



FOUR STRATEGIC CONSIDERATIONS FOR SUCCESSFUL RETAIL TRANSFORMATIONS

Insights by Mike Crane
Chief Operating Officer




Key Takeaways:

If you're ready to build or renovate your retail locations, don't rush into construction without first considering **brand, behavior, budget, and barriers**.

With the right planning, you can **maximize your capital** and **minimize your construction downtime** across every location.

NewGround's integrated project delivery process can help you build and renovate your retail locations with confidence.



*Speed is key, but you also want
the project to be efficient and
consistent across all your locations.*



BEFORE YOU BUILD, CONSIDER THIS

A well-designed, well-built space is essential for your business's growth—it's what sets the tone for new-consumer buy-in, customer/member loyalty, and employee collaboration. But few leaders set up their retail rollouts for success.

By the end of their build-outs, many leaders realize their spaces feel inconsistent, or their timelines were extended due to unforeseen hurdles.

Though they may have built a business case for the rollout, they often fail in one of four areas:

- 1. BRAND:** They haven't translated their brand into a comprehensive multi-sensory experience
- 2. BEHAVIOR:** They haven't created intuitive spaces for their consumers and employees to flow through with ease
- 3. BUDGET:** They overspent on some locations and underspent on others
- 4. BARRIERS:** They didn't plan for proper permitting or invest in project and construction management

So, before you start your next retail build-out, make sure you consider brand, behavior, budget, and barriers to ensure you're investing in the best spaces for your business.



BRAND

HOW SHOULD PEOPLE FEEL?

One of the most important aspects of a new retail build-out is how a brand gets applied to the space. The logos, colors, messaging, photography, and graphics you use help your consumers know that they're in the right place, regardless of which location they're visiting.

But your brand also includes subtle, multisensory experiences from walk-in to check-out: lighting, layout, textures, furniture, music, and even scent.

All of these brand elements subconsciously synthesize in your consumers' minds and create a powerful emotional association with your business (for better or for worse).

So, when you're planning some new construction for your network, ask yourself: *How do we want our customers/members to feel when they walk in? And is there anything about our spaces we need to change to make that feeling a reality?*

If your facilities are all fairly new buildings with quality finishes and furniture, maybe all you need is a slight makeover applying your latest brand assets to cosmetic surfaces. But if you acquire a batch of old and outdated facilities, you might need to upgrade mechanical components, implement architectural enhancements, replace surfaces, and install all new furniture.



Essentially, the brand experience you want to deliver directly impacts your level of investment—for each location.

When you get to the rollout stage, you don't want inconsistent designs, layouts, textures, and experiences across your network locations. You want to make sure every location has the same look and feel because that's what your consumers are used to.

So, when you're considering your brand's implementation, you want to find a team of architects, designers, and interiors experts who can help you discover what's needed and imagine what's possible across every location.



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BEHAVIOR

WHAT SHOULD PEOPLE DO?

An adjacent consideration to brand is consumer **behavior**. When people pledge their loyalty to a brand, they want to know the norms for every visit. They want to feel comfortable, not confused or out of place when visiting another location across town or in another state.

STARBUCKS DOES THIS REALLY WELL.

By the end of 2025, Starbucks expects to approach 45,000 stores worldwide. While Starbucks is an expert at brand consistency, the sheer number of footprints and layouts across tens of thousands of stores presents a unique challenge.

But no matter which store you visit, you know where to place an order, where to wait, and how to receive it when it's ready. Their thoughtfulness about consumers' behaviors helps them provide a smooth, satisfying experience. The last thing they want is for a consumer to leave because they didn't know where to order their coffee.

So ask yourself: *What do we want people to do once they're in our space? And how do we make it as intuitive for them as possible?*

Planning your desired consumer behaviors can impact the number of POS (Point of Sale) stations to construct, where to place them, whether they should be manned or unmanned, and more. It can also determine the signage, seating, and furniture arrangements needed to create the optimal flow for foot traffic.

Beyond consumer behavior, decide how you want to support your employees' behavior, too.

- + How will the space's thoughtful design help employees effectively engage with consumers?
- + Will it aid collaboration between employees and departments?
- + If employees transfer from one location to another, will they know where technology is located? Will they feel comfortable engaging consumers?

These behavior considerations affect not only procurement but also timeline and budget, so be sure to plan ahead before construction begins.



BUDGET

WHICH RESOURCES SHOULD GO WHERE?

The next pre-construction consideration to keep in mind is your budget. It may seem obvious, but there's more to consider than just your total budget for the project, especially when multiple locations are involved.

STRATEGIC ALLOCATION

No matter how profitable your business is, you likely don't have unlimited capital for network renovations and construction. That's why it's so important to evaluate what each of your locations needs and strategically allocate funds accordingly. It's unlikely that they each need the same number of resources.

We've seen this happen time and time again:

- + A business budgets \$20m to renovate its 10 locations, earmarking \$2m for each.
- + They don't spend sufficient time evaluating each location's needs before beginning construction.
- + They start with their flagship locations, which are typically bigger and require more investment.

After getting through their first few locations, half of the budget is already gone, and they need to increase their overall budget to give the remaining locations the upgrades they need.

Don't repeat this mistake! Instead, evaluate each location separately. Look at the surrounding communities and their households, and make projections for traffic, average purchase price, and business growth.

Maybe one of your locations is an older building that needs a new roof, HVAC, and furniture in order to provide the most optimal consumer experience, whereas another location only needs new carpet and paint.

Don't get trapped in an even-distribution mindset. Find partners who can help you make the best investment decision for each location based on its needs.





COMPETITIVE BIDDING

Often, businesses don't weigh the drawbacks of finding the cheapest contractors for each location, especially when those contractors are independent. While you may secure cheaper one-off estimates for each location, you'll miss out on the advantages of multi-location bidding.

We've learned that piecemeal projects are less attractive to contractors because they're one-and-done opportunities. But if you work with a company that is capable of bidding out multiple locations in a bundled package, there's an opportunity to drive your overall costs down through competitive bidding—because contractors are more likely to give discounts when they know they have several projects lined up instead of just one.

But beyond discounts, using the same contractors at multiple projects helps ensure brand consistency and quality assurance across all your locations, saving you time and money when integration and installation challenges arise.

Don't get trapped into an even-distribution mindset.



BARRIERS

WHAT COULD SLOW YOU DOWN?



Finally, you need to think ahead about some of the common barriers that may grind your network renovations to a halt. The two most common obstacles we see are permitting and project management.

PERMITTING

If you're renovating locations in different cities or states, you need to understand each municipality's various permits and permitting timelines. Nothing is more discouraging than having everything ready for your first location but having to wait seven months for permits, especially when another location only needs 60 days for permit approval.

Time is money. Every day a location is closed is a missed day of revenue, and material costs may go up while you wait. Don't build a construction schedule until you know which locations need the most lead time for permits. Sequence your locations strategically to minimize downtime and maximize your timeline.

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PROJECT & CONSTRUCTION MANAGEMENT

Multi-location renovations and rollouts can get very complicated very quickly. Without solid project and construction management, it's easy to lose track of your desired budget and timeline.

That's why using the same contractors across multiple locations is helpful—you can avoid inconsistent work, unnecessary change orders, and costly delays.

But even if you spread the project across multiple contractors, you can avoid those pitfalls using experienced project and construction managers. They'll help you ensure consistent work and brand implementation by overseeing every contractor at every location, ensuring every aspect of the project is completed with consistency and excellence.

Avoid scattered, disjointed project management. Give your network the renovations it deserves—on schedule, on budget, and on brand.





HOW NEWGROUND CAN HELP

If you're renovating and remodeling retail locations, it means your business is succeeding and is ready to serve even more consumers. Don't overspend your time and money on a build-out that doesn't serve your business goals.

With over 100 years of experience, NewGround's integrated project delivery process can help you build with confidence. Here's how:

- 1 BRAND:** We align brand, place, and culture across every location through comprehensive strategy and cutting-edge design.
- 2 BEHAVIOR:** We build spaces meant to guide consumer behavior, increase engagement, and support day-to-day employee operations.
- 3 BUDGET:** We collaborate with internal teams and leverage an open-book bidding process to drive costs down and strategize resource allocation.
- 4 BARRIERS:** We leverage our decades of industry knowledge to help see around corners and protect your project from financial and operational risk.

No project is without challenge. But no matter what happens, our team works with you to accomplish your goals. That's the NewGround difference.





ABOUT NEWGROUND

NewGround International helps brands plan, design, and build innovative spaces that turn heads and accelerate growth. From the first shovelful of dirt to your grand opening, our Build service will help you build with confidence. We'll manage the project and the risk while keeping you engaged and connected every step of the way.



MIKE CRANE

Chief Operating Officer

mcrane@newground.com

847-393-5803



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newground.com

888-613-0001

INQUIRIES@NEWGROUND.COM