Growing Mall Buying Behaviour: An empirical Study of Indore

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ABSTRACT

The mall culture has redefined the retail. Shopping malls contribute to business more significantly than traditional markets after relaxation in FDI in India to 100% ownership in joint ventures by single-brand companies in the retail market. Delhi, Mumbai, and Bangalore etc have received massive economic and social contributions from these malls. This triggered high international single brand retailer interest in the Indian retail market., which are viewed as a simple convergence of supply and demand. Shopping malls attract buyers and sellers, and attract customers, providing enough time to make choices as well as a recreational means of shopping. The present study examines the impact of demographic variables of customers on perception towards malls in Indore city and on shopping convenience and shopping behaviour in Malls. Based on the survey of shoppers in Indore from malls, the study analyses the cognitive attributes of the shoppers towards attractiveness of shopping malls and intensity of shopping. The results of the study reveal that the age and age and gender interaction of shoppers makes a difference on perception of customers on perception towards malls in Indore city for shopping convenience and shopping behaviour in Malls. It also shows which mall in Indore is most popular and frequently visited and also which malls attracts more customers.

INTRODUCTION

The main aim of this paper is to investigate the consumer perception towards the shopping malls, with special reference to Indore city. It is a tier 2 city, the largest city of the Indian state of Madhya Pradesh. It serves as the headquarters of both Indore District and Indore Division. A central power city, Indore exerts a significant impact upon commerce, finance, media, art, fashion, research, technology, education, and entertainment and has been described as the commercial capital of the state.

The malls are positioned as one-stop entertainment destination for a family, where they can not only do their shopping but also watch movie, play games and dine at the restaurants and food courts inside. India had 205 million square feet of mall space during 2010, and a total of nearly 750 operational malls providing 350 million square feet of mall space is expected by 2015. (Newman and Cullen, 2002).

Indore is host to many malls, which provide variety and comfort to the visitors. Treasure Island, Mangal City mall, C21 mall, Central mall, Malhar mega mall, Orbit mall are very well known. In 2011, a branch of Bharti wallmart, named Best Price, also opened for shopkeepers to buy goods at cheaper prices. It has received a good response from shopkeepers of the nearby districts such as Dewas, Ujjain and Dhar. Indore has developed since 2011 making a record of having most malls in central India.

Shopping behavior is the most unique for behavior which the consumers exhibit. Gifts, clothing, groceries, gifts and household items are some of the most common type of shopping which consumers indulge in a highly frequent manner (Assael 1987), but according to Dholakia (1999), occasion and motives are also some crucial points which influence the consumers shopping behavior. Malls perceived to have stores with acceptable prices are likely to be favoured by shoppers than malls with stores having unacceptable prices. Similarly, malls that engage in promotions to offer shoppers more store bargains are favoured than malls that do not engage in such promotions. Much evidence exists supporting the effect of prices and promotion on shoppers’ behavioural responses (Leo and Phillipe, 2002). A larger shopping centre can facilitate a greater variety of shops, and can create a more pleasant environment for shoppers, thus enticing them to visit more often and stay longer. It has been observed that large recreational shopping malls encourage regular shoppers. Malls perceived to
have a pleasant and moderately arousing atmosphere are likely to be more favored by shoppers than those with less pleasant atmosphere.

Similarly, malls that are moderately arousing are likely to be more favoured than malls that are perceived to be highly arousing or not arousing at all. There is much evidence in the retailing literature to support the notion that mall atmosphere is an important factor in mall evaluation, patronage and loyalty (cited [Andreu et al., 2006], [Babin and Attaway 2000], [Grewal et al., 2003], [Keng et al., 2007], [Michon et al., 2005]).

OBJECTIVES OF THE STUDY

- To study shopping behaviour of people residing in Indore city.
- To study interactive effect of age and gender on mall buying behaviour of people.

Indore has always been known for shopping, but the introduction of shopping centers has added and have enhanced the shopping experience to the next perennial level. Shopping malls in Indore offer exclusive experience of international and international brands with an unparallel range of choice that are sure to provide for consumers across various demographies and that too under one roof. A certain shopping mall of the city has gone a step ahead and offered even accommodative facilities as well.

About few big Malls of Indore
The No 1 shopping mall of Indore : Treasure Island
TI is the best and largest mall of Indore, having 3 star rating and 67% product recommendation. This mall features almost all exclusive brands which are like a treat to the Indorians and the visitors like Big Bazaar, Pantaloons, Max, PVR Multiplex, McDonald’s, Pizza Hut, Colorplus, Raymonds, United Colors of Benetton, Zodiac, Meena Bazaar, Hidesign, Esbeda, Bata Shoes, Spykar Jeans (Garments), Barbie, Archies Gallery, Adidas, Black Panther, Denim Club, Titan Watch, Nike, Spykar, RBK, Killer Jeans, Reynold’s (Pen and stationary), Mufti, Samsonite, Gini and Jony, Fabindia, Axis Bank (ATM), Vadilal, Nike etc. From time to time it organizes various promotional events to allure the customers, PVR Cinema is also very good. It also has escalators and elevators providing great comfort to the shoppers and the visitors. It is very well constructed and the interiors of the mall are very impressive. This mall is like a haven to the shopolochics. It is fully air-conditioned. It has five floors housing around 245 stores selling great products. This mall has become very popular over the years. It has something for everybody.

C21
It is located at A B Road. This mall provides a good parking facility to the shoppers and the visitors. It is very huge and provides many facilities to the customers. This mall houses many international brands which attract many brand and fashion lovers. This mall is very popular amongst the youth because it features everything. Many Bollywood superstars visit this mall to promote their movies and it also held’s many successful promotional events. It is full air-conditioned. It also provides facilities of escalators and elevators to make the shoppers and visitors comfortable.

Indore Central Mall
This mall is located at R N T Road. It provides a good parking facility to the shoppers and the visitors. This mall is very well constructed and the interiors of the mall are very impressive. It houses over 500 national and international brands which attract many brand and fashion lovers. This mall features an awesome multiplex which is managed and controlled by Inox Cinemas. Total area of this mall accounts to 2.25 lakh square feet. The food court in the mall houses many famous fast food centers like Cafe Bollywood, Brewberry cafe, Barista cafe, Indian sweet shop, snack bars, Nirulas and Baskin Robbins ice cream parlour which adds a flavor to the fun. This mall is considered to be the complete family shopping destination because it has something for everybody. It is fully air-conditioned. This mall is very well maintained by the mall management. It also houses some extremely famous chain stores like eZone, Food Bazaar, Ethnicity and F123 which are the crowd pullers in the mall.
REVIEW OF LITERATURE

Myriad number of literatures is available which have identified various dimensions and concepts of customers’ buying and consumption behavior. An earnest attempt has been made to delve into the relevant researches done on the theme, presented henceforth as follows:
The Indian retail industry is the fifth largest in the world. Indian retail industry is the one of the fastest growing industries in India, especially over the last few years comprising of organised and unorganised sectors. Though initially, retail industry was highly unorganised, however with relaxation in FDI in India to 100% ownership in joint ventures by single-brand companies in the retail market and 51% in multi-brand and a change in customer tastes and preferences, the organized sector is becoming first choice (Kotler, et al., 2008).

For the current generation of consumers, the meaning of shopping has changed. It is not just a mere necessity, as it was earlier, but much more than that. The factors that affect store choice and draw customers to the shopping centre include space, ambience, and convenience and moreover an array of choice under one roof (Taneja, 2007).

Howard (2007) also believes shopping to be a leisure pursuit and with the rapid development of shopping centers, both retailers and developers are trying to make it more of a pleasure activity. Social reasons are important, as Lunt and Livingstone (1992) describe shopping as a spectacle in which the person who is shopping is both a spectator and a performer. Shopping is also considered by Oakley (1974), to having the most positive attribute of being a leisure activity along with work (Dholakia, 1999). Of the many studies done in an attempt to identify motives of shopping, the one by Tauber (1972) is a prime one. He identified eleven motives of shopping in a market based economy apart from the acquirement of products and services and classified them as role playing and social experience outside home (Howard, 2007). Another research on the key determinants and motivations of shopping behaviour by Dholakia (1999) has explored and empirically tested three reasons behind going for shopping as ‘interactions with family’, ‘utilitarian’ and ‘shopping as pleasure’. Bearden (1977) identified seven salient store characteristics that influence consumer patronage decisions concerning where to shop. Those attributes are price, quality of merchandise, selection, atmosphere, location, parking and sales people.

Bearden further stated that store atmosphere, location, parking facilities and friendliness of store people are the salient factors that influence consumer store patronage. As a result store attributes such as service offering, activities, facilities Van der Waerden and Borgers (1994) found empirical evidence of a strong relation between the location of the chosen parking lot and the location of visited stores. The probability for customers to visit stores in the surrounding of the chosen parking is higher than visiting stores located at some distance.

Shopping malls are designed to persuade users to adopt certain physical and social behaviours related to shopping (Goss, 1993). This makes both the social and physical environments of the mall crucial in shaping users’ behaviour. The researcher further stated, mall designers manipulate the behaviour of shoppers by consciously designing a symbolic landscape that provokes consumption–oriented behaviours. Atmosphere in the context of malls refers to aesthetics and ambience of the mall. Again, the mall’s environment such as colour, music and crowding are an important function in shoppers’ perception and evaluation of the mall at large.

RESEARCH METHODOLOGY
Research Design – The present study is exploratory research which includes surveys and fact finding enquiries related to Mall buying behaviour.

Total sample size – 50
• Type of sampling – Non- Probability
• Sample Area – Indore region
• Sample unit – Mall visitors
Tools for data collection:
The data was collected by the ones who visit malls regularly in Indore. The data pertaining to the perception of customers was collected through a ready structured and non-disguised questionnaire. The Part one was related to demographic profile of the customer and questions on shopping frequency and shopping frequency from malls. Part two was related with awareness of various malls in Indore among customers, and upon shopping convenience and variety of products. And third part on shopping behaviour and preference of various malls. The excel sheet was prepared where responses of all the respondents were entered and tabulated in rows and columns in a logical manner. The collected data were analyzed using window based Statistical Package of Social Sciences (SPSS).

Data Analyzing Instrument – All the data has been analyzed using percentage analysis and by applying Hypothesis testing method ANOVA test.

RESULTS:
Demographic characteristics of the respondents:
Theoretically, when we talk about the customers of different age groups, it is of common belief that for different age group there are different reasons for shopping at malls. To investigate this belief customers belonging to two different age groups namely 16 to 21, 22 to 25 yrs were studied.

OCCUPATION

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<td>housewife</td>
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AGE

<table>
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GENDER
Q.1 How often do you shop?

22% of respondents shop more than thrice a month, 10% thrice a month, 36% twice a month, 32% once a month.
Q.3 When do you prefer to shop?

32% of respondents shop anytime anyday, 6% weekday afternoon, 16% weekend evening, 12% weekday evening, 16% weekend afternoon, 2% weekend morning, 16% weekday morning.

Q.4 Where do you shop normally from?

24% of respondents shop from Malls in Indore, 8% from local market and majority (68%) from both.

Most of the malls of Indore like C21, TI (Treasure Island) was found to be complete mall for the family, fun and entertainment to attract the consumer, especially the food joints, indoor games attract
children and unmatched ambience to youngsters for good time pass. But these Malls should start some discos for the youths and need more promotional activities and snooker and Ice skating to allure children and adults.

Perception of shoppers towards Malls = f(Age x Gender)

### Tests of Between-Subjects Effects

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<th>Source</th>
<th>Type III Sum of Squares</th>
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<td>.002*</td>
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</table>

*Significant at 0.05% level of significance

### RELATED HYPOTHESIS

H01: There is no significant effect of age on customers’ mall buying behaviour in Indore. The F Value (11.031) is significant at 0.05 level. It means that there is significant difference between two age group shoppers’ perception. In this context the null hypothesis namely, “There is no significant effect of age on mall buying behaviour” is rejected. Hence, it may be concluded that age has significant effect on mall buying behaviour.

H01: rejected

H02: There is no significant effect of gender on mall buying behaviour. The F Value (.166) is not significant at 0.05 level. It means that there is no significant difference between mean perception score of Male and Female. In this context the null hypothesis namely, “There is no significant effect of Gender on mall buying behaviour ” is not rejected. Hence, it may be concluded that Gender did not produce significant effect on mall buying behaviour.

H02: not rejected

H03: There is no significant effect of interaction between Gender and age on mall buying behaviour. The F Value (5.053) is not significant. It means that there is no significant effect of interaction between Gender and age on mall buying behaviour. In this context the null hypothesis namely, there is no significant effect of interaction between Gender and age on mall buying behaviour is not rejected. Hence, it may be concluded that interaction between age and gender has no significant effect on mall buying behaviour.

### CONCLUSION

From the study it was found out that a large number of consumers have started shopping more and more. 22% of respondents shop more than thrice a month, 24% of respondents shop from Malls in Indore and 8% from local market, they choose the malls over the unorganized market because of leisure, which is associated with shopping. 32% of respondents shop anytime anytime. The attributes
of the malls attract the consumers towards it and make the consumers come back. The larger and more diverse formats is providing the consumers with more options to shop and give novel experiences. A variety of newer retail formats are being introduced. Consumers with strong shopping motives are found to experience more pleasure and arousal, and find the mall ambience to encourage impulse buying behaviour (McGoldrick and Pieros, 1998; Mattila and Wirtz, 2004).

The middle income class prefers bulk shopping for processed food and personal care in supermarkets and fall back on traditional outlets for other items. For them, organized retail outlets seem to be a good option for branded items/special purchases when offers are available. Malls impact on the lower class, only for ‘curiosity’ shopping, they just visit malls for hang out. This fact can also be supported by the other studies as it was conducted on consumers who belonged to varied income groups.

After all such analysis it can be concluded that there are various things that affect the mall buying behavior but in this study only two demographic variables were taken. It was found only age had significant effect and gender did not have significant effect on the mall buying behaviour in Indore city. The youngsters find malls as a place, where they can spend a good amount of time with various facilities like to eat food, sit, rest, pray, entertainment, clean toilets, smoking areas etc. With consumer demographics becoming more and more favourable to the organized segment of the retail industry and the increase in the availability of retail space and a skilled workforce, there has been a complimenting growth in retail chains, multi brand outlets and integrated shopping malls. The share of organized sector will grow rapidly. As from the above analysis it was found that 24% of respondents shop from Malls in Indore, 8% from local market and majority (68%) from both. Organized Retailing in Indore is surely poised for a takeoff and will provide many pleasant experiences to people with different demographics.

LIMITATIONS AND SCOPE FOR FUTURE WORKS

The research was conducted on limited sampling frame due to resource and time constraints for the purpose of the current research. Although the study offers some useful results and some managerial implication yet they are not suitable for generalizing to the whole of Indore. The use of convenience sampling may be one of limitations. So, it is suggested that for further studies employment of probabilistic sampling and a large sample size can maximize the reliability and generalizability of the results. The sample size of the population being tested should be large enough to increase its validity i.e. An appropriate sample size is needed to conduct the test of significance. Also since only few malls were available at the time of study when undertaken, in-depth demographic profile study of the customers could not be done. It is also recommended to gather data from customers at more number of malls (as they have opened) in order to widen the scope of the study.

References:


Malls and Hypermarkets: Perspectives of Contemporary Shopping School of Management Studies, Punjabi University, Patiala.


http://www.iupindia.in/1006/MM_Mall_Consumer_chennai_39.html