



# Retail Renaissance

Expanding Horizon of India Retail Industry

September 2015

## METRO JUNCTION MALL, KALYAN, MUMBAI

### Background

Metro Junction Mall is located in the heart of Kalyan, in Thane district of Maharashtra, developed & operated by West Pioneer Properties (India) Pvt. Ltd. spread over 500,000 sft (gross leasable area), in proximity of premium residential projects, medical, educational & transport facilities in the KDMC region. The mall became operational in 2008 with a focus to provide a value shopping destination for residents not only in Kalyan, but also from other areas in the vicinity like Dombivli, Ulhasnagar, Ambarnath and Badlapur.

### Mall positioning

Metro Junction Mall was envisaged to provide an affordable shopping destination to customers in the KDMC region. With various retailers like Big Bazaar, Loot, Fashion Yatra, Globus, Fame, McDonalds, Woodland etc. as tenants, the mall became a hub in the region with footfalls comprising primarily of middle class families and students. After a couple of years of commencing operations, the mall's occupancy rates were seen close to 56% in 2010-2011. However, around 2011, the operator began witnessing a change in profile of residents in the area. Also as a result of rapid urbanization and exposure to various global trends, the consumer behavior in Kalyan and surrounding areas began to undergo a shift away from affordable retail. By assessing the changing consumer behavior in the catchment area and factoring in the future needs of the population, the operator realized the importance of repositioning the mall as a Lifestyle destination.

### Image-rebuilding

The mall's image-building exercise took roots in renovating and refurbishing the mall, followed by a churn in the tenant mix. The mall's renovation was done in a phased manner. Some of the initiatives implemented were sprucing up the look & feel of the

mall by improving the mall's façade and revamping the food court etc.

With an inviting façade and a conducive ambience for shopping, the mall roped in departmental store Shoppers Stop as an anchor tenant in 2013. The retailer opened its store, recognizing the changing lifestyle of customers in Kalyan, Dombivli and Ulhasnagar. After the entry of Shoppers Stop, Max Lifestyle too opened its store in the mall in 2013, marking its entry into the Kalyan-Dombivli area. Over a period of time, the mall has seen the entry of lifestyle brands such as Nike, Sketchers, Pantaloons, Bata, and Ethnicity etc. On the leasing side, Metro Junction currently has a minimum guarantee & revenue sharing agreement with majority of its tenants. As a result of its repositioning efforts, the mall saw its leasing level rise to around 70% in 2014-2015.

The entry of major anchor tenants gave the mall operator enough confidence to beef up its food and beverage (F&B) and entertainment space. The operator tied up with F&B outlets like Dominos, Subway, US pizza, Barbeque Nation etc. to set up stores in the mall. The mall which already has a strong entertainment player INOX which is operating a 5 screen multiplex, is looking to further build its entertainment portfolio.

The mall is a complete family destination and is evolving as a cultural hub for the KDMC region. It has an attractive bouquet of activities which are regularly conducted throughout the year; hobby workshops & various contests (dance, cooking, painting), to drive footfalls into the mall. Such initiatives have led the mall to witness higher footfalls in 2014-2015. The mall operator feels confident about the model and is infusing funds into the mall. Metro Junction is currently focusing on hosting promotional events, music fests, karaoke singing competitions, stunt shows, and various CSR activities and engaging its customers through social media websites like Facebook and Twitter.