Retail vacancy in inner cities

The importance of area and object characteristics

P5-presentation - Draft

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REM-lab: Adaptive Reuse – A Sustainable Real Estate Strategy

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Content

- Introduction
- Problem statement
- Goal
- Research questions
- Scope
- Method

Research design

- Conceptual model
- Theoretical frame
- Literature research

Theory

- Experts interviews
- Delphi research
- Case study

Empirical

- Conclusion
- Recommendations

Results

- Planning

Introduction

NOS | Nieuws | Sport | Uitzendingen | TELETEKST | AEX | 0 km | 13° | meer

Sinds begin crisis 22.000 winkels minder

VANDAAG, 05:27 ECONOMIE

Een winkel van de failliete kledingketen Mexx in Haarlem ANP

Sinds het begin van de economische crisis in 2008, zijn in Nederland zo'n 22.000 winkels verdwenen, het overgrote deel na faillissement. Aan het eind van dit jaar zijn er nog circa 90.000 over. Dat heeft marktonderzoeker Q&A berekend.

GESCHREVEN DOOR
Jeroen Schutijser
Verslaggever economie

Afgelopen jaar gingen bijvoorbeeld landelijke ketens als Mexx, Halfords, Henk

Vacancy

Changing consumer behaviour

Problem statement

The Netherlands has witnessed an increase in retail vacancy. In comparison to office vacancy retail vacancy has an impact on area level at much lower vacancy rates.

The requirements for inner city retail space from both consumer and retailer forms a potential explanation for the increased vacancy rate in some areas. However the relationship between area and object characteristics and vacancy is unclear.

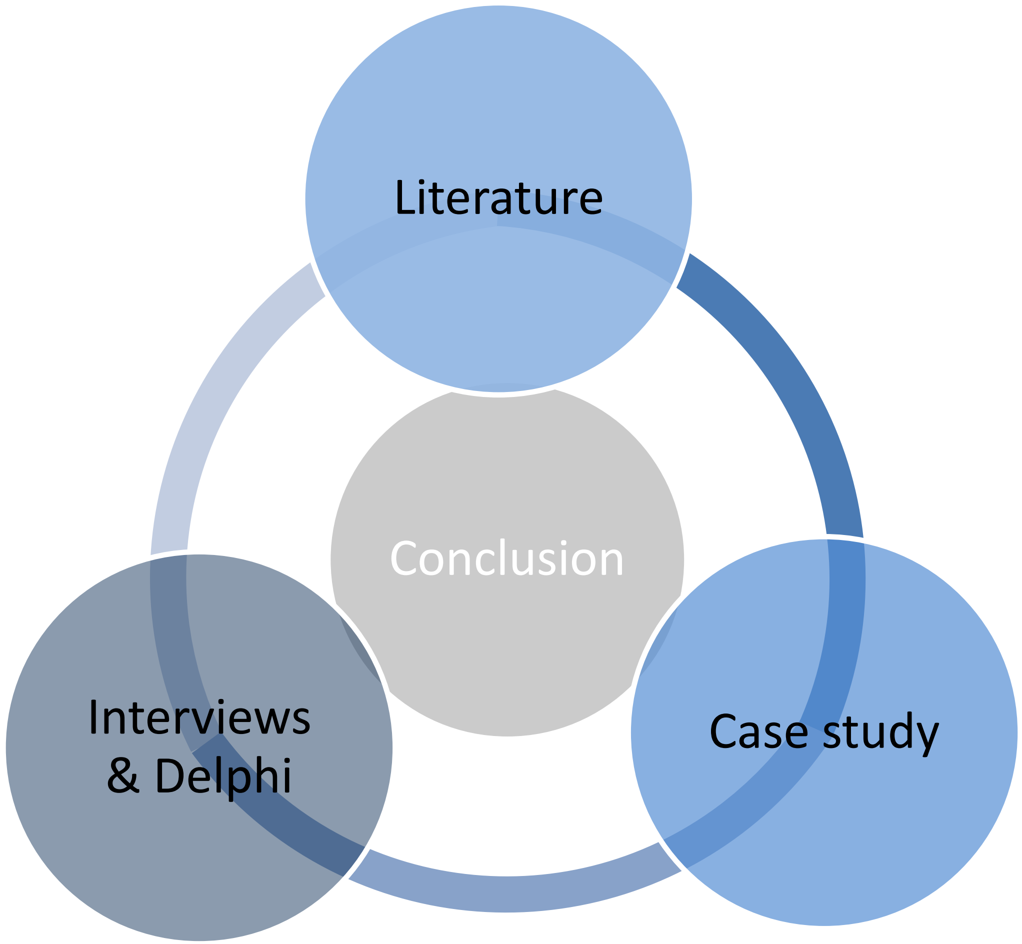
Research Questions

Main research question: How are area and object characteristics related to vacancy in Dutch inner-city retail space?

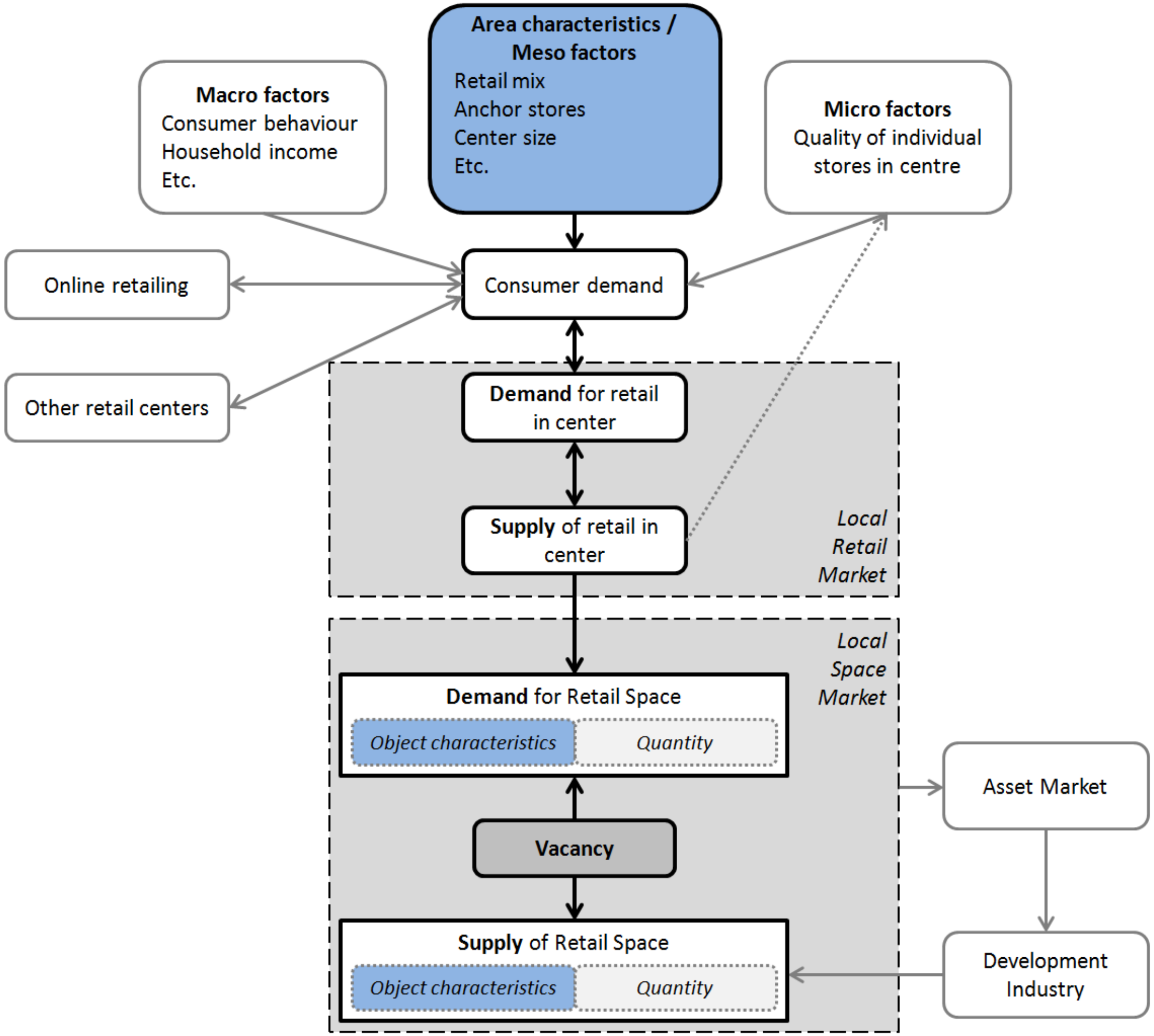
Sub research questions:

- Q1: What is the cause of retail vacancy; what role do area and object characteristics play?
- Q2: What area and object characteristics are driving the demand for inner city retail space?
- Q3: Is there a relation between area characteristics and vacancy in the selected case areas?
- Q4: Is there a relation between object characteristics and vacancy within the selected case areas?

Methode



Conceptual model



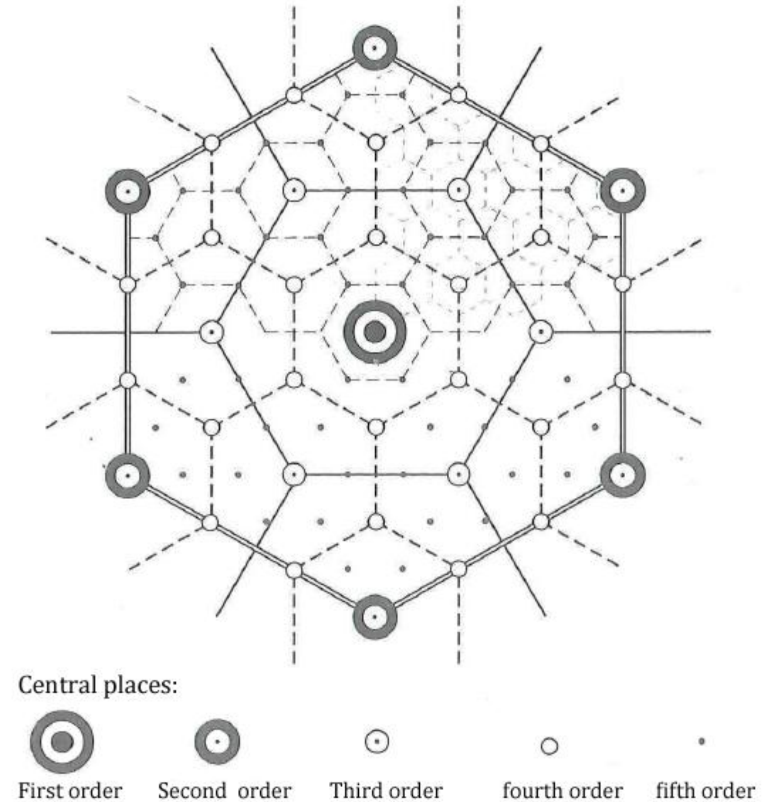
Theory

Vacancy on the retail market

- Increased competition
- Oversupply vs Demand drop
- Replacement market

Theoretical frame

- Urban hierachy
- Retail centre attractiveness
- Shopping motives



Christallers central place theory, source: Bolt (2003)

Retail agglomerations

Retail stores

Empirical

Nine semi structured interviews

Karen Strijker
Deputy Director
DTZ Zadelhof

Sander van Oss
Deputy Director
Multi Vastgoed

Bert Enting
Architect / Owner
GDAi architects

Jasper van de Weerd
Owner / co owner
NesVast / Kaufhaus

Maarten van Lit
Managing Director
LMBS Retail

René Vierkant
Director retail investments
Syntrus Achmea

Patricia Bos
Asset-/Development manager
GREEN real estate

John Vos
Director real estate
Blokker Holding

Peter Nieland
Director
Locatus Nederland

Delphi ranking approach

Delphi onderzoek winkelvastgoed - Afstudeeronderzoek L van der Wal, TU Delft

Gebiedsfactoren

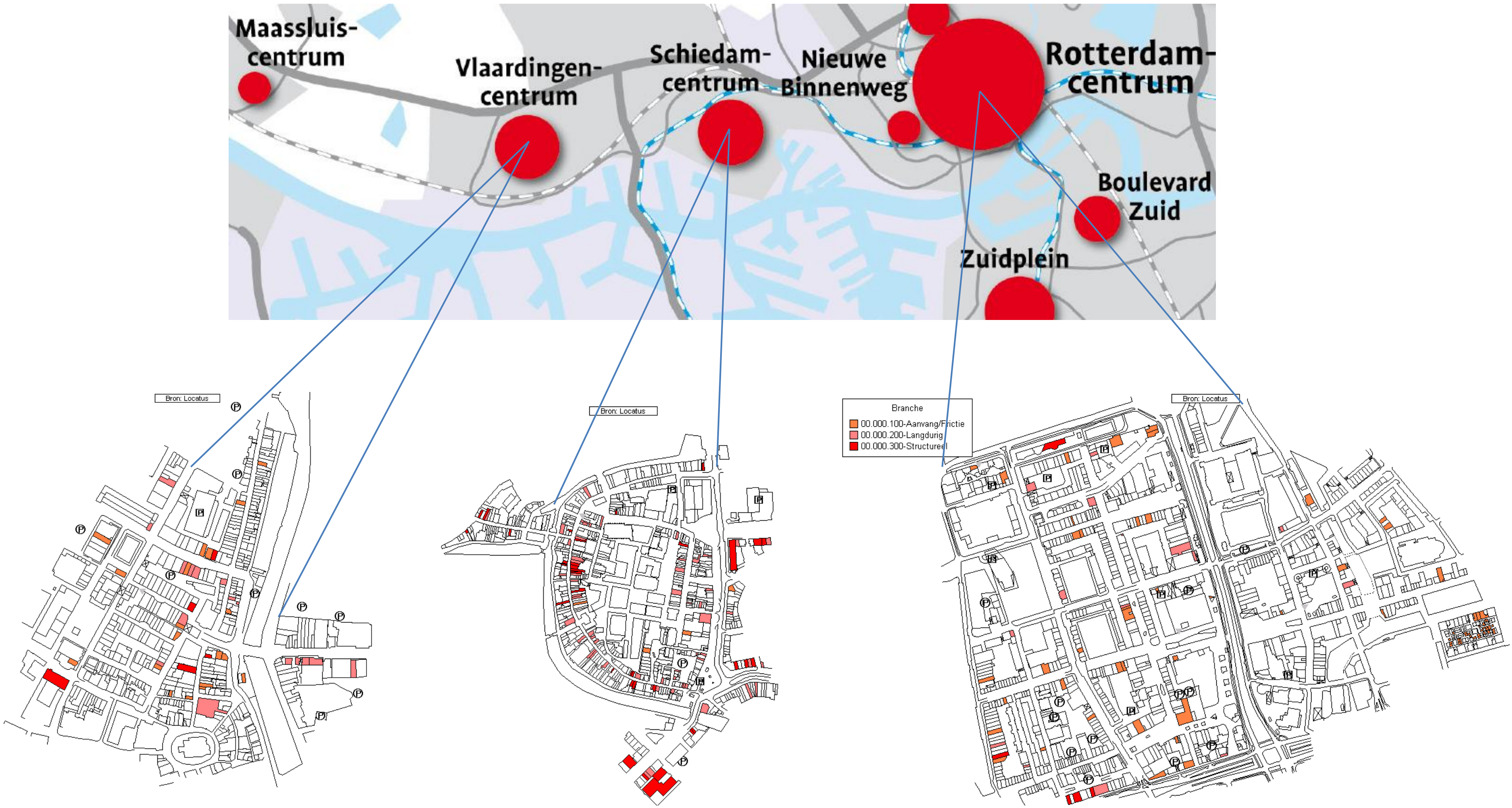
***2. Aan welke eisen dient een winkelgebied te voldoen om aantrekkelijk te zijn voor de consument?**

Hiermee wordt een winkelgebied bedoeld dat succesvol consumenten aantrekt, waar de consument graag terugkomt, lang verblijft en zijn Euro's uitgeeft.
Nogmaals, het gaat hier om centrale winkelgebieden vanaf 200 winkels; de 53 grootste centrale winkelgebieden. Dit zijn de stadcentra van de grote en middelgrote steden in Nederland.

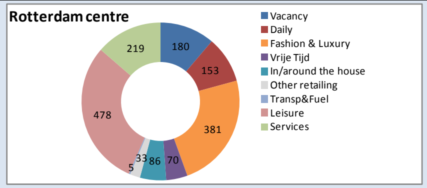
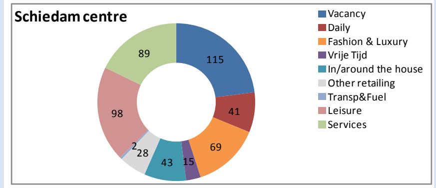
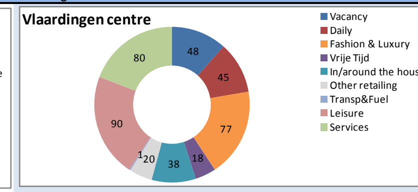
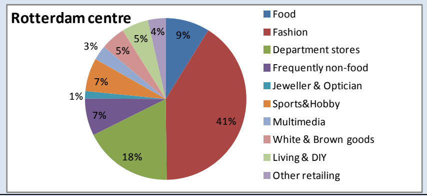
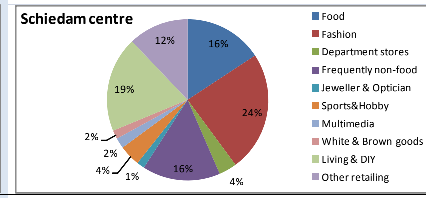
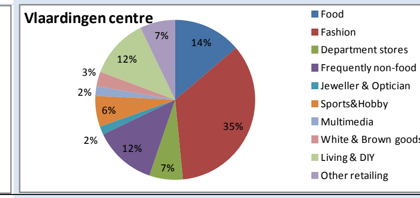
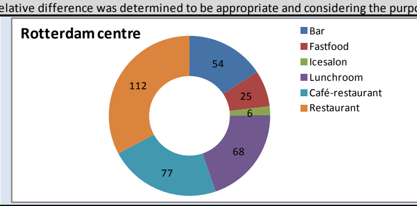
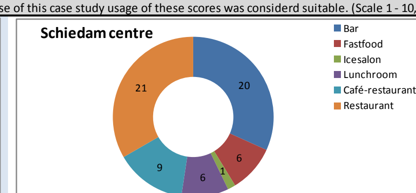
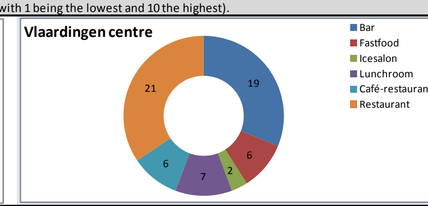
Rangschik de onderstaande factoren op volgorde van belangrijkheid: van meest belangrijk bovenaan (positie 1) tot minst belangrijk onderaan (positie 15).
(De rangschikking kan worden gemaakt door het verslepen van de factoren naar hun positie in de ranglijst, de positie in de ranglijst kan ook handmatig ingevoerd worden door middel van het selectie vakje voor de factor)

- **Functie menging:** De mix van stedelijk leven; van woningen tot voorzieningen zoals een theater, bibliotheek, bioscoop, et cetera.
- **Sfeer:** De perceptie van de sfeer in een winkelgebied bijvoorbeeld beïnvloed door geur, temperatuur, licht, netheid en architectuur.
- **Grootte van winkelgebied:** De grootte van het winkelgebied uitgedrukt in het aantal winkels.
- **Oriëntatie:** Zoekgemak en oriëntatiegevoel in het gebied.
- **Historische elementen:** Of het winkelgebied gelegen is in een historische binnenstad.
- **Gevelbeeld:** Het ontwerp en materialisatie van de straatgevels in het gebied en de variatie hierin.
- **Openbare ruimte en faciliteiten:** Het geheel van publiek toegankelijke ruimte en de invulling hiervan: straten en pleinen, bestrating, groen, straatmeubilair, openbare toiletten, en andere faciliteiten.
- **Horeca:** Het aanbod aan eet- en drinkgelegenheden in het winkelgebied.
- **Trekkers:** De aanwezigheid van trekkers. Dit zijn veelal grootschalige winkels van winkelketens die een sterke trekkracht uitoefen op de consument. Voorbeelden hiervan zijn Primark, Bijenkorf en Zara.
- **Markten en evenementen:** Markten, evenementen en overige activiteiten georganiseerd in het winkelgebied.
- **Retail mix:** De variatie in het type winkels; variatie in branchering (type product dat wordt verkocht) en variatie in prijs en kwaliteit (van goedkoop tot hoogsegment).
- **Bereikbaarheid en parkeren:** De bereikbaarheid van het winkelgebied voor de verschillende vormen van mobiliteit (auto, openbaar vervoer, fiets, etc.) en parkeerfaciliteiten.
- **Routing / lay-out:** De lay-out van het winkelgebied: het stratenpatroon, de verdeling van de verschillende winkels en de plaatsing van horeca faciliteiten.
- **Veiligheid:** Het overall gevoel van veiligheid in het gebied.
- **Aanloopgebied:** De aanwezigheid van een zwerfmilieu; een gebied buiten de hoofdwinkelstraten met verrassende en andersoortige winkel formules, veelal zelfstandige winkeliers.

Case study


Maassluis-centrum
Vlaardingen-centrum
Schiedam-centrum
Nieuwe Binnenweg
Rotterdam-centrum
Boulevard Zuid
Zuidplein
Bron: Locatus
Bron: Locatus
Branche
00.000.100-Aanvang/Frictie
00.000.200-Langdurig
00.000.300-Structureel
Bron: Locatus


PassantenKlasse
nvt
_0 <= PASSANT < _5000
_5000 <= PASSANT < 10000
10000 <= PASSANT < 15000
15000 <= PASSANT < 20000
20000 <= PASSANT < 25000
25000 <= PASSANT < 40000
40000 <= PASSANT
Bron: Locatus
PassantenKlasse
nvt
_0 <= PASSANT < _5000
_5000 <= PASSANT < 10000
10000 <= PASSANT < 15000
Bron: Locatus
PassantenKlasse
nvt
_0 <= PASSANT < _5000
_5000 <= PASSANT < 10000
10000 <= PASSANT < 15000
Bron: Locatus
Formule
(Zelfst/nvt)
Bron: Locatus
Formule
(Zelfst/nvt)
Bron: Locatus
Formule
(Zelfst/nvt)
Bron: Locatus
Hoofdbranche
22.040-Kleding & Mode
22.050-Schoenen & Lederwaren
Bron: Locatus
Hoofdbranche
22.040-Kleding & Mode
22.050-Schoenen & Lederwaren
Bron: Locatus
Hoofdbranche
22.040-Kleding & Mode
22.050-Schoenen & Lederwaren
Bron: Locatus

Factor	Indicator / raw variable	Value / *Note*	Rotterdam centre	Schiedam centre	Vlaardingen centre
1. Retail mix	**1.1 Distribution by product group**	By number of outlets incl. vacancy [1]			
		By retail floor area excl. vacancy [2]			
	1.2 Presence of retailchains	Independet retailers	376	143	121
		Chain outlets	352	55	78
		Percentage of chain outlets	48,4%	27,8%	39,2%
		Number of chains	205	51	72
		Average number of stores per chain	1,72	1,08	1,08
2. Anchor stores	**2.1 Presence of fashion anchors**	H&M, ZARA, Bershka, Mango, Primark	H&M, ZARA, MANGO, Bershka	H&M	H&M
	2.2 Presence of departmentstores	HEMA, V&D, Beijenkorf	HEMA, V&D, Beijenkorf	HEMA	V&D, HEMA
	2.3 Presence of other retail anchors	Action, Mediamarkt	Mediamarkt	Action	Action (located just outside the centre)
3. Parking & Accesibility	**3.1 Parking facilities**	Garages within 500m radius	Schouwburgplein (730 spots), Sint Jacobsplaats (548 spots), Kruisplein (760 spots), Weena (480), Plaza (470), Groothandelsgebouw (172 spots), De Beijenkorf (460 spots), Koopgoot (435 spots), Beursplein (435 spots), Sint Luciastraat (300 spots), Kruiskade (275 spots), Lijnbaan (540 spots), Markthal (1042 spots), WTC -V&D (350 spots)	ABC-garage (325 Spots), Nieuwe passage (280 Spots), Stadserf (90 spots) + parking on street, Plantage (approx 140) + Openparking, Buitenhavenweg (approx 160)	Liesveld (393 spots), Hoogstraat (423 spots), Stadhuis/centrum (148 spots)
		Total	6997 parking spaces; 33,2 parking spaces per 1000m2 retail floor area	995 parking spaces; 21,9 parking spaces per 1000m2 retail floor space	964 parking spaces; 22,5 parking spaces per 1000m2 retail floor space
	3.2 Parking fees	**Average based on 2,5 hours parking*	€2,8 - €4 a hour*	€0,8 - €1,5 a hour*	€1,6 - €2 a hour
	3.3 Public transport	Trainstations 1000m radius	Central Station (400m), Blaak (200m)	Station Schiedam central (650m to main retail street)	Vlaardingen centrum (850m to main retail street)
		Metrostations within 1000m radius	Central Station (400m), Stadhuis (250m), Beurs (200m), and Blaak (200m)	Station Schiedam central (650m to main retail street)	x
		Tramstations within 500m radius	Central station, Stadhuis, Beurs, Blaak, and Lijnbaan	Schiedam Broersvest (<100m to main retail street), Schiedam Koemarkt (<100m to main retail street)	x
		Busstops within 500m radius	Central station, Weena, Stadhuis, Beurs, Westblaak	Schiedam Broersvest (<100m to main retail street), Schiedam Koemarkt (<100m to main retail street)	Vlaardingen Liesveldviaduct (<100m to main retail street), Vlaardingen Westhavenplaats (<100m to main retail street)
4. Size	**4.1 Number of retail outlets**	**Excluding vacancy and services*	728	198	199
		**Excluding vacancy, incl. services*	947	287	279
5. Atmosphere	**5.1 Atmosphere score in ''Koopstromenonderzoek''**		7,6	6,8	7,3
		*Note: The factsheets that were part of the "Koopstromenonderzoek" by I&O Research (2011) were used to measure the percieved "Atmosphere". These scores are slichtly outdated however the way these scores were derived were coistend and based on a sizeable group of consumers. Based on sight visits the relative difference was determined to be appropriate and considering the purpose of this case study usage of these scores was considerd suitable. (Scale 1 - 10, with 1 being the lowest and 10 the highest).			
6. Food and beverage facilities	**6.1 Distribution of F&B facilities**	By number of outlets excl. vacancy [3]			
	6.2 Number of lunchrooms	Day-time catering	68 outlets; 9,3 per 100 retail outlets (excl. vacancy and services)	6 outlets; 3,0 per 100 retail outlets (excl. vacancy and services)	7 outlets; 3,5 per 100 retail outlets (excl. vacancy and services)
	6.3 Number of fastfood outlets	Day-time catering	25 outlets; 3,4 per 100 retail outlets (excl. vacancy and services)	6 outlets; 3,0 per 100 retail outlets (excl. vacancy and services)	6 outlets; 3,0 per 100 retail outlets (excl. vacancy and services)
	6.4 Number of café restaurants	Day-time catering	77 outlets; 10,6 per 100 retail outlets (excl. vacancy and services)	9 outlets; 4,5 per 100 retail outlets (excl. vacancy and services)	6 outlets; 3,0 per 100 retail outlets (excl. vacancy and services)

Conclusions

Conclusions

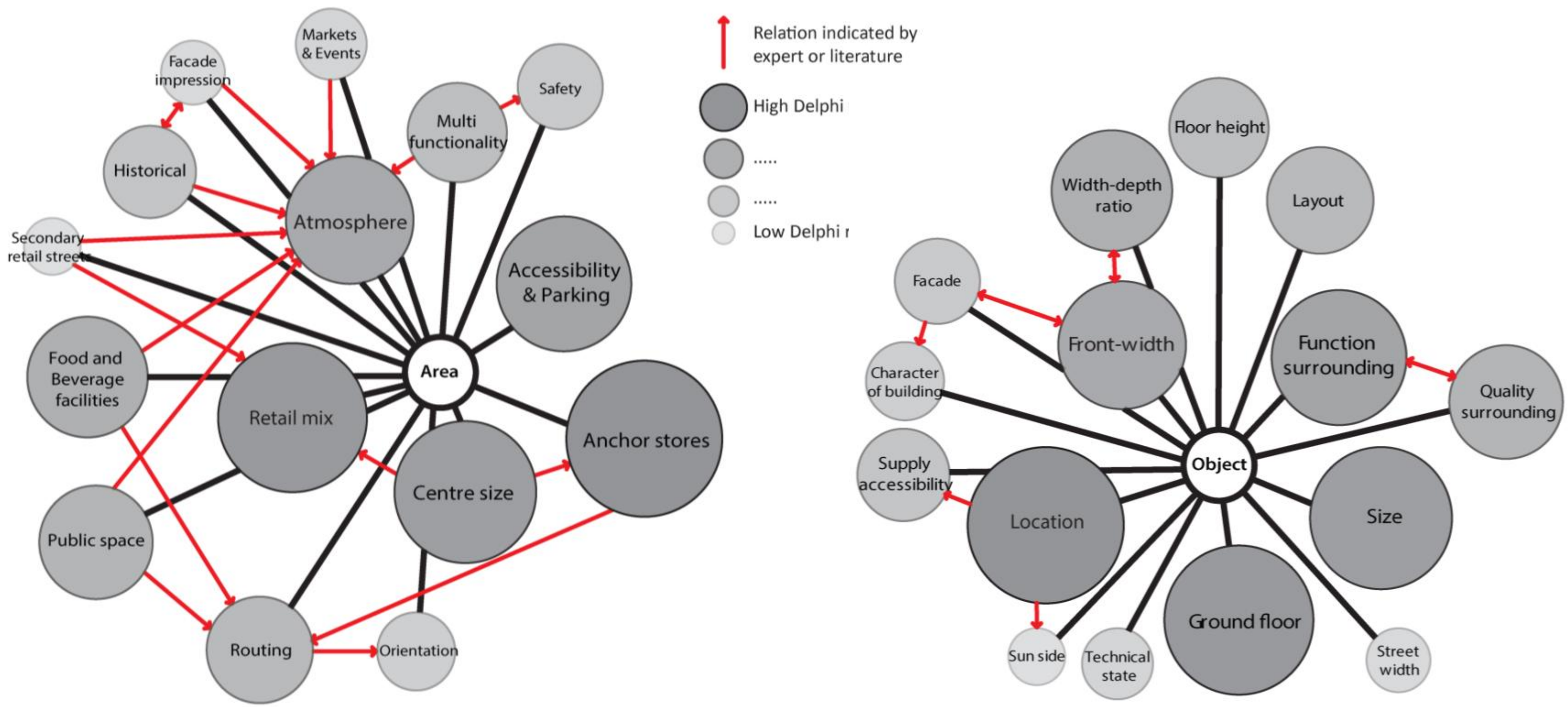
Q1: What is the cause of retail vacancy; what role do area and object characteristics play?

- While over the past decade the retail space stock was increased a number of macro factors caused a drop in the demand.
- The attractiveness of a retail agglomeration affects the ability to attract consumers, stimulate them to spend more time and eventually money, and stimulate patronage intentions.
- Attractiveness attributes determine the place of a centre in the hierarchy of retail centres.
- As an effect of the oversupply and a fall back in the demand on the retail space market retailers are in a stronger negotiation position. Experts indicate there is a replacement market within retail centres creating gaps in the retail structure, especially outside the core retail area.
- Retailers are increasingly critical concerning were to locate.
- Furthermore vacancy has a self stimulating effect since it affects both object and area factors.

Q2: What area and object characteristics are driving the demand for retail space?

Mean ranking first and second round Delphi research							
Area factors	1e round	2e round	Change	Object factors	1e round	2e round	Change
Anchor stores	2	1	↑	Location	1	1	=
Retail mix	1	2	↓	Ground floor	2	2	=
Centre Size	4	3	↑	Size	3	3	=
Accessibility & parking	3	4	↓	Function of surrounding objects	4	4	=
Atmosphere	5	5	=	Front-width	5	5	=
Food & beverage facilities	6	6	=	Width-depth ratio	6	6	=
Public space	7	7	=	Quality of surrounding	7	7	=
Routing	8	8	=	Layout	8	8	=
Multi functionality	10	9	↑	Floor height	9	9	=
Historical	9	10	↓	Supply accessibility	10	10	=
Safety	11	11	=	Facade	11	11	=
Orientation	12	12	=	Character of the building	12	12	=
Markets and events	13	13	=	Technical state	13	13	=
Facade impression	14	14	=	Street width	14	14	=
Secondary retail streets	15	15	=	Sun side	15	15	=
Kendall W	0,47	0,63	0,15	Kendall W	0,65	0,74	0,09

Conclusions



Conclusions

Q3: Is there a relation between area characteristics and vacancy in the selected case areas?

Q4: Is there a relation between object characteristics and vacancy within the selected case areas?

Conclusion

Main research question: How are area and object characteristics related to vacancy in Dutch inner-city retail space?

Recommendations for practice

- Focus on important factors
- Focus on quality while taking into account place in hierarchy
- Proactive approach
  - Be aware of self stimulating effects
  - Compactness centre
  - Transformation
  - Urban re-allotment

Thank you for your attention

I would be pleased to answer your questions