

August 18, 2016



How the King of Prussia mall keeps expanding

Laura Benshoff

As malls around Pennsylvania flounder, the behemoth King of Prussia mall is poised to open a another wing with 50 new stores — not to mention two new "valet areas" and a "concierge-level guest service center" — Thursday.

Contrary to [websites](#) and [articles](#) devoted to "dead malls," the mall as an institution is not in its final throes. Long live the high-end mega-mall, some would proclaim.

"With all the talk of online sales, well north of [90 percent](#) of purchases in the U.S. are made in a physical store," said Lew Morris, spokesman for Simon Property Group, which owns the KOP mall.

It's also true that mall retail is and has been changing. Last week, [Macy's announced it would close 100 more stores](#), continuing a downsizing trend toward among department store chains.

But the giant suburban Philadelphia shopping center has a history of weathering choppy retail waters by attracting big names.

"Their strategy is to either be the first to get a significant new retail opportunity ... in addition to the sheer number of destination shopping experiences it gives them an advantage over others," said Steve Wray, executive director of the Economy League of Greater Philadelphia.

He said, by way of example, King of Prussia Mall pulled off a retail coup in Pennsylvania six years before the first generation iPhone was released.

"They were first to get an Apple store," he said. "First to get a major Cheesecake Factory" too. Having one retail attraction in brings in other businesses, hoping to get a piece of the action, Wray said.

The new wing will connect two free-standing buildings with a high-end shopping corridor, featuring even more stores that are first of their kind in Pennsylvania, from big designer names such Carolina Herrera clothing and Jimmy Choo shoes.

"There is a good deal of luxury in this expansion," said Morris. "That's driven by store demand and wanting to serve their customers." That's in addition to existing, more affordable draws including Primark and H&M.

When all of the new stores open by early 2017, the King of Prussia Mall will have quadrupled its original size and house over 400 retailers.

While other shopping centers may not be able to compete in terms of sheer, staggering size, KOP's expanding footprint may not necessarily cannibalize other malls, according to Wray.

"What you have to be able to do in those cases is create some other set of values," he said. "You're more convenient, parking isn't a pain ... now the challenge with that is not every mall has the ability to compete."