

Malls may bank on resilient retail categories

The pandemic has been tough on the retail industry, but some categories have outperformed others, going by data from NUS' Institute of Real Estate and Urban Studies (IREUS). As such, shopping malls tweaking their retail mix in the future are expected to double down on retail segments which have shone over the past year.

BY NISHA RAMCHANDANI

■ As Singapore announced it was introducing the circuit breaker in Q2 2020, crowds thronged supermarkets and hypermarkets to stock up on essential supplies. Even with the retail index easing in Q3 2020 as Singapore entered Phase 2, sales at supermarkets and hypermarkets have remained elevated compared to recent years, highlighted deputy director of IREUS, Lee Nai Jia.

■ Some segments have seen a swift rebound in sales to near pre-Covid levels, such as furniture & household equipment and computer & telecommunications equipment as they benefited from the work-from-home trend.

■ At the same time, some other segments remain very much below pre-pandemic levels – including department stores, cosmetics, toiletries & medical goods, wearing apparel & footwear and optical goods & books.

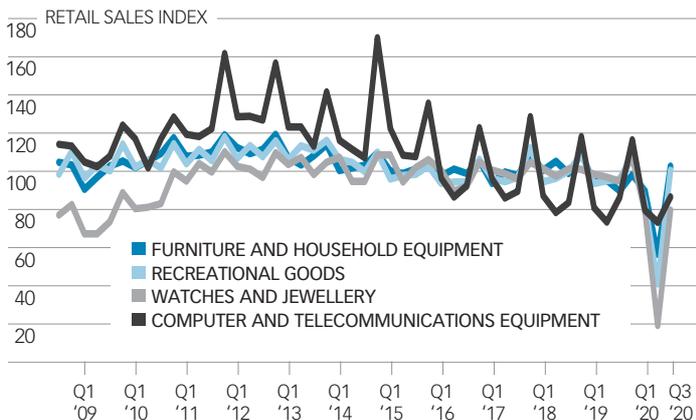
■ Certain retail segments – such as cosmetics – have seen their market share shrink in line with changing consumer behavior, while the mode of purchase has also changed, with more shoppers buying online instead.

■ Looking ahead, malls may reposition themselves with an increased mix of essential goods and food & beverage outlets as a hedge, reckons Dr Lee. Retailers that have lost market share to e-commerce players may have to take a hard look at their business models as well as accelerate their digitalization plans, he added.

The essential



The rebound



The far-from-recovery

