

COMMUNITY TEleshopping PROJECT

GATESHEAD SETS THE PACE IN TEleshopping

'In Gateshead, they are writing a new chapter in the history of supermarkets': *Titbits*.

'Computer shopping is a Godsend': *Gateshead SIS customer*.

'I congratulate all involved in operating this imaginative experiment. It shows, most impressively, how modern communications technology can be used': *Mrs Peggy Fenner, Parliamentary Secretary for the Ministry of Agriculture*.

"If it's conventional Gateshead doesn't want to know: if it's a touch unusual, it does". The pride of the place that produced 'Big Bren's' tartan track, Steve Cram and a crop of other middle distance runners comes through when Graham Lythe, director of the town's Social Services Department, starts talking about a unique social experiment in teleshopping that is attracting attention to Gateshead from around the world.

"IF IT'S CONVENTIONAL GATESHEAD DOESN'T WANT TO KNOW . . ."

Never mind the 1500 metres at Los Angeles this summer: Gateshead, spurred by some of the highest unemployment rates in the country and a high percentage of pensioners and registered disabled within the borough — 37,000 pensioners and 13,000 disabled out of a population of 210,000 — is setting the pace when it comes to using computers to help the socially disadvantaged in the community.

The Gateshead Shopping and Information Service (SIS) stands apart from other teleshopping experiments in that it functions as a community service pure and simple. Its motivation was a study conducted in 1979 at the University of Newcastle for Tesco, the supermarket chain. This showed that a high proportion of people, particularly in inner city areas, were disadvantaged to the extent that they had poor access to the larger stores that

offered the greatest selection of goods at generally cheaper prices.

The study, undertaken in the Tyne and Wear area, revealed that 25 per cent of the total population was sufficiently financially constrained to inhibit their travelling to the larger city centre stores. More significantly, it showed that three per cent would be classified as neglected consumers on the grounds that they were either physically or socially impeded from shopping outside their immediate home environment.

The two groups who were especially disadvantaged as consumers were, first, the elderly, disabled, mothers with young children and others with dependent relatives who, whilst able to visit the town centre occasionally, had difficulty in walking far carrying heavy bags, or getting on and off buses; and, second, those who were completely housebound and had to rely on others to do their shopping.

Both groups of consumers, because of their limited mobility, also had poor access to those other establishments and institutions within a town centre that provide information about local events, welfare benefits and other services.

"Here we were in the computer age and yet it seemed that the computer had been developed for bureaucracies and the middle class. We asked ourselves why shouldn't the community benefit," said Lythe. Accordingly, and with the enthusiastic backing of Tesco, a working party was established early in 1980 to develop a computerised shopping and information service.

At first attention was focussed on the likely receptiveness to such a service among target consumers, as well as the mechanics of a delivery service. A trial run based on an inner city community centre serving mainly the elderly and disabled involved orders being taken from a catalogue of goods available at the Tesco superstore in the town centre. A bar code reader was used to record orders in a computerised

cash register, but otherwise the whole process was manual and orders were transferred physically to the Tesco store and packed for same-day delivery.

The system worked well, but lacked an interactive link to the Tesco store and the information available to consumers, both about shopping opportunities and community matters, was extremely limited.

“A FULLER, MORE FORMAL EXPERIMENT WAS THEN LAUNCHED IN EARLY 1981”

A fuller, more formal experiment was then launched in early 1981 based on the Sunderland Road branch library close to the community centre that had originally been used.

Establishing the SIS outlet in a branch library seemed to be a logical step for the Libraries department of Gateshead MBC who could become the main coordinating source of all the information to be provided on the service.

Prestel was selected as the main vehicle for the organisation and dissemination of information, with this conveyed through a conventional television set.

Later in the year, the goods ordering procedures were refined with the computerised cash registered being replaced by a microcomputer linked to the microcomputer in the superstore.

Plans were also made during 1981 to extend the service through two further outlets. Since the first of the outlets had been established in an inner city area, relatively close to the town centre, it was decided that the next outlet should be in a more remote, rural locality and Chopwell, some ten miles from Gateshead was chosen. This was again based on a branch library.

Since the two library-based outlets would be serving people who could leave their homes for

brief periods, however, it was decided that the third outlet should focus specifically on those who were completely housebound and this was established in the Social Services Department where it operates through a telephone exchange. Housebound consumers can ring through to a switchboard operator who feeds their shopping orders into a microcomputer on their behalf. The operator also meets any requests for information, since he also has his own Prestel-equipped television set to hand.

More recently (since June of last year), a fourth outlet has been established at a day centre for the disabled, Fountain View, which has a hostel attached and 180 day visitors. This was the first extension of the service to be funded under a £100,000 grant received from the Inner City Partnership Fund operated by the Department of the Environment. The grant took effect from May 1982 and covered a three-year period.

Other retailers have also now (since last summer) been brought into the experiment, namely one Gregg's city centre bakery store offering over 50 bakery products and a chemist that provides a prescription service as well as a catalogue of over 300 pharmaceutical and other products to add to the 1000 Tesco products available through the service.

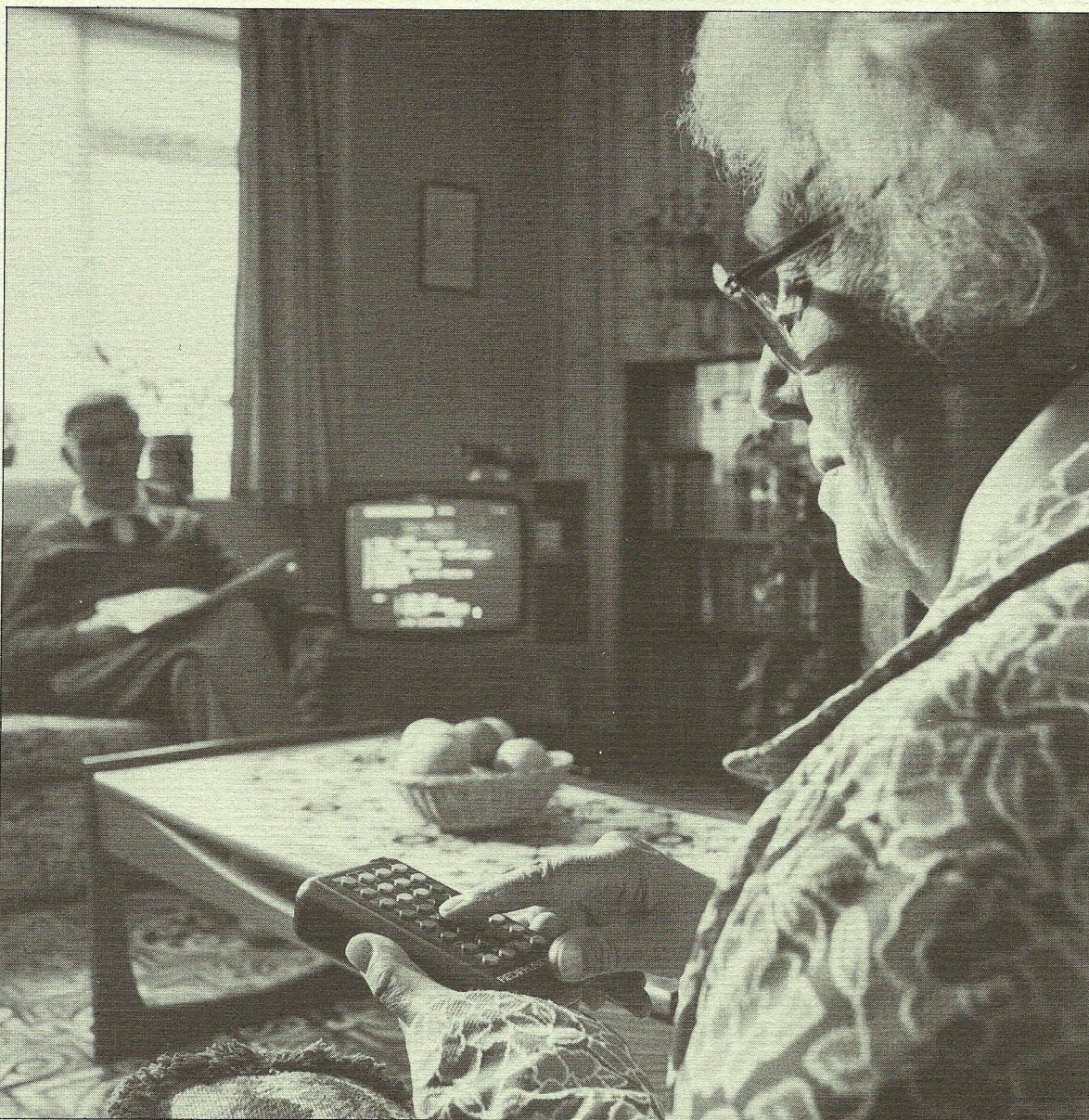
The Manpower Services Commission is also involved in that it funds the four driver/assistants who operate the delivery service using two 'meals-on-wheels' vans outside of lunchtime hours.

“HOUSEBOUND CONSUMERS CAN RING THROUGH TO A SWITCHBOARD OPERATOR . . .”

There is absolutely no doubt that the service is meeting a real need in the community, as everyone in any way connected with it avows. “The demand is way beyond what we can handle with existing resources,” commented Phil McTaggart, project manager. “We've got hundreds on the waiting lists.”

Currently there are 146 registered SIS customers at the Sunderland Road branch library, most of whom use the service regularly, half of them being weekly customers. They spend on average £8.50 to £9, mostly on basic foodstuffs — butter,

bread, sugar, beans, soups, chicken — and bulky items such as toilet rolls. The average shopping basket at the Chopwell branch library outlet is higher at about £14 to £15. Chopwell, which has one of the highest unemployment



GATESHEAD GREAT GRANDMOTHER GOES TELESHOPPING: Mrs Jane Snowball seen using a specially adapted TV linked to a Rediffusion videotex computer system. On Friday, January 13, Mrs Snowball, 72, fell and injured her shoulder while travelling on Newcastle's metro system. With her husband Ned's memory 'not what it was', Mrs Snowball relies on the Rediffusion system to provide goods and information, allowing her to shop at the Tesco superstore in Gateshead without leaving home.

rates in the area following the closure of the Consett steelworks in 1980 and the loss of its coal mine in 1966, has 85 registered SIS customers, 50 to 55 of whom are weekly users of the service.

The Fountain View centre for the disabled has 76 registered users; and there are a further 123 people registered through the Social Services Department's emergency 'phone service, all from the Bensham and Teams areas of central Gateshead.

For most of the users, the perceived benefit of the service is not so much its cost-saving, but rather the convenience of not having to carry shopping, or get round shops. For others, it's a new independence that comes from being able to participate personally in the business of shopping rather than having to rely on someone else to do it for them. Some customers at the Fountain View centre have never shopped themselves before in their lives. The social contact that the branch library outlets provide has also contributed socially to the success of the project.

Less use than expected has been made of the information service with its 250 or so frames on Prestel. One in ten users will have recourse to GATEL (at one time it was going to be called GALIB for Gateshead Library service until someone pointed out the obvious!) which displays two kinds of information. First, it gives supplementary information about the products available — special offers, the day's recipe, calorific or nutritional values and so on. Second, it displays general consumer information — renewal dates, for bus passes, late-night chemists, 'phone numbers of local councillors and the like. Those who can be enticed into using the information service rapidly overcome their initial reluctance, however, and find it a useful adjunct to the main shopping service.

At the Tesco end of the service, the project is now paying for itself on a week-to-week basis,

discounting the capital outlay, according to Paul Tyson, general manager of the Gateshead store which boasts the single largest Tesco food hall in the UK at 35,500 sq.ft. of space. It was never envisaged as a commercially viable project, but it runs smoothly, covers its operating costs and attracts considerable publicity and goodwill to Tesco locally. "It's also giving Tesco valuable operational insight into systems like it that will be developed around cable," Tyson commented.

The project has not always run smoothly. There has been opposition from other local retailers, notably in Chopwell, who have seen it as unfair competition; and there have been operational problems as new outlets have been taken on. There are also considerable problems in developing the service for large numbers of people deriving primarily from the need to assemble goods at the supply point and deliver them within reasonable time to the homes of individual customers.

Ross Davies, senior lecturer in geography at Newcastle University and the driving force behind the project from the initial study onwards, concluded, however, that 'the principle of using technology to channel the resources of a town centre into small neighbourhoods is workable and of considerable benefit to those who are either absolutely or relatively housebound'.

An important consequential side effect, Davies pointed out, which is not always weighed in the balance when the sums are added up and a cost justification is sought, is the social worker effort that is freed up for other things once they're relieved of the chore of shopping for the elderly or handicapped in their care.

HOW THE SYSTEM WORKS

The customers order their goods through special order forms. Product codes are assigned to each ordered item (usually by the customer) and these are typed into the microcomputer by an

assistant. Periodically, throughout the shopping hours, batches of orders are transferred through the telephone network using acoustic couplers to the microcomputer at the superstore so that the business of selecting and packaging of goods can begin.

Payment for the orders placed at the branch library outlets is made at the time of ordering, but collected on delivery of the goods in the case of housebound consumers.

When the shopping orders are received at the superstore, two copies of the orders are produced by a printer attached to the microcomputer, one for the company's records and the other as a receipt for the customer.

The batches of orders are also reprocessed to produce 'picking lists'. These enable several orders for the same types of goods to be taken from the shelves as an assistant moves around the superstore and effectively shops on behalf of the customers.

Trolley-loads of goods are then assembled at a dispatch point where they are re-sorted into individual baskets and the contents checked against copies of the orders.

The staggered opening hours of the outlets mean that sets of orders come through to the superstore either during the early morning or early afternoon, so that the process of selecting goods and packaging them can be carried out almost continuously throughout the day.

The Tesco store currently receives orders for the bakery store and chemist, but these will be furnished with their own printers as and when the level of demand warrants this.

Goods are then delivered to the home of customers — a crucial part of the service, since for many of them it is an inability to carry heavy bags that most prevents them from undertaking their own shopping.

VIDEOTEX: START OF A NEW PHASE

The Gateshead experiment in teleshopping for the elderly and physically disadvantaged sections of the community, a joint project of Gateshead Metropolitan Borough Council, Newcastle University and Tesco Stores, entered a new and exciting development phase with the installation of an £80,000 Rediffusion videotex system.

From being based wholly on neighbourhood centres — two libraries, a day-centre for the disabled and the switchboard of the Gateshead Social Services Department — the project moved directly into the homes of some of the people it is designed to help.

Videotex TV's have been placed in people's homes as well as at community points in sheltered housing in the Salt Meadows and Bill Quay areas of Gateshead where the unemployment rate runs as high as 50 per cent. The TVs are used directly by the occupants, or by the street warden on their behalf, to order groceries from Tesco's superstore in the town centre, as well as a bakery and pharmaceutical products from, respectively, Gregg's of Gosforth and a local chemist.

The TVs also give access to information of a community nature, such as bus timetables or the name and 'phone numbers of local councillors, that had previously been accessed through the Prestel service operated by British Telecom.

Rediffusion has contributed the videotex equipment on loan as a contribution to a worthy social experiment, but also as an exercise in finding out how these systems will operate in the future. Teleshopping will become a way of life when the promised cable networks come into widespread operation with interactive services of all kinds.

In this context, the Gateshead experiment described here, has lessons for all of us.