

PROXIMITY SHOPS AS ACTIVATING AGENTS OF RELATIONAL ECONOMIC SPACES. THE CASE OF CASTELLÓN DE LA PLANA**Raffaella ROSE***PhD in Economics, geographer AGE
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The proximity stores, and especially food stores, contribute to the social life and dynamism of the neighbourhoods of any city. At the same time, traditional local commerce, which functions as an activator of a relational economic space at the micro-scale of the neighbourhood, is often considered a relic distribution system as opposed to the so-identified modern distribution system. The latter is a retail trade system in which companies are characterised by greater size, greater availability of economic capital, and greater entrepreneurial resources, allowing them to diversify their offer and to provide competitive prices thanks to the increasing returns to scale.

In this study it is argued that the decline of small proximity shops, which generate economic relational space at different degrees of intensity, in favour of the considered more developed sales models (large surfaces, online retail, vending machines, franchise stores, etc.), although it may represent an element of evolution in terms of economic value produced, it can also lead to a loss of intangible assets, which are often hidden and not quantifiable.

Starting from this assumption, this working paper is inspired by the creation of a multimedia map prototype of the small neighbourhood proximity trade in the city of Castellón de La Plana (Spain). This mapping constitutes a first and effective tool to represent and make visible the intangible values embedded in the relational networks generated by the proximity trade, as well as to initiate further investigations.

Keywords: *proximity stores, everyday geographies, multimedia maps, social capital, social networks.*

Résumé :

Les commerces de proximité, et notamment les commerces alimentaires, contribuent à la vie sociale et au dynamisme des quartiers de toute ville. Dans le même temps, le commerce local traditionnel, qui fonctionne comme un activateur d'un espace économique relationnel à la micro-échelle du quartier, est souvent considéré comme un système de distribution relique par opposition au système de distribution moderne ainsi identifié. Ce dernier est un système de commerce de détail dans lequel les entreprises se caractérisent par une plus grande taille, une plus grande disponibilité de capital économique, de plus grandes ressources entrepreneuriales, leur permettant de diversifier leur offre et de proposer des prix compétitifs grâce aux rendements d'échelle croissants.

Dans cette étude, nous avançons que le déclin des petits commerces de proximité, qui génèrent de l'espace relationnel économique à des degrés d'intensité différents, au profit des modèles de vente plus avancés (grandes surfaces, vente au détail en ligne, distributeurs automatiques, magasins franchisés, etc.), s'il peut représenter un élément d'évolution en termes de valeur économique produite, peut également représenter une perte d'actifs incorporels, souvent cachés et non quantifiables.

Partant de cette hypothèse, ce document de travail s'inspire de la création d'un prototype de carte

multimédia du petit commerce de proximité de quartier dans la ville de Castellón de La Plana (Espagne). Cette cartographie constitue un premier outil efficace pour représenter et rendre visible les valeurs immatérielles enchâssées dans les réseaux relationnels générés par le commerce de proximité, et pour initier de nouvelles investigations.

Mots-clés : commerce de proximité, géographies de la vie quotidienne, carte multimédia, capital social, réseaux sociaux.

JEL Classification : L81, Y91, D85, D9.

Introduction

Since the end of the 1980s, small neighbourhood shops in European urban areas have been suffering from competition by large retailers and multinational e-commerce companies. Furthermore, city centres are losing their genius loci and their social and relational functions as a consequence of the process of gentrification and commercial desertification. “The non-place, like the place, is not just a spatial dimension, but a relational dimension. Therefore, if the places of proximity trade create a relational social dimension, the non-places create a solitary contractuality” (Augé M., p. 78, 2009).

It is therefore argued that the proximity¹ shops - “small and independent retailers that work in the neighbourhoods of the urban areas” (Tartaglioni A. M. and Bruni, R., 2013) - do not solely represent one aspect of the Services economic sector, but they also constitute relational places, with different degrees of intensity, and are elements of the urban landscape. Moreover, they support the sense of belonging to a place. Consequently, in addition to their more evident commercial function as intermediation points in the circulation of goods, commodities or services, proximity shops also fulfil a social and geographical function. As they become part of inter- and intra-generational mental maps, proximity shops affect the deep experiential sphere of individuals. “A trip to the shops is one of the first experiences a young child has outside the home and family and “playing at shops” informally at home and formally in the first year at school is part of the early socialization process for many children. For many elderly people a visit to the local shops often offers the important prospect of meeting people and the opportunity for conversation. The village shop traditionally has been seen as a vital focal point in rural communities” (Jones P., p. 29, 1993).

Most academic studies on retail trade are based on the economic approach, focusing on competition, prices, physical movement of goods, purchasing behaviours or on the spatial localization as a factor of competitive advantage. By considering the proximity shops, especially in the Mediterranean European areas where they are still a part of everyday social life, we aimed at investigating their role as generators of relational systems and social networks at the microscale of the neighbourhood. This working paper presents the case study of proximity trade in the city of Castellón de La Plana (Spain).

¹ Spatial and relational proximity.

Territorial framework, methodology and tools

Castellón de La Plana, 170.000 inhabitants (INE, 2021), capital of the homonymous Spanish province, is a city of recent modernization within an area rich in diversified and dynamic economic realities with which it maintains close interdependencies. Particularly, two of the most emerging economic realities in terms of productivity and exports are mentioned as follows: the industrial ceramic district and the agricultural citrus-growing district. The first is studied as a canonical example of industrial district known to be one of the world's leading producer and exporter of ceramics (Salom, J. y Albertos, J., 2006); whereas the second, which corresponds to the *huerta*¹ of Castellón, is the fertile and irrigated area where the European largest production of clementines takes place (Generalitat Valenciana, 2019). Meanwhile, Castellón de La Plana is a city with high-ranking services and which is connected to global networks. Since 1991 it has been home to an important international public university; it owns hospitals, shopping centres, and infrastructure – such as highways, railways, ports and airports – which quickly connects the city both domestically and abroad.

This study starts from the analysis of an urban landscape marked by a continuous succession of permanent closures of businesses resulting in the emptying of the public space.

The field research work was therefore started in order to detect the proximity shops endowed with qualitative attributes considered characteristic as generators of relational economic spaces. The field research work was a prerequisite for the creation of a database for the construction of a multimedia map² of small traditional shops - *tiendas de toda la vida* - which continue to remain open in the face of the evident emptying of the historic centre and the peri-central areas. In order to provide the map with qualitative attributes, video interviews with traders were conducted. All this was complemented by a dataset on retail trade at different scales (European, national, city and city areas).

The objective of the map was to make the traditional shops visible as elements of the landscape of *everyday life* - a landscape which is normally relegated to unawareness although considered important for the life quality of the populations (Relph, 1976 and Tuan, 1977) – and to highlight the potential relational space generated by them. “Immersed in their daily world of cares and concerns, people normally do not consider the lifeworld; it is concealed as a phenomenon. A phenomenological approach works to unmask the lifeworld's concealment, bringing its aspects and qualities to explicit scholarly attention. The geographer and architect, working phenomenologically, are concerned with the geographical, environmental, and architectural dimensions of the lifeworld and focus on such themes as sense of place, at-homeness, and environmental experience and behaviour” (Seamon, p. 134, 1984).

Through the use of the multimedia map, it is possible to perceive how proximity shops not only do represent functional elements of a commercial supply chain, but are also generators of

¹ The *huerta* represents the agricultural space in the coastal plain of Castellón, dedicated to irrigated crops.

² The digital map, created in June 2019, obtained around 30,000 views and is part of the *Castelló en mapas* participatory project, www.google.com/maps/d/u/0/view?mid=1He4w37yQL6mqVfSPIf60gRUfod5H4fh2

intangible and difficult quantifiable assets therefore destined to go unnoticed. Proximity shops can be considered as activators of social capital due to the relational dynamics occurring through this type of shop. On the other hand, they also represent elements of the public space, they provide a sense of place and generate a sense of territorial identity.

Proximity shops and interviews with sellers

In order to provide the map with qualitative elements representing the values that are considered embedded in the small traditional shops, video interviews were conducted with the shop owners. The questions focused on the type of commercial offer, the history of their business and on the role that these activities have within the neighbourhood in which they are located.

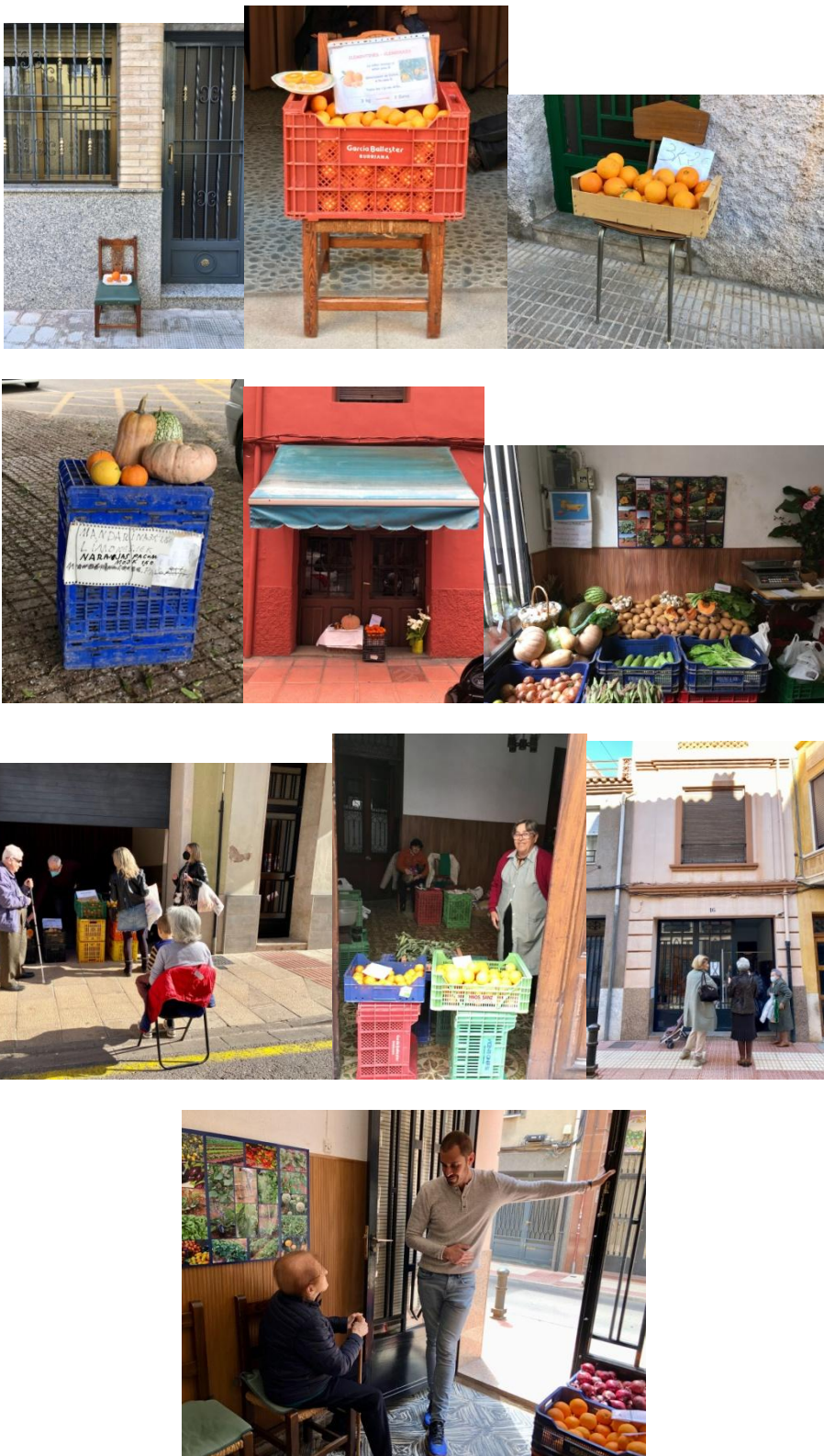
Some common traits emerge from the interviews regardless of the type of good or service sold. In a city where commerce is characterised by shops with short life-span, physical rootedness within a neighbourhood is considered an added value in order to build long-lasting customer relationships which, in the case of family shops¹, would also concern multiple generations. In addition to the peculiarity of the product sold, the quality of the interpersonal customer-seller relationship (by not only providing advice to the customer on the product, but often also expressing non-formal mutual interest), the consolidated reputation and therefore the trust accorded to the seller are also considered as key elements characterising the traditional commerce.

Physical proximity, which ensures the repetition of the exchange, can consolidate relational proximity. Especially with regard to artisanal, food and non-food production, the authenticity and uniqueness of the products sold are a decisive strength, particularly when these are the products which are considered non-replicable and with a strong territorial connotation.

Selling a la porta

In the context of proximity shops, there is the historic and typical sales system known as *a la porta* in Valencian, which literally translated in English means "at the door". It is a system of direct selling by which the farmers of the surrounding *huertas* offer their surpluses to the city, especially citrus fruits.

¹ A business that will be passed on for the family's next generation to manage and control" (Ward, 1987, p. 252).



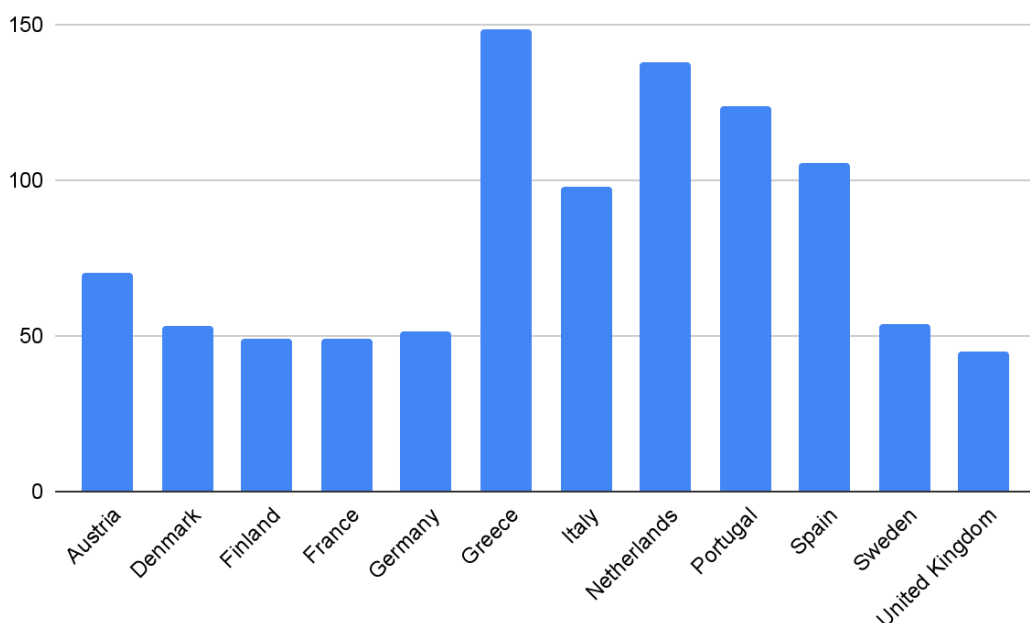
Selling a la porta

These informal shops are located on the street level of the house where the farmers live and are marked by some fruit or vegetables which are put on a chair at the entrance. Around the street where these shops are located the neighbours gravitate, especially in the northern area of the city, where the *labradores*, that is the farmers, traditionally reside. It is not uncommon to observe how these shops become meeting points where customers stop and engage in a dialogue with the seller and with each other. Through the seller customers are informed about the progress of agricultural campaigns, and also about seasonality, climate change, etc.

Framework dataset

The density of retail stores is expressed by the number of stores per 10,000 inhabitants. As a result of the processing of the 2017 Eurostat and Istat¹ dataset on the number of retail stores (NACE Rev.2, G47) and of the 2017 Eurostat population data, Greece, Holland, Portugal, Spain and Italy are the countries with the highest number of stores per inhabitant. The pulverisation of the stores, along with a reduced number of employees per store, are considered to be a factor of commercial disadvantage and a sign of delay compared to economically advanced countries (Cozzi S., 2006).

Fig. 1 - Density of retail stores in Europe - 2017



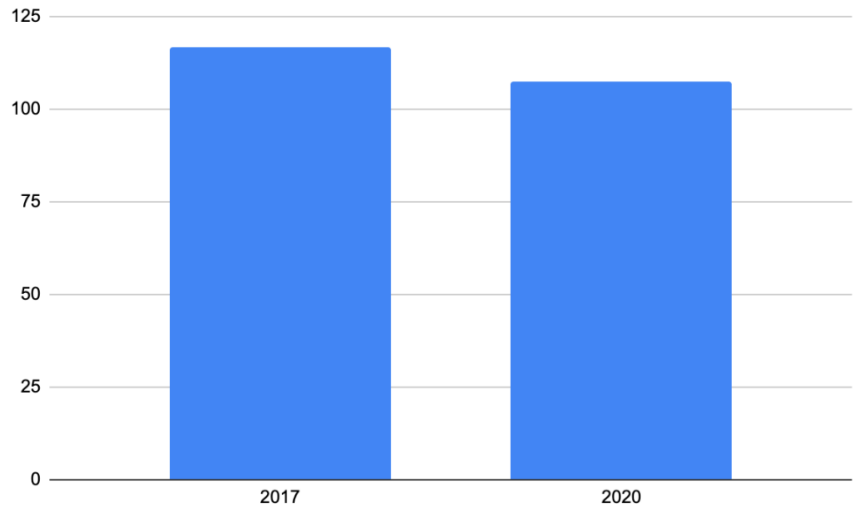
Source: Eurostat and Istat.

The Spanish density of retail stores, amounting to 103 shops per 10,000 inhabitants, is twice that of countries with a retail trade considered to be advanced (France, Germany, United Kingdom, Finland, Denmark, Sweden). It is within this context that the retail trade of the case study city of Castellón was researched. By comparing the data from the Chamber of

¹ The Italian data is not included in the most recent (2017) dataset of Eurostat.

Commerce of Castellón (2017) with the Eurostat data (2017), Castellón was above the Spanish average (117 shops per 10,000 inhabitants).

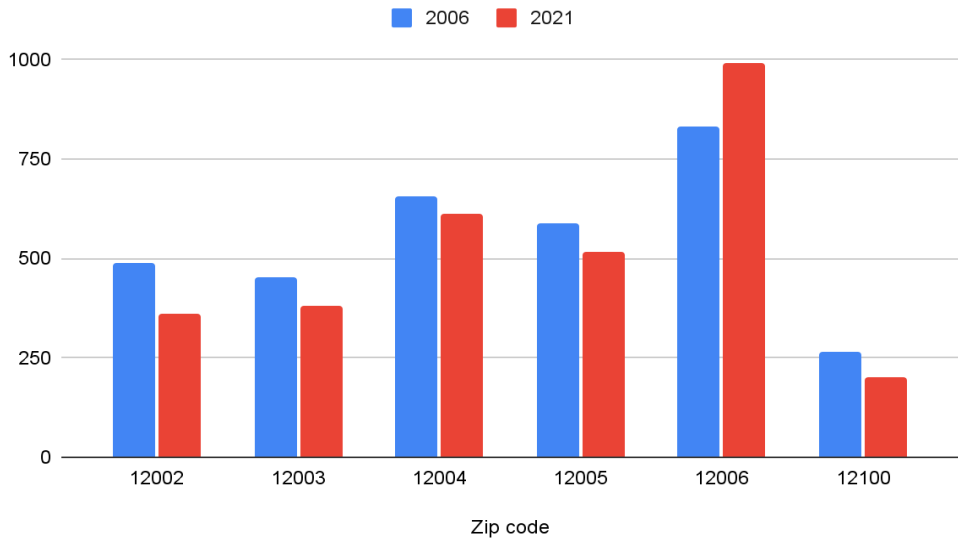
Fig. 2 - Density variation of retail stores in Castellón de La Plana - 2017 and 2020



Source: Chamber of Commerce of Castellón

The following figure shows the variation in the number of shops (Retail trade, except for motor vehicles and motorcycles) in the different areas of the city divided by postcode for the years 2016 and 2021.

Fig. 3 - Retail stores variation 2006-2021, in the different urban areas identified by Postal Code



Source: Chamber of Commerce of Castellón

In the figure above, data with Nace codes related to vending machines, sales by catalogue and online, were excluded from the dataset since they do not possess the requirements of the

proximity shops as described in the following chapter. As a result of a comparison between the two years, the declining trend in the number of retail businesses is evident. The only contrasting data comes from the area marked by the postal code 12006, the one where the two Shopping Centres of Castellón and the large-scale distribution installations are located, and which also coincides with the least densely populated area of the city.

The non-evident and non-measurable values embedded in the proximity shops trade

“GDP measures production and this production can be qualitative or quantitative. For example, the GDP in the Services sector is higher in the US, since their level of productivity is much higher than it is in Europe. This is because in the United States there are hypermarkets, whereas in Europe there are a large number of small shops. The problem with this comparison is that we are not able to define the service which is sold. There is a difference between buying a jacket in a store in Rome, and buying it at Walmart. In Rome we are advised by shop assistants, whereas at Walmart we are not. Furthermore, in Rome we also buy the environment of the store, which makes the city more liveable, more collective, and also helps to increase its social capital. When we go to a hypermarket in the USA, we drive to a place outside the city, we consume petrol and time and see nobody, so we buy in solitude. Therefore, the services bought in the USA and in Rome are not equal. Here we see how qualitative growth can have a much more important effect in Europe than in America” (Fitoussi J. P., interview during 4th OECD World Forum, New Delhi 2012¹).

Thus, what type of services are actually sold in a retail store? It would seem that through proximity shops, and more generally in small shops, a larger number of services is generated than in other places of the polarised and globalised commercial distribution, both physical and otherwise, where only an ordinary exchange of services for money occurs. These services, which are found to be implicit in the sale through the proximity shops, escape economic accounting.

The minimum size of the proximity shops (as per economic capital, number of employees, turnover, orders, etc.), which is considered a factor of delay to achieve high quantitative productivity, seems to be a more congenial dimension in order to generate intangible qualitative services.

Potential intangible values embedded into proximity shops trade:

- they are generators of a relational economic space;
- they are activators of the public space, and they make urban centres lively, thus preventing gentrification, and they could also act as an antidote to the depopulation of internal areas;
- as elements of the urban landscape, they create meaning and act as a reference in the construction of a sense of belonging to the place, thereby supporting a sense of territorial collective identity;
- as far as long-lasting or significant shops are concerned, they are located in the mental maps of several generations acting as symbolic inter- and intra-generational elements;

¹ Interview by M. Gallegati and R. Rose in <https://youtu.be/gjv-Rqh-ahg>

- they are a manifestation of the diversity of human expression - *anthropodiversity* (Aguiló, 2009) -, which is a countertrend factor with respect to the homologation of *placelessness*¹;
- as nodal points of commercial networks, they can be considered network hubs whose links consist of strength ties (neighbourhood customers, collaborators, local suppliers, people with whom they share meaningful or regular and frequent relations, local trade associations); but they are also activators of broader relational networks, that is weak ties (representatives, suppliers and external customers), through which innovations flow²;
- they are part of the landscape of everyday life recognized within the European Landscape Convention (2000)³ as an important element for the quality of life of populations, a type of landscape that is normally relegated to unawareness (Relph 1976 Tuan 1977);
- they have an attractive function for the neighbourhood, the city or the country, when they sell original products that cannot be found on other markets;
- within the neighbourhood they are places where information is spread, about the neighbourhood itself or over wider contexts;
- by considering social capital as *sets of resources embedded in relationships* (Burt 1992), proximity shops offer the conditions for the creation of social capital.

Conclusions

This working paper represents a first approach to the study of proximity shops as activators of a relational economic space. The field research, which was used to construct a quantitative and qualitative database for the realisation of a multimedia map, has made it possible to capture through video interviews with traders the elements characterising the traditional retail stores of Castellón de la Plana.

Proximity shops were observed as a means of intangible and non-quantifiable values, as well as activators of a relational economic space, as opposed to forms of retail trade considered to be advanced.

¹ *The casual eradication of distinctive places and the deliberate making of standardized landscapes and the weakening of the identity of places to the point where they both look alike and offer the same bland possibilities for experience. It is less deliberate and more subtle than place destruction* (Relph T., 1976).

² Strong ties tend to bind similar individuals to each other and to create close circles between them in which mutual bonds are strong. A high degree of fidelity is thus obtained in circles of this type, but there is little possibility of innovation. On the contrary, the weak ties are those allowing to create local bridges in order to reach external circles and widen the networks. It is through weak ties that local structures receive information from the outside, thus igniting the possibility of innovation. In this lies the strength of the weak ties (Granovetter M., 1973).

³ Acknowledging that the landscape is an important part of the quality of life for people everywhere: in urban areas and in the countryside, in degraded areas as well as in areas of high quality, in areas recognised as being of outstanding beauty as well as everyday areas (Preamble).
to recognise landscapes in law as an essential component of people's surroundings, an expression of the diversity of their shared cultural and natural heritage, and a foundation of their identity (Art. 5, a).

Their minimum size, which is considered a factor of delay to achieve high quantitative productivity, could instead prove to be a more congenial dimension in order to generate qualitative and intangible values, such as social capital.

“So, social capital is not a "thing" but a process. It is the process of creating a condition for the effective exchange of information and resources. It can only exist between people; accordingly it is a relational artefact which we can only observe as one or other of its dimensional manifestations” (Anderson y Jack, p. 26, 2002).

The creation of the multimedia map has proved to be a useful tool to highlight what everyday life conceals. Furthermore, it represents a first step towards a more in-depth quantitative and qualitative study using other tools, such as the social network approach, which can allow us to capture the potential relational and dynamic networks generated by the proximity trade.

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