

## A STUDY ON CLOSING OF “HI-LIFE” MALL AT SANTACRUZ, MUMBAI

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**Abstract :** Retailing in India is one of the pillars of its economy and accounts for 14 to 15% of its GDP. The retail in India has very good growth and opportunities in organized market. Retail sector includes all the shops that sell goods to the ultimate customer, who buys them for personal and not business use. It encompasses all kinds of shops, from kiosks and small groceries to supermarket chains and large department stores. In addition to traditional bricks-and-mortar shops, the retail sector includes mail-order and online businesses. The Retailing is the interface between the producer and the individual consumer, buying for personal consumption. It is the last link that connects the consumer with the manufacturing and distribution chains.

Single Brand Retail: Retail marketing of a product or service having brand name that is not in affiliation with any other brand family or corporate brand name.

Multi Brand Retail: Retail marketing of two or more similar and competing products by the same company under different and unrelated brands.

But, still organized retail did not succeed in all formats of mall. New malls are opening but old malls are not achieving success.

**Keywords:** Retail Industry, Challenges, Causes, Impact of Closing of Mall.

### 1 INTRODUCTION

The word “Retailer is derived from French word “retailier” which mean “to cut a piece off” or “to break bulk”. A retailer cuts large stocks of goods into small pieces and sell them to customers.

#### 1.1.1 Retail Industry

Retail sector includes all the shops that sell goods to the ultimate customer, who buys them for personal and not business use. It encompasses all kinds of shops, from kiosks and small groceries to supermarket chains and large department stores. In addition to traditional bricks-and-mortar shops, the retail sector includes mail-order and online businesses.

#### 1.1.2 Meaning

The Retailing is the interface between the producer and the individual consumer, buying for personal consumption. It is the last link that connects the consumer with the manufacturing and distribution chains. India's organized retailing is concentrated in the major metros. Mumbai is the most attractive retail market for global retail players and malls are becoming popular in big cities and metros in India. Mall culture is part of our social culture.

Single Brand Retail: Retail marketing of a product or service having brand name that is not in affiliation with any other brand family or corporate brand name eg. UK based footwear company Pavers will do single brand retailing in India.

Single Brand by its meaning would mean 'own label brands' are those which are created and owned by businesses that operate in the distribution channel. Actually the position of the meaning of this term is variable and thus is ambiguous. The inclusions of the meaning of store brands, private labels and branded during manufacture do not make the matter any easier. The latter meaning that any foreign investment may not benefit suppliers of locally produced labeled goods.

Multi Brand Retail: Retail marketing of two or more similar and competing products by the same company under different and unrelated brands. Wal-mart, Tesco, Carrefour, Metro AG are some retail corporations of multi- brand.

Multi-Brand retail, as considered by the Indian government, would include retailers like Wal-Mart, Tesco, Carrefour, CVS, Walgreens, 7-11, Best Buy, Home Depot, Staples and Office Depot. Single-brand retail would be companies like GAP, Levi, Nike, Apple (although they would need to eliminate all non-Apple products from their store, i.e. software that was not Apple branded as well as peripherals), and luxury goods.

### 1.2 OBJECTIVES

The objectives of this research paper can be stated as follows:

- 1.To study the causes of closing of “HI-LIFE” Mall.
- 2.To study the impacts of closing of “HI-LIFE” Mall.
- 3.To make suggestions to restart the same.

### 1.3 METHODOLOGY

This study is qualitative in nature. The best way to collect data is from primary method – questionnaire, but the mall is closed and as there are no visitors it is difficult to collect data through the said method. Hence I have adopted observation as method to study the major causes of the closing of “HI- LIFE” mall.

### 1.4 OPPORTUNITES AND THREATS BEFORE MALLS.

Opportunities in India have fascinated the western retailer like Wal-Mart, who had plans to foray as single branded retailers. In assessing whether to enter the companies keep into account the timing factor that is whether the consumers are ready to accept the product that are offered by them.

### 1.5.CAUSES OF CLOSING OF “HI-LIFE” MALL

In spite of the spread and success of malls as agents of retail market, they experience many problems & suffer from many drawbacks.

**1.5.1. Location:** “HI-LIFE” mall is located parallel to Santacruz (West) railway station, and not on highway. Visitors from Santacruz (East) Vakola to Kalina area if want to visit they have to take auto. From said area it is 4 to 5 km away and auto will cost atleast Rs.45-60 one way. Travelling is costly.

**1.5.2. Competitors:** Within a distance of 1 km Reliance Mart is located at the corner of S.V.Road junction a biggest competitor, beside there are many local baniya and kirana marts and branded goods showrooms. Every culture has its own impact on buyer's buying behavior. Majority crowd is from Gujrati community in that locality. Gujratis prefer kiran stores to malls as these local kiranwala are nearby and the relationships with shopkeeper are much affected by the purchase systems of Gujaratis.

**1.5.3. Gratification:** A mall visit is not only a family outing but also provides entertainment at low cost. The malls offer visitors with impersonal spaces, which help them to mingle in the crowd and interact with others. HI-LIFE mall is lacking in mood booming attraction, like ice-skating of phionix mall, gaming zone etc. Nothing finds to lose track of time.

**1.5.4. Parking:** Visitors prefer to parking. It was noticed that parking is at owner's risk at road side and no parking is available by “HI-LIFE' mall.

**1.5.6. Food courts & Restaurant:** HI-LIFE mall do not have Food courts and Restaurant, where the surrounding people are food lover.

**1.5.7. Supermarket:** Special section of supermarket and hypermarket is not there which attract more visitors.

**1.5.6. Increasing Operating cost:** Operating cost is increasing due to increase in electricity and water charges, salary payment to staff, mall cleaning and maintenance charges and inflation. This affects profitability of mall and lead closing down.

## 1.6.IMPACT OF CLOSING OF 'HI-LIFE' MALL

There has been a negative impact of closing of mall.

**1.6.1.Increase in unemployment:** In India, where unemployment is a major problem, Due to the closing of HI-LIFE mall, the market was decreased, which lead to additional unemployment in retail and other tertiary sectors.

**1.6.2. Reduced Business opportunities:** Many businessmen and professionals lost good opportunities of growth and expansion of business.

**1.6.3. No threat to unorganized retailers:** The unorganized retailing can peacefully co-exist in the surrounding market.

**1.6.4. Revenue loss to government:** The government too stands to lose by this close by transparent and accountable monitoring of goods and supply chain management systems.

## 1.7.SUGGESTIONS:

1.7.1. To cope up with competitors, more attractive layout and discount offers must be given.

1.7.2. Must start mood booming activities, child attraction and game zone.

1.7.3. Provide parking facility. Two wheeler at free of cost and four wheeler comparatively at lower price than competitors.

1.7.4. Open food courts and a restaurant.

1.7.5. Should give special attention to children and their needs as working parents prefer to spend time with their children while shopping for them.

1.7.6. Customer relationship strategy can be used.

1.7.7. Present generation have an attraction for more facilities, efforts are being made to attract customers by offering new attraction, discount, gifts and enjoyment.

## 1.8. CONCLUSION:

The research undertaken uncovered many loopholes in the “HI-LIFE” mall. It was noticed that the mall is not centrally located. Competitors and lacking in mood booming attraction are major causes of failure of mall. Demographic factors such as Gender, age, income etc plays important role and mall manager need to focus on improvement of mall in particular area as suggested.

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