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The Mall Culture in India: A Synoptic View

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Abstract

The rise of supermarkets and shopping malls across the tier-1 cities of India could be witnessed due to the transmigration of culture from the western world. The voyage of the western lifestyle perhaps propelled the conservative markets to adopt new formats gradually and ease out the buying process by introducing departmental stores, hypermarkets, supermarkets and speciality stores. The western-style malls have begun appearing in metros, tier-II and tier-III cities alike introducing the Indian customer to a new shopping experience of buying without exerting. This momentum has redefined the whole landscape of retailing in India. Malls began to bring in a more organised retailing environment by clearly demarcating product and service offerings. The customer is exposed to a new kind of shopping experience, which defies conventional shopping. The present paper attempts to throw light on the nuances of mall culture and the wherewithal of shifting consumer choices towards a broader picture. In some way, the mall culture is believed to foster the GDP as well as bring more sophistication into the shopping attitudes of Indian consumer mentality, and on the other, it is dethroning the orthodox retail formats.

Key Words: Mall Culture, Indian Consumer, GDP, Hypermarkets, Supermarkets

Introduction

'Shopping malls' though conceived as a community centre *ab-initio* accommodating multifarious buyer's interests, can be determined as a brainchild of giant corporate investors, wherein the present-day culture consumes it as the universe for the customers (Agrawal & Gupta, 2017). The mall culture across the globe is getting faded even before the impact of Covid-19 on society at large, faster than ever (Millar, 2015) duly supported by the forecasts of the next decade where half the malls may extinct or even may get face-lifted. A thematic purview on the viscosity of mall culture that is likely to undergo ramifications succumbing to the pressures of unforeseen pandemic times during which they got deserted and were set off with the previous yield. Mall culture has changed the outlook of present-day's buying behaviour of customers and some giant companies took advantage of the diversified portfolios by introducing a variety in the market (Ghosh, Tripathi, & Kumar). Though the mall business in India, got sluggish for almost a decade, some view there as a light at the end of the tunnel (Agrawal & Gupta, 2017). The present decade witnessed a rampant increment in the specialized retailers catering to viz., customer durables and white goods, books, music, furnishings, household interiors, healthcare and beauty. A welter of research reveals that customer motives and expectations are more dynamic than the physical environment and economic policies of any state or country. Thus, investors must be eying on those dynamic changes to fruitfully turn those opportunities into cash cows to reap in the long run while satisfying the customers. Tangentially, the usual flow of goods and services relates to the classical school of thought, which attempts to strike an equilibrium through producer's profit and customer's utilisation. Howard (1933), Nystrom (1948) and Severa (1943) scholars assume a close relationship between retail activity and social interaction. Copeland (1942) suggests the need to classify goods and services based on customer needs that change from time to time and improve the logistics accordingly. Zanna and Fazio (1982) and Ajzen (1989) point out that an evaluative dimension is a common feature of all definitions of attitude.

The story of the great Indian mall boom started with the emergence of Gurugram, an industrial suburb of Delhi. In a development that surprised many town planners, Gurugram transformed itself overnight by first housing the headquarters of many multinational corporations and banks, and then calling itself the "shopping-mall capital of India". Then to join the bandwagon was Rajouri Garden with a number of world-class malls coming up within a short duration of time. Shopping malls developed in the later part of the decade (2010-2020) have begun accommodating to serve the needs of the younger generation and some shopping malls, especially catering to serve the middle-income groups such as Vishal Mega Mart, Big Bazar, Reliance Mall etc., which distinguish from high-end shopping arcades such as Spencer's, Pantaloons, Snow-white, Nalini, etc. But this Mall Clutter led to a gradual and continuing downfall of some of the malls in Delhi which was accelerated by the economic recession affecting the world with India and specifically Delhi as no exception to this impact. In continuation to this debacle is the recent impact of the pandemic which shut the doors of all formats of retailing especially the big ones.

The rationale of the Argument: Shopping Phenomenon and Attributes

The perspective of retail has undergone a metamorphosis in terms of infrastructure, glamour, shelf space, insider advertising kiosks, display metrics and self-service options to woo the millennials as well as the Gen-Z customers more than before. This eventually shed light on the flow of passionate and impulse buying rather than simply putting in the cart the daily essentials that go beyond the 'price mechanism'. Shopping is a social phenomenon uncovering both intangible and tangible factors (Albayrak, Caber, & & Comen, 2016), and malls are the key source of changing customers' lifestyles. Today, malls have combined traditional selling with modern value-added services of overall entertainment.

Since the early 2000s, an increasing number of marketing research consulting companies have been monitoring the development of "brick-and-mortar retail" in India. The most prominent among those are viz., IMRB (Indian Market Analysis and Research Bureau), ORG (Organizational Research Group), Ernst & Young (E&Y), Price Waterhouse Cooper (PwC), Deloitte, etc., whose constant pursuits of research to understand the changing paradigms of retail environment leads the corporates to take appropriate decisions.

The fundamental rationale of the present research is to understand the major reasons for mushrooming growth of malls in Tier-I cities like Delhi and NCR. Also, to understand the dynamics in buying behaviour, especially among the Indian middle-class segment who are almost sandwiched between the haves and have-nots. Therefore, the primary objective of the study can be:

"To examine the major determinants of malls in big cities and the changing buying patterns of middle-class customers and satisfy their consumption needs".

The supporting objectives are:

a. Tersely investigate the possible motivators that induce customers to shift from their conventional shops to modern retail formats.
b. Examine the growth potential of malls in Tier-II and Tier-III cities may get followed by looking at the success of malls in Tier-I cities.

Several research studies have emphasized the significance important of shopping malls. Quite a number of scholars considered factors such as leisure (Choi, Law, & & Heo, 2018), enjoyment and entertainment (Gensler, Neslin, & & Verhoef, 2017) (Mittal B., 2016), social and recreation (Smith, Rippe`, & & Dubinsky, 2018), ambience and parking as the major driving forces to boost mall culture in cities. Thus, creating a pleasant, attractive, and convenient shopping space becomes an effective strategy to increase footfall (Beatty, Givan, Franke, & Reynolds, 2015) (Lee, 2019). Let us tersely dwell on these perceptible influencers of mall culture.

Accessibility: Malls are seen around residential colonies, especially to facilitate the suburban population in cities. The site selection depends on a range of factors determined by local urban dynamics, including the proximity of an affluent population, the access to roadways and public transport, as well as the cost of land. In Delhi, which contains 39% of the total mall space in India, we find that shopping malls are often located along metro lines, in middle-class and upper-middle-class neighbourhoods. For instance, Noida (New Okhla Industrial Development Authority), a planned city initiated in Delhi suburbs in 1976, whose per capita income is the highest in the whole National Capital Region, contains around 25 malls.

Increased Disposable Income: The perception of the growing buying power of a "new middle class" has attracted a range of foreign and domestic investors. According to market research, the inflow of Foreign Direct Investment in retail constantly increased between 2000 and 2015 (IBEF 2016), notably encouraged by recent legislation allowing 51% FDI for multi-brand retailers and 100% for single-brand. Particularly, the real estate's retail component attracted 29% of total investment in recent years (IBEF 2016). In the past decade, several large Indian groups, often in collaboration with foreign investors, have invested in brick-and-mortar retail, predominantly in large agglomerations. Despite a recent increase in construction projects in secondary cities, 73 cities with more than 300,000 inhabitants and 7 cities having more than 1 million inhabitants did not count any malls in 2015. The lack of investment in secondary cities is generally attributed to the scarcity of supporting infrastructures and the absence of a large consumer base. As a consequence, 62% of the total mall space is located in two cities, Delhi and Mumbai. Bangalore and Chennai come second with a combined share of around 20%.

Indirect Benefits: The motivation of mall visitors may be multifaceted. Accounts of mall managers report that the problems of several malls in India have not been the quantity of footfall but the footfall conversion, i.e., the conversion of shoppers into customers. Most of the real-life observations reveal that the fundamental motivators to shop are shopping, watching a movie, meeting friends, dining out, enjoying the ambience, window shopping [Mohan & Tandon, 2015] or the "ambience", the "physical infrastructure", the product proposition, the "convenience", and the "safety and security" [Singh & Sahay, 2012]. A notable exception is a 2009 study of the motivations of mall users in Ahmedabad where the authors identified six hedonic shopping motivations – "shopping enjoyment", "gratification shopping", "idea shopping", "shopping for aesthetic ambience", and "roll shopping", and "social shopping". These studies, however, fail to hierarchize these motivations and tend to underestimate the underlying social motivations of mall users.

Probably constrained by the rigid requirements of survey methods, they do not grasp that these activities imply a need for social interactions —few mall users ever come unaccompanied in India. Hence, consumer motivations have been adversely affecting the "marketing strategies" of promoters and managers focusing on "individual shopping". In India, where aloneness is often depreciated or considered suspect, malls are treated as places to meet friends or relatives over a drink, food, or a movie. To attract shoppers, vacant spaces have thus often been re-invented into seating areas, kiosks, vending machines, ATMs, interactive information points and activity centres for children. These offers, however, emphasize categories such as food and beverage (F&B) and entertainment and might not include the whole array of brands present in the malls. Most surveyed shoppers in Delhi actually admitted that they feel more comfortable spending time in malls than in the "crowded", "dirty", "noisy", and "inconvenient" open markets.

Convenient Hang-out Space: As a consequence, "hanging out" has often become synonymous with shopping and eating at the mall. Hence, most shoppers visit malls when they have free time in common, i.e., on weekends. The average footfall in LuLu International, India's largest mall, is 55 000 on weekdays, while the average footfall on weekends is more than 85 000, most of it on Sundays. One major reason for spending weekends in a shopping mall is probably the paucity of other quality "public" spaces in urban areas in India, where social control is not ubiquitous. Since very few child-friendly open spaces are available in large cities for family outings, malls have also become a place where parents can walk their children. In the increasingly polluted Indian cities, with climatic conditions (rain and heat), preventing outdoor activities in certain areas, the air-conditioned and noise-free shopping malls are comfortable places to hang out in and malls continue to be perceived as convenient social hangout places. The different social groups hang out at different times and days. For example, on weekdays, most housewives come between 11 am to 3 pm, students from 4 pm to 7 pm, and families from 7 pm to 10 pm. Similarly, the various stores are visited by different segments of the population. For example, the grocery area is visited more by middle age groups, theatres by families, and the music shops by youngsters.

The power of youth: Booming young generation especially has adopted these new spaces faster than ever before. A 2014 study conducted across the five largest Indian cities on 690 children between 8 and 16 years old, has found that 20% of them picked up shopping malls as their favourite hangout destination (12% picked public parks). The young categories, despite their limited incomes, form a substantial portion of the mall visitors, a majority of the mall visitors come from the 18-35 age group. However, due to their low purchasing capacity, the malls are often used solely as a hangout space and the consumption in the malls is limited to that in food courts. Malls became important meeting points for friends, as they provide freedom from family constraints or parental interference, and are perceived as places for youth to freak around as per their whims [Srivastava, 2015].

Safety and Security: There is a common belief among the public at large that these malls are safe and secure for women and children, who otherwise find limited choices hover around, and are often confined to their homes. It is observed due to this feeling of safety, some high-end malls attract a good number of women visitors along with their children during day time while college-going girl students also flock around the same time by taking off from their college schedules. The "kitty parties", for instance, a gathering where housewives meet over food or drinks in the daytime, are often arranged in malls' restaurants and cafés, which are perceived to be better meeting places than their homes. Most malls are designed after taking into consideration this demand for more areas for social interactions, for instance by increasing the options for food and beverage (F&B) and entertainment in their complex.

A shopping mall is however not a public space in the sense of a "concrete place where people from all walks of life meet and interact with one another" [Houssay-Holzschuch & Teppo, 2009]. As Malcolm Voyce [Voyce, 2017] argues, the material and symbolic barriers of the Indian malls filter the "undesirable" clientele, encouraging the social homogeneity of mall users. Consuming at malls is an activity for groups who have sufficient disposable income and time, and acts as an important act of differentiation from other segments which are excluded from the consumption sphere. This activity has thus become a marker of middle-class belongingness in India [Varma, 2014, Rault, 2017], and successful malls are able to identify with this group, which is perceived to be linked to the ideas of material comfort, wealth, and consumption in India [Saavala 2010].

Luxury revisited at no cost: Previous research on luxury places of consumption in Delhi also highlighted the existence of diverse consumer practices based on the unequal possession of cultural and economic capital amongst the middle classes [Cebeillac & Rault, 2016]. For instance, the "old money", stemming from old and wealthy families, visit different places of consumption than the "nouveau riches". They give their presence in malls a meaning extending beyond the simple will to consume, insisting on individual motivations (rather than collective impulses) such as their "passion" for fashion. In addition, they would look down upon those who are conspicuous about their consumption habits, as evident from behaviours like "wearing loud colours", "showing off brands", or "clicking selfies". In contrast to the conspicuous customers, "regular customers" and "serious buyers" do not feel the need to display activities of luxury shopping, as consumption at these malls is a habit for them. They build their social status not by displaying their capacity to consume but by their way of consuming and consumption choices, as was highlighted in the work of Pierre Bourdieu, La Distinction [Bourdieu, 1979]. In doing so, they distinguish themselves from the groups which are lower down the social strata.

The pleasing ambience attunes shoppers' perceptions of their environment. The good odour would trigger the customer thought process and even a moderate congruity level could get transformed more favourably in evaluating the shopping experience, its products and the role of salespeople (Michon et al, 2005). It has been revealed in previous research studies that shopping malls drive hedonic shopping motives among customers that are similar to utilitarian shopping motives. In modern malls, shoppers fulfil their hedonic values by ways of experiencing fun, amusement, fantasy and sensory stimulation. It has been observed that shoppers enjoy malls as leisure and festive spots in urban areas to derive hedonic pleasure and drive shopping motivation with social status (Sherry, 1990; Arnold and Reynolds, 2003).

Parking space: The most common configuration for shopping centres is linear. Parking and public conveniences are provided in the mall. Commonly, the ambience around shopping malls is devoted to parking unless a multi-level parking structure is provided for customer use (Carter and Vendell, 2005). Personal shopping motives, values and perceived shopping alternatives are often considered independent inputs into a choice model. It is argued that shopping motives influence the perception of retail store attributes as well as the attitude towards retail stores (Morschett et al, 2005). Shopping supported with recreational attractions is identified as one of the major drivers in promoting tourism by demonstrating the quality of fashion products and store preferences among tourist shoppers. Perceptions of shopping duration, emotional levels and merchandise evaluations are derived from the level of arousal experienced by the customers in the shopping malls (Rajagopal, 2007).

Multiple stores under one roof

Speciality Stores (categories such as office products, speciality food, optical and travel), Departmental Stores, and Supermarkets. The single biggest opportunity in India in organized retailing is bound to be food and groceries. It is in this sector that the largest amount of customer spending is concentrated. This sector has the maximum opportunity for investments and entrepreneurs to come in and try to make the supply chain a little more efficient. All-in-one Stores are another category where customers tend to spend most of their disposable income in addition to seeking finance options extended by such stores and malls. For example, Bajaj Finance has collaborated with almost all major shopping malls to render instant financial loans that can be paid through equated monthly instalments. Malls these days have even become places to promote real estate business inviting investors and home buyers. From pin to aeroplane everything is made available in these malls that allow customers to stick to one place. Further studies about the young generation and gender-based studies, it is found that malls began to equip the most authentic and branded personal care products, pharmaceutical products, and healthcare services to serve every facet of customers' psych. Recently, we have seen some interesting collaborations from organized healthcare players like Max, Fortis, Birla and the Reliance group getting connected to malls and displaying their presence either by opening an outlet to bring awareness or volunteering their services to the public visiting these malls.

In a Nutshell

Shopping malls as a retail variant have become new magnetic fields for customers from all walks of life and middle-class customers are no exception to this changed behaviour. These malls introduce new mechanisms to boost the footfall that eventually increases the sale potential. The growing population increased income levels, the influence of the western lifestyle, the convenience of buying all essentials under one roof, leisure time sports and entertainment, the good ambience of the surroundings and tall structures etc., are some of the major determinants of wooing mall culture in cities across the globe. Amongst the demographic variables, gender and age apparently become the most intricate factors that enable malls to survive and grow despite having neighbourhood conventional shops catering for their needs.

Shopping malls developed in the later part of the decade (2010-2020) have begun accommodating to serve the needs of the younger generation and some shopping malls, especially catering to serve the middle-income groups such as Vishal Mega Mart, Big Bazar, Reliance Mall etc., which distinguish from high-end shopping arcades such as Spencer’s, Pantaloons, Snow-white, Nalini, etc. The story of the great Indian mall boom started with the emergence of Gurgaon, an industrial suburb of Delhi. In a development that surprised many town planners, Gurgaon transformed itself overnight by first housing the headquarters of many multinational corporations and banks, and then calling itself the "shopping-mall capital of India". Then to join the bandwagon was Rajouri Garden with a number of world-class malls coming up within a short duration of time. But this Mall Clutter led to a gradual and continuing downfall of some of the malls in Delhi which was accelerated by the economic recession affecting the world with India and specifically Delhi as no exception to this impact. In continuation to this debacle is the recent impact of the pandemic which closed all formats of retailing especially the big ones.

The research was carried out in the region Shalimar Bagh in North-West Delhi, where a Mall called Shopping Park resulted in a complete failure because from a survey it is established that the majority of the population prefer to spend more on food as they shop for interested Apparel from adjoining market place. Those shoppers believed the mall to be a place where they can relax after or during shopping and relied on eateries and food stalls. Perhaps the management of the mall do not realise this emerging trend during its early stages and failed to accommodate such visitors into the mall. Eventually, it lost its face value and was unable to cope with even ROI. A similar example of a ‘strategic failure’ could be the case of Spencer's store in Ring Road Mall in Rohini, where despite having excellent ambience and assortment mix, it failed utterly to attract customers. Maybe these are some of the unsuccessful cases of huge investment which the future retail industry leaders must consider to address those challenges.

Some malls are attempting to employ strategies to cope and redraw the attention and patronage of customers with some add-on features to bring in the glamour. Both during the pandemic and post-pandemic period, malls across the globe are found empty with closed shops and dwindling moods of the customers to re-enter even with precautions. Malls in India are no exception, however, have mixed feelings to expect the old glamour to glow up. The immediate decade (2010-2020) witnessed rampant growth in the specialised retailers catering to several end-user products such as white goods, books, music, furnishings, interiors, healthcare and beauty to name a few.

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