



INSTORE

Monthly Retail Newsletter by
NTL

August 2020



INFORMED

This month, our Executive Director, Ungku Suseela shares her thoughts about how local retail brands should be taking centre stage.

WHAT'S IN?

Every month, this newsletter will highlight updates on retailers, retail spaces and brands, both locally and regionally.

IN THAILAND

A look into the current projects under the ETC Thailand office.



INFORMED

SUPPORTING LOCAL RETAIL BRANDS

by Ungku Suseela

As veteran retail professionals in Malaysia, there are two things we know that ring true. The first is that Malaysians love to shop. In 2019 the Edge reported that Malaysian retail sales growth grew by 3.7% to RM107.5 billion. We also know that Malaysians are happy to shop online, as 51.2% of Malaysians used an e-commerce platform in 2019. However, due to the COVID-19 pandemic, these numbers have drastically shifted within the last six months. Whilst brick on mortar sales have contracted, online shopping surged by 28.9% in April 2020 alone .

According to JP Morgan, cross-border spending is relatively high in Malaysia. Four out of ten Malaysians are willing to shop from international e-commerce sites, with 48% have made overseas purchases in 2019. The top three countries Malaysians shop from are China, Singapore and Japan. The second is that 60.9% of these purchases are for retail products like fashion, electronics, food and household goods – meaning less than half of online shopping involves services or experiences, like Netflix or Airbnb.

Our penchant for regional retail products strongly implies one thing: Malaysians like to shop closer to home. There are probably a few reasons for this. The first is that regional products tend to be more affordable compared to their Western counterparts. The second is that it is better suited to cater to local preferences. And the third is that we don't have to wait nearly as long for our products to arrive.

The New Straits Times also reported that 27 million Malaysians visited e-commerce platforms like Lazada, Shopee and Fashion Valet every month to purchase local retail products. In fact, in 2019, Shopee and Lazada recorded a 2,400% and 3,800% increase in purchases for Malaysian products, respectively. This highlights that locals are more than happy to shop for local products compared to a few years ago.

In recent years, we have also seen a drastic increase in trendy local brands. Nala, Kapten Batik, Whimsigirl, Kulet, Wanderlust + Co are just some examples of Malaysian brands that become popular amongst local shoppers - online and in brick-and-mortar concepts.

Supporting our local brands is now more crucial than ever. Circulating money in the Malaysian economy will help sustain the retail industry post-COVID-19. Moreover, by growing local brands, Malaysian retailers would be better prepared to enter global markets, funnelling more income into our country.

We have also suffered from having a small selection of strong local brands. Our shopping centers are filled with international retailers, leaving us with a lackluster trade mix of home-grown brands. However, local retailers also need to seize this opportunity to grow. With so many international stores thinking about cutting back on expanding, and Malaysians becoming more willing to purchase local products, it is now time for our home-grown brands to fill this gap.

But how should we go about supporting and growing our local brands?

Developers should be aware of the many new Malaysian brands have international product standards. While most of them might only operate online and may not have the resources to open a brick-and-mortar store, this does give rise to the opportunity for collaboration. By investing in local brands and giving them a space to flourish, retail developers will also gain a slew of positive benefits. For example, popular domestic brands are always the darlings of the Malaysian media. Hence positive press would inevitably follow the collaboration. Local brands also have an extremely high Malaysian follower count on social media, sometimes in the hundreds of thousands, and each user would be excited at the prospect of a new store. Undoubtedly, this will help increase footfall at the retail development.

Ultimately, retail developers need to be able to engage with online savvy local brands to create more interest in their malls. And with more international brands shying away, now is the time to let Malaysian brands shine.

WHAT'S IN?



NIGHTBUS 127 : A ONE-OF-A-KIND PUBLIC BUS-TURNED-EATERY DINING EXPERIENCE

Travel 1.5 hours from the heart of KL to the outskirts of the city into a small local town of Jenjarum in Kuala Langat where you'll experience a one-of-a-kind dining experience in a bus that was once actually used regularly on the road. Back in the day, the iconic red Nightbus 127 used to be known to the older generation as the only transportation for residents to move around town in the area of Banting to Klang.

With its old school, vintage décor and disco lights, customers can choose to enjoy their meals inside or outside the bus. With generous portions of western cuisine offers and a touch of Asian flare, Nightbus 127 is a crowd favourite and definitely worth the trip. Read more [here](#).



MONALISA BOOKSTORE BUKIT JALIL OFFERS DELECTABLE DESSERTS & HANDPICKED BOOKS



The Monalisa Bookstore is a beautiful and modern bookstore-cum-Café in Bukit Jalil, filled with aesthetic vibes and elegant ornaments, a unique experience for bookworms and perfect for readers and coffee lovers. A delightful local bookstore filled with an extensive collection of curated books, Monalisa Bookstore is spread over three levels. The first floor comprises the bookstore and a dessert cafe, while the second floor features chairs and more books for you to read through the afternoon.

Although only open on Fridays and the weekends, the third floor is a colourful 'future' zone for children, designed with vivid colours and a giant Tree of Life - where children can explore the fun of reading freely and let their imaginations fly. There are themed cafes on each floor, from Modern Tropicana (with traditional Malaysian elements), Japanese styles and the kid-friendly corner. This unique bookstore with many styles and modern designs make Monalisa Bookstore a must-visit!

Read more [here](#)

WHAT'S IN?



MR. D.I.Y OPENS FIRST MR. DOLLAR STORE WITH EVERYTHING AT RM2 OR RM5

Malaysia's go-to hardware store Mr. D.I.Y recently opened MR. DOLLAR in Taman Maluri on 7th August 2020. On top of the usual MR. D.I.Y. home essentials offer, visitors at MR. DOLLAR will be spoiled for choice with offers of snacks, drinks and other food items. All items are priced at RM2 or RM5, whether they are cooking ingredients, canned drinks, or even light bulbs! MR D.I.Y. saw record sales in May and June 2020 following the partial lifting of Malaysia's movement restriction order and the Group has revived their plans for a US\$500 million IPO following the postponement in March due to COVID-19.

Read more [here](#).

JAPAN'S ICONIC DON DON DONKI TO OPEN FIRST MALAYSIAN STORE

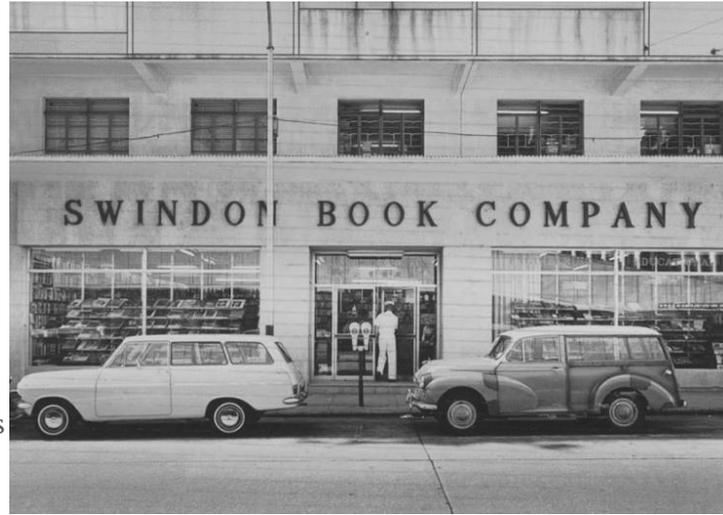
Don Don Donki is a familiar name for those who have travelled to Japan. This huge chain store with its iconic, adorable blue penguin mascot has over 160 stores across Japan, with a multitude of offers from Japanese snacks and other food items, clothing, groceries, beauty products and all sorts of merchandise. This Malaysian debut follows recent launches in Singapore, Thailand, and Hong Kong. YTL Corp Bhd's wholly-owned subsidiary YTL Land Sdn Bhd has announced that the Japanese specialty store will open its first store at Lot 10 Bukit Bintang in early 2021. Visitors who emerge from the Bukit Bintang MRT exit facing Lot 10 can find Don Don Donki at a street-front store which will also be next to the mall's new entrance, which will be completed in the final quarter of 2020. Don Don Donki will be owned and operated by Pan Pacific Retail Management (Malaysia) Sdn Bhd, the Malaysian sub-subsidiary of Pan Pacific International Holdings listed on the Tokyo Stock Exchange, which owns and runs the famous discount store chain Don Quijote in Japan.



Read more [here](#).

WHAT'S IN?

One of Hong Kong's oldest English booksellers, Swindon Book Co. Ltd, have announced that they will be closing their Tsim Sha Tsui 5000sf store by end-August. As one of the city's oldest and most dependable booksellers having been in business since 1918, the bookstore with its distinctive vintage shopfront, gold lettering and floor-to-ceiling display of book titles, occupies a distinct stretch alongside the drugstores and local-style restaurants on Lock Road. Swindon Book Co. has operated for more than a century, as textbook supplier for a countless number of schools and universities around Hong Kong, various offers of English-language books and carry a lovely selection of stationery, cards and books and magazines of all types – lifestyle, art, reference, fiction, non-fiction. They have also partnered with e-book firm Kobo as an authorised seller of the device in order to keep up with the times. The store's closure is another blow to Hong Kong's literary community, which has suffered the loss of several major bookstores unable to weather sky-high rents and competition from online retailers in recent years. Moving forward, Swindon Book Company will shift its focus to online retail website swindonbooks.com.



HONG KONG'S SWINDON BOOK CO. CLOSES AFTER 100 YEARS

Read more [here](#).

NIKE OPENS LATEST STORE CONCEPT : NIKE RISE

The first Nike Rise store, situated at Grandview Mall in the sprawling port city of Guangzhou, spans about 22,000 square feet over three floors and serves as a data-powered hub for all things sports. Customers will find the brand's collection of men, women and kids' apparel and footwear in a digitally enabled environment. Real-time inventory data in-store are available and customers are able to request to try items with a simple barcode scan through the app. The Nike Rise store is the first location in the country where the brand's Fit in-store experience has been introduced: The innovation in footwear sizing, which launched last year in the United States, uses a proprietary combination of computer vision, data science, machine learning and artificial intelligence to recommend the right shoe sizes for shoppers. Nike members get a bonus: Through the brand's app, they can sign up for activities tailored specifically for locals like soccer matches, running clubs and more, through the newly launched Experiences feature. Members can mingle with local athletes and celebrities, who will be invited for quarterly workshop sessions, as well as unlock product rewards with certain activity achievements. They can also approach a personalisation station where they're able to adorn items with design elements inspired by the city's sport culture, from jerseys that already represent teams like Guangzhou's Evergrande Taobao Football Club, to shirts and accessories. Nike has also incorporated nearly 45,000 pounds of recycled materials through wall finishes, seating and various display props. Among them, around 10% are Nike Grind materials — created from recycled Nike shoes and surplus manufacturing scraps — that have been transformed into rubber flooring and table risers.



Read more [here](#).

WHAT'S IN?

JASON WU OPENS FIRST BOUTIQUE IN SHANGHAI

Taiwanese-Canadian designer Jason Wu has opened his first global flagship boutique at IFC Mall in Shanghai, featuring a sophisticated design created by architect Andre Mellone. The designer is known for designing dresses worn by former First Lady Michelle Obama on several occasions, including those worn during the first and second inauguration of her husband, President Barack Obama. The boutique houses a wide range of fashion items and fragrances.



Read more [here](#).

BURBERRY TEAMS UP WITH TENCENT TO LAUNCH WORLD'S FIRST SOCIAL RETAIL STORE



Fashion brand Burberry has teamed up with Tencent in an interactive shopping experience that aims to blend the brick-and-mortar storefront with social media, to create a first-of-its-kind, immersive retail experience. Burberry's first social retail store was launched end of July in Shenzhen, with all in-store technology powered by Tencent. The store is positioned as an explorable space, where shoppers can browse and interact with the brand's products both in person and on social media.

Tencent has connected a dedicated WeChat mini program to bring social interactions from China's popular WeChat platform into a physical retail environment. It connects luxury customers' social and online lives to their physical environments. The in-store apparel will all feature QR codes labelled with product information, that the consumer can scan to experience digitally. The customer's journey through the store is guided by a digital point system called 'Social Currency,' which records a customer's in-store activity and social interactions with the brand via the customized WeChat mini program. Users can share social content, but also interact with informative brand stories. This feature, along with the store's bespoke layout has resulted in an immersive hybrid store experience— putting the brand firmly ahead in digitally complementing the luxury retail segment.

Read more [here](#).

IN THAILAND

CAFÉ AMAZON UNVEILED NEW BRANCH IN THAILAND'S SUKHUMVIT AREA

by ETC Team



Café Amazon has opened a new branch near BTS Phrom Phong Station (Sukhumvit area) in July 2020. Serving as an oasis for travellers, this coffee brand is known for their unique identity, with green decor and nature-inspired interiors that uses greenery and fountains to create a relaxing atmosphere.

Their unique positioning has enhanced their brand within the market, meeting local consumer demand, as well as tourists. Café Amazon is a well recognised coffee brand among Thai consumers and has a strong presence in the market by increasing their locations in shopping malls, community malls, office buildings, and shophouses.

Their new branch in Sukhumvit area will serve as a meeting and relaxing space for commuters and office workers around the area. Edmund Tie & Company (Thailand) has been appointed as the leasing agent for this project.

TEXAS CHICKEN TO OPEN NEW STAND-ALONE STORE IN THAILAND'S SUKHUMVIT AREA

by ETC Team

Texas Chicken, a fast-food chain which originated from Texas, plans to open a new stand-alone store near BTS Phrom Phong Station in August 2020.

The store will be located near 'The Em District', a leading retail complex in the heart of Sukhumvit area, attracting many local and foreign shoppers.

The opening of its first flagship store in Silom area near BTS Saladaeng Station and MRT Silom Station as well as their re-branding strategy has enhanced the brand's market competitiveness.

The brand image, which reflects 'The Flavourful Legendary Taste of Texas' has caught interest of Thai consumers.

Besides offering several quick menus, the unique brand identity a unique position in the Thai market.

Edmund Tie & Company (Thailand) has been appointed as the leasing agent for this project.



IN THAILAND

BAAN SOMTUM GROUP OPENS FLAGSHIP STORE IN BANGNA

by ETC Team

Baan Somtum

Baan Somtum Group recently opened their 10th Isaan Flagship Kitchen and Store in Bangna District, Bangkok in July 2020. This opening follows their recent grand opening of Baan Somtum at Chic Republic Ramintra on the 27th of December 2019. Baan Somtum Group's success is derived from its food quality, design materials, high food standards and attention to customer service.

Inspiration for Baan Somtum Flagship Store

The founders of Baan Somtum did a study within the Bangna district and found that there is no park or greenery near the store's location, hence the idea of 'Suan Horne' architecture was introduced with a split-level park and flower garden that surrounds the store.

Baan Somtum Bangna's Conceptual Design

The flagship store in Bangna has 2 main elements - Baan Somtum (Isaan Kitchen Store) and Horne Café (a cafe and bakery), they are connected by a spiral-shaped space. The interior decoration of wood furnishings and the earth-toned exterior design emphasises the spiral-shaped design.

The flagship Baan Somtum Store in Bangna district aims to provide a unique experience for customers by offering a friendly service within a relaxing environment. The store has both indoor and outdoor areas for customers to enjoy eating and spending time with their families. And Horne Café has an open counter design where customers can enjoy the garden view from inside the store.



ABOUT NTL & THE ETC GROUP

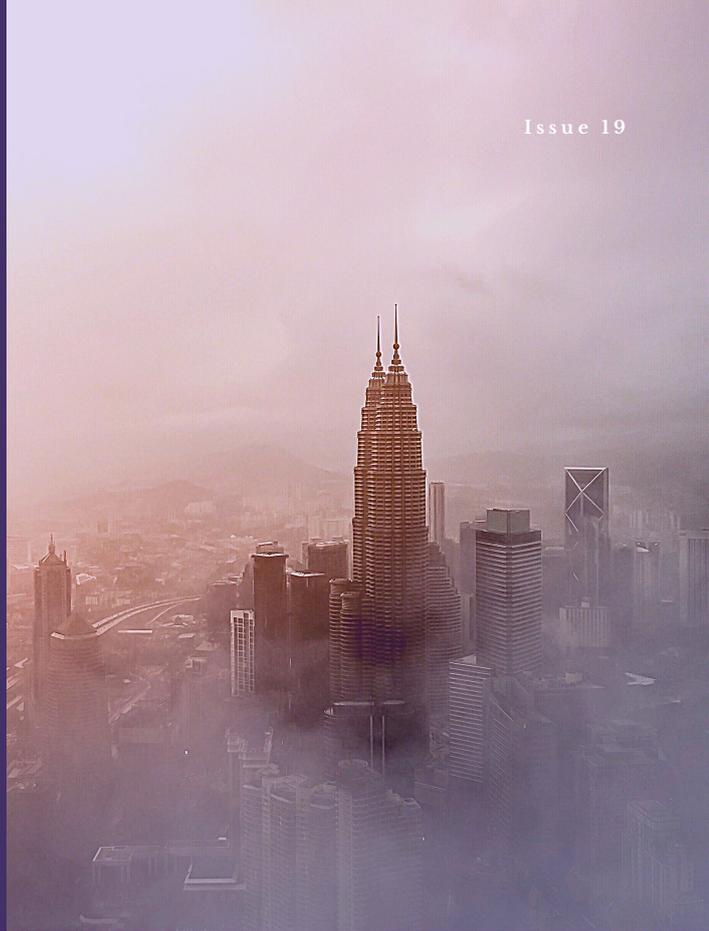
Established in 2000, Nawawi Tie Leung (formerly known as DTZ Nawawi Tie Leung), is a prominent property consulting firm in Malaysia which is part of the Edmund Tie & Company (SEA) (ETC) with offices in Singapore, Malaysia and Thailand. NTL has a proven track record in retail development consultancy and leasing throughout the South East Asian region.

Our distinctive Asian philosophy based on trust, integrity, collaboration and reciprocity allows us to create value for our clients and stakeholders that exceed their expectations.

As a member of ETC, we are supported by some 500 experienced professionals across our network. Our expertise covers a comprehensive range of property services, including commercial agency and occupier services, residential agency, retail property services, investment sales, valuations, property management, and research & consulting.

THANK YOU FOR READING INSTORE

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