

A study of Consumer Behaviour towards shopping malls – A conceptual Study

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Abstract: The Indian consumer market is experiencing its golden phase. The economy is showing trends upward; consumers have more disposable income, and the advancement of contemporary urban lifestyle is highly influenced by global civilizations. The growth of education and communication mediums, along with international exposure, has greatly enhanced consumer awareness not only in cities and towns but also in the rural expanses. Conventionally, buying decisions were made by the head of the family, usually male members. New consumer segments of youth and modern working women have evolved. Even the extensive vicinity of the Indian rural areas is gaining momentum, and the potentiality of this consumer segment is impractical to ignore. With the present-day scenario of the retail sector, wherein more and more organized retail projects are being successfully ventured, and consumers are having access to multiple brands, the establishment of customer loyalty is a challenge in itself.

Keywords: Retailing business, Globalization, Multinational companies, Products, Shopping Malls, Consumer Behaviour, GDP, Unorganized sector, Organized sector.

1. INTRODUCTION

India has recently undergone a profound revolution in the organized retail industry with shopping mall culture swamping the Indian market. Augmented globalization and access of multinational companies into the Indian topographies, along with better-salaried jobs owing to the IT revolution, has enhanced the buying power and demand for associated facilities along with products. Shopping malls fit the bill perfectly. Market experts believe that the Indian consumer market is amidst its utopian spell. Through the progression of the urban standard of living, Indian households had higher disposable incomes via the culmination of new customer segments of working women and youngsters and improved consumer awareness. These trends have transfigured the consumer buying behavior in both rural and urban terrains. McKinsey & Co. (2007) cited in Spencer Stuart (2008, p.3), have anticipated India to develop into the world's fifth largest consumer market by 2025. The past research was about the changes that took place in India, which was poised to become the retail powerhouse, and hence the changes occurred in the retail industry sectors. The report is given in 2010 by McKinsey & Co, and CII (Confederation of Indian Industry) displayed the potentiality for generating over 300 billion every year. This growth in population is connected with incomes to provide this impetus.

Groceries and household service appliances are major drivers for an organized industry in retail. Retail in food is considered more for the sunrise sector. Retail in food has grown over \$1.6 billion, and apparel raised over 9.5 %. It meant that not enough space was available for big competitors. The merchandising and supply chain management are transforming into one and the retail in apparels steps to produce efforts along with the vendors. The customer satisfaction is gained in merchandising, and thus profit is improved (Srivastava, 2008).

The view of semi-structured retailing can achieve the study about changes in the trends of shopping for the consumers in the economy of India as a consumer tool. The ambiance and convenience play a vital role in satisfying customers. The malls produce large outlets with the Indian and the foreign brands which are the benchmark for the communities. There are different factors for Indian consumers on their own choices of deciding the shopping mall or the markets that were unorganized (Taneja, 2007).

The behavior for shopping by the consumers, especially with newly produced formats for retailing are investigated on the behavior of the consumers while visiting or purchasing the malls that were opened newly. It explored the necessary purpose and also motives for the consumers to go to malls. The eminent values were deprived of a shopping trip or behavior by view on purchasing and money spent (**Millan and Howard, 2007**).

The malls had grown very large for over many recent years and were expanded to include the outlets of services and entertainment (**Ooi and Sim, 2007**). It advertised for shopping and recreation centers. Merchandise is the major way for a mall, and entertainment adds an advantage. Mall survey examined the motive for shopping. The size of the sample viewed that mall shoppers are the sum of 162 active shoppers. Shopping was identified to be 47 items; this captivated over nine factors for analysis. The analyses validate items for measuring three utilitarian and six hedonic motives.

The utilitarian motive is a convenient and economical way of shopping, while the hedonic refers to social and aesthetic shopping. The motive for shopping captures the respondents, and it's likely the individuals show various motivations for carrying out the new format and occasions (**Patel, 2009**).

The FDI cash over ownership of 100 percent was allowed. In 2006, investments of 51% for each brand outlet were permitted. The Government of India makes the retail of multibrand trades and increased limit of 51% to 100%. FDI in retail is a leading and important source for non-dept capital inflows and an opportunity provider for the host countries to raise the development economically. Foreign retail eliminated the middleman, and so the consumers get products and services at a low price. Global retail seemed to know the quality of the products and the services for improving the efficiency and productivity for reducing the cost. Because of the global competitor's entry, retailing resulted in a price war. Therefore, the consumers also started to enjoy the beneficial terms for enhancing the products and services at the world level at a competitive price (**Fulzele, 2013**).

The policy for the FDI approval in retail made India emerge globally for investments. India ranked fifth in the Global Retail Development Index in the year 2012 and ranked 14th in 2013. This remained stable. Indian retailers converted themselves to raise their opportunity massively. Technology played a key role in India's retail development. Customers agreed to purchase a high amount for the quality products. Indian retail witnessed a fast change in the economic landscape. India is said to be experienced in retail phenomenon globally. The retail of multi-brand turned to 51% by the GOI. The Department of Industrial Policies and Promotion made the retail sectors of India to be a single brand that received \$344.9 million FDI in 2015 September end (**Sidhardha, 2016**).

The challenge and opportunities by organized retail sectors of Bengaluru are found to be that the retailers who were organized looks for the competition with unorganized retail sectors as a challenge and in competition with retailers of other organized sectors, distribution channels in efficiency and logistical problems. The retailers in the unorganized sectors look for the competition with retailers of organized sectors, also in achieving the operation cost, logistical problems, and distributional channels inefficiency. Bengaluru's retailers of organized sectors see the city's growing middle-class as a great opportunity (**Dash, 2009**).

Consumer behavior factors involve purchases in the retail organized sector. Customer satisfaction and loyalty have increased. These factors highlighted various strategies of market adopted by major competitors who penetrate the retail organized sector of India. These factors took a review on evaluating loyalty and customer satisfaction (**Khan, 2014**).

India shoppers spend INR 2500 for food and groceries every month. The stores were booming in some markets as those stores exceeded 80,000. 48% of Indian shoppers admitted that they always try new things. Thus, the total monthly expense is \$50, and among this, the sum of \$21 is spent alone for food. The 20 million middle-class rural Indians equals urban India having the same power for purchase. This is a significant opportunity for retailers of organized sectors. The deny is not available for the rural strategy of the market which carried promise from the retail of organized sectors (**Sinha, 2007**).

The mall witnessed huge consumer attention and popularity. Mall developers are seeking to move to raise their project level. The growth of malls faced many challenges. One of the challenges of the malls is 45 percent of malls are vacant in the cities due to poor management and low maintenance rate. The malls are attractive only if customer loyalty and physical servicescape is explored. The servicescape included are layout, signs and symbols, variety, social and aesthetic factors (**Shashikala, 2013**).

Good qualities are found in some places. The designs have natural integrated elements for encouraging consumers to shop and spend time there. The psychologists for the environment have the speculations about shopping centers, offers good quality for the mall (**Rosenbaum, 2016**).

Diminished sales in Indian cities guided mall expansion to central India. These shoppers were not familiar with the concept of the mall and hence have limited exposure for shopping. The utilitarian and hedonic influences are shopping as the manner of satisfying mall shoppers. The relationship of values for shopping and the satisfaction of the customers are the beneficial significance for shopping malls. The customer attraction for the malls and the profit enhances satisfaction and loyalty in the current scenario (**Kesari, 2016**).

A mall intercept survey was conducted to study Indian shopping motivation. This study identified three utilitarians (i.e., convenient shopping, economical shopping, and achievement shopping) and six hedonic shopping motivations (i.e., shopping enjoyment, gratification shopping, idea shopping, shopping for aesthetic ambiance, roll shopping, and social shopping).

The review of literature helped to comprehend the documented body of knowledge about changing consumer behavior concerning the upsurging mall culture and what factors have brought about changes in the consumer buying behavior and reasons for the popularity of the malls with special reference to India.

All firms aim at making profits through the maximization of sales, and this is possible only through having a set of satisfied and loyal customers. Customer satisfaction can be attained only through a righteous understanding of consumers' demand and behavior. Consumer behavior is the cumulative behavior that a customer displays while seeking out, buying, assessing and disposal of products and services that they anticipate satisfying their needs and wants. Consumer behavior also encompasses questions like why, when, how and how often consumers buy products and services. Consumer research is an on-going process through the consumption process and commences even before the actual purchase is made and ends after the disposal of the product. Philip Kotler, cited in Vani, Babu and Panchanatham (2010, p. 27) have defined consumer behavior as "all psychological, social and physical behavior of potential customers as they become aware of evaluating, purchase, consume and tell other about products and services." Consumer behavior not only studies the consumer but also the role played by other people in influencing their opinions for decision making (Vani, Babu, and Panchanatham, 2010, p. 27). Customer habits for buying patterns were not fixed permanently; even some of the habits are tenacious to resist changes. Various factors are involved in operating in a combination of changing customer's food-buying patterns. Among these involves an automobile, supermarket, self-service, and frozen foods merchandizing, flour mixes and baked goods are in increasing availability at customer's home, preservation of perishable raw foods and hence less time of consumption. Similarly, even pronounced changes are caused to affect patterns of the customer. These patterns are Place of Purchase; Items Purchased, Time and Frequency of Purchase, Method of Purchase, and Response to Sales Promotion Devices.

Place of Purchase: The customers divide purchases among various stores. They shop in department stores. Even buying food, there are many divisions for purchasing. The customer does not purchase fruits or vegetables where they often purchase groceries, though all goods are available in the same shop. The food store and the milkman are getting a share in the food business. The customers have a choice of making a purchase of the same goods in different stores. The patronage loyalties of one store are not permanent.

Items Purchased: The customer's purchase items in every store and its sale contains transfer from one or more commodities — the customer purchase for different items in the same store. The customer purchases a selection substantially of all items that are available in store, but selection may vary with other customers. Thus, in patterns of customer purchasing, it is informative to know what items, how much of each item.

Time and Frequency of Purchase: Store operations are geared with customers according to the time of purchase. Store buyers must keep a schedule. Merchandisers should be available at the store in supply, for the maximum sales to be achieved. The frequency depends upon the type of commodity it contained. For instance, if a man rarely buys more than two wedding rings, most of the men will try with the original acquisition, even it does not turn to be quite in the bargain that was expected.

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Method of Purchase: Whether a consumer bought on cash and carried out or on charge for delivery, whether a consumer shop alone or comes with anyone else and whether customers walk or ride to shops were elements in the method of purchase.

Response to Sales Promotion Devices: Those who are having goods for selling it, can use many purposes to induce consumption and hence can able to promote the purchase of goods. These sales promotional purposes are Displays, Pricing, Demonstrations, and Sales Talks.

Consumer behavior is highly important for firms for multiple reasons, but it is not only useful for firms but a variety of people like marketing managers, ethicists and advocates, public policy makers and regulators and even consumers. Hoyer, MacInnis, and Dasgupta (2008, p. 18) have highlighted the usage of consumer behavior for the above mentioned four groups:

- **Marketing Managers:** The study of consumer behavior allows the marketing managers to understand the plethora of consumer's mindset and decision-making process to make appropriate and effective marketing strategies and tactics to capture the maximum market share possible by way of designing, communicating and delivering appropriate products and services and fortifying company-consumer relationship.
- **Ethicists and Advocates Groups:** These groups primarily deal with the malpractices prevalent in the market and encourage and publicize ethical marketing practices and even at times advocacy group are formed to spread awareness for the same. These influence consumers with besieged companies through well-planned strategies involving media and protest.
- **Public Policy Makers and Regulators:** Study of consumer behavior helps the government and other regulatory bodies to safeguard the consumers from unsafe, unethical and other malpractices related to marketing tactics adopted by companies to sell their products and services. For example, direct advertising for cigarettes, liquor, abortion pills is not allowed in India along with direct sponsorship of such companies. These products can be advertised through surrogate marketing.
- **Consumers:** Consumer behavior helps the consumers in understanding the concept of marketing, advertising and brand evaluation in a better manner and can make choices more confidently. Consumers get more awareness about marketing malpractices and consumer protection (Hoyer, MacInnis, and Dasgupta, 2008, p. 18- 21).

Almost all the researchers, whether from academia or practice, have opined that consumer behavior is highly important for every marketing firm, from developing products and services to customer relationship management. Stallworth cited in Kardes, Cronley, and Cline, 2010, p. 3, have strongly favored in-depth analysis of consumer behavior for any business as it allows the firm to meet customer expectations by developing suitable products and services and creation of a relationship with customers through emotional connect with the brand.

Consumer behavior can be best concluded by qualitative research that allows deeper probing into the desires and expectations of the customers along with comprehending how customers relate with categories and brands in the socio-cultural framework and how people decode brands and their associated image and value. Consumer behavior is essential for customer segmentation, as customers can be classified by similar attitudes and behavioral traits. Knowledge of consumer attitudes and motivation helps in concluding how the customer will perceive the brand about needs and wants. Consumer behavior enables the creation of products by customer needs rather than making a product and then creating a need for it (Kardes, Cronley, and Cline, 2010, p. 3).

Consumer behavior has also transformed with time. The present-day consumer is more aware and self- assured shopper. The reason behind this is higher accessibility to information through multiple mediums and shopping routes like malls, multi-brand outlets, exclusive stores, and online shopping. The strategic consequences of consumer behavior have made a radical impact on the marketing strategies of the company.

Companies can no longer mislead customers and diverted their focus from product to the customer and are doing everything possible to keep them satisfied and loyal. Today the classification and targeting of consumers in the context of demographic and socio-cultural characteristics is more precise and well defined. Consumer choices have become more sophisticated, and they choose products with very strict criteria determined the customer to fulfill the need. Customization is the buzzword of today (Assael, 1998, p.7).

Consumer behavior is a reasonably fledging discipline of management that involves the comprehension of how the customers take decisions for buying, using and disposal and resale of a product or service. The process of decision making commences in the thoughts of the consumers far before they visit the point of sale. After acknowledging the need for a product and service, consumers try to identify and assess the alternatives. Consumer behavior also deals with post-purchase behavior as it is the source for re-purchase (East, Vanhuele and Wright, 2008, p. 5).

Marketers across the globe have recognized the eclectic possibility of consumer behavior encompassing the characteristics of consumer decision making, discrete determinants and influential external aspects related to various environments (Tyagi and Kumar, 2004, p. 7).

2. RESEARCH METHODS

Exploratory research is used to study the issue. An exploratory form of research is quite flexible. When the problem is broad without any particular definition, then exploratory research is used as an initiative. When the research has the objective of “exploring” some new phenomena, even then the exploratory form of research can be made use of (Maxwell, 2005).

Exploratory researches evaluate problems in the simplest yet accurate way possible, getting clarity and transparency in concepts (Creswell, 2006). Therefore, the procedures involved are looking for necessary documents, the gathering point of views of experts, carrying out interviews with relevant people, etc. (Bynner and Stribley, 2010). From the objectives of the present study, it does not seem to be exploratory. It does not want to go in depth about the research problem, i.e., the mall culture. It just wants to identify the reasons for the increasing popularity of mall culture, the psychology of consumers, and the current trend regarding shopping in malls.

3. CONCLUSION

India is acknowledged as a country of merchants, with nearly 11 million retailers, but predominantly in the unorganized sector. However, the ameliorative amendments of liberalization, privatization, and globalization have transformed every facet of the Indian economy. This steered headway of the organized retail sector in India with major players being Shoppers' Stop, Pantaloons, and Lifestyle, etc., instigating mall culture in the country. It was only after 2002 that the organized retail sector progressed expeditiously. The Indian retail sector is in the second position amongst 30 developing countries in the global retail development index, with total business volume expected to be 637 billion dollars by 2015 (Tanwar, Kaushik, and Kaushik, 2011, p. 104). Through the preceding few years, researchers have been probing the progress of organized retail sector in India and have construed that at present, India is going through the second phase of its retail evolution cycle (Sharma, 2011, p. 381). Demands of Indian consumers have amplified along with the improved standard of living and contemporary lifestyles. However, lone macro factors cannot be solely ascribed for this stupendous progress. Higher disposable income does not deduce into higher sales. Indian consumers are relishing the organized retail arrangements as they get better choices and improved shopping experience. The Indian retail market is gradually growing even after the impact of the worldwide financial slowdown.

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