Chapter 8

Critical Reflections on the Decline of the UK High Street:
Exploratory Conceptual Research into the Role of the Service Encounter

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ABSTRACT

The aims of this exploratory research are to evaluate customer and retailer perceptions of the decline of the UK High Street[1] and investigate the potential of the service encounter, specifically customer service, as a means to reverse this decline. The background to this research is one where the UK High Street is in decline as a result of out-of-town retailing, the growth in the use of technology and online shopping, and high business rates and rents (Bignell & Lefty, 2013; Bamfield, 2013; Milliken, 2012; Poulter, 2012; Hall, 2011; Portas, 2011). Using interviews in 2013 across four Scottish cities (Aberdeen, Dundee, Edinburgh, and Glasgow) with 40 retailers (national chains and independents) across the fashion, footwear, jewellery and health and beauty sectors, and 40 customers aged between 18 and 60, the chapter reveals that unlike the retailers in this study, customers are not of the opinion that an improvement in current, in some cases, "disappointing" customer service would encourage them back to the High Street. Rather customers thought solutions to the decline in the UK High Street lay in combining the appeal of online convenience and choice with the tangibility of the physical store experience.

INTRODUCTION

The decline of the UK High Street (a typical High Street is illustrated in Figures 1 and 2) has been a much discussed topic in the UK media and academic community not only because of its importance to UK retailing and the changing nature of the UK consumer but also because of its negative impact on community cohesion (Cooper, cited in Hill, 2013). The reasons for and the consequences of the decline in the UK High Street have been well documented with a number of key

themes emerging from the literature, specifically: that the number of empty shops on the High Street has continued to increase year on year to reach around 46,000 in 2013 (Turner-Mitchell, 2012) which has either contributed to or is as a result of customers increased use of the Internet and more recently mobile devices (Milliken, 2012; O'Reilly, 2012) to purchase products and services; that customers seek convenience, choice and as a result of the current recession, value for money, which is arguably better facilitated by online and out-of-town retailing (Bignell & Lefty, 2013; Bamfield, 2013; Milliken, 2012; Poulter, 2012; Portas, 2011; Hall, 2011). A number of solutions have been suggested, with Portas (2011) in her 'Review into the future of our High Streets' making 28 recommendations which focused on non-digital solutions, specifically High Street management, the need to change existing legislation to address barriers to retailers ability to change the use of existing retail spaces and reduce current business rates which are considered high by many retailers. Leroux & Ralph (2013) proposed the need for High Street retailers to embrace the click-and-collect concept and Findlay (2013) proposed the need for High Street retailers to better connect, particularly emotionally, with customers. Using qualitative research through interviews in Scotland's four major cities (Aberdeen, Dundee, Edinburgh and Glasgow) with 40 retailers (20 national chains and 20 independents) representing the fashion, footwear, jewellery and health and beauty sectors and 40 customers (20 aged 18-30 and 20 aged 31 and over), this exploratory research will evaluate customer and retailer perceptions of the decline of the UK High Street and investigate, amongst other measures, the potential of the service encounter, specifically customer service as a means to reverse this decline. Clearly enhancing the service encounter is not the only solution to reverse the UK High Street decline, however making the in-store experience more appealing to customers presents retailers with an opportunity to exploit something which is not readily available online

and may encourage customers to shop in the High Street as well as online rather than increasingly just shopping online.

BACKGROUND

'The UK High Street is in crisis' is a common media headline in recent years and reflects a key theme in UK retailing, namely the decline of the High Street, the reasons for this decline and suggestions on how to arrest this decline. Although there are other themes facing today's UK retailer such as internationalisation and understanding new markets to facilitate expansion (Smith, 2013); control over stock and optimal planning to meet the demands of an increasingly more informed customer (Smith, 2013), many of the key themes in retail are related to the decline of the High Street. The high rents and associated costs to the

Figure 1. Glasgow High Street (© 2014, Toni Gardner; used with permission)

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