

Points/Quotes on Guernsey Retailing – John Hollis

Comments on the Problem

1. The number of empty retail shop units currently in St Peter Port and elsewhere in Guernsey is disconcerting to some people. Others are more relaxed about it, mindful that much of the western world is experiencing a serious recession and a consumer spending squeeze. In such circumstances, they feel it is understandable that there will be an increase in retail failures and store closures – even the UK’s once-dominant Woolworths finally gave up the ghost across the UK and in Guernsey during the current economic downturn. However, such relaxed feelings about the future of retailing in Guernsey are misplaced. What we are witnessing at present is part of a much broader transformation of retailing than a mere temporary downturn. There is currently much debate amongst economists about how sustained any general economic recovery across Europe might be. However, even if we were to adopt an optimistic view of when the UK and continental Europe move strongly out of recession in a self-sustaining manner, there is unlikely to be a return to ‘business as usual’ for high street retailers and shoppers in Guernsey.
2. The early years of the 21st century have seen many traditional retailers going multi-channel, selling via stores and the internet (i.e. via ‘bricks and clicks’), and huge investments in distribution facilities for home deliveries. The implications as we approach 2010 is that the consumer has access to a global retail offering, which is a far cry from the constraints of the local village or town stores experienced by parents and grandparents. Similarly, the old physical store boundaries experienced by retailers no longer apply. Those retailers who are sufficiently trusted by their customers can expand their internet-based services into additional services and capture substantial business from less-trusted industries. In the UK, Tesco is an excellent example of this. Once a food retailer, Tesco is increasingly the ‘trusted agent of the customer’ for an increasing range of products and services: clothing, insurance, house sales and savings accounts to name just a few. Following their investments made in 2009, I would not be surprised if Tesco Bank were one of the UK’s most trusted and successful banks well before 2020.
3. In August 2009, C&J CLARKS, the world’s biggest shoe company, also announced interesting plans. This 174 year old, Somerset-based retailer has 400 High Street shops in the UK and 11,300 employees. It has signalled that its High Street presence is likely to be scaled down, with the Chief Executive indicating that “the success of the website would allow Clarks progressively to reduce our exposure to costly store-based infrastructure.” Such an announcement from such a long-term successful retailer indicates clearly that something is ‘afoot’ in the industry! Other successful UK multiples in the fashion and home furnishing sectors are making similar points.
4. Retail success won’t be easy in future. The competitive environment will only get tougher, as new competition arrives physically or via the Internet. However, retail failure is something which is not merely a concern for the retailers. Sustained retail failure between 2010 and 2020 has major implications for the vibrancy of St Peter Port and its attraction as a shopping, working, social or tourist destination. The secondary implications of this are also major, for example, in terms of lost employment and general/business taxation income to the States of Guernsey. A study by Island Analysis

in 2007 indicated that 14% of Guernsey's total employment (including the public sector) was in retail, wholesale distribution and related services.

5. Therefore, the States of Guernsey (Commerce & Employment and Environment) was right to undertake a Retail Study at the end of 2009 to understand better the future implications and public policy issues.
6. So this is an issue for retailers, suppliers, customers and the States alike. Some have recognised this already and St Peter Port's 'Town Centre Partnership' has kicked off some very useful initiatives in recent years. However, we need our retailers to succeed if our way of life and collective livelihoods are to be maintained. We need to question ourselves deeply on what we can do to help our retailers. We are all capable of helping, but retailers themselves will need to be at the forefront of change, remaining focussed on their customers' needs and leading their personnel to competitive success. Retail best practice is to tailor the attributes of individual stores to maximise their potential within their specific local market, so this is as much an issue for 'standard stores in UK national chains' as it is for our home-grown retailers.
7. Should we despair – will everyone opt to migrate to the internet? Some retail sectors will go that way, e.g. music has evolved from vinyl to CDs and now internet downloads courtesy of Apple and others. However, humans are inherently sociable: the more we shop by computer for some things, the more we develop a corresponding 'social urge to get to market' to meet others sociably. Hence, expect town to evolve towards a stronger social entertainment flavour in future, but a collection of only coffee bars, hairdressers and gift shops won't do the trick! However, this does have implications for retail 'shopping hours' – the hours of 5-9pm become as important as 9-5pm, and Sunday 'trading' becomes a bigger issue.
8. A wander today through St Peter Port reveals the scale of the challenge. Perhaps, if the signs are already emerging in terms of closed and empty retail premises, this is not such an early warning after all? Perhaps the alarm has already gone off and this is a late "wake up" call? We've overslept!

Comments on the Nature of the Solution

1. St Peter Port has some significant disadvantages as a retail centre, primarily the size/volume of its customer catchment area, difficult access or parking for some areas of town, and high property costs or rents. In addition to the internet, Southampton offers one of the strongest retail centres in the UK in terms of UK multiples operating there: it's 25 minutes away by plane and many people from Guernsey travel via Southampton on numerous off-island trips.
2. However, St Peter Port also has some significant advantages if it chooses to play to them. Attempting to compete by primarily attracting more UK multiples would be a crass mistake. OK, one or two may be desirable to plug holes in teenage fashion and other areas, but St Peter Port needs to compete by 'being different.' Independent retailers need to be encouraged, whereas too many current policies discourage them. A further component of a solution could be to become more French in terms of style, with innovative boutiques and a stronger continental feel – the retail supply chain to France is closer than to the UK. With a degree of support, the efforts of some to achieve a vibrant

Old Quarter in Mansell Street could also finally come to fruition – the creative effort going in from some traders deserves a positive result, with some great community events/exhibitions planned for 2010.

3. The argument that most tourists are from the UK and they want to see stores familiar to them at home (i.e. UK multiples) does not stack up. Maybe they were like that 30 years ago, but my understanding is that they now travel overseas to see something **different**. The idea that they will spend their holidays in the same old stores they can visit at home, and then pay the excess baggage costs to Flybe to carry it all home (wiping out any VAT saving), likewise does not stack up as a sustainable Retail proposition for Guernsey.
4. Whatever emerges from the current States of Guernsey Retail Study, there will need to be a substantive implementation effort by public authorities and private businesses alike to create and live up to a new branding of St Peter Port and Guernsey.
5. The choice of ‘retail futures’ should not be seen as a local scrap between St Peter Port and St Sampson: there is more at stake than a mere local turf war. Perhaps conceptual and physical boundaries between the two need to be redrawn? Arguably, both St Peter Port and St Sampson are members of the same ‘family’ and a solution is needed in which the ‘Guernsey family’ flourishes as a whole, without internal feuding. Hopefully, Commerce & Employment’s future strategy for the Retail sector will encourage the development of a stronger, distinct retail offering for Guernsey as a whole and its various communities
6. There is no question that St Sampson needs improved retail, social and entertainment facilities for the local population there. Part of the solution will undoubtedly involve some UK multiples operating out of modern retail facilities, integrated with improved local meeting places and social entertainment. However, there are critical issues of scale and design, plus what the local population would prefer: what starts as potentially a beautiful and characteristic harbour area hopefully won’t migrate into the equivalent of a 1980s ‘me-too’ UK shopping centre with the look and feel of Slough, Hull, Swindon or other bland and dreary places in the UK!
7. No comment on ST Peter Port and retailing can be complete without reference to the dire parking hurdles which some parts of town need to endure; parking is a retail killer.

Future Characteristics of Successful Retailers

1. So what are the characteristics required of traditional Guernsey retailers if they are to compete and flourish in the next decade? Let us first be clear what those retail characteristics shouldn’t be: retailers selling ‘me-too’ products at average prices with indifferent service levels won’t survive – they will simply disappear into the ‘black hole’ of failed retailers.
2. Retailers will need to be operating competitively with ‘extreme characteristics.’ To succeed, retailers will need to operate nearer to one or two extremes; relative to their competitors (physical or Internet-based), they will need to be one or two of:
 - A. The Biggest, in terms of range or choice.
 - B. The Cheapest, in terms of price or best value for a given quality.

C. The Hottest, in terms of having the latest or most fashionable products and services, or

D. The Easiest to shop with, in terms of convenience or best personal service.

3. Some retailers may be able to operate simultaneously at two of these extremes. For example, the 'Biggest' operator may be able to reap economies of scale and be the 'Cheapest' in a sector. Toys R Us or IKEA are examples of this in the toys and home furnishing sectors. However, the 'Biggest and Cheapest' invariably will involve lean, large-volume operations. Hence, they are unlikely to be also at the extreme of the 'Easiest/Best Service/Most Convenient' scale. That will often be the retailer concentrating on the latest "Hottest" products, and often also the retailer with small numbers of highly experienced staff to engage the customer, explain about the products in depth and make it "Easiest" for the customer to feel good about spending a premium on that expensive, latest, exclusive product.

SECOND PIECE

Retailing: Possible Futures in Guernsey – 2020 Vision?

Article 2 v3GP

What we are witnessing at present is part of a much broader transformation of retailing than a mere temporary downturn. This has significant implications for retailing in Guernsey and particularly St Peter Port.

In my first article, I summarised some major which have been changing the nature of shopping and retailing over time. I also introduced some of the necessary characteristics of retailers if they are to be successful over the next 10 years.

In this second article, I aim to provide:

1. A number of possible future scenarios for retailing in St Peter Port in the coming years to 2020. These alternative scenarios could emerge under various assumptions about customers, retailers, suppliers, the general economy and government/planning regulation.
2. Further food for thought for individuals in these camps.

What About the Customer?

The major changes I outlined in my first article are in turn changing customer understanding, attitudes and choices. Many of us have heard the (often derogatory) comment: "You're getting to be just like your father", or "mother" as the case may be. However, as we all grow older, it does not follow that we are becoming increasingly more like our parents at a given age, especially in shopping attitudes. On the contrary, we accumulate various influences in our early years and we tend to carry them forward into our later lives. For example, my father would have been aghast at the possibility of attending church without a jacket and tie, or turning up at a friend's party

wearing denim jeans, or not wearing a tie to work, or seeing swear words quoted in a national newspaper. However, as a product of 1960s' influences, these are all pretty normal to me.

Although critically important, I won't dwell on the changing customer in this article because I addressed major related drivers of change in my first article. But I will quote one interesting statistic from Island Analysis' published research on Retail Consumer Trends in the Channel Islands in 2007. This was the responses of 16-29 year olds when asked what the best things were about shopping in St Peter Port. The second highest response from this age group was "Nothing good!" If such attitudes are maintained by this collective group into 2020, as it ages to become the majority of the higher spending 30-54 age group, this will further add to the challenges of local retailers.

Will a Spot of Fine Tuning do the Trick?

For many or most retailers, the answer will be "No." The impacts of major forces of change in recent decades, covered in my first article, are still working through the economic, social and retail systems. As Machiavelli, said:

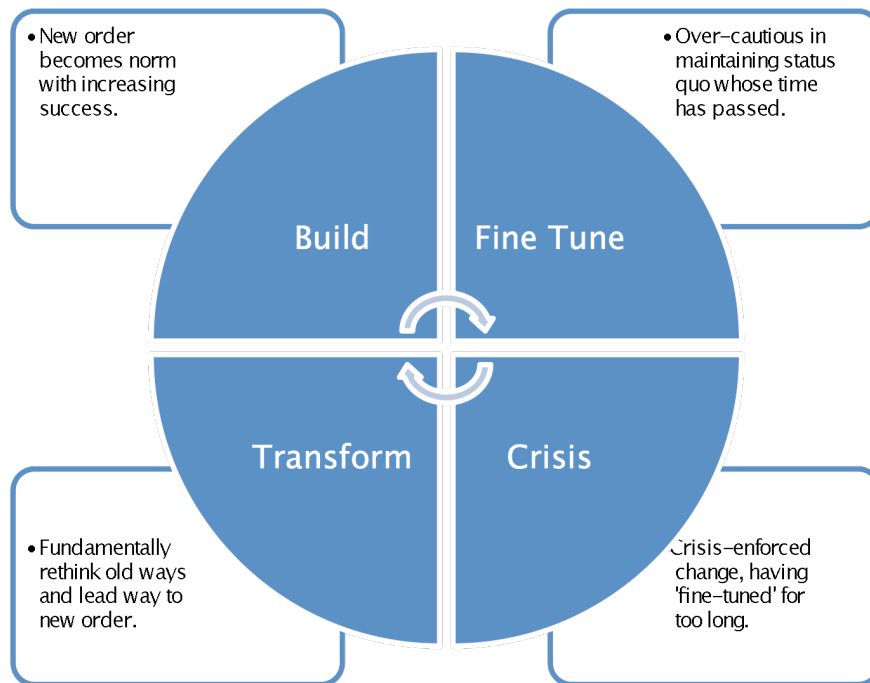
"Whosoever desires constant success must change his conduct with the times."

There is often a temptation to tinker, or fine tune at the margin, rather than face up to the realities of fundamental change. Perhaps it's human nature to defer difficult adjustments until they are absolutely necessary? However, some leave it too late to survive.

Some years ago, the consulting firm Accenture teamed with the Institute of Management Development (IMD) in Lausanne to research the management of major change in companies and industries. I will relate some of the conclusions to our retail industry in Guernsey today.

Figure 1 portrays a simple but thought-provoking model of change within businesses and business environments. It suggests that we move through a regular pattern of building businesses, fine-tuning them for too long after market circumstances have changed, finally lurching into a major crisis and eventually transforming or building new businesses for the new era. The cycle then begins again.

Figure 1. The Regular Cycle of Transformational Change



Whilst the above seems intuitive and simple, it does pose some interesting related questions:

1. Must companies always go through a crisis before achieving a successful transformation for a new era? Research by IMD and Accenture suggested this was highly likely to be the case, although some business leaders have sought to 'engineer a crisis' of their own timing to encourage their businesses into an early transformational change for a new era.
2. Can actions be taken at key points to make the transitions less painful? Yes, this is possible. For example, encouraging a culture which is open to innovation and change can help to reduce the tendency for excessive or prolonged 'fine-tuning the old solution' as a response to changing customers or markets. Similarly, there are various ways to help businesses accelerate through a crisis and achieve transformational change, using the crisis itself as a positive, motivational tool. Perhaps BA is attempting to do this at present in the Airline Industry?

Applying this thinking to retailing in St Peter Port and the town's shopping/social environment:

1. Is a crisis inevitable between 2009 and 2020?
2. Will marginal 'fine-tuning of the old solution' simply delay and magnify an eventual crisis?
3. Could an emerging crisis be used as a positive force for the type of transformation which the Guernsey population would want for St Peter Port?

This third question is clearly a tough one. Hoping for a single, consistent view amongst the population would be a pipe dream: in addition to many naturally diverse views, there are many opposing vested interests. A brief thought about the opposing public views across Guernsey about paid parking, waste incineration and public borrowing etc. reinforces that issue.

Perhaps it might be helpful to consider the future as a series of plausible future scenarios?

Future Scenarios

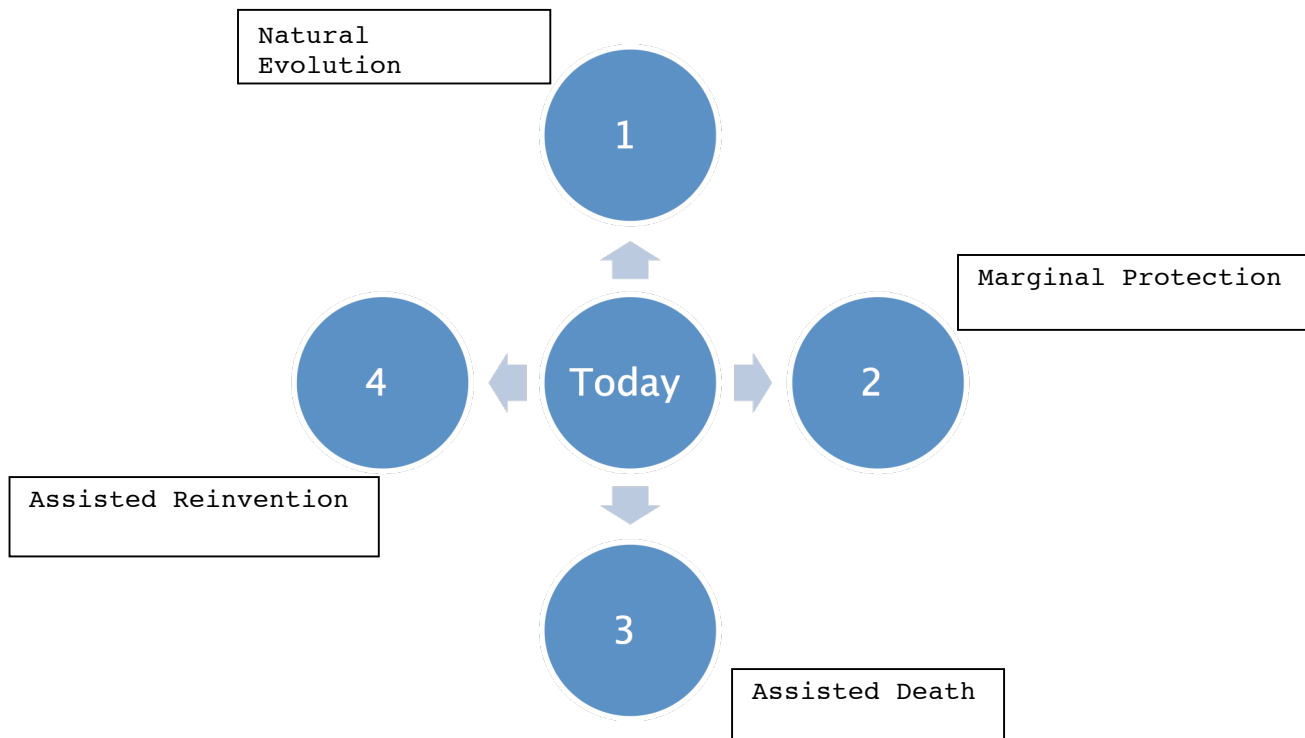
A few words of caution about scenarios are appropriate before we consider individual alternatives:

1. Scenarios are not absolute ‘predications of the future’; they are merely one or more plausible outcomes that could arise, depending upon how a combination of uncertain future events actually come together and interact. The actual future at a given point in time could turn out to be a hybrid drawn from various scenarios.
2. It is possible to become over-precise in considering the likelihood of different scenarios, by attempting to assign mathematical probabilities to hundreds of underlying events and arriving at a single ‘most likely future.’ I won’t do this and this year’s long-range summer weather forecast for the UK area provides the rationale. In the early Spring, nearly every BBC listener remembered the long range weather forecast for a “fantastic, warm and dry barbeque summer in the UK.” At the time, this brought a spot of cheer to many planning summer holidays at home in the depth of a recession. By mid August, the UK had suffered one of its wettest and windiest summers for many years. The response from the weather forecasters? “Ah, well, you have to remember that a ‘barbeque summer’ was only the ‘most likely outcome’ at a 60% probability; the public didn’t realise that there was also a 40% probability of something quite different, and that’s what we got between June and August!”

So, the key value in considering the alternative scenarios is perhaps in each individual posing the following types of question. Do I like that outcome or not? How important is each underlying ‘cause and effect’ event? Will it actually happen? Can I or should I do anything to help it happen or avoid it? What will make a difference? Do others share my views and could we act collectively?

I have opted to include four different scenarios for St Peter Port, as shown in Figure 2. We start in 2009, in the centre. To which future scenario will we tend to migrate over the 10 years? Natural Evolution, Marginal Protection, Assisted Death or Assisted Reinvention? Each is explained further below. Of course, further scenarios are possible, but the four provided may be sufficient to prompt various thoughts.

Figure 2. Four Scenarios for St Peter Port Shopping, 2020



Scenario 1 – Natural Evolution

This scenario is based on the ‘let the market decide’ and ‘no intervention’ philosophies. Supporters of these philosophies argue that “What will be, will be” and that intervention by public authorities can be misplaced, mistimed, costly and akin to ‘an unnatural act.’

If we project some trends and developments forward 10 years, we could see:

1. Limited or no growth in consumer disposable income for at least the first 5 years, as consumers suffer a combination of interest rate rises from abnormal lows, rising unemployment, constrained credit and lending from banks, and tax rises or spending cuts as governments seek to repair ‘black holes’ in their finances.
2. A continuing trend for shoppers to trust further internet retailers in offering a wider range of quality products at cheaper prices.
3. A continuing related trend for fewer physical stores to trade profitably in St Peter Port, as business is lost to the internet and other larger retail centres.
4. An increase in the number of empty retail sites, as fewer physical stores are able to trade profitably in St Peter Port. There are periodic high spots, involving the opening of some new specialist stores, but the longer-term trend is that of contraction.
5. A fall in retail-related income for numerous parties, extending from the retailers themselves, to retail property rent income, employment income and lower States revenue in the form of income tax, property tax or other receipts.

6. The migration of stores from outlying areas into the centre of St Peter Port, as the core retail area shrinks to accommodate only the number of retailers able to trade profitably there. However, due to the elapsed time required to change locations in practice, this won't prevent the depressing spectacle of pockets of empty stores for prolonged periods.
7. The need to establish some form of alternative use for the buildings in peripheral areas unable to attract retail uses in the foreseeable future. Are the closed Gabriel's locations a sign of the future?
8. The migration of further Guernsey retail stores towards a now-cheaper St Peter Port, in search of a larger local customer base, thus depriving some of the remoter Guernsey communities of their local stores.
9. An uneasy recognition that the historical and accurate claims about St Peter Port being the most delightful town to visit in the Channel Islands may not automatically endure into the future.
10. On balance, fewer stores, fewer shoppers, fewer related businesses dependent on retail footfall (restaurants?), decreasing business and States revenue, and a less attractive town for locals and visitors alike.

Scenario 2 – Marginal Protection

This scenario is based on a “We must do something to help” mindset amongst some public authorities and trade associations. It assumes a number of helpful initiatives being launched, but that the impact of some is constrained by limited funding and/or a lack of a shared vision of what a desirable retail future would be. As a result, the fundamental retail challenges remain and the eventual outcome will be driven largely by market forces, as in Natural Evolution.

Under this scenario, we could see:

1. The gradual realisation that retail shop closures in St Peter Port will have serious implications for Guernsey without some assistance to retailers.
2. Some helpful initiatives to relax some planning restrictions, ‘spruce up’ the Town and some public places, encourage local buying, and possibly provide improved and cheaper parking.
3. An attitude that is ‘more hopeful than realistic’ about the retail future, with the belief that business will eventually return if everyone locally merely tries a bit harder to raise their game.
4. Retail businesses in St Peter Port essentially trying to trade as in the past and merely seeking States help to cut overhead costs (property, utilities etc) to make up for customers deserting to the internet and other retail centres.
5. A decline arrested by some marginal help by the States, but a decline which ultimately continues because a progressively cheaper retail offering is deemed by customers as less attractive than alternative internet or physical shopping centres.
6. Much public debate about the problems, but a lack of consensus of what form solutions might need to take.
7. A prolonged decline in the quality and number of thriving retail stores in St Peter Port.
8. An inappropriate mindset that ‘the States needs to do more.....’, whereas the onus needs to rest more with retailers and retail entrepreneurs if more customers are to be attracted.

9. An eventual crisis, similar to Scenario 1. Various helpful initiatives along the way might simply have deferred the need for more radical changes, and hence simply delayed the onset of the crisis. In addition to delaying a solution, it might also have made a solution more difficult to find.

Scenario 3 – Assisted Death

This may be a somewhat controversial scenario. It could also be brought about by well-intentioned ‘life-enhancing’ interventions which ultimately have the opposite effect to that intended.

Elements of this scenario include the following:

1. Recognising the severity of pressures faced by traditional retailers and the demand by customers to ‘be entertained’ in modern, efficient retail stores, the States agrees to a significant relaxation of planning regulations. This greatly reduces restrictions on new retail sites, or the re-use of sites, in existing areas of retail activity.
2. After effective political lobbying, a significant amount of new, modern retail space is built at Leale’s Yard in St Sampson, with accompanying modern housing. This is seen as adding the types of retail mall premises which don’t yet exist in Guernsey and also helping to regenerate the St Sampson marina and retail area. Key studies from developers and commercial property experts had suggested that measures of overall consumer spending and GDP in Guernsey both indicated sufficient levels to support a greater and more varied amount of retail floor-space.
3. Retailers are attracted to Leale’s Yard, both from the UK and from St Peter Port, particularly fashion and household furnishings. Customers likewise switch some of their shopping visits and purchases from St Peter Port (and elsewhere) to St Sampson. However, in common with the experience of many traditional retail malls, the total amount of consumer income spent in all retail stores does not increase: it remains constrained by a lack of growth in disposable consumer income as interest rates rise from 1% to 5% by 2013, taxes increase to fill government financial ‘black holes’ and internet-based shopping maintains its prolonged growth.
4. Politically-inspired legislation is implemented from 2011 by the US and EU, partly to divert attention from their own regulatory failings in the 2008/9 global financial crisis and partly to build domestic tax revenues. This constrains the business activities of offshore financial centres. The Finance sector in Guernsey is not immune to this and the result is falling employment, less sponsorship, lower profitability, reduced tax revenue for the States of Guernsey and a further local public spending squeeze.
5. Faced with the triple challenges of falling or flat consumer disposable income, Leale’s Yard and the sustained growth of internet shopping, retailing in St Peter Port flounders. The nature of the retail mix changes from that of ‘destination and enjoyment shopping’ and towards that of ‘basic everyday convenience needs’ and ‘trinkets for tourists.’ This drives further customers elsewhere.
6. Once the downward spiral takes hold, it proves impossible to reverse over the years 2015-2020.
7. No initiatives are visionary, comprehensive enough and sufficiently fast to reverse a series of further planned retail shop closures, or indeed to change customer habits back

towards shopping in a struggling retail high street. There is much angst, but no coherent solution and insufficient public or private funding to effect a major turnaround.

8. As an attractive retail location, St Peter Port effectively dies.

Depending upon their business viewpoint about 'life after death', some extreme business people might argue that death of the old order, although very painful, might eventually provide the necessary circumstances for the birth of something new as a replacement. They might further argue that something akin to a 'Natural Reinvention' might eventually stir from the graveyard. But how long would it take to evolve and would it be a monster?

Scenario 4 – Assisted Reinvention

Some might expect this to be my 'Goldilocks Scenario', which is 'not too hot and not too cold' and in which everyone lives happily ever after. However, that would indeed be a fairytale: Assisted Reinvention is fraught with dangers and doesn't last forever.

The Assisted Reinvention scenario assumes that the public authorities work in a substantive and supportive way with far-sighted trade bodies to bring about a reinvigorated St Peter Port, which flourishes for another generation by delighting the shopping, social and tourist visitors.

Elements of this scenario include the following:

1. Following the election of the Conservative Party as the UK Government in 2010, unemployment soars and consumer spending slumps following severe public spending cutbacks from 2011 to 2015, as attempts are made to repair the disastrous public finances inherited from the Labour Government. Spending cuts are deeper than in the Thatcher years and, whilst partly protected, investment in the NHS stalls. UK VAT is also raised to 20%.
2. Global interest rates rise gradually from 1% to above 5% by 2013, as the global financial crisis abates elsewhere and more normal interest rate policies are adopted. This further depresses disposable income in the UK, consumer spending and UK house prices. Bankruptcies soar as the cost of personal, corporate and government debt interest payments rises; the £ Sterling slumps again against major currencies, breeding an era of 'stagflation.' UK retail chains struggle and retrench, some withdrawing from Guernsey, which itself suffers from falling traditional tourists from the UK.
3. The opening of a new Retail & Entertainment centre at Leale's Yard in St Sampson is nevertheless successful and attractive to many shoppers. However, coupled with increasing retail purchases via the internet, it magnifies the desertion of numerous retail stores from St Peter Port and the failure and closure of others. With parts of St Peter Port resembling a retail ghost town, the character changes and tourism falls further. The local consumer spending crisis has widespread impacts on employment, businesses and States of Guernsey revenue (the latter already hard hit by continued squeezes on offshore financial centres by the US, EU and UK, as they seek to offload blame and repair their own industries following the global financial crisis).
4. A series of initiatives from far-sighted public-private partnerships gain consensus support and help to address the crisis in St Peter Port and Guernsey from 2015. These span multiple industries as well as a 'rebranding' of St Peter Port and Guernsey in the mind of

potential visitors. This rebranding plays to the heritage, health, personal development and marine aspects of Guernsey and the numerous attractions and activities. The States of Guernsey and the Guernsey Tourist Authority both rise to the task with various industry bodies.

5. The Health Industry recognises the opportunity of 'health tourism' and surpasses Malta's early initiatives in this area. Efforts are boosted by increasing difficulties within the NHS and a UK public willing to spend UK Sterling on a wide range of medical procedures and recuperation in a pleasant English-speaking environment (closer than Eastern Europe or Bombay). Year-round benefits help travel, hotel and retail businesses. A further boost relates to the availability of on-island medical specialties, which benefits local student training/skills and reduces the cost of off-island medical trips for Guernsey.
6. The Tourist Industry radically upgrades existing tired facilities and extends the branding to cover the wider 'natural health & wellbeing' market. They are greatly assisted by action within the States to resolve the historical sewage and beach pollution problems. Specialist spa locations and stress-busting, healthy outdoor pursuits capture substantial new private and corporate year-round business, benefiting hotels, retail, leisure and other service businesses. Herm, Sark and Alderney are further beneficiaries.
7. Education and the Arts further extends the brand from 'healthy body' to 'feeding a healthy mind' and personal development. Traditional 'summer schools' become 'year round' offerings, combining painting and photography amongst stunning scenery with other educational, musical, health or marine experiences in creative and flexible programmes. A UK market, in search of closer well-being breaks with a falling pound, proves to be a large opportunity for Guernsey. Mansell Street and the Old Quarter is an attractive, distinctive and busy 'creative destination.' There is even serious talk of reviving plans for a major Arts & Culture centre at the Salerie Corner car park, with car parking there hidden. This in turn prompts more efforts to hide the existing ugly car parks in town, whilst providing better amenities.
8. The Marine Industry, boosted the development of new marinas and port facilities, attracts further visitors and income to the Bailiwick, including the cruise market. Investment by the States of Guernsey in capturing tidal energy also builds employment and internationally-marketable skills, as well as the prospect of local 'green energy.' Similar far-sightedness brings electric vehicles to Guernsey prior to their wider introduction into the UK, via innovative arrangements with the major global manufacturers; this solves some island transport challenges as well as adding a creative difference for visitors.
9. Above all, retailers and local suppliers see a reinvigorated mix of local and visiting customers, and invest accordingly to offer them a creative mix of everyday and specialist products at good margins. 'Guernsey Teddy' is joined by a wide range of home-produced products of value to locals and visitors, further broadening island employment. This is also aided by new internet sites supporting those individuals seeking to 'buy in Guernsey.'
10. The result by 2020 is a resurgent retail, cultural and commercial environment in St Peter Port, fuelled by growing numbers of year-round visitors and locals, who enjoy the buzz of varied activities and specialist stores in Town. In 2020, a visit to St Peter Port is more attractive and valued to those living London, Paris, Southampton and Jersey than a physical shopping trip is regarded by a Guern to those locations.

Concluding Remarks

As I mentioned in the first article, making predictions of the future is a dangerous game for any individual. Perhaps the only safe prediction is that the future will not be exactly like any single scenario outlined above, but it could contain various elements of the above four scenarios. Many different people can legitimately hold many different viewpoints. We can all spend some interesting time debating possible scenarios and eventual implications, but there is only one opinion which really matters – that of the customer.

Retail customers and potential customers of today and tomorrow will weigh up their options and vote with their feet (or with their computer mice, touch-screens or voice commands) and money. Retailers who lack knowledge to meet customer expectations of range, price, innovative creativity, fashion and service levels will wither and die. Even those retailers on the right track can't afford just to sit there, or sooner or later they'll be run over by a train (full of competitors).

If the retailers are going to find future challenges tough in St Peter Port, so are the planning authorities, for they ideally need to be one step ahead of the retailers! Hmm, that's difficult.

In addition to being customers, perhaps we will all belong to one of the following three groups regarding what our future shopping and social experience becomes in St Peter Port: those who make it happen; those who watch it happen; and those who, after the event, simply wonder what happened and why? Which group will you be in?

John Hollis worked with Retailers over a 30 year period before buying his home in St Peter Port in 2006. He was a partner for over 15 years at Accenture, the leading global management consulting firm.

Shoppers can have their say on retailing in Guernsey by logging on to www.islandopinion.com ; retail and service businesses in Guernsey can likewise contribute to the Retail Study by contacting Island Analysis on 01481-716227, and completing a physical or on-line questionnaire.