Hanging Out At The Mall :
Shopping Orientation Of Young Consumers In Mumbai

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Abstract:

Indian Retail is generating considerable interest within the country and abroad as it has been rated as the fifth most attractive emerging retail market and was ranked first in the global retail development index of 30 developing countries drawn up by AT Kearney(2006). Organized retail, best represented by the mushrooming malls, has come to play a defining role in building and supporting this veritable base of retail consumers. Despite this very little is known about the characteristics of the mall shoppers in India and the question "Who are the mall shoppers?" remain unanswered. Moreover, very little academic material is available on the Mall shopper behavior.

In India, the youth form an immensely significant market segment. The census figures for 2001 show that 54% of the population is below the age of 251 and 45%, below 19 years. The post-liberalization generation has grown up largely without any guilt about consumption and considerable spending power. The economic importance of the youth to marketers and perceived difficulty in understanding and communicating with them has called for research that can provide new insights.

Introduction:

Indian Retail is generating considerable interest within the country and abroad as it has been rated as the fifth most attractive emerging retail market and was ranked first in the global retail development index of 30 developing countries drawn up by AT Kearney(2006). Organized retail, best represented by the mushrooming malls, has come to play a defining role in building and supporting this veritable base of retail consumers. The common Indian's definition of the shopping mall has evolved from one of the earliest forms of retail prevalent in India called the Haat and the mela which are temporary open-air markets generally held at fixed site or on fixed day or at festival time. They could probably be considered the predecessors of shoppertainment in India. Haats and Melas still are in rural India, markets which are also spaces for social and cultural contact (Glossary,2007). In the Indian Avataar shopping centers are a cluster of stores under a common roof. Those which are typically enclosed and also include food and entertainment facilities are called Malls. By this definitions large format stand alone stores which include entertainment facilities themselves or more commonly as 'store in stores' are also understood to be Malls. But for the purposes of this study the definition provided by the International Council of Shopping Centers is used. ICSC states that "A shopping center is a group of retail and other commercial establishments that are planned, developed, owned and managed as a single property". It further states that malls, one of the two configurations of the shopping center, are typically enclosed, with climate controlled walkways and parking in the outlaying areas (Levy,M and Weitz,B,2007), (Pradan,S.,2003).

Malls in India

Spencer Plaza in Chennai and Crossroads in Mumbai are considered to have pioneered the shopping mall in its modern format. The pace of development has been fast since then. Mall development is expected to grow at a frantic pace in metros and mini metros driven by the organized retail sector and spread to 60 cities by the end of this decade. For the Indian mass affluent, the call of the mall is proving irresistible. The packed parking lots, busy food courts and restaurants, crowded anchor stores and noisy gaming arcades at the malls bear testimony to this alluring call. The secret of the lure of the mall lies in its mass appeal - it has something on offer for everyone in the family. The fact that a mall offers experience and not just goods is a major attraction. There is a wide range of shopping experiences - bargains and discounts or high-end brands for couples, gaming and other amusement facilities for kids, a large choice of cuisines for family meals, and, of course, the multiplex the atres (Mitra,M.,2006).

Despite this very little is known about the characteristics of the mall shoppers in India and the question "Who are the mall shoppers?" remain unanswered. Moreover, very little academic material is available on the Mall shopper behavior. However the importance of malls in retail research cannot be marginalized. Malls provide the basic environment that attracts customers, keeps them shopping and brings them back (Kowinski, 1985). As more and more malls come into existence in India competition between malls would increase. The malls that can build a strong patronage will ultimately survive in this intense competition (Majumdar,2005). A good percentage of this mall growth is fueled by consumption of the youth. Therefore, it is of utmost interest to the retailers and academia alike to understand the consumer dynamics behind the newly evolving consumption culture.

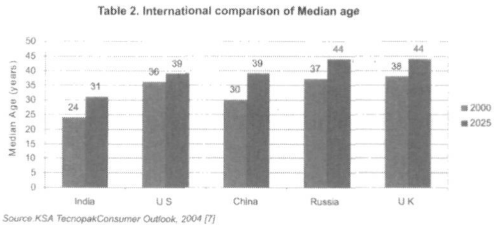
The Youth Segment

According to historians Hollander and Germain(1992), marketers as early as in the 1920s recognized the value of the "youth market" (Giles,1922), and they regarded the youth market as one of the most coveted of all segments (George, 1920). The reasons are many: (1) Their sheer size makes youth an important market. (2)The youth are often trend setters. (3) The habits, likes and dislikes formed when young often continue long after. (4) The young usually aspire to a higher standard of living than was achieved by their parents. (5) The youth are usually more receptive to new ideas ,innovations and formats (e.g., students tend to be early adopters). (6) Students influence parental choices for major purchases (Russell,1926) and (7) The spending power of the newest youth market is significantly larger than the previous. The economic importance of the youth to marketers and perceived difficulty in understanding and communicating with them has called for research that can provide new insight.

Young consumers in India

In India, the youth form an immensely significant market segment. The census figures for 2001 show that 54% of the population is below the age of 251 and 45%, below 19 years . At 555 million, distributed almost equally between men and women, this age group is far greater in number than the population of Latin America and the Caribbean put together . In 2003, there were 100 million 17-21 year olds in India . About 2 million graduate every year of which 10% are engineers(Shastri, 2004) .

Figure 1. International comparison of median age



Source KSA Technopak Consumer Outlook, 2004.

India's young demography was discussed by a KSA Technopak study which sites that India's median age is 24 and growing old very slowly while in sharp contrast, the western economies have a median age of 38 are growing old at an increasing pace. (Refer to Figure 1). In 2025 the median age in India will only be 31 while in U.K. And Russia it would be 44. Further, half of the households in 2025 would have a 'liberalization child' (i e born post-1991) as their head (Shastri, 2004) . The post-liberalization generation has grown up largely without any guilt about consumption (Bijapurkar,2003) , which would lead to a substantial shift in consumer behavior, as it would have a totally different attitude to consumption vs saving, accessing credit vs living within one's means, consumption priorities and the difference between necessity and luxury. According to the India Market Demographics Report 2002 of the National Council of Applied Economic Research (NCAER), as the 'liberalisation children' grow up, their defining characteristic would be consumption, and at 6% compounded annual growth based on purchasing power parity, the market size will rise from $1,500 billion today to $2,700 billion by 2010 and $3,400 billion by 2015.

In spite of the importance of the youth segment in India in terms of size, consumption, intellect and pester power, as well as trend setting capability, not much research has been done in the area. As pointed out by Bijapurkar, consumer behaviour as an area of research in marketing has been largely neglected in India(Bijapurkar,2003). In the US and Europe, market research and other specialized agencies continuously track the consumer behavior of different segments in the market. In India such studies are scarce, and if at all undertaken, are done on an ad hoc basis. The youth segment as a separate area of study has not been adequately pursued either. While some market research agencies do carry out surveys on the Indian youth, these are generally syndicated studies and the methodology, survey instrument, or the technique of statistical analysis is not available to the academic researcher. Very few studies are available on the Indian urban youth (Agarwal, Muthukumaran and Sharma,1990, Goswami, 2007) and no research is available on the young consumers attitude to shopping and his shopping orientation.

Shopping Orientation

Shopping orientation reflect categories of shopper styles and can represent consumer needs for products and services. Moschis (1976), defined Shopping orientation as mental states that result in various general shopping patterns. Shopping orientations is an area in consumer behavior which has been pursued extensively in literature. (Darden & Reynolds,1971, Moschis 1976; Stephenson & Willett 1969; Darden & Ashton 1975, Bellenger & Korgaonkar 1980, Westbrook & Black,1985, Jarratt 1996.) This popularity of shopping orientation as a market segmentation is because these researchers have found a link between shopping orientation and consumer patronage. They came to realize that shopping orientation was useful in describing and understanding consumers and allows retailers ,marketers and producers of products and services to respond to the needs of multiple consumer groups.(Moye & Kincade 2003). This understanding of the Indian consumer especially the youth segment in whom consumerism is evolving has not been attempted hitherto.

Stone (1954) was considered a pioneer when he suggested a shopper typology namely the economic shopper, the personalizing shopper, the ethical shopper and the apathetic shopper. According to West brook and Black (1995), when consumers shop they are motivated by purchase needs, experiential needs or a combination of both. Shim (1996) proposed that there are three basic shopping traits, utilitarian, social/conspicuous or undesirable orientations. Bellenger et al (1997) found that retail patronage behavior could be studied along the dichotomy of recreational and economic shopping. Utilitarian/economic styles usually pertain to the 'perfectionism' and 'value consciousness' traits because they favor quality and/or price. They generally dislike shopping or are neutral towards it. In contrast, 'the Recreational' trait is associated with the traits of novelty/fashion consciousness, shopping as leisure consciousness. This study proposes to understand the shopping motivation of the youth in the mall context by studying the Utilitarian/economic and recreational motivation among men and women along the dichotomy suggested by Bellenger et al (1997).

Objectives of this study

This paper attempts to study the young consumers who patronize the mall in Mumbai and report their behavior in the mall context. Therefore the objectives of the study was to

1. Profile the young mall consumers along the demographic variables like gender, age, income, marital status, number of earning members, family size, number of children, qualification and state of origin.
2. To understand the mall patronage patterns ie the frequency of visits, time spent and the amount spent.
3. To study the activities pursued by the young mall patrons
4. To study their purchase patterns
5. To analyze their recreational and utilitarian orientation to shopping.

Methodology

The instrument

A questionnaire survey was carried out to collect empirical data. The individual responses were kept confidential in order to encourage openness and disclosure. The demographic data collected included gender, age, marital status, education, family income and state of origin in India. The other items which were relatively simple to operationalize were frequency of mall visits, time and money spent while shopping at a mall and the purchased items at the mall. Most of the hitherto developed scales for shopping orientation were found to be either too lengthy or not suitable in the Indian cultural context and mall environments. (Cleveland, Babin, Laroche, Bergeron & Ward, 2003) Therefore, the items for the instrument were adapted from the various previous studies quoted above according to their relevance in the Indian context. A total of 20 mall shopping orientation questions were included asking respondents to indicate their agreement on a five point Likert scale (5-completely agree and 1-completely disagree).

The sample

The questionnaire was administered to a non-probability sample of 300 undergraduate and graduate students aged between 18-35 years old from different parts of India. 16 of the questionnaires were incomplete and therefore rejected. The sample is represented by 190 young male mall patrons and 94 young female mall patrons. A student sample was used because they are relatively homogeneous which reduces the potential for random errors compared with a sample from the general public (Calder, Philips & Tyhout 1981, Sproles and Kendal 1986). Refer Table 1 for the demographic profile of the sample.

Table 1 Demographic profile of the sample

	Demographic Variable	Respondents	
		N	%
1	Gender		
	Male	190	66.9
	Female	94	33.1
2	Age (yrs)		
	18 or less	17	6
	18 - 25	227	79.9
	26 - 35	40	14.1
3.	Income (Rs.)		
	Less than 10,000	19	7
	10,000-30,000	85	31.1

	30,000-60,000	69	25.3
	60,000-100,00	39	14.3
	More than 100,000	61	22.3
4.	Marital Status		
	Married	19	6.8
	Unmarried	262	93.2
5	Education		
	Professional	16	5.6
	Post graduate	109	38.4
	Graduate/Diploma	83	29.2
	12th	76	26.8
6	Region in India		
	North	80	28.3
	South	27	9.5
	East	21	7.4
	West	155	54.8

Results and Analysis

Simple frequency distribution was performed to gather information on demographics such as gender, age, Income, marital status, and education. Similarly , the frequency of visits, the time spent and the amount spent has been analyzed thorough frequencies and represented using graphs and tables. A principal component factor analysis was used to analyze the data on shopping orientation. To ensure both constructs (recreational and utilitarian motivation) have reliable questionnaire items, a reliability analysis was conducted with the use of Cronbach Alpha standards. The shopping orientation factors have low Cronbach alpha scores and the stringent criterion of having an alpha rating of .60 and above was not applied. This is because, the scale items were adopted from studies done under different cultural contexts and validity problems were envisaged when surveying in the local context. All the analysis required was completed using SPSS 12.0

Young consumers Mall Patronage

The Frequency of visits and time spent the mall was studied and the bar graph representing the mall behavior is shown in Table 2 and Figure2 . 39.4% of the respondents visited the mall approximately three to four times in three months. On each visit they would tend to spend two to four hours at the mall.

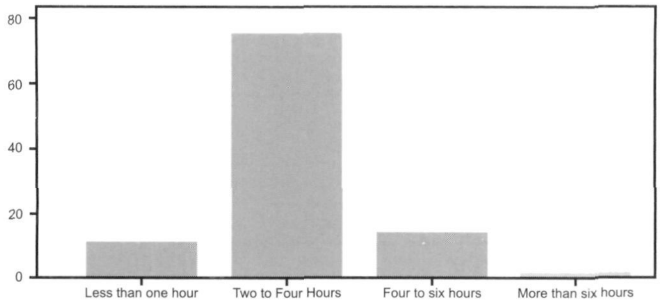
Table 2 Frequency of Mall visits

How many times have you visited a mail in the past three months ?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	8	2.8	2.8	2.8
	Less than twice	45	15.8	15.8	18.7
	Between three to five times	112	39.4	39.4	58.1
	Between six to eight times	52	18.3	18.3	76.4
	More than eight times	67	23.6	23.6	100.0
	Total	**284**	**100.0**	**100.0**	

Figure 2 Time spent at the mall per visit

On an average how much time do you spend in a mall per visit ?



On an average how much time do you spend in a mall per

The money spent by the young mall visitors every time they visit the mall is shown in Table 3. And from Table 4. it is evident that a substantial amount of the money spent by them is on food and drink. 53.9% of the respondents spent approximately Rs500-2000 at the mall making them a very attractive target segment for malls. 43.3% said that they spent Rs.50-Rs100 on food and drink alone every visit to the mall.

Table3 Money spent at the
On an average how much money do you spend per visit ?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than Rs. 500	89	31.3	31.4	31.4
	Rs. 500 to Rs. 2000	153	53.9	54.1	85.5
	Rs. 2000 to Rs. 5000	28	9.9	9.9	95.4
	Rs. 5000 to Rs. 10,000	13	4.6	4.6	100.0
	Total	283	99.6	100.0	
Missing	System	1	.4		
Total		**284**	**100.0**		

Table 4 Amount spent on Food and drink per mall visit.
On an average how much money do you spend per person on food and drink per visit ?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than Rs. 50	23	8.1	8.1	8.1
	Rs. 50 to Rs. 100	123	43.3	43.3	51.4
	Rs. 100 to Rs. 200	99	34.9	34.9	86.3
	Rs. 200 to Rs. 300	25	8.8	8.8	95.1
	Above Rs. 300	14	4.9	4.9	100.0
	Total	**284**	**100.0**	**100.0**	

Activities pursued in the mall

They spent most of the time they visited the mall hanging out with their friends making this the most popular activity among the young consumers at the malls. Other than the obvious shopping, the favorite activities at the mall include watching a movie, and eating out. Many of the young consumers also accompany their families on the shopping trip to the mall and 20.4% said that a trip to the mall was planned as an occasion for the family to do something together. Surprisingly, there were very few takers(14.4%) for gaming at malls. Another surprising finding is that only 7% of the respondents responded to voyeurism admitting to enjoying this past time, while it is considered to be a more prevalent practice among youth "hanging out at the mall."

Table 5 Activities at the mall

Activity	N	%
Hanging out with Friends	191	67.3
Family Outing	58	20.4
Watch a movie	156	54.9
Shopping	190	66.9
Eating out	104	36.6
Gaming	41	14.4
Voyeurism	20	7
Others	6	2.1

Purchases made at the mall

It is of enormous interest to the malls to know what are the items on which the young consumers spend their money. Since they form a large segment of their patrons, it would benefit the mall to understand what kind of products and tenants will give them a large chunk of the young consumers wallet. It is apparent from the findings that as expected they are keen on food, fashion and entertainment. The most frequent purchase is of fast food(55.3%), followed by Apparel (52.5%) and entertainment (45.4%).

Table 6 Purchases at the mall

Purchases	N	%
Apparel	149	52.5
Jewelry	24	8.5
Footwear	142	50
Fashion or Lifestyle accessories	128	54.1
Home Decor	34	12
Food and Grocery	95	33.5
Entertainment	129	45.4
Fast Food	157	55.3
Fine Dining	30	10.6
Nothing	13	4.6
Others	2	.7

Shopping Orientation

Principal component analysis with varimax rotation was used to analyze the data on shopping orientation using the two known factors as the criterion for the factors extracted. Only 12 statements which loaded .40 or greater were used for further analysis. Cronbach alphas, for each dimension, were then calculated as 0.602 for the recreational scale and 0.532 for the Utilitarian/economic scale. The items that loaded high under the first factor are mostly considered to be recreation oriented with the exception of last two which usually is expected to load on the utilitarian/economic orientation. In this context it can be interpreted to mean that the recreational shoppers in India enjoy bargain hunting and are price sensitive. It is also evident that while Indian youth enjoy spending time at the mall with their friends, when the whole family visits the malls, it is usually with the explicit purpose of shopping.

Table 7 Recreational scale items

Recreational scale items (Cronbach alpha= 0.602)	Factor Loadings
I think shopping is fun	.526
I usually go to malls with friends	.423
I think Malls are great places to spent time	.573
I think being seen at malls give people a better image	.564
I enjoy the mall exhibits when I shop	.659
I enjoy browsing through racks for a long time before making up my mind	.582
I come here when I see that a sale is going on in one of the stores	.613
I would come to a mall more often if the prices were lower	.751

Table 8 Utilitarian/Economic scale items

Utilitarian scale items (Cronbach alpha= 0.532)	Factor Loading
I come to the mall with a list of things either in hand and stick to it	.633
Malls are where I go to pick up my provisions	.595
I like to find what I want in the least amount of time and leave the mall	.505
I usually go to malls with family	.728

The rating for the items loaded high was averaged to estimate the degree of recreational as well as utilitarian motivation. As expected there is a high(83%) recreational motivation among the youth who enjoy spending time at the mall with friends, browsing and taking in the mall exhibits while shopping. Surprisingly they are also price sensitive and seen to enjoy hunting for bargains. They also felt that being seen shopping at the mall added to their image and status.

But surprisingly 54% of the respondents studied had high utilitarian motivation. This group haa an almost equal number of young men as well as women who said that they had a functional approach to shopping at the mall. The visited the mall usually with their family and picked up provisions. They did not enjoy lingering at the mall and would leave as soon as the job of shopping was over.

Conclusion

The study indicates that the youth form a considerable segment of the patrons of the malls. They have considerable purchasing power and utilize it to spend on food,fashion and entertainment. They are highly recreation oriented and enjoy spending time with their friends. When they do visit the mall with their families it is usually with the explicit purpose of shopping.

Also evident in the study is the role of price peculiar to the Indian context. While literature indicates that recreational shoppers tend to be more tolerant of price, this study finds indications that utilitarian shoppers are more tolerant of price. They seem to accept high prices in exchange for the convenience of shopping for all their purchases under the same roof and thus save on shopping time. Recreational shoppers enjoy hunting for bargains and see it as part of the shopping experience.

Limitations and future research

As with previous research, the use of a non -probabilistic student sample places limits on the generalizabilty of the results. The very fact that malls are in India a novelty would attract a great deal of attention from the youth. Further, young men are known to be more interested in fashion and shopping at new formats like mall than older men. Maybe as the format matures, a similar study might yield different results. Moreover different states in India have different cultures therefore, in continuation of this study, it would be interesting to study shopping behavioral differences between cultures, income classes, age groups and other purchase categories. On a final note it can be said that this study tries to highlight the youth as an attractive market segment.

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