

**APPLYING STRUCTURAL EQUATION MODEL (SEM) FOR EXAMINING  
INFLUENCES OF STORE AND PRODUCT ATTRIBUTES ON PATRONAGE  
BEHAVIOUR OF SHOPPERS IN BARODA CITY OF GUJARAT STATE**

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**ABSTRACT**

Consumerism in India is witnessing unprecedented growth driven by favourable demographics, a young and working population, rising income levels, urbanization and growing brand orientation. This in turn is reflected in India's retail market that is likely to grow at a CAGR of 13 Per cent to reach figure of US\$ 950 Billion by the year 2018. Both existing and new players are experimenting with new retail formats to offer diverse range to its target prospects for delivering an ideal shopping experience.

This research paper shares its results, findings and implications based an empirical research study that was undertaken to examine influences of store attributes as well as product attributes on store patronage behaviour of 200 shoppers who were conveniently drawn from amongst selected shopping malls located in the Baroda City of the Gujarat State. The researchers have used Structural Equation Model to showcase the relationship between selected store and product attributes with overall satisfaction resultant into to mall-patronage intentions of shoppers. It will be useful in formulation of various retail strategies for making value driven offerings to shoppers in near future.

**Key Terms:** Retailing, Product Attributes, Store Attributes, Patronage Behaviour, Customer Satisfaction

**PROLOGUE:**

The growth of organized retail industry in India is likely to entail large number of new jobs, income generation resultant into improved standard of living (Deloitte Indian Retail Market Report, 2013). The growing middle class is an important factor contributing to the growth of retail in India. By the year 2030, it is estimated that 91 Million households will become part of 'Middle Class'.

By the year 2030, 570 Million people are expected to live in cities, nearly twice the current population of the United States. India's consumption level is set to reach figure of US\$ 1.5 Trillion from the current level of US\$ 750 Billion by the year 2020 (Lynch, 2005).

According to Dutta (2004), the new consumer groups that are emerging in India can be classified into 'The Young and Restless', 'The Bold and the Bountiful', 'The Golden Folks in High Spirits' and 'The Foreign Friends' respectively (Dutta, 2004). India has the youngest population profile in the whole world in different income segments exerting substantial influence on their parents' & own spending and this global Indian households is expected to reach level of 9.5 Million with their spending power of 14.1 Trillion rupees by the year 2025 (Farrell and Beinhocker, 2007).

This dramatic rise in spending power is expected to come from young graduates of India's top colleges who are emerging as 'ferociously upwardly mobile', and will be in a position to command large salaries from Indian and foreign multinationals which clearly points out the importance of Indian youth in terms of its sheer size and market with unique characteristics (ibid).

**REVIEW OF LITERATURE:**

An attempt has been made to outline in brief key aspects of previous researches concerning organized retail, store attributes in retailing, consumer preferences & store patronage and behaviour of retail shoppers as follows.

### **Organized Retailing:**

Organized retailing in most economies has typically passed through four distinct phases in its evolution cycle that is new retail entrant driving growth, consumer demand organized formats, retailer strengthening backend system, and retailers going global. India is currently passing through the second phase of evolution referred herewith as consumer demand organized formats.

The Indian retail industry was estimated at US\$ 435 Billion sub-divided into US\$ 414 Billion for traditional retail, and US\$ 21 Billion for organized retail in the year 2010. India's retail market is expected to reach figure of US\$ 850 Billion to be sub-divided into US\$ 650 Billion for traditional retail, and US\$ 200 Billion for organized retail by the year 2020. By the year 2015, more than 300 Million shoppers are likely to patronize organized retail chains.

Gupta (2007) had revealed that the retail sector of India reflects its socio-demographic characteristics. Mishra (2008) had depicted that the economic growth, demographics, increasing income, purchasing power and changing Indian consumers are the various factors behind growth of organized retail market which leads to a large number of retailers, necessitates better enforcement of taxation, and introduction of an efficient labor law monitoring system.

### **Store Attributes in Retailing:**

The retailing business is greatly affected by the patronage behavioral orientations of shoppers. Erdem et al. (1999) had examined the linkages between consumer values and the importance of some salient store attributes. The findings of the exploratory study indicated that the important judgments for store attributes were influenced by the set of terminal and instrumental values viewed as important by the shoppers. Even though, the importance of store attributes was related to both kinds of values, it seems that there was a disproportionate predominance of terminal values in this influence (Erdem et al., 1999). In addition, combining values with demographic information can provide a better understanding of targeted consumers, and marketing programs based on this understanding can enhance the effectiveness of retail management. In the Indian economy, branding has emerged as an important marketing tool and brands play an important role in facing competition.

Ranging from the shopkeeper to the most sophisticated supermarkets, departmental stores, plazas and malls which provide the latest and better quality products, the customer now has multiple options to choose from (Gupta, 2004).

Herpen and Pieters (2000) had identified that the attribute-approach captures consumers' perception of assortment variety better than the product-based approach, and that it offers new insights into assortment variety (Herpen and Pieters, 2000).

Popkowski et al. (2001) had observed that the changing retail structure has provided the consumers with more options in the form of formats and services such as large variety of products, quality products and less travel time (Popkowski et al. ,2001). Accordingly, the importance of various store attributes varies by store format and customer base.

Jackson et al. (2011) had investigated the extent to which attitudes toward mall attributes and shopping value derived from a mall visit differ across gender and generational cohorts and it was found that there were no differences in hedonic and utilitarian shopping values by generational cohort, but generational differences in attitude toward mall hygiene factors, convenience and entertainment features were found as existing.

Store attributes related to a retail outlet can be grouped in terms of 'store atmospherics' (Kotler, 1973) and store location. Store atmospheric attributes including colour, lighting, sales personnel, music etc., form the overall context within which shoppers make decisions of store selection and patronage.

Store attributes refer to the underlying components of a store image dimension viz., merchandise, physical facilities, services, atmospherics etc., The earlier researches on store image has yielded a large number of attributes (Martineau, 1958;; Peter and Olson, 1990), and it has been found to be linked to store loyalty and patronage decisions (Assael, 1992; Wong and Yu, 2003).

Rajagopal and Srivastava (2008) had supported the view that customers' choice of shopping malls over traditional market stores is influenced by various factors viz., ambience, assortment, sales promotion schemes and in-store services. The facility of one stop-shop has a positive response from the consumers, who have found it more convenient, time saving and satisfactory.

The theoretical framework of this research paper is based upon the literature of growth of organized retail sector in India. It emphasizes the major aspects of retailing, covering emerging retail formats, attributes of retailing. Consumers have multiple options to choose ranging from the shopkeeper to the most sophisticated supermarkets, departmental stores, plazas and malls which provide the state-of-the-art and better quality products.

Accordingly, six emerging retail formats viz. malls, speciality stores, convenience stores, discount stores, hyper/supermarkets and departmental stores were considered for the purpose of this research study.

### **Customers' Preferences and Store Patronage:**

The Indian market has seen vast changes in political, economic and social environment which has had a great impact on consumption. Mishra (2007) had attempted to explore the way organized retail has dramatically changed not only the Indian traditional retailing structure but also in the consumption behaviour. The results indicated that consumers buy essentially convenience goods with low level of risk from organized outlets, and essential products of more involvement from traditional retailers. The hypermarket, mall, supermarket are the preferred stores by customers and organized retail is preferred due to convenience and variety. The decision to patronize a store usually starts with a set of characteristics or attributes that customers consider important. Consumers often use these attributes to determine which stores can cater to their needs. Various patronage studies have attempted to identify determinants of store choice in relation to attributes, such as viz., price, quality, variety of merchandise, credit availability, return policies as well as well-known labels and brands.

The physical facilities or attributes have been included among other attributes in some studies, but they have not been fully addressed in those studies. In general, no research has focused on which of those environmental dimensions are important in choosing a retail store and how the physical environment affects patronage behaviour.

Lindquist (1974-1975) synthesized store attributes into nine dimensions viz., merchandising, service, clientele, physical facilities, convenience, promotion, store atmosphere, institutional factors and past transactions.

Among these, product-related consideration (e.g. assortment, quality and price) appeared to be the most critical dimensions (Lindquist, 1974-75). Store attributes are evaluative criteria customers have towards the store.

According to Engel, Blackwell, and Miniard (1995), environmental dimensions such as viz., air quality, lighting layout, carpeting, and aisle width and placement are physical store attributes used to project store image and influence store choice. Store retailers must provide a setting that will allow customers to shop for their needs and wants in the marketplace (Engel, Blackwell, and Miniard, 1995). Customers may shop several retail store types depending on the product sought and its usage. Therefore, studying the retail

environment with specific shopping scenarios based on product/usage and ways to encourage consumer patronage is a significant area of research (Robinson, 1986). According to Bitner (1992), the physical environment creates an image and influences individual behaviour in service businesses that is retail stores, hotels, restaurants, professional offices, banks, hospitals. Holman and Wilson (1982) had stated that customers shop those stores that provide the proper environment. The physical environment creates an image of a retail store and its services. The environment may have an impact on customer satisfaction, which may eventually affect store patronage. If customers do not enjoy shopping with a particular retailer, they locate a more congenial store for future purchases. Thus, it is important for retailers to identify and satisfy customers' needs.

The retailers should identify those store attributes that will result in positive responses from their target markets and provide those attributes that will have an affect on future patronage decisions. The patronage behaviour encompasses the decision process related to where customers shop, how they shop, and what they purchase (Moschis, 1992; Stafford & Stafford, 1986). The driving force behind this decision process is patronage motives which are the reasons why customers shop and make purchases at certain retail stores (Michman, 1991).

Customers patronize retail stores for several reasons including store prices and values, merchandise selection, purchasing convenience, services offered, merchandise quality, treatment by store personnel, and store reputation and status.

Customers also select stores based on proximity, in-store shopping convenience and wide selection of merchandise. Customers shop for enjoyment, socialization, as well as for economic reasons (Lumpkin, 1985).

Goyal and Aggarwal (2009) and Ali and Kapoor (2010) had opined that in India a consuming class is emerging as a result of increasing income levels and dual career families with high disposable incomes. With retailers eyeing their presence in the market, it is important to identify the target shoppers as well as the prime factors of enjoyment in shopping.

Based upon these, the present research study had considered ten product attributes viz., improved quality, reasonable price, variety of brands, assortment of merchandise, easy availability of products, proper display of products, warranty of products, proper packaging, exchange facilities and bundling offers respectively.

According to Lumpkin (1985), customers shop for enjoyment, socialization and also for economic reasons. Customers patronize retail stores for several reasons which may include

store prices and values, merchandise selection, purchasing convenience, services offered, merchandise quality, treatment by store personnel, and store reputation, and status. Customers also select stores based on proximity, in-store shopping convenience, and wide selection of merchandise.

**Behaviour of Retail Shoppers:**

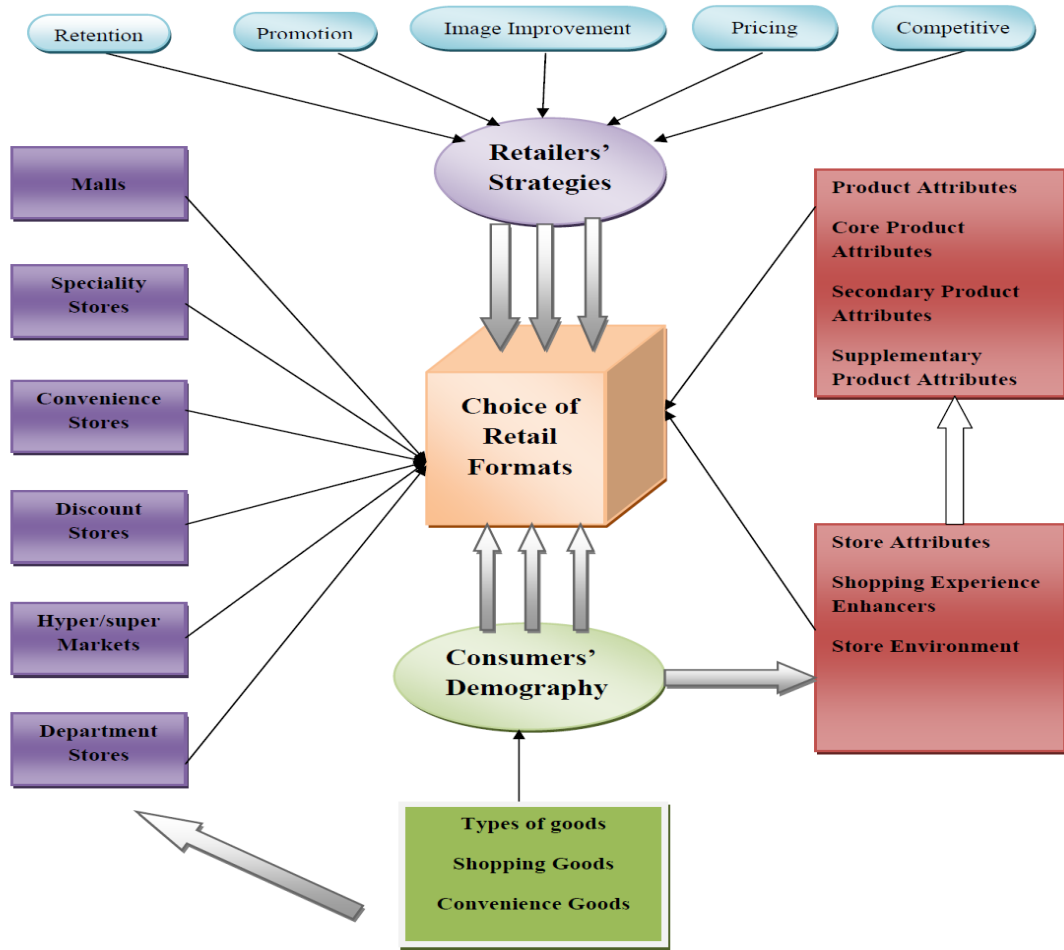
The behaviour of retail shoppers is a subject of study across the world (Sinha and Banerjee, 2004). The behaviour of shoppers differs according to the place where they are shopping and their involvement level with the act of shopping (Berman and Evans, 2005). There is a growing need to evaluate the true drivers of shopping behaviour in the Indian retailing context (Sinha and Banerjee, 2004). For many years, marketing researchers have considered issues related to Customers' store choice across various purchasing situations (Carpenter and Moore, 2006).

Aggarwal (2012) had concluded that retailing is not to be considered as a distribution function alone, rather it has emerged as an industry in itself.

*Through this study, a modest attempt has been made to highlight the emergence of organized retailing and contribution of retail revolution to the economic development of India.*

**Figure N0. 01:**

**Framework of Customers' and Retailers' Perspective for Emerging Retail Format**



[Source: Compiled by the Authors through Review of Literature]

**RESEARCH METHODOLOGY:**

It mainly included following.

**A Brief about the Research Study:**

This empirical research study based on descriptive research design was undertaken to examine influences of store attributes as well as product attributes on store patronage behaviour of 200 shoppers who were conveniently drawn from amongst selected shopping malls located in the Baroda City of the Gujarat State.

The primary data were collected using structured questionnaire for which the reliability test was applied to determine how strongly the opinions of shoppers were related to each other and also to compare its composite score.

The Cronbach's Alpha score (Cronbach, 1991) value of product attributes was 0.621 and for store attributes, it was 0.798 that showed internal reliability of the scale, and reflected the



degree of cohesiveness amongst the selected items (Naresh K. Malhotra, 2007 and Jum C. Nunnally, 1981). [Please Refer Appendix-Table Number-01].

The data analysis was carried out using SPSS 15.0 and mean, standard deviations as well as factor analysis have been applied. The AMOS 18.0 software was used to develop the Structural Equation Model [SEM] for product as well as store attributes.

### **THE KEY OBJECTIVE OF THE RESEARCH STUDY:**

The key objective of this empirical research study was to identify and evaluate crucial dimensions that were considered by selected retail stores that influences the shoppers' to patronize a particular store. It was mainly aimed at examining influences of store attributes as well as product attributes on store patronage behaviour.

### **KEY TERMS OF THE RESEARCH STUDY:**

The key terms of the research study has been outlined as follows:

#### **Retailing:**

Retailing that is defined as the set of a set of activities or steps used to sell a product or a service to consumers for their personal or family use.

#### **Shopper:**

A shopper is a person who is buying things from a shop or a number of shops.

#### **Customer:**

It is typically used to refer to someone who regularly purchases from a particular store or company. It is the dynamic interaction of affect and cognition, behaviour, and environmental events by which human beings conduct the exchange aspects of their lives. (Loudon and Della Bitta, 2002).

#### **Customer Satisfaction:**

It is an entry level qualification which is known as an evaluation of a service offering. It's a as a state of mind in which the customer's needs, wants, and expectations throughout the product of service life haven been met or exceeded, resulting in future repurchase and loyalty. (Bolton and Drew, 1991).

### **Store Attributes:**

It refers to specific attributes grouped under each specific store image dimension including Atmosphere (décor, smell, sound, store atmosphere); Convenience (check-out, travel, location, parking, shopping ease, store hours, transportation); Facilities (store layout, store appearance, facility convenience, fitting rooms, fixtures); Institutional (clientele, overall impression, store reputation, store association); Merchandise (merchandise assortment, merchandise style, merchandise price merchandise quality); Promotion (advertising, displays, sales incentives); Sales personnel (sales personnel interaction, sales personnel appearance) , and Service (after-sales service, payment options, in-store service, delivery options) respectively (Janse van Noordwyk, 2002).

### **Product Attributes:**

A product attribute is one of the characteristics that define a particular product and will affect a consumer's purchase decision. Product attributes can be tangible (physical in nature) or intangible (not physical in nature). (<http://education-portal.com/academy/lesson/product-attribute-definition-lesson-quiz.Html#lesson>).

Gupta (2004) and Urbonavicius et al. (2005) are of the view that consumers prefer emerging retail formats due to its significant product attributes which include product quality, assortment of merchandise, variety and product prices.

### **Patronage Behaviour:**

Patronage Behaviour has been defined as how individuals choose an outlet for shopping. Store choice and patronage patterns are based on consumer's perceptions, images, and attitudes formed from experiences, information, and need. (Haynes, Pipkin, Black, and Cloud, 1994).

### **PROFILE OF SHOPPERS:**

The selected shoppers that is respondents were in nearly equal proportion in terms of gender. The data analysis of age-groups revealed that majority of the shoppers (81 per cent) were found as belonging to the age group of 18 to 30 Years. However, the limitations in terms of age eligibility in visiting shopping mall was found as reflected in the total 19 per cent of the respondents belonging to the age group of above 30 years in the City of Baroda. The analysis of the educational qualifications revealed that majority (59 percent) were graduates and Post-Graduates followed by 39 percent who had acquired education up to 12th Standard.

Considering the Occupation of the selected respondents majority ( 67 percent) of them were found as belonging to service class followed by 17 percent of them were students, and 15 percent were belonging to Business Class. 74 Percent were found as having annual income of less than Rs. 6 lakh followed by 26 percent who were having annual income of more than Rs. 6 lakh

[Please Refer Appendix-Table Number-02].

#### **DATA ANALYSIS AND INTERPRETATION:**

It mainly revealed following.

##### **Shoppers' Preference towards the Retail Formats:**

In this study of, when respondents were asked to indicate their preference for shopping from selected shopping malls belonging to a particular retail format in the City of Vadodara, it was found that 98 percent of them had favourably expressed preference for shopping malls and convenience store while approximately 38 percent had shown favourable preference for the department store and supermarkets, and the 35 percent of them had revealed favourable preference for discount and speciality stores respectively[Please Refer Appendix-Table Number-03].

##### **Shoppers' Buying of Shopping Goods from Different Store Formats:**

It became evident that for buying of apparel, home appliances, home decorative accessories and style and prestige brands, the shoppers had preferred shopping malls whereas for buying of footwear, ornaments, home furniture and electronic items, they had preferred specialty stores of their own choice. It implies that shopping malls and specialty stores are strongly preferred by shoppers whereas the other formats such as viz., convenience stores, department store, hypermarkets/ supermarkets and discount store are preferred after it [Please Refer Appendix-Table Number-04].

##### **Shoppers' Buying of Convenience Goods from Different Store Formats:**

For buying of cosmetics & personal care, gift items, games & toys, the shoppers preferred shopping malls whereas for buying food and grocery, confectionaries, stationery, they had preferred department stores as well beverages were bought from hypermarkets, supermarkets as well as buying of cosmetics, personal care products and , books specialty stores were favourably preferred by shoppers in the Vadodara City.

It meant that four selected retail formats viz. shopping malls, department stores, hypermarkets, specialty stores are in the first preference of shoppers whereas the other

formats such as viz., convenience and discount stores are covered in the second preference by shoppers in the Vadodara City.[Please Refer Appendix-Table Number-05].

#### **Shoppers' Responses on Prospects of Organised Retailing:**

The study revealed that increased marketability of products ( 3.25) followed by overall economic growth of the Vadodara City (3.21), increase in standard of living (3.11), infrastructure development (3.08), and increased spending power (2.98) are perceived as the crucial factors contributing to the growth of organized retailing in India from shoppers' perspective.

However, it is surprising to see that inflow in Foreign Direct Investment (FDI) scored the least rank despite it being an important factor for the growth of retail industry in India. On the other hand, factor such as beneficial for farmers found relatively lower rating amongst shoppers in the Vadodara City. [Please Refer Appendix-Table Number-06].

#### **The Results of Application of Factor Analysis:**

The factor loadings were used to measure correlation between criteria and the factors. A factor loading close to 1 indicates a strong correlation between a criteria and factor, while a loading closer to zero indicated weak correlation. The factors were rotated with the used of Varimax with Kaiser Normalization Rotation Method. Principle Component Analysis (PCA) method was used for factor extraction and considered only those factors for interpretation purpose whose values were greater than 0.6. To measure the suitability of the data for factor analysis the adequacy of the data was evaluated on the basis of the results of Kaiser – Meyar – Oklin (KMO) measures of sampling adequacy and Bartlett's Test of Spehericity (Homogeneity of Variance). The results showed that the KMO measure of sampling adequacy was 0.653 for product attributes, and 0.839 for Store Attributes.

It meant that the present data were suitable for application of the factor analysis. Similarly, Bartlett's Test of Spehericity (0.00) was significant ( $p < .05$ ) which too revealed that sufficient correlation existed between the criteria to proceed with the application of factor analysis.

[Please Refer Appendix-Table Number-07].

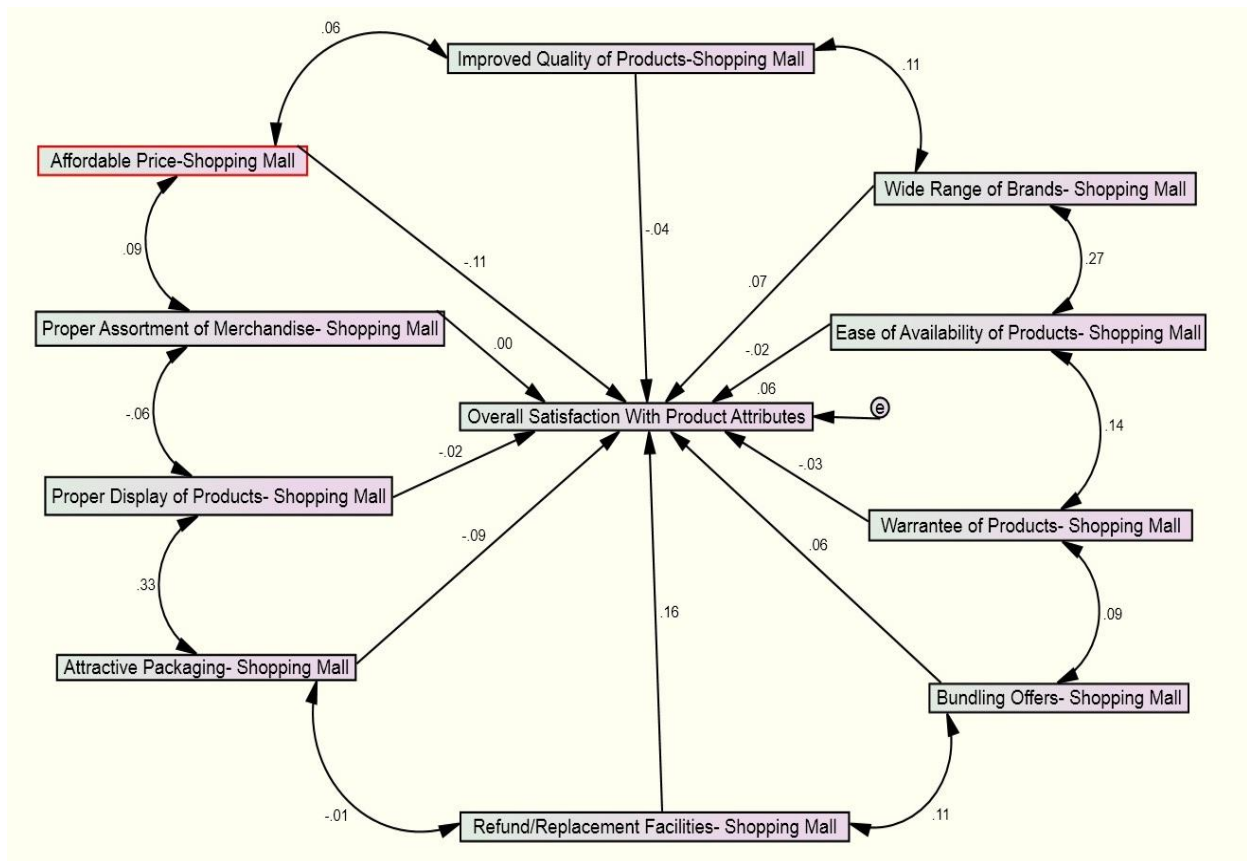
Besides, eight criteria can be considered important as they were assigned factor loading score of more than 0.6 which included viz., improved quality of products; affordable price; proper assortment of merchandise; proper display of products; warrantee of products; attractive packaging; refund/replacement facilities; and bundling offers respectively.

On the other hand wide range of brands and ease of availability of products were those criteria that called for improvement in the shopping mall [Please Refer Appendix-Table Number-08].

Further, seven criteria can be considered important as they were assigned factor loading score of more than 0.6 which included viz., pleasing ambience of the store- shopping mall; good location; proper security arrangements; adequate dressing/fitting rooms; cleanliness, and hygiene in the store as well as trained and caring sales staff respectively. On the other hand, good in-store promotion; availability of children play area and convenient/extended shopping hours are those criteria that requires improvement in the shopping mall [Please Refer Appendix-Table Number-09].

**Figure Number: 02:**

**SEM Model Showing Relationship between Product Attributes Offered and Shoppers' Overall Reported Satisfaction As Experienced in Shopping Mall**



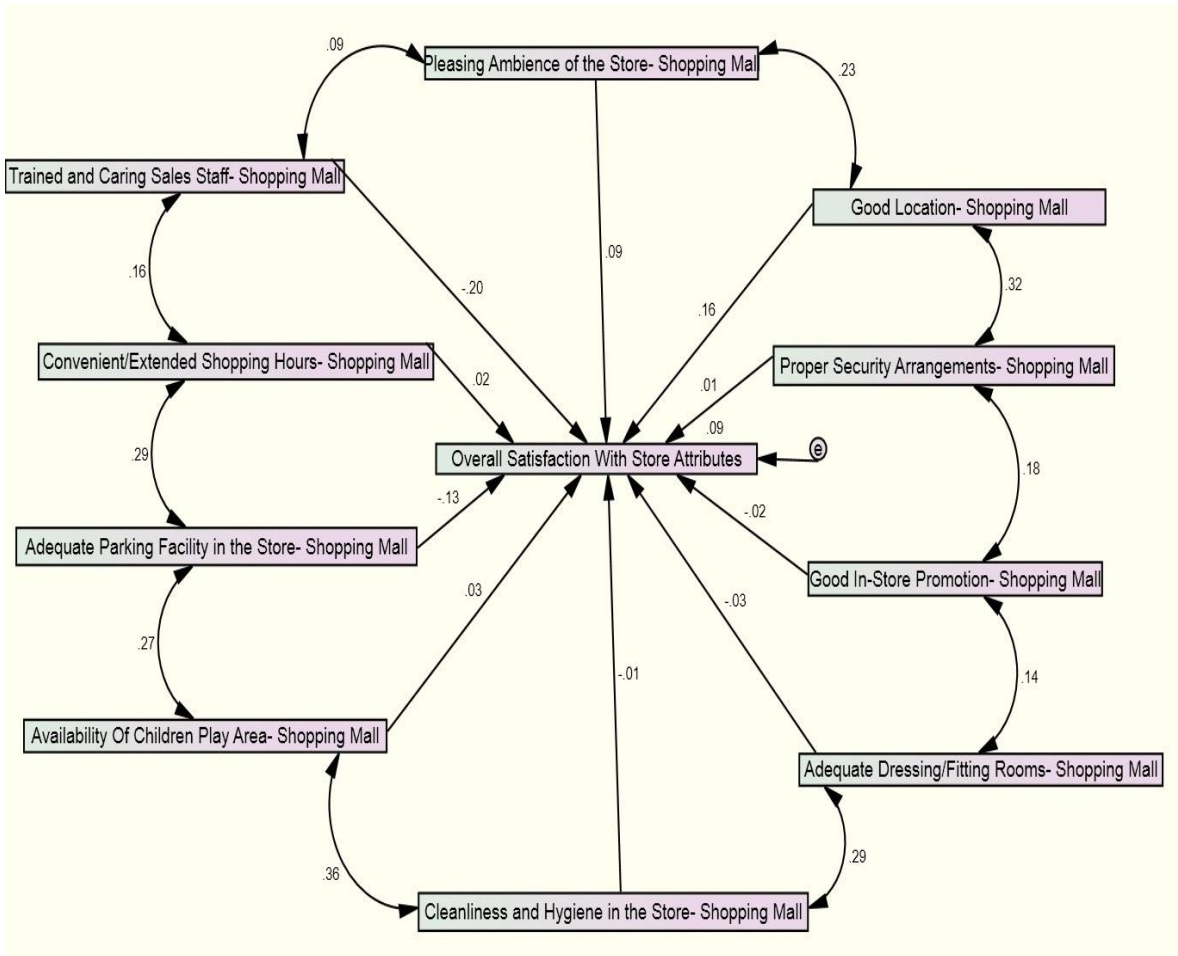
In figure No. 02, a simple regression model is presented where one observed variable, the overall satisfaction with product attributes in shopping mall is predicted as a linear

combination of the other ten observed variables, viz., improved quality of products, affordable price, a wide range of brands, proper assortment of merchandise, ease of availability of products, proper display of products, warrantee of products, attractive packaging, refund/replacement facilities and bundling offers. As with nearly all empirical data, the prediction will not be perfect.

There are some other variables other than selected ten variables that also assumed to have an effect on overall satisfaction with product attributes in shopping mall for which the model assumes '1' as standardized regression weights which specifies that other variables must have a weight of 1 in the prediction of overall satisfaction with product attributes in shopping mall. Each single-headed arrow represents regression weight.

The value shown against two sided arrows (0.11, 0.27, 0.14, 0.09, 0.11, 0.1, 0.33, 0.06, 0.09 and 0.06) is the correlation between selected observed variables. The values shown with single sided arrow (0.16, -0.09, -0.02, 0.00, 0.11, -0.04, 0.7, -0.02, -0.3, and 0.06) are standardized regression weights. It means the overall satisfaction with product attributes in shopping mall is influenced by refund/replacement facilities (0.16) followed by affordable price (0.11), attractive packaging (0.09) wide range of brands (0.07).

**Figure No.: 03: SEM Model of Relationship between Store Attributes Offered and Overall Reported Satisfaction Experienced in Shopping Mall**



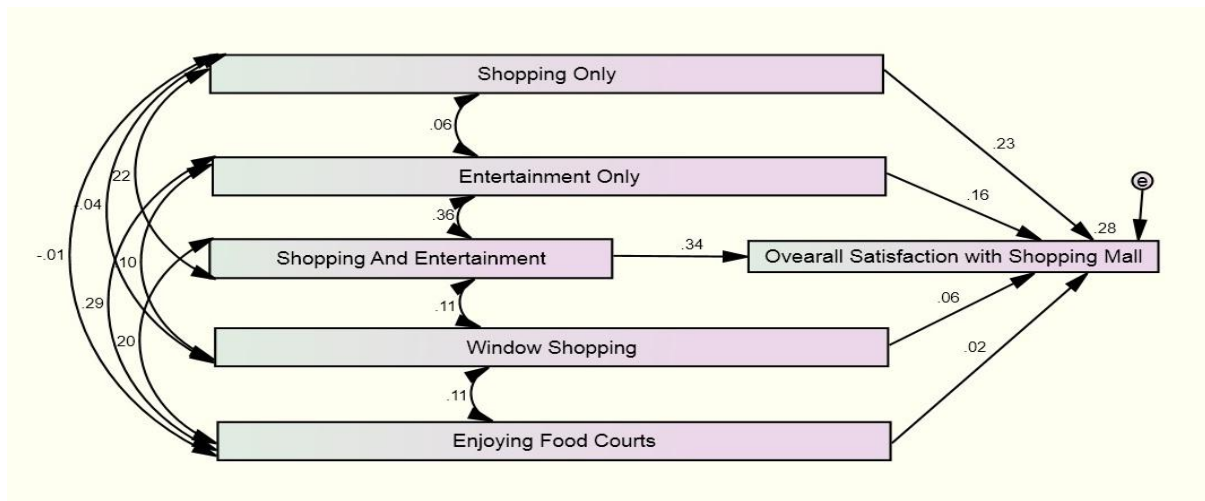
In figure No. 03, a simple regression model is presented where one observed variable, the overall satisfaction with store attributes in shopping mall is predicted as a linear combination of the other ten observed variables, viz., pleasing ambience of the store, good location, proper security arrangements, good in-store promotions, adequate dressing/fitting rooms, cleanliness and hygiene in the store, availability of children play area, adequate parking facility in the store, convenient/extended shopping hours and trained and caring sales staff. As with nearly all empirical data, the prediction will not be perfect.

There are some other variables other than selected ten variables that also assumed to have an effect on overall satisfaction with store attributes in shopping mall for which the model assumes '1' as standardized regression weights which specifies that other variables must have a weight of 1 in the prediction of overall satisfaction with store attributes in shopping mall.

Each single-headed arrow represents a regression weight. The value shown against two sided arrows (0.23, 0.32, 0.18, 0.14, 0.29, 0.36, 0.27, 0.29, 0.16 and 0.09) is the correlation between selected observed variables.

The values shown with single sided arrow (0.16, 0.01, 0.02, 0.03,-0.01, 0.03,-0.13, 0.02, -0.20, and 0.09) are standardized regression weights. It means the overall satisfaction with store attributes in shopping mall is influenced by trained and caring sales staff (-0.20) followed by good location (0.16), adequate parking facility in the store (-0.13), and pleasing ambience of the store (0.09) respectively.

**Figure No.: 04: SEM Model of Relationship Between Reasons for Shopping Through Shopping Mall and Reported Overall Satisfaction Experienced in Shopping Mall**



In figure No. 04, a simple regression model is presented where one observed variable, the overall satisfaction experienced in shopping mall is predicted as a linear combination of the other four observed variables, viz., shopping only, entertainment only, shopping and entertainment, window shopping, and enjoying food courts. As with nearly all empirical data, the prediction will not be perfect. There are some other variables other than selected four variables that also assumed to have an effect on overall satisfaction experienced in Shopping Mall for which the model assumes ‘1’ as standardized regression weights which specifies that other variables must have a weight of 1 in the prediction of overall satisfaction experienced in shopping mall. Each single-headed arrow represents a regression weight. The value shown against two sided arrows (0.20, 0.29, 0.10, -0.01, 0.04, and 0.22 is the correlation between selected observed variables.

The values shown with single sided arrow (0.23, 0.16, 0.06, 0.02, and 0.34) are standardized regression weights. It means the overall satisfaction experienced in shopping mall is



influenced by shopping and entertainment (0.34) followed by shopping only (0.23), entertainment only (0.16) window shopping (0.06).

## **DISCUSSIONS AND MANAGERIAL IMPLICATIONS OF THE RESEARCH**

### **STUDY:**

This study assumes importance in the light of the fact that various studies conducted in India on retailing to cover important aspects of retailing have been of a limited range. This research paper, in contrast has attempted to present a very comprehensive view of the influences of product attributes and store attributes on patronage behaviour of selected shoppers' in the City of Baroda. The selected factors included viz., choice of retail formats, impact of demographic factors on consumers' choice, product and store attributes of emerging retail formats that influences customers' buying and types of goods purchased from different retail formats. Further, it has also depicted the purpose to visit emerging retail formats and prospects of organized retailing in India. It is drawing practical and constructive lessons for retailers regarding the formulation of marketing strategies along with consideration of the format of retail store. The findings and review of the demographic profile of the selected shoppers had revealed that the visit to shopping mall considering gender of shoppers had found similar responses and shoppers were found to be younger in their age group of less than 30 years largely belonging to service class having annual income of family of less than 6 lakh. It was also revealed that the most preferred store formats for shopping goods are shopping malls and specialty stores, whereas for convenience goods, in addition to shopping malls and specialty stores the other preferred formats are departmental stores and hypermarket respectively. Shoppers' have positively responded to the growth of retail sector as it leads to increased marketability of the products as they have more choices, and it fosters economic growth as well as infrastructural growth of their city resultant into improvement of their overall standard of living. The factor analysis has provided confirmatory evidence about the kind of attributes the products should possess in the shopping malls.

The shopping mall must offer proper assortment of products having good quality with its suitable display at apt location with attractive packaging being offered along with good promotion values by bundling it with some other good brands. As far as the range of brands offered by shopping mall may be of little value to customers in today's market intense

completion is observed and customers have many alternatives available to choose a particular product and therefore number of brands offered may be considered less in numbers by customers. The opinion of customers with low factor loading score about easy availability of products is the result of non availability of a particular product at the time of making buying decision from shopping mall. It gives clear indication to shopping mall operators that they must ensure the inventory of all the products offered so as to attract shoppers. Further, it becomes evident from the factor analysis that that store attributes also plays an important role in the decision of customers about choice of store while making buying. Pleasing ambience, good location, proper security arrangements, adequate facilities of dressing/fitting rooms, cleanliness and hygienic conditions in the store, adequate parking facility and trained and caring sales staff are the key determinants of kind of store attribute which not only needs to be maintained but also to be improved on a continuous basis for delivering value to shoppers. On the other hand good in-store promotion, availability of children play area and convenient/extended shopping hours are the areas of concerns needs to be revised for strengthening the intension of shoppers' to visit the malls again and again leading to patronage. It is also suggested that the shoppers' visits the shopping malls with an expectation and overall satisfaction with product attributes in shopping mall is based on refund/replacement facilities provided in shopping mall, affordable price, attractive packaging, and availability of wide range of brands respectively. The shoppers' also visits the shopping malls with an expectation and overall satisfaction with store attributes in shopping mall is based on trained and caring sales staff in shopping mall, good location, adequate parking facility in the store and pleasing ambience of the store.

The research study has also suggested that the shoppers' visits the shopping mall with an expectation and overall satisfaction as experienced by them in shopping mall is mainly influenced by shopping and entertainment experienced in shopping mall, only for shopping as well as entertainment purpose, and to some extent the window shopping is the reason for their visit to shopping mall. This is also an important lesson for the retailer. Further, core product attributes viz., improved quality, variety of brands and assortment of merchandise, and secondary product attributes viz., proper display of products and warranty of products rather than supplementary product attributes influences shoppers' preferences while buying from emerging retail formats. Similarly, store attributes were categorized as shopping

experience enhancers and store environment attributes. It became clear from the results that shopping is an experience, and that is what shoppers' look forward to when they go to plazas and malls. Hence, shoppers give preference to good parking facility, trained sales personnel and complete security which enhances their shopping experience. Adequate dressing rooms, cleanliness of store and pleasant ambience are crucial store environment attributes that significantly influences their choice of emerging retail formats, but high priority has been given to shopping experience enhancers. Malls, speciality stores and hyper/supermarkets are highly preferred retail formats for buying various shopping goods viz., clothing, footwear, jewellery, furniture, electronics and bags and baggage. Though different retail formats are preferred while buying various shopping goods, it was inferred that speciality stores are the unique format of retailing for buying shopping goods. Convenience goods like food and grocery, stationery and confectionary are mostly bought by shoppers from convenience stores, discount stores, and departmental stores respectively. The results of this research study has also highlighted that shoppers' visit emerging retail formats not only for shopping but also for entertainment and enjoying food courts. As per shoppers' perspective, overall economic growth, growing consciousness of customers, transformation in lifestyle and infrastructure development are the important factors contributing to the growth of organized retail in India.

#### **CONCLUDING REMARKS:**

The retailers' need to continuously monitor the shoppers' buying behaviour for developing product, and promotion strategies for target market and also for choosing the suitable message considering the underlying dimensions involved in shopping intension of shoppers. The retention strategies that is understanding the shoppers; customer delight; store image and better environment as well as promotional strategies that is customer segmentation; personal selling; advertisement and entertainment facilities are two strategies that shall be emerging as central marketing strategies from this research study. The retailers' of malls, hyper/supermarkets and speciality stores should focus on competitive strategies, retention strategies and image improvement strategies. The departmental stores, convenience stores, and discount stores should focus more upon promotional and pricing strategies. Transformation in lifestyle; growing consciousness of shoppers; overall economic growth, and employment generation are the vital factors contributing to the growth of organized retail in India. The rretailers shall be required to opt for proper mix of product and store

attributes and various goods in their retail outlet. This research study will help them to choose attributes in a retail outlet as per importance given by shoppers. This research will facilitate retailers to segment shoppers with similar needs and preferences on the basis of age and income. The results of the study has shown that young shoppers prefer malls more as compared to mature ones, and the retailers of malls therefore need to target them suitably.

#### **LIMITATIONS OF THE STUDY:**

Like most research, a study can hardly be perfect. As such, this study also has few limitations. However, these limitations also present opportunities for future research. Though, this study has presented important and useful contributions in the measurement of overall reported experienced satisfaction of shoppers in selected malls, due care need to be exercised while making use of its findings in varying format of retailing. The small sample size has restricted it's generalizability of the results so due care must be taken while applying the same to other groups of shoppers.

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APPENDIX

**Table No 01: Summary of Indicators and Reliability Alpha Score**

Selected Product Attributes	Cronbach's Alpha Reliability	Selected Store Attributes	Cronbach's Alpha Reliability

	Coefficient		Coefficient
1. Improved quality of Products	0.621	1. Pleasing ambience of the Store	0.798
2. Affordable price		2. Good location	
3. A Wide Range of brands		3. Proper Security Arrangements	
4. Proper Assortment of merchandise		4. Good in-store promotions	
5. Ease of Availability of products		5. Adequate dressing/Fitting rooms	
6. Proper display of products		6. Cleanliness and Hygiene in the store	
7. Warrantee of products		7. Availability of Children play area	
8. Attractive Packaging		8. Adequate Parking facility in the Store	
9. Refund/Replacement facilities		9. Convenient/Extended shopping hours	
10. Bundling offers		10. Trained and Caring Sales Staff	

**Table No: 02: Profile of Selected Respondents**

Sr. No.	Selected Background Variables of Selected Respondents		Number and Percentages of Shoppers
			Total
01	Gender	Males	98 (49.0)
		Females	102 (51)
	Age Group	18 to 30 Years	162 (81.0)
		31 to 45 Years	15 (7.5)
		45 Years and more	23 (11.5)
03	Educational	Below 10th	3 (1.5)



	<b>Qualifications</b>	Upto 12th	79 (39.5)
		Graduate	99 (49.5)
		Postgraduate	19 (9.5)
<b>04</b>	<b>Occupation</b>	Service	134 (67.0 )
		Business	30 (15.0 )
		Student	34 (17.0 )
		Homemaker	2 ( 1.00 )
<b>05</b>	<b>Annual Family Income</b>	Less than 2 Lakh	88 (44.0)
		3 Lakh- 5 Lakh	59 (29.5)
		6 Lakh- 10 Lakh	37 (18.5)
		More Than 10 Lakh	16 (8.0)

**Table No 03: Selected Shoppers' Preference Towards Selected Retail Formats**

Sr. No	Sr. No	Name of the Store Formats	Never Preferred	Not Preferred	Average	Preferred	Most Preferred
1.	1.	Shopping Malls	33 (16.5)	20 (10.0)	17 (8.5)	39(19.5)	91 ( 45.5)
2.	2.	Convenience store	09 ( 4.5)	18 (9.0)	26 (13.0)	60(30.0)	87(43.5)
3.	3.	Department Store	30( 15.0)	31(15.5)	54 (27.0)	45 (22.5)	40(20.0)
4.	4.	Hypermarkets/Supermarkets	20(10.0)	46(23.0)	55(27.5 )	42(21.0)	37(18.5)
5.	5.	Discount Stores	45(22.5)	43(21.5)	49(24.5 )	32(16.0)	31(15.5)
6.	6.	Specialty store	48(24.0)	39(19.5)	42(21.0 )	32(16.0)	39(19.5)

**Table No: 04: Mean Values of Shopping Goods Bought From Store Formats**

Store Formats	Malls	Convenience store	Department Store	Hypermarkets/ Supermarkets	Discount store	Specialty store
<b>Shopping Goods:</b>	Mean Values					

<b>(Bought less frequently and expensive)</b>						
1.Apparel	<b>3.7</b>	2.6	3.2	3.4	2.9	3.5
2. Footwear	3.6	2.7	3.2	3.3	2.9	<b>3.7</b>
3. Ornaments	3.3	2.8	3.0	3.0	2.7	<b>3.7</b>
4. Home Furniture	3.2	2.9	3.2	3.2	2.7	<b>3.4</b>
5. Home Appliances	<b>3.5</b>	2.7	3.2	3.3	2.7	3.4
6. Home Decorative Accessories	<b>3.6</b>	3.0	3.1	3.4	2.6	3.3
7. Electronics	3.2	2.7	3.1	3.4	2.9	<b>3.5</b>
8. Style & Prestige Brands	<b>3.8</b>	2.6	3.2	3.5	2.6	3.5

**Table No 05: Mean Values of Convenience Goods Bought From Store Formats**

Store Formats	Malls	Convenience store	Department Store	Hypermarkets/ Supermarkets	Discount store	Specialty store
<b>Convenience Goods: (Bought more frequently and less expensive)</b>	Mean Values					
1.Food and Grocery	3.3	3.5	<b>3.7</b>	3.4	2.8	2.7
2. Beverages	3.4	3.4	3.4	<b>3.7</b>	2.7	2.8
3.	3.5	3.3	<b>3.7</b>	3.2	2.5	3.1

Confectionaries						
4. Cosmetics & Personal Care	<b>3.5</b>	3.2	3.2	3.3	2.5	<b>3.5</b>
5. Stationery	2.9	3.3	<b>3.5</b>	3.2	2.8	3.1
6. Magazines and Books	3.0	3.1	3.3	3.0	2.9	<b>3.4</b>
7. Gift Items	<b>3.7</b>	2.6	3.3	3.1	2.7	3.3
8. Games & Toys	<b>3.6</b>	2.8	3.1	3.3	2.7	3.4

**Table No 06: Table Showing Prospects of Organised Retailing**

Sr. No.	Statements Indicating the Prospects	Mean	Std. Deviation	Rank
01	Retail Sector Creates Employment opportunities	2.93	1.54	06
02	Inflow of Foreign Direct Investment	2.90	1.36	07
03	Growth of City Infrastructure	3.08	1.48	04
04	Increased Spending Power	2.98	1.32	05
05	Increase in Standard of Living	3.11	1.43	03
06	Increased Marketability of Products'	3.25	1.31	01
07	Beneficial for farmers	2.87	1.45	08
08	Overall economic growth of the City	3.21	1.47	02

**Table No 07:**

**KMO and Bartlett's Test Results of Product Attributes & Store Attributes Offered in Shopping Mall**

Particulars		Product Attributes	Store Attributes
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		<b>0.653</b>	<b>0.839</b>
Bartlett's Test of Spehericity	Approx. Chi-Square	511.632	1005.048
	Degrees of Freedom	45	55
	Sig.	<b>0.00</b>	<b>0.00</b>

**Table No. 08:**

**Communalities & Rotated Component Matrix of Product Attributes offered in Shopping Mall**

<b>Selected Product Attributes</b>	<b>Communalities Extraction</b>	<b>Factor Loading of Rotated Component</b>
<b>Improved Quality of Products</b>	0.425	<b>0.622</b>
<b>Affordable Price</b>	0.681	<b>0.813</b>
Wide Range of Brands	0.526	0.515
<b>Proper Assortment of Merchandise</b>	0.481	<b>0.680</b>
Ease of Availability of Products	0.467	0.528
<b>Proper Display of Products</b>	0.557	<b>0.718</b>
<b>Warrantee of Products</b>	0.706	<b>0.830</b>
<b>Attractive Packaging</b>	0.667	<b>0.671</b>
<b>Refund/Replacement Facilities</b>	0.640	<b>0.779</b>
<b>Bundling Offers</b>	0.626	<b>0.675</b>

**Table No.09:**

**Communalities & Rotated Component Matrix of Store Attributes offered in Shopping  
Mall**

<b>Selected Store Attributes</b>	<b>Communalities Extraction</b>	<b>Factor Loading of Rotated Component</b>
<b>Pleasing Ambience of the Store</b>	0.466	<b>0.655</b>
<b>Good Location</b>	0.537	<b>0.733</b>
<b>Proper Security Arrangements</b>	0.636	<b>0.707</b>
Good In-Store Promotion	0.142	0.308
<b>Adequate Dressing/Fitting Rooms</b>	0.458	<b>0.643</b>
<b>Cleanliness and Hygiene in the Store</b>	0.610	<b>0.640</b>
Availability Of Children Play Area	0.506	0.598
<b>Adequate Parking Facility in the Store</b>	0.492	<b>0.662</b>
Convenient/Extended Shopping Hours	0.346	0.579
<b>Trained and Caring Sales Staff</b>	0.708	<b>0.838</b>

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