



FM Traders' Guide



SHOP TALK ZEENAT MOORAD

I stood in a queue last Thursday. Not at the Mall of Africa, but at a Dinky Donuts cart on Umhlanga's beachfront promenade. I couldn't help but overhear a conversation behind me — it went something like this.

Man One (average height, slightly balding, wearing moss-green Crocs): "Yuss man! [Did] you check that mall that opened in Jo'burg — it's something like the biggest in Africa?"

Man Two (short, sunburnt, wearing Clementine Speedos): "Ya, guys were stuck in traffic for two hours — and they say people don't have money and the economy is going down."

I don't know of a news beat that any journalist (worth their ink) can well and truly leave behind in the newsroom (even) when on holiday.

We tend to be wired with three modes: raring to go, vibrate, and — for when we're feeling a tad self-indulgent — silent.

While some speak of an urban legend called "switching off," most reporters and editors are always acutely aware of news.

Specialised reporting is a craft — you can spend years building a repository of sources. You strive toward a delicate balance of being well-versed but curious and gritty in your area of expertise. And if you get it right, your words have depth, they dance on pages and your reader is ultimately left smarter.

By its very nature, retail, more than any other beat, is a natural equaliser. We are all consumers — it's an enduring and universal connection.

So on that Thursday at the beach, when my chase involved something less ambitious (but no less delicious) than the next big merger, I butted into Man One and Man Two's conversation.

Firstly, and in the most un-smartarse way I could manage, I told them that the Mall of Africa wasn't the continent's biggest shopping centre — just the largest built all in one go.

Others like Gateway in Umhlanga, Canal

Walk in Cape Town, and Sandton City are actually bigger, as they were extended and refurbished in stages, over time.

We then started chatting about how people were shopping more frequently but actually buying less (average basket size per trip — but tsk tsk, the beach is no place for jargon) and also why the "mad" price of avocados (high as a result of the drought) was ruining weekend brunches.

When I turned to leave with my donuts, I started thinking about the Mall of Africa. It had all the virtues of novelty: it was new, pretty, had a great tenant mix and was easy to get to (except on that day when 123,000 people decided to visit). Taken alone, these factors are not enough to drive a frenzy.

Markdowns, aggressive discounting and promotions do that. And they sustain retailers (at the expense of their margins) through tough cycles. An H&M (or Dion Wired) queue does an economic recovery make.

Attacq and Atterbury secured the rights for Waterfall from the Mia family in 2008 — when unsecured lending was still

wrapped in dazzle, long before any sign of trouble, whether structural or political.

They went to London to do research and carried out local demographic studies and in all likelihood, people from the 100,000-odd households and a growing office node in the immediate catchment area of the shopping centre will frequent it rather than trek to Centurion Mall or Sandton City.

Attacq initially pencilled in 80,000 m² for the Mall of Africa — it was SA's retailers who, in the haze of their space race, pushed it up to 130,000 m².

Yes, SA, which has the sixth-highest number of shopping centres in the world, can sustain another.

There will be cannibalisation. There will be margin squeeze. But there will be feet — who can resist a "three for two" or "buy one, get one free?" ■

Retail is a natural equaliser. All of us are consumers