



Yoga at The Lobby, Stockholm

Getting the balance right

“Like a Broadway show, with limited showing,” was how executive vice-president and chief marketing officer of Bloomingdale’s, Frank Berman, described the US department store giant’s latest physical concept, unveiled in September. “That’s the sense of urgency we want to have around the space,” he added.

The vision: a constantly-evolving, reforming, store-in-store space showcasing new fashion brands and ranges, innovative food offerings and special sessions and events geared around lifestyle, for example sneaker-care sessions and yoga classes. The complete mix. It’s a phrase you will hear a lot of at MAPIC this week — and from mall owners and store designers

all over the world. The mix has always been a crucial factor for landlords: getting the right balance of traditional shops, food outlets, visitor attractions all in a magnetic, inviting environment has been the challenge for shopping centres going back to the earliest arcades and marketplaces. But where previously this has been a complementary factor in shopping centre design, today it’s the primary driver for change. New concepts, from indoor ski

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With retail destinations offering far more than stores, the retail mix has never been more diverse, yet Europe still has some catching up to do. **Ben Cooper** reports

slopes to theme parks to pop-up markets are emerging seemingly every day in the world of retail property. All designed to create a sense of place; of added attraction; offering the one thing that online can’t provide: experience. “It’s all about the theatre, a culture in your own space,” says Annelie Gullstrom, head of business development at Swedish investor AMF Fastigheter, which launched its own innovative place-making idea in April. The Lobby, part of the developer’s flagship mall in Stockholm, is all

about giving brands a space to show off, to trial new concepts, and to reach new customers by offering them something different from the usual retail centre. It even has a cava bar. “It’s a mix of small and large retailers who want to engage with customers and test their brands out in a market,” Gullstrom says. “You can sell things in The Lobby but the main thing is to activate and engage with consumers.” The Lobby is in fact a collaborative project between AMF Fastigheter and Ilona Taillade, part-

ner at Real Estate Partners (REP) and founder of another new arrival this year, pop-up concept store FOMO. Based at the Molndal Galleria mall in Gothenburg, FOMO is another case study worth watching for anyone looking to invigorate their retail space. Why? Because, Taillade says, it has been designed with the future of malls in mind.

She says: "There are lots of companies looking to create innovative products and techniques. Sweden has become a leader in terms of aspirational brands looking to do something different. We've been able to take the opportunity to create this type of space. We are looking to change the formats; how to add to or change the business model. It's about flexible retail."

It's a discussion which is likely to dominate at MAPIC, not least during a packed schedule of events at the Leisure Zone, a section of the conference dedicated to discussing and highlighting the evolving retail mix.

Innovative exhibitors from all over the world will be showcasing their latest concepts to the markets, inviting landlords and retailers to come and talk and get a glimpse of the hottest new ideas to come out of retailtainment.

Of these, a burgeoning, potentially revolutionary entertainment technology, is finally making its way into malls. And Shauna

Heller, North American president and chief executive of location-based virtual reality (VR) arena developer AiSolve, which designs and builds VR features aimed at shopping malls, says that the whole sector could be on the verge of something big — because landlords are starting to see the benefits.

She says: "It definitely increases dwell-time; lots of people stop and watch. The most exciting thing is to see the mall open up in the morning and we had a continuous use; there were people there all day. I think there will be more of an appetite for this. I think that 2019 is going to see a really big influx of interest in VR products."

In recognition of such innovation, this year MAPIC opened on Tuesday afternoon with the inaugural Leisure Summit seminar, hosted by retailtainment strategist and founder of Retail Entertainment Activation Leisure (REAL), Gilles Devendeville.

Devendeville says that one of the key drivers is the emerging generation that is social media-literate and comfortable with technology. He points to a recent survey carried out by Forbes in which 72% of millennials said they would choose experiences over material items as a way of "purchasing happiness" when they shop.

It's a remarkable shift and one that is influencing new developments. For example, Triple Five Group,



Location-based virtual-reality experience, provided by AiSolve

which has championed the 'hyper-entertainment' concept, is currently developing the groundbreaking American Dream mall in New Jersey, just over the river from Manhattan. With a Nickelodeon Universe Theme Park and a DreamWorks Waterpark on site, American Dream will have much more than shops to pull the customers in.

In fact, Devendeville warns, European developers are already falling behind their rivals in the MENA, Asian and US markets for scale and for innovation.

"There are examples such as Westfield London, Parques Reunidos' Nickelodeon Adventure park at the Thader Shopping Centre in Murcia, and the attempt of Ceetrus and Wanda at Europacity in France. However, these are not the common standard."

Competing with the grand visions of the developers in the UAE might not be possible everywhere. But the same trends that have led them to go so far beyond the traditional model, and the same changing habits, are driving change everywhere in the retail property market.

Even in the designer outlets sector, which has traditionally had a magnetic pull simply because of the discounts on offer, times have changed and landlords are changing with the times, says Otto Ambagtsheer, chief operating officer of VIA Outlets.

"Our focus now is remodelling our centres," he says. "Pop-up stores, events are all part of the experience we'd like to add. We are always out to make sure that the shopper has a great quality experience. Shopping online is all about the product and price but it doesn't give you an experience, a natural experience."



Building the American Dream in New Jersey