Customer Motivation and Loyalty towards Shopping Malls in Chennai City

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ABSTRACT
Consumer movement is a universal phenomenon. The goods or services available may be in abundance or in short supply, but the position of the consumer is weak, in relation to the seller. Sellers want customers, as buyers and not as complainants. The frustration and bitterness on the part of consumers, who have been promised much is indeed great, but they realise less. It can be due to the existence of sellers’ market, where consumers are voiceless. There are many practices whereby consumers are not only being denied their basic rights but are being deceived too. A consumer is an individual who consumes goods, manufactured by firms or created by nature (air, water etc.) and services offered by government hospital, educational institutions etc.

Keywords-- Profit marketing, Consumer products, Products

I. INTRODUCTION

The majority of the consumers in advanced countries are well educated, well-informed and are in a position to protect themselves. But our Indian situation is different from the Western, where adequate production and proper distribution of products exist. In India, industries have not achieved the level of affluence of technology and the existing markets of products run in shortages, adulteration and black market prices. Indian people have less money at their disposal. The profit-marketing attitude of the business failed to discharge social responsibilities of maintaining fair price, quality of goods and providing services etc. In short, consumerism is an outcome of sufferings and exploitation of consumers, and some businessmen aim to make abnormal profit, which is at the cost of consumers’ safety and health. However, it has been accepted and agreed that “A consumer is a king of the Market”, but in face he is not. The majority of the Indian problems relating to consumers are adulteration, artificial scarcity, unreasonable prices etc.

There are different religious customs, traditions and languages in India, and about three-fourth of the population live in rural areas, where cultivation is the source of livelihood, and there is wide disparity of income of people. Majority of the people, who are most illiterate, have low income. To save or protect themselves, against exploitative practices of trade, consumerism has emerged and been accepted as defensive force to safeguard the interest of the customers. The wealth of products and services produced in a country make our economy strong. Almost all the products, which are available to buyers, have a number of alternative supplies: i.e. substitute products are available to consumers, who make a decision to buy products.

It means that manufacturers’ attention has switched over from the products to the consumers and specially concentrated on the consumer behaviour. The manufacturer possesses no control over the behaviour of consumers. A modern marketer first, tries to understand the consumers and their response, than he studies the basic characteristics of their behaviour. It can be said that consumer is the pivot, around which the whole marketing system revolves. The selection or choice of products or services by consumers greatly determines the fate of the producers. As such, the marketer must know the consumers, more and more in order to manufacture the products, which give them satisfaction, in the way, the customers need. A careful study of consumer behaviour will facilitate the marketer in determining the size, form, style, colour, package and brand etc.

Brand loyalty is said to occur when a customer makes the choice of purchasing one brand from among a set of alternatives consistently over a period of time. In the traditional sense, brand loyalty was always considered to be related to repetitive purchase behaviour. For some products such as purchasing a house or a car, repetitive purchase behaviour may not occur. In these situations, attitudinal brand loyalty, that is consumer feelings about the brand that was purchased, and their inclinations to recommend the brand to others are measured. Brand loyalty is usually rated as the most
important indicator of brand equity. The reason for this is that loyalty develops post purchase and indicates a consistent patronage of a customer over a long period of time whereas all other elements of brand equity may or may not translate into purchase.

In olden days, most of the products went unbranded. They sold the products without the suppliers’ identification. In the present age, almost all the products are branded and packaged successfully. At present, brand and package are the two attributes of a product. The study of marketing is incomplete, if we do not take into account the study of branding and packaging. Each firm wants to identify its products through brand names. Branding play a more important role than a mere name. The basic purpose of branding is to fix identity of the producer of a given product. In India, branding process started with agricultural products meant for export as well as internal consumption and with manufactured products.

Loyalty can be defined as the personal identification felt by the client in regards to the performance of a product or service, and how this feeling drives the clients’ behaviour. In addition, Loyalty can also be defined as a state of mind, a set of attitudes, beliefs, desires etc. Loyalty is closely related to performance: having the right product or service, at the right price and at the right time and place. It also involves a connection and successfully satisfying the clients’ needs. According to Uncles et al (2003), loyalty is a behaviour that consumers may exhibit to brands, services, stores, product categories, and activities. Moreover, Uncles et al (2003) also stated that customer loyalty can be a commitment to continue doing business with a company on an on-going basis. Hence, a company takes advantage from customers’ loyal behaviour. On the other hand, loyalty is a relative state of mind as it prevents loyalty to some other suppliers, whereas, customers can be loyal to more than one company or brand.

Furthermore, customer loyalty is a deeply held commitment to re-buy or re-patronize a preferred product or service in the future despite there are situational influence and marketing efforts having the potential to cause switching behaviour. It has been argued that for loyal buyers, companies must invest in relationship building and customer intimacy. Building such relationship and intimacy will also conclude to stronger loyalty.

II. BENEFITS OF SHOPPING MALLS

There are 10 great benefits of shopping at malls. It is a sure way to get out of the house and have some fun. Anybody of any age can go, so if we need somewhere to take the kids, spouse or friends, check out these benefits of shopping at malls.

1. There are multiple people to meet

No matter what mall we visit, there is always a group of people walking around. Malls are one of the friendliest places. They are almost like an indoor park.

2. There is Food

There should be no reason to leave a mall too early. If anyone gets hungry, the food court is right inside. We do not have to relocate or drive through that busy line at McDonald’s just to get a meal. The food court is very beneficial to mall shoppers.

3. We find everything needed at one stop

This is one of the great benefits of shopping at malls. Everything we need is more than likely in the mall. We don’t have to waste gallons of gas just to get everything done. The mall is our one-stop shop.

4. We get to walk around

Exercise is always a plus. While we shop, we can get our exercise going on too. Most malls are large enough to get at least a 30 minutes’ walk out.

5. There are a lot of different events and offers

If a certain promotion, sale, or giveaway is being offered, the companies know that the mall is the best place to target people. We should be surprised at how many offers are present in the mall. One day we might get lucky or discover a unique product.

6. Beat the weather and still shop

Some people don’t like to go out because it may be too hot, rainy, or cold. In the mall, the temperature is controlled to the right temperature. We can forget all about the weather once we are inside.

7. There is always a place to sit down

If we ever get tired of standing, there are always benches nearby. Most people never get tired of shopping, but it is always nice to know that we can stop and take a rest if we want to.

8. We do not always have to spend our money

Just because we go to the mall does not mean we have to buy something. We could just hang out with our friends or whomever we may be with. We could just check out the latest fashion and all the free benefits of shopping at malls.

9. We always find something we like or want to buy

It is hard to go out to the mall and not find anything we like. Even if we do not buy anything the same day, we will eventually buy something that excites us. It is beneficial to find something that we like so much.

10. We get to dress up

Almost everyone dresses up to go to the mall. We wear our best stuff to look good. Since there are sure to be other people at the mall, it is always smart to give a good impression.

III. NEED AND IMPORTANCE OF THE STUDY

The field of consumer behaviour studies deal with how individuals, groups and organisations select, buy, use and dispose of products and services to satisfy their needs and desires. Thus, according to Webster, “Buyer behaviour is all psychological, social and physical behaviour of potential customers as they become aware of, evaluate, purchase, consume and tell other people about products and services”. 

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As a matter of fact, customer is the pivot around which the whole industry of now a days revolves. The economists call the ‘customer’ a “king”. He is just like a voter in democracy. His selection of goods or services determine the fate of products/services. Therefore, in order to attract him more and more, the marketers should know their customers well so that they could treat them in the way they like to be treated, present the goods in the way; they will appreciate and close a sale in such a way that consumer satisfaction is created. The study of consumer behaviour is very useful in determining the form, style, packaging, brand, trademark etc., of the product. The whole aspect of buying behaviour determines the durability, price policy and utility aspect of goods. The consumer of buyer behaviour is extremely important for an effective marketing planning. The success or failure of marketing depends largely on target consumer’s individual and group reaction that manifest in the buying patterns. The buyer behaviour is concerned with the study of factors that influence a person to buy or not to buy. Its concept lies in understanding the consumer and his motives and, therefore, involves seeking answers to pertinent questions like: Why a buyer buys or does not buy a particular brand or product? Does a buyer devote much time and study to comprehend the benefits of a product and its services? Does a buyer buy due emotion or impulse? Does a buyer imitate others? What factors does a buyer take into consideration in the buying decision? etc.

IV. OBJECTIVES OF THE STUDY

1. To study socio-economic profile of the customers visiting malls in Chennai city.
2. To analyse the factors influencing shopping motivation of customers visiting malls.
3. To find the customer loyalty factors among mall customers in the study domain.
4. To examine the relationship between shopping motivation and customer loyalty in perception of mall visitors.
5. To measure the influence of demographic variables on the factors of motivation and customer loyalty of the shopping malls.
6. To suggest and recommend the measures to improve customer loyalty and maximize the mall visitors.

V. METHODOLOGY

This study is based on both primary and secondary data. It is both analytical and descriptive in nature.

VI. STUDY AREA

The survey is conducted in metropolitan city, where the mall culture has gained momentum in the recent years. Chennai has given birth 18 mega malls to attract its customers. The Liberalisation and Globalisation of economy directly influence the Chennai city and opened up avenues for foreign direct investment and foreign institutional investors. This created job opportunities in I.T. Companies and other manufacturing companies and made Chennai as centre of attraction for many people with good economic background. This increased the population of Chennai. As a consequence, it increases the mall culture. Therefore, it is appropriate to choose the Chennai city to identify the perception of mall customers.

VII. SAMPLING SIZE AND DESIGN

The primary data is collected through the structured questions. The researcher has adopted convenience sampling method to obtain the responses from all the 18 malls in Chennai city. The researcher circulated 900 questionnaires totally. Only 690 were returned the filled in questionnaires. Out of 690, only 583 questionnaires were found usable for study. Hence, the exact sample size of the study is 583.

VIII. DATA ANALYSIS

The primary data collected from 583 valued respondents are analysed using SPSS computer package version 23. The following statistical tools are used thoroughly to investigate the primary data:-
(1) T – test
(2) Simple Percentage Analysis
(3) Factor Analysis
(4) Cluster Analysis
(5) Chi-square Analysis
(6) One-Way Analysis of Variance
(7) Linear Multiple Regression Analysis
(8) Structural Equation Model (SEM).

IX. PRE - LITERATURE REVIEW

Jeffrey J. Stoltman (1991) indicated the shopping choices; the case of mall choice, the objective of the study, a specific retail patronage phenomenon, and mall shopping.
Charles Dennis (2001) found the females and males, Upper Vs Lower Socio-economic groups, Higher Vs Lower income groups and shoppers travelling by auto Vs Public transport.
Richard Michon (2005) indicated the individual element in a mall environment, the interaction effects between the mall atmospheric components and consumer density.
R. Jasper (2007) identified the focus on their life styles and consumer behavior and shopping behavior. The author found that five elements, like convenience, choice, crowds, ambiance and parking orientation are important.
M. Dhirup (2008) (5) indicated the new retail formats continue to develop and secure their positions in the market, knowledge of what attributes attract customers to stores has become important. The author
found that three auxiliary categories of hedonic motivations namely diversion, recreational and Sensory stimulated shoppers.

Sapna Rakesh (2010) quoted organized retailing in the form of malls. The main objective of the study is to identify the malls retailers’ ambience, and entertainment and mall operators. The author concluded that the malls battle against completion and also charge a high rent for store space from the retailers.

Rahim Mosahap (2010) indicated three variables of service quality, customer satisfaction and customer loyalty. The author concluded and also suggested that other related factors of service quality such as internal Marketing, HR, Organizational behavior and leadership are to be included in the future researches.

Rajagopal (2010) indicated that market places in urban demographic settings attract large number of buyers and sellers of shopping malls. The author mainly indicates the shopping malls, street markets, shopping behavior, urban market place and Mexico, market ambience. The author concluded eight factors including shopping arousal, price advantage, shopping ambience, cost of shopping, volume of buying and competitive advantage, customer traffic per store and choice of the market place are to be considered.

Tooraj Sadeghi (2011) studied the environment effect, shopping values, usability-oriented, enjoy oriented and shopping mall. The author concluded that investment in this field and building shopping malls with big areas, with various stores, attract the customers.

Jamaliah Mohd. Yusuf (2012) identified that shopping value appears to mediate the relationship between green image of retailers and store loyalty. This study reveals the important role of shopping value in the green image and store loyalty relationship. The author concluded that there are some comprehension of consumers, especially with regard to their experiences while shopping at the retail store.

Aliana Man Wai Leong and Shih-Shno Yeh (2015) studied that Customer loyalty is often measured by an individual’s willingness to repurchase a product, willingness to recommended the product to others, willingness to pay more for the product, actual purchase of a higher quantity of the product and making the product the first choice among alternatives.

Tanzeeb bin Abdul Rauf Patker and Saba Mateen (2016) studied that Brand loyalty is observed to have a strong impact on the perception of customers which holds about the quality and satisfaction related to a particular brand. Most of the research work examines the quality of products and their impact on customer satisfaction.

X. ANALYSIS AND INTERPRETATION

OPINION OF CONSUMERS TOWARDS SHOPPING MALL

Factor analysis by the principal component method is applied on all the ten variables of opinion of consumers on shopping malls. The following results are obtained for the classification of the factors:

<table>
<thead>
<tr>
<th>Table – 1-KMO and Bartlett’s Test</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</td>
</tr>
<tr>
<td>Bartlett’s Test of Sphericity</td>
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<tr>
<td>Df</td>
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<tr>
<td>Sig.</td>
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</tbody>
</table>

From the above table, it is found that KMO measure of sampling adequacy is 0.674, Bartlett’s Test of Sphericity with approximated chi-square value 208.180 are statistically significant at 5 percent level. This indicates that all the ten variables are normally distributed and suitable for data reduction.

<table>
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<tr>
<th>Table - 2 – Communalities</th>
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<tbody>
<tr>
<td>Particulars</td>
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<tr>
<td>Purchase in shopping malls is a new thrilling experience.</td>
</tr>
<tr>
<td>Shopping malls have variety of branded products</td>
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<tr>
<td>Consumers purchase the products when they go for entertainment</td>
</tr>
<tr>
<td>Shopping malls are appropriate for the innovative consumers</td>
</tr>
<tr>
<td>National and International brands of products are available in malls</td>
</tr>
<tr>
<td>Consumers visit the malls mainly for entertainment rather than for purchase</td>
</tr>
<tr>
<td>Purchasing products from a shopping mall is a status symbol for consumers</td>
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<tr>
<td>Shopping malls are always attractive to all types of consumers</td>
</tr>
<tr>
<td>Shopping malls are most popular and attract many mall developers.</td>
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<tr>
<td>Shopping malls are more conducive for liberalized and globalized economy.</td>
</tr>
</tbody>
</table>

*Extraction Method: Principal Component Analysis.*

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From the above table, it is understood that ten variables of opinion of consumers towards shopping malls factors exhibit the variance 0.457 to 0.832. This implies that these ten variables establish considerable variance 45.7% to 83.2%. This variance range is statistically significant at 5% level and the segmentation process can be done for these ten variables.

XI. SUMMARY OF FINDINGS AND SUGGESTIONS

It is found that all the three types of customers, supportive customers and believers holding post graduate qualification and confident customers with professional qualification are influenced by malls.

Among all the three types of customers with different occupations, supportive customers working in private sectors, believers and confident customers with self-employed occupation are influenced by malls while purchasing in malls.

It is inferred that supportive customers and believers having two family members dependent on them whereas confident customers have three family members’ dependents are influenced by malls.

The brand available in the malls induces the customers to visit the malls so that they can have accessibility of newly introduced brand through advertisement and transparent sales promotion. The brand introduced through celebrity advertisement attracts the customer to purchase the products and visit the mall frequently.

The different brand introduced creates awareness among the customers of malls and influences the customers to purchase the products that would explain their living status. The customers develop the intention of purchasing the products that are attractive to them feel new purchase experience while shopping in malls.

Mall appearance has influence on the sales promotion strategies that attracts the customers to develop the intention of purchasing the products. Sales promotion, purchase intention, product attributes, Purchase attraction, and Celebrity attraction are statistically significant and are influenced by the corollary effects and celebrity advertisement attracts the customers develop an intention of perfectly selecting the products disclosed in malls and assures the customers on the quality of those products sold in malls.

Mall appearance has an influence over the variety of brands introduced that is attracted by the customers, develop an intention of purchasing the products and create an exciting shopping atmosphere while shopping in mall.

XII. CONCLUSION

Shopping malls have been in trend since the recent years. This has gained momentum in the present trend. This is due to the fact that recently consumers have began to rely on such advertisements for authenticating the quality, features, after sales service and such other aspects that are expected from the manufacturers.

Shopping malls are places to shop and are attraction centers for people to come together, to socialize, see new developments, do the shopping and serve as employment hubs. Changing dynamics of consumer behaviour and enormous brand choices has made the consumer to settle for nothing less than the best. Understanding what the consumer wants is the key to survive in the long run. An ideal shopping mall is the reflection of the amiable relationship among the stakeholders mall developers, mall managers, mall tenants and the consumers.

REFERENCES