



SHOPPING CENTER "BLAH-BLAH" – AVOIDING THE REAL CHALLENGE

The shopping center industry is far from being homogenous. It is formed by many individuals with their own ideas and inspirations. A good part of this diverse group from the Austrian industry recently met in Vienna at RegioPlan's annual shopping center symposium.

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One of the central questions was: What makes a shopping center successful? The question applied in particular to markets, like Austria's in which saturation is a common phenomenon due to stagnating population and top locations already being occupied. One answer is: It is possible to enter the top league if other centers fail. The second answer is: Constant improvement in the merchandise and tenant mix is needed, as well as constant investment and new attractions for the potential visitors—in other words: vision, attention, and active intervention.

This is nothing new, but it remains challenging anyway. There is also relief, however. There are always new (international) store concepts entering the market, and these need new spaces. Shopping centers should work hard to offer such spaces. In some countries (like Austria), lease laws make it difficult for these stores to find top high street locations. However, there is still a lot of cap-

ital in the markets looking for interesting investment opportunities—in the eyes of investors, there is an increasing lack of good projects. These shopping center projects are located more and more often in inner-city locations (Germany is a good example of this) and respond to the shrinking size of many tenant stores.

The question of how the internet ("the world's biggest shopping center") and social networks affect shopping centers remained largely unanswered at the symposium. The industry concentrates on "down-to-earth" success factors: Repositioning centers; focusing on clients; creating a no. 1 and local hero position for the center; its size in the regional market (otherwise the center will not be the preferred target for new retail concepts entering the market); and offering good atmosphere and attractions, including restaurants/cafés, entertainment and new services, in the center in order to make visitors enthusiastic and to encourage them to stay at the center for as long as possible.

An argument that needs much more attention was mentioned more or less as a footnote during one of the panel discussions: Such approaches will eventually reduce productivity in centers and change current business models. It seems that the times really are changing, and the headline for future conferences is ready.



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