

# ASIA-PACIFIC SHOPPING CENTRE **CLASSIFICATION**



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### Foreword

The standardization of Asia-Pacific shopping centre definitions contained in this document should greatly benefit the industry as a whole. It should assist, notably, the retail real estate professionals working in a pan-Asian context to facilitate (but not limited to) cross-border shopping centre comparisons, financial and operational benchmarks, and assessment of industry size. It should be noted that this new international framework does not replace any existing national definitions.

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# Asia-Pacific Shopping Centre Classifications

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## DEFINITIONS

### SHOPPING CENTRE

A shopping centre is a group of retail and other commercial establishments that is planned, developed and managed as a single property, comprising commercial multi-branded rental units and common areas. A shopping centre will have a minimum Retail Net Leasable Area (NLA) of 20,000 square feet (sq. ft.). In the context of a mixed-use project, the shopping centre excludes areas whose primary purpose is not retail (e.g., adjoined office or hotel lobby).

### AREA OF MEASUREMENT

**The area of measurement** for classifying shopping centres is Retail NLA. The NLA of a shopping centre is typically 55%-65% of the total Gross Floor Area, but this can vary across geographies and centre types.

**Retail Net Leasable Area (NLA):** The measurement of the internal floorspace of a retail unit that can be used for selling and displaying goods and services. It is measured from the inside face of the shop walls, excluding any protrusion from the wall. Retail NLA excludes non-shopfront office, hotel, residential and other non-retail uses. Typically the measure:

- includes the area taken by internal columns within a tenancy;
- includes storage connected to a tenancy; and
- excludes other unusable space such as a shared riser.

### TENANT DEFINITION

Tenants are defined based on their size, as outlined in the table below.

	SQ. FT.		SQ. M.	
	MINIMUM SIZE	MAXIMUM SIZE	MINIMUM SIZE	MAXIMUM SIZE
<b>Anchor Tenant</b>	25,000	-	2,336	-
<b>Mini-Anchor Tenant</b>	10,000	24,999	935	2,335
<b>Large Specialty Tenant</b>	4,000	9,999	374	934
<b>Specialty Tenant</b>	-	3,999	-	373

Within these shopping centre definitions, the following tenant category definitions are used:

- **Food & Groceries:** includes delicatessens, fruits & vegetables, butcher, poultry, fresh seafood, bakery/cakes/pastries, other specialty food and liquor.
- **F&B (Food & Beverage):** includes takeaway food, food courts (including common area seating), cafes and full-service restaurants.
- **Entertainment:** includes cinemas, gaming/gambling venues, family entertainment centres, video game parlours, bars/pubs/taverns, bowling alley, ice-skating, internal theme park, Karaoke.

**ANCHOR TENANT DESCRIPTIONS**

- **Department Store:** A retail tenant of greater than 50,000 sq. ft. that provides a wide range of goods (e.g. apparel, cosmetics, homewares) segmented into departments. While a department store may carry a range of different brands, it will be leased to a single leasee who may then sublease space. Would typically have less than 20% of NLA dedicated to food & groceries or F&B. The focus of a department store is typically higher-order retailing (e.g., fashion, accessories, homewares), with less of a focus on day-to-day convenience shopping. (See also further description on page 9.)
- **Discount Department Store:** A definition largely used in Australia, describing one of Kmart, Target or Big-W. These are small department stores (typically 500,000 - 10,000 sq. ft.) with a discount price point.
- **GMS (General Merchandise Store):** Mostly used in Japan and Korea, a 'General Merchandise Store' is in many ways similar to a hypermarket. In Japan it is defined as having no less than 10% and no more than 70% of sales from any of apparel, food or household goods, and being over 30,000 sq. ft.
- **Hypermarket:** A tenant of greater than 50,000 sq. ft. that provides a wide range of goods segmented into departments, with a heavy focus on food and groceries. At least 20% of floorspace or NLA would be dedicated to food & groceries. The focus of a hypermarket is typically on lower-order retailing, concentrating on day-to-day shopping needs.
- **Supermarket:** A tenant of between 10,000 and 50,000 sq. ft., of which 80% of floorspace or NLA is dedicated to a wide range of food & groceries.

	NEIGHBOURHOOD	SUB-REGIONAL	REGIONAL
<b>Size (sq. ft. NLA)</b>	20,000 - 200,000	200,000 - 500,000	500,000 - 800,000
<b>Typical Number of Anchors</b>	0 - 2	0 - 3	2+
<b>Required Anchors/Tenants</b>	No requirement	No requirement	No requirement
<b>Typical Main Anchors</b>	Supermarket(s) Hypermarket General Merchandise Store (GMS)	Supermarket(s) Hypermarket General Merchandise Store (GMS) Small Department Store Discount Department Stores (DDS)	Supermarket(s) Department Store(s) Hypermarket General Merchandise Store (GMS) Discount Department Stores (DDS) Cinema
<b>Definition</b>	<p>Small, convenience-oriented centre with a heavy focus on food &amp; groceries, and other non-discretionary products.</p> <p>May include a hypermarket mall, as long as they satisfy the shopping centre definition. In particular, it must include multi-branded rental units and common areas.</p>	<p>General merchandise and/or convenience-oriented offerings. Wider range of apparel and other discretionary products, as well as often non-discretionary food &amp; groceries.</p>	<p>General merchandise and/or fashion-oriented offerings. Main focus is on non-discretionary retail and entertainment/leisure. Draws from a broad catchment.</p>

## GENERAL-PURPOSE CENTRES (continued)

	SUPER-REGIONAL	MEGA-MALL
<b>Size (sq. ft. NLA)</b>	800,000 - 1,499,999	1.5 million +
<b>Typical Number of Anchors</b>	3+	3+
<b>Required Anchors/Tenants</b>	No Requirement	No Requirement
<b>Typical Main Anchors</b>	Supermarkets(s) Department Stores Hypermarket General Merchandise Store (GMS) Cinema Major Entertainment/Leisure	Supermarkets(s) Department Stores Hypermarket General Merchandise Store (GMS) Cinema Major Entertainment/Leisure
<b>Definition</b>	Larger-scale version of a regional centre. Greater variety of fashion and entertainment/leisure.	Larger-scale version of a super-regional centre. Greater variety of fashion and entertainment/leisure.

	SPECIALTY CENTRES	LEISURE/ ENTERTAINMENT	POWER CENTRE	OUTLET CENTRE
<b>Size (sq. ft. NLA)</b>	<500,000	<500,000	> 50,000 sq. ft., no maximum size.	No maximum size.
<b>Typical Number of Anchors</b>	0+	0+	N/A	None
<b>Required Anchors/ Tenants</b>	No anchor tenants.	-	-	80% of non-F&B floorspace or NLA dedicated to outlet tenancies.
<b>Typical Main Anchors</b>	N/A	Chain-store mini-majors: electronics (e.g. Apple), fast-fashion, sports.  Well-known restaurants.	N/A	N/A
<b>Definition</b>	Dominated by specialty shops and mini-major tenants, these centres are typically located within or near to central business districts (CBDs) or large mixed-use developments.  Defined as shopping centres that have no anchor tenants.  Excludes centres otherwise defined as leisure/ entertainment centres, major transport hub centres, outlet centres, power centres, or single-category centres.	Predominantly specialty stores with leisure, tourist, retail or F&B offering with leisure/ entertainment as a unifying theme. May be indoor or outdoor. Excludes centres defined as major transport hub centres.  Must have >50% F&B or entertainment tenants.	Category-dominant anchors, including large 'big-box' stores and wholesale clubs.  Must have 90% of floorspace or NLA allocated to anchor or mini-anchor size tenancies.	Manufacturers' and retailers' outlet stores selling brand-name goods at a discount.  Must have 80% of non-F&B floorspace or NLA dedicated to outlet tenancies.

	SINGLE-CATEGORY CENTRE	MAJOR TRANSPORT HUB CENTRE
<b>Size (sq. ft. NLA)</b>	<500,000	>50,000
<b>Typical Number of Anchors</b>	0+	0+
<b>Required Anchors/Tenants</b>	N/A	None
<b>Typical Main Anchors</b>	Any related to a single category	None
<b>Definition</b>	<p>Dominated by specialty shops that cater to a single, tightly defined niche. Excludes malls that focus on food &amp; groceries, F&amp;B and fashion. Excludes centres otherwise defined as leisure/entertainment centres, outlet centres, specialty centres, major transport hub centres or power centres.</p> <p>Must have 80% of floorspace or NLA dedicated to:</p> <ul style="list-style-type: none"> <li>• Information Technology ('IT Mall')</li> <li>• Homewares/Furniture ('Homemaker Mall')</li> <li>• Any other single product type ('Other Mall')</li> </ul> <p>This category excludes malls that focus on F&amp;B, which are classified as Leisure/Entertainment malls, as well as food &amp; groceries and fashion, which come under general mall classifications.</p>	<p>Must be located within an airport, an intercity railway station (not subway or metro station) or intercity bus station. The retail offer must be directly connected to the transport hub.</p> <p>Includes airside retail at an airport.</p>



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## OTHER MAJOR RETAIL REAL ESTATE

DEPARTMENT STORE	
<b>Size (sq. ft. NLA)</b>	>20,000
<b>Typical Number of Anchors</b>	N/A
<b>Required Anchors/Tenants</b>	No Requirement - see definition below.
<b>Typical Main Anchors</b>	N/A
<b>Definition</b>	<p>Retail establishment with an assortment in variety and range of goods organised into separate departments/ brands. Defined attributes include:</p> <ul style="list-style-type: none"> <li>• Stand-alone building - Physically separated from neighbouring retail offer (i.e. not directly anchoring a mall).</li> <li>• Single owner; separate ownership from surrounding retail (again, not being used to anchor a mall). <ul style="list-style-type: none"> <li>• 90% of space under centralised payment system.</li> </ul> </li> <li>• Less than 10% of space subleased to tenants other than the department store retailer. <ul style="list-style-type: none"> <li>• 90% of staff employed centrally.</li> </ul> </li> </ul> <p>If the above definition is not satisfied, then the establishment should be defined as a different format of shopping centre, or may be considered a department store tenant within a shopping centre.</p>



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