

## **Consumers Attitude towards Modernized Shopping Center vs. Traditional Shopping Center – A Case Study at Khulna City**

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**Abstract:** The world business style has changed to a greater extent. With the change in business style, Bangladesh though lagging far behind has gradually adopted various styles. Modernized shopping centers, which are very much similar to the western supermarket, although miniature in size, recently have emerged in the major urban cities of Bangladesh. At the same time the traditional shopping center called ‘Bazar’ still are leading among the shopping centers. The research aimed to investigate the reasons behind the shopping attitude of the customers in choosing modernized shopping centers. The analysis suggests that class difference of the consumers plays an important role in selecting shopping centers. Availability of goods and price of commodities at the shopping center influences in selecting shopping center. Reputation or image of the shopping center also has influence in selecting shopping center.

### **1. Introduction**

For the last decade some changes have been observed in the shopping centers – some mega stores with modernized facilities have been emerged as a significant part of shopping centers in the main cities of Bangladesh. These modern shopping centers can be compared with the western super market although the basic concept of super market is not fully present in this type of shopping centers like cheaper price and huge collection, but some facilities are available here like self choice system and availability of various categories of goods in a single store. At the same time the traditional system of shopping centers called ‘bazar’ are still leading among the shopping centers. Traditional shopping centers and modernized shopping centers have two different approaches; they have significant different in style and facilities.

Now the question arises what is the pattern of response of the consumers’ towards these two types of shopping centers available in Bangladesh. It also arise the concern that what are the issues that motivate the consumers to shop from traditional shopping centers like ‘bazar’ and what motivates the consumers to shop from modernized shopping centers which has developed as miniature super market type in major cities of Bangladesh.

It is a natural tendency of the consumers that they try to shop from a place where he/she feels comfortable. Mall environments are part of a shopper's hedonic consumption

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activity. Retailers appeal to the multiple senses of sight, sound, scent, tactile and in the case of food, taste. Fantasies can be played out in a mall as a shopper walks in the mall, sits in a mall atrium or is "waited on" by a responsive retail sales associate (Campbell 1987). Investigations of Groeppel-Klein (Groeppel-Klein, 1998a, 1997) in Germany revealed that a store atmosphere that evokes pleasure, a relaxed mood state, and dominance results in a positive value-for-money assessment, and a positive attitude towards the interior design. Also, the duration of staying in the store is extended and consumers rate their intention to come back with a higher probability. Thus, the interior design on the one hand needs to bring about arousal, but on the other hand it shall not exceed an optimum level resulting in a frantic mood.

Some writers have made conceptual links between shopping malls, semiotic messages and consumer emotions, fantasy and acting (Kowinski 1985, Zepp 1986). Because the mall is enclosed it is protected from the outside world and controlled inside. The mall is thus a theater where consumers can create their own world and fantasize their parts in a play. Retailers provide the staging, props, lighting, and mannequins (Kowinski 1985). Socio-cultural factors of consumers are also important in selecting shopping centers. Fischer (1991) suggested that "interpretive methods are particularly useful in probing socio-cultural factors involved in shopping which may be impossible to capture through the use of more typical instruments of marketing research" (p. 597). Site of a shopping center can also effect on consumers choice for shopping centers. Belk (1975) suggested that situational variables were as important as individual consumer characteristics in explaining consumer behavior. He suggested that physical and social surroundings such as location, decor, noise, aromas, lighting intensity, physical layout, and other persons present may affect a consumer's purchasing behavior. A few years later, Markin et al. (1976) suggested in a general way how retail environments could influence shopper behaviors. Neither of these reports, however, related how various physical features could serve as effective stimuli for a shopper. Consumers' satisfaction while shopping inevitably is an important issue for shopping for the second or subsequent time. The experiential aspects of shopping are of great interest to retailers. In today's tough competitive environment, retailers are concerned about the factors that impact on the feeling states of their patrons and try to implement appropriate strategies aimed at making the shopping experience a pleasant one. Creating a good store atmosphere (Kotler 1974), improving service quality (Zeithaml, Parasuraman and Berry 1990), designing pleasant retail environments (Donovan and Rossiter 1982) and training sales personnel to interpret and modify shoppers' moods (Gardner 1985) are different marketing strategies that retailers may choose to implement in order to reach that goal. It is believed that strategies like these can create significant retail competitive differentiation (Pearce 1992) which may differentiate the attractiveness of the shopping centers among the consumers.

This significance is embedded in the consumer's life world context, and researchers must come to know shopping experiences as they were lived, i.e., as the consumer experienced them. In this way, we move beyond a view of shopping as an object-like behavior that can be examined and reported on by a detached third person (the researcher) and gain access to the experience as it was lived by the consumer in its specific context (Thompson, Locander, and Polio 1989).

Availability of various merchandise and its price also have an effect on selection process of shopping centers. Recent papers have provided support for the notion that consumer behavior is largely purposive and that goals are integral to every choice situation (Bettman and Sujan 1987; Park and Smith 1989; Huffman 1993; Park 1993). Consumers' perception regarding the merchandise influence in decision making process while choosing a shopping center. Newman (1977) suggested that consumers engage in both internal and external search for product information. Internal information search involves consumer retrieval of memory that stores product knowledge. External information search refers to activities other than memory, such as consulting with salespeople, friends, reading other sources, looking at ads, direct observation and so on. Consumers often employ both types of search in a sequential and iterative fashion when making purchases. External information search encompasses both goal-directed, prepurchase activities and ongoing search activities (Peterson and Merino, 2003).

However, the most significant study on shopping area image thus far has been that of Houston and Nevin (1980). In their study of the downtown area and four shopping centres on 16 image items, Houston and Nevin used factor analysis to identify three major dimensions or factors of shopping area image. The first factor consisted of six items -- quality of stores, variety of stores, merchandise quality, product selection, special sales/promotion, and great place to spend a few hours -- which were related to the assortment of benefits offered by the area. The second factor (6 items) consisted of features that helped to ease the shopping effort -- parking facilities, availability of lunch/refreshment, comfort areas, easy to take children, layout of area, and special events/exhibits - and was named the facilitative nature of the area. The third factor (4 items) - general price level, atmosphere, store personnel, and conservative - were associated with positioning of the area as an integrated complex of stores, and was named market posture.

Image of the shopping center also have an impact in the choice behavior of the consumers. Acito and Anderson (1979) found that image was more differentiated, better articulated and of higher dimensionality for recent shoppers compared with non recent shoppers of a retail store. The same concern was shared by Hirschman (1981).

## 2. Research methods adopted

A questionnaire survey was conducted in Khulna City among 75 residents. An area sample was designed, using a zone to zone basis distribution. Khulna city has been divided into five major zones considering old city area, industrial area, planned residential area, unplanned residential area and business prime area. Approximately equal number of sample was covered through convenient basis. According to these five zones Doulotpur, Mohessorpasa, Baikali, Muzgunni, Raligate, Nutan Rastar More, Khalishpur, Boyra, Nirala, Sonadanga Gallamari Hazi Ismail Road, Purba Baniakhamar, Khanjahan Ali Road, Darogapara, TB Cross Road, Tank road, Miapara, Tutpara, Hazi Mohosin Road, Farazipara, Moylapota, Iqbalnagar, Bk. Main Road areas was covered to collect necessary data from the sample. The questionnaires were distributed and collected by the interviewers. This hand-delivered, self-administered questionnaire approach has been used successfully in a variety of studies. (Dunning and Calahan 1974; Lovelock et al. 1976; Stover and Stone 1974).

In the questionnaire, respondents were asked about the frequency of their shopping, the items they usually shop, considerations about price, quality, distance of shopping centers from their home, the image of the shopping center, environment of the shopping center etc. To verify the choice pattern with the consumers' social standing few demographic questions like income, educational background, occupation were also included in the questionnaire.

## 3. Analysis

Both the modernized and traditional shopping centers have been analyzed through customers' choice and preference. Nirala bazar, Borobazar and others have been taken as traditional shopping centers, on the other hand, New market, Aarong, Safe'n Save and Minabazar have been taken as modernized shopping centers.

**Table 1: Family income per month with occupation**

Occupation	Family income per month (In Taka)								Total	
	Below 5000		6000-15000		16000-25000		Above 25000			
	F	%	F	%	F	%	F	%	F	%
Govt. service	1	13	7	88	-	-	-	-	8	10.67
Private service	-	-	12	80	2	13	1	7	15	20
Business	-	-	11	55	8	40	1	5	20	26.67
Others	1	3	19	59	8	25	4	13	32	42.67
Total	2	3	49	65	18	24	6	8	75	100

Source: Field survey, November 2005

Table 1 reveals that 65 percent of the respondents have their income in between TK. 6000-15000 per month. On the other hand 24 percent respondents have monthly income in between TK.16000 to 25000. Only 3 percent respondents have monthly income below TK. 5000 and also 8 percent respondents have monthly income above TK.25000 per month. About 27 percent respondents are businessmen, 20 percent respondents are involved in private job and about 11 percent respondents are in government job, about 43 percent respondents are in other professions like student and housewife. From the table it can be seen that 88 percent of the government job holder's monthly income is in between TK. 6000 to 15000 and 13 percent of them have income below TK. 5000 per month. From the table it can also be seen that in most of the cases of private job holders and businessmen have income above TK. 50000 per month.

**Table 2: Occupation of the respondents with choice of shopping center**

Occupation	Name of the shopping areas															Total
	Nirala Bazar		Boro Bazar		New Market		Safe ' n Save			Mina Bazar		Arong		Others		
	F	%	F	%	F	%	F	%	F	%	F	%	F	%	F	
Govt. service	3	38	5	63	6	75	2	25	3	38	5	63	4	50	8	10.67
Private service	2	13	5	33	13	87	3	20	8	53	3	20	5	33	15	20
Business	5	25	10	50	18	90	7	35	5	25	4	20	8	40	20	26.67
Others	7	22	9	28	28	88	18	56	17	53	5	16	4	13	32	42.67
Total	17	23	29	39	65	87	30	40	33	44	17	23	21	28	75	100

Source: Field survey, November 2005

Table 2 shows the customers choice variations. Among two types of shopping centers, New market have got the highest preference for shopping and all sorts of customers like to visit there. Minabazar is in the second position, whereas Safe and Save is in the third position. But Nirala bazar, Borobazar and others (normally a traditional shopping center/place) altogether have a very big position's choice for shopping. In the table it can also be seen that the people involved in private job or business who normally are the higher income group has more fascination towards modernized shopping centers.

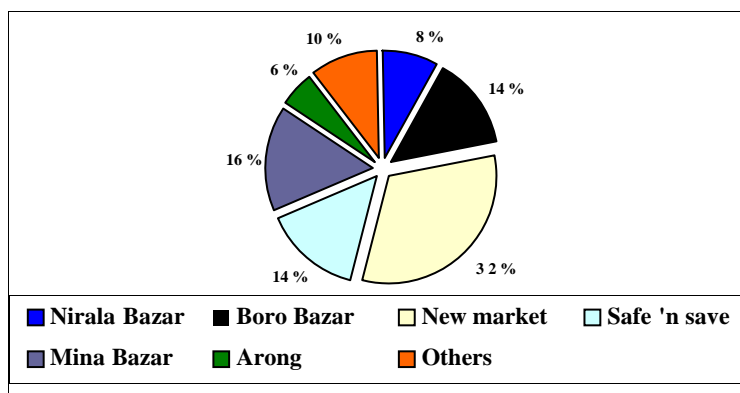
**Table 3: Choice of traditional shopping center vs. modernized shopping center in respect of income**

Family income per month (in TK.)	Traditional Shopping centers like Nirala Bazar, Borobazar		Modernized Shopping Centers like New Market Safe & Save, Aarong and Meena bazaar		Total	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Below 5000	2	100	-	-	2	2.67
6000-15000	23	46.94	26	53.06	49	65.33
16000-25000	6	33.33	12	66.67	18	24.0
Above 25000	2	33.33	4	66.67	6	8
Total	33	44	42	56	75	100

Source: Field survey, November 2005

Table 3 shows the shopping pattern of the customers in respect of their income. The table shows that there is a positive correlation in between higher income and choice for modernized shopping centers. It gives us an impression that higher income group prefers to shop from modernized shopping center more than those of lower income group.

**Figure 1: Percentage of shopping at various shopping areas**



Source: Field survey, November 2005

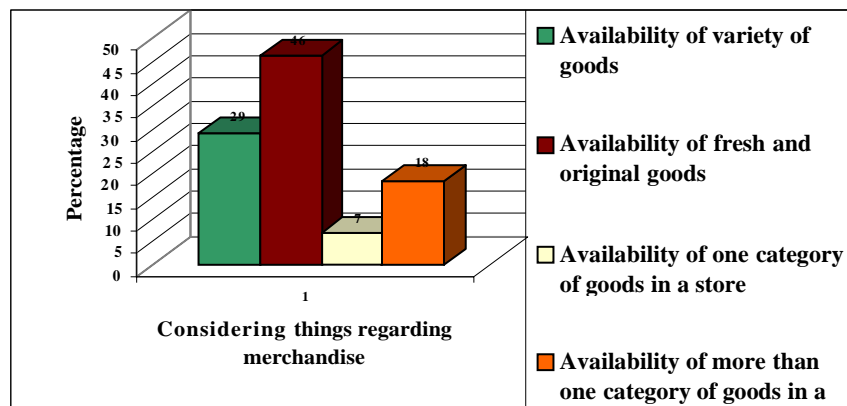
Figure 1 shows the overall preference for visiting shopping centers. From the figure it can be seen that 68 percent customers altogether do their shopping from modernized shopping centers (e.g., New market, Safe'n save, Minabazar and Aarong), on the contrary 32 percent respondents shops from traditional shopping centers/places.

**Table 4: Reasons behind choosing shopping centers/store**

Issues	Frequency
Availabilities of Fresh and original goods	61
Distance of the store /Shopping Center from home/working place	45
Reputation/image of the Shopping Center	42
Cheaper Price	39
Availability of variety of goods	38
Cleanliness and internal decoration of the store/Shopping Center	30
Surroundings of the store/Shopping Center	15

Source: Field survey, November 2005

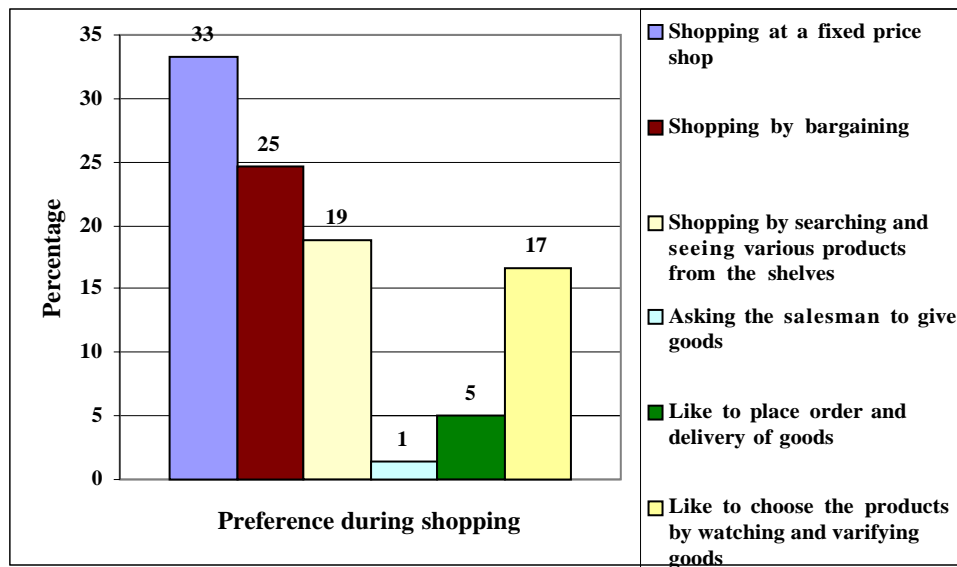
Table 4 shows the reasons for customers' choice in choosing shopping center on the basis of various characteristics of a shopping center. From the table, it can be seen that availability of fresh and original goods is the most important feature to the customers in choosing a shopping center. Distance of store from a customer's home/office is the second important criteria followed by reputation of the shopping center. Cheaper price and availability of variety of goods are the 4<sup>th</sup> and 5<sup>th</sup> important criteria respectively. The aspects regarding the internal and external environment looks comparatively less important to the customers as cleanliness and internal decoration of the store and surroundings of the store are the 6<sup>th</sup> and 7<sup>th</sup> criteria to the customers. The figure has not presented on percent basis as all of the customers have several choices.

**Figure 2: Considering shopping center on the basis of merchandise**

Source: Field survey, November 2005

Figure 2 represents the scenario of the customer's choice pattern in respect of availability of goods and from the figure it can be seen that customer give number one priority to availability of fresh and original goods followed by various categories of goods in choosing a shopping center. Availability of one or more than one categories of goods is important to insignificant number of customers.

**Figure 3: Customers' preference of shopping style**



Source: Field survey, November 2005

Figure 3 represents the customers' preference of shopping style. 33 percent customers prefer to shop at a fixed price basis whereas 25 percent customer prefers to shop by bargaining. 19 percent customer wants to search the desired product by seeing various goods whereas 1 percent customer wants to ask the salesman to provide the desired goods. 17 percent customer likes to choose the product by watching and verifying whereas 5 customers' like to place order and get delivery.

#### 4. Discussion

The study aimed to investigate the causes behind the consumers' choice pattern in shopping in between modernized shopping center and traditional shopping centers. After analyzing the data it can be seen that a good portion of the sample belong to middle-middle class, upper-middle class or upper class of the society as their average monthly income is more than ten thousand. But from the analysis it was clearly observed that (table 2 and table 3) those who have higher income majority of them like to shop from a modernized shopping center.



By discussing table 4 and figure 2, it can also be seen that availability of various goods and freshness and originality of those goods have got importance in choosing a shopping center.

After analyzing table 4, it can be seen that the interior facilities, cleanliness etc. has got some value to the customers. Moreover the surroundings of the shopping centers also have some value to the customers. But these issues seem not very important or significant in deciding for selecting or rejecting any shopping centers. The main reasons behind the condition may be that the customers' do not yet have enough options to choose or reject. Moreover the customers are habituated to shop from the traditional shopping centers where the environment and cleanliness is out of question. Therefore, they are satisfied with the present situations of the modernized shopping centers which normally are offering much better shopping environment. Table 4 also shows that reputation or image of the shopping center also have got significant importance among the customers.

## 5. Conclusion

From the overall discussion, it is observed that the customers are beginning to like the modernized shopping centers which have the similarities with western super market in style. But as these shopping centers are not cheap like western super markets therefore, they are basically attracting the middle and upper class people of the country. Availability of various categories of goods and freshness of those goods, interior facilities and cleanliness of the stores have got influence in choosing these types of shopping centers. Reputation or image of the store/shopping center plays an important role in attracting the consumers. Besides these, the majority of the consumers depend on traditional shopping centers and those who are lower income group, in most of the cases only bother about price of the product and they have only one choice left, to visit traditional shopping centers.

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