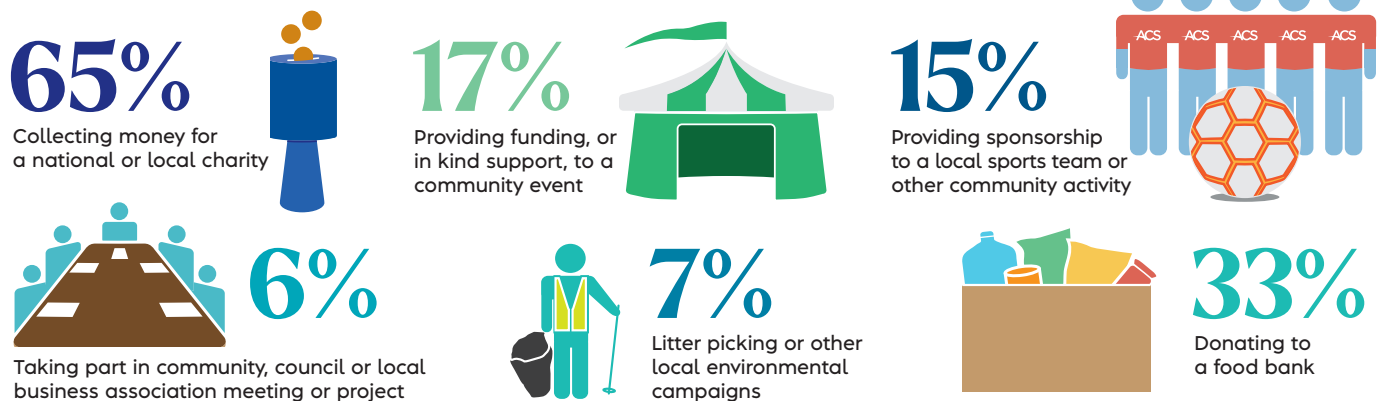
Most positive impact on the local area



Source: ACS Community Barometer 2023 (UK data)

Community activity

81% of independent retailers engaged in some form of community activity in the past year



Source: ACS Voice of Local Shops polling 2022-2023 (Scottish data)

67% of consumers would prefer to see investment in their immediate local area

33% of consumers would prefer to see investment in their nearest town/city centre

Source: ACS Community Barometer 2023 (UK data)

Community owned shops



Source: Plunkett Foundation 2023 (UK data)

Methodology

New primary data for the Local Shop Report was undertaken by ACS in the form of two surveys:

1. Independent Retailer Survey – A sample of 2,124 independently owned convenience store businesses in the UK. ACS commissioned Lumina Intelligence to aid in the design and delivery of the survey. The survey was carried out over the phone by BCC Marketing between 12th June and 14th July 2023. The telephone survey gathered responses from unaffiliated independent convenience stores, independent forecourt stores and independent stores that are part of a central buying or marketing group (known as 'symbol' groups). These are represented in the survey in the same proportion as they are represented in the market. The survey covers the nine regions of England, along with Wales and Scotland.

2. Multiple Retailer Survey – ACS conducted an online survey of its multiple chain members. This survey was based on the questions asked in the Independent Retailer Survey, where relevant, to ensure consistency and accuracy of results. This survey returned results relating to a sample of 4,740 stores.

The results of these two surveys have been collated and figures for independents and multiples have been combined according to the proportion of stores in the market, in order to determine overall results for the sector.

William Reed Business Media (WRBM) – Store numbers and sector data
WRBM continually updates data through re-registering customers thereby adding changed recipients, closures, and new stores. This is through postal, telephone research, online delivery and events, plus the ongoing work of the editorial teams on its brands Convenience Store, Forecourt Trader and The Grocer.

Independent sales category data – Retail Data Partnership

The Retail Data Partnership supplies Epos systems to independent retailers throughout the UK. Independent sales data is collected by receiving sales data back from around 3000 sites each day that cover £1.8bn of sales each year.

Overall sales category data – IGD

The Institute of Grocery Distribution (IGD) supplies sales data for the overall convenience sector, as part of the IGD UK Convenience Market report. Data in the ACS Local Shop Report is taken from September 2022.

ACS Economic Report

ACS commissioned Retail Economics to provide an economic overview of the convenience sector in 2018. ACS have updated the figures for 2023 based on revised data.

Convenience Tracking Programme 2023 – Lumina Intelligence

This programme is a survey of over 20,000 convenience shoppers conducted at the 'moment of truth' in-store.

Community Barometer

Populus surveyed a nationally representative online sample of 1,000 UK adults aged 18+, in May 2023. Respondents were surveyed using a questionnaire designed by ACS.

For more Community Barometer results please visit the ACS website or email rosie.wiggins@acs.org.uk

ACS Voice of Local Shops

A quarterly telephone survey with a sample of independent retailers, covering the nine regions of England, along with Wales and Scotland. The data used represents a sample of 1,100 retailers. The sample consists of unaffiliated, symbol group and forecourt independents which are represented in the survey in the same proportion as they are in the market. Lumina Intelligence aid in the design and delivery of the survey.

ACS Investment Tracker – Data obtained in the form of two surveys:

ACS Voice of Local Shops survey – Questions are asked relating to the amount retailers have invested over the past quarter; what they have invested in and how they have funded their investments.

Multiples Investment Tracker survey – A sample of over 3,000 multiple stores in the UK. Questions in the Multiple Investment Tracker survey are based on the questions asked in the Voice of Local Shops survey, where relevant, to ensure consistency of results.

The results of these two surveys are collated and combined according to the proportion of independent and multiple stores in the sector. The ACS Investment Tracker averages have been taken from November 2022 to May 2023.

ACS Colleague Survey

An online survey with a sample of 699 staff working within the convenience sector. The fieldwork was conducted between 26th January and 10th March 2023. For more Colleague Survey results please visit the ACS website or email rosie.wiggins@acs.org.uk

Community Shops – Plunkett Foundation

The number of community owned shops is obtained from the Plunkett Foundation database.

All other data on community shops is obtained from the Plunkett Foundation report 'Community Shops 2023'. The report is based on statutory data sourced from the Financial Conduct Authority and Companies House; electronic questionnaires and follow up telephone surveys; together with information held by Plunkett on every community shop.

References

Who we are (page 3)

- **Total number of convenience stores in mainland UK** – Figure sourced from WRBM.
- **Shop ownership** – ACS calculation based on figures sourced from WRBM.
- **Entrepreneurs** – Data obtained from the ACS Independent Retailer Survey and reflects independent retailers only (including those who own symbol stores and forecourts). 'Prefer not to say' responses were excluded from analysis.

Where we trade (page 4)

- **Location** – Rural/urban/suburban split sourced from WRBM. Definitions are based on population density and are derived from postcode data:
 - Urban (density above 30 people per sq. km)
 - Suburban (density 10-30).
 - Rural (density 0-10).
- **Neighbouring businesses** – Data obtained from the ACS Independent Retailer Survey and reflects independent retailers only (including those who own symbol stores and forecourts).

What we contribute to the economy (page 5)

- **Economic contribution** – ACS calculation based on 2023 data, methodology originally sourced from ACS Economic Project conducted by Retail Economics in 2018.
- **Annual investment** – Average investment per store was obtained quarterly from the Voice of Local Shops survey for independent retailers and from the Multiples Investment Tracker survey for multiples. Respondents were asked to estimate the cost of investment in their store over the last three months. The average investment per store was then multiplied by the number of stores for each store type in the sector (figures taken from WRBM) and added together to give an investment figure for each quarter. Quarterly results were added together to provide an annual amount invested.
- **Top areas of investment** – For unaffiliated independents and independent symbol groups the data was obtained from the Voice of Local Shops survey and for multiples, results were obtained from the Multiple Investment Tracker survey. Results for unaffiliated independents, symbol group independents and multiples were collated and combined according to their proportion of stores in the market. Averages were calculated from the surveys running from November 2022 to May 2023.
- **Sources of investment** – Data was obtained from the Voice of Local Shops survey and refers to independent retailers only (including unaffiliated and symbol group independents). Averages were calculated from the surveys running from November 2022 to May 2023.

What we sell (page 6)

- **Total value of sales and growth** – Figures sourced from Lumina Intelligence.
- **Average SKUs** – Figures sourced from the Retail Data Partnership 2023. Data refers to independent sales data only, up to March 2023.
- **Overall category sales** – Figures sourced from IGD, referring to H1 2022.

The services and technology we offer (page 7)

- All data on this page obtained from independent and multiple retailer surveys. Results for independents were collated between the ACS/Lumina Independents survey, REL SmartSpotter data collected in May 2023, and figures provided by the Retail Data Partnership. Combined independent results were then collated with responses from multiples and weighted according to their proportion of stores in the market to determine overall results for the sector. This data reflects an average of 2022 and 2023 results, as two-year averages to account for any variations in sampling and methodology changes.

Online and home delivery (page 8)

- **Social media** – Results for independents were collated between the ACS/Lumina Independents survey, REL SmartSpotter data collected in May 2023, and figures provided by the Retail Data Partnership. Combined independent results were then collated with responses from multiples and weighted according to their proportion of stores in the market to determine overall results for the sector. This data reflects an average of 2022 and 2023 results, as two-year averages to account for any variations in sampling and methodology changes.
- **Google trends** – Data refers to the search 'local shops' in the UK. Trend data was sourced in August 2023.
- **Delivery** – Data was obtained from the Voice of Local Shops survey conducted May 2023 and refers to independent retailers only (including unaffiliated and symbol group independents). Data reflects the total UK convenience sector.

How we source products (page 9)

- **Product sourcing** – Data obtained from the ACS Independent Retailer Survey and reflects independent retailers only (including those who own symbol stores and forecourts).
- **Store size** – Data obtained from ACS/Lumina Independents survey and Multiples surveys.
- **Use of wholesaler platforms** – Data was obtained from the Voice of Local Shops survey conducted May 2022 and refers to independent retailers only (including unaffiliated and symbol group independents).

How we operate (page 10)

- **Stores operated, hours per week and holiday** – Data obtained from the ACS Independent Retailer Survey and reflects independent retailers only (including those who own symbol stores and forecourts).
- **Opening hours** – Data obtained from ACS/Lumina Independents survey and Multiples surveys. Both independent and multiple respondents what time of day they open and close for the different days of the week. Results for independents and multiples were collated and combined according to their proportion of stores in the market, to determine overall results for the sector. Average number of hours open includes stores closed on Sunday or open 24 hours. Opening and closing times however exclude those closed on Sunday or open 24 hours.
- **Premises ownership** – Data obtained from ACS/Lumina Independents survey and Multiples surveys.
- **Family employees and time in business** – Data obtained from the ACS Independent Retailer Survey and reflects independent retailers only (including those who own symbol stores and forecourts).

Our Colleagues (page 11)

- **Jobs** – Per store employment figures obtained from ACS/Lumina Independents survey and Multiples surveys. An average number of staff per store figure was calculated for both independent and multiple retailers. The average number of staff per store was then multiplied by the total number of stores in the sector (based on figures from WRBM). Results for independents and multiples were collated and combined according to their proportion of stores in the market, in order to determine overall results for the sector.

The average employment figure was calculated by dividing the total number of jobs in the sector by the total number of stores in the sector. The following averages were identified for jobs per store in each retailer type:

- Unaffiliated independents (excluding forecourts): 5.82.
- Independently owned symbol stores (excluding forecourts): 9.65.
- Independently owned forecourts: 10.76.

- Multiples (Inc. co-operatives, forecourt multiples, multiply owned symbol stores): 15.00.
- Sector average: 8.87.

- **Ages of colleagues** – Data obtained from the ACS Independent Retailer Survey and Multiples survey. Combined results were weighted according to their proportion of stores in the market to determine overall results for the sector. Data reflects the total UK convenience sector.
- **Hours worked** – this data reflects an average of 2022 and 2023 results, as two-year averages to account for any variations in sampling and methodology changes. Data reflects the total UK convenience sector.
- Remaining data on this page obtained from ACS Colleague Survey 2023.

Who we serve (page 12)

- Data relating to customers relationship with convenience colleagues and how far customers would have to travel if their shop was no longer there was obtained from ACS Community Barometer 2023.
- Remaining data on this page obtained from Lumina Intelligence Convenience Tracking Programme 2023.

Our communities (page 13)

- **Most positive impact** – Data collected from ACS Community Barometer 2023. Respondents were asked: "Which of the following types of services (if any) do you believe have the most positive impact on your local area? Select up to three." Answers were ranked to reflect opinion.
- **Top three most wanted services** – Data collected from ACS Community Barometer 2023. Respondents were asked: "For each of the following types of services, please indicate whether you think that it would be beneficial for your local area to have more or less of these types of services, or if you think the number should remain the same." A wanted index was calculated for each service by taking the % who stated more away from those who stated less. Answers were ranked to reflect opinion.
- **Community activity** – Data was obtained from averaging the results from the most recent ACS VOLS surveys (November 2022 to May 2023) and reflects independent retailers only (including those who own symbols stores and forecourts).
- **Community shops** – Number of community owned shops obtained from Plunkett Foundation 2023 database.

Throughout the report, where percentages do not add up to 100%, this is due to rounding.

For more information about The Local Shop Report please visit the ACS website or email rosie.wiggins@acs.org.uk

Acknowledgements

This report would not have been possible without the support of a number of industry and research organisations that have helped by providing data. These sources are referenced alongside the relevant sections of the report, and those organisations are:



About SGF

SGF is the national trade association representing local shops across Scotland. We represent our members through effective lobbying, industry leading advice and networking opportunities for retailers and suppliers.

Our membership includes all the major symbol groups, convenience multiples and Co-ops currently operating in

Scotland. We also represent Tesco, One Stop and Morrisons Forecourt C-Stores. SGF core activities are communication, advice, lobbying and networking.

For more information about SGF, visit our website:

www.sgfscot.co.uk



Contacts

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