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30 Nov. – 2 Dec. 2021
Palais des Festivals,
Cannes, France

MAPIC 2021

TAKEAWAYS

People & Places : A New Chapter



#MAPIC | mapic.com

‘Markets have been adapting at record pace’

“IT WAS simply amazing to welcome everyone back to Cannes and on behalf of everyone who attended MAPIC, LeisurUp and The Happetite, we wish to say a huge thank you. It was fantastic to see you again. While the times are still far from normal, what was familiar was seeing delegates, exhibitors and speakers debating and discussing the latest trends in retail, leisure and food and beverage. For the first time, we were also joined by a digital audience for the conference sessions as we echoed the industries we serve with an omnichannel approach, sharing content on-location, online and on social media. What is clear is that the markets have been adapting at record pace to deal with the challenges of the past 18 months and to create thriving destinations and businesses for the future. In this special Takeaways edition, we have brought together some of the key themes that emerged from three packed days of content, including presentations and discussions on the major themes, plus specialist areas including designer outlets, multi-franchising, logistics and digital innovation. The profound change that retail, leisure and F&B were already facing has accelerated at incredible speed during the pandemic. Businesses have fundamentally rethought their models, created fresh ways of doing business and entered new partnerships, combining their skills and expertise with specialists in other areas. This message came across very strongly in Cannes and in this publication, we have brought together our key takeaways from the three days. So if you want to know why leisure and F&B are the new rock’n’roll of retail, hear about sustainability and why it has become fundamental to business success and see how some of the world’s most important new retail schemes have embraced mixed-use like never before, then read on. And if you want to be a part of the change, join our MAPIC Digital platform to relive the whole MAPIC programme of conferences and to plan your visit to Cannes from November 29 to December 1 next year.” ■



Nathalie Depetro, MAPIC director and **Francesco Pupillo**, LeisurUp, The Happetite and MAPIC Italy director

MAPIC director Nathalie Depetro announced at a MAPIC VIP dinner, held on the night of Wednesday, December 1, that this was her last MAPIC, and she announced that she was leaving to establish her own business.

Nathalie joined RX France (at the time Reed MIDEM) in 1995 for the launch of MAPIC, before becoming director of the show in 2009. During Nathalie’s tenure MAPIC expanded its geographical reach to Italy, Russia, China and India, and most recently in the leisure and F&B sectors with the launch of co-located events LeisurUp and The Happetite, reflecting the evolution of mixed-use lifestyle destinations.

Nathalie has worked closely with Francesco Pupillo, the show director for LeisurUp, The Happetite and MAPIC Italy, and he will now take over the portfolio.

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RX France, a French joint stock company with a capital of 90,000,000 euros, having its registered offices at 52 Quai de Dion Bouton 92800 Puteaux, France, registered with the Nanterre Trade and Companies Register under n°410 219 364 - VAT number: FR92 410 219 364. Contents © 2021, RX France Market Publications.

RX In the business of building businesses

Alongside a packed conference programme covering retail, leisure and F&B, MAPIC ran a series of focused sector and geographical sessions

Outlets will remain strong while ‘boring retail’ suffers downturn

MAPIC'S fifth annual Outlet Summit — organised with Magdus on Wednesday, December 1 — heard an upbeat speech from Susie McCabe, co-CEO of the McArthurGlen Group, who outlined why outlet malls had outperformed during the pandemic and why they are set to outperform in the future.

“The past two years have been really challenging but I've been really impressed by the way landlords and brands have pulled together,” McCabe said. “And I don't think the headlines we're all seeing about the death of the retail store apply to outlets — they apply to boring retail.”

McCabe pointed out that, unlike other retail formats, outlets have maintained asset values through the pandemic.

And on the occupier side, new brands continue to be attracted to the outlet channel with brands like Off-White, Givenchy and Lululemon opening stores for the first time. “It doesn't feel like a dying industry,” she said.

So why are outlets bucking the wider retail trend? McCabe said: “From the beginning outlets knew that if they were to get customers to drive 45 minutes or more they had to be an experience and a destination. We've always looked beyond the transaction.” And she added: “Over the years we've added F&B, leisure and entertainment so it becomes a magical day out and that keeps people coming back.”

However, McCabe identified two areas where the outlet sector could do better in the fields of ESG and diversity



Susie McCabe: “Landlords and brands have pulled together”

and inclusion. “Are we doing enough on our impact on the environment?” she asked. “And what can we do to become the employer of choice?” But she concluded on a positive note: “I'm utterly confident that customers will return and that brands will continue to find us a valued place to do business.” ■

Leisure must add value, not just fill space

AS PART of the focus on leisure in Cannes, a Leisure Workshop brought together delegates for the event A New Chapter For People And Places on Wednesday, December 1.

Before Fri Forjindam, chief development officer at Mycotoo, discussed some of the design considerations

related to leisure concepts, Yael Coifman, senior partner, Leisure Development Partners, warned delegates of the complexity of developing a leisure destination: “To introduce leisure, it must be about adding value. You should never bring in leisure just to fill space.”

Looking at some of the recent trends,

she cited the increasing use of pop-up leisure concepts, which are not only a cost-effective way of trialling new formats but are also a good way of attracting repeat visitors.

She said that competitive forms of social entertainment also remained a strong leisure concept, especially after the pandemic.

“Concepts with a competitive edge such as mini-golf are not just about the activity but also the social experience and the F&B that goes alongside it,” she said. “These are often played in small groups as well, which is consistent with social distancing and has worked well during these COVID times.”

After the formal presentations, invited delegates discussed leisure sector issues, challenges and opportunities in a round-table format. ■



Positive outlook for Italy, “the place to be in the future”



On the Italy Forum panel: Francesco Pupillo (left), Roberto Zoia and Stefano Nigro

TALY is becoming a bigger target for international investors, while physical retail sales have rebounded this autumn after a challenging period during the pandemic, delegates heard at the beginning of the Italy Forum on the evening of December 1, at MAPIC.

Opening up the session, introduced by MAPIC Italy director Francesco Pupillo, Stefano Nigro, department director of the Italian Trade Agency, said that he hoped Italy would become “the place to be in the future” for investors and retailers post-pandemic.

Pointing to increasing attention from the investment community, he said he felt optimistic for the country's prospects.

Roberto Zoia, chairman of industry body CNCC, added that “turnover, footfall and the mood” had all taken an upturn this autumn after some challenging months, as physical retail sales rebounded faster than online.

“The important thing for the industry now is to be transparent,” he said. “The good news is that the market is active and that we are establishing trust with international investors.”

Further sessions included research and analysis of the retail real estate market, which is traditionally one of the biggest attendee nations at MAPIC.

The Italian retail sector will once again be the focus at MAPIC Italy, which will take place between 18-19 May 2022 at the Superstudio Maxi, Milan. ■

Multi-unit and Master Franchising Summit

For those retailers looking to boost their development and to expand their business around the world, MAPIC offered the opportunity to join retailers, restaurant chains and leisure operators looking to connect with leading international multi-unit franchise partners. The premium networking event took place on Wednesday, December 1, and showcased opportunities to partner with local specialists to enter new markets.

MAPIC: Retail reinvented



Returning to Cannes, MAPIC co-located with LeisurUp and The Happetite to bring three unique events together under one roof. Here are our key trends and takeaways from three days of conferences, networking and workshops.

WHILE for many participants their return to MAPIC in Cannes was the first for two years, many others had already attended in-person and MAPIC, LeisurUp and The Happetite digital events. MAPIC has also brought together participants in Moscow and Milan for major exhibitions, organised meet-ups in several European markets and produced a series of insightful digital sessions, which continued in the build-up to Cannes.

In late November the focus once again turned to MAPIC's leading event in Cannes – three days dedicated to retail, leisure and food and beverage.

Among the key highlights from the three days were the incredible agility of the F&B sector, which has continued to expand and create new, innovative formats despite the challenges the business has faced. Leisure, too, has evolved with entertainment offers from low-cost pop-ups to extensive installations such as the upcoming Batman venue due to open in Paris or the 360-degree viewing experience set for Battersea Power Station in London.

And retail is far from dead. Both developers and international retailers were at MAPIC to discuss new schemes and expansion plans, often with renewed priorities around community, sustainability and purpose in an increasingly digital world. ■

Deconstructing the mall

Development continues as mixed-use evolves further

Retail must transform around the customer

Traditional retailers and new players must focus on consumer needs

Let's get phygital

Stores, social, online: It's all in the new retail mix

Sustainability and community

Retailers and retail development needs to put the local community at its heart

Outlets have the magic formula

It takes more than a pandemic to dent the ongoing rise of outlet

Deconstructing the mall

Development continues as mixed-use evolves further



Diriyah Square, using hand-made mud bricks used 300 years ago

WHILE new development has inevitably slowed in the modern era, MAPIC once again showed that globally major new projects are being well received – but their make-up continues to evolve.

Notably, MAPIC 2021 hosted the global launch of one of the world's most ambitious retail-led projects. Diriyah Square forms the commercial heart of the Diriyah giga-project on the edge of Riyadh, Saudi Arabia and it promises to set new standards in design and operation – not just regionally but globally.

Construction began in 2019 and is on schedule for a 2024 opening. Architecturally Diriyah Square takes its cue from the traditional Najd buildings of the ancient city of At-Turaif. Above ground, every one of the buildings at Diriyah Square will be made from the same hand-made mud bricks that were used 300 years ago, but underneath will be a network of ultra-modern infrastructure to handle the logistics and communications necessary for 21st century omnichannel retail.

Meanwhile, with London's famous Battersea Power Station less than a year from reopening, head of leasing Sam Cotton was at MAPIC to showcase what will be on offer within the mixed use building and with an upbeat message on the future of retail.

The power station is at the heart of a much wider redevelopment of the south west London site, with several stag-

es of development of its residential and convenience retail and leisure already complete and a new London Underground station recently opened. Battersea Power Station Development Company recently announced that brands such as Ray-Ban, Ralph Lauren, Tommy Hilfiger, The Kooles, Aēsop and Calvin Klein will be opening among over 100 shops, bars and restaurants, 254 apartments, office space as well as a leisure offering that will include the Chimney Lift Experience. There will also be a new six-acre riverfront that is open to the public.

"I am actually incredibly excited about the future of retail, not just at Battersea but beyond," said Cotton. "I think we all need to look forwards. I hope that Battersea Power Station is a symbol of that."

Global architect and masterplanner Chapman Taylor saw the return of MAPIC as an important sign that the property and construction industries are coming out of their enforced hibernation.

Group board director Adrian Griffiths said: "Some markets have been affected more than others but overall things are starting to improve. The Chinese market, for instance, came back quickly."

Griffiths said pure-play retail projects were increasingly rare. "Our sweet spot is designing complex mixed-use spaces with a real sense of community." ■

Retail must innovate around the customer

Traditional retailers and new players must focus on consumer needs



Soumia Hadjali: “We need to be where our consumers are”

THE PANDEMIC has accelerated a trend that was already moving towards omnichannel retail, but the enforced closure of stores and a wider reluctance among some shoppers to visit crowded places has forced retailers to embrace digital shopping.

The conference session People & Digital: A New Chapter, heard from Sephora, the global beauty and cosmetics giant, which has put omnichannel at the heart of its proposition. Soumia Hadjali, chief digital officer for EMEA, said: “We have seen a huge shift over the past three years. The beauty consumers of today are digitally savvy and are now buying through both channels.” She revealed that 81% of Sephora’s shoppers used digital before heading to the store, adding: “They expect a seamless experience.”

“We need to be where our consumers are, so we’re expanding our touchpoints,” Hadjali said. And she pointed out that this process is happening fastest in the UK, where 32% of all retail sales have now migrated online. “Becoming the best omnichannel player is really important for us – it’s a key point of difference.”

But the growth of online sales has not lessened the role of Sephora’s beauty advisors, who have always been a distinctive part of the format. In fact, digital empowers them to do more through an in-house app called Sephora Plus.



Philippe Houze: “The future will be a phygital world”

“Sephora Plus allows our beauty advisors to access the full range of products so they can recommend the right product to the right customer at the right time,” Hadjali said. “Customers appreciate a long-term relationship with a brand and digital is helping us deliver that.”

And traditional retailers have shown they can adapt said Philippe Houze, executive chairman, Galeries Lafayette Group.

“We have to wait for the unexpected,” Houze said, as he added that the current crisis caused by the pandemic had provided an opportunity for the retail industry to reset, with innovation and transformation at the heart of the reinvention. Houze said: “The situation is different today, with new priorities. This crisis is a wakeup call for us to find alternative models. The future will be a phygital world, combining physical retail and digital. The pandemic has accelerated changes. People want to live differently.”

He advocated for bringing the best of the physical store together with the new approaches of pure players and digital natives. “We open the doors. Digital natives have concentrated on their connectivity, but the only way that they can achieve growth is to look for clients and new communities in the physical stores,” he said. “I think there will be a balance [between online and offline] in the future.” ■

Let's get phygital

Stores, social, online: It's all in the new retail mix



On the panel: Ian Sandford (left), Mary Del Dosso, Anel Turkanovic and Mathjis Storm

HOW STORES fit into the era of 'new retail' was debated at MAPIC, as a series of panels looked at how many of the top international retailers are using their shops and balancing online and offline.

Vincent Gufflet, chief operations and services officer at retailer Fnac Darty, said that one of the main changes since the pandemic is that "things are moving four-to-five times faster" than they used to. He also noted that sustainability had become a priority for consumers.

As part of the MAPIC Innovation Forum, a session entitled Merging the Digital and Physical in Malls and Meeting Places featured an expert panel considering the role of technology within destinations.

In a wide-ranging discussion, the panellists debated how best to incorporate technology, although Ian Sandford, president, Eurofund Group, cautioned that digital should serve experience. "We have to create places that people want to be. So the interesting part is how we use digital technologies for digital concierges and giving an even better service to our customers," he said.

Mary Del Dosso, general manager, Al Futtaim Malls, said that for her, one of the major uses of technology is in customer insights. "Gathering data is all about the customer journey," she said. "So we track the customer journey

from the car park, where they are going and where they are not going. And we ensure that the retailers also help to transform their internal space in the same way we are transforming ours."

Mathjis Storm, CEO at developer and landlord Wereldhave, added: "If you talk about the next technology, I am a big believer in ship from store. I call it realistic, particularly in the convenience segment. I think you better jump on that bandwagon."

João Xavier, director general retail at Portuguese asset manager Widerproperty, added: "It's about how we can bring shoppers to our centres and deliver an unforgettable experience." But he warned there are barriers to achieving this: "One issue is convincing retailers to take part," he said. "We're finding traditional marketing doesn't work any more so we're having to be super creative."

Jussi Vyryläinen, vice-president, leasing, at Finnish developer Citycon, gave a practical example of how a landlord can intervene to facilitate omnichannel retail. "Grocery stores are the backbone of a shopping centre – after all, people need to eat every day. Click & collect is proving increasingly popular so we've provided our grocery tenants with space near the car parks in our centres in Sweden and Finland. We've found it increases average basket size and drives footfall." ■

Sustainability and community

Retailers and development must put the local community at its heart

YOU NEED to look no further than the reinvention of the properties within the IKEA portfolio to see just how fundamentally retail locations are being reconsidered and reinvented.

The food offer and community services will be at the heart of the ongoing evolution of Ingka Centres' Meeting Places concept, according to managing director, Cindy Andersen.

The retail development arm of the group that includes furniture and homeware retail giant IKEA is working across markets and formats to expand its retail offer – and Andersen said that the key, in terms of future development, is that “One size does not fit all”.

Ingka Centres has recently confirmed its debut in India, is expanding in China and has developments in the US and Canada, including an upcoming mixed-use scheme in San Francisco where “the aim is to ensure that people have a reason to visit frequently”, Anderson said.

In London, the redevelopment of a mall in Hammersmith is due to welcome a new urban IKEA store early next year, while pop-up specialist Sook is also to open a space for temporary tenants in the scheme. Ingka's urban mall project is a first and Andersen said that involving the community and providing everything from retail to a place to grab a coffee are the keys to the new approach.

“We really believe in the physical experience and I am very optimistic,” Andersen said. “Despite all the challenges, this is not the time to lean back, but to lean forwards.”

Etienne Dupuy, CEO of regeneration specialist Nhood, said the key to a successful and sustainable project is engaging with people. He said Nhood uses surveys, working groups and roundtables to arrive at a site vision before starting any project. “A scheme is only successful if it's connected to its neighbourhood,” he said.

In Lille in Northern France, Nhood used this approach to inform its La Maillerie project that repurposed redundant industrial buildings into residential, retail spaces and smart parking. “Reusing existing buildings is always the best option,” Dupuy said.

And now technology is helping managers reduce the carbon impact of buildings in everyday use. Enerbrain uses AI and extensive data monitoring to improve the performance of HVAC (heating ventilation and air conditioning) and building management systems. According to Enerbrain's international sales manager Alberto Riboni: “Our algorithm monitors and optimises systems in real time to deliver energy efficiency while maintaining comfort levels.” ■



Cindy Andersen: “We really believe in the physical experience”



Outlets have the magic formula

It takes more than a pandemic to dent the ongoing rise of outlets



VIA Outlets' ReLove



Rioja Estates' Malmö Designer Village



GORG's Tbilisi Outlet Village

DESPITE the economic and pandemic challenges of the past 18 months, the outlet sector has proven a robust performer and Rioja Estates managing director Giles Membrey said three new forces were driving renewed growth in the outlet market.

He said that outlet sales were 20% up on pre-COVID levels and noted that they are predominantly outdoor sites, which are typically readily accessible by car and as such are seen by shoppers as more COVID-safe.

In addition, the demise of the department store sector, notably in the UK, has disrupted a key route to market for brands, which are increasingly turning to outlets. Finally, many consumers order multiple items only to keep one and return the rest and as a result they need to be disposed of through the outlet channel, which is driving up stock availability.

Rioja Estates has unveiled plans for the Malmö Designer Village in Sweden. The 18,000 sq m first phase is expected to start on site in 2022 and open in Q3 2025, with a further phase of 9,000 sq m expected to follow in 2027. Meanwhile in Lincolnshire in the centre of England, construction is about to begin on Rioja's new outlet centre at the town of Grantham. Infrastructure works to open up the site – including a new junction on the busy A1 highway – are almost complete and builders will be on site in the first half of 2022 allowing phase-one to open in 2023/4.

Construction is underway on McArthurGlen's latest European outlet mall, a 20,000 sq m project in Giverny, north-west of Paris. The scheme, located just 45 minutes from Paris and 35 minutes from the tourist magnet of Versailles, is on target to open in early 2023.

The mall will reflect the growing trend for outlets to evolve into all-round leisure destinations.

Emerging markets are also becoming part of the outlets boom. Tbilisi Outlet Village is Georgia's first-ever outlet project – situated outside the Georgian capital and scheduled to open towards the end of next year.

Developed by Georgian Outlets & Resort Group (GORG) in collaboration with outlets advisor TORG International, Tbilisi Outlet Village is expected to attract more than seven million visitors in its first three years, including a significant number of cross-border travellers from Azerbaijan, Armenia, Russia and Turkey.

Sustainability has been at the core of business expansion for designer outlet specialist VIA Outlets, with plans to expand its successful ReLove project next year. The company is also looking to build on strengthening its retail, leisure and F&B mix, having signed 355 deals this year, including 135 with brands new to the VIA Outlets portfolio and recently placed the issuance of €600m senior unsecured fixed-rate green bonds. ■

KEY TAKEAWAYS

LeisurUp: How to win the race for customers

Leisure comes in all shapes and sizes and can help define a destination, but developers and landlords need to choose the right formats and resist seeing leisure as a space-filling solution.



Partnerships are the way forward

Retailers and leisure operators are combining to launch ambitious projects

The pandemic has influenced visitors

People want to socialise but value safety protocols in the wake of the pandemic

Digital challenges out-of-home

Leisure operators need to differentiate to rival at-home leisure options

One size does not fit all

Leisure comes in all sorts of formats, destinations need to choose carefully

Combining activity, retail and leisure

Sporting activities are opening-up opportunities for retail

“We had a record number of leisure operators and concepts in Cannes this year for the first physical LeisurUp and the message was loud and clear — partnerships and curation can deliver fantastic results for destinations. However, the leisure concept has to be right for the destination, the location and the visitors.”

Francesco Pupillo,

LeisurUp, The Happetite and MAPIC Italy director

Partnerships are the way forward

Retailers and leisure operators are combining to launch ambitious projects



MALL OPERATORS are turning to the power of storytelling to animate their spaces, and in a ground-breaking deal French landlord Apsys has formed a partnership with Warner Bros to bring a Batman-themed attraction to one of its Paris malls. The scheme was unveiled at the MAPIC conference session Activating Brands and Spaces: the Power of Storytelling.

Moderator Laurent Taieb, president at Licensing International, told delegates: "Storytelling embraces experience through characters - it's all about emotion." And he added: "The emotion is the key part because it creates a link to that place that will make you want to come back again." Apsys will bring Batman Gotham City Adventures to a 2,000 sq m space in Paris in 2022. The format was the brainchild of escape room specialist Dama Dreams. Co-Founder David Harari told the conference: "We knew they wanted to do live entertainment and we thought Batman was perfect for the format. It's an 80-year-old IP."

And on the other side of the deal, Harari explained: "We knew the format needed a big space, and Apsys was looking for something that could be the future of their malls." The attraction will be split into four zones, sitting some-

where between escape games and immersive theatre. In addition, there will be a shop and a bar/restaurant.

"Even the store will be immersive, but it will be open to the mall," Harari said. "And the bar will allow you to enjoy the atmosphere of Gotham City even if you don't want to play the games."

Large-scale attractions require major investment from both the mall owner and from the operator, and Bart Dohmen, CEO at Unlimited Snow, said: "The issue is how do you earn your money back? That can be directly or it can be in the broader picture, but there's always a solution. Our approach is that we're there to attract footfall to the mall." Considering the future of malls, Eurofund Group president Ian Sandford added of the development of retail destinations into locations with a strong leisure and F&B offer: "If a visitor is only coming for a specific retailer, then the reasons for them to come could be challenged by online retail. However, if they are coming for the overall experience, and because they want to spend time with their friends and family, then you have something which the internet can't challenge. So to me, that's the Holy Grail for shopping centres right now." ■

The pandemic has influenced visitors

People want to socialise but they value safety protocols



Fri Forjindam: “There was a clear desperation for connection”



Reinhart Viane: “The model today is to believe and then test”

WHILE leisure activities remain as popular as ever – and perhaps even more popular after periods of enforced lockdown – inevitably the pandemic has reset visitor priorities. And while the industry inevitably remains concerned about ongoing and future restrictions on capacities and rules, in fact demonstrating strong health protocols may well prove to be a selling point for destinations.

Consumers are more attracted to destinations that provide clear safety protocols as the desire to go back to normal life has been tempered with caution over personal safety in the aftermath of the pandemic, delegates were told.

Speaking at the LeisurUp session Restarting Your Business, Fri Forjindam, chief development officer at theme-park and immersive-experience design company Mycotoo, said: “As things started opening up, anything that advocated safety helped boost sales.”

She also noted that Gen Z is the largest growing group in terms of leisure spend, with millennials not that far behind, as she concluded: “The more we know about con-

sumer behaviour, the more we can target demographics.” Forjindam said of post-lockdown behaviour: “There was a clear desperation for connection and initially you could see that with anything that was COVID-safe, like the popularity of drive-in events, for example.”

Reinhart Viane, business development director, KCC, added that many more leisure options had come online because operators had found lower-risk and cheaper ways of bringing concepts to market. “The model today is to believe [in the concept] and then test, which is less risky, for example by starting with small pop-ups and looking for differentiation.”

Forjindam agreed and said that the model was to “trust and verify by firstly trusting that a leisure concept would work and then achieving verification through producing profits”.

Viane added that technology and digital would be increasingly integrated into the storytelling around leisure and that this also meant that many leisure schemes would need less physical investment, as the technology could change the space. ■

Digital challenges out-of-home

Leisure operators need to rival at-home leisure options



Nicolas de Villiers: “There are no boundaries between work, education and home

While digital tends to be seen as a rival to store-based retail, the leisure sector could also be vulnerable to the increasing availability and quality of leisure in the home. During the pandemic many households have upgraded their streaming services, for example, while also investing in comfort for their home.

At the LeisurUp session Leisure & Retail: A New Chapter, on Tuesday, November 30, Nicolas de Villiers, president, Puy du Fou, told MAPIC delegates that he viewed digital as a bigger threat to retail than leisure, because replicating physical experiences is not possible, even though people do have ever-increasing at-home entertainment options.

“As soon as we create strong physical, emotional experiences that you cannot get at home, then we can attract people,” he said. “[There are] no boundaries between work, education and home... so this is a good opportunity to answer something new in people’s lives. We have to face this new world.”

He said his dream was to be able to reach children in Brazil and China and attract them to the parks in Europe, showing that digital could be used to connect with completely new markets.

At the same session, Pascal Ferracci, CEO of Parque Reundos, said: “Digital is transforming the way we interact



Pascal Ferracci: “Leisure remains a robust sector”

with our guests. We have quite an extensive digital road map. We use local brands, based in our communities. So we are not as dependent on tourism as many competitors,” he said of a business that operates in 12 different countries and also across a range of different activities.

“We are enhancing our value proposition through investment, animation and entertainment,” Ferracci added. “We will invest €800m over the next five years by expanding and acquiring sites. Turnover now is close to €700m.”

Ferracci stressed that leisure remains a robust sector: “Currently everything out-of-home is almost back to normal. Our industry is benefitting from an increasing demand and a local demand. A large proportion of the population is prioritising time with their friends and family. A great way to capture this is through local brands and regional parks, close to our customers.”

Puy Du Fou is “an epic journey through time, where many visitors spend two or three days. The company has been expanding its model and has sites in France and Spain,” DeVilliers said, adding: “Our purpose is to get four parks by 2030 and a new urban format, to show inside the city,” he said. “I believe that leisure enhances retail because we talk with emotion to the heart of the people. It is more important than ever.” ■

One size does not fit all

Leisure comes in many varieties, destinations need to choose carefully



PlayPower's three-storey installation at the Kennedy Space Center

LEISURUP showcased a range of formats to suit all spaces and budgets in its Leisure Talks programme, demonstrating that concepts can be anything from a major entertainment destination to a temporary pop-up. Spree Interactive offers high-throughput VR games installations that can revitalise a mall space, according to CEO Jonathan Novak. In the five years since it launched, Spree has carried out 40 installations and its business is now growing at 250% annually. Novak said the typical site attracts 3,500 players per week, who go on to spend 90 minutes in the mall when not playing.

By contrast Xtrem Adventures offers physical play. CEO Raphael Jamgotchian focused on two formats – the Net Course and the Zipcoaster. The Net Course is a series of climbing nets that can be suspended in void spaces, above stairwells or over escalators, to form a 3-D maze. Jamgotchian said the company has recently completed a five-storey installation in a Singapore mall that soars 40m from the floor to the mall's roof level. And the Zipcoaster is an indoor zipline ride that soars through the mall's roofspace, either using gravity or small electric motors to drive the rider forward.

For a more sedate experience, Concept 1900 provides traditional carousels, hand built in France, that can operate in enclosed or outdoor mall spaces. Commercial director Inna

Legrain said more than 600 carousels had been installed worldwide since the company was founded 40 years ago. Meanwhile, according to US-based play giant PlayPower both indoor and outdoor play facilities have been proven to increase dwell times and encourage repeat visits at shopping centres.

PlayPower is the world's biggest supplier of playgrounds, delivering 30,000 installations per year. And the company is looking to step up its presence in the European market, according to business development manager Lars Nielsen. "Our indoor play business had been very US-focussed but Europe's now a priority, with a focus on the shopping centre market," he said.

Nielsen said the playground market is evolving and becoming more sophisticated. "Themed playgrounds that bring storytelling to the mix is the new trend," he said. "This can be character-driven to create a point of difference."

Equally, education through play is growing in importance according to Nielsen. For instance, PlayPower has just completed a three-storey installation for NASA at the Kennedy Space Center in Florida that takes children on a journey through the solar system. And Nielsen predicted that shopping centre managers might adopt this approach so that their playgrounds become part of their corporate social responsibility agenda. ■

Combining activity, retail and leisure

Sporting activities are opening-up opportunities for retail



Baptiste Caulonque



Zlatimara Banchева



Nicole Srock-Stanley



Bart Dohmen

BRINGING sports attractions to retail environments enables destinations to appeal to a wider variety of customers, from ardent and regular sports fans to sports novices. In turn, this helps to increase the return on investment and encourages repeat visits as all guests feel comfortable with the activities.

Much of this has been made possible by technology, which has not only allowed some sports to be better replicated within malls and leisure destinations, but has also flexed the amount of space required to establish a sports offer.

So said Endless Surf by WhiteWater chief commercial officer Baptiste Caulonque and Walltopia commercial director Zlatimara Banchева as they discussed the benefits of incorporating sports attractions within retail spaces.

Banchева said that climbing – an activity introduced at the Tokyo Olympics this year – “makes for a very sustainable business model” as it appeals to a wide range of people, who all come together as one community.

He identified several types of business opportunities that work well for climbing walls in retail spaces. One is the traditional entertainment offering. This is a regular, active entertainment centre that caters to small children and their families and which offers a high-volume, single visit offering. There is also the opportunity for an athletic facility with a climbing wall, with more repeat visitors and a membership system.

Caulonque discussed how wave technology has developed to mimic the action of the ocean, which has boosted the popularity of wave simulators because surfers have become repeat customers. Technology advances have also allowed for varying the size of waves, so that installations can be adjusted to appeal to children, beginners and pro-surfers alike.

In a separate session, Nicole Srock-Stanley, CEO and founder of Dan Pearlman, plus Bart Dohmen, CEO of Unlimited Snow, talked about creating “happy places”.

Srock-Stanley said that shopping is a leisure activity and people invest time into shopping, rather than just money when they buy online. As a result, retail should already be considered part of the leisure industry.

Dohmen cited the Dubai fountains as an example. Although they cost around \$200m and there is no charge to view them, the rent on the spaces around the fountain is higher and the fountains drive footfall each evening. ■

THE HAPPETITE[®]

by mapic[®]



KEY TAKEAWAYS

The Happetite: Key Takeaways

The Happetite: F&B reinvented for the future

MAPIC's Food Forum, The Happetite, brought together some of Europe's most innovative and forward-thinking food operators to discuss the future of the food and beverage sector in 2022 and beyond.

WHILE the food and beverage (F&B) sector has been at the frontline during the pandemic, a strong DNA of innovation and agility has enabled the sector to respond in a way that, arguably, has been faster and more effective than retail.

As a result, while there have been business casualties, the sector approaches 2022 in surprisingly robust health and with customers showing a strong appetite for socialisation. That said, it has been far from a smooth path for operators. "It's been a rollercoaster ride for the big-six European markets," Jochen Pinsker, senior vice-president Foodservice Europe at the NPD Group, reminded delegates at The Happetite session, Reboot The Restaurant Industry: Key Figures And Trends.

NPD's research shows food-service turnover plummeted 80% in April 2020 but by October 2021 the deficit had narrowed to just 10%. "Lockdowns have eased and restaurants have learned how to deal with COVID," Pinsker said. "Consumers are once again ready to use restaurants in all their different facets."

But some sectors have performed better than others. "If you're in quick service you're much better off because takeaways are in your DNA. But full service and the leisure sector have been punished," he said.

Understanding visit situations is key to accommodating these changes: pre-COVID work-related visits made up 36% of total business and they continue to be the hardest hit, with turnover still down by 30%-40%. Conversely, during the pandemic the only growth sector was home meals, which have seen their market share almost double from 11% to 21%.

Looking forward, factors that are going to influence the industry include the overall economic situation, where Pinsker is relatively sanguine, pointing out that GDPs have largely recovered to pre-pandemic levels; changes in restaurant capacity, with a large slice of the sector having gone out of business and sites that have survived often restricted on how many people they can serve; and consumer sentiment towards restaurants, which Pinsker believes has recovered. "People are smart enough to know restaurants aren't risky places," he said. ■

"Food and beverage operators have been among the most innovative businesses during the pandemic and that was incredibly clear in Cannes, where we heard from some of the giants among the quick-service, family-dining and food-hall pioneers. Sustainability, agility and omnichannel growth dominated the agenda for MAPIC's Food Forum, The Happetite."

Francesco Pupillo,

LeisurUp, The Happetite and MAPIC Italy director



F&B is the new rock n roll of retail

Through innovation and agility, hospitality has responded best to the pandemic

Food halls are about more than food

Putting a few restaurants together and proclaiming them a food hall is no longer enough

Global brands need local heroes

Many of the most successful concepts combine global branding and local talent

Green means business

Sustainability needs to be at the heart of F&B operations

F&B has moved beyond location

Build it and they will eat, say top F&B operators



F&B is the new rock'n'roll of retail

Through innovation and agility, hospitality has responded best to the pandemic

FOOD and beverage operators in Cannes were noticeably confident about how they had adapted to the impact of the pandemic, pivoting their businesses to first of all cope with delivery-only operations and later to accommodate COVID-related restrictions that chopped and changed and often differed from territory to territory.

The upshot is a sector that has worked hard to optimise all aspects of its omnichannel model and, in many cases, has adapted faster and more successfully than many retailers.

In terms of delivery, operators are expanding their real estate options, servicing consumers both from traditional outlets and from dark stores, located off-pitch.

Berker Yagci, chief expansion officer and general manager of Getir France, the Turkish-based pioneer of ultrafast grocery delivery, discussed the role of dark stores as a concept that new businesses can be built around.

"Dark stores are very much the new economy," he said. "But ultimately the consumer will decide how everything fits together."

At the heart of change lies the future of working patterns and Jochen Pinsker, senior vice-president Foodservice Europe at the NPD Group, cited research by McKinsey during his The Happetite address, predicting that on any given day 25% of office workers are at home.

"When people are at home your biggest competition isn't another restaurant, it's the fridge or the coffee machine," he said, as he predicted breakfast trade, largely a work-related occasion, would not recover.

With this in mind Pinsker predicted more demand for foodservice in residential and suburban locations as he cited Pret A Manger in the UK as an operator quick to change its location strategy to reflect these trends.

However, people who spend more time working alone at home will be missing social contact, so Pinsker predicted a growth in mid-afternoon snacking as people get together with friends and neighbours over a coffee. And people will be looking to socialise more in restaurants.

"When we go out, experience is going to be key," he said. "It's not about getting your stomach filled, it's about being entertained."

Innovation was a point taken up by The Happetite moderator Jonathan Doughty, project director, leasing services for ECE Marketplaces, when he quizzed Time Out Market president and creative director, Joao Cepeda, about why hospitality seemed to have risen to the challenges better, and to have rebounded from the pandemic faster, than many retailers.

"I think that retail has faced bigger challenges," said Cepeda. "And now the retailers are analysing the situation and trying to come up with intelligent solutions. Two or three years ago many were still in denial, and simply waiting for things to improve." ■

Jochen Pinsker: "Consumers are once again ready to use restaurants..."



The Happetite: Key Takeaways

Food halls are about more than food

Putting a few restaurants together and proclaiming them a food hall is no longer enough in today's F&B market

FOOD offers need to be about far more than simply bringing a few restaurants together and must be about nutrition, experience and community, according to Andrea Rasca, CEO and founder of Mercato Metropolitano.

Speaking at MAPIC's Food Forum, The Happetite – during the session Integrating Restaurants into Lifestyle Destinations – he stressed that he had tried to build what he described as a “social business model” with his F&B sites, which began with a location in the Elephant & Castle, south London. The company – which he calls a “movement” – is to open its latest food hall in Brookfield's Potsdamer Platz. The Berlin food, retail and cinema complex, close to the Potsdamer Platz transport hub, is due to reopen next summer.

Not that Rasca likes the term food hall. “I don't even know what a food hall is any longer,” he said. “Now it seems that if you put three restaurants together you can call it a food hall, even if you serve the same unhealthy food, full of sugar. It's time to stop thinking of the customers as chickens that just need to be fed something.”

Neither is Rasca a fan of traditional shopping centres, so he needed to be convinced that his F&B concept should locate at Potsdamer Platz. Developer Brookfield's desire to reinvent the former shopping centre as an estate

of mixed-use buildings, with entertainment and culture, helped him to make the decision to join.

Rasca sees his role as providing a “big platform for food lovers, entrepreneurs and refugees” to create businesses within the Mercato, with a strong community ethos and sustainability at its heart, beyond a simple food offer.

Also on the panel, Jenifer MacDonald, senior director, leasing and retail at Brookfield Properties, said that the intention at Berlin was to create something that “engaged and entertained” both visitors and Berliners, with a mix of entertainment and culture, plus food and public spaces to entice locals to visit multiple times a week.

“The focus for us is on giving people lots of reasons to come and encouraging a repeat customer,” she said.

The model for the Mercato at Potsdamer Platz is that the food hall anchor will pay a base and turnover rent, with the sub-tenants operating in the same way with the Mercato. Rasca added: “For business now it must be a partnership, you can't do it another way.”

Moderator Jonathan Doughty, project director, leasing services with ECE Marketplaces – which is also working on the project – stressed that developers and landlords need to move beyond rent-per-square-foot and instead focus on “whether we can engage with customers”. ■

Jenifer MacDonald (left), Andrea Rasca and Jonathan Doughty



Global brands need local heroes

Many of the most successful concepts combine global brands and local talent

THERE is arguably no better operator to comment on how to take a global brand local than Time Out, which had pivoted its business from city-based media group to curated food halls before the word pivoted was even a thing.

Debuting in Lisbon, rather than in its origin city London, where it still doesn't have a presence, Time Out Market has become a global phenomenon, present in Europe, the US and the Middle East, but the business puts its success down to the talent that emerges in each of its host cities. Time Out Market president and creative director, Joao Cepeda, promised "more surprises" within the coming weeks as the food hall format prepares to announce new sites for its popular F&B concept. And with Porto the next to open, Cepeda said that the location would become the blueprint for taking the concept to smaller cities.

Speaking at The New Chapter for Restaurant Players – the opening session of MAPIC's Food Forum, The Happetite, Cepeda said that he felt Time Out Market had proved so successful because the business only needed to bring "the envelope" to each location, with the curated content created by local operators, chefs and staff.

"What we often say when asked how big a Time Out Market can be is that it can be as big as the city," he said. "Because we are bringing the best of the city, each Market is activating not our brand but the city's brand and it is populated only with local food, content and talent."

Cepeda stressed that socialisation is also at the heart of the concept and admitted that the partition required to meet COVID protocols "nearly killed the concept" because it made it much harder to mix.

Pointing to the company's Dubai site – the most recent to open – he said that it is one of the only places where locals and ex-pats and visitors mix and eat in the same place. "That cultural impact should not be under-estimated," he said.

The original Time Out Market in Lisbon will celebrate its eighth birthday this coming spring and Cepeda said that the next openings would be "Time Out Market 2.0" as the company evolves the offer. However, he stressed that much of this evolution has been driven by the tenants and by the cultural nuances of the locations, as Time Out looks to open in "new geographies and new cities". ■



Joao Cepeda is promising "Time Out 2.0" for new format food halls

Green means business

Sustainability needs to be at the heart of F&B operations

FEW SECTORS can be as imbued in the need for a sustainable approach than food and beverage, where product sourcing, agricultural use, operational energy consumption and food waste are all major commercial and ethical issues.

But profits and sustainability do not need to be separate concepts and in the final session at The Happetite, MAPIC's Food Forum, Cojean restaurant group CEO Stephane Jitiaux outlined not only the company's ethical and sustainable approach to business but also stressed why this impacts every aspect of the business.

The session was entitled, People, Planet, Profit and Jitiaux said that if he was forced to choose only one priority, then "I would not be the CEO of Cojean" as he stressed that all three are necessary and that balancing all of these aspects was fundamental to how the business was formed and operated.

Cojean has 40 restaurants in Paris and six more in London and in a wide-ranging interview with ECE Marketplaces project director, leasing services, Jonathan Doughty, Jitiaux said that the company has always tried to behave in a responsible and sustainable way, and to improve its processes.

He cited the removal of avocados from the breakfast menu as an example, because the company determined that despite their popularity, their environmental impact was too high. Having established a new Spanish supplier that uses far lower amounts of water to grow them, avocados are being reinstated but only for six months every year, to tie in with seasonal availability.

The company also distributes unused food at the end of each day and has worked to bring recycling closer, shifting from using services in China to France.

In terms of people, Jitiaux said that despite a 50% reduction in revenue last year, the company had not made any redundancies.

"While the general economy will be key, our model integrates all our responsibilities for staff and for our charitable foundation," he said. "This is intrinsic to what we offer the customer and the experience. They know that eating is just the start."

It is not the only business rethinking the sustainability of its food offer. Ingka Centres managing director Cindy Andersen, said: "Food is super-important to what we are doing. And because people are at the centre of our approach, what we are doing is going to evolve constantly, for the location or to include new services. Because, after all, people are changing all the time. So each project won't necessarily look the same."

She stressed that the F&B offer would also help support

Ingka's desire to promote its sustainable agenda, with plant-based options and a focus on waste management among the initiatives. ■

Stephane Jitiaux: "Customers know that eating is just the start"



F&B has moved beyond location

Build it and they will eat, say top F&B operators

REAL ESTATE is being rethought in the restaurant business. Reflecting the confidence that many F&B operators feel about the customer draw of their offer, Big Mamma's Jack de Wet told delegates at The Happetite session New Standards to Drive Your Food Business: "We build destination, experiential restaurants, so a triple-A prime location isn't necessary. I'd rather go three blocks away, take a bigger space and build a destination."

Big Mamma is known for its large, opulent environments and trades from 16 sites in France, Spain and the UK. As for the vast majority of foodservice businesses, lockdown meant that all of Big Mamma's sites were forced to close. But rather than seeing this as a disaster, de Wet and his colleagues used it as an opportunity to fundamentally rethink the way the company trades.

First, this meant embracing delivery and click-and-collect. De Wet explained that initially deliveries were conducted from the restaurant sites, but quickly this moved to ghost kitchens. The move was so successful that the company set up a separate delivery brand, the Napoli Gang, trading through platforms like Uber Eats. And now the business has gone full-circle with Napoli Gang opening delivery sites from high street storefronts.

Second it meant embracing digital. "We developed an app to manage deliveries, but quickly this morphed into the app that we call Sunday," de Wet said.

Now the restaurants are open again, customers simply scan a QR code on their table to call up a menu on their phone. And again at the end of the meal they use the Sunday app to pay instantly, removing one of the biggest friction points in any meal. "Operationally, at a time when the industry is short of labour, that last 10th of the process can make or break a customer's experience," he said.

"Eighty percent of people have their phone in their hand when they sit down at a restaurant table, so absolutely this enhances the guest experience." And Sunday is bearing fruit commercially as well: "When people select themselves, the average sale goes up by 10% to 15%, and tipping goes up too."

It quickly became clear that Sunday had potential to become a tech business in its own right, serving restaurants around the world. Earlier this year Big Mamma's co-founder Victor Lugger led a \$100m fundraising that has turbocharged the rollout and now Sunday has 300 employees in eight countries. "We've gone in aggressively to take control of the market, de Wet said. "And we've built an ecosystem that could be applied elsewhere - hotels for instance." ■

Katrin Wissman, executive editor of Food Service Europe & Middle East, interviews Big Mamma's Jack de Wet

