CHALMERS

Developing successful marketplaces for 2025

- A design of marketplace branding and the implications for property owners

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ABSTRACT

The retail industry is more dynamic than ever and during the next decades, the way of purchasing will change dramatically. In turn, organisations and firms have realised that one of their most valuable assets in being attractive in an increasingly competitive market is the brand that is associated with their products or services. With an increasing amount of marketplaces in Sweden, speculations about the future and the desire to predict it, is of interest in order to be able to plan, build and design marketplaces that will differentiate from others and hence stand the competition from both physical and virtual marketplaces. The responsibility for creating a strong and attractive brand of marketplaces belongs to the property owner but due to underlying levels of tenants and products, marketplace branding becomes complex. The difficulties with integrating the complex phenomena of marketplaces with branding, is therefore one of the reasons for why this study is of interest. In order to differentiate a marketplace from others, it is believed that a strong brand will contribute to its success. Therefore, in order to develop successful marketplaces in 2025, the purpose of this thesis is to investigate how marketplaces need to be developed in order to meet future requirements and how marketplace branding can be designed to increase the attractiveness of marketplaces. The implications of this investigation will be directed to property owners, however the report can be of interest for other involved actors as well.

By an identification and synthesis of the most prominent trends expected to influence commerce, it can be concluded that marketplaces need to be redefined and developed in such a way that they continue to attract consumers and respond to changes in demand. The most prominent trends expected to have an impact on marketplaces in the future regard experiences, digitalisation, consumer behaviour, urbanisation, internationalisation, and differentiation. A synthesis of these trends shows that marketplaces in the future should offer a more experienced filled consumption that to a greater extent is located close and well connected to the location of consumers. The trends also show opportunities for marketplaces to possess new roles and become a place for consumption rather than solely commerce. Further elements affecting the attractiveness of a marketplace, have been identified and consist of the embedded offering, the access, the location and the communication of a marketplace, where the embedded offering can be considered the core element in why consumers visit a marketplace.

Concluding, the challenges that were identified hence create implications for a property owner regarding the development of successful and attractive marketplaces in 2025. First, the property owner must respond to the increased virtual part of a purchase that as a result from e-commerce's growth must be seamlessly integrated with the physical part of the purchase. Second, new business models create a need for updated rental models due to the fact that an increased amount of purchases will be performed in other channels than in the physical. Third, based on what target group the marketplace wishes to attract in the future, the property owner must reflect on how the marketplace should be differentiated and hence in turn branded.

Key words: marketplace branding, retail industry, consumer journey, omni-channels, experience filled consumption

ACKNOWLEDGEMENTS

GLOSSARY

Department stores   A large retail establishment offering an extensive assortment in both variety and range of goods, organised into separate departments within the establishment. All departments are housed under the same roof in order to simplify for example buying, merchandising and control. Nordiska Kompaniet and Åhlens are two Swedish examples.

F&B   Abbreviation for Food and Beverage, refers to the supply of eatables and drinks.

Franchisee   Someone who has been given the right to use a company's brand and business model.

Mall   A smaller marketplace consisting of a few tenants. Often located in city centres or accessible within walking distance. In city centres, malls often act as a complement to individual stores and restaurants. Examples of Swedish malls are MooD in Stockholm and Arkaden in Gothenburg.

Popup store   A temporary establishment of a retailer, commonly by retailers without other permanent stores.

Retail parks   External areas for volume retail clustered to the same area, however they are not established under the same roof. Examples are Bäckebol in Gothenburg.

Shopping centre   A larger marketplace where the tenants mainly consist of retailers. Shopping centres can be located both external or in city centres, and have generally a broad target group. Regarding shopping centres, Kistagallerian in Stockholm, Nordstan in Gothenburg and Emporia outside Malmo, are good examples.

Showroom   An area used to display products for sale but where actual purchases are not performed.

Touch point   A contact point or an interface between a consumer and a product, service, brand or seller.

Volume retail   Stores with their own entrances that often sell bulky products, and require most often a usage of car. Examples are Elgiganten, Media Markt and Sova.

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1 INTRODUCTION

This chapter provides a background regarding the rapid changes of marketplaces and retail development, the effects of a strong brand as well as an introduction to the company Invinn. The purpose of the thesis is hereafter presented and the outline of the following report and its chapters is explained.

1.1 BACKGROUND

During the last decades the retail industry has experienced big and structural changes, and the way of purchasing has changed dramatically (HUI Research, 2011). In a world where consumer behaviour is constantly evolving and commerce becomes more digital, the retail industry is more dynamic than ever. Simultaneously, the demand for services and other value adding aspects as part of the offering are increasing and influencing the buying experience as well as where and how consumers want to shop. Hence, marketplaces have to be proactive in order to stay successful in the long run. Some predict that in the next five years, retail will change more than it has done over the past century and that the extinction of brick-and-mortar stores is not far off (MacKenzie, Meyer & Noble, 2013). How the following ten to fifteen years ahead will look like for the retail sector is however not clear, but consumers will continue to meet, shop and spend money somewhere. What consumers will spend their money on, and where they want to meet, is thus hard to predict (HUI Research, 2011). Hence it is interesting to speculate about what aspects and factors that will drive different purchasing behaviours, the transformation of meeting points and how this in turn will affect the development of marketplaces in the future. The speculation about the future and the desire to predict it, is also of interest due to the fact that planning, building and decision-making about marketplaces and its design have to be taken years in advance. Simultaneously, marketplaces inevitably imply big investments for the involved actors, why it is important to predict trends and future needs in order to keep the marketplace successful and attractive.

Organisations and firms have realised that one of their most valuable assets in being attractive is the brand that is associated with their products or services (Keller, 2003). The ability of a strong brand to reduce risks, simplify consumer decision-making, and set expectations is therefore invaluable for organisations and firms. However, creating strong brands that deliver what they promise, and maintaining as well as increasing the strength of those brands over time, is thus a management essential (ibid.). For a marketplace, this task most often belongs to the property owner but since creating a strong brand for a marketplace is complex due to involved levels of tenants and products, that in turn have their own brands, it is essential that these levels and their interests are considered as well. A challenge for a property owner in order to create successful marketplaces is therefore to understand both tenants' and consumers' needs. The marketplaces have to respond to the requirements from the changing behaviours and preferences of these actors as well as external factors and emerging trends. With increased competition from both physical and virtual marketplaces, it is important to constantly respond to changes in order to create attractiveness and gain market share.

Invinn is a consulting company within brand development and is a part of Vinngroup AB that was established in 2008. Vinngroup has built twelve specialist consultant firms with more than 200 employees, where the subsidiaries have different orientations but are all operating within one of three main areas: IT, R&D, and Business & Communication. Invinn, which was established in 2009, provides brand development services with the purpose to improve the brand value for their customers. Invinn works with both Swedish and international companies in various branches such as automotive, life science and real estate. The vision of Invinn is to become the most value creating consulting firm within brand management in the Nordic countries.

Several of Invinn's customers are property owners of commercial properties like marketplaces such as shopping centres and malls. In order to provide appropriate and successful brand strategies for these customers, it is of importance for

Invinn to get an understanding of future scenarios that can have an impact on their customers' positioning on the market. The difficulty with this type of case, i.e. integrating the complex phenomena of marketplaces with branding, is therefore one of the reasons for why this study is of interest and why it is done in collaboration with Invinn. In order to differentiate a marketplace from others, it is believed that a strong brand will contribute to its success. Therefore, with current lack of theory about marketplace branding, this study will provide property owners and other involved actors with information about future trends and how to react in order to create a successful marketplace in 2025. The motivation for focusing on this year is that 2025 is close enough to be within the planning horizon for many involved actors, yet far away in time to be innovative and think visionary.

1.2 PURPOSE

The purpose of this report is to investigate how marketplaces need to be developed in order to meet future requirements and how marketplace branding can be designed to increase the attractiveness of marketplaces. The implications of this investigation will be directed to property owners, however the report can be of interest for other involved actors as well.

1.3 OUTLINE

ANALYTICAL FRAMEWORK - The analytical framework will provide theory about marketplaces and its development as well as theory about branding and the motivation for having a strong brand. These two subjects will be combined and discussed in the problem discussion in order to understand the complexity of marketplace branding and to bridge the gap between the two subjects. In the problem discussion, branding of marketplaces is elaborated and further used as a base for the following part of the thesis.

METHOD - The method chapter will present the execution of this explorative study, as well as a motivation for taking a qualitative approach of the report. Following, the literature study and data collection will be described, the latter one including interviews, seminars and observations. Finally, the trustworthiness of this study will be discussed.

EMPIRICAL FINDINGS - The empirical findings of the thesis will present the affecting elements that have been identified as having an impact on the attractiveness of a marketplace. The findings will continue with a presentation of the greatest trends within retail today that have been identified as influencing the future of marketplaces.

ANALYSIS - The analysis will present a synthesis of the identified trends and how the trends are expected to influence each other as well as the affecting elements of an attractive marketplace. Further, the analytical framework and the empirical findings are combined in order to analyse requirements and new roles for marketplaces in the future.

CONCLUDING DISCUSSION – The concluding discussion will fulfil the purpose of this study. This final chapter will further provide a discussion about challenges as well as an understanding for implications that must be met by property owners in order to develop successful and attractive marketplaces in 2025.

2 ANALYTICAL FRAMEWORK

This chapter provides an introduction to the concept of marketplaces and their development, followed by theory about branding as a strategic tool. These subjects will further be treated and discussed together in the problem discussion, where marketplace branding will be elaborated and a framework for analysing the meeting point between consumers and products will be developed. Throughout the problem discussion, the research questions developed in order to fulfil the purpose of this thesis will be presented.

2.1 MARKETPLACE CHARACTERISTICS

The concept of marketplaces can be defined in different ways and for a number of different purposes depending on the context in which the definition will be used. The definitions varies from referring to a marketplace in general term as the world of trade, business and commerce to referring to a specific space, actual or virtual, where a market operates and where products are offered for sale. Hence, the concept of marketplace is complex and ambiguous, and in order to clarify what the concept of marketplaces will refer to in this report, the following definition has been developed:

"A marketplace is a space under the same roof where products and services are offered for sale by a group of commercial establishments, which is developed, owned, marketed and managed as a unit."

As the definition indicates, the concept of marketplaces will in this report be used for physical marketplaces. These marketplaces can further be classified into categories like shopping centres, retail parks and malls. Though, this categorisation is problematic since no consistent and set vocabulary is established. What a marketplace is classified as is hence to a great extent determined based on the location, the size, the offering, and other settlements in the surroundings of the marketplace. Therefore, the term marketplace will hereafter refer to all marketplaces where the stated definition is applicable. In the occurrence of referring to a specific type of marketplace, the definition for the subcategory used in this report can be found in the glossary. With the emergence of Internet and related technology, a marketplace can as well exist virtually in terms of e-commerce at web shops. The focus of this report is hence on physical marketplaces, but virtual marketplaces are relevant due to their competitiveness and increased growth. They are also of relevance since virtual marketplaces can be linked to and combined with physical marketplaces. Virtual marketplaces will in this thesis mainly be referred to as web shops or e-commerce.

The basic idea and the benefits with a marketplace is that consumers easily and conveniently can go there and satisfy several needs at the same place, no matter weather conditions. The idea is further to achieve synergies, where the total attractiveness and sale for the entire marketplace is greater than if the individual tenants would have acted separately. The essence of a marketplace is further that it is a controlled retail environment where a developer or owner manage, control and administer the operations at the marketplace, such as tenant mix, design, promotion, security, maintenance and other features (Dawson & Lord, 2013). This in turn is performed in order to maximise the retail power of the marketplace.

2.1.1 MARKETPLACE DEVELOPMENT

During the last decades, commerce has been concentrated towards denser regions, which is explained by the fact that commerce follows the consumers. If consumers migrate to denser city regions, the commerce and marketplaces will follow (HUI Research, 2011). However, external marketplaces have been successful up till now, and the last 15 years the amount of external marketplaces have been doubled. Results from Swedish Shopping Centre Directory show that Sweden's total marketplaces have a turnover of SEK 200 billions in 2013, compared to SEK 164 billions in year 2007

(Rönnberg Halvorsen, 2013). According to Öhrvall (2014), there is almost twice as much shopping centre area per Swedish inhabitant compared to other countries in Western Europe.

The period between the middle of the 1990s to 2008 was characterized by a growth that never has been seen before. The Swedish retail increased every month except for four months during these years. Though, the dramatic growth led to over establishments, where companies barely had to be particularly good to succeed. However, since 2008 the growth has slowed down, which resulted in a natural elimination process that caused consequences in several dimensions (Bjerkesjö, 2013). There is a big amount of marketplaces in Sweden, 302 shopping centres at the end of 2012 and 22 new in the pipeline for 2017 (NCSC, 2013), where competition within the retail industry mainly occurs between similar types of marketplaces[1]. That is, shopping centres compete with other nearby shopping centres and not generally with city centres as these normally are resistant towards this competition due to city culture, social aspects, and other conveniences. Today, all retail in Sweden could provide 40 million people even though there are currently only living nine million people in Sweden[2]. New concepts and international companies continue to enter the market even though there is no need for it, which results in someone else being eliminated.

2.1.2 TRANSVECTIONS AND CONSUMER JOURNEYS

For long, marketplaces have been the point where products and consumers meet. However, the past decades significant shifts have been witnessed in the way suppliers make their products available to consumers (Hulthén & Gadde, 2007). Depending on prevailing conditions, a manufacturer can choose whether to distribute direct or by using intermediaries (Ford, Gadde, Håkansson & Snehota, 2003), and it is thereby not obvious that meeting points of products and consumers occur at a marketplace. Distribution functions are used to overcome discrepancies that exist between buyers and sellers, such as discrepancies in quantity, assortment, time, and space (Rosenbloom, 1995). The concept of transvections can be used to explain the journey from raw material to the hands of consumers, and hence provide a way to illustrate where the meeting point of consumers and products are located. Alderson (1965) is quoted in Hulthén and Gadde (2007, p. 188), and state that a transvection can be defined as: *"a single unit of action of the marketing system. This unit of action is consummated when an end-product is placed in the hands of the ultimate consumer, but the transvection comprises all prior action necessary to produce this final result, going all the way back to conglomerate resources".*

Involved in a transvection are two types of generic activities: transformation and sorting (Hulthén & Gadde, 2007). Transformations increase a product's value and are expressed as utilities in terms of either form, time and place. A transformation is hence a change in either the physical form of the product, or a change in the product's location in time and space. According to Alderson and Martin (1965), each sale of an end-product has a transvection, i.e. a transformation of conglomerate resources, behind it. Figure 1 illustrates a transvection involving transformations and sortings. As this study focus on the ownership of marketplaces, all the activities involved in a product's transvections will not be discussed. The focus will hence be from the transformation marked with 1. Manufacturer transforms components into products distributor stock, since the transvections prior to this are not of relevance for a marketplace.

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[1] Martin Öberg Lecturer University of Gothenburg, interview 30th January 2014.
[2] Anders Röstlund CEO Ågren, interview 12th March 2014.
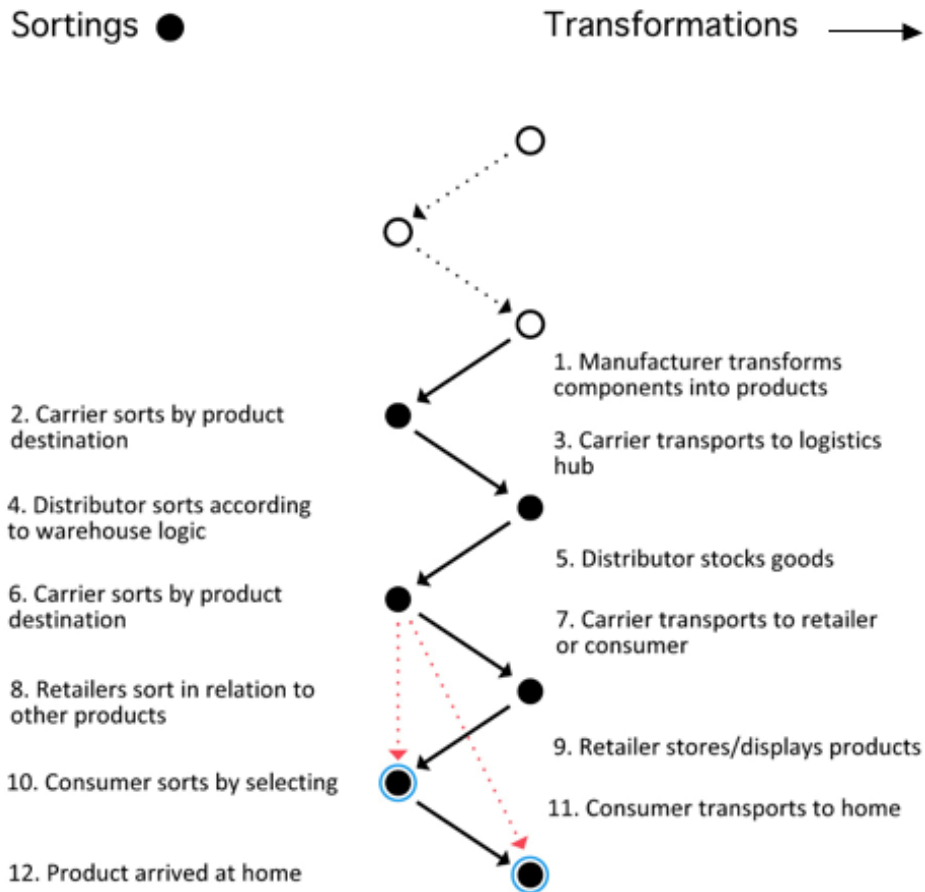
Figure 1. Transvection involving sortings and transformations (Hulthén & Gadde, 2007)

While transvections describe the products' different activities, i.e. its journey from raw material to the hands of consumers, a consumer journey describes the consumers' way from awareness to share or review of the product, see Figure 1. With the aim of increasing sales, it is hence important to understand the possible ways that the product can take to reach the consumer. It is further relevant to understand what role the marketplace can take in this journey and in the different touch points between products and consumers. Where the consumer and product journeys meet is continuously developed due to technology and changing behaviours, and is further of great importance in order to supply the consumers wherever they are. Changing behaviours result from changes in both consumer and tenant behaviours, as well as from considerations about store logic, i.e. where to be present depending on cost and revenue out from a tenant perspective.

The use of different channels leads to new purchase patterns that in turn have created innovative business concepts and complex flows of consumers, information, money and goods. New digital channels have influenced the way consumers perform their purchases. A consumer journey map visualizes the steps that a consumer goes through when engaging with a product and what channel the consumer uses in the different steps of the purchasing process (Richardson, 2010).

CONSUMER JOURNEY

	Awareness	Search and compare	Touch-and-feel-process	Add to basket	Purchase	Delivery/pick-up	Use	Return	Share/review
Mobile web									
Web									
In store									
Campagne and Outdoor media									
Postal service									
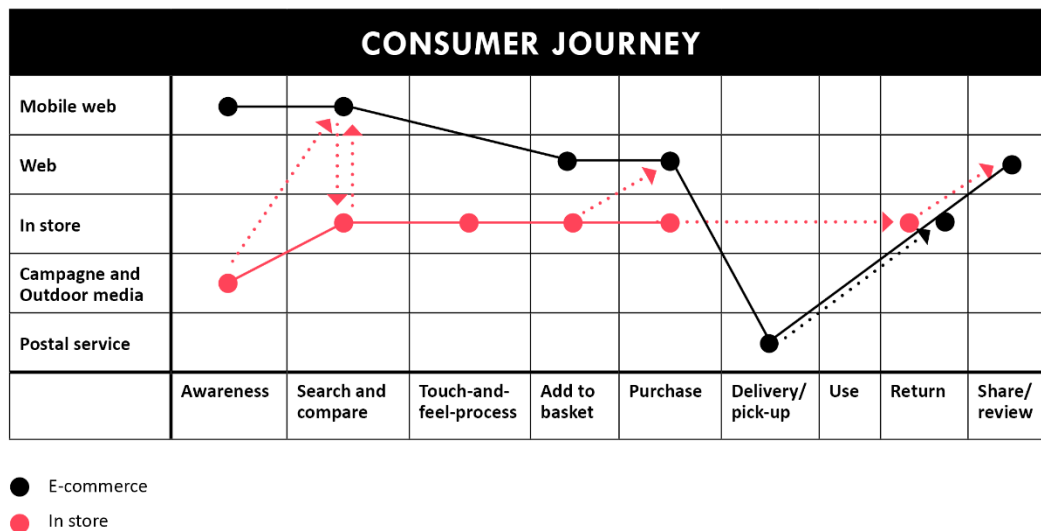
● E-commerce
● In store

Figure 2. Consumer Journey

Figure 2 illustrates the consumer journey in the traditional purchasing processes for e-commerce, black line, as well as for physical stores, red line, with touch points in the available channels. The retailers' offers of for example "purchase a product online but pick it up in the store" as well as "purchase a product in store but get it home delivered" result in an ever more complex consumer journey. Out of a consumer perspective it is an indifference regarding how and where to shop, as the consumers want the possibility to shop whenever it suits them; at home, on the road, via a tablet, a phone or in the physical store (Warma Faring, 2014). The arrows between the lines in the figure illustrate the cross-channel phenomenon, how consumers move between physical stores and e-commerce in their purchasing processes. E-commerce is often performed through several devices, where 80 per cent of consumer use more than one device when shopping and 84 per cent start their shopping at one device and finish at another[3]. The two lines will be even more interconnected with increased amount of arrows between them when new ways to accomplish the purchasing process through different channels are offered.

2.2 BRANDING AS A STRATEGIC TOOL

A brand does not only consist of a well-designed logo and innovative advertisements, but consist of a company's overall touch points towards its consumers (Conradi, 2012; Ruževičius & Ruževičius, 2010). The product, the staff, the store as well as the website all have impact on the consumers' view of the company and in turn the company's brand (Conradi, 2012). A brand embodies different meanings for each consumer since it generates associations and emotions that are individual (Ruževičius & Ruževičius, 2010). According to Keller (2003, p. 3) the American Marketing Associations' definition of a brand is a *"name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition."*

The different components of a brand such as logo, symbols, brand name and package design, are defined as brand elements. However, Keller (2003) as well as Conradi (2012), recognise that many practicing managers refer to a brand

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[3] Daniel Eliasson Business Developer Apegroup, Seminar Butiksleverantörer och e-commerse, 2th April 2014.

as more than that, defined in terms of having actually created a specific amount of awareness, prominence, and reputation on the market. It is central to recognise this distinction so that disagreements about branding principles or guidelines do not revolve around the definition of what is meant by a "brand". A brand can hence be used for differentiation, however it is not just a combination of different attributes, but also physically emotional factors that determine what product or service to choose out of competing alternatives (Ruževičius & Ruževičius, 2010). Finally, a brand is something that lives in the minds of consumers (Keller, 2003).

Brands have during a long time been closely connected to marketing, why the department of marketing most often has had the responsibility for the company's brand. According to Conradi (2012) the brand has for long been managed in isolation from other activities within the firm, which instead is something that should permeate the entire organisation and its activities. Falonius (2010) illustrates a brand by a metaphor of an iceberg where the communication related to a brand, like name and logo, is the visual part of the iceberg. Underneath the name and the logo is though an organisation with values and a culture that deliver the brand, which in the metaphor symbolise the greater but less obvious part of the iceberg that is under the surface. The marketing department should therefore not manage the brand, even though they are responsible for the most visual parts of the brand, but by top management who should manage the brand from a strategic level.

2.2.1 BRAND – MORE THAN A PRODUCT

It is important to compare a brand and a product in order to secure that they are consistent with each other. Keller (2003) refers to Kotler's quote when defining a product: *"a product is anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need"*. Hence, the term product can be applied to more than just physical products, but include services, retail stores, persons, organisations, places, or ideas as well. Kotler and Levy (1969) adopt this broad definition of a product and state that a product is more than just a tangible thing. In addition to a tangible value, a product also has an abstract value. Aaker (2010) states that a product consists of anything that can be marketed and when developing a product it is important to think about the product on the following three steps.

1. The *core product*, which is the most fundamental level and answers the question of "what is the consumer really buying?" Every product can hence be seen as a packaging of services in order to satisfy a need. The core product is the centre of the total product.
2. The core product has to be turned into a *tangible product*. Tangible products may have up to five characteristics; features, styling, a quality level, a brand name, and packaging.
3. Finally, adding services and benefits to the tangible product creates the *augmented product*. Warranty, delivery arrangements, services, customer advice, and other things that add value to the consumers.

According to Keller (2003), the competition within markets normally takes place at the product augmentation level since most firms can successfully create satisfactory products at the expected product level. It is also stated that the new competition is not regarding what companies produce in their factories, but regarding what consumers value that the companies add to the output. A brand is hence a product, but with other dimensions added that distinguish the product in some way from others designed to satisfy the same need. These differences may be rational and tangible, i.e. related to product performance of the brand, or more symbolic, emotional, and intangible, i.e. associated to what the brand represents (ibid.). The differences between a brand and a product can hence be highlighted by the following quote:

"A product is something that is made in a factory; a brand is something that is bought by a customer. A product can be copied by a competitor; a brand is unique. A product can be quickly outdated; a successful brand, properly managed, can be timeless"

-Stephen King, 2004

Conradi (2012) further states that brand development is about managing all touch points between a product's brand and the consumer as well as understanding all signals, positive and negative, that a brand transmits. It is of great importance that the signals in the different touch points are perceived stringent and uniform in order to create a strong brand. Conradi (2012) further expresses that it is important to identify the different touch points that a specific product and its brand have as well as the effect of each touch point. A way to understand the effect of each touch point is by analysing its bandwidth, i.e. the amount of engaged human senses, together with the time factor. The time factor is hence the amount of time that the consumer is in contact with the brand as well as how often the touch point is present. Depending on the character of the touch point, different amount of senses can be engaged, which becomes evident in a comparison between for example a visit in a store and a radio advertisement. The maximum effect is hence achieved when all senses are repeatedly engaged during a long period of time.

2.2.2 BRAND ARCHITECTURE

The concept of brand architecture deals with how a brand portfolio is structured and the relationships between the brands within the portfolio. The concept of brand architecture has a spectrum with two extreme positions; branded house and house of brands (Aaker & Joachimsthaler, 2000). A branded house is a company with one master brand that operates a large amount of products under that brand, for example Apple, Virgin and Nike. All products will then be launched under that brand and with the implicit brand associations, thus a diversification with products in various branches can be seen as a disadvantage. On the other hand, a house of brands is a company with stand-alone brands with limited or no link to each other nor to the company's brand (Conradi, 2012). An example of a house of brands is Procter & Gamble with stand-alone brands such as Gilette, Olay and Oral-B. With this strategy, P&G sacrifices the economies of scale and the eventual synergies amongst the brands, but at the same time avoids brand associations that could be incompatible with the different products and offerings (Aaker & Joachimsthaler, 2000). Hence, both the branded house as well as the house of brand strategy have advantages as well as disadvantages but rarely exist in is most extreme form, but are mixed and integrated with each other. Conradi (2012) states that no strategy is right or wrong, but that a company needs to build an organisation that can handle the complexity and manage the brand or brands efficiently regardless the architecture.

2.2.3 PRECONDITIONS FOR A STRONG BRAND

A company's business strategy can be enabled by brand assets since a brand can facilitate for a firm when it comes to competing in product markets and services (Aaker & McLoughlin, 2010). It is therefore strategically critical to develop, refine and leverage brand assets for a company, and it is motivated by the terms of stock returns that is generated by building brands (ibid.). This is strengthened by Aaker (2009), who states that brand equity can create associations that drive market positions, persist over long time periods, and is capable of resisting aggressive competitors. There are hence several other benefits of a strong brand; a clear company wide focus, deep customer loyalty, higher margins, and a higher success rate with new product launches (Parker & LePla, 1999). Brand equity, as a key asset within the company, needs to be a part of the business strategy with a strategic and visionary management instead of tactical and reactive. The management further needs to be long term rather than short term in orientation (Aaker & McLoughlin, 2010).

For customers, brand equity can be seen as adding or subtracting value (Aaker, 2009). The brand equity can help the customers to interpret, process, and store information about brands and products, as well as affect customers'

confidence in purchase decisions. More important is thus the fact that both perceived quality and brand associations can improve customers' satisfaction with the experience of use. An example given is that if knowing that a piece of jewellery comes from Tiffany, it can enhance and affect the experience of wearing it since the user can in fact feel different.

In order to identify the value of brand equity, one have to understand what it is and how it contributes to the value of a brand (Aaker, 2009). According to Aaker (2010a), brand equity can be explained as assets that are linked to a brand's name and symbol, that in turn add or subtract value provided by a product or service, to a company and that company's customers. The major categories of brand assets are brand awareness, brand loyalty, perceived quality and brand associations.

2.2.3.1 BRAND AWARENESS

Brand awareness is the strength of the presence of a brand in the consumers' mind and is determined by the different ways in which consumers remember a brand (Aaker, 2010). The awareness is measured in four steps, where the first step is recognition of the brand since familiarity is gained from past exposure to it. The second step is recall, which implies that when a specific product class is mentioned, a brand comes to the consumer's mind. The third step is top-of-mind, which means that the brand is the first brand a consumer can recall when a specific product class is mentioned. The final step is dominant, which is achieved when most consumers only can recall one single brand.

Brand awareness can be considered to be a key strategic asset since it provides a sustainable competitive difference, especially in industries with product parity. The awareness creates a sense of familiarity, which can drive the buying decision for e.g. low involvement products such as soap or toothpaste. The prominence of a brand will further determine if the customer remember a brand in time for the purchase (Aaker & McLoughlin, 2010). The ultimate level is thereby to be the only brand recalled in consumers' minds when a specific product category is mentioned. Brand awareness is hence an asset that can be extremely long lasting and sustainable. For a brand that has achieved a strong awareness level, it can thus be difficult to change the brand and its meaning in consumers' minds (ibid.).

2.2.3.2 BRAND LOYALTY

Brand loyalty implies that customers return to a brand and are willing to recommend it to others. This loyalty can be based on habit, preferences, as well as switching costs (Aaker & McLoughlin, 2010). Keller (2003) further highlights that customer loyalty also may be an effect if the brand is the only product accessible or affordable to buy, which means that the customer buy out of necessity. Loyal customers can be considered a competitive advantage for the brand owner as the marketing costs can be reduced, as existing customers are usually less expensive to retain than trying to attract new ones. Reichheld, Markey and Hopton (2000) further state the importance of loyalty in terms of cash flow due to the correlation between loyalty, value and profit. Loyalty measures whether the company has succeeded in deliver superior value, since customers come back for more. The revenues and market share grow because of repeated sales meanwhile marketing cost shrinks with an increased profit as a result.

A loyal base of customers will also provide an image of a brand that is accepted and successful, which can reassure others and therefore attract new customers who can find comfort in that others have selected the brand before them (Aaker & McLoughlin, 2010). Brand loyalty further provides benefits out of a consumer perspective since the consumer can buy a brand with more comfort in the belief that the brand will meet their expectations based on the credibility the brand has established from their past experiences of it (Kim, Morris & Swait, 2008).

Loyalty can be enhanced by developing or strengthen customers' relationship to a brand. The relationships can be strengthened by e.g. loyalty-building programs such as frequent-buyer programs and customer clubs, which clarify for the customers that the firm cares about them and does not take their loyalty for granted. The strongest confirmation of brand loyalty is when customers spend time, energy and money in the brand in addition to their purchases, which can be expressed in terms of visiting brand-related websites, participating in social media and receiving updates concerning the brand (Keller, 2003). In addition to frequent-buyer programs and customer clubs, firms that manage brand loyalty well are likely to have continuous communication with customers and to conduct interviews with customers that have chosen to leave the brand in order to locate points of vulnerability (Aaker & McLoughlin, 2010). Furthermore, these firms are likely to have a customer culture that permeates the organisation, where employees are inspired and empowered, to keep the customers satisfied and happy.

2.2.3.3 PERCEIVED QUALITY

The concept of quality is multidimensional and complex and therefore not a single recognisable characteristic (Garvin, 1984; Aaker, 1989). In order for a company to generate high quality products, a great understanding for what quality means to the target group is required. A lack of that understanding may result in a company striving for quality within dimensions that is considered irrelevant for the consumers, which means that efforts within quality improvement processes may have been done in vain (Aaker, 2010). It is though important to highlight that creation of quality is not enough, perception of quality must be created as well.

Keller (2003, p. 238) defines perceived quality as *"customers' perception of the overall quality or superiority of a product or service relative to relevant alternatives and with respect to its intended purpose"*. Perceived quality is though subjective since it is based on the customer's perception of what constitutes a quality product, and how well the brand satisfies within the relevant dimensions for each individual customer. Perceived quality is in many firms considered to be a key strategic variable, where quality explicitly is often considering one of the primary values in the firms (Aaker, 2010). It has thus become more difficult to achieve satisfactory level of perceived quality since continuous improvements of product quality have over the years increased consumers' expectations and demands regarding the quality (Keller, 2003).

2.2.3.4 BRAND ASSOCIATIONS

The associations linked to a company and its brand can be long-lasting key business asset since the associations reflect the brand's strategic position (Aaker & McLoughlin, 2010). Brand associations are anything that in the consumer's mind are linked to a brand, and might include product attributes, a particular symbol, or a celebrity spokesperson (Aaker, 2010). Customer benefits and product attributes are associations with distinct relevance as they provide reasons to buy (Aaker & McLoughlin, 2010). Thus, there might be problems when only focusing on product attributes and tangible functional benefits, as there is a risk that competitors copy or eventually perform better. Hence, strong brands go beyond product attributes and develop associations that are harder to copy and more credible. For example, it is hard to copy an organisation that is uniquely defined by its culture, strategy, value, and people. Attributes such as being innovative, global, customer driven, quality driven, or involved in community or social issues are therefore usually more competitive than associations from product attributes (ibid.).

Additional dimensions that can provide associations are organisational intangibles, emotional and self-expressive benefits, as well as experiences (Aaker & McLoughlin, 2010). By creating a position based on emotional or self-expressive benefits, another dimension to move beyond attribute claims can be reached. Emotional benefits relates to the offering's ability to make the customer feel something during the buying or use experience. If a loyal customer

consistently gets a certain emotional benefit associated with using the product or service, this association should be considered as a part of the brand's strategic position. When an association reflect the brand's strategic position, the association can be a long-lasting key business asset (ibid.).

2.2.4 EFFECTS OF A STRONG BRAND

Fredlund (2011) presents six conclusions from the research project "Brand Orientation Index", a project that aims to map the linkage between profitability and brand orientation at 500 companies in both Sweden and the Netherlands. The same outcome was found in all examinations; brand orientation drives profitability, all companies can become brand oriented, combining internal and external perspectives is a success factor in brand orientation as building strong brands requires a holistic approach, brand development is a task for the top management, brand oriented companies put lots of efforts to set goals and follow-ups, and successful brand building is characterized by continuity and dedication. According to Invinn, 30-40 per cent of a company's total value lies in its brand if the brand development process is done successfully.

Falonius (2010) states that companies where the brand focus permeates the whole organisation show a profitability margin almost twice as big as in the companies that are more sceptical towards branding. One of the long-term goals with increased focus on brand is the creation of strategic competitive advantages, and the brand management should therefore be of interest for the top management (Falonius, 2010). By creating perceived differences among products or services through branding, value can be created that will translate to financial profits for the firm (Keller, 2003). The truth is hence that the intangible assets such as management skills, marketing financial, operations expertise, and most important, the brands themselves, are the most valuable assets that firms can have. In addition, branding involves helping consumers to organise their knowledge about products and services in a way that clarifies their decision-making, which in turn generates value for the firm (ibid.).

Brand equity has, in addition to adding value to customers, the potential to add value for the firm by providing marginal cash flow in various of ways (Aaker, 2009; Keller, 2003). First, it can enhance programs for attracting new customers or recapture old ones (Aaker, 2009). Second, the perceived quality, the associations and the well-known name can provide reasons for a purchase and affect customers' use satisfaction, which in turn can enhance brand loyalty (ibid.). Enhanced brand loyalty is especially important when competitors start innovating new products or obtaining product advantages. It should be noted that brand loyalty is both one of the dimensions of brand equity, as well as it is strongly affected by the brand equity. Other such relationships exist among the other dimensions of brand equity as well. Brand equity will normally allow higher margins by allowing both premium pricing and reduced dependence on promotions, and a strong brand name will have an advantage in gaining both cooperation in implementing market programs and in shelf facings (ibid.). To the extent that "you are what you sell", brands can help to create an image and establish a positioning for the store and its owner (Keller, 2003). Finally, brand equity assets provide a competitive advantage that creates a barrier for competitors.

2.2.5 BRAND DEVELOPMENT PROCESS

To strengthen a brand and thereby increase the value of a company, Invinn has created a model that shows the strategic process of the development of a brand, see Figure 3. Depending on a company's current progress within brand management, the development process can have different starting points. The model is visualised as a circle since the brand development process is something that should be an ongoing process in a company. A company's surroundings

are not static but constantly changing, therefore the company needs to continuously develop the brand in consistence with their offerings.

Figure 3. Brand development process

2.2.5.1 INSIGHT

Before developing a brand, it is important to understand a company's current as well as desirable situation (Falonius, 2010). Insight in what the brand is associated with and what image the company has, needs to be investigated both externally and internally before a new strategy can be developed. The external analysis is generally performed with different kinds of market research aiming to get an understanding of the branch, competitors, and threats, in order to clarify the market's perception of the company's position and image. The internal analysis on the other hand aims to clarify the employees' perception of the very same, including the values and the culture in the company. Invinn further evaluates the customers' strengths and possible weaknesses in this first step.

2.2.5.2. BRAND STRATEGY

A brand strategy specifies the path to follow in order to bridge the gap between the current and the desired brand position (Kapferer, 2012). Even though many companies have developed competitive attributes and values, there is still a chance that they have neither put effort in articulating and refining them, nor have shared them with employees beyond management retreat (Wheeler, 2006). A brand strategy is therefore used as a guideline for the employees within the organisation, in order to reach the desired image and position of the brand (Falonius, 2010). If the brand strategy is easy to understand, down to earth as well as pedagogical, it is easier for the employees to incorporate it. A brand strategy often includes vision, mission, identity, promise, position, and communication strategy. However, in this study the positioning of a brand as well as the communication strategy are of most relevance, why the rest will not be taken into greater consideration.

POSITIONING

Positioning is the core of a company's brand strategy (Sexton & Trump, 2010). In order for targeted customers to think about a product or service in the desired way, positioning involves finding a proper location in their minds (Keller, 2003). An effective positioning requires an understanding of the customer's needs as well as an understanding of what the company does well (Sexton & Trump, 2010). However, if the positioning is unclear, the brand strategy will not succeed. According to Keller (2003) and Chunawalla (2009), positioning is hence about identifying the best location of

a brand relative to competitors in the customers' minds in order to maximise potential benefit to the company. A well-defined brand position helps to guide marketing strategy by clarifying how the brand is unique and why consumers should purchase and use the brand (Keller, 2003). According to Sexton and Trump (2010), a strong brand position leads to high-perceived value that in turn will result in strong financial performance.

According to Sexton and Trump (2010), a brand position consists of benefits that the customers want and that the company can provide. Brand positions can be built on for example economic benefits such as low prices, which implies that the economic benefits can be a powerful position for target groups that are cost-conscious. Functional benefits refer to the performance of a product or service, and can be a basis for a strong brand. Emotional benefits are often the strongest benefits on which to build a brand since they usually are harder for competitors to imitate. Further, emotional benefits may have more impact on behaviour as functional benefits appeal to the mind, while emotional benefits appeal to the heart.

As a way to picture the position of a company's brand relative to those of competitors, a perceptual map can be used (Sexton & Trump, 2010). The perceptual map has axis that correspond to the two most crucial benefits of the products or services for the customers in a specific target market. With the perceptual map, it can be visualised which brands that are the company's closest competitors. Further, a perceptual map shows potential gaps in the market. Invinn uses the same logic and a similar tool, see Figure 4, when helping their customers to take a new position on the market. However, as this tool is used for visual understanding, the model is illustrated without determined axis. A brand strategy is then developed and used for guiding the repositioning.
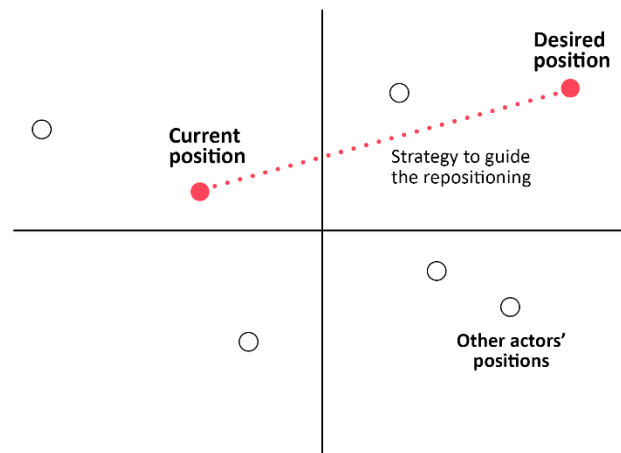
Figure 4. Perceptual map for positioning

The first step in developing a positioning statement is to assess where the company's and its competitors' brands stand today (Chunawalla, 2009). Hereafter, the market segments have to be considered as well as what the company's core identity and value propositions are. As the own product or brand always has a relation to competitors' products, it is important to understand the position of existing products on the market. When an understanding for how the own brand is perceived the company ultimately can choose the best position (ibid.). When Invinn develops the positioning for a company, the triangle in Figure 5 is used as a tool to create an understanding for possible positions to take. First, it is important to understand which factors the company is equally as good as competitors at. These factors are crucial to include in the offering as well, but they are however not the ones that will lead to a new and unique reposition on

the market. Hereafter, the company's strengths should be identified and highlighted in order to finally find the aspect that makes the company and its position unique.
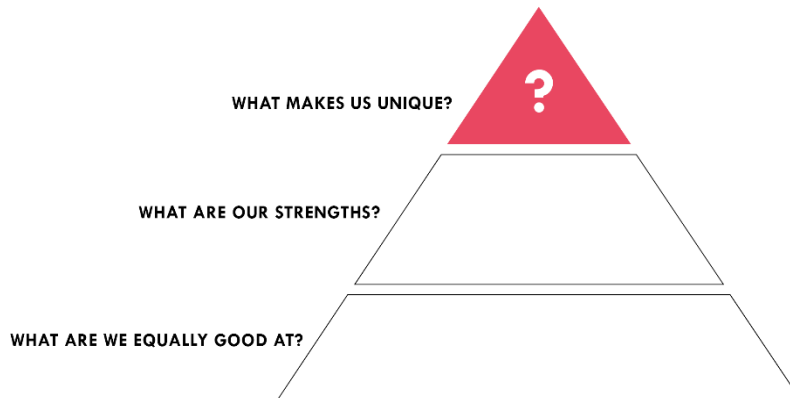
Figure 5. Tool for evaluating a position

COMMUNICATION STRATEGY

How a brand is perceived is to a large extent determined by how the brand is communicated. The communication shall consolidate the brand strategy where the objective with the communication is to make the consumers choose that specific brand in place of competitors. The brand strategy should therefore include a communication strategy that describes how to communicate both internally and externally in an organisation. The brand position will provide guidance in the development of the communication strategy (Aaker, 2010). Invinn uses a communication ladder, see Figure 6, as a visual tool to illustrate the consumers' reception of the message and what affect the message has resulted in. The ladder illustrates four steps; awareness, knowledge, attitude and behaviour, where the goal is that the communication gradually shall result in behaviour, i.e. that the communication influences the consumers to an actual purchase or visit.
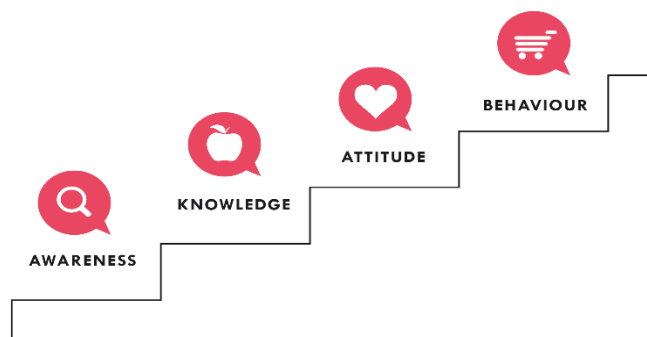
Figure 6. Communication Ladder

2.2.5.3 CONCEPT

The next step in the brand development process is titled *Concept*, where concepts in line with the business and the brand strategy is developed. The aim is to identify what elements of the brand the organisation ought to have and determine the conformation of those. Common elements are the logo and the name where both should be in line with the brand strategy in order to be trustworthy towards customers as well as employees. Hence, it is not solely the external

communication towards customers that is of importance but the internal communication towards employees as well, since it is crucial that everyone in an organisation have the customer experience in mind and work towards the same goal.

2.2.5.4 IMPLEMENTATION

In the final step of the brand development process, the entire brand strategy is implemented in line with developed concepts. As important as having a real and well-developed brand strategy, is of course to get it implemented within the company and realised among employees (Conradi, 2012). The employees' actions can have a considerable effect on how current and prospective customers, employees and investors view the organisation (Sexton & Trump, 2010). The goal is to create a company culture that makes the entire company work towards realising the objectives. The brand is not an isolated activity but a consequent and continuously works both internally and externally. If the implementation does not succeed, the preceding steps are in vain (Falonius, 2010).

According to a Brand Strategist at Invinn, a four dimensions model, see Figure 7, can be used as a way to understand how a brand is mediated to consumers. The four dimensions; behaviour, atmosphere, offering and communication, can be considered the carriers of the brand. The interfaces between the dimensions and the consumers create the perception of the brand in consumers' minds. In order to create a strong brand, all the dimensions shall be permeated by the brand and provide a uniform view of what the brand stands for. The first dimension; behaviour, refers to the behaviour of the people representing the brand. The second; atmosphere, is the atmosphere in the areas where the consumers are in contact with the brand. The third; offering, refers to the actual product or service and the forth; communication, is the communication of the brand through e.g. advertising and promotion. All dimensions are involved in the creation of a strong brand, but depending on the character of the product or service, different dimensions may be of more importance than others. A similar model is described by Falonius (2010), which further strengthens the credibility.
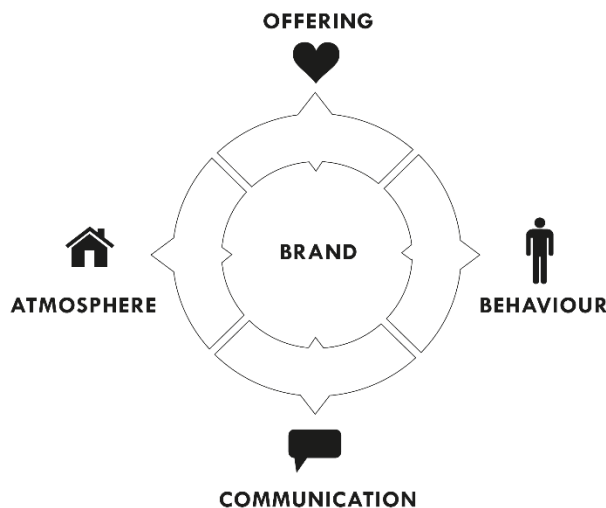
Figure 7. Four dimensions model

Brand is thus a concept that can be considered multifaceted since it varies and is not consistent. Based on the four dimensions, the brand can be perceived in different ways depending on whose perspective that is taken. Key terms used to explain different perspectives of the brand concept are *brand identity, brand image* and *brand profile*, illustrated as circles in Figure 8. Brand identity is created by the company and consists of what the brand actually is, brand image consist of

how the brand is perceived by the consumers and brand profile is how the company wants the brand to be perceived. In order to have a strong brand, the meaning of these terms should correspond as far as possible, i.e. the four dimensions should be perceived in the same way from all perspectives. Generally, the meaning of these terms differs but brand strategists strive to ensure that the circles overlap to the greatest extent where the meaning of the three terms should be uniform. When the desired position for the brand is determined, the company should strive to ensure that the brand, out of all three perspectives reach the set position, since a strong brand is not created until the three perspectives overlap to a great extent.
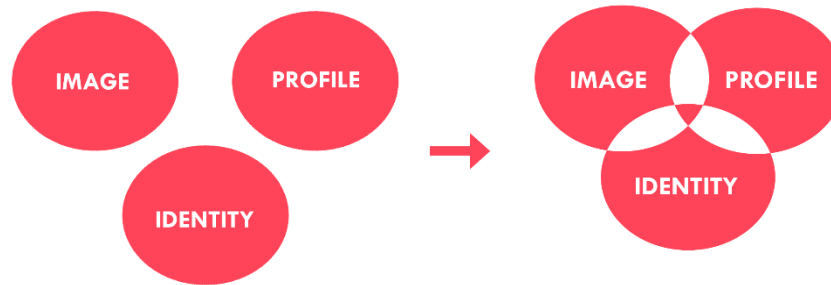
Figure 8. Different perspectives of the brand concept

2.3 PROBLEM DISCUSSION

Theory about branding has mostly concerned products and related services. However, this study focuses on marketplace branding, which can be considered complex since it consists of three different levels; the marketplace itself, the stores, and the products and services. Regarding the marketplace as a product in itself, i.e. the building and the gathering of tenants, the marketplace has to be branded as more than just a physical destination where consumers can accomplish several errands at one place. A marketplace hence has to be composed and perceived as consisting of both tangible and intangible aspects, which will make the marketplace more of an augmented product, including other dimensions added that distinguish the marketplace in some way from others designed to satisfy the same need. The marketplace therefore needs to have an embedded offering that covers both tangible and intangible aspects, in order to become competitive and unique. Branding of such complex businesses as marketplaces is not treated in the brand theory, hence this problem discussion will describe how theories in branding can be applied to marketplaces, consisting of the three levels. As branding can help strengthen a company and its value, branding is an important activity for all businesses, including marketplaces.

While marketplaces can be considered as existing of three levels, it can be concluded that different levels of customers exist as well. A property owner's customers comprise the tenants, while the tenants' customers, i.e. the end customers, consist of the people purchasing their products or services. Hereafter, in order to avoid confusion, the term customers will therefore not be used. Instead, customers belonging to the different levels will be referred to tenants respectively consumers.

2.3.1 COMPLEXITY OF MARKETPLACE BRANDING

As the branding of a marketplace can be seen as consisting of three different levels; marketplace, stores, and products, these levels in turn have their respective interests, objectives and target groups. These levels, see Figure 9, affect each

other both regarding the embedded as well as individual offerings, and regarding their individual brands that inevitably influence each other. As the focus of the report will be from a property owner's perspective, all three levels need to be considered together when studying branding of marketplaces as a whole.
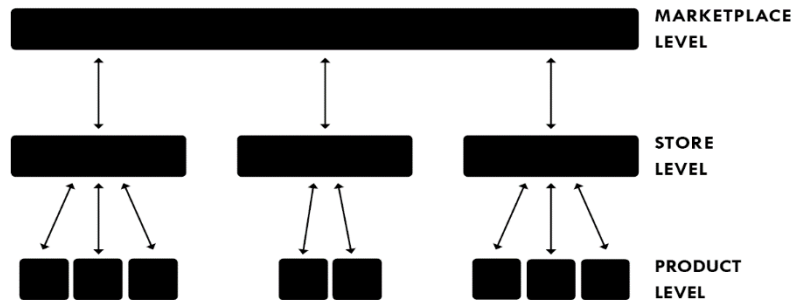
Figure 9. Levels in marketplace branding

The mix of stores and hence the stores' brands, including their respective tangible and intangible aspects, together create an overall offering and a contributing picture of the marketplace towards consumers, which in turn affect the brand of the marketplace. Regarding an attractive embedded offering of a marketplace, the different brands on the three levels are involved and mutually enhancing. A marketplace can hence be compared to a house of brands, as the marketplace contains several stand-alone brands. The brands on store level are not linked to each other, but they however influence each other and create synergies. If the marketplace can entice attractive stores, the consumers will get good associations and perceptions about the marketplace and its brand. If the marketplace's brand in turn is strong and has a good reputation, it is easier to attract new interesting stores and other tenants. These together create a virtuous circle. As branding is about image and reputation, it is therefore of vital importance to involve every business activity within the marketplace that have an impact on consumers' associations. To develop and sustain a successful brand, an alignment of every activity is required.

However, creating a strong brand of a marketplace may be difficult as the underlying brands and activities have an impact and may be stronger than the brand of the marketplace itself. This further illustrates the extremely complex challenge to synchronise all involved interests and their respectively different priorities, values, and objectives under the same brand. As a strong brand is closely related to the perceptions of a marketplace and its attractiveness, the first research question will be stated as followed:

RQ1. From a consumer and tenant perspective, which elements influence the attractiveness and hence the brand of a marketplace?

2.3.2 MEETING POINTS OF CONSUMERS AND PRODUCTS

A consumer journey describes the steps in the purchasing process from awareness to sharing and reviewing of a product. Out of a marketplace's point of view, it is positive if as many touch points along the consumer journey as possible is made in the channels of the marketplace. The attractiveness of a marketplace can be influenced by the consumer flow in the different channels, where a marketplace with a strong brand can result in that a consumer has several touch points in the channels of a marketplace in the purchasing process.

While the consumer journey illustrates the purchasing process of a product, transvections can be used to explain and illustrate the product journey from raw material to when the product is in the hands of the consumer. By combining the consumer journey and the transvections, an understanding for where products and consumers meet will be given, see Figure 10. This is of importance for a marketplace in order to improve or take new roles as meeting points for consumers and products. Further, by understanding the activities prior to and after this meeting point, both regarding the consumer journey and the transvections, new and valuable roles for the marketplace may be found. Where the meeting points of consumers and products are located are illustrated in the figure, where it is shown that the location of the meeting point is dependent on what channel the consumers choose.
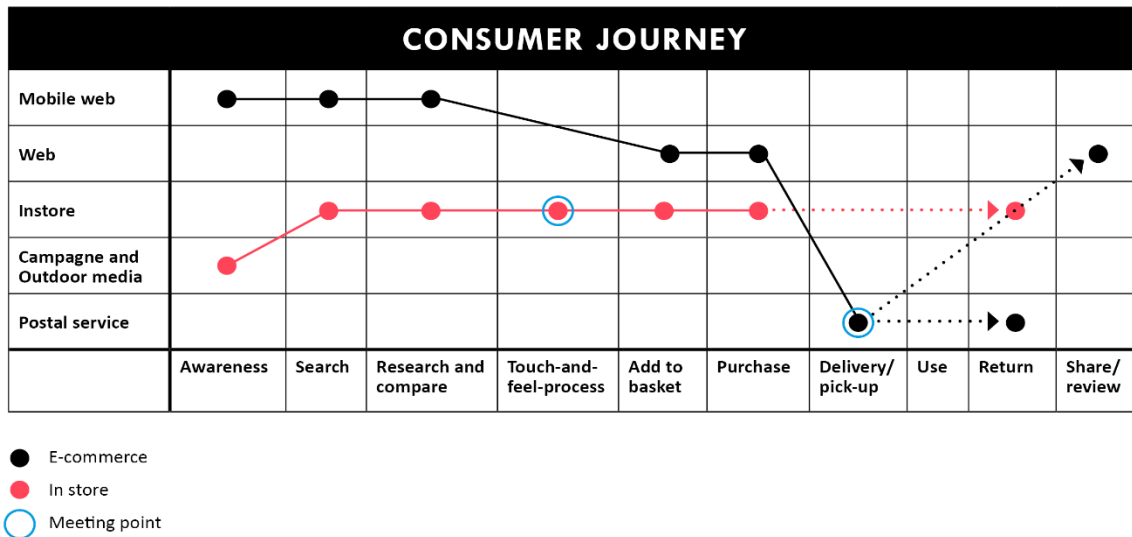
Figure 10. Consumer journeys with meeting points

In the future, where products and consumers will meet and how their respective paths will look like is also dependent on the store's logic regarding where to be located. The location of a store will be considered by costs as well as where the largest consumer flow can be found. Whether a store choose to establish online or in a physical marketplace, at several or few marketplaces, will hence be influenced by their cost structure, which in turn will affect the meeting point between consumers and products. The consumer journey together with the transvections will in this study constitute a framework, and will be used as a tool to show marketplaces' roles in the flows of consumers, products, money and information. Consumers' approach to retail and the way purchases are performed are constantly evolving, where changes in consumer behaviour create new and more complex lines in the consumer journey chart since new ways of purchasing creates new flows. In order to create a successful and attractive marketplace in year 2025 it is of great importance to have an understanding for the current trends within retail and how they are expected to influence the future.

RQ2. What trends are expected to have an impact on marketplaces in year 2025, and how do they influence each other?

With the belief that the trends will influence the consumer journey as well as where and how consumers and products meet, the challenge for marketplaces lies in being able to respond to the trends and secure that touch points in the consumer journey is made in the channels of the marketplaces. Having a strong brand can be a way to attract consumers and tenants to the marketplace and its channels, and can further result in new roles for marketplaces.

RQ3. How will the consumer journey and the transvections change due to the trends and what potential will this create for marketplaces?

2.3.3 CREATION OF A STRONG BRAND FOR MARKETPLACES

A brand of a marketplace is created in the interface between humans, i.e. both consumers and tenants, and the four dimensions; offer, communication, atmosphere and behaviour, see Figure 7. It is though important to highlight that in consumers' minds, it is the merged performance in each dimension that constitute the perception of a brand, and the four dimensions is primarily a tool to visualise the creation of a brand and in what dimensions it can reach consumers. In order to create a strong brand it is of vital importance that all of these dimensions show a uniform picture of the brand and what it stands for. Inadequate or improper performance within one of the dimensions may therefore, out of a consumer's point of view, cause the perception of a weak and inconsistent brand.

The creation of a marketplace's brand is complex since both the property owner's and the tenants' performances are crucial in each dimension, which influence the consumers' perception of the marketplace's brand. The *offering* at a marketplace consist among other things of the mix of stores and restaurants, and in turn indirectly of their respectively offer of products and services as well, which the property owner do not have the possibility to influence in other ways than in the selection of tenants. The *communication* of the marketplace i.e. logo, website, advertising and social media, intends to attract consumers, but it may as well be the communication of an individual tenant that attract a specific consumer to visit the marketplace. The property owner is responsible for the *atmosphere* in the common areas and the passages, but the consumers' perception of the atmosphere at a marketplace is also inevitably influenced by the atmosphere in the stores and restaurants as well. In the last dimension of a marketplace's brand, *behaviour*, it is primarily the tenants' performance that determine the perception of the brand in consumers' minds. The persons that consumers primarily are in contact with during a visit at a marketplace are the employees in the stores and restaurants, and it is therefore primarily their behaviour that determines this dimension of the marketplace's brand. It is therefore of great importance that the employees at all levels feel motivated to promote the brand of the marketplace as well, since their behaviour is relevant for how the brand of the marketplace is perceived by the consumers. Hence, the creation of a marketplace's brand is complex and there are many difficulties in creating a uniform picture in all these dimensions. If a uniform picture is achieved, the brand can be considered as strong and consistent no matter in what dimension the consumers face the marketplace. However, there are difficulties in creating a uniform picture of the marketplace's brand as it consist of stores and products that primarily focus on their own brand picture.

RQ4. In view of the identified trends: How should the property owners relate to marketplace branding in order to develop successful marketplaces in 2025?

3 METHOD

This chapter presents the execution of this explorative study. First, the qualitative research strategy is motivated and the study process described, followed by the data collection consisting of interviews, literature study, seminars and observations. Finally, the trustworthiness of the study is discussed.

3.1 STUDY PROCESS

In a research strategy there are two approaches; quantitative and qualitative. A quantitative research strategy aims to investigate numerical data and is often favourable to use in a contrived environment. A qualitative research on the other hand emphasises words and meanings, and the perspective of the actors studied; what they state as important and significant, provide the point of orientation in the study. The approach is preferred in natural environment and where the focus is on the meaning of what is studied in a more complex context (Bryman & Bell, 2011). However, as a qualitative research allows for more nuances it also causes a comparison between the responses that is more ambiguous (Eriksson & Wiedersheim-Paul, 2008). As this study treats a complex environment with various thoughts and opinions about the future, a qualitative approach was therefore more suitable in order to fulfil the purpose of this study.

The study is explorative and therefore mainly based on interviews with experts and key actors within the field. Due to the study's broad perspective, some redirections were made and the study can therefore be considered abductive. The first direction that was taken concerned the interaction between property owners, tenants and consumers, and how the activities involving these actors was handled and could be developed. With further knowledge within marketplaces and its surroundings, it was found that additional actors were involved in the creation of a marketplace, for example municipalities and transport operators. Hereafter, a new direction was taken with the focus on a property owner's perspective, as this actor could be seen as a centre point with relationships with the other actors involved. In the initial state of the study, it was discussed whether the study should be delimited to a specific type of marketplace in order to see how this type should respond to future trends. Hence, it was considered that this delimitation would be too narrow and inadequate for the study, since each marketplace may be affected differently by the trends. Instead, the holistic perspective would give additional dimensions and opportunities for speculation about the future of marketplaces.

The study started in January 2014 and lasted for 20 weeks. The purpose of the study was formulated in collaboration with Invinn in order to find an interesting topic that was both relevant and useful for the company and involved actors in current time.

3.2 LITERATURE STUDY

To be able to investigate how the future marketplace will look like, it was important to first understand the current situation regarding marketplaces. In the beginning of a study, according to Eriksson and Wiederhems-Paul (2008) it is preferable to gain information from already existing publications in order to get an overview in a short time. The literature study was hence initiated by research from business magazines, publications and websites. This research resulted in a basic but holistic platform with knowledge about the current situation as well as trends within the fields of retail.

Since this study was performed in collaboration with Invinn, it was of interest to take a brand perspective throughout the thesis. Therefore, the literature study consisted of theory within brand management, which was collected by using some of the key words; Brand Management, Brand Image, Brand Identity and Brand Equity. Further research was then found through snowball sampling, an approach where the first research is used to establish contact with additional sources through the referencing of them (Bryman & Bell, 2011). The literature study was further conducted to identify

and sort data regarding brand theory that together with collected data regarding marketplaces culminated in the analytical framework.

3.3 DATA COLLECTION

Various ways of collecting data has been performed in order to fulfil the purpose of this study. The data collection contains both primary and secondary sources, where primary sources have the current study in mind, while secondary sources have been created regardless of this specific study (Eriksson & Wiedersheim-Paul, 2008). Since a qualitative research approach has been used for this study, the data collection mainly consisted of interviews and observations. Primary sources have been gathered through interviews with involved actors and observations at different marketplaces in various cities. Primary sources have been used as far as possible in order to achieve credibility, where secondary sources and literature studies within relevant topics have been used as supplements. The collected data was merged and represents the empirical findings.

To gain a holistic view of the chosen area early in the study process, the data collection started broad in order to cover all relevant aspects. Starting with a broad perspective was also determined deliberately to ensure that no interesting aspects were excluded from the study.

3.3.1 INTERVIEWS

Interviews have been an important part in the collection of data for the study; both since existing theory within the field was difficult to find, but also due to the fact that most of the primary sources were conducted via this way of data collection. Due to the explorative character of the study, interviews with persons considered as experts within the field were therefore a valuable source of data.

The first selection of interviewees was made in order to get an overview of commerce and marketplaces, and experts within these fields were therefore contacted. After a basic overview was provided and involved actors were identified, a broad selection of these actors were contacted and interviewed. In this selection, Invinn's contact network was partially utilised, however persons to interview were also found at property owners' and existing marketplaces' websites. During all interviews, requests for additional persons to contact, who the interviewee could recommend, were made. When a great amount of interviews had been performed and the major part of the areas of interest had been covered, more specific requests and further contacting of actors within areas that required deeper investigation were made.

The interviews were approximately 30-60 minutes long and both authors of the thesis participated at all interviews. During the study process, 31 interviews were performed, where all interviews were done in person except from one that was held over the phone due to the interviewee's localisation. When approved by the interviewee, the interviews were recorded in order for the authors to be more alert and focused when not having to take notes meanwhile interviewing, as well as having the opportunity to listen to the interviews again. When the interviewers did not have to focus on getting down notes of what was said, it was easier to follow up interesting points made (Bryman & Bell, 2011). To be able to ask follow-up questions, the interviewer must be skilled within the subject. A skilled interviewer further has the possibilities to get more out to the story if the interviewee infers (Phillips & Stawarski, 2008), which motivated the creation of a knowledge base before conducting interviews. A table that shows the name of the interviewees, their profession, the dates for the interviews, as well as the type of interview can be found in Appendix I.

All interviews were of semi-structured character, which implies that a number of questions were prepared beforehand and additional questions were asked depending on the interviewee's statements. The prepared questions were sent to the interviewee by mail beforehand if it had been requested. Since there is no certain nor static answers about the future this interview structure was chosen since it allows the interviewee to answer more freely. Interviews were held with a wide spectrum of interview objects, where the interview questions varied depending on the interviewee's area of expertise. Therefore, different interview templates were used, which can be found in Appendix II.

The wide spectrum of interview objects were selected out of different reasons; to map out and understand all involved actors' perspectives, their connection to each other as well as their contribution to future scenarios. Since no actor stands alone but have mutual influence on each other, a wide spectrum of interviewees can be supported by Whyte's (1953) statement *"It has meaning to the researcher only in terms of other interviews and observations"*.

3.3.2 SEMINARS
Seminars concerning commercial properties and the retail sector have been visited during the study process, where key actors and experts within those fields have lectured about trends, developments, threats as well as opportunities for marketplaces in the future. Subjects relevant for this study have been considered and inspired to further research. During the seminars and the fairs, conversations with other visitors were made which in some cases resulted in scheduled interviews. The first seminar, Handelsfastigheter 2014, was held in Stockholm the 5th of February. The other seminars, Butiksleverantör 2014, E-commerce 2014 and Visual communication 2014, were also held in Stockholm 1-2 April.

3.3.3 OBSERVATIONS
Since the study aimed to understand what factors that impact the attractiveness of a marketplace in 2025, it was of relevance to visit various marketplaces in order to get an insight in their performance and concept. During the study process 33 different marketplaces have been observed, see Appendix III, and both authors were present at all the observations. These marketplaces were chosen based on their localisation in bigger cities in Sweden, Denmark and Great Britain. Since bigger cities allow for a greater amount of marketplaces as well as variety amongst them, a broad perspective and understanding of what is offered on the market were given. Therefore, the majority of the observed marketplaces are in Stockholm, Gothenburg, Malmo and Copenhagen, but additional marketplaces close to these cities have been observed as well. Great Britain, and primarily London, was visited of various reasons; London attracts the greatest number of cross border retailers (JLL, 2014), while considered to be in the forefront when it comes to innovativeness and developments of marketplaces, meanwhile new concepts and ideas established in Sweden are often developed with inspiration from there. The observed marketplaces covered the ranges from new and innovative marketplaces to decayed and stagnant ones, from domestic to foreign owned, as well as marketplaces differentiated to a smaller versus a broader target of consumers.

During the observations at the various marketplaces an observation schedule was used, which can be found in Appendix IV. According to Bryman and Bell (2011), an observation schedule facilitate for the observers since it informs what aspects to look for. It further simplifies the comparison of different objects since the same aspects have been observed. The observation schedule used in this study was provided by Invinn and was considered suitable since it had been successfully used before, however some observation criteria was added specifically for this study.

Before observing the marketplaces, the respectively websites were visited. Information about the opening hours and the offerings were gathered beforehand in order to see whether the marketplaces responded to what were promised and whether the websites were up to date. Additionally, the websites were visited in order to see if the brand and the corresponding concept were uniform, both at the website and at the marketplace.

3.4 TRUSTWORTHINESS

The study has been assessed out of the criteria of trustworthiness to ensure the quality of the study, since this criteria is better suited for qualitative research (Bryman & Bell, 2011). Trustworthiness consists of four elements; credibility, transferability, dependability, and confirmability.

Credibility refers to that there can be many different views of the social reality where the researcher must ensure that the social world has been correctly understood (Bryman & Bell, 2011). To ensure that the study's findings correlate with the reality, multiple interviews have been performed with persons in different companies with corresponding functions and responsibilities, to certify the accuracy of the empirical data. Further, multiple observations were also performed to ensure the credibility of the study.

Transferability refers to whether the findings from a specific study can be generalised to other contexts across social settings, or to the same context at another point in time (Bryman & Bell, 2011). The primary source for this study consists of interviews with actors involved in marketplaces and the findings from the interviews can be considered as quite specific for this study. Therefore, the transferability of the findings in this study to other contexts can be questionable. However, the findings of the study can be transferable to other actors involved in retail.

Dependability means to what degree the study can be replicated and still generate the same findings (Bryman & Bell, 2011). The focus for this study; retail, has been identified as an industry more dynamic than ever, where changes in the next coming years can have great impact on marketplaces in the future. If the study is replicated rather soon, the findings are likely to be similar but if replicated in a few years, the development of marketplace will most likely point out new trends for the future.

Confirmability refers to the researchers' objectivity in the conduction of the study (Bryman & Bell, 2011). Complete objectivity is impossible but to ensure that the researchers influenced the findings to the smallest amount, both researchers were present at all the interviews, observations, and seminars.

4 EMPIRICAL FINDINGS

The first part of this chapter presents the elements that have been identified as influencing the attractiveness of a marketplace. The identified elements are Embedded offering, Location, Access and Communication. The second part of this chapter will present the most prominent trends that have been identified to have an impact on marketplaces in year 2025. The identified trends regard Experiences, Digitalisation, Consumer behaviour, Urbanisation, Internationalisation, and Differentiation. All the data in this chapter is gathered from the interviews and the observations if not stated differently. When considered relevant to know who the source of a specific statement is, the name and the profession of the interviewee have been stated.

4.1 ELEMENTS AFFECTING MARKETPLACES

A precondition for creating profitable marketplaces is a high consumer flow, which is dependent on the location and elements such as good accessibility for people to get there. Further, in order to attract consumers in a world where e-commerce increases drastically, marketplaces need to offer something that is not possible to get at a virtual marketplace. Additionally, to meet and preferable exceed consumers' expectations with a strong brand that communicates what the marketplace stands for, is important to attract both consumers and tenants. According to HUI Research (2011), the marketplace that best complies with these requirements has a great chance to succeed.

As a way to understand what internal as well as external elements that impact on a marketplace and its attractiveness, the following illustration has been developed based on information gathered from interviews, see Figure 11. All these elements further influences the consumers' and the tenants' associations to the marketplace, which further means that all elements are affecting the marketplace's brand and attractiveness. Working with these elements is hence crucial in order to create a strong brand and thereby a successful marketplace in the future.
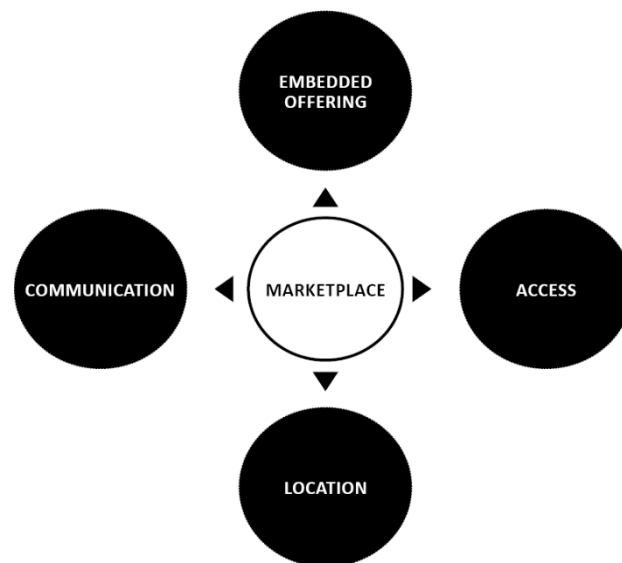

Figure 11. Elements affecting the attractiveness

4.1.1 EMBEDDED OFFERING

A marketplace is, according to one of the property owners[4], a place in a controlled environment where a number of stores and other activities are gathered to create a comfortable and easy way for the consumers to more or less fulfil all their needs at one place. For a marketplace to be successful, one of the most critical elements is hence the embedded offering. The embedded offering could be seen as a differentiator and should attract both tenants as well as consumers, even though the offerings towards these are different.

According to most of the interviewees, the mix of tenants within a marketplace is definitely the most important factor for attracting consumers. This is based on the fact that consumers value the possibility to fulfil more than one need at the same place. However, a good mix of tenants involves more than just stores. The mix also involves other activities and services that make it attractive for consumers to visit the marketplace. The mix is hence something that the property owner can take responsibility for and influence to a certain degree, while the tenants' offering towards consumers are hard to affect from a property owner perspective. Therefore, a mix of tenants that in turn has an attractive offering to the consumers, is critical when it comes to attract consumers and respond to consumers' different needs.

The mix of tenants is also an important factor for tenants as they can exploit synergies from each other. If a new and innovative store or restaurant opens in a certain marketplace, this will bring attractiveness to the marketplace and hence bring consumers to the other tenant's activities as well. Christian Lagerlöf, CEO of Vapiano Sweden, states that when Vapiano considers an opening of a new restaurant at a marketplace, it is of great importance that stores and restaurants that they find interesting and attractive are located at the marketplace as well, in order to gain benefit of each others' consumer flow[5]. For that reason, a marketplace can never be regarded as attractive from neither tenants' nor consumers' perspective if there is no attractive stores, restaurants or concepts that bring consumers there. The embedded offering towards tenants should also include fair leasing agreements and agreements regarding for example maintenance, in order to attract them to the marketplace. Convenient opening hours is further an important part in the embedded offering. Depending on what type of activities that are available at the marketplace, the opening hours can play a vital role for the consumers and the tenants when it comes to choose one marketplace over another. Especially actors within Food & Beverage (F&B) appreciate extended opening hours.

The embedded offering is primarily dependent on the target group, i.e. the people within the demographic area that the marketplace strives to attract, as this target group in turn influences the choice of tenants. One of the interviewed consultants[6] stated that the less density of inhabitants that a marketplace's demographic area has, the broader offering towards consumers is required. If located in a dense city it is easier to become successful when the offering is niche. However, an offering does not only consist of products but of services and other value adding aspects as well. The embedded offering is also influenced by what is located nearby the marketplace, i.e. if there are other destinations that attract the same type of target group.

Another aspect that is important to consider is that the embedded offering stays competitive. Therefore, the offering need to be renewed when new demands and needs emerge among tenants and consumers. Some of the previous offerings will, in due time, become hygiene factors that no longer can be seen as differentiators but as required musts, such as free parking and clean restrooms. In order to be competitive, the offering must therefore be continuously developed in accordance to what is requested on the market. It is further important that the embedded offering is

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[4] Charles Larsson Marketing Director Steen & Ström, interview 7th March 2014.
[5] Christian Lagerlöf CEO Vapiano Sweden, Seminar Handelsfastigheter 2014, 5th February 2014.
[6] Anders Röstlund CEO Ågren, interview 12th March 2014.

related to the marketplace's brand positioning, as it otherwise may cause confusion in what the marketplace is really offering and to whom.

4.1.2 LOCATION

An element that to a great extent influences the attractiveness and the success of a marketplace is the location (HUI Research, 2011). It is hence not enough with an excellent offering if the marketplace is located inadequate without a natural consumer flow. Retail has always been located close to the consumers, which means that a movement of consumers from one region to another implies a movement of the retail as well (Bergström, 2010). The main consumer base for a marketplace is local, which means that it is primarily the people living or working nearby the marketplace that account for the main consumption. The size and development of retail and marketplaces at different geographic locations are further affected by the demographic conditions at the location, i.e. the population's size, the age structure and income levels as well as other social, economic and cultural factors at the location (HUR, 2010). These conditions will have an impact on where a marketplace should be located since consumers in different areas have different purchasing power. The growth of the population size as well as the magnitude of the income growth is therefore crucial for the development of retail at a certain location. The demographic area is further crucial for tenants and will thereby influence their choice of establishment to a large extent.

Whether a marketplace should be located close to the city centre or at external areas is mainly based on the size of the city or the area that the marketplace aims to serve. One of the interviewed consultants[7] stated that marketplaces today have 80 per cent of its total sales to consumers within a radius of 20 kilometres, compared to IKEA who reaches consumers within 60-70 kilometres. However, transports can enhance the consumer area if arranged properly. According to one of the interviewed experts[8], external marketplaces are not appropriate in municipalities with less than 25 000 inhabitants due to a marketplace's local characteristic. Whether a location is suitable for a marketplace is also influenced by the possibilities for consumers to go there, i.e. the access with different form of transport, which is further presented in 4.1.3 Access. Further, if other attractions are located close to the marketplace it will have an impact of the attractiveness for consumers to go there. If for example an IKEA-store is located nearby, the area of the consumer base increases for the marketplace as well.

4.1.3 ACCESS

An element that influences the attractiveness of a marketplace is the consumers' possibilities to get access to the marketplace, and can therefore be crucial in consumers' choice of where to shop as well as the tenant's decision regarding establishment. A prerequisite for the creation of consumer flow at a marketplace is thus that the consumers can go there and bring their goods with them back home. The attractiveness of a marketplace is therefore influenced by the traffic and transport planning for cars, public transports, cyclists as well as pedestrians (HUI Research, 2011). For motorists it is therefore important with good parking facilities where the size of the parking lots should be dimensioned by the size of the marketplace and its offerings. For travellers with public transport as buses, trams and metro, it is important with a close distance between the platforms and the entrance of the marketplace. Out of a marketplace perspective it is obviously an advantage if the marketplace is located in close connection to a public transportation hub (ibid.).

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[7] Anders Röstlund CEO Ågren, interview 12th March 2014.
[8] Martin Öberg Lecturer University of Gothenburg, interview 30th January 2014.

Consumers today experience a lack of time, where not only the transport in terms of distance but in time consumption is of relevance (HUI Research, 2011). One of the experts[9] claims that the accessibility of a marketplace therefore can be measured in time instead of kilometres, as time is considered as the limiting factor. Access can also be obtained in other channels than the physical, which for example can be enabled through communication in virtual channels.

4.1.4 COMMUNICATION

A marketplace's communication with both tenants and consumers is important since it mediates information regarding the marketplace's existence, offering and ongoing events. The property owner can affect and communicate what the marketplace and its brand stand for, in order to influence the attractiveness of the marketplace in the tenant's and consumer's minds. The attractiveness of a marketplace consists of the perceptions of it, and is therefore individual and hence decisive in whether consumers will visit the marketplace and whether tenants will establish there. Further, the attractiveness is influenced by all touch points between the consumer and the marketplace; the website, social media, advertising and of course from the communication of the physical marketplace with its stores, employees, environment, logo and design. Each tenants' own communication to their consumers also influence the attractiveness of a marketplace, since communication from one tenant can attract consumers to the entire marketplace.

The technology has enabled presence for communication of marketplaces in multiple channels. The concept of multi-channel is widely used and has been given more importance due to possibilities to interact with consumers in different types of channels, both online and offline. This influences the marketplace's and the tenants' abilities to communicate with consumers as well as the buying process changes dramatically, which in turn has an impact on the way products are evaluated, purchased and distributed. One channel that all the observed marketplaces have and utilise is their own website. The websites enable constant communication with consumers, where the marketplaces publish information regarding for example opening hours, offerings, contacts, and travel directions. However, the tenant's different offerings, collections and campaigns are thus communicated through their respective website. Other common channels among the marketplaces are different forms of social media where the marketplace through visual and verbal expressions can communicate. An overview of the observed marketplaces' presence in different channels is presented in a table in Appendix V. Out of a consumer's perspective, these channels are constantly available sources of information, where it is the consumer who take the initiative to receive information from the marketplace.

The presence of Internet has enabled that comprehensive information regarding products and services is available for everybody. The use of smartphones, where more than half of all inhabitants in Sweden possess one (Konsumentverket, 2014), further makes it possible to bring that information to the store. This result in that the need for employees as sources for information regarding products or services have decreased, but the need for competent and skilled employees to provide additional aspects has increased. This, in combination with increased accessibility through multiple channels, has resulted in a power shift towards the consumer (pwc, 2012a). Technology has also to a greater extent been included inside the marketplaces, for example by offer free wifi and digital information screens. Depending on the marketplaces' adoption of technology and its development, its attractiveness will be influenced.

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[9] Ove Krafft Senior Lecturer University of Gothenburg, interview 3th February 2014.

4.2 IDENTIFIED TRENDS

When it comes to the study of future marketplaces, it is important to consider the trends that most likely will have an impact on its development. As planning, designing and building marketplaces take several years as well as the investments are enormous, it is important to be proactive regarding what will influence the future of commerce. The trends have been treated separately, however they may influence and overlap each other to some extent. The identified trends are illustrated in Figure 12.
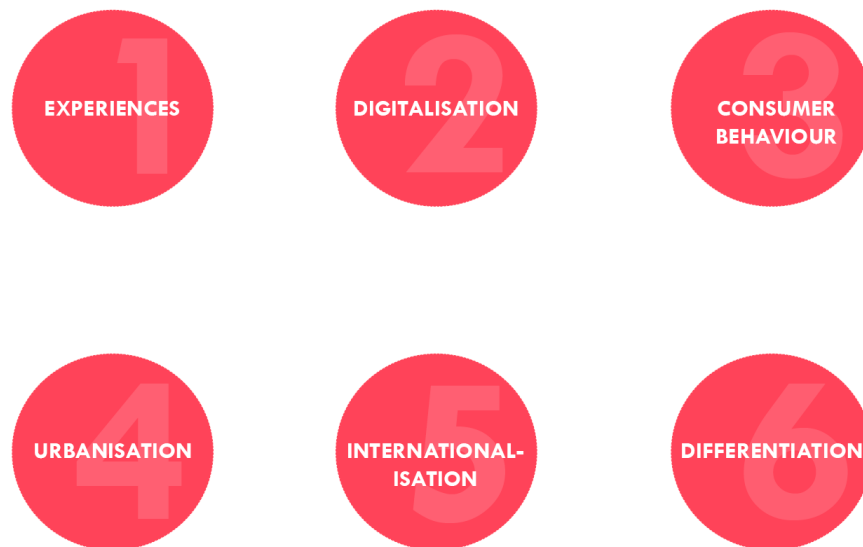
Figure 12. Identified trends expected to have an impact on marketplaces in the future

4.2.1 EXPERIENCES

Various types of experience-oriented services can influence the consumers to choose one marketplace over another. It can regard different activities within the marketplace, but even the architecture, interior design, and artistic decoration have come to play an important role. It is about engaging the consumers emotionally in the business, since they often to a large extent are involved in producing their own experiences (Mossberg, 2003). The main driver for consumers to visit physical marketplaces will according to basically all interviewees be the experiences, where marketplaces turns out to be meeting points where people wants to meet, shop and dine together. According to Pine and Gilmore (2011), there are four dimensions that define an experience. The strongest experience compasses all four elements; entertainment, educational, escapist, and esthetic, which will be further described in the following subtitles.

It is of importance to highlight that the concept of experiences has since many years been considered a buzzword in the industry of marketplaces but the concept has come to mean new things. From involving almost exclusively the entertainment element with happenings and events, it now includes every aspects of the shopping experience that the consumer can immerse or absorb while being at a marketplace. The great majority of the interviewees have answered the questions "*What will a future marketplace consist of?*" and "*What are the driving forces for consumers to visit physical marketplaces instead of virtual marketplaces?*" with the word Experiences, referring to the extended view of the concept.

With increased wealth, the amount of available time has come to be seen as a more limiting factor than the amount of

money. Today, consumers therefore strive to fill this time with valuable and experiential events (HUI Research, 2011). Hence, the presence of experiences can be used as competitive advantages, entirely comparable with more traditional tools of competition like price and quality (ibid.), which justifies the current focus and the expectations of a persistent trend towards experience filled shopping. It is thus not only the consumers that value experiences at marketplaces, but from the retailers perspective it is as important. Tenants choose to establish their activities at marketplaces where there is a large consumer flow, and if a marketplace can succeed in attracting consumers the interest from tenants will increase. For these actors, it is hence important that the common areas within the marketplace are appealing and enjoyable.

4.2.1.1 ENTERTAINMENT

One of the interviewed property owners[10] stated that marketplaces have become broader products with more features than just commerce where the selection of entertainment experiences will be more significant. Cinemas were frequently located at various of the observed shopping centres but also other entertaining activities such as bowling and go-kart were offered. The offering of entertaining activities at a marketplace give people a reason to visit the marketplaces in addition to shopping, which means that a different target can be attracted to the marketplaces as well. Since marketplaces generally strive towards attracting a broad target group, it is important that entertaining activities are appealing for several types of consumers.

Many of the interviewees advocated entertaining happenings in the centres and expected the occurrence of them to increase in the future. Events as singing performances, book signings and sport tournaments attract consumer to the centres as well as the centres will be considered as dynamic where something is constantly happening. One of the experts[11] stated that in order for a marketplace to stay attractive, events and happenings need to be arranged there.

4.2.1.2 EDUCATIONAL

The educational element of an experience means that the consumer receives education and counselling regarding the product. Hence, depending on the product the education takes various forms. Out of a retailer perspective it is all about broaden their horizons in order to extend and strengthen the consumers' buying experiences (Arnroth, 2013). In the food industry, this can be expressed in advice regarding the cooking of the lobster at the fishmonger, cooking classes in how to prepare your own sushi (ibid.), or the placement of recipes in close connection to the position of the ingredients in the shelves at the grocery store. Jamie Oliver's concept Recipease is an example of a concept where focus is taken on offering the consumers experiences of educational character. During the observation trip to London, the establishment of Recipease located in Notting Hill was visited and observed. In this well designed food and kitchen shop, consumers can visit the restaurant, purchase food to go, coffee or merchandise as well as participate in private or group lessons in cooking. Examples from other industries are classes in plant care at the garden centres (Arnberg, 2011) and style advices in the clothes shop, but the addition of these kinds of activities will in some cases require different types of premises and space in the stores. One of the interviewed retailers[12] expressed the belief in an extension of their offering, from the current sales of clothes to an offering to the consumer of an overall solution with styling of clothes as well as makeup and hair.

This puts thus considerably higher demands on the personnel and their knowledge regarding the offered products, and

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[10] Charles Larsson Marketing Director Steen & Ström, interview 7th March 2014.
[11] Johan Hagberg Senior Lecturer University of Gothenburg, interview 7th February 2014.
[12] Charlotte Nordén CEO Joy Shop, interview 8th April 2014.

Järvenhag (2013) state that the sales role has never been more important. This whilst the consumer itself has endless opportunities to research and gather information regarding the products online through different devices in beforehand. The employees may therefore have to act more like advisors and course leaders (Klint, 2013), additional to sellers and sources of information regarding the products. The educational experiences will though enable increase in sales since many consumers are ready to pay for advice and good service (Järvenhag, 2013).

In addition to a physical product, or to a marketplace as in this case, storytelling is a concept that can add an educational experience of the marketplace's history. Storytelling gives the consumer a quick story about the marketplace's background, for example how and why it was established. Storytelling often increases the consumers' feeling for the marketplace, as the consumer perceives a new type of solidarity with the marketplace. At the marketplace One New Change in London, a storytelling was provided at the back of an information brochure, and at MooD in Stockholm, the large copper blocks outside the entrances have a story in itself. For several months, the big copper blocks were buried in a cow pasture in order to be treated according to desired finish.

4.2.1.3 ESCAPIST

When it comes to escapist experiences, the consumers are immersing in activities together with others, which in a marketplace can be e.g. restaurant visits. According to some interviewees, F&B is the sector that has the largest potential of increasing the share of consumers' total consumption. It was stated by one of the property owners[13] that this share, approximately estimated up to 25-30 per cent in year 2025, is further something that will be reflected in the future marketplaces. One of the consultants[14] stated that the wealth of consumers has generally increased compared to decades ago and consumers can therefore indulge in restaurants and coffee shop visits meanwhile they are shopping. As humans are social creatures that have a need to see and meet other people, the existence of meeting points are further necessary. One expert[15] stated that the main driving force to consider a physical marketplaces instead of using e-commerce is to get the human interface and to socialise, while at the same time be able to do errands, take a coffee and visit for e.g. an art gallery or other entertainments. Marketplaces further will have to continue to offer escapist experiences to attract younger generations who are not as willing to travel long distances for shopping (Kruth & Antoni, 2013). One of the experts[16] expressed that currently, many marketplaces and especially external marketplaces, are terrible for socialising and therefore the city centres feel more attractive.

Consumers are not as excited to shop as before, but will rather spend their money on travels, restaurant visits, and coffee. According to Beck-Friis (2013), the way consumers drink coffee or meet at a local coffee shop has changed during the last 30 years and will continue to do so. The F&B sector is further increasingly used by business people that combines meetings with a lunch or as a place to prepare for the next appointment (ibid.). Another trend is that people tend to eat their breakfasts at a café on their way to work, as well as spending money and time on meeting friends over a brunch at a fancy hotel, and preferably, one should share that visit on Instagram as well. At the current development of Mall of Scandinavia, Scandinavians largest shopping centre to be established in 2015, F&B will occupy nine per cent, i.e. 9 000 square meters, which will make it the largest F&B cluster in Stockholm (Market, 2014a).

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[13] Peter Landqvist, Centre Manager and Project Developer Diligentia, interview 11th March 2014.
[14] Kathrine Heiberg, CEO reteam Denmark, telephone interview 3rd March 2014.
[15] Ove Krafft Senior Lecturer University of Gothenburg, interview 3th February 2014
[16] Johan Hagberg Senior Lecturer University of Gothenburg, interview 7th February 2014.

4.2.1.4 ESTHETIC

If consumers enjoy their stay at the marketplace they will both spend more time and money there. In addition to the three mentioned dimensions of experience, the estethic experience is also of vital importance (HUI Research, 2011) in order to affect and attract all senses. The interviewed architect[17] expressed that the esthetic experience should motivate the consumer to enjoy the stay even though this might not be the determining factor for visiting a certain marketplace in the future. The architect further stated that if two marketplaces have more or less the same mix of stores and restaurants and are located within comparative distances, the internal and external architecture, design, and cultural attractions might have great impact. One property owner[18] expressed that in newly built complex it is thus hard to include culture, which is something that from the property owners' perspective is one important factor for succeeding.

For the future it will be more important to take responsibility for affecting all the consumers' minds. In addition to the consumers requirements to feel and touch certain products, their sense of smell and hearing have to be involved to create an overwhelming and differentiated experience. If this is not done, the physical commerce will probably face problems and difficulties towards e-commerce (Bergman, 2014). With younger generations growing up, that are more or less dependent on Internet and smart devices, the marketplaces need to offer something that adds an experience to the purchase. Claes Ströby, CEO of the Swedish luxurious clothing brand Whyred, has realised the importance of working with experiences in Whyred's shops in order to increase the experience of commerce in physical stores (Hedberg, 2014). The experience should be a continuous work and something to improve all the time, and therefore the shops have been sound and scent designed by Lexter Ljuddesign AB. The scent has been developed based on the company's key words in order to match with what the company stands for. Ströby does not think that it will have a short-time impact, but in the long term it will be extremely important to work with the experience. The marketplace MooD Stockholm is another example where scents and directed sounds have been integrated, which has further resulted in great positive attention for the marketplace. MooD is further a good example of a marketplace where all the consumers' minds are taken into account, even the youngest and not so affluent visitors. This can be demonstrated by a restroom dedicated to children with directed sounds of animals and an upside-down world with a yellow toilet illustrating the sun. According to Margareta Andersson, the sound is just as critical for employees as consumers in order to create an environment where they both enjoy being[19]. A good atmosphere can hence be created by stimulus that affects the consumers' minds, such as appropriate music, pleasant sound level, attractive scents, colours and lighting (Mossberg, 2003).

According to one of the retailers[20], there is a need for more designed and more enjoyable marketplaces. Abercrombie & Fitch and Hollister are two retailers that have succeeded by having a totally different look and impression. They attract people that, even though they not buy anything, want to experience the dark and the scents within the stores. The darkness is however not optimal for showing the clothes, but the experience from the stores takes over. Marketplaces, and not only retailers, need to be better at mediating feelings and need to move beyond the sterile and clean design as this is perceived as boring for the consumers. One property owner[21] as well as one retailer[22] stated that in order to be competitive and for the consumers to enjoy their stay as well as making them stay longer, the atmosphere and the design are extremely important. However, functionality is a must and the esthetic part of a marketplace has to

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[17] John R. Johanson CEO Rstudio, interview 25th February 2014.

[18] Erik Sjöstedt Business Manager Trade Vasakronan, interview 17th February 2014.

[19] Margareta Andersson, Sound Architect Lexter Ljuddesign AB, interview 1st April 2014.

[20] Charlotte Nordén CEO Joy Shop, interview 8th April 2014.

[21] Charles Larsson Marketing Director Steen & Ström, interview 7th March 2014.

[22] Charlotte Nordén CEO Joy Shop, interview 8th April 2014.

be carefully thought of as trends come and go. Today many marketplaces are thus built on esthetic rather than architecture. What is perceived as a trend today may be outdated in five years and this is something that needs to be considered. One must not forget what a marketplace is; a place for commerce. The functionality must therefore exist and should be combined with the esthetic part in the best possible way. The esthetical part of a marketplace may be more important in the future, but at the same time it also brings some risks that can not be disregarded.

4.2.2 DIGITALISATION

The most obvious trend that affects the future of marketplace is digitalisation as it already has an inevitable influence on peoples' lives today. All interviewees agree that digitalisation and the use of smartphones and other digital devices will affect the way people choose to consume in year 2025. One expert[23] stated that physical stores hence have to be connected to technology, which in turn will have great impact on what role the physical store will have in the future. The expert further stated that today, four out of five shoppers consider the Internet as their single most useful resource for shopping. Taylor (2011) states that digital natives love to shop but they are discerning and wants differentiated products, prices and services based on their individual preferences. They further want to interact with retailers when and how it suits them, and this experience should be seamless and connected with whatever channel they choose (ibid.). Technology will hence be the key to the shopping experience, whether it be in-store to facilitate sales, or through online channels to compare prices, choices and promotions.

4.2.2.1 E-COMMERCE - A THREAT?

As to whether e-commerce is a threat to physical commerce or not depends on how the physical stores face the development. E-commerce currently consists of six per cent of Sweden's total retail turnover but is expected to increase the coming years (E-barometern, 2013). During 2013, sales via Internet increased with 17 per cent, while the entire retail sector increased its sales with 1,9 per cent (ibid.). Even though this is an extremely impressive growth, the total volume from e-commerce only stands for SEK 37 billions compared to the total SEK 647 billions of commerce in Sweden[24]. A factor that contributes to this strong growth within e-commerce is the presence of retailers in multiple channels. If the same growth is to be expected in the future, e-commerce will stand for ten per cent of total consumption in 2020. One expert[25] stated that however, some sectors could be seen as more dominant on the Internet. Though, several of the interviewees do not see the increase in e-commerce as a threat but as an opportunity where it is important for physical marketplaces to keep up with the trends in order to not loose consumers. A remarkable example that did not take advantage of digitalisation is the CD-sector that today is deprecated and replaced by streamed or downloaded music online. As the physical CD stores did not keep up with the development, the consumption of music was directed to other companies such as Spotify or iTunes.

E-commerce has primarily been seen as competing with physical marketplaces, as their main argument also has been accessibility and a wide assortment (Kruth & Antoni, 2013), but now the marketplaces have started to realise the opportunities instead of seeing e-commerce as a threat. One of the property owners[26] stated that as long as there is no profit for e-commerce, there is no need to be afraid. Further, publications (HUI Research, 2011; Kruth & Antoni, 2013; E-barometern, 2013) and all interviewees concerned with e-commerce seem to agree on the same thing: e-commerce should be seen as an opportunity rather than a threat. In the future, e-commerce will not be discussed as a

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[23] Johan Hagberg Senior Lecturer University of Gothenburg, interview 7th February 2014.
[24] Magnus Kroon, Retail Development Svensk Handel, interview 4th April 2014.
[25] Ibid.
[26] Peter Landqvist, Centre Manager and Project Developer Diligentia, interview 11th March 2014.

separate occurrence, but will be integrated with physical commerce. Generally, it will not be of interest whether the consumer chooses to shop online or offline, the critical part will be that the consumer instead choose a specific retailer (Bjerkesjö, 2013). However, for some retailers such as franchisees, it will certainly matter what channel the consumers choose.

The three main reasons why consumers choose to shop online rather than in a physical store is according to E-barometern (2013) that it is cheaper (26%), they can find a larger and better assortment (15%), and because it is simpler and more flexible (49%). However, one interviewed property owner[27] stated that e-commerce with its fair terms regarding returns, are still too costly and it is not until the consumers are ready to pay for their returns that web shops can begin to be profitable. Today, an average of 30 per cent are returned when buying online, and when it comes to clothing the fitting is the hardest part, standing for about 50 per cent of all returns[28]. One property owner[29] expressed that with new programs and tools that can reduce the risks of receiving wrong fittings, e-commerce may increase more than what is expected today. Asos, an international clothing web shop, reduced their returns with 30-40 per cent after implementing tools for better fittings and for each reduced percentage point of returns, Asos's profit increases with GBP 10 million[30].

4.2.2.2 PHYSICAL STORES BECOME DIGITALISED

As the consumers are more digitalised than ever before, the physical marketplaces must keep up with the digitalisation as well. One of the experts[31] stated that today, marketplaces have 100 per cent visitors but only approximately 10 per cent consumers, partly due to the employees' lack of information about sales and consumer behaviour. Digitalisation can hence work as a tool to better understand the consumers and to be able to sell more by giving them more alternatives on the same space as before. Bolist is a Swedish company within building and hardware that recently started an integration of digital stores within their physical stores. The digital store is a large touch screen that offers full assortment that can be delivered directly to the consumer if any product would be out of stock in the physical store. More or less the same logic is applied by the shoe store Aldo that was visited during the observation trip to London, who offers the consumers the full online assortment by having the staff carrying a tablet where size and inventory levels quickly can be identified and put to basket if the wanted shoes are out of stock in the stores. The purchases and payments regarding both these companies are done in the physical store in order to easily integrate it with other products that are available and purchased in the store. Thereby, the store can offer a larger assortment without increasing the floor space. In addition, the store will not lose consumers to competitors if the wanted product is not currently available on the shelf[32]. One of the interviewed retailers[33] further explained how this type of concept is currently tested in some pilot stores in Sweden. The interviewees agree that the individual physical stores must keep up with technology and digitalisation in order to not lag behind and in order to serve the consumers everywhere. However, one expert[34] believes that stores will not consist of solely digital screens in the future, as this way of shopping will then become similar to purchasing online, including the non-value added step of getting to the marketplace. The motivation for consumers to visit a physical store will hence be the ability to feel and touch the products.

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[27] Patrik Sörnell Head of Asset Management Eurocommercial Properties, interview 6th February 2014.
[28] Gustaf Tunhammar CEO Virtusize, Seminar Butiksleverantörer & E-commerce, 2nd April 2014.
[29] Peter Landqvist, Centre Manager and Project Developer Diligentia, interview 11th March 2014.
[30] Gustaf Tunhammar CEO Virtusize, Seminar Butiksleverantörer & E-commerce, 2nd April 2014.
[31] Magnus Kroon, Retail Development Svensk Handel, interview 4th April 2014.
[32] Mischa Moszkowics Marketing Director Bolist, Seminar Butiksleverantörer & E-commerce, 2nd April 2014.
[33] Rino Corengia CFO Lindex Sweden, interview 29th April 2014.
[34] Magnus Kroon, Retail Development Svensk Handel, interview 4th April 2014.

In the future marketplace, digital communication such as displays and orientation will be utilised to a larger extent based on two reasons. First, it will give several possibilities and reduced costs for communication. Second, the communication will easily target individual consumers through their smart devices and will further be optional and reachable from everywhere, giving the consumer advice on what to buy, digital coupons, closest delivery point, et cetera. Tools such as virtual fitting rooms, scanners and digitalised mirrors are discussed as means to facilitate what best suits the individual consumer. Virtual fitting rooms would mean that the consumer does not need to try the garments in store, and scanners would by recognition of figure and size sense what type of garments that suits the consumer best. The digital tools would in both cases save time and effort for the consumer. However, all of this may not be available in 2025. The development has a tendency to go slower than expected, not because of technology but due to people's need to adapt and become comfortable.

At Europshop 2014, a famous fair in Düsseldorf, many prototypes of digitalised tools and concepts were presented. Examples that were presented included mirrors that quickly determine gender and age instantly followed by suggestions on styles and clothes, including the possibility to share it on social medias. Another prototype in its early stage was the Vectorshop, a virtual marketplace that can be visited from home by a pair of glasses (Warma Farin, 2014). However, some experts believed that retailers might face the digitalisation by running into it too quickly and in the wrong direction. Replacing people with virtual windows may not be the best way to face digitalisation. The marketplace should instead be digitalised in a way that it can meet consumers both online and offline, i.e. giving the consumers digital access to it. One property owner[35] stated that digitalised marketplaces could for example regard 100 physical stores, with further 200 stores online where the consumer could choose in what store to shop and then pick the goods up at the marketplace.

4.2.2.3 REQUIREMENTS FOR RETAIL SPACE

When physical stores become digital, the requirement for space will reduce as a result. In the future, there will not be the same need for space that currently exists at marketplaces even though consumers will have the same access to the entire assortment as before. The trend towards smaller stores is therefore obvious even though some exceptions exist. Today, large stores where all products should be physically available for consumers dominate the commerce. However, one expert[36] stated that all products can be available for the consumers in another way with digitalisation, and consumers might not even expect it to be available at the physical location in the future. Another way of seeing it could be that a larger amount of products can be available on the same area as there will be another need for inventory. This, together with increased rents and tighter exposure, are some of the reasons for the trend towards new store concepts such as showrooms and popup stores. The exception towards smaller stores is thus large retail chains, such as H&M, that instead shows a trend towards even bigger stores than today. As Internet and web shops become available for everyone, building extremely large stores will be H&M's way of differentiating themselves. One property owner[37] expressed that the trend is therefore indicating towards both smaller and bigger areas of commerce, either up to 1000 square meters or under 200 square meters.

Another motivator for smaller stores is the reduced costs for rents that today are extremely high at marketplaces. Integrating a physical store with e.g. a digital store can thereby be a large cost saver for retailers as the full assortment

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[35] Charles Larsson Marketing Director Steen & Ström, interview 7th March 2014.
[36] Johan Hagberg Senior Lecturer University of Gothenburg, interview 7th February 2014.
[37] David Schongin, Centre Manager Diligentia, interview 13th March 2014.

can be offered in the digital store. According to Thomas Axén, CEO at Axstores and Head of Board at Åhlens, the space requirements will reduce heavily during the ten coming years, with e-commerce taking up to half of the current retail spaces. Axén further believes that Åhlens will have maximum half as many stores in ten years as now. They will be bigger and probably located both in city centres and marketplaces, even though Axén believes that the offering may be more appropriate in city centres.

4.2.2.4 OMNI-CHANNELS

As consumers become more digital, retailers need to be present everywhere the consumers go to make sure that the consumers get a positive experience at every touch point (Deloitte, 2011). During several of the performed interviews, omni-channels are mentioned as a must in the future. Omni-channels are the capability to serve and meet consumers at every touch point possible, making the product research and the buying experience seamless for consumers no matter if the buyers are toggling between computers, smartphones, tablets, or visiting the physical store (Klosek, 2012). Seamless commerce is hence widely discussed and the questions are how to take care of the consumer independently of what channels they use (Warma Faring, 2014). The consumers do not care how or where they shop, they want to reach the store when it best suits them whether it is at home, on the road, through a tablet, from the phone or in a physical store. To be successful, the internal territories have to be erased in order to make sure the systems work together with transparency of inventory and storage information (ibid.).

Today, 80 per cent use more than one device when shopping[38] and by 2025, the trend indicates that every person will have at least five connected devices where they will be provided omni-channels touch points, and thereby have the possibilities to order goods and service from anywhere at any time (e-commercefacts, 2013). In the future, e-commerce and physical commerce can not be seen as separated but must be integrated in order to facilitate for the consumers. The consumers will for example be able to shop online but pick up or return the goods in physical stores. Omni-channels and the way of seamlessly integrating different channels into one and by that facilitating for the consumers is therefore important in order to stay competitive. An additional advantage with omni-channels is that the web shop could work as a storefront where the consumers can find the entire assortment online and thereafter visit the physical store and evaluate the goods there. Similarly, consumers can try and feel the goods in the physical store and later on order it online and get it delivered to their home whenever it suits them. This is something that can be referred to as webrooming respectively showrooming[39].

Several of the interviewees have though highlighted the effects that an increased trend towards showrooming will have on marketplaces and the current rental model. In the current model, the amount paid in rental costs every month is partly based on the tenant's turnover, whereby the property owner gets a higher income when the sales of the tenants increase. This may be an incentive for the property owner to further strive towards attracting consumer to the marketplace and to have an embedded offering that speaks to the consumers in order to make them perform their purchases there. If a greater amount of purchases are performed at web shops, i.e. making the physical stores become more like showrooms, the property owner will hence receive less income. During interviews, thoughts regarding this rental model have been expressed as well as whether this model should be revised or not.

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[38] Daniel Eliasson Business Developer Apegroup, Seminar Butiksleverantörer och e-commerse, 2th April 2014.

[39] Stefan Winterlén CEO 3bits & Ola Linde Account Executive 3bits, Seminar Butiksleverantörer och e-commerse, 2th April 2014.

Omni-channels have been widely discussed within the retail industry and it is clear that the most successful companies in the future will be those who can create the same experience and perception in all channels. That is, integrating the advantages with sales in physical stores with the strengths that consumers experience with digital commerce, for example accessibility to endless information. The trend towards omni-channels is however more serious now than ever (e-barometern, 2013), and one expert[40] stated that it is just a matter of time until physical commerce and e-commerce merge into simply "commerce". Omni-channels make a company more visible and are further a concept that works great from a logistical standpoint. It facilitates return handlings and it enables showrooming and thereby more efficient stores. Hence, the future stores or marketplaces will not be either online or offline, but have to be both in order to be successful and accessible for consumers. It is important for retailers to understand that the different channels complement and reinforce each other, since consumers are more likely to distrust brands that are not consistent in their offline and online offerings (Chahal, 2013). Further, one retailer[41] stated that omni-channels will facilitate for retailers when it comes to understand and meet their consumers' behaviour, regardless of whether they buy online or in physical stores.

According to Axén, it is a disadvantage that Åhléns not yet have a web shop. It affects the sales negatively, as consumers obviously want to do research or actually perform the purchases online. Generally, a retailer must be where the consumers are and as the consumers today are digital, Åhléns can see the side effects of not being there. Axén further stated that long term, it is hence beneficial to be where the consumers are, and not to force consumers to a physical marketplace, or to the department store as in this case. However, it is not only a requirement for physical stores to go online and open a web shop, but as important for pure e-commerce companies to understand the possibilities in being available for consumers offline. The latter, to first establish an online store and later on open a physical store becomes more common in this digital era (Johansson, 2014). Bubbleroom, a Swedish company that has been running a web shop since 2005, opened their first physical store in Stockholm in March 2014. According to the CEO of Bubbleroom, Svante Tegnér, the physical store was a way to be accessible in all channels; online, in the smartphone, and now even in physical stores. The objective is to open additional 20 stores in Sweden during the three coming years. Tegnér further states that the physical store will give the consumers an experience that is not possible to offer online (Andersson, 2013). Many of the parameters that Bubbleroom works with online will be highlighted in the physical store in order to represent the concept that Bubbleroom stands for. Mio, which is a Swedish decor store, has increased their visitors with 25 per cent since the web shop was launched (Market, 2014b). The physical stores are thus still the most profitable, where Internet has played a webrooming role for the company and increased the consumer flow to the physical stores.

4.2.3 CONSUMER BEHAVIOUR

In order to create and maintain a successful marketplace with loyal consumers, it is of vital importance to understand and meet consumer behaviour. Consumer behaviour is changing rapidly (Deloitte, 2011) and consumers' approach to purchase decisions is evolving (MacKenzie, Meyer & Noble, 2013). The development of technology enables consumers to be present everywhere with endless shopping opportunities (Jehn, 2013), which influence the way consumers make purchase decisions, since information regarding products and their performance and price is constantly available for comparison (MacKenzie, Meyer & Noble, 2013). The technology also allows for consumers to be more interconnected than ever before where information is spread globally in short time (Jehn, 2013) and consumers are able to communicate with each other through social media which influences the purchase decisions. Investigations regarding

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[40] Per Andersson, Senior Consultant HUI Research, interview 29th January 2014.
[41] Charlotte Nordén CEO Joy Shop, interview 8th April 2014.

consumer preferences and behaviour are currently done by all property owners participating in this study by various forms of market research and surveys in order to create an understanding of the consumers.

There is a shift of power to the consumer in Sweden (pwc, 2012b), a trend expected to continue, which can be derived to the increased accessibility of technology. The Internet offers new ways of buying products and services through various channels as well as different sources of information regarding the retailers' offerings. The presence of consumers in social media also enables the share of positive as well as negative information and experiences regarding products and services amongst them, which also influences the shift of power to the consumer (pwc, 2011). The consumers can do research regarding the offerings in advance but many consumers will also conduct research using their mobile phones while they are in stores (MacKenzie, Meyer & Noble, 2013). As the retailers will strive for presence in various channels, the available information is expected to increase which will influence the consumers' ways of purchasing even more. When consumers stand in stores and use their phones, the consumers let the competitors of a retailer inside a retailer's door and the accessibility to e.g. price comparison sites and products reviews will influence the purchase decision[42]. Another contributing factor to the power shift towards consumers is that they are quicker to adopt technologies than the retailers (Deloitte, 2014) which indicates that it rather will be the retailers who follow the consumers than the other way around.

A purchase decision is based on a mix between rational and emotional reasons, where it can be estimated that 20 per cent is based on the former and 80 per cent on the latter. Some purchases have more of a rational character like commodities such as milk and toilet paper, while other purchases such as non animal-tested cosmetics and ecological bananas have more of an emotional character. One expert[43] extended this view of rational and emotional reasons with passive and active behaviours of the consumers. The expert further states that the rational purchases are more of a passive character, as these purchases are preferable accomplished in a short time. Purchases with a more emotional character are on the other hand done by a more active consumer, who in turn is more receivable to surrounding impressions. A marketplace should therefore strive to satisfy the passive as well as the active consumer.

4.2.3.1 INCREASED DEMAND FOR SERVICES

A great change that is to be expected in consumer behaviour is the preference for services in place of products (Järvenhag, 2013). In response to this trend, several of the interviewees have expressed their thoughts regarding increased servitization in retail. The term servitization describes the transformation of firms when they need to provide services and other supplements to their product offerings (Neely, 2013). According to research, developments of services in addition to sales of products and goods are considered to have the greatest development potential for the future (Svensk Handel, 2012). One of the interviewed experts[44] extended this by the belief that the retail sector will constitute the greatest source of knowledge for consumers by the anticipated extended range of skill development in addition to offered products. The range of products and services grows and becomes increasingly interlinked with each other, where one product can result in many different offerings depending on the addition of services (Burden, Hultberg, Kroon, Röönholm, Thelin & Troell, 2012). The product itself is therefore not unique, but with the addition of services it becomes customised for a specific consumer. Additional services also provide a way for retailers to differentiate and distinguish themselves from competitors.

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[42] Stefan Winterlén CEO 3bits & Ola Linde Account Executive 3bits, Seminar Butiksleverantörer och e-commerse, 2th April 2014.

[43] Ove Krafft Senior Lecturer University of Gothenburg, interview 3th February 2014

[44] Magnus Kroon Retail Development Svensk Handel, interview 4th April 2014

Increased servitization is expected to result in that consumers to a greater extent request education and counselling regarding their current products instead of buying new ones. With extended knowledge regarding the products, the consumers will be able to utilise and benefit from the products to a greater extent, which further result in that the experienced quality will increase. Other examples of a service in place of a product that is expected to be offered in the future is that i.e. the paint shop displays two different prices next to a paint can; one where the consumer buy only the paint can and the other price referring to when the consumer buy the paint "painted on the wall". The strong increase in interest for car pools (Algurén, Forsaeus Nilson, Helgesson, Granberg & Jakobsson, 2013; Olsson, 2012) can also partly be derived to this change in consumer behaviour; people want to have the transport opportunity but do not feel a need to posses an own car.

The fact that consumers do not only buy services as additional to products, but also to a larger extent in place of products influences the market competition between retail and the trade in services. In year 1990, 50 per cent of the households' disposable income was allocated to the retail sector, but the corresponding number today is 32 per cent (Bjerkesjö, 2013). This proves that consumers increasingly choose to spend their money on something else, like travelling or dining out. The greatest competitor to a large electronic chain store is therefore not another major player in the same industry, but travel agencies since consumers choose between going to Thailand and buying new electronics (ibid.).

Other types of services that exist today are free shipping, free returns and home delivery where the consumers' demands on those services are expected to increase, especially in terms of shorter delivery times. The problem out of a retailer's perspective with increased offerings of services of this kind are though whether the consumers are willing to pay for them or not (pwc, 2012b). The international e-commerce company Amazon's preparations of a new delivery system using unmanned aerial vehicles, drones, where the consumers get their packages delivered in 30 minutes or less (Amazon, 2014; Hellekant, 2013), have been highlighted at a couple of the interviews. It has though been questioned whether the consumers are asking for this kind of delivery as well as if the market is ready for it. Several of the interviewees have stated that services they think will be offered at marketplaces in the future is distribution points and home delivery jointly offered by multiple retailers located at the marketplace.

One reason for the increased demand for services is consumers' perceived lack of time. Services as cleaning, laundry and home delivery offer a way for consumers to buy their way out of these tasks instead of doing these themselves, resulting in time that can be spent on something else. The time saving aspect also rationalises the addition of services as a way for retailers to broaden their offerings towards the consumers. If a clothing store not only offer clothes with associated styling, but styling of hair and make up as well, the consumer can get help with all issues at one place meanwhile the retailer can increase its sales. One of the interviewed experts[45] stated that in the future, a consumer will be able to enter a sports shop with the intent to buy new swimwear but exit the store with classes in swimming and a diving trip to the Mediterranean Sea as well. The addition of services to products therefore enables up-selling where each consumer can result in a more profitable sale (pwc, 2012b). By a broadening of the offering, a specific retailer can also account for a larger share of a consumer's consumption (Beck-Friis, 2013). Servitization will also cause a shift of focus, from the retailers' production processes and "output", to the total offering of services and products as "input" (HUR, 2010). This will further widen the scope of what an offer is as well as what skills and expertise that will be required in the future.

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[45] Magnus Kroon, Retail Development Svensk Handel, interview 4th April 2014.

4.2.3.2 CONSUMER LIFESTYLES HARDER TO PREDICT

In order to meet consumer needs, it is of vital importance to understand the consumers' behaviour. One property owner[46] stated that some retailers still believe that consumers shop in certain segments according to their lifestyles, but nowadays consumers have several lifestyles rather than just one. Today, consumers have a positive attitude towards the future where Internet and the development of other mobile communication devices result in consumers living in a constantly communicating and global world. This results in that new possibilities, new brands, channels for communication, knowledge, education and professionals are emerging that all are affecting the consumers of today and in the future (HUR, 2010). Therefore, it is harder to define a certain target group of people, as people no longer stick to a certain brand or lifestyle. This further results in consumers being less loyal to certain product brands, as function and the total experience play a bigger role, which in turn benefit niche players (Bjerkesjö, 2013). According to Svenska Dagbladet (2012), the younger generation browses between different styles, experiment with different identities, and can belong to various subcultures depending on what mood they wake up with in the morning.

A trend is hence that consumers move freely between expensive brands and low price chains. It is not uncommon that the same consumer who buy a luxury bag at Gucci also buy groceries at Lidl, or that the consumer is dressed in shoes from Prada and a shirt from H&M (Burden et al., 2012). This indicates that the future is not either but both. The consumer will require both cheap and luxury, old and new, mass produced and tailored, locally grown and exotic. Luxury is however not only the specific product, but to the same extent also the service and experience the consumer get when consuming. Emporia in Malmo offers the visitors the possibility to shop luxury and environmentally friendly at the same place (Steen & Ström, 2013b). According to the Anders Börgdal, Center Marketing Manager at Emporia, the consumers can buy recycled products at Myrorna or exclusive garments at Armani. Further, the consumers can choose to consume either hotdog or champagne. For Emporia it is important that there is something for everyone no matter economic situation. The stores are hence carefully chosen to contribute and reinforce the brand Emporia as a shopping destination.

The young generation that has grown up with Internet as a natural part, is tolerant and flexible, but also more demanding and critical than earlier generations (Svenska Dagbladet, 2012). Companies that want to sell products and services to this generation have to rethink, as this generation has been raised to be more critical and is thereby harder to fool with a commercial message. This generation will further easily express themselves via social medias and can thereby destroy or embrace a company totally. For a company it will therefore be extremely more important to focus on what to do rather than what to say (Svenska Dagbladet, 2012).

4.2.3.3 ENVIRONMENTAL CONSCIOUSNESS

In a report compiled in year 2010 by the Swedish Retail and Wholesale Development Council, sustainable development was identified as one of the megatrends, which also was expected to increase in relevance over time (HUR, 2010). That prediction can be said to have come true, since several of the interviewees mentioned sustainability, as one of the main trends that they think will influence the retail in 2025. One of the interviewed experts[47] stated that the sustainability concerns are infinite, and highlights that the concept of sustainability is three dimensional with social, ecological and economic concerns, all of which need to be handled within retail. The expert further stated that the focus on sustainability and environmental issues are the great trend within retail in the future.

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[46] Erik Sjöstedt Business Manager Trade Vasakronan, interview 17th February 2014.
[47] Magnus Kroon, Retail Development Svensk Handel, interview 4th April 2014

Consumers' awareness of environmental issues increases, as well as the importance and demand for fair trade certifications, KRAV-labelling as well as locally produced goods (Burden et al., 2012). The retailers' adoption of those demands will hence not be something they can brand themselves with, but are factors that consumers expect them to live up to. If this is not adapted, consumers will not consider the retailer as trustworthy, and that retailer will hence not be an option for the consumers. The environmental awareness of consumers has resulted in increased interest for second hand and vintage, where sites for the second hand market, as Tradera and Blocket, are popular.

The environmental focus has also increased at marketplaces, where many actively work with environmental issues like minimising waste and recycling. There is also a focus on building environmentally friendly and sustainable buildings. The shopping centre Emporia, located in Malmo, opened in October 2012 and is Sweden's first BREEAM environmental certified shopping centre (Steen & Ström, 2013a). Erik Lennhammar, the Development Director at Steen & Ström, owners of Emporia, states that Emporia is built for the future and that Steen & Ström has by their efforts at Emporia taken their environmental focus one step further (ibid.). He further states that the modern consumers are environmentally aware and that the sustainable solutions should be easy to choose at Emporia, whether it is ecological food, charging of electric cars or second hand shopping. Properties in the future will to a lager extent be built with an environmentally approach, and studies show that ecological constructions are economically feasible since the operating costs are lower although initial costs increases by a few percent (HUR, 2010).

4.2.4 URBANISATION

Since the 1980's, jobs within the service sector as well as within the creative and academic sector, such as architects, doctors and engineers have increased and stands today for 75 per cent[48]. Within these sectors, consumption and production occurs simultaneously, which requires that the consumer and the producer have to be located at the same place. In contrast to the early 1900's, when production usually was fixed to a certain location and the consumer had to go there to get their goods, it is now the jobs that follow the consumers. People move, and will continue to do so, to a certain location to get a lifestyle, not due to available jobs. In Sweden, cities with more than 500 000 inhabitants will increase while cities with less than 500 000 inhabitants will shrink[49]. Urbanisation not only means that people are moving to cities from the countryside, it also means that people move from smaller cities to bigger.

In year 2025 there will be about 10 million inhabitants in Sweden, where most of them will be resided in the three largest city regions; Stockholm, Gothenburg, and Malmo (Boverket, 2012). Up to year 2050 the continued migration to larger city areas will result in even denser inner cities, but also in large city areas that will contain several cities with own city centres. If the increase in city population is linear, Gothenburg will have about 700 000 inhabitants in 2035. In Sweden, there are currently an increasing number of people living in commuting localities outside the growing city regions. These localities have a significant role for population growth, and urbanisation will lead to a continuous development in these localities. These localities are further sparsely populated parts and thus quite developable. Young people generally want to live in the large city areas in order to take part of a bigger variety in work, diversity and culture. Among people that work, it starts to get more important with other things in life. Today, the time spent on work is continuously decreasing[50], while the time spent on hobbies and studies are increasing. In addition, people get children later in their lives, which further results in increased time spent on entertainment. When creating a family

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[48] Charlotta Mellander Professor of Economics Jönköping International Business School, Seminar Städers attraktivitet, 24th April 2014.

[49] Björn Siesjö City architect of Gothenburg, interview 24th April 2014.

[50] Charlotta Mellander Professor of Economics Jönköping International Business School, Seminar Städers attraktivitet, 24th April 2014.

there have previously been other values impacting on where to live, normally outside urban areas, but the trend however indicates that families tend to stay in the inner city (ibid.). According to Björklid, Eliasson, Mellander and Ståhle (2014), Stockholm has decided to build 140 000 new residences to year 2030, while the need for residences will be about 300 000. Until year 2035, Gothenburg city will face the urbanisation by plans of building 80 000 new residences. When new commerce will be built in the cities, residences will most likely be built on top.

In order to be successful, a marketplace need to be located where the consumers are or where they easily can get. In the future, there is hence a trend that new establishments of marketplaces will be located much closer to the population in city areas. One property owner[51] stated that the era with new, big and external shopping centres will therefore be surpassed and replaced by marketplaces carefully located close to transportation hubs where various types of transports meet. However, one consultant[52] stated that building larger marketplaces close to or within the inner city will be difficult, as the stakeholders for the marketplace and the cities have such different requirements and objectives. Both stakeholders are thus in agreement that it could be beneficial for both, but no one is willing to give in. The problem is often that the cities want to keep their culture and history intact, which they state can be ruined if a large marketplace will be built without their influence.

One expert[53] expressed that there is further a trend towards a polarisation, where the ten strongest and most popular places will be even more coveted and concentrated. One asset manager[54] as well as one consultant[55] stated that, as large city areas will become denser, multiuse is a concept that could become interesting for the future in order to create more efficient marketplaces. Multiuse is a concept where various sectors such as gym, commerce, offices, and residences share the same building and surrounding areas. This could be a way for the municipalities to denser the cities and to create more pulse and movements. In order to create a more vibrant city, the term "smart growth communities" are used in the U.S., which includes a mixture of residence, restaurants, conveniences and work within walking distances from people's home (Öhrvall, 2014). The trend is according to Öhrvall (2014) clear, people will continue to migrate to larger cities due to closeness and density, and according to one property owner[56], the future marketplace therefore has to be located in a denser and more sustainable city. As external marketplaces often include volume retail with generally heavy goods that can be hard to carry home yourself, these types of goods will probably be purchased online. Thereby the external marketplaces will be greatly affected. The reduced use of cars as a result of denser cities is another reason for the trend towards marketplaces closer to city centres rather than external marketplaces.

4.2.4.1 REDUCTION IN USAGE OF CARS

Throughout the entire western world, the proportion of young drivers decreases. According to a survey done by Federal Highway Administration in Öhrvall (2014), the decrease is dramatically in the U.S., a country that normally has a very high number of young drivers. The survey showed that 83 per cent of all Americans under 24 years old had driving licences 30 years ago. Today it is less than 65 per cent. The same development can be seen in Germany, England, Australia, and in Sweden (ibid.). The younger generation will not have either driving licence or access to a car to the same extent as the older generations have had (Kruth & Antoni, 2013). The younger generation cares more about what social media thinks about their lifestyle (Öhrvall, 2014), and they show a reduced propensity to travel far for shopping

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[51] Charles Larsson Marketing Director Steen & Ström, interview 7th March 2014.

[52] Anders Röstlund CEO Ågren, interview 12th March 2014.

[53] Per Andersson, Senior Consultant HUI Research, interview 29th January 2014

[54] Charlotte Sahlén Johanson Asset Manager Retail Newsec, interview 14th February 2014

[55] Anders Röstlund CEO Ågren, interview 12th March 2014.

[56] Bo Törnkvist Business Manager Trade Vasakronan, interview 11th March 2014.

(Kruth & Antoni, 2013).

According to the Establishment Manager[57] at Västtrafik, the public transport in Gothenburg will be twice as big in 2025. With a trend towards increased public transport there is further a reason for the use of cars to decrease. Another reason for a decreased use of cars is the migration to denser city areas, which in term results in fewer and more expensive parking lots. When the cities get too big and a travel with car takes more than 60 minutes, we will rather look for alternatives closer to our homes (Öhrvall, 2014). The increased commitment and consciousness for environmental issues also play a significant role towards the decreased use of cars. International as well as Swedish research expressly indicates that denser cities decrease the car travels, which in turn reduce the destruction of the environment as well as the climate change (Björklid et al., 2014). The increased commitments for environmental issues have resulted in many exciting projects around the world in order to create the future city. Common to all is a vibrant city centre where everything should be available within 15 minutes walking distance (Öhrvall, 2014).

According to Öhrvall (2014), there are many surveys that indicate that a high use of Internet in a country means a low use of cars. The younger generation, sometimes called digital natives, will rather have access to products and services instead of owning them themselves. They will only see the car as an unnecessary problem that complicates life and something that is outdated and counterproductive within cities (Björklid et al., 2014). In the digital world, freedom is to be able to Google, to Facebook or check Instagram while on the road, not to be stuck behind the steering wheel.

4.2.5 INTERNATIONALISATION

One of the most prominent trends in retail that has influenced its structural change, is internationalisation of retailers, property owners and consumers (HUR, 2010), resulting in retail becoming more global (HUI Research, 2011). This trend has been ongoing for a long time but has now reached unprecedented proportions and is expected to continue (HUR, 2010). The internationalisation of retailers is easily noted by looking at foreign concepts and chain stores that have been established in Sweden. Retailers such as Lidl, Deichmann, Media Markt, Urban Outfitters, and Zara are all examples of concepts that have been established at marketplaces in Sweden in recent years, and the number of foreign retailers establishing in Sweden will most likely continue to increase (HUI Research, 2011). At the same time, already established international companies have further anchored and strengthened their market position (Gustafsson, 2010). Internationalisation is a way for retailers to expand and increase growth (HUR, 2010), and establishment at new markets and countries can in many cases be considered as a more appropriate way to expand than entering new branches. The trend of internationalisation can therefore also be seen among Swedish retailers, as H&M and IKEA, are established globally. Due to the early embracement of new brands, Sweden is often seen as a test market to enter (Rydell, 2013). Many brands have a smooth entrance at the Swedish market since consumers have been in contact with the brands while travelling abroad. Therefore, Sweden can be considered an early adopter-market, but is a small market out of an economic perspective due to the revenue potential affected much by the number of inhabitants.

Internationalisation also exist when it comes to the ownership of commercial properties, where the trend is that the ownership shifts from small to bigger companies as well as from Swedish to international ownership (HUR, 2010). The Swedish real estate market is not necessary the most profitable one, but can in a global comparison be considered as a solid investment. Shopping centres with international owners have to a great extent attracted international retailers to

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[57] Lisa Dickson Dolietis Establishment Manager Västtrafik, interview 27th February 2014.

establish at the Swedish market (HUI Research, 2011). According to two of the property owners[58,59], this has caused that new establishments of innovative concepts not necessary have been established in the city centres first, but at shopping centres. One example of this is Sephora, a chain store within beauty whose first store in Sweden opened at Täby Centrum in October 2012 (Arnell, 2012). One of the experts[60] highlighted another aspect of the international ownership of commercial properties; when a shopping centre is a part of an international portfolio of shopping centres, the investments in expansions and developments of a specific centre must be weighed against alternative centres. Internationalisation of the ownership of marketplaces can therefore both favour as well as disfavour the development depending on where it is most profitable to invest. It has been highlighted at several interviews that the internationalisation of ownership and the owners' ability to attract new concepts is an affect of the ownership of other marketplaces abroad, since multiple establishments of a retailer at various marketplaces can be included in the same negotiation. Hence, the establishment at a less attractive location can be a requirement in order to establish at a more attractive location. Regarding the internationalisation of consumers, it will result in higher demands of getting access to the latest trends within retail, since what is considered to be modern in cities as London and New York, will be the same in Swedish cities too (Bergström, 2010). This is due to the fact that all consumers have access to the same information, regardless of where the consumer lives (Svenska Dagbladet, 2012).

4.2.6 DIFFERENTIATION

Marketplaces generally have a broad target group with an offering aiming to attract and satisfy as many consumers as possible. The majority of the stores located at marketplaces are therefore chain stores, whose share have increased and exceed 70 per cent of the offer (Steen & Ström, 2009), which results in that marketplaces today are undifferentiated. One expert[61] stated that when you visit a shopping centre today, you can not tell which city and barely what country you are in. The expert further stated that consequently, it becomes harder to differentiate the marketplace by current mix of tenants at the centre. A uniform mix of tenants at marketplaces is though not necessarily negative, but it requires that marketplaces develop a clear profile towards other centres to stay competitive (HUI Research, 2011), i.e. to differentiate the marketplace in other aspects.

Many of the interviewees have expressed the difficulty with a too niche offering, since many consumers still ask for and purchase at chain stores, which the expansion of chain stores indicates. Shopping centres with a major part of chain stores have so far been successful (HUI Research, 2011). One of the property owners[62] expressed that it is considered enough that only ten per cent of the stores within a centre is more special, and the remaining 90 per cent can be more basic. The property owner further stated that two different shopping centres can be perceived as completely different concluded that only five to ten per cent distinguish them but that difference can be critical in the consumer's choice of where to go.

The clientele of a marketplace is primarily consumers living or working close nearby. Whether shopping centres being undifferentiated are considered a problem or a threat is therefore dependent on the localisation of the centre and the presence of other centres nearby (HUI Research, 2011). In the bigger cities, Stockholm, Gothenburg and Malmo, it is a potential problem due to that many shopping centres are located close to each other which implies that consumers have the opportunity to screen the centres and reject the unattractive ones. Marketplaces being uniform is hence not a

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[58] Bo Törnkvist Business Manager Trade Vasakronan, interview 11th March 2014.

[59] Erik Sjöstedt Business Manager Trade Vasakronan, interview 17th February 2014.

[60] Per Andersson Senior Consultant HUI Research, interview 29th January 2014

[61] Johan Hagberg Senior Lecturer University of Gothenburg, interview 7th February 2014.

[62] Patrik Sörnell Head of Asset Management Eurocommercial Properties, interview 6th February 2014.

problem in regions with a single or very few centres. An external observer may find all shopping centres being uniform, but if you are consumer in a region with only one centre accessible it will not be perceived as uniform since it is the only one (ibid.). The clientele of a shopping centre is local and shopping centres being undifferentiated will further contribute to this. There will be no incentive for consumers to travel far to another shopping centre when the offer in the closest centre is primarily the same. This means that shopping centres will find it hard to attract long distance consumers.

That offerings at marketplaces are uniform can hence be considered a weakness since it is difficult to distinguish from competitors. The differentiation and competitiveness of marketplaces are therefore created by other factors, as the design, the brand and events. According to one of the experts[63], temporary offerings that are only present at the centres for a limited time, as for example pop-up shops, further enable that consumers select a specific centre to visit. Further, experiences have been said to be offered to conceal the monotony at shopping centres (Steen & Ström, 2009). One consultant[64] emphasised the inadequacy with an ordinary shopping centre as well as the importance of not being "just another centre". On the other hand, the consultant stressed the value of including the local touch and culture of the city where the centre is located. One interviewed retailer[65] expressed that it is not solely the offerings that is uniform at marketplaces, but the design and atmosphere in the common areas and in the passages as well. It can be considered difficult to be too niche in the aesthetic expressions since marketplaces generally have a broad target group.

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[63] Johan Hagberg Senior Lecturer University of Gothenburg, interview 7th February 2014.
[64] Anders Röstlund CEO Ågren, interview 12th March 2014.
[65] Charlotte Nordén CEO Joy Shop, interview 8th April 2014.

5 ANALYSIS

This chapter will present a synthesis of the most prominent trends and how they are expected to influence each other as well as the development of successful and attractive marketplaces in 2025. The synthesis of trends focus on experience filled consumption and urbanisation of consumers and retail. Hereafter, the analysis discuss what impacts the trends as well as a strong brand have on the consumer journeys, and what new roles that marketplaces may possess in the future. Further, the concept of omni-channels as well as marketplace as a consumption place is analysed.

5.1 EXPERIENCE FILLED CONSUMPTION

When the offering at marketplaces gets more undifferentiated, there will be a need for additional attributes that differentiate a specific marketplace in order for it to stay competitive and to attract both consumers and tenants. Additional to the trend towards differentiation, the trend towards an increase in e-commerce can be considered a reason and a contributing factor to the trend and belief in experiences as differentiators and ways to create attractiveness for marketplaces in the future. Another aspect that supports the belief in a development towards a more experienced filled consumption is the fact that experiences are currently present at any time through electronic devices. Young children are today fully capable to manoeuvre a tablet or a smartphone and hence have experiences present whenever they want by just touching the screen. This and future generations will grow up with experiences always present and in order for them to be attracted by marketplaces, the embedded offering will need to be more experienced filled in order to be considered worth its time to go there instead of shopping online.

In the empirical study, experiences were stated as the main driving force for consumers to visit a physical marketplace ahead of web shops. Many of the interviewees expressed their belief in experiences, but the meaning in the word experiences differed significantly between the interviewees. While somebody referred to experiences as events, happenings and entertainment at a marketplace, others referred to experiences as services as supplements to products or education regarding products. The atmosphere at a marketplace, with a different or astonishing design was also referred to as an experience. All these meanings of the word experiences can be applicable when talking about experiences as a way to differentiate and enhance the embedded offering. However, one must be aware of that the perceived quality of experiences is subjective due to consumers' different needs and preferences. Experiences at a marketplaces generally have a greater influences and appreciation on active and emotional consumers than on passive and rational ones.

Today, e-commerce is not considered a threat as it only covers six per cent of all retail in Sweden. The primary reason for consumers to not purchase products online is the absence of the touch and feel process, which means that e-commerce out of a consumer's point of view involves a certain amount of risks. However, if technology would improve and it would be possible to e.g. "try" clothes virtually online, the risks involved with e-commerce would be reduced. This could result in an increase in e-commerce, simultaneously as the amount of returns could be assumed to decrease. The return flow of products is considered the main problem in e-commerce today due to the high costs involved. A decreased flow of returns would therefore motivate further efforts within e-commerce, which in turn would increase the competitiveness towards marketplaces as well. The requirements of marketplaces to offer more experiences are therefore expected to grow, since it is critical that consumers consider it worth it to visit the marketplace as well as for tenants to find it appealing to establish there. One advantage that marketplaces have compared to web shops is hence that the experiences offered by a marketplace have the possibilities to engage more senses, which have an impact on the perception of the brand and the total experience of a marketplace (Conradi, 2012). A marketplace should therefore strive to increase the consumers' bandwidth, i.e. the amount of senses involved in a touch point, as well as the time

spent by consumers in different touch points with the marketplace's brand. Creating an excellent experience online is thereby more difficult as the sense of smelling, feeling and tasting are not possible to elicit.

When the barriers to purchasing online are decreased, it will be of greater importance to offer something additional to the products in order to attract consumers to the physical marketplaces. Out of the stores' perspectives, with the exception of franchisees, it will not to as large extent be of relevance if the purchases are actually performed at the physical marketplace. Instead, the stores can then act as showrooms where the products are shown but the purchase is performed online from home by the consumer. Out of a property owner's perspective, there is a preference for purchases to be performed at the physical marketplace due to the turnover-based rental model. Though, the tenants at a marketplace are not only stores, but restaurants, cafés and other service businesses too. These businesses are dependent on that the marketplace stays attractive to consumers actually visiting the marketplace, since their offerings are not possible to offer online. In service businesses like hairdressers, production and consumption are made simultaneously and it is hence a must that the consumers visit the marketplace.

In the empirical study it was found that there is more or less no differentiation amongst the mix of tenants at marketplaces, partly because of the chain stores' expansion. Internationalisation of stores can provide a way to differentiate the embedded offering by an establishment of new international concepts at a marketplace, but can be considered as a short-term way of differentiation. Hence, the marketplace is only different from others until the concept is further established at other marketplaces. Aaker and McLoughlin (2010) state that when creating a strong brand, only focusing on product attributes and tangible functional benefits might be problematic since there is a risk that competitors copy it or perform better. When this statement is applied to the concept of marketplaces, product attributes and tangible functional benefits correspond to the offering of tenants, which means that a differentiation of additional attributes is preferred as well. It can therefore be argued that the belief in experiences and services as intangible attributes in the offering at a marketplace, as a way to differentiate, is proper. If the embedded offering at a marketplace is more unique and involves design, experiences as well as a more profound and complete concept, it will be harder to copy and thereby more competitive. The marketplace can further expand its consumer base as well as be considered as more attractive to long-distance consumers since it then will be less likely that a marketplace with a similar or completely equivalent embedded offering is located nearby.

Regarding experiences, it has been stated that the strongest experiences compasses all four dimensions; entertainment, educational, escapist, and esthetic (Pine & Gilmore, 2011). The given example of the Jamie Oliver concept, Recipease, can therefore be considered as a strong experience since all four dimensions are offered by the concept. One further example of a concept offering multiple dimensions of an experience is the Electric Cinema and Diner, which was visited during the observation trip to London. A cinema and a restaurant are there located in the same building, with facilities as restroom jointly shared as well as a shared website. The two concepts also promote each other's offerings by for example printing the current movies shown at the cinema on the menus in the restaurant and if you show a valid ticket to the cinema you only have to pay half the price in the restaurant. Similar concepts, with focus on experiences with multiple or preferably all four dimensions included, are expected to be developed and more commonly present at marketplaces in the future. Property owners of commercial properties should therefore strive towards an embedded offering where preferably all four dimensions of an experience are present. Marketplaces can be said to have an advantage against individual tenants when it comes to experience filled consumption since the embedded offering consist of various tenants' merged offerings. A visit at a marketplace can hence offer an experience with all four dimensions included, but were different dimensions can be offered by different tenants or in common areas. One

disadvantage is though the lack of total control of every aspect in the offerings, which the property owner currently is not possible to have.

If a marketplace has succeeded in creating and maintaining a strong brand, the consumers' liking of the brand can further strengthen the shopping experience as well as the visit at a marketplace. The consumers' satisfaction with the experience can therefore be improved based on the brand and its brand associations. Hence, the brand can influence the shopping experience but also the usage and the perceived quality of the product or service. An example of this applied onto the level of marketplaces is the department stores Harrods and Selfridges, which were visited during the observation trip to London, as well as Nordiska Kompaniet in Sweden. In all these examples of marketplaces, the consumer gets the purchased product in a bag with the marketplace's brand printed, instead of in a bag with the brand of the purchased product. In those cases, the consumers can be considered as willing to be associated with the brand of the marketplace and not only with the brand of the purchased product. The brand of the marketplace where the product is purchased will in most cases, except in the consumer's mind, not influence the actual usage of the product, which proves the importance of associations of intangible, emotional and self-expressive character. Further, in the given examples the synergies between different levels of brands are substantial; consumers can be attracted to and willing to buy a product of a specific brand, but the choice of what marketplace to visit can hence be based on the marketplace's brand. The brand of a marketplace can hence influence the consumers' visits at a marketplace and can, if the brand is strong, be considered as an experience in itself. Further, a strong brand of a marketplace can influence the use experience of a purchased product.

5.2 URBANISATION AND MOVEMENT OF RETAIL

With an increased trend towards urbanisation, large cities will become even larger and denser. One of the reasons for this is that people want to live at places where they can find more than just a living. They want to live in cities where they can have a whole lifestyle and where they can live in a vibrant city centre where for example work, commerce, friends, healthcare, pleasure, education and culture can be found within a short distance. As mentioned before, consumers will continue to require more experiences and the movement to denser city centres may hence not be a surprise. Another reason for a movement towards denser cities may be the fact that people are getting more environmentally conscious, and are not as willing to travel longer distances that require a usage of cars. As people will live closer to large city centres, cars will become redundant and an unnecessary evil that in many cases only will complicate the life in a dense city. During the observations that were done during this study, it was clear that cities with developed transport networks have a great advantage when it comes to access of the marketplace. Several of the visited marketplaces were located in direct connection to a subway or a tram station, which made the access to the marketplaces convenient. Therefore, with reduced usage of cars, more effort will be on a location within walking or bicycling distances, or alternatively close to public transportation hubs that will ease the access for consumers. As cars previously have been the contributing factor to external marketplaces' existence and success, the reduced usage of cars will now put requirements on the property owners to facilitate the accessibility for consumers to easily get there with other types of transportation.

There are difficulties in including culture when establishing a new marketplace, but also in bringing a marketplace into cities since they can be said to diminish the culture and history of the cities. The opposite was however seen in Birmingham, where the case of having a marketplace within the city centre was successfully implemented. In fact, an old church built in 1263, located next to the shopping centre Bullring, has got a new and better prominence after the design and creation of the shopping centre. Cabot Circus in Bristol is another example where a marketplace has been

nicely integrated with the inner city without destroying the character of it. Instead, it has improved the flow of people through the city. However, if a marketplace is already established, the property owner must either take responsibility for people to get access to it or having such a differentiated embedded offering that makes it worth travel longer distances. Otherwise, as people move closer to city centres, retail will have to follow as the marketplace's location is one of the most important elements of an attractive marketplace.

As digitalisation provides and facilitates several ways to communicate, for example via Internet, Skype, Facebook and videoconferences, people would logically be able to live and work anywhere and still be able to have a social life with others. However, as this is not what the trend towards urbanisation indicates, the cities will continue to be denser which in turn put requirements on marketplaces within these places, i.e. the marketplaces must be more efficient in order to become physically closer to the consumers. This can be done by better resource utilisation of for example opening hours and space. If a marketplace can offer a better accessibility regarding opening hours, more consumers may find it interesting, provided that the consumers have a need to go there. By including different activities or offerings depending on the time of the day or the season of the year, the time and space can however be better used. A good example is the Jamie Oliver store visited in London, where the store opens early for breakfast and closes late after the cooking lessons and the following dinner are finished. Similar types of concepts, that share the same space for different purposes, have been seen at other places in both London and Sweden as well. Urban Deli and Whole Foods are two popular locations for both dining as well as grocery shopping of fresh, local and eco-friendly products.

With increased digitalisation, physical stores can in turn become smaller and thereby be more efficient as they require less retail space. With digital tools, physical stores can still offer the consumers a full assortment, which in turn means that the physical store does not have to carry large inventories. Consumers can instead enter the store, choose goods both from the physical or digital store, pay, and get it delivered to their homes without having to travel long distances with cars. As stores will require less retail space, marketplaces will in turn be able to exist at denser locations as the need for large marketplace spaces can reduce as a result. With a reduced need for retail space, there is also a high probability that other types of retailers not currently available at marketplaces will be established there in the future. Retailers that normally exist within volume retail, such as garden centres as well as furniture and electronic stores, may with help from digitalisation be able to establish at marketplaces or city centres where consumers will be able to access without cars instead. This will in turn create opportunities for marketplaces as they could benefit from an even wider assortment of tenants that can be offered to consumers. However, if the usage of cars will continue to decrease, retailers and marketplaces must take responsibility for the delivery of bulky and heavy goods to the consumers.

When it comes to denser city centres it will be further important to differentiate from other marketplaces. As specific consumer lifestyles diminish and needs for personal expression increase, consumers ask for uniqueness. They want great selections when it comes to what is offered, but they may only use a part of it themselves. Therefore, it is important for marketplaces to have a wide selection where consumers have the possibility to find uniqueness. In denser and larger cities it is easier to succeed as a niche marketplace than it is in external areas and smaller cities, and thereby it is also easier to differentiate. It is especially important to succeed with differentiation in denser areas, as having the same position and offering as another marketplace will be directly competitive. In order for both consumers and tenants to think about a marketplace in the desired way, positioning involves finding a proper location in their minds (Keller, 2003). If the marketplace can find a unique position that is differentiated from others, involved actors such as property owners, tenants, and consumers will benefit from this. Even the city or the community could benefit from it, as it could improve the perception of it as a destination worth visiting. Positioning is hence about identifying the best location for a marketplace and its brand relative to competitors in the consumers' and tenants' minds in order to be attractive and

in turn maximise potential benefit to the marketplace (Keller, 2003; Chunawalla, 2009). Further, it is important for a marketplace that are not located in a city centre to find a different position than the competitors, in order to attract consumers, even the ones without cars, to get there.

5.3 NEW ROLES FOR MARKETPLACES

In order to develop attractive marketplaces it is important to have and maintain a high consumer flow. The attractiveness of a marketplace can hence be determined based on the consumer flow in its different channels, and it is therefore desirable that as many touch points as possible are located in the channels of the marketplace. In order to analyse how the identified trends influence consumers' purchasing processes, a framework was developed and presented earlier in the report. The fields for the consumer journey is visualised in Figure 13, where all channels that a marketplace is commonly present in today is shown on the vertical axis and the steps in the consumer journey are shown on the horizontal axis. The dots illustrate which of the channels that are currently available in each step of the consumer journey, i.e. available touch points between consumers and products but not necessarily with the marketplace involved. The stars illustrate new touch points, within the channels of a marketplace, which are not currently available. The blue field illustrate the physical channel at a marketplace and the pink fields illustrate new possible channels offered by a marketplace and hence ways to meet the consumers in the future.

CONSUMER JOURNEY

	Awareness	Search and compare	Touch-and-feel-process	Add to basket	Purchase	Delivery/pick-up	Use	Return	Share/review
Mobile web	●	●		●	●				●
Web	●	●		●	●				●
In store	●	●	●	●	●	●		●	
In store (screens)		★		★					★
Loyalty card	★								
Campaigne and Outdoor media	●								
Postal service						●		●	
Delivery point						★		★	

New channel
Physical channel
● Touch point between consumers and products
★ New touch point between consumers and products

Figure 13. Available channels and touch points

From a property owner's point of view it is of high relevance that the touch points actually are located in the physical channels of a marketplace due to various reasons. It may be considered a contradiction to claim that the physical channels are preferred over the others when previously stated that it is of great importance to be present in as many channels as possible. It is though of great importance to highlight that the different channels satisfy different consumer needs, and should by no means be considered as competing but complementary. The communication ladder used by Invinn, which

was described and illustrated in Figure 6 in chapter 2.2.5.2 Communication Strategy, can be helpful in understanding that different channels can be used for different purposes along the consumer journey. Many of the channels additional to the physical are though primarily ways to establish brand awareness, the first step in the communication ladder, where the presence of the brand is strengthened in consumers' minds. The two following steps after awareness in the communication ladder; knowledge and attitude, can also be established in other channels than in the physical one. Therefore, having many channels available for consumers, it is more likely that the consumers will follow the communication ladder all the way up to the last step; behaviour, where the actual visit at a marketplace takes place.

That the actual purchase and visit is performed at the physical marketplace is of relevance since the attractiveness of a marketplace towards the tenants is determined to a high extent on the potential sales at the location. Further, it is desirable that steps in the consumer journey before and after the actual purchase of the product is performed at the physical marketplace since tenants within the service industry and the F&B sector are dependent on a consumer flow at the location. In the physical channel the marketplace further has the possibility to provide an embedded offering that involves more of the consumers' different senses, which enhance the consumers' perceived experience of the purchasing process. That is, marketplaces can benefit from engaging consumers' senses in order to create experiences that are not possible to get in other channels. An important factor in this is though that consumers must spend time in the marketplace in order to associate with the marketplace's offering. In order to increase the consumers' time spent in the marketplace, as well as their willingness to return to the marketplace at other occasions, it is therefore important that the marketplace attracts consumers into their own channels early in the consumer journeys and make them stay there as long as possible. The more steps and time spent on the horizontal axis in a consumer journey, the more loyal and the more fair associations the consumer will get in order to build the image of the brand. To attract consumers to the own channels and making them stay can hence be done by having an embedded offering, including for example a more experience filled consumption, that is differentiated from others.

Even though it is of great importance to direct consumers towards the physical channel, the great challenge for property owners first and foremost lies in directing the consumers towards their marketplace's channels in place of its competitors'. If the marketplace possesses a brand that can be considered as strong, the brand can be seen as a competitive tool that directs the consumers towards the specific marketplace. Further, a marketplace should strive to attract a loyal consumer base resulting in brand loyalty, which implies that consumers continuously return to the brand and the marketplace's different channels, as well as recommend it to others. One example to achieve brand loyalty is by offer a loyalty-building program at the marketplace, illustrated in Figure 13 as a pink field. This program could for instance consist of a consumer club that retain consumers to the marketplace, as well as attract new consumers by the reassurance from the brand loyal consumers. Depending on the property owner's objectives with the loyalty-building program, it can be developed in order to enable further touch points to be located in this channel in the future, e.g. special campaigns, events and education.

With new technology continuously available on the market, new opportunities are given for marketplaces in how they can attract consumers into the channels of a marketplace. One way for property owners to respond to technology developments is to offer websites where all products offered at the marketplaces are shown. Currently as these touch points between consumers and products are available on store level, they are illustrated as dots. By a common website it is though possible to increase awareness of the physical marketplace in the future, and the channels; mobile web as well as web, are therefore marked as pink fields in Figure 13. However, that the marketplace and its property owner should operate a common web shop has not been investigated in this thesis but is a possible field for further research. Another example of how to respond to the development in technology is digital screens in stores, which is illustrated

in Figure 13 as pink fields with stars markings, which could become a new channel where consumers will be able to perform several steps in their journey. This would mean that e.g. consumers are able to transact their purchases at a store within the marketplace even if the desired product may be out of stock. By offering stores that have this type of service, the consumers' total experience of the marketplace visit can remain positive and the possibility for the consumers to return to the marketplace will increase. In addition to consumers' possibilities to transact a purchase of a product that are not available in stores, the consumers must get their goods delivered in some way. Currently, it is possible to pick up and return purchased goods at the individual stores where the products were purchased. However, if the usage of digital tools in physical stores will increase, or if consumers to a greater extent will choose to purchase products online instead of visiting physical stores, marketplaces could benefit from taking the role as a delivery point, where a common collection of all products that have been purchased via either digital screens in stores or at the stores' individual websites can be offered. By taking this role, the marketplace can enable new touch points to consumers, also illustrated in Figure 13 as pink fields with stars. Hence, an offered delivery point where the goods can be commonly picked-up, tried on, and returned at the marketplace can create a consumer flow to the marketplace, even though the purchases are made in other channels than in the marketplace's own. This could also enable additional sales in the stores at the marketplace as well as a flow of potential consumers to restaurants, cafes and service industries located at the marketplace, whom in turn are completely dependent on a consumer flow due to the character of their offerings. Even if a marketplace could somehow meet an increase in the usage of online shopping by e.g. offering a delivery point, home delivery and perhaps a common web shop, the F&B sector is totally dependent on having a consumer flow at the marketplace.

As consumer behaviours change and new ways of purchasing processes emerge, the meeting point where consumers and products meet will in turn vary. In traditional purchases, the consumers meet the products in stores, while the meeting point for e-commerce is moved to the home of the consumers or at a delivery point. Regarding new concepts such as for example showrooming, the consumers will meet a similar product in store, but will not meet their own products until delivered to their homes or at a delivery point. Therefore, the meeting point between consumers and products can not be the most vital part of a shopping experience anymore. It has to be an experience both before and after the meeting point in order to satisfy the consumers in all cases. With omni-channels, it will be possible to create a similar experience and hence a seamless integration where the consumers themselves can choose how to purchase and where to meet the products. The purchase, or the actual point of sale, can thereby not be said to be determined in the encounter between consumers and products. Marketplaces must instead take responsibility for the embedded offering and the overall perceived experience of consumers.

Having a strong brand can in turn become a mean to direct consumers to a specific channel instead of others. Even if a marketplace could benefit from the new role as a delivery point when purchases have been performed in other channels, the objective is to get people to the physical stores. Therefore, if the brand is positively associated in consumers' minds as something worth visiting, potential consumers can be directed from virtual channels to physical ones as a result of that these consumers want to experience something that can not be offered online. Further, the four elements affecting the attractiveness of a marketplace; embedded offering, location, access, and communication have a great impact whether the consumers are willing to visit the marketplace or not. These four elements can therefore be seen as a basis for a strong marketplace, since if the four elements are considered attractive, the entire marketplace will be associated as attractive as well. An attractive marketplace will in turn create good associations in consumers' minds that will result in a strong brand where consumers want to become a part.

5.4 SEAMLESS INTEGRATION WITH OMNI-CHANNELS

Increased digitalisation enables additional channels where the consumer journey can take place, mainly through new devices and different media channels as described in previous sections. An extended amount of available channels has further enabled consumers to move between channels resulting in a cross-channel purchase process. The trend towards omni-channels and its importance were highlighted by several of the interviewees and refers to the capability to serve and meet consumers at every touch point possible in order to provide a seamless buying experience (Klosek, 2012). The concept of omni-channels is considered important since the mobility of consumers among channels increases, mainly due to the development of where to purchase, collect and return products. In traditional purchasing processes, the difference in purchasing between different channels was not that noticeable due to the limited amount of channels. However, when the amount of channels has increased as well as the mobility amongst them, the consumer journey is more cross-channel. The differences in the purchasing process in different channels will be apparent, and one should therefore strive to obtain a seamless buying experience in order to not establish an inconsistent brand image in consumers' minds.

Applying the concept of omni-channels to a marketplace is however more complex due to the three levels; marketplace, stores and products. So far, there is no marketplace in terms of shopping centres, which offers a web shop that is common to all stores established at the marketplace. Therefore the property owner will not be able to provide a completely seamless buying experience between online and offline channels, as the purchases are performed at the second level of the marketplace, i.e. in the stores. Only two of the observed marketplaces offer web shops today, however these are department stores were more or less one actor controls and owns the entire embedded offering including the products, which in turn facilitate the possibilities of seamless integration. The concept of omni-channels will however be of importance for a marketplace as well, where property owners should strive to provide a seamless buying experience in every channel and touch point where the marketplace have the possibility to be present. For instance, all communication regarding the marketplace that the property owner to any extent has the possibility to influence should provide a uniform picture of the offering to make the experience out of a consumer perspective as seamless as possible. With an increased trend towards experiences at marketplaces, property owners must integrate and preferably try to prolong the experience in other channels, such as in mobile channels and on websites, as well. To be able to create a strong brand, the same associations must be given in all channels and in all touch points where a marketplace is prominent. If a marketplace for instance focus on educational experiences and has a certain type of esthetic within the marketplace, the consumers should as far as possible be able to enjoy an educational experience and a similar esthetic perception even through e.g. Facebook or a website.

The importance of omni-channels becomes most apparent when considering a marketplace out of a brand perspective. In the brand development process and particularly in the final step, implementation, it is of great importance to strive towards a uniform view of what the brand stands for in order to create a strong brand. Brand associations are everything that in the consumer's mind is linked to a brand (Aaker, 2010), and represents to some extent how strong a brand is. If the brand associations are diverse and provides a non-uniform view, i.e. the communication online indicates a certain offering, but in the physical store the offering is not valid, the brand can thus be considered as weak. If a marketplace embraces the concept of omni-channels, the focus on providing a seamless buying experiences will further increase the possibilities that the consumer's view of a brand is uniform since the available sources of making associations of the brand are more synchronised and consistent. The four dimensions of a brand; behaviour, atmosphere, offering and communication, can be used as a guideline in the work with omni-channels, where focus should be on perceiving a uniform view of the brand in all dimensions.

5.5 CONSUMPTION PLACE RATHER THAN A MARKETPLACE

With indications that people value their time more carefully, marketplaces must adapt to the changes in consumer behaviours that follow. As time is valuable, the marketplace should consider extending the embedded offering so that consumers will be able to perform more errands at the same place, which in turn would simplify and save time for the consumers. This includes for example pleasures and services that are normally not established at marketplaces, but that still are consumed at other places such as e.g. barber shops, brokerage firms and magazine subscription. Since consumers have a certain amount of the household budget that is available for consumption, it is important for a marketplace to take as big part as possible of this consumption and to make consumers visit the channels of that certain marketplace in order to become successful.

Knowledge as an offering can be seen as a way to increase the experience of shopping and that hence is a valuable thing that more people want to spend their money on. The educations is either a part of the purchase, as additional information about product origin or how to use it for best result, or offered by its own. The Jamie Oliver concept where consumers can buy cooking classes and where they at the same time can meet and spend time with other people. In addition, some of the restaurants also sell cookware and healthy take away food. Thereby, by extending the offering to regard consumption of pleasure, education, products and food, these restaurants can be seen more as a place for consumption rather than just a regular place to eat. These restaurants, offering personal contacts with the staff during cooking classes and the experience of education and pleasure at the same time, will most probably strengthen the consumers' loyalty. Further, the loyalty will increase by capturing as much of the consumers' consumption as possible at the same place instead of letting some of the consumption go to other actors on the market. According to Keller (2003), the strongest confirmation of brand loyalty is when consumers spend time, energy and money in the brand in addition to their purchases, which definitely is something that is happening within the Jamie Oliver concept restaurants.

For a marketplace, it will further be relevant to take a larger part of the consumers' consumption of time. As earlier mentioned, consumers value their time more carefully and with the trend indicating that more time will be spent on value-adding things such as travelling as well as spending time with family and friends, a marketplace can benefit from being a place where the consumers consider that their time is valuable spent. By offering enjoyable meeting points such as restaurants, cafés and other spots where people can hang out and spend time with each other, marketplaces can attract people and make them stay within the marketplace for other reasons than solely commerce. As F&B is the sector that has the largest potential of increasing the share of consumers' total consumption, new and cool concepts regarding this sector are thereby something that will be reflected in the future marketplaces. Observations in London further shown that the selection of restaurants within marketplaces are wider and several of the restaurants are fine dining, while in Sweden most of the restaurants at marketplaces consist of fast food chains that more or less only attract consumers that are at the marketplace for other purposes.

There will probably be more of this type of holistic concepts when it comes to consumption, and marketplaces therefore need to respond to this, both regarding the supply of space to retailers, but also regarding the holistic concept of consumption on a marketplace level as well including a wider mix of tenants responding to consumers' consumption needs. As mentioned before, it will be possible to purchase products and services not obviously related to that certain tenant, such as in the example where a diving trip being offered by a sport shop selling swimsuits. When a bigger part of the consumption is done at one and the same place, consumers will further be more loyal to the marketplace, as the consumers will continue to consume with more comfort in that the brand of a marketplace will meet their expectations based on credibility that has been established from past consumption experiences (Kim, Morris & Swait, 2008). A future marketplace may therefore be seen more as a consumption place, where the consumption can be said to begin

when consumers start their research regarding a marketplace and continue to when the consumers bring their purchased products home and start the actual use of it.

6 CONCLUDING DISCUSSION

In the future, consumers will most likely not find today's marketplaces attractive. By an identification and synthesis of the most prominent trends expected to influence the future of commerce, it can be concluded that marketplaces need to be redefined and developed in such a way that they attract future generations of consumers and respond to changes in demand. Since the retail industry is constantly changing, it is important to consider what aspects and factors that most likely will have an impact on its development. The most prominent trends that are expected to have an impact on marketplaces in the future regard experiences, digitalisation, consumer behaviour, urbanisation, internationalisation, and differentiation. A synthesis of these trends shows that the focus of marketplaces in the future should be on offering more experienced filled consumption that to a greater extent is located close and well connected to the location of the consumers. The trends also show that there will be opportunities for marketplaces to take on new roles and become a place for consumption rather than solely commerce. Elements affecting the attractiveness of a marketplace, which the property owner to varying degrees can influence and change, have been identified and consist of the embedded offering, the access, the location and the communication. The embedded offering can be considered the core element in why consumers visit a marketplace, and where the location as well as the access to the marketplace enable their visits. The communication mediates information regarding the marketplace and its offering, and can hence raise awareness of its existence as well as influence the attractiveness of the marketplace in the tenant's and the consumer's mind if performed in a consistent way. All these elements influence the consumers' and the tenants' associations of the marketplace which means that the elements are crucial in the creation and maintenance of a successful marketplace and a strong brand.

Hence, it is of vital importance to respond to future trends in order to ensure that consumers continue to find the marketplace attractive and up to date. From a property owner perspective it is desirable if as many touch points as possible along the consumer journey are performed in the channels of the marketplace. The presence of a marketplace in virtual channels will also be of importance since it creates awareness and associations with the marketplace, even though the objective is to get consumers to visit the physical channel for various reasons. Though, as consumer behaviour changes and new ways of purchase processes emerge, the meeting point between consumers and products will vary, resulting in that the actual meeting of consumers and products no longer is the only vital part of a shopping experience.

Hence, there are several challenges that will have implications for property owners in their operations and ownerships of commercial properties. In the development of marketplaces as attractive locations for commerce, the property owners therefore need to face and respond to identified implications. A holistic picture of the concluding discussion is illustrated in Figure 14, where identified challenges, key suggestions for meeting them, as well as the implications for property owners are visualised.
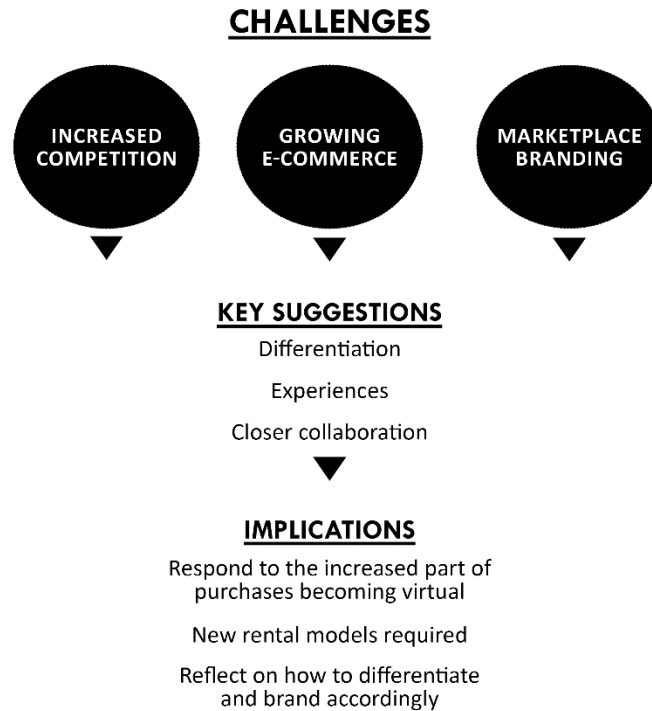
CHALLENGES

INCREASED COMPETITION   GROWING E-COMMERCE   MARKETPLACE BRANDING

KEY SUGGESTIONS
Differentiation

Experiences

Closer collaboration

IMPLICATIONS
Respond to the increased part of
purchases becoming virtual

New rental models required

Reflect on how to differentiate
and brand accordingly

Figure 14. Overview of concluding discussion

CHALLENGES IN THE DEVELOPMENT OF FUTURE MARKETPLACES

In order to develop successful marketplaces in 2025, property owners must face and be aware of some challenges that will affect the future of marketplaces. These challenges were identified throughout the study and became prominent in the analysis where a synthesis of the trends was done. One of the biggest challenges for a property owner will be to face the increased competition expected to occur in the future. This challenge includes motivating people to get to the marketplace, even if there is convenience with e-commerce and even though there are other marketplaces that are located closer or nearby. In order to be competitive, the property owner must hence differentiate the marketplace from others. The hard part with differentiation is though to take a position in the consumers' and tenants' mind that is not already occupied by another actor, as well as to continuously developing the taken position. The differentiation hence has to be done with other means than just tangible attributes. By including intangible attributes that speak to the consumers' different senses and which further create additional value to traditional commerce, a marketplace will be hard to imitate and will thereby be able to keep the taken position in consumers' and tenants' minds. The trends towards urbanisation, which means that several marketplaces will be located at a denser area, as well as the trend towards an increased e-commerce and internationalisation further puts requirements on Swedish marketplaces to keep up with the latest trends and the requirements from consumers in order to be competitive. An effect of internationalisation and the increasing amount of competitors at a domestic market is hence that the native must become more innovative at their market. Hence, the competition does not only regard Sweden but the entire world, which implies that the embedded offering has to stand out and differ from other actors' offerings. However, the requirements for standing out differ depending on the size of the city as well as on the other actors operating nearby.

With the inevitable trend towards e-commerce, property owners will have to face the challenges that arise due to e-commerce's increase. E-commerce is currently not profitable due to the enormous costs for returns, but with new

concepts and tools that are under development regarding fitting of clothes, these costs will diminish and hence result in opportunities for e-commerce to become profitable. The challenges that arise will therefore affect the interaction between physical and virtual marketplaces and must be faced due to the fact that e-commerce can not be neglected. Further, property owners must meet the challenges that the interaction will imply on e.g. the physical marketplace's design and the new roles that a marketplaces can come to possess. Therefore, property owners must in one or another way respond to the challenges of finding innovative combinations of exploiting the interaction between physical and virtual marketplaces.

Another challenge for property owners is to create and maintain a strong brand even though the branding of marketplaces is a complex phenomenon due to the inevitable dependence on underlying levels of stores and their products. The stores and other tenants currently have a greater focus on their own brand management, and without evidence that it would be beneficial for everyone to cooperate during the marketplace's brand, the focus and the effort will remain on the own brands. Further, as marketplaces currently aim to serve a broad target group the mix of tenants are selected accordingly to this, which contributes to that the tenants' brands in turn are very different and thereby hard to combine. As this is the case for the majority of marketplaces, it is therefore further important to create a brand that takes consideration to the width of underlying brands but that in turn can offer an additional value that is unique for that certain marketplace. However, a challenge for the future will be to find out whether a broad target group will remain the most suitable target group for all marketplaces, or if the indications from identified trends will show new types of target groups.

SUGGESTIONS FOR PROPERTY OWNERS TO MEET THE CHALLENGES
To be competitive in the future, property owners have to respond to the challenge of differentiating a marketplace. The attractiveness of a marketplace is determined by the performance in each of the four elements, and in order to respond to the challenges the property owners need to adjust and respond to the requirements within each element. As there is an increased trend towards urbanisation, this will result in denser cities where marketplaces are expected to be located closer to consumers. A reduced usage of cars further result in that consumers will have less incentives to travel long distances for consumption, and will have greater demands for access with alternative means of transport as well as that marketplaces are located close to public transportation hubs. Therefore, the competitiveness among marketplaces in cities, having a similar offering and the same target group, are expected to increase since more establishments of commerce will be located within short distances. Since the location and the access to marketplaces in denser cities to a large extent will be the same, the embedded offering, including a corresponding communication, is the element that will be possible to differentiate.

A differentiation based on tangible attributes is in many cases short term, and marketplaces should therefore preferably be differentiated by intangible aspects as experiences and brand equity. If a marketplace responds to more niche target groups, it will hence be easier to create a unique and a more differentiated brand where underlying levels may find a stronger solidarity with the overall brand of the marketplace. How a marketplace will differentiate from others is thus hard to predict, as future target groups are difficult to define. However, with trends indicating urbanisation and denser cities, the need for differentiation towards a certain target group will increase. Hence, this does not mean that current marketplaces with a broader target group are bound to diminish, but the current amount of them will not be sustainable in the future. Today's marketplaces, with various chain concepts and more or less the same embedded offering, may become one type of future differentiation, targeted to e.g. families who want to accomplish the entire family's need in one place. Further, as consumers become more environmentally conscious, a differentiation may be directed towards a more sustainable marketplace with an embedded offering consisting of niche restaurants and tenants that offer for

example only organic and fair-trade food and products, and where the consumers can access without usage of cars. Regarding the indications of time restrictions and that people will spend their time on more value adding things, a marketplace could be differentiated as an efficient marketplace where e.g. the rational consumers can do their purchases quickly. Consequently, a property owner can find several ways to differentiate a marketplace from others depending on what target group it wishes to satisfy. However, the task of analysing future trends in order to find future target groups will hence belong to the property owner.

Regardless of what differentiation the property owner chooses to develop in relation to others, experiences are hence the most powerful way to differentiate a marketplace from other actors as well as from the increase in e-commerce. Further, the fact that younger generations grow up in a digital world where they expect more effort in order to be impressed and thereby convinced to visit a physical marketplace instead of a virtual can support the belief in experiences as part of the embedded offering. Compared to e-commerce, marketplaces thus have the opportunity to affect more senses and for a longer period of time, which in turn increase the possibility that consumers associate the marketplace with something good and unique.

It can be concluded that a consumer's purchasing process is not started when entering the marketplace, but much earlier, as when the consumer becomes aware of the marketplace. Thereby, property owners should focus on offering an as experienced filled marketplace as possible, ranging from the very beginning of a consumer journey to the end of it. Property owners must hence understand that consumption is not only performed within the walls of a marketplace, but starts before and continues after the purchase or visit as well. With the extended view of where the consumption is performed, primarily enabled by virtual channels, it will be of importance to offer experiences in channels additional to the physical one as well. An example is by offering a virtual tour at the marketplace at the website prior to the visit, alternatively by giving rating opportunities after the visit. Taking a greater responsibility for the consumer's action both prior and after the marketplace visit will further add value to the overall experience for the consumer.

In order to develop successful marketplaces in 2025, property owners must understand the complexity of marketplaces as well as the underlying levels of actors and their respective interests. In order to create a differentiated embedded offering it will therefore be of vital importance to convince involved actors that the activities within a marketplace should be seen as mutually beneficial, where both property owners and tenants have the same end consumer and the same goal of becoming profitable. A closer cooperation between the property owner and the tenants, as well as a mutual consideration of each others objectives, would also enable that all involved actors get more benefits form the synergies that are created at a marketplace, and a greater understanding for how a strong brand for the marketplace is created together. However, in order to convince the tenants to become a bigger part in the marketplace as a whole, it will require that the tenants have confidence in the property owner and the activities that are performed in order to strengthen the marketplace and its position. Further, the property owner must listen to the tenants, as these more often have a better understanding of rapid changes in consumer behaviours. Changes in consumer behaviours can in turn influence the tenants' business models and hence the requirements on the property owner regarding for example retail space.

A marketplace that is perceived as attractive in consumers' minds will most likely also be considered as having an attractive and strong brand. In order to create a strong brand, the property owner should strive towards a brand that is perceived uniform in all channels as well as in all interfaces with consumers, resulting in a seamless experience of the brand in consumers' minds. Due to the complexity of brands that lies in it being individual and consisting of tangible as well as intangible attributes, property owners should operate and develop their brands as more than a physical product

but include all associations in consumers' mind when in contact with the brand. It is though important to highlight that brand development is an on-going process since a marketplace's surroundings are constantly changing, which means that the brand needs to be continuously developed in consistence with the marketplace.

A collaboration where all involved actors contribute to a pleasant and attractive marketplace, especially when it comes to creating an overall experience for the consumers, can result in advantages for all of them. As stated by Falonius (2010), companies where the brand permeates the whole organisation show a profitability margin almost twice as big as companies that are more sceptical towards branding. If all involved actors understand this, the requirements that property owners' put on each tenant regarding their contribution to the marketplace branding have the potential to change. Further collaboration between the different levels could imply that a stronger brand of the marketplace can be developed, though with greater adjustments on the tenants as a precondition. Adjustments regarding campaigns, a common consumer club for the entire marketplace as well as gift cards are examples, but it is up to the property owner to be creative and make the tenants find it tempting to participate in further collaboration. Hence, the possibilities for property owners to develop incentives regarding further collaboration between the levels should be investigated. These incentives could possibly be adapted for collaboration among the tenants, such as in the example of the Electric Cinema and Diner, where further utilisation of the synergies can enhance the shopping experience for consumers, which the property owner therefore should encourage. If property owners succeed in finding innovative combinations of physical and virtual marketplaces, it will most likely be essential with a new and revised rental model as well. When the tenants' turnovers at their establishment at the marketplaces decreases, as a result from a greater amount of purchases performed in additional channels, there will be a need for the property owner to adapt a new rental model that is not based on the turnover made in the stores. Further, when new store concepts are developed it might be appropriate with different rental models tailored for each tenant based on their business model.

IMPLICATIONS FOR PROPERTY OWNERS
In conclusion, the challenges that were identified during this study hence create implications for a property owner regarding the development of successful and attractive marketplaces in 2025. First, the property owner must find a way to respond to the increased virtual part of a purchase that as a result from e-commerce's growth must be seamlessly integrated with the physical part of a purchase. This should however not be seen as a threat, but as something complementary for all involved actors. Second, the business models as well as rental models have to be considered and updated due to the fact that an increased amount of purchases will be done in other channels than in the physical. Third, based on what target group the marketplace wishes to attract in the future, the property owner must reflect on how the marketplace should be differentiated and hence in turn branded.

Even though the future is uncertain and thereby impossible to correctly predict, the synthesising of the most prominent trends will enable property owners as well as other involved actors to get an insight in the logic of a possible marketplace development for 2025. For that reason, it is very important to be proactive regarding future scenarios, even if they are not completely predictable. With an understanding of trends and how they may influence the future, it is thereby easier to grasp how things are influenced by each other, and what actors and motivators that may affect the future of marketplaces. Further, a synthesising of future trends enables actors to realise what role they are currently playing and how they may have to change in order to keep up with the development and the future scenarios. Therefore, the synthesising of trends in this thesis should be seen as potential reference points for the future rather than as forecasts.

Finally, in order for a property owner to develop successful marketplaces in 2025, adapting to trends does not have to

be the only right thing to do. There are several ways to influence and set own trends, one only has to be creative and have the courage to try!

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APPENDICES

Appendix I - Performed interviews

In this appendix, the performed interviews are stated.

Company	Name	Position	Date	Interview mode
HUI Research	Sofia Angel	Senior Consultant and Project Manager	14-01-29	Personal
HUI Research	Per Andersson	Senior Consultant	14-01-29	Personal
University of Gothenburg, School of Business Economics and Law	Martin Öberg	Lecturer	14-01-30	Personal
University of Gothenburg, School of Business Economics and Law	Ove Krafft	Lecturer	14-02-03	Personal
Eurocommercial	Patrik Sörnell	Head of Asset Manager	14-02-06	Personal
University of Gothenburg, School of Business Economics and Law	Johan Hagberg	Lecturer	14-02-07	Personal
Svensk Handel (Swedish Trade Federation)	Lisa Burden	Retail Development	14-02-11	Personal
Newsec	Charlotte Sahlén Johanson	Asset Manager	14-02-14	Personal
Vasakronan	Erik Sjöstedt	Business Manager Trade	14-02-17	Personal
Rstudio	John R. Johanson	Architect and CEO	14-02-25	Personal
Västtrafik AB	Lisa Dickson Dolietis	Establishment Manager	14-02-27	Personal
Skanska AB	Andreas Lundberg	Business Developer	14-02-28	Personal
Invinn AB	Karin Sjöström Andersson	Brand Strategist	14-03-03	Personal
reteam	Kathrine Heiberg	CEO	14-03-03	Telephone

Henderson	Fredrik Wallman	Leasing and Development Manager	14-03-04	Personal
Steen & Ström	Charles Larsson	Marketing Director	14-03-07	Personal
Vasakronan	Bo Törnkvist	Business Manager Trade	14-03-11	Personal
Diligentia AB	Peter Landqvist	Centre Manager	14-03-11	Personal
Ågren Konsult	Anders Röstlund	CEO	14-03-12	Personal
Diligentia AB	David Schongin	Centre Manager	14-03-13	Personal
Högsta Affärsutveckling	Stig Högsta	Chairman and Consultant	14-03-24	Personal
Siba	Urban Solander	Retail Manager	14-03-28	Personal
Lexter	Margareta Andersson	CEO and Sound Architect	14-04-01	Personal
Lexter	Malin Isberg	Account Manager	14-04-01	Personal
Axstores AB	Thomas Axén	CEO	14-04-01	Personal
Espresso House	Gabriella Johansson	Contractor & Corporate Lawyer	14-04-01	Personal
Svensk Handel	Magnus Kroon	Retail Development	14-04-04	Personal
Joy Shop	Charlotte Nordén	CEO	14-04-08	Personal
Göteborg stad	Björn Siesjö	City architect Gothenburg City	14-04-24	Personal
Lindex Sverige AB	Rino Corengia	CFO	14-04-29	Personal
Bally	Maja Schildt	Buying Administration Assistant	14-05-04	Personal

Appendix II - Interview templates

The interview templates presented in this appendix have been the basis to performed interviews during the study. Depending on the interviewee and what position it had, different questions have been posed.

Interview templates - Property owners

What do you think about the future marketplace; what will it look like and what trends do you think will have a great influence?

What are the driving forces for consumers to visit physical marketplaces?

What do you think are the main threats as well as opportunities for shopping centers and malls in the future?

How do owners of commercial properties create attraction with consumers, retailers and other tenants?

How do you think the cooperation between the property owner and the tenants needs to be developed in order to create and maintain an attractive brand and marketplace?

How do you as a property owner appeal consumers, retailers and other tenants?

How do you work with the relationship between a strong brand and profitability? (By brand, we rather mean vision and concept than the logo)

How is the selection of tenants influenced by the brand of the marketplace? I.e. how do you select which tenant to establish at the marketplace?

What do you think about multi-use and multi-purpose (i.e. offices, service sectors, housing and commerce in the same building) when it comes to future marketplaces?

What is your thought regarding the concept and the brand of the marketplace? How do you secure that the marketplace is constantly attractive?

Interview template - Retailers

What do you think about the future marketplace; what will it look like and what trends do you think will have a great influence?

What do you think are the main threats as well as opportunities for physical commerce in the future?

What will be the greatest difference in consumer behaviour in year 2025 compared to today?

How do you think the offer toward consumers will change?

What factors are important to consider regarding new-establishment at a marketplace?

What do you expect of a property owner when establishing at a marketplace?

How does the cooperation between tenant and property owner look like today? Do you think this cooperation will or needs to be changed?

What are the advantages and disadvantages with being located at a marketplace compared to a city centre?

Interview template - Experts

What do you think about the future marketplace; what will it look like and what trends do you think will have a great influence?

What are the driving forces for consumers to visit physical marketplaces in year 2025?

What do you think are the main threats as well as opportunities for shopping centers and malls in the future?

How does the cooperation between tenant and property owner look like today? Do you think this cooperation will or needs to be changed?

How does the brand influence the profitability of a marketplace?

How important is the brand when it comes to the attractiveness of marketplaces?

How will the perceptions of brands change in retail til year 2025?

How do you integrate the brand of a marketplace in all professions in order to achieve the best result?

How do you create or maintain a strong brand when new store concepts are introduced (e.g. showrooms, pop-up stores)?

Appendix III - Observations

Birmingham	Bullring
Bristol	Cabot circus
Copenhagen	Field's, Fisketorvet, Torvehallerne
Gothenburg	Allum, Arkaden, Frölunda Torg, Kompassen, Nordstan, 421, Nordiska Kompaniet
Helsingborg	Väla
London	Boxpark, Harrods, Selfridges, Westfield Shepherd's Bush, Westfield Stratford, One new change
Lund	NovaLund
Löddeköpinge	Center Syd
Malmö	Caroli, Emporia, Entré, Triangeln
Stockholm	Bruno, Gallerian, Kista Galleria, MooD Stockholm, Nordiska Kompaniet, PK-huset, PUB, Sturegallerian

Appendix IV - Observation schedule

Accessibility:
- Location
- Mix of tenants
- Food courts/restaurants/cafés
- Toilets
- Parking opportunities
- Opening hours
- Costumer service
- Additional services

Interior:
- Signs/displays
- Interior design
- Graphic communication
- Decorations
- Sound level
- Colours
- Lighting
- Music

Exterior:
- Architecture
- Outdoors lighting
- Displays
- Windows
- Entrances

Appendix V - Marketplaces' presence in different channels

	Web	Facebook	Twitter	Instagram	E-Magazine	Youtube	News-letter	App	Web-shop	Pinterest	Blog
Allum	X	X		X	X	X					
Arkaden	X	X		X	X		X				
Bruno	X										
Boxpark	X	X	X	X			X				X
Bullring	X	X	X	X	X		X				
Cabot Circus	X	X	X				X				
Caroli	X	X	X	X			X				
Center Syd	X	X					X				
Emporia	X	X									
Entré	X	X									
Field′s	X	X		X			X				
Fisketorvet	X	X		X		X	X	X			
Frölunda Torg	X	X		X							
Gallerian	X	X		X							
Harrods	X	X	X	X		X	X		X	X	
Kista galleria	X	X	X	X							
Kompassen	X	X	X								X
MooD Stockholm	X	X		X			X				
NK Göteborg	X	X		X		X	X			X	
NK Stockholm	X	X		X		X	X			X	
Novalund	X	X		X		X	X	X		X	
One new change	X	X	X				X				
PK-huset	X	X		X							X
Selfridges	X	X	X	X		X	X			X	
Sture-gallerian	X	X	X	X							
Torvehallerne	X	X					X				
Triangeln	X	X		X	X						
Väla	X	X	X	X	X	X	X				
Westfield London	X	X	X	X			X	X			
Westfield Stratford	X	X	X	X			X	X			
421	X	X									