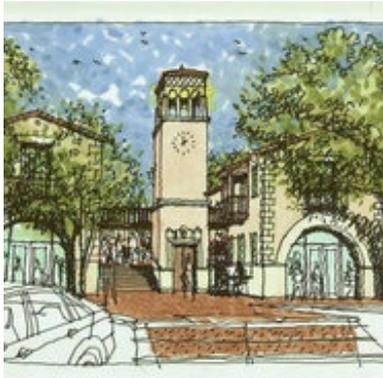


IN-STORE

## Retail's return to the streets keeps consumer interest high

April 11, 2014



*Dallas, TX's Highland Park Village*

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By JEN KING

In response to consumer habits shifting away from homogeneous mall culture, global luxury real estate consultancy Retail Portfolio Solutions is working with high-end brands to establish a retail presence that returns to basics with a modern twist.

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**Luxury Daily**

During the Luxury Summit 2014 in Naples, FL, on April 7, the founder of Retail Portfolio Solutions presented three case studies to attendees that highlighted consumers' desire of the unexpected and how to meet their wants through authentic retail experiences. Above all, a retail experience needs to be dynamic, energetic, sexy and most importantly, ever-evolving to appeal to the sentiments of the luxury consumer.

"[There is a] shift away from the mall and back to the streets and the urban core," said Hanna Struever, founder of [Retail Portfolio Solutions](#), Orange County, CA.

"People want to celebrate, enjoy and be inspired in their free time and with their free time," she said. "Free time is a luxury that should not be wasted."

"[Also,] people want to be outside and these changes are happening all over from worldwide flagships in London, New York and Hong Kong to regional markets like

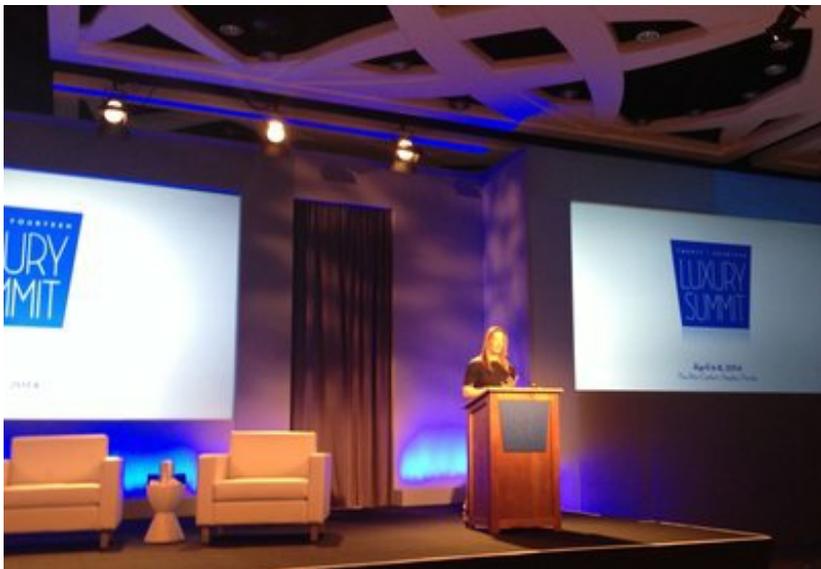
Houston and Dallas.”

Outside the big box

Ms. Struever emphasized that the luxury consumer is looking for an authentic retail experience that feels authentic. These shopping destinations need to have real DNA with a distinct energy to attract affluent consumers who no longer find the big box mall model appealing.

The uninspiring, carbon-copy mall model is further diluted when malls try to be everything for every type of consumer.

As the current mall model wanes, Retail Portfolio Solutions is working with properties to restructure their “canvas” with market-specific strategies. With each market being different from the next, the retail approach must be unique to transport the experience while maintaining relevancy.



*Retail Portfolio Solution's Hanna Struever speaking at the Luxury Summit 2014*

First, Ms. Struever explained that Retail Portfolio Solutions is a B2B consultancy that works with top global brands. The executive noted that luxury brands with retail locations help to convey to consumers that the environment is suitable.

By having a retail presence at a venue outside the traditional mall, brands can stay relevant and at the forefront of a particular market in a way.

To better understand the unique perspective and experience of “the new retail arena,” Ms. Struever focused mainly on the Highland Park Village property in Dallas, TX, during her presentation.



*Clock tower and shops at Highland Park Village, Dallas*

At 83-years old, Highland Park Village is the oldest mall in the world and has luxury tenants such as Chanel and Hermès that have been there for the past 25 years. When Retail Portfolio Solutions began working with Highland Park in 2009 the shops were making \$500 per square foot.

After changing the complexion of its canvas, the shops now generate \$1,852 per square foot. Interestingly, the strategy developed by Retail Portfolio Solutions did not add to Highland Park's property but reinvented what was already in place.

Most importantly, the changes reflected Highland Park's Dallas audience, which had seen a transformation over the last decade. Ms. Struever suggested that Dallas has developed a sophisticated consumer culture due to the city's growth and a demographic shift in the market resulting from a blend of old and new wealth.



*Image from Highland Park Village's biannual magazine*

With a strong sense of community in the area, Highland Park Village has become a sort of downtown area for local residents with something for everyone in a luxury environment. This has caused the community to be more aware of what stores are opening.

Also, Highland Park Village has successfully blended local flavor and traditional aspects such as common areas, restaurants and a clock tower. Highland Park has also become a tourist destination for those traveling to the Dallas area, especially during the holidays.

The key to keep consumers returning to Highland Park, according to Ms. Struever is that the property is continually refreshed. For instance, boutique leases expire every year on May 31 to allow the property the summer to undergo construction while many of the locals are on vacation at their summer homes.

### Hittin' the streets

To appeal to luxury consumers who avoid the mall at all costs due to its "one size fits all" formula, many brands have reestablished the stand-alone bricks-and-mortar boutique strategy to keep in-store interactions intact.

For example, British fashion label Burberry opened a new digitally enhanced retail location to showcase its recently launched beauty line.

The Burberry Beauty Box, located in London's Covent Garden, carries Burberry's beauty, fragrance and accessory lines, and offers consumers the ability to discover the brand's cosmetics through both sales associate consultations and digital touch points, including mobile checkout. By creating a space specifically for its beauty line, Burberry is able to encourage consumer interaction with its beauty products, drive sales of the new line and test out new retail tactics ([see story](#)).

Also, French footwear maker Berluti continued its move toward a full-service lifestyle brand with the opening of a new boutique on New York's Madison Avenue.

Berluti's bricks-and-mortar location opened Feb. 6 only blocks away from its prior location on the high-end retail stretch. The move will help the brand house a wider range of products, including apparel and accessories with bespoke options available, to highlight its shift toward lifestyle ([see story](#)).

Above all, to attract affluent consumers, retail spaces must have the best shopping and dining available to appeal to consumers' tastes.

"Luxury brands are choosing to go to the streets because current environments are not a concurrent model," Ms. Struever said.

"It is important you know, and connect with, your audience," she said.

### Final Take

*Jen King, editorial assistant on Luxury Daily, New York*

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