



The Rural Shop Report 2024

A report by the Association of Convenience Stores

[#RuralShopReport](#)

ACS | the voice of
local shops



James Lowman
Association of Convenience Stores

Rural shops are an incredibly important part of the UK convenience sector, acting as a hub for thousands of communities in otherwise isolated areas. People rely on rural shops not just for groceries and services, but as a social hub, a secure local employer, and a source of local investment. Rural shops operate uniquely at the heart of their communities, but the change of pace in retail and the growing expectations of customers mean that they need support to be able to deliver on those expectations every day.

Rural shops and other rural businesses face significant challenges when trying to improve their offer to customers. Supply chain limitations, delivery schedules, broadband connectivity and mobile coverage are all areas where rural shops can be adversely affected compared to their more urban counterparts. The Rural Shop Report demonstrates the importance of these businesses, the services and technology that rural retailers are already investing in, and highlights the need for policymakers to include them within conversations on bridging the gap between rural connectivity and what is available in urban areas.

Rural shops are also increasingly acting as miniature high streets in their own right, taking on services that would have previously been available locally like access to cash, bill payments, Post Office services and prescription collections. In some cases, and especially in the case of providing access to cash through the provision of a free to use ATM, retailers are operating this service at a loss but are committed to doing so because of its importance to the community.

Policy-makers need to create the right conditions for rural shops to invest and grow so they have a sustainable future. Rural shops are central to many political priorities – tackling loneliness, levelling up across the country, promoting investment, maintaining service provision – and we hope this report will inform these important debates and help us support these essential businesses ■



Georgina Edwards
Plunkett Foundation

As with many local shops, community-owned shops play a vital role in their local community. A “community shop” is owned and controlled by local residents for community benefit. They go beyond providing basic retail provisions, with around 50% running post offices and 40% having cafés. They become a hive of community and voluntary activity, actively promote inclusion and address issues such as rural isolation.

Community shops are owned by their members (also known as shareholders) and are run democratically, often on the basis of one-member one-vote. The majority have 50-200 members. An estimated 75,000 people have invested in community shops to date, totalling £11.5m in share capital.

Community-owned shops are long-lived, with a survival rate of 92%. Despite the turbulence of recent years, the sector continues to grow. 11 new community shops have opened so far in 2023 (as of November), bringing the total to 419.

During the cost of living crisis, community shops have continued to put people first. Responding to a June 2023 survey, 61% of shops absorbed prices where possible, specifically to maintain affordability for their customers. 55% of shops with employees gave staff a ‘cost of living’ pay rise of over 5%. The majority of community shops continue to be resilient during the cost of living crisis, but around one in five are concerned about the future.

These small businesses have responded proactively. 100% of community shops reported having already installed energy saving measures, or currently considering them. The most common measure considered was solar panels by 51% of shops, but only 9% were able to install them last year, primarily due to cost – instead taking more immediately affordable measures such as installing more efficient equipment. Investment and VAT relief for such measures are needed to fulfil their ambition to futureproof their business ■

Statistics taken from data collected for Community Ownership: A Better Form of Business, Plunkett Foundation, 2023. <http://tinyurl.com/5t557hfx>



Kerry Booth
Rural Services Network

The village shop is often the beating heart of our rural communities, with village life revolving around not only the products they sell, but the services that they provide and the social links they foster.

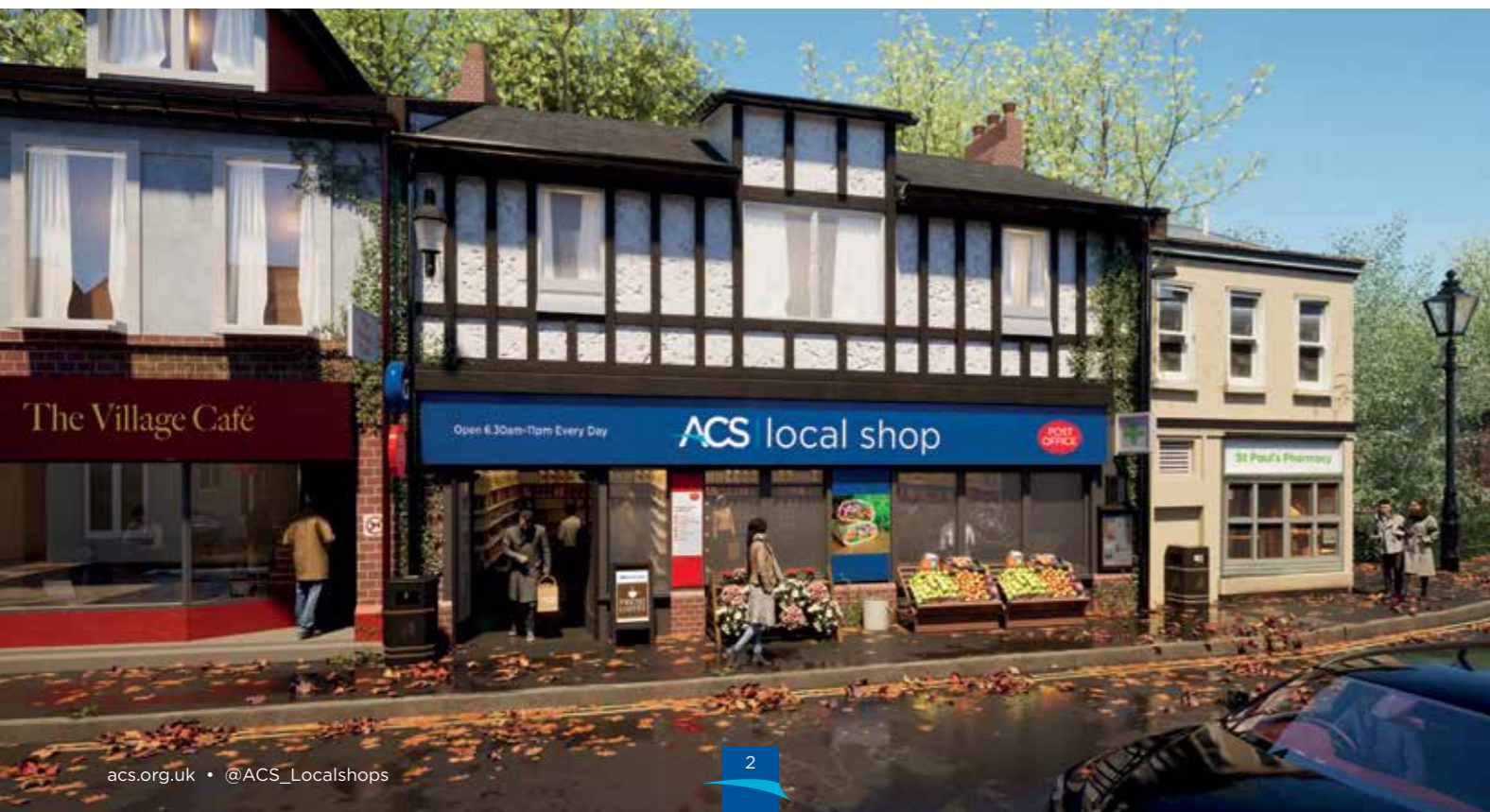
Whether they are community run, or privately owned, village shops can provide a lifeline for residents unable to access services due to poor public transport links. They often include a post office counter, enabling residents and businesses to access cash and a world of services not otherwise available, particularly in areas with poor broadband connectivity.

On the school run each morning in my village, I pass an elderly couple, come rain or shine they walk every morning to the shop to buy a newspaper. Such a simple task, but it means they are out doing exercise and staying healthy, engaging with the local shop owners,

and many of the children say hello and wave to them as they pass providing them with social contact.

We have a fabulous shop in our village, and the owners stop to talk to everyone that comes in, meaning they will know if an elderly resident doesn't arrive for their usual pint of milk or newspaper, and can make sure that they are ok, providing a vital role in supporting the welfare of our community. They contribute to community events, even selling tickets to the village panto along with the parish newsletter!

As we move to a world of digital by default, with services becoming centralised and often further away from rural residents, and with more banks leaving our high streets, the village shop is often the remaining stalwart, providing not only milk and bread, but a strong sense of community and support to its residents ■



Who we are

There are **49,388** convenience stores in mainland UK

17,986 of these stores are rural | **76%** are owned by independent retailers

49% of rural convenience stores are isolated No other retail/service businesses close by



Why we are important

£17.1bn total sales | **£234m** invested


Over **£3.8bn** in GVA | **174,442** jobs

Opening hours

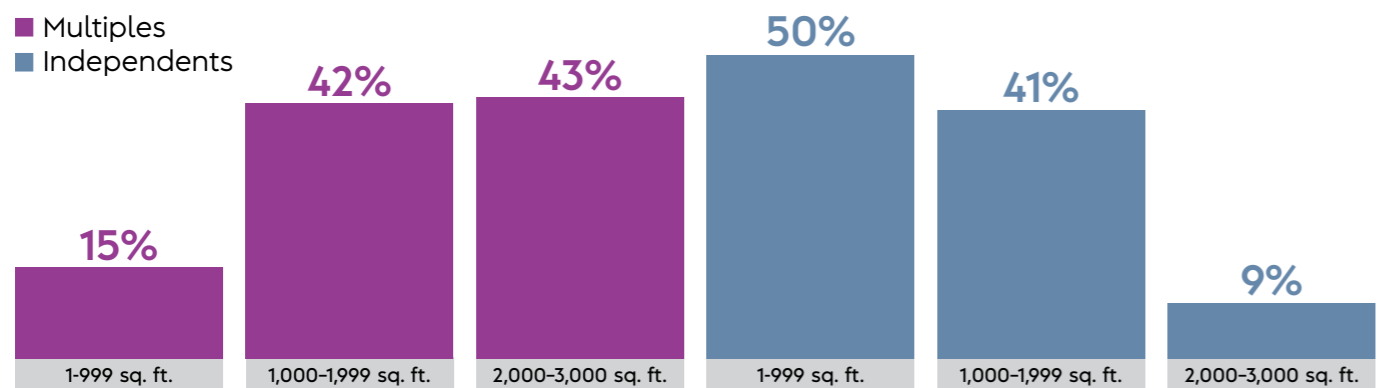
5% are open **24** hours

6% Closed on Sunday

Typical convenience stores are open **7am until 10pm**



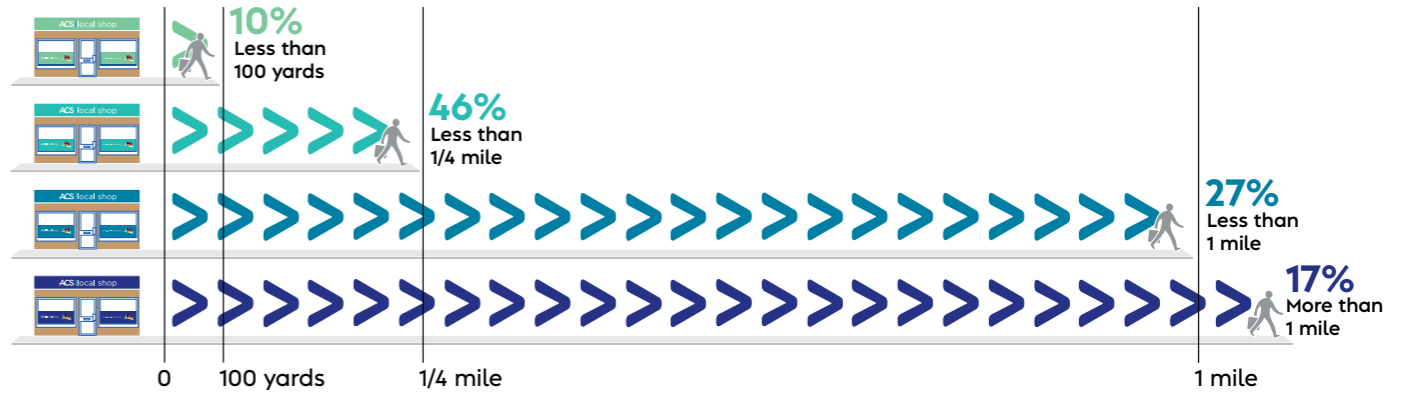
Sales space in-store



Who we serve

55% of rural shoppers walk to store | **76%** believe local shops are good for the environment as more customers walk to store | **39%** know the people who run their local shop well or very well

Distance travelled to store



If their local shop was no longer there, customers would have to travel **2.83 miles** to find another local shop

Purchases

The average basket size is **2.7** items

The average spend is **£6.70**

If consumers were given a fund to invest in their local neighbourhood or town/city centre...

76% of consumers would prefer to see investment in their immediate local area

24% of consumers would prefer to see investment in their nearest town/city centre

Our colleagues

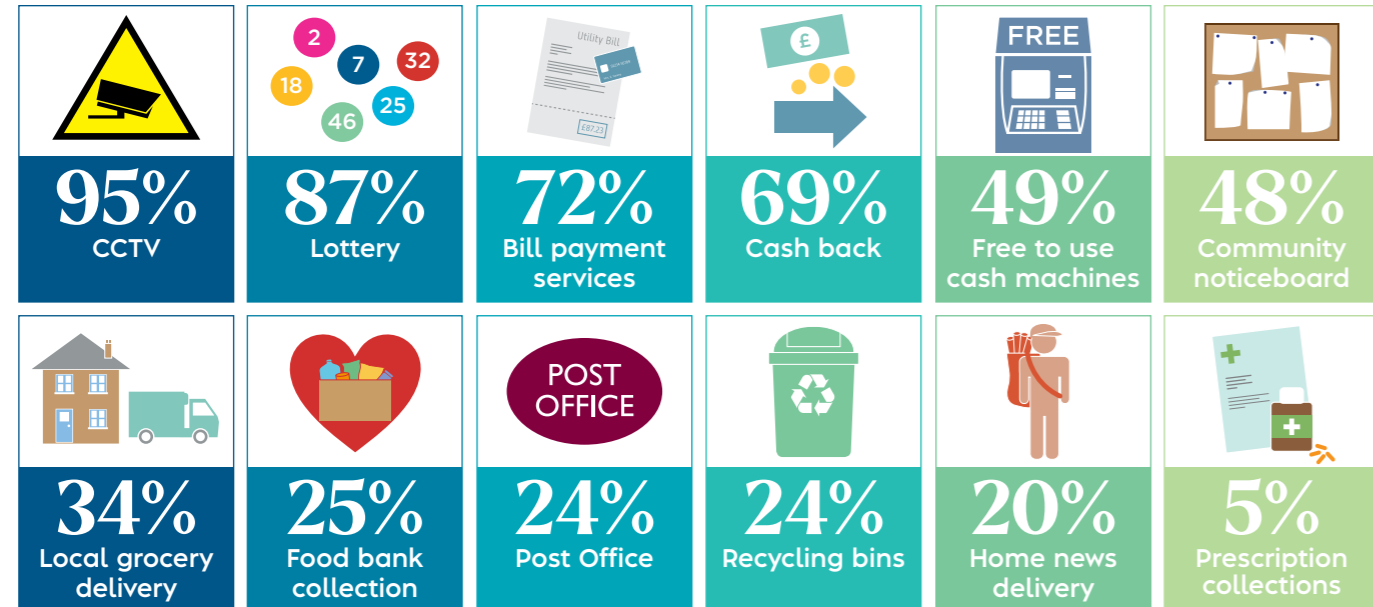
174,000+ jobs provided by mainland UK rural convenience stores

Hours worked



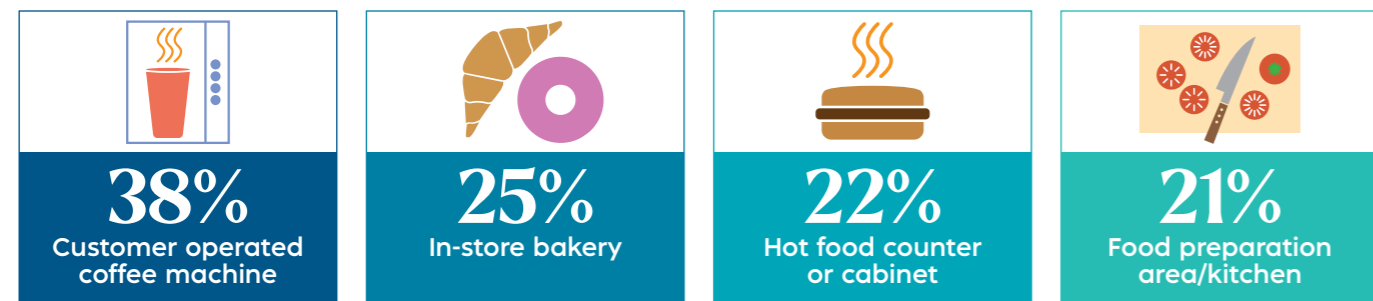
The services and technology we offer

The percentage of rural stores in the convenience sector that provide each service is as follows:



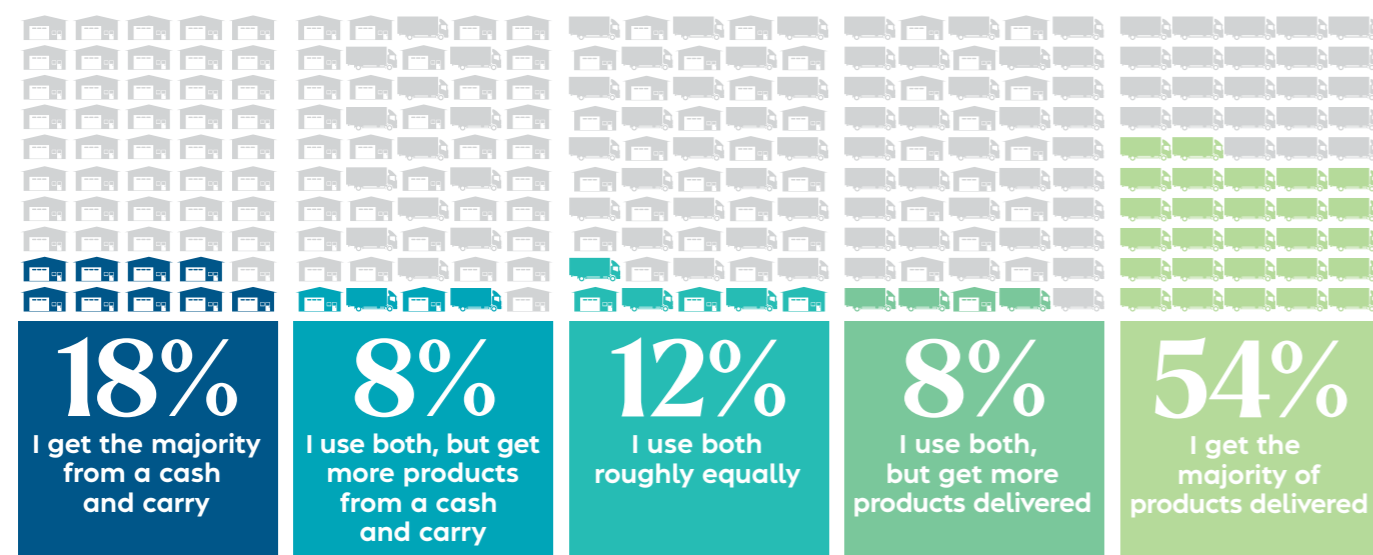
Source: ACS/Lumina Intelligence 2022/2023

Food service



Source: ACS/Lumina Intelligence 2022/2023

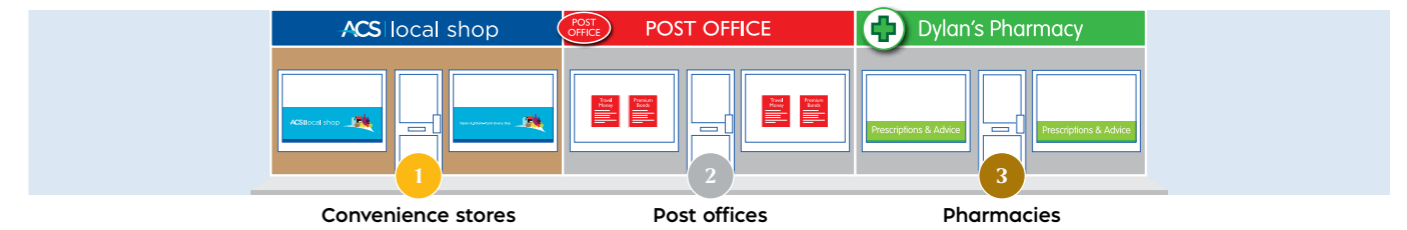
How independent retailers source their products



Source: ACS/Lumina Intelligence 2023

Our communities

Most positive impact on the local area



Most essential



Most wanted services



Source: ACS Community Barometer 2023

Community activity



Source: ACS Voice of Local Shops polling 2022 - 2023

Community owned shops



Source: Plunkett Foundation 2023



Methodology

For more details on the data sources for this report, visit: <https://www.acs.org.uk/research/rural-shop-report-2023>

Acknowledgements

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