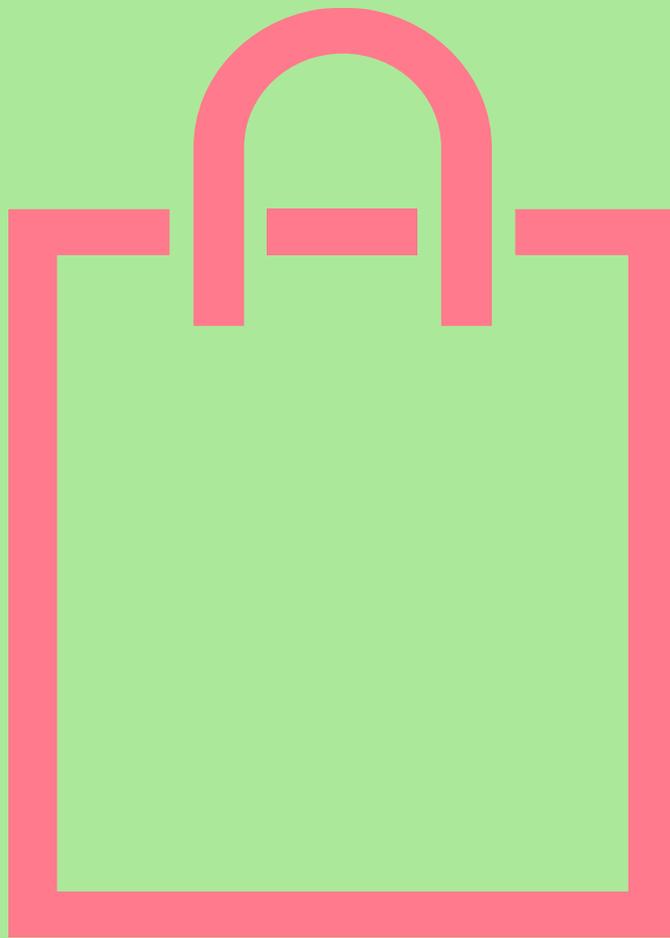


# The future of retail

Research Report

December 2024



**Hassell**

**More than just shopping – the best retail destinations will pull you in – and make you want to stay. They are lively, social destinations with the ‘magnet’ factor.**



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# INTRODUCTION & METHODOLOGY

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**Around the world, a global transformation in retail is underway. Changes in technology, demographics, and consumer preferences are shaking up traditional brick-and-mortar stores and creating opportunities for savvy brands and developers to upstage established retailers.**

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Nowhere is this better seen than Asia and the Middle East where innovative retailers are delivering new experiences and new concepts to consumers.

In this report, we take a closer look at what's happening in the Asia region. We outline key changes to the economy, demographics, and consumer behaviour and examine

how people are shopping, and what they love about the retail experiences on offer.

- The big picture: Experiential retail: The future of shopping
- Zoom in: The future consumer: Drivers of behaviour change
- Zoom out: Shaping the future of retail: Defining aspects of retail placemaking in consumer behaviour

## Methodology

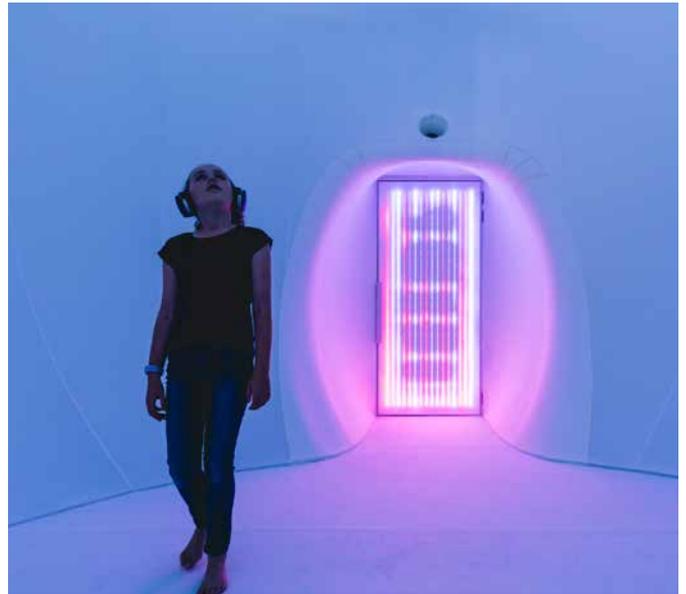
**Understanding consumer behaviour and retail success**

To gain insights into the evolving retail landscape, we looked at a wide range of sources.

We analysed market news, studied consultant reports, and examined data on consumer attitudes and consumption habits. We also surveyed recent retail developments in Asia, focusing on innovative approaches that resonate with contemporary consumers, and conducted interviews with 11 retail designers who have experience in many different disciplines, including architecture, interior design, strategy, and landscape design.

# 1. THE BIG PICTURE: EXPERIENTIAL RETAIL

The future  
of shopping



# 2. ZOOM IN: THE FUTURE CONSUMER

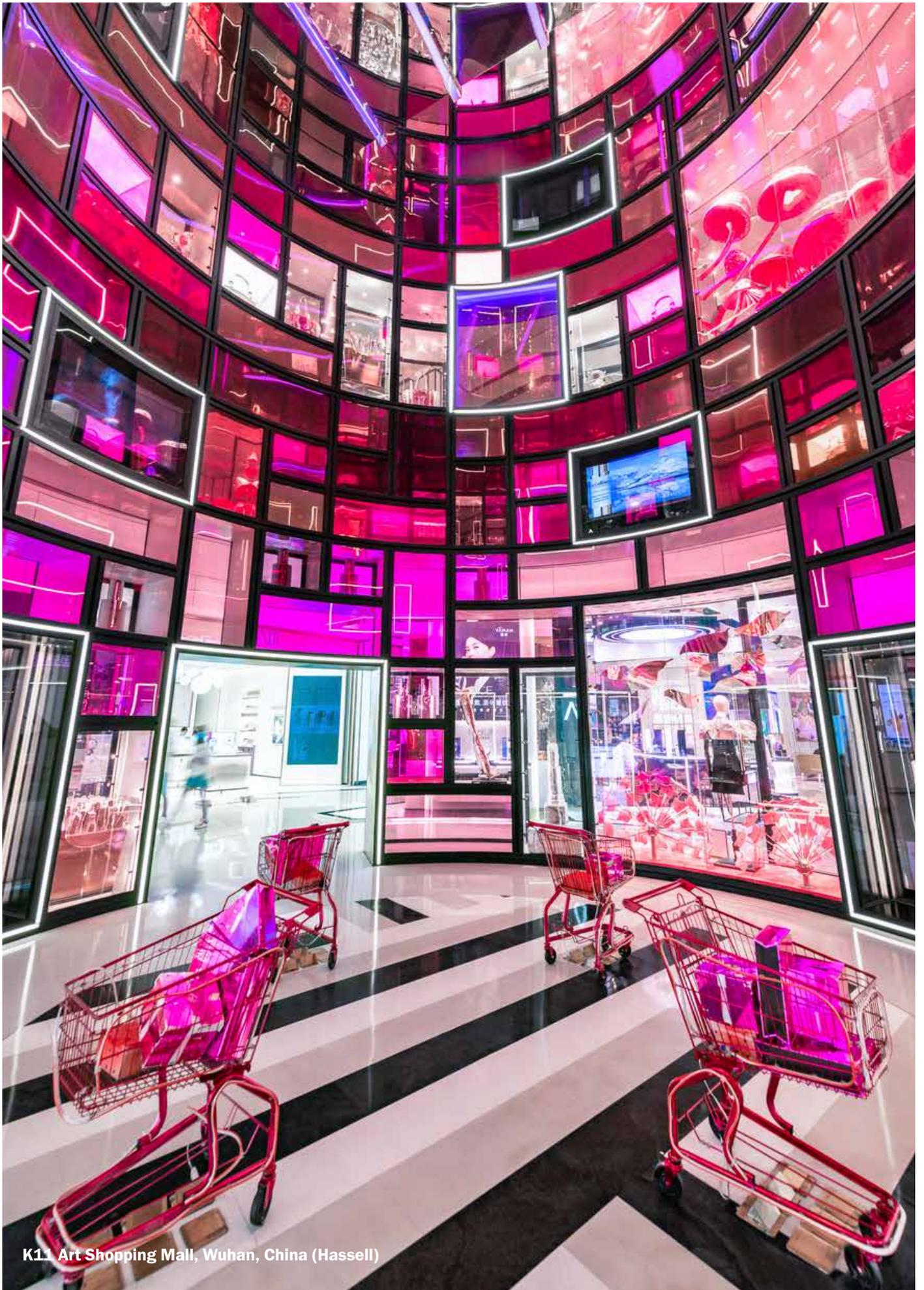
Clues to consumer  
appeal



# 3. ZOOM OUT: SHAPING THE FUTURE OF RETAIL

Defining aspects of  
retail placemaking in  
consumer behaviour





K11 Art Shopping Mall, Wuhan, China (Hassell)

# 1. THE BIG PICTURE: EXPERIENTIAL RETAIL

**The future of shopping**

***Department stores face challenges as consumers prioritise experience. The digital age has made shopping for products online incredibly convenient, drawing consumers away from traditional retail. However, consumer data reveals a growing appetite for brands that offer more than just products. People are seeking out authentic experiences that they can't access through a mobile app. While retail faces challenges, places that connect emotionally are thriving.***

# Consumer resilience for the essentials

Consumer spending is declining in Southeast Asia. Concerns around economic stability (63%) and the cost of living (58%) are driving this reduction.<sup>1</sup> Foot traffic has also declined, exacerbated by shifting consumer habits accelerated by the pandemic. In line with these trends, China's department stores are facing significant challenges. This is evident in the closure of 21 department stores in 2023 alone, with another 10 announcing closures at the beginning of 2024.<sup>2</sup>

In Southeast Asia, the largest declines in consumer spending were on alcohol and electronics, according to Bain's 2024 Consumer Confidence Report.<sup>3</sup> Even under financial strain, consumers tend to prioritise essential categories like food, personal care, and wellness, demonstrating a strong commitment to maintaining their wellbeing.



**65%**

A recent PwC survey found that groceries are the top spending priority for consumers in 2024, with 65% expecting increased spending, followed by health and beauty products at 54%. Source: PwC<sup>3</sup>

Image:

1. West Bund Waterfront, Shanghai, China (Hassell)



# Small markets fuelling global tourism growth

Southeast Asian travel spending is projected to increase by approximately 7% annually,<sup>4</sup> with Cambodia, Malaysia, and the Philippines demonstrating particularly strong growth. While traditional source markets remain influential, Eastern Europe, India, and Southeast Asia are rapidly emerging as significant contributors to outbound tourism. According to McKinsey, these regions are undergoing a rapid growth in first-time tourists, indicating that people are willing to spend on experiences despite the financial backdrop.

**30%**

of the global hotel construction pipeline is currently concentrated in China.

Source: McKinsey, 2024<sup>4</sup>

# The hunt for extraordinary

Interestingly, while economic downturns can curb spending power, the desire for unique products persists. A prime example is the recent surge in Chinese shoppers flocking to Japan. In part, this is driven by the yen's historic low against the yuan enabling luxury purchases at discounted prices. But even young consumers – not yet part of the middle class – are spending weekends in Japan for quality cuisine and innovative shopping experiences.

The pursuit of excellence is not only reflected in the quality of products but also the values consumers choose to support. Electric vehicle sales have surged in China, accounting for 37% of total sales in the first two months of 2024, outpacing the 17% growth in overall auto sales.<sup>5</sup> While lower operating costs compared to traditional petrol vehicles are a factor, this shift primarily reflects consumers' increasing preference for sustainable living, indicating a broader move towards a more conscious values-driven form of consumerism.



2.

**37%**

**EV sales outpacing the 17% growth in overall auto sales**

Source: [Mckinsey, 2024](#)<sup>5</sup>

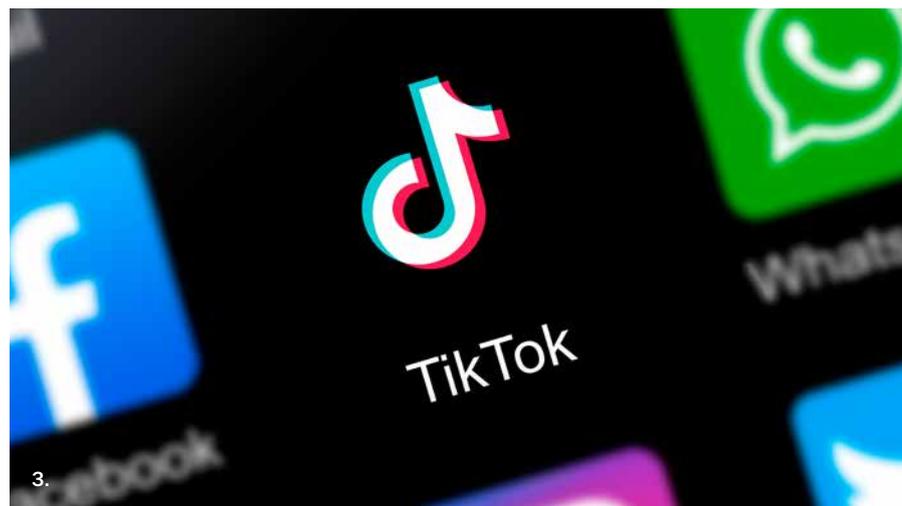
**60%**

**of new store openings in the Asia-Pacific region are in leisure and resort markets**

Source: [Savills, 2024](#)<sup>6</sup>

Image:

2. Adobe Stock image, Kabukicho Street shopping, Tokyo, Japan
3. Adobe Stock image, smartphone social media apps



3.

**40%**

**of Gen Zers (18-27 years old) in the US have made at least one purchase on TikTok Shop**

Source: [Emarketer, 2023](#)<sup>7</sup>

## Social media shopping is on the rise

Social commerce is a powerful platform for discovering new products and trends, especially in discretionary categories like fashion and beauty. Unlike traditional e-commerce, where consumers often have specific items in mind, social commerce excels at introducing new products and generating demand. This is particularly evident among younger generations: 40% of Gen Zers (18-27 years old) in the US have made at least one purchase on TikTok Shop, compared to 37% of Millennials (28-43 years old) and 14% of Gen Xers (44-59 years old).<sup>7</sup>



**K11 Art Shopping Mall, Wuhan, China (Hassell)**

# 2. ZOOM IN: THE FUTURE CONSUMER

## Clues to consumer appeal

***Who are the future consumers?*** The retail industry is experiencing a significant shift towards younger consumers – Gen Z now makes up 23% of the overall population in Southeast Asia. Single-person households are also on the rise, particularly in the Philippines, Singapore, and Thailand where the ‘solo economy’ is expected to grow by 20% by 2030.<sup>1</sup> These changing demographics point to new consumption patterns as young consumers emerge as the most influential demographic in terms of spending power.

## The silver spending surge

**42%**

**of wealthy older consumers in China and Saudi Arabia anticipate increased spending on entertainment**

Source: [The Wise Marketer, 2024](#)<sup>8</sup>

It is not just young consumers shaping the retail market. According to the World Health Organization (WHO), the number of individuals aged 60 and over is set to double within the next 25 years, surpassing two billion.<sup>8</sup> Contrary to stereotypes of frugality, older consumers are spending more than ever.

With improved health and financial security, many older individuals are entering a phase of life characterised by discretionary spending. Research from Bain suggests older consumers across income levels exhibit a strong willingness to indulge in experiential purchases like travel, surpassing even the spending habits of millennial cohorts traditionally associated with high consumerism.

Asia is witnessing a rise in affluent older consumers eager to spend. Some 42% of wealthy older consumers in China and Saudi Arabia anticipate increasing their spending on entertainment, compared to a modest 7% in Europe.<sup>9</sup>

## The savvy middle: making ends meet, but willing to splurge

**2/3**

**By 2030, two out of every three people in the global middle class will be of Asian origin**

Source: [The World Economic Forum, 2020](#)<sup>10</sup>

While rising costs of living are squeezing middle-income consumers (typically aged between 35 to 54, often with children and mortgages) in advanced economies, these demographics are still willing to spend on premium goods and services.

This trend extends across categories like travel, dining, groceries, and non-essential goods.

Data from Barclays, which handles nearly half of UK card transactions, reveals a consistent upward trend in spending on entertainment and travel.

## Gen Z: The optimistic spend thrifts of SE Asia & the Middle East

**75%**

**of consumers in Southeast Asia and the Middle East will be aged between 15-34 by 2030.**

Source: [Forbes, 2021](#)<sup>11</sup>

Gen Z is poised to be a dominant force in the consumer markets of Southeast Asia and the Middle East. By 2030, 75% of consumers in these regions will be aged between 15-34, with Gen Z forming the majority of this demographic.

These young consumers are characterised by a unique blend of optimism and spending power. Research indicates that they exhibit a heightened appetite for indulgent spending, often opting for higher-priced brands and retailers compared to their peers in the UK, Australia, and France. This, coupled with the leading regional GDP growth (Asia Pacific 4% vs. Global 2.5%)<sup>12</sup>, makes them an increasingly attractive target market for businesses operating in China, the Middle East, and Southeast Asia.



Park Avenue Cental, Shanghai, China (Hassell)

***Where do people love to go now? From independent coffee shops to funky pop-ups, today's consumers yearn for a more fluid and integrated experience, seeking diverse and engaging physical spaces for a deeper emotional connection.***



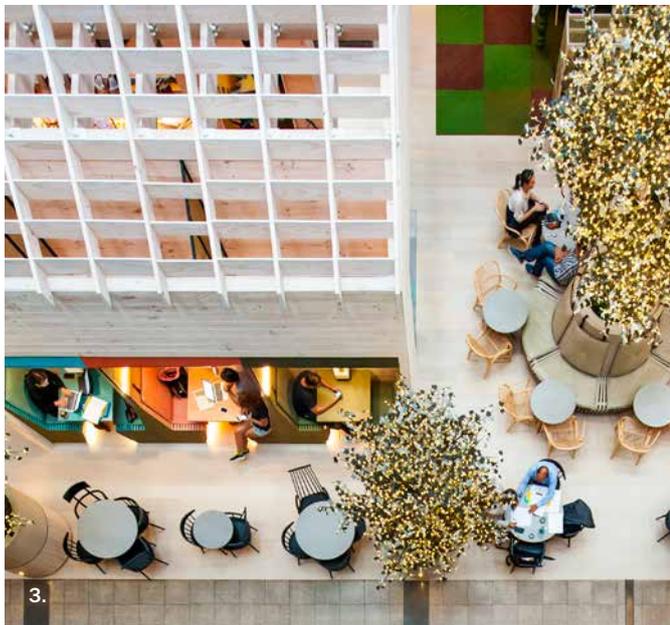
1.

Images:

1. Vanke UniMall, Shanghai, China (Hassell)
2. Arabica Coffee Shop, Shanghai, China (Source: <https://almostlanding.com/best-cafes-in-shanghai-china/>) (non-Hassell project)
3. Ovolo Woolloomooloo, Sydney, Australia (Hassell)
4. Adobe Stock, The Place Bangkok Louis Vuitton Cafe restaurant and exhibition, Thailand. Image by VTT Studio (non-Hassell project)

## The rise of independent coffee shops

In China, where the market has grown rapidly, independent coffee shops now make up 61% of the total coffee shops in Shanghai.<sup>13</sup> Southeast Asia has also embraced this trend, with the market surging to \$4.4bn in 2023.<sup>14</sup> In London, the number of independent coffee shops has increased by 700%<sup>15</sup> in the past decade, reflecting a global shift towards Western-style beverages and the desire for comfortable, inviting spaces.



## Clues to consumer appeal

- Provide a sense of community
- A third place to work
- Events and gatherings
- Buzz and energy
- A habit and ritual
- A feeling of familiarity

## Brand and F&B fusion: creating luxe on a plate

The convergence of fashion and food is reshaping the retail landscape. Luxury brands are increasingly incorporating dining experiences into their flagship stores, transforming them into immersive destinations. Louis Vuitton's LV The Place Bangkok is a prime example, blending retail, art, and gastronomy under one roof.

Similarly, Ralph Lauren's expansion of its Ralph's Coffee concept and Coach's foray into the restaurant business underscore this shift.

This trend extends beyond luxury, as evidenced by contemporary brands like RIXO, which has incorporated a coffee kiosk and cocktail bar into its London flagship. Similarly, Restoration Hardware, a high-end homeware



**Section 2 – Zoom in: The future consumers**

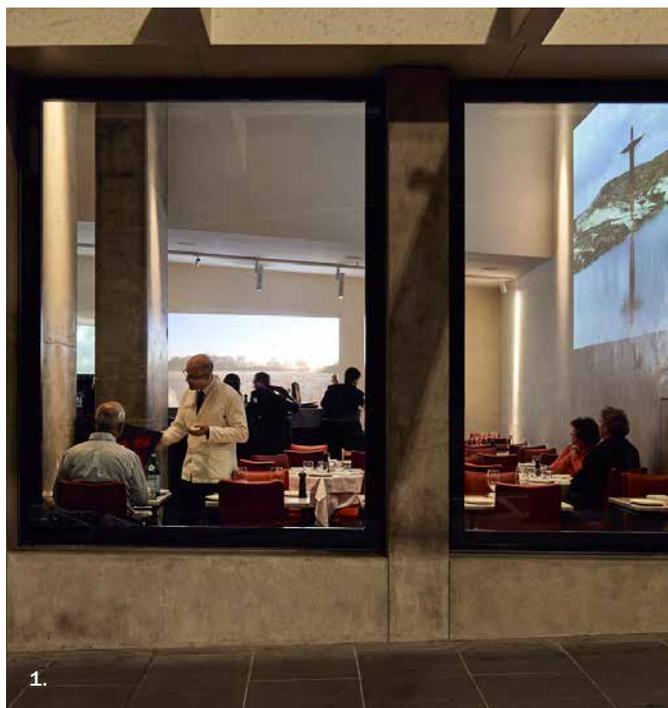
retailer in the US, has elevated the retail experience with its in-store restaurants and bars.

By offering exclusive culinary experiences, these brands are not only enhancing customer engagement but also creating new revenue streams. These F&B ventures serve as extensions of brand identity, providing opportunities to connect with consumers on a deeper level and solidify their positions as lifestyle brands.



**Clues to consumer appeal**

- Engage all the senses
- Offer a social, communal activity
- Cater to diverse locations and audiences
- Personalise experiences



1.

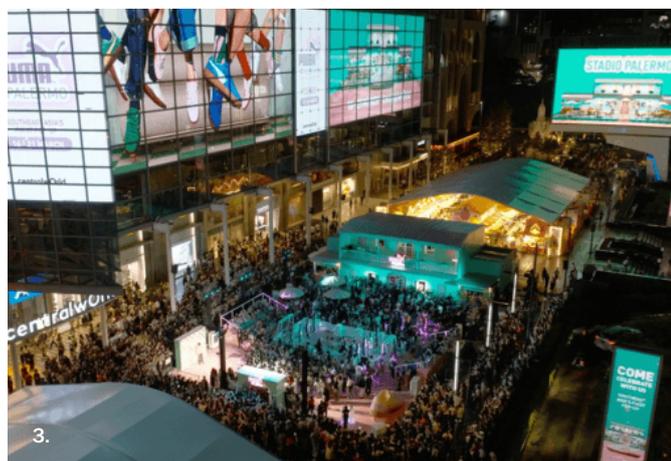
**Funky finds: pop-ups across the globe**

Pop-up shops and galleries have become dynamic platforms for brands and creatives to engage consumers. Offering a low-cost, flexible alternative to traditional retail, pop-ups enable experimentation, limited-edition releases, and direct customer interaction. From fashion shows in parks to farmers’ markets in alleyways, these temporary spaces offer unique, ephemeral experiences.

In Thailand, PUMA leveraged the centralwOrld shopping complex to launch its STADIO PALERMO pop-up, immersing visitors in a playful terrace fashion experience. In China the strategic potential of pop-ups was exemplified via Michael Kors and Ellesse collaborating on pop-ups in Wuhan and Shenzhen. These unique retail experiences drove social media engagement through gamified activations and influencer marketing. The success of these stores has made pop-ups a powerful tool for brands seeking to make a splash in new markets.



2.



3.



**Clues to consumer appeal**

- Pop-up promote hype and exclusivity
- Balance premium experiences with economic realities
- Merge online and offline experiences seamlessly
- Provide unique, one-off experiences

## From shopping box to street retail

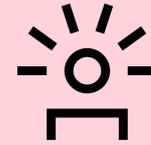
A recent study by RET China Commercial Research Center indicates a marked change in Chinese consumer habits. While clothing purchases once drove 67% of mall visits, this figure has plummeted to just 21.6% in 2023.<sup>16</sup>

The open format and lively ambiance of commercial streets have proven to be more appealing for leisure activities, making them the new go-to destinations. Unlike the monolithic structure of large shopping malls, smaller street-level retail spaces offer greater flexibility to create immersive and community-oriented environments.

This adaptability aligns with the evolving consumer preference for shopping as a social experience rather than a product-centric pursuit.

↓ **20%**

The percentage of mall visits in China have plummeted for clothing purchases. Source: RET. 2023<sup>15</sup>



## Clues to consumer appeal

Foster a sense of connection via smaller scale experiences

Create a vibrant cultural synergy with a diverse mix of retailers

Provide a dynamic retail environment via diverse brand identities and flexible layouts

Enhance wellbeing by incorporating natural light and open layouts



Images:

1. Di Stasio Citta (restaurant and art gallery), Melbourne, Australia (Hassell)
2. Chasing Kitsune (temporary pop-up installation), Melbourne Australia (Hassell)
3. Source: <https://www.puma-catchup.com/puma-launches-the-first-palermo-pop-up-in-southeast-asia/>
4. Adobe Stock image, Shinjuku retail street, Japan



Eastland Town Centre Masterplan Strategy, Melbourne, Australia (Hassell)

# 3. ZOOM OUT: SHAPING THE FUTURE OF RETAIL

Through analysis of Asia's leading commercial developments, we've uncovered six key design strategies that anticipate and respond to evolving consumer behaviours, shaping the future of retail worldwide.



**Strong street  
presence**



**Immersive visual  
storytelling**



**Biophilic  
infusion**



**Indoor-outdoor  
integration**



**Interconnected  
communal spaces**



**Embody  
authenticity**

# STRONG STREET PRESENCE

## Storefronts that engage

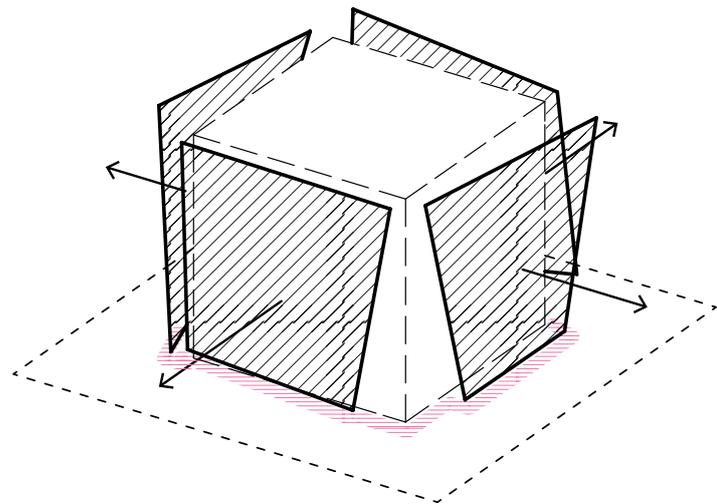
Modern retailers are paying closer attention to how their storefronts engage with pedestrians on the move, creating visually stimulating experiences at eye level.

Well-designed storefronts can transform a fast-paced street into a place where people are drawn to spend more time. These first impressions create a dynamic and visually rich environment for pedestrian engagement.

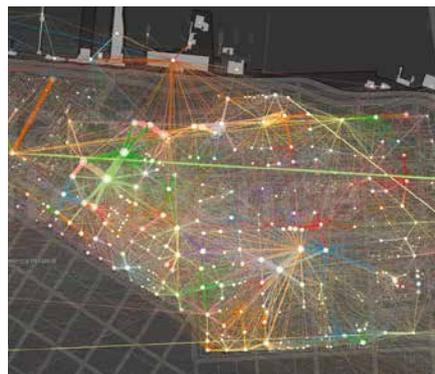
## Understanding how transportation networks impact consumer movement is essential for successful retail type and location choices.

Strategic location selection and retail concept development require careful consideration of target demographics and traffic patterns. Transportation infrastructure plays a crucial role in shaping consumer behaviour and influencing foot traffic.

Our partner Place Intelligence works with Hassell to uncover the human insights behind traffic patterns, operating within big data to help government, developers, and our designers create and invest in people-centric places. They empower our clients to understand their communities by providing actionable insights on local demographics, commercial opportunities, spatial dynamics, and community engagement.



**?** **i** Place Intelligence



**AUDIENCE:**  
Attitudinal, consumption, and demographic information



**ACTIVITY:**  
How people got there, and how long they stayed



**COMMERCE:**  
Critical detail on economic and retail performance



**MAGNETISM:**  
The attractiveness of spaces that keep drawing people back

# Tokyo Plaza, Harakado, Japan (non-Hassell project)

Tokyu Plaza Omotesando Harajuku, a distinctive building with its irregular shape, stands at the corner of Harajuku and Omotesando, two iconic streets in Tokyo's trendy Harajuku neighbourhood. Harakado, a new commercial facility opened in April 2024 at the Jingumae intersection, combines 'Hara' from Harajuku and 'kado' (meaning 'corner' in Japanese), connoting its role as a meeting point.

Spanning nearly 20,000 sqm, the building's fifth and sixth floors house a diverse food court, while the seventh floor features a rooftop terrace, seamlessly connecting the levels. From afar, the building's distinctive silhouette, reminiscent of a structure partially devoured by a mythical creature, invites curiosity. This bold design choice reveals the interior spaces to the bustling street, inviting passersby to explore. The rooftop terrace, adorned with lush greenery, provides a tranquil oasis for visitors to unwind and enjoy panoramic city views. The building's glass facade reflects the dynamic energy of the surrounding streets, further enticing passersby to explore the hidden gems within. Harakado is more than just a building; it's a cultural landmark that elevates the urban experience.

Photo: Tokyu Land Corporation. Designed by architect Akihisa Hirata. (<https://www.timeout.com/tokyo/news/harajuku-is-getting-a-new-shopping-complex-with-a-rooftop-vertical-garden-091120>)



## A cultural crossroads, reimagined by urbanity

### IRREGULAR FACADE

The billowing, semi-transparent glass facade, with its irregular angular design, animates the bustling Omotesando intersection, capturing the energy and mystery of dynamic street corner

### STRATEGIC LOCATION

Located at a corner of the big crossing where Meiji-dori and Omotesando meet, the new complex seeks to gather and nurture creatives for the iconic fashion district's future.

### OPEN-AIR VENUE

The intentional outward exposure of an interior corner, facing the intersection, provides an adaptable space capable of hosting everything from casual dining and temporary art showcases to pop-up retail experiences.

### ROOFTOP GARDEN

Rooftop gardens offer unique vantage points of the commercial district, fostering a sense of integration.



# IMMERSIVE VISUAL STORYTELLING

## Exhibition-like spaces

The shift towards non-standardised commerce has seen businesses adopt visual storytelling as a primary marketing tactic.

This approach, which is closely linked to the "retail therapy" phenomenon, involves creating immersive shopping environments that engage consumers on a visual level.

By showcasing products and scenes in a way that resembles an art exhibition, businesses can evoke emotional responses and encourage consumers to make purchases based on the overall experience rather than the products themselves.

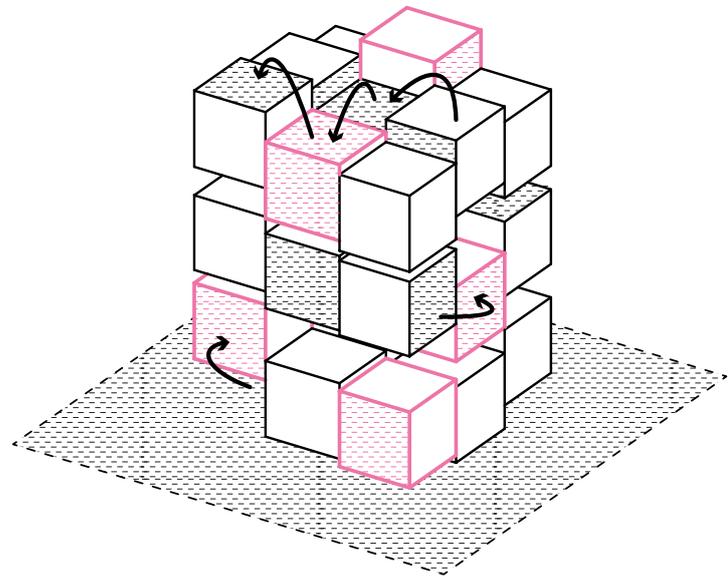


Image:

1. L'Occitane en Provence, (Yorkdale) Toronto, Canada by School House Creative
2. Tiffany & Co, Paris France. (OMA). Photo by Benoit Florençon.

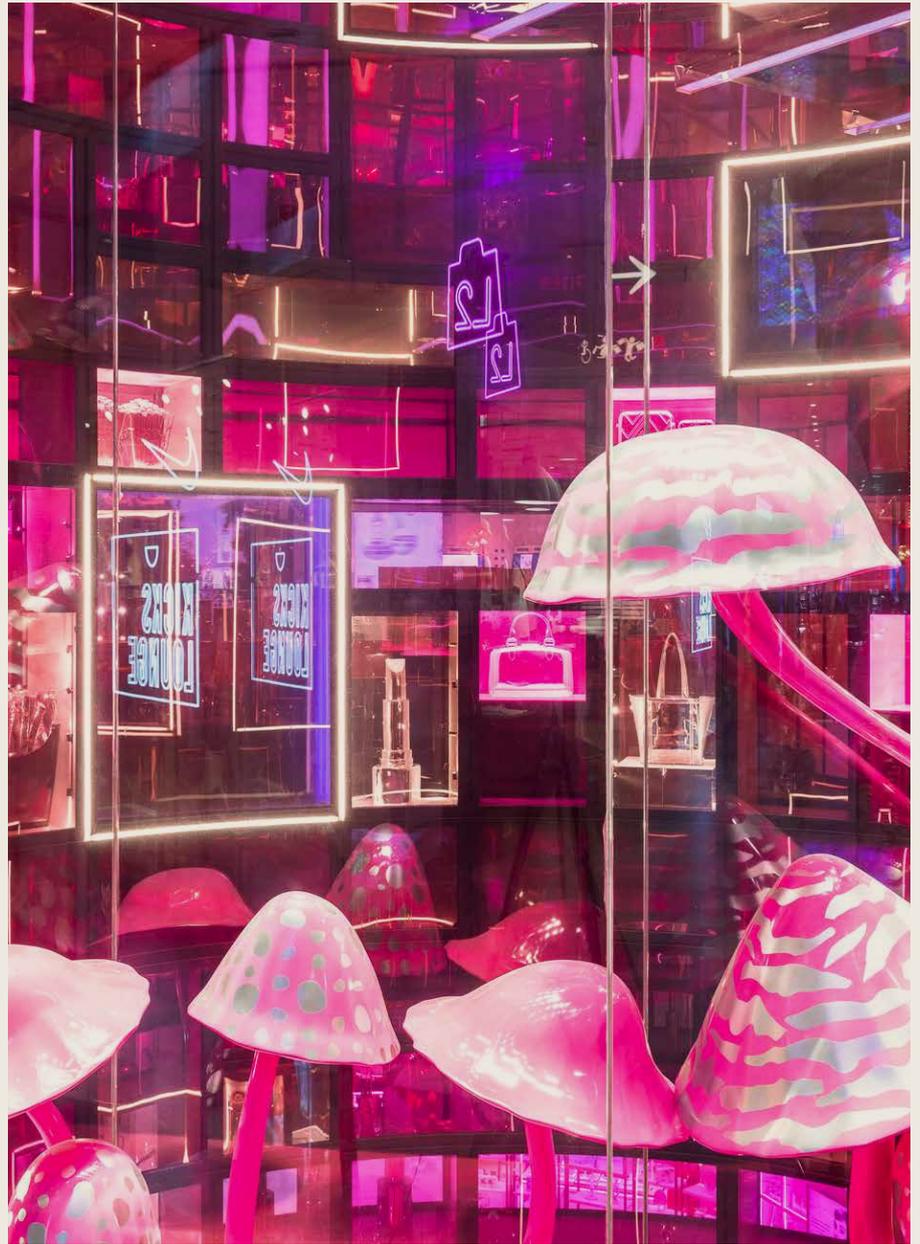
# K11 Art Mall, Wuhan, China (Hassell project)

K11 Wuhan is a testament to the power of innovative design to revitalise traditional retail spaces. By transforming a 20-year-old department store into a captivating 'art mall', we created a unique shopping experience that blends creativity, culture, and commerce.

A key strategy behind K11 Wuhan's success is its immersive design. Inspired by a diverse range of influences, spanning American artist Frank Stella's bold graphic paintings to contemporary art installations, the mall's vertical layout encourages exploration, with strategically placed landmarks guiding visitors through a series of themed spaces. By incorporating unexpected elements and artistic installations, the mall creates a sense of wonder and excitement, transforming shopping into a memorable adventure.

The mall's striking design sets the tone for the brand, captivating visitors from the moment they enter. The careful curation of spaces, from the grand entrance to the rooftop gardens, ensures that every level offers a unique and engaging experience. By strategically placing key attractions and themed destinations, the mall effectively draws visitors upward, encouraging them to explore all that the space has to offer.

The five-story yellow toy chamber for example, is a whimsical wonderland that sparks imagination. Drawing inspiration from amusement parks and childhood fantasies, this space invites visitors to step into a world of play. A sci-fi-inspired blue technology chamber is another showcase that transports visitors to a futuristic world of cutting-edge gadgets. With ever-changing pop-up stores and seasonal themes, this space offers a dynamic and immersive experience.



# BIOPHILIC INFUSION

Why nature-inspired design is the key to building spaces that connect us

Spaces with plants and other living things make us feel happier and less stressed, creating a natural point of attraction. The role of landscaping and greenery in commercial spaces has evolved from passive decoration to active spatial elements. Strategically placed vegetation can guide pedestrian flow, define zones, and create inviting gathering spots. In some cases, dense plantings can even serve as natural cooling systems, reducing the reliance on traditional air conditioning and fostering a more sustainable and healthier indoor environment.

Chengdu's Luxe Lakes CPI Island is a prime example of China's emerging trend of park-style commercial complexes. This innovative approach reimagines retail spaces as vibrant lifestyle destinations, seamlessly blending shopping, dining, and leisure activities within a park-like setting. By transforming individual retail units into villa-style structures nestled amidst lush greenery, CPI offers a unique shopping experience that

goes beyond traditional retail. This trend reflects a growing consumer preference for lifestyle experiences, where shopping is intertwined with leisure and social activities.

Azabudai Hills in Tokyo also showcases the power of biophilic design, seamlessly blending architecture and nature. The building's curved facade, adorned with lush greenery, creates a soft and

inviting aesthetic that complements the natural surroundings. By incorporating plants into the built environment, Azabudai Hills not only enhances its visual appeal but also promotes a sense of wellbeing and connection to nature. This innovative approach challenges traditional notions of commercial architecture and offers a more sustainable and human-centric alternative.

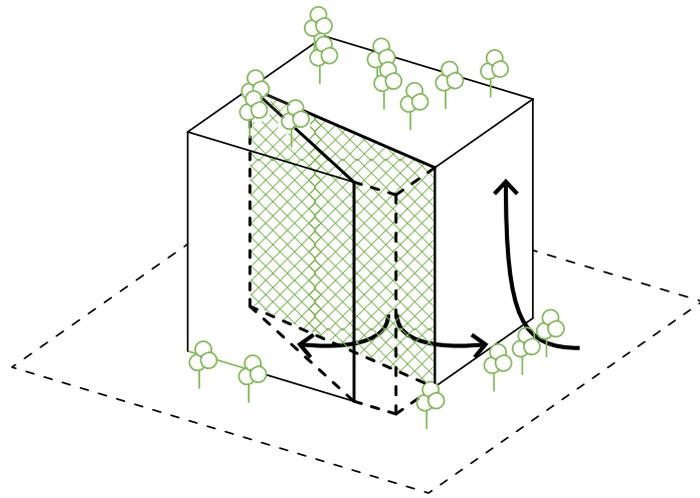


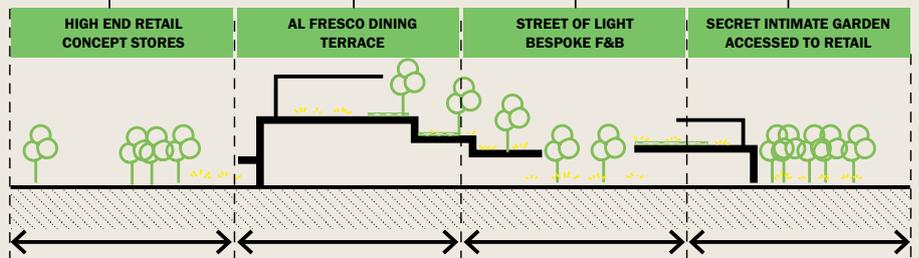
Image:

1. Urban Village, Indonesia (Hassell)
2. CPI (Park Retail), Chengdu, China (<https://archello.com/project/luxe-lakes-cpi-island>) (non-Hassell project)

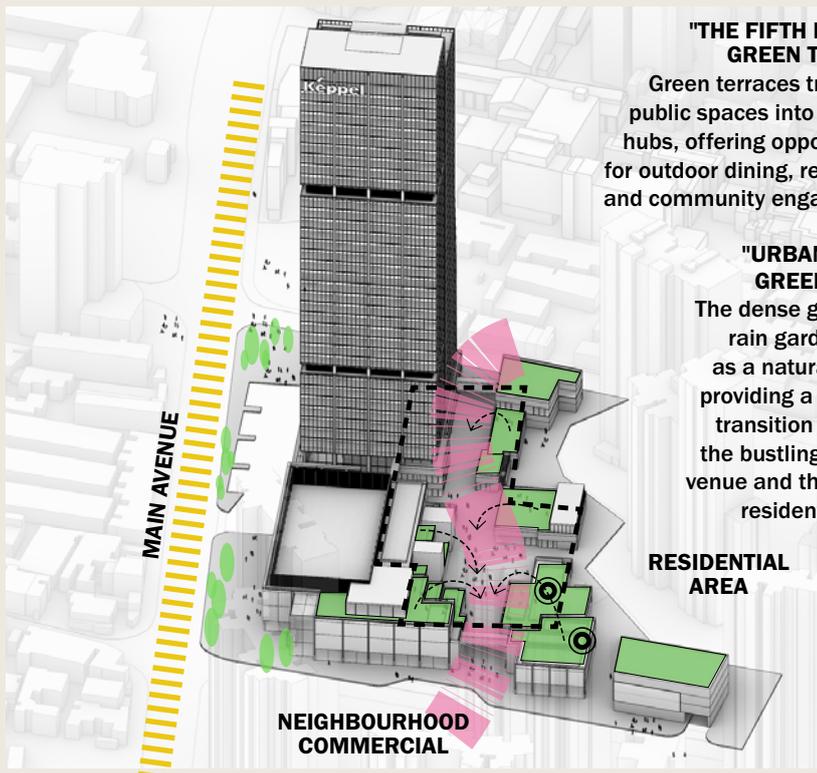
# Park Avenue Central (PAC), Shanghai, China (Hassell project)

Nestled in the heart of Shanghai's coveted Jing'An District, PAC sets a new standard in mixed-use precincts giving tenants and visitors experiences that integrates lifestyle brands, fine dining, a public playground, hospitality, green public spaces and commercial offices all in one place.

Biophillic design blurs indoor-outdoor boundaries, creating a dynamic and versatile environment. The green filter – transitioning from formal civic space to terrace to lush parkland – invites a diverse range of experiences. Flexible green spaces accommodate various uses, from retail and dining to social and cultural, transforming the space into a vibrant urban hub.



By creating diverse forms of natural environments within a landscape, nature can serve as an excellent medium for connecting indoor and outdoor spaces or opening up more enclosed areas.



### "THE FIFTH FACADE" GREEN TERRACE

Green terraces transform public spaces into dynamic hubs, offering opportunities for outdoor dining, relaxation, and community engagement.

### "URBAN OASIS" GREEN FILTER

The dense grove and rain garden serve as a natural buffer, providing a peaceful transition between the bustling lifestyle venue and the serene residential area.



### LIFESTYLE HUB

The growing emphasis on experiential and community-based marketing has led to a surge in demand for open, boundary-less spaces. These spaces are drawing lifestyle-oriented F&B and retail brands to neighbourhood-style commercial districts, creating undefined social hubs that blur the lines between work and leisure

#### Behavioural change

- Sustainably savvy
- Wellness obsessed
- Pleasure seeking
- Discerning delights

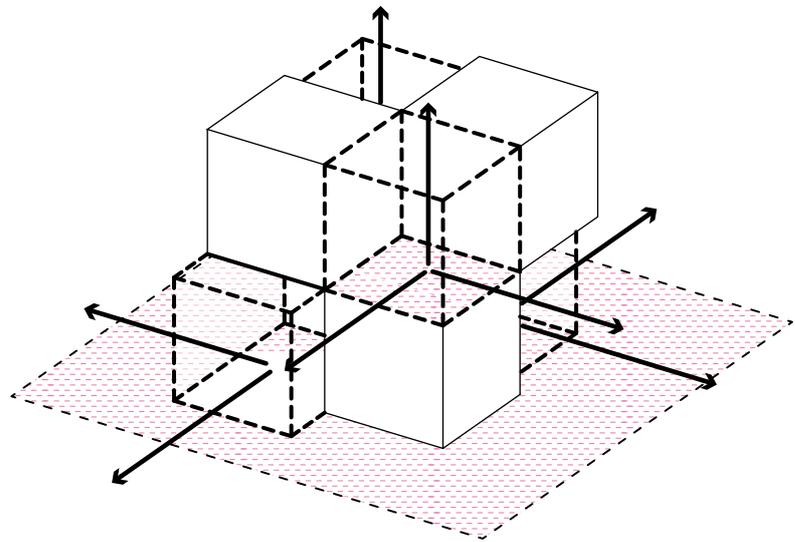
# INDOOR-OUTDOOR INTEGRATION

**Design that blurs boundaries and mimics the familiarity and comfort of home**

Gone are the days when shopping was solely about fulfilling a specific need. Today's consumers seek experiences that nourish the soul, providing respite from their hectic lives. The allure of the unexpected—a serendipitous encounter with a delightful cafe, the warmth of human connection, or the tantalising aroma of freshly baked bread—has become a driving force in consumer behaviour.

The rise of small-scale, irregular retail spaces, often referred to as 'community commerce', is a testament to the evolving needs of today's consumers. These spaces offer a more human-centric approach to retail, emphasising the importance of shared experiences and a sense of place.

By creating environments that feel more like homes than stores, businesses can cultivate a loyal customer base and foster a deeper connection with the local community. The blurring of indoor and outdoor spaces is a key element of this trend, as it allows for more serendipitous encounters and a greater sense of discovery.



Images:

1. Park Avenue Central, Shanghai, China (Hassell)
2. Budapest Development (Hassell)

# theCOMMONS, Bangkok (non- Hassell project)

theCOMMONS, a newly opened lifestyle hub in Bangkok's Saladaeng district, invites city dwellers to slow down and reconnect. Open daily from eight am to midnight, the mall offers a curated selection of essential goods for a healthy lifestyle.

The space is divided into three distinct zones – The Ground, The Market, and The Platform – with over 30% dedicated to fluid, transitional spaces that blur the lines between indoors and outdoors. The Ground floor, characterised by industrial fans, lush greenery, and modular seating, provides a tranquil respite from the bustling city. Visitors can relax, enjoy live music performances, or simply unwind in this serene environment.

The Platform, located on the upper level, offers a versatile space for community activities. Through a time slot booking system, residents can participate in a variety of events, from yoga and jazz sessions to art and dance workshops. The gentle steps ascending from The Ground to The Platform encourages spontaneous social interactions, as visitors can easily move between indoor events to outdoor short stays. These moments of shared experience – whether it's a casual encounter on the steps or a glimpse into a lively event from indoors – contribute to the vibrant energy of the collective space.

theCOMMONS exemplifies a growing trend among urban dwellers seeking spaces that promote wellbeing and community engagement. By providing a serene retreat within the city that allows visitors to effortlessly transition between indoor and outdoor activities, enjoying natural light, fresh air, and gentle breezes, theCOMMONS demonstrates the power of design to create a positive impact on people's lives.



## Muted material and colour

The small gable roof, reminiscent of older styles, is clad in Onduline, a corrugated material with a crimson hue. This choice evokes a sense of homeliness and domesticity in such a large structure. Additionally, the rubber-based Onduline sheets effectively mitigate noise during heavy rainfall.

## Sustainable temperature regulation and ventilation

A passive cooling system, incorporating industrial fans into the ceiling screen below the skylight and the cooling effect of the towering Ficus tree, optimises air circulation, creating a comfortable environment without excessive energy consumption.



Bringing more natural light into traditional, closed-off stores can make spaces feel more open and airy.

## LOFT-LIKE COMMUNITY MALL

Small-scale (3,000 to 5,000 sqm) shopping destinations featuring open-air layouts, local eateries, and abundant greenery — a modern take on the American community centre — are popular with the city's hipsters.

## Behavioural change

- Sustainably savvy
- Wellness obsessed

Image: <https://www.archdaily.com/800497/the-commons-department-of-architecture/583e21a4e58ecee6790000a6-the-commons-department-of-architecture-photo>  
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# INTERCONNECTED COMMUNAL SPACES

**Cultivating shared emotions through inclusive experience**

Retail isn't a separate destination; it is an integral part of our daily lives. As consumers prioritise convenience, we're seeing a rise in fragmented retail touchpoints. Rather than making dedicated shopping trips, consumers are integrating retail into their daily routines. This shift highlights the need for retail spaces that seamlessly blend into the fabric of people's lives. For instance, they might pop into a bookstore after work, browse a new concept store near a cafe, or enjoy street food with family while exploring a local plaza.

By increasing the proportion of communal areas and integrating diverse retail offerings, developers can foster a sense of intimacy with the neighbourhood. These spaces provide opportunities for spontaneous interactions and allow individuals to easily integrate short retail experiences into their busy schedules, blurring the lines between shopping and leisure.

Economic downturns have also influenced consumer behaviour. Shared spaces, such as co-working offices and community centres, have become more popular as people seek ways to connect with others and reduce costs. These spaces offer a sense of belonging and community, making it easier to justify small purchases that enhance our daily lives.

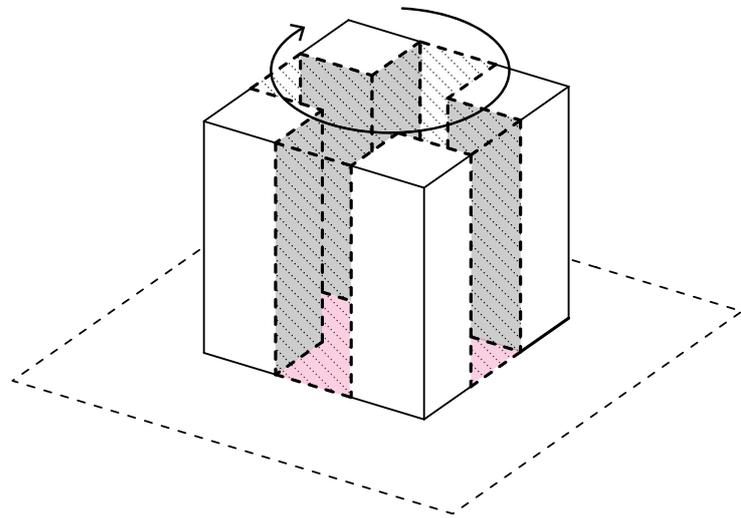


Image: Sanlin Vanke Retail Renovation, Shanghai, China (Hassell)

# Vanke UniCity Retail Mall, Shanghai, China (Hassell project)

Vanke UniCity Retail Mall is more than just a shopping destination; it's an oasis that redefines the concept of a Transport-Oriented Development (TOD). Located in the bustling Greater Hongqiao area of Shanghai, this expansive retail and lifestyle hub seamlessly integrates shopping, dining, entertainment and relaxation into a vibrant communal experience.

The mall fits harmoniously into the city's landscape, offering a dynamic addition to the urban environment. Multi-level, landscaped areas not only provide visually appealing spaces for leisure but also serve as functional connectors, guiding visitors from various metro station exits to the mall's diverse offerings. This design approach creates a dynamic and inviting atmosphere, encouraging spontaneous interactions and fostering a sense of community among both residents and visitors.

## Thematic landscaping

Inspired by the cosmos, the landscape design incorporates six distinct themes, including cloud-shaped tree pools, a star-shadow forest, aurora stairs and a meteor plaza. These celestial elements not only enhance the visual appeal but also create a playful experience for all ages. From families seeking a fun-filled outing to weary commuters on their way home, the mall's inviting atmosphere offers a delightful respite and a chance to reconnect with nature.



## RHYTHM OF THE FLOW



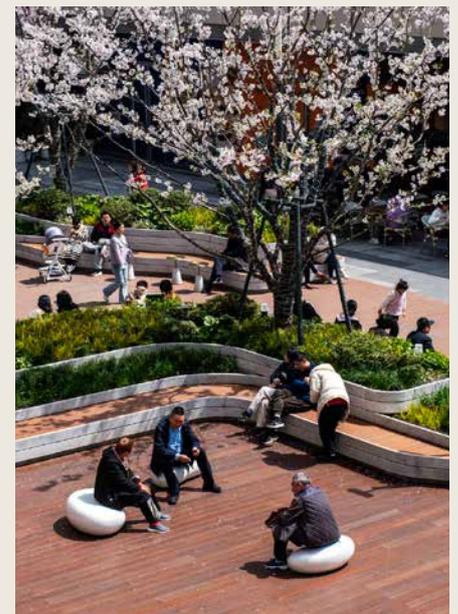
By combining elements of expansion and contraction in the space, designers create a dynamic rhythm that encourages both movement and moments of pause.



## Terracing journey

Overcoming the site's significant elevation differences presented a unique design challenge. Our team envisioned a multi-level terrace that would seamlessly guide visitors towards the play lawn, naturally drawing them into the mall's inviting entrances.

As visitors meander through the ground-level landscape, they encounter joyful elements like flying saucer sculptures and adventurous children's playgrounds. The interplay of plants and colours, combined with the strategic use of elevation, creates a captivating environment that invites visitors to linger in the communal areas between the metro station and the mall.



# EMBODY AUTHENTICITY

Channel the neighbourhood's spirit

As technology rapidly evolves, people are eager to embrace new experiences while simultaneously yearning for a connection to the past.

This tension between innovation and tradition is particularly evident in the realm of retail.

To meet this evolving demand, designers are creating spaces that effortlessly blend the old with the new. By incorporating elements of history and culture into contemporary design, retailers can foster a sense of nostalgia and authenticity.

For example, repurposing historic buildings into modern street retail or integrating traditional craftsmanship with cutting-edge technology can create a unique and memorable shopping experience. Ultimately, by striking a balance between tradition and innovation, retailers can create spaces that resonate with consumers on an emotional level.

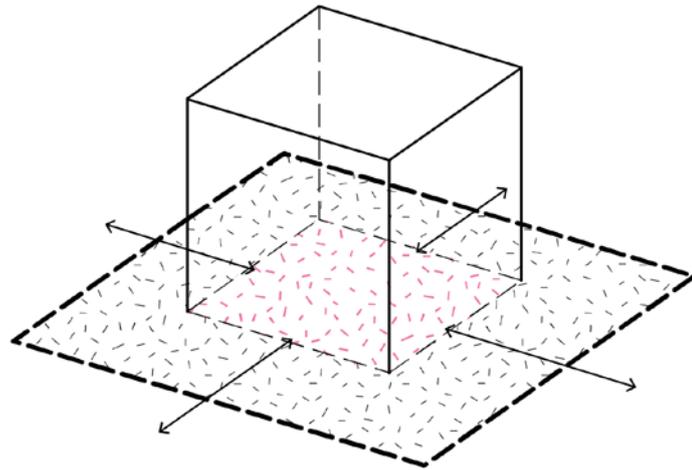


Image: 480 Hay Street Redevelopment, Perth, Australia (Hassell)

# Creater Yong Yuan, Shanghai, China (Hassell project)

Before its transformation, Creater was a dreary urban expanse, dominated by abandoned commercial towers and a struggling hotel. Nestled between the modern lifestyle hub of Jing'an Temple and the historical lane houses of Wuyuan Road, this project sought to revitalise a disconnected site and reintegrate it into the vibrant urban fabric of Shanghai.

Adopting a community-centric and sustainable approach, the project forged a new connection between three buildings, unifying them holistically. Two side structures were repurposed from serviced apartments and a retail mall into contemporary office spaces, while the central building was transformed into high-end street retail. The ground and basement levels seamlessly connect these three buildings.

Originally, the architecture was overly modern, characterised by imposing volumes and impersonal scales. To foster a greater sense of community and better integrate with the local neighbourhood, designers opened up the previously enclosed ground floor, allowing residents to traverse the building as if it were an extension of the traditional lane houses. This transformation integrates modern architecture into the daily commute of the community. Moreover, the minimalist, boxy exterior was reimagined with sunken plazas and courtyard spaces, creating a more human scale and inviting visitors to explore the building.

To further connect with the local neighbourhood, the ground floor, dedicated to retail, was clad in warm, earthy terracotta tiles, reminiscent of the traditional lane houses. In contrast, the upper floors, housing



office spaces, adopted a more industrial aesthetic with materials like metal and glass, echoing the commercial vibrancy of Jing'an Temple. Through these design choices, the building bridges the gap between residential and commercial spaces, becoming a central hub for daily life.

## WHERE WORK MEETS URBAN LIVING, ON THE STREET

Driven by the rise of remote work and the gig economy, a growing trend among young consumers is the preference for a blend of productivity and play. These spaces, often featuring lifestyle branding, blur the lines between work and leisure, offering flexible work environments and a sense of belonging.

### Behavioural change

- Sustainably savvy
- Discerning delights



## MATERIAL AND COLOUR

Retail spaces are evolving into lifestyle destinations offering a comprehensive range of services and experiences. To create a seamless connection between new retail and cultural precincts, designers are incorporating earthy, subdued colour palettes alongside raw textures to complement the look and feel of older neighbourhoods. Bright accents are used strategically for wayfinding and to add a contemporary feel.



# EXPERIENCE DESIGN APPROACH

With our business partner, experience master planners FreeState, we create experiences that are socially useful, commercially astute, and continually relevant to places, organisations, and businesses.

FreeState’s focus extends beyond traditional brand expression to encompass the operational and cultural aspects of service and design. Together with Hassell, they believe in the power of design to shape both physical and temporal experiences. By considering the social and environmental impact of our work, FreeState helps create spaces and interactions that are not only commercially successful but also contribute to the wellbeing of communities.

Their approach is rooted in adaptability and resilience, working with clients to develop strategies that can evolve with changing times and preferences. By prioritising the needs of our clients and their stakeholders, FreeState helps deliver lasting value and create enduring legacies.

## METHODOLOGY

### Strategy

Acting as special counsel, FreeState works with clients’ leadership teams to develop experience-led approaches designed to break down operational silos and so better align and guide their organisations. Championing a sense of shared purpose, it’s a way of working that allows these organisations to implement lasting change.

### Action

Working with teams and departments, FreeState advocates a “see-one, do-one, teach-one” approach to designing and implementing clusters of interventions. Together we help set up and model a pilot project before training teams to take ownership of the strategy and actions that follow.

### Training

FreeState training courses offer clients the opportunity to embed a methodology of experience design into their organisations.

This approach provides a foundation for implementing immediate and lasting change by breaking down silos and systemising a process of continual improvement, which allows organisations to flourish.

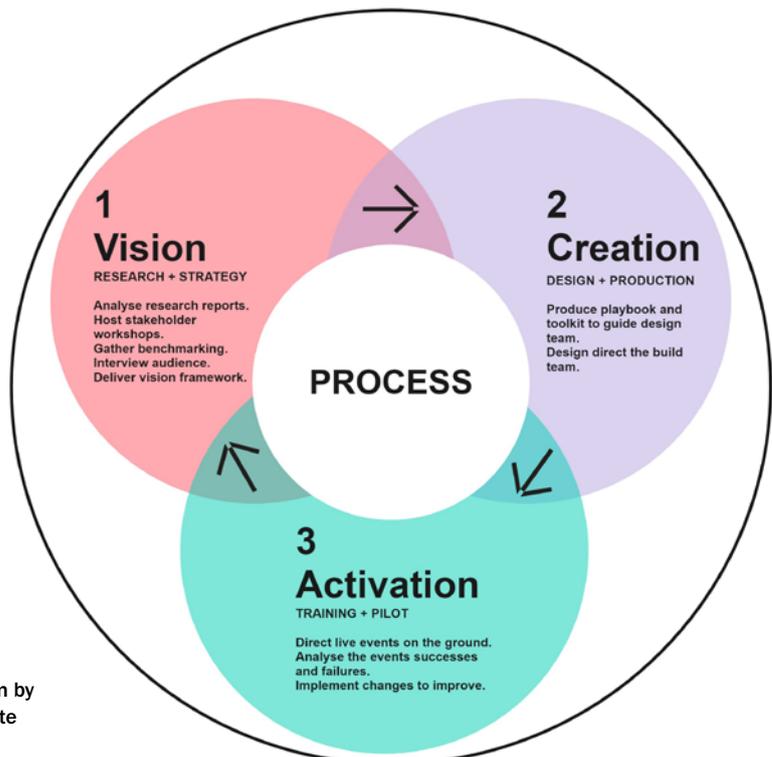


Image:

Diagram by FreeState

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