

Traffic is high, but few serious shoppers

Jamie Ee Wen Wei

It is the busy lunch hour at Tanjong Pagar Xchange on Wednesday but there is only one customer in the gift store that Miss Wong Siew Yin mans.

The shop assistant has come to expect the lull at the underground mall in Tanjong Pagar MRT station. On a good day, she makes about \$90 in sales; but on a slow day, takings can go down to just \$25.

"What to do when there is no customer? Just rearrange the merchandise or dust the shelves," the 28-year-old said.

Just two weeks ago, SMRT announced that it was planning for more shopping areas or "Xchanges" at its stations on the Circle Line. The latest to open is the Esplanade Xchange, its third largest with 26 shops.

The rest are in Boon Lay, Buona Vista, Choa Chu Kang, Dhoby Ghaut, Raffles Place and Tanjong Pagar, each with a different tenant mix. The largest is Raffles Place with 52 shops, followed by Tanjong Pagar with 43 shops.

Despite all the shops being fully let out, existing tenants have complained that business is poor and shoppers are few.

Buona Vista Xchange – the



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Some tenants at SMRT's malls, like the one at Dhoby Ghaut station, complain that business is poor and shoppers are few despite the high human traffic.

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smallest Xchange with only eight shops – seemed the worst-hit.

Tenants said the traffic flow is poor as the shops are situated on the ground floor. Most commuters exit the station on the second level.

Construction work is also going on at the station, which will serve as an interchange when the Circle Line is complete.

An accessories shop owner there, who declined to be named, said business is so poor he once made only \$3.90 in a day.

Another tenant, who did not want her shop to be named, said she planned to move out soon.

"We don't even know when the construction will be completed and we can't lose money indefinitely," she said in Mandarin.

Rental rates vary across the Xchanges but tenants say they pay between \$4,000 and \$8,000 a

month. The shops are between 180 and 350 sq ft in size, they said.

Tenants at Tanjong Pagar and Dhoby Ghaut are not faring well either.

While the train stations see high human traffic, businesses say most of the people who pass by are not serious shoppers.

Business is at its peak during lunch hour, when the office crowd throngs the stations, but tenants say they earn barely enough to make up for the lull for the rest of the day.

An accessories shop owner at Tanjong Pagar, who wanted to be known only as Mr Tan, 50, said: "It's the same crowd here every day. Even if we have regular customers, how often do you expect them to buy?"

A retail expert, Dr Lynda Wee, said shops in MRT stations serve an unconventional crowd so businesses must operate differently to at-

tract them, such as offering unique items or cheap prices.

"For commuters, shopping is not in their head. They just want to get from point A to B so businesses must think of how to engage them," said the chief executive officer of retail consultancy firm Boot-strap.

She added that stores like fashion outlets and salons may not do as well as food and beverage or convenience stores, which suit commuters because they can just "grab and go".

Indeed, F&B shops, convenience stores and pharmacies across the stations draw a constant stream of customers.

Just Acia, a casual Asian eatery at Dhoby Ghaut Xchange, gets "hundreds to a thousand" customers every day, said its director Christopher Ang.

An SMRT survey of 1,000 commuters also bears this trend out.

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July 18, 2010 thesundaytimes

More than 70 per cent of the commuters said they patronised food and beverage outlets at the Xchanges regularly, followed by convenience stores and pharmacies.

When queried, Ms Gwyn Sin, senior director of SMRT Properties, said "there will be tenants who enjoy good business and tenants who are not doing too well, as in all businesses".

She added that the company will continue to work with tenants to run shopping and dining promotions to attract more customers.

In the meantime, Dr Wee said more thought could be put into the design of retail spaces in train stations. Some considerations include the placement of the shops and enhancing the shopping environment for commuters.

For businesses, they should also relook the products and services they sell – whether these suit the consumers they serve, she said.