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TRENDS IN RETAIL DESIGN

SURVEY 2021: WHAT THE RETAILERS THINK

COMPETING WITH GIANTS



TRENDS IN RETAIL DESIGN

Retailers must define their voice and reflect that voice within their physical and digital spaces.

■ By Jessica Chevalier



London Jewelers of Manhasset, New York, designed by Nelson Worldwide, features European white oak by PID Floors in a herringbone pattern. Photo by Andrea Brizzi.

Prior to the pandemic, brick-and-mortar retail was undergoing a significant shift. Over the course of the last decade, many stalwart brands of the U.S. retail landscape met their demise. Others toiled to redefine themselves to a new consumer audience that was both shopping online and seeking to support brands with values similar to their own.

Then Covid swept the nation, and brick-and-mortar stores emptied or reduced capacity. Consumers who were already shopping online increased their activity, and many of those who weren't yet digital consumers made the transition. For some brick-and-mortar stores, the Covid quarantine was the nail in the proverbial coffin. But those that survived found that, moving ahead, an omnichannel approach—appealing to consumers on both physical and digital fronts—was key. Both channels are important components of a retail strategy, and the two must be aligned in aesthetics, feel and values if they are to work effectively in union.

SYNCHRONICITY

The good news for brick-and-mortar retail is that while consumers can buy virtually anything online today, a year at home

made many crave in-person experiences. Nelson Worldwide's senior technical designer, Germana Gioglio, reports, "Retail is not dead but coming back differently [post-Covid]. Here in New York City, now that many people are vaccinated, they are really out and about. They have been at home for a year and a half, and that gave retail a bit of a push. If we can play our cards well, it may turn out to have been helpful."

As consumers emerge, it is key that their in-person interactions live up to what they expect from their online experiences with the brand. "We all want to go out and be places and see things and reconnect with our lives, and that applies to the consumer," explains Alec Zaballero, managing executive for TPG Architecture. "There is pent-up consumer demand—but not only for stuff. It's not hard to get stuff any longer. A store is part of a brand ecosystem that allows the consumer to have a



El Palacio de Hierro Veracruz in Heroica Veracruz, Veracruz, Mexico, designed by TPG Architecture, features a custom terrazzo floor in neutral and deep blue. Photo by Paul Rivera.

tactile and immersive experience of the brand, which a screen can't give you." As consumers venture out again, they want more than they can get from the comfort of their houses, meaning that a physical experience had better deliver on the brand's online promise and then some. If not, why would a consumer go through the trouble to visit?

Says Kevin Horn, principal with CallisonRTKL, "The future of retail must be a multifaceted experience. If it's just a transaction, consumers won't do it. They can get that online." Within a shopping mall, for instance, Horn suggests that developers not just rely on big national brands but engage interesting retailers from a variety of different markets. Food and beverage is also a big driver in creating experience in these facilities. Places where people can gather, socialize,

"A store is part of a brand ecosystem that allows the consumer to have a tactile and immersive experience of the brand, which a screen can't give you." Alec Zaballero

consumer-oriented environments—explains why that is, noting that "everyone has certain brands that they like, and those, in aggregate, define their lifestyle and identity. People want to come back out [post-pandemic] and reconnect with their brands and new brands because that's how we energize our lifestyles and feel connected to our values and community." At present, for physical locations, that's often about telling a story of what has changed while consumers were away quarantining.

CREATING SPACE

Designing a retail space begins, first and foremost, with understanding what the business' audience is seeking. "How do you carve out a space that is memorable, interesting

THE REFRESH CYCLE

"I remember when the retail industry had a refresh cycle," laughs Zaballero. "It's completely disrupted. There is no predictability to the refresh cycle today. If anything, brand development has sped up, so brands now come to market faster and evolve faster and mature faster. Rather than think of it in terms of cycles, brand evolution has its own pace, and each brand has to find its own pace."

The goal for a retailer's design is generally to last the life of the lease. "For a commercial mall project, the general turnover for a refresh is ten years or so," says Horn. "Clients want spaces to be timeless yet cutting-edge, too, so as retail designers, we are trying to work within that contradiction."

Gioglio reports that at the luxury end of retail "the lifespan is ten to 15 years because brands spend more money on quality finishes

at the outset and the amount of traffic is generally lighter." Gioglio adds that when a brand spends a couple million dollars for 3,000 square feet, they simply can't do a significant renovation too soon. However, Gioglio does look for ways to incorporate opportunities for a light refresh into a design, such as area rugs that can be changed out or furniture that can be reconfigured or swapped.

Interestingly, Zaballero reports that the pace of change in retail impacts not only materials but also brands. "Demands on flooring to be durable, effective, attractive and cost effective are just as high as they've ever been or higher because there is more risk now in building out a physical environment because of the pace of disruption and change," he explains. "Today, the pace of change is so fast that we put in flooring bearing in mind that stores might have a shorter runway to make expenditures."

and addresses the needs of its audience?" Horn asks, "On a micro level, how do you create unexpected moments, inviting and compelling the consumer to spend time in the space?" In essence, this is about building a community, a group of enthusiasts who believe in and connect with the brand. Horn's retail work is varied, from mixed-use shopping malls to individual stores, including airport retailers and department stores.

Gioglio refers to this as creating a "coveted experience." She says, "Generation Z really cares about the story behind the product or brand. Social media is an easy way to get through to the younger crowd, but when they get to the store, it's all about the experience. A retailer can build different experiences to drive the consumer in, but things get old and need to be renewed often, which is expensive and takes a lot of effort. That's why not everyone succeeds or only does so temporarily. If you don't keep putting energy in, you'll lose the consumer's interest." On a recent jewelry store project, Gioglio's client requested a space that could be transformed to bring in key clients for events and parties. The space includes a lounge area and a bar, which can be moved around to configure the space as needed. Gioglio works primarily with luxury retail clients, often jewelers.

One important understanding within the omnichannel approach is realizing that any engagement that supports a sale is a success—whether or not that sale happens immediately and in-store. This engagement varies by location and product offering. In airport retail, international flyers are captive and often have a few hours to kill, so it makes sense to build out spaces that support consumers interacting with the merchandise for longer periods of time. To that end, for one cosmetics company, Horn utilized "magic" mirrors that enable consumers to try on products digitally. And for one airport wine merchant, he made use of a smart table that displays facts about a wine's vintage and other pertinent details when consumers place a bottle on the table. All of these strategies build engagement with a brand in a way that the simple buy-sell consumerism of old did not.

As another example, Horn also points to a California-based fixture and appliance retailer called Pirch that allows interested



CallisonRTKL created a new design concept for Hyundai Seoul, located in Seoul, South Korea. The location is the largest department store for both Hyundai and the southeast region of Korea. Photo by Kyungsub Shin.

buyers to cook on its grills prior to purchase as well as schedule after-hours appointments to try out its shower systems.

In all these cases, the space is operating as the physical expression of the brand and must do so with accuracy. Zaballero notes that because the visitation of a physical space is almost always preceded by the consumer's online engagement with the brand, it must live up to a brand's online portrayal and not be a disappointment in any way. Comparing the process to online dating, the designer notes, "Before you meet up with someone for drinks, you always look at their online profile. You're trying to determine their morals, ethics, likes, personality so that when you meet someone, you're sold on their values already. The first visit to a retail store is like a first date. It can be a great date that affirms the brand, or it can be like a bad date where the brand isn't what it portrayed online. The retail interior has the responsibility of expressing the brand and sealing the deal. I test this on myself by walking into a store that I have looked at online. You can feel immediately when a space aligns with its brand positioning."

FLOOR STORIES

As the first surface that a consumer physically interacts with—except, perhaps, door handles—flooring has the responsibility of

WHO'S ACTIVE

Coming out of the pandemic, the high end of the market is faring well due to pent-up demand. "We see a lot of new brands coming to market—some that began as Internet brands and are moving into omnichannel," says Zaballero. "Omni brands were the big beneficiaries through the pandemic."

Department stores, mall brands and mid-market consumer brands are suffering a bit more.

Says Horn, "In general, I do think mall developers are looking at their assets and deciding whether it's time to invest again. This is generally more renovation than large-scale architecture work. We are seeing some of that now—refreshing to create a compelling space and experience—and I expect we will start to see more. We will also see consolidation in the market with developers that will buy properties on the cheap and turn them over. And the retailers that survived Covid will come back strong and survive."

WILL COVID CHANGE RETAIL DESIGN?

Will Covid change long-term design within the retail sector? Zaballero doesn't believe that it will. "Retailers have to think long-term, and flexibility was always a consideration in retail space because retail models, products and strategies flex. In addition, wipeable, durable surfaces were always a part of that discussion."

telling a brand's story at first touch. Unlike healthcare or education designers, the experts with whom we spoke don't have go-to products that they use time and again because their flooring specifications are intimately aligned with each brand's story.

Of course, the status of the goods being sold within a space matters a great deal. Luxury clients desire flooring that communicates their product quality. On a recent project for London Jewelers, the client wanted to communicate the brand's family-owned nature, so Gioglio took inspiration from the aesthetics of classic, high-end Parisian apartments, selecting hardwood in a chevron installation and high quality, traditional area rugs. While the client was a bit concerned about utilizing real hardwood in a commercial space, Gioglio believed it was crucial to the look and feel they were trying to achieve and noted that a luxury jewelry store is not as heavily trafficked as standard retail. Gioglio selected one of the most durable woods on the market, and she notes that the bit of wear-and-tear patina visible on the floor just speaks to the authentic nature of the material.

Another option for a luxury space is stone. However, Gioglio believed it was too risky to have such a hard floor beneath such fragile and expensive objects for sale.

Gioglio notes that, with regard to pulling consumers into a storefront, luxury retailers have an inherent advantage as consumers are simply unlikely to purchase an item like a Rolex or a diamond without having seen it in person.

In luxury retail projects, Gioglio relegates look-alike products like LVT to back-of-house spaces, noting, however, that their attractive nature serves well to create warm, comfortable spaces for staff.

DESIGNERS' CURRENT MANUFACTURER FAVORITES

Zaballero: Porcelanosa; Atlas; Fiandre and Florim

Gioglio: Fiandre for large-format tiles, "They were the first to start working with high-resolution print on porcelain tile to mimic marble veining. They look incredible!"; PID Floors for hardwood, "very durable"; Listone Giordano

She does get requests for polished concrete from clients who love its monolithic look and notes that it works well for retailers that have a bit of an industrial vibe. She points to a recent project in Williamsburg, Brooklyn established in a repurposed factory space. Here, the client was hoping to reflect the original purpose of the facility and an exposed concrete floor served that design intent.

While the designer also loves the monolithic look of large-format porcelain, she finds that, even in New York City, it can be difficult to find installers comfortable with the material and notes that clients often have anxiety about utilizing the large, potentially breakable slabs. Less-than-perfect substrates make their installation even more complicated.

In flooring specifications, Gioglio prioritizes aesthetics first and foremost, followed by durability and maintenance, especially in areas particularly rainy or snowy.

Zaballero believes that the floor plays a crucial role in establishing the feel of a space and must be considered early. "It is integral to the first conceptualization because literally everything is atop it. It is the largest surface in the space," he

notes. For one high-end perfumery client, Zaballero specified rich, dense broadloom to communicate a luxe comfort. He often opts for porcelain, including large-format gauged products, and terrazzo. He is excited about today's options for thin terrazzo toppers as well as coordination between floor and wall coverings to create a more monolithic experience. He is also pleased with the progress the industry has made in creating realistic lookalikes. "Today, you have marble looks in porcelain that can be book-matched," he notes. "The industry has really come a long way."

Interestingly, the designer does not generally expect the flooring to do the acoustic work in a retail space, instead relying on the ceiling. However, if the retailer is amenable to managing the maintenance, he often



London Jewelers' custom area rugs, created by Jamie Stern Design, highlight zones atop the white oak flooring. Photo by Andrea Brizzi.

utilizes area rugs—both free-standing and inset, broadloom and carpet tile.

Horn is a fan of LVT for retail, noting that the category is “definitely coming into its own now. With LVT, there is opportunity now from a cost point-of-view. Though it’s not necessarily cheap, it is less expensive than real wood or stone with the appearance of a higher-end finish. It’s also soft underfoot and easy to maintain. The advancements in making it look like real materials have catapulted it to the front of the pack.”

Horn notes a strong trend toward terrazzo looks, especially those with chunkier aggregate. These are often used not only on flooring but to wrap a space. “Poured terrazzo is an art form. You have to find the right contractor, and there may not be one in every market. Terrazzo-look tile mimics the look of poured terrazzo,” says Horn. He also likes concrete for some



The Dacor Kitchen Theater, designed by CallisonRTKL and located in Irvine, California, draws inspiration from the coastal lines of California, utilizing naturalistic materials such as porcelain tile and textural wood. Photo by Lawrence Anderson Photography.

applications and notes that he believes concrete as a finished floor is not a trend but an option in the designer’s portfolio from here on out, noting that, when paired with warm finishes, concrete can move beyond the industrial look to something more elegant and organic-feeling.

Horn uses a lot of porcelain, particularly in larger commercial shopping malls. “There was a trend a while back to go to natural stone, which is beautiful but offers a limited palette and is expensive,” says the designer. In the past, porcelain was seen as more basic. It didn’t have the sense of quality that natural stone does. But today, you’re hard pressed to tell whether wood and stone porcelain looks are real or fake.” Horn appreciates the variety of sizes available today as well as the fact that larger formats create fewer grout joints, which is appealing from an operation’s perspective.

When opting for soft surface, broadloom was the go-to for years, but Horn sees carpet tile assuming that role now. While carpet tile aesthetics were limited in the past and more complicated to customize than broadloom, today, there is a broader selection of products to choose from, and the product brings strong benefits to commercial space with regard to replace-ability. ■



El Palacio de Hierro Veracruz’s children’s area features a natural-toned terrazzo walkway, accented by sweeping waves of rich blues. Photo by Paul Rivera.

RETAIL RE-ENVISIONED

Belong Gaming Arenas is rolling out the first of 500 gaming arenas in CBL Properties’ Pearland Town Center in Houston, Texas, reports the *Chattanooga Times Free Press*.

The gaming areas will range from 4,000 to 14,000 square feet and aim to give gamers a “connected framework for gaming at the local and amateur level where gamers and their families can watch, play, and compete across the most popular game titles.”

CBL Properties is based in Chattanooga, Tennessee. “Gaming is a part of CBL’s focus on offering entertainment in its malls and shopping centers,” the article reports.