

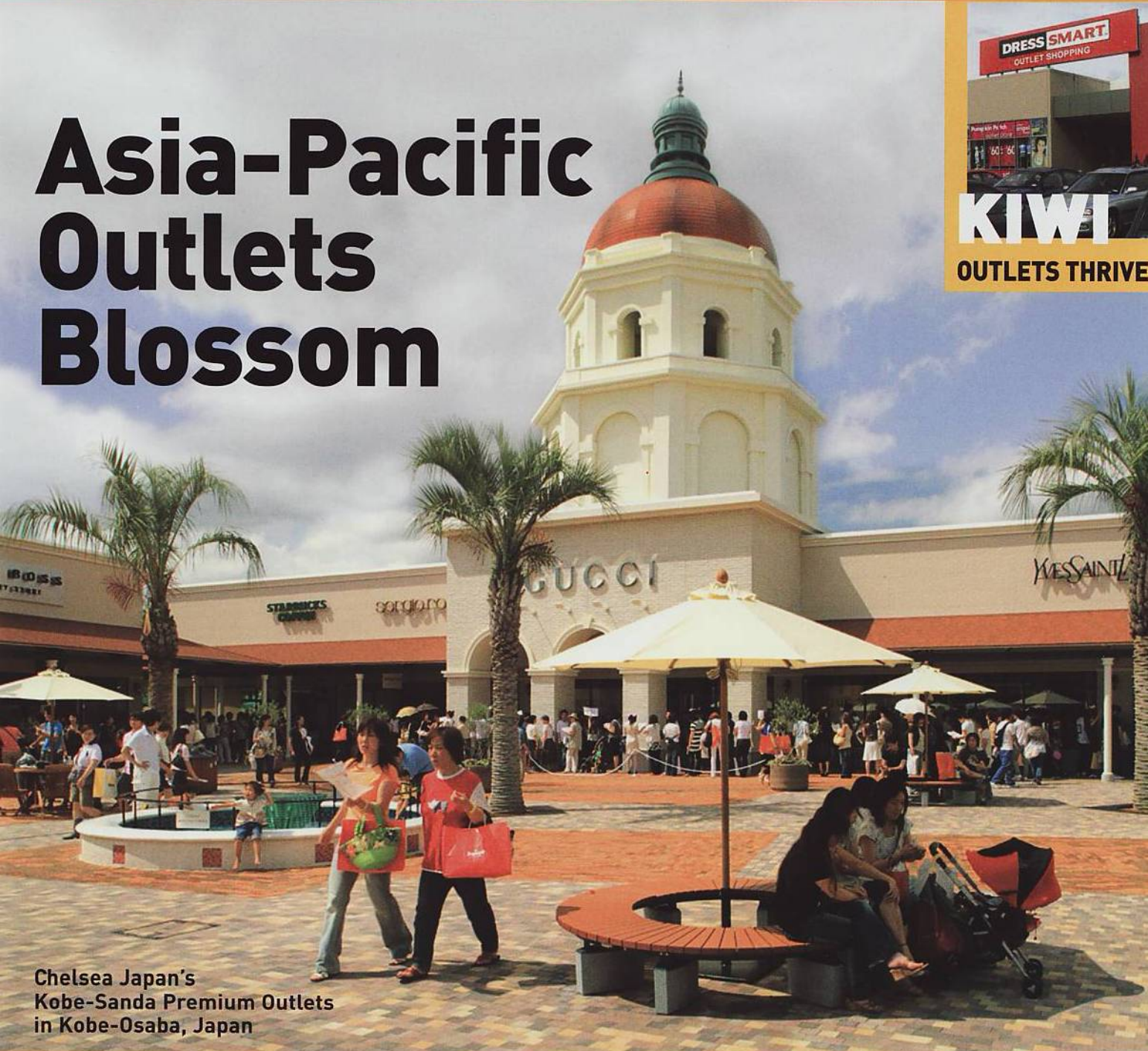


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Asia-Pacific Outlets Blossom



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Kobe-Sanda Premium Outlets
in Kobe-Osaba, Japan

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Value Retail's "Chic Outlet Villages" aggressively market to Asian shoppers

From the beginning, before 1995 when its first outlet centre, Bicester Village, even opened, developer Value Retail knew that its niche would be designer villages in Europe's major cosmopolitan markets. It follows, then, that one segment of the developer's target customers are high-spending international visitors – not budget travelers.

The concept caught on and today the average spend of Value Retail's target customer – a 25-to-55 year-old, brand-aware woman – is over €550. Her average drive time to the Villages is more than two hours, and the average dwell time is three and a half hours.

With the growing success of reaching affluent travelers, Value Retail began collectively marketing its projects as "Chic Outlet Shopping Villages" almost a decade ago. The point is to position its nine villages as relevant to luxury travel and target affluent shoppers around the world, particularly in Asia.

Each village (their markets are London, Paris, Milan, Munich, Frankfurt, Madrid, Barcelona, Brussels/Düsseldorf and Dublin)

is promoted via exclusive partnerships with travel industry and media groups, such as Relais & Châteaux, Orient Express and Condé Nast, and premium credit card issuers.

"We will reach over 432 million potential customers in international territories," says Sally Beames,

Value Retail's director, marketing, PR & tourism.

International visitors make up at least 30 percent of the average footfall at the Villages. Tax-free figures recorded in 2007 proved to be compelling: The Villages' total tax refunded sales in 2007 increased 45 percent compared to 2006, with China representing the largest contributing market share (a 67 percent increase in sales, 20 percent of the total tax refunded sales). Korea, Hong Kong, Taiwan and Japan collectively represent 31 percent of the share of the total tax refunded sales.

Asian visitors love such international brands as Jimmy Choo, Givenchy, Mulberry, Dior, Ferragamo, Ralph Lauren and La Perla, Beames says, but it's the niche local brands at

each village that increasingly capture the Asian visitor's attention.

"Much of the tourism industry is focused on emerging markets," Beames says, "but the impressive numbers we're seeing aren't due to an aggressive short-term campaign, but to our long-term commitment to growth

through partnerships with key international travel trade and consumer media."

In 2006 the developer launched the *Chic Guide to Europe* in Shanghai, which is hotly anticipated by readers of Condé Nast's *Vogue Russia*, *Vogue China* and *Vogue Japan*.

According to publisher Kate Slesinger, Condé Nast's "partnership with Value Retail is one of the widest reaching and most successful we have." To date, more than 71,000 copies of the *Chic Guide to Europe* have been downloaded from www.ChicOutletShopping.com.

Word of mouth is spreading the news in some of the world's best-read glossies. *Elle Décor India* declared, "Pamper yourself in style – combine holidaying with couture shopping and gourmet dining at...scenic Chic Outlet Shopping Villages."

Value Retail's outlet villages are also represented at the Asia Luxury Travel Mark in Shanghai and the China International Travel Mark in Shanghai and through marketing partnerships with tour operators, including Caissa Beijing, UTS China, CITS, Jetour Holiday, Shanghai Airlines Tour and Sal Tours. ■

"Chic Outlet Shopping

Villages for the smart and savvy fashionista, these Villages sell all sorts of luxury collections."

– *ELLE Korea*, online, 2007

Top 10 nationalities visiting Value Retail's outlet villages:

COUNTRY	PERCENTAGE OF 2007 FOOTFALL
China	20%
Korea	13%
Middle East	9%
Russia	7%
South East Asia	6%
USA	4%
Hong Kong	4%
Japan	4%
Taiwan	4%
Brazil	4%