

Chart1: Mapping the Independent Retailer Market

Key Facts

- There are 35,500 independent retailers handling newspapers and/or magazines. This represents 66% of all press stockists.
- Shop numbers have been declining at the rate of 3% per year.
- Independent outlets account for 36% of total magazine RSV and 70% of total national newspaper RSV. The indies' share of both products has been declining, but still remains large. The chart shows the trend in magazine sales.....

- 23,500 (66%) offer home delivery.
- 21,000 (59%) are members of the NFRN.
- 6,750 (19%) are members of a symbol group.
- 5,500 (15%) are members of a wholesale promotional club.

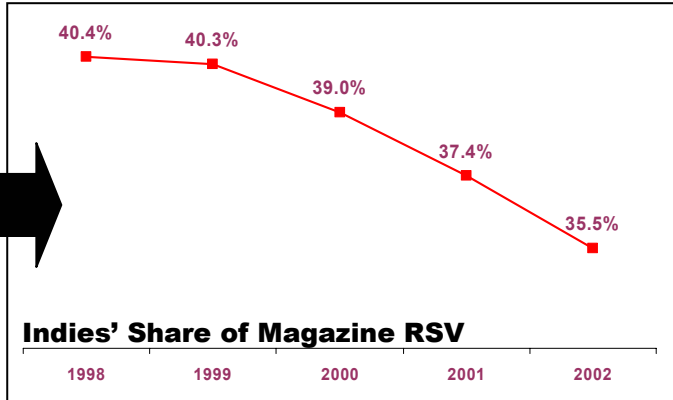


Chart 2: Mapping the Independent Retail Outlet

Shop Location and Type

Which of the following best describes your shop's geographic location?

Neighbourhood / housing estate	40.7%
Village	32.4%
Town centre	17.2%
Travel point	4.8%
Main road	1.9%
Other	2.9%
TOTAL	100.0%

The most common **locations** are Neighbourhood and Villages, underlining the community role of these retailers.

Indie retailers are a mix of different retail **types**, but traditional news sellers predominate, accounting for 52% of all outlets. Yet Grocery and Convenience Stores have also become important formats.

Retailer Type	Indie Shops
News Secondary	36%
Grocery & General Stores	16%
News Primary	16%
Convenience Stores	13%
Petrol Stations	6%
Roundsman	3%
Travel Points	2%
News Store	1%
Street Point	1%
Seasonal Points	1%
Supermarkets / hypermarkets	0%
Miscellaneous	4%
TOTAL	100%

Chart 3: Magazines & Independent Retailer

The Role of Magazines & Newspapers

Between them, newspapers and magazines account for 26% of the indie retailer's total turnover. They are central to this outlet's finances. In addition, the consumer expects to see press products here: they form a fundamental part of the consumer offer.

From the retailer's perspective....

- 49% expect magazine sales to increase in their shops over the next year, making it the fifth fastest growing category after off licence, services (phone cards, lottery, etc.), confectionery and convenience foods.
- 92% see the space allocated to magazines holding steady or growing.
- Yet magazine publishers are seen to lag well behind tobacco and confectionery manufacturers in the support they give the indie retailer in such areas as merchandising, point of sale material and market information.

What proportion (%) of your annual turnover is accounted for by the following product categories?

Tobacco products	17.8%
Newspapers	15.3%
Confectionery	12.0%
Magazines	10.6%
Services (phone cards, post office, lottery, etc)	9.9%
Off licence	9.6%
Convenience foods	8.2%
Household goods	5.0%
Other	11.6%
TOTAL	100.0%

Chart 4: The Consumer and the Independent Retailer

The Role of Magazines

What was the main purpose of your shopping trip today?

Newspaper	35.7%
Tobacco products	13.5%
Confectionery	13.4%
Other	12.1%
Provisions (milk, bread, etc)	9.1%
Magazine	7.9%
Convenience food	7.4%
Alcohol	0.9%
TOTAL	100.0%

• The independent shopper is remarkably purposeful, invariably buying some item once inside the shop.

• Newspapers are the most powerful drivers of the shopping trip (36% = "main purpose") with magazines less so (8%), being more of a secondary, add-on purchase once inside the shop, adding to the "retail theatre" and the overall basket size.

• Magazines are seen by the consumer as being an integral part of the independent shop: they expect to see magazines there.

• The magazine range that the consumer expects to see in these shops is solid rather than impressive: an indication of more potential to sell magazines in these outlets. 64% of consumers said that their independent outlet does not satisfy all their magazine needs.

Magazines on "This Shopping Trip"

Intended to buy a magazine before entering shop: 24%	Bought: 21%	Bought intended mag: 19%
	Did not buy: 3%	Bought another mag: 2%
	Bought: 3%	
Did not intend to buy a magazine before entering shop: shop: 76%		

• 24% of consumers bought a magazine on this shopping trip.

• 3% intended to buy before entering the shop, but did not do so, the main reason being that they could not see the magazine they wanted.

• These 3% were replaced by another 3% who bought a magazine even though they did not intend to do so.

• Among the 21% of purposeful shoppers who wanted a magazine and actually bought one, 2% changed their mind in-store as to which magazine they were going to buy. The main reason they changed their mind was because they rejected their original choice once they had had a chance to look at it on the shelf.

• So, all in all, 22% of magazine purchases had some kind of impulse element to them: a lower figure than in other retail types.

Shop Repertoire

Core	41%	I regularly use this shop to buy the majority of my magazines from	<p><i>The independent shop is just one of three shops from which consumers buy their magazines (consumers have a "core shop" where they buy most of their magazines from and two "satellites"). The average independent shopper visits this outlet 15 times per month.</i></p> <p><i>41% of indie shoppers use "this shop" as their core outlet for most of their magazine requirements.</i></p>
Satellite	34%	I sometimes use this shop to buy some of my magazines from	<p><i>These consumers have a supermarket, another indie newsagent or a WHSmith as their "core" magazine shop.</i></p> <p><i>They shop elsewhere because they prefer the range and the time & space to browse in other, bigger outlets. The indie shop simply lacks the "retail theatre" that they find in other outlets.</i></p>
Non	25%	I never use this shop to buy any of my magazines from	

Chart 5: Magazine Range

Number of Titles handled

