



**CLOUD
ARCHITECTURE**



Old Spitalfields Market Sustainability Study

June 2014



CLOUD ARCHITECTURE

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CLOUD ARCHITECTURE

I. EXECUTIVE SUMMARY

A. GOALS

The following report is the culmination of the Cloud Architecture team's (Cloud) research and findings over the month of June 2014 for Old Spitalfields Market (OSM) as part of the London Festival of Architecture 2014 (LFA). It is primarily directed to the owner Ashkenazy Acquisition Corporation (AAC) and Wellington Markets (WM) and includes a proposed mission, vision, and strategy for how to approach future developments within the market floor space. The insights will also prove valuable to the individual merchant traders at OSM, as well as to interested members of the professional design community, market researchers, and the general public. It is our hope that this project fosters a continued and holistic discussion on the future of the market, one that Cloud will continue to be involved in, and that OSM can position itself on a sustainable path towards being one of the most renowned cultural and social destinations in London by 2020.

B. MISSION

"To be the meeting spot for creativity, ambition and social interaction."

C. VISION 2020

"By 2020, OSM is the most renowned market in London for its fresh, innovative and stylish products at reasonable cost."



CLOUD ARCHITECTURE

II. INTRODUCTION

A. CLOUD ARCHITECTURE

1. Practice

Cloud Architecture is a global design practice co-founded by Derek Ouyang and Sinan Mihelcic in March 2014. The practice consists of young professionals in various fields related to the building industry who are based all around the world. Seven team members participated in this project in order to gain experience working together and to experiment with the POP-UP methodology, which is described in a later section.

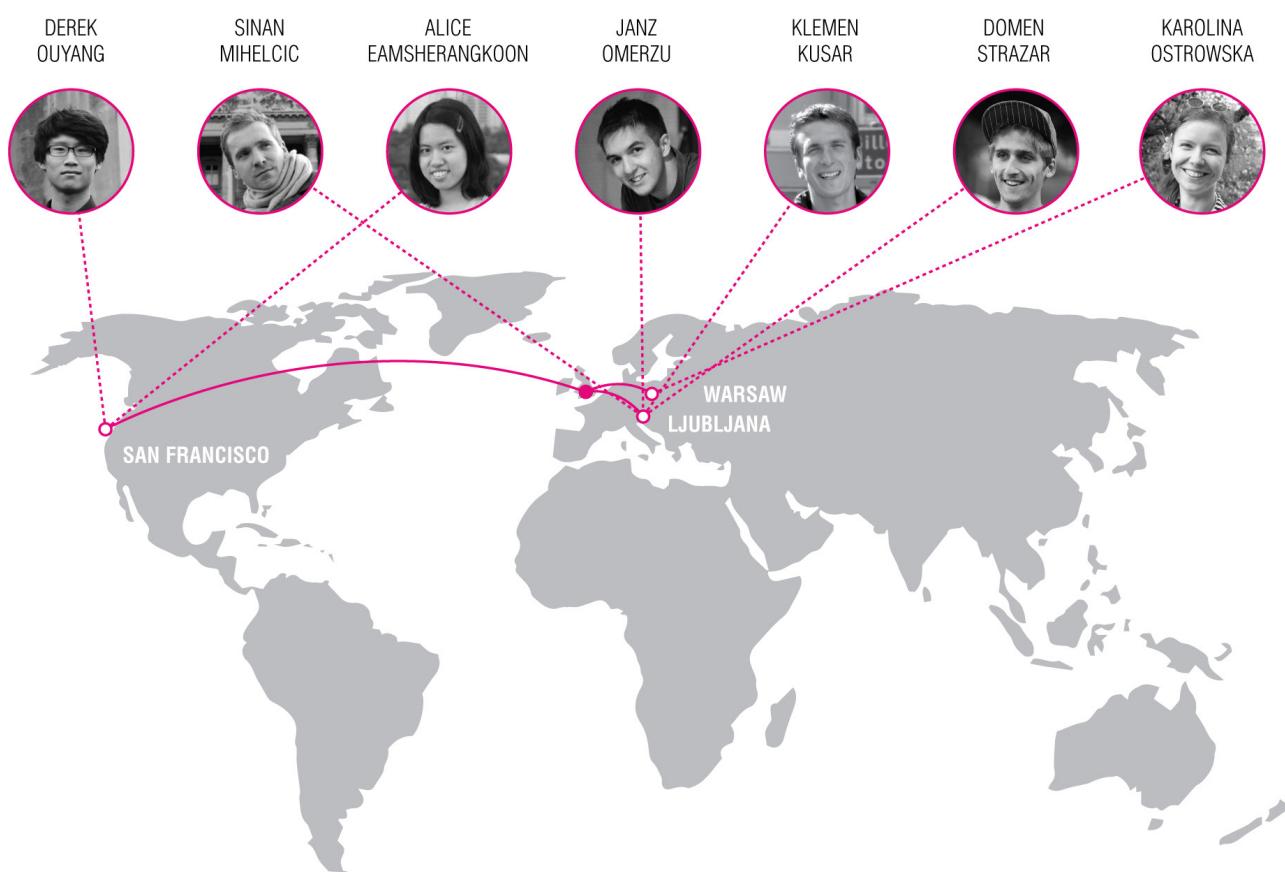
2. Team

- **Derek Ouyang**, age 22, graduated from Stanford University in 2013 with dual Bachelor's in Civil Engineering and Architectural Design, and will return in the fall for a Master's in Structural Engineering. He participated in the AEC Global Teamwork Project in 2011 and co-created the Global Urban Design Course in 2012. He was project manager of Stanford's first-ever entry to the U.S. DOE's 2013 Solar Decathlon and has been featured as an up-and-coming architect in the Los Angeles Times, in Home Energy magazine's "30 under 30", and at TEDxStanford.
- **Sinan Mihelcic**, age 31, graduated from Ljubljana University in Architectural Design. He participated in the AEC Global Teamwork Project in 2011 and co-created the Global Urban Design Course in 2012, both exploring digital collaboration tools in urban planning and architectural design. He established Skupina Štajn in 2008, an emerging young architectural studio in Kamnik, Slovenia. He is a technical assistant in architectural and urban planning studios at the Faculty of Architecture in Ljubljana, as well as a mentor to the AEC class at Stanford.
- **Klemen Kušar**, age 28, graduated from Ljubljana University in 2012 in Architectural design and in 2013 in Economics. In 2010 he was exchange student at Aalborg University and attended a summer workshop for the renewal of favela Dona Marta in Rio de Janeiro. He participated in the Global Urban Design Course in 2012. In 2008 and 2010 he was awarded 1st and 2nd place in the Isover Multi-Comfort House Design, and in 2012 was awarded the University of Ljubljana Prešeren Prize for his master's thesis about public participation in the process of gentrification of urban sprawl. He is author of several articles regarding this matter.
- **Janž Omerzu**, age 25, is a fifth-year student at the Faculty of Architecture in Ljubljana. He participated in the AEC Global Teamwork Project at Stanford in 2012, as well as an interdisciplinary Erasmus workshop in Krakow that focused on revitalization of old industrial areas in southern Poland. He was awarded 1st prize in a student competition that focused on

pop-up architecture out of 45 competition entries. He currently works as a technical assistant at the Faculty of Architecture and as an intern architect at Slovenian architectural office SADAR + VUGA.

- **Karolina Ostrowska**, age 27, graduated from Warsaw University of Technology in Architectural Design and from the University of Warsaw with Bachelor's in Mathematics. She will return in the fall for a PhD in Architecture. She participated in the AEC Global Teamwork Project at Stanford in 2012. In 2013, in collaboration with representatives of the University of Warsaw, she developed a concept of revitalization of a pre-war Polish astronomical and meteorological observatory in Chornohora, Ukraine. She is an ArchiCAD trainer and member of BIM Team, a BIM technologies training center authorized by Graphisoft.
- **Domen Stražar**, age 21, is a third-year student at the Faculty of Architecture in Ljubljana. He has been a member of Skupina Štajn since 2010, leading a student project for Kamfest 2013. In 2013 he started a project to revive one of the degraded industrial areas in Kamnik, the Alprem factory brownfield. The goal of the project is to convert the industrial space into a new activity/leisure center for Kamnik in the next five years. In the first phase, he designed and led the construction of a wooden indoor skatepark, and in the current next phase he is working on the design of a hostel on the site.
- **Alice Eamsherangkoon**, age 25, graduated from Stanford University with a Bachelor's in Product Design and Master's in Mechanical Engineering. She was a member of Stanford's first Solar Decathlon team and helped build a 1000-square foot solar house as part of the 2013 Solar Decathlon competition sponsored by the US Department of Energy. She is an alum of the Stanford d.school's Design for Extreme Affordability sequence and co-founded EarthEnable, a social enterprise aiming to improve health and living conditions in low-income communities with affordable, sanitary floors.

Figure 1. Cloud team members.



B. LONDON FESTIVAL OF ARCHITECTURE 2014

1. Festival

The impetus for the project came through an open call for submissions to the LFA (<http://www.londonfestivalofarchitecture.org/>). From the LFA website: "The London Festival of Architecture consists of a programme delivered by partner organisations – leading cultural and academic institutions – alongside associated projects and open studios by architects, engineers, designers, artists, and curators. In 2014 the festival takes 'Capital' as its central theme, and explores its various manifestations; from London's place as the UK's seat of government and finance, its flows of social and intellectual capital, the politics of regeneration and its impact on the city and its position as a world capital of architecture, through its practices and its built environment."

London Festival of Architecture 2014.



2. Project Development

Cloud submitted a proposal on April 2 for a demonstration of the POP-UP practice and received confirmation of acceptance, pending official location, on April 22 from the LFA committee. Cloud then began searching for a possible location. It received a preliminary confirmation of location from Spitalfields Traders Market (STM) and received official confirmation of acceptance to the festival on April 24. Over the next month, Cloud worked with a representative from Spitalfields Traders Market on logistics of space while also preparing funding, team, and travel details. The relationship with STM fell through on May 15, but when the team arrived on site May 23, Cloud was able to secure a new agreement with Eric Graham at OSM to conduct the project from the adjacent OSM location.

3. Budget

Cloud set a budget for the project at £2500 which included all costs of flights, transportation, housing, materials, and equipment. Cloud secured corporate sponsorship from the following companies in Slovenia:

- skupina ŠTAJN
- Fobmark
- Trival kompoziti
- Šofa

Cloud also ran a crowdfunding campaign on Indiegogo and raised £855. The rest of the expenses were self-funded by the team.

Figure 2. Sponsors.



4. Outreach

As an associated partner of the LFA, Cloud engaged extensively with festival media on Twitter, Facebook, and LinkedIn to promote its own project along with other LFA events. Members of Cloud also attended many other LFA events and networked with other festival partners. This resulted in some separate activities coordinated with other practices under LFA branding such as a design charrette with FBM Architects on June 27. Cloud also received media coverage from sites such as ArchDaily and Domus. Finally, Cloud presented its project to local firms SOM and Pringle Brandon Perkins+Will as part of its professional and educational outreach.

Outreach by Cloud.



C. OLD SPITALFIELDS MARKET

1. History

The Spitalfields area is a 130-acre site encompassing the historic Spitalfields fruit and vegetable market (currently OSM). Starting in 1987, a 150-year lease was given to Spitalfields Development Group (SDG), a group formed by the London Edinburgh Trust, Costain and Balfour Beatty to develop Spitalfields. Spitalfields has a long and rich history cherished by the local community. At different points in time, it has been home to an archaeological site, a fruit and vegetable market, and the silk-weaving industry in the 18th and 19th centuries. Spitalfields has housed a variety of immigrant communities over the years, which have contributed to the area's cultural infusions. In the early 1990s, there was a rollerblading park, an opera house, sports pitch, and swimming pool near the market, which was fully occupied on Sundays with more than 200 stalls.

Historic images of OSM, courtesy of OSM.



2. Present Day

At present, OSM is an indoor market that hosts different types of merchants on different days of the week. Mondays, Tuesdays and Wednesdays are typically quieter and visitors can find a mix of clothing, fashion accessories, and bric-a-brac. On Thursdays there is an antiques market and on the first and third Friday of every month, there is a record fair. Saturdays are for vintage items and Sundays feature handmade goods from local designers. The merchants pay a certain rental price for each stall depending on the day as well as a storage space price if they store their goods in one of two basement rooms.

Present day images of OSM.



D. STAKEHOLDERS

1. Ashkenazy Acquisition Corporation

Ashkenazy Acquisition Corporation is a private real estate investment firm headquartered in New York City. In addition to OSM in London, AAC's portfolio includes office, retail, and residential properties in the US and Canada such as 625 Madison Avenue in New York, Union Station in Washington DC, and One Union Square in San Francisco.

Andrew Turf was Cloud's main correspondent from AAC. Andrew is in charge of the OSM site and brings experience from past retail development in the U.S. and the UK, including Trinity Kitchen in Leeds. Cloud received approval from Andrew to locate the POP-UP studio at the location by Jigsaw for the latter half of the project as well as the permission to film on the premises. On June 25, Cloud presented the findings of the project to Andrew in a private meeting and received positive feedback on their proposal.

AAC website, showing OSM.

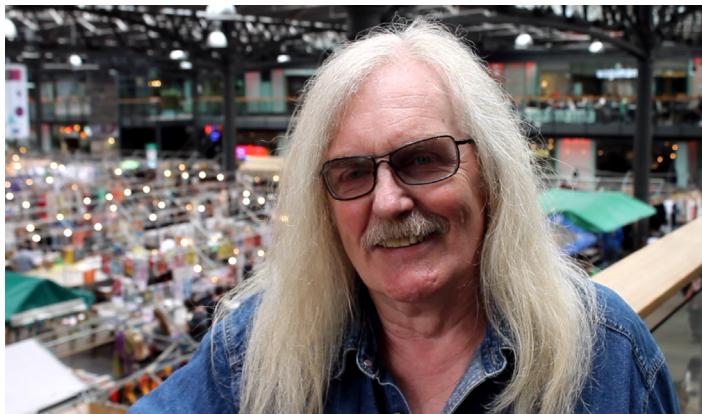
The screenshot shows the 'Select Portfolio' section of the AAC website. It features six thumbnail images of properties: Old Spitalfields Market, 625 Madison Avenue, One Union Square, One Stockton, The Shops at the Bravern, and Faneuil Hall Marketplace. To the right is the AAC logo and a photograph of a canal scene with a boat and flowers. A sidebar menu includes links to Home, About Us, Select Portfolio, Investment Strategy, Press Releases, and Contact Us.

2. Wellington Market

Incorporated in England, Wellington Market Company is a public company operating retail markets in the UK with origins stemming from the Royal Charter's establishment of Wellington Market in 1244. Wellington currently holds a five-year operating lease for Old Spitalfields Market which started February 1st, 2010.

Eric Graham was Cloud's main correspondent from Wellington Market. He has been the market manager of Old Spitalfields Market for the past 23 years. His day-to-day responsibilities include arranging the merchants each morning, dealing with cancellations, collecting rent, meeting with prospective new merchants, and managing his maintenance crew. Eric provided the initial approval for Cloud to conduct the project at OSM as well as the market stall structure used by Cloud for the structure of the POP-UP studio. Eric's team includes Nova, Nana, Kingsley, Antonio, and others who all were incredibly helpful over the course of the project.

Eric Graham, Market Manager.



3. Merchants

Dozens of merchants were engaged in the project and they each volunteered their personal insights about the market. For this report, the following two merchants agreed to have their quotes reproduced.

- Colin Rosie, The Last Stop for the Curious, vintage hats
- Allegra Rose, Allegra Rose, studio art

OSM merchants.



4. Spitalfields Community Group

Individual members of the Spitalfields Community Group provided feedback on the project from a residential point of view. The project was introduced to SCG as a whole through email but no other responses were received.

E. PROJECT BRIEF

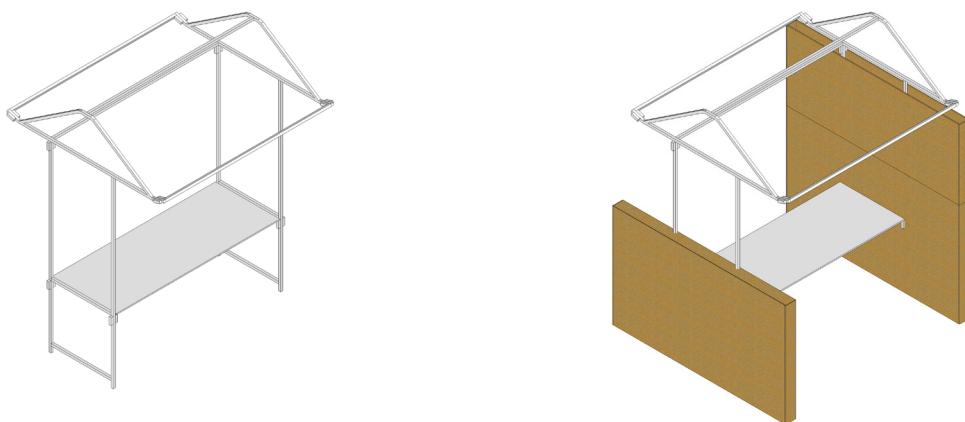
1. Objective

Within the time constraints of the four weeks of the LFA, Cloud set out to conduct a fast-paced sequence of research and design. After an initial meeting with the market manager, Cloud set the objective of the project as a study on how to sustain the historic market for another twenty years, in the face of competing environmental forces. Soon after beginning the project, Cloud was introduced to the owner of the site, AAC, and that objective became aligned with AAC's own goals of cash flow and increased property value.

2. POP-UP Methodology

Cloud conducted the project from a POP-UP studio which was a miniature office built out of an existing stall structure lent by the market management. Cloud used simple recyclable materials like cardboard and plastic to construct the POP-UP on the evening of June 8. This POP-UP studio was positioned in two locations throughout the course of the project, first at the northernmost boundary of the market floor and later at the northwest corner of the covered roof area, in front of Jigsaw.

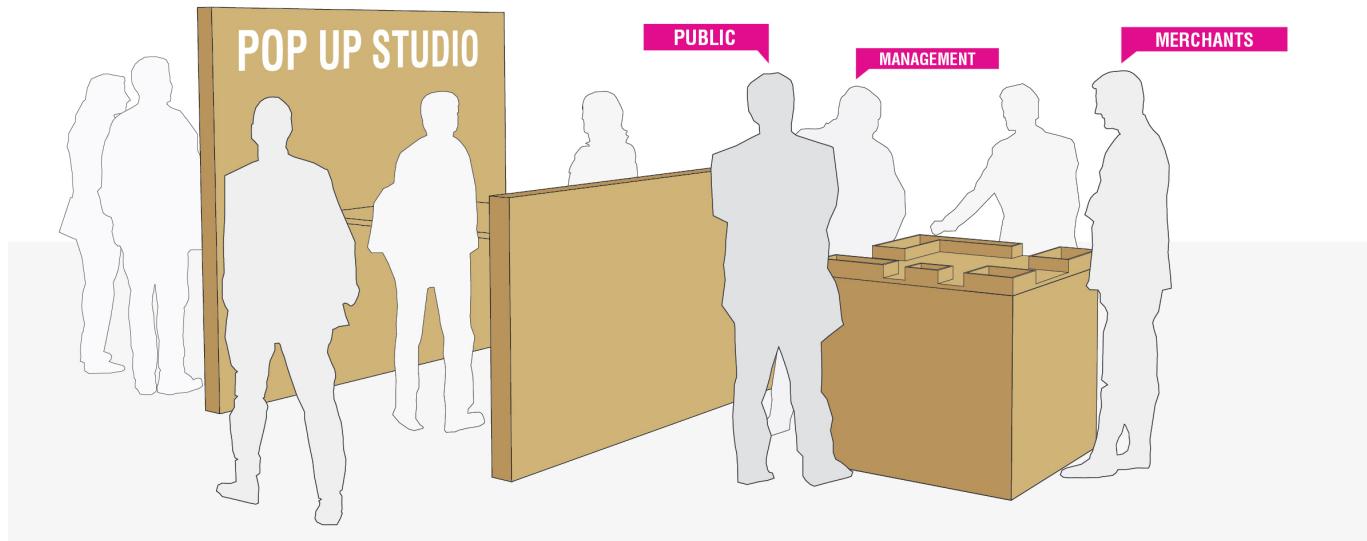
Figure 3. POP-UP studio.



The POP-UP studio allowed for these key advantages in Cloud's process:

- **Accessibility to community.** The POP-UP studio was open at the market every day from June 9 to June 25, on most days from 10am to 5pm. Even when Cloud members were not physically on site, there were flyers available with Cloud's contact information and a big poster with hanging markers allowing anybody to leave a message with their "wishes" for the market. This allowed for complete accessibility of the community to participate in Cloud's process. The team also engaged directly with merchants and the public within the market on most of the days by asking for questions and feedback.

Figure 4. POP-UP studio accessibility.



- **Transparency of work.** Cloud used the surfaces of the POP-UP studio to document the entire research and design process, meaning that the public could always see the work that was done from start to finish and understand the progression of ideas. Once the final exhibition was on display, comments from the public were left on the wall, even if they were negative, to promote the idea that all types of feedback were welcome.

Transparency of work at POP-UP.



- **Agile design.** As a result of the POP-UP studio's immediate adjacency to the market, Cloud was able to quickly gather feedback on ideas in what became a literal feedback loop. This allowed the team to be agile and test multiple concepts in a much more efficient way than if the team were working off site.

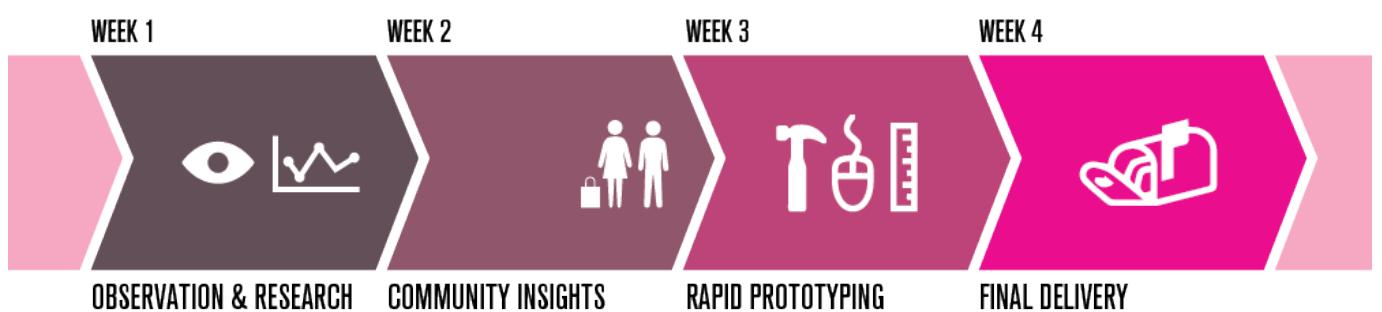
Figure 5. Feedback Loop.



3. Timeline

The following graphic shows the timeline of our project over four weeks from May 26 to June 20, followed by a week of exhibiting our final proposal to the public, owner, and interested partners.

Figure 6. Timeline.





CLOUD ARCHITECTURE

III. RESEARCH

A. OVERVIEW

Cloud spent the first two weeks of the project, from May 26 to June 6, focused on conducting research and gathering insights from the community. The intent was to understand the forces that have shaped the market over history and the current factors that affect its day-to-day operations. Out of this analysis, specific problems and opportunities were identified which then led to concrete design challenges for the team to undertake. Analytical resources were conducted using sources which are listed at the end of the report. Observational research was all conducted within the market by Cloud. Insights were gathered through face-to-face interviews, some of which are quoted in this report and others of which are paraphrased.

Cloud conducting research at OSM.



B. COMMUNITY INSIGHTS

1. Owner

Andrew Turf from AAC engaged with Cloud and described some broad goals for the site, including the introduction of “leisure and lifestyle” offerings, more unique retail and dining experience, a more “refined” approach to design, and more public amenities.

2. Management

Eric Graham stressed the importance of a “mixture of old and new,” and celebrating the market’s historic role within the region while encouraging new generations of merchants and consumers to come to the market in the face of competition like online shopping and shopping malls. He emphasized the need for the merchants to work together and to think holistically in order to ensure the survival of the market and its culture as a whole. As a short-term lease operator he is more restricted with what he can invest in than the owner because he will not be able to necessarily invest in long-term benefits when his lease can be removed at any time. His small region of control also forces him to maximize revenue through the number of stall rentals, which is the rationale behind the current market layout. Logistically, he acknowledged the difficulty of the current stall design, noting that the market isn’t usually up and running on weekdays until 11am, which is a significant cut to the merchants’ business time. He also considered one of the greatest challenges of his job to deal with market closures, not just in moving the stalls but in moving the stallholder. When asked what he would desire most in a redesigned stall, he suggested movability and accessibility, for example through foldability, so that his team would be able to move the stalls in and out of the space more quickly and safely.

3. Merchants

Colin Rosie stressed his own commitment to doing business at the market and helping to build the reputation of OSM, but expressed frustration that, as a relatively new merchant trader at less than a year of business, he is given lower priority to senior merchants and is often unable to predict his own location on the market floor, making it very difficult to build his customer loyalty. He also questioned the lack of expression in the market of its own culture and tradition. As he noted, “I pride myself in standing on that market stall and telling people that turn up here the whole history of everything we sell, all the historical periods, where it evolved, how it was named, everything. My attitude is, whether people buy a hat or not, they walk away from our stall having learned something and having had an experience of London that they will go and tell everybody they talk to about.” He wondered why the market did not do the same with its own history. He suggested that the stalls needed a major design overhaul, like more efficient flexibility and functionality. He also expressed concern over the lack of advertising at Liverpool Street Station, and this was also expressed by many other merchants.

Allegra Rose described the market as having had more independent and local artists in the past, like herself, but that in recent years that representation has declined for a number of reasons. “Spitalfields is rich in history and deserves independent designers, artisans and artists that reflect this to trade in the market and surrounding streets,” she said.

4. Public

Many members of the public who considered themselves locals lamented the decreasing quality and increasing cost of goods being sold at the market. They described unique retail experiences

that used to surround the market that have been replaced by brand names that also exist in many other parts of London. In their opinion, these “mainstream” stores and restaurants have made Spitalfields less attractive to visitors and locals alike.

Many visitors expressed confusion over the organization of the market stalls and found themselves getting lost within the aisles. They also commented on the lack of interesting goods within the stalls. Many also could not find the public toilets, as directions to the toilets ended up becoming one of our most common responsibilities at the POP-UP.

Besides individual discussions, Cloud engaged the general public through two key interactions in the POP-UP studio.

1. Path Study. Using string, Cloud asked interested members of the public to recreate their walking route through the market. The findings approximated the same data for the larger observational path study previously conducted.

2. Public Seating. Cloud organized an interactive poll to collect answers to the question: “Is there enough public seating at Old Spitalfields Market?” Passersby could answer this question by picking up a ball and tossing it into a yes or no basket. 85 participants said no and 11 said yes. This finding also approximated similar observations conducted by Cloud, as described before.

Path Study using string.

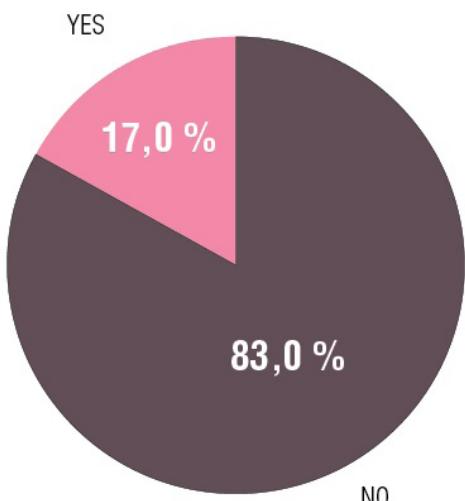


Public seating poll.

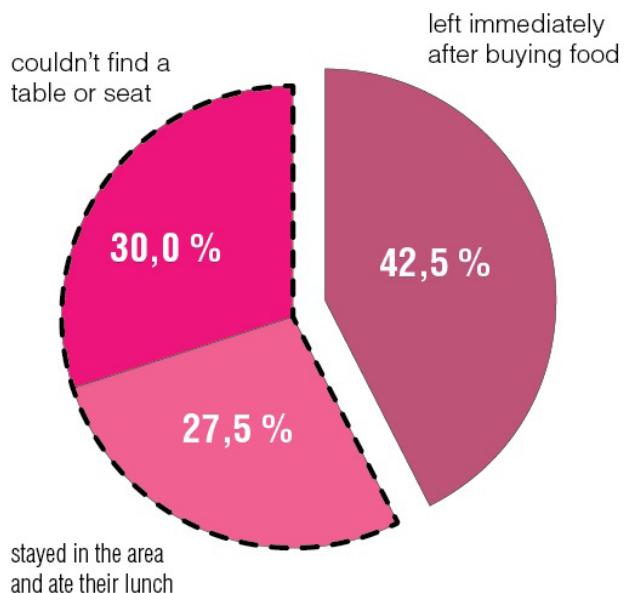


Figure 7. Pie charts showing results of public seating survey and observation. Sample size 100 each.

IS THERE ENOUGH PUBLIC SEATING?



LUNCHTIME BEHAVIOR

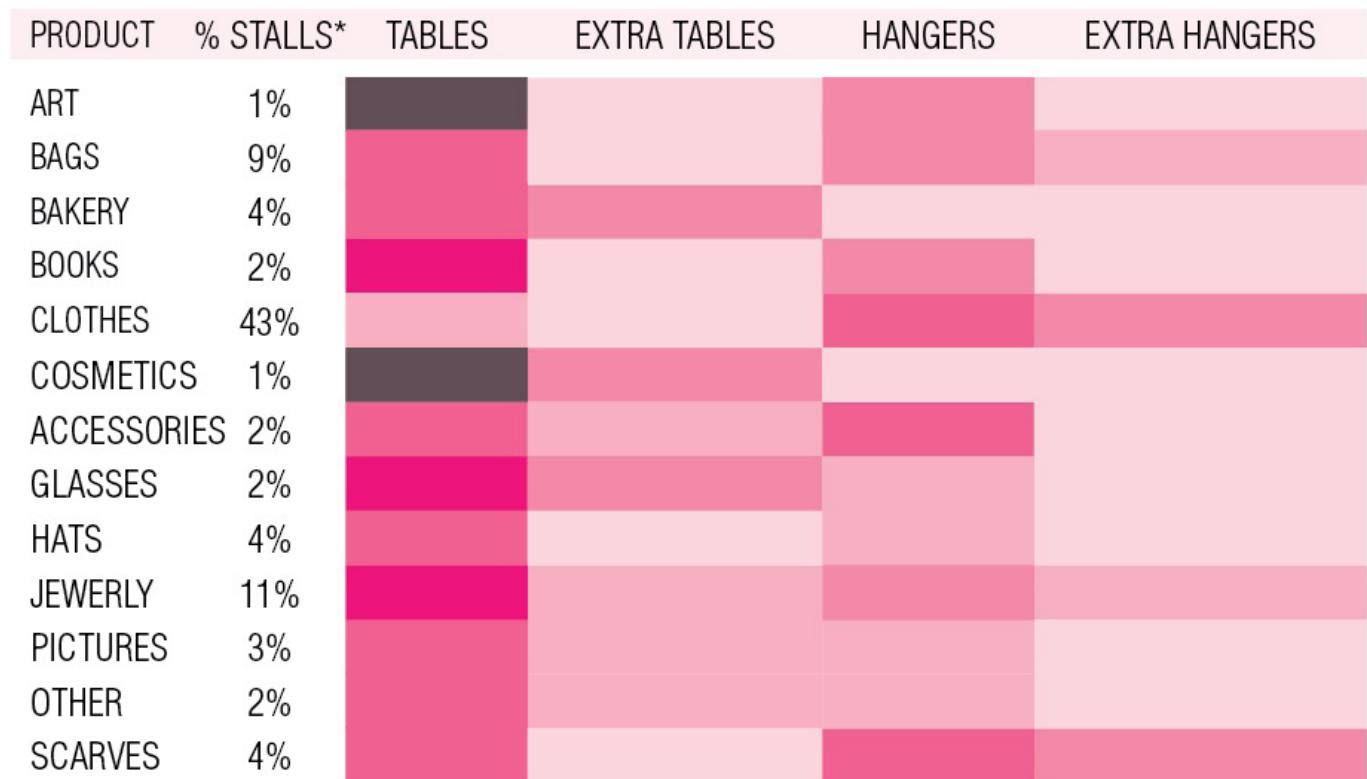


C. OBSERVATION

1. Functional Requirements

Cloud observed the merchants and their stalls over the course of two days and found patterns among their functional requirements. Despite the wide variety of goods sold, the means of presentation could ultimately be categorized into horizontal or vertical spreads or stacks. The following table shows the breakdown of these cases by product type. It was also common for merchants to require more horizontal or vertical space than was offered, which led to them bringing their own extra tables or extra racks.

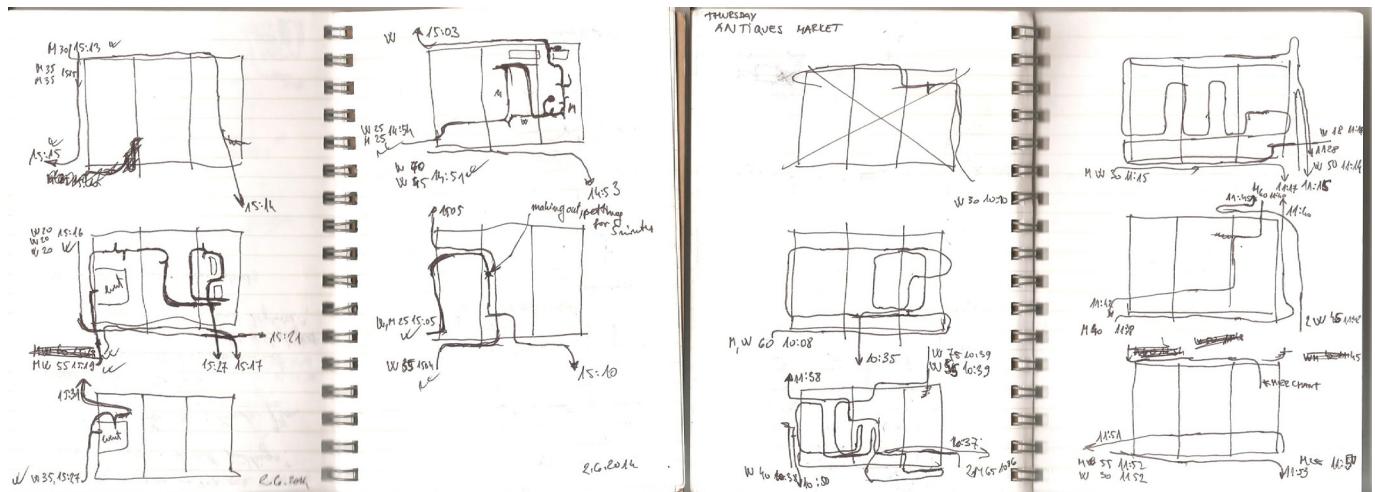
Table 1. Functional requirements. Four shades of pink correspond to 25%, 50%, 75%, and 100% ranges.



*total number: 258

2. Flow & Circulation

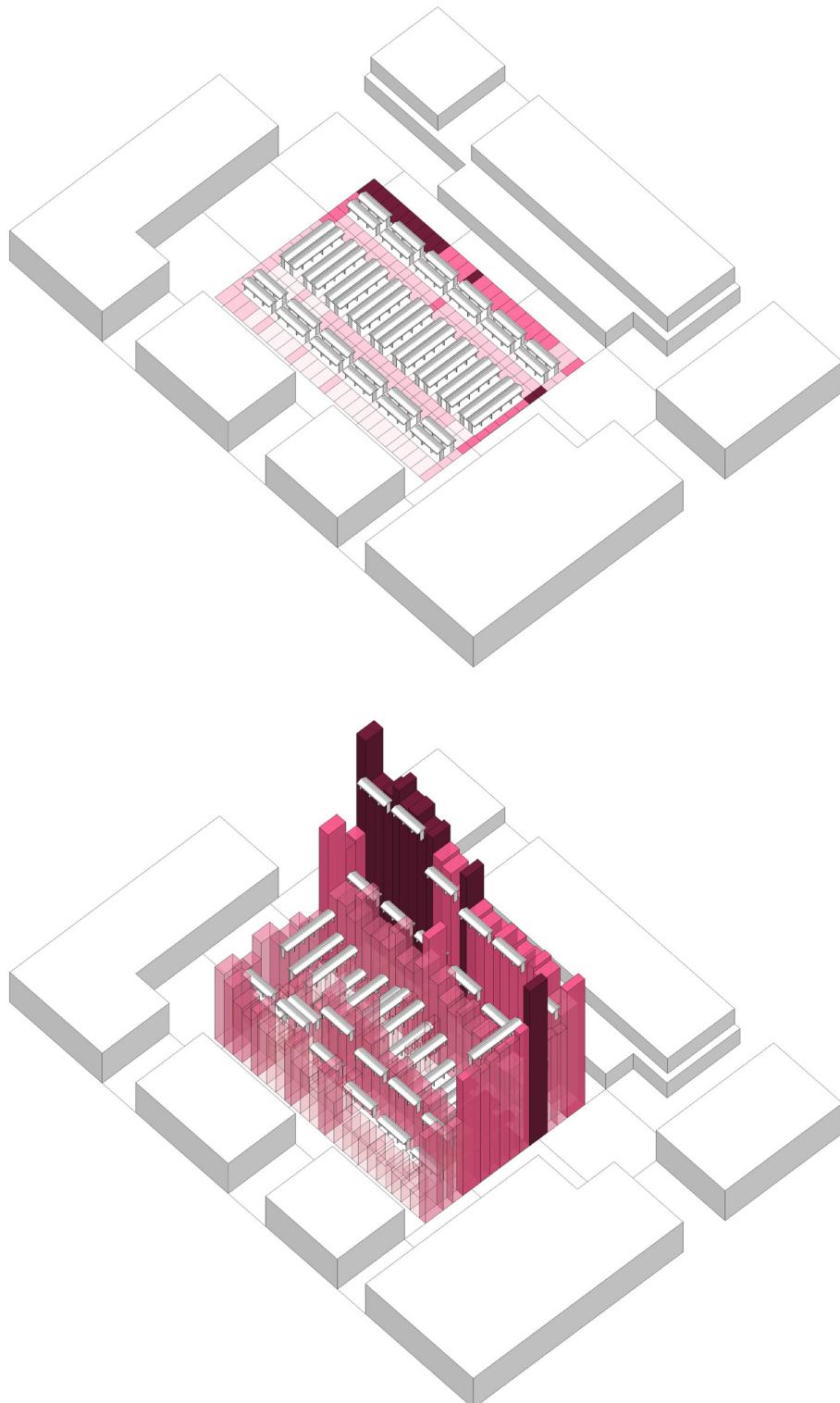
Path study.



In order to understand the flow of people through the space, Cloud conducted a path study over a period of two days. Members observed people entering and exiting the building from the mezzanine level and mapped out their footfall. This data was then entered into a spreadsheet and aggregated to show relative footfall across all subjects. The results showed the following key insights:

- **Uneven footfall.** Footfall was not distributed evenly across every stall in the market. The southwest corner of the market, closest to Liverpool, and the west edge received considerably more footfall than any other section of the market. Some of the central rows did not receive any traffic from any of the subjects observed at all.
- **Shortcut, not a destination.** A majority of people spent less than 60 seconds in the market and just passed by the periphery with nothing to slow them down or stop them.

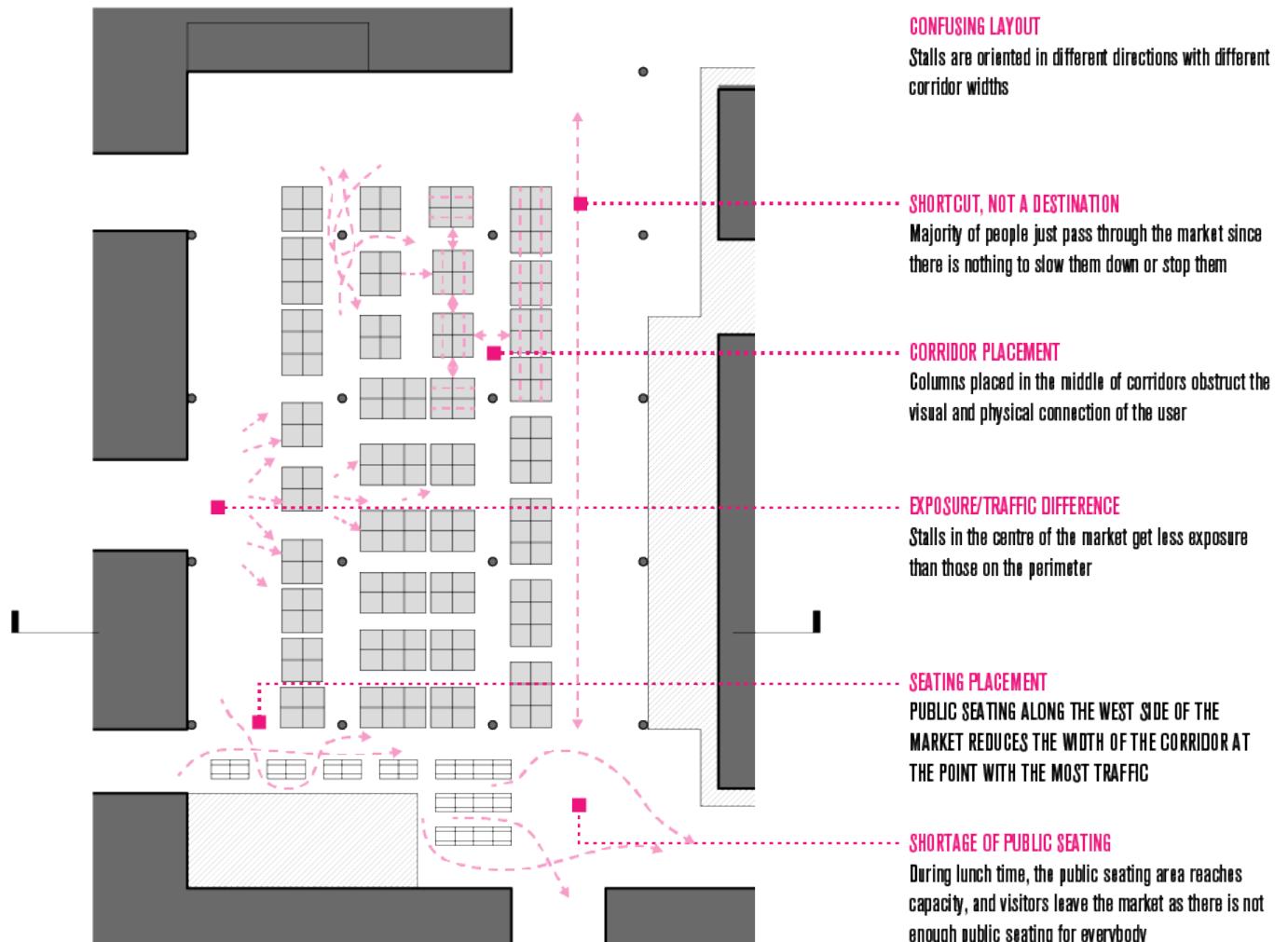
Figure 8. Relative footfall mapped onto a diagram of the market layout.



Cloud also made the following observations:

- **Corridor placement.** The placement of corridors on the column grids obstructed traffic of visitors into the center of the market and also created a visual obstruction of circulation and stalls.
- **Lack of consistency.** Stalls were oriented in different directions with different corridor widths.
- Seating placement. Public seating along the north side of the market reduced the width of the corridor at a point of major congestion and also placed the center of lunch activity at the periphery of the market.
- **Shortage of seating.** Of over a hundred people observed purchasing food during lunch, only 27.5% actually sat down and ate their lunch at the tables. About 42.5% left immediately after buying food with clear intentions of eating elsewhere, and about 30% appeared to search for a seat but couldn't find one. Cloud also observed members of the public finding alternative means of seating like staircases.

Figure 9. Observations of problems in market layout.



Observations of crowded corridors.



Lack of public seating.



3. Stall Logistics

Stalls are assembled late in the prior evening or early in the morning at the beginning of each day by workers hired by management. The workers reconfigure stall layout in the market under directions from management to reflect the number of traders attending that day. Eric estimated the total number of man-hours per week at an average of 120, which, at £10/hr, is a cost of £1200 per week. Because the stalls are based on a panelized frame construction, an individual stall requires a cumbersome process to break apart or set up. On days when the market floor is rented out for outside event programming, the stalls are disassembled and transported to a yard by truck for off-site storage. According to Eric Graham, the stall structures were originally intended to be kept in underground storage at the market. However, the elevator that was installed in the building was too small for the metal stall frames, thus the need for off-site storage.

Workers moving stalls off site.



During the course of the project, Cloud was able to observe one instance of the entire market closing down for three days for a corporate event to be held in the space (which creates significantly more revenue for the owner than the merchant stalls). The teardown and setup processes involved over ten crew members and at least five hours each.

Each day, once the stall structure has been set up by management, merchants take 1-2 hours on average to set up their goods in or on the stall in the morning and pack them up for storage in the evening. This transfer from storage to stall display and vice versa is a recurring activity that many merchants described as inefficient and time-consuming.

D. BUSINESS ENVIRONMENT ANALYSIS

1. Political and Legal

"We do not underestimate the challenge facing local authorities seeking to sustain their markets in the current austere climate. From the evidence we have received, it seems to us that there are two big challenges: finance and management."

- The Department for Communities and Local Government Select Committee, July 2009

London's Retail Street Markets – Final Report, 2010, commissioned by the London Development Agency (LDA), makes 32 conclusions and recommendations, after substantial research on London's traditional retail markets. It recognises the benefits of the markets for a broader community. Some of these points are presented below:

- "We recommend that local authorities develop a strategic plan for the development of their markets..."
- "By considering markets as part of the wider town centre management agenda and in terms of their ability to deliver a number of strategic benefits, councils may find it easier both to release their own resources for markets, and to obtain financial support from other agencies (regeneration agenda), primary care trusts (the health agenda) and third sector partners (the social cohesion agenda). We recommend that local authorities think laterally and innovatively along these lines."
- "A third area that local authorities should, in our view, explore further is joint financial sharing with local market trader organisations, with the proviso that the latter in return gain a more strategic role in the managing of their markets."
- "We recommend that local authorities with profitable but 'tired' markets consider prudential borrowing as a means of revitalising their markets."
- "We commend those councils who have already identified market champions and urge other councils with markets to adopt a similar model."
- "We recommend that councils review their market management structure and give careful consideration to the most appropriate organisation for them that recognises the need to realise the wider economic and non-economic benefits of markets and gives weight to public and private sector alternatives."
- "We recommend that London local authorities and CLG, whose support will be necessary to ensure that legislative change comes into effect, work together to change the relevant provisions of the London Local Authorities Act 1990 and other relevant legislation specific to individual London boroughs..." (so as to be given greater powers in respect of their street markets)
- "We recommend that the industry look in particular at how they can provide further best practice guidance and support to lower tier councils operating smaller, local markets and who are more likely to lack specialist market knowledge."
- "We urge the Government to emphasise the wider non-economic benefits that markets can bring and to encourage local authorities also to take them into account when making planning decisions, both in the PPS document, and in the future iterations of the accompanying good practice guidance."
- "We recommend, therefore, that CLG takes on responsibility for providing a clear strategic central government focus for markets, and that this is reflected in the portfolio of a named Minister, in the terms of reference of a senior civil servant in the Department and in active engagement with the market industry."
- "We further recommend that CLG lead an inter-departmental working group to ensure that best use is made of markets as a vehicle to further wider Government objectives as set out in this report."

Based on these recommendations, the Department for Communities & Local Government (DCLG) has established an inter-departmental working group on retail markets. The working group aims to create a forum to discuss policies that may affect markets. In addition, the group aims to produce a guide for market managements and a business support model for new and established market traders, as well as share guidance on management models for markets.

The planning policy on the national level is also highly favourable towards markets in the context of retail planning policy and town centre management. The Planning Policy Statement 4 (PPS4) published in December 2009 makes a call for “retaining and enhancing existing markets and, where appropriate, re-introducing or creating new ones, ensuring that markets remain attractive and competitive by investing in their improvement.” (Policy EC4.1)

Also, on a city level, the 2009 Draft Replacement London Plan recommends that Local Development Frameworks should “support the range of street, farmers” and, where relevant, strategic markets, complementing other measures to improve their management, enhance their offer and contribute to the vitality of town centres. Paragraph 4.47 states that “The Mayor recognises that street and farmers’ markets can make valuable and distinctive contributions to meeting Londoners’ varied dietary requirements and extending competitive choice and access to a range of goods, as well as contributing to the vitality and wider offer of town centres. The planning system can help address some of these, but broader actions are often required, especially in terms of management and investment.”

There are a great number of organisations which try to implement recommendations or shape policies:

- The Association of London Markets (AoLM)
- The National Association of British Market Authorities (NABMA)
- Cross River Partnership
- CLG Retail Markets Group
- DEFRA Task Force
- London Food Strategy and Local Food Infrastructure project
- Recommendations of 2008 LA review of street markets
- London Tourism Action Plan 2009-2013
- London First Retail Commission

(Source: London’s Retail Street Markets – Draft Final report, 2010)

It is certain that the potential role and value of markets in supporting and delivering government policy is being increasingly recognised. The whole process is slowly gaining pace. Markets that are the first to learn from experience and establish successful business models can harvest great gains in the future.

2. Economic

According to both the 2013 and 2014 Spring Economic Outlooks for London made by Oxford Economics for the City of London Corporation, the Gross Value Added will achieve stable growth somewhere around 3% per year in the next few years (see Table 1). This is a good forecast for employment which is also predicted to grow. Based on research, the two boroughs that surround the Old Spitalfields Market have better forecasts than London as a whole. This offers great background for the market’s business. As a consequence of good employment and GVA growth the property values in the area are booming. In 2013 the property value in Tower Hamlets grew 14.13%, while in the City of London, growth was 10.24% (Source: www.zoopla.co.uk).

Table 2: London's GVA growth (%/year).

	2013	2014	2015
Financial & business services	1.6	3.6	4.4
Mainly public services	0.0	-0.1	0.6
Total	1.3	2.8	3.4

(Source: www.cityoflondon.gov.uk/economicresearch)

Table 3: City of London's and Tower Hamlet's forecasts.

	2013	2014	2015	2020
City of London				
Employment (%)	0.8	1.3	1.2	1.0
GVA (%)	1.0	3.1	4.0	3.9
Tower Hamlets				
Employment (%)	1.8	1.9	1.7	1.6
GVA (%)	2.0	3.6	4.3	4.2

(Source: www.cityoflondon.gov.uk/economicresearch)

3.Cultural and Social

Markets in London have existed for hundreds of years. Citizens could and still remain to enjoy a wide range of items, from fresh fruits and vegetables to clothes and household goods. Markets are a key part of London's economy and a daily feature in many Londoners' lives. London's Street Markets Report, 2008, the first comprehensive survey of its kind in London, shows that there are around 180 retail markets in London today, with at least 63 more than there had been ten years ago and more than twice as many as had previously been thought.

New types of markets are increasingly popular - farmers markets, continental and arts and crafts markets while other traditional markets have experienced a shrinking number of stalls, the negative effects of which are starting to be self-perpetuating. The decline of these markets can be explained by increasing rents and competition from supermarkets.

Markets are the best place to begin a career in entrepreneurship because they provide opportunities for market traders to develop business skills and grow their business. Markets also attract customers to surrounding shops, which is why local retailers tend to be supportive of the markets. It is estimated that customers at markets spend £752 million more per year than at other shops in town centres. This is a significant multiplier effect, with market customers spending on average £1.75 in other shops in the town centre for every £1 they spend in the market. While

this spending would not necessarily be lost to town centres as a whole in London if markets did not exist, it does suggest that a number of individual existing town centres would lose out if their markets were to close. Moreover, people value local markets because of their positive effects on the character and community of the surrounding area. A study by The Policy Press in association with the Joseph Rowntree Foundation in 2006 concluded that markets are important ‘spaces of diversity’, where local people interact. In London’s Retail Street Market Final report, 2010, almost half (42%) of the surveyed customers said that “they would not visit the town centre if the market was not there.”

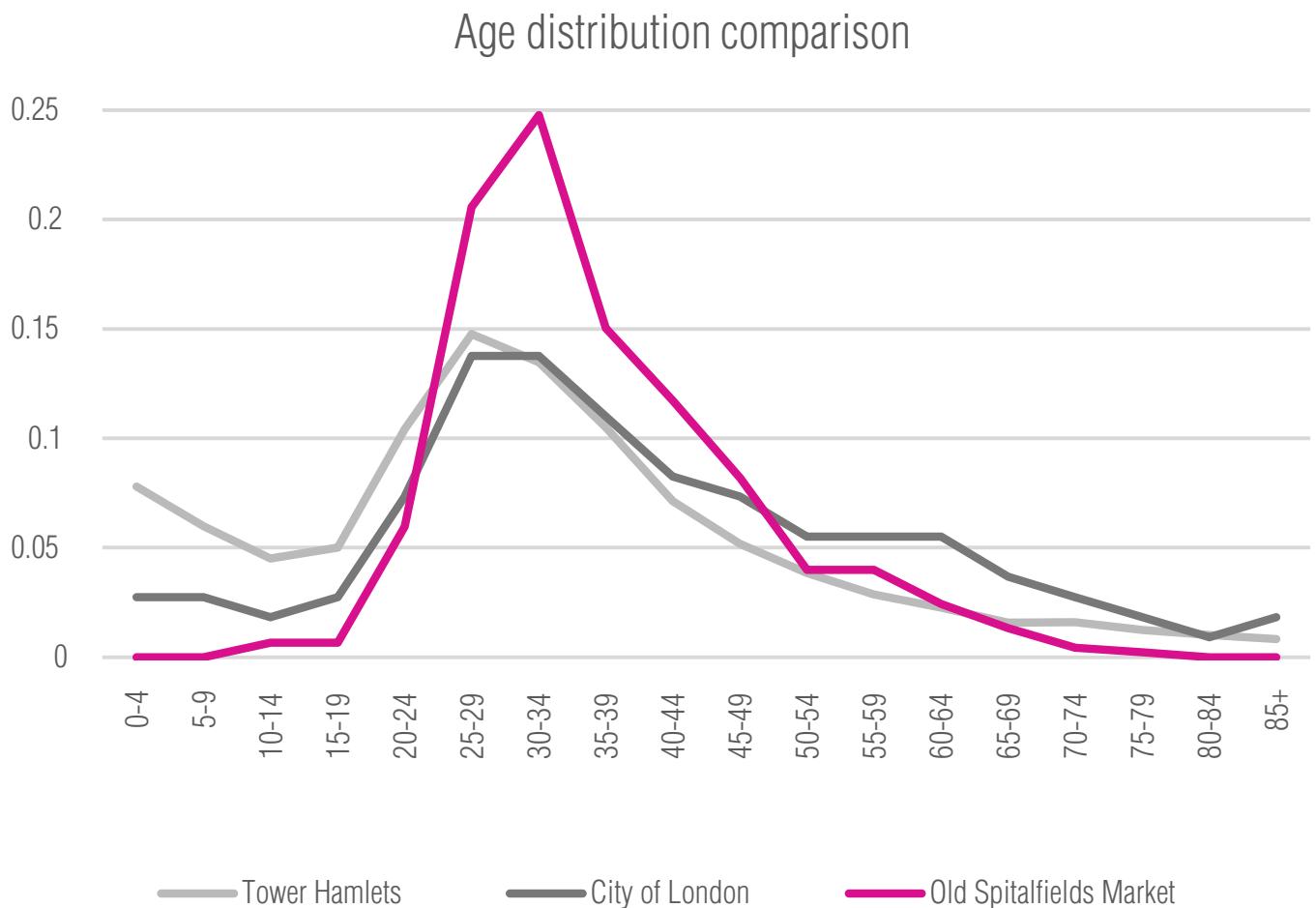
The report (2010) also observes: “Market trading is a career for many traders, with the average trader surveyed for this study having been in the business for 19 years. Correspondingly, market traders tend to be older, with a greater proportion over the age of 40 compared to London’s working population as a whole. The large majority of traders (81%) are men. While the majority of traders are also White, (58%), a much greater proportion of traders (42%) are from Black and Minority Ethnic backgrounds than the population as a whole (29%). Nearly two thirds of market customers visit a market at least once a week, illustrating the fact that many people rely on markets for shopping. Less than one in ten customers travel to a market by car, with nearly all the rest using some form of public transport. This illustrates the value of markets in providing a form of retail that does not depend on car-use. It is also a likely indicator of the importance of markets to non-car owners, many of whom will be on lower incomes.” In contrast, based on Cloud research at OSM, the majority of traders are between 25 to 40 years old.

In 2006, the Joseph Rowntree Foundation (Watson, 2006) published research on the value of markets as spaces for social interaction. This concluded that:

- Markets were important sites of social interaction for all groups in the community, but most significantly for older people, especially women. Markets were also important social spaces for mothers with young children, young people, and families with children, particularly on weekends.
- Markets had a significant social inclusion role as places to linger, particularly for older people and young mothers. Some markets also appeared to be inclusive of disabled people, although in other places this was less evident.
- The social life of traders played a significant role in creating a vibrant atmosphere in markets and in forging social bonds and links in the trading community as well as with shoppers.
- For markets to function well as social spaces, various factors are significant. Essential attributes include: a diverse range of products fitting well with local needs and tastes; cafes or food vans on site or nearby; good access to the site, especially by local transport; an active and engaged community of traders; and a sense of the unexpected.
- Where markets are managed by local authorities, good local management and a strategic vision by the council could help with their development. It was evident from the research, however, that some markets do not have a high profile or significant backing from the councils.
- There are limited national and local policies to encourage and support markets’ role as a key social and economic space for the local community. Markets could play a more significant role in national policy agendas such as social inclusion, town centre regeneration and healthy eating.

To get better insight about who the target group for Old Spitalfields market is, Cloud conducted a research study monitoring the age of 225 coincidental users. The research was then compared with the demography of the area. Comparison shows that the market attracts all generations of people no matter their age. From observation, there was a smaller percentage of those under 15 years old and those over 70 years old. Consequently, a larger percentage of the population are between these two age groups. In general the shape of the curve corresponds to the population curves of the boroughs. This confirms the statement from one of the paragraphs above, that markets truly are spaces of diversity.

Figure 10: Demography of City of London and Tower Hamlets in comparison with OSM.



(Source: <http://data.london.gov.uk/census/qa-pack> and Cloud research)

4. Environmental

"In May 2008, the Local Government Association (LGA) published a food packaging study, War on Waste, which showed that retail markets produced the lowest weight of waste and the highest proportion of recyclable waste, compared with supermarkets and independent high street retailers. It is notable that reducing food waste is also a key aim of the London Food Strategy.

Produce sold at Farmers' markets certified by the National Farmers' Retail & Markets Association (FARMA) is likely to have low levels of 'food miles', as certification requires goods to be sold by the producer themselves. In practice this means most farmers' markets in London are served by farmers in the greater South East region."

(Source: London's Retail Street Markets – Draft Final report, 2010)

5. Technological

In the past decade there has been substantial development of software applications, new ways to promote via the World Wide Web and other new sales channels that have not yet been fully exploited by the retail industry, especially the markets. Some markets have their own web site and different reports show that this had an effect on tourists visiting markets. That said, there is still much more room for improvement on the technological side.

6. Future Events

Table 4: Probability and importance of events for OSM.

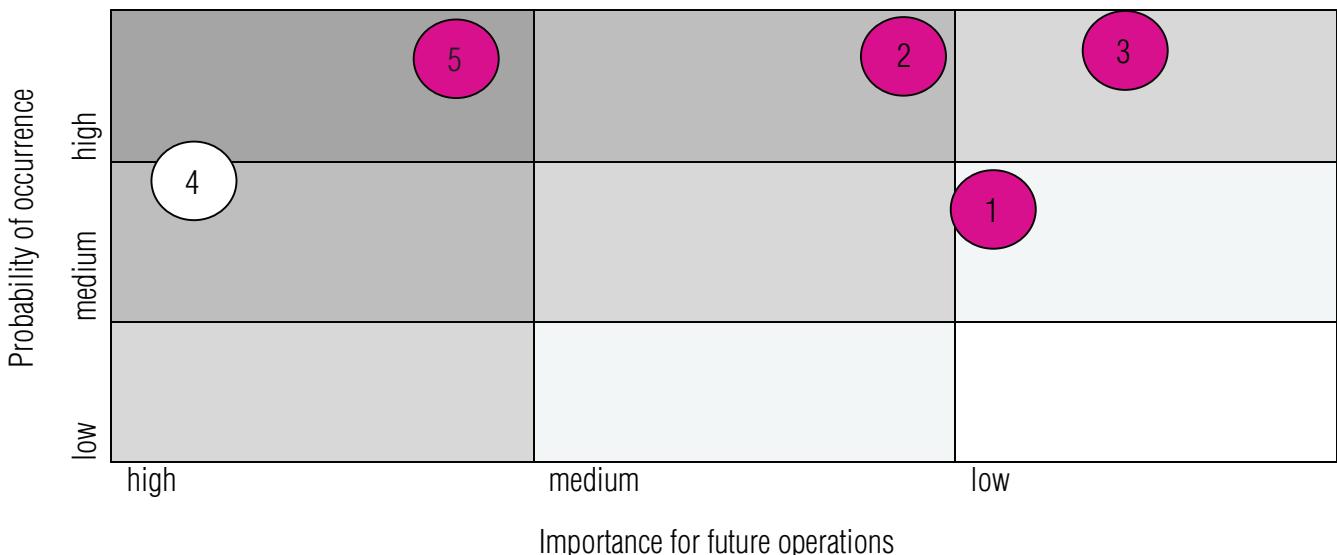
Event	Consequences	Size of effect*	Probability**
1. Government efforts for better cooperation and overall marketing of markets	<ul style="list-style-type: none"> More local customers and tourists More merchants 	2	60%
2. Rising GVA in London	<ul style="list-style-type: none"> Rising customer purchasing power Better financing options 	3	90%
3. Rising employment in the area	<ul style="list-style-type: none"> More potential customers 	4	90%
4. Booming property value in the area	<ul style="list-style-type: none"> Demand for activities with higher value added 	5	70%
5. Increasing use and intensity of media	<ul style="list-style-type: none"> Better real-time access to information 	2	100%

* effect size is measured on a scale from 1 – ideal to 7 – catastrophic

** probability of the event on scale between 0% and 100%

(Source: Cloud)

Figure 11: Matrix of crucial business environment events for OSM.



Darker grey indicates higher importance for the future management of the market

Pink represents positive events while white represents negative ones

(Source: Cloud)

7. Porter's 5 Forces Model of Competition

- 1. Competitive rivalry within the retail industry.** There is limited competition between the markets due to the local reach that a singular market has. Only markets close together compete for the same customers. In the OSM case the main competition is the neighbouring STM, Brick Lane Market and Petticoat Lane Market. The latter is not seen as a full competition because of the type of bargain products being sold there. The size of the retail market is in a slow stable growth. The loyalty of the customer plays a great role in this industry since the buyer's switching costs are low and the product differentiation is in most cases low as well. The share of loyal customers is, based on the interviews with the merchants, around 20%.
- 2. Threat of Substitute Products.** In the last decade, supermarket or department stores have become a greater concern for the markets because they not only offer the same products at comparable price, but also a greater variety of products. The open hours at supermarkets are longer too, so regular markets cannot compete with them. Supermarkets or department stores can be treated almost as a perfect substitute in relation to the traditional market.
- 3. Threat of new entrants.** There is always a great danger of new entrants in this industry. In the last 15 years the number of markets has risen from 100 to 171. The local nature of traditional markets relativizes this occurrence. In the proximity of OSM there were no new entrants in terms of traditional markets. New supermarkets as substitutes emerged. Threat of new entrants is considered generally low.
- 4. Bargaining power of consumers.** The bargaining power of customers is considered high. There is a relatively large number of sellers and markets and product differentiation is low, as well as switching costs for the buyer.
- 5. Bargaining power of suppliers.** The large number of markets and sellers gives relatively low bargaining power to the producers. Some of the merchants also produce their own products.

Table 5: Porter's 5 forces model of competition in retail industry.

	Present Threat			Future Threat		
	Low	Mod.	High	Low	Mod.	High
Competitive rivalry						
Substitute products						
New entrants						
Bargaining power of customers						
Bargaining power of suppliers						

(Source: Cloud)

Figure 12: Strategic graph of retail industry – levels of service.



Legend: 1=low level of service, 5=high level of service
 (Source: Cloud)

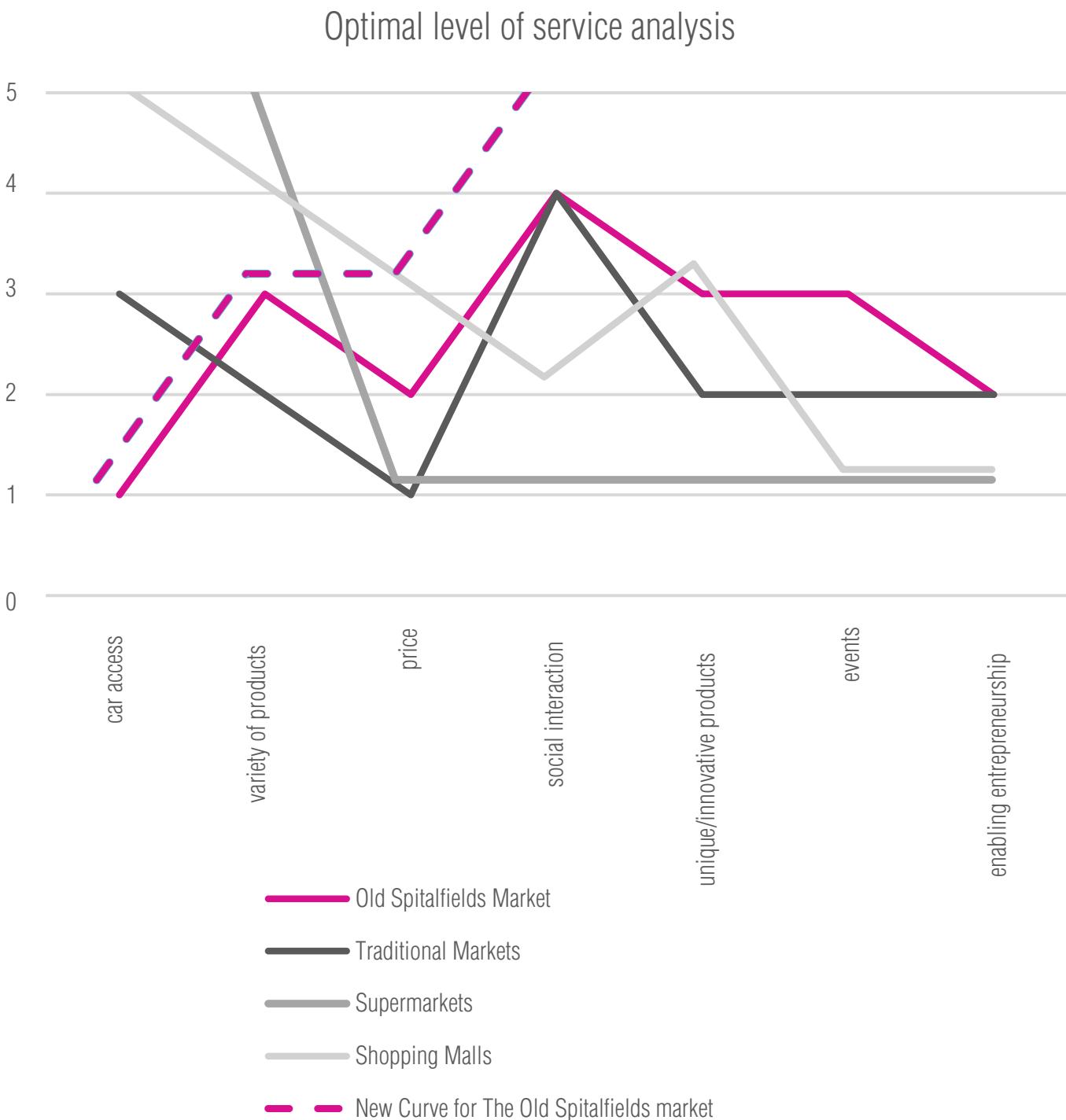
From the Porter's 5 forces of competition it can be seen that the retail industry in the area is already saturated. With the exception of low bargaining power of suppliers, all the other 4 forces argue for high competition in this industry. New levels of service are needed in order to expand.

The level of service graph tries to describe what could be future comparative advantages based on the existing service analysis of the local industry. The market as it is perceived now is relatively flat, so no further growth can be expected with the current way of business. From the graph it can be seen that current competition offers little to no service in the field of events and does not enable special entrepreneurship support for young merchants who try to sell their innovative products. As a consequence the number of stalls with innovative/unique products is low, which is

another disadvantage for the current retail business. More entrepreneurial spirit might also bring greater variety of products. Due to the high rivalry in the market, higher prices are not an option unless other elements of service remain the same. There is no spatial possibility for markets to compete with supermarkets with car accessibility.

From the level of service graph it can be clearly seen that supermarkets are substitutes for traditional markets with a traditional palette of products. What is more, it shows that traditional markets have the ability to transform and start competing as completely different markets where supermarkets' comparative advantages become disadvantages.

Figure 13: Optimal level of service for OSM.



Legend: 1=low level of service, 5=high level of service

(Source: Cloud)

E. CONCLUSIONS

1. SWOT Analysis

Cloud observed a majority of aspects of the market operating successfully, in a large part thanks to the sound management of Wellington and the collaboration of the merchant community. Merchants were often observed helping each other out with setup, teardown, sales and security and generally treated each other as friends and family. Eric also runs a stall contest on Sundays which encourages a spirited competition among the merchants and the value of aesthetics and design. The market benefits from fantastic historic architecture and a continued reputation of being one of the top places for tourists to visit. Compared to other markets that Cloud looked at around London, Spitalfields is distinguished for its unique spacious atmosphere, its large covered roof, its proximity to the vibrant Spitalfields art community, and its variety of retail offerings. Many merchants are popular among locals or known worldwide and have anchored OSM as a destination for vintage items or arts and crafts. The Thursday Antiques Market consistently draws an impressive crowd, along with Friday record fairs and the themed markets on weekends. Cloud strove to preserve what is working successfully through its own design process.

Despite the large number of successful conditions in OSM, Cloud identified the following key problems with the current market.

- 1. Layout.** Across almost all stakeholders there were voiced concerns with the way the market is currently laid out. From the management's point of view, the changing number of merchants day by day requires near constant adjustment of the market layout, even on the morning of. There are also concerns in regards to clearances in the current corridors. The management needs to ensure that the merchants do not encroach on safe corridor widths or simply change the corridors themselves. Many merchants complained that the current layout is not conducive to footfall within the center aisles, and we confirmed this through our path studies. The public described the challenges of finding products they were interested in or the general confusion that the layout caused.
- 2. Slow days.** Cloud observed a significant reduction of footfall and business interactions on the first three workdays of the week, and this was validated by the merchants on those days. There were roughly 50% of the merchants coming in to do business on these days than on the weekends, but the overall market layout stayed the same. Oftentimes this resulted in empty stalls between merchants. A major surge of traffic occurs during the lunch hour with mostly local workers, but they mostly stay to the periphery of the market stalls on their way to/from purchasing food. Merchants told Cloud that they would appreciate more opportunities to engage this specific audience if they were encouraged to pass by more market stalls.
- 3. Stall design.** Across all stakeholders there were concerns about the functionality and aesthetics of the existing stall structures, which are very similar to what can be found in street markets. The management found the setup and teardown of stalls to be a logistical challenge. The merchants complained about the inefficiency and inflexibility of the stalls, as well as their safety (some merchants described collapses and injuries in the past). Locals and visitors said that the stalls were "ugly".
- 4. Lack of seating.** As evidenced through our observations and interactions, there is generally a lack of seating in the market. Though many merchants suggested that seating would not help the market, on the contrary many visitors told us that additional seating would encourage them to stay longer and thereby spend more time shopping.
- 5. Lack of advertising.** Almost all merchants Cloud talked to complained about the lack of advertising at major transportation nodes like Liverpool Street Station, as well as the lack of advertising directly surrounding the building to let passersby know about OSM.

The strengths, weaknesses, opportunities, and threats to OSM are summarized below.

Table 6: SWOT analysis.

STRENGTHS <ul style="list-style-type: none">▪ Proximity to London's main financial centre and vibrant residential neighbourhood▪ Tradition/recognisable brand▪ Covered market space▪ Strong identity, sense of place▪ Relatively unique products being sold	WEAKNESSES <ul style="list-style-type: none">▪ Limited number of innovative stalls▪ No room for expansion▪ Fewer customers and merchants on weekdays▪ Not enough seating▪ Not enough advertising▪ Confusing layout
OPPORTUNITIES <ul style="list-style-type: none">▪ Government effort to revive markets▪ Cooperation with other markets▪ Technological advancement in communication and mass media industry	THREATS <ul style="list-style-type: none">▪ Demand for higher value added▪ Other business replacing the market▪ Customer loyalty loss

2. Competitive Advantages

Based on the SWOT analysis, OSM possesses many strengths that can differentiate it from other traditional markets as well as from supermarket stores. Competitive advantages in this case can be observed through two different perspectives: the customer and the merchant.

From a customer viewpoint, the market is regarded as a whole. The key competitive advantages that OSM possesses are:

- The Victorian, almost rustic atmosphere, which creates a unique shopping experience
- A rich expression of tradition, which adds to the characteristic ambience of OSM's historic buildings
- Covered space that can be used for different activities and enables a wider range of products to be sold at the market
- The variety of innovative products being sold at the market, things that you can buy only in a few places

From the perspective of a merchant, OSM's key competitive advantage is its promising location. With its position between the City of London financial district and vibrant residential district in the west part of Tower Hamlets Borough, it provides a wide range of potential customers for the merchant. It also provides good grounds with potential investors for the most ambitious entrepreneurs, an option which the market has not fully exploited yet.

3. Design Challenges

Cloud focused on the key problems that could be solved through simple architectural interventions that maximized mutual interest and sustainability.

- **Solution to layout.** Cloud identified the technical problem of layout to be the most accessible challenge, one that could be solved in a feasible way with little to no cost to the community.
- **Flexibility.** Cloud identified that its proposals for the market would have to allow for a great deal of flexibility, since one of the key problems with the market right now is the inflexibility of the various elements. The interventions would ultimately have to be adaptable to future needs and the freedom of the stakeholders to use as they please.
- **Phasing.** Understanding the importance of feasibility of the proposal, Cloud set out to divide the proposal into discrete phases that would indicate the steps of implementing the concepts over a period of time. The first phase especially was designed to require no additional costs.
- **Integration of public amenities.** Cloud identified public space as an element crucially lacking in the current market, so the design proposals focused on how to integrate public amenities in a way that would attract more footfall and consumer spending without harming the current fabric of the market.
- **Architecture as branding.** Cloud focused on the use of architecture as a driver of renewed reputation and image. In the case of OSM the community desired a reconnection to history while also paving the way for contemporary leisure and lifestyle. Cloud saw an opportunity to satisfy both of these seemingly mutually exclusive goals through an architecture with form resembling historic objects but function catering to contemporary experiences. The primary theme became the reimaging of a historic market of material goods as a modern market of social goods, particularly meetings and ideas.

Figure 14. Solution space.

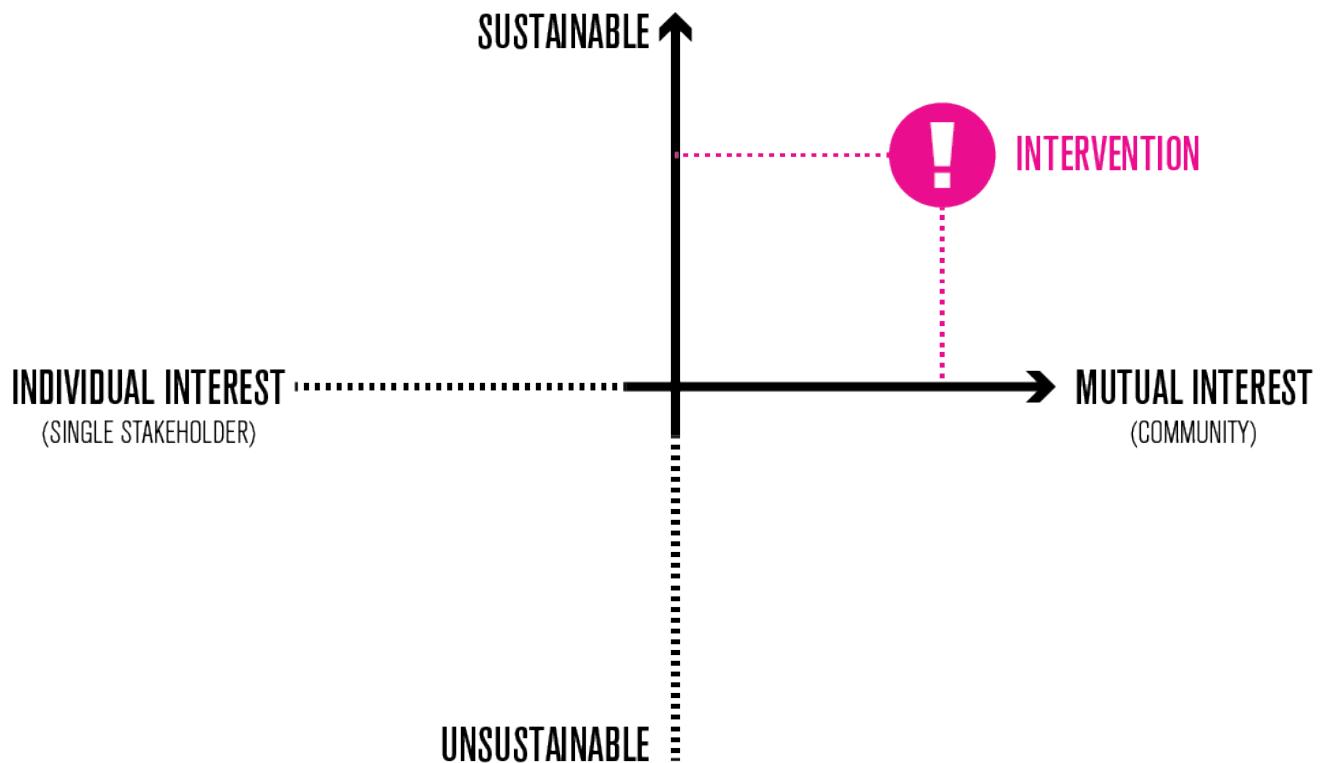
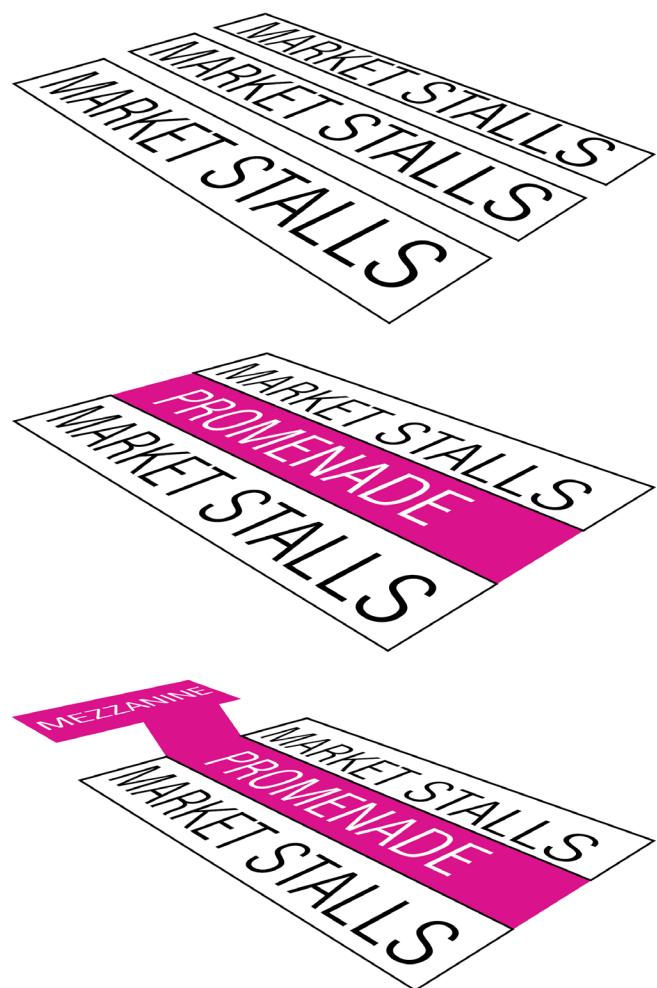


Figure 15. Design concept.





CLOUD ARCHITECTURE

IV. DESIGN

A. PHASE 1

1. Overview

Cloud's proposed Phase 1 uses the existing infrastructure and is simply a reconfiguration of the market layout in order to generate more footfall for the individual stalls. Cloud proposes that this new arrangement be tested for a period of one month, during which time feedback can be gathered from all stakeholders on whether it improves upon the current footfall. The general concept is to create a central promenade dividing the stalls into two sections, each with nine blocks each accommodating up to eight individual stalls. This creates rows of no more than four stalls each, much like the configuration in the adjacent Spitalfields Traders Market. The advantage of these shorter rows is the ability for visitors to see all the offerings of a row without necessarily having to enter the row. The central promenade also will drive more traffic down the center of the market instead of on the periphery, and with the addition of tables within the promenade it will also encourage lunchtime visitors to sit down in the center of the market, at which point they will be more likely to look at the stalls around them.

2. Day-by-day Reconfiguration

- Monday through Wednesday, 144 stalls. Since these days have significantly less traffic as workdays and receive more office workers, Cloud proposes reducing the total number of stalls and creating a wider promenade with specific interventions designed to attract office workers. Since the key surge is for the lunch hour, this intervention should be bringing in as many seating tables as possible into this promenade so as to encourage the office workers to sit down with their food in the promenade.
- Thursday, 180 stalls. Because the Antiques Market currently operates on Thursdays and has a dedicated audience, it doesn't face the problems of footfall that Mondays through Wednesdays face. This type of consumer, as they described to us, also tends to be more focused on browsing items and prefers a crowded, chaotic atmosphere. Therefore Cloud proposes that the promenade be reduced in width on Thursdays to accommodate more stalls, up to 180 which is more than even currently offered.
- Friday through Sunday, 160 stalls. Cloud proposes that the weekend market be somewhere between the minimum and maximum number of stalls, with the central promenade accommodating stalls with a focus on food and refreshments or interactive experiences (massage, product testing, promotions). These should also be restricted to low presentation (no vertical hanging above table height) so as to preserve the view corridor.

Figure 16. Monday through Wednesday configuration, 144 stalls.

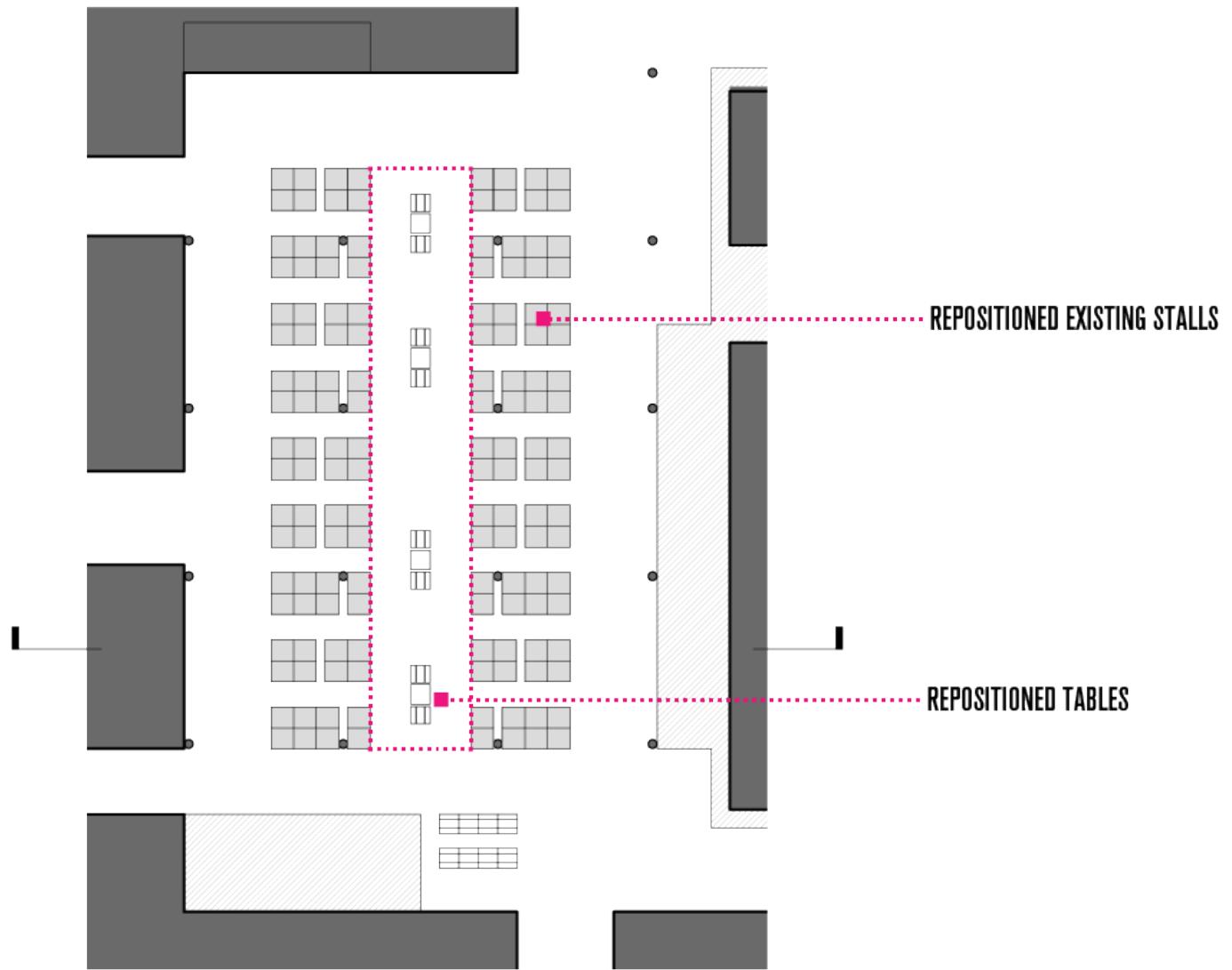


Figure 17. Thursday Antiques Market configuration, 180 stalls.

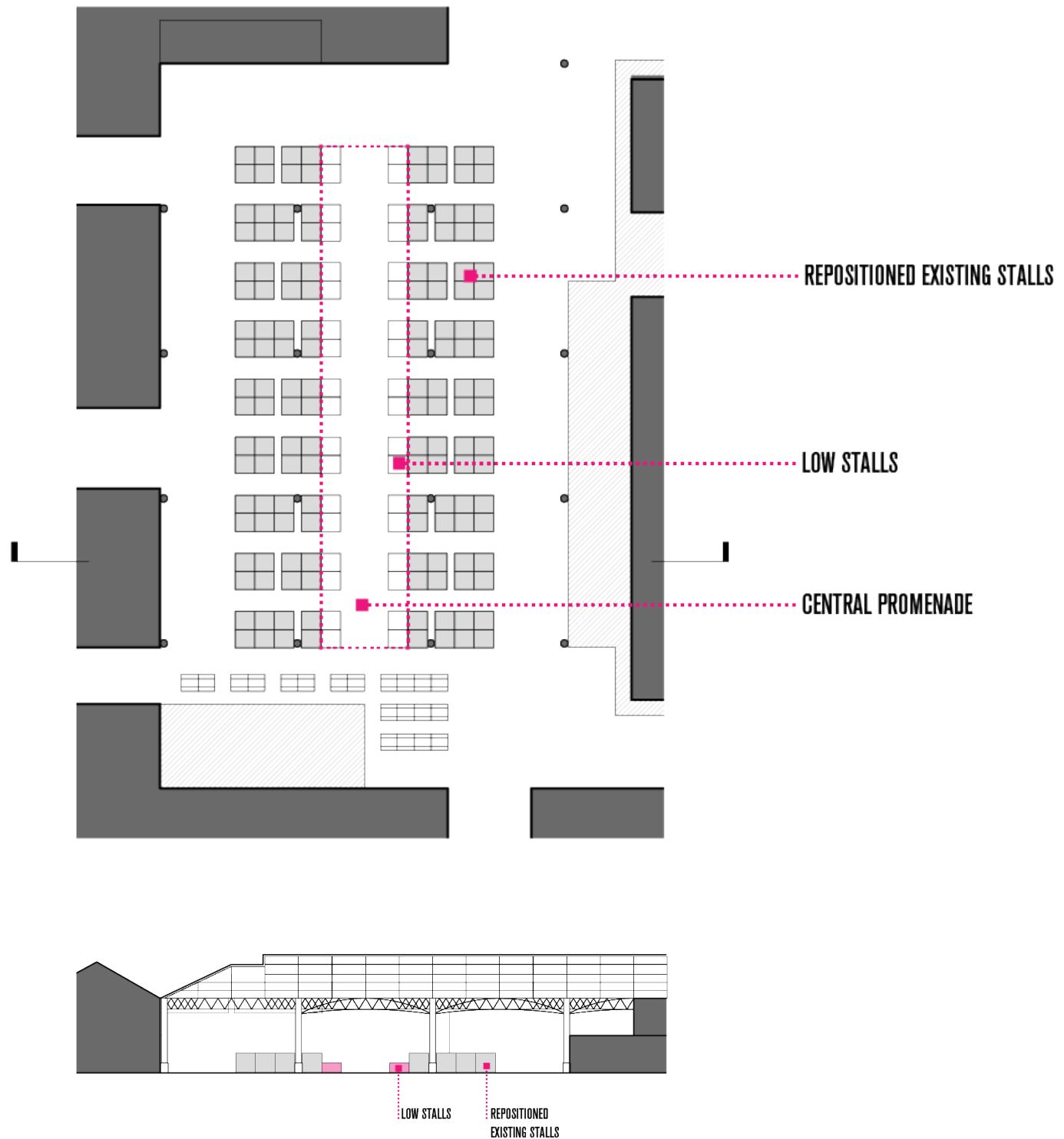
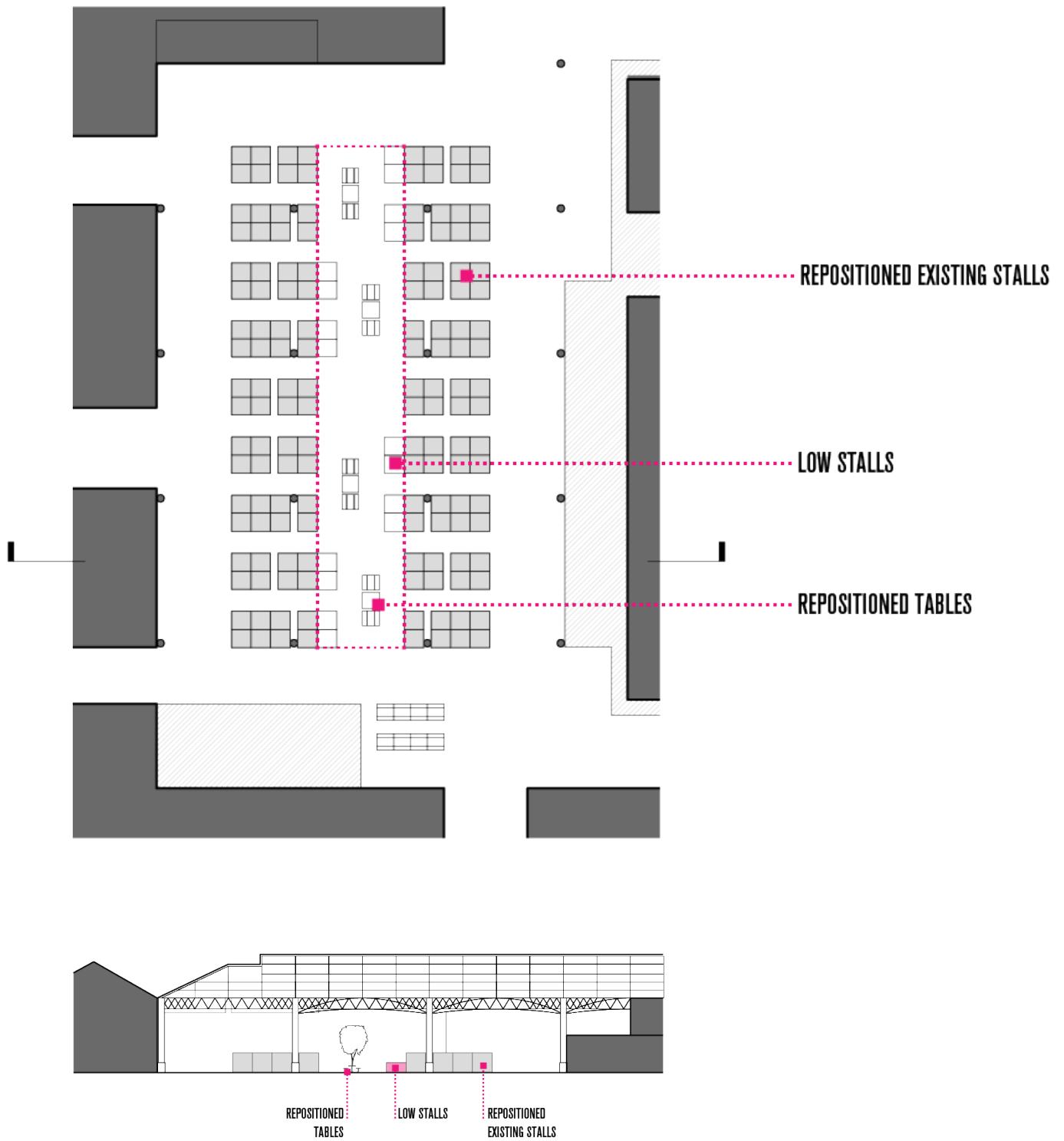


Figure 18. Friday through Sunday configuration, 160 stalls.



3. Logistics

To perform this one-month experiment, the market management simply needs to rearrange the existing stalls on a Sunday evening with a 144 stall arrangement for Monday as shown. These would remain permanent for the entire duration of the experiment, with 16-36 stalls being added on Thursdays through Sundays. Merchants initially can be placed as close to their current positions as possible, meaning that if they had an edge stall originally then they will get one again. Feedback can be gathered via email or in person while rent is being collected. Cloud recommends that during this period, the management consider inviting some modular landscaping companies to present their products within the promenade.

B. PHASE 2

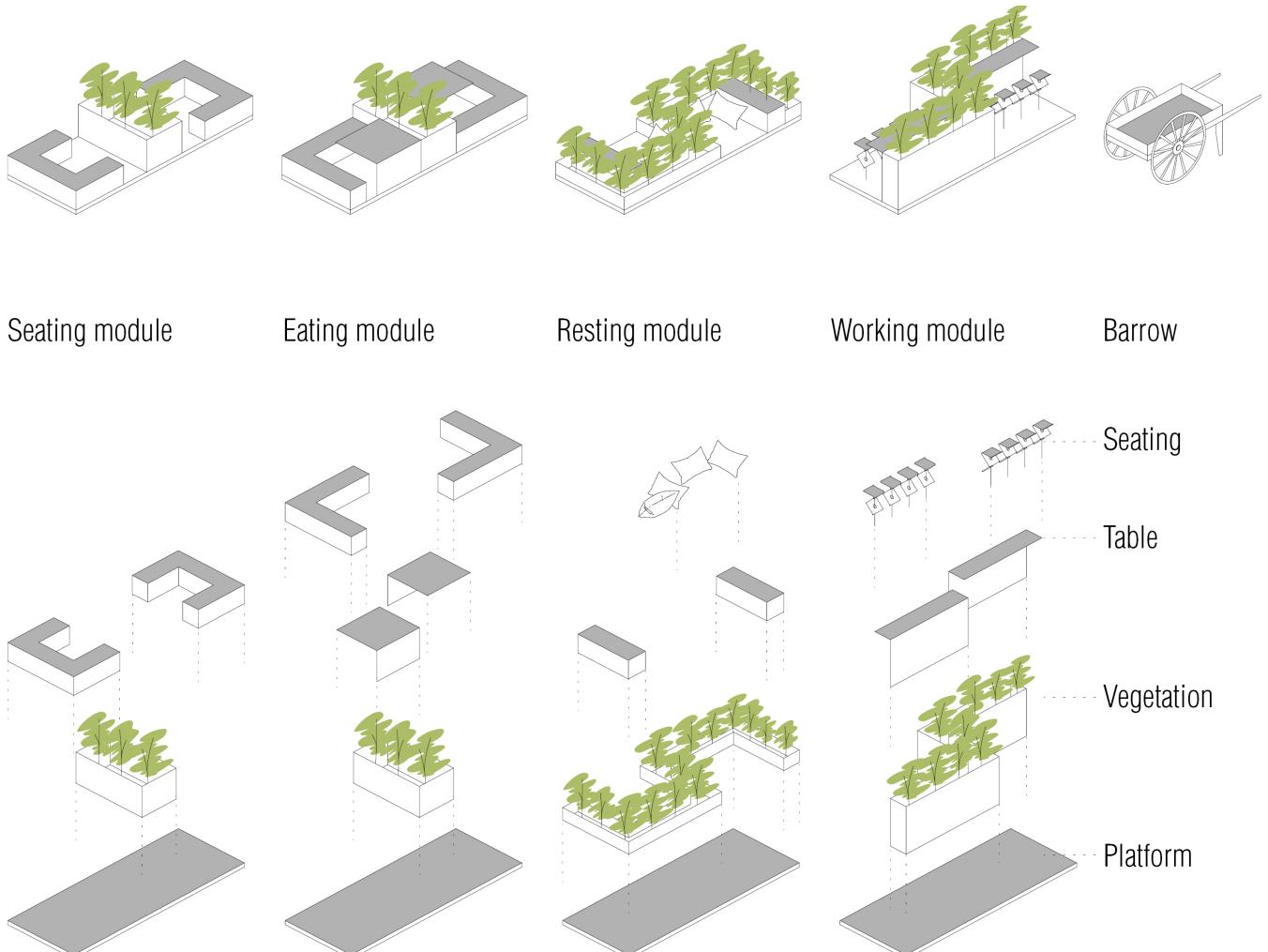
1. Overview

The focus of this phase is the introduction of special architectural elements within the promenade to begin to brand it as an iconic leisure and lifestyle experience. These elements also emphasize the owner's capacity to use the central promenade as a focal point of the property as a whole, with the freedom to organize special events and themes within the space, especially those that emphasize entrepreneurship as described in the Vision 2020.

2. Parklets

The proposed parklets are based off of the parklets popularized in San Francisco which are the size of parking spaces and are composed of a decking platform with various seating and landscaping elements. Cloud found these forms to be appropriate for the promenade because they allow for quick mobility along with well-designed and engaging social experiences. In future developments Cloud would experiment with the designs to make them unique to Spitalfields' culture and traditions, perhaps through the form of an oversized wagon. These parklets could each be designed for a different type of activity, like meeting, resting, eating, or working. When the promenade is reduced in size, these parklets could be moved out to the adjacent open areas within the Spitalfields property or onto an actual parking space.

Figure 19. Parklet diagram.



To complement the warmth of the parklet features, Cloud proposes the refurbishment of historic barrows to serve as the special low stalls within the promenade, up to 36 on the busiest days. These would be specially designed to match the historic barrows of the past and would therefore be reserved for cultural products like antiques, vintage goods, and locally-made products. They would also feature foods and refreshments to cater to the parklets with seating.

3. Logistics

The cost of parklets in San Francisco range from \$5,000 to \$15,000 depending on complexity. Cloud recommends that the parklets for OSM fall within the upper part of this range in cost so as to ensure a high quality of finished product. The parklets should be designed and manufactured off site and delivered for a special opening event. The parklets will require considerable upkeep, especially those with landscaping elements that need watering and sunshine. The barrows will require significant effort to locate and refurbish to quality standards, as well as continued upkeep. A storage solution for the barrows will need to be arranged prior to the construction of additional ground floor storage as proposed in Phase 4.

Table 7. Cost estimate for parklets and low stalls.

Item	Quantity	Cost Per	Total
Promenade Parklet	4	£10,000	£40,000
Promenade Stall	16	£500	£8,000
		Grand Total	£48,000

C. PHASE 3

1. Overview

The third phase of Cloud's proposal concentrates on stall structure redesign. Current stall structures are difficult to assemble and transport, unsafe, and lacking in aesthetics. Cloud's stall redesign aims to increase efficiency for storage and display of merchandise, allow for individual customization according to merchants' individual needs, and create opportunities for creative expression and refined aesthetics.

2. Stall Redesign

Cloud proposes a new stall frame design with the following features:

- **Save-spacing collapsible frames with wheels for mobility.** Cloud proposes metal stall frames that can be folded up to minimize space when placed in storage and fully extended to maximize possible display and storage space according to merchants' needs. Since goods can be packed closely together for storage and take up less space than when on display, merchants can use the minimum number of frames they need for storage and rent additional frames for display at a lower rate. Adjacent merchants can share rented display stalls, promoting collaboration. Cloud's proposed stall design fits current elevator dimensions so that the underground storage can be used for stall storage as originally intended.
- **Modular units for customization.** Cloud's proposed stall redesign allows merchants to customize their own setup with the use of modular elements. Boxes can be used for flat storage/presentation and razor hangers for hanging presentation. Flat tabletop space formed between two stall frames can also be used to lay goods out for display.
- **Side paneling for creative expression or uniform aesthetics.** Panels lining the sides of the stalls give merchants the opportunity to decorate their stalls as they wish and communicate their own personal brand. Alternatively, the panels also offer opportunities to create a uniform aesthetic for the market's stalls.

Figure 20. Stall diagram.

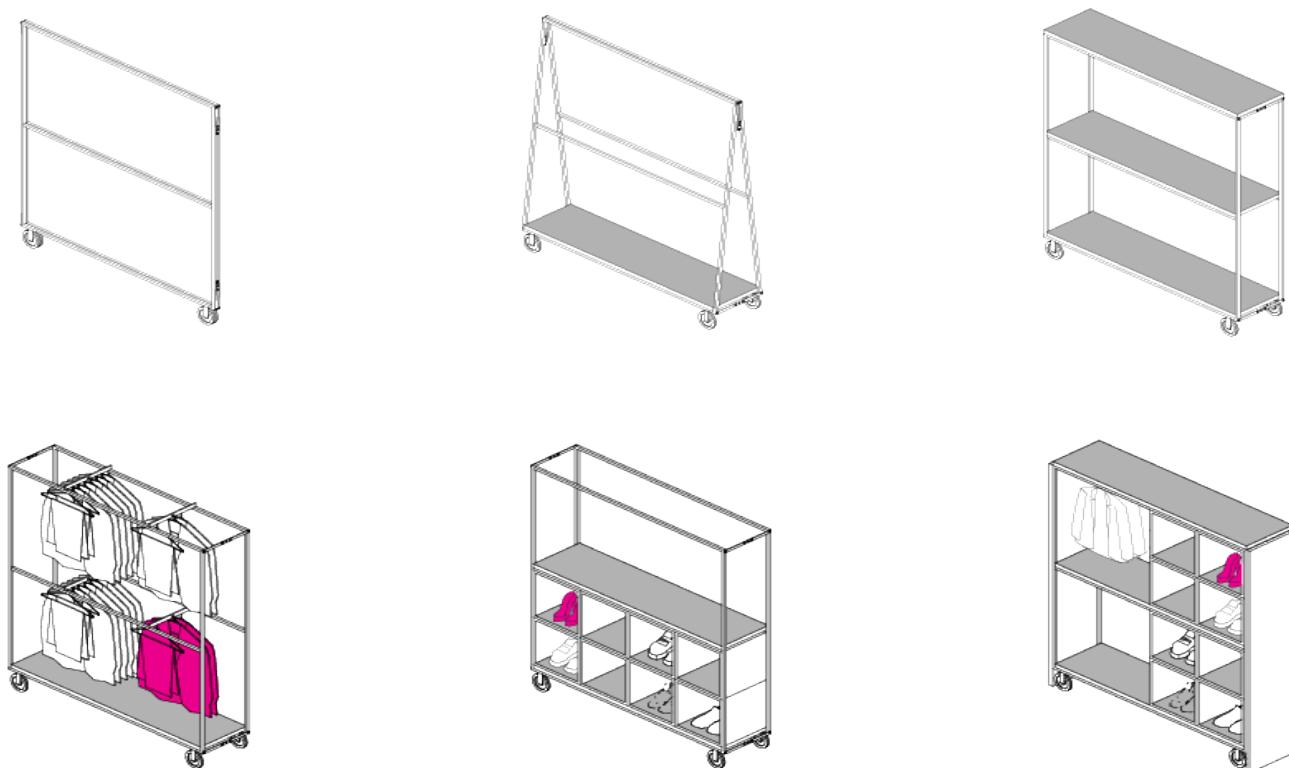
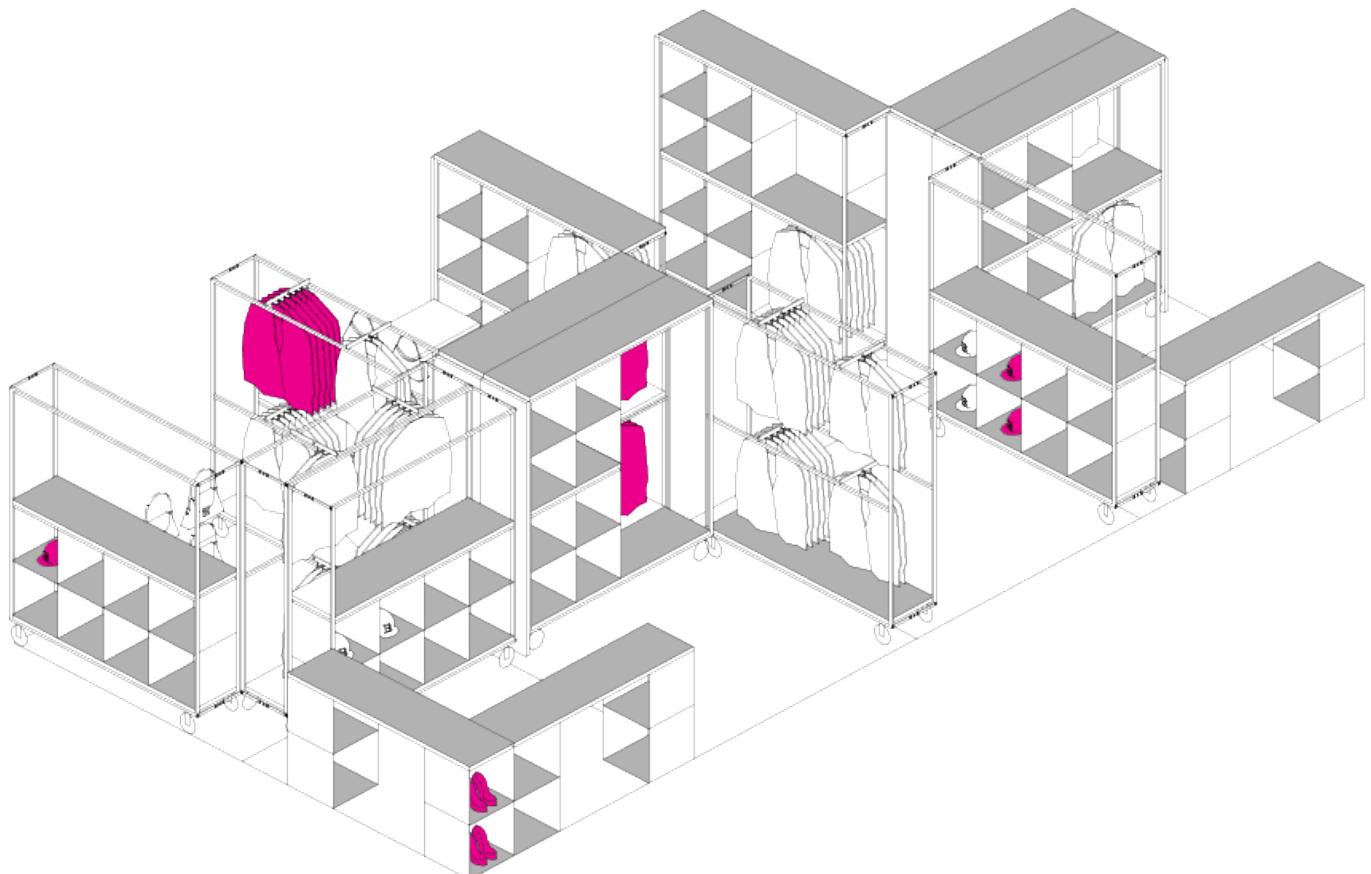
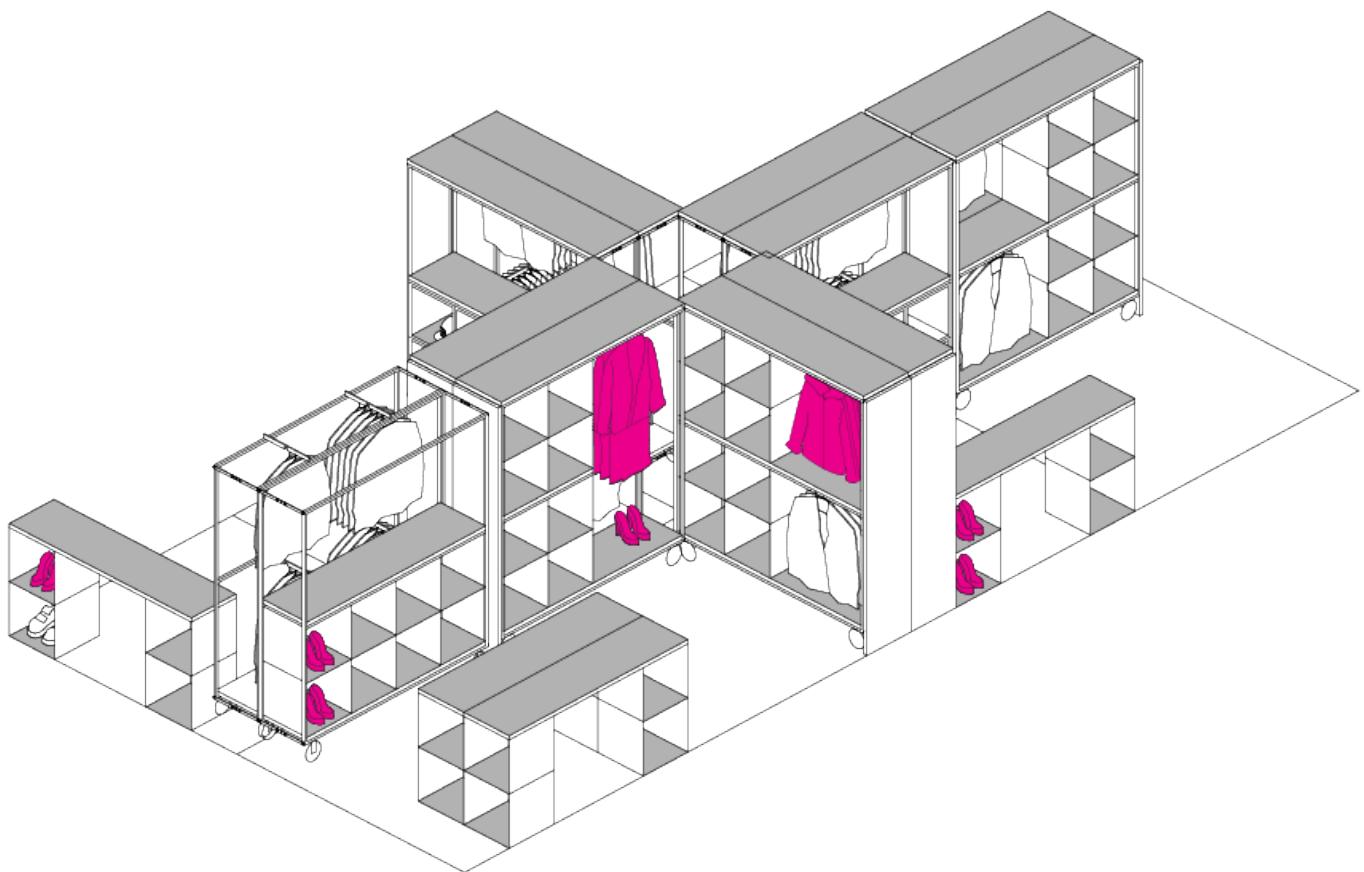


Figure 21. Possible configurations of a block of stalls.



3. Logistics

Phase 3 design implementation requires investment in new stall structures with a preliminary cost estimate as shown below. These stalls will need to be manufactured off site and delivered to OSM. Storage is adequate on site. Existing merchants will need to receive a demonstration of how to properly use the new stalls. Upkeep will need to be scheduled on at least a yearly basis.

Table 8. Cost estimate for new stalls.

Item	Quantity	Cost Per	Total
Mobile Merchant Wall	256	£120	£30,720
Merchant Modular Kit	256	£100	£25,600
		Grand Total	£66,320

D. PHASE 4

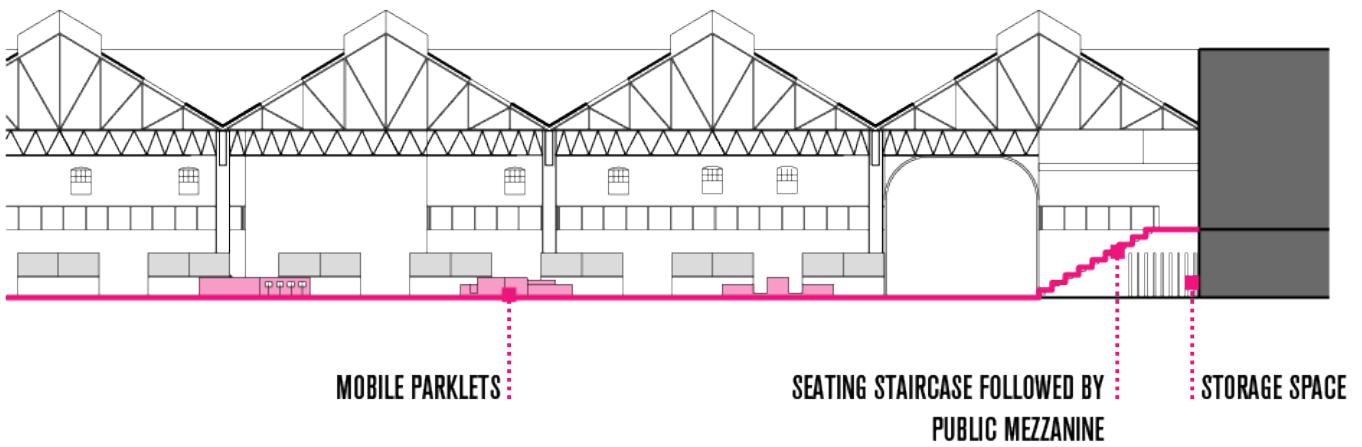
1. Overview

The final phase of Cloud's proposal is the most significant investment because it involves the construction of new permanent structures around the perimeter of the market floor. This is conceived as a continuation of the mezzanine level that has already been constructed on the north and west edges of the interior space. However, the key difference is that Cloud proposes the southern mezzanine to be a public mezzanine which resolves the promenade experience with a complementary upper-level experience. Over time, additional mezzanines can be added to two sections of the east edge to complete the entire mezzanine plane.

2. Staircase

The key element to this phase is a large staircase similar to urban staircases that have been constructed in cities like New York City. The primary function of this staircase is to provide plentiful public seating at the south side of the hall which is currently nonexistent. Since the food is concentrated on the north end this will lead consumers with food through the promenade on their way to plentiful seating, thereby increasing their exposure to the merchant stalls. The staircase also creates a highly visible and architectural showcase of social activity which encourages passersby to reconsider the market as a possible destination for leisure. Finally, as visitors are drawn upwards they get a wider view of the market floor which will allow them to see more stalls. Over time Cloud encourages that the owner maximize the use of the staircase seating for a variety of events like auctions and shows, which many merchants have recommended.

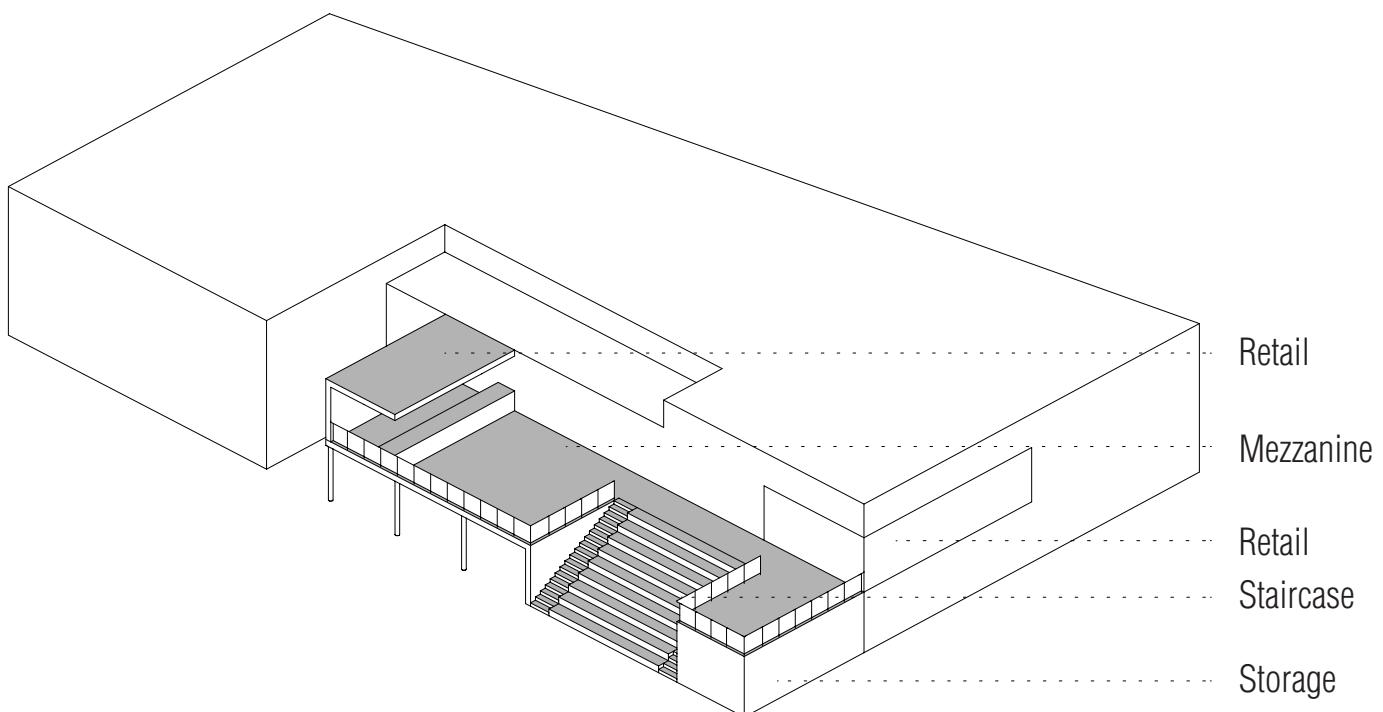
Figure 22. Section through promenade and mezzanine.



3. Public Mezzanine

The public mezzanine is the resolution of the public staircase which is a resolution of the public promenade. The mezzanine allows for the widest views of the whole market for visitors. As a more private space it provides a greater level of security for children and the elderly. Cloud recommends that the programs up here cater to families or to light dining and working. The office space on this floor, if vacated, can be converted in time to one of these amenities.

Figure 23. Diagram of public mezzanine.

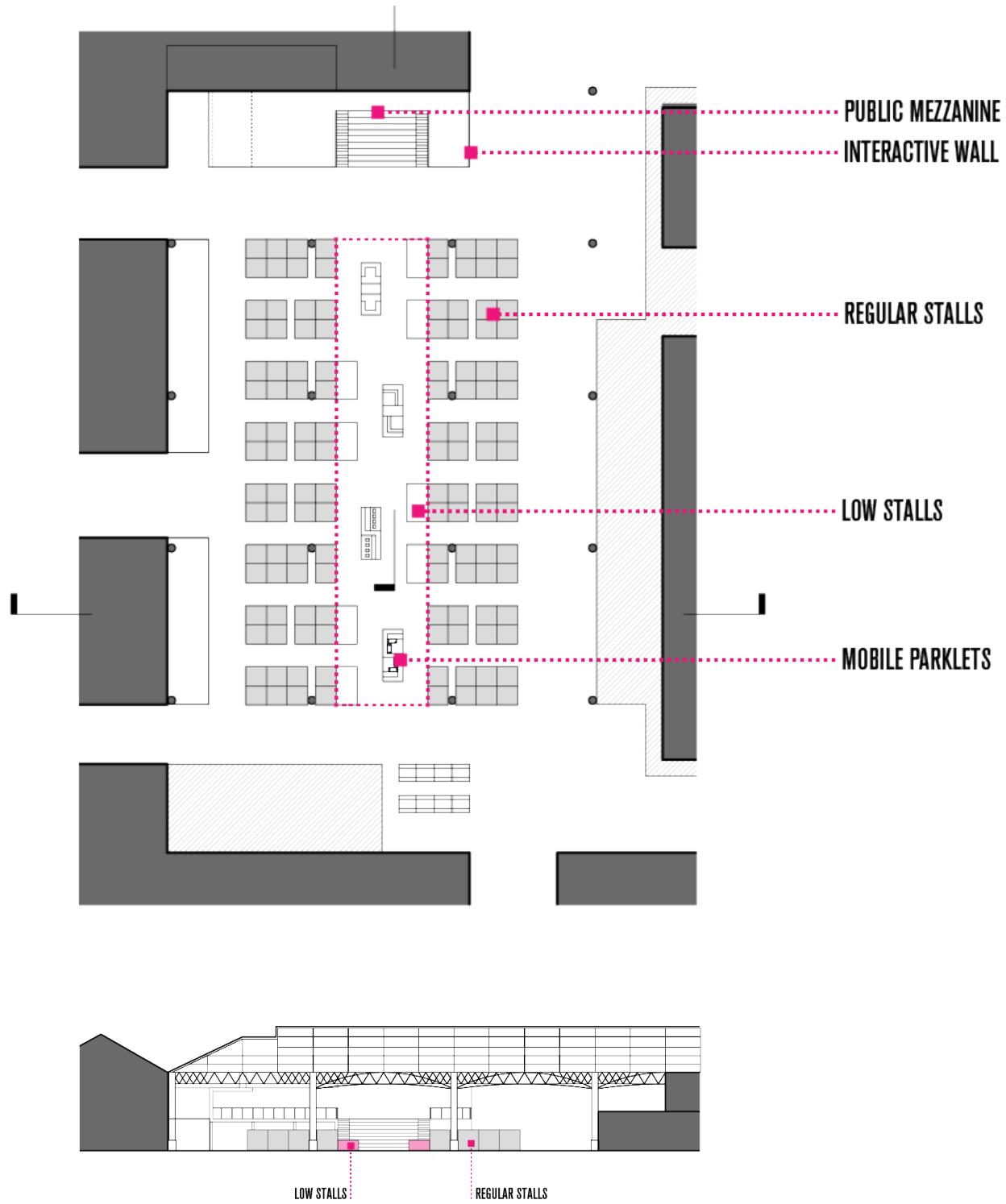


One of the challenges the owner identified with building a mezzanine structure in this section is the existing electric substation. It is currently covered by a “history box” with some graphical texts pertaining to the history of the site. Cloud proposes that this footprint be slimmed down and then incorporated as a loadbearing wall for the mezzanine floor, built around with additional storage space, and finally clad with a more interactive wall that builds on this history and culture through constantly changing art and graphics, as well as blank spaces that invite visitors to share their personal imprint on the community. This interactive wall can also take advantage of trends in social media and encourage people to share their OSM experience online, thereby increasing the amount of digital traffic along with physical traffic.

4. Logistics

This phase will need to be approached cautiously in terms of timing and budget so as to ensure as little disruption to the workings of the market as possible. Cloud did not calculate the budget for this phase but can do so if invited.

Figure 24. Phase 4 configuration, 144 stalls.





**CLOUD
ARCHITECTURE**

V. CONCLUSION

A. MISSION

"To be the meeting spot for creativity, ambition and social interaction."

B. VISION 2020

"By 2020, OSM is the most renowned market in London for its fresh, innovative and stylish products at reasonable cost."

Financial

- During weekdays demand for a stall is 5% greater than the number of stalls in the market, and on weekends the demand for a stall is 30% greater than the number of stalls available
- At least 5% of total market income is provided through ownership of start-ups to which OSM is providing entrepreneurial guidance and support from 2014 on
- Income from training and educating other markets is between 2-3% of total income of the market
- 20% higher income from events held at the market's premises (compared to 2014)

Customers and Merchants

- The market is the best place to buy or sell fresh, innovative and stylish products
- It is the first stop when seeking for a partner for creative business
- It is the place to meet people with fresh ideas and ambition

Inner Business Processes

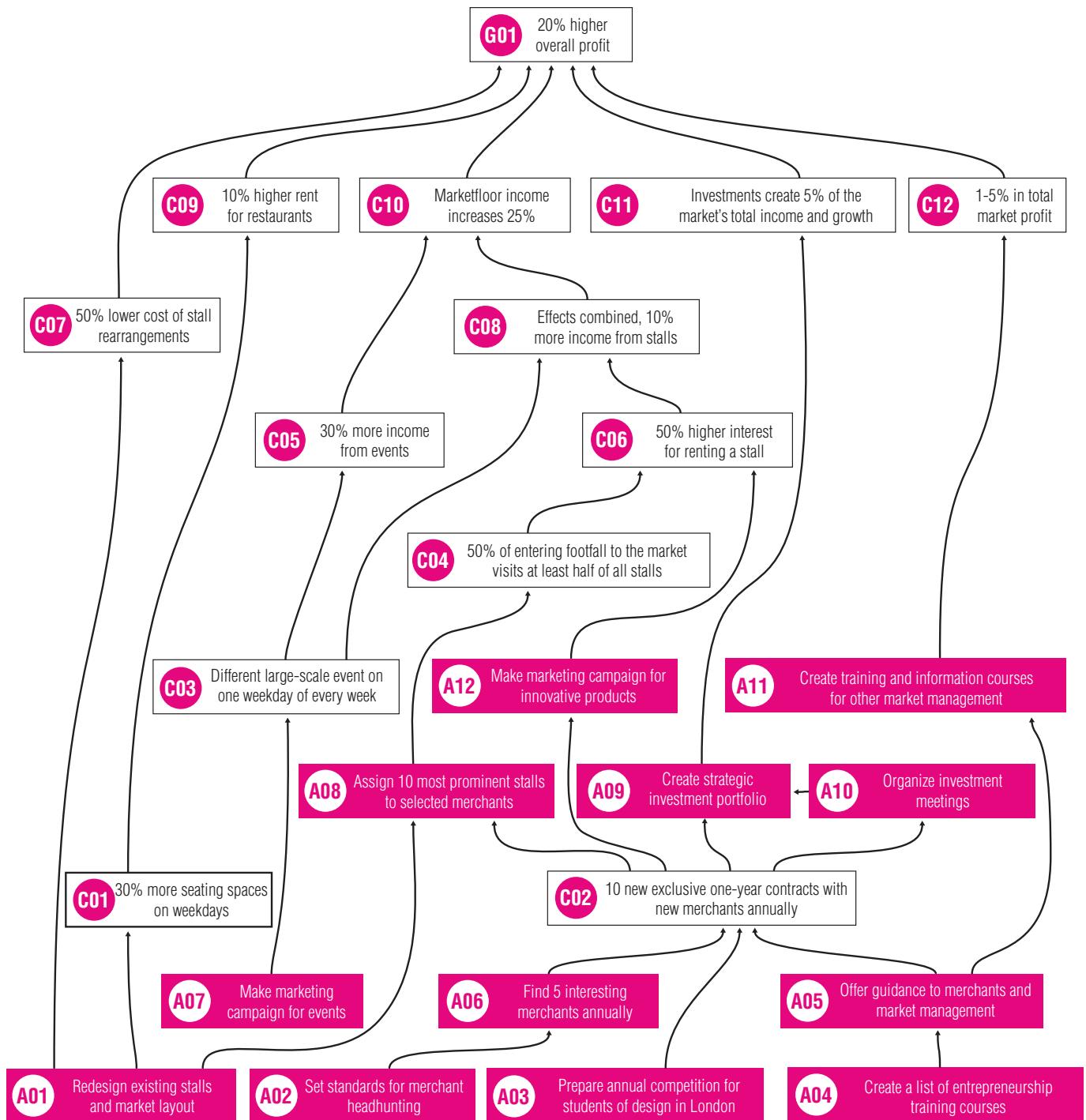
- 40% of the stalls on weekdays and 80% on weekends are merchants with their own products
- Curator carefully examines the new merchant's portfolios and makes a selection for whom he had reserved 10% of all stalls during the weekdays
- Merchants selected by curator are exempted from paying a fee on weekdays for a half of the year in return for 10% share after/if they open a business
- The Markets portfolio contains 10 newly established businesses to which it had been providing entrepreneurial guidance and support from 2014 on, in each it has 10% share ownership

Learning and Growth

- The management team has expanded for 1 employee
- The whole management team visits at least two NABMA conferences or similar per year
- The management team provides entrepreneurial guidance for new merchants with innovative products and ambition at no cost
- The new design of the market has proved to be successful
- One training course and one lecture per month for other market management teams

C. STRATEGY

Figure 25. Strategy map. A=Actions, C=Consequences, G=Goal.



Due to lack of information about financial performance of OSM, the estimations about predicted income changes are partially derived from observation of the market's footfall and average cost of equity, debt and capital for the retail and restaurant industry. Sources: Cloud and <http://pages.stern.nyu.edu/~adamodar/>, data was updated on January 5, 2014

Table 9. Detailed explanation of strategy map. A=Actions, C=Consequences, G=Goal.

A01	Redesign existing stalls and market layout	
NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> • Do analyses for the stall redesign and possible layout change • Design solution 	<ul style="list-style-type: none"> • Unavailable financing 	<ul style="list-style-type: none"> • Merchants' dissatisfaction with the new design
A02	Set standards for merchant headhunting	
NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> • Describe the desired characteristics and properties for products sold by desired merchant, vision dependent • Set number of working hours per week for this project • Inquire for needs of the target merchants 	<ul style="list-style-type: none"> • Limited disposable hours for the project • Lack of ideas for where to search for new merchants 	<ul style="list-style-type: none"> • Unwillingness of desired merchants to come to OSM • Other markets convincing specific merchants to return on their market
A03	Prepare annual competition for students of design in London	
NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> • Set an open listing of desired products to be sold at the market • Create a list of universities that could participate in the competition • Set a timeline for 2014 design competition • Based on the list prepare product requirements for the competition • Set the rewards for successful entries (free stall for one year, training) 	<ul style="list-style-type: none"> • Limited disposable hours for the project • Lack of knowledge to set the list of desired products or product requirements • Lack of motivation among employees • Limited number of stalls 	<ul style="list-style-type: none"> • Poor response to the competition • Poor submitted solutions • The selected new merchants not appearing every day at the stall
A04	Create a list of entrepreneurship training courses	
NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> • Search for different institutions that do free training or are against payment • Select the most appropriate ones 	<ul style="list-style-type: none"> • Limited disposable hours for the project • Lack of knowledge to set the list of desired products or product requirements • Lack of motivation among employees 	<ul style="list-style-type: none"> • Lack of appropriate training programs

A05 Offer guidance to merchants and market management

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> Assign a person to attain entrepreneurial courses and later on offer guidance to other management personnel and merchants Establish database of courses 	<ul style="list-style-type: none"> Lack of time and motivation 	<ul style="list-style-type: none"> No interest from the merchants to attain courses

A06 Find 5 interesting merchants annually

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> Explore other markets and discover interesting merchants that fit OSM's strategy Attract target merchant with low or no fee for selling at the market for a certain period (1 year) on weekdays 	<ul style="list-style-type: none"> Unavailability of "free stalls" due to lack of organisation Other merchants might demand lower fees 	<ul style="list-style-type: none"> Target merchant refuses to sell at Spitalfields Target merchant sells something else after coming to the market

A07 Make marketing campaign for events

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> Campaign via emails, visits to other fairs and festivals promoting via meetings with exhibitors Special offers for the events that have major public reach 	<ul style="list-style-type: none"> Inability to host certain events Merchants disagree with only 4-day weekday market 	<ul style="list-style-type: none"> The campaign is not well accepted

A08 Assign 10 most prominent stalls to selected merchants

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> Students with the winning portfolios from the universities competition and selected merchants will each receive one stall on a prominent location during weekdays 	<ul style="list-style-type: none"> Less income from the stall on a day when market floor is full A stall might be empty from day to day 	

A09 Create strategic investment portfolio

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> After having 10% shares in a few newly established startups by the students/merchants, decisions about what to keep and what to sell need to be taken 	<ul style="list-style-type: none"> Merchants stop cooperation with the market and use their knowledge to start different businesses not connected with OSM or sell products outside OSM 	<ul style="list-style-type: none"> Possible copying of the successful products by other merchants Merchants get better offers from other markets

A10 Organize investment meetings

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> Benches at the market or even office space of the management can be used for business lunches where prospective and ambitious merchants can get opportunities to expand their business with the help of local businessmen Invitations can be distributed during lunch time when businessmen come from the financial district to eat at OSM 	<ul style="list-style-type: none"> Lack of ambitious merchants or knowledge about business 	<ul style="list-style-type: none"> Lack of interest by businessmen to see the investment opportunity

A11 Create training and information courses for other markets

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> Planned for 2018 when a business strategy is well on its way and the market gets renowned for its entrepreneurial spirit Employing one new employee to help the existing team 	<ul style="list-style-type: none"> Lack of experience Previous goals are not met, so it is impossible to set up the courses 	<ul style="list-style-type: none"> Other markets become better in helping new merchants get the knowledge needed

A12 Make marketing campaign for innovative products

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> Implement when there are at least 50% of traders with innovative and stylish products Intense marketing campaign targeting whole central London or even UK. Presenting the stories of the innovative merchants and their products 	<ul style="list-style-type: none"> Less than 50% of merchants with innovative and stylish products Lack of personnel to work on the campaign 	<ul style="list-style-type: none"> Bad response to the advertisements and other actions

C01	30% more seating spaces on weekdays		
	NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> More than one third of customers buying food at the stalls cannot find a place to sit during lunch on weekdays Add more seating through design 	<ul style="list-style-type: none"> Lack of space 	<ul style="list-style-type: none"> Customers do not see the market as convenient place to stay, other more appropriate places open outside the market 	
C02	10 new exclusive one-year contracts with new merchants annually		
	NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> The number combines both winners of the student competition as well as the new merchants attracted through headhunting Contracts are made for one year of free use of one of the most prominent stalls in the market, in exchange for a 10% share in the future company. The market offers entrepreneurial training and all other support related to advertising, business angel connections and presentations to other potential partners. 	<ul style="list-style-type: none"> The new merchants do not get enough sales on the stall and give up Management is not able to find ways how to approach investors 	<ul style="list-style-type: none"> Lack of interest for the products and for business cooperation 	
C03	Different large-scale event on one weekday of every week		
	NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> Events that attract people and spread market's reputation Possible combination with merchants, having flexible market layout 	<ul style="list-style-type: none"> Merchants refuse to sell on only 4 workdays and move their stall to other markets 	<ul style="list-style-type: none"> Not enough interest for holding an event at the market 	
C04	50% of entering footfall to the market visits at least half of all stalls		
	NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> To raise the interest of visitors, from existing 25% to 50% of all those who take time and have a better look at the stalls 	<ul style="list-style-type: none"> Market does not attract enough interesting merchants 	<ul style="list-style-type: none"> Other venues in the vicinity attract more than the stalls 	

C05

30% more income from events

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> Due to higher frequency of events, 30% more income can be expected from the events held at OSM 	<ul style="list-style-type: none"> Other businesses on the edge might complain to lose customers during the event 	<ul style="list-style-type: none"> More time for events might encourage the exhibitors to demand lower renting price for the event

C06

50% higher interest for renting a stall

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> Due to better recognition of OSM and more visitors at the market, better interest from the merchants to sell at OSM can be expected Higher demand provides opportunity to select only the best merchants which attracts even more visitors 	<ul style="list-style-type: none"> Management allows too many merchants with undesirable or less innovative products to sell at the market floor Lack of variety of merchants over time 	<ul style="list-style-type: none"> Visitors do not become customers

C07

50% lower cost of stall rearrangements

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> The new design of the stall should provide easier and faster handling of the stall which reduces costs 	<ul style="list-style-type: none"> Employees lack skills for efficiently setting up the stalls Merchants do not like new functionality of the stalls 	<ul style="list-style-type: none"> Customers do not like new design

C08

Effects combined, 10% more income from stalls

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> Less income from leasing out stalls on event days does not outweigh the effect of greater demand for the stalls on other days. 	<ul style="list-style-type: none"> The drop of income outweighs the increased income from greater demand for the stalls 	<ul style="list-style-type: none"> Merchants demand lower leases for the stalls

C09

10% higher rent for restaurants

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> More seating spaces attracts more customers during workdays for lunch, resulting in higher profit for the food stalls 	<ul style="list-style-type: none"> Seating does not provide more income, food stalls decide to leave the market 	<ul style="list-style-type: none"> Comparable rent for a food stall/restaurant in the vicinity becomes lower than one at the market

C10

Market floor income increases for 25%

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> 10% higher income from the stalls and 30% more income from the events 	<ul style="list-style-type: none"> One of the two previous goals does not meet expectations 	<ul style="list-style-type: none"> The business strategy from other nearby markets is more successful which causes both the stall holders and the exhibitors to do business there

C11

Investments create 5% of the market's total income and growth

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> Based on strategic investment portfolio, some of the shares in the new companies start to be sold in 2020 with some profit Other investments can be held to raise market leverage or to increase the overall value of the market 	<ul style="list-style-type: none"> The newly established companies do not meet expectations Not enough merchants decide to open a company 	<ul style="list-style-type: none"> Cooling of the economy, lower expected yields

C12

1-5% in total market profit

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> OSM can share its successful strategy to other markets in return for payment The main advantage here is to be the first one to achieve goals suggested by the London Assembly 	<ul style="list-style-type: none"> The market does not become a leading example for entrepreneurship or best market management Lack of consistency between years 2014-2020 	<ul style="list-style-type: none"> Other markets become more successful in entrepreneurship

G01

20% higher overall profit

NOTES	INTERNAL THREATS	EXTERNAL THREATS
<ul style="list-style-type: none"> Further diversification in OSM's activity means broader palette of income sources and lower risk 	<ul style="list-style-type: none"> Inability to manage various activities Lack of ambition when achieving midterm goals 	<ul style="list-style-type: none"> Other markets respond faster to existing opportunities

D. RENDERINGS

Figure 26. Render of promenade.



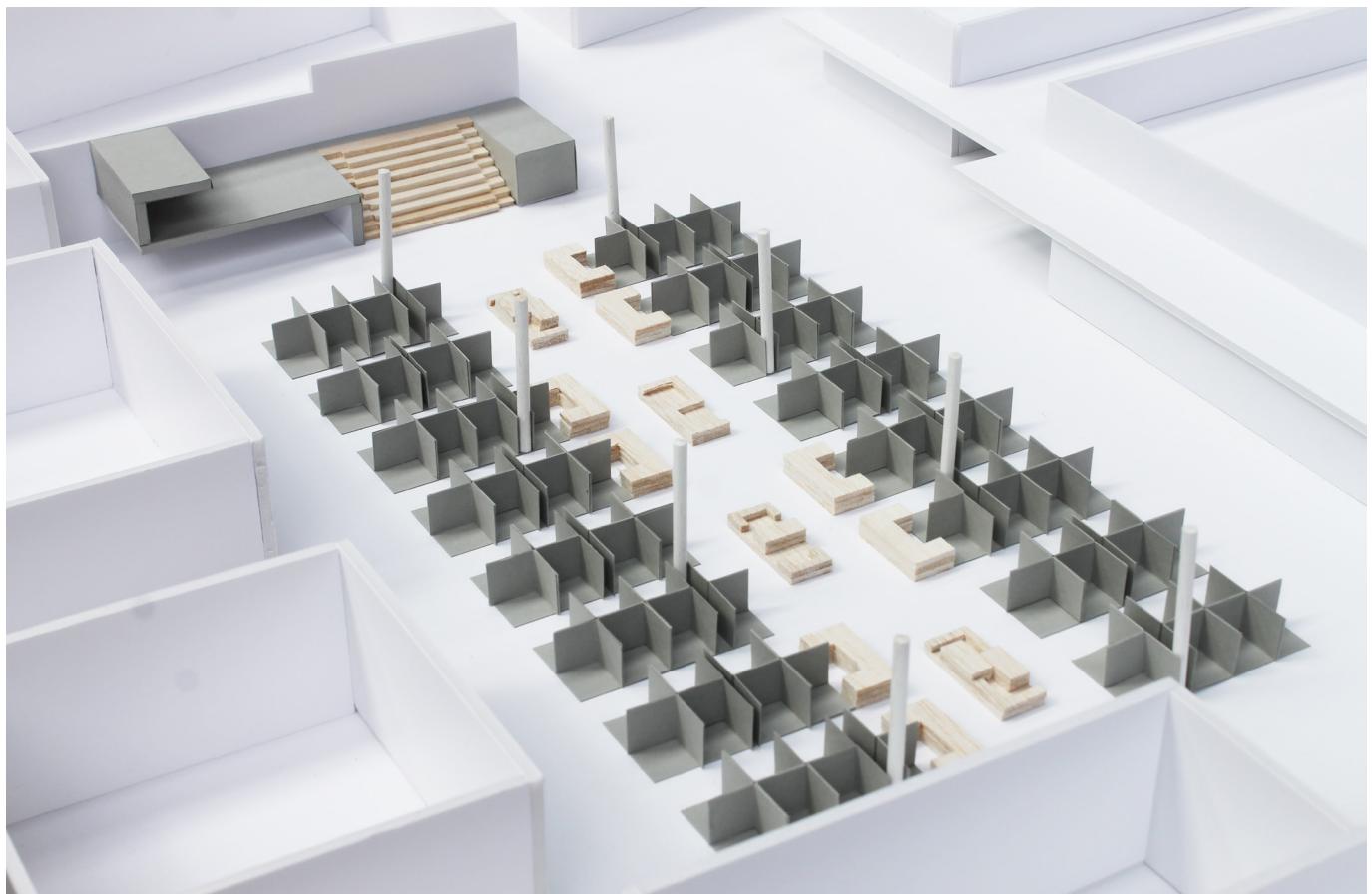
Figure 27. Render of mezzanine.



Figure 28. Render of stalls.



Final model.



E. FINAL STATEMENT

Cloud team.



The whole Cloud team was thrilled to have the opportunity to deliver this project and hopes that it provides useful insights for AAC, WM, and the whole OSM community. A major learning point for the team was engaging public participation, which proved to be difficult at times but ultimately enriching to the design process. The POP-UP methodology also proved to be incredibly beneficial and will be used again in future projects.

Please do not hesitate to contact the team to ask questions about this report or to engage the team in continued study and design.

Participatory design.



Educational outreach.





CLOUD ARCHITECTURE

F. SOURCES

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