

RECOVERY READINESS

RESTORING RETAIL CONFIDENCE

The Path to Re-engaging the Consumer

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THE PATH TO RE-ENGAGING THE CONSUMER

As retailers and landlords prepare to re-engage the customer, **communicating safety, building confidence, and enticing the consumer are paramount steps**. Retailers will need to control every aspect of the store environment and plan, in detail, the consumer experience and journey in the store. Brands and landlords will need to evaluate air quality, health and safety standards, touchless technology, and new inventory and logistics models. These new strategies will vary by location, generation, and over time as the environment changes.

Preparing to reopen, provides the retail industry with **an opportunity to be transformational**. This is a time to test or expand new paths of purchase including BOPIS, curbside pickup, and home delivery. It is an opportunity to test new technology both to gather customer data and improve the in-store experience. Retailers will need to balance investments against other financial constraints and should look to drive efficiencies to invest in new strategies. One thing is certain, retail will be changed forever, and Cushman & Wakefield is ready to support these new opportunities.

Together, Cushman & Wakefield is ready to re-ignite retail.



RESPOND

1. Develop a lease strategy by landlord
2. Prepare to address consumer concerns through surveys
3. Address inventory issues, including processes for inventory that customers/employees touch/try-on/return
4. Communicate plans to employees, customers, landlords, and lenders
5. Engage a facilities management team to create a safety plan
6. Plan your space for social distancing
7. Remerchandise to create simplicity
8. Train your employees for consumer interaction



REOPEN

1. Address health and safety issues
2. Collaborate with your landlord to control the environment
3. Manage the line
4. Clearly market product, price, and promotion. Self-service tools and in-store signage/collateral are critical
5. Communicate strategies to employees, customers, landlords, and lenders
6. Develop return strategies that can be done outside the store
7. Be consumer-centric to build trust and loyalty. Use employees to constantly provide feedback from customers and listen to their ideas



REIMAGINE

1. Launch an app to support product, payment, and delivery even for use while in-store
2. Think curbside – partner with landlord on a 3PL strategy
3. Bring the brand to the door – consider product delivery
4. Evaluate the client experience – create personalized moments
5. Engage consumer-facing technology – VR and AI can drive business
6. Be channel agnostic – balance business between eCommerce and brick and mortar
7. Engage social media
8. Demonstrate your philanthropy – be authentic and transparent
9. Ramp up loyalty programs and develop meaningful rewards
10. Test and learn – now is the time to try, try, and try again

THE SAFE EIGHT: RETAIL READINESS ESSENTIALS

Moving forward and opening store locations will require even more planning and greater detail. Cushman & Wakefield has developed the Safe Eight—eight categories of consideration to prepare for a new consumer experience.



CONTROL THE ENVIRONMENT

Ensure that the customer's visit feels safe

- Establish clear entrances, exits, and flow of traffic
- Evaluate temperature, humidity, and ventilation
- Develop a customer journey that is safe and experiential
- Prepare for social distancing; schedule customers if necessary - understand occupancy limits
- Install safeguards - plexiglass, directional arrows, clearly communicated standards
- Develop a sanitization/disinfectant strategy by engaging a facilities management team
- Remove interactive screens or technology that do not support safety or conversion
- Create a contactless environment
- Remove furniture to reduce congregation; remove or lock phone charging stations
- Operate doors automatically and/or implement a doorman/greeter
- Implement new cleaning standards and add hand sanitizer stations
- Review product handling - delivery, unpacking, placement, and returns
- Consider technology that tracks customer traffic, wait in line, and customer engagement
- Finalize hours of operation including hours for special groups; develop schedules to support



CREATE THE EXPERIENCE

Ensure that the customer's journey is fulfilling

- Build a customer experience that focuses on safety, ease of shopping, and touchless checkout
- Position product for ease of shopping - consider how much product should be on the floor and how product should be stored in back of house
- Space fixtures to support social distancing
- Think through audio, lighting, and scents to reduce customer anxiety
- Map out paths to purchase and returns - consider providing free returns by mail or to an alternate location
- Install new technology leveraging virtual reality and artificial intelligence to convert
- Test robotics to interact with and protect customers (social distancing and PPE)
- Launch or re-launch retail app for conversion, touchless checkout, and new delivery options
- Understand heat maps to adjust consumer journey
- Clearly share product, price, and promotion
- Consider introducing masks in product assortment
- Develop personalization and customized offerings to entice customers
- Survey loyal customers to understand what is important to them - focus on benefits, not just discounts
- Develop fitting room guidelines and product interaction guidelines (i.e. demo/display product)



SUPPORT AND TRAIN THE TEAM

Ensure the employee feels safe

- Mitigate anxiety by thoughtfully preparing employees to return to work
- Provide employees with protective wear
- Think about health certification, customer service certification, and cleanliness certification
- Adapt breakrooms, gathering areas, and storage to support social distancing
- Create staff communication streams to disseminate urgent information
- Understand the commuting challenges for your staff
- Formulate new schedules and staff roles to reflect changing traffic patterns and customer interactions
- Create customer service, marketing, and policy materials to address new challenges
- Develop brand ambassadors; clearly communicate new responsibilities and expectations
- Train employees on new customer service standards (consider mobile learning and gamification)
- Train employees on new cleaning standards
- Ensure clear understanding of in-store technology and apps
- Consider additional security
- Articulate paths to purchase, back of house, and return policies
- Provide contactless ease of checkout and full inventory visibility



MANAGE THE INVENTORY

Ensure customer conversion with each visit

- Utilize stores to optimize inventory - explore opportunities by geography as stores will open at different times
- Strategically address seasonal inventory liabilities - strategize future inventory matrix to maximize margins
- Think agnostically about inventory - understand options to leverage BOPIS, curbside pickup, and home delivery; position inventory to optimize productivity both in-store and online
- Utilize slow stores as micro-DCs to fulfill orders - be sure to understand implications to staffing
- Ensure seamless inventory visibility - leverage in-store technology to convert customers at the color/size level
- Consider keeping more product in back of house and wrapped
- Re-evaluate packing, flow, and delivery to back of house
- Remember size matters; communicate size availability without having all inventory on the sales floor
- Create simple return and re-stocking strategies - consider returning product in alternate locations
- Develop standards for product handling, including how it will be turned over to customers upon purchase





#5



DEVELOP A TECH STRATEGY

Ensure technology delivers unique experiences

- Leverage retail apps, QR codes, and touchless technology to transact
- Install touchless technology at entrances, exits, and checkout
- Utilize virtual reality in fitting room areas and for key product categories (i.e. cosmetics)
- Leverage security cameras and heat maps to understand customer journey
- Test robotics to interact with and protect customers (social distancing and PPE)
- Consider interactive technology including Outernets and touchless screens
- Develop channel-agnostic inventory visibility to convert customers and optimize productivity
- Re-evaluate paths to purchase and returns; think BOPIS and logistics of returns

#6



COMMUNICATE FOR CONFIDENCE

Ensure communication is transparent and authentic

- Reduce fear and anxiety with clear policies – share brand values on social media and within the store
- Articulate hours, entrances, and special accommodations
- Market new services including delivery, curbside pickup, and clienteling
- Build loyalty with services, product, price, and promotion
- Engage celebrity to communicate brand strategies
- Be transparent – optics matter
- Admit challenges and share resolutions – don't hide facts
- Develop a testing culture for all aspects of customer engagement
- Segment customer offers to optimize margins
- Leverage social media to engage customers and share brand values



BE FINANCIALLY FOCUSED

Ensure strategies deliver to the bottom line

- Evaluate re-openings in conjunction with long-term store portfolio and omnichannel vision
- Prioritize in-store investment based on store performance and long-term strategy
- Understand profit impact from change in channel penetration
- Review logistics costs based on new paths to purchase
- Engage experts to improve operational efficiencies and identify automation opportunities
- Work with real estate partners to determine lease strategy by location
- Reward brand ambassadors to drive revenue and communicate customer service recommendations
- Re-evaluate store management roles, responsibilities, and payroll implications
- Engage your audit team - Consider COVID-19 issues, sick time, and new sales processes



CONTINUE TO COLLABORATE

Ensure insights are applied effectively

- Collaborate with vendors of key materials like hand sanitizer
- Share information with landlords, lenders, and partners - be transparent; help neighboring stores developing a broader and better experience
- Look to other countries or states for lessons
- Engage local, county and state officials for insights and support
- Interact with the neighborhood to understand concerns
- Understand the pandemic cycle and be nimble

SHARING BEST PRACTICES FOR THE FUTURE

The successful re-launch of the retail industry is directly tied to the strong re-activation of the economy. Cushman & Wakefield is aligning with brands to put the consumer at the center of every retail decision, ensuring that each opening is successful and delivers value. As brands navigate these challenging times, we are strategically collaborating to bring to life new and fulfilling consumer journeys. From environmental considerations to operational efficiencies to the adoption and integration of technology, we are driving a new strategic approach to retail that balances safety and health concerns with consumer experience and engagement. Through programs like the Safe Eight, Cushman & Wakefield will collaborate with brands to implement strategies and tactics that deliver results to the bottom line. Join us as we re-ignite the retail landscape, moving this vital industry successfully forward.

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