



HIGH TIMES FOR SOUTH INDIA'S THRIVING RETAIL MARKETS

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The South India retail market and shopping mall industry is witnessing sustained growth over the last few years. The larger cities of Bengaluru, Hyderabad and Chennai are attracting more and more global retailers, apart from the steady expansion by national retailers. In recent times, even Tier II & III cities such as Coimbatore, Vijayawada, Madurai, Kochi, Mysore, Mangalore, Vishakhapatnam and Trichy have also been seeing accelerated growth in their retail space markets.

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These are resounding statements on the attractiveness that retailers see in the main cities of South India, where both traditional and organised retail continue to flourish together. While international brands certainly perform well in these markets, there is also a huge demand for local and regional players such as Pothys, Neeru's, The Chennai Silks, Nalli, Sangeetha Mobiles, etc.

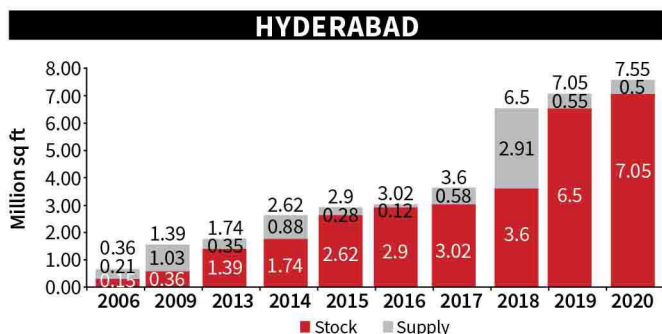
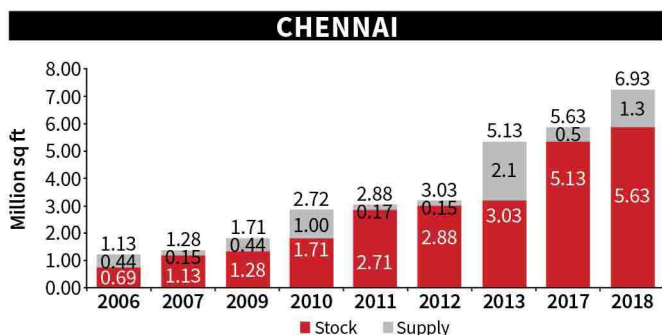
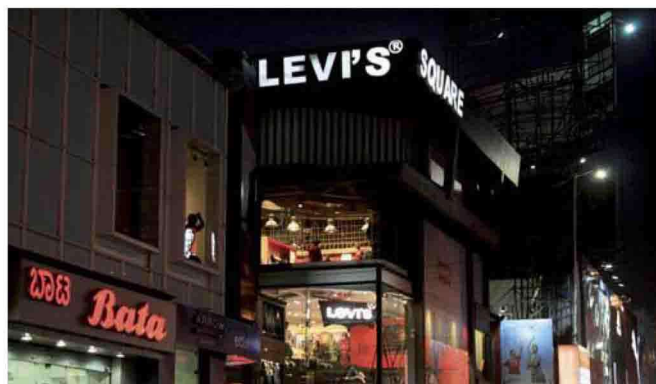
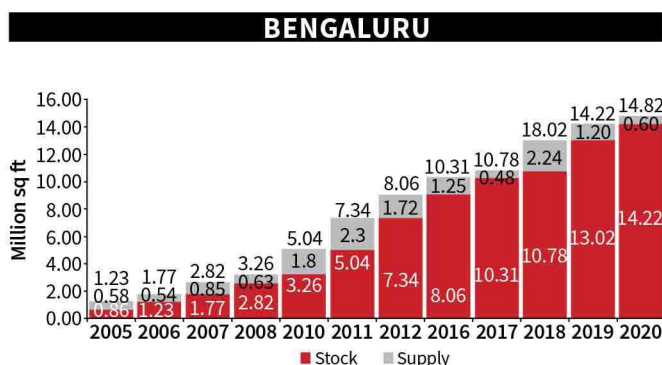
A significant supply of quality retail developments is coming up in Bengaluru, Hyderabad and Chennai over the next few years.



Nagar and Adyar are equally preferred and experience high leasing activities due to the limited number of quality mall developments currently present in the city.

Hyderabad

There has been a steady supply of organised retail real estate in Hyderabad. Over the next 3-4 years, 3.96 million square feet of mall supply is expected to be added. Mantra Mall at Attapur became operational in 2017. As the office and residential sectors are witnessing healthy



Bengaluru

Bengaluru will have a stock of 10.7 million square feet by end of 2017, and this is expected to rise to 14.8 million square feet by 2020. In H1 2017, a major mall addition in Bengaluru was GT Mall at Magadi Road, adding 0.30 million square feet to the mall supply in the city. Meanwhile, the major high streets of Bengaluru Brigade Road, Commercial Street and Indiranagar – continue to see sustained demand from retailers.

Chennai

Chennai has 5.13 million square feet of retail space as of 2017, and around 1.3 million square feet of fresh supply is expected to be added in 2018. The city's major high streets T Nagar, Anna

growth, retail in Hyderabad is also eliciting renewed interest by mall developers. The supply pipeline in the city looks promising, and some superior grade malls are expected to be developed in next few years. Hyderabad works equally well for strong local brands as well as national and international retailers.

L&T Metro Rail is a developing transit-oriented retail development at the Metro rail depots in the city. Two of these metro mall developments will become operational within the next few months. Hyderabad's major high streets Begumpet, Banjara Hills, Himayath Nagar and Jubilee Hills continue to maintain the attractiveness to retailers and shoppers. **IR**