

Impact of Shopping Malls on Small Retail Outlets
A study in Calicut city

*Project submitted to university of Calicut in partial fulfillment of the
requirements for the award of the degree of Bachelor of Arts in
Economics*

Submitted By

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DECLARATION

Ido hereby declare that this project report entitled “ **IMPACT OF SHOPPING MALLS ON SMALL SHOPS: A STUDY IN CALICUT**” is a bona fide record of the project work carried out by me during the academic year 2016-2017 in partial fulfillment of the requirements for the award of the degree of B A Economics of the University of Calicut. This work has not been undertaken or submitted elsewhere in connection with any other academic course.

Date

Name & sign

ACKNOWLEDGEMENT

At first I take this golden opportunity to show my heartfelt gratitude to Mr.... for giving us an opportunity to be a student of this reputed institution. I am also thankful to...(*it is not necessary, if need write as your choice,*).....

LIST OF CONTENTS

Title	Page no
Introduction.....	
Literature Review.....	
Objectives	
Methodology	
Profile of the area	
Analysis	
Findings and conclusion	
Bibliography	

List of Tables

Table no	title	Page no
Table.1	name of table
Table.2

List of Figures

Figures no	title	Page no
------------	-------	---------

Introduction

Today the life style of people has been changed a lot. For the present generation of consumers, the meaning of shopping also has changed. They don't like to search for their product throughout the unorganized retail street. For them shopping is not just a mere necessity, as it was in the earlier times, but it's a way of their life style. A shopping mall is one or more buildings forming a complex of shops representing merchandisers, with interconnecting walkways enabling visitors to walk from unit to unit. Other establishments including movie theaters and restaurants are also often included. The evidence on the impact of malls on unorganised retail outlets is contrasting with some studies showing impressive and favorable impact of malls on the small shopkeepers. However, there is strong evidence substantiating the claim that shopping malls have a detrimental impact on unorganized retail outlets. This study analyses impact of malls on unorganized retail outlets in Calicut town.

Literature Review

The review of literature shows that the emergence of shopping malls has severely influenced operations of small shopkeepers and other unorganized business outlets. The sales figures and operating profits have been shown to be badly experiencing a receding behaviour. A study on the "impact of malls on small shops and hawkers in Mumbai" (Kalhan, 2007) unambiguously indicated that there has been a severe impact of malls on the unorganized retail shops operating in the vicinity of malls. The study further stated that Mega Malls are making deep inroads in the sales of retailers operating in the unorganised retail sector. Where, Ajaz Ahmad and Suresh Mayya (2012) stated that the malls interestingly have no severe impact on the employment scenario. However, the study further revealed that Malls have severely impacted the Turnover and Operating profits of the sample shops. Besides, there is also an adverse impact on the customers of sample shops. *(Add all related studies)*

Objectives of the Study

The study is conducted with the following research objectives:

- To identify and outline the socio-economic profile of the selected unorganised retailers.
- To identify the impact of shopping malls on the sales and Profits of the sample retailers.

Methodology

The research design is descriptive and exploratory in nature. A sample size of 30 small retailers was identified and selected for the study based on various attributes like shop size, type of goods and their shops being located in the defined zone of 200- 400 meters of distance from the shopping mall. The data collection was done with the help of a questionnaire crafted and administered with the purpose of eliciting the needed data for achieving the research objectives of the present study.

Profile of the area

The study was conducted in the Calicut town. The city is witnessing a massive infrastructural development on various fronts. The heritage of this region has also attracted a lot of investment both from the local investors as well as the outside investment...

(Give a picture of the study area)

Analysis and Discussion

The analysis shows that (table.1) overwhelming majority of the respondents are male (70 %). This is purely because of the regional influence of this society which discourages the female participation in the market particularly shop keeping. Where, 50 percentage of sampe holds graduation. Further, the analysis reveals that 53 percentages of total respondents are between the age group 31- 45 and 16 percentage are above the age group of 45 years. Which again reflects that the overwhelming majority (82%) young generation.

Table: 1. Demographic profile of the respondents.

Factors	No. of respondents	%
Age		
20-30	9	30
31-45	16	53.3
Above 45	5	16.6
Gender		
Male	21	70
Female	8	30
Education		
primary	5	16.6
secondary	10	33.3
Graduation	15	50

Source: Primary Data

(After this, give the following as far as possible)

- A table or diagramme showing educational difference and attitude
- A Table which shows the difference in saving pattern
- A Table which shows the attitude of respondents

For example

Table.2 reveals that 27 percentage of sample reported a decrease in the profits after the opening of the organised retail formats like Malls, while 45 percentage reported status-quo in the profit behavior. However, still a good percentage of respondents revealed a drop in their profit rates post-mall operation.

**Table: 2 Sales Turnover and Operating Profit behavior of Unorganized Retail Outlets
N=30**

Parameter	Increased (%)	Same/Unchanged	Decline
profit	28	45	27
Sales	27	43	30

Source: Primary Data

Findings of the Study

The major findings of this study are given below.

- Around 83.3 percentage of the respondents hold education above SSLC.
- The respondents in the age group of 31-45 dominate unorganised retail and this group constitutes around 53.3 percentage of the sample. This again shows that the male adults primarily rule the roost.
- The study also revealed that the Mall don't have much adverse impact on the sales and profitability of the respondent shopkeepers.
- The study reveals that the net earnings of the small shops have decreased after the arrival of the shopping malls.
- 50% of the small shop keepers have huge difference in their saving pattern and also there is no increase in their gross savings.

Conclusion

Shopping Malls are the modern adaptation of the historical market place. Malls are equally popular among all places. Since globalization is an ongoing process this topic has a wide scope for further research. The true lovers of multiplexes are the youngsters for whom malls are the “Ultimate place to be”, especially males. The analysis of sample shops revealed that the malls and opening up of retail sector is affecting the unorganised small shops. After the arrival of shopping malls, the net earnings of small shops have decreased. Where, fifty percentages of the small shop keepers have huge difference in their savings pattern. In contrast to the common belief, that Malls have an adverse impact on the unorganized retail segment, the study cannot find strong effect on small shops.

(As this give a concluding picture)

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Appendix

(Give your questionnaire/ question schedule here. A sample questionnaire is given below)

QUESTIONNAIRE

Impact of Shopping Malls on Small Retail Outlets in Calicut

1. Name :
2. Age :
3. Address :
- Gender : Male ☐ Female ☐
4. Educational qualification : Primary, ☐ ndary, ☐ raduation, ☐ ove ☐
5. Are there any regular customers : Ye ☐ No ☐
6. If, yes number : Below 31 ☐ 31-45 ☐ Above ☐
45
7. Do you provide parking facility ☐ Yes ☐ No
8. Do you organize any special
Programmers to attract customers : Discounts ☐ Lucky draws ☐
Exchange offer ☐ No ☐
programmers

9. Your opinion about shopping malls : Competitive in nature ☐ Yes ☐

No

It is profit oriented: Yes ☐ No ☐

Only sell highly valued products: Yes ☐ No ☐

It is affordable for high income groups Yes ☐ No ☐

10. Your opinion about the effect of Shopping malls over the small shops :

Reduction in customers : Yes ☐ No ☐

Reduction in sale : Yes ☐

No

Reduction in income generation : Yes ☐ No ☐

Others (specify)

.....

.....

11. Your monthly net earnings before

The arrival of malls : Below ☐00 1000 ☐

20,000 ☐

Above 30,000 No difference ☐

12. Your present monthly net earnings : Below 10,000 ☐ Above 10,000 ☐

Above 30,000 ☐

13. Is your present income enough

For you to meet your needs : Yes ☐ No ☐

14. Is there any reduction in gross savings

After the arrival of malls : No difference ☐
Marginal / very small difference ☐
Can not say ☐
Huge reduction ☐
Increase in saving ☐

15. Total monthly salary provided

To your employees : 1500-2500 ☐ 2500-5000 ☐
Above 5000 ☐

16. Problems you face when compared

To malls : No entertainment ☐
Fewer infrastructures ☐
Less quality of commodities ☐
Fewer spaces ☐
Other problem
.....

17. In what way do you think, you can increase your profits and

Attract customers :
.....