

The dynamics of Retail in a Mall

– where do you fit?



Introduction

- How and where do you fit into a mall and the business of a mall
- There are a huge amount of information involved and obviously EXPERIENCE
- NOT the high street business – this is like a township/community
- You do NOT operate in isolation
- We are NOT enemies – we ARE partners
- Your SUCCESS are our success

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- The Landlord
 - Who is he?
 - What is he doing?
 - Tenant Mix
 - Lease
 - Tenant Installation

- Management of the Mall
 - Success?
 - Case study

The Landlord

- He is the man who had the vision to build the mall
- Does that in terms of Property Development Rules
- Location → Size, Type, Purpose
- Catchment area, Market research → Customers
- Road/Transport access → Parking
- Tenant Mix → Major, National, International, Services, Entertainment, Jewelry, Clothing, Banks, Furniture
- Where to put the tenants → Type of business vs location vs neighbors vs access vs size

- The Lease
 - Rent Rate → period/term of the lease & Increases
 - Common Area Maintenance
 - Service charges
 - Rules and regulations for both sides
- Tenant Installation
 - Design Rules
 - Detail plans/drawings
 - Electricity load, Fire fighting, Storage, Rubble removal, Working Mall?
 - Work your PLAN → time is money
 - Open on schedule → fully stocked and completed and staffed
 - First IMAGE is the most important for customers

Management

- How do you know if your business is successful in the mall?
- How do you measure?

- We do TURNOVER STATISTICS → How do you compare?
- We do FOOT COUNT → How much are you getting into your business?
- We calculate OCCUPANCY COST → Rent to Turnover ratio %
- Trading Density → Turnover/ft²
- Examples →

- Turnover Schedules
- Operations report
- GM report
- Turnover Data

Summary

- We have touched on just a few aspects of the mall
- FORGET the image of the Landlord “doing you in”
- This is a legal Joint Venture
- Our actions are regulated by the agreement
- We are both in the Retail business as partners
- We want you to be successful – we DO NOT want to loose money
- As an individual you may not like what we are doing –
- We do things for ALL tenants and the whole building –
- NOT individuals!

GOODLUCK!



Questions?