

**FACTORS THAT INFLUENCE TENANTS PREFERENCE OF SHOPPING  
MALL IN KENYA, A CASE OF THIKA ROAD MALL, NAIROBI**

**PHILMON OUMA OJUOK**

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**DECLARATION**

This research project report is my original work and has not been presented for any award in any other university.

**Signature:** .....

**Date:** .....

**OJUOK PHILMON OUMA**

**L50/71301/2011**

This research project report has been submitted for examination with my approval as the candidate's supervisor.

**Signature:** .....

**Date:** .....

**MRS. JOYCE KIRUMA**

Department of Extra-Mural Studies

School of Continuing and Distance Education

UNIVERSITY OF NAIROBI

## **DEDICATION**

This research project is dedicated to my wife Catherine Anyango and my daughters Keysha Naville and Angela Amanda.

## **ACKNOWLEDGMENT**

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## ABSTRACT

This research explores why retailers prefer to locate in one shopping mall and not another. What attributes makes one shopping mall more desirable to retailers than another? To do so, this research reviews literature for understanding the preference criteria of retail location in the shopping mall context. The review provides overall insight into prior studies that specifically emphasize on factors influencing tenant/ retailer preference of shopping malls. Thika Road Mall is chosen as a reference. Shopping mall preference is being evaluated by using various attributes such as location, tenant mix, mall image and availability of parking. A descriptive survey of retailers within the mall was carried out through the use of questionnaires, interviews and observations as research instruments. A census survey of the entire population was adopted due to the small size of the target population. Data obtained from the field was analyzed by use of mean scores and standard deviation to establish the relationship between the various independent variables and the dependent variable. The SPSS (Statistical Package for Social Sciences) and Microsoft Excel were used to analyze the data. Data presentation was in form of descriptive statistics. Statements of the facts found out were used to further explain the findings of the research. The study established that location is a major determinant of mall preference by the prospective tenants of the mall as it is considered to have considerable influence on the number of customers that visit the mall, thus improving sales by resident retailers. The study further established that all the aspects of tenant mix including presence of complementary tenants, competing tenants, anchor tenant and tenant placement significantly affect the tenant preference of a shopping mall. Also, the study revealed that the shopping mall image features are positively related to mall preference with the mall layout and the general image of the mall holding equal importance in tenants' mall preference evaluation. The study further established that prospective mall tenants consider availability of parking as an important attribute of the mall when choosing to locate at a particular shopping mall. The general conclusion to this study is that retailers prefer a shopping mall to be strategically located, to have variety of stores, to have adequate and accessible parking and to have an impressive mall image. The presence of all these attributes rather than some of them has the potential of attracting many retailers to locate in a particular shopping mall. The study concludes that with a better understanding of the tenants' mall preference attributes and their site selection criteria and methodologies, shopping mall developers can better understand what attributes, and which information will best help them in improving their mall attractiveness.

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background to the Study

A shopping mall is a group of retail and other commercial establishments that is planned, developed, owned and managed as a single property, typically with on-site parking provided. The mall's size and orientation are generally determined by the market characteristics of the trade area served by the center (International Council of Shopping Centres – ICSC, 2014).

According to the history of shopping mall as stated by Jacobs (1986), the development of shopping malls started in the US and later spread to other countries in the world. According to Kowinski (1985) shopping malls first came in to existence in the 1920's in California where supermarkets would anchor and serve as attraction for a strip of smaller stores. Turchiana, (1990) records that by 1975 there were 16,400 shopping centers accounting for 33% of retail sales.

Sub-Saharan Africa is experiencing a wave of modern mall development, on the back of the growth of the region's consumer markets. This trend is underpinned by Africa's long-term demographic and economic growth. The population of Africa has more than doubled over the last thirty years to just over 1.1 billion, and it is projected to hit two billion by 2040 (Africa Development Bank Annual Report, 2015). The demographic profile of Africa is young and the middle classes are growing. By the African Development Bank's definition, around 350 million people in Africa are classified as middle class (Africa Development Bank Annual Report, 2015). Within this group, there are brand conscious consumers who demand access to the increasingly classy retail formats offered by Africa's new surge of shopping malls.

Kenya is a late starter in comparison to the western world in the development of shopping malls. Shopping centres have been a feature of Nairobi since the 1980s when the Sarit Centre, regarded as the city's first formal mall, opened. By the year 2001, Nairobi City had only 3 shopping malls, namely Sarit Centre, The Village Market and Yaya Centre. However, over the last decade, Nairobi's retail landscape has been populated by other malls including Thika Road Mall. Thika Road Mall is a three storey building, with approximately 27,900m<sup>2</sup> of lettable space, opened in April 2013. The Mall is located on Thika Superhighway, at Kasarani Roundabout on the GPS

co-ordinates (1°13'10.9"S, 36°53'20.5"E). The catchment area is predominantly middle income neighbourhood with estates such as Kasarani, Garden estate, Gumba estate, Zimmerman, Kahawa falling within the immediate neighbourhood. Access to the mall is via Thika Road. The mall houses several shops offering a range of goods and services including basic household goods, fashion goods, entertainment and dining. The anchor tenant is Nakumatt Supermarket situated on part of the ground and first floors. Human movement inside the mall has a centralized circulation model, where the main entrance leads to a main atrium at the centre of the mall so that all other pathways lead from here. The shops are arranged around the atrium for visibility. There are approximately 700 parking spaces provided by the mall in three different lots. The first parking lot is situated at the front part of the mall. The second parking lot is the roof-top parking accessed by the use of a ramp. The third parking lot is at the back of the mall.

The mall environment is almost similar globally. In most parts of the world, the competitive environment that a mall faces today is considerably different from that faced in their early days when their primary competition was a downtown business district. According to Stanlieb & Hughs (1981), good locations for siting shopping malls are no longer available to an extent that a mall's main competition is now considered to be another mall. They further noted that shopping malls have transformed so much and are in a mature stage of retail life cycle where sales and market share are levelling off. Therefore developers' concerns are now more customer based hence all aspects of a shopping mall should have the need of customers in mind

Terblanche (1999) notes the important role that the malls play in consumer lifecycle. He observes that the malls have become a place for shopping as well as a centre for social and recreational facilities with children play areas, stores, cinemas promotional areas and eating places now becoming important constituents of the mall. With the increasing number of shopping malls, consumers have become more selective so that they are now more likely to patronize shopping malls that are more attractive and present a wide range of shops that match their preferences. This aspect of the consumer behavior is important to the retailers who must choose a suitable location where such consumer demands can be met. It is therefore important for mall managers to know the extent to which their malls are attractive to tenants/retailers and shoppers.

Choosing a good location or site for a shop is an important decision for any retail establishment. Location is considered to influence customer patronage, sales revenue, market shares and profit. Therefore the long term performance and viability of the business is based on how well the mall is located. It is noted that a well located shopping mall is able to succeed even in an economic environment that is not strong or an overbuilt market. Conversely a shopping centre that is poorly located may ultimately fail. Therefore, understanding the influence of location on retail establishments is important to the success of the business.

## **1.2 Statement of the problem**

The success of a shopping mall depends on many factors, the major one being the mall attractiveness which determines preference by both the potential tenants and customers. It is argued that the shopping mall attractiveness is an important consideration to the tenants, developers, and visiting customers. An attractive location and differentiation from competitors are important to the developers that chose the site of a shopping mall. Tenants also investigate the attractiveness of the mall and thus make preference for locating in one mall and not another. Further, the customers will only want to spend more time and shop in a mall when the mall exhibit attractiveness features. It is documented that in the second half of 2015, there was a decline in the uptake of retail spaces (Knight Frank Africa Report, 2015) due to the huge competition that has been occasioned by the many shopping malls already established within Nairobi. With more to come, it is forecasted that this trend will continue. It has therefore become imperative for a shopping mall to possess some attributes that gives it cutting edge over other competing malls.

With the advent of major shopping malls in Kenya, mall preference decisions by retailers and consumers have emerged as an important domain of study. Over the last decade, there has been substantial research on the success factors of a shopping mall in the overseas countries. However the research in the area of shopping mall is very limited in Kenya. Further, the research has concentrated majorly on the mall patronage by the consumers rather than preference by the retailers/tenants. This is the knowledge gap that this paper seeks to fill. This study tries to establish the critical dimensions that tenants/retailers evaluate when making choices as to where

to locate their businesses among the various shopping malls available, within the Kenyan context.

### **1.3 Purpose of the study**

The purpose of this study was to investigate factors that influence tenant's preference of shopping malls in Kenya; a case of Thika Road Mall, Nairobi.

### **1.4 Objective of the study**

The objectives of this study include:

- i. To determine the influence of location on the preference of Thika Road shopping mall.
- ii. To assess to what extent tenant mix influences Thika Road shopping mall preference.
- iii. To evaluate the influence of availability of parking to the preference of Thika Road shopping mall.
- iv. To establish to what extent the mall image influences the preference of Thika Road shopping mall.

### **1.5 Research Questions**

This study was guided by the following questions:

- i. What is the influence of location on the tenant preference of Thika Road Mall?
- ii. What is the influence of tenant mix on the tenant preference of Thika Road Mall?
- iii. What is the influence of availability of parking on the tenant preference of Thika Road Mall?
- iv. What is the influence of mall image on the tenant preference of Thika Road Mall?

## **1.6 Justification of the study**

Several researches have been carried out on various aspects of shopping mall preference in different countries. A study in the Kenyan context is needed because it may not be desirable to generalize retail research findings developed in an overseas market context with different geographical and economic dynamics.

## **1.7 Significance of the study**

This research is worthwhile undertaking as the findings may be of benefit to developers and mall managers in ensuring a successful mall performance in this competitive retail environment. This research offers shopping mall developers an understanding of mall site selection and development that will help them gain competitive advantage over other competing shopping malls. The study may also provide mall managers with the information in to the optimal tenant mix that will ensure maximum shopper visit to their malls.

The findings of this study may also be important to store owners/mall tenants in determining the choice of their business location.

## **1.8 Limitation of the Study**

Study limitations refer to the factors that are likely to inhibit the researcher from carrying out the research. Some of the targeted respondents were banks which were not willing to fill in the printed questionnaires. To overcome this problem, the researcher opted to emailing the questionnaire to the managers.

## **1.9 Delimitation of the study**

Delimitation of the study refers to the factors that limit the scope and define the boundaries of the study. The research confined its study to the malls in Kenya and used Thika Road Mall alone for the sake of focus. The population comprised of all the 96 tenants of the mall. The level of the research and the time permitted to complete the research have dictated the approach and determined the scope of the study. The limited geographical scope, however, does not undermine

the reliability and validity of the findings. They can be generalized to malls in other parts of the region.

### **1.10 Assumptions of the study**

Assumptions of the study are things that are somewhat out of the control of the researcher, but if they cease to exist, the study would become irrelevant. The study assumed that all respondents involved in this study gave accurate and honest responses. The study also assumed that every tenant's mall preference criteria are rational.

### **1.11 Definition of Significant Terms**

**Anchor Tenant** – Refers to a store which can generate high pedestrian flow on its own and therefore generates trade for smaller tenants.

**Catchment Area** – Refers to a geographical region within which a shopping mall draws its customer base.

**Mall Image** – Refers to the way in which the mall is perceived in the minds of the tenants and shoppers who patronize it.

**Parking** – Refers to a space that is designated for temporary stopping of vehicles while the owners shop.

**Preference** – Refers to the retailers' choice of one mall over alternative malls, based on the comparative advantages of each mall.

**Shopping Mall** – Refers to a group of retail and other commercial establishments that is planned, developed, owned and managed as a single property, typically with on-site parking provided.

**Tenant Mix** – Refers to the assortment and arrangement of stores within a shopping mall.

### **1.12 Organization of the study**

The study is organized into five chapters. Chapter One, which is the introductory part, contains the background of the study, the statement of the problem, purpose of the study, objectives of

the study, research questions, justification of the study, significance of the study, limitation of the study, delimitations of the study, assumptions of the study, definition of significant terms and organization of the study. In Chapter Two, literature review is presented. The chapter included the theoretical and conceptual frameworks necessary to understand the variable constructs. The literature section covers the research findings carried out by different researchers in different parts of the world. Chapter Three encompasses the research methodology under which, research design, target population, sampling procedure, research instrument in data collection, validity and reliability of the instruments, data collection procedures and data analysis techniques are discussed. Chapter Four presents the data analysis, presentation and interpretation. Lastly Chapter Five presents the summary of findings, discussions, conclusion and recommendations.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter presents a review of relevant literature on the factors that influence mall preference by tenants. The literature review is guided by the four objectives of the study. The concept of preference is discussed along with location, tenant mix, availability of parking and mall image. The chapter is organized into introduction, the body and the summary of the chapter.

#### **2.2 Tenant preference of shopping mall**

Preference refers to a greater liking for one alternative over another or others. Preference elements, in the context of this research study, are certain characteristics a retailer wants to have in a shopping mall to make it desirable for him to locate in that mall. Retailers are encountering situations where decisions have to be taken to choose where to locate their businesses. Given the many options of shopping malls available today, decision making on which mall to locate in has become more challenging. When retailers stand between choices of different alternatives they are expected to have some differentiated level of preference concerning the different choice options (Dhar, 1997). According to classical preference theory, the retailers always have distinct preferences or are using the utility function and thus choose the option that presents the retailer with greatest sales (Dhar and Simonson, 1992). However, preferences are changing rapidly which makes the preferences of today less likely to be the same in the future and is forcing mall developers to continually understand preference changes and update their offer to fit retailers and consumers' preferences (Yang et al., 2002).

Tenant mall preference is a result of performance/sales related experience and this reflects the overall opinion of a retailer's expectation or experience with the sales performance. It is quite possible that a retailer can have a very strong or dominant preference for one mall and very weak preferences for all other malls. Conversely, the retailer can be virtually indifferent among the available set of malls and thereby have equal or near equal preferences for them.

Two aspects of mall preference are noted. One is connected to retailer's preference for establishing a shop in the shopping mall and a second related to attracting customers to visit the mall in order to achieve high profitability levels in the mall. Retailers own perception concerning productivity of the mall is important in making them open shops. According to the retailers, a mall which depict good image, accommodates several shops and anchor tenant are considered lucrative business sites (Finn and Louviere, 1996, Konishi and Sandfort, 2003). Retailers' mall preference is related to customers' mall preference. Therefore the knowledge of customer preference is essential to retailer while evaluating their preference criteria. Increased shopper visit and ultimately making purchase in the mall is evaluated by the retailers for purposes of preference decision. If the buyer is virtually equal in his shopping preferences across all available malls, it will result in a potentially specialty competition among those malls for his choice. Similarly, if a buyer has a dominant preference for a single mall across all available malls, that mall will acquire the potential for a general monopoly power so far as this buyer is concerned.

Tenant mall preference follows a thorough mall evaluation by the tenants. The mall evaluation reflects the approach to make preference decision on retail location. From a decision-making standpoint it is important for a retailer to put procedures in place to help identify the most suitable mall out of the several available options in what is now considered overmalled market. For identification of the best option for retail shop site, the retailer considers a number of important factors in making this crucial decision. Typically, six steps are taken during the process of retail site selection. These steps include identifying geographic area, getting background information, investigating each mall's potential, touring each mall, comparing all malls being considered, and checking for space availability.

### **2.3 Location and shopping mall preference**

The view that location determines success of a shopping mall has a long academic history according Lekshmi et al., (2012). They point out that location is a basic feature of attractiveness considered in shopping mall selection by both the retailers and customers. They further note that location is of importance to the developers as they decide where to site the mall as well as the tenants who must make a decision whether to take up space in a shopping mall based on the number of customers that are to visit the mall and make purchase. Consumers also consider

location as important as they determine whether it is convenient for them to visit. The previous studies on mall location categorize location into twofold, that is the catchment area and time/distance proximity. The studies point out that location analysis in retail industry calculates the trade area population and studies the accessibilities to the potential shopping mall.

Catchment area is defined by Levy (2013) as a geographical region within which a shopping mall draws its customer base. Existing literature reveal that there is a maximum distance beyond which the consumer will decide not to shop as a result of the transportation costs and wasted time associated with such travel. Therefore, the extent of mall attractiveness and preference by customers vary depending on the location of the shopping mall. To make a successful investment decision concerning a shopping mall development, good amount of knowledge concerning the catchment area is imperative. This is because the market capacity of a retail project is defined by the catchment area which affects the demographics and purchasing power. The concept of catchment area is not important to the customers but it is to both the developers and the tenants.

Tanwar (2011) notes that it is common to segregate catchment areas into distances of 1km, 2km, and 3km areas. The inside of the catchment area which is located within 1km is termed as the primary trade area while the area situated within 2km is considered to be the secondary trade area. The area located within 3km is referred to as the tertiary trade area (Tanwar 2011). The size of the population in these three catchment areas or the number of customers in this market is considered to be of extremely importance to both the developers and tenants. There has been a consistent argument that the preference of a shopping mall declines as the catchment area moves farther out. Therefore, developers and retailers need to examine the location where there are a large number of customers within the catchment area.

The concept of proximity includes the aspect of time along with distance. The catchment area does not include physical barriers such as rivers, mountains, or main roads. The time to access the shopping mall may vary for customers due to such physical obstacles and a difference in accessibility, even if they are at the same distance from the mall. In practice, the destination is sometimes measured as within reach in some minutes at the most congested time. Developers, tenants and customers objectively view the time/distance proximity within the catchment area.

The shopping mall which is conveniently accessible for the catchment population will establish itself as a key commercial centre within the community.

Greater agreement among scholars surrounds the importance of proximity in mall preference. Simmons, (1992) emphasizes the importance of proximity by observing that in relation to the location of the shopping mall, proximity is a determinant which is important for shopping at malls. Kaufman, (1996) concurs by stating that time taken to reach the retail outlet is one of the main criteria which the consumers look for while selecting a shopping outlet, which subsequently affect the shops of the mall.

Accessibility and transport connectivity to the mall by private cars and public transport have been identified to affect mall performance and preference. According to Alexander et al., (1992) accessibility is a very critical factor for all kinds of shopping centres. Modern shopping malls developers contend that good access provides convenience to shoppers. Lack of proper transport network is noted to affect the number of customers visiting the mall as well as the efficient delivery of goods and services to the shops located in the mall. Another important aspect to be considered is the traffic before and after the mall. Ala Eddin (2012) categorizes accessibility in to macro-accessibility and micro-accessibility. He states that macro-accessibility entails accessibility from the customer's residence or place of work to the mall taking in to account the road network. He however, notes that micro-accessibility concerns the circulation within the mall. He observes that macro-accessibility cannot be changed easily once a shopping centre is built while micro-accessibility can be improved by centre operators.

A comprehensive transport network is very important for a shopping centre as customers are not willing to spend much time trying to access a shopping mall. The importance of public transport to the performance of shopping mall is highlighted by Lynda and Tong (2005) who stated that shopping malls located close to the public transportation could easily enjoy the benefit of bigger catchments population and attract more people to the centre. Also, transportation infrastructure affects the centre within the catchments area and the flows of traffic.

## **2.4 Tenant Mix and shopping mall preference**

One of the success factors for developers and tenants is the arrangement or assortment of stores in the shopping mall. Several studies have noted the importance of tenant mix to the success of a shopping mall. However, all the authors agree that ideal tenant mix is still a mirage and yet to be formulated, but can be observed and monitored through shopper survey (Greenspan, 1987). An ideal tenant mix is conceived to include a wide category of tenants, presence of a strong anchor tenant, ideal store size, appropriate placement of tenants and the ability to meet customer demand. The variables related to store attractiveness and preference can be largely divided into four types based on previous studies i.e anchor tenant, variety of tenants, number of tenants and tenant placement.

Mall preference by retailers is based on the presence of other tenants in the mall, especially the anchor tenant. Anchor tenant is a store with reputable brand which can generate high pedestrian flow on its own and therefore generates trade for smaller tenants. For this reason they enjoy longer leases and pay lower rentals per square feet compare to other tenants (Guy, 1994). Scholars have suggested that anchor tenants have the ability to attract attention in a shopping mall and hence determine the level of success of a shopping mall. It has been noted that the anchor tenant determines the number of customer that visit the shopping mall, commodity retail prices at the mall and the level of profit achievable at the mall. Yuo et al. ,(2004) conducted an empirical study on the influence of anchor tenants in the mall performance and noted that anchor tenant has relevance to the expenses for entering the shopping mall. He noted that shopping mall attractiveness varies based on the presence of anchor tenants and the extent to which it can draw customers to the mall.

The second variable of tenant mix, refers to the type and number of product categories in the shopping mall that are provided to customers or to the composition ratios of the types of other stores Kim et al . , (2005). Studies show that the appropriate mix of product categories increases the revenue of the shopping mall hence attract and retain more tenants, and in the reverse case, decreases the revenue and limits the number of tenants Yuo et al., (2004). Baker and Haytko (2000) noted that along with the number, the variety of different stores is also a decisive aspect for consumers to shop at shopping malls. Variety types of tenant in shopping mall create excitement in shoppers (Cockerham, 1995), noting that shoppers enjoy clustering of shops.

Highman (2010) described clustering as the assemblage of similar tenants into one location, further noting that tenant clustering process is proven to be productive and able to generate higher sales. The advantage of clustering tenant is to attract customers to shop for the goods in that particular shopping centre frequently. The views of Highman (2010) emphasizing on the findings of Cockerham, (1995) affirms that clustering builds a customer perception that the shopping centre offers wider range of products or services and thus will sell the item that the customer looks for. However, Husin (1991), while contrasting their views, noted that the existence of similar merchandise on the same floor creates unnecessary competition although the floor specialization approach creates convenience to shoppers.

According to Abratt et al. (1985) the presence of various tenants maximizes shopping centre attractiveness and presence to the population of the catchment area. They argue that the frequency at which shoppers visit the mall will increase if there is a wide range of tenants. An appropriate mix of tenants should offer to the customers a wide range of goods and services. Besides, a shopping mall that can meet customer demands by providing a medium to high range products and quality services can contribute to increased customer traffic flow (Kirkup and Rafiq, 1994). Customer will also find it more attractive to shop at larger stores for certain products or services as it has wider selection compares to smaller store (Carter, 1993).

It has been suggested that tenant placement affect performance of other stores within the mall, thus is an important preference consideration for the prospective tenants considering locating in the mall. The location of anchor tenant in relation to other tenants is important as it attract people to the centre from the entry point and therefore needs to avoid situation where only few tenants can survive by avoiding areas of low pedestrian flow (Downie et al., 2001). The main spillover effect identified from previous researches is from anchor stores to non-anchor stores: hence anchor store attraction and location are emphasized as highly significant factors in the shopping mall management literature (Mejia and Benjamin 2002)

According to Calus (1975), the specific location of each tenant needs to be carefully looked at and the arrangement should be based on the shopping mall's design and the tenant's relationship

with other shops. This arrangement is important so as to create high pedestrian flow according to Abratt et al. , (1985). However, Kirkup et al . , (1994) note that it is not easy to attain optimum tenant mix in terms of specific location due to the fact that larger tenants tend to demand specific locations.

The number of tenants in a mall is recorded another subconstruct for mall preference by tenants. According to Yuo et al., (2004) there are two important dimensions of tenant mix which include the number of tenants and the shopping mall size. Wesley (2006) affirms this by suggesting the existence of a relationship between the number of tenants, the sales performance and the size of the mall. He argues that the sales performance and the number of customers visiting the mall increase if the number of shops is more diverse, the number of tenant is large and the size of the mall is bigger. While emphasizing the same, Lekshmi and Jawaharrani (2012) noted that diversity of tenants had a very big influence on choice of shopping mall by both the tenants and customers.

## **2.5 Mall Image/Design and shopping mall preference**

Mall image is a multi-dimensional component consisting of both the visible features such as the superiority and availability of goods and services (Chang & Tu, 2005) and the less tangible features like the atmosphere of the mall (Koo, 2003). Tenants of a shopping mall are particularly concerned with the mall image as it influences the decision of shoppers whether to patronize a shopping mall or not. It is postulated that the selection of a shopping mall by a customer is based on the customer's past experience. In other words, the number of customers who visit a shopping mall is determined by experience of their past encounter at the mall. Research studies have previously dealt with ambience and image as the dimensions of shopping mall image. Lekshmi and Jawaharrani (2012) noted the influence of ambience in the shoppers' selection of the mall. However, they do not give the definition of ambience or what constitute it. However, Taneja (2007) while trying to explain what ambience is refers to the products and services available in a shopping mall and the shops and their arrangement and organization. The previous studies concurred that a combination of all these variables determine the shopping mall image which then determines the customers' preference of shopping mall and thereby influence retailers preference of the mall. According to Levy and Weitz (2013) a shopping mall image is comprised in the totality of functional and emotional qualities while Hunter (2006) and Ooi and Sim (2007)

stated that the shopping mall image is defined by the anchor shop and the physical appearance of the shopping mall. Loudon and Britta (1993) while discussing the intentions and motives of visiting a shopping mall observe that a mall image is enhanced by better interior design. Researchers have conceptualized mall image dimensions including mall atmosphere, accessibility, in mall service, reputation and merchandising (Thang & Tan, 2003).

Wakefield and Baker (1998) observed that the mall image dimension which contributed the most to mall visits was the mall's architectural design. He further noted that the interior design had a big effect on the consumers desire to stay longer at the mall. A shop's formal, expressive and symbolic attributes were identified by Fiore and Ogle (2000) as affecting the consumer aesthetic and instrumental value. Solomon, (1994) identified the use of serene music together with warm colours as capable of increasing the customers will to stay longer in the mall. Creating a comfortable shopping experience should be the main aim of a mall's design and layout. The success of the mall is not solely based on optimizing the mall's lettable area. A shopping centre design should include sufficient interior lighting, wide corridor and spacious atrium. It is noted that shopping mall design should have the aim of optimizing the flow of shopper traffic across different areas of the mall. Shops should be assigned to specific locations in the mall in a way that ensures evenly distribution of customer foot traffic across all shopping areas (Bader et al . . , 2014).

According to Cil (2012) shop arrangement and layout should be concerned with both the increased usage of the mall and customer improved sales. In a retail environment, layouts must take in to account the needs of the customers and the arrangement should attract the attention of the visiting customers. The appropriate arrangement of tenants in a shopping mall normally follows a dumb bell concept where anchor tenants are situated at the far end of the mall in order to attract the customers across the whole floor. This creates a smooth flow by customers creating customer traffic even for the smaller stores as the customers pass by when they approach the anchor store.

In a shopping mall, all locations are assumed to be equally good. The owners of the shopping malls are only concerned with optimization of rental return by generating equally distributed foot-traffic for all shops in the mall, not only those who can afford exceptional locations.

Accordingly, the layout design process should take this into consideration to achieve a tenant mix that leads to the success of the mall by ensuring maximum benefit for all tenants.

An analysis performed Fong (2003) on a selected sample of shopping malls for a comparative study of the layout configuration concluded that there is a strong relationship between the layout configuration and the distribution of foot-traffic across the mall. Brown (2001) analysed two malls, a failed one and a nearby successful mall and concluded that the size of the mall does not matter, but what matters is how easily goods can be accessed by the shoppers by use of the public areas. He noted that with the same amount of effort, shoppers would have access to more shops in the successful mall than the failed one. He also noted that the failed mall had a design that made each individual shop to represent itself as a standalone shop and not part of the mall thereby invalidating the idea that the human traffic at each shop will unavoidably create foot-traffic at adjacent stores.

Fong (2005) analysed specific location for each category of shops according to shop type and the nature of goods or services offered in the mall and came up with rules to cite certain shops in certain locations on the shopping mall. He recommends fashion shops to be placed in a more accessible areas of the mall while stores offering services to be located in less attractive parts of the mall. Hassan (2003) discussed the problem of layout design and its effect on human traffic flow in a mall and concluded that a good design results in to a smooth flow and maximizes the flow across the whole mall.

## **2.6 Parking and shopping mall preference**

Tenants /retailers may not necessarily need many packing lots to operate their businesses within the mall. However, their customers will. A big number of customers visiting shopping malls use cars as their preferred means of transport. It therefore means that availability of parking is a major determining factor for a shopper to choose a certain shopping mall over the other (Ndungu, 2008). Essentially, the parking system will most often than not be the shoppers' first and last impression of the shopping centre.

According to Gibbs (2012), parking is one of the most critical issues facing any retailer or shopping district today. He observes that, unlike work, school, or obligatory tasks, most shopping

trips are elective activities. People do not have to shop and will often avoid shopping centres whose parking is difficult to find or challenging. If parking is not readily available, potential customers will simply continue on their way, often to alternative malls.

Parking should not just be adequate, but rather should be secure and easily accessible. The walk from the parking is also important. It should be comfortable and as short as possible. The transition from the parking to the other spaces within the shopping mall should provide a rather enjoyable experience.

Levy and Weitz (2012) observed that the importance of good parking facilities must not be overlooked in assessing a location and specific sites in a mall while Coombe et al., (1997) noted that parking affects shopping and travel behaviour of consumers. They noted that parking situation affects shopping destination choice and mode of travel, parking lot choice and route to this parking and frequency of the shopping trip.

Parking is considered to affect performance of the mall. The ways in which consumers react to parking availability affect the economic performance of shopping malls and individual stores. Therefore the amount and quality of parking facilities are critical for evaluating a shopping mall and specific site within the mall. If there are not enough spaces or the spaces are too far from the store, customers will be discouraged from patronizing the store. According to Popp (1992), retailers fear a decline of sales because consumers may choose to visit other malls or to visit other shops in the shopping mall in response to parking availability and location.

Parking in the mall can be categorized in terms of different attributes including scale, location, tariff, regulation and accessibility (Popp 1992). However, according to Oppewal (1995), the parking situation considered for a shopping destination is usually defined by one and sometimes two attributes including parking convenience and parking costs. Other attributes of parking noted by Timmermans, (1996) are parking search time, availability of parking facilities, quality of parking facilities and number of parking spaces. Oppewal (1995) showed that the parking situation has some influence on consumers and retailer shopping destination choice.

Van der Waerden and Oppewal (1996) while investigating choice of parking lot and shopping destination noted that characteristics of available parking lots such as maximum parking duration, parking costs, walking distance between parking lot and shopping area played an important role in the choice of a shopping mall by consumers and retailer. However, the relationship between the chosen parking lot and the shops visited was investigated by Van der Waerden and Borgers (1995) who found empirical evidence of a strong relation between the two. They concluded that the probability for customers to visit shops nearer to the chosen parking is higher than visiting stores located at some distance.

Another aspect of parking evaluated by both retailers and consumers is the relative congestion of the parking area. Congestion is an excess level of traffic that results in customer delays. According to Levy and Weitz (2012) there is an optimal level of congestion for customers. They noted that too much congestion can make shopping slow, irritate customers and generally discourage sales. However, a relative level of activity in a shopping mall creates and stimulates sales.

## **2.7 Theoretical framework**

A theoretical framework is a collection of interrelated concepts and ideas that hold or support a theory of study subject. One of the most notable characteristics of the retail sector is that it is highly location sensitive. Several theories have been advanced to help explain the importance of location in the context of a shopping centre. This section briefly visits two of these theoretical frameworks that directly relate to retail location. The two theories are The Central Place Theory and the Congener Conglomeration Theory. The Central Place Theory principles are closely linked with shopping mall location and the importance of tenant mix in a mall especially the presence of anchor tenant which influence mall preference by tenant. Congener Conglomeration Theory is concerned with tenant mix in the mall, which is one of the objectives of this research.

### **2.7.1 Central Place theory**

German geographer Walter Christaller is considered as the father of the central place theory which he advanced in 1933 when he began to realize the economic relationships between cities and their hinterlands (areas farther away). He tested the theory in Southern Germany and came to

the conclusion that the reason why people gather together in cities is to share goods and ideas. He noted that this gathering is purely for economic reasons.

This theory argues that it is practicable to map a retail center by taking the surrounding geography into account. Christaller noted that demand is not uniform but is influenced by the distance from the city. Therefore, as distances increase, the demand also decreases because of the need for consumers to travel to the centre for goods. According to Lösch (1940) this phenomenon is called spatial demand cone. Huff (1964) emphasized this by noting that decreasing shopping probabilities radiate outward from a shopping center.

Central-place theory advances an idea of hierarchical connection between cities depending on the rank size. Larger cities are connected closely to cities of smaller size so that the growth of smaller cities is affected by the activities in the larger cities. Dicken and Lloyd (1990) noted that the extent of services provided in the cities will depend on their sizes so that a larger central city would have more services compared to a smaller city. This type of hierarchical order for cities is also found in retail markets. A similar order exists in the mall as clusters of small retail establishments within the mall are attracted by the existence of a large anchor tenant. Applebaum et al. (1974) divided the trading areas into a separate hierarchical circle of demand and distinguished between a primary area where the demand is very high a secondary area where demand is relatively lower, and a peripheral ring where consumers would prefer to shop somewhere else.

Christaller also identified threshold as an important aspect of the theory. He noted that there is a minimum number of people required for continued sustenance of a central place business or activity. This brought about classification of goods in to high order and low order goods. He identified low-order goods as those items that must be replaced frequently such as food and other routine household items. Because these items are purchased regularly, small businesses in small towns can survive because people will buy frequently at the closer locations instead of going into the city.

High-order goods however are specialized items such as fine jewelry automobiles, furniture, and household appliances that are bought less frequently. Since they require a large threshold and

people do not purchase them regularly, many businesses selling these items cannot survive in areas where the population is small. Therefore, they often locate in large cities that can serve a large population in the surrounding hinterland.

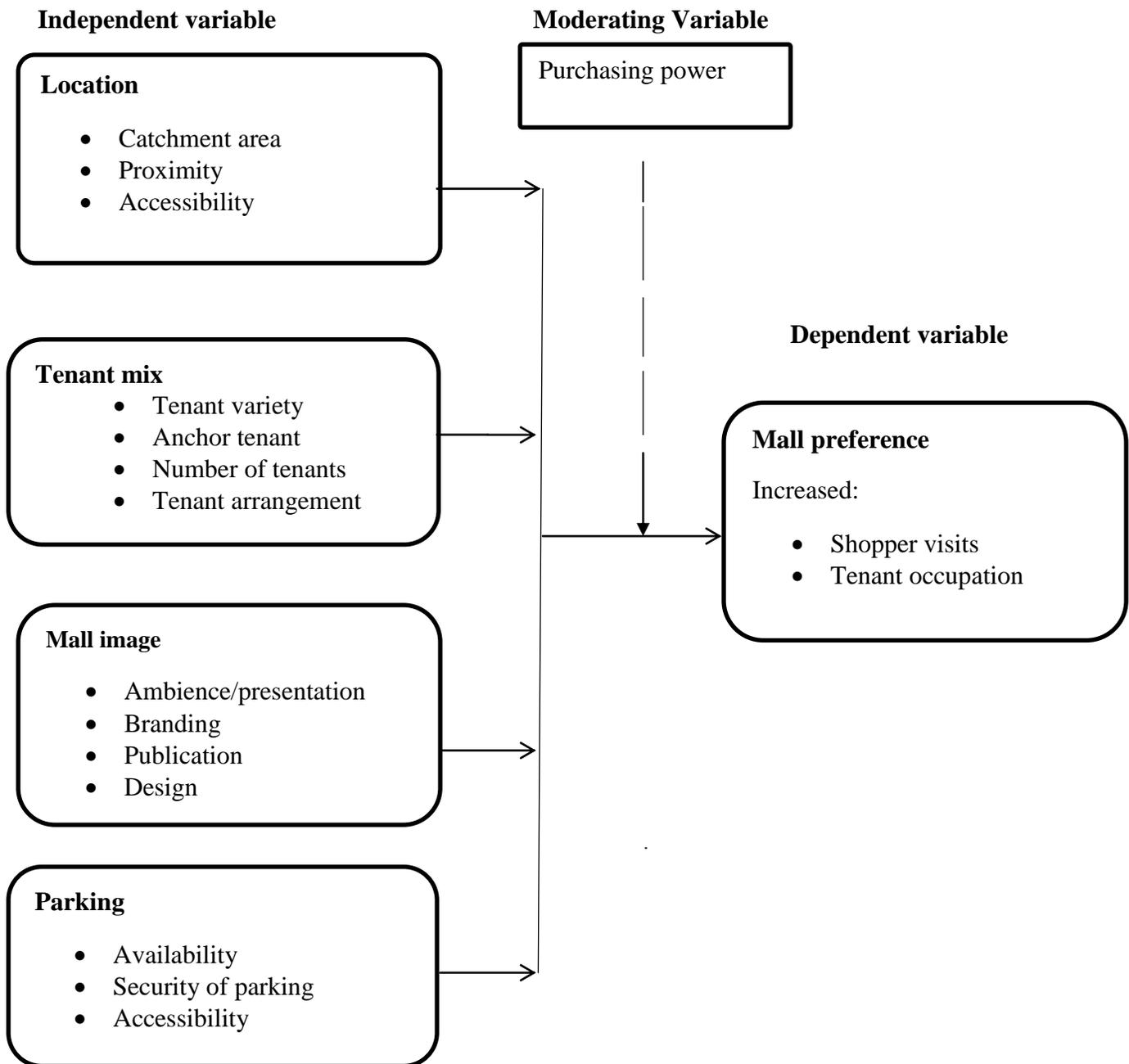
### **2.7.2 Congener Conglomeration Theory**

Early research by Hotelling (1929) discovered that customers are attracted by existence of competing stores selling similar items in the same shopping centre. He further stated that this explained why there are so many stores with similar concepts existing same time in a shopping center. He referred to this as Congener conglomeration. The congener conglomeration theory focuses on the customer needs. The theory advocates for more options of goods and services to the consumers in order to provide effective retail choices and reduce the risks to the consumer on missing out on possible great offers when they do shopping in a shopping place. The theory argues that consumer can compare and select good while avoiding missed information on the market because there is more than one similar offer available in to choose from. People who have been attracted to a shopping center by one or a few stores will possibly pay attention to other retailers, so the turnover of other retailers will possibly be increased (Yi, 2007). It is claimed that the theory has built up the basis for explaining the effectiveness of anchor stores in the shopping centers and also explained shopping centers will always try to have a full offering because the different retailers support each other and also make the shopping center successful together. Eppli (1964) showed in his research that the sales of the non-anchor retail units in a regional shopping center could increase by 50%-200% because of the introduction of the anchor stores into the shopping center.

## **2.8 Conceptual Framework**

For purposes of this research, the conceptual framework is the precise description of the phenomenon under study along with the visual representation of the variables under study (Mugenda, 2008). According to Miles & Huberman (1994) a conceptual framework is an illustrative write up that uses graphical or narrative explanations to describe the main areas of study, the factors, ideas and variables and the attendant relationship between them. It represents a combination of varied ideas and principles drawn from pertinent field of study and used to

organize the succeeding presentation. The relationship between these ideas completes the framework for certain anticipated result. The framework presents the relationship between the dependent and independent variables. An independent variable is the one that controls the dependent variable. Therefore, it is possible to alter it and its values are constant and do not require any further elaboration in a research study, but are conceived as presented. In this study, the independent variables include location, tenant mix, parking and mall image. A dependent variable is one whose outcome depends on the manipulation of the independent variables. For this research, the dependent variable is the mall preference.



**Figure 1: Conceptual Framework**

## **2.9 Research Gap**

Over the last decade, there has been substantial research on the preference of a shopping mall in the overseas countries. However the research in the area of shopping mall is very limited in Kenya. Further, the research has concentrated majorly on the mall patronage by the consumers rather than preference by the retailers/tenants. In addition, most of the researches conducted on shopping mall preference focused on the effect of one attribute rather than a combination of several attributes. This is the research gap that this study seeks to fill. This study tries to establish the critical dimensions that tenants/retailers evaluate when making choices as to where to locate their businesses among the various shopping malls available, within the Kenyan context.

## **2.10 Summary of the Chapter**

This section summarizes the key findings of the literature review in general terms. This chapter has discussed tenants' mall preference organized in four themes, which include Location and mall preference, tenant mix and mall preference, availability of parking and mall preference and Mall image and mall preference.

Location has been identified as a basic feature of mall preference with long academic history as pointed out by Lekshimi *et al.* . . (2012). Location has been discussed in two perspectives, that is catchment area and proximity. Tanawar (2011) and Huff (1964) agree that the size of the catchment area impact on tenants' mall preference. The literature also reveals that customer preference of shopping mall declines as the catchment area moves further out. Simmons (1992) and Kaufman (1996) found out that proximity to mall affect tenants' preference of the mall.

Various scholars cited in the literature review have a common view that tenant mix is an important influence on tenant mall preference. The findings by Yuo *et al.*, (2004) indicate that the elements of tenant mix that are important to the tenants include presence of anchor tenant, tenant variety, tenant number and tenant placement. Guy (1994) postulated that anchor tenants generate high pedestrian flow and trade for smaller tenants. Appropriate mix of shop categories was identified by Kim *et al.* . . (2005) from the literature as responsible for increasing the revenue of a shopping mall hence attract and retain tenants. This was affirmed by You *et al.* . . (2004),

Baker and Hytko (2000). However, Husin (1991) argues differently by stating that clustering of shops dealing in similar goods or services on the same floor create unwanted competition.

Mall image has been identified in the literature as an important aspect of the tenant mall preference. Some scholars like Hunter (2006) and Ooi and Sim (2007) suggested that the physical nature of the shopping mall including mall design and branding determine the mall image. The argument is supported by Loudon and Britta (1993), who discovered that better interior design promotes mall image. However, literature by Schmitt and Simonson (2009) suggested a different approach to looking at mall image by identifying product presentation, advertising and promotional activities as factors that promote mall image.

Parking is identified by Gibbs (2012) as one of the most critical issues facing a retail establishment in modern day. They concur that shoppers shopping malls depending on the availability of parking and consequently this influence the tenants choice whether to locate in that mall or not.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter looks at the data collection and analysis methods used in carrying out the fieldwork of the thesis. The methods of data collection, analysis and the tools that were used in this exercise were clearly laid out. Other aspects of research methodology that were looked at in this chapter include the research design, population and sampling techniques, data collection methods, research procedures, and data analysis methods.

#### **3.2 Research design**

According to Cooper and Schindler (2011) a research design is a blueprint for fulfilling objectives and answering questions. It refers to the overall strategy that is used to integrate the different components of the study in a coherent and logical way, in order to effectively address the research problem. This study adopts a descriptive survey design. According to Cresswell and Clark (2007), a descriptive survey research design is used when seeking to gather information, summarize, present and interpret it for the purpose of clarification. Descriptive survey research is used to obtain information concerning the current status of the phenomena and to describe "what exists" with respect to variables or conditions in a situation. This design was therefore chosen as the study seeks personal views, opinions, attitudes, and perceptions about determinants that influence the shopping mall preference by mall tenants.

#### **3.3 Target Population**

A population is defined as a complete set of individuals, cases or objects with some common observable characteristics, (Mugenda & Mugenda, 2003). The population for this study were the tenants/retailers of Thika Road shopping mall. According to Cooper and Schindler (2011), the target population refers to the individual participant or object on which the measurement is taken. The population comprised of all the 96 tenants of Thika Road shopping mall. The number of tenants was provided by the mall management in the form of a complete tenancy schedule.

### **3.4 Sample size and Sampling procedure**

Sampling is the process of selecting individual observations from a population of interest so that by studying the sample, the researcher may fairly generalize results back to the population from which they were chosen. It is the process of selecting a number of individuals or objects from a population such that the selected group contains elements representative of characteristics found in the entire group, (Orotho and Kombo, 2002). According to (Deming, 2010), Sampling possesses the possibility of a better interviewing, more thorough investigation, better supervision and better processing than is possible with the population.

Sample size is finite part of a statistical population whose properties are studied to gain information about the whole. The sample size is an important feature of any research study in which the goal is to make inferences about a population from a sample. However, making inferences about the population requires that the sample must be void of errors. It is argued that the larger the sample size in relation to the population, the smaller the error. However, for small population, it is feasible, practical and sometimes desirable to examine every unit of the population. According to Jonnie Daniels (2012) where the population is less than 100 units, it is necessary to consider census survey. According to the tenancy schedule provided by the property manager of the mall, the population of tenants in Thika Road Mall was 96; therefore a census survey was considered. A census is a study of every unit, in a population. It is known as complete enumeration of units. Complete study of population minimizes selection bias and achieves a higher degree of accuracy about the population.

### **3.5 Methods of data collection**

Data collection methods refer to the process of gathering data after the researcher has identified the types of information required for the research. For the purpose of this research, data was collected using structured questionnaires. A questionnaire is a set of questions that are carefully designed and given in exactly the same form to a group of people in order to gather data about some topic which is of interest to the researcher (McLean, 2006). Questionnaires are appropriate for studies since they collect information that is not directly observable as they inquire about

feelings, motivations, attitudes, accomplishments as well as experiences of individuals (Mellenbergh, 2008).

Mugenda & Mugenda (2003), refers to structured questionnaires as questions which are accompanied by a list of all possible alternatives from which the respondents select the answer that best describe their situation. Orotho and Kombo, (2002) state that such questions are easier to analyze because they are in the immediate usable form. The research adopted the use of Likert scales so as to order the questions in such a way that they indicate the presence or absence of the characteristic being measured, (Mugenda & Mugenda, 2003). The researcher hand delivered the questionnaires to the respondents in person.

The questionnaire was designed to have 2 sections. The first section was designed to analyse the general information about the respondent so as to help determine the respondent's capacity in answering the questions in regards to the four objectives of the study. The second section sought to establish respondents' opinions in respect to the four objectives of the study as to how the factors have influenced their preference for the specific mall: location, tenant mix, mall image and parking availability.

### **3.6 Pilot study**

According to Kothari, 2005, a pilot study is a small scale preliminary study carried out before the main research in order to determine the validity and reliability of data collection instruments. According to Connelly (2008), existing literature suggests that a pilot study sample should be 10% of the sample projected for the larger parent study. Isaac and Michael (1995) and Hill (1998) suggested 10 to 30 participants for pilots in survey research. Ten respondents from the nearby Garden City Mall were identified for the pilot study and each handed a questionnaire. All the ten questionnaires were filled and handed back to the research.

#### **3.6.1 Validity of the Research Instrument**

Validity determines the level at which a research instrument measures that which it is designed to measure and the truthfulness of the research outcome. It tests whether the research instrument allows the researcher to measure what he sets out to measure. Validity is also determined by posing a number of questions where upon the researcher seeks for answers to his questions in the

research of others. If the validity or trustworthiness can be optimized or verified then a more reliable and defensible result will lead to high quality result and generalizability. A pilot study was used to validate the research instrument. A pilot study was carried out on a sample that was taken from a nearby Garden estate mall in order to measure the validity. This preceded the actual research on the population of Thika Road mall. Some modifications were done to the wording of the questionnaires that were used in the actual data collection based on the outcome of the pilot study. Pretesting of the questionnaire proved important during the survey. This helped in avoiding any ambiguity, confusion or potentially offensive questions to the respondents that would result in prejudiced answers. This helped in increasing validity of the research instruments.

### **3.6.2 Reliability of the Research Instrument**

Reliability refers to the degree at which results of a study are consistent over time and an precise depiction of the total population under study. Joppe (2000) states that a research instrument is considered to be reliable if the outcome of the study can be replicated under similar research methodology. In this study, a pilot study was carried out. Piloting is important as it reveals questions that would be unclear thereby allowing for reviewing and revision so that the questions can convey the same meaning to all the respondents. The pilot sample consisted of ten respondents from the nearby Garden City mall. The researcher presented the questionnaires personally to the respondents. This was employed in order to determine the coefficient of internal consistency and the reliability coefficient whose value varies between 0.00 (indicating zero reliability) and +1.00 (indicating perfect reliability).

To ensure reliability, the researcher used split-half technique to calculate reliability coefficient (Spearman-Brown coefficient formulae) which was found to be within the recommended reliability coefficient of 0.7-1 (Nachmias & Nachmias 1996).

$$= \frac{2 \times \text{Corr. between the halves}}{1 + \text{Corr between the halves}} \quad \text{Or } Re = \frac{2R}{r+1}$$

Where Re = reliability of the original test

$r$  = reliability of the coefficient resulting from correlating the scores of the odd items with the scores of the even items. A coefficient of 0.70 is considered adequate but a coefficient of 0.80 is good according to Gay (2003).

### **3.7 Data Analysis Methods**

Raw data obtained from the field is difficult to interpret and should be cleaned, coded and key punched into a computer for purposes of analysis (Mugenda & Mugenda, 2003). According to Cooper and Schindler (2011) the reason for data analysis is to synthesize gathered data to manageable size, applying statistical methods, establishing summaries and seeking trends and tendencies. Data obtained from the field were analyzed using mean scores and standard deviations to establish the relationship between the various independent variables and the dependent variable. The SPSS (Statistical package for social sciences) and Microsoft excel were used to analyze the data. Data presentation is in form of descriptive statistics such as percentages and tables. Statements of the facts found out were used to further explain the findings of the research.

### **3.8 Ethical Considerations**

Ethical issues denote conduct that guides the researcher's behaviour in the process of carrying out the research (Mugenda and Mugenda, 2009). The ethical concerns arising from being in possession of information from the mall and the respondents was addressed by maintaining high level confidentiality of the information volunteered in addition to using the information solely for the purpose of this research study. In order to avoid any doubt among the respondents as to what purpose the information they avail is used for, the researcher explained to the respondents the purpose of the research. All the personal details are limited to general information.

### 3.9 Operational Definition of Variables

**Table 3.1: Operational definition of variables**

<b>Objective</b>	<b>Independent variable</b>	<b>Indicators</b>	<b>Measuring scales</b>	<b>Type of analysis</b>	<b>Tools of analysis</b>
To determine the influence of location on the preference of a shopping mall.	Location	<ul style="list-style-type: none"> <li>• Extent of catchment area</li> <li>• Proximity (time taken to reach the mall)</li> <li>• Accessibility</li> </ul>	Ordinal	Descriptive statistics Inferential statistics	Graphs, frequency tables
To assess to what extent tenant mix influences shopping mall preference.	Tenant mix	<ul style="list-style-type: none"> <li>• Tenant variety (extent of differentiation of tenants)</li> <li>• Influence of anchor tenant on other tenants</li> <li>• Number of tenants</li> <li>• Tenant arrangement</li> </ul>	Ordinal	Descriptive statistics Inferential statistics	Graphs, frequency tables
To evaluate the influence of availability of parking to the preference of shopping mall.	Parking	<ul style="list-style-type: none"> <li>• Availability of parking</li> <li>• Security of parking</li> <li>• Accessibility of parking</li> </ul>	Ordinal	Descriptive statistics Inferential statistics	Graphs, frequency tables
To establish to what extent the mall image influences the tenants' preference of a shopping mall.	Mall image	<ul style="list-style-type: none"> <li>• Ambience/presentation</li> <li>• Branding</li> <li>• Publication/advertisement</li> <li>• Design</li> </ul>	Ordinal	Descriptive statistics Inferential statistics	Graphs, frequency tables

## **CHAPTER FOUR**

### **DATA ANALYSIS, PRESENTATION AND INTERPRETATION**

#### **4.1 Introduction**

This chapter presents field data collected throughout the field exercise. The study made use of frequencies on single response questions while Likert scale was used on multiple response questions in collecting and analyzing the data. The raw data was coded for ease of analysis. The researcher adopted the use of mean scores and standard deviation to analyze the data collected. The outcome was then presented in tables as appropriate with accompanying texts giving explanations of the findings.

#### **4.2 Response rate**

The response rate of a survey denotes the number of respondents who actually completed the survey as a fraction of the total number of people sampled expressed as a percentage. Higher response rate is assumed to reflect more likelihood that the result of the survey is representative of the population, provided the sampling is appropriate. However, Mugenda & Mugenda (2003) point out that a response rate of above 50% is fit for statistical reporting. The researcher handed out 96 questionnaires and 60 were successfully filled and returned, representing 62.5% response rate.

#### **4.3 Demographic characteristics**

The study sought to establish the respondents' demographic information which included the age, level of education and work experience.

##### **4.3.1 Age**

The respondents were asked to indicate their age to determine the respondents' capacity in answering the questions with regards to the four objectives of the study. The findings are presented in Table 4.1 below.

**Table 4.1 Age Distribution**

<b>Age Group</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Below 30 years	7	12%
30 - 40 years	24	40%
40 - 50 years	20	33%
Above 50 years	9	15%
<b>Total</b>	<b>60</b>	<b>100%</b>

A majority of the respondents, 40% were aged between 30 and 40 years. This was closely followed by the age group between 40 and 50 years at 33%. In general, 88% of the respondents were aged 30 years and above reflecting the maturity level of the respondents and their ability to answer the questions. Only 12% of the respondents were below the age of 30 years.

#### **4.3.2 The level of education**

The study sought to find out the education level of the respondents who were the tenants of Thika Road Mall. The results are presented in Table 4.2 below.

**Table 4.2 Level of education**

<b>Level of education</b>	<b>Frequency</b>	<b>Percentage</b>
Diploma or lower	14	23%
Bachelor's Degree	33	55%
Postgraduate	13	22%
<b>Total</b>	<b>60</b>	<b>100%</b>

A big number of the respondents were bachelor degree holders constituting 55% of the respondents. Approximately 23% of the respondents held diploma as their highest level of education. This was followed marginally by those who had a post graduate degree at 22%. The researcher noted that a majority of the respondents were major decision makers in the choice of their business location. Therefore to have the acumen and pedigree to make prudent choices, academic qualification was very crucial. This explains why a majority of the respondents were well educated with 77% having bachelors' degree and above.

#### **4.3.3 Work experience**

The study sought to find out the working experience of the respondents in their field of trade. The result is presented in the Table 4.3 below.

**Table 4.3 Work experience**

<b>Years of experience</b>	<b>Frequency</b>	<b>Percentage</b>
Below 5 years	9	15%
5 -10 years	17	28%
10 - 15 years	19	32%
Above 15 years	15	25%
<b>Total</b>	<b>60</b>	<b>100%</b>

A majority of the respondents 32% had working experience between 10 and 15 years followed by those who had a working experience of between 5 and 10 years with 28%. Those with working experience above 15 years constituted 25% while the respondents who had worked for less than 5 years formed 15% of the total respondents. These demographics indicate that 85% of the respondents had long working experience (more than 5 years) and therefore understood the dynamics of their business, thus they can be considered to have been well informed about the need of their businesses when they were making a choice to locate in the mall. They are believed to have made an informed decision to locate in the mall.

#### **4.3.4 Duration of Tenancy**

The study sought to determine the duration of tenancy of the respondents. The findings are presented in Table 4.4 below.

**Table 4.4: Duration of tenancy in the mall**

<b>Duration of tenancy</b>	<b>Frequency</b>	<b>Percentage</b>
Less than 2 years	16	26.7%
Over 2 years	44	73.3%
<b>Total</b>	<b>60</b>	<b>100.0%</b>

Majority of the respondents 73.3% had occupied the mall for over 2 years. Those whose tenancy had lasted for less than 2 years constituted 26.7% of the respondents. These demographics indicate that a big number of the tenants took possession in the first year of opening of the mall, which is a positive reflection of the attractiveness and preference of the mall.

#### 4.4 Location and shopping mall preference

The study identified location as one of the factors that influence tenant preference of a shopping mall. Subsequently, the study assessed the extent to which location influences mall preference by establishing the respondents' level of agreement with the following statements. The responses were rated on a five point Likert scale indicating to what extent respondents agree to the statements. The values were assigned as follows: 1- strongly disagree, 2- disagree, 3- neutral, 4- agree and 5- strongly Agree. Mean scores and standard deviation were computed for each statement and summarized Table 4.5 below.

**Table 4.5: Location and the influence on mall preference**

<b>Locational factors on mall preference</b>	<b>Mean</b>	<b>Std. Deviation</b>
My choice to locate my business in this mall is because of its situation within a populous residential neighbourhood.	4.27	0.727
Accessibility of this mall by public transport informed my decision to locate my business in this mall.	3.82	1.057
When choosing to locate in this mall, I considered the time it would take my potential customers to arrive at the mall and get back.	4.07	0.929
I considered the extent of the catchment area of the mall in deciding to locate my business in this mall.	4.23	0.824
The location of this mall on a major road greatly influenced my choice to locate here.	4.17	0.778
I like the visibility of the mall. It enhances sales of my products.	4.53	0.670
The general location of this mall greatly influenced my decision to open my business in this mall	4.57	0.616

Generally, respondents were observed to agree with most of the statements on location dimension and its influence on tenants' preference of the mall. However, the visibility of the mall and the strategic location of the mall in a populous residential neighborhood were rated as the highest location dimension factors that influence tenants' preference of the mall with mean scores of 4.53 and 4.27 respectively. The extent of the catchment area and its effect on mall preference was rated third with a mean of 4.23 while the location of the mall on a major road was

also found to be important and ranked forth with a mean of 4.17. The respondents were in agreement that proximity of the mall to the customers was equally important, gathering a mean of 4.07. Although the respondents considered accessibility of the mall by public transport as being important in their decision to locate in the mall, the statement obtained a lowly rank of sixth place with a mean of 3.82. In general, the respondents noted that a combination of the locational factors greatly influenced their preference for the mall, with the totality of the locational dimensions achieving a mean of 4.57.

From the above analysis, it is apparent that the tenants consider strategic location as one of the main success factors of shopping mall as it can lead to strong competitive advantages for the resident retailers. Besides, a good location can attract customers from its catchment area to visit the shopping mall. In addition, the shopping mall which is conveniently accessible for the catchment population will strengthen its position as a prime commercial destination within the neighborhood. A good location must also come with good accessibility from various roads as well as public transportation.

#### **4.5 Tenant mix and shopping mall preference**

Proper tenant mix and store location within shopping mall leads to better performance of shops. An effective tenant mix will attract customer traffic into the shopping mall. The study sought to evaluate the extent to which tenant mix attributes influences tenant preference of a shopping mall based on the statements in Table 4.6 below.

**Table 4.6: Tenant Mix and the influence on mall preference**

<b>Tenant mix factors influencing mall preference</b>	<b>Mean</b>	<b>Std. Deviation</b>
The presence of complementary stores affected my decision to locate my business in this mall and have drawn customers to my shop.	3.87	1.087
Learning about Nakumatt's presence in the mall gave me confidence to locate my business in the mall.	4.12	0.896
The presence of Nakumatt (the main tenant) has positively influenced sales in my business.	4.05	0.921
In my opinion, the presence of shops selling similar products has drawn more customers to my shop.	4.15	0.872
The order of placement of shops within the mall helps bring human traffic to my shop.	3.9	0.870
The general mix of shops in this mall has a positive impact on the sales of my products by drawing more customers to my shop.	4.17	0.756

The first question was about if preference of the mall could be triggered by having complementary stores within the mall. A significant number of the respondents agreed that the presence of complementary stores formed part of their consideration when making a decision to locate in the mall. The question got a mean of 3.87 with a standard deviation of 1.087 suggesting that the respondents' view on the question did not vary widely. The presence of competing shops was cited as a favorable factor that influenced the tenants' decision to locate in the mall and had a mean of 4.15. With a mean of 4.12, the respondents identified the presence of the anchor tenant as a major factor in their choice of the mall, thereby stressing the importance of having a major brand anchoring the mall. Even though, there was an overwhelming affirmation of the importance of the anchor tenant, there was a marginally lower mean of 4.05 to the question as to whether the anchor tenant positively affected sales of the respondents' product. In general, there was a consensus that the various tenant mix attributes have a positive impact on the respondents' choice to locate in the mall, obtaining a mean of 4.17 with a standard deviation of 0.756.

The interpretation of the above analysis is that most of the respondents agreed to a great extent that the success of individual tenants and the success of a mall as a whole are interdependent and enhanced by the cumulative synergy generated by the mix of stores. A mall's synergy increases the interchange of customer footfall among stores and ensures the operational performance that depends on the strong customer drawing power generated by anchor stores. The low standard deviations indicate that the respondents' views are near close, creating low levels of variance between the answers.

#### 4.6 Mall image and shopping mall preference

Mall image attributes are predictors of shopping mall preference and choice. They are perceived as a possible significant factor in drawing customers to a shopping mall, and therefore of great interest to the tenants of the mall. Table 4.7 shows the result of the responses concerning mall image and mall preference.

**Table 4.7: Mall image and the influence on mall preference**

<b>Factors on mall image influencing mall preference</b>	<b>Mean</b>	<b>Std. Deviation</b>
I got attracted to this mall because of the publicity it has received in the media.	3.8	1.013
I like the human traffic flow within the mall. (Design)	4.23	0.761
I feel that the design and the layout of the mall promote the performance of my business.	4.03	0.875
The high standards of facilities in mall and the cleanliness of the mall played a big part in my decision to locate my business in this mall.	3.83	1.019
The general image of the mall including the entertainment, atmosphere, special events is important for the performance of my business.	4.03	0.795

The study sought the respondents' opinion regarding the influence of mall image on their preference for the mall. The results of the responses from Table 4.7 confirm that shopping mall image features are positively related to mall preference by the tenants. The study identified that the design of the mall, reflected in the human traffic flow, was the major concern of tenants in this category, with a mean of 4.23. The respondents observed that the mall layout and the general

image of the mall including entertainment, mall atmosphere and special events have equal importance in their evaluation of mall suitability, both having a mean of 4.03. The high standards of facilities available in the mall and the level of mall maintenance were pointed out to be of interest to the tenants with a mean of 3.83. Furthermore, the respondents were in agreement that publicity of the mall in the media was beneficial to them and that it affected their choice of this particular mall. The statement achieved a mean of 3.8.

#### **4.7 Parking and shopping mall preference**

Availability of parking has been considered to have an effect on the performance of a shopping mall. The study sought to establish the extent to which availability of parking influence tenant preference of a shopping mall. Table 4.8 below shows the mean and standard deviation of the responses to the questions regarding parking and mall preference.

**Table 4.8: Parking and the influence on mall preference**

<b>Parking attributes influencing mall preference</b>	<b>Mean</b>	<b>Std. Deviation</b>
Availability of parking was a major factor in my choice to locate in this mall.	4.2	0.726
I chose this mall because it has secure parking.	4.05	0.644
Accessibility of parking is an attractive feature of this mall that influenced my decision to locate.	4.08	0.842
I feel that the number of parking provided in this mall is sufficient for tenants and shoppers.	4.45	0.589

The analysis of the measurement that constitute the aspect of parking, the criteria for the mall preference, revealed that their relative importance was in the following descending order based on the mean: availability of parking (4.2), accessibility of parking (4.08) and security of parking (4.05). An overwhelming number of respondents showed their satisfaction with the number of parking lots available in the mall, with the responses achieving a mean of 4.45.

From the analysis above, the respondents unanimously agreed that every shopping mall needs to provide sufficient parking space in order to attract tenants. The tenants are aware that shoppers will tend to turn away from the shopping mall if there is inadequate provision of parking space as

they find it inconvenient especially during weekends and festive seasons. Also, it will be advantageous if the shopping mall management improve the parking facilities by considering shopper's safety, comfort and convenience.

#### 4.8 Overall attributes

The researcher found it important to establish how the tenants rate the mall on different attributes. A scale of 1-5 was used to measure the level at which the respondents agreed with the statement listed in Table 4.9 where 1 = very bad, 2 = bad, 3 = average, 4 = good, 5 = excellent.

**Table 4.9: Overall mall attributes**

<b>Overall attributes and mall preference</b>	<b>Mean</b>	<b>Std. Deviation</b>
Popularity	4.10	0.7
Mall image	4.17	0.711
Parking facilities	4.12	0.798
Range of shops	4.15	0.679
Location convenience	4.27	0.680
Design of Centre	4.20	0.702
Accessibility to mall	4.23	0.716
Overall Impression	4.22	0.709

The respondents overwhelmingly agreed that the overall impression of the mall based on the seven listed attributes was good, meriting a mean of 4.22. Concerning individual attributes, there was no much difference in terms of the rating with the means falling between 4.1 and 4.27, clearly demonstrating the respondents were happy with the various aspects of the mall. The rating was in the following descending order based on the mean: location convenience (4.27), accessibility of mall (4.23) Design of the mall (4.20), Mall image (4.17), Range of shops (4.15), parking facilities (4.12) and popularity (4.10).

#### 4.9 Relative importance of the mall attributes

A question regarding the ranking of the various attributes of the mall was designed to establish the relative importance of the factors influencing the retailers' decision to locate in the mall. The results showed that an absolute majority of respondents indicated location (52%) as the most significant attribute in choosing the shopping mall. Variety of shops was ranked second (23%) with the sub construct including the presence of an anchor tenant, competing shops, complementing shops and the number of tenant. Availability of parking was ranked at position three (15%). This is followed by mall image (10%) which included the publicity of the shopping mall, the standard of the mall, the design and the layout. Table 4.10 illustrates the results.

**Table 4.10: Ranking of mall attributes**

<b>Attributes</b>	<b>Frequency</b>	<b>Percentage</b>
Location	31	52%
Variety of shops	14	23%
The image/beauty of the mall	6	10%
Availability of parking	9	15%
<b>Total</b>	<b>60</b>	<b>100%</b>

#### 4.10 Tenant satisfaction with the mall

In order to establish if the respondents are satisfied with their location at the mall, the following question was asked "With the knowledge you have about this mall, assuming you were a first timer, would you still consider locating in this mall?" The outcome overwhelmingly suggested the tenants are satisfied with their location at the mall with 82% of the respondents reporting that they are satisfied with their location, 10% were indifferent while 8% indicated they are not satisfied.

**Table 4.11: Tenant satisfaction**

<b>Response</b>	<b>Frequency</b>	<b>Percentage</b>
Yes	49	82%
Not sure	6	10%
No.	5	8%
<b>Total</b>	<b>60</b>	<b>100%</b>

#### **4.11 Other factors influencing tenant location**

The question “Which other factors apart from the four mentioned above influenced your decision to locate in this mall?’ was an open ended question which was intended to collect information on other attributes of the mall that were not among the four major ones identified in the literature review. Based on the responses, there were two categories that were highlighted by these answers. Level of rents and availability of space were both mentioned more than ten times. This is an indication of the different reasons why retailers may consider locating in Thika Road mall.

## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter presents the summary of the findings, discussions of the research outcome, conclusions and recommendations of the study based on the objectives of the study. The main objective of the study was to establish the factors that influence tenant preference of shopping mall with reference to Thika Road Mall.

#### **5.2 Summary of Findings**

The summary of the findings are organized based on the order of the study objectives and presented as follows.

##### **5.2.1 Location and shopping mall preference**

The study established that location is a major determinant of mall preference by the prospective tenants of the mall as it is considered to have considerable influence on the number of customers that visit the mall, thus improving sales by resident retailers. The study further established that all the aspects of location including catchment area, accessibility, proximity, traffic and visibility have a huge influence on mall preference by the tenants. However, the study revealed that visibility of the mall and the strategic location of the mall in a populous residential neighborhood were considered the most critical location factors that influence tenant preference of the mall. Further, the study established that a mall that is conveniently accessible for the catchment population strengthens its position as a prime commercial destination within the neighborhood for the benefit of the tenants. The study established the importance of strategic location that leads to competitive advantage.

##### **5.2.2 Tenant mix and shopping mall preference**

The study established that all the aspects of tenant mix including presence of complementary tenants, competing tenants, anchor tenant and the manner of tenant placement significantly affect the tenant choice of a shopping mall. This implies that the success of individual tenants and the success of a mall as a whole are interdependent and enhanced by the cumulative synergy

generated by the mix of stores. This finding re-affirms the view that tenant mix creates a specific image for the shopping mall and positions it in relation to competing shopping malls. The study also found that mall tenants prefer clustering of similar types of business in order to draw shoppers where they are concentrated. Similarly, the study found that the tenants favour locating next to complementary shops as they help draw more shoppers to the mall. The study also found that mall tenants consider the ability of the anchor tenant to draw shoppers in to the shop.

### **5.2.3 Mall image and shopping mall preference**

The study observed that the shopping mall image features are positively related to mall preference. The study further established that the mall layout and the general image of the mall including entertainment, mall atmosphere and special events have equal importance in their evaluation of mall suitability. The study further established that the layout configuration of the mall that allows the anchor tenant to be located at the furthest end of the mall is important to the other tenants as it attracts shoppers to the mall from the entry point and avoids a situation where only a few tenants can survive by avoiding areas of low pedestrian flow. It allows distribution of foot-traffic across the mall. The study further revealed that tenants consider prominence of the mall, evidenced in its publicity through the media. Promotional activities are also considered important as they bring about more customers in to the shopping mall.

### **5.2.4 Parking and shopping mall preference**

The study established that prospective mall tenants consider availability of parking as an important attribute of the mall when choosing to locate at a particular shopping mall. This is because the prospective tenants understand that shoppers will tend to turn away from the shopping mall if there is inadequate provision of parking space as they find it inconvenient especially during weekends and festive seasons. The study subsequently revealed that every shopping mall needs to provide sufficient parking space in order to attract tenants. The study further found that, even though the various elements of parking are considered when tenants choose which mall to locate in, availability of parking was considered the most important. This is because the tenants believe that a big number of customers visiting shopping malls use cars as their preferred means of transport.

### **5.2.5 Relative importance of the attributes as they influence mall preference**

The study established that the tenants of the mall were satisfied with the overall impression of the mall, which has enabled them to continue subsisting in Thika Road shopping mall. This underscores the importance of the proper citing of the shopping mall, optimal tenant mix, good image of the mall and availability and access of parking within the mall. All the four attributes of the mall were found to be relevant to the tenants in their choice of a shopping mall. However, the study also established that location was ranked first ahead of tenant mix and availability of parking, with mall image coming last in the relative importance of the influencing factors. The study further established that when a mall is strategically located, has an optimal tenant mix, available and accessible parking and appealing image to the catchment population, the mall's ability to retain tenants increases. From the study, 82% of the respondents showed their satisfaction and willingness to locate in the mall for further terms. The study also established that the level of rents payable and availability of space are two other prominent factors that influence tenants' preference for certain shopping malls.

### **5.3 Discussions**

The research tried to understand the mall attributes that influence retailer preference for a shopping mall. Mall attributes were classified under factors such as location, tenant mix, parking and mall image. Location of the mall has been found to play an important role in influencing retailers' preferences and bias towards shopping malls. The findings of this study support the study conducted by Gabler (2007) that suggested that strategic location is one of the main success factors of shopping malls as it can lead to strong competitive advantage and that the shopping mall that is conveniently accessible for the catchment population will be preferred by both retailers and consumers. Understanding the influence of location on tenants' mall preference can help mall developers in selecting the most suitable available location for siting the mall.

The study found out that optimal tenant mix greatly influence tenants mall preference thereby vindicating the findings of Bruwer (1997) who observed that a successful tenant mix is not only vital to the landlord and management of shopping mall, but also to tenants and their customers. The findings further give weight to the definition of tenant mix as described by Greenspan (1987)

as the combination of homogeneous and heterogeneous retail agglomerations that encourage better relationship between customers and retail activities and run successfully as individual business. The findings of this study suggest that retailers/tenants merchandising similar and complementary goods prefer to cluster together to benefit from the drawing power of other shops. This is because clustering of shops creates a perception that the shopping mall vends wider range of products hence will sell the item that the customer looks for. This finding is in tandem with Highman (2010) who pointed out that the tenant clustering process is proven to be productive and able to generate higher sales, hence important for locating tenants. He stated that 'the advantage of clustering tenant is to attract customers to shop for the goods in that particular shopping centre frequently'. However, the findings of this research are in contradiction with the views of Husin (1991) who argued that the existence of similar shops on the same floor creates unnecessary competition.

The research found out that an overwhelming number of the tenants of the mall recognized the importance of having available and accessible parking in the mall for their businesses. The study findings revealed that the tenants believe that customers will tend to turn away from the shopping mall if there is inadequate provision of parking thereby robbing the tenants of potential customers. The findings also support earlier literature that availability of parking plays an important role in retailers/tenants attitude and preference towards a shopping mall.

The study found out that there is a positive relationship between mall preference and mall image. The findings suggest that mall image was an important driver of tenants' choice of mall in reference. Retailers may be more inclined to locate in a particular mall, when the mall offers such facilities that help attract consumers. The findings support the studies conducted by Grewal, Baker, Levy and Voss (2003) who suggested that mall image attributes are predictors of shopping mall choice and Kim and Jin (2001) who perceive mall image attribute as a possible significant factor in drawing customers to a shopping place and hence help retain the mall tenants.

## **5.4 Conclusions**

This study sought to map out the preferences retailers have towards shopping malls and the attributes that they consider critical when choosing where to locate out of the many alternative shopping malls. In order to do so four attributes which include, location, tenant mix, parking and mall image were identified and formed part of the respondents' preference evaluation considerations. The general conclusion to this study is that retailers prefer a shopping mall to be strategically located, to have variety of stores, to have adequate and accessible parking and to have an impressive mall image. The presence of all these attributes rather than some of them has the potential of attracting so many retailers to locate in a particular shopping mall.

The results of this study showed that all the four attributes were found to be very important in the choice of shopping malls, although strategic location was ranked as the number one influencing factor. This is pointing to the fact that retailers consider location as a long term decision as it is difficult and expensive to relocate a shop once it is set up unlike the other attributes which can be relatively easy to change.

The study further concludes that with a better understanding of the tenants' mall preference attributes and their site selection criteria and methodologies, shopping mall developers can better understand what attributes, and which information will best help them in improving their mall attractiveness.

## **5.5 Recommendations**

The study concentrated on four attributes of the mall and upon assessment of the findings, the study suggests the following recommendations:

1. The study recommends that mall developers to carry out a feasibility study prior to developing a shopping mall in order to establish the suitability and appeal of the site being considered for mall establishment. This will ensure that the mall is situated in the most suitable available location that will ensure quick take up of space by prospective tenants.

2. The study recommends that the mall managers need to ensure there is optimal tenant mix and placement when letting out mall space. This will ensure that maximum customer attraction which in turn ensures shop performance leading to tenant retention in the mall.
3. The study further recommends that mall developers to ensure that there is adequate space designated for parking during the design stage of the mall development. Availability and adequacy of parking will ensure attraction and retention of both tenants and customers.
4. The study recommends that mall managers need to organize promotion activities in order to market the mall and create a lasting impression of mall image in the minds of the customers. This will help boost the performance of the resident shops.

### **5.6 Suggestions for further study**

1. The mall preference attributes were applied to Thika Road Mall, another study should be carried out in another mall to increase the validity of the findings of this study. The bigger the number of studies complementing this study, the higher the accuracy for generalization of the findings.
2. Replication of this research after some time should be conducted to investigate any change in the influencing factors. Some factors may have a high influence for a period of time and some new factors may arise.

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## LIST OF APPENDICES

### APPENDIX I: LETTER OF TRANSMITTAL

Philmon Ojuok,  
University of Nairobi,  
P.O Box 30198,  
Nairobi.

Date: 20<sup>th</sup> September 2016

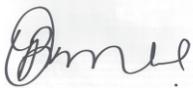
The Property Manager,  
Thika Road Mall,  
P.O Box 33019-00600,  
Nairobi, Kenya

Dear Sir/Madam,

#### **RE: REQUEST FOR PERMISSION TO CONDUCT RESEARCH AT THE MALL:**

My name is Philmon Ouma Ojuok. I am a Master of Arts student, pursuing a degree in Project Planning and Management at The University of Nairobi. I wish to conduct a research on **factors that influence tenants' preference of shopping mall in Kenya, a case of Thika Road Mall, Nairobi.** I am hereby seeking your consent to interview all the tenants of the mall in order to accomplish this research study.

Yours sincerely,



Philmon Ojuok  
University of Nairobi

## APPENDIX II: QUESTIONNAIRE

The purpose of this questionnaire is to collect data on factors that influence shopping mall preference, a case of Thika Road Mall. Kindly provide the requested data as required in the different sections of this questionnaire.

The information gathered is purely for academic purposes and will be treated with absolute confidentiality. The exercise will take approximately 10 minutes.

### BACKGROUND INFORMATION

This section is intended to provide demographic information of the respondent. Please indicate your response in the box provided (Tick appropriately)

How long have you been trading in this mall?

Less than 2 year     

Over 2 Years           

Kindly indicate how much you agree/disagree with the following statements on a scale of 1 to 5 as per the table below. (1- Strongly disagree, 2- Disagree, 3-Neutral, 4- Agree and 5- Strongly agree):

<b>SECTION A: INFLUENCE OF LOCATION ON SHOPPING MALL PREFERENCE</b>						
Please indicate the extent to which you agree/disagree with the following statement in respect to the influence of location in your choice of this shopping mall.						
No.	Statement	Rating				
		(1)	(2)	(3)	(4)	(5)
1.	My choice to locate my business in this mall is because of its situation within a populous residential neighbourhood.					
2.	Accessibility of this mall by public transport informed my decision to locate my business in this mall.					

3.	When choosing to locate in this mall, I considered the time it would take my potential customers to arrive at the mall and get back.					
4.	I considered the extent of the catchment area of the mall in deciding to locate my business in this mall.					
5	The location of this mall on a major road greatly influenced my choice to locate here.					
6	I like the visibility of the mall. It enhances sales of my products.					
7	The general location of this mall greatly influenced my decision to open my business in this mall					

Kindly indicate how much you agree/disagree with the following statements on a scale of 1 to 5 as per the table below. (1- Strongly disagree, 2- Disagree, 3-Neutral, 4- Agree and 5- Strongly agree):

<b>SECTION B: INFLUENCE OF TENANT MIX ON SHOPPING MALL PREFERENCE</b>						
Please indicate the extent to which you agree/disagree with the following statement in respect to the influence of tenant mix in your choice of this shopping mall.						
No.	Statement	Rating				
		(1)	(2)	(3)	(4)	(5)
1.	The presence of complementary stores affected my decision to locate my business in this mall and have drawn customers to my shop.					
2.	Learning about Nakumatt's presence in the mall gave me confidence to locate my business in the mall.					

3.	The presence of Nakumatt (the main tenant) has positively influenced sales in my business.					
4.	In my opinion, the presence of shops selling similar products has drawn more customers to my shop.					
5.	The order of placement of shops within the mall helps bring human traffic to my shop.					
6.	The general mix of shops in this mall have a positive impact on the sales of my products by drawing more customers to my shop.					

Kindly indicate how much you agree/disagree with the following statements on a scale of 1 to 5 as per the table below. (1- Strongly disagree, 2- Disagree, 3-Neutral, 4- Agree and 5- Strongly agree):

<b>SECTION C: INFLUENCE OF MALL IMAGE ON SHOPPING MALL PREFERENCE</b>						
Please indicate the extent to which you agree/disagree with the following statement in respect to the influence of mall image in your choice of this shopping mall.						
No.	Statement	Rating				
		(1)	(2)	(3)	(4)	(5)
1.	I got attracted to this mall because of the publicity it has received in the media.					
2.	I like the human traffic flow within the mall. (Design)					
3.	I feel that the design and the layout of the mall promote the performance of my business.					
4.	The high standards of mall and the cleanliness of the mall played a big part in my decision to locate my business in this mall.					
5.	The general image of the mall including the entertainment, atmosphere, special events is					

	important for the performance of my business.					
--	---	--	--	--	--	--

Kindly indicate how much you agree/disagree with the following statements on a scale of 1 to 5 as per the table below. (1- Strongly disagree, 2- Disagree, 3-Neutral, 4- Agree and 5- Strongly agree):

<b>SECTION D: INFLUENCE OF PARKING ON SHOPPING MALL PREFERENCE</b>						
Please indicate the extent to which you agree/disagree with the following statement in respect to the influence of parking in your choice of this shopping mall.						
No.	Statement	Rating				
		(1)	(2)	(3)	(4)	(5)
1.	Availability of parking is a major factor in my choice to locate in this mall.					
2.	I chose this mall because it has secure parking.					
3.	Accessibility of parking is an attractive feature of this mall that influenced my decision to locate.					
4.	I like the ease with which I enter the mall from the parking lot.					
5.	I feel that the number of parking provided in this mall is sufficient for tenants and shoppers.					

Which of these four factors would you consider to have the most influence on your decision to locate your business in this mall? (Tick one)

Location

Variety of products available in different shops

The image/beauty of the mall [ ]  
Availability of parking [ ]

Which other factors apart from the four mentioned above influenced your decision to locate in this mall?

- a).....
- b).....
- c).....

With the knowledge you have about this mall, assuming you were a first timer, would you still consider locating in this mall?

Yes [ ]  
No [ ]

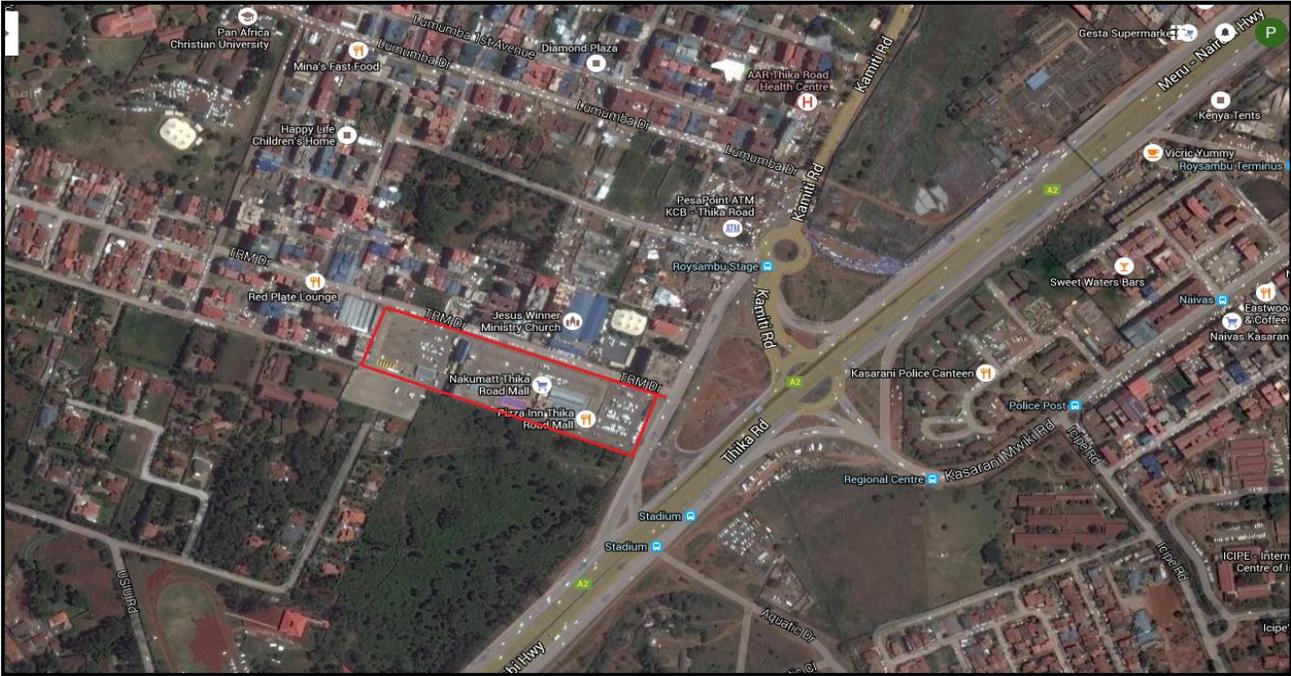
On a scale of 1-5, please rate Thika Road Mall on the following attributes:  
 (Please tick appropriate box)

	<b>Very Bad</b>	<b>Bad</b>	<b>Average</b>	<b>Good</b>	<b>Excellent</b>
	1	2	3	4	5
Popularity					
Mall image					
Parking facilities					
Range of shops					
Location convenience					
Design of Centre					
Accessibility to mall					
Overall Impression					

**APPENDIX IV: IMAGES OF THIKA ROAD MALL**



**View of Thika Road Mall**



**Google earth location of the mall**



**Internal view of the mall**



**A model showing the front and the rooftop parking at Thika Road Mall**