

Impact of Customer Experience on Purchase Decisions in Shopping Malls of Mumbai City

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Abstract

Shopping malls, with their unique combination of retailers in one location, have emerged as the means of satisfying consumer expectations. Customers now get a one-stop shopping experience through shopping malls. Malls use their new brands to give their customers a pleasant shopping experience. Customers make distinct purchasing decisions because they expect a certain experience from shopping malls. Every time a customer has with different brands, goods, and services offered by shopping malls is considered part of the customer experience. Shopping malls are becoming the places where customers shop to get their buying experiences. Customer experience is based on the range of brands that are offered at shopping malls, which influence consumers' attitudes, perceptions, emotions, feelings, and personalities. The calibre of the different goods and services that malls provide is crucial to the overall experience of its consumers. The experiences that customers get when they visit shopping malls are unique. Shopping malls involvement in assessing the customer experience improves their long-term customer relationships. A major factor in improving the customer experience is the degree to which customer expectations are met, which reveals the consumers' needs. The degree of novelty with the many brands that shopping malls offer is now determined by the customer experience. Brand image and customer loyalty have emerged as key factors in determining the intensity of the customer experience.

The dynamic purchase decision-making is a result of the competitive environment that has been dominated by digitalization that have an impact on the world at large. The competition between different local brands grew more intense when international brands were present in shopping malls. Shopping malls' brand image has been determined by the customer experience, which is now a crucial metric for gauging customer satisfaction. Customers now make distinct purchasing decisions based on their shopping experiences. The components of customer experience that influence purchase decision were identified by the study.

Keywords : Shopping malls, Customer experience, Purchase decision, Digitalization

Introduction

Customer experience is a vital component in the purchasing decision at the shopping malls. The attitudes, feelings and emotions attribute to customer experience. The availability of right mix in all categories of stores under one roof like groceries, clothing, food, beverages, jewellery, personal care and beauty care, footwear and fun & entertainment contribute to shopping experience. Shopping malls is the place where customers along with their family, friends and relatives spend time in food, leisure and entertainment. The spending of time by customers at one place strengthen the purchase decision process. There is a direct interaction with customers and the employees of the shopping mall which enables to determine the customer experience. The enhanced customer experience derives the extent of buying decision to understand customer loyalty for various brands. The need for maintaining the customer experience is essential for higher customer loyalty resulting in repeat purchases which intern contributing to profitability of shopping malls. The rise of digital literacy has improved customers purchase decision making process leading to the higher levels of customer experience' which is essential for the shopping malls to promote their brands for competitive advantage.

1. Literature Review

Ashish Gupta et al. (2020) found that the most important benchmarking criteria for consumers' evaluations of their mall experience are amenities management, staff, tenant mix, and customer value orientation. Retailers in cities must become familiar with consumer expectations in order to draw in customers and run viable operations. The mall managers should be aware of how customers compare various aspects of a mall visit. The shopping malls should follow standard criteria that can satisfy a customer's aesthetic and appeal threshold. According to **Patrick Joel Turkson et al. (2022)** highlighted that, shopping malls are comparatively new in Ghana. But since a significant percentage of consumers' shop in the unorganized retail market, the industry faces fierce rivalry. Several customers also believe that goods and services at malls are more expensive than those in the unorganized retail sector. Customer experience value must be given top priority in shopping malls of Ghana in order to overcome these obstacles and maintain their sustainability and competitiveness. **Parvathi Venkatesh and Vijayalakshmi Kannan (2014)** indicated that Customer experience management is a new idea that is becoming widely accepted by top executives since it helps businesses provide effective customer service, lower attrition, increase retention rates, and become more competitive. Numerous businesses have started making significant investments in solutions that maximize consumer interactions from their point of view, which will increase client loyalty. The research on **Customer Experience(2012)** revealed that the four attributes of Mall Satisfaction and Loyalty can be summarized as Discovery, Comfort, Navigation and Accessibility. Despite the fact that customer experience is sometimes viewed as a comprehensive idea, consumers might actually have an experience each time they come into contact with a feature of a good or service. With the advent of new devices and channels, as well as the quick development of digital technology, consumers can now interact with businesses through a variety of touchpoints during the consuming process. Customers can now communicate with businesses via a variety of channels and digital devices at various points in the customer experience, such as before, during, and after consumption as summarized by **Hyunsu Kim and Kevin Kam Fung So (2022)**. Customer experience is the overall perception a customer has of your brand or business, encompassing all touchpoints and interactions throughout their customer journey, from awareness to advocacy. Customer Experience encompasses not just the customer's satisfaction with the product or service they purchased but also the quality of service throughout. It also covers their emotional connection to the experience as well as any troubleshooting or post-purchase interactions as highlighted by **James Larson(2024)**. The study on **Ingredients for great experiences(2018)** identified that Customers that have a positive experience will be more devoted, make more purchases, and tell their friends about it. Additionally, consumers stated that they were more inclined to try other goods or services from companies who offer excellent customer service. The most crucial components of a satisfying customer experience are timeliness, convenience, informed assistance, and amiable service. **Bascur Camur and Rusu Cristian (2020)** depicted that in the last few years, businesses have been paying a lot of attention to the concept of the customer experience. The reason for this is that it is among the most crucial elements in preserving a competitive advantage. Also, consumers are the ones who want to design an experience that extends beyond simply purchasing a thing. The affective system is involved in the emotional component, which is responsible for people's moods, feelings, and emotions. Cognitive component: Involves a person's unconscious as well as conscious thought processes is termed as a Cognitive component. When someone does something practical, they are exhibiting a pragmatic component. The usability idea, which encompasses all phases of the product life cycle, is part of this component. a component of lifestyle that is connected to people's values and beliefs through the adoption of certain habits and lifestyles. **Sipho Selatole Makgopa (2018)** found that in order to delight clients and win their loyalty, malls must manage their operations effectively in a highly competitive retail environment. The research offered a crucial insight of how demographics (gender and age) relate to mall patrons' loyalty and satisfaction levels. The results of the research depicted that national environment and economic standing can play a pivotal role in identifying the notable variations among consumers about their mall purchasing habits, degrees of happiness, and loyalty. The managers of retail stores and shopping centres could create marketing plans that accommodate various adventurous needs of shopping mall customers and ensures customer satisfaction. shopping mall managers could develop promotional programmes that would make customers perceive the shopping malls as unique and stimulating. The greatest way to provide an extraordinary customer experience is to customise it. An organisation has a better chance of drawing in new business if it offers a personalised consumer experience. Get to know your clients as individuals and build a strong, enduring relationship with them. Retailers

can also track customer preferences with the use of an omnichannel loyalty program. Mall owners can make customised offers by leveraging loyalty programs to gain insights into their customers' product preferences and buying habits as revealed by **Karunesh(2023)**. Regardless of the industry, any business's strategy should include giving customers a positive physical retail buying experience. The best practices for improving customer experience in shopping malls can be summarized as "Invest in Indoor Location, Omnichannel Channel Strategies, Self-service, and Data Intelligence". Introducing the digital revolution into malls would be a smart way for them to stay competitive in the market. This would enhance the shopping experience for customers in physical locations and reduce the number of steps they must take as highlighted by the research on **Customer Experience**.

2. Literature gaps

The literature review for this research contains a number of important gaps. Not enough attention has been paid to how mall patrons' experiences affect their purchasing decisions. The important elements that will affect customer experience and how it influences decisions to buy have received inadequate attention. The review hasn't focused on the factors that led to the customer experience or how it affected the decisions made by consumers. The different ways of attracting customers through the purchasing process involving customer experience is not focussed.

3. Formulation of Objectives

1. To understand how consumers' shopping decisions in malls are influenced by customer experience
2. To determine the elements influencing consumers' shopping mall purchases as a result of customer experience
3. To analyse how consumers' shopping centre purchase decisions are impacted by customer experience

5. Hypothetical Statements(s)

1. There is a significant relationship between customer preferences and customer experience while purchasing at shopping malls
2. There is a significant effect of Digitalization in enhancing the customer experience during their purchases at shopping malls
3. The availability of new brands at the shopping malls fostered customer experience
4. There is a strong association between customer experience and customer satisfaction in the purchase decision of customers

6. Study Limitations

1. Each shopping mall has a distinct range different range of purchasing frequency.
2. The influence of customer experience on purchasing decisions significantly varies from region to region and it has been specifically focussed in Mumbai only.
3. The conditions present in the competitive environment serve as a basis for the elements impacting customer experience in shopping malls.

7. Methodology of the study

Sources for the Data

➤ **Primary data**

- In order to gather information for the study, shoppers from supermarkets and hypermarkets in a mall were contacted using a well-designed questionnaire.
- The questionnaire was designed using a Likert scale and an interval scale in the range of 1 to 5.

➤ **Secondary Data**

The role of customer experience on shoppers shopping habits at malls has been studied using secondary sources, including journals, newspapers, periodicals, and websites.

Research Design

Utilizing a cross-sectional approach, the effect of customer experience on shopping behaviour in malls was conducted.

Sampling Process

Size of the sample: The study employed a sample of 200 shoppers' from supermarkets and hypermarkets in Central and South Mumbai to learn more about the impact of customer experience on shoppers' behaviour in malls.

Technique for choosing a sample

Using convenience sampling, data was collected from 200 customers of supermarkets and hypermarkets in Central and South Mumbai shopping malls.

Statistical tools

In order to arrive at the results, the data was analysed and interpreted using MS-Excel and IBM SPSS Statistics with the statistical techniques such as Simple Percentage Method, Kendall Rank Correlation, Chi Square test and Binomial test.

8. Results

Testing Hypotheses

Using Kendall Rank Correlation, the hypothesis was tested:

Hypothesis 1

Null Hypothesis (H1₀): There is no significant relationship between customer preferences and customer experience while purchasing at shopping malls

Alternative Hypothesis (H1_A): There is a significant relationship between customer preferences and customer experience while purchasing at shopping malls

Table 1 :Kendall Rank Correlation for [Customer Preferences * Customer Experience]

Description	Customer Preferences	Customer Experience	N	Sig. Level
Customer Preferences	1.000	.557	200	0.016
Customer Experience	.557	1.000		

Observation:

The null hypothesis mayn't be accepted with a significance level less than 5%, showing that there is a significant relationship between customer preferences and customer experience while purchasing at shopping malls.

The value of Kendall's tau-b correlation coefficient for Customer Preferences and Customer Experience by the consumers in shopping malls found to be .557. It shows that there is a positive moderate association for Customer Preferences and Customer Experience by the consumers in shopping malls.

Applying the Chi-Square Test to analyze the hypothesis

Hypothesis 2:

Null Hypothesis (H2₀): There is no significant effect of Digitalization in enhancing the customer experience during their purchases at shopping malls

Alternative Hypothesis(H2_A): There is a significant effect of Digitalization in enhancing the customer experience during their purchases at shopping malls

Table 2: Observed & Expected values for Digitalisation in enhancing the customer experience

Category	Observed	Expected	Residual
Strongly Disagree	22	40	-18
Disagree	16	40	-24
Neutral	32	40	-8
Agree	62	40	22
Strongly Agree	68	40	28
Total	200		

Table 2 depicts the descriptive analysis for Digitalisation in enhancing the customer experience
able 2(a) : Chi-Square Analysis for Digitalisation in enhancing the customer experience

Description	Digitalisation in enhancing the customer experience
Chi-Square	55.8

df	4
Sig	.000

Observation

The null hypothesis can be rejected because the significance value is ($p < .05$). It indicates that there is a significant effect of Digitalization in enhancing the customer experience during their purchases at shopping malls.

Binomial test used for the following hypothesis

Hypothesis 3:

Null Hypothesis (H3₀): The availability of new brands at the shopping malls haven't fostered customer experience

Alternative Hypothesis(H3_A): The availability of new brands at the shopping malls fostered customer experience

Table 3 : Observed Proportion for availability of new brands

Category	N	Observed Proportion	Test Proportion	Significance Level
Agree	149	.635	.50	.000
Disagree	51	.365		
Total	200	1.00		

Observation

The null hypothesis can be rejected because the significance value is ($p < .05$). It can be highlighted that the availability of new brands at the shopping malls fostered customer experience.

Kendall Rank Correlation to test the hypothesis

Hypothesis 4:

Null Hypothesis (H4₀): There is no strong association between customer experience and customer satisfaction in the purchase decision of customers

Alternative Hypothesis(H4_A): There is a strong association between customer experience and customer satisfaction in the purchase decision of customers

Table 4 :Kendall Rank Correlation for [Customer Experience * Customer Satisfaction]

Description	Customer Experience	Customer Satisfaction	N	Sig. Level
Customer Experience	1.000	.518	200	0.009
Customer Satisfaction	.518	1.000		

Observation:

The null hypothesis can be rejected out with a significance level of less than 5%, showing that there is a significant association between customer experience and customer satisfaction in the purchase decision of customers.

The value of Kendall's tau-b correlation coefficient for customer experience and customer satisfaction by the consumers in shopping malls found to be .518. It shows that there is a positive moderate association for customer experience and customer satisfaction in the purchase decision of customers.

9. Discussion(s) from the Study

1. The value of Kendall's tau-b correlation coefficient for Customer Preferences and Customer Experience by the consumers in shopping malls found to be .557 It shows that there is a positive moderate association between Customer Preferences and Customer Experience by the consumers in shopping malls. The unique experiences of the consumers during their purchases at shopping malls play a significant role in the preference towards various brands in category of retail stores.

2. Chi-Square test revealed that significance value is ($p < .05$) to reject the null hypothesis. There is a significant effect of Digitalization in enhancing the customer experience during their purchases at shopping malls. The purchasing pattern of the consumers has been made more convenient to shop at the shopping malls due to the digitalization. The availability of the shopping apps made it more suitable to order, shop and delivery for the consumers. The frequency of the shopping has been increased and their level of awareness towards various brands at the shopping malls improved their decision-making to buy quality products belonging to premium brands. Digitalization has had a significant impact on how consumers behave and change their lifestyles when making purchases

3. Binomial test indicated that significance value is ($p < .05$) to reject the null hypothesis. The availability of new brands at the shopping malls fostered customer experience. Due to the availability of the new brands in various retail stores of the shopping malls, consumers have numerous options to purchase new products belonging to different brands enhanced the rate of their preference level and increased the frequency of purchase.

4. The value of Kendall's tau-b correlation coefficient for customer experience and customer satisfaction by the consumers in shopping malls found to be .518. It shows that there is a positive moderate association for customer experience and customer satisfaction in the purchase decision of customers. Customer satisfaction has been increased through customer experience. The perceptions of the consumers towards the preference of brands at shopping malls can be determined through customer experience. The high perceived level of the consumers towards the brands of the shopping malls reveal the fulfilment of their expectations. The fulfilment of the expectations of the consumers highlight the satisfaction level towards the brands of the shopping malls which indicate the association between the customer experience and customer satisfaction.

5. The study's key discussion centred on the influence of customer experience on customer preferences during their purchasing at shopping malls. The research was conducted to determine the influence of customer experience on consumer purchases at shopping malls in the Mumbai suburbs, using both primary and secondary data collection methods. Using the Kendall's tau-b correlation coefficient, the relationship between customer preferences and customer experience has been revealed. Chi-square analysis was used to depict the role of Digitalization in enhancing the customer experience during their purchases at shopping malls. The Binomial test has been used to assess how the availability of new brands at shopping malls attracted customers to create a unique shopping experience and its impact on their purchase decisions. With the use of Kendall's tau-b correlation coefficient, the extent of relationship between customer experience and customer satisfaction has been indicated to find out their level of decision making at shopping malls.

10. Conclusion

The study found that the enhanced rate of preferences of the consumers towards the shopping malls due to the customer experience. The unique experience of the customers during their purchasing at shopping malls improved their shopping frequency and has a significant impact on frequency of purchase. Digitalization has altered the way that people live their lives. Consumer awareness of digitization has significantly grown. Consumer expectations resulted a gradual shift in light of the latest technological innovations in shopping malls. Customers are often observed shopping with their families because most shopping malls provide variety of novel brands to fulfil their choice of purchase with unique experience. More choice is available in the retail stores of the shopping malls with customized items and services to appeal to the whole family. The level of customer satisfaction is measured through their experiences during their purchases at shopping malls. The frequency of the shopping and their preference of the consumers towards new brands at various retail formats of the shopping malls due to the result of the customer experience. Customer experience resulted in shopping more convenient creating a one stop shopping experience with their family, friends and relatives. The research concludes that there is a significant association between customer experience and customer satisfaction.

11. Implications of research

Most customers have hectic work schedules and prefer to shop online, which has led to a considerable improvement in consumer awareness of the customer experience. Shopping malls and the contemporary global competitive environment have altered the lifestyles of their patrons. Because of the study, researchers now have greater scope to create applications that customers may use to make purchases in malls and fit into their lifestyle. The study will also have the scope to find buying trends that will help to meet customer expectations and fulfil their satisfaction levels as well as new shopping trends for attracting new customers through customer experience. Malls can come up with ways to keep customers and get a competitive edge for both brand recognition and financial success. The pace of customer experience, the intensity of its clientele, and how well it controlled their lifestyle by meeting their requirements and expectations were all critical factors in the profitability of the shopping malls to remain efficacious and competitive.

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