A STUDY ON THE INFLUENCE OF SITUATIONAL FACTORS ON THE SHOPPERS’ BEHAVIOUR WITH REFERENCE TO THE SELECTED SHOPPING MALL, BANGALORE

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ABSTRACT

The retail industry is one of the fastest growing industries in India. The success of retail industry solely depends on how it performs in the market place at a given point of time. To entice the consumers, the retail industry must understand the behavior of the consumers. The impact of situational factors on consumer purchasing behaviour has been examined in the past research extensively. There are studies that explored the impact of particular types of situational influences, including store atmospherics, music, colours, scent, store crowding, and merchandising. Analyzing and understanding shoppers’ behaviour and the impact of situational factors may reduce uncertainty in decision-making. Situational factors should be taken into consideration in designing promotional programs, store layout, merchandising and store atmosphere tailored to specific behaviour’s patterns and consumer situations.

The aim of this research is to study the influence of situational factors on shoppers’ behavior in the select shopping malls in the selected city of study in India. The researcher has used primary and secondary data to study the influence of socio, physical and temporal factors, to analyze the impact of task definition and antecedent states, to find the impact of the Pricing perception and shopper’s mood and to analyze the common problems faced by the mall users.

Keywords: Retail Industry, Situational Factors, Consumer Behavior, Shopping Malls.
INTRODUCTION

The Retail Industry in India has come forth as one of the most dynamic and fast paced industries with several players entering the market. But all of them have not yet tasted success because of the heavy initial investments that are required to break even with other companies and compete with them. The Indian Retail Industry is the largest among all the industries, accounting for over 10 per cent of the country’s GDP and around 8 per cent of the employment. The India Retail Industry is gradually inching its way towards becoming the next boom industry.

The total concept and idea of shopping has undergone an attention drawing change in terms of format and consumer buying behavior, ushering in a revolution in shopping in India. Modern retailing has entered into the Retail market in India as is observed in the form of bustling shopping centers, multi-storied malls and the huge complexes that offer shopping, entertainment and food all under one roof.

THE INDIAN RETAIL SCENE

India is the country having the most unorganized retail market. Traditionally it is a family’s livelihood, with their shop in the front and house at the back, while they run the retail business. Purchasing power of Indian urban consumer is growing and branded merchandise in categories like Apparels, Cosmetics, Shoes, Watches, Beverages, Food and even Jewellery are slowly becoming lifestyle products that are widely accepted by the urban Indian consumer. Indian retailers need to advantage of this growth and aiming to grow, diversify and introduce new formats have to pay more attention to the brand building process. The emphasis here is on retail as a brand rather than retailers selling brands. The focus should be on branding the retail business itself. In their preparation to face fierce competitive pressure, Indian retailers must come to recognize the value of building their own stores as brands to reinforce their marketing positioning, to communicate quality as well as value for money. Sustainable competitive advantage will be dependent on translating core values combining products, image and reputation into a coherent retail brand strategy.

India’s large and aspiring middle class of 75 million households or 300 million individuals want products that are value-driven. The country’s 500 million people under the age of 25 have access to more money that has additionally resulted in independence, aspirations and a demand for products.

The Indian retail sector accounts for over 20% of the country’s gross domestic product (GDP) and contributes 8% to total employment. The cumulative foreign direct investment (FDI) inflows in single-brand retail trading, during April 2000 to June 2011, stood at 69.26 million USD. Studies like the MasterCard Worldwide Index of Consumer Confidence have ranked Indian consumers as some of the most confident in the world. The more confident the consumers are about the strength of the economy, their personal finances, their career growth, etc., the more they tend to increase their consumption, purchase non-essential products, experiment with products, brands, categories, etc. Besides, the country’s rural population of 700 million presents an opportunity for retail and consumer companies that cannot be ignored.

The current estimated value of the Indian retail sector is about 500 billion USD and is pegged to reach 1.3 trillion USD by 2020. The penetration level of modern retail (currently 5%) will increase six-fold from the current 27 billion USD to 220 billion USD in 2020. The Indian retail sector is expected to grow at a CAGR of 15 to 20%.
Bangalore offers a wide array of shopping malls to the residents where they can shop till they drop. The malls in Bangalore are known for their magnificent infrastructures, a wide range of brands and food courts hosting various national and international cuisines. They are equipped with all the modern facilities which a mall in a metropolitan city should be equipped with.

Bengaluru's retail market in terms of its consumer profile and vibrancy reflects the cosmopolitan nature of the city. The mix of contemporary brands and the upwardly mobile young shoppers is an example of the coming of age of Indian consumers. Although mall developments in the city started later when compared to Mumbai and Delhi, the pace of growth registered in terms of supply during the last few years is quite aggressive.

During the past two years there has been a limited increase in organised retail stock due to unfavorable market conditions. Most retail projects which were slated for operation this year are still in their planning stage. Forum Mall in Koramangala and Garuda Mall on Magrath Road continue to be the most successful malls in the city.

The organised retail market in Bengaluru is poised to grow at a faster rate as retail markets in the city stabilize and retail projects which were stalled and delayed, restart. The primary reason for the same has been the onset of the economic downturn in 2008 which curbed retail spending as most people in the city were keeping their expenses to a minimum. Currently with the markets stabilizing, consumer spending has increased and if sustainable, is likely to provide a major boost to malls in the city. The demand for retail in Bengaluru was always strong and predominantly led by the consumers from the IT/ITES sector. Post the economic downturn the poor market conditions had a negative impact on the retail sector. A considerable number of mall projects which were launched between 2006 and 2008 were stalled. Currently due to the stabilization of retail markets the inherent retail demand is expected to be revived and would contribute significantly to the success of upcoming mall space. A majority of the residents in the city fall under the middle income category and most of the retail consumers believe in convenience shopping. The development of infrastructure initiatives like the Bangalore metro railway system is expected to fuel retail development in the city. The recently developed Elevated Highway on Hosur Road has increased connectivity of people living in Electronic City, which is on the outskirts, with Koramangala, a developed micro-market. This is set to benefit organised retail in Koramangala like the Forum Mall. The development of the Bangalore Airport in Devanahalli, North Bengaluru and the subsequent development of road network in the zone has provided better connectivity to locations in the north like Yelahanka, Hebbal, Doddabellapur and it's just a matter of time till a good residential catchment develops in this zone. This is expected to contribute to the development of retail in this zone in the future.

The future for retail is expected to improve in Bengaluru. Most developers and retailers in the market will keep tabs on the performance of this mall in the near future as an indicator to retail development in the city. More importantly for the success of organised retail market in the city, the economic condition would have to stabilize before there is an improvement in consumer spending and further development of the retail sector.

SHOPPING MALLS AT BANGALORE

Bangalore is a best opted destination for shopping. The shopping malls of Bangalore offer with the fashionable accessories, latest electronic gadgets and a wide array of other items. The
shopping malls arrived in Bangalore during the beginning of the 21st century. Currently, new shopping malls are springing up in this Garden City in India.

- The Forum Mall
- Garuda Mall
- Bangalore Central
- Leela Galleria
- Total Mall
- Lifestyle
- Globus
- The Collection
- Mantri Square
- Lido Mall

**CONSUMER BEHAVIOUR & SITUATIONAL FACTORS**

Marketeters, retailers and manufacturers spend lots of money to get consumers to shop, but not every shopping trip results in a purchase. Shopping is an important factor in any economic system and changes the standard of living. Economic systems depend on consumers buying products and services. Companies depend on loyal customers and repeat purchases to bring in sales and profit and to pay their employees. Employees become consumers as they spend their earned paycheck on products and services. Consumers depend on purchases to give them value and satisfaction.

The motivation to shop can depend on factors that cannot be controlled by the consumer or the marketer; if the consumer is in a hurry or relaxed, shopping alone or with friends or with their kids, if the store is crowded or empty—situational influences can affect purchasing decisions. Situational Influences are factors specific to a time and place that a customer reacts to.

- **Shopping mall**
  
  A shopping mall, shopping centre, shopping arcade, shopping precinct or simply mall is one or more buildings forming a complex of shops representing merchandisers, with interconnecting walkways enabling visitors to easily walk from unit to unit, along with a parking area — a modern, indoor version of the traditional marketplace.

- **Situational factors**
  
  Situational factors are the external factors coming from the shopping environment when buyer comes into contact with particular visual stimuli (product or promotion) that create the unplanned purchase. At that instant the shopper may feel a sudden need to purchase a particular product that has attracted his/her attention.

  - Internal factors of the shopping area or the **physical surrounding** include: (1) general interior design – color, lighting, aroma, music, equipment, etc.; (2) arrangement of equipment and merchandise within the store; (3) display of merchandise; (4) point of sale promotional materials.

  - **Social Surroundings** include the presence of other persons, their characteristics, apparent roles and interpersonal reactions.

  - **Temporal perspective** is a dimension of situations that may be specified in units ranging from time of day to season of the year.

  - **Task Definition** refers to the features of situations, such as an intent or requirement to select, shop for or obtain information about a general or specific purpose.
Antecedent states are momentary moods or conditions of buying such as acute anxiety, pleasantness, hostility, cash on hand, fatigue and illness.

REVIEW OF LITERATURE

Kamarulzaman and Lih (2010), in their paper highlighted on Competition among shopping malls has led retailers to consider key factors of motivating patrons to shop at their malls and stay longer. The purpose of this study is to assess the factors that influence Malaysians to visit shopping malls. A survey was conducted to assess mall-directed shopping habits and patrons shopping motivation. The results show that Malaysian shoppers are motivated to visit malls because of the ambience, interior design of the malls, convenience, accessibility and promotion. Evidence shows that there is a strong relationship between shopping mall characteristics and actual action of shoppers in visiting shopping malls. In summary, the results of the study have several implications that will be beneficial for retail industry, especially shopping mall retailers.

Khare and Rakesh (2010), in their paper highlights that organised retailing in the form of malls is poised to develop exponentially in India. Malls are transforming the landscape of Indian retailing and consumers’ attitudes towards shopping. The upsurge of mall activity poses a question of how much malls are responsible for generating sales and consequently generating profits. The research was directed at retailers with stores in the malls and deciphering their opinions about what generates consumer traffic and profits in malls. The retailers’ selection of malls is driven by the business potential offered by malls.. The findings demonstrate that an assortment of factors is responsible for mall traffic. These may be categorised under entertainment facilities, services, ambience and mall management.

Mihić and Kursan (2010), the purpose of this study is to determine the correlation between situational factors and impulsive buying behavior with the aim of separating an adequate number of different customer segments. Furthermore, in terms of the perceived impact of situational factors on impulsive buying behavior, the study separates three consumer segments: (1) markedly rational – immune to influence, (2) impulsive to some extent – sensitive to some situational stimuli, (3) mostly rational – generally immune to influence. In the first and the third segment (markedly or generally rational consumers) none of the analyzed situational factors affect the impulsive buying to a greater extent. Finally, the obtained results show that situational factors can to a larger extent affect the impulsive buying behavior in consumers of a particular employment status, and that such behavior is not significantly affected by gender, age, education, income, or the number of household members.

The impact of situational factors on consumer purchasing behaviour has been examined in the past research extensively. There are studies that explored the impact of particular types of situational influences, including store atmospherics, music, colours, scent, store crowding, and merchandising. Belk’s framework of situational factors (1975) is a useful tool in analyzing the impact of situational variables on purchasing outcomes since it includes variables that might be controlled by retailers. The framework includes physical and social surroundings, task definition, temporal perspective and antecedent states. A few studies tested Belk’s framework in a mall setting. Time and companionship were shown to be critical factors in purchasing behaviour of Hispanic customers in a US mall setting (Nicholls, Roslow and Dublish, 1997).

This paper uses Belk’s taxonomy (1975) to examine the impact of situational factors on shoppers’ purchasing outcomes in the selected mall. Specifically, it explores how store environment, social surroundings, temporal perspective, shopping task and antecedent situational variables influence the amount of money spent and the number of items purchased.
The framework itself includes the following situational dimensions:


OBJECTIVES OF THE STUDY

1. To find the influence of situational factors on the shoppers’ behaviour with reference to the select shopping mall, Bangalore.
2. To analyse whether the temporal perspective have influence on the shoppers’ behavior.
3. To analyse whether the task definition have influence on the shoppers’ behavior.

METHODOLOGY

Descriptive research design was adopted for the study. The data for this study was obtained from the consumer survey. The survey was carried out in a shopping mall in Bangalore in the month of June 2012 using a structured questionnaire. The consumers who visited the shopping mall during the month of June were the population. A sample of 100 respondents from the population was selected randomly. The respondents were asked to fill-in the questionnaire containing the questions on mall environment, social surrounding, time variables, use of shopping list, the way of shopping and the number of store visited after they had been done with their shopping. The researcher has collected secondary data from sources like Internet websites, journals, etc.

LIMITATIONS OF THE STUDY

The research was limited to the shopping mall selected for the study. There are limitations in the number of people included to the survey, Data was collected only during a particular month of the year, The results of the study will only apply to the selected mall and the location.

DATA ANALYSIS AND INTERPRETATIONS

Table – 1: Consolidated Table Showing the Personal Factors

<table>
<thead>
<tr>
<th>AGE</th>
<th>GENDER</th>
<th>INCOME LEVEL</th>
<th>FAMILY TYPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 - 25</td>
<td>Male</td>
<td>&lt;1000 0</td>
<td>Joint</td>
</tr>
<tr>
<td>26 - 35</td>
<td>Male</td>
<td>10001 - 20000</td>
<td>Joint</td>
</tr>
<tr>
<td>36 - 45</td>
<td>Male</td>
<td>20001 - 30000</td>
<td>Joint</td>
</tr>
<tr>
<td>Above 45</td>
<td>Female</td>
<td>30001 - 40000</td>
<td>Joint</td>
</tr>
<tr>
<td></td>
<td></td>
<td>40001 - 50000</td>
<td>Joint</td>
</tr>
<tr>
<td></td>
<td></td>
<td>&gt; 5000 0</td>
<td>Nuclear</td>
</tr>
<tr>
<td>59</td>
<td>21</td>
<td>35</td>
<td>4</td>
</tr>
<tr>
<td>21</td>
<td>10</td>
<td>27</td>
<td>26</td>
</tr>
<tr>
<td>10</td>
<td>10</td>
<td>11</td>
<td>74</td>
</tr>
<tr>
<td>58</td>
<td>42</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

Table – 2: Consolidated Table Showing the Personal Factors

<table>
<thead>
<tr>
<th>FAMILY SIZE</th>
<th>EDUCATIONAL QUALIFICATION</th>
<th>OCCUPATION</th>
<th>MARITAL STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2-4</td>
<td>5-7</td>
<td>School level</td>
<td>UG</td>
</tr>
<tr>
<td>59</td>
<td>41</td>
<td>9</td>
<td>58</td>
</tr>
</tbody>
</table>

TABLE – 3: ANALYSIS OF THE SITUATIONAL FACTORS

<table>
<thead>
<tr>
<th>SITUATIONAL FACTORS</th>
<th>HIGHLY SATISFIED</th>
<th>SATISFIED</th>
<th>NEUTRAL</th>
<th>DISSATISFIED</th>
<th>HIGHLY DISSATISFIED</th>
<th>WEIGHTED POINTS</th>
<th>WEIGHTED AVERAGE (Rating)</th>
<th>RANK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical surroundings</td>
<td>235</td>
<td>120</td>
<td>45</td>
<td>10</td>
<td>3</td>
<td>413</td>
<td>2.75</td>
<td>I</td>
</tr>
<tr>
<td>Social surroundings</td>
<td>170</td>
<td>124</td>
<td>81</td>
<td>10</td>
<td>3</td>
<td>388</td>
<td>2.59</td>
<td>II</td>
</tr>
<tr>
<td>Temporal perspective</td>
<td>160</td>
<td>120</td>
<td>63</td>
<td>24</td>
<td>5</td>
<td>372</td>
<td>2.48</td>
<td>IV</td>
</tr>
<tr>
<td>Task definition</td>
<td>175</td>
<td>144</td>
<td>33</td>
<td>28</td>
<td>4</td>
<td>384</td>
<td>2.56</td>
<td>III</td>
</tr>
<tr>
<td>Antecedent state</td>
<td>130</td>
<td>136</td>
<td>75</td>
<td>20</td>
<td>5</td>
<td>366</td>
<td>2.44</td>
<td>V</td>
</tr>
<tr>
<td>Shopping motive</td>
<td>85</td>
<td>164</td>
<td>75</td>
<td>28</td>
<td>3</td>
<td>355</td>
<td>2.37</td>
<td>VI</td>
</tr>
<tr>
<td>In-store emotions</td>
<td>100</td>
<td>52</td>
<td>75</td>
<td>60</td>
<td>12</td>
<td>299</td>
<td>1.99</td>
<td>VII</td>
</tr>
</tbody>
</table>

HYPOTHESIS TESTING

The study attempted to analyse the relationship between few situational factors with that of the demographic variables of the respondents. The following hypothesis have been formulated and tested.

1. The relationships between Purpose of visit (Shopping Task) and the income of level of the respondents.
2. The relationships between time of visit (Temporal Variable) and the Gender of the respondents.
3. The relationships between Sources of visit and the Educational Qualification of the respondents.

Chi-Square Test: I

H0: There is no relationship between Purpose of visit and the income of level of the respondents.
H1: There is relationship between Purpose of visit and the income of level of the respondents.

42


### Table - 4

<table>
<thead>
<tr>
<th>VISIT/INCOME</th>
<th>ENTERTAINMENT</th>
<th>PRODUCT PURCHASE</th>
<th>DISCOUNTS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 10000</td>
<td>22</td>
<td>11</td>
<td>2</td>
<td>35</td>
</tr>
<tr>
<td>10000 – 20000</td>
<td>16</td>
<td>6</td>
<td>5</td>
<td>27</td>
</tr>
<tr>
<td>20000 - 30000</td>
<td>3</td>
<td>8</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>30000 - 40000</td>
<td>8</td>
<td>3</td>
<td>2</td>
<td>13</td>
</tr>
<tr>
<td>40000 – 50000</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Above 50000</td>
<td>3</td>
<td>0</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>56</td>
<td>32</td>
<td>12</td>
<td>100</td>
</tr>
</tbody>
</table>

### INFERENCE

Degrees of Freedom = (Rows - 1) (Columns - 1) = (3 - 1) (6 - 1) = 2*5=10
Table value of Chi-Square at .05 level of significance with 10 degrees of freedom = 18.31
Calculated Chi-Square Value is 15.71
Since the table value is greater than Calculated Chi-Square value, null hypothesis is accepted.
The researcher had made an attempt to analyse whether the income level had influence on the shoppers’ motive. The chi square test reveals that there is no relationship between the purpose of shopping and the income level of the respondents. It means that there are several reasons for shopping and the income factor does not form any impact in their shopping motive.

### CHI-SQUARE TEST: II

H0: There is no relationship between time of visit and Gender of the respondents.
H1: There is relationship between time of visit and Gender of the respondents.

<table>
<thead>
<tr>
<th>TimeVisit/Gender</th>
<th>10.30</th>
<th>12.31</th>
<th>4.31</th>
<th>7.31</th>
<th>Any time</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>7</td>
<td>11</td>
<td>13</td>
<td>9</td>
<td>18</td>
<td>58</td>
</tr>
<tr>
<td>Female</td>
<td>5</td>
<td>11</td>
<td>11</td>
<td>3</td>
<td>12</td>
<td>42</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
<td>22</td>
<td>24</td>
<td>12</td>
<td>30</td>
<td>100</td>
</tr>
</tbody>
</table>

### INFERENCE

Degrees of Freedom = (Rows - 1) (Columns - 1) = (2 - 1) (5 - 1) = 1*4 = 4
Table value of Chi-Square at .05 level of significance with 4 degrees of freedom = 9.488
Calculated Chi-Square Value is 2.196.
Since the table value is greater than Calculated Chi-Square value, null hypothesis is accepted.
The researcher had made an attempt to analyse whether the gender had any influence on their time of visit to the mall. The chi square test reveals that there is no relationship between the time of visit and gender of the respondents, meaning that the male and female respondents visit the shopping mall at their convenient time and there is no different behavior between them.

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CHI-SQUARE TEST: III

H0: There is no relationship between Sources of visit and Educational Qualification of the respondents.
H1: There is relationship between Sources of visit and Educational Qualification of the respondents.

Table – 6

<table>
<thead>
<tr>
<th>Sources / Educational Qualification</th>
<th>Personal Interest</th>
<th>Word of Mouth</th>
<th>Advertisement</th>
<th>Offers &amp; Discounts</th>
<th>Friends &amp; Relatives</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>UG</td>
<td>15</td>
<td>4</td>
<td>15</td>
<td>1</td>
<td>32</td>
<td>67</td>
</tr>
<tr>
<td>PG</td>
<td>15</td>
<td>5</td>
<td>5</td>
<td>1</td>
<td>7</td>
<td>33</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>9</td>
<td>20</td>
<td>2</td>
<td>39</td>
<td>100</td>
</tr>
</tbody>
</table>

INFERENCE

Degrees of Freedom = (Rows - 1) (Columns - 1) = (2 - 1) (5 - 1) = 1*4 = 4
Table value of Chi-Square at .05 level of significance with 4 degrees of freedom = 9.49
Calculated Chi-Square Value is 10.83
Since the Calculated Chi-Square value is greater than table value, null hypothesis is rejected.
The researcher had attempted to find the relationship between the sources of visit and the educational qualification of the respondents. From the chi-square result it is found that there is relationship between the sources of visit and the educational qualification of the respondents implying that there are different sources which makes the respondents aware about the mall. So the educated respondents tend to be more aware and gather knowledge about the mall.

FINDINGS AND CONCLUSION

The study was carried out in a mall located in Bangalore and it was found that the situational factors such as physical surrounding, temporal perspective, task definition, social surroundings, antecedent state, and shoppers’ mood create a hedonic value in the mind of shoppers.
Research results indicate that the managers should design the mall environment that would attract a lot of shopping parties, parents with children, and foster discussion among them. Capture time is a further important factor in determining how much a shopper will buy.
The current study also revealed that young customers of the Bangalore city were found to have favourably inclined towards the mall than their older counterparts. Mall managers and marketers should develop new strategies in order to attract more and more older people by employing new technologies, vibrant color schemes and futuristic, whereas they should also devise ways of attracting older people by offering complete family entertainment along with a great shopping experience.
Store management initiatives should therefore address this situational variable in order to induce longer visits of their patrons. One way of getting shoppers to shop longer is to promote major shopping trips and large-scale purchases. Retailers may attract and maintain loyal customers by implementing customer relationship programs. Despite limitations identified the results of this study offers useful insight into the situational factor impacts with some valuable managerial implications.

The practical value of this study is that retailers may be better able to explain and predict the effects of situational factors and their changes on consumers’ shopping behavior.

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