

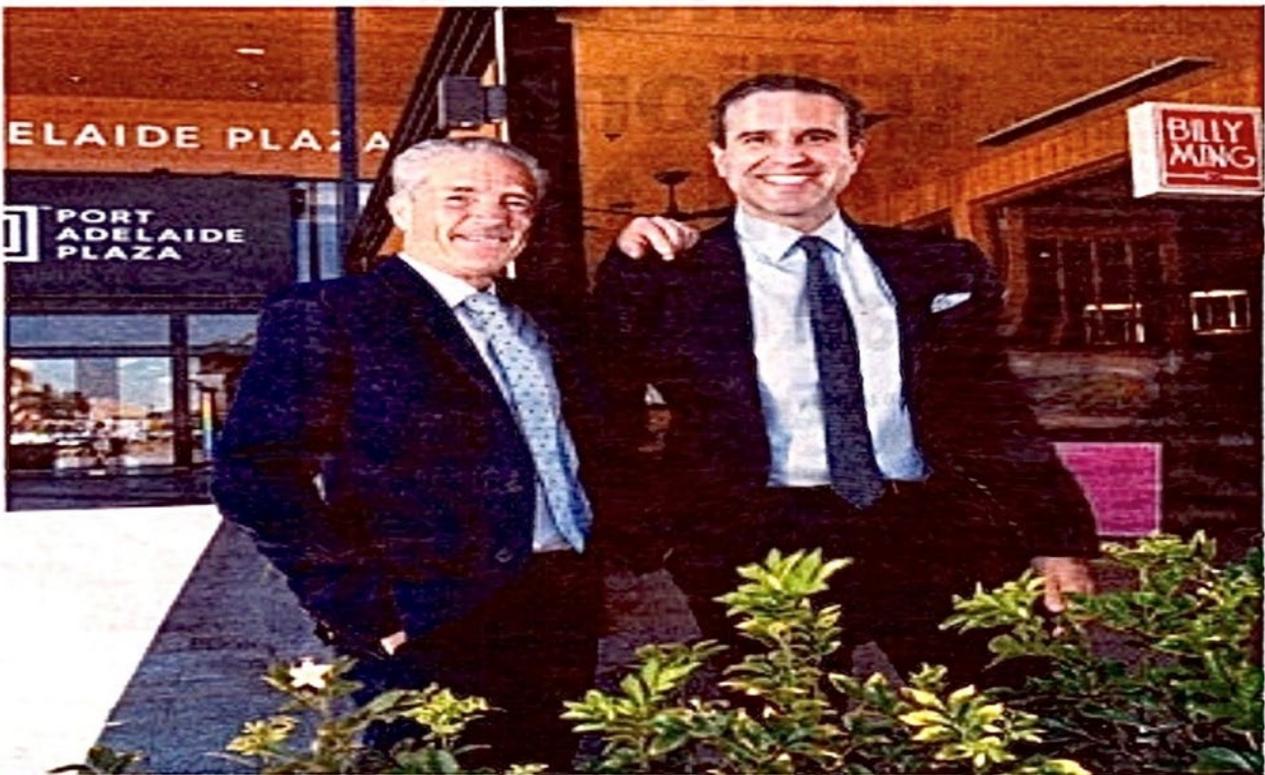
## SA BUSINESS

# SA shopping centre owner Precision Group says Aussie retailers must move out of ‘bland land’

Aussie rich-lister Shaun Bonett, whose Precision Group owns Adelaide Central Plaza, has warned many of Australia’s retail stores are stuck in “bland land” and the uncompetitive will not survive.

Valerina Changarathil, The Advertiser

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**READY TO ADAPT:** Precision Group chief operating officer Trevor Dill with managing director Shaun Bonett at the Port Adelaide shopping centre. PICTURE: TRICIA WATKINS

Privately-owned national shopping centre owner Precision Group – which owns two retail centres in South Australia – says many of Australia’s retail stores are stuck in “bland land” – the middle of the market, unable to attract budget shoppers or compete against new arrivals.

“The entry of fresher retail offerings such as Zara, Uniqlo, H&M, ALDI, Kaufland, Lululemon and Sephora – not to mention earlier arrivals like Apple and Ikea – will continue to see competition grow and the uncompetitive not survive,” Aussie rich-lister and Precision Group’s chief executive and managing director Shaun Bonett told *The Advertiser*.

“Coupled with an economy experiencing low wage growth and a consumer shift to purchasing ‘experiences’ rather than ‘products’. Retailers need to tailor their offerings to ensure the shopping experience is a pleasurable one and those that don’t will struggle to survive. The middle ground is no longer fertile for many retailers.”

Precision Group is the owner of Adelaide Central Plaza and the re-developed [Port Adelaide Plaza](#) shopping centres in South Australia. It also owns Chevron Renaissance and MacArthur Central in Queensland, Pran Central in Victoria and Shore City in New Zealand.

Mr Bonett’s comments come as hundreds of retail employees face uncertain times following a string of closures being announced since December. Department store [Harris Scarfe’s flagship Rundle Mall outlet](#) will close on February 2, along with another 20 stores nationally.

Receivers Deloitte this week revealed the Rundle Mall store had [“created a strain on the overall business”](#), as four short-listed bidders look over the remaining 44 stores.

Jeanswest, which operates 146 stores with 998 employees – including 14 stores in SA with 82 staff – has collapsed. US headphone giant Bose is closing its Adelaide and other Australian stores – along with bricks and mortar outlets overseas. EB Games, Bardot, and Curious Planet – previously known as Australian Geographic – are also closing stores.

Mr Bonett said each closure had a different rationale.

“Like all businesses, EB Games constantly evaluates their property portfolio to ensure that EB Game stores mix is in-line with the ever changing retail landscape.

“The action by EB Games is prudent business strategy.”

“Jeanswest and Bardot are iconic Australian brands, well known in the highly cluttered and increasingly discount-driven market.

“The administrators (KPMG) for both businesses have stated that this will provide an opportunity to restructure so as to better respond to the challenging Australian retail market.”

Mr Bonett said it was sad to see Harris Scarfe go under. “But, in the end, retailers must adapt to change, and it appears that Harris Scarfe just weren’t able to do this.”

He said retail continues to be a dynamic sector and Precision Group’s management focus is on adapting to the constantly evolving retail landscape and delivering a superior customer experience which drives strong visitation and customer advocacy.

“Experiences range from centre ambience, to retailer mix including food, leisure and entertainment precincts and digital connectivity.

“We actively manage our tenancy mix and seek to minimise vacancies by assessing demand by category and implementing planned precinct strategies.

“We are pleased to see continued growth in customer visitation demonstrating our focus on delivering what customers want.”

