Demographics and Mall Shopping Behavior – A Literature Review

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The study examines the various demographic factors that influence mall shopping behavior. This includes age group, income and gender. The demographic factors are seen in the context of product categories. The review of literature indicates that demographic factors play a very important role in influencing shopping behavior. They also contribute to store patronage. The most influential demographic factor is age group where youth are seen as the major target segment in shopping. The study has several implications for retailers in India. The retailers can design marketing campaigns based on the demographic profile of consumers.

Keywords: Mall Shopping, Consumer Behavior, India, Demographics

1. Introduction

The retail market in India is divided into organized and unorganized retail. The share of organized retail market as a percentage of the total market was estimated to be 7.8 % ie Rs 2, 23,572 crore in 2012 (India Retail Report, 2013) and it has touched 9.8 % ie Rs 3,81,078 in 2014 (India Retail Report, 2015)(109) and has grown by CAGR of 30 % in the last 5 years (India Retail Report, 2015)(109). In India, organized retail exists in various formats such as shopping malls and multi-storied shopping complexes offering one stop solution for all shopping needs in addition to, entertainment and eateries (India Retail Report, 2011). According to reports (Dun & Bradstreet and National Skill Development Corporation), the following factors have led to the growth of organized retail in India

1. **Demographic Profile of Customers:** More than 60 % of consumers in the age group of 15 to 40 years shop at organized retail outlets and have higher disposable income by virtue of being part of working population and double income households where both parents are working. Approximately 60 % of the Indian population is below 30 years of age (Deloitte Report on Retail, 2011). 100 million people are in the age group of 15 to 29 years (Outlook Business Magazine, 2012). The young Indians are brand conscious (Deloitte report on Retail, 2011), have access to more money and are spending on mobile phone, fashion, accessories, food and beverage, etc (PWC, 2011).

2. **Change in Consumer Shopping Behavior:** Due to increased awareness about products and brands owing to social media and mobile, the consumers lifestyles are changing and they are shopping at various organized retail outlets. Due to higher levels of education and employment amongst working women, they have an increased participation in shopping of goods at retail stores. The retail stores / malls have become one stop shopping destination due to time constraints of working population. The time constraint has further led to buying products. In addition, the ambience in malls and stores along with recreational activities has resulted in providing a good shopping experience.

3. **Increased Urbanization: Rapid** urbanization has led to growth of 53 metropolitan cities in India (Census of India, 2011). The rapid improvement in urban infrastructure has led to migration of people to these cities for a better education and job opportunities. This huge population is the target segment of organized retailers.

4. **Penetration of Credit / Debit Cards:** The debit card issuance has seen a CAGR of 24 % while the credit card issuance has seen a growth of 19 % for the financial years 2009-13. These cards have made it easier for customers to carry out purchases of significant amount. The debit card transactions have grown at a CAGR of 38 % while the credit card transactions have grown at a CAGR of 19 % from 2009-13 (Shinde, S, 2013).

5. **Rising Consumption Expenditure:** According to CRISIL Research, the increase in number of nuclear families has increased the number of households and an increase in the consumption expenditure per household.

Table 1.3 *Overview of Malls in India*

Year	Number of Malls	GLA (in million sq feet)
2012	367	106
2013 estimated	470	129
2014 estimated	542	150
2015 estimated	624	176
2016 estimated	720	206

Source : Malls of India, 2013

2. Demographics Affecting Shopping Behavior

Approximately 60 % of the Indian population is below 30 years of age (Deloitte Report on Retail, 2011). 100 million people are in the age group of 15 to 29 years (Census of India, 2011 cited in Outlook Business, 2012). The young Indians are brand conscious (Deloitte report on Retail, 2011) (107), have access to more money and are spending on mobile phone, fashion, accessories, food and beverage, etc (PWC, 2011). The median age of population in Maharashtra is projected to be around 29 years by 2016 (National Commission on Population, 2006). The youth population accounts for 42.68 % of the population of Maharashtra (UN report, 2012).

The age group selected for study is 15 years to 29 years as this age group accounts for large population of the country and this is also the consumer segment that most companies are targeting. (Outlook Business, 2012). This age group of population will be major contributor to growth of retail (Deloitte Report on Retail, 2011).

Gender Affecting Shopping Behavior
A study by Falk and Campbell (1997) also indicated the difference in shopping motives with respect to gender. This could be reflected in terms of time spent on shopping and brand choice. Davies and Bell (1991) have found difference in gender shopping behavior with respect to numbers of items bought and the amount of expenditure on shopping. Male shoppers are more technically oriented and have greater involvement in technical products such as consumer electronics whereas females are more involved with products given as gifts. There is also a difference in their shopping motives. Men in US spend less time in shopping and hence prefer an online store whereas females would prefer a brick and mortar store (Dholakia and Chiang, 2003). With regard to shopping responsibility, there is sharing of responsibility for purchase of household products such as grocery items. However, for purchase of clothing, men shared the responsibility with their wives, but in case of women, they claimed their exclusive responsibility of buying clothes. The results also indicated that women are more involved in shopping than men (Dholakia, 1999). The findings of Lucas (1998) suggest that women are greater impacted by store ambience and spend more time in shopping than men. Hence Jones (1999) suggests that retailers should focus on prices, store environment and customer service to boost sales.

Hu and Jasper (2004) studied the difference in gender behavior with respect to mall shopping motives. The data was collected from 88 respondents in the age group of 19 to 71 years through semi structured interview process in three different cities of US. The research concluded that men visited malls to buy unique products and spent less time in shopping as compared to women. Convenience factor was more important for men as compared to women. Shopping enjoyment in mall was a more predominant factor amongst women compared to men.

A study to identify the gender difference in mall shopping behavior in India was done by Kuruvilla and Rajan (2008). The data was gathered from 190 male and 94 female respondents in the age group of 18 to 35 years through a structured questionnaire. The regions covered were north, south, east and western part of India. The products purchased by respondents were apparel, jewelry, footwear and fashion accessories. The results showed that except East region, there was no significant difference in the utilitarian and hedonic shopping behavior between men and women. In the East, women showed a greater tendency towards utilitarian motives than men. The results also indicate that difference in shopping behavior is subject to change over time.

Another study with respect to gender difference in Indian context was done by Khare (2011) in the city of Allahabad. The study covered 276 shoppers in various age groups, from 20 years to above 51 years. The results revealed that there was no significant difference in gender shopping behavior with respect to utilitarian motives. However, the hedonic motives among gender differed significantly. The male shoppers preferred malls as places to hang around and social interaction with friends whereas the females preferred malls as an obligation for purchasing products.

Income Affecting Shopping Behavior
A study by Waheed,Mahasan and Sandhu (2014) have shown that shopping behavior can be predicted by income. They indicate that people with higher disposable incomes tend to do more shopping. Similar results have been found by various other studies (Mckinsey, 2008; Deloitte, 2010). However, the key issue is whether income is a predictor of hedonic and utilitarian motives. The findings of Allard, Babin and Chebat (2009) indicated that shoppers with lower income had higher hedonic motivation whereas those with higher income had higher utilitarian motivation. However, these findings do not match with other researchers. The findings of Jin and Kim (2001) show that there were no significant difference in motives with respect to income. Dawson (1990) has also shown similar findings.

Another study by Culina and Mihic (2006) in their study has shown that income alone is not a predictor of motives. Income along with education and occupation together (called social class) are a significant predictor of motives. Consumers of higher social strata (higher income, higher education and middle or senior managerial level) exhibit higher urge for status oriented goods. The study was carried out on 270 respondents of two Croatian cities, Zagreb and Split through a structured questionnaire with respect to products such as food products, clothing, apartments, cars, boats, life insurance and holidays. Convenience sampling method was adopted from respondents of varied income, education and occupation levels.

Shopping Behavior with Respect to Age Group
Different researchers have classified youth in varied age groups (from 12 years to 30 years) in order to understand the shopping motives. A study by Yin-Fah, et al (2011) on the age group of 18 to 28 years mentions that the youth segment is faster in acceptance of new products than other groups and hence considered to be less tradition restricted. The study was

related to relationship between shopping motive, store attributes and shopping enjoyment amongst youth in Malaysia which included Malaysian, Indian and Chinese youth (Malaysian – 65 %, Indian – 26 % and Chinese – 9 %). The shopping motives were role enactment ie shopping to fulfill role of a husband or wife, shopping for anticipated utility, negotiation, choice optimization i.e. finding the exact product that is needed, affiliation, power and authority and stimulation. The store attributes included quality of store, quality of merchandize, convenience, enhancements ie. Presence of additional services such as banks, movie hall, restaurants and saloon and price orientation ie price of merchandize combined with various promotional offers. A study of 200 students (including male and female) from University Putra Malaysia was done. Results of t-test indicated no significant difference in shopping motives among males and females. Malaysian and Indian students had more inclination towards role enactment as compared to Chinese students. However, there was significant difference in gender opinion for store attributes. Females had higher mean scores than males on all the attributes. Taking into account the race, the mean scores were highest for Malaysians followed by Chinese and then Indians. Female scores were higher than males for shopping enjoyment. However, there was no significant difference in mean scores amongst races. A correlation between shopping motives and enjoyment revealed a positive correlation between all motives except power and authority. A correlation between shopping motives and store attributes revealed a positive correlation except for convenience.

Research done by Kaur and Singh (2007) on the youth of India revealed that Indian youth shop for hedonic reasons. However, the research is limited to the city of Amritsar in an age group of (20 to 30) years. The research was done with respect to shopping in malls and no specific product categories were taken into consideration. Another research by Khare (2011) on varied age group of (20 to 50) years residing in Tier II cities of northern India was done. The findings of the study in the age group (20 to 30) years were similar to those by Kaur and Singh (2007). Bake well and Mitchell (2003 have mentioned in their research that the youth have been brought up in an environment where they are exposed to more product variety and brands, better access to information through internet and television and availability of malls for shopping. In their study on youth shopping styles, they concluded that majority of the youth (33 % of respondents) shop for hedonic reasons as well as would seek discounts (16 % of respondents). According to Herbig, et al (1993), they have been socialized into shopping as a way to spend their leisure time. They have also been targeted with marketing programs such as membership cards and offers and retail outlets selling range of merchandize. Hence they will show a distinct shopping behavior compared to the older generation. Similar findings have been shown by other researchers (Bakewell and Mitchell, 2003).

Another study using qualitative research methods was conducted by Yip, et al (2012) on the youth of Hong Kong to find out their favorite stores and the reasons for shopping at their favorite stores. The age group selected was 15 to 21 years. The results indicated that majority of the respondents' preferred clothing and food service as their favorite stores. The major reasons for shopping were product quality and variety followed by store ambience and behavior of service personnel. Stores offering entertainment were the least preferred. Amongst the factors, self-service was the least preferred.

Hong Kong is considered to be a favourite destination for Chinese shoppers (Choi *et al.*, 1999). Yip, Chan and Poon (2012) carried out a research among youth of Hong Kong in the age group of 15 to 21 years to find out their "favourite retail shops" and the motives that drove them to their favourite shopping destinations. Qualitative method of study was adopted and face to face interviews were conducted on 89 respondents. Online shopping was excluded from the study. The results showed that food and apparel outlets were the favourite retail destination of shoppers. Shops selling electronics and electrical appliances, home appliances, motor vehicles and parts, watches and jewellery were least preferred as the youth had limited experience in buying these products. The youth were style conscious but due to limited disposable income, preference for luxury brands was low. Product quality and variety, behaviour of salesperson in the store and store environment were cited as the most preferred influential motives.

Wilhelm and Mottner (2005) have focused on the age group of 12 to 17 years in their study. The objective of the study was to find out factors influencing shopping mall preferences of the target age group. A web based survey and conjoint analysis was used to find out the results. The sample size was 918. The results showed that teens preferred malls having stores with products of latest fashion. Another prominent factor was friendliness of the mall towards teens i.e. the mall being a place to socialize with friends in addition to shopping.

3. Conclusion and Implications

The review of literature highlights mixed results with respect to demographic factors such as gender, income and age group. The results of study with respect to gender show that females spend more time in shopping compared to males. However, in some countries there may be no difference with respect to shopping behaviour. Results in India show that females show higher levels of emotional buying behavior compared to males. Hence, more emphasis should be given on emotional aspects when selling products to females. The study on income group shows no significant difference in shopping behavior. However, some researchers feel that income cannot be seen in isolation but should be seen in the context of gender and age group. The results with respect to age group shows that younger age group prefer socialization along with shopping but is seldom seen in the older age groups. Hence shopping malls should have social spaces where youngsters can interact with their friends and colleagues apart from shopping. This also encourages group shopping where group of youngsters shop together.

4. References

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