Public Entrepreneurship
and
The Management of Retail Markets

Dong Hoang and Cathy Barnes
The Retail Institute
Traditional retail markets: opportunities and challenges

• Traditional retail markets as social and commercial space (DCLG 2010)
• Socio-economic value of markets
  ✓ Local society: Market as community builder, contributing to the Big Society
  ✓ Local economy: Market as a centre for enterprises; e.g. a low cost low risk test bed for business start ups and aspiring entrepreneurs, a cultural attraction; affordable produces
• Dominantly owned and operated by public actors - Local Authorities
• Face immense pressure from competitions and changing consumers’ behaviours

• How do we identify and understand the way in which retail markets learn their new ways of managing and adapting to changing conditions and challenges?

• 1,225 retail markets
• 33,000 market traders
• 1,000 apprentices employed by market traders
• 55,000 direct employment
• £2.3 billion annual turnover (FY2012-13)
• £36.6 million invested to improve retail Markets in the past 12 months
• 65% of retail markets run by local authorities
• An estimated 30 billion shopping visits to retail markets per year

(Savage, Mission for Market 2015, p.8)
Conceptual understanding: an interdisciplinary approach

- Retail market management models
  - Conventional retailing literature
  - Urban planning and management literature
- Public entrepreneurship (PE)
  - Public administration/ policy literature
  - General management literature on public – private partnership and collaborations
- Case study
- Develop a conceptual framework
Traditional Retail Markets Management

Adapt from Bennison et al (2010) and Wrigley and Lambiri (2014)

- **Retail mix upgrading**: reconfiguration of the retail product, markets' layout and display to ensure diversity and attractiveness to a wide range of shoppers and visitors
- **Marketing upgrading**: Organise marketing activities (i.e. host events, community sponsorships, dissemination of information)
- **Physical environment upgrading**: improvement of retail facilities and infrastructures: cleanliness, safety, easy of traffic, parking, good signage and access
- **Develop/improve linkage between different outlets/compounds to and from the markets**

- **Retain/replace**: investment and barriers 
- **Compensation**: interplay of barriers
- **Positive**: interplay of barriers

**Business-practice environment**

- **Entrepreneur environment**
  - Development e-commerce; multi-channel retail to attract new consumers and retain existing ones
  - Invest in technological infrastructures & services for the benefits of traders and shoppers

**Infrastructural environment**

- **Policy environment**
  - Local council assumes regulative roles in making sure health and safety standards are met
  - Introduce and implement rules such as leasing; planning and competition policy

**Place management activities**

- **Business management approach**
  - Coca-Stefaniak et al 2009, 2010; Cook 2009; Barata-Salgueiro and Erkip 2014; Jones and Comfort 2007)

De Kervenoael et al 2006; Chebat 2014; Warnaby et al 2004
Public Entrepreneurship: Objectives and Processes

- **Public entrepreneurship attributes** (Klein et al 2010)
  - Alertness to opportunities
  - Innovation
  - Investment/ risk taking

- **Public entrepreneurship objectives** (Kivleniece and Quelin 2012)
  - Public benefits
    - Private benefits (including political benefits for individual public actors)

- **Equality / inclusion** (Kobrak 1996)
  - Within & across social groups
  - Within & across business groups

- Value creation
- Value capture
- Value distribution

- Five major dimensions of entrepreneurship: autonomy, innovation, risk taking, proactiveness and competitive aggression (Covin and Slevin 1989; Lumpkin and Dess 1996; Morris and Sexton 1996)
- From Individual Entrepreneurship to Systemic Entrepreneurship (Bernier and Hafsi 2007)
- Institutional requisites for public entrepreneur and phases of entrepreneurial process: Idea, prototype, innovation (Roberts 1992)
- Motivation of public entrepreneurship (Kivleniece and Quelin 2012)
- Value creation and value capture in public-private ties (Kivleniece and Quelin 2012)
- Impact/consequence of private business practices approach to retail market (Gonzalez and Waley 2013)
Case study: Leeds Kirkgate Market

Analyse the role of Leeds City Council’s Market Service under four dimensions:
- Policy intervention;
- Place management;
- Business practices; and
- Entrepreneurial approach
Analytical framework for evaluating PE in the retail market context

Domains
- Public entrepreneurship attributes
  - Alertness to opportunities
  - Innovation
  - Investment/ risk taking

Processes
- Value creation
- Value capture
- Value distribution

Measures
- Public entrepreneurship activities
  - Products/services upgrading
  - Physical environment upgrading
  - Organisational upgrading
  - Marketing upgrading
  - Network/ channel upgrading

- Entrepreneurship ecosystem
  - Peer learning (Learn from others’ experience)
  - Peer sharing (Share own experience and knowledge)
  - Connect opportunities

- Stakeholders inclusions/ diversity
  - Consumers
  - Visitors
  - Traders
  - Local producers/suppliers
  - Local residents

Common benefits
- Economic
- Social
- Environment

What
- Public entrepreneurship attributes
- Public entrepreneurship objectives
- Common benefits

How
- Processes
- Measures

Who
- Stakeholders inclusions/ diversity
References