

HAPPENINGS

Inside

Get swept up with Dyson Demo, go inside Macerich's top outdoor properties and meet our leasing pros devoted to sourcing and signing the best digitally native brands.





Dyson Demo Store Blows Shoppers Away

Seriously, who knew that vacuums and hair dryers could be some of the most exciting things to happen in global retail in years? James Dyson did. This fall his company, the remarkable British innovator of high-concept machines for the home, launched its first U.S. location of Dyson Demo at Macerich's Tysons Corner Center.

Dyson Demo defines experiential retail with products for people to discover, try and buy – all guided by the brand's on-site technology experts. *Happenings* talked with Phil Molyneux, International President of the Americas at Dyson, to learn more about this high-tech store showcasing its own high-tech – but everyday – products in a way that literally blows shoppers away.

Please talk about how providing hands-on customer experiences in your own stores benefits the Dyson brand.

Dyson designs technology that solves a problem. Vacuums that clogged after first use become efficient cyclonic machines that are powerful, cord-free and versatile. Slow,

bulky hair dryers become intelligent products that dry hair quickly and protect it from extreme damage. I could go on. But our technology's power is only understood when it is brought to life. Dyson Demos are designed to take the technology we spend so long designing in our labs and put it into people's hands.

We have beautiful displays, but more importantly, we have engaging, interactive demonstrations of our entire range of technology – testing vacuums with 32 types of dust, dry styling stations, smoke boxes to show how our purifiers clear the air. So people walk away from our Demo with a clear understanding of how Dyson technology can benefit them.

Your first Dyson Demo store to open in the U.S. was at Macerich's Tysons Corner Center. Many other omnichannel brands also are choosing this high-performing, D.C.-area property for their experience-focused stores. What is it about Tysons that works especially well for Dyson?

We want to get Dyson technology into as many potential customers' hands as possible. What intrigued us about Tysons Corner is it is truly a destination. People go to shop, of course, but they also spend a lot of time in the mall, whether it's for dinner, or a stroller moms meet-up, or a walk around the grounds. We also did an analysis of our current customers and found there are a lot of existing Dyson owners located within the area – which is an excellent opportunity for us to introduce our new product categories.

How was your experience working with Macerich, which strives to be a leading omnichannel real estate company?

In today's ever-changing retail landscape, we have found our relationship with Macerich to be refreshing. The experience from initial conversation to lease signing, to construction, and now opening, has been flawless – and flawless execution is exactly what we strive for.

How do you measure success at the Dyson Demo store?

Of course we have the usual metrics, but most important to us are two factors: The first is educating people about Dyson

technology and getting them to truly experience it firsthand. We have Dyson Experts and stylists on hand in the store who are highly trained on our technology and can help explain what makes Dyson different, and demonstrate exactly how to get the most of our machines in your home. Which brings me to the second factor: We very much measure our success on customer satisfaction. We want people to walk away from the Dyson Demo feeling educated, inspired and happy with their experience, so Net Promotor Score (NPS) is a crucial metric.

Dyson is a true omnichannel brand in that you now have your own high-experience physical stores as well as a robust online platform – and you also sell products in well-known, multi-brand stores. Why add your own Demo stores to this mix?

We want people to test and experience Dyson technology in every way they can, because when you try Dyson technology for yourself, you really begin to understand what makes it work better. The Dyson Demos are the pinnacle of this experiential mindset.





Macerich Experts Bring Online Inline

Online shopping has a whole new meaning when your job is literally to “shop for” digitally native brands that can successfully grow at the nation’s top-performing retail properties.

The list of emerging, born-online brands that are connecting with customers through new physical stores at Macerich properties in attractive, urban markets is impressive and getting longer all the time: from ALEX AND ANI, Amazon Books and b8ta to Blue Nile, Monica + Andy, Peloton, UNTUCKit, Warby Parker and more.

Happenings talked with four Macerich leasing professionals from around the country – Dani Cohn, Elissa Evans, Lauren Mathews and Annalise Weinert – who specialize in sourcing and securing the best of online for inline.

“Our top properties in high-barrier-to-entry markets are launchpads for a lot of emerging retailers,” said Cohn, who is based at Tysons. “One reason is that these brands have precise data about who their customers are – and they are

finding a great match with properties like Tysons Corner Center, Santa Monica Place, The Shops at North Bridge and others in our portfolio that command extraordinary demographics.”

Opening physical stores, often for the first time, in high-barrier-to-entry markets requires a low-barrier-to-entry approach. “We work to be great partners for digitally native brands — this means we are helping with every step of the process and acting as both real estate consultants and trusted advisors as all of this is so exceptionally new,” said Weinert, who offices in Santa Monica.

The tremendous innovation these brands represent spills over into exciting in-mall experiences. “Digitally native brands are bringing more technology and more personalization to their new physical stores, and this is injecting a new level of experience-focused retail into the whole shopping environment,” added Mathews, who also works in Santa Monica.



Dani Cohn



Annalise Weinert



Elissa Evans



Lauren Mathews

“What we’re finding is that these high-experience brands benefit from locating near each other, as well as proximity to other experience-forward concepts like Soul Cycle, Apple and Tesla,” said Evans, who is based in Chicago. “At The Shops at North Bridge, for example, we’re adding new digitally native brands at a very fast clip, including brands that really focus on customization – from Hammer Made men’s shirts to Laudi Vidni, which makes custom leather handbags.”

All four leasing pros agree that physical stores allow digitally native and non-traditional brands to not only build in-person relationships with their shoppers, but also tap into the greater conversion rates that come from giving people the opportunity to touch, feel and explore new merchandise.

Added Evans, “Our team is in constant discovery mode and we love to play a role in how the best retail properties are evolving. Digitally native brands and all the creative ways they do business are helping to shape our retail environments for the future.”

Brands Think Outside the Box with Macerich Outdoor Centers

Climate uncontrolled. Exciting, street-retail vibe and manicured green spaces. Welcome settings for people to drive, walk or bike right up to retailers' doors.

Macerich's collection of upscale, outdoor retail properties in top U.S. markets is appealing to retailers and brands of all kinds – with special attraction for digitally native and other high-experience concepts seeking to expand their brick-and-mortar presence.

Sun-soaked gathering places like Biltmore Plaza and Kierland Commons in Phoenix and Santa Monica Place in Southern California, and buzzy, busy downtown spots like The Shops at North Bridge in Chicago and Country Club Plaza in Kansas City draw highly engaged shoppers all year long. Retailers enjoy strong performance at these one-of-a-kind outdoor properties thanks also to Macerich's powerful marketing programs and top-tier, professional operations.

One of the best examples of this flourishing format is the newly expanded and redeveloped Broadway Plaza in San Francisco's affluent East Bay, which debuted last year.

Bringing in trendsetting brands from SoulCycle, True Food Kitchen and Amazon Books to Zara, Kendra Scott, ALEX AND ANI and Ministry of Supply to join the property's Nordstrom and jewel-box Neiman Marcus has proved to be a great move.

"The third quarter of 2017 represented the first period that Broadway Plaza is included in the leasing metrics since its completion in 2016," said Robert Perlmutter, Macerich's Chief Operating Officer. "When the redevelopment began, sales from Broadway Plaza were equal to \$726 per square foot. Current sales are now \$1,278, ranking this the third most productive center in our portfolio."

Explore our outside – and outside-the-box – centers with Macerich.



Backlit Advertising Kiosks Go Front and Center

When your brand is ready to connect with upscale consumers at Macerich's market-leading properties, now there's an easy one-stop-shop: Macerich Media Network.

Starting in January, Macerich adds representation of the popular Backlit Advertising Kiosks to its already robust portfolio of consumer-focused media opportunities at 40 centers.

"Deep knowledge of our premier properties and the markets they reach positions the Macerich Media Network as an ideal resource for advertising partners," said Ken Volk, Chief Marketing Officer, Macerich. "Adding Backlit Advertising Kiosks to our wide range of effective media platforms expands our abilities to deliver even more media inventory and locations to help brands maximize their exposure."

Macerich's Backlit Advertising Kiosks, placed at eye level in prime mall areas, create a high-impact network of touchpoints including center entrances, center courts, food courts and other busy common areas.

To tap these media opportunities for high reach and frequency, repeat impressions and superb visibility, please contact Macerich Media Network at businessdevelopment@macerich.com.



Hands-on Holidays at Washington Square

Talk about multi-tasking. Washington Square has a clever approach to help parents get it all done this holiday season, and deliver a fun and enriching experience for kids while mom and dad shop – the drop-in classes at both Young Art and Little Engineers.

These two experience-focused retail concepts help kids explore and learn, with instructor-led classes, camps and birthday parties throughout the year. But for the holidays, the drop-in sessions are just what busy parents need to finish their gift lists while giving children a great way to try something new.

Little Engineers – in its first-ever location – offers projects to help kids expand critical thinking, observation, reasoning, and prediction skills with STEM-focused activities including Minecraft, game design, animation and 3D printing. At Young Art, children can explore a variety of art mediums with hands-on art projects, including cartooning, impressionism, portrait sketching and more.

"These engaging, high-quality experiences for families are a fit for our market, provide worthwhile entertainment and help everyone have a great day at the mall," said Aaron Mullins, Leasing Manager, Washington Square.

Macerich Earns More Top Sustainability Honors

Walking on sunshine – again. This fall Macerich was named 2017 Retail “Leader in the Light” by the National Association of Real Estate Investment Trusts (NAREIT) for an unprecedented fourth straight year.

This award adds to Macerich’s impressive #1 Ranking by GRESB in the North American Retail Sector – also a repeat honor – along with achieving high rankings from CDP, inclusion on the EPA’s Green Power Partnership list of Top 30 On-Site Generation companies, plus many other major sustainability honors in 2017.

“Earning ‘Leader in the Light’ for the fourth consecutive year is a powerful testament to Macerich’s ongoing industry leadership in sustainability,” said Art Coppola, Chairman and Chief Executive Officer, Macerich. “Our vision and commitment to invest in energy assets including solar, fuel cell, battery storage and water technology – combined with smart practices in utility conservation and water reservation – not only provide strong economic results, but also propel us toward our industry-leading goal of achieving carbon neutrality by 2030.”

Macerich’s top properties and top markets, from Santa Monica and Walnut Creek, CA, to Portland, Boulder and Northern Virginia, include some of the most forward-thinking and environmentally attuned consumers in the world. “Leading the retail real estate industry in the critically important area of sustainability is a natural position for Macerich,” added Coppola.

Earlier this year, Macerich hosted its first Sustainability Summit for retailers in Santa Monica. Look for more events focused on building processes and partnerships geared to increasing sustainability results for retailers and shopping centers.

