Going Shopping 1998/99 - Executive Summary

There are over 100 pages of detailed analysis contained in this review, which has been principally compiled from questionnaires completed following extensive research involving shopping centre managers, owners and managing agents. The research was undertaken by Trevor Wood of TW Research Associates in conjunction with Weatherall Green & Smith. Key points are summarised below and more detailed information is available in the review.

Shopping Centres ranked by overall attractiveness

Shopping centres have been ranked by overall attractiveness to shoppers, retailers and investors by awarding points for selected features shown to be important to those groups, including tenants, lettable area, type of scheme and facilities available. The review clearly demonstrates that **the largest schemes are not always the most attractive**. Two of the largest schemes, The Telford Centre and Queensgate in Peterborough, are edged out of the top ten by the recently opened Mall at Cribbs Causeway and The Harlequin in Watford which are only the 15^{th} and 17^{th} largest. Twenty one of the hundred largest schemes do not feature in the top 100.

The research has shown that there is a distinct *Premier Division* of 16 leading shopping centres. With a minimum possible total of 100 points, these schemes amass more than 3,500, with the top five scoring over 5,000 points. Below these are a *First Division* of twelve schemes and there is then a gently sloping trend with 110 schemes scoring above 2,000 points. Every scheme in the top 400 received more than 1,000 points.

Several of the leading schemes have plans to expand, and this will further consolidate the dominance of these *Premier Division* shopping centres. The proposed extension to **MetroCentre** has been called in, **Lakeside Shopping Centre** has proposals for an extension to include a hotel and additional parking while **Meadowhall** is currently being extended to provide additional retail and leisure space. **Merry Hill Centre** has announced a revised planning application, **Milton Keynes** has extension proposals in Midsummer Place and **Brent Cross Shopping Centre** has proposals for another extension.

Below this top ten, there has been a fair amount of activity with sixty two of the 400 leading schemes being refurbished or extended in the last eighteen months. Several leading schemes have opened recently including the White Rose Shopping Centre in Leeds, Priory Meadow in Hastings, Saint Elli Shopping Centre in Llanelli and Stirling Thistle Marches, which all opened in 1997 and The Mall at Cribbs Causeway which opened in March 1998. Details of all this activity is contained in the eleven regional sections.

Shopping Centres - Comparison or Convenience dominated?

A turnover model looked at every tenant. Breakdowns for convenience, comparison and other stores were created to indicate if each scheme was convenience or comparison dominated. Within the top 20, only **the White Rose Shopping Centre in Leeds was not**

seen as Comparison dominated. This is mainly because the scheme includes a Savacentre.

Of the top 100, ninety one are seen as Comparison dominated, with only two seen as Convenience dominated. The Galleries Shopping Centre in Washington includes Asda and Savacentre and the Hempstead Valley Shopping Centre also includes a Savacentre, Marks & Spencer and W H Smith. **80% of the leading 400 schemes are seen as Comparison dominated** and 10% are seen as Convenience dominated.

Shopping Centres - Coming out of the ground

Bluewater, West Quay, The Oracle, Braehead Shopping Centre and Buchanan Galleries are currently coming out of the ground. These schemes appear likely to join the *Premier* or *First Divisions*, as could several other of the fifty or so proposed schemes scheduled to open from 1999 to 2002 such as Martineau Galleries, The New Bull Ring, The Walks and Grand Arcade.

Schemes that are due to open during the remainder of 1998 include Abbey Walk in Selby, Carmarthen's Greyfriars, The Academy Centre in Aberdeen, The Land of the Prince Bishops Shopping Centre in Durham and The Trafford Centre in Manchester. Other new schemes reviewed include the redeveloped Churchill Square Shopping Centre in Brighton, Portland Gate in Kilmarnock and the next phase of The Strand in Bootle.

Sunday Trading

46% of the 400 leading schemes open every Sunday, with 89% open on Sundays in the run up to Christmas. **71 of the top 100 schemes open every Sunday** and 36 of these also incorporate a food court, while twelve feature a cinema, five have bowling alleys and nine have leisure centres, possibly making shopping trips on Sunday more of a social occasion. More of these non-retail facilities are planned to open in the next few years.

Despite this general trend towards Sunday trading, there are a few notable exceptions. Not all anchor stores were open in twelve of the schemes who reported that the majority of their stores were open on Sunday. This is mainly because **most John Lewis Partnership department stores do not normally trade on Sunday**. A notable exception is the newly opened Mall at Cribbs Causeway. Several other schemes report anchor stores opening on Sundays in the run up to Christmas but not for the rest of the year.

The main regional variation was that **75% of leading Scottish schemes open on Sunday throughout the year**, whereas only 25% do in the West Midlands.

Transport links and parking provision

The research shows that **77 of the top 400 schemes now have an integral or adjacent bus station**, and 37 of these are in the 100 largest schemes.

Of the 100 leading schemes, eight have integral or adjacent railway stations, and **there are 23 railway stations in the top 400 schemes**. Many of these also link in to local tram and railway schemes.

339 of the 400 leading schemes have integral parking facilities, while **two schemes provide more than 15 parking spaces per 1,000 sq. ft** of current gross lettable retail area. These are Canary Wharf in London, whose planned expansion will reduce the ratio to less than 10, and Princes Mall in East Kilbride, which benefits from joint parking with the adjacent shopping centre schemes. Nine other schemes have a ratio above 10.

35 schemes provide more than 2,000 integral parking spaces, with a handful of top schemes providing more than 10,000 spaces.

Leisure and other facilities

118 schemes incorporate food courts and 48 of these provide more than one seat per 1,000 sq. ft of current gross lettable retail area. Four schemes have a ratio of more than four seats, with the highest ratios at Princes Square in Glasgow and Waverley Shopping Centre in Edinburgh.

There are over 200 seats provided at 55 of the schemes and **14 schemes have over 500 food court seats**, with over 900 seats at The Mall at Cribbs Causeway, Lakeside and Meadowhall.

Multiplex cinemas can be found in 21 schemes including 13 of the top 100 schemes, with between ten and twenty other cinemas currently under construction or planned for existing schemes, as well as a similar number for new schemes.

80 post offices and 43 public libraries are now within the top 400 schemes, with creches situated in 45 shopping centres along with many play areas and children's amusements. Coincidentally, all of these features were mentioned at the 1998 ICSC Conference as additional attractions that also provided excellent additional footfall.

Leading retailers

Eleven retailers featured in more than 60 of the top 100 schemes and these were Adams, Birthdays, Boots, Clarks, Clintons Cards, Dorothy Perkins, Early Learning, Ernest Jones, Mothercare, H Samuel and Superdrug.

Eleven other **retailers to be found in more than 50 of the top 100** schemes were Allsports, Bay Trading, Body Shop, Burton, Dixons, Electronics Boutique, Etam, Evans, Marks & Spencer, New Look and River Island.

Only **eight retailers featured in more than 40% of the Top 400** schemes and these were Adams, Birthdays, Boots, Clarks, Clintons Cards, Dorothy Perkins, H Samuel and Superdrug.

Store openings and expansion plans

A select group of retailers have been opening large numbers of new outlets within shopping schemes. The majority of new store openings in shopping schemes by major retailers in the last eighteen months have tended to be comparison retailing, principally clothing, cosmetics and sports goods, although a significant number of electronic and telecommunication outlets have opened. Retailers featured in detail range from established retailers such as Argos, Boots the Chemist and Superdrug to newer retailers such as Applewoods, Ecco, The Perfume Shop, Tiny Computers and Virgin Vie.

Factory Outlet Centres

Factory Outlet Centres such as Bicester Outlet Shopping Village and Clarks Village are now well established, with twenty one new schemes such as Clacton Common and The Sterling Mills Designer Outlet Village identified as coming out of the ground.

Not surprisingly, given the unique product offer, **every scheme is classified as Comparison dominated** and is open seven days a week. Almost all of the twenty existing centres featured have significant integral car parking provision, with most providing free spaces. The most notable exception is the Great Western Designer Outlet Village which is located within walking distance of Swindon town centre, although parking fees are reduced for shoppers within the scheme.

Using the points system described earlier, the Great Western Designer Outlet Village would be ranked marginally ahead of Cheshire Oaks Designer Outlet Village as the leading factory outlet centre. Both would be the only factory outlet centres to feature in the top 100 shopping centres if a combined table were to be produced.

Shopping Parks

Fosse Park is the longest established scheme, but schemes such as The Fort in Birmingham and Central Six in Coventry are recent additions, with a few similar schemes such as Monks Cross Shopping Park currently coming out of the ground.

There are some hybrid schemes, such as Two Rivers in Staines, with retail warehousing and high street units which are neither shopping centres nor retail parks. Not surprisingly, given the unique product offer, most of the fifteen schemes featured are open seven days a week and have significant integral free car parking provision.

Using the points system described earlier, no scheme would feature in the top 100 shopping centres if a combined table were to be produced.