

# 99p Stores goes plus-size in modernisation push

BY TIFFANY HOLLAND

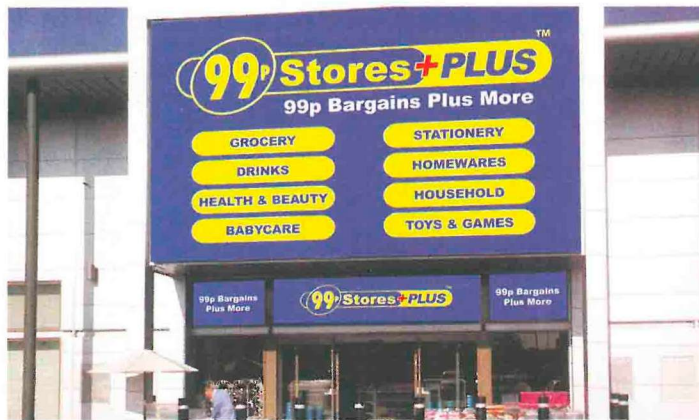
Variety store group 99p Stores has kicked off a transformation programme including the launch of a new store format as it seeks to professionalise in the competitive discount market.

The family-run retailer has introduced the multi-price 99p Stores Plus fascia, is overhauling its systems and has bolstered its management team to ensure it stands out in the market.

It follows the IPOs of rivals B&M Bargains, which achieved a £2.7bn valuation, and Poundland, which floated in March with a market cap of £750m.

99p Stores appointed Tony Brown as chief operating officer in December as owners the Lalani family began to step back from the business. Co-founder and commercial director Hussein Lalani will continue to work at the 250-store retailer day-to-day but will be less hands-on.

Brown, who joined from Pea-



99p Stores has already converted four shops to its new Plus format

cocks, told *Retail Week*: “99p Stores is a solid business but it is now time to professionalise it. The family are moving back from it to let it grow.”

99p Stores Plus is designed to replace the largest 99p Stores, many of which are in former Woolworths branches that cover 10,000 sq ft and above.

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four shops. The first, in Swindon, measures 15,000 sq ft, compared to an average 6,500 sq ft store size. The others are in Dudley, Loughborough and Yate, and the retailer plans to convert shops in Reading, Norwich and Chelmsley Wood.

The new format blends standard 99p Stores products alongside larger items from the Family Bar-

gains retail park fascia, such as garden furniture. The Plus stores sell more than 8,000 SKUs, while standard 99p Stores carry 5,500.

Lalani said 99p Stores has not put a figure on expansion targets for Plus, but has outlined a three-year strategy to expand the group to 400 shops.

Standard 99p Stores are also being refitted to a new design featuring better navigation, wider aisles and 99p coffee machines to increase dwell time. It plans to refit 60 in time for the Christmas rush.

The retailer has also “significantly” invested in its systems to support growth and is focusing on staff training. “As discount shopping becomes more mainstream, customers will expect a more mainstream service and we have to rise to that,” said Brown.

Brown has made a raft of hires since January, including “blue chip” finance director Rob Dean, former Focus DIY finance director.