

AN EMPIRICAL STUDY ON KEY FACTORS AFFECTING CUSTOMER RELATIONSHIP TOWARDS SHOPPING MALLS IN CHENNAI

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Abstract

Today, Shopping malls are replacing 'kirana' stores all over India. India's retail infrastructure is slowly undergoing a change with many Shopping malls being constructed and operating in various cities. The concept of mall has completely come from Other Countries to India. The Indian consumer seems to be undergoing a shift in terms of personality, buying motives, interests, attitudes, beliefs and values when he or she is making a shift from 'kirana' stores towards shopping malls. The aim of the study is to identify the factors that affect the shoppers to shopping towards shopping malls. Along with this research efforts have been made to explore various factors which affect the behavior of consumers in a retail outlet. Through literature review various factors are focuses which affects the consumer behaviour towards shopping mall while visiting for shopping. A sample of 100 respondents was taken who are regular visitors of shopping malls or their purchases are mainly from shopping malls. The data was collected through the questionnaire on five-point likert- scale. Statistical analysis was done using the software SPSS which indicated the significant relation by Chi-Square test of data the results of the study.

Keywords: Shopping Malls, 'Kirana' Stores, Consumers Behaviour, Fashion, Consumer Satisfaction, Global Trends

INTRODUCTION

A shopping mall, shopping centers, shopping arcade, shopping precinct or simply mall is one or more buildings forming a complex of shops representing merchandisers, with interconnecting walkways enabling visitors to easily walk from unit to unit, along with a parking area-a modern, indoor version of the traditional marketplace. The shopping mall concept is a successful concept being copied from international market to India and attract Indian people. Also shopping mail sole purpose to provide everything under one roof or in one big complex. It also heralded in a new urbanization concept where everything was taken to the consumer in his comfort zone. Customers feels that malls, supermarkets and hypermarkets are well organized with the range of choices, value-for-money with variety of offers, the ambience are good, there are better offers on purchases across categories and they get everything under one roof and they get good deals on bulk buying. The shopping mall is a global concept that has created pathway to have global brands in to Indian markets. Shopping centre has become fashionable, dynamic, and bright life centre that fulfils various requirements of customers. The competitions among the shopping centres become violent. However, due to the change in attitude of customers towards organized retail market segments mainly due to increased income levels, strong economy, and behaviour, demand, changing life styles and shopping habits of customers. The shopping centre is now not only a place for shopping, but also for a form of family entertainment, satisfying a social need and cultural hot spot where people of all ages can come to interact. The various past authentic surveys have found that the performance of the shopping mall depend on maintaining the customer relationship management, shopping mall structure, mall designing, mall management, target market customer, ambience and mall environment to generate the revenue and advancement. Customer satisfaction is one of the key factor in knowing the success of any retail store or business, therefore it is very important to measure it and to find the factors that affect the customer satisfaction. As the behavior trend of customer has changed the shopping style, so the demand of shopping mall has increased in customer's perception but still there is ambiguity in determining the factors that "what attracts the most of the customers towards Shopping Malls".

LITERATURE REVIEW

Kearney (2006) - India is more attractive than ever to global retailers. India's economic growth forecasted at 8 percent GDP in 2006, continues to support the retail industry. The estimated \$350 billion retail market is expected to grow 13 percent and the top five retailers account for less than 2 percent of the modern retail market. And with one billion people, it is the second largest population in the world. There are also fundamental changes underway in India. In early 2006, the government announced that it would allow foreign companies to own up to 51 percent of a single-brand retail company (Laura Lucia et al., 2016) pointed out that mall atmospherics, physical design, crowding levels, accessibility and tenant mix should be target variables in order to manage affective and cognitive responses in shoppers minds. Environment should be such that it encourages excitement and peacefulness and avoid stress and frustration. Whereas, (Qiulin Ke Wencan Wang, 2016) suggested that location, vacancy status and income generation probabilities are important determinants that influence higher rentals from the mall as they are key indicators of performance. Along with these indicators as per (Pankaj Renjhen, 2015) poor mall management is the biggest cause of failure of Malls. To enhance the consumer experience, it is important (Andrew Strenk, 2015) that new design elements need to be incorporated inside the common areas, use of digital technologies, visual merchandizing, convenience of customers need to be focused. Cinema, Food & Beverage category should be well represented that helps in engaging the customers. This is further emphasized by (Anshuman Magazine and Anuj Puri 2015. Afreen Choudhury et al., (2014) concluded that incorporation of entertainment & food facilities, maintenance of service quality and providing facilities to socialize are the factors that affect customers attitude towards a mall.

Panchanatham and Gnanaguru (2008) Retailing is interlinking the individual consumer with the manufacturing and distribution chain. Retailing is highly consumer driven and the customers are being exposed to new retail formats frequently. If well planned and organised, the retail business would ensure that the consumers will benefit not only by way of quality products but also in prices due to the bulk buying capacity of big retailers. Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals." (Ferris et al., 2010; Tse and Wilton, 1988; Oliver 1999). According to Kim, et al., (2004) customer satisfaction is customer's reaction to the state of satisfaction, and customer's judgment of satisfaction level. Wong et al., (2012) there is a relationship between shopping mall attributes and customer satisfaction. To investigate the personality of the retail store, two different Martineau (1958) categories of retail store attributes i.e. functional and psychological which directly and indirectly to customer satisfaction. The functional category includes attributes like location, assortment of products and store layout. The psychological category represents the feelings generated by the functional elements of the store. While research into store choice by the customers has gained more attention former attributes than the latter. For supporting the review in the study of a grocery store attributes, customer looked upon the price, product variety, one-stop shopping, quality, location of the store, advertisement, general appearance of the store and convenience (Doyle & Fenwick 1975). Manana, (2009), suggested that Consumers evaluate the malls on the basis of products and different features of mall e.g. location, employees and atmosphere. Retail businesses are spending on getting and sustaining locations appropriate for their products and consumers, as mall location is vital factor of retail business (Hernandez and Bennison, 2000) The factors which are affecting to customer to shopping in selecting the shopping place fall in five groups i.e. Features of price, accessibility, environment, mall image, regarding the consumer buying behavior, convenience and rewards (Wong et al., 2012; Dawar and Parker, 1994;). determined other dimensions of mall selection behavior e.g. decoration, atmosphere, exterior and cleanliness of mall (Newberry et al., 2003). Along with Abu Bashir (2012) found in their study customer claims towards wide range of product choice of product all times, merchandise at lower price with convenience. A research done by Wang & Ha, (2011), nine features of mall make significant the consumer to loyal towards shopping in mall that are mall atmosphere, after sale service, brochures and pamphlets, communication, convenience, quality and assortment of products promotions, expected behaviour and rewards as discounts etc. Isaksson & Suljanovic (2006) during the study of "different factors in retail environment affect customer experience" in IKEA experience suggested that the most apparent reasons for people choosing to shop is cost advantage with their wide variety of products being relating cheap in comparison to others retailer and product assortment is wide and constantly changing. Location is another factor in IKEA which add something extra to their shopping.

Kumar and Vikkraman (2012) comparing organised and unorganised retail outlets suggested that organised outlets provide price, self service, visual merchandising and essay accessible layout to find out the product. In selection of location, Reardon et al.(2001) found out in their study that's suitable sites close to home, working place, high traffic places is more preferable to one stop shoppers. Apart from this location, merchandise price, income of the consumers & culture also had some impact on the failure cause of malls Ambale (2013). Differed levels of product assortment affect consumer purchasing behavior more than prices (Fox et al., 2002). Babin and Babin (2001) found that in stores consumer's purchasing intentions and spending can largely depend upon the features of the items, customer self interest,

consumer's gauge of evaluating items and the importance they give to their purchasing at a store. Great product assortment is significant in attracting consumers and also to influence them on buying decision while in the mall (Skalldrud et al., 2009; Manana, 2009). Brennan & Lundsten (2000), in their study on the consumer shopping habits identified that consumers shop at discounts for low prices and large variety and stores for the unique items they cannot find elsewhere. Obeja and Bedia (2012) find that customers are conscious about extra facilities & service provided by personal selling in shopping malls. They want hygiene and clean atmosphere in malls. Young customers are most recreational in their shopping. Female are not conscious about price while shopping in malls. Number of the studies has been done relating to factor affecting or key factor affecting towards retail store and shopping mall attributes. Based on the literature review this study has made attempts to investigate affecting factors of customer satisfaction towards mall and relationships between customer satisfactions.

OBJECTIVES

- To understand customer's view on buying from Shopping Malls.
- To identify various factors that affects the others sellers vs buying from shopping malls.
- To identify the customer's satisfaction level.
- To provide management view to improve performance of shopping mall and attract customer's.

HYPOTHESES

H₀: There is no significant relationship between the response of customers with regard to the availability and quality of products and services offered at shopping malls does influence the customer's acceptance level towards shopping in the shopping mall.

H_A: There is significant relationship between the response of customers with regard to the availability and quality of products and services offered at shopping malls does influence the customer's acceptance level towards shopping in the shopping mall.

H₀: There is no relationship between safety policy & customers towards shopping malls.

H_A: There is a significant relationship between safety policy & customers towards shopping malls.

H₀: There is no relationship between lot of alternatives to the product stimulates customer toward shopping malls.

H_A: There is a relationship between lot of alternatives to the product stimulates customer toward shopping malls.

H₀: There is no relationship between ease to find the product stimulates customer toward shopping malls.

H_A: There is significance relationship between ease to find the product stimulates customer toward shopping malls.

H₀: The attitude of customers towards shopping malls and overall customer satisfaction is positive.

H_A: There is no significance relationship between the attitude of customers towards shopping malls and overall customer satisfaction.

RESEARCH METHODOLOGY

Descriptive research design is used to perform the study. The random sampling method used to collect the primary data from the customers. The sample of 100 respondents was collected. Both primary and secondary data is used to perform the study. A questionnaire was prepared for customer's survey. Introductory question included all multiple choices/ multiple response type of questions. Main body of customer questionnaire included objective of the research study which was drafted in English containing Likert-scaled items scoring from 1 (strongly disagree) to 5 (strongly agree) to measure various mall shopping factors. EFA with principal components axis factoring and varimax rotation with screen test criterion and Eigen values used to confirm the no of factors to extract (Hair et al. 1998). The mainpurpose of the EFA was to confirm whether items loaded correctly to the corresponding factors as identify by previous research. Through chi-square, hypothesis is tested to find out the relationship between factors affecting towards malls shopping.

STATISTICAL ANALYSIS & EVALUATION

TABLE 1: STATISTICAL DATA ANALYSIS

S.no	Items	χ^2_{cal}	χ^2_{tab}	DF	P-value
1	All type of products and services are available at one place	60.84	3.841	1	0.05
2	Branded products are available	84.56	7.815	3	0.05
3	Quality products	112.80	7.815	3	0.05
4	To check the availability of new products in malls	53.44	7.815	3	0.05
5	Preference for children and female for shopping	56.60	9.488	4	0.05
6	Secure in the shopping mall	35.29	9.488	4	0.05
7	Find what I want always	49.50	9.488	4	0.05

TABLE 2: TESTING OF HYPOTHESES

S.No	Items	Types of Hypotheses	Result
1	There is no relationship between availability of branded, quality and variety of products and service customers towards shopping mall	Null	Rejected
2	There is significant relationship between branded, quality and variety of products and service customers towards shopping mall	Alternative	Accepted
3	There is no relationship between safety policy & customers towards shopping malls	Null	Rejected
4	There is a significant relationship between safety policy & customers towards shopping malls	Alternative	Accepted
5	There is no relationship between lot of alternatives to the product stimulates customer toward shopping malls.	Null	Rejected
6	There is a relationship between lot of alternatives to the product stimulates customer toward shopping malls	Alternative	Accepted
7	There is no relationship between ease to find the product stimulates customer toward shopping malls.	Null	Rejected
8	There is significance relationship between ease to find the product stimulates customer toward shopping malls.	Alternative	Accepted
9	The attitude of customers towards shopping malls and overall customer satisfaction	Null	Rejected
10	There is no significance relationship between the attitude of customers towards shopping malls and overall customer satisfaction	Alternative	Accepted

CONCLUSION

The study was accomplished to discover the factors that affect the customers shopping from Shopping malls. All the hypothesis has been accepted in the research paper which gives the direction to retailer to improve the performance of the mall by concentrated the factors that customers shopping from Shopping mall. When a consumer wants to purchases from mall, he or she is affected by assorted factors. The main affecting factors towards mall have been identified as availability of branded shops, quality and variety of product, ease of find alternative product. New product is also affecting the customers to shopping towards mall. Another factor is safety and security which affect to customers to shopping in mall with family and children.

Managerial Implications To apply the concept of this research in shopping mall policy is mainly to focus on safety and security factor to gain the renew portion and used cooperation factors as a tool to encourage management performance score. As Indian retail Industries is in boom today and more and more national and international players are interested in the emerging retail market in India, information on consumer relating to factors that affect the shopper may be useful for retailers targeting Indian markets. This study provides more meaningful ways to identify and understand various factors to consumer segments and to target each segment with more focused marketing strategies.

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