Geography Coursework Task 5

Is the Expansion of Tesco's going to affect the local businesses?

Introduction

I have chosen to study the expansion of Tesco's for a number of different reasons. The main reason is that I think that the expansion is going to completely change Clevedon, as it tourist town. It does not need a super store in it. I think that a lot of small businesses/shops are going to suffer if Tesco's gets the go ahead. I also think that there are going to be a number of side affects if the development happens. E.g. environmental issues.

These are the main reasons why I have chosen to study the expansion of Tesco's.

Methodology

In my investigation I plan to do a number of things. I am planning to go round the shops in Clevedon and ask them what they think of the expansion of Tesco's. I am going to ask them all the same questions as to make it a fair investigation. I am going to ask

- 1) Do you think the expansion of Tesco's is going to affect your business directly? Please explain your answer
- 2) Do you think there will be any side affects of the expansion of Tesco's? These could be positive of negative. Please explain your answer.
- 3) Do you think that other businesses are going to be affected by the expansion of Tesco's? Please state what type of businesses you think are going to suffer.

I am going to go to a number of different shops asking them what they think. I am also going to interview Morrison's and Lidl, as these are the other two big stores in Clevedon.

Along with all the shops in Clevedon I am going to be fair and give Tesco's their chance to put their points across. I am going to interview and hopefully get the plans of the expansion of Tesco's.

I am also going to be getting information off the Internet about the expansion of Tesco's. I am going to find old newspaper articles about the expansion and sum them up then put them into my results section.

I think I am going to try and get peoples opinion about the expansion of Tesco, but when I went down to Tesco's to do random surveys no one was willing to do them. So I asked simple yes or no questions and I got some results. My two questions where.

- 1) Do you want Tesco's should expand?
- 2) Do you think the expansion is going to affect the small business and shops in Clevedon?

Results

The first thing I am going to do is I am going to get as much information about the expansion of Tesco's as I can. This was the original article that was published in the North Somerset Times on the 01 March 2007.

"Tesco's proposal to demolish its Clevedon store and replace it with one twice as large has finally been registered with planners.

The Mercury exclusively revealed in November that Britain's biggest retailer had paid £1.3 million for land next to its existing store.

The supermarket giant intends to build the new store on the site of the current one, and also the premises occupied by Labcaire and the Bradshaw Group.

Town residents, small businesses and other interested groups can now comment on the application after plans were formally registered with North Somerset Council last Thursday.

They will be discussed by Clevedon Town Council later in March before going to North Somerset Council for a final decision.

Tesco plans to keep the Kenn Road store open while the new one is being built and then demolish it for more parking spaces.

It says the new store will bring about 150 extra full- and part-time jobs, injecting, it claims, £1.5 million per year into the local economy.

Current jobs would be safeguarded by keeping the old store open during the construction phase.

The petrol station will also be moved on to the Bradshaw site.

The new store would have a sales area of 60,148sq ft, compared to the current 27,286, and would provide 602 parking spaces.

Tesco says the glass-fronted store would be built from sustainable materials, which are years ahead of what is required under building regulations.

The part of the store which would face Southern Way would be two storeys high, the second storey containing a cafe and staff areas.

In November Tesco spokesman Felix Gummer said the store, which would be branded as Tesco Extra, would sell a wider range of goods."

After reading up on the problem at hand I went to the local businesses and small shops to see what they think. I asked them all the same 3 questions, which I wrote in my methodology.

The first shop I went to interview was WH Smiths. Smiths were very keen to give me lots of information about their view on the expansion on Tesco's. Their answers to my questions are as follows.

- 1) I think that the expansion of Tesco's is going to greatly affect our business. Our Clevedon Branch is one of the smallest Branches of WH Smiths around. This shop isn't big enough to cope with the demands of Clevedon as it is. We think that if the expansion of Tesco's does go ahead then we are going to loose a lot of business. I think this, as the new Tesco's is going to stock all the products that we stock. Plus as they are a national store it is cheaper for them to produce the products that we stock. So we are going to be under cut. So I am pretty sure that if the expansion does go ahead we are not going to be here much longer.
- 2) I think that the expansion is going to bring more people to Clevedon, but they will not come into the centre of Clevedon, they will use Tesco's then go. If it was Morrison's expanding then I think that it would be completely different. All the shops around the centre will benefit but as it is Tesco's I think that a lot of shops are going to suffer.
 I also think that as more people are going to coming to Clevedon then there is going to be a lot more cars coming to Clevedon. Causing more noise and air pollutions.
- 3) I think that a lot of small business/shops are going to be affected as Tesco's are going to stock a much wider verity of products. Products that the shops in the centre stock. So people are going to go to Tesco's as it is going to be cheaper for them to buy from Tesco's.

I then moved round and went to New Look. New Look didn't seem to want to give as much information as WH Smiths but I got their opinion.

- 1) Our store does not feel threatened by the expansion of Tesco. If anything we think it is going to benefit our business. We do not feel threatened as we are offering a different product. We offer our customers fashionable clothes. Tesco's will not get the designers that we have, so we offer different types of clothes. We do not know if Tesco is even going to sell clothes.
- 2) As said above we think it is going to bring in more customers to our store.
- 3) No comment

I then went to Woolworth's store they would not let me speak to the manager but I talked to one of the members of staff and got their opinion.

- 1) I think that the expansion of Tesco's is going to affect our store, but I am not sure if it is going to be in a good way or a bad way. I think that it is either going to take our customers away from us, or it is going to bring in more people from surrounding towns and this may increase our sales.
- 2) I do however believe that there are going to be a lot of side affects. The biggest being pollution, with all the extra cars coming in to shop at Tesco's plus the noise pollution, the pollution all the machinery will have to use to build the store. Also the local residents are going to be affected, me being one

- of them my garden backs onto the site, I think my personal area is going to be ruined.
- 3) I think that certain businesses are going to benefit and certain businesses are going to suffer. I think the well established, well known businesses will be fine but the small self owned ones will not.

I then went and saw a friend who works at Aaron's Pets. I managed to talk to the manager of this Branch. He was very keen to give me his ideas about he expansion.

- 1) I don't think that we are going to be massively affected. I think that in certain areas we will b like with the animal toys, and certain typed of food, i.e. dog and cat food. But we offer a different product to the massive super store. We offer pets and the products that the animals <u>need</u>. (He said need with a lot of emphasis)
- 2) I do think that a lot of people are going to be affected by the expansion in different ways. I think that people are going to be kept awake at night by the constant traffic flow into and away from the store. Also the delivery lorries come in all through the day and night. Pollution is going to be a problem. As I am manager of a pet store I am very concerned about the animals around the area. There is area or woodland next to the roundabout that will be home to all sorts of creatures that will hunt at night, so there will be a bigger chance of them being run over.
- 3) I think that all the businesses in Clevedon are going to either suffer or benefit from the expansion. Due to Tesco's bringing in more customers or taking the customers to them.

I then went to interview the bakeries. I am going to sum up what the 3 bakeries said and put them into one as they all said the same thing.

- 1) They all said more or less the same thing, we think that we are going to loose a lot of customers all our younger and middle aged customers will properly choose Tesco's as they will be cheaper. But the older generation are properly going to use us, as they have been using us all their life. Plus the loyal customers that come in to get the bread or tea, they will keep coming to us
- 2) They all said that the expansion of Tesco's is going to cause a lot of pollution and noise around the Kenn road area, but it wont so much affect the centre of Clevedon.
- 3) They all said the same thing for this question that it will keep all the bakeries on their feet and keep their standards high.

I then went on to interview more shops around the centre of Clevedon and on hill road. They all came out with the same points as above so I have decided to not to include the interviews.

I am however going to include information that I found from Morrison's. Nobody was available to comment on behalf of Morrison's but I found an article on the Internet that sums up their views.

"Morrisons has warned the future of its Clevedon store would be under threat if Tesco is given the go-ahead to expand.

The retailer says if Tesco is allowed to more than double the size of its Kenn Road store, it would hit the vitality of Clevedon town centre.

It has written to North Somerset Council planners strongly objecting to Tesco's proposals.

Its planning agent, Peacock and Smith, said there was no need for further supermarket expansion in Clevedon.

It said: "The Morrisons store is the largest retail facility in the town centre and anchors the centre.

"It generates a significant number of linked shopping trips with other shops and services in the town.

"Our client has confirmed that its long-term viability may be under threat if the proposed development were to be approved.

"Should closure of the store ultimately occur, this would also have major implications for the health of Clevedon town centre.

"Accordingly, we consider that, in accordance with national and local retail policy to foster the health of town centres, this application should be refused."

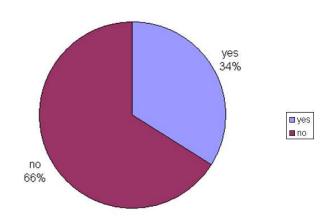
It adds there is spare capacity at its Clevedon store and it is undertrading. Turnover is £10.6 million per year, whereas it would expect it to be £15 million for a store of that size."

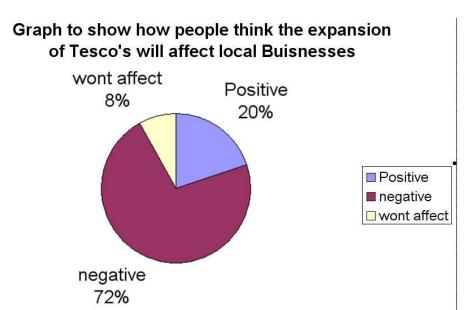
This is the information I have gained from shops, it is both primary, the interviews on the shops, and secondary, the articles I have got off the Internet. I am now going to see what customers at Tesco and Morrison's think of the expansion. I found this very difficult and no one seemed willing to give me explanations so I had to except one word yes or no answers. I asked 50 random people the two questions and got closed answers (yes no).

- 1) Do you want Tesco's should expand?
- 2) Do you think the expansion is going to affect the small business and shops in Clevedon? Positive

Negative Won't affect it

Should Tesco's expand its store?





Evaluation

From all the evidence I have gathered from both primary and secondary sources, I have found out that most people think that the expansion of Tesco's is going to affect local businesses. However people think that the affects it is going to have could be negative or positive. A lot more people believe that it is going to have negative affects on the local businesses. 72% of 50 people I randomly selected from Morrison's and Tesco believe that the affects are going to be negative. This is a vast majority of my random selection.

However 20% of people I surveyed believed that the affects are going to positive. By brining in more people to the area, thus bringing more people to the shops. The shop owners came across differently. They all believed that there are going to affects on the economy. The only shops that feel that they are going to be affected are the shops that stock the same products as what Tesco do. The shops that stock specialist items like New Look, don't feel threatened at all. As they have their own designer's so they don't think they will be negatively affected. They think that the new Tesco will bring in more people to Clevedon so more people will visit the shops. Everyone apart from a few people think that in some way the expansion of Tesco's will affect the local businesses. This answers my question is the Expansion of

<u>Tesco's going to affect the local businesses?</u> From all my research the answer to the question is yes the businesses are going to be affected but it may be for the better or the worse.

If I were to do this task I would do a couple of things differently. In my questions that I asked the shops I would make question 3 "Do you think there will be any side affects of the expansion of Tesco's? These could be positive of negative. Please explain your answer." I would make this question more specific or I would get rid of it. Yes I got a lot of information off this question but the information was not relevant to my question so it was a waste of time.

I would also ask a lot more random questions, as I think that this is the best way to find out what people think.

I believe I have answered my question and have got a lot of evidence to back up my point.