

Assembly Room Consumer Research & Future Options

Sep 2013

Commissioned by
Lancaster City Council



Background & Brief



Assembly Rooms – Current Situation

The Assembly Rooms market is an indoor market selling an eclectic mix of goods including vintage and retro clothing, jewellery and accessories, costume hire, comic books and tv/film memorabilia, war gaming and hobby supplies. There is also a cafe selling homemade food. In recent years the market has experienced considerable losses to footfall, and subsequent losses to the number and quality of traders. Most recently, modest decorative improvements have been made to the interior of the building, and the building re-launched, attracting new traders with some success. Nonetheless, dwindling footfall now threatens the longevity of these traders, representing a potential future risk to the long-term viability of the Assembly Rooms as a market trading hall.

Assembly Rooms - Future

It has been agreed that a step change is needed for the Assembly Rooms to improve operational viability and support Lancaster's wider historic destination offer by becoming a quality attraction. To fulfil this step change Lancaster City Council seeks to determine:

1. How the Assembly Rooms should be positioned as a market facility to successfully attract greater footfall, and what the nature of these consumer markets entail.
2. How the Assembly Rooms can work to support a wider destination offer for the city of Lancaster

Account must be taken of existing and potential future consumer markets, and, existing and future traders and their needs.

Research Brief

Research is required to help identify potential use and to determine an appropriate means for supporting a strategy and implementation plan for The Assembly Rooms. To help with this Cairn Consultancy was commissioned by Lancaster City Council to:

1. Review the nature of the existing Assembly Rooms market offer, and its existing consumer markets
 2. Review existing consumer and retail trends in-line with existing destination information and research, and make recommendations for how The Assembly Rooms could be positioned going forward to maximise footfall, and fit with the emerging wider destination offer.
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Cairn Approach



Stage 1. Review Existing Offer & Explore Future Options

- Review existing data and information
- Workshop with Markets team to review current offer and identify options & opportunities
- Agree shortlist of options to test with consumers

Stage 2. Consumer Research

A small sample of in-depth qualitative research was conducted with existing Assembly Rooms traders, shoppers and other general shoppers in the vicinity of The Assembly Rooms. A 2-phase survey approach was taken.

- Phase 1 surveys (copy at Appendix 1) with existing traders, Assembly Room shoppers and city shoppers within the vicinity to identify usage, frequency, motivation, issue & ideas for improvement
- Analyse surveys to narrow options and to develop a honed proposition
- Phase 2 surveys (copy at Appendix 2) - conduct more defined survey with 'target' shoppers to test idea and proposition
- Analyse research findings to draw out conclusions and recommendations

Stage 3. Developing the Best Option

- Lancaster Branding
- Target Markets
- Relevant Retail Trends
- Best Practice
- Critical Success Factors

Stage 4. Next Steps

Review Existing Offer & Explore Future Options



Review with Markets Team – Existing Offer

A workshop with the Lancaster Council markets team including three local councillors was facilitated to obtain insight and ideas using their local knowledge & experience. The main findings are outlined in the next two pages.

OBJECTIVES

The following objectives were agreed for the Assembly Rooms going forward:

- To become a key heritage attraction with a quality offer – niche & quirky
- To enhance Lancaster’s heritage offer that supports the wider destination
- Revenue generation

Ideally to be used as a social place where people meet and mix.

PAST & PRESENT USES

The Assembly Rooms have been used as a social space for Alms House residents, possibly including dancing and social activities. It was also thought to have once been a customs house. 4 years ago Ludus dance studio moved in upstairs (10 year contract signed in 2008). A market was established downstairs and was convenient for some traders who moved over when the food market closed down.

EXISTING OFFER - STRENGTHS & WEAKNESSES

Opinions re the existing offer were obtained from the markets team during the workshop and also from the traders during their one to one interviews.

Strengths	Weaknesses
Something different Georgian heritage, historic building City centre, near other historic buildings Big open space Rear enclosed garden and court yard (currently unused and unloved) Ludus upstairs Area at front of building Niche	What is it?? Confused offer. Not welcoming, uninviting Inconsistent and irregular trading by some tenants No clear customer profile or target market Front onto busy road, divides customer flow Poor footfall, not well advertised Vacancies & turnover of traders – makes it difficult to advertise Interior: poor layout, tatty, toilets grim, musty, poor kitchen facilities Lack of heating in winter. No wifi



Review with Markets Team – Future Options

Remain the Same – Not an Option

The option for the Assembly Rooms to remain unchanged as a market trading hall was discussed at the workshop and it was agreed that this was not a feasible option as many attempts to increase footfall and tenants revenue had been tried in the past without success.

Potential Options

The following ideas were suggested as future uses:

- Made In Lancashire – food & crafts market
- Arts & Crafts gallery
- Tearoom/local art/ shop
- Artisan Food
- Heritage/Georgian /Vintage tearoom
- Vintage Food
- Vintage Clothing
- Collectables market
- Heritage trail
- Art – display wall?
- Living Georgian museum
- Events – talks & demos

Three options (tabulated on right) were prioritised, based on the perceived economic impact and likelihood of achieving the objective of becoming a key quality attraction that fits in with the wider historic city offer. Two other options were added to the list for market testing purposes: a collectables market and a living Georgian Museum.

Best Prospect Options	Likelihood of achieving objectives	Economic Impact	Threats/Risks
Heritage Georgian / Vintage tearoom	8	8	Many other tea rooms – must be a different offer
Made In Lancashire – Food & Crafts	8	7	Supermarkets and other food outlets already exist
Art & Crafts	6	7	Art – potential security risk A 5 day week is not attractive to makers and artists who also need studio time and creative time to develop stock
All			Significant finance required to make attractive Existing traders need to be re-housed - other LCC buildings? Covenant?? (to be investigated) Grade II Listed building Conservation area surrounded by other heritage buildings Accessibility issues (toilets, back room, court yard)

Options for Consumer Testing

1. A quality Georgian tearoom
2. A food market focussing on local producers and high quality goods ‘Made in Lancashire’
3. An arts and crafts gallery with a strong focus on local makers / artists ‘Made in Lancashire’
4. A collectables market
5. Living Georgian Museum

Consumer Research Findings

Consumer Research Objective & Methodology

Objective

- To provide a reasonably comprehensive review of what people think and know about the Assembly Room at present, and how they might like to see it used in the future

Methodology

- Interviewed people in Lancaster, traders, a mix of locals (shoppers and workers) and visitors who were in and around the town centre within striking distance of the Assembly Rooms. Within this we aimed for a good span of ages and SEC. By chance we also talked to 2 ex-stall holders. Phase 1 and 2 surveys are at Appendix 1 and 2.

Sample

- 82 in-depth interviews were conducted, and the results certainly cover the range of views held by people, and identify with confidence the strong opinions of all kinds.
 - The project was conducted out of term time. We spoke to 8 students in our sample, mainly studying at Universities outside Lancaster.
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The current view - Main findings

- The Assembly Rooms is a building that is known to many residents, but few visitors.
- Some but not all residents know it by name
- Visitors hardly every know its name, and most didn't know the building.
- Some can be confused between the Assembly Rooms and the Storey – because of proximity, and the historic nature of the buildings / their period
- It was striking that many locals had been inside, but mostly a long time ago, rarely recently
- But they may only have been in once, before deciding it held nothing to keep them going back
- Amongst those who know the Assembly Rooms, it is thought of with warmth ... people like the building, and want to see it used to good effect
- It needs to be better signed from the street, and on the building so that people know what it is, and to encourage people to cross the road



“that nice building on the same side as Waterstones”

“the place that had Ludus upstairs”

“I’m glad it’s got a plan, at the moment it’s just sad”

Phase 1 interview Results

- What would they like to happen to the building?

- They would like it to be used, and to house something that would appeal to them

Options Tested with Consumers

- Research started by testing 5 potential routes identified in the review phase:
 1. A quality Georgian tea room
 2. A food market, focussing on local producers & high quality goods 'made in Lancashire' style
 3. An arts & craft s gallery with a strong focus on local makers / artists also 'Made in Lancashire'
 4. A collectibles market
 5. A living Georgian museum

Most Interest

- The winning option was the tea room, by some distance – 29 out of 81 interviews supported this idea
- The food market also had support *“we don't have a food hall here in Lancaster”* – 21 chose this option

Lower Interest

- There was some support for a collectibles / antiques market (chosen by 17), and an arts and craft gallery (chosen by 14)
 - The living Georgian museum was a damp squib, only 1 person chose this option
 - Existing traders favoured the route that was relevant to their own business, so there was no consensus amongst them as to a future usage or purpose
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Honing a proposition for Phase 2 interviews

....and beginning to think of it as essentially a 'food emporium':

1. At its heart is a quality tea room set in the large front room of the beautiful Georgian building, making the most of its historic setting and taking the story of Lancaster and its history into a new location
 2. It will sell good quality, homemade food from local producers, to eat in & take away (patisserie, bakery, deli, etc)
 3. And possibly small range of local quality gifts – crockery, pots, jewellery, etc. (especially at key times of year)
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Phase 2 Interview Results

- Food Emporium Proposition:

- This idea was well received:

“it should be an historic / retro theme to fit with the building, make the most of it”

“people would go there to meet friends ... tourists, .. anyone who wants to enjoy eating & drinking in nice surroundings”

“There’s not anywhere like that around here, you have to go to the Midland”

“It should be charming”

“It’s important for Lancaster to be able to celebrate its history”

- Most people liked the ‘tea room’ idea, they can imagine going there on more than one occasion, and enjoying being in the historic Assembly Rooms
 - They also like the idea that the history of the building will be there for them to see – perhaps in panels around the walls, etc. This would make the most of the building and set it apart from competition
 - Whilst this is a tea room in a historic building, they are very keen not to have a Georgian ‘theme’ – no mop-caps, long dresses, etc. – that could make it tacky
 - It should bring people into the city, being a destination in its own right
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Phase 2 Interview Results

- Quality will be key to success

- Creating its own unique niche – it needs to be good quality, similar to M&S, Booths etc
- But prices need to be “reasonable” – people don’t expect a place like this to be cheap, but neither should it be overly expensive (or people may still go, but very infrequently)
- By doing this it will add to the range of tea shops locally rather than compete with them, and differentiate itself on quality, style and ambience in comparison to the plethora of more everyday local cafes, and the younger, funkier Atkinson's hall
- They like the idea of being able to buy from a selection of fresh, local food, all home made & good quality
- And some (not all) liked the idea of having a selection of reasonable quality / not too expensive gifts that you can browse whilst there



Developing the Best Option: Food Emporium Idea

Lancaster Branding, Consumer
Markets, Trends & Best Practice



Lancaster Branding & Markets

Lancaster City Branding Components

The Food Emporium idea fits well with Lancaster’s branding and Lancaster visitor markets, outlined here.

Essence



- Historic Setting
- Maritime Proximity
- Modern Vibrancy

Personality

- An authentic vibrant city



Visitor Markets

MOSAIC* profiles for Lancaster’s visitor markets is given below – these will be increasingly important with new developments in the city and will help to visualise the markets that the Assembly Rooms should appeal to. Profiles for other markets such as residents and shoppers was not available.

Positioning: The historic city destination in Lancashire
Competition: Chester, Harrogate (not premiership like York & Bath)
Appeal: Heritage; atmosphere & charm, shopping, culture, bars , restaurants , accommodation range
Target markets: Adult couples/ groups, 40+ ABC1, Top 4 MOSAIC Groups:

	A: Alpha Territory	B: Professional Rewards	E: Active Retirement	D: Small Town Diversity
Characteristics	Age 50-65 Most Wealthy Professional, well educated SE, detached homes	Age 51-70 Successful careers Financial Comfort Suburban/semi-rural	Age 65+ (14/15) Comfortable lifestyle Active grandparents Keen walkers & naturalists	Age 60+ (13/15) Grandparents Low income no mortgage Traditional
Names	Piers & Imogen	Graham & Carolyn	Aubrey & Iris	Dennis & Sheila
Visual Description				
Key Messages	<ul style="list-style-type: none"> ➤ Quality outdoors experience ➤ Family bonding ➤ Healthy & relaxation 	<ul style="list-style-type: none"> ➤ Quality food & drink ➤ Cultural & events ➤ Healthy & relaxation ➤ D Pass Added Value 	<ul style="list-style-type: none"> ➤ Historical interests ➤ Naturalists ➤ Healthy & active 	<ul style="list-style-type: none"> ➤ Out & About ➤ Healthy & relaxation ➤ Authentic ➤ Family, friends
Marketing Channels & Activity	Financial press & magazines Internet, blogs, financial sites	Vouchers via local clubs Websites: incl cultural E-events listings	Silver surfers – time to spend browsing & picking up deals	Value driven - internet for deals, Direct marketing
E-marketing; Social media & PR; Website – info and booking				

*MOSAIC profiles are based on consumer data from 26million households in the UK.

Developing the Best Option: Food Emporium Idea

Lancaster Branding, Consumer
Markets, **Trends** & Best Practice

Retail Trends



General Retail Trends Relevant to Assembly Rooms

- **Provenance**, desire for local stuff
- **Increase in leisure experiences**, rather than just retail
- **Convenience channels** - online shopping & supermarkets sell everything
- **Bargain** shopping
- **More charity shops** - retail space vacancies
- **Digital** goods, phones, PCs, gaming

The following retail trends support the idea of a food emporium and provide valuable indicators re growth in quality tea, home cooking, and homeware and children's gifts.

Growth in Quality Tea

Consumer thirst for tea is hot and getting hotter-with 50% growth in retail sales of premium teas expected by 2016. At the World Tea Expo 2012, six key tea trends were identified: quality tea, growth in tea retail, cold brew green tea, green tea popularity, Matcha lattes (green tea latte) and tea-enhancing wares.

How The UK Will Shop: 2013*

- UK retail is set to grow by 1.8% in 2013 to £300.7bn – the highest rate of growth since the recession began
- Larger growth in food retail (2.9%) compared to non-food retail (0.8%) but growth in food & grocery sector is largely attributed to price inflation, meaning that in reality, we will be spending more to buy pretty much the same amount.
- Shoppers aged 50+ will represent more than one-third of the UK population by 2016, so older shoppers will increasingly become an important demographic to retailers, particularly online.
- Scratch cooking, home baking and television cookery programmes will yet again be a driving force in homewares, with more shoppers picking up the trend, along with associated products.
- Volumes in toys and games will remain high with parents not willing to cut back on spending for children.

Re-booting Britain's High Street**

Some people appear to place greater value in the social benefits of the high street – 34 % say that one of their top high street activities is eating out. In order to combat the problems of the declining high street, a growing number of towns and local trading areas (including Lancaster) are organising into business improvement districts (BIDs).

Developing the Best Option: Food Emporium Idea

Lancaster Branding, Consumer
Markets, Trends & **Best Practice**

Best Practice

- Davenport's Tea Room, Northwich Cheshire

Davenport Tea Rooms in Northwich, Cheshire was named the best place in the UK to enjoy afternoon tea, after winning the prestigious Tea Guild's Top Tea Place Award 2013. Praise was given for:

- its scones, made from a closely guarded 1930's recipe
- charming décor - Alice in Wonderland themed - Lewis Carroll was born 2 miles away
- extensive range of loose leaf tea
- welcoming staff

Established in 1985, The UK Tea Council's Tea Guild Awards are considered the Oscars of the tea industry. To seek out the finest tea experience in the UK, a team of expert tea inspectors undertake clandestine afternoon tea assignments in tea rooms and hotels across Britain.



Best Practice

- Betty's Tea Rooms

Founded in 1936 by Frederick Belmont, travelled on the maiden voyage of the Queen Mary and was so enthralled by the splendour of the ship that he commissioned the Queen Mary's craftsmen to turn a dilapidated furniture store into an elegant café in St Helen's Square, York.

As you sit in Betty's surrounded by huge curved windows, elegant wood panelling and ornate mirrors, you can almost imagine yourself aboard a luxury liner.

The first floor art deco Belmont Room was inspired by one of the cruise liner's state rooms. Musical evenings and events are hosted there.

6 stores now in UK. Portfolio: café, retail, online, Fat Rascal merchandise, room hire.



Best Practice

- Cranston's

Cranstons Quality butchers was established in the Eden Valley village of Kirkoswald, Cumbria in 1914 by Stanley Cranston.

"The business has changed a little since the days of my great uncle and his horse and cart but Cranstons key values remain unchanged."

Philip Cranston:

- Skilled Master Butchers & Award Winning Products
- Supporting Local Farmers & Local Produce
- Providing Old Fashioned Standards of Customer Service

Food hall, shops, café, online.



Best Practice

- Honeywells Farm Shop at Barton Grange

Barton Grange, Lancashire

'Best' awards:

- Destination Garden Centre of the Year 2013"
- disabled facilities
- Catering
- Farm Shop
- Garden Care department
- Christmas Displays.

Café, restaurant, retail, online.

"...is more than shopping, it's an occasion, a treat and one even better when enjoyed with friends "



Food Emporium - Critical Success Factors

- Quality offer, delivery & customer service
- Create a rich customer experience
- Tell a story (connection to the city) – name & branding important
- Pricing
- Volume – product range & other channels (online)
- Community involvement



Next Steps

1. Develop the heritage story
 2. Political mandate
 3. Write & implement communications plan
 4. Communicate with existing tenants
 5. Set up an Assembly Rooms Steering Group
 6. Heritage Statement - feasibility
 7. Feasibility & development plan - scope out changes & capital expenditure required to make fit for purpose
 8. Delivery Options Analysis
 9. Funding & Investment
 10. Site made fit for Purpose
 11. Prepare brief & options for existing tenants & support options
 12. Write tender brief incl critical success factors
 13. Develop a tender list of suitable businesses
 14. Select & contract with SLAs
 15. Launch site
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Appendix 1. Consumer Survey - Phase 1

Lancaster City Council is undertaking a review of how the Assembly Rooms are used, and what its future might be.

Have you ever been into the building? YES

NO IF NO, SKIP FORWARD TO QUESTION 11

When were you there most recently?

And on average how often do you go?

What is the main reason why you go there?

Do you mostly go alone or with other people?

What do you like best about the Assembly Rooms as they are at present?

And what do you like least?

What would have to change to encourage you to go more often?

What would you most like to see improved? Anything else?

If what's in the building disappeared tomorrow, what would you do instead / where would you go? Why?

If the building were to change its function all together, what would you most like to see in it? What could it become?

Here are 5 options for what the building could become GIVE CARD 1 TO YOUR RESPONDENT:

- A quality Georgian tearoom
- A food market focussing on local producers and high quality goods 'Made in Lancashire'
- An arts and crafts gallery with a strong focus on local makers / artists 'Made in Lancashire'
- A collectables market
- Living Georgian Museum

Which is your favourite option? And why? How does it compare to any ideas suggested at Question 11?

Who do you think would go and why?

Would you go there? On what occasions? And how often?

Which option do you think would attract most people to go to it? Why?

Which option do you think fits best with the history & heritage of Lancaster? Why?

Is there anything else you would like to say about the future of the Assembly Rooms?

Do you live locally or are you a visitor to the area? LOCAL

VISITOR

THANK AND CLOSE

Appendix 2. Consumer Survey - Phase 2

Lancaster City Council is undertaking a review of how the Assembly Rooms are used, and what its future might be.

Have you ever been into the building? YES

NO IF NO, SKIP FORWARD TO QUESTION 6

On average how often do you go?

What is the main reason why you go/went there?

What would encourage you to go more often? What would you most like to see improved or changed?

If the building were to change its function all together, what could it become? What would you most like to see in an unused historic building in Lancaster?

Here are 5 options for what the building could become GIVE CARD 1 TO YOUR RESPONDENT:

A quality Georgian tearoom

A food market focussing on local producers and high quality goods 'Made in Lancashire'

An arts and crafts gallery with a strong focus on local makers / artists 'Made in Lancashire'

A collectables market

Living Georgian Museum

Which is your favourite option? And why?

Another idea is for the Assembly Rooms to become a Georgian 'Emporium.' This would include:

- i) A quality Georgian Tea-Room
- ii) Homemade food from local producers to eat in and take away (patisserie, bakery and deli items)
- iii) A small range of local quality gifts such as crockery, pots and jewellery
- iv) A Georgian look and feel, that is in-keeping with other Lancaster historic attractions, and helps tell the story of Lancaster.

What do you think about this idea generally? 1 Really Dislike / 2 Dislike / 3 Like / 4 Really Like Why?

What do you think about the emporium including a quality Georgian Tea-Room? 1 Really Dislike / 2 Dislike / 3 Like / 4 Really Like Why?

What do you think about the emporium including homemade food such as patisserie, bakery and deli items, made from local producers, to eat-in and take away ?

1 Really Dislike / 2 Dislike / 3 Like / 4 Really Like Why?

What do you think about the emporium including a small range of local quality gifts such as crockery, pots and jewellery? 1 Really Dislike / 2 Dislike / 3 Like / 4 Really Like Why?

What do you think about the emporium being presented with a Georgian look and feel, that is in-keeping with other Lancaster historic attractions, and helps to tell the story of Lancaster.

1 Really Dislike / 2 Dislike / 3 Like / 4 Really Like Why?

Who do you think would go and why? Would you go there? On what occasions? And how often?

What level of quality should the offer in the emporium be?

- 1 Everyday - Normal quality with every day prices (Asda/Tesco)
- 2 Good- Good quality, slightly more expensive (Sainsburys)
- 2 High - High quality but expensive (M&S Fine Foods/Waitrose/Booths)
- 3 Outstanding - Outstanding quality but very expensive (Selfridges)

Based on the answers you have provided, how much do you agree that the emporium would: 1- Strongly Disagree / 2- Disagree / 3- Neither Agree or Disagree / 4- Agree / 5 - Strongly Agree

- i) Be a niche and quirky heritage attraction with a good offer? 1 2 3 4 5
- ii) Enhance Lancaster's heritage and offer as a destination? 1 3 3 4 5
- iii) Generate revenue? Loss / Break Even / Profit

Is there anything else you would like to say about the future of the Assembly Rooms?

Do you live locally or are you a visitor to the area?

LOCAL

VISITOR

THANK AND CLOSE