Anatomy of shopping experience for malls in Mumbai: A confirmatory factor analysis approach

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ABSTRACT

The city of Mumbai has not yet exhausted its potential in terms of availability of mall space. Yet shoppers of Mumbai seem to prefer high-street locations even if the product or format is operating from inside a shopping mall also. It means that shoppers look beyond the basic chore of shopping and experience plays a vital role. This study was undertaken to understand the composition of shopping experience so that mall developers and managers succeed in generating exciting among shoppers by orchestration of shopping experience using components as identified at the end of this research. It is based on empirical investigation of 400 respondents selected from four shopping malls in Mumbai. The study identifies ambience, convenience, marketing focus, safety & security and physical infrastructure as factors vital in defining shopping experience. Results were confirmed using confirmatory factor analysis.

1. Introduction

Mumbai, the financial capital of India, is one of the seven metropolitan cities of India. The city accommodates 18.4 million people and has per capita income of Rs. 1, 41,000 which is nearly thrice the per capita income of India (Department of Economics and Statistic, Government of Maharashtra, 2012). Due to its refined demographics the city was expected to be a fertile ground for development of modern retail and shopping malls. In fact India's first shopping mall 'Crossroads' did come up in Mumbai in the year 1998. However the potential seems to have fizzled out in recent years. Taking per capita mall space (PCMS) for India's big cities to be 1.2 square feet per person, Mumbai can easily and profitable accommodate 22 million square feet of mall space (ASIPAC, 2011). Total available mall space in Mumbai was about 13 million square feet as on 2011 (ASIPAC, 2011). Even then malls in Mumbai are facing reduced footfalls, spiralling vacancy rates and reducing mall rentals. When compared with traditional, high-street markets like 'Linking Road', picture is rather gloomy. Real estate rentals at place like Linking Road are pegged at somewhere close to Rs. 850 per square feet where highest mall rentals in Mumbai are constrained at Rs. 480 per square feet (Cushman and Wakefield, 2012).

It means that the city is not saturated in terms of mall potential but the shoppers are showing preference for high-street locations, maybe because they find them more appealing. However with the rapid expansion of Indian middle class having rising income levels and mounting brand consciousness, demand for a superior shopping experience is evident in the metropolitan cities (Mayank et al., 2010).

In recent past it has been observed that Indian retailers are showing a preference for high-street locations over mall locations. Apart from reasons relating to operational and financial efficiency, it is often said that high-street locations offer better footfalls (Nair, 2010; Kamath, 2012). If retailers that operate the same format from both these locations say so it mean that reason for customer's preference to high-street goes much beyond the merchandise or price that remain the same in both the cases. This search leads the researcher towards experiential aspects of shopping.

2. Literature review

Shopping malls are of very recent origin in India and hence there is a shortage of India-specific studies in this field. Most of the studies available on management aspects of shopping malls have been conducted in the US and Europe where the phenomenon called 'shopping mall' has matured.

Looking at the Indian studies the most popular theme of research on shopping malls provides a descriptive analysis of the status at present. It includes studies done by Kuruvilla and Ganguli (2008) in which they discussed development and operations of

shopping malls in Indian context; a study by Singh and Bose (2008) on comparison of Indian and the US shopping malls and another study by Swaminathan and Vani (2008) checking customer attitude towards shopping malls. A study that comes closer to exploring experiential aspects of shopping is the one carried out by Tripathi and Sidddiqui (2008) in which the authors study the relationship between service environment and patronage intentions. However in this work authors stopped at establishing relationship between an already existing theoretical construct and customer behaviour. Study that comes closest to the present work is the one by Singh and Sahay (2012) in which the authors explored the composition of shopping experience for shoppers of Delhi NCR. However the researchers did not validate the results using an established statistical procedure.

These studies indicate towards the huge gap in terms of studies exploring the psychology of shoppers and extracting the significance of experiential aspects of mall shopping. Outcome of the research should not only be distinct but should also stand the test of statistical prowess and validity.

2.1. Shopping experience

Numerous studies have been conducted in past highlighting the significance of shopping experience albeit most of these are in context of retail stores and not shopping malls. Explaining shopping as a pursuit for product acquisition explanation does not reflect its total value as consumers shop not only for goods and services but also for experiential and emotional reasons. This aspect of shopping has been explored by many researchers (Jones, 1999). Significance of experiential aspects of shopping was first highlighted by Holbrook and Hirschman (1982) when they enriched traditional information processing approach with an admixture of symbolic, hedonic, and aesthetic nature of consumption. It was also found that perceived store shopping experience is relatively more important than merchandise price or quality perceptions in explaining consumers' value perceptions of a retail store (Kerin et al., 1992). In an experimental study carried out by Swinyard (1993), shopping experience emerged as a relevant force along with customer mood and involvement level as he studies their impact on shopping intentions. The same point was established by Bellenger and Korgaonkar (1980) with the help of shopper profiling. Worked on profiling of people who enjoyed shopping as leisure-time activity, they found that 69% of respondents fell in recreational shopper category supporting the idea that recreational shoppers are a significant force in retail shopping and recreation or entertainment is a major deliverable in shopping.

Mall-specific discussion of shopping experience was carried out by Csaba and Askergaard (1999) in an article covering historical development of shopping malls in the US. They emphasized that shopping experience in a mall is the outcome of interplay between two different sets of forces/factors. One set of factors operate at the front stage whereas the second set operated at the backstage. Shopping experience in a mall is interplay of both these sets.

An extension of the same concept is total shopping experience. It is an overall assessment of subjective worth considering all relevant evaluative criterions. Here value is 'all factors, quantitative and qualitative, subjective and objective, that make up the complete (total) shopping experience. Babin et al. (1994) gave it more significance by mentioning that value is provided by the "complete (total) shopping experience; not simply by product acquisition". Entertaining shopping experience is supposed to increase the likelihood of store patronage by the shoppers.

Baker and Haytko (2000) made a significant comment on the composition of shopping experience when they empirically explored the emotional content of shopping experience in context of teen girls. In recent years Kim et al. (2005) used graphical modelling approach

for studying entertainment in context of shopping malls. The study revealed that mall developers and managers have indeed been using entertainment component of a mall as a significant method to differentiate the mall and increase their market share. Research developed an instrument to tap into multiple dimensions of what makes for an entertaining mall visit.

2.2. Mall attributes and customer expectations

Many researchers tried to explore the attributes and features that would make a mall more entertaining or enjoyable for shoppers and each came up with a different set of attributes as answer. It confirms the notion that mall shopping and retail patronage is a relative choice phenomenon (LeHew and Fairhurst, 2000; Lowry, 1997).

Relationship between retail patronage and physical attributes like size and distance was studied by Huff and Rust (1984). Their study explored all aspects like definition, estimation and measurement of congruence of retail trading area and propounded retail gravity model which helped in predicting mall patronage based on the principle of cost (accessibility) versus utility (size). The model tried to predict and explain retail patronage as a function of store size and distance from the consumer. Square footage of selling space was used as a surrogate measure for the attraction of shopping area. Craig et al. (1984) used central place theory and viewed shopping areas as commerce centres to which consumer households must travel to obtain needed goods and services. Research based on central place theory employed economic utility models that incorporated factors such as distance/travel time and the size of a centre to express the relationship between costs and benefits of shopping area choice.

Other spatial aspects like proportion of shopping area indoors, proportion of shopping area reserved for pedestrians and compactness were used by Oppewal and Timmermans (1999) in their experimental study consumer perception of public spaces using conjoint analysis.

Tenant-mix is another area that holds relevance for shopping malls. In a study based in UK, Kirkup and Rafiq (1994) studied management of tenant-mix in new shopping centre. They explored major occupancy problems faced by owners/managers of shopping centres in handling tenants and found that development of strong, distinctive and consistent tenant-mix is crucial for the success of a shopping centre. Malls with more and larger anchors were posited as better locations for specialty chains of small stores. In a study relating to new shopping malls during first few months of their launch, Brito (2009) established that it is the store selection and retail-mix that holds the key to making image influence patronage effective.

A numbers of studies have examined the effect of physical environment on consumer's emotions and patronage intentions (Ward et al., 1992). Mattila and Wirtz (2001) studied impact of scent and music with the help of an experimentation study. They manipulated scent and music in a three by three factorial design in a field setting and results indicated a definitive impact. Donovan and Rossiter (1982) worked on impact of store atmospherics. Apart from these softer elements physical and tangible elements like decorations and furnishing and greenery in and around a mall also affect consumer perception of shopping centres (Oppewal and Timmermans, 1999).

Developing a relationship between mall attributes (tenant variety, mall environment and shopping environment) and shopper's excitement and desire to stay at the mall, Wakefield and Baker (1998) tested a number of variables. In their validated research instrument, important attributes like music, lighting, temperature, design, architecture, stores, restrooms and entertainment were accommodated. These attributed were clubbed into four constructs: ambient factors, design factors, layout and variety. Apart from other variables,