

The Recurring Gift

Shopping centers are finding new ways to build and bolster seasonal traditions.

During the holidays, perhaps more than any other time of the year, people are looking for opportunities to come together. Whether it's visiting Santa at the local mall, picking up family-favorite holiday cookies at the local bakery or sharing a festive meal with co-workers at an upscale eatery, the spirit of the season is found in shared experiences.



"Technology can be isolating. Online shopping doesn't bring people together during the holiday season," says Bill Taubman, chief operating officer of Taubman Centers Inc., which owns, manages or leases 27 malls across the U.S. and Asia. "But shopping centers are community-gathering places. They're one of the few places everybody comes together." Over the holiday season, that role is greatly amplified.

In fact, 91 percent of holiday shoppers in 2017 plan to make purchases in physical stores, according to a survey by the International Council of Shopping Centers. And of those who do shop online, 40 percent expect to pick up their purchase in store, with 81 percent of those people expecting to make an additional purchase at the physical store. "Our surveys show year after year that physical retail remains a cornerstone

of the holiday season," says ICSC Chief Executive Tom McGee.

And it's not just gift-buying that brings people to shopping centers over the holidays: 53 percent of consumers plan to eat out at a shopping center this holiday season, 32 percent plan to see a movie and 18 percent plan to participate in a philanthropic event hosted by a center, the ICSC survey found.

NEW HOLIDAY EXPERIENCES

To give families even more of a reason to spend time together, many shopping centers have added interactive Santa- and holiday-themed experiences in recent years that encourage parents to bring their children. ICSC found that 17 percent of shoppers expect to participate in a Christmas tree or menorah lighting or other holiday event at a shopping center this holiday season, while 16 percent plan to have a child's picture taken with Santa.

At 12 Taubman-owned malls across the country, shoppers can visit Santa's Flight Academy, a gigantic reimagining of the North Pole where children are able to join Santa's flight crew. Young cadets—charged with preparing Santa's sleigh for delivering presents—are first fitted for a virtual flight suit before they navigate a flight course and inspect and power the sleigh. The finale: a snowfall dance party and visit and photo with Santa, who recognizes each child by name thanks to the set's state-of-the-art technology.

Westfield Corp., which owns 35 malls in the U.S. and U.K., has also created unique holiday experiences and promotions for guests. In 2016, it launched the Holiday Hub, an online portal including curated gift guides,

a sweepstakes, a "Santa Fast Pass" promotion and user-generated social media content using the hashtag #HowDoYouHoliday. It also offered holiday-themed pop-up stores in some malls.

"Westfield is always thinking about ways to innovate as a company, and the holiday season is no different," says Peter Huddle, the company's executive vice president of development. "While we're committed to innovating our holiday program each year, we're also careful to do so in a way that respects traditions and what our customers expect from us."

Some shopping centers are bringing a wintery vibe to places that don't generally have one. At several shopping centers owned by Kimco Realty Corp. in warm weather climates, machines are used to make snow that kids and their parents can play in. "Offering a family-friendly environment is critical to the holidays—and that's what we shine at," says Conor Flynn, Kimco's chief executive.

CONNECTING COMMUNITIES

Many shopping centers also host volunteer events such as free gift-wrapping, toy drives for low-income families and other philanthropic activities over the holiday season—connecting shoppers not just to goods they can buy, but also to goodwill that supports their local community.

Several malls owned by CBL Properties, for example, host an annual Santa Cares event each holiday season where children with special needs can have an extended visit with Santa before normal mall hours on Sundays. The event is designed to create a "sensory friendly experience" for children who may not be as comfortable with the traditional visit with Santa at a mall, such as those with autism, says Stephen Lebovitz, CBL's chief executive.

Such community outreach and philanthropic activities over the holiday

season help create a stronger connection between the local community and the shopping center—both over the holiday season and year-round.

“Shopping centers are an integral part of holiday traditions across the country,” McGee says. “It’s where we go to see a tree-lighting ceremony or go ice skating. It’s where we go see holiday window displays, carolers and, of course, buy gifts for each other.”

“It’s also about sharing in the opportunity to tell loved ones how much you care,” he adds. “That’s a hugely important part of the season.”

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