CHAPTER 8
DATA ANALYSIS - STRUCTURAL EQUATION MODELING

The objective of this analysis is to get a better understanding of the constructs of positioning, shopper satisfaction, patronage behaviour and the relationship between them. The interest is in developing and testing a measurement model and a structural model made up of constructs that affect the positioning of a mall.

Structural equation modelling (SEM) has been used to test the measurement and structural models. SEM is a group of statistical models that try to explain the relationships among multiple variables. It estimates a series of separate but interdependent multiple regression equations simultaneously. The advantage of SEM over other comparative tools is that while multiple regression, factor analysis, multivariate analysis of variance, discriminant analysis, each can examine only a single relationship at a time, SEM can examine a series of dependence relationships simultaneously[66]

Another key feature of SEM is that the unobserved concepts, also called latent constructs can be represented by observable or measurable variables. This type of representation has the advantage of improving statistical estimation, better representation of theory and directly accounting for measurement error.

Positioning dimensions used in the study were developed on the basis of
- Literature review
- Preliminary research including factor analysis.
- Pretest conducted with three independent judges who matched items with the construct names.

8.1 Developing the Measurement Model
After the positioning dimensions have been identified, a measurement model has been developed. The variables explaining each of the construct were identified and related to the respective construct. Data has been collected with the help of likert scale. Confirmatory factor analysis has been carried out on the measurement model to find out the strength of each variable in explaining their respective constructs.
8.2 Confirmatory Factor Analysis

After performing confirmatory factor analysis, variables strongly defining the constructs have been retained and the variables weakly defining the constructs have been dropped. With these constructs, a structural model depicting cause and effect relationships has been developed and tested for validity.

8.3 Construct Development

A total of 25 items were selected for the above constructs, 3 for convenience, 4 for ambience, 4 for promotions, 6 for shopping experience, 4 for property management and 4 for entertainment. The items were identified from conducting exploratory factor analysis (EFA) using principal component method of extraction and varimax rotation. Factor loading were between 0.41 to 0.852 which indicated high correlations between the items and the corresponding constructs. Later the selected variables and constructs were tested with three independent judges.

The following dimensions of positioning have been shortlisted.

1. Convenience
2. Ambience
3. Promotions
4. Shopping Experience
5. Property Management
6. Entertainment

Measuring variables, 25 in number have also been identified from the above process. They are as follows.

1. Children Play zone
2. Customer Interactions
3. Demonstrations
4. Discounts
5. Food Court
6. Free gifts/ Samples
7. Indoor Spots
8. Mall Cleanliness
9. Mall Interiors
10. Mall Surroundings
11. Mall Security
12. Movie Theatres
13. Parking Facilities
14. Prices
15. Product Quality
16. Proximity to the mall
17. Public Transport
18. Range of Shops
19. Relaxing Benches
20. Restroom Cleanliness
21. Signages’ Clarity
22. Shopping Space
23. Service Quality
24. Type of Shops
25. Video Games Zone

Two constructs, shopper satisfaction and shopper patronage behaviour have emerged from the preliminary study.

Shopper Satisfaction is measured on the basis of three items:

1. Satisfaction with location
2. Satisfaction with goods and services
3. Overall satisfaction with the mall

These items were derived from the widely used literature on the definition of customer satisfaction (Heskett et al. 1994; Schneider and Bowen, 1995).

Patronage Behaviour is measured on the basis of three items which were taken from Howell and Rogers (1981) research on consumer mall choice

1. Shopper’s percentage of purchases from the mall compared to his overall purchasing for the month.
2. Recentness of shoppers visit to the mall
3. Regularity of the shoppers visit to the mall and
4. Purchase value of the shopper from the mall.

### 8.4 Confirmatory Factor Analysis

After identifying the constructs and their respective explaining variables, a measurement model has been developed as shown in figure 8.1.

After developing the above measurement model, using Amos 20, a confirmatory factor analysis has been carried out to find out the strength of variables in explaining the related construct. After performing CFA, constructs demonstrated good reliability with most factor loading scores ranging from 0.76 to 0.84 all of which were greater than the lower limit of 0.7
Figure 8.1: Measurement Model
A couple of variables had factor loading scores less than 0.7. The variable relaxing benches had a score of 0.37 and hence it has been eliminated from the structural model. The variable indoor sports, one of the variables explaining entertainment had a score of 0.41 and hence it has also been eliminated from the structural model. The variable mall surroundings has a score of 0.63. It has been retained in the structural model as any variable with a score of more than 0.5 can be included provided there is strong theoretical support for the same.

8.5 Theoretical underpinning for constructs in the Measurement Model.

In our research, the exogenous constructs are those related to various aspects related to the mall. The exogenous constructs and their respective explaining variables are given below:

(i) **Convenience** - Bearden (1977) and Severin et al (2001) have identified location as an important characteristic of shopping centres. Frasquet et al (2001) and Leo and Philippe (2002) have identified accessibility as an important attribute of shopping centres. Howell and Rogers (2001) have identified convenience, parking and proximity as important attribute of shopping centres.

![Figure 8.2: Convenience](image)

At a place like Delhi NCR, where public transport is often crowded and uncomfortable, traffic is high especially during weekends and office hours, convenience is important for a mall shopper. Hence convenience is one of the latent construct which is here represented by the variables, proximity, public transport (availability, frequency and comfort of travel) and sufficient parking space.

(a) Proximity to the residence or place of work plays a key role in mall visits. Most of the visitors to the malls are people either staying in the vicinity of the mall or whose offices are
located closer to the mall. Hence proximity or nearness of residence or place of work to the mall is critical in describing a mall visit.

(b) Public transport is another important factor. In Delhi NCR, public transport includes buses, auto rickshaws, taxis, local trains and metro rail. Comfort and fare are the two most important factors determining the usage of public transport. The more the comfort provided, the more is the fare. The only exception is of metro rail where the fare is low and comfort is high (comfort is high mainly during non office going hours as the crowds are less). Hence public transport is another measurable variable describing convenience.

(c) Parking space is another important measurable/observable variables describing convenience. At the most popular malls, one finds parking space is not sufficient during the weekends. This prevents many shoppers from visiting the mall on the weekends and festival seasons. As limited space is available at busy city centres, providing adequate parking facility has become challenging for many mall developers. Hence parking is an important variable explaining convenience.

(ii) Ambience - Mc Goldrick and Pieros [120] in their study on atmospherics and behaviour have stressed the importance of ambient conditions and shopping space affecting shopper behaviour. [134] includes both peripheral mall ambience and inside mall ambience as variables for shopper behaviour in a mall.

The ambience inside the mall and surrounding area of the mall is one of the critical factors in deciding mall patronage. The explaining variables of the construct ambience are mall surroundings, ambience within the mall (temperature, illumination, and music and air quality in the mall) and the space for shopping.

![Figure 8.3: Ambience](image)

(a) **Mall surroundings** are the surrounding area of the mall which includes the roads, other shops, residences and nearby public places. Surroundings which are not clean and those
which are crowded can discourage shopping in that mall. Surroundings which are also pose a security problems may be avoided by the shoppers, especially female shoppers.

(b) Ambience in the mall is the primary reason for the preference of mall over other open area shopping centres. Protection from weather conditions, attractive illumination and pleasant music make shopping experience in the mall very pleasant. These factors induce hedonism and hence are an important explanatory factor for the construct ambience.

(c) Shopping space in a mall adds to the ambience or has a tendency to spoil it. Wide aisles, convenient pathways to move around from store to store, well placed escalators and lifts add to the ambience. Whereas narrow aisles, lack of escalators and elevators, narrow passage ways make the ambience poorer.

(d) Relaxing benches along the aisles add to the ambience of the mall. Relaxing benches give a much needed reprieve for the shoppers who shop for long hours in the mall.

(ii) Promotions - Abhik Roy (1994) has identified promotion as a characteristic of shopping centre. Promotional activity was one of the eight factors identified as factors responsible for customer satisfaction by Anselmsson (2006). Rajagopal [133] in his study on shopping malls and behaviour of urban shoppers has chosen product demonstration, hands on experience, promotional attractions, free samples, gifts and product display as variables for his study. Teller, et al [161], in their research on hedonic mall shoppers have discussed about the competency, helpfulness and friendliness of sales interactions with the customers as mall patronage criteria.

![Figure 8.4: Promotions](image)

A promotion is the construct and the explaining variables are demonstrations of the products, distributing of free gifts and the quality of interaction of mall store personnel with the shoppers.
(a) Live Demonstrations – Are the display of automobiles, computers, air conditioners, televisions, music systems, mobile phones and many other products and also showing the customers how they work. Many malls use atriums for this promotional activity.

(b) Distribution of free samples is widely carried in the mall when launching new products. Ice tea, home cooked popcorn are good examples of free distribution of samples inside the mall. Some of the newly opened stores also distribute free samples during the opening of their stores to attract shoppers to the store.

(c) Quality of customer interaction by the mall retailers is another explaining variable of mall promotion. Product Knowledge, friendliness, helpfulness of the mall retailer sales personnel along with their attitude and communication skills is an important factors related to shopping centre patronage.

(d) Discounts are an important component for the price conscious shoppers in India. Offering Discounts on festivals, off season, republic day and New Year is a common phenomenon by retailers in India. Hence discounts have been considered as an explaining variable

(iv) **Shopping Experience** is identified six explaining variables. They variables are price product quality, service quality, range and type of shops in the mall. Quality, assortment, price, and good service of merchandise is part of the image descriptor study by Thomson and Chen (1995). Large varied assortment and good quality merchandise are the store characteristics as defined by Pessimier (1990). A wide choice of shops is one of the factors influencing mall choice as per King and Ring [89] have included a food court (mall food) as mall facilities influencing consumer behaviour.

![Shopping Experience Diagram](image)

**Figure 8.5**: Shopping Experience

(a) Price- A vast segment of the population looks forward for value for money. Factory outlet centres and low price outlet malls cater to the low income or deal prone segments.
Premium merchandise malls like DLF Emporia and Select City Walk cater to the HNI segment. Hence prices are an important component of this construct.

(b) Quality Products – Quality of the products which includes durability and proper functioning is an important criterion for shopping. A mall like DLF Emporia not only offers luxury products but also offers good quality products. Similarly a mall like Shipra, Ghaziabad offers premium brands which are of good quality. Hence quality of the products is an important variable explaining value for money.

(c) Service Quality - Service quality includes billing convenience, services like availability of trolleys for safe and convenient delivery of the products. This determines the customer confidence in shopping at the mall and plays a key role in determining mall loyalty.

(d) Range of Shops - A common type of a mall has a wide range of shops offering goods and services, food as well as entertainment. A large mall like Ambience mall Gurgaon has a large variety of all types of goods, hence attracts a large footfall. Small malls like shoprix, Noida having a small range of shops attracts less number of shoppers. A large mall contributes to higher value for money with the variety of choices it offers.

(e) Type of shops – Type of shops or tenant mix should be carefully decided keeping in mind the target segment. A mall catering to high end customers can offer high end brands like Select City Walk, Saket. A mall like Sahara may offer low price products to cater to its target segment of middle income groups. Hence type of shops is an important variable explaining the construct, Value for money.

(f) Food Court – This refers to the range and type of food outlets available in the food court of the mall. The typical food outlets we find in Indian malls are related to Punjabi Food, Fast food like Pizzas and burgers, Chinese food, south Indian food, Chat items, coffee cafes and ice cream/kulfi items.

(v) Property Management is related to the cleaning of stores [72], cleaning of shopping areas, being able to find what you are looking for, easy access to information about shops and goods they offer, toilets, places to sit down, security standards [65] information booth [134] are the various attributes related to property management. The variables explaining the construct property management are mall cleanliness, mall security, signage clarity and rest room cleanliness.
(a) Mall Cleanliness relates to cleanliness of the floor, walls, aisles, staircases, escalators and elevators in a mall. Dust, dirt, stains and trash in these areas require continuous cleaning. This has a significant impact on shopper visit as this is kind of clean environment is exactly what is missing from the open markets.

(b) Mall Security relates to the security and safety of the individuals from theft of their belongings, physical harm and the security of vehicles in a mall. Security is important as many of the shoppers park their vehicles in a mall. Similarly cash, jewellery, goods purchased need security from theft. Security in the form of guards at important locations outside and within the mall, metal detectors, surveillance cameras are an integral part of many malls today. Hence mall security is another variable explaining mall services.

(c) Signage clarity – Malls have signages which give direction to the customer about the location of the various shops, entrances, exits, lifts, escalators and restrooms. Clear signages make shopping convenient in a mall. Hence signage clarity is one of the variables explaining mall services.

(d) Rest room cleanliness – As mall ambience facilitates shopping for long hours, rest rooms are important areas of a mall. Their regular cleanliness is an important aspect of mall services.

(vi) **Entertainment** is one of the three main components of a mall. The other two being food court and shops selling goods and services. A mall is a place to watch movies, play video games and also a place for kids to play. Abhijit Das, [41] says that entertainment is an important factor influence mall choice by the consumers. Hackett and Foxall [65] have included a children’s place as part of mall location specific values. King and Ring [89] have included a movie theatre as mall facilities influencing consumer behaviour.
The most commonly found entertainment arenas found in all the malls are identified to explain the construct entertainment.

(a) **Movie Theatre** is the main source of entertainment in a mall as films are a major source of entertainment in India. A movieplex quality depends on the number of theatres it has, features of a theatre which includes size of the theatre, picture quality, audio quality, comfortable seating and air conditioning. The quality and type of food outlets and the cleanliness of restrooms in a movieplex are an integral part of the movieplex as well. Hence movieplex quality is an important determinant of mall entertainment.

(b) **Indoor Games** – Indoor games like Billiards and Snookers, Bowling alleys are seen in many malls. Ambience mall has a bowling alley which is visited by many shoppers. Similarly Spice Mall Noida has a Snooker table for the purpose of entertainment. Hence indoor games are an important determinant of mall entertainment.

(c) **Videogame zone** is another popular arena in a mall for youth and kids. Hence this component has been included in the variables explaining entertainment.

(d) **Kids Zone** – As malls are promoted as a zone for families, a kid zone for the children becomes imperative. These are areas where kids engage in activities like bungee jumping, toy car driving, etc.

(vii) **Shopper Satisfaction** depends upon expectation-disconfirmation approach where in shopper satisfaction depends on the disconfirmation between shopper perception and expectations on the mall attributes or the performance approach in which satisfaction depends on the evaluation of the performance of the attributes of the mall [155] The three variables explaining the construct shopper satisfaction are satisfaction with location, satisfaction with goods and services and satisfaction with overall positioning of the mall.
(a) Location is probably the important aspect influencing mall choice. Especially in cities where there is inadequate transport. It is commonly assumed that the consumer's decision concerning the place they choose usually for shopping essentially depends on the location of the mall. (Pierre-Yves, Leo; Philippe, Jean, Jan 2002)

(b) Satisfaction with goods and services – Also different aspects of each commercial zone like shopping choices combine in the consumer's mind producing satisfaction (Pierre-Yves, Leo; Philippe, Jean, Jan 2002)

(c) Overall Positioning - Image connotes the expectation of the customer [60].

(viii) Patronage Behaviour - Tsang, et al. (2003), claim that there is a negative correlation between shopping frequency and the degree to which a shopper has functional motivation in visiting a mall. Abhik Roy (1994) says that amount spent on a typical trip to the mall is a measure of shopper characteristics, functional economic motivation. Burns, Anderson and Read (2002), consider amount spent as a component of shopper behaviour. Hence from the literature and preliminary research, it has been found that the construct Patronage behaviour is described by the variables, purchase percentage, recentness of visits, frequency of visit, and the amount spent in the mall on shopping.
(a) Purchase percentage – is the percentage of expenditure of the shopper in the mall out of his total expenditure for a particular period. For example a shopper spending more than 50% of his monthly budget can be said to be loyal to the mall.

(b) Recentness of visit – A shopper is considered to be loyal to a mall if he has visited the mall recently. For instance a shopper who visited a mall this month is considered more loyal than the shopper who visited the mall 2 years back.

(c) Regularity of visit – A shopper who visits the mall more frequently is considered to be more loyal to the mall. For example a shopper who visits the mall once a month is considered more loyal than a shopper who visits the mall once every six months.

(d) Purchase value – Amount of purchase is the amount spent by the shopper on the products, entertainment and food in the mall. A shopper who spends more amount at the mall is considered more loyal than the shopper who spends lesser amount that her. For instance a shopper who spends Rs.20,000 in a mall is more loyal than the shopper who spends only Rs.3000.

8.6 Structural Model.

After dropping the two variables which had low scores from explaining their constructs, a structural model as shown in fig. 11 has been developed. The figure depicts a causal relationship between the constructs of positioning, i.e., convenience, ambience, promotions, shopping experience, property management and entertainment and the shopper satisfaction. The causal relationship between shopper satisfaction and patronage behaviour has also been depicted. The detailed specification of the research model is shown in fig.8.11

Table 8.1: Variables used in SEM

| V1 – Proximity to house / office |
| V2 – Public Transport accessibility |
| V3 – Parking space is sufficient |
| V4 – Mall surroundings are good |
| V5 – Inside mall ambience is pleasant |
| V6 – Shopping space is sufficient |
V7 – Demonstrations of products are regular
V8 – Customer interactions are warm
V9 – Free samples/gifts are distributed
V10 - Discounts are offered
V11 – Prices are reasonable
V12 – Product quality is good
V13 – Service Quality is good
V14 - Large no. of shops are available
V15 – All types of shops are available
V16 – Food court outlets are high
V17 – Mall is clean
V18 – Mall security is good
V19 – Signages’ are clear
V20 – Restrooms are clean
V21 – Movie Theatre is pleasant
V22 – Children play zone is good
V23– Videogames zone is good
V24 – I am satisfied with the location of the mall
V25 – I am satisfied with the goods and services of the mall
V26 - I am satisfied with the overall positioning of the mall
V27 – Majority of my purchases are from this mall (more than 50%)
V28 – I recently visited this mall (last month)
V29 –I visit this mall regularly (at least once a month)
V30 –My average monthly purchases from this mall are high (Rs.5000 & above)

Structural equation modelling (SEM) by AMOS was used to verify multiple paths or relationships among the constructs of mall positioning, satisfaction and behavioural intentions. The structural model was initially tested using all possible paths among the
Figure 8.10: Structural Model
constructs. Following the elimination of insignificant paths, the model was then tested and analysed in terms of the remaining paths.

The findings provide empirical support for the contention that shopper’s judgement of the positioning of malls influences their patronage behaviour. The fit indicators (NFI, RFI, TLI and CFI) were all greater than 0.90 which indicates a strong fit of the model with the data. RMSEA was 0.067, which is also supportive of the model fit.

NFI was 0.959, RFI was 0.978, TLI was 0.991 and CFI was 0.971.

**Hypothesis Testing**

The first hypothesis (that positioning positively influences shopper satisfaction) is represented in figure 7.11 by six paths – one from each of the dimensions of convenience, ambience, shopping experience, property management and entertainment. The standardised coefficients (or $\beta$ value) of these five paths were .502, .21, .34, .24, and .267. Critical ratios (t values) for these paths were 12.4, 5.6, 10.2, 5.72 and 7.10 (which were all significant at 95% and above i.e. p value = 0.001).

The $\beta$ value and corresponding t value of the path between promotion and shopper satisfaction are .143 and 1.96 respectively, which is not quite significant as t value is less than 2.0 [120].

The second hypothesis that shopper satisfaction positively influences mall patronage behaviour was supported. The path for this relationship was significant ($\beta = .175$, t value = 4.03). It is clear that satisfied shoppers respond strongly in terms of patronage behaviour.

Hence, the following hypotheses have been supported by the path analysis.

- **H1**: Convenience influences shopper satisfaction
- **H2**: Ambience influences shopper satisfaction
- **H4**: Shopping Experience influences shopper satisfaction
- **H5**: Property Management influences shopper satisfaction
- **H6**: Entertainment influences shopper satisfaction
- **H7**: Shopper satisfaction influences mall patronage behaviour
The following hypothesis has not been supported.

H3₁: Promotions influence shopper satisfaction

Table: 8.2: Summary of Results of Hypothesis Testing

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>β value</th>
<th>t value</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H₁₁: Convenience influences shopper satisfaction.</td>
<td>.502</td>
<td>12.4</td>
<td>Supported</td>
</tr>
<tr>
<td>H₂₁: Ambience influences shopper satisfaction.</td>
<td>.21</td>
<td>5.6</td>
<td>Supported</td>
</tr>
<tr>
<td>H₃₁: Promotions influence shopper satisfaction.</td>
<td>.143</td>
<td>1.96</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H₄₁: Shopping Experience influences shopper satisfaction.</td>
<td>.34</td>
<td>10.2</td>
<td>Supported</td>
</tr>
<tr>
<td>H₅₁: Property Management influences shopper satisfaction.</td>
<td>.24</td>
<td>5.72</td>
<td>Supported</td>
</tr>
<tr>
<td>H₆₁: Entertainment influences shopper satisfaction.</td>
<td>.267</td>
<td>7.1</td>
<td>Supported</td>
</tr>
<tr>
<td>H₇₁: Shopper satisfaction influences mall patronage behavior</td>
<td>.175</td>
<td>4.03</td>
<td>Supported</td>
</tr>
</tbody>
</table>

After taking into consideration the results of the hypothesis testing, the model can be depicted as shown in figure 8.12.

Figure 8.11: Results of Path Analysis
From figure 8.11, it can be observed that convenience with a beta value of 0.502 has the maximum influence on shopper satisfaction. This result highlights the importance of location for a mall in the Indian market. Shopping Experience with a beta score of 0.340 is the second highest influencer on shopping satisfaction. Shopper satisfaction which is represented by the variables; price, product quality, service quality, range of shops, type of shops and food court coming as the second most influencer on shopper satisfaction is important in the sense, for a shopper location is more important that shopping experience in general with regarding to shopping in the malls. The third highest influencer on shopping satisfaction is entertainment with a beta score of 0.267 followed by property management with a beta score of .240. Ambience with a beta score of 0.210 comes as the lowest influencer compared to the rest. As many malls provide similar ambience, this is not surprising. However if we compare ambience of malls to ambience of open markets, the result could be different. Shopper satisfaction with a beta score of 0.175 positively influences mall patronage.

8.7 Discussion

8.7.1 Model Fitness – The fit indicators (NFI, RFI, TLI and CFI) were all greater that 0.90 which indicates a strong fit of the model with the data. RMSEA was 0.067, which is also supportive of the model fit.

8.7.2 Convenience and Shopper Satisfaction - The construct convenience has been defined by the variables proximity, public transport and vehicle parking. Shopping Malls have the distinct advantage of convenience compared to the high streets in the sense that more malls can be accommodated in a city compared to the number of high streets. One of the simple reasons for this is that malls can go vertical where as high streets predominantly allow expansion of retailers horizontally. A mall therefore can be established in a neighbourhood more easily than a high street. Hence a mall located in the neighbourhood provides more convenience than the malls located at a far of place which leads to shopper satisfaction as proved in the structural model.

Before malls have started operating, it was common for the shoppers at Delhi and also for the shoppers of the National Capital Regions, i.e., Gurgaon, Noida, Ghaziabad and Faridabad to visit open markets at Connaught Place, South Extension, Greater Kailash, Lajpat Nagar, Sarojini Nagar and Janpath. As malls have established, shoppers today feel more convenient to visit those located near to their place of stay or near their place of work. This is one of the
reasons today that there are malls not only at Delhi but also in each of the NCR regions of Gurgaon, Noida, Ghaziabad and Faridabad. As per the structural model tested, the construct convenience having a positive influence on customer satisfaction confirms the belief that customers value convenience.

Though the first mall Ansal Plaza was established at Delhi, it is Gurgaon which gave birth to most of the shopping malls. These malls at Gurgaon were not only visited by shoppers from Gurgaon catchment area but were also centres of attraction for a large number of shoppers from Delhi and other parts of NCR. Later when gradually malls have got established in all the regions of Delhi and NCR, some of Gurgaon malls are naturally not able to attract enough shoppers (based on the interviews with malls retailers). It can hence be concluded that many shoppers find it convenient to visit the malls closer to their locality than those which are relatively located at far off places. The strong linkages established in the testing of the structural model in this study between the construct convenience and shopper satisfaction establishes this commonly believed phenomenon.

Public Transport is another important component of convenience in facilitating mall visits. For example shoppers at Greater Noida have difficulty in reaching the malls at Noida as the public transport was inadequate. However shoppers at Vasundhara, Ghaziabad, have less difficulty in reaching malls at places as far as West Delhi and Gurgaon because of the availability of metro rail transport. Thus public transport as part of convenience facilitates shopper satisfaction. Lack of enough parking, especially during the week ends often creates traffic jams at M. G. road of Gurgaon and the roads leading to Mahagun mall at Vaishali, Ghaziabad. Therefore public transport and parking as proved in the SEM analysis of this study are critical factors leading to shopper satisfaction.

8.7.3 Ambience and Shopper Satisfaction – The variables explaining the construct ambience are mall surroundings, mall interiors and shopping space. Malls like Mahagun at Ghaziabad have a narrow approach road with vehicles parked on either side of the road making it very unappealing and inconvenient during weekends. Ambience in mall interiors including architecture, temperature control, illumination and music has a distinct appeals for the malls compared to the open markets. Naturally the growing mall culture has created problems for shopping centres at places like Connaught place, Delhi. Space is more preferred in the west compared to India where shoppers are used to large crowds in traditional markets. However the trend appears to be changing as malls with large shopping space like Ambience
in Gurgaon and Great India Place, Noida continue to attract high number of shoppers. Therefore aspects like mall surroundings, mall interiors and shopping space as proved in the SEM analysis of this study continue to influence shopper satisfaction.

8.7.4 Promotions and Shopper Satisfactions – The construct promotions have been explained by the variables demonstrations, customer interactions, free samples/gifts and discounts. Promotions now a day are routinely expected by the shoppers. The Delhi NCR market is well known mainly for promotions based on price cuts. Price based discounts are offered on festive occasions and lean periods like off season.

However demonstrations of products in the atrium, free samples related to new products though common in the malls of Delhi NCR, they don’t appear to contribute to the shopper pull into the mall. For example, for the demonstration of an automobile one might prefer to visit an automobile dealer, most of whom are located in open markets. Similarly free sample distribution is often irregular without any prior information and impossible to predict either. May be for these reasons the influence of promotions on shopper satisfaction could not be proved in this research.

8.7.5 Shopping Experience and Shopper Satisfaction – Shopping experience as a construct has been explained by the variables price, quality of the products sold in a mall, quality of service provided, the range of shops in the mall, type of shops or tenant mix and the food court. The embracing of the malls in India, is mainly because of the overall shopping experience provided. Price is an important aspect for the Indian shoppers. Hence we have today malls positioned based on the prices of the merchandise. The mall DLF Emporia houses high priced luxury brands and on the other hand, Sahara mall offers low priced goods. It is not that shopper in India is looking for cheap products always, but the emphasis is on the perceived value they get from the price paid for the products. Hence quality of the products is important as well. Malls like Brand Factory therefore sell brand seconds at low price. There are malls like Select City which sells high quality brands. Quality of service in the sense, mode of payments at the retailers and food court, facility to carry products purchase by carts and trolleys in the malls is also appreciated by the shoppers. Range of retail outlets in a mall gives affects the choice offered to shoppers. Smaller malls like EDM, Ghaziabad have been successful because of the presence of strong anchor stores like Big Bazaar. However large malls like Ambience, Gurgaon and Great India Place, Noida have large footfalls because of the huge range of retail outlets they provide giving a wider choice to the shoppers. The type
of shops refers to the tenant mix. A mall like Plaza, Gurgaon with a very narrow mix containing mostly electronics is attracting less footfalls compared to Metropolitan on the opposite side of the road because of the tenant mix. Metropolitan with a tenant mix of garments, watches, electronics, optical, sport equipments, entertainment and a wide range of food outlets is more successful because of the tenant mix. Food court is one of the important components of a mall apart from goods and entertainment. Food is an important part of shopping experience as Indian shoppers once in a while like to eat outside their homes. Also with the ambience of a mall facilitating window shopping and long hours of shopping, having food at the same place is convenient for the shoppers. Hence a good food court with good quality and a range of food outlets is part of shopping satisfaction. In the structural model tested in this study, shopping experience which is defined by prices, quality of the products sold in a mall, quality of service provided, the range of shops in the mall, type of shops or tenant mix in the mall and the food court of the mall have been found to be directly influencing shopping experience.

8.7.6 Property Management and Shopper Satisfaction – Property management has been defined by mall cleanliness, mall security, signage’s clarity and restroom cleanliness in the construct defined in the measurement model. Cleanliness in most of the malls now is a standard feature expected by most shoppers. Signages clarity gives proper direction to the shoppers and leads to ease of sopping by identifying the retailer or location desired to be visited by the shopper. As duration of time spent in mall is high compared to open markets, restroom/toilets are needed by shoppers for relieving and refreshing. Security is an important concern for the shoppers especially at places like basement parking. Security of the shopper, of the shopper’s belongings including purchases as well as the security of the vehicles is important as well. There have been reports of thefts of vehicles and incident of physical harm especially in the basements of the mall earlier. Hence property management is a critical function leading to shopper satisfaction. In the structural model validated in this research, property management has been found to be positively influencing shopper satisfaction.

8.7.7 Entertainment and Shopper satisfaction – This construct has been explained by the variables movie theatre, children play zone and video games. Watching movies is the favourite leisure activity and has been a major component of entertainment for the India shoppers. Sensing this perhaps, almost all the malls have a movieplex of around 3 or 4 movie theatres popularly named as “audis”. Many of the movieplexes are the anchors of the malls
as well. Children play zone is also important for engaging and entertaining the kids while shopping. Videogames is also a regular feature for entertainment in the mall. Not surprisingly, the construct entertainment explained by variables movie theatre, children play zone and video games has been found to be positively influencing mall shopper satisfaction in the structural model of this study.

Overall, the components of positioning, i.e., convenience, ambience, promotions, shopping experience, property management and entertainment have been found to be positively influencing shopper satisfaction in this research study.

8.7.8 Shopper Satisfaction and Mall Patronage – Shopper satisfaction has been explained by the variables location, satisfaction with the goods and services of the mall and satisfaction with the overall positioning of the mall. Location of a mall has been found to be the single most important determinant of mall success in numerous instances. Malls which are located in the interiors have less patronage compared to the malls which are centrally located. Many of the centrally located malls like Great India Place, Noida, EDM, Ghaziabad are doing well. Malls located in the interiors like Pyramid Mall in Delhi have been closed down because of the location. While old malls like Ansal Plaza continue to do well because of their central location. Overall satisfaction with the tenant mix or good and services lead to patronage behaviour. EDM Ghaziabad, Sahara and Metropolitan Gurgaon, Great India Place, Noida are good examples of good tenant mix providing shopper satisfaction which in turn leads to mall patronage. Shopper satisfaction with overall positioning also leads to mall patronage. Ansal Plaza, Ghaziabad, positioned as factory outlet mall, Gold Souk positioned as a destination shopping centre for all gold products continue to do well because of the shopper satisfaction with theme based positioning. In the structural model defined and tested in this research shopper satisfaction has been proved to be positively influencing patronage behaviour.

8.8 Conclusion

Though the number of malls is growing in India, all of them not found to be successful. This study therefore investigated whether positioning influences shopper’s patronage behaviour. The findings of the study indicate that positioning is a significant determinant of shopper satisfaction which in turn influences patronage behaviour. More specifically shoppers indicated overall satisfaction with the five dimensions of positioning examined in the study
(convenience, ambience, shopping experience, property management and entertainment). The relationships between shopper satisfaction and patronage behaviour revealed that satisfaction plays a direct role in enhancing shoppers’ patronage behaviour. The findings of the study have important implications for mall managers, especially in terms of the offer that could be provided so as to create a strong positioning of the mall amongst the shoppers. The days of a mall doing well only on the basis of the location are over. A sound positioning strategy is imperative for a mall to satisfy its shoppers. A mall manager is expected to carefully make a selection between the set of positioning dimensions which could influence the target segment. Also as the economic environment changes continuously leading to changes in shopper behaviour, mall managers need to regularly take a review of their positioning strategy, compare it with those of the competing malls and reposition their mall if the need arises. Mall developers also need to understand that started a generic mall is a practice of the past, and to start the mall without a clear marketing and positioning is fraught with risk. At the same time a clear and sound positioning will lead to the success of the mall in an environment of growing organised retail environment in India.