Non-Food Retail
Learning from International Practice & Planning Ahead

This paper includes the following sections:

1. Summary of non-food retail timelines and protocols for main comparators

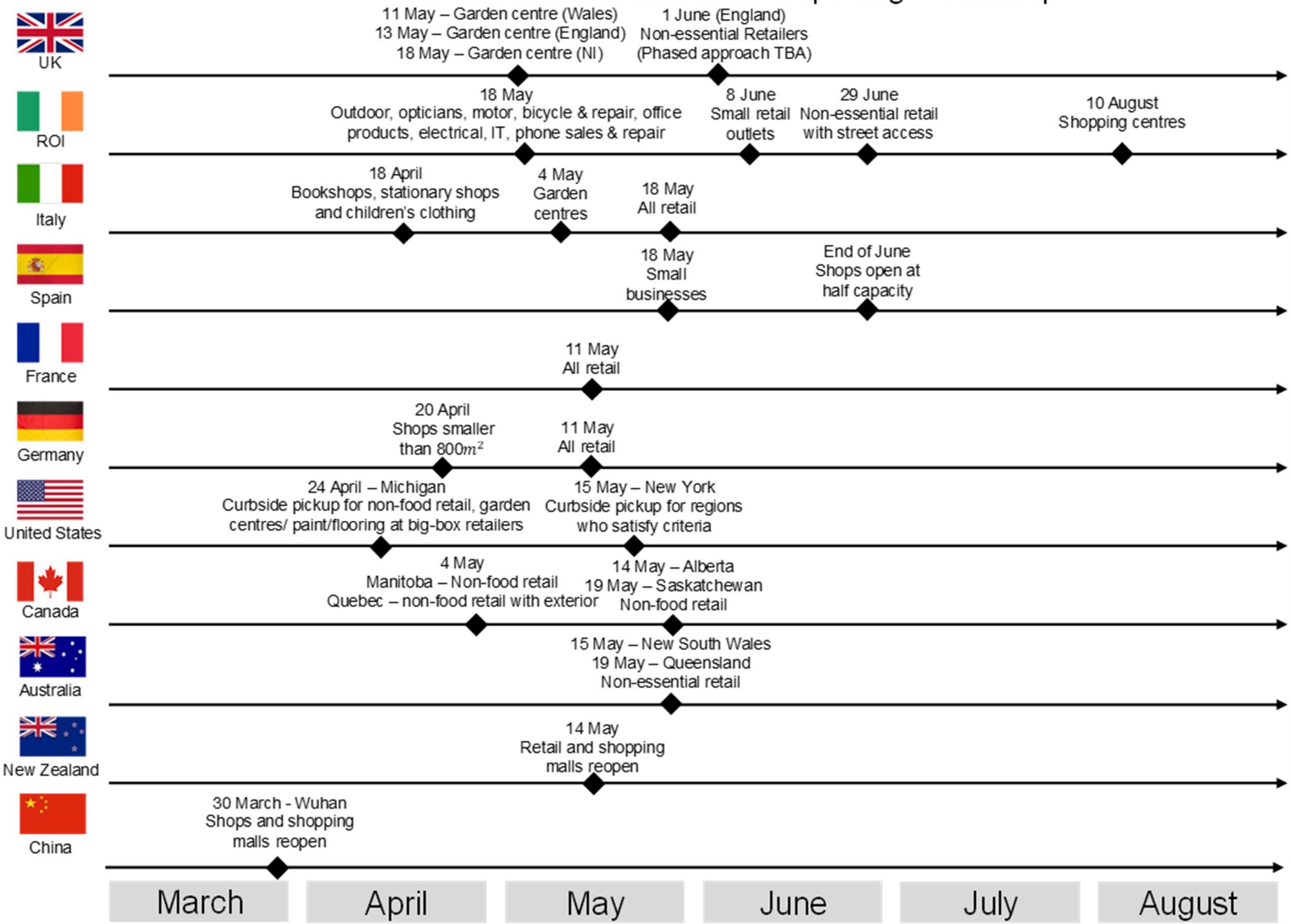
The diagram below summarises the timelines for the main comparators included within this paper alongside the key protocols adopted by each country.

Italy is the only country in our analysis to focus heavily on sub-sectors in its plan, with bookstores, stationery and children's clothing stores being the first to re-open. The Republic of Ireland also outlines some sub-sectors in phase 1 of its reopening roadmap (those which were open in Tier 2) but their current thinking also takes account of other variables in the design of their phased approach – including the nature of the store, outlet size and the density of retail outlets. For example, shopping malls in the Republic of Ireland will not reopen in the early phases given that they are designed for the congregation of people and therefore control of the population density is more difficult.

Spain and Germany have opened or plan to open small retail businesses first. China, Canada, New Zealand and Australia have broadly re-opened all non-essential retail simultaneously, and the UK plans to adopt a phased approach from June 1st with the exception of garden centres which are open in advance – further information on the UK's detailed approach has currently not been announced. The UK is also seeing some divergence across the devolved administrations which comprise the UK. Many states in the US have opened those retail outlets with curb-side access in the first phase.

Each of these comparators is explored in greater detail in the following section.

Non-food Retail Reopening Roadmap



Key Protocols per country

- Install panels to protect staff at tills
- Encourage cashless purchases

- Extended opening hours to enable social distancing
- Social distancing compliance

- Stores larger than 40m2 to allocate one-way systems where possible
- Tried-on clothing must be disinfected

- Companies should provide PPE to staff
- Retail should have a controlled entrance

- Cashiers wash hands every 30 minutes
- Physical barriers between cashier & customer

- Customers & staff wear face masks
- Restrict entry in store and avoid queues

- Provide sanitizer or a place to wash hands
- Maintain 6ft between staff and customers

- Stagger break periods and limit number of employees in shared spaces
- Plexiglas installed at check out

- Use separate doors for entry and exit
- Rotate tasks so no one worker has all contact with customers

- Maintain social distancing
- Limit customers per shop

- Masks required for retail workers & expected for customers
- Enhanced hygiene and disinfecting required

2. Detailed country profiles for main comparators

Timeline	Guidance	Public Opinion/Other
UK **England** 13 May – Garden centres. 1 June - Non-essential retailers (phased approach to be announced) **Scotland** Garden centres not open. Decision yet to be made. **Wales** 11 May – Garden centres. **Northern Ireland** 18 May – Garden centres.	• The British Retail Consortium (BRC) and Usdaw – the retail workers' union – have published guidelines for reopening shops: • Limiting the number of customers in stores • Considering installing temporary barriers • Clear signage to explain social distancing measures inside and outside the store • Markings inside and outside of stores to indicate correct queue distancing • Encouraging shoppers to shop alone where possible • Installing cleaning stations • Considering one-way systems • Encouraging cashless purchases • Installing panels to protect staff at tills	Not yet evidenced
ROI **(further detail outlined in later extract from Irish government document)** 18 May - Outdoor, opticians, motor, bicycle & repair, office products, electrical, IT, phone sales & repair. 8 June - Small retail outlets. 29 June - non-essential retail outlets with street level access. 10 August - Further easing of restrictions higher-risk services. e.g. shopping centres	Non-essential retail outlets open on basis of restriction on the number of staff and customers per square metre so that social distancing can be maintained. • Retailers to develop plan for safe operation and protection of staff and customers considering: • Social distancing compliance • Hygiene and cleaning • Compliance in higher risk situations • Extended opening hours to enable social distancing	• Crowd gathered outside Dublin's Four Courts in support of case brought to High Court opposing Covid-19 laws restricting movement. The legal challenge was subsequently dismissed.
Italy 18 April – Bookshops, stationary shops and children's clothing. 4 May – Garden centres (Phase 2). 18 May – All retail (Phase 3).	• 1 customer and two staff members per 40m2 • Stores larger than 40m2 to allocate one-way systems where possible • Longer schedules recommended to reduce number of customers present in the stores • Hand sanitiser to be provided by check-out, fitting rooms and by any touch screens • Tried-on clothing must be disinfected right away	• Business owners protested to be allowed open in Phase 2. • Protests by hairdressers and owners of other businesses not yet allowed to reopen under Italy's phase two lockdown rules

Spain 11 May – Small business can reopen. End of June – Shops will be allowed to open at half capacity with distancing of two meters between clients.	• Limit contact between employees and clients, keeping a two-meter distance inside and when queueing outside, when possible retail should have a controlled entrance • Companies should provide PPE to their employees when risks cannot be avoided • In Phase 1, retail other than shopping centres will be allowed to open, with a limit of 30% capacity and a minimum distance of two meters between customers, specific opening times for customers over 65 will be required • In phase 2, capacity will be increased to 40% and shopping centres will be able to reopen with conditions • In phase 3 capacity is increased to 50%	• Street demonstrations in Madrid as several cities still under tight restrictions as other cities enter de-escalation phase
France "Red-Amber-Green" coding system to determine to what degree and at what pace regions can ease restrictions. 11 May – Non-essential retailers reopen.	• Same as food retail + local leaders will be able to prevent opening of centres <40K sq. m if SDM2 cannot be upheld • Social distancing (1m) for non-household members • Large supermarkets: 1 customer per 10 square metres for a maximum of 30 minutes and only one member of the household allowed in at once • Cashiers must wash their hands every 30 minutes • Physical barriers between cashier & customer	• Shops opened but demand and customer footfall is low
Germany 20 April – Small shops up to area of 800 square metres. **Bavaria –** 11 May – All trade reopened. **North Rhine-Westphalia –** 11 May – All shops reopen.	• 1.5m-2m distance must be ensured • Additional limit of $10m^2$-$20m^2$ per customer required (state dependent, some with no requirement) • Customers and staff have to wear face masks • Employ a mechanism to restrict entry in store and avoid queues	• Shoppers remained very subdued due to concerns about jobs and finances • Protests to demand the lifting of restrictions ordered by the German authorities
United States **New York -** 10 regions must satisfy seven specific criteria before businesses and services can open again. - 15 May - all retail shops can reopen for curbside pickup or in-store pickup (for those regions who satisfy the criteria). **Michigan** - 24 April - Stores selling nonessential supplies (curbside pickup and delivery). - 24 April - Garden centres and paint/flooring/carpet	• Provide a place to wash hands or alcohol-based hand rubs containing at least 60% alcohol • Practice sensible social distancing, maintaining six feet between co-workers and customers, where possible. For example, some worksites have demarcated six-foot distances with floor tape in checkout lines which should be maintained where possible	• Across the country, groups of Americans have taken to the streets in protest of lockdown orders aimed at limiting the spread of Covid-19 • Hundreds of protesters, some armed gathered at Michigan's state Capitol in Lansing objecting to Governor Gretchen Whitmer's request to extend emergency powers to combat COVID-19

areas at big-box retailers		
 **Canada** **Alberta** 14 May Non-food retail. **Saskatchewan** 19 May Non-food retail. **Manitoba** 4 May Non-food retail. **Quebec** 4 May Non-food retail with exterior.	• Stagger break periods and limit number of employees in shared spaces, such as staff rooms • Plexiglas installed between employees and customers at check out; non-medical face covering to be used elsewhere • Implement contact-free modes where possible, such as curb-side collection for garden and DIY stores • Dedicated employee to disinfect high-touch surfaces such as shopping baskets and trolleys	• 100 people gathered in Toronto, chanting slogans demanding Ontario reopen and end all emergency measures • Protesters gathered outside the Alberta legislature, demanding the province lift COVID-19 public health restrictions that forced businesses to close
 **Australia** **New South Wales** 15 May – Non-essential retailers. **Victoria** Shops are open but the government says to shop only if necessary. **Queensland** 16 May – Non-essential retailers allowed to have up to 10 customers at a time.	• Impose limits on the number of customers and workers based on the size of the retail floor space to keep the minimum 1.5m apart as far as possible • Create floor markings to guide distances between customers and use physical barriers • Use separate doors for entry and exit • Promote online trade over face-to-face service • Rotate tasks so no one worker has all contact with customers • Request contactless payment over cash • Customers and staff have to wear face masks • Hand sanitiser to be provided in checkout area • Cashless payment transactions encouraged • Shop must have a separate entrance allowing direct access from outside • 1 customer per $20m^2$ sales area allowed	• Shopping centres across the country were busy as coronavirus restrictions began to ease but a lack of adhering to 1.5-metre physical distancing rules has raised concerns. • 100 people turned out on the steps of Victoria's parliament on Sunday in contravention of emergency powers restricting gatherings
 **New Zealand** 14 May - Retail and shopping malls reopen (Alert Level 2).	• Customers can come into stores, maintaining distancing • Limit customers per shop	• Queues before opening of DIY stores while shopping malls had less demand
 **China** **Hubei** 25 March – Eased measures **Wuhan** 30 March – Shops and shopping malls	• Retail outlets have reopened; green health code required to enter • Mask wearing is required for retail workers and expected for customers, with social distancing measures in place • Enhanced hygiene and disinfecting required in retail outlets	• Shopping malls experienced decreased customer footfall and decreased sales

Republic of Ireland: Retail, Personal Services and Commercial Activities Roadmap

5. Retail, Personal Services and Commercial Activities					
Phases	**1**	**2**	**3**	**4**	**5**
Commercial Activity **(Retail)** (applying over and above currently permitted retail arrange-ments)	Applying a risk-based approach: • Open retail outlets that are primarily outdoor (e.g. garden centres, hardware stores, farmers markets) • Open retail outlets that were open in Tier 2 (e.g. homeware, opticians, motor, bicycle & repair, office products, electrical, IT, phone sales & repair etc.) Retailers to develop plan for safe operation and protection of staff and customers considering: • Social distancing compliance • Hygiene and cleaning • Compliance in higher risk situations • Extended opening hours to enable social distancing	Applying a risk-based approach: • Small retail outlets with small number of staff on basis that the retailer can control number of individuals that staff and customers interact with at any one time • Open marts where social distancing can be maintained	Applying a risk-based approach: • Phase in opening of all other non-essential retail outlets on basis of restriction on the number of staff and customers per square metre so that social distancing can be maintained. To be limited to retail outlets with street-level entrance and exit i.e. which are not in enclosed shopping centres due to higher risk.	Applying a risk-based approach: • Commence loosening restrictions on higher risk services involving direct physical contact for periods of time between people and for which there is a population-wide demand (e.g. hairdressers, barbers).	• Opening of enclosed shopping centres where social distancing can be maintained. • Further loosening of restrictions on services involving direct physical contact for periods of time between people for which there is not a population-wide demand (e.g. tattoo, piercing) for later phases due to risk.

Public health rationale:

Ease restrictions in such a way as to protect the ability to maintain social distancing prerequisite for and between customers and staff, thereby limiting the transmission rate and protect the capacity of the health system to cope with the inevitable increase in disease.

Retail outlets that are small in size with low staff numbers may be well placed to limit and control the number of customers that their staff interacts with on a daily basis thus reducing risk.

There is a higher risk associated with the spread of the infection associated with person to person contact e.g. hairdressers, beauticians etc.

Control of the population density is more difficult in outlets which are designed for the congregation of people e.g. indoor shopping centres / malls thereby facilitating person to person transmission.

A review of the progression of the disease within and between each stage is required.

The effectiveness of containment and mitigation depends on limiting the number of social contacts, but also the duration of each contact.[11]
Some measures could be lifted first where population density or individual density is lower or where access control is achievable (.....small stores versus shopping malls)[12].
Commercial activity (retail) with possible gradation (e.g. maximum number of people allowed, etc.)[13].

Source: Government of Ireland “Roadmap for Reopening Society and Business”

The Irish Government are pursuing a mixed approach to the phases included within their roadmap for reopening retail. A mix of different variables are being used to plot the phases, applying a risk-based approach which takes account of retail outlet size, location and retail sub-sector.

In phase 1, the nature of the retail outlet (particularly those which are primarily outdoors) and the products sold (particularly those which can be deemed more essential than others) are the defining factors. For this reason, the Irish Government have prioritised the reopening of garden centres, hardware stores and farmers markets (typically open/outdoor settings) and those selling homewares, motoring products, office products, electrical products, bicycle and repair products, IT products, phone sales/repair and opticians.

UK: Non-essential retail roadmap

Non-essential retail currently falls into Step Two of the UK Government's COVID-19 Recovery Strategy. However, at the time of writing, further details of the phased approach to reopening non-essential retail are still to be announced.

Current documentation states the following:

"To aid planning, the Government's current aim is that the second step will be made no earlier than Monday 1 June, subject to these conditions being satisfied. Until that time the restrictions currently in place around the activities below will continue.

The Government will work with the devolved administrations to ensure that the changes for step two and beyond are coordinated across the UK. However, there may be circumstances where different measures will be lifted at different times depending on the variance in rate of transmission across the UK.

The current planning assumption for England is that the second step may include as many of the following measures as possible, consistent with the five tests…

Opening non-essential retail when and where it is safe to do so, and subject to those retailers being able to follow the new COVID-19 Secure guidelines. The intention is for this to happen in phases from 1 June; the Government will issue further guidance shortly on the approach that will be taken to phasing, including which businesses will be covered in each phase and the timeframes involved. All other sectors that are currently closed, including hospitality and personal care, are not able to re-open at this point because the risk of transmission in these environments is higher. The opening of such sectors is likely to take place in phases during step three."

3. Key protocols from other international comparators relevant to non-food retail

Key protocols from other international comparators relevant to non-food retail	
Dubai	- Tried-on clothing in changing rooms to be disinfected or removed for an extended period of time - No sales and promotions during Phase 1 (25 April) - Malls opened for 10h/day, at a maximum 30% capacity, with strict entry management and hygiene requirements
Taiwan	- Thermal cameras installed at shopping malls
Belgium	- All tried-on clothing to be removed from display for 3h, returned clothing for a day and a half - Fitting rooms to be disinfected after each single use
Israel	- Measure temperature of customers at door
Singapore	- Retailers with high traffic must trace contacts of customers

4. Case Study: Dubai Retail Protocols

The Government of Dubai has released extensive guidelines and protocols for reopening retail. The protocols and associated roles outlined below apply to activities within shopping malls, high streets, souqs and wholesale outlets. Non-compliance with these measures can result in the issuance of violation notices and fines as well as closures as per the enforced regulations.

In addition, retail outlets are only permitted to operate for 10 hours per day with shoppers allowed to have a maximum shopping time of 3 hours and capacity levels restricted to 30%.

It is important to note that the Dubai Government has defined the roles and responsibilities for ensuring that each of the protocols is appropriately regulated, controlled, complied with and supported.

RESTRICTIONS AND PROTOCOLS

DEFINING ROLES: R-Regulate, CR-Control, CM- Compliance, S-Support

Actions	Short Description	Owner	Retailer	Consumer	Gov
	Health and Hygiene				
1. 24 hr. mall sanitization	• Clean all the common areas of the mall premises included toilets cleaned after each use & entrance areas sterilized	CR	CM	CM	R
2. Entrance health checks	• Ensure that anyone entering the mall including staff, visitors, contractors all undergo mandated temperature screening & checks	CR	CM	CM	R
3. Provision of masks & hand sanitizers	• All visitors are mandated to wear masks at all times in the mall from entry. Non compliance will lead to denial to enter mall. Hand sanitizers to be installed. • Regulate purchase of masks by Malls	CR	CM	CM	R
4. Mandatory isolation rooms	• Have a small dedicated area on site to isolate potential positive cases	CR	CM	CM	R
5. Standard Operating Procedures for mall operators & retailers	• Have dedicated set procedures for stakeholders to maintain compliance in event of having to deal with positive cases on site and crowd management	CM	CM	CM	R
6. COVID 19 health & prevention staff education	• Educate staff on maintaining personal health safety & premise hygiene	CM	CM	CM	S
7. Sanitization for each item after each trial (e.g. clothing), no testing allowed for personal care, retailers are not allowed to implement 'No Return Policy' for sale of personal items	• Fashion, accessories & wearable apparel trial pose transmission risk. Sanitation measures must be performed after each customer trial (e.g. fitting rooms) to ensure safety while maintaining consumer rights	CM	CM	CM	R
8. Promote smart payments as preferred method	• Awareness for customers to pay through smart payments (credit cards/ debit cards over cash) • Cash payments are still valid and not to be rejected	CM	CM	CM	S
9. Availability of cleaning staff	• Ensure availability of dedicated cleaners in restrooms to sanitize the toilets per usage • Ensure availability of dedicated cleaners to regularly sanitize all entrances, elevators, and escalators (or any other facilities/surfaces that are prone to high frequency of contacts)	CR	CM	CM	R
10. Supply chain and storage quarantine practices	• Designate a dedicated place to ensure hygiene implemented across the supply chain and storage i.e. from the point where items/clothes are entered into the mall or retail store	CM	CR	S	R
11. Electronic doors	• Ensure dedicating electric doors rather than manual doors at entrances to reduce contacts and contamination • Dedicated separate doors for entry and exit	CR	CM	CM	S
12. Gold & jewelry sanitization measures	• Shoppers must wear mask while trying items. Jewelry items tried by customers to be sanitized properly or quarantined in case sanitization is not possible due to fear of damaging the jewelry.	S	CR	CM	R
13. Cleaning Measures for F&B Outlets (In case of Dine-in)	• Ensure using disposable, individually wrapped plastic utensils / dishes / packages only • Cleaning of surfaces (tables, chairs) with 75% alcohol after each customer's use/leave	CR	CM	CM	R
	Social Distancing				
1. Physical distancing of 2 meters	• Ensure the 2 meters distancing measure is maintained in all common areas, at service desks & customer service • Not applicable to family members • No more than30% of elevators capacity	CR	CM	CM	R
2. Mall & store occupancy ceiling	• Maintain occupancy ceiling to 30% of common areas and gross leasable areas • F&B (incase of dine-in) outlets reduce seating arrangements to 30% and maintain placing seating and tables 6+ ft apart for all customers • Stores (& F&B dine-in) to hang red tag at front door indicating maximum number of allowed customers inside. To be calculated based on 4 feet per customer • 75% of the mall parking to be closed	CR	CM	CM	R
3. Entertainment and attractions to be kept closed	• Closure of all entertainment & tourist attractions (e.g. Dubai Fountain) to restrict crowding • No entertainment activities of any kind to be performed • Remove public seating	CR	CM	CM	R
4. Mall Etiquette	• Clear communication that visitors are allowed to visit the mall for a maximum of 3 hours • Maintain discipline and adult supervision of their children at all times • Clear communication on caps of visitors	CM	CM	CM	CR

Regulations and Policies					
1. Mall opening dates & timings	• Ensure the mall adheres to government guidelines	CR	CM	CM	R
2. Communication policy	• Ensure signages & notices are placed at regular intervals with high visibility and clear instructions	CR	CM	CM	CR
3. Regulate occupancy rent	• Mall management is encouraged to make retailers pay rental for lease areas in mall based on pro-rata charge for number of hours the store stays opened instead of full day rental • If retailers have to renew their lease, there should be no increase on rent after renewal	CR	CM	CM	R
4. Mall entry points	• Malls must open all entry points to avoid crowding at entrances since visitors must do health checks which could lead to long queues • Limiting visitors entrance to selected doors is not allowed • Elderly above 60 years old and children between the age 3-12 years old are not permitted to enter	CM	CM	CM	R
5. Prohibit sales & promotional activities	• Neither mall management nor retailers are allowed to hold sales & promotions during stage 1 of reopening malls to avoid crowd management within a store	CR	CR	CM	R
6. Suspend valet parking services	• Ensure valet parking is not provided to visitors during this period	CR	CM	CM	R
7. Food court and F&B outlets distancing compliance	• Ensure F&B can host 30% of the capacity with 2m distance between tables including the food courts to enable physical distancing	CR	CR	CM	R

Digital and Technology					
1. Thermal temp scanning	• Ensure thermal scanners/ cameras are used for health checks to monitor potential infected cases • Only applicable to malls and not high-street and souqs	CM	CM	CM	S
2. Unified Communication Campaigns	• Mass Communication to population to comply with all measures	CR	CM	CN	S

5. Non-food Retail considerations of sub- sectors, spatial impacts and size of outlet

There are a number of variables to consider with respect to designing the roadmap for easing restrictions around non-food retail. These are outlined in the table below alongside key considerations and key risk impacts for each. The final column rates the extent to which each variable was a key factor in the design of reopening roadmaps for non-food retail across the breadth of the international comparators included within this research.

Variable	Description of Variable	Key Considerations	Overall Risk Comments	Frequency with which this variable was used by comparator countries to design their reopening plans
Size of Outlet	Based primarily on both the total outlet area and available selling space for customers	• Whether there is adequate non-retail space for staff, deliveries of stock etc. to follow social distancing protocols as effectively as possible. Larger outlets may be lower risk in this respect • Whether there is adequate space within the outlet for customers and floor staff to follow social distancing protocols as effectively as possible. Larger outlets may be lower risk in this respect • Whether there are multiple entry and exit points to effectively manage social distancing protocols. Larger outlets may be lower risk in this respect • Whether there is enough staff to effectively enforce protocols such as hand sanitising, manage in-store movement flows, monitor the number of customers in store so as not to exceed reduced capacity, sanitise surfaces at regular intervals etc. Larger outlets may be lower risk in this respect	Larger retail outlets likely carry a lower risk due to their ability to effectively implement the required range of protocols to reduce the risk of spreading the virus.	**Often.** A large proportion of the international comparators have used outlet size as a primary factor in choosing which stores to prioritise for early reopening within their roadmaps.

Location of Outlet	Based on a range of factors including the location of the outlet, its proximity to other outlets and the density of outlets in a given area. This could include: • Standalone retail outlets • Outlets situated in a high street setting • Shopping malls/centres • Outlets in retail parks	• Whether there is adequate space for customers to queue outside if required to meet the necessary social distancing and reduced in-store capacity protocols. Standalone retail outlets or those situated within retail parks may have greater usable space in this respect and may present a lower risk • Whether there is parking available in very close proximity to the store. This will help to reduce the distance that customers need to travel to reach the store and after they have completed their shopping, making social distancing more feasible. Standalone retail outlets and those situated within retail parks may be lower risk in this respect • Whether multiple stores are likely to be located in close proximity to one another. This may mean that managing social distancing and other protocols are more difficult to observe. Standalone retail outlets and those situated within retail parks may be lower risk in this respect	Both standalone retail outlets and stores situated within retail parks should be considered as lower risk. On the flip side, outlets situated within high street setting or in shopping malls will have a higher density of shops in close proximity and carry a higher risk.	**Often.** International comparators have used outlet location as another primary factor in choosing which stores to prioritise for early reopening within their roadmaps.
Outlet Sub-sector	Based primarily on what the outlet is selling. Sub-sectors included within non-food retail include*: • Clothing, Footwear and Apparel • Homewares, Furniture and Flooring • DIY and Gardening • Electronics and Appliances • Health and Beauty • Culture and Recreation (including books, games, toys, sporting equipment) • Motor vehicles	• Some retail outlets (e.g. food/grocery, pharmacy etc.) were deemed to be essential and have remained open during lockdown. In a similar way, some of these different sub-sectors may be deemed to be more 'essential' than others and these should be considered for early reopening • Whether some of the sub-sectors promote wellbeing amongst the community to a greater extent than others – these should be considered for earlier reopening • Whether some sub-sectors sell products which have the potential to drive both positive and negative behaviours with their customers in the context of the ongoing restrictions. Some of the sub-sectors (e.g. DIY and gardening) might support the ongoing "stay at home" message and encourage adherence to the current restrictions – these should be considered for earlier reopening	Sub-sectors which typically have larger stores not situated in close proximity to other retail outlets and typically comprising some outdoor shopping areas likely carry the lowest risk and should be considered as options for earlier reopening. In NI this would most likely apply to the DIY/Gardening (garden centres to reopen from May 18th), Homewares/Furniture/Flooring, Electronics/Appliances and Motor Vehicle sub-sectors.	**Sometimes.** International comparators have reopened retail sub-sectors in phases. However, this is often not driven by the actual products being sold but rather the nature of the stores used to sell these product categories. Only Italy and Ireland have outlined specific sub-sectors in the earliest phases of their reopening roadmaps.

	• Multi-category (multi-purpose stores, department stores etc.)	• Whether retail outlets in these sub-sectors typically have a similar style of store corresponding to the other variables outlined (e.g. size and location) as well as areas of the store which are outdoors. Sub-sectors which typically have larger, out of town stores might be considered lower risk and more able to effectively adhere to any guidance/protocols and therefore be opened sooner than sub-sectors which typically rely on smaller stores on high streets • Whether some sub-sectors (e.g. clothing, footwear and apparel) would require additional facilities to be available such as fitting rooms or might require staff to deliver an enhanced service to customers (e.g. personalised advice/services or specialist assistance). These might bring a higher risk if they were reopened early in the phased strategy		
Opportunity to fulfil alternative shopping methods	Based on whether other approaches to shopping can be adopted to reduce the number of customers and staff physically in store. This can involve: • Pre-ordered collection/curb-side pickup • Delivery service	• Whether smaller retailers such as single outlet independent stores have the necessary infrastructure to fulfil these alternative shopping options to the same extent as larger, well established retailers. Smaller and more local independent stores may be less likely to have the necessary infrastructure required to support different shopping methods (e.g. online ordering platforms, order fulfilment processes and capability etc.) • Whether the other variables outlined (primarily size and location) have an impact on a retail outlet's ability to offer collection/pickup on a large scale	Outlets which could provide appropriate collection and delivery services may present a lower risk to those which require customers and staff to walk through a store.	**Rarely.** This has not been a major factor in the international comparators. However, retail outlets in hotspot regions of the US were allowed to open earlier if they could provide collection or curb-side pickup

**Based on an official classification of sectors according to the ONS within the "Wholesale and Retail Trade" section:* https://www.ons.gov.uk/file?uri=/methodology/classificationsandstandards/ukstandardindustrialclassificationofeconomicactivities/uksic2007/uksic2007web.pdf *and* https://www.retaileconomics.co.uk/top-10-retailers

6. Reopening Retail: Behavioural changes pose challenges and opportunities in the road to recovery

It is likely that self-imposed behavioural changes will remain long past the easing of lockdown and restrictions. The EY Future Consumers' Index is an innovative resource which examines the effects of the Covid-19 pandemic on current, mid-term and long-term behaviours of consumers. It surveyed 10,580 respondents across 11 countries, including the UK, France, Germany and the USA, beginning in April 2020 following the onset of Covid-19, and repeated at monthly intervals. The evolution of consumer behaviour is a critical consideration for retail sub-sectors seeking to reopen successfully and attract the necessary demand. By factoring in changing behaviours, shops can implement tailored reopening strategies.

The current survey data reflects responses collected in May 2020 and some of the key findings are outlined below.

6.1 *Consumers had to switch to online shopping in the short term, but this switch is not uniform across sub-sectors and may not necessarily last, following the pandemic, for every type of shop*

Consumers are switching their spending habits to online retailing, particularly for non-food products, with 30% of UK consumers agreeing that their use of these mediums would increase over the short-term at least. Interestingly, anticipated increases in in-person shopping **favours convenience stores over larger supermarkets**. This may be owing to the lower traffic volumes in terms of queueing and physical contact in the largest supermarkets, as well as the element of 'support local'.

14% of consumers also show a **growing preference for discount stores, which coincides with the comparative decline in luxury/major product purchases**. Understanding that UK consumers are prioritising household and low-cost purchases as well as store layouts which minimise physical time spent in-store and contact with others is important. These considerations could be incorporated into store reopening, for example allotted time slots, specific square-footage space allocations per person and tailoring efforts to where demand will be concentrated (such as discount retailers).

Forecasted changes in shopping frequency over the next month (UK)

	Will increase
Online retailers	30%
Grocery delivery services	22%
Convenience stores	18%
Supermarkets/hypermarkets	15%
Discount stores	14%
Checkout-less stores (e.g. Amazon Go)	13%

On-demand prepared food delivery services	10%
Restaurants and bars	8%
Meal kit delivery services	7%
Specialty stores	6%

Source: EY Future Consumers Index, 'Next', Q1, May 2020

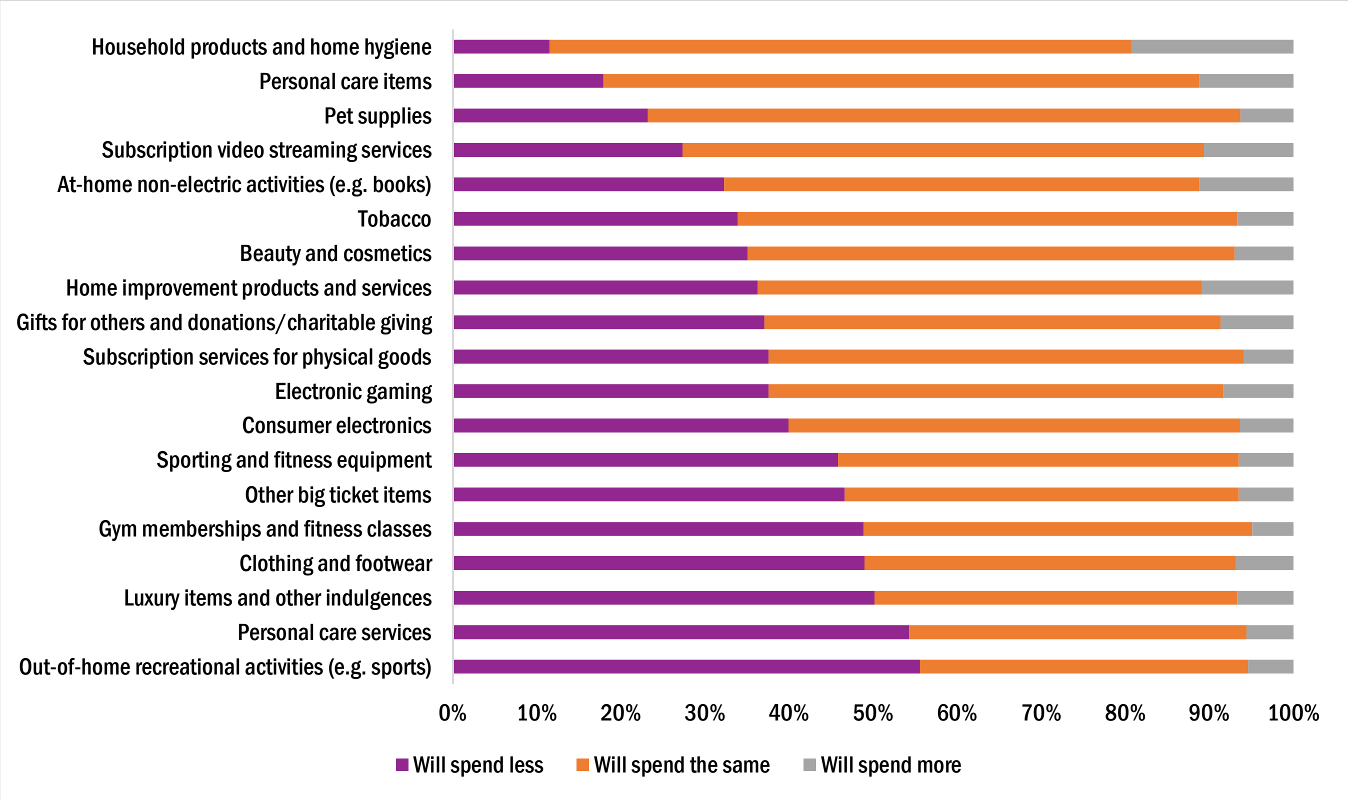
6.2 *By targeting the sub-sectors in which consumers are planning immediate spending increases, retailers could maximise revenues*

Asking UK consumers their anticipated changes in spending across selected non-food retail categories over the next month reveals a **clear preference for home cleaning and entertainment products**. Almost one fifth (19%) are planning increased spending in home improvement products, with 11% citing spending increases in at-home non-electrical entertainment products and personal care items. The well-publicised unprecedented queues at B&Q stores nationwide is testament to this.

Targeting these particular subsectors for innovative in-store redesign to better facilitate social distancing and a minimal contact experience will provide a better competitor for online retailers in these sectors. Offering smaller, independent retailers support to reopen in these subsectors would both alleviate pressure on larger stores and therefore better facilitate social distancing. It would also provide a much-needed revenue boost for these small, local businesses, complementing consumers' revealed preferences for in-person shopping in smaller stores (see 6.1) with evolutions in their spending patterns. **Targeted government advice, guidance and resources for these firms could prove vital, given that they do not have the same supply chains (e.g. for procuring PPE or legal advice) at their disposal as their larger competitors.**

The sectors in which UK consumers have expressed the least intentions of spending less on include household and home hygiene products, personal care items and pet supplies. These are purchases likely to be carried out in store but are also those **requiring the most trust on behalf of the consumer**, due to their potential impact on our health and those of our loved ones. This illustrates the critical importance of taking every step possible to encourage consumer confidence.

Anticipated changes in household spending over the next month (UK): do you expect to spend more or less over the next month of the following (non-food retail categories)?



Source: EY Future Consumers Index, 'Next', Q3, May 2020

Certain retail subsectors and business models have proven more resilient to the Covid-19 crisis and accompanying business environment than others. For example, certain low-cost high street retailers, such as Primark and Poundland, do not have any online presence. This is owing to the low profit margins on each item sold: there is simply no space to absorb the cost of shipping or returns.[1] Given consumers' growing preference for low-cost, discount purchases, as detailed above, it is no coincidence that one of the retailers that UK consumers miss most as a consequence of lockdown is Primark.

There are many small businesses in NI which lack an online presence entirely. Additional help must be given to these small businesses, to enable them to reach their existing customer base and to capitalise on consumers' changing preferences. This could be via apps which detail in-store stock offerings and levels to customers (e.g. Spar NI's 'Gander' app which publishes real-time discounted stock of goods in each store), **enabling consumers to plan targeted trips and simultaneously spend less time browsing in stores.** Primark has made a conscious, business-led choice not to assume an online presence: smaller retailers simply lack the means and could benefit from targeted support in this area.

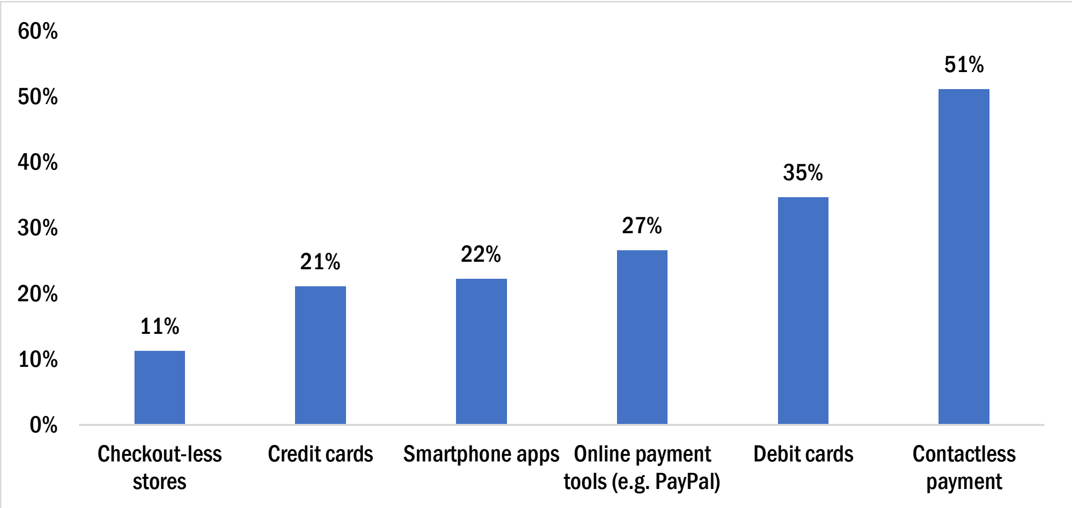
[1] https://www.businessinsider.fr/us/primark-does-not-sell-online-why-2018-8

6.3 *Contactless payment becomes a must-have*

Consumers are overwhelmingly opting for contactless methods of payment in shops, with 51% stating that they will be using contactless payment more over the coming month. Retail outlets facilitating this seamlessly for consumers is critical, as even the fear of touching high-contact points such as pin keypads could be a decisive 'push' factor in consumers opting for the online experience. **73% said they will be using cash less**, which accelerates this already prevalent decline.

Neither staff nor consumers will want to handle cash from a safety aspect, and as such retailers should consider effectively ruling out cash payments. This could take the form of signs encouraging contactless methods of payment, of course with specific case-by-case exemptions and with suitable PPE for staff handling cash in these isolated occasions.

Anticipated changes in payment preferences, UK ('will use more' responses, >10%)

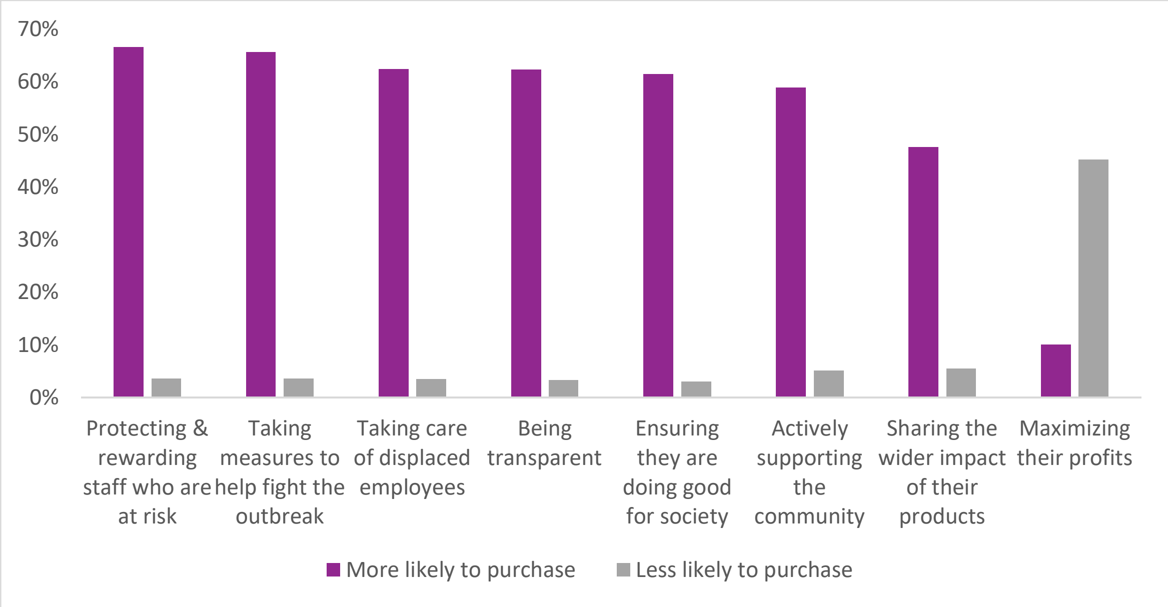


Source: EY Future Consumers Index, 'Next', Q6, May 2020

6.4 *Social impact of purchases becomes a key differentiator*

Consumers have been deeply affected by living through a pandemic and are reassessing their values and those of the businesses they give their custom to. **The narrative surrounding retail reopening and communicating to the public the underlying motivations for doing so**, including mitigation steps taken and the 'journey' through the Covid-19 pandemic, will play a crucial part in encouraging the public to support these businesses. Reopening must be framed in terms of the social and community benefit, with maximum precautions taken for both staff and consumers. Consumers are incredibly detached from the 'economy over wellbeing' narrative and this must be adhered to when conveying the motivations for reopening, to provide reassurance.

How would these company actions influence your purchasing behaviours? (UK)



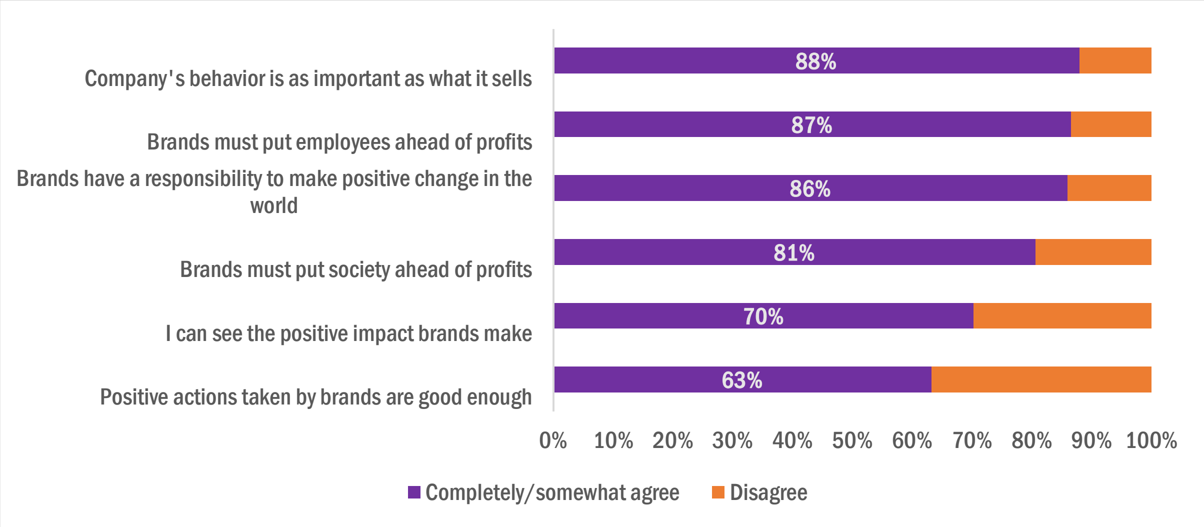
Source: EY Future Consumers Index, 'Next', Q9, May 2020

The potential for retailers to attract public support and generate demand after legal impediments are lifted depends on two key elements:

- The public perception of their role in the community. 88% of UK consumers agreed that companies' behaviour is as important as what it sells, with four-fifths of the belief that companies must put society ahead of profits. This is a distinct advantage that small, independent, local retailers have over that of global conglomerates. Their special role in the local community must be publicised and focused on. **Any efforts to 'give back' to the community will be reciprocal, not going unnoticed by the local consumer base.** A clear, transparent marketing and educational campaign to accompany the reopening of local retailers will be crucial (in contrast with, for example, the negative publicity which accompanied the reopening of large national retailers such as B&Q).

- Confidence in safety measures taken by retailers to ensure the safety of both staff consumers is crucial. Even if this inconveniences shoppers, the attitudinal evidence illustrates that the **benefit of the perceived safety and accompanying footfall will outweigh this**.

What is your opinion of a company's behaviour? (UK)



Source: EY Future Consumers Index, 'Next', Q10, May 2020

The growing focus on corporate and retail responsibility may mean that an increasing number of consumers make a conscious decision to switch from international to local in their spending choices. This may be to support local business, but it is also indicative of the growing focus on supply chain visibility. Whereas before this crisis, discussion of localising supply chains and sourcing less from abroad may have been viewed as protectionist or controversial, the pandemic has exposed the vulnerability of the supply chains we rely on for many essentials.

There is now a consensus that more localised supply chains are less vulnerable to global crises, given the world's overwhelming reliance on China which was brought into sharp focus by Covid-19. **Localising supply chains and essential purchases is now a practical necessity**, as shown by the global PPE shortage. Prior to this crisis, 95% of the Fortune 1000 companies bought components from China, which is a pattern mirrored the world over. **The need to diversify and become more independent of any one country will present opportunities for local retailers and also the need for them to rethink their own supply chains and operations**. A coordinated focus on this by policymakers, for example in the form of practical advice to retailers and minimal red tape, would be a welcome step.

6.5 *Behavioural changes have only been accelerated by COVID-19 and will remain after the end of this pandemic*

Many of the trends discussed were already prevalent prior to the Covid-19 crisis. Consumers were already beginning to place more importance on the social and environmental impact of their purchases. They were also transitioning to online shopping for many subsectors of non-health related goods and opting for cashless payment methods. Covid-19 has simply accelerated many of these trends, albeit over an unprecedently short time frame. **It stands to reason that these trends will therefore persist long after the pandemic has passed.**

Reopening measures must not be short-term alterations to protocol. When asked about how their shopping patterns will change over the coming two years, globally the backdrop is clear: **consumers expressed an overwhelming consensus they would be much more aware of hygiene and sanitation when shopping in person** (69% of respondents agreed). There is also a marked shift towards online shopping, not only for groceries but also for durables, though to a lesser extent (43% vs 39%, respectively).

Homing in on the UK consumer, they too will be more aware of hygiene and sanitation when shopping in-store. However, this sentiment is somewhat less prevalent among UK consumers (57%) than the global average of 69%, as well as in European benchmarks such as Germany (63%) and France (70%). This is encouraging, with a larger proportion of UK consumers instead **planning to consolidate shopping trips into less frequent, but larger purchases** (64%) than in their European counterparts. Only 7% of UK consumers felt that their shopping habits would not change over the coming two-year period, conveying the need for retailers to adapt the shopping environment in a sustainable, permanent way.

6.6 *Behavioural changes must be translated into operational changes*

Consumers view safety and social responsibility as much more important than a seamless, convenient shopping experience. The attitudinal changes revealed by the EY Consumer Index **support an overly, rather than underly, cautious approach, even if the value of this is reassuring both staff and consumers rather than being backed by thoroughly evidenced scientific facts**.

UK consumers, more so than their European counterparts, are preparing to consolidate shopping trips into fewer than pre-Covid-19. They also have preferences for ‘supporting local’, with 25% claiming that over the next two years they will make a concerted effort to shop more at local/small businesses. This is accompanied by an overwhelming shift towards being more cognizant of personal wellbeing, as well as that of family and the local community. It is clear that small business could benefit from this attitudinal shift.

These behavioural changes support the idea that consumers will be willing to tolerate a more inconvenient, slower shopping experience if this means increase safety for staff and consumers alike. This is particularly true, given that the products UK consumers are still shopping in store for (such as personal care, pet and hygiene products) have a direct impact on themselves and their loved ones. Their increased focus on wellbeing and health mean that they will welcome more stringent, visible measures which reassure them, rather than view them an as inconvenience.

7. Summary Considerations

This paper has been informed by analysis of 16 comparator countries, each of which has unique plans with respect to the reopening of non-food retail. In addition, each country is at a different stage of its recovery and it is too early to assess impacts of the various timelines and approaches. However, insights from the international comparison, along with findings from the EY Consumer Index, offer some key considerations for the NI approach to re-starting the non-food retail sector;

- A **standard set of protocols and guidance has emerged** – this includes the need for continued social distancing, limitations on the numbers of customers in store, adequate signage, control of movement flows, availability of hand sanitising facilities, additional in-store sanitising and contactless payments. Mandatory masks for staff and expected mask usage for consumers is also prevalent but not common across all comparators;
- There are a number of variables to consider when designing a non-food retail reopening plan. The international comparators **have focused most heavily on outlet size and outlet location as the key variables** rather than on specific sub-sectors, with **Italy and Ireland being the only countries analysed to specify retail outlets that can open early based on the products they sell.** The Republic of Ireland, Spain and Germany have all opened small retail businesses first, with shopping malls in the Republic of Ireland being the last to open. Many states in the US have opened those with curb-side access in the first phase;
- **Consumer confidence is key and lessons can be learned from France and some US States where shops have re-opened but consumer numbers are low**. Ultimately, policymakers and retail bodies must be sensitive to consumers' evolving preferences and needs if they are to persuade them to leave their homes and enter their stores. Measures which may support these behavioural changes could include:

    - Limiting capacity, even if this means longer queues
    - Continued social distancing and controlled flow of movement in larger stores
    - Preferential hours for key workers and vulnerable citizens
    - Visual reinforcements of safety measures
        - Perplex screens
        - Providing masks for staff
        - Stipulating the wearing of masks for consumers

    - Limited physical presence of consumers within the shop floor, either by reduced opening hours, limits on time allowed in store or reduced opportunities for browsing.

8. Approach to Non Food Retail During May & June

Within the NI Executive’s Pathway to Recovery, Step 1 involves a focus on Non-Food Retail which can be carried on outdoors. This has seen the regulations now permit the reopening of Garden Centres. A natural extension of this would see that same thinking applied to other spacious settings which materially involve the use of outdoor space in that retail activity:

Examples: *New & Used Car Retailers*

Retailers of Light Motor Vehicles, Lorries Trailers

Retailers of Caravans or Motorhomes

Retailers of Agricultural or Other Large Machinery

That then very much brings us into the realms Step 2 of the NI Executive’s Pathway to Recovery. This signals the potential to reopen Non-Food Retail while limiting numbers and maintaining social distancing. Any approach would be based upon a stage or phased approach, earmarking lower risk Sub-Sectors or activities initially. Drawing on the analysis at Section 5, and what has most commonly been deployed in other countries, that would point to an approach based upon managing risks through a combination of the following:

- The size of outlets, with bigger outlets having more space creating the greater potential to manage social distancing for any given customer level; and
- The location of those larger size outlets, with standalone retail outlets and stores situated within retail parks (but not within the confines of a shopping centre) being considered as lower risk; and
- Sub-Sectors, where certain sub-sectors lend themselves to lower shopping densities (less frequency of purchases) and / or where they might typically have larger stores not situated in close proximity to other retail outlets.

This approach leads to the early steps to reopen Non-Food Retail being concentrated more so in lower frequency retail activities, which themselves are in larger stores, and which are often in lower risk locations, and where they are on the high street the limited opening of the remainder of Non-Food Retail at this stage gives scope to manage risks outside the retail store. In relation to these sorts of size and location characteristics this would point to including the following retail activities.

Examples: *Retail of Electrical Household Appliances*

Retail of Computer & Electronic Equipment

Retail of Mobile Phones

Retail of Household Furniture and Lighting and other Household Articles

Retailers of Carpets, Rugs, Curtains, Wall & Floor Coverings

Beyond this point progressively brings us into Non-Food Retail activities that involve more frequent customer visits, or are potentially more clustered within town and city centres, or with shopping centres. In addition some of these include instore activities that pose risk management challenges for the industry, for example practices in clothing and footwear retail around fitting merchandise and managing fitting rooms and so forth.

Going forward the visibility of the planned pathway can be updated and extended as we examine further international practice and experience, and as we gain knowledge of how well the initial cautious steps above have worked in practice.