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# THE IMPACT OF GROWING SHOPPING MALLS ON LOCAL COMMUNITIES: PERSPECTIVES FROM COMMUNITY LEADERS.

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#### **ABSTRACT**

This study examines the impact of growing shopping malls on small-town communities, focusing on the perspectives of local leaders in Semenyih, Selangor. Through semi-structured interviews with village heads, local leaders, and community representatives, the research explores how the development of modern retail spaces influences community dynamics, local businesses, and social interactions. The findings reveal both opportunities and challenges, with malls providing convenience, variety, and modern amenities, while also posing difficulties for small businesses that struggle to compete with larger retail outlets. Community leaders highlight the need for a balanced approach to urban development, emphasizing the importance of preserving local identity and supporting traditional enterprises. The study suggests that collaboration between malls and local businesses can foster a more inclusive retail environment, promoting mutual growth while ensuring the sustainability of local commerce. Additionally, the findings underscore the role of community engagement in shaping a harmonious coexistence between modern retail spaces and traditional markets, reflecting the dynamic relationship between modernization and tradition in small-town settings.

#### **ARTICLE INFO**

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# 1 INTRODUCTION

A shopping mall is a large commercial structure that houses multiple eateries, entertainment venues, retail stores, and other services all under one roof. It is a popular destination for consumers seeking a variety of goods and services in a convenient location. Assael (1987) asserts that shopping is one of the most distinct types of consumer behavior. Common products include groceries, clothing, gifts, and household supplies. According to Underhill (2009), shopping is fundamentally different from other forms of commerce, as customers engage their senses—touch, sight, and occasionally sound—when making purchases. South & Spitze (1994) and Fram & Axelrod (1990) argue that domestic shopping is typically associated with women, who dominate this space. Oakley (1975) emphasizes that shopping is a pleasurable activity, highlighting its social and recreational aspects.

Shopping experiences have become a primary motivator and a crucial hedonic attribute, leading malls to emphasize creating "better shopping experiences." Traditional retail formats lacked a personalized touch, prompting newer establishments to incorporate ambient influences into their design and atmosphere. However, while ambient influences enhance uniqueness, they cannot fully capture the diverse needs of a dynamic market. The concept of "shopping experience" varies across different consumer groups. Additionally, various customer segments seek benefits beyond a mere satisfying shopping experience.

Consumer attitudes are shaped by their perceptions, feelings, and behavioral intentions towards products or brands. In contemporary retail, ease of transaction has become increasingly significant due to evolving lifestyles and the influence of modern shopping concepts. With Delhi being a diverse and mature city, consumers are influenced by various factors, including gender, age, and societal characteristics (Schultz, P.W. & Okamp, S., 2005).

Moreover, age and gender play critical roles in shaping consumers' perceptions of shopping mall features. Younger shoppers often seek entertainment and variety, while older consumers prioritize convenience and relaxation (Myers and Lumbers, 2006). Retail orientations, personal beliefs, and societal influences affect mall shopping, where younger consumers are more focused on fun, while older consumers tend to value ease of access and comfort (Shimm and Eastlick, 1998; Myers and Lumbers, 2008).

The objective of this study is to investigate how the growing presence of shopping malls influences the shopping behavior of local communities in small cities like Semenyih. Utilizing a qualitative approach, we aim to interview local leaders and community members to gather insights into their experiences and perspectives on this shift. Through structured interviews, we will explore how expanding malls are shaping consumer behaviors and interactions within the community.

# 2 LITERATURE REVIEW

#### 2.1.1 Introduction

Understanding shopping behavior in small cities is crucial for several reasons. Small cities often have unique consumer dynamics that differ significantly from larger urban areas, influenced by local culture, economic conditions, and demographic factors. The expansion of shopping malls in these regions can reshape consumer habits, offering a variety of products and services that may not have been previously accessible. This transformation can lead to increased consumer engagement and satisfaction, but it also poses challenges for local businesses that may struggle to compete with the convenience and variety offered by these malls (Chantarayukol, 2019; Bawa et al., 2019). Therefore, examining the impact of shopping malls on local communities is essential for understanding how these developments affect economic sustainability and social interactions within small cities.

#### 2.1.2 Theoretical Framework

The exploration of consumer behavior theory provides a foundational understanding of how shopping experiences influence purchasing decisions. Assael (1987) posits that consumer behavior is a unique form of behavior shaped by individual shopping experiences, emphasizing the need for retailers to understand these experiences to cater effectively to their customers (Cho & Workman, 2011). Underhill (2009) expands on this by highlighting the role of sensory engagement in shopping, suggesting that the physical environment of a retail space significantly impacts consumer enjoyment and decision-making processes (Cho & Workman, 2011).

Retail Environment Theory further elucidates the social dynamics of shopping. South & Spitze (1994) discuss how gender roles influence shopping behavior, indicating that men and women may approach shopping with different motivations and expectations (Cho & Workman, 2011). Oakley (1975) adds that shopping can be perceived as a leisure activity, particularly among women, which underscores the social aspects of shopping beyond mere transactional behavior (Cho & Workman, 2011).

# 2.1.3 Impact of Shopping Malls on Consumer Behavior

Shopping malls serve as hubs of convenience and variety, significantly influencing consumer behavior. Assael (1987) argues that malls provide a one-stop shopping experience that reduces the time and effort required to shop, thereby enhancing consumer satisfaction (Cho & Workman, 2011). Spiggle and Sewall (1987) further support this notion, noting that the reduced travel time between stores within malls encourages consumers to explore more options, leading to increased purchasing opportunities (Cho & Workman, 2011).

Moreover, the sensory experiences provided by malls play a critical role in shaping consumer behavior. Fram & Axelrod (1990) and Underhill (2009) emphasize that ambient influences, such as lighting, music, and layout, can enhance the shopping experience, making it more enjoyable and engaging for consumers (Cho & Workman, 2011). This sensory engagement can lead to longer shopping durations and higher spending as consumers are drawn into the mall environment.

# 2.1.4 Influence of Demographics on Shopping Behavior

Demographic factors, particularly age and gender, significantly influence shopping preferences. Myers and Lumbers (2006, 2008) highlight that different age groups exhibit varying shopping expectations, with younger consumers often seeking more experiential shopping opportunities compared to older generations who may prioritize convenience (Cho & Workman, 2011). Gender also plays a crucial role in shaping shopping behavior, as evidenced by South & Spitze (1994) and Myers and Lumbers (2008), who found that men and women often engage in shopping with different motivations and social dynamics (Cho & Workman, 2011).

# 2.1.5 Challenges Faced by Local Businesses

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The rise of shopping malls presents challenges for local entrepreneurship. Schultz & Okamp (2005) discuss how shifting consumer preferences towards larger retail environments can undermine the sustainability of local businesses, which may struggle to compete with the extensive offerings of malls (Cho & Workman, 2011). Myers and Lumbers (2006) suggest that local businesses need to adapt their retail layouts and marketing strategies to remain relevant in an increasingly mall-centric shopping landscape (Cho & Workman, 2011).

# 2.1.6 Strategies for Balancing Modernity and Tradition

To address the challenges posed by expanding shopping malls, collaborative approaches are essential. Barak (1998) and Sit et al. (2003) advocate for strategies that balance modern retail spaces with the needs of local businesses, ensuring that both can coexist and thrive (Cho & Workman, 2011). Shimm & Eastlick (1998) and Stassen et al. (1999) emphasize the importance of effective consumer segmentation and targeted marketing to integrate local businesses into the broader retail environment (Cho & Workman, 2011).

# 2.1.7 Consumer Attitudes and Perceptions towards Shopping Malls

Consumer attitudes towards shopping malls are shaped by ethical standards and societal characteristics. Shimm & Eastlick (1998) argue that societal norms influence shopping behavior, with consumers increasingly favoring retailers that align with their values (Cho & Workman, 2011). Myers and Lumbers (2006) further differentiate between recreational and functional shopping preferences, noting that consumers often seek different experiences based on their shopping motivations (Cho & Workman, 2011).

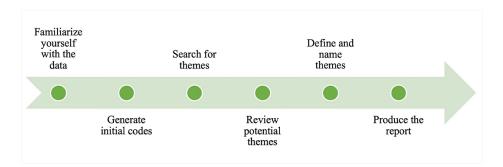
In summary, the literature underscores the significance of understanding consumer behavior shifts in the context of expanding shopping malls in small cities. The interplay between consumer experiences, demographic influences, and the challenges faced by local businesses highlights the need for a nuanced approach to retail development that considers both modernity and tradition. As shopping malls continue to evolve, ongoing research will be vital in shaping strategies that foster sustainable economic growth and community well-being (Seman, 2020).

#### 3 METHODOLOGY

This study employs a qualitative approach to explore changes in shopping habits in small-town communities, focusing on the impact of newly constructed malls on local neighborhoods. Semi-structured interviews collect in-depth, descriptive data, providing rich insights into community experiences.

A qualitative research design was chosen to facilitate a deeper understanding without imposing preexisting notions. Participants were selected through snowball sampling, ensuring diverse perspectives. Three key community members, village heads and local leaders—were interviewed, offering extensive local knowledge.

Data analysis was conducted using thematic analysis, systematically identifying and categorizing key themes to ensure depth and reliability in findings. This approach enhances the transparency and persuasiveness of the research.



#### 4 FINDINGS AND DISCUSSION

# 4.1.1 Demographic Analysis of Respondents

The study involved residents of Semenyih Village, representing a diverse demographic. Participants were selected from various locations, including Kesuma and Bangi Village, ensuring a broad range of perspectives. The group included both younger and older adults, with varying levels of education, occupation, and involvement in local community activities.

Key demographics include:

- Age: Participants ranged from 40 to 65 years old, ensuring a mature and experienced perspective from community leaders
- Gender: The sample included an equal representation of male and female leaders, maintaining a balanced voice from both genders.
- Education Level: Respondents held various levels of education, from high school to tertiary qualifications, reflecting their roles in leadership and decision-making.
- Occupation: All participants were leaders, including village heads, local leaders, and community representatives, actively involved in local development and governance.
- Community Role: These leaders played significant roles in shaping the direction of their communities, offering insights into how modern retail developments impact local culture, businesses, and community well-being.

# 4.1.2 Evidence and Themes from Respondents' Answers

#### 4.1.2.1 Role Towards Growing Shopping Mall

- **Respondent 1**: "The mall has become a convenient place for shopping and community events. We participate in events like weekend markets hosted by the mall."
- Respondent 2: "I visit the mall regularly for shopping, but my local store has seen fewer customers."
- Respondent 3: "The mall attracts more families and young people, which has shifted our social gatherings there."
- **Respondent 4**: "It's great to have a modern space, but smaller retailers are struggling to compete."

#### Theme: Community Engagement vs. Declining Local Business Support

Respondents highlighted both positive and negative aspects of the mall's growth. On one hand, the mall serves as a central hub for shopping and community engagement, offering modern amenities and events that attract locals. On the other hand, smaller retailers and local businesses face challenges as they struggle to compete with larger, more established stores within the mall. This duality underscores the tension between modernization and the preservation of traditional local commerce.

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#### 4.1.2.2 Challenges Faced

- Respondent 5: "The small businesses struggle due to the mall's larger stores attracting most customers."
- Respondent 6: "Many locals feel the mall is reducing the need for small business development."
- **Respondent 7**: "The mall offers cheaper prices, which makes local stores less competitive."
- Respondent 8: "There's a sense that small business owners are being sidelined by the mall's expansion."

# Theme: Impact on Local Entrepreneurship vs. Corporate Dominance

The challenge posed by the mall is multifaceted. While it provides convenience and variety, the dominance of corporate stores impacts local businesses, leading to a decline in customer loyalty towards smaller retailers. Respondents' concerns about reduced small business development and the lack of support for local entrepreneurs reveal the need for strategies to balance growth with the sustainability of local economies.

# 4.1.2.3 Suggestions for the Future

- **Respondent 9**: "I think there should be more collaboration between the mall and local businesses to create a space where both can thrive."
- **Respondent 10**: "The mall could offer designated areas for local vendors to maintain a balance between modern and traditional business."
- Respondent 11: "Perhaps the mall could introduce loyalty programs for local businesses to attract more customers."

# Theme: Fostering Collaboration and Balancing Development

Many respondents proposed collaborative approaches between malls and local businesses to foster mutual growth. Suggestions such as designated areas for local vendors and loyalty programs for small businesses reflect an understanding of the need for a balanced approach—one that integrates the benefits of modern retail spaces while maintaining space for traditional, community-driven enterprises. This reflects a shift towards a more inclusive retail ecosystem.

#### 4.1.2.4 Shopping Behavior Changes

- **Respondent 12**: "With the mall, our shopping habits have shifted more towards convenience and variety, but small shops feel left behind."
- **Respondent 13**: "The mall has become the go-to place for everyday essentials, making it hard for local shops to compete."
- Respondent 14: "I still prefer the personal touch of local stores, but I go to the mall for better deals and variety."

#### Theme: Shift Towards Convenience vs. Local Store Decline

The respondents' insights into changing shopping behaviors illustrate a shift towards convenience and accessibility. While malls provide a variety of choices and competitive pricing, traditional stores are seen as lacking the same level of attraction. However, personal preferences for the familiarity and tailored service offered by local stores indicate that while the mall dominates the modern shopping scene, there is still a space for smaller businesses to coexist, if supported effectively.

# **5 CONCLUSION**

In conclusion, the themes explored—Role Towards Growing Shopping Mall, Challenges Faced, Suggestions for the Future, and Shopping Behavior Changes—highlight the complex relationship between modern retail developments and local businesses. The findings reveal that while malls provide convenience, variety, and modern amenities, they also pose challenges to the sustainability of small businesses and the preservation of traditional commerce. The tension between

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embracing modernity and maintaining local identity underscores the need for a balanced approach. A key takeaway is the importance of fostering collaborations between malls and local vendors to create an inclusive retail ecosystem. Community engagement and support play a vital role in ensuring the continued viability of local businesses, offering strategies such as dedicated spaces and loyalty programs to strengthen their presence within a mall-centric environment. Furthermore, ongoing adaptation is essential to meet the evolving needs of consumers. By integrating traditional business practices with modern retail experiences, both small businesses and malls can coexist harmoniously, enriching the retail landscape for the entire community.

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