CHAPTER II

REVIEW OF LITERATURE

2. INTRODUCTION

This chapter deals with the review of related literatures with the various studies of different authors related to the topic of this research. It is very useful to have an insight on the research topic, and to identify the gaps in the previous researches. Research Consumer behaviour is the scientific study of the processes, consumers use to select, secure, use and dispose of products and services that satisfy their needs. Firms can satisfy those needs only to the extent that they understand their customers. There is a widespread recognition that consumer behaviour is the key to contemporary marketing success. In this way, the field of customers shopping behavior of retailing has been characterized by a diversity of viewpoints and based on an interdisciplinary science. In this context, the understanding of consumer behavior could appeals to a set of different areas of knowledge. It starts with the relevant literature to have a bird’s eye view method, Thus the planning and execution of any research should be preceded by thorough review of literature in related fields since it helps to familiarize with the work that has been done in that particular area. And Also Review of Literature help to Identification of Consumers’ and Retailers’ Perspective, Overall Retail Scenario, Research Gaps, mall shopping patterns, mall attraction etc…

REVIEW LITERATURE

For the survey of existing literature, the research papers published in Journals, Reference books, Magazine, internet, government report etc. were referred, as the basis for understanding as well as for exploring possible research gaps as the starting point. The observations presented in this section are based on this literature review.
2.1. SHOPPING ENVIRONMENTS:

Fiore (2000) also report that the effect of ambient scents might be mediated by other atmospherics elements. They realized that adding a pleasant fragrance to a product display results in higher levels of attitude towards the product, purchase intentions, willingness to pay higher prices.

Nicholls (2002) in the enjoyment level of shopping, and scarcity of unique merchandise.

Taylor and Cosenza (2002) conducted a study to examine the shopping choice behaviour of an important and viable segment of teen market called, “Later aged female teen”. The results revealed that typical later aged female teen made right choice especially for clothing products. Finally the group’s desire to stay and shop at the local mall seemed to be a function of the mall composition and excitement.

Parsons (2003) in his paper analysed common promotional activities employed by shopping mall marketers, which were ranked by a sample of customers on their likelihood of encouraging increases in the two key performance indicators used by shopping malls – sales and visits. Whilst mall–wide sales are the preferred promotion, a combination of general entertainment and price–based promotions were found to be a strong alternative way to encourage visits and spending.

Eppli and Tu (2005) examined the impact of 39 mall renovations and expansions between 1995 and 1997 on the performance of in–line retail stores. Some of the expansions were entertainment–based with theatres, restaurants and major bookstores. They found that although entertainment–based expansions did not significantly result in an increase in the per square foot sales growth rates for in–line stores, it did increase aggregate sales and thus
helped the mall by establishing its presence of being the dominant regional mall and enhanced its brand image.

Anselmsson (2006) in his study found selection as the most important determinant of shopping mall choice, followed by atmosphere / ambience of the mall and third most important determinant of satisfaction was convenience, which includes opening hours, parking, ease-of-movement and ability to find one’s location in the mall. If a shopping centre enjoys high visiting rates, a better strategy might be to focus on present customers and build relationships by improving satisfaction management. The focus would then be on atmosphere, refreshments, convenience and performance of the store personnel. On the other hand, if a centre is behind competitors and needs to increase sales and visit frequency, management should focus more on promotional activities and location aspects in terms of improving geographical convenience.

Gupta and Kaur (2006) in their paper, examined the extent to which different promotional frames attracted shoppers’ perceptions towards product service and made a positive buying decision. They stated that retail location of a store and the distance that the customers must travel to shop are basic criteria in their store choice decisions. Their analysis stated that customers consider price discounts as an important promotional tool in the malls. They also found that seasonal sales have a positive effect on both patronage and spending. Major promotional tools on the basis of which the customers prefer to visit the stores in the malls are promotional strategies. Stores using advertising, promotions, seasonal sales and private labels on a particular category of products had caused people to perceive the benefit of buying a product at one store to be higher than it is.
Srivastava (2008) presented a picture of the changes in retail taking place in India. His paper looked at the changing scene in the retail sector in view of many MNCs and large industries entering into this segment.

Arora, A., and Rahate, V. (2008), In India, malls have transformed shopping from a need driven activity to a leisure time entertainment.

Bhattacharjee (2009) highlighted the attraction points of shopping food and groceries in hypermarkets. He identified seven attraction points to visit a store and a retail format: price, promotions, hangout place, product range, product mix, ease of travel and parking comfort. He further said that the tolerance to commute is lowering. The people are willing to go 4 km or even more for hypermarkets / shopping malls, while for small format modern stores not more than half a kilometre. Expectation for a kirana store is less than 500 metres.

Yuvarani (2010) opines that according to a study the size of the Indian Retail market is Currently estimated at Rs 704 corers which accounts for a meagre 3% of the total retail Market. As the market becomes more and more organized the Indian retail industry will Gain greater worth. However, the future is promising; the market is growing, government policies are becoming more favourable and emerging technologies are facilitating Operations.

Dr. Debasis Bhattacharya (2011) this result highlights the managerial importance of ensuring that retail sales personnel find their work meaningful. Managers can foster pay satisfaction by providing a competitive level of pay and by ensuring fairness in pay management, it means that the retailing employee payment is good.

Prof. Satish Kr. Singh (2011) The Indian Retail sector is presently experience exponential growth and has been reported as one of the top five fastest growing retail
destinations globally. According to Industry estimates, the industry is set to grow from $330 bn in 2007 to $427 bn by 2015 and further to $637 bn by 2020.

Monika Sharma (2012) the author suggests that the scope of this study can be enhanced in the future by conducting a study at the national/international level, and more consumers from different demographic profile can be involved for future studies.

Deepika (2012) Consumer Preferences For Emerging Retail Formats In Punjab, In this thesis she mentions about the Core product attributes (improved quality, variety of brands and assortment of merchandise) and secondary product attributes (proper display of products and warranty of products) influence consumers’ preferences while purchasing from emerging retail formats more as compared to Supplementary product attributes.

Subburaj (2013) purchasing FMCG products involves many buying behavior patterns, these factors help to identify the consumers perception better understanding of consumer perception towards FMCG products will bring in greater profits for the supermarkets.

Manish Gupta (2013) studied the brand preference and consumption pattern of beer. It also investigated the factors influencing brand preference beer this study relived that demographic variable has significant impact on brand preference and consumption pattern of beer the study asserted that demographic variable act as a power full tool for market years for strategy formulation in production, marketing, brand positioning pricing policy and distribution.

Mrs. Meenakshi Choudhary (2013) describes that a rise in consumer confidence, improvement in profitability and aggressive expansion plans signal better tidings for listed players in the organized retail space. Moreover, analysts believe listed retailers could attract
foreign investments by spinning off their subsidiaries into separate companies which can provide a great opportunity for the improvement of this sector.

2.2. REVIEW OF CUSTOMERS PERCEPTION:

Talpade (1997) shoppers visit the malls for social and entertainment purpose, and they spend additional time at food court, stores in the mall.

Amin, M (2008). (2011) A Study of Buying Behavior and Brand Perception of Consumers in Shopping Malls The study involves comparative analysis of consumer buying behavior and brand perception of consumers regarding shopping malls on M.G. Road Gurgaon and Metropolitan Mall as a base Consumer purchasing power is the main factor, which determines their buying behavior and brand of shopping malls. Shopping Malls are the places for the fun & entertainment, family outing, shopping and eating’s. In shopping Malls age factor is the most dominant factor in daily footfalls. In different shopping malls different age group consumers come and they impact on the buying behavior.

Rathod and Patel (2008) attempted to know the importance of different criteria for the selection of retail outlets amongst the customers. They found that availability of variety has been given highest importance by customers, second priority has been given to service quality and third most important criteria is convenient location.

Sinha and Krishnaswamy (2009) stated that customers show clear preferences in choosing a store. In most cases, they tend to set their expectations based on the positioning of store. They tend to associate store with the value propositions promised by the stores and respective formats. Store formats stand for their own mix of values that helps customers maximise the benefit.
**Hemalatha and Ravichandran (2009)** in their study established the motivational factors that influence mall visit by older generation consumers. The motivational factor, social shopping was seen as the most dominating factor.

**Reimers and Clulow (2009)** The four attributes of a retail centre that influence the temporal convenience it offers are one-stop shopping, trading hours, enclosure and proximity to home/work.

**Ranjan (2010)** in his research examined the impact of retail outlets and malls on the purchase behaviour of middle class consumers. He comments that the successful organised retail chains and also the malls in the country today operate at regional segments and are not aiming at the nationwide presence, at least for the time being. According to the author, in order to reach all classes of the society in India organised retail formats should design a comprehensive and prospective business model which offers the quality product / services at affordable prices and generate more socially balanced business.

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**Chebat, Sirgy and Grzeskowiak, (2010)** opined that one way to generate more traffic in a mall is to build a strong mall image perceived by shoppers as delivering a unique bundle of benefits. Such effort has to be guided by a performance metric, namely a
comprehensive measure of mall image. They hypothesized that mall image could best be conceptualized in terms of five major retail branding dimensions: access, store atmosphere, price and promotion, cross–category assortment and within–category assortment.

**Jackson, Stoel and Brantley (2011)** in their paper expressed that the customer segments seek out relevant shopping venues based on their shopping wants and needs. Knowledge of the preferences of distinct consumer groups is useful in the development of marketing communications and promotional strategies, as well as for designing mall configurations that are likely to generate patronage and repatronage due to the value creating potential of the mall.

**Radhika A.N (2012)** A Trend Based Business on up Growing Retail Malls in India In her article she has mentioned about the tenant mix and cluster concept of mall.

### 2.3. REVIEW OF MALL ATTRACTIVENESS:

**Cox and Cooke (1970)** determined customer preference for shopping centres and the importance of driving time. The authors concluded that location and attractiveness are important determinants of consumer shopping centre preferences.

**Richins, Marsha (1983)** the study of CCB and its consequences appears too critical in the explanations and predictions of consumer purchase intentions and brand loyalty.

**Karen Singer (1987)** further in terms of macro marketing, the nature and extent of CCB prevalent in an industry seem to affect the consumer and social welfare.

**Csaba, F. and Askegaard, S. (1999).** Enclosure is regarded as a prerequisite for success in markets subject to climatic extremes. Enclosure not only offers shoppers protection from the elements, but also the noise, traffic and odours that often characterise the
shopping strip. Moreover, by creating a sheltered, pleasant environment, it can encourage shoppers to relax and enjoy the shopping experience itself.

**Farhangmehr, Marques and Silva (2001)** expressed hypermarket as a symbol of modernization. They opined that it not only changed the traditional retailing structure but also the consumption behaviour of people. Their results showed that, for consumers, the hypermarket is the preferred type of retail store, due to convenience (it is more practical) and low prices.

**Wilhelm and Mottner (2005)** in their study focused on the shopping mall preferences of teens 12–17, a trendsetting segment that tends to be heavy users of enclosed shopping malls. The findings indicated that the most important attributes in teens’ choice of a mall to frequent are, how friendly and welcoming the mall is to teens and whether the mall contains ‘cool’ stores. Further, the most preferred or ‘ideal’ mall (i.e. the one with the greatest overall utility), across all respondents, is one that has ‘lots of’ everything (cool stores, entertainment options, etc.), is a good place to hang out with friends and is very attractively designed. Teens are also almost twenty times more likely to choose to go to a mall with lots of experiential characteristics (skateboard and theme parks, cultural and live music events, theatres, etc.) than to go to the typical status–quo mall with a movie theatre (76% versus 4%, respectively), everything else being equal.

**Coleman (2006)** The desire for more open-air structures also emerged as a result of the uniformity associated with enclosed malls, and the yearning for unique shopping places that reflect the characteristics of the locality. For all these reasons, many shoppers now prefer more natural environments where there is daylight and a feeling of contact with the outside world.
Gupta (2006) in his research examined the extent to which different promotional frames attached shoppers’ perception towards product service and made a positive buying decision. His study found that significant difference is found in two groups of discount and non-discount category, seasonal sales and non-seasonal sales, coupons and non-coupons, so far as indicators like general characteristics and physical characteristics. Location convenience is concerned but no significant difference is found in two groups of membership discounts and non-memberships discounts. He has further gone to suggest that store retailers must provide a setting that will allow consumers to shop for their needs and wants in the marketplace and they should find ways to tailor their environments to attract customers and increase patronages.

Mehta (2006) in her study examined the expectations of people of Ludhiana, India, towards overall shopping experience and entertainment towards shopping malls. She found that people don’t just buy a product in a mall, they buy an experience. On being asked to rank the features in the mall that would attract the customers, people gave the following ranking in the order of preference: shopping experience, eating joints, entertainment, apparel section, jewellery, music / books section, reasonable prices, decoration items and beauty salons. She gave certain suggestions to make the mall more appealing to the customers like free parking for the regular customers /heavy purchasers. Such customers may be issued a parking card, which ensures free earmarked parking. Malls with PVR multiplex should offer “weekend specials” like classics, movies for children, etc.

Zameer (2006) in his study defined effective mall management as differentiating a mall from the rest, getting maximum footfalls, converting footfalls to purchase and keeping the tenants and the customers happy and satisfied. According to him mall management
entails retail–mix planning and tenant selection, lease management, facilities management, utilities management, parking and organizing events and collaborative promotions, which according to him are critical factors for the success of any shopping mall.

**Moss (2007)** There is a growing perception that hedonic shopping strategies serve as the best option for retail centres to preserve or grow their market share.

**Dr.M.N.Malliswari (2007)** in his study “Emerging trends & strategies in Indian retailing”, he found that the customers are influenced by the west due to media & there is a clear shift from savings to spending on life style.

**Wanger (2007)** found that consumers perceive a convenient shopping experience as a means to obtain physical and mental balance contributing to contentment and shopping enjoyment.

**White (2008)** in his paper has elaborated that the customer and their lifestyles have changed, and with that, shopping centres are changing to continue to attract consumers. Entertainment centres, entertainment and destination venues, once of little significance to shopping centres and malls, are now growing in importance as an essential part of the mix, since in order to attract today’s consumer, goods alone don’t work.[40]

Donovan A (2013) Mcfarlane studied “customers are truly looking for the best in service and product offers, and the levels of customer satisfaction perceived from the quality of service, image, and price.

**Patel (2008)** investigated the decision making styles of Indian shoppers in shopping malls and studied the variations in these styles across different demographic variables. Mall intercept survey was conducted across 128 active mall shoppers, to study the decision making styles of Indian shoppers in shopping malls. The consumers’ decision making styles
were identified by a structured questionnaire and the responses captured in six styles by conducting factor analysis. These decision making styles were: price consciousness, quality consciousness, recreational, confused by over-choice, novelty consciousness and variety seeking. This study revealed that the average Indian shopper was not very brand conscious, but quite price and quality conscious. It was found that single (un-married) consumers are more price conscious than married consumers. Indian consumers are recreational in their shopping. Shopping is a fun activity for them. Young consumers between the age group of 11–20 years were found to be the most frivolous in their shopping.

**Jackson, Stoel and Brantley (2011)** in their paper expressed that the customer segments seek out relevant shopping venues based on their shopping wants and needs. Knowledge of the preferences of distinct consumer groups is useful in the development of marketing communications and promotional strategies, as well as for designing mall configurations that are likely to generate patronage and repatronage due to the value creating potential of the mall. Advertising materials could express the specific attributes the mall has to offer to the cohorts comprising its customer base, either by gender, generation, or both. When a retailer or mall owner finds that a large segment of its consumers are from particular segments (e.g. generation, gender), the company can focus on segment relevant ways to facilitate and promote shopping experience that will drive shopping value and create potential for repatronage.

**Dr.L.Manivannan & V.Rama Devi (2011)** in the study “A study on the impact of situational factors on shoppers purchasing outcomes in the selected shopping mall” they found the hedonic value is mainly influenced on the purchasing outcomes.
N. H. Mullick (2012) in this study supports the traders and shopkeepers problems in Delhi also it has suggested the government concerns toward shopkeepers.

2.4. RESEARCH GAP ANALYSIS:

The previous discussion of the literature identified significant gaps that will be explored in this thesis. Most of the studies in the area of consumer perception and buying behaviour are limited to product and demographic issues (Polly 1986, polly and Gallagher 1990), neglecting the effects on the preferential aspects. These issues are examined from the perspective of those targeted women consumers and really take note of the reactions of those preference consumers. There is a significant amount of literature in international consumer behaviour and perceptions which look at the intended effects of consumer preference from the perspective of the consumer group. The studies have noted the consumers perception position and preference in foreign markets (Album and tse, 2001), brand and product performance (Jain, 1989) and management and organizational performance. None, however, look at the holistic impact of utilizing consumer behaviour regarding pattern and preference towards durable products in a specific geographical base therefore it has good scope for further study. For better understand of this subject matter various consumer behaviour models are discussed with subsequent chapter.

A common theme evolved from the collected literature reviews indicates that the mall retailing has a better prospect in Indian retail sectors. Most of the reviews were found from the research studies conducted in India only. Very view reviews one done in outside India, as there are no studies so far done in the area of customers perception with shopping behaviour, a gap exists and the present study has been undertaken and entitled as
“A STUDY ON CUSTOMERS PERCEPTION AND SHOPPING BEHAVIOUR IN RETAIL MALLS WITH SPECIAL REFERENCE TO BANGALORE CITY. “No other studies are conducted with this title exclusively with the context and scope of the study.