Why do we buy from Malls? A Typology of young Indian adults based on Shopping Motivation

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Abstract— Organised retail is one of the fastest growing sectors in India. With the growth of shopping malls, Indian consumers are experiencing a new way of shopping. The main purpose of this research paper is to identify shopping motives of young adult consumers in shopping malls. This study also segments the mall shoppers on the basis of shopping motives. For this purpose, data was collected from 400 frequent mall shoppers. Principal component matrix with varimax rotation was applied to identify various factors of shopping motives and two step cluster analysis was used to segment the shoppers. The findings of the study reported that there are seven factors of shopping motivation that excites the young adult's consumers to visit shopping malls. The factors were named as atmosphere of the mall, escapism, convenience, security of the mall, social motives, exploration, and flow. Taking factor scores as seed points five clusters were formed. These clusters were labelled as ambience lovers, evasive shoppers, concerned shoppers, window shoppers and convenience seeker.

Keywords— Shopping motives, Segmentation, Organised Retail, Shopping malls.

I. INTRODUCTION

The journey of organised retail in India started in the pre independence era when the textile major players like Raymonds and Bombay Dyeing started their exclusive stores. However, major changes in this industry started with the opening up of Indian economy in early 1990's. According to McKinsey report (2008), India is set to become US $450 billion market by 2015. This report also suggested that Indian market is a virgin market with 5% penetration but expected to grow at 14-18% by 2015. This growth is expected due to rise in growing middle class, increasing disposable income, large consumer base and a rapid shift of consumers from mom and pop stores to large organised outlets like supermarket, hypermarket, cash and carry stores and speciality stores. The growth can create wonders for

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Indian economy, as it is likely to create 1.6 million formal jobs in the next five years. One thing which is interesting about this industry is that the market is large but basket size is small.

Today, this sector is mainly dominated by leading Indian players like Bharti, Aditya Birla group, Reliance, and Sahara group etc. However, with the announcement of 51% FDI in multi brand retail a lot of foreign players like Walmart, Tesco and IKEA are eyeing this market. The new government is trying hard to simplify the policy of investment in India so that more and more retail companies should invest in India. Organised retailing is completely changing the shopping experience in India. Shopping is no more just getting a product but it is an experience in itself. Traditionally, shopping in India was a need based activity in a crowded place but with the emergence of shopping malls, shopping has become a leisure activity. Organised retail has empowered the shoppers to choose independently. The market place is no more unhygienic and overcrowded but it is pleasant and entertaining. Organised retail helps the shoppers to get along with their family and friends.

A lot of researchers segmented the shoppers on the basis of shopping motivation in different retail formats (Bellenger *et al*., 1977; Wrestbook and Black, 1985; Ganesh *et al*., 2007; Ahmed *et al*., 2006; Mehta *et al*., 2014). However, most of these studies were conducted in developed countries. Grey and G2 (2010) reported that consumer preferences in the Asia pacific region are different from these studies. This study also reported that needs and shopping preferences are different in different countries. An interesting fact reported by Mehta *et al.,* (2014) that strategies that have been successful in other countries may not be successful in India due to diversity in the shopping habits of Indian consumers. To be successful in Indian market it is quite important for the retailers to understand the shopping motives of the consumers. Understanding the reasons for "why do we buy from shopping malls?'' will help the retailers to identify distinct segments of consumers and target them in a more efficient manner.

A. *Literature Review*

One of the critical questions in organised retail is "Why do people shop". One way of answering this question is by identifying shopping motives. Shopping motives are rooted in shoppers' strong state of basic needs. Consumer may have

different need in different culture. Hence, shopping motives are shaped by the culture in which consumers live (Jim and Kim, 2003). Motives refer to a drive, urge, wish or desire that leads to goal oriented behaviour (Mowen and Minor, 1995). Identifying shopping motivation may provide a foundation for understanding consumer behaviour and a basis of segmentation.

There are a lot of studies in western context to profile consumers on the basis of shopping motives. Stone (1954) provided the first segmentation of shoppers on a sample of female respondents. This study reported four types of shoppers – economic, personalizing, ethical, and apathetic. Tauber (1972) classified the shoppers on the basis of personal and social motives. Personal motives includes role playing, diversion, self gratification, learning about new trends, physical activity, and sensory simulation while social motives include social experience, communication with others having similar interest, peer group attraction, status and authority and pleasure of bargaining. Moschis (1976) identified six shopper types- store loyalist, brand loyalist, special shoppers, name conscious shoppers, problem solving shopper, and psycho socialising shoppers. Bellenger et al., (1977) developed a dichotomous typology of shoppers as convenience and recreational shopper. Sheth (1983) classified the shopping motivation into functional and non functional motivation. Functional motivation includes tangible aspects like (product assortment, product quality, convenience, price etc.) while non functional motivation includes non tangible aspects (such as store clientele, store reputation etc). Wrestbrook and Black (1985) categorised shoppers in seven dimensions – anticipated utility, role enactment, negotiation, choice optimization, affiliation, power and authority.

Dawson et al., (1990) revealed two dimensions of shopping motivation – product oriented shoppers and experienced shoppers. Dholakia (1999) conducted a study on USA shoppers and identified three types of shopping motivation – interaction with family, utilitarian and shopping for pleasure. Arnold and Reynolds (2003) identified six dimensions of shopping motivations – adventure shopping, social shopping, gratification shopping, idea shopping, role shopping, and value shopping. Sinha (2003) conducted a study on Indian shoppers and segmented consumers as work and fun oriented shoppers. A study conducted by Ganesh et al., (2007) reported five shopper categories- Apathetic, enthusiasts, destination, basic and bargain seekers. The study also reported that most of these shopper categories are consistent across various product categories.

Despite a lot of studies, Babin et al., (1994) suggested that shopping motivation is broadly classified into two categories – a) shopping for acquisition of product (Utilitarian) b) shopping for fun and enjoyment (Hedonic). Most of the shoppers visit retail stores with a product in their mind and therefore neglect all other shopping motivation. They are mostly time restricted in nature which is conceptually equal to product oriented, utilitarian and extrinsic shopping motivation. Consumers with this motive are mostly rational and task oriented. The other reason for visiting retail stores is for enjoyment purpose which

is conceptually similar to hedonistic, intrinsic, recreational and stimulation oriented shopping motive. Zhou et al., (2010) revealed that Chinese shoppers are more utilitarian while American shoppers are more hedonistic in nature. Ahmed et al., (2006) revealed that Malaysian shoppers are driven by aesthetic dimension, social dimension, convenience dimension, exploration and escape dimension in shopping mall environment. The research also reported that Malaysian shoppers spend more than 10% of their earning in the shopping malls. Gehrt et al., (2012) investigated shopping motivation of online shoppers in India and identified three shopper types – value oriented, quality oriented and reputation/recreational oriented. Most of the early studies were conducted in the western context on different retail formats. Cardaso and Pinto (2010) conducted a study on Portuguese consumers and identified seven dimensions of hedonic and utilitarian shopping motivation. A recent study by Mehta et al., (2014) identified shopping motivation on Indian hypermarket shoppers and reported five shopping motivations- recreational motivation, functional motivation, social motivation, relational motivation and convenience motivation. To best of the author's knowledge, limited studies have focused on the profiling consumers on the basis of shopping motives. The present study fills the gaps in theoretical literature by segmenting shoppers of developing countries like India on the basis of shopping motives.

TABLE I
A SUMMARY OF RELATED STUDIES ON SHOPPING MOTIVATION

Author (year)	Sample size	Discovered Shopping Motives
Stone (1954)	Female shoppers (154)	Economic, Personalizing, Ethical and Apathetic
Tauber (1972)	In depth interview with 15 men and 15 women based on convenience sampling	Six Personal Motives (Role Playing, Diversion, Learning about new trends, Self Gratification, Sensory Simulation and Physical Activity and Five Social Motives (Communication with others, Social experience outside home, Status and Authority, Pleasure of Bargaining and Peer group Attraction)
Boone et al. (1974)	Middle-Class Household shopper (464)	Economic, Personalizing, Ethical. Apathetic, Recreational , Functional
Bellenger and Korgoankar (1980)	Adult shopper (324)	Functional and In-store Economy Motives
Guiltinan and Monroe (1980)	Households (169)	Convenience and Discount
Wrestbrook and Black (1985)	Female shoppers (203)	Anticipated utility, Role Enactment, Power and Authority Simulation, Choice Optimization, Affiliation

Dawson et al. (1990)	Shoppers at an outdoor market (300)	Product Motives and Experiential Motive
Babin et al. (1994)	Shoppers at shopping mall (400)	Utilitarian Shopping Motive, Hedonistic Shopping Motive
Lotz et al. (1999)	Shoppers at two different malls (583)	Extrinsic Shopping Motive, Intrinsic Shopping Motive
Dholakia (1999)	Household (621)	Social Motivation (Interaction with family), Recreational. Utilitarian
Groeppel-Klein et al. (1999)	Furniture shoppers (150)	Price oriented, Simulation Oriented, Advice Oriented.
Jim and Kim (2003)	Married female shoppers (624)	Leisurely Motivated Shoppers, Socially Motivated Shoppers, Utilitarian Shoppers, Apathetic Shoppers.
Arnold and Reynolds (2003)	Adult mall shoppers (266)	Adventure, Gratification, Role Value, Social and Idea Shopping Motives
Ahmed et al. (2006)	University students (132)	Aesthetic Dimension, Social Dimension, Convenience Dimension, Exploration Dimension and Escape Dimensions
Cardoso and Pinto (2010)	Undergraduate students (219)	Idea Shopping, Value Shopping, Role Shopping, Social Shopping, and Achievement Motive.
Mehta et al., (2014)	201 Hypermarket actual shoppers	Recreational motivation, functional motivation, social motivation, relational motivation, and convenience motivation

II. METHODOLOGY

A self administered survey was used to collect the data. The methodology used in this study is reported below-

A. Instrument design

Keeping objectives in mind, the survey instrument consisted of 28 items on shopping motivation. Some of these statements were taken from literature and some of the statements were framed on the basis of personal interviews with 20 targeted respondents. Most of these respondents were selected on the basis of convenience. One thing was ensured before conducting these interviews that respondent should be a regular shopper of organised retail stores. The respondents were asked that "what drives them to shop from shopping malls"?. They were asked to give any two reasons for why do they shop from shopping malls. The findings of these interviews reported that there are almost 10 reasons for shopping from malls. Out of these, 7 reasons were considered for the study. However, 3 reasons were dropped due to low frequency (less than 5). The seven factors shortlisted with

respective frequencies are reported in table 2.

TABLE II
MOTIVES IDENTIFIED FROM PERSONAL INTERVIEWS

	Motives identified from Personal Interviews	Frequencies
1	Atmosphere of the mall	15
2	Convenience	13
3	Safety and Security	10
4	Exploration	8
5	Window Shopping	6
6	Social interaction	6
7	Getting escape from routine life	3

B. Data collection

Data was collected from the respondents in the parking area of the shopping malls after they had finished their shopping. This idea of collecting data in parking area helped this study in getting true responses as in such situation the respondents don't need to retrieve information from their memory of past shopping experiences. This study used quota sampling technique as the scope of this study is to measure shopping motivation of young adults aged in between 18-35 years. Most of the data was collected on weekends due to high footfall in shopping malls.

The self administered questionnaire consisted of three sections. Section A consisted of questions related to generic shopping habits and Section B consisted of demographic profile of the respondents and Section C consisted of 28 statements related to shopping motivation. All the responses were recorded on a five point likert scale (1= strongly disagree and 7= strong agree). The survey was pretested on a sample of 50 respondents to refine the instrument.

C. Characteristics of the sample

Data was collected from major cities of North India like Delhi, NCR and major cities in Punjab (Jalandhar, Ludhiana, and Amritsar) as density of the shopping malls are high in these areas. Shoppers were requested to fill the survey carefully to ensure accuracy of the data. The questionnaire was distributed to 450 shoppers. However, some of the questionnaires were incomplete that's why 400 surveys were finally considered for the analysis. The demographic profile of the sample is reported in the table 3.

TABLE III
DEMOGRAPHIC PROFILE OF THE SAMPLE

Sample Details	No.	Percentage
Total sample	400	100%
Male	218	54.5%
Female	182	45.5%
18-24 years of age	173	43.2%

25-29 years of age	88	22%	
30-35 years of age	139	34.7%	
Post graduate	220	54.92%	
Under graduate	180	45.07%	

D. Data Analysis

To identify the shopping motivation of young adults in shopping malls, principal component analysis with varimax rotation was applied to the data collected from the respondents. All the items were tested for internal consistency using cronbach alpha. The factor scores were computed for further analysis. After conducting exploratory factor analysis, two step cluster analysis using wards method was applied to identify the number of clusters by taking factor scores as an input variable. After identifing clusters, K means cluster analysis was applied by taking cluster centres as initial seed points. At last, ANNOVA was applied to test the significant correlation within the scale items. The output of exploratory factor analysis is reported in table 4.

TABLE IV
FINDINGS OF EXPLORATORY FACTOR ANALYSIS

	Items	Factor loadings	% of the variance	Alpha coefficient
	Atmosphere of the mall		28.67%	0.71
1	The interior designing of the malls usually attracts my attention	.771		
2	I notice the colour and texture of the mall interior	.591		
3	I like music played in the mall	.654		
4	The environment of the mall attracts me	.687		
	Escapism		17.610%	0.82
1	When I am bored, mall is a good place to visit	.751		
2	When I am stressed, mall is good place to visit	.553		
3	I feel relaxed during my mall visit	.737		
4	I like to visit shopping malls when weather conditions are bad outside (rainy, Hot temp etc.)	.693		
5	I visit malls as it gives me a break from daily routine life	.592		
	Convenience		12.890%	0.73
1	I visit shopping malls because of their convenient location	.765		
2	The store timing is convenient	.737		
3	Mall is a one stop shopping place	.617		
4	Malls provide facility of easy payment option like (Debit card, credit card etc.)	.565		
5	Malls provide discount offers on various brands under one roof	.514		
	Security of the mall		5.014%	0.78
1	Mall is a secure place to shop	.712		
2	There are less chance of theft and robbery in shopping malls	.594		
3	I can shop fearlessly in shopping malls	.676		
4	I feel CCTV and security guards ensure safety in shopping malls	.738		
	Social	.535		
1	I love to visit shopping malls for fun with family and friends		4.103%	0.68
2	The sales persons in the mall are quite helpful and guide me on shopping	.575		
3	Shopping mall is a family visiting place	.543		
	Exploration		3.725%	0.62
1	Malls is a good place to find what is new	.589		
2	I believe visiting shopping malls is a learning experience	.545		
3	Mall provides freedom of exploring products and trail before purchase	.623		
4	Stores are fun to visit because they sell products that interest me	.598		

III. RESULTS AND DISCUSSION

A. Identification of shopping motives of young adults

Before conducting exploratory factor analysis it is important to test the sampling adequacy of the data. The value of KMO is .884 which is quite high as compared to the minimum acceptable level (>.05). The Barlett test of sphericity was significant (p<0.00) which indicated that there is no identity matrix in the correlation matrix. Exploratory factor analysis identified seven factors of shopping motivation from 28 items considered in the survey instrument. The seven factors explained 79.2% of total variance. The reliability estimate of each factor is more than 0.5, as suggested by Cronbach (1951) for studies in social sciences. Only those factors were retained whose factor loading is 0.4 or above and no cross loading is more than 0.3. The factors identified in the study were – atmosphere of the mall, escapism, convenience, security of the mall, social motives, exploration, and flow.

B. Typology of young adult shopper in shopping malls

Based on the factors identified by exploratory factor analysis, 2 step cluster analysis was applied. After an

examination of drendogram and agglomeration schedule obtained from the output of hierarchical cluster analysis, five clusters were identified. These clusters were named as ambience lovers, evasive shoppers, concerned shoppers, window shoppers and convenience seeker. The cluster size, factor mean score and contrast of motivation factors across clusters is displayed in table 5.

TABLE V
CHARACTERISTICS OF VARIOUS CLUSTERS FORMED

Cluster name	Ambience lovers	Evasion shoppers	Concerned Shoppers	Browsers/Window shoppers	Convenience seeker
Atmosphere of the mall	0.62	-0.15	0.42	0.58	0.23
Escapism	-0.08	0.63	-0.14	-1.02	-1.02
Convenience	0.27	-0.21	0.23	-0.44	0.76
Security in the mall	0.06	0.13	0.71	0.46	0.09
Social	0.42	0.25	0.35	0.59	0.08
Exploration	0.34	0.26	0.20	0.64	0.31
Flow	0.28	0.33	0.36	0.67	0.29
Cluster size	134 (31.45%)	78 (18.31%)	58 (13.61%)	88 (22.06%)	52 (14.55%)
F value	350.27	234.56	101.6	94.4	121.2
Sig value	.000	.000	.000	.000	.000

P<.05 explains the independence of cluster

The first cluster named "ambience lovers" comprising of 19% of the sample are high on hedonistic motivation. These shoppers visit shopping malls as they love the atmosphere of the mall like pleasant music, air condition, lighting etc. The second cluster is labelled as "evasive shoppers" and comprises 19% of the total sample. This segment of consumers visits malls to take a break from their monotonous and stressed life. They love to roam around in the malls for entertainment and most of the times end up purchasing something. The third cluster is named as "concerned shoppers" comprises of 26% of the total sample. These shoppers visit malls as they feel it is a safer place for shopping. They believe more CCTV cameras and security guards ensure safe shopping in malls. The fourth cluster identified is labelled as "window shoppers". These shoppers visit malls not only for shopping but also to collect information about new products and trends. The fifth cluster is labelled as "convenience seeker" comprises 15% of the sample. These shoppers visit malls as they like to shop products under one roof. Most of these shoppers don't want to travel a long distance. Hence, they purchase from shopping malls located in nearby places.

IV. MANAGERIAL AND POLICY IMPLICATION

This research paper will not only contribute to the theoretical literature but also have significant implication for retail managers. India is rapidly growing as a retail destination for the global retail players. With the formation of promising government, India is expected to improve in ease of doing business. 100% FDI in single brand retail was announced in 2012 and 51% of the FDI is multi brand retail is expected soon as well. These changes in the policies will impact the global as well as local players. Therefore, it is quite important to understand the retail behaviour of young adult consumers in India.

The present research provides insights for the policy makers as well. It will guide them how consumer approaches shopping malls, what drives them to shift from traditional stores to shopping malls. The findings of this study suggested that shopping malls are changing the shopping experience of the consumers. Young adult consumers in India visit shopping malls not only for functional benefits but also recreational, social and exploration motives. Retail managers can maintain such an environment in the shopping malls that it accomplishes functional as well as recreational goals of the shoppers. Retailers should try to develop a personal relationship with the consumers in order to build loyalty. The results of this study revealed that there are six different types of shoppers who visit

shopping malls with different motives. These segments differ on various demographic variables. Shopping mall managers must develop an exciting environment so that shopper can spend good time with family and friends. Retail managers should try to differentiate themselves from the competitors as shoppers perceive different shopping malls same in terms of value and entertainment. Retailers should assort the products in such a way that it facilitates window shopping as this may lead to conversion of browsing into actual sales.

V. LIMITATION OF THE STUDY

This study provides insights about the shopping motivation of young adult shoppers in India and based on these motivation consumer segments were created Future studies can conduct the study in various types of retail stores like supermarket, hypermarkets, discount stores etc. This study is mainly concentrated on young adults segment so this study can be replicated for various consumer segments. In addition to this, this study can also be compared with the studies in different developing countries like China, Malaysia etc.

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