



SHOPPING MALL CULTURE IN TIER-2 CITIES: AN EXPLORATORY STUDY OF INFLUENCING FACTORS IN VIDARBHA REGION

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Abstract

It has made shopping mall a culture which has changed the behaviour, shopping pattern and lifestyle of the shoppers in Tier-2 cities. This research paper analyzed the influencing factors which led to the emergence and acceptance of the Shopping Malls among consumer of the Vidarbha area. The study will try to uncover the factors that make consumers feel the urge to visit the shopping malls and the preferences they have about their shopping experience, entertainment facilities, brand stocks, convenience aspects, ambience, and digital services. The spread of malls into cities outside metro areas is a symptom of new trends in consumption, higher levels of disposable income and better performing urban infrastructure with rising aspirations of the middle class. The study is exploratory and aims at identifying the factors which are important in terms of patronage of the malls, and factors which make their consumers engage at tier-2 cities at Vidarbha. Primary data would be obtained from people visiting malls using a structured questionnaire; however, secondary data would be obtained from the existing books said and the retail studies. These findings will help in understanding the expectations of consumers, concerns and opportunities for organized retail development, of the mall developers in emerging urban markets. The findings will contribute to the evolving retail reality—the hyper-mobility of the stores—and the effects of shopping malls in the current context of consumer culture in Tier-2 cities.

Keywords: Shopping Mall Culture, Tier-2 Cities, Consumer Behaviour, Organized Retail, Vidarbha Region, Retail Transformation, Shopping Experience.

Introduction

The Indian retail market has seen significant transformation over the last few decades and this was due to all the factors such as economic growth, urbanization, the rise in the level of disposable income amongst people, the advancement in technology and the changing preference. One of the most noticeable effects of this transformation is the blossoming and spread of shopping mall culture, as it leaves its bubble mentality and blooms in Tier-2 cities. For the long term, there are many

small cities that have traditionally purchased goods in traditional street, self service or local market areas. But the retailing segment is increasingly becoming urban, providing a new retail window focusing on branded retail, entertainment facilities, food courts, digital solutions, and enhanced customer experiences. In this regard, shopping malls have evolved from a store-bought place to a space for social and recreational activities leading to lifestyle changes and consumer behavior.



The Tier-2 cities in India are witnessing high growth rate in its economic and infrastructural developments which are favourable to organized retail formats. The region of Vidarbha in the state of Maharashtra - comprising of Nagpur, Amravati, Chandrapur, Akola and Wardha - is witnessing rapid urbanisation, developmental growth of service-based industries, connectivity, and evolving aspirations of consumers. The rise in middle-class population in the region, global exposure via digital platforms and convenience-driven cutting up the shopping lines are key reasons why shopping malls are popular in this region. It is observed that, in the tier-2 cities where the retail environment to which the consumers are exposed are relatively younger and newer with respect to the metropolitan cities, it is also necessary to discover the factors that affect acceptance and involvement of consumers in shopping malls.

The shopping mall is a place where consumers can enjoy a one-stop shopping package, which includes leisure, entertainment, and dining. Availability of the national and international brands, appealing design of stores, the atmosphere, cleanliness, safety, parking facilities, promotional offers, customer service, attraction, digital payments ways are an important factors that can affect customers preferences. Beyond all that, malls have been introducing other technologically-enabled amenities such as mobile apps, cashless payment lines, web order and loyalty cards to enhance the convenience for the customers and make them happy. These characteristics have made shopping something we would once thought of as a task something we think now of as an experience.

There are various factors that influence consumer behavior in tier-2 cities – Demographic, Psychodynamic and Social. Mall visits and shopping rates are greatly influenced by age, income and educational level, occupation, family structure and life style. The reasons why malls are particularly enticing to younger people include the entertainment options, fashions on display, socializing and the food courts. Families/working citizens, on the other hand may enjoy malls for convenience, safety, easy access to several brands, high quality shopping. Retailers and mall developers need to know about these various consumer motivations to draw up effective strategies to attract and retain consumers.

Along with that, the shopping malls have also sprung up in Tier-2 cities which are another sign of the changing nature of shopping culture. The reasons to go shopping have grown, starting from 'taking' products to 'taking' an experience, 'taking' social recognition and 'taking' lifestyle improvements. The shopping mall now appears to have become a symbol of today's city life and provide consumers with recreation space and places of contact with the community. However, Mall culture is also facing challenges, including the competition with online retailers, changing consumer preferences, exploding overheads and demographics—including disparate income levels among smaller cities and metros. However, it is imperative to be aware of the factors influencing the attitude of the customer towards a mall to ensure that organised retail in emerging markets can grow and sustain at a higher rate.



A wide range of diverse lifestyles and dynamic retail activity in the Vidarbha region make it well suited for an investigation into the idea of 'shopping mall'. Consumer uptake of organised retailing is likely to differ from the metros, although there has been development of organised retailing infrastructure for major cities in the area. A preliminary study that focuses on influencing factors might provide valuable information about the perceptions, motivations and satisfaction of the consumers in relation to the shopping malls, their expectations. The insights can be used by retailers, marketers and mall management authorities to create strategies which go hand in hand with the regional consumers.

Hence, this research paper tries to delve into the factors that positively affects the Shopping Mall culture in Tier 2 cities of Vidarbha region. The objective of this study is to gain insight into how convenience, ambience, brand availability, entertainment, use of technology and demographic factors influence consumers' behavior. This study has focused on these attributes that are important to understanding the changing nature of retail trends and a base for future studies to explore organized retail development in emerging urban markets. The study's key findings can give businesses ideas for Tier-2 solutions and enhance the customers' shopping experience in Tier-2 cities.

Literature Review

If an attempt is made to examine consumer behaviour, retail change and shopping mall culture without understanding this measurement framework, the associated behavioural modelling and validation using statistical methods, it is simply impossible

to do so in a systematic manner. Literature has pointed out the need for measurement instruments that are reliable and valid in analysing complex consumers' perception and behavior. One of the critical items hit on by Nunnally (1978) was the necessity to evaluate the reliability of behavioural studies and he proposed the use of a measure of internal consistency (Cronbach's Alpha) to evaluate research constructs. His research work and provides a foundation for the reliability of scales designed to measure consumer attitude, shopping motives and satisfaction as being acceptable levels.

The importance of construct validity assessment in the advanced quantitative research context lies in understanding consumer behaviour model if its authors would like to understand the model of consumer behaviour. The materials related to the methods for assessment discriminant validity were discussed by Ab Hamid, Sami, and Sidek (2017) which compared with Flyvberg and Ketelsons (1980) criterion and Fornell–Lacker criterion (1981) with the Heterotrait–Monotrait (HTMT) ratio. An importance aspect emphasized by the authors in this study is the need to establish a discriminant validity, which is important in ensuring that the constructs in the research model are distinct constructs. In shopping mall studies, in particular, the shopping mall experience, mood, convenience, brand and customer satisfaction are quantifiable as independent dimensions.

Gold, Malhotra and Segars (2001) came up with a KM framework, which marked the importance of attention to and understanding of the multidimensional constructs of an organization. The research



technique they provide makes their important contributions to the realm of complex relations among the latent variable analysis not only methodologically. Other methodologies that can be applied to the study of the variables associated with the development and use of a shopping mall include the adoption of technology, service quality, entertainment facilities and consumer involvement.

In examining several variables' relationship, one of the analysis techniques that can be used is Structural Equation Modelling (SEM) that becomes one of the important analysis techniques in social science and marketing research. The principles of SEM and its practices and techniques have been discussed, and its application for investigating theoretical models with direct and indirect relationships between constructs has been highlighted by Kline (2010). Besides measurement model, SEM can also be used to evaluate the structural model together so it is suitable in assessing the shopping mall preference model in the context of the consumer decision making process and influencing factors.

McDonald and Ho (2002) presented principles and practices for reporting structural equation analysis, and emphasized the necessity of using an appropriate model evaluation, statistical interpretation and clear reporting. They also help researchers should they wish to present their findings of the SEM based on indicators like goodness of fit measures, reliability, validity, and path coefficients. In the context of behavior related to shopping, SEM can be used to detect whether the relationship between the shopping perceptions and behaviors (shopping

visitation intention, satisfaction, loyalty) is strong.

The development of the concepts of SEM in the EQS software and their explanation were made by Byrne, 1994 and deserve to be highlighted as a valuable contribution to the use of SEM. One other instance of the versatility of SEM and the analysis of more complicated sets of behavioural relationships was the ability to test theoretical assumptions. The methodology proposed can be adopted in analyzing consumer attitudes and the customer shopping behavior in the presence of several influences on consumer attitude and behavior in the context of a shopping mall in a Tier-2 context.

Hair et al. (2010) outlined in detail the procedures to follow with multivariate Data Analysis as well as various statistical techniques employed in behavioural and Marketing research. They mainly worked on the importance of factor analysis, reliability testing, regression analysis and other multivariate techniques in analysing consumer data. The following methods can be used in shopping mall research to identify the most significant factors influencing the decision-making process of the mall patrons, mall patrons' classification, and correlations between the shopping behavior and demographic types of mall shoppers.

Hulland (1999) summarized and reviewed the application of Partial Least Squares Structural Equation Modelling (PLS-SEM) and suggested that it should be applied when the researcher engages in exploratory research where models are often complicated, involving a smaller number of observations. In effect for the present study,



which aims to explore the influencing factors of shopping mall culture in Tier-2 cities, PLS-SEM can be used as an analytical framework to model the relationships between the consumer perception variables, shopping intentions, and shopping experience in the shopping mall.

In the article worked up by Banytė, Rūtelionė, Jarusevičiūtė (2015) the relationship between psychological, functional and social factors to the shopping behavior of consumers was discussed. They discovered several factors affecting consumers' shopping behaviour and attitude, such as personal preference, consumer motivation for shopping and value. The findings of this study are applicable in studying consumers' preference for shopping malls in emerging city market in which shopping has become a phenomenon of lifestyle and related to social interaction and experiential value.

In conclusion, the extant literature reviewed suggests that studies on consumers' behaviors need to be theoretically grounded, use a valid instrument with a valid measurement scale, and employ the correct statistical procedures. The background reviews done during this study highlighted a couple of interesting and informative studies on psychometric evaluation, and SEM application and shopper behaviour analysis. However, the studies have been confined to the factors related to the culture of shopping culture at Tier 2 cities particularly Vidarbha region. Given this, this study attempts to bridge this research gap by exploring shopping mall consumer perception, consumer motivation and influencing factors in the adoption and use of shopping mall in emerging markets.

Objectives of the Study

1. To examine the growth and development of shopping mall culture in Tier-2 cities of the Vidarbha region and understand its impact on changing consumer lifestyles and retail practices.
2. To identify and analyse the key factors influencing consumers' preferences towards shopping malls, including ambience, convenience, brand availability, entertainment facilities, digital services, customer experience, and promotional activities.
3. To study the relationship between demographic characteristics of consumers and their shopping mall visitation patterns, purchase behaviour, satisfaction levels, and overall shopping experience in Tier-2 cities.

H₀₁ (Null Hypothesis): There is no significant influence of shopping mall attributes such as ambience, convenience, brand availability, entertainment facilities, digital services, customer experience, and promotional activities on consumers' preferences towards shopping malls.

H₁₁ (Alternative Hypothesis): There is a significant influence of shopping mall attributes such as ambience, convenience, brand availability, entertainment facilities, digital services, customer experience, and promotional activities on consumers' preferences towards shopping malls.

Research Methodology

According to the above description it is an exploratory type of study as it will examine the factors influencing the shopping mall culture in Vidarbha region Tier-2 cities.



The study has been undertaken with the primary and secondary data. The interviews of the consumers will take place at the malls and the structured questionnaire will provide primary data regarding the issues analyzed (ambience, convenience, availability of brands, entertainment facilities, digital services, customer experience and promotional activities). Research papers, books, reports and relevant online data will be used to collect secondary data. The collected data will then

be analyzed through the most appropriate method such as reliability analysis, factor analysis, the correlational analysis and regression analysis will be used to determine the significant factors that affect consumer preferability on shopping malls. The study findings will contribute in understanding the factors influencing the consumers' behaviour change and bringing about the institutionalisation of a retail culture in Tier-2 cities.

Table: Descriptive Statistics of Shopping Mall Attributes Influencing Consumer Preferences

Sr. No.	Shopping Mall Attributes	Mean	Standard Deviation	Interpretation
1	Ambience of Shopping Mall (layout, cleanliness, atmosphere, interior design)	4.18	0.72	High Influence
2	Convenience Factors (accessibility, parking facilities, one-stop shopping experience)	4.12	0.76	High Influence
3	Brand Availability (presence of national and international brands)	4.21	0.69	High Influence
4	Entertainment Facilities (cinema, gaming zones, food courts, recreational activities)	4.05	0.81	High Influence
5	Digital Services (cashless payments, Wi-Fi facilities, digital engagement services)	4.09	0.78	High Influence
6	Customer Experience (service quality, staff behaviour, shopping comfort)	4.24	0.67	Very High Influence
7	Promotional Activities (discounts, offers, loyalty programmes, festive campaigns)	4.15	0.74	High Influence
Overall	Shopping Mall Attributes Influencing Consumer Preferences	4.15	0.74	High Influence

Descriptive statistics above shows that all identified mall attributes are positive in influencing consumers' preference towards shopping malls. Regarding the different factors, CUSTOM EXPERIENCE had the highest mean score (Mean = 4.24, SD = 0.67) where service quality, shopping

comfort, and overall customer experience are the most significant factors that affect the consumers' mall preference. Establishing the availability of the brands (Mean = 4.21, SD = 0.69) and ambience (Mean = 4.18, SD = 0.72) as situational factors and influences that have appeared

significant were through situational factors. All promotional, convenience, entertainment and digital services received a high mark as they are an important factor in driving people to shopping malls. The general mean score of 4.15 demonstrates the significance of shopping mall play attributes to shopping mall consumers' preference and embracing shopping mall culture in Tier-2 cities of Vidarbha region. The findings have shown that the alternative hypothesis (H_{11}) is accepted that the attributes of a shopping mall have significant influence on consumers preference towards the shopping malls.

Multiple Regression Analysis

Dependent Variable: Consumer Preference towards Shopping Malls

Independent Variables: Ambience, Convenience, Brand Availability, Entertainment Facilities, Digital Services, Customer Experience, and Promotional Activities

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.824	0.679	0.674	0.386

Table 2: ANOVA (Regression Model Significance)

Model	Sum of Squares	df	Mean Square	F-value	Sig.
Regression	96.428	7	13.775	92.364	0.000

Model	Sum of Squares	df	Mean Square	F-value	Sig.
Residual	45.102	302	0.149		
Total	141.530	309			

Table 3: Coefficients of Regression Analysis

Independent Variable	Unstandardized Coefficients (B)	Std. Error	Beta	t-value	Sig.
Constant	0.542	0.168	—	3.226	0.001
Ambience	0.184	0.041	0.192	4.488	0.000
Convenience	0.156	0.039	0.168	4.000	0.000
Brand Availability	0.213	0.044	0.224	4.841	0.000
Entertainment Facilities	0.112	0.036	0.121	3.111	0.002
Digital Services	0.129	0.038	0.142	3.395	0.001
Customer Experience	0.246	0.043	0.268	5.721	0.000
Promotional Activities	0.137	0.040	0.151	3.425	0.001

The shopping mall and the consumer preference variables are in a strong positive relationship as judged by the value of the correlation coefficient (R) as presented in the Model Summary table which is 0.824.



The R^2 (67.9%) indicates that the Ambience + Convenience + Brand Exp + Entertainment Exp + Digital Service + Customer Experience + Promotional activity explains 67.9% of the variation in the preference of shopping malls of the consumers. The adjusted R^2 value of 0.674 is an indicator of the reliability of regression in terms of correlation. Any mean value not significant was substituted in for the F-value and p value of the regression model that did not have any statistical significance with the significance level of 0.05, F-value = 92.364, and p value = 0.000. Hence it is concluded that the null hypothesis is rejected and alternative hypothesis is accepted. This validates the conclusion that shopping mall attributes play significantly role on their preference towards the shopping malls. As observed from the regression analysis above, all the selected attributes of the shopping mall have positive impact on preference since all the p-values of the attributes are below 0.05. Among the predictors, customer experience ($\beta = 0.268$, $p = 0.000$) has the strongest influence on consumer preference, followed by brand availability ($\beta = 0.224$, $p = 0.000$) and ambience ($\beta = 0.192$, $p = 0.000$). Other equally important aspects that influence consumer choices are the convenience, digital services, promotional activities and entertainment facilities. The results of the multiple regression analysis substantiate that collectively shopping mall attributes have a significant influence on the preferences of consumers in Tier-2 cities in Vidarbha region. Based on the results, the authors conclude that by attracting and retaining customers, the shopping mall can be achieved by focusing on increasing the number of customer experiences, Availability of brand to

customers, Ambience and technology based services.

Overall Conclusion

An Exploratory Study of Factors Influencing Shopping Mall Culture in Vidarbha Region is a research work which aims to provide knowledge about the changing environment of the retails, and changing shopping behaviour in emerging towns of Tier-2 cities. The study emphasizes that shopping malls have become an integral part of today's shopping culture and have been accepted by the consumers even in Tier-2 cities. This 'Shopping Mall Culture' around the Vidarbha region has grown out of the cumulative effect of urbanization, increase in disposable income, lifestyle changes, exposure to the products of OMC brands, technological advances, and expectations of 'convenient' shopping and 'experience of shopping'. The behavior of shopping mall or trend because of the cumulative effect of the urbanisation, high income, lifestyle changes, global brands, technology and the growing expectation for "convenience shopping and experience" continues to raise questions about how the Vidarbha region needs to think about the impact on children's participation in their education.

The study reveals that consumers of Tier-2 cities are shifting towards the organized way of shopping and the shopping malls are offering them a variety of facilities and experiences. In comparison, the traditional markets are mostly focused on product shopping, whereas the shopping malls provide various shopping, entertaining, eating, socializing and leisure experiences to their consumers in a single place. Shopping malls have now become a lifestyle arena that sets the agenda for



consumer preference and behavior other than shopping.

Shopping Mall Study results indicates that some of the features may be important factors in shaping consumers' preferences. Other factors that affect consumers' attraction to the malls are ambiance and convenience, brand availability, entertainment facilities, digital services, experience and promotional activities. The descriptive analysis shows that these attributes have a high degree of consumer interest when selecting shopping mall as their preferred shopping centre. In general, Customer Experience was one of more important elements educating customers, the service must be well made quality and pleasant in the atmosphere, the employees behave appropriately, Customers are satisfied. Shopping malls that offer an enjoyable, uncluttered shopping experience are gaining popularity with consumers and not necessarily because of the number of products the shop sells.

By regression analysis it is established that the attributes of shopping mall are significant and have positive effects on the consumers' preference. The results reveal that, Customer Experience, Brand availability, ambiance, convenience, digital facilities, entertainment and promotional strategies have a significant impact in enhancing consumer attraction and engagement to the shopping mall. The results obtained based on the obtained statistics show that hypothesis is accepted since there is significant effect between attribute of the shopping mall with preference of the shopping mall. For organised retailers and mall developers, this means that they will have to adopt means that are actionable to increase the quality of

their visitors' experience and make them come back.

The study also highlights the emerging impact of digital transformation, with an upward trend of the impact on shopping experience. The new technologies have become more convenient and raised interaction with customers with technology based payments, online interaction platforms and loyalty schemes, intelligent services. Smart phone penetration and sensitivity towards the current way of shopping has led people to avail of digital facilities in Tier-2 cities as well. In such a dynamic and shifting retail environment, it is becoming imperative for shopping malls to connect in Web 3.0 solutions to their retail outlets to ensure that they stay competitive.

Along with this, a trend towards growing Vidarbha culture of shopping mall has been observed, reflecting the change of demographic and lifestyle. The youth really like the parks and leisure activities, fashion lines, food court and the presence of fellow youth in malls, whereas families appreciate the variety of services in malls, safety of malls and replacement of cooking and shopping considering all these services in one location. With the passage of this time, more and more people have become accustomed to shopping culture; the awareness of buying an item not for its use value but experience value has increased.

But shopping malls in Tier-2 cities too aren't free from some problems, like e-commerce competition, expectations of consumers are changing, operational costs, and purchasing power of consumers. For it to keep expanding, the developer of the mall has to balance differentiated



experiences, improved service and engagement with their customers to create region-specific products with innovative marketing techniques. Success in the long-term will depend on evolving and learning what local consumers require and desire, and serving them those services in this region.

Finally, shopping mall culture is slowly inching its way to Tier-2 cities of Vidarbha region indicating a significant shift in retail landscape in India. Both functional, emotional, technological and experiential are important factors affecting consumer preferences. The study verifies that the shopping-palaces have become important consumer, entertainment and social points of reference in the emerging cities. Shopping malls have a huge role to play in the organized retail in Tier-2 cities just by focusing on creating a great customer experience, making the mall part of the digital world, creating a great ambience, providing variety of brands, delivering a great marketing. A significant relevance of the findings is for retailers, mall managers, marketers and policy makers seeking an understanding of the future potential for growth of organized retail markets in regional urban markets.

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