

Good service and wide choice help UK convenience stores weather the slowdown

Independent survey shows that convenience stores are making great service pay

- Average spend in local stores risen by 15% over last three years
- 18p in every pound now spent in convenience stores
- 86% consumers believe they get better service in a local shop

Welwyn Garden City, 28 October 2012: The British public is still committed to supporting its local high street according to research released by PayPoint. The study of 22,000 shoppers, conducted by him!, has revealed that when it comes to grocery shopping, the local convenience store is still a very worthy contender for the British shopper's pound and is even topping the tables when it comes to customer service.

The personal touch from convenience retailers is evidently paying off with consumers as the average spend in local stores has risen by 15 per cent over the last three years. One in five consumers now goes to their local shop every day, while a quarter go at least once a week. These figures put the average spend in local stores almost on a par with the high street supermarkets, with local stores now seeing 18 pence in every pound, compared to 20 pence for the supermarket chains.

The study shows that more than three quarters of consumers agree that convenience store staff are friendlier than those in larger stores, while 86 per cent agree they get outstanding speed of service and 85 per cent believe convenience store shopping is easier than visiting chain supermarkets.

However, the tough economic climate has meant that consumers have become much savvier about their grocery shopping and are less willing to part with hard earned cash on a whim. The research shows that shoppers are now more likely to do all their grocery shopping in one go and are not 'topping up' as much in between shops, with 52 per cent saying they primarily visit their local convenience store to 'top up' compared with 74 per cent in 2010.

This increase in financial prudence has also meant that consumers are now more aware about getting value for money when grocery shopping. 12 per cent are now planning to buy in bulk more than they were a year ago and 17 per cent will be more likely to make use of coupons when shopping to help save money.

Andrew Goddard, Retail Director of PayPoint UK & Ireland, comments:

"We've long recognised that convenience stores are the engine room of our high streets, and it's great to see that him's research reflects that. Convenience stores today offer far more than groceries – you can pay bills, send money overseas, pay for energy, access your money and even pay for transport or parking. These are important services, and help consumers recycle their spending straight into the local economy to the benefit of the entire local community.

“him!’s research also reinforces the benefit to retailers of offering services such as PayPoint to their customers. According to him!, Paypoint users visit the shop more frequently than the average shopper (**4.61 vs 3.68 times per week**), spend more per visit (**£7.47 vs £5.47**) and so are worth 71 per cent more over a week (**£34.44 vs £20.13**)...or £1,790.88 per shopper, per year.”

Sivar Thievanayagam, who runs three NISA and Londis shops in Stilton and Peterborough, said: “It is tougher for our customers and they are watching what they spend but they’re certainly not turning their backs on the corner shop. We’ve found our customers like the convenience, there’s a wide choice of products and we’re open longer hours than the supermarket chains. We also consider ourselves very much part of the community - local residents want to support local shops like ours.”

ENDS

About the research

Over 22,000 convenience shoppers were surveyed at 1225 convenience stores, across England, Scotland and Wales, covering 30 convenience retailers. Interviews were conducted with *shoppers* face-to-face on entry to and exit from convenience stores in order to deliver robust insight based on shopper *fact* and not opinions.

About him!

him! has, for 40 years, helped retailers, service businesses and suppliers to understand their customers... and sell more to them. A consulting firm with an exceptional commitment to research, we have conducted over 15 million moment of truth "conversations", during shopping, giving robust database confidence and predictive skill. Our current 120+ blue chip client relationships are based on involvement in one or more of a number of exclusive customer tracking programmes or bespoke research-based consulting, making us experts in shoppers and shopping.