

STORES

Sports Direct tycoon Mike Ashley has opened Mega Value.com, a value variety store in Kidderminster. **John Ryan** visits



Mike Ashley's



Kidderminster is one of those places in the West Midlands that most people will have heard of, but not many will have had occasion to visit.

Those that have are likely to have found themselves on the pedestrianised Worcester Street, which is almost overwhelmingly filled with discount stores, charity shops and vacant retail units.

But since the end of last month there has been a significant addition to the town centre with the arrival of Mega Value.com. It is a value variety store from Mike Ashley, owner of Sports Direct and Newcastle United and a man who, on the evidence of his stores, puts (low) price ahead of almost anything else. And from the moment Mega Value comes into view, there is little mistaking the overall intent.

The store has three windows and those at the left- and right-hand extremes of the frontage contain posters with products and prices. But it is the large central window that does all of the real talking. Bold white caps against a black background scream: "we will beat anyone's price" accompanied by a single word, again



MEGA-VALUE.COM, KIDDERMINSTER

Opened May 2015

Location (Run-down) pedestrianised high street

Customer experience A discount voyage of discovery

Store highlight There are none



"The message is unambiguous – this is where you come in order to save money"

in massive caps and this time in red: "Guaranteed".

The poster in the left-hand window of a mother and children in a paddling pool is almost an afterthought when set against this. At the side of the main window there are signs of the sort that normally signal some kind of potential peril, whether it's deer on the road or men at work.

The triangles with icons in them are

used to alert shoppers not to danger, but to the various categories on offer in-store. There are six in one window: 'home', 'kitchen', 'garden', 'DIY', 'health & beauty' and 'arts & crafts'. On the other side, 'toys', 'pets', 'outdoor' and 'electrical' are added to the list.

Once more, the message is unambiguous: this is where you come in order to save money.

Also worth noting is the

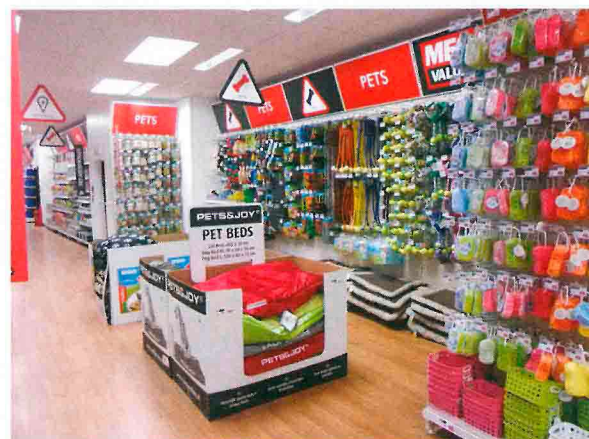
More pictures of Mega Value on
Retail-week.com/megavaluekidderminster



latest value play



"This is as bold and brash as cut-price retailing gets"



STORES



- Poundland next door and the still empty unit that was formerly a Woolworths – Kidderminster has seen better days.

Bold and brash

This is as bold and brash as cut-price retailing gets.

It is almost a no-frills version of Wilko with the mood graphics taken out and more bold signs denoting the contents of each aisle.

The cash-taking area is at the front of the shop and on the midweek day of visiting it was doing a brisk trade.

Access to the supermarket-style checkouts is via a queuing system that takes shoppers past multi-packs of batteries, air fresheners for the car and stress-ball multi-packs, among other things, all aimed at generating impulse buys. It is simple but effective and it is hard not to at least take a look.

Turning to the main shop, if it were not for the ubiquitous red and black Mega Value signage, the shopper could be in almost any 1980s or early 1990s store from Woolworths to Kwik Save – the long aisles are a slice of store design of yesteryear.

That said, everything is very tidy and empty shelves do not form any part of the proposition, which is rather more than could be said for either Kwik Save or Woolworths in the days before their respective departures.

This store is just about as functional as it is possible to be, short of adopting an old-school Lidl or Aldi approach by leaving merchandise in the cardboard



boxes in which it was delivered.

The curious thing about the interior is less the layout, which is purely a matter of using the aisles as effectively as possible, and more the adjacencies – something that is normally subject to close scrutiny by most retailers.

Consider the following: bras and support girdles are at one end of a high gondola, just next to plastic buckets and mops. Pet beds are adjacent to headphones, which form part of the 'electrical'

“Department logic seems to have gone out of the window”

offer. Aspects of conventional department logic seems to have gone out of the window.

In most retail environments, that might pose something of a challenge, but it was apparent that those shopping at this store were perfectly prepared to spend a little time in search of what they wanted – or even what they didn't know they wanted.

The normal rules as far as departmental layout, adjacencies and visual merchandising are concerned do not appear to apply in this store.

An Aladdin's cave approach is becoming increasingly common in the value sector. For example, B&M boss Simon Arora has described the “treasure hunt” element of shopping in his stores. “One of the amusing things is if you ask [shoppers] what they

purchased, half of it is an impulse buy,” he said last month.

No frills, no thrills

One area perhaps worth noting is the DIY tool section. It seemed to be garnering particular attention because there was not much else nearby that would cater for the home-improver. It looked destined to do well.

For those retailers that do succeed in the value sector, the rewards are substantial. Poundland's sales for the year to March 29 surpassed £1bn for the first time, and rival B&M achieved sales of £1.6bn in the same period. It is no surprise then that Ashley is keen to grab a slice of the value pie.

This is the first and, for the time being at least, the only Mega Value store. Whether a website actually materialises or there are more stores of its ilk to come remains to be seen, but in a town filled with pretty fierce competition, it does stand out.

Kidderminster may not be on the must-visit list for many (architectural guru Sir Nikolaus Pevsner noted that it was “uncommonly devoid of visual pleasure” in one of his many books) and Mega Value probably won't tip the scales. But it will be popular with locals and shows there is more to the Ashley empire than sportswear and equipment for those with an eye on the budget. ■