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The new opportunity is in smaller towns and older areas

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These are the times that savvy developers and investors are searching for indicators, calling consultants to discover opportunity. Where is it? What shape or form does it take in today's world? What information and assistance do I need to find and evaluate opportunities?

New England's and Greater Boston's economies are returning to a steady, slow climb toward economic recovery. However, the location and nature of the demographic groups that are the strength of the retail market has changed since the recession started and will change more by the time retail area plans are finalized and implemented.

Since major cities have become less affordable, consumers are moving into areas ignored even a decade ago. Residential development is taking place in gentrifying urban communities formerly considered fringe areas or older suburbs, in mid-size cities (especially "gateway cities"), and in smaller towns. Today, new retail opportunities are found on main streets of small towns, in older industrial areas, and even in declining shopping centers.

Today's new consumer requires developers not only to study which older areas might be a viable location for retail, but also how consumers have changed and what mix of brick and mortar retail will attract them. Where fancy cars and large suburban homes were once the goal, today's consumers, young and old, prefer smaller apartments and car-free access to work, shopping and entertainment. This significant lifestyle trend is characterized by a desire for immediacy and convenience, both of which are generally satisfied by the smart phone, its constantly seductive apps, and low/no cost delivery. What is missing from the touch screen retail world is The Experience: the pleasures of walking, talking, looking, smelling, eating, touching goods. Retail development opportunities, regardless of the location, must take advantage of this void, engage the senses and create a sense of excitement and adventure.

Retail areas and centers must create a place not only to shop but also to partake in activities, be it a special place for their kids or dogs, outdoor music, yoga or other relevant, interesting non-commercial activities with entertainment, relaxation, and convenience. The special environment and the mix is the draw for smart-phone dependent consumers.

Thus, stores need to be handpicked winners in each merchandise category with a carefully crafted range of non-retail uses to provide variety around the clock. Offices, educational and innovation centers, collaborative work stations, medical specialties, community centers, pop-up stores and eateries, recreation spaces, dog parks can all be effective, depending on the project, in producing the experience.

The bottom line is that the mix of uses, design, access and their relevance to the site makes the location a destination. This is the art combined with the science of the industry that creates the sense of place, community and destination.

As you discover opportunity in non-traditional places, start with these tasks to check it out:

- * Audit the community for changes in uses, lifestyle patterns, assets, and problems
- * Understand today's shopper
- * Map competition and public access. Don't forget pedestrians, bike riders, public transportation
- * Meet with civic officials to understand their goals, plus zoning and other regulations and/or restrictions
- * Obtain and analyze socio-economic data
- * Develop a strategy for tenant mix, marketing, price point and development
- * Test everything

If you need help, contact us. THA provides an effective combination of expertise, experience, innovation and contacts.

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