
Study of “store / mall environment’ as a factor for shopping

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Abstract

The study investigates whether store / mall environment is perceived as an important shopping factor. The study is done in shopping malls in metro cities of Maharashtra. Primary data was collected using a structured questionnaire and four age groups. Secondary information was obtained from prominent journals in retailing and consumer behaviour. The results indicate that customers perceive environment as an important shopping factor. The results did not show any difference of opinion amongst age group and gender. The study has important implications on retailers as store / mall environment contributes to enhancing the shopping experience.

Keywords: shopping, retail , store environment, malls, India

Introduction

The Indian retail market was expected to grow by 19 % CAGR (compounded annual growth rate) and touch a value of Rs 47,80,318 crores by 2015 from Rs 28,50,055 in 2012 (India Retail Report, 2013) (45). The market touched a value of Rs 38,93,425 crore in 2014 and its contribution to the GDP was 37 % (Indian Retail Report, 2015)(45). The retail market in India is divided into organized and unorganized retail. The share of organized retail market as a percentage of the total market was estimated to be 7.8 % ie Rs 2,23,572 crore in 2012 (Indian Retail Report, 2013)(45) and it has touched 9.8 % ie Rs 3,81,078 in 2014 (Indian Retail Report, 2015)(45) and has grown by CAGR of 30 % in the last 5 years (Indian Retail Report, 2015)(45). The metropolitan cities of India account for 68 % of organized retail and are expected to show significant growth in next 10 years (Economic Intelligence Unit, 2006) (31). As urban regions grow, the demand for food and non food products increases leading to the development of infrastructure, logistics and organized retail. Consumers in the metropolitan cities are demanding superior shopping experience (Jones Lang LaSalle, 2012). . There are several studies relating to consumer shopping motives in retail. But there are no studies relating consumer shopping motives based on “store environment”.

Review of Literature

Buttle (1992) (31) has mentioned that shopping is a “contextualized act” i.e. consumer trips for shopping is related to a context. He has given the example that shopping motives for a gift is different from those of groceries. Researchers (Farrag, El Sayed, and Belk, 2010) (75) in their

study have shown that shopping behavior has undergone a paradigm shift from product orientation to entertainment orientation in retail outlets and malls. The malls offer sufficient scope for entertainment and social interaction apart from shopping. They offer food courts, restaurants, cinemas, children's play areas, other forms of entertainment, relaxation spaces, and promotional areas to create various reasons to visit a mall for shopping. Hence, the shopping motives are functional oriented as well as experiential oriented.

The shopping motives play an important role in shaping a consumer's decision with respect to the products and services purchased and form the basis of purchase patterns of shoppers. It also explains why consumers purchase certain products over others (Yavas, 2001) (225). Shopping motives also determine why consumers prefer certain stores over others. The shopping motives are also important to study the heterogeneity or homogeneity in shopping behaviour (Sheth, 1981) (201). The researcher (Sheth, 1981) (201) had advocated the shopping preference theory which mentions that shopping motives are the outcome of type of product or brand and personal, social and epistemic values of customer. The shopping motives along with shopping options related to location, retailer image, advertising and other promotional activities done by companies help in creating a choice and shopping predisposition.

Mall / Store environment

The environment relates to physical environment which includes layout, architecture, décor, lighting, music, aromas and cleanliness (Baker, 1986) (17). The physical environment influences the emotions of consumers leading to a state of arousal of pleasure (Bloch et al., 1994; Jacobs, 1984; Kowinski, 1985) (25, 111, 134) . These factors also create a desire to stay longer in a mall or store for shopping and form a major attraction for consumers in organized retail (Wakefield and Baker, 1998) (231). Their research found a strong inter-correlation amongst the environmental factors to influence shopping behaviour. They suggest that retailers should pay sufficient attention to these factors as they also influence consumer perceptions about the retail outlets.

Baker, et al (1994) (16) studied the impact of store environment factors on consumer perception about quality of merchandize and service quality within a store. A comparison was made between stores selling luxury goods and those carrying discounted goods. The store environment factors were store ambience (lighting, music and odor), store design (flooring, wall covering, colour, cleanliness, trial rooms, layout, aisles and sign boards) and social factors (interaction with sales staff). The retail format chosen was card and gift store. The respondents were undergraduate students of marketing course in a state university. The results indicated that store ambience and social interaction influenced perceptions about merchandize and service quality whereas store layout did not.

Liao, et al (2012) (40) studied the impact of store environment on purchase intentions amongst American and Taiwanese consumers towards coffee stores. The store environment related to three different aspects of the store namely ambience, store design and social interaction with salesmen, the variables borrowed from Baker et al (1994) (16). The results showed that store environment factors had a significant impact on purchase intentions. However, there was a difference in

preferential factors amongst Taiwanese and American consumers. For Taiwanese consumer, social interaction was the most important factor followed by ambience and design whereas for the American consumer, store design was the most important followed by ambience and social interaction. Hence, from the study of Baker, et al (1994) (16) and Liao, et al (2012) (40), we can infer that the impact of store environment varies with store format and product category.

H1: There is significant difference in shopping motive with respect to age group.

H2: There is a significant difference in shopping motive with respect to gender.

Research Methodology

Collection of Secondary data

The secondary data collected from national and international research journals, consultancy reports of private research agencies and government organizations, business newspapers and magazines was used for exploratory study to identify the shopping motives and frame the research questions. The research journals referred for study were accessible in libraries of various institutes in Pune as well as online database such as EBSCO, Google Scholar and Emerald.

Collection of Primary data

Questionnaire development and testing

Based on the inputs obtained from review of literature and mall managers and retailers, a structured questionnaire was developed to carry out the study. The questionnaire had questions related to personal details of respondents, demographic profile of respondents, shopping frequency, day and time spent on shopping, money spent on shopping and behavioural outcome if the shopping motives are satisfied. These questions were dichotomous or multiple choice in nature so that the research objectives could be achieved and the questions could be answered in minimum amount of time.

The final questionnaire was administered to target respondents at malls in Pune, Mumbai, Nasik, Nagpur and Aurangabad. The respondents were intercepted at various locations in the malls near the stores of the selected product categories. They were also tapped in the mall parking and exit points. This helped to reduce the location bias. The responses were collected at different times of the day and at weekdays and weekends. This helped to reduce the time bias. At some of the malls where the respondents were reluctant to fill the questionnaires, their email ids were noted and the questionnaires were sent by email. The total valid responses collected for shopping malls in metro cities of Maharashtra was 551. The responses were collected through convenient sampling. The responses were collected on a scale of 1 to 7 where 1 = least important and 7 = most important. Kruskal Wallis test and Mann Whitney U test were administered to test hypothesis 1 and 2 respectively.

Data Analysis

Shopping Motives	Pune	Mumbai	Nashik	Nagpur	Aurangabad
Store environment	5.16	5.33	5.55	5.13	5.35

Inference: The respondents in the five cities perceive store environment as an important motive

Based on age group (Kruskal Wallis test)

Test Statistics

	Pune	Mumbai	Nasik	Nagpur	Aurangabad
Chi-Square	1.265	3.321	.932	3.434	1.999
Df	2	2	2	2	2
Asymp. Sig.	.531	.190	.627	.180	.368

Inference : There is no significant difference in shopping motive based on age group (18 to 25 yrs), (26 to 32 yrs) and (33 to 40 yrs). Hence null hypothesis is accepted.

Based on gender (Mann Whitney U test)

Test Statistics

	Pune	Mumbai	Nasik	Nagpur	Aurangabad
Mann Whitney U test	2782.500	2889.000	2971.500	2719.000	2976.500
Asymp. Sig.	.244	.452	.643	.176	.657

Inference: There is no significant difference in shopping motive based no gender. Hence null hypothesis is accepted.

Conclusion

The results clearly indicate that store / mall environment is perceived an important factor for shopping by customers in the five metro cities of Maharashtra. The results also indicate no significant difference in response with respect to gender and age group. The results are similar to those of Baker, et al (1994) and Liao, et al (2012) done in Taiwan and US. The result is an indication that mall developers and retailers should focus on the shopping environment in order to attract customers. The environment contributes to experiential shopping.