

Exporting U.S. Retail Designs To India

Gumberg Global and tvsdesign are bringing new malls to India.

Mark Carter

India has a strong retail tradition and an economy that is growing as quickly as any in the world, but this huge Asian country does not have a tradition of “organized retail,” especially the big malls and shopping centers common in Europe and the United States.

Gumberg Global, the international division of shopping center developer J. J. Gumberg Co., plans to change that, partnering with U.S.-based global architectural and design firm tvsdesign to bring new high quality, western-style retail destinations to India.

“With rising per capita income, a surging middle class and a young population, India is an attractive market,” says B. Anantharaman, managing director and chief executive officer of Gumberg India, Gumberg Global’s India-based operating company. “But India lacks a strong ‘organized’ retail presence. Estimated at more than \$600 billion in 2010, retail in India is dominated by small retail stores that average less than 500 square feet per store.

“According to recent statistics, organized retail in India comprises only 5 percent of the entire retail industry, versus 85 percent of all retail sales in the United States. Indian retailers and consumers

have reacted positively to well-designed and leased malls, so they represent a significant opportunity.”

India population data would suggest Gumberg Global’s investment will pay off handsomely. Disposable incomes are rising in India and domestic consumption rates are accelerating rapidly. Strong demographics support continued growth – 50 percent of India’s population is under the age of 25. At the same time, consumers are demanding more choice and more sophisticated products and the Indian government recognizes the need for foreign investment to sustain growth. As a result, foreign retailers increasingly are exploring and entering the market, seeking international quality retail space because most retail centers in India lack quality and sophistication in planning and design, as well as in retail operations.

India has only about 100 malls, most of which do not conform to the western style horizontal layout. Gumberg Global and tvsdesign plan to launch three more in 2012, with a total of almost 4 million square feet of retail space. “Gumberg’s strategy is to develop about 20 regional and super regional malls across India over the next 6 to 7 years,” Anantharaman says.

“Initial concentration is in top 12 markets with the greatest potential.”

Gumberg India focused on the northern region of Punjab for its first mall, The North Country Mall, which will open in 2012 in Mohali, outside of Chandigarh. Gumberg Global is developing the North Country Mall in a 50/50 partnership with Apollo Real Estate Advisors.

Gumberg Global envisions developing its next regional malls in other Tier I cities throughout India in 2012, collaborating with top retail anchors to identify and evaluate appropriate sites within the target markets. The company estimates that the three projects represent a total investment of approximately \$570 million, and comprise approximately 3.8 million square feet of retail mall space.

Gumberg India believed that Chandigarh was the ideal place to build its first and flagship mall.

“The Chandigarh/Mohali region is the second largest agglomeration in Punjab, with a metropolitan trade area of 2 million inhabitants,” Anantharaman says. The city is among the wealthiest and fastest growing cities in India with the highest per capita income. Mohali is a planned city with an excellent infrastructure system and a young and upwardly aspiring population.

Approximately 8 months away from opening, the North Country Mall is regarded as one of the best upcoming malls in India, having pre-leased nearly 85 percent of its 280 outlets to prominent international retailers.

“It took some time for the large retailers to make that paradigm shift in accepting that a large regional mall with a strong an-



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The North Country Mall will open in the northern part of Punjab, India, in winter 2012. Nearly 85 percent of the mall is pre-leased to international retailers.



sis on creature comfort and providing a hospitality experience at North Country with the same kind of amenities you'd find at a fine resort. We have planned a number of social gathering areas and services like concierge and a VIP arrival area. We want to provide quality of design in both appearance and execution. There's going to be something for everyone to enjoy."

"The key features of the mall design strategy sets North Country apart from other Indian malls and is similar to U.S. malls," explains Anantharaman. "For instance, our emphasis is on creating a uniquely fun and exhilarating shopping experience, featuring high ceilings and wide corridors, multiple points of access, ample parking for current and future needs, ease of customer traffic flow, distinctive and inviting storefronts and eye-catching architectural elements.

"Our mall will feature grand drop-off points, large surface parking fields and expansive central atriums which will provide distinctive branding and leasing opportunities, as well as ample public space for community-centered events."

Committed retailers include Marks & Spencer, Reliance Mart, Shoppers' Stop, Lifestyle Home Centre, Reliance Footprint, Reliance Timeout, Trends, Kapsons, Store 99, Pure Homes + Living and Fun City. The mall also will feature just the second ZARA outlet in Punjab, and for the first time in India, five Zara stand-alone concepts: Massimo Dutti (Fashion Apparel); Stradivarius (Fashion Apparel); Pull & Bear (Fashion Apparel); Bershka (Fashion Apparel) and Oysho (Lingerie).

"The mall design makes tenants an integral part of the overall atmosphere," Childs says. "For example, the interior architecture accommodates taller storefronts so that the tenants can express their brands to full advantage. Also, we designed larger spaces with grander corridors and large volumes of space, which are popular in the West and China.

"We believe the higher ceilings make North Country more expressive and wide walkways will give customers a feeling of comfort. Great sightlines help in leading from one level to the next. The end result is attracting international brands to be a part of this innovative experience. And their participation drives the success of the mall."

Poised to be the largest in Punjab, the North Country Mall is situated on 21.6

The mall is in one of the wealthiest, youngest and fastest-growing cities in India. Retailers will be grouped according to similarities in merchandise and price point.

chor to 'vanilla' store ratio would drive the footfalls and translate into higher revenues for them," Anantharaman says. "They are now completely on board and our Mohali mall will have the country's largest hypermarket, multiple large anchor department stores, a very large food court and the only IMAX Theater in Punjab."

"The North Country Mall will be a flagship development, a regionally dominant horizontal mall, bringing a western style product to the market," Anantharaman declares. "Anchored by the finest do-

mestic and multinational tenants in the country, it will have an unwavering focus on anticipating and meeting the needs of consumers."

A long-time Gumberg International partner, global architecture and design firm tvsdesign was given the task of translating Gumberg's vision into reality.

"We want to create a new standard in the customer experience with this project — similar to malls in the United States," says tvsdesign Principal Donna Childs. "We call it 'resort retail,' with an empha-

Poised to be the largest in Punjab, the North Country Mall is situated on 21.6 acres along the busy Chandigarh-Kharar National Highway in Mohali. Construction began in July 2010 and when it opens in the fourth quarter of 2012, the mall will feature a total of 1.03 million square feet of built-up area and more than 750,000 square feet of gross leasable area.



tvsdesign, the global architecture and design firm for North Country Mall, incorporated the colors native to Punjab's flowers, fruits and vegetables into the color palette of the mall's interior design.

acres along the busy Chandigarh-Kharar National Highway in Mohali. Construction began in July 2010 and when it opens in the fourth quarter of 2012, the mall will feature a total of 1.03 million square feet of built-up area and more than 750,000 square feet of gross leasable area. More than 325,000 square feet is reserved for anchor tenants and 255,000 square feet for smaller retailers. There will be parking for 3,000 cars.

A popular feature will be the impressive 160,000-square-foot food court, with a spectacular outdoor party/entertainment balcony and fine dining outlets, as well as traditional quick-service restaurants.

In addition, there will be several youth and adult entertainment options, notably a nine-screen 1,800-seat multiplex, including an iconic IMAX theater. To reflect the character and culture of India, the design scheme includes many areas for local community celebrations and festivals, including an outdoor plaza, amphitheatre, and outdoor food court terrace – all planned as social gathering places.

Childs cites a number of key western style design and planning elements that will make North Country stand out from existing regional malls:

- Larger store formats for brands.
- Zonal retailing and merchandising,

common in malls in the west, which locates like tenants near each other for greater synergy and convenience.

- North Country Mall vertically “stacks” different price points and merchandise zones on different levels – a practice seldom seen in western malls that permits a broader retail selection on a smaller geographic footprint.

- A design that breaks the solid portions of the building apart, adding glass between them to visually connect with the outside.

- Re-inventing the food court. Instead of the traditional food court formula, North Country’s is designed to be a better dining environment – more sophisticated, and an intentional shift away from the feeling of a massive cafeteria.

North Country also is designed to reflect its setting. “Punjab is the most colorful area in India,” explains Childs. “From clothing to flowers, fruits and vegetables, it is an amazingly colorful area. We have taken Punjab’s bright color palette and integrated it into interior design elements like lighting fixtures, fabrics and graphics – the whole interior celebrates color.”

And the environment has not been overlooked in designing and building North Country. “We plan to make best use of land and orientation, capitalizing on be-

ing sustainable,” says Childs. “A conscious effort has been made to bring light into the building carefully so that we reduce the heat load. Openings in the buildings are oriented to the east to minimize heat gain in the interior space. Clerestory windows and vertical glass panels have been incorporated throughout with relatively few skylights used in the design. Glass is insulated with a film that minimizes heat. The mall’s white roof reduces the heat island effect as it reflects light, instead of absorbing heat.”

Collaboration with local architects and designers has been the hallmark of tvsdesign projects around the world, and India is no exception. The company has built relationships on mall projects in other countries and with North Country has begun to build similar relationships in India.

“Our local team members in India understand codes and procedures and are licensed professionals,” Childs explains, “so collaboration is crucial to the success of this project and future India projects.”

“There are trade-offs to working in India, as in any country,” Childs continues. “Hand craftsmanship is affordable in India but very expensive in the United States and Europe. On the other hand, some materials we normally use are unavailable or very expensive in India. Our local team members help us devise alternatives that maintain the quality and safety of the project.”

“Obviously we had a huge vision for the North Country Mall and we sought an internationally known architecture and design firm that was comfortable working in India and could handle the scale of this project,” says Gumberg Global Chairman Gregg Searle. “tvsdesign has a wide range of experience doing large-scale retail and entertainment projects. But they also understood that in the North Country Mall we intend to set a new standard for retail projects in India, and indeed the whole of Southeast Asia. We need an architecture and design firm that can dream as big as we, and are able to deliver on that dream.” **SCB**

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This article originally appeared in *Shopping Center Business*, May 2012.

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