

Town Square Reincarnated

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America's retail centers, which like to retool their image almost as frequently as Paris likes to change hem lines, are adopting a new format that turns the enclosed mall inside out.

Open-air malls, the latest attempt to provide a fast, comfortable atmosphere for shoppers, are a cross between a traditional enclosed center and a town square. In an outdoor setting, open-air malls combine popular upscale specialty stores with restaurants and other entertainment stops that encourage shoppers to linger. To keep customers coming on a regular basis, many incorporate grocery stores. In the past few years the open-air mall concept-also called urban villages- has caught on in warmer settings, such as Florida, California and Arizona. The success of the outdoor design, and its comparative low cost, has encouraged developers to try to approach in less balmy climates.

Two open-air malls are scheduled for Cincinnati in the next couple years. A "retail village" is planned to open within Butler County's developing Union Centre Commerce Park in summer 2001. This retail project in Union Township is headed by Madison Marquette Realty Services.

Coming sooner will be Rookwood Commons, next to the successful Rookwood Pavilion strip center in Norwood. This center will feature Gap, Williams-Sonoma, Eddie Bauer, Banana Republic, a Wild Oats organic grocery and several restaurants. It opens in the summer of 200.

Mark Fallon, director of leasing at Jeffrey Anderson Real Estate, which is developing Rookwood Commons, describes the center as a contemporary reincarnation of Main Street, U.S.A.

"People are reinvesting in what's important to them, that's their home and their life-style. The stores reflect it," Mr. Fallon said. "What they desire in shopping is a more convenient and upscale shopping environment...instead of having 300 stores, 20 of which you'll spend money at."

Open-air malls are cheaper and easier to build than enclosed retail centers, but their strong performance is driving the trend as much as costs. Retail developers, architects and behavior specialist say open-air malls also accommodate the personal needs of an increasingly put-upon consumer.

Outdoor retail settings are believed to help a time-deprived society accomplish the practical task of shopping in a more relaxed environment. Malls are claustrophobic and chaotic, this faction explains, while just the name open air conjures images of leisure.

Open-air malls also focus on an upscale, niche market of shoppers who desire more convenience in reaching specific retailers. An open-air mall probably is less chaotic, because the selection of stores is concentrated on a select group.

Open-air settings also provide a nostalgic throw back to town square-style shopping, a setting that offers a desired sense of community at a time when close-knit communities seem to be fading.

It's in my neighborhood, like downtown used to be," said Gayle Macro, an associate professor specializing in retail marketing at Robert Morris College in Pittsburgh. "I can run there on my way home from work and it's not, quote, a major trip. "It's more a kind of community thing."

Less Chaos?

If malls are changing, they are doing so incrementally. The open-air approach seems to be the latest attempt to meet a fickle public and it's ongoing need to convenience and comfort.

Retail developers say indoor malls can seem claustrophobic and chaotic to those who feel overwhelmed by work pressure, personal demands, and family needs. As society becomes a tougher place to live and work, retail centers try to position themselves as a refuge.

"The bottom line here is that people enjoy being outdoors," said Jud Kline, an architect with Herschman Architects, a Cleveland firm that for 25 years has specialized in retail development. "The malls have sort of lost their vibrancy as they matured. They became these vast caverns of retail activity. They escaped the interest of individual consumers."

Developers and consumer behaviorist say enclosed malls can be overwhelming in terms of store signage, sounds and crowds. Many noted the growing popularity of malls as teen hangouts, which can make less secure shoppers uncomfortable about their safety.

Open-air malls, in contrast, feel more spacious simply because they have no roof. And because these malls cater to a specific type of shopper-professional, educated and middle to upper-middle class-the tenant mix is consistent.

Less travel

"I like the idea," said Kathy Greiner of Hyde Park, talking about Rookwood Commons. "It will probably cut down on my trips to Kenwood Towne Center."

But, Mrs. Greiner said, she would still visit the mall for longer shopping trips.

Encouraging shoppers to stay longer is a challenge open-air mall developers are trying to meet. At the planned Rookwood Commons, landscaping, music, benches, and wide sidewalks will punctuate popular upscale chains. The mall also will offer four restaurants that cover casual to white-tablecloth and a tenant mix that includes home and fashion. Among the stores will be Abercrombie & Fitch, Ann Taylor, Z. Gallerie, and Bed Bath and Beyond.

The center will also include an office center that can serve as the daytime community.

"It's not going to look like a strip center, it's going to look more like a streetscape," said Mr. Fallon of Jeffrey Anderson, Rookwood's developer. "That's why you call it lifestyle. It's pleasant. It's really the best of all types of retail."

Madison Marquette Realty, which is behind several open-air malls including the one built at Union Centre, likes to include fountains, brick walkways, gardens and benches. Many of its projects include Ann Taylor, Talbots, Brooks Brothers, Williams-Sonoma, movie theater and restaurants.

The atmosphere

“We’re trying to create a place where people want to go, as opposed to a place where people want to go to shop,” said John Boorn, chairman and chief executive of Madison Marquette.

“The whole idea here is to build a shopping (center) and have it enjoyed by people who then sense, “This is my village.”

The desire for less chaotic-even whistle-stop—shopping is a reaction to increasingly busy lifestyles, hectic routines that often start at work and bleed over into family and free time. More people, as they work into the night, are asking, “Is this all there is?”

As a result, people are more selective about how they spend their free time. They want to make the best of it.

A free-time activity includes shopping. Most shoppers start with practical needs, but can quickly become social and recreational. Retailers have historically strived to provide the setting that make shopping more recreational and enjoyable. Witness the luxury surroundings of Saks, the multimedia exhibits of the Disney Store and the max-level music at Abercrombie & Fitch.

As Mr Kline, the architect, put it: “There has to be a reason to come here other than to buy a shirt. Retail is a social endeavor, and where people conjugate, retail tends to occur. The shopping mall, we’re seeing that change rather rapidly.”

Part of the neighborhood

Developers say that open-air malls conjure a sense of community because they are built within a community. As such, they are tailored to meet the markets needs—with select shops that are popular among an upscale demographic. Such retailers center on better clothing, items for the home and children’s indulgence.

To some, it may replace the city center.

“I guess people want to harken back to the old downtown feel,” said Malachy Kavanagh, a spokesman for the International Council of Shopping Centers in New York. “They’ve lost the sense of community moving to the suburbs.”

This raises questions about the proliferation of certain of certain retailers, since the Gap, Banana Republic and Williams-Sonoma also operate in Tower Place at the Carew Tower and Kenwood Towne Center.

Susan Aberbethy Frank, spokeswoman for Kenwood Towne Center, said the mall feels competition is always healthy. “It’s one of the many things that keep us on our toes,” she said.

Williams-Sonoma and Banana Republic did not respond to questions about locations, and the Gap declined to discuss development plans.

Anna Lonergan, spokeswoman for the Gap Inc. in San Francisco only said the criteria for selecting a site includes foot and auto traffic and population. The retailer plans to open 150 to 200 new stores in the United States in 1999.

"We're always trying to make it as easy and convenient for our customers to come to the Gap," Ms. Lonergan said.

David Wellinghoff, a Hyde Park resident who shops downtown and at Kenwood, said he is not driven to visit stores slated for Rookwood Commons. But that doesn't mean he isn't interested and curious about the new center.

"Let the developers do what they do best," he said, "As long as it's tastefully done."

Will it work?

But is the great outdoors always more convenient? Some retail observers question the feasibility of the open-air concept that focuses on a limited market in less-than-ideal climates.

According to Christopher Cawthorn, an expert on how weather affects consumer behavior, temperature and conditions undoubtedly affect where a person chooses to shop. When it's crummy out, he said, shoppers go inside.

"If the consumer has a choice between going open or closed if it's raining, they will likely go indoors," said Mr. Cawthorn, executive vice-president of Strategic Weather Services, which helps retailers take advantage of long-term weather conditions.

"In the winter it's very similar."

Ms Greiner, 38, agrees. "I prefer the indoor malls because you park and then walk wherever you want because of the weather," she said.

But she added, Rookwood will be more convenient to her Hyde Park home.

Weather factors

Mr. Fallon with Jeffrey Anderson said weather is not a problem in Cincinnati and the success of Rookwood Pavilion proves it. He said the center's anchor stores, including TJ Maxx, rank in the top 2 percent of performances in Ohio. A spokeswoman for TJ Maxx said the Rookwood store is one of the area's strongest.

That area's well to do market could be credited for the Maxx's performance. The average household within a 3 mile radius of Rookwood Pavilion yields an annual salary of more than \$50,000.

To Maryl Gardner, a marketing professor who studies buyer behavior at the University of Delaware, that market and the low cost of building outdoor malls are the motivators.

"I'm not sure I see it as a community (setting) as much as excluding people that are different than you," Ms. Gardner said.

“What this is saying is, we’re going to the sports utility vehicle. The mall is your mother’s van. It’s going to be for the people who made it to a certain extent.”

Cost Factors

Mr. Fallon figures an open-air mall can cost a quarter of the enclosed variety. Rookwood will cost roughly \$75 million, while a traditional mall can cost hundreds of millions.

The savings is past on to the tenants, who Mr. Fallon estimates can pay less in rent and a fraction of operating expenses, compared with those costs at an enclosed mall.

The biggest argument for open-air is that most retail already is outdoors. The real revolution occurred when developers enclosed malls, said Mr. borne from Madison Marquette.

“In most of our locations we have tenants who used to be in regional malls and don’t want to be, or are still, “ he said.

“It is a compliment to the regional mall.”