SHOPPING CENTERS FOR HYBRID SHOPPERS

Not long ago, it was still possible to categorize shopping center customers with relative ease: discount, middle class, exclusive, high-end. These times are definitely over, however, and today’s shopping centers are facing a competitive environment rich in as yet unimagined opportunities. What do I mean by this?

Among the continuing competitive advantages of shopping centers in comparison with other retail forms are the facts that the mix of shops can be artificially managed and that a single property is the beneficiary of the resulting rental income. All other synergies claimed by shopping centers can also be found in business improvement districts or well-organized high street communities. Coordinated opening times, joint marketing activities, and uniform branding are already voluntarily organized by successful urban districts and shopping streets. Such collective activities are however sometimes enormously hindered by accusations of “freeloading.” The readiness of the various owners of an entire shopping street to lump their rental contracts together and work on the basis of a formula for the allocation of square footage ranges from limited to non-existent.

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Getting the right tenant mix is also the role of shopping center architecture, which is required to react to the demand for a range of shopping environments within the same envelope. An excellent example of this is the successful combination achieved by the two Westfield Centers in London. The entire retail sector was curious to see how shoppers in a 1B or even 1C location would react to high-end goods perfectly presented physically in their own luxury islands. The successful meeting of this spatial challenge so close to a major public transport hub through the combination of a classic high-frequency shopping center and an absolute luxury mall – all in an urban context that was until recently regarded as a slum-like deprived area with an unemployment rate of over 30% – was undoubtedly a major contributor to the extraordinary success of both centers.

This required variety, which at least in most inner-city locations is very difficult to achieve due to economic pressure, can and must be offered by modern shopping centers. This question is not only limited to spatial configuration and the choice of materials, but also to such issues as the combination of indoor and outdoor, intimacy and openness, and even trash and luxury. The fact that this exciting challenge applies not only to the configuration of new shopping centers but especially to the many refurbishment, re-letting, rebranding, and redesigning exercises we are facing, makes the future even more fascinating.

This offers shopping centers a major opportunity to react optimally to the hybrid shopper – the shopper who visits Primark at 10:30 to put together an entire outfit for €100 and then moves on 50 meters to Hermès at 10:45 to spend the same amount on a mini-accessory. The complete divergence of rental levels in city centers or, even more so, in district centers, means that such a variety of shops in such a small area is unthinkable. The opposite, however, is true of shopping centers, where it is possible strategically to control the tenant mix.

Once again, the shopping center typology embodies the fantastic opportunities and challenges involved in building a good building. Economically successful, resource-oriented, and socio-culturally aware, such centers can contribute much to the development of a democratic society.