

COVID CAVEATS



STATUS AND OUTLOOK

Covid-19 is having a tremendous impact on the built environment. We are seeing an unparalleled impact on our society from the human response to the pandemic. Retail establishments, like those described in this paper, are likely the most affected. However, we believe that strong experiential retail establishments will rebound after the pandemic, namely because they offer consumers the chance to have a personalized consumer good, service, and/or experience. In this way, experiential retail can lend itself to lower density and higher quality offerings, thus adapting faster than non-experiential retail, which relies primarily on heavy foot traffic.

POTENTIAL ADAPTATIONS

We hypothesize that in an effort to return to a “new normal,” some experiential retailers will augment their business models in the following ways:

- Some will shift to “lower” density consumer retail, with sensitivity to sanitation and cleaning.
- Some will expand their social media presence and create virtual experiences to improve brand awareness and customer loyalty.
- Some bespoke food and beverage establishments will need to modify dine-in offerings and shift to unique delivery and make-at-home food kits.