



EMERGENCE OF SHOPPING MALLS AND ITS IMPACT ON TRADITIONAL SHOPKEEPERS IN INDIA

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Abstract

In recent years, India's retail sector has seen a dynamic refurbishment and quick growth. In terms of economic development, India has the best prospects in the retail industry. Investment in the retail sector has expanded from all over the world, and India has emerged as a hotspot for retail investment, particularly in the form of foreign direct investment (FDI). In India, retail infrastructure has seen continuous growth in the construction and operation of shopping malls in various cities. The influence of shopping malls on traditional shopkeepers in India is discussed in this study. Shopping malls are increasingly becoming symbols of fashion and a new way of life for the younger generation. Today customers not only go for shopping but there are so many purposes. Today the need of consumers changed up to a great extent, they want everything under one roof with less effort in best prices. As a result, shopping malls now contribute more to business than other sorts of unorganised industries. Shopping malls entice customers and sellers by offering a diverse range of options and shopping experiences. The way people shop at malls is changing dramatically. Small businesses and shopping centres are competing for clients in a strategic way. Shopping has evolved into both a need and a way of life. Consumers are finding it easier to purchase at malls because there are more options. The weaknesses of existing small retails, on the other hand, include a lack of sufficient money, poor literacy, expertise, a lack of strategic decision, and a lack of application of contemporary technology. The information is gathered using both primary and secondary data. Customers are increasingly drawn to shopping malls, posing a major danger to small businesses.

Key Words: *Shopping malls, Traditional Shopkeepers, Consumer Behaviour.*

Introduction

Super-malls are rapidly displacing kirana shops across India. Lifestyle marketing is the process of developing connections between market products and specific lifestyle groups. Lifestyle is a distinct manner of behaviour that distinguishes one part of the population from another based on activities, interests, opinions, attitudes, and demographic features. The sum of a consumer's contacts with his or her environment is referred to as his or her lifestyle. Many shoppers shop in neighbourhood 'kirana' stores, often known as India's mom and pop shops. However, India's retail infrastructure is steadily changing, with many hi-fi super-malls being built and operating across the country. The shopping mall concept is here to stay. When moving from 'kirana' stores to shopping malls, the Indian consumer appears to be undergoing a personality transition in terms of buying reasons, interests, attitudes, beliefs, and values. In this context, it is critical to investigate consumer purchasing habits in India, particularly in light of recent developments in India's retail landscape.

The shopping mall is a worldwide phenomenon with origins in ancient outdoor bazaars. The modern shopping malls began in the early twentieth century and have since expanded to cover India's major cities in a variety of organised retail forms such as big bazaars, hypermarkets, supermarkets, retail giants, and life styles stores. Different sizes of shopping malls were thus created to meet different needs.



Shopping mall, also known as a shopping centre, shopping arcade, or simply mall, is a complex of shops representing merchandisers with interconnecting walkways that allow visitors to easily walk from unit to unit, as well as a parking area. It is a modern, indoor version of the traditional marketplace. The shopping centre has evolved into a trendy, vibrant, and bright life centre that caters to a wide range of customer needs. The competition between retail malls has become ferocious. Customers' attitudes regarding organised retail market segments have shifted as a result of higher income levels, a robust economy, changing customer behaviour, demand, and changing life styles and purchasing habits. The shopping mall is now more than just a place to buy; it's also a source of family entertainment, a social gathering place, and a cultural hotspot where people of all ages can mingle. A shopping mall is a place where you can get everything you need in one place. It provides us with the comfort of shopping. For someone who has lived in large cities, a trip to a shopping mall is always stimulating. The shopping mall was divided into several sections. Each area has a slew of customers.

Many early shopping arcades, such as London's Burlington Arcade, Milan's Galleria Vittorio Emanuele II, and other arcades in Paris, are well-known and remain in operation. Many smaller arcades, on the other hand, have been dismantled and replaced with huge shopping facilities or "malls," which are typically accessible by car. From the late nineteenth century onwards, technological advancements such as electric lights and escalators were installed. Entertainment establishments such as movie theatres and restaurants began to be added in the late twentieth century. Early shopping centres were frequently aesthetically notable structures as a single erected structure, allowing wealthy consumers to buy goods in weather-protected rooms. Movie theatres and restaurants are frequently included as well. The concept of a "mall" or bazaar with multiple stores in one area, potentially covered, has a long history and has benefited people from all walks of life. Small business owners who are unable to afford the higher rents charged at new malls lose consumers. While consumers may find huge shopping malls convenient, the abundance of items may persuade them to spend more than their budget allows.

Shopping malls have the greatest potential for development in India. Consumers can shop at shopping malls from a variety of establishments that offer a diverse range of items and services. Most shopping malls in India supply all essential products for customers based on their expectations, such as pricing, product availability, product quality, availability of all brands, product packaging, store appearance, and so on. Because the physical sight of the products must be good, and the client must be able to feel the object, the key to product acquisition is created. The atmosphere of the malls must have features such as air conditioning, windows, place for amusement, food courts, theatres, and game facilities, among others, that encourage customers to return to the malls. It also signalled the beginning of a new urbanisation model in which everything was delivered to the consumer in his preferred environment. Customers say malls, supermarkets, and hypermarkets are well-organized and have no quality issues, that the variety of choices and value-for-money deals make them happy, that the atmosphere is pleasant, that there are better deals across categories with more choices, that they get everything under one roof, and that they get good deals on bulk buying while still having more variety. All of India's main cities and towns are sprouting organised retail chains and mall establishments.

Significance of the study

Small retail businesses in India are impacted by shopping malls. Retail is a lifeline for a large portion of the population, as it generates cash and provides jobs in the area. Increased rivalry from shopping malls is wreaking havoc on the retail industry. Malls have a lot of money, labour, and other infrastructure. As a result, it is critical to comprehend the influence that the expansion of giant shopping malls has on



small businesses. As a result, the purpose of this study was to investigate the impact of big shopping malls on small retail businesses in India.

Objectives

- To investigate the development and expansion of retailing.
- To identify advantages and disadvantages of organised and unorganised retail sector.
- To gain a better understanding of the future of unorganised small merchants and organised retail outlets.

Scope

This study focuses on customers, buying through traditional stores as well as from malls. Both the shopping modes have their own advantages and disadvantages. So this study will help customers as well as seller (kirana and mall) to understand the buying behaviour and the future of malls as well as traditional stores.

Research Methodology

Secondary data is used to write this paper. The source of secondary data is published books, research papers, journals, news papers, magazines, internet and official documents. The paper is qualitative in nature.

Analysis

Unorganised retail

Local kirana shops, owner-operated general stores, pharmacists, clothes and footwear shops, paan and beedi shops, and other small shops and retailers make up India's unorganised retail sector. India has the world's largest retail outlet density, with 11 stores per 1000 inhabitants. Only 4% of them, however, have a space larger than 500 square feet. This category of 'Unorganized Retail' also includes street sellers, sidewalk vendors, hand cart vendors, and hawkers. According to the Ministry of Housing and Urban Poverty Alleviation, India has over 10 million street vendors, including 250,000 in Mumbai, 200,000 in Delhi, more than 150,000 in Kolkata, and 100,000 in Ahmedabad. The majority of these people are immigrants or laid-off workers who labour 10-12 hours every day on average. The primary characteristics of this type of retail business are a low requirement for skills or education, a low initial investment (money, land, and labour), and the ability to work for yourself. In addition, the unorganised retail business has little entrance obstacles.

Fruit and vegetable sellers/vendors, kirana stores selling cereals, pulses, spices, home and personal care items, beverages, bakery and dairy products, and other market segments make up the unorganised retail sector. This group also includes small and disorganised clothes and footwear stores, stationary stores, and furniture and hardware stores.

Food retailing is an important part of the global retail business. The growth rate of the food retail sector was expected to be approximately 30%, making it an essential driving force for the retail business. The shift in terms of living styles, tastes, more disposable income, and the desire for convenience, among other factors, drew huge corporations to this sector, which invested in the country's food retail industry, which has now grown to become the largest section of India's retail sector. Fruit and vegetable sales are very popular among street vendors and pushcart merchants. According to this data, a large portion of India's food and grocery retail is unorganised.



Advantages of unorganised retail

Inexpensive cost structure, low real estate, and labour costs are advantages for the unorganised retail sector or traditional retailing. Furthermore, the accessibility of the location, credit sales, flexible timings, home delivery service, and close familiarity with all regular customers are major advantages. Traditional merchants' strengths, according to Kohli and Bhagwati (2011), lay in the user-friendly services they deliver. They accept product returns, exchange broken goods, give credit to frequent customers, propose things to clients based on their preferences, recommend new products to them, and occasionally allow negotiation.

Organised Retail

The word "organised retail" refers to a variety of retail formats, including hypermarkets, supermarkets, superstores, discount and convenience stores, specialty stores, department stores, and so on. Over the previous decade, Future Group, Tata Group, and Reliance Group have all entered the retail sector. They have built organised retail chains and are always working to expand them. They've gotten into the food and grocery retail business, and they're working hard to attract more customers by using a pricing mechanism (lower prices) and a variety of schemes and offers. Furthermore, international companies have always been eager to invest in and operate in the Indian retail industry.

According to a recent joint report by Deloitte and the Retailers Association of India (RAI), as Internet penetration rises in India and more international retailers set up shop, the organised retail market share will rise from about 12% in 2017 to about 22-25 percent by 2021, fuelled in part by the e-commerce market's growth from \$24 billion in 2017 to \$84 billion in 2021. The report attributes the e-commerce market's growth to reasons such as rising Internet penetration and smart phone usage, among others.

Advantages of organised retail

Customers benefit from organised retail because they have access to a larger assortment of items, as well as greater convenience and a better shopping experience. The organised retailer can be found in a variety of formats and locations, ranging from a tiny neighbourhood in a small town or city to a high-tech, air-conditioned mall. As a result of its widespread presence, it serves a large number of clients. Here customers get competitive prices in a single location. It provides economics of scale to retailers also. It creates employment opportunities.

Findings

Both the industry, organised and unorganised developing side by side as both has their advantages and disadvantages. India has a great population and having great diversity among customers. In today's commercial world, customer relationship management is one of the most significant elements. Retailers who aren't organised are already known for providing personalised service. Traditional retail's strengths are credit sales, on-demand product provision, and home delivery service, all of which draw customers in. If traditional retailers wish to keep their stronghold on the retail sector, they must first understand the needs of the people who live in that town. Stores that have a clear and comprehensive awareness of their customers' needs and market changes will be able to keep up with the growing competition. After agriculture, traditional retail is India's most important source of employment. Despite this, this industry lags behind in terms of efficiency, which has an impact on customer satisfaction. Apart from this organised retail sector has many advantages like a complete destination for shopping. Customers benefit from organised retail because they have access to a larger assortment of items, as well as greater convenience and a better shopping experience. Even though organised sector impacted the unorganised sector little a bit, unorganised sector has its own importance so both the sector has great future.



Conclusion

Clearly, organised and unorganised retail sectors each have their own strengths and shortcomings, and few experts believe they will always coexist and thrive together, at least for a few generations. However, according to a few studies, organised retail has already begun to influence unorganised shops, and a small number of traditional retailers are fighting to stay afloat. Because organised retail is constantly attempting to develop, disorganised retail may face serious difficulties in the long run. To cope with this issue of rivalry between these two competitors in India's retail business, a timely and in-depth understanding of the current scenario is required. More local level studies are needed, with both quantitative and qualitative research, because the situation varies from one location to the next. Single answer does not fit everywhere. There are measures and innovative procedures that can be performed to meet the demands and requirements of unorganised retailers in various areas.

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