

## TOPOGRAPHICAL ADVANTAGES OF RETAIL OUTLETS

---

Mrs. D. Jesura Pauline\*  
Dr. V. Darling Selvi\*\*

### ABSTRACT

*India is the fifth largest preferred retail destination globally. Retailing can be said to be the interface between the producer and the individual consumer buying for personal consumption. Organised retailing in India is gaining wider acceptance. The development of the organised retail sector, during the last decade, has begun to change the face of retailing, especially, in the major metros of the country. This study is an attempt of highlighting the growth of Indian retail market along with topographical advantages of retail outlets. A survey has been conducted among 300 sample respondents in Chennai city. The authors used the statistical tools like Trend analysis, correlation analysis, t test, regression analysis and ANOVA to interpret the results. The outcome of the survey result is that the sample group prefers the location which can be easily reachable with good transportation mode with less distance. The result of regression coefficient shows that the variables nearby home, Traffic Congestion, Travel Modes, Valet parking and Layout with less walking distance have positive relation with topography and the rest of the variables have negative impact and so it can be concluded that the sample group do prefer the retail layouts considering the convenience, parking and comfort. It is suggested that both organised and unorganised retail companies have to work together to ensure better prospects for the overall retail industry, while generating new benefits for their customers.*

**KEYWORDS:** Market Share, Retailing, Organized, Retail Outlets, Topography, Unorganized.

### Introduction

Retailing can be said to be the interface between the producer and the individual consumer buying for personal consumption. This excludes direct interface between the manufacturer and institutional buyers such as the government and other bulk customers. Retailing is the last link that connects the individual consumer with the manufacturing and distribution chain. The retail industry is mainly divided into Organized and Unorganized Retailing. Organized retailing refers to trading activities undertaken by licensed retailers, that is, those who are registered for sales tax, income tax, etc. These include the corporate-backed hypermarkets and retail chains, and also the privately owned large retail businesses. Unorganized retailing, on the other hand, refers to the traditional formats of low-cost retailing, for example, the local kirana shops, owner manned general stores, paan/beedi shops, convenience stores, hand cart and pavement vendors, etc. The Indian retail sector is highly fragmented with majority of its business being run by the unorganized retailers. The organized retail however is at a very nascent stage. The sector is the largest source of employment after agriculture, and has deep penetration into rural India generating more than 10 per cent of India's GDP.

The retailers in India have to learn both the art and science of retailing by closely following how retailers in other parts of the world are organizing, managing, and coping up with new challenges in an ever-changing marketplace. Indian retailers must use innovative retail formats to enhance shopping experience, and try to understand the regional variations in consumer attitudes to retailing. Retail

---

\* Assistant Professor of Commerce, Research Department in Commerce, TDNMS College, Kallikulam, Manonmaniam Sundaranar University, Tirunelveli, India.

\*\* Assistant Professor of Commerce, Research Department in Commerce, Rani Anna Government College for Women, Tirunelveli, Manonmaniam Sundaranar University, Tirunelveli, India.

marketing efforts have to improve in the country - advertising, promotions, and campaigns to attract customers; building loyalty by identifying regular shoppers and offering benefits to them; efficiently managing high-value customers; and monitoring customer needs constantly, are some of the aspects which Indian retailers need to focus upon on a more pro-active basis. Organized retailing in India is gaining wider acceptance. The development of the organized retail sector, during the last decade, has begun to change the face of retailing, especially, in the major metros of the country. Experiences in the developed and developing countries prove that performance of organized retail is strongly linked to the performance of the economy as a whole. This is mainly on account of the reach and penetration of this business and its scientific approach in dealing with customers and their needs.

- India is the fifth largest preferred retail destination globally
- The sector is experiencing exponential growth, with retail development taking place not just in major cities and metros, but also in Tier-II and Tier-III cities
- Increasing participation from foreign and private players to boost retail infrastructure
- India's online retail sector grows 23 per cent to US\$ 17.8 billion in 2017
- Revenue generated from online retail is projected to grow to US\$ 60 billion by 2020.
- Rising number of tier-2 and tier-3 cities to enhance supermarket space in the country
- Supermarkets to total 8,500 by 2016 from 500 in 2006

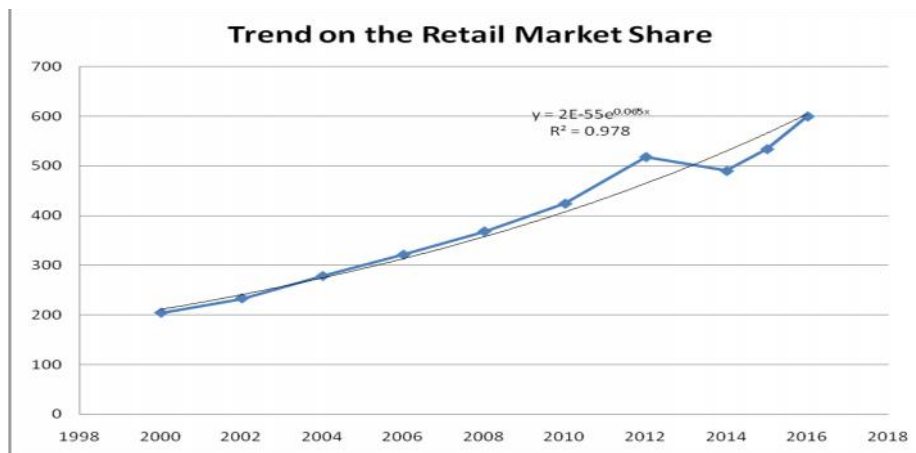
**Table 1: Retail Market Share of India (US\$ billion)**

Year	Market Share	Trend %
2000	204	100
2002	233	114
2004	278	136
2006	321	157
2008	368	180
2010	424	208
2012	518	254
2014	490	240
2015	534	262
2016	600	294
<b>Average</b>	<b>397</b>	<b>195</b>
<b>Correlation</b>	<b>0.99</b>	

Source: IBEF, June 2018

Market share of retail is getting on increased year by year which has a steady hike in the trend percentage. By taking the year 2000 as base year, the trend percentage is calculated which has its peak in the year 2016 to the tune of 194 percentage which an average increase of 95 percent over the period under study from 2000 to 2016. The exponential growth rate is 65 percent with the correlation determination and explained variation of 0.978 (97.8%) which is a good indicator of growth. Hence it is observed from the data that there is wider scope for retailing in India.

**Chart a**



### Topographical Consideration of Retail Outlets

The ultimate success of shopping malls depends on their ability to attract customers. Beyond market size, which largely depends on the relative location of the mall, it depends on the portfolio of stores in the mall, its atmospherics and other influential attributes. An essential shopping process is to understand shoppers' movement and sequential behavior, particularly in the multi-story shopping mall. To provide better insight into the effects of relative location of different types of stores in the mall this study probes the attitude of shoppers in this aspect. Location is an important aspect of marketing and a good location can be a source of competitive advantage for the retail outlet (Dickinson, 1981; Vigoda, 1981). The composition of stores and facilities in a shopping mall may influence shoppers' behavior. Each floor has a different composition of stores and facilities. The investigation concentrates in shoppers' evaluation of shopping mall's image dimensions, including location and convenience, store variety, merchandise selection and quality, price, advertising and promotion, mall comfort and visual appearance, space arrangements, quality of facilities, personal services, and social environment. The shoppers' evaluations of mall's dimensions were examined separately for each type of malls to understand the features of shopping mall which significantly influence shopping malls choice and to inspect whether shoppers' evaluations show systematic differences between the three types of malls. The findings show that shoppers' evaluation of mall's dimensions was not significantly different in each mall regarding overall evaluation of social environment. In the same way trip to the mall, quality of food and beverage stores, helpfulness and friendliness of greeters/receptionists, helpfulness and friendliness of security services, and helpfulness of customer services were not significantly different in each mall. However, evaluation of mall's dimensions was statistically different for each type of malls, in terms of accessibility by motorcycle, variety of leisure facilities, attractiveness of architecture design, signs and decorations in the public spaces, easiness to find a praying room, cleanliness and quality of the praying room, quality, cleanliness, and odor in the toilets, and number of public seats. Differences may be due to the fact that the malls in this study provide sharp contrasts on mall's dimensions that are discussed (LeHew and Fairhurst, 2000). Disorientation and the feeling of being lost in a mall is usually accompanied by some degree of fear and frustration (Brösamle & Hölscher, 2007; Vilar et al., 2012) which would not usually encourage a repeat visit. Knowing that the location of the retail outlets are being much more important, the researcher has attempted to evaluate the opinion of the sample respondents in this respect which is stated and tested in the following tables. A survey which has been conducted among 300 sample respondents in Chennai city reveals the following.

**Table 2: t test for Topographical Considerations**

Statements	t	Sig. (2-tailed)	Mean	95% Confidence Interval of the Difference	
				Lower	Upper
The travel modes available affect my choice of a mall/ hypermarket	54.79	0.00	2.5	2.38	2.56
The layout of the stores should not be such that it increases the distance I walk for shopping	48.82	0.00	1.7	1.65	1.79
It has valet parking	48.37	0.00	1.6	1.57	1.71
Topography of the region affects my choice of a mall / hypermarket	40.87	0.00	1.7	1.66	1.83
My choice of a Mall /hypermarket is severely affected by the traffic congestion in that area	37.49	0.00	1.8	1.73	1.92
It has parking in a convenient and safe location from the mall building / store	36.66	0.00	1.8	1.68	1.88
It is located on a main highway	36.22	0.00	1.9	1.78	1.98
It has centralised pick up facility	36.15	0.00	1.8	1.65	1.85
Presence of competing shopping mall/retail outlets in the vicinity affects my choice of a mall /hypermarket	34.28	0.00	1.7	1.63	1.83
It has presence of related services like bank, ATMs, Restaurants theatres etc nearby	32.82	0.00	1.9	1.75	1.97
It is close to my house	32.52	0.00	1.8	1.65	1.87
Store location environment and security	30.75	0.00	1.8	1.68	1.91
It is on the way home to or from work	30.73	0.00	1.8	1.71	1.94
It has parking arranged in a convenient and organized layout (Eg. Multi-level, easy to negotiate etc)	27.69	0.00	1.3	1.24	1.43

Source: Primary Survey

As per t test it is noted that the statement “The travel modes available affect my choice of a mall/hypermarket” ranks first with the t value of 54.79. the other statements as per order of t values are “The layout of the stores should not be such that it increases the distance I walk for shopping” (48.82), “It has valet parking” (48.37), “Topography of the region affects my choice of a mall/hypermarket” (40.87), “My choice of a Mall /hypermarket is severely affected by the traffic congestion in that area” (37.49), “It has parking in a convenient and safe location from the mall building/store” (36.66), “It is located on a main highway” (36.22), “It has centralized pick up facility” (36.15), “Presence of competing shopping mall/retail outlets in the vicinity affects my choice of a mall/hypermarket” (34.28), “It has presence of related services like bank, ATMs, Restaurants theatres etc nearby” (32.82), “It is close to my house” (32.52), “Store location environment and security” (30.75), “It is on the way home to or from work” (30.73) and “It has parking arranged in a convenient and organized layout” (27.69). The mean value is high for the statement “the travel modes available affect my choice of a mall/hypermarket” (2.5) and is low for the statement “it has parking arranged in a convenient and organized layout” (1.3). All the given statements are statistically significant as they have p values less than 0.05. The outcome of the survey result is that the sample group does prefer the location which can be easily reachable with good transportation mode with less distance.

**Table 3: Regression Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.666	.443	.418	.56372	.443	17.513	13	286	.000

Source: Derived

Topography refers to the physical appearance of the natural features of an area of land, especially the shape of its surface. Here topography has been taken as the base and as per the model summary, it is inferred that it has a positive correlation to the tune of .666 with the adjusted R Square .418 which explains 41.8 percent of the total variance. The variables taken for study are statistically significant as the p value is 0.00 which is less than the p value of 0.05. Hence topography of retail outlets are being considered as important as far as the opinion of the sample respondents are considered.

**Table 4: ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
1					
Regression	72.350	13	5.565	17.513	.000
Residual	90.887	286	.318		
Total	163.237	299			

a. Dependent Variable: Topography

Source: Derived

As per ANOVA test, it is noted that the regression model is a good fit of the data as the F (13, 286) = 17.513, and the p value 0.000 which is less than 0.05 ( $p < .05$ ) and so variables are known to be statistically significant.

**Table 5: Regression Coefficients**

Model	Un standardized Coefficients		t	Sig.	95 % Confidence Interval for B	
	B	Std. Error			Lower Bound	Upper Bound
(Constant) Topography	1.156	.276	4.19	.000	.612	1.699
Highway Location	-.054	.039	-1.41	.160	-.130	.022
Nearby home	.293	.040	7.24	.000	.213	.373
Way from work to home	-.020	.035	-.57	.567	-.090	.049
Traffic Congestion	.058	.042	1.37	.172	-.025	.141
Travel Modes	.529	.051	10.43	.000	.429	.629
Presence of competing shopping malls /retail outlets	-.080	.043	-1.87	.063	-.164	.004
1 Store locational environment and security	-.076	.035	-2.15	.033	-.146	-.006
Related services like banks, ATMs, Restaurants theatres etc nearby.	-.259	.048	-5.43	.000	-.353	-.165
Centralised pick up facility.	-.060	.042	-1.45	.147	-.142	.021
Parking in a convenient and safe location	-.262	.046	-5.73	.000	-.352	-.172
Parking arranged in a organised layout	-.214	.065	-3.30	.001	-.342	-.086
Valet parking.	.055	.059	.94	.351	-.061	.172
Layout with less walking distance	.135	.034	3.996	.000	.069	.202

Source: Primary Survey

Here the variables are measured as against the dependent variable Topography. The general form of the equation derived from regression analysis is  $\text{Topography (Y)} = 1.156 - (0.54 * \text{Highway Location}) + (0.293 * \text{nearby home}) - (0.02 * \text{Way from work to home}) + (0.058 * \text{Traffic Congestion}) + (0.529 * \text{Travel Modes}) - (0.080 * \text{Presence of competing shopping malls/retail outlets}) - (0.076 * \text{Store locational environment and security}) - (0.259 * \text{Related services like banks, ATMs, Restaurants theatres etc nearby}) - (0.060 * \text{Centralized pick up facility}) - (0.262 * \text{Parking in a convenient and safe location}) - (0.214 * \text{Parking arranged in a organized layout}) + (0.055 * \text{Valet parking}) + (0.135 * \text{Layout with less walking distance})$ . Hence it is inferred that the variables nearby home, Traffic Congestion, Travel Modes, Valet parking and Layout with less walking distance have positive relation with topography and the rest of the variables have negative impact and so it can be concluded that the sample group do prefer the retail layouts considering the convenience, parking and comfort.

### Conclusion

Understanding, analyzing and keeping track of consumer behavior is very critical for a marketing department to retain their position successfully in the market place. Analyses of movement and purchasing patterns in a shopping mall could provide powerful insight into different shopper profiles, which is beneficial for practitioners in making decisions about tenant mix and the location of stores inside the mall. The outcome of the survey result is that the sample group do prefer the location which can be easily reachable with good transportation mode with less distance. As per the model calculated, the variables taken for study are statistically significant as the p value is 0.00 which is less than the p value of 0.05 and so topography of retail outlets are being considered as important as far as the opinion of the sample respondents are considered. The result of regression coefficient shows that the variables nearby home, Traffic Congestion, Travel Modes, Valet parking and Layout with less walking distance have positive relation with topography and the rest of the variables have negative impact and so it can be concluded that the sample group do prefer the retail layouts considering the convenience, parking and comfort. It is suggested that both organized and unorganized retail companies have to work together to ensure better prospects for the overall retail industry, while generating new benefits for their customers.

### References

- Brösamle, M., & Hölscher, C. (2007). "Architects Seeing through the Eyes of Building Users". In Barkowsky, T., Bilda, Z., Hölscher, C., & Vrachliotis, G. (Eds.), *Spatial Cognition in Architectural Design*. Melbourne, Australia.
- Dickinson, R.A. (1981), *Retail Management*, Austin Press, Austin, TX in Prendergast G., Marr N. & Jarratt B. (1998), *Retailers View on Shopping Centers: A comparison of Tenants and Non-Tenants*, *International Journal of Retail and Distribution Management*, Vol. 26 No. 4, pp 162-171
- Kanoga, Simon ; Njugana, Reuben & Bett, Shadrack (2015), *The Effect of Place on Performance of Shopping Malls in Nairobi County Kenya*. *Journal of Social Sciences and Humanities*, Vol. 1, No. 4, 2015, pp. 381-390.
- Khare, Arpita (2011), *Mall Shopping Behaviour of Indian Small Town Consumers*. *Journal of Retailing and Consumer Services*, Vol.18(1).
- LeHew, M. L., & Fairhurst, A. E. (2000). *US shopping mall attributes: an exploratory investigation of their relationship to retail productivity*. *International Journal of Retail & Distribution Management*, 28(6), 261-279.
- Retail, India Brand Equity Foundation, IBEF, June 2018
- Sharma, R. Shivakumar (2012), *Customer Attitude Towards Shopping Malls in Mumbai*. *International Journal of Trade and Commerce*, Vol.1(2),pp.269-280.

