

Shopping Malls in India: Growth, Consumer Behavior, and Emerging Retail Trends

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Abstract: The retail industry in India is undergoing a significant transformation as established markets make way for modern formats like department stores, hypermarkets, supermarkets, and specialised shops. Western-style malls have started to develop in metros and second-ranking cities alike, giving Indian shoppers a shopping experience unlike anything they've ever had. A modern, primarily North American name for a type of shopping precinct or shopping mall where one or more buildings form a complex of shops representing merchandisers with interconnecting pathways that allow customers to walk from unit to unit. As the expansive shopping mall reflects the modern retail industry in India. Shopping has changed in terms of format and accessibility thanks to multiplex malls and large complexes that provide food, entertainment, and retail all under one roof. A revolution in shopping malls has begun in India as a result of changes in the format of shopping and customer purchasing habits. With big national and international players investing in creating the infrastructure and building the retail industry, this has also led to significant investments being made in the real estate sector. The purpose of the paper is to discuss shopping malls in India.

Keywords: Retail, Revolution, Shopping malls, India, Business.

1 INTRODUCTION

The retail sector in India has undergone significant transformation with the rapid growth of organized retailing and shopping malls. Shopping malls are no longer viewed merely as retail spaces; they have evolved into multifunctional centers that combine shopping, entertainment, dining, and social interaction under one roof. The increasing urbanization, rising disposable income, changing lifestyles, and consumer preferences have contributed to the expansion of shopping malls across metropolitan as well as semi-urban regions in India. Modern malls provide consumers with convenience, comfort, and a diversified shopping experience, thereby influencing consumer behavior and retail culture in the country [1].

Shopping malls have become important destinations for consumers due to their ability to satisfy both utilitarian and hedonic shopping needs. Consumers visit malls not only for purchasing products but also for recreation, leisure, and social engagement. Factors such as demographics, psychographics, shopping orientation, and consumer attitudes significantly influence mall patronage and purchasing behavior [2]. In recent years, customer satisfaction has emerged as a crucial factor for the survival and sustainability of shopping malls. Mall developers and managers increasingly focus on improving customer experience through better infrastructure, retail mix, entertainment facilities, and service quality in order to maintain competitiveness in the evolving retail environment [3].

Food courts, entertainment zones, branded retail outlets, and multiplex facilities have become major attractions in shopping malls. These facilities enhance customer satisfaction and increase the time spent by consumers within malls [4]. At the same time, issues related to hygiene, safety, and public health in malls have also gained attention, particularly regarding the maintenance of shopping carts, baskets, and other shared facilities used by customers [5]. Such concerns highlight the importance of effective mall management practices to ensure customer trust and satisfaction. Consumer satisfaction in shopping malls is influenced by both functional and emotional factors. Shopping malls offer convenience, product variety, accessibility, and comfort, while also creating emotional experiences through ambiance, entertainment, and social interaction [6].

The attractiveness of malls depends on several determinants such as location, parking facilities, cleanliness, design, promotional activities, and availability of branded stores [7]. Moreover, consumer shopping behavior varies according to demographic characteristics, income levels, and lifestyle patterns, which significantly affect mall visitation frequency and purchasing decisions [8]. The motivations of mall shoppers are also shaped by materialistic values, fashion consciousness, and lifestyle aspirations. Shopping malls serve as symbols of modern consumer culture and influence purchasing motivations among consumers, especially younger generations [9].

Transportation accessibility and travel convenience further affect mall visits, particularly in metropolitan cities where consumers consider factors such as travel mode, distance, and traffic conditions while choosing shopping destinations [10]. In addition, shopping malls have expanded beyond metropolitan cities into smaller towns, thereby influencing the shopping behavior of consumers in semi-urban and rural areas [11].

Consumer emotions also play a significant role in shopping mall experiences. Mall atmosphere, music, lighting, crowd management, and entertainment facilities can positively influence consumer emotions and satisfaction levels, ultimately affecting purchase intentions and customer loyalty [12]. Therefore, shopping malls have emerged not only as retail centers but also as social and recreational spaces that contribute to economic growth, employment generation, and the modernization of the retail sector in India.

2 LITERATURE REVIEW

Maheshwari, Paliwal, and Garg [1] examined the feasibility of energy efficiency measures in Indian shopping malls with a focus on electricity consumption and CO₂ emission reduction. The study highlighted that appliance retrofitting and efficient energy management practices can significantly reduce operational costs and environmental impact in shopping malls. The research emphasized the importance of sustainable infrastructure development in the retail sector. Kuruvilla and Joshi [2] investigated the influence of demographics, psychographics, shopping orientation, mall attitudes, and purchase patterns on mall patronage in India.

The study found that consumer behavior and shopping preferences play a major role in determining mall visitation and purchasing decisions. It also revealed that mall attractiveness and shopping experience strongly affect customer loyalty. De Jong, Herhausen, Ludwig, Teller, Ordenes, and Grewal [3] analyzed the drivers of shopping mall satisfaction and long-term survival through customer reviews. Their findings indicated that customer satisfaction, service quality, accessibility, retail mix, and entertainment facilities are essential for maintaining mall competitiveness and sustainability in the modern retail environment.

Dabral, Chelamallu, Sthapit, Björk, and Piramanayagam [4] studied customer satisfaction in shopping mall food courts. The research identified food quality, service efficiency, ambiance, seating arrangements, and hygiene as major factors influencing customer experiences and satisfaction levels in mall food courts. Premanath, Gowda, Suresh, Bhavya, and Naik [5] investigated contamination in shopping carts and baskets with ESKAPE pathogens in shopping malls in India. The study highlighted the importance of hygiene maintenance and sanitation practices in malls to ensure customer safety and public health protection.

Kesari and Atulkar [6] explored the utilitarian and hedonic values associated with shopping mall experiences. Their study concluded that consumers derive both functional benefits, such as convenience and product availability, and emotional satisfaction, such as enjoyment and recreation, from shopping mall visits. Mittal and Jhamb [7] analyzed the determinants of shopping mall attractiveness in the Indian context. The study found that factors such as mall ambiance, tenant mix, parking facilities, accessibility, cleanliness, promotional activities, and entertainment options significantly influence consumer attraction toward malls.

Pare and Pourazad [8] examined shopping mall behavior and demographic differences among Indian consumers. The study revealed that demographic factors including age, income, gender, and occupation influence shopping patterns, purchasing decisions, and preferences for mall-based shopping experiences. Singh [9] studied the integration of materialism with shopping motivations among Indian mall shoppers. The research identified that lifestyle aspirations, social status, and materialistic values strongly influence shopping motivations and consumer purchasing behavior in malls. Meena, Patil, and Mondal [10] investigated mode choice decisions for shopping mall trips in metropolitan cities of developing countries.

The study highlighted that accessibility, travel time, transportation availability, and traffic conditions significantly influence consumers' decisions to visit shopping malls. Khare [11] examined the shopping behavior of small-town consumers in Indian malls. The study found that consumers from smaller towns are increasingly attracted toward malls due to the availability of branded products, entertainment facilities, and modern shopping experiences. Their findings showed that mall atmosphere, lighting, music, crowd management, and entertainment facilities positively influence consumer emotions, satisfaction, and purchase intentions [12].

3 OBJECTIVES

1. To understand the concept of shopping malls and their role in modern retailing.
2. To study the structure and layout of shopping malls and how they attract customers.
3. To analyze the various facilities provided in shopping malls such as retail stores, food courts, and entertainment centers.

4. To examine the growth and development of shopping malls in urban and semi-urban areas.
5. To identify the different types of retail outlets available within shopping malls.
6. To understand consumer behavior in shopping malls and factors influencing customer visits.
7. To study the impact of shopping malls on traditional retail shops and local markets.
8. To evaluate the role of shopping malls in economic development and employment generation.
9. To analyze marketing and promotional strategies used by shopping malls to attract customers.
10. To assess the advantages and disadvantages of shopping malls for consumers and retailers.
11. To understand the importance of shopping malls as social and entertainment hubs in modern society.
12. To explore future trends and innovations in shopping mall management and retail technology.

4 RESEARCH METHODOLOGY

4.1. Research Design

The present study adopts a descriptive research design to examine the features, facilities, customer preferences, and shopping behavior associated with shopping malls. Descriptive research is considered appropriate for this study as it facilitates the systematic collection, analysis, and interpretation of data relating to consumer perceptions and satisfaction levels in shopping malls. The design enables the researcher to understand the existing retail environment and consumer responses toward modern shopping mall culture.

4.2. Sources of Data

The study is based on both primary and secondary sources of data collection to ensure comprehensive analysis and reliability of information.

4.2.1 Primary Data

Primary data were collected directly from customers visiting shopping malls through structured questionnaires and personal interactions. The questionnaire was designed to gather information regarding shopping frequency, customer preferences, satisfaction level, purchasing behavior, and the factors influencing mall visits.

4.2.2 Secondary Data

Secondary data were obtained from books, research journals, magazines, newspapers, websites, published reports, and earlier studies related to shopping malls, retail management, and consumer behavior. These sources provided theoretical support and background information for the study.

4.3. Area of the Study

The study was conducted in selected shopping malls located in nearby urban areas and towns. The research primarily focused on customers visiting these malls to understand their shopping patterns, preferences, and perceptions regarding the facilities and services offered by shopping malls.

4.4. Sampling Technique

The study employed a convenience sampling technique for selecting respondents. This method was adopted due to the easy accessibility and availability of customers visiting shopping malls during the period of data collection. Convenience sampling enabled the researcher to collect responses efficiently within the available time and resources.

4.5. Sample Size

The sample size of the study comprised approximately 50–100 respondents who regularly visit shopping malls. The selected respondents represented different age groups, occupations, income levels, and shopping preferences to obtain diverse consumer opinions.

4.6. Data Collection Instrument

A structured questionnaire was used as the primary instrument for data collection. The questionnaire consisted of both closed-ended and multiple-choice questions designed to capture information relating to consumer behavior, shopping frequency, satisfaction levels, preferred mall facilities, and factors influencing purchase decisions.

4.7. Tools and Techniques for Data Analysis

The collected data were systematically classified, tabulated, and analyzed using simple statistical techniques. The following analytical tools were used in the study:

- Percentage Analysis
- Tabular Presentation
- Charts and Graphical Representation

These tools helped in interpreting customer responses and presenting the findings in a clear and meaningful manner.

5 DATA ANALYSIS AND INTERPRETATION

5.1. Mall Management Practices in India

Mall management in India was initially perceived primarily as a component of facility management by many developers. However, the increasing rate of mall failures and lessons drawn from international retail markets demonstrated that facility management and mall management are distinct concepts. Professional mall management plays a significant role in ensuring the operational efficiency, customer satisfaction, profitability, and long-term sustainability of shopping malls. As a result, the importance of professional mall management is gradually gaining recognition among developers, landlords, and retailers in the Indian retail sector.

At present, only a limited number of specialized mall management companies operate in India. Most large real estate developers maintain in-house mall management divisions or collaborate with international retail consultants for operational support. In contrast, developed countries have established mall management as an independent professional service sector. During the early 2000s, the contract-based management model was commonly practiced in India.

However, due to changing market conditions and economic considerations, the revenue-sharing model has increasingly gained importance among Indian retailers and mall developers. Despite the rapid expansion of organized retailing, India has yet to fully adopt the concept of third-party professional mall management. Several operational and structural limitations continue to affect the effectiveness of mall management practices in the country. These issues reduce customer convenience, affect mall profitability, and limit long-term growth opportunities.

5.2. Challenges in Mall Management

The major challenges associated with mall management in India are presented in Table 1.

Table 1. Challenges in Mall Management in India

S. No.	Challenges	Impact on Mall Operations
1	Outsourcing considered as an additional expense	Limits adoption of professional management services
2	Improper space planning and management	Leads to parking shortages and congested entry/exit points
3	Lack of accountability in promotional activities	Reduces effectiveness of marketing strategies
4	Lack of academic programs in mall development	Creates shortage of trained professionals
5	Insufficient market research	Results in poor understanding of customer preferences
6	Planning malls around anchor stores only	Reduces balanced retail diversification
7	Leasing on a first-come, first-served basis	Affects tenant mix and overall mall attractiveness

Table 1 indicates that improper planning, lack of professional expertise, and inadequate market research are among the major barriers affecting the efficient management of shopping malls in India. The absence of specialized educational and training programs in mall development further contributes to the shortage of skilled mall management professionals.

5.3. Emerging Trends in Mall Development

The Indian mall market has become highly competitive due to the rapid growth of the real estate sector and the expansion of organized retailing. Shopping malls are increasingly being developed not only in metropolitan cities but also in Tier II cities and semi-urban regions in different formats and sizes. This expansion has intensified competition among malls and increased the need for strategic planning and professional management practices.

To ensure operational success and long-term sustainability, mall developers are increasingly considering the appointment of specialized mall management professionals. The involvement of international retail consultants and foreign mall developers may also provide competitive advantages by introducing global best practices in mall planning, customer engagement, and retail management. Competition from high-street retailers and online retail platforms further necessitates the adoption of effective mall management strategies.

Professional mall management firms provide expertise in master planning, tenant mix optimization, infrastructure development, promotional strategies, and customer relationship management. These services help property owners improve mall positioning, increase customer footfall, and enhance long-term profitability. The fee structure for professional mall management services is generally based either on individual assignments or annual contractual agreements between developers and management firms.

6 CONCLUSION

Even though organised retail in India does not yet have the stature of an industry, it is seeing a lot of new forms enter the market at a fairly quick rate. No other industry in India has ever seen retail grow at such an exponential rate. The organised retail industry offers a wide range of prospects. India currently only makes up 8% of organised retail; the other 92% is unorganised and may expand considerably more quickly than traditional retail. It is anticipated that it would increase its share of the expanding Indian retail sector. According to various projections, organised retail will account for 20% of total retail sales by 2023. As for shopping malls, India is still in the mall lifecycle's growth stage, and mistakes made during this phase could have serious consequences. The future of shopping malls can be bright if this phase is used as a lesson and a set of guidelines for planning future steps. Developers and the government must work together to achieve this. The retail industry urgently has to become more accountable, transparent, and customer-focused. The expansion of shopping centres in India won't be genuinely sustainable until then.

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ETHICS STATEMENT

This study did not involve human or animal subjects and, therefore, did not require ethical approval.

STATEMENT OF CONFLICT OF INTERESTS

The authors declare that they have no conflicts of interest related to this study.

LICENSING

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