INSIGHTS



F&B IS TRANSFORMING RETAIL. AGAIN.

How changes in F&B, consumer patterns, ghost kitchens and post-COVID dining trends are changing shopping centers coast to coast

The transition toward food-centric retail experiences is in full swing. But, as with almost everything these days, the pandemic disrupted how we interact with restaurants and retailers. Some of it good; some of it, well, time will tell.

A POST-PANDEMIC FUTURE FOR F&B

Now that we're at the tail end of the pandemic, people are finding that convenience is not a bad thing and they want to continue curbside pickup and more widespread delivery options. At the same time, people are more than ready to head back to their favorite restaurants or try new local spots in person after a year of tight restrictions and lockdowns.

According to Arlene Spiegel, a New Yorkbased F&B consultant, "Consumers are more empowered than ever. They've learned that restaurants will step up to feed them even under the most challenging circumstances; redesign their dining rooms for safe distancing; and even make a 'mean mojito to go' to enhance their favorite tacos. Those operators who pivoted to a strong take-out and delivery model also feel more empowered as they realize that they can survive, and even thrive,

by offering fewer menu items and charging more."

THE CURBSIDE PICKUP PUZZLE

Even before the pandemic, people were eating out more because people generally cook less than they used to. According to the USDA, Millennials eat out 30% more than any other generation. And that was before COVID was on anyone's radar. When most restaurants were forced to close or severely restrict the number of diners in 2020, they got creative. As designers, one of our jobs is to see this trend and make it work for our clients.

Spiegel sees the trend continuing. "Developers and landlords are stepping back and rethinking the value of their spaces — not all square feet are equal. With municipalities allowing for open streets and outdoor dining, along with curbside pick-up being a high priority, we need to consider new formulas for occupancy. Ghost kitchens, which are kitchens offering take-out only, are becoming more popular. Perhaps surprisingly, well-known brands are turning to ghost kitchens and the trend also lowers the need for brick-and-mortar square footage.