

6 trends shaping the shopping mall experience

By Theresa Terblanche

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A decade ago, building a profitable mall was simple. If you got the location, size, layout, parking and access routes right, you had retailers and shoppers in the bag. But technology and rising living costs are evolving consumer behaviour in South Africa.



Although nowhere near the "retail apocalypse" in the US and UK, online shopping is making inroads into market share. This means shopping centre managers have to be nimble and evolve to convince cash-and-time-strapped consumers to continue visiting stores and malls. Just offering a place to shop isn't going to cut it.

Key retail trends we've identified at Broll include:

Combining bricks and mortar with online

Because of delivery delays, the two are likely to exist side-by-side in SA. Shoppers will check prices and make comparisons online but interact with brands in-store. Thus, stores and malls are providing quick and easy collection points for online purchases.

However, this might mean some brands downsize stores and opt for larger warehouses. This will support in-store online shopping, providing an unlimited inventory via digital storefronts. In these "showroom" stores, personal stylists might help customers try on outfits, but the store will not hold stock, items bought online will be delivered.

Defining your market

In a highly scientific and high-tech world of retail, you need to know your market well and constantly adjust your shopper profile. The most important future generation of shoppers is Generation Z (now aged between 10 and 24) which represents 26% of the population. This is a tech-savvy, digital generation. Many are influencers.

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Shopping with a conscience

Consumers, especially millennials and Gen Z, are driven by values, morals and ethical conduct and are concerned about the environment. Authenticity and originality are key. Broll is working very closely with landlords to lessen their carbon footprint. Already, 14 SA corporate-owned shopping centres have installed solar plants, reducing dependency on the national grid by 20% per centre.

Experiential retail

Spending more money on personal experiences rather than accumulating possessions together with technological advancements will drive in-store product testing and a more personalised shopping experience. Already, sportswear and apparel giant Nike has digitally integrated shops where customers scan barcodes with their smartphones to build a virtual try-on list, choose size and colour options and have items sent to change rooms.

Omnichannel marketing

Micro marketing is honing in on specific products and individual consumers. Loyalty cards enable retailers to identify each consumer's regular purchases and market specials directly to those customers.

Because data is crucial to omnichannel marketing on social media platforms, many Broll managed malls offer Smartmall App users 1GB of ultrafast free WIFI at each visit. This creates a connected experience in centre, increases visits and dwell time, grows database members and extracts valuable insights into shopping behaviour.



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A new relationship between tenant and landlord

As traditional rental income comes under pressure, we are looking at alternate uses of space and applying a deliberate strategic approach to increasing NON-GLA income for landlords. We are also more actively involved in the performance of our stores, supporting and helping tenants with merchandising and marketing.

ABOUT THE AUTHOR

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