



Promoting innovation and support entrepreneurs

Challenge

It is in our best interests to retain our tenants in our centres, thereby maintaining high occupancy rates. However, in recent times, capital restrictions due to the financial crisis and the uncertain economic climate have limited our tenants' ability to expand and innovate, and reduced opportunities for new businesses to grow, both of which are vital to restoring growth and keeping our shopping centres fully occupied.

Solution

In Portugal we launched Flash Stores, a new concept aimed at supporting tenants and new businesses while at the same time making use of empty stores. The concept provides temporary six month leases giving participants an ideal opportunity to try new products and ideas generating greater interactivity and forming closer relationships with customers which can't be achieved in traditional stores and set ups. For entrepreneurs, Flash Stores have the advantage of requiring a lower investment and greater flexibility in terms of contract price and duration. Flash Stores provide a unique opportunity to test new concepts and products which, if successful, can lead to a more permanent contract.

Results

During 2012, the Flash Store concept was tested at three shopping centres in Portugal: Centro Colombo, ArrábidaShopping and CoimbraShopping with more than 17 local businesses and entrepreneurs taking advantage of the opportunity. The Flash Store concept was integral to our 2012 agreement with the Regional Office of Lisboa e Vale do Tejo (Direção Regional de Economia de Lisboa e Vale do Tejo) when we became the only private sector partner in the "Produtos de Portugal, produtos da minha terra" (Portuguese products, products of my homeland) initiative, that aims to promote and boost the sale of regional products to further support local businesses. Under the agreement, businesses and associations of the Lisboa e Vale do Tejo region can take advantage of the special conditions and establish Flash Stores at Sonae Sierra shopping centres, with one such stores opening in Centro Colombo in 2012. By the end of 2012, Flash Stores were operating in 11 shopping centres and we plan to roll them out to our shopping centres across Portugal and other countries in 2013.