

INTERNATIONAL AWARDS Winners



2003 MAXI WINNER

CENTER PRODUCTIVITY

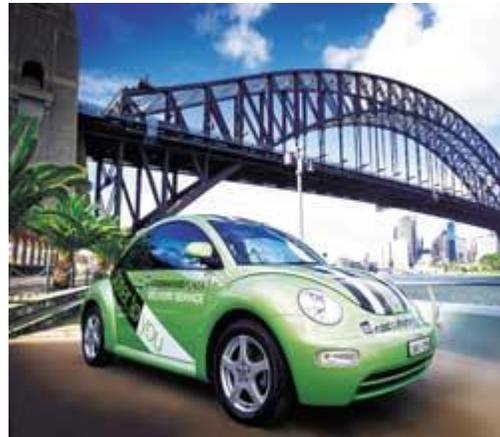
150,001-400,000 square feet

CONCIERGE AND CORPORATE SERVICES

Greenwood Plaza

North Sydney, N.S.W., Australia

Greenwood Plaza caters primarily to North Sydney office workers. With a recent economic downturn and subsequent commercial vacancy rate of 10.8 percent in the area, traffic at the center dropped 11.2 percent in 15 months. The mall was under pressure to cut costs and increase efficiency.



Greenwood Plaza's information desk was identified as an expensive, underused service that didn't produce any tangible return on investment and gobbled the staff's time and resources. The center needed to reduce the resources devoted to the desk but at the same time find a way for it to generate more sales.

IMPLEMENTATION

Greenwood Plaza replaced its under performing information desk with a subcontracted concierge service like those in five-star hotels. This is a one-of-a-kind service first in the Australian retail marketplace.

The center moved the desk into a small but highly visible busy area in a corridor adjacent to a railway station entrance. That made its former location, a prime one, available for lease.

The new service was launched in December to capitalize on the busy Christmas season. The concierge offered such services as personal shopping, catering, ordering dry cleaning and alterations, and more. Further, the concierge made regular sales calls to nearby businesses, negotiating annual catering accounts and corporate gift contracts, building relationships between the community and Greenwood Plaza's tenants.

The Centre paid the subcontractor a small retainer fee for providing traditional information services, but the new desk was funded mostly by commission on the retail sales it generated. The cost of the commissions was shared by customer and retailer. The subcontractor managed its own staff and even took over casual leasing within the center, freeing more of the mall staff's time. The subcontractor got a commission on the leases.

Greenwood Plaza further promoted the concierge service with a logoed Volkswagen Beetle that made deliveries to nearby residents as well as businesses.

RESULTS

During its first six months, the concierge service generated \$156,000 worth of sales. It has freed up Greenwood Plaza's management staff for other tasks and become a bargaining tool, too; leasing reps now mention the service when recruiting new tenants.

The concierge is totally responsible for promoting and administering casual leasing in the center and has generated \$81,900 in leasing revenue to date. The former information desk location has been leased to a coffee vendor for \$45,500 per year for five years.

So far the concierge has contracts with 317 corporate clients that use it regularly and makes an average of 110 deliveries to nearby residents per week.

As a result, some merchants, especially restaurants, now regard the concierge desk as an indispensable part of their business.

The concierge service costs the shopping center about half what it formerly spent (\$85,280) to run the information desk. Greenwood Plaza's owner, The Mirvac Group, is considering rolling out this service across their entire commercial business district retail portfolio.

Debra Young designed and facilitated the concierge and corporate services which has proven to be an innovative and cost saving success.

EXPENSES

\$42,445

CREDIT

Owned by: The Mirvac Group

Managed by: The Mirvac Group

Professional recognition to: Debra Young



Debra Young