

Gearing up for a global customer

As tourism in Northern Ireland grows, the country's customer service culture based on family values is starting to shine, says **Suzie McCracken**

Northern Ireland as a top tourism destination is not something anyone, arguably even Northern Irish people, could have anticipated a decade ago. But the country has somehow found a way to put a smiling face on its less cheery tourist attractions.

Taxi tours of Belfast's murals, bus rides to the *Game of Thrones* locations that hosted bloody scenes, and a gigantic museum dedicated to the world's least-successful ship now await the visitors disembarking the record number of cruise ships stopping in the capital this year.

Eighty-nine ships will have docked in Belfast by the end of 2017 – there were just two in 1999.

"We are seeing big change – change for the better," says Glyn Roberts, chief executive of the country's independent retailer trade association, Retail NI. He hopes that the international interest sparked from tourism will help foster an outward-looking nation – he points to the turnaround of Dubai's retail offer as an example of what's possible when tourism and retail compliment each other. "Not that I'm comparing Belfast to Dubai of course," he laughs.

There may not be a Louis Vuitton outlet, but you can find luxury-standard customer service aplenty in Northern Ireland.

In a country where Tesco didn't arrive until 1996, family-run retailers had a greater influence for longer. This has created a sector where shopkeepers must treat every customer like a local, or risk the wrath of word-of-mouth.

Quirks of a region

Even Marks & Spencer, which was celebrating 50 years in Northern Ireland last week, knows that its success still hinges on one-to-one interactions. It's something that head of region Ryan Lemon is keenly aware of.

"I spoke to a lady this morning – Pat, [who] has been shopping in the Belfast M&S for 50

years. She loves coming in because, 'I love your staff, they say hello back, they know about me and I know about them,'" he says.

The country has a love affair with Marks & Spencer – Northern Irish customers are much more likely than their mainland counterparts to do a weekly shop with the retailer, for example.

This is due to marketing that leans heavily on the use of local suppliers and a thought-through offer that sees no shortage of local fare, including potato farls, on the shelves. It also benefits from a lack of upmarket competition – there are no Waitrose stores in the province, for instance.

But most of all there's a sense of loyalty to the brand – "because it started here in and around when the Troubles kicked off and it's stayed through those times and grown," says Lemon.

"The business sees NI as a very stable region. The Lisburn store, for instance, is the top performing store, in terms of food, in the entire business."

Vacant look

Although Belfast has an increasingly buoyant market, the country still has the highest shop vacancy rate in the whole of the UK – stubbornly sticky at 14-16%.

"We've been trying to change the conversation – those empty spaces are the businesses of the future," says Roberts. "But there is a great challenge in many of our rural towns."

Retail NI is behind an empty premises rates relief scheme, by which if businesses take up an empty shop they only pay 50% of rates for the first year of trade. Roberts hopes this will play its part in regenerating more rural high streets.

"With the right policy agenda, there's no reason why Northern Ireland's town centres couldn't enjoy a renaissance," insists Roberts.

He also acknowledges independent retailers need to be increasingly nimble and innovative.



"We've got to put the social into shopping, and go further and faster with that. Shoppers want choice, they want something that's different, distinctive."

A local turnaround

A family-run retailer working on creating a modern offer is Menarys. The department store goes back to 1923 and has 16 stores, offering a wide range of fashion and homewares.

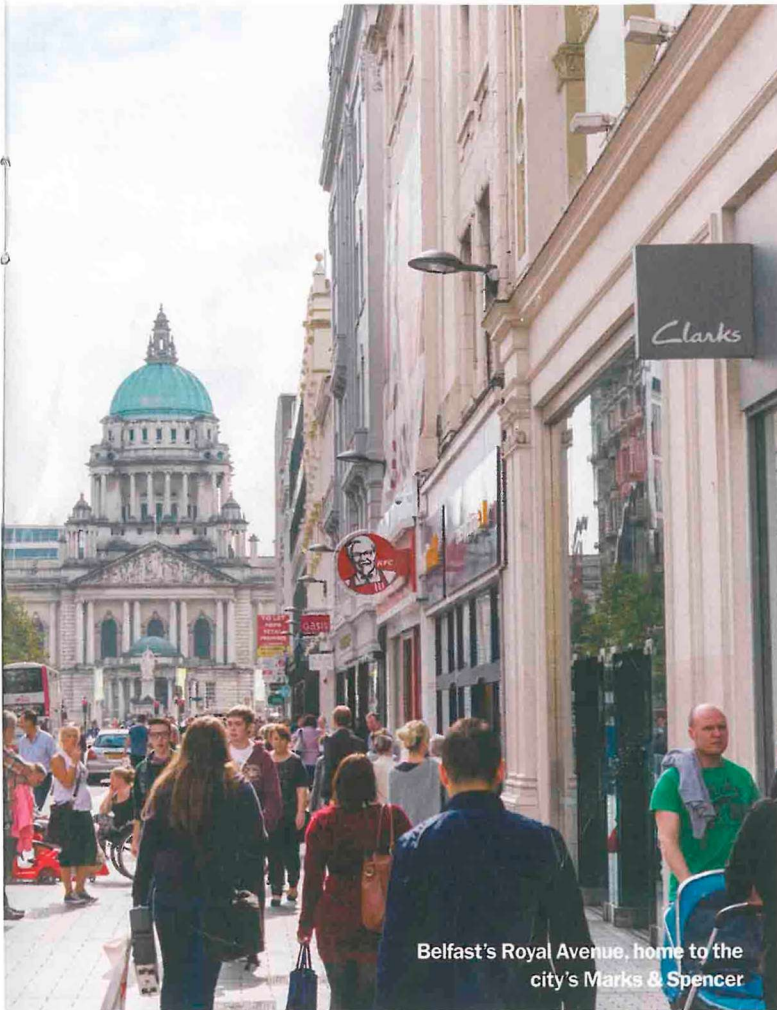
The business partners with 40 top brands including Topshop, Quiz, and top performers like Benefit, Gerry Webber and Guess, which are "where our core space is and the brands that people know us for", says managing director Stephen McCammon.

Despite the relative lack of chain department stores in Northern Ireland – a hangover from the Troubles – Menarys has not had an easy time.

July 2014 saw the business enter into a CVA as it found itself in a "perfect storm" of unsustainable leases, the spectre of commercial property debt separate from the retailing business, and losses of £3.6m in the year to January 2013.

McCammon and his colleagues have since pulled the retailer back into the black. The CVA enabled the business to exit the offending leases, and a change of bank also followed.

Read our entire series
of summer articles
Retail-Week.com/On-the-road



Belfast's Royal Avenue, home to the city's Marks & Spencer



Ryan Lemon celebrates M&S' 50-year anniversary in Northern Ireland



Menarys, Lisburn

In a country where Tesco didn't arrive until 1996, family-run retailers had a greater influence for longer

"We also had to reposition ourselves," says McCammon. "We've moved towards a slightly more value-driven product."

Menarys is also following the example of its mainland counterparts in moving towards a more experiential and service-driven strategy, while continuing to lean on its famed customer service driven by loyal staff – over a third of the 320 people on its payroll have been with the company for 10 years or more.

Menarys now has partnerships with Beauty Bar, which runs nail and blow dry bars in its Cookstown and Omagh branches, and Zip Yard, a Northern Ireland-based clothing alterations provider that will open in Menarys' Rushmere store in the coming weeks.

"This is to offer experiences that can't be found online, where people can engage with us," says McCammon.

Menarys has also had great success partnering with local cafe chain Bob & Berts. Roberts thinks that working with the hospitality sector is the future for Northern Irish retail.

Buoyed by the 2016 Year of Food and Drink, many are seeing an opportunity to connect the country's rich food supplier network with customers via restaurants and small retail spaces. It seems natural for a country where agriculture is an impressive 1.2% of GVA compared to 0.5% for the UK as a whole.

Ambitious family farm shops like McKee's in Newtownards are finding ways to blend retail and hospitality to create something more than the sum of its parts.

The country store, which started as a small shop as a supplement to the farm's supply business, now features an always-full restaurant using McKee produce alongside a deli counter, sweet shop, bakery and an expansive gift shop with homewares and accessories.

It's a prime example of how retail and hospitality are organically linked. "They stand and fall together," says Roberts. "They're facing many of the same challenges, but we have the potential for many of the same opportunities as well."

"It may be that the need for separate retail and hospitality business organisations... well, in the future we may all stand together," says Roberts. "But that's for another day."

Brexit: more confusion

Predicting the effects of Brexit is proving as much of a head-scratcher in Northern Ireland as it is in the Republic.

"We're unsure of what it means," says Stephen McCammon of Menarys department store, which has two of its 16 stores south of the border.

"We're making a concerted effort to import more directly from overseas to give us a little more margin comfort."

Glyn Roberts of Retail NI says: "Quite often it's forgotten that Northern Ireland is the only part of the UK that shares a land border with another EU member state."

A return to a Troubles-era border cannot be tolerated, Roberts makes clear, as often workers live on the other side of it and many businesses straddle both countries.

"We've also got to make sure that EU nationals, who make a big contribution to our members' businesses, will still be able to stay and contribute," he stresses.

Retail NI members continue to have an outward-looking attitude at the top of their wish list. "We've got to ensure Northern Ireland is attractive to shoppers from the ROI, the UK, the EU and the wider world," says Roberts.