



Meaningful shopping experiences

While global recession has hit the retail sales almost everywhere around the globe, China is home to half of the world's shopping malls currently under construction. Both developments, consumers who stop spending on the one hand and an over-supply of shopping square meters on the other hand have resulted in the same thing: ghostly, vacant malls. For many shopping centres, this is the reality of life. To attract customers, they need to add something extra. Most of them find this in entertainment, turning many shopping centres into attractions. We believe more can be done, and more can be won. The current generation of consumers are not interested in a pure hedonistic experience. The new consumer is looking for meaning, for enlightenment. Delivering this kind of experiences is right at the core of NorthernLight's daily pursuits.

CONTEMPORARY CONSUMERISM

In the fall of 2008 Context-Based Research Group and Carton Donofrio Partners, Inc. conducted a cultural study on the impact of the financial crisis on consumers. What they saw was a culture swept up in the early stages of a traumatic event. Out of the ashes of the broken American Dream a new type of consumer was emerging. The study calls this new consumer the Grounded Consumer. The Grounded Consumer is a better, smarter, more connected consumer, who balances personal financial success with values of sociality, community, and well-being and fills his life with more than just "Stuff".ⁱ As the financial crisis did not only hit the USA, but instigated a domino-effect that brought the global economy in a freefall, we can extrapolate that the grounded consumer is not only inhabiting the USA, but can be found all over the world.

The rise of the grounded consumer means that consumer spending is down. Consumers are not living beyond their means and will make an effort to get a deal. If consumers want to buy something at all, they tend to spend their money online. The new normal of reduced real-life consumer spending supports less retail space. With shopping now less of a priority in people's lives, the good old days for shopping centers are permanently gone. To survive, or even prosper in the future, shopping malls will need to embrace change and reinvent themselves for the age of the grounded, virtual consumer.ⁱⁱ

"People go to the mall and nothing stands out or makes the experience fun or exciting. There is no sense of discovery. People are still shopping and spending but they do it less often and it has to be more purposeful."

– Wharton (University of Pennsylvania) marketing professor Stephen Hock

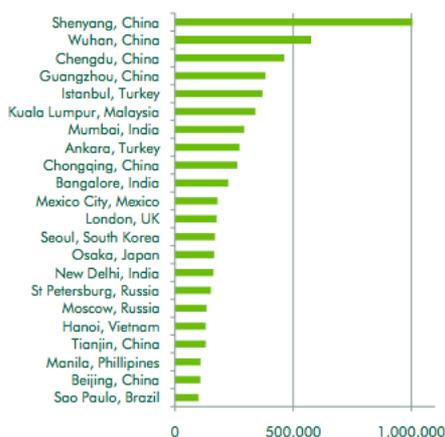
In China a similar elusive consumer is starting to emerge, albeit coming from a completely different upbringing than the American consumer. In the growing Chinese economy, both supply and demand are increasing. In developing cities as Wuhan, Tianjing, Shenyang and Guangzhou millions square meters of new shopping malls are being build. At the same time, China's middle class wages have risen, enabling a consumption economy. But supply at shopping centres seems to increase relatively more than the demand, resulting in a surplus of (vacant) retail space. The Chinese consumer is well aware of their freedom to choose to shop at a mall of their preference, or not shop in the analogue world at all. Because ultimately, the Chinese consumer has grown up in an online world and the reality is that shopping in big cities is a hassle. While consumers do want to see and touch their final choices for considered purchases, there is nothing like the convenience of shopping online. In the hundreds of cities beyond Beijing and Shanghai, online shopping brings consumers value they have not had in local shops: better assortments, lower prices, and convenience of shopping anytime, anywhere without the headache of traffic.

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With these developments in mind, the question arises, how to win the hearts and minds of the contemporary consumer? How can we stimulate return visits to the shopping mall, increase spending and inspire visitors?

The Most Active Shopping Centre Development Markets in 2011 (sq m completed)



Cities with more than 100,000 sq m of new shopping centre space in 2011
Source: CBRE

DESTINATION PLANNING

As said, contemporary consumerism necessitates a change in the way business gets done. In order to get people to buy, you have to get them there. Since the contemporary consumer won't visit shopping malls just to buy "stuff", to attract consumer traffic the shopping center needs to enrich the shopping experience with other experiences. Already, mall developers in Asia, the Middle East, and Eastern Europe, have understood the importance of the new model of place-making, or destination-management. For years, they have taken the approach to incorporating entertainment destinations, such as parks, movie theaters, gyms and even fishing lakes, in their centres.

Although research shows that there is a positive relationship between entertainment and mall profitability and valueⁱⁱⁱ, we believe that the contemporary consumer is asking for more than simple entertainment attractions. The new consumers are not only looking for experiences that strengthen their bonds with family and friends and let them enjoy a good time together. Also, increasingly important is that experiences enrich their own and their families' lives in ways that make them smarter, better off and healthier, and don't necessarily require the acquisition of more material possessions. In other words, the contemporary consumer is looking for meaningful experiences. This is in line with Maslow's hierarchy of needs; one of the most important intrinsic drives of people's lives is to learn and to increase one's knowledge and understanding in order to making sense of the world and the people in it. NorthernLight believes shopping malls can facilitate this demand by offering what we like to call experiences for lifelong learning.

EXPERIENCES FOR SHOPPING MALLS

Building on more than fifteen years of experience in designing interactive environments for Museums, Science- and Visitor Centres, NorthernLight has developed five experience platform concepts that we believe could be deployed to enrich a shopping mall experience. They connect people and make the public space to a place where they feel at home, a place that they can be proud of. The experience platforms are unique, bigger than life, not to be found somewhere else.

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Our experience platforms always include an informative, educational layer, giving them a higher value than normal leisure attractions and even making them part of the Corporate Social Responsibility (CSR) programme of the shopping mall. The platforms also work through the concept of interactivity, to raise involvement and entertainment. To summarise: they add edutainment to the shopping mall.

Adding edutainment to the shopping mall will give it a stronger positioning and will help with branding it as a unique day attraction. By attracting more visitors and prolonging their stay, higher revenue per visitor should be achieved.

1. Science Adventure

Every parent wants that his or her child grows up well prepared to find their place in society as successful adults. To be prepared for tomorrow's workforce, informed about important issues, and able to understand the complex world we live in, every child should receive a solid education in Science, Technology, Engineering and Mathematics (STEM). Our Science Adventure model is meant to support this literacy in STEM. Moreover, to increase attractiveness for all types of visitors, to stimulate creative, innovative and solution orientated thinking and to exclude the thought that STEM is only suited or interesting for the super smart we include the A of Art in the equations, leading to the acronym STEAM. Our Science Adventures provide for educational science playgrounds comparable to science centre exhibitions for children and their families. Primary target groups are children aged 5 to 12 years old.

2. Kids World

To attract a slightly younger visitor group than the Science Adventure, we have developed the concept of Kids World for children aged up to 7 years old. This is a miniature world with imaginative spaces and a concrete backdrop of parts of different cities and landscapes. Visitors can run around, climb and crawl and are encouraged to create their personal dream world. During this creation they can explore technologies, attractive professions and different cultures. They are helped with play and pretend and encouraged to add their own ideas. For every sustainable, or 'green' idea, the visitor is awarded with 'green points'. The innovative and sustainable topics make Kids World future-proof. We have created the Kids World as a safe and enclosed environment, where children can't get lost while they horse around and where they are stimulated to learn more about themselves and discover the world around them.

3. Dynamic exhibition program

As an addition to a permanent exhibition such as the Kid's World or the Science Adventure, a dynamic exhibition program can be set up. Organizing temporary exhibitions that alternate each other every 6 months, provides for a regularly changing atmosphere in the shopping mall and can be a strong draw for repeat visits. Depending on the subject of the exhibition at hand, these exhibitions can be true family destination attractions or focus on varying other target groups. NorthernLight can develop custom-made temporary exhibitions that become property after the planned display period so that they can travel to other shopping malls or other commercial public spaces, science centers and museums, creating higher return on investment. NorthernLight can also extend or adjust procured blockbuster exhibitions developed by other parties so that they better suit the location.

4. Public games

Another extra option to enhance the shopping mall experience is to scatter some public games on strategically chosen locations of the shopping mall. These public games enliven the communal circulation spaces of the shopping mall. The public games are highly recognizable and attractive features and hence can function as meeting points where consumers plan to get together before they start the shopping mall visit, or where consumers wait for each other when they decide to momentarily split. The games could be either free of charge

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or made chargeable by use of the shopping mall loyalty card. A great asset of these games is that they can be deployed as an advertisement tool by branding the design or simply including retailer's logos in the game.

5. App + smart phone XL

A super large and iconic model of a smart phone at the entrance of the public commercial space welcomes the consumers. The model has an XL LCD touch screen and contains a custom developed experience app that the consumer can also install on his or her personal smart phone. This XL smart phone could also be put at several other spots throughout the shopping mall. The experience app delivers customer services such as routing, special offers & discounts, loyalty programs, and an ideas and complaint box. Moreover, several relevant and entertaining features can be added, such as digital souvenirs, augmented reality (for example fitting your new outfit in a virtual dressing room), and connection to social media. Visitors will be eager to interact with the super smart phone because it is a recognizable, though surprising element. Because most visitors are familiar with the operation of a smart phone, they won't hesitate to use it. The XL smart phone makes waiting become fun and assists the consumers in familiarizing with their environment.

About us

NorthernLight, the experience company, is a truly multi-disciplinary creative agency, with offices in Amsterdam, Beijing and Shanghai. We specialize in the planning, design and implementation of cultural, science, brand and digital experience platforms. Clients include museums and heritage projects, science centers and schools, companies and brands, property and public space developers.

We develop unique environments for active exploration, learning and enjoyment. We like to think of experiences as exciting, challenging and mentally refreshing perceptions that connect people, touch hearts, change minds and activate hands.

For this issue of Design Management China we address the shopping mall experience, Esther Hamstra, content manager at NorthernLight, shares how platforms for lifelong learning add meaning to the shopping experience.

ⁱ Blinkoff, R. and J. Rice (2008) **Grounding the American Dream**. Baltimore: Context-Based Research Group and Carton Donofrio Partners, Inc.

ⁱⁱ White, R (2009) **The grounded consumer: changing the paradigm of shopping center entertainment**. Kansas City: White Hutchinson Leisure & Learning Group.

ⁱⁱⁱ Adding entertainment in a shopping mall draws people visiting primarily for the family entertainment centres or cinemas. Of the 7 - 25% of mall visitors who fit this entertainment profile, between 50% and 60% also go shopping. Those shoppers spend between 35% and 75% as much as shopping-only mall visitors. Source: White, R (2009) **The grounded consumer: changing the paradigm of shopping center entertainment**. Kansas City: White Hutchinson Leisure & Learning Group.