

Submission 24 - Jane James

Please find below our submission to the retail review.

What is your general experience of being an out of town retailer.

As a gift shop/gallery our customers are both tourist/visitors and local resident who don't want to travel into town to purchase a gift. That said the majority of our sales are in the summertime so our business is very seasonal. Gorey can be a busy destination in the summer but almost a ghost town in the winter.

What challenges does your business face.

The main challenge is linked to the seasonality of the business. In Jan, Feb and March it is hardly worth opening. We have previously tried closing completely, being open full time and being open for long weekends. The latter has proved the most successful for our business, so that we can still provide a service to the local community but without the full time staffing costs. The other challenge is competing with online retailers such as Not on the High Street that also specialise in selling unique gifts.

Another challenge is finding the right staff for our shop. Shop work isn't well paid but requires dedication, good communication skills and outstanding customer service. There isn't always people with local employment entitlement status that want to work in retail. Only the other day was I approached by the perfect candidate for a job in my shop but who had only worked here for 2 years and so I couldn't employ them.

Do you feel shopping habits have changed over the last 5 years?

Yes, since the recession customers and visitors are more price sensitive and don't spend as much on gifts as they used to. There are also a lot of online retailers who deliver very quickly and cheaply to Jersey and who are not subject to 5% GST. The growing move to online shopping is definitely having a significant impact on local retailers.

Are you under pressure from the growth and evolution of online retailing?

Yes, as mentioned above. There isn't a level playing field everything I import to sell is subject to GST but as long as online purchases are below the de minimis they are not subject to GST and in a lot of cases also remove the VAT that is usually added in the UK.

Should Jersey's Government do more to help retailers.

Yes, I think the GST de minimis should be lowered and be the same as VAT de minimis for exporting to the UK to have a level playing field. Retail rents are very high in Jersey which is killing the high street, only large chains can afford to pay these. There could be a reduction of the rates paid by retail premises.

I think there should be support to retailers who have an online shop, perhaps in the form of expertise or funding/grants to grow local online business to be able to compete with UK/International retailers. Another issue for local online retailers is the cost of posting off Island, the government could also help in this area.

What solutions do you think could work to improve retail in Jersey.

Continue to provide Jersey as a place to visit. Remove GST, invest in the infrastructure in retail areas i.e. attractiveness, facilities, parking, pedestrianisation, make them destinations that locals and visitors want to come to.

Mark James