



HOW TO
LAUNCH A
POP-UP SHOP

ABOUT EE

EE is the most advanced digital communications company in Britain, delivering mobile and fixed communications services to businesses, consumers, government and the wholesale market. It has approximately 15,000 employees and 550 retail stores, and serves more than 30 million customers across its mobile, fixed and wholesale businesses, including more than 5,000 medium and large companies using 4G.

EE runs the UK's biggest, fastest and most reliable mobile network, launching the UK's first superfast 4G mobile service in October 2012. EE's 4G coverage today reaches more than 70% of the UK population, aiming to reach 98% by the end of 2014.

Since it launched, EE has received extensive independent recognition including being ranked the UK's best overall network by RootMetrics®, Best Business and Consumer network at the 2014 Mobile News Awards, Fastest Network at the 2013 uSwitch Awards, Best Network at the 2013 Mobile Choice Consumer Awards and What Mobile Awards, Network Innovation at the 2013 Recombu awards and Best Network for Business at the 2013 Mobile Industry awards.

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PLAYN
FRAMES AND LENSES



BRITISH RETAIL CONSORTIUM



BOXPARK

BRITAIN'S BOOMING POP-UP ECONOMY

MIKE TOMLINSON, DIRECTOR OF SMALL BUSINESS, EE

Retail has changed. Now more than ever retailers need to focus on “the moment.” It’s about being in the right place, at the right time and offering an experience that can’t be matched elsewhere. That’s why pop-up retail is booming. From farmers’ markets and food shops, to brand experiences and galleries, pop-up shops can appear anywhere, in all shapes and sizes, with the ability to cause a storm and launch a brand. It has brought a much needed breath of fresh air to the high street and a burst of energy to the community.

High vacancy rates and changing consumer culture is driving the pop-up retail economy. The sector, now worth £2.1 billion to the UK, is expected to grow by a further 8.4% in the next year. However, setting up a pop-up shop can still prove a challenge. Their temporary nature can throw up as many obstacles as opportunities, from finding the right space and fitting it out cost-effectively, to getting the right insurance, sourcing

all the necessary mobile, payments and other technological devices and installing a fast and reliable internet connection for a short period of time.

The good news is there are lots of ways to overcome these challenges. As part of our Pop-Up UK campaign, we’ve persuaded some of the UK’s most innovative businesses and pop-up shop owners to share their secrets on how to set up a pop-up retail business. In this guide, experts from the British Retail Consortium, Appear Here, BOXPARK and a range of the UK’s most exciting pop-up shops give their top tips on how to create and launch a successful pop-up shop.

⋮⋮ A pop-up shop is ephemeral, it’s about someone launching their idea in a physical space, causing a storm and then disappearing before people get bored. ⋮⋮

ROSS BAILEY, FOUNDER & CEO, APPEAR HERE

STEP ONE: UNDERSTAND THE COSTS, RULES AND REGULATIONS BEFORE INVESTING ANY MONEY

Establishing a pop-up shop will carry with it a certain amount of red tape, so budding pop-up entrepreneurs should familiarise themselves with the relevant costs, rules, and regulations before investing any money.

After rent, business rates (calculated by postcode and retail space), are the next biggest cost to take into account. They are payable from day one, can cost up to 50% of the rental value and although the government currently offers a rate relief system for small businesses, only pop-up shops occupying units....

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...where the rental value is less than £12,000 per annum qualify. As rental prices on even the smallest stores in London tend to be higher than this, most pop-up shop owners in the city have to take this cost into account. The good news is most pop-up shops qualify for a slightly lower business rate, meaning pop-up shop owners won't have to pay as much as established businesses. To reduce the cost further, organisations such as BOXPARK are also urging the government to help small independent shops by giving them small business rate relief for up to three months.

Other factors to consider include insurance and service charge costs. Most short-term tenants aren't expected to carry out repairs on the property, but pop-up entrepreneurs should ensure they check exactly what's included in the lease before signing it. Although a landlord's insurance will normally cover the rental space, comprehensive short term cover for the duration of the pop-up is vital. This should cover public, employer and product liability, as well as contents, stock and fixtures, plus business interruption and loss of profits. As there are few standard short term insurance packages for pop-up shops, entrepreneurs should not leave it to the last minute to protect their business.

As with any small businesses, pop-up shop owners need to ensure they are complying with employment law and should consider the right time to become a VAT-registered company. There are many benefits to becoming VAT-registered even if the business is only trading for a limited amount of time, so pop-up shop owners should ensure they look at the rates and thresholds applicable to their business before deciding what to do.

Finally, pop-up shop owners should check whether or not their pop-up will require a licence. For example, pop-up shop owners planning to play music to attract customers to their shop will need to obtain a music licence. This can be purchased from PRS for Music for as little as £83.10 per year.

USEFUL LINKS

Business rates:

[gov.uk/introduction-to-business-rates/overview](https://www.gov.uk/introduction-to-business-rates/overview)

Employment regulation:

[gov.uk/browse/employing-people](https://www.gov.uk/browse/employing-people)

VAT registration:

[hmrc.gov.uk/vat/start/register/when-to-register.htm](https://www.hmrc.gov.uk/vat/start/register/when-to-register.htm)

Licence finder:

[gov.uk/licence-finder](https://www.gov.uk/licence-finder)

Music licence:

[prsformusic.com](https://www.prsformusic.com)

Glasses pop-up, Playn Eyewear, has launched in multiple locations including a 1m wide store on Redchurch Street to give customers several chances to experience the brand and try on the glasses



STEP TWO: ESTABLISH A LOW COST POP-UP TO TRY YOUR PRODUCTS OUT ON THE PUBLIC

Pop-up shops' temporary nature and relatively low cost means that both established retailers and budding pop-up shop owners can try out their latest ideas. Whether testing a new product or market, creating a brand experience or capitalising on a new trend or national event (e.g. London Fashion Week), their flexible model can be used for a variety of purposes.

For example, Press London, a cold press juice company, decided to run a pop-up shop for three weeks in Old Street Underground Station to test their brand on the market and find out what sold well before setting up a permanent residence. Its juice was a hit, however it sometimes was so popular that they sold out by lunch, meaning lost revenue opportunities in the afternoon. This highlighted the importance

of understanding what sells when planning stock levels and provided invaluable insight to the business. A quick tweak to the orders and they dramatically increased revenues.

••• If you want to start a customer-facing business in food or retail, establish a pop-up shop as early as possible. It is the single best way to test your product and brand on the market for a relatively small investment and it will always highlight a million and one things you haven't thought of yet. •••

ED FOY, CO-FOUNDER, PRESS LONDON



Ed Foy, co-founder, Press London, launched a pop-up shop in Old Street Underground Station to find out which cold-pressed juices sold well before setting up a permanent residence

STEP THREE: FIND THE RIGHT LOCATION FOR THE RIGHT PRICE

Half the battle of setting up a pop-up shop is choosing the right spot for it. Finding a location with high footfall is important, both in terms of getting publicity for the brand and generating business, but eager entrepreneurs must consider their target demographic. Having an enormous audience is no good if they are not interested in what the pop-up is selling. It is crucial aspiring pop-up retailers do their research in advance, selecting a location that is best suited to their target audience...

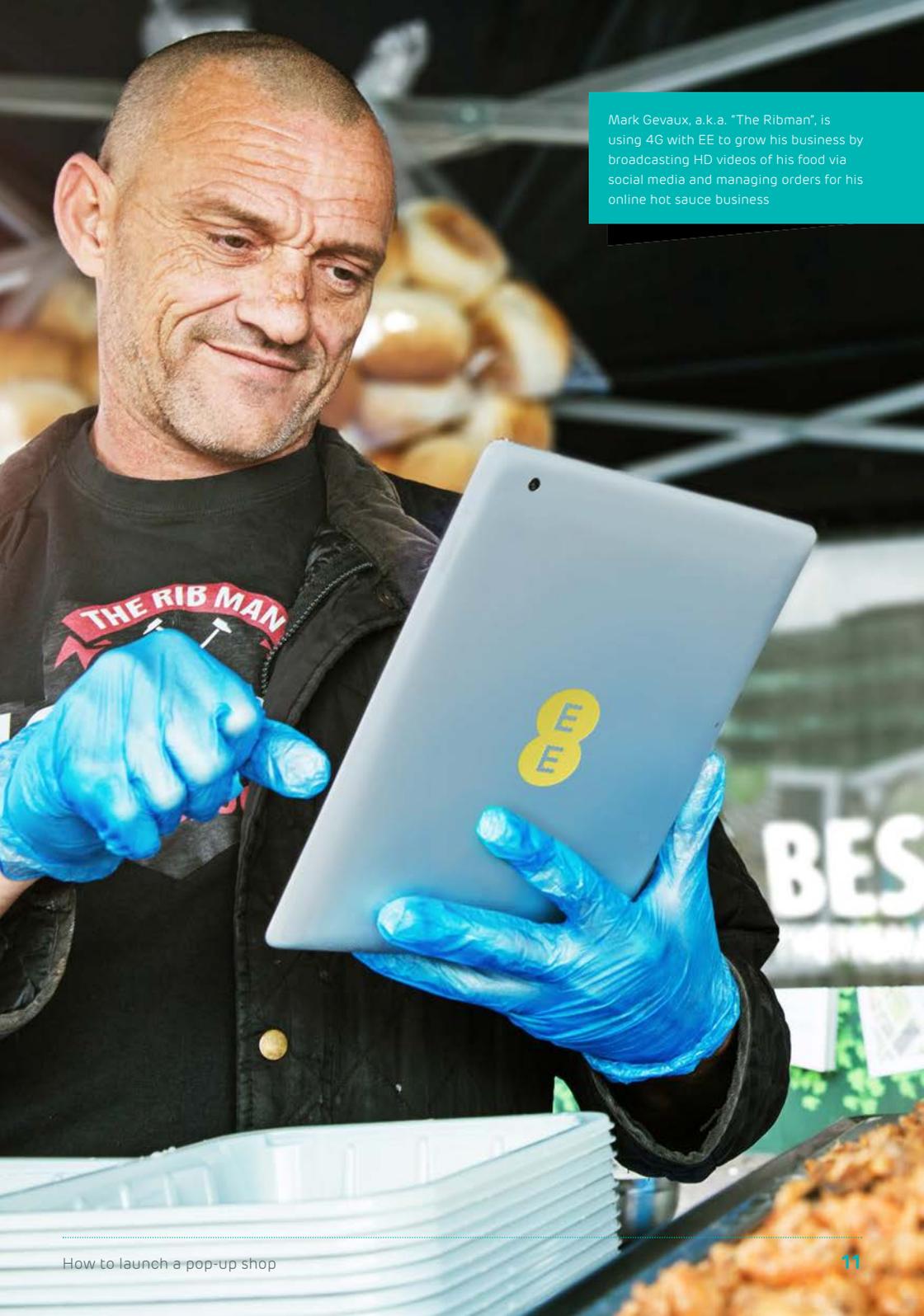
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...A great way to get this valuable insight is by looking at the competition. Courageous pop-up retailers shouldn't be afraid of setting up near competitors – particularly those of a large chain. Major competitors have almost certainly paid a large amount of money conducting research into the area before deciding that both it and the target audience are advantageous for the business. That insight is beyond the reach of most pop-ups, and if the business is confident in its product it should not be afraid of directly engaging a bigger, more established brand.

A silver lining of the downturn is there are now a great deal of vacant retail spaces around the country. This means many landlords have adapted their attitudes towards short-term projects and leases. Some even provide rent reductions, actively encouraging pop-up retailers to use spaces for temporary periods.

••• A great way to find the best location for your pop-up is seek out advice from fellow retailers, and take a look at what the competition is doing. The only real way to do this though is by trying it out. What you're looking for is a location that ensures both a high level of footfall and a reasonable short-term lease from a landlord willing to accommodate the temporary nature of the store •••

ROSS BAILEY, FOUNDER & CEO, APPEAR HERE.



Mark Gevaux, a.k.a. "The Ribman", is using 4G with EE to grow his business by broadcasting HD videos of his food via social media and managing orders for his online hot sauce business

STEP FOUR: DON'T LET ANYONE DELAY THE OPENING: GET CONNECTED INSTANTLY

Any pop-up success story will stress preparation is key. Within a limited time frame the business needs to make the biggest impact possible. Any delay, however minor, could be terminal.

Technology in particular can be a tricky challenge. Arming the business with the right mobile and payments devices can be expensive, and a fast and reliable internet connection is crucial for any aspiring pop-up success story. This is necessary to ensure social media channels can be used to help build a buzz around the business, and also for day-to-day essential tasks like processing payments, logging sales and backing up data to the cloud.

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Pop-ups that fail to get themselves connected in time for launch are setting themselves up for a fall. It can take up to 40 days to get a fixed telephone line installed, meaning some pop-ups could be without the internet for the entirety of their tenure.

A range of 4G devices are available which give small businesses like pop-up retailers instant internet connectivity, with speeds as fast, if not faster, than a fixed line. Portable 4G mobile WiFi devices, such as the Huawei E5776, can provide instant internet connections for up to 10 devices.

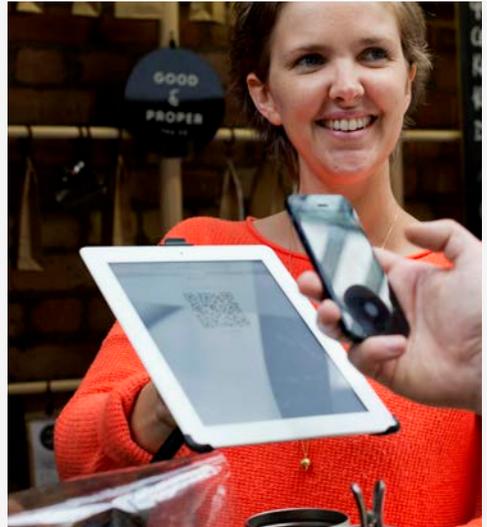
••• A new bundle from EE specifically designed for pop-ups that provides a 4G connection for temporary periods of as little as a month, providing the flexibility that pop-ups need to succeed. •••

MIKE TOMLINSON, DIRECTOR OF SMALL BUSINESS, EE

In addition, some public WiFi is not reliable or secure enough for retailers to use it to process customers' payments. Pop-ups cannot afford to miss out on these sales. As many as 51 per cent of Brits say they would be more likely to visit a pop-up if it took card payments.

••• EE's pop-up bundle provides deals on devices such as the iZettle card reader, pocket landline, which provides a local landline number that rings on a mobile, and further deals on tablets and smartphones. •••

MIKE TOMLINSON, DIRECTOR OF SMALL BUSINESS, EE



••• These days people just don't like to carry cash. As a pop-up retailer, it's about providing customers with as many ways to pay as possible so we can still make the sale. Using an iPad and an iZettle, we can process cards, cash and even BitCoin. •••

EMILIE HOLMES, FOUNDER, GOOD & PROPER TEA



Emilie Holmes, founder, Good & Proper Tea, uses an iPad and iZettle to process card, cash and even BitCoin payments.

STEP FIVE:

FIT OUT THE POP-UP LOCATION ON A BUDGET BY GETTING CREATIVE

The way a pop-up looks is a huge part of its success. Established retailers and seasoned pop-up pros will already have many of the assets they need to start fitting out their shop, but most first-timers will have to fit out their location on a shoestring budget. The good news however, is that with a little creativity, there are lots of ways to do this cost-effectively..

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...First of all, it is important to get the basics right. Clear signage is essential, as passers-by need to know what the offer is. Current retail trends toward minimalism with industrial touches suit pop-ups very well, as things don't have to look perfect to stand out as a viable and interesting shop. It is okay for it to be a little rough around the edges.

Versatility is a great asset for any pop-up shop, and that extends to the physical elements of fitting the space out. Painting all wooden surfaces in blackboard paint turns every wall into a potential billboard, menu or even a canvas for a unique work of art.

Local and friendly suppliers can also prove a low-budget way to fit out the space, particularly if they are offered profile as a sponsor in exchange for assistance or free materials. Pop-ups should try looking for brands and partners that will be complementary to their own offering. For example, pop-up food retailers could partner major drinks brands by committing to sell a certain amount of their product along with their food in exchange for a refrigerator.

••• One of the key challenges when you're setting up a pop-up is you hardly have any budget to dress it! You don't want to invest too much in something that is only going to be there for a week, so it's really important to find the right balance between being cost-effective and making the right impression. •••

TESS ALSHIBAYA, CO-FOUNDER, PLAYN EYEWEAR



Tess and Lisa, the sisters behind Playn Eyewear in London, believe being creative when it comes to location and product is the key to launching a successful pop-up shop

STEP SIX: START BUILDING A BUZZ

Whether testing the waters with a new product range, or trying to get a new brand off the ground, a pop-up can be used to create social buzz and drive footfall to the business, and maintain momentum after launch day.

These days, the only essentials needed are a smartphone and a steady hand to create a whole range of engaging content, including photos for Instagram, videos for Vine, and interacting with customers on Twitter and Facebook. A physical presence provides a great opportunity to generate content for websites, in press materials and on social media.

Timing is crucial with social media. Monitor the conversation that's being generated by always keeping an eye on social interactions, and engaging with any and all positive mentions to continue to build brand affinity with customers. Likewise it is important to address concerns or problems as quickly as possible. If a customer takes to social media to complain about long queues, apologise quickly and invite them back at a less busy time.

It is also important not to be afraid of DIY public relations. Creating discount codes and using them to invite bloggers, local businesses and Twitter influencers is a great first step. Publicity can make or break a pop-up, and it is important to seize every opportunity. Piggybacking national events can provide instant common ground with customers, and bring lots of additional energy into the shop. For example, launching an offer to coincide with London Fashion Week could help boost awareness and sales for fashion pop-ups.

•• Social media is where your creativity comes into play as the best pop-ups get people talking and leave a lasting impression. Try to create an 'Instagram moment' – something quirky and fun that stops shoppers in their tracks and leaves them with an experience to share with friends. ••

Ross Bailey, Founder & CEO, Appear Here