

HOW THE OVERALL ATTRACTIVENESS WAS CALCULATED

Shopping Centres, Shopping and Leisure Centres, Factory Outlet Centres and Shopping Parks currently trading at the beginning of October 2014 were ranked by overall attractiveness to shoppers, retailers and investors, based on features considered important by these groups. This was achieved by sending detailed questionnaires to confirm information for each scheme to the centre managers, owners, investment managers, letting agents and managing agents of every known scheme thought to be larger than 50,000 sq. ft. in the United Kingdom. Through repeated mailings, particularly to the larger schemes, **questionnaires for almost 1,000 schemes were completed and returned.**

Thanks are due to everyone who assisted with the review by returning questionnaires and supplying other invaluable information and assistance. These questionnaires, together with other details supplied by these sources as well as retailers and our database clients, supplemented by additional desk research, were used to award points to each scheme to establish the top 500 shopping centres in the United Kingdom.

A database of retailers and franchise organisations with retail turnover in excess of £3 million per annum used for previous reviews is continually updated from a variety of published and other sources, including annual reports & accounts. This database encompasses over 1,600 companies or divisions with 4,400 different trading names.

For the more ubiquitous trading names, where store sizes and formats can vary from town to town, such as Asda, Boots, Marks & Spencer, Sainsbury's, Tesco and WH Smith, details were obtained or derived for the different store types to more closely reflect the attractiveness of each individual store.

To reflect the basic attractiveness of each tenant to shoppers, the average outlet turnover for each trading name or store type was compared to the latest government retail inquiry average for similar stores. Comparison goods stores were rated more highly than convenience goods stores to reflect shoppers cross-purchasing habits, as convenience shopping does not always result in visits to adjacent comparison goods stores. The latest turnover for each company or division was similarly compared to average company turnovers, reflecting the wider attractiveness of the company to shoppers throughout the UK.

The minimum points awarded for a low turnover, local retailer were 10, and points awarded on this basis gradually rose to over 50 for major comparison stores such as John Lewis, Marks & Spencer, Next and Primark. Units occupied by offices and other non-retail tenants such as accountants, dentists, doctors, employment bureaux and solicitors were excluded from this analysis, as were vacant units and those units still under construction.

Points awarded for tenants have been comprehensively updated to reflect latest turnover figures, both for the retailer and the government averages. This reflects the growing importance, or decline, of each trading name, and also allows the inclusion of recently established retailers. **It is therefore possible for a centre where no changes have taken place to rise or slip down the hierarchy** in response to extreme changes in tenants' turnover. This has happened to a significant number of schemes where one or more tenant's turnover has either declined over the past few years or risen by less than the industry average increase.

Points were also awarded for each 1,000 sq. ft. of gross lettable retail area, and additional points were given on a sliding scale to reflect whether the scheme was open to the elements, partly or fully covered and partly or fully enclosed by doors. We do not subscribe to the oft-quoted notion that open or partly covered schemes are more attractive than enclosed schemes. They may be attractive on a dry summer day but are less so in the often windy or wet climate usually found in this country. Points were awarded on a sliding scale for parking provision within each scheme, adjacent (within 100 yards) or nearby (within 400 yards) in relation to the number of spaces available.

Other features considered attractive by shoppers, retailers or investors and awarded points included where the scheme was located in relation to other retail activity and the presence of a food court or crèche. The presence of integrated transport links such as bus and railway stations and other pedestrian flow generating features such as libraries, post offices and markets were also awarded points.

Detailed analysis of Sunday trading activity throughout the year and in the run up to Christmas was also collated, as well as details of shopper visits. This was supplied in the form of average weekly and maximum weekly footfall, including visits by non-shoppers passing through to bus and railway stations or car parks. Further points were added on a sliding scale for both these additional features, allowing the overall scoring to accurately reflect the relative attractiveness of each scheme.

No consideration was given to proposed tenants, extensions or features not yet open.

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