

Types of retail business activity

Types of retailers

Department

Usually located in large premises and sales space, selling a wide range of different products. Each area within the store will specialise in a certain product category.

Typically located on high streets and in shopping centres.

They have struggled in recent years with the fall in footfall on the high street and having to pay high rates and rents. Examples include John Lewis, House of Fraser and Marks and Spencer.

Supermarket

A large self-service store selling a wide range of foods, beverages, household goods and clothes.

Most consumers in the UK use a supermarket to buy their groceries and they dominated by a small number of established and very large businesses. These include Tesco, Asda, Sainsbury's, and Morrisons.

In recent years they have faced competition from discount grocery retailers such as Aldi and Lidl.

Charity

A charity is an example of a not-for-profit organisation. The money earned by or donated to a charity is used in pursuing the organisation's aims. Examples include Oxfam, British Heart Foundation and Age UK.

Warehouse

Large retailers normally selling products for home improvement, gardening, furniture carpets and electrical goods, usually located in out-of-town locations or retail parks.

Many retail warehouse stores offer a large choice of products, encourage bulk buying and stock products on no frills high shelving.

Some are referred to as discount warehouses and can sell end-of-line products.

Clothing/ fashion

Come in many different types and sizes, including national chains and local small-scale independent stores. They can be targeted for men and women and children, but sometimes at just one customer type.

Fashion retailers can be aimed at the mass market selling, mass produced products. Also, they can be aimed at customers with higher disposable income with branded or designer labels.

Fashion is seasonal, so these stores will have different stock throughout the year to match the upcoming season.

Independent

A retail business that tends to be a sole trader, partnership or a private limited company that operates on a local and small scale. The retail business is built up from nothing and the owner will usually run the store.

Convenience

A shop that is located near to homes or workplaces for convenience, often referred to as the corner shop.

The shop will sell a small range of different types of groceries, beverages, snacks, sweets, and frozen foods.

These stores are often open long hours and will have much lower footfall than the larger supermarkets.

Speciality

A retail store that specialises in selling one type of product or products related to one market. Examples include cosmetics, sport, optician, car dealership, travel agent, music store, wine store, and bookstore. They can offer a higher level of customer service and a greater range of specific products than offer retailers.

Discount

A store that sells products at a cheaper price than usually available in other retail outlets. These businesses often buy a narrow selection of products in large quantities at cheaper unit prices.

Discount stores focus on price rather than the quality of the service. Aldi and Lidl are examples of these stores.