

# Retail Pandemic

## PLAYBOOK



Actions that Brands and Retailers can take  
**right now**  
to start playing offense instead of defense.

**CAROLINE CARTELLIERI**  
+  
**GABRIELLE HASE**



The headlines are nearly unanimous: the retail apocalypse is upon us and the high street is dead. No doubt, COVID-19 has rendered many of the assumptions that powered our retail business models irrelevant. But it's also thrown some new ones on the table, and has forced the industry – brands, retailers, suppliers, distributors, logistics providers and consumers – to reconsider what it means to make, sell and buy products and services in this pandemic world.

It's hardly doom and gloom, however. In fact, we believe this crisis comes with a big silver lining – the opportunity for retail leaders to paint in broad strokes and make the change that needs to happen in every single part of their business. Now is not the time for incremental moves, or to take the 'wait and see' approach. Frankly, anything less than a radical rethink just won't cut it.

It's with this in mind that we have created the Retail Pandemic Playbook, which outlines some of the big themes we've seen emerge as a result of the crisis, together with actions that brands and retailers can take right now to start playing offense instead of defense.

First, let's take a look at some of the ways the pandemic has forever changed retail:

## CUSTOMERS ARE CHANGING

**Economic uncertainty** in the midst of the greatest depression in 300 years is making consumers evaluate carefully what they really need. People are investing more in businesses that **reflect their values**, and are taking note of how brands and retailers are treating their customers, suppliers and employees during the crisis.

**Safety** is now an important consideration, and a day out at the shops now feels a lot different than it did a few months ago. Brands need to make it a trip worth taking while also giving shoppers the reassurance that the new hygiene measures are being observed.

And even more, consumers **want to connect** with brands on a human level, and expect to talk to someone, whether on the phone, via chat, video or in real life. A recorded voice message urging consumers to 'check the website for information' no longer works.

## TRENDS ARE ACCELERATING

Ecommerce has steadily grown as a percentage of overall retail, but the recent mass influx of consumers new to the channel means that for many it will become a **preferred way to shop**, for convenience, safety and choice.

At the same time the sense that **we have hit 'peak stuff'** is growing, with consumers buying less but buying better; spending on higher quality products that last, supporting local brands with a reduced carbon footprint, and visiting stores that offer a truly valuable experience. Creating a product and experience that is truly unique – something that many retailers have forgotten along the way – has never been more important.

## ROBUST TECH IS TABLE STAKES

For many traditional retailers, investing in an agile tech infrastructure has been painful. It's expensive, not easily understood and stories abound of implementations gone wrong.

The truth is, it has to be done.

**Solutions need to consider the entire user journey**, seamlessly join all channels, and the internal teams need to have the skills – both strategic and operational – to make it happen. This needs to be a core competence, and it starts from the top down: every **Board of Directors needs to include native digital experience**.

Welcome to the New World.

## FLEXIBILITY FIRST

Companies are having to take a hard look at what functions are essential to their survival, and **select those team members who can go beyond** their own job description.

A flexible mindset and the ability to pivot quickly in response to changing circumstances, such as a sudden complete or partial store closure, will be the determinants of success, both within and between organisations.

**MANY OF THE CURRENT TRENDS ARE HERE TO STAY...**

<b>TRENDS</b>	<b>0-12 MONTHS</b>	<b>&gt;12 MONTHS</b>
<b>REDUCED FOOTFALL</b>	↑↑↑	↑
<b>GROWTH OF E-COMMERCE</b>	↑↑↑	↑↑
<b>SHORTER DWELL TIME</b>	↑↑↑	↔
<b>CONTACTLESS SHOPPING</b>	↑↑↑	↑↑
<b>DEMAND FOR CLICK + COLLECT</b>	↑↑↑	↑
<b>FLEXIBLE STAFFING</b>	↑↑↑	↑↑

**...AND ARE CREATING OPPORTUNITIES FOR AGILE RETAILERS TO LEAPFROG THEIR COMPETITORS BY RADICALLY CHANGING THEIR BUSINESS MODEL.**

# RETAIL'S PANDEMIC PLAYBOOK: 5 KEY SUCCESS FACTORS FOR POST-COVID RETAIL

## AGILE

What this means	Why it matters	Who does it well
<ul style="list-style-type: none"> <li>• Supply chains are more localised and diverse</li> <li>• More flexible store leases</li> <li>• Multiple routes to market with a strong D2C channel</li> <li>• Stores easier to open and close quickly</li> <li>• Warehouses enabled for social distancing</li> <li>• Associates trained to manage all communication channels</li> <li>• Your culture encourages and rewards agility</li> </ul>	<ul style="list-style-type: none"> <li>• Dependency on one geography or single point of failure can bring down the supply chain</li> <li>• Long term fixed leases offer no quick way out</li> <li>• Skilled up colleagues are able to serve the business wherever the greatest need</li> <li>• Demand for your current offer may evaporate overnight</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Gyms</b> (eg <i>Third Space</i>) live-stream classes and rent gym equipment for use at home</li> <li>• <b>Notting Hill Fish Shop</b> quickly expanding its offer</li> <li>• <b>Bicester Village</b> social distancing app for timed store entry</li> <li>• <b>Morrisons &amp; Deliveroo</b> Rapidly formed partnerships</li> </ul>

# TECHNICALLY ROBUST

What this means	Why it matters	Who does it well
<ul style="list-style-type: none"> <li>• Seamless omnichannel proposition with multiple delivery options, curbside pickup and fulfilment from any source</li> <li>• Broader payment options including contactless</li> <li>• Virtual / augmented reality solutions that allow customers to experience the brand differently (eg make-overs, changing rooms)</li> <li>• Ability to offer and manage video consultations</li> <li>• Online channels able to handle dramatic spikes in demand</li> </ul>	<ul style="list-style-type: none"> <li>• Dwell time in-store is going down with shoppers worried about infection</li> <li>• Customers more comfortable shopping online</li> <li>• Customers shop for a purpose, not to browse</li> <li>• Social distancing requires fewer staff in store and in backoffice</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Argos</b> keeping open stores inside Sainsbury's</li> <li>• <b>Currys PC World</b> launching ShopLive</li> <li>• <b>Harrods</b> launching remote personal shopping and Westfield outlet</li> </ul>

# VALUES - DRIVEN

What this means	Why it matters	Who does it well
<ul style="list-style-type: none"> <li>• Clear communication of brand values</li> <li>• Strong community engagement</li> <li>• Brand transparency and accountability</li> </ul>	<ul style="list-style-type: none"> <li>• COVID has put brand accountability in focus –</li> </ul> <p><b>Amazon</b> re: warehouse staff; <b>Wetherspoons</b> re: employees; <b>Sports Direct</b> re: customers; <b>Primark</b> re: suppliers.</p>	<ul style="list-style-type: none"> <li>• <b>Barbour, Burberry, Joules and more</b> producing and donating PPE</li> <li>• <b>John Lewis et al</b> delivering NHS care packages</li> <li>• <b>Costcutter</b> pop-up stores in hospitals</li> </ul>

# SAFE + TRUSTED

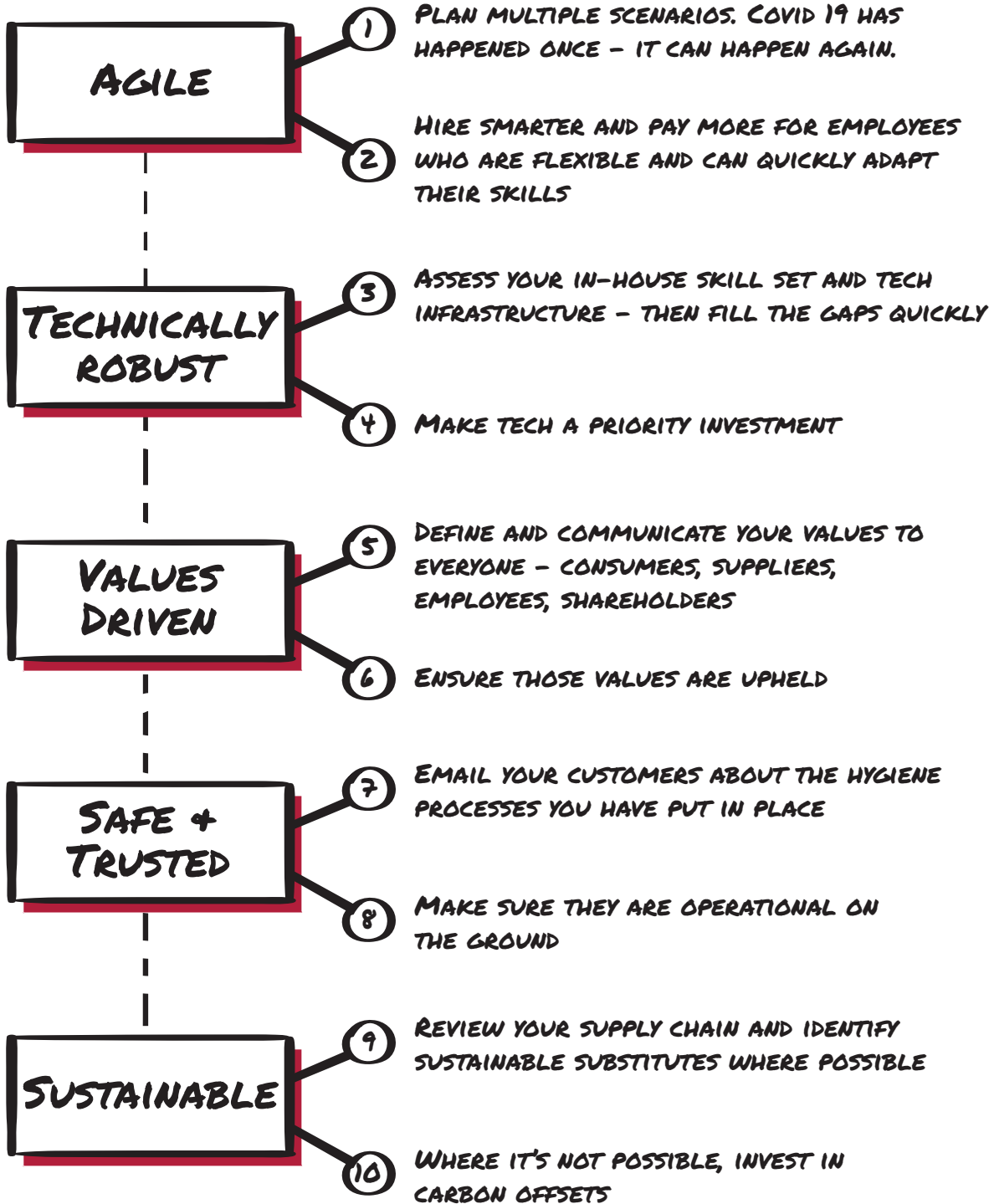
What this means	Why it matters	Who does it well
<ul style="list-style-type: none"> <li>• Hygiene processes clearly signposted throughout the value chain from warehouse to store floor to front door</li> <li>• Fair treatment of diverse community groups- eg. hours dedicated to NHS/vulnerable groups</li> <li>• Physical distancing visibly observed and enforced</li> </ul>	<ul style="list-style-type: none"> <li>• Customers are worried about risk of infection from touching surfaces or inhaling aerosoles</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Boots</b> (emails from Chief Clinician)</li> <li>• <b>Tesco</b> maintaining socially distanced queues</li> <li>• <b>Baukjen, Me + Em, SirPlus, Planks Clothing</b> all continued to ship</li> </ul>



# SUSTAINABLE

What this means	Why it matters	Who does it well
<ul style="list-style-type: none"> <li>• Less plastic packaging</li> <li>• More recycled materials</li> <li>• Fair Trade/organic certifications</li> <li>• Local sourcing involving fewer food miles</li> </ul>	<ul style="list-style-type: none"> <li>• Customers are becoming more ethically aware</li> <li>• Gen Z spends its money where it makes a difference</li> <li>• Covid has demonstrated that there are viable alternatives to commuting/travel/pollution</li> </ul>	<ul style="list-style-type: none"> <li>• Whole Foods</li> <li>• Bamboo Clothing</li> <li>• Borough Market</li> <li>• Nkuku</li> </ul>

# 10 THINGS YOU CAN DO RIGHT NOW



# ABOUT THE AUTHORS



**Gabrielle Hase** is a London-based digital commerce strategy consultant. Gabrielle has broad experience in all aspects of eCommerce, direct marketing and strategic brand management. Since moving from the US fifteen years ago, Gabrielle set up Soleberry Advisory and has worked with leading consumer brands on building their online presence and increasing market share.

Gabrielle's clients include leading brands such as The School of Life, McArthurGlen Group, Hobbs, LK Bennett, Sweaty Betty, Moonpig, The White Company, Knomo, and retailers Fenwick's, TK Maxx and Browns Fashion.

Gabrielle is a Non-Executive Director for two retail technology businesses which sit at the heart of the multi-channel customer journey, LS Retail and Amplience. Combined with her operational experience working with retail brands, these roles offer Gabrielle a unique perspective on what the customer needs today and how their demands are changing the way retailers and brands compete in the market. She also sits on the Board of Tate Enterprises, the commercial arm of Tate Galleries. Gabrielle received an MBA from The Wharton School of Business.

# ABOUT THE AUTHORS



**Caroline Cartellieri** was until recently Chief Commercial Officer of Ennismore, the company behind leading hospitality brands The Hoxton, Gleneagles and Working From. Prior to joining Ennismore, she held the role of Sun European Partners' Chief Digital Officer, working across their portfolio of retailers such as American Golf and Bonmarché.

Before joining Sun, Caroline was Director of Digital Transformation at glh Hotels, London's largest hotel owner-operator. Prior to this, Caroline was Chief Operating Officer of MySpace International, UK Managing Director of Expedia and held various positions at Kingfisher plc. She started out her career as a consultant for the Boston Consulting Group and McKinsey & Co.

Caroline is a Governor of the Royal Brompton and Harefield NHS Foundation Trust and an Independent Member of the National Information Board. Caroline holds an MBA from the Wharton School of Business and a BSc from the London School of Economics.

Want to learn more about how to bring this playbook to life in  
your business?  
We're happy to help.

**Reach us on**  
gabrielle@soleberry.com  
ccartellieri@c-squaredconsulting.com

**Caroline Cartellieri** and **Gabrielle Hase**  
have spent their professional careers in digital commerce,  
helping brands and retailers launch and grow their  
multichannel businesses.

**Caroline** is the founder of C-Squared Consulting, ex-CCO of  
Ennismore and Independent Member of the National  
Information Board  
and

**Gabrielle** is a Non-Executive Director for Tate Enterprises  
Amplience and LS Retail

---