INNOVATION AND EXPERIENCE KEY TO SUCCESS IN FUTURE DESIGN OF SHOPPING PLACES

Experience is the new battleground, where the fight for the consumer will be won or lost, according to a new report entitled *Future Shopping Places,* which was carried out for retail property organisation BCSC by Tessa O'Neill of BDP (Building Design Partnership). It is the latest in a series of reports being undertaken as part of BCSC'S *Future of Retail Property* research series and looks in detail at trends that will influence how the physical form of the retail environment will change over the next ten years.

The report suggests that shopping should not be bland and uneventful, but rather an efficient, exciting and emotionally engaging event and the future requires the constant surpassing of expectations, with the retailer and retail place looking past excellent customer service towards elements of surprise and originality. Through visual stimulation and sensory excitement, design is strongly related to the notion of customer experience.

Yet there is a real danger that the design of the shopping centres and retail places of the future will be bland and dull unless the industry takes proactive steps to design in excitement. Ever more radical, progressive and exceptional designs are needed within shopping places. Art in public spaces will be a tool for fostering identity and civic pride, and recognising the vital role culture plays in ensuring lively and vigorous places. The ethos for many stores in the future will be to showcase their products and brand, using bold design, greater interaction, entertainment and innovation in display techniques.

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Place-making is an overarching objective for shopping places and is expected to increase in importance. The shopping places of tomorrow will capitalise on the information age and will be well connected, interactive and information rich environments. Such richness may be experienced through interactive hubs and extensive wireless network coverage. Not only heavily branded shopping malls, but also cities and major towns will see rapid technological advancement.

Such an approach involves identity and community building, with the creation of vital and highly differentiated spaces including the juxtaposition of a diverse range of uses. High quality and speciality or niche focused retailing is expected to grow as will a more frequent focus upon health, fashion and home. The future will see growth in leisure and entertainment combined with shopping, plus an upsurge in awareness of health issues and concern for personal grooming that may drive the search for wellbeing or lifestyle elements for both men and women in shopping places.

Individuality will be more important as larger multiple stores grow in importance and increasingly dominate the retail landscape. Competition will become based around the offer that the individual store can make to increase ethical and environmental awareness through sustainable in-store design, integration of uses and overall experience. As a result, 'the sustainable store' is predicted to emerge, its key features being more flexible specification in core fit out, less artificial lighting and more natural ventilation.

As such, the retail property industry must challenge itself to be increasingly innovative in its approach to designing new shopping centres and, more significantly, refurbishing and restoring existing retail places. Furthermore, the industry must move more swiftly towards the use of sustainable construction techniques and design features in both new and redeveloped centres. As consumers become increasingly ethically and environmentally aware, the future design of both individual stores and shopping places will be affected, and success will be dependent on how venues respond in a positive way to secure the market share.

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While new locations emerge, however, the greatest degree of change will relate to revitalisation, renewal and redevelopment of existing property, which - with the most significant boom periods in retail development being in the 1960s and 1980s - is now due for renewal. Cities and major towns will see approximately 32% of the total additional retail floorspace in Britain over the next decade, with the majority of this space located in the central area through extensive redevelopment and renewal.

Between now and 2015, a further 5.481 million sq m of retail floorspace will be required. But with 4.732 million sq m already in the pipeline, this leaves only 749,000 sq m of completely new space yet to be identified and/or designed. Despite the town centre focus of current retail planning policy, the research has found that approximately 60% of the total new additional floorspace built in Britain over the coming decade will be outside the town centre, with the on-site expansion and redevelopment of supermarkets – a sector which is not known for design innovation or quality - accounting for much of the new off-centre provision.

In 10 years' time many of the existing shopping places located outside the town centre, especially supermarkets and retail warehouses, will have experienced expansion and transformation. With approximately 35% of the total new additional retail floorspace over the next 10 years accounted for by retail warehouse development (combining retail warehouses, retail parks, shopping parks, and retail parks/superstores) it is predicted that these are the locations that will see the greatest degree of change related to place-making and experience.

In order to engage with the consumer and sustain profitability, the key elements of such radical transformation are associated with: holistic central area redevelopment; enhanced variety and mixing of uses; more specialist, focused and independent retailing; iconic design and varied architectural treatment; public realm enhancements and activity; a distinct character; seamless and legible connections between areas; cultural and historical associations; integration with and links to transport; use of new technologies; dynamic place-branding and management.

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Although the retail industry is innovative, the process of change is slow. Yet with the increased use of sustainable construction techniques and design features in both new and redeveloped centres combined with legislation, investor ethics and societal pressure, sustainability will be a major force for change in future shopping places.

Those shopping centres in the best locations with the most progressive strategies have the opportunity to become town centres in their own right. The search for new convenience is not just about value for money but ease of access and what people want close at hand. Retailers are ahead of the property industry and the challenge will be for place makers to keep up, constantly innovating and refreshing their offer in order to attract shoppers and tenants.

Accessibility will be the key to the future success of stand-alone non-food retail warehouses. Three anticipated futures for the stand-alone food supermarket are identified, of which the most likely is the mixed-use supermarket or hypermarket. While growth in sustainable design features is expected, the sustainable supermarket is the third and least likely scenario, given the dichotomy between sustainable development and practical, reasonably priced car travel.

The report suggests that town and city centres must launch ambitious campaigns to stimulate and entice the market share. Where possible, holistic regeneration schemes will attempt to revitalise and re-enchant the entire city or town centre, and sustainability will be fundamental. Refurbishment will need to incorporate environmentally sound policies, such as the use of Combined Heat and Power (CHP) and absorption cooling particularly within mixed-use developments. Likewise, managers have an important role to play in controlling exterior lighting in cities, towns and shopping centres. Basic consideration of lighting types can contribute towards energy savings, including the use of fluorescent lighting and regular maintenance procedures.

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Retailers will set the standard for corporate social responsibility in the future by aiming to become carbon neutral, sending no waste to landfill and reducing packaging usage, extending sustainable sourcing, reducing water use and setting new standards in ethical trading. Uptake of commitment to such campaigns is set to increase dramatically over the coming decade, and businesses that do not keep up will lose out.

The research concludes, that the investment markets are beginning to put a price on the potential development and ownership of sustainable buildings as part of their portfolios. Therefore, a building with cost-effective energy performance will command a higher value or rent as leading retailers search for more ethical retailing strategies, and take corporate social responsibility more seriously in their company targets with the belief that this will be in line with future consumer attitudes. As a consequence such buildings will become more attractive to future potential investors.

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