

NABMA

the voice of markets



NATIONAL MARKETS SURVEY 2022



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INTRODUCTION

Over the last seventeen years NABMA has produced several Surveys on the state of the Retail Markets Industry. The latest 2021/22 Survey is particularly important because it is the first meaningful Survey that has been conducted following the devastating impact of the Covid 19 pandemic. NABMA is particularly grateful to Colin Wolstenholme of Bradford Council who has been responsible for the collection of data used in the Survey and the translation of the data into a range of conclusions.

There is much to be learnt from the 2021/22 Survey and issues raised that the markets industry needs to address going forward. While, for example, there is evidence of substantial future investment in new and redeveloped Market buildings there are concerns, in particular, about trader numbers and financial viability for many Markets.

NABMA's first serious attempt to assess the state of the Markets in the UK was undertaken in 2005 with the commissioning of "The Rhodes Report" which made a significant contribution to the work of the House of Commons Communities and Local Government Committee looking at "Market Failure? Can the traditional Market Survive?" Nick Rhodes, at the time with Leicester City Council, was responsible for producing this important Survey.

Subsequently the first comprehensive Survey of Retail Markets was commissioned in 2009 by NABMA on behalf of the Retail Markets Alliance. It was undertaken by the late Krys Zasada who, at the time, was NABMA's Policy and Development Officer. Markets 21 was described as "A landmark Report providing a snapshot of the Markets Industry". Interestingly Markets 21 was produced in the aftermath of another crisis but this time financial not health. In the years following Markets 21 there have been further Surveys produced by NABMA. Between 2011 and 2014 annual Retail Market Surveys were produced. In 2014/15, 2015/16 and 2017/18 the Surveys were

produced by NABMA in partnership with NMTF as part of the 'Mission for Markets' campaign. Mission for Markets was a joint campaign run by NABMA and the NMTF.

In 2015/16 it was decided to move to a bi-annual basis. A further Survey was planned for 2019/20 but sadly had to be deferred because of the Covid-19 pandemic. This makes to 2021/22 Survey the first for four years.

This publication highlights some of the headline issues arising from the 2021/22 Survey and giving these issues further focus by comparing some of the headlines from the earlier Surveys. You can access all the results from the 2021/22 Survey by visiting the [NABMA website](#).

241 Markets contributed to the production of the 2021/22 Survey. They are made up of the following:

- 114 Outdoor Markets**
- 63 Indoor Markets**
- 35 Street Markets**
- 12 Outdoor Covered Markets**
- 9 Other Types of Markets**

(Combination of Indoor/Outdoor Markets, Covered Markets with shops/fixed lockups and Markets Incorporating Shop Units)

- 8 Specialist Markets**

You will find a list of key findings at the end of this publication.

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NABMA Chief Executive



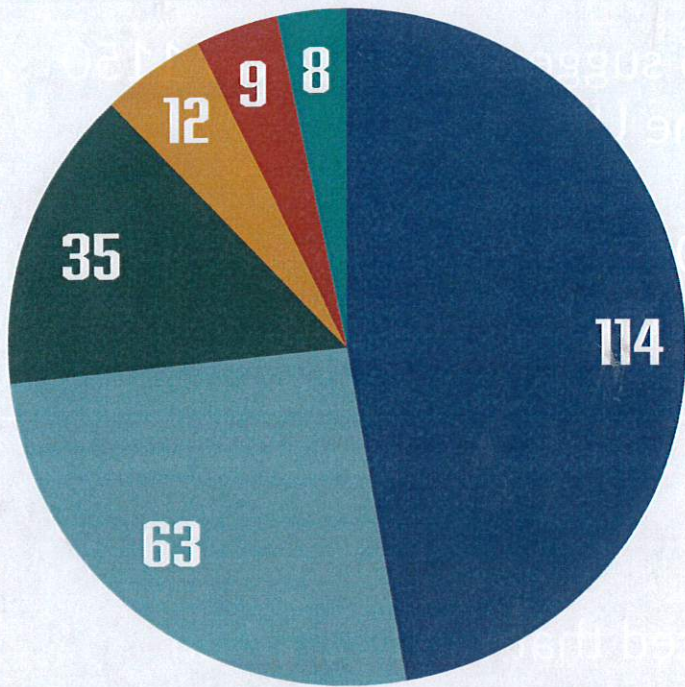
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NUMBER OF RETAIL MARKETS

241 MARKETS IN TOTAL



- SPECIALIST MARKETS
- OTHER TYPES OF MARKETS
- OUTDOOR COVERED MARKETS
- STREET MARKETS
- INDOOR MARKETS
- OUTDOOR MARKETS



NUMBER OF RETAIL MARKETS

The Rhodes Report in 2005 suggested that over 1150 Retail Markets operate in the UK.

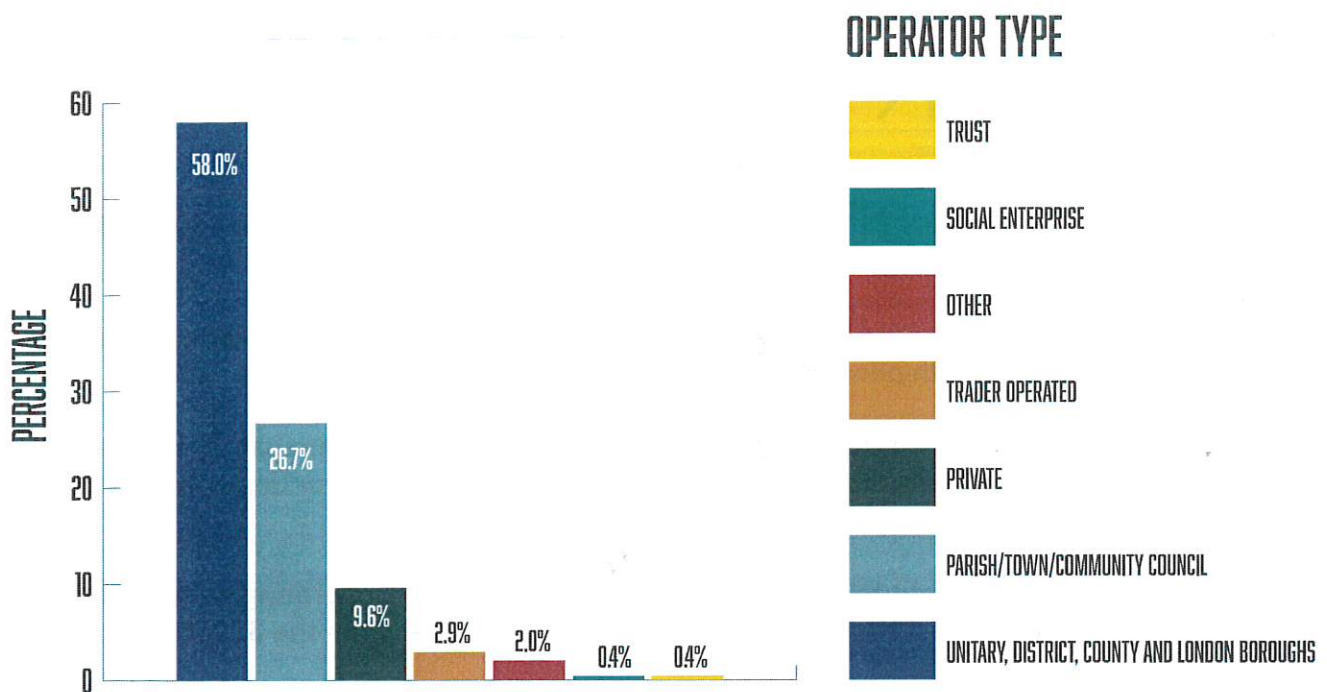
Markets 21 reported in 2009 that there were 1124 traditional Retail Markets in the UK.

This number seems to have changed little in the last thirteen years.

The 2017/18 Survey reported that the figure had slightly increased to 1173.

The only other authoritative source of information on the number of Retail Markets, around the same time, is probably to be found in "Understanding London's Markets". Published by the Mayor of London in 2017, it states that "There are currently around 280 Retail Markets in London a rise from 163 mapped in 2010".

The large increase in London has certainly not been matched anywhere else in the country, but the increase recorded has compensated for the loss of Markets in other parts of the country and kept the overall figure at approximately the same level.



MARKET OPERATOR ARRANGEMENTS

The 241 Markets included in the 2021/2022 Survey are managed as follows:

58%	Unitary, District, County and London Boroughs
26.7%	Parish/Town/Community Council
9.6%	Private
2.9%	Trader Operated
2%	Other
0.4%	Social Enterprise
0.4%	Trust

The Survey reveals that currently 84.7% of the 241 Markets are managed by local authorities. This means that Markets are managed directly by local authorities and under the auspices of their management arrangements. This is the highest

percentage local authority control in the last thirteen years. Markets 21 suggested the figure was approximately 60%. With the three Surveys undertaken by NABMA and NMTF averaging the local authority management figures at around 75%. Markets 21 recorded that around 29% were managed by the private sector.

It appears the gain in local authority management over the last thirteen years has come primarily at the expense of the private sector. Is this as a result of the lack of engagement from the provide sector or Councils taking them back into their control?

NABMA's view is that outside of London the number of private operators has not increased.

TRADER NUMBERS

The Rhodes Survey and Markets 21 both suggested trader numbers of around 45/46000 with an estimated 95,000 people working in Retail Markets in 2009.

By the time the three NABMA/NMTF Surveys were carried out (2014/2018) trader numbers had dropped to around 32,000 with people employed in the industry down to 57,000.

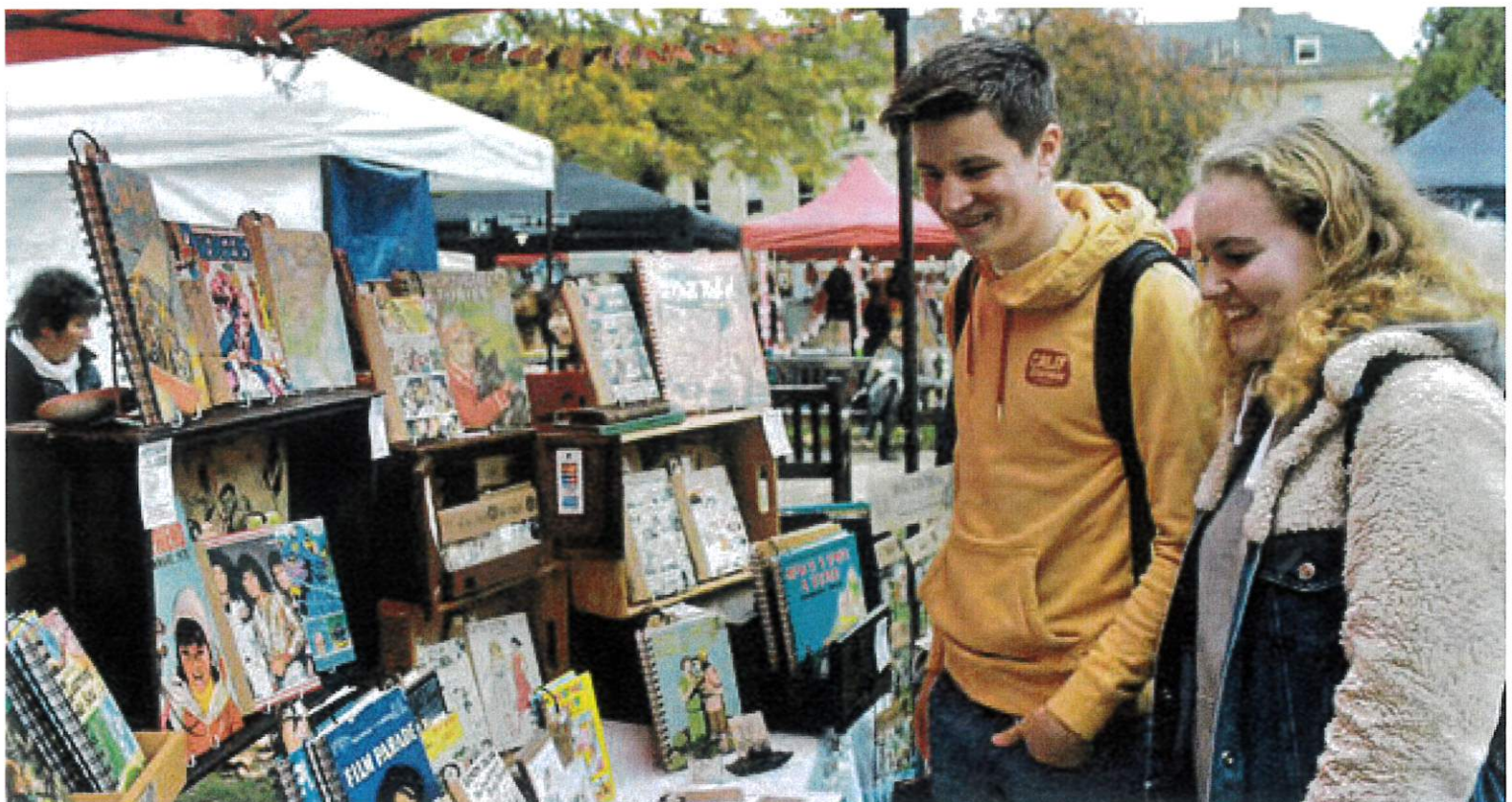
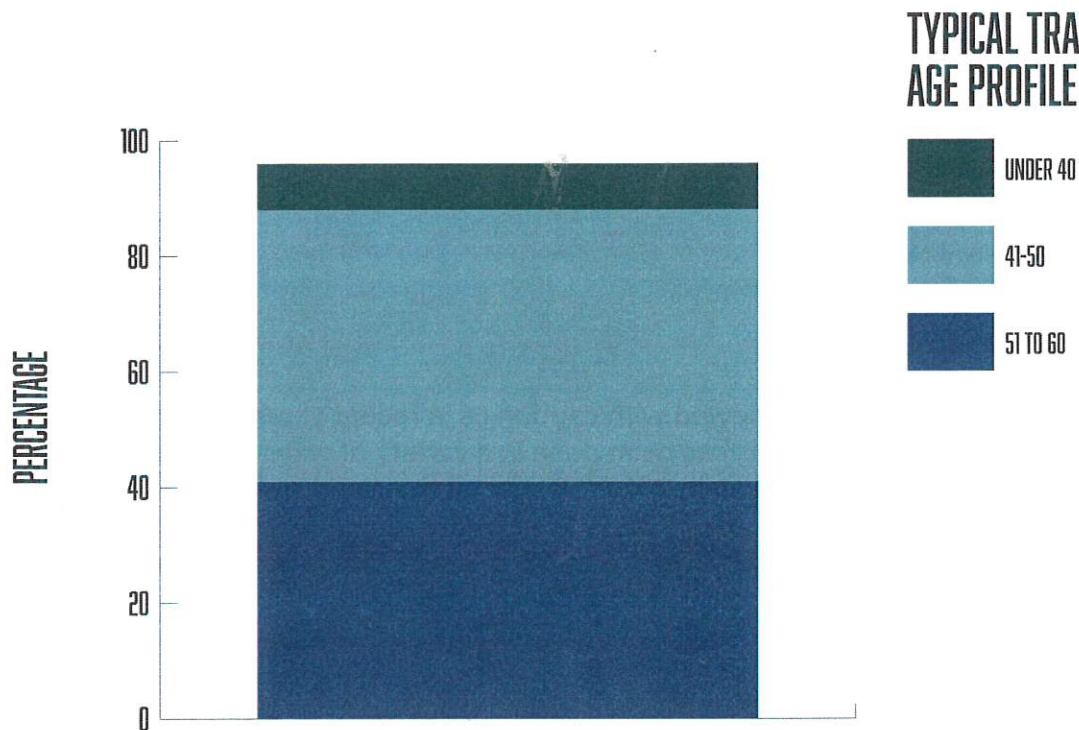
The latest of the three NABMA/NMTF Surveys highlighted an increasing number of traders going to Market Events rather than standing at traditional Markets and traders working only on a part time basis.

This latest Survey has not sought to identify the number of traders still operating on traditional Markets but it is safe to suggest that the number has declined further from the 32000.



TRADER AGE PROFILE

The age profile of traders remains high. The Survey revealed that currently 47% of traders are in the 41-50 category and 41% of traders are in 51-60 category. Only 8% of traders are under 40. At the time of the last Survey in 2017/18 70% of traders were aged 50 or over. The results from our latest Survey suggest the situation has shown little change.



STALL OCCUPANCY LEVELS

Occupancy levels are down overall. The figure in 2017/18 was 77% and it is now down to an average of 72% as shown in the table below:

78% Indoor Markets

71% Outdoor Markets

70% Street Markets

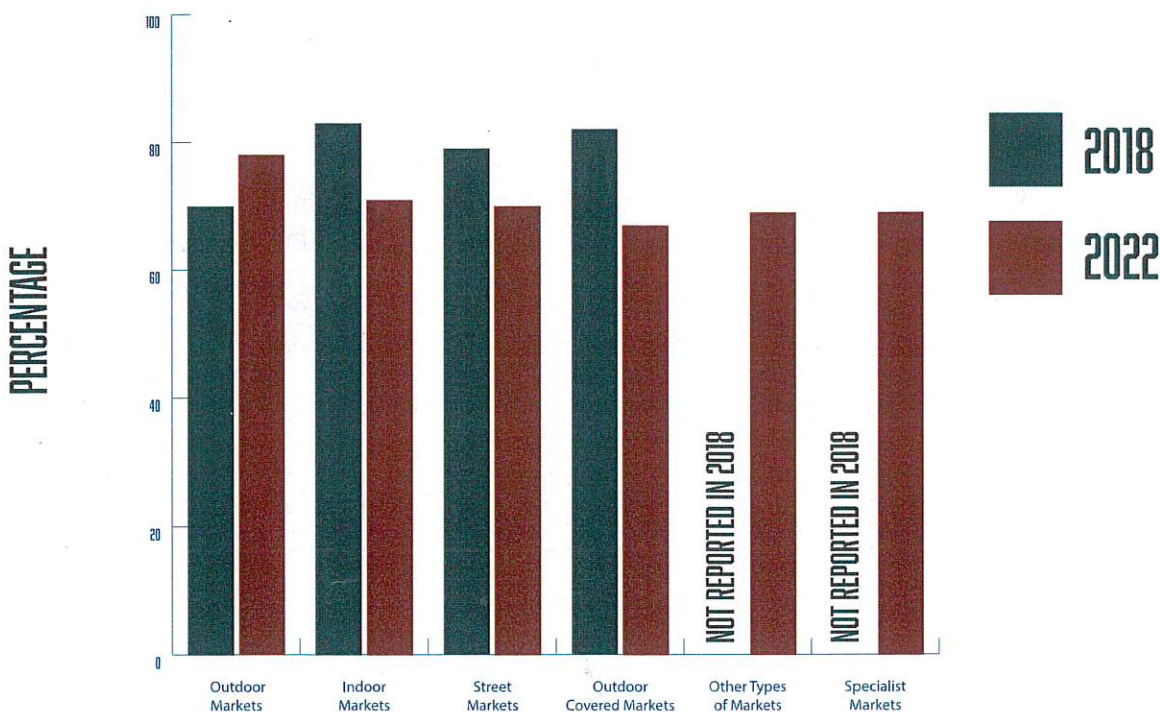
67% Outdoor Covered Markets

69% Other

69% Specialist

The figure of 72%, however, must be viewed with caution as in recent years many Markets have been reducing the number of stalls. This has been done in a variety of ways but what is clear is that since the last Survey was undertaken in 2017/18 several thousand stalls have been removed and therefore while the occupancy figure of 72% is an accurate reflection of current occupancy levels it is assessed against a substantially lower number of stalls. This is another reflection of the reducing number of market traders.

STALL OCCUPANCY %



MARKET CHARGES

The current typical single stall charge is as follows:

Outdoor Markets - National Daily Average £22.97 (£9-£74) (Average of £19.36 in 2017/18)

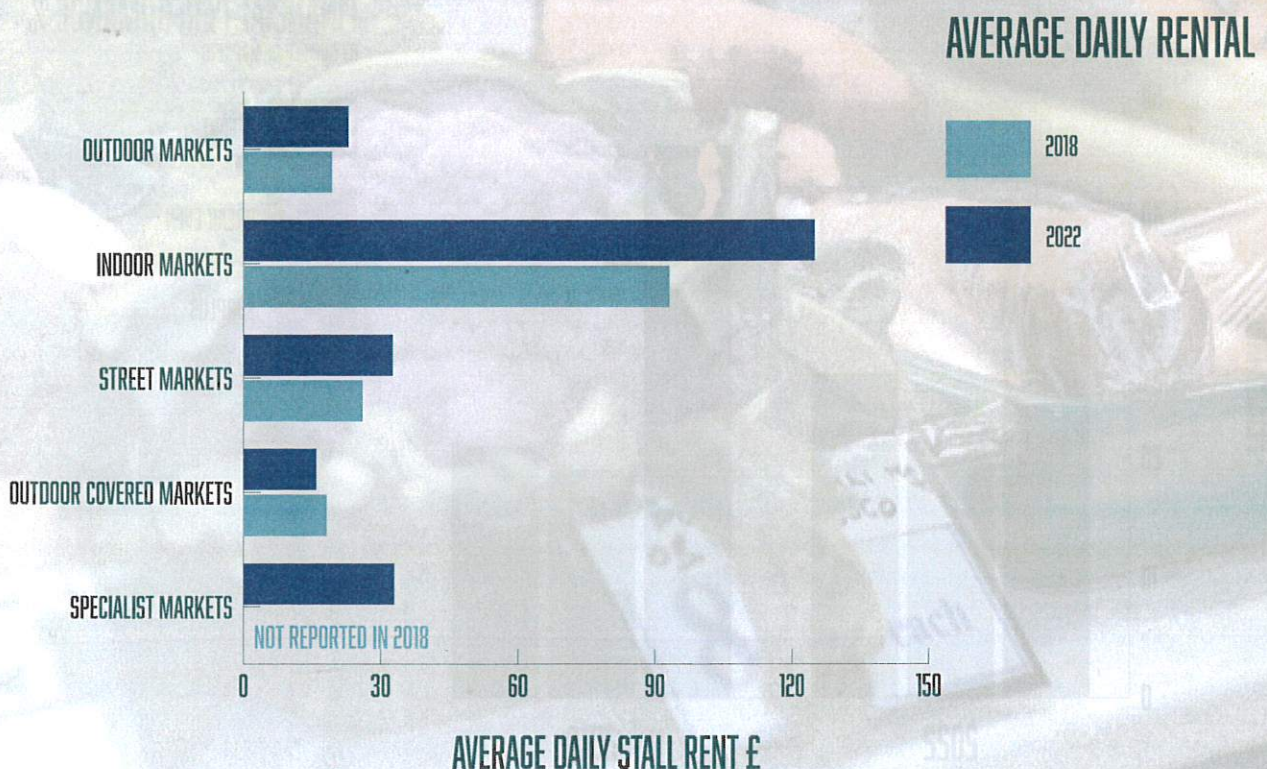
Street Markets - National Daily Average £32.62 (£9-£70) (Average of £26.00 in 2017/18)

Outdoor Covered Markets-National Daily Average £15.95 (£10-£28) (Average of £18.17 in 2017/18)

Specialist Markets- National Daily Average £33.60 (£23-£50) (Did not appear in 2017/18)

Indoor Markets -National Daily Average £125.00 (£65-£330 per week) (Average 93.14 in 2017/18)

The research identified many different ways of assessing charges meaning that comparison was very difficult.

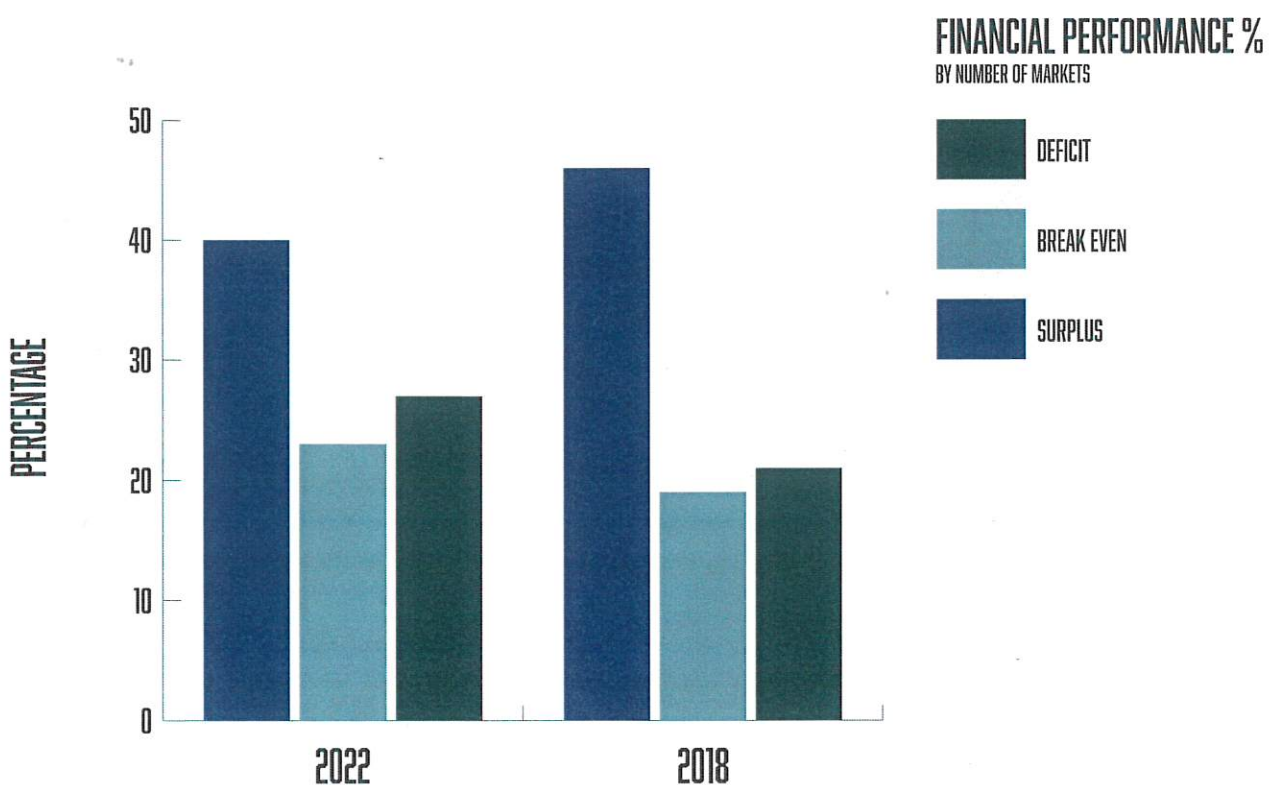
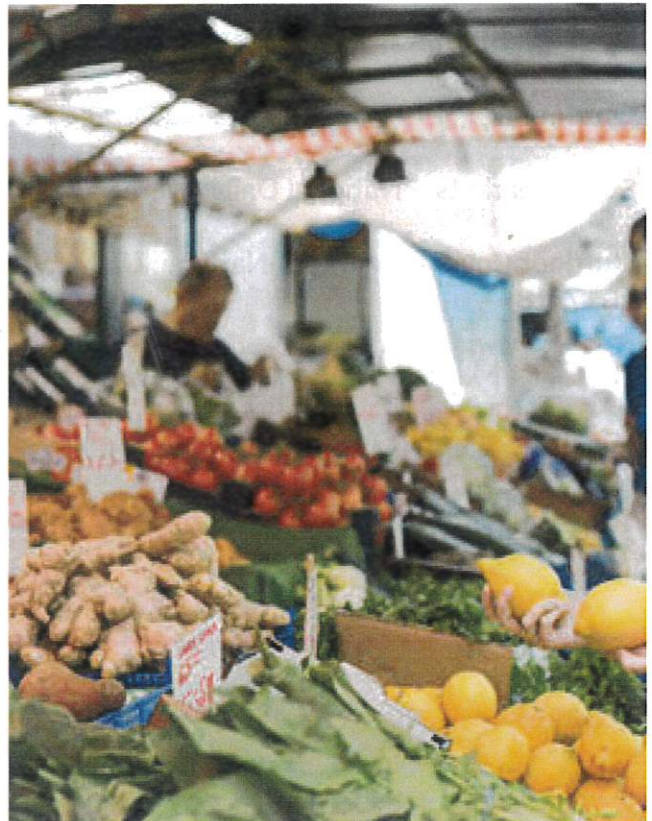


FINANCIAL PERFORMANCE OF MARKETS

This is one of the most important areas of our Survey and yet 10% of those who provided information on their Market(s) do not know how the Market(s) is/are performing financially. Of the remaining 90% less than half are running at a surplus:

Surplus 40% (95 Markets) (46% in 2017/18)
 Deficit 27% (64 Markets) (21% in 2017/18)
 Break Even 23% (57 Markets) (19% in 2017/18)

While it is disappointing to record 10% of those returning the Survey in 2021/22 could not give an indication of the financial performance of their Market(s) this is a better result than 2017/18 when 14% indicated they did not have this information. The number of Markets recording a surplus has fallen by 6% while Markets in deficit has risen by 6%.



MARKET FOOTFALL

Only 32 or 13% of the Markets who took part in the Survey record footfall. Only 22 or 35% of Indoor Markets have automatic footfall counters or cameras. 96% of Outdoor Markets do not record footfall. The 32 Markets that record footfall provide a combined total of 88.4 million annual visits.

The figures reported in 2021/22 are worse than 2017/18 when 25% of Markets indicated they had footfall counting measures. The situation on Outdoor Markets is almost exactly replicated in both Surveys with 93% of Outdoor Markets reporting they did not gather footfall information in 2017/18 against 96% in 2021/22. Indoor Markets responding to the 2017/18 Survey suggested that 51% had footfall counting measures. This represents a significant difference between the two Surveys but even at 51% Markets the markets industry is well behind Shopping Malls where there is a 90% plus coverage for footfall counting.

Technology through the introduction of footfall counting cameras now provides further opportunities for outdoor markets to record their footfall more easily.



MARKET OPERATIONS

Only 66 Markets (27%) that took part in the 2021/22 Survey reported they have a Trader Association. Almost half meet on a quarterly basis with their Trader Association. 175 Markets (73%) do not have a Trader Association.

The 2021/22 Survey also looked at trader payment methods:

Cash payments are accepted by 44% of Markets

Debit card payments are accepted by 69% of Markets

Direct Debit payments are accepted by 75% of Indoor Markets

Cash collection from stalls is no longer undertaken by around 50% of all Markets

There is an average promotional spend across Markets of £16841 but only 33% of market operators employ a dedicated Marketing and Promotional Officer or use an external agency. 91% of Market operators use social media.

MARKETS AND VAT

The Survey results provide significant differences between Outdoor and Indoor Markets:

Outdoor Markets – 114 Markets with 104 charging no VAT and 9 charging VAT (1 no indication)

Indoor Markets – 63 Markets with 34 charging VAT and 27 not charging VAT (2 no indication)

Street Markets - 35 Markets with only one charging VAT (1 no indication)

Outdoor Covered – 12 Markets with 4 charging VAT and 7 not charging VAT (1 no indication)

Specialist – 7 Markets with 1 charging VAT and 6 not charging

Other – 9 Markets with 4 charging VAT and 5 not charging VAT.

MANAGEMENT ARRANGEMENTS

The Survey reveals that 198 Markets (82%) are content to continue with current management arrangements. The main reasons for doing this are:

Market Successful (44%)

The operator wishes to remain in control (24%)

No political or management support (23%)

The figures in 2017/18 are very similar with around 183 (78%) indicating that they wanted to maintain existing management arrangements.

Currently 43 Markets (18%) are indicating a desire to consider an alternative management model. The main reasons for this:

Improve trading/performance – 47%

Lack of staffing resources – 20%

Budget cuts – 14%

Market operating at a loss - 7%



MARKET INVESTMENT

51 Markets invested a total of £10.6 million in 2020/21 in redevelopment works

44 Markets expect to carry out major development works over the next couple of years.

25 Markets have received £127 million from Government:

£42 million from Future High Street Fund

£26 million from Levelling Up Fund

£54 million from Towns Fund

£5 million Welsh Government Fund

SURVEY FINDINGS

Stall Occupancy

National average of 77% reported in 2017/18 and fallen to 72%. Street Markets and outdoor covered markets have seen the greatest decline. However, the figures are masked due to some markets reducing the number of stalls through rationalisation. How can we reverse the decline?

Market Charges

A kaleidoscope of different charges making comparisons very difficult. This may be a factor in preventing some market reviewing their charges. Administrative to manage. Difficult for traders to understand or be able to compare rental costs as part of selecting which market to trade from. Requires a separate study!

Markets Finances

More markets are reporting they are operating at a loss - a 6% increase from 2017/18. Is this sustainable going forward and how can this be reversed?

Market Investment

Markets feature heavily as part of town/city centre remodelling following successful central government funding. How can the funding be used to deliver a successful market? What does a modern market look like and are there the skills and experience in the markets industry to successfully deliver these new markets?

Footfall

Only 13% of all market record footfall with 65% of indoor markets not knowing how many customers use their market. Why do operators not see the value in footfall counters? How can we improve take up and what are the barriers? Technology is making counting customers cheaper even in outdoor markets.

Traders Association

175 or 73% on markets do not formally consult with traders through an active trader association. Is this a good or bad thing? Why do traders or the market operators see no value in partnership working?

Trader Age Profile

How does the market industry attract younger traders? What are the barriers? Traditional family businesses are declining, especially those specialist businesses such as butchers, fishmongers and fruiterers.



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OUR THANKS

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