

SHOPPING MALLS ADOPT THE 'CHAMELEON' APPROACH

Those shopping malls that remain passive in terms of store placements and style may soon join the 'dead' list. As Tanya Krishna finds out, the way to survival and growth is through facelifts done with regularity.

TANYA KRISHNA

The shopping scene in India has witnessed a drastic change in the past few years with an onslaught from e-commerce retailers and also the entry of international brands in the country. While the *raison d'être* of shopping malls – customer engagement and being experiential – may be compelling, the discounts offered by online platforms are somehow overpowering the former. And shopping malls all over the country are, thus, plotting aggressive strategies in order to stay ahead in the game. Their renewed game plans include reshuffling the tenant mix, exploring more flexible leasing terms with tenants, VIP shopping nights and pop-up stores and events – all of these aimed at getting customers to shop more and spend longer hours at the malls.

RELEVANCE OF RESHUFFLING

Malls, being the ultimate destination that can satiate the customers' need for shopping and leisure all under one roof, have the necessity to remain relevant for consumers who definitely look forward to changes and surprises in these shopping centres. These changes only can help them sustain in the long run and for the rest, there is

an American portal, www.dead-malls.com, which is making the dying malls a legend. But who really wants such fame? Today, malls are not only reshuffling brands but are also adopting innovative space-renting ideas such as pop-up stores to optimize returns from their total leasable space and also for brands and retailers to test-market their products, services and campaigns.

As Yogeshwar Sharma, CEO and Executive Director, Select CityWalk, puts it, "Since the retail atmosphere is very dynamic in nature, it's very important to reshuffle, optimize and relocate brands within the shopping centre. Our shoppers are global trotters and so are into multiple brands and to keep ourselves relevant in their minds, we as a shopping centre endeavour to bring new brands and provide freshness and newness. Reshuffling is an ongoing process and we work on flexible leases wherever possible. Our carts and kiosks, high street and small stores are on very short leases so as to ensure freshness."

Over a period of time, there also has been a shift in consumer preferences and buying patterns. While the performance of many brands has stagnated, others

are working on changing their strategies for better growth. "The Adidas store at our mall decided to introduce their new format and opened a bigger store with an experiential concept. Others like AND and FabIndia moved to bigger stores with increase in their fashion assortment. We believe that only one brand cannot contribute in footfall generation and therefore the reallocation," asserts Vipul Sachdeva, Head-Leasing, Inorbit Mall. The shopping malls also welcome new brands with open arms as they bring in a fresher look and feel to the mall, inviting "more curious buyers". Also, shopping centres turning into a community space is a given norm and rightly so.





THE RENEWED GAME PLANS OF MALLS INCLUDE RESHUFFLING THE TENANT MIX, EXPLORING FLEXIBLE LEASING TERMS, VIP SHOPPING NIGHTS, POP-UP STORES & EVENTS

BRAND PLACEMENT STRATEGY

While having everything under one roof is the need of the hour for shopping malls, it is only wise to ensure that the customers are not lost inside and thus comes the brand placement strategy. Dedicating sections or floors to a particular category leads to a managed mall which helps customers to focus on their desired segments. Different malls have dif-

ferent strategies in place for brand placements and floor allocations. Abhishek Bansal, Executive Director, Pacific Mall, says, "We figure out which categories are performing well and what is the optimum level of that category in the mall and that's how we optimize the space. Secondly, we also speculate the future in terms of the upcoming trends, identify the fast fashion brands and work on involving such

brands in the mall."

While some prefer to uplift the mall image by adding new, international brands coming to the market, others go by the consumers' demand, like Inorbit Mall at Malad in Mumbai did earlier this year by incorporating Godrej Nature's Basket store on the basis of a consumer research. Informs Yogeshwar Sharma, "Sprinkling different brands also help in creating footfalls in the dead zones. For example, if you move cafes at different floors within low footfall centres, it helps create fresh interest and thus activates a particular zone."

FOOD AND ENTERTAINMENT: PRIME PRIORITIES

Mall owners are making more space for restaurants, cafes, bars as well as entertainment and services-oriented businesses as these remain insulated from the online onslaught. The increased focus on the experiential retailtainment centres is also the result of a rising demand from the consumers as Indians today are well-travelled and seek more than just series of stores selling products.

Rajendra Kalkar, President-West, Phoenix Mills Ltd., agrees, "Good malls are converting more spaces into restaurants, cafes, bars and entertainment centres and that's the need of the hour. Customers are also looking more for experiences now and food has become a very important part of the overall experience. Ideally, malls are looking at covering around 20-25% of the net leasable area with food and beverage and entertainment."

Yogeshwar Sharma backs him up saying "the category definitely has shown a positive growth in the last 2-3 years". Moving forward, with dearth of space on high streets and malls and rising competition among retailers, the brands need to ensure that their presence in malls is visible and well-sustained and the two need to remain in touch to help each other remain relevant and profitable in the long run. 