Destination Outlet
EXPERIENCE: THE NEW CURRENCY OF DESIGNER OUTLETS
McArthurGlen
GROUP

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Foreword

THE : FUTURE : LABORATORY

At The Future Laboratory, we track the cultural and behavioural forces shaping the future of consumer engagement. Through our own independent research, we have been mapping the deeper shifts prompting people to fundamentally re-assess their relationship with shopping and consumer culture.

Today's consumers are more intentional than ever about where they spend their time and money. An abundance of choice and digital convenience means that the places that win loyalty are those that make the visit feel genuinely worthwhile. Designer outlets, as this report makes clear, are doing exactly that – and more.

This report was commissioned to understand designer outlet consumers, their motivations, emotional drivers and explore why demand for designer outlet retail is on the rise. The findings that follow are both validating and encouraging. Validating, because they confirm what forward-looking operators have long suspected: that price alone has never been the full story; encouraging, because the scale of the shift in consumer perception is greater than projections might have anticipated.

The research reveals a channel that has evolved into something genuinely distinctive in today's retail landscape. Designer outlets are increasingly chosen with intention, visited as destinations in their own right, and returned to again and again. They are places where shopping and social life converge naturally, where discovery is part of the pleasure, and where the value on offer extends well beyond the price.

Why? Because consumers often find more than they came for.

Equally striking is what drives the highest-value behaviour. The consumers who get most from an outlet visit – those who stay longest, discover most and come back often – are those for whom the experience itself is the draw. Comfort, atmosphere, service, the pleasure of unhurried exploration, are not just nice to have. In other words:

EXPERIENCE IS NOT THE BACKDROP TO THE TRANSACTION, IT'S THE DRIVER.

That understanding points clearly to where the future opportunity lies.

The forces converging on the outlet model are significant: a shift towards more social, intentional shopping; a deeper expectation of physical environments that deliver real value; and technology that is making personalisation a baseline rather than a premium. Each of these forces, explored in our future outlooks throughout the report, plays to the inherent strengths of the outlet format.

By 2030, shopping will have become more relational – something more consciously chosen over the passive scroll, as consumers seek out the genuine human connection and sense of serendipity that screens can't replicate. The store will be understood as a place that tends to emotional needs as much as commercial ones, where environment, atmosphere and experience are designed to make people feel something. The physical and digital will come together to spotlight the right brand and the right offer at the right moment.

The research and the future outlooks in this report are best read together as a snapshot of a channel coming into its own and a map of the territory it is moving into. The present grounds the opportunity. The future sharpens the aspiration.

THE EVIDENCE IS CLEAR: THE NEXT PHASE OF OUTLET GROWTH WILL BE ABOUT FAR MORE THAN DISCOUNTS. DESTINATIONS WILL NEED TO CONFIDENTLY PUT EXPERIENCE, EMOTION AND INNOVATION FIRST – AND BE BOLD ENOUGH TO KEEP RAISING THE BAR.

Executive Summary

Experience: The Engine of Designer Outlet Growth

RETAIL HAS ENTERED AN ERA WHERE THE MOST VALUABLE DESTINATIONS ARE NOT DEFINED BY WHAT THEY SELL, BUT BY HOW PEOPLE FEEL WHEN THEY ARE THERE.

The experience economy has moved from theory to commercial reality, with designer outlets uniquely positioned to lead this shift.

Against a backdrop of sustained cost-of-living pressure, there is a clear opportunity for physical destinations that combine value with experience, efficiency with enjoyment, and shopping with social connection. Designer outlets are more relevant than ever in this landscape. Not because they offer great discounts (though value still matters), but because they offer a destination experience that combines premium fashion with food, social time and tourism.

METHODOLOGY

In 2026, McArthurGlen commissioned a new study among over 5,000 European consumers to understand how a focus on experience is reshaping the designer outlet channel, as the company plots its path forward and continues to expand its offer

The results of the study point to a clear strategic imperative for brand partners, landlords and investors. Designer outlets are already operating as powerful engagement platforms where experience acts as a catalyst for sustained spend, brand growth and long-term investor value. The next phase of growth will not be won by deepening discounts, but by creating destinations that foster connection, strengthen emotional engagement and give customers compelling reasons to return again and again.

FOOTNOTES ON PAGE 8

The Anatomy of a High-Value Customer

The future of outlet growth will not be driven by occasional bargain hunters, but by a cohort of highly engaged customers who treat these destinations as integral to their shopping lives. These customers fall into three core segments: **Outlet Devotees**, **Experience Seekers** and **High Spenders**.

The Outlet Devotees

Outlet Devotees are high-frequency, fashion lovers who are extremely loyal to Designer Outlets as their preferred shopping destination, highlighting that future growth will be built cumulatively.

OUTLETS ARE A PRIMARY CHANNEL FOR OUTLET DEVOTEES

Designer outlets sit at the heart of Outlet Devotees' shopping routines, positioning them as a core environment for purchasing premium fashion.

TOP 3 PLACES OUTLET DEVOTEES SHOP

1. Designer outlet shopping centres
   51%
2. Department store selling multiple designers
   35%
3. Brand websites
   27%

MAKE 2.4 MORE OUTLET VISITS A YEAR THAN A TYPICAL SHOPPER
+173% vs average

The Experience Seekers

Experience Seekers love to make a day of it and will always stay around 4 hours.[1] This group is driven by comfort, satisfaction, social intent and a broader experience beyond purchase

DESIGNER OUTLETS ARE SOCIAL, QUALITY-LED DESTINATIONS FOR EXPERIENCE SEEKERS

They rarely visit alone - 61% come with partners, 27% with children, and 24% with friends - suggesting that outlets serve as shared social destinations rather than solo retail trips.

PREMIUM BRAND DISCOVERY AND QUALITY DINING ARE CENTRAL TO THE APPEAL:

- 79% value the ability to combine shopping with eating and time together
- 80% say cafés and restaurants are essential to a positive outlet experience

REPORT A DWELL TIME OF 3H 47M
+97% vs average

The High Spenders

These shoppers are higher-income and often tourists, but their higher spend reflects the value they place on the overall experience - driven by emotional investment, comfort and enjoyment of the outlet environment rather than price alone.

What unites High Spenders is immersion, not price sensitivity. They see outlets as destinations to treat themselves, not simply places to transact.

HIGH SPENDERS CHAMPION THE FULL DESIGNER OUTLET EXPERIENCE

- 75% of High Spenders consider designer outlets attractive tourist destinations
- 61% shop at outlets specifically for designer brands

SPEND 3X MORE THAN A TYPICAL SHOPPER

1 Mean

Chapter one at a glance

DESIGNER OUTLETS ARE THE NO.1 PLACE CONSUMERS SHOP PREMIUM FASHION

This is largely due to the fact they are no longer competing solely as retail formats. The results of our research confirm that they are increasingly viewed as experience-led destinations, and that this perception is the key to unlocking commercial success.

THE MAJORITY OF CONSUMERS AGREE:

“ Visiting designer outlets gives me better overall value for the whole shopping experience compared with other places ”

“ I appreciate designer outlets as a leisure day out more than I used to ”

“ I am more inclined to combine a designer outlet visit with social or leisure activities ”

DESIGNER OUTLETS ARE POWERFUL CUSTOMER ACQUISITION PLATFORMS

“ **I HAVE PURCHASED AN ITEM FROM A NEW BRAND AT A DESIGNER OUTLET** ”

63% Agree[1]

“ **I THEN WENT ON TO PURCHASE MORE FULL PRICE ITEMS FROM THAT BRAND** ”

53% Agree[1]

VALUE GOES VOGUE

Consumers increasingly see discounted luxury as aspirational rather than a compromise, reflecting a shift toward more confident, value-conscious shopping. Designer outlets now appeal by combining premium brands with the satisfaction of finding smart deals.

FOOTNOTES ON PAGE 8

Chapter two at a glance

OUTLETS ARE VALUED FOR MORE THAN JUST PRICE

“Designer outlets are appealing places to visit as part of a day trip or holiday ”

61% Agree[1]

“Visiting designer outlets allows me to combine shopping with food and spending time with friends and family”

72% Agree[1]

“Designer outlets have evolved into a full experience ”

59% Agree[1]

1 ‘Strongly agree’ and ‘Somewhat agree’ responses combined.

Chapter three at a glance

WHAT’S NEXT FOR THE OUTLET MODEL

Consumers are signalling demand for a broader offer beyond discounted retail. 54% agree they can see themselves visiting designer outlets more often in future as they evolve to offer more than just discounted shopping. This points to future growth driven by broader, more integrated destination experiences.

FROM DISCOUNTS TO BROADER RELEVANCE

The way forward for brand partners, landlords and investors is clear. The next phase of outlet growth will be defined not by deeper discounting, but by expanding relevance - integrating services, dining, technology and sustainability to extend dwell time, deepen engagement and give people more reasons to visit and revisit.

FOOTNOTES ON PAGE 8

Chapter One

WHAT MATTERS MOST TO THE HIGH VALUE CUSTOMER?

From Discount to Destination

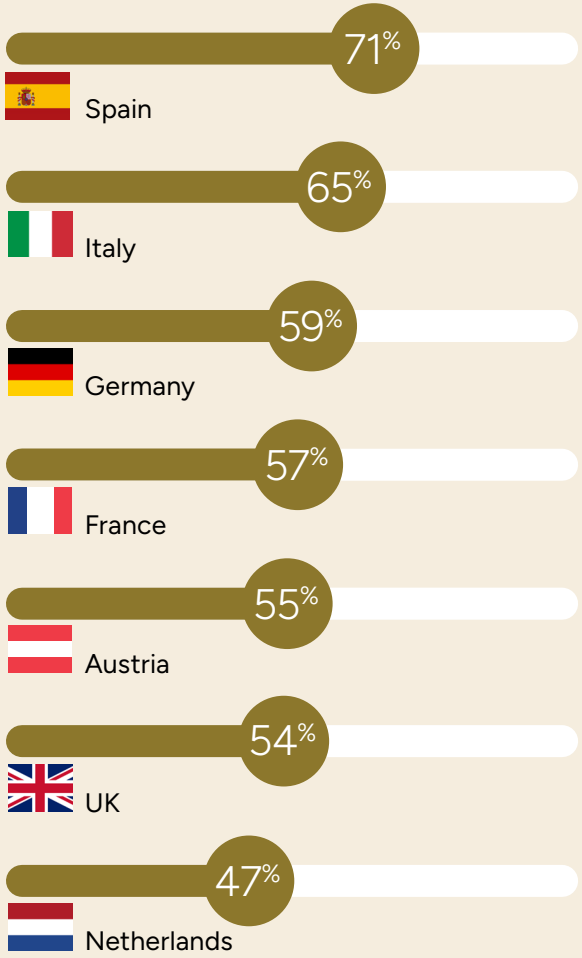
Designer outlets have long been defined by their value-led positioning and their role within brands' inventory management strategies. This has made them a resilient secondary channel within the broader retail mix, especially during periods of economic pressure.

HISTORICALLY, OUTLET SHOPPING HAS BEEN DRIVEN MORE BY FINANCIAL NECESSITY THAN GENUINE PREFERENCE, BUT THIS DYNAMIC IS SHIFTING.

While price remains relevant, designer outlets are increasingly being chosen as preferred shopping destinations for reasons that extend beyond affordability. Experience bridges the gap between necessity and choice. Price may drive visits, but experience drives loyalty, spend, tourism and, ultimately, long-term growth. It is the customers who respond most strongly to this experience-led proposition that will determine the future of the designer outlet channel.

SPANISH AND ITALIAN CONSUMERS ARE THE BIGGEST FANS OF DESIGNER OUTLETS

% of respondents who agree[1] designer outlets are their preferred place to shop for premium fashion



THE CUSTOMERS OF THE FUTURE ARE MOST LIKELY TO FAVOUR DESIGNER OUTLETS WHEN THEY SHOP PREMIUM FASHION

64%

of Gen Z and Millennials agree[1] designer outlets are their preferred place to shop premium fashion

VS

55%

of older generations (Gen X, Baby Boomers and the Silent Generation)

DESIGNER OUTLETS ARE THE NO.1 PLACE CONSUMERS SHOP PREMIUM FASHION

37% Designer outlets

26% Department stores

19% Brand websites

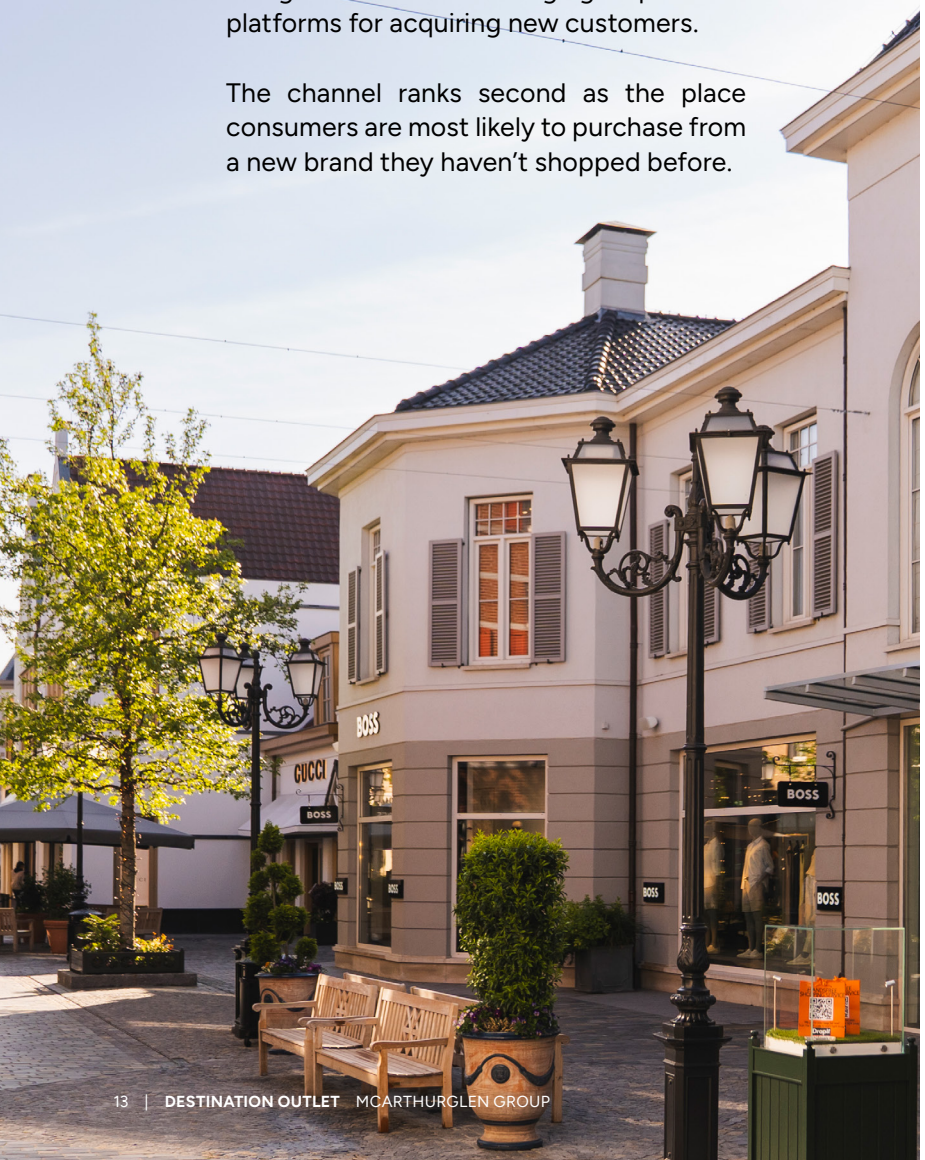
FOOTNOTES ON PAGE 18

1.1

Gateways to Discovery

Designer outlets are emerging as powerful platforms for acquiring new customers.

The channel ranks second as the place consumers are most likely to purchase from a new brand they haven't shopped before.



FROM DISCOUNTED DISCOVERY TO FULL-PRICE PURCHASING

When customers purchase from a brand for the first time at a designer outlet, many go on to purchase items from that brand at full-price.

53% are more likely[2] to **purchase from a brand for the first time at a designer outlet** compared with shopping online.

63% of consumers say they've **purchased an item from a brand they had not shopped with before** at a designer outlet.

53% went on to **purchase more full-price items** from that brand.

This progression is significant. It demonstrates that the outlet environment can introduce new customers to premium brands in a setting that lowers barriers to trial, builds confidence and encourages exploration. For brands, the outlet visit is not an isolated transaction. It is often the first step in a broader purchasing relationship.

Designer outlets function as an acquisition engine, creating new brand connection that extend beyond the outlet and into full-price channels, driving brand affinity.

WHERE ARE CONSUMERS PURCHASING FROM NEW BRANDS?

1. Department stores that carry multiple designer labels
2. **DESIGNER OUTLET SHOPPING DESTINATIONS**
3. Stand-alone designer stores in major city centres
4. Second-hand vintage stores
5. Brand websites
6. E-commerce websites
7. Designer resale websites

FOOTNOTES ON PAGE 18

Gen Z & Millennial Consumers Lead Brand Discovery

Younger consumers are redefining the role of designer outlets as spaces to encounter brands for the first time.

Almost three quarters (73%) of Gen Z and just over two thirds (67%) of Millennial consumers surveyed say they have purchased an item from a brand they had not shopped with before at a designer outlet, compared with 53% of Baby Boomers. More importantly, this discovery frequently extends beyond the outlet visit.

NEW BRANDS ARE A MAGNET FOR HIGH-VALUE CUSTOMERS

For High Spenders, designer outlet shopping destinations are the number one place to purchase from new brands. High Spenders' behaviour reflects their preference for exploration. Furthermore, when asked what would have improved their last designer outlet shopping experience, High Spenders were most likely to say a wider selection of designer brands (28%), highlighting that brand mix is a key driver of discovery, engagement and long-term value creation.

EXPERIENCE AS THE GROWTH ENGINE

Perceptions of designer outlet shopping have fundamentally shifted from a purely value-led, transactional channel to an experience-driven, emotionally engaging destination.

ENJOYMENT, DISCOVERY, AND NEWNESS ARE ALL LINKED TO HIGHER SPEND.

This underlines the importance of leveraging experience, emotional connection and brand freshness as the new identity of designer outlets and the key levers for unlocking long-term growth.

CONSUMERS WHO WENT ON TO PURCHASE FULL-PRICE ITEMS FROM A BRAND THEY DISCOVERED AT A DESIGNER OUTLET

71%
Gen Z

59%
Millennials

51%
Gen X

32%
Baby Boomers

1.2

The Rise of Aspirational Value

The meaning of value has evolved. What was once seen as concession is now perceived as savvy, aspirational and emotionally rewarding.

Over the past five years, consumers have become more deliberate, more value-conscious and more comfortable expressing pride in finding premium items at a discount. Nearly two thirds (63%) say finding great discounts has become more aspirational, a striking cultural shift that reflects a more confident, unapologetic approach to saving.

"I'm more focused on finding discounts and rarely buy items at full price"

64% Agree[1]

"Finding great discounts has become more aspirational, which makes designer outlet shopping more appealing"

63% Agree[1]

"I feel savvier when shopping at designer outlets than when I pay full price elsewhere"

61% Agree[1]

FOOTNOTES ON PAGE 18

The New Value Mindset

THE HIGHEST SPENDERS ARE NOT DRIVEN BY AFFORDABILITY.

They are consciously choosing to shop discounted premium items on their own terms and enjoying themselves in the process.

This marks a defining shift. The stigma once attached to discount shopping has faded, replaced by a more confident, experience-led mindset. Even more affluent consumers are choosing designer outlets not simply for price, but for the atmosphere, immersion and sense of occasion they offer.

“Visiting designer outlets gives me better overall value for the whole shopping experience compared with other places”

56% Agree[1]

“I appreciate designer outlets as a leisure day out more than I used to”

54% Agree[1]

“I am more inclined to combine a designer outlet visit with social or leisure activities[3]”

53% Agree[1]

64% AGREE[1] DESIGNER OUTLETS FEEL LIKE MORE THAN JUST A SHOPPING DESTINATION

	HIGH SPENDERS WHO AGREE[1]	ALL RESPONDENTS WHO AGREE[1]
Finding great discounts has become more aspirational, which makes designer outlet shopping more appealing	78%	63%
Designer outlet shopping centres are my preferred place to shop for premium fashion	77%	59%
I appreciate designer outlets as a leisure day out more than I used to	70%	54%

FOOTNOTES ON PAGE 18

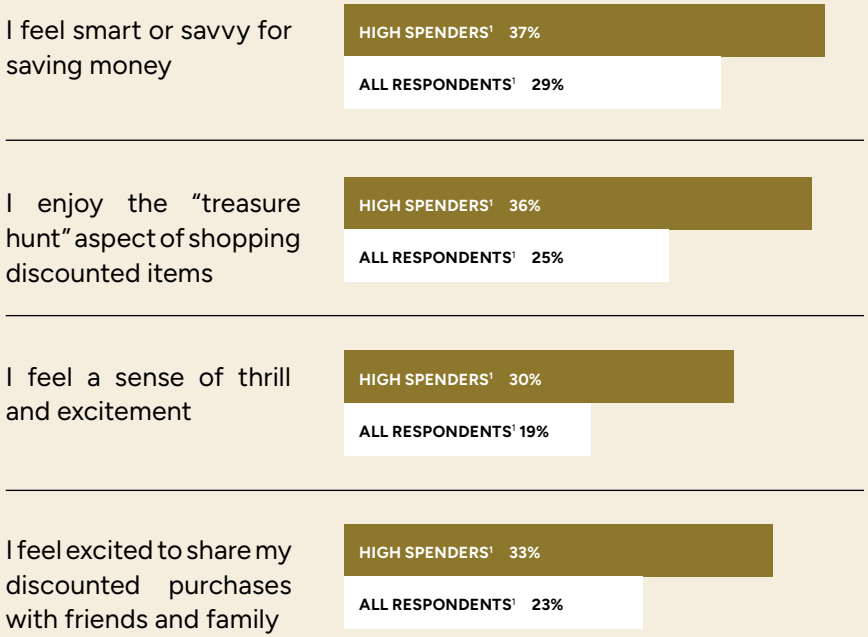
1.3

The Feel-Good Factor

The emotional dimension of outlet shopping is central to its appeal as a retail destination.

In a cultural moment shaped by trends such as "Girl Math" and "Frugal Chic" – where savvy spending is reframed as smart, stylish and socially shareable – securing a great deal has become a source of pride. The outlet shopping experience taps directly into this mindset, especially where high-value customers are concerned.

HOW DO YOU FEEL WHEN PURCHASING DISCOUNTED DESIGNER ITEMS?



Meanwhile, when asked what they most associate with designer outlet shopping, almost 3 in 10 (29%) High Spenders said a fun, leisure-focused day out with family and friends, making this one of the top responses.

FOR HIGH SPENDERS, OUTLET SHOPPING IS NOT JUST TRANSACTIONAL. IT IS EMOTIONAL, SOCIAL AND STATUS-ENHANCING.

FOOTNOTES ON PAGE 18

Chapter one takeaways

EXPERIENCE, NOT PRICE, NOW DETERMINES OUTLET LOYALTY AND GROWTH.

While value remains important, it is the quality of the wider shopping experience that drives repeat visitation, longer dwell time and higher spend.

GROWTH IS DRIVEN BY HIGHLY ENGAGED CUSTOMERS, NOT OCCASIONAL BARGAIN HUNTERS

Future growth for brands and investors will be led by Outlet Devotees, Experience Seekers and High Spenders: customers who treat outlets as a destination for more than just shopping.

OUTLETS ARE POWERFUL BRAND DISCOVERY AND ACQUISITION PLATFORMS

With many first-time outlet buyers converting to full-price customers down the line, designer outlets present a strategic entry point to the luxury and premium brand ecosystem, introducing consumers to new brands in a low-risk, enjoyable environment.

1 'Strongly agree' and 'Somewhat agree' responses combined.
2 'Much more likely' and 'Somewhat more likely' responses combined.

The Store as a Centre of Social Connection

THE : FUTURE : LABORATORY

The late 2020s will witness the rise of more intentional shopping behaviours. Consumers will choose to consciously turn away from negative digital habits and replace these with enriching activities, driving the rise of new retail formats, tech tools and services to help them achieve this. Distrust and dissatisfaction with the virtual world will re-ignite people's desire for all that is physical, and outlet retail will capitalise on this shift. Already, 29% of High Spenders in our survey of consumers in the UK, France, Germany, Italy, Spain, The Netherlands and Austria by Censuswide consider outlet retail as a fun, leisure-focused day out with family and friends. By 2030, the need for a more Relational Retail will drive this number up and outlet retail will be reframed as a destination for social connection, not only between shoppers but with the sales staff too.

OUTLET RETAIL IS SHIFTING FROM A PLACE TO SHOP TO A PLACE TO SPEND TIME.

By 2030, AI agents will conduct a good deal of routine purchases, leaving humans to revel in the new-found pleasures of a more relational kind of shopping driven by creativity, exploration and social interaction. The agentic commerce market is predicted to make up 15–25% of overall e-commerce by 2030, according to Bain & Co, which defines agentic commerce as purchases that are initiated, influenced or completed by third-party AI agents rather than humans. Outsourcing more routine shopping decisions to AI assistants leaves more mental energy and enthusiasm for the remaining 75–85% of purchases that people really care about.

AS AI HANDLES ROUTINE PURCHASES, STORES WILL BECOME SPACES FOR DISCOVERY AND ENJOYMENT.

These purchases are increasingly being done in-store rather than online, with the potential for bricks-and-mortar stores to become lively hubs for the community or fan base, not only places to shift stock. Percival Menswear, for example, is aligning itself with the community around record shop culture and the rise of the audio bar. Its recent partnership with

Monkey Shoulder transformed its Soho store into a listening bar too in order to increase dwell time and create a space where like-minded people can find each other. As Percival founder and creative director Chris Gove explains in The Spirits Business: 'We've always believed that a great store should feel like somewhere you actually want to be,' detailing that this latest addition to the store is 'rooted in the things we love: good music, good whisky, and great clothes'.

THE FUTURE OF RETAIL IS MEASURED IN DWELL TIME, NOT JUST TRANSACTIONS.

By 2030, governments around the world will have banned social media for the under-16s, led by European countries – primarily, Spain, France, Denmark and the UK. This will set in motion a global awareness around the negative impact of too much screen time and a renewed zeal for in-person, offline activities. According to PwC, 82% of US shoppers want more human interaction when they shop. Despite the convenience of e-commerce, 72% of retail sales in the US will be happening in physical stores by 2028, according to Forrester. A look at changing attitudes and pain points among teenagers is a good indicator of how things will change in the future. Already, 63% of US teens say they use their phones too much and 47% are using apps or tools to manage their phone use, according to a Boston Children's Digital Wellness Lab report. By 2030, the elite who can afford to disconnect will have migrated to devices that limit access. This is an extension of the trend towards dumb phones seen today, such as the Light Phone III, which promises no internet access and minimal apps. People will start to associate time spent physically interacting with their favourite brands and stores as the ultimate luxury, and a visit to outlet retail will benefit from this, positioning the channel as a status signifier. There is an opportunity for brands to create mementos or souvenirs to enable communication of this lifestyle choice, perhaps specific merchandise or partnerships that are destination-specific.

As the internet becomes increasingly polluted with AI-generated content, 'AI slop', deepfakes and fraudulent products and services, people will be hungry for activities that exercise the mind, feel genuine and cannot be faked. Miu Miu's literary club is an early example of how fashion retailers are well placed to capitalise on this need, acting as a third space to create community around ideas and culture in addition to fashion and commerce. Through its summer reads programme, Miu Miu distributes thousands of copies of the books it features in its club, reaching keen readers and Miu Miu fans old and new via pop-ups around the world.

Offline retail will be in the spotlight as the appetite for endless scrolling online wanes and consumers grow hungry for real-world experiences and interactions. This offers a huge opportunity for outlet retail to position itself as the destination to come together and connect, a place to focus on relationships away from day-to-day distractions.

The future of retail isn't transactional - it's relational.

Chapter Two

HOW DOES EXPERIENCE IMPACT SPEND, TOURISM AND LIKELIHOOD TO RETURN?

The Destination Advantage

Having established that designer outlets are increasingly chosen for the overall experience they offer, we now explore how this preference translates into a measurable commercial advantage.

Destination design influences dwell time, satisfaction, brand discovery and spend. It also extends beyond the local catchment. The same experience elements that encourage consumers to stay longer and spend more locally are the ones that position outlets within regional tourism ecosystems.

In this model, retail performance and tourism appeal are not separate strategies. They are mutually reinforcing outcomes of experience-led design.

This chapter examines the mechanics of designing for experience-led destinations to unlock sustained commercial growth.

2.1 Time is the new luxury

As consumers become more time-poor, physical destinations must compete not only for spend, but for attention and presence.

Designer outlets that succeed are those that make visits feel purposeful, enjoyable and socially meaningful, transforming shopping into time well spent.

Outlet Visits Now Go Beyond a Shopping Trip

The perception of designer outlets as a day out reflects a wider transformation in how consumers engage with brands in physical space. Consumers are willing to spend time in environments that offer atmosphere, comfort and social connection, rather than simply speed and efficiency.

Creating these experiences is a shared responsibility. When brands actively support the wider destination experience, consumers respond – staying longer, spending more and engaging beyond individual store visits.

High-quality store design and visual merchandising elevate the environment, while welcoming and consistent customer service builds confidence and ease. At the same time, carefully curated assortments encourage exploration and discovery, reinforcing the sense that the visit is about more than purchasing alone.

“ Visiting a designer outlet feels more like a day out than just shopping ”

62% Agree[1]

“ Visiting designer outlets allow me to combine shopping with food, leisure and spending time with friends and family ”

72% Agree[1]

“ Designer outlets have evolved into a full leisure experience ”

59% Agree[1]

FOOTNOTES ON PAGE 29

What "Destination Value" is Made of

The research clearly defines what destination value looks like. Customer service, weather protection, restaurants and cafés, rest areas and seating and accessibility rank among the most important[2] contributors to a positive outlet experience.

These factors are not hygiene. They are commercial drivers. In fact, the data shows that something as basic as weather protection in these predominantly outdoor settings is linked with higher spending.

Designer outlets are valued as a complete package. These are destinations where shopping, dining, and social time come together in a single, integrated experience. For many consumers, and High Spenders in particular, engagement extends well beyond individual store transactions. They are more likely to dine, socialise and make full use of the wider amenities, reinforcing that time well spent across the entire destination – not just within stores – is a key driver of growth.

The findings build a compelling case for continued investment in the full outlet experience. These elements are not peripheral enhancements; they are commercial multipliers that directly contribute to increased spend and more valuable, repeat visits.

WHAT'S IMPORTANT[2] FOR A POSITIVE DESIGNER OUTLET EXPERIENCE?

75% Customer service

74% Weather protection

67% Accessibility

64% Outdoor spaces

71% Restaurants and cafés

71% Rest areas and seating

54% Family friendly facilities

41% Dog-friendly facilities

85% OF HIGH SPENDERS SAY WEATHER PROTECTION IS IMPORTANT[2] FOR A POSITIVE EXPERIENCE

70% OF HIGH SPENDERS FREQUENTLY[3] EAT IN RESTAURANTS OR CAFÉS

FOOTNOTES ON PAGE 29

2.2

Outlets as a Tourist Destination

Crucially, destination value is not confined to local catchments. The fundamentals that drive longer stays and higher spend are the same factors that position designer outlets within the tourism ecosystem. When experience is executed at scale, outlets become places people actively seek out when travelling.

Designer outlets are viewed as destinations with tourism appeal. 61% agree[1] designer outlets are appealing places to visit as part of a day trip or holiday. 63% agree[1] they would recommend a designer outlet to friends or family visiting the area. 55% agree[1] that visiting a designer outlet feels like a tourist attraction rather than just a shopping trip.

Travel intent further underlines this role. Over half (52%) say they would be likely[4] to visit a designer outlet when travelling to a different city or region, which rises to almost three quarters of High Spenders.

Market differences are notable. Italian consumers are most likely to agree[1] that visiting a designer outlet feels like a tourist attraction rather than just shopping, while French consumers are least likely (62% vs 49%). At the same time, consumers in Spain (58%) and Italy (57%) are particularly likely to say they would visit a designer outlet when travelling to a different city or region.

% OF CONSUMERS WHO SAY THEY WOULD BE LIKELY[4] TO VISIT A DESIGNER OUTLET WHEN TRAVELLING TO A DIFFERENT CITY OR REGION

58% Spain
57% Italy
54% UK
53% France
48% Austria
47% Germany
45% Netherlands

This pattern reflects a broader trend. Italian and Spanish consumers are generally more engaged with outlet shopping overall, and therefore it plays a more natural role in their travel planning. In markets where outlet affinity is higher, outlets are more readily integrated into tourism behaviour; not as an afterthought, but as a planned stop.

The implication is significant. As outlets strengthen their experiential and destination credentials, they move beyond local retail infrastructure, creating opportunities to attract out-of-area visitors and deepen their role in regional economic activity.

FOOTNOTES ON PAGE 29

2.3

The Return on Experience

Experience generates measurable returns. Overall, outlet performance is strong, but there is clear headroom for improvement. While many consumers report being satisfied[3] with various aspects of their last visit to a designer outlet, relatively few describe themselves as very satisfied in all areas, including food and drink options and outdoor spaces. This matters because satisfaction behaves as a commercial lever. Consumers who report being satisfied across key experience elements consistently spend more than those who are unsatisfied.

Satisfaction drives spend

Across all experience metrics, satisfied customers spend 54% more on average, with spend being 61% higher when customers are satisfied with the brand mix.

	AVERAGE SPEND UPLIFT WHEN SATISFIED[5] VS. UNSATISFIED[6]
OVERALL SHOPPING EXPERIENCE	+100%
AFFORDABILITY	+80%
CHOICE OF BRANDS AND ITEMS	+61%
CUSTOMER SERVICE	+52%
OUTDOOR SPACES	+52%
ACCESSIBILITY	+47%
FACILITIES (E.G. TOILETS)	+47%
FOOD AND DRINK OPTIONS	+43%
DOG FRIENDLY FACILITIES	+43%
QUEUE TIMES & CROWD LEVELS	+36%
PARKING	+36%

The commercial gap between satisfied and unsatisfied visitors shows that getting the basics right is essential to building experiences that drive higher-value visits.

For brands in particular, customer service and the choice of items on offer stand out as direct drivers of spend. These should not be viewed as peripheral considerations for the outlet channel as they materially influence commercial performance.

FOOTNOTES ON PAGE 29

2.4

A Great Day Out for the Whole Family

Families are one of the clearest proof points that creating experience-led destinations are key to unlocking growth.

PARENTS AND GUARDIANS WITH YOUNG CHILDREN ENGAGE DEEPLY WITH THE OUTLET EXPERIENCE, AND SPEND MORE WHEN THEY DO.

> “Visiting designer outlets allows me to combine shopping with food, leisure and spending time with friends and family”
>
> **76% Agree**[1]

> “Designer outlets are a great day out for the whole family”
>
> **66% Agree**[1]

> “Visiting designer outlets gives me better overall value for the whole shopping experience compared to other places”
>
> **64% Agree**[1]

FOOTNOTES ON PAGE 29

Families are Outlet Champions

Families are some of the most vocal advocates for designer outlets as a tourist destination.

Two thirds (66%) agree[1] designer outlets are appealing places to visit as part of a day trip or holiday, almost 7 in 10 (69%) would recommend an outlet to friends or family visiting the area, and over 3 in 5 (62%) agree[1] outlets feel like a tourist attraction rather than just shopping. Meanwhile, almost two thirds (65%) say they are likely[4] to visit a designer outlet when travelling to a different city or region, versus over 2 in 5 (44%) of non-parents.

DESIGNING WITH FAMILIES IN MIND DRIVES VALUE

Family engagement is deeply linked to experience quality. Parents and guardians with young children who are also High Spenders consistently report stronger satisfaction with the overall environment, particularly outdoor spaces and food and drink. In other words, when outlets feel welcoming, comfortable and enjoyable for all generations, commercial performance strengthens.

CONSUMERS WHO ARE LIKELY[4] TO VISIT A DESIGNER OUTLET WHEN TRAVELLING TO A DIFFERENT CITY OR REGION

65%
Parents and guardians with children under 18

44%
Non-parents

80%
Of high-spending families are satisfied[5] with outdoor spaces

78%
Of high-spending families are satisfied[5] with food and drink options

1 'Strongly agree' and 'Somewhat agree' responses combined.
2 'Very important' and 'Somewhat important' responses combined.
3 'Always' and 'Often' responses combined.
4 'Very likely' and 'Somewhat likely' responses combined.
5 'Very satisfied' and 'Somewhat satisfied' responses combined.
6 'Very unsatisfied' and 'Somewhat unsatisfied' responses combined.
7 Mean

Chapter two takeaways

DESIGNING FOR EXPERIENCE IS A STRONGER GROWTH LEVER THAN FOOTFALL ALONE

Destinations that encourage longer stays provide meaningful places to spend time, not only transact. Optimising comfort, food, service and atmosphere will consistently result in higher satisfaction and spend.

HIGH SATISFACTION DRIVES COMMERCIAL PERFORMANCE

Satisfaction creates a clear commercial gap between high-and low-value visits. Getting fundamentals like customer service, food and drink, weather protection, and accessibility right increases spend, brand discovery and recommendation scores.

EXPERIENCE-LED OUTLETS BECOME KEY TOURISM DESTINATIONS

When experience is executed well, outlets become intentional travel destinations, attracting out-of-area visitors and strengthening their economic role beyond retail.

A New Understanding of Retail Therapy

THE : FUTURE : LABORATORY

The volatility and uncertainty that has framed the 2020s has forced society to develop new behaviours and strategies to cope. Wellness and stress reduction activities that might once have seemed like a luxury will be seen as vital for mental health and societal wellbeing and, crucially, integral to successful product and service offerings. Some 40% of Gen Z say they feel stressed and anxious all or most of the time, according to Deloitte, which is not the optimum state for recreational shopping. Store design will increasingly adapt, however, to prioritise the consumer's emotional state, turning physical retail into a mood-enhancing experience.

Economists have long documented the impact of 'animal spirits' on consumer behaviour – the less tangible emotional influences that determine economic buoyancy such as consumer confidence. When people feel optimistic and safe they are not only more willing to spend money, but also more imaginative, playful, curious and willing to explore. Expectations have shifted and retail spaces have responded, harnessing the new field of neuroaesthetics and spatial design to create environments that soothe the psyche, delight the senses and place the emotional journey front and centre. Recent research from the ITA Group revealed the link between emotional connection with a brand and brand loyalty, finding that, emotional connection can drive up to eight times more visits and sales from customers.

Forward-looking fashion brands are already positioning themselves for this future. Gap, for example, has appointed its first ever chief entertainment officer, Pam Kaufman, who was previously at Paramount. As Kaufman explains: 'As brands increasingly operate across film, music, live experiences and digital platforms, there is a growing need for someone to oversee how these cultural outputs connect over time.' By 2030, this expanded remit for retailers will see a shift in leasing strategy too as shopping locations make space for experiences not just physical products. UGG's recent activation, the Solar Human Charging Station, for example, provided a space for people to take a step back from the noise, recline on a sun lounger and recharge. With live music in the evenings and sparkling water on tap, UGG products were not the main attraction; instead, their focus was on mental wellbeing.

By 2030, retailers will increasingly consider their brand purpose in the context of how they make their customers feel. Brand managers will consider what the store can do to regulate nervous systems and reduce consumer stress. When the body is in threat mode it seeks out negatives and only sees problems. Random Studio is a standout example of how a retail space can be adapted to take on human-like properties, communicate with visitors and put them at ease. As the studio explains: 'It's all about rethinking how people sense a space – and how a space can sense back.' Its BreathLab for Nike Paris, for example, included a pinkish sphere which shoppers could step into, made out of a soft, stretchy fabric and brought to life with gently pulsing lights. A thermal camera in the room translated the visitors' breathing to changing colours so it felt like the space was breathing with its audience. This created an enveloping effect, leaving the visitors feeling calm, rested and connected.

As such innovations become more common, consumer expectations for mood management will grow. Consumers will become increasingly sensitive to sensory overload and demand environments that boost rather than deplete energy levels. The outlet retail experience is perfectly placed to lead with emotional design and intuitive wayfinding.

New insight on the impact of colour and sound will be employed to expertly guide people through positive mood triggers once on-site: from that instant buzz as they walk through the doors to more expansive states for clarity and calm, to a considered transition to after-care and the post-visit experience too.

Chapter Three

WHERE ARE THE OPPORTUNITIES FOR FUTURE GROWTH?

What's Next for the Outlet Model?

If the past five years were about outlets establishing themselves as premium value destinations, the next five will be crucial for expanding what "destination" means. The research points to a model that evolves in three directions: broader experiences, smarter technology, and stronger purpose.

> "I can see myself visiting designer outlets more often in future as they evolve to offer more than just discounted shopping"

54% Agree[1]

Among High Spenders, this rises to 73%, reinforcing that those who already engage most deeply are also the most open to a broader, destination-led proposition.

3.1 Expanding the Outlet Offering

The next phase of outlet growth will be defined not by deeper discounting, but by broader relevance. Consumers are signalling clear appetite for outlets to evolve beyond discounted shopping alone.

FOOTNOTES ON PAGE 34

The demand is not abstract. Consumers surveyed say they would find the following events and activities appealing:[2]

65% Seasonal events

60% Food festivals or street food pop-ups

55% Pop-ups ft. local businesses

54% Live music

49% Sustainability events

49% Cultural festivals

47% Family activities

45% Charity fundraiser days

High Spenders are consistently more likely to find each of these appealing, suggesting that experiential layering is directly linked to higher-value behaviour.

When asked how outlets should expand, consumers prioritise three areas – more services (e.g. tailoring, repairs, personal styling), more dining and food experiences, and more sustainable or circular fashion initiatives – with clear market nuances.

TOP WAYS CONSUMERS WOULD LIKE TO SEE DESIGNER OUTLETS EXPAND THEIR OFFER IN FUTURE

The findings paint a clear picture. The future outlet trip is one where additional services, food, events and sustainability are intentionally integrated to extend dwell time, deepen emotional engagement and give consumers more reasons to visit and revisit.

28% **SPAIN**
More sustainable or circular fashion initiatives

27% **ITALY**
More sustainable or circular fashion initiatives

26% **AUSTRIA**
More services

26% **FRANCE**
More services

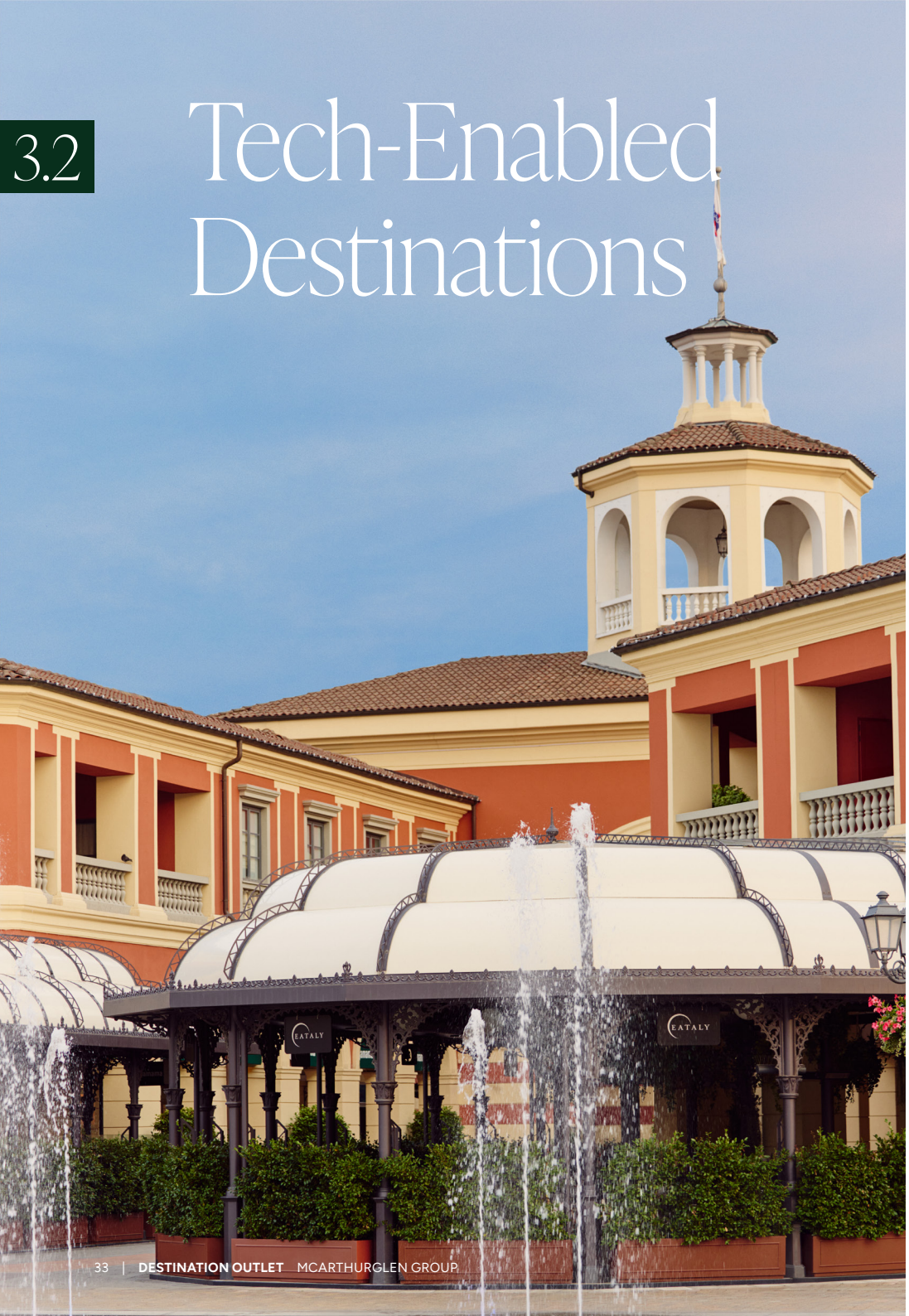
30% **UK**
More dining and food experiences

25% **GERMANY**
More dining and food experiences

21% **NETHERLANDS**
More dining and food experiences

FOOTNOTES ON PAGE 34

3.2 Tech-Enabled Destinations



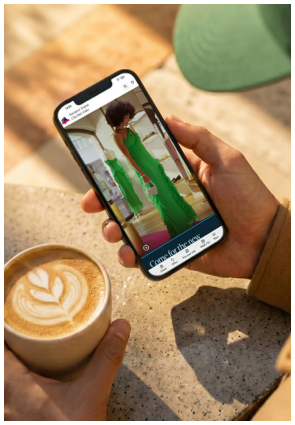
The research reveals that consumers do not want technology for its novelty. They want it to solve practical problems and enhance the value of their visit.

When asked what would add most value to the outlet experience, consumers prioritise a digital loyalty programme offering rewards across all outlet stores, personalised offers based on shopping preferences, and automated checkouts or mobile self-scan.

These preferences show that technology's role is to remove friction, recognise loyalty and increase relevance. Consumers want their time respected, queues reduced and their spending meaningfully rewarded. The implication is that tech investment must be intentional and value-led. When deployed thoughtfully, it strengthens the physical experience by making the journey smoother, more personalised and more rewarding, rather than distracting from it.

Top tech requests

1 A digital loyalty programme offering rewards across all outlet stores



2 Personalised offers based on shopping preferences

3 Automated checkouts or mobile self-scan

3.3

Sustainability

Sustainability is becoming embedded in the outlet narrative, both as an operational function, and as part of why the format matters so much in today's retail ecosystem.

Consumers see outlets playing a clear role in helping fashion brands improve sustainability, particularly by reducing waste through selling surplus and past-season stock, improving stock management, and promoting circular fashion through repairs, resale and recycling.

Just over two thirds (67%) of consumers surveyed agree[1] designer outlets have a responsibility to help brands reduce waste by selling surplus and past-season stock. Strikingly, this rises to almost 4 in 5 (79%) of High Spenders.

This reinforces a broader shift. Outlets are no longer framed purely as discount venues; they are increasingly seen as part of a more responsible retail ecosystem. Sustainability strengthens the legitimacy of the model, particularly among highly engaged consumers.

THE NEXT GROWTH CHAPTER

The outlet model will continue to evolve beyond discount-led retail into a multi-dimensional destination offering experiences, services and purpose.

Consumers are actively seeking more dining, events, technology-enabled convenience and sustainable initiatives, highlighting the opportunity for outlets to expand their remit.

The key takeaway is that the future of outlets lies in continuous reinvention, where experience, innovation and responsibility combine to deepen engagement and secure long-term relevance and growth.

Chapter three takeaways

FUTURE GROWTH LIES IN EXPANDING RELEVANCE, NOT DEEPENING DISCOUNTS

Consumers want outlets to evolve beyond shopping alone, with strong demand for added services, food-led experiences, events and sustainability initiatives which blend experience, technology and purpose.

TECHNOLOGY SHOULD REMOVE FRICTION AND REWARD LOYALTY, NOT DISTRACT

Shoppers value tech that respects their time and enhances relevance. When thoughtfully integrated, technology strengthens the physical experience rather than competing with it.

SUSTAINABILITY REINFORCES THE LEGITIMACY OF THE OUTLET MODEL

Sustainability is not just an ethical imperative; it strengthens emotional engagement and long-term business credibility. Outlets are increasingly seen as part of a more responsible retail ecosystem – reducing waste, enabling circular fashion and supporting smarter stock management.

1 'Strongly agree' and 'Somewhat agree' responses combined.
2 'Very appealing' and 'Somewhat appealing' responses combined.

Introducing the All-Knowing Store

THE : FUTURE : LABORATORY

By 2030, the physical world will be increasingly interwoven with smart interfaces and sensors. Today, this is described as 'spatial computing', but over the next five years it will start to become far more embedded, like an invisible layer helping people out in their day-to-day lives – around the home, at work, and of course, in retail environments. According to a recent survey of senior retail industry executives for GS1 and Opinium, 96% expect another retail technology transformation by 2030 – with 43% saying their industry is changing more rapidly today than they have ever witnessed in their careers.

Of course, like all technological advances, progress with spatial computing will be bumpy, not only because of budget constraints or legacy tech issues, but also down to the simple design of the built environment. Some stores, for example, may steam ahead, instantly identifying store visitors and connecting with their wearable devices the minute they walk through the door. Elsewhere, the customer experience will be more clunky.

What will start to change, however, is customers' expectations. Future generations will have grown up in a world where personalisation has become the new standard, and they will become quickly frustrated if this promise falls short.

Consumers in 2030 will be those that today are being raised on personalised stories from on-demand publishers like Wonderbly, where each child is made the star of their narrative. As adults, they'll be getting used to Netflix's audience voting tool where they'll dictate the direction of the content. Netflix has already started testing this feature on its live cooking show, Dinner Time Live with David Chang, where viewers can choose the food being cooked like a tuna or grilled cheese sandwich. Gradually, over the next five years, AI will unleash new opportunities for personalised content, products and experiences, and shoppers will want things on their own terms and will become less patient with retailers that can't deliver it.

The drive to take AI off-screen is already in full swing, and this will unleash whole new avenues to talk to customers digitally while still in the physical space. Retail may be one of the sectors where innovation occurs first. Open AI's collaboration with iPhone designer Jony Ive's firm LoveFrom is already taking ChatGPT off-screen, for example, and into always-on wearables that could offer retailers more intuitive and intimate ways to talk to their shoppers when they enter the store. One OpenAI-LoveFrom collaboration device is rumoured to be called Sweetpea; apparently worn behind the ear, it will allow plenty of room for

sensors, mics and AI-powered processing. In this future, retailers may have the ability to whisper into their customers' ears and suggest a new product they might like or guide them towards the item they had previously been browsing. Tone and boundaries will be key with spatial computing, so the customer feels cared for and not creeped out by the store welcome.

Having more control over both the tech infrastructure and the built environment will be crucial in this next wave of in-store innovations where retailers will invest in new weird and wonderful ways to increase their customer data collection. Lisbon-based Sensei recently launched Dojo, a 500-square-metre autonomous retail lab, for example, which uses AI and sensors to track customer movements and product choices in real time, showing how the store can become a site for data collection.

Outlet retail provides the perfect conditions for these kinds of advances given the purpose-built nature of the sites. A trip to the outlet will feel like a step into the future. Shoppers will delight in the seamlessness of their experience as they move fluidly from one store to the next without needing to deal with checkout queues or struggle to find their size. No wonder almost 60% of global retailers say they are planning to increase store technology spending over the next three years, with almost three quarters (73%) considering AI-powered customer insights in the store, according to a Bain & Co 2025 global survey.

Automated stores will see the staff that once manned the checkouts being reframed as store experience guides, responding to real-time insights alongside historic customer data sets. Son of a Tailor in Copenhagen, for example, combines an AI-powered mirror with its unique sizing database to recommend instant fits to its customers with a human 'fit consultant' on hand to facilitate the experience. In all of these innovations described, the technology is fundamental to the service, but the human element will be crucial to its success.

When personalisation works well it can elevate the shopping experience to one usually reserved for VIPs. Today, outlet retail is already chosen for its quality of service, with 75% of those surveyed by Censuswide agreeing this is the most important factor for a positive outlet experience. This paves the way for outlet retail to become championed not only as a destination for social connection and emotional experience, but also for attentive service that delights the customer.

Strategic Takeaways

COMPETE ON THE QUALITY OF TIME SPENT, NOT THE SIZE OF THE DISCOUNT.

The next wave of outlet growth will be won by destinations that are designed to keep people comfortable, engaged and willing to stay longer. Experience is not a brand layer on top of retail, it is the mechanism that drives frequency, dwell time, satisfaction and ultimately spend.

TREAT OUTLETS AS A GROWTH CHANNEL, NOT AN END-OF-LINE CHANNEL.

Outlets should be managed as a strategic platform for customer acquisition, brand discovery and future value creation. For brands, the opportunity is not only to sell stock, but to win new customers, build preference and convert engagement into full-price purchasing over time.

INVEST IN FUNDAMENTALS AND INTEGRATION, NOT ISOLATED "ADD-ONS."

The strongest commercial returns will come from joining up services, dining, events, technology and sustainability into one coherent destination journey. The winners will be those who remove friction, recognise loyalty and deliver purpose in ways that feel tangible, creating repeatable reasons to visit and a model that stays resilient as consumer expectations evolve.

METHODOLOGY

McArthurGlen partnered with Censuswide to conduct an online survey of 5,268 general consumers in the UK, France, Germany, Italy, Spain, Netherlands and Austria. The data was collected between 31.12.2025 - 07.01.2026. Censuswide is a member of the Market Research Society (MRS) and the British Polling Council (BPC), and a signatory of the Global Data Quality Pledge. We adhere to the MRS Code of Conduct and ESOMAR principles.

Some images in this report have been optimised with the support of AI technology to refine elements such as the styling and background. While they have been enhanced through AI, they have nor been generated by AI. All models featured are real.

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