

## Malls set to 'mobilise' consumers like never before



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All early indicators seem to confirm that December 2012 was a relatively good year for the mall environment. Certainly not a 'shoot the lights out' result but stable, single digit growth nonetheless. The point now is what 2013 holds in store for us.

Here are a few key trends which I think are relevant...

#### 1. Malls are brands!

In light of this, the time is rapidly approaching where the unique players in the mall environment need to work more collectively and effectively than ever before. Central to this is the relationship between landlord/property management and the retailers. I think this will be a key success factor in 2013 and beyond, and those players that embrace mutually beneficial dialogue and action plans will enjoy the best results.

# 2. The rise of the virtual shopper

Online sales are on the increase in SA. <u>Comments</u> Loot.co.za CEO <u>Gary Hadfield</u>, "We saw significant growth over the Christmas shopping period, most notably in areas like toys and electronics, the latter of which showed exponential growth of over 80%."

Devices such as tablets are particularly fast sellers - a fact which is interestingly mirrored by the fact that 10% of the company's traffic over the Christmas period came from mobile devices.

Against this backdrop, retailers in the mall environment need to embrace e-commerce and m-commerce strategies while also meeting the challenge of improving the in-store experience. This includes the entire shopping experience, from the point when consumers enter a store to when they leave - every touchpoint is an opportunity.

Malls also need to play their part and can add significant value in terms of experiential and sensory-based campaigns and by embracing loyalty (rewarding customers with benefits and VIP experiences in mall).

## 3. Up close and personal

Smartphone usage is on the increase in South Africa and shoppers are now more informed than ever before. Those who actively embrace this phenomenon will win. Near Field Communication (NFC) technology is not far away and this will also change the game with regard to mobile power and its ability to inform decision-making and make purchases using a cellphone.

Some useful statistics and info from the US indicates that 2012 was a banner year for mobile commerce. eMarketer estimates that US mCommerce retail sales increased by 81% to nearly US\$25 billion.

Not surprisingly, a strong holiday shopping season for mobile devices made a huge contribution to this figure. It should be noted, however, that mCommerce sales include all purchases made via smartphones, tablets and other mobile devices, excluding sales of travel and event tickets. With regard to 2013, a further increase of 55.7% in sales is expected, and mobile sales will account for 15% of all retail eCommerce. This year, US consumers will spend US\$24 billion shopping on their tablets, and that figure, eMarketer says, will nearly double by 2015.

### 4. Unique, cutting-edge ideas

I know these terms are overused, but technology is moving so fast that all brands need this as a major driver. I see 2013 being a major year for breakthrough ideas. Check out this amazing concept from an Addidas store in Germany, for example:

### 5. The value equation

This doesn't mean cheap, but it is a customer-insight focused approach that separates brands from competitors. I believe that 2013 will be the year that many more brands discover the importance of delivering on value. Great examples for 2012 (based on financial results) are Woolworths and Mr Price. For me, value is the middle ground between company/brand objectives and context; and shopper objectives and context - those that get this right will win.

## 6. Wireless shopping

I am sure we are not too many years off seeing entire countries being connected via free wireless connections. Check out this article from New York: <u>Google Offers Free Public WiFi In NYC</u>. Malls are set to become complete wireless zones, and the resulting benefits will be immense. Shoppers will be even more empowered and it will add to the experience at the mall. I see this happening in 2013.

Here's to a great 2013, full of innovation and hopefully patches of brilliance that generate more than stable, single-digit growth figures.



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#### ABOUT DOUG MAYNE

to group account director. Joining Primedia Lifestyle in 2007 as KZN regional marketing manager, Doug was appointed MD in July 2011. Hs particular area of interest is the digital and CRM space within retail, and the use of mobile, social and loyalty tools to drive customer engagement and personalised retail experiences. Website www.primedialifestyle.co.za.

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