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PLACEMAKING PRINCIPLE FOCUSING ON THE CYCLE OF SUCCESS IN THE REAL ESTATE INDUSTRY

TRANSACTION MARKETS 2024 WILL MARK THE GRADUAL RESURGENCE

STUDY TOUR ISTANBUL MEET DEFACTO AND MADAME COCO AND LEARN ABOUT THEIR EXPANSION PLANS

Driving high levels of demand.

Kaufland: The local footfall anchor



For a flexible shopping experience.

Kaufland currently operates more than 1,500 stores in eight European countries. The company offers a wide range of groceries covering all daily needs. Whether in Germany, Poland, Romania, the Czech Republic, Slovakia, Bulgaria, Croatia or the Republic of Moldova, Kaufland stands for low prices, relevant product range, convincing quality and convenient shopping everywhere.

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DEAR READER,

2024 is a year to get things done. Excuses such as COVID-19 and geopolitical crises are no longer valid. Therefore, this year is a year in which it will become clearer than ever where the retail asset class really stands, which shopping centers are fit for the future, and which consumer groups will shape the market of the future. Focus on the consumer, repositioning, and repurposing are the top three tasks on the place-making industry's to-do list.

During such a process, it is all the more important to return to the basic economic principles of our industry:

1. We need satisfied customers who enjoy visiting our locations and are happy to spend their money there.
2. We need satisfied retailers who generate good sales and are, therefore, happy to pay good rental amounts.
3. We need center management that earns good money and develops the respective location.
4. High returns for happy investors are generated as a result.

As banal as this value chain in a nutshell may sound, it is important because it covers the core question: What is your level of demand? In this issue of ACROSS, we take a closer look at the basics: What is the level of demand for a retail destination and its stakeholders? What roles do the individual stakeholders play, and how can they develop together with the asset?

Not only is Türkiye the traditional home of retail, but it is also a market of interest for mainstream brands and home to brands that have a strong interest in expanding into the European Market. Our Türkiye-centered focus in this issue (pgs. 54-63) not only offers an insight into this exciting market, but it's also an invitation to explore Istanbul with us in April. During our ACROSS Study Tour, April 17 -19, we will take a look at innovative retail concepts, different shopping center concepts, and will gain top-class insight, enjoy excellent networking opportunities, and listen to keynote addresses. Meetings with DeFacto and Madame Coco, two expanding brands, will be the highlights of the tour. Both of them share a great growth story in Türkiye and have big plans for Europe. We spoke with them about their expansion plans and experience in Europe, and why retail companies in 2024 should also be tech companies (pg. 58 and pg. 62).

We hope that we have the opportunity to discuss many of these topics, face-to-face, at **MIPIM in Cannes**. The ACROSS team will be there and looks forward to engaging in many conversations, seeing everyone, and making new plans. **Please feel free to contact us to schedule a meeting.**

For now, please enjoy reading our articles and interviews.

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IMAGE: ACROSS



IMAGE: ACROSS

All information about the ACROSS Study Tour, registration, and program can be found here.



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“First and Foremost, Our Focus Is on Customer Relevance” 20

“We are firmly committed to continuously raising the caliber of our malls,” says Christoph Andexlinger. The SES CEO explains why reliability and the continuous development of quality and offers are the best paths forward.

The Importance of Retail Mix: Some Pointers from the Outlet Industry 24

Consumer criticism of shopping centers is nothing new, states Ken Gunn, Managing Director of Ken Gunn Consulting. He has reported survey-based dissatisfaction with the proposition, branding, and management of shopping centers for 30 years.

Playtime, Why boring Conventions in Retail Must Be Challenged 27

Why has our industry been so willing to settle for boring? Asks Cindy Andersen, Managing Director at Ingka Centres. To stay relevant, we must evolve as an industry.

The Inconvenient Truth of Customer Satisfaction and Memorable Experiences in Retail Spaces 30

It is a complex task to ensure project profitability. “However, in an ever-growing and competitive landscape, it is crucial to establish distinguishing factors that are recognizable and to embrace them wholeheartedly,” states Will Odwarka, CEO of Heartatwork Hospitality Consulting.

Focus on People – How Attractive Is It to Work in Retail? 32

The labor market situation in the European retail sector has continued to worsen. Meanwhile, companies are under increasing financial pressure, consumer sentiment is declining, and online retail is gaining strength, explains Manuela Lindlbauer, Owner of Lindlpower Personalmanagement.

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The obvious task to satisfy customers, business partners and stakeholders is: Get your customers to return to your locations. Differentiation, positioning and a clear focus on people, are crucial.

“Top Secret: ... the Cycle of Success in the Real Estate Industry.” 8

It is time to reveal the secret of success in retail real estate, or rather to remind those who may have forgotten it, says Klaus Striebich, Managing Director of RaRE Advise and Head of the ACROSS Advisory Board.

2024 Will Mark the Gradual Resurgence of Transaction Markets 10

In historical comparison, 2024 may be another relatively quiet year for transactions, says Steffen Hofmann, Managing Partner at ambas. However, the prospect of more moderate interest rates means that a number of players are taking a much more positive view of the future.

Re-Inventing Shopping Places 14

How can shopping places become “future ready” by responding to the rapidly changing retail landscape and the future behaviors and expectations of their audiences? An analysis by Ibrahim Ibrahim, Managing Director of Portland Design.



IMAGE: NEAT

We Must Remind Customers How Great It Is to Shop In-Store 18

The ACROSS Advisory Board discussion in Cannes shed light on a pressing issue - the need to re-educate consumers about the value of physical shopping experiences. Ben Chesser, CEO of Coniq, shares his view on the matter – a PropTech perspective.





“For Us, Service Means Clarity, Efficiency, and Simplicity” 36

Angelus Bernreuther, Head of IR at Kauf-land Stiftung & Co. KG, explains how Kauf-land uses technology to personalize its stores and individually address customers.

Redevco: The Potential of Iconic Building for the Highstreets of Paris 40

With the Boulevard Haussmann and Rue de Rivoli projects in Paris, Redevco shows how iconic buildings can be transformed into innovative shopping destinations.



IMAGE: REDEVCO

“Data Continues to Be the Gateway to Better Consumer and Catchment Insights” 44

Shopping center investors and managers are increasingly concerned about the role of their assets, the value and experience they deliver, and how they can resonate in a digital age, argues James Miller, Director of Pragma.

Revolutionizing Retail: How AI Is Unveiling Hidden Market Realities and Reshaping the Future of Placemaking 48

Rising digitalization, climate change and political and economic instabilities are leading to societal changes that profoundly manifest in altered consumer behavior, explains Oliver Zügel, Chairman GALLUP Swiss & Board Member at evAI.

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NEPI Rockcastle is to invest around 600 million Euro in its development and asset refurbishment pipeline to meet strong demand from retailers.

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De Facto: “Our global success is based on our ability to offer local values” 58

Our new playground for the last two years has been Europe, states Serdar Ersoy, the General Manager of DeFacto's Alternative Sales Channels and Business Development. Since 2021 DeFacto is expanding throughout Europe.

“Versatility in Design and Strategy: Madame Coco” 62

Madame Coco is following an ambitious expansion plan. Vice Chairman Cem C. Işık explains the strategy and why the expansion plan includes establishing physical retail stores and integrating e-commerce operations.

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A survey among German institutional investors sheds light on the evolving landscape of real estate allocations and investor preferences.

New h-Our Store App Business Model Transforms Shopping Center Lease Market 66

METRO PROPERTIES has developed h-store: Through the completion of minimal formalities, all online, new tenants have the opportunity to present their offerings at well-established and renowned locations.

Shopping and Food Experience @ The Nine Streets, Amsterdam 70

Retail Shop Tip by Heidemarie Kriz

MANAGEMENT

Leading the Green Path in 2024: Dos and Don'ts for the Real Estate Industry 72

There is no better time to commit to ensuring and upholding a sustainable business, says MPC Properties. Focusing on the future is challenging, but rewarding.



IMAGE: MPC PROPERTIES

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What the industry expects from 2024.

