




SHOPPING **MAKES THE MAN**

A REPORT ON THE STATE OF
MEN AND RETAIL



“ Women shop; men buy. Seems self-evident. And inarguable. But why? ”

THE RELUCTANT SHOPPER

A 2013 survey by a British research organization found that women can shop for more than two hours without getting bored. Men? Well, they lose interest in about 26 minutes.

That statistic is not a misprint. Indeed, most men in the survey, conducted by Quidco.com, admitted that they want to go home less than one half-hour from the moment they enter a store. And one in four admitted to abandoning their partner and going home alone, so disinterested were they with the whole enterprise.

Now, beyond the intrinsic humor of all this, it seems as if there is something fundamentally different in the chromosomal algorithm that guides our shopping patterns. Women shop; men buy. Seems self-evident. And inarguable. But why? Sure, it's easy to say that men are hunters and women are gatherers, but that seems just a little too pat—ascribing to biology what may really be the fault of something more basic to the quality

and nature of today's retail. Are men bored with shopping because shopping was never much interested in men?

As retail developers, we at EDENS spend a lot of brain power and human capital on curating exactly what women want not just in terms of fashion, food and our other retail assets, but in the details as well—everything from well-lighted, airy parking garages to stroller- and heel-friendly sidewalks, from that special local shop with just the right accessories to the national brand that delivers consistency. To be sure, we've considered women our core consumer for the last 50 years, and there is nothing to suggest that will likely change—they consistently dominate consumer fashion both online and off. But men's interest is on the rise. Male shoppers are expected to offer big growth in coming years, particularly as the so-called Millennials ease into adulthood. According to Nielsen data, women still make

the majority of household purchase decisions and spend more time online, but men increased most types of shopping between 2004 and 2012.

All good, but let's get back to that 26 minutes. Surely we can improve on that. But how?

And so we decided to take a closer look at the male consumer and try to divine what type of retail environment and offering would hold his interest for more than 30 minutes.

To that end, we surveyed more than 500 men about their retail preferences, habits and attitudes. They had some interesting things to say—like only about half of men prefer online shopping if they have a choice. And it's not just the stores that get them to visit a shopping center—men, it turns out, are more complex than we sometimes give them credit.

So here's to men. And women. And families. And to giving everyone in our communities the best retail experience possible.

THE FINDINGS

METHODOLOGY

EDENS anonymously surveyed more than 500 American men about their retail preferences, habits and attitudes using market-leading survey software. We also conducted dozens of in-person interviews to get the human stories behind the data.

Overall, men across generations, income brackets and regions are more similar than they are different, but there are some noteworthy trends embedded in our data. We have a sociological and even biological assumption that men are hunters and women are gatherers, and those patterns have been observable in shopping habits for decades, but that's all starting to change with the rise of technology and changing attitudes among younger people.

Online to In-Store

The rate of online shopping is going up every year, making up 8% of retail sales in 2013. Breaking it down by generation, 32% of Baby Boomers prefer online shopping to Gen X's 52% and the Millennials' 53%. On the bricks-and-mortar side of the coin, Millennials are 12 times more likely to go shopping with friends than older generations.

Stay Hungry, Stay Local

Men of all ages say that appealing shops and dining options are what draws them most to their favorite shopping centers. In second place, younger men say that beer, wine and food events would make them spend more time at a shopping center, while older men say that supporting local businesses is an important draw for bricks-and-mortar shopping centers.

The Draw of Events

Events are a mainstay when trying to increase foot traffic. Men with incomes over \$150,000 are 30% more likely to visit a shopping center in person for product-based events (the launch of a new car model, for example) compared to things like wine tastings or food festivals.

Dwell is the Word

In terms of dwell time and number of shopping trips, nearly two-thirds of higher-income men shop at least twice per month compared to 56% of their counterparts earning less. On the other hand, men earning less spend more time shopping during each visit; 32% spend at least one hour shopping compared to 25% of higher-income men. Only 2% of all men say they spend more than two hours shopping.

The Power of Touch

In a win for great salespeople everywhere, men who earn more than \$150,000 say that customer service is paramount when shopping in person, while lack of time is what persuades the same demographic to shop online. Of the 49% of men who preferred in-person purchases, nearly 85% said their main reason is to see and touch products before purchasing.



THE ONLINE DIVIDE

“It was just about a 50/50 split between a preference for online shopping and bricks-and-mortar shopping centers”

What can we say about the internet that hasn't already been said? It's big, it's powerful, and it has completely blown up the retail industry. Many retailers, at their peril, have waited to adapt to the fast pace of technology. Conversely, some companies that started online have found that the next step to increasing sales is having a bricks-and-mortar presence (we're looking at you, Birchbox and Bonobos). From our perspective, we don't see the internet as a threat to retail, but as an exciting complement. If people enjoy coming to our centers, if they find what they're looking for easily, and if they have great customer service experiences, they will most likely make their purchase with us too.

Across all the men we surveyed, it was just about a 50/50 split between a preference for online retail and bricks-and-mortar shopping centers (51% of men prefer online shopping, to be exact). Seventy percent of men who prefer online

shopping said that its speed was the deciding factor, rather than its potential for being less expensive, and men who make less than \$100,000 say that waiting for shipping is their biggest grievance with online shopping. Interestingly, although Millennials are the “online generation,” they are only slightly more likely to prefer online shopping over the general male population, with 53% preferring online shopping versus 51% of men in general. Breaking down our results by income, 78% of men making less than \$100,000 bought something for themselves online in the last month, while 83% of men making more have done the same.

How men shop online divides them as well. Millennial men use laptops for online shopping more than the general population (61% v. 53%) with 22% using a desktop and 17% using a mobile or tablet device, which is actually lower than the general population at 21%. Out of all the generations,

Gen X men are the most likely to shop from a mobile or tablet at 27%.

Since EDENS' bread and butter is bricks-and-mortar retail, we have a special place in our hearts for those who prefer shopping in person. In a win for great salespeople everywhere, men who earn more than \$150,000 say that customer service is paramount when shopping in person, while lack of time is what persuades the same demographic to shop online.

Of the 49% of men who preferred in-person purchases, nearly 85% said their main reason is to see and touch products before purchasing, showing that even for our hyper-connected society, virtual reality can't compare to the real thing when it comes to shopping.



70%

OF MEN WHO PREFER
ONLINE SHOPPING
SAY IT'S BECAUSE
IT'S FASTER



GENERATIONAL SNAPSHOT:

BABY BOOMERS 50-68 YEARS

The generation that invented teenage rebellion has been making the rules for some time now, and true to their reputation, they are redefining aging. Savvy retailers and marketers are going after this 80-million-strong group and bucking the obsession with youth that has been a cornerstone of branding since, well, the inception of branding.

Although much has been made about the vast numbers of Boomers hitting the magic retirement age of 65, this generation looks more like their Millennial children in terms of social attitudes, retail behavior and technology use than their parents.

While young people take pride in being trendy, Boomers have moved on. "The 60s were all about personal style," says Lou Hamilton, 67, from Charlottesville, VA. "We thought we invented everything when we were young and I'm sure kids now think the same thing. I don't think an interest in fashion is a generational difference as much as something that becomes less important as you get older for a lot of people," he continued. "You get comfortable with a style and with certain retailers, and you tend to stick with them."

Although men's fashion might not be the ticket to creating a Boomer market stronghold, it's virtually an untapped market, as brands tend to think of the senior market as being stuck in their ways and interested in LifeAlert products. In fact, Boomers spend a great deal on technology (more than half of them with mobile contracts now have smartphones¹), travel, and are just as open to trying new brands as their younger counterparts. Since they own 70% of the disposable income in the United States, it's a group that no brand can afford to ignore.



“Online shopping is faster and cheaper, but it depends on the product. Touch, feel and trying on clothes still matters.”



¹ <http://www.nielsen.com/us/en/insights/news/2014/smartphone-milestone-half-of-americans-ages-55-own-smartphones.html>



BRINGING BACK BRICKS-AND-MORTAR

Traditional shopping centers have long focused on what women want, but since nearly half of men say they prefer in-person shopping over online, we can't afford to ignore them. At EDENS, we're interested in getting people to spend time at our shopping centers, as community gathering places, rather than focusing solely on the almighty sale.

Men of all ages say that appealing shops and dining options are what draws them most to their favorite shopping center. Other draws change with age, however—the older the demographic, the less beer, wine and food events are likely to make a man spend more time at a shopping center, and interest in supporting local businesses increases with age.

Events are also a mainstay when trying to increase foot traffic and men with incomes over \$150,000 are 30% more likely to visit a shopping center in person for product-based events (the launch of a new car model, for example)

compared to things like wine tastings or food festivals. These same men also say that product-based events are 34% more important than other types of events in making them want to spend more time at a shopping center.

When it comes to the reasons some men stay away from shopping malls, older men said that difficulty parking and distance are significantly higher barriers to going shopping; younger men said that the convenience of shopping online is the main reason they would opt out of shopping in person. Concerning the type of stores and services men frequent, grocery and dining were solidly number one across the board, but men with incomes over \$150,000 visit jewelry stores 37% more often than men who make less. As the abundance of trend articles can attest, the foodie movement among younger consumers remains strong, as men under 25 visit shopping centers for dining more than four times more often than Baby Boomer men.



UNDER 25

4x
MORE LIKELY
TO SHOP
BECAUSE
OF DINING



GENERATIONAL SNAPSHOT:

MILLENNIALS 18-33 YEARS

They might be painted as a generation of meddling kids, but Millennials are actually pretty savvy—despite their general optimism, research shows that they are the least trustful² of other people compared to other generations and they are largely suspicious of aggressive branding, marketing and advertising. They want to vote with their wallets when it comes to supporting companies that are helping others and making the world a better place, but they aren't fooled by "greenwashing," the disingenuous practice of making products seem healthier, more eco-friendly or more humanitarian than they really are.

As is usually a hallmark of the young, they are much more fashion-driven than older generations, fuelled in part by constant social media connection. Men in particular are coming into their own with the number of retailers that cater to them moving beyond The Men's Wearhouse and focusing on individual expression like Topman, Uniqlo and Sid Mashburn. While there is a general sense that our cultural image of masculinity has changed, the data doesn't record a big shift. Bryant Yee, 25, a Data Visualizer in New York City, says fashion and being "manly" aren't mutually exclusive: "I don't think the image of masculinity has changed all that much, but it seems more socially acceptable for men to be interested in shopping than it was in the past."



“I avoid large shopping centers. I prefer to shop first within the city—street front stores or standalone businesses.”



² <http://www.peersocialtrends.org/2014/03/07/millennials-in-adulthood/>

THE SOCIAL STORY

Despite accusations that social networking is actually making us more isolated individually, our findings show that bricks-and-mortar retail may be helping to stem that tide, at least for younger men, who are significantly more likely to view shopping and shopping centers as an opportunity to be social. In fact, Millennials are up to 12 times more likely to go to a shopping center with friends compared to their older counterparts. Additionally, when ranking things that would make them spend more time at a shopping center, men aged 19-25 rank “opportunity to socialize with friends or like-minded people” 80% higher than men over 56.

In part, the hesitancy to use shopping for its social potential is because older men are presumably more likely to have greater family responsibilities and more demanding jobs than their younger counterparts. The trend also speaks to the changing role of the shopping center in community life and changing attitudes about the old preconception that shopping is “for women only.” The most successful, innovative

shopping centers in the country are becoming part of the urban and cultural fabric. The traditional mall that had its heyday in the 1980s, complete with dime-a-dozen food courts and acid wash jeans, is heading toward extinction. Although most of us look back on the time we spent in malls with equal amounts nostalgia and embarrassment, it was a hub of community life, albeit a car-dependent, suburban life. The way forward for retail is to reinvent itself once again. Every big mixed-use development in the country includes retail in some form, but our goal is to go beyond the transaction and get our customers to see our centers as more than a means to an end—we want people to spend time at our properties and, as saccharine as it might sound, we want them to create memories. That’s why we hold events, welcome the community, and partner with organizations who want to launch products; it’s also one of the reasons we work with incredible chefs to open one-of-a-kind restaurants. Crucially, it’s paying off, especially when it comes to

younger men: in the last five times they visited a shopping center, men ages 19-25 go to attend an event more than five times more often than men older than 56.

The move toward making retail spaces part of the community will only be fuelled by technology. Advancements like the recently hyped “internet of things,” which will provide network connectivity to everyday objects, will make shopping feel more like stealing as customers seamlessly pay for things without visiting the cash register. Shopping centers will increasingly need to use their common areas to maintain a sense of identity and keep up the flow of young people as they grow up, have families, and their social circles change.

There are any number of strategies along these lines, from limited time pop-up shops, signature events, and frequent overhauls to retail and services, but they all create the sense of urgency to go shopping. And if we do our jobs well enough, if we offer the best experience, they’ll keep coming back.



MILLENNIALS

12x
MORE LIKELY TO
GO SHOPPING
WITH FRIENDS

“The traditional mall that had its heyday in the 1980s, complete with dime-a-dozen food courts and acid wash jeans, is heading toward extinction.”

“...when Nordstrom starts serving craft beer, I’m all in.”

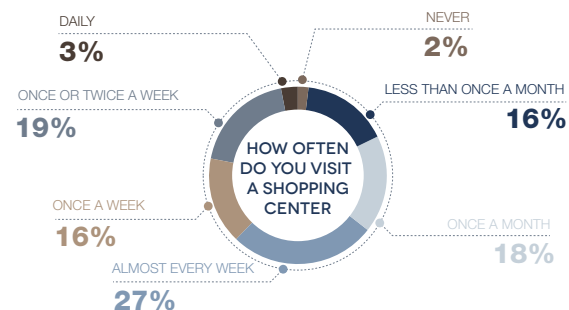
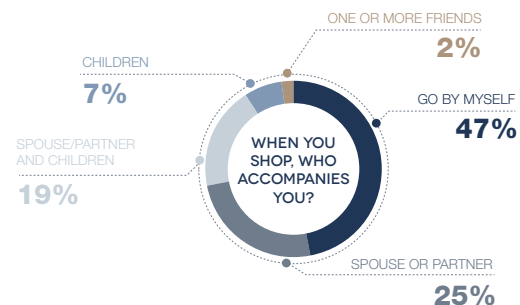


GENERATIONAL SNAPSHOT:

GEN X 34-49 YEARS

The so-called slacker generation grew up a long time ago. This is a generation characterized by an individualistic attitude and their fight to be heard, sandwiched between the two largest generations in history. While their parents used to bemoan their lazy, apathetic ways, Gen Xers have turned out to be more conformist than anyone who's seen Reality Bites would have anticipated: they are the most brand loyal generation and have voted Republican more often than the generations on either side of them.

While Millennials spend the most time online, Generation X spends the most money on online retail. "Shopping is definitely a necessity for me. Men don't go to the mall to chat," says Alan M. Maness PE, (44) President of BBM Associates, an engineering firm in Raleigh, N.C. Summing up what many of the men we interviewed told us, "I don't mind shopping for something I really need or want. The hunt is always more fun than the kill. I don't enjoy aimlessly shopping, just for the sake of it," Maness added. "That said, when Nordstrom starts serving craft beer, I'm all in."



RETAIL OF A CERTAIN AGE

What does all this mean? Are male shopping behaviors changing? The answer is we think so.

Millennials are growing up, their incomes are stabilizing and they're at least thinking about buying homes and having families. The sheer number of people entering social adulthood is bound to change the economy. That said, wages have been relatively flat and a shrinking middle class is creating a decline in disposable income. Since we go for time over wallets at our properties, we couldn't be happier about the fact that 12% of young men say that they usually go shopping with one or more friends. That may not seem like a lot, but when you compare that to about 1% for older generations, it does seem that the generation gap is alive and well.

Only about 2% of men say that they spend more than two hours at a shopping center, but 3% of Millennials spend that amount of time. Again, that may not seem

like a lot, but other studies have found that extending a customer's visit by 1% will yield a 1.3% increase in sales³, so those extra few people staying an extra few minutes can really add up.

“...studies have found that extending a customer's visit by 1% will yield a 1.3% increase in sales.”

While Millennials are seen as idealists and Boomers as curmudgeons, older men are more likely to say that supporting local business is the main reason they go shopping in person. Younger men, shockingly, are more interested in free beer. It's worth pointing out that they are still supporting the local economy, regardless of intentions.

³ "Time is Money: Shoppers buy more when they stay longer",
Path Intelligence





EYES ON THE GROUND: RETAILER INSIGHT



We spoke to retail leasing expert Jessica Bruner, Vice President of Leasing for EDENS, and asked how she would design a retail experience tailored just for men.

Question: How do you think men view shopping compared to women?

Jessica Bruner: Generally, we don't see men going shopping as a social experience with other men. That might be changing a bit with younger generations, but mostly, men's shopping habits are driven by women or by necessity. Women, on the other hand, use shopping as a social opportunity as much as a means to purchase something they want or need.

That's why it can be tricky to appeal to the male demographic, but I do think we're seeing a little bit of a cultural shift back toward men taking pride in their style.

Question: If you were to come up with a retail concept that really focuses on the male shopper, what would it look like?

JB: I envision a laid-back environment where customers are encouraged to engage with the merchandise. I would also add a cool bar that gives classes on whiskey tasting and beer brewing.

When you look at the retailers that have traditionally done well with men, they're the ones that offer a high-touch environment mixed with technology. I think some of the new wireless technology, what some people are calling "the internet of things," is really going to appeal to male shoppers. These

are wireless networks between objects that will make it possible to basically choose an item and leave, never waiting in line for a cash register. It will also allow stores to reallocate resources to focus on customer service that goes above and beyond what most people are used to. The internet keeps trying to compete with the expertise of a great salesman and the connection a customer gets from having an expert guide him through the selection process, but that's where I think we can really shine.

THE FUTURE IS BRIGHT

We've been in this business for almost 50 years and we've survived because we've been able to predict and adapt. We see the future as a place where people will continue to shop online and where outdated, single-use shopping malls will continue to close.

The next generation of consumers, Generation Z as they're currently called, won't even consciously expect technology to be a part of retail—it will be a given. Trendy terms like “the internet of things” will just be “how things work” and Gen Z may tell their kids about cash registers the way Millennials will tell their children about the answering machines and dial-up modems of their childhoods. Bricks-and-mortar retailers will need to differentiate themselves through exceptional customer service and experiences that shoppers can't find online. Personalization and customization will hit new heights with the

pervasiveness of 3D printing, computer modeling, and in-store data collection, all in the name of creating totally unique products that are tailored for the individual. In terms of the products themselves, they run the gamut from jeans to gym shoes to cell phones, and this technology has already proven to be a great opportunity to attract men to specific retailers.

Corporate social responsibility remains one of the most noteworthy buzz phrases of the last few years, but it will go from being an optional part of a brand's story to an absolutely crucial component of retailer marketing. As consumers get savvier, they will come to expect that their favorite brands are minimizing negative impact and even strive to make the world a better place.

And no retail prediction would be complete without mention of

food. While the words “artisanal” and “foodie” are dying a slow, painful death, the “old-fashioned” idea that food should be local and made in small batches within an entrepreneurial business model is only getting stronger. Food markets are popping up all over the country as mass-market restaurant chains close locations. Smart retail centers will take the calculated risk of opening one-off dining destinations to add character and broaden their customer base.

The bottom line is that individual retailers and shopping centers will need to up the ante to get more customers in store, particularly men. Our experience tells us that as long as retailers keep their eyes open, are willing to adapt, and embrace the idea of being a community gathering place, the bricks-and-mortar industry will continue to grow.

