

RETAIL

## Macerich makes luxury first priority in planned renovations to Scottsdale mall

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*Rendering of Macerich's planned renovations to its luxury wing in its Scottsdale Fashion Square*

By STAFF REPORTS

Retail developer and operator Macerich is renovating the luxury wing of its Scottsdale Fashion Square shopping center in Arizona, responding to the Phoenix market's growing upscale appetite.

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In the first phase of its remodeling and expansion, the luxury wing of the mall, anchored by Neiman Marcus, will be getting a new main entrance as well as new two-story shops and restaurants that complement the retailers. In a similar move to other developments, Macerich will also add other mixed-use features to boost mall traffic such as residences, office space and a hotel in future phases of its renovations.

### Retail redesign

Construction on Scottsdale Fashion Square's luxury wing will begin in 2017, with the project expected to complete in 2018.

Giving the luxury area an eye-catching appeal will be a new grand entrance on Goldwater Boulevard. Luxury shoppers will be able to take advantage of a dedicated valet service, a private lounge, platinum level concierge assistance and personal styling services.

A fountain, garden, art installations and furnishings will add to the luxury ambiance of the wing. An outpost of a yet to be named lauded eatery will also open in this area, with caf-style seating that extends outside the main restaurant.

"Macerich is capitalizing on the strong growth in Scottsdale and greater Phoenix to enhance our market-dominant retail property," said Art Coppola, chairman/CEO of Macerich, in a statement. "Already Scottsdale Fashion Square is the region's undisputed luxury leader, and we see significant opportunity to better serve this attractive and buoyant metropolitan area for the long term."



*Rendering of Scottsdale Fashion Square's new luxury entrance*

Within the luxury wing, Louis Vuitton has signed a new long-term lease with the shopping center. The brand's store will undergo renovations in 2017.

"We're very excited about Macerich's plans for Scottsdale Fashion Square," said Anthony Ledru, CEO of Louis Vuitton Americas. "The luxury market in Arizona is strong and on the rise, and this property is the right real estate in the region for our brand."

Aside from its luxury wing, Macerich has plans to update the Scottsdale center's contemporary wing, which is anchored by Nordstrom.

Scottsdale Fashion Square's annual revenues are \$650 million, and the addition of the hospitality, residential and business properties on-site are expected to boost tenant retailers' sales.

"Scottsdale Fashion Square has long been synonymous with luxury in the Southwest, with more than 40 of the finest luxury and contemporary brands including Cartier, Bottega Veneta, Louis Vuitton, Gucci, Tiffany & Co., Bulgari and Prada, alongside our top-performing Neiman Marcus and Nordstrom department stores," said Robert Perlmutter, chief operating officer of Macerich.

"This multi-phased project is part of Macerich's long-term strategy, as well as the center's own history, of continually reinvesting in irreplaceable retail destinations," he said. "We see great opportunity to heighten and expand our luxury presentation, capturing the unique demographics and growth in the Phoenix marketplace."

In a panel discussion during Fashion-Culture-Design, Marigay McKee, the former president of Saks Fifth Avenue and chief merchant at Harrods, said that ensuring a brand's place in the future of retail comes down to experience, environment and emotion. Integrating elements of hospitality into the retail space, such as an eatery or a coffee bar, can give consumers more reason to enter a store and spend time there.

Following this idea of having space for more than shopping, Ms. McKee said that her firm works with a real estate company, since the trend today is moving away from malls and toward mixed-use developments ([see story](#)).