

AN EXPLORATORY STUDY BASED ON HONG KONG THAT EXAMINES THE EFFECTIVENESS OF MARKETING STRATEGIES IN PROMOTING SHOPPING CENTRES TO ATTRACT VISITORS AND SHOPPERS

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ABSTRACT

Their responses were used to rank the effectiveness of various promotional strategies, and a group of shoppers were surveyed about the efficacy of various marketing strategies for boosting shopping malls' most important metrics (sales and foot traffic). It appears that there are substantial differences between the factors that drive sales or visits, and the results indicate that there are a variety of combinations that may be useful in developing optimal patterns of consumer behavior. Displays in public places like schools and communities tend to attract visitors who aren't necessarily interested in making a purchase, in contrast to fashion shows and product displays, which don't elicit either type of response from the public. It has been demonstrated that a combination of free entertainment and discount offers is an effective alternative to mall-wide deals, despite the popularity of mall-wide deals. Positive findings were discovered after analyzing actual purchases, visits, and promotional kinds over the course of a three-month period to determine how well actual customer behavior matched consumers' claimed behavior likely. The research was conducted to find out how well actual customer behavior matched consumers' claimed behavior. According to the findings of the research, the allure of city centers can be broken down into four categories: shopping, entertainment, activities, and environment. It was discovered that the accessibility of a city center does not have a statistically significant effect on the desirability of a city. The purpose of this study is to investigate the ways in which marketing strategies, such as production strategy, pricing strategy, promotion strategy, and location strategy, influence the performance of organizations.

Keywords: Shopping malls, Customer Satisfaction, Place marketing, Role of promotion strategies, Elements of promotion mix, Marketing Strategy, City Centre Attractiveness.

1 INTRODUCTION

This research study analyzes the promotion mix of Hong Kong retail malls, focusing on its main components and the success of such techniques. Various retail malls in Hong Kong have introduced new promotional initiatives in an effort to increase foot traffic and provide consumers with more of what they want. The purpose of this article is to investigate the types of promotional mix used by various retail centers and how well it draws in customers. Only three of the world's most well-known retail malls were chosen for this research. They are the New Town Plaza in Sha Tin, Harbour City in Tsim Sha Tsui, and Pacific Place in Admiralty. Despite being spread out over Hong Kong Island, Kowloon, and New Territory, these malls manage to draw customers from all over the world. An on-site study and customer survey its be used to get consumer feedback on the marketing tactics currently being used by shopping malls. Management at shopping centers would be provided with a consumer survey analysis and suggestions for improving marketing initiatives. The report's goal is to provide management with new information and perspectives to help them improve the effectiveness of their present promotional mix in reaching both current and future consumers. Given the rapid pace at which new technologies are introduced, it's no surprise that mobile communication has lately grown more widespread and appears to be more influential than conventional public media. Furthermore, this article proposes actions for shopping center administration to modify their promotion mix by using technology to improve their advertising methods and permit

marketing with their clients (Alexander, 2021).

Malls are increasingly relying on promotional activities to differentiate themselves from competitors through the use of image communication, increase foot traffic, and encourage shoppers to make purchases (Shim, 2021) (Fairhurst, 2021). This is because malls are currently operating in a market that is more competitive, with overcapacity and dwindling clientele. Although the effectiveness of mall promotional efforts in eliciting the anticipated reactions has not been investigated, despite the fact that this is a standard key performance indicator (KPI) for retail malls, mall promotional activities have been classed by sort. In addition, the fluctuating nature of the customer base makes it more difficult to implement mass market advertising because it requires a deeper comprehension of the requirements of a heterogeneous market that is comprised of several distinct sectors. This makes it more difficult to deploy mass market advertising (Solomon, 2002).

Within the scope of this study, ten common mall promotional activities that are based on the framework developed are investigated in order to ascertain whether or not they are successful in luring in new clients and elevating overall mall income.

A group of shoppers were polled on the efficacy of various marketing strategies for boosting shopping malls' most important metrics (sales and foot traffic) and their responses were used to rank the effectiveness of various promotional tactics. The findings point to substantial differences between sales drivers or visit drivers and provide various combinations that may be beneficial in creating optimal consumer behavior. While fashion shows and commercial displays are demonstrated to be low performers in eliciting either reaction, it seems that displays in schools and communities are encouraging visits from people who aren't potential customers. When compared to mall-wide specials, promotions that focus on both broad entertainment and low prices are determined to be an effective option for attracting customers and increasing sales. Customers' claimed probability of behavior was compared to their actual behavior during a three-month period, including purchases, visits, and promotional kinds, with positive outcomes.

2 PROBLEM STATEMENT

Hong Kong is also known as Shopping Paradise. Covid19 crisis has altered the landscape not only in the drop of offline retail growth but customers' attitudes towards e-shopping. Regaining the customers' loyalty to shopping centres has appeared as an industrial challenge. Consequently, the shopping centres have realized the appropriation of omnichannel communication strategy, relied on digital technology, to reach customers and serve them customized information with retailtainment offers. Therefore, reframing the relationship marketing, integrative communication technology and right promotion tool turns a major concern for the shopping center management, especially marketing managers.

The prime question for the present research can be ascribed as - what promotional tools the Hong Kong shopping centres were design to attract shoppers and visitors in the post COVID crisis period? It is important to understand how consumers are perceiving the communication appeal of the shopping centres and behave accordingly. The answer was resolve a major question for the shopping centre management to formulate the right marketing communication strategy and regain the lost ground.

3. BACKGROUND OF THE STUDY

The city of Hong Kong is well known as a "Shopping Paradise" for tourists and locals alike. Because it is a free port, Hong Kong does not apply any customs tariffs on incoming or outgoing shipments, with the exception of four categories of dutiable goods. To put it another way, the majority of consumable items in Hong Kong do not need payment of tax, which is a significant draw for tourists who come to Hong Kong for the purpose of shopping. Since the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) went into effect in 2003 between the Hong Kong Special Administrative Region and mainland China (Trading and Industry Department, 2003), there has been an upward trend in the number of mainland Chinese tourists visiting Hong Kong. Famous shopping centers such as Pacific Place, Harbor City, and New Town Plaza, amongst others, are popular destinations for these tourists since they like shopping there for luxury products and other mementos.

As a result, shopping centers in Hong Kong play an important role in offering venues for visitors and locals to go shopping. However, there is a fierce rivalry between shopping centers with each other, and many of them have carried out various marketing techniques in order to entice more customers to attend. In order to do this, it is important for shopping centers to have a strong online presence. Advertisements or sales promotions run by store tenants may entice customers to visit a shopping center, which can lead to an increase in foot traffic. A variety of promotion mix techniques are put into place by the management of shopping centers in order to boost the number of customers who visit such centers. This, in turn, boosts the amount of foot traffic that consumers experience and the amount of money that store tenants make. It is essential to have an efficient marketing plan and promotion in place in order to accomplish the aim. If visitors are correctly targeted by the marketing methods used by the management of shopping centers, they are having an easier time determining their shopping requirements or what they could purchase.

When it comes to Hong Kong's economy, the retail property market is crucial. The Rating and Valuation Department (RVD) defines this market segment as "any property used primarily for commercial purposes other than offices" (Rating and Valuation Department, 2017). This includes stores and other commercial spaces. One of the most thrilling pastimes is probably going shopping. Retail spaces are always adapting to accommodate customers' shifting tastes and preferences (Hui, 2006). No one is going to argue that running a retail center is simple. Nobody would argue, though, that a retail establishment's performance isn't dependent on a number of things.

Idea of being motivated to save money (Schindler, 2019). This is significant because there are essentially two different types of promotion strategy that are used in the marketplace of shopping centers: those that focus on entertainment, which appeal to the hedonistic shopper, and those that focus on price, which appeal to the hedonistic and utilitarian shoppers. In the context of a shopping mall, educational promotions and community activities are two additional types of marketing that may be used. The extent to which these two types of marketing influence sales and foot traffic is, however, unknown.

4. LITERATURE REVIEW

The main objective of marketing strategy is to boost sales and create a long-lasting competitive advantage. (Baker, 2008) Marketing strategy is the marketing plan used by a business to build lucrative client connections and increase customer value. The promotion, which refers to actions that convey the benefits of the product and encourage target buyers to purchase it, is the paper's main emphasis. The efficacy of each strategy in the promotion mix, including advertisement, sales promotion, public relations, and direct marketing, would then be evaluated. In order to achieve the firm's goals within a particular product market, that the marketing plan is to "effectively allocate and coordinate market research resources and activities." "Effective marketing strategy implies that every piece of the marketing mix works together to give a coordinated and integrated appealing the target consumers group,". To build a complete marketing plan that are satisfy consumers' requirements and desires and help the business reach its goals and objectives, the marketing mix is crucial. (Clow, 2010).

The goal of modern marketing is to form relationships with clients that can be maintained throughout time. If customers are satisfied with the services they get, the hope is that they are return in the future and tell their friends about the business. The American Marketing Association (AMA) has revised its definition of marketing in response to the increasing importance of developing long-term relationships with clients. The American Marketing Association describes marketing as "a business process and a collection of tactics for producing and delivering value to clients." This definition of marketing can be found on their website. The fundamental objective should be to manage connections with consumers in a manner that is beneficial to the company as a whole as well as to those who have a stake in the company. Workers, members of distribution channels, customers, members of the media, government officials, and members of other groups with a vested interest are all examples of stakeholders (Baack, 2010).

This suggests that the organization develop a strategic marketing strategy with a number of predetermined objectives in mind. For marketing activities to be successfully put into action, one must have a solid understanding of both the components that make up the marketing mix as well as the fundamentals of communication.

4.1 MARKETING MIX

The marketing mix is the combination of tactical marketing instruments used by the company to elicit the desired reaction in the target market. Everything a company can do to affect product demand is included in the marketing mix. The Four Ps concepts—Product, Price, Place, and Promotion—are blendable controllable factors used in an integrated marketing campaign that really provides target consumers with the desired value. McCarthy's 4Ps, which are centered on product marketing, are the standard marketing mix. Through the inclusion of extra 3Ps, Booms and Bitner further refined the 4Ps idea to create a 7Ps service marketing mix model. Marketing mix, according to McCarthy, is "a mixture of a set variable relevant to satisfying consumers' demands." Marketing mix is further "the controllable variables that a corporation may coordinate to fulfill its target market." The mix is also defined as the basic idea of marketing theory as well as the tools and methods used to put the marketing principles into practice. The foundation of each company's marketing strategy rests on these four

components: product, price, placement, and promotion. Product, price, location (distribution), and promotion are shown graphically four aspects of marketing are essential to its success.

When it comes to the overall marketing strategy of a firm, the success of each individual component of the marketing mix is vital. When services are included in the marketing mix, the "four Ps" become "the seven Ps." When this occurs, people are talk about the "services marketing mix" or the "extended mix" (Kasper, 2006). The extended marketing mix includes a service component that includes people, processes, and physical evidence as part of its components.

This study is focus on both product advertising and service advertising due to the fact that women are often used as characters in advertisements for a wide variety of goods and/or services. In this part of the article, researchers discuss each element of the marketing mix and how it pertains to the inquiry that is currently being conducted.

4.2 FRAMEWORK FOR THE SHOPPING CENTER MARKETING MIX

The first thing a shopping center's management has to do is create its own marketing plan, taking into account all internal and external elements and surroundings before utilizing its own resources to reach out to prospective consumers. Shopping center management would create their own marketing mix plans based on the utilization of the 7Ps' attributes by using the marketing 7Ps.

5. METHODOLOGY

This research gives an empirical setting in order to analyses the theoretical relational path selected from the literature, and to test this by hypothesis. This is made possible with the assistance of the conceptual models that have been presented. Quantifying the facts is one of the goals of the conceptual framework. The goal of quantitative research is to describe and explain events by numerically representing and manipulating data. Physics, biology, sociology, and geology are just few of the fields in which it has been applied in the last several decades. In the study, the working population of the research was found to be 3 billion on the basis of world report. The sample size was calculated as per the Rao soft software and was found to be 14020. The sampling method is simple randomized sampling. A total of 13990 questionnaires were distributed out of which 13997 questionnaires were collected and 13910 were used for the analysis.

The single person, group, or thing that serves as the focus of the analysis (also known as the unit of analysis) is evaluated in depth. Units of analysis may take many forms, including individuals, groups, organizations, countries, technologies, products, and so on. This is the case, for example, if people are interested in analyzing the purchasing patterns and learning outcomes of individuals, as well as their perspectives on the latest advances in technological innovation. A questionnaire consisting of closed-ended questions was used during the interviews. It includes twenty-six items with five response categories ranging from 1 = Strongly disagree 5 = Strongly agree. The structured data collection instrument allowed the researcher to probe the same questions to all participants and indicate their responses using predetermined response options that were extracting information regarding worker's social

demographic characteristics.

6. THEORETICAL FRAMEWORK

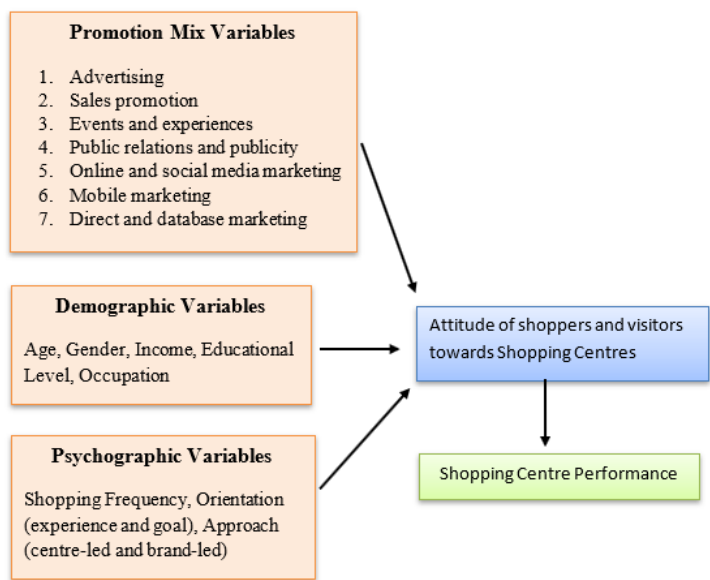


Figure 1. Framework for Promotion Mix Strategy in Shopping Centre

7 RESULT FOR HYPOTHESIS

The term "marketing mix" refers to the assortment of tools, components, or variables that are combined by marketers in order to communicate with a particular target market. It is the core of any marketing effort and the primary constituent of an organization's marketing activities, making it the most important building block. According to the idea of marketing, there are two parties involved in a transaction: on one side, there is the producer or marketer, and on the other, there is the customer. The company's goal is to complete a transaction with its clientele, but in order to do so it must first conceptualize and create a product or service, then give it a design, package it, determine its cost, give it a name, give it a label, market it, and distribute it. Each and every one of these choices constitutes the central tenet of a marketing mix, which is comprised of four components: product, price, location, and promotion.

On basis of the above discussion, the researcher formulated the following hypothesis, which will analyse the relationship between demographic variables and shopping center performance.

H02: There is no significant relationship between demographic variables and shopping center performance.

H2: There is a relationship between demographic variables and shopping center performance.

Table 1. ANOVA

ANOVA					
Sum					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1923.113	4,889	213.679	6.997	.000
Within Groups	2748.447	9,020	30.538		
Total	4671.560	13,909			

For dependent variable (Shopping centre Performance), the descriptive output gives the sample size, mean, standard deviation, minimum, maximum, standard error, and confidence interval for each level of the (quasi) independent variable. In this study, respondents who responded for Psychographic variables, and their mean was 82.38, with a standard deviation of 6.869.

8. CONCLUSION

The last part of this article is its conclusion. Researchers start with a summary of the research, in which they say what they found and what they didn't. Then, a summary of both the real-world and theoretical results is given. After that, some final thoughts are given, and the study's flaws are talked about. The goal of this thesis is to give an analytical framework for figuring out what makes a city center attractive and whether or not locals and tourists have different experiences in a city's central areas. The main goal of this study is to find out what customers value in city centers and whether or not locals and tourists have different opinions of these places. This is an interesting thing to study because many city centers are falling apart because of competition from nearby cities and the rise of shopping malls outside the city.

The framework of the study was based on studies from the fields of location marketing, place attractiveness, city center attractiveness, and retail. The framework is made up of five parts: shopping, how easy it is to get to, entertainment options, activities, and the overall feel. Before putting forward hypotheses to be tested, a descriptive analysis of the self-evaluation questions was given to show how important different aspects of a city hub are. Consumers seem to agree on almost all of the claims, which suggests that they all have something to do with living in a big city. The only thing that made city centers less appealing overall was the fact that they had nightlife. Aside from the nightlife, people liked the atmosphere, how easy it was to get around, the parks and natural areas, the restaurants and cafes, the architecture, the public transportation, the stores, the hours, the entertainment, the casual trading areas, the stores, the parking, and the permanent events.

The next step was to see if the four hypotheses were true. They used the ANOVA test for independent samples to see if our idea was true. The ANOVA test was run on independent samples to see if there was a big difference in how happy locals and tourists were in the central business district of Hong Kong. Throughout the test, there were no statistically significant

differences between the two groups in shopping, convenience, entertainment, or atmosphere. Even though the groups were given different names, the result was still the same.

LIMITATIONS

The primary objective of the research is to determine the promotion mix elements that influence purchasing behaviors in Hong Kong, taking into account the demographic and psychographic characteristics. It does not take into account the impact that shopping center efficiency, the use of technology, or the direction of the current marketing system may have. This research method is called a cross-sectional study, and its purpose is to find out how visitors and customers in general feel about the various promotional mix methods. No experimental design is considered.

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