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Generation Z may save future of the shopping mall, study says

by TRACEY PORPORA

A new study says Millennials and Generation-Xers could have been responsible for the death of the modern mall.

However, Generation Z has stepped in to save brick-and-mortar retail, according to an International Council of Shopping Centers (ICSC) study.

About 95 percent of people born between 1995 and 2015 visited a physical shopping center over a three-month span in 2018, according to the study.

Meanwhile, ICSC reports that only 75 percent of Millennials and 58 percent of Gen-Xers patronized brick-and-mortar stores over the same time period.

The study says Gen-Z respondents heavily favored in-store over online shopping.

There is evidence of this at the New Springville-based Staten Island Mall, which recently underwent a 242,000-square-foot renovation. On weekends and after school, the Mall is packed with teenagers, socializing in many of the new venues, like Dave & Buster's, and shopping in its newer stores, like Ulta Beauty.

Many teenagers and early 20-somethings could already be seen shopping at Empire Outlets, which opened just last week in St. George.

Part of the reason members of Gen-Z patronize malls is because they see it as a destination.

“Gen-Z cites the abilities to socialize, physically see items and get them immediately as their top reasons for going to stores,” said the ICSC study. “Nearly two-thirds of Gen-Z say it is important when buying online for that retailer to have a store nearby.”

STATEN ISLAND MALL REINVENTION

The uptick in Gen-Zers patronizing brick-and-mortar retail is happening at a time when Bloomberg Businessweek reports that vacancy rates at the nation's malls are at 9.3 percent.

To avoid vacancies, many shopping centers, like the Staten Island Mall, are reinventing the venues as “destinations.”

The Staten Island Mall renovated “outdated spaces” with new and different retailers over the last few years. When Sears Auto body closed, the Container Store opened in its space. And Primark,

a low-priced retailer with roots in Dublin, Ireland, took the second floor, which was once part of Sears.

“The Staten Island Mall is an example of a retail establishment that has responded to consumer demand, which is a critical component to success. Consumers want variety, and they want a place that meets all their needs,” said Stephanie Cegielski, vice president of public relations for ICSC last year to the Advance.

In addition, many malls are adding free-standing buildings and public plazas to the landscape in order to create open-air venues with the feel of a downtown.

“A lot of studies in urban economic development show young people — especially those who used to gather in the mall on a Saturday night — now want to be in a downtown, like that in Westfield, N.J.,” said Abraham Unger, who holds a doctorate degree, and is an associate professor and director of urban programs in the Department of Government and Politics at Wagner College, Grymes Hill.

“They want the the same experience, but they want to get it on the street. ... Staten Island Mall certainly captured some of that flavor with the food services they put in,” he added.

This is also evident in the Mall’s new design, which includes a public plaza, free-standing building with Shake Shack, Chipotle Mexican Grill, and Tommy Tap + Tavern.