

A Retail Perspective

September 28, 2011



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The retail sector supports and sustains economies



You May Be Interested

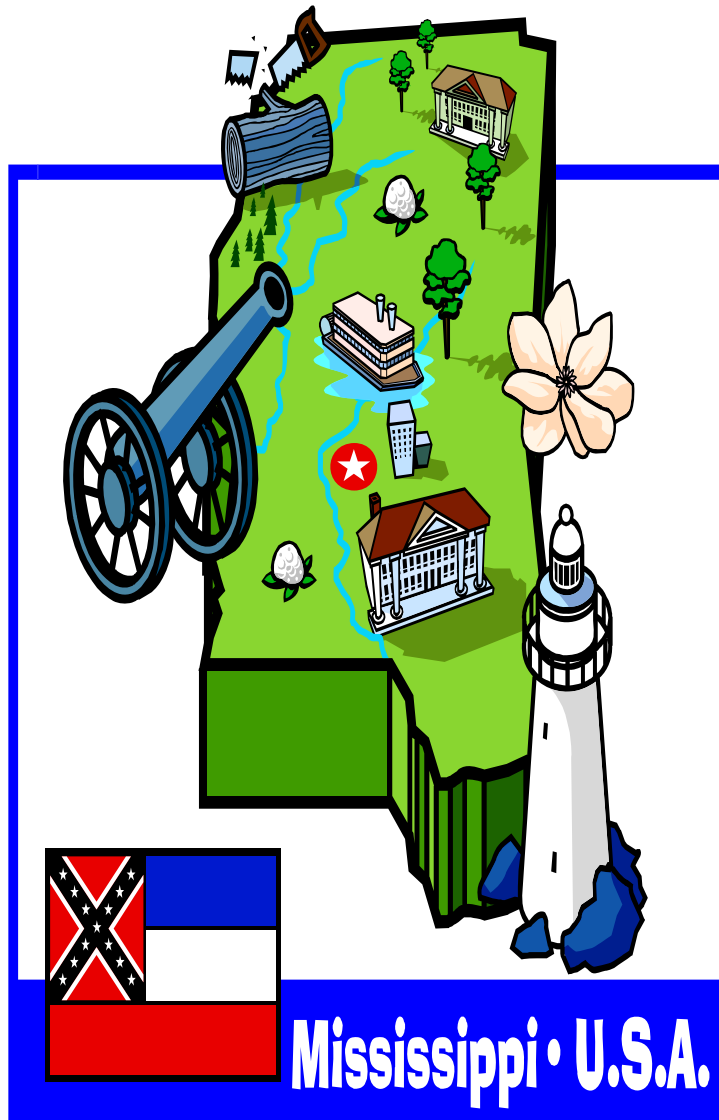


- Retail is the largest private sector employer in the U.S.
- The retail industry supports 1 in 4 U.S. jobs
- Retail's GDP in 2009 accounted for 20% of U.S. GDP
- Retailers account for 11.9 percent of all business establishments in the U.S.
- *Retail is Main Street America* - 95% of All retailers operate just one location
- Retail fuels innovation – technology investments are the second largest expenditure behind inventory, gives customers new ways to shop with apps, websites, social media and inventing today's 'must-have' products
- Retail provides consumer value often meeting individuals needs and preferences with loyalty programs, group buying, localized coupon offers and transparent price comparison
- Retailers add to quality of life by helping Americans stretch their budgets by offering private labels or generic products

Source: The National Retail Federation



In Mississippi



- Retail Establishments – 33,952
- Direct Retail Employment – 250,378
- Total Retail Employment Impact – 346,632
- Direct Retail Labor Income (\$Mil) - \$5,993
- Total Labor Income Impact (\$Mil) - \$9,777
- Direct Retail GDP (\$Mil) - \$9,211
- Total Impact GDP (\$Mil) - \$15,952

In Mississippi:

- Retail directly and indirectly supports 1 in 4 jobs
- 18% of MS GDP is comprised of retail
- Retail directly/indirectly generates 17% of labor income
- Retail supports 348,632 jobs in our state

- Source: National Retail Federation



Retail Business Barometer

➤ What are the experts predicting Holiday 2011?

- **International Council of Shopping Centers**

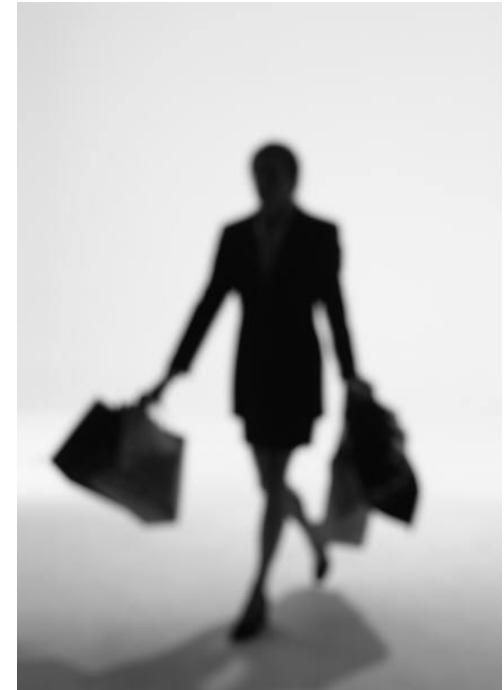
- Modest gain, 3.0 %, November and December
- Based upon standard measures of
 - GAFO Sales Index
 - Chain Store Sales Index
 - ICSC Shopping Center Sales Index

- **National Retail Federation**

- Will release its forecast early October

- **ShopperTrak**

- Modest increase will impact sales by an estimated 3%
- Foot traffic count metric



Customer engagement for effective results

- Engaging your customer where they make their connection
 - Technology: Smartphone Apps, social media, digital marketing
 - Value proposition: No longer about demographics. Its about consistency, about adding value regardless of the price point
 - Your customer's passion: Grassroots marketing
 - Your customer's experience: The 'placemaking' basics of: how does it look, can I experience my neighbors here, does it feel right?



NRF Stores Top 100 (a few)

- Hot Retailers: Ascena Retail Group (formerly Dress Barn) – Fresh & Easy Markets – hhgregg – Apple – H & M – Rue21 – Zumiez – Ulta – Brooks Brothers Tractor Supply Co. – Urban Outfitters – Coach – Citi Trends – Sephora – Aldi Vitamin Shoppe – Express – Limited – Tiffany – Hibbett Sports – Auto Zone Gymboree – Kohl's – Ross – The Buckle – Perfumania – IKEA – Belk – Chico's – TJMaxx – Cato – SonyStyle – (for a complete list visit www.stores.org)



What is your Value proposition

Retail is Rediscovering the City

Omni-channel shopper

My Preference Share is the measure

My Preference Share is the measure



Simon's message to retail partners

- *We are excited to share with you our plans to invest well over \$2 billion in capital across our existing Mall, Mills and Premium Outlet portfolios over the next several years. These projects include anchor additions, renovations, small shop expansions and complete redevelopments.*
- *We are also upgrading the amenity package in select properties across our portfolios by investing in soft seating areas, new children play area concepts, holiday décor, upgraded landscaping, and restroom enhancements.*
- *The magnitude of our investment reflects the commitment we are making to ensure the continued growth in the market position of our properties and our collective success. Please keep in mind our capital investment program when reviewing and making your capital plans.*

SIMON | more choices®
M A L L S
NORTHPARK MALL



Coming Soon to Northpark Mall or Ridgewood Court



Kidgets Play Area

Parking
Parking

Landscape

SHOE
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