Research Inventy: International Journal of Engineering And Science
Vol.5, Issue 9 (September 2015), PP -11-15
Issn (e): 2278-4721, Issn (p):2319-6483, www.researchinventy.com

Buying Behaviour and the Perceptions of the Customers of Shopping Malls : A Case Study of Mangalore Region

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Abstract: *The buying behaviour and the perceptions of the traditional customers who are slowly shifting their buying patronage and loyalty from traditional unorganized retailing to organized retailing have to investigated. In the backdrop of this situation, the present study was undertaken to examine and investigate the buying behaviour and the perceptions of the customers of malls with special reference to Mangalore region where there is unprecedented growth of organized shopping malls can be seen, to name a few Empire Mall, Bharath Mall, City Centre Mall, Mischief Mall, Fiza Forum Mall etc. The survey findings clearly indicate that consumers have gained lot of benefits from organized retail on multiple counts like wider choice of products and well known brands, one stop shopping, new market arrivals, festive offers, huge discounts, and other benefits. The survey results revealed that almost all income groups get benefited through organized retail purchases. Most of the consumers opined that they tend to gain in terms of low pricing when they shop with corporate organized retailers. Thus from the consumers' perspective, expansion of organized retailing is more preferred as different malls and corporate retailers compete with each other resulting in reduced prices with reasonable quality products.*

I. INTRODUCTION

In India, modern organized retail formats are still evolving. Ten to twelve years ago, if a consumer wanted to buy a soap, his only option was the local *bania* or *kirana* store or fair price shop run by the government. Today, he can still buy the soap from the same place, but has also an option of buying it from organized corporate retailers like Big Bazaar, Reliance Fresh, Food Bazaar, More, Spencer and Subhiksha etc. It is said that consumers are the major and the ultimate beneficiaries of organized retail boom. They now have a choice of wide range of products, quality and prices. Organized retailers are initiating various measures such as tracking of consumer behaviour, consumer loyalty programmes, and personalized customer services, etc., to lure the consumers who are hitherto used to buy from unorganized retailers.

II. LITERATURE REVIEW

Most of the studies suggest that the ultimate benefit of boom in the organized sector is reaped by the consumers.

The analysis of the study conducted by Kalirajan Kaliappa & Singh Kanhaiya, (2009) shows that consumers gain in terms of low pricing when they shop with corporate retailers. The study further reveals that from the consumers' perspective, expansion of organized retailing is preferred as different malls and corporate retailers compete with each other and stabilize prices. These results support the surprise findings of ICRIER[1] (2008) study, which reveals that low-income consumers save more than others through shopping at organized retail outlets, which is a result of targeted discount shopping. According to Vijaya et al., (2008) one of the winners in the unionization of the organized retailing are the consumers.

The relationship between store attributes and retail format choice is also examined in the literature. Previous studies have shown that pricing, product assortment, and customer services are important factors in determining choice of format in the department store context (Arnold, 1997; Sparks, 1995). In addition, store environment and atmosphere appear to be influential in consumers' format decisions (Baker et al., 1994;

[1] Joseph, Soundararajan, Gupta, & Sahu (2008) Impact of Organized Retailing on the Unorganized Sector-Working Paper No.222. DRS-ICRIER.

Donovan et al., 1994). Fox et al., (2004) identified frequency of store promotion efforts and product assortment-related factors to be highly influential on format choice in the grocery sector. Interestingly, price was shown to be less influential. Generic factors such as location, ambience, reputation, customer service and the like, which meet the general shopping orientations such as the enjoyment that they seek or the convenience, which they look for while shopping are some of the guiding considerations to shop at malls (Levin et al., 2003).

RESEARCH OBJECTIVES

- To study the buying behaviour of the customers of shopping malls.
- To study the perceptions of the customers of shopping malls.
- To study the attitude of the consumers of selected organized retail outlets operating in the malls in respect of products, services, environment, atmosphere and shop ambience in the malls.

III. RESEARCH METHODOLOGY

The study is both descriptive and exploratory in nature. Hence, the research methodology is formulated in accordance with the requirements of the subject, where both the primary and secondary data sources are tapped effectively and efficiently, with emphasize on gathering first hand information.

The purpose of this field based customers survey is to understand the behaviour and the perceptions of the consumers who shop at the organized retail outlets housed in well-known shopping malls. Exit interviews were conducted with 326 customers who shopped at more than 125 organized retail outlets operating in the selected three mega shopping malls: **Bharath Mall, Empire Mall and City Centre Shopping Mall** in the Mangalore region. The sample sizes of 326 customers of shopping malls are selected on stratified random sampling technique. In order to know the buying behaviour, buying pattern, and the perceptions of the customers of shopping malls, who are said to be the major beneficiaries of corporate retailing, the researcher has undertaken the present study **'*Buying Behaviour and the Perceptions of the Customers of Shopping Malls in Mangalore Region*'.**

SAMPLE SIZE
TABLE 1

Sex	No. of Respondents	Percentage of Respondents
Male	175	54
Female	151	46
Total	326	100

Table 1 indicate that the sample size consists of 175 male respondents (54%) and 151 females respondents (46%) giving due representation to both the categories.

GEOGRAPHIC COVERAGE

Mangalore has kept the pace with the recent developments and has come up with a lot of infrastructure projects including mega malls with wider space for organized retail outlets. With the unprecedented growth, Mangalore is emerging as one of the most sought after destinations for the leading organized domestic and foreign retail players in India. The Mangaloreans hitherto used to buy from traditional unorganized retail outlets, gradually with caution started shopping at the organized retail outlets housed in these mega shopping malls. This has resulted in more and more footfalls in the shopping malls. The number of customers visiting the shopping malls increased manifold thereby encouraging the domestic and foreign organized retail players to open their outlets in the Mangalore region.

LIMITATIONS OF THE STUDY

- The study is limited to the attitudes and the perceptions of the selected sample respondents, and may not be universally applicable.
- There was a possibility of respondent bias in self reporting perceptions of the survey.
- The study is 'micro' in nature, and its survey findings and observations cannot be generalized and may subject to change from time to time and place to place.
- As sample size is 326, it is not necessary that it truly represents the population universe.

BUYING BEHAVIOUR AND THE PERCEPTIONS OF THE CUSTOMERS OF SHOPPING MALLS

Consumer behaviour is psychology behind market and focuses on the behaviour of consumers in the marketing environment. To understand what and from where the consumers shop, it is important to analyze the reasons and the factors that prompt shopping behaviour. In this direction the researcher has made an attempt to record, analyze and interpret the attitudes, perceptions and the buying behaviour of the shoppers, who shop in the shopping malls.

Frequency of shopping

Table 2 : How often do you purchase from shopping malls?

Shopping Frequency	No. of Respondents	Percentage of Respondents
Once a week	144	44
Once a month	143	44
Occasional	39	12
Total	326	100

An analysis of the Table 2 reveal that 44 per cent of the respondents have reported that they visit the malls once a week, while 44% of them purchase their requirements once a month, and only 12% of the respondents have reported that they occasionally visit the mall. From the above discussion, it is clear that majority (88%) of the customers of shopping malls are accustomed to visit the malls either once in a week (44%) or once in a month (44%).

Perception about the products available in the shopping malls

Table 3 : The quality of the products available in this shopping centre

Response	No. of Respondents	Percentage of Respondents
Poor	25	8
Can't Say	19	6
Excellent	282	87
Total	326	100

An analysis of the frequency Table 3 reveal that an overwhelming majority (87%) of the respondents have reported that the quality of the products sold in the shopping malls is excellent, and a very few (8%) respondents expressed their views that the quality of the products dealt in the malls is relatively poor compared to products sold in the unorganized retail outlets, while an insignificant (6%) number of the respondents could not form any opinion on the quality of the products. The analysis and the interpretation of this variable highlight that one of the main reasons for the shoppers to shop in the organized retail outlets are the availability of better quality products.

Perception of product selection

Table 4 : The product selection of this shopping centre is

Response	No. of Respondents	Percentage of Respondents
Inadequate	33	10
Can't Say	14	4
Adequate	279	86
Total	326	100

The analysis and the interpretation of the Table 4 indicate that as much as 86 per cent of the respondents are satisfied with the range of products available at shopping malls. But at the same time, the organized retailers have to note that 10 per cent of the respondents, which is not an ignorable number, are not satisfied with the range of the merchandise available for their choice. It shows that still there is a provision for the organized outlets to increase the number of store keeping units (SKUs) so as to provide a wider range of product selection.

Perception of price of the products

Table 5 : Comparing this shopping centre to its competitors, the prices are

Response	No. of Respondents	Percentage of Respondents
Higher than its Competitors	55	17
Can't Say	45	14
Lower than its Competitors	226	69
Total	326	100

An analysis of the frequency Table 5 reveal that 226 respondents, which form 69 per cent of the total sample size, agree that majority of the organized outlets sell their products at lesser price compared to their counterparts operating in the unorganized sector. While, 55 respondents, which form 17 per cent of the total sample size disagree that the selling price of the products offered by the organized retail outlets is comparatively lesser than their competitors. While 45 respondents which accounts for 14 per cent of the total sample size fails to form any opinion on this variable.

Perception of quality of the customers' service

Table 6 : The quality of customers' service of this shopping centre is

Response	No. of Respondents	Percentage of Respondents
Poor	35	11
Can't Say	16	5
Excellent	275	84
Total	326	100

An analysis of the variable- quality of customers' service shown in the frequency Table 6 reveals that majority (84%) of the respondents agree that the quality of customers' service in the organized outlets operating in the shopping malls is excellent, while some of the shoppers (11%) expressed their view that the quality of service is poor, and a few respondents (5%) remained neutral as far as the quality of customers' service is concerned.

Perception of environment and shopping ambience

Table 7 : The environment and the shopping ambience at shopping malls are

Response	No. of Respondents	Percentage of Respondents
Depressing	57	17
Can't Say	15	5
Cheerful	254	78
Total	326	100

The analysis of the Table 7 reveals that 78 per cent of the respondents feel cheerful, while 17 per cent of them feel depressing while shopping at malls. However, 5 per cent of the shoppers are unable to form any opinion on this variable. An overwhelming majority (78%) of the respondents who feel cheerful while shopping at malls mentioned the stimulating factors like pleasing background music, pleasant odour; air conditioned atmosphere, and nice decoration, congenial environment and better shopping ambience.

Psychographics' Perception

Table 8 : Do you feel shopping malls are changing the lifestyles and the buying pattern of the people?

Response	No. of Respondents	Percentage of Respondents
Yes	168	52
Can't Say	99	30
No	59	18
Total	326	100

An analysis of the Table 8 reveal that 52 per cent of the shoppers feel that shopping malls are changing the lifestyles and the buying pattern of the people, while, 18 per cent of them refutes it. However, it is interesting to note that as many as 30 per cent of the respondents preferred to remain neutral as far as the impact of shopping malls on the lifestyles and the buying pattern of the consumers is concerned. They opine that it is very difficult to say whether shopping malls are changing the lifestyles of the people or not, because it depends on the psychology of the consumer.

IV. CONCLUSION

It is evident from the survey findings that consumers have gained from organized retail on multiple counts like wider choice of products and well known brands, one stop shopping, new market arrivals, festive offers, huge discounts, and other benefits. The survey results revealed that almost all income groups get benefited through organized retail purchases. Most of the consumers opined that they tend to gain in terms of low pricing when they shop with corporate organized retailers. Majority of the customers expressed a significant amount of satisfaction towards the new pattern of retailing, **i.e., Shopping Malls**.

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