



The Journal of the Medinge Group

August 31, 2008

Branding New Kinds of Places: the Example of Experience Retail Centres

Filed under: [experience marketing](#), [retail](#), [location marketing](#), [design](#), [environment](#), [consumer behaviour](#) — admin @ 01:23

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M. Allan: 'Branding New Kinds of Places: the Example of Experience Retail Centres', *The Journal of the Medinge Group*, vol. 2, no. 1, August 2008.

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Abstract

The author, a town planner and place and destination brand practitioner, discusses the challenges of creating place brand strategies for completely new types of urban development using the example of the emergence of places that combine retail, leisure, entertainment, sports, cultural and heritage facilities to a greater extent than has been seen hitherto.

Cities are changing and their places are changing

Cities have been in a constant state of change and evolution ever since they were first created and change is nothing new in the urban landscape. What is new, especially in western Europe and North America, is the emergence of new kinds of places that contain and combine land uses that even five years ago would normally have been separated and kept apart by urban planning policy and planners' desire for the neat separation of activity generators. Examples of these more complex and multi-functional developments are to be found in large metropolitan cores such as the Kings Cross St Pancras area of London where the developer, Argent, is creating what will amount to a completely new town in the heart of the inner-city area, a place that will bring an entirely new offer of services and experiences for the people who work there, live there, visit there or just pass through the rail termini—a combination of offices, shops, housing, learning institutions, cultural institutions, tourist attractions, and an extensive public realm for events and gatherings. It will change the character of the area and its identity and a major challenge currently facing the developer of this area, and others like it, is how to position it, how to explain it and how to describe it—in short—how to brand it.

Elsewhere in the metropolitan cores, developers are inventing and creating new kinds of place of a similar scale, offering completely new kinds of offer and new combinations of offer to consumers. A good example of this is the development by Uplace, a Belgian development company, who are creating what I would describe as an 'experience retail' centre on the northern edge of the city's inner city core, a retail-led place of entertainment, culture and learning, on a scale that has never been created before in western Europe. They, too, are facing the challenge of how to brand this new

type of place, of how to describe its offer of value to the many different types of consumer who will live, work, shop, be entertained or visit the area.

Why is this happening? Developers like Uplace and Argent do not take risks with their developments; they do not build places that people do not want to spend time and money in. They build places that consumers wish to spend time in, to congregating in and to experience. They are acutely aware of changes in consumer trends, particularly in retailing, culture, leisure and recreation. They are aware that, despite the short term hiccup of the western “credit crunch”, consumer needs, wants and aspirations are changing and that, especially for the urban consumer, they are increasingly wanting those to be satisfied in places that offer them a greater variety of offers, a greater variety of experiences and a greater concentration of offers and experiences—all in one place if possible.

Consumer needs, wants and aspirations are changing

Nowhere is this more pronounced than in the latest developments to be seen in the design of what we have traditionally thought of as retail environments—shopping centres—where the shops may no longer be the real magnet or draw attracting consumers, where it is the combination of leisure and entertainment uses that are the real draw.

Shops used to be found on high streets. Then, after the Second World War, following influences from development in the United States and the impact of the growth of private car ownership, they could also be found in large boxes in out-of-town locations and at motorway junctions. Then they were increasingly found in airports and at railway termini and at the more sophisticated forms of waterfront development. In a few places the developers added in a cinema or two, or a multiplex, possibly also a bowling alley and, more recently, an indoor adventure sports centre. The more adventurous of these offered indoor skiing, or water-sports, or mountain-style, rock-climbing faces and rope walkways. Along the way, shopping moved from being something of a necessity to something of a pleasure, to being a form of entertainment, for some almost a pastime. Gradually, over time, but now with greater rapidity, we are seeing the emergence of a new kind of place, a new kind of experience, a new form of destination—the ‘experience retail development’.

The challenge for developers is how to position, describe and brand these places. This article explores this challenge in more detail through two case studies on the development of brand strategies for these new kinds of place.

What is experience retail?

Experience retail is not just a loose combination of shops in a big box with a few leisure add-ons, such as a multiplex cinema and a bowling alley—now pretty standard and boring fare for many out-of-town big box retail developments. Experience retail is a much more sophisticated offer to consumers of a place where they can satisfy many of their needs, wants and aspirations for the products, services and experiences that they require for their lifestyle and self-image. Experience retail combines very innovative forms of delivering the retail experience together with the leisure entertainment and cultural experiences that consumers want or aspire to, and, increasingly, the residential lifestyle they aspire to as well. In the delivery of service in the retail environment, experience retail provides a more personal and higher quality service. Staff really do know about the products they are selling (often modelling the clothes themselves), who designed them, and where they are made. They are backed up by the latest technologies, like the dressing cubicles with built-in, time-delayed cameras which can show you how the dress or the suit looks from behind.

Experience retail is a new form of retail place—a destination—where the main driver or attractor is a retail component supported by a combination of activity attractors designed to drive sustained foot-fall to it. It’s a form of development where the overall experience on offer for consumers is a place to spend time and money on a mix of experiences. The mix can include retail, leisure, entertainment, cultural, heritage and sports attractions. It may include a casino–hotel combined with a theatre or concert hall, cultural or sports attractor, such as a museum or a stadium, and perhaps a commercial office element. It can also be a place where people may wish to stay over to experience the full menu of attractors, facilities, events and programmes.

The drive towards experience retail is being fuelled by changes in consumer behaviour, especially in the advanced consumer societies of western Europe, North America, southeast Asia, Japan and Australasia. Research by myself and others is showing that increasing numbers of consumers now

regard shopping as a form of leisure and entertainment and are looking to spend more time in places which offer them a mix of experiences, including shopping, leisure, entertainment, sports, cultural facilities and even access to heritage attractions, in one centre or place.

Uplace, in a recent publication, summarize the research they have conducted on changes taking place in consumer behaviour and how consumers now wish to satisfy their needs, wants and aspirations in new kinds of places. What they found is that consumers want to accomplish more in less time. Shopping is evolving into an experience. Retail is becoming part of the entertainment industry and shopping is now a way for people to express themselves and associates people with desired lifestyles. Aspirational brands are becoming more important, well-designed buildings are becoming a more important retail marketing channel and the physical retail experience needs to be both entertaining and authentic.

Social trends research in the USA and the UK also indicate that consumers increasingly need to manage many options for themselves and their children in increasingly busy and complex lives. They face the paradox of increasing time pressures and expanding choices. They are increasingly looking for multiple experience settings, shopping that's more like entertainment, and places to hang out with friends and family.

The evolution of the experience retail phenomenon

For consumers with money, and even those on temporarily reduced budgets, shopping is becoming more "fun" than "run". Consumers increasingly desire experiential pleasure and feel-good sensations from consumption and are spending more money on quality experiences than on material goods. To address this trend, product manufacturers have recognized that they need to offer consumers experiential sales' environments, such as the new Apple Stores in major and capital cities around the world or the Abercrombie & Fitch stores in New York and in London.

The Abercrombie & Fitch store in Greenwich Village looks and feels like an old-style select gentlemen's club where their clothing fits in like a glove. Consumers can now distinguish such environments and offers in terms of the differentiation (quality, fun, level of service) of the experience they offer. In London, the new A&F store feels almost like a nightclub where fashion-conscious young people and models now hang out wearing the clothes from the store, and where the actual displays seem almost incidental to their display on the bodies of those who "inhabit" the store. It's a place to be seen in and one where the A&F *cognoscenti* feel at home. By contrast, the lure of the Apple store in London's Regent Street is that it is a place where it's cool to be an informed "geek", to be savvy about the cool technology, to be comfortable playing with it, to learn about its capabilities from equally or more savvy people of your age (if you are under 35), and to decide what to buy and have it shipped to your home within days.

As unlikely as it seems, these stores have a predecessor in the form of the Disney Stores which, although designed to shift product in large volumes, are also designed to give the customer a foretaste or remembrance of the Disney experience, whether it be to see one of their movies or to visit one of the Disneyland theme parks. Buying your Goofy puppet in store and taking it home extends the pleasure of that experience.

The implications of this are that retail development must offer consumers, who are becoming ever more younger, an authentic and entertaining environment in which to find, try on, buy, wear and display goods alongside a complementary and relevant mix of attractors and lifestyle experiences, if they are to be attracted to spend their time and money there. Evidence from the United States indicates that such places are also offering a public realm "in-store" or in the mall that acts as a setting for new forms of public art and sculpture and as a stage for people to show off what they have bought and for them to listen to or participate in live music, drama and dance events.

The implications for developers are that shopping centres will need to include leisure and entertainment and sports offers and that shopping centres will be more like integrated, urban entertainment centres with high-quality, well-managed, and active public realm.

Where can you find evidence of experience retail?

In the UK, combinations of retail and indoor sports and leisure and entertainment facilities can now be seen. Located In Milton Keynes, the first Xscape, indoor, snow sports facility, offers an all-year round snowslope, rock climbing, Airkix (which simulates freefall skydiving), health and fitness

facilities, bowling, and a cinema. In the Trafford Centre in Manchester there is an indoor, state-of-the-art soccer dome which provides facilities for small-side soccer teams to play and practise, plus a 20-screen multiplex cinema and a comprehensive upmarket food-court.

In central Europe, some examples of retail developments that are moving towards the experience retail concept are Rivetoile commercial centre in Strasbourg, the Ballymore riverside, mixed-use retail centre in Bratislava in Slovakia and the new retail centre in Duisburg in Germany.

In the Middle East, good examples of experience retail can be seen in Dubai. For example, the Sahara Centre complements an international array of global retail brands with a food centre offering local and global cuisines plus an Adventureland family entertainment centre offering 20 rides, an indoor roller-coaster, a multi-level train, an indoor water flume, a billiard hall and a mini-bowling alley.

Dubai is also the site of the Middle East's first major comprehensive experience retail development, the Sunny Mountain Ski Dome, due for completion at the end of 2008. The project consists of a dome that will house a large revolving ski slope, going through and around an artificial mountain range created to emphasize an "Arctic experience" effect. Within the dome, there will be a range of Arctic experiences including a Penguinarium, winter aquarium, snow castle, ice-rink, Arctic animal statues, four-season aquarium, snowfall, sound and light effects, cold and warm bath spa, an ice-bridge, a cable-lift, snow maze, ice-slide, and polar bears. All of these will be complemented by a deluxe hotel, a shopping mall, restaurants, coffee shops and other retail outlets.

Dubai also hosts an annual shopping festival in January of each year which serves to showcase the complete visitor experience of the city—Ski Dubai, the Zoo, the Dragon Mart, Dubai Creek, the Dubai Museum and camel racing. There are other events as well, including international fashion shows, children's events, street performances, nightly fireworks, film festivals, and many other cultural events that reflect the Emirate's cosmopolitan character. In addition, one of the biggest events of them all, the Dubai World Cup takes place during the festival, with a US\$12 million purse that makes it the richest horse race in the world.

In the USA, the developer Rick Caruso, who heads up Americana at Brand, based in California, is a pathfinder showing how to meet changing consumer demands. Caruso has significantly changed the face and form of US retailing by creating what Mathew Garrahan of the *FT* describes as 'vibrant open air retailing centres instead of bland indoor shopping malls'.

A very good example is his development in Glendale in California, which offers a mix of retail, leisure, entertainment, food and beverage facilities and a high-quality residential component, with condominiums and apartments to rent or buy. This is a place to live, to meet, to hang out and be associated with for the local population who are tired of big boxes with no sense of place or personality.

This development is the opposite of so many impersonal retail malls across America which are now feeling the full force of the effects of the sub-prime mortgage fiasco and the credit crunch. Many of these malls, almost wholly retail in their floor space, are rapidly emptying or facing complete closure. As they shut, their local communities are losing their main meeting places, especially where the malls had previously replaced the old main street. In an article in the *Observer* newspaper, James Doran observed that many malls, once the centre of life in American town and cities, are falling dark and local populations are feeling their communities have lost their sense of place and focus. How different this might have been if, instead of being predominantly retail, they had offered leisure, recreation, entertainment and sports facilities, as envisaged in our concept of experience retail.

Examples of such developments can be found across America and they do appear to be weathering the economic storm in far better shape. They include the Shadow Lake Town Center which serves the Kansas City and metropolitan Omaha metro region, the Shoppes at Chino Hills in California, Solair in Los Angeles's Koreatown and Culver Studios Plaza in Culver City in California. Important characteristics which unite these and many other similar developments are the return to the street as the predominant built form, the increasing space being allocated to non-retail lifestyle facilities and services, and the high-quality public realm with its use as a venue for meeting others, hanging out, events and entertainment. They are being deliberately designed as places with a human scale. People can spend lots of time and money there on a mix of activities that help them define who they are as consumers and satisfy their aspirations.

The challenge of branding experience retail places

Given this trend towards the development of larger scale, complex, mixed use developments, some at the size of small towns—completely new communities—how do their creators develop relevant and effective brand strategies to ensure that consumers become aware of, understand, differentiate and decide to experience the services and facilities on offer in them?

‘The Creative Place’

I have been working with two firms of developers to assist them with exactly these challenges. In London, I have been working for developer Hutchison Whampoa UK (whose parent company owns and operates international docks in places like Hong Kong) on the development of a new experience retail concept—‘The Creative Place’—to sit at the heart of a new, predominantly residential, development of twenty-five hectares at Convoys Wharf in Deptford in London’s docklands, a site which sits on the southern bank of the river Thames opposite the bottom of the Greenwich peninsula. Deptford is one of the poorest areas in inner London and an area that plays host to waves of immigrants to the city, most recently Somalis driven from their country by recent wars and disruption. Despite looking and feeling like a very run-down area, it is actually very vibrant and cosmopolitan and has a number of creative facilities, some with world-class reputations, such as Goldsmiths College and the Laban Centre for Contemporary Dance.

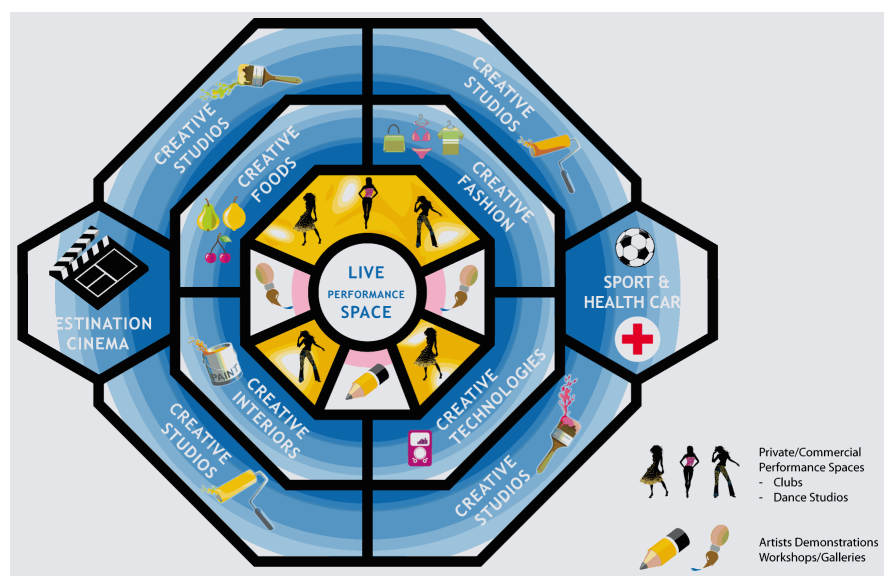


Figure 1
Convoys Wharf, the Creative Place

At the centre of the site stands a large protected building, the Olympia, whose structure was designed and built from wrought iron tracery of a similar kind that Gustav Eiffel designed and used for his tower in Paris. The challenge presented to me and my colleagues was to come up with a proposal for the reuse of this large building in a way that would differentiate the residential apartments to be built around it, provide an improvement in local retail, leisure and recreation facilities, and “locate” the development as a distinctive place with a distinctive offer in south east London.

Using a facilitated workshop format we met with the developer and their real estate advisers and to develop a vision for the building and the site, to identify alternative concepts for realizing the vision and to develop a brand strategy to guide the development and use of the Olympia building.

This creative facility is designed to attract people to live in the development and be a place for residents to entertain friends and relatives, and for people who live in its catchment area to visit, as well as adding to the retail and leisure offer and experience of the area. Locum is proposing a mix of creative retail facilities and activities, including bespoke fashion designers’ shops and workshops, workshops and showrooms for designers of fabrics, restaurants, cooking schools, specialist bookshops and spaces for performance arts—drama, dance, live music and theatre.

In Eire, Locum has been working for a developer to create the concept of Europe's first "retail resort". Located midway between Dublin and Belfast, this will be known as 'The Perfect Place', a place in which to stay and relax in a top-class spa hotel, while shopping in a retail facility that will be home to the world's top designer fashion, jewellery, shoe, accessory, furniture and interiors and automobile brands, eating at one of a number of world-class, chef restaurants or making use of a great range of indoor and outdoor sports facilities, including watersports, sailing, golf, hill-walking, equestrian facilities and Ireland's first all-weather race track.



Figure 2
Dundalk, the Perfect Place

Some conclusions

In conclusion, we believe that experience retail will be a major form of development over the coming decade. It has the capability to revive many flagging town and city centres and return them to being places in which people will want to spend time and money. Experience retail developments will change the offer of the places in which they are located, change the nature of the experience offered to consumers and change their branding as destinations.

Locum's services

In response to these changing consumer trends we have created the team to enable developers to realize this new form of destination. The Experience Retail Team offers an integrated service and works with its clients from the point of developing their vision and concepts for the development to its sale or its ongoing management. The team provides integrated services combining destination brand strategy, destination specification, development appraisal and risk assessment, planning, valuation, investment, licensed and leisure, attractor and tenant identification, hotel development, letting strategy, asset management, marketing strategy and communications, and overall project management.

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