

## Sektor EiendomsUtvikling AS:

# It is all in the details

The battle for customers is won by facts. Competition requires that we know who our customers are and what they want.

Success is the sum of many factors, and the answer is never given. We go far to improve our offerings, and service is a major priority. The shopping mall itself is only part of the story. As a pure shopping mall company, Sektor has always put customers first. The customers' needs are the first priority; hence we are constantly challenged to make improvements. When our market calls for changes, we can turn around quickly. As property developers, we must also create shopping enjoyment and attractions through good social venues, the right mix of shops, accessibility and easy parking.

Herkules is Telemark's largest and most modern shopping mall in a market area of 166,000 people. Each week 45,000 people stop by the mall. New and operation-friendly use of materials and smart eco-solutions provide good added value for tenants, customers, and for the owner and operator. There are 120 stores in the shopping district and 107 of them are in the mall. But there's more to the story than that. On this 25-acre estate, believed to be origin of the city of Skien more than a thousand years ago, there were a number of protected industry buildings that today form a natural part of the shopping area Herkules. During the project period, Sektor incorporated these buildings and organised the area into a modern shopping centre. The plans also include 200 dwelling units surrounded by parks and footpaths. The revitalisation of the Herkules area is a good example of good, long-term site development based on a predictable strategy and a keen sense of what makes customers thrive.

Before, people used to shop whenever they needed something, but today shopping is associated with socialising and enjoying the shopping experience. This requires that we think innovative when planning the store mix and marketing. In the future there will be fewer players and more professional store operators. It is our job to also provide space for niche stores that enhance the total offering. Shopping has become a battle over time, money and offerings. Having younger shoppers also requires that we think in new ways.

Authorities have notified a freeze on new shopping malls outside cities and built-up areas. The result will be less competition and a greater commitment to malls that we already have. Last year we reopened three rebuilt shopping malls; this year it will be five. We want satisfied customers and happy tenants. Our service aim is to develop the malls and assess all activities on a continuous basis. We can never be satisfied with surveys done, no matter how good they are.

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