

RETAIL

On the perimeter

Cortana is surrounding itself with big boxes, confident they won't cannibalize mall shopping.

BY TOM GUARISCO

For most of its life, the Mall at Cortana has been a bustling shopping destination surrounded by grassy fields.

The green buffer served a function: motorists always could easily see the mall from busy Airline Highway and Florida Boulevard.

But for the past several years, Cortana's owners have been busy convincing retailers to move into big box stores of 50,000 square feet or more around the mall's perimeter.

Today shoppers are just as likely to run into Shoe Carnival, Guitar Center, Lowe's, Old Navy, Super Wal-Mart, Babies R Us or Bed, Bath & Beyond as they are to go a particular store within the mall itself. Cortana officials believe the perimeter stores serve a greater purpose by giving the mall a wider foot-

print, making it a stronger draw for customers from farther away.

An early master plan of the 500-acre Cortana site called for retail, residential and even office space development surrounding the mall. But that was long before the advent of retailing's modern favorite, the big box.

"It was always in the plans to add a lot of stuff," says Howard Struletz, vice president of Mall Properties Inc., Cortana's New York management company. "But in 1974 there were no big boxes in today's terms."

Most national retail chains now are opting for stand-alone stores rather than going into traditional malls.

The trick for Cortana is to ensure that the big boxes on the perimeter don't cannibalize the stores within the mall itself. If a customer can buy the same item in a perimeter store, then



WELCOME ENCROACHMENT: Shoe Carnival is one of many big box retailers to open up around the Mall at Cortana, which seeks them out as a way to attract more shoppers.

why go into the mall?

Retail analyst Bob Gibbs of Michigan has done extensive market research in Baton Rouge, starting in the late 1990s when he consulted on downtown's master plan, Plan Baton Rouge.

Gibbs, whose clients include major retail chains and developers, says Cortana's perimeter stores certainly capture some of the dollars that otherwise would be spent in the mall, pegging the share at less than 10%.

But the perimeter stores are substantial, and together they make Cortana a more alluring destination for shoppers from farther away, he says. Those shoppers are likely to stop at a perimeter store as well as go into the mall, which results in a net gain for the mall itself.

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Cortana execs are cognizant of the fact, Struletz says.

"Our goal is to bring stores that are primarily complementary to the mall," he says. "They're all one big retail business mix—it's a critical mass."

Much of the growth in East Baton Rouge Parish in the past decade has been in the southeast, which is why Mall of Louisiana was built on Bluebonnet Boulevard. Since then, major shopping centers have gone up on Siegen Lane. A new lifestyle center at Corporate Boulevard and Jefferson Highway also will draw shoppers from far and wide to its multiple restaurants, high-end retail stores and pedestrian-friendly atmosphere.

The knock has been that the newer Mall of Louisiana has relegated Cortana to being a destination for lower-

income shoppers. Cortana execs bristle at the notion.

Struletz says he's comfortable with the mall's demographics: 76% of shoppers are female, 58% are employed outside the home, the average shopper is just over 38 years old and the average household income is \$49,000.

Mall execs continue to tweak the arrangement of stores.

Wal-Mart recently built a new super store on the north side of Cortana, which has become a grocery shopping destination. Many of those shoppers first stop by the mall, Struletz says. Cortana owners had to pay to move a high-tension power line to make space for the new store, but it was well worth the money—many customers now shop next to the mall on a weekly basis.

Cortana has cause to be optimistic about its future, Struletz says.

Livingston Parish, which is a short drive away on Florida Boulevard, continues to grow and prosper. Also, the Central Thruway will pass only a few miles east of the mall, making it easier for a larger number of shoppers to find their way to Cortana.

And nearby Woman's Hospital and Baton Rouge Community College both continue to thrive, bringing potential shoppers within eyesight of the big boxes and the mall itself.

"The more you come to Cortana, the more likely you are to go to mall," he says.

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