



## **Study of Consumers' perceptions about Malls and Traditional Retail Outlets**

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### **Introduction**

Cooperative marketing is not new to India. To get the economies of scale, Indian craftsmen and traders made shrenies or groups of similar products and trade during 6th and 7th centuries, (Romila Thapar, 1966). This was the basis of caste system. The villages during medieval and British period grew with cooperative trade. Cooperative marketing is just an extension and application of the philosophy of cooperation in the area of agricultural marketing. It is a process of marketing through a cooperative society, formed for the producers, by the producers. It seeks to eliminate the middlemen between the producer and the consumer, thus getting the maximum price for their produce (Singh, 2007). Kirana shops are traditional retail outlets in India. However with the advent of new cooperative marketing with modern all-facility malls, there is general perception that retails consumers are getting skewed towards malls and consequently Kirana stores are experiencing tough competition to retain their customers. The ICRIER study (2008), commissioned by the Department of Industrial Policy and Promotion, has said both large stores and neighbourhood Kirana shops can co-exist. Women activist and a politician, Margaret Alva, observed while addressing the silver jubilee celebrations of the FICCI Ladies Organisation (FLO). "The small Kirana shops and establishments run by women are being swept away by the mall culture," (The Hindu Business Line, July 7, 2008).

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This paper is an attempt to know consumers' perception of Malls and Kriana stores. Section II reviews the literature. Sections III sets objectives and attempts to frame hypotheses. Techniques of data collections and methodology have been explained in Section IV. Data has been analysed in section V. Section VI concludes with policy suggestions.

## **Section 2**

### **India's Market reforms**

India's market reforms have widely been portrayed as the inevitable consequence of "globalisation" As the reforms were intellectually continued with the liberalisation policies pursued by various past governments, this dispels concern that they were imposed on India by the international financial institutions (IFIs). Also the reforms were spearheaded by a small group of exceptionally able men who succeeded in winning over the unconvinced through the art of argument and persuasion. This suggests a robust consensus, among policy intellectuals, on not only the need for reform, but also a particular type of (neoliberal) reform, ( Mitu, 2008).

The paradigm was seriously questioned in the mid-1960s, when the country was confronted by a looming crisis in agricultural production. Policy makers were particularly alarmed at this time by India's increasing dependence on American food aid, and seemed prepared to undertake major revisions of the existing agricultural policy regime. The mixed economy was a compromise to adjust the opposing philosophies of right and left. (Mitu 2008)

Indira Gandhi's return as prime minister in 1980 is viewed as a step forward towards liberalisation. Though she did not come up openly in favour of open market, the market radicals who called for a comprehensive, multi-arena liberalisation of the entire economy, and a clear prioritisation of growth as the chief objective of development, were successful in convincing her in favour of liberalisation. It is this group that is often referred to as the "team" behind the reforms. The thrust of Indira Gandhi's reform lay in relaxing controls on the domestic private sector, which was seen as a route to enhancing growth. Privatisation, trade liberalisation and, more importantly, cutbacks in public investment and social spending were carefully avoided, with political-bureaucratic elites unprepared to abandon equity as an

overarching policy objective. A full, multidimensional paradigm shift to neo-liberalism was only one among several market-oriented reform options in the late 1980s. The market radicals' moment of triumph, however, finally arrived in 1991. They were catapulted into commanding positions in the formal government hierarchy, most notably in the prime minister's office (PMO) and the ministries of finance and commerce, ( Mitu, 2008).

India's market reformers have drawn strength from a "new breed of entrepreneurs" who, unlike the older generation of family-owned business, are confident in their ability to face global competition without the state's protection. These rising stars of India's "sunrise" industries (information technology, petro-chemicals and engineering) are also said to have developed superior means of communicating their objectives to policy elites through the creation of better, more professionalized institutions – such as the Confederation of Indian Industries (CII) – to represent their interests. The market radicals made common cause with the IFIs in their ambition to defeat opponents of a Washington Consensus style, pro-globalisation model of market reform, (Mitu, 2008).

### **Growth of Malls in India**

As economic reforms were continued by various governments year on year, the economy grew between 8 to 10 percent which resulted in improvements of income dynamics. These factors along with favourable demographics like increase in spending patterns are driving the consumption demand. Indian Retail Industry is ranked among the ten largest retail markets in the world. India is witnessing an unprecedented consumption boom. The attitudinal shift of the Indian consumer in terms of "Choice Preference", "Value for Money" and the emergence of organized retail formats have transformed the face of Retailing in India. The Indian retail industry is currently estimated to be a US\$ 200 billion industry and organized Retailing comprises of 3 per cent (or) US\$6.4 Billion of the retail industry. With a growth over 20 percent per annum over the last 5 years, organized retailing is projected to reach US\$ 23 Billion by 2010, (Singla et al, 2007)

Singla et al (2007) comment that India's retail sector is going to transform with a three-year compounded annual growth rate of 46.64 per cent, retail sector is the fastest growing sector in the Indian economy. Traditional markets are transforming themselves in new formats such as departmental stores, hypermarkets, supermarkets

and specialty stores. Western-style malls have begun appearing in metros and near metro cities, introducing the Indian consumer to a new shopping experience.

Consumers are attracted to malls because of the presence of well-known anchors, viz. department stores with recognized names. Anchors generate mall traffic that indirectly increases the sales of lesser-known mall stores. Lesser-known stores can free ride off of the reputations of better-known stores. Mall developers internalize these externalities by offering rent subsidies to anchors and by charging rent premiums to other mall tenants.

Eric (1998) estimates that anchors receive rent subsidy of no less than 72 percent than which non-anchor stores pay. Anchors pay a lower rent per square foot in larger malls (with several department stores) than in smaller malls (with fewer department stores), even though sales per square foot of anchors are the same in the two types of malls. In contrast, the sales and rent per square foot of other mall stores are higher in super-regional malls than in regional malls

### **Consumerism and Monetization**

The consumer culture has been gripping India and easy access to credit facility is one of the causes of overspending. This overspending many a time is the reason for the mismanagement of the personal finances and thus creates pressure on investment management of individuals. To investigate the effect of irresponsible use of credit card on compulsive buying among Indian consumers on their personal finances, a survey was conducted by Aggarwal et al (2004). After surveying 250 shoppers in the shopping malls like Shoppers' Stop, Lifestyle, Food World, Q-mart and other retail stores, selected for the study; it was observed that irresponsible use of credit cards facilitates the compulsive buying behaviour that ultimately is the cause for the mismanagement of personal finances, (Aggarwal et al, 2004).

### **Reforms and supply chains**

With the amendment of APMC Act which became the key factor in making organised retailing a viable proposition, direct sourcing of produce by organised retailers from the farmer was possible and this resulted in supply chain getting shrunk considerably by eliminating at least two or even three intermediaries. The rise of organised retailing

has shrunk the processed goods supply chain at both the front and back end. At the back end, the amended APMC Act enables the processor to buy produce directly from the farmer, bypassing the mandis. At the front end, the processor can supply goods directly to the retailer's warehouse or to the wholesaler's premises with the intermediate steps of central storage and reliance on the distributors eliminated. Further, the incentive to set up warehouses in particular states to benefit from the differential in sales tax rates will be phased out completely by 2010 and replaced by VAT. Under VAT, all transactions within the state as well as inter-state will be taxed at uniform rates, making supply chain shorter and more efficient, (Vijay Kumar et al, 2008).

The traditional retail industry consists of two basic formats: Kirana (mom and pop) stores and pushcart vendors. The Kirana stores are (typically) family-owned, small in size (100 sq ft and above), carry a limited number of items, and are run mostly by family members, supplemented with some hired help. There are approximately 12 million such stores in the country with perhaps half of them involved in food retailing. These stores generally cater to the customers within their neighbourhood. The pushcart vendors run their self-owned "mobile stores" and carry, for the most part single or a limited number of items. There is no pushcart vendor census data available but the total number of vendors could be a few million,(Vijay Kumar et al, 2008).

The organised food retailers deploy a number of formats ranging from gigantic hypermarkets at one end of the spectrum to the no-frills discount stores at the other end. They are distinguished by size, number of items carried, pricing strategies and customer segments targeted among others.

There are two main categories of supplying food articles: (1) Farm produce, such as fruits, vegetable, cereals, etc, which are grown and supplied by farms; and (2) processed goods that are supplied by the manufacturing and food processing companies.

In the traditional farm produce supply chain, the trader provides the link between the farmer and the commission agent at a mandi given the distances and the transportation requirements. The commission agent conducts the auction in the mandi with wholesaler as the buyer. Post-auction, the wholesaler provides the link between the mandi and the retailer and at each step, the intermediary marks up the price.

According to Vijay Kumar et al (2008), the Kirana stores can themselves form buying cooperatives to improve their bargaining power. They can also take up the organised sector on their offer to assist in utilising their backend supply chain. The most affected group, namely, traders and commission agents, would have to shift their business strategies and reorient their business model to the wholesaling or a processing format. They possess sufficient knowledge of the product, supply sources and customers to be able to execute such models. They would still have to join hands with other traders and commission agents. The government can also help with credit and tax benefits,(Vijay Kumar et al, 2008).

### **Clustering and Joint marketing in Retail Trade in USA**

Bohlin (2001) observed clustering of stores in Sweden retail trade market for a long time. In the modern age, the reflection of this trend could be observed in the city malls and big shopping centres. The fundamental reason for this phenomenon is thought to be –

- Economies of scale
- Time and travel cost benefit

Bohlin – (2001) attempted to find other reasons also. It was observed that the stores cluster in an effort to increase their individual visibility among consumers. The underlying presumption is that stores individually reach more consumers for the same marketing expenditure if they cluster. Following may be reasons for clustering:

- If stores cluster at a common geographical location, it's easier for the consumers to remember this address
- Provides greater opportunity for consumers to compare the stores' competing products and increase the knowledge of product characteristics
- As there will many products at the same place, consumers feel the risk of mistakes in their choices would be less
- The marketing cost of achieving the same visibility on it's own would be higher for an individual store if it tried to compete with cluster of stores

According to CPT, (central place theory), the stores cluster because of the cost minimizing behaviour of consumers and profit maximizing behaviour of stores, (Bohlin, 2001).

### **Comparative study of Arab Bazaars and Modern Retail Markets**

Lamierie et al (2006) compared two very different market forms: Bazaar, the typical market present in the Arab societies of Northern Africa and Middle East and the common retail markets existing in modern industrial societies, such as the Mall. They observed that in the Mall, standards of measure and weight are formalized and well defined, traded goods are homogeneous and price information is public, since shop retailers use a posted-price mechanism and the transactions are mostly impersonal. On the contrary, in the Bazaar there are not well defined and formalized standards of measure and weight and traded goods are often not homogeneous. Price information is not public, in the sense that retailers do not post prices of products, and the transactions are mostly interpersonal. These characteristics lead to the emergence of the two most peculiar Bazaar institutions: clientelization and bargaining. Clientelization is not simply the emergence of loyalty of some buyers for specific sellers. As in a trading relationship based on interpersonal transaction, clientship between traders is a reciprocal matter, since it ties both the buyer and the seller, one to each other. As clientelization, bargaining usually develops in the presence of economic interpersonal transactions; price setting is the main objective of bargaining and traders.

In the case of the Mall, the price dynamic led to the competitive price, while in the Bazaar, the price dynamics prove that bargaining and clientelization may be effective communicative mechanisms for coordinating information among market participants as the Mall institutions. However, to obtain such result perfect clientelization between traders is required. Eventually, Bazaar institutions proved to affect negatively the stability of the market minimum price, once reached. This drawback sheds light on the information costs of lock-in effects burdening the buyers within stable client relations, (Lamieri, et al 2006).

### **Economics of Rents**

Shopping centres in malls involve, a "business partnership" between the mall owner, mall tenants, and the department stores. The lease agreement between the mall owner and the tenants includes a return to both real estate and business enterprise components. That is, tenants pay for both space (land and building) and to be part of the business enterprise. Jeffery et al (1990) did an empirical test with data provided by Rouse Company. Malls which were surveyed were located in New York. When a shopping mall or major shopping centre is sold, the purchaser acquires land and buildings, fixtures (including those that revert to the owner at the end of any leases), an established name and reputation, an established (but continually evolving) mix of tenants and character or theme, operating agreements with anchor tenants or with major stores on their own "pads" within the area of the shopping centre or mall site, and an operating management staff on site and in place. A successful mall developer/owner has the management expertise to attract anchor tenants who sign operating agreements (agreeing to operate in the mall under their trade name for a specified number of years). Furthermore, the developer/owner creates a balanced tenant mix in the rest of the mall, including certain national tenants with trade names, attracts customers and, through advertising and promotion, creates an image for mall. All of this ultimately shows up in the market "rental" of mall tenants. This rental includes a return on both realty and non-realty interests.

When the lease is up for renewal, if a tenant has not been successful, his lease may not be renewed. If a tenant has been successful, his lease will be renewed. The mall owner would clearly like to continue to capture some of the going concern value created by the tenant, and can do so by setting a new base rent at a level *higher* than would be paid by a new tenant coming into the mall. The tenant will be willing to pay this higher rental because the tenant does not want to leave the mall and lose the going concern value that has been created. With lease renewals for successful tenants, the mall owner is able to capture some of the going concern value being generated by a tenant's business through lease premiums. This results in an aggregate business enterprise value for the mall, (Jeffery et al, 1990).

### **Section 3**

#### **Objectives of the study**



After going through the literature, the following objectives have been set for further study:

1. To know consumers' perceptions about malls and Kirana shops
2. To study the demographic profile of the urban consumers who visit malls and Kirana shops.
3. To find out factors which attract consumers most to malls and Kirana shops.

Following hypotheses will be tested

- a) Younger groups prefer going malls frequently
- b) Higher income groups frequently go to malls

### **Section 3**

#### **Research Methodology**

To achieve the objectives, 625 housewives were surveyed in Mumbai with 29 close ended questions and 2 open ended questions. Out of 29 questions 9 were for demographic purposes and 10 with likert scale each for Malls and Kirana shops to know the perceptions of respondents. Entire Mumbai was divided into two parts Mumbai and Navi Mumbai. Mumbai was further divided into five parts South Mumbai (South of Dadar and Wadala, with 50 samples), Central Suburb (Dadar to Thane with 100 samples), Western Suburbs (Bandra to Virar with 100 samples), Harbour Suburbs (Wadala to Mankhurd with 100 samples) and Thane (with 50 samples) keeping in mind the population concentration. It was further decided that 200 samples would be collected from Navi Mumbai area. Data was collected by students of VES Institute of Management Studies and Research and EMBA students of ITM, Kharghar Mumbai with convenient sampling frame. Data so collected was edited for any minor missing items with averages, coded, and tabulated for further analysis.

Chi Square test is conducted to test if any consumer group has any preference on demographic basis.

Factor analysis was conducted to reduce the number variables to find out important factors based on coded Likert scale.

## Section 4

### Analysis and Results

Out of 625 survey forms only 496 were found to be valid with all arrays filled in, except 28 forms where the data was filled with average values.

Table 1 to 5 show the demographic frequencies of the respondents. Table 1 shows 225 persons out of 496 go to malls once in week However  $\chi^2$  test shows that there is no preference of any income group with frequency of mall visits. Similarly family income and percentage shopping are not related as per  $\chi^2$  test. Similarly people frequently visit Kirana shops but the visits have nothing to with family income (as shown in table 3 and 4). It was further seen visits to malls is not related to any age group.

Table 1

Number of Respondents Visiting Malls

Family Income	Once in Three Month	Once in One Month	Once in A week	Twice in week	Thrice in a week	Total
Less Than 1.5	7	12	24	8	7	58
1.5-3 lakh	5	30	73	21	14	143
3-5 lakhs	1	24	60	37	5	127
Greater than 5 lakhs	2	20	68	53	25	168
Total	15	86	225	119	51	496

Table 1 Chi square calculated .000029 statistically not significant (Table value for 12 DF = 21.026)

Table 2

Family Income and Shopping percentage in malls

Family Income	<20%	20-40%	40-60%	60-80%	80-100	Total
Less Than 1.5	25	10	6	5	12	58
1.5-3 lakh	45	48	17	23	10	143
3-5 lakhs	41	34	15	21	16	127
Greater than 5 lakhs	40	27	33	31	37	168
Total	151	119	71	80	75	496

Table 2 Chi square calculated .00015 and table value 21.026

Table 3

Number of Respondents Visiting Kirana Shops

Family Income	Once in Three Month	Once in One Month	Once in A week	Twice in week	Thrice in a week	Total
Less Than 1.5	4	5	13	10	26	58
1.5-3 lakh	13	10	36	33	51	143
3-5 lakhs	16	1	31	37	42	127
Greater than 5 lakhs	12	5	50	45	56	168
Total	45	21	130	125	175	496

(Table 3 Chi square calculated .1158 statistically not significant)

Table 4

Family Income and Shopping percentage in Kirana shops

Family Income	<20%	20-40%	40-60%	60-80%	80-100	Total
Less Than 1.5	12	8	6	6	26	58
1.5-3 lakh	19	25	22	39	38	143
3-5 lakhs	19	20	16	38	34	127
Greater than 5 lakhs	37	37	35	26	33	168

5 lakhs						
Total	87	90	79	109	131	496

Table 4 Chi square calculated .00070 statistically not significant)

Table 5  
Age Group going to Malls

Age	Once in Three Month	Once in One Month	Once in A week	Twice in week	Thrice in a week	Total
<21	0	0	3	3	0	6
21-30	11	36	124	64	30	265
31-40	2	17	49	35	12	115
41-50	2	22	30	12	5	71
50+	0	12	18	8	1	39
Total	15	87	224	122	48	496

Table 5 Chi square calculated .00000 and table value 21.026

### Consumer perceptions about malls

All 496 respondents responded 10 questions each on malls and Kirana shops why they like malls and Kirana shops. Respondents were asked to give their preference on likert scale for each question. Means and standard deviations for malls and Kirana shops have been given in table 6 and table 9. Factor analysis are shown in tables 7 and 10

#### Malls

Table 6 depicts the mean, standard deviation and t-values of each question. Highest t-value is for question no. 2 which says ‘ In malls, I have freedom to window shop”, Next highest t value is for question number 1 which states that ‘In malls, the standard of weights are well defined and price information made public” Mean of question number 9 is negative and statistically insignificant which means inn general people feel that there is no home delivery of goods by mall owner. As this question is statistically insignificant we should drop this question for further analysis.

Table 7 shows the results of Factor analysis of Malls Questions by Principal Axis factor method. Factor number 1 has eigen value as 2.823 and factor 2 has eigen value.

1.1 77. Based on eigen value these two factors explain 44% of variation, but sum of squared loadings is only 0.510 for factor two with only 5.6% of the variation. Hence Factor 1 is significant. After factor one, the slop almost flattens. So, only one factor is taken for further discussion. Factor 1 has three important variables – Question no. 2, 8 and 3 as follows

1. In malls, I have the freedom to window shops
2. I like the comforts, ambience and experience in malls
3. In malls, I am left on my own make buying decisions and am under no pressure to buy.

The significance of above variables is the confirmation whatever has been shown in table 6. The Factor 1 is being named here as ‘**Awe factor with freedom**’

Table 6

Descriptive Statistics of questions for Malls

Descriptive Statistics for Malls				
	Mean	Std. Deviation	Analysis N	T-Values
MallQno1	.83	.906	496	20.51455
MallQno2	1.27	.715	496	39.71622
MallQno3	1.08	.988	496	24.39428
MallQno4	.35	1.268	496	6.233632
MallQno5	.77	.952	496	17.9178
MallQno6	.31	.920	496	7.613998
MallQno7	.63	.983	496	14.21049
MallQno8	1.02	.809	496	28.0915

MallQno9	-.08	1.057	496	-1.61417
MallQno10	.56	.921	496	13.54834

**Table 7** Total Variance of questions for Malls

**Total Variance Explained**

Factor	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.823	31.371	31.371	2.159	23.987	23.987
2	1.177	13.075	44.446	.510	5.670	29.657
3	.966	10.732	55.178			
4	.905	10.054	65.233			
5	.758	8.421	73.653			
6	.682	7.582	81.235			
7	.653	7.259	88.494			
8	.581	6.461	94.955			
9	.454	5.045	100.000			

Extraction Method: Principal Axis Factoring.

**Table 8** Components of factors for Malls

**Factor Matrix<sup>a</sup>**

	Factor	
	1	2
MallQno2	.663	-.404
MallQno8	.604	
MallQno3	.516	-.218

MallQno5	.488	.276
MallQno10	.473	.242
MallQno1	.460	-.106
MallQno7	.441	
MallQno4	.336	.314
MallQno6	.326	.233

Extraction Method: Principal Axis Factoring.

a. 2 factors extracted. 18 iterations required.

### **Kirana shops**

Table 9 describes the means, standard deviation and t-values of questions asked to same Kirana shops. The highest t values is for question no.9 ( In Kirana shops I the option to buy customized small quantities). Next to that are two questions number 7 and 3 which state that they deliver the grocery at home and grains can be seen and felt before buying.

Question no. 6 and 10 have negative means but statistically significant. People feel at Kirana shops they donot get new products earlier than we see its malls and salesmen do not explins the features of the products, though the mean values are very miniscule but their statistical significance cannot be ignored.

Table 10 shows the results of factor analysis by Principal Axis Fcatroing method. As per eignen value two components can be drawn. However the component number 2 has only 0.906 as sum squares loading and has only 9.06% percentage variance loading, so factor 1 is purposed for further discussion.

Table 10 shows the factor matrix which shows that factor 1 has 4 important variable as question number 4, 9, 3 and 5 which state that consumer get personal attention, the can buy customized small quantities, they can feel the products and buy, they can buy range of products included unbranded. This new component having all four variables has been renamed as '**person customized buying**'.

**Table 9 Descriptive Statistics of questions for Kirana Shops**

	Mean	Std. Deviation	N	t-values
KiranaQno1	.20	.995	496	4.513726
KiranaQno2	.32	1.055	496	6.679834
KiranaQno3	.85	.779	496	24.20994
KiranaQno4	.73	.948	496	17.24035
KiranaQno5	.14	.936	496	3.31105
KiranaQno6	-.15	1.015	496	-3.31882
KiranaQno7	1.03	.863	496	26.69987
KiranaQno8	.66	.927	496	15.89248
KiranaQno9	1.03	.708	496	32.51533
KiranaQno10	-.40	.855	495	-10.4631

**Table 10 Total Variance of questions for Kirana shops**

**Total Variance Explained**

Factor	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.058	30.584	30.584	2.424	24.241	24.241
2	1.534	15.338	45.922	.906	9.061	33.302
3	.980	9.802	55.725			
4	.887	8.868	64.592			
5	.755	7.548	72.140			
6	.717	7.168	79.308			



7	.577	5.770	85.079		
8	.542	5.417	90.496		
9	.504	5.041	95.537		
10	.446	4.463	100.000		

Extraction Method: Principal Axis Factoring.

Table 11

Components of factors for Kirana shops

**Factor Matrix<sup>a</sup>**

	Factor	
	1	2
KiranaQno4	.667	
KiranaQno9	.579	-.421
KiranaQno3	.550	-.213
KiranaQno5	.521	.363
KiranaQno7	.503	-.310
KiranaQno6	.492	.461
KiranaQno8	.459	-.123
KiranaQno1	.413	.138
KiranaQno2	.373	.114
KiranaQno10	.235	.436

Extraction Method: Principal Axis Factoring.

**Factor Matrix<sup>a</sup>**

	Factor	
	1	2
KiranaQno4	.667	
KiranaQno9	.579	-.421
KiranaQno3	.550	-.213
KiranaQno5	.521	.363
KiranaQno7	.503	-.310
KiranaQno6	.492	.461
KiranaQno8	.459	-.123
KiranaQno1	.413	.138
KiranaQno2	.373	.114
KiranaQno10	.235	.436

Extraction Method: Principal Axis

Factoring.

a. 2 factors extracted. 9 iterations required.

## Section V

### **Conclusions**

India's market reformers have drawn strength from a "new breed of entrepreneurs" who, unlike the older generation of family-owned business, are confident in their ability to face global competition without the state's protection. The rise of organised retailing has shrunk the processed goods supply chain at both the front and back end. The traditional retail industry consists of two basic formats: kirana (mom and pop)

stores and pushcart vendors There are two main categories of supplying food articles: (1) Farm produce, such as fruits, vegetable, cereals, etc, which are grown and supplied by farms; and (2) processed goods that are supplied by the manufacturing and food processing companies.

The fundamental reason for clustering of stores takes place due to two main reasons  
a) Economies of scale and b) Time and travel cost benefit

In the case of the Malls, the price dynamic leads to the competitive price, while in the Bazaar, the price dynamics prove that bargaining and clientelization. Shopping centres in malls involve, a "business partnership" between the mall owner, mall tenants, and the department stores. The lease agreement between the mall owner and the tenants includes a return to both real estate and business enterprise components which may not allow the benefits of economies scale to consumer.

India is witnessing an unprecedented consumption boom. The economy is growing between 8 to 10 percent and the resulting improvements in income dynamics along with factors like favorable demographics and spending patterns are driving the consumption demand.

This paper attempted to know the consumers' impressions about malls and Kirana shops so as to juxtapose the theory with real life observations. 496 housewives from various areas of Mumbai were surveyed The analysis revealed that all types of people visit malls. There is no specific segment which visits malls. All types of people irrespective of age or income visit mall. People buy from malls as well as from Kirana shops. There is no specific pattern. However people go to malls due to Malls' ambience and window shopping freedom. The reduce factor has been named as 'awe factor with freedom'

Consumers get personalized attention at Kirana shops and can buy after feeling the products . At Kirana shops they they can buy range of products included unbranded. This new component having all four variables has been renamed as '**personal customized buying**'.

A further study is required to know how awe factor is working for malls and personalized customized sales of Kirana shops help them to increase their revenue.

Thanks are due to Prof Hemant Joshi, Director, VESIMSR who provide conducive environment for the study. Thanks are due to all MMS students whos names have been given in Appendix B who took active part in this research project including survey.

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