

The Future of Rural Retail 2025





“The Government welcomes Plunkett UK’s ‘The Future of Rural Retail’ report and recognises its valuable contribution in offering practical solutions to support rural retailers and strengthen local communities. We are committed to supporting Plunkett UK to take forward its recommendations and ensure a sustainable future for rural retailers.”

Daniel Zeichner,
Minister for Food Security
and Rural Affairs at DEFRA



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An introduction from Plunkett CEO, James Alcock

The origins of this report were inspired by Plunkett's member businesses and reflect growing concerns raised by community-owned shops about the challenges they face in accessing core products from large national wholesalers. These supply challenges come alongside increasing cost pressures and ever-changing consumer behaviours, all of which mean rural retailers need to evolve, innovate and adapt more than ever. Plunkett recognised the need to act to find long-term solutions for our members and help secure the future of rural retail.

We knew that genuine solutions would be found in partnership and collaboration, so we called together a taskforce consisting of organisations and experts from a spectrum of rural and retail sectors and met at Ditchley Park, Oxfordshire in October 2024. Many hours of discussion were brilliantly co-chaired by two incredible experts in their fields – Mary Portas OBE – a retail consultant and broadcaster, known for her retail-related television shows, and well-documented review into the future of Britain's high streets; and the Earl of Devon, Charles Courtenay – a lifelong advocate for rural issues and a champion of the social economy.

The rural retail sector was discussed and dissected in detail, with many participants putting forward a range of practical solutions and offers of support to help ensure the future viability of the sector.

The taskforce meeting was followed by a series of UK-wide in-person and online roadshow events attended by over 80 community-owned shops. These events shared insights from the taskforce and tested the appetite to adapt and innovate the community-owned convenience shop format in line with wider community needs and emerging consumer trends. The feedback was overwhelmingly receptive to change and identified a number of measures and support that would be needed to support shops with this transition.

This unique report is written by Plunkett's very own Membership Manager, Laura Olver. Laura brings a distinct perspective on this topic as a long-term Director and volunteer at a community-owned shop, and having had a previous career in retail and purchasing. It is written in her own voice from a community shop perspective and for a community shop audience.

We are committed to supporting our community shop members to bring to life the solutions we believe lie within the pages of this report. So, to all community shop committees, staff and volunteer teams alike, we invite you to read the report and reflect on the shape and direction of your own business in the years ahead. Let's keep the conversation going on how we can ensure the future of rural retail for generations to come.

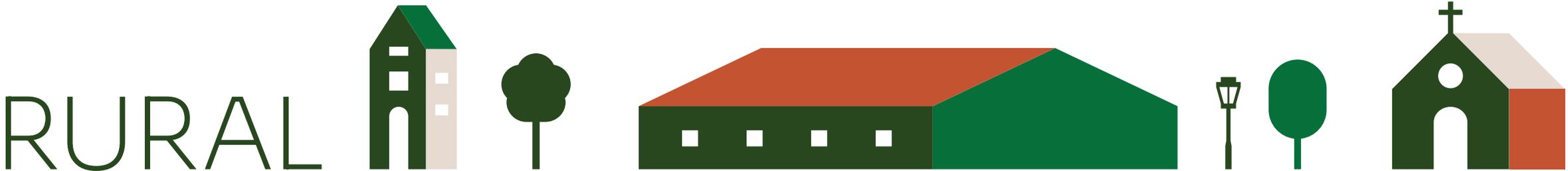
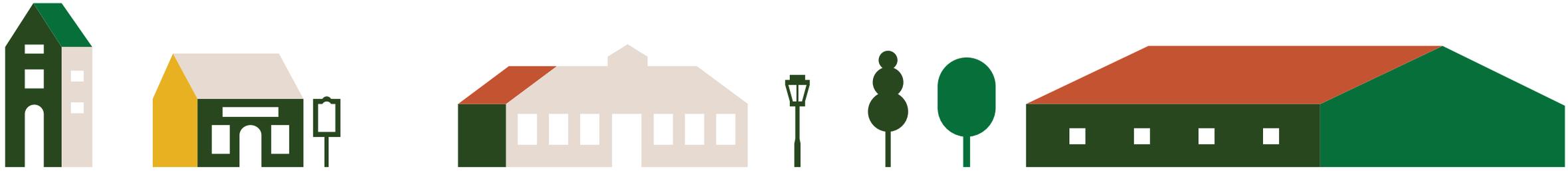
James Alcock
CEO of Plunkett UK



About Plunkett UK

We are a national charity with a vision for resilient, thriving and inclusive rural communities. We achieve this by supporting people throughout the UK to set up and run a wide range of community-owned businesses such as village shops and pubs, woodlands, farms and fisheries. We represent over 800 such businesses – all of which are genuinely owned by members of their local communities, whereby members have equal and democratic control.

Our mission is to ensure these businesses create innovative, impactful and inclusive spaces benefiting everyone in the communities they serve.



Foreword and insights from 'The Future of Rural Retail' taskforce co-chairs

'A social support network that is irreplaceable'

The rural retail sector provides essential food, services and social value to communities across the United Kingdom.

Many iconic and yet isolated settlements could not function without their rural retail hubs; they provide essential services and a social support network that is irreplaceable. Over recent years the headwinds of the pandemic, inflationary pressure, commercial competition, and unsympathetic local and national policies have buffeted rural retail in ways that have threatened the sector's very survival. This excellent report identifies those ills and dives deep into the potential remedies.

The report that follows is a testament to the hard work and passion of those that serve rural retail and will provide a vital reminder to decision-makers in government and in the private sector of the importance of rural retail as well as its vulnerabilities and the ways in which it can be sustained.

It has been a privilege to co-chair and to be a witness to the tireless work of the rural retail taskforce. The taskforce has been ably and energetically convened by Plunkett UK, which was able to gather leading individuals and businesses from across the sector to address the considerable challenges currently faced by the rural retail sector and to debate and propose solutions.

Charles Courtenay

Earl of Devon



‘Rural retail is the heartbeat of the community’

When I was a child, I understood instinctively that ‘shop’ was a four-letter word which contained a world within it – a place of stories, relationships, and endless possibilities, where every product had a purpose, every customer had a name, and every visit felt like stepping into the heart of a community.

This isn’t some nostalgic yearning for the past as nostalgia is a double-edged sword that we can get trapped in if we don’t use it wisely, but extracting the essence of the past and remembering what was essential to our wellbeing and daily lives can inspire us and propel us forward.

I’m sure you all know and feel that rural retail is more than just business – it’s the heartbeat of a community. It’s where relationships are built, where local needs are met, and where the spirit of entrepreneurship thrives in its purest form. Having always believed in the power of collaboration and community, I know firsthand that successful local businesses aren’t just about transactions; they’re about people.

Right now, things are changing fast, people are feeling the social and financial pressure more keenly than ever. As shopkeepers and hubs of the community we need to be flexible and quick to adapt. The way people are making their shopping choices – what they need, and even how products get to them, are all shifting. That means we have to think beyond just selling goods – we need to offer services that matter to our communities, whether that’s financial support, digital access, or acting as a local hub, or stocking essential goods that people struggle to find. The key is to stay nimble, keep an open mind, and be ready to try new ideas so your shops continue to serve as a vital part of the community.

We all know that in small towns and rural areas, a local store isn’t just a faceless chain retailer with little connection to the community. It’s a gathering place. It’s where neighbours catch up, where families find essentials, and where the local economy finds its footing. Every purchase made in a rural shop supports not just the business owner but also the farmers, artisans, and suppliers who are part of the supply chain. This interconnected support system keeps your communities strong, resilient, and self-sufficient. Let your customers know this. They often forget how important this is to their daily lives.

But most of all there is one word that is the key to making rural retail work. Collaboration. When local businesses work together – whether by cross-promoting products, co-hosting events, or supporting one another in challenging times – everyone benefits. It fosters a sense of belonging and ensures that customers feel valued, not just as buyers but as members of a shared vision. The best rural businesses are those that recognise this and actively engage with their community, creating loyalty that no big-box store or online retailer can replicate.

We have a question in our office at Portas when working with retail brands defining their space in this crazy world; ‘What can’t Amazon do?’

When business owners collaborate rather than compete, when communities rally around their local shops, and when people invest in their own towns and villages, rural retail doesn’t just survive – it thrives. And in that thriving, we find something irreplaceable: a sense of home, of heritage, and of hope for the future.

Mary Portas
Portas Agency



The report

“Hello! I’m Laura and alongside my role as Membership Manager at Plunkett UK, I have been deeply involved in my local community shop for the past decade. I’m passionate about, and proud to be part of, this incredible network of businesses. I hope this report brings you useful insights from my experience of community-owned retail, as well as the valuable perspectives of the Plunkett UK member community shops that I have the privilege of talking to and working with on a daily basis.”



A changing scene

Let’s start with a bit of context...

There are around 450 rural communities from northern Scotland to southern Cornwall benefitting from a community-owned shop at their heart, and the sector continues to grow at a rate of 15 shops or so every year. The community shop network is well established – some shops have been around since the 1980s – and their success rate is impressive with a 94% long-term survival rate. But it’s not all plain sailing!

Times are changing, and the rate of change is accelerating, and more than ever, it’s important for community shops to ensure they are adapting to meet the increasing challenges of the retail environment, and the evolving needs of their communities...

So what are those challenges...?

Supermarket to-the-door delivery vans are everywhere – even on the smallest country lanes. Although those people shopping exclusively online for groceries is low (under 10%), almost half of UK shoppers have ‘hybrid’ food shopping habits – using both in-store and online*. This trend was particularly boosted by the covid ‘jump’, when even those less confident with technology transitioned to online food shopping by necessity.

*Source: Consumer shopping behaviour insights in the UK [Clear Channel](#)



rural communities from **northern Scotland to southern Cornwall.**



Average **growth in number of shops in the sector** every year.



Some community shops have been around **since the 1980s.**

This means that ‘convenience’ is being re-defined – in most areas of the country, customers can get supermarket food delivered the next day, so walking round to your community shop becomes more for the ultra-convenient purchases when the children are at the breakfast table with cereal but no milk, or you’re halfway through making a cake but realise you don’t have enough eggs.

So, the reality is that the proposition of the vast majority of community shops is no longer the unique ‘bringing access to groceries to rural locations’ that it was when many shops were first established. Convenience is no longer the key driver – so ranges and proposition will need to evolve accordingly. Forty years ago, community shops were a lifeline for many people in isolated rural communities...now, these businesses need to become so much more than that to remain viable.

The above consumer shifts have happened alongside the well-documented and keenly felt financial impact of rising staff costs, energy costs and food inflation in more recent years. These challenges are very real and conspire to increase the pressure on us to maintain our profitability too.

And all this at a time when wholesalers are becoming harder to buy from for small, rural retailers. ‘Efficiencies’ and ‘improvements’ from big wholesalers have led to increased delivery charges, increased minimum orders, a transition to automated distribution centres (instead of retail cash and carry depots) and the withdrawal of a delivered service for hard-to-get-to sites, meaning that small, rural shops are increasingly struggling for supply. Often, the answer is to rely on the goodwill of volunteers to collect stock from wholesaler cash and carry depots...but this too is proving a challenge in the well-recognised post-covid world of volunteer fatigue.

This combination of challenges is upon us at a time when the shape and needs of many rural communities are evolving. Over recent years, there’s been a noticeable trend of younger families moving from cities to rural areas, especially during and after the pandemic, driven by remote work opportunities. Rural community shops can’t survive purely serving the ‘just retired’ and older population of their villages; catering for the dual forces of aging populations and newcomers is essential to the viability of community shops. Inclusivity is key.

It’s tempting, especially when running a rural business in isolation, to feel the challenges are overwhelming and the demands are unrealistic.

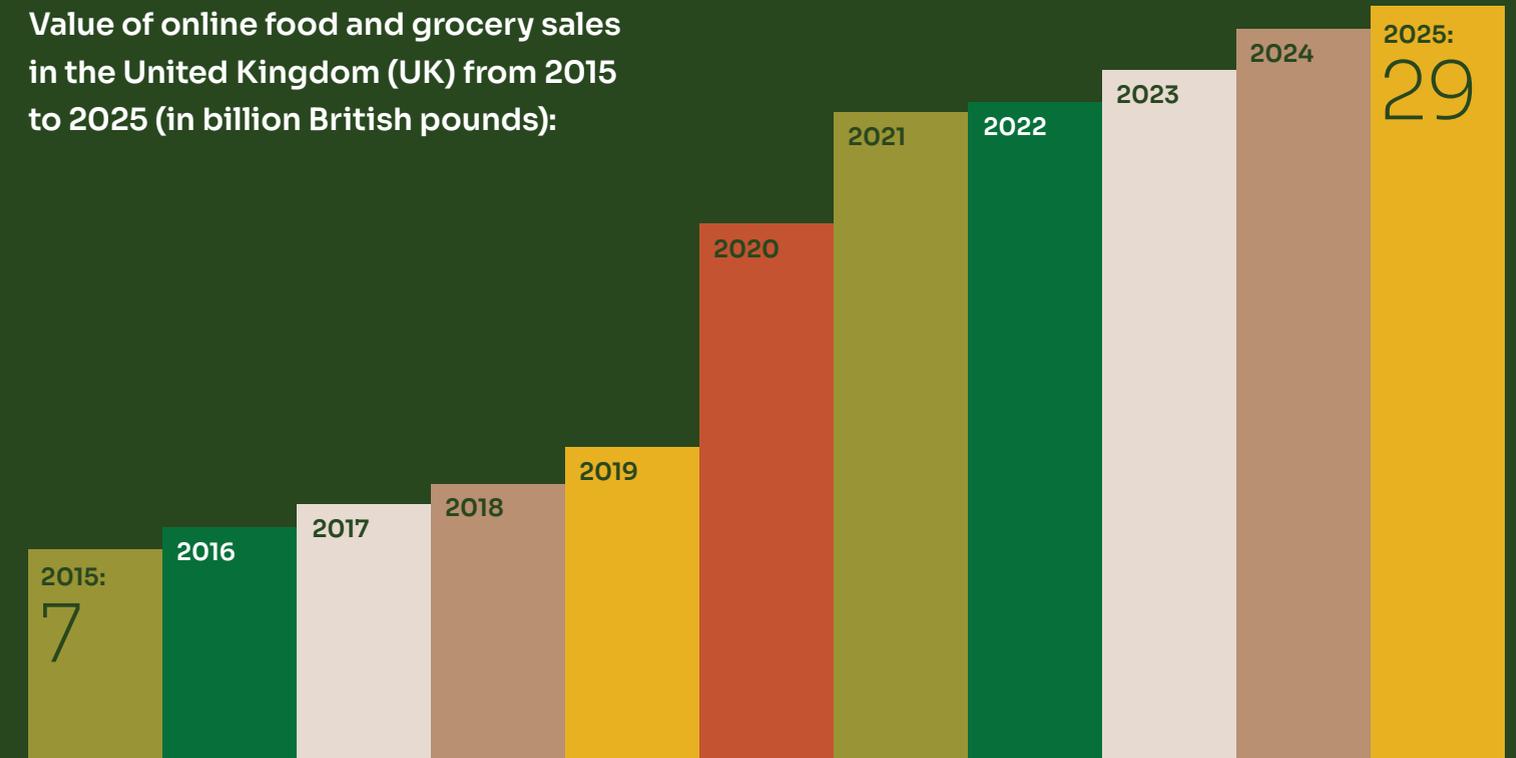
10%
of people shop exclusively online for groceries.



Long-term survival rate of community-owned businesses:

94%

Value of online food and grocery sales in the United Kingdom (UK) from 2015 to 2025 (in billion British pounds):

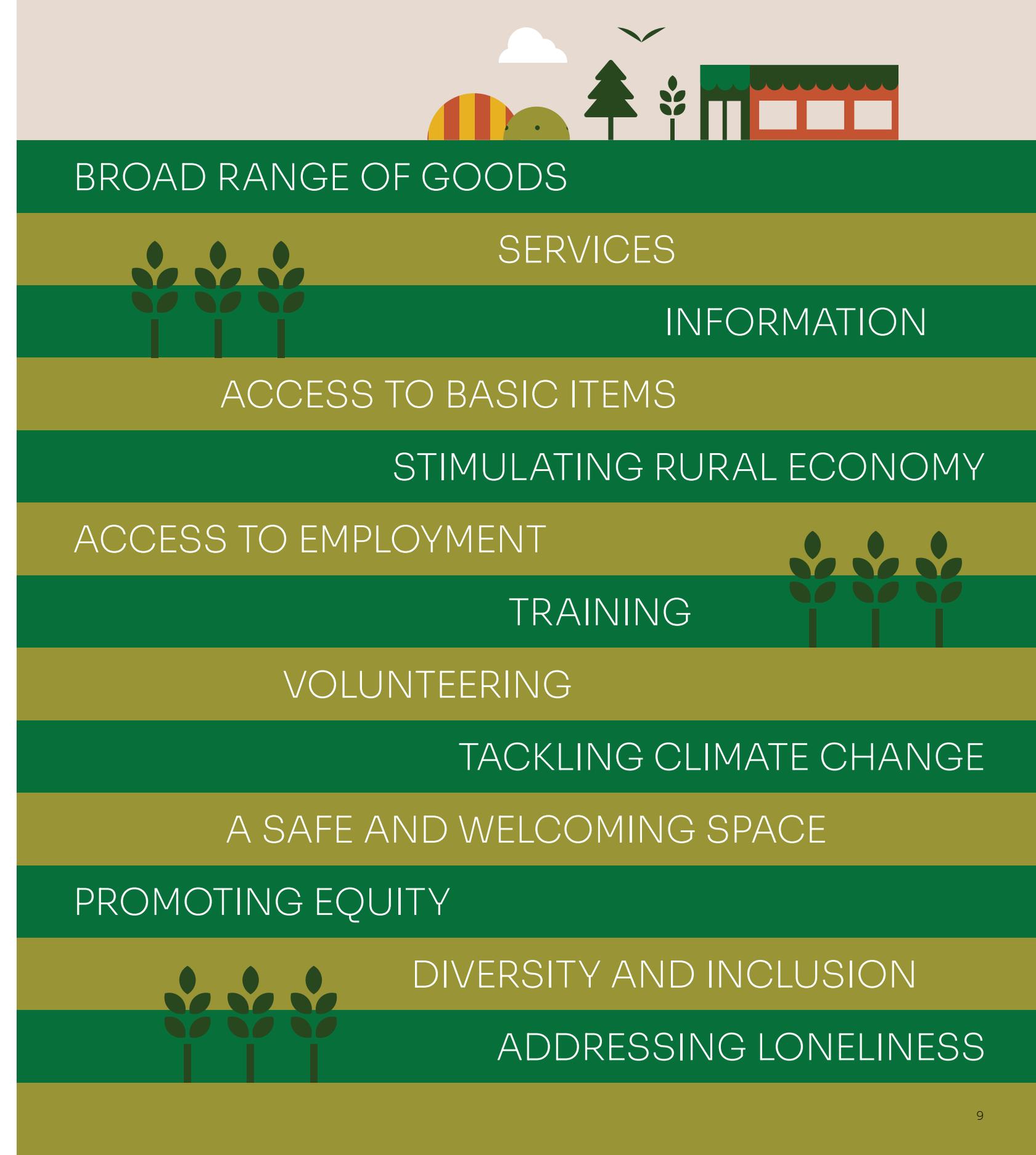


Time to give up?

A cynic might ask – if supermarket delivery vans are everywhere, and it's the village shop struggling to access product supply, not the residents – is a community shop still needed? Based on personal experience of my community shop, and seeing the wider evidence from Plunkett UK, I would say absolutely; community shops play a critical role safeguarding equitable access to essential retail, as well as much broader social, economic and environmental impacts:

- Typically the only shop or business for miles around, community shops offer a broader range of goods, services and information that make them a lifeline for many people living in rural areas – much more than a convenience or lifestyle choice
- Safeguarding access to even the most basic of grocery items can be essential for elderly people, those with health conditions, or reduced mobility – enabling them to remain living independently in rural areas
- Community shops stimulate the rural economy through localised supply chains – providing a critical outlet for local producers, often providing a platform enabling other micro businesses to start up and benefitting other local trades and industries

- Community shops create access to employment and training and volunteering opportunities – critical in a rural context and often supporting people who would struggle to access mainstream employment
- Community shops tackle climate change through environmentally responsible actions and customer behaviours
- Through their 'co-operative' structures and participatory nature of governance and operations, they create safe and welcoming spaces for all, promoting equity, diversity and inclusion and addressing a wide range of issues including loneliness and isolation.



Facing the future

Plunkett UK has the privilege of working with community shops up and down the country that have responded positively to challenges; they've adapted and evolved and are thriving. Community-owned shops are agile, independent and can change relatively quickly. The ability to evolve really is one of our key opportunities...and a real competitive advantage. We need to make sure we're using this advantage! Think how long bigger, 'super-tanker' businesses take to change. We can respond very directly to the changing needs of our communities... and in this report, we'll share a variety of inspiring case study examples to give you a taste of the possibilities.

In wider UK society, there is increasing recognition of the value of community (and particularly rural communities) and our shops are best placed to capitalise on that... we can adapt our direction in light of the external challenges. And we have direct access to the very communities we serve – no need for expensive focus groups and lengthy surveys. Our members and our customers are so accessible to us – we just need to listen.

The government has made some clear indications that they are in listening mode regarding rural community businesses. Our shops are operating in areas of market failure and are often the only remaining service in a community. If we can articulate a clear direction for rural retail, there is more chance of government support to help us realise our ambitions both to grow the community shop sector and to ensure those that are trading are thriving...

Newly opened community shops that don't have the 'baggage' of ever having traded in a pre-supermarket-delivery world can also give the longer-established community shops some food for thought. There are some fantastic examples of new and thriving businesses that reflect the needs of their community today, as they are built on recent community consultation and shaped by voices from across their current- day population. For the older community shops, after many years or even decades of trading in a similar way, it's time for a pause to consider what our future might look like considering the changing external factors.

AGILE

INDEPENDENT

ABILITY TO EVOLVE

CAN CHANGE QUICKLY

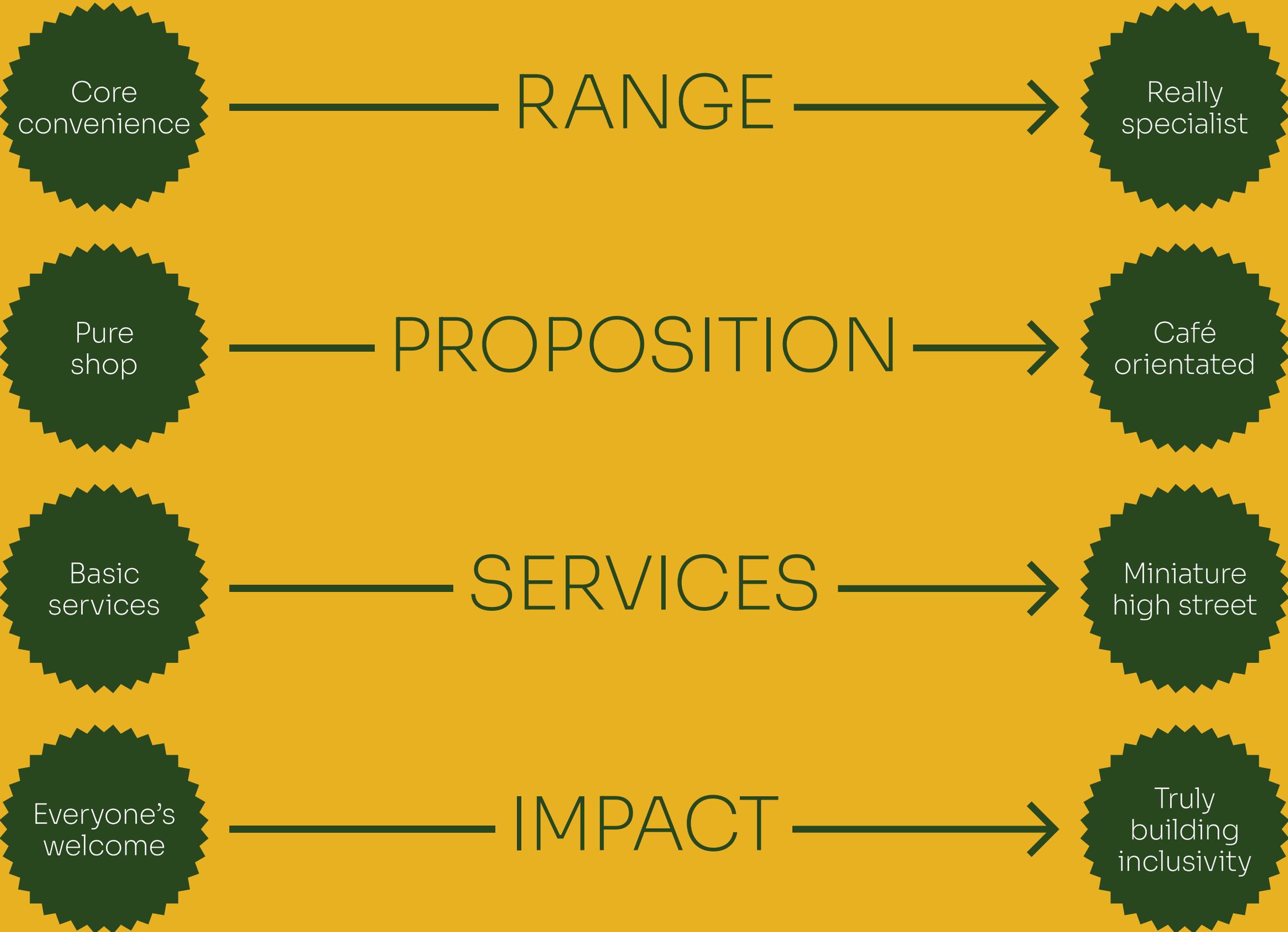
DIRECT ACCESS TO COMMUNITIES

The four scales

By distilling Plunkett’s experience of supporting nearly 500 community-owned shops, plus the input and reflections of ‘The Future of Rural Retail’ taskforce participants, four clear scales emerged for community-owned shops to consider in their future planning.

Understanding where each community shop currently sits on the four scales, and where it might have an opportunity to evolve by moving left or right along each scale, is pivotal to staying relevant, inclusive, impactful...and profitable.

Both ends of each scale can be illustrated by brilliant community-shop case studies nationwide, which help bring the theory to life. In each case, the key steer for shops considering their future trading model is that there isn’t a generic ‘correct’ point on each scale for them to aim for. But the two ends of each scale are very different, so each business will need to be shaped by the community, the need, the setting and the competitive landscape – and future plans tailored accordingly.



SCALE 1: RANGE

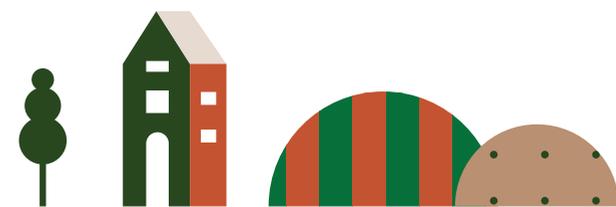


Range

On RANGE, the scale spans core convenience products on the left-hand end, to a really specialist, differentiated offering on the right – the sort of range that sets the business apart from a mainstream supermarket.

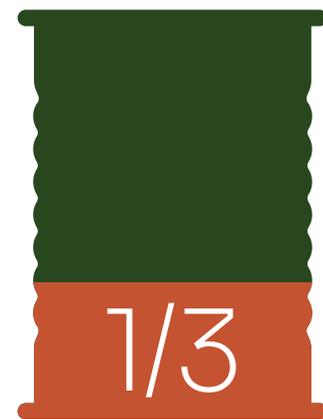
Whilst everyone will be familiar with the basic product range defined as ‘core convenience’ the opposite end of the scale would include such things as:

- **Locally sourced products** – meat, cheese, veg, milk, eggs, beer and beyond – all with a story to tell
- **Refill products** – covering categories like dry goods to home cleaning to fresh milk. These are real loyalty and footfall drivers.
- **‘On-the-go’ refreshments** – such as locally made sandwiches, cakes and hot take-away items – consistent availability is key to becoming a known destination for these products
- **‘Easy next meal’ foods** – for those ‘Eeek – what’s for dinner?’ moments – offering meal solutions, including the growing quality-frozen-ready-meal category
- **Specialist and premium food and gift ranges** – a key point of differentiation, with gift products often locally sourced and ‘own-branded’.



Most community shops already sit somewhere in the middle of this scale (with all of them offering some locally sourced products for example, according to Plunkett’s research), but there are some inspiring examples of community businesses that have banished the branded basics altogether and committed to being a specialist destination shop, such as the **Green Gram Refill Shop** in Hampshire and **Fordhall Farm Shop** in Shropshire which has its own on-site butchery and supports 40 nearby producers.

Where national wholesaler-sourced branded basics might have previously formed two thirds of the sales in community shops, the optimum feels closer to one third nowadays. More than ever, differentiation is key. Nearly all community shops sell convenience basics and will continue to do so, but the need is very different if your nearest competitor is 2 miles away or 10 miles away. A pure ‘core convenience’ offer is no longer a compelling proposition for all but the most remote community shop, so the opportunity is in editing the basic branded ranges down and introducing products that appeal to a wider customer base.



Optimum amount for **branded basics** in community owned shops.

Hawkesbury Stores in Gloucestershire and **Heptonstall Shop** in West Yorkshire are examples of community-owned shops without the space to extend too far beyond the basics, but with a focus on really decent, well-curated and relevant ranges, built in response to community needs and appealing to the broadest possible customer base.

Voices of Plunkett UK member community shops:

“We really look forward to working with our local asparagus farm each year – for those short weeks we really ‘go for it’ and asparagus is always in our top sellers in season.”

“We partner with our local pub with them making delicious fresh baguettes for us to sell – we only order what we need and the fillings change each day, depending on their stocks – a great way to minimise food waste and support the village economy.”

“The final hour of trading, especially later in the week, is often busy with people rushing in to buy a high-quality frozen meal and a bottle of chilled wine.”

“We have three brilliant people in the village with accredited kitchens who make sandwiches and cakes to order.”

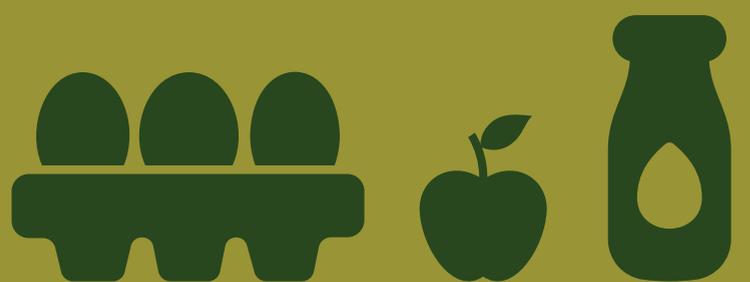
“We wondered about the feasibility of our shop starting a ‘Hello Fresh’ type service using decent, local ingredients. A once-a-week recipe box could bring in a very different customer and build loyalty to local producers.”

“Local food is harder work and requires tastings and marketing to really sell the story, but it has such strong environmental and financial benefits and builds community connections.”

“Even customers who don’t use us regularly will pop in for a food gift item that is locally sourced, particularly if it’s well packaged and labelled.”



SCALE 2: PROPOSITION



Proposition

With PROPOSITION, the scale starts on the left-hand side with the pure shop; simply products on shelves. On the right is a model that's much more café orientated – a commercial kitchen, an extensive seating area, hot and cold drinks and a full food offer – often with just a modest traditional retail range remaining alongside this.

Most existing community shops wouldn't have space for an expansion to a full café offer, but asking questions like 'Can a passing walker or cyclist get a decent coffee and home-made cake?' or 'Can a delivery driver drop in for a hot pasty and a chilled drink?' can edge a shop beyond the 'pure retail' proposition, having a real impact by creating a destination, rather than just a shop, whilst significantly increasing profitability (you have to sell a lot of tins of baked beans to match the margin made on a cup of coffee!). This helps set them apart from the local supermarket and can drive loyalty and footfall, broadening the customer base beyond the locals.

Whilst the majority of new community shops are planned with a café element, many older shops have raised funds to extend, or re-locate, to incorporate a café space. In **Alfrick and Lulsley Shop** the brilliant team of café volunteers now bake up to five fresh cakes daily to be sold by the slice to keep up with demand! Also see the exciting project where **Speldhurst Shop** is relocating across the road to a beautiful new setting in a redundant chapel, enabling them to add a full café offering in the increased space. Even shops without the luxury of space can see benefits from squeezing in a window bench seating area, or a couple of external tables as a place for customers to pause.



Left:
St Mary Bourne



Right:
Ewelme



Left:
Barkers of Huby



Right and below:
Cletwr



Below:
Little Milton



Many older shops with very limited space have seen a shift in fortunes following installation of the best possible customer-operated bean-to-cup coffee machine (if it's too much to train numerous till volunteers as baristas) and well-priced, delicious home-made cake.

Community businesses which have committed to an element of the café offering have seen particular benefits in terms of positive social impact and building local supply chains. Even those 'couple of tables' can help create a real 'hub' – an informal social support network, especially important for more vulnerable groups in the community, helping to develop a sense of well-being, belonging and security. When customers are encouraged to linger longer, a functional shopping trip turns into a sociable experience...something most 'mainstream' commercial shops can't claim to provide.



Positive social impact created by committing to a café offering.



Well-being, belonging and security created through informal social support networks.



Functional shopping trips turn into a **sociable experience**.

Voices of Plunkett UK member community shops:

“The decision to expand into becoming a café as well as a shop has made us much more of a destination, and secured our future, as well as giving the village a real hub.”

“The café has meant more paid employment and work experience opportunities, meaning more younger people from the village have become involved. That cross-generational element has been a joy to be part of.”

“We are definitely ‘on the map’ as a stop-off point for local delivery drivers/cycling groups/passing walkers etc. now we have decent coffee, home-made cake and sandwiches to offer.”

“Home-made soup and a cheese scone is one of our most popular lunch options. The soup cauldron was a great investment.”

“Our early morning volunteer bakers cook over 30 sausage rolls and pasties daily and with our hot holding cabinet they stay warm and crisp til lunchtime – we have quite a following for them with locals and passers-by alike!”

SCALE 3: SERVICES



Services

On the SERVICES scale, the majority of community shops already offer basic services such as a community noticeboard, free Wi-Fi, dry-cleaning or ticket sales for local events, which would be the sort of services at the left-hand end of this scale. Others go further for particular customers, for example providing pumps and spares for passing cyclists. Many also offer Post Office services, extending the role of the community shop further.

At ‘The Future of Rural Retail’ taskforce event, James Lowman, CEO of The Association of Convenience Stores observed that many successful shops are operating closer to the right-hand end of the Services scale; ‘Rural shops are increasingly acting as miniature high streets in their own right, taking on services that would have previously been available through a specialist operator.’

Indeed, many shops are now innovating with wide-ranging services addressing various (and changing) local needs. Pop-up mobile banking for example, or prescription pick-up, electric car charging facilities, parcel points, heating oil/LPG buying groups, online grocery ordering/delivery, repair cafés, school uniform swaps or even drop-in sessions with the local vicar, police officer, citizens advice representative, MP or parish councillor.

Terry Jermy, MP for Southwest Norfolk, raised the plight of rural retailers in his constituency recently, but noted that ‘Those shops that are successful seem to be those that are multi-purpose.’ In his parliamentary speech, he goes on to suggest that there may even be opportunities for community shops to host healthcare services such as blood pressure testing and routine vaccinations in the future, thus avoiding lengthy journeys for those in rural communities who may struggle to access such services otherwise.

You can watch the 3-minute extract of the speech by Terry Jermy MP by clicking [this link](https://fb.watch/xBCa9gO7Z7/) or copying and pasting this url into your browser: <https://fb.watch/xBCa9gO7Z7/>



Space is often a limiting factor here – community shop walls are not elastic – but many services can also be a revenue stream worth dedicating space to, and other services can be delivered on a ‘pop-up’ or visiting basis; from Friday night pizza vans to mobile toy libraries. Community consultation on services that would be welcomed is an essential starting point. Addressing their very rural community need, [Uig Community Shop](#) on the Isle of Lewis even has its own laundrette, delivery van and petrol station!



Above:
Uig Community Shop

Right and below:
Barkers of Huby



SCALE 4: IMPACT

Everyone's welcome

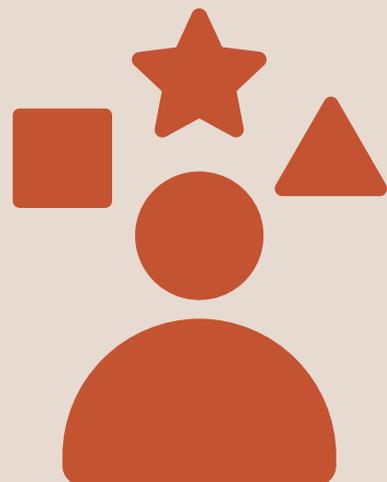


HELPING CARE SYSTEM YOUNGSTERS INTO WORK



Truly building inclusivity

CREATE ROLES FOR NEURO-DIVERGENT VOLUNTEERS



WELCOMING REFUGEES AS VOLUNTEERS



Impact

And finally, the IMPACT scale. This is possibly harder to articulate and certainly less easy to quantify than the other scales, but it's probably the biggest differentiator for community shops and a real opportunity to galvanise their position at the heart of the whole community.

It's the 'community' element of the community shop, where making sure that your whole community is listened to and included, whether as customers, volunteers or staff, can be so powerful.

On the left of this scale is the basic 'everyone's welcome' message, which is fundamental to community shops. Customers with dementia will always get a hand with their shopping, those who are recently bereaved will always find a friendly face and a listening ear, volunteers with anxiety will always be found an appropriate role they feel comfortable with, a lost wallet will always be handed in, and a recommendation for a local emergency plumber will always be given out...This is all positive social impact. And it's brilliant. It helps address rural isolation and vulnerability and promotes inclusion. All of us will be positively impacting our communities in ways like this already – even if we're not measuring it or shouting about it.

Big companies have policies and departments for EDI (Equity, Diversity and Inclusion) but pretty well all community shops, to varying degrees, have created an inclusive environment organically since their community-led inception.

It's one thing to have a duplicate front door key of a forgetful local resident, or deliver shopping to an ill customer but another to proactively build inclusivity and impact. At the right-hand end of the scale, some community shops are positively ensuring they are building true inclusivity, representing all in their community. This can look like a partnership with a local special educational needs (SEN) school giving work experience placements, or working with a nearby charity helping youngsters leaving the care system to enter the world of work, or welcoming refugees as volunteers thus providing a fast track to improving English language skills and getting to know their community. It could also be coordinating welfare visits for vulnerable customers or really thinking through how to create volunteer roles that could work well for members of your community who are neuro-divergent or who may be marginalised in some way and find 'mainstream' work challenging.



Left:
Hampstead
Norreys

Right:
Talking Shop,
Oxfordshire



Above:
Draycott
Community Shop



Right:
Westbury
Community Shop

At it's heart, it's about asking who is missing from your volunteers, staff and customers. Where are they naturally going – is there a club, event, school/college, disability group, support group or cultural venue that they're going to? Community businesses are so well placed to find them, and specifically invite them in.

This goes beyond basic kindness – it is a key, and pretty unique, opportunity for community owned businesses...and the more people feel included, the more they bring their friends and neighbours with them, and that benefits the business.

“After my husband died, I had severe depression. I came to the shop and café and I can honestly say it saved my life. It gave me a focus, it gave me a purpose – you're in the community again. You meet new people. I absolutely love it.”

Yarpole Community Shop and Café volunteer

“Me and my daughter came to the UK in April 2022. When the war in Ukraine started, we obviously were terrified and shocked, feeling empty. We ran to the UK in the car to seek shelter and protection. After some time, my sponsor Kate proposed to me to help in the community shop. In this shop, I have met wonderful people who live in this village, each of them tried to help me. They were always friendly and filled the place with their kindness. By volunteering I have enriched my English language and also gained experience of an actual work at the shop. Because of these skills I had an ability to work in M&S, Waitrose and now I am a manager at NEXT. I am very thankful to Barford volunteer community shop, for helping me adapt in a foreign country, learn English and gain knowledge that helped me to continue life in the UK.”

Olha, Barford Village Shop

Offering work experience to students in Westbury, Buckinghamshire.

Earlier this year, we were approached by Furze Down School in Winslow, and asked if we would offer regular work experiences sessions to a group of their students. One of our regular customers, Thomas (aged 19) who attends the school has been coming to us every Saturday morning for cake. He enjoys his weekly visits so much, he would tell his teachers all about us.

His school then contacted us to find out more about what we were doing for Thomas, and we agreed to provide work experience for some of their other students as well.

Since February, Thomas and a number of his friends from school spend a couple of hours with us every Thursday morning. The students have a range of special needs including autism, Down syndrome, speech and language difficulties and medical needs such as epilepsy, and they do a number of roles in the shop; taking sandwich orders in the café, operating the till, making up bags of sweets and helping with stock checks. One of the young ladies, Connie, 19, loves tidying, so after her shift, all our shelves are immaculate, with all the labels lined up and facing the right way – they look brilliant!



Where is your business on these four scales currently? And where could it be...?

To reiterate, the right-hand end is not necessarily the right answer on these four scales. If you have a farm shop nearby, it makes sense to largely leave them to it on local produce, concentrate on a really credible range of convenience basics and focus your energy on additional services or community impact that the farm shop may not deliver. Likewise, there's no point planning a café extension to those shops with a sparse or particularly small local community, or where there are other café facilities already nearby – but thinking laterally and with a truly open mind about the possibilities for your community shop to evolve along these four scales is a strong place to start in terms of future-proofing your business.

Community shops are so well placed to consult, adapt and evolve and these four scales, along with case studies of successful community businesses who are living the theory, give brilliant volunteer committees nationwide some guidance, structure and inspiration in deciding on their future direction.



The three key considerations

Before rushing off to consider the evolution of your community shop, there are three key considerations to bear in mind, which are briefly outlined below...

Community consultation

Firstly, before embarking on change, think about the realities of your location, your competitors, your demographic and your existing building. Your job is to reflect where your community want you to be on the 4 scales we've just talked through, within the realities of your setting.

The key to this is understanding what your community want. When did you last ask them?! Not just your members, your staff or your volunteers, but a decent cross-section of your whole community. The community consultation at the start of your community-business project won't necessarily reflect the views of the local population currently...

Meet them! Ask them! And be prepared for their needs to change...did any of us stock gluten-free flour 5 years ago? Was there even a requirement for electric car charging? Could we have envisaged pop-up blood pressure testing being part of our proposition in the future?! The answers to what your community wants from your business may be well beyond a traditional convenience shop offer.

As well as surveying the needs of your population, doing the performance analysis of existing product areas or services that are dwindling is important. Processed meats, tinned vegetables, newspapers/magazines and standard wrapped bread are seeing significant sales declines nationally, for example. They may not 'deserve' the space they have in your shop currently

Really consider the reality of a busy family life against a single pensioner life, those in your village without transport, those who are passers-by or visitors...and reflect your range and proposition accordingly. Have you met the newcomers in the recently-built housing estate and found out what they'd want from your shop? Customers who don't usually use your shop won't respond well to a 'use it or lose it' threat... but may respond very well to being asked what they'd like to see in the shop and proactively using it when their needs are reflected.

And carefully consider your location – if you're down a narrow lane with little passing trade, there's no point in building a café that needs to turn over £100k to stay afloat. If your community just want a decent cuppa and a toastie – provide that!

Give new ranges and services a chance, listen to feedback and commit, or not, accordingly.

- 
- ✓ Location
 - ✓ Competitors
 - ✓ Demographic
 - ✓ Existing building
 - ✓ Community
 - ✓ Busy family life
 - ✓ Passers-by
 - ✓ Visitors
 - ✓ Newcomers

Finance

Ultimately, this is the bit that matters more than anything else. Amid the excitement of making changes, financial rigour is obviously essential. It's so important to bear in mind all the potential impacts and plan accordingly.

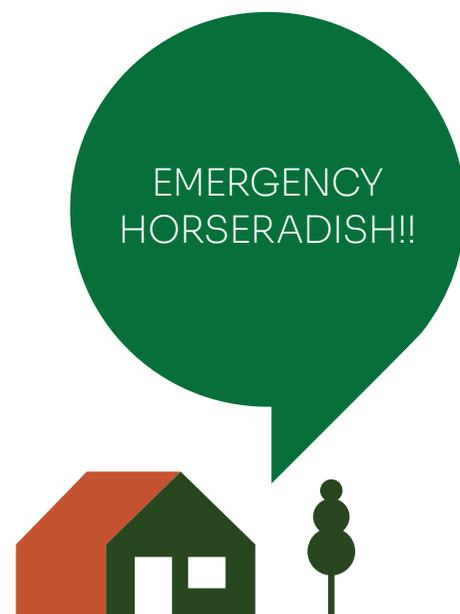
When considering range changes, this starts with being aware of which products are paying your bills currently and making sure you look after your most profitable lines. A rough '80/20' exercise can be enlightening:

In my community shop, of the 1,500 total product lines stocked;

- 10% of sales and 16% of profits come from the top five products alone; Local eggs, hot coffee, freshly made sandwiches, hot sausage rolls and 2 litre semi-skimmed milk
- Half of sales and nearly two thirds of profits come from just 150 products (yes, that's just 10% of our range!).

This isn't necessarily good or bad, but it certainly helps focus the mind on margins! How does your shop compare?

Managing margins is well worth investing some proper time into. A 'blanket' mark-up approach won't be appropriate for the increasingly varied product areas, and customer types, you may be ranging for. Clearly, there's a very different margin expectation between a can of beans and a cup of coffee, but differentiating your approach by customer type can help nudge margins upwards too. A passing cyclist, tourist or delivery driver stopping for a sandwich or coffee will be much less price-aware than a regular shopper wanting a few essentials. And, with a joint of roast beef already in the oven, the 'emergency horseradish sauce customer' won't quibble over price at all – here, convenience rules. Breaking down your margin strategy by product area and customer type is harder work, but can help keep prices down for locals on the essentials, whilst moving the overall mix upwards by maximising sales to the less price-sensitive customers.



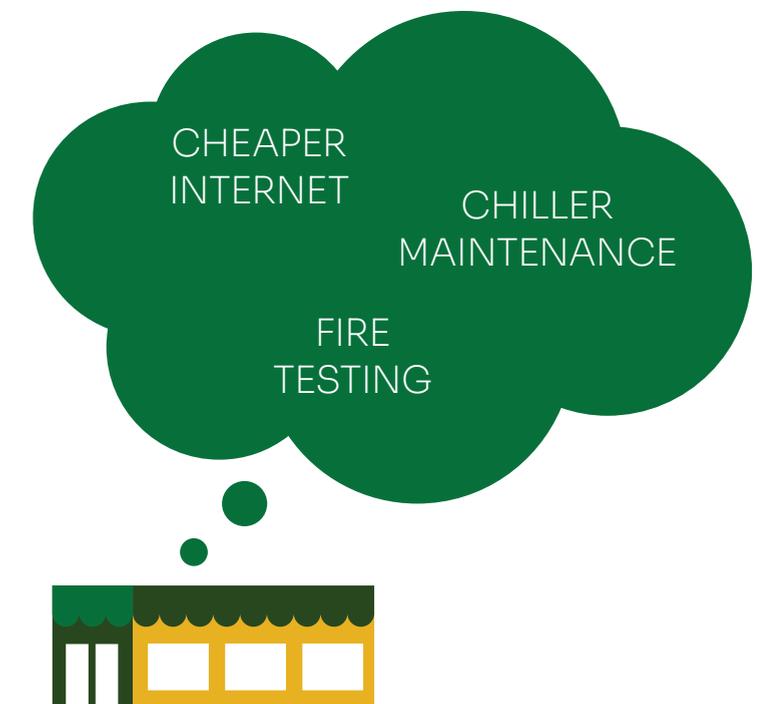
Space analysis can also be incredibly useful; some non-food products (e.g.; household, medicines) can be space hungry but offer a low return (although are considered 'essentials'), others are the opposite (e.g.; greetings cards). Some products might not make sense commercially, but add a point of difference that creates value of a different kind. All of them need to justify the space they take.

Getting product sales and margins right can help underpin the (often) less lucrative, but valuable, services provision. James Lowman, CEO of the Association of Convenience Stores, acknowledges the 'balancing act' of providing extra services when he says 'Product sales are in themselves important to communities, but they also provide the income to allow retailers to make more services available. Bill payments, ATMs, parcel service, prescription collections are all important, but we have to operate in the real economic world: these services alone are unlikely to sustain a store'.

Although it may feel counter-intuitive, we also really need to pass on our wholesaler cost increases to our customers...or to re-source the product cheaper where possible. Absorbing cost increases is not a sustainable business plan.

And, on costs, there must be a self-confessed 'geek' in your community who loves a comparison site and would relish the job of securing the best possible utility contract for your business, or rise to the challenge of finding a cheaper internet deal, chiller maintenance contract or fire testing service. This is an ideal role for a volunteer who doesn't want to be customer facing, but has so much to add through their 'behind the scenes' contribution.

Clearly, the committee (or tenant, where applicable) in every community business has a responsibility to ensure business/project planning, budget and cashflow forecasting and business continuity planning are robust, and to address issues early through monitoring performance appropriately.



Capacity

With increased business complexity can come increased costs and demands on your limited resources. Volunteer engagement is absolutely key to maximising your capacity. Many community shops have had great success daring to devolve some responsibility from the manager to volunteers. A volunteer 'owning' a product area, for example, can be effective, motivational and beneficial to business. Is there someone in your village who loves wine and would shop around for the best deals from wholesalers or retailers to create a well-curated, and well priced, range for your shop? In my community shop, the volunteer who looks after the milk and cream range is so committed to her product area that she checks in on sales from her holiday, before placing the next order remotely! And being the local cheese buyer is a lovely excuse for a regular trip to the two or three nearby dairies every few weeks.

And this devolution can be extended to areas beyond products – **Amberley Shop and Café** in Gloucestershire has benefitted enormously from a volunteer who is an ex-teacher leading on their partnership with nearby schools to offer work experience and Duke of Edinburgh placements, for example. We understand that this sort of task can be onerous for the Shop Manager to incorporate into their day job. But it can be incredibly rewarding for a volunteer to take on, provided the scope and expectations of the role are clearly defined.

Different roles that can be done by working people in their own time and on their own terms, rather than being committed to a fixed, front-facing, till shift can help extend the number of potential volunteers in your village. A classic example here is the way many community shops are benefiting from younger residents taking over their social media presence. This can help broaden the volunteer base of your business beyond those who have time to commit to volunteering during trading hours and, by extension, it broadens the customer base too.



How can Plunkett help our members?

So, what's next...and how can Plunkett and our partners help you? Having presented much of the above information to over 80 community-owned shops in our series of 'The Future of Rural Retail' events, a few key 'asks' emerged from the attending businesses.

Product and supply

- Can Plunkett UK help find a wholesaler of convenience basics that will deliver to us?
- Is there a well-priced supermarket that will work with us to provide a 'top-up' shop service, for products we don't want to buy in full 'outer case' quantities?
- How can we connect with local growers/producers to help boost our local product range?
- How about some sharing of retail knowledge about things like ambient/chilled and frozen ratios, or 'good, better, best' ranging, or key product trends to look out for?
- How would I embark on adding a milk refill service, or find new independent-orientated suppliers in 'growing trend' categories like quality frozen food?

Marketing

- If we make changes to our business, we'll need to start marketing our shop much better – how do we do that? Marketing, particularly on social media, is quite a new challenge for us

- Can more be done to give community-owned shops as a 'national network' a higher profile in the marketplace?
- Can Plunkett help with knowledge-transfer from successful community shops that could be paired up with those looking at changing format/range/services?

People

- Recruiting volunteers isn't easy, but it's increasingly necessary considering the increasing costs of employing paid staff – can Plunkett help, particularly with how to tap into 'new' and younger members of the community?

Systems and services

- Where do we start with making sure we have the right EPOS system and are using it well?
- I've struggled with our Post Office arrangement being painful to staff, but would love to explore an alternative model with them to maintain their valuable services – can Plunkett help?

The great news is that many of Plunkett's supporters and partners who participated in 'The Future of Rural Retail' taskforce committed to some generous, practical help for community shop members of Plunkett UK. Here's a taste of how they suggested they could help support the evolution and success of community shops...

WHOLESALERS

Youngs Wholesale; this family-owned wholesaler stocks a comprehensive range of over 6,000 branded products comparable in breadth and price to the national cash and carry wholesalers. Youngs have offered a nationwide delivered service for all community shops on either a regular or ad hoc basis with a flat delivery charge. Imagine, Heinz to Coca Cola, Andrex to Kellogg's delivered direct to your shop!

Cotswold Fayre; Cotswold Fayre, certified B Corp and carbon neutral wholesaler, offer 2.5% discount on premium food and drink products to all Plunkett UK members. A dedicated account manager is on hand to offer advice on buying, merchandising and in-store tastings to ensure you make the most of seasonal events and promotions from the 300+ speciality food producers they represent.



Not a Plunkett member yet? Join us at [Become a member – Plunkett Foundation](#)

Suma Wholefoods; Suma is a cooperative wholesaler already supplying many community shops from a range of 7,000 vegetarian, natural, responsibly sourced products. Their brand covers store cupboard basics to home cleaning, and they will help advise on best-sellers from other independent shops to give you a headstart to your ranging.

Three of the leaders in national distribution of quality frozen meals for independent retail are on the Plunkett Recommended Supplier Directory; **By Ruby, Cotswold Fayre** and **HomeCooks**. It's worth looking into these delicious and innovative ranges and considering their potential place in your range.



RETAILERS

Morrisons, Britain's 5th largest supermarket has created a 'Business-to-Business Top-Up Shop' service for all Plunkett member community shops nationwide (whether you have a Morrisons shop near you or not) with a free year-round delivery pass and 'Morrisons and More' card to take advantage of promotional pricing. Chilled, frozen and ambient groceries in singles or multiples, to compliment and extend your range, delivered to your shop's door.

Embracing the philosophy of 'Principle 6; Cooperation among cooperatives', **Mid-Counties Coop** has committed to working with Plunkett UK to share retail knowledge and best practise and their informative webinar recordings and resources on energy saving measures and the journey to net zero can be found on the Plunkett UK Member Hub.



LOCAL PRODUCERS

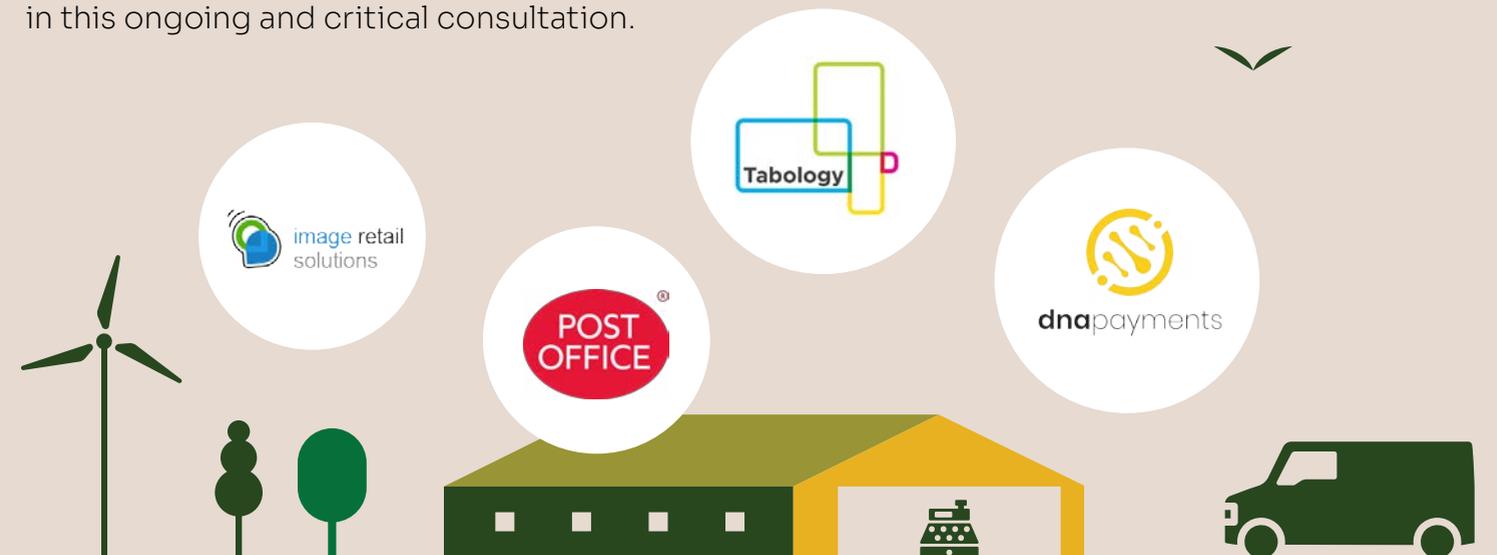
The Farm Retail Association represents a thriving network of farm shops, farmers markets and pick-your-own businesses. Early talks are taking place about the possibility of establishing networks of producers – possibly via regional food hubs – connecting local growers with community shops. There's clearly an opportunity for joint marketing around promoting local food producers. Watch this space for progress on this opportunity...

Some community shops have already embraced online ordering solutions, but **Ooooby** (for small farms, veg boxes, food hubs, CSA's and craft food) are real experts, and pioneers, in small scale online food sales connecting local suppliers with eager buyers – and this could involve community shops! Imagine a veg box scheme that connected local growers with your community via your shop as a hub. These initiatives could really help extend your shop's customer base to those busy working families that may not currently use the shop much. Plunkett is excited to explore this opportunity alongside these experts in the field...



SYSTEMS AND SERVICES

There are over 250 post offices of varying formats housed in community shops nationwide. **Post Office Limited** is engaging with Plunkett UK at a strategic level via 'The Future of Rural Retail' taskforce and separately to explore the simplification of running community-run post offices. This will enable more communities to take post offices on and protect their services in the areas of market failure that Post Office serves. Post Office is listening to the needs of rural community businesses and has already announced improvements which will make it more financially rewarding to run a post office for postmasters and host organisations, including community shops. A Government Green Paper is underway to look at the future network requirements and Plunkett will be listening to, and representing, community shop voices as part of that process. Do look out for Plunkett communications to ensure you have your say in this ongoing and critical consultation.



Not a Plunkett member yet? Join us at [Become a member – Plunkett Foundation](#)

In the complex world of EPOS, a knowledgeable voice that understands community business can be hard to find. Plunkett is delighted to have three such voices offering experience of community business and technical knowledge of EPOS to help you ensure you have the best system for your needs. Those needs may well change if you commit to new ranges or services in your community shop. **Tabology**, **Image Retail Solutions** and **DNA Payments** all offer advice from individuals with a true understanding and/or experience of community-owned businesses. Further details and contacts are on the Plunkett UK Recommended Supplier Directory. Member businesses can log on to the [Plunkett UK Member Hub](#).

Strength in numbers

The clear steer from Mary Portas was to be proud, to make ourselves recognisable as a movement of community shops, to embrace an identity and to shout about ourselves – this is where it's over to Plunkett to help you out.

The brand and identity of each individual community shop is unique and vital and must remain, but there may be an opportunity for Plunkett UK as an 'umbrella' organisation for rural community businesses nationwide to represent the whole national network impactfully. Whether this is via a map, an app, a logo, a consistent tagline, or another means, creating a recognisable identity that customers can positively choose to support may well prove beneficial to us all.

Clearly, Plunkett also has a long history of advocating for, and representing, the community shop sector and will continue to do so passionately both at local and national level. We are well established as the 'go to' for government consultations involving the rural community-owned business sector and will continue to consult with you to ensure we are accurately reflecting your views.

In terms of marketing at a local level, any change of range, format, services or impact in your business that takes you further beyond 'just' being a village shop will require publicity. Spreading the word is something that traditional community shops haven't had to work too hard on historically – there's a shorthand for consumers that's just assumed about what a village convenience shop is. But if your business is evolving, and needing to broaden its demographic, you will need to communicate within and beyond your own community. Plunkett's partners at marketing agency Webmart have therefore generously offered to work with us on a 'Marketing for Community Businesses' online training series, which we are looking forward to launching later in the year.

So, in conclusion, you can see that there is plenty of enthusiasm, support and goodwill out there to support us and our brilliant community shops...and this is just the early thoughts and suggestions from the taskforce participants.

Plunkett will continue to be the conduit between all these corporate supporters/ sector partners and the network of community shops nationwide. We can also, of course, link up community shops in similar

situations with others to ensure as much peer learning as possible. So please do get in touch if you're doing anything interesting that other community shops could benefit from hearing about. We all operate in such discreet geographical areas that none of us are competitors, so the more sharing of knowledge, experience and ideas we can do, the more we all gain. Amid the challenges we all face, there is remarkable resilience, adaptability and joy in the community shop network and, as Mary Portas says 'In this modern world of perma-doom and anxiety, the power of joy is not just a nice to have – it's a critical advantage.' So do share the inspiring stories as well as asking Plunkett for help with the challenges.

It really feels like now is quite a pivot point for the community shop sector. And although change can feel overwhelming, it's clear that it's more necessary than ever to embrace change to stay relevant...and solvent.

Best of luck thinking through the future for your rural retail business – and do keep in touch.



“I never cease to be impressed by the track record of community shops to safeguard vital services and deliver outstanding benefits for the communities they serve. Despite facing a challenging environment, this movement continues to grow and promises an exciting future ahead.”

James Alcock,
CEO of Plunkett UK



‘The Future of Rural Retail’
taskforce attendees –
Ditchley Park, October 2024.



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For further reading, please see the essays kindly provided by the taskforce members by clicking [this link](#) or copying and pasting this URL into your browser: <https://plunkett.co.uk/wp-content/uploads/Taskforce-Member-Essays.pdf>

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