



3 Themes Shaping Retail's Most Desirable Destinations for 2022

We look ahead to see what will be on top of the agenda for retail and leisure professionals moving forward.

Given the extreme challenges that the industry is facing, we have seen some positive glimmers with out of town outlets particularly finding their stride. Interestingly the data does suggest that retail has been working harder than ever to make sales as for the most part we are seeing higher conversion rates from overall lower footfall levels compared to 2019.

Taking Black Friday as a recent example, we have seen that traditional seasonal trading strategies are not necessarily going to generate the same results. However, we are seeing encouraging performance indicators for retail destinations that are measuring effectively to help manage the unpredictable path ahead. The difference can be seen with data driven plans that fit a destination's unique priorities. Here is how 2022's most desirable retail and leisure destinations are shaping up.

1. Purposeful placemaking

Transforming shopping places into tomorrow's most desirable destinations is not necessarily about integrating the most cutting edge leisure component or the biggest global brands. Not every bit of retail real estate must be "a destination" but it should be an enticing place to visit. The purpose of any place needs to be clear, from fulfilling functional needs to delivering a fashion fantasy. Indeed, retail and leisure spaces often merge a mix of reasons for the customer to visit and it is essential to create a physical retail strategy that delivers for the individual purpose of each site, neighbourhood or high street.

No matter the location, it is increasingly likely that property managers will be working with a mix of smaller independent businesses as well as large brands across the retail and hospitality sectors. We are seeing placemakers succeed by tailoring their support and management tools to do right by their different tenants and nurture the best results, working on strategies that serve local consumers alongside an enhanced offering for those travelling from further afield.

Smart devices continue to accelerate and enhance retail environments. For customers, it adds another layer to the in-store experience, whilst behind the scenes, it supports the tenant experience. For example, by providing an informative stream of insights and flexible ways for tenants to supply data back, site managers can immediately see and share strategic steps through analytics, helping their brand partners to work smarter.



2. Measuring more than traditional KPIs

Cutting across silos and moving towards an increasingly connected community delivers real value for the customer, tenants and retail destinations. An evolution of priority in KPIs being measured should be high on the list for placemakers. By collecting more than traditional traffic metrics, and by aligning different teams that may have other approaches to KPI data, retail and leisure spaces can broaden the picture to see the journey of factors that are influencing performance rather than solo touchpoints. From increasing store revenues and repeat visits to overall density, making sure the data sources are delivering the answers to questions relevant to a sustainable plan for growth is integral. It is true that not all data is equally useful, but the right mix of feeds interacting can yield actionable discoveries, win customers, entice tenants, and shape fresh leasing strategies.

3. Bold moves

Necessity is the birth of innovation. After the initial shock of the pandemic when people pulled back to assess the situation, nimble

businesses have learnt and leapt forward with investment in technology. Initially for much of the retail and leisure industry, the mood was understandably to hold back on investment in most new ideas. However, this mood shifted to one of survival through adaptability and most importantly investment in clarity. The ability to gain visibility and measure everything in great detail and far quicker has become so important in the face of an erratic and less predictable future.

By harnessing innovation and scaling up technology that works, decision-makers can act more boldly to lead retail and leisure sites and adapt quickly to the new climate. Analytics played a big part in the retail and leisure industry's arsenal for survival this past year. Now they are being utilised for revival and rediscovery.

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