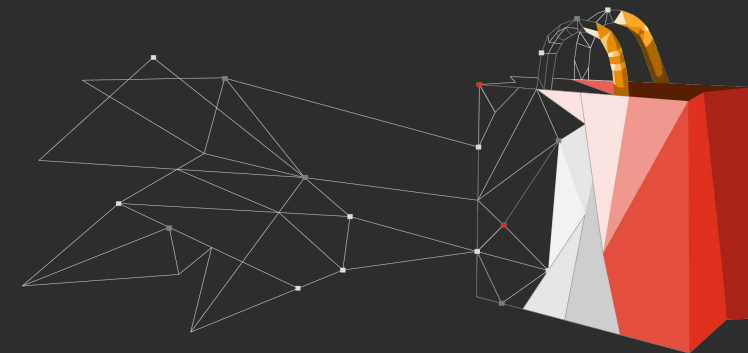
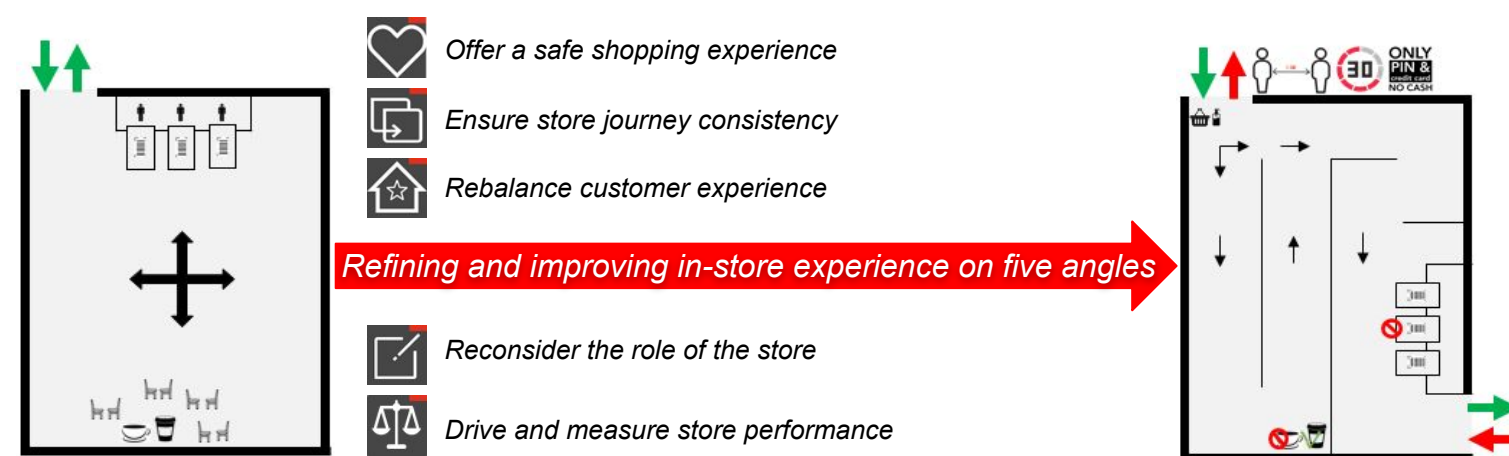


# Retail in a 1.5-meter society: Reopening stores safely

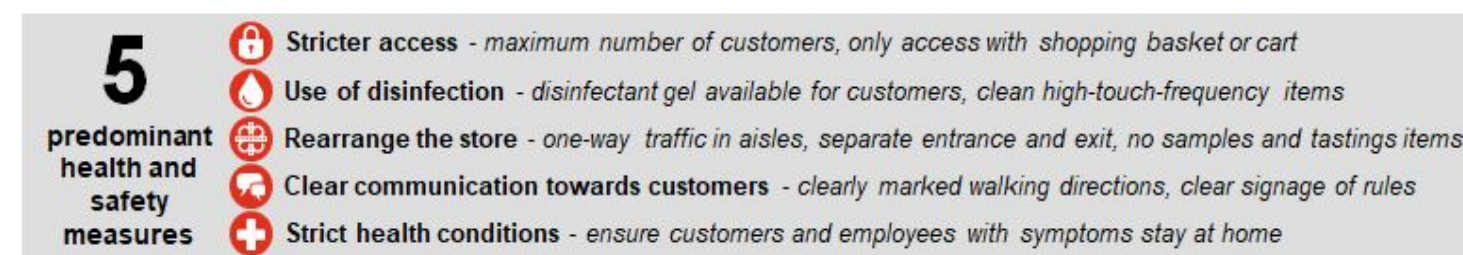


Whilst the Dutch government did not force retailers to close their stores, many decided to do so, primarily as a health precaution for employees and customers. Now that retail stores have reopened, maintaining in-store health and safety is crucial. We see significant room for improvement on integrating the measures that need to be taken as it relates to customer experience and store operations. Since social distancing is expected to remain for some time to come, retailers not only need to facilitate this but also need to create a customer experience that is completely safe, short and focussed on individual customers. In this article, we reflect on what is happening in the market, what the key points of attention are and how you as retailers may reimagine the retail store experience in the 'new normal'.

In adapting to the 'new normal', 67% of retailers surveyed are currently evaluating their store footprints as well as considering keeping underperforming stores closed post-COVID-19. Conscious decisions need to be made in interactions with customers and in adopting in-store solutions such as self-checkout and contactless returns.



Careful redefinition of processes, employee training, and auditing the in-store health and safety situation are essential ingredients towards offering a shopping environment that is continuously perceived as safe by everyone that enters the store.



## Ensure store journey consistency

Shopping experiences at different stores of the same chain show that currently, retailers don't always offer a consistent customer journey which may lead to customer confusion. While physical store characteristics may differ and ask for tailor-made measures, similar circumstances ask for similar processes, procedures and ways of working in general.

We see clear opportunities for retailers to work together and share knowledge on what works and doesn't work, across their own stores as well as within the broader retail ecosystem. Seizing these opportunities will drive consistency and ultimately benefit customer trust.



## Offer a safe shopping experience

Stores are reopening at a rapid pace. Implementing health and safety measures to protect employees and customers is top of mind. However, recent visits show that the majority of stores have improvised to meet health and safety requirements. Our view is that a well thought-out store design supported by more explicit execution of measures and controls can be a distinguishing factor in customers' perception of health and safety.

Employee training and empowerment is also needed to ensure desired behaviour on the shopping floor. This might require a more senior mix of employees to ensure that store operations run smoothly in the current circumstances. In addition, communication to customers needs to be clear and easy-to-understand.

**"It is very confusing to face this variety of measures in one shopping area"**

Customer in The 9 Streets - June 2020

# Securing safety and experience in stores



## Rebalance customer experience

Consider the shift in recent years from ‘functional’ shopping to ‘experiential’ shopping. Currently, customers spend less time in-store, buy in bulk, avoid crowds, and prefer low-contact commerce. This means that testing of products, in-store food concepts, touch screens, and other fun elements can no longer be offered in the same way. Customer experience has to be rebalanced based on what customers need in the ‘new normal’. We observe two main reasons for customers to still visit stores:

*“You can only try on this pair of shoes when you are really planning to buy the product”*

Store staff to customer - June 2020

First, the immediate need and expectation of leaving the store with the product. Offering real-time and reliable information on product availability is crucial to avoid customer disappointment.

Second, the need to touch, feel, or see how a product fits. It is critical to to accommodate these customers, to avoid a bigger-than-needed conversion hit.

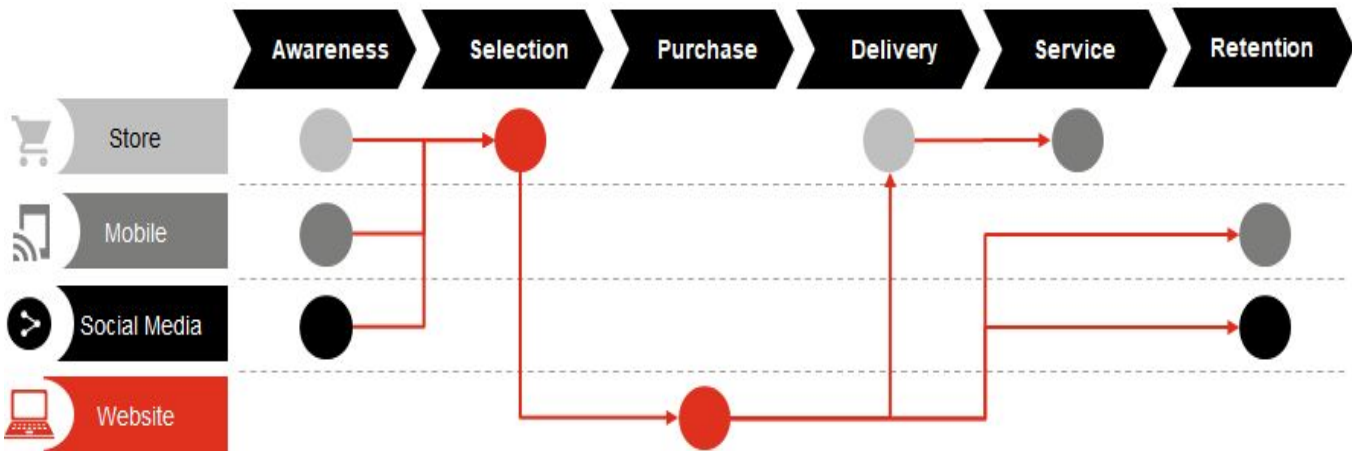


## Reconsider the role of the store

While we believe that physical retail space remains important, the role of the store has evolved, driven in large part by the customer adapting to an omnichannel environment i.e. search online, go to the store to see the product and interact with the retailer, go back online to read some reviews, and then finally make a purchase. The higher the value of the purchase, the more critical the physical interaction is.

The COVID-19 crisis has accelerated the need for hybrid shopping concepts such as ‘buy online & pick up in-store’ and ‘shop in-store by online appointment’ drives the evolution of the role of the store as well.

When done successfully, reconsidering the role of the store also leads to a more efficient supply chain and fulfillment model: one with less contact, less movement of goods and streamlined replenishment.



## Drive and measure store performance

We observe that the market still measures performance traditionally i.e. by channel instead of across channels. Incentive frameworks set for store managers are primarily driven by in-store sales conversion instead of linking with the omnichannel customer journey. Evolving KPIs to include processing of returns correctly and advising customers who ultimately buy online, among other pivotal customer interactions, will encourage the right in-store behaviour that drives a well-rounded customer experience. We strongly believe that revised store management KPIs will drive better in-store performance. We will look into this more extensively later in this insight series.

This article is part of the series ‘Retail in a 1.5-meter society: Uncover opportunities in crisis’  
We invite you to [subscribe here](#) to the rest of series

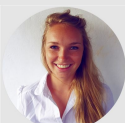
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Looking to (re)evaluate your strategy?



**Future of Retail Game**  
Scenario-based gaming experience to simulate responses to COVID-19 challenges.



**Retail future readiness scan**  
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