

- **76%** of respondents indicated that shopping mall size directly influenced their choice
- **Number** of stores in a mall also an important factor



by
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Shopping, some would call it the favourite past time of most Malaysians. For us as consumers or visitors to the mall, is the size of a shopping mall integral to which mall we ultimately decide to visit?

In short, the age old question we are trying to seek an answer to: Is bigger better?

To answer this question, a survey was conducted by us among a small sample of shoppers (about 140 participants) and we found that 76% of the respondents indicated that size directly influenced their choice when deciding on a mall to visit.

It was also noted that 74% of the respondents indicated that the number of stores available in a mall was also an important factor for deciding which mall to visit.

However, a quick check with our partner Stratos Consulting Group shows that mall openings which are less than 500,000 sq ft of nett lettable area (NLA) have been increasing since 2000.

Leading up to 2000, 82.5% of all malls opening in Malaysia were of less than 500,000 sq ft but this number increased to 86% since then.

Contributing factor

Malls, in this instance, also refer to retail centres that have at least 50,000 sq ft of NLA, which includes hypermarkets and retail podiums.

Granted that our survey sample is small, this brings us to another interesting question:

Could this be a contributing factor as to why some of the smaller malls in the Klang Valley, which have opened in the last 18 years, have been doing less well because these malls run contrary to what the market is looking for as indicated by our survey respondents?

Regrettably, this is a question which is too difficult to for us to answer within the context of this article.

We further followed up that question with another one: We wanted to understand what exactly do shoppers go to a shopping mall for?

The response from our survey pointed out that an overwhelming 83% of respondents choose to visit the mall is search of food followed closely by 69% who responded that getting groceries was their primary purpose, while 68% indicated that entertainment was what drove them to visit the mall.

What was surprising to us was

Does size matter for a shopping mall?

that meeting with friends and family only came in fourth, with 59% of respondents.

Another study conducted in Singapore entitled 'The magnetism of suburban shopping centres: Do size & cineplex matter?' by Joseph Ooi and Loo-Lee Sim found that mall visits by shoppers were usually multipurpose by nature and the results shown in that study identified an opposite trend from ours where meeting with family and friends (57.7%) was the main reason followed by shopping (52.7%) and lastly for meals (46.0%).

But we believe that that study and our own survey both show that to shoppers, size of the shopping mall does factor into their decision about whether to visit a particular mall.

Ease of parking

Granted that the size of a shopping mall matters in the destination choice of mall shoppers, we also wanted to find out whether there were other criteria which influenced shoppers' choice in this area.

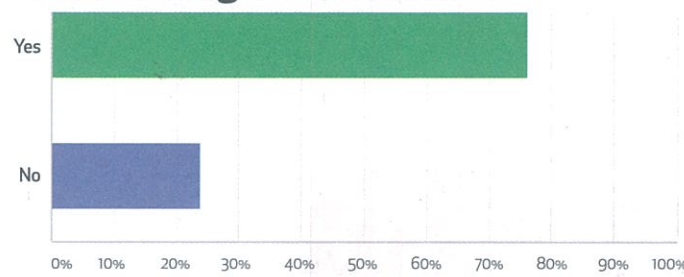
From information provided to us by Stratos Consulting and our own survey, we found that ease of parking (85% of respondents) represented a huge concern for shoppers in Malaysia when it comes to deciding which mall to visit, whilst 71% indicated that tenant mix was equally important.

However, we believe strongly that the time it takes to travel to a specific mall also factors into the equation for shoppers in deciding which mall to visit.

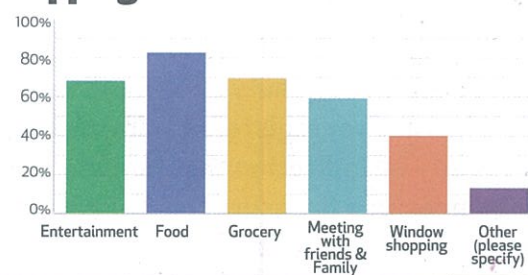
It is important to note that our survey covered this though from a slightly different viewpoint where we asked respondents if they would travel out of their usual home-to-work route to visit a shopping centre which promised great discounts and offers on its products and services.

Some 69% of the respondents

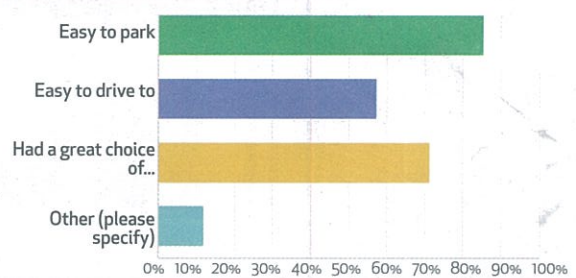
Does the size of the mall affect your choice when deciding to visit the mall?



What are the main reasons for you to visit a shopping mall?



What matters to you more when deciding on which mall to visit?



Source: Stratos Consulting Group

indicated that they would do so, which to us would explain the success of malls such as outlet shopping malls which draw in a huge number of visitors even though they are located away from major urban centres.

In conclusion, the answer to the question of whether bigger malls are better is an enthusiastic "Yes."

Research papers and surveys of shoppers do show that bigger malls are indeed better in their opinion.

Nevertheless, for us within the industry, we find the need to go beyond what the results are saying.

Yes, bigger malls are better but if we delve into the heart of the matter, we believe it is more

important that a mall fits and serves the needs of the community it belongs to, beyond just being bigger in size.

The mall needs to function as a common gathering centre where communities can share the space with their loved ones, friends, etc and relationships can be forged on top of the space serving as a place of commerce as well.

Amazon example

Why do we feel this way? Well, not many customers knew that they would want to eventually shop at what started out as a simple online bookstore back in 1994.

Amazon, an e-retailing behemoth, closed 2017 with US\$178 bil (RM730.08 bil) in sales and has considerably changed the way we as consumers shop.

The point we are getting at is this, Founder Jeff Bezos and the team at Amazon identified an un-met market potential to change the way people shopped for goods when all their competitors in the market either did not see it or it was not a priority for them (i.e. Amazon's competitors).

In the same vein, developers of shopping malls today need to see the unmet needs of the community where the mall is going to be built and ensure that the mall serves to meet those needs.

In that way, the mall can function not just as a space for commerce but more importantly, it can function as a space for the community to congregate, build and enrich their lives.

This helps grow a symbiotic relationship between the community and the mall.

When that happens, we think the size of the mall will not matter as much.

To borrow a line from Cheers, you want to go where everybody knows your name. **FocusM**

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Mid Valley Megamall is one of the biggest malls in Malaysia