

Malls in Faridabad Compete with NCR

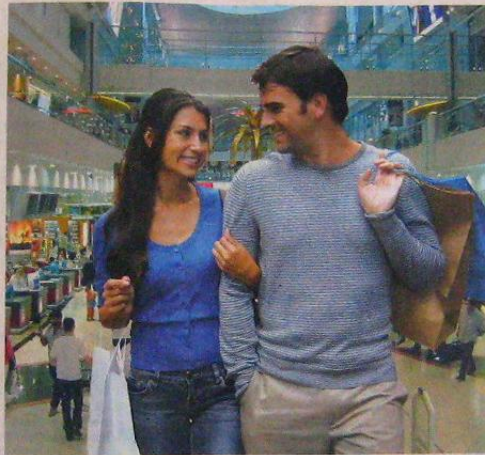
Industrial growth, corporatisation in this township to bring in urban consumers with high disposable income

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FARIDABAD malls are fast catching up with the glittery and swanky malls of Gurgaon and Noida. This town has been a late follower of mall culture because of slow infrastructural development and average disposable income.

There are two major reasons why Faridabad is lagging behind. "First, Faridabad has less number of working women which translates into lesser disposable income as compared to Gurgaon and Noida. Second, the smaller bucket size, i.e. the amount of shopping by a consumer in one go is much smaller in Faridabad. Here, women prefer to buy in small amounts rather than going for bulk buying as is the practice in Noida and Gurgaon," said Dr Amil Jindal who is the chairman of SRS Mall, Faridabad.

"However, trends are favourable and the scenario is continuously improving. There is considerably more number of people visiting our mall and the bucket size is improving slowly and steadily. Also, with Faridabad residents becoming more accustomed to shopping malls, we



are confident that things will only get better," he added.

"Since the launch of SRS Mall in 2004, we have maintained a CAGR of about 10-15 percent. But, we believe Faridabad needs to catch up with more pace, seeing growth of malls in Noida and Gurgaon," Jindal said.

There are scopes of more malls. "With the migration of a very large number of people from Delhi to Gurgaon and Noida, and setting up of a large number of industries, followed by boom in IT and BPO, these areas have scored over Faridabad when it comes to malls. However, with the growth rate of 15 percent year on year, I believe Faridabad will register better growth. Although

there are only ten shopping malls across Faridabad, there is a scope for four to five more malls," said RS Gandhi the chairman of Crown Plaza. "Annual turnovers in the recent years have been slightly higher than before despite huge competition. Annual turnover of retailers at Crown Plaza is around ₹150 crore and at Crown Interiorz, around ₹250 crore," informed Gandhi.

HIGH FUTURE PROSPECT

According to industry experts, malls in Faridabad are soon going to count among the best malls of NCR. "The daily footfall of Crown Plaza is about 8,000 people and about 12,000 of Crown Interiorz. At present, the pop-

ulation within a radius of 10 miles of malls is approximately 1.5 million and with the coming of new Faridabad, the population within 10 miles would be 2 million plus in next few years. This eventually will increase the footfall and development of the malls," said Gandhi.

Jindal said, "At present, SRS operates in approximately 1.2 million square feet of retail space. We have commercial space worth ₹4 lakh which includes SRS Mall and SRS IT Tower. My estimate is that in coming few years about 25-35,000 families will raise the overall figure of people frequenting malls here to somewhere around 1-2 lakh.

MARKETING STRATEGIES

The malls here have been exercising various marketing strategies to lure customers. SRS counts on 'Cross-promotional Synergies' which is about regular strategy sessions wherein they analyse demand and the ever-evolving consumer preferences and then devise marketing strategies accordingly.

"This means that the company is able to convert the consumer of one vertical into buying the services of other verticals," informed Tinku Singh, group president of SRS.

"We have a dedicated team for promoting Crown Plaza and Crown Interiorz. Some events like Shopping Carnival with very attractive prizes and competitive events have become so popular with people that they eagerly wait for the announcement of the next event," Gandhi added.

Talking about the size of the malls, he said Plaza has a retail space of about 2 lakh sq ft and office space of about 1 lakh sq ft whereas Interiorz has a retail area of 5 lakh sq feet.

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