CHAPTER – 7

SUGGESTIONS & CONCLUSIONS
7.1 SUGGESTIONS AND RECOMMENDATIONS

- During the course of this study, it was observed that the behaviour of the salesmen and the store personnel (including the retail outlet owners) towards the visitors had an important effect on their buying behaviour. Hence it is suggested that the store and the sales personnel in the malls should be trained to understand and relate to the needs and the wants of the average customer. They should be empathetic and try and figure the exact product or service a customer is looking for.

- Store personnel in the malls should try and influence the visitors positively, like by opening the door for them and greeting them when they enter. They can further guide them through the store, presenting and demonstrating the products and services of the store and assist them in finding the suitable product or service according to their choice or taste, and then leave it at that. They should not struggle and be over helpful and also try not to be intrusive and leave the customers alone, when the latter desire.

- Respondents were found to consider price discounts as an important promotional tool in the malls and the hypermarkets. So the retailers in the malls and the managers of the hypermarkets should ensure that they offer good deals, bargains and schemes for all categories and classes of customers, and as frequently as possible. On the other hand, free gifts and services can be a good way of conveying value to consumers when discounts tend to undermine the perception of quality.
• It was also observed that when unappealing and unattractive gifts were offered by the stores, it tended to have a negative effect and the preferences of the customers tended to decrease. Hence the quality and the appeal of the gifts and the like should be kept attractive and interesting.

• Membership discounts can be offered to the customers on their subsequent purchases, thereby retaining customer loyalty which is an important asset in today’s competitive retail scenario.

• Another suggestion that came up during this research is that it is important that the design of the hypermarkets should be harmonizing and layout of products should be in a transitional flow. The products’ sections placed nearby should be complementary to each other.

• It is strongly recommended that there should be more cash counters in hypermarkets. More often than not, visitors were seen and heard complaining about the lesser number of cash counters. Customers had to wait upto 20 to 30 min in many cases and sometimes even more, for their turn to be attended to at the cash registers, which is a significantly high time in case of today’s highly competitive retail scenario, and the marketers just cannot afford to lose their customers on such a flimsy issue. Moreover, the attendants standing at these cash registers should also be trained to process the customers as quickly as possible, and also be trained to keep their calm and be composite and polite when they face the extra rush in case of festivals seasons, weekends and the like.

• Another thing which is recommended is that there should be free parking or special earmarked parking for regular / heavy customers. Such customers can
be identified on the basis of their visits and special parking facilities be provided to them.

- Significantly parking was found to be a major deciding factor while choosing upon which mall / hypermarket to visit. Parking today has become extremely cumbersome, and in many cases it was found that visitors had stopped visiting a mall / multiplex / hypermarket just because the parking there was not comfortable, organised and ordered. Congested and unorganised parking lots were found to be a big turn off for a majority of the visitors, therefore it is strongly suggested that this is one area where the builders and the management of the malls / hypermarkets should focus primarily on. The management of these establishments should ensure there are proper signages and personnel guiding the vehicles to safe and ordered lots, in an effortless and hassle free manner. The parking areas should be well lit, and should send out signals of a secure environment, so that the visitors do not feel any sort of threat or any sense of insecurity. The parking bays / pillars should be numbered or serially ordered so that the visitors can locate their vehicles quite easily when they return from their shopping trips, since the number of vehicles tend to be quite high these days in the parking lots and several times it becomes difficult to locate even the area correctly where the visitors’ vehicles had been parked, thus tending to turn the entire shopping experience into an ugly affair.

- Moreover, it is recommended that the checkout lanes when exiting from the parking lots should be increased in number, so that the customers do not have
to wait for long periods of time in their vehicles waiting for their turn to check out.

- Hypermarkets are suggested to come up with their own labels and brands, and their own manufacturing set ups, to cushion their businesses and maximise the logistical chain efficiencies. Having this sort of backward integration would result in consequently increasing their profits also in the long run.

- Another thing which is strongly recommended in case of hypermarkets is that there should be assistants possibly in every aisle, to aid the customers. It was found during the course of this research that visitors often complained there were not enough attendants / helpers / salespersons when they needed to know information about products. It is suggested to the managements of these establishments that they increase their workforce in this regard and also train them to be knowledgeable about the products offered, and also learn to be polite, empathetic and pleasant.

- Down–town areas or the high streets have often proven to attract more impulse shoppers (such as clothes, books, accessories etc), as people often go there without an intention to buy something specific. On the other hand, it is suggested that stores selling highly specialized merchandise, such as technical gadgets, lifestyle goods or home furnishings etc, should favour shopping malls. This is due to the reason that people seeking to buy such an item, which is rarely an impulse decision, would most likely go to a mall in a planned manner and with a preset notion of purchase behaviour.

- Sellers dealing in products of lesser margins especially low priced eatables like candies, ice–creams, boiled corns etc can set up kiosks instead of going
in for renting an outlet in the malls. They are suggested to negotiate the rentals with the mall managers and accordingly set up their businesses in a suitable location where the footfalls are maximum and also if possible around complementing areas, like ice-cream carts can be set up near the fast food outlets, or food courts.

- With the exponential growth in organized retail, the market is poised to become all the more competitive and business merchants in such enterprises will have to work hard to differentiate. Retailers today face many challenges, including increasing competitive pressures, thin margins, high occupancy costs and unpredictable supply base that come in the way of their attaining operational efficiency and profitability. Faulty mall management along with inappropriate tenant mix would lead to poor mall traffic and closure of individual stores in malls. Following points / issues need to be kept in mind by the retailers if they want to remain one notch ahead of their competition:
  
  o Retailers should know who their customer exactly is and what he / she is looking for. This can be done by employing the services of external consultants, analysts, sociologists and anthropologists to study the changing buying behaviour and preferences.
  
  o Retailers should strive extremely hard to retain customers they already have, besides targeting new ones. They can reward the customers with purchase points whenever they make any purchases from their stores, which they can redeem later against future purchases. Retail outlets should incorporate the concept of Customer Experience Management
(CEM), thereby ensuring a pleasant and memorable shopping experience for each individual customer of theirs.

- Retailers should tie up with their vendors and suppliers and ensure that they receive their merchandise directly from them, thus eliminating the middle men in the logistics chain, and increase their own margins, part of which can be passed on to the customers as well. They should collaborate with the manufacturers and special managers can be deputed to manage relationship with the manufacturers.

- Retailers should go in for latest and up-to-date technology for increasing their store efficiencies. They should computerise the operations in their stores and outlets, deploy state-of-art techniques for inventory management, employ the practice of bar-coding systems and data capture through point of sale terminals to reduce the service times and perk up their store management efficiencies. The retailers are strongly advised to install Management Information Systems (MIS) also, and if possible go in for latest techniques such as ERP (Enterprise Resource Planning) software to enable them to keep accurate costing information, smooth material flow, precise accountability and last but not the least, ensure sound profits.

- Retailers, Store owners and Mall managers are also suggested to start an advertising periodical or anything similar, in order to promote their deals, sales, offers etc and to reach specific segments and demographical groups of the customers based on their psychographic and lifestyle segmentation.
Mall owners and developers in India strongly need to focus on vision, scalability and their processes so as to create a distinct proposition for themselves in the market.

- Mall owners and promoters should make available an optimum retail mix and tenant selection. Mall space should not be rented or leased out to anyone and everyone who is willing to shell out money. Judicious and well thought of policies and strategies should be chalked out to apportion and designate precious, limited and valuable mall space to the retailers willing to be a part of the mall, apart from judging their earnest desire and sincerity to work as a team and to strive towards an elite and exclusive image of the mall. It is further recommended that optimum placement and positioning of the retail outlets should be done in the mall, according to the category and grouping of the retail segment, and of course in tune with the overall ethos of the mall. Furthermore, models should be worked out and developed to differentiate rates for the retailers for same floor space and sizes, but on varying location and floors in a mall, depending primarily upon its value addition and also according to their economic contribution to the mall. Besides, mall managers should also maintain a delicate balance to ensure maximum occupancy of the malls, especially at the centre and around the atrium, and around the anchor tenants, but at the same time achieving highest revenues by way of rentals for the developers.

- Mall / hypermarket managers should focus principally on the facilities management in the mall / hypermarket vis-à-vis equipment management, ambience, security, housekeeping, sanitation, hygiene, ventilation,
horticulture etc. and utilities management like air conditioning, power, electricity back up, water resources, sewerage, sewage disposal, pollution control, fire fighting etc. The mall / hypermarket managers should develop a detailed engineering and preventive maintenance management rota, besides schedules for staff rostering and cleaning.

- Managers are also advised to develop absolute and inclusive back office systems including accounts receivables, payables and general ledger, stores’ inventories and purchases, communication management amongst the mall / hypermarket personnel.

- The developers and owners of the malls almost always thrust the entire burden of infrastructure and maintenance costs onto the tenants, and hence it becomes necessary to suggest here that the duty of the mall manager should be to manage the facilities and develop models for distribution of their charges and costs. They should further try and generate the maximum revenues for the developers by way of maintenance costs, as these also are a source of profits for the developers besides the rentals of the leased floor space.

- Managers should try to attract and lure the kiosks and carts and movable vends inside the mall, in order to facilitate the generation of more revenues. These kiosks and booths should be placed optimally, spacewise and around the complementing outlets and should not violate the harmony of the layout of the mall.

- Another prime area which needs continuous and intense focus is the issue of efficient and effective parking. Mall / hypermarket managers should focus on
the organisation and order of the parking lot besides its cleanliness and ventilation and the lighting of the area. He should ensure there are proper signages, accurate and systematic numbering of the bays / pillars, requisite number of attendants to guide and channelise the flow of vehicular traffic and appropriate number of lanes for ticketing while entering and also on the exit ways. Besides he should ensure there is ease of circulation of vehicles, easy drivability and faster turnarounds to facilitate the smooth and swift flow of vehicles. He should suggest and develop models for differential parking rates system in peak hours and lean hours, for weekdays and weekends, and on festive occasions. Mall / hypermarket managers are further advised to utilise the valuable data of the visitors entering and leaving the mall / hypermarket premises for analysis vis-à-vis number of visits, the average time he / she spends in the mall / hypermarket etc.

- It is further recommended that mall / hypermarket managers focus their attention on the organising of events, concerts, live performances, promotions and exhibitions, in order to generate heavy footfalls. They should endeavour to attract the right audience / visitors who would do the maximum possible shopping inside the mall / hypermarket rather than having a large turnout of non serious visitors, who could be the cause of disturbance and source of distraction and nuisance to the serious shoppers.

- Managers should also generate the maximum possible revenues from the advertising areas and spaces inside and outside the mall, especially in the atrium and on the façade of the mall. They should maintain conducive and
productive relations with advertisers and intermediary agencies which manage billboards and hoarding spaces.

- Last but not the least, it should be the endeavour of every mall / hypermarket manager to keep adding to the brand image and brand value of the mall / hypermarket and uphold it at a reputable level in this fiercely organised retail vista.

### 7.2 CONCLUSION

The burgeoning of shopping malls and hypermarkets in India has almost been a revolution till now. But now they have become a way of life in our country. Malls and hypermarkets are redrafting and rephrasing the rules, developing a constitution of their own and are converting the basic need for recreation and shopping activity into a unique parameter or criteria for judging one’s lifestyle statement. Middle class Indians have broken off their love of traditional stand-alone Indian stores that have no air conditioning, organized parking and other public amenities. Our sparkling new malls symbolize India’s growth from a stagnant third world country to an emerging economic superpower living up to all the advertising adjectives that the world has been showering upon. India is now the new hub of the mall culture lovers.

Shopping malls, which witnessed a dip in profits after the global recession are now back to wooing elusive customers. This mall boom is now correcting itself, with shopping malls sprouting in each and every corner of the cities, people have become aware of the holes in their pockets are becoming larger, in turn 70% of the malls have failed with only 10–15% visitors converting into shoppers.
At one hand, where customers have got so many benefits of the malls, they say that they have lost a personal touch with the shop owners and a special relationship that they have had with their local 'kirana' stores since last so many years. In malls, they definitely get good services but they lack ‘after-sales services’. In malls, they feel they are being treated as just another customer whereas in the local ‘kirana’ store they are known by their names, their tastes, their preferences etc. Several times, even personal problems are being discussed at the local stores. If any item is found to be of undesired quality then they can easily get it exchanged for a better one. And of course, at a local store, they enjoy their bargaining right for every single product.

During the course of this research the demographic changes were found to be the utmost influential factors in the changing trends of consumerism in India. It was found that the customers gave highest importance to availability to variety of merchandise. Secondly, the most important aspect that the customers looked for was service quality. And ambience is relatively lesser important. Thirdly, the respondents gave importance to convenient location of the mall / hypermarket. Customers do not consider the same aspects while selecting different types of retail outlets in a mall. Shoppers would like to minimise the effort of shopping by reducing either the travel time or the time spent in the shop.

On an overall basis, customers give prominence to proximity of the store, merchandise and the service. While food / grocery stores were chosen more on the basis of their proximity and long term association, with merchandise and service contributing secondarily to enhance utility, consumer durables are more chosen based on merchandise and personal referrals, with ambience affecting their choice slightly. Presence of discount stores and frequent mall promotions increase visits by
deal sensitive/deal prone buyers. Special mall events and exhibits cause recreational shoppers to visit a mall more frequently.

Many retailers voiced their concern that once the stores are leased out to them, the developers/builders do not care about the promotion part any more, as they had been promised earlier when the developers were marketing their malls or trying to sell off their spaces in the malls. Though a few malls do organize some in-house promotional activities but that alone doesn’t guarantee good footfalls. Retailers further felt that majority of the developers have done nothing about the branding, marketing, budgeting, financing part of running a mall. This is hurting their productivities and resulting in setback in the main business. The retailers also felt that they are being treated as cash cows instead of being considered an integral part of mall.

In malls people end up buying unnecessary, unwanted goods and pay over rated prices for it to compensate for the infrastructure cost and in turn get trapped in its vicious circle. This mall fad has gripped the Gen–Next; nothing seems to be more fun than chilling out with friends in a mall on a weekend, but has some very detrimental repercussions on them. All of have become victims of this mall mania and are paying a very big price for it.

Many people reflect that India’s mall boom is premature for the country’s level of economic development and India needs to grow much faster, as India doesn’t have the needed infrastructure to support the malls, while many others believe that malls not only pose a grave threat to our culture but also are a potential hazard to our environment.
Malls and hypermarkets have become the battlegrounds where the brands, small, medium and big, the known, the not-so-well-known and the wannabe ones, fight it out for the consumer’s attention. And the consumer is ‘loving it’ and asking for more. This is one culture that consumers are happy about. So happy that no one seems to mind the 'unplanned expenditure’ incurred by an outing to such an enticing place.