



An integrated experience

Malls of the future will function like high streets offering a potent mix of services

The retail centre of the future - whether it is enclosed or open-air, big or small, themed or general - will be designed to resemble a community, not just a place to shop. That means environments that place as much emphasis on recreation as they do on consumption.

Visually, the 'shopping centre' of the future might not look like an old-fashioned high street, but it will function like one. Consumers will be able to visit a grocery or a post office, keep appointments with doctors and dentists, relax with a workout or a facial, take in a movie, enjoy a gourmet meal, day care centres or hang out with neighbours at an outdoor concert. The element of mixed use would take over from just shopping malls. That means an integration of shopping mall, hotel, service apartments and office spaces all in one identity. The retail centre of the future won't be complete with just a multiplex. There will be a range of diversions to keep the traffic coming: an aquarium, an IMAX, a concert venue to name a few.

Mixing of indoor and outdoor elements is certainly going to be a norm in the malls of the future. With whatever changes that occur in shopping centre design, with whatever shifts that might take place in the tenant mix, the one thing that nearly everyone agrees on is this: the successful properties of the future will be the ones that try hardest to make shopping a good experience. That means creating places where people want to be. There

will be recognition that the customer's experience starts in the parking lot, and there will be a driving desire to define your mall as something different from the next mall down the road.

In India, malls are here to stay, but the only malls that would survive in the near future would be the ones, which are run well.

Dheeraj Dogra is a retail and shopping mall veteran with over over 20 years of experience in the United States as a senior consultant. He is currently a co-founder and director of retail/mall advisory company called Beyond Squarefeet.

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Kiosks have come to the mall



Kiosks defined:

Kiosks are defined as a store operated out of a 'merchant supplied' or a 'owner designed' kiosk of varying size and shape, which is typically enclosed, with the operator located in the center and the customer approaching the vendor from across a counter. Typically in the western world, the kiosks are designed and supplied by the owners of the shopping malls to keep uniformity in size, shapes and other aesthetic elements. In India, individual operators mostly design the kiosks while the dimensions are approved by the mall management agencies.

Why Kiosks:

Kiosks play a great role in enhancing customer experience of shopping in a shopping mall. They come as a sigh of relief for the shoppers who get bored by usual brands. Kiosks are normally stocked with non-branded products with a novelty value attached to it, at a price which is reasonable, and hence are perfect for impulse buying. At the same time since most kiosks carry non branded products they are not taken for competition by the normal vanilla stores who carry branded products. Additionally if placed at the right locations they complement the offering of the vanilla stores hence making a win situation for both. An example can be of leather wallet and belt kiosk close to a men's shoe store increases sales for both the retailers.



The monetary dynamics:

The kiosks are licensed rather than leased -- much looser language allowing the property owner to revoke operational rights overnight or relocate the unit within the center upon notice. The rent of kiosks is normally on a lump sum basis to be paid monthly and the normal license term is no more than a year.

Due to the high visibility of these units, which are most often located in the common areas of malls, these businesses can often gain a relatively trackable monthly sales figure after a three or four month trial. As a general rule, most successful kiosk businesses are centered around a single product or product category hence keeping the costs down. The kiosk model benefits the mall owners by turning formerly unutilized areas into retail spaces.

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The allure of multiplexes

Do in-mall multiplexes drive footfalls in retail? Read on.

Malls all over the world have ceased to be just places to shop. With a plethora of options to keep the visitor engaged and entertained between bouts of buying and eating, there is a whole gamut of "retail-tainment" to be had. And it goes well beyond the ubiquitous multiplex. But having said that, a multiplex still has the biggest pull factor amongst all the varied entertainment options available at a shopping mall keeping in consideration the value for money it provides.

Across the world, malls are increasingly being perceived and positioned as family destinations. How much can you buy and eat? And how often? Entertainment options have become critical in making the mall environment vibrant and more appealing, increasing footfalls as well as the amount of time spent inside the mall. They give a

reason for the consumer to come back every weekend and spend hours at one mall and not another. And time equals money. Keeping in consideration the various entertainment options available, a multiplex is the only option which doesn't get stale after a while, simply for the reason that there is a new movie opening every Friday.

So, besides the impulse ticket buying of the consumer, the moviegoer also does window shopping, which might convert into actual sales. Market research reveals that footfalls of retail consumers drop dramatically beyond the first two floors. Most retailers do not want to put up shops on the third or fourth floor. That is where multiplexes come in handy since multiplexes being mostly on the upper floors, these floors also benefit from the footfalls created by the multiplex.

In India, more than anywhere else, multiplexes play a major role in creating footfalls for a shopping mall. India as a country produces the maximum number of movies in several languages. With more and more single, standalone cinemas giving way to multiplexes in malls, they are surely here to stay.

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