

THE SHIFTING LANDSCAPE OF RETAIL DESIGN: RESPONDING TO GENERATION Z

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Abstract

Brick-and-mortar stores remain an important part of the retail industry, even in a predominantly digital age. Generation Z, the newest consumer group, is reshaping the retail industry by approaching shopping as both an experiential and social endeavor influenced by social media. Limited research has documented how physical retail environments support these needs. This study examined the impact of the built environment on the shopping experiences of young adult women (ages 18–25). Using photo-elicitation surveys and the 5E Experience Model (Entice, Enter, Engage, Exit, Extend), participants documented and reflected on individual retail journeys. Findings show that social media strongly influenced store choice, while spatial layout, store design, and inclusive practices shaped both psychological comfort and overall shopping experience. The results provide insight into the expectations of Gen Z shoppers and may help designers and retailers seeking to create engaging, inclusive, and socially connected stores.

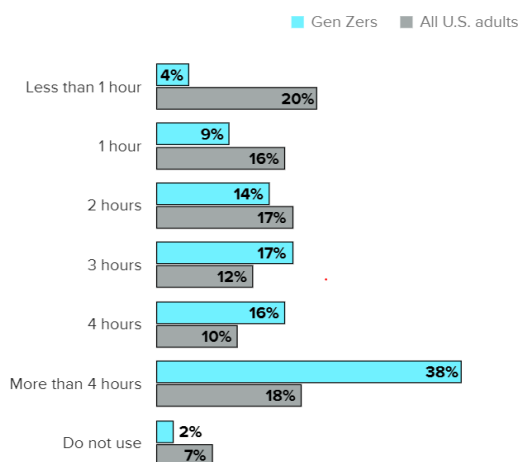
Keywords

Generation Z, Brick-And-Mortar, Social Media, Shopping Experience, Retail Design

Introduction

Despite predictions that e-commerce would outperform brick-and-mortar retail sales after COVID-19 struck in 2020, physical stores continue to account for the majority of U.S. retail sales, with 87% of transactions occurring in-store as of 2022 (Flynn, 2023). Young consumers are looking to connect with brands physically and emotionally. Many members of Generation Z use social media to connect with their favorite brands, find inspiration when shopping, research products, and discover new items (Voyado, 2023). Generation Z, born between the mid-1990s and early 2010s, is the first age group to grow up with smartphones and social media as a societal norm. Because of this, their shopping behaviors are deeply shaped by digital engagement.

Figure 1 Daily Social Media Usage: Gen Z vs. U.S. Adults

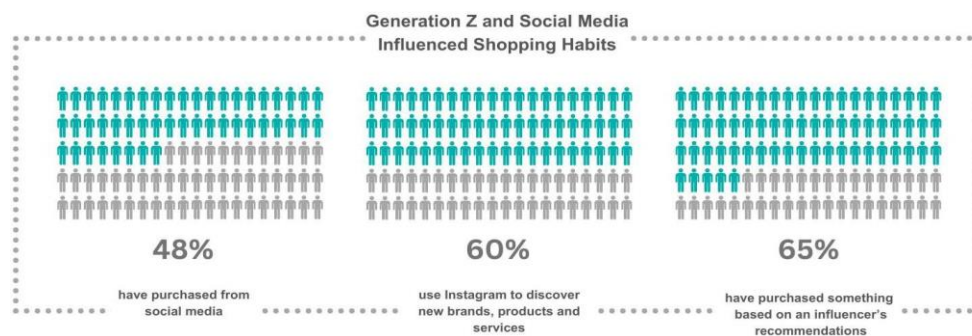


Comparison of average daily time spent on social media between Generation Z and the overall U.S. adult population. Data from Briggs (2022).

Social media platforms such as TikTok, Instagram, and Snapchat act as both advertisements for companies and brands as well as a source of influence for viewers. Over half of Gen Z consumers report purchasing items based on influencer recommendations (Voyado, 2023). Young consumers view brick-and-mortar stores as an additional platform for social media, “These stores are collective via social media posts. We visited to say we visited. We visit so we can post it. As an influencer promotes a product on Instagram, every visitor in the store, then, becomes a walking advertisement” (Fuller, 2020). The outcome of a shopping experience often has to do with how the consumer interacts with a space.

The layout of retail spaces is crucial in directing the consumer's overall experience, as it influences the ease with which they are able to move about the space. Forbes found that "83% of shoppers will return to your store after a positive experience" (Marhamat, 2022). As brands connect with shoppers online, durable relationships form between the two parties, as young consumers want to shop at stores that they trust and find connections with (Rapp, 2013). Consumers lean towards brands they have relationships with and look to them to have brick-and-mortar stores that they feel comfortable in. These behavioral shifts present challenges and opportunities for retail design. Research shows that young consumers prefer retailers who provide immersive, aesthetically appealing, and inclusive environments (Marhamat, 2022). Yet, despite increasing recognition of these trends, limited research explores the overlap between interior design and social media's influence on the retail experience.

Figure 2 Gen Z Online Shopping Habits



Percentage of Generation Z reporting online purchases influenced by social media and digital exposure. Data adapted from Voyado (2023).

This study addresses that gap by investigating how built environments affect the psychological and emotional experiences of young shoppers. Specifically, it examines how Generation Z women (ages 18–25) perceive retail design features - including spatial layout, sensory engagement, and inclusivity practices through the lens of social media usage.

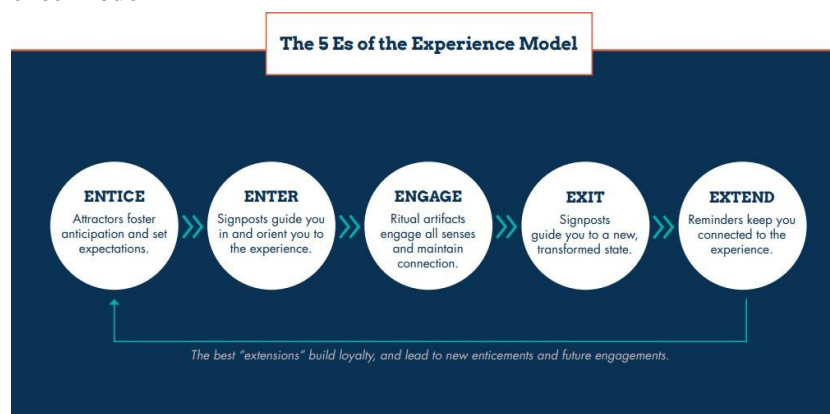
Methods

This study implemented a qualitative approach to explore how Generation Z shoppers experience and perceive retail environments. The primary method was photo-elicitation, in which participants use photography and written descriptions to document and reflect on their shopping experiences. This approach was selected for its ability to evoke emotional and psychological responses that may not emerge in traditional interviews (Harper, 2002).

Participants and Procedure

Five women between the ages of 18 and 25 participated in the study. All resided in Atlanta, Georgia, and regularly shopped both online and in person. Participants were selected because of their demographic alignment with Generation Z, gender identity, and their familiarity with social media platforms such as TikTok and Instagram. The Participants were asked to visit a retail store of their choice and document their shopping journey from beginning to end. They photographed and took note of their experience in response to a set list of structured prompts. The prompts were derived from Conifer Research's 5E Experience Model (Entice, Enter, Engage, Exit, Extend), which frames consumer experience as a sequential journey. After their visits, participants shared their photographs and written reflections.

Figure 3 The 5E Experience Model



Framework used to analyze consumer journeys: Entice, Enter, Engage, Exit, Extend. Adapted from Conifer Research (2022).

Data Analysis

Participant responses and images were examined according to the 5E framework, with attention to physical and emotional responses to the built environment. Themes were compared to findings from the literature review on social media influence and retail design. This methodology allowed for review of both conscious and subconscious consumer reactions, showcasing how interior design decisions within stores impact how consumers interact with retail environments.

Table 1 Participant Insights from Photo-Elicitation Using the 5E Experience Model

5E Experience Model Stages	Psychological Response	Experience (Impact on Shopping Journey)	Design Elements Noted by Participants	Implications for Retail Design
Entice (Attraction & anticipation)	Anticipation shaped by social media influence and desire for identity expression.	Excitement to visit “viral” stores; motivation linked to shareable moments.	Viral TikTok/Instagram brands, storefront signage, influencer campaigns.	Stores must align online branding with in-store experience to attract Gen Z.
Enter (Orientation & arrival)	First impressions impacted sense of comfort and control.	Ease of navigation encouraged confidence; confusion created hesitation.	Storefront displays, entry layout, signage clarity.	Welcoming entry sequences and intuitive wayfinding enhance shopper flow.
Engage (Immersion & interaction)	Desire for emotional connection and stimulation.	Shoppers lingered when spaces felt open, sensory, and engaging; discomfort led to quick exits.	Mannequin styling, open layouts, lighting/music, staff interaction.	Spaces should support exploration, personalization, and social sharing.
Exit (Transition & closure)	Closure affected overall satisfaction and the likelihood of return.	Smooth checkout reinforced positive experiences; cluttered exits discouraged purchases.	Checkout placement, queue design, last-touch displays.	Clear, organized exits increase purchase follow-through and return visits.
Extend (Post-experience connection)	Inclusivity and personalization fostered loyalty and belonging.	Positive fitting room experiences and take-home reminders (e.g., tote bags) deepened connection.	Body-positive messages, extended sizing, customizable fitting rooms, branded freebies.	Affirming, memorable design extends brand loyalty beyond the store.

Findings and Discussion

The study revealed three main interconnected themes that define how Generation Z experiences retail spaces: the influence of social media on store selection, the psychological impact of design features, and the importance of inclusivity in shaping the *overall shopping experience*. The findings demonstrate that retail environments affect not only emotional responses but also how young women navigate and evaluate their shopping journeys from start to finish.

Social Media as a Driver of Store Selection

Photo-elicitation confirmed that participants often chose stores featured prominently on platforms such as TikTok and Instagram. Four of the five participants visited brands highlighted in Glamour Magazine, “29 Viral Fashion Brands on TikTok You Need on Your Radar”, reinforcing prior research that 60% of Gen Z use Instagram to discover new products and brands (Navarro, 2022; Voyado, 2023). Social media shaped not only where participants shopped but also the expectations they brought with them. Anticipation was tied to how the space had been seen online, and how social media “influencers” and advertisements had depicted the brand. This aligns with the psychology of social proof: consumers seek to validate their choices by aligning with visible trends. With that, the act of shopping becomes personal, extending beyond the store into digital networks and shaping the broader shopping experience.

Design Features, Psychological Response, and Experience

Once inside, the built environment strongly influenced both participants' emotions and their shopping behavior. Open layouts, clear wayfinding, and appealing sensory cues (lighting, music, scents) were associated with positive experiences, encouraging shoppers to linger and explore. Conversely, disorganized layouts, confusing signage, or lack of privacy in fitting rooms created frustration, discomfort, and in some cases, discouraged purchases. These findings echo Kaplan's environmental preference model, which emphasizes the psychological value of coherence, legibility, and complexity (Kaplan, 1975). Participants' reflections reveal that when these qualities are present, the overall shopping experience becomes more enjoyable and is likely to result in purchases. When absent, the environment disrupts both comfort and the flow of the shopping journey.

Inclusivity

The third theme centered on inclusivity. Participants responded positively to design elements that supported diverse body types and self-expression, such as body-positive messaging in fitting rooms, availability of extended sizes, and customizable dressing room features. For example, one participant highlighted Aerie's fitting rooms, which offered empowering affirmations and mirror covers, creating a psychologically safe and affirming experience. Another noted Abercrombie's personalized lighting and music controls as a sign of attentiveness to individual needs. Conversely, stores that lacked inclusive were perceived as alienating, undermining participants' sense of belonging. For example, Aritzia's fitting rooms do not have private mirrors, and instead opt for a communal mirror outside the fitting room stalls. This reflects broader findings that Gen Z values authenticity and inclusivity, both in branding and in physical space (Brodzik, 2021). Importantly, participants tied these experiences directly to their overall shopping satisfaction and likelihood of return.

Conclusion

This study explored how Generation Z consumers experience retail spaces in an era shaped by social media. The findings confirm that shopping for this demographic is both a psychological and experiential process: store selection is often driven by digital exposure, while the in-store environment is evaluated through emotional comfort, inclusivity, and the overall shopping journey. For designers and retailers, the findings suggest that store design should balance aesthetic appeal with the needs of the shopper. Spaces that are easy to navigate, comfortable, and inclusive create a more positive shopping experience for young consumers. When these elements are in place, stores not only support Gen Z shoppers during their visit but also encourage them to share their experiences on social media, extending the reach of the brand beyond the physical store.

This research was limited by its small participant group and geographic scope, focusing on five women in Atlanta, Georgia. While the findings provide valuable insights, they cannot be generalized across all Generation Z consumers. Future research could adopt larger, more diverse samples and explore quantitative measures of how specific design elements influence consumer behavior. Additionally, longitudinal studies could examine how evolving social media trends continue to reshape both expectations and lived experiences of physical retail.

In conclusion, the shopping experience for Generation Z highlights an intersection between digital and physical consumer needs. Retail spaces that embrace this connection, supporting both online identity-building and in-store experiential well-being, will be best positioned to thrive in the shifting landscape of retail design.

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