

Gen Z play a crucial role in mall rebound, reigniting the need for community-centered shopping experiences

Retail experts are saying that [Gen Z'ers](#) have played a crucial role in overall mall growth and their rebound in the past few years. This generation of young shoppers often expects instant gratification, which is a key reason they prefer in-store shopping. The ability to touch, try on and buy products immediately is driving them to visit and return to malls on a regular basis.

"This digitally savvy generation is used to having things immediately that they can download, access, watch," said USC Marshall School of Business Assistant Professor Stephanie Tully. "And so from that perspective, the desire to get physical products immediately makes sense and would explain interest in brick-and-mortar."

Gen Z — people from the ages of 16 to 26 — prefer in-person as much as online shopping, if not more, according to a 2023 report by the International Council of Shopping Centers. According to the trade group, about 97% of survey respondents said they shop at brick-and-mortar stores.

"Gen Z shoppers are bringing back the mall shopping center experience," said Kristin Grove, senior vice president of national retail leasing at the global real estate firm JLL. "They want a sense of community."

Gen Z currently makes up about 40% of global consumers, which means they hold a lot of buying power, clocking in at nearly \$360 billion.

"Despite being the first digitally native generation, virtually all Gen Z customers shop in-store and prefer physical retail at similar rates to previous generations," Ali Esmailzadeh, executive vice president at Brookfield Properties.

With the easing of pandemic restrictions and the slowing of e-commerce, malls have seen a revival from teens and young shoppers craving a sense of community - a place where they can hang out, dine and meet friends.

According to the International Council of Shopping Centers survey, 60% of Gen Z respondents said they would rather spend their money on experiences than material items.

Recreating the current landscape of brick-and-mortar has been top-of-mind for retailers, who are creating experiential stores, shop-in-shops, along with a blend of physical and digital elements. In addition to these reinventions, it's also necessary for malls to offer more than just stores. Escape rooms, gyms, movie theaters, fine dining, arcades and other mall spaces allow for consumers to make memories and meaningful experiences at indoor shopping centers. Malls must also bring in the kinds of brands that are trendy among Gen Z shoppers.

About 70% of Gen Z survey respondents said that retail centers and stores offer fun places to gather, according to the ICSS report.

Turning malls into multipurpose destinations where Gen Z flocks will become increasingly crucial in 2024 and beyond.

Source: [Malls have rebounded - Decatur Daily](#)