



Suria KLCC stung by GST

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KUALA LUMPUR — Despite being one of the country's key and popular landmarks, Suria KLCC is not indifferent to the recent economic upheavals that has affected the business world in Malaysia. Ever since the implementation of the Goods and Services Tax (GST), it has been hit with a drop in business, with customers showing their frugality after the government imposed the not-so-friendly tax rolled out in April.

Suria KLCC Sdn Bhd's executive director Andrew Brien expected the shopping complex business volume to see a reversal of fortunes in the coming months, with the year-end sales.

Apart from the GST, he said external factors such as the fall of China's yuan was instrumental to its retail performance.

"The mall's overall sales performance was impacted drastically in April, and improved slightly in May and June.

"The sales performance figures is somewhat encouraging in July due to festive season shopping, however the overall sales growth is expected to remain soft for at least another six months," said Andrew.

The impact could be seen in the annual figures from the mall, where no increase in visits since last year was noted.

When asked about the total number of visitors visiting the shopping outlet, the management said there is no decline in numbers, although there was a drop in sales in the retail segment, signalling that interest in the thronging mall has not receded.



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"Suria KLCC's traffic footfall (number of shoppers) remains strong at an excess of 45 million in the last 12 months although sales have declined.

"Suria KLCC will continue to provide the right tenant mix, maintain operations excellence and deliver great customer experience," he said.

Andrew said it was a challenging time for operators of malls such as Suria KLCC to establish several initiatives in a bid to spur consumers' spending and cushion the impact of GST.

KLCC has gone through a ma-

ajor transformation plan, focusing more on fine dining and pushing away some of the mid-range food and beverages outlets, such as Starbucks which has since been established at its premises in Avenue K.

The complex has also attracted some big names from abroad, including Harrods, Godiva, Patchy, Victoria's Secret and Versace.

"We are committed to working with our retail partners through effective marketing initiatives to improve their sales performance during these challenging times," he said.

Retail outlets within the mall have suffered since the implementation of the 6% tax by the government.

Habib Jewel Sdn Bhd's assistant branch manager Siti Naziatul said sales has decreased this year, compared to last year, in terms local customers, but pointed out that the interests of tourists remained unaffected.

"The number of people who come here decreased since the middle of the year although there was a surge in prices in the first few months and the number of customers have been less com-

pared to last year," she said.

When asked about the amount of people overall who visit the shopping complex, she said there was no decrease in the number of shoppers, which was similar to the previous years.

The reason given, was that the mall is linked to an underground LRT station, which attracts daily commuters.

Opened on May 1998, Suria KLCC is a six-storey upmarket retail center located at the foot of the Petronas Twin Towers. It features mostly foreign luxury goods and high-street labels.