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Jun 13 2018 at 11:00 PM  
Updated Jun 13 2018 at 11:00 PM

## How a shopping centre owner targets consumers in \$133m revamp



by Nick Lenaghan

One of Australia's wealthiest private landlords, Shaun Bonett, has launched a \$45 million redevelopment of a Port Adelaide mall, one of the larger assets held by his Precision Group and acquired two decades ago.

After the revamp the mall will be renamed Port Adelaide Plaza, expanding the current centre from 19,000 square metres to more than 29,394 square metres with an end value of \$133 million.

The redevelopment will create space for 60 specialty retailers, cafes, commercial premises, a childcare centre and restaurants. In a first for the region, Aldi will open alongside existing retailers Coles, Kmart, Liquorland and Kmart Tyre and Auto.

Mr Bonett's move to reinvest into the mall comes at a time of some turmoil in the retail sector, as landlords look to bolster their portfolios against challenges such as the rise of e-commerce. The Financial Review Rich Lister is already embracing that change, taking a stake in and a board position with data analytics start-up SkyFii, which is providing its consumer services across Precision's shopping centres.

"This is all about understanding who is visiting the centre ... the demographic, where they congregate," Mr Bonett told *The Australian Financial Review*. "Through deeper learnings of shopping habits, we can create a more tailored experience."

Other major players, such as listed fund manager GPT, have been harnessing the power of big data to better understand their shoppers.

But Mr Bonett is also a big believer in the power of face-to-face interaction and creating destinations that foster that kind of human warmth.

A strong theme in the redevelopment of the Port Adelaide mall – and one that echoes efforts by larger players such as Scentre and Vicinity to Amazon-proof their portfolios – is the effort to create a community hub and meeting place for local residents.

"We are very mindful and focused on efficiency and assisting the consumer to be able to do things and get to things in the most prompt but pleasurable manner," Mr Bonett said.

"That's where the consumer's state of mind is. It's about seeking what they wish for as promptly as possible. But in retail it's important that it needs to be a pleasurable experience."

The redevelopment is expect to create 120 jobs during construction and a further 160 full-time retail jobs after completion.

South Australia's new Planning Minister Stephan Knoll was quick to welcome the Port Adelaide investment.

"I want to congratulate the Precision Group on their \$45 million investment and commitment to growing South Australia's economy and creating local jobs," he said.

The expanded shopping centre will complement the other investment in the area, adding to the Port Dock Railway Line project which will restore train services to Port Adelaide after almost 30 years.

"The new train service will link the port's commercial centre and residential precinct to the Adelaide CBD, as well as maximise the opportunities arising from the federal government's \$90 billion investment in naval ship-building projects," he said.