

UK charity retail

ILG SEMINAR

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SOME BASICS



- Around 11,500 shops in the UK
- Make a huge contribution to charities: £278m minimum
- More than 90 % of goods sold are donated – ie second-hand stuff that would otherwise be thrown away
- Chains range from 750+ shops to one

LESS BASIC



- 230,000 volunteers
- At least 23,000 jobs
- Huge social benefits
- Keeps high streets vibrant

SOCIAL BENEFITS



- Provide much needed skills and occupational opportunities
- Portal on high street
- Community hub of activities
- The acceptable face of fundraising
- In the end, charities do great work!
- And....

LANDFILL



Charity shops re-use or recycle at least 323,000 tonnes per year – saving LAs approx £27m in landfill tax (this is over 94% of goods they receive)

BUSINESS MODEL



- Mainly sell donated goods so low cost of sale
- Use volunteers so staff costs low
- Rate relief
- BUT prime location rents very high
- No relief on rents or utilities
- Staff have to be paid competitively
- Lots of competition for footfall
- Space often an issue
- Non-sold goods sold to reuse and recycling companies

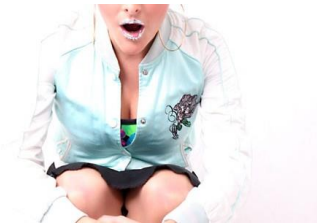
CHARITY RETAIL – BRAVE NEW WORLD

From this....



CHARITY RETAIL – BRAVE NEW WORLD

To...



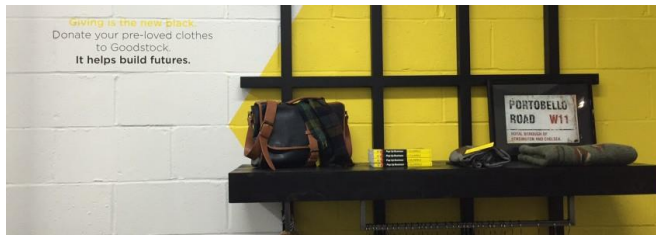
Showcasing chic



Major public initiatives



Imaginative corporate partnerships



Appealing to the young...



Being tech savvy

EXAMPLE CORPORATE PARTNERSHIPS

CRUK/TXMAXX



- Partnership since 2004
- Drop stuff in TXMaxx stores
- 1.1million bags collected in 2014
- £30.3 million raised
- TKMaxx now the largest corporate funder of children's cancer research in the UK

CORPORATE PARTNERSHIPS

OXFAM/M&S - SHWOPPING



- Partnerships since 2008
- Drop stuff in M&S stores
- Bring M&S stuff to Oxfam shops – receive £5 voucher for £35 spend in M&S
- 28million garments donated in 2013
- Raised approx. £19m for Oxfam

THIRD PARTY BROKERS

GLOBECHAIN



- Globechain broker corporate items with charities
- Just signed up Arcadia

CRA



- Have around 80-85% of the shops in membership
- Five areas of activity:
 - Lobbying
 - Research
 - Member services
 - Opportunities to meet
 - Training
- Have a successful business model: 10 staff

QUESTIONS

