Business History

British co-operative societies as retail innovators: Interpreting the early stages of the self-service revolution

Gareth Shaw a; Andrew Alexander b

a School of Business and Economics, University of Exeter,
b School of Management, University of Surrey,

Online Publication Date: 01 January 2008
To cite this Article: Shaw, Gareth and Alexander, Andrew (2008) 'British co-operative societies as retail innovators: Interpreting the early stages of the self-service revolution'. Business History, 50:1, 62 - 78
To link to this article: DOI: 10.1080/00076790701785623
URL: http://dx.doi.org/10.1080/00076790701785623
British co-operative societies as retail innovators: Interpreting the early stages of the self-service revolution

Gareth Shaw* and Andrew Alexander

*aSchool of Business and Economics, University of Exeter; bSchool of Management, University of Surrey

This article examines the early stages of the self-service and supermarket innovations in post-war Britain. It does so in the context of co-operative retailers and in particular investigates both why such organizations were pre-eminent in the adoption of self-service as well as how they interpreted the innovation. These ideas are framed within a more general discussion of the ‘models’ of retail innovation and especially the notion of format innovations.

Keywords: self-service; supermarket; co-operative societies; retail innovation; post-war Britain

Introduction: self-service as a retail innovation

The development of self-service techniques and the supermarket represent pivotal retail innovations of the twentieth century that transformed the process of selling and the act of shopping (Humphrey, 1998; Bowlby, 2001). As Bowlby has pointed out supermarkets have come ‘to a position of unprecedented prominence’ and ‘seem to be occupying every possible space and time’ (Bowlby, 1997). The transformation of British grocery shopping occurred over a relatively short time period and by 1967 supermarkets accounted for some 20 per cent of all grocery sales, with smaller self-service stores taking a further 30 per cent (Gulliver, 1967). However, as McClelland explains: ‘Whilst self-service itself began to spread rapidly from 1947 onwards, supermarkets had to wait until the end of rationing and the lifting of building restrictions’ (McClelland, 1963, p. 19). In other words there were significant stages in the development of this retail innovation within Britain, a process that Zimmerman, Appel and Goldman have examined in the context of supermarket evolution in the United States, although no such detailed studies exist in a British context (Zimmerman, 1935; Appel, 1972; Goldman, 1975/76). Within the latter context, authors such as du Gay have pointed out that there has been a distinct lack of in-depth historical research on the development of self-service in Britain (du Gay, 2004). As du Gay goes on to argue, there is a ‘paucity of evidence to back-up the dramatic claims about the effects of self-service’ (du Gay, 2004, p. 150). His discussion is largely directed at sociological perspectives and as a consequence it is somewhat partial both in its claims of neglect and its interpretation of the technical formats of the innovation. For example, recent interest in the development of self-service and the supermarket in Britain has emphasized the

*Corresponding author. Email: G.Shaw@exeter.ac.uk
Americanization of British retailing and more especially the transfer mechanisms of American know-how (Kacker, 1988; Shaw, Curth, & Alexander, 2004; Alexander, Shaw, & Curth, 2005; Godley, 2000). However, whilst such studies have drawn attention to the flows of knowledge and certain phases of development, they have largely ignored the very early stage of growth and more especially the role played by the Co-operative Wholesale Society. Early writers were clear about the initial impetus given by British co-operative societies in the growth of self-service but even these accounts have failed to highlight some of the key roles played by this retail institution (McClelland, 1963; Fulop, 1964).

Against this background the aim of this paper is to examine in detail the very initial stages of a retail innovation, and in the case of self-service how its growth in early post-war Britain was strongly linked to the requirements and activities of co-operative societies. This discussion is framed within the context of ‘models’ of retail innovation and how such ‘models’ tend to provide rather limited frameworks with regard to understanding self-service developments in Britain. For example, early models of retail innovation have tended to focus on fairly broad perspectives that sought to explain the creation of new retail institutions, most notably the department store, supermarket and discount retailer. Many of these studies arose from observations of changes in the American retail scene and as such they are somewhat culturally embedded theories (Shaw, 2005). Most are based around the notion of stages of retail development in order to explain the emergence of new retail institutions (for a general review see Makin & Duncan, 1981; Brown, 1988; Roth & Klein, 1993). The most widely applied and discussed is McNair’s ‘wheel of retailing’ which postulates that retail innovations begin as low-cost institutions that eventually trade up as they become more mature, by which time another low-cost innovation arrives turning the wheel of change again (McNair, 1931, 1958). In the case of supermarket development in the United States, Appel, using the early evidence of Zimmerman, argues that the main changes in competition started during the 1930s when these retail institutions became major price discounters (Appel, 1972; Zimmerman, 1955). Further refinements by Hollander attempted to explain the vulnerable nature of traditional forms of retailing in the face of price competition from new retail formats (Hollander, 1966). However, as Hollander and Spalding argued, not every retail innovation began with low prices and retail margins. Indeed, in the case of the supermarket, Goldman has also pointed out that not all of these started as cut price operations (Hollander, 1960; Spalding, 1978; Goldman, 1975/76). In other words, there are many important variations around the common model, although Zimmerman’s early observations of supermarkets in the United States did stress the importance of low prices; stating that in early 1930s America, ‘When the first supermarkets were opened, it was a common sight to see women fighting for their food bargains’ (Zimmerman, 1939, pp. 403–404).

To some extent the appeal of models such as the ‘wheel of retailing’ has been associated with their simplicity which allowed it to be applied to different retail environments, at least in a superficial way. It was, for example, given some limited early recognition in Britain through the work of Lewis (1945). In a wide ranging discussion of retail competition he discussed McNair’s ideas but thought ‘the better simile would be a cycle’ rather than a wheel, for describing the trading up to higher costs (Lewis, 1945, p. 217). As he stated, ‘if it exists, it is only like an escalator in the sense that as fast as some move up others come in at the bottom’ (Lewis, 1945, p. 217). Again there was no specific reference to price competition and, in addition, as Brown explains, there is little agreement on the causes of trading up (Brown, 1988). Equally problematic is the fact that discussions of retail innovations and their adoption have also been somewhat limited in other critical areas. First, as Kacker argued, none of the traditional theories, such as the ‘wheel’, explain how
retail innovations are transferred from one economy to another or indeed from one retailer to another (Kacker, 1988). As we explained earlier such shortcomings have been largely rectified by some recent studies, particularly Goldman’s research which has emphasized the concept of retail format transfer (Kacker, 1988; Alexander, Shaw, & Curth, 2005; Goldman, 1975/76, 2001; Goldman, Ramaswami, & Kride, 2002; Shaw, 2005). This notion identifies that retailers ‘must decide to transfer each format element unchanged or alter it in some way’ (Goldman, 2001). Interestingly, Goldman’s work on the stages of supermarket development in the USA highlights that there were different formats, including price, adopted at particular stages. As Goldman argues, the development of the supermarket ‘can be described by systematically following the changes occurring in a set of elements characterising this institution. In essence, the development process consists of the replacement of the old elements in the set with new ones’ (Goldman, 2001, p. 53). In contrast to ideas such as the ‘wheel of retailing, this approach suggests stages of development related to when particular formats were introduced. Such perspectives are significant but are largely based on the idea of a transfer from the host country of the innovation to a receiver country enabled by retailer internationalization. In the case of early self-service developments in Britain the situation was more complex, as we shall demonstrate. A second shortcoming concerns the limited attention models give to how existing retail institutions react to innovations. Evans et al. hint that such models suggest a form of inertia amongst existing retailers reflecting ‘a lack of knowledge of changing trends’ (Evans, Barnes, & Schlacter, 1993). Evidence does not support these views, as Evans et al. argue, and certainly there was an increasing knowledge about self-service amongst British grocery retailers in the early post-war period. This was through a range of knowledge transfer mechanisms, including the trade press and the Anglo-American Council on Productivity (Shaw, Curth, & Alexander, 2004; Alexander, Shaw, & Curth, 2005).

Our study is focused on how the innovation of self-service was adopted during its very early phase of development within Britain. In particular we are concerned with the motives for adoption as well as the mechanisms. Within this context we examine three different aspects of innovation adoption, namely the economics of self-service, its implications for the workforce and its impact on customers. All of these are considered within the specific environment of co-operative societies and how such aspects conditioned its drive towards self-service retailing. The emphasis is very much based on archival material rather than a review of secondary literature on the co-operative movement, much of which gave only limited attention to the development and impact of self-service. Within the context of the co-operative societies the key aim of this paper is to investigate how they interpreted the self-service innovation and how this interpretation conditioned the way elements or formats of self-service retailing were adopted. Throughout this paper we use the term ‘self-service’ rather than ‘supermarket’ to describe the innovation. There are two reasons for this; first the term supermarket was only widely used in Britain during the mid 1950s and after and, secondly, it came to have a specific meaning based on store size and facilities.

Co-operative societies and the drive for self-service in grocery retailing

It is well recognized both by contemporary post-war commentators and by later observers, that the early adoption of self-service was mainly through the activities of co-operative societies (‘The gospel’, 1948, p. 12; British Market Research Bureau, 1950; McClelland, 1963; Fulop, 1964; Dawson, 1973). Throughout the 1940s a few British retailers had
started to experiment with self-service techniques within the grocery sector. At the heart of such limited experiments were co-operative societies with the London Co-operative Society operating some elements of self-service in its Romford (Essex) branch as early as 1942 (Hammond, 1949). This was very much experimental and consisted of just one small part of the store being partitioned off for self-service. Moreover, as the British Market Research Bureau observed, ‘the start was timid’ since there was a complete duplication of goods stocked in the self-service section also within the counter service part of the store (British Market Research Bureau, 1950, p. 11). This was to avoid any problems customers may have had coping with the innovation of self-service. Of course wartime difficulties restricted further experiments but by 1948 a number of London co-operative stores had introduced self-service sections and in that same year the first completely self-service stores began to appear. The Portsea Island Mutual Co-operative Society introduced self-service in a number of the stores on an ambitious scale but interest was becoming widespread across other societies. In particular the Royal Arsenal Co-operative Society (RACS) as early as 1947 had sent a small delegation to the north-eastern United States to gather information on self-service techniques, the details of which were published by the RACS and authored by John Corina, the Society’s director (Corina, 1948). The publication was very careful to present the advantages to British retailers, particularly in terms of savings on labour costs, a particular interest of co-operative societies, but also highlighted the problems in operating self-service under conditions of rationing. Of course there were other limiting factors in the immediate post-war economy but these have been discussed elsewhere and it is not the intention of this paper to revisit these issues.2

The development of self-service remained very much dominated by co-operative societies during the early post-war period. Indeed, contemporary estimates suggest that by 1949 around 400 co-operative stores were being operated on semi or full self-service lines (British Market Research Bureau, 1950). The message of self-service was also being spread through the activities and publications of the Co-operative Wholesale Society (CWS) and by the Co-operative Union. The former produced an early practical question and answer guide to the implementation of self-service, focusing particular attention on store layout and design (Co-operative Wholesale Society, 1949). However, as it warned its readers, ‘Planning a layout for a self-service shop is not a task for a few leisure moments’ (Co-operative Wholesale Society, 1949, p. 33). To help individual societies the CWS offered ‘expert assistance in planning self-service shops’ as well as publicity material and the necessary new facilities (Co-operative Wholesale Society, 1949, p. 31). These fixtures were available in the building and shop fitting departments of the CWS. Similarly, the Co-operative Union produced results from 27 societies with both counter service and self-service stores, which illustrated the importance of conversion to self-service. Such conversion ‘often resulted in sales increases of the order of 20–25 per cent’ (Hough & Lambert, 1951, p. 4). The speed and purpose with which co-operative societies were adopting self-service is evident in a range of examples from London, Nottingham and Manchester. For example, in the greater Nottingham area Dawson records some 21 self-service stores being operated by the Nottingham Co-operative Society in 1953 (Dawson, 1973). This expansion was continued into the early 1960s when in 1962 the society embarked on a £2 million development scheme resulting in over a dozen supermarkets (Fulop, 1964). Similarly, the Manchester and Salford Co-operative Society was developing self-service shops from 1949 onwards. As the Manchester and Salford Co-operative Herald proclaimed, the Society ‘will ever keep in the forefront of scientific shopping, not only because it is good business, but because our members, once having sampled it, will not revert to any other’ (‘Self-service’, 1950, p. 13).
As a consequence of such interests the number of self-service stores operated by co-operative societies grew rapidly. By 1951 the Co-operative Union reported that there were 194 societies operating some 604 self-service stores (Hough & Lambert, 1951). As Table 1 shows, the operation of self-service stores continued to increase, although there were marked regional variations in such developments. It should also be stressed that the comparison of these figures is difficult as they are based on different sample surveys and in the case of the 1949 data on recording the number of both semi and full self-service. In terms of the latter the CWS (1949) reports 100 stores, whilst for both categories the figure is estimated to be 400 (British Market Research Bureau, 1950). Perhaps the most reliable are those for 1951 with survey data that accounted for around 80 per cent of societies (Cynog-Jones, 1955). Unfortunately, it is not possible to make full use of the survey conducted in 1954 due to its slightly lower level of responses and the variation in response rates of societies across the regions as shown in Table 1. The variations in response rates also account for these fluctuations in store numbers across the regions between 1953 and 1954. For example, only 208 societies gave information to the 1954 survey compared with 237 in 1953.

More accurate counts from the 1957 Census of Distribution also served to highlight the importance of co-operative societies in developing self-service. According to these data, by 1957 out of 13,000 grocery shops run by co-operatives some 2,000 ‘were operating on self-service lines’ (Board of Trade, 1959). In contrast, large multiple retailers (those with 10 or more shops) had some 16,000 stores but fewer than 900 were self-service ones. Therefore, established multiples had converted only 5.5 per cent of their shops to the new way of selling, compared to over 15 per cent of co-operative stores and as a consequence co-operative societies accounting for over 60 per cent of all self-service shops and almost 59 per cent of sales (Table 2).

One critical question is why were co-operative societies so keen on the idea of self-service? To understand this we need to consider two important features of early post-war grocery retailing in Britain. The first was the rising cost of labour in the face of labour shortages especially during the 1950s. A second feature involved the increasing problems of consumer dissatisfaction with long queues in traditional service stores. This was especially problematic for co-operative societies as they tended to have more customers registered for rationed goods per store than multiples or independents. The approximate averages based on registrations for sugar rationing in 1949 were 200 customers per independent store, 650 per multiple shop and 1,200 per co-operative store (British Market Research Bureau, 1950).3 Not surprisingly the co-operative stores were most problematic with regard to customer service and waiting times. The shortage of trained counter staff mitigated against increasing the number of assistants, as did rising labour costs. Self-service offered a solution to such problems but as an innovation it also brought other significant benefits, if these could be recognized and correctly interpreted.

The benefits of self-service were initially reported on by the CWS albeit in a rather cautious way. As their market research department explained, ‘The general principles of self-service operation can be fairly clearly defined, and they should be observed in all cases. But we are still in [the] course of working out the application in the particular conditions prevailing in Britain’ (Co-operative Wholesale Society, 1949, p. 4). Indeed, it was the interpretation of the innovation in the context of local conditions operating in Britain that forms the key to understanding the development of self-service by co-operative societies. From a sample survey of five societies operating both self-service and counter service shops the CWS was able to identify clear reductions in wage costs (Table 3). As the CWS
Table 1. Regional growth of early self-service co-operative stores, c.1949–1954.

<table>
<thead>
<tr>
<th>Regional sections</th>
<th>1949&lt;sup&gt;1&lt;/sup&gt;</th>
<th>1951&lt;sup&gt;2&lt;/sup&gt;</th>
<th>1953&lt;sup&gt;3&lt;/sup&gt;</th>
<th>1954&lt;sup&gt;3&lt;/sup&gt;</th>
<th>Shop changes, 1951–53</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Societies per region</td>
<td>Shops per region</td>
<td>Societies per region</td>
<td>Shops per region</td>
<td>Societies per region</td>
</tr>
<tr>
<td>Midland</td>
<td>–</td>
<td>–</td>
<td>27</td>
<td>161</td>
<td>27</td>
</tr>
<tr>
<td>Northern</td>
<td>–</td>
<td>–</td>
<td>8</td>
<td>16</td>
<td>8</td>
</tr>
<tr>
<td>North Eastern</td>
<td>–</td>
<td>–</td>
<td>13</td>
<td>35</td>
<td>19</td>
</tr>
<tr>
<td>North Western</td>
<td>–</td>
<td>–</td>
<td>41</td>
<td>99</td>
<td>45</td>
</tr>
<tr>
<td>Scottish</td>
<td>–</td>
<td>–</td>
<td>26</td>
<td>56</td>
<td>38</td>
</tr>
<tr>
<td>Southern</td>
<td>–</td>
<td>–</td>
<td>42</td>
<td>140</td>
<td>51</td>
</tr>
<tr>
<td>South Western</td>
<td>–</td>
<td>–</td>
<td>17</td>
<td>61</td>
<td>22</td>
</tr>
<tr>
<td>Western</td>
<td>–</td>
<td>–</td>
<td>19</td>
<td>36</td>
<td>27</td>
</tr>
<tr>
<td>Total</td>
<td>–</td>
<td>100</td>
<td>193</td>
<td>604</td>
<td>237</td>
</tr>
</tbody>
</table>

went on to point out, such savings were a reflection of increased sales rather than smaller numbers of staff. These survey data were also reported by the British Market Research Bureau, whose report pointed out that co-operative societies also benefited by being able to pass some of the cost savings onto the customers in the form of increased dividends. This did not represent price competition and there was little evidence that prices were significantly different in self-service stores. The ability to cut prices was in theory restricted by the operation of resale price maintenance (RPM), which was only fully removed in 1964. However, whilst legislation in 1956 (the Restrictive Trade Practices Act) had made collective acts of RPM illegal in much of the grocery trade it was ‘never notably successful’ (Fulop, 1964, p. 242; Pickering, 1966). Indeed, it was the end of food rationing and increased competition that did much to help self-service stores pass on savings in the form of lower prices. However, in spite of such early favourable results of self-service there were still concerns over its effectiveness in the long term. This was especially so in the early and mid 1950s, as reported by *The Grocer* (‘Two views’, 1955, p. 8). Under the heading ‘Two views on self-service’ the trade journal highlighted the different views for and against self-service within co-operative societies. As one protagonist claimed, ‘it is modernisation and modern equipment’ that has increased sales rather than self-service (‘Two views’, 1955, p. 8). Furthermore, he claimed that the lack of personal contact negated the possible recruitment of customers to become new members of the co-operative societies. This debate encapsulated some of the tensions between the idealism of the co-operative retail movement which, according to Kelly, had its roots in providing ‘honest goods at honest prices’ (Kelly, 1998) and the seemingly impersonal nature of self-service which appeared to break links between the shop assistant and the consumer.

Towards the end of the 1950s the economics of the self-service innovation had become much clearer both through the 1957 Census of Distribution and the work of the

---

**Table 2.** Self-service shops and sales operated by different retail organizations (mid-1957).

<table>
<thead>
<tr>
<th>Retail organization</th>
<th>Number of stores</th>
<th>% of stores</th>
<th>Total sales (£m)</th>
<th>% of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-operative societies</td>
<td>2,003</td>
<td>60.3</td>
<td>113.5</td>
<td>58.8</td>
</tr>
<tr>
<td>Large multiples (10+ stores)</td>
<td>881</td>
<td>26.5</td>
<td>55.1</td>
<td>28.6</td>
</tr>
<tr>
<td>Department store food halls</td>
<td>17</td>
<td>0.5</td>
<td>3.3</td>
<td>1.7</td>
</tr>
<tr>
<td>Independents and small multiples</td>
<td>431</td>
<td>12.7</td>
<td>20.0</td>
<td>10.9</td>
</tr>
<tr>
<td></td>
<td>3,332</td>
<td>100.0</td>
<td>191.9</td>
<td>100.0</td>
</tr>
</tbody>
</table>

*Source: Modified from Board of Trade, 1959.*

**Table 3.** Wage costs per £1 sales.

<table>
<thead>
<tr>
<th>Sample societies</th>
<th>Counter-service shops</th>
<th>Self-service stores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Society A</td>
<td>1s 4.5d</td>
<td>1s 1.4d</td>
</tr>
<tr>
<td>B</td>
<td>1s 7.2d</td>
<td>1s 3.7d</td>
</tr>
<tr>
<td>C</td>
<td>1s 10.2d</td>
<td>1s 7.7d</td>
</tr>
<tr>
<td>D</td>
<td>1s 9.5d</td>
<td>1s 4.5d</td>
</tr>
<tr>
<td>E</td>
<td>1s 10.2d</td>
<td>1s 4.5d</td>
</tr>
</tbody>
</table>

*Note: Pre-decimal UK currency: £1 = 20s (shillings); 1s = 12d (old pence) = £0.05p (new pence).*  
*Source: Co-operative Wholesale Society, 1949.*
Co-operative Union (1959). The latter reported the success of self-service operations in terms of labour costs, employment levels and rates of stock turnover. For the first time it became possible for retailers to see the positive aspects of this new way of selling based on British examples. From this array of information a number of interesting points emerged, including the relative savings in labour costs and the variations of savings by store size.

In terms of the first point the Census data illustrated that in terms of average wages costs per £1 of sales there were small but distinct advantages for the large-scale multiples (Table 4). Such differences were explained by the work of the Co-operative Union, which argued that multiples had a higher ratio of part-time staff and they also tended to have larger stores. The latter factor was most significant in that it allowed for a higher proportion of pre-packed goods with a corresponding enhancement of labour efficiency at the store level. A second point leads on from such advantages in that weekly sales per store employee increased in relation to store size – in this case as measured by annual sales (Table 5), although the report also verified such differences by store selling area. The Co-operative Union concluded that, ‘the [Co-operative] Movement must develop comprehensive food self-service stores with meat and produce in the same selling area as groceries’ (Co-operative Union, 1959, p. 1). Only by doing so, they argued, could the full benefits of self-service be gained.

Of course during the 1950s the development of self-service was being actively promoted by much of the retail trade press, such as The Grocer, and also given official impetus through the activities of the Anglo-American Council on Productivity which published its findings in 1951 (Shaw, Curth, & Alexander, 2004). Again this was widely reported in the trade press, with The Grocer headlining it as ‘British team reports on US grocery trade’ (1952). As a consequence, many other retailers were interested in self-service and rates of conversion increased throughout the early post-war period. Nevertheless, it was the co-operatives that had made most progress at least in terms of converting stores to self-service up to the mid 1950s.

| Co-operative Union (1959). The latter reported the success of self-service operations in terms of labour costs, employment levels and rates of stock turnover. For the first time it became possible for retailers to see the positive aspects of this new way of selling based on British examples. From this array of information a number of interesting points emerged, including the relative savings in labour costs and the variations of savings by store size. In terms of the first point the Census data illustrated that in terms of average wages costs per £1 of sales there were small but distinct advantages for the large-scale multiples (Table 4). Such differences were explained by the work of the Co-operative Union, which argued that multiples had a higher ratio of part-time staff and they also tended to have larger stores. The latter factor was most significant in that it allowed for a higher proportion of pre-packed goods with a corresponding enhancement of labour efficiency at the store level. A second point leads on from such advantages in that weekly sales per store employee increased in relation to store size – in this case as measured by annual sales (Table 5), although the report also verified such differences by store selling area. The Co-operative Union concluded that, ‘the [Co-operative] Movement must develop comprehensive food self-service stores with meat and produce in the same selling area as groceries’ (Co-operative Union, 1959, p. 1). Only by doing so, they argued, could the full benefits of self-service be gained. Of course during the 1950s the development of self-service was being actively promoted by much of the retail trade press, such as The Grocer, and also given official impetus through the activities of the Anglo-American Council on Productivity which published its findings in 1951 (Shaw, Curth, & Alexander, 2004). Again this was widely reported in the trade press, with The Grocer headlining it as ‘British team reports on US grocery trade’ (1952). As a consequence, many other retailers were interested in self-service and rates of conversion increased throughout the early post-war period. Nevertheless, it was the co-operatives that had made most progress at least in terms of converting stores to self-service up to the mid 1950s. |
Changes in the labour force

Unlike private commercial retailers, the socialist underpinnings of the British co-operative movement had important implications for the conditions of its workforce, especially in the face of the self-service innovation. This brought with it potentially fundamental changes in the working conditions and responsibilities of the staff. Early concerns were raised by the shop workers union, Union of Shop, Distributive and Allied Workers (USDAW) in 1949, in which they attempted to address some of the concerns, including that of staff cutbacks. Staff were assured that self-service would not result in redundancies, but of course this was based on a time of labour shortages. In response the Executive Council of USDAW issued a series of declarations. The first, in 1949, merely stated that a careful watch be kept on the effects of self-service on staffing levels; whilst the second in 1950 advised union members ‘to co-operate in the development of self-service’ (Cynog-Jones, 1955, p. 1). However by 1955 the union had undertaken its own detailed survey of the effects of self-service on shop workers within the co-operative stores. This was reported by Cynog-Jones and based on two questionnaires along with on-the-spot investigations at some co-operative society stores during 1954 (Cynog-Jones, 1955).

That USDAW conducted its survey purely on co-operative stores is indicative of the political linkages between the union and the co-operative movement, as well as the fact that this organization was at the forefront of self-service retailing. Plans to extend the survey to independent and more especially multiple retailers came later towards the end of the 1950s. In terms of the 1954 survey the results indicated that whilst self-service had not led to redundancies in co-operative stores, there was some evidence of a reduction in overall levels of employment. Thus, the number of shop workers had declined in 28 per cent of societies completing the questionnaire, whilst only 17 per cent had recorded an increase. As the report noted, ‘quite often self-service shops are new shops [often newly built in post-war housing estates] and so must involve an addition to the staff’ (Cynog-Jones, 1955, p. 7). Of equal concern was the feminization of the shop workforce, so much so that USDAW argued that there ‘shall be no undue replacement of men by women’ (Cynog-Jones, 1955, p. 7). This was perceived as a trend not just with self-service but rather associated with the immediate post-war shortage of male shop workers. There was evidence, however, that self-service co-operative stores tended to have more female staff and that store managers thought that counter service shops needed more male staff than self-service ones.

The trends toward the feminization of the workforce were to a large extent linked to union concerns over deskilling especially for male employees. As USDAW reported, it is ‘men who fear that self-service is taking the skill out of the grocer’s shop’ (Cynog-Jones, 1955, p. 18). There were however counter-arguments to this view from management, with a Co-operative Wholesale Society pamphlet claiming self-service still provides ‘opportunities for the exercise of skill in salesmanship and shop management’ (details quoted in Cynog-Jones, 1955, p. 18). Both were true and certainly there was increased emphasis on store management. However, the skills were very different, for whilst the male worker wanted to retain high skill levels, the report drew attention to the fact that some female staff refused to accept the extra responsibility such as operating store check-outs and disliked this work. If this was the case it was only short-lived as increasingly check-outs were run by the more experienced female shop workers.

Comparisons between work in counter service and self-service stores were also investigated by USDAW in their second questionnaire of 1954. On the whole 65 per cent of staff thought working in a self-service store was easier compared with just 10 per cent...
who believed it to be harder. The main reason given was that in self-service stores the customer finds the products and saves the shop assistant from constantly walking around.

Of course, there was a considerable degree of idealism amongst management over self-service retailing, mainly because of its impacts on store turnovers and performance. For example, 57 per cent of societies reported that self-service shops were doing better than counter service ones. Perhaps because of this USDAW had failed to fully recognize the onset of deskilling brought about by self-service. Indeed their own survey highlighted the fact that in the larger self-service stores increasing numbers of shop workers were becoming engaged in restocking shelves. The topping up process was becoming a regular job usually for inexperienced female staff and younger people. Such trends varied by size of store and in smaller shops the need was for transferability of skills whilst larger shops needed more differentiated workforces. In the early 1950s this differentiation of skills in self-service stores was primarily a gender divide. However, the long-term trends of male and female employment in retailing generally changed dramatically between 1931 and 1951. Thus, male workers declined from 1.72 m to 1.52 m, whilst the number of female staff grew by 330,000 to 1.15 m over the 20-year period (Fulop, 1964). In percentage terms, female employment in retailing increased over the same period from 32.2 per cent to 43.2 per cent, with such trends gathering further pace during the 1950s. Of course such general figures cover many factors, including the impact of the wartime economy, a shortage of male workers and trends in retailing – including the post-war impact of self-service.

In response to the results of the various surveys USDAW’s Executive Council drew up four key safeguards to help protect shop workers in the face of self-service. These were: that there be no dismissals of staff from the introduction of self-service; that part of the cost savings should be used to improve wage rates of shop workers; that there was no excessive intensification of work undertaken by employees due to self-service methods; and that before embarking on self-service management should enter into consultation with the workforce. Clearly, some of these were rather idealistic demands that highlighted a lack of understanding about the full implications of the self-service revolution. In part such views were also conditioned by the increasingly favourable perspectives on self-service being reported in the trade journals. For example, The Grocer reported in 1951 that ‘staff have been found to like self-service. There is no danger of redundancy for the converted shop attracts extra business’ (‘Practical problems’, 1952). There were a few voices of concern, especially within co-operative societies. As one store manager argued, ‘the effect upon the staff is one of the worst features of self-service. We are going to make them automatons’ (‘Two views’, 1955, p. 8). However, such statements were few and USDAW itself thought that any negative aspects could be controlled through dialogue with the retailers.

**Shopper reactions**

The co-operative societies involved in early self-service developments were especially concerned with the reactions of shoppers. As early as 1949 surveys were undertaken to monitor such reactions. Initially, the CWS Market Research Department undertook a random sample of shoppers in four different co-operative self-service stores, ranging from the north-west of England to the south coast (Co-operative Wholesale Society, 1949). In all cases the majority of shoppers preferred self-service and as the Manchester and Salford Co-operative Society claimed the main attraction was that the ‘exhausting monotony of the queue has disappeared; therefore it is no wonder that the co-operative housewife has applauded the steps we have taken’ (‘Self-service at Sharston’, 1951, p. 3). The same society had acclaimed the success of their self-service stores as early as 1950, stating:
'Amongst our members who have shopped the self-service way, the opinion is unanimous – self-service is a boon' ('Self-service developments', 1950, p. 13).

Other early surveys were undertaken by the British Market Research Bureau in 1950, which focused on eight self-service stores in London covering both co-operative, independent and multiple retailers (British Market Research Bureau, 1950). The survey covered around 200 shoppers as they left the stores and compares with the CWS survey of around 340 people. In terms of the London survey, 75 per cent of the sample preferred self-service because it was quicker, all products were easily accessible and seeing the products on display around the store acted as a reminder of what people wanted. Despite concerns that some shoppers would get confused and be unable to find the goods they wanted in self-service stores, the London survey found 92 per cent had no trouble finding goods.

Early calls for the ending of queues related to counter service shops appeared in the trade press during the late 1940s. Thus The Grocer, under the headline 'The Gospel of Self Service', claimed that ‘British housewives [were] sick of queues’ (‘British housewives’, 1948, p. 12). Closer inspection of this article reveals that the claims were made by Hussman British Refrigeration Ltd who were keenly promoting self-service techniques (Shaw, Curth, & Alexander, 2004). As the article argues: ‘No housewife will queue up at one shop when she can get the same goods at another without the queuing’ (‘The gospel’, 1948, p. 12). By 1951 the same trade journal was widely reporting the findings of the British Market Research Bureau survey which again showed the housewives’ positive reaction to what they called ‘the new system of retailing’ (‘An interim report’, 1951, pp. 21–22). In the same year a conference held in London by the relatively newly formed Self-Service Development Association discussed the impact of self-service methods on customer satisfaction and more especially the problems of queuing (Self-service on the march’, 1951, pp. 32–34). This claimed that queues were a ‘thing of the past’ and that self-service check-outs could clear ‘between 100–114 customers per hour’. Such views were confirmed by the various comments in the Co-operative News, as illustrated by Mr G.T. Horsnell, a London Co-operative Society grocer buyer. Speaking at the monthly meeting of the Southern Co-operative General and Grocery Manager’s Association in 1956 he claimed that ‘in Britain a woman might go into a shop at a week-end and queue for up to 20 minutes before being served. However under the American system everything was pre-packed and priced and so she could pick precisely what she wanted and what her pocket allowed’ (‘Meeting’, 1956, p. 13).

Of course the fear of most grocers operating counter service shops was that self-service would remove the personal touch. A fear expressed by some store managers within the co-operative societies during the early 1950s. The same issue was raised in the mid 1950s by the Manchester Guardian, which questioned whether ‘self-service shops were [becoming] so streamlined, so clinically efficient that there is a danger of customers staying away because they miss the social side of shopping’ (‘Report’, 1955, p. 13). The newspaper was reporting on a meeting of a national conference on self-service methods in retailing, at which some delegates still argued that ‘self-service was still on trial at the bar of public opinion’. However, a second conference held by the Self-Service Development Association addressed this issue (‘Self-service on trial’, 1952, p. 28). One convert to self-service claimed the new system ‘enabled him to see every customer passing through the shop’. A broader point raised was the fact that many housewives had less time to shop as some 7.5 m women were in the workforce. Interestingly, any potential problems associated with the move to self-service were never recognized by more formal organizations within the co-operative movement. For example, the Co-operative Women’s Guild infrequently raised
issues connected with changes in shopping related to self-service. Indeed, their only main campaign during the early 1950s associated with domestic consumption and shopping, was the ‘Cost of Living’ campaign between 1953 and 1956 (Gaffin & Thomas, 1983, chap. 7, p. 174).

The Self-Service Development Association continued to be active in discussing the reaction of consumers to self-service. By 1952 they were placing increasing emphasis on the class divisions in terms of consumer take-up of self-service. Thus, McClelland claimed that in terms of favouring self-service the ‘middle-class household is the best, young professional people, the young housewife with children to look after’ (‘Practical problems’, 1952, pp. 8–9). This however did not represent the experiences of many co-operative societies whose self-service shops served a working-class customer base. If there were divides, limited evidence suggests they were more along age divisions, with younger families more keen on self-service. It was also the case that new self-service stores, as one contemporary commentator pointed out, ‘went hand in hand with the psychological outlook of people in communities, particularly those in new communities’ (‘Growth of self-service, 1955, p. 6). The pages of the various co-operative journals are littered with evidence of such developments during the mid-1950s. Thus, the Scottish Co-operator announced the opening of a new self-service store on a new housing estate in Irvine, where a total of 1200 new houses had been erected in 1955 with a further 500 to be constructed (‘New store opens’, 5 February 1955, p. 5).

Conclusion: narrowing down the innovation

The co-operative retail societies, along with the CWS and the British Market Research Bureau, established the key advantages of self-service stores for the retailer and the consumer. In terms of the former these centred around lowering costs, especially labour inputs, whilst the shopper was offered a relief from queuing. In this context the innovation was narrowed down as a retail concept to five main advantages, namely increased sales, lower wage costs in relation to sales, increased net profits, shopper preference for self-service and no price reductions. To these may be added an increase in customers who could be served in any given time period. In early post-war Britain the last advantage was most probably one of the most significant along with lower labour costs relative to sales. The other interesting point is that there was no concept of passing price reductions on to the consumer. In large part this was because of the operation of resale price maintenance which mitigated against price cutting and also because of the continuation of wartime rationing of food items into the mid 1950s. The former gave an advantage to co-operative stores over other rival self-service operations by independents or multiples, since they could pass on some cost savings, in the form of increased dividends, to those customers who were members of the co-operative society. This was important but on the whole most co-operative societies were driven by the efficiency gains provided by self-service operations, and as such this tended to condition the mind sets of many store managers. From the information in various CWS surveys it seems there was no meaningful discussion of passing savings onto customers. In this sense the innovation was adapted in terms of its format not in the context of retailer internationalization as outlined by Goldman, but rather by the activities of British retailers such as co-operative societies (Goldman, 1975/76).

Co-operative societies were not alone in ignoring the potential for price competition presented by self-service and in the early 1950s most pioneers of this form of retailing were focused on efficiency gains and providing a more convenient form of food shopping.
Hough and Lambert urged co-operative societies not to throw away the advantages gained through pioneering self-service by allowing the ‘new method of retailing to settle into a routine business operation’ (Hough & Lambert, 1951, p. 15). But, along with the CWS, they saw further developments largely in terms of widening the types of goods retailed under conditions of self-service. However, other commentators were looking further ahead, particularly to the time when rationing on all items was finally abandoned and when more retailers were operating self-service. The chairman of the Self-Service Development Association in 1954 argued that ‘competition will become more acute as self-service becomes more widespread’, especially with ‘the introduction of large supermarkets into this country by American operators’ (‘Growth’, 1954, p. 52). In the same year The Grocer raised the spectre of a price war, stating that the reduced costs made possible by self-service may present the ‘possibility . . . of slightly reduced prices to the consumer’ (‘Shops, const and prices’, 1954, p. 38). As The Grocer pointed out, though, this need not lead to price competition as the housewife patronizes a self-service shop ‘because she likes it and she welcomes the opportunity of free selection and a quicker completion of sale’. Other retailers involved in self-service had different views, as in the case of Waitrose Supermarkets. They stated in 1957 that: ‘Eventually the public must have something more than convenience and novelty [from self-service stores], that “something” must be price advantage’ (L. Phillips of Waitrose Supermarkets, 1957, quoted in Pickering, 1966, p. 116).

It seems clear that despite its pioneering of self-service grocery retailing in Britain, co-operative societies had rather narrowed down their perceptions of the potential of the innovation. Not surprisingly the self-service innovation was interpreted and adapted to the conditions operating in early post-war Britain. However, by the mid 1950s conditions were starting to change, especially as the number and also the size of self-service stores increased. This gave the potential for not only greater economies of scale at the store level, but equally importantly the potential for passing on some of these cost savings to the customer through reduced prices. This situation was beginning to change more rapidly by the late 1950s with a number of the more aggressive multiples using price reductions to attract new customers. Thus the records of Waitrose (part of the John Lewis Partnership) confirm such activities amongst competitors. For example, Waitrose Trading Policy notes that ‘Premier Supermarkets used daily gimmicks such as each 100th customer being given 10 shillings worth of groceries, and that such “Lucky Customer” gifts were used in all their stores’, whilst ‘Tesco and Victor Value had a policy of “No special offers because everything is cut price”’ (John Lewis Archive, 1958). Interestingly, co-operative stores were not averse to using gimmicks to promote self-service, especially in new stores. For example, when a new self-service store opened in Stranraer in 1955, each customer was presented with a quarter pound of tea (‘New store opens’, 26 June 1955, p. 10).

Of course most co-operative societies relied on offering dividends to members rather than competitive pricing, even though price cuts had been recommended to the Co-operative Congress by 1962 (Fulop, 1964). If the co-operative societies were relying on traditionally loyal markets because of socio-political reasons then this support was rapidly disappearing. As early as 1950 an internal survey found that only 3 per cent of customers gave ‘political principles’ as the main reason for shopping at co-operative stores (‘The people and the co-op’, 1950). However, during the early 1950s a combination of efficient, self-service stores along with relatively high dividends for members gave co-operative stores a strong competitive edge. This attractiveness was under increasing pressure from the newer and larger supermarkets developed by multiple traders, many of whom were relatively new companies such as Premier Supermarkets. Premier was also an early pioneer
of self-service and was developing large stores within London and by 1956 had 12 shops (‘Premier’, 1956, p. 15). Increasingly there was a growth of marked price competition as some cost savings were passed on to the shopper, marking a new phase of the innovation. This phase was also characterized by an increase in store size, a widening of product range and eventually price cutting. As a result co-operative societies began to lose their dominance and by 1960 they accounted for 47 per cent of all self-service shops compared with 66 per cent in 1953 (Self-service and supermarket directory, 1962). Furthermore, their share of supermarkets, stores with at least 2000 square feet of selling space, was only 26 per cent, although in terms of smaller self-service stores co-operative societies were still dominant. As one trade journal reported, a decline in the co-operative societies’ share of self-service was inevitable but ‘rather sadder and more significant is their low placing in the supermarket stakes’ (Self-service and supermarket directory, 1962, p. 2). The issues of decline, especially in the face of changing patterns of grocery retailing, were raised by the Co-operative Independent Commission, reporting in 1958, which stressed that the organization was badly fragmented and had wide variations in management. The report outlined the case for new initiatives but also spoke of ‘a position of frozen immobility’ in many areas (Co-operative Union, 1958, p. 98; see also Birchall, 1994). As Sparks (1994) explains, the problem facing ‘the Co-operative movement is one of speed of change as well as the desire for change’. Certainly in the face of increasing competition from larger supermarkets being opened by FineFare, Tesco and Sainsbury the apparent inability to change became an increasingly significant problem.

There appear to be a combination of factors that allowed co-operative societies to pioneer the self-service revolution in early post-war Britain. This innovation was stimulated by the need to drive down retail costs, especially on labour, but also to make grocery shopping more convenient. In this context the adoption of the innovation did not follow the standard pattern suggested by models of retail change such as the ‘wheel of retailing’ but rather some of the ideas on format innovation as discussed by Goldman (1975/76). In this context the early stages of the self-service innovation were limited. Indeed early pioneers were not price cutters although they were using self-service to cut costs. Furthermore, the dimensions of the innovation in terms of its impacts on employment and the consumer were only very partial in the early stages of the late 1940s and 1950s. In part the narrowing down of the innovation was due to a range of constraining factors including the rather limited mindset of the co-operative societies during the late 1950s. Their failure to grasp the full significance of cost economies based on increasing store size along with their inability to enter into price competition allowed the multiple retailer to take up this format in the second, major stage of the innovation in the form of the supermarket.

Acknowledgements
The authors would like to thank the Leverhulme Trust for its generous funding.

Notes
1. For example, Bonner (1970) gives only scant attention to self-service: ‘it seems probable that this form of retailing is likely to become more general’ (p. 249). This being written after the major developments of larger supermarkets in the 1960s. Similarly, Kinloch and Butt (1981) provide a rather limited perspective on the drive towards self-service stores in Scotland.
3. In addition, the whole issue of post-war austerity and the long queues have been debated by Hinton (1994). Also see Zweiniger-Bargielowska (2000).
4. See also du Gay (2004) for an alternative discussion of this report.

Notes on contributors
Gareth Shaw is Professor of Retail and Tourism Management at the University of Exeter, UK. He has published numerous papers on retail history and is also series editor for ‘The History of Retailing and Consumption’ (Ashgate). He is principal investigator on the AHRC project, Reconstructing Consumer Landscapes.

Andrew Alexander is Reader in Retail Management and Leader of the retail subject group at the School of Management, University of Surrey, UK. His research interests include long-term retail change, the internalisation of retailing and the planning and management of retail locations.

References


Co-operative Wholesale Society (1949). Questions and answers on co-operative self-service. Manchester: CWS.


