

The Customer Experience of Town Centres

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Overview

The UK's shoppers have not yet deserted their local High Street. But once consumers no longer achieve what they want in town centre visits, its oft-predicted death is liable to become a self-fulfilling prophecy. The High Street is likely to survive only for as long as consumers enjoy the town centre customer experience.

This is the stark message that emerges from our research. The growth of out-of-town stores, the convenience of supermarkets and the rise of online retailing have not yet delivered a fatal blow to the town centre, but the window of opportunity to ensure that most people still continue to shop in the heart of their own communities is becoming smaller.

By tracking shoppers over a period of time, thus producing a uniquely detailed picture of consumer behaviour, we have shown that the town centre is still the UK's favourite shopping destination. In other words, despite mounting competition, the High Street retains our patronage.

This in itself is hugely significant, but it is no cue for complacency – quite the opposite. It is a cue for action. The fact remains that the town centre is only just ahead of the supermarkets as the closest competitor, while online retailing, although attracting fewer visits, already generates more spending. The competition is intensifying and it will only increase with advances in mobile technology.

Crucially, our study provides a comprehensive analysis of how and why consumers use the town centre. For the first time we have been able to break down the consumer “journey” to identify town centre “touch points”; the key moments of interaction with the retail environment, to develop a much more precise and nuanced understanding of what makes people come back, what compels them to go elsewhere, what they value and what they dislike.

This unprecedented insight into the customer experience, drawn from both quantitative and qualitative data, highlights the enormous challenges and opportunities that now confront town centres. Perhaps most importantly, it offers empirical proof that it is the town centre customer experience, above all, that translates into greater consumer spend.

Consequently, we argue that it is by developing the fullest possible understanding of the customer experience and using it to attract customers to visit and return, that our town centres are most likely to survive.

Ultimately, although they may be acutely aware of its failings, UK consumers still want their town centres to work. This study explains how and why the customer experience is key to granting them their wish. We hope our findings and recommendations will help to make the necessary transformation possible.

Cathy Hart

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Foreword

The BRC is very pleased to support Loughborough University in the production of this important research, Investigating the Customer Experience of Town Centres.

We are committed to playing a central role in the future of town centres and continue to promote the need for the right balance of effective policies and local management to support successful urban centres. This research provides a timely and welcome analysis of a vitally important element of town centre success – customers and their use of town centres.

The research will help policymakers, investors and the government understand what customers want from town centres and why they choose to visit and spend time and money in a given location.

The analysis tracks a wide range of customer journeys in six different town centres while also investigating how competing centres interact and how technology continues to revolutionise the consumer experience. The report also helps us understand the interaction between functionality and experience depending on size, location and offering of town centres.

Town centres are going through a period of profound structural change as the way people shop, interact and socialise changes. Despite this, town centres will continue to be important locations at the heart of communities. This rigorous analysis of consumer behaviour helps investors and other stakeholders make informed decisions based on empirical data.

What is clear from the research is that town centres must try to differentiate what they offer. It is clear that online sales will play a growing role and destination centres will continue to attract consumers. Town centres must therefore offer a unique experience, the right retail mix and good reasons to spend time and money.

As the research highlights, the precise nature of what is needed could differ considerably from location to location. But effective management, a vision for future development, secure and safe locations and accessibility will all be essential in achieving success.

Tom Ironside
Director of Business and Regulation
British Retail Consortium



Executive Summary

The importance of the customer experience

The plight of Britain's town centres has attracted attention at the highest levels in recent years. The government has introduced a number of actions, from the Portas Review to the Future High Streets Forum, in response to undeniable evidence of economic decline.

It is clear that town centres are changing, as is the way in which shoppers use them. With the internet offering unprecedented choice, comparison and convenience, consumers have come to expect more from town and city centres. Yet, although we are all deeply aware of this fundamental shift, surprisingly little is known about what actually constitutes the customer experience in a town centre.

This research aims to fill that knowledge gap. By examining consumer behaviour in relation to the changing landscape of town centres, it provides evidence of how the customer experience is formed from a consumer perspective. As such, this study is unique.

The research tracked 200 respondents in six town centres: Swindon, Huddersfield, Watford, Loughborough, Bury St Edmunds and Sandbach. One of the reasons that these locations were chosen was that they are typical of the type of towns that could be under threat from rival forms of retailing.

All the respondents kept online diaries in which they logged every single element of their shopping activity over the course of a four-week period. This included where they shopped, how much time and money they spent in doing so and how they used internet or mobile technology to support or supplant the physical shopping experience.

Respondents also completed a weekly questionnaire in which they recounted the critical incidents occurring during their "customer experience journey". The study identified 11 key interactions or "touch points", some of them physical (or "functional") and some intangible (or "experiential").

Key findings

1. Shoppers have not yet deserted the High Street

Town centres are the most popular shopping destination in our sample, attracting almost a third of all shopping visits (32%). Supermarkets come next (28%), followed by local shops (14%). The out-of-town/retail parks are visited least frequently as a destination (8%).

2. Convenience is key

Consumers mostly choose shopping locations that are close to home or work, basing their decisions on factors such as the availability of stores, products, access and parking. They want a trouble-free "functional" visit. Generally, larger towns appear better equipped to provide this kind of experience.

3. Consumers are creatures of habit

Some 60% of shopping journeys in town centres are habitual, with consumers rarely straying from a preferred route. Most consumer activity is focused on core retail clusters and is frequently influenced by perceptions of the length of the walk from car-park to shops and back again.

4. Consumers seek physical shopping experiences

The majority of the most memorable critical incidents reported in our sample, whether positive or negative, are made up of customer service interactions. This shows that engaging with customer-facing employees remains a fundamental element of the shopping experience. Similarly, fashion/clothing is the sector that attracts most shopping in town centres, indicating that consumers value being able to see and feel clothes and accessories. In short, consumers still seek the physical involvement of town centre shopping.

5. The online threat cannot be ignored

Some 13% of shopping visits in our sample are conducted online. The figure varies considerably from town to town, rising from 9% in Swindon to 27% in Loughborough (which has a large student population). Product-related searches are the main online activity prior to visits to town centres. Online shopping during visits to town centres is relatively low, but 41% of respondents admit they shop in town centres less often because of the online alternative. This figure is only likely to rise.

6. Customer experience translates into consumer spend

The respondents in our sample spend approximately the same average amount per town centre visit as they spend online (£55.86 versus £56.61). Yet those who shop in town centres with family and friends spend up to 50% more than those who shop alone. The “experiential” touch points of the customer journey – including social interaction, visits to cafes and restaurants and atmosphere – heighten enjoyment, prolong dwell time, increase spend and deter consumers from resorting to the online alternative. Typically, smaller towns appear to be better equipped to enhance the customer experience in this way.

Translating the customer journey into multi-channel

Our findings shed new light on the key touch points that comprise the customer journey to town centres, but precisely how these touch points link together remains unclear. Perhaps this is simply because at present they do not link together, which is part of the problem.

Many retailers successfully manage customer experience seamlessly across multiple channels, for example in-store, online and mobile, but town centres lack such a level of coordination. Bearing this in mind, we make the following recommendations for enhancing the town centre customer experience.

Key recommendations

1. Adopt a coordinated and collective approach

Depending on how well it satisfies their needs, the mix of stores, goods and services in a town centre can attract or deter consumers. A coordinated and collective approach is vital to ensuring that the mix is an effective one and that consumers’ patronage is rewarded. Town management partnerships need to protect and strengthen “anchor” sectors (e.g. fashion/clothing) in underperforming towns, as well as encouraging new retail businesses in under-represented sectors to enhance the overall offer. It is also essential that the coordinated and collective approach embraces not just retailers but leisure and service providers. Town management partnerships should consider adopting a “category management” approach where valued sectors are at risk.

2. Facilitate availability and convenience

Most reported customer dissatisfaction with town centres stems from lack of choice, limited range and poor stock availability. If consumers still prefer the convenience of shopping locally then more provision is needed to fulfil their visits and encourage repeat patronage. More attention should be given to stock availability and how important information is communicated to shoppers. Measures that enable consumers to combine shopping trips with click-and-collect purchases in town could help expand convenience, availability and attract additional brands and services.

3. Maximise the town centre journey

Visitors to town centres need reasons to divert from their habitual shopping routes. Often consumers are pleasantly surprised by what they discover if they stray from their regular circuit. The merchandising techniques that individual stores use to stimulate customer circulation should be employed on a town-wide basis to attract consumers to quieter areas. Improved signage, themed events and awareness-raising marketing campaigns can help turn retail cold-spots into hot-spots.

4. Make the most of customer service

With consumers continuing to value the physical interaction of shopping in town centres, positive customer service is fundamental to encouraging continued loyalty and repeat visits. A range of initiatives should be employed to improve the quality, consistency and value of customer service, including for example consumer voted town-wide customer excellence awards, and incentivising staff through training, promotions and prize rewards.

5. Exploit and integrate the digital experience

Although many individual retailers and services successfully operate Omni-channel businesses, the role of digital technology in enhancing the town centre customer experience is underdeveloped. Town centres need to become virtual marketplaces so that customers have the latest details regarding the availability of stores, products, brands, services and events. A central, one-stop information point – backed by free, widely accessible wi-fi and dedicated store-finder and brand-finder apps – would ensure that the internet supports rather than supplants the town centre experience.

6. Encourage the social interaction to increase dwell time and spend

Group shopping, whether with family or friends, leads to longer visits and greater spending in town centres. Various marketing strategies should be used to target families and other groups, with a particular focus on the role of leisure and service providers. Existing virtual and local community networks should be researched with a view to encouraging and creating community ‘cafes’ or meeting places, particularly after work or evenings. Car-parking prices, especially during evenings, need reviewing to encourage communities to use the town centre socially, boosting the evening economy.



1.0 Introduction

The plight of Britain's town centres has attracted attention at the highest levels in recent years. The government has introduced a number of actions, from the Portas Review to the Future High Streets Forum, in response to undeniable evidence of economic decline.

It is clear that town centres are changing, as is the way in which shoppers use them. With the internet offering unprecedented choice, comparison and convenience, consumers have come to expect more from town and city centres. Yet, although we are all deeply aware of this fundamental shift, surprisingly little is known about what actually constitutes the customer experience in a town centre.

This report presents the findings of a unique project to explore that experience. It fills gaps in current knowledge by revealing for the first time what comprises the customer experience within a town centre as opposed to within an individual store or shopping mall. By examining consumer behaviour in relation to the changing landscape of town centres, it provides unprecedented evidence of how the customer experience is formed from a consumer perspective.

Methodology

The study was carried out between July 2012 and June 2013. It was funded by the Economic and Social Research Council and supported by six project partners: Argos, the Association of Convenience Stores, Action for Market Towns, Boots UK, the British Retail Consortium and the Loughborough BID Partnership.

The research studied six town centres; Swindon, Huddersfield, Watford, Loughborough, Bury St Edmunds and Sandbach. These locations were chosen to provide a spread across large and small centres, geographic regions, urban and rural settings and market profiles; in addition, they are typical of the type of towns that could be under threat from rival forms of retailing. The research commenced with focus groups in each town centre to gather preliminary insights and scope the customer experience.

A consumer tracking study was designed, and conducted whereby all of the respondents kept online diaries in which they logged every single element of their shopping activity over the course of a four-week period. This included where they shopped, with whom, how much time and money they spent in doing so and how they used internet or mobile technology to support or replace the physical shopping experience. Over 1,869 diary entries were generated.

Respondents also completed a weekly questionnaire in which they recounted any positive or negative 'critical incidents' occurring during the customer experience journey. More than a thousand instances of customer interaction were identified. This led to establishing 11 categories of key interactions or 'touch points', some of them physical (or 'functional') and some intangible (or 'experiential').

At the end of the study respondents completed a 100-item telephone interview to further probe customer experiences and attitudes towards multi channel and digital interaction with town centres.

At each stage of the process the research focused on capturing customers' behaviour and attitudes in their own words and from their own perspectives. This allowed the study to develop a uniquely rich picture of the customer experience in the six town centres.

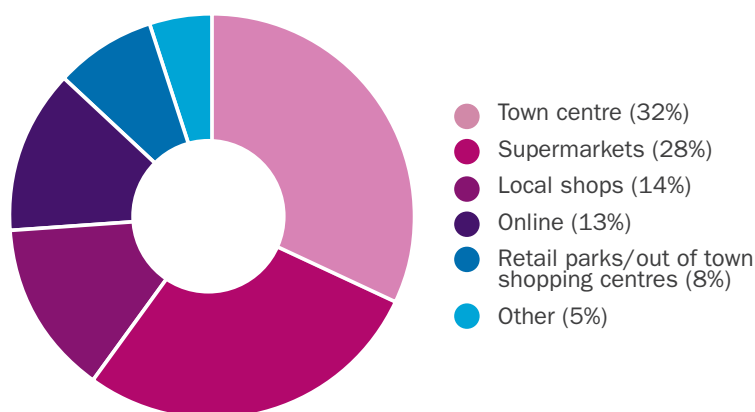
2.0 Key findings

Shoppers have not yet deserted the High Street

A basic aim of this research is to explain how and why respondents use town centres rather than other locations and online shopping. To shed light on these questions, respondents recorded every shopping visit, regardless of location or purchase outcome, during the four-week tracking study.

As shown in **Figure 2.1**, town centres are the most popular shopping destination in our sample, attracting almost a third of all shopping visits (32%) and significantly outperforming online shopping (13%). In terms of visits, the remaining 55% is split between supermarkets, local shops and out-of-town/retail parks.

Figure 2.1 Breakdown of visits per location type



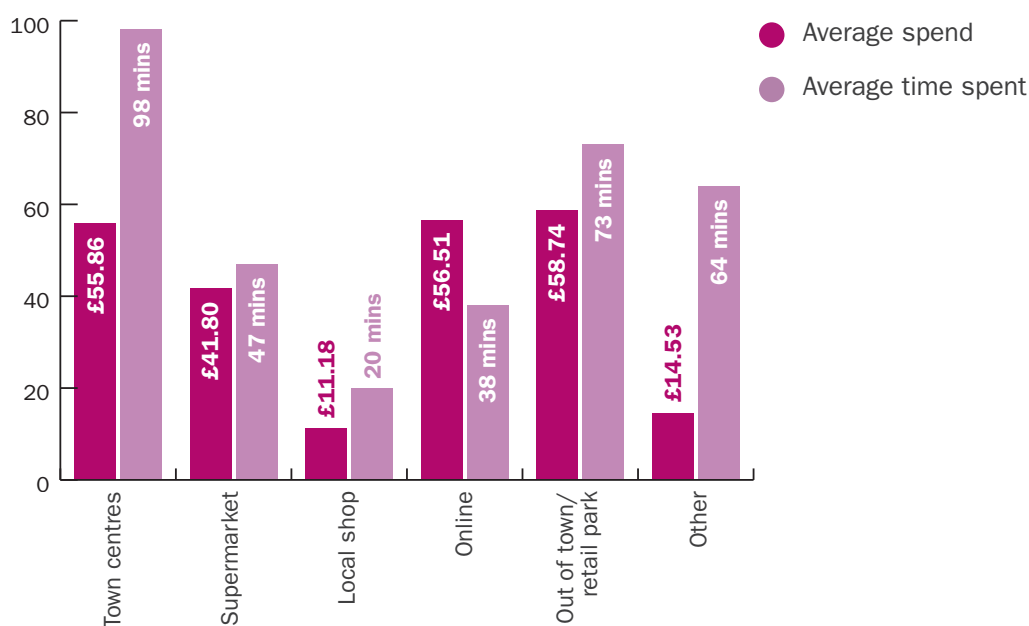
These results suggest that town centres remain the most popular shopping destination, despite increasing competition from other locations and online retailing amid the current difficult economic environment. In our sample the main competition for town centres comes from supermarkets (28% of visits), where non-food product ranges potentially maximise opportunities for customers' one-stop shopping.

Town centre spending and online spending are near-identical

In our sample the average spend per shopping visit in town centres (£55.86) is almost equal to the average spend per online visit (£56.51). The figure is slightly higher for out-of-town/retail parks (£58.74) and lower for supermarkets (£41.80). This could be due to the predominantly 'top-up' nature of shopping in town centres.

As **Figure 2.2** shows, the pattern for average time spent per shopping visit is not commensurate with financial spend. Notably, shopping online takes far less time than shopping in town centres and at retail parks. The length of time spent shopping in town centres suggests a wider range of stores, services and facilities collectively occupying a longer shopping visit.

Figure 2.2 Average spend/time spent per shopping visit



Town centres are the preferred destination for buying fashion/clothing

As **Table 2.1** shows, fashion/clothing is the most popular sector in our sample, accounting for 27% of total purchases across different locations. It is also the most popular category for purchases in town centres (also 27%). Out-of-town/retail parks are most frequently visited for gifts, sports goods and toys (26%), while online purchases are led by household goods such as furniture, electrical items and CDs/DVDs (28%).

Table 2.1 Percentage of purchases made per location type

	Groceries	Books, arts & crafts	Chemists, toiletries & healthcare	Department stores/mixed retail	Home & household goods	Fashion, clothing & footwear	Gifts, sports & toys	Total
Town centre	19	8	10	7	16	27	13	100
Retail park	16	3	6	1	24	24	26	100
Online	9	7	4	1	28	27	25	100
Total	17	7	8	5	20	27	18	100

Customers mostly choose shopping locations close to home

As **Figure 2.3** shows, the respondents in our sample most frequently cite closeness to home as the principal reason for visiting their chosen shopping locations (41%). The availability of goods and convenience/ease of access come next (both 19%). The average age of the shoppers citing these reasons is 40.

A slightly younger group, with an average age of 37, is more likely to cite closeness to work as a reason for choosing a certain shopping location. Members of this group are often shopping for refreshments (usually lunch) or visiting a supermarket (**Table 2.2**).

Figure 2.3 Reasons for town centre visits (% of entries)

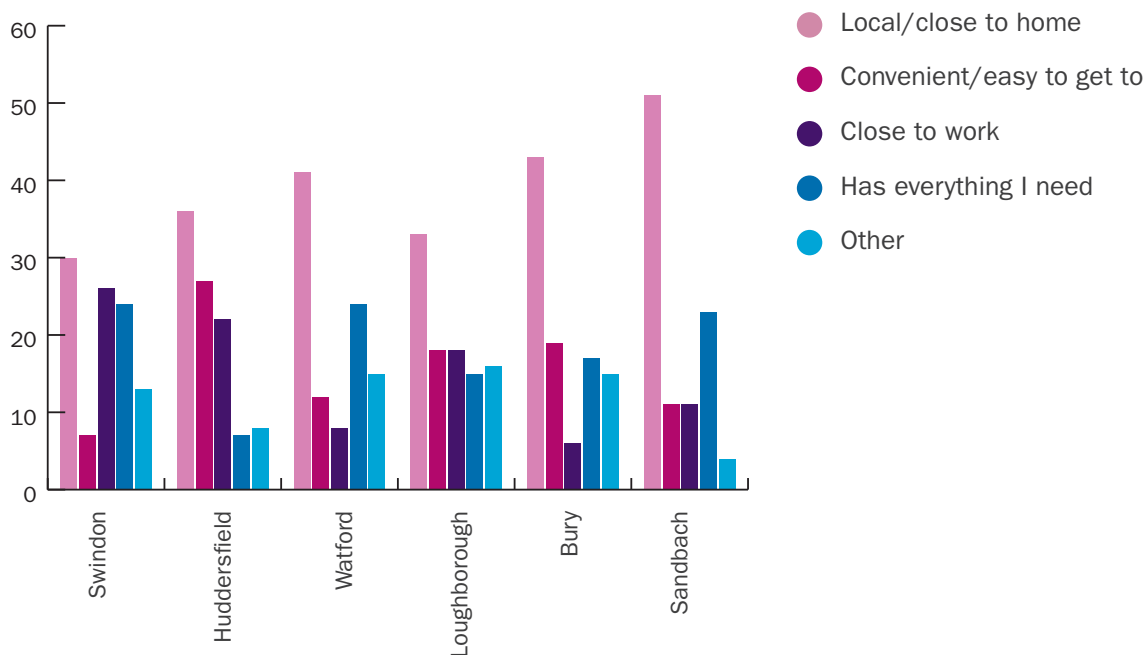


Table 2.2 Percentage of purchases made by store type, per town centre (% of entries)

	Groceries	Books, arts & crafts	Chemists, toiletries & healthcare	Department stores /mixed retail	Home & household goods
Swindon	30	7	26	24	13
Huddersfield	36	27	22	7	8
Watford	41	12	8	24	15
Loughborough	33	18	18	15	16
Bury	43	19	6	17	15
Sandbach	51	11	11	23	4
Total	41	19	16	19	5

“Softer” factors are also at play

A number of other factors are reported as contributing to reasons for their town centre visits. Respondents mentioned factors such as the pleasant atmosphere, the environment and markets. Enjoyment of town centre shopping included sharing the shopping experience with companions, family or friends. These factors account for around 5% of responses across the entire sample but reach up to 16% for some locations.

In customers’ own words:

What “soft” factors influence shopping decisions?



It had a market on this weekend, which I wanted to visit

A friend invited me to go shopping with her

There’s a nice mixture of old and new

I like the scenery



These reasons appear to relate to the “softer”, more subjective factors of the town centre experience – those that stimulate feelings and emotions of pleasure, enjoyment and even excitement. The respondents in our sample citing these factors have an average age of 44.

The figures in **Table 2.3** show the average spend according to the reasons for visiting that town centre. These results indicate that consumers are likely to spend more if satisfied with the product assortment (Has everything I need). But other reasons involving enjoyment and excitement also contribute to a significant level of spend. These highlight the value of the “softer” elements of the customer experience alongside the convenience factors to increase town centre spend.

Table 2.3 Average spend according to reason for visit

Reason	Average spend (£)
Local/close to home/convenient/easy to get to	51.61
Close to work	25.30
Has everything I need	60.47
Other (social, pleasure etc)	56.75

Function first and foremost

The reasons discussed above come from unprompted responses. The respondents in our sample also explain their choices by ranking a list of nine key town centre factors established by the research team.

In this instance, as shown in **Table 2.4**, the most influential factor in choosing a town centre is the range of stores available (24%). Easy access comes next (18%), followed by parking (17%). This underlines the importance of functional factors in how consumers choose where to shop.

Table 2.4 Factors influencing location choice (% of respondents)

Factor	% of respondents
Stores	24
Easy access	18
Parking	17
Markets	9
Layout	9
Social interaction	8
Atmosphere	7
Customer service	6
Information	1
Average	11

Immediate satisfaction is essential

As shown in **Table 2.5**, lack of choice and lack of stock availability are the most frequently cited reasons for the respondents in our sample failing to achieve their shopping objectives during the 4-week period. Between them they account for more than 60% of responses.

This finding is especially important in light of the fact that the fashion/clothing sector, as we have already seen, is the most popular for purchases in town centres. This category, along with others dominated by comparison goods, is among those particularly under threat from online retailing. Consumers whose objectives cannot be achieved are increasingly likely to react to dissatisfaction and wasted journeys by switching to the Internet.

Table 2.5 Reasons for respondents NOT achieving objectives in town centre

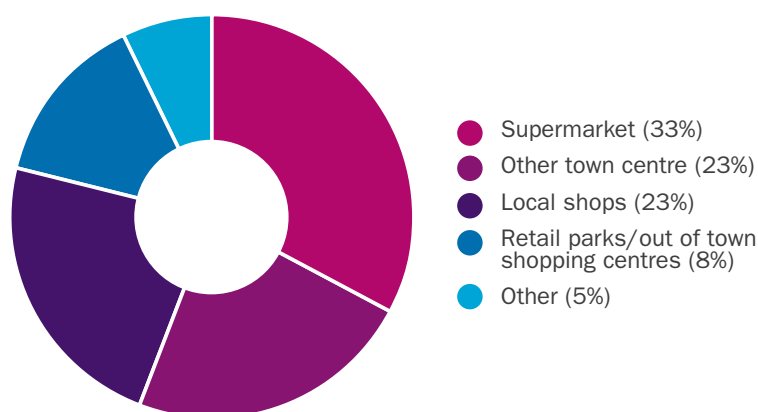
Factor	Number of respondents	% of respondents
Lack of choice/limited range	46	42
Out of stock/size unavailable	22	20
Price	7	6
Opening hours	6	5
Customer service	4	4
Crowding	4	4
Lack of store choice	2	2
Parking	2	2
Shopper issue	17	15
Total	110	100

Outshopping: what and where?

More than a third of all of the shopping visits reported in our sample relate to visits outside the six locations studied. As **Figure 2.4** shows, a third of these are to supermarkets in other locations. This is particularly the case for smaller towns, such as Sandbach and Loughborough, where a greater choice of supermarkets is available in bigger town centres nearby. Almost a quarter of outshopping visits are to competitor town centres offering more choice or to experience another location for a change of scene.

In our sample the value of outshopping to competing town centres is £54.82 per visit. The mean spend of all outshopping, including supermarkets, local shops and retail parks in competing destinations, is £36.09 per visit.

Figure 2.4 Proportion (%) of outshopping locations



Understanding the reasons for outshopping

While spending in the respondents' own town centres remains higher than that for outshopping, it is important that town management partnerships understand the reasons for outshopping at competing locations. These include:

- Shopping near one's workplace at lunchtime or on the way home
- Visiting a larger centre because it has a greater range of or bigger stores than available locally
- Greater availability of products in larger or more attractive town centres
- Collecting or returning goods bought online
- Combining shopping with tourism, social visits or a change of scene
- The attraction of different types of stores (often independent) not available locally

In customers' own words: Why outshop?



*I had to return an item to a store
that's only in that city centre*

*There's a big
choice of shops*

*It's nearest to my office, and I
could go during my lunch break*

*My mum wanted to go
somewhere different*



One size does not fit all

As **Table 2.6** shows, Huddersfield has the highest proportion of outshopping in our sample (41%). Nearby Leeds has a wider range of stores, and a number of respondents also work in the city.

Watford (38%) has several alternative local small town centres, including Borehamwood and Bushey, within easy reach. Brent Cross Shopping Centre also represents significant competition.

Loughborough (36%) has a major retail park, Fosse Park, nearby. Leicester's Highcross Shopping Centre is another factor.

Bury St Edmunds and Sandbach, where respondents report around a quarter of shopping visits as outshopping, lose custom mainly to larger town centres in the area.

Respondents in Swindon (14%) demonstrated the lowest proportion of outshopping, which were mainly due to combining shopping with tourism, social purposes or work.

Table 2.6 Outshopping locations

Study Town	No. of visits	% of visits outshopped	Most outshopped locations
Swindon	20	14	Trowbridge Bath
Huddersfield	196	41	Leeds Halifax Brighouse
Watford	201	38	Borehamwood Bushey Brent Cross
Loughborough	183	36	Leicester Fosse Park
Bury St Edmunds	27	23	Ipswich Haverhill Cambridge
Sandbach	22	25	Crewe Manchester

The role of services and leisure activities

The wider use of available services and leisure activities is crucial to town centres' appeal and future success. **Figure 2.5** illustrates the use of such amenities by the respondents in our sample over the course of the previous year.

Use of banks, cafes, restaurants, bars/pubs and post offices is particularly high. Shopping is also regularly combined with visits to parks, leisure centres and cinemas. Health and beauty services are also combined with town centre shopping visits.

In customers' own words: How do you spend your time in town?



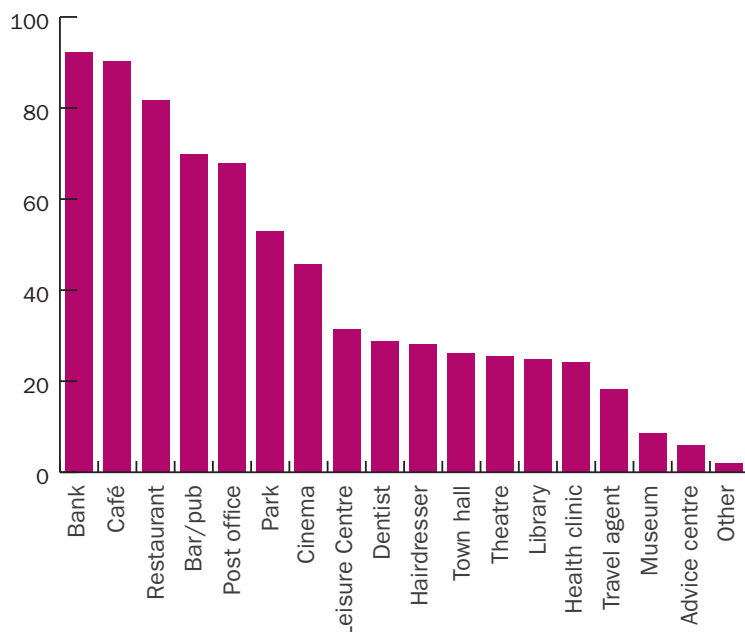
I spend probably two or three hours walking round the different shops and seeing what I like and what not and then see a film or have something to eat

I brought my daughter in for a hair appointment, so I had a mooch around while she was having her hair done

Just now and again I meet my friends at the park



Figure 2.5 Use of services during town centre visits in previous year (% of respondents)



As Table **2.7** shows, respondents who combine town centre shopping with entertainment, banking or refreshments spend more money per visit than the overall average spend per visit. The most significant increase of all results is from combining shopping with visiting an entertainment venue, which raises the average spend to £87.50. Combining shopping with other non-retail activities, such as visiting a library, park, museum, travel agent or hairdresser, sees the average spend fall beneath £35.

Ranging from 93 to 190 minutes, the amount of time spent in town centres is also higher when customers combine shopping with refreshments, banking or entertainment facilities. Visits for purely non-retail purposes generate a lower average spend (£12.21) and last an average of 77 minutes.

It is important to note that even those activities that generate lower spending provide a social benefit to visitors and contribute to dwell time. This suggests that they help enhance the town centre experience and highlights the importance of developing synergies between retail and non-retail activities. For example, visiting parks during a town centre shopping visit was mentioned by 53% of respondents, across all six study locations. The opportunity to relax in a green space away from the core town centre activity appears to be important to more than half of the sample respondents; *“just now and again or if I meet my friends at the park, if the kids fancy a different park or something and it is really quite enclosed and secure so I don’t mind taking them there”*.

Table 2.7 Average spend when combining shopping with wider town centre offer

Activity	Average spend (£)	Time spent (mins)
Entertainment	87.50	190
Banking	75.16	93
Refreshments	74.63	142
Parks, recreations	34.48	103
Non-shopping TC visits	12.21	77
Average	56.80	121

The evening economy

The activities discussed above are mainly daytime activities that support town centre shopping. Combining shopping with the evening economy is less popular, with only 23% of the respondents in our sample reporting doing so. Barriers include lack of infrastructure, safety issues, cost and the gap between the closing of shops and the opening of the evening economy or entertainment.

In customers' own words:

Why don't you make more use of the town's evening economy?



It has a good side and a bad side. The bad side, where all the chain bars are, attracts trouble. Then there's the other side, with the independent bars, where everything is okay

I'm not very keen. I don't like the pubs – they all seem a bit rough

They should consider allowing people to park their cars overnight for a nominal fee of £5 and introduce a taxi rank to local villages

I don't use it in the evenings because of the students



This suggests a potentially significant means of further enhancing the town centre customer experience is not being fully exploited. The gap between shopping and the evening economy needs to be reduced by providing additional attractions or promoting leisure activities. In addition, costs of travel and parking during the evening should be reviewed to encourage customers from a wider catchment area.



3.0 The internet and mobile technology – threat or opportunity?

The impact of internet and mobile technology on town centre shopping is of manifest significance amid the ever-increasing competition that digital retailing represents. Drawing on in-depth interviews with the respondents, the research reveals for the first time the extent to which consumers use the internet and mobile technology to enhance or replace the physical shopping experience.

The online threat cannot be ignored

As we have already seen, town centres compete directly with online shopping, with some 13% of shopping visits in our sample conducted online. It is important to note that the figure varies considerably from town to town, rising from 9% in Swindon to 27% in Loughborough. Differing demographic profiles (e.g. Loughborough's student population) are likely to account for variation across locations.

Although the average spend per online visit is similar to the average spend per town centre visit, online shopping times are much shorter. Shopping online lasts an average of only 38 minutes, compared with an average of 93 minutes for a town centre visit. Online shopping is likely to become even quicker and more efficient, particularly given the predicted growth of m-commerce.

The online threat to town centres is greatest for comparison goods. This is an area in which town centres typically specialise and also represents the largest category in terms of town centre purchases.

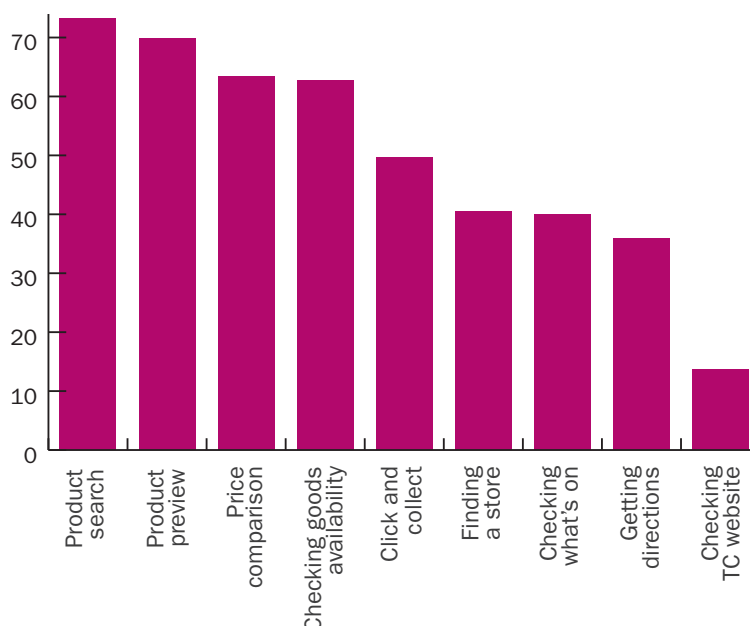
It is therefore clear that online retailing represents a very real and growing threat. To understand how to turn that threat into an opportunity it is necessary to examine how town centre shoppers use the internet and mobile technology before, during and after their visits.

Online use before the town centre visit

As **Figure 3.1** shows, product-related searches are the main online activity before town centre visits. The respondents in our sample report searching for products (73%), reviewing products (70%), comparing prices (63%), checking availability (63%) and click-and-collect activity (50%). Finding stores, getting directions and checking information regarding events etc is also reasonably quite commonplace.

Very few respondents (14%) report checking town centre websites before visiting. This is due either to a lack of awareness or to perceptions that these sites do not offer sufficiently up-to-date information on the stores, products/brands or events.

Figure 3.1 Internet usage before town centre visit (% of respondents)

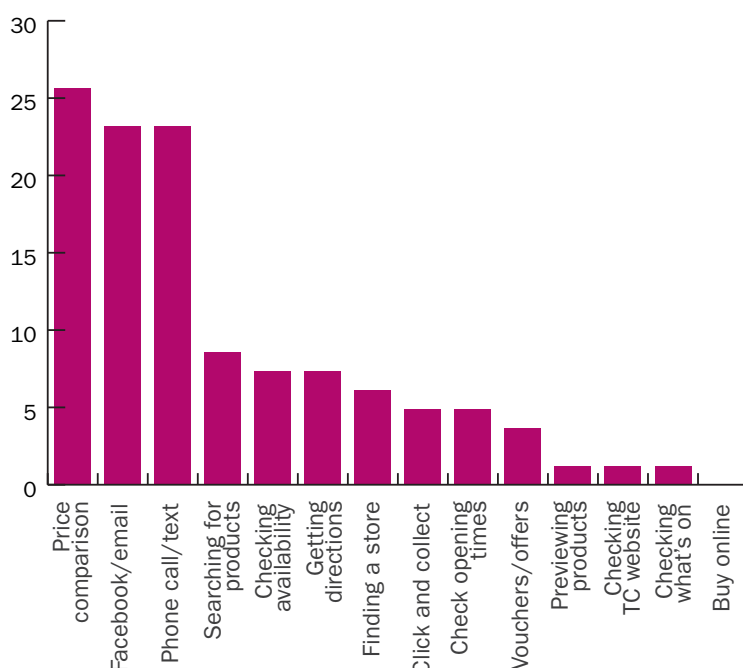


Online use during the town centre visit

Some 51% of the respondents in our sample report using a smartphone while visiting the town centre. As **Figure 3.2** shows, the highest mobile/online usage is for price comparison (26%), which is used to support buying decisions. None of the respondents reports using price comparison to facilitate an online purchase while shopping. Perhaps unsurprisingly, texting / phone calls (23%) and social media (Facebook and email; 23%) are key activities.

Using digital technology to search for products and check availability is much less common during the town centre visit (9% and 7% respectively). Click-and-collect is also rarely used in-town (5%), while a similar number (4%) collected vouchers or use other online offers while in the town centre. A small proportion of shoppers (between 5% and 7%) looked up opening times or checked directions while shopping. The use of town centre websites is again extremely low (1%).

Figure 3.2 Internet usage during the town centre visit (% of respondents)



There is little difference between the types of customers using mobile technology during town centre shopping. Price comparisons are popular among all age groups in our sample, with a tendency for the 30-to-49 age group to use click-and-collect most frequently. Customers under 40 are more likely to use apps, most commonly, as **Table 3.1** shows, to find discount vouchers.

Table 3.1 Type and frequency of apps used by respondents while shopping

Types of apps	No.	Types of apps	No.
Voucher apps	12	Sport/health	3
O2 priority moments	7	Twitter	3
Facebook/email	8	Storefinder apps	2
Banking apps	6	Around me	1
Google maps	6	Instagram	1
Store apps (physical)	5	Quick Co	1
Online store apps	6	Shazam	1
Whats app	4	Spotify	1
Barcode scanners	4		

How can mobile technology improve the town centre experience?

According to the respondents in our sample, the ability to check availability is the most useful way in which mobile technology can improve the town centre experience (11%). Next comes price comparison (7%), followed by getting directions, finding stores, checking opening times and obtaining vouchers (6%). Paying for purchases using mobile technology appears of notably limited appeal (2%).

What influences online behaviour in relation to town centre shopping?

Analysis of respondents' attitudes towards internet shopping, particularly in terms of the convenience and enjoyment it offers, helps explain how online technology might be used to enhance rather than replace the town centre experience.

People are more likely to engage in online shopping if they are satisfied with the product-related information provided, if access is easy and if the experience is enjoyable. On the other hand, the immediacy of town centre shopping is preferred if the online experience becomes onerous.

In customers' own words: Is it always easier to shop online?



It's easier... if you're buying children's clothes, because they don't want to go into the shops and try them on

Ease of access, ease of information. If you can find out what's happening on your phone then you're much more likely to do it



I looked at clothes online, but there was so much to look at that I thought it would be easier to go to the shop and look

People are also less likely to engage in online shopping if they find the town centre experience enjoyable. Many consumers prefer the immediacy and tactile nature of the physical act of shopping.

What makes town centre shopping enjoyable?

“

[Shopping online] you don't get to see the smaller, independent shops or boutique shops. So I'll go through phases where I'll shop online for a while and then kind of miss going into the town centre

The advantage [of shopping online] is that you can see it, click it... The disadvantage is that you've got to keep sending it back if it doesn't fit. When you go to the shop you can try it on

The most memorable experience about High Street shopping for me is that it's more immersive and tactile than the internet

I do quite a bit online, but [for] clothes I'd sooner go into the shops and see what I'm buying – especially shoes, because they never turn out to be right size

”

Shoppers who use online click-and-collect before visiting the town centre were very positive about it. Checking price comparisons of products before and after town centre visits are increasingly popular.

What are the benefits of click-and-collect and price comparison?

“

I had a quick scan on prices before I got into town to justify my visit, as I didn't want to spend a lot if I didn't have to

I used the internet after my visit to town to find out whether I could get a cheaper deal for a new phone online

I used the internet to reserve an item I wanted to get. I did this to make sure they had it in stock

I always compare prices if I see something in town. It's so easy to do

”

The practice of 'Showrooming' – viewing a product in the town centre and then buying it online, is reported by a significant proportion of the respondents in our sample, with 39% engaging in it occasionally and 18% engaging in it often or very often. However, it is less likely to occur if shoppers have higher levels of satisfaction, receive good customer service and have an enjoyable social experience when visiting the town centre.



What deters online shopping?

“

Although it can be easy to sometimes just shop online, it's good to get hints and tips and someone else's opinion when you're trying stuff on – especially from someone who probably sees different people try it on and is trained with knowledge on the product

”

Very little use is made of online information such as town centre websites, which are often perceived to be out-of-date and unhelpful.

Where do you find information for town centre shopping?

“

It would be good if you could look things up. If there is a town centre website then the website itself needs advertising

They need to advertise the High Street more and give incentives to go there

They could make more use of the Whats On in the town portion of the website

”

Using the internet can extend the social nature of the town centre shopping experience. Some respondents in our sample report using mobile technology as a means of virtual communication, which complements and replaces physical contact. For some shoppers, however, physical and online shopping are best kept separate.

How do you combine the internet with a town centre shopping visit?

“

I used the internet in the coffee shop with my friend to show her the coat I had just seen and to get her opinion

I took some photos of products and sent them to my partner to see if they were suitable gifts for family members

When I'm shopping I generally turn my phone off so I don't get distracted

I use the internet to check my emails, not for shopping

”



4.0 Customer experience in the town centre

A customer's experience can be seen as a journey characterised by “touch points”. It is these touch points, either physical or virtual, that most strongly influence the experience. To understand the town centre customer experience it is necessary to understand both the journey and the touch points that comprise it.

Journeys

The customer experience journey encompasses the whole shopping process, from anticipation and search to purchase, consumption and beyond.

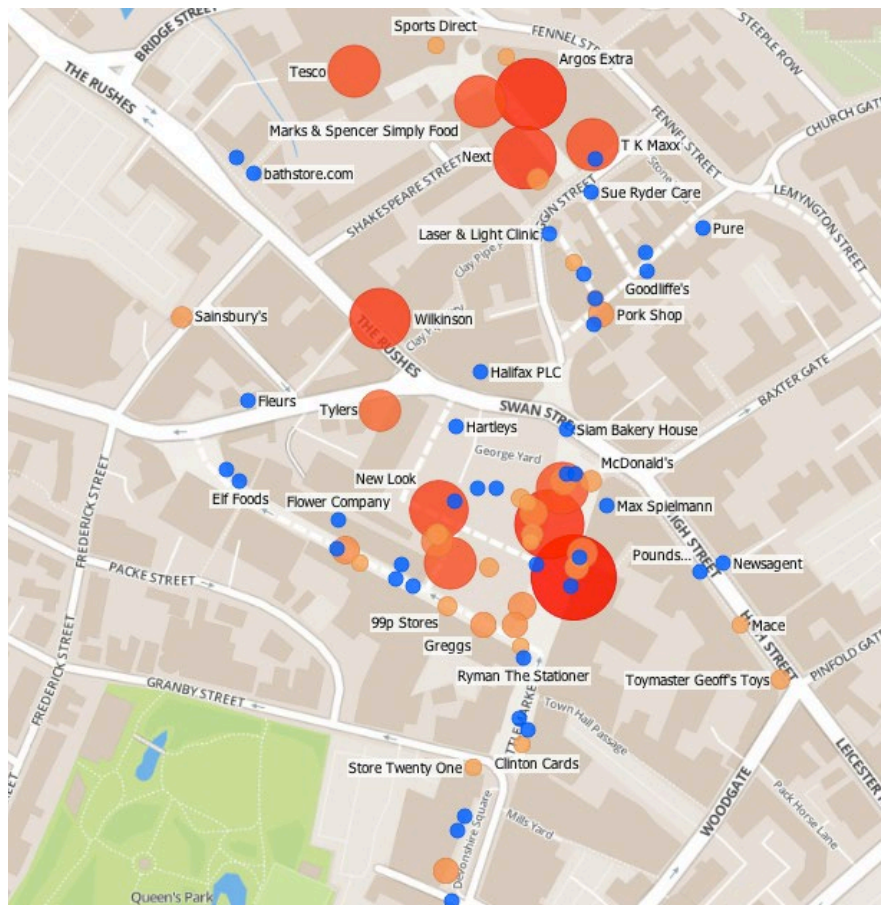
By drawing on analysis of respondents' coded diary entries, along with the mapping of routes taken during each visit to the town centre, this research reveals “heat maps” for each location. These illustrate the areas and outlets that are frequently visited and those that are comparatively neglected.

In **Figure 4.1** the larger red circles show the areas of most activity – the retail hot-spots. Blue dots indicate the areas of least activity – the retail cold-spots – and orange circles signify medium activity. A lack of dots indicates no interaction by any respondent during the four-week period surveyed.

There are two very distinct clusters of high activity in **Figure 4.1**. Linking these with sector-related data shows the highest frequency of shopping in fashion outlets (Primark, Next and New Look) and other multiples (Argos, Boots and Wilkinson). Few customers venture to a retail park on the edge of town during a town centre trip. Analysis also shows that clusters of vacant units are reflected by areas of low customer activity.

Producing and analysing similar maps would enable town management partnerships to focus efforts on attracting customers to areas that are regularly neglected by shoppers.

Figure 4.1 Example of town centre heat map



Source: Local Data Company

Consumers are creatures of habit

Some 60% of shopping journeys in town centres are habitual, with consumers rarely straying from a preferred route. There is a real need to manage this pattern by understanding the reasons for adherence to these routes. Reasons given are based on considerations such as parking, purchase convenience, familiarity, safety concerns and even the need to shelter from bad weather.

In customers' own words:

Why do you follow a similar route whenever you shop?



If I'm not shopping at the market then I'll avoid it, as there are too many people there

If I need to get to just two or three shops then I go straight to them

I park in the car-park nearest to the store I need

I try to avoid the main route because of traffic



Touch points

Touch points create the impressions that hold meaning and value for the customer, leading to preferences for particular types of experiences. Those that generate the strongest emotional reactions are most likely to determine how consumers perceive their customer experiences.

Some touch points might be commonplace and can thus be labelled “functional”, representing the physical functionality of the experience. Others engage the customer's sensations, feelings and emotions and can be classed as “experiential”. A combination of functional and experiential touch points forms a typical customer experience.

Qualitative data from the focus groups and the tracking study reveal a set of town centre touch points from unprompted participant responses. The weekly questionnaires contain more than a thousand critical incidents – examples of moments of intense interaction, both positive and negative – indicating the most memorable touch points over the four-week survey period. Analysis of these shows that the most frequently mentioned incidents can be grouped into 11 touch points:

Functional touch points

- Stores and products
- Access/layout
- Parking
- Information

Experiential touch points

- Customer service
- Social interaction
- Savings/bargains
- Special events
- Refreshments/eating out
- Atmosphere
- Markets

Functional touch points are important to convenience - seeking consumers

Diary evidence suggests the majority of respondents in our sample visit the town centre for reasons of convenience. This supports the data presented in **Figure 2.3**. Customers are therefore likely to value functional aspects of the town centre.

A high number of responses in our sample relate to types of retail stores and the range, choice and quality of products offered in that town centre. Negative experiences outnumber positive responses, particularly in relation to lack of availability of desired products.

In customers' own words: The importance of stores and products



I'd gone into town with a list of shops I wanted to visit and presents I wanted to buy, and I was able to do exactly that

I was able to locate exactly what my daughter wanted. If she's happy...

I purchased the products I wanted quickly and easily at very competitive prices

There was absolutely nothing in my size in the sale



Customers value easy access to the town centre, and traffic delays often have an immediate influence on their decisions. This underlines the importance of good transport links. Customers also appreciate a town centre layout that facilitates an easy visit.

The importance of access and layout



I had a good journey there, not much traffic, and we got round the shops in good time and had a good family day out

A quick, speedy, hassle-free shopping trip

There are lots of roadworks on my route to town. Had I known, I may have bought from the internet

I got stuck in a load of traffic and went back home



Parking-related comments from the respondents in our sample focus on two issues: price and the convenience and availability of spaces. Much of the feedback is negative, although some positive experiences are reported.

The importance of parking



I couldn't find a parking space for at least 5 to 10 minutes – and on exiting I had an expensive parking fee to pay

I found a space quickly and easily but had no change for the machine, so I had to go and find somewhere else to park

Car-parks are very expensive and do put me off visiting town centres most of the time

Instructions to car-parks were clear and easily found



Lack of appropriate and up-to-date information is a major source of frustration and annoyance for consumers. Targeted information can be highly effective, but the respondents in our sample report few examples of its use.

The importance of information



I saw a deal on a billboard for broadband and looked into the deal when I got home. It made me realise I can find deals in shops and not just on the internet

Finding your way around a new town centre can be daunting, as you don't know where anything is, where it's best to park etc

It's my local store – I go in every day – and no-one told me it was going to be closed for 10 days

I drove out of my way to pick up something, and it wasn't there



A characteristic of functional touch points is that the negative incidents reported outnumber the positive incidents. As **Table 4.1** shows, the issue of access/layout is the only exception. Since they feature strongly in customers' reasons for visiting the town centres, these touch points must be regarded as vital to attracting consumers. Town management partnerships need to focus on improving the negative aspects of functional touch points while maintaining the positive elements identified by customers.

Table 4.1 Number of positive and negative incidents for each functional touch point

Functional touch points	No of positive incidents	No of negative incidents	Total no of incidents	% of all incidents (n = 1007)
Stores / products	55	101	156	15
Access / layout	58	41	99	10
Parking	30	46	76	8
Information	3	5	8	1
Totals	146	193	339	34

Experiential touch points are key to enjoyment of the shopping experience

In some cases customers are more likely to appreciate the “softer” touch points of the town centre experience. These might include sensory and atmospheric aspects that stimulate feelings and emotions. Social interactions with sales staff, fellow shoppers and relatives/friends influence the experience, as do restaurants, cafes, bars, special events and even making savings or picking up bargains. Markets also provoke strong reactions – both positive and negative.

Service interactions with customer-facing employees are a fundamental element of the customer experience and make up the greatest number of memorable experiences in our sample. Customer service is especially distinctive when it exceeds expectations, although poor service can be just as memorable and deter customers from returning.

In customers' own words: The importance of customer service

She was rude. There is a way of talking to customers without insulting them

The lady went out of her way [to be helpful]

I felt they went out of their way to try to make a sale

It was like having a personal shopper



Shopping provides social interaction and the company of friends or family and even the presence of other shoppers can enhance the experience. But not all social interaction is welcome.

The importance of social interaction

“

Someone offering to help when they don't have to is really important when shopping, especially when you hear it from someone who doesn't work in the store

I was pushing [my daughter] in her pram and struggling to open the door to the shop when a kind lady came over and helped me

A group of young lads were hanging around outside, shouting obscene language

[I like] meeting friends in Costa – nice atmosphere and good to catch up

”

Discount deals and bargains are known to contribute to the excitement of shopping, and this extends across the town centre. Equally, consumers feel disappointed if they are charged unfairly.

The importance of savings/bargains

“

Free cakes and biscuits were being handed out as a promotional item

The publicity gave the distinct impression that branded goods would be for sale at far below High Street prices. This wasn't the case

I enjoy getting a bargain when out shopping

”

Special events are overwhelmingly associated with positive experiences. Respondents link them with a greater desire to shop. In our sample the only negative incident reported relates to a cancellation of a special event.

The importance of special events

“

There was a good display by firefighters, showing how they would rescue someone from a car. It was interesting and pulled in a lot of crowd attention

After finishing work I was on my way home and noticed that the Victoria quarter was still open and buzzing with activity. It was unexpected. The stores were in good spirits, and discounts were available

”



Places to eat and drink with others help facilitate the social experience for consumers. Cafes are especially associated with enhancing the town centre offer, with most negative comments referring only to poor service deterring repeat visits. However, little mention of other leisure facilities or the evening economy, confirm the potentially beneficial contribution of the evening economy remains undeveloped.

The importance of cafes/restaurants

“

We saw that they're going to be opening new restaurants on the Lower High Street... We felt pleased that they're trying to regenerate the town, as it doesn't have a great reputation

I walked into the coffee shop, which I have been to a handful of times recently. As always, I was greeted with a smile

We enjoyed the mix of shops and cafes available to us, which were more individual than the main High Street

I had arranged to meet a mate but took one look and walked straight out again. I had forgotten what a state the shop is always in

”

Atmosphere relates to the intangible, sensory aspects of the customer experience, involving feelings and emotions – not all of them positive. As the responses in our sample show, such incidents can be triggered by anything from the aroma of fresh food to the sight of litter or boarded-up premises.

The importance of atmosphere

“

I was shopping and could smell fresh-baked pretzels

These shops have real character and an array of exciting things to buy

I walk through the underpass ... I feel uncomfortable. It isn't a pleasant atmosphere for shoppers

I hate to see litter. It looks bad, and having to wade through it isn't fun

”

Although markets perform a functional role for shoppers by extending the range of goods, they also generate strong reactions. Some of the respondents in our study perceive them as adding to the pleasure of the customer experience, while others are strongly opposed to them. They merit a category of their own because of the strength of the response they engender.

The importance of markets

“

The stalls are placed up the High Street with pedestrian access, uniting the shops and market in a combined shopping experience

On market day it's nice to have a look round

The market is very crowded, crammed in

If the market is on I'd avoid it. I hate the market – can't stand it

”



As **Table 4.2** shows, the experiential touch points collectively demonstrate a more positive attitude towards the town centre customer experience, generating more positive than negative comments. These figures suggest that the quality of the “softer” elements within the town centre customer experience can significantly enhance consumer perceptions, resulting in greater enjoyment and encouraging repeat visits.

Table 4.2 Number of positive and negative incidents for each experiential touch point

Experiential touch points	No of positive incidents	No of negative incidents	Total no of incidents	% of all incidents (n = 1007)
Customer service	197	118	315	31
Social interaction	72	41	113	11
Savings/bargains	97	15	112	11
Special events	41	1	42	4
Refreshments/eating out	30	9	39	4
Atmosphere	12	15	27	3
Markets	12	8	20	2
Totals	461	207	668	66

Combining the functional and experiential to best effect

These figures suggest that focusing on the right mix of stores and products, together with good information, refreshments, enabling customers’ social interaction while shopping and creating a friendly, relaxed atmosphere, makes for an enjoyable customer experience. Ensuring that accessibility and parking facilitate hassle-free visits is another key element of delivering a positive experience, as is good customer service.

While they may not directly increase spend per shopping visit, factors such as special events and markets are a means of attracting additional customers and increasing dwell time. Including and promoting these activities as part of the overall offer would make the town centre experience attractive to a wider range of consumers.

Calculating touch point scores

The competitive landscape across town centres

A sub-sample of the key touch points was analysed to compare evaluations of each town centre relative to each touch point. Some 153 respondents were asked to rate four functional touch points (stores/products, travel, parking and information) and four experiential touch points (atmosphere, customer service, social interaction and markets) for their own town centres.

The responses obtained were weighted by the number of respondents for each town centre. This resulted in individual scores for each town centre and each touch point. The scores were then analysed statistically¹ to highlight relative strengths (above-average positive scores by most respondents) and weaknesses (below-average scores by most respondents). **Figures 4.2 and 4.3** illustrate which areas of the town centre customer experience need to be maintained and strengthened and which warrant attention to make them more attractive to consumers.

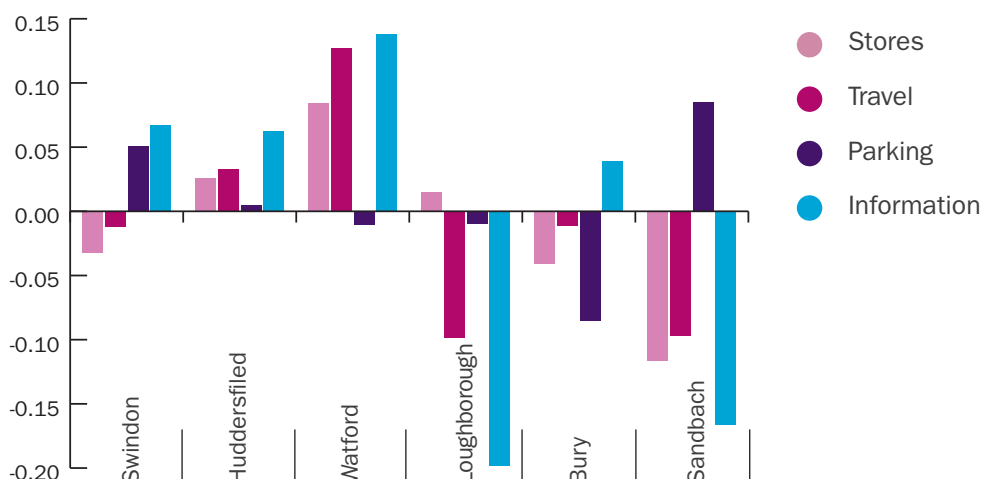
Functional touch points

As **Figure 4.2** shows, Watford has the most positive scores for functional touch points. Huddersfield and Swindon also demonstrate reasonably positive patterns. The smaller centres, Bury St Edmunds, Loughborough and Sandbach, tend to be scored more negatively.

This suggests that a more positive functional experience is provided by larger centres, which support a greater range of stores, a wider variety of goods and have a higher level of infrastructural support, leading to more convenience for customers. Respondents report both of these factors as highly important to their shopping decisions, particularly in terms of preventing them from resorting to online retailing.

¹ A Using a Chi-Square formula to compare actual scores provided by respondents against expected response levels for the size of the sample.

Figure 4.2 Relative perceptions of functional touch points in each town centre



Details for each touch point and each town centre are as follows:

Stores/products: Watford is perceived most positively in terms of provision of stores and products. Huddersfield and Loughborough come next, suggesting their store/ product offer suffer from comparison with larger neighbouring centres. Bury St Edmunds, Swindon and Sandbach are negatively perceived. As a small town centre, Sandbach has a limited range. Bury St Edmunds may be viewed less positively due to its smaller size relative to competing centres. The reasons for negative perceptions of Swindon are less clear but could be a result of competition from various outlets and other shopping centres close to the town centre itself.

Travel

Watford is again perceived most positively. The only other positive score is for Huddersfield. Loughborough and Sandbach are perceived especially negatively, although both were experiencing roadworks at the time of the research. Perceptions of Swindon and Bury St Edmunds are slightly less negative but also suggest dissatisfaction.

Parking

The price of parking is frequently a deterrent to visits, but respondents are also concerned about the availability of spaces and the convenience of car-parks. Negative perceptions are therefore expected. Bury St Edmunds scores notably poorly due to its high parking charges. Parking in Huddersfield is seen as marginally positive. Sandbach and Swindon scored more positively, particularly with regard to car parking pricing.

Information

Loughborough and Sandbach score negatively in terms of respondents' views of the information provided to help visitors travel to and park in the town centre. The remaining four town centres receive positive scores, with Watford again leading the way.

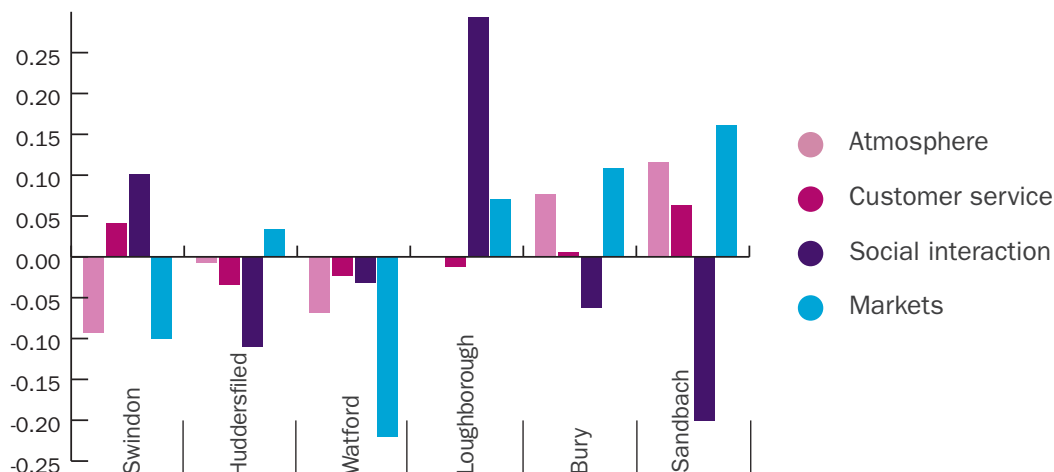


Experiential touch points

As **Figure 4.3** shows, smaller town centres generally outperform their larger counterparts in terms of experiential touch points. This is the reverse of the scenario for functional touch points.

This highlights opportunities for managers of small town centres to capitalise on these elements of the customer experience. These locations can develop their own distinct identities to provide alternative ways of attracting customers who might regard weaknesses in functional touch points as a reason to shop online.

Figure 4.3 Relative perceptions of experiential touch points in each town centre



Details for each touch point and each town centre are as follows:

Atmosphere

Atmosphere in the town centre refers to a sense of warmth, welcome and friendliness to visitors, together with a strong community spirit. Smaller town centres, as represented by Bury St Edmunds and Sandbach, perform more positively here. Loughborough, a slightly larger town, appears almost neutral in terms of atmosphere, while Huddersfield, Swindon and Watford all receive negative scores.

Customer service

Overall, compared to other touch points, customer service shows weaker performance in this analysis. Three town centres – Sandbach, Swindon and Bury St Edmunds – score positively, the latter only marginally. Watford, Huddersfield and Loughborough score negatively, the latter again only marginally.

Social interaction

As we have already seen, social interaction is key to attracting greater spend and dwell time. Yet only two town centres, Loughborough and Swindon, receive positive scores for this touch point. Loughborough in particular appears to be a town where shoppers can meet with friends or family and where shopping with another person improves the customer experience. Bury St Edmunds, Huddersfield and Watford perform relatively weak on opportunities for social interaction, while Sandbach receives the most negative score.

Markets

In the three smaller town centres, where they feature only temporarily, markets are generally perceived more positively than they are in the larger town centres, possibly due to extending the range of goods on offer. However, in Huddersfield the market scores positively in spite of being a permanent feature. Markets provoke quite strong divisive reactions. While they may attract some visitors to a town centre, they also discourage other shoppers who are deterred by the added pressure on space and parking brought by these visitors.

Summary of touch point analysis

The above analysis illustrates how each town centre performs in terms of delivering a successful customer experience. Again, it is clear that one size does not fit all. This is further highlighted by Table 4.3, which provides a summary of the strongest and weakest touch points for each location.

Table 4.3 Strong and weak touch points by town centre

Study Town	Strengths	Weaknesses
Swindon	Social interaction, information	Market, atmosphere
Huddersfield	Information, travel	Social interaction, customer service
Watford	Information, travel	Market, atmosphere
Loughborough	Social interaction, market	Travel, information
Bury St Edmunds	Market, atmosphere	Parking, social interaction
Sandbach	Market, atmosphere	Social interaction, information

This highlights the diversity and complexity of the town centre customer experience from one location to another. Town management partnerships must aim to create and maintain a holistic, coherent combination of all touch points in order to provide a consistently positive customer experience for all types of town centres.

The true value of experiential touch points

The research confirms that experiential touch points in the town centre, particularly social interaction and refreshments, add significant value in terms of spend and dwell time. **Figure 4.4** shows that the respondents in our sample who shop with family or friends spend £60.35 per average trip, compared to £40.69 spent by those shopping alone. Dwell time for accompanied shoppers is 108 minutes, compared to 85 minutes for shopping alone.

Similarly, as **Figure 4.5** shows, those who purchase refreshments while shopping in the town centre spend £74.63 per average trip, compared to £41.16 spent by those who do not. The dwell times are 142 minutes and 54 minutes respectively.

This highlights the economic value of experiential touch points to the town centre and reinforces the message that enhancing the customer experience by making shopping a social activity – either through accompanied shopping or through the provision of cafes, restaurants and other meeting places, increases both dwell time and spend.

Figure 4.4 Average spend and time spent by shoppers accompanied by family or friends compared to those shopping alone

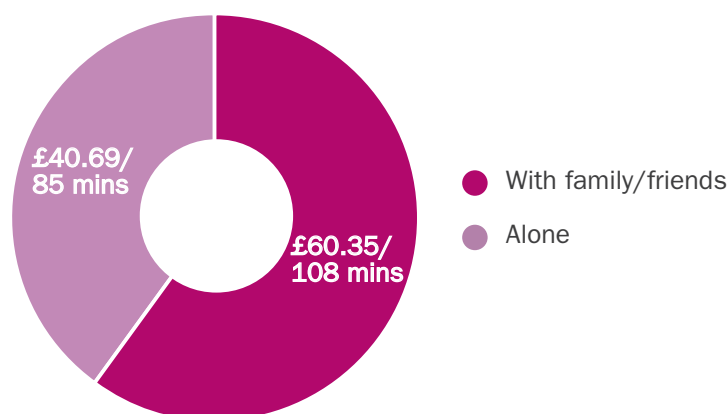
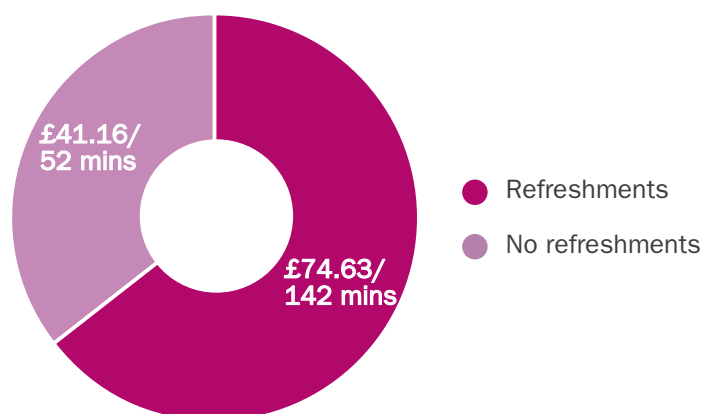


Figure 4.5 Average spend and time spent by shoppers who take refreshments compared to those who do not



The holistic customer experience

Customers will always have an experience when they visit a town centre. Indeed, every touch point in the town centre provides an experience, whether good, bad or indifferent. This research proposes that the functional touch points need to be in place for the experiential touch points to achieve the desired impact.

Consumers who are satisfied with experiential touch points, such as social experience, customer service or getting a bargain, are likely to spend money and time in a town centre. The effective management of experiential touch points such as atmosphere, special events and market days can help develop a profile that distinguishes a town centre from its competition. These touch points can enhance and reflect the unique character of a location – for example, by highlighting or celebrating local history, heritage, industry, architecture and traditions.

The collective experiences in the town centre will affect the outcomes and levels of satisfaction achieved by each visit. Good experiences will strengthen consumers' emotional links and encourage return visits. Bad experiences will lead to consumers switching to competitor locations or the internet.

The final section of this report contains a number of recommendations regarding how to make the town centre customer experience a positive one.



Managing the customer experience in the town centre

5.0

Translating the customer journey into multi-channel management

This research emphasises the importance of town management partnerships developing the fullest possible understanding of customer behaviour in order both to identify weaknesses and to seize opportunities for strengthening the overall town centre offer. Footfall alone will reveal movement patterns, but it is the reasons why consumers use or avoid certain areas that highlight barriers to creating a coherent customer experience. Assessing the key touch points that consumers value will enable town management partnerships to prioritise those most relevant to their customer profile.

Our findings shed unprecedented light on the key touch points that make up the customer journey, but precisely how these touch points link together remains unclear. Perhaps this is simply because at present they do not link together, and that is the problem.

Many retailers successfully manage their customer experiences seamlessly across multiple channels – for example, in-store, online and mobile, but town centres lack such a level of coordination. The insights gained from our analysis of touch points suggest a potential framework for managing the customer experience in town centres. **Figure 5.1** outlines the key areas for attention, each of them providing clear opportunities for getting the most out of town centre touch points.

Bearing all of the above in mind, we offer the following recommendations for enhancing the town centre customer experience. They are by no means exhaustive, but they provide a starting point. In the words of one respondent in our study: *“Customer experience means everything. It’s the reason you go back. The product has to be good, but the customer service is vital.”*

1. Adopt a coordinated and collective approach

Depending on how well it satisfies their needs, the mix of stores, goods and services in a town centre can attract or deter consumers. A coordinated and collective approach is vital to ensuring that the mix is an effective one and that consumers’ patronage is rewarded. Town management partnerships need to protect and strengthen “anchor” sectors (e.g. fashion/clothing) in underperforming towns, as well as encouraging new retail businesses in under-represented sectors to enhance the overall offer.

Town management partnerships should consider adopting a “category management” approach where sectors are at risk. This could involve nominating a retail champion to help drive a particular category. Ultimately, this should lead to a stronger USP for the whole town, benefiting all retailers and stakeholders. Additionally:

- Integrating new channels where the range and mix of brands limit the town centre offer can provide a wider assortment and low barriers to entry. This might include shopping “parties”, hosted in a town centre space or hall, where a variety of brands (both online and physical) are collectively presented. Organised by local community volunteers with town centre support, these and associated events could take place on a monthly or seasonal basis and could be expanded to other sectors, such as food/cookery or craft events.
- Since new start-up retail businesses in under-represented sectors should be particularly encouraged to strengthen the overall offer, enterprise and innovative retail or service models could be supported through training and mentoring initiatives to share expertise.
- Customers visit town centres for non-retail services as well as for shopping. Coordinating the town centre offer by linking retail, leisure and service providers could collectively strengthen customers’ experiences, extend visits and drive sales. For example, health and beauty services could provide linked promotions with health food stores; bookstores could link with museums, local attractions or events; and banks and financial services could develop links with leisure activities.

Figure 5.1 Managing the town centre customer experience



2. Facilitate availability and convenience

Most customer dissatisfaction with town centres stems from lack of choice, limited range and poor stock availability. If consumers still prefer the convenience of shopping locally then more provision is needed to fulfil their needs and encourage repeat visits. Specifically:

- Stock availability is crucial to fulfilling shoppers' objectives and generating repeat patronage. More town centre retailers need to consider introducing a customer stock-checking facility for individual stores (e.g. as a mobile app) and/or measures to tighten stock control and replenishment processes to augment availability.
- Customers' preference for combining click-and-collect with town centre trips suggests further opportunities. Towns could expand both convenience and availability via a collaborative click-and-collect model. This could bring additional brands and services into the centre by using town centre collection "cafes" where online orders could be picked up during or at the end of shopping trips. This idea might be piloted using an existing facility (e.g. a coffee shop or bar) with available space, which would create an additional social experience for shoppers. Extending the service to after-work collection would also drive footfall into town centres for the evening economy. Given the importance of parking prices, towns could offer free or discounted parking offers after 5.30pm.
- Convenience also refers to access to the town centre. Centres may be limited regarding improving infrastructure, but managing customer expectations by communicating travel and clear parking information, can improve customers perceptions. Issues such as roadworks need to be managed by communicating alternative routes to reduce customer frustration and outshopping.

3. Maximise the town centre journey

Visitors to town centres need reasons to divert from their habitual shopping routes. Although the reality is that they predominantly visit the multiple stores in primary shopping areas, customers are often pleasantly surprised by what they find if they stray from their regular pattern. For instance, responses to our survey show how consumers appreciate the independent stores and different atmosphere provided by secondary streets. The merchandising techniques that retailers use to stimulate customer circulation should be employed on a town-wide basis to attract shoppers to quieter areas and turn retail cold-spots into hot-spots. For example:

- Secondary streets could host special themed mini-events featuring pop-up food stalls, pop-up destination cafes or temporary markets centred on arts, crafts etc. The same streets could then feature in local advertising campaigns promoting the range of products, brands and services available.

- Signage for pedestrians should be clearer to remind and direct customers to destination shops or activities in quieter town centre locations. Additional social activity could be generated by promoting themed routes (e.g. heritage walks, lunchtime park power-walks, or after-work fitness circuits), with maps highlighting special features and routes featuring themed refreshment touch points, supported by promotional offers.

4. Make the most of customer service

With consumers continuing to value the physical interaction of shopping in town centres, positive customer service is fundamental to encouraging continued loyalty and repeat visits. A range of initiatives should be employed to improve the quality and consistency of customer service, which at present clearly varies across town centres, retailers and staff. Measures might include:

- Town-wide customer experience awards that invite shoppers to nominate and vote for businesses that deliver the best service experiences, thus highlighting to customer-facing staff and consumers alike the importance of this touch point.
- End-of-year customer service rankings, as compiled from votes for the above, which could be circulated among retailers to incentivise staff and improve customer service through training, promotions and prize rewards.
- Create a training and enterprise ‘hub’ in town centre space to support independent retailers and share best practice.

5. Exploit and integrate the digital experience

Although many individual retailers and services successfully operate Omni-channel businesses, the role of digital technology in enhancing the town centre customer experience is underdeveloped. At present, as this research shows, the role of m-commerce is perhaps less influential than expected, with most activity linked to price comparison. Half of the respondents in our sample own a smartphone, but very few use the online capability in the town centre. Town centres need to become virtual marketplaces so that customers have the latest information regarding the availability of stores, products, brands, services and events. A central, one-stop town centre website would ensure that the internet supports rather than supplants the town centre experience, but it must be well publicised and optimised for easy use. Additionally:

- Store-finder and brand-finder apps should be adopted and adapted to help navigate around town centres and to locate products, brands, stores and streets. Freely and easily accessible wi-fi is also essential.
- Consortia of retailers and high street stakeholders should work together collaboratively to support town centres with multi-channel advice, skills and online knowledge.
- Targeted weekly online updates, communicated via local employers and community groups/networks (e.g. schools, the public sector), could help promote “what’s on” in the town centre and surrounding area.

6. Encourage the social side of shopping to increase dwell time and spend

Group shopping, whether with family or friends, leads to longer visits and more spending in town centres. With a particular focus on the role of leisure and service providers, various marketing approaches should be used to target families and other groups, including:

- Enhancing the customer experience and extending town centre visits through linked promotions (e.g. cafes, entertainments, leisure services, after-work and evening parking, “five-to-nine” and “three plus one free” events).
- Researching existing virtual and local community networks that fit with a town centre’s profile.
- Using a “clicks-to-bricks” approach to encourage and create community meeting points for networks in town centres (e.g. cycle cafes or other themed cafes, drop-in workshops for craft skills, sport and music).

Final comments and implications

Exactly who should manage the town centre customer experience – and how – remains a key question.

Developing a holistic customer experience requires a collective approach, and the touch points identified by this research are crucial dimensions that need to be considered. However, they will not work in isolation. If town centres are to maintain their future vitality and viability then local authorities, town management partnerships and communities will all need to incorporate a customer focus into their overall longer-term strategy, with an appropriate action plan designed to support a positive town centre customer experience.

As stated from the outset, consumers have not deserted the High Street. This being the case, there are immediate opportunities to create more positive town centre experiences.

If town centres ignore these opportunities then the death of many High Streets may well become a self-fulfilling prophecy. But seizing these opportunities should enable town centres to generate continued loyalty and more interaction – plus the vital economic benefits both would inevitably bring.



The Town Centre Research Interest Group

This report is authored by members of the Town Centre Research Interest Group at the School of Business and Economics, Loughborough University.

The Group aims to produce and disseminate new research evidence that will help users and academics understand the different drivers of current and future town centre behaviour. This knowledge will in turn inform strategies to help integrate and strengthen the town centre offer and reinforce town centre survival.

A secondary purpose of the research presented in this report was to use the exploratory findings to help inform a measure of customer experience. Work on an ESRC-funded follow-on project, The Town Centre Consumer, is already under way.

For more information visit the Town Centre Research Interest Group web site:

www.lboro.ac.uk/departments/sbe/research/interestgroups/towncentres

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