



Unión de Comerciantes  
Autónomos de Gijón y Carreño

# Collective Actions in the Shops and Crafts Sector

How to organise cooperation?

Gijón 15 June 2010

## Urban trade; Why?

- As a sector of the economy, it represents 10% of gross domestic product and 19% of employment in Asturias.
- As economic sector, we work to be more competitive and innovative, to create more wealth and employment.
- BUT: urban trade is different from other sectors because:
  - It is integrated in the city as a part of it; urban trade will be affected by everything that will happen to the city.
  - It provides a close and daily service to citizens.
  - It is a part of the heartbeat of a healthy sustainable city.
  - It makes our cities more liveable and humane.



This is trade, but it makes no city



This is not a city, and there is no trade inside



This is the model of a compact, shop-friendly city we are working for!

## Objectives of cooperation with...

- **The Local Government:**
  - To achieve a city as a space for human relations, where urban trade provides attractive features.
  - To obtain a friendly city through a smart town planning, an attractive place for walking and shopping, in peaceful coexistence with the car.
  - To support the settlement of local business in the new built urban spaces.
  - To provide joint means to collaborate on business growth.
  - To achieve urban trade presence in all local policies.

## Objectives of cooperation with...

### **Regional and National Governments:**

- To pass laws which show the importance of urban trade as an essential partner in the compact and sustainable city model
- To propose measures to assist the modernization of businesses, improving their management through technology and business cooperation

### **With employers.**

- To convince them that it is possible to compete and cooperate

## The basis of cooperation

- The message:** We are here to improve our businesses and therefore our city.
- The reality:** To convert our message in credible, planned, realistic proposals.
- The emphasis:** To repeat the message until it will not be only of ours.
- Loyalty:** We admit a “no” answer; but no tricks.
- Complicity:** when failure comes, we face it together.
- The position:** We know who governs and decides, we influence.

## The difficulties

### **With some employers:**

- They sometimes consider our proposals as underserved by governments, in comparison with other business sectors. They say: "we are so small that we hardly look at us"
- They want impossible solutions against strong competition in the market: They say "ban hypermarkets".
- They want their immediate and personal problem to be treated individually as a widespread and general sector problem.
- They sometimes need to see confrontation to feel that their interests are better protected.

## The difficulties

### **With some associations:**

- They believe that politics is only for governments and the opposition. They say: "We are a business community; we shouldn't be engaged in politics."
- They just look after their economic activity, without seeing the environment. They say, "Our goal is selling, the city is for the government."
- They do not trust governments. They say "all politicians are alike."
- They live on a continuous complaint, better than providing solutions.

## The difficulties

### **With some public representatives:**

- The legitimacy of his election at the polls leads them to believe that they are always right.
- They understand cooperation as a way to lose power.
- When in the opposition, they believe that the business community who reaches agreements with the government is also a political opponent.
- Is it difficult to understand this sentence?: "I give you the idea to turn it into a reality"

## Gijón: content of agreements

### **Gijón Strategic Plan II. (2002/2012) strategic line 1.2:**

- Objective: To promote the development and modernization of small and medium trade with the criteria of innovation and expertise to enhance their competitiveness.
- Working Lines:
  - ✓ To promote partnership and cooperation between shopkeepers to carry out joint actions of promotion and management.
  - ✓ To support commercial areas of the city through appropriate urban development and deployment of specialized shops, especially in new living areas.
  - ✓ Increase training and orientation programs for the modernization of management

## Gijón: content of agreements

### **“Innova Gijón” Agreement (2008/2011) Axis 5 Trade and Tourism.**

#### - Objectives:

- to consolidate the city as a major centre for commerce, promoting technological modernization, quality and commercial management, more dynamic labour market and improving the quality of life of citizens.
- To preserve and revitalize the craft offices.

#### - Actions:

- Development of the “Local Plan for Trade Organisation”.
- Promotion through: innovation, quality and technological upgrading of premises and shopping areas, services added to selling and management processes, training and revitalization of commercial areas.
- Development of an adequate business town planning and business cooperation projects involving the formula of “Strip Mall”.

## Gijón: content of agreements

### **Local Plan for Trade Organisation (2010)**

- Participants: Government of Asturias Gijón City Council, Gijón Chamber of Commerce, Gijón Shopkeepers’ Union.
- A previous study on the local supply and demand was carried out
- Definition of urban commercial areas in the city.
- Some facts:
  - There are 3952 businesses evenly distributed throughout the city.
  - 3 out of 4 hypermarkets are located in the urban core.
  - Annual expenses by consumers (2008) amounted to more than 911 million euros.
  - Except for the weekly purchase of food, the rest of the purchases are made in the specialized urban shop.

## Gijón: content of agreements

### **Local Plan for Trade Organisation (2010)**

#### Action Plan:

- Definition of urban shopping areas.
- Strategic axis:
  - 1-location criteria: ensuring a sufficient number of shops in every street.
  - 2- Trade-sensible town planning: To generate leisure and shopping spaces to serve the citizens.
  - 3 - Mixed urban business: managing the commercial mix in public spaces.
  - 4 - Innovation: disseminate innovative approaches on technology, purchasing and management services.

## Gijón: content of agreements

### **Local Plan for Trade Organisation (2010)**

#### Strategic axis:

- 5.- Consumer Services: to provide services added to the purchase and at the same time.
- 6 - Training and Employment: to plan the training of entrepreneurs, workers and unemployed.
- 7 - Associations: to strengthen associations and to ensure their presence in public advisory bodies.
- 8 - supporting tools for companies: public programs designed to support the commercial sector.





## Gijón: content of Agreements

### 2010 Agreement. Development of Local Plan for Trade Organization.

- **Municipality Areas:**

- 1- **Urban planning and maintenance.**

- Make proposals on streets to plan, designs and deadlines, definition of optimal trade mix and finding investors, definition of Strip Malls, collaboration with the Municipality Technical Departments; communication to entrepreneurs.

- 2- **Employment and Economic Development.**

- Participation in the Social Council of the City; proposals for purchasing centres and cost saving services for business; proposals on technology, business cooperation and renewal of commercial facilities, proposals for improving consumer services; information, advice and applications on behalf of SMEs for public aids aimed at investment, recruitment and self-employment

## Gijón: content of Agreements

### 3- **Consumers:**

- Participation in advisory bodies and Arbitration Board; information to employers on campaigns to control and conflict resolution systems with consumers.

### 4- **Tourism and Festivities:**

- Proposals for visitors and tourists; participation of the shops in Gijón Card, organization of the ornamental street lighting at Christmas.

### 5- **Environment.**

- Programs on commercial cardboard recycling, energy conservation and elimination of plastic bags.

### 6- **Public safety and traffic.**

- Biannual meetings, special measures for the intense-sales seasons (Christmas and summer), study of new areas of slow traffic.

### 7- **Sports:**

- sports program with local businesses.

## Gijón: content of Agreements

### **Promotion Program 2010:**

#### a) La Calzada Strip Mall.

- located in a suburb of the city, the program includes promotion actions, public space organisation, and a management for action development.

#### b) Management and customer loyalty.

- It comprises three programs: customer loyalty card, paper and cloth bags for sales and promotion via communication technologies.
- Total budget: € 256,000.
- Funded by the Regional and the Local Government



The outcome: urban planning



The outcome: town planning

## Promotion. *La Calzada* Strip Mall

A Strip Mall is an Open-Air Shopping Centre, as a mean of promoting and managing a commercial area.

- Urban area renewed.
- Promotions every two months to encourage shopping.
- Environmental program for street cleaning, waste recycling, energy saving and replacement of plastic bags.
- Collaboration with social groups in the area.
- Own Management.

**Sigue comprando... y ahorrando.**

Porque por cada compra que realices en nuestros establecimientos entrarás en el **sorteo de 15 cheques regalo de 200€**. Más fácil no te lo podemos poner... ¿O sí?



## Management. *La Calzada* Strip Mall

- Management depends on the association's rules. It has not been created a new partnership in this commercial area.
- The promotions are aimed only at associated entrepreneurs.
- Founded by monthly fees (32 €) and public subsidies.
- Contact with social groups in the area to share solutions in urban planning, security, cleaning...
- The message to dwellers is: "We are your trade; we care about your neighbourhood."



## Promotion: customer loyalty

- Customer loyalty card called "GIJON TODO UN REGALO"
- It allows designing an individual program for each shop.
- Purchases give the customers redeem points for discounts on their next purchase in the same shop.
- A single card for all retailers.
- Gift-Card either for each shop or for all retailers.
- [www.gijontodounregalo.es](http://www.gijontodounregalo.es)



## Promotion: business cooperation

- Fair for the sale of stocks.
- 60 participating companies.
- 2 Fairs per year.
- 15,000 visitors on average.
- Objective: Destocking; to sell seasonal items once the season has finished, after the discount-sales period.
- Average profitability per shop: 4.000 €.





## Outcomes: technology.

- Programme for promotion of trade in social networks: training and individual counselling.
- Promotional websites:
  - [www.comerciodegijon.com](http://www.comerciodegijon.com)
  - [www.comerciodegijon.tv](http://www.comerciodegijon.tv)
  - [www.gijondecompras.es](http://www.gijondecompras.es)
  - [www.gijontodounregalo.es](http://www.gijontodounregalo.es)
- Blog: [comerciodegijon.blogcink.com](http://comerciodegijon.blogcink.com)
- Presence on Facebook y Twitter.

## Cost savings for shopkeepers

We signed agreements with companies which provide common useful services for shopkeepers :

- Financial products.
- Bags and promotional materials.
- Insurances
- Telecommunications.
- Cash registers, scales and computers.
- Printing.
- Advice.
- Privacy and Prevention of Occupational Risks.
- Advertising.
- AVERAGE ANNUAL SAVINGS € 3,000.

## The challenges of the near future

- The Services Directive (Directive 2006/123/EC of 12-December-2006) and adapted-to-it national legislation legitimize the role of urban trade and sustainable development of cities.
- Our work is now moving towards legislation and programs related to environment and urban planning.
- We will live in an economy of public spending restraint. The Grants Party is over!
- The associations have to be turned into profitable service companies. They have to increase their private funding.
- Certain services must be implemented through cooperatives or corporations

# Thank you very much

- Carmen Moreno
- [carmenm@comerciodegijon.com](mailto:carmenm@comerciodegijon.com)
- Facebook: Carmen Moreno Llaneza.
- Twitter: carmenmorenoll.

