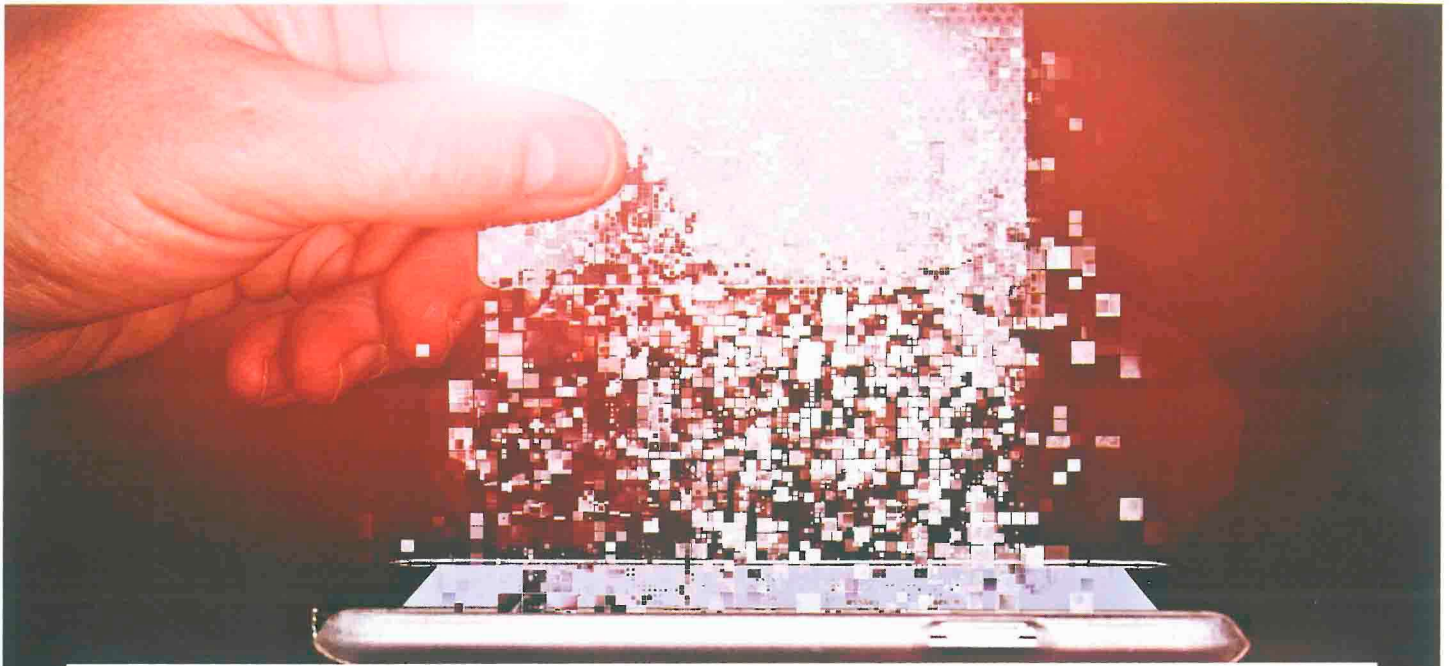


DATA

Wi-Fi, beacons and 3D cameras are just some of the innovations helping shopping centres and their tenants to ensure their offer is on point. **Ben Sillitoe** discovers how shopping centres are using visitor data to impact future commercial decisions



DATA-DRIVEN

shopping centre space

As retail evolves, real estate needs to adapt with it – and there are various technological innovations enabling UK shopping centres to stay relevant and set up their tenant mix for success in a competitive market. Landlords and real estate owners are using advanced data and analytics to work with their tenants to optimise sales opportunities and shape operations.

Decisions dictated by data

Earlier this year fashion retailer Superdry opened a store in Glasgow Fort shopping centre – a site on the outskirts of Scotland's second city – largely based on data it saw relating to the spending patterns, affluence of visitor and brand mix at the location.

According to Glasgow Fort owner British Land's head of retail business development Ben Dimson, Superdry had visited the site three years before but ruled it out because it did not think the out-of-town location was suitable for the brand.

"We use data really extensively when



chatting to tenants or potential tenants – if you look at our pitch documentation, it's data heavy," Dimson explains. "We have an armoury of different tools that we bring to bear to try and demonstrate that the shopper mix can work well for the particular retailer."

The decision by Superdry to open a flagship store wasn't solely based on the data, but it clearly played a large part in helping the retailer change strategy north of the border.

Other retailers are using Wi-Fi analytics

technology in shopping centre stores to understand how many visitors are converting into shoppers and how different parts of their portfolio are performing.

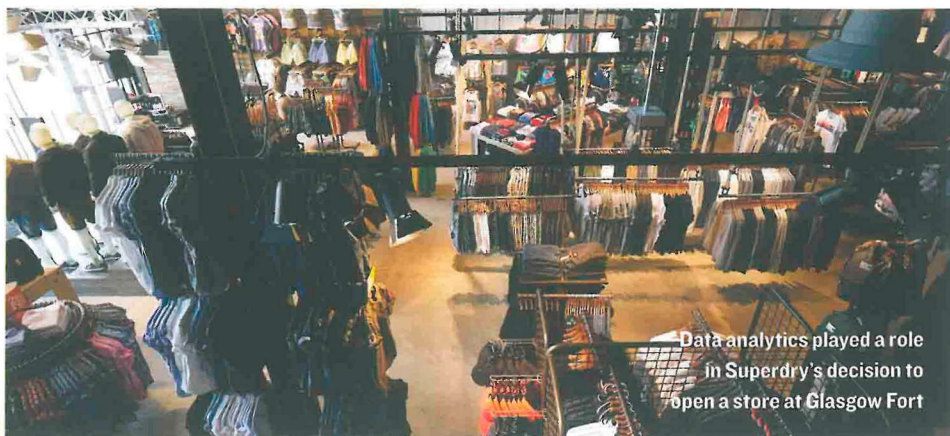
Even if not connected, all Wi-Fi-enabled devices transmit signals to detect and connect to available networks – and this can be tracked anonymously by access points and sensors placed around stores.

Jewellery retailer Thomas Sabo UK & Ireland managing director Jon Crossick recently revealed the importance his company attaches to data on *The Changing Face of Retail*, a programme created by ITN Productions and the British Retail Consortium.

"It's important to know what our shoppers are doing and when they are coming into our store, so that we're providing the right service at the right time for them – and the right staff levels as well," he says.

"It also helps in the way we can market to them – in the local shopping centre or local area – making sure we are putting out marketing and advertising at the correct time."

DATA



Data analytics played a role in Superdry's decision to open a store at Glasgow Fort

Shopping centres as destinations

Understanding the intrinsic links between shopping centre tenants will be where data analysis arguably has its most powerful impact.

ShopperTrak head of professional services EMEA Jane Hawksworth says fashion retailer Fat Face saw “a massive increase in trade” on Orange Wednesdays, a now defunct mobile tariff promotional deal that offered buy-one-get-one-free cinema tickets.

The uplift came from people visiting stores before going to the nearby cinema. “There are definite links between leisure activity and an increase in shopping,” she argues.

The role of UK shopping centres has changed considerably over the past 10 years, with food and beverage outlets, gyms and cinemas becoming commonplace. Much of this evolution is based on data evidence that shopping and leisure activity are often linked.

Hawksworth says: “Hammerson has extended Southampton’s Westquay Shopping Centre and 20% of the floor space is dedicated to food and beverage.

“The site is really looking at the extended economy as well – or the night-time economy – as over the past two to three years we’ve really seen a movement of visitors to shopping centres in the evening.”

A sophisticated analytical approach will help landlords plan shopping centre occupancy in the future, and could result in the development of vastly different models.

Dimson notes: “We’re experimenting with Wi-Fi analytics, and it’s interesting because it allows us to identify hotspots and cold spots, and start to understand the path that people travel around the centre.

“In time, it’s really interesting, because we’ll be able to understand whether an anchor is actually an anchor.”

Many of the UK’s largest shopping centre owners and landlords are combining footfall counting and Wi-Fi analytics, and tech such as beacons and 3D cameras, to make key

business decisions. Real-time data analysis is used, for example, to dictate local media marketing, car park provision and – in France – whether the commercial premises are meeting strict air-cleanliness regulations.

Future gazing

Dimson says in a few years, there will be a much greater opportunity for landlords to share customer information with individual retailers so that shopping centre visitors can then be targeted with relevant offers – straight to their mobile phones.

The technology to facilitate such communication exists and is already used to an extent in wider retail, but there are still uncertainties over how consumers will react to it.

“The aim is that in the near term we use the data in our own decision making but also increasingly to drive a service for retailers and sell-in to occupiers who take space with us,” explains Dimson.

“Over time, we hope to use it to more directly influence consumer behaviour – the aim would be to directly target them and provide them with compelling reasons to go to a particular store, stay a bit longer or engage with the leisure elements.”

Direct-to-consumer engagement will largely depend on the relationships shopping centres can build with customers via mobile apps, and Hammerson is gaining ground in this space.

The Plus app has been launched across its portfolio, providing Hammerson with swathes of shopper data. A new Facebook Messenger chatbot feature is also being trialled by its Oracle Shopping Centre in Reading, creating another customer communication point.

Hammerson head of multichannel Sophie Ross says: “All of this rich data helps to guide our leasing strategy and is incredibly useful when it comes to enhancing our assets and creating new developments that respond to shoppers’ needs and preferences.”

A matter of timing

Fundamental operational decisions are now heavily reliant on data analytics. Topshop’s flagship Oxford Street store, for example, put back store trading hours to 9.30am to 9pm based on data from Wi-Fi analytics.

Later retailer opening hours in shopping centres could be the key industry shift as a result of property companies’ increasingly analytical approach, according to Hawksworth.

With the growth in leisure pursuits and food and beverage consumption in shopping centres, she says, there will be opportunities for retailers to capture additional customers by participating in the “night-time economy”.

“It’s all about the experience in the shopping centre, understanding the customer journey there and adapting to that,” she says.

“We’re seeing successful growing shopping centres really adapting to the changing needs of the consumer – and interacting with them as a shopping centre, not just drawing them there with their retailer line-up.”

The notion of counting people in shopping centres is not new but it is evolving. Creative technologies are providing dynamic data sets and arming shopping centres and their tenants with crucial information relating to the likes of dwell time, draw rates, footfall, average transaction values and conversions that will help them go on to make business-boosting strategic decisions.

DATA AT DUNE

Around a third of footwear retailer Dune’s stores are based in shopping centres, and the company has used Walkbase’s Wi-Fi analytics tech to compare customer behaviour in these stores to activity in high street shops and other parts of the UK.

“We’re looking at analytics in more minute detail now,” explains Dave Abbott, retail omnichannel manager at Dune.

“When we do operational processes we can look at how conversion changes over those periods, so we can see the stores that are doing well and those that aren’t doing as well.”

Using this approach, the retailer understands that conversion and engagement rates drop significantly when conducting shop tasks during trading hours. The business is now looking to analyse how these metrics are impacted by fulfilling services such as click-and-collect. “We’re looking at how our staffing models work around that,” Abbott notes.