

# EMERGING TRENDS UPDATE

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## THE GROCERY LIST

- **SCHUCK'S** is hopping on the food hall bandwagon at their remodeled store in Kirkwood, Missouri. The store will partner with local restaurateurs to provide a food court-like experience for shoppers. The store will also include a self-service nut butter area and a store-within-a-store operated by Arch Apparel, a clothing and footwear company based in St. Louis.

- **KROGER**, the country's largest grocery retailer, has announced plans for a drone delivery pilot. Through a partnership with Drone Express, the grocer will be able to send products (with a weight limit of about five pounds) to the exact location of the customer using smartphone location data. This means a user could be at a park picnic and order those condiments or beverages they forgot to pack.

- One **SHOPRITE** grocery store is bringing customers' meals "fresh to table" with a new store-in-store concept. This approximately 1400 square foot section of the store will offer ready-to-cook meal kits, heat-and-serve selections, and ready-to-eat offerings to serve customers with all types of busy schedules.

- **MEIJER** will be opening a small format store in Detroit's Rivertown Market. The store will be only 42,000-square-feet (opposed to their typical design over 150,000) and have a pedestrian-friendly design with outdoor fresh produce and floral areas. The company already has three smaller-format stores, all in Michigan, but this one will focus on local products and an urban design.



## WALMART WORLD

- Oh-la-la Madeleine! Walmart has announced that they will be leasing store-in-store space to French café and bakery, La Madeleine, for their "Express" concept at 10 Walmart locations. The small quick-service restaurants will range from 980-2,209 square feet and offer grab-and-go customer favorites.

- "Cruising" into the future, Walmart has made an investment in autonomous vehicle company, Cruise. The big box giant has announced their strategy to integrate self-driving cars into their outward business model, and this investment will help Walmart develop a last-mile delivery ecosystem that's scalable, fast and low-cost.



- Apparently, less is more when it comes to convenient pickup locations for Walmart customers. The company is removing automated pick up towers, which served as giant vending machines for customers to pick up online orders, from 1500 Walmart stores. Walmart reports that customer feedback shows that they want one location for mobile and online pickup, and they prefer curbside to the towers.

## THE AGE OF AMAZON

### DATA DISCLOSURE

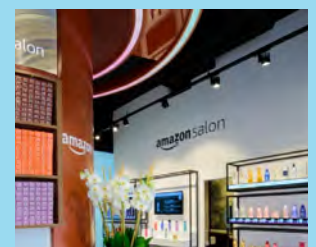
Notorious for rarely releasing metrics, Amazon recently announced that their Prime service memberships have topped 200 million. Many analysts attribute this growth, which is 50 million higher than reported in January of 2020, to the coronavirus pandemic. Although Amazon did not release data revealing membership by country or geography, in the U.S., the service costs \$12.99 monthly.

### "HAIRY" SITUATION

The e-commerce giant has opened a hair salon in London near their U.K. headquarters. What may seem like an odd business choice for Amazon, the salon will be used for testing various new technologies including Augmented Intelligence for hair color and cuts. Customers will also be able to purchase beauty-related items sold on Amazon's website in-store.

### STRANGER, NO DANGER

Amazon customers have shown they love convenience, even if it means a stranger in their home (or garage). The company is expanding their Key by Amazon program, which allows delivery personnel to enter customers' garages, to every market that has their grocery delivery service. If subscribers would like to view video of their delivery, they can pair their Ring devices to their Amazon apps and watch their groceries arrive in real time.



# HOT MARKET ROAD TRIP

Several members of our Leasing and National Accounts teams visited Orlando in May for the first in-person conference in over a year. The show had a strong turn out and while there, we had the opportunity to discover some established and emerging retail developments in the area. Orlando is one of the fastest growing metros in the United States, home to several Fortune 500 companies, and of course, a major tourist destination, all great ingredients for a bright retail environment in the Sunshine State.



PLANT STREET MARKET

In a west suburb of Orlando, Plant Street Market includes a small street of food and retail vendors! It is anchored by a local favorite brewing group, Crooked Can Brewing. The venue includes 12 eateries of all different styles including pizza, donuts, and Mexican-style fare. The market also has indoor and outdoor space for events and live music!



SODO SHOPPING PLAZA

Short for "South of Downtown," SoDo is a Kimco development that include 370,000 square feet of retail space, 300 luxury apartments, and 75,000 square feet of dedicated office space. The walkable shopping center includes plenty of national names like Massage Envy, TJ Maxx, 24 Hour Fitness and Jason's Deli, as well as local favorites.



ICON PARK

Recreation meets retail at this exciting center near Disney World and Universal Studios. Madame Tussauds wax museum, a giant Ferris wheel, and a 3D Motion Theater are some of the attractions that visitors can experience here, or those looking to shop and eat can find over 40 restaurants and boutique shops. If you're a local or frequent Orlando visitor, consider snagging Play Pass to allow quick and discounted access to all the Park has to offer.



UNIVERSITY CITY WALK

Conveniently located directly next to Universal Studios and Universal's Islands of Adventure, CityWalk serves up a huge offering of experiential restaurant and retail destinations. Visitors here will find Jimmy Buffet's Margaritaville, a Hard Rock Café, Tommy Bahama, and even a Bob Marley Tribute. One of our personal favorite spots is the understated VooDoo Donuts, which is one of 11 chain locations with a cult following in the Pacific Northwest.



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## EXPERIENCE: Modern Retail

### REAL LIFE REAL ESTATE

When real estate comes to life, you find a 23,000-square-foot Monopoly store in a former big box in London! The real estate-focused game is opening a store with two life-size Monopoly boards on which customers can play the game, hang out in bars and restaurants, and in lieu of the “jail” component of the game, unlucky players will be sent to an escape room!

### SPOOKY FOODS

Amidst news that McDonalds is pulling out of hundreds of Walmart stores, the big box has partnered with Ghost Kitchen Brands to roll out its hybrid virtual brand/ghost kitchen concept in dozens of Walmart stores in the U.S. and Canada. Described as a “virtual food court,” the service will allow shoppers to select items from the menus of about 15 national and regional restaurants including Quiznos, Saladworks and others, combined in a single order.

### FROM COLD TO HOT

This cold concept is gaining heat! Upscale Canadian outerwear retailer, Canada Goose, is opening in the states with their “Cold Rooms,” where shoppers are immersed in snow and below freezing temperatures to test out the products. Canada Goose already operates 25 stores globally.



## SPOTTED: Puttshack

Associates from our Atlanta office recently checked out the newly-opened high-tech indoor mini golf concept, Puttshack. Puttshack is an experience geared toward the 21 and over crowd with Wi-Fi-enabled, score-keeping golf balls and a highly interactive gaming experience. The concept was born in the UK and has made its way across the pond, now with plans to open in Chicago, Nashville, and other major US markets.



**SPOTTED**

Send the cool concepts you come across to Ashley Casey to be featured in the Emerging Trends Newsletter or on Phillips Edison's Instagram page @phillips.edison



# RETAILERS ON THE RISE



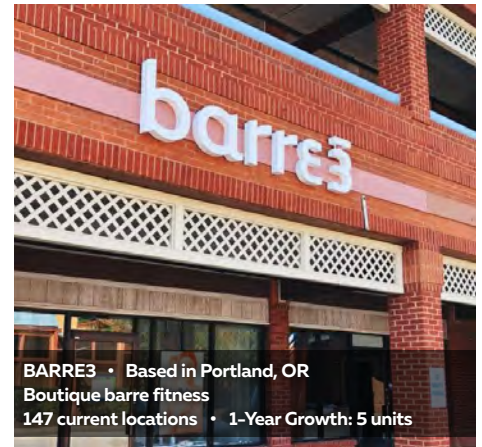
**VCA ANIMAL HOSPITAL** • Based in Los Angeles, CA  
Veterinary care • 800 current locations • 1-Year Growth: 10 units



**WHOLE FOODS MARKET** • Based in Austin, TX  
Fresh format grocery • 500 current locations  
1-Year Growth: 25 units



**SIMPLY MAC** • Based in Grapevine, TX  
Apple products and repair • 45 current locations  
1-Year Growth: 10 units



**BARRE3** • Based in Portland, OR  
Boutique barre fitness  
147 current locations • 1-Year Growth: 5 units



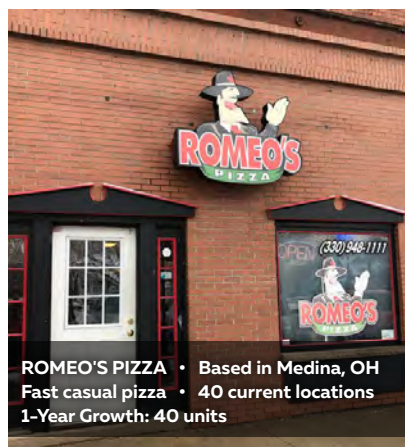
**FAJITA PETE'S** • Based in Houston, TX • Fast casual Tex-Mex  
20 current locations • 1-Year Growth: 15 units



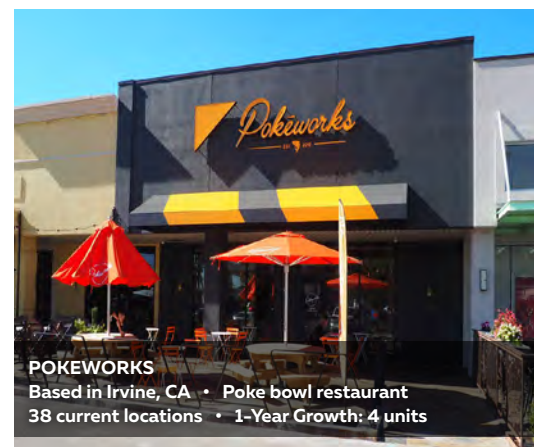
**CODE NINJAS** • Based in Pearland, TX • Kid-focused coding school  
410 current locations • 1-Year Growth: 5 units



**SOBOL** • Based in Patachogue, NY  
Acai bowls and smoothies  
37 current locations • 1-Year Growth: 12 units



**ROMEO'S PIZZA** • Based in Medina, OH  
Fast casual pizza • 40 current locations  
1-Year Growth: 40 units



**POKEWORKS**  
Based in Irvine, CA • Poke bowl restaurant  
38 current locations • 1-Year Growth: 4 units