

ANALYSIS OF STORE AMBIENCE AND ITS IMPACT ON SHOPPING EXPERIENCE OF MILLENNIALS TOWARDS SHOPPING MALLS IN CHENNAI

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ABSTRACT:

Over the last few decades shopping in India has brought a change in the shopping patterns of the customers from shopping in the open-air heat environment to sophisticated and air – conditioned shopping malls. Moreover the retail sector of India has given rise to a ‘mall culture’ with a tremendous increase in the number of malls with improved design, quality and size. Nevertheless malls are preferred more by the customers over the traditional iconic markets as they offer much more than just shopping. Though product and price are the important factors, the store ambience is the key which pushes the customers to spend more time and money at the retail store at shopping malls. The present study initiates to analyze the store ambience of shopping malls and its impact on shopping experience of millennial customers towards shopping malls in Chennai city, Tamil Nadu. For this purpose a descriptive and an analytical research is undertaken thereby establishing adequate information which will help the retailers in planning on their store ambience techniques to be adopted in shopping malls and identifying the factors of store ambience which contributed towards the shopping experience of the millennial customers at shopping malls. A well structured questionnaire is framed and is circulated in which 120 responses were collected using convenient sampling. The primary data collected is analyzed through correlation and multiple regression analysis and is concluded that out of the six independent variables of store ambience chosen for the study namely Store Layout & Design, Exterior Atmospheric, Interior Atmospheric, Employees ’Behaviour, Visual Merchandising and Facilities, along with the dependent variable Shopping Experience on Shopping Malls, Visual Merchandising” (0.384) is the strongest influencing factor which predicted the dependent variable i.e., Shopping Experience of Millennial Customers on Shopping Malls.

Key Words : Store Ambience, Store Layout & Design, Exterior Atmospheric, Interior Atmospheric, Employees 'Behaviour, Visual Merchandising, Shopping Experience, Shopping Malls

Introduction : Today's consumers are more digitalized and time savvy, therefore they look for convenience, more of product options, so the retailers especially mall managers need to understand their audience to provide an experience that would make the consumers visiting the malls worthwhile

Shopping Malls and Store Ambience

As observed by the marketing dictionary Shopping Mall can be defined as a collection or a group of different stores offering various brands, products or services at one place. These days malls are present in almost every major city in the world and have products services like clothing, restaurants, forex services, groceries, movie theatres etc. According to the reports of times of India, it has been observed that the total mall retail space in Chennai will increase to 38% by the year 2020 with an increase of 5 million square feet to 6.9 million square feet. Moreover it is observed that over the next three years 34 new malls spreading around 13.6 million square feet will be coming across the country.¹ Store Ambience is the store atmosphere or atmospheric which includes the physical characteristics and surrounding influence of a retail store used to create an image to attract customers. It has its effect in contributing directly on the shopping experience of customers, which is the most important element of retail stores in today's shopping environment. the store ambience can be further classified in the following categories.

Store Layout : Store Layout is the **design** of a **store's** floor space and the placement of items within that **store**. **Store layout** helps influence a customer's behavior, which means when done right, it's a key strategy to a **store's** prosperity. They include Front Display, Floor Space, Customer Traffic Flow, Merchandise Grouping, Payment Counters ,Department Location etc.

Exterior Atmospheric and Interior Atmospheric: **Exterior atmospheric** includes the **outdoor** characteristics of a retail space and its setting that influence customers' desire to visit and provide patronage, like Storefront Entrances, Signboard, Fascade Window Display, Adjoining Store, Parking Accessibility and the **Interior atmospheric** include the internal atmospheric like Lighting, Flooring, Temperature, Trial Rooms, Music and Cleanliness.

Employees 'Behaviour : The behavior of the sales staff also play a major role in attracting the customers with their personal attention at the sales counter in the shopping malls, including the sales staff uniform helps in creating a relaxed ambience for the customers while buying their products.

Visual Merchandising : In order to attract, engage, and motivate the customers towards making a purchase visual merchandising helps the retail industry in developing the floor plans and three dimensional displays leading to increase in sales. Visual Merchandising includes, theme of Window Display, Promotional Signages, Assortment, Shelves and Moving Racks, Lighting Fixtures and Flooring Fixtures.

Review of literature :

Nirmala R (2015) conducted a study on the customers attitude towards shopping Malls. The study revealed that majority of the respondents prefer to shop at shopping malls as it is a convenient place to buy anything their desire. The study also revealed that shopping malls serve as an ideal, cool and refreshing environment for social interaction. Making the shoppers forget their worries of the day .the author suggested that malls should retain the individuality of each store and should be designed in a manner that the new and innovative aspects are added to delight the shoppers along with a relaxing ambience and seating arrangements for the shoppers.

Riaz Hussain & Mazhar Ali (2015) identified the effects of atmosphere on the consumer purchase intention in international retail chain outlets of Karachi, Pakistan. A sample of 300 consumers were taken who usually visited these outlets. Data collected through a well-structured questionnaire and analyzed through regression analysis indicated that atmospheric variables such as cleanliness, scent, lighting, and display/layout have a positive influence on consumers' purchase intention; whereas music and color had insignificant impact on consumers' purchase intention. The authors recommended to the managers and retail chain outlet owners that they must take into account the Cleanliness, Scent, Lighting and Colour of the outlets to match with the customer's attitudes and perceptions.

Kevin Kunde (2016) published an article on visual merchandising displays and how they influence millennial's. The author highlighted how to create a wow factor in the minds of the millennial's by making the millennial's to experience a brand through the visual components of a display .The author suggested that Brands can better execute visual merchandising strategies by implementing themes into their displays and creating a focus point.

Craig Neuhoff (2018) posted a recent study in the University of Florida which asked what millennial shoppers liked and did not like about retail stores. The study however indicated that fun, cleanliness, order, home feeling, colour up scale and ease were the factors that influenced millennial shoppers into the retail stores.

Need for the study : In order to survive in the competitive market the retailers provide the customers with the best range of products, with the best price, but all these efforts will be fruitful only if the retailers are able to increase the number of customers in their stores by giving them a pleasant environment where they can spend more time, leading to more sales. Store retailers need to make their stores visually attractive from both inside and outside the store to provide a good shopping experience for the customers, for which store ambience contributes directly to the customers shopping experience. Hence identifying the importance of store ambience in the retail stores of shopping malls the present study has been envisaged to analyze the importance of store ambience and to know its impact on the millennial customers.

Objectives of the study :

- ❖ To assess the purchasing patterns of shoppers in shopping malls.
- ❖ To analyze the perception of shoppers on store ambience in shopping malls.
- ❖ To examine the shopping experience of shoppers in shopping malls
- ❖ To evaluate the perception on store ambience and shopping experience on shopping malls.

Hypotheses of the study :

1. **There is no significant difference between the Male and Female respondents with respect to the perception on Store Ambience of Shopping Malls.**
2. **There is no significant difference among the Male and Female respondents with respect to the Shopping Experience on Shopping Malls.**
3. **There is no significant relationship between the Perception on various aspects of Store Ambience and Shopping Experience on Shopping Malls**

Research Methodology : The researcher has adopted a descriptive and a analytical research for the purpose of analyzing the present study. The research instrument used for the present study is a well structured questionnaire which has been circulated to 120 respondents. Convenience sampling approach has been used for the present study and the results of the study were analyzed using correlation and multiple regression analysis.

DATA ANALYSIS AND RESULTS**1. DEMOGRAPHIC PROFILE**

TABLE 1
DEMOGRAPHIC PROFILE

(Sample Size = 120)

VARIABLES	OPTIONS	FREQUENCIES	(%)
Gender	Male	64	53.33
	Female	56	46.67
Marital Status	Married	72	60.00
	Unmarried	48	40.00
Qualification	School / Diploma	32	26.67
	UG / PG	74	61.67
	Professional	14	11.66
Monthly Family Income (INR)	Upto Rs.50,000	52	43.33
	Rs.50,001 – Rs.1,00,000	30	25.00
	Rs.1,00,001 – Rs.2,00,000	25	20.83
	Above Rs.2,00,000	13	10.84
Type of customer	Salaried	62	51.67
	Business / Professional	18	15.00
	Student	23	19.17
	Home maker	17	14.16

Source: Primary Data

From the Demographic Profile table, it is found that male respondents (64)(53.33%) are little more than female respondents (56)(46.67%).The respondents taken for the study are millennial customers i.e. their age was between 19 years to 37 years. 60% (72) of the respondents are married. Majority of the respondents (74) (61.67%) are Under Graduates and Post Graduates followed by School/Diploma education (32) (26.67%).In case of the Monthly Family Income, 43.33% (52) of the respondents belong to the monthly family income up-to Rs.50,000 followed by Rs.50,001 – Rs.1,00,000 (30) (25%). With respect to the type of customer, 51.67% (62) of the respondents are salaried employees followed by Students (23) (19.17%), Business/Professional (18) (15%) and rest of them (17) (14.16%) belong to home-makers.

2. SHOPPERS' PURCHASING PATTERN IN SHOPPING MALLS

TABLE 2
SHOPPERS' PURCHASING PATTERN IN SHOPPING MALLS
(Sample Size = 120)

VARIABLES	OPTIONS	FREQUENCIES	(%)
Type of goods purchased from shopping malls	Food & Beverages/Groceries	16	13.33
	Cosmetics/Skincare Products	22	18.33
	Healthcare Products	26	21.67
	Apparels(Dresses/Clothes/Wares)	30	25.00
	Electronics/Home Appliances	6	5.00
	Jewellery/Watches/Footwear	10	8.33
	Stationery items/Books	6	5.00
	Others	4	3.34
Average Shopping Expenditure	Upto Rs.1,000	62	51.67
	Rs.1,001 – Rs.5,000	36	30.00
	Rs.5,001 – Rs.10,000	12	10.00
	Above Rs.10,000	10	8.33
How long are you customer of the shopping Mall?	1 – 5 Years	(Open ended Question)	72.33
	6 – 8 Years		27.67
Frequency of visit for Shopping Mall	Weekly once	54	45.00
	Weekly twice	32	26.67
	Weekly thrice	12	10.00
	Monthly once	10	8.33
	Monthly twice	6	5.00
	Monthly thrice	6	5.00

Source: Primary Data

The above table provides the information about the Shoppers' purchasing pattern in Shopping Malls. As far as the type of goods purchased from the shopping mall is concerned, 25% (30) of the respondents purchased Apparels (Dresses/Clothes/Wares) followed by Healthcare Products (26) (21.67%), Cosmetics/Skincare Products (22) (18.33%), etc. 72% of the respondents are the customers for the shopping

mall for 1 – 5 years and the remaining 28% of them are the customers of the shopping mall for 6 – 8 years. With respect to frequency of visit for shopping mall, 45% (54) of the respondents purchased the goods from the shopping mall weekly once. 26.67% (32) of them purchased the same weekly twice.

3. SHOPPERS' PERCEPTION ON STORE AMBIENCE INDEPENDENT SAMPLE 't' TEST – ANALYSIS

H₀: There is no significant difference between the Male and Female respondents with respect to the perception on Store Ambience of Shopping Malls.

An independent-samples t-test was conducted to compare the difference between the Male and Female respondents with respect to the perception on Store Ambience of Shopping Malls.

TABLE 3
GENDER – PERCEPTION ON STORE AMBIENCE OF SHOPPING MALLS

VARIABLES	GENDER						t - value	p - value
	MALE			FEMALE				
	N	Mean	SD	N	Mean	SD		
Store Layout & Design	64	9.38	3.436	56	10.65	3.456	3.458	0.005* *
Exterior Atmospheric	64	8.44	4.233	56	9.38	4.365	4.652	0.000* *
Interior Atmospheric	64	10.12	2.835	56	10.98	2.956	2.363	0.011*
Employees' Behaviour	64	8.56	2.688	56	9.45	4.344	3.256	0.009* *
Visual Merchandising	64	10.02	2.956	56	10.96	2.963	2.658	0.010*
Facilities	64	9.21	3.652	56	10.26	3.664	4.635	0.000* *
PERCEPTION ON STORE AMBIENCE OF SHOPPING MALLS	64	55.73	11.36 5	56	61.68	9.222	3.666	0.000* *

Source: Primary Data (**1% Level of Significance) (*5%Level of Significance)

As the *P* values are lesser than Sig. Value (0.01 and 0.05) in all the aspects and also in the Perception on Store Ambience of Shopping Malls Score (0.000), the Null Hypotheses are rejected. Based on the overall mean Score, we can say that the mean score of Female respondents (M = 61.68) is more than

the Male respondents (M=55.73). This indicates that the Female respondents have more perception on Store Ambience of Shopping Malls than Male respondents. Hence, there is a significant difference between the Male and Female respondents with respect to the perception on Store Ambience of Shopping Malls.

4. SHOPPING EXPERIENCE ON SHOPPING MALLS

INDEPENDENT SAMPLE 't' TEST

H₀: There is no significant difference among the Male and Female with respect to the Shopping Experience on Shopping Malls.

An independent-samples t-test was conducted to compare the difference between the Male and Female respondents with respect to the Shopping Experience on Shopping Malls.

TABLE 4
GENDER – SHOPPING EXPERIENCE ON SHOPPING MALLS

VARIABLE	GENDER						t - valu e	p – value
	MALE			FEMALE				
	N	Mean	SD	N	Mean	SD		
Shopping Experience on Shopping Malls	64	18.36	3.696	56	20.52	2.968	3.65	0.000*

Source: Primary Data (1% Level of Significance)**

As the *P* value is lesser than Sig. Value (0.01) in the above case (0.000), the Null Hypothesis is rejected. From the above table, we can say that the Mean score of the Shopping Experience on Shopping Malls is more for Female respondents (M = 20.52) than the Male respondents (M = 18.36). This indicates that the Female respondents have more Shopping Experience on Shopping Malls than the Male respondents. Therefore, there is a significant difference among the Male and Female respondents with respect to the Shopping Experience on Shopping Malls.

5. PERCEPTION ON STORE AMBIENCE AND SHOPPING EXPERIENCE ON SHOPPING MALLS

CORRELATION ANALYSIS

H₀: There is no significant relationship between the Perception on various aspects of Store Ambience and Shopping Experience on Shopping Malls.

A Pearson product-moment correlation was run to determine the relationship between the Perception on various aspects of Store Ambience and Shopping Experience on Shopping Malls.

TABLE 5
STORE AMBIENCE AND SHOPPING EXPERIENCE ON SHOPPING MALLS

VARIABLES	N	'r' VALU E	P – VALU E	RELATI ONSHIP	REMARKS	
					SIGNIFICA NT	RESULT
Store Layout & Design – Shopping Experience	120	0.685* *	0.000	Positive	Significant	REJECTE D
Exterior Atmospherics – Shopping Experience	120	0.763* *	0.000	Positive	Significant	REJECTE D
Interior Atmospherics – Shopping Experience	120	0.862* *	0.000	Positive	Significant	REJECTE D
Employees’ Behaviour– Shopping Experience	120	0.623* *	0.000	Positive	Significant	REJECTE D
Visual Merchandising– Shopping Experience	120	0.836* *	0.000	Positive	Significant	REJECTE D
Facilities– Shopping Experience	120	0.725* *	0.000	Positive	Significant	REJECTE D

(Source: Primary Data) **. Correlation is significant at the 0.01 level (2-tailed).

As the P values are lesser than Sig. Value (0.01) in all the above aspects relating to the Perception on various aspects of Store Ambience and Shopping Experience on Shopping Malls, the Null Hypotheses are rejected. There are high positive and significant correlation between the Perception on the various aspects of Store Ambience and Shopping Experience on Shopping Malls.

Out of six aspects relating to the Perception on Store Ambience of Shopping Malls, “Interior Atmospherics of the Shopping Mall”(r = 0.862) has more relationship with Shopping Experience on Shopping Malls than others. “Employee behaviour”(r = 0.623) has less relationship with Shopping Experience on Shopping Malls when compared with others. Therefore, there is a significant relationship between the Perception on the various aspects of Store Ambience and Shopping Experience on Shopping Malls

MULTIPLE REGRESSION ANALYSIS

Multiple Regression was conducted to determine the best linear combination of the Perception on the various aspects of Store Ambience (Store Layout & Design, Exterior Atmospheric, Interior Atmospheric, Employees Behaviour, Visual Merchandising and Facilities of Shopping Malls to predict the Shopping Experience of Millennial customers on Shopping Malls.

TABLE 6
STORE AMBIENCE AND SHOPPING EXPERIENCE ON SHOPPING MALLS
REGRESSION COEFFICIENT

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.896	.834		11.563	.000
	Store Layout & Design	.365	.078	.304	3.896	.000
	Exterior Atmospheric	.333	.084	.298	2.963	.008
	Interior Atmospheric	.357	.065	.337	5.175	.000
	Employees' Behaviour	.145	.092	.133	2.647	.023
	Visual Merchandising	.425	.057	.384	5.321	.000
	Facilities	.189	.110	.167	2.745	.019

Dependent Variable: SHOPPING EXPERIENCE ON SHOPPING MALLS

The combination of all the independent variables (Store Layout & Design, Exterior Atmospheric, Interior Atmospheric, Employees' Behaviour, Visual Merchandising and Facilities) significantly predicts the dependent variable i.e., SHOPPING EXPERIENCE ON SHOPPING MALLS, *p values are* lesser than .001 and 0.05 (Sig. Value 2-tailed) and Adjusted R Square is 0.723 or 72% which is large effect according to Cohen. Out of six independent variables relating to Store Ambience of shopping malls, "Visual Merchandising" (0.384) is the strongest influencing factor which predicting the dependent variable i.e., Shopping Experience of Millennial customers on Shopping Malls.

From the unstandardized coefficient, it is found that the one unit increase in the "Visual Merchandising" would increase the Shopping Experience on Shopping Malls by 0.425 units. Store Layout & Design (0.304), Exterior Atmospheric (0.298), Interior Atmospheric (0.337), Employees' Behaviour (0.133) and Facilities (0.167) also contribute to Shopping Experience of Millennial customers on Shopping Malls but lesser than "Visual Merchandising".

Discussions and Conclusion : As it has been observed that store ambience factors such as the store layout, external and internal atmospheric, visual merchandising, employees behavior and the facilities provided

has contributed to the shopping experience of today's millennial minds, the energetic digital oriented both young and the middle aged millennial's value the stores appearance and the atmosphere as it gives a relaxing feeling and creates an impression which enables to draw their attention and increase the number of customers and their intent of buying the merchandise available at the store and ultimately has an impact on the overall shopping experience of the shopping malls.

The findings further revealed that out of the six factors which were chosen for analyzing the impact of store ambience on the shopping experience of millennial customers, Visual Merchandising was found to be the most strongest factor which depicted the shopping experience of millennial customers. Hence efforts could be made by the retail mall managers to focus on the Visual Merchandising techniques which can be best adopted to increase the quality of the store ambience thereby contributing towards the shopping experience of the customers in the shopping malls. With reference to the perception on store ambience of shopping malls interior atmospherics of the shopping mall has more relationship with shopping experience on shopping malls and employee's behaviour had less relationship compared to other factors. So employee's behavior can be improved in providing better services to its customers. As far as gender base is concerned female respondents have shown more perception towards store ambience and shopping experience towards shopping malls, therefore gender is an important factor in contributing towards the perception and shopping experience at shopping malls.

Therefore these store ambience factors, serve as a stimuli which can provoke a desire to spend more time and money and increase the overall shopping experience of the customers at the shopping malls and increase the sales. The findings of the study also proved sufficient evidence that retailers can utilize the visual merchandising techniques which is one of the strongest store ambience factor, to increase the desirability of the millennial customers and create favorable attitudes.

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