

Tender Document: Retail Management and Merchandising Services for the Peak District National Park Authority

SECTION 1

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Tender Document for Retail Management and Merchandising Services

1. Introduction

The Peak District National Park Authority (PDNPA) seeks to engage a retail management and merchandising service provider to manage and oversee retail operations across multiple locations within the Peak District National Park. The scope of this tender focuses on the efficient and effective management of retail provisions, with a particular emphasis on environmental sustainability, product selection, stock management, distribution, and customer experience.

The successful bidder will be expected to contribute to the growth and development of the retail sector within the PDNPA services, ensuring alignment with the area's ethos, sustainability goals, and business objectives, along with the wider PDNPA management plan.

The current retail offer has seen growth of 27% over the past few years and we wish this trajectory to continue through working with a professional and innovative retailer. We look forward to reviewing your proposal and engaging in a mutually beneficial partnership.

1.1 Performance to date

Castleton and Bakewell are the prominent outlets for the PDNPA with a current turnover of circa £550,000. Bike hire locations also have a retail offer, these are smaller and have a combined turnover of £7000 (all figures are for 2024) these figures have steadily grown since Covid and we have seen a 27% growth rate across our retail offer since 2022.

Due to our retail efforts and prominent locations within the areas, visitor throughput saw a total of 168,478 visitors in Castleton and 159,557 in Bakewell during 2023/24. Across all three bike hire locations we have seen a total of 18000 – 20000 hires per year, with an additional non-hire related engagement with 10,000 visitors per year on average.

2. Scope of Work

The aim is to deliver a retail offer that aligns to the [PDNPA objectives](#) and deliver growth and value across the Visitor services. Focusing on generating value for the consumer and financial return and continued growth for the PDNPA.

The service provider will be responsible for the commercial retail and merchandising for the visitor services of PDNPA, this consists of the two main visitor centres in Castleton and Bakewell, along with smaller point of sale sites in the three bike hire locations; Upper Derwent, Parsley Hay and Ashbourne as well as a small offer at North Lees Camp site. Each area will have general and specific product and merchandising needs to be discussed. The scope below is

standard across all operating locations. Familiarity with these locations is advised, but not mandatory, and can be arranged.

2.1 Retail Management and Merchandising

- 1. Sustainability and Environmental Practices:**
 - Implement and manage the merchandise operation in line with best environmental management practices, including sourcing, packaging, and waste management.
- 2. Product Selection:**
 - Identify and select products from manufacturers, wholesalers, and local suppliers that reflect the Peak District National Park's special qualities and ethos, with a preference for locally produced goods.
- 3. Online Shop Management:**
 - Develop and manage the online shop using our current Shopify platform from product listing to order fulfilment, ensuring efficient processing and high customer satisfaction.
- 4. Customer Insights:**
 - Undertake market research, conduct customer satisfaction surveys, and gain insights into the customer journey and experience.
- 5. Competitor and Community Awareness:**
 - Monitor competitor performance, assess local community needs, and stay updated on local and national business trends.
- 6. Product Range Development:**
 - Develop and manage the range of branded products, ensuring they align with customer preferences and the ethos of the Park.
- 7. Forecasting and Sales Planning:**
 - Plan new product ranges, prepare sales and stock plans, and forecast annual profits and sales.
- 8. Sales Optimisation:**
 - Optimise the sales volume and profitability of designated product areas, utilising effective retail strategies.
- 9. Staff training and support**
 - Deliver quarterly sales, product training and support to the staff team
- 10. Marketing and Promotion:**
 - Support the marketing and promotion of new lines and special offers via point-of-sale, retail signage, social media, and other channels inline with PDNPA brand guidelines and marketing plan.
- 11. Window and Shelf Displays:**
 - Design, implement, and maintain impactful merchandise displays for all seasons and prominent products, ensuring they align with special events and maintained inline with visual merchandising best practice.
- 12. Collaboration with Stakeholders:**
 - Regularly liaise with the Business Change Manager, Operations Manager, Centre teams, and suppliers to align on objectives, address concerns and ensure seamless operations and customer journey.

2.2 Stock Management and Control

1. **Stock rotation:**
 - In line with seasonality, consumer preference and sales performance.
2. **Central Stock System:**
 - Manage an efficient, secure, and organised merchandise storage distribution location, and distribute stock to locations as required.
3. **Stock Orders and Invoices:**
 - Process stock orders, invoices, and ensure timely replenishment of stock.
4. **Till System Management:**
 - Input new stock onto the till system and ensure accurate pricing.
5. **Labelling and Pricing:**
 - Label and price stock before distribution to the centres, ensuring the correct cost and retail pricing.
6. **Transport and Delivery:**
 - Deliver stock to and between locations
7. **Stock Record Maintenance:**
 - Maintain accurate and current stock records.
8. **Pricing and Profit Margins:**
 - Maintain product pricing to ensure profitability while meeting market expectations and demands.
9. **Communication:**
 - Ensure timely and effective communication regarding stock issues or inquiries.
10. **Utilise and promote existing stock:**
 - Clearing existing stock and product lines along side new offer.

2.3 Key Performance Indicators (KPIs)

To ensure the successful management and operation of retail services, the service provider will be required to meet specific Key Performance Indicators (KPIs) and submit regular performance reports. The following KPIs will be used to assess the effectiveness of retail management, product sales, stock control, and customer engagement:

1. **Sales Growth**
 - **Definition:** Year-on-year increase in overall sales (both physical and online platforms).
 - **Target:** A minimum annual sales growth rate of 5%, measured at the end of each fiscal year.
2. **Customer Satisfaction**
 - **Definition:** Overall satisfaction of customers based on feedback surveys, in-store observations, and online reviews. This is relatable to the service providers remit only.
 - **Target:** Achieve a customer satisfaction rate of 90% or higher, as measured through surveys and customer feedback channels.
3. **Stock Availability and Distribution Efficiency**
 - **Definition:** Percentage of stock availability across hubs and the online store, with timely deliveries from central stores to retail hubs.

- **Target:** Maintain a stock availability rate of 90% across all hubs and online shop.
- 4. **Profit Margins**
 - **Definition:** Achievement of targeted profit margins for each product area, considering cost of goods sold (COGS) and retail pricing.
 - **Target:** Maintain a minimum Gross profit margin of 55% across key product lines.
- 5. **Order Fulfilment and Delivery Timeliness (for Online Sales)**
 - **Definition:** Timeliness and accuracy in fulfilling online orders, including processing, packaging, and delivery to customers.
 - **Target:** Achieve a fulfilment accuracy rate of 98% and ensure delivery within specified range
- 6. **Environmental Sustainability Compliance**
 - **Definition:** Adherence to sustainability practices across product sourcing, packaging, and waste management, as well as supplier engagement in sustainability efforts.
 - **Target:** Ensure that a minimum of 50% of products are sourced sustainably, with packaging that meets environmental standards. Minimize waste and ensure recycling.

2.4 Reporting Requirements

The service provider will be expected to submit comprehensive reports at regular intervals. These reports should clearly demonstrate performance against the agreed-upon KPIs, along with any action plans to address areas for improvement. The following types of reports are required:

1. **Monthly Performance Report**
 - **Content:** Sales performance, stock levels, profit margins, display quality, and actions taken on slow-moving products.
 - **Frequency:** Monthly
 - **Metrics Included:** Sales growth, customer satisfaction, stock availability, stock turnover, profit margins, and product display compliance.
2. **Customer Satisfaction Report**
 - **Content:** Monitoring customer satisfaction through various means to direct product development and provide satisfaction levels. From customer surveys, feedback analysis, and action taken based on customer insights. Utilisation of centre staff is possible for in centre surveying.
 - **Frequency:** 6 monthly
 - **Metrics Included:** Customer satisfaction score, customer feedback trends and actions taken.
3. **Performance Review and Improvement Plan**
 - **Content:** An annual performance review outlining achievements against KPIs, challenges encountered, and recommended strategies for continuous improvement.
 - **Frequency:** Annually.
 - **Metrics Included:** Year-on-year growth, major challenges, corrective actions taken, and recommendations for the following year.

2.5 Reporting Format and Delivery

- Reports should be submitted in a clear, professional format, using data visualizations such as graphs, charts, and tables where appropriate.
- All reports must be submitted electronically (via email or file sharing platform) in PDF or Excel format unless otherwise agreed.
- Timely submission of these reports is essential, and any delays in report delivery will be considered in the performance evaluation.

The implementation of robust KPIs and regular reporting is essential to measure the success of retail management and merchandising services. The service provider will be expected to demonstrate continuous improvement in these areas, ensuring a high standard of service and profitability. These reports will be crucial for assessing the ongoing performance, customer satisfaction, and alignment with sustainability goals.

3. Client Working Relationship

The PDNPA, will provide support and resources where necessary for the successful implementation and operation of the retail management and merchandising services. The following outlines the key responsibilities and expectations of the PDNPA in relation to this tender.

3.1 Retail Locations and Facilities

- **Provision of Retail locations:** The PDNPA will provide access to all physical retail locations for the management and operation of the retail services. This includes all required facilities for the setup and maintenance of merchandise displays, current stock storage, and retail operations. Space will be allocated to key messages and marketing collateral of PDNPA amongst the retail offer.
- **Online Shop Access:** The PDNPA will provide access to existing online shop platform.
- **Utilities and Infrastructure:** The PDNPA will ensure that the retail hubs are fully equipped with necessary utilities, including electricity, internet access, and communication infrastructure, to facilitate the smooth operation of retail management services.
- **Staffing of locations:** The staffing of locations is the responsibility of the PDNPA, but it's expected that the successful retailer will utilise the PDNPA staff team to drive sales through training and support in centres. The staffing of distribution, procurement and online sales processing will be the responsibility of the retailer.

3.2 Product and Stock Management

- **Stock Storage and Inventory Management:** The PDNPA will provide space for the flow of stock management in each location, but distribution and central stores will be the responsibility of the provider. The necessary till system to manage sales are already in place and the provider will have access.

3.3 Reporting and Performance Review

- **Data Access and Systems Integration:** The PDNPA will ensure that the service provider has access to required sales data, inventory records, and customer feedback systems necessary for accurate reporting and performance monitoring. If required, the service provider will enter into appropriate confidentiality and data management agreements with the PDNPA.
- **Collaboration on Reporting and KPI Monitoring:** The PDNPA will collaborate with the service provider in reviewing the performance reports, KPIs, and sales data, and will provide feedback to ensure alignment with business objectives. The PDNPA will also actively engage in quarterly performance review meetings.

3.4 Marketing and Promotions

- **Branding Guidelines and Compliance:** The PDNPA will provide all necessary branding guidelines, logos, and other materials needed to ensure consistency across all merchandising and promotional activities, both online and offline.

3.5 Sustainability and Environmental Compliance

- **Guidance on Sustainability Practices:** The PDNPA will provide input on sustainability objectives specific to the Peak District National Park, including product sourcing guidelines, waste management practices, and local environmental initiatives. The service provider will be expected to adhere to these guidelines and ensure sustainable practices in retail operations.

3.6 Communication and Collaboration

- **Designated Client Contact Person:** The PDNPA will designate a primary contact person (or team) to liaise with the service provider for day-to-day operations, project oversight, and decision-making. This will ensure smooth communication and a timely resolution of any issues.
- **Regular Meetings and Updates:** The PDNPA will schedule regular meetings (at least quarterly) with the service provider to discuss performance, address concerns, and evaluate progress toward meeting the objectives and KPIs outlined in this agreement.

3.7 Financial and Budgetary Support

- **Budget Approval:** The PDNPA will provide an agreed-upon budget for retail operations and marketing activities, ensuring that the necessary financial resources are available for the service provider to meet the performance targets outlined in the KPIs.
- **Timely Payment for Services Rendered:** The PDNPA will ensure that all invoices for retail services, stock purchases, and associated costs are processed and paid in a timely manner, according to the agreed-upon terms.

3.9 Additional Client Responsibilities

- **Health and Safety Compliance:** The PDNPA will ensure that all retail locations meet required health and safety standards, including fire safety, employee welfare, and customer safety. The service provider must adhere to these standards while operating within the retail locations.
- **Regulatory and Legal Compliance:** The PDNPA will ensure that all retail activities comply with relevant local, national, and international laws, including consumer protection regulations, product safety standards, and environmental legislation.

4. Tender Submission Requirements

Interested parties must submit the following documents to be considered for this tender:

- **Company Profile:** Overview of your organization, including relevant experience in retail management and merchandising.
- **Proposed Methodology:** Detailed approach to retail management, product selection, stock control, and sustainability practices. Including a brief outlining how the service provider intends to manage retail operations in line with the wider goals of PDNPA.
- **References:** At least two references from previous or current clients in a similar retail or merchandising context.
- **Pricing Structure:** A fixed priced for the provision of the Services with the total price set out in the Form of Tender at Appendix 1. As a separate document, a detailed explanation of how the price aligns to the scope of the Services to be performed.
- **Timeline:** A proposed timeline for implementing retail management services, including key milestones.

5. Evaluation Criteria

Tender submissions will be evaluated based on the following criteria:

- **Relevant Experience (35%)** – Proven track record in managing retail operations, particularly in sustainability, local product sourcing and merchandising.
- **Approach and Methodology (30%)** – Clear strategy for retail management, merchandising, and customer engagement.
- **Pricing (35%)** – Competitiveness and transparency of the Price.

6. Tender Submission Deadline / Appointment Date

All tender submissions must be received no later than **5pm 19th May 2025**. Late submissions will not be considered. The PDNPA is hoping to award a contract to the successful organisation by week commencing 7th July 2025. Please see section 2 (Instructions on submitting a tender) for further details.

The contract shall be in the form attached at Appendix 4, incorporating the terms and conditions at Appendix 5.

The term of the contract is 3 years, with the option for the PDNPA to terminate the contract after 18 months on giving at least 4 months' notice.

7. Contact Information

For any inquiries regarding this tender, please contact:

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