

CHINA: WORLD'S BIGGEST MALL TURNED TO A GHOST TOWN



Commonly referred to as a 'ghost town', the New South China Mall located in the province of Guangdong was opened in 2005. Occupying about five million square feet with a capacity to hold over two thousand stores, it is regarded as the biggest mall of its kind in the world considering that it is twice the size of the Mall of America, the biggest shopping center in the U.S.

The outdoors is tastefully designed with palm trees, an Egyptian sphinx and a fountain that is dotted with various types of gondolas and canoes. **Despite all the effort that was put in place to accommodate this, the mall is literally deserted.** Only a small number of stores are operational with very few customers to serve. A report released last year by a global building data company Emporis classified it as a dead mall.

The dusty corridors, shattered stores, and dirty escalators present the image of a ghost establishment. Due to neglect, the paints have started peeling off, rubbish can be spotted all rounds, previous decorated signs and advertisements have started to fade off as well.

One of the major attractions in the establishment, the indoor amusement park is half asleep as well. The staff has nothing to do but chat with each other as they wait for the time to pass by. The roller coaster initially designed to provide amusement to the consumers just roars by in the background with little or no customers on board.

During the opening ceremony in 2005, the developers were optimistic that they could attract a significant number of visitors on a daily basis. **The initial projection was over 100,000 people on a day to day basis. Eight years later, this has not been the case.** The very few consumers who come here only visit the fast food chains or choose to hang out at the modern IMAX cinema hall.

One of the major problems that have contributed to its failure is the location where it was constructed. Dongguan, as the area is known, is a factory town whose main inhabitants are immigrant workers. According to Xiao, an immigrant, the people living here do not have the money to indulge in shopping sprees or entertainment as they can barely make ends meet based on what they earn.

This is also seen as a sign of change due to the urbanization of the majority of Chinese towns. The rapid urbanization has seen projects being sanctioned without doing proper research to help determine the viability of such projects before the development can begin.

Apart from the ghost mall, recently China has seen a rise in ghost towns that no one is interested in. Real estate projects both residential and commercial in nature have been developed with no one being interested in them.

Despite the lack of clients, Yeji Ning the head of investment unit of the New South China Mall insists that the mall has a plan to boost the number of local tenants. This statement comes in the backdrop of more and more factories in the province of Dongguan closing shops and moving their operations elsewhere due to the rising labor costs.

He says that they plan to host various promotional campaigns in March in order to reach the targets they had set earlier on. This is a project that has changed hands a number of times starting with the initial owner Mr. Guirong who later offloaded the property to the founders group.

Despite there being a re-launch in 2007 that saw the mall change its names, there have been no changes in the fortunes recorded by the establishment. The number of shoppers has not increased and neither has the number of tenants changed.

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