

Collective experiences

Land Securities has announced two click-and-collect initiatives in quick succession as it looks at how it can take convenience and experience to the next level.

Mark Fairfull reports

In September, Land Securities launched a new click-and-collect service at St David's in Cardiff, which it jointly owns with Intu, and then went on to launch one at Trinity Leeds at the end of October. Both are renowned for embracing digital technologies and high levels of customer services – and this latest project is certainly seen in those terms – and St David's has been a test bed for a number of firsts from Land Securities, while Trinity Leeds is arguably already the UK's most digitally enabled mall.

The partnership is a collaboration between Land Securities and the UK's largest collect and return service, Collect+, which has more than 5,500 collection points and more than 260 retailers nationwide signed up to its service. The company plans to add another 2,000 locations to its network in the next 12 months and is a joint venture between PayPoint, the UK's leading multichannel payments company and the UK's leading independent parcel carrier, Yodel.

The Click&Collect+ service first went live at St David's in Cardiff in September and was followed shortly after by its debut at Trinity Leeds. In both cases the centres have created a dedicated area for shoppers in a prominent location, staffed by the centre's own teams. They include bespoke, dedicated fitting rooms to not only create a convenient location for collection but also to enhance the customer experience.

This combination is crucial to the thinking behind the initiative, says Sean Curtis, head of marketing, retail at Land Securities. "The decision initially came from extensive

research we have been carrying out at our centres," recalls Curtis. "While we are seeing significant changes in customer behaviour in terms of click-and-collect, we identified that under a third of our retailers offered click-and-collect in these schemes. This led us to believe that such a service would enhance the shopping experience for customers, add true value to retailers and provide a point of difference for us."

Indeed, you don't need to look far for ongoing evidence that a joined-up strategy around stores, online, delivery and collection reaps rewards. High street and multichannel retailers with a physical store presence delivered stronger growth in m-commerce sales during the first half of 2014 compared with their online-only counterparts, according to the latest research by industry body IMRG and Capgemini.

The multichannel merchants recorded 79% year-on-year growth in sales via smartphones and tablet devices in the period of January to June this year, while the online-only/catalogue retailers had annual growth reach 59% during the same period. The multichannel group also experienced a steep rise in m-retail conversion rates in the first half of this year, as the average rate rose 33%, while the latter group recorded a slight dip in conversion rates during the same period.

Taking off

In earlier research, the companies noted that nearly one in five (19%) of online purchases were made through click-and-collect last year. Tina Spooner, chief information officer at IMRG, says: "What we are seeing happen with click-and-collect is increasing consumer →

adoption driven by widespread retailer promotion who clearly feel that the convenience of the option can enhance the customer experience.”

Curtis supports that view and notes that in the 13-week run-up to Christmas last year, click-and-collect took off nationally, with the last two weeks of that period recording a doubling of click-and-collect fulfilled orders compared with the same period the previous year. On top of that, 50% of collections are outside normal shop trading hours, all of which suggested to Land Securities that there is a mismatch between consumer demand and available supply.

Armed with this information, Land Securities considered how it could best use such compelling data to serve its retailers and customers, while at the same time supporting its retail strategy for its centres to provide “dominance, experience and convenience”. Collect+, says Curtis, felt like the right fit and St David’s and Trinity Leeds were natural starting points to try the service, given their urban and central locations, strong service and after-hours propositions.

“Our job, as we see it, is to provide a platform for our retailers to succeed,” Curtis reflects. “So while this initiative has been borne from research, its impact and the potential to roll it out will also be determined by research. We want to answer questions such as whether it attracts new customers, and whether those customers went on to visit other retailers, or whether they arrived out of hours and had a meal and went to a movie, then picked up their items. In other words, is this about convenience or experience, or both? We need to understand the role the landlord plays in all of this.”

The right fit

It is also a milestone for Land Securities’ partner Collect+. Matthew Jacques, strategic partnerships director at Collect+, says: “This is a significant partnership for Collect+ as it continues to move our business on from being just a location-based delivery service, to being destination-based too. As shopping behaviour has evolved in line with the changing retail landscape, we’ve made it a priority to offer our customers the opportunity to shop in a way that is convenient for them.”

Jacques stresses that by introducing Collect+ to two of the most prominent and popular shopping destinations in the UK, “thousands of shoppers will now be able to collect and return their items at a time and location that fits with their day.”

So how do the new click-and-collect locations work? Managed by centre staff, the units will enable shoppers to pick up their orders from any retailer, not only those within the scheme, and they will have changing rooms where customers can try before they buy. Curtis cites a number of reasons why this is such an important part of the offer: “Firstly, it helps the retailers because it enables them – especially those within the schemes themselves – to get returned product back into the supply chain much quicker,” he says. “This is also a convenience factor for the consumer and delivers on the ‘experience’ element which, to date, collection often fails to offer.”

But he also points out that in a millennial and post-millen-



nial age where shoppers often take images of themselves in a potential new outfit in the dressing room and then share them with friends before making a purchasing decision, it gives those using the two trial collection points a chance to share on-site and make their choice. Once the purchase is completed, it encourages shoppers to make the most of their trip; they might then visit other stores and accessorise an outfit in the same visit, for instance.

The trials are at two of Land Securities’ best-known schemes. Trinity Leeds is already bursting with digital collaborations between its physical presence and its online reach. It’s a £400m retail destination in Leeds’ prime shopping district bounded by Briggate, which sits within the top 10 busiest streets in the UK, Commercial Street and Albion Street. Situated in the heart of the city, the scheme is a state-of-the-art shopping and leisure destination and includes 110 new shops, stores and restaurants, bringing big international brands and the best of fashion, food, arts and culture to Leeds, with 65 of those brands new to the city.

Meanwhile, the £565m St David’s shopping centre in Cardiff was extensively refurbished and extended in 2009; it has more than 180 stores and restaurants and a retail floor space of 1.4 million sq ft, and was an important catalyst for the modernisation of the centre of the Welsh capital.

Not surprisingly, Land Securities intends for these trials to provide insights that go beyond these two flagship



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Matthew Jacques, Collect+



St David's click-and-collect service desk

schemes. With a diverse portfolio of malls and out-of-town parks across the country to consider, Curtis says the company is developing a national strategy to identify the role landlords can play in supporting retail performance in a multichannel environment and that it sees the potential across its schemes.

"It's crucial not to see these two trials in isolation, important as they are to developing our thinking," stresses Curtis. "We are looking at a whole host of ways to embed omnichannel retailing within our schemes and at how we might marry promotional and loyalty elements with our initiatives. So, for example, we'll look at metrics such as building promotional offers around the click-and-collect offer, which might take the form of services such as preferential or limited-period free parking," he says.

"There are myriad things that we might do but it needs to be driven by what the consumers and therefore the retailers really want and need. Shopping journeys have become so complex and have evolved so far that constant research is the key to delivering these insights and how we might respond best."

Grocery trial

In September, Land Securities announced it is to host a six-month click-and-collect trial with online grocer Ocado at The Galleria in Hatfield. Shoppers can collect their online food order from the centre by driving into

Land Securities has launched a new click-and-collect service at St David's in Cardiff

a designated car park zone, where their shopping can be loaded into the boot of their car. It is the first time Ocado has trialed such a scheme in a shopping centre. Such trials may well be different for different parts of the portfolio.

Curtis explains that important as these test services are, they are also part of a much broader range of initiatives. Ultimately, Land Securities may provide one centralised click-and-collect location or develop a number of adjacent services. Curtis points to the Amazon Lockers trials that Land Securities pioneered at One New Change in London as an example, while noting the Transport for London initiatives to use its end-of-line Underground station car parks as collection points with third-party providers. "We're talking to companies such as Ocado about chilled collection areas," says Curtis. "So, if we look forward, there may come a point where we have a Collect+ with changing rooms, Amazon Lockers and chilled collection points for grocery, all side by side. Nothing is set in stone and anything is possible."

Some research has suggested that major flagship schemes may in fact not be the widest used locations for click-and-collect, given their substantial size, and that shoppers may prefer smaller and secondary centres because of their smaller scale. Curtis emphasises that Land Securities sees the establishment of click-and-collect as a wide-ranging initiative that could look very different in retail parks and smaller projects, and city centre vs out-of-town but that it is by no means restricted to one type of location. Other than that the offer may be tailored to the shopping missions typical of different retail locations.

Seen in that context, the trials at St David's and Trinity Leeds – obvious test-bed locations given their prominent positions in the urban hearts of two major cities and the huge footfall that they produce, coming in at a cumulative 59 million annually – while significant in their own right, are just one component of a far wider opportunity.

"So far click-and-collect has been able to deliver on that convenience requirement but it has achieved little in terms of the experience piece," reflects Curtis. "That's what we want to do now. It's a learning experience for not only us but Collect+ as well, but it's certainly where they want to take their business. We believe there are huge opportunities to deliver something that enhances the customer experience, leverages the potential of great locations and helps our retailers to deliver higher sales." ●