

Market Places

Urban Renaissance in Action

By Jess Harris

It seems strange in these days of buying online and home delivery that a renaissance is taking place among one of our oldest retailing outlets. Jess Harris asks why traditional markets have made such a comeback recently.



Twice a week, tucked under the railroad trestles next to London Bridge Station and Southwark Cathedral, one of the highlights of the south bank takes place. You will find a tightly-packed crowd chatting, buying and tasting their way around Borough Market. As you enter the crowd you find yourself swept along on an international tour of gastronomy – there is a stall selling Essex oysters, another selling German Lebkuchen and next door is one selling dozens of varieties of South American chillies. There are speciality breads and handmade yoghurt, rabbits and pheasants, sharks' heads and chorizo sausage and piles and piles of beautiful vegetables. The first time you visit Borough Market it is something of a surprise - not just because the food is of such high quality or the stall holders are so knowledgeable - but because it is

attracting huge numbers of shoppers and tourists. In fact, some stalls are so popular they are difficult to get to, such is the demand for Italian cheeses and smoked eel.

Until the late 1990s Borough Market was a failing wholesale market, virtually unknown to those outside the trade.

However, a committed group of producers formed a trust and set about refocusing the Friday and Saturday markets towards providing the highest quality food and drink for local people. In just five years the market has become established as one of the best in Europe, supporting 70 independent producers. A capital project to relocate an original 19th century market structure from Covent Garden on the site is nearing

completion and there are plans to open more permanent retail units and a restaurant. Trustee Tony Tooth sees the market expanding in the future: 'a few of the stalls have already started opening on Thursdays. It is so busy on a Saturday I am sure in time we will have to extend our hours'. The surrounding area is also thriving, with new cafés and shops springing up in support of the growing footfall.

The success story of Borough Market is symptomatic of a wider renaissance in markets in the UK and USA. In America the number of public markets is growing at the phenomenal rate of between eight and 14 percent per year, compared to less than two percent growth for

supermarkets. In the UK the number of farmers' markets more than doubled between 2000 and 2002, to 450.

In the 1980s and 90s hundreds of town-centre markets were closed and many market places were lost to shopping centre and housing developments. But in the past few years, markets are beginning to feature again in our town centres. In Ipswich, for example, the town market began failing when it lost its plot to a new swimming pool and was subsequently relocated to an edge of the town centre. Three years ago a number of stalls moved back to the Corn Hill in the heart of the town as a temporary measure. It is now so successful that stalls have spread along





neighbouring streets and the town centre is now animated and lively.

Clearly, markets can stimulate local and economic development by increasing employment, encouraging local business and keeping money in the local community. Kai Knusten, a jam maker at Borough Market, says, 'Often the thing you come up against when you're trying to open up new markets is local traders that feel threatened by competition. In fact what actually happens is that markets regenerate a place by increasing footfall to the area as a whole! This view is borne out by research from the National Farmers' Union, which suggest a surprising 80 percent of neighbouring businesses have seen a boost in trade following the establishment of a market nearby¹. For example, WH Smith and Debenhams in Winchester, which are both adjacent to the farmers' market site, report a rise in takings of up to 30 percent on market days².



Furthermore, whilst markets tend to be held in cities and towns, they also bring significant regeneration benefits to rural communities through rural employment.

Developers have cottoned on to the role markets can play and now see them as important components of regeneration schemes. Southwark Council has approved plans for a 150,000 sq.ft, £36 million regeneration scheme at Bermondsey Square, which is being developed in partnership with Urban Catalyst. At its heart will be a remodelled square to provide enhanced facilities for the New Caledonian Antiques Market. The scheme aims to embrace and promote the Antiques Market and will also develop use of the square on non-market days.

In the US, the potential of markets to drive regeneration has been taken seriously since the mid 1990s. It is argued that a good public market is not only of economic value, it's also a social



gathering place that builds communities. Seattle's Pike Place Market has gained almost mythical status, being credited with saving the downtown area of the city from large-scale urban clearance; preserving the livelihoods of small producers; pumping dollars into the tourist economy; providing inexpensive food for low-income residents; and providing a network of social programmes for people who would otherwise fall through the cracks. It is also high on the 'must see' tourist circuit. According to the US Economic Development Administration, Pike Place is *'the single most successful project of all time as measured by its success in turning one-time governmental investment into long-term jobs'*.



Farmers' Markets

The first farmers' market was held in Bath in 1997. By 2002, 450 markets were being held on a regular basis – with combined annual turnover of around £167 million. They provide a forum for local farmers and producers to sell their own home-grown or home-made goods directly to the public. Whilst the movement has gathered momentum over the past five years, it is not a new concept – the medieval market was simply farmers or their wives bringing their surplus to town – the term has acquired a new caché. At today's farmers markets, produce must be locally grown or contain local ingredients from a 30-40 mile radius (100 miles in London). For example, raspberry jam must contain locally grown raspberries. The stallholder must have grown, reared, cooked, brewed or baked the goods themselves. The system is genuinely supply-driven. If there has been a frost, fruit will be more expensive; if there's a glut, prices can be rock bottom.

A survey by the NFU found that business confidence is high, with over 70 percent of markets describing themselves as thriving. In addition, around 60 percent say their business is expanding.





It is reported that a \$55 million investment by the government in the market has resulted in \$100 million worth of annual sales by 350 permanent merchants, the generation of \$650 million in private development in the area around the market and the construction of 1,500 new downtown apartments.

The American not-for-profit organisation, Project for Public Spaces, concluded in their report *Public Markets as a Vehicle for Social Integration and Upward Mobility* that markets can be viewed as both 'anchors' and 'magnets'. An 'anchor' is used in the same way that retail developers establish large department stores at either end of shopping centres, which benefit the smaller shops in between. Similarly, for a market to act as a catalyst for regeneration, it needs to attract enough shoppers to an area to ensure that nearby enterprises can benefit too.

By contrast, a 'magnet' attracts visitors for other, non-commercial reasons – a civic institution like a museum or town hall. A market must be an attractor beyond its primary role as a place to buy goods; it should have a civic function which facilitates social integration. According to one US study, just 26 percent of market-goers said they went to 'shop', compared to 94 percent of those going to malls.

Small Business Incubators

From the producers' point of view markets hold a number of benefits.

Overheads are low with most stalls being taken on short-term licenses, yet they provide a secure and regular outlet for producers. The direct nature of trading means the middleman is cut out of the equation, increasing financial returns, price control and cash flow.

Furthermore, the direct interaction with the buyer gives the producer immediate customer feedback. This is especially valuable for new producers, producers in organic conversion, and small-scale producers who are unable to deliver the quantity required by some supermarkets.

Indeed, there are some phenomenal success stories of markets acting as business incubators. For example, Starbucks Coffee began as a stall at Pike Place in Seattle. Similarly Mary Ellen Mooney began a business selling sun-dried tomatoes in olive oil at a north California market. In her first year she made \$15,000. By her third year she grossed \$6 million thanks to landing a contract with a major manufacturer.



In Pursuit of the Authentic

The difference between many of these new market schemes and the markets of twenty years ago is that the emphasis is now on quality rather than price. Products are often handmade, organic or difficult to get hold of elsewhere. These new markets can be rather exclusive, as Knutsen states 'essentially Borough Market is rather middle class. In a sense you're already preaching to the converted. It is not about price and that obviously excludes some people.'

But there is also something of the 'Good Life' about going to a market: the carrots are dirty and there is direct interaction between rural and urban communities. All this goes towards creating an essential component of the market experience: it feels authentic. For many customers the experience of having a conversation with the person who grew or baked the product you are buying, rather than a bored supermarket check-out assistant, is as important as the product itself.

Interestingly, it is this feeling of authenticity that also attracts tourists to markets. Markets are often one of the few opportunities tourists have to interact with locals and experience some local culture. Whilst a visit to Barcelona is not complete without a trip to Mercat de la Boqueria and Rialto Market is an essential element of a weekend in Venice, it is not until recently that British markets have become part of the

UK tourism offer. Tourism agencies, such as Northumbria Tourist Board, are increasingly promoting markets as tourist attractions. However, there is a danger that large influxes of tourist can erode the very 'authenticity' that attracts residents.

Being able to buy food that appears 'natural' and safe in a time of numerous food scares is also fundamental to markets' success. Nicholas Lander, restaurant critic for the Financial Times, believes a rejection of intensive farming methods is key, stating that 'consumers are finally demanding traceability from suppliers. They don't trust supermarkets and uniform food anymore.'

It is also not possible to underestimate the phenomenal changes in UK culture in relation to food and eating out and the impact this has had on shopping habits. The huge popularity of celebrity chefs – many of who are champions of local produce – and the renewed interest in traditional British cooking has helped the growth in markets. Lander argues that 'every time consumers watch a TV chef visit a market in France or Italy they want to be able to do the same.'

In fact, markets have become so successful in attracting wealthy 'lifestyle' customers that supermarkets are vying to get in on the act. Sainsbury's has introduced Central London branches offering a wider range of fresh and specialist foods. The stores are called Sainsbury's Markets and offer delicatessen goods, cheeses, meat, fish and breads, along with fresh take-away food. Items are sold from traditional glass counters that have been moved to the front of the stores, where they form a U-shape so staff can move out to interact with customers.

The stores are not markets in anything other than name. They sell the same lines of Sainsbury's products available in their normal supermarkets and so are not offering an alternative in terms of quality or origin of produce. Last year, for example, at the height of the UK apple harvest, Sainsbury's Markets only sold New Zealand apples. However, by offering the feel and packaging of a

market they are looking to appeal to the customer who wants something distinct from the supermarket experience. Unsurprisingly, local independent suppliers have complained that they are being driven out of business.



In an era of limited leisure time, with supermarkets offering home delivery services and internet sites such as e-bay continuing to grow, it is perhaps curious that markets are making a comeback. However, successful markets are thriving because they provide consumers with an opportunity to interact with producers and because they tightly control the quality and range of products available. They manage to create a sense of being a truly authentic experience, which appeals to middle class aspirations. In turn, producers have found a platform to develop their businesses and those involved in regeneration have a grass-roots solution. As both 'anchors' and 'magnets', markets are truly a win-win solution for planners, producers and consumers alike.

Markets now face two challenges: the first is to become less elite and more accessible to all without losing the qualities that make them special. The second is to find ways of communicating clearly to their audiences that it is these qualities that differentiates them from supermarkets – that there is more to it than selling things out of baskets.

Notes

- 1 National Farmers' Union Business Survey, Sept 2002
- 2 National Association of Farmers' Markets

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Pike Place Market, Seattle

The Pike Place Market began on August 17, 1907.

Pike Place Market is a nine-acre historic district which hosts an estimated nine million visits each year. The market attracts between 20-25,000 visits on weekdays and 35-40,000 on Saturdays. Pike Place Market's 2002 annual sales report show \$30.1 million spent on food, \$18.6 million on dining out and \$13.2 million on merchandising. Along with being a Seattle attraction and shopping destination Pike Place also provides homes for 500 residents, most of whom are low-income seniors, as well as a variety of services for the needy.

The Pike Place Market Preservation & Development Authority (PDA) serves as manager for 80 percent of the properties located within district. Revenues for operating the Market are derived through property management activities. The Market is not tax supported. The remaining properties are owned and operated by private owners. All buildings and activities within the Pike Place Market are governed by covenants and ordinances designed to protect and preserve the traditional commercial and cultural uses of the Market.

The Pike Place Market PDA is a non-profit public corporation chartered by the City of Seattle in 1973 to serve as caretaker and steward of the city's historic public market centre. PDA staff activities are overseen by the PDA Council, a 12-member board consisting of four Mayoral appointees, four members elected by the Market Constituency and four members appointed by the PDA council itself.



H. L. Blechman: Antiques Dealer, Bermondsey Antiques Market

'I've been trading here for 38 years... I spend six days a week trying to find lovely things to sell, mainly from private homes. Then international buyers come to the market to buy for their shops and the goods filter up through the antiques system.'

Amanda Mansell: Jewellery Designer/Maker, Spitalfields

'I am looking to build my business up so I can get a shop. The market is a good incubator for me...and direct contact with my customers helps me build up a good mailing list.'

Kai Knutsen: Jam Maker, England Preserves, Borough Market

'The criteria for getting a stall here is quality. You have to present your product to a board. They test it out and decide whether the market needs it. Obviously, if there are things already presented then you won't be allowed in.'





**Linda Cowkin: Flower Seller,
Booth Flowers, Borough Market**

'The market has become really popular over the last few years as we've had good media coverage – there are a lot more tourists. It is a lovely place to work – all the stall holders help each other out. We trade things, so you can get nice meat in exchange for a bunch of flowers.'



**Michael Harding: The Pudding
Company Stall Holder, Borough
Market**

'The more people that pass through the market the better it is for local businesses. All the cafés around here are doing really well.'



Borough Market

Borough Market is managed by 21 Trustees and run by a small team of office staff. An independent firm, Beadles, looks after security. The Trust is governed by acts of parliament dating back to the 18th century. In 1999 the Market was registered as a charity.

The Market comprises three main elements. First, the historically focused wholesale fruit and vegetable market, second, the recent addition of a weekly fine food retail market, third, the management of a number of shops specialising in food retailing.

The very successful weekend gourmet retail market, consisting of up to 70 stalls and stands attracts producers from all over the country who bring a range of fresh produce to the market, including fish, meats, vegetables, ciders, cheeses, breads, coffees, cakes and patisseries. Other stalls specialise in produce imported from abroad.

Borough Market also has an increasing range of high quality food shops situated around the wholesale core. Following the arrival of Neal's Yard Dairies in 1997, a further seven retailers have taken tenancies, adding substantially to the range of produce on sale in the area.

