Neighbourhood Retail
Panchkula

The Bella Vista

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Panchkula

Why a Neighbourhood Mall?

Our Ethos

- There are a lot of neighborhood markets in Chandigarh with unique brands, but most of these markets don't have a diverse range of options to fulfill most customer needs. Hence, these customers have to go to different markets.

- There is still a lack of well-defined and holistic markets in Panchkula. There is an opportunity to meet the demand for people living in Panchkula who have to travel Chandigarh on a regular basis.

- Even with successful malls like Elante, the other neighborhood markets in Chandigarh have sustained themselves as they are easily accessible.

- Hence, there is a lot of potential in the market of Panchkula to establish a premium neighborhood mall with unique stores to induce frequent usage, to create a holistic experience and a one-stop location for all customers living in the vicinity of the mall.

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Key Value Propositions

- Prominent location with adequate parking space
- Relevant target audience: High spending capabilities and large disposable incomes of demographics
- Direct access to shops on the lower and upper ground floor making them easily accessible
- Shops on the ground floor have premium outdoor spaces that add to the ambience.
- Induce frequency of customer visits (3-4 times a week) through a salon, gym, departmental store as a primary catchment

Proof of concept

South Point Mall, Gurgaon:

- Amidst, the hustle and bustle of the Big Box Malls in Gurgaon like: Ambience, MGF metropolitan, and successful high street markets like DLF Galleria, South Point Mall has able to differentiate itself by becoming one of the first neighborhood malls of NCR. by appealing to the conveyance and daily needs of people.

- With an interesting mix retail ranging from Departmental Stores, Gymnasiums, Salons, Brewery's and Korean Bakeries, South Point Mall has created a specific niece in the Korean and Japanese markets to drive customers by creating ample supply to pull demand in.

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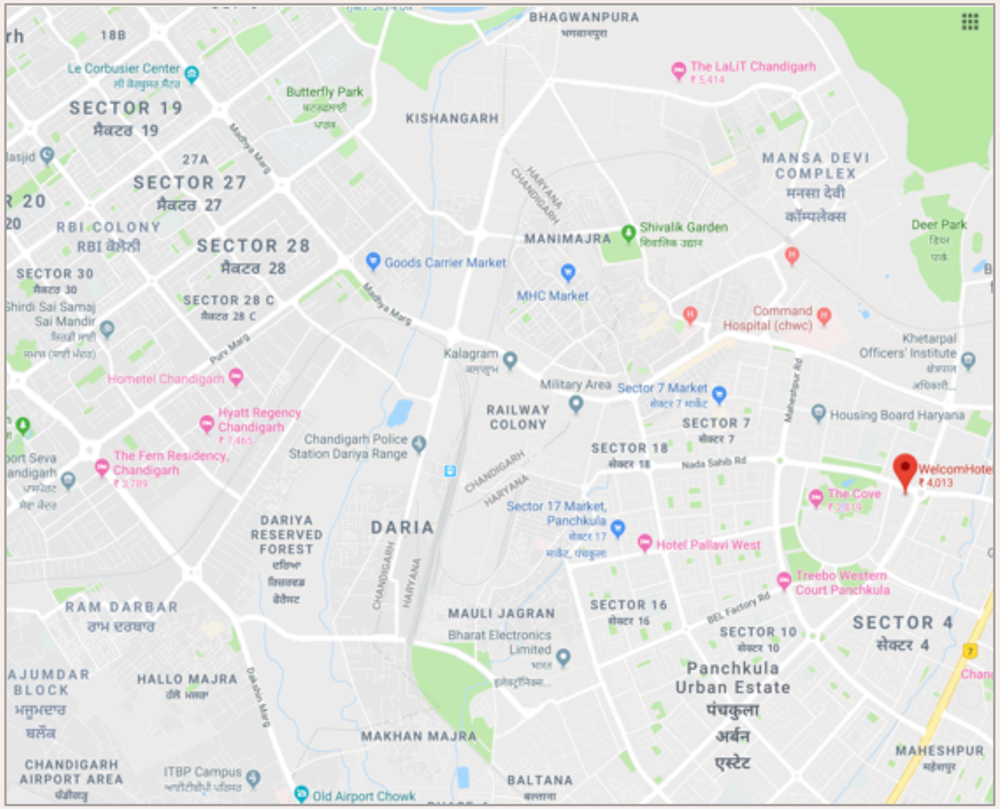
Primary & Secondary Catchments

Primary Target Catchment Area

Panchkula Residential and Commercial Sectors (Sector 2, 4, 6, 7)

Secondary Target Catchment area

Nearby Chandigarh Residential and Commercial Sectors



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Primary & Secondary Target Catchment

Brand Oriented Urban market with high disposable incomes:

- Consumers with high disposable incomes coming from Chandigarh and Panchkula because of the unique/ exclusive international, national and local F&B brands that we propose to open.
- After reviewing the demographics of Panchkula, we realized that there are a large number of people in the city with high disposable incomes (defined by analyzing property prices and cars ownership as proxies for disposable incomes).

Inducing frequency of customers living in the vicinity of the mall:

- Consumers living in the vicinity of the mall to cater to everyday needs (departmental store, salon, gym, cafes).
- Additionally, analyzing the trend behavior of demographics in Chandigarh and Panchkula, people prefer going to neighborhood markets due to ease of accessibility. Therefore, there is ample scope to establish a premium neighborhood mall that can provide a diverse range of brands in one place by inducing frequent usage.

Neighbourhood Retail
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Quick Facts about Bella Vista

Gross Leasable Area

67,120 sq. ft.

Store Availability

20-40 stores

Parking Spaces Available

120 - Basement

100 - Outdoor

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ABOUT BELLA VISTA

DISTINCT LOCATIONAL ADVANTAGE

1] SECTOR 5, THE CITY-CENTRE OF PANCHKULA, HAS BEEN PLANNED AS AN EXCLUSIVE SECTOR FOR RETAIL, ENTERTAINMENT, LEISURE AND COMMERCIAL ACTIVITIES

2] SURROUNDED BY UP-MARKET RESIDENTIAL SECTORS (2, 4, 6, 7, 8 & 9)

3] ACCESSIBLE FROM TWO MAJOR ROADS WITH GREAT VISIBILITY

4] MAJOR UPCOMING RESIDENTIAL DEVELOPMENTS BY DLF, SUN CITY & IREO

RETAIL CENTRICITY

1] ALL RETAIL SPACES FACING THE ATRIUM AND OFFERING UNHINDERED VISIBILITY

2] WELL DESIGNED RETAIL SPACES OFFERING FLEXIBILITY

- FRONTAGE:" "15 - 33 FT"
- HEIGHT: " "14.5 FT"
- SIZES (SUPER):"400 - 3000 SQ FT"

3] COLUMN FREE SPACES FOR FLEXIBLE RETAIL LAYOUT

4] WIDE WALKWAYS FOR UNINHIBITED AND COMFORTABLE CIRCULATION

5] EFFICIENT VERTICAL MOVEMENT OF MATERIALS THROUGH WELL LOCATED SERVICE ELEVATORS

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EFFICIENT INFRASTRUCTURE

1] LATEST AND MOST CONTEMPORARY EQUIPMENT TO OFFER WORLD-CLASS

SAFETY | EFFICIENCY | RELIABILITY | FLEXIBILITY

2] THREE LEVELS OF BASEMENT PARKING

Neighborhood Retail
& Franchise Show

WELL DESIGNED SERVICES

1] OVER 3 MW OF BACK-UP POWER, USING FUEL EFFICIENT DIESEL GENERATORS (MTU)

2] HIGHLY EFFICIENT HVAC SYSTEM WITH OVER 1000 TR CAPACITY (TOSHIBA AND DUNHAM BUSH)

3] HIGH SPEED ELEVATORS (SCHINDLER) FOR EFFICIENT VERTICAL MOVEMENT OF PEOPLE AND MATERIAL

4] ALL RETAIL FLOORS CONNECTED WITH ESCALATORS (SCHINDLER)

5] ENTIRE BUILDING MANAGED BY AN ADVANCED BUILDING MANAGEMENT SYSTEM (BMS) (SIEMENS)

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Market Trends

- Demographics in Chandigarh prefer to go to the closest neighborhood markets where they have adequate shopping and eating alternatives for ease of accessibility.
- Neighborhood malls like South Point Mall, Gurgaon have been a success by capitalizing on specific target audience with high disposable incomes, by introducing a variety of local and national brands that cater to everyday needs.
- CDRs (Casual Dining Restaurants) and PBCL's (Pubs, Bars, Clubs and Lounges) seem to be the most successful type of establishments with high revenues and trading densities. They appeal to to premium, brand-oriented urban market that are looking for personalized experiences. Example: Sector 8 and Sector 9, Chandigarh.
- Consumers in Chandigarh are brand conscious.

Market Trends

- The Table shows the spending patterns and format preferences of consumers in the country. In tier 1 and 2 cities- consumers prefer CDR over QSR, reflecting on the increased willingness to pay for premium dining experiences.
- Based of market research done by Tasanaya Hospitality, Chandigarh has the highest revenue per sq. ft. in India for some leading apparel and footwear brands.
- The disposable incomes of consumers alongside the propensity to spend on consumer goods and food & beverages is higher in Chandigarh compared to most Tier 1 Cities.

Exhibit 15: Spending Pattern and Format Preferences among Consumers

City Type	Avg HH Size	Preferred Formats	Avg Spend per HH per month (INR)	Eating Out Frequency per month per HH
Metros	4.09	QSR (37%) CDR (25%)	6,500 – 6,750	7 – 8
Mini Metros	4.12	QSR (48%) CDR (21%)	4,500 – 4,750	5 – 6
Tier I & II	4.8	CDR (40%) QSR (31%)	2,750 – 3,000	4 - 5

Source: NRAI Technopak India Food Services Report 2016, Technopak Analysis

Sector 8, 9, 10 Panchkula

This is the closest competition to a neighborhood space for the residents of Panchkula. There are diverse range of shops, ranging from office spaces to departmental stores to salons to budget hotels and banquets to a mix of restaurants, mostly QSR's, PBCL's and Café's.

Well-performing QSR (Quick Service Restaurants):

- There a lot of QSR brands that exist that are doing high sales relying on both walk-in as well as delivery through food aggregators.
- There are also many bakeries and cafes established that appeal to the everyday needs of the people. Being a neighborhood market, the QSR have been able to survive despite being a neighborhood market.

QSR Brands	Tentative Average Sales (per day)
KFC	100,000-120,000
Burger King	80,000-85,000
Burgrill	80,000-90,000
Super Donut	80,000-90,000

Sector 8, 9, 10 Panchkula

Saturation of PBCL (Pub Bars Clubs and Lounges):

- Well established PBCLs and brewery's like Hops and Grains and Brew Estate have opened which seem to be doing well on the weekends.
- Hops and grains has a very loyal customer base as it was the first brewery that opened in Chandigarh. The pricing point of the brewery is lower than most of its competition. Therefore, even though competitive spaces might have better ambience, service and operation standards, the brewery seems to be doing well. There is a strong sense of loyalty prevalent in customers.
- On the weekdays, these restaurants rely on alternative practices to drive sales and footfall: happy hours, kitty parties, cross promotions
- There is a clear saturation of PBCL's in the market.

Lack of CDR (Casual Dining Restaurants):

- Overall, the market is not very organized when compared to other sector markets in Chandigarh.
- What is lacking is a range of premium CDR's that might appeal to people with high disposable incomes in Panchkula.
- Such people still must go to places like Sector 8, 26 and Elante; creating a gap for potential penetration in the market.

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Competition Review

Category	Sector 26, Chd	Sector 8, Chd	Elante Mall, Chd	Sector 9 & 10, Chd	Sector 17, Chd	Sector 8,9, &10, Pkl	South Point Mall, Gurgaon
Type Dominant	F&B: PBCL and CDR	F&B: QSR and Dessert	Retail, Multiplex and F&B: PBCL, CDR, QSR, Café and Dessert	Retail, Departmental stores and F&B	Retail and F&B Kiosks	Café, PBCL and QSR	Retail and F&B: PBCL and CDR, Supermarket and Fitness Centre
Average Sales for successful restaurants	PBCL: 25-30 lakhs per month CDR-15-17 Lakhs per month QSR:10-12 lakhs per month	QSR/Dessert: 8-9 Lakhs per month	PBCL/CDR- 30-40 Lakhs Café-15-20 lakhs a month QSR-10-15 lakhs per month	-	-	QSR: 10-12 lakhs per month Café/PBCL-10-12 lakhs per month	-
Average APC for successful restaurants	PBCL and CDR: Rs 800-1200	QSR: Rs 200-400	QSR: Rs 200-400 Other: 800-1200	-	-	QSR: Rs 200-400 Other: 800-1200	PBCL and CDR: Rs 1000-1500
USP	First Mover Advantage in bringing national and international F&B brands Prime location with premium ambience and high covers	Well established local QSR's with good delivery business	Only premium big-box malls	Local well-established Departmental stores and retail brands to induce accessibility	First mover advantage in organized and leading retail brands	Only available neighborhood market in Panchkula with large renting spaces	Premium neighborhood mall focusing on Japanese and Korean customers

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Competition Review

Category	Sector 26, Chd	Sector 8, Chd	Elante Mall, Chd	Sector 9 & 10, Chd	Sector 17, Chd	Sector 8,9, &10, Pkl	South Point Mall, Gurgaon
Key Features	• High Competition • High Rents • Large spaces with outdoor area	• High Competition • High Trading Densities • Space for small and unique concepts.	• Strong retail mix and multiplex to increase daily footfall • Dessert and CDR's are the most profitable - high trading densities	• Local Retail brands and departmental stores • Loyal Customer base	• Traditional Retail market • Leading brand mix that generate adequate footfall • High Rents	• Lower rents • Very diverse establishments (offices, hotels, restaurants, retail)	• Department stores and restaurants catering to Japanese and Korean clients • Indians frequently visit gym, cafes and Le Marche
Target Customer Base	Families and Individuals with high incomes Avg age (32-40)	Youngsters Avg age (15-25)	All types Avg age: 15-50	Primary everyday shopping customer base Avg Age: 30-50	High as well as low budget customers base Avg age: 20-50	All types Avg age: 18-40	High budget Avg age: 30-50
Brand Mix	International/ National and Local brands: TGIF, Playground, The Great Bear, Barbeque Nation	Local and a few national brands: Amigos Café, Monica's Bakery, Subway, Pita Pit, Fraiche	Leading national and Int'l brands: Zara, Rado, H&M, Being Human, Aldo. National and Int'l F&B brands: Chilies Swagath, Brew Estate, Nandos, Shree Rathnam, Playground	Local brand mix: MG supermarket, Punjab Stores, Jute board of India	Leading national and international retail brands: Kapsons, 1469 Pure Punjab, SEPIA, Odhani etc) and national (Planet Fashion, Allen Solly, Calvin Klien, Adidas Louis Phillipe	Mix of retail and F&B brands: Hops and Grains, Brew Estate, Monica's Bakery, Burger King, KFC, Burgrill	Local and national retail and F&B brands: Le Marche, Benetton, Geetanjali Salon, Aura Spa, Fab India, Quill and Canvas Bookstore, Fitness First.

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Financial Viability

Location	Consultant 1*	Consultant 2*
	Rent (per sq. ft.)**	Rent (per sq. ft.)**
Panchkula		
Sector 20	120	-
Sector 8,9, 10	-	150-200**
Chandigarh		
Sector 26	185-200	200-250****
Sector 35C	150-175	175-200
Sector 8,9, 10	-	175-225

* The consultants have given information regarding prevailing rents in Chandigarh and Panchkula.

**Rent based on Carpet Area

*** Rent for ground floor

****Rents are for the front portion. For the entire back to back it would be around Rs. 6 lakhs

- Despite a lack of organized and well-developed neighborhood markets in Panchkula, the rents for these sectors are on average between Rs 150-200 sq. ft.
- The successful neighborhood markets catering to conveyance in Chandigarh (Sector 8,9,10) are commanding rents between Rs. 175-225 sq. ft.
- Having a look at the current market rentals, The Investors have a First Mover advantage to close in on highly favorable leasing terms at an under-leveraged location with better facilities.

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Proposed Zoning of Brands Aim

- To induce frequent usage and generate additional footfall: We have zoned the mall in the manner that each floor induces frequent usage. This will complement other retail brands and help generate additional footfall for such brands. The proposed zoning for gymnasium is on the upper ground floor. Since, the gym induces frequent usage, it will automatically drive a lot of demand into the mall that will help substantiate growth for various retail brands.

- To optimize customer traffic and flow for the ease of accessibility: Mall zoning has been done to optimize customer traffic. The departmental store in the Atrium has direct access without having to enter the mall that induces easy accessibility. The premium CDR's/Café's on the ground floor have direct access as well as outdoor seating for gainful impact and elegant ambience.

- To maximize revenues: Each zone will promote local and global brands and create a signature and diverse portfolios of brands to maximize our target catchment by appealing to both the brand oriented and the unique local specific needs. Such zoning will henceforth maximize the revenue for the retailers and the developers.

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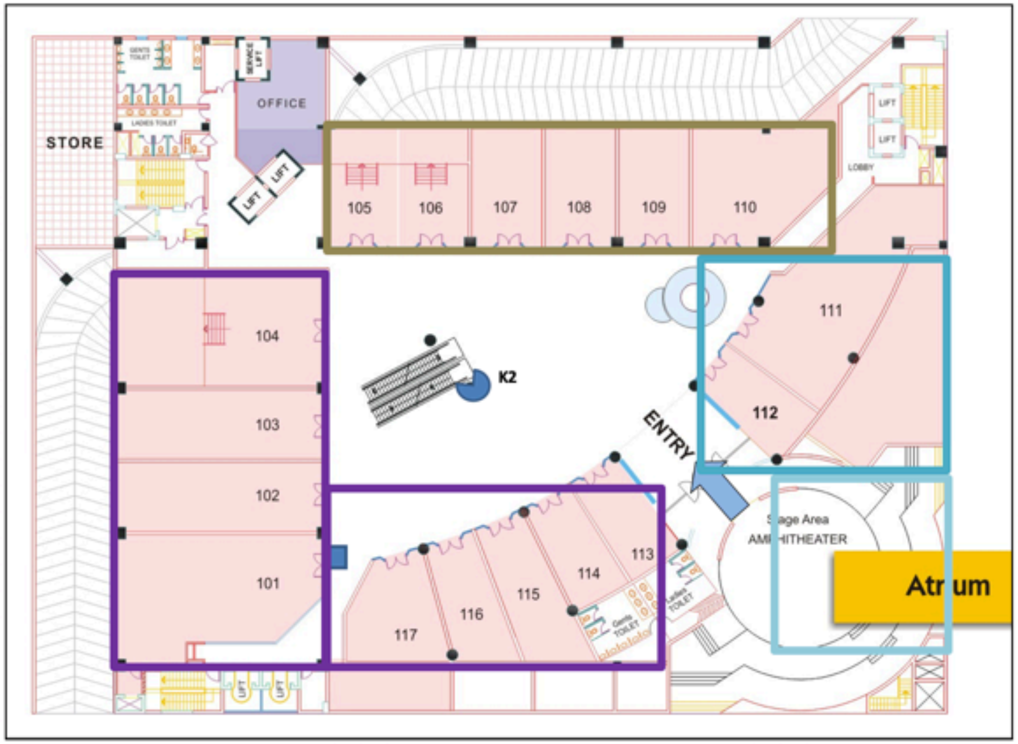
Atrium Floor Plan

Layout and Sizes for Level 1 (Atrium Floor)

Shop No.	Area (Sq Ft)	
	Covered	Super
101	1,428	2,385
102	951	1,588
103	951	1,588
104	1,490	2,488
105	515	860
106	515	860
107	445	743
108	515	860
109	515	860
110	964	1,610
111	1,968	3,287
112	405	676
113	405	676
114	405	676
115	544	908
116	500	835
117	525	877
KIOSK 1		
KIOSK 2		
	13,041	21,778



	Covered Area
Supermarket	7500
Retail Services	3500
F&B (PPB)	3000
with Alfresco Seating	

Public Entry

Note: a) The common area including the public walkways and facilities measures approx 8700 Sq Ft. The concourse measures approx 6500 Sq Ft.
b) The Public walkways are 10 ft wide
c) The internal partitions are not structural and can be configured as required. These spaces are column free.

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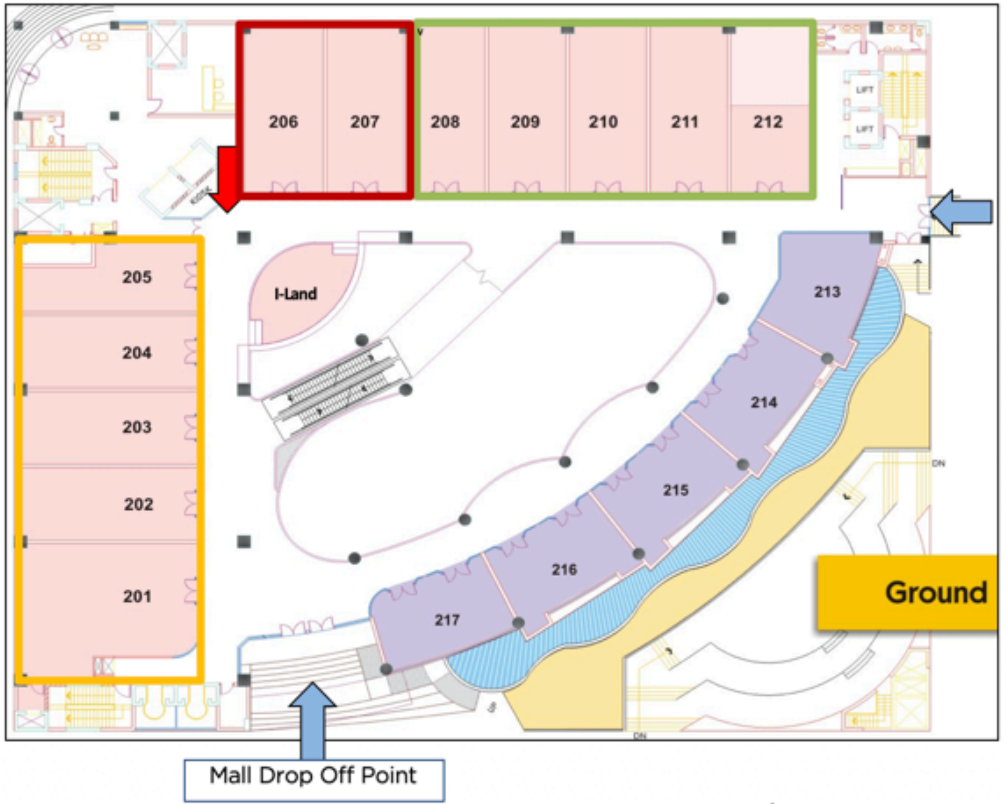
Ground Floor Plan

Layout and Sizes for Level 2 (Ground Floor)

Shop No.	Area (Sq Ft)	
	Covered	Super
201	1,213	2,026
202	730	1,219
203	730	1,219
204	730	1,219
205	590	985
206	668	1,116
207	730	1,219
208	730	1,219
209	730	1,219
210	730	1,219
211	730	1,219
212	760	1,269
213	600	1,002
214	665	1,111
215	725	1,211
216	705	1,177
217	695	1,161
I-LAND	493	823
	12,954	**21,633**



	Covered Area
Multi Retail/ F&B	4000
Mens/ Womens Salon	3700
F&B with outdoor seating	3400
Multi Retail	1500

Note: a) The common area including the public walkways and facilities measures approximately 8700 Sq Ft.
b) The Public walkways are 10 ft wide
c) The internal partitions are not structural and can be configured as required. These spaces are column free.

Public Entry

Entry for Hotel Guests

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First Floor Plan

Layout and Sizes for Level 3 (Upper Ground Floor)

Shop No.	Area (Sq Ft)	
	Covered	Super
301	1,198	2,001
302	722	1,206
303	722	1,206
304	920	1,536
305	375	626
306	1,523	2,543
307	735	1,227
308	735	1,227
309	735	1,227
310	735	1,227
311	970	1,620
312	207	346
313	709	1,184
314	665	1,111
315	360	601
316	360	601
317	360	601
318	360	601
319	735	1,227
320	600	1,002
K1	453	757
	14,179	23,679

	Covered Area
Multi Retail	4000
Gym	5000
Gaming / Entertainment	3500
Health Juice Bar	450
Single Brand Retail	2000

Note: a) The common area including the public walkways and facilities measures approximately 9500 Sq Ft.

b) The Public walkways are 10 ft wide

c) The internal partitions are not structural and can be configured as required. These spaces are column free.

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