

Landlord to Curator of Spaces



With parts of the world putting forward action plans to reopen their doors again, landlords must now start focusing on transforming the rising areas of vacant retail spaces to meet the newly evolved social and experiential needs of their consumers... Alan Robertson, CEO of Air Design discusses further below.

Over the course of the pandemic, its adverse effects within the retail sector have become apparent with over

1,000 chain outlets closing in the first six weeks of 2021 in the UK. Furthermore, as our homes became the only location for dining, shopping and entertainment, the online shopping landscape became more enriched. With the rise of digital retail surpassing physical retail and popular retail chains closing, landlords must now start thinking of curating unique leisure destinations which cater to the changing demands of customers as they re-enter these places. Although the number of vacant spaces has increased, the demand for authentic social experiences within a multi-faceted and enriched leisure space has simultaneously increased alongside it.

The Era of Entertainment and Leisure

We are now seeing shopping centres rebranding and repositioning themselves from prime fashion destinations to being the best in class for leisure, entertainment and F&B offerings. For example, Respublika Park, a mall in Ukraine, has designated 30,000sq m of space to a new age Entertainment Park with cutting-edge virtual, augmented and mixed reality experiences. They have further integrated the digital world with the physical by having over 15 party rooms, 50 dining spots, Instagrammable areas and the country's first indoor theme park with a rollercoaster, ferris wheel, and indoor skydiving experience to provide a next-generation entertainment and leisure experience which attracts the new Gen-Z target audience and social groups of friends and family.

Their primary focus when advertising this re-opening has been its entertainment offerings which are catered for all generations, ages, and personalities rather than solely emphasising their retail offerings. This shows how landlords and developers are altering their marketing and advertising strategies to make their focal attraction point of being a varied leisure hub which provides the opportunity to reconnect with the community and loved ones in a dynamic environment. Such diversity in leisure provisions increases revisit rates as people want to try the numerous offerings they haven't experienced yet, which in turn has a positive knock-off effect on footfall, revenue and word of mouth visits.

Bringing in Local Businesses

Rather than landlords renting spaces to a mass-market retail chain for a fixed number of years, landlords should take a more flexible approach of having more short-term leases to suit smaller, local businesses which offer unique leisure activities. After being in and out of lockdowns and our main outings being your weekly grocery shop, people now want inspiring and engaging experiences which stimulate their social needs.

Research conducted in the UK showed that over the course of the pandemic, people in the UK have found a new preference for using local businesses and are actively seeking them out.

Landlords can thus bring in local businesses to provide exciting leisure offerings from tasting and microbrewery experiences to pottery and painting activities. For example, Joy City North Mall in Shanghai has a large space dedicated to leisure workshops for customers to experience including a painting studio, jewellery workshop,

DIY carpentry workshop with multi-level classes, crafts workshop to create clothes and other handmade goods, and a terrarium workshop. They have developed a creative experiential hub to give customers the opportunity to try something new and socialise with others in a creative and stimulating environment.

With the importance of community values and demand for unique experiences outside our houses increasing among consumers, it is therefore important to bring in these local leisure activities for a fresh, tailored and authentic offering. This will in turn bring in a higher and more diverse demographic as you are bringing in local flavour in a mix of standard chains.

Food Halls and Markets

With the retail industry becoming more digitised and our "big plans" previously consisting of ordering food in, consumers want to visit places for experiential leisure and dining experiences rather than just for shopping.

Consumers now reject the traditional retail experience of working their way through the same big box retail stores; they want a varied sensory palette of choice and experience – something which can be achieved by injecting unique leisure and dining offerings into the space.

Therefore, landlords should offer opportunities for internationally inspired food start-ups and local businesses which provide a diverse mixture of locally sourced food and drinks offerings. Landlords can also adopt different leasing approaches to suit the needs of different tenants to provide an ever-evolving, dynamic food market offering which you can regularly visit for a new experience each time. This provides landlords the opportunity to transform unused retail spaces into vibrant experiential destinations which celebrates human connections, culture and experimentality to thus regenerate footfall and revenue.

We are social animals and miss the human interactions we have been deprived of for the past year. Curating a leisure hub which provides a truly authentic and bespoke palette will attract and ultimately build upon the development of a dynamic community environment.

Landlords curating vacant spaces in a thoughtful way will act as a creative catalyst to reconnect communities, support smaller local businesses and create authentic leisure experiences which meet our evolved social needs. These tailored plans will in turn branch out to new and existing customers to increase footfall, revenue and ultimately asset value.

