



## Phillips Edison Reveals Top Retail Shopping Center Trends to Watch in 2020

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*Experience and convenience remain at the heart of leasing trends, with specialty hobby concepts on the rise*

CINCINNATI--(BUSINESS WIRE)--

Phillips Edison & Company (“PECO” or the “Company”), an internally-managed real estate investment trust (“REIT”) and one of the nation’s largest owners and operators of grocery-anchored shopping centers, released today its insights on the top shopping center trends to watch in 2020 as part of ICSC’s New York Deal Making event.

As experience continues to drive success, retailers are finding new and innovative ways to make it more fun to shop in-store. Moreover, the increasing demand for custom experiences is leading to a rise in the number of boutique specialty concepts devoted to specific hobbies and activities that target smaller, but highly engaged groups of consumers. PECO points to the expansion of Games Workshop – a manufacturer of miniature war games that hosts painting and modeling sessions for hobbyists – and the proliferation of children’s activities such as indoor trampoline parks and theme parks as well as interactive museums including Play Street Museum in Texas, as key indications of this growing trend.

PECO’s Director of National Accounts - West, Ashley Casey stated, “What our research shows, and what is playing out in shopping centers across America, is that there is a growing market for retailers that appeal to niche interests and experiences. This trend reinforces the fact that people with common interests are eager to gather and engage in activities that allow them to form connections and relationships. In addition, it’s another proof point that these brands recognize the importance of establishing a physical footprint to bring them closer to their consumers. It’s also a prime example of how savvy retailers are curating truly unique atmospheres that can only be experienced in the physical realm.”

When it comes to groceries, take-out and shopping for specific items, consumers continue to seek new, innovative options that make the process faster and more efficient. This speaks to a continually growing need among consumers to be able to get in and out of stores quickly, and brands are rising to the occasion. Hair salons including Sport Clips and Great Clips were ahead of the curve on this trend years ago, introducing apps allowing customers to track the nearest locations and wait times to limit the time they spend in the shop. Now, as online ordering for pick-up of food and products has taken off, retailers are finding new ways to make this experience even easier, which in turn will keep customers coming back.

Ryan Mitzel, PECO’s Director of National Accounts – East, stated, “Brands remain heavily focused on finding ways to provide consumers with greater levels of convenience. In many instances, it’s become less about finding ways to get people to spend more time in-store and more about providing them with a faster way to get what they need. While counterintuitive to the traditional retail model, this helps to drive stronger levels of brand loyalty by increasing the value provided to the consumer. Look no further than the growing number of stores introducing designated online pick-up areas and Chipotle’s ‘Chipotlane’ drive-thru for prime examples of this trend.”

These insights are produced by PECO’s National Accounts and Emerging Trends team, which consists of a group of highly specialized leasing professionals that tracks over 400 accounts and actively engages with 150 growing retailers. This team travels the country meeting with brands to learn how they are evolving to identify creative ways that PECO can advance their real estate objectives. In the process, the team closely tracks and documents developing trends across different retail categories including grocery, restaurant, fitness, health and beauty, medical, entertainment, and discount.

This deliberate information gathering approach has proved extremely beneficial to PECO since the team was formed in 2016. This focus leads to collecting a copious amount of data that is constantly informing the Company’s leasing strategies as well as how, where and when it chooses to deploy capital. The team’s efforts have resulted in new and stronger relationships with a wide range of innovative retailers that are redefining the retail landscape and customer experiences. These activities are driving strong leasing momentum, putting the National Accounts Team on pace to execute more than 100 new leases in 2019 – up 35 percent year-over-year – and resulting in more than 300,000 square feet of new leases and over \$6 million in annualized base rent, according to Mike Conway, Vice President of National Accounts & Retail Partnerships at PECO.

For more insight from the Emerging Trends team, visit Phillips Edison’s booth (#2641) this week at ICSC New York Deal Making and connect with the Company on [Instagram](#), [Twitter](#) and [LinkedIn](#). Also, listen to [Retail Intel](#), a podcast series hosted by Mike Conway.

### About Phillips Edison & Company

Phillips Edison & Company, Inc. (“PECO”), an internally-managed REIT, is one of the nation’s largest owners and operators of grocery-anchored shopping centers. PECO’s diversified portfolio of well-occupied neighborhood shopping centers features a mix of national and regional retailers selling necessity-based goods and services in fundamentally strong markets throughout the United States. Through its vertically-integrated operating platform, the Company manages a portfolio of 330 properties, including 294 wholly-owned properties comprising approximately 33.2 million square feet across 32 states (as of September 30, 2019). PECO has generated strong operating results over its 28+ year history and has partnered with leading institutional commercial real estate investors including TPG Real Estate and The Northwestern Mutual Life Insurance Company. The Company remains exclusively focused on creating great grocery-anchored shopping experiences and improving the communities it serves one center at a time. For more information, please visit [www.phillipsedison.com](http://www.phillipsedison.com).

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**Media:**

Cherilyn Megill  
Phillips Edison & Company  
801-415-4373  
[cmegill@phillipsedison.com](mailto:cmegill@phillipsedison.com)

Megan Kivlehan  
ICR  
646-677-1807  
[pecopr@icrinc.com](mailto:pecopr@icrinc.com)

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