

# FASHION

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RETAIL/GLOBAL

## Fantasy landlord

Who would be the best fashion tenants on your city block? We've picked ours.

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Over the past 100 or so issues we've tried our hand at conjuring up everything from the perfect airliner to the ideal hotel. Very early on we tackled the perfect high street and considered how we'd organise it and who we'd like to see pulling down the awnings and putting out the benches every morning. The first time we did this (see issue 55) we had many thoughts about what did and didn't work in many a shopping precinct but we had little in the way of first-hand experience of running shops. Twelve shops and cafés later, we have a much firmer grip on what makes for the perfect mix and where many developers and landlords are getting it wrong. With considerable focus on the impact of e-commerce to traditional retail and the

disappearance of solid anchor tenants (banks and post offices, for example), there's plenty to worry about – but we'd also argue there's everything to play for. Let's take a walk along our perfect little stretch of pavement and find out why it works.

### The setting

Our hypothetical neighbourhood could be in a smart part of Melbourne or an emerging area of Geneva (really, there is such a place!). It's a district that has plenty of residences but also enough offices and service businesses to ensure a brisk trade at lunch hours and after work. There isn't one landlord that dominates but a collection of property owners of varying scale. What makes the area work is a strong



#### Adidas

**Sector:** Sportswear  
**Founded:** Germany

**Positioning:** A top-five global retailer whose US growth is putting pressure on its US rival, Nike.

**Opportunity:** Late opening hours plus showers and massage rooms for running clubs would be welcome additions.  
[adidas.com](http://adidas.com)

#### Uniqlo

**Sector:** Fast fashion  
**Founded:** Japan

**Positioning:** Timeless designs and innovative fabrics give Uniqlo the edge.

**Opportunity:** It plans to expand. Our perfect branch would have an on-site, within-the-hour tailoring service and a new café concept.  
[uniqlo.com](http://uniqlo.com)

#### Parfumerie Spitznhaus

**Sector:** Fragrance and cosmetics

**Founded:** Switzerland  
**Positioning:** Appeals to affluent clientele who want a serene environment.

**Opportunity:** This is a gem of a concept that could develop a loyal audience.  
[spitzenhaus.com](http://spitzenhaus.com)

#### Westerlind

**Sector:** Outerwear multibrand

**Founded:** US  
**Positioning:** Serving urbanites interested in good outerwear, it is experiencing double-digit growth.

**Opportunity:** The market for quality outerwear is on the up, especially in US mountain towns.  
[westerlindoutdoor.com](http://westerlindoutdoor.com)

#### Gucci

**Sector:** Luxury  
**Founded:** Italy

**Positioning:** In 2017 Gucci posted its strongest revenue increase in 20 years.  
**Opportunity:** After opening a restaurant in Milan, this branch should focus on local marketing initiatives, such as clothes for its Thursday supper club.  
[gucci.com](http://gucci.com)

business and residents' association that's focused on the ongoing development of the community and works to a strong set of guidelines.

### Landlords who get it

Some landlords understand the metabolism of the street and the importance of supporting essential services versus profit and have a nose for when leases shouldn't be renewed or when a tenant might need some rent relief. Unfortunately there aren't very many with such a feel for their portfolio. Recently one of our landlords wanted to push through a rent increase while many stores around us had closed and our once-vibrant neighbourhood started to falter. While the person managing the asset was

aware of the number of "to let" signs she'd taped to various storefronts she was still blind to the fact that there was a serious problem that had everything to do with rents that were out of whack and a decline in footfall as a result. It took a bit too much convincing to outline the larger problem but we got there in the end and now shops are reopening and trade has bounced back. Good landlords walk the street and speak to their tenants and don't simply manage portfolios via email from a distant tower.

### Cluster funk

Walk into many a mall or down certain streets and you'll find you're in a cluster of teen-fashion shops, surrounded by mobile-phone providers

or in a luxury jungle. While certain trades have gathered together for millennia, sticking everything in one spot is formulaic. Smart streets need a balance of high and low, old and new – and they should always surprise. Good retail streets mix food and fashion, hammers and handbags, and give shoppers a variety of reasons to linger. It's also why there's a crisis at US department stores – they've gone too far down the fashion and beauty path and lost their position of one-stop convenience.

### Right size, right time

The biggest issue confronting many shopping districts is that retail spaces are often no longer fit for purpose. Advances in logistics mean many



#### Capitol

**Sector:** Luxury multibrand  
**Founded:** US  
**Positioning:** Growth of about 10 per cent since 2008 thanks to its customer service.  
**Opportunity:** It should continue its collaborations and offer loyal clients unique products.  
[capitolcharlotte.com](http://capitolcharlotte.com)

#### VIU

**Sector:** Eyewear  
**Founded:** Switzerland  
**Positioning:** In 2017 VIU sold 100,000 frames in its 32 expertly designed stores and it continues to expand.  
**Opportunity:** Why not launch an archive shop for restoring vintage frames?  
[shopviu.com](http://shopviu.com)

#### Shiro

**Sector:** Beauty  
**Founded:** Japan  
**Positioning:** More than 20 shops in Japan, plus openings in London and New York.  
**Opportunity:** We suggest opening a two-seat salon for Japanese barbers looking to start their own salon business.  
[shiro-shiro.uk](http://shiro-shiro.uk)

#### Moncler

**Sector:** Luxury outerwear  
**Founded:** Italy  
**Positioning:** In 2017 revenue exceeded €1bn.  
**Opportunity:** As it aims to open in Dubai and Melbourne, it would be good to add ice rooms to test coats in warmer regions.  
[moncler.com](http://moncler.com)

#### Mansur Gavriel

**Sector:** Accessories and apparel  
**Founded:** US  
**Positioning:** Has expanded to ready-to-wear fashion with two New York shops.  
**Opportunity:** Its new LA shop would benefit from a repairs bench for fixing nicks and scratches on bags and accessories.  
[mansurgavriel.com](http://mansurgavriel.com)

shopkeepers don't need to hold as much stock and therefore shouldn't be paying for all that excess storage space. Likewise, more specialisation often means fewer square metres are required on the shop floor. Back to department stores: is it not time to see major brands scaling down while branching out? Isetan is trying some new formats in Japan that get them closer to the consumer with a more edited mix.

**Big boys work harder**

The world's biggest retailers take a lot of flack for driving up prices and offering mediocre formats. There's some truth to this but it's also up to developers and landlords to keep things interesting and to challenge the

H&Ms and Uniqlos to deliver more. To keep things fresh there needs to be a more fluid conversation to challenge existing formats while also offering services that help build community and keep the tills humming.

**Built to "last"**

Finally, a few words that landlords and tenants might want to live by. You can have all the best names and gleaming sidewalks you want but it may add up to a complete dead zone if you don't follow MONOCLE's "build it to last" rule. The best shopping districts feature warm, inviting lighting when the sun dips; awnings for shade and keeping energy bills low; seating for mingling and resting; and trees for air quality, shadows and texture. — (M)

**Three non-fashion shops for the mix:**

1. **Böhmler, Germany**  
**Positioning:** One of Europe's best emporiums for designer furniture and household items.  
*boehmler.de*
2. **Brugnara, Italy**  
**Positioning:** A one-stop, compact shop that can offer everything from ladders to coat hooks. Brugnara is in Merano but there are similar operations all over Italy.  
*brugnara.net*
3. **La Grande Epicerie, France**  
**Positioning:** We'd like a neighbourhood spin-off of La Grande Epicerie (see page 133). This could be parent LVMH's future play, delivering food to its fashion and accessories audience. Will LVMH really leave this part of retail open to Amazon?  
*lagrandeepicerie.com*



**Rivieras**

**Sector:** Footwear  
**Founded:** France  
**Positioning:** These summer shoes sell across four shops.  
**Opportunity:** As well as opening shops, it would do well to invite a men's swimwear brand and a towel company to lease shop space and enhance its line-up.  
*rivieras.com*

**Pelikamo**

**Sector:** Menswear  
**Founded:** Switzerland  
**Positioning:** Targets bankers who work near its Zürich shop.  
**Opportunity:** Like Sid Mashburn in the US, Pelikamo could be a bigger regional player given it is not affected by seasonal fashion trends.  
*pelikamo.com*

**Shinsegae**

**Sector:** High-end department store  
**Founded:** South Korea  
**Positioning:** A top-five luxury retailer with a global market share of 5.4 per cent.  
**Opportunity:** It is aiming to become South Korea's leading e-commerce retailer by 2023.  
*shinsegae.com*

**Isetan Mini Department Store**

**Sector:** Department store group  
**Founded:** Japan  
**Positioning:** Toying with slimmed-down versions of its flagship Shinjuku shop.  
**Opportunity:** Its smaller shops could be replicated by other groups: think Bonwit Teller in its heyday.  
*isetan.com*

**The White Briefs**

**Sector:** Underwear  
**Founded:** Sweden  
**Positioning:** Opened its first shop in Paris this year.  
**Opportunity:** International expansion. Also why not employ staff who are over 65 to explain cut, fabrics and benefits of different briefs and tees?  
*thewhitebriefs.com*