



DAVID GARCIA

# Destination shopping

**Maasmechelen Village, the Ardennes Outlet Center in Verviers, McArthurGlen Luxembourg in Messancy... These open-air shopping centres want to become destinations in their own right. Their goal is to attract foreign customers who are oblivious to the economic crisis and who can spend up to €1,500 a day in one shop.**

By **Philippe Berkenbaum**

**E**vgueni, the husband, is carrying a bag in each hand and his young wife, Veronika, has a third one, her other hand firmly holding that of little Youri, aged eight, peeking out from behind his Ray-Bans. The bags sport the brand names Calvin Klein, Diesel and

Mer du Nord. The trio are coming out of the shop, Devernois, where Veronika has just tried on a dress from the 2012 summer collection, knocked down to half price. They've been wandering for three hours around the pedestrian streets lined by a hundred or so luxury shops in Maasmechelen Village, situated between Hasselt and Maastricht. A Sunday in... Campine, up to their eyes in labels. Russians in the heart of Limburg? "We go back to Moscow tomorrow", the husband explains in simple English. "We've spent a week in Europe and we're finishing off with some shopping." Five days in Paris, including one at Euro Disney, two days in Belgium, divided

between Bruges and Antwerp ("for diamonds..."), and then Maasmechelen. "We're staying in Brussels and we took a coach at 10 am to come here; it'll take us back at the end of the afternoon. It's very well organised." Where did they get the idea? "It was our travel agency that recommended the trip. They told us we would find lots of leading brand names in this designer outlet, but less expensive than in Paris. They were right."

## Designer outlets

Outlet: that's the word. Imported from the United States a good twenty years ago, it was originally translated as 'factory store', but today we talk about

'designer outlets'. The principle hasn't changed, but the decor certainly has. The level, too. Throughout the year, the biggest ready-to-wear labels sell off their barely out of fashion surplus stock from the previous season at heavily discounted prices, between 30% to 70% cheaper depending on the brand name and the period, but in highly specialised boutiques and "neo-village architectural surroundings, deliberately inspired by the Main Street of theme parks", Caroline Lamy, researcher at Magdus, the European Factory Outlet Centres Observatory and author of a study on the subject (1), explains.

"Surroundings, decor, gastronomy, luxury, events... Everything has been designed to help our visitors have a good time on our sites, a moment of relaxation. When they're with us, they should feel as if they're on holiday", David Winkels, told us. David is director at Value Retail, one of the principal players in the sector. It has nine *Chic Outlet Shopping*® Villages in Europe, including the one in Maasmechelen. "The developers' goal is to create an atmosphere that encourages strolling and shopping, all in a safe environment", Caroline Lamy adds.

## Even luxury is present and accounted for

There are almost 200 designer outlets in Europe, of which three are in Belgium (Maasmechelen Village, The Ardennes Outlet Center at Verviers and McArthurGlen Luxembourg at Messancy), a fourth one is in the planning stage and several are on our own front doorstep (Roermond in the Netherlands, Roubaix in France...). They are open seven days a week and almost 365 days a year, and you can find the biggest designer labels, not only in fashion but also, to a lesser extent, in interior design and home accessory brands, jewellery and various local specialities, like chocolates.

Even luxury brand names flaunt themselves without scruples: the exclusive presence of Dior, Louis Vuitton, Versace, Armani and Ferragamo can be negotiated for a small fortune with McArthurGlen, Realm, Neinver, Marques Avenue or Value Retail, the leaders in this fast-growing sector.

They are generally located outside large towns, often within a radius of less than an hour by car, largely to avoid the

brand names having to compete with their own shops, David Winkels explains. They naturally choose densely populated areas and mainly count on a regional clientele in search of bargains. "More than 18 million people live less than an hour and a half from Maasmechelen Village", David points out. His Belgium outlet boasts of attracting 2.5 million visitors a year to its hundred or so mono-brand boutiques. Shopping outlets have other ambitions though. At a time when European consumers have reached saturation point, the goal is for them to become tourist destinations in their own right. Or at least an excuse for foreign visitors to take short breaks. Foreigners, that is, who have larger resources at their disposal than their Europeans counterparts in these times of economic crisis...

## €1,500 a day in one boutique

According to the World Tourism Organization (UNWTO), international tourism purchases rose to \$919 billion in 2010, half of which was in Europe. The three biggest spenders in 2011 in terms of nationality were the Chinese, the Russians and 'other Asians' according to Global Blue, the tax-free shopping specialist, followed by the Japanese and

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the Americans, who complete the top five.

Your average Hong Konger spends €1,500 in the same boutique in a single day in France, the Chinese tourist €1,470, the Russian €1,000, the Indian €765 and the Brazilian €680. In five years, income from the BRIC countries' (Brazil, Russia, India, China and South Africa) shopping has risen from 20% to more than 40% of duty-free sales in France with an average shopping trolley that has increased by 50% to €1,200. "Customers from these countries are the main driving force behind international shopping", Arjen Kruger, Marketing Director of Global Blue, points out. But the question of how to attract them when you are located out of town or away from the traditional tourist circuits remains. That's the challenge that the new gener-

ation of designer outlets are busy trying to solve.

## Fun Shopping

How? By gambling on "fun shopping", Caroline Lamy explains. The neologism means to 'transform commercial space into a leisure centre capable of attracting a clientele and winning over their loyalty, increasing the length of their visit and with it the size of the average trolley at the checkout'. This is the case at the Lisbon Freeport centre which, in addition to its 200 boutiques, boasts a multiplex cinema, a nightclub, an exhibition space, 18 restaurants and cafés... Another possible solution is to advantageously divert the influx of visitors attracted by other local tourist sites for a few hours.

"We're working with tour operators, airline companies and hotels to offer 'tourist packages' that combine a day at Maasmechelen Village and an excursion in the area", David Winkels confirms. "We're on the edge of Hoge Kempen National Park (the only one in Flanders), the old mines in Limburg, and we organise visits to vineyards and local exhibitions: the Fashion Museum at Hasselt (with an Axelle Red exhibition), the Gallo-Roman Museum at Tongres,

the Terracotta Army at Maaseik..."

The *Chic Outlet Shopping*® Village in Marne-la-Vallée organises visits to the Champagne region, the Bicestret outlet near London proffers Oxford and Stratford-upon-Avon, while the one in Fidenza (Milan) invites you to discover Parmigiano, etc. Each Village has its own 'tourism manager' and its website covers everything worth a visit in the surrounding area. Some end up being such an attraction that they become destinations in their own right. A tell-tale sign: the only retailer there at present, Value Retail, has recently become a member of UNWTO, exactly like a real player in the tourism industry.●

(1) *Revue Espaces* n°269 - Tourisme et shopping.