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Retailers must adapt to survive - by Marc Angelone

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Retailers who can quickly realign their business models to adapt to the restrictions placed on their operations due to the COVID-19 pandemic will be the ones that best weather this unprecedented storm. In many jurisdictions, restrictions are loosening on a limited and phased basis. In Massachusetts, for example, Phase 1 of the 4-phased approach to re-opening its economy lifts the absolute restriction on many retailer operations and allows for curbside pickup and delivery service. In order to remain competitive, retailers must adapt their operations to align with this “new normal.”

However, adapting is easier said than done, especially for smaller mom-and-pop shops, many of which have conducted their businesses in the same manner for decades. In other cases, retailers simply don't have the infrastructure or capabilities to help shift their practices. Even some large, national retailers had to temporarily shut down their online ordering services for curbside pickup because they simply could not keep up with the demand. As reported in a recent USA Today article, Coresight Research, which tracks retail openings and closings, has upped its projected store closures for 2020 from 8,000 at the beginning of the year to about 25,000 now. Those closures could put strain on mall and shopping center owners, who will need to find creative ways to attract customers to their properties while complying with restrictions.

Retailers must devise new and innovative ways to thrive in the face of these challenges. Among these adjustments are adapting processes, adjusting inventories, investing in improved online services and technologies, properly managing and training employees to adhere to new guidelines and practices, following safety regulations, working within zoning code limitations, and corresponding with their landlords to obtain necessary permissions and establish practical locations and traffic patterns for such services. While these adaptations may seem like common sense, retailers will need to implement them in order to survive.

They also must be nimble enough to continuously change their practices to keep pace with a phased approach to re-opening, where different rules apply at different stages.

Americans understandably want to return to normal, and their shopping experiences play no small part. For retailers, the greatest adversities also provide the greatest opportunities. Flexible retailers that rise to the challenge, adapt their practices, and continue to provide the best shopping experience to their customers are going to win out over their competitors that fall behind.

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