



Singapore
Clash of suburban malls old and new

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A new wave of shopping centres in the suburbs has hit older malls in those places hard. JCube in Jurong East, Bedok Point, Holland V Shopping Mall and Holland Road Shopping Centre are seeing falling footfall and the departure of tenants. Consumer Correspondent Jessica Lim and Jermyn Chow check out the scene.

HOLLAND VILLAGE: Old centres no match for breezy newcomer

AFTER more than a decade in Holland Village, cheongsam-maker Brigid Pang made the painful decision to move out and set up shop at the nearby Star Vista mall last August.

Faced with dwindling crowds and the fading popularity of Holland Village, Ms Pang said she was left with no choice but to take her business, The Cheongsam Shoppe, elsewhere.

Compared to its peak in the early years, footfall to her boutique in Holland V Shopping Mall had more than halved, with sales plunging by 10 per cent to 15 per cent.

"We might not have survived if not for our regular customers," she said. "The place was looking old and hardly anyone came in."

Ms Pang is among at least five tenants who have moved out of the 12-year-old mall as it undergoes a facelift.

While some went to the iconic Holland Road Shopping Centre next door - which is also facing slowing business - Ms Pang picked Star Vista. The mall in Buona Vista has been a crowd-puller since it opened in 2012.

A check with 10 of Star Vista's tenants found them doing brisk business, with many reporting that sales have gone up by about 15 per cent since they opened.

Ms Pang said she is seeing more walk-in customers, mostly professionals from the one-north business park and tech hub.

"It's a lot livelier here... lunch time is usually my busiest period," she said.

More than half of Star Vista's tenants are dining outlets.

Home-grown coffee brand Owl's flagship cafe has seen foot traffic and sales double since 2012, said its operations manager Jeremy Tang.

"It is always full-house and we sometimes do not even have time to go to the toilet," he said.

Shoppers said they like the roomier and breezier Star Vista. The 800-plus parking spaces in its basement are another draw.

Said business development manager Jolyn Chua, who goes to Star Vista at least once a week to shop for groceries and have lunch: "I never have to wait more than 10 minutes to get a lot. Parking in Holland Village is a nightmare. I can wait for 15 minutes and still not get a lot."

Although Holland Village has lost some of its lustre, many tenants there say they will stay on for their regular customers.

Others are pinning their hopes on a revival of the area, with the opening of the Holland Village MRT station and efforts by mall owners to add buzz to the place.

Owners of units at Holland Road Shopping Centre, for instance, are slashing rents, shortening leases, and spending on refurbishment. These moves seem to be paying off - the mall said some 90 per cent of its units are leased out.

Ms Juliet Heng, who owns J&N Jewellery at Holland Road Shopping Centre, said: "(Here), people can still find interesting things, like trinkets, furniture, art and antiques. We do not want to lose this charm."

jermync@sph.com.sg

limjess@sph.com.sg

JURONG: Losing to neighbours despite a year's head start

WALK through JCube mall in Jurong East on a weekday during lunchtime and the crowd is thin.

Tenants such as ice-cream chain Marble Slab and chicken joint Nando's are empty except for a few teenagers. Lesser-known brands and niche product retailers are barely keeping afloat.

Business took a beating when two new malls - Jem and Westgate - opened across the road, boasting popular brands such as L'Oréal frozen yogurt, Ippudo, 4 Fingers Crispy Chicken, Victoria's Secret, Sephora and H&M.

Jem opened in June 2013, followed by Westgate in December the same year. JCube, which had opened in April 2012, had a year's head start and swift business.

But it all changed when the rivals came, said JCube retailers. Even brands that made Singapore debuts at the mall to fanfare - lifestyle store Francfranc, Italian restaurant Capricciosa and cafe Nana's Green Tea - have quit.

Others may soon follow suit.

The JCube branch manager of Australian rock candy brand Sticky, Mr Mon Andal, 29, said business has fallen by about half since the two new malls opened.

It will be moving out of JCube soon, he said.

Caesars, which sells replica weapons, will also be gone when its lease ends in April, said store assistant Shawn Wong, 40. It has been at JCube since it opened.

Health retailer Holland & Barrett and fashion brand Levi's will move out when their leases are up - unless their rentals are cut.

Across the street, Jem and Westgate teem with people on a weekday afternoon.

In terms of sales, fashion brand Colette's Westgate outlet is on a par with its Orchard Road stores, said marketing executive Charlotte Leo. "We expect business to get even better when the new hotel and hospital open."

Genting Singapore Hotel and Jurong Community Hospital are slated to open this year.

Leases for some tenants at JCube have been cut to between three months and a year, from the typical three years - a sign of troubling times, said retail experts contacted by The Straits Times.

Ms Teresa Teow, CapitaMalls Asia's Singapore head of retail management, said some leases were kept short to give the mall the flexibility to continually refresh retail concepts throughout the year. Shopper traffic at JCube has remained stable, she said.

Statistics from CapitaMalls Asia, which owns Westgate and JCube, show JCube attracted an average of 1.26 million shoppers a month in 2013. Westgate had 3.4 million shoppers in its first month. Lend Lease's Jem has an average shopper traffic of more than 2.5 million a month.

Singapore Polytechnic senior retail lecturer Sarah Lim said JCube is positioned as a mall for youngsters, but such a market "is notoriously difficult to target".

Meanwhile, youngsters such as Valerie Chua, 16, have voted with their feet. The Bukit Batok resident used to visit JCube twice a month for meals. She now heads to the new malls. "There are more clothes shops, food and (other things) at the new malls."

BEDOK: Survival hinges on keeping regular customers

WHEN Bedok Point opened in December 2010, there was much excitement among residents of the area, one of Singapore's oldest residential estates.

The four-storey mall, developed out of the old Bedok and Changi theatres, has small speciality shops as well as food and beverage outlets.

Four years later, however, survival at the mall seems to hinge on snagging that regular customer. Tenants blamed it on the onslaught of competition - Bedok Mall opened 300m away in 2013 and the new Bedok Hawker Centre opened late last year.

Eateries Kungfu Paradise and Sushi Tei closed last year, while Subway and Ayam Penyet Ria moved to Bedok Mall. Pasta Mania's Bedok Point outlet manager Grace Tadeo said sales have halved since Bedok Mall opened. Bedok Point owner Frasers Centrepoint Trust helps them with promotions, Ms Tadeo added, but "it doesn't seem to work". The outlet serves an average of 80 diners a day.

At Owl Cafe, business has fallen 35 per cent since the hawker centre opened. "Our customers can get whatever they get at our outlet at nearly half the price at the hawker centre," said operations manager Jeremy Tang.

But tenants with regular customers are keeping their heads above water.

Mr Wince Goh, karaoke chain K Box Bedok Point's captain, said they are unaffected, as it is the only K Box outlet in the east. "We (even) attract people from Tampines," he said.

Music school Cristofori saw only a slight dip in walk-in customers, while massage chain Chen Kang has stable sales. At learning centre Mind Stretcher, enrolment has not been affected.

Over at Bedok Mall - directly linked to Bedok MRT station, the upcoming Bedok Residences condominium and Bedok bus interchange - business seems brisker. Mr Jimmy Woo, 32, manager of Crystal Jade's C-Jade HK Cafe IN, said "business is good". The eatery serves about 170 diners per day on weekdays and around 250 diners a day on weekends.

Said Mr R. Dhinakaran, managing director of Jay Gee Melwani Group, which manages apparel store Denizen and health food retailer Holland & Barrett here: "So far, sales have been reasonable."

Dr **Lynda Wee**, an adjunct associate professor specialising in retail management at Nanyang Technological University, said a mall's accessibility and tenant mix are crucial. "People come out of the train and Bedok Mall is in their line of sight. Bedok Point doesn't have that," she said, adding that the tenant mix at Bedok Mall is stronger with Popular book shop and FairPrice Finest supermarket.

Bedok Point's centre manager Angela Wu said it works with tenants to develop promotions such as meal deals and festive campaigns, she said.

Housewife Mary Goh, 35, when asked what would draw her to Bedok Point, said: "A cinema. There is no cinema near us."

Cheongsam-maker Brigid Pang (above) has moved to Star Vista after more than a decade at Holland V Shopping Mall as sales had been suffering at the older mall. -- ST PHOTO: ONG WEE JIN

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