Theme: Customer and Market Focus

Study On Factors Of Shopping Mall Attractiveness That Influenced Decision-Making In Choosing A Shopping Mall: A Structural Equation Modeling (SEM) Approaches

KHAIRUL ANUAR MOHD ALI
UKM-Graduate School of Business, National University of Malaysia
Universiti Kebangsaan Malaysia, 43600 Bangi, Selangor, Malaysia
Email: kabma@ukm.my

MAIN NASER ALOLAYYAN
Department of Quality and Productivity Improvement,
Universiti Kebangsaan Malaysia, 43600 Bangi, Malaysia

Abstract:
With the rapid economic expansion in Asian countries, consumer behavior in these countries also tends to change along with the economic prosperity. The aim of this study is to investigate the factors of malls attractiveness that will influence consumer decision-making in choosing a shopping mall for shopping or buying goods and services. The first objective of the study is to identify the factors of mall attractiveness that will influence consumer decision-making for choosing a shopping mall. This study also try to show which factors of mall attractiveness is more influencing in consumers decision making in choosing a shopping mall. Apart from that, this study also try to determine the differentiation of factors in influencing decision-making among respondents based on gender, age, ethnic, marital status, education level and monthly income. Questionnaire survey was used as method data collection. The finding shows that the Entertainment, Variety, Mall Essence and Design are the main factors that influences consumer in choosing a shopping mall. The finding indicates that tenant diversity in shopping centre, physical environment of shopping centre have a significant impact on the extent of motivation in choosing a shopping mall.

Authors’ Biographies
Khairul Anuar Mohd Ali is a lecturer in Quality Management and has published numerous journal articles and conference papers examining the broad areas of TQM, Operation Flexibility, ISO9000 and Service Quality.

Main Naser Alolayyan is a PhD student exploring Structural Equation Modelling (SEM) Approaches.

1. Introduction
With the rapid economic growth in Asian countries, consumer behavior also tends to change along with the economic prosperity. People tend to sense “comfortable, easy and pleasant” in shopping experience especially to shopping malls environment. Therefore there is an increasingly high demand for shopping malls and the transformation of shopping malls environment.

Ahmed et al. (2007) believes that shopping centre is a place to socialize and for recreation. There are various purposes for consumer visiting shopping centre which are to do shopping, entertainment, to rest, spend time with friends etc. Shops, food court, restaurants, cinema, children's games area, interactive entertainment, social use areas, relaxation places and promotion areas now become a major
component in shopping centre (Terblanche 1999). In fact, shopping malls play a key role to show consumer's life style (Terblanche 1999). They not only a centre for shopping but also is a community centre for social and recreational activities (Ng 2003). Shopping behavior are context specific; the motive and behavior is different when a consumer is shopping for a gifts as compared than those who are shopping for groceries (Dholakia 1999). Bodkin and Lord (1997) had expressed the main reason of consumer choosing a shopping centre is because of the facility be apart from having specific shop, attractive service and pricing. Bloch et al. (1994) states that atmosphere of a shopping centre affect on consumer emotion. This research also showed that shopping centre is not only used to buy daily things, it also used to do other activity such as entertainment.

Therefore, this study focused on the attractiveness of a shopping centre that can affect the consumer intention to choose which shopping centre to go for shopping, buy things or the services. This study could give some suggestion and help the management of the shopping centre to provide a better service which can satisfy consumer needs and have a good environment and atmosphere for consumers so that they are able to compete in the market. The objectives of this study are:-

i. To identify the factors of mall attractiveness in a shopping centre which can influenced consumer decision making in selecting a shopping centre.

ii. To determine the factors of shopping mall attractiveness which can influence the consumer to visit the shopping centre based on demographic factors.

This study focus on shopping centre attractiveness that will influence consumer behavior in choosing a shopping centre to visit. Focus will be given to seven key factors that will affect shopping mall attractiveness, and consumer decision-making in selecting a shopping centre. This study intent to identifies description of shopping mall attractiveness which can influence consumer in their decision-making process.

2. Literature Review

Shopping centre provide a systematic way in order to meet individual or family demand into one place, shop or shopping centre which have variety of business at the same area. Apart from satisfying consumer requirements on shopping, shopping centre can also provide variety of services in order to meet consumer satisfaction which are entertainment, rest and cultural needs (Pride & Ferrell 1983). Past study on consumer choice in shopping centre also indicate social need and value such as entertainment and comfort that will influence consumers decision making (Michon & Chebat 2004).

2.1 Shopping mall attractiveness

Ismail (2006) states that in term of shopping centre attractiveness, the management of shopping centre should provide comfort to consumers. Among the factors were space of parking, comfortable place for consumers rest, security in the shopping centre and aspect of cleanliness in shopping centre. Concept of “branding” is noted in consumer products, Dennis et al. (2002a) show the techniques to measure brand image could be used for shopping centre and may determine customer satisfaction and commercial success to shopping mall (Dennis et al. 2002b).

According to Alessandro and Maria (2006), entertainment orientation should based on four dimensions which are:-

1) the number of entertainment facilities offered
2) the space used for entertainment facilities as a proportion of the total gross leasable area of the centre
3) the proportion of full- and part-time employees involved in entertainment services
4) the proportion of consumers who visit the shopping centre outside the opening hours of the stores (that is, visitors who use only entertainment facilities).
Study were made recently on major and selected shopping centre stressed that the important it’s having entertainment, food court and facility which can attract and can enhance consumer visit (Sirpal & Peng 1995; Wong & Yu 2003). Entertainment facility also endorsed by Bloch et al. (1994) that shopping centre was a spot not just for shopping in fact also used for other activity such as for entertainment. According to Wong and Yu (2003), consumer perceptions on store image in a shopping centre play an important role to determine its success.

2.2 Shopping behavior
Motivation defined as ‘an internal drive which reflects rise of achieving goals or a goal’ (Arnold & Reynolds 2003). In the shopping context, motivation was an attraction to consumers for doing shopping inside the shopping centre. Bloch et al. (1994) have identified seven dimensions of shopping malls that collectively explain consumers’ motives for visiting malls. These dimensions are aesthetics, escape, flow, exploration, role enactment, social and convenience. Arnold and Reynolds (2003) focus that the shopping motivation is like hedonic which including adventure shopping, social shopping, shopping satisfaction, modern shopping, role shopping (to get pleasure) and value of shopping. Jason et al. (2003) said there are three major motivation factors which influenced consumer behavior namely thrill seeking, escapism and socializing. Comprehension of this motivation would give management a useful idea or information to develop a pleasure in the shopping mall. Past studies on shopping motivation proposed that consumer not only involved with use of goods or service, but also with the emotional satisfaction. Therefore, shopping motivation could be categorized into two-dimensional namely ‘motivation oriented use’ and ‘experience motivation’.

2.3 Past studies
According the research done by Sirpal and Peng (1995) which state that a shopping centre which have a food court will increase the consumer percentage that they make a first time visit to the shopping centre. Shopping centre atmosphere, diversity, and involvement by consumer should include in excitement. Environmental factor in shopping centre has various effects on excitability with desire to stay in shopping centre (Wakefield & Baker 1998).

Shaked (2009) stated that have four types of user will visit a shopping centre namely Disloyal, consumer which possess specific tasks (Minimalists), consumer give priority to family (Family Bonders) and shopping centre lover (Mall Enthusiasts). Working women would consider worker's behavior be vital in evaluating their experience. This may have been caused by higher expectations of working women. Housewife has dropping heavy on accessibility (Nusser et al. 2008). Greg et al. (2008) said happy or sad music are directly influence purpose of consumer shopping while felt like or disliked music is marginally important. Purpose of shopping would be vital especially during shopping which can hear happy music and being liked. Herrington and Capella (1996) said music can create one distinctive image and develop a good position in market. Consumer evaluated shopping centre which have unique design or architecture, entertainment (example, theatre and playground), and attractive restaurants is emphasized in central business district (Yan & Eckman 2009).

3. Methodology

3.1 Research model
Based on determination of last studies in shopping centre attractiveness, there had been seven dimensions can be decided and adapted through Wakefield and Baker (1998) and Ismail (2006). These factors divide to two dimensions namely tenant diversity in shopping centre and physical environment. In dimension of tenant diversity shopping centre it having 3 factors which are variety, mall essence and entertainment and dimension in physical environment of shopping centre constitute four factors namely architecture, design, comfort and ambient.
3.1.1 Variety
This factor show shopping centre prepared various type of service for consumers and this would attract consumer's attention to visit because shopping centre is a one stop station which gives consumer buys and make comparison on goods and services offered (Berman & Evans 1995). Variety types of tenant in shopping centre give the relationship on excitement in shopping centre (Cockerham 1995).

3.1.2 Mall essence
Ismail (2006) state that mall essence in shopping centre showing a matter, goods or service prepared to consumer and concentrate on operational provided in shopping centre such as various type of shop in shopping centre, goods quality, determined price of goods and after sales service to customers.

3.1.3 Entertainment
Entertainment was a big factor for shopping centre because it causes consumer shopping experience become exciting or delight. This can attract loyalty and fixed customer on that shopping centre (Haynes & Talpade 1996). Items which need in this factor such as having a cinema in shopping centre (Bellenger et al. 1977), have a specific areas to show or display special events and various kind of entertainment (Wakefield & Baker 1998).

3.1.4 Architecture and design
According Lui (1997), modern shopping centre have architecture and design which gives comfort by using luxurious matters and sophisticated element. Internal design has reflects internal image of the shopping centre (Loudon & Bitta 1993). Design features such as ceiling, flooring / carpet, architecture, internal view and layout of the shopping centre. Physical facilities such as escalator, air conditioning and wash room also will affect consumer evaluation while they make decision for choosing a shopping centre.

3.1.5 Convenience
These factor issue on the security, cleanliness, parking space, wide and comfort in the shopping centre. It also focuses on all needs needed by the society. This factor can influence consumer decide to choose which shopping centre to visit. This factor quite similar with the study which is done by Wong et al. (2001) where looked into the facility factor. Bellenger et al. (1977) being studied the quality in a shopping centre.

3.1.6 Ambient
Wakefield & Baker (1998) show that music and layout in a shopping centre give a positive relationship on excitements and desire to stay in the shopping centre. Atmosphere in shopping centre manipulate internal design and layout include space utilization and environment, colour and sound.

3.1.7 Desire to motivate choosing a shopping mall
The items which affect motivational shopping behavior constitute the question which are thrill seeking, escapism, social and desire to stay in shopping centre. This factor adopted and looked through Jason et al. (2003), Bloch et al. (1994) and Wakefield and Baker(1998). Ahmed et al. (2007) said shopping give opportunity to society to learn how to communicate with other people apart in the house
(for example to find or make new friend and see different type of people). Tauber (1972) and others researcher such as Wakefield & Baker (1998) proposed important aspect in visiting a shopping including have the opportunity interacts with friend, family, or strangers in the shopping centre. Desire to stay in shopping centre is one component approach to behavior, commonly used to test response variable in psychology environment. Many scholar supported interrelationship pleasure or rise in the event affective and behavioral approach (Spangenberg, Crowley & Handerson 1996). Some consumer will spend more if he is more long-standing in the shopping centre.

3.2 Research location
This study was done in three shopping centres in Klang Valley. The shopping centre that had been chosen were Berjaya Times Square in Bukit Bintang in Kuala Lumpur, Mid Valley in Petaling Jaya and Suria KLCC in Kuala Lumpur. Respondents selection was made based on a non-random sampling, which is convenience sampling.

3.3 Pilot study
30 respondents were randomly chosen. This intend to ensure that the questionnaire is understandable by respondent. According to Drew and Hardman (1985) long questionnaire and unclear directive will cause confusion to respondent in answering the questionnaire. Pilot study conducted found that the questionnaire used has high value Cronbach Alpha that is in radius from 0.669 to 0.915.

<table>
<thead>
<tr>
<th>Variety</th>
<th>-Alpha</th>
<th>=0.669 (3 item)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mall Essence</td>
<td>-Alpha</td>
<td>=0.705 (4 item)</td>
</tr>
<tr>
<td>Entertainment</td>
<td>-Alpha</td>
<td>=0.769 (5 item)</td>
</tr>
<tr>
<td>Ambient</td>
<td>-Alpha</td>
<td>=0.785 (4 item)</td>
</tr>
<tr>
<td>Design</td>
<td>-Alpha</td>
<td>=0.887 (4 item)</td>
</tr>
<tr>
<td>Layout</td>
<td>-Alpha</td>
<td>=0.861 (4 item)</td>
</tr>
<tr>
<td>Convenient</td>
<td>-Alpha</td>
<td>=0.839 (6 item)</td>
</tr>
<tr>
<td>Intention</td>
<td>-Alpha</td>
<td>=0.915 (15 item)</td>
</tr>
</tbody>
</table>

3.4 Method of analysis data
Multivariate analysis (Structural Equation Modeling) was used for the data analysis. The respondent demographic information analyzed by using percentage and frequency.

4. Descriptive statistics
Demographic Background of the Respondents:

<table>
<thead>
<tr>
<th>Table 1: Profile Respondent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
</tr>
<tr>
<td>----------</td>
</tr>
<tr>
<td>1. Sex</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>2. Age</td>
</tr>
<tr>
<td>20-29 years old</td>
</tr>
<tr>
<td>30-39 years old</td>
</tr>
<tr>
<td>40-49 years old</td>
</tr>
<tr>
<td>More than 50 years old</td>
</tr>
</tbody>
</table>
In this study, researcher has successfully collected 300 questionnaires from a total of 350 respondents which are 85.71%. Based on Table 1, total respondent is 300. Male respondent comprised of 114 (38%) and for women 186 (62%). The data showed that the respondents age is between 21 - 29 years (57%) while aged 30 - 39 years is the second-highest (28.7%). While as many as 39 people or 13.0% respondent in age group 40 – 49 and the balance is in the age range of more than 50.

From ethnic aspect, Malay is dominant from other races which is 43.7%, followed with Chinese (33.3%) and Indian (23.0%). Majority of the respondents are single namely 61.7% and followed by family (34.7%) and 3.7% respondent were divorced.

In term of qualification, as many as 62.0% of the respondents have Degree or higher, followed by Diploma’s holder, STPM (High Certificate Malaysia Education) or Matriculation as many as 25.3%. While as many as 12.0% of the respondents had SPM (Sijil Pelajaran Malaysia) and only 0.7% had only PMR / SRP qualification.

For monthly salary, there were 12.3% income per month is above RM 4501, followed by respondents with less than RM 1500 (19.0%) and respondents income per month between RM 1501 - RM 2500 and RM 2501 - RM 3500 respectively representing 36.0% and 25.7%. The balance is the respondent who had income per month between RM 3501 - RM 4500.

5. Analysis and Results

5.1 First order Confirmatory Factor Analysis
In this study, the validation procedures for the instrument had followed the method of confirmatory factor analysis (CFA) adopted by Byrne, 2010 and Kline, 2011. The testing of the measurement model, on the tenant diversity in shopping centre and physical environment and Desire to motivate choosing a shopping mall constructs are tested using the first order confirmatory factor model to assess construct validity using the method of maximum likelihood. The results consistently supported the factor structure for three constructs. The confirmatory factor analysis technique is based on the comparison of variance-covariance matrix obtained from the sample to the one obtained from the
model. The technique is fairly sensitive to sample size, and it is suggested to have several cases per free parameter (Bollen, 1989).

Figure 1: The CFA Model tenant diversity in shopping centre (TDSC)

Figure 2: The CFA Model for physical environment of shopping centre (PESC)
5.2 **Final Mall shopping Model**

The final step in the analysis was to test the path model as shown in Figure 4. The hypothesized structural equation model was tested using the AMOS software version 16. For each of the tenant diversity in shopping centre, physical environment of shopping centre and desire to motivate choosing a shopping mall constructs, the indicator variables were the respective dimensions (factors) as determined by the confirmatory factor analyses. Model fit determines the degree to which the structural equation model fits the sample data. The commonly used model-fit criteria are the chi-square (x2), goodness of fit index (GFI), adjusted goodness of fit index (AGFI), comparative fit index (CFI), and also the Root Mean Square Error of Approximation (RMSEA) (Schumacker and Lomax, 1996).

<table>
<thead>
<tr>
<th>Models</th>
<th>X2</th>
<th>df</th>
<th>P</th>
<th>Cmindf</th>
<th>RMSEA</th>
<th>CFI</th>
<th>P/Estimates</th>
</tr>
</thead>
<tbody>
<tr>
<td>TDSC</td>
<td>18.98</td>
<td>6</td>
<td>.004</td>
<td>3.16</td>
<td>.085</td>
<td>.976</td>
<td>(.60 -.83)</td>
</tr>
<tr>
<td>PESC</td>
<td>75.46</td>
<td>32</td>
<td>.000</td>
<td>2.34</td>
<td>.067</td>
<td>.964</td>
<td>(.69 -.80)</td>
</tr>
<tr>
<td>DMCSM</td>
<td>12.93</td>
<td>6</td>
<td>.044</td>
<td>2.155</td>
<td>.062</td>
<td>.990</td>
<td>(.66 -.89)</td>
</tr>
</tbody>
</table>

N.B: All loadings were statistically significant at an alpha level of p = .05
Figure 4: Full Structure Equation Modeling

The goodness-of-fit indices for the path model $\chi^2 = 500.90$ with df = 199; GFI = 0.877; CFI = 0.907; RMSEA = 0.071) were evidently well within the generally accepted limits, indicating a good fit to the data.

Table 3: Summary of Fit Statistic Indexes for the Full Structure Equation Modeling

<table>
<thead>
<tr>
<th>Models</th>
<th>X2</th>
<th>df</th>
<th>P</th>
<th>Cmindf</th>
<th>RMSEA</th>
<th>CFI</th>
<th>P/Estimates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Model</td>
<td>500.90</td>
<td>199</td>
<td>.000</td>
<td>2.51</td>
<td>.071</td>
<td>.907</td>
<td>(.56 - .91)</td>
</tr>
</tbody>
</table>
6. Conclusion
There is a dearth of empirical research which considers the tenant diversity in shopping centre, physical environment of shopping centre and desire to motivate choosing a shopping mall within the context of marketing sector. The novelty of this research therefore, is investigating the relationship between tenant diversity in shopping centre, physical environment of shopping centre and desire to motivate in choosing a shopping mall in the marketing sector. In this study, confirmatory factor analyses of the first order were used to produce empirically verified and validated underlying dimensions of tenant diversity in shopping centre, physical environment of shopping centre and desire to motivate in choosing a shopping mall, respectively. Based on theoretical considerations, a model was proposed, linking the three constructs. The structural equation modeling was then applied to test the model drawn on a sample of 300 respondents in three famous malls in Malaysia. The results indicate that tenant diversity in shopping centre, physical environment of shopping centre have a significant impact on the extent of motivation in choosing a shopping mall. A significant relationship is found between tenant diversity in shopping centre and physical environment of shopping centre. The final model is fit and can used as standard to measure the motivation in choosing a shopping mall.

Reference


