

FAIRCHILD STUDIO

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Creating Exceptional Shopping Experiences

Macerich CEO Tom O'Hern reveals the secret to the success of Scottsdale Fashion Square.

A new flagship Dior is now open in the Luxury Wing of Scottsdale Fashion Square



As the retail industry charts one of the strongest holiday seasons in years for physical retail, Macerich, a leading owner, operator and developer of major retail properties, has created a set of competitive advantages that positions the company to capture and extend this market momentum.

From well-honed, market-dominant properties in strong U.S. markets and plans to add impactful new uses to key assets while nurturing the return of retail demand for its shopping centers, the table is set for heightened performance for this major retail real estate company.

Macerich is poised to capitalize on today's embrace of in-person shopping and experiential opportunities with targeted investments in already-dominant centers. It's now clear that in this post-peak-pandemic period, consumer spending is on an upward trajectory. Engaging today's more discerning shoppers requires the right mix of retail brands and attractions to deliver excep-

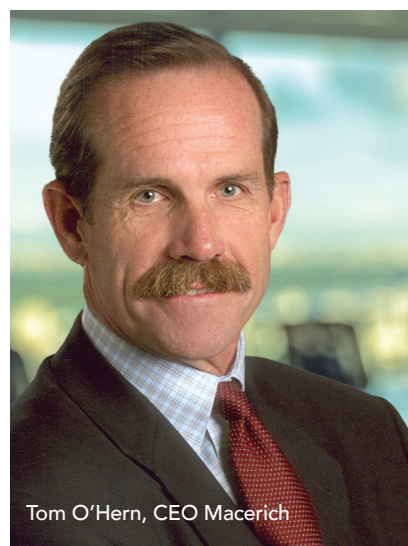
tional shopping and dining experiences.

A great example is at Scottsdale Fashion Square, where they've perfected that mix and artfully executed the strategy and vision where all categories of retailers can have a dominant business. As a result, the center has emerged as a top destination, and luxury brands want to be a part of this environment.

But what makes Scottsdale Fashion Square so compelling? Here, Macerich CEO Tom O'Hern shares insights about how the company has created a setting for exceptional shopping experiences, including what luxury shoppers expect and what's new at the center.

What is the formula for creating an exciting and engaging shopping experience?

Scottsdale Fashion Square is an excellent example of collaborating with our retailers to create the perfect setting for an exceptional and engaging shopping experience. First, in Scottsdale – one of



Tom O'Hern, CEO Macerich

the most vibrant and dominant MSA's in the country - it has to be about dynamic dining. Our combination of unique-to-the-market and favorite restaurants plus a wealth of food court offerings gives all-day energy that flows into the evening

– whether it's a quick bite with the kids or top-end settings for an evening out. Our guests are drawn to eclectic and chef-inspired food experiences, which are natural strengths at this property. Restaurants found here and nowhere else in Arizona include Ocean 44, Toca Madera, Francine and Nobu.

Next, the real magnitude of the retail and experiential collection makes this property such a powerful destination. With more than 200 shops, this property brings together everything from the best internet brands migrating to physical store locations and popular must-have brands like Zara, Golden Goose, Buck Mason, Scotch & Soda, DICK'S Sporting Goods, a growing number of electric vehicle makers like Polestar and Lucid, plus coworking leader Industrious, terrific dining, as I mentioned, movies, art and entertainment, plus future hospitality and office additions. I like to say the best retail properties have something for everyone. They are one-stop shopping destinations that continually surprise and inspire consumers, no matter what they

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have in mind. Scottsdale Fashion Square comes through with whatever people are looking for.

The third element in our unique formula for success at Scottsdale Fashion Square is luxury. While other retail properties may come close to having it all, the luxury component is often missing in markets with regional demand. That is where this property stands apart. Luxury showed tremendous resilience during the pandemic when some exemplary brands had lines out the door. Now, the success of luxury here is spurring more top brands to choose Scottsdale Fashion Square, including Dolce & Gabbana, a dedicated Louis Vuitton men's store and Christian Louboutin, which are opening soon.

How would you describe the new luxury consumer? And what do they expect in a shopping experience?

We've learned that today's luxury consumer seeks both access and exclusivity. This means that someone making purchases at Louis Vuitton also appreciates the ease of dedicated valet parking for the Luxury Wing. The combination of access and exclusivity also means that this consumer wants the full range of experiences Scottsdale Fashion Square delivers on top of her visit to Louis Vuitton – from a lunch with a friend at Francine to a Genius Bar appointment at Apple and the chance to pick up new leggings at Alo Yoga, all in one trip. Through Macerich's regional town center strategy, Scottsdale Fashion Square successfully offers more things to more people, including the important luxury consumer.

restaurants has delivered exceptional experiences for shoppers who seek out these brands, both regionally and internationally.

The Luxury Wing is a tremendous success by every measure – one proof point is how we were able to attract so many new-to-market, pure luxury retailers and restaurants, including a stunning new Dior, Saint Laurent, Marc Jacobs, Versace and Nobu. These investments and new positioning spurred top luxury brands already at the property – from Louis Vuitton, Gucci, Prada, Escada, St. John, David Yurman, Jimmy Choo, Bulgari, Cartier, Bottega Veneta and many others – to recommit, expand and renovate their stores.

It's worth noting again that, in July, Scottsdale Fashion Square welcomed a spectacular new Dior flagship store. This is the only location in all of Arizona and represents the success of the center's luxury presentation. And importantly, our heightened luxury presence continues to draw other great names. We see strong leasing demand across many categories, from electric vehicles and emerging digitally native brands to new fashion and footwear concepts.

What's next?

At Macerich, we are leveraging our best-in-class expertise with our sights on other properties within our portfolio. And here is the exponential impact – because of the high quality of our portfolio, Macerich will be able to extend the kind of success we've seen at Scottsdale Fashion Square across any number of top-level assets, from coast to coast. We're able to build on significant strengths – longstanding and productive relationships with

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How is Macerich redefining the luxury shopping experience?

While Scottsdale Fashion Square has long been Arizona's undisputed luxury leader, we chose to elevate and expand the Luxury Wing to heighten appeal and performance for years to come. The redevelopment, which debuted in fall 2018, relied on outstanding design to create a new luxury enclave at the north end of the property anchored by Neiman Marcus. This dedicated shopping environment for the world's best and most exclusive luxury retailers and

successful retailers and partners, our talented teams who bring both vision and exceptional execution to what we do, and our dominant positions in outstanding U.S. markets with incredible demographics across the board.

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Recently opened or refreshed, first-to-market lifestyle and luxury brand expressions at Macerich's Scottsdale Fashion Square in Arizona

