



## **CONSUMERS' PERCEPTION LEVEL REGARDING LOCATION AND LAYOUT OF SHOPPING MALLS IN COIMBATORE CITY –FACTOR ANALYSIS**

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### **INTRODUCTION**

Consumer perception refers to the process by which a consumer selects, organizes, and interprets information/stimuli inputs to create a meaningful picture of the brand or the product. It is a three stage process that translates raw stimuli into meaningful information. In simpler terms, it is how a consumer sees a particular brand with whatever he or she has been able to understand by watching the products, its promotions, feedback etc. It is the image of that particular brand in the mind of the consumer.

The Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. It accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. India is the world's fifth-largest global destination in the retail space. The Indian retail market is in its nascent stage and the unorganised players accounted for 92 per cent of the market during 2015. There are over 15 million mom-and-pop stores in India. Between FY09-13, organised retail in India witnessed a CAGR (Compound Annual Growth Rate) of 19-20 per cent. Organised retail is expected to account for 24 per cent of the overall retail market by 2020.

Malls are a form of organised retailing. They lend an ideal shopping experience with an amalgamation of product, service and entertainment, all under a common roof. A mall is a place which has a collection of independent retail stores, service and a vast parking area; they also contain restaurants, banks, theaters, professionals' offices, service stations, etc. Mall shopping is a buzzword for Indian youth. Mall culture is viewed as a significant change in the life style of Indians, as shopping is no longer an activity of buying things but also viewed as a status symbol and a one-stop retail solution. Delhi, Mumbai and Bangalore have received greater economic and social contributions from malls and now it is the turn of the Tier-2 cities like Coimbatore.

Shopping malls are enclosed, climate controlled, lighted shopping centers with retail stores on one or both sides of enclosed walkway. Parking is usually provided around the perimeter of the mall. Shopping malls are classified as either regional (less than 1 million square feet) or super regional (more than 1 million square feet). Super regional centers are similar to regional centers, but because of their larger size, they have more anchors, specialty stores, and recreational opportunities and draw from a larger geographic area. The present study is intended to provide an insight into consumers' perception towards mall shopping in a Tier-2 South Indian City Coimbatore by taking into account the two malls in the city viz., Fun Republic Mall and Brookefields Mall.

**BROOKEFIELDS MALL:** Brookefields is a shopping mall located on Brooke Bond Road (Krishnasamy Road) in Coimbatore City. It was opened in late 2008. The mall has outlets from major clothing and apparel brands and a six screen multiplex cinema, along with a food court serving multi-cuisine dishes. The Mall was constructed by Brookfield's Estates Pvt. Ltd., An integrated real estate developer. The Mall was opened in a phased way. When the first shop was opened on one side in 2009, construction was going on the other side. The Mall has a Food Court, Gaming Zone and Wi-Fi Connectivity along with usual facilities like Multistory Parking; IOB ATM. Chennai-based SPI Cinemas operate 'The Cinema' a six screen Multiplex cinema on the mall's top floor.

**FUN REPUBLIC MALL:** Fun Republic Mall is a shopping mall in Peelamedu, Coimbatore City. This shopping mall was inaugurated in 2012 and managed by E-city Ventures which is a part of the Essel Group. It is located on the arterial Avanashi Road on a 3.5 acre site. The mall has 6 levels with a total area of 5.25 lakh sq.ft. Shoppers Stop is its anchor store and occupies over 79,000 sq. ft. The mall also features a five screen multiplex operated by Fun Cinemas with a

capacity of 1,119 seats, and a McDonald's restaurant spread over 3,470 sq. ft on two floors in addition to its food court.

## **REVIEW OF LITERATURE**

**Ambale (2013)** revealed that apart from location, merchandise price, income of the consumers & culture also had some impact on the failure cause of malls.

**Howard (2013)** found that shopping can be distinguished between mainstream retailing and leisure shopping. They stand on opposite sides of the spectrum. Mainstream retailing is the routine purchasing of goods. This is increasingly falling under time constraints, due to persons working longer hours, and greater female participation in the work place. Leisure shopping, on the other hand, is an outing that is not a means to an end. Shopping is only part of the experience that is enjoyed.

**Goodman and Remaud (2015)** found that the consumer's choice for retail store types identifies a segment that may assist in the sustainability of smaller stores if they cater to the attributes their target consumer seek. The study concluded with four major results: the store choice influences the seek. The study concluded with four major results: the store choice influences the depend on identifying three types of store format. The retailers can match their offers with their target markets: and the rise in large store format is not necessarily the end of small retail.

**STATEMENT OF THE PROBLEM:** Now-a-days, there is a compulsion on the part of the consumers going for shopping malls to be aware of various features of mall shopping such as location, store atmosphere, product quality, display etc. Consumers' satisfaction is the ultimate goal of any business. Satisfaction of the mall shopping consumers depends on how well they are treated, the quality of products and services being offered and how much the other facilities (parking, water, security etc.) are offered coupled with fun and entertainment. But, in practice, though they are getting these facilities still they are not free from the problems such as over-crowding, higher price, higher parking cost, lack of parking space, long queue in billing etc. Moreover, the increasing number of two-income families and families with a single household head is creating more time pressures for consumers limiting the time they can devote to shopping. Increasing shopping malls in urban areas gives a wider choice for the consumers to choose the brands and products they like. If they do not get a quality product or a service, they tend to move towards another mall or another retail outlet. This forces the shopping malls to provide

quality services and branded products. Apart from these, fun and entertainment plays a major role in malls. Most of the people prefer mall shopping for getting a shopping experience along with an entertainment too. By keeping the above aspects in mind, an attempt has been made here to study the consumers' perception towards BROOKEFIELDS and FUN REPUBLIC MALL of Coimbatore City, Tamil Nadu.

**OBJECTIVES OF THE STUDY:** The objectives of the study are as follows:

1. To identify the factors influencing consumers' regarding location and lay-out of shopping mall.
2. To examine the satisfaction level of consumers about the products available in shopping mall.

**AREA AND PERIOD OF THE STUDY:** The shopping malls covered under the study are Brookefields and Fun Republic Mall in Coimbatore City, Tamil Nadu District. The study was conducted from January 2017 to May 2017.

**COLLECTION OF DATA:** The study used both primary and secondary data. The required primary data are collected through well structured questionnaire. Secondary data are gathered through books, journals, magazines, websites and other research works.

**SAMPLING DESIGN:** To achieve the objectives of the study, Coimbatore city has been purposively selected as the study area. The population of the research consists of individual consumers of Coimbatore city. Infinite universe is taken for the study. The method of sampling used for the study is non-probability convenience sampling method. The sample size selected for the study is 540 respondents.

**TOOLS USED FOR DATA ANALYSIS:** The statistical tools used for analysis are Percentage Analysis and Factor Analysis.

**FACTOR ANALYSIS:** In order to explore the possibility of applying factor analysis to the data in hand, the inter-correlation matrix was first calculated by using Bartlett's test of Sphericity and Kaiser-Meyer-Olkin measure of sampling adequacy (KMO). The KMO value of 0.572 (Table No. 1) suggests that the factors extracted account for a substantial amount of variance. Furthermore, Bartlett's test of sphericity also suggests that the inter-correlation matrix is factorable and factor analysis can be applied to the current data as the correlation between different items is also statistically significant ( $p < 0.00$ ).

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The anti-image matrix was also calculated and the findings suggest that there is no need to drop any item and all items should be included in the final factor analysis procedure. Principal component method, the most commonly used method, was used to find the initial solution. The initial solution suggests that the factors have an Eigen value greater than 1 and the factor pattern is consistent across the sample, which is easy to interpret since the items loaded heavily on a single factor.

Factor Analysis technique has been applied to find the underlying dimensions (factors) that exists in the original variables.

**TABLE 1 -KMO AND BARTLETT'S TEST**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.572
Bartlett's Test of Sphericity	Approx. Chi-Square	4.6893
	Df	171
	Sig.	.000

The result of the test shows that with the significant value of .000 there is significant relationship among the variable chosen. KMO test yields a result of 0.572, which states that factor analysis can be carried out appropriately for these 19 variables which are taken for the study.

### **FACTOR EXTRACTION**

Using the Principle Component Analysis three factors have been extracted based on the variance (Eigen value greater than 1). Table 2 shows the percentage of variance, cumulative percentage and the total variance of the variable identified for the study.

The seven factors extracted together account for 73.90% of the total variance (information contained in the original nineteen variables). This is pretty good, because it is easy to economize on the number of variables (from 19 it has been reduced to 7 underlying factors), while there is a loss only about 26% of the information content (74% is retained by the 7 factors extracted out of the 19 original variables).

**TABLE 2 - TOTAL VARIANCE EXPLAINED**

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.834	20.177	20.177	3.834	20.177	20.177	2.709	14.258	14.258
2	2.713	14.280	34.457	2.713	14.280	34.457	2.426	12.767	27.025
3	2.200	11.577	46.034	2.200	11.577	46.034	2.362	12.431	39.456
4	1.531	8.057	54.090	1.531	8.057	54.090	2.067	10.880	50.336
5	1.488	7.834	61.925	1.488	7.834	61.925	1.580	8.314	58.651
6	1.178	6.201	68.126	1.178	6.201	68.126	1.452	7.642	66.292
7	1.099	5.782	73.908	1.099	5.782	73.908	1.447	7.615	73.908
8	.987	5.195	79.103						
9	.730	3.843	82.946						
10	.670	3.528	86.474						
11	.517	2.722	89.196						
12	.456	2.398	91.593						
13	.394	2.075	93.668						
14	.325	1.712	95.381						
15	.223	1.173	96.554						
16	.206	1.085	97.638						
17	.170	.896	98.535						
18	.151	.794	99.329						
19	.128	.671	100.000						

Extraction Method: Principal Component Analysis.

Source : Primary Data

## ROTATION

Since the idea of factor analysis is to identify the factors that meaningfully summarize the sets of closely related variables, the rotation phase of the factor analysis attempts to transfer initial matrix into one that is easier to interpret. Varimax rotation method is used to extract meaningful factors. This is given in Table 3.

**TABLE 3 - ROTATED COMPONENT MATRIX<sup>A</sup>**

Factors	Component						
	1	2	3	4	5	6	7
The shopping centre plays music that I like	.273	-.101	-.075	<b>.446</b>	-.658	-.078	-.030
Centre music is played at an appropriate volume	-.006	.092	.002	<b>.795</b>	-.114	.105	.171
The centre lighting is appropriate	<b>.846</b>	.187	.013	.250	-.021	.048	.084
The centre temperature is comfortable	.236	-.052	<b>.614</b>	.576	.221	-.164	.029
Centre's architecture gives it an attractive character	<b>.835</b>	.162	-.013	-.085	.130	.036	.176
This centre is decorated in an attractive fashion	.206	.078	.003	.070	<b>.821</b>	.091	.022
Interior wall & floor colour schemes are attractive	<b>.586</b>	.289	-.048	-.355	-.137	.213	.011
The overall design of this centre is interesting	-.130	.026	<b>.767</b>	-.271	.067	-.145	-.063
The layout makes it easy to get to the stores you want	<b>.550</b>	.505	-.204	.010	.055	-.186	-.120
The layout makes it easy to get to the food areas	-.518	.173	<b>.505</b>	.001	-.057	-.033	-.160
The layout makes it easy to get to the restrooms	.292	<b>.817</b>	.110	-.075	-.104	.071	-.021
Overall, the layout makes it easy to get around	-.026	.197	<b>.840</b>	.025	-.032	.232	.214

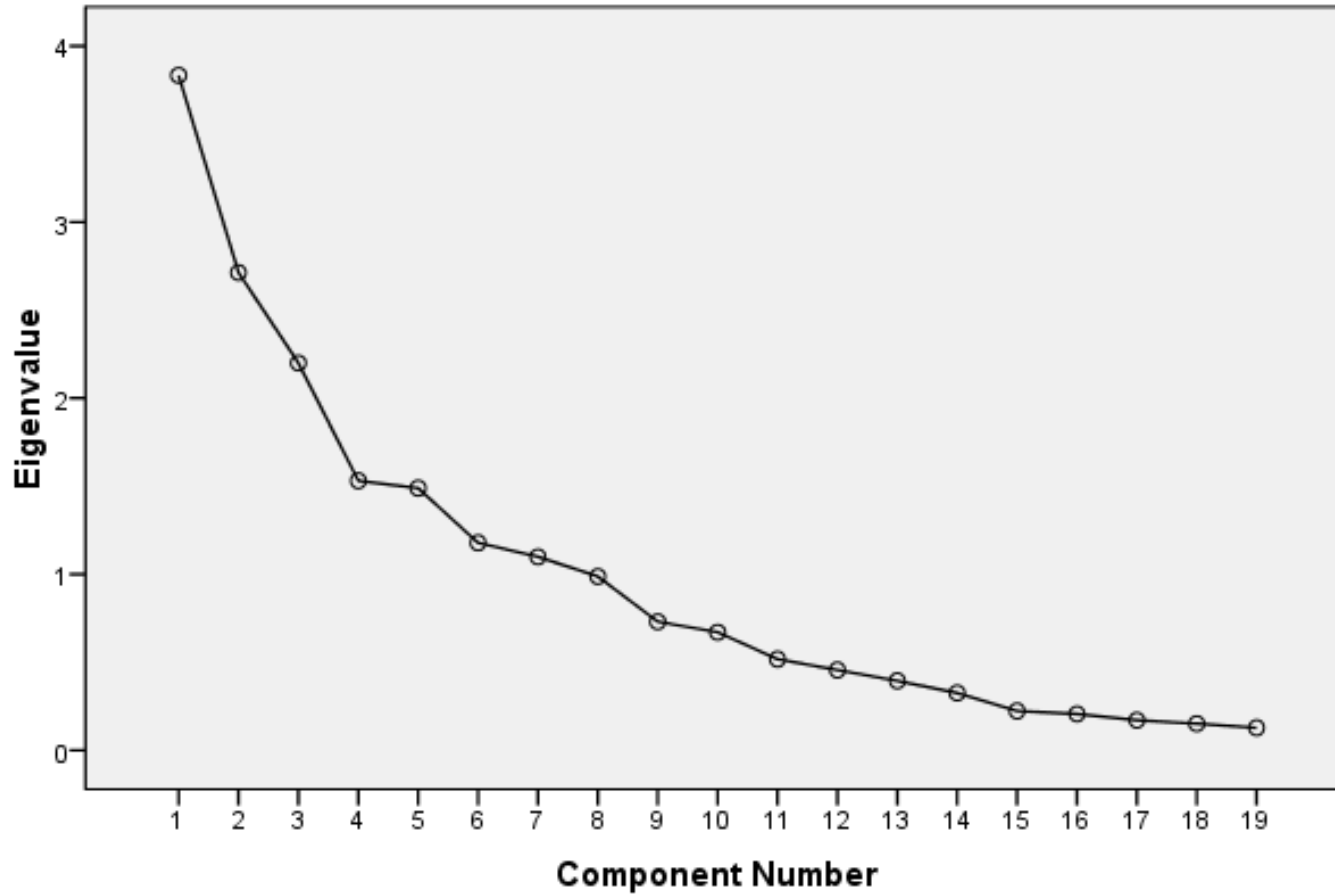
Factors	Component						
	1	2	3	4	5	6	7
The variety of food offered at the centre is excellent	.043	<b>.807</b>	.096	.033	.081	.025	.191
This centre has an excellent variety of stores	-.045	-.052	.559	.107	-.176	<b>.690</b>	.120
This centre has an excellent variety of goods	.107	<b>.745</b>	.084	.269	.207	.003	.025
I enjoy spending time at this centre	.140	.064	-.141	.095	.267	<b>.866</b>	-.019
I am satisfied with the cleanliness of Mall	.252	-.055	.103	.207	-.372	.028	<b>.708</b>
The items on the shopping list were easy for me to find in the mall	-.067	.098	-.122	<b>.697</b>	-.028	.081	-.046
This centre has the most reputed brands	.062	.191	.012	-.023	.247	.024	<b>.855</b>
Extraction Method: Principal Component Analysis.							
Rotation Method: Varimax with Kaiser Normalization.							
a. Rotation converged in 9 iterations.							

Source : Primary Data



The following figure gives the screen plot for the 19 variables taken for the study.

**Scree Plot**



**TABLE 4 - PRINCIPAL COMPONENT ANALYSIS**

<b>Factors</b>	<b>No. of Variables</b>	<b>Eigen Value</b>	<b>Percent of Variation Explained</b>	<b>Cumulative Percent of Variation Explained</b>
Prompt Architecture <b>Factor 1</b>	4	3.834	20.177	20.177
Excellent service and relaxation <b>Factor 2</b>	3	2.713	14.280	34.457
Comfortable and Interesting <b>Factor 3</b>	4	2.200	11.577	46.034
Enjoyment of music <b>Factor 4</b>	3	1.531	8.057	54.090
Attractive Fashion <b>Factor 5</b>	1	1.488	7.834	61.925
Excellent variety and Enjoyment <b>Factor 6</b>	2	1.178	6.201	68.126
Cleanliness and Carefulness <b>Factor 7</b>	2	1.099	5.782	73.908

It is noted that variables “the centre lighting is appropriate”, “Centre’s architecture gives it an attractive character”, “Interior wall & floor colour schemes are attractive” and “the layout makes it easy to get to the stores” are with the loadings of 0.846, 0.835, 0.586, and 0.550 on factor 1 and this suggests that factor 1 is a combination of these variables. At this point, a suitable phrase which captures the essence of the original variables to form the underlying concept, factor 1 could be named as “Prompt Architecture”. In case of the factor 2 columns, the variables “the layout makes it easy to get to the restrooms”, “the variety of food offered at the centre is excellent” and “this centre has an excellent variety of goods” are with the loadings of 0.817, 0.807 and 0.745 on factor 2 and this suggests that factor 2 is a combination of these variables. At this point, a suitable phrase which captures the essence of the original variables to form the underlying concept, factor 2 could be named as “Excellent service and relaxation”.

In case of the factor 3 columns, “the centre temperature is comfortable”, “the overall design of this centre is interesting”, “the layout makes it easy to get to the food areas” and “Overall the layout makes it easy to get around” are with the loadings of 0.614, 0.767, 0.505 and 0.840 factor

3 is a combination of these variables. At this point, a suitable phrase which captures the essence of the original variables to form the underlying concept, factor 3 could be named as “Comfortable and Interesting”. In case of the factor 4 columns, “the shopping centre plays music that I like”, “Centre music is played at an appropriate volume” and “the items on the shopping list were easy for me to find in the mall” are with the loadings of 0.446, 0.795 and 0.697 on factor 4 and this suggests that factor 4 is a combination of these variables. At this point, a suitable phrase which captures the essence of the original variables to form the underlying concept, factor 4 could be named as “Enjoyment of music”.

In case of the factor 5 columns, “this centre is decorated in an attractive fashion” is with the loadings of 0.821 on factor 5 and this suggests that factor 5 is a combination of these variables. At this point, a suitable phrase which captures the essence of the original variables to form the underlying concept, factor 5 could be named as “Attractive Fashion”. In case of the factor 6 columns, “this centre has an excellent variety of stores” and “I enjoy spending time at this centre” are with the loadings of 0.690 and 0.866 on factor 6 and this suggests that factor 6 is a combination of the variables. At this point, a suitable phrase which captures the essence of the original variables to form the underlying concept, factor 6 could be named as “Excellent variety and Enjoyment”. In case of the factor 7 columns, “I am satisfied with the cleanliness of Mall” and “This centre has the most reputed brands”, “I enjoy spending time at this centre” are with the loadings of 0.708 and 0.855 on factor 7 and this suggests that factor 7 is a combination of the variables. At this point, a suitable phrase which captures the essence of the original variables to form the underlying concept, factor 7 could be named as “Cleanliness and Carefulness”.

## **OPINION OF CONSUMERS ABOUT THE PRODUCTS AVAILABLE IN SHOPPING MALLS**

Table 5 reveals the results of opinion of consumers about the products available in shopping malls of the sample respondents in the study area.

**TABLE 5 - OPINION OF CONSUMERS ABOUT THE PRODUCTS AVAILABLE IN SHOPPING MALLS**

Opinion		Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied	Total
Price	No.	109	194	103	95	36	540
	%	20.2	35.9	19.6	17.6	6.7	100
Quality	No.	318	199	21	2	0	540
	%	58.9	36.9	3.9	0.4	0	100
Package	No.	157	339	44	0	0	540
	%	29.1	62.8	8.1	0.0	0.0	100
Display & Variety	No.	214	208	108	10	0	540
	%	39.6	38.5	20	1.9	0.0	100
Services	No.	68	330	100	36	6	540
	%	12.6	61.1	18.5	6.7	1.1	100
Discounts & Mall gift vouchers	No.	127	244	125	18	26	540
	%	23.5	45.2	23.1	3.3	4.90	100
Branded Products	No.	124	275	117	22	2	540
	%	23	50.9	21.7	4.1	0.4	100
Quick Billing and Delivery	No.	124	199	151	66	0	540
	%	23	36.9	28	12.2	0	100
Wider choice	No.	91	302	139	8	0	540
	%	16.9	55.9	25.7	1.5	0	100

Source : Primary Data

Relating to price 35.9% of the respondents said 'satisfied', 20.2% of the respondents said highly satisfied, 19.6% of the respondents said neutral, 17.6% of the respondents said dissatisfied and 6.7% respondents said highly dissatisfied. As far as quality is concerned, 58.9% of the respondents said highly satisfied, 36.9% of the respondents said satisfied, 3.9% of the respondents said neutral, 0.4% of the respondents said dissatisfied and no respondents said highly dissatisfied. Relating to package 62.8% of the respondents said satisfied, 29.1% of the

respondents said highly satisfied, 8.1% of the respondents said neutral, no respondents said dissatisfied and highly dissatisfied. Relating to display & variety 39.6% of the respondents said highly satisfied, 38.5% of the respondents said satisfied, 20% of the respondents said neutral, 1.9% of the respondents said dissatisfied and no respondents said highly dissatisfied.

Relating to services 61.1% of the respondents said satisfied, 18.5% of the respondents said neutral, 12.6% of the respondents said highly satisfied, 6.7% of the respondents said dissatisfied and no respondents said highly dissatisfied. Relating to Discounts & Mall gift vouchers 48.8% of the respondents said highly dissatisfied, 45.2% of the respondents said satisfied, 23.5% of the respondents said highly satisfied, 23.1% of the respondents said neutral and 3.3% respondents said dissatisfied. Relating to Branded Products 50.9% of the respondents said satisfied, 23% of the respondents said highly satisfied, 21.7% of the respondents said neutral, 4.1% of the respondents said dissatisfied and 0.4% of the respondents said highly dissatisfied. Relating to Quick Billing and Delivery 36.9% of the respondents said satisfied, 28% of the respondents said neutral, 23% of the respondents said highly satisfied, 12.2% of the respondents said highly dissatisfied and no respondents said highly dissatisfied. Relating to Wider choice 55.9% of the respondents said satisfied, 25.7% of the respondents said neutral, 16.9% of the respondents said highly satisfied, 1.5% of the respondents said dissatisfied and no respondents said highly dissatisfied.

## **SUGGESTIONS:**

- ❖ It is found that 'I enjoy spending time at this centre' has been identified as the highly correlated variable regarding the consumers' perception on location and layout of shopping malls. The prime objective of visiting malls by the consumers is enjoying their time thoroughly with their family or friends and making the shopping experience a fun & a relaxed one. Hence, it is suggested that, though malls are well-known place for entertainment and enjoyment, still more shops may be established which deals with most recent fashionable products and are specialized in arranging attractive window displays in order to attract more new consumers and also for satisfying and entertaining the existing consumers. This would in turn certainly boost the number of visitors to the mall as well as the sales of the mall. This will surely bring higher reputation to the malls.

- ❖ It is found that 40.2% of the respondents are either neutral or dissatisfied regarding quick billing and delivery system in malls. Mall consumers felt that they are waiting in a long queue and billing & delivery takes more time. Hence, it is suggested to the mall retailers should expedite the process of billing and delivery by establishing additional billing counters wherever it is needed. Mall retailers may appoint more experienced and skilled employees in billing and delivery counters which may in turn speed up the process.
- ❖ It is found that 31.2% of the respondents are either neutral or dissatisfied or highly dissatisfied regarding discounts & mall gift vouchers. Hence, it is suggested that the mall retailers should provide reasonable discounts to the consumers which is the universal marketing strategy adopted everywhere. At least these discounts may be given on some special occasions (i.e., festival times). Besides, mall retailers should simplify the process of using gift vouchers for the convenience of the consumers. These things would certainly attract more and more consumers in the coming days.

## CONCLUSION

Based on the findings of the study some fruitful suggestions have been offered. If these suggestions are , this would result in improving the satisfaction of consumers visiting Brookefields and Fun Republic Malls. Besides, the consumer base, sales, profit and reputation of the malls would be definitely enhanced.

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