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Assessment of the attractiveness of shopping centres in Poland

Introduction

Shopping centres are an increasingly important part of the retail sector. They are a modern form of retail concentration in terms of space, capital and organisation. They integrate a range of goods and services that fit in well with the increasingly visible trend of providing experiences for customers. In many countries of the world shopping centres have been developing dynamically. One such country is Poland. The majority of shopping centres in Poland are third-generation centres, which means that in addition to retail outlets they also offer an extensive range of services. The aim of this paper is to identify the attributes and determine the level of attractiveness of selected shopping centres in Poland.

Shopping centres in Poland

The retail sector in Poland has undergone a substantial transformation since 1989. As a result of social end economic changes retail trade has become almost completely privatised, foreign retailers have entered the Polish market, modern forms of commerce have appeared, and the retail sector has been thoroughly modernised. These changes were accompanied by the growing affluence of Poles. All these factors contributed to a considerable increase in the size of the Polish retail sector during the years 1990-2011[1].

One of the components of this sector are shopping centres. The first modern shopping centre in Poland was built in 1993 (*Panorama Shopping Centre* in Warsaw). In subsequent years their number increased exponentially, the increase being particularly dynamic during the first decade of the 21st century. In the second half of 2012 Poland had 391 shopping centres (Retail Research Forum 2012), and new ones are constantly being built. The majority of shopping centres are located in large urban areas, which account for 57% of the gross leasable area. The total leasable area of these centres is in excess of 9 mln m^2, which amounts to over 240 m^2 per 1,000 inhabitants. This level of market saturation regarding shopping centre area indicates a high growth potential for the Polish market, particularly in comparison with the United States, where the saturation rate is well over 2000 m^2 per 1,000 inhabitants (Niemira, Spivey, 2007), and Western Europe, with Norway having the highest saturation rate of approximately 700 m^2 per 1,000 inhabitants (Mikołajczyk, 2012).

Existing and emerging shopping centres are classified into different generation types. The largest number of both existing shopping centres and those which are currently under construction are third-generation centres. They are characterised by an extensive range of shops, a large sports and leisure section, a cinema complex, as well as a number of bars and restaurants. An important feature is also a 'return' of such establishments to the central districts of towns and city centres. Some shopping centres are even located in revitalised old factory buildings (for example, *Manufaktura* in Łódź or *Stary Browar* in Poznań).

[1] During the years 1990-2011 Poland saw a more than twofold increase in gross retail sales at constant prices (Rocznik Statystyczny Rzeczypospolitej Polskiej 2012 [Statistical Yearbook of the Republic of Poland 2012]). Also during the current global economic crisis the retail sector in Poland has shown an upward trend (Handel wewnętrzny w Polsce 2008-2012 [Domestic trade in Poland 2008-2012], (2012), Instytut Badań Rynku, Konsumpcji i Koniunktur, Warszawa).

Conceptualisation of the attractiveness of shopping centres

In general terms the attractiveness of shopping centres, in the opinion of customers, is connected with the ability to make purchases from many shops which are located in one place and which offer a wide range of products. The actions of shopping centre owners, who strive to meet customer expectations, have resulted in a uniformity of shopping centres. Most of them contain the same kinds of shops (usually of the same brands), which offer a similar product assortment at similar prices [Zafar U. Ahmed, Morry Ghingold, Zainurin Dahari, 2007]. They also tend to have similar large grocery stores, multiplex cinemas and restaurants (food court). Additionally, shopping centres are not clearly differentiated in terms of area, interior design or facilities for customers [Singh H., Sahay V., 2012].

On the other hand, however, the increasing saturation of the market, which intensifies competition, together with the growing expectations of customers result in the necessity to stand out from market rivals. To make this possible and effective it is necessary to identify the factors which determine the attractiveness of shopping centres in customers' eyes. Many attempts to identify them have been undertaken in the literature. In one of the initial attempts the attractiveness of a shopping centre was linked to its image. Thus three variables affecting the image of a shopping centre were identified: shopping environment and variety, parking, plus shopping environment and professionalism [Ruiz 1999]. Ahmed, Ghingold and Dahari (2007), on the basis of Bloch's concept [Bloch *et al.* 1994], examined seven dimensions for the attractiveness of shopping centres: aesthetics, escape, flow, exploration, role enactment, social and convenience. El-Adly (2007), on the other hand, distinguished six attractiveness factors: comfort, entertainment, diversity, mall essence, convenience and luxury. The significance of these factors was found to be considerably diversified across the three groups of shopping centre customers: relaxed shoppers, demanding shoppers, and pragmatic shoppers. Arslan, Sezer and Isigicok (2010) listed five attractiveness factors: retail environment, comfort conditions, socializing in a secure environment, accessibility, and leisure. Also Singh, Sahay (2012) identified five attractiveness factors: ambience, physical infrastructure, marketing focus, convenience to shoppers, safety and security.

The examples mentioned above clearly show that there is no universal group of factors which would make it possible to determine the attractiveness of any shopping centre. On the contrary, the groups of factors differ in respect of number (from three to seven) and scope. These differences may be due to the fact an assessment of the attractiveness of a shopping centre is closely dependent on the context (environment) in which the study was conducted. The analyses into attractiveness factors were conducted for shopping centres located in certain countries (for example, Ahmed, Ghingold and Dahari (2007) studied the attractiveness of shopping centres in Malaysia), or certain areas of a country (Singh and Sahay (2012) studied shopping centres located in the National Capital Region of India). The context of the studies also depended on the age group (Arslan, Sezer and Isigicok (2010) examined the attractiveness of shopping centres among young people in Turkey). Considering the above, the authors of this paper have undertaken to identify the attractiveness factors of shopping centres in Poland as well as assessing the attractiveness of selected shopping centres.

Assessment of the attractiveness of shopping centres in Poland – results of empirical research

There are a large number of factors which determine the attractiveness of a shopping centre from the point of view of customers. Research conducted in 2011 on Polish consumers identified a list of 45 detailed factors. After eliminating the least important factors and combining similar factors into broader categories (e.g. promotional activities), a list of 36 major factors has been compiled to be used in the study. These have been divided into four categories:

- commercial offering of a shopping centre (12 factors),
- aesthetics and orderliness of a shopping centre (8 factors),
- politeness of employees (10 factors),
- promotional activities (6 factors).

A detailed list of these factors together with their weightings is presented in Table 1.

Table 1: The attractiveness factors of a shopping centre in customer feedback

Category	Specific factors	Weight*
Commercial offering of shopping centre (category = 50% total weight)	1. Location of shopping centre	10
	2. Ease of access by car	7
	3. Ease of access by public transport	5
	4. Ease of parking in the centre's car park	4
	5. Car parking fees at the centre	3
	6. Range of shops (type, quantity, quality of products)	8
	7. Range of catering services (type, quantity, quality)	4
	8. Range of non-commercial services (type, quantity, quality)	1
	9. Availability of entertainment	2
	10. Free internet access	1
	11. Ease of navigating the centre	2
	12. Opening hours	3
Aesthetics and orderliness of shopping centre (category = 22% total weight)	13. Appearance of the building (architectural design)	5
	14. Clean and tidy toilets	3
	15. Clean and tidy corridors and aisles	4
	16. Clean and tidy car park	2
	17. Clean and tidy immediate vicinity of the centre	1
	18. Music in the centre	1
	19. Air conditioning	2
	20. Rest areas for customers	4
Politeness of employees (category = 18% total weight)	21. Politeness of security staff	1
	22. Politeness of food service staff	3
	23. Politeness of super- and hypermarket staff	2
	24. Politeness of clothes shop staff	3
	25. Politeness of shoe shop staff	1
	26. Politeness of cosmetics shop staff	2
	27. Politeness of jewellery shop staff	2
	28. Politeness of the staff of other shops	1
	29. Politeness of service point staff	2
	30. Politeness of non-commercial service staff	1
Promotional activities (category = 10% total weight)	31. Type of events organised in the centre	2
	32. Frequency of events organised by the centre	2
	33. Public Relations activities	2
	34. Activities for the local community	2
	35. Materials promoting the centre in the local area	1
	36. Intensity of promotion campaigns in the media	1
	Total weight	**100**

* average mark obtained on the basis of a customer survey

Source: Own compilation

In order to assess the attractiveness of shopping centres in the opinion of customers, a questionnaire survey was conducted on a sample of 1,200 people in the form of a direct interview. The study was conducted in 12 shopping centres; 2 randomly selected centres in the 6 largest Polish cities.

As regards the assessment of the “Commercial offering of shopping centre”, the highest scoring shopping centres were those in Łódź (*Manufaktura* and *Pasaż Łódzki*) and in Kraków (*Bonarka* and *Galeria Krakowska*). The lowest marks were awarded to *Galeria Dominikańska* in Wrocław, *Złote Tarasy* in Warsaw and *Panorama* in Poznań (Figure 1).

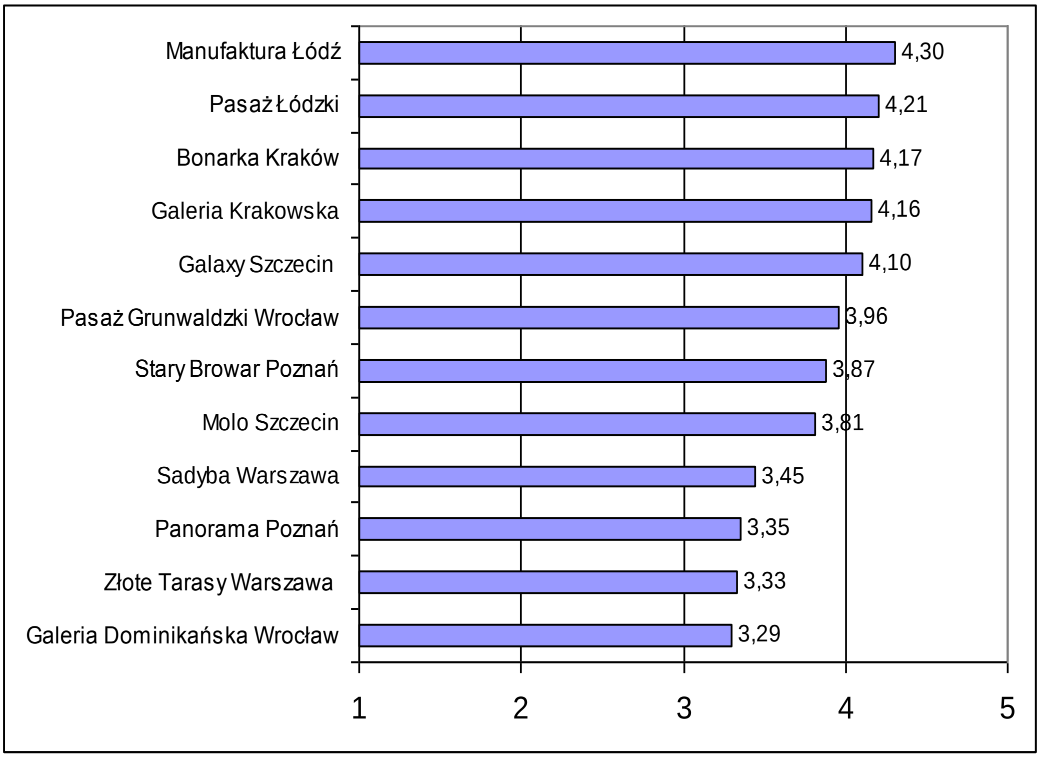

Figure 1: Ranking of shopping centres in respect of the assessment of their commercial offering in customer feedback
Source: Own compilation

In the category “Aesthetics and orderliness of a shopping centre” the most highly rated were *Bonarka* in Kraków as well as *Manufaktura* and *Pasaż Łódzki* in Łódź. The worst rated were *Złote Tarasy* and *Sadyba* in Warsaw as well as *Galeria Dominikańska* in Wrocław. A ranking of the shopping centres in terms of their aesthetics and orderliness in customer feedback is presented in Figure 2.

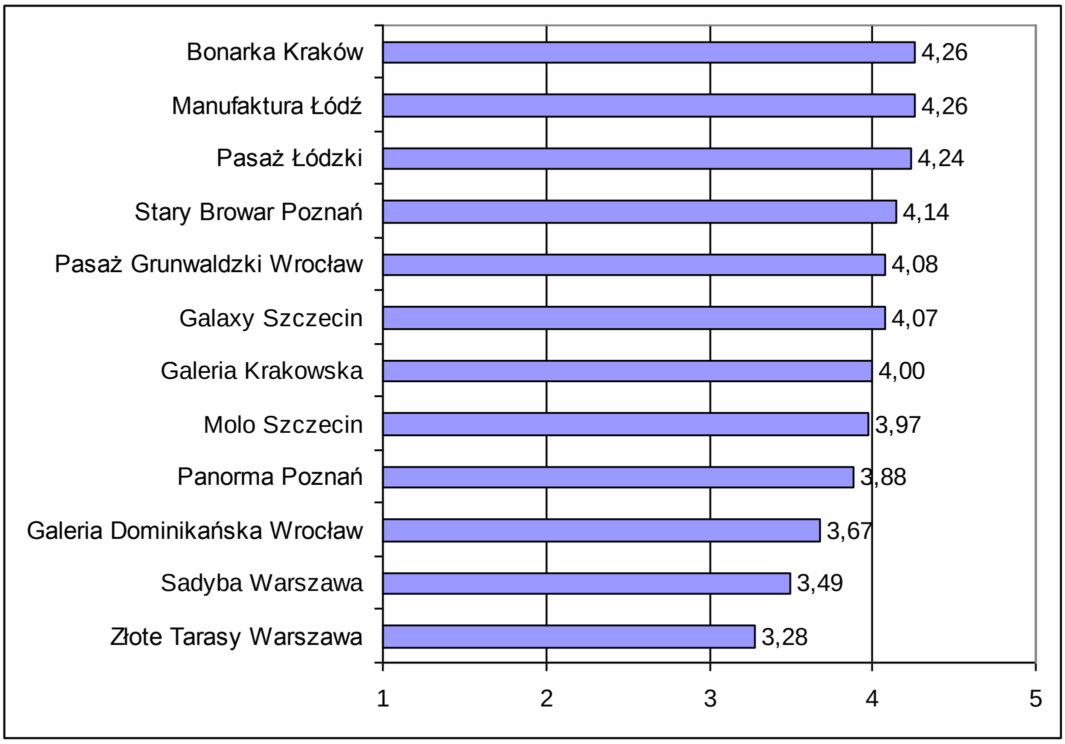

Figure 2: Ranking of shopping centres in respect of the assessment of their aesthetics and orderliness in customer feedback
Source: Own compilation

Another category of factors assessed in the study was "Politeness of employees." This category has never before appeared in studies involving owners, managers and tenants of shopping centres. As the findings of the research indicate, customers attach great importance to the behaviour of shop and service outlet staff, their competence and helpfulness. The highest marks in this category were awarded to *Bonarka* in Kraków, *Manufaktura* in Łódź and *Galeria Krakowska* in Kraków. The lowest scoring shopping centres were *Sadyba* and *Złote Tarasy* in Warsaw as well as *Molo* in Szczecin. A ranking of the shopping centres in terms of the politeness of shop and service outlet employees in customer feedback is presented in Figure 3.

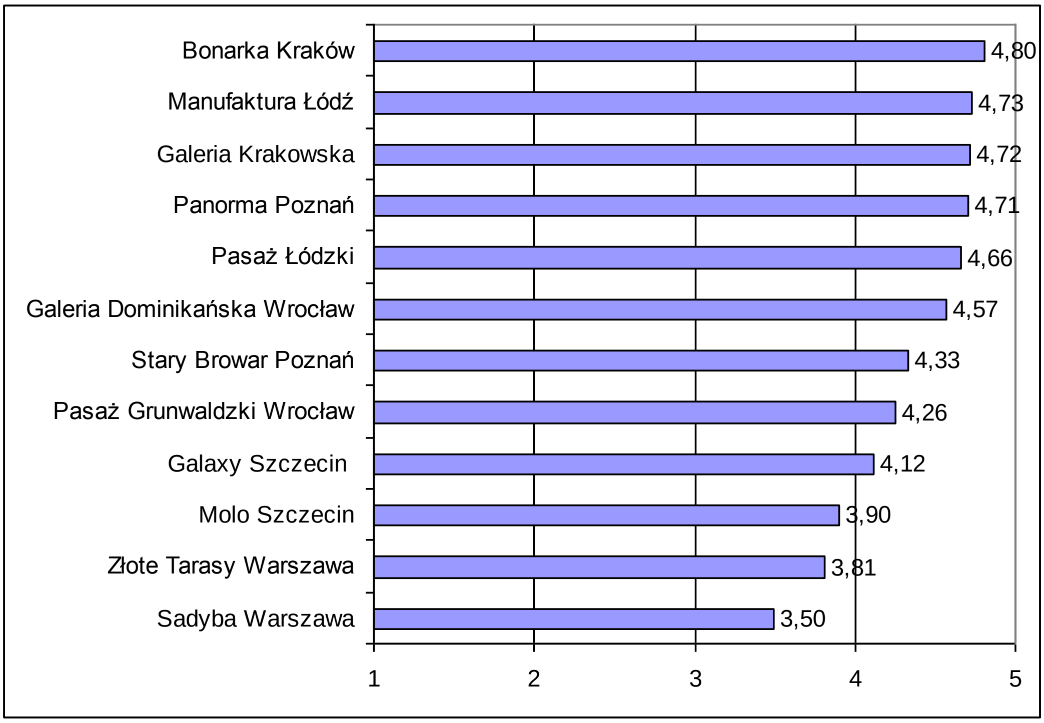

Figure 3. Ranking of shopping centres in respect of the assessment of employee politeness in customer feedback
Source: Own compilation

The final group of factors which were assessed by customers were “Promotional activities” of shopping centres. It is worth noting the generally low scores for the factors included in this category (similar results were obtained in surveys conducted among owners, managers and tenants of shopping centres). The shopping centres whose promotional activities were rated the most highly by customers (though the mark is still below 'good') are *Galaxy* in Szczecin, *Manufaktura* in Łódź and *Bonarka* in Kraków. The promotional activities of *Galeria Dominikańska* in Wrocław, *Złote Tarasy* in Warsaw and *Panorama* in Poznań were rated as the worst. A ranking of the shopping centres in terms of the assessment of their promotional activities in customer feedback is presented in Figure 4.

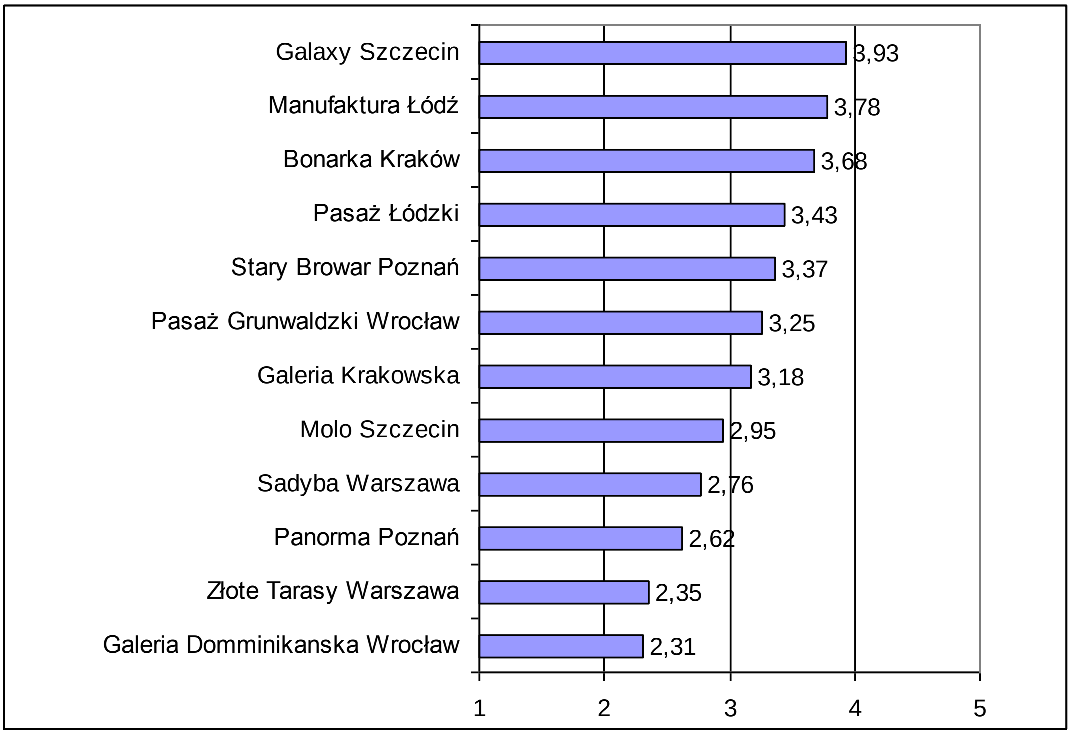

Figure 4: Ranking of shopping centres in respect of the assessment of their promotional activities in customer feedback
Source: Own compilation

Undoubtedly the promotional activities of shopping centres are an area which should be significantly improved. Promotion, together with activities for the local community, can be one of the key factors in enhancing the image of a shopping centre, thus improving its competitive strategy. As competition between shopping centres increases, promotional activities may become one of the main ways in which a shopping centre can stand out in the market and elevate the level of customer satisfaction and loyalty.

Conclusions

Shopping centres are modern and at the same time very capital-intensive forms of retail trade. Therefore it is crucial to identify the factors which determine their attractiveness from the customers' perspective. This is essential for the development of new shopping centres as well as modernising existing ones. The research carried out on Polish consumers indicates that as regards the attractiveness of a centre the most important element for customers is the broadly understood commercial offering of a shopping centre. This category includes both the range of goods and services offered and its accessibility, including location, ease of access and opening hours. Another factor which in the opinion of Polish consumers determines the attractiveness of a shopping centre is its aesthetics and orderliness, which also includes the general ambience of a shopping centre (including music and temperature). Next, the respondents indicated the politeness of shopping centre staff (from shop assistants to security staff). Finally, the lowest rated determinant of the attractiveness of a shopping centre was the promotional activities that the centre undertook.

As regards the assessment of the attractiveness of the selected shopping centres it ought to be noted that in the categories “Commercial offering”, “Aesthetics and orderliness” and “Employee politeness” the ratings were not very diversified; greater differences in the ratings were visible in the “Promotional activities” category. Indirectly, this may indicate that Polish shopping centres are to a certain extent uniform. Chain stores are an important group of tenants, which contributes to the similarity of shopping centres. Also, the fact that most of the shopping centres studied opened around the same time may be significant in this respect.

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