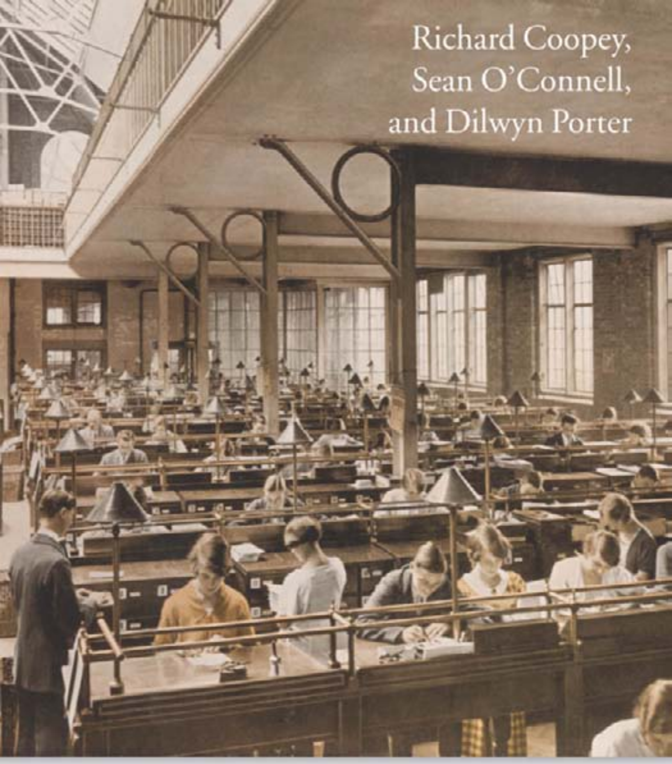
Richard Coopey,
Sean O'Connell,
and Dilwyn Porter



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Great Clarendon Street, Oxford OX2 6DP

Oxford University Press is a department of the University of Oxford.
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Oxford New York

Auckland Bangkok Buenos Aires Cape Town Chennai
Dar es Salaam Delhi Hong Kong Istanbul Karachi Kolkata
Kuala Lumpur Madrid Melbourne Mexico City Mumbai Nairobi
São Paulo Shanghai Taipei Tokyo Toronto

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Published in the United States
by Oxford University Press Inc., New York

First published 2005

British Library Cataloguing in Publication Data
Data available

Library of Congress Cataloging in Publication Data

Coopey, R. (Richard)
Mail order retailing in Britain: a business and social history / Richard Coopey,
Sean O'Connell, and Dilwyn Porter.
p. cm.
ISBN 0-19-829650-9 (alk. paper)
1. Mail-order business—Great Britain—History. 2. Mail-order business—Great
Britain—Case studies. 3. Teleshopping—Great Britain. I. O'Connell, Sean. II.
Porter, Dilwyn, 1947– III. Title.
HF5466. C595 2005
381'.142'0941—dc22 2004024299

ISBN 0-19-829650-9

1 3 5 7 9 10 8 6 4 2

Typeset by Newgen Imaging Systems (P) Ltd., Chennai, India
Printed in Great Britain
on acid-free paper by
Biddles Ltd., King's Lynn, Norfolk

Acknowledgements

As authors, we are delighted to have an opportunity to acknowledge some of the many debts we have incurred in writing this book. In the first instance, we wish to express our gratitude to the Leverhulme Trust for funding the research project from which it has grown.

We also recognize that this study would have been impossible without the help we have received from many people working in or associated with Britain's home shopping industry who responded to our inquiries with interest and generosity. We are especially indebted to Bill Oakes of RedCATS UK for making space for us in a very busy office and for allowing us to access and utilize archival sources relating to the history of Empire Stores. Mike Hawker, then at Empire, kindly shared some important insights with us derived from his vast experience of the home shopping business; Peter Fattorini was immensely informative as well as very hospitable and generous with his time. We also wish to acknowledge the help we received from Robert Blow at Freemans and Martin Gilhooley at Grattan who made 'The Grattan Story' available to us and arranged some important interviews. Anne Moore at Kays was very helpful in the early stages of this project but we are especially grateful to Bernard Mills, formerly of Kays, now chairman of the Kays Heritage Group, for access and permission to use primary source material and illustrations now located at the Kays Heritage Centre, Worcester. All illustrations are © Kays Heritage Group. We would also like to thank Nicole Burnett of the Worcester Museum of Local Life for material from the Kays Oral History Project.

Finally, we have been helped and encouraged throughout by various friends and colleagues. Jill Greenfield's work on the interview transcripts was much appreciated, as were Claire Langhamer's useful insights. Nick Tiratsoo was ever alert for useful references that we might not otherwise have encountered. We owe a particular debt, however, to Terry Gourvish at the Business History Unit, London School of Economics, who generously hosted the project and provided a congenial and encouraging environment in which to work. Finally, we should take this opportunity to thank our editors, David

Musson and Matthew Derbyshire, whom we have tried sorely and whose patience, we hope, has now been rewarded.

Richard Coopey
Sean O'Connell
Dilwyn Porter

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Introduction

The sale of goods to the public via mail order catalogue was an established feature of British retailing by the end of the nineteenth century. Thereafter, its development, though owing something to department stores making home-shopping facilities available in addition to their main line of business, was largely driven by firms that devoted themselves, more or less exclusively, to mail order. Of these, some were content to specialize in goods of a particular kind while others emerged as general mail order houses offering a wide variety of non-food goods on instalment terms mainly to working class customers. By the 1950s, these self-styled 'universal providers'—Empire Stores, Freemans, Grattan, Littlewoods, and Great Universal Stores (GUS), which incorporated Kays, had come to dominate the home-shopping market in Britain. At the same time their ubiquitous agents, each armed with an illustrated catalogue running to several hundred pages, had become a feature of Britain's social landscape, especially in traditional working-class communities and on new housing estates. One unofficial estimate at the time of the 1961 Census suggested that they numbered approximately one million.[1] By the mid-1970s, when mail order's share of total retail sales amounted to almost 5 per cent, the Post Office claimed that seven out of ten households were exposed to a catalogue supplied by one of Britain's 'Big Five' during the course of any one year.[2] Twenty years later, though the market share retained by these firms had diminished, the habit of buying from a mail order catalogue remained firmly entrenched among British consumers, over twenty million of whom would make at least one such purchase annually in the mid-1990s.[3]

Commentators on British retailing in the early twentieth century would have been surprised by these developments. They tended to underestimate the appeal of home shopping to working-class consumers living in urban environments that already afforded access to more conventional retail outlets. They were oblivious to the potential for growth mainly because they assumed that mail order could flourish only in conditions similar to those that had underpinned the success of Montgomery Ward and Sears, Roebuck & Co., the retail giants that had spearheaded its expansion in the United States. Rural consumers lacking convenient access to urban shopping centres constituted a significant market for the huge Chicago-based warehouses. In Britain, however, as Braithwaite and Dobbs observed in 1932, 'almost everyone who does not actually live in a town can reach one by rail or road sufficiently quickly to buy any article which they cannot obtain locally'.[4] With few potential customers disadvantaged by distance there was little reason to suppose that mail order in Britain would grow to the extent that it had in the United States, Canada, Australia, or Argentina. This led Lawrence Neal, another retail analyst of the period, to predict that 'except as an adjunct to personal shopping, mail order trading will in future be a declining factor in distributive trade'.[5]

It was Max Rittenberg, to whom John Moores turned for expert advice when he founded Littlewoods Mail Order Stores a few years later, who offered the most sophisticated analysis. Rittenberg acknowledged that most people in Britain lived less than six miles from a town and that this was likely to inhibit the growth of home shopping. At the same time he suggested that mail order retailers might be able to gain an edge over their more conventional rivals if they priced goods competitively, dealt in lines unavailable elsewhere and highlighted the convenience aspect of the service they provided.[6] Thus, though he overlooked the additional possibility of attracting and retaining business by offering instalment credit facilities to customers, Rittenberg did envision the future of mail order in Britain in some important respects. Bulk buying, when combined with warehousing and distribution strategies designed to maximize stock turnover, would help to ensure that goods displayed in the catalogue were attractively priced, especially for customers of modest means who liked to pay in weekly instalments. Mail order houses, operating through neighbourhood-based spare-time agents, could also provide a differentiated service. They offered certain conveniences, such as home delivery, along with a degree of congeniality at point of sale that was especially valued by customers for whom shopping in the High Street, for one reason or another, was difficult. 'Stout women', for example, were later said to favour mail order, 'because it allowed them "to try on clothes in privacy, without the insults, real or imaginary, of willowy sales girls" '.[7]

It is important, therefore, to recognize that mail order retailing in Britain, where conditions were quite different, did not necessarily have to develop along the same lines as in the United States. The strategies adopted by the first wave of British general mail order houses in the late nineteenth and very early twentieth centuries—Empire Stores and Grattan in Bradford, John Myers and Freemans in London, and Kays in Worcester—suggest that the entrepreneurs who owned them had grasped this instinctively. They were aware, as were Isaac Wolfson at GUS and John Moores at Littlewoods from the 1930s onwards, that certain aspects of their business might benefit from the application of American know-how and, from time to time, they borrowed selectively.[8] They also recognized, however, that selling goods via catalogue to customers in Ilkley or Ilford required a different approach from that adopted by Aaron Ward and Richard Sears in the wide-open spaces of Idaho and Iowa. In many respects, large-scale mail order retailing, in both the United States and the United Kingdom, characterized what Alfred D. Chandler identified as the 'revolution in distribution' of the late nineteenth and early twentieth centuries. Yet the way in which it developed on either side of the Atlantic also serves to support his argument that 'differences between the mass markets in the two countries led to noteworthy differences between the institutions created to serve them'.[9]

British mail order retailing has attracted little attention from historians to date. This contrasts with the significant body of work on mail order in the United States. The Chicago-based giants have generated substantial company histories, notably Latham's study of Montgomery Ward (1972), and Asher and Heal (1942), Emmet and Jeuckes (1950), Chandler (1962, 1977), Weil (1977), and Worthy (1984) on Sears, Roebuck.[10] More recently, the American mail order phenomenon has attracted the attention of cultural and social historians such as Thomas Schlereth (1989) and David Blanke (2000). For Schlereth, the mail order catalogue, 'the homesteader's bible', was a highly significant cultural artefact. It came to represent 'a department store between book covers, a banking and credit source, an etiquette adviser and a down-home *vade mecum* of modernity'.[11] For Blanke, mail order retailing was central to the shaping of consumerist culture in the Midwest in the late nineteenth century. Montgomery Ward, from 1873, assiduously exploited the co-operative impulse among rural consumers; Sears, from 1893, converted them to uncompromising individualism.[12] Though these studies are located within a particular American context, they both underline the importance of relating the history of retail businesses to the wider social and cultural environment in which they operate.

The comparative perspective on mass distribution developed by Chandler in *Scale and Scope* (1990) saw Sears, Roebuck & Co., in early twentieth century Chicago, matched with the Manchester-based Co-operative Wholesale Society (CWS), thus bypassing Britain's relatively undeveloped mail order houses altogether.[13] Given the scale of Sears' operations compared to those of its immediate British counterparts it is hardly surprising that Chandler looked elsewhere. By 1908, Sears was dealing with around 100,000 orders daily. Ten years later, Kays of Worcester, while describing itself as Britain's 'largest agency business', was handling only 1,200 parcels daily, a small fraction of Sears' total.[14] Given this disparity, it was perhaps inevitable that American mail order should cast a huge shadow and this has caused difficulties for the few historians who have given serious attention to this form of retailing in Britain. Patrick Beaver's book on Empire Stores (1981), the only major published history of a major British mail order retailer, casually conflated the American and British experience. 'This kind of retail business', he explained, '(which took concrete form in the USA in about 1872) has been established in Britain for about eighty years.'[15] Brandon (1984) began his account of the origins and development of the main British catalogue houses by describing what he referred to as 'the American model'. Though he was aware that Sears mainly sold direct to the customer rather than through an agent the emphasis was on convergence. 'The mail order concept in the USA', he argued, 'is not so different from our own.'[16] Research emphasizing the distinctive characteristics of British mail order has begun to emerge only in the past few years.[17]

Recognizing that the mail order industry in Britain had developed on different lines and that the 'Big Five' were not simply pale imitations of Montgomery Ward and Sears, marks an important point of departure as far as this study is concerned. It has helped shape our approach to the subject. If, as Chandler suggested, retail institutions in different countries evolve in response to the characteristics of national markets, then it becomes important to set the history of the mail order sector in Britain, as well as the separate histories of the companies that comprised it, in an appropriate context. What is required here, therefore, is an approach that does more than simply trace changes in the pattern of demand and the corresponding supply-side responses. It is also necessary to explore the territory that lies between business history as traditionally practised, with its emphasis on the organizational capacities of the firm, and the history of consumption, a sub-discipline that embraces an understanding of the social structures and cultural practices that have underpinned customer behaviour. Chapters 1 and 2 seek to provide an outline history of British mail order retailing within a broad framework of this kind. The first chapter traces its development from its origins in the watch clubs established by the Fattorini family and other late nineteenth century pioneers through to 1939. By this point, though it was becoming increasingly important, mail order probably accounted for no more than 1 per cent of the total retail sales.[18] In Chapter 2, an account of mail order's rapid expansion in the quarter of a century after 1950, when it tended to grow faster than more orthodox forms of retailing, is set within the context of the burgeoning aspirations of working-class consumers. The agency system combined with instalment credit facilities appear to have given the mail order houses an important competitive edge in this period, though this was gradually eroded from the 1980s onwards.

Having established that British mail order retailing followed a distinctive path it is important to identify and discuss those characteristics which have made it different. The historical literature, until recently, has not been helpful in this respect but other sources have offered useful guidance. James Mann (1967), in a contribution to marketing literature, noted that, as far as Britain was concerned, 'the largest and most important section of the industry is that which deals through agents—a system which hardly exists in the United States'.[19] This was later emphasized by Frank Livesey (1979) who noted, in his survey of distribution, that an overwhelming majority of British mail order sales, around 90 per cent, were through spare-time agents employed by the major catalogue houses.[20] 'Agency mail order', so-called in current trade literature in order to distinguish it from 'direct mail order', where catalogues are sent to individual customers, seems to have predominated in Britain to an extent unparalleled elsewhere. The *Economist* reported in 1980 that whereas around 80 per cent of British mail order sales were via agency, the comparable figures for West Germany and France were 40 and 15 per cent, respectively.[21] Chapter 3 explores the role of the spare-time agent from the watch club organizer of the late nineteenth century through to the working housewife and mother a century later, earning commission on sales to a small group comprising friends and immediate family. There are some parallels here with the observations of Nicole Wolsey Biggart (1989) on American direct-sales operations, especially those selling cosmetics or household furnishings, where spare-time agents and their social networks are effectively appropriated by retailers for their own purposes.[22]

The importance of the relationship between mail order and 'free' consumer credit is developed in Chapter 4. British mail order houses have helped their customers to finance their purchases by allowing them credit, usually for a period of twenty weeks, but for up to thirty-eight weeks on some more expensive catalogue items. There was no charge to the customer for this service, the cost to the company being bundled in with the price. Here was a second feature that helped to define British mail order retailing where instalment credit sales accounted for over 80 per cent in value of total sales in the mid-1970s.[23] American mail order houses, with the exception of Spiegel, were initially reluctant to take on the credit account and later required a formal application with references. Their British counterparts, however, were able to offer a credit facility to all their customers, their financial good-standing being effectively guaranteed by a neighbourhood-based agent who was likely to know them well.[24] The relative informality of these arrangements has underpinned the importance of the mail order catalogue as a source of credit for working-class consumers throughout the twentieth century. A study of moneylenders and their clients dating from the 1990s concluded that, for many working-class borrowers, the catalogue had come to represent the acceptable face of credit, not least because, in the customer's perception, no interest had been added to the price of the goods on offer.[25]

This emphasis on agency and credit, effectively the defining external characteristics of British mail order retailing, meant that it was necessary from the outset to adopt a methodological approach that combined perspectives derived from business, social, and cultural history. What went on inside the black box of the firm—the ways in which companies organized themselves with the aim of maximizing their efficiency as information processors and warehouse-based distributors—was clearly important. So too, however, was the way in which they engaged with the social environment in which their market was located. As a recent study of working-class credit in Britain by Avram Taylor (2002) has indicated, a purchase from a mail order catalogue represented far more than the simple exchange of money for goods. It was also a social transaction, often (to use Taylor's phrase) 'an affectually motivated act', that grew out of the relationship between an agent and a customer who were already familiar with each other as friends, neighbours, workmates, or even members of the same family.[26] Agency mail order is both a business and a social institution. Thus the business history of the sector in Britain is inseparable from the social history of the communities in which its agents and their customers were mainly to be found. British historians, as Roy Church has recently observed, have tended to work within the constraints imposed by the various sub-disciplinary frameworks—such as business history, social history, and cultural history. In consequence, he argues, there is much unexplored territory in the historical hinterland where 'the study of firms and that of consumers overlap'.[27] This work is informed by the view that mail order retailing, and the history of home shopping in general, requires a more holistic approach that cuts across barriers imposed by the various sub-disciplines.

If Chapters 3 and 4 are largely concerned with ways in which general mail order retailers, as businesses, interacted with the wider social environment inhabited by their customers, Chapters 5 and 6, while continuing to draw on both business and social history, are more concerned with the firms themselves. External marketing, embracing the agency system and free credit, was one of the two pillars on which the mail order business rested. Internal organization was the other and, again, there was something distinctive about the form it took in Britain. In the United States, the internal organization of the firm became a *leitmotif* for both Montgomery Ward and Sears, the 'Beehive' warehouse doubling as both an engine of efficiency and as an advertisement for modernity and scale. Echoes of American rationalization in Britain were muted. To be sure, British mail order entrepreneurs were well aware of developments in the United States, making numerous pilgrimages to Chicago to see the wonders of modern commerce. Once back home, however, they chose to implement rationalization in a piecemeal fashion, preserving the personal control that had characterized Britain's mail order sector—essentially a group of family businesses—from the start. This may explain the preference for the Bedaux system at key firms like Empire, Freemans, and Grattan in the 1930s.[28] Bedaux, now recognized as the most important channel for the spread of American scientific management techniques in Europe, offered a full programme of rationalization based on comprehensive work monitoring and standardized measurement of effort.[29] Yet it could also be used to reassert personal control in what were becoming increasingly complex organizations.

Chapter 5 charts the impact of the rationalization process in British mail order and its coexistence with the personal and the familial. Once again, it is necessary to make use of approaches derived from business, social, and cultural history. It is important to be aware of the social structures that existed inside the firm as well as outside. Work in the mail order office and warehouse was a varied experience, highly gendered in many cases. Yet, in general, mail order workers might be said to comprise, if not an elite, then certainly a fortunate segment of the British working class. Jobs in mail order were thought to be 'good jobs', especially in the context of local labour markets in the industrial north of England. They were often acquired and kept through a regime of family networks. These meshed with formal welfare provision to create the impression of a genuine bond between the family firm and its family of workers.

If workers in the mail order sector were connected to the firm in non-instrumental ways, with the external agency structure resting on similar social bonds, organizational developments, especially after the 1960s, did much to sweep away these relationships. In particular, the phase of rationalization that came with computerization changed the face of the sector—by changing the mail order experience for both worker and customer—in a radical way. Computers seemed to offer apparently unprecedented levels of managerial control as well as a vastly enhanced capacity for gathering and processing information. Mail order companies were among the pioneers in putting this new technology to effective use. 'All retailers', it was observed in the 1980s, 'have eagerly embraced computers as a source of stock control and market research, but the advantages of computerization have been far more valuable in mail order.'[30] The manner in which these firms led the way in introducing business computing while simultaneously implementing new forms of work organization and marketing is an interesting story in itself. Chapter 6 goes beyond this, however, in arguing that computerization led to a depersonalization of the mail order industry, both inside and outside the firm. Whereas, at one time, warehouse workers could exercise some discretion in making up an order they ‘now pick[ed] items according to a route determined by the computer and printed out on a picking slip’.[31] Relationships between workers and management became systemized, as did those linking the firm and its agents, despite attempts to tailor computer programmes to create the illusion of a personal connection. Computerization and related technological systems, notably telesales and call centres, heralded the end of the traditional agency system and ushered in an alternative regime of direct selling to customers. That it had these effects was due in part to simultaneous developments in the credit market where the implementation of computerized referencing and scoring systems meant that mail order companies were no longer dependent on ‘trusting the neighbours’ and the agent’s ability to spot potential defaulters. Mail order companies led the field in this new activity, in some cases developing credit scoring as a profitable spin-off business.

Over the course of the twentieth century the progressive enhancement of Britain’s distributive machinery has benefited its major mail order retailers in various ways. Bulk purchase facilities and pre-packaged goods have helped to reduce handling costs; a more flexible delivery network, based on roads rather than rail, has helped to contain transport costs; national advertising campaigns have familiarized customers with the branded goods on offer in the catalogue while simultaneously breaking down residual loyalty to the local store; and almost universal access to the telephone has made it possible for the customer to place an order with the minimum of inconvenience.[32] Given this context, the arrival of the Internet at the end of the twentieth century, along with the proliferating use of personal computers, appeared to open up new horizons for home shopping in Britain.

As Chapter 7 explains, however, neither teleshopping nor e-commerce has grown organically out of the British experience of mail order retailing. Though, in some ways, they seemed ideally placed to exploit this new socio-technological phenomenon as it emerged in the 1990s, Internet shopping—which eventually almost caught up with the hype surrounding its first appearance—has proved to be a difficult area for the mail order companies. They have certainly not dominated this new sector of the retail market. Indeed, it is dominated instead by new firms displaying evolutionary profiles remarkably similar to the dynamic early mail order enterprises of the previous century in terms of entrepreneurship and organization. There are, it seems, profound differences between these contemporary home-shopping enterprises and traditional agency-based mail order. It will be clear that a comprehensive history of Internet shopping lies outside the scope of this chapter. Nevertheless, a brief history of its development is supplied here as we trace the social and technological developments that have converged to create this contemporary retail phenomenon. Only by outlining the complex origins of Internet shopping in terms of the interaction between demography, credit, personal computer (PC), the Internet, new firms, and a series of other factors, is it possible to understand the basis of current growth and future prospects for home shopping in general. This provides a context for an assessment of the current position of the traditional mail order houses, recently described as behaving 'like rabbits caught in the headlights', in this new world of retailing.[33]

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1

General Mail Order Retailing in Britain: Origins and Development till 1939

In the fifty years or so before the Second World War, the corporate landscape that was to characterize British mail order retailing through to the end of the twentieth century took shape. For almost thirty years after 1870, wages rose in real value and working-class families were able to spend a greater proportion of their incomes than previously on non-food goods, even on items that would once have been regarded as luxuries. The simultaneous development of Britain's postal and money transfer services encouraged retailers of mass-produced watches and jewellery to supply goods to working-class customers via purchasing clubs where an organizer collected weekly payments from members. This evolved fairly rapidly into a more sophisticated form of retailing via mail order catalogue as the number of lines on offer increased and credit facilities were made available to customers paying by instalment. Thus the mail order catalogue, along with spare-time agency and credit provision, the two most distinctive features of British mail order retailing, was well established by the end of the 1930s.

The Origins of Mail Order Retailing

The advent of a cheap, reliable, and universal postal service opened up a direct line of communication between British retailers and customers in their own homes. Local shopkeepers and tradesmen had often used printed circulars, delivered house-to-house, for advertising purposes, but the postal service extended the reach of such communications. These were often supplemented by newspaper advertisements inviting customers to respond, in person or by letter, to notices inserted in the press. The front page of any nineteenth-century broadsheet, crowded with advertisements large and small, testified to the efficacy of this method. From 1855, however, it was possible to send circulars direct to potential customers in their homes at the rate of a halfpenny (0.5d) per item. Thereafter, retailers were increasingly inclined to make use of the postal service. Not only was the service cheap and reliable but 'it also allowed advertisers to reach prospective customers as a group wherever they lived, instead of having to deliver their messages to every house in a particular street regardless of suitability'. By the early years of the twentieth century postal advertising had grown to such an extent that specialized services were available for retailers seeking to maximize the efficiency of this aspect of their business. The Reliable Advertising and Addressing Service, for example, boasted that it had the capacity to despatch 250,000 circulars or catalogues over a 24-hour period, a service that leading London department stores found especially useful.[1]

From the 1870s many department stores issued catalogues enabling their predominantly middle-class customers to order from home and for some this became an important adjunct to conventional retailing. Marshall and Snelgrove, in London's West End, was employing more than a hundred staff in its 'Country Room' by 1888 to service the requirements of home shoppers. There were instances when this side of the business took over altogether as at the John Noble store, established in Manchester in 1870, where over-the-counter sales had been abandoned in favour of mail order by the end of the century.[2] In these circumstances the illustrated catalogue became a ubiquitous feature of British retailing. 'Catalogue advertising', observed the London store owner, A.W. Gamage, in 1911, 'is a *sine qua non* to any stores, and proves a valuable helpmate to newspaper advertising.'[3] What this suggests is that the British public was well acquainted with the concept of home shopping before the first wave of specialist mail order houses made their appearance at the end of the nineteenth century. Moreover, retailers and their customers had become increasingly comfortable with the idea that they could do business in this way.

Even before the introduction of the Royal Mail's parcel post service in 1883 some retailers were specializing in the supply of goods to customers at a distance. From about 1860, Pryce Jones's Royal Welsh Warehouse, at Newtown in mid-Wales, carried on an extensive home shopping business, principally in Welsh flannel, at first conveying goods by mail coach and carrier's cart, later by rail. It claimed to have around 40,000 customers by the end of the 1870s and around 100,000 a few years later. When Pryce Jones died in 1920, the local press credited him with having transformed his retail drapers into 'an extensive system of shopping by post, a method of conducting business in which he has since then been followed by a multitude of commercial concerns'.[4] Even discounting an element of parochial pride, there is something in this assessment. Operating after 1879 from purpose-built premises adjacent to the railway, the Royal Welsh Warehouse expanded its operations in the 1880s, adding hosiery and various items of ready-made clothing to its range. From 1890 these were displayed in an illustrated catalogue revised annually. Work at the warehouse was organized with a view to ensuring that orders were assembled, packed, and dispatched on the day of arrival, thus minimizing any disadvantage to customers, characterized in company publicity as 'the Ladies of England', who chose to shop from home.[5]

Given the character and extent of Pryce Jones's business it was hardly surprising that he should feature prominently in the campaign for postal reforms in the early 1880s. Britain, by then, had developed a comprehensive internal communications infrastructure based largely on railways. Few households were beyond the reach of a rapid and reliable delivery service. In the 1860s, the Royal Welsh Warehouse was delivering to customers as far away as the north of Scotland. From the 1880s, however, further development of the facilities offered by the Post Office satisfied two essential preconditions for a major expansion of mail order retailing. Postal orders, introduced in 1881, provided people without access to a chequebook—a vast majority at the time—with a secure way of paying for goods supplied by post. By the end of the century over 80 million postal orders were being issued annually, mostly in small denominations. The almost simultaneous advent of a reliable, low-cost parcel delivery service following the Post Office (Parcels) Act of 1882 transformed the prospects for home shopping. Though the terms of the Post Office's initial agreement with the railway companies ensured that the service ran at a loss, it proved enormously popular with 20.6 million parcels carried during its first year. By the early 1890s the number of parcels carried annually had more than doubled and the service was taken for granted as 'an adjunct of modern life'.[6]

These developments underpinned the expansion of home shopping generally at the end of the nineteenth and the start of the twentieth century. As the advertising consultant, Thomas Russell, observed in 1914:

> It is precisely because anyone who has been attracted by a mail order proposition can for a ludicrously trifling commission remit money by postal order in a perfectly traceable way, without the least possibility of loss, that mail order trading is possible. It is solely because there is a pillar box almost within sight of every house in towns of any considerable size, and within reach of every country resident, that replies to mail order advertisements can be obtained.[7]

London department stores were among the major beneficiaries. Whiteleys, just before the First World War, sent out a total of 2.5 million catalogues and circulars in one year.[8] So, too, however, were those firms that comprised an emerging cluster of downmarket mail order retailers supplying goods mainly to working-class customers. Of these, John Myers of Vauxhall, London, first established as manufacturers of clocks and watches in 1817, and Fattorini & Sons of Bradford, jewellery and fancy goods retailers since 1831, had been in business for some time. Kays of Worcester, which began mail order trading around 1886, Graves of Sheffield from 1887, the Rose family's Universal Stores in Manchester from 1900, and Freemans of London after 1905, were relative newcomers. There was a significant addition to this group in 1912 when John Enrico Fattorini left the Bradford-based family firm, by then engaged in mail order retailing as Empire Stores, and started his own business, later to be known as Grattan Warehouses.

These firms, with the exception of Universal Stores, could trace their origins directly to the clock, watch, and jewellery business. It was the Fattorini family in Bradford, however, who seem to have been the true founders, establishing a distinctive form of retailing that dovetailed neatly with the requirements of working-class consumers. Realizing that the purchase of a reliable timepiece represented a major outlay beyond the immediate means of most working men, the Fattorinis promoted collective purchasing arrangements through ‘watch clubs’. These met weekly, often at a convenient pub, when each member would contribute a small fixed amount, usually 6d (2.5p) or a shilling (5p), to a fund that would then be used to buy a watch. Club members would draw lots each week to decide whose ‘turn’ it was to take it home. It was a neat way of boosting the purchasing power of working-class consumers. Moreover, it allowed the retailer to cover the cost of each watch sold and to make a profit while avoiding the risks that would have been involved in supplying goods to individual customers on credit terms. The Bradford firm’s ‘club system’ was well established in West Yorkshire by the 1870s and proved a solid platform from which to move into general mail order retailing. Once a club had been set up and weekly payments had become a habit, it was relatively easy to persuade members to make further purchases from an ever-widening range of goods. By the 1890s these included boots and shoes, everyday clothing and materials for dressmaking, with cheap furs and overcoats for ‘Sunday best’.[9]

Economic conditions at the end of the nineteenth century were generally favourable for retailers seeking to supply the non-food needs of working-class consumers. Though there were variations between different industries and regions, the value of workmen’s wages, in real terms, tended to increase during the second half of the nineteenth century through to the mid-1890s. The sharp reversal of this tendency just after the turn of the century was ‘the first serious interruption to the upward movement of real wages for at least a quarter of a century’.[10] Thus, Fattorinis, Kays, Graves, and Universal Stores established themselves as general mail order retailers towards the end of a period when artisans and their families were generally better off than the generations immediately preceding them. In particular, the relative stability of food prices after 1870 meant that many working-class families were able to devote some of their weekly budget to the purchase of non-food goods by instalment, many of these now mass-produced, that would make their homes more comfortable and their lives more enjoyable or interesting. The catalogue issued by Kays in 1899, listing its various ‘departments’ is suggestive here. These included ‘Watches, Clocks, and Electro-plate’ but also ‘Axminster, Tapestry, and other carpets’, ‘Dinner, Tea, and Toilet Sets’, ‘Gents and Juvenile Tailoring’, ‘Musical Instruments’, ‘Sewing Machines’, and even ‘Opera and Field Glasses’, all indicative of the enhanced material aspirations of the firm's customers.[11]

In these conditions the early success of the Fattorini's clubs encouraged other firms to develop business on the same lines. Christmas and other savings clubs were a part of working-class life in the nineteenth century.[12] Mail order retailers simply appropriated and adapted this tradition for their own purposes. John Myers was certainly corresponding with club customers by the end of the 1880s but it was William Kilbourne Kay who exploited the advantages of the club system most systematically. Whereas the Fattorinis retained a foothold in over-the-counter retailing, Kay's Universal Stores proclaimed in its 1894 catalogue that it was 'the only firm who entirely lay themselves out to the Club business'. Like the Fattorinis, Kay, who had begun his working life as a jeweller's assistant, originally sold watches, clocks, and jewellery. The rationale for the establishment of Kay & Co. as a limited company in 1895 was to facilitate the purchase of Skarratts, watchmakers in Worcester since 1794. Kay was especially alert to the possibilities of selling watches to railwaymen, a huge market in this period. Testimonials appearing in early editions of his catalogue were indicative. 'Your watches are especially suitable to railwaymen, being such reliable timekeepers and so steady in their action', wrote one club organizer working for the Great Western Railway. 'The 42s. Patent Lever has taken well amongst the men of this railway', was the word from Longsight station on the London and North Western.[13]

In Sheffield, J.G. Graves developed his business in a different way. He had started out in business as a 'practical watchmaker' but had discovered by the end of the 1880s that there was more profit to be made from selling direct to the public via newspaper advertising. He later recalled: 'All working men in those days aspired to own a good watch. English Lever for choice. We sold many thousands of these excellent timekeepers to the great satisfaction and assistance of the manufacturers who were earnestly waiting for just such a quantity market as would allow them to run their machinery to capacity.' Graves sold his watches direct to the public on instalment terms; ten monthly payments of 5s (£0.25p) being sufficient to secure an English Lever from his most popular line. This left the firm exposed to a greater risk of non-payment than those firms operating mainly through the club system but business grew rapidly, achieving a turnover of £1.0 million by 1903. Graves remained heavily committed to the sale of watches but, like the Fattorinis and Kays, his business soon 'extended to various commodities'.[14]

The growing importance of specialist mail order retailers was underlined in 1901 when Graves emerged triumphant from a dispute with the Post Office over its refusal to collect registered parcels direct from his Sheffield warehouse, a facility that had been extended to Kays at Worcester since 1894. 'It certainly seems absurd', commented a sympathetic trade journal, 'that the business of a firm of such magnitude should be inconvenienced by an organization whose sole *raison d'être* is the service of the public.' As befitting a progressive retailer Graves showed a public relations awareness that the Head Postmaster at Sheffield could not match, staging a series of publicity stunts to make him think again. These culminated in a march of the firm's 500 clerks to Sheffield's main post office, each carrying a single item for registration. Placards asking 'Why strangle us in red tape?' and inviting the Post Office to 'Wake up—20th Century nearly here', emphasized Graves's point and helped to achieve the desired outcome.[15] His achievement was to show that mail order retailers, now among the Post Office's major customers, could flex their muscles to some effect. This was underlined a few months later when the Royal Silk Warehouse at Macclesfield, having adopted similarly aggressive tactics, persuaded the Post Office to collect its catalogues direct from the warehouse.[16] Modest achievements, perhaps, but indicative of an influence already sufficient to modify the existing communications infrastructure in the interests of retailers.

By this stage the major features that were to define the way that most British mail order houses conducted business across the twentieth century were more or less in place. As the range of goods displayed in the catalogues widened, watch clubs evolved into general mail order agencies and club organizers mutated into spare-time agents who were paid a commission, usually 10 per cent, on total sales. Both Fattorinis and Kays continued to operate the club system in its original form but were increasingly inclined to develop new business through so-called 'travellers' employed for the sole purpose of starting new agencies. Once these were in place, it was increasingly the practice to supply goods to individual customers on payment of the first of a series of scheduled instalments. Graves had pointed the way ahead in this respect and those who wished to compete with his heavily advertised operation found themselves drawn down the same track. Responding to the difficulties which its travellers were experiencing in recruiting new agents, Kays adopted the 'deferred payment system' in 1899, effectively offering a modest amount of consumer credit to its customers for the first time.[17] There were risks attached to these developments. The original clubs had largely regulated themselves with members excluded if they failed to keep up payments. Thereafter it was the spare-time agent who was to be the principal safeguard against unacceptable levels of bad debt.

General Mail Order Retailing in Britain Before 1914

The favourable trading conditions that had encouraged the first wave of general mail order retailers, essentially the firms that had entered the sector via the sale of watches, began to fade towards the end of the 1890s. With the real value of wages falling by an average of about 0.5 per cent annually over the period 1899–1913, the purchasing power of working-class consumers was inevitably reduced.[18] If, as has been suggested, the consumer's propensity to consume is especially related to changes in day-to-day disposable income, then clearly conditions for general mail order retailers were less favourable than they had been in the twenty years before 1899. In their report to shareholders in February 1905, the directors of Kays struck an appropriately sombre note, observing 'that in common with nearly all similar trading concerns, the business of the company has been badly affected by the general and continuous depression of trade'.[19] Having lost £5,000 in the previous financial year, Kay could see no option but to secure the company by minimizing exposure to risk and waiting for the return of better times, later advising his board that 'it would be unwise to in any way attempt to boom the business under existing circumstances, and that the best policy would be to curtail expenses and allow the business to take its normal course until there was an indication of a general improvement of trade throughout the country'.[20]

Industrial unrest and the attendant disruption of regular wages due to strikes and lockouts also caused difficulties, not least by increasing the possibility that customers might default on their weekly payments. Noting that his firm's customers belonged mainly to 'the artisan classes', Kay pointed out in 1908 that 'any great labour dispute is most disastrous to our business'. It seems likely that the unprecedented levels of trade union militancy between 1911 and 1914 created a particularly testing climate for the mail order houses. Kays 'suffered severely' after a strike in the railways in 1911 and when coal miners stopped work in 1912 it had similarly 'disastrous effects'.[21] In addition to these problems, competition from conventional retailers appears to have intensified with chain stores and large city-centre shops now offering home delivery and goods on 'easy payment' terms.[22]

Competition between the various firms within the emerging mail order sector also sharpened. Though it continued to rely mainly on sales drummed up by extensive advertising, Graves had established a foothold in agency mail order by the early years of the century. Freemans, based in Lavender Hill, London, began trading in 1905 after Arthur Rampton, who had previously worked for John Myers, formed a partnership with his son, Stanley, William Jones, and Henry Freeman, each putting up £100. Freemans adopted the agency system from the start and supplied goods to customers on credit terms. Operating initially from very modest premises, the newcomers quickly made an impact and Kay was sufficiently anxious to single them out when writing to his travellers in 1909. 'Our only competitors of any importance', he advised them, 'are Fattorini of Yorkshire, and Myers of London—these are both well-established respectable firms, but they confine themselves to a great extent to their own immediate districts.' As for Freemans—'one firm against whom I have the strongest possible feeling'—Kay accused them of underhand tactics and urged travellers 'to use every possible exertion to capture any agents you find representing this house'. It is not so difficult to read between the lines here and see that Kay perceived the newcomer as a serious threat, especially in the south of England.

> These people as you are probably aware, merely occupy a few 'bedrooms' over a butcher's shop, but they send out flamboyant catalogues and letters which would lead one to think that they had a place as big as the Bank of England, and as their letters are very well written, the agent in many cases takes it for granted that all they say is true and correct.[23]

Some relief was afforded when Graves ran into cash flow problems and was forced to curtail his operations after 1905, abandoning agency mail order altogether. The early success of Freemans, however, which was sufficient to justify a move to significantly enlarged premises in 1907, probably helped to sustain competitive pressure within the sector. This effect could only have been intensified when Fattorini & Sons began to operate the mail order side of its business separately, first as the Northern Trading Company from 1907, and then as Empire Stores from 1910, recruiting agents at factory gates, pitheads, and public houses across the north of England.[24]

The leading mail order firms developed defensive strategies to cope with the trading conditions experienced in the first decade of the twentieth century. While they operated mainly through the club system the risk that the cost of goods would not be covered by payments received was minimal. By offering credit to customers, albeit in a disguised form as its cost was lumped into the prices listed in the catalogue, mail order retailers found a way to increase their turnover but only if they accepted a greater risk of bad debt. The experience of Kays at the turn of the century is indicative here. Having introduced deferred payments in 1899 the company quickly found itself having to provide extra accommodation for clerks and packers at its Worcester headquarters in order to cope with new business. At the same time, however, Kays was obliged for the first time to set aside a substantial sum (£1,250) to cover 'bad and doubtful debts and other contingencies'.[25] Even when conditions improved Kay was inclined to look for troubles ahead. 'The additional rush of business', he reported in 1913, 'might probably involve the Company in extra bad debts later on, as it had been impossible to properly follow up outstanding accounts in the usual way.'[26] Empire Stores in Bradford was similarly concerned and reached an agreement with Kays whereby lists of defaulting agents, appropriately classified according to the nature of their offence, were exchanged each month.[27]

Operating in a highly competitive sector of the retail market where cost-conscious customers could easily compare catalogue goods and prices with those available in High Street or co-operative stores, exerted a continuous downward pressure on margins. This meant that mail order retailers, if they were to make a profit, required a high turnover of stock. If bad debts reaching unacceptable levels was one chronic anxiety, slow-moving lines of goods was another. It was the prospect of being stuck with unsaleable English watches that prompted Kays to change the balance of its stock from about 1902.

'At one period', as Kay later recalled, 'our trade lay almost exclusively in watches, jewellery and kindred trades; those Departments have now become secondary.' Curtailing the firm's traditional lines while simultaneously increasing its commitment to 'Manchester goods' (draperies) and 'Ladies Tailoring' required major adjustments and a substantial input of additional working capital. Whereas it had been possible for Kays to buy watches on favourable trade credit terms, textiles and tailoring were available at a discount for cash only. Moreover, the new lines necessitated more staff, especially in the packing department. By 1909, however, it was clear that the changes had been beneficial, not least because Kays managed to avoid the kind of difficulties that Graves had encountered a few years earlier. As Kay explained to the annual general meeting of that year:

> Had the Company continued to trade upon old lines, they would have landed themselves in trouble years since. But the directors wisely realised the position and boldly went into other departments, with the result that they not only made up for lost business, but more than doubled the Company's returns and succeeded in putting the business upon an infinitely sounder footing than at any previous period in its history.[28]

In Bradford, the Fattorinis appear to have achieved a similar diversification of catalogue lines at the same time as introducing a continuous credit scheme in 1907. Some special measures to reduce friction between the company's mail order and conventional retail operations were required thereafter, notably a restriction on the appointment of instalment agents within five miles of the firm's Kirkgate shop.[29]

These changes—the introduction of payment by instalment and the diversification of stock—ensured that both Kays and Empire Stores were well placed to benefit when trading conditions began to improve towards the end of 1912. Some months earlier prospects had appeared so bleak that the directors of Kays had delayed the publication of the company's annual report fearing that it would spread alarm and despondency among the shareholders. Eighteen months later business was booming and a decidedly expansionist outlook prevailed. Plans for an extension of the premises were in hand along with a scheme to provide a recreation ground for staff. In September 1913, Kay reported that sales were up on the previous year and that 'he had found it necessary to refuse business for want of sufficient accommodation and clerical assistance to execute it'.[30] Such difficulties, it seems, were quickly overcome. Within weeks the firm was looking to expand its sales force, targeting industrious artisans who were in contact with 'steady working people' and anxious to make something of themselves. 'Many of our agents have qualified themselves for infinitely better positions through the medium of our agency, whilst it has assisted others in purchasing their own houses, and thousands are now earning anything from 10/- [shillings] to 30/- per week—the amount, of course, depending on the energy, ability and time given to pushing it.'[31] There was nothing defensive about this appeal; it reflected an optimistic view of the prospects for mail order retailing that was characteristic of the immediate pre-war era.

It seems likely that the upturn arrived at a particularly fortuitous time for the Fattorini family, helping to ensure that Empire Stores emerged relatively unscathed from the disruption caused by the acrimonious departure of John Enrico. With the defector trading as 'John E. Fattorini' at another address in Bradford, and thus compromising John Edward Fattorini, the long-established chairman of the firm that he had just left, some defensive measures were required to protect goodwill and to discourage the poaching of agents and customers. After a legal action to prevent John Enrico from using his own name had failed, the two firms reached an 'agreement of compromise' designed primarily to eliminate unfair competition. Some vigilance, it seems, was required to ensure that Empire's new rival did not overstep the mark. In November 1912, having been notified that a much valued customer had been approached, the board gave Antonio Fattorini and the company secretary a watching brief. They were empowered 'to take such steps . . . in respect of every breach of the agreement coming to their knowledge as in their discretion they might think proper'.[32] In the circumstances this was no more than prudent. More important, perhaps, for Empire's long-term future was the extensive internal reorganization undertaken after John Enrico's departure. This included the establishment of a subsidiary, E. Robertshaw & Co. to act as a buying agent for Empire Stores.[33] Significantly, market conditions in the immediate pre-war period were sufficiently favourable to sustain both Empire Stores and the newly established John E. Fattorini & Co. which was soon selling drapery, footwear, and jewellery via catalogue, having recruited agents through a newspaper advertising campaign. By 1914, according to a company source, 'agents were being appointed from beyond the county boundaries to the farthest corners of the British Isles'.[34]

Mail Order Houses During the First World War

The optimism prevailing in the sector at the start of 1914 was quickly dispersed by the outbreak of the First World War. A board meeting at Kays, just ten days after the start of hostilities, caught the new mood. As managing director, Kay had moved quickly to settle accounts with the company's largest creditors and to secure the continuing goodwill of suppliers. The idea was 'to minimize as far as possible the loss that must inevitably result from the war'. An assurance was sought from Lloyds Bank, where the company had overdraft facilities, about the circumstances in which repayment would be required, 'especially if a state of general monetary stringency again occurred'. All this, along with Kay's offer to place up to £20,000 of his own money at the company's disposal, are indicative of the uncertainties confronting small- and medium-sized businesses up and down the country in the early months of the war.[35] It was, nevertheless, some time before the disruptive impact on trading conditions was fully apparent. Reviewing the twelve months to the end of March 1915, the directors congratulated themselves on 'an excellent result considering the disturbed state of trade'. Though it was clear by September that sales were falling, Kay suggested that the company's performance over the preceding eight months had been 'very fair' when the conditions brought on by the war were taken into account.[36]

In 1916, however, if the experience of Kays is a reliable indicator, trading conditions for mail order retailers took a sharp turn for the worse. Reporting to the board in May, Kay warned that business was declining while bad debt was increasing, 'owing to the vast number of customers called up for Military Service'. By October, the particular difficulties confronting mail order retailers were very apparent. The most important of these, according to Kay were 'the great increase in the price of nearly all commodities, the difficulties of obtaining stock, and the almost impossibility of obtaining new agents, as well as the risk involved owing to the constant changing from place to place of munitions workers'.[37] Kay also made it clear that the company's agency system had proved remarkably robust under pressure but, with breadwinners away from home and customers more likely to move house in search of well-paid work, it was more vulnerable than it had been in peacetime. After 1916, conscription added to these problems with Kay testifying 'as to the difficulties in carrying on the business with the present depleted staff'. In these circumstances, and given the continuing uncertainties arising from the war, Kays adopted a defensive strategy seeking only to maintain 'a restricted but careful business' while ensuring that its assets were sufficiently liquid to be of use in any emergency that might arise.[38]

It is important, however, not to overestimate the difficulties faced by mail order retailers between 1914 and 1918. Though offset to a large extent by inflation, working-class wages rose substantially during the war and for many families there was a greater margin of expenditure available than pre-war, always providing that they could find something on which to spend it. A Board of Trade report, in July 1918, noted: 'Neither retail shops nor wholesale businesses have, taken as a whole, suffered from lack of demand during the war.'[39] At the start of hostilities, Empire Stores, like Kays, were judiciously pessimistic, the directors asking for information 'as to what effect the fact of the sales being only one third would have upon the profits'.[40] There was an evident determination to run a very tight ship. An extensive internal review of the firm's operations was undertaken in May 1915 with the intention of ensuring that the key functions of buying and selling were more closely integrated.

> Who decides the quantities of articles required? . . .
>
> What part does the Selling Department take in this? This is an important matter & should be made very clear.

It was also prompted, to some extent, by concerns arising from the relentless rise in prices and the requirement to compete successfully against other retailers.

> Can we have a list of goods we sell which are not as cheap as in shops and if possible the reasons? . . .
>
> Are there any goods now bought from factors that could be bought from the markets? . . .

There were, however, opportunities for retailers who could adjust quickly to wartime circumstances and Empire took steps to target women customers, hoping that increased sales of 'Ladies goods' would 'compensate for the loss in the Men's Clothing dept'.[41] Freemans appear to have adopted a different strategy, buying blankets in bulk and selling them to the government.[42]

What did become clear was that rapid inflation caused particular difficulties for retailers selling via catalogue. Departmental minutes from Empire Stores indicated the costly and time-consuming procedures undertaken in June 1915 when it became necessary to adjust the prices of the hundreds of items on offer to the public. This entailed contacting every agent with instructions to cancel certain pages in the catalogues currently in use; 'or if practical [to] get them back in batches, altered and rebound and returned to the agents separately'. A later emergency prompted Empire to unbind all catalogues then in stock and to remove the pages displaying clocks and watches. New pages indicating up to date prices were then inserted before rebinding.[43] Kay complained in December 1917 that rising prices had rendered his firm's general catalogue 'useless'.[44] A supplementary catalogue had been printed but 'could not now be used for the same reason'. For these and other reasons it was not easy to keep a mail order house 'ticking over' in wartime. On balance, however, there was sufficient demand from working-class customers to ensure that the major firms extant in 1914 survived the war intact.

The Expansion of Mail Order Retailing in the 1920s

Having seen off the Kaiser, Britain's principal mail order retailers confronted the immediate post-war situation with some confidence. In 1919, Kays, maximizing the advertising potential of its connection with Skarratts, issued an illustrated brochure to celebrate 125 years in business. In a preface headed 'The Survival of the Fittest—and of the fairest', Kay himself boasted of the firm's half-a-million customers and the fact that it often received as many as a thousand letters a day. Of the newer companies, J.E. Fattorini & Co., though still a relatively small operation, appears to have made especially rapid progress during the

Early morning mail, Kay & Co., Worcester, c.1919 (Kays Heritage Group)

Despatch rooms, Kay & Co., Worcester, c.1919 *(Kays Heritage Group)* post-war boom, moving to larger, more modern premises in Grattan Road in 1920 in order to cope with increased demand.[45] An article in the *Daily Mirror* caught the mood of the moment, suggesting that 'shopping agencies', by which it meant any form of retailing that 'would relieve people from the tedium of buying at counters', had a bright future. 'That the great business houses would prosper by the setting up of these agencies is manifest. Shop-shy people have many wants which they refuse to gratify owing to their dislike of crowded shops and the making of purchases of even a minor character.'[46]

These conditions, however, were short-lived and firms that catered mainly for the working-class 'shop-shy' were soon faced with worsening trade conditions. The end of the boom in the spring of 1920 prefigured rising levels of unemployment and this was a cause for concern. By May 1922, the board at Kays was obliged to increase the sum set aside for contingencies 'in view of the certainty that a large amount of "Bad Debts" are bound to arise during this year in consequence of the vast amount of unemployment'.[47] At this point there were more than two million people out of work in the United Kingdom, a number that reduced only slowly in the years up to 1929.

From time to time, strikes added to the woes of mail order retailers, their agents and their customers, though even the bleakest of circumstances created marketing opportunities. During the General Strike of May 1926, according to one former employee, 'Freemans let people who were on strike have extended credit—because it would boost the reputation of the firm.'[48] The six-month stoppage in the coal industry that followed the General Strike appears to have been especially damaging, at least in the short term, for those firms with large numbers of customers in the coalfields. It was October 1927 before the directors of Empire Stores, with its extensive trade in Yorkshire and the North-East, signalled a return to normality, urging that agents and customers in mining districts 'should be treated on exactly the same basis as any other agent or customer'. Kays, strongly represented in South Wales, was again forced to supplement its reserves, this time by £10,000, 'to meet any bad debts arising from the prevailing industrial troubles'. After his death in 1929 it was revealed that William Kilbourne Kay, who made a personal contribution to the Miners Relief Fund, had 'lost very heavily as a result of the miners' strike'.[49]

These difficulties aside, trading conditions remained generally favourable for the expansion of general mail order retailing in the 1920s.

It seems likely that other retailers, especially those serving largely working-class customers, became more aware of the competitive threat that mail order now posed. Free credit, in combination with an agency system that opened up pre-existing social networks in working-class communities across the country, ensured that Britain's mail order houses posed a particular threat to credit-shy co-operative societies, especially in lines where they competed directly. A co-operative pamphleteer, writing in 1925, noted: 'A very big trade is now being done in the mail order business by certain firms, the chief lines being in drapery goods and ladies' and gentlemen's clothing, some of which correspond to the lines which the C.W.S. has advertised at fixed retail prices.' Co-operative societies with limited stock, in small towns and country districts, seemed especially vulnerable and the fear was expressed that their members would be seduced by the more extensive range of goods on offer in mail order catalogues. Noting the 'great strides' made by mail order retailing in both Britain and the United States, the pamphleteer urged the co-operative retail movement to join the revolution and develop its own mail order operation, a possibility that had first been discussed by the Co-operative Union in 1920.[50]

It seems significant that, by the end of the 1920s, the specialist mail order firms that had emerged from the trials of war had outgrown, or were about to outgrow, the premises that they had occupied in 1918. The rapid expansion achieved by J.E. Fattorini & Co. in the 1920s is instructive here. Having started his business with just two employees in 1912, John Enrico was employing sixteen office and fourteen warehouse staff at its Bradford headquarters by 1922, along with three specialist buyers for clothing, footwear, and jewellery; a cashier, an assistant office manager, and a general manager. The move from Manchester Road to Grattan Road in 1920 allowed for both more space and more rational organization of the various tasks carried out in the warehouse by pickers, assemblers, and packers. At around the time of the move to Grattan Road, John Enrico bought a share in Bessants & Co., a wholesaling firm in Leicester, which provided a base from which to expand his mail order business in the Midlands. Within a few years a share in another firm, J.E. York of London, was acquired to provide a foothold in the south, and a new depot was opened in Cardiff. With these arrangements in place J.E. Fattorini & Co. was servicing the requirements of around 4,000 agents and their customers by 1923.

Thereafter the company’s main problem, whatever the dampening effect of unemployment and intermittent industrial strife on the purchasing power of potential customers, was to ensure that its capacity for processing orders was not overwhelmed by increasing demand. For a time it was necessary to place those wishing to become agents on a waiting list, activating them only when additional office and warehouse space became available in Bradford and elsewhere. In a highly competitive retail market, it was preferable to make agents wait rather than running the risk that they or their customers might be disappointed by poor service. Following a fire, the company took the opportunity to move again, this time to purpose-built premises in Ingleby Road in 1934.[51]

Mail Order’s Corporate Landscape Transformed in the 1930s

Conventional wisdom derived from within the mail order business often suggests that there was a causal connection between the growth of the sector and the prevalence of hard times. The anonymous employee who documented Grattan’s company history, for example, argued with some passion that the widening experience of poverty in the interwar period made people more likely to turn to mail order than they would have been in happier circumstances. ‘Thousands of people were glad of the opportunity of purchasing the necessities for family and home on weekly credit terms offered by Mr Fattorini. People were poor, but realised that here was a method, almost a benefaction, a means of keeping up their pride.’ It was, he claimed, ‘the general situation at this time [that] brought about the sudden surge in demand’.[52] Beaver’s account of Empire Stores makes the same link, observing that ‘in those days the mail order industry tended to prosper in hard times, for the newly unemployed were forced to resort to the “weekly” to obtain many necessities’. A more general account of interwar conditions states unequivocally that the growth of mail order retailing was attributable simply to ‘poverty’.[53]

This explanation, however, should not be accepted too readily, not least because it was already clear to mail order retailers that hard times generated bad debts. Economic and social historians have long been aware that the incidence of poverty in the 1930s, especially where it was related to unemployment, was unevenly distributed. In the trough of the depression between 1929 and 1932 all regions experienced a significant increase in unemployment. But whereas this persisted at historically high levels after 1933 in much of the north of England, Wales, Scotland, and Northern Ireland, it declined rapidly elsewhere. Some areas, particularly in the Midlands and the South-East, where there was rapid growth of new industries and services, were experiencing boom conditions by the late 1930s. Moreover a sharp rise in real wage rates in the 1930s meant that there was a rise in the standards of comfort and welfare of working-class families, particularly those in which the wage earners were in regular employment. Whereas the average working-class family had assigned 76 per cent of its income to expenditure on food and shelter in 1914, this figure had fallen to 42 per cent by 1938, permitting more to be spent on clothing and footwear.[54] Moreover, spending on furniture and household electrical goods expanded particularly rapidly, by about 27 per cent between 1930 and 1936, coinciding with the first appearance of the radio set as a staple item in the general mail order catalogue. Even if they could not afford some of the more expensive new products that became available, working-class consumers did buy radio receivers, the number of licenses issued annually growing from three to nine million between 1929 and 1938. A 'wireless' might still have been seen as a luxury item, though its presence in an overwhelming majority of British households by the late 1930s suggests that it was fast losing this status, not least because it could be listened to without interrupting the performance of household tasks.[55] The almost universal diffusion of radios in the 1930s is a useful indicator. Consumption, it seems, 'set a floor to the depression and particular sectors of consumption stimulated the recovery'.[56] Thus it is clear that the expansion of mail order retailing in what some have called 'the devil's decade' was probably attributable to factors other than the hardships experienced by some of its customers.

The experience of Kays illustrates both the difficulties and the opportunities arising from the trading conditions of the early to mid-1930s. Though the company consistently returned an annual profit over this period, its progress was somewhat uneven, the year-end credit balance on its profit and loss account falling from £47,829 in 1932 to £34,312 in 1933. Happily for Kays, the upswing was equally dramatic with profits rising from £37,891 in 1934 to £57,729 in 1935 and £59,171 in 1936, as the state of the British economy, and the employment prospects and prosperity of its customers took a turn for the better.[57] As early as March 1935, Kays was exuding optimism, announcing improved credit facilities in its spring/summer catalogue.

> You will remember, up to the present we have only supplied 20/- worth of goods for 1/- a week.
>
> Now we have decided to take a bold step, that is, to allow credit to the value of 30/- for only 1/- a week.

It is likely that this initiative was prompted partly by the arrival of new competition; the announcement was accompanied by a reference to the advantages of shopping with Kays rather than 'one of those new and indifferent firms that spring up like mushrooms at regular intervals'.[58] Yet it also indicated that Kays believed that customers taking advantage of this facility would be in a position to make the required payments. At the same time, the company remained aware that the difficulties of customers in areas like South Wales, where depressed conditions persisted, remained a significant check on potential expansion. Commenting on the improved results, Kays' annual report for 1935 explained: 'Full advantage has been taken of the improved economic and industrial position amongst certain sections of the Company's customers, but expansion of the business in the distressed areas cannot yet be expected.'[59]

The view from Bradford is similarly suggestive of the way in which the experience of particular mail order retailers reflected the complexities of a national market characterized by highly significant regional variations. There were certainly difficulties, especially at Empire Stores, where management salaries were cut and staff wages frozen in 1933. But at John Enrico Fattorini's establishment, (known as Grattan Road Warehouses from 1930, and Grattan Warehouses from 1934), the period was characterized by robust expansionism. Recalling the state of the business in 1933, the company's self-appointed chronicler recalled an increase in the range of goods on display in the catalogue—'more pages, more merchandise'—accompanied by a corresponding increase in output to around 8,000 parcels per week with records 'broken regularly'. New workers were being taken on and the combined total office and warehouse staff, recorded at 30 in 1922, now numbered at least 225. Grattan's recorded mid-year profits for 1931–1935 lend support to this optimistic overview. After a slight fall from £31,585 in 1931 to £31,063 in 1932, the increase over the next three years was very dramatic, from £37,537 in 1933 to £47,881 in 1934 and £55,031 in 1935. Grattan, it seems, despite a much later start, had caught up with Kays by the mid-1930s. The profits returned by Grattan's Leicester and London subsidiaries, Bessants and J.E. York, were even more impressive, suggestive of the more benign trading conditions in the Midlands and the South. Not surprisingly, when Grattan was floated on the stock market in 1935, its first objective was to raise the funds to buy-up all the issued capital in these companies, thus raising the company's profile in regions of the country where consumer spending was expanding most rapidly.[60]

Steadily improving prospects for retailing generally in the 1930s encouraged significant expansion of department stores and multiples, thus reinforcing a trend that had been evident in the 1920s. The larger co-operative retail societies were also thriving with many establishing a city centre presence for the first time in this period. Though the growth of these forms of retailing, as measured by market share, was achieved largely at the expense of the independent shopkeeper, it does not appear to have impacted adversely on agency mail order. Conditions were sufficiently buoyant to sustain those companies that had established themselves as leaders in this sector in the late nineteenth and early years of the twentieth century. At the same time agency mail order attracted dynamic new entrants, notably the Liverpool-based Littlewoods Mail Order Stores, founded by John Moores in 1932, and Isaac Wolfson's Great Universal Stores (GUS), gaining entry to the sector via the purchase of Kays in 1937. Moores facilitated Littlewoods' entry into agency mail order by exploiting lists of customers who entered his football pools competition each week, many of whom had already organized themselves into clubs on an informal basis in order to maximize their chances of winning. An initial mailshot to 20,000 pools clients generated 245 replies and led to the establishment of 17 clubs, each with an appointed 'organizer' who placed orders and collected payments, distributing goods to members via a weekly turn system.[61] In this respect, Littlewoods fitted the pattern established by the first wave of general mail order retailers around the turn of the century who had exploited pre-existing social networks in a similar fashion. Significantly, Vernons, its Merseyside football-pools rival, followed Littlewoods into mail order in 1936.

GUS was not a new entrant of the same kind in that the company had been selling direct to the public since 1900 and was certainly engaged in club trading when Isaac Wolfson joined the firm as a buyer in 1926. At the time of its stock market debut in 1931, however, it was claimed that its extensive retail business was conducted 'mainly on a cash basis'.[62] By the mid-1930s, the GUS board was well attuned to the opportunities offered by the rising level of working-class affluence and had embarked on a surge of acquisitions, mainly of well established retail and credit operations offering good prospects of expansion. The various retail businesses ranged under its umbrella, from High Street stores to furniture warehouses and credit drapers, catered for 'the masses of the people whose purchasing power, as a whole, has of late much improved'. Acquiring a controlling interest in Kays enabled GUS to gain the leading market share in agency mail order at a stroke. There were benefits in buying 'an old-established mail order business' and thereafter Kays was marketed as its principal agency mail order brand. Though the original name of the family firm was maintained, Kays was run from 1937 as a subsidiary of GUS with a new managing director, Henry Spicer, brought in by Wolfson. As far as Wolfson was concerned, the advantages of acquiring Kays could be reduced to simple economies of scale and scope: it achieved the effect 'of greatly enlarging our buying power and increasing the outlets for sale of our wide variety of merchandise'.[63] But then, as he often reminded those who regarded him as a financier, Wolfson's mentality was essentially that of a merchant: 'selling is my job, not finance'.[64]

Littlewoods, which started with an initial share capital of £20,000, grew rapidly achieving a turnover of £100,000 in its first year of trading and £400,000 in its second. Mail order entrepreneurs in the 1930s, in seeking a competitive advantage over their rivals, had begun to experiment with ways of persuading their customers that catalogue shopping could be fun. At Grattan, John Enrico Fattorini and Sidney Owthwaite, his business manager, offered cash prizes of up to £50 to customers who correctly estimated the attendance at various football matches and the copy accompanying catalogue descriptions occasionally ran to humour, albeit of a rather predictable kind. (Scotsman to his son: 'My boy, if you are wearing new shoes, *take longer strides*.')[65] From the very first Littlewoods' catalogue it was clear that John Moores knew that his customers, characterized as 'the homely folk of this country', were interested in 'value for money'. His 'Surprise Bedding Bale'—only £2 for twenty-four items including sheets, blankets, pillow, pillowcases, an Alhambra quilt, and a Jasper bedspread—was the best selling line but, with all major mail order catalogues offering similar bargains, it was important to look for an advantage in terms of differentiated service. This was achieved by a marketing strategy that promoted the Littlewoods' version of the club system as a sociable, even an enjoyable way of buying clothes, shoes, and household goods. Company publicity targeted at potential club organizers, while informing them of the discount to which they would be entitled, stressed the advantages of being at the centre of a social circle. They were invited to 'organise a Littlewoods club and make friends'.[66] Littlewoods also struck out in a new direction by actively seeking to recruit women as club organizers, one advantage of the club system being that no credit transactions were involved. This enabled Littlewoods to circumvent the legal minefield relating to married women and credit that had led other mail order retailers to target their recruitment efforts almost exclusively at men. By 1936 Littlewoods had recruited 35,000 club organizers and 700,000 club members. This mushroom growth along with the expansion of agency mail order generally in the 1930s was sufficient to attract the hostile attention of local chambers of trade and other associations of independent shopkeepers. They began to complain of unfair competition, urging that the commission earned by spare-time agents should be subject to taxation. Littlewoods' mail order clubs, according to one trade paper, were 'a wonderful business and actuated by the highest ideals of philanthropy—except, of course, towards the retail trader, who pays local rates but whose customers are being urged to set up shop "without capital" and to make "profits without risk" '.[67] Mail order retailing in the 1930s may not have seriously troubled the major city centre and suburban department stores or the proliferating chain stores (in which both GUS and Littlewoods developed a significant stake) but it was beginning to make an impact on the small independent retailer.

It is important, however, to retain a proper perspective. Even though mail order in its various forms was well established by the end of the 1930s it probably accounted for no more than 1 per cent of all retail sales.[68] The key firms in the sector were those that had emerged as mail order specialists before 1914 and they were still controlled, with the exception of Kays, by the families who had started them. The continuing presence of the Fattorinis at Empire Stores and Grattan, along with the Ramptons at Freemans, helped to ensure that these firms retained the character of family businesses. Littlewoods, though a relative latecomer, was run in a similar fashion by John Moores. Moreover, though Britain's mail order entrepreneurs sometimes looked to the United States for inspiration, especially in relation to warehousing and stock control, the sector had developed two distinctive characteristics. The first of these was a reliance on neighbourhood-based spare-time agents or club organizers; the second was a willingness to supply goods on credit terms, thus enhancing the purchasing power of working-class consumers. In the sixty years or so since the Fattorinis had first started their watch clubs, Britain's specialist mail order retailers had been confronted with adverse trading conditions on a number of occasions, not least during the First World War and the Slump. The resilience of the businesses that had pioneered this form of retailing, along with the expansion prompted by the arrival of Littlewoods and GUS in the 1930s, was indicative of retail form well attuned to the demands of the economic and social environment in which it operated.

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The Evolution of Mail Order Retailing in Post-war Britain

At the end of the 1930s, mail order represented a small but dynamic sector of British retailing. Its distinctive characteristics, notably its reliance on spare-time agency and its role as a supplier of credit, seemed a firm basis for further expansion, though much would depend on the continuation of an upward trend in consumption among its mainly working-class customers. With the outbreak of war in 1939, however, Britain's mail order retailers were faced with severe difficulties. Not only were goods in short supply but consumption was subject to rationing and other forms of restriction. Wartime conditions disrupted the links between the firms, their agents, and their customers. The continuing climate of economic austerity in the immediate post-war period ensured that it was not until 1950 that mail order retailing resumed an upward momentum. Thereafter, it took off, experiencing rapid growth in the 1950s and 1960s as consumer spending reached hitherto unprecedented levels and consumers took what has been called 'the great leap forward' into affluence.[1] The mail order houses were well placed to take advantage of these developments. Spare-time agency continued to open doors in Britain's socially homogenous working-class neighbourhoods. At the same time the rolling credit systems offered by the major catalogue houses gave agents and their customers access to an ever-widening range of consumer goods. Mail order continued to expand its share of the UK retail market until the end of the 1970s. Thereafter it remained significant though some important new trends in home shopping became increasingly evident towards the end of the twentieth century, not least the rise of direct-to-customer sales at the expense of traditional agency mail order.

Mail Order Retailing in the Second World War

The war made an almost immediate impact on the mail order business, sometimes in a very direct way. Stanley ('Andy') Cooke, then a Littlewoods' executive, recalled:

> On a company level our 'offer' of help came to fruition very quickly (except it was not really an offer). A brigadier descended on us with his supporting officers with a very important piece of paper. 'In the name of King and Country' he required possession of our stocks of sheets, blankets, pillows, pillow slips, quilts, gum boots and the like . . . These homely items were the backbone of the mail order catalogue business and we paid very dearly for this.[2]

Requisitioning, the most direct form of government intervention, was not confined to stock. In Bradford, Grattan was forced to give up its modern office and warehouse facilities at Ingleby Road in 1940, conducting business for the remainder of the war from twenty-seven separate premises scattered across the city. In Worcester, Kays was threatened with a similar inconvenience in 1941 when the Ministry of Aircraft Production requisitioned the ground floor of its main premises, only to be thwarted when it was accidentally destroyed by fire. The site, however, remained beyond the company's use for the duration while it served as a car park for Royal Air Force (RAF) personnel.[3]

Other wartime difficulties that could be attributed directly to government intervention included having to adjust to a regime in which wholesale and retail prices were fixed by application to a Central Price Regulation Committee and in which the availability of goods was often determined by Limitation of Supplies Orders. After October 1940, retailers also had to contend with the imposition of purchase tax levied at 16 per cent on the wholesale prices of personal and household goods. It was possible to protect margins to some extent by establishing subsidiary wholesale companies, a strategy adopted by Freemans in order to gain the benefit of a double mark-up while remaining on the right side of the regulations.[4] Such devices notwithstanding, there were limits to what businesses acting independently could achieve in this respect and a growing realization of the benefits of trade association. It became clear that the various firms comprising the mail order sector needed an appropriate body to represent their joint interests in negotiations with the Board of Trade and other government departments. The Mail Order Traders Association (MOTA) performed this function from 1941 onwards.[5]

Though the government intervened to restrain rising prices, full employment exerted a powerful upward pressure on wages, especially in munitions-related industries. Wage rates for women employed in industry rose rapidly, as did those for unskilled workers generally. With additional payments for overtime, night shifts, and weekends boosting actual earnings, most working-class consumers were significantly better off than they had been in the 1930s. Average weekly earnings rose by 78 per cent between 1938 and 1945, about 20 per cent more than the rise in the cost of living over the same period.[6] But, though the experience of the mid- to late 1930s suggested that Britain's mail order retailers were well placed to tap into the increased purchasing power of working-class consumers, they were unable to take advantage of these developments on account of a scarcity of supplies. As one contemporary account of retail trading conditions indicated:

> supplies became increasingly scarce. The volume of retail trade in the year ended January 1941 was appreciably smaller than that of the previous year . . . The fall in the volume of sales was offset by the rise in prices, but this change, though alleviating the losses of the retail trade, in no way offset the growing scarcity of supplies and the difficulty of procuring the necessary stock to keep many retail outlets going.[7]

Empire Stores, having for many years used the advertising slogan 'Our Catalogue is our Shop Window', found that there was very little to put on display. After each wartime edition it was deemed expedient to issue agents with a list of catalogue items that were 'sold out and unrepeatable'. The range of clothing, footwear, and household goods that had been a feature of pre-war catalogues was progressively narrowed. Clocks, watches, and items of jewellery disappeared. New lines, when they did appear, such as material for blackout curtains and headwear for women factory workers, reflected the utilitarian priorities of a nation at war.[8] It was a similar story elsewhere. Whereas Kays' autumn–winter catalogue had run to 432 pages in 1939–40 its equivalent in 1942–3 offered only 116, and they were smaller in size. Mail order's customers may have had more spending power but, under wartime conditions, there was little to spend it on. By 1942 consumer spending had fallen from its pre-war level by 15 per cent though this turned out to be merely the first phase of a decade-long reduction in consumption that 'was unprecedented in modern British history in terms of magnitude and duration'.[9]

Even when consumer goods were available, staff shortages meant that the level of service offered previously was now unattainable. Henry Spicer, general manager at Kays, noted in 1941 that the Ministry of Labour repeatedly asked for employees to be released, 'their reason being that the trade of this company was a non-essential one and if we do not voluntarily release all staff required they would consider taking away the whole'. He went on to claim that the firm had lost 568 of its 670 staff in the 12 months up to August 1941. A few months later it was reported that employees were leaving at the rate of eight to ten a week. Moreover, in what had become a highly competitive local labour market, Kays had lost the advantage it once had over other employers: 'through various Ministries and other War Industries moving to Worcester much higher rates of wages are being paid to our class of worker'. This experience was not, of course, unique to Kays; the pre-war complement of 300 staff at Empire had been reduced to 80 by 1945.[10]

It was possible to mitigate the negative impact of the war economy to some extent by taking on the role of government contractor but this often compounded the difficulty of maintaining the retailing side of a business. Bradford Textiles, a manufacturing subsidiary of Empire Stores, opened a highly specialized new line—German uniforms for the use of resistance organizations in occupied Europe—though this was, albeit under state compulsion, at the expense of its output of civilian clothing. Littlewoods, once its Liverpool headquarters had been taken over, went further than its rivals in this respect, manufacturing and supplying a wide range of military equipment, including shells, barrage balloons, parachutes, and rubber dinghies. 'Thousands of men and women', John Moores later recalled, 'did their war service in the Littlewoods Army.'[11] This left the company's 'non-essential' mail order division, relocated to two country houses in Cheshire, in jeopardy. As Andy Cooke, called in by Moores to address the crisis, later recalled: 'The company had taken a battering. Executive labour had been pulled out for war work; with bombing up and down the country the post and rail systems had become more than disorganized; Liverpool had suffered gravely; and finally we had a lot of merchandise commandeered by the forces.'

The immediate problem confronting Cooke when he assumed command in 1941 was a backlog of 40,000 unanswered letters, a disaster in terms of agent and customer relations that threatened to destroy the credibility that Littlewoods had built up since the early 1930s. 'When correspondence is ignored', he observed, 'customers lose their faith and the company loses their business.' What was especially worrying in this respect was that thousands of spare-time agents had not been paid their commission. The rescue measures instituted by Cooke supplied improvised solutions to the immediate problems facing the Littlewoods' mail order business and helped to secure a basis for post-war expansion. Restoring and retaining customer confidence became a priority. Littlewoods' buyers were encouraged to find replacements for deleted catalogue items even if they could be sold only at a loss. 'My feeling', Cooke later explained, 'was that if these methods retained our agents, the price we were paying was cheap.'[12]

It was, however, unusual to look so far ahead, most companies being absorbed with the day-to-day difficulties of simply ticking over. Some mail order houses found themselves very much in the front line. Not one of the many Liverpool properties owned by Littlewoods came through the blitz undamaged. In London, a direct hit on an air-raid shelter at Freemans in September 1940 killed twenty-two women employees. Incendiary bombs later caused extensive damage to the firm's main building, destroying stock and business records.[13] In such circumstances mail order retailers were inevitably preoccupied with ensuring that their businesses stayed afloat and that lines of communication with their agents remained open. Littlewoods' executives rallied to the cause by dealing with the backlog of accumulated correspondence. At Freemans, Robert Rampton returned home on leave to find his father, the company chairman, sitting at home surrounded by piles of pink order forms.

> And because there was severe rationing and limitation of available stocks and all the rest of it, he used to have to go through all these orders and cross off items where an agent had obviously been ordering too much of one item . . . so he was operating virtually as an overall stock controller and as one of the clerks dealing with agents' orders simply to be able to get the volume of stuff through at this stage because, of course, staff were in short supply.[14]

'For the remainder of the war years', observed a Grattan insider of the period after the company had been forced to vacate its Ingleby Road premises, 'they could only achieve what was possible, elderly and young people filling the many vacancies created by the call up'.[15] This strikes an authentic wartime note.

Mail Order Retailing and Post-war Austerity, *c*. 1945–51

To a large extent the trading conditions that had characterized the war years continued through to 1950–1. Confronted with the difficulties of propping up sterling in a world dominated by the dollar while simultaneously embarking on an ambitious programme of social reform, the incoming Labour government continued to rely on the apparatus that had operated during the war. As Kenneth Morgan has noted: 'Controls were an essential feature of the "land fit for heroes" as visualised in 1945.'[16] As far as mail order retailing was concerned the most important constraints derived from this commitment were those that held back the revival of consumer expenditure *per capita*. In 1946 this was at a slightly lower level than in 1938 and thereafter it grew only slowly, standing at only 1.9 per cent above its pre-war level by 1950. The government's priority was to encourage dollar-earning export industries while holding domestic consumption in check. Thus conditions in the late 1940s remained difficult for the retail sector generally. Isaac Wolfson of Great Universal Stores (GUS) spoke for many when he complained, in the company's annual report for 1947–8, of controls that 'continually militated against the natural development of trade and the normal expansion of demand for consumer goods'.[17]

In these adverse conditions mail order companies tried to make the best of a bad job, emphasizing the advantages of their 'free' credit facilities while simultaneously pointing out that price controls were a *de facto* guarantee of good value. Kays' spring–summer catalogue for 1945, was fairly typical. 'Everything on Credit. Today you can buy an article at Kays for the same price as it is obtainable in a London store for cash. Most goods are price controlled and nothing is added to these prices by us for credit.'

Finding goods to sell at any price, however, was almost as difficult as it had been in wartime. With the output of most consumer goods industries, including textiles and ready-made clothing, expanding relatively slowly, mail order retailers continued to experience problems with supplies. Buyers competed vigorously for what was available by way of government surplus stock. Whenever blankets, towels, or felting became available, 'our men were on the doorstep'.[18] Meanwhile consumer demand was held back by rationing. It was not until February 1949 that clothing, the most important category of goods on display in any general mail order catalogue, was liberated from this constraint and retailers were released from the attendant bureaucracy of clothing coupons and the 'points' system. The beneficial impact of this development, however, was somewhat diminished by new controls on retailers' profit margins introduced a few months later. This setback notwithstanding, consumer spending on clothing was boosted to the extent that it was higher, just, in 1950, than it had been in 1938.[19]

By the end of the decade there was some reason for mail order retailers to take a cautiously optimistic view of future prospects. It was clear by then that, though most working-class households were financially better off than before the war, weekly budgeting habits had not changed, continuing to favour the retailer who was prepared to advance credit and accept repayment in modest but regular instalments.[20] At Kays, the GUS group's major home shopping brand, end-of-year pre-tax profits suggested relatively modest growth between 1945–6 (£60,603) and 1947–8 (£63,822), before surging to a new plateau in 1948–9 (£72,108) and 1949–50 (£74,091).[21] At 220 pages, its autumn–winter catalogue for 1948–9 represented a significantly more attractive shop window than that of a few years earlier. It included a six-page feature labelled 'The Baby Shop' with advice to new mothers on how best to care for their infants. The company, clearly, was alert to the commercial potential of the post-war 'baby boom'. In 1947 Kays acquired Morse, a Swindon-based credit drapers, an indication of its growing ambition and of the GUS strategy of buying into sectors where it had already established a significant presence. As a decade of austerity drew to a close, the board minutes could refer routinely to 'increased business' when justifying new expenditure on furniture and office equipment. In Bradford, Empire Stores had acquired a new confidence under the post-war direction of Joseph Fattorini and Mick Wells, brought in to what had been until then an entirely family-run enterprise in order to help streamline the organization and supply expertise in marketing. It was in the immediate post-war years that Empire shook itself free of the firm's original retail jewellery business, establishing a management structure that would serve it well in the years of rapid expansion after 1950 with separate departments for cost, stock, and credit control. By 1949 business had picked up sufficiently to justify the employment of 200 staff, still only about one-third of the pre-war complement.[22]

The Heyday of Traditional Mail Order Retailing, *c*. 1950–80

Though it took some time to shake off the impact of the war and post-war austerity, Britain's general mail order retailers were well placed to profit from the improvement in trading conditions after 1950. Five years after the end of the war buyers at Grattan, and their rivals elsewhere, remained 'hungry for anything available'.[23] This predicament eased as the era of shortages came to an end. There were also immediate benefits to be derived from the lifting of supply-side restrictions. The utility scheme, for example, first introduced in 1941, whereby manufacturers were licensed to produce some household goods only if they met government-approved specifications, was regarded as a significant constraint and its abandonment in 1952, along with attendant price controls, was welcomed by retailers generally. Isaac Wolfson, writing in the GUS annual report for 1952–3, indicated that manufacturers were now free 'to produce goods of their own design and at prices that had previously been subject to certain restrictions'. This had helped, he explained, by allowing retailers more flexibility in dealing with merchandise problems while enabling the public 'to obtain a larger variety of goods in many cases at better value than hitherto'. The relatively low cost of imported raw materials, a feature of a period when the British economy enjoyed favourable terms of trade, was also beneficial. 'Merchandise prices', Wolfson noted a year later, were relatively stable; indeed 'the trend has probably been downwards'.[24]

These developments coincided with a rapid surge in demand as consumer spending regained the upward momentum it had lost during the 1940s. This proved highly significant. In the circumstances a short-lived surge in pent-up demand was to be expected but this movement proved to be far more powerful. It lasted through to 1973–4, carrying Britain into and through the first wave of mass consumerism. These were heady days. 'A new Britain seemed to be emerging—a modern, affluent society in which poverty and unemployment had been eliminated and class divisions were disappearing.'[25] The post-war era of full employment was a marked contrast to the 1930s. In 1955 the monthly average of registered unemployed dropped to 232,000, just over 1 per cent of the workforce, and only towards the end of the boom, in the late 1960s and early 1970s, did this figure rise to half-a-million or more.[26] In a tight labour market, rising wages tended to outstrip rising prices ensuring that working-class consumers of the period had more surplus income to dispose of than previous generations. Overall, real disposable income per capita increased by roughly 30 per cent in the 1950s, by 22 per cent in the 1960s, and by 30 per cent again in the 1970s, a trend from which working-class wage earners appear to have benefited disproportionately. Harold Macmillan was right when he claimed in 1957 that 'most of our people have never had it so good'.[27]

With food prices rising relatively slowly, much of this increase in purchasing power could be allocated to goods and services that made life more comfortable or more enjoyable. Britain's major mail order houses had every reason to welcome these developments. Writing to GUS shareholders in the annual report for 1953–4, Wolfson struck an appropriately positive note:

> In general, increases in wages have kept in advance of rising prices. There is even a tendency for prices to decline in the absence of shortage in the supply of consumer goods. I feel that wages will continue to rise and, provided this

is related to greater productivity, it must be a good thing for the country and for us all.

The expansive tone was fully justified, not least because the arrival of affluence ushered in a period of meteoric growth for home shopping in Britain. When Freemans became a public company in 1963, following the example of Empire Stores (Bradford) Ltd. three years earlier, its confident appeal to investors was based on the substantial progress of business since 1945. 'Though hampered in the immediate post-war years by building and other restrictions', it was noted, '[Freemans] had expanded continuously and the turnover has almost quadrupled over the last ten years.'[28] By the early 1960s the thin fare on offer in the catalogues of the 1940s had given way to volumes of 600 or more pages detailing the thousands of items that were within the reach of the newly affluent working-class consumer. Where a limited range of economy clothing and household goods had once predominated, catalogues now offered 'a riot of consumer goods, an index to the affluent society'.[29]

What was especially impressive was the way in which mail order steadily increased its share of the retail market over a period of almost thirty years from 1950 to 1979 (Table 2.1).

Sector growth was especially impressive in the late 1950s and early 1960s as Britain's consumers crossed the threshold of affluence. General mail order houses increased their turnover by 87 per cent between 1957 and 1961. Even then, however, the annual rate of increase was not quite as great as it had been in the period 1950–7, when it was running at about 15 per cent.[30] The sudden surge in demand caused some difficulties. At Grattan, for instance, in 1954, it had been necessary to slow the rate at which new agencies were being created simply because there was insufficient warehouse capacity to cope with the potential increase in business. New agents were placed on a waiting list until their requirements could be serviced efficiently. This required substantial internal reorganization, especially in the assembly and packing sections and a significant investment in new technology. Grattan's new warehouse conveyor system, introduced in 1955, achieved a weekly average of 60,000 parcels in 1956, rising to 100,000 two years later.[31] Reporting record profits in 1955, Empire Stores noted that 'many difficulties have been overcome to achieve this result'. Two years later the problems of financing the purchase of new office

Table 2.1 Mail order sales as a proportion of the UK retail market, 1950–79

Year	Percentage share of total retail sales by value	Percentage share of total non-food retail sales by value
1950	0.9	
1957	1.6	
1961	2.5	
1962	2.6	
1963	2.8	
1964	3.1	5.7
1965	3.4	6.2
1966	3.8	6.7
1967	3.9	6.9
1968	3.9	6.9
1969	4.0	7.1
1970	4.1	7.2
1971	3.8	6.6
1972	4.2	7.1
1973	4.6	7.7
1974	4.8	8.2
1975	4.7	8.1
1976	4.7	8.9
1977	4.9	8.6
1978	5.0	8.7
1979	5.3	9.2

Sources: *Retail Business Survey, Retail Business*; Crawshaw, H.S., 'Does mail order fit the retail life cycle? (unpublished MBA thesis, University of Bradford, 1980), Appendix C, p. 276; author's calculations.

and warehouse space during a credit squeeze while simultaneously financing an expanding mail order business were imposing 'a great strain' on Empire's finances.[32]

The overriding impression of mail order retailing in the 1950s is of companies acquiring additional warehouse and office capacity in a piecemeal fashion as they sought to keep pace with the rising tide of demand. At Freemans, it was later recalled, 'the company was outgrowing its physical capacity to contain itself'.[33] Kays, having purchased 45,000 sq. ft of space close to its Worcester headquarters at Northwick (1952), and further extended its office accommodation (1955), remained active in the local property market throughout the decade, adding ex-factories such as the Cinderella Works (1955) and Vanity Mill (1958) as they became available.[34] As the affluent society arrived in 1959–60, Kays was investing heavily in new property; the board approving expenditure on a site for a new warehouse at Droitwich (£67,500), on a new warehouse at Marshall Street, Leeds (£221,000), and on a new depot at Moses Gate, Bolton (£75,000).[35] This activity was supplemented by the addition of new rented facilities in Worcester and also in Edinburgh (1954), Glasgow (1955), York (1962), and Bristol (1964).[36] The dilemma confronting mail order retailers in this era was neatly encapsulated at Empire Stores. The alternatives, by the end of the 1950s, were 'either to keep on buying additional feeder warehouse space to serve a large assembly unit, or to buy a large warehouse that would meet our requirements for the foreseeable future'. Empire resolved this dilemma by making a decision to lease nine acres for the development of a modern custom-built warehouse at Horbury, near Wakefield, in 1960.[37]

Trading conditions remained generally favourable throughout the 1960s and early 1970s underpinning the continuing upward trend in the sector's share of total retail sales. This increased annually over the period from 1950 to 1979, mail order's advance being interrupted only in years when business was disrupted by strikes in the postal service or in the railways. It is important to recall that the communications infrastructure that had facilitated the growth of mail order from the inception of the parcel post remained in place. When, in 1960, John Myers opened its new warehouse at Reddish, near Manchester, links with the postal and railway systems remained of paramount importance. 'The GPO and British Railways', it was noted, 'have their own site Post Office and site railway station on the premises to assist in the speedy delivery of merchandise to customers and this is further assisted by the proximity of the important Stockport rail junction.'[38] Ominously, a few years later Andy Cooke, who had moved from Littlewoods to Myers, reached the conclusion that the quality of these services had 'declined rapidly'. Royal Mail deliveries continued to offer bulk users value in respect of destinations in remote or sparsely populated areas but, by the early 1970s, it was less satisfactory when handling parcels being moved from one urban centre to another.[39]

Though the mail order industry had learned to work in symbiosis with the Post Office, some of whose employees were permanently seconded to the major warehouses to validate postal rates, weigh and frank parcels, etc., there was, inevitably, a degree of vulnerability built into this relationship. This had been tested when postal workers organized a 'go slow' in 1964 and was fully exposed by a six-week national strike in 1971. Freemans, in particular, was caught out, having embarked on a high growth strategy to offset increased investment in automated office and warehouse systems.[40] Parcel deliveries were further compromised by intermittent industrial action on the railways. In 1974 an exasperated Mick Wells, by then chairman of Empire Stores, reported that 'the ban on overtime and weekend working by the railways dispute not only affected the efficiency of the Post Office but also deliveries of larger items which we always send by rail'. The goodwill of agents and customers had been put at risk over the previous Christmas period when the Post Office had for a time refused parcels for addresses in the south-east of England, being unable to guarantee that they would arrive on time.[41] There was also the embarrassment of West Yorkshire's variation on the theme of the 'Great Train Robbery' when parcels despatched from Empire's warehouse were plundered while awaiting transit from a goods yard at Wakefield. It was said in court that the thefts had 'the added thrill of a perpetual Christmas, as it was never known what was in the next mailbag'.[42] It is important, however, to emphasize that the communications infrastructure inherited from the nineteenth century remained largely intact throughout the period when mail order was experiencing rapid expansion and did not appear to impose any systematic constraints on growth until the early 1970s.

The 1971 postal workers' strike, however, marked a significant point of departure. Mail order companies were prompted to seek greater control of the supply chain by establishing their own delivery fleets and increasing the number of depots, trunking goods in bulk to regional drop-off points from where they could be distributed locally by van. Britain's developing network of motorways was clearly an important factor here. Self-delivery had the added advantage of permitting more direct control or monitoring of delivery standards and performance, both in terms of speed and in reducing the risk that goods would be lost or damaged in transit. There were other advantages in terms of flexibility and diversification. Delivery vans could pick up 'returns' and could be hired out during periods of reduced activity. The Post Office was not excluded altogether but its relationship with the mail order houses was effectively renegotiated so that in-house fleets began to cover predominantly urban areas wherever possible. By the early 1980s, Littlewoods led the field in own-fleet delivery, its in-house firm, HDS, handling around 80 per cent of orders and reaching 90 per cent of agents.[43] Though other companies, Freemans and Grattan in particular, were slower to adopt self-delivery the trend was well established by 1982, encouraged by persistent anxieties regarding the Post Office's levels of efficiency. It was, according to one newspaper in 1984, 'fast becoming a national disgrace'.[44]

Congeniality, Convenience, Catalogues, and Credit

In addition to what was then a reasonably reliable communications infrastructure, there were other significant benefits dating from the formative years of the sector's development which help to explain how mail order developed an edge over other forms of retailing in the 1950s and 1960s. Sales from catalogues grew in the thirty years after 1950 not just because the retail market was expanding but because the mail order houses were relatively more successful in attracting new customers and retaining them. Given that catalogue prices were, at best, much the same as comparable shop prices, and often a little more expensive, it is important to focus on non-price factors, such as congeniality and convenience, along with the variety and quality of the goods on display. Mail order's reliance on spare-time agents, the overwhelming majority of whom were women by this time, and the credit facilities developed over the years were especially important here. Estimates of the number of agents carrying catalogues for the major firms have to be treated with some caution, not least because a certain amount of double counting is inevitable as many agents dealt with more than one company. A well-informed marketing source offered the 'tentative suggestion' that there were at least 2.5 million active spare-time mail order agents in 1967. Lord Crowther's report on consumer credit, four years later, estimated that the total was between three and four million. The Monopolies and Mergers Commission (MMC) estimated that there were about 4.8 million individuals receiving one or more catalogues in 1981, a year or two after agency mail order had reached its peak.[45] Thus, as Tony Rampton of Freemans observed, the agency system continued to open doors for the mail order houses at a time when their traditional customers were 'getting a much larger slice of the national cake'.[46]

It is important to emphasize that the traditional working-class community remained a feature of Britain's social landscape in the 1950s and 1960s. For many people, as Richard Hoggart pointed out in 1957, life continued to be centred 'on the groups of known streets, on their complex and active group life'.[47] Large-scale slum clearance and redevelopment schemes starting in the early 1950s, did eventually make a huge impact but, as at Byker in Newcastle-on-Tyne, often took twenty years or more to complete. Thus the old communities, where long-established social networks based on family and neighbourhood underpinned everyday economic relationships based on mutuality and reciprocity, often lingered longer than has sometimes been suggested. Moreover, even when such communities were broken up and relocated, they often reconstituted themselves to some extent within a generation or so. 'In part', Willmott noted in his classic 1963 study of families who had moved out of East London to start a new life, 'Dagenham is the East End reborn'.[48] It would be a mistake, therefore, to underestimate the durability of the social foundations with which agency mail order dovetailed so neatly. In the 1950s and 1960s, when the sector was experiencing rapid growth, the companies continued to target lower income groups. It was noted in 1967 that council estates were 'the natural target for canvassers or leaflet distributors'. This, however, did not preclude tracking working-class customers who had moved a little upmarket. The most important new source of business in recent years, it was reported, had been 'from inexpensive private housing estates—often small developments of under 30 houses'.[49] One significant advantage enjoyed by mail order retailers over shop- and store-based competitors, as Joseph Fattorini of Empire Stores pointed out at the time, was that the agency system enabled them to 'follow population changes with no capital cost'.[50]

It is possible to exaggerate the problems associated with the transition from 'traditional' to 'new' communities in the post-war period. There were, however, some aspects of the transition that helped to make home shopping particularly attractive for housewives and mothers in the third quarter of the twentieth century. Those who moved to the new estates, council or private, often discovered that shopping became a less sociable experience. On estates built in the 1930s, as Ross McKibbin has suggested, 'the geography of shopping' was strictly circumscribed. Shopping precincts were often some distance from home; there were no corner shops, 'nor any of those shopping opportunities which town dwellers knew'.[51] Estates built in the immediate post-war period were little different in this respect and it seems likely that these circumstances would have enhanced the appeal of the congeniality and neighbourliness associated with agency mail order. Littlewoods, from the 1930s onwards, had stressed that running one of its clubs was a way to make friends and the major companies habitually stressed the neighbourly aspect of mail order agency. Grattan's *Spotlight*, a monthly magazine sent to agents, was typical. A 1970 cartoon strip told the story of an agent coming to the assistance of a neighbour who needed to buy a trouser-suit in a hurry but did not have the ready cash. On one level she was simply helping out; on another, her neighbourliness masked a simple commercial transaction. The agent confides knowingly in the final frame, 'I never miss the chance of a sale'.[52]

The convenience of buying from the catalogue may also have given the mail order companies an edge in this period. Commenting on recent trends in 1963, *The Times Review of Industry* noted that Britain's High Street shops had been significantly modernized since the end of the war, yet paradoxically, 'the retail businesses with the fastest rising sales have been successful without any shops at all'.[53] Once again, the way in which mail order shopping dovetailed neatly with contemporary lifestyle trends was important here. Credit, according to most commentators in the early 1960s, was probably the most important single reason why people bought goods from a mail order catalogue, but convenience was also very important:

> and this is particularly true in a time of full employment with many families having several of their members, including the wife, out at work. In such cases, it may well be impossible for those interested in a prospective purchase to foregather at the shop at one and the same time, let alone trail round a number of shops, and if it is possible, it will usually be only on a Saturday, which has become more and more hideous to the customer.[54]

Mail order firms, it was noted, were well placed to benefit from 'changes in the social and economic background'.[55] Traffic congestion, parking problems, and the relatively high cost of public transport, along with the inconvenience of conventional shop opening hours for women at work, were often cited in this context.

A Mintel survey in the mid-1970s confirmed this impression, observing that convenience, as related to home shopping, was derived 'from the fact that the customer lacks good shopping facilities close to her home; or it may be that she lacks the time, energy, and tolerance to do her shopping at peak times'. When asked why they purchased from a mail order catalogue, 52 per cent of respondents had indicated that they did not like 'traipsing round shops'. The survey also revealed that 59 per cent of mail order customers believed that the catalogue offered a greater variety of goods than were likely to be available to them in local retail outlets.[56] Though the big mail order houses could now compete seriously with chain and department stores, the advantages offered to customers who might otherwise have shopped locally with small-scale independent retailers were also very significant. Indeed, as mail order went from strength to strength, the small shopkeeper was often squeezed very hard. In Wythenshawe, a massive council estate located a few miles south of Manchester, mail order catalogues were so prevalent by 1961 that the Chamber of Trade began compiling a blacklist of agents trading from home in contravention of their tenancy agreements with the City Council. A quarter of the shops on the estate claimed to be suffering from what they regarded as a form of unfair competition, especially those trading in clothing, drapery, hardware, and 'luxury' goods. This prompted correspondence in a local newspaper in defence of the catalogue agents and the service they provided. Wythenshawe shopkeepers, it was suggested, 'were the luckiest in Manchester' as housewives, faced with the prospect of an aggravating and expensive trip to shops in the city centre, Moss Side or Sale, were effectively forced to shop locally. In these circumstances shopkeepers had 'taken their custom for granted'. Given the importance attached to both congeniality and convenience, Wythenshawe woman, armed with her mail order catalogue, represented formidable competition.[57]

The development of the catalogue merits some attention in itself, not least because it came to represent such a significant investment for the companies. This was an aspect of the business where size really did matter. By the early 1960s, the catalogues produced twice yearly by the major houses weighed in at around three pounds, ran to somewhere between 500 and 700 pages and carried illustrations and descriptions of between 11,000 and 12,000 items. They were 'fantastic productions' and 'without exception extremely well produced'.[58] Pre-war mail order catalogues had carried very basic illustrations, usually in the form of monochromic drawings, though retailers gradually became attuned to the advantages of using colour.[59] By the 1930s, it was possible to use photogravure to provide such illustrations but this process, being relatively expensive, was used sparingly. In 1947, Freemans was still using labour intensive and relatively primitive colour printing techniques. Ten artwork studios were employed to prepare sketches for the blockmakers who then engraved the plates from which the catalogue illustrations were produced. Colour sections were printed by 'the standard four-colour letterpress method' superimposing one colour on another.[60]

As photogravure became less expensive in the 1950s, however, the use of colour illustration was extended. Littlewoods spring–summer catalogue in 1955, for example, comprised 280 pages, 239 of them in colour. The utilitarian quality of pre-war mail order catalogues may have contributed to the sector's persistently dowdy image, especially as many readers could compare them with illustrated women's magazines where long print-runs permitted the effective use of photogravure. This became less of a problem for the major mail order houses as the post-war period progressed and the number of agents demanding catalogues expanded. With in-sector competition intensifying, an attractive well-designed and, if possible, distinctive catalogue became increasingly important, especially as many agents carried catalogues for more than one firm. As Joseph Fattorini explained in the mid-1960s:

> The Catalogue is the Mail Order shop window except that we can only dress it twice a year and as your competitors improved you had to be up with or ahead of them to stay in the race. Many agents run three catalogues so you will see we are competing on Catalogue merit, other factors count, notably speed of delivery, but the catalogue is paramount.[61]

This sentiment would not have been lost on Andy Cooke at John Myers in the late 1950s as he contemplated the challenge of raising the company's profile.

The John Myers' catalogue, comprising only 100 pages in 1957, featured prominently in Cooke's 'plan of action'. 'Our idea', he recalled, 'was to create in rapid stages a 1,000 page catalogue', an aim eventually achieved in 1962. This would, of course, allow the firm to offer the widest possible range of merchandise but, 'more important by far—we would then be able to advertise it as the biggest catalogue and that was the cornerstone of our policy'. Cooke's strategy had its critics but he found it 'interesting over the years to watch our competitors fall in with the big catalogue idea'.[62] In trading conditions underpinned by increasing affluence, mail order retailers discovered that large catalogues carrying the maximum number of lines generated business by encouraging impulse buying. 'I don't know what I want until I know what I can have', one catalogue customer later explained helpfully.[63] With every major firm in the sector producing catalogues of 1,000 pages or more, however, it became important for retailers to find other ways of making their particular shop windows appear distinctive. Television personalities and stars from the worlds of entertainment and sport were increasingly used to model clothes or to endorse particular products. Star names appearing in Kays' catalogues over the years since the 1960s have included the singer, Anita Harris, *Coronation Street's* Pat Phoenix, Patrick McNee of *The Avengers*, and television presenters, Katie Boyle, Anne Gregg, Michaela Strachan, Carol Smillie, and Lorraine Kelly.[64] Pop singer Lulu's transition to all-round entertainer was achieved partly through her well-publicized connection with Freemans spanning eighteen years from the early 1970s. 'I'd always fancied being a model', she explained. 'And they paid me an awful lot of money.'[65]

The glossy catalogues of the 1960s were certainly important in helping general mail order retailing to shake off the unfortunate association with downmarket shoddiness inherited from the pre-war era. Looking back from the mid-1960s, Joseph Fattorini was struck by the low quality of some of the merchandise then on offer in Empire catalogues. 'In 1933 we retailed a ladies dress for 2s 6d [12.5p] . . . I think it would today be impossible to buy such a low quality printed cotton cloth, let alone sell it.' Working-class consumers in the post-war era, however, expected better quality—the wartime Utility Scheme had made an important contribution in this respect—and Empire, along with the other mail order houses, was obliged to respond. Relying on simple money-back guarantees to inspire customer confidence was no longer an option. 'We started to raise the standard of our merchandise', Fattorini recalled, 'but as a trade we still had the stigma of being a low class trade.'[66] From the 1950s onwards, however, firms in the sector addressed this problem in two ways: first, by taking steps themselves to guarantee the quality of goods sold, and second, by selling branded goods in which the public already had confidence.

Mail order consumers in the 1950s and 1960s became very familiar with the laboratory-based boffin in his white coat. The companies were not backward in publicizing their efforts to ensure quality, especially in relation to their own brands, such as Littlewoods' 'Spinney', and Great Universal's 'Challenge'. The 1954 GUS spring–summer catalogue assured customers that 'Spinney' was both 'a standard trademark and a safeguard of quality and value', while the 'Golden Spinney' label was reserved for goods of 'exceptionally high value'. John Moores was especially interested in quality issues, announcing in 1958 that it was his intention 'to establish better standards of design in all our categories of merchandise'. Goods might be inexpensive but that was no excuse for poor design and buyers were encouraged to work with the Council of Industrial Design to eliminate merchandise failing to reach the required standard.[67] Products approved by the Design Council were later identified in Littlewoods' catalogues by a symbol—'the Eye in the Diamond'. To some extent the sector's enhanced interest in quality was driven by the requirements of cost control and, in particular, by the desire to minimize the number of goods returned by dissatisfied customers. 'In the largest three or four firms', it was reported in 1964, 'stringent laboratory tests of materials are undertaken, and the results then cross-checked by a user-test panel.'[68] These initiatives were supplemented by routine monitoring of goods arriving at the warehouse. Rene Barton, employed by Grattan as a 'passer' on Goods Inward, estimated that the proportion of goods checked was as high as 5 per cent on some lines, with goods from new suppliers subject to particularly careful attention.[69] All this helped the sector to 'trade up' and to dispel its association with low quality.

In this respect the adoption of branded goods as catalogue lines was also critical though there were significant obstacles to be overcome before the mail order retailer's window could be filled with lines of goods already on offer in the High Street. 'Manufacturers thought they would be lowering their tone to supply us', recalled Joseph Fattorini. 'Retail shops did not want us to invade their preserves.' What ensued, to use his phrase, was 'a ten year battle', lasting from 1950 to 1960, in which the mail order houses sought to persuade manufacturers to allow them to sell branded goods while conventional retailers exerted a powerful influence in the opposite direction. For a time, some High Street shops attempted to block the flow of branded goods destined for Littlewoods' catalogues by refusing to trade with the manufacturers who supplied them. This tactic was at least partially successful, leaving Littlewoods short of stock. Carpeting proved especially vulnerable and the company found itself promoting underfelt and stair-pads rather than the Axminsters and Wiltons that it had hoped to feature.[70] In the end, however, these desperate efforts were destined to fail. The sector's evident determination to put its own house in order regarding quality helped to persuade manufacturers that their prejudice against the sector was misplaced. In addition, the phenomenal growth of mail order sales in the 1950s meant that there were few manufacturers of consumer goods who could afford to keep their distance. Progressively, during the 1950s and 1960s, well-known brands began to dominate the pages of mail order catalogues. A Kays' leaflet from the early 1960s, targeted at potential agents, indicates the importance attached to this development. Twenty-four branded lines are featured prominantly, ranging from Bear Brand hosiery and Rael Brook shirts to Pyrex cookware, Dansette record players, and Triang toys. Agents were assured that they comprised just a few of the brands that could now be ordered from the catalogue.[71] The ten-year battle had been won. As Joseph Fattorini observed: 'We could demonstrate once and for all that we [had] ceased to be a low class trade.'[72]

Branded goods offered mail order retailers other opportunities to display their wares in a distinctive way by offering 'exclusive' ranges of clothes by well-known designers. In spring 1959, in an initiative echoing John Moores' ambition to make stylish contemporary design available to Littlewoods' customers, the GUS catalogue *Trafford World*, featured clothes by Digby Morton, described as the co-founder, with Norman Hartnell, of the Incorporated Society of London Fashion Designers. A little over a decade later the GUS autumn–winter 1970–1 catalogue displayed fashion selected by Hartnell, who was by then well-known as the dressmaker to the Queen. GUS also offered trendier, younger fashions selected by the celebrity footballer, George Best who promised catalogue shoppers a glimpse of his boutique. 'Get yourself fast to page 429 and you'll be right where the fashion action is', he advised. 'My boutique's got everything going for it—styling you've never seen before, colour, impact, slickness . . . all you need to look and feel great.'

It has to be said that the marriage between the established mail order houses and fashion design in this period was not an altogether comfortable arrangement. Peter Fattorini later recalled a selection meeting at Empire when the fashion buyer, Allan Wade Smith, tried to persuade Mick Wells to take on a line designed by Mary Quant.

> And Mr Wells said, 'I don't think anyone will have heard of Mary Quant'. [The buyer replied], 'Oh, I'm sure they will, Mr Wells, all the women's fashion magazines are talking about Mary Quant'. So Mr Wells [said], 'Oh, I don't believe you, Allan, prove it to me'. So he went out and next door to the selection room was the Stock Office . . . so Allan went up to the first woman he saw there and said, 'Excuse me, can you tell me who Mary Quant is?' And this woman thought for a moment and she said, 'Does she work in Cash Office?' And on that sort of evidence the thing was out—Mr Wells had been proved right.[73]

Though Wells's gruff logic prevailed on this occasion, however, it could not keep London fashion at bay indefinitely.

During the late 1950s and early 1960s, though clothing and footwear continued to predominate, catalogues began to feature a wider range of consumer durables. In 1958 Trafford became the first of the mail order houses to sell television sets, with a year's maintenance included in the price. Refrigerators, infra-red cookers, and knitting machines were also introduced, along with the Trafford Travel Agency which gave agents a chance to use the commission they earned to pay for their holidays. With the introduction of such relatively expensive items, credit provision became especially important as the big catalogue firms strove to offer a differentiated service to customers who might otherwise have bought the same goods elsewhere.

If the 1950s, as has often been suggested, saw the emergence of a consumer economy in Britain, it was launched on a wave of credit. Littlewoods, having operated its mail order business since the 1930s largely on the club system, marked the imminent arrival of a more affluent society with its Burlington and Brian Mills catalogues, started in 1952 and 1953, respectively. In these operations the club 'organizer' gave way to the 'agent' and customers were offered the significant advantage of delivery even before the first instalment had been paid. This shift from cash to credit was reinforced when Littlewoods started a third mail order credit business, Littlewoods Warehouses, in 1960.

Thus Littlewoods became more like its competitors in the home shopping market. With neighbourhood-based spare-time agents supplying *de facto* credit references, mail order houses were well placed to advance the funds that would help customers to pursue their consumerist aspirations. The relative informality with which credit could be obtained from this source proved very attractive, especially as its cost was 'bundled' into the headline price of catalogue goods, thus enabling the companies to emphasize the advantages of 'free credit' in their advertising campaigns. Mail order, it was acknowledged in the trade literature of the time, offered 'the benefit of easy credit terms with less fuss and bother than is encountered when shopping where one is not known'.[74] Working-class women, comprising the bulk of mail order's customers in this period, could access up to 38 weeks credit via a simple transaction with a neighbour rather than exposing themselves to the risk of negative discrimination when applying for credit at a High Street store. This was very significant in an era still characterized by 'a generally cautious, not to say slightly patronising, attitude towards the notion of independent credit for women, especially married women'.[75]

By the start of the 1970s, mail order's share of total retail sales had grown to around 4 per cent. At the same time the sector accounted for around 48 per cent of all retail sales on instalment credit, advancing £448 millions to its customers out of a total of £930 millions.[76] Within the sector itself, though competition between the major companies was intense, stability appears to have been the main feature, as Table 2.2 indicates.

The importance of credit provision, underpinned by the agency system, in promoting the rapid growth of the sector to this point and in sustaining its buoyancy during difficult trading conditions in the mid-1970s should not be underestimated. 'Whilst our margins are carefully controlled by the Government', observed Empire's *Annual Report* in 1975, 'constant increases in all charges from nationalised industries, distribution costs and local government charges have had to be faced.' Despite a sense of having to run to stay in the same place—a 21 per cent increase in Empire's sales had generated only a 4 per cent increase in net profit—the sector appeared to emerge relatively unscathed from the battle with double-digit inflation rates.[77] Indeed the situation may have enhanced the attractiveness of payment by instalment as consumers sought to offset anticipated future price rises.

Table 2.2 The UK general catalogue mail order sector: 1972–81

	Percentage of total sales by value	
	1972	1981
GUS	37.5	40.0
Littlewoods	23.5	29.5
Freemans	11.5	13.0
Grattan	15.0	9.0
Empire	7.0	7.0
John Myers	4.0	2.5
N. Brown (direct)	2.0	1.5

Source: Monopolies and Mergers Commission, *The Great Universal Stores PLC and Empire Stores (Bradford) PLC: A Report on the Existing and Proposed Mergers* (London: HMSO, 1983), Cmnd. 8777, Table 2.8, p. 12.

For almost thirty years after 1950 the expanding market for home shopping generated year-on-year increases in profits for Britain's general mail order retailers. This enabled the 'Big Five' to cope both with increasing competition within the sector and external competition from other forms of retailing. Intensified competition between the mail order houses manifested itself in a number of ways but, most obviously, in the enhanced choice of catalogues now available. Littlewoods' move into credit mail order between 1952 and 1960 effectively increased the number of home shopping brands competing for market space. GUS matched this initiative offering, in addition to Kays, a range of catalogues produced by wholly owned subsidiaries—notably Bollin House, Chorlton Warehouses, John England, Marshall Ward, Trafford Warehouses, and the Royal Welsh Warehouse—grouped together under the umbrella of the British Mail Order Corporation (BMOC) after 1963. 'Traders', it was noted in 1983, 'expect to be able to take and confirm on the telephone a high proportion of their orders when their schemes are in full operation.'[78] The ongoing commitment to quality was further underlined by the publication of a *Code of Practice* in 1978 to which all members of MOTA subscribed. As Table 2.1 indicated, mail order's share of total retail sales peaked in 1979 at just over 5 per cent following a quarter of a century of sustained growth. The story of the last quarter of the twentieth century was to be rather different.

'Mail Order is Dead. Long Live Home Shopping'

By the start of the 1980s, Britain's general mail order houses had experienced thirty years of continuous growth characterized by year-on-year rises in sales and profits and an increasing share of the UK retail market. Though some catalogues were now offering food and drink, mail order's performance remained especially strong in the non-food sector where it accounted for 7.2 per cent of sales by value. Its particular strengths were in women's, girls', and children's wear (13.2 per cent), men's and boys' wear (10.5 per cent), footwear (10.0 per cent) and household textiles (16.0 per cent).[79] This success had been built largely on agency and credit. There were around five million agents in the early 1980s, each carrying one or more 'big book' catalogues. Of the £4,000 millions of new credit advanced in 1981, the mail order houses accounted for about half.[80]

The proven advantages of the agency system and credit provision continued to be underpinned by a progressive rationalization of office, warehouse, and delivery functions. Ordering by mail gave way to ordering by telephone in the early 1980s, with Freemans introducing a telephone ordering system in 1980, followed by GUS, Grattan, Littlewoods, and Empire in 1982. This offered the advantage of a speedier service while simultaneously reducing expensive 'returns' as it was now possible for telephone sales staff to ensure that customers were prepared to accept 'nearest equivalent' merchandise when an item was out of stock.[81] The industry remained reliant on postal and rail services though Freemans' warehouse and central distribution depot, opened at Peterborough in 1969, seemed to epitomize a modern service industry at one with the communications infrastructure. 'A railway line separates the two buildings, spanned by a conveyor belt 70 yards long carrying 50,000 parcels a day.' It was, for good measure, situated adjacent to a Post Office sorting facility.[82]

By the mid-1990s, when the MMC was asked to report on the proposed merger between Littlewoods and Freemans, it was clear that the sector had experienced significant changes over the previous fifteen years or so. Rationalization had continued with almost all orders now being routed through dedicated call centres linked directly to a central computer recording up-to-the-minute availability of stock. There was a heavy emphasis on convenience. 'Telephone ordering takes seconds', Grattan's *Looking Great* catalogue reminded customers in 1994. The trend towards self-delivery had gathered pace. Freemans' Peterborough warehouse now trucked most of its parcels to outlying depots where they were sorted by postcode for onward delivery by self-employed Speedlink couriers. The number of agents appeared to have grown to an estimated 7.4 million but this disguised a significant trend towards personal shopping with agents increasingly inclined to use the catalogue to buy only for themselves and their immediate families.[83] Moreover, though mail order remained an important source of credit for its customers, its contribution to new consumer credit was significantly less than it once had been. Agency credit sales of £4.3 billion in 1996 represented only 24 per cent of new credit advanced compared to 75 per cent of £4.0 billion in 1983.[84] Mail order's share of total retail sales had settled by the mid-1990s at just under 3 per cent.[85]

Within the sector the corporate landscape appeared largely unchanged with market share distributed on much the same pattern as in the early 1980s (Table 2.3).

The impression of stability, however, was misleading in that the companies had undergone a period of dramatic transformation. John Myers, after competing aggressively in the 1960s and 1970s, had been swallowed by GUS's BMOC in 1981. Freemans had returned to private ownership in 1988, as the home shopping division of Sears Holdings, a conglomerate embracing, among other retail businesses, the Lewis chain of department stores (including Selfridges) and the British Shoe Corporation.[86] In Bradford, by the mid-1990s, the founding influence

Table 2.3 UK agency mail order: market share by value, 1996

	Percentage market share
GUS	40.6
Littlewoods	27.9
Freemans	13.1
Grattan	10.4
Empire Stores	8.1

Source: Monopolies and Mergers Commission, *The Littlewoods Organisation PLC and Freemans PLC (a Subsidiary of Sears PLC): A Report on the Proposed Merger* (London: The Stationery Office Ltd, 1997), Cm. 3761, Table 2.1, p. 10.

of the Fattorini family virtually disappeared as Grattan became a wholly owned subsidiary of Otto Versand, the German mail order giant, and Empire was absorbed by the French conglomerate Pinault–Printemps–La Redoute.[87] Though retaining the 'Empire Stores' brand in the United Kingdom, the business started by the Fattorini family in the nineteenth century traded as Redcats (UK) plc from 1999. 'This new name', explained Harmut Kramer, the new chairman, 'keeps in touch with our origins La REDoute and evokes the unifying theme of the CATalogues.'[88] Significantly, it was not their strength in agency mail order that made Grattan and Empire (and later Freemans) attractive propositions, but their potential for securing entry to Britain's expanding direct mail order market.

Moreover, by the end of the 1990s, it was becoming clear, at least to City analysts, that GUS and Littlewoods, Britain's two largest mail order houses, were experiencing difficulties in adjusting to changing conditions. Though GUS had diversified in the mid-1990s, acquiring Argos, the High Street catalogue retailer, and Experian, an information services provider, the performance of its mail order division was problematic. A dramatic 70 per cent fall in profits in 1999 prompted the observation that the time was fast approaching when GUS 'should perhaps, therefore, bite the bullet and close it down'.[89] Criticism of Littlewoods, Britain's largest surviving private company at this time, was especially severe. In July 1997, an extended critique in the *Financial Times* argued that it had allowed itself to become 'frozen in time as a monument to its founder'. The 'opportunistic logic' that had driven Littlewoods forward from the 1930s onwards had been a model of its kind. The pools business had generated the mailing list that had provided the basis for the mail order operation. This, in turn, had generated the cash flow required to establish the High Street stores that provided additional outlets for the same goods sold via catalogue. Having apparently lost the capacity to evolve, however, Littlewoods was now 'spread across three disparate businesses and excelling at none of them'.[90]

The main problem confronting Littlewoods, GUS, and the rest of the 'Big Five' by this stage was adapting to meet the requirements of a new retail environment. Agency-based catalogue sales financed by 'free' instalment credit provided a solid basis for agency mail order business while wages were still paid weekly in cash and credit was relatively difficult to access. At the start of the 1980s, however, the conditions that underpinned this form of retailing began to disappear. The decline in mail order's share of retail sales had first been noted around 1980–1 but was attributed at the time to rising unemployment in the industrial areas where it had a strong customer base. Looking back, however, it was clear that a downward trend had been established at that time and that the conditions in which traditional mail order had flourished had been eroding rapidly over the previous fifteen years. As one press report noted in 1996: 'Twenty years on, lifestyles have changed dramatically. Credit is freely available, most women have at least part-time jobs and it is far less common to live in a community close-knit enough for catalogues to be passed among neighbours.'[91]

The greater availability of alternative forms of credit was especially important. Though it was clear that some customers might experience difficulty if asked to switch from mail order to another provider, the use of credit and store cards was increasing. This trend helped to sustain the growth of personal shopping—the basis of direct mail order—at the expense of the traditional agency system. In these circumstances, agency mail order's share of UK home shopping, measured at 96 per cent in 1983, had fallen to 60 per cent by 1996. This could be explained 'almost entirely by the growth that has taken place in other types of home shopping, primarily direct mail order'.[92]

Although all the major mail order houses had responded to these changed conditions, often by launching two identical catalogues, one offering an agent's commission and the other selling direct to the personal shopper, the sector appeared to have reached a point of stasis. At a corporate level the prospects of restructuring via merger appeared slight after the MMC had ruled out the proposed GUS–Empire and Littlewoods–Freemans mergers in 1983 and 1997, respectively. Agency mail order appeared to have had its day but was declining relatively slowly. As long as it continued to generate significant sales it was difficult for the companies to make a decisive break with the past. Even in 2000, with direct sales growing rapidly and the Internet beginning to make a significant impact, agency mail order still comprised 53.4 per cent of the home shopping market. Perhaps not surprisingly, the firms under new ownership appeared to be adjusting more quickly, moving away from mass mailings to targeted campaigns aimed at a more fashion-conscious customer. Empire's *La Redoute* catalogue, offering 'the cachet and status of a French brand without the expense', was an important development in this respect.[93] Elsewhere the process was more difficult. 'While the group has pursued a strategy of trying to migrate its agency customers to its Index catalogue', it was noted of Littlewoods in 2001, 'it is left managing a declining business that will probably never completely die.'[94] Some restructuring of the sector was finally achieved in 2003–4 when the Barclay Brothers, having bought Littlewoods in 2002, were allowed to proceed with the purchase of GUS's home shopping and delivery businesses. Yet the problem of how to manage the decline of agency mail order remained. As 'Lombard' in the *Financial Times* pointed out, while the decision of the Competition Commission was welcome, the Barclays had acquired a 70 per cent stake in a market that had lost a third of its value since the late 1990s. Owning 70 per cent of agency mail order, it concluded, 'is like owning a minnow on a diet in a pond full of carp'.[95]

Notes

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79. MMC, *GUS and Empire*, table 2.2, p. 6.
80. MMC, *GUS and Empire*, para. 2.23, pp. 8–9; para. 2.15, p. 6.
81. See Nibbs, J., *The British Mail Order Industry* (London: Jordan & Sons, 1983), pp. XVIII–XIX; MMC, *GUS and Empire*, para. 2.47, p. 16.
82. *Observer*, 11 September 1988.
83. MMC, *The Littlewoods Organisation PLC and Freemans PLC (A Subsidiary of Sears PLC)* (London: The Stationery Office, 1997), Cm. 3761, para. 3.42, p. 51, paras. 2.27–2.28, pp. 12–13.
84. MMC, *Littlewoods and Freemans*, para. 6.17, p. 134.
85. MOTA supplied a figure of 2.9 per cent for 1994.
86. MMC, *Littlewoods and Freemans*, para. 2.3, p. 7.
87. MMC, *Littlewoods and Freemans*, para. 3.120, p. 69. Otto Versand further increased its stake in British mail order when it bought Freemans from Sears in 1999.

88. Kramer quoted in *Talkback: The Newsletter for Redcats UK People*, Autumn 1999.
89. *Birmingham Post*, 3 December 1999.
90. 'Frozen in time', *Financial Times*, 26–7 July, 1997. For another savage indictment of Littlewoods' management in this period see 'Littlewoods' catalogue of disasters', *Observer*, 17 September 1996; also 'Catalogue empire searching for a way out of the woods', *Financial Times*, 11 February 2001.
91. See MMC, *GUS and Empire*, para. 2.10, p. 5; 'Mail order books a new image', *Observer*, 28 July 1996.
92. MMC, *Littlewoods and Freemans*, para. 2.65, p. 23; para. 2.42, p. 17.
93. Fenn, D. (ed.), *Home Shopping* (Hampton: Key Note Ltd, 2000), pp. 3–4, 24–5.
94. *Financial Times*, 10/11 February 2001.
95. *Financial Times*, 23 January 2004.

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Working-Class Life, Consumer Credit, and the Making of Agency Mail Order

In the late nineteenth and early twentieth centuries, access to credit was critical for people living on relatively low and often insecure incomes in Britain's working-class communities. The availability of 'tick' from a corner shop might determine who ate and who went hungry. At the very least, credit could make all the difference between a comfortable and an uncomfortable life. Later, in the mid-twentieth century, access to credit ensured that some of the material benefits of a more affluent society were experienced in old working-class communities and in the new housing schemes that gradually replaced them. Suppliers of credit in various forms—pawnbrokers, moneylenders, small shopkeepers, credit or 'Scotch' drapers, hire purchase firms, and check traders—all found ways to service this basic requirement. Credit helped to shape the everyday relationships that defined the life of the community. Its use also helped people to develop an instinctive understanding of their own status in the locality and that of their neighbours. As Avram Taylor has recently observed, making use of the available channels of credit had a paradoxical effect: 'it involved a potential loss of respectability and status, but it also created and enforced mutuality'.[1] Mail order became one of the most important sources of credit available to working-class consumers over this period and it is important to set the sector's history in this context.

The first 'turn' clubs established by the Fattorini family and William Kilbourn Kay towards the end of the nineteenth century did not offer a credit facility. As general mail order retailing evolved in Britain during the first half of the twentieth century, however, its role as a supplier of consumer credit expanded. Indeed, the performance of this function became one of its defining characteristics. Until relatively recently, almost all the sales made by the 'big book' catalogue houses were credit sales. It was estimated in 1981, just after mail order's share of total retail sales had peaked, that credit sales accounted for around 90 per cent of its business. Even in the 1990s, as Taylor's study of working-class credit on Tyneside indicates, mail order remained 'the single most accessible form of credit'.[2] The spare-time agency system, also a defining characteristic of British mail order, evolved alongside the sector's role as a supplier of credit. Until the late twentieth century, when companies bought into computer-generated credit referencing systems, they relied heavily on agents making on-the-spot decisions about the creditworthiness of individual customers. This helps to explain why the agency system was more prevalent in British mail order than elsewhere. The intention here is to explore the origins of mail order agency within the context of the working-class family economy. In particular, this chapter will delineate the cultural and economic environment and the evolving attitudes surrounding consumer credit, especially those pertaining to women, that helped to shape British mail order retailing.

Consumer Credit and the Working-Class Family

The question of consumer credit and the working-class family was a vexed one in the late nineteenth and early twentieth centuries.[3] While the economic realities of working-class life ensured that the majority of families regularly used various forms of credit, the practices deployed produced more than economic consequences. A family living on 'tick' and unable to meet its own needs out of weekly income might be regarded as a cause both for concern and disapproval. Furthermore, as Paul Johnson has argued, each of the large variety of credit channels on offer to the working-class consumer carried a complex social symbolism that must inform any historical understanding of the nature of credit use.[4] Often, the gender, status, occupation, or locality of the individual credit user was a further complication. Thus the aim of most families was 'not just to balance income and expenditure to make ends meet, but to do so in a way that brought various social benefits in an intensely competitive world in which position or status had constantly to be reasserted'.[5] Mail order retailers developed credit facilities that drew upon pre-existing patterns of saving and spending that were familiar to working-class consumers. In the process, each company had to win for itself a 'respectable' place in the hierarchy of social symbolism that imbued the working-class family economy, as well as providing affordable merchandise of sufficient quality. Equally important, they had to devise systems to protect themselves from bad debt; a potentially significant problem given the income fluctuations and shortages that characterized many working-class budgets. Thus for both the developing mail order company and its potential customer, the credit transaction presented something of an economic and moral maze.

The credit channels open to working-class families in the late nineteenth and early twentieth centuries were numerous. Interpretations placed on their usage by neighbours, credit providers, and a variety of outside agencies were equally abundant. Notions of respectability might dictate that credit transactions be shunned whenever cash payments were possible, but the reality of irregular and/or inadequate wages ensured that most families had recourse to some form of credit. The true extent of credit usage in working-class communities, however, may never be known as much of it was carried out on a local basis through small retailers and others. A complex hierarchy was associated with credit institutions and practices. We know a great deal, for example, about the extent to which recourse to the pawnbroker was a great embarrassment for many working-class families. So much so, that some married women would pay others to take goods to be pledged at the pawnbrokers on their behalf.[6] Yet the realities of working-class life were such that even the most prosperous artisanal family faced the prospect of pawning goods during economic downturns in family fortunes or at a particularly difficult moment in the family life cycle. The pawnbroker would be a last resort for such families, a form of crisis credit that, however unpalatable, was still preferable to a call upon the parish or the local moneylender. Thus Arthur Newton's well-to-do working-class parents had recourse to the pawnbrokers in pre-1914 Hackney: 'At that time', he recalled, 'there were very few people indeed who could truthfully say that at no time in their lives they had not pawned something to get ready cash. I have even known my parents do this. Not more than two, perhaps three times, but they did it nevertheless.'[7] For less fortunate households visits to the pawnbroker were a biweekly event, first to pledge goods on Monday then, finances permitting, on the following Saturday to redeem them.

Status concerns were also worked out via relations between shopkeepers and their customers. As Robert Roberts indicated, local knowledge networks were vital for both the customer and the shopkeeper. For the former it was essential to be deemed creditworthy by key members of their community and especially by local retailers who had to make decisions about credit allocation when families hit financial turbulence. As with pawnbroking, many families suffered embarrassment as a result of having to ask for credit. The very fact, however, that they were allowed 'tick' by one retailer could be used as a tool to prise open a credit gateway elsewhere. Furthermore, it was those decreed to be too great a credit risk by the corner shopkeeper that were at the very bottom of the status ladder; and for the poorest to be given a 'tick book' at the corner shop meant that the family 'had finally arrived'.[8] This type of credit arrangement was highly localized. As Jerry White's work on London's Rothschild Buildings illustrates, residents did most of their shopping within three or four neighbouring streets.[9] Shopkeepers would only make judgements about people after long association. Roberts indicated the questions his shopkeeper mother would ask herself about a customer applying for credit:

> My mother would make an honest appraisal, economic and social—how many mouths had the woman to feed? Was her husband ailing? Tuberculosis in the house perhaps? If TB claims one it always claimed others; the breadwinner next time maybe. Did the male partner drink heavily? Was he a bad time keeper at work? Did they patronize the pawnshop? If so, how far were they committed? Were their relations known good payers? And last, had they already 'blued' some other shop in the district, and for how much?[10]

Other forms of credit were used to budget for clothing and household goods through a variety of schemes, many of which were frowned upon by middle-class observers and 'respectable' working-class people alike. In this category should be included locally organized credit such as the draw club (known in Scotland as a 'menodge'), a self-policed credit arrangement organized by working-class women themselves. These schemes were based on groups of up to twenty women paying 1s (0.5p) per week in return for a payout of £1 at some point during the twenty weeks of the club's existence, the timing of each individual's 'turn' being decided by the drawing of lots.[11] A similar pooling of resources also provided the basis for the pub clubs formed to finance more male-centred events.[12] Still in this category, and slightly more 'respectable', were the thrift clubs organized by churches and chapels.[13] All these systems were based on small weekly payments and owed their existence to the limited budgets available in working-class households. In such circumstances communal saving and spending became a rational method of affording commodities that might otherwise have been unattainable. Membership of a pub or draw club imposed a discipline on participants that they were unable to maintain by themselves, given the many unplanned calls made on their budgets in the course of a week. Taking part in these activities also provided an opportunity for associational activity and the expression of a degree of financial wherewithal and status.

A number of commercial interests, appreciating the weekly based nature of the working-class exchequer, developed credit systems designed to meet the budgeting needs of these families. They ranged from the saving clubs, Christmas clubs, draw and clothing clubs operated by small retailers through to the large-scale operations of organizations like the Provident Clothing and Supply Company and the Co-operative movement. Maude Pember Reeves' study of family budgets in London on the eve of the First World War indicated the attraction of such clubs to working-class women. So much a week regularly paid has a great attraction for them, she wrote. 'If the club will, in addition to small regular payments, send someone to call for the amount, the transaction leaves nothing to be desired. A woman who can see her way towards the money by any possibility agrees at once.'[14] Provident thrived on the operation of such a system, pioneering what came to be known as 'check trading' in 1880. It claimed that the system allowed customers to receive retail goods at cash prices by paying in instalments. Typically, a customer was sold a £1 voucher redeemable at any of the retailers who had joined the scheme. For this service the Provident charged customers a shilling (5p) in the pound and then collected repayments of a shilling a week over a further twenty weeks. The company also took between 12 and 17 per cent commission from retailers on redemption of the check. This was effectively a charge for the credit risk the Provident was taking on and for the business that would not otherwise have been brought to the shop.[15] Check traders were extremely successful and by 1937 the Provident alone had over one million customers on its books, each buying an average of five checks per year.[16]

Despite the raised hackles of activists who felt that credit provision was contrary to the founding tenets of their movement, co-operative societies recognized that to deny customers credit during hard times was to risk losing them for life. Thus, by 1911, 82 per cent of industrial and provident societies in England admitted to operating credit facilities.[17] By the 1920s, mutuality clubs were being operated by co-operative societies to meet the competition offered by increased hire purchase usage, check traders, and others. The London Co-operative Society introduced its mutuality club in 1923 and had a turnover of £23,000 in that year. By 1933 turnover was £1,380,000 and 600 collectors were employed to take the 20 weekly payments of between 1s and 5s that entitled customers to vouchers valued between £1 and £5 to spend in a Co-operative store.[18] Both the Co-operative societies and the check trading companies employed collectors from working-class communities. Their local knowledge was seen as an asset in the fight to avoid bad debt.

Check traders and the Co-operative mutuality schemes had roots in the self-help, reciprocal credit schemes that working people had developed in their struggle to get by on limited incomes. The schemes also had similarities with what had become one of the most frequently criticized forms of credit available in working-class neighbourhoods—the tallyman or scotch draper. The term 'tallyman' initially embraced a number of different forms of retail operation, from the one-man outfit touting for business door-to-door through to substantial drapery retailers employing canvassers to secure business. What they had in common was the credit basis of the business, again built around the weekly payments that were best suited to the budgets of the poor.

The creation of the county courts in 1846, which dealt with plaints arising from small debts in England and Wales, provided an arena in which a variety of anxieties about the nature of credit and debt were articulated. Significantly, accounts of these concerns reached a broad audience through coverage in local newspapers.[19] These courts echoed with judicial exhortations about working-class thrift and condemnations of dissolute expenditure, generating further anxiety about the nature and use of consumer credit among working people.[20] The number of plaints taken out in the county courts in England and Wales before 1914 suggest that many working-class families had first-hand experience of the negative aspect of credit facilities, as manifested in a summons to court for non-payment of debts. In the years between 1910 and 1913, more than a million plaints were brought annually, representing debts averaging approximately £3.[21]

Commercial providers of credit did not escape censure in the county courts and elsewhere, particularly tallymen, the most 'oppressively litigious' group of creditors.[22] As such, they became the stereotype of the irresponsible credit provider. Interpretations of the significance of judicial attacks upon traders bringing plaints against working-class customers for non-payment of credit instalments differ in a manner which is central to the understanding of the development of mail order agency. Johnson and Rubin focus essentially on class as the key axis around which the county courts rotated. Thus, in his most recent contribution to the understanding of credit and debt, Rubin maintains that the 'study of debt recovery in the inferior courts offers a window into class, power, ideology, and poverty in Victorian and Edwardian England'.[23] Finn, however, has argued for more emphasis on the role of gender in approaching this area of legal and social history. She has drawn attention to working-class defendants who worked to complicate the free market in consumer goods via the county courts by deploying received stereotypes about the inherent frailties of female 'nature' to their own—and their husbands'—advantage.[24] Though judges recognized the so-called 'law of necessaries' which empowered a wife to deploy her husbands' credit to purchase goods deemed 'necessary' or 'suitable' to his own station in life, common law barred wives from entering into credit contracts for luxury goods. This legal ambivalence ensured that married females were at once emancipated and constrained by the law of coverture which gave them the right to make purchases for which only their husband was legally liable.[25]

Inevitably confusion, both genuine and contrived, ensued. While men often defended cases against themselves by claiming ignorance of their wife's actions, married women often regaled the courts with tales of how quick-witted and insinuating tallymen had entered their domestic environment, bamboozling them with the details of how they could have the latest fineries on 'easy payments'. Many judges chose to lambast the creditor for 'doing business with the female relatives of [working-class men] . . . deliberately behind the backs of those whom he intended to make responsible'.[26] Thus, county court proceedings ensured that a degree of ambivalence enveloped the question of the married working-class woman and credit. They had an important influence on the systems developed by agency mail order companies, whose staple trade by the early twentieth century was the provision of clothing and household goods at the behest of working-class women.

The Development of Mail Order Agencies

In developing practices to ensure the smooth operation of the mail order system, its early pioneers faced a number of problems. First, they had to find a means of providing consumer goods to customers unable to meet the retail price of purchase out of their weekly budget while, at the same time, avoiding crippling levels of bad debt. There were potentially two types of bad debtors, those who were essentially dishonest and would exploit any weakness in the system and those who were honest but likely to experience difficulty in meeting instalment payments out of weekly income. This difficulty was exacerbated by the fact that mail order retailers did not meet customers face-to-face. Second, the companies had to find a niche for mail order retailing and the credit systems it came to rely upon within the complex hierarchy of working-class respectability. Third, given the strong 'feminine' nature of the merchandise ranges in which mail order retailers came to predominate and the importance of 'respectability', it was important to circumvent the embarrassments besetting the tally trade in the county courts by the end of the nineteenth century. General mail order retailers developed their own systems to overcome these hurdles.

To address the needs of consumers whose weekly incomes were too small to pay cash for their merchandise mail order pioneers, notably

Fattorini & Co. in Bradford and Kays in Worcester, set up clubs to market their watches and jewellery. It appears that the Fattorini family began operating these clubs around 1853 with Kay following their example from about 1886.[27] Mirroring the draw clubs or pub clubs familiar to many working-class people, the watch clubs were effectively self-financed by their members, thus removing almost all risk for the companies operating the schemes. The rationale was to make it possible for relatively well-paid workers, such as railwaymen, to afford the purchase price of a reliable watch, something they could not have done easily on a cash basis. The club provided a form of discipline, fining members for late payment of instalments, and was in practice an effective method of saving. By circumventing the need to employ credit, the companies also avoided any requirement to add charges, thereby avoiding the accusations of usury that were frequently levelled at credit retailers, damaging their claims to 'respectability'.

The watch clubs also minimized the risk of bad debt. Each week the club organizer sent in the payments of every member, a total sum equal to the retail price of the item to be purchased. Moreover, the categories of merchandise despatched at this stage ensured that clubs were associated with one element of respectable working-class society in particular, that was marked by a steady and healthy wage if not by total sobriety. The watch clubs often met over a convivial pint, though Empire's directors were keen to seek out the 'better class of public house'.[28] Johnson has argued that the moral uncertainties associated with particular forms of credit may have been partly dependent on the status of products that were purchased through them. Thus the distinction was not to be found between those who did or did not use credit, but between families who used it to buy 'luxury' goods and those who used it to 'fill their bellies and cover their nakedness'.[29] Members of the early watch clubs certainly fell into the former category. A Fattorini catalogue from 1875 listed the articles available to club members. These included gold watches priced from £3 to £25 and other timepieces, but also featured wedding rings from 7s 6d (37.5p) to £2, cutlery from 3s 6d (17.5p) per half dozen, metal tea pots from 3s (15p) to 14s (70p) and writing desks from 3s 6d to £2.[30]

The early concentration of mail order watch clubs on an item associated with male working-class respectability along with their location in the 'better class' of public house implicated them in the associational culture that was such an important feature of Victorian masculine identity.[31] Through dealing solely with male club organizers the companies distanced early mail order retailing from female consumption, thus avoiding the criticism confronting tallymen and others who dealt on credit terms with working-class women. As we shall see, mail order firms remained reluctant to appoint female agents until the 1930s. This was despite the fact that, from the 1890s onwards, catalogues featured clothing and other items associated with the woman's domain in the gendered domestic setting of the working-class home.

By the late 1890s, the Fattorinis had 1,000 clubs in operation. These remained largely male-orientated and were based in pubs, though the range of goods that could be effectively marketed was rather limited. The firm's response was to develop what is recognizable as the modern agency mail order system, the original club system continuing to operate in tandem for several years. Customers no longer had to wait for their number to come up in 'the turn'. Instead, after payment of an initial deposit to a spare-time agent, who was paid a small commission by the company, the customer's goods were despatched and further payments collected over the ensuing nineteen weeks. Similar 'deferred payment' systems were deployed by Kays from 1899, Freemans from 1905, and J.E. Fattorini & Co. (Grattan) from 1912.

It was necessary, however, to proceed with a degree of caution, for it was now the companies and their bankers rather than the customers and the turn system who were meeting the initial costs of credit. Servicing the credit needs of a widely dispersed working-class clientele was a daunting task. Existing credit referencing systems were relatively unsophisticated. *The Times* reported in 1894 that London retailers receiving orders from outside the capital often sent a confidential letter to the prospective customer's local postmaster, parson, or schoolmaster, in an attempt to determine an individual's probity.[32] Such methods were far from foolproof and for mail order companies, dealing as they were with large numbers of the urban working-classes, alternative methods of credit referencing were required. Credit bureaux have existed in the United Kingdom since 1804.[33] Among the first was the Mutual Communications Society whose network of agents provided its retail store subscribers with information on hundreds of thousands of individuals in the 1920s.[34] Little is known of its methods, though it seems that its enquiries were designed to protect prestigious retailers, such as London stores, rather than the fledgling mail order companies.

There is no evidence of mail order companies seeking assistance from such agencies at this time, though the knowledge that department stores were pooling information to enhance their credit referencing function may have contributed to Empire's decision to exchange monthly lists of 'undesirable' agents with Kays.[35]

For the most part, however, mail order retailers relied on an informal system for gathering information on customers' credit histories. This was based on commercial trial and error together with knowledge gleaned from the communities in which their customers lived. As has been pointed out in a slightly different context, local social networks can be highly effective in identifying levels of creditworthiness and in ensuring payment completion, the latter being secured by the fear of shaming within, or exclusion from, the neighbourhood, family, or workplace group.[36] The mail order agency system proved to be an excellent example of such a process. Bridgeheads into working-class neighbourhoods were initially established by travellers who identified individuals suitable for appointment as agents. The agents then carried out the credit policing of individual customers, drawing upon their knowledge of individual circumstances. No doubt they asked themselves similar questions to those posed by Robert Roberts' mother, cited earlier. In this respect, they received careful guidance from the mail order companies. Empire, for example, warned the agent to be 'very cautious as to the amount of business he accepts in one house or in one family, and keep first orders small until experience is gained'.[37]

The traveller was expected to elicit information on the suitability of prospective agents. Knowledge about individuals was ascertained by making enquiries to shopkeepers or established agents and by subjecting the prospect's standard of living and way of life to close scrutiny. Kay, writing to travellers in 1907, was quite explicit in this respect.

> I want you to please distinctly bear in mind that no Agent is to be appointed whom you have not seen at his home—I don't mean to stand in the doorway and have two minutes talk with the man, but to get inside and have an actual sight of the place, from which a great deal can be deduced—you won't expect to see a palace, but at the same time if the house is dirty, it shows a lack of the man's interest in his own home which is a bad sign.

He went on to suggest that travellers should ask 'whether he belongs to a Sick Club, such as Oddfellows, Foresters, etc., and on chatting with him you must of course use your wits to discover his habits'.[38]

An article in Freemans' staff journal indicates that travellers were working in much the same way forty years later. They were still advised to inspect homes carefully. Promising indications included 'gay curtains' or 'an announcement posted in a window in connection with Church festivities'. Three types of potential agents were listed in ascending order of priority: first 'Beginners Unexperienced', second 'agents representing competitive firms', and third 'ex-Freemans agents with satisfactory accounts'. Valuable information was to be gathered by chatting to neighbours and asking for suggestions about who might be trusted to handle money. Having secured the signature of a willing nominee, the traveller was then expected to seek a character reference, preferably from a local tradesman who could furnish 'a fairly reliable opinion of the applicant'.[39] Alf Yeo, a Freemans' traveller for thirty years or so beginning in 1934, developed his own, pragmatic approach. 'I did a lot of canvassing in bus depots', he explained, 'because there I could find working men in safe jobs and that is what Freemans wanted.'[40]

However, despite Freemans' faith in the credit assessment of local tradesman, it seems clear that the mail order companies quickly came to realize that existing agents were the most useful sources on the creditworthiness of further agents. In the United States, Sears had extended its customer base after 1905 through the so-called 'Iowaization' policy, initially writing to all its Iowa customers and asking them to pass on their catalogue to neighbours and friends. Each 'distributor' earned premiums on resultant sales and the scheme proved so successful that it was adopted nationwide.[41] UK mail order retailers adapted this method with great success. In 1912 Kay was urging agents to recruit friends and neighbours and offering a bonus for each introduction. Empire Stores introduced a similar scheme in 1915, asking several hundred specially selected agents to invite their friends to run an agency.[42] In 1936 Grattan introduced a scheme to pay existing agents up to 35s (£1.75) for the enlistment of new recruits.[43] These initiatives were clearly important in the development of UK mail order. According to Alf Yeo, Freemans' version of Iowaization, marked 'a turning point'. Yeo had become a Freemans' agent in 1929, attracted by the generous rates of commission paid. In 1933 he responded enthusiastically when bonuses were offered for the introduction of new agents, earning £40 commission and an appointment as traveller after his talents were recognized by Alan Rampton.[44]

Once travellers had appointed an agent they usually saw no more of them. This became a contentious issue within mail order companies, as other departments suspected that travellers put quantity before quality in their pursuit of new agents, content in the knowledge that bad debts did not show up until months later. In 1940 Joseph Fattorini, who was about to join the army, handed over control of Empire's mail order operation to his father, Edward. He produced what became known as the 'Red Book' to guide his father through the intricacies of the mail order business. Of its twenty-seven pages, fifteen are dedicated to the discussion of bad debt, indicating the fundamental importance of credit control. Joseph confided that Section Heads blamed the travellers for bad debts. 'First of all we never admit this', he explained. 'It is the supervisor's job to keep the section straight and stop bad agents. (But actually there may be truth in it.)' He advised his father to examine each traveller's new agents on a weekly basis. Their target for introductions was seven a week but 'five is nearer the mark'.[45] Empire continued to use this system until the 1970s when Peter Fattorini, son of Joseph and grandson of Edward, became marketing director. He later recalled:

> It was felt that this was the best way to do it because the travellers were experienced, they could go to a house—they'd know by looking at it whether it was a credit risk or not. They could nip round the corner and ask at the local newsagents whether they paid their paper bill, all these sort of things . . . [Then] it dawned on them that everybody else was using advertising. The first explanation was that GUS needed so many agents they had to use it but it then, I think, dawned on people that actually travellers weren't all that brilliant at judging the bad debt performance anyway. They weren't actually penalised for agency bad debt because it happened so long after the event . . . Even if the agent stops paying on her first order, it isn't written off until a year later . . . so essentially travellers were just interested in whacking in as many 'intros' as they could get.[46]

Bad debts through established agents were 'negligible' so it was especially important to keep new agencies under scrutiny. Hence the importance of using tried and trusted agents to secure prudent expansion of the mail order market. Moreover, new travellers, like new agents, required careful monitoring. According to Joseph Fattorini only one in six was ultimately successful.[47] This advice would have been appreciated at Kays where travellers were required to submit a daily report on each day's work. 'No excuse can be accepted', they were warned, 'for failure to carry out this rule with absolute regularity.'[48]

Other methods used by Empire Stores to control levels of bad debt included resisting pressure from agents to raise credit balances, particularly if past repayments had been at all irregular, and compiling monthly reports on all agencies where the outstanding balance was over £30. Joseph Fattorini also warned his father to watch out for certain types of person 'who invariably turn out wrong'. Those cited as examples of such agents included 'window cleaners' and, curiously, 'people in cathedral towns'.[49] By the 1930s the agency mail order companies were also making use of credit reference services to augment their own informal systems. Once Alf Yeo had identified a new agent for Freemans he had to fill in a form with relevant personal details. Freemans then 'checked it through the credit people to see if the person had made any court appearances'. Yeo was told if someone he had introduced was subsequently rejected. 'I didn't get a bonus then, it was wasted effort. There was a lot of wasted effort in my job.'[50]

Despite information gathered from travellers and from county court records, the companies could not eliminate bad debt entirely. Unlike the infamous tallymen, mail order retailers largely abstained from the use of the county courts to pursue debtors, being anxious to avoid negative publicity that such cases could generate. They appear to have calculated that court proceedings were seldom worth the effort when the sums involved were often so small. Empire's 'Red Book' is again illuminating on this point: 'County court work is not very profitable if at all. Think it is advisable to cut losses unless it is a very bad case.'[51] Rather than become embroiled in public squabbles over arrears, debts were sold to debt collectors. In 1916 the directors of Empire Stores authorized the company's stock cashier to sell and assign book debts to Frank Thompson and George Light of Rotherham.[52] During the 1950s, Arthur Holgate was responsible for disposing of bad debt for Freemans. He had a problem finding buyers and had to tour the county courts in some areas to locate appropriate companies. But the alternative was ruled out: 'Taking our own cases to court was a waste of too much time and money.'[53] When Kays sold £70,000 of bad debt to the General Guarantee Corporation in 1950 they received £5,000, 'which amount was considered satisfactory.'[54]

One further means of dealing with debt arose out of the agency system. According to Mann in the 1960s, the companies had discovered cases where agents had paid the bad debts incurred by their customers.[55] No indication was given of the extent of this practice, but it is likely that it was not uncommon given the responsibility that agents felt once they had personally recommended a customer. In an interview with a Birmingham couple who had been mail order agents in the 1930s, they were asked whether or not they had ever had a customer who failed to pay once they had received goods. They had not had such an experience, but were adamant about how they would have responded to such an incident: 'No, they were all, they were all pretty decent . . . I suppose that could happen . . . you'd have to put it in yourself wouldn't yer?'[56] Here the process of shaming that can occur in social networks would have worked, but in a way other than that usually anticipated, and still to the ultimate benefit of the retailer. It is clear, however, that it was the customer who, in the normal course of events, was financially disciplined through their relationship with their agent. Kay made it clear how pressure might be applied:

> When customers miss a payment, do not leave them until the next week but call upon them again and again the same week until you *do* get a payment. Bear in mind those 'black calls' should always be made in the evenings, when you are most likely to find the husband and wife at home . . .[57]

Significantly, a recent study has suggested that levels of bad debt are actually higher among agents than among agents' customers providing a further indication of the regulating role of the agent.[58] One of the continuing attractions of forms of credit that involve weekly calls by agents to collect payments is the discipline imposed by this method. In this respect mail order agents were in a similar position to employees of various industrial and insurance societies.[59] Both sets of agents also had a social function, as their visits and collections indicated a family's ability to successfully make ends meet.

Great Universal Stores, Littlewoods, and the Club System

Yet another way to deal with the perils of bad debt was to offer an alternative to the credit systems operated by the first wave of general mail order houses. These companies, delivering goods to customers on receipt of the first of twenty weekly payments, extended a significant amount of consumer credit. In the interwar period, however, both GUS and Littlewoods established catalogue empires based on a return to the tried-and-tested draw or club system. Both companies operated what became popularly known as ‘shilling clubs’. Customers joined groups of twenty, each contributing a shilling weekly, thus enabling the agent to send £1 to the company in return for merchandise to that value. Littlewoods also offered ‘two’ and ‘three shilling clubs’. This strategy meant that these companies were relieved of the necessity to finance credit sales. It also made it possible for them to recruit female rather than male agents, the ambiguities surrounding married women and credit having been removed from the operation.

According to Clive Wolman, the great nephew of George Rose who founded GUS in 1900, the company gradually moved into catalogue mail order by using agents to sell on commission. At some point during the 1920s, Rose began experimenting with a draw system which, it was discovered, ‘eased the company’s potential cash flow and credit problems.’[60] GUS ‘Supreme’ clubs were administered by agents who collected the weekly payments and conducted a weekly draw to decide which members would receive their orders. When, in 1931, GUS was floated on the Stock Exchange, it boasted that ‘as the business is conducted mainly on a cash basis, debtors, and in particular bad debts are almost eliminated’. Moreover, with credit effectively being financed by the clubs themselves, GUS faced less pressure to establish local knowledge about its organizers and was thus able to attract agents and customers via extensive advertising campaigns.[61] Of course, GUS still had to guard against agency fraud and it is likely that checks were made with credit reference bureaux.

Certainly, Littlewoods, GUS’s main rival in this branch of mail order, did carry out checks before appointing its club ‘organisers’. According to Jim Wilson, who joined Littlewoods in 1937:

> The Organisers were all very basic working-class people, mostly women. You know, they were good honest toilers and, as I say, we used to do character checks and all the rest before we took them on . . . But we didn’t have many bad debts . . . because until we went into credit mail order, the credit was amongst the customers. Your job as an Organiser was to collect the money in, you only took people on that lived next door to you, or down the street, or

worked with your husband or whatever it was, there was always a link which was quite reliable over the years.[62]

The strategy followed by both GUS and Littlewoods—effectively reinventing the club system while simultaneously targeting female agents—proved enormously successful in the 1930s when they left the other mail order houses trailing in their wake. Whereas Empire distributed 8,000 catalogues to its agents in 1930, GUS despatched the mammoth total of 500,000 during 1931–2 and claimed to have a mailing list containing the names of over 1,000,000 customers.[63] During 1937, when Freemans' agency records were reorganized to facilitate the introduction of the Bedeaux system, the company had 30,000 agents. At around the same time, John Moores was claiming 700,000 Littlewoods club members.[64] While making allowances for hyperbole, it is clear that GUS and Littlewoods were the dominant players in the mail order industry by the end of the 1930s.

There were a variety of cultural and social factors that underpinned the success of this particular form of mail order retailing in the interwar period. First, as we have seen, the use of credit was at times a sensitive issue for people living in working-class communities. A highly charged mix of concerns about respectability and status, together with uncertainties about future earnings combined to create difficulties for credit providers. So, despite the fact that credit usage was all but inevitable in cash-limited households, there were powerful reminders, in press reports of county court proceedings, for example, of the perils of the instalment system.

Back in 1907, Kay had found it necessary to instruct his travellers on how to overcome reluctance to use mail order credit:

> Town councils, parish councils, railway companies and all other public bodies do their business upon the 'instalment system' and ninety-nine per cent obtain their capital and repay it by instalments. These are the facts you should bear in mind when trying to appoint a good man as an agent and thus remove from him any prejudice he may feel against the system.[65]

Johnson has argued that, despite the significant growth of credit sales, particularly hire purchase, in the interwar years, a degree of prejudice remained.[66] During the 1930s, the trade journal, *Credit World*, regularly reported, in articles with titles such as 'Why make a secret out of instalment selling?' and 'Why be ashamed to shout credit?', that some traders were 'still a little reticent about "broadcasting" the fact' that they offered credit to customers.[67] Many customers were equally concerned that their use of credit be treated with discretion. Their anxieties were met by furniture dealers, who sold on credit, with the offer of 'free delivery in plain vans', so that watchful neighbours would not be able to conclude with certainty that the goods had been bought on instalment.[68]

The club system clearly appealed to a certain category of consumer and the fact that it did not formally involve credit helped to make it an appealing option. It had a long history within working-class communities, was easily understood, and hence seemed more respectable. It is also conceivable that members of draw clubs felt a greater degree of security due to the involvement of family, friends, and neighbours. If a period of financial turbulence arose during the twenty weeks of the club, they might have been able to call on other members to help them out until circumstances improved. Certainly, the relatively small size of the credit mail order businesses at the end of the 1930s compared with the draw clubs run by GUS and Littlewoods tends to suggest continuing anxieties concerning the use of consumer credit.

It is interesting to contrast the views on credit held by the principals of Littlewoods and GUS. John Moores was extremely cautious. Born in Eccles, Lancashire, in 1896, Moores was one of eight children brought up in difficult circumstances. His father, a bricklayer, was a heavy drinker, improvident and inclined to violence. Moores could recall times when his mother, Louisa, a respectable mill girl in her youth, took in sewing and washing to provide for her young family. Fortunes improved when Moores started work as a junior telegraphist for the Commercial Cable Company during the First World War, enabling his mother to open a fish-and-chip shop, though this was considered a rather 'low' occupation. By this time Moores had been exposed to many of the hazards that beset working-class families in this period and these formative experiences left him with a profound distrust of credit.[69] His employees were in no doubt as to the strength of his views. Jim Wilson, recalling Littlewoods in the late 1930s, remembered that John Moores 'wasn't keen on credit'. Many years later Moores intervened to scupper a plan to introduce store cards in Littlewoods' shops.[70]

Before setting up Littlewoods Mail Order Stores in 1932, Moores approached marketing theorist Max Rittenberg for guidance. According to Moores, Rittenberg suggested that he conduct a survey of 20,000 of the company's football pools' customers to ascertain whether they would prefer a credit- or club-based mail order catalogue. Moores always claimed that the club system was preferred 'overwhelmingly' in this poll, though it is difficult, from this distance, to measure the veracity of Moores's statements, especially as we do not know how the question was framed.[71] Moreover, given the complex set of cultural and economic attitudes surrounding credit use it is difficult to assess the motives of those customers whose opinions were sought. Would they have been reluctant to reveal a preference for credit? Or did they express a preference for the club system because they were prepared to wait up to twenty weeks for their orders, rather than enter into 'less respectable' credit arrangements? It has been suggested that the club system had long been acceptable to prosperous artisans and even white collar workers who 'saw nothing improvident' in their wives paying weekly into a club and, 'if they were lucky in the draw, making purchases in advance of their saving'.[72] When he established Littlewoods Mail Order Stores in 1932, Moores would have been aware of the success of the club system which, by circumventing the requirement to finance instalment credit, had enabled GUS to spend lavishly in other areas, such as merchandising, where bulk buying secured generous discounts from suppliers. In short, there may have been a degree of retrospective reconstruction in Moores' account that hid more pragmatic business considerations and/or his own dislike of credit.

At GUS, Isaac Wolfson had a more relaxed attitude to credit. The company's founders, the Rose family, were operating a club system before they appointed Wolfson as a buyer in 1926. By 1933 he had become joint managing director,[73] thereafter initiating a diversification strategy that included many forays into credit sales. Critically, GUS acquired Kays in 1937, thereby securing a powerful presence in the credit mail order market that Littlewoods was to shun until the 1950s. At the same time, it was also becoming a significant operator in the hire purchase sector, opening a number of its own shops and acquiring existing retail businesses.[74] Though Littlewoods moved into credit mail order in the early 1950s with its Burlington and Brian Mills catalogues, Moores remained uncomfortable, and was to be found backing government restrictions on hire purchase and fighting a rearguard action on behalf of the club system. He was convinced that he knew what his customers wanted, informing them via one of his folksy, paternalistic catalogue messages, that they did not want credit, 'with all its extra charges, formalities, personal enquiries, obligations and other irritants'. 'A Littlewoods Club is NOT Credit', he reminded them; 'it is a dignified, convenient and thrifty way of Cash buying'. What they liked, he told them a year later, was 'NO legal forms to sign, No embarrassing personal enquiries, No formalities whatever.'[75] Wolfson, meanwhile, whose diversification policy was heavily based on credit sales of various kinds, was advising shareholders in 1954:

> that properly conducted hire purchase and instalment trading had played no small part in the rising standard of living which is evident to-day. This enables families to participate in a better standard of living, and to purchase their household goods out of income, which in turn helps to create the interest and happiness in life which is everyone's prerogative.[76]

Ultimately it was Wolfson's attitude that prevailed although both GUS and Littlewoods had originally prospered in mail order on the basis of an essentially conservative credit policy.

The Feminization of Mail Order Agency

A conservative approach in one area enabled GUS and Littlewoods to be innovative elsewhere. The shilling clubs of the 1930s initiated a powerful movement towards the feminization of mail order agency. As we have seen, the overwhelming majority of early mail order agents were respectable working-class men. Kay appears to have had a more open mind than most, instructing travellers in 1912 that a married woman might be recruited as an agent if she had her husband's consent. 'Women tend to do a large business', he noted, 'in places such as Corset Factories, Brush Works, Glove Factories, and a thousand other places where a large number of female hands are employed.'[77] Kay's attitude notwithstanding, female agents were few and far between even though, as business grew, catalogues expanded to include a wide range of clothing and household goods associated with the women consumers. It would appear that the reluctance of the companies to move in this direction stemmed primarily from anxieties regarding the legal status of goods sold on credit terms to married women. Empire Stores recruited male agents only because a husband was legally responsible for his wife's debts.[78] Reflecting on his experience at Freemans in the mid-1930s, Alf Yeo explained: 'In those days I was not allowed to appoint women... If a wife was interested in Freemans, I had to get the man's signature on the application form.' This was despite the fact that the companies were aware that many agencies were being conducted unofficially by women. Tony Rampton, who started at Freemans in 1938, recalled that 'the agent was nominally in most cases the man but I think essentially the work was done by the wife as it is now.'[79]

The expectation that agents were male shaped mail order publicity material. A constant theme of such material was that mail order agency provided a money-making sideline for the resourceful working man. As such there were parallels between mail order agency and the phenomena of working-class penny capitalism. A good example of this is to be found in a pamphlet published by Freemans in 1935. Its title was *Freemans' Spare Times Savings Bank* and its cover featured an illustration of a well-stocked cash box. Prospective agents were given a potted history of the company to assure them that Freemans was a reputable firm that had experienced 'phenomenal expansion'. While not everyone could be equally wealthy, it was argued, everyone had equal access to time and this had created an opportunity:

> It is your duty to seize it. FREEMANS profit-sharing business will show you the way to turn this spare time into money—to convert all the hours and minutes which would otherwise be wasted, into cash... Wherever you reside, whatever your present position and earnings, provided you are ambitious and can read and write, we can help you. Every year we help hundreds to better positions and better pay.[80]

Copious testimonials were produced to illustrate this theme. These included letters (with photographs) telling of houses bought with the help of the commission earned as part-time agents, or details of sailing boats and other prized acquisitions. Publicity of this kind evoked aspirational values in an effort to attract ambitious working men and, occasionally, women. There were indications, however, to suggest that it was still men rather than women that Freemans hoped, and expected, to recruit. The temporality referred to in the Freemans' pamphlet was essentially gendered. It implied a clear demarcation between the hours of waged labour and those available for rest and leisure. While this was the pattern for many working-class men, it was not so for most working-class women whose spare time was extremely fragmented. For the married woman, leisure or spare time existed as a secondary consideration, to be fitted in around looking after the needs of her husband, children, and home.[81]

'Penny capitalism' was widespread in working-class communities. Poverty was a major motivation but for many individuals there was also a strong desire to raise themselves to an independent status away from wage labour. For the most active and successful mail order agents, the companies held out the prospect of turning their part-time business into a full-time occupation. For others, the role of agent provided a useful extra income without the potentially dangerous 'speculative element' which was an integral aspect of penny capitalism.[82] Having emphasized the financial rewards of mail order agency, the companies entered into a degree of competition based on the commission offered to agents. Freemans claimed to pay the highest commission, offering agents 25 per cent on cash sales or 20 per cent for credit sales. This compared favourably with the 20 and 15 per cent then offered by Grattan or the 10 per cent paid by Littlewoods to its shilling club organizers. It seems that the credit-based companies responded to the new competition from GUS and Littlewoods by offering higher rates of commission. GUS hit back, arguing that high rates of commission paid to agents did not guarantee the customer value for money.

> So-called competitors realise that they cannot hope to compete against Universal products. For that reason they are compelled to offer increased Commissions in an effort to secure Agents. Your Great Universal Agent may be approached and offered tempting inducements to transfer the Agency to some competitive firm. Do you realise what that means to you? . . . Many competitive concerns give with the right hand and take back with the left. In other words, they pay so-called big Commissions to Agents; they can afford to do so only by supplying inferior goods of cheap quality; and the member consequently cannot possibly get value for money! Why not make sure that your purchases are worth every penny you pay for them? That is the Great Universal tradition . . . Two million satisfied customers testify to the success of our efforts to supply the highest value at the lowest price.[83]

However, GUS and Littlewoods had another weapon to use against their more credit-orientated competitors. The majority of agents in the club-based mail order system of the 1930s were women, whose motives were often different from those of their male counterparts. If anything, working-class women had more reason to, and often did, aspire to a better lifestyle than their menfolk.[84] Every indicator, from contemporary health statistics through to autobiographies and oral histories, tells a grim story of the struggle faced by the great majority of working-class women in the late nineteenth and early twentieth centuries.[85] Mail order catalogues offered them a glimpse of a better lifestyle featuring modern and attractive clothing and household goods. Moreover, weekly payments placed many of these items within reach of many working-class families. There was even the prospect of making money, if one became an agent. Of equal importance, however, was the way in which catalogue shopping fitted into the temporal and associational patterns of working-class wives and mothers.

The life of the average working-class woman was as much time-constrained as it was cash-constrained. Looking after a husband and children, washing clothing, keeping the home clean and tidy, and shopping around for the best bargains on a limited budget were time-consuming activities. It was the norm for the working-class husband to be allocated something from the 'kitty' to spend on himself at the pub or in some other male-centred activities.[86] For the married woman, there was little time, or money in the family budget, for expenditure on leisure. Whereas the husband, as the 'breadwinner' had first call upon any spare capital, and sometimes upon cash that was vitally needed elsewhere in the family's budget, his wife came last in the queue behind the costs of clothing, food, accommodation, and the needs of the children. As a result working-class women's access to leisure, as Margery Spring Rice noted in 1939, was so limited that the term itself became a flexible one in their own minds. Thus, as Margery Spring Rice noted in 1939, any activity which was 'slightly less arduous or gives a change of scene or occupation from the active hard work of the 8 hours for which she had already been up is leisure'. The subjects of Spring Rice's study cited sewing and knitting as leisure activities, something which others would clearly have identified as chores. Women also took pleasure from exchanging neighbourhood news with other women in the streets or on the doorstep.[87] This was an aspect of women's 'leisure' that was to make them especially useful to mail order retailers, for it was in this context that they built up knowledge about potential customers.

The mail order catalogue fitted neatly into the fragmented sphere of the working-class woman's leisure routines. It was easy to pick up and put down. In this sense it bore similarities to magazines such as *Woman* and *Woman's Own* that made in-roads into a working-class readership in the 1930s. Like these magazines, the catalogues had a 'work' element which helped to alleviate the guilt associated with the experience of personal leisure for many women. During the 1930s, both magazines and catalogues became increasingly attractive and colourful, while advising women on the art of being a housewife and caring for the family.[88]

It is not clear to what extent GUS devised its system with the intention of breaking into a more feminine market. Tellingly, its shares were christened 'Gussies' by City financiers.[89] It is clear, however, that Littlewoods was intent on feminizing home shopping from the outset. John Moores placed a premium on the recruitment of women as organizers of the company's shilling clubs. The company addressed its advertisements 'solely to women, with no wasted circulation, by using the main women's weekly publications'.[90] What is less clear is whether or not it was realized that female agents were likely to be differently motivated than their male counterparts. According to Moores, he realized this in only 1934, two years after starting Littlewoods' mail order business. In that year Littlewoods hosted a party in London for some of its organizers. For Moores, the occasion proved especially fruitful for, on meeting the organizers, he discovered that they were chiefly attracted to Littlewoods, not by the prospect of commission, but by 'the excitement of organizing weekly meetings, drawing lots to decide whose turn it was to spend the kitty and what to buy'. As he recalled, many years later:

> The council worker's wife said to me, 'my door bell seldom used to ring, but it goes constantly these days. I've made scores of new friends, and we've always got something to talk about. People who passed my house before and never glanced at it, are now my friends.' This was very interesting, and we immediately altered the approach to our appeals, no longer asking people to 'Form a Littlewoods Club and Make Money'—but to 'Organise a Littlewoods Club and Make Friends!'[91]

Female agency and sociability, allied to the need to balance tight budgets, supplied the foundations on which the golden years of British mail order were built.

The obvious success of GUS and Littlewoods appears to have focused their rivals' minds on the opportunities to be gained from recruiting female agents. Their thinking in this matter was also influenced by the Law Reform (Married Women and Tortfeasers) Act of 1935 which meant that a husband was no longer held responsible for civil liabilities incurred by his wife. Freemans started to recruit female agents 'just previous to the war', although Alf Yeo recalled this occurring only when women 'started to go into arms manufacturing, etc., because there were not enough men around'. It would appear that Empire Stores had also been using female agents in the immediate pre-war years as Joseph Fattorini advised his father, in 1940, to let 'the travellers get women agents [as] we have proved they are no worse than men'.[92]

Thus by the end of the 1930s, partly by design and partly by accident, mail order retailing had found its niche. Importantly, it had begun to deal directly with the women who held the purse strings in working-class families. If the origins of British mail order lay in the masculine associational activity that surrounded watch clubs, agency mail order only became a significant retail phenomenon when it tapped into the temporal and associational rhythms of working-class women's lives. This was made possible by the creation of systems that provided simple credit transactions, founded upon the payment of small weekly sums out of the limited disposable income available in the majority of early twentieth-century households. Equally important, the catalogues and payments were administrated by family, friends, or neighbours, who were approachable and understood both the needs and credit limitations of their customers. As a result the catalogue was to become much more than a marketing tool. It became the focus for a heady combination of aspiration, entertainment, and sociability in post-war Britain. The next chapter takes our story into those years.

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Mail Order Agency in Post-war Britain: The Agent, The Company, and The Customer

Surveying the sector in 1960, the *Economist* noted that Britain's mail order retailers could not rely on 'the steady month-in-month-out business from isolated country dwellings that make it worthwhile for Sears Roebuck to send its expensive catalogues directly to American customers'. Instead, 'the bulk of the business' was conducted through agents, almost exclusively female, who carried a catalogue for a mail order company, making it available to their immediate social circle and sometimes a little beyond. For a commission, usually 10 per cent in cash or 12.5 per cent in goods, agents solicited orders from customers for forwarding to the retailer. They would help customers to choose their purchases, often measuring them for size, an important function if 'returns' of clothing were to be minimized. They also received goods sent from the warehouse, usually delivering them personally to their final destination. Agents were also responsible for collecting weekly payments and completing the necessary paperwork before passing them on to the company. By placing their personal knowledge of customers at the disposal of the company, they helped to minimize the incidence of bad debt. This system had taken root, it was argued, because it encompassed a tradition of co-operation and mutuality that was deeply embedded in British working-class culture. 'The companies say that they believe the spirit of co-operation is at its strongest in Britain, making club buying possible.'[1]

This helps to explain why British mail order retailers have been so heavily committed to sales via agency. At the same time, it also suggests why they were so well-placed to service the widening material aspirations of their mainly working class customers in the thirty years or so after 1950 when mail order competed most effectively against other forms of retailing. In this period, 'the acquisition of new agents was regarded as being the major objective of the marketing strategy of all the firms in the industry'. Firms differed only in that some were more concerned than others with regard to the quality of the agents they recruited.[2] An indication of the sector's historical commitment to this strategy was supplied by a National Opinion Poll survey in 1980 which indicated that 46 per cent of all women over the age of sixteen either were currently or had at some time been mail order agents.[3] Spare-time agency remained a significant feature of Britain's social landscape right through to the millennium, as well as being an important phenomenon in the history of British retailing. The intention here is to examine its extent in the post-war period along with its principal social characteristics. Different types of agencies, ranging from those where the agent was primarily motivated by commission to those where the agent was primarily motivated by sociability are identified. In addition, the perceived benefits of the agency system, from the viewpoint of both the agent and the company will be indicated. The spare-time agent, operating from home or in the workplace, supplied the essential link between the company and their customer. Thus an understanding of how they operated is essential to both the business and social history of British mail order retailing.

The Extent of Mail Order Agency

Estimates of the number of mail order agents active at any one time have to be treated with some caution. Besides the complication that some agents carried catalogues for more than one company, there is the additional problem of the frequency with which names were added to or deleted from company records. A simple head count, as will become clear, is insufficient, for it fails to differentiate between different types of agent. There is an important distinction to be drawn between a small minority of agents, lineal descendants of nineteenth-century 'penny capitalists', who sought to build up an extensive business, and those who used the catalogue to sell to a limited circle drawn from immediate family or friends. Moreover, given the key trend evident in home shopping over recent years, it has become increasingly important to make a further distinction between agents operating in a traditional fashion and those who used the catalogue to buy only for themselves and their immediate family. The conflation of traditional agents and personal shoppers under the single heading 'agents' exaggerates the upward trend in estimated numbers persisting through to the 1990s. At the same time it hides the recent decline of mail order agency in its traditional form and the inexorable rise of the customer–agent or personal shopper.

Surveying the mail order sector in 1960, after it had experienced a decade of rapid expansion, the *Economist* estimated that there were half a million active agents in total. It seems likely that this was a very conservative calculation, not least because the Crowther Committee, reporting only ten years later, suggested that there were between three and four million.[4] This was probably nearer the mark. McFayden's research for the Post Office in 1976, just as agency mail order sales were about to peak as a percentage of total retail sales, indicated that the number of agents had grown to 4.2 million and went on to underline the enormous commercial potential that this represented. 'Nobody knows', it was noted, 'how many agents "show" one or more catalogues—estimates range from a third to a half—but it is calculated that if each agent services five customers, then 72 per cent of households in the United Kingdom will be seeing a mail order catalogue.'[5] Thereafter, though mail order's share of retail business started to fall, the number of agents continued to increase. Basing its estimate on information supplied by the major mail order companies, the Monopolies and Mergers Commission (MMC) later suggested that there were 4.8 million agents active in 1981.[6]

Though these figures indicate an upward trend over the thirty years or so from 1950 that reflects the expansion of mail order retailing generally, it is important to recognize their limitations. They tell us little, for example, about the quality of individual agencies in terms of levels of activity and the amount of business generated. In recent years, with direct mail order sales rising and traditional agency mail order in decline, it has become more important to distinguish between different types of agents. The distinction between the traditional agent, placing orders on behalf of customers outside her immediate household, and the personal shopper, using the catalogue to buy only for herself and her immediate household, has become especially important. Basing its estimate on information received from the major mail order companies, the MMC arrived at an estimate of 7.4 million agents in the United Kingdom in 1996 after deflating by a quarter to allow for those carrying more than one catalogue. It went on to give a 'best estimate' of 2.5 million agents (34 per cent) operating in the 'traditional' fashion. This represented, in effect, a retreat to the levels of the 1960s when all agents were deemed to operate in this way. The 4.9 million agents (66 per cent) remaining were classified as 'personal shoppers'.[7] Though this might be seen as a very recent development it does relate to a long-established trend towards smaller agencies. Even in mail order's halcyon days in the 1960s, few agencies serviced the equivalent of the twenty members who would have comprised a typical Littlewoods' 'Shilling Club' a quarter of a century earlier. An agency such as that operated by Mrs Giles, a London housewife married to a skilled manual worker, would have been more typical of the period. Mrs Giles had 'never gone looking for customers'; her agency serviced a total of eight people, all of whom were 'friends and relations who happen to see the catalogue when they pop in for coffee or tea'.[8] By the 1980s, however, an agency of this size would have been well above the average. 'A typical agent', according to a 1979 report, was 'a young married woman with two children and four or five customers, two of them consisting of herself and a member of her family, the others being near neighbours.'[9] Evidence presented by the companies to the MMC in the mid-1990s is especially striking. Littlewoods reported that, whereas the average agent in 1960 had purchased for a group of 16 people, the average agent in 1996 purchased for only 2.8 people, 'of which two (including the agent) were within the agent's household'. Freemans reported that the average number of customers per agent was declining rapidly, having fallen from 4.6 in 1989 to 3.6 in 1995.[10]

The Social Characteristics of Mail Order Agents and Customers

Though there is some evidence to suggest that the regional distribution of mail order agents in 1980 was not significantly different from that of the population as a whole, in other important respects—notably gender and social class—the distribution of agents was uneven. As we have seen, the trend towards the feminization of mail order agency was well established by the end of the 1930s, with Littlewoods, in particular, targeting women in their drive to recruit club organizers. This trend became stronger in the post-war period, the radical gender shift in mail order agency coinciding with the rapid expansion of the sector in the 1950s and 1960s. It was estimated in 1960 that 85 per cent of all mail order agents were women, and the proportion of female to male agents appears to have stabilized at around this figure. The MMC, in 1983, estimated that between 80 and 90 per cent of agents were women.[11] Mail Order Traders Association (MOTA), in the mid-1990s characterized agents for the 'Big Five' mail order houses as 'housewives' and 'women working in offices, shops and factories'. The companies had tracked the gender shift by issuing promotional literature that was designed to appeal specifically to women agents and their customers, who were also mainly women. Guidance issued by Kays to its call centre staff in Worcester in the late 1990s suggested that it was safe to assume that the agent or customer on the other end of the line would be female. 'What does the caller want from you? Why is *she* calling? What does *she* expect to gain from the call?'[12]

The distribution of mail order agents by social class also has some distinctive features. As with gender it broadly reflects the overall pattern of usage. Statistics gathered by Mass-Observation for the Economist Intelligence Unit in 1961 indicated that the percentage of people within each social class who made use of catalogue mail order was heavily weighted towards those in categories C2 (skilled manual workers and their families), D (semi-skilled and unskilled workers), and E (casual workers, pensioners, widows, unemployed). Between them, social classes C2, D, and E accounted for 76 per cent of mail order customers. Adults classified as A and B (the managerial and professional middle class) and C1 (lower middle-class supervisors

Table 4.1 Social class of mail order users, 1961, 1981–2

Social class	Percentage of all mail order users, 1961	Percentage of total adult population, 1961	Percentage of all mail order users, 1981–2	Percentage of total adult population, 1981–2
AB	8	14	12	16
C1	16	19	23	23
C2	42	32	36	32
DE	34	35	29	29

Sources: Mass-Observation/Economist Intelligence Unit, 1961; MMC, *GUS and Empire* (1983), table 2.4, p. 9.

and clerical workers) were significantly under-represented. (See Table 4.1.)

Twenty years later the main features of mail order usage by social class apparent in 1961 remained in place in that a majority, 65 per cent, were classified as C2, D, and E. That the number of users in A, B, and C1, the three highest social classes, now stood at 35 per cent in total reflects the tendency to trade up from the 1960s onwards. It was in this period that the introduction of branded goods helped the sector to shake off its downmarket image. There was, however, a corresponding drift in the other direction. Though C2s remained the only social group where mail order users were over-represented, there were now more users in the D and E categories. This might be explained largely by the movement of users previously classified as C1 and D into the E category on reaching retirement age and becoming dependent on state pensions.

Statistical evidence indicating the distribution of mail order agents by social class follows a broadly similar pattern to the figures indicating usage. One of the main reasons why agency was so successful as a marketing strategy was that the agent shared many key characteristics with potential customers. They lived in the same localities and had an instinctive understanding of their problems and aspirations.

As Table 4.2 indicates, drawing on figures for 1981 supplied by GUS to the MMC, not only were mail order agents predominantly female, they were also predominantly working class, with 66 per cent of agents classified as C2, D, or E. Within this group, however, and within mail order agency generally, the skilled working class predominated.

Table 4.2 Social class of mail order agents in 1981

Social class	Percentage of all mail order agents	Percentage of total adult population
AB	12	16
C1	23	23
C2	36	32
DE	29	29

Source: MMC, *GUS and Empire* (1983), table 2.3, p. 9.

Table 4.3 Social class of mail order agents in 1996

Social class	Percentage of all mail order agents	Percentage of total adult population
AB	12	17
C1	26	26
C2	29	24
DE	33	32

Source: MMC, *Littlewoods and Freemans* (1997), table 4.6, p. 82.

Agents were drawn from across all social classes but the proportion categorized as C2 was larger than in the general population. Significantly, it was also higher than the percentage of C2 mail order users at that time (see Table 4.1) and it seems likely that a small but significant proportion of C2s serviced agencies comprising D and E customers who were under-represented by around 6 per cent. As Table 4.3 indicates, however, the pattern evident in 1981 had been modified somewhat by the mid-1990s.

Overall, there were now more mail order agents in classes A, B, and C1, reflecting the rise of the personal shopper or agent–customer. A majority of agents, however, were still drawn from classes C2, D, and E making up 62 per cent of the total. Significantly, both Littlewoods and Freemans reported in 1996 that agents were often from a higher socio-economic group than their customers; 60 per cent of Littlewoods' customers, for example, but only 35 per cent of its agents were categorized as DE.[13]

The distribution of agents and customers between different social classes merits further discussion. Whereas social groups A, B, and C1 have consistently been under-represented among mail order customers, the first two groups to a significant degree, C2s have regularly been present in numbers higher than their general presence in the population. Buyers from the D and E social classes have also been well represented, but not always in the numbers that might be expected. A number of explanations might explain this pattern. The combination of consumer credit and agency service offered by general mail order retailers held few attractions for AB consumers who were the most likely to make purchases for cash and correspondingly the least likely to require credit and 'easy payment' arrangements. Moreover, AB customers were less amenable to the agency system than those from other socio-economic groups. If they did use mail order, they were likely to buy direct rather than through an agent, 'in part because of the snob factor, in part because the middle classes are less tightly knit as local communities'.[14] General mail order retailers were geared up for large catalogue runs and mass merchandising. Though, from the 1950s onwards, they made some effort to attract AB customers via direct mail order operations such as GUS's Marshall Ward catalogue, their way of doing business was not, on the whole, well suited to the greater selectivity of niche middle-class markets.

C2s, the predominant social group among mail order agents and customers throughout the post-war period, offered the prospect of a high volume of sales and a steady income from weekly instalment repayments. One explanation of the greater involvement of C2s in mail order is their greater spending power as opposed to groups D and E in particular. Mail order companies specifically targeted C2 agents and customers, who clearly belonged to what a previous age would have called the 'respectable working-class'. Other factors underpinned the predominance of C2s. Kays, for example, instructed agents in a way that would have discouraged them from taking on some customers most likely to be found in socio-economic groups D and E, especially E. An instruction booklet from the 1960s advised that they should satisfy themselves that prospective customers were from households where the major breadwinner was 'in permanent employment'. According to the company, it was 'only fair' that agents should be expected to 'supply us with facts to show [the customer's] ability to pay the weekly instalment agreed upon, without difficulty'. In addition, agents were routinely advised throughout the 1950s and 1960s to exercise special care when accepting orders from lodgers, pensioners, and widows.[15] In general, customers from categories C2 and above were likely to have higher levels of discretionary income and greater security in terms of employment and could therefore be expected to meet their weekly repayments without difficulty. From the company's perspective, it was also important that C2 agents would generally have attained a higher standard of literacy and numeracy than those generally prevailing among Ds and Es. This was not unimportant in terms of running a mail order agency where the demands of paperwork could be quite daunting.

This tendency was accentuated by the more formal credit referencing procedures adopted by some of the companies, especially those recruiting via extensive press advertising in the 1950s and 1960s. It was not unknown, for example, for mail order retailers to blacklist particular streets and districts where the risk of incurring bad debt seemed especially high. 'There were many guide lines', as Andy Cooke explained, recalling the strategy adopted at John Myers in the late 1950s and early 1960s.

> bad credit areas, doubtful credit roads in a good area, the type and style of handwriting (this was important because we certainly did not want agents who could not write), and for that reason printed names instead of written were always suspect, as was immature or childish writing. After discarding the obviously unacceptable, the remaining applications were subject to a report from a Credit Status Agency.[16]

It is safe to assume that judgements with reference to these criteria excluded many potential mail order agents in the D and E social groups. Where the responsibility for screening lay with agents themselves, however, local knowledge along with an instinct for discerning the essential element of respectability helped to eliminate customers who might prove unreliable. Current and former agents responding to questionnaires listed very few problems arising from their experience of mail order agency. When they did, however, the most frequent complaint concerned the difficulties of pursuing bad payers. An agent from Merseyside, responding to our questionnaire, indicated that what she had disliked most was 'having to ask bad payers for money'. One friend, she recalled, 'used to pay me in Green Shield Stamps!' Such instances, no doubt, made agents especially circumspect when taking on DE customers. 'I have had the odd bad payer', explained another agent, 'but have learnt from experience *not* to allow this type of customer to become in deep debt!!!'

Most surveys have not supplied separate data for social groups D and E and their use of mail order. Such evidence as does exist, however, tends to confirm that adults in these categories made comparatively little use of catalogue shopping. A 1974–5 British Market Research Bureau survey estimated that only 6.6 per cent of those who had ever used a catalogue came from social group E. The figures for groups AB, C1, C2, and D were 9.5, 22.8, 37.4, and 23.4 per cent, respectively.[17] No doubt these statistics were heavily influenced by several factors. The presence in this category of old age pensioners, who tended to distrust credit rather more than other social groups, would have made mail order less attractive. This subsection of the E social group would also have been at a stage in the life cycle when they were less likely to purchase consumer durables, the kind of expensive items that some mail order users purchased via extended credit arrangements. Pensioners would also have been heavily represented among the least affluent in society, as would the casually employed and unemployed who made up the rest of the E grouping. However, the comparative under-usage of mail order by low income groups masks the fact that, alongside young adults, they were perhaps the most reliant on catalogues for access to credit facilities.

It is now recognized that low-income households use credit considerably less than affluent ones, but that its use is associated with necessity rather than choice. Mail order has traditionally been one of the few credit channels open to this group. As recently as 1996, only 13 per cent of those in social group E who used agency mail order had a credit card.[18] Mail order credit was attractive because its weekly payment option was structured to meet the constraints and needs of low-income budgeting. It was also important that it was marketed in terms of cost per week. Moreover, the facility was made available through a friend's, relative's, or workmate's agency and involved no intrusive application forms. Thus the low-income home shoppers of the 1950s–1970s continued to experience a similar relationship to the catalogue with that experienced by their parents and grandparents. Between 1979 and 1987 the numbers living in or on the margins of poverty actually increased from 22 to 28 per cent, largely as a result of rising unemployment, the growth of low-paid and less-secure employment and the reduction in some benefits. The result of these shifts was an even greater emphasis and growing reliance on credit among low-income families than had been the case. It was also noted in the early 1990s that mail order use tended to comprise a high proportion of the low-income consumer's limited credit portfolio.[19] In 1996 Grattan believed that half of its one million agents—who generated two-thirds of the company's sales—were likely to be turned down by other major credit providers.[20]

The age profile of mail order users also merits some attention. Evidence gathered by Mass-Observation Ltd. for the Economist Intelligence Unit in 1961 suggested a pattern that was to persist throughout agency mail order's heyday. Of the 1,015 housewives surveyed, 27 per cent had bought from a catalogue in the previous 12 months. In terms of age profile, usage was greatest in the younger age groups. In the 18–24 cohort, 33 per cent had made use of mail order. Of the 25–44 age group, 30.55 per cent had bought from a catalogue, whereas in the 45–64 age group only 20.2 per cent of those surveyed had used one in the previous year. It was suggested that this pattern was much influenced by prevailing attitudes to credit which tended to be most relaxed among young adults, becoming progressively less so as people grew older. Over 50 per cent of those who used mail order in the 18–24 age group did so because of its credit facility, compared to 34 per cent in the 24–44 group and 25 per cent in the 45–64 age range.[21] It seems likely that these figures reflected a situation in which young adults on relatively low incomes turned to mail order on account of the difficulty they experienced in gaining access to credit elsewhere. This pattern was confirmed by research into attitudes to credit undertaken in the late 1960s which suggested that young adults, more likely than any other group to buy expensive electrical goods and appliances, were increasingly attracted to mail order. The simple terms in which the agreement between customer and company were expressed were important here. In comparison, hire purchase agreements often seemed complex and intimidating. Thus, from the late 1950s onwards, mail order appeared to establish a foothold in an important sub-sector of the credit market servicing the requirements of young, often fashion-conscious, cash-limited, and credit-dependent customers with particular merchandise requirements. Of all the major companies it was Freemans that responded to this development most decisively, launching a campaign in 1975 to attract young agents in the high-spending 16–24 age group. By 1979 its catalogue offered a significantly wider range of young men's and young women's fashions than most of its rivals. Freemans was rewarded with an increase in sales, overtaking Grattan to become the third largest mail order house with a market share of around 11–12 per cent.[22]

Agency Functions and Types of Agencies

In themselves the tasks undertaken by mail order agents operating in a traditional fashion appear to have been relatively straightforward. They showed the catalogue to customers, took their orders, collected their payments, and forwarded them to the company. In addition, they accepted deliveries from the warehouse and passed them on to the customer, processing the return of goods if the customer was not satisfied. Appearances, however, were deceptive. The successful operation of even a relatively small agency required neighbourhood knowledge and well-developed social skills, not to mention a degree of confidence in handling cash and dealing with routine paperwork. A careful reading of the advice routinely provided for new agents is instructive in this respect. Kays, in the 1960s, urged agents not to be discouraged if they attracted only a few customers at first. 'From small beginnings', it explained helpfully, 'large and profitable agencies have been built by constant and enterprising effort.' Agents were advised:

> [To] spend a little time making out a list of reliable people from whom you think you may be able to obtain orders. Call on them and show them the catalogue. There is bound to be something they will see and want for themselves, their home or children. It only needs *you*, as the agent, to show the wide variety of goods available to obtain orders.

Embodied in this advice was the expectation that an agent would possess or develop the presentational skills necessary to alert customers to purchasing opportunities, the social confidence needed to call on people in their own homes, and the knowledge and insight required to make judgements as to reliability.

Neither should the complexity of the clerical tasks performed by the agent be underestimated, as the same Kay's booklet indicates:

> WHAT YOU SEND TO US
>
> At the end of four weeks when you have filled in the four divisions on the first sheet of your Ledger, tear this out and send it to us with your Weekly

Statement No. 4. Please also send to us the top copy of your list of Customers from the right hand side of your Ledger. Thereafter every four weeks you send us the top copy of your Ledger Sheet and every week you just send your Weekly Statement . . .

Please enter on the BACK of the Monthly ledger Sheet the name, address and account number of any NEW customer since your last Ledger Sheet. We should also be notified of any changes of address in this manner.

And that was not all. The weekly statement required six separate arithmetical calculations including, in the example given, the working out of commission at two shillings in the pound on a sum of £2 13s 9d.[23] Though, to some extent, this burden was lifted with the introduction of telephone ordering in the 1980s, any agency not conducted simply on a personal shopper basis required careful record keeping and attention to detail. ‘Actually’, as Peter Fattorini acknowledged, ‘the paperwork for running a mail order agency was pretty daunting.’ He recalled his father saying that ‘it was amazing how the mail order business carried on when basically a group of people who had no formal business education—a lot of them not much education anyway—took credit decisions, collected the money, filled in your paperwork for you and the whole thing carried on—based on them’.[24]

Research into the social organization of mail order agencies undertaken at the University of Bradford in 1966, the findings subsequently reported by Mann (1967), supplied a compelling snapshot of the traditional system at its zenith.[25] After conducting an extensive series of interviews with mail order agents and their customers, the importance of the sociability factor was confirmed, thus underlining the lesson that John Moores had learned from his meetings with Littlewoods' club organizers in the 1930s. Three types of agents were identified—those who were primarily financially motivated, those who were primarily socially motivated, and those with agencies centred on the nuclear family. Financially motivated agents—it was estimated that they comprised about 6 per cent of the total—were essentially chasing commission. They weighed the disadvantages inherent in dealing with large numbers of customers against the additional income that each customer could generate. Though the companies frowned upon it, some agencies of this type were so large that they operated through unofficial sub-agencies. This type of agency, though profitable, tended to cause the companies problems simply because agents who were solely or primarily interested in commission often proved unreliable when it came to assessing the creditworthiness of customers.[26]

Though mail order agency had largely been feminized by the 1960s the majority of agents in this category were men. According to *Empire Stores News* Mr Bament of Barnstaple was running Empire's largest agency in 1953. Operating from a Ford van and assisted by his wife, he was likely to have over 400 individual customers on his books at any one time. A few months later Mr Reid of Caerphilly claimed that he served over 300 customers, using the front room of his 'modern semi-detached house' as 'a showroom'. He had 'an excellent display of Empire Stores Merchandise . . . arranged on neat rails and shelves'.[27] Agents operating on this scale were functioning, in effect, as semi-independent retailers and were unlikely to have the intimate knowledge of their customers on which the companies had come to rely in order to minimize the risk of bad debt. Agencies of this type required especially careful monitoring and sometimes active intervention in order to sustain viability. When, in 1951, Mr Garner, a Grattan agent in Sheffield, was deemed to have expanded his agency too rapidly, the company acted promptly to limit the supply of goods, claiming that some items in short supply 'have to be shared in all fairness amongst our many Agents'. It seems likely, however, that this was merely a pretext and that the company's real intention was to curtail the rate at which Mr Garner's agency was growing while urging him 'to concentrate on reducing some of the accounts which we see have got rather big of late'.[28]

Though agents identified as primarily socially motivated were not necessarily indifferent to commission, the social contacts that they established, or reinforced, through operating a mail order agency were an even greater cause of satisfaction.[29] The commission that could be earned from operating an agency of this type—estimated at between 4s (20p) and 7s (35p) per week in 1967—was, at most, a small supplement to the weekly budget and unlikely in itself to be a decisive factor. Beryl Ratcliffe, who moved to the new town of Hemel Hempstead in 1953, seems a classic example of the socially motivated agent. In her response to our questionnaire, she explained that she had first used the Trafford catalogue when she needed to buy shoes for her small son. They cost 15s, 'really expensive for me'. While paying for the shoes by weekly instalment she built up both an agency and a convivial routine. ‘Each Friday evening my neighbours and friends would come and sit in my kitchen, drink tea, look at the catalogue again—pay their cash.’ Beryl remembers Christmas as being an occasion when her role as the local mail order agent ensured that her house was a centre of social activity:

> Now Christmas that is another story again. Christmas . . . When parcels arrived, different neighbours would hide the toys in their loft so our children couldn’t see them. Christmas Eve one would see Dads, taking a bike to No 53. That dad would be taking a dolly to No 47 and such. All ‘reporting’ to my kitchen for a ‘cuppa’.[30]

In British mail order retailing generally, and for women agents in particular, the sociability factor has always been important. This had been so even in the years when mail order agency had been predominantly a male activity. The first watch clubs were ‘social gatherings in pubs where inevitably much of the conversation turned to the Fattorini’s products’.[31] It seems likely that a degree of conviviality would have helped to enhance sales. Littlewoods, in the 1930s, had discovered that women, who were often tied to the house on account of family commitments, seemed especially attracted by the prospect of weekly club meetings and a widening social circle. There were numerous satisfactions that a socially motivated agent could derive from the role. At a very basic level, as most people enjoyed receiving parcels, delivering goods to customers in person was often an enjoyable experience. Significantly, of the 104 customers surveyed in the Bradford University study, 89 reported that agents delivered goods to them in person ‘always’, and the remaining 15 reported that this happened ‘sometimes’. Moreover, agencies run by socially motivated agents with relatively small numbers of customers tended, if well conducted, to be more stable and less troublesome for the company than larger agencies. The Bradford project discovered that the vast majority of spare-time agents in 1966—an estimated 82 per cent—were primarily socially motivated. For a few, mail order agency supplied an opportunity to have a role in the local community and to meet people and, in these cases, the size of the agency tended to be larger than average. Most, however, appear to have decided, consciously or unconsciously, to limit their agency, restricting themselves to a small number of customers whom they knew and trusted, and whose company they enjoyed.[32]

The third category of agency identified in the Bradford survey was not strongly driven by either financial or social motivations. In as far as any particular motivations were discernible, they were likely to be derived from the convenience aspect of home shopping, perhaps because, typically, the agent was 'not very active socially' and 'often found in housing situations which may inhibit social contacts'.[33] Essentially, agents of this type used the catalogue to purchase for their immediate family and were prepared to share this convenience with a very small social circle. When, as happened from time to time, companies removed agents with low sales figures from their lists, this type of agency would have been especially vulnerable. Mann indicated, however, that such agencies were 'not bound to remain small in a cash turnover sense' and subsequent developments proved this correct. Though small agencies centred on the nuclear family accounted for only about 7 per cent of the total in 1966, they were to become increasingly important to the mail order companies as their numbers expanded in the twenty years or so after 1980. Thirty years later, in 1996, it was estimated that about 30 per cent of all agents shopped only for themselves with a further 24 per cent ordering for just one other customer. Seventeen per cent of the total shopped for two customers in addition to themselves, and an additional 12 per cent shopped for three. By this time the percentage of agents ordering for themselves and four or more customers had fallen to 16 per cent, with only 1 per cent of agencies servicing nine or more.[34] Thus, in the late twentieth century, the expansion of this third type of agency, essentially at the expense of the socially motivated agent predominant in the 1950s, 1960s, and 1970s, prefigured the rise of the personal shopper.

The Company–Agent Relationship

It is clear that the agency system underpinned the competitive advantages of convenience, congeniality, and credit that Britain's mail order retailers exploited so effectively in the thirty years or so after 1950 when the sector's share of total retail sales was increasing. The recruitment of new agents by travellers or, increasingly, via direct mail, 'drop cards', magazine inserts, and television advertising, remained the key marketing strategy throughout this period. It was also important, however, that the companies found ways of ensuring that agents would remain loyal to their catalogue, whatever the attractions on offer at rival firms. A significant amount of trouble was taken by all the major companies to make agents feel that they were valued. There were times when the personal touch was important. At Grattan, each agent was assigned a dedicated personal contact at the company's Bradford headquarters, a practice dating from the pre-war period. Agents of long-standing, it was said, came to regard these contacts as 'pen friends'.[35] Travellers also knew how to make agents feel important. A visit from the Freemans' traveller in his Standard 12 often worked wonders. As Alf Yeo, the firm's 'top traveller' and 'Cock of the North' between 1949 and 1953 discovered: 'It was prestige to have a car. Arriving at a prospective agent's door in it was quite impressive, especially as most people didn't have cars.'[36] Given the satisfaction that agents might derive from having the traveller's car parked outside their house, a visit from a more prestigious figure would have been especially prized. Mick Wells, Empire Stores' managing director from 1972 to 1978, whose avuncular features beamed from every Empire catalogue, made a point of going out to meet agents every year. As Peter Fattorini, then marketing director, recalled:

> It was like a royal visit. He would choose specifically agents who had been with us a long time and did a lot of business. He weighed about twenty stones himself and he'd arrive in his Rolls with an associated entourage of people . . . This agent would have been preparing for weeks for this visit and would have home-baked cakes and everything else and he'd say: 'I want to find out about the catalogue. I'm thinking about putting in some outfits for larger people—do you think that would be a good idea?' And they'd say: 'Oh, yes, Mr Wells! I think it would be marvellous. I've got lots of customers who would go for that.'[37]

Though such visits were of limited value in terms of eliciting useful marketing intelligence—Peter Fattorini found himself with a stock of shirts for larger men which were difficult to shift—they were valuable in conferring status on the agent and ensuring that they were, for a day at least, the centre of attention in their neighbourhood. Convincing the agent that what they did for the company was valued and that the service they provided was important was a major theme in company literature. 'Maybe you never considered yourself a V.I.P.', an article in *Pennywise*, Grattan's magazine for agents, explained in 1970, 'but as a Grattan agent you are more important to your local community than you realise'.[38]

In their efforts to make agents feel that they belonged, the major mail order retailers invested significantly in newspaper- and magazine-style publications which sought to encourage agents to believe that they were part of a company 'family'. Considerable sums were invested in the composition and circulation of *Grattan News*, which appears to have originated as early as the 1920s as a newssheet. *Littlewoods Organiser* (later *John Moores News*) first appeared in 1934 and became a fully fledged newspaper-style publication in 1955. *Empire Stores News* originated in the 1950s. An absence of archival records make it impossible to discover whether GUS published agents' magazines for each of its many catalogues, although surviving copies of *Trafford World* (*c*. 1950s) and Kays' *Moneymaker* (*c*. 1960s) indicate that the policy was followed by at least two GUS home-shopping subsidiaries. Of all these publications, the *Littlewoods Organiser* was the most folksy, echoing the particular brand of paternalism that characterized Littlewoods' catalogues from the 1930s through to the late 1950s. In its very first issue, John Moores had advised his expanding army of club organizers: 'We are becoming such a large family I felt that a journal of this nature was absolutely necessary to keep us all together.'[39]

These publications were clearly intended to reinforce the agent's connection with the company and the particular catalogue that they carried. They also had an educational function in that they were designed to help the agent market themselves, along with the goods in the company's catalogue, in the most effective fashion. Agents were encouraged to take an active part in the life of their local community. Here, it seems the retailers were knocking at an open door, the Bradford University study having concluded that socially motivated mail order agents might, in different circumstances, be the type of person likely to make a mark in the Mothers' Union or the British Legion. Though it is impossible to determine exactly how representative of Littlewoods' agents and club organizers they were, the pages of *Littlewoods Organiser* were peppered with resourceful, charitable, community activists with whom any company would be delighted to be associated. It was clear that organizers who were prepared to 'go the extra mile' for their customers were especially valued. In July 1956, readers were told how Mrs Smith from Leicester, who had turned over

£1,424 since her first Littlewoods' club, collected payments when customers called at her home on Sundays as she cooked lunch for her five children. If a customer ordered curtain material, Mrs Smith would make up the curtains on their behalf. It was, she said, 'All part of the service'. The November 1956 issue featured Mrs White, an agent from Somerset, who had noticed the long faces of customers whose number came out of the hat last in her club draw:

> so I have started buying a small gift, costing about five shillings (a towel, pillow cases or runner etc) and I wrap it up so no-one knows what it is. Then I present it to the last one . . . you'd laugh to see the faces of the members. If they don't come out of the draw very early they are all hoping to come out last!

Of course, it was in Littlewoods' interest to encourage initiatives of this kind. Opportunities to feature agents who had been especially enterprising were rarely missed. The winter 1964 edition of Kay's *Moneymaker*, for example, praised Mrs Kydd of Dundee who had persuaded members of her amateur dramatic society to wear clothes bought from the catalogue in their latest production. 'The particularly interesting thing', it was noted approvingly, 'is that this story set in a Fashion Salon should lead to Kays' fashions becoming best sellers too.'

Mail order houses also used these magazines to provide ideas and information that agents were likely to find useful when dealing with customers. At a very basic level this might include giving agents advice on how best to measure customers who were buying clothes. *Spotlight*, which replaced *Grattan News* in the 1960s, provided busy agents with a helpful digest of the contents of the current catalogue. They were advised that the autumn–winter edition of 1965–6 opened 'with a double page spread telling your customers the many advantages of shopping at home and also giving clear details of the terms'. 'We think', it continued, 'you will find this a help when introducing it to new people.' Lines appearing in the catalogue for the first time were identified so that agents could point them out to customers and information was provided which might be asked for at point-of-sale. 'All the bootees and component materials used', it was explained, 'have been developed from intense research and the best manufacturing know-how, and many refinements have been built into them.' They were reminded, however, 'that natural materials, such as calf, leather, and suede leather cannot be guaranteed as waterproof', information which would be important to pass on with a view to minimizing returns.[40] In writing descriptions of goods for their catalogues, the companies had learned to avoid what was known in the trade as 'over-description' of goods in order to ensure that customers would not be disappointed when they opened their parcels.[41] It was no more than prudent to encourage agents to adopt the same approach.

A persistent emphasis on family and neighbourliness is also evident in these publications. Evidence of a long association with a particular family was especially valued. 'Agent Mrs Lucy Walker', readers of the winter 1964 edition of *Moneymaker* were told, 'is the third generation of a family which has been associated with Kays since before 1900'. In feature articles of this kind, items bought from catalogues were referred to as treasured possessions, helping to confer a kind of historical legitimacy on the mail order business. 'There's a few pieces of cutlery left from a set that was bought for my mother', Mrs Walker recalled, 'and also a watch which she had as a twenty-first birthday present.' Some agents appear to have responded enthusiastically to these cues and were only too anxious to remind the companies that they had been carrying their catalogues for a very long time. 'I am enclosing my first sales book as promised', explained Mrs Stride of Southampton, who had been a Kays' agent for thirty-seven years. She continued:

> Also I rang today to say I am ending my club now as I am 84 and my memory is not so good so my grandaughter said she would like to be an agent she has been a good customer with me. She has just had goods to the value of £57-4s. so would like to start a club with this also I would like it to be in the old traditional way as it is easier with statements that is what I didn't like.[42]

Again, agency continuity of this kind was in the company's interest and certainly to be encouraged.

Though mail order retailers focused their attention largely on the socially motivated agent in these publications and in other promotional literature, they also sought to appeal to the agent who was primarily motivated by the prospect of financial reward. As well as reminding readers of the joys of family life and neighbourliness *Littlewoods Organiser* and *John Moores News*, for example, regularly featured items illustrating the financial benefits that an enterprising agent might expect to enjoy. Photographs of smiling organizers with prized consumer items purchased from commission earnings were routine.

The moral tales accompanying these pictures centred on good customer service and the material prosperity it would inevitably generate. This, in the case of Mrs Treliving from Peterborough, was represented by a new washing machine and a refrigerator—'a luxury I have always wanted'—bought from her Littlewoods' commission payments.[43] *Spotlight*, described in a published letter as 'a regular get-together between Grattan and Agent', was also designed to motivate. 'Reading of other Agent's successes', the letter continued, 'makes me glad to belong to your group.'[44] *Pennywise*, the successor to *Spotlight*, pursued a similar line. Its November 1970 edition featured a young couple from West Yorkshire who had just enjoyed a holiday in Spain paid for by their earnings from commission. The moral was clear: 'Service with a smile paid off with a place in the sun for the Whitakers.'[45] Some other promotional activities pursued by the companies were also designed to appeal to potential and existing agents who were motivated by the prospect of material gain. The car, along with the foreign holiday a key signifier of upward social mobility in mid-twentieth-century Britain, often featured here. Andy Cooke, recalling his work for John Myers in the late 1960s, observed that competitions offering cars as prizes 'proved a tremendous boost to the rapid recruitment of agents'.[46]

One important measure of the success of the strategies pursued by mail order retailers was the well-documented reluctance of established agents to let the company down. Perhaps the insistent propaganda portraying the company and its agents as one big happy family was influential here, though working-class notions of respectability were likely to have been just as important. Agents were known to cover payments for customers who were struggling to meet their weekly commitment rather than put their own good-standing with the company at risk. Similarly, some agents were reluctant to return goods ordered 'on approval' because they were 'concerned about their image with the company'. In times of extreme difficulty the companies discovered that they could rely on the goodwill of their established agents. During the lengthy postal workers' strike of 1971, when Kays' agents were required to go to the trouble of handing in orders and payments at GUS stores, the response was such that the company 'managed to carry on 70 per cent of its normal business and collect 80 per cent of the normal amount of cash'.[47] It should be acknowledged, nevertheless, that situations did arise from time to time that were likely to test the agent's loyalty to the limit. When goods supplied failed to meet customer expectations agents were in the front line. As Christmas approached in 1977, a disaffected warehouse employee at Kays switched 700 cassette recordings of the children's classic *Black Beauty* with *Derek and Clive Come Again*, which featured Peter Cook and Dudley Moore trading obscenities. 'Peter wondered who would be more upset, the 700 bewildered children or the Derek and Clive fans.'[48] He might also have spared a thought for those embarrassed Kays' agents whose relationship with their customers had been compromised.

Agents and Customers

Given the overwhelming preponderance of female agents in this period it was easy to justify the tongue-in-cheek observation from A.D. Arbuckle, a senior executive at Kays, that he was part of 'a professional team of woman-wooers'.[49] But what was it that drove the major mail order retailers to devote so much effort to recruiting and retaining agents in this period? The answer, in short, was that maintaining a standing army of part-time agents, mainly women, was the best way to maximize sales. Though the performance of individual agents and their value to the retailer varied, the company could expect to derive certain advantages from the agent's relationship with the customer. The first of these was that the agency system, from the customer's viewpoint, represented an opportunity to do business in familiar surroundings with someone they knew and trusted. Most customers, as the Bradford study had confirmed in the 1960s, regarded the company's agent as *their* agent. They tended to associate the catalogue with 'my sister', 'Joan from down the street', 'Mrs Brown' or 'Auntie Kathleen' rather than with Freemans, Kays or Littlewoods, Empire or Grattan. A small minority, about 6 per cent of those interviewed, was unable to name the company whose catalogue the agent carried. Paradoxically, this was important in helping mail order retailers develop a competitive edge over other forms of shopping. Whereas the sales assistant in a department store, for example, was seen as the representative of the retailer, the mail order agent remained an aunt or a neighbour, someone whose opinion could be trusted when contemplating a purchase.[50] This was especially important when clothing and footwear represented such a large proportion of all mail order sales by value, just over half in 1961 and just under half in 1980.[51] Reassuring comments—'That suits you', or 'That's a nice colour'—addressed to the customer hovering at the point of purchase, helped to confirm the intention to buy, reducing expensive returns to the warehouse.[52]

'*Why*', asked one commentator in 1963, 'does the housewife buy something, often quite a major item in her year's budget, from a picture book, when in nine cases out of ten she could see a similar range of items in a shop or shops not unduly far from her home?'[53] For most users of mail order in Britain during the second half of the twentieth century, the principal reason for making a purchase in this fashion has been 'that they have a friend or relative who is an agent?'[54] Given the tendency of many agents to be more active socially than their customers and the enhanced status they derived from having control of the family, neighbourhood, or workplace catalogue, this was a factor that operated powerfully in the company's interests. Where selected items were out of stock, for example, a personal relationship with the agent meant that the customer was likely to wait for her chosen items to arrive or make an alternative selection rather than look elsewhere. Furthermore, customers were reluctant to inconvenience a relative or a friend by taking up the retailer's much vaunted option to return goods after inspection.

The sociable aspect of mail order agency was also important in this context. Agents commonly left the catalogue with customers for perusal as and when their domestic and other commitments allowed. This did not mean, however, that decisions to purchase were always made in isolation. Market research dating from the 1970s testified to the ability of some mail order agents to boost sales, either by exerting their personal influence or by organizing their agency in such a way that peer pressure could be applied. Agencies managed in this way could appear to operate in a relatively benign fashion. Sallie Westwood's participant observation-based study of women hosiery workers in the early 1980s described how buying from a catalogue 'helped to brighten up work and help a mate who needed the extra money, so everyone joined in'.[55] This has to be seen in the context of Crawshaw's research which uncovered 'a fairly strong element of Normative Compliance in agencies run by agents with strong personalities or where a group spends time "going through" the catalogue'.[56] Some critics, it was noted in the 1970s, went so far as to claim that some mail order sales were achieved in a 'Mafia-like atmosphere' where customers were subject to group pressure to accept offers that they 'dare not refuse'.[57] It is reassuring that our research has yet to unearth a Don (or Donna) Corleone among Britain's millions of catalogue agents but the impact of peer pressure, whether or not deliberately induced by the agent, is a factor that should be taken into account.

The agent–customer relationship provided essential underpinning for the credit-fuelled surge in sales via catalogue in the thirty years after 1950. Beginning in the 1930s and virtually complete by the end of the 1950s, the feminization of mail order agency was critical in this respect, not least because women in the post-war period continued to manage household budgets. Despite a more sympathetic legal climate after 1935, it was difficult, even as late as the 1970s, for women to access credit in their own names. The use of employment status and household tenure as indictors of creditworthiness led to indirect discrimination against women who were effectively denied the opportunity to establish 'credit careers'.[58] In 1978, Lady Howe, deputy director of the Equal Opportunities Commission, drew attention to 'the male guarantor syndrome' whereby a male relative's signature was required on a credit agreement regardless of the woman's creditworthiness. For unmarried and divorced women this condition was either 'difficult to meet or downright embarrassing'. She continued:

> If you are widowed or divorced, you are usually called 'Mrs.' Something-or-other. It is assumed that there is a man waiting in the wings with pen obligingly poised. But it may not be the case—nor may it in the 5% of dual-earning families where women are the main breadwinners, or the 9% of families with children which are headed by a lone woman.[59]

The rapid extension of credit cards throughout the 1970s and 1980s also impacted differentially by sex. As late as 1987, Access and Barclaycards were distributed to male and female users on a 2 : 1 ratio even though women were likely to use them more frequently in their role as domestic managers.[60] In such an environment catalogues remained important for many women. Among couples using mail order in 1989, 67 per cent of catalogues were used by the female partner alone, 30 per cent were used by both partners, but only 3 per cent were used solely by the male partner alone.[61]

The importance of the agency system in making mail order attractive to women consumers in this period should not be underestimated. Feminization of mail order agency underpinned the expansion of the sector in the post-war years and was intrinsically linked to women's changing relationship with the family economy and the workplace. Despite rising incomes the budgets of many working-class families were tight. For many wives and mothers, managing the family's finances involved a complex juggling act with limited cash resources played out day-by-day, week-by-week. It was estimated in 1989 that families with children comprised 55 per cent of all catalogue users.[62] Agency mail order had something important to offer women in these circumstances. Apart from the convenience factor, which was very important for women at home with young children and also for those in paid employment, it was also user-friendly. 'Lack of knowledge' and 'fear of asking', as Melanie Tebbutt has suggested, are 'crucial aspects of the credit market'. The anxiety that they generated in the customer tended to be resolved only 'through habit and personal recommendation'.[63] Familiarity with the ubiquitous mail order catalogue—arguably the one book most likely to be found in most working-class households in the post-war era, meant that potential customers were likely to have some relevant knowledge of the system and how it worked. 'Fear of asking' was minimized when the agent was approachable as a relative, a neighbour, a workmate, or a friend. These aspects of the agency system helped to make mail order attractive to working-class women consumers in the second half of the twentieth century. The personal relationship between agent and customer dovetailed neatly with the continuous or 'rolling' credit systems introduced by the mail order houses from the 1950s onwards permitting customers to submit new orders before payments for their original purchases had finished.[64] In this way, what might have been simply a convenient way of making a one-off purchase by making a limited number of instalment repayments, often became a permanent item of household expenditure, budgeted for on a weekly basis. By 1981, mail order houses accounted for over half of the £4,000 million of new consumer credit advanced.[65] The link with the agent—likely in many instances to outlast any formal contract—and rolling credit arrangements combined to tie the customer to the company.

The Disappearing Agent

Spare-time agency and the supply of credit, inextricably linked, stand as defining features in the history of British mail order retailing. Since 1980, however, the conditions that enabled agency mail order to thrive in its traditional form have been eroded and the sector has been forced to adjust, somewhat painfully, to the demands of the personal shopper using the catalogue for convenience. It is important not to exaggerate the rate at which erosion has occurred. Though the MMC report on the proposed merger between Littlewoods and Freeemans, published in 1997, made it clear that personal shoppers now predominate, a significant number of traditional agencies (2.5 million) remained. Neither should the continuing importance of mail order credit, especially for social classes D and E be underestimated. The MMC reached the conclusion that ‘there are distinctive characteristics in the agency mail order method of payment which are still important for a significant number of people and which generate preferences for the use of agency mail order over other forms of credit’.[66] Nevertheless, the trend is clear and, it seems, irreversible under current conditions. As Don Garnett of Grattan has observed:

> In the 1960s, an agent had about sixteen customers on average. Now it’s considerably less than that. You get about three people purchasing from a catalogue. So it’s changed its nature, and the agents now are really using it as a means of shopping for their family and perhaps the next-door-neighbour.[67]

But why has the nature of agency changed in the twenty years or so since 1979 when mail order sales peaked as a proportion of total retail sales?

As we have seen, the rise of the personal shopper at the expense of the traditional agent can be extrapolated from a persistent long-term trend towards smaller agencies. Taylor, in his study of working-class credit on Tyneside, has argued that one important factor underpinning this trend is that it has now become easier than it once was to become an agent. It is some years now since travellers knocked on doors to encourage likely prospects to set up an agency and even longer since written references as to an individual’s good-standing in the neighbourhood were required. Increasingly, since the 1970s, mail order agencies have been established on receipt of a response to an advertisement or after a phone call from an established agent recommending a friend. Arguably, the practice of inserting leaflets in catalogues offering a free gift or £5 off the next order for introducing a friend, has been a major factor in encouraging the proliferation of small agencies, most of which simply provide an opportunity for personal shopping. This helps to explain the increase from 4.8 to 7.4 million in the total number of mail order agents (including personal shoppers) between 1981 and 1996.[68] It seems likely that other changes introduced by the companies since the 1980s have also influenced this trend, notably the introduction of telephone and, more recently, online ordering systems that encourage the home shopper to cut out the agent.

Changes in the way that the companies gathered information about their customers is also important here. From the late nineteenth century onwards, mail order retailers relied heavily on the local knowledge of their agents when taking on new customers. Though agents were not required to make a formal assessment of a customer's creditworthiness or to chase up bad debt, it was anticipated that they would apply their informed judgement in a way that would be beneficial both to themselves and to the company. At the end of the twentieth century agents continued to perform this function, having themselves been formally assessed for creditworthiness and assigned a credit limit when first recruited. The MMC noted in 1997: 'Reliance is placed on the agents to form their own view about who among their own customers should be given credit and the amount of credit to be extended.'[69] It seems likely, however, that this particular function of agency has become significantly less important, not least because companies could now obtain the information they required in other ways. From the 1970s, for example, GUS mail order (Kays and British Mail Order Corporation (BMOC)), probably the most advanced of the 'Big Five' in this respect, was able to access information gathered from electoral rolls and county court debt registers by CNN Systems Ltd., via Benefit Consumer Credit Ltd., another wholly owned GUS subsidiary. As a result, MMC was informed, GUS 'had been able to keep their bad debt ratio lower than most if not all other mail order companies while continuing to expand their business'. Significantly, by this time, all the major mail order retailers were using credit scoring systems and were thus less reliant than before on the agent's local knowledge and judgement.[70] By the mid-1990s, according to one expert witness, the initial decision regarding creditworthiness, where the agent's input was likely to be most important, was simply 'to cover the cost of a catalogue and some early credit exposure'.[71] As the credit referencing function of the agent diminished, sustaining the system in its original form became increasingly less important as the companies turned their attention to the personal shopper.

Other factors beyond the control of the companies themselves also have to be taken into account. Women continue to predominate in mail order whether they conduct their agency in the traditional fashion or as a personal shopper taking their commission as a form of discount. The MMC reported in 1997 that agents were 'mainly women, predominantly in the 25 to 55 age range'. Significantly, however, the proportion of female agents in paid employment outside the home had risen sharply since the 1970s from around 40 to almost 60 per cent, divided evenly between those with part-time and those with full-time jobs.[72] Although this shift reflects a general rise in the numbers of working women, the figures for both full- and part-time employment among agents were higher than the national average for women in employment. There are a number of ways in which this has accelerated the movement away from agency mail order and towards home shopping. In the 1960s and 1970s, a busy working woman might have used an agency run from home by a neighbour, but opportunities to shop in this way have decreased as traditional agency has declined. At the same time the increasing number of agents in paid employment have less time to seek customers outside their nuclear family. Many more women go out to work than in the heyday of agency mail order, earning more than what would be possible for all but the most industrious agent. Thus running an agency from home as a spare-time business has become less attractive. In addition, women, and particularly those at work, are less likely than they were to suffer from indirect discrimination when applying for credit which, anyway, is now more readily available from new sources such as credit and store cards. In these circumstances, the satisfactions that women once derived from running a sociable club or agency from home have been replaced by those derived from friendships made at work.

Finally, there are recent developments to be considered which have undermined the social networks on which agency mail order, in its traditional form, depended. Sources within the trade have spoken to us of the disruptive impact of higher divorce rates and greater geographical mobility, as well as the increase in the number of women working outside the home. Moreover, since the early 1980s, many of the close-knit urban communities in which this almost peculiarly British form of retailing flourished have suffered the ravages of deindustrialization, economic recession, and social decay.[73] Neighbourhoods where catalogues might be passed round in a sociable fashion and payments collected in safety have become more difficult to find. Significantly, one of Avram Taylor's interviewees on Tyneside, Mrs Ford of Benwell, Newcastle, recalled that, after becoming an agent for Kays in 1992, 'she actively tried to conceal the fact that she had a catalogue from the other people in the street because she did not trust them enough to offer credit'. Mrs Ford also claimed that other women she knew had catalogues 'and they did not usually act as agents for their neighbours either'.[74] It would be unwise to adopt too pessimistic a stance here. Mail order continued to be an important source of credit in relatively impoverished areas. A Policy Studies Institute report in 1990 estimated that 24 per cent of catalogues were used by people who could not access credit from any other source, 'credit orphans' as they were sometimes called.[75] Moreover, as Tables 4.2 and 4.3 indicate the percentage of mail order agents from classes D and E grew from 29 to 33 per cent between 1981 and 1996 though, to some extent, this might be accounted for by a decline in the number of C2 agents living in the same neighbourhoods. Nevertheless, though it is a rather bleak note on which to end this chapter, it does seem that the decline of trust in such communities has been critical in hastening the decline of agency mail order.

Notes

1. *Economist*, 27 February 1960.
2. Mann, J., 'The pattern of mail order', *British Journal of Marketing*, 1, 1967, p. 49.
3. Monopolies and Mergers Commission (henceforward MMC), *The Great Universal Stores PLC and Empire Stores (Bradford) PLC: A Report on the Existing and Proposed Mergers* (London: HMSO, 1983) para. 2.23, p. 9.
4. *Economist*, 27 February 1960; *Consumer Credit: Report of the Committee*, vol. 2, appendices, p. 97n.

5. McFayden, E., *The Future for Mail Order in the United Kingdom* (London: The Post Office, 1976), p. 1.
6. MMC, *GUS and Empire*, para. 2.23, pp. 8–9.
7. MMC, *Littlewoods Organization PLC and Freemans PLC* (*A Subsidiary of Sears PLC*) (London: The Stationery Office, 1997), pp. 11–12. Mann, 'Pattern of mail order', p. 42, suggested that the number of agents in the mid-1960s was around 2.5 million.
8. 'The department store on 6,000,000 doorsteps', *Focus*, July 1966, pp. 9–13.
9. Economists Advisory Group, *The Future of Mail Order*, p. 25.
10. MMC, *Littlewoods and Freemans*, para. 6.7, p. 131; para. 6.56, p. 145.
11. *Economist*, 27 February 1960; MMC, *GUS and Empire*, para. 2.23, p. 9.
12. Information supplied by MOTA on mail order in 1995; GUS Home Shopping Group, 'Company standards for telephone calls', *c*. 1996, author's italics. See also the comment on Empire Stores in Taylor, A., *Working Class Credit and Community Since 1918* (Basingstoke: MacMillan, 2002), p. 116.
13. MMC, *Littlewoods and Freemans*, para. 4.50, p. 83.
14. 'Middle-class mail order', *Management Today*, April 1971, pp. 43–5.
15. Kays Heritage Centre (Worcester) (henceforward KHC) Kay & Co., 'How to establish and conduct a successful spare time agency', *c*. 1964, p. 8; see also *The House of Kays 1794–1953* (Worcester: Kay and Co., 1953), p. 17.
16. Cooke, S.G. ('Andy'), *It Wasn't All Work* (London: Regency Press, 1983), p. 156.
17. Cited in Crawshaw, H.S., 'Does mail order fit the retail life cycle?', unpublished MBA thesis, University of Bradford, 1980, p. 73.
18. MMC, *Littlewoods and Freemans*, para. 2.64, p. 23.
19. Ford, J., *Consuming Credit: Debt and Poverty in the UK* (London: Child Poverty Action Group, 1991), pp. 7, 14.
20. MMC, *Littlewoods and Freemans*, para. 5.20, p. 115.
21. Mass-Observation Ltd for the Economist Intelligence Unit, 1961.
22. See Crawshaw, 'Does mail order fit?', pp. 113–14.
23. KHC, Kay & Co.,'How to establish and conduct a successful spare-time agency', pp. 20–1.
24. Peter Fattorini interview.
25. Mann, 'Pattern of mail order', pp. 43–53.
26. Mann, 'Pattern of mail order', pp. 46–7.
27. Empire Stores (Bradford), *Empire Stores News*, Spring, Summer 1953.
28. Grattan, copy of letter from Grattan Warehouses Ltd. to Mr E. Garner, 19 July 1951.
29. Mann, 'Pattern of mail order', pp. 47–8.
30. Beryl Ratcliffe, reply to questionnaire, 20 June 1997.
31. Kay, W., *Battle for the High Street*, (London: Piatkus, 1987), p. 145.
32. Mann, 'Pattern of mail order', p. 48.
33. Mann, 'Pattern of mail order', pp. 48–9.

34. MMC, *Littlewoods and Freemans*, para. 4.34, Table 4.5, p. 80.
35. Grattan PLC (Bradford) *Grattan Story* typescript, pp. 21–3.
36. Freemans, Alf Yeo interview.
37. Peter Fattorini interview; Beaver, P., *A Pedlar's Legacy: The Origins and History of Empire Stores 1831–1981* (London: Henry Melland, 1981), p. 107.
38. 'How important are you?', *Pennywise*, November 1970.
39. *Littlewoods Organiser,* September 1954.
40. 'Clippings from the autumn and winter catalogue', *Spotlight*, August 1965.
41. *Economist*, 27 February 1960.
42. KHC, Letter from Mrs E. Stride, n.d. [1960–1]; original spelling and punctuation preserved.
43. *Littlewoods Organiser*, spring–summer, 1962.
44. *Spotlight*, August 1965, letter from Mrs E. Farquhar of Aberdeen.
45. 'Agency builds up on smiling service', *Pennywise*, November 1970.
46. Cooke, *It Wasn't All Work*, p. 160.
47. KHC, typescript notes on a talk delivered by A.D. Arbuckle, assistant managing director, to the Worcester and District Management Association, 12 October 1972.
48. Thompson, H., *Peter Cook: A Biography* (London: Sceptre, 1997), p. 356.
49. KHC, notes on Arbuckle talk.
50. Mann, 'Pattern of mail order', p. 44.
51. MMC, *GUS and Empire*, paras. 2.13 and 2.14, pp. 5–6.
52. Mann, 'Pattern of mail order', p. 48.
53. 'Picture book shopping', *The Director*, February 1963, p. 260. Original emphasis preserved.
54. Crawshaw, 'Does mail order fit?', p. 79.
55. Westwood, S., *All Day Everyday* (London: Pluto Press, 1984), pp. 97–8.
56. Crawshaw, 'Does mail order fit?', pp. 78–9.
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58. Ford, J., *The Indebted Society: Credit and Default in the 1980s* (London: Routledge, 1988), p. 186.
59. Equal Opportunities Corporation (henceforward EOC), 'Women and credit', speech given by Lady Howe to the Institute of Credit management, 15 March 1978; pp. 7–8. For comments on 'indirect discrimination' against women see also EOC, *Equal Credit Opportunities*, pp. 3–4.
60. Ford, *Indebted Society*, p. 186.
61. Berthoud, R. and Kempson, E., *Credit and Debt: The PSI Report* (London: Policy Studies Institute, 1992), p. 82.
62. Berthoud and Kempson, *Credit and Debt*, p. 82.
63. Tebbutt, M., *Making Ends Meet: Pawnbroking and Working Class Credit* (Leicester: Leicester University Press, 1984), p. 204.
64. 'Roll-over' allows a customer who, for example, has made ten weekly payments and thus has ten payments remaining to extend the repayment

term of this purchase by making a further purchase. The entire debt outstanding is given a 20 week repayment term whenever a purchase is made. MMC, *GUS and Empire*, p. 4, n. 1.

65. MMC, *GUS and Empire*, para. 2.25, p. 6.
66. MMC, *Littlewoods and Freemans*, para. 2.89, pp. 28–9.
67. Garnett's comments date from 1995; cited in Taylor, *Working Class Credit*, p. 153.
68. MMC, *GUS and Empire*, para. 2.23, pp. 8–9; *Littlewoods and Freemans*, para. 2.27, p. 12. See also Taylor, *Working Class Credit*, pp. 173–4.
69. MMC, *Littlewoods and Freemans*, para. 2.19, p. 11; para. 4.84, p. 90.
70. MMC, *GUS and Empire*, paras. 3.26–3.33, pp. 23–4.
71. MMC, *Littlewoods and Freemans*, evidence supplied by George Wilkinson, Director of Consumer Risk Strategy at Lombard North Central PLC, appendix 4.5, p. 225.
72. MMC, *Littlewoods and Freemans*, para. 2.30, p. 14, para. 4.58, p. 85; Crawshaw, 'Does mail order fit?', p. 82.
73. See, for example, the description of the South Wales valleys, once a happy hunting ground for Kays' travellers and agents, in N. Danziger, *Danziger's Britain: A Journey to the Edge* (London: Flamingo, 1997), pp. 309–31.
74. Taylor, *Working Class Credit*, pp. 174–5.
75. Berthoud and Kempson, *Credit and Debt*, p. 83.

5

Inside the Firm: Mail Order, Efficiency, and Rationalization—From Personal to Organizational Control

Mail order strove to compete with other forms of retailing by using the agency system to exploit networks and social groupings and through the provision of credit. In addition, the major mail order houses complemented these strategies by striving for ever-higher levels of efficiency in their internal operations. Organization was crucial. Stock purchasing, warehousing, and order processing systems were the bedrock on which the companies operated. It was here that they could compete in terms of price by effecting economies of scale, but could also exact control through centralization and systems co-ordination. The mail order industry has not been widely recognized as a leader in the field of rationalization of technology and labour processes but in many respects it was at the forefront of developments. At the same time, mail order's history also shows how the adoption of rationalized systems is often an uneven and unpredictable process. It demonstrates how individual control and systems control can either compete with or complement each other depending on particular contexts.

This chapter will chart the transition from personalized management to the fully rationalized systems introduced in the interwar period, highlighting the complex evolutionary pattern which emerged and the way in which ambition and compromise shaped internal corporate strategy.

Warehousing, Order Processing, and Stock Control

The warehouse system is at the centre of mail order processing. In many ways it is the hallmark of the industry. Individual firms have perennially turned the spotlight on their warehousing systems as proof of status, efficiency, and reliability. The large department store could rely on a grandiose edifice to inspire confidence and enhance marketing.[1] For mail order houses the sheer scale and modernity of the warehouse and the advanced technology of order processing systems often served the same purpose. A booklet issued by Grattan in 1930 took up the theme, supplying details of each department from the Letter Opening Office to Dispatch. Visitors to its Bradford offices and warehouse, it was said, were astonished at the scale of the operation. 'They seem astounded at the number of employees, the size of the Stock Rooms, the number of orders and parcels dispatched every day; the number of letters received, receipts issued, and the amount of Commission paid. Instead of a small "one man concern" they find a huge Commercial undertaking.' The booklet included illustrations of Grattan's offices and warehouse 'so that their size and importance will be more readily realized by the casual reader'.[2]

Similarly, publicity material circulated by the Royal Welsh Warehouse in the late nineteenth century was designed to create the impression that Newtown, in rural Montgomeryshire, had become a hub of modern industry and commerce, 'the busy Leeds of Wales'. It carried line drawings of the warehouse itself and of the local woollen mills with which it was vertically integrated. The workforce was described in poetic terms as 'bees in the commercial hive'.[3] Pryce Jones's Royal Welsh Warehouse, was progressively well organized, operating from warehouses that were purpose-built to meet requirements as business expanded. Even in this comparatively highly rationalized enterprise, however, personal control was still the central tenet of the firm. In the 1880s, for example, the manager monitored the progress of each individual orders as they passed through the warehouse, checking whether they had been correctly executed and processed by the appropriate departments and reporting problems directly to the owner. Control exercised in this way did not necessarily get in the way of speed. Pryce Jones insisted that deliveries were made as soon as possible, and even in the days before the established parcel post, this meant same day dispatch via stagecoach or rail: 'Each day's orders must be executed on the day of arrival, so far as stock will permit.'[4]

As far as technological change was concerned, conveyor systems were central to warehouse stock processing from the early twentieth century onwards. They formed an integral part of spatial organization, enhancing speed and efficiency in storing, selecting, and packing goods. As with the development of automation generally, the United States led the way in the early twentieth century in terms of reshaping the labour process by the use of scientific management and by the application of new technological systems, or the application of existing technologies in new configurations. Certainly, the US mail order companies, in addition to being exemplars of a Chandlerian revolution in distribution, were in the vanguard of automation and rationalization. The two largest, Sears Roebuck and Montgomery Ward, rapidly established large-scale, highly integrated warehousing and order processing systems which were, in many ways, precursors to Ford's 'pioneering' assembly lines. In the years before the First World War, Sears Roebuck, for example, developed a warehouse system with the capacity to deliver a completed order to a pre-arranged point in the packing process within a predetermined 15-min window for dispatch. Failure to meet this schedule resulted in a fine for the departmental manager responsible.[5]

Though there were waves of modernization in Britain in terms of buildings, technologies, and techniques, the industry generally lagged behind its transatlantic counterparts in this respect. This is not to say that the owners and managers of British companies were unfamiliar with developments in the United States. A number of exploratory trips were undertaken, especially in the interwar years to see Sears Roebuck and Montgomery Ward operations first-hand. John Moores of Littlewoods visited both companies in 1933–4, returning with stories of youths on roller skates who 'whizzed along the shelves, picking out items from bins that bore grade labels like some vast library index'. He returned 'with a suitcase filled with examples of their mail order indexes, tickets, systems and charts'.[6] Isaac Wolfson of Great Universal Stores (GUS), while visiting the United States in 1935, stressed that 'the question of service is one that is continually occupying our attention and we are applying the most up to date methods with a view to achieving a scientific routine both in correspondence and dispatch'.[7] At Empire, the management kept a run of US mail order catalogues for reference. 'As far as costs allow, don't let our standard of advertising in catalogues deteriorate' advised Joseph Fattorini on leaving the firm for the war in 1940. 'Have a look at the American catalogues—there are some in the Advertising office.'[8] Later, in 1952, Grattan managers visited the United States and were impressed by 'the sophisticated conveyor systems and mechanical handling ideas which were developing on a grand scale'.[9] Yet, though there was some direct importation, such as automated addressing machines, the paths of rationalization followed by mail order in Britain and the United States were never interdependent. British mail order retailers, while impressed by the US operations, never attempted a systematic replication. Rather the British industry pursued its own, often path-dependent route, as much influenced by social and cultural traditions as by American ideas of efficiency.[10]

Warehouse expansion and development in the interwar period was the result of dual forces at work. In addition to enhanced efficiency, we should not neglect the obvious reason for warehouse expansion—additional sales. Though there were some setbacks the mail order business continued to expand in the interwar period even when the economy as a whole was depressed. By the end of the 1920s, increasing business had prompted all the mail order firms that had survived the First World War to move to larger premises. J.E. Fattorini started this trend in Bradford with the move to Grattan Road in 1920. A few years later increased demand for clothing and household goods meant that, once again, 'a move to larger premises was imperative'. Freemans, in London, moved to a converted cinema on Lavender Hill in 1921 but business was so good that it was necessary to extend the company's warehouse facilities again only two years later. A further relocation, to a larger site in Clapham Road, followed in 1937. Similarly, Empire Stores found that its Sackville Street warehouse became/was too small for its expanding needs and, by 1929, the company had shifted its operations to a much larger building in Canal Road. In Worcester, Kays was subject to similar pressures. 'For some time past', it was reported in 1929, 'the business of the company has been increasing to such an extent that more accommodation is now necessary.' The problem was temporarily solved by the purchase of a property adjacent to the company's headquarters in the city centre.[11]

The interwar years in Britain, therefore, did see a wave of expansion and rationalization among the major mail order companies, though not on the scale undertaken by their American counterparts. J.E. Fattorini's new warehouse in Grattan Road, completed in 1920, was still a rather pale imitation of the vision of automation in the Chicago 'beehives' of Sears Roebuck and Montgomery Ward. It comprised 'a landing dock, a goods lift to transfer goods to the higher floors instead of having to carry them, and a couple of "bogeys" to help to transport the goods around'. Rationalized flow of goods still seemed a long way off and, instead, a rather labyrinthine picture emerges:

> underneath the roof of the building was a maze of rooms all containing the different ranges of merchandise . . . the assemblers went from room to room picking the goods for the orders, even to cutting the yardage of any material required. The locker room area was the starting and finishing point for the assemblers, it was here that the purpose built counters were stretched alongside the windows. At the far left-hand end of this floor was the packing department where approximately 100 parcels a day were packed and taken on carts down a lift to the despatch department on the ground floor to be consigned by rail or post to their various destinations.

To add to the complexity of the process, local agents often called in to pick up goods direct from the warehouse. Wooden cases, known as 'skeps', would be filled with an order and later brought back empty or with returns.[12]

Order processing at Empire in the 1920s was personalized and relatively unsophisticated. Individual orders were scrutinized by directors and, if approved, marked 'SEND'. A worker then took a basket from department to department and assembled the order. Stock control and ledger entries were made by pen and ink, the invoices typed, and the order finally dispatched.[13] Though Kays boasted, as early as 1908, that it had jettisoned 300 bulky ledgers in favour of 'the American card system of accounts', this was not characteristic of the sector as a whole at this early stage of its development, especially with regard to stock control.[14] At Grattan, for example, in the 1920s, stock control comprised a basic card index of catalogue items, against which stock levels were adjusted according to deliveries and orders. All stock controls were, quite remarkably, in the hands of a single employee.

> The first stage was controlled by one young lady who was responsible for keeping the stock records of all the merchandise stored in the warehouse. What you might term her 'box of tricks', was a simple shoe box containing a series of cards each representing an item illustrated in the catalogue. These cards were filed systematically and all information relating to the particular piece of merchandise was recorded—catalogue number, sizes, colours and the quantity of stock held. Her function was to mark down the total on these cards according to the agent's demands. Naturally she also had to add new deliveries of stock and also add the goods returned by the agents.

When orders arrived they were checked off by the 'young lady' in charge and then 'passed to the typing pool—staff strength two—who were responsible for manually typing the agents order in triplicate and typing the address label'.[15] A similar story emerges from Littlewoods in the interwar years. Jim Wilson left Lewis's department store to start as assistant buyer at Littlewoods in 1937, where he became involved in the revamping of stock control. 'We set up this stock control department from scratch, and thinking back, compared to the kind of rigid merchandising of Lewis's, Littlewoods was (sic) beginners really.'[16]

Rationalization and Personal Control

The hallmark of the earlier phases of the mail order industry in Britain is that of modernization and rationalization with the retention of personal control. While, for example, Kay & Co. made great play in the mid-1930s of the high-speed large-size electric lifts to all floors in the 'magnificent new extension' of their headquarters at The Tything, Worcester, the warehouse was still run in a paternalist mode by the Kay family.[17] When William Kilbourne Kay, the firm's founder, died in 1929, Tom, his son succeeded him. And when 'Mr Tom' died in 1933, his brother, Jack, was summoned from India to run the business, assisted by the third brother, Edwin (Ted). In the order processing sector, over 250 clerical workers occupied a central room 'one of the most perfect Offices in the United Kingdom'.[18] Clerks sat in rows of eight on swivel seats, overlooked by the balcony that ran around the room. In this rudimentary corporate panopticon workers were never quite sure when they were under surveillance. 'You did not converse with your next doors', it was recalled, 'only on work, because the second son, Mr Ted, a huge man with a monocle and plus fours, would be walking round the balcony and peeping over the top to see what you were doing.' Toilets at the warehouse were locked and permission had to be sought to obtain the key. Perhaps not surprisingly this regime was looked upon by the workforce as 'so strict and so moral'. Dress and manners were expected to conform to a set standard. Dresses were to be below the knee and 'you had to comport yourself very nicely'. In line with other paternalist employers, notably the Quaker families in the confectionery industry, the Kays sought to impose conventional ideas of the family economy and of male and female duties on their employees. Married women were not employed at the firm and unmarried females were expected to leave on marriage. When leaving under these circumstances women were allowed one pound's worth of goods from the catalogue, but only at the discretion of Mr Ted.[19] Evidence from Freemans, where the Rampton family remained firmly in control, suggests a similar regime. One former employee, who started work as a clerk in 1926, recalled that Stanley Rampton 'had a habit of strolling round to check no-one was loitering'. Tony Rampton ('Mr Tony') who joined the firm in 1938, remembered 'the notices that were pinned up about the place saying any person coming to work not wearing stockings would be instantly dismissed and indeed they were instantly dismissed'.[20]

It seems, then, that management at Kays, and at other mail order houses in the interwar years, comprised a mixture of systemization *and* personal control. Systems were set up, not in order to delegate responsibility down the line of management, but rather to enhance the ability of the individual at the top to monitor all aspects of the business. We shall return to this theme when examining in detail the systems introduced at Empire. Such methods may not have seemed efficient but, in the intangible realm of employee attitudes, they may have paid

Letter girls filing the day's correspondence, Kay & Co., Worcester, c.*1919 (Kays Heritage Group)*

Shorthand typists in the typerooms, Kay & Co., Worcester, c.1919 (Kays Heritage Group) dividends. The paternalism of employers, even though it could be strict, was often reflected in the deferential attitude of employees. Historians, particularly those on the left, often underestimate the connection which workers formed with their place of work—their very real affinity for, and loyalty to the firm and the circle of friends with whom they worked. One small indication of this non-instrumentalist relationship is evidenced by the way that Grattan workers 'rallied round during a crisis' after the company's warehouse had been destroyed by fire in 1933. Another is the number of employees who went with their families at weekends to look at the new warehouse being built at Ingleby Road.[21]

The Bedaux System at Empire Stores

There is evidence to suggest that the mail order industry was at the forefront of developments aimed at enhancing labour productivity by the application of psychology to the workplace. Whereas scientific management and its later Fordist derivatives sought to redesign the workplace and incorporate technological rationalization to remove bottlenecks or points of resistance in the labour process, human relations management sought to increase productivity by understanding the social psychology of the workplace. Scientific management aimed to control worker behaviour by eliminating discretion and removing decision-making from the shop floor. Human relations sought to harness whatever creative energy workers might have, and to reconnect the collective goals of the firm to the individual goals of the worker, or group of workers. Thus human relations management systems sought to ensure that the work environment was socially acceptable, that workers operated in groups or teams, and that supervision was internalized within these groups or administered with a light touch. The natural ally of this strategy was the bonus scheme. Under a Fordist, automated labour process the speed of work could be regulated by the pace of a production line or conveyor belt. Wages could, in theory, be fixed at a level commensurate with the optimum pace of work, broadly determined by local market rates. Under a human relations scheme rewards were linked to group effort. The onus, both individually and collectively, was on the workers themselves who were allowed some discretion in determining the pace of work.

As has been noted, the mail order industry presented many obstacles to the total rationalization of production systems. During the interwar period, mail order warehouses underwent a series of technological updates and new purpose-built premises provided an opportunity to introduce conveyorization, as at Grattan's Ingelby Road warehouse in 1934.[22] Yet many areas remained where individual decision-making and handling were irreplaceable. The industry was, therefore, a natural candidate for the latest developments in human relations-based systems. The National Institute for Industrial Psychology undertook work for several mail order companies in the 1930s, examining order processing and storage, and advising on improved methods.[23] In addition to recommending new systems and levels of responsibility, human relations also sought to tie in workers' loyalty through incentive and bonus schemes.

In Britain, the most popular formal system of labour rationalization was that developed by the Bedaux consultancy. The British Bedaux Company, a subsidiary of the American company founded by the French émigré, Charles Bedaux in 1916, expanded far in advance of rivals, with over 170 major clients on its books by 1933.[24] A scientific management/human relations hybrid, the system broke down every job into comparable units of effort. These were measured in so-called B units, defined by the company as 'a fraction of a minute of work, plus a fraction of a minute of rest, the two always aggregating unity but varying in proportions according to the nature of the strain'. Expressed more simply, a B unit represented 'a normal minute's work'.[25] In deference to the neutrality of science in determining workloads, the task of determining the value of these units was undertaken by a trained Bedaux engineer. Once the B unit values had been fixed, however, workers could earn calculated bonus payments by exceeding the number of units allocated to the job.

The Bedaux system appears to have been introduced at Grattan in 1932 and at Freemans in 1937. 'Just before we moved to Clapham Road', one long-serving employee recalled, 'a business efficiency firm came to Freemans to investigate our systems—it's possible that they suggested the move.'[26] Its introduction at Empire Stores, however, is particularly well-documented. Bedaux engineers compiled a survey of the whole warehouse operation in 1934 with a view to setting up their system. Workers at Empire were deemed to be able to earn 75 and 80 Bs per hour. Bedaux promised a 20 per cent reduction in labour costs, taking account of the additional staff needed to administer the system and added bonus costs. Initially, Bedaux engineers would set up the scheme, training in-house staff to run it after their departure. 'Through the introduction of Bedaux methods', it was claimed, 'it can truly be said that management is provided with the measure of control not hitherto visualised or considered possible.'[27]

The Bedaux system was duly installed at Empire, and the regular engineers' reports give a unique insight into the functioning of a large-scale mail order warehouse in the interwar period. A picture emerges of a transition from the traditional, *ad hoc* system, essentially an accretion of custom and practice built up over the years, to that of a highly organized, modern system. Although the Bedaux system is most widely known for its attempt to break down all jobs into measurable units, a central corollary was the restructuring of tasks and the reorganization of work generally, often involving the introduction of new technologies, particularly applied to 'clerical tasks'. At Empire, the Bedaux engineers identified the absence of effective stock control as a major problem in the warehouse. Stock in some departments was stored without reference to catalogue numbers or with only the basic ticket information to assist pickers. In the drapery department the marking of goods was too far advanced so that the entire stock of 80,000 items was laboriously re-marked each time the catalogue was updated. Stock control systems were essentially informal and idiosyncratic:

> It has been observed that at the present moment there is no system of stock-control in operation, throughout the warehouse. Information being obtained by a physical count when it is thought necessary, which results in there not being any reliable information constantly to hand to assist in the buying of new lines or in repeating existing lines.

Reordering and buying was undertaken by departmental supervisors in 'spasmodic' fashion and this often meant a delay in delivery or the substitution of goods different to those ordered.[28] In response a separate buying office was established with a buyer and assistant buyers to control stock levels and order new lines.[29]

Under the Bedaux scheme all workers at Empire were paid at an hourly rate.[30] There was also recognition of the fact that mail order shopping in the interwar years was subject to seasonal variations and that these impacted on staffing. In addition to the boom in sales in the run-up to Christmas, there were also considerable peaks around Whitsun and Easter and just before bank holidays, which have all but disappeared from the annual retail cycle in more recent times. Empire's sales at Easter, for example, were 80 per cent higher than the normal level; Kays put their workers on overtime until 9 at night in the run-up to bank holidays. At Freemans it was customary to release a batch of juniors after Christmas only to re-engage some of them a few months later.[31] Though mail order companies tried to offset this seasonality, by introducing competitions, for example, as the market slackened, it proved very difficult to counter effectively.[32] Bedaux's answer was to take on temporary staff to cope with the peaks; temporaries could now be more easily assimilated as many warehouse and packing routines had effectively been deskilled through the introduction of rigid monitoring systems and procedures. This helped to achieve a 30 per cent reduction in overall staff levels throughout the year, the savings being used in part to pay higher wage rates for the permanent staff who remained. In addition, more flexible work patterns were introduced. Workers in the cycle and wireless departments, for example, were now expected to spend part of their time helping in the general packing department.[33]

Bedaux installed a Kardex system to manage stock control. Goods inwards and orders fulfilled were marked on the cards and a series of signals installed to indicate when stock was running low and automatically trigger restocking. At the same time the cards provided a quick reference system to gauge the volume of sales of any particular item. This system helped to eliminate over-ordering, a recurrent problem in the first few weeks of any new line.[34] Bedaux also suggested new belt conveyors in a number of locations to centralize the delivery of goods, the introduction of a trolley system, the standardization of storage facilities, and the improved layout of worktables.[35] Office routines too were not immune from Bedaux rationalization. A dictaphone system was installed with fifteen typists working solely by this method. Post-room operations, previously undertaken by sixty staff drafted in from various departments for an hour at the start of the day, was now allocated to specialist staff of twelve, working on a permanent basis. This move was designed to process orders more quickly, to apply a flow production mindset to order-processing.[36]

Bedaux and similar systems did encounter some resistance. Workers feared job cuts, wage reductions, or a general intensification of work. In industries where labour was organized the introduction of the system did occasionally provoke strikes, in the motor industry, for example, at Rover and Lucas. At a more general level forms of resistance were more recondite. Workers sometimes deliberately misled the engineer when initial work timings and observations were being made. More often than not, the Bedaux man was seen as an intruder on the shop floor. Besides being simply an agent of management—which might or might not be a bad thing—he was an outsider, and one who professed to know more than the people who had been doing the job for many years. Worse than this, he was only too eager to criticize the way people had done their job in a time-honoured fashion. If the ordinary worker was prepared to tolerate the intruder, then some other ranks were not. Supervisory workers were often the most directly affected by the introduction of Bedaux systems. The new processes often cut directly into the power and discretion that they had traditionally exercised over the workforce. Effort, wage, and bonus levels which had previously been the preserve of supervisors were now to be calculated automatically, the Bedaux office overseeing the whole process. At Empire Stores supervisors had the added ignominy of having the buying function stripped from them. Before the Bedaux rationalization the supervisors of each department had control of buying and restocking. Under the Bedaux system a new, specialist department was set up in 1936 to handle this. A further slight on the position of supervision was the imposition of fines levied on supervisors if customers complained. Beginning in 1935, a fine of 3d (1.25p) per complaint was to be deducted from the supervisor's bonus payment.[37]

There is some evidence of disquiet and resistance to the new system among the staff at Empire. Bedaux engineers refer to 'certain opposition' that they experienced throughout the first two years of operation. Workers, however, and especially supervisors, had little leverage and certainly no union protection in the interwar years.[38] They had to put up or shut up, and besides, once the system was in place, those workers who remained in the reduced workforce, did receive appreciably higher wages. In the case of Empire the Bedaux system eventually resulted in an increase in wage levels of between 8 and 28 per cent, for a shorter, five-day working week (40.5 h reduced from 44) following the elimination of Saturday-working in 1935. Initial savings were said to have reached 49 per cent in productivity terms with an overall increase in wages of 12.5 per cent in the first year of operation. Bedaux also claimed improved levels of service with less mistakes and faster delivery times. Operating costs were reduced by over £2,000 per year, at a time when the average wage at Empire was around £2 per week.[39]

It seems that the Bedaux engineers created some problems at Freemans when they turned their attention to reorganizing agency records, identifying agents by a number only. Agents found the new system confusing and the firm, faced with a growing pile of unsortable mail, was forced to reinvent the old system that Bedaux had encouraged them to abandon. ‘It showed’, observed one company insider, ‘that these people had no knowledge of the general public.’[40] By the outbreak of the Second World War, however, Joseph Fattorini was confident that the new system at Empire was working to the full advantage of the company. His faith in the new regime was evident in 1940 when staffing difficulties emerged on account of the war. He urged that operations should continue to be under the control of the ‘Bedaux Office’, even though it would be unable to work at maximum efficiency owing to staff shortages. ‘Keep this going however,’ he advised, ‘nearly all the waste time is due to management and not to slow working by the staff.’[41]

Fattorini could be expected to be happy with the Bedaux scheme. In many ways the system had *restored* control to the individual owner. This may seem paradoxical, given that Bedaux was aiming for a totally integrated system that functioned autonomously in many respects, but in practice it meant that monitoring of all aspects of the business was greatly facilitated. By 1934 Empire had outgrown the personal control of Fattorini and had descended into a maze of practices that were difficult to keep track of in real time. Bedaux handed back the reins to the individual at the centre via a complex, but effective set of indicators and monitoring devices, which provided a daily and weekly snapshot of progress. Fattorini’s buying strategy of bargain hunting—‘maintaining adequate stocks and buying for value’ as the Bedaux engineers diplomatically put it—had been replaced by a more formalized method, and the everyday control of cash and stock flow, along with control of labour, had been vastly improved.[42]

Rationalization and Personal Control into the Post-war Era

Even in the 1940s and early 1950s, many of the defining characteristics of the early mail order houses were intact. With the exception of Kays, where ownership had passed to GUS just before the war, the founding families or their nominees remained very much in control and this was evident in a preference for management structure that remained highly personalized. At Grattan, Sidney Owthwaite, who had been with the firm since 1918, picked up the reins when J.E. Fattorini died in 1949, remaining company chairman until his own death four years later. Though far from oblivious to the advantages of rationalization Owthwaite, whose military bearing betokened an authoritarian approach, made it perfectly clear on his daily tour of office and warehouse that he was in charge. ‘He had a peculiar characteristic’, it was recalled, ‘[of] snapping his finger and thumb which I think was generally accepted as a sign that he was on tour and one must be Quick, Quick, not slow.’[43] The Bedaux system, however, meant that it was now possible to exercise personal control without resorting to theatricality of this kind. Joseph Fattorini’s ‘Red Book’ of 1940 makes this clear. It was possible to devolve responsibility for Empire’s entire clerical staff to one person. With the appropriate system in place Fattorini could monitor orders and sales on a daily basis, keeping tight control on the progress of business. Reports on sales and returns, the company’s cash position, and the performance of travellers were submitted weekly. Even stocktaking devolved to personal control. Stocks were taken at Empire three times a year with staff moved from other duties working overtime or at weekends. Control of physical stock was an important part of mail order company administration, since unlike ‘ordinary’ retail outlets, there was a spatial division between stock and sales that could lead to delivery and cash flow problems. As Joseph Fattorini advised his father in 1940, regular stock-taking ‘enables you to find how your costings are going on. You could go badly wrong if you didn’t get to know these.’[44]

In spite of the overhaul of the labour process and routines within Empire, warehouse operations still fell well short of the Chicago ‘Beehive’ model dating from the early twentieth century. The overall layout of the warehouse in the 1940s still made little sense in terms of stock flow. Arranged on four floors, the top floor was taken up with boots and shoes and some clothing; shoes, in their boxes could withstand the journey down chutes and conveyors with minimal risk of damage. The third floor, however, was home to a multitude of goods ranging from jewellery, watches, clocks, and glassware to furnishing items—including linoleum and carpets. Also stored here were a range of heavy items—lawn mowers, cycles, prams, gramophones, and wireless sets. At any one time there might be 500 cycles in stock on this floor. The second floor was given over to fashion clothing ('modes'), and the first floor to drapery. As these last two departments accounted for 55 per cent of sales there was some logic in placing them near the ground floor, where the packing department was located. The Bedaux engineers, who advocated the installation of conveyors and belts throughout the building, had been critical of these arrangements arguing that it made little logistical sense to store heavy goods in the top floors of the warehouse.[45] Their suggestion that the packing department be moved to the first floor and that heavy goods be stored at ground level, with cycles to be stored hanging from the ceiling, appears to have been resisted.

In spite of the urging of the Bedaux engineers, the non-rationalized control of many aspects of work remained. As late as the 1970s there were still vestiges of the individualistic managerial style characteristic of British mail order houses in the early stages of their development. Owthwaite's style at Grattan in the late 1940s and early 1950s was matched in some ways by Colonel C.T. (Mick) Wells, who joined Empire as marketing manager in 1946 eventually succeeding Joseph Fattorini as chairman when he stepped down in 1972. It was Wells, in 1955, who instituted the ritual of the daily post-room conference where directors and senior executives would read through the letters received from agents and customers. Peter Fattorini, who started at Empire in 1963, later recalled: 'The Managing Director, whenever he was in, would chair it. They would read through all the customers letters . . . the sort of thing that would immediately come out would be something horrific like a duplicate run . . . People would practically wet their pants with Mr Wells shouting at them at one of these post-meeting things.' These meetings could also provide an arena for interdepartmental rivalries to be exercised, 'raising issues in letters that were about other people's departments so that Mr W could hear'.[46] By such methods Wells, who served as chairman until 1978, 'stamped his authority on the business'.[47]

Mail Order Warehousing in the Post-war Period

Though personalized management was to be found in mail order long after rationalized systems were available, and in some cases, installed, there were significant technological developments in storage and order processing, particularly in conveyorized systems. From the 1960s these changes involved an increasing level of computerization, a topic which is dealt with in detail in the next chapter. An important factor, however was the overall investment in new 'state-of-the-art' warehousing. At Empire, for example, 1960 saw the start of a period of rapid growth. The firm had successfully gone public and the capital raised was partly used to fund an expansion of warehouse facilities. Rather than continue to expand into existing buildings and adapt them to the company's use, Empire chose to establish a new purpose-built warehouse at Horbury that would be 'large enough to fill, not only immediate needs but to accommodate the expected future growth of the business'. Empire claimed that this was 'one of the most modern, specially constructed buildings in Mail Order Distribution'.[48] The single-storey building housing assembly, dispatch, and an inspection and testing department, extended to 140,000 sq. ft on an 8 acre site. When extended by a further 100,000 sq. ft in 1968, turnover had risen to over four million parcels per year. Proud of 'reducing manhandling to a minimum' by the installation of a fully conveyorized system in its 'great warehouse', the company now relied on automation to ensure speed of delivery and efficiency of turnover. Orders were made-up and placed in containers carrying the relevant dockets. Coloured symbols attached to the containers instructed the various stations on route that action was necessary.

Despite seasonal fluctuations in demand, the company's aim was to optimize not only time but space: 'in our business space is money'. The installation of the new system in the late 1960s was also given impetus by the broader economic context. While management was confident that 'fireside shopping' would continue to expand government policy began to militate against firms with a large labour force. Selective Employment Tax was introduced by Wilson's Labour government in 1966 as it sought to rebalance the economy away from service industries, like retailing, and towards manufacturing. This considerable added cost was an additional reason for the substitution of labour by technology.[49] It is clear that other mail order companies were moving in the same direction at this time. Grattan had opened a new warehouse at Ingleby Road in 1958 utilizing a Sovex conveyor system designed to distribute work evenly in the packing department.[50] In Worcester, Kays invested heavily in a new German-designed, five-storey warehouse at Bransford Road, opened in 1968. Here, according to one recent account, 'the automation of the collation process revolutionised the mail order business', enabling Kays to cut postage costs by assembling orders in single packages.[51] It must be noted, however, that not all mail order warehouses at this time were purpose-built or 'state-of-the-art'. As its fortunes revived in the 1960s, John Myers were quick to capitalize on the availability of cheap textile industry property, 'great Victorian mills' which had become 'ghastly memorials to the great age of cotton'. Myers bought a very large mill near Stockport, an impressive example of mid-nineteenth-century industrial architecture, converting it into a mail order warehouse.[52]

When talking of modernized warehouse technology, we should also be sceptical of an overemphasis on conveyors as *the* symbol of Fordism in industry. From their earliest use in meat-packing plants to their widespread adoption in the car industry and beyond, conveyorized, moving and hence paced, production processes came to represent the acme of management control over the labour process. Work speed could now be controlled centrally and workers forced to conform to the overall speed of production. Historians have been quick to point out that such control of work content or speed is often illusory. Workers find many ways to subvert even the most comprehensively rationalized systems, and thus assert their own pace of work to some extent. In the case of the mail order warehouse the conveyor was at best only a part of the work process. Since there was no standardized, mass-produced good involved in the process, the conveyor could not be used effectively as a regulator of speed and intensity of work in anything but the most indirect sense. When Grattan installed their state-of-the-art conveyor system in the late 1950s, for example, they carried over 7,000 stock lines. An individual agent's order could contain up to a hundred items. The rationalizing potential of the conveyor existed between the twin buffers of the picking and packing processes, both of which embodied a stubborn inertia, resisting the standardization or automation which would provide total 'Fordist' control of the labour process. The conveyor process itself was never a simple, fixed entity. Instead, it went through a series of rationalizations and modernizations of its own. Grattan's conveyor, for example, incorporated a series of light beams and detectors, operating 'ploughs', or diverting gates. The detectors would automatically open and shut the ploughs, optimizing the capacity of the troughs which took goods from the conveyor.[53]

During the 1980s, industry in Britain underwent widespread change. Industrial attrition developed as government policy embraced the economics of the new right. An environment of rising unemployment and confrontational industrial relations (which increasingly saw a shift in the balance of power towards management) coincided with a new or intensified phase of IT-driven automation. The mail order industry was not immune to these processes. While sales were affected by downturns in the economy and levels of disposable income and credit, especially among the traditional mail order customer base, rationalization and the substitution of technology for jobs entered a new phase. It has been estimated that new mechanical handling systems, introduced in the early 1980s, may have displaced over 20 per cent of the jobs in the industry.[54]

Working in the Mail Order Warehouse in the Post-war Era

We have seen how the tenacity of the personal, hands-on management system survived in tandem with the attempts at rationalization until well after the Second World War. Despite the technological rationalization and automated systems, people remained at the heart of the labour process, and it is worth considering in some detail the nature of the jobs they performed. Typically, a wide variety of goods would arrive at the warehouse, by road or rail, to be individually unpacked and sent to the allotted point in the warehouse. 'They called it ticketing then', recalled Rene Barton, who started in the goods inward department at Grattan in 1954. 'Now when everything comes from the manufacturers, everything's boxed and ticketed . . . when I worked there things used to come in big skips . . . the girls at these tables—they called them ticketers—they used to have big brown bags and they didn't have labels then and they used to have thick biros and they used to write on the bags, you see—the catalogue numbers.'[55]

In this way, incoming goods were sent on their way to the appropriate department.

Goods also had to be checked for quality. This was an especially important function in the business since the customer could not inspect the goods on offer in person. In effect, an inspection department was required to act as a surrogate customer, partly to ensure quality, partly to avoid the expense of excessive returns. 'After I'd done my apprenticeship on ticketing', Rene Barton continued, 'I was a quality inspector—they called them "passers" then. You had to check the measurements and everything was right with the catalogue, because lots of times it didn't run right.' Goods failing to pass quality control could either be returned to the manufacturers or 'rectified' in the warehouse. 'There were lots of firms in Bradford what they used to get stuff off, and they used to come and alter things.' It was important to ensure that goods in stock matched the catalogue description as accurately as possible, in order to avoid the administration and other costs involved in returns; 'it was surprising, over the years, [how] the write-up was a bit different'. The system in place at Grattan was informal and unstructured but built on accumulated knowledge. Quality inspectors would move from section to section: 'there used to be cards that would tell [the passer] that previous stock had been rejected for a certain reason'.[56] Empire's 1967 annual report boasted that its Packing and Checking Department rigorously scrutinized every parcel and that nothing was despatched 'until it had passed exhaustive tests—frequently more stringent—than might be expected from the customer himself'. Similarly Littlewoods was keen to stress that their product inspection and testing was as diligent as possible. The company employed materials-testing laboratories, for example, where fabrics were subjected to tests for shrinkage, dye-fastness, 'offset to whiteness', construction of cloth, wearability, degrees of 'dressing', and waterproofing.[57]

When orders came in they had to be selected from stock. This was traditionally the job of the 'picker' or 'picker out', who had to fill a specific order by going to the storage shelf and selecting the items from stock. Until acclimatized, workers could find this job quite onerous. 'It was hard work until you got used to it', recalled Derek Daykin, who started at Grattan in 1953, 'because you had to walk fifteen or twenty miles a day—just going up and down these fixtures all the time. By the end of the day you were absolutely shattered.'[58] Pickers were left to their own discretion and acquired expertise in finding the most economical route to use when filling orders. Later, when computerization began, one of the early advantages to emerge was a printout which identified the shortest routes through the warehouse to individual items, though pickers sometimes preferred to trust their own judgement.

Once picked, the completed orders would be passed to the packers. At Grattan these completed orders were placed in a sectioned wooden trough for collection.[59] At Kays the pickers placed the completed orders in a large receptacle, colloquially referred to as a 'gondol'. This might contain up to six different orders, which were sent, via the conveyor, to the packing floor, with their accompanying ticket, where they were boxed-up. In the 1950s, Littlewoods was at pains to stress the way that packing had been rationalized at their warehouse and the centrality of careful packaging. 'Our work study engineers have designed the layout so that everything is close to hand easily . . . each packer does only a certain range of merchandise which they pack to specification prepared by the packing control department.' Packing was tested to see if it would survive transit and a laboratory was established to test packing materials.[60] As noted above, however, the sheer variety of goods still frequently defied total rationalization and mechanization at this point in the process. There was considerable skill and effort involved in packing individual parcels—all of differing dimensions—often involving recycling or adapting cardboard boxes. Workers recall that toys were the most difficult to accommodate. Other goods were relatively easy to pack. Shoes, for example, came ready packed in their own boxes. Later the practice of packing in paper or plastic bags became a commonplace which speeded up the process considerably, though more goods were prone to crushing in transit.

It might be expected that a mail order warehouse might offer a relatively quiet working environment compared with, for example, a textile mill or a carpet factory. For those working on the packing floor, however, it seemed very busy and very noisy. One Kays worker recalled: 'my first reaction to the packing floor was one of horror. It was all machinery and noise—the noise was absolutely dreadful. I didn't think I would ever get used to it but I did.'[61] Another worker, having started in packing, sought work in a different department as soon as possible. 'I don't know how they stayed there, all day every day, week in week out. I used to have a headache every night from the noise.'[62] At Kays warehouse three separate conveyors were in operation simultaneously carrying gondols to and from the packing floor. During the 1970s, over 250 women were involved in packing, the operation itself arranged into lines—each supervised by a line head. Once parcels were packed they were placed on a further conveyor which took them to the dispatch department.[63]

One of the ways in which mail order companies could eliminate warehouse storage, packaging, and shipment costs altogether was to lay off this function to suppliers. Indeed, in the case of very large items, such as garden sheds, it made no sense to ship the goods to a mail order warehouse, only to store and then reship them. The costs of such an operation were prohibitive and the extra handling involved simply increased the possibility of damage in transit. Delivery direct from the manufacturer could also be profitably undertaken with comparatively weighty products of intermediate size such as lawn mowers or, in days before the advent of the spin drier, wooden-roller mangles. Littlewoods, for example, had a direct shipping arrangement, known as a 'DM' (direct manufacture), with several manufacturers, usually involving high volume orders of standardized products. In the case of their arrangement with one particular lawnmower manufacturer, the supplier offered this facility in order to secure the order. This was a very attractive arrangement for Littlewoods which effectively took on the role of agent, with considerable saving in administration and processing costs. 'We didn't have to handle', recalled Jim Wilson, 'there'd be no warehouse space required in order to dispatch them or receive them—they did the whole job for us . . . we sent the orders daily to Pollows and Bates and they sent them out, which was a tremendous saving for the company.' This arrangement was also predicated on there being a fairly high volume of trade; Littlewoods alone would take orders for over 1,000 lawnmowers a week at peak times of the year.[64] Other mail order retailers set up dedicated depots adjacent to manufacturers who were producing high-volume lines. GUS, for example, had such depots operating in Wembley and Trafford Park, Manchester, from the early 1930s.[65]

A key factor in the successful operation of a mail order business has always been the ability to reject and return unwanted goods. Since merchandise cannot be directly assessed for quality, size, etc., the customer has to have the straightforward option of return. In many cases customers will order two or more items with the intention of selecting only one and returning the others. Hence a large volume of goods, unwrapped, tried, and rejected, flowed back to the warehouse every day. This policy of the mail order houses regarding 'returns' has always been open to a degree of abuse, with goods being worn or substituted. Nevertheless, a high degree of tolerance has been extended to accommodate what is an endemic feature of general mail order business. The Kays system was typical. Parcels containing returned goods arrived via a conveyor belt where they were opened and items sent down appropriate lines for inspection, refolding, repackaging, and return to stock. Goods were rejected as unsuitable for resale at the inspection stage for a variety of reasons: often clothing had been worn, for example, and could no longer be sold as new. Sometimes there were obvious clues for the inspectors—confetti in the pockets and turn-ups of suits were a frequent occurrence. 'I had a basque once that was full of talcum powder. You'd often get clothes that had been washed—it was obvious—you could tell straight away.' The customer always got credit for the goods—'sometimes there were things that weren't even Kays—but by the time they got to me on inspection the original invoice had gone into the system—so the customer got credit for it just the same!' One particular ruse used by unscrupulous mail order shoppers was to order an item similar to one they already owned, but which was fairly well-worn. The older item would then be returned in the new packaging, effectively securing a new for old replacement at no cost.[66]

In other circumstances goods could be restored to saleable condition and returned to stock. This practice had a very long lineage. In the 1920s the electric iron was an essential fixture in the drapery department at Empire Stores.[67] Later, it was common practice at Littlewoods warehouse in Bolton to respray returned shoes which had been scuffed.[68] They also had 'a special machine that took the spots off clothes'. Goods that were rejected would not necessarily be a total loss for the firm. At Kays, for example, in the post-war period, goods which could not be repackaged, or were damaged, went to the staff shop. This shop, which sold off these goods, end-of-line goods or unwanted samples, was open to all employees, along with designated friends and family. Since the volume of goods was very high and prices very cheap, this facility was a major perk for employees until it was closed in the late 1990s. Kays had taken this concept to the

High Street with the opening of a series of Catalogue Bargain Shops in the years running up to the closure, where higher prices could be demanded for returned or over-ordered goods. More recently, goods have been diverted to Internet shopping sites such as Arg-Equation's Reality site BargainCrazy.com. In addition, mail order firms continue to offer staff discounts on catalogue purchases, another traditional and important perk of the job.

Despite the difficulties in standardizing and rationalizing work in many areas of the warehouse, there were still many attempts to link effort to pay. As we have seen, there were some cases, notably the Bedaux regime at Empire, where work levels were highly controlled and monitored. Some form of bonus systems allied to work study schemes operated throughout the mail order industry from the inter-war years onwards. At Littlewoods, for example, employees in most departments worked under the eye of the Time and Motion Study engineers, working on 'a system of bonus for additional effort'. The engineers were confident of the accuracy of their science.

> Occasionally ... operatives alleged that it was impossible to work to such times, but it was eventually proven that the time study engineer had been right. All the workers came to appreciate that the times set in the works were arrived at scientifically, and were therefore prepared to use their best efforts to beat the time and thereby make an appreciable bonus.[69]

Warehouse order assemblers at Freemans just after the Second World War could earn 'a considerable sum extra each week' by working above the standard rate. Warehouse staff were reported to have greeted the system with 'mixed feelings', fearing that they would become 'sweated labour', but it eventually proved popular with other departments lobbying to be included.[70] Grattan reviewed its bonus system during the 1950s. 'By working hard', pickers here could increase their wages by nearly 50 per cent. Even though workers finished the day 'absolutely shattered', they could earn what was considered to be very good money by local wage rate standards. The seasonal production cycle also continued, though mainly centred on Christmas. 'Christmas time and times like this you constantly worked overtime ... you'd work every morning—half an hour extra—two nights a week another two hours, and Saturday mornings probably—another two hours.'[71]

Not all companies adopted a fully structured bonus system. Kays continued its paternalist—or maternalist—approach to management well into the post-war period, handing out bonuses on an *ad hoc* basis, including birthdays and Christmas. Workers remember their supervision from the 1950s as friendly, but stern. 'You respected them, but they took care of you.'[72] Kays was a latecomer to formal bonus systems delaying their introduction until the 1970s. When it was introduced the new bonus regime included a 'tutoring scheme' designed to increase efficiency. 'They were able to show people how to do the job properly', recalled one former employee, 'how (although it was an expression they never liked using) to cut corners. But in actual fact that was what we had to do to get speed up.' There was also a 'clamp down' on sickness and absenteeism and a counselling scheme was set up for workers with a poor record. Once again it was supervisors who were often least at home with the new regime. 'Counselling was something I always hated . . . people always felt you were telling them off . . . you had to keep saying this was not a telling off. Some of it was none of your business. Let's face it people won't work if you're on their back all the time.'[73] Interestingly, Littlewoods went through a 'mammoth exercise' in job evaluation around the same time. This involved consultation with and participation by the workforce. Management claimed confidently in 1973 that now 'we and staff know that our claim for a fair day's pay for a fair day's work is demonstrably true'.[74]

Before the mid-1970s, unionization made little impact in the mail order industry. As in so many firms—and an aspect neglected by many labour historians—this was partly a result of a conscious management strategy and partly a consequence of an anxiety that unionization might trigger some kind of sanction. It should also be noted that a considerable amount of employment in mail order was on a part-time basis. In addition, the appeal of trade unionism was offset by wage levels and working conditions that left mail order workers favourably situated in their immediate labour markets and by a prevailing sense of privilege, belonging, and loyalty. Industrial relations in the interwar years, and through to the early 1970s, were characterized by the kind of informality often associated with the traditional family firm. At Grattan, for example, a five-day working week had been adopted in the 1930s, to avoid Saturday working. In doing so, however, the firm struck a bargain with its employees that all outstanding work should be finished on Friday afternoon, with workers staying past 5:30 if necessary. 'Friday afternoons were real snorters—everyone pushing and helping out where possible. One had to be dual purpose and versatile in these days.'[75] Informality remained the keynote. From the point of view of a worker in the 1950s, Grattan offered:

> the best paid unskilled job in Bradford. Every year the directors would give a five percent increase in salary. There was no discussion because there was no union. They would have their meeting and give you five per cent increase, and probably inflation would be about two percent—so you were always well in front on money like.[76]

This characteristic informality evaporated to some extent in the 1970s. In a harsher industrial climate it was prudent to respond positively to demands for union recognition in the sector. Empire's post-entry closed shop agreement with the Union of Shop, Distributive and Allied Workers (USDAW) in 1973 ushered in the new era but, as Peter Fattorini later recalled, 'USDAW had never been a very militant group anyway and, by and large, I think we had pretty good relations with them'.[77]

Though there was no union representation at Kays in the 1950s and 1960s, workers there had long considered that the wages and conditions on offer made them part of an elite workforce in the local labour market.[78] To put this in perspective, the employment opportunities offered by the mail order warehouse were likely to compare favourably with what was on offer elsewhere. The comparisons which workers in Bradford had to draw on might well encompass the experience of parents or friends in textile mills, with their inherent occupational health problems, or work in nearby mining industries. It is also important to note that the mail order workforce tended to be recruited from family networks with long-standing connections with the firm. Most of the women interviewed for the Kays Oral History Project organized by the Worcester Museum of Local Life spoke fondly of their time in the warehouse working alongside sisters, mothers, and mothers-in-law. It was, it seems, 'very family-orientated' and 'a lovely place to work in'. 'Everybody were all long-serving people', recalled Rene Barton of her time at Gratton. 'There weren't anybody who had just come for a few weeks. When you used to go to the Twenty-Five Society [the Grattans long service club] it used to be full and that.'[79] Hugh Rorison, who worked at Freemans from 1924 to 1966, made a similar observation. Not only were most people 'local', but they 'tended to stay in their jobs for a long time'. This helped to create 'a real family atmosphere'.[80]

Workers in the 1950s at Kays felt that they were 'looked after' by the firm. Women were no longer expected to leave upon marriage. If women went on maternity leave they were given a cot, mattress, and blankets. Rita Morgan remembers how, during the 1950s, she turned up for work with holes in her shoes. The supervisor, whom the workers were still 'in awe of', gave her 'a pair of lovely red shoes' from stock. The perks of working at Kays also extended to the discount available to workers on goods from the catalogue—5s in the pound in the 1950s—or the discount purchase of unwanted sample goods which had been sent in by suppliers.[81] These were especially prized, since they were often better quality, or more prestigious, than stock eventually appearing in the catalogue. Moreover, it was not unknown for returned or damaged goods to be rendered unfit for sale so that they could be purchased cheaply by staff. One Kays worker recalled a returned kettle that was wanted by one of her co-worker's friends in the office. 'It wasn't too bad—it was a bit iffy whether it could go back in stock. She just got the hammer and banged it—put a dent in it. She said, "That's it—that's his kettle" '. Later, into the 1960s, the regime at Kays became more relaxed. The toilets were no longer locked and workers often spent time socializing there, especially just before leaving at the end of the afternoon. Those working in the basement section of the Tything warehouse remember the gloom and the difficulty of backcombing hair and applying make-up, which 'took ages'. They recall that they often looked 'pale and weird' on account of over-application of make-up in the murk of the basement.[82]

Firms endeavoured to foster a family atmosphere through various organized social activities. Kays ran coach trips in the interwar years to Barry Island and Weston, and in the 1950s to Bangor and to Blackpool. At this time the company organized a variety show every year in the canteen at its Northwick warehouse. This later developed into the company's Christmas pantomime—an elaborate affair and always a top amateur dramatic attraction in Worcester.[83] Grattan also ran a free trip to the seaside. Rene Barton recalled: 'They used to give you a free trip every year, and you always got the day off and it were always Blackpool. There were thirteen buses needed for everyone who worked there. Afterwards it got bigger and bigger and they started going by train. Everyone went—all the managers, directors—they all mixed.'[84] Grattan appears to have been especially keen to encourage social activities in the 1950s: 'participation in social events was encouraged—football, cricket, theatrical groups were extending their activities with sponsored help from the company'.[85] When Freemans started a Social Welfare Club for its employees in 1949 it was organized at first by Marjorie Grainger, from the Bad Debt department, who took it on in addition to her other duties. Within a few years it had become a full-time job requiring rather more than the ability to organize outings and the annual dance at the Clapham baths. 'I had also to cope with the welfare—husbands leaving wives or staff who found themselves in poor circumstances.' Later Freemans employed a full-time social welfare officer.[86] Employers in the sector appear to have taken works-related social activities very seriously in this period.

Another feature of the industry was the gendered nature of many of the jobs, though the pattern varied from company to company. At Grattan in the 1950s, for example, men dominated many areas of the warehouse. 'The pickers were men, the packers were men, the supervisors were men.' There were only 'a few girls who did the clerical work—and there were very few of them—it might only have been five or six girls on the stockroom floor'. Men also dominated the 'passers' job in the electrical goods section.[87] In contrast, at Kays in the 1950s, women unpacked the goods as they arrived from British Road Services or British Rail and sent them to the stock room and, by the 1970s, there were 260 women workers on the packing floor. 'There was hardly a man there—just a few for moving boxes and heavy things.' 'I never worked till I left Kays', commented one male packer.[88] There seems to be no particular pattern to the gender profiling of work in the industry and, in recent times, a great many of the divisions have lapsed. Modern mail order call centres, for example, though predominantly employing women, do generally have a unisex profile. Managerial jobs in the industry were a different matter. In a few instances women were able to ascend the managerial ladder. The manager of the Northwick branch of Kays in the 1960s, for example, albeit a smaller establishment, was a woman. The buyer's office was another area where women could gain advancement but, as with so much of British industry, the boardroom remained a male preserve.

In conclusion, we can see that mail order companies in the United Kingdom are something of a paradox in terms of their rate of modernization. In some respects the traditional paternalist approach to management and organization hung on well into the post-war years. Though the individual control regimes of the Fattorini, Kay, Rampton, and Moores families embraced modernization to a certain degree, there were still strong vestiges of personal, paternalist control to be found in many warehouses. Indeed, as we have seen, at Empire Stores, where Bedaux installed a fully rationalized system in the 1930s, this could be interpreted as a move to enhance personal control, rather than replace it. British mail order houses certainly differed from the major players in the United States in this respect, despite admiration for American organization and management. For much of the twentieth century, work in the British mail order warehouse and office remained centred around individual knowledge, skill, and traditional practice. This blended seamlessly with the family-oriented recruitment and social welfare schemes of many employers in the sector, themselves a legacy of the social networks culture that had been its *leitmotif* from its earliest years.

Notes

1. See Lancaster, B., *The Department Store: A Social History* (London: Leicester University Press, 1995), pp. 44–57.
2. Grattan Road Warehouses Ltd, *The Business of John E. Fattorini* (Bradford, 1930), p. 1.
3. Kays Heritage Centre (Worcester) (henceforward KHC), Royal Welsh Warehouse brochure, 1887.
4. KHC, Freegard, 'Royal Welsh Warehouse', typescript; Royal Welsh Warehouse, Rules & Regulations, January 1880.
5. Chandler, A.D., Jr., *Strategy and Structure: Chapters in the History of the American Industrial Enterprise* (Cambridge, MA: MIT Press, 1962), pp. 236–82; *The Visible Hand: The Managerial Revolution in American Business* (Cambridge, MA: Harvard University Press, 1977), pp. 230–1.
6. Clegg, B., *The Man Who Made Littlewoods: The Story* of *John Moores* (London: Hodder and Stoughton, 1993), p. 57.
7. *The Times*, 27 May 1935.
8. Empire Stores (Bradford) (henceforward ES), Joseph Fattorini's 'Red book', p. 24.

9. Grattan PLC (Bradford) *Grattan Story* typescript (henceforward *GS*), p. 18.
10. See Coopey, R. and Porter, D., 'Did Bradford have anything to learn from Chicago? American influence on mail order retailing in Britain', in M. Kipping and N. Tiratsoo (eds.), *Americanization in 20th Century Europe: Business, Culture, Politics* (Little Centre de Recherche sur l'Histoire de l'Europe du Nord-Quest, Universite Charles-de-Gaulle, 2002), pp. 280–4.
11. *GS*, pp. 17–19; Freemans, typescript notes on the company's history; Beaver, P., *A Pedlar's Legacy: The Origins and History of Empire Stores 1831–1981* (London: Henry Melland, 1981), p. 64; KHC, Kay & Co., Board of Directors, 4 December 1929; 8 January 1930.
12. *GS*, pp. 26–9.
13. Beaver, *Pedlar's Legacy*, p. 65.
14. Worcester Record Office (henceforward WRO), BA 5946/3, 'Worcester daily times', 14 September 1908; see also Coopey and Porter, 'Did Bradford have anything to learn?', pp. 280–1.
15. *GS*, pp. 25–6.
16. Jim Wilson interviewed by Sean O'Connell, 18 November 1996.
17. KHC, *Kays Catalogue*, Spring 1934, introductory comments and illustrations.
18. KHC, Kays publicity material 1939.
19. Worcester Museum of Local Life, Kays Oral History Collection (henceforward WMLL), M. Munn interview.
20. Freemans, 'Mr Tony' Rampton interview, 1982; Arthur Holgate interviewed by Sandra Clark, 16 April 1985.
21. *GS*, p. 74.
22. *GS*, p. 75.
23. National Institute of Industrial Psychology, *Annual Report*, 1932, pp. 24–5; 1936, p. 19; 1937, p. 22.
24. Kipping, M., 'Consultancies, institutions and the diffusion of Taylorism in Britain, Germany and France, 1920s to the 1950s', *Business History*, 39(4), 1997, p. 72.
25. ES, *Report on Bedaux Survey of Messrs Empire Stores Ltd*, Canal Road, Bradford, p. 2.
26. *GS*, p. 125; Freemans, Arthur Holgate interview.
27. ES, *Report on Bedaux Survey*, p. 6.
28. ES, *Bedaux Engineer's Report*, 31 August 1934.
29. ES, *Bedaux Engineer's Report*, 5 July 1935.
30. ES, *Bedaux Engineer's Report*, 26 October 1934.
31. ES, *Bedaux Engineer's Report*, 11 February, 1 March, 17 April 1935; 31 May 1939; KHC, copy of letter from Kay & Co. to W. Raven, 10 April 1930; Freemans, Arthur Holgate interview.
32. *GS*, pp. 56–7, 62–3; *Freemans Staff Sentinel*, November 1947.
33. ES, *Bedaux Engineer's Report*, 14 February, 1 March 1935.
34. ES, *Bedaux Engineer's Report*, 15 March, 5 July 1935.

35. ES, *Bedaux Engineer's Report*, 31 August 1934; 22 March 1939.
36. ES, *Bedaux Engineer's Report*, 3, 13 May 1935.
37. ES, *Bedaux Engineer's Report*, 21 November 1935. This echoed the system of fines operating at the Royal Welsh Warehouse in the late nineteenth century when managers were fined one shilling for each error in meeting an order, though they could pass on the fine to the worker responsible. In an interesting welfare twist, the shilling was donated to the company football club. See KHC, Royal Welsh Warehouse, Rules & Regulations, January 1880.
38. ES, *Bedaux Engineer's Report*, 12 November 1936.
39. ES, *Bedaux Engineer's Report*, 31 August 1934; 1 March, 6 March, 5 July 1935.
40. Freemans, typescript notes on the company's history; Arthur Holgate interview.
41. ES, 'Fattorini red book', p. 26.
42. ES, *Bedaux Engineer's Report*, 3 February, 22 March 1939.
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6

Disconnecting the Personal: Computers and Mail Order

Much is misunderstood about the development of the computer and its place in business history. The business history of computer applications and their impact is yet to be written. Though good monographs on British computing history do exist, for example, the various studies of the development of the LEO (Lyons Electronic Office) computer, a history from the perspective of the firms *using* computers has been neglected. Mail order companies were among a small but important group of British firms which embraced modernization in the form of the computer during the 1950s and 1960s, when Britain was widely perceived to be slipping behind in the modernization of industry and the use of 'new technology' (later to become a synonym for computing). They led the way in adopting the computer in an attempt to rationalize a wide range of business activities from administration to production. They did so for a range of reasons stretching from labour market constraints, through competitive advantage to notions of corporate status and prestige. In the case of mail order companies, more than any other, the introduction of computing was also to mark a new boundary between an old world of personalized, socially-connected business, and a new world of impersonal, rationalized, and instrumental enterprise.

Computing applications in mail order, as we shall see, encompassed a range of activities, and in some cases led to the integration of previously disparate activities. From the earliest, computers were used in the 'standard' range of business applications—stock control, budgetary control, work analysis, and payroll, etc.—but, later, specialized systems were often developed to encompass all activities from the picking routes of warehouse operatives to the automatic assessment of agents' performance. Computerization eventually linked the warehouse to the front room in a direct way, undreamed of by the early mail order pioneers. But it also severed many of the social connections and dissolved the networks which they had worked so hard to establish. This chapter will chart the transition between the pre- and post-computer world of mail order, highlighting the ramifications of this change, both inside and outside the firm.

Office Mechanization in the 1940s and 1950s

Stock control systems in the run-up to computing in the early 1960s remained idiosyncratic, often relying heavily on the experience of key employees. Derek Daykin, recalling Grattan in the 1950s, remembers Bill in the warehouse: 'He was better than a computer—it was all in his head, you know. You got fellas like that in the warehouse, who were that good at their jobs and could tell you off the top of their heads where things were.'[1]

But some degree of automation and mechanization of clerical processes had begun to appear as the computer was being first developed. At Freemans, just after the war, for example, there was some indication of mechanization and rationalization of order processing, though only a partial one. A specialized slitting machine was used to open the mail automatically, but cash and coupons were then collected and sorted manually, the latter being scrutinized for their validity. Agents' statements were then sent to 'makers up' whose job was to check the accuracy of deductions for commission and expenses. The orders were then passed to a bank of electric adding machines in the cash office while letters with no cash went to be sorted on an Ambidex sorter. *Freemans Staff Sentinel*, however, perhaps unwittingly, noted the fragility of the system. 'Thus ends another day's post except for the final search through the discarded envelopes. A search which reveals all too often, odd coupons, money orders, receipt cards and letters tucked away in the corners, a silent reproof of the careless worker.'[2] There were similar developments at Littlewoods in the 1950s, with a mail-opening machine capable of running at 500 envelopes per minute, 40 cashiers, and over 20 NCR machine operators. The weighing of the post every morning at 8:30 provided a basic but effective tool of planning as it generally gave an accurate indication of the day's workload.[3]

Mail order firms began to recognize the shortcomings of their systems as the retail boom of the 1950s began to accelerate and competition from more traditional retail outlets, or newly emergent department and chain stores began to increase. Work began on a new wave of rationalized systems fairly early in comparison to the rest of British retailing. At Empire, for example, an elaborate system of office mechanization was planned in the mid-1950s. This system, based on Hollerith punched card tabulating and sorting machines, was designed to revamp the whole of sales accounting 'with a bias towards credit control'.[4] The survey undertaken by Hollerith prior to installation dealt in detail with the production and analysis of approval or 'appro' notes and comprehensive control of agents' accounts. It was noted that some aspects of the business would readily convert to an electrical punched card system, but again emphasized the severe shortcomings of the stock control system still in operation. The new Hollerith machines would provide a constantly updated picture of agents' sales, particularly the length of time goods were held on approval, thus highlighting problem agents automatically. At the time the only check kept on agents was a manual trawl through the sales ledgers, sheet by sheet, by Empire's section heads.[5]

The punched card system, in many ways, represented an intermediate step towards the installation of what we might recognize as a modern computer system. Indeed, in some ways the card system had intrinsic advantages over the magnetic data storage of later systems. Though cards were punched in code form to be machine readable, interpreting machines could print the information along the top edge of the card in plain language and numbers. Where cards were used for stock control, for example, this meant that files could fairly easily be manually adjusted to reflect changing lines or stocktaking errors. In fact, Freemans was ahead of Empire in introducing aspects of this system. As early as 1937 they had begun the installation of a series of Powers punched card-based tabulators, interpreters, sorters, and reproducers along with a specialized machine capable of copying large volumes of punched cards from a single master. Freemans pioneered several automated office procedures on these machines, including the automated printing of cheques to suppliers and various payroll routines.

Labour market problems were cited as the primary driving force behind increased levels of automation in the late 1940s, as the all pervasive 'austerity' of government policy increasingly constrained firms' ability to acquire goods and labour. Attlee's Labour administration was attempting to prolong a series of wartime controls, in parallel with the nationalization of basic energy, transport, and raw material supply industries, in an attempt to both reconstruct and modernize the British post-war economy. The upgrading of the Powers Samas system at Freemans in 1947–8, supplied the answer:

> to one of the company's greatest problems at the present time, i.e. manpower. The Government are very reluctant to allow us to increase our staff, and if the business is to continue on its present lines, which means a gradual increase in business year after year, we have to find a means of handling the extra work involved without calling on the labour market for an increase in staff.[6]

Freemans and the LEO Computer

The move towards full-fledged computer control, however, began in earnest in the late 1950s and early 1960s. Littlewoods was first off the mark with their installation of an Elliott 405 in 1958. Trumpeted to the workforce as 'the gleaming monster that now looks after the complex mathematical calculations of stock control', the company magazine, *The Organiser*, included a photograph of the cabinets housing the brain's memory units.[7] In fact, applications for the early machine were somewhat limited. The mail order company which truly was ahead of the rest in installing an advanced and ambitious computer system was Freemans. While not the largest, Freemans chose a bold strategy of automation of its administrative procedures in order to compete. This decision may have been partly a consequence of increased clerical labour costs around London, since Freemans major mail order competitors were still largely based in the North where clerical staff were more easily and cheaply recruited.[8]

Freemans' choice of computer system, a LEO, placed the company in the vanguard of a minor revolution in the history of computing. Lyons, the teashop chain, had developed the original LEO computer, in the 1950s. The company had been a pioneer in the automation of office routines before the Second World War. Its teashops had a daily turnover involving a very large number of transactions with a small rate of profit per transaction, calling for a system of rapid accounting. Lyons also had a centralized supply chain, involving the delivery of perishable goods, and so needed a system capable of constant monitoring and feedback. In a pioneering move, Lyons extended its automated office to embrace computer technology, developed at Cambridge under Maurice Wilkes, while that technology was still, in essence, a scientific and academic tool. LEO has since been claimed as the first true business computer.[9] The reason for the machine's success rested partly on the development of computer technology, but also on the culture of automation and systems rationalization which had grown within the Lyons company. The LEO computer was so successful that Lyons went into the computer business in its own right, one of the oddest diversifications in modern business history.[10]

When Freemans decided to computerize in 1963 it initiated a remarkable episode in the history of mail order. As the first mail order company in the world to install a full-fledged computer system, Freemans became the first to cross a boundary between the old and new world of mail order, opening up a range of new possibilities in terms of monitoring customers, profiling sales, and speeding transactions. The decision to buy a LEO machine came on the recommendation of consultants Urwick Diebold, hired to give advice on modernizing the company prior to its stock market flotation. The consultants advised that Freemans install a LEO 326 system at an initial cost of around £500,000.[11] This was to replace a labour-intensive office system, the main component of which was a bank of thirty-five punched card tabulators 'many in a worn out state'.[12] The computer was initially set up for handling orders, despatching notes, invoicing, and stock control. At first, suggestions that the system could be extended to agents' accounts and orders provoked 'nervousness' among some of the directors and there was some delay in implementing this application. Early mainframe computers—and temperature and humidity controlled computer centres—took time to be installed and the system did not finally come on line until the summer of 1965, operating first on invoicing.[13] By Christmas 1965, the system was handling around 20 per cent of the invoicing workload. Operations were transferred to the computer in a step-by-step fashion, one major goal being to move towards direct data entry into the computer, a radical advance for computing during this period.

A major change in operating procedures—indeed a change in business culture—came with the focus of computer operations on the agents' activities. As we have seen in previous chapters, the sale of goods in British mail order operated essentially via agency and on approval. Goods were not paid for until after they had arrived and been accepted by the agent or customer. Rejected goods were returned. This system could only work on the basis of trust and the development of a personal relationship operating between both the customer and the agent and the company and the agent. It could also be a problem in terms of scale and also in terms of speed. The scale of operation at Freemans had expanded to encompass over 200,000 agents by the mid-1960s, making the personal link between the company and the agent problematic, at least in the eyes of advocates of computerization. Moreover, the speed of cash flow generated by goods held on approval—or 'appro'—also created a potentially serious problem. Over £1,000,000 worth of goods would typically be held on approval at any one time, awaiting the customer's decision. Mike Jackson, LEO's man in charge of installing the system, was keen to transfer the approval process to the computer, thus effecting simultaneously both a technological and a *cultural* change. 'As soon as we had completed the take-on of agents' details of name and address, creditworthiness etc. we started to process the sales and returns slips and keep up-to-date records of uncleared appro for each agent. In system development terms this was elementary, but in impact, especially psychological impact, it was enormous.'[14] This led the way for the total control of the agents' accounts by the computer. According to Jackson this was 'the big one', 'all or nothing'. It was 'an opportunity to show how computer systems could really serve a business'.[15]

LEO enabled Freemans to revolutionize agent appraisal which, until then, had 'been thought of as a human judgemental task'.[16] In order to effect the transfer from the personal to the automatic, Freemans and LEO developed the 'v factor', a yearly numerical value based on an agent's sales, bad debts, returns, and length of service. Each time a catalogue was reissued this formula was applied. Agents were then placed into one of two categories—'v1' and 'v2'—and v1 agents were dropped from the list. Borderline agents would receive encouragement to do better through promotional literature. The whole system now required little intervention or staff time. Lists, once compiled manually, could now be generated automatically with address labels printed from the list of v2s and sent directly to catalogue dispatch. 'Literally a few working hours of top management had replaced many thousands of clerks' hours in the agency office.' Even more important, the computer could be relied upon to implement company policy in an obedient fashion by 'filtering out' agents whose accounts were 'uneconomic'.[17] Freemans was so impressed with the projected savings from computer installation—and by the power which the system now concentrated in the 'small top management group'—that LEO's Mike Jackson was appointed as a director of the firm in 1968. Outside observers were more difficult to convince and some were of the opinion that Freemans' overall performance had been negatively affected by their choice of system and difficulties in making the transition to computerization.[18] Newspaper reports, throughout 1965 and on into 1967, highlighted the way in which financial results had been hampered by the cost of the new system and the difficulties the company was facing in achieving the original projections of high growth in order to offset these costs.[19]

Just as, in the 1930s, Bedaux had facilitated the assertion of individual control over warehouse processes at Empire—or rather concentrated it again at the top—so computerization enabled top management at Freemans to assert its control over the company's agency system. In some ways the weakness of middle management at Freemans both forced and facilitated this process. 'In the early days', Jackson recalled, 'there was no middle management, which so often stands in the way of the kind of computer applications we all believed in at LEO.'[20] This may not have been particularly unusual. During the early stages of computerization the 'experts' who understood data processing frequently intimidated the existing management and usually treated them almost with condescension, operating in the fashion of a secretive priesthood within the firm.[21] A more important factor in this process, however, was undoubtedly Lyons *culture*, carried forward into its computer division, a culture of total control and rationalized systems at all levels of the company. The process was as much about transposing this approach to corporate control as it was about installing a new computer system.

The Diffusion of Computerization in the 1960s

While Freemans was pioneering the use of business computing other mail order companies were following in their wake. Grattan, as we have seen, was considering the installation of a computer from 1961 onwards. At this time the transition to computerization was not only fraught with a sense of mystery but also generated fears among the workforce that jobs would be lost. Both these aspects of the transitional process were illustrated in a memo which Grattan's directors felt necessary to send round to workers in October 1961. 'Firstly [the directors] must make it quite clear that this is a machine and not a "magic brain". It will require staff to run it unlike the computer featured in the current BBC serial . . . the installation of the computer, together with the expected development of the business, will not cause any redundancies.'[22] The 'magic brain' reference was becoming ubiquitous at the time as projections for the growth in power and 'intelligence' of computers became increasingly fantastic. From the soon-to-be Prime Minister, Harold Wilson, downwards, the idea that artificial intelligence was the inevitable outcome of current computer development was increasingly commonplace. A 1968 report in the *Bradford Telegraph* was typical. Referring to Grattan's computer the paper observed that 'so valuable and intricate is this processing system that it is housed on an island site . . . and protected within a large air-conditioned room'. It continued: 'the feeling one has in the presence of this large electronic brain is uncanny'.[23]

Grattan had decided to take the plunge and computerize in 1964. The firm went for another British computer, the ICT 1301, and by the following year was 'almost 100% computerised regarding the processing of orders'.[24] The decision to go with ICT, which was to form a major part of the merged ICL in 1968, was in some ways a bold move since it bucked the trend of installing an IBM.[25] The US-made IBM 360 series was in the process of establishing itself as the dominant business computer system at the time, and was beginning to dwarf the European efforts to maintain a viable independent computer manufacturing industry.[26] The initial decision over which computer system to install was crucial, given the stage that the computer industry had reached in its development. Hardware was very expensive and came as a package. Peripherals—tape drives, disk drives, printers, etc.—were all system-specific and could not be transferred to a new central processing unit. More importantly, software was written by in-house teams and tailored to the individual firm. Each computer manufacturer had its own programming language and few, if any, programmers were fluent in more than one. All this meant that for the first generation of mainframe computer users the first machine chosen effectively locked the user into a relationship with a specific manufacturer. Hardware evolved rapidly, generation by generation, and a degree of compatibility meant that upgrading was not a problem, but only if the user continued with the same supplier. Hence, when Grattan decided on a major upgrade in 1970, it stuck with the domestic champion and purchased an ICL 1906.[27]

Empire Stores on the other hand, along with Kays, fell in with much of European industry and installed an IBM 360 computer at its Canal Road offices in 1968. IBM domination of the computer industry during the 1960s was partly the result of the design and reliability of its computers. IBM machines were compatible and upgradable to an extent that rival manufacturers were not and its range of peripherals was also important, especially its printers. IBM also successfully tied in its customers through its leasing and maintenance contracts. Rival companies had to struggle against the growing dominance of IBM's programming languages, and the fact that IBM was beginning to saturate the labour market in systems analysts and programmers. To choose a rival machine such as LEO or ICL meant facing a comparative shortage of recruits to operate or programme the machine in what was still in many respects a pioneering sector of business and administration. Machines such as Empire's computer entailed a very significant cost, far beyond the provision of networked personal computers (PCs) that were later to become the norm. The rental costs on the machinery alone came to over £15,000 a month at 1968 prices, before the costs of consumables, staff wages, and maintenance of the specialized, air conditioned centre.[28]

In common with most companies at the time, Empire's initial IBM system was leased, a strategy which suited both IBM and the lessee companies.[29] They stuck with this system until the 1980s when the stranglehold of IBM had been loosened by competition from companies such as Amdahl, producing 'clone' machines that were compatible with the rest of the IBM system. Empire did in fact later buy an Amdahl supported by peripherals which was supplied by Memorex, another of the companies trying to break the IBM monopoly.[30] The heyday of the IBM mainframe was over by this time. Competitors had entered the market with copies, governments had successfully pressured IBM into relaxing its customer tie-in strategy and, most importantly, the technology base of the industry had shifted significantly. First, the minicomputer sector had emerged followed by the PC, both supported by the concept of networking. Moreover, though many business applications continued to be tailored for individual firms, packaged software was becoming more ubiquitous. IBM was beaten into these new markets—graphically so by Apple and the PC—only belatedly forming a strategic partnership with firms like Microsoft and Intel and, perhaps unwittingly, handing over the monopoly control to the former in the field of software.

Motives for introducing the computer into an enterprise were many and complex. One of the primary reasons noted, indeed feared, by many contemporary commentators, was the replacement of human labour, for cost or control purposes. The former dynamic may have been an important factor in the case of mail order. Beaver notes that the installation of the computer centre at Empire in 1968, for example, was a direct attempt to offset rising wage costs, arising partly from equal pay legislation. Labour market pressures were no longer limited to London as there was now deemed to be a 'serious problem of recruiting sufficient people in the Bradford district'.[31] At this time, programmes were not available as packages, rather each application had to be written for each individual firm by an in-house team of systems analysts and programmers. As with many firms at the time existing staff were retrained in operating and programming the computer. In Empire's case this process took over two years.[32]

In the case of Freemans, the real shift in applications—mail order's revolution in computing—was embodied in the plan to computerize the agency system. By the end of the 1960s, most other enterprises in the sector had developed systems for such functions as payroll, stock control, etc. During the latter half of the 1970s Empire followed Freemans and embarked on an ambitious programme designed to apply computerization to the control and management of the agency system.[33] This could perhaps be described as mail order's signature programme suite. The main aim was to reduce the amount of clerical labour involved in the administration of each agent's 'folder'. A rolling two-year programme was devised to remove each manual operation, one at a time, until the system became fully automated. Sales reports and returns forms were the first to go, entailing the transfer of nearly five million records.[34] Correspondence was to become standardized and computer-generated with the only concession to personal service being the capacity to modify letters by inserting 'standard paragraphs', added in 1976. A year later, the system was reappraised and some manual intervention was retained, but only in the case of a third communication to late payers.[35] This depersonalization, as we shall see below, marked a shift in the relationship-based management of mail order, though firms were aware that this could have a detrimental effect and often contrived to cover up the fact that a computer was involved. 'We would always say that there had been a clerical error not that the computer made a mistake . . . we tried to hide the computer as much as possible.'[36] Cash systems were the next to be rationalized, and proved to be the most complex, involving the transfer of nearly two million customer balances to the computer system.

It is perhaps worth restating here that the transfer of records to the computer system marked the boundary between traditional and modern mail order in many ways, but in particular it marked the end of devolving responsibility to the neighbourhood-based agent. One of the central themes of this book has been to highlight the ways in which mail order retailers succeeded in establishing a fusion between business structure and social networks. Part of this system rested on the delegation of a great deal of liaising and monitoring, not to mention paperwork, to the agent. These agents, as often as not, had no formal training or qualifications for the work they were undertaking.

As Peter Fattorini later recalled:

> My father used to say that it was amazing how the mail order business carried on when basically a group of people who had no formal business education—a lot of them not much education anyway—took credit decisions, collected money, filled in your paperwork for you and the whole thing carried on based on them . . . Actually the paperwork for running a mail order agency was pretty daunting. The idea was to get them to do as much as possible . . . they had to fill in sales reports and cash reports, their payments from each person and commission.[37]

Of course, the idea that a formal education was important, for example, in numeracy, could be shattered by a visit to any bookmaker where the rapid calculation of bewilderingly complex odds is carried out in a trice; or by observing the speed at which darts scores are calculated in any working-class pub. The serious point here, however, is that a great deal of paperwork and administration was, until the advent of computerization, devolved to the agent, displaced from the centre to the periphery; or, to look at it the other way, the periphery of the agency system was in fact operating as the core of the administrative system. Computerization swept this away, reversing the system and re-establishing the core as the locus of information control.

Though the computerization of the entire system at Empire did require substantial expansion of the data processing facilities—including the addition of an extra 135 staff—redundancies in the agency administration and accounts sections were seen as inevitable. Only a proportion of the new jobs could be recruited from among existing office staff, the directors noting that the data processing staff would need 'firstly to have the aptitude and secondly [have] to undergo a period of intensive training if they are to make an effective contribution'.[38] The burden of redundancy, negotiated through the Union of Shop, Distributive and Allied Workers (USDAW), was to fall mainly on the part-time staff, since, as noted above, the mail order industry continued to follow seasonal patterns. Some supervisors in agency administration, however, were no longer needed, and they would be faced with demotion, euphemistically referred to as 'regrading'. Retraining in data processing was an option for some, but the challenge of the new system was too much for a number of supervisors. 'It had become apparent that a number of supervisors, whilst able to operate successfully under the present manual system, would be unsuitable for employment as supervisors under the computerised system.'[39]

Real-time Computing and the Mail Order Business

At the start of the 1970s, a further step-phase in technological development began to emerge in the form of real-time computing. By the mid-1970s, this technology had come on line representing a paradigm shift in what was then known as Information Technology (IT) and its application to mail order.[40] Real time meant that direct input to the computer's central data records was now possible on a 'live' basis. It is difficult to understate the importance of this development in computing. Before real-time computing, data was assembled and a programme was run (in a queue of other programmes jostling for computer time) in order to sort and merge data files and update the master file. Real-time processing meant that enquiries or transactions could be dealt with immediately. When an order came in, stock availability could now be checked, the order could be placed, stock levels adjusted, and delivery information accurately recorded. Real-time computing was of particular benefit to mail order companies given the way in which time—the speed at which an order could be turned around—was a vital component in their competitive strategy. Goods bought through the normal retail process could be obtained immediately. Mail order retailing involved a compromise over the immediate satisfaction of consumer desires but it was vital to ensure that customer satisfaction was achieved in the shortest possible time. Credit and social relationships were important but speed—often subsumed into the factor of 'convenience', was also a key consideration. 'Agents and customers purchasing items through mail order have an expectation of service which is based primarily on the concept of the time it takes for communications (order and package) to be handled.'[41]

Littlewoods probably began this process in the early 1970s with a major new computer real-time system based on Honeywell 200 series machines. The system comprised an advanced network consisting of twenty-two central processors linked to several hundred work-stations, to handle order processing and agency accounting.[42] By the mid-1970s, all the major mail order houses had seized upon real-time computing, connecting their main files to banks of monitors—known then as VDUs (visual display units)—where operators could check the availability of stock before entering incoming orders.[43] Though

Littlewoods may have been the first to install a real-time system, Empire considered themselves the true pioneers in this respect, and one of the first enterprises to turn the VDU around, essentially switching it from an output to an input device. In doing so they chose to bypass the need for punched card systems, favouring the more risky, but faster, direct input method. Their system was set up to run 360 monitors from a single IBM 360/40 using a processor of only 64K. Operators, who were paid on key depressions per hour, worked at specially designed numerical keyboards that were designed to lock if an error was made. Somewhat bizarrely, operators were trained 'never to look at the screen at all, unless an error cropped up'.[44] Empire may have paid a price for its innovatory approach. In order to maximize the number of VDUs which could be used on the system, Empire chose to write its own specialized operating system, rather than that used by the standard IBM set up, which took up too much processing power. This worked well in the early stages but may have locked the firm into a path-dependency which meant that they could not take advantage of the exponential rise in processor power per unit cost which came to characterize the computing sector. 'To some extent we were saddled', Peter Fattorini recalled:

> We wrote our own operating system which rejoiced in the name of ESTER (Empire Stores Terminal Entry and Retrieval System) and we didn't go on to proprietary software . . . in order to use the standard IBM (operating systems) we would have needed faster and more powerful computers, which were an awful lot of money . . . We just hadn't anticipated the rate at which computers would be developed and speed at which prices would come down.[45]

Real-time processing was, in the mean time, progressing at Littlewoods following their early start. By the mid-1970s, their Honeywell computer was connected to around a hundred VDUs. The day started early for VDU operators, at 7:30. A target of 13,000 orders was set for processing by a 1 o'clock deadline, in order to ship goods that day from the Bolton warehouse.[46] As noted earlier, before the advent of VDUs data was input on eighty column coded punched cards, a technology developed by Hollerith before the modern computer as a way of mechanizing data storage and processing.[47] Data was typed into punched cards on special machines, with a typewriter keyboard. (Data continued to be typed into punched cards for basic programming and hard copy back-up of files, for many years after the advent of magnetic tape and disk media.) Cards were punched initially, then repunched with the same data—or verified—to ensure no errors had occurred in the original typing. Banks of women traditionally worked in the 'punch room' while the job of operating the computer itself devolved into a predominantly male occupation. When the VDU emerged as a kind of intermediate technology, that was seen as a continuation of the punch room rather than an outward extension of computer operating. Just as the job of punched card machine operator had been exclusively a women's job, so the VDU operator's job was seen to be one best suited to women, mainly young women. It became, in effect, an all-female preserve, supervised by women.[48] One main difference, or gender overlap, which was emerging here was the use of shift patterns for women, in order to maximize the use of the computer. In the computer sector, even for those on the bottom rung of the ladder in the punch room, pay was above the general average. VDU operators at Littlewoods in the 1970s, for example, could expect to earn significantly more than workers in the company's retail shops.[49]

Along with real-time computing, the development of teleprocessing—the transmission of data between computer stations—meant that the computer room could now be located in a site remote from the warehouse, often in another town altogether, without the sacrifice of immediate communication. Interestingly, the idea of remote communication had been tried much earlier in the 1930s when Grattan had established a teleprinter link from its London office to Bradford to enable immediate transmission of agents' orders from the southern region. This initiative was short-lived, probably because the night mail rail service guaranteed overnight delivery of orders in a more reliable fashion.[50] By the 1980s, however, computerization had come into its own with the developments of the PC and network computing (and later, of course, the Internet). A quantum leap had taken place in a firm's ability to process and track orders, and to locate and analyse its customer base. In many ways the mail order firms saw themselves as occupying the vanguard of this new wave of technological rationalization. In the mid-1980s, Grattan, for example, claimed to be running the fastest commercial computer in the country, handling over 70,000 orders each day. The company boasted over 2,000 computer terminals networked into the system.[51]

Computerization and the Mail Order Warehouse

It was not only on the external aspects of work in mail order that computerization had a profound impact. By the 1970s, computerization had begun to have an impact on the labour process in mail order warehouses. Forward planning of labour requirements was undertaken—often the day before—to determine the levels of part-time staff necessary to process daily orders. Freemans had a lead in this respect, its LEO system compiling picking lists, based around 20 min batch calculations for each warehouse operative, organizing the flow of work into packing stations, and printing packing notes and labels.[52] Computers were also being used to select the shortest routes for pickers to fulfil their orders in the warehouse, though it was by no means certain that pickers would follow the pre-programmed routes, since years of experience provided them with the knowledge to create their own shortcuts.[53] As early as 1967, Freemans had extended computerization to its warehousing and dispatch system. A new despatch centre had been constructed at Westwood, incorporating mechanical handling methods and control systems imported from the United States and Canada, including computerized selection, packing, and dispatching methods.[54]

The early 1970s saw a new wave of warehouse rationalization and more advanced incorporation of computer controls into the storage and delivery phase of mail order. Kays main warehouse at Worcester underwent a major computerized refit in 1972, later followed by the company's Leeds operation.[55] When Empire decided on a new phase of expansion in the early 1970s they followed a similar pattern to that adopted earlier with their Horbury warehouse, constructing a purpose-built warehouse in a new site with adequate surrounding space to allow for further expansion, should the need arise. The new Kettlethorpe warehouse was constructed at a cost of £1.5 million and encompassed over 200,000 sq. ft. The ambition was that this warehouse would incorporate the most sophisticated technology available with state-of-the-art handling systems. Senior warehouse management embarked on a tour of Europe and the United States to observe the latest mechanical handling systems in operation. The result was a fusion of bought-in equipment adapted to Empire's needs by in-house design and programming teams.[56] A computer printed incoming orders, allocated them to a box on the conveyor system and compiled picking lists for warehouse operatives. This system evolved into a close approximation of a flow system, a continuous conveyor with flat trays constantly moving around the warehouse. Later bar coding was incorporated to add a further element of automation. Scanners reading the codes automatically tilted the trays at the appropriate packing station.[57] In a similar way mail sorting was also rationalized and automated as computerization took hold. Grattan, for example, boasted the 'most advanced computerised mail sorting system in the UK' in 1987, with the setting up of its Tilt Tray system.[58]

Other more abstract applications for computing were to emerge later. Sales forecasting, based on an analysis of previous sales patterns, began to be applied at a number of firms, though buying remained an area impervious to automation, except in the fundamental mechanical aspects of reordering and tracking sales. Decisions on new lines, and new suppliers remained an individual skill, revolving around a series of personal networks and relationships. The computer was also beginning to have an impact on a number of other areas of the business including credit control, budgetary control, and general accounting.[59]

As early as the mid-1970s, well before the PC, networks, and the Internet, the leading mail order firms had passed the point of no return in their commitment to computing as a driving force in their business. In the decision to computerize, firms usually built-in multiple levels of security, ultimately keeping hard copy of important information. This involved a costly duplication of effort, but it was one that was deemed to be necessary. This was partly driven by the unreliability and, somewhat ironically, the unpredictability of computers, and partly by the continuing suspicions of management regarding information stored in unseen form, magnetic tapes and disks having become ubiquitous. Exposure to risk was also enhanced by the continuing bespoke nature of computing with firms still relying on tailored systems designs by in-house software teams. At Empire Stores, the level of perceived vulnerability was graphically spelled out in a report dating from 1975. In the event of the destruction of the computer, it concluded:

> Almost all Company departments will become inoperative. Available staff would be totally inadequate to operate the system manually. Because of the complexity of the system and the large number of documents processed, the operation cannot be run on another company's equipment. Data processing software staff skills involved cannot be 'bought in' as these are peculiar to Empire Stores.[60]

Processing was now running at a minimum of 300,000 documents per week, more during busy periods such as Christmas. The estimates of staffing revealed in the report provide an interesting insight into the displacement that came with computerization. Analysts calculated that 2,000 employees would be needed to substitute for the 500 or so currently involved in data processing.[61]

Computerization, then, created a paradigm shift in the way that mail order firms operated, both internally, in the office and warehouse, and, most importantly, externally in relation to its customer and agency base. The integration and control that came with computer systems, however, created its own set of problems. Though virus problems were not a serious threat to systems until the development of the networked PC later in the 1980s, there were many teething problems to overcome with the running of early systems. Mainframes needed to be shut down for 'preventive maintenance' on a regular basis and in-house programming was liable to throw up 'bugs' periodically. Very costly (and complex) hardware could be extremely temperamental. The world of computing was a world where the breakdown and the late night emergency call-out were an expected part of operating culture. The industry was strongly analogous to that of the early automotive world, where the motorist set off on each journey with the expectation of an oily encounter with some recalcitrant mechanism. The potential for major, serial, or compound errors had emerged with the computer and mail order was not exempt. Thousands of Littlewoods customers in the mid-1970s received the same order twice, for example, when operators reloaded the wrong tape files.[62] Most companies insured themselves with either the expense of a back-up mainframe or made arrangements with the supplier for a back-up machine to be available. The people who worked with computers at this time were soon disabused of the idea that computerization would streamline control and usher in the 'paperless office'. Derek Daykin, one of the 'pioneers' at Grattan, later recalled that 'unfortunately computers seemed to create a hell of a lot of paperwork instead of keeping it nice and tidy'. He also put the over-complexity that comes with the world of computing into perspective:

down at the warehouse, they had a system there—sometimes it wouldn't 'talk' to the computer, so sometimes stock would come in and it wouldn't appear anywhere on the system. And you'd say, 'Well what's gone wrong?' And they'd say, 'It's alright, we've had a problem with it—its all stored and it'll come back on your machine'. And I'd think 'God, I just used to ring a bloke in the warehouse and he'd tell me the stock was there, now its on computer and its disappeared!'[63]

Reconfiguring the Relationship with the Customer

Computerization also depersonalized the mail order world to a great extent. It marked a new boundary between the commercial and the social worlds which mail order had originally connected so successfully. It also marked a merger between mail order and the modern amorphous, and perhaps more cynical, or at least utilitarian, world of general retail. The office staff who corresponded directly with Grattan's agents in the inter-war period 'became counsellors and advisors and indeed what is now termed "pen friends" could have applied during those years'.[64] Indeed, this personal relationship was seen as not merely coincidental with the communications medium of the day, but a distinct facet of the business—a culture to be nurtured in order to enhance competitiveness. 'The philosophy of dealing . . . with more than the average courtesy had to be transmitted through the medium of letters . . . the artistry of those who put pen to paper was undeniably the means of promoting healthier business.'[65] Derek Daykin, who saw the transition to computerization at Grattan, later encapsulated this change very eloquently.

[The customers] used to . . . feel that they knew the person that they dealt with at Grattan and if they wanted to write, 'Dear Jim, I've got this problem, can you help me?' . . . And it was like, 'He's my friend'. Suddenly they go on the computer and anybody can deal with them. You know—they'd get a standard letter come off . . . Its like getting a bill from the electricity company whereas before . . . they might write and say, 'Oh, my daughter Julie's getting married in September', and come September she'd get a letter from someone here saying 'Hope everything goes alright in September', and so on, and she'd think that was absolutely wonderful. It wasn't just somebody who was taking money off them, they actually knew about the family.[66]

Some idea of the scale of personal correspondence involved in pre-computer mail order can be gleaned from the fact that Littlewoods, in the mid-1950s, used over 130 dictating machines in a single office.[67]

Computerization did, of course, enable the substitution of a kind of spurious or ersatz intimacy between customer and retailer—the development of a kind of mass-personalization of communications designed to present a facade of connection or relationship. Mail order companies picked up on this quite early. By the mid-1970s, as computerization arrived in earnest, a concomitant personalization, in the form of profiling, began to emerge. At first this only extended to mapping out those agents who should receive marketing promotions based on an analysis of their sales levels and patterns, but also included the personalization of correspondence.[68] However, the mail order companies also used their newly established computer power to go for a more blunt approach to marketing and customer relations. In 1971, Littlewoods, for example, embarked on an extremely ambitious direct mail programme, compiling a database of the entire electoral register. The project took eighteen months and resulted in 16.5 million mail shots.[69]

Hanging on the Telephone . . .

The last phase of the process of technological rationalization came with the incorporation of telephone systems and the establishment of what later became known as the 'call centre'. This development appeared to reverse the process of depersonalization that computers had driven forward, but this was true only in a superficial sense. Given the depth and longevity of what might be termed a 'phone culture' in the United States, it is not surprising that the earliest use of phone-ordering systems originated there. In 1970, Montgomery Ward was taking phone orders using operators at VDUs to confirm stock or offer alternatives.[70] The first European systems were installed in France, but British mail order companies soon followed suit.[71] A telephone ordering system was first considered at Empire Stores, for example, late in 1981. This was in reaction to a fall in sales due to the recession engendered by the supply-side economics of the Thatcher government, which had ushered in catastrophic levels of unemployment in the very regions most densely served by the mail order companies. In 1981, the Empire board was told that it was 'now facing an economic situation far worse than any of the executive directors have previously encountered'. This recession also forced the company to tighten up its bad debt policy along with its scrutiny of agents. Previously, its policy had been 'to go for growth in order to sell through our bad debts from the previous year's recruitment'. Reduced sales, however, meant that this was no longer possible and thus tighter monitoring of agents was required in order to reduce the risk of bad debt. 'Closer control of new agents during their first six months' was one defensive measure being enforced at this time.[72] In the post-war period, inflation had allowed the companies to mask bad debt to a large extent. As Peter Fattorini explained: 'You express bad debt as a percentage of sales. Your bad debt is based on last year's prices. As long as inflation is in the system it covers a lot of bad smells in the bad debt department.'[73] The problem in the early 1980s was that inflation and rising unemployment were both in the system at the same time. This 'stagflationary' environment hit sales to an extent that they could no longer compensate for bad debts.

Whether driven by the kind of pressures which Empire experienced or simply by the near universality of domestic telephone access, telephone ordering systems began to be installed at all the major mail order companies from the early 1980s onwards. Grattan, for example, installed a Callscan computerized system at this time, claiming to answer over 99 per cent of calls in less than 8 seconds and processing over 150,000 telephone orders each week.[74] Littlewoods had also gone online with its stock control in the early 1980s and the Stock Availability System enabled agents to phone in orders and to check availability, keeping 'out-of-stock' responses to the minimum.[75] By the 1990s phone ordering systems had reached maturity. Littlewoods, for example, upgraded in 1995 to a Spectrum digital call centre system from Rockwell, handling 300,000 calls per week.[76] By now the call centre had been established as an integral part of the industry, stretching beyond mail order to general retailing and into the wider economy. Automated response systems and sophisticated queueing and re-routing systems had also been developed. Dedicated companies emerged offering outsourced facilities, often sited in remote areas where labour was cheap and available, or where accents were deemed to be the most generally appealing, rural Scotland, for example. The industry also began to take advantage of the global economy, international division of labour, and revolution in global communications systems. Call centres in India serving UK industry are now perhaps the best known of a host of such international communications-based links.

For some commentators these developments represented a key component in the advent of the long heralded telecommuting industry, the ultimate electronic cottage. In some cases phone operators were set up with a networked computer and phone at home, potentially tapping a very large residual pool of, predominantly female, relatively cheap domestic labour. This latter configuration has proved expensive and has not been widely adopted, but the call centre itself continues to thrive. The development of the call centre produced a collapsed geography as calls were re-routed nationally or internationally to dedicated centres. This was not, it seemed, a new development for mail order, since communications had always been at one remove once the industry had moved beyond the individual agent–customer nexus. But it did mean that agents and customers conversed with operators who worked under increasingly stringent time management. One of the central criticisms of the labour regime in the call centre is that workers are heavily monitored and controlled, the manifestation of which is a forced economy of phone time. Operators are given time limits for each call—or rather expected to respond to a target number of calls per hour. Beyond initial pleasantries, general conversation is frowned upon and callers who seek to establish a personal connection are to be cut short. The data management technologies accompanying call centre systems provide a means of surveillance which the sons of William Kilbourne Kay could only have dreamed about. In a virtual panopticon backed up by powerful and all encompassing work analysis programmes each call-centre worker has an electronic 'Mr Ted' constantly staring over their own virtual personal balcony.

For the customer this new system has heralded the end of the personal experience in mail order, and it has reconfigured the connection between the centre and the periphery. Despite a spurious intimacy characterized by first name introductions when placing an order or making an enquiry, the caller is unlikely to reconnect to the same operator, even seconds later. Indeed, call overflow systems mean that a caller may well be talking to someone literally on the other side of the planet, for example, in the latest and thriving 'high tech' centre such as Bangalore in India. It is well known that call-centre operatives in India watch weather forecasts, videos of popular TV shows, and adopt 'British' sounding names in order to create the illusion that they are speaking from the United Kingdom. Great Universal (Reality), for example, operates one of its call centres in Bangalore, jokingly referred to as 'Bang the Door' by UK call-centre operatives.

Many observers have expressed unease at the forced intensity of labour and high degree of monitoring and control to which call-centre workers are subjected.[77] In many ways call centres now seem to represent what the car industry once represented to a previous generation of left-wing critics, a tarnished paradigm of advanced capitalism, a locus of divided and alienated labour slavishly tied to the production of material excess. Call centres have in many ways moved into the space left by the complexity of a 'post-Fordist' world of production where IT-driven systems have supposedly created a world of mass-customization and 'glocalization'. A myriad of new and more subtle critiques have descended on the call centre, producing a recrudescence of the strident and youthfully pessimistic manifestos of the 1960s.

There is, of course, some merit in the criticisms aimed at call centres, though much of it is overstated and, as with much of the labour process analysis which preceded it, there is little recognition of the space that workers can create for themselves within highly controlled work environments. Call-centre workers interviewed by the authors have indicated that there are ways in which they are able to exercise a degree of control over call rates. In addition, they can choose to chat with callers, or keep them hanging on for no purpose, or simply cut-off those to whom they have taken a dislike, simultaneously communicating with friends via mobile phone text messaging. Call centres also provide readily available low-skilled work and flexible hours in a reasonably pleasant work environment. Workers are aware that they are, in fact, monitored very infrequently in practice. Despite the balanced analysis provided by some researchers, notably Holman and Fernie, there is a tendency to deal with the negative potential of call-centre surveillance rather than the reality.[78]

The important impact of call-centre development has been in terms of the relationship between the customer and the enterprise. Despite attempts to recreate a kind of mass intimacy through the call centre, the effect created is one redolent with distance and anonymity, a cold utilitarian relationship with only an ephemeral intimacy at best. Part of the original connection in mail order between the firm (represented by the agent) and the customer—indeed the very point of the connection in many ways—was to assess creditworthiness or good-standing. By the close of the twentieth century, the facade of personalized, computer-generated mail and the spurious friendship of the call centre masked the emergence of a more distant relationship between the mail order firm and its customers. The very same systems technologies that produced this new configuration also circumvented the need for trust, or rather generated information on trust in an entirely different way. The information asymmetry that was initially reduced so successfully by tapping into the personal knowledge of the agent, was now effectively reduced by credit referencing systems. With the extensive spread of bank accounts, credit card accounts, and loan accounts among all classes from the 1960s onwards, society in Britain, notably working-class society, had effectively compiled a credit database—a profile of itself in terms of creditworthiness. As with so many processes involved in the generation of the twenty-first century shopper, the mail order industry both pioneered and ultimately benefited from this development.

Credit Referencing

We have seen how Freemans developed the 'v factor' in the mid-1960s to automatically assess the performance of their agents. More sophisticated systems emerged from the late 1970s. Empire, for example, in 1979, established its Strategic Credit Scoring System, imported from the United States, where it had been developed by Fair Isaac and Co.[79] This system was based on the analysis of the data from 1,000 'good' agents, 1,000 agents who had 'gone bad', and 1,000 agents chosen at random. The data compared was basically everything the firm could get hold of—whether agents were on the electoral register, whether they had a phone, even whether they had filled in forms using a biro or a pencil. This form of cluster analysis then produced 'a way for you to discriminate between them'.[80] Initially this system incorporated a 'proximity factor' that factored in the proximity of new applicants to agencies that had previously caused the company problems, though this was subsequently discontinued.[81]

In many ways the need for computerized, mass assessment was simply the result of the scale of the mail order companies direct customer base—at this time Grattan alone claimed to have over 500,000 'agents' ordering over 500,000 items per week.[82] Mail order companies soon began to realize that they could defray the cost of compiling these credit score databases, however, by selling them on to other retail companies. In 1984 Empire began to sell the electoral roll on magnetic tape in a format compatible with mainframes at graduated prices—£100 per 1,000 for 10,000 addresses, but as cheap as £6.50 per 1,000 for over 10,000,000 addresses.[83] Empire had at this time an agreement with Great Universal Stores (GUS)-owned CCN to run a fully automated credit application processing system which could be linked to direct marketing. CNN was one of only two major companies in the field and since 1982 had subcontracted its services to other retailers. In 1983 Grattan had launched Laser Mailing Services to cater to the growing direct marketing industry. Two years later the company formed Precision Marketing International, extending its service to providing database information to other companies.[84]

Mail order firms were in an advantageous position compared to other retailers in that they had exact information on their customers and their purchasing profiles. 'They know exactly who their customers are, they know where they live, they know a lot more about them—age and so on—and they know exactly what they have bought.'[85] Only later did High Street shops and supermarkets find ways of capturing this information via the subterfuge of loyalty cards which surreptitiously collated customers' personal details for marketing purposes.[86] Mail order companies may not, however, have exploited the full potential of their position. As Peter Fattorini recalled, Empire had compiled 'a very powerful database and I don't think—certainly by the time I left—that we invested enough in utilizing that'.[87] One thing that mail order companies had developed, however, was the most advanced system of credit referencing for *unbanked* customers, data which other retailers would have the greatest difficulty in compiling.[88]

In conclusion, we can see how mail order companies were, in some respects in the forefront when it came to implementing computer systems at a time when the British economy was seen by many to be slipping behind competitors in terms of modernization. They used computer systems to rationalize all aspects of the firm including office and warehouse processes. To be sure, this was an uneven process. When a merger of Empire and Grattan was proposed in the early 1980s, for example, observers noted that it would make sense since Empire had modern, but underutilized warehouse facilities, whereas Grattan's computer system was deemed to be more advanced and the company was held to possess 'greater management skills'.[89] Mistakes had been made. Freemans, while they had outstripped the pack in terms of computerization through their choice of LEO in the 1960s, bold at the time, locked themselves in a relationship with a fading company in the fading British computer manufacturing sector. Certainly, their dash for growth predicated on a technological comparative advantage left the company in a precarious hand-to-mouth situation for a number of years. It should be restated, however, that the mail order sector did lead the way in the application of computers to business, when the rest of the retail sector was proving slow to respond. While the rest of the retail sector was cautious in terms of 'replacing hunches and casual observation by statistical control'[90] the general mail order companies were forging ahead.

The biggest impact on the mail order industry was the application of computing to the agency–customer relationship. What took place between the 1960s and the 1990s was a general depersonalization of the industry, a disconnection between the firm and the social networks it had originally created or exploited. There were attempts to mask this process, at least in the early years of computing, with bogus personalized correspondence via computerized mailing systems and later through the spurious intimacy of the call centre. Mass personalization was of course necessary as the true agency system was replaced by the individual catalogue shopper, and was facilitated by developments such as credit referencing. Personal knowledge or trustworthiness—the kind which could only be gleaned from, or created by family, neighbours, or work colleagues in the old days, had been replaced by the impersonal data in computer files and by credit scores generated without reference to intimate knowledge. Asymmetries of information were now reduced by an entirely systematized process. In the implementation of this process the social aspect of mail order shopping, whether it be in chatting to friends and neighbours, or in the special bond which developed between the agent and the mail order office correspondent, was swept away for ever.

Notes

1. Derek Daykin, interview.
2. *Freemans' Staff Sentinel*, July 1947.
3. *Littlewoods Organiser*, September 1955.
4. Empire Stores (Bradford) (henceforward ES), *Report on Survey by BTM (Hollerith) for Empire Stores*, 5 August 1954, p. 1.
5. ES, *Report on Survey by BTM*, p. 5.
6. *Freemans' Staff Sentinel*, September 1947; February 1948.
7. *Littlewoods Organiser*, November 1958.
8. The decision to computerize made by the major London-based clearing banks in the 1960s was also driven by labour recruitment problems and the alternative strategy of automating clerical work. See Coopey, R., 'Management and the introduction of computing in British industry, 1945–1970', *Contemporary British History*, 13/3, 1999.
9. Caminer, D., Aris, J., Harmon, P., and Land, F. (eds.), *The World's First Business Computer: User Driven Innovation* (New York: McGraw-Hill, 1998); P.J. Bird, *LEO: The First Business Computer*, (Wokingham: Hasler, 1994).
10. Hendry, J. 'The teashop manufacturer: J. Lyons', *Business History*, 29, 1987, pp. 73–102.
11. Jackson, M., 'Freemans mail order', in Caminer et al., *World's First Business Computer*, p. 263.
12. Jackson, 'Freemans', p. 263.
13. Jackson, 'Freemans', p. 263.
14. Jackson, 'Freemans', p. 265.
15. Jackson, 'Freemans', p. 267.
16. Jackson, 'Freemans', p. 268.
17. Jackson, 'Freemans', pp. 269.
18. Peter Fattorini interview; *Management Today*, November 1982, p. 87.
19. *The Times*, 1 June 1965; 8 April 1967; *Sunday Times*, 10 April 1966.
20. Jackson, 'Freemans', p. 272.
21. Coopey, 'Management and the introduction of computing'. An indication of the way in which the world of computers was seen as a new realm, not subject to the established conventions, was evident in the early 1960s when Grattan recruited a 24-year-old graduate direct from the London

School of Economics in the early 1960s to undertake a feasibility study into computerization. 'Not for him the long and established business of doing a stint in every department of the business.' *GS*, p. 179.

22. Grattan PLC (Bradford) *Grattan Story* typescript (henceforward *GS*), notice on the installation of an electronic computer, 13 October 1961.
23. *Bradford Telegraph and Argus*, Special Supplement, 11 February 1968. Harold Wilson, in his famous 'white heat of the scientific revolution' speech at Scarborough in 1963, alluded to a world where workers might be controlled by automated technology. See Wilson, H., *Purpose in Politics* (London: Weidenfeld and Nicolson, 1964), p. 3. The hyperbole surrounding computer power also frequently encompassed rather meaningless attempts to suggest understandable comparators. The Freemans' LEO computer, for example, was described as using sufficient magnetic tape to stretch from John O'Groats to Land's End, and generating six miles of paper printout every day. *The Times*, 28 January, 10 May 1965.
24. *GS*, p. 180; *The Times*, 14 May 1962.
25. Such was IBM's position and reputation that it soon became a popular adage that 'no-one ever got the sack for buying IBM'.
26. For a discusssion of the increasing paranoia surrounding the US dominance of the computer industry see Servan Schhreiber, J.J., The *American Challenge* (London: Hamish Hamilton, 1968).
27. *The Times*, 30 April 1971.
28. ES, Agreement for IBM Machine Service, 13 December1968; KHC, Kay & Co., Board of Directors, 31 October 1967; also Mills, B., *Kays of Worcester: A Pictorial History of the Mail Order Company* (Worcester: FLAG Publishing Ltd, 2003), p. 33.
29. ES, *Annual Report*, 1968.
30. ES, *Annual Report*, 1982.
31. Beaver P., *A Pedlar's Legacy: The Origins and History of Empire Stores 1831–1981* (London: Henry Melland, 1981), pp. 99–100; Coopey, 'Management and the introduction of computing', p. 66.
32. Beaver, *Pedlar's Legacy*, p. 100.
33. *The Accountant*, 19 October 1978, pp. 525–6.
34. ES, Board of Directors, 11 November 1975.
35. ES, Board of Directors, 14 September 1977.
36. Peter Fattorini interview.
37. Peter Fattorini interview.
38. ES, Board of Directors, 14 September 1977.
39. ES, Board of Directors, 9 June 1976.
40. Coopey, 'Management and the introduction of computing'.
41. R. Newman, 'Mail order: the impact of the computer', *Retail and Distribution Management*, 3(2), 1975, p. 7.
42. *The Times*, 24 March 1970.

43. *The Times*, 24 March 1970.
44. Peter Fattorini interview.
45. Peter Fattorini interview.
46. Gill Wilson interview.
47. Campbell-Kelly, M. and Asprey, W., *Computer: A History of the Information Machine* (London: HarperCollins, 1996); Campbell-Kelly, M., *ICL: A Business and Technical History* (Oxford: Oxford University Press, 1989).
48. Gill Wilson interview.
49. Gill Wilson interview.
50. *GS*, p. 85
51. Grattan, *Our Story So Far* (Grattan Warehouses Ltd, Bradford, 1987), p. 28.
52. Jackson, 'Freemans', p. 270.
53. Economists Advisory Group (henceforward EAG), *The Future of Mail Order in Britain*, May 1979, p. 73.
54. *The Times*, 1 May 1967.
55. Monopolies and Mergers Commission (henceforward MMC), *The Great Universal Stores PLC and Empire Stores (Bradford) PLC: A Report on the Existing and Proposed Mergers* (London: HMSO, 1971), para. 3.20, p. 22.
56. EAG, *Future of Mail Order*, p. 105; Beaver, *A Pedlar's Legacy*, p. 105–6.
57. Peter Fattorini interview.
58. Grattan, *Our Story So Far*, p. 30.
59. Newman, 'Mail order: the impact of the computer'.
60. ES, *Computerisation and Security Report*, June 1975.
61. ES, *Computerisation and Security Report*, June 1975.
62. Gill Wilson interview. As a punishment, the computer operators were made to put thousands of apology letters in envelopes.
63. Derek Daykin interview.
64. *GS*, p. 21.
65. *GS*, p. 24.
66. Derek Daykin interview.
67. [Littlewoods], 'Mail Order Facts and Statistics', Undated, Liverpool Local History Library, p. 10.
68. Newman, 'Mail order: the impact of the computer', p. 10.
69. *The Times*, 26 January 1971.
70. *Marketing*, September 1970, pp. 55–7
71. MMC, *GUS and Empire*, para. 2.47, p. 16.
72. ES, Board of Directors, 24 September 1981.
73. Peter Fattorini interview.
74. Grattan, *Our Story So Far*, p. 8.
75. *Retail and Distribution Management*, 10/5, 1982, pp. 71–2.
76. *Bradford Telegraph and Argus*, 19 September 1995.
77. 'Are call centres the new sweat shops?', *Independent*, 14 January 1999.

78. Holman, D. and Fernie, S., 'Can I help you? Call centres and job satisfaction', *Centrepiece*, Spring 2000; Fernie, S., 'Hanging on the telephone', *Centrepiece*, Spring 1998.
79. This system was imported from the United States under an agreement with Barclays Mercantile Industrial Finance. Empire installed a dedicated mini-computer to run it, at a cost of £100,000. ES, Board of Directors, 1 February, 14 June 1978; ES, *Annual Report*, 1979.
80. Peter Fattorini interview.
81. Peter Fattorini interview.
82. Grattan, *Our Story So Far*, p. 6.
83. ES, *Annual Report*, 1984.
84. Grattan, *Our Story So Far*, p. 4.
85. Peter Fattorini interview.
86. This reluctance by British firms to take advantage of computing developments for marketing purposes did not go unnoticed at the time. See, for example, 'Marketing's cautious steps in computers', *Marketing*, September 1970, pp. 55–7.
87. Peter Fattorini interview.
88. MMC, *GUS and Empire*, para. 2.47, p. 16.
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7

The Second Home Shopping Revolution

The mail order industry established home shopping at the end of the nineteenth century. By the end of the twentieth century the mail order industry had gone through a series of radical changes. The relationship between the customer and the enterprise was now mediated by a new connectivity—an impersonal and systematized computer-driven regime now moved goods and assessed credit, replacing the old fusion between the social network and the firm. Just as this system was finding its feet, however, a new phase of home shopping emerged—radically different in form, and trumpeted by many as a fundamental revolution in the way that not just retailing, but the entire world of commerce would be swept up and reshaped.

Net shopping, etailing, e-commerce, and a host of other epithets were applied to the new economy, driven by technical factors including the ubiquity and scale of computer power, personal computer ownership and networks, and the growth of the Internet. Institutional and financial developments also play a part in the story, including changing payment and credit regimes, waves of investment, often venture capital, in new enterprises, and so on. Changes were also shaped, or reshaped, by social and cultural factors including the demographics and aspirations of the late twentieth century urban life. In many ways this chapter is about fracture. One might suppose that companies which had led the way in the logistics and methods of home shopping would be in a good position to spearhead the new revolution. In fact the traditional mail order firms found themselves reacting to events, taking advantage here and there but in no way central to the development of the e-commerce revolution. In this chapter we will, therefore, outline the complex processes which sparked the 'revolution' in retailing and assess the depth and nature of its impact, before exploring the place of the traditional mail order firm in this new world of shopping.

Technologies and Cultures

The development of Internet shopping cannot be understood as a simple linear history tracing the technological evolution of the Internet itself. While this is doubtlessly important, and deserves some consideration, many other tributary technological and economic developments need to be traced. The history of the Internet itself is fairly well-known. The story can be told from the perspective of seminal innovations or the individual 'pioneers' involved, for example, the development of packet switching software, or the meteoric success of enterprises such as Cisco, the server pioneer. There is also a story of the institutional context in which the early Internet grew. It is very well known that the Internet was primarily established by the American Advanced Research Projects Agency (ARPA) as a multi-nodal defence communications network capable of withstanding a nuclear attack on the mainland United States.[1] The World Wide Web grew from academic communications aspirations at CERN, the international subatomic particle physics research establishment. Through a combination of military research and development, venture capital driven private, national, and international enterprises, individual enthusiasm, and eventually, mass participation, the Internet was gradually transformed into a global information and business entity.

Another interlinked, and equally important technological history, can be traced in terms of the computer itself, of course. We have seen in the previous chapter how mail order companies were affected by the development of the computer, indeed forming part of a pioneering group of enterprises in the development of some early applications. Mail order used the mainframe and its predecessors to rationalize and control a range of managerial, logistical, accounting, and agency processes. They also led the way in real-time computing, the networked personal computer (PC), and the telephone–VDU (Visual Display Unit) reconfiguration of customer–stock interaction. But there is a wider history of computing generally, and the PC in particular, which is important here—the development of home computing. There has been an accumulation of computer power in the hands of the customer as opposed to the retailer, which in some respects has extended the link between the customer and the stock to its ultimate extent. Media convergence, particularly image technologies—the development of JPeg software, for example—has also placed the catalogue into real-time and revolutionized the customer's ability to locate and compare products.

As with the Internet, the PC story is now fairly well-known. Again the pioneers are there—computer nerds turned billionaires—such as Bill Gates, Steve Wozniak, and Steve Jobs. The development of the PC can perhaps be best understood in terms of industry technology life cycles—where an innovation reforms a sector in such a way as to allow, in the early stages at least, the opportunity for entrepreneur/technologists to form extremely rapidly growing companies and establish a major presence 'overnight' in terms of normal economic development. Indeed the early phases of PC development were stacked in favour of the small company and the individual innovator/entrepreneur (a point to which we shall return with the discussion of mail order companies and e-commerce). The first PCs were for enthusiasts. Machines such as the Altair 2000, which Jobs and Wozniack used to kick-start their Apple enterprise, had no real applications to begin with—it was enough for computer buffs simply to have something relatively powerful to programme.

The PC also has an institutional history of course. IBM, the giant of mainframe computing from the 1950s to the 1970s came to realize that the PC market pioneered by Apple was fast becoming the major global presence we now recognize. Apple had successfully developed, or provided a platform for useful and interesting applications such as word processors and spreadsheets—the latter boosted by the leap in innovation of the mouse and graphic user interface.[2] In a software partnership with Bill Gates and Microsoft, and hardware partnerships with equally meteoric growth companies like processor manufacturer Intel, IBM produced its own PC range. This eventually set the pattern of scale and market penetration which re-established the large corporation in the PC world, and paved the way for the eventual dominance of Microsoft in the applications sector, for example.[3]

The spread of the PC was also created by, and itself partly generated, a social revolution. Initially computers were a separate thing—understood first by scientists in the laboratory, then by a priesthood of technocrats in the firm, and later by a dysfunctional group of 'nerds' in the bedroom. Gradually the PC crept into the real world, into ordinary homes—tentatively at first, as a curiosity, or as an icon of social status. PCs, though marketed under the banner of education were mostly used for games and by ephemeral, enthusiastic users laboriously grappling with household accounting programmes. British schoolchildren of the 1980s were guided through the basics in operation and programming and overfed on a diet of redundant information on how to reboot a BBC micro, as the government bought into the idea of a brave new IT world where the computer literate society would race down what was later to become the information superhighway. Not to put all your educational eggs in the IT basket was to risk being left in the dust of economic history. It would be a simple story if this process could be seen to create a generation of computer users, who went on to have the confidence and ability to power the Internet shopping revolution, but there is no evidence to support this. Rather the PC infiltrated the domestic environment of all ages and educational backgrounds, moving from workplace familiarly to home, crossing generations in a slow but remorseless fashion and boosted by an exponentially increasing power and range, coupled to a largely static, or falling price.

The key development into the 1990s was the convergence of the Internet and the home PC. This gave the thing a use. A combination of curiosity and function produced a range of uses from commercial to non-commercial information sourced on the Internet, via email and in chat rooms, and, of course a new, and effective means of shopping. The consolidation of image software was accompanied by exponential rise of computer power, following Moore's Law. By the start of the 1990s an average household PC could command vastly more processing power and memory than the most powerful commercial mainframe of the 1960s. The exponential growth rate of the Internet PC may support at least some of the hyperbole which has accompanied it. As one US observer noted, 'For the radio it took 38 years to be in 50 million households; television sets took 13 years to be in the same number of households; personal computers 16 years and the Internet five.'[4] These trends are not dissimilar for the United Kingdom, and proportionally they may be even more pronounced. At the start of the year 2000 the number of websites being created every day was approaching 4,000 adding to a total stock approaching four billion. Of course, many of these sites were not commercial entities and many were redundant, but the growth in retail sites tracked the overall trend in expansion. Nearly half of all the households in the United Kingdom would have a PC by the end of the millennium.

The success of the Internet was built on a hierarchy of new companies, large and small. Growth companies emerged at the centre to service and facilitate the Internet itself, rapidly becoming large-scale enterprises. Microsoft, Netscape, Cisco, etc., were accompanied into the market by service providers such as AOL, Yahoo, and Freeserve. Added to this were interventions from more established mainstream telecommunications companies like British Telecom (BT). But there also emerged a myriad of small entrepreneurs building businesses around websites, some of which seemingly offering the possibility of overnight success. The apparent success of some of the early Internet companies, added to the hype surrounding the forecasts of a new shopping regime.

As we have seen in the previous chapter, predictions of a new social and economic paradigm, based on a new wave of technology—in this case IT—were persistent from the 1960s onwards. In the 1990s these, albeit unrealistic, expectations spilled over into the investment sector fuelling one of the periodic booms for which British finance capital is renowned. In many ways the success of early Internet companies was predicated on the investment environment in which they prospered. This process was by no means limited to Britain, but in the case of Britain the boom in dot com companies represented a happy (for some) convergence of technological development and economic ideology. The development and growth of popular adoption of the Internet coincided with a period when new-right, market forces, economic ideology was consolidating its ascendancy. The Schumpeterian innovator-entrepreneur was held to be at a premium and the net-entrepreneur seemed to fit the bill perfectly. To be sure there had been many phases of intense speculation in new technologies or systems in the past, from the canal and railway booms of the eighteenth and nineteenth centuries to the more recent IT and biotechnology booms of the 1970s and 1980s. Indeed such waves of speculation and readjustment could be said to be one of the defining features of the capital market-based sector of the British finance economy. The boom in the United Kingdom was partly fuelled by the events during the 1980s when single product and niche companies—Sock Shop, Bodyshop, and so on, encouraged the idea of home-run investment, which would cover venture capital invested in risky and ultimately failing ventures. Investors were thus carried away on a wave of optimism and inflated predictions concerning the growth potential of Internet trading companies. This meteoric growth was fuelled by the continuing boosterism emanating from the burgeoning venture capital sector of investment banking, which had continued to grow exponentially since the early 1980s. Investors ploughed increasingly outlandish amounts of investment capital into the sector, seeking out and hyping almost any nerdy kid with a knack for website construction and a niche retail sector to create or target. On the face of things this seemed to many a foolish investment environment to get involved in, since it was so obviously a bubble waiting to burst. Looked at in a less emotive way, however, it made perfect sense to invest in these companies and schemes, since the secondary market in shares, as long as it kept rising, would produce returns. The trick, in this game of financial musical chairs, was to make sure you were not standing when the market turned.

In many of the new retailing companies which emerged on the Internet at this time the essential core competence was judged to be a general knowledge of the Internet itself and of website construction in particular—over and above a need for traditional knowledge of retailing. Here we see one of the first difficulties for established mail order firms—they were neither the darlings of the speculators in the City, nor did they have the specific competence of website construction—despite their long-term heritage as computer users. They were not alone in this respect. The tendency among virtually all large firms at this time was to buy in IT expertise and nascent IT companies wholesale—often leading to organizational culture clashes and what were later recognized as rash purchases of new companies for inflated prices.

In this uncertain and pioneering environment Internet retailers began to emerge in increasing numbers, and they soon developed a range of advantages over traditional mail order enterprise. For companies involved in selling through the Internet the development of server technologies linked to personal computers with modems powerful enough to deliver images, even in the pre-broadband environment, created not so much a virtual store as a virtual catalogue. This was a catalogue of a different order, both for the compiler and the user. Though not given to the same level of serendipitous browsing as a traditional catalogue, the new virtual catalogues were instantly updateable. This meant that sites could track fashion changes and new product introductions almost instantaneously. The website was also much cheaper to produce and infinitely cheaper to distribute. Since the customer had simply to log on rather than obtain a catalogue, the website in effect had an infinitely elastic cost—one or ten million 'issues' cost the same to produce. It was not merely new Internet companies which took advantage of this new techno-retailing and techno-marketing environment. Many established retailers began to set up Internet sites of their own, so-called 'bricks and clicks' companies being drawn into mail order by the promise or competition engendered in the new selling medium.

Before we examine the growth of Internet retailing in more detail, another important determining factor, often neglected in the history of net shopping, requires analysis. The development of credit and payment systems was a crucial enabling factor. The credit and debit card in particular provided a transaction capability without which Internet retailing could not function. But these cards served a double purpose, acting simultaneously as a means of payment, and a verification of creditworthiness. Just as the big companies in mail order tapped into the world of the credit accounts to construct their credit referencing system, so Internet retailers generally could 'piggy back' on the credit referencing of card companies.

The ability to make non-cash transactions has its own history, from the development of the postal order to the bank account and, most importantly to the credit and debit card. While traditional mail order dealt in cash—handled initially through the agency system—the Internet was predicated on the widespread existence of an 'accountised' society.[5] From the 1960s onwards the bank account changed from being the preserve of the middle classes, to a service expected by the working class in Britain.[6] This process was accelerated by the metamorphosis of 'traditional' working-class deposit institutions—the Building Societies—into (mostly demutualized) competitors for the major High Street banks in the 1980s.

This development of the culture of popular banking in Britain was paralleled by the rise of the credit card and later debit card and the consequent ability to make paperless payment. Here again we can see the development of systems initially used or indeed pioneered *within* mail order being adopted on a broader scale and driving a change in general retail culture. In this case the development of computing power and scope, for example, real-time systems and network technologies enabled instant connection between the point of sale and bank or credit card accounts. From the 1960s onwards pundits began to predict the advent of the 'cashless society', and they have been perennially proved to be premature in their prediction, but the spread of 'card culture' in Britain has been among the strongest in the advanced industrialized world.[7] By the 1990s a wide range of payment methods had become available to mail order shoppers including direct debits, credit and debit cards, and cheques. Cash, on the other hand had become an increasingly marginalized form of payment, again marking the fundamental shift away from both the need for and the function of the personalized, cash-based agency system. The personal shopper system had effectively replaced the agency structure and all it stood for. More recent developments originating in the burgeoning Internet auction sector have provided a new dimension to the system of credit and debit card payment. Intermediary companies such as Paypal and Billpoint have enabled individuals to transact with other individuals via their credit card—essentially democratizing the banking and payment system.

Another key group of technologies in the process of establishing a functioning e-commerce environment are those related to security—whether in terms of combating the ubiquitous virus, or to guard against theft or fraud. In terms of the latter, developments were partly driven by the growth of telebanking, electronic funds transfer at point of sale (EFTPOS), etc. Here the successful development of encryption software was one of the foundations of the new economy. Again we need to observe two processes at work—the technological and the social. The first is a history of encryption of information including the breakthrough idea of 'key and safe' transmission. The second stage of this process, equally if not more important, is the acceptance that a safe environment exists—the belief that first card transactions, then Internet transactions are secure.

There was always a degree of trust involved in mail order. Initially this trust revolved around the description of goods for sale and its accuracy. Later the branding of goods also guaranteed a level of quality, alongside the reputation of the mail order house when it came to own branded goods. Also, of course the element of trust related to the agent—the personal contact, both in terms of quality of goods and returnability, but more importantly in terms of money—cash paid to a personal acquaintance.[8] E-shopping, in its early days at least, seemed very different. The Internet introduced a fundamentally new level of uncertainty. Whereas customers were gradually acclimatized to credit and debit card payments where personal contact, signatures, etc. were involved, Internet transactions created a heightened sense of insecurity—releasing account information into cyberspace, a world inhabited by an unknown number of virtual Artful Dodgers, requiring a leap of faith for every customer involved.[9] But, this leap of faith was eventually taken *en masse*. As the culture of Internet transactions has taken hold and the ubiquity of credit and debit card transactions have become popularly accepted as secure, the volume of such transactions has expanded. In spite of the growing trust in Internet transactions security does remain a problem, and while the current spread of chip cards and pin number identification protocols at the checkout will eliminate the possibility of 'skimming' and cloning which has begun to plague the magnetic-stripe credit card, Internet transactions will continue to have security problems in terms of stolen identities. In many ways shoppers are correct to be wary, since the scale of theft is potentially very high. Thieves in this process are more akin to bank robbers than burglars or muggers. Theft of credit identity provides access to funds up to and often beyond credit limits—the theft of potential rather than real wealth. In the majority of cases banks retain liability—another factor in easing the anxiety over insecure transaction environments. Despite this acceptance of liability, British banks have been surprisingly lax in taking meaningful steps to make transactions less vulnerable to fraud, lagging behind European initiatives such as chipped cards, for example.

The factors discussed above provide a general context, or convergence of technologies and cultural acceptances within which Internet shopping was eventually to consolidate a presence in the retail universe. Before all the pieces of the jigsaw were in place, this new form of shopping could not thrive. Predictions of the activities of future society based on a trajectory of technology alone will always be one-dimensional and reductionist in nature. As we have seen though, predictions often convinced many that some form of teleshopping was about to take off, and there were in fact a series of false starts, where investors and enterprises, including the major mail order retailers, tried to ensure that they were in at the start of the new revolution.

Perhaps the best analogy between the capability of a technological system exceeding its predicted implementation is that of the related area of teleworking. A constant stream of predictions about the ways in which the 'electronic cottage' would be the centre of work experience accompanied the development of the computer and communications technologies from the 1960s onwards.[10] That this has failed to materialize is evident at the most basic level given the ubiquitous and persistent traffic jams which plague Britain in the twenty-first century. The failure of teleworking has been put down to the need for capitalist enterprises to monitor and supervise work. This argument no longer carries any weight, however, since the new communications technologies which created the opportunity for the growth of teleworking now carry within them a range of sophisticated monitoring and analysis tools—as have been applied to, for example, supermarket checkouts and call centre operatives. The real reason for the failure of teleworking lies in a range of complex social and cultural inertias—which exist throughout the hierarchy of enterprises.

The False Dawn of Electronic Shopping

Despite the failure of teleworking predictions, and the evident social and cultural inertias involved, a considerable effort was still made in the early attempts to construct a base of shoppers using computer networking and related advances in technology. These early experiments in telematics-based shopping were always doomed to be marginal initiatives—often led by the technological capacity to set up a system and the forlorn hope that social enthusiasm would follow. Enthusiasm for the 'new technology'[11] and a new system of mail order shopping—or at least home shopping—was seemingly irrepressible, particularly into the mid-1980s, and did drag the mail order companies in. As one contemporary study noted, 'the mail order industry is set to be revolutionised with new technology playing an important part in the revolution'.[12] This particular enthusiasm was centred around the development of videotext—the interactive television data systems which appeared in the 1980s. The main systems which emerged were

BT's Prestel system and the teletext services Oracle and Ceefax. The latter were delivered through integrated TV technology whereas Prestel required a separate unit connected to the TV.

As predictions for the success of this new style of shopping began to gather pace, the mail order companies were judged the most likely to be in the vanguard. In fact the 'new technology' was held to be the saviour of this sector, finally extending their technological rationalization to the point of sale. 'Both types of videotext system seem to promise the prospect of rejuvenating the mail order houses. They have spent heavily in the last few years on customer databases, on specialized and automated warehouses, and on new delivery systems. Videotext offers the hitherto elusive new ordering system that they have been looking for.'[13] Prestel had actually been around since the late 1970s, and was at the time the largest public 'viewdata' or 'videotext' system in the world.[14] Mail order was predicted to succeed in spite of the fact that forays into this new system by other retailers had signally failed, never attracting participant levels even approaching predictions, and failing to recoup start-up investment. This failure was seen partly as a result of the cost of placing orders through the telephone system, but also, it was soon realized that the schemes would only appeal to a few dedicated enthusiasts. An additional drawback was the lack of visual information. Pictures transmitted were expensive and were not of very high quality.[15]

Telematic shopping experiments also began to be established on a regional basis for some niche groups, though again with limited success. Disabled and elderly consumers were targeted by some schemes, jointly run by local authorities and retailers in parts of northern England. A notable example of this trend was the Gateshead Shopping and Information Service, set up in 1980. Tesco was an early participant in these schemes—a precursor to the company's pioneering efforts in Internet grocery shopping. They were involved in the Gateshead scheme and a similar operation in London, in co-operation with Southwark council.[16] These schemes were primarily for grocery shopping, but proved costly to run and ultimately a failure, though social service-based initiatives did fare better than straightforward commercial ones.[17]

There were several private, self-contained shopping schemes promoted during this period, including Midlands Club 403 and the Telecard Supershop. The latter, established in 1983, ran through the Prestel system and was targeted at the other end of the retail spectrum—the comparatively well-off of central London.[18] It too failed to generate a customer base anywhere near predictions and was closed down after less than two years in operation. Some of the speculative teleshopping initiatives involved IT entrepreneurs attempting to diversify into the retail business. Chris Curry, for example, one of the founders of the Acorn computer company, co-founded Keyline in 1989, a teleshopping and information service inspired partly by the success of the Minitel system in France. Minitel was a nationwide initiative, based on the free distribution of several million terminals and reflecting a combination of French 'techno-nationalism' and a continuing affinity for quasi-centrally planned economic and social projects. The system, launched in 1982 and by far the largest of its type in the world, continues to offer retail and information services via computer terminals connected to the phone system. The Keyline initiative in Britain also proposed to distribute free terminals, though again imaging was the real barrier to progress—the terminals would only have a four-line LCD (liquid crystal display). To solve the image problem suggestions were made that video catalogues could be downloaded overnight to video cassette recorders (VCRs) connected to unused BBC channels.[19] In a similar vein, later, marginally successful initiatives were made to circulate catalogues on CD-ROM disks. Freemans were one of the mainstream mail order companies to explore this new version of the catalogue.[20] Here we can see the nascent teleshopping industry, in its many guises, stumbling towards a kind of media convergence. The problem was insurmountable, however. The gaps between systems and technologies were far too great to overcome. Later, increased computer power, refined technology, and multimedia convergence would provide an altogether different environment.

Better results were predicted for the introduction of cable-based TV shopping systems which came into operation at more or less the same time. These were, however, slow in getting established—and again fell short of expected customer numbers. This was partly because predictions were based on comparisons with the United States, where the use of cable systems and their constituent shopping channels was much more widely established. The Home Shopping Network in the United States had seen revenues grow from $10 million in 1985 to $600 million in 1987, for example.[21] Later experiments sought to utilize dedicated cable systems to deliver a vast range of shopping and entertainment to connected homes. In 1995, BT, for example, connected 2,500 homes in Colchester to a 'video on demand' system providing shopping, banking, and local information in addition to a potential 1,200 TV channels. Users would, 'compared with the rest of us, dwell in a paradise of choice'.[22] It was satellite TV, however, which would alter the balance in this respect, and indeed for niche shopping channels, would eventually make a significant impact on the retail market, if not seriously challenging mainstream mail order companies and later Internet-based retailers.

Despite all these initiatives the revolution in shopping habits had failed to materialize in any meaningful way. The major mail order companies, however, had been swept up in this failed revolution, and the experience of this may have influenced later reluctance to get involved in Internet shopping. Some observers thought that the failure of mainstream retailers to utilize the new technology had in fact represented an opportunity for mail order. One commentator noted in 1988 that 'the teleshopping fraternity is in a thoughtful mood at present. Mainstream retailers have been sent back to the drawing board by the disappointing performance of their own services, and mail order companies have taken advantage of the situation to show what they can do using the same limited technology.'[23] Littlewoods launched their 'teleshopping' system on Prestel.[24] Kays also had a Prestel system which allowed agents to order and confirm the availability of goods, make payments, and send text messages. Results were disappointing, however, with only a 'tiny proportion' of agents subscribed to the system.[25] Kays blamed the slow spread of the Prestel system itself for the poor performance, but, as we shall see, the real problem lay in the general lack of a changing social paradigm, a network of broader social contexts which would usher in a true teleshopping system.[26]

Internet Shopping Consolidation and Growth

Despite these false starts, the Internet did eventually emerge as a viable retail arena and the first true teleshopping environment. The success of Internet trading companies, such as bookseller Amazon.com, initially rested on the ability to describe goods accurately, provide images, or exploit a familiarity with the product. Just as traditional mail order companies built on the branding of goods, which conveyed knowledge of trust and quality where an item could not be directly examined, or stood in as a quality arbiter in terms of their own inspection regimes, so too the most successful Internet traders were those which could rely on customer brand information, or pre-existing knowledge of products. It is no fluke that Amazon.com was the most prominent of the early successes in this sector of retailing since, in addition to its functional advantages—24 h shopping, low overhead, information support and enhancement on the site, and so on—the basic foundation product, that is, the book, is fairly generic in terms of the good itself, the quality of the print, etc. Knowledge of the contents can be conveyed, or gleaned from a myriad of other sources. The purchaser can be fairly confident that a book from Amazon will be the same as a book from the High Street.

In the initial stages of Internet retailing, in the 1990s, when companies like Amazon.com were becoming established attempts to construct 'virtual malls' or 'portals' on the Internet began to emerge. This process was an attempt to exploit a general unfamiliarity among Internet users with the process of searching and also an attempt to establish a sense of security.[27] Because of the amorphous nature of the communication technologies involved, the process drew in some ostensibly disparate participants including banks, security companies, and media enterprises—all scrambling to get a foothold in the new sector. In 1996, for example, Barclaycard set up Inigo Square, a virtual shopping mall containing a collection of major High Street and some smaller retailers including Argos and Nevada Bobs' growing golf equipment franchise. In contrast, the BBC also entered the arena in the late 1990s after a report outlined that the corporation was failing to make the most of its online services. Julian Turner, chief executive of Beeb Ventures, stressed ideas of reliability and trust—still seen as an important factor in the uncertain world of cyber shopping. 'The idea is to establish the brand with the message that there is a degree of safety and a certain naturalness about doing e-business with the BBC.'[28] A further indication of the initial distrust of Internet shopping particularly in terms of credit card security can be seen in the establishment of 'gatekeeper' sites such as Securicor's Safedoor.co.uk site which was designed to act as a secure pathway or filter for Internet transactions. Advertisements for Safedoor actually promoted the idea of the Internet as an insecure environment. In one advert, for example, a couple were depicted giving all their credit card numbers, house content details, alarm system codes, etc., to a random taxi driver.

If the idea of virtual malls was an attempt to echo the real world, other aspects of Internet shopping have been wildly divergent from traditional norms. The Internet has generated new or adapted forms of shopping enterprise, and to some extent has lived up to the dream of a democratized virtual community of ideas and economy. Some initiatives have been based in a revolution in shopping habits. Letsbuyit.com, for example, was an interesting hybrid of co-op and auction house, which sought to provide buyers with an almost wholesale economy-of-scale buying power. The system basically offered goods in a series of price bands—the greater the number of buyers, the greater the discount on the price. Buyers were encouraged to engage in a kind of supportive group activity to ensure the lowest price. TV shopping–Internet hybrids also emerged, including a number of auction companies. Bidup TV, for example, offering itself as a game show concept—inviting shoppers to participate with the phrase 'lets play bidup'—essentially imposed an auction mechanism to existing TV sales shows techniques.

The latter probably owes its origins to the often copied but as yet unequalled success of eBay.com, the US Internet auction site which has now become a global entity. eBay represents a true innovation in Internet selling and, in some aspects a very close approximation of the ideal of a democratized economy. The original concept of eBay is quite simple—sellers describe goods, may set a reserve price and set the time for the auction to run—usually five to seven days. All buyers and sellers must first register with eBay before offering goods for sale or placing a bid. When a bid is placed the system automatically scales to the next highest increment, therefore bidders can simply place their maximum bid and watch the bidding process—or can make a range of interventions, increasing their bid as necessary.[29] The eBay site offers a wide range of support facilities to enable the monitoring of selling and buying, provides contact and feedback systems to enable the compilation of customer profiles, and incorporates insurance against fraud. The system grew to be immensely popular in the United States and has evolved into an arena for a myriad of businesses. 'Power-sellers' comprising fairly substantial retail businesses now operate through the eBay system often selling new, rather than used items.[30] The scale of transactions has also grown and it is not uncommon for houses or businesses to be sold through the system.

The Internet has also created a platform for a global retail economy in some sectors of the market. Certain products, usually small and easily packed and transported, have formed part of an international system of supply. CD and DVD mail order companies, for example, frequently source and supply disks from the Far East and Australia, and ship them through Hong Kong to Europe. The discounted original price and volume postage arrangement, together with the standardized packaging, and reluctance of customs to impose charges on a comparatively inexpensive product, means that such suppliers can compete very effectively with inflated High Street CD and DVD prices in Britain. The irony here is that the days of the CD and DVD are numbered, as music and video retailing is set to become totally virtual within a few years. Music and films will be increasingly downloaded for a fee from retailing websites—the next extension of the technology which created the original e-tailing companies. Whether these companies can evolve into fully virtual stores remains to be seen.

Just as these new forms of retailing have developed through the medium of the Internet, so too have traditional shops picked up on the new phenomena—either as a marketing tool, or as a mail order adjunct to their business. 'Ordinary' retailers soon realized the value of Internet shopping and began to set up their own websites in support of their traditional shops. These 'bricks to clicks' enterprises now include virtually all the major High Street retailers—W.H. Smiths, Boots, Next, Marks and Spencer, Dixons, John Lewis, and so on. Occasionally these new endeavours were treated as discrete enterprises even to the extent of being funded by venture capitalist investors and promoters. The Body Shop, for example, teamed up with Softbank Venture Capital in the United States to launch its Body Shop Digital website, based in Seattle, to sell to the US market. These retailers usually provide a discount as an incentive for purchasing from the net, to reflect the minimization of clerical effort involved in transaction processing—or rather the displacement of clerical effort onto the customer.

The major growth in Internet retailing in Britain and elsewhere has been in the service sector. In many ways this represents the perfect virtual business since no physical delivery needs to take place and the 'product' itself can be delivered through the Internet.[31] Enterprises such as Direct Line, the insurance group founded in the mid-1980s, though it began as a phone sales company, provided the template for the successful Internet service company—meteoric growth predicated on an exponentially expanding customer base served from a comparatively low cost and rapidly expandable IT core. The final stage in the process came when the company was bought by the Royal Bank of Scotland, realizing a very large fortune for its founder. The large number of Internet retailers are, of course, telephone retailers as well, and predicated on the growth of the (international) call centre, discussed in the previous chapter. Most offer discounts for Internet purchase, in recognition of the lower cost of this method of transaction—the purchaser again in effect becoming the data processor, or equivalent of the call centre operator, keying in all required information.

Other near-service companies—airlines, travel agents, car-hire firms, etc.—also became a feature of the Internet boom. The key here is the advanced nature of the purchase involved. The key transaction takes place in terms of securing and paying for a booking, not the actual product—which is consumed at a later date. The booking as a transaction can again be delivered on-line, making the Internet the perfect medium in which to do business, providing all the credit and trust environments have developed accordingly as outlined above. Indeed the Internet has provided the perfect medium for a rapid market clearing of stock. Specialist companies such as Lastminute.com have emerged to exploit this opportunity. A vacant airline seat becomes worthless once the plane has taken off. At this stage a price tag of £1, though seemingly derisory represents £1 of profit. It was very soon realized that the Internet could provide the ideal marketplace to advertise and sell these very ephemeral goods. In some respects the growth of the low-cost airline sector owes at least part of its success to this process—though they operate a sophisticated projected sale/discount system, and there are many other elements, contextual and entrepreneurial, to explain the rise of the 'no-frills' sector of this industry. The other sector to see major growth based on Internet provision, perhaps the exemplar of Internet trading, is the pornography industry. Again able to provide a 'product' via the net, since the advent and improvement of image technologies and the speed of delivery, the pornography industry, in Europe and the United States, has seen an exponential, if yet inaccurately quantified growth. It has also created profound problems in terms of national and international regulation and control.

As the Internet emerged at the centre of a more viable cluster of technologies, software, and infrastructure enterprises, so predictions again began to take flights of fancy in terms of the extent of usage. This was partly linked to the boosterism which characterized the bubble of Internet enterprises described above, but it went deeper than this. In the event it represented another false dawn—though only by a few short years. Realization that the promised growth of Internet shopping was proving somewhat over-ambitious began to filter through to mainstream commentators in the mid-to-late 1990s. Mail order continued to be a buoyant, even expanding sector, bringing in more and more conventional retail chains such as Marks and Spencer, but Internet shopping was not sweeping all before it. One firm of analysts noted in 1998 that 'even with six-fold growth over the next five years, the Internet will still have made very little impression on the huge traditional and new mail order operators'.[32] With only £15 million worth of sales on the Internet in 1997, analysts were still pointing out that the Internet was lagging behind even TV shopping channels in terms of revenue. The *Guardian*, for example, began to push the line that the Internet selling had been hyped. The paper, in a report highlighting research by Hillary Monk for Corporate Intelligence on Retailing, quoted the author as saying that 'consultants and information technology specialists "with their own agendas to push" have wildly overstated the potential of Internet shopping'.[33] Similar scepticism emerge elsewhere. The *Daily Telegraph* began drawing an analogy between the Internet and that other perennially hyped epoch-making technology, the electric car. The paper noted the continued flow of predictions for exponential growth of net shopping. Pundits continued to forecast a Rostovian take-off for the industry in the near future in a 'torrent of optimistic and sometimes unverifiable statistics'.[34] Much of the hype continued to be generated by software companies—with an obvious vested interest.[35] *The Times* noted that the government's unbridled enthusiasm and blind optimism when it came to the 'information superhighway' had added to the unrealistic chorus of promoters. 'The immense hype about online shopping was originally generated by entrepreneurs, venture capitalists, and even by mere chancers who had plenty to gain, but its been fuelled by the government's campaign to make Britain a centre for e-commerce.'[36] Even grocery shopping systems had stalled, with Tesco Direct, for example, limiting the expansion of its Internet/CD-based home ordering and delivery system.[37]

Though Tesco continued to promote the system, it remained restricted to a core area, mainly based around its eleven-store network in London and a network in Leeds.[38] Sainsbury's was operating a similar limited system based at only thirteen of its stores, though researchers found this system to be prone to flaws, and inconvenient delivery arrangements.[39] One French retailer added a new element of interactivity in an attempt to gain competitive advantage at this time. The Paris store Printemps began to employ roller-skating shop assistants, equipped with webcams to be directed through the store by customers from their PC. Despite high-profile gimmicks such as this, Internet shopping seemed to be stalling on all fronts.

However, at the moment when negative predictions about the growth of Internet shopping seemed to be in the ascendancy the sector did begin to show real growth. In the single month of November 2002 over £1 billion was spent on-line in Britain—a rise of 95 per cent over the same month in 2001.[40] Understandably perhaps, the rate of growth in e-shopping was fifteen times that of retailing in general—only to be expected in a burgeoning sector—but a more revealing statistic was that the e-shopping sector in Britain, as a percentage of retailing generally, was three times as big as that in the United States.[41] By November 2002, 14.4 million people spent £8 billion in total—compared to £500,000 in 2000—a mere two years previously. With on-line sales in Britain approaching £2 billion in the run-up to Christmas 2002, Amazon.com alone was receiving 100,000 orders a day, eventually shipping over 5,000,000 items.

Even Internet grocery shopping has eventually generated a significant amount of interest. By the end of 2000, Tesco was claiming to have over half a million customers signed up to its Internet system, and was promoting itself as the world's largest on-line grocer. The company had diversified into what were now the most successful, almost traditional, areas of Internet commerce—insurance and banking, books, DVDs and CDs, clothes and home furnishing. In this way we can see another example of convergence as retailers originating in seemingly different sectors of the market expand and diversify, overlapping in a number of these sectors. Companies such as Amazon.com have evolved from simple booksellers to full-fledged retailers with a wide range of products. In many ways this represents the same pattern of evolution followed by the traditional mail order companies, which often grew from niche sellers to general retailers.

The Royal Welsh Warehouse began with blankets, Kay & Co. with watches, and so on.

This change in fortunes for Internet shopping was not marked by any new phase of technological development. The keystone net-shopping technologies—the Internet PC, electronic payment transfer systems, image technology, etc., had all been more or less consolidated for a number of years. Internet companies had successfully marketed themselves and pursued pricing and delivery strategies which had succeeded. But more than this a sea change had begun to emerge in shopping cultures, and once a critical mass of support builds for Internet shopping there is every reason to believe that some of the exponential predictions which had looked rather hollow, might indeed become reality. In many ways Internet shopping has a unique advantage that goes with most IT development. It will turn a sceptic into an evangelist overnight. Once the first transaction has been successfully completed then a kind of kudos develops in the consumer. This mystique or prestige of entering a new realm or club—or indeed the modern world—is only augmented by the rational advantages of Internet shopping. 'People dabble, they order a book and once they're confident they buy everything.'[42]

An important contextual factor marking off the Internet boom from preceding trends in shopping was the reorientation of the spatial relationship between demographics and shopping. Put simply, during the last decades of the twentieth century a shift occurred, gradual at first but steadily accelerating, in the closure of smaller local retailing outlets. This was partly to do with the growing dominance of chain stores and branded goods, creating a mutually reinforcing cycle of concentration and elimination. Big retailers began to replace small (or rural) shops, local banks, etc., as part of a concentration and travel/gridlock continuum engendering a spiral of unprofitability and withdrawal of provision. An estimated 4,000 local shops, for example, disappeared from the British villages in the 1990s.[43] Big retail parks—mega malls, such as the Metro Centre in the north, the Merry Hill Centre in the Midlands, Lakeside and Bluewater in the south, continued to grow, however, and be profitable—providing a hybrid leisure-shopping experience and confirming the continued tenacity of the urge to shop, in a traditional sense.[44] The vast majority of British consumers also found themselves shopping in a world increasingly dominated by cars—but paradoxically choked by cars. Supermarket and retail parks provided one-stop shopping (and again a hybrid retail–leisure activity in itself—even where the shopping experience was not augmented by add-on multiplex cinemas). British consumers also began to buy more, aided by expanding credit in a stable low-interest economy, and moreover embracing designer obsolescence, as the ethos promoting anti-materialism and sustainable resources faded in the face of the 'mass customized' spectrum of choice generated by an extending international division of labour and so-called flexible specialized post-Fordist production cycles.

The Internet has capitalized on part of this process, providing an alternative source for branded, globally shipped goods, and an alternative to time-consuming shopping trips. One rather spurious argument which has emerged is that home shopping delivery vans are clogging the roads and themselves causing the very jams which net shopping capitalizes upon. This is a very tenuous argument which does not stand up to even a cursory examination since each van trip probably eliminates another ten customer car trips. There are problems with home delivery, however. The dual-income household economy, which has now become the norm, has meant that the delivery of parcels has become problematic. If no one is at home when goods are delivered then a trip to the depot is often necessary—negating any time-based convenience advantage in net shopping. An indication of the scale of this problem is the emergence of several firms selling lockable boxes for secure parcel drop-off. Almost to compensate for this problem the parcel delivery service itself has become highly rationalized to make use of advances in information and communication technologies. Most parcel delivery firms now offer parcel tracking systems whereby the progress of packages can be monitored by customers through the net after the allocation of a tracking reference. An early internal version of this 'real-time' tracking was implemented in the mid-1990s by White Arrow, the GUS delivery subsidiary. The firm also began the informing of delivery times in advance and using mobile phones to inform customers of delays.[45] Internet companies do have a disadvantage, as yet insurmountable, in terms of delivery—or rather return of unwanted or faulty goods. Local retailers have the advantage of returnable goods and local service provision. Traditional mail order overcame this problem with their returns policy delivered through the personal relationship of the agent. Internet company purchases are not returnable in the same way—an influential factor in consumer purchasing decisions, especially for large and complex items.

While the new system of mail order (it is still mail order because the goods come in the mail) or Internet shopping may owe some of its characteristics and origins to the old system, the primary motivations have shifted markedly. New systems are certainly built on modern ideas of time management—the increasing difficulty or cost of travel to retail centres. While this has partly been displaced by the development of the one-stop retail park or shopping mall, the time and real cost of commuting through gridlocked traffic systems, and a collapsing transport infrastructure, has made Internet shopping more and more attractive. But, Internet shopping also involves an *acceleration* of the shopping experience—virtual travel implies no distance between competing shops and provides almost instantaneous price and availability information. Internet shopping also allows for price comparison in a way that other forms of retailing do not. An added bonus for some shoppers is the lack of interaction with sales personnel—ironically one of the features which shoppers first found attractive in the earliest department stores with ticketed prices. One odd development which has taken place is the widespread habit of shoppers visiting traditional retail outlets to examine goods, before purchasing them later, for a more competitive price from an Internet retailer.

Just as traditional retailers have diversified into using the Internet to sell goods, the established mail order companies have themselves set up subsidiaries or supporting websites to operate alongside traditional catalogue selling systems, taking orders by phone or via the net. The first system to connect mail order selling to the Internet may have technically been the French multinational, La Redoute. The company began this system in France where, in addition to being connected to its five million plus customers by phone, it was also taking orders over the independent national Internet—the Minitel—by the early 1980s.[46] As predictions for the growth of Internet shopping began to appear, many commentators looked to the existing mail order companies as a potential leader in the burgeoning retail revolution. They were judged to be ideally placed, given their knowledge and experience of systems and logistics, ranging from credit referencing to warehousing and delivery. In 1995 the Economist Intelligence Unit, for example, noted that:

> mail order has some considerable strengths. Its expertise in credit checking, handling customer relations and managing databases is considerable, and those companies with their own home delivery arms have a weapon that would

take a newcomer a long time to learn to emulate . . . Perhaps paradoxically, the sector with the most old-fashioned image probably has the most to gain from a rapid change to high tech shopping habits.[47]

Despite such optimism, mail order companies have not established a significant presence, however, but have merely treated the Internet as an *adjunct* to existing operational methods. This may be a function of the different customer base of IT shopping—traditional mail order customers may not have the same generational or regional profile as that of Internet shoppers. As we have seen in previous chapters, mail order shopping was a traditional, regional phenomenon, and certainly had a very strong class profile.

In conclusion, it is clear that Internet shopping is a complex phenomenon. In order to fully understand its historical development we need to examine a range of tributary technologies and social and cultural habits. Among the technologies involved are the software and hardware of the net itself, the work and domestic PC, and a wide range of communications technologies. Individual and institutional histories are also central, as are the spectrum of small and large company strategies, the investment environment, and the ideology which characterized 1980s and 1990s. From the credit card to the call centre, a wide range of new institutions, technologies, and practices emerged which provided the foundation for the Internet to function effectively as a retail environment. Wider contextual factors also need to be taken into account, whether they be the new demographics of urban life in Britain, the paradox of mobility and immobility engendered by increasing car ownership, or a culture of acclimatization to new payment regimes.

There were a series of predictions and false dawns as reductionist commentators over-emphasized the scale and capabilities of single strands of technology, but, more importantly ignored the complexity of social processes and cultural inertias which mediated the widespread adoption of some form of teleshopping. Eventually, however, and ironically at a point at which many commentators were predicting that the Internet was over-hyped, e-shopping has become established, and seems set to continue its exponential growth for some time to come.

The 'traditional' mail order sector had a part to play in the eventual spread of Internet shopping, whether in terms of pioneering specific technologies, such as real-time computing, credit referencing, and so on, or in setting the scene for purchase of goods remotely, delivered through the mail. At some stages traditional mail order companies did get involved in selling both through the net and through its short-lived predecessors. In general, however, they failed to take up a position in the vanguard of this retail revolution. This was partly because the new world of Internet shopping was driven by a new corporate culture which favoured the entrepreneurial, growth firm. It was also a reflection of the fact that this new sector was precisely that—not connected in any direct sense either in form or constituency to the old world of mail order. In some ways the mail order companies had paved the way for this dichotomy.

We have seen in the preceding chapters how the traditional mail order companies had developed an individualized system of shopping. Through progressive phases of rationalization they had moved away from a world of social networks and connections, to an atomized society of shoppers, individually processed and assessed for creditworthiness. This world engendered no particular sense of loyalty—either from the customer or from the firm. The new systems of shopping moved into this regime of indifference and immediately took root. Internet shopping cannot be accurately depicted as a successor to traditional catalogue-based shopping, not least because the latter continues to thrive. More importantly it cannot be depicted as a successor because the traditional world of mail order had long since disappeared, replaced by the impersonal, or mass-personalization of the mail order of the preceding decades. Trust had been displaced from the neighbours to the net as firms went in for the anonymity and sterility of credit referencing and as customers became more and more acclimatized to the security of the Internet as a system rather than any personal contact or assurance. The primacy of credit provision upon which traditional mail order houses built their customer base has now been replaced, or at least displaced onto credit card intermediaries (or banks in the case of debit cards) and into the general pool of credit available to most modern households. There is no social dimension to the Internet—the reverse is true—it severs the links with the local. It creates no real shopping networks—not even virtual networks—in the way that traditional mail order shopping did. The social groups which mail order tapped into and promoted are gone. To be sure, at least one of these, the sociable housewife, had already been eliminated anyway with the rise of the dual income imperative in Britain in the later twentieth century.

It is tempting to speculate that the constituency of shoppers now using the Internet, varies fundamentally from that of the traditional mail order catalogue shopper—that the traditional mail order customer base may not have had the demographic or regional profile to fit the new PC net-shopping boom. (Interesting questions of gender also arise where technology meets shopping—are men or women more or less likely to go net shopping?) It may be that the social class who formed the core of mail order shoppers were in fact the last to go on-line, leaving a cushion for the mail order retailers against the reality of the tectonic shift in shopping habits. Reality is more complex, however. Certainly mail order companies tapped into pre-existing social traditions and networks in their early years. But they failed to adequately recognize another set of social traditions being constructed around the Internet and e-shopping. Perhaps it would be more accurate to say that a new breed of Kays and Fattorinis had been the ones to recognize the opportunity in this new technological–social configuration. In doing so the dot com retailers were simply following in the footsteps of their forebears trodden a hundred years before.

Notes

1. J. Abbate, *Inventing the Internet* (Cambridge, MA: MIT Press, 1999); Norberg, A.L. and O'Neill, J.E., *Transforming Computer Technology* (Baltimore, MD: Johns Hopkins, 1996). It is not widely known that Britain had its own embryo Internet system developed by the National Physical Laboratory in the 1950s, but subsequently abandoned.
2. The point and click system, later copied by Microsoft's Windows, was originally developed by the Xerox Corporation.
3. For a general overview of the development of the computer and PC see Campbell-Kelly, M. and Aspray, W., *Computer: The History of the Information Machine* (New York: BasicBooks, 1996); Cringely, R.X., *Accidental Empires* (London: Penguin, 1996).
4. T.C. Albert, 'The history of the radio and its marketing: is the internet listening?', *Milestones in Marketing History*, Proceedings of the 10th Conference on Historical Analysis and Research in Marketing, Duke University, 2001, p. 7.
5. R. Coopey, 'A passing technology: the automated teller machine', In P. Lyth and H. Trischler, *Prometheus Connected: History, Globalisation and Technology* (Aarhus: Aarhus University Press, 2004).

6. In many cases this was a measure forced on workers by employers keen to rid the enterprise of cash transactions which were deemed both insecure and costly.
7. Coopey, 'Passing technology'.
8. An added problem in terms of mail order is security of delivery—will the goods be lost or more likely damaged in transit? This problem leads at worst to the possibility of total loss, at best to added time and effort to obtain goods in satisfactory condition. This cannot be seen as a particular impediment to Internet shopping, however, since the same factor has always been present in mail order shopping.
9. Again we see in this process an issue which was originally internal to the firm—becoming generally externalized throughout society. Mail order firms themselves were very wary, from the beginning, of trusting information to computer systems, hence the expensive and over-elaborate back-up and security systems which accompanied computerization from the outset.
10. See for example Forester, T., 'The myth of the electronic cottage', *Futures*, 20/3, 1988; Nilles, J., Carlson, F., Gray, P., and Hanneman, G., *The Telecommunications Transportation Trade-Off: Options for Tomorrow* (New York: John Wiley, 1976); Stanworth, J., *Teleworking: The Human Resource Implications* (London: Institute of Personnel Management, 1991).
11. The term 'new technology' came into general use in the early 1980s, primarily to denote any change associated, however tangentially, with computing. The term's popularity stemmed originally from labour market restructuring and changes in industrial relations whereby unions were encouraged not to stand in the way of technological changes in the labour process, but the term also fostered the idea that society in general was going through some form of revolutionary change.
12. 'Retailers and home shopping', *Retail Business*, No. 355, September 1987, p. 4.
13. 'Retailers and home shopping', p. 4.
14. 'Retailers and home shopping', p. 5.
15. 'Teleshopping update', *Retail Business*, No. 370, December 1988, Technology Review, p. 4.
16. Other schemes in London involved the Asda supermarket chain in conjunction with the Docklands Development Corporation and local councils. These schemes offered the attractive prospect of a variety of customer bases, including the burgeoning population of affluent City workers. 'Teleshopping update', p. 5.
17. The claims for the revolution of grocery shopping as part of a development of 'intelligent' domestic appliances continue unabated. Systems proposed, based around existing technologies, usually involve a bar-code reader incorporated into a fridge and cupboards connected to a computer. As goods are stored or used they are added or subtracted from a central domestic inventory and automatically reordered. Social inertia, of course, is retarding the spread of this system—at least for the time being.

18. 'Teleshopping update', p. 7.
19. 'Teleshopping update', p. 6.
20. 'Technology review: mail order', *EIU Retail Business*, No. 454, December 1995, p. 3.
21. 'Developments in mail order', *Retail Business*, No. 361, March 1988, p. 5.
22. Appleyard, B., 'Into cyberspace with M&S', *Independent*, Thursday, 12 January, 1995. Appleyard, to his credit, remained highly sceptical about the value or quality of such choice.
23. 'Teleshopping update', p. 4.
24. Euromonitor, *Mail Order*, 1985, p. 53.
25. 'Developments in mail order', p. 6.
26. It may be somewhat ironic that video text failed, at least in its original Prestel form, since it seems likely that a derivative will succeed when the TV and domestic computer become merged as multi-media convergence proceeds.
27. In terms of security these virtual malls echoed their real-world counterparts, where a secure, guarded shopping experience is deemed to be part of the attraction.
28. *Guardian*, 15 October 2000. This initiative came at a time when the BBC was expanding its commercial ethos in a number of ways, having itself been caught in the net of market forces ideology.
29. One of the most interesting Internet systems to develop as an ancillary to eBay is eSnipe.com. This system allows users to place a bid which will be made at the very last moment of the auction—before other bidders can respond. Interestingly when eSnipe was sold recently the company was sold on eBay—to a bidder using eSnipe.
30. In this sense eBay has gone through a process analogous to the collector's fair and boot sale in Britain. Initially boot sales, for example, were an almost anarchic forum for ordinary people to sell off surplus household goods. In the last few years a considerable proportion of stalls are set up by part-time or permanent dealers in new or used merchandise.
31. The application of the term 'product' to all manner of services, for example, bank accounts and insurance policies, became ubiquitous in the 1980s in Britain as a thinly veiled justification or claim for moral legitimacy by the service sector which was replacing the manufacturing economy—where, of course, real, tangible 'products' were generated.
32. 'Selling-by-internet stays boxed in', *Guardian*, 10 August 1998.
33. 'Selling-by-internet', Guardian, 10 August 1998.
34. 'Net retailing: still seeking tomorrow's world', *Daily Telegraph*, 8 September 1998.
35. 'Why we prefer to shop on screen than on foot', *Evening Standard*, 30 December 1998.
36. Copps, A., 'Interface', *The Times*, 13 March 2000. In addition to long-term educational ambitions the government had, in 1998 for example,

announced a target of one million small businesses fully utilizing the net by the year 2002.

37. 'Net retailing', *Daily Telegraph*, 8 September 1998.
38. 'Put away those trolleys: soon we will all be cyber shoppers', *Daily Telegraph*, 17 April, 1999. Around this time supermarkets such as Tesco and Safeway were experimenting with individual portable bar-code reader systems whereby shoppers could compile their own stock lists as they went round the store, or alternatively act as their own checkout. These initiatives held the promise of both speeding the shopping process for customers and, importantly, rationalizing labour and wage costs for the supermarket. In the event the plentiful supply of cheap labour stemming from the increasing number of university students and the escalating cost of their education, has rendered the implementation of these technology-integration systems less urgent or appealing. They continued with purchase monitoring and tracking systems, however, aimed at compiling customer profiles and enhancing target marketing.
39. 'Delivery to your door', Special Report, *Which*, August 1998, pp. 9–11; For a particularly scathing review of the service provided by popular retail Internet sites see 'It's hands down for Next but pants down for M&S', *The Times*, 13 March 2000.
40. 'The year of the e-mall: UK quits the high street for the internet', *Independent*, 14 December 2002.
41. 'Year of the e-mall', *Independent*, 14 December 2002.
42. 'Year of the e-mall', *Independent*, 14 December 2002.
43. 'Sainsbury's offers aid to British shops', *Independent*, 11 August 1998.
44. 'Persuading us to shop till we drop', *Daily Telegraph*, 2 January, 1999.
45. 'Technology Review: Mail Order', p. 7.
46. Chadeau, E., 'Mass retailing: a last chance for the family firm in France, 1945–90?', in Y. Cassis, F. Crouzet, and T. Gourvish (eds.), *Management and Business in Britain and France: The Age of the Corporate Economy* (Oxford: Oxford University Press, 1995), p. 67.
47. 'Technology review: mail order', p. 9.

8
Conclusion

Historians, until relatively recently, have been notoriously reluctant to cross the demarcation lines separating the various sub-branches of their discipline. The tendency has been for business historians to focus, more or less exclusively, on the role of the firm as a supplier of goods and services. Social historians, in so far as they concerned themselves with business, have largely been concerned with industrial relations, the labour process, and company welfare provision. Since the mid-1980s, however, business historians have begun to dismantle some of the 'Chinese walls' that once separated them from historians working in other fields, prompted by Chandler's insistence that they should rise to the challenge 'of relating specific human events and actions to the ever-changing broader economic, social, political, and cultural environment'.[1] A new agenda has emerged, where the emphasis is not simply on the firm itself but on the firm and the complex, multifaceted environment in which it operates. Business historians, it seems, are beginning to liberate themselves from the constraints of business history as company history and are adopting a more holistic approach.

At the same time it has been possible to discern another important shift towards the study of consumption rather than production. This movement has been noticeable across a range of disciplines, its origins to be discerned, for example, in the progressive abandonment of Marxist analyses of the firm and the labour process that tended to focus on production as, simultaneously, an engine of historical change and a site of class conflict. As the limitations of this approach have become more apparent scholars from various disciplines, both individually and collectively, have begun to examine consumption more closely, either as a complement to the study of production, or as a subject worthy of consideration in its own right. Increasingly, the history of retailing is being subsumed in the general history of consumption and consumerism, 'the "ism" that won', as Matthew Hilton has recently reminded his readers.[2] This has led to a greater emphasis on the autonomy of the shopper or consumer and the various cultural, social, and political factors that help to shape the experience of consumption. It is an approach that draws productively on cultural studies and is reflected, for example, in the shifting focus of key journals such as *History Workshop* and *Past and Present*. This has coincided with a parallel movement in the history of retailing, embodying the view that 'a deeper understanding . . . can be gleaned through a consideration of the various social contexts in which, and through which, it operated'.[3] Increasingly, historical studies of retailing focus on 'the complex relationship between the consuming environment and retailing development'.[4]

This movement of historical opinion has influenced the approach to general mail order retailing embodied in this volume. Once it is recognized that the major British mail order houses have conducted their business since the late nineteenth century mainly via spare-time, neighbourhood-based agents, it seems clear that a purchase from one of their catalogues represented more than a simple business transaction. The nature of such a transaction was determined, not simply by the imperatives of supply and demand, but also by the social relationship between the agent and the customer. It was thus loaded with social and cultural meanings derived from family, friendship, neighbourhood, and workplace. The marketing strategy adopted by British mail order companies was based on the premise that the agent would give the firm a foothold in the communities to which they belonged thus facilitating sales to customers located in pre-existing social networks. Retailers in this sector were not driven solely by the logic of scale and scope but by the need to mould their operations onto the contours of working-class life. To understand the history of general mail order retailing in Britain, therefore, it is necessary to grasp the nature of the relationship between the firm and its social environment, between the firm and the particular forms of working-class culture which the lived experience of most of its customers embodied. This means that it becomes necessary to look beyond the perspectives of business history as traditionally practised in order to encompass aspects of the past more conventionally identified as the province of the social or cultural historian.

The spare-time agency system is a legitimate concern for the business historian in that it helps to explain how the vast majority of catalogue sales were made. If, as John Wilson has suggested, it is now the primary concern of the business historian to locate the behaviour of the firm 'in a broader framework composed of the markets and institutions in which that behaviour occurs', then an understanding of the agency system and how it works is critical to an understanding of the operation of the mail order business as a whole.[5] The agency system was the means by which mail order retailers appropriated and commodified pre-existing social networks based on the family, the neighbourhood, the workplace, or the pub. Each agency, along with the social network that it encompassed, represented a small segment of the total market for mail order goods and the agency system itself has been, until recently, a defining institution of home shopping in Britain. Arguably, the distance from the company at which agents have operated, both geographical and metaphorical, requires the business historian to explore new territory. Though there are some exceptions—every company had a small percentage of agents running a catalogue or catalogues as a full-time business—it is important to grasp the essentially non-economic rationale underpinning mail order agency as a business institution. The majority of agents appear to have been primarily 'socially motivated'. No doubt, the income derived from commission payments was welcomed as a useful supplement to the household budget but the satisfactions derived from contact with friends and neighbours, or from providing a useful service in the community was at least as important. The potential empowerment to be derived from the function of neighbourhood credit policeman/woman is also critical in this context. By successfully appropriating and exploiting this complex of largely non-economic motivations, retailers were able to use their army of spare-time agents to facilitate access to millions of working-class homes and sell on credit terms with minimal risk of bad debt.

Along with the agency system, more intensively used in Britain than elsewhere, the provision of consumer credit on an extensive scale has long been a distinctive feature of British mail order. To some extent, the edge which mail order developed over other forms of retailing in this respect might be explained by the way in which 'free credit' was bundled into the price of goods, thereby disguising its true cost from the customer. Significantly, as other forms of credit have become available, mail order companies have become more open in this respect with Littlewoods, for example, offering interest-free credit over a period of twelve months provided that customers make their purchases from the more expensive of its two catalogues.[6] It is clear, however, that the relative formality of the process by which a customer could gain access to mail order credit with no reference required beyond that which could be supplied *de facto* by the agent as a friend or a neighbour, has been a significant factor in enabling the sector to compete effectively against the High Street. The various 'rolling credit' schemes, enabling a credit relationship, once established, to be extended, helped to underpin the convenience of these arrangements. For the most part, they financed the serial purchase of relatively low-priced goods—women's clothes, school uniforms, shoes, or relatively inexpensive items of furniture for the home. Once catalogues began to display a wider range of branded consumer goods—TV sets and washing machines, for example—mail order credit became instrumental in helping customers to cross the threshold of Britain's emerging consumer society in the late 1950s and early 1960s. Moreover, until the last twenty years of the twentieth century, the agency system dovetailed neatly with credit provision. Customers were reluctant to default on payments collected by someone they knew well and were likely to encounter regularly in the street or at work. Thus the combined effect of credit and agency was to create a significant advantage in non-price competition which the mail order firms were able to exploit until new forms of credit became widely available after 1980.

While the marketing strategy adopted by mail order firms and their appropriation of social networks necessitates a study of the agency system and credit provision, we should remember that these firms also built their success on their ability to organize internally. The story of the American mail order giants, Montgomery Ward and Sears, Roebuck & Co., has often been told. In particular, as Chandler has pointed out, the success achieved by Sears as a mass-merchandizing enterprise in the early years of the twentieth century demonstrated the importance of 'management in depth' in a large industrial enterprise along with 'a structure which specifically defines clear, uncrossed lines of authority'.[7] British mail order houses also depended on the efficient functioning of office, warehouse, packing, and delivery systems. Initially, we can see the dominance of individual control and paternal oversight by, for example, successive generations of Kays and Fattorinis. Here, again, we need a blend of both business and social history to understand the complex set of relationships which evolved within mail order businesses. Emphasis on the bespoke and the contingent, however, should not disguise the fact that purpose-built warehouses were commissioned and that rationalized labour processes were organized, mainly using scientific management schemes devised by Bedaux. While the emphasis on systems in the pre-war era was less intense than in the United States, a new pattern did emerge in the post-war period when rationalization based on computer technology became a feature of mail order operations. Here again, it is important to broaden the analysis to encompass the cultural and the social as well as the economic. A new emphasis on depersonalized computer systems severed the intimate link between the customer/agent and the firm while modifying attitudes to work and working relationships in warehouse and office. In particular, the personal connection linking those working inside the mail order house and those who carried its catalogues was replaced by a relationship characterized by anonymity and instrumentality.

The development of general mail order retailing in Britain has been characterized by a number of distinct phases. In the late nineteenth century and the early years of the twentieth century, watch clubs enabling working men to buy a useful item that they would not otherwise have been able to afford, created a platform for more ambitious 'universal providers' offering a wider range of goods via catalogue. Though some companies, like Kays, quickly made the transition from club- to credit-based agency mail order, the two systems continued side by side, with Littlewoods and Great Universal Stores (GUS) offering a significant choice to consumers in this respect from the 1930s through to the 1950s. As consumption recovered in the early post-war era, however, even John Moores was persuaded that the time had come to join the credit revolution, especially as banks, hire purchase companies, and other providers could meet only a fraction of the pent-up demand for goods on 'easy terms'. Thereafter, during a period stretching from the early 1950s to the late 1970s, the non-price advantages of credit, congeniality, and convenience gave agency mail order a significant advantage over many of its competitors in servicing the increasingly consumerist aspirations of its mainly female, working-class customers.

After about 1980, however, the conditions that had sustained mail order as a retail form began to erode fairly rapidly. With the advent of computer-based credit scoring systems in the 1970s, the agent's local knowledge became less important in counteracting the potentially damaging information asymmetries embedded in any form of distance selling. As deindustrialization began to make a significant impact in the early 1980s, many of the traditional working-class communities in which mail order's traditional customer base was located, and in which the agency system had taken root, began to fragment or disappear. These factors might not in themselves have been critical but, combined with the rapid emergence of credit and store cards, they helped to create a market situation that was not conducive to agency mail order in its traditional form. Britain's 'Big Five' mail order houses had become accustomed to servicing the requirements of their customers through spare-time, neighbourhood-based agents who gave them access to the communities in which their customers lived. There were still good reasons why some customers might want to use this system—with more women at work, the convenience factor was as important as ever—but the time had come for the companies to concentrate their efforts, not on traditional mail order agencies and the social networks they embodied, but on the personal shopper, carrying a credit card, who regarded the agent's commission as a discount rather than as a signifier of her relationship with the firm.

At the same time, moreover, a new sector of the retail market—Internet shopping—emerged which both challenged established forms of home shopping and offered an opportunity for them to progress to new levels. Internet shopping represented the convergence of a range of technologies, social changes, and entrepreneurial initiatives. Despite wildly over-optimistic predictions of growth, it eventually consolidated its position as a major new retailing sector. Given their experience in the logistics of home shopping, not to mention call centres and credit referencing systems, the traditional mail order companies seemed likely to benefit from a renaissance as this new marketplace emerged. However, though they did move into some areas of the Internet shopping market, they failed to establish the kind of presence that their history and their accumulated knowledge appeared to justify. Instead, net shopping became dominated by firms that grew with the sector and built on their core expertise in Internet personal computing. A hundred years or so after the mail order pioneers had founded their retailing empires, a new wave of entrepreneurs were following suit in establishing new, growth-based companies, which would capture the new opportunities in home shopping. Like so many other firms at the time, however, the established home shopping specialists experienced great difficulty in responding with sufficient alacrity to the new challenge.

Though influenced to some extent by the American model, it is clear that British mail order retailing followed a significantly different trajectory. It was not simply that the Chicago-based catalogue houses operated on a much larger scale than their British counterparts. In the United States, the home shopping facilities developed by Montgomery Ward and Sears were designed principally to meet the needs of a rural population with limited access to conventional retail outlets. In Britain, where most consumers lived in towns and had relatively easy access to chain and department stores, not to mention co-operative stores and independent retailers in their local High Street, mail order companies had to persuade potential customers that they were offering a differentiated service. Thus, though mail order entrepreneurs, like Moores and Wolfson, were interested in what they could learn from Chicago, especially in terms of warehouse organization and new office technology, they tended to adopt particular American practices and techniques that could readily be adapted for use in British conditions, rather than embarking on wholesale replication. It is important, therefore, to emphasize what was different rather than what was similar. The Iowaization scheme introduced by Sears in 1908, whereby rural customers were encouraged to pass their catalogues on to neighbours, had something in common with mail order marketing as it was then practised in Britain but, while 'cash-on-delivery' remained more important than instalment sales, the scope for developing the role of the customer as an agent was limited. It has been argued that the large number of American women employed as distributors by direct selling operations, such as Mary Kay and Home Interiors, has helped to shape 'a culture of participating capitalism' in the United States.[8] If this is so, it is important not to underestimate the significance of Britain's mail order agents who were just as important in their own social context as their American counterparts. By the time that Brownie Wise was introducing the Tupperware party to American housewives in the early 1950s, Britain's spare-time, neighbourhood-based agents were well-versed in the techniques of social selling and parlour capitalism. Only in recent years, with the shift to direct rather than agency mail order and the rise of the personal shopper, have the British and American experiences shown a marked tendency to converge.

Notes

1. Chandler, A.D., Jr., 'Comparative business history', in D. Coleman and P. Mathias (eds.), *Enterprise and History: Essays in Honour of Charles Wilson* (Cambridge: Cambridge University Press, 1984), p. 3.
2. See Hilton, M., *Consumerism in Twentieth-Century Britain: The Search for a Historical Movement* (Cambridge: Cambridge University Press, 2003), pp. 1–24. Hilton seeks 'to re-politicize consumerism'.
3. Phillips, M., 'The evolution of markets and shops in Britain', in J. Benson and G. Shaw (eds.), *The Evolution of Retail Systems, c. 1880–1914* (Leicester: Leicester University Press, 1992), p. 73.
4. Benson, J. and Ugolini, L., 'Introduction: historians and the nation of shopkeepers', in J. Benson and L. Ugolini (eds.), *A Nation of Shopkeepers; Five Centuries of British Retailing* (London: I.B. Tauris, 2003), p. 14.
5. Wilson, J., *British Business History, 1720–1994* (Manchester: Manchester University Press, 1995), p. 1.
6. *Guardian*, 15 June 2004.
7. Chandler, A.D., Jr., *Strategy and Structure: Chapters in the History of American Industrial Enterprise* (Cambridge, MA: MIT Press, 1962), p. 282.
8. Collins, B., 'American enterprise and the British comparison', in B. Collins and K. Robbins (eds.), *British Culture and Economic Decline* (London: Weidenfeld and Nicolson, 1990), pp. 182–3.

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