

Costcutter[®]

CO-OP OWN BRAND

GLADSTONE ROAD, ASHFORD

Suresh Arulanantham, store owner



Small store packs a wollop

While many companies found the lockdown challenging, for a lot of Costcutter retailers it's been an opportunity to win over new shoppers. They've attracted new shoppers who, by avoiding the larger supermarkets, have discovered the benefits of shopping in smaller stores, that can still cater for a daily shop, especially when they discover the attraction of the Co-op Own Brand range. That's what has happened at the Gladstone Road Costcutter in Ashford, Kent.

"Half the people who've started to come to us didn't know we stock Co-op products, especially our large chilled range," says Suresh Arulanantham, the store's owner. "Now they know, they keep coming back."

Suresh has been with Costcutter for 12 years. He used to have a nearby petrol station before moving into the current store. "It was a Post Office prior to us taking the store but that failed because of poor management. The previous owner just used to stock a few cash-and-carry beers and groceries. With only an off licence opposite, people needed to walk a mile to the nearest supermarket for their groceries. Since we opened up local shoppers have been really happy to have us here."



**WEEKLY SALES
QUADRUPLD TO**

£35,000



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Suresh says he draws in about 500-600 people a day, twice that during the lockdown, with an average basket spend of £15-20. Sales started at £8,500 in his first week of opening but he's since built it up to around £25,000 a week, climbing to £35,000 over the past few months of which Co-op Own Brand contributes £11,000 of sales.

"Although it's slowed down a little bit since the lockdown eased," he says, "we're still busy, doing similar sales. That's because at least 70% of the new people who started coming to the store will definitely keep coming back. They're regulars now. They compared us to the larger shop and told us they're really happy shopping with us because we're so close, reasonably priced and with a great range."

Suresh says that while people bought everything during the early weeks of the lockdown, usually people prefer the Co-op own brand products, especially those from the chiller: the fresh vegetables, meat, and ready meals, and pizza. His only problem is stocking enough of it because, while he has two stores in Ashford, the one at Gladstone Road is only 800 sq ft. That means he has to maximise every inch of shelf space and chiller cabinet.

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"We make sure we're only stocking products for the basic daily shop and absolutely nothing unnecessary," he says. "Most retailers know they need to have a big range of chilled drinks but I only have 1.2m for them so I use it for fresh chilled products instead, like meat. In my experience, if you keep the customers for chilled products, they don't go away."

The shop had a refit in 2017, so it's still new enough not to justify any internal work or expansion. At least, not yet. "I have plans! I've the unit next door, as well as this one, so I may expand there in the future. If I do, I'll definitely expand the range of products and try extra services, like food to go."

"In the meantime, we maximise what we have and focus on two things. The first is availability. Every time you walk in the store it's always full, there's no gaps on the shelves. The second is customer service. We always keep the inside and outside clean and tidy but also, when customers ask for a product, we'll try and make sure to order it for them the next time they come in. That way we have a relationship with the customer and we build sales."