



UN- MALLING THE MALL

BY MATT DAWSON AND STEVE SHAH

Our senior directors of mixed use + entertainment and visitor attractions discuss creative options for the adaptive reuse of vacated malls.



In an increasingly cutthroat retail environment, even some of the mightiest of retailers are closing their doors and turning out the lights. It's easy to point the finger at online shopping. It's harder to figure out what to do about all those empty square feet of bricks and mortar left behind.



When the first modern shopping mall opened in Minnesota back in 1956, it was such a huge hit that developers have been riffing off the original ever since. And why not? It was working just fine with a few refinements and re-orchestrations. But now the time has come to change that tune. The marketplace is no longer satisfied with the familiar; it has become increasingly sophisticated and much more demanding. Online shopping has gone from novelty to norm in a remarkably short period of time, and the mall is left struggling to maintain relevance in a marketplace that has moved on.

The good news for any developer? Going online is not the same as going shopping. Beyond actually touching, feeling and trying on the goods, going shopping is about the collective experience of being in a place. The social experiences and personal interactions that people crave simply aren't fulfilled by the solitary, sedentary act of online shopping. Malls struggling with vacant storefronts may find the magic bullet not in traditional retail, but in something more experiential.

Could the solution be a matter of un-malling the mall?



OPTION 1

FILL IN THE BLANKS

Nobody wants to see empty storefronts. The challenge is to find tenants that meet visitors' new expectations. Stores that offer experiences along with the products they sell go a long way in providing the engagement opportunities that customers seek. In London, England, the recently opened flagship store for footwear brand Dr Martens has a social media booth, a way to personalize Docs and a VR station that takes guests on a virtual tour of its original factory.

Following the success of the store in Seoul Korea, the Toronto Eaton Centre's Samsung store has a complete kitchen with live demos and tastings. New York's 5-storey Nike Soho store combines digital and physical, allowing guests to shoot hoops on an actual half-court surrounded by high-def screens that simulate famous US basketball courts. This is experiential retail at its best.



Themed retail, new food concepts and gaming experiences can also generate a lot of excitement. Because they're usually pre-packaged and branded concepts, these plug & play formats can be up and running quickly. So there is obvious appeal for both the developer and the guest. Known entities with a proven track record are highly desirable, low-risk tenants. An ever-changing roster of pop-up stores can also keep empty spaces filled, with customers coming in specifically to shop what's new.

Filling the box is not completely without challenges. New tenants may turn out to be one-hit wonders, attracting customers once, but failing to generate repeat business for the mall. Or a concept like the RecRoom, now popular in Toronto, could bring traffic in, but would not address the fundamental issue that the need to fill the box is not solved and takes more than stop-gap measures to create relevant retail destinations.

OPTION 2

RETHINK THE MALL

Un-malling the mall is as much about creating a feeling as it is about creating a place. Changing the paradigm changes people's perceptions and expectations and, if done right, creates a visceral connection. Germany's Bikini Berlin is an example of a mall that has reinvented itself as the place to be – and not just to shop. By maximizing its heritage-listed architecture and carefully curating a unique mix of boutiques, restaurants, exhibits, pop-ups and events, Bikini Berlin has positioned itself as being on the cutting edge of fashion, culture, food and art to the point where people feel they have to go or they'll miss out.

Completely rethinking the mall starts with a big leap to the overall experience. There has to be a reason for being that resonates with people enough that they'll go there again and again.

Ultimately the goal is to have people own the space emotionally – think of it as theirs. It should be the first place they think of when they want someplace to go. It doesn't hurt to feed social media's Fear of Missing Out (FOMO) frenzy by building-in the capacity for constant change through pop-up shops, pop-up attractions, exhibits and events.

Bespoke food and beverage experiences provide more social media fodder. Amenity spaces can be designed to be irresistible Instagram and Snapchat photo ops. Innovative retail concepts can correlate online shopping with on-site shopping. The sense that something is always going on blurs into a singular sense of being drawn “there.”

The biggest barrier to un-malling the mall is fear of change after doing it





one way for so long. The financial investment often makes it more comfortable to hold on to old models. And yes, working within an existing space has challenges; circulation patterns could be difficult and retrofitting outdated infrastructure could be expensive. But with the right modifications to flow, the movement of people, new and more creative tenancies, and careful programming, a shopping centre can be completely changed to become a more experiential destination.

For example, bringing an old building up to sustainable green standards could generate positive press that puts the developer on the right side of history. And investing in the site, by adding cultural elements, is perceived as an investment in the community that surrounds it.

Changes to the exterior façade can make the mall more welcoming and less introverted. By facing aspects of the development outwards towards the city, the community is encouraged to be a part of the place. As well, balancing the amount of public and the leased space contributes to more engagement; public space has tremendous value.

Those developers who have the courage and vision to push the envelope are the ones that have created benchmark experiential retail destinations others can only emulate. To parse the words of Charles Darwin, "It's not the strongest species that survive, but the ones most responsive to change." In other words, adapt or die.



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