

## latest research

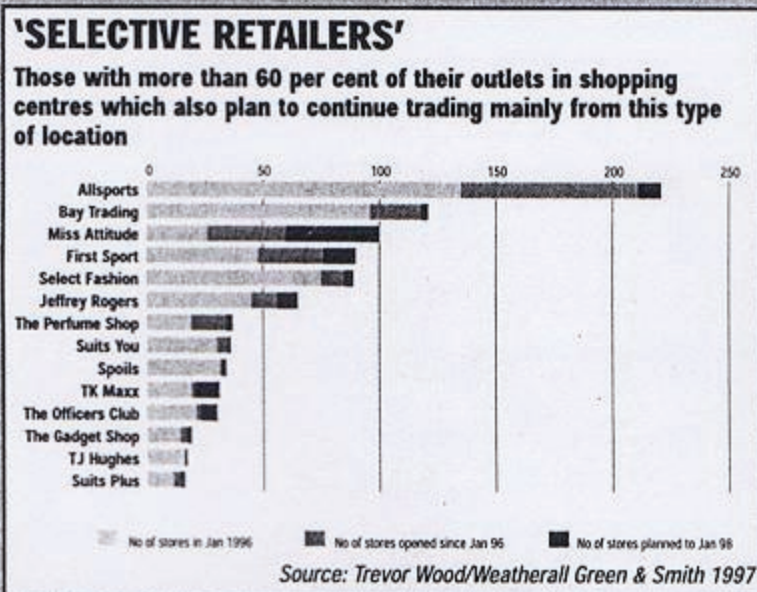
### Shopping centre developments

By Trevor Wood

There are 17 'premier division' shopping centres within the UK, including Milton Keynes, Bucks and Lakeside Thurrock in Essex. A further 90 'first division' schemes include Cwmbran and Crown Gate in Worcester. A comprehensive analysis of 900 shopping schemes by consultancy Retail Directions. *Shopping Centre Rankings 1997* shows an additional 147 'second division' schemes ranging from Castle Mall in Norwich to The Meadows at Chelmsford in Essex. The analysis shows the narrow spread of major schemes, based on a composite weighting of factors such as traffic generators, variety, volume, vitality and convenience of each scheme.

The report shows a limited number of retailers, principally Boots, Clinton Cards, Dorothy Perkins and Superdrug were present in more than 30 per cent of all schemes. There are, however, 71 retailers with most of their outlets in a scheme, including 33 'selective retailers', who almost exclusively trade in shopping centres. Overall, the selective retailers were found within the premier division schemes, with 15 per cent of their stores in the 17 premier centres.

Selective retailers' plans have increased their number of outlets by over half since early 1996. As the chart below shows, current expansion plans of Allsports, Miss Attitude and T K Maxx, among others, mean we will see an overall increase of 75 per cent by the end of this year.



However, not all selective retailers are expanding. Some are realigning or repositioning outlets following takeovers and mergers. Others are looking at opportunities but have no specific plans.

Most of the respondents say they are concentrating expansion plans on shopping centres. But there are obstacles to growth: raised service charges and other costs are potential barriers to taking space within schemes as opposed to nearby. In some cases, asking rents were optimistic. Other retailers are looking to expand into prime high street sites or close to significant traffic generators.

The message is that there are healthy prospects for the expansion of shopping centres in the UK - providing rents are pitched at a reasonable level and service and ancillary charges are contained.

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