

Transforming old shopping malls

Shopping centres need to be rejuvenated to catch up with newer, more modern ones or face being demolished

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SHOPPING centres have been an integral part of the social-economic activity for everyone within whatever strata of society here ever since the country was formed in 1963.

Shopping centres in the early days were simpler in definition. These locations were typically located within a strip of road with retail juggernauts trading in textiles to clothing, convenience goods to even the wet markets.

As the country progressed, shopping centres have also evolved into modern buildings. Being trendy and the need to offer the most modern and up-to-date in ambience and offerings led to an explosion of retail concepts, especially with department stores.

Retail developers aimed at creating the best in their time and as the pace increased, especially in the late 1980s and 1990s, the older shopping centres became outdated. Some could not withstand the test of time in land use and had to be demolished for other more commercially-viable projects. Some which had been planned well in the 1970s and 1980s remain bustling albeit with lesser traffic as competition increased.

Centre for commerce

As time and age catch up, the popularity of a shopping centre wanes. It has passed its maturity stage within its product lifecycle. Owners of such shopping centres would have then to make a very important decision in their real estate.

A shopping centre's existence is basically to create a centre for commerce. Its goals are to be as popular as possible which in turn creates the desired footfall; also to ensure that the cumulative sales for each of the tenants and the trade mix within the whole property improves yearly. This creates value. When this is disrupted, the owners must decide on the future. One of the options is to rejuvenate a shopping centre.

Typically, a well-run and managed shopping centre today would need to do a fit-out after every 10-15 years. Whilst there are many aspects to be looked at to rejuvenate a shopping centre, it is important that every owner first follow the basic research framework.

The owner must first conduct a SWOT analysis as well as a competitive survey within its trade area. Next, an exit survey and consumer behaviour survey must be undertaken. Lastly, a due diligence audit of all available facilities and functionalities. These research areas are important to ensure that the next steps provide a basis for what it is required to be done.

After the basic research framework, the owner must then decide on the desired Tenancy Mix Strategy and the Marketing Strategy. These would drive the



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actual physical works – the rejuvenation.

To create an improved and rejuvenated shopping centre, the data collected shall then be analysed and a strategy formulated aimed at the basic two elements of shopping centre rejuvenation which are:

- Aesthetics (Seen);
- Internal Engineering (Unseen)

A good refurbishment of a shopping centre begins with careful planning and selection of various architects, quantity surveyor, construction and structural engineers, mechanical and electrical engineers, way-finding consultants and lighting consultants.

The two parts of refurbishment which are purposely named, "Seen" and "Unseen" groups, are the two main areas which are essential and cannot be done without the other.

Standard requirement

The Seen section is what impacts upon the customers. These changes are more visual and creates an immediate perception of change. The physical changes would normally be seen in the areas of a new facade look, new tilings, paint work, railings, ceiling formwork, lightings, carpark outlook and improved layouts and way-finding. These elements are the wow factors and are typically the results akin to a cosmetic surgery.

More often than not, the areas which are most appreciated for refurbishment are the toilets as well as the carpark look and feel. Many would remember these, as these two facilities are normally neglected. Today, it has become a standard requirement for toilets to be air-conditioned and fitted with sensor taps and flush systems. The non-physical touch systems provide an element of hygiene and toilets are now required to be bright and dry.

Designers have also started to design toilet cubicles which have inter-party walls up to the ceiling to provide security, increased modesty and a sense of personal space. Floor traps are now placed in a scupper drain in the front to improve cleanliness instead of being placed at the back of the cubicle. Toilets are also kept at 24° C.

Carparks have also become brighter and more colourful. The use of coloured epoxy flooring and parking guidance systems have become a norm as with the allocation of escalators and travellators spread throughout the carpark floors for ease of access. Carparks have evolved from being just a parking garage to one which is required to be the welcoming point for your patrons and shoppers.

The Unseen area is equally important. As the shopping centre ages, so will all the engineering equipment. The elevators, escalators, air-conditioning chillers, duct work, air-handling units and building management systems would need a thorough upgrading to meet the marathon of the next 10 years. This is important even if the maintenance regime throughout the first 10 years was exceptionally good.

A refresh must be done. Safety and reliability of equipment must be of utmost importance. Technology is fast-becoming an integral part of how things are done. The quality of service delivery would be increasing and as the building ages, the shopping centre must be ready to handle the increased requirements.

The electrical trunking must also be checked together with an analysis for future power and utility requirements. Do bear in mind that shopping centres today have more food and beverage outlets than when they were first envisioned and designed. In a case of 10 years' existence,

much have changed since then. The Unseen areas would affect operational costs dramatically if not done.

Remember, the earlier mention of the Leasing Mix Strategy and Marketing Mix Strategy? These strategies form the basis of the rejuvenation process. These provide the desired outcome. The Leasing Strategy Mix provides the content, the rejuvenation of the Seen and Unseen sections provide the infrastructure and improved layouts to function as desired whilst the Marketing Strategy Mix creates the packaging and perception management of a rejuvenated shopping centre.

One of the more popular and successful rejuvenation exercises can be seen from Subang Parade Shopping Centre's rejuvenation exercise in 2008 which won them a silver award in the ICSC Asia Awards for Design and Development.

Maturity stage

Subang Parade waited 20 years for a full rejuvenation. Today, shopping centres have started refurbishment exercises after 10 years and are normally done near maturity stage. As we look around today, shopping centres like Sungei Wang Plaza and KL Plaza (now Fahrenheit 88) have completed their rejuvenation exercises. The ongoing one at the moment is The Summit USJ.

Rejuvenating a shopping centre is not an easy task as it involves careful planning and considerable capital expenditure. However, one must take heed of the fact that shopping centres are living organisms. A shopping centre exists to provide the best centre for convenience, socio economic activity in the best conducive experiential environment.

An aged and dreary-looking shopping centre would affect the popularity which affects footfall and would affect sales and rental yields. A shopping centre is not built to last forever as trends and wants change. A shopping centre owner must know its own property product lifecycle and make decisive movements to ensure the resilience, relevance and reliance of the shopping centre remain steadfast in providing for the community it resides in.

A failure to rejuvenate an existing shopping centre in time for fear of losing yield and revenue in the short term is a sure recipe for disaster. Once the shopping centre becomes too old and outdated, it would become even more expensive to rejuvenate and to improve perceptions. Then, the possible rejuvenation is to redevelop the whole land.

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The mall currently undergoing rejuvenation exercise is The Summit USJ