

Department stores and malls

Global

No sooner had the death knell for the high street faded than commentators were proclaiming the comeback of physical retail. Amazon is moving offline and other e-commerce players are frantically striving to give their customers non-virtual “experiences”. While still challenged, the future for bricks and mortar is looking brighter.

Nonetheless large-format retailers such as department stores and shopping malls are still in trouble, with footfall and revenues sinking in many markets. Giving large-footprint retail a health check, here are three global examples that buck the trend and demonstrate what can be done with a bit of investment and fresh thinking.



2

La Rinascente

Rome

With its bustling core of escalators, impressive central atrium and crowds of shoppers across seven floors, the Rinascente flagship on Via del Tritone in Rome appears to be the consummate department store. But far from being an established landmark in the retail landscape, this 14,000 sq m building is just a few months old. “The project started to come about some 15 years ago,” says Rinascente CEO Pierluigi Cocchini, “based on the fact that Rome was the only major capital city in the world without a proper central department store.”

Rinascente has certainly plugged that gap and if a decade and a half seems a lengthy gestation period, Cocchini points out that his team had to navigate not just around Italian and municipal bureaucracy but also around tricky archaeological and

(1) The central atrium of Rinascente’s new Rome flagship (2) Shopping bag featuring smart graphic design (3) Counter culture



2

heritage concerns. These included the discovery of remains of the 2,000-year-old Aqueduct of Virgo (now an attractively uplit feature with a cocktail bar) and the partial preservation of the four buildings that previously occupied the site.

The total budget for the store was more than €250m, according to Cocchini, including the investment made by the 800-odd brands with a presence here. For Rinascente’s parent company, Thailand’s Central Group, this represents another bold move in the European market. Yuwadee Chirathivat, executive director of the Central Retail division, explains that it had to be more than simply “a world-class shopping destination” but rather “the must-visit place for every tourist and the ‘in’ place for our local communities.”

Despite Rome’s status as a premier tourist destination, the store has clearly made an impression on the locals. The store’s 23.00 closing time, seven days a week, also helps to entice the famously late-night Rome shoppers. Our only reservation is the limited number of local brands on display (the offering tends towards global labels). But, as Cocchini notes, Rinascente’s investment is a “gesture of confidence in the city even though it is living through a very difficult period and the reaction from Romans has actually been quite moving”. — DMP