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## Shopping Malls Are Tracking Your Every Move

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Mall owners are eager to remain relevant in the era of internet shopping



A woman uses her smartphone to check prices in Miami's Dolphin Mall. Photo: J Pat Carter/Associated Press

Add another category to the growing list of companies monitoring their customers: shopping-mall landlords.

As more shoppers tote smartphones while browsing in stores, shopping-center owners are tracking their movements and spending habits to try to figure out how best to arrange stores and mall layouts to boost shopping activity.

Some landlords measure how long people stay in the mall, how long they linger in particular stores or displays, and where they were before and after heading to the mall. That gives them a better idea of which stores benefit from being in proximity to one another.

Landlords also match shoppers' location data against their social media or email accounts and channel personalized advertisements to them.

The moves reflect mall owners' eagerness to remain relevant in the era of internet shopping. A wave of store closures by big department-store chains and other retailers [has left malls around the U.S. with empty space](#) and a sense of urgency over how best to fill it. [Some investors are betting against](#) the shares of operators of weaker malls, increasing the pressure.

Personalized shopping experiences are becoming a focus for customers, according to the International Council of Shopping Centers, a trade group. In its survey of 1022 adults in February, 39% of the respondents said they would visit a mall or shopping center more often if they received alerts from stores that are selling products they are interested in purchasing.

The patterns that emerge from the new smartphone monitoring techniques can be useful. Some customers, for example, are big spenders who drop more than \$20,000 a year during a few trips to a mall, while others might visit 50 times a year but barely spend, said Ivan Frank, vice president of marketing at [Taubman Centers](#) Inc., one of the nation's largest mall owners.

"There is no one silver bullet" to reach all of them, said Mr. Frank.

Known for its high-end properties such as the Mall at Short Hills in New Jersey and the Beverly Center in Los Angeles, Taubman has been engaging various technology vendors to improve its marketing strategy.

One vendor Taubman uses is StepsAway, a cloud-based platform that delivers store discounts and promotions to smartphones that sync with each mall's Wi-Fi network. Shoppers aren't required to download an app and are able to view offers by store or by category, such as women, men, children or shoes.

To use a shopping center's Wi-Fi or app, customers typically have to agree to terms and conditions that disclose its privacy policy before they can log in.

Mobile games also are starting to appeal to landlords looking for other ways to deliver incentives directly to shoppers.

Some landlords include a screen at a corner of the food court and designate that area as a place where customers can compete with each other at games played on their phones, with the images projected on the screen.

"People have to provide basic information to play, such as their age, email address, and you've instantly captured these customers," said Steve Ridley, chief executive officer of FunWall, a social and tournament gaming company. The data help the mall's marketing team improve loyalty programs, including promotions such as gift certificates or free drinks.

In The Shops at South Town in Utah, owner Pacific Retail Capital Partners invested millions to renovate the shopping center to add beacons, which emit signals to smartphones or tablets in the vicinity, and multimedia wall displays that include digital art and advertising.

The Los Angeles-based real-estate developer also included a 13-by-6-foot

interactive wall in the dining terrace where children can play a custom-developed emoji game that draws families and increases their mall time.

Najla Kayyem, senior vice president of marketing for Pacific Retail Capital Partners, brushed off concerns that people might come to the shopping center to game rather than to shop. “There is a direct correlation between the amount of time and the amount of money spent,” she said.

Some malls have been using beacons not only to offer personalized coupons to the shopper’s smartphone but also to get data on how often shoppers pass by the store and how often they use their phones to make calls or pay for purchases.

“It’s not enough to pay for advertising, you’ve got to own your own customer data,” said Jencey Keeton, director of corporate marketing at Trademark Property Company, a shopping-center developer based in Fort Worth, Texas.

Still, while the information gleaned from mobile technology is promising, landlords are trying to figure how to harness it better.

“You can find an oil well, but you still have to refine the oil before it is usable,” said Taubman’s Mr. Frank.

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