

# RETAIL THERAPY

ANALYSIS

With yet another megamall receiving approval, MEA discovers whether there is real demand for more retail space in Qatar

Barwa Commercial Avenue (right) and Gharafa mall (below).

**L**usail Municipality's recent approval of Marina Mall will add yet another high profile scheme to Qatar's retail arsenal. Designed by architecture firm HOK, the complex is a striking space-age design that aims to push the boundaries.

But while Marina Mall revels in its futurism, many of Qatar's pipeline malls are rooted in traditional Arabian architecture.

Local firm Arab Engineering Bureau (AEB) is behind several historically-flavoured malls that are under construction in Qatar.

These include Gharafa mall, a two-storey shopping arcade in Doha inspired by traditional souks and Arabian architecture, with pergolas, wind towers and decorative arches.



The firm has designed a large mall for Al Merqab, one of the oldest and most famous shopping streets in the centre of Doha. It contains cinemas, food courts, department stores, as well as office space.

AEB's managing director, Ibrahim Mohamed Al Jaidah, adds: "Retail

theming has been quite a trend of late in the region as it allows the design of a mall which avoids the more industrial looking buildings that have been built in the past.

"With the design, the beautiful Arabesque style was utilised while integrating curtain walls to avoid the

façade becoming too solid. Internally, the concept was also carried through, creating tent-shaped tensile structures to cover the main atriums."

AEB has also designed a Lulu hypermarket in Al Khor, a coastal city in the north of Qatar, which plays on the fort aesthetic.

Furthermore, the firm is part of the team behind the \$1.37bn Doha Festival City, one of the largest developments to get underway in Qatar since the country was awarded the right to host the FIFA 2022 World Cup in December 2010.

The scheme will include a 32,000m<sup>2</sup> IKEA store, which will be developed in the first phase of construction, set for completion in Q4 2012. The remaining elements of Doha Festival City are due for delivery two years later.

Another huge complex with extensive retail components is Barwa Commercial Avenue which is due for completion in June this year.

The mixed-use development will offer about 600 shops and showrooms and 150,000m<sup>2</sup> of office space spread along 8km. It will also contain around 800 luxury residential units in one- to three-bedroom floor plans

The Hahtoor Leighton Group confirmed in October that it has begun work on the first phase of the North Gate Mall project in Doha, valued at \$290 million.

Phase 1 covers a total built-up area of around 375,000m<sup>2</sup>, with a podium comprising two levels of carpark, a three-level mall and six, five-level office buildings. The project is due for completion in March 2014.

One mega mall that already opened its doors is the \$348m luxury Lagoona Mall. The high-end scheme in West Bay opened to shoppers in February this year, following several delays in construction. It contains 18 restaurants, 160 retail stores and a 13,000m<sup>2</sup> department store.

Meanwhile HOK's Marina Mall will have a 60,000m<sup>2</sup> Gross Lettable Area (GLA) with cinemas, restaurants, spas and a hypermarket.

Barry Hughes, vice president London for HOK, is one of the key figures



behind the design. With 20 years' experience in mall design, Hughes has worked on Dubai Festival City, Westfield in London and several US shopping malls.

Hughes believes that Qatar shoppers will gravitate to the best malls. "I think there is certainly a demand for better malls. If you go to any city in the world and have two shops on

The \$1.37bn Doha Festival City (top).

**Retail theming has been quite a trend of late in the region as it avoids an industrial looking building."**

Ibrahim Mohamed Al Jaidah, managing director, AEB





HOK's futuristic Marina Mall (top right) and AEB's Lulu Hypermarket in Al Khor.

opposite corners of the street, the one that has the better ambiance will be more successful. We really want to build the mall with the best experience in Doha."

Mat Green, head of research and consultancy UAE for CBRE Middle East, agrees that bigger and better malls can win customers. "As seen from markets like Dubai, larger destination malls have the ability to cannibalise the market and take away share from other smaller or aging centres," he says.

When asked whether there is enough population to support the new malls in Qatar, Hughes replies: "Only time will tell. Doha is trying to create a city for the future. It is trying to manage growth and manage the cultural and commercial aspects."

CBRE's Green is similarly positive, and adds: "The future performance of the retail market will of course rely heavily on the country's ability to sustain solid population growth in the coming years."



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Barry Hughes, HOK



"However, with close to 20% GDP growth during 2011 and forecasts of around 6% for this year, the economy is certainly doing its bit to help.

"The tourism sector is also expanding rapidly and that could become a major driver of retail demand, although at this stage the market remains business and not leisure led."

Hughes believes that any development in the region involves some degree of risk. "There is an element of risk for any commercial developer.

"Time will tell whether these experiments in the Middle East will be successful. I am fascinated by Qatar. We have an opportunity to create a new place on a grand scale."

Currently retail demand in Doha remains "very strong" according to Green, with most developments at, or close to, 100% occupancy.

However, he continues: "With significant new retail supply set to be handed over during the next five years there is a risk of future oversupply. For now we expect to see the established malls continue to perform very well, although some new market entrants may initially struggle to achieve high occupancy rates.

"Qatar is expanding rapidly and will need to continue to achieve

strong growth if it is to keep pace with the current level of construction."

Hughes believes that in many countries, malls aren't taken seriously as a piece of urban fabric. He continues: "In the Middle East, you have places where you live and work but there is a third place where you spend a lot of your time. This traditionally would have been the souk.

"If a mall offers a wonderful public realm then it is a valid place to spend time. At HOK we take the shopping mall seriously. It is a big, complex organism with lots of factors that influence the design."

Green agrees that malls can be important recreational areas, especially the large destination malls. "These malls have become increasingly popular across the region with consumers able to shop and spend leisure time in a single location," he says.

"By creating entertainment centres and major leisure attractions, developers are able to increase the dwell time of shoppers and driven up footfall and retail sales. The malls have become the new social centres and are increasingly popular among the rapidly growing young population."

Hughes believes that the malls in Dubai can offer valuable lessons for



developers and designers. "If you took certain elements from the different malls in Dubai you would probably have the best mall in the world. There are some amazing projects in Dubai; I am fascinated when I visit."

Scale is an important consideration with malls, according to Hughes. "In Dubai, the scale of the malls are more gracious than in other places. On occasion they feel empty whereas at peak times they feel about right. Achieving that balance is a challenge. You need a sense of intimacy without feeling too small."

He adds that malls are becoming increasingly international in flavour. "With my job, I travel all over the world.

"It is interesting but also depressing to see how small the world is becoming. The mall is becoming more global and homogenous."

Yet he stresses that the key is creating a product that stands out from the pack. "The next opportunity for designers is to create something different. Malls are machines for selling goods and services. The key is making it a positive experience; if you create a better place then people will come." ●