

Insights:

# ASSET ENHANCEMENT: THE ART OF UNLOCKING HIDDEN VALUE IN RETAIL DEVELOPMENTS



**CHAPMAN TAYLOR**  
RETAIL



## CHAPMAN TAYLOR

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CHAPMAN TAYLOR IS CURRENTLY RENOVATING, RECONSTRUCTING AND RETHINKING A DIVERSE RANGE OF RETAIL PROJECTS ACROSS THE WORLD, ADDING VALUE IN INNOVATIVE WAYS. OUR WORK IN MARKETS AROUND THE WORLD PROVIDES US WITH AN UNRIVALLED BREADTH OF INSIGHT INTO WHAT MAKES FOR A SUCCESSFUL TRANSFORMATION.

IN THIS PAPER, DIRECTOR **JON GRANT** LOOKS AT THE DESIGN STRATEGIES REQUIRED FOR A SUCCESSFUL ASSET TRANSFORMATION PROJECT AND THE COMMERCIAL GAINS WHICH CAN RESULT WHEN IT IS DONE WELL.

## The growth in demand for asset enhancement

Across the UK and Europe, the era of the monolithic, retail-dominated shopping centre is coming to an end. We are seeing fewer and fewer new-build shopping centres of the type which was common in the 1970s and 1980s. Rather, shopping centre operators are looking to renew, reconstruct, extend and reinvent their assets to meet the challenges of competing in the age of digital retail.

The phenomenon also extends further than shopping centres – the owners of transport hubs such as railway stations are increasingly alive to the possibilities that their central locations open up in terms of adding retail and other uses to create brand new, attractive (and lucrative) communities.

Chapman Taylor identifies ways in which to add value to existing schemes with well-considered design. We have worked with countless clients to transform developments of all types and sizes, helping to economically boost what were tired or out-dated environments. We have a strong insight into what makes for a commercially successful asset enhancement strategy.





GLOUCESTER QUAYS SAW FOOTFALL  
DRAMATICALLY INCREASE FOR BOTH  
THE RETAIL, LEISURE AND NIGHTTIME  
ECONOMY





ST PANCRAS INTERNATIONAL IS NOW ONE OF THE UK'S FAVOURITE AND MOST COMMERCIAL SUCCESSFUL PASSENGER HUBS.

### What visitors are looking for

A successful asset enhancement project has to put the desires of potential customers at the centre of every design decision made. That first requires a detailed understanding of the market, including its possible future directions.

To create a popular, commercially feasible and future-proofed environment, developers, operators and retailers need to know what people now expect from these environments – it is no longer a quick in-and-out transactional visit, but rather an *event*. For designers, this means that there should be an emphasis on placemaking – starting with ensuring that the area is attractive and exciting.

We are seeing a rise in experiential retail – including concept stores where products are exhibited, browsed and tested without an expectation of buying at that point – more akin to retail showrooms than shops as they are traditionally conceived. Brands such as Samsung, Gentle Monster and Japan House now provide an immersive visual display where products are exhibited like museum pieces. This phenomenon should be taken into consideration in deciding on the retail mix in a transformed centre.

Adding F&B and leisure provision, in particular, is crucial to a successful asset enhancement project – encouraging visitors to dwell and spend and helping to create a sense of community. Entertainment is central to drawing and keeping visitors – that might include rock climbing, fishing, sky diving, skating, rafting, or attending concerts and fashion shows. The cinema experience, in particular, is being transformed, with a lot more immersion via 4-D technology and virtual/augmented reality. The desire of people to seek thrills or be entertained will help keep retail areas alive in a challenging era.

The better the mix, the more a sense of place is instilled, and this can be further encouraged by providing event space – both within stores themselves and in key common areas throughout the centre. The result is that elusive goal desired by all owners, operators and retailers – an *experience*.

Other ways to create that community experience include:

- Market spaces
- A continually refreshed mix of offers
- Smaller/independent retailers and F&B outlets
- Event/performance/entertainment space
- Seasonal and one-off pop-up retail shops
- Seamless connections with the surrounding community
- An all-day, all-evening experience

### How to attract (and keep) visitors in a digital age

The following are among the key features which should be borne in mind when rethinking the nature and form of a retail development:

**Curation from the point of arrival** – the visitor experience should begin on arrival, with a curated experience starting at the site entrances drawing people in and pointing them to key attractions. Good use of digital technology, in the form of swipe-screen displays, Virtual Reality immersion, and easy-to-use order kiosks can help this process.

**Third spaces** – using previously overlooked space for retail areas, pop-ups, events and installations is becoming much more common. Potentially valuable space should not be wasted.











## SHOPPING PROMENADE COEUR PICARDIE IS RECOGNISED BY THE MINISTRY OF INDUSTRY AND FOREIGN TRADE IN FRANCE AS BEING A NEW TEMPLATE FOR THE FRENCH RETAIL MARKET

**Mixing uses** – we are increasingly seeing the incorporation of F&B, leisure and hospitality spaces into retail, creating a more dynamic and attractive environment for those who shop there. Successful retail is now all about creating an all-day experience.

### **The social and economic uplift**

Among the retail transformation projects on which Chapman Taylor has worked in recent years, the below are just a few of many examples of the commercial success that can be achieved with a well-thought-out strategy and a meticulous design

**Manchester Arndale:** Since redevelopment, Manchester Arndale hosts 38 million visitors every year, and is now Europe's busiest city centre shopping mall.

**St Pancras International, London:** The new shops, restaurants and cafés at St Pancras International occupy what was formerly a Victorian store for beer brewed in the Burton-on-Trent breweries. Within the Grade 1-listed building, a timeless design was created by exposing the original brick arches to the former beer vaults within new, fully-glazed shopfronts. The transformation has helped St Pancras, which was once on the point of closure, become one of the UK's favourite and most commercially successful passenger hubs.

**Gloucester Quays:** Footfall has increased from 1.7 million in 2009/10 to over 7 million in 2017/18, and average customer spend has risen by 29% – driving economic growth in the area.

### **Shopping Promenade Coeur Picardie, Amiens:**

The successful 40,000m<sup>2</sup> asset enhancement for Frey Group has introduced a new concept to French retail – the lifestyle park – and is being used as a template for further developments elsewhere in France. Shopping Promenade Coeur Picardie has been a huge success since opening, surpassing the client's expectations. More than 3.5 million visitors visited in the first seven months.

Our Asset Enhancement team has a wealth of knowledge and experience in creating dynamic and complex design solutions for existing developments, and possesses the resources to implement them. Chapman Taylor has an industry-leading record in adding value to existing developments, from shopping centres and leisure venues to office blocks, hotels and transport hubs. Clients come back to us repeatedly for our asset enhancement services because they know that we can spot economic opportunities in even the most challenging projects.



### **About the author**

Joining our London studio in July 2017, Jon has returned to the UK from running our Bangkok studio. When he was in Asia, Jon worked on both Architectural and Interior design commissions across the region in China, Thailand, Vietnam, Myanmar and Malaysia.

Jon has over 15 years' experience working in Asia with design expertise in high-end interior design projects across the hospitality, F&B, residential and retail sectors.

