

# Malls, eateries press reset button amidst Covid crisis

Single shifts, contactless shopping on the cards

VIVEAT SUSAN PINTO  
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**R**estaurants, malls and multiplex operators will increasingly look at restricted business hours, single shifts and contactless shopping and dining as they plot a road map to recovery once the nationwide lockdown is lifted.

While the Ministry of Home Affairs (MHA) had announced relaxations last week in a bid to resume economic activity from April 20, malls, eateries and theatres have remained closed to prevent crowding and spread of the coronavirus disease (Covid-19) disease.

In a virtual conference on Tuesday, executives such as Riyaz Amlani of Impresario Hospitality, Alok Tandon of Inox Leisure and Dalip Sehgal of Nexus Malls, a Blackstone company, said they would resume operations (after the lockdown was lifted). They are fully aware that costs would be high while revenue potential would be limited, owing to concerns around social distancing.



“At least for the first few weeks after the lockdown is lifted, consumers will be worried about safety and hygiene at malls, restaurants and cinema halls,” Amlani, who is managing director (MD) and chief executive officer (CEO) at Impresario Hospitality, said.

“One way to build confidence in people would be to have fewer tables in restaurants, so that social distancing is maintained. Ensure digital menus are sent to the customer’s phone when he walks into an eatery and have cutlery, kitchen and dining spaces that are completely sanitised,” he said while laying out his future plans for his business.

Tandon, who is CEO of Inox Leisure, said the multiplex operator would look at fewer screenings of films, wider aisles to reduce crowding, permit limited workforce in cinema halls and re-engineer standard operating procedures to ensure they meet safety and hygiene



## RETAIL & RESTAURANT DYNAMICS

### BUSINESS GENERATED

<b>₹5 trillion</b> Organised retail	<b>₹4 trillion</b> Restaurants
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### PEOPLE EMPLOYED

<b>6 million</b> Organised retail	<b>7 million</b> Restaurants
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### IMPACT ON BUSINESS DUE TO LOCKDOWN

<b>Nil</b> Revenue (groceries/ pharmacies excluded)	<b>9-12 months</b> Expected time for recovery
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Sources: RAI/NRAI

standards.

Sehgal, CEO, Nexus Malls, said his company had decided to pay full salaries to employees for the months of March and April to avoid shortage of labour once operations resume.

Nexus was also re-skilling its workforce to perform multiple tasks. It had initiated dialogue with retailers on shop timings, centralised pick-up points, virtual trial rooms and staggered business hours for essential and non-essential services.

While rentals have remained a contentious issue between retailers and mall owners during the lockdown, industry sources said in the last few weeks both sides have decided to thrash out differences. They will be focusing on rental

waivers for a limited period and reduced rentals once the lockdown is lifted (for a few months).

Bodies such as the Retailers Association of India and the National Restaurant Association of India have asked for relief from the government, including longer loan moratoriums, working capital loans and easy credit lines to pay off salaries and wages.

Ashwin Puri, director, Lake Shore India Advisory, said malls would have to reconfigure spaces in the future to ensure safety first. The mix of retail brands would also have to change, he said, in favour of "relevant" categories, including segments such as grocery and value fashion. This is because consumers increasingly focus on essentials in a bid to conserve cash.

Estimates by most retailers, mall owners and multiplex operators are that it would take at least six to nine months for most discretionary categories to bounce back. Also, once comfort was established and spread of the disease contained, consumers would be willing to step out of their homes to shop, eat out and watch films.

A Nielsen survey last week showed that almost 78 per cent people in higher socio-economic brackets, within the top six cities in India, were missing the simple joys of life, including shopping, eating out and watching movies in theatres.

China, for instance, saw a surge in shopping and eating out once the lockdown was lifted in March, though Covid-19 cases have surged there in recent weeks.