THE SHOPPING EXPERIENCE IN 2014:
AN EXECUTIVE SUMMARY OF OUR CONSUMER RESEARCH

What criteria determines a consumers choice of retail destination?

What are the demographic variations across Europe?

How integrated are the online and in-store worlds for consumers?

Will large regional shopping centres be the only place to shop in the future?

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EXECUTIVE SUMMARY

IMPORTANT FACTORS WHEN SHOPPING

- Price, cleanliness and convenience top the list of factors that are important to consumers when shopping. This is true for all countries in all kinds of shopping centres and substantiates the findings of CBRE's previous 2013 survey. For shopping centre managers, these are essential, qualifying criteria that must be in place to meet consumers' basic needs. The provision of a range of retailers, parking facilities and reassurance on security and personal safety are also ranked as important.
- Differences in expectations by age are also apparent. As might be expected, younger age groups appreciate some of the social aspects of shopping centres much more than older groups – this includes meeting friends and taking advantage of services. Interest in services generally appears to decline with age overall. Notably, the over 65's tend to look for covered shopping centres with a department store; free parking; presence of independent shops; and favour cleanliness over price.
- There are also interesting observations to be made when looking at gender. Overall there is not a distinct difference between men and women however there are some notable exceptions. 70% of females in Great Britain feel it is important that a shopping destination be a good place to meet whilst only 49% of men would agree. Women and young people view shopping as a social activity in line with those in Southern Europe in this regard.

TYPE OF CENTRES VISITED

- Looking at the type of centre that is most attractive to consumers it is apparent that almost half of consumers have a preference for larger covered shopping centres whilst a fifth have a preference for uncovered centres or high streets. Looking at the demographic profiles of visitors to large centres, in every market with the exception of Romania, young people are most likely to visit a large, purpose-built, covered shopping centre.
- Smaller covered centres are most popularly chosen by over 55's, those on middle to low-incomes, as well as by consumers in Hungary, Switzerland and France.
- Uncovered centres or high streets are most likely to be favoured in the Netherlands and Belgium, where the development environment has not supported the growth of large covered centres. Consumer groups mentioning these types of centres were also generally older.

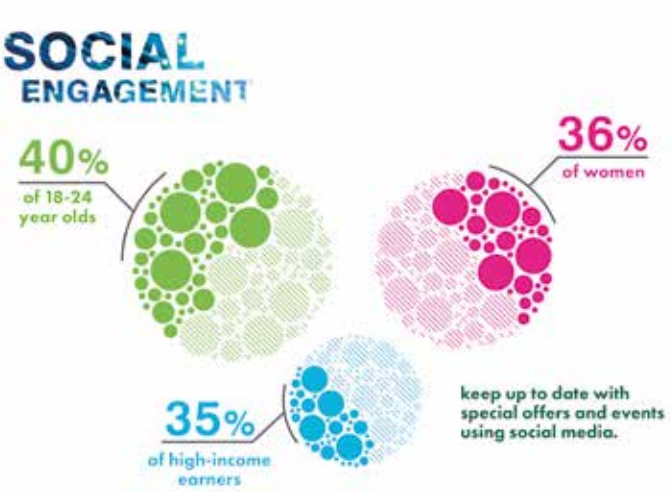
HOW FAR ARE CONSUMERS WILLING TO TRAVEL?

- The willingness to travel to reach a shopping destination reduces with age. 16% of 55-64 year olds travel more than 30 minutes to get to their shopping destination compared to 19% of 18-24 year olds.

HAVE CONSUMERS SEEN IMPROVEMENTS IN THE CENTRE THEY VISIT?

- Consumers report welcome improvements in the shopping centres to which they have access. Four out of ten consumers have seen their centres improve over the past three years. The biggest improvements have been noticed in large, purpose-built, covered centres; where one in four felt that such centres had got 'a lot better'. Although smaller covered centres were seen as improving far more than high streets or uncovered centres, where only one in three saw any improvement, smaller centres lagged behind larger ones. Further, smaller covered centres were seen by many consumers to have marked time, with 44% reporting having seen little change over the previous three years.
- One in five consumers reported that the centre they visited most often had seen both renovation and an increase in the size of the centre. One in six had seen the addition of new international brands and new catering facilities. Improvements in international brands were noticed more by those on higher incomes (19%) than on lower incomes (12%). However, only 6-7% had seen either more entertainment facilities, or were aware of more events being introduced – although this improvement was more likely to have been seen by 18-24 year-olds than 55-64 year-olds.

INTEGRATING THE ONLINE AND IN-STORE EXPERIENCE



- Our research confirms that consumers are comfortable with juggling a range of channels in the research and buying process, but that store visits still dominate when making a purchase. Nearly 90% of consumers reported visiting a shop at some stage in the process.
- The majority of consumers (79%) go online to research prices, product details and availability. Over a third of 18-34 year olds and a quarter of high income consumers use a smartphone for this but the store is still used by nearly 50% of consumers for checking prices and products.
- It is clear that visiting shops is the preferred method for buying products for all demographic groups. However a very high proportion of consumers also buy online – More than 50% of all age groups and income profiles.
- The older generation, those on higher incomes and women are the most concerned with the overall experience of shopping and not just with the shops themselves.

BRICKS OR CLICKS?

Over 50% of all age groups and income profiles shop online.

This is precisely what e-commerce alone cannot provide.

Retail centres must look to fulfil social and experiential needs as well as the basic ones of convenience, security and value.

- We asked whether big regional shopping centres would be the only places worth shopping at in the future. Whilst 4 in 10 consumers disagreed, with particularly strong opinions in Denmark and Norway and amongst older consumers, there was a large minority of 28% who agreed with the statement.
- We also asked whether smaller shopping centres could compete with online. The majority of countries and demographic groups thought that they could. Consumers in Hungary, Switzerland, Austria and Belgium were particularly optimistic, although Southern and Eastern European markets, together with respondents from Great Britain, were not as convinced.
- Finally consumers across Europe do not expect their shopping habits to change drastically with approximately two-thirds of consumers expecting to visit shops as often as they do now in the future. Consumers do expect to go online more often in the future, but we can see by the way in which they presently shop that this does not necessarily have to be at the expense of the physical store. The findings reveal that consumers are comfortable using a multitude of channels in their shopping process. The physical store is an integral part, with 87% of consumers visiting a store to make a purchase.

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