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Offline retail continues to thrive even as the threat of e-commerce looms large

EVOLUTION Smart developers have reconfigured the space called shopping mall into a multi-purpose destination

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Online has waged a war against Offline. Many predicted doomsday for shopping malls and brick-and-mortar retail. But the recent spate of shopping mall launches, are proving otherwise. Brick-and-mortar retail clearly isn't dead. Smart developers have reconfigured the space called shopping mall into a multi-purpose destination, one with "experiential" and "utilitarian" zones. Whatever it may be, but one thing is clear- in the new age shopping mall, shopping is almost the last thing which "happens by default" and is certainly not the mainstay, neither for the customer nor the developer.

If not shopping, then what is the pillar of the new age mall? According to Harsh Vardhan Bansal, Director Unity Group who recently launched Vegas Mall in Dwarka, "Food is the first reason why people come to a mall. In our recent Vegas mall in Dwarka, we have increased the F&B (food and beverages) component from the conventional 5% of total mall space to exactly double at 9% and we have everything from fine dining, speciality cuisine restaurants, cafes, bakeries, patisseries etc. In my opinion earlier people used to have meals outside once a week but now it is alternate day." He adds that the second reason why people come to a mall is cinema, which is why it is important for

every mall developer to create state-of-the-art multiplexes with good sound system, comfortable seating and service. In fact, Vegas has a 12 screen PVR, the largest so far in India with a seating capacity of 10,000 odd. The third reason is entertainment as people want to do different things with their kids and enjoy with the family. And shopping comes at number 4 - "we create such an ambience and environment where people are compelled to buy something on their way back. But now in a mall, shopping happens not by design, but by default."

Food comes on top of the mall menu of most of the recent launches. Take the case of DLF Avenue Saket that comes with an exclusive food and beverage district. One of the key highlights here is 'The Commons', an F&B precinct. But there's nothing common about 'The commons', says Pushpa Bector, Executive Director DLF Shopping Malls, "It's a completely new and unique experience in a food curation space. This will be something that Delhi has not seen before. Spread over three floors, it brings you the best of world cuisines from food specialist in the country."

Live performances and cultural events are another way to create vibrancy. 'LIVE at DLF Avenue' was launched on February 1st, 2020 and the mall hosted BeGoodTribe, the first ever music festival here. Says Bector- "We will continue to host a range



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of cultural curations such as music, art, live sports and street food from across the country for the visitors."

As retailers tell, brands have a "special something" for Delhi. Ten years back, whoever wanted to come to India preferred Mumbai. But now Delhi is the preferred launch pad for any big brand, be it Gap, or Uniqlo and many others, say mall developers. Delhi scores over other cities owing to three big reasons- Cars, Crowd and Culture. Says Harsh Bansal- "It is one city with maximum number of cars and hence mobility. With population of 30 million, which is a big number, by any global standards, it provides the right catchment. Moreover it has the culture as people spend a lot on lifestyle. The best part is Delhi has all seasons and a big winter season so winter wear brands are able to sell here, which is not possible let's say in

Mumbai."

Wisely, the re-invention of malls is relying heavily on not just experiential but even utilitarian zones. Every major mall is now headlined by a department store where people buy their ration and groceries- fresh and dry on the lower ground floors, go for haircut to popular salons, work out at gyms and fitness centers followed by a coffee at cafe.

Games are a big draw. Thus far, the malls being anchored by bowling alleys, ice skating, skiing etc. The second generation malls are creating never seen before concepts- for instance imagine that there is even a skating ramp and a basketball court at the recently launched DLF Avenue Saket.

The launch of new malls is not only in new avatars but also in newer underserved markets. Retail giant Bhumiika group is developing malls in Udaipur and

Alwar after the just launched mall in Jaipur.

In Greater Noida West, Gaursons has launched Gaur city mall in their gated community at Greater Noida West with a population of 1 lakh residents. One of the highlights is 6,500 car park since it caters to footfall of the Noida extension belt that is inhabited by 4 lakh people. Says Manoj Gaur- "In a first of its kind, we have created a zone which caters to all the needs of the residents and other customers. People come here for everything- for their daily need shopping to food, watching movies but also for social meetings, get-togethers with friends and family."

In Dwarka sector 21, Pacific group recently launched project D21. Says Abhishek Bansal, Executive Director, Pacific Group, "Being one of the most sought after locations of Delhi-NCR, Dwarka truly deserved a

world-class mall and it is a matter of pride for us to bring one of the first organised multi-level mall of Asia's largest sub-city."

Occupancy rates are reasonably high in majority of these shopping malls averaging at 80-90%. Most of these malls follow the lease model rather than purchase model, with agreements between the mall and tenant varying from 5 years to 10 to 12 and 15 years based on the deal signed. According to spokesperson of DLF Avenue- "Mall rentals are expected to go up from its earlier rate, because of improved design and overall ambience. Ninety-five percent of the retail space in the mall has already been leased out."

Finally, strictly speaking about shopping, in that battle of Offline versus online - what is the equation today? Has the dust settled finally? So it seems what with a first time buyer opting for touch and feel experience at a shopping mall over online shopping; whereas repeat buyers are more than comfortable with online purchases. But there are industry estimates that state that more than 55% of consumers visit stores before buying online. It is happening both ways, says Harsh Bansal- "Search online and Buy Offline and other way. Online is a competitor, but we feel that the future belongs to both online and offline." Today every brand worth its salt is going for an omni-shopping experience now, a multi-channel sales approach because the customer can be shopping online from a desktop or mobile device, or by telephone, or in a bricks and mortar store and the experience must be seamless.

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