

Uphill challenge

Specialist outdoor retailers are profiting because of the range and quality of products sold by knowledgeable staff, says *The NPD Group*



Consumer A is planning a camping trip and needs a fleece, while Consumer B is going on a walking holiday, but doesn't have any suitable shoes. They decide to go shopping together, but where do they go?

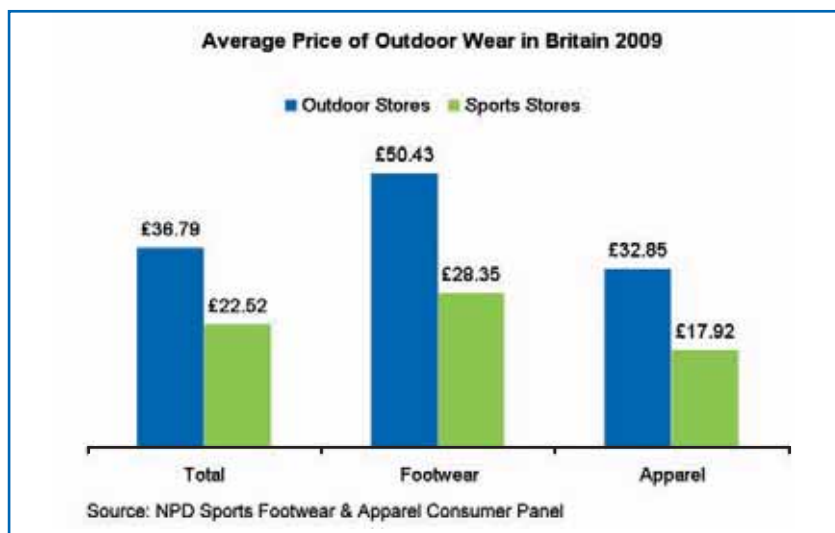
Consumer B hears the local sports retailer sells outdoor wear, but Consumer A prefers the outdoor specialist in the high street. Once in the specialist store, Consumer A is greeted by a vast range of products, finds a suitable fleece and tries it for size. One of the specialist's sales staff points out some other examples. The second fleece is more expensive, but is guaranteed to perform and Consumer A is promised their money back if they're not happy with it.

Consumer B goes to the local sports retailer and finds some suitable walking shoes that are half the price of the specialist store. No member of the sales staff approached him offering assistance with his purchase, and on paying is told he will only receive a credit receipt if the

shoes don't fit. Who is the winner here? Is it based on the cash saving, retail experience or product? Plenty of customers are more than happy with a multi-sports retailers, but some still like the personal touch.

Good performer

The GB outdoor market is valued at £400million by the NPD Group and is one of the sporting categories that performed well during the recession. The majority of sports saw heavy declines





down to protect their interest. This pricing strategy is one reason why outdoor specialists still remain competitive.

Using NPD's Online Consumer Panel, we can see why consumers are purchasing in certain stores. The leading response for outdoor specialists is: 'Good range of products', whereas this is only the third most popular answer from people shopping in sports stores specifically for outdoor wear. A lot of outdoor activities require specialist technical product that's not always widely available - one of the factors that keep outdoor specialists so well positioned. Two other answers point out a key difference. 'Quality of products' and 'Staff competence' weigh in heavily for the specialists. Sports retailers are improving in these areas, but are still some way behind; 'location' and 'price' is far more important for their customers.

Spending habits

We know a consumer will spend more in an outdoor specialist, but why is this? Looking at footwear, does the customer need to use their shoes for specific reasons? If purchasing from a sports store, the consumer will largely use their footwear for leisure purposes - and this is the key difference.

Only a quarter of outdoor footwear bought from sports retailers is used for its intended purpose. Purchases from outdoor specialists are used for a

specific purpose nearly 50 per cent of the time. Also, an increasing number of these purchases are being made by females. Purchases made by males have remained static over the past year, and it appears females are upscaling to more technical footwear. This is a common pattern seen in other sporting categories, and with greater discounts females have been more inclined to buy the next model up. The female market in outdoor footwear is growing and now represents 35 per cent of the sector. In addition, average prices are rising.

Specialist outdoor retailers work because consumers need to know they are buying a product capable of doing the job they're purchased for, and after consultation with knowledgeable staff can walk out confident in their buying decision. It is in this respect that outdoor specialists will have the upper hand for the foreseeable future. Multi-door sports retailers do not employ staff with as much outdoor product knowledge due to the scale of sporting categories they cater for. Price will sway many a customer, but loyalty and repeat business will be harder to evolve if they only ever purchase the product they 'think' is the right choice.

The NPD Group monitors the sales of sports footwear and sports apparel in many countries around the world. For more information contact the NPD Group sports team on 01932 355580.

over the past 18 months, but outdoor managed to buck the trend and remained relatively stable. Outdoor specific retailers make up 65 per cent of this market, but sports stores are beginning to install permanent outdoor areas and are growing fast. The good news for outdoor specialists is they are also enjoying growth.

What is in stark contrast is the average price of the two types of retailer. Specialists are selling products at over £35, whereas in sports stores it's around £20. When you look at footwear separately, there's a £20 difference between the two retail channels. Price is a topic for the specialist, since they charge more on average than the rest of the high street, but this is starting to wane. Discounts are beginning to be offered on a more frequent basis and make up over 50 per cent of product sold. Sports retailers shift almost 70 per cent of stock on discount, but the specialists have needed to push prices

