

A study on growing affinity of consumers towards malls in India

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ABSTRACT: *The retail sector in Indian has seen a drastic transformation and rapid growth since the last decade. till date it is being dominated by small and unorganized entrepreneurs like Kirana shops, standalone stores, boutiques, traditional family business stores etc. However, with the growing global economic powers, new economic policies, FDI relaxations and unique marketing strategies the new kind of retailers like shopping malls tend to hook the consumers even in Tier II and Tier III towns. Organized retail sector is growing at rapid speed, more jobs are being created, town plans are getting modernized, and thus the consumer behavior too. While the transition is happening at global level in various forms, the shopping behavior of consumer is also likely to change with the growing choices and trends. Shopping in malls has become a major leisure activity. In this scenario, the current study aims at understanding the key reason of attractiveness by Indian customers towards malls.*

Keyword: *Customer, retail sector, shopping malls, purchasing behaviour, advertising*

I. INTRODUCTION

In the last decade, retailing sector in India has seen a vast transformation from traditional retailing to modern retailing. The traditional retail consists of small retailers like local kirana shops, general stores, medical stores, footwear stores, apparel shops, hand-cart hawkers and footpath vendors. As per investment commission of India, there are 15 million such retail outlets in India (Frank, 2010). As the economy has started growing in India, retail sector has also started modernising and growing. Some of the major industrial houses like Reliance Industries, Bharti group, Aditya Birla group and Tata Trent have entered this sector. Organised retail's share estimated around 10% to total retail in the year 2010 (Retail Emergence, 2010) is very low compared to that of developed countries like U.S.A, U.K., France and Germany, where the share of organised retail is around 75-80% (Frank, 2010). Hence it is expected that the growth of organised retail in India is going to be high in future. Amongst organised retail shopping malls are becoming attractive destinations for retailers and shoppers. In 1999, India had only 3 malls. In 2010 there were 190 malls and at present it is believed that there are around 280 malls in the country (indiatimes, 2012). As it is clearly evident, number of malls has gone up tremendously over the years. However the growth story also has thrown up some hurdles. During the boom days, many developers jumped into the fray of mall development. High economic growth, increasing size of middle class, high urbanisation rate and availability of personal credit have all contributed to large number of consumers shopping at the malls. This encouraged many developers jump into the bandwagon and start building malls. There was a

rush to be there amongst the many malls which then had high footfalls. There was no proper planning, research, marketing and positioning strategy in place before getting into the mall business for many developers. This resulted in many of the malls not performing up to expectations. Some have high vacancy levels (malls, 2007) some have witnessed retailers leaving for the competitors, some have low footfalls and a few malls have closed down. However the malls which were strongly positioned are still doing well and are fully operational. This research has been conducted to find out the existing positioning strategies of malls, factors influencing positioning of malls, perceptions of shoppers regarding the positioning strategies and to bring out a model to help decision making by mall developers, retailers and shoppers.

A shopping center is a cutting edge, chiefly North American, term for a form of shopping precinct or shopping center, in which one or more structures form a complex of shops speaking to merchandisers with interconnecting walkways that empower clients to stroll from unit to unit. A shopping arcade is a particular form filling a similar need. Numerous early shopping arcades, for example, the Burlington Arcade in London, the Galleria Vittorio Emanuele II in Milan, and various arcades in Paris are renowned and as yet exchanging. In any case, numerous littler arcades have been pulverized, supplanted with vast centers or "shopping centers", regularly available by vehicle. Specialized developments, for example, electric lighting and escalators were presented from the late nineteenth century. From the late twentieth century, diversion scenes, for example, motion picture theaters and eateries started to be added. (Aaker and Jones, 1971). As a solitary assembled structure, early shopping centers were regularly compositionally critical developments, empowering wealthier benefactors to purchase merchandise in spaces shielded from the climate.

II. LITERATURE REVIEW

A majority of shopping malls in India are created to provide divergent benefits of shopping to consumers (Jhamb and Kiran 2012). (Holbrook, 1982) states that malls are attractive locations which facilitate social interactions and entertainment. (Bloch et al., 1994) and (Geuens et al., 2001) identified different patterns of the shopping malls habitat. These patterns were high levels of purchasing,

enjoyment of the mall aesthetic, physical design, appearance, a relief from boredom, desires for variety, exploring new products or stores within the mall and enjoyment of communicating and socializing with others. (Anuradha and Manohar, 2011) investigated the customer shopping experience in two malls in Chennai (India). The study concluded that the reasons identified were (in the order of preference): shopping ambience, availability of different types of shops, entertainment offered at malls, parking facility, ease of shopping, good product quality, discount and sales promotion, pride and prestige attached shopping. Shoppers visit shopping malls with entertainment centres for making use of all facilities under one roof, (Wakefield and Baker, 1998) and (Rajagopal 2008). These days, consumers tend to be more selective because of the growing number of malls. They are more likely to patronize malls that are more attractive and have a wide variety of stores and merchandise that match their preferences (El-Adly, 2007). Therefore, it is essential for mall managers to keep in mind the attractiveness attributes while developing their malls, (Wong et al., 2001)

Telci (2013) examined the shopping motives of shopping mall visitors living in Turkey to understand the shopping mall consumer small patronage behavior. Khare (2011) also examined the influence of hedonic and utilitarian shopping motives on shopping mall consumers' attitudes towards shopping malls in the smaller cities of India, and the results revealed that shopping mall consumers visit malls for both hedonic and utilitarian shopping motives. In addition, Farrag et al. (2010) investigated utilitarian and hedonic motives using ethnographic methods to establish an understanding of the shopping mall experience as perceived by Egyptian shopping mall visitors. In United States of America (USA), Jackson et al. (2011) investigated the extent to which consumers' attitudes towards shopping mall attributes and shopping value derived from a shopping mall visit differ across gender and generational cohorts. Chebat et al. (2010) in Canada examined shopping mall attributes such as access to the shopping mall, shopping mall image and store atmosphere that may be used to draw shopping mall visitors to shopping malls. In another study, Gilboa (2009) investigated a typology of Israeli mall customers based on their behaviors, examined socio-demographic characteristics of customers and activities consumers engage in during mall visits and presented a segmentation of Israeli shopping mall customers. Khare (2011) examined consumers' behavior at the shopping malls and this research suggests that convenience as a shopping mall attribute has the largest impact on selecting which shopping mall to visit. The availability of a wide selection of products at the shopping malls can reduce the perceived costs (for example, travel time and effort taken) associated with each shopping trip and ease the shopping task. Farrag et al. (2010) explored on the shopping mall visitors' behavior at the malls in Egypt, this study pointed that shopping mall visitors may visit the shopping mall as they consider it to be a safe place because of security measures. In Israel, Gilboa and Vinai-Yavetz (2013) explored on consumers' shopping experiences in order to identify key components of mall experience, and the results of the study revealed that can be conceptualized as a subjective phenomenon accompanied by cognitive and emotional components. Gonza'lez-Herna'ndez and OrozcoGo'mez (2013) investigated shopping mall attractiveness dimensions from Mexican perspective in order to segment consumers based on perceptions of attractiveness, the results of this study uncovered six attractiveness attributes, namely, mall essence, popularity and promotional programs, personal service, recreational options, internal atmosphere, and external atmosphere. A cluster analysis conducted in this study revealed three types of consumers with significantly different perceptions of shopping centres: serious, enthusiast, and basic. In another study, Gudonavičienė and Alijosienė (2013) investigated the main image attributes determining shopping centre selection in Lithuania, and the results revealed merchandizing, accessibility, service, facilities, atmosphere, amenities, ambulance availability, entertainment, and mall security as aspects that determine mall image. Park (2016) investigated the relationship between the values of consumers' shopping behavior. The results of this study revealed that the shopping orientation has a mediate effect between shopping value and purchase intention.

In another recent study, El Hedhli, Zourrig and Chebat (2016) studied the effects of shopping on positive shopping mall attitudes and word-of-mouth, this study revealed that hedonic value influences positive shopping mall attitude and positive word-of-mouth more than utilitarian shopping value. This study revealed that shopping in a mall can contribute to the satisfaction of different human needs such as economic, social, esteem, and aesthetic needs. In another recent study, Kesari and Altulkar (2016) examined the influence of utilitarian and hedonic shopping values on satisfaction of shopping mall visitors of central India, and the findings of this study confirmed the relationship between shopping values and customer satisfaction, where both the hedonic and utilitarian shopping values show positive significant influences on customer satisfaction. Considering the challenging retail environment and the fact that most of the preceding studies were conducted in other parts of the world such as Canada, China, India, Israel, Turkey and United States of America excluding South Africa created a gap for the proposed study to be conducted. In addition, the preceding studies discussed above focused much on hedonic, motives, utilitarian motives, and shopping mall attributes not necessarily on customers' shopping main reasons for visiting shopping malls and visit frequency patterns of these consumers created a gap for this study. Therefore, the problem statement of this study was structured as follows: to determine consumers' main shopping reasons for visiting shopping malls from South African perspective and their frequency of visit at the mall.

III. RATIONALE OF THE STUDY

It makes sound business sense to invest in a growing sector. Therefore developing malls in organised retail which is a growing sector has high benefits. As mall development involves heavy finances, research, planning and marketing strategy, mall development process needs to be on a firm foundation to avoid delays and losses. Many developers have ignored these aspects. There is no basic research before starting a mall (Krishna and Pani, 2011). There is no proper understanding of shopper behaviour either. There is no estimation and alignment of the expected footfall with the tenant mix, mall design and shopper requirements. There is no positioning

of most of the malls. Hence the number of malls which are not performing well is growing day by day. This study has been carried out to help mall developers, retailers and shopper in their decision making.

IV. OBJECTIVE OF THE STUDY

1. To identify the key reason that attracts customers towards mall.
2. To understand the frequency of Mall visit by Indian Consumers
3. To explore the promotional activity carried out by mall management.

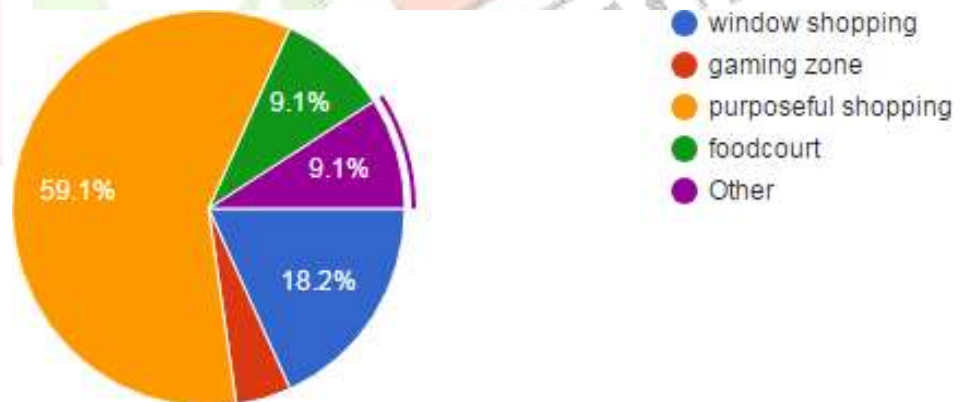
V. RESEARCH METHODOLOGY

The study is intended to find whether Awareness of Growing Affinity of Consumer towards Mall buying culture. The study design is descriptive in nature. The numbers of respondent were restricted to 118 and the Respondents were selected randomly from Delhi-NCR. The data was collected through structured questionnaire prepared with the help of experts in Industry and academics. The secondary sources were referred from website, records, manuals, etc.

VI. DATA ANALYSIS AND INTERPRETATION

Table 1- The general purpose of your visit to shopping malls

	Frequency	Percentage
Window shopping	21	18.2%
Gaming zone	5	4.5%
Purposeful shopping	70	59.1%
Food court	11	9.1%
Other	11	9.1%

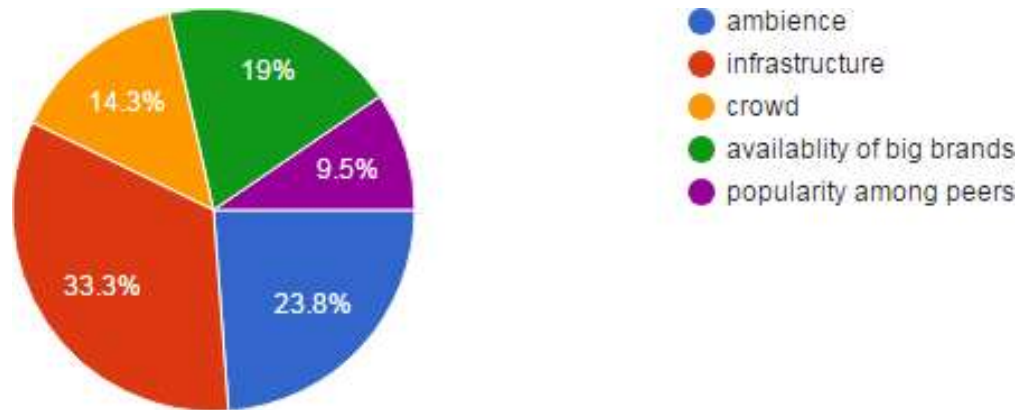


Interpretation: Out of the total population more than 50% (59.1) of the people went for purposeful shopping and more than 15% (18.2) for window shopping.

Table no 2-What tempts you to visit the mall of your choice often.

	Frequency	Percentage
Ambience	28	23.8%

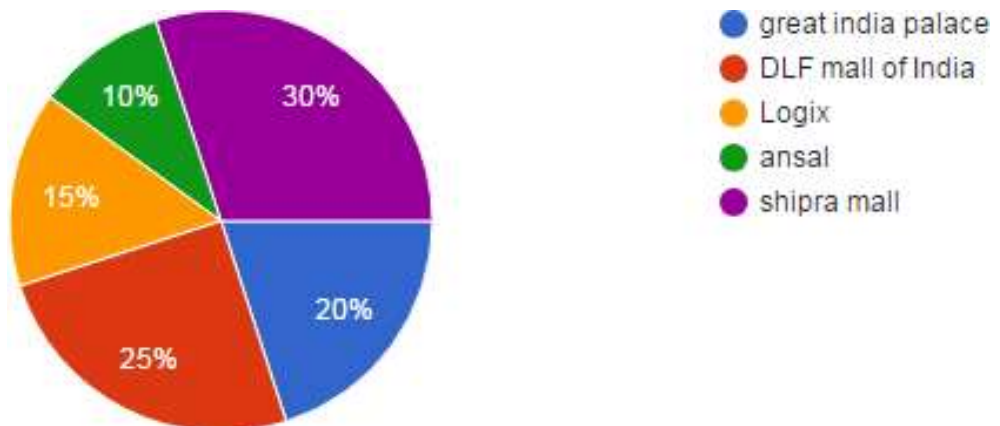
Infrastructure	39	33.3%
Crowd	18	14.3%
Availability of big brands	22	19%
Popularity among peers	11	9%



Interpretation: Out of the total population infrastructure is the biggest factor that attracts the customer towards the shopping mall, the percentage is more than 30 percent and also ambience of the mall is another factor i.e. 23.8%.

Table No 3-Shopping mall you visit often

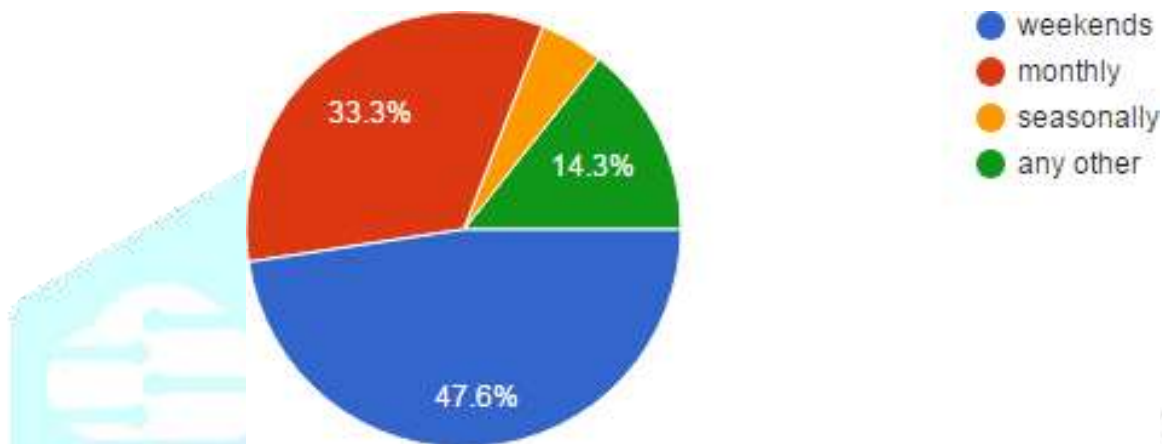
	Frequency	Percentage
Great India palace	24	20%
DLF mall of India	29	25%
Logix	18	15%
Ansal mall	12	10%
Shipra mall	35	30%



Interpretation:Out of the total population 30 percent of people visit shipra mall and 25 percent of the population visit DLF mall of India.

Table No 4-Consumer Frequency Mall Visit

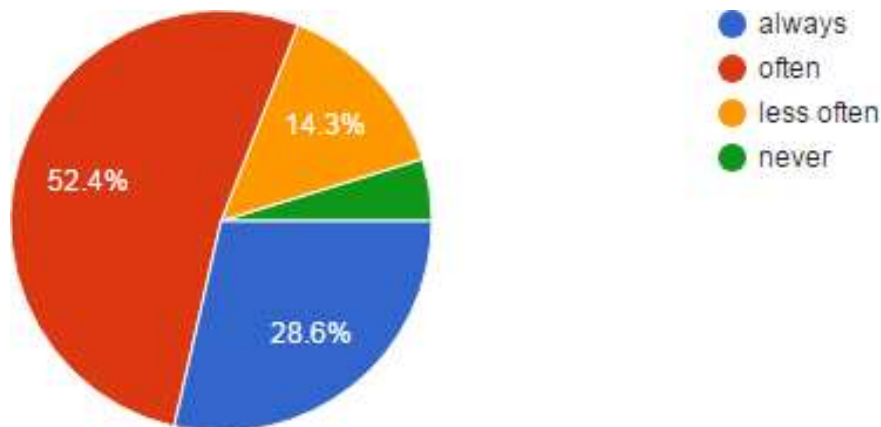
	Frequency	Percentage
Weekends	56	47.6%
Monthly	39	33.3%
Seasonally	6	4.8%
Any other	17	14.3%



Interpretation:47 percent of the total population visit the mall in weekends and nearly 30 percent of the population visit the mall monthly.

Table No 5-Extent to which ‘Mall of Choice’ offers uniqueness consumers are looking for.

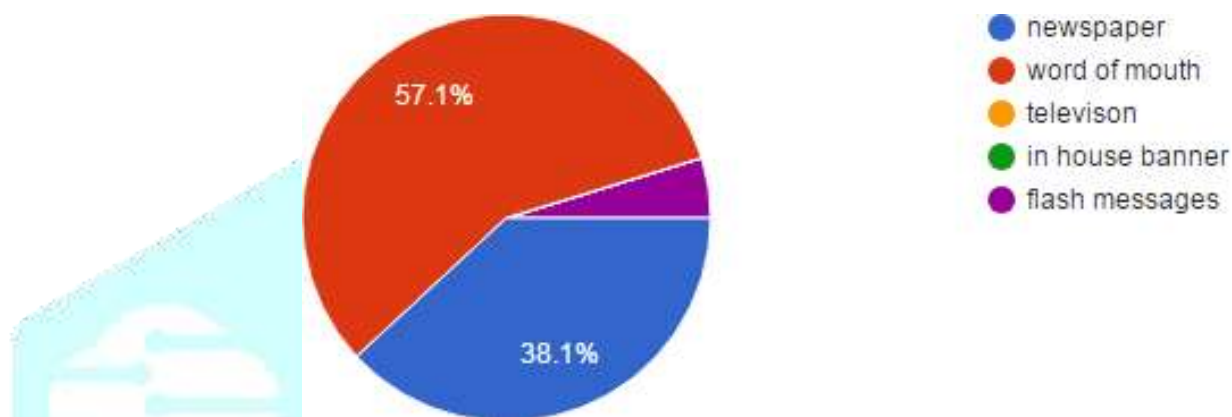
	Frequency	Percentage
Always	34	28.6%
Often	62	52.4%
Less often	17	14.3%
Never	5	4.7%



Interpretation:Nearly 50 percent people says that they often get the uniqueness which they are looking for where 28 percent thinks that they get this always.

Table No 6- Source of information about latest schemes and events in mall.

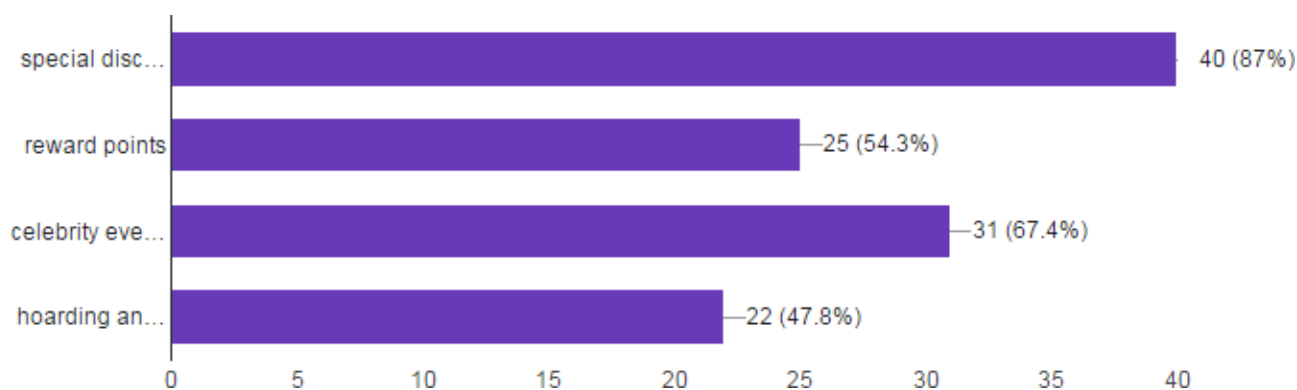
	Frequency	Percentage
Newspaper	45	38.1%
Word of mouth	67	57.1%
Television		
In house banner		
Flash messages	6	4.8%



Interpretation: Out of the total population about 55 percent of people get to know the scheme by word of mouth offered by the mall and nearly 35 percent get to know from the newspaper.

Table No 7- Most fascinating and tempting offers to visit preferred retail outlets.

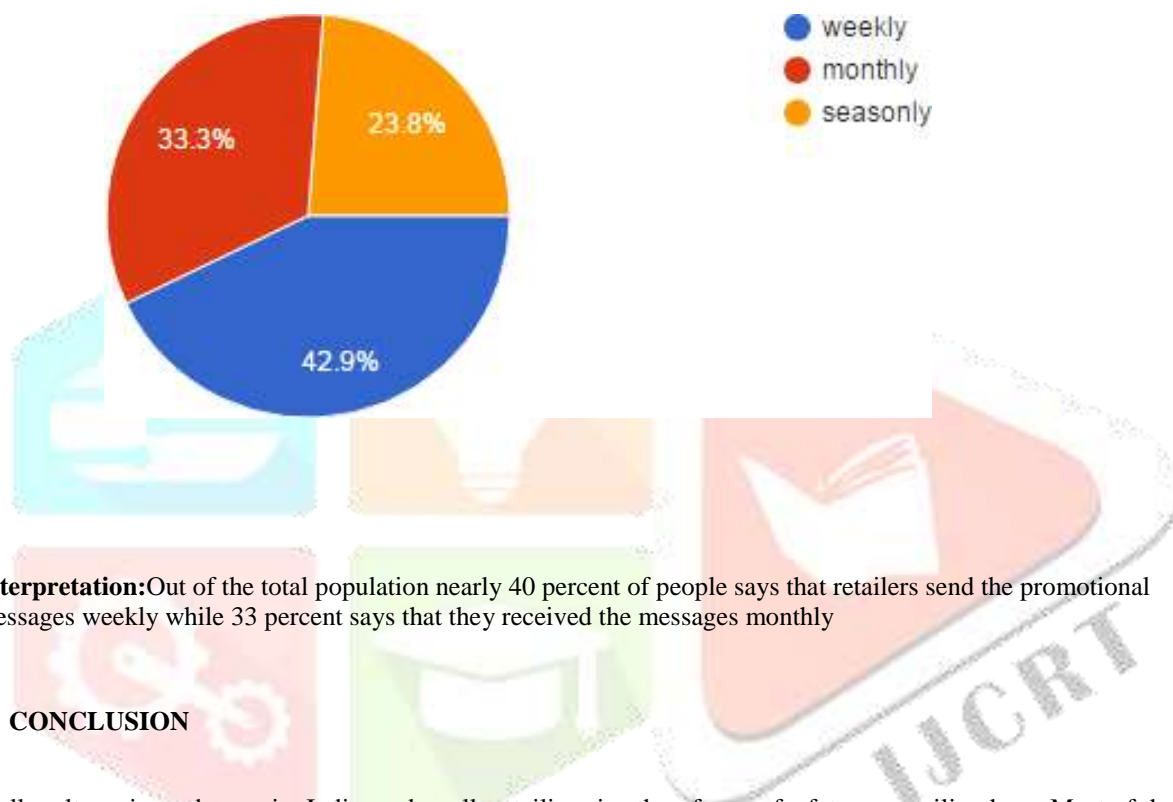
	Frequency	Percentage
Special discounts	40	33.89%
Reward points	25	21.18%
Celebrity events	31	26.27%
Hording and banners	22	18.64%



Interpretation: Special discounts attracts nearly 30 percent of the population where as 26 percent of the population attracts towards the celebrity events in the mall.

Table No 8-Frequency of promotional messages received from retail outlets.

	Frequency	Percentage
Weekly	51	42.9%
Monthly	39	33.3%
Seasonally	28	23.8%



Interpretation: Out of the total population nearly 40 percent of people says that retailers send the promotional messages weekly while 33 percent says that they received the messages monthly

VII. CONCLUSION

Mall culture is at boom in India and mall retailing is the face of future retailing here. Most of the customers feel that malls are good place to shop because they provide facilities like multiplexes , food courts and parking space . Customers see mall as a full package for shopping, entertainment and dining. This study is giving the result of five shopping malls in NCR region which shows the consumers growing affinity towards the shopping malls. Now a days consumer avoiding the street market as they do not think that street market also offers the same delight to them.

- It can be concluded from the research that the consumer markets in India have potential for the future development of the retail industry as the market is growing, government policies are becoming liberal and the technological developments in the country are favorable for operations in India.
- Due to these promising factors, more and more retail investors have been encouraged to invest into the Indian market which has further impelled to development of shopping malls.

VIII. RECOMMENDATIONS

The shopping mall managers should recruit retailers that offer a variety of products which include groceries, homeware, clothing and accessories in order to cater the needs of the shopping mall visitors. In addition, the shopping mall developers should provide sufficient eat out options that meets the expectations of different shopping mall visitors. Furthermore, the retailers at the shopping malls should develop promotional programs that make shopping mall visitors to perceive shopping mall eat out options as venues to celebrate special occasions. The frequency of visitation by consumers visiting the mall more than once a week was lower as a result, shopping mall managers could host fashion shows and competitions that can

increase frequency of visits of these consumers. The shopping mall retailers could offer weekly sales promotion campaigns on grocery products in order to attract more consumers to visit the mall. The clean and shiny environment of modern shopping malls creates the perception that such mall is exclusive, so shoppers can spend more and also visit frequently. Indian consumers are still family-driven entities. Shopping, diversion and eating out are family occasions. Since these choices are regularly cooperative choices, consequently an advertiser needs to address family sensibilities all the more thoroughly to charm Indian clients.

IX. FUTURE RESEARCH IMPLICATION

In this paper only descriptive analysis is used also convenience sampling technique was adopted to conduct survey by the consumers who visit malls in NCR Region of India. Hence geographical limitation due to time and cost constraint was their covering further cities of India can better generalize the results. Future studies should endeavor to include a more representative sample across different Indian cities. In addition, it is recommended that multiple shopping malls can be considered for future research and the results regarding main shopping reasons of consumers and frequency of visits at different malls be compared to add more insight.

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