

How the Whitman family is once again reshaping Miami's luxury marketplace

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CPP-LUXURY.COM has recently interviewed, exclusively, Matthew Whitman Lazenby, the grandson of Stanley Whitman, the founder of the iconic [Bal Harbour Shops](#) in Miami. He now leads Bal Harbour Shop's expansion.

How has Miami evolved as a luxury shopping destination in the past 3 years?



The Miami marketplace has undergone an evolution that is probably best measured in decades. Although at Bal Harbour Shops we've always attracted market visitors in droves, since we opened in 1965, we have seen those visitors shift from largely domestic to largely international and have seen less and less swing in the seasonality of our business as a result.

That's not to say that December isn't still our best month and that, generally speaking, the winter months are stronger than the summer months, but it is to say that the disparity between the two has diminished measurably. Miami is a true gateway city and Bal Harbour Shops is fortunate to be in a location ideally suited to take advantage of that fact.

What is the ratio between US citizens and foreigners in terms of spending on luxury branded products?

While each of our 100-plus stores could probably provide a detailed response here, the only data we get as landlords is monthly reports of sales volume. So I don't have the data I would need to answer that question empirically, however, anecdotally, we are told that by a healthy margin, market visitors on vacation tend to outspend their more local counterparts.

Which are the top three foreign nationalities in number of customers shopping at Bal Harbour?

Based on the feedback from our famed luxury fashion and jewelry brands, Brazil is number one in purchasing power, followed by Russia, Mexico and emerging Asian markets.

Do your marketing and communications activities focus more on foreign markets such as South America or the U.S.?

We market and advertise globally. Bal Harbour has Sales and PR reps promoting the destination in all the top markets from South America to Russia.

Have you noticed, recently, an expectation by consumers for brands to renovate their stores sooner than they used to?

It is difficult to relate what the end consumers' expectations are because, while our ultimate goal is clearly to meet their needs and to offer the marketplace the goods and services it desires, our customer is really our tenants. To that end, yes, we have noticed a trend among our tenants to renovate their stores more and more frequently. In fact, it's difficult to find many stores older than 5 years and nearly impossible to find a single store older than 10 years.

There seems to be a differentiation between Bal Harbour and South Beach. What is your view?

Both are fashionable and stylish, but South Beach tends to appeal to a younger, more truculent crowd while Bal Harbour appeals to a more glamorous and luxury-minded set.

From the feedback you gather from your tenants, which type are more successful at Bal Harbour? (i.e. jeweler/watches versus fashion). Why?

One of the advantages of shopping centers like Bal Harbour Shops under the control of one owner is the ability to merchandise the shopping center comprehensively, a core competency for my family for nearly 50 years. In fact, I would say no single element is more important to the long-term viability of a successful retail project than its merchandising mix.

The truth is that we don't look at uses in a vacuum to determine which are the most lucrative, but we look at them side-by-side and think long and hard about how one use impacts another and how they all impact the overall shopping experience. Said another way, while bookstores typically are not the most "successful" uses in shopping centers using metrics like sales volume and rent, it is a use that is valued by the consumer and one that enhances the overall shopping experience.

Ultimately, we aim to achieve the right mix of different uses so as to create an enduring – and ideally somewhat unpredictable place in terms of its tenancies.

Which are the main competitive advantages of Bal Harbour when compared to Miami's Design District?

My family and I are so proud of our tenants whose unrelenting success over the course of the past 48 years has made Bal Harbour Shops not only the country's top performing shopping center but, according to the international council of shopping centers, the world's #1 shopping center.

As we are tenanted by the world's finest names in luxury and fashion – and indeed accept only the world's finest names in luxury and fashion – we are privileged to have become, over the past 50 years, a critical stop on the map of every major luxury brand in the United States. We have many stores whose only other locations in the entire country are in New York, Los Angeles, and maybe one other place, some with stores only in New York and L.A., and a few with only one other store in the country, usually New York.

While my family's 50 years of history and heritage on this site hopefully count for something, the real differentiating factor is our location. Situated in the heart of the Greater Miami beaches, directly across from the ocean, the Bal Harbor Shops experience could simply never be replicated.

With the recent acquisition of additional land, what are your future development plans?

We've been hard at work on an expansion of the shopping center for many years now, an expansion that will add about 25 or 30 new stores spread out over roughly 100,000 square feet, plus a third specialty department store, which will also be about 100,000 square feet. Our biggest problem at Bal Harbour Shops is demand in excess of supply so we are anxious to bring this expansion online to accommodate the need from our existing tenants for more space as well as the need from a host of exciting prospects for a Bal Harbour location.

How important is the luxury hospitality offering to create a 360 degree luxury experience?

Domestic and international tourism has always been essential to the success of the shops as more than 60% of our customers are visitors. And, as shopping is ranked one of the top tourism attractions in South Florida, we work closely with the luxury hospitality industry to provide guests with a memorable experience.

In 2012 St. Regis Bal Harbour Resort & Residences opened across the street from Bal Harbour Shops and has provided the discerning traveler with a new kind of glamour. The addition of a five diamond hotel so ideally located has added dramatically to our record-breaking sales. Bal Harbour Shops is fortunate to be ranked the #1 most productive shopping center in the world based on sales per square foot.