Shopping as an experience

- A case study of three Swedish shopping malls

Caroline Andersson
Acknowledgements

This master thesis is intended to explore the competitive advantages of shopping malls in today's market. To make this thesis possible I have collaborated with different people. I would like to thank them for their willingness and dedication for my research.

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Caroline Andersson

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Abstract

The consumption society is expanding with stores and shopping malls which require that a store as well as a mall distinguish from the great mass. Today’s consumption society is a difficult marketplace for companies to reach out to their consumers. In this master thesis it has been investigated how shopping malls can create competitive advantages in a saturated market. It has also been researched how the similarity of the stores in shopping malls affect the future development of the concept in itself. The research has been carried out through a qualitative research method and a case study of three different shopping malls in Stockholm, Sweden: Brunogallerian, Forum Nacka and Vällingby City. Four respondents have been interviewed from each shopping mall. The investigation has also been supplemented by a online consumer survey of 105 people. There has been used a theoretical framework based on relationship marketing, branding strategies, experience- and sensory marketing. Throughout the thesis it has consistently been used four fields of knowledge with the aim of facilitate the common thread throughout the thesis. The four fields are: Shopping malls on the Swedish market, Image and branding of shopping malls, Creating relationships with the consumers and Shopping as an experience. Furthermore, it has been presented the empirical results of the interviews and the consumer survey according to the previously mentioned fields. The result of the interviews and the theoretical findings has been analyzed and further on been discussed with the purpose of discover own theories and results. In conclusion, it has been stated that it is of great importance to offer the consumer added value and niche the profile and the retail mix of the shopping mall in a unique way. It is also essential to get to know its target group by creating events and activities that address the certain target. The similarity of the stores in the malls is profitable and the great mass of consumers demand for the large retail chains. In the future there can be a major development of more niche stores in the large shopping malls, with the aim of attract a broader as well as a more definite target group.

Keywords: Shopping malls, shopping centers, fashion management, experience marketing, relationship marketing, branding.
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APPENDIX
1 INTRODUCTION

In this chapter I will describe the background to the research area and the stated problems. Further on, it will describe the main problem followed by the purpose of the study and the research question. Finally, the limitations of the research area will be presented to delimitate the investigation.

1.1 Background

The presence of shopping malls is more common and also the content of that many shopping malls are similar to each other. The growth rates among Swedish shopping malls are higher than in many years and the already existing shopping malls becomes much larger. All the new planned shopping malls are relatively large at its size and the already established malls meet this development by also expand and extend (Bergström, 2004). Sweden was one of the first European countries to implement the shopping mall concept, but it wasn't until the early 1990's that create changes in development regulations that first allowed a rapid development. In Sweden, the average area of shopping malls per capita is 390m2 which puts it over the European average of approximately 200m2 (www.mallofscandinavia.se).

For the last decade in Sweden, there has been a continuous increase in the retail sector and consumers tend to like to shop in shopping malls and commercial areas. The current situation is about 32 percent of retail sales in shopping malls and commercial areas, and in Stockholm the market share is as much as 50 percent (www.docere.se).

Companies need to be at the forefront of the latest trends to strengthen the company’s business concept and strategic marketing. Once it was enough to only sell the products in the back of a counter in a store, but nowadays the store keepers have to manage many tasks and working areas to survive the strong competition. The stores have to look visually good, the advertising has to be attractive, the assortment has to be in good quality for an affordable price, the staff of the store must be able to deliver good service and the consumers must have a positive experience when visit the store. The consumers have become more discerning and selective and if the companies do not add some “extra” value in their business concept, the consumer simply choose another store (Hultén, Broweus & van Dijk, 2009).

The consumption society of today is expanding with stores and shopping malls which require that a store as well as a mall distinguish from the crowd. Today's consumption society has become a difficult marketplace for various stakeholders to reach out to their consumers. New shopping malls and stores open all over Sweden and one wonders if there are enough consumers for all actors on the market?
The consumption patterns are continuously changing and since the last ten years, the retail segment in Sweden has constantly increased. The retail market has developed from the local little shop to today's mega-sized shopping malls and market places. In big cities consumers have the possibility to choose between hundreds of stores and shopping malls, the majority with similar assortment and prices. Therefore, the choice is often guided by the store or the mall, not only the range and price. The accessibility and the added value of a shopping mall or a store is an even more important success factor (Schmidt & Sköld, 2004).

1.2 Problem statement

Shopping malls outside the city centres have become increasingly important in recent years and many shopkeepers and local politicians see this new change as a threat to the established trade in the cities. More products are sold through external shopping malls and the stores are becoming larger to its size. The concentration of ownership and the increasing of national and international chains are taking a large market share (Bergström, 2000). We can see a trend where the big chain stores are taking increasing market share and moving forward on the Swedish market. Many chains are growing and have a deliberate strategy of establishment. Shopping malls are experience a similar development where they are growing both in number and size and in the 1990s, the turnover has increased sharply in various forms of establishment of shopping malls (Bergström, 2004).

The existing shopping malls of today’s consumption society here in Sweden will face major challenges in the future. New consumer behaviour patterns and a dynamic society, affect the consumer’s life and the way people consume (www.docere.se). Shopping malls and stores are competing for the consumers’ attention and the competition in Stockholm is intensifying. Therefore it is important to create a unique concept to differentiate from the competitors. The common problem for shopping malls is that there is an equal supply of store concepts in the different shopping malls and they increase (www.aos.se). Characteristic of shopping malls is that they seem to become more similar. This applies not only in design and business concepts but also the supply of stores. The big chains seem largely to establish themselves in shopping malls since the property owners as well as consumers want the retail chains to establish in the malls (Bergström, 2004).

1.3 Purpose of the study

The purpose of this study is to describe, interpret and reflect on the development of today’s concepts of shopping malls. It requires more of companies today to be visible and the similarity
of the shopping malls and its stores are not distinguished from each other (Bergström, 2004). The aim is to explore, through a case study of three different shopping malls, how shopping malls are working to reach out to the consumers in the saturated market. I am going to research what shopping malls does to create competitive advantages and to distinguish themselves from the masses.

### 1.4 Research questions

- How can shopping malls create competitive advantages and distinguish themselves in a saturated market?

- How will the similarity of the stores in shopping malls affect the future development of the shopping mall concept?

### 1.5 Delimitations

The research area within marketing and shopping malls is wide in its field. I have chosen to concentrate on fashion shopping malls in the capital of Sweden, Stockholm. There is a reason to distinguish large cities like Stockholm from smaller cities since larger cities have city malls, major suburban shopping malls and external shopping malls. In smaller cities, suburban malls are missing (Bergström, 2000). To limit the research area even more the focus has been put on three selected shopping malls in Stockholm; **Forum Nacka, Vällingby City and Brunnagallerian**. The result and outcome of the study will be more useful for these three shopping malls but also for shopping malls in general. The selected shopping malls are both big-sized shopping malls as well as smaller niche malls. For this study it is important to see a variety in different business concept to finally investigate in the shopping mall concept of the future.

The study has primarily been put in a business perspective so see the strategic business concepts and trends behind the development of marketing concepts within the chosen research area. In addition to the business perspective, I have also chosen to compare it with the consumer perspective of the research. To see if the companies’ marketing strategies are equal to the consumers’ wants, needs and expectations. I have chosen to mainly focus on the business perspective since it is necessary to do a large investigation within consumer behaviour with a large amount of consumers to reach a reliable and useful result, or make qualitative interviews with a fewer quantity of consumers. In this research, I decided to conduct a survey of 105 consumers to get a clearer picture of their shopping behaviour in shopping malls. The focus is not on making a large study of consumer behaviour, but instead see the results from the
questionnaire used to prove or compare the results of the qualitative interviews with the marketing managers at the shopping malls.

1.6 Presentation of the selected shopping malls

This study is focusing on one case study of three different shopping malls in Stockholm, Sweden. The research is focusing on the shopping malls; Forum Nacka, Brunogallerian and Vällingby City.

1.6.1 Forum Nacka

*Forum Nacka* was inaugurated in 1989 and reopened after extensive development and regeneration October 2008. Today in 2010 there are located 150 shops, 20 restaurants and cafes in the mall. There are also other services such as banks, post office, hospital and brokers. It is a shopping mall near dwellings with large catchment area consisting of permanent and holiday homes in Nacka and Värmdö. It is the largest shopping mall in the specific area. *Forum Nacka* has a wide selection of fashion, home furnishings, technology and service (www.forumnacka.se). *Forum Nacka* differs from other malls, with their designer lounges, and the thoughtful architecture. Some of the stores in *Forum Nacka* are New Yorker, Zara, Media Markt and H&M, but also stores that are brand new in the Swedish market and many stores that move for the first time from the inner city. *Forum Nacka* has four floors which have been divided into different lifestyle paths. Each floor is designed with both the interior and in-store selection for its particular audience (www.webfinanser.com). *Forum Nacka* is one of the shopping malls of Unibail Rodamco which is the leading European commercial property developer company. Unibail-Rodamco Nordic owns and operates in 14 shopping malls in the Nordic countries (www.unibail-rodamco.com).

1.6.2 Vällingby City

*Vällingby City* is built in the 1950s and in recent years there has been a major rebuild and expansion of the mall and it has doubled in size. It is located in an urban environment with open streets where entertainment, service, food and culture can be alternated. The shopping mall is more outdoor than indoor and those who choose to go to *Vällingby City* on a sunny spring day can expect to enjoy the weather while they shop, which is not possible in the indoor centers. There are over 200 shops, service outlets, cafes and restaurants (Cedronius, 2010). There is also the newest addition in Stockholm’s fashion world – The fashion department store *KFEM* with 35 different departments (www.valingbycity.se).

*KFEM* is Vällingby City’s latest addition and the consumers can find fashion brands that otherwise exist only in the city. *KFEM* is a department store where people can roam freely
between the 30 departments (www.vallingbycity.se). “KFEM Dressingroom” is an external website to www.KFEM.se where consumers can blog directly from the dressing room. The fitting rooms are filled with “Bloggmachines”, small stations where consumers can take pictures of themselves. These pictures will be published on the website immediately and apart from blog posts from the fitting rooms the consumers can also look at news from the stores in shopping mall, everything from tips and trends to promotions and new collections. KFEM is an innovative shopping mall working to get to know their consumers and encourage them with experiences and fashion and they have received several awards for its daring and innovative architecture (www.KFEM.se).

1.6.3 Brunogallerian

Brunogallerian, also called Bruno, is a “mini-mall” in the city district Södermalm in Stockholm. The location of the mall is in a 300 years old market place where Brunogallerian moved in for a few years ago. Brunogallerian wishes everyone a different shopping experience and offers therefore often interesting exhibitions, live music and events. Some examples of events that Brunogallerian arranges are: clothing auctions with celebrities, design exhibitions with artists, photo exhibitions, concerts and different markets. Restaurant Ljunggren is located in the middle of the mall serving food and drinks and has a popular rooftop terrace that opens in the summer season. Brunogallerian wants to offer its consumers a shopping experience together with a snack in the lounge environment, dine in the restaurant or go to the club at the same time (www.brunogotgatsbacken.se).

The website LonelyPlanet.com describes Brunogallerian as: “Further proof of Söder's dreads-to-design gentrification, this hotshot minimall houses some of Stockholm's coolest fashion labels, including Whyred, Way, Stuk and Filippa K. Drop in at David Design, one of Sweden's hottest concept stores”.
2 METHODOLOGY

In this chapter it will be described which methods, techniques and selection principles I have used for this study. The research adopts a qualitative method approach and I will have a critical discussion of the method chosen and also motivate the choices I have made.

2.1 Scientific approach – qualitative research

Qualitative research is a scientific approach that generally emphasizes on data collected of words and interviews rather than quantification in the collection and analysis of numerical data. The focus is on the understanding of the social world through an interpretation of the world and its participants (Bryman & Bell, 2003). The qualitative approach focuses more on the individual person and how it interprets and shapes its reality. Bryman & Bell (2007) explain that qualitative studies often seem to be full of important details and these details are frequently important for the qualitative researcher. It is important to provide an account the context within which people’s behaviour and values must be understood in the context. Therefore, it appears to be a natural choice for this study to choose a qualitative research approach.

Bjerke (2003) consider it important to prove the qualitative study with a quantitative method, I have chosen to supplement with a smaller survey of 105 consumers. The advantage of complete a qualitative approach with a quantitative method is that it measures the reaction of a large number of people on a limited number of questions, thus facilitating the comparison and statistical summaries of the data obtained. The quantitative collected data will be treated qualitatively since the emphasis is still on a qualitative approach in this study.

The research of my study focuses on the relationships between companies and its consumers and how different marketing strategies can be designed for consumer profit. It is beneficial for my study to use a qualitative method approach since I wanted to put the emphasis on people’s perceptions and knowledge to gain useful data. Therefore I have chosen to collect data through detailed and extensive interviews with companies in order to gain significant results for the outcome.

2.2 Methodological approach – abductive research

There are three different approaches for collection and development of data; induction, deduction and abduction. In the inductive approach the researcher proceed from the observed, the empirical data. The research method is unprejudiced and designed to formulate new theory and distinguish general patterns in the research area (Wallén, 1996). An inductive approach is more
appropriate if one want to understand *why* something rather than describing *what is* happening. If the research area is new and there is little relevant literature within the prescribed area, it is more suitable to use an inductive methodological approach. The *deductive* approach means that the researcher develops a theory and hypothesis and then designs a research strategy to test the hypothesis (Saunders, 2000).

Patel & Davidson (2003) explains that there is a third approach to use named *abductive* approach. This research is a combination of both inductive and deductive approaches and gives the possibility to switch between theory and empiricism, and develop new theories. I have chosen to use an abductive methodological approach for this research since I believe that the empirics and the theories are equivalent in my study. From the theory I have got an insight and knowledge of the chosen research areas. Based on that knowledge I created an interview guide in different themes connected to the theory to easier see a connection between the empirics and the theory. This study was carried out by theoretical studies which are used to formulate the empirical investigation. By adopting a qualitative and an abductive approach it gives the possibility to find and create new theories in the chosen research area.

### 2.3 Case study

In this study I have chosen to use a case study method when investigate the research problem. I have chosen to focus on three shopping malls, which are independent of each other. Shopping malls and consumption is an extensive research area and the phenomena itself is large and complex and it is therefore useful to apply the investigation in a case study. In a case study-based research the process is iterative and dynamic where the process involves commuting between the different parts and steps. It is also dynamic since the process is changing over time. The purpose of the planning stage of a case study is to obtain an overview of the project, and make initial assessment of what to do, how to do it and when to do it.

The research task should be guided by a solution-focused approach and what the research opportunities can create for improvement and change (Gummesson, 2003). When I formulated the purpose and the research question of the study I wanted to investigate *how* shopping malls are working with the development of their marketing and business strategies. The problem statement, purpose of the study and the research questions is all part of each other and angles the object of research from various sources.
Gummesson (2003) prefer the notion *data generation* instead of *data collection* because case studies often requires field work, i.e. to explore the environments and the people one want to use as sources. In addition to meet the interviewees, I also visited the shopping center that is relevant for this study. I consider it is important to observe the location or company that is investigated, in order to see with own eyes how the shopping malls is designed.

2.4 Data generation

The collection of *theoretical data* has been done by literature and theories carried out by recognized scientists and authors, which means that one should not doubt its reliability. The literature has been both Swedish and international, to get a broad insight into the subject. By studying various literatures to get knowledge in the chosen research area I have got a good theoretical basis for further empirical studies. The literature chosen for the study is mainly in the subjects of Consumer Experience Marketing, Relationship marketing, Sensory marketing, Fashion marketing, Event marketing and Consumer relationship management.

Furthermore, I have used the article database Electronic Library Information Navigator (ELIN) at Linnaeus University in Kalmar. *ELIN* integrates information received from several publishers, databases and e-print open archives ([www.lnu.se](http://www.lnu.se)). Examples of keywords used are: consumer experience, shopping malls, shopping experience, relationship marketing, “shoppertainment” etc. Some of these words are combined together to obtain a more precise search result. To find more relevant sources I have used reference lists of relevant articles. I have also used several reports from The Swedish Retail Institute (HUI) which are the market leaders in the retail and wholesale industry in Sweden. They have done research in the area of consumption within shopping malls and the information is current and relevant for this study. I have also used articles from different news papers, trade journals and web pages connected to the research area to get updated information. Examples of these magazines and web pages are: Dagens Nyheter, karriärhandel.nu, hui.se etc. On the Internet, I have used the search engine Google.com

The collection of *empirical data* has been done through personal interviews with three different shopping malls (refers to 2.5). The empirical data has also been conducted through a smaller consumer survey of 105 consumers to complement and strength the qualitative interviews, but also use as a basis for the formulation of the interview questions for the companies. The questionnaire consisting of twelve questions and have been answered by men and women aged between 18 and 45+. The questions are both open and closed and give a great basis of consumer behaviour in shopping malls.
2.5 Interviews

Case studies include individual interviews which constitute the core of the data collection (Gummesson, 2003). When selecting respondents to the study I contacted three shopping malls that are relevant for the research. The three selected shopping centers are: Vällingby City, Brunogallerian and Forum Nacka. I have chosen to interview shopping mall – and marketing managers of the three shopping malls, and as Kvale (2009) states it is important for researchers to interview as relevant people as possible for the study to achieve the best result. I believe that marketing managers and mall managers can contribute with important information for the outcome of the study. Trost (2005) explains that in most cases when researchers do qualitative interviews ones want to get as much variety as possible and not similar respondents. Firstly, I have chosen different types of shopping malls with different target groups in order to have a variety in the study. Secondly, I have chosen both marketing managers and mall managers to see their different opinions and thoughts. Trost (2005) has the idea that one shall limit the interviews to a very small number of interviews, perhaps four or five. Using a lot of interviews, the information becomes unmanageable and the researcher may not have a great overview, while ensuring all the important details that unite or differ in the interviews. Quality should be primarily when choosing number of respondents for the interviews, rather a few well-selected interviews than a larger number of interviews that are less well implemented. For this study I have chosen to have four elaborated interviews.

Sara Falkevik works as a marketing manager at Brunogallerian and as a marketing manager she is proficient in the marketing and business strategies for the shopping mall. She is knowledgeable in their consumers and how to develop their business concept to reach a wider target group. Sara Falkevik was positive at the request of participating in an interview and was able to contribute with interesting information to the study. Kvale (2009) is pointing out that good respondents are cooperative and well-motivated and then also knowledgeable and eloquent. Margareta Almbrin has also been chosen to use as a respondent with relevant information for the study. She works as a mall – and marketing manager at Vällingby City and has a great insight to the company. It has
been chosen to have two respondents from the shopping center Forum Nacka which is Mikael Wallner who works as a shopping mall manager and Lena Rune in charge as Marketing Manager.

2.5.2 Interview guide and designing questions

When preparing for the interviews one distinguishes between three types of interviews: unstructured, semi structured and highly structured. I have used semi structured interviews when doing personal interviews. Østbye et al. (2004) is pointing out that semi structured interviews is characterized by the pre-defined themes. Before the interview the researcher shall prepare an interview guide which I have done from the specified themes in the theory. This makes the study much more structured and organized when in the end brings together theory with empiricism. I have used the interview guide through all interviews but also had the opportunity to ask follow up questions which is a normal way of doing semi structured interviews (Østbye et al, 2004). Questions does not need be in the same order as the interview guide and questions that are not part of this can also be added (Bryman & Bell, 2003). In the beginning of the interviews I have initiated with a neutral question in which the interviewee tells about himself and what she works with. Likewise, I have finished the interview with a neutral question and there is also an opportunity to comment about the content of the questions or if something should be added.

When doing questions for an interview it is important to have some knowledge of the interview person and think about what they experience of the questions during the interview. The questions have to focus on the themes that are relevant to the study but must also be perceived as relevant and easily understood from the interviewee's perspective (Bryman & Bell, 2003). Patel & Davidson (2003) is pointing out that it is important that the questions are formulated in a good way so that the interviewee understands the meaning of the questions. This is something I have taken in consideration when I made the interview questions. I have even tested the questions in practice before the interview so that they will not be too advanced or academic.

2.5.3 Implementation of the interviews

Before the interview took place I contacted the four different respondents by e-mail and sent them an inquiry if they wanted participate in an interview for my thesis. All the respondents acted positively and we decided the time and place for the interview. All respondents asked if they could have the interview questions sent to them before the interview. The interviews took place at the shopping mall office where the respondents were able to feel relaxed. Bjerke (2003) is pointing out that the respondents usually feels more relaxed and behave more normally where he or she feels comfortable and thus deliver more natural responses. During the interview I used a Dictaphone to record the interviews. Bjerke (2003) is pointing out the advantages with using a
Dictaphone, which belong to that the interviewer can listen to the tone and choice of words repeatedly afterwards. I informed all respondents what the study was about and what it means to participate in it. I also informed the participants how they will be used in the interviews and how they will be presented in the investigation. I wanted all the respondents to have the feeling that it was a normal discussion and not a formal interview.

2.5.4 Processing of the interviews
After the interviews and all the information was collected, I have processed the material in the interviews. I have listened to recordings and then transcribe what has been said. Østbye et al (2004) consider it useful for a research that the interviews are printed in their whole after the recordings. I believed it was important for the further work with the empirical data and analysis, since it is easier to process when the interviews were recorded. I transcribed the interviews as soon as I had interview the respondents in order to get as much information as possible of what has being said and how it was said (Bryman & Bell, 2005). Transcribing interviews are a very time-consuming process, which I have been aware of during the whole process.

2.6 Validity and reliability of the research

2.6.1 Validity
The most important criterion of research is validity and it implies the credibility and the trustworthiness of the research. Validity relate mainly to how relevant the data and analysis are in relation to the definition of the problem, whether a measure of a concept really measures that concept (Østbye et al, 2004). Validity proceeds from whether the conclusions are related or not into context of the study. I have chosen to focus on the strategic part of shopping malls from the management point of view and I have kept my research within the framework of this area. Björklund & Paulsson (2003) explain that researchers can increase the validity of the interviews by the wording of the questions are clear and not biased in any way. I have done it when I formulated the questions since I have based the questions on the theory. I consider the questions clear and easily understood and that they cannot be misinterpreted. Bryman & Bell (2003) argues to have a high validity triangulation can be a way to make use of. Triangulation means that the approach to use more than one method or data source in the study. Within the qualitative research that is often used to control the data with the interview questions. In this study I have used several respondents to get as precise answers as possible. I have used a variety among the chosen shopping malls and it provides a width and depth of different aspects of what I want to explore in the research. Further on, I have used updated literature, research reports and articles
that are highly current and relevant for the study. Since I wanted to research future development and new strategies for shopping malls it is important to use relatively new data sources.

2.6.2 Reliability

Reliability is about the quality of processing, collection and analysis of the received data by the researcher, if the actual data collection is reliable and trustworthy. Reliability concerns if the results would have been the same if the survey were done again, or if there have been occasional and random results (Østbye et al., 2004). Bryman & Bell (2007) argues that this is a difficult criterion to meet in qualitative research since it is impossible to “freeze” a social occurrence to make it replicable in the sense in which the term is usually employed. I believe that this study has been made in a well thought-out procedure and the data collection has been implemented in a way that I consider to be relevant and beneficial to this study. If the study would be conducted again with the same companies and respondents, it would probably end up near the results of mine. The result is obviously limited to the three selected shopping malls and if it had been chosen three other shopping malls the outcome would differ. The interviews were conducted in Swedish since all respondents were Swedish speaking. If the interviewees are able to speak in their native language it is easier for them to express themselves in a more precise way. The respondents feel more relaxed and the answers are more comprehensive (Bryman & Bell, 2007). I have chose to tape and transcribe all interviews and translate the original interviews from Swedish to English.

2.7 Criticism of the collected data

It is important to be critical to the collected data when doing a research to get a fair perspective on the subject as possible (Bryman & Bell, 2003). I have used relatively updated literature and tried to use the latest editions of the literature in order to create reliability. Some literature is a number of years old and may reflect other trends and values than those of today. Furthermore, there is a tendency to idealize the trends that are present in the moment or when they were written and I have tried to keep this in mind when doing the interpretation of the literature. The personal background, experience and intentions of the authors may vary and affect the material which also is important to keep in mind.

Internet is a large medium for information and it is important to be critical to the Internet sources that have been used in the study. The quality of Internet sources varies both in the content and appearance. Authorities, organizations, companies, academic institutions can provide high-quality content and carefully maintained. Sources from Internet are frequently updated and data from different sources can give various information (www.msb.se). It is therefore important
to be open-minded about the information sources one can receive from the Internet. To the possible extent I have used reliable sources from companies’ and organizations’ web pages.

2.8 Method criticism

According to Bryman & Bell (2007) qualitative researches can be too impressionistic and subjective since qualitative findings rely too much on the researcher’s unsystematic views about what is important and significant. Gummesson (2003) has a similar viewpoint and states that no case study is consistently objective and based solely on facts, it provides analysis and interpretation. Qualitative research is characterized by the generation of data - to create data that are not obvious - and this cannot happen without the influence of the researcher's assessments. I am aware of that and therefore I decided to do a smaller survey of 105 consumers and by that prove the research with a quantitative method.

One can criticize the fact that I did not make an elaborate study focusing of consumer behaviour in this research area. If I have had more time or if this had been a thesis for a whole semester, I would focus on both the consumer perspective and from the strategic business perspective. I would have done qualitative interviews with several consumers in each chosen mall to find out whether the shopping malls’ communication messages reach the consumers in the way they want. Since the time was not sufficient for this study, I chose to complement with an online consumer survey that was answered by 105 consumers. From this survey, I had no deep understanding of the consumers for the specific selected shopping malls; Vällingby City, Brunogallerian and Forum Nacka, but instead I got a basic understanding of how consumers see on today's shopping malls and its business concept. I also got a good base when I did the interview guide the formulation of questions to the respondents in the qualitative interviews.

Another point of criticism is that it can be a disadvantage to send the interview questions in advance to the respondent. The interview the person may then be too well-read and already planned responses to the questions before the interview situation even occurred. Since the respondents for the interviews for this study wanted to have the questions before the interview, I of course accepted it and saw it as an advantage where the interviewees could be more prepared and knew what the interview would entail. Since I used an unstructured interview format where follow-up questions was common during the interviews, and all the interviews were more like a discussion between two parties rather than a structured interview. Finally, one can criticize the fact that I have chosen to present the transcripts and the interview guide in Swedish in the Appendix. The transcription was very time consuming in itself and if I have had more time I would definitely translated the transcription of the interviews into English.
3 THEORETICAL FINDINGS

In this chapter I will explain and outline the theories I used as a frame of reference for my study. The theories that will be addressed are how companies can build relationships and experiences with their consumers. It will also describe the chosen shopping malls and how they are profile as brands.

3.1 Shopping malls on the Swedish market

The competition is getting harder for shopping malls to reach the consumers. New malls and stores continue to increase in the inner city and outside the city. Until 2015 the retail space in Stockholm is planned to be near 530 000 square meters. It is 17 percent extra spaces per inhabitant. Trade has increased its turnover twelve years in a row, including the financial crisis year 2009 (Nandorf, 2010).

Shopping malls on the Swedish market are comparable to each other and contains of a similar range of stores. Chain stores such as H&M and Gina Tricot are taking a great market share and moving forward their positions which are reflected in the structure of shopping malls. The major chains (more than 25 stores) have more than 30 percent of the retail supply and when including the smaller store chains (more than 5 stores) the market share increase to over 60 percent. Many of the big chains in the clothing industry has a relatively even distribution of their stores between city locations and shopping malls, but some players tend to be more frequent established in the malls. For example in Täby Centrum, which is one of Unibail Rodamco’s shopping mall, the proportion of chain stores is 59,2 percent of the entire supply of stores (Bergström, 2004).

According to Bergström, Karlsson & Kolterjahn (2004) one possible reason for the chains located in the same regions and at the same shopping areas is that chains are driven by taking a large market share and to maintain a good profitability. To achieve these goals they work with well elaborated marketing and business strategies, overall strategies that locate stores in regions that have a wide consumer base. These two factors make them choose to establish in the city malls and in the external shopping malls. In combination with that the property owners know that the well-known chains, such as H&M, tend to attract many consumers, leads to that these players are often offered better lease terms than smaller retailers.

If the malls in today's consumer society will be competitive and attractive, the presence of chain stores is an essential prerequisite. There is a great demand for chains’ products and they often have low prices, wide selection and good sales conditions. This however, in the long run will not be enough since the competition between malls is increasing (Bergström, 2004).
3.2 Image and branding of shopping malls

Shopping malls are today independent brands with their own profile and niche, and just as we compare brands like Nokia and Ericsson, we now compare different shopping malls in the same way. To reach out on the market it has become increasingly important who is selling the product, which is the company behind the brand or the product (www.karriadirehandeln.se). The image of a product, company or a specific place can play a major role in the consumer purchasing process. When consumers are visiting a specific shopping mall or a store, image is an important factor why consumers choose to visit the specific store or mall (Mossberg, 2003). Kotler (1994 p.223) define image as “the net result of a person’s beliefs, ideas, feelings, expectations and impressions about a place or an object”. This is a good definition of image to apply on experiences as it refers to both places and objects (Mossberg, 2003).

All companies and places need regular visitors to keep up the demand. The image a consumer has of a company is not static, since images are changing constantly in consumers’ minds. The consumers are searching for added value that will satisfy current and future needs. It is the perceived combination of factors in the consumer’s consciousness that creates superior value for them. Consumers select companies or places that offer the highest value that can be based on the best price, comfort, social community, etc. Whether it is a shopping mall, a store or a product’s image experiences are of great importance, because consumers often have little experience of the store or the mall (Mossberg, 2003).

According to Bergström (2004) it is important to take in consideration where the shopping mall is located and what supply of stores it offers. Stores and products have always been located close to consumers and if the consumers are moving from one region to another the stores and shopping malls must follow and adapt to the consumers. The underlying reasons are that each consumer represents a potential purchasing consumer and they are not inclined to travel far to shop. Trade is local and regional to its character and the main reason for it, is that consumers in their consumption decisions, does not only takes into account how much an item costs, but also how much it costs to implement the shopping transaction itself. An important part of these transaction costs is transport costs. If the trip to the store becomes too long and time consuming, affordable products does not even seem like attractive to the consumers. More often than not consumers put more value in time rather than the price. There is a tendency to shop in stores and malls close to the home district.
According to Bergström (2004) the similarity of many shopping malls does not need to be a bad thing. To reach attractiveness and success of today’s shopping malls it is necessary for them to have chain stores. There is great demand for chain products and they often have low prices, wide selection and good sales conditions. This however, will not be enough since the competition between the malls is increasing. Shopping malls will have to profile themselves more clearly and find new ways that make them differentiate themselves from their competitors.

### 3.3 Creating relationships with the consumers

A consumer relationship is a process between a consumer and a company consisting of meetings involving resource exchanges between the company’s and the consumer's value creation processes. Consumer relationship management (CRM) is about creating “consumer values” through a strong and long-lasting relationship between the consumer and the company. It requires that both parts adapt to each other in such a way to create consensual values. In simplified words, it is both the company’s and the consumer’s responsibility to create a good relationship with each other (Storbacka & Lehtinen, 2000). Consumption is often short-sighted and most purchases are not planned purchases that consumers have long experiences from (Mossberg, 2003).

A genuine interface for interaction and shared benefits is a condition for a successful relationship. This is the ultimate scenario for a company, but it is not easy to create a relationship with a consumer. The actual responsibility to develop a relationship lies with the company. The companies cannot expect that the consumer should carry the responsibility for the relation. When the responsibility is the consumer’s the development of the relationship is limited by the consumer’s competence. In most industries the companies have, in comparison with its consumers, a greater understanding of how value can be created in a specific industry. Companies should take advantage of this knowledge to help clients to think in new ways to create value for themselves (Storbacka & Lehtinen, 2000).

The purpose of relationship marketing and CRM is to build long-term relationships and not to limit the actions of each sale occasion. Consumer loyalty cards and consumer clubs is an example of how to adapt the communication to different groups and individuals and to reach a more deep and long-term relation with the consumer (Schmidt & Sköld, 2004). Communication with a company’s consumers used to mainly be done through advertising. Nowadays the communication and the relations with the consumers can be done more elaborated and in many different ways. Advertising still plays a major role as a communication tool, but it is necessary to combine and support it with other options to achieve the best result (Mårtenson, 2009).
Storbacka & Lehtinen (2000) is pointing out that it is essential to consider a consumer relationship as a process, since it consists of several meetings and steps. Easey (2004) argues that each consumer is unique and in the fashion retail segments the consumers to be treated and provided with personal products.

According to Adjei & Clark (2010) loyalty and satisfaction are two of the primary goals of relationship marketing. Consumer loyalty is a consumer’s repeat of a purchase that is triggered by the marketing activities of a company. Adjei & Clark (2010) explains further that the consumers will continue to deepen the relationship as long they find the relationship beneficial. Relationship proneness means that consumers have a tendency to engage in a relationship with a company or a specific brand. It is not always careful to invest in relationships with consumers who are low on the relationship proneness since they are not liable to engage in a long-term relationship. Consumers with a higher level of relationship proneness will tend to strengthen the depth of the relation and reach a stronger relationship between quality and behavioural loyalty.

Dahlén (2002) argues that the company must get to know their consumers and in turn have greater opportunity to become more personal in their communication towards them. Strong relationships evolve over time and therefore, companies must know their consumers better. Field (2010) argues that traditional ad campaigns have given way to new marketing tools such as relationship marketing in order to interact with the consumers. The focus is in the dynamics to understand today’s consumers.

### 3.4 Shopping as an experience

Consumers are a driving force when it comes to shopping, which in turn drives the trade and the different shopping malls. Consultants in the retail industry from Swedish Trade, NCC and KF have discerned that it has become increasingly popular to purchase in shopping malls. The future shopping mall will be large to the surface and volume, and the leisure time of the consumers increase to be located close to the shops. The consultants are talking about "shopertainment" - shopping as entertainment and an experience, and a part of the modern lifestyle. Consumers want to have it all together and today’s consumer is increasingly demanding and challenging. Restaurants, activities, exhibitions and events are taking an increasingly larger place in the shopping malls, which in turn is very space-demanding. People as consumers must realize themselves by the shopping experience and to gain a positive feeling (Backman, 2006).
In general, there are two ways to shop: to buy to fulfill a need – the commercial perspective, or to buy for the shopping experience – the enjoyment perspective. The enjoyment perspective can be that the consumer shop to get an experience in terms of nice company with other consumers, relaxation, reality escape, new knowledge, endorsement or inspiration. The experience of the purchase can be at least as important as the product range. If many stores offer similar products and prices, the experience can be the determining factor when choosing shopping mall (Schmidt & Sköld, 2004). It is important to make it fun for consumers to buy and consume and it means that companies need to focus on other things than just the core product (Mossberg, 2003). If consumers are having fun they will spend more time and money in the store and retail business must mix more entertainment into their business concept to attract more traffic to the stores and keep consumers there longer (Anderson, 2008).

Mossberg (2003) further describes different competitive strategies which are to give the consumer an experience. The first strategy is to enhance the enjoyment and that the specific product, company, shopping mall or event is seen as a package. A consumer is always looking for something more. Different types of shopping centers with a focus not only on shopping but in the activities play a major role as attractive. Another strategy to reach a consumer experience is to offer the consumer something extra. It is not only about to exceeding consumer expectations but also about giving the consumer what he/she has not even thought of. Experiences are often associated with sensations of luxury and exclusivity, taking time to really enjoy something. Many experiences are exclusive investment in one's well being and the consumer feels an affinity for a product or brand. Pine & Gilmore (1999) explains that consumers are participating in the shopping experience in different ways. In some cases, it requires a mental presence, but in most cases when it comes to shopping and services, a physical presence is necessary and in some cases the consumer is a co-producer to the experience.

Mossberg (2003) is pointing out that the experience that we often think of is entertainment, where consumers through their senses passively absorbing an experience. The difference between entertainment and education is that teaching involves active participation but also can be entertaining to engage the audience. The third field is about an aesthetic experience and the consumer immerse in an event or in the environment itself. It would be most favorable if the mall becomes a multidimensional social space and not just a regular shopping mall.

Pine & Gilmore (1999) explain that these different experience fields have in common that there is all about a transformation and a shift in time and space. Consumers like to experience something beyond the everyday life. Mossberg (2003) states that "Experiential business concept"
is defined as a company's overall concept to consumers. Individuals’ physical, mental and emotional experiences are maximized in the company’s offer. An experience is a situation that captivates the consumer and lifts him out of the normal everyday environment. The experience's strength is controlled by the individual’s level of commitment and involvement.

### 3.4.1 Sensory experiences

Shopping is about feelings. How is it possible that a consumer who only meant to kill a few minutes in a store leaves 20 minutes later 1000 SEK poorer, but with a sense of being more fashionable and beautiful than ever? Shopping is much more than just the simple, dutiful acquisition of the absolutely vital products ones need. It is the sensory aspect of the decision making that is most interesting, because how else would we experience shopping? The consumers experience products and shopping environments using the five senses - sight, touch, smell, taste and hearing, to choose what to purchase (Underhill, 2006).

According to Hultén, et al. (2009) one of the main reasons for the growing interest in the five senses is that many companies tries to respond to consumers in a more individual way. The challenge is to find new ways of consumer relations in order to penetrate the competition of the marketplace. To be successful it takes more than colorful and informative ad campaign to reach out to the consumer on a deeper level. Therefore, the case for a company is to reach both the consumer's brain and heart to create the ultimate sensory experience.

A good shopping atmosphere can be created in the company's environment by using stimuli that affect the consumer's minds. Inspirational music, the right sound level, fresh fragrance, beautiful design, distinctive colors and soft light can create a positive response from the consumer. The company's atmosphere may cause consumers to feel joy, community and belonging. It is important not to talk about products but to use concepts such as experience, wholeness, solutions, concepts and offers to the consumer. The client is seeking wholeness, which satisfy different needs (Mossberg, 2003). In these contexts it tends to be that consumers want to spend time to explore and consider the products they are heavily involved in (Underhill, 2006). According to Mårtenson (2009) it is important to appeal to as many senses as possible to fulfill the ultimate shopping experience. The research of Hultén et al. (2009) shows that more companies uses sensory marketing in a more deliberate way than before. It is no longer enough to use visual or sight expressions by itself to attract the consumer senses. Instead they suggest a holistic view that emphasizes the supreme sensory experience should be at the center of a company’s marketing strategies.
4 EMPIRICAL FINDINGS

This chapter presents the results I have received during the data collection. I have chosen to interview four people in the management sector from the three selected shopping malls in order to receive an overview of how they work in different areas.

4.1 Interview with Sara Falkevik, Brunogallerian

Sara Falkevik works as a Marketing Manager at Brunogallerian and she coordinates everything related to marketing. She has regular contact with the stores and they also have a small market team, where each store manager is participated. Sara Falkevik coordinates all marketing activities including events, advertising etc. But as she says it is the stores in the mall who know their audience and their consumers, so together with the stores and the property owner they care for the brand Brunogallerian.

4.1.1 Shopping malls on the Swedish market

It has become increasingly common for shopping malls to niche themselves and Sara Falkevik are pointing out how even the “shopping streets” are being branded much more, for example Biblioteksgatan which is a street of luxury shopping and fashion in Stockholm. Sara Falkevik sees a problem in that most shopping centers have an equivalent supply of stores in the malls. She thinks it becomes more and more important to try to find more unique concepts but it is not easy. It is not possible to be “too” unique or trendy either since the consumers wants the big retail chains such as H&M and Gina Tricot. Not even Brunogallerian has dared to run the full niche concept and today they have realized that they must focus broader than they did from the beginning, it is hard to get bearings in a too narrow concept, says Sara Falkevik. Stockholm is a bit too small, in a larger city a bigger “niche-mall” will work, but in Stockholm it is probably very difficult to get the economy around it. But she sees already that malls start to think more personally and think more in lines of how Bruno is thinking. Sara Falkevik thinks that shopping malls always need to have the chain stores since most of the consumers do not shop only niche and fashionable clothes. The target audience that only shop this way is extremely small; the big mass of consumers needs H&M, Monki, Weekday and KappAhl as a supplement. But it is actually possible to niche with chain stores as well. In Brunogallerian there is located the only H&M store in the whole world with only collections from Divided and Trend, and for a while they also sold second hand clothes in the store.
4.1.2 Image and branding of shopping malls

Sara Falkevik describes Brunogallerian as a concept that is unique and there is no other mall in Sweden that looks like Bruno. It is both Bruno's big disadvantage and advantage. The downside is that Brunogallerian are quite a vulnerable small player with few shops that are extremely trendy and appeal to a trendy audience. The property owner of Brunogallerian has chosen to invest very heavily in the trendy and niche concept, and also because it manages a house with a lot of office space with ad agencies, music producers that they pay high rents. Brunogallerian is a creative place and it is therefore important to keep Brunogallerian functioning for both the offices and the stores, the house breathes creativity. There is a restaurant in the middle of the mall called “Ljunggren” and they work a lot with events, also in the evenings since Ljunggren is a very popular restaurant and night club. The advantage for being such a small player with specific brands is that they can do different things than other shopping malls. They are completely different by working with culture and society, combined with shopping. Sara Falkevik sees that it becomes increasingly common that the unique concept of Brunogallerian starts to show more in the larger shopping centers, but Sara Falkevik says that it feels less credible in the same way since there is a special feeling and spirit in Brunogallerian.

Sara Falkevik criticizes the larger malls and argues that there is a problem with the majority of malls. There are many stores in malls that are much trendier and have a different profile than the profile of the shopping mall. But she still holds that it is not easy for a large shopping center to be able to reflect all brands. It is a big challenge and for Brunogallerian it is much easier to work with the brand since they can work pretty trendy, innovative and daring. Sara Falkevik considers the advantage of having fashionable brands is also that they understand them and that they dare to push the boundaries and doing different things with the brand Bruno. She considers the advertising of the larger shopping malls as boring and standardized and can in some cases damage the brands of the stores in the mall rather than benefit them.

4.1.3 Creating relationships with the consumers

Sara Falkevik considers the only way to create relationships with the consumers is to have a good dialogue with the stores in Brunogallerian. The stores are those who are on site daily and they know what the consumers want. Even if it is Sara Falkevik who takes the decisions and decides what the stores should do, it is important for her that she is very humble and listens to them. She listens a lot to the stores and their input is extremely essential, it is one great advantage of being a small mall. In larger shopping malls, she thinks it is much trickier and the malls are often controlled by the management on top. But in her case she can really respect each one of the
stores and often asks questions such as "What do you think of this idea? Would this work for you?" But she cannot allow the stores to manage 110% since it also has the brand Brunogallerian to look after which is owned by the property owner.

To get consumers to come back to the mall they put great emphasis on that the stores are highly service oriented and takes care of its consumers. With the brand Brunogallerian they work with that it should always be interesting and exciting to visit the mall and hopefully get frequent returning consumers. In Brunogallerian they have an Adidas store who works very much with service and they have a lot of returning consumers. It is about creating a good spirit in the place so the consumers know that the place is alive. They have worked a lot with creating Brunogallerian as a place where people just "chilling" and sit down, connects with WI-FI and it almost feels like in a living room. This begins to embrace more and more of the major shopping malls and it is very important today to work with relationships. Bruno has done it since day one and continues on building up a strong spirit around the mall.

4.1.4 Shopping as an experience

Sara Falkevik explains that there are many senses that they must appeal and they must find new ways to do that. Right now she observes that the large shopping malls begin to follow those strategies. Brunogallerian works to fill the mall with exciting happenings: art exhibitions, photo exhibitions, social issues that they highlight poets who read poetry etc. They have worked a lot with create something different from other malls. There is of course fundamental things that matters for the consumer; that it must be fresh and clean in the mall. But mostly they work a lot with filling Brunogallerian with any form of content that adds some extra value for the consumer. Sara Falkevik talks much about a certain spirit of Brunogallerian and that it is important to speak to the hearts of consumers. The people who work in Brunogallerian are very like the consumers of the mall: young and trendy, and it have many advantages because they understand the consumer well.

They have on a small budget worked with visuals, the senses in the form of the right music, how it looks and how the feeling is in the mall. It must always for example be an on-going exhibition or a cool party at Ljunggren, so that the consumers always feel that every time they come into Brunogallerian something special is happening.

Sara Falkevik sees that it has happened a lot on the market recent years, especially as they can notice that more shopping centers begin to make more what Bruno has done for a long time, becoming more personal and creating a meeting place of the mall. In the future, Sara Falkevik believes that shopping malls in general will work with more shopping as an experience for the
consumer. Shopping malls need to find new concepts that can benefit the big mass of consumers. How to do it and how to establish for example foreign brands in Swedish shopping malls, she does not have an answer to, but she think that is a future development. She recognizes a trend where malls mix in more culture into the concept, which Bruno has done for a very long time and she know that is a trend in future. Environmental awareness is also a trend that she thinks shopping malls will work more on. Sara Falkevik believes also that malls will find more clearly ways to niche themselves from other malls in order to create uniqueness. Sara Falkevik sees not herself as a typical mall consumer; I think everything looks the same and would never shop in a mall but would keep me in the city where you can see a variety. What I think you have to do is to begin to resemble more a city.

4.2 Interview with Margareta Almbring, Vällingby City

Margareta Almbring works as a Marketing Manager and a Shopping Mall Manager at Vällingby City which means that she is responsible for the two brands Vällingby City and KFEM. As a leader of the mall she has the commercial responsibility. She have an academic background in business – and marketing economics, worked as a consultant for ten years, and worked at NK¹ in five years. She has also worked extensively with issues of loyalty and CRM (Consumer relationship management), in which Margareta Almbring’s point of view would like to develop even more for Vällingby City.

4.2.1 Shopping malls on the Swedish market

One of the advantages that Vällingby City has unlike the city shopping is that it is easy to travel there and is plenty of parking spaces. They have not only a wide selection of clothing stores, but also liquor, grocery, cinema and a church in the same area. The characteristics of Vällingby City are that they have a high degree of fashion, which could be a reason to come to Vällingby City instead of shopping in the city. After the renovation of the mall they chose to retain much of the old stores while adding elements that are hyper-modern to create something unique and exciting.

4.2.2 Image and branding of shopping malls

Vällingby City profiles themselves as an outdoor center and a city district who not only communicating commercial values, but also social responsibility. They have a target group that is both companies and consumers so they have to be a commercial center with a consumer flow, for it to be interesting for the stores to be in the mall. Vällingby City profiles them as a “down to earth” shopping mall that has a great wideness of their offerings. They have also a high degree of

¹ NK= Nordiska Kompaniet (Department store in Stockholm/Göteborg)
fashionable clothing stores and at the same time they have all other things that people need to perform e.g. bank, post office and grocery shopping. The mix of stores is important in the profiling of the shopping center. During the renovation of the Vällingby City the idea was that the mall would be a glass encrusted indoor mall but it did not and it was probably very good. And that is what distinguishes them from most of the malls; it is a city district, not a regular mall, says Margareta Almbring.

4.2.3 Creating relationships with the consumers
In the management of Vällingby City they work a lot with the store managers; they receive information from them and provide input for the stores. The store managers know their own store and its consumers, and the management need to place them in a larger perspective - Vällingby City. At the moment they are going to start up courses in which they are going to have workshops with the store managers about the “communality way of thinking” and that the stores is a part of something big and not just its own shop. The courses will consist of both inspiration and capacity training for everyone who works in the retail segment. And when it starts up a new store in Vällingby City, they have to take part of the workshop.

After the renovation of Vällingby City they wanted to attract new consumers to the mall, not just those who live in the neighborhood. So they have started out with TV-commercials for the first time to reach a new target and to create curiousness. They are also promoting KFEM which is focus more on high fashion that attracts a more conscious target than before. To achieve them, they have two magazines that they distribute; one local newsmagazine and one fashion magazine. Independent is an editorial magazine that comes out once a month and goes directly into people’s mailbox to people in the neighborhood. Independent distributes with eight issues 2010 to 105 000 households around the neighborhood. The basic idea of this magazine was that they wanted to take a greater social responsibility than just shopping. The second magazine is a fashion magazine from KFEM which comes out with two issues in 2010 (spring and fall) and distributes to 60 000 households in the neighborhood. The magazine is also distributed in the fashion department store KFEM. It is a way to create loyalty, to take a different responsibility than just pure advertising, says Margareta Almbring.

4.2.4 Shopping as an experience
Event is a big part of the market plan of Vällingby City and where they proceed from Small, Medium and Large sized events that they have in the mall. In the 1950s people called Vällingby "Friendly Vällingby" and it actually lives on, according to Margareta Almbring. Throughout the summer they have a basketball court where the local team, "Blackebergs Basket", have their
practice sessions out in the square of Vällingby City. Margareta Almbring talks about that Vällingby City is very folksy and local in their marketing and events. "Vällingby-Day" in September each year is a day when they have different events where they invite the local dance schools, musicians etc. Even in the magazine "Independent" it is lot localness and “heart” in it and it takes a different approach than this purely commercial that is mostly common. Further on, there are many employees who have worked a long time and been on the whole journey of Vällingby City.

Margaret Almbring considers sensory marketing powerful and has worked with it before. In Vällingby City they have not taken a strategic decision about it but sometimes they use it in KFEM for various events. She wants to develop it and go much further with it than they are today. The biggest change for Vällingby City is KFEM, that they have built this ultra-modern fashion store. Right now they are in the fine-tuning of the shopping center more than to develop it further. Margaret Almbring believes in creating a unique concept in a specific environment to differentiate themselves from the masses. It becomes even more important that shopping malls are an environmentally friendly player and also taking advantages of using it in the communication and marketing strategies.

4.3 Interview with Mikael Wallner and Lena Rune, Forum Nacka

Mikael Wallner works as a Shopping Mall Manager at Forum Nacka and has the main responsibility for Forum Nacka. His colleague Lena Rune works as a Marketing Manager and has the responsibility for all marketing activities, campaign planning, events etc. Since Forum Nacka is a shopping mall of the mall owners Unibail Rodamco, every mall has a small organization where they work with support functions from the Unibail Rodamco headquarters.

4.3.1 Shopping malls on the Swedish market

Lena Rune says that they have some stores that have unique concepts in Nacka Forum, but many times when consumers think “shopping malls” they only think of the big retail chains. Mikael Wallner explains that after the re-opening of Forum Nacka in October 2008, the importance how to develop Forum Nacka was to invite small chains and even individual traders in the mall. Smaller retailers have often had trouble getting into the major shopping centers where most of the malls rather like to have the larger chains. The big chains have a different financial stability and they know that invoices and rents will be paid with guarantee. People know the big retail chains concepts and they know how large influx of consumers they have.

They have tried to establish new stores and Mikael Wallner believes that they have succeeded. They have some talented traders who runs retail stores in the mall and by that they think it is
extremely important that differentiate themselves with brands and stores. Lena Rune is pointing out that consumers expect that the major chains are located in the malls. When everything is under one roof, the consumer expects to have the chains Lindex and H&M but also appreciates that there are other types of shops. To have a combination offering both retail chains and niche stores is a great way to differentiate themselves of the masses of shopping malls. Based on consumer surveys where they asked the question "What is the main reason that you go to a mall?" the answer is: the retail mix. "It is very important. The retail mix is what makes consumers come here" says Mikael Wallner.

4.3.2 Image and branding of shopping malls

The marketing plan is based on to pay attention to consumers that Forum Nacka is a new shopping mall; by show them what they offer in the store-mix and the atmosphere in the mall. Mikael Wallner is pointing out that it is a unique atmosphere in the mall and the design, volume and choice of material are well selected to create a unique place. In 2009 Forum Nacka won the award for “The Shopping Mall of the year” in Scandinavia, so the fact is that they have something unique to offer and they know that there are many parameters e.g. retail mix and atmosphere. Forum Nacka is working with something they call "Welcome attitude" that adds value to consumers while they are at the mall. They work on many fronts to attract consumers and it appears in their ads. The advertising shows that they have a great retail mix, great lounges and a good “Welcome attitude”. People should be able to come there to shop but at the same time relax and associate with their friends. Mikael Wallner says that Forum Nacka wants to show that they are not only a shopping mall; people can come there and find other values as well.

Mikael Wallner talks about that they are humble for their own brand. They believe that their own brand is important, but what are even more important are the stores located in the center. They are building the brand Forum Nacka, but in the advertising they are mention the brands of the stores in the mall. It is a process. It will take a while before Forum Nacka is entirely by itself and becomes its own brand. They have started from below, showing and building which brands, stores and offers they have and after then comes the brand Forum Nacka. It is a process and they will move forward to raise the profile Forum Nacka as a gradually strengthen brand.

4.3.3 Creating relationships with the consumers

Lena Rune talks about how to get to know their consumers and they do consumer surveys in which they find out who is coming here and how to reach them. The more they know about their consumers when they do analysis, the clearer they will be able to reach the most attractive target group. But there are obviously some difficulties since it is a very wide target. One cannot just say
that there is a specific target group that is welcome here. Mikael Wallner has a similar viewpoint and points out that it is a continuous process where they get to know the consumers. They have learned with time who the typical consumer is by surveys and from events, but the target has also changed during time. They know for example that Forum Nacka is situated in an area with an average income that is above the average in Sweden, which means that one of their target audiences are high earners in the local area.

According to Lena Rune they have good contact with the stores and are responsive to their opinions. They do surveys aimed at their stores, in order to receive information from their perspective of how the consumers act. The aim is to constantly follow up the information and analyze it to make improvements. According to surveys, they know that occasional purchases are around 80-90% of the purchases, depending on what you look at the investigation. If the visitors come to the mall, it is very likely that they stay there and spend money there.

**4.3.4 Shopping as an experience**

*Lena Rune* describes that they work a lot with the "Welcome attitude” to make the whole consumer experience great from the first second the consumer steps into the mall to it decides to leave, it should be an enjoyable experience. *Forum Nacka* also works for the employees in the stores so they feel comfortable by creating a secure and good atmosphere for them. It is also important to create marketing and promotion that are consistent with the values of the stores to make them to feel proud to work in Forum Nacka, which ultimately means that the employees in the stores are good and nice sellers. They work also a lot with event marketing in order to give the "extra value" to the consumer, and also integrate it into the shopping experience.

The emotional values for a consumer make it attracted to the place itself and become more devoted to the brand Forum Nacka. *Lena Rune* tells that they want to inspire people and give them an experience when they shop in Forum Nacka.

**4.4 Consumer survey**

A consumer survey has been done with 105 consumers as a complement to the elaborated interviews with the shopping mall managers and marketing managers. The survey contained of 12 questions (see Appendix 4), both open and closed questions, and had the aim to give me greater knowledge about consumer behavior in shopping malls. The survey showed that 54%, a majority of the respondents thought that shopping was more of an experience/satisfaction rather than only go shopping for a certain need. The majority, 64%, preferred to plan their purchases instead of impulse shopping. Of all the respondents 85% preferred to go shopping in stores in the city,
only 12% preferred to shop in shopping malls outside of town. The main reasons why people chose to shop in the cities there are more niche store there, it is often more pleasant to walk around and wander around town, because it is close to the job/school/home and it is more personal. The few respondents who preferred to shop in shopping malls liked it because all stores were gathered in one place. The majority of the respondents, 69%, thought that most shopping centers are similar to each other, and 80% of the respondents thought it matters where the shopping centers are located. 67% of the respondents only visited shopping centers only to shop and 25% did other activities combining with shopping in the malls. The majority of the respondents (69%) shopped both on their own and in groups and 76% shopped few times a month. 50% were in the ages between 18-25 and the majority (81%) of the respondents were women.
5 ANALYSIS

This chapter has the aim to connect the theoretical framework with the empirical findings based on four interviews. Based on the four thoroughgoing headlines in the theory as well as in the empirics, the information from the interviews has been proved and challenged by the data from the theoretical framework. No own reflections or assumptions have been advanced in this chapter.

5.1 Shopping malls on the Swedish market

According to Sara Falkevik it is becoming increasingly common to niche shopping malls and stores from each other and she sees a problem in that most shopping malls have an equivalent retail mix in the malls. She consider it more important than ever to have unique concepts, but not too unique since the consumers want to have a mix of niche stores and big retail chains. Margareta Almbring who works at Vällingby City considers it important to have a great mix of stores, not only a high degree of fashion stores but also grocery stores and for example a cinema. In Forum Nacka, Mikael Wallner is pointing out the importance of invite small niche stores since they often have trouble getting in to major shopping malls. He considers it extremely important to differentiate themselves with different brands and stores. Lena Rune has the similar point of view and says that the combination of offering both big retail chains and niche stores is a great way of differentiate themselves from other shopping malls. According to Bergström et al (2004) one possible reason for that the big retail chains are located in the same shopping areas is that they are driven by taking a large market share and to maintain a good profitability. One more reason is that the property owners of the malls know that the well-known retail chains, such as H&M, attract many consumers and therefore gets betters store locations and better lease terms than smaller retailers. Mikael Wallner confirms that the big retail chains have a different financial stability and the rents will be paid with guarantee.

Sara Falkevik says that not even Brunngallerian has dared to have an absolute niche concept and they must focus broader than they did from the very beginning. She considers Stockholm too small and she believe that a “niche-mall” in a bigger size than Brunngallerian would work in a larger city. Sara Falkevik is pointing out that the target audience that only shop in niche stores is extremely small and the majority of consumers need the big retail chains as a supplement to the stores with a narrower concept. But she also claims that it is possible to niche the retail chains from others as they have done in Brunngallerian. Bergström (2004) states that the presence of retail chains is a vital prerequisite since there is a large demand for their products, they often have low
prices, wide selection and good sales conditions. But this will not be enough in the long run since the competition of the malls is getting harder.

5.2 Image and branding of shopping malls

*Vällingby City* profiles themselves as an outdoor shopping mall who not only are communicating commercial values, but also social responsibility. They have a high level of fashionable clothing stores and the mix of stores is very important when profiling the shopping mall, states *Margareta Almbring*. Further on, she argues that *Vällingby City* is a city district, not a regular shopping mall and that is what differentiate them from the masses. *Mikael Wallner* is pointing out that the most important factor in *Forum Nacka* is the store-mix. *Forum Nacka* profiles them with a “*Welcome attitude*” with the purpose to add value to consumers in the shopping mall. Consumer should have the possibility to visit the mall to shop but also relax and associate with their friends. *Sara Falkevik* talks a lot about *Brunogallerian* as a unique concept with its trendy and niche concept. The advantages of being a small player with specific brands are that they can do different things and events than other shopping malls. *Brunogallerian* work a lot with culture and society combined with shopping. According to Mossberg (2003) the most important reason for consumers to visit a shopping mall is the image and the profile of a mall or a store. Consumers are searching for added value that will satisfy the consumers’ needs. Consumers select companies or places that offer the highest value that is based on the best price, social community and comfort.

*Mikael Wallner* is pointing out that they work on many fronts to attract many consumers as possible to *Forum Nacka*. He talks about that they are very humble for their brand and they believe that *Forum Nacka* as a brand is important, but the stores located in the stores are most essential. Their advertising shows that they have a great atmosphere, great lounges and a good “*Welcome Attitude*”, and they are also focus on mention the brands in the mall. *Sara Falkevik* argues that there is a problem with the majority of the shopping malls in Stockholm. She believes that there are many stores and brands in the malls that are much trendier and have a totally different profile than the shopping mall’s profile and image. But she also understands that it is difficult to mirror all brands in a mall. She thinks that the advertising of the larger malls is sometimes boring and standardized which can in some cases damage the brand rather than benefit them. Bergström (2004) states that the similarity of the malls does not have to be a bad thing, but since the competition of the malls is increasing it is necessary for them to profile themselves more clearly and find new ways to differentiate from their competitors. The majority of the respondents, 69%, in my survey, thought that most shopping centers are similar to each other.
5.3 Creating relationships with the consumers

The most important way to creating relationships with the consumers is to have a good dialogue with the stores in Brunogallerian, claims Sara Falkevik. The stores have contact with its consumers daily and they know them better. The stores input are incredibly essential and it is a great advantage of being such a small mall. At Forum Nacka they do consumer surveys to find out who the typical consumer is and how to reach them. The more they know about their consumers, the more they will be able to reach the most attractive target group. But it is difficult to define one specific target group since it is a wide audience, says Lena Rune. Mikael Wallner has a similar viewpoint and states that building relationships is a continuous process since the target groups is changing during time. Storbacka & Lehtinen (2000) is pointing out that a consumer relationship is a process, since it consists of several steps and meetings. The meetings consist of resource exchanges between the company and the consumers which in turn creates added value for both parts. In other words, it is both the company’s and the consumer’s responsibility to create a beneficial relationship.

According to Lena Rune they have good contact with the stores in Forum Nacka. In Vällingby City they work a lot with the store managers to receive information about the consumers. At the moment they are going to start up courses and workshops containing “the communality way of thinking”. It is important for the stores to understand that they are a part of something big, Vällingby City, and not just its own store, states Margareta Almbring. Adjei & Clark (2010) explains that consumers will continue to deepen the relationship with a company as long as they find the relationship beneficial. Dahlén (2002) states that a company must get to know its consumers in order to become more personal in the communication towards and with them.

Sara Falkevik believes it is essential to put great emphasis on that is should always be interesting and exciting to visit Brunogallerian and hopefully get frequently returning consumers. She talks a lot about to “create a strong spirit in the mall” and that people can visit Brunogallerian just to relax. Margareta Almbring considers it important to attract new consumers to the shopping mall, and not just those who live in the neighbourhood. To reach a wider target group they have started out with TV-commercials and also distribute two different magazines with the aim of taking a better social responsibility than just shopping. They distribute one local newsmagazine to people in the neighbourhood and one fashion magazine with its focus on KFEM and to attract a more conscious target than before. This is a strategy from Vällingby City with the purpose of create loyalty for its consumers and take a different responsibility than just frequent advertising. Lena Rune at Forum Nacka consider it important to create marketing and promotion that are consistent
with the values of the stores with the purpose of make them to feel proud to work in *Forum Nacka*. Mårtenson (2009) argues that communication with a company’s consumers used to be done mainly through traditional advertising but nowadays the communication can be done in different ways. Advertising still plays a major role as a communication tool but it is essential nowadays to combine with other channels in order to create relationship with consumers. Field (2010) has a similar viewpoint and argues that traditional ad campaigns have given way to new marketing tools in order to interact with the consumers.

According to a survey from *Forum Nacka* shows that 80-90 % of the purchases are occasional purchases, so if the visitors once visit the mall, it is very likely that they stay and spend money in the mall, claims Mikael Wallner. Mossberg (2003) states that consumption is something that is often short-sighted and most purchases are not planned. In the online survey I sent out, 64% of 105 consumers preferred to plan their purchases instead of impulse shopping. It shows that it is common among consumers to plan the purchases as well as do occasional purchases.

According to Bergström (2004) the location is important when it comes to occasional purchases. Stores and products have always been located close to consumers and when the consumers are obligated to travel far to shop, the consumers take in consideration the transportation time. More often than not consumers put more value in time rather than the price for e.g. a product. There is a tendency among consumers to shop in stores and shopping malls close to the home district. In the survey I handed out 80% of the respondents thought it matters where the shopping centers are located. The survey also showed that 85% of all the respondents preferred to shop in the city centers rather than outside the city in shopping malls. One reason why people chose to shop in the cities was that it is often more enjoyable to walk around and wander around town, because it is close to the job/school/home.

### 5.4 Shopping as an experience

*Sara Falkevik* considers it important to create a unique concept differentiate from other shopping malls. They have to find new ways to appeal all senses of a consumer. They work a lot with create *Brunogallerian* with any form of content that adds extra value for the consumer. *Margareta Almbring* believes also in creating a unique concept in a specific environment to differentiate themselves from the masses. Easey (2004) states that each consumer is unique and in the fashion retail segments the consumers want to be provided with personal products. Schmidt & Sköld (2004) has the viewpoint that since many malls and stores offer similar products and prices, the experience can be the determining factor when choosing shopping mall.
Lena Rune describes that they work a lot the "Welcome attitude" in order to make the consumer experience complete from the first second the consumer steps into the mall to it leave. They want to inspire people and give them an experience when consumers shop in Forum Nacka. They work also a lot with event marketing in order to give the consumer "added value", and also integrate it into the shopping experience. The emotional values for a consumer make it attracted to the mall and become more devoted to the brand Forum Nacka. Event is a big part of the marketing strategy of Vällingby City and they are focus much on local events that has a different approach than the mainstream commercial that is common. Sara Falkevik has noticed that more shopping malls become more personal and create a meeting place of the mall. Today they have a lot of happenings and events in the mall, e.g. art exhibitions, photo exhibitions, poets, concerts etc. It is important to always offer the consumers something extra besides shopping.

According to Backman (2006) the leisure time of the consumers tend to be more located close to the shops. The notion “shoppertainment”, shopping as entertainment, is becoming a part of the modern consumer lifestyle. Restaurants, activities, exhibitions and events are taking an increasingly larger space in the shopping malls. Mossberg (2003) is pointing out that it is important to make the shopping experience enjoyable and that it is essential to focus on other things than just the core product. Based on my survey, 67% of the respondents visited shopping centers only to shop and 25% did other activities combining with shopping in the malls.

Margareta Almbring regards sensory marketing, appealing to the consumer’s minds, as a powerful tool to use in the communication strategy. Vällingby City has not taken a strategic decision to work with it but sometimes they use it in e.g. events at KFEM. Sara Falkevik returns to the certain spirit in Brunogallerian that exists that speaks to consumers’ hearts. They also work to appeal to consumers’ senses in terms of the right music and how the atmosphere and feeling is in the mall. At last, Mikael Wallner also talks about the unique atmosphere in Forum Nacka and that the design, volume and choice of material are well selected to create a unique place. Mossberg (2003) describes that the third field of experiences, mentioned in the preceding paragraph, is about an aesthetic experience where the consumer integrates in an event or in the environment itself. The best thing to achieve is that if the mall becomes a multidimensional social place and not just a regular shopping mall. This is also about creating something unique for a consumer, states Hultén et al (2009), and many companies are seeking new ways to reach consumers in a more individual way. Therefore, the mission for a company is to reach both the consumer’s brain and heart in order to create the ultimate sensory experience. Mossberg (2003) consider it essential for
consumers to use concepts such as wholeness, experience, solutions, concepts and offers to the consumers with the intention of not always only talk about the products.

Sara Falkevik considers it important that shopping malls in general need to find new concepts that will reach the big mass of consumers. For the future she believes in establish foreign brands in Swedish shopping malls but she know that it is difficult since the foreign brands often establish first in the city center. She also believes in involving culture into the “mall-concept” which Brunogallerian already has done for a long time. Sara Falkevik believes in a future where the malls must find more clearly new ways to niche themselves from others with the aim of differentiating. She also considers environmental issues and awareness as a trend that will develop in the future. Margareta Almbring has the similar point of view and believes that it becomes more important to that shopping malls are environmentally friendly and also use it in marketing and communication. Mossberg (2003) explains that it is important to make use of education as an experience to engage the audience as well as entertain the consumers. The difference between the two fields is that education, or teaching, involves active participation, which can refer to environmentally awareness of shopping malls.

Finally, as Pine & Gilmore (1999) explains that a shopping experience is all about a transformation and a shift in time and space and consumers tend to like experience something beyond the everyday life. Mossberg (2003) has a similar viewpoint and states that an experience is a situation that captives the consumer and lift it out of the normal everyday environment.
6 RESULT

This chapter contains of a discussion based on the analysis in the preceding chapter. I have discussed the analysis and the different research areas to draw my own conclusions with the aim of reaching the result of the thesis.

6.1 Offer the consumer added value

The problem with the similar store range in shopping malls in Stockholm appears to be well-known by the market managers and shopping mall managers I have interviewed in this research. Even though the equalization of the stores is a fact noted, the shopping malls have a hard time to break the pattern. However, it is understandable that shopping malls do not run the concept of niche stores completely since the consumers are demanding for the big retail chains as well as niche stores. It is perilously to go against the big mass. Even though the consumers always expect that the large retail chains is located in the shopping malls, the consumer also searching for uniqueness and something slightly different from the ordinary. Brunogallerian, which goes under the category “niche mall”, was compelled to focus broader in their assortment since the target group that only shops for niche clothes is extremely narrow. This is a problem which can depend on the size of Stockholm that is probably too small to have an absolute niche mall. Swedish people tend to be sensitive to trends and if one go out in the city in Stockholm the majority follows the same fashion trends.

6.2 Branding shopping malls

It is important to have a niche in the profiling of a mall, for example not only communicating commercial values but also taking a social responsibility for the environment or social issues. I do not think it matters in what way and how shopping malls promote themselves, the most essential is that they differentiate and distinguish themselves from its competitors. Vällingby City is a great example of how to differentiate from other shopping malls, even though they have a similar retail mix. They profile themselves as an outdoor shopping mall which is more like a city district than a regular shopping mall. According to the survey I sent out, 85% of the respondents preferred to go shopping in the city malls rather than shop in a mall outside city. One common reason was that the respondents did not like to shop inside an indoor center. I think Vällingby City is strategic right to have an outdoor shopping mall outside city, because people like to have all stores in one place but they do not like the indoor “shopping mall feeling”. Both Nacka Forum and Brunogallerian talks about the importance of having a significant atmosphere in the mall which adds value to the consumer besides the shopping they are primarily there for. Brunogallerian talks
about that they can take advantage of being a small player and having a relatively narrow target group. They have the possibility to do different things than other malls and really address the communication towards their target group. This is both an advantage and disadvantage for a small player since they can really focus and reach their target group, but at the same time they are unable to reach out to the masses and taking a larger market share. Larger shopping malls lose a lot of knowledge about their consumers since they become more fragmented in the communication towards the consumers.

When talking about branding shopping malls it can be a problem in the management between the stores and the malls. The shopping mall itself has the function to attract consumers to the shopping mall and the store is responsible for making consumers of the visitors. The consumers are not really the shopping malls consumers; they are potential consumers to the store in the shopping mall. Since it is the job of management of the mall to attract consumers to the shopping mall, it is also they who must get to know their consumers. It is a risk that the profiling of the mall is not consistent with the brand and image of the store they want to mediate to its target audience. In the survey, 69% of the respondents thought that most of the shopping malls look the same and contains of the same stores, so obviously this is something to work on in order to differentiate.

6.3 Loyal consumers

Creating relationships with consumers is clearly a problem within shopping malls since the range of stores is large and it is hard to communicate to only one specific target. For that reason, the management in the shopping mall have to communicate with the managers of the stores. The stores input are important for building relationships with the consumers and for the management in the malls to get to know them better. This is one advantage for Brunagallerian since they are a small shopping mall with a narrow target. Vällingby City’s fashion addition KFEM can also take advantage of this since they are focusing on a specific target, the fashion-conscious consumers. Hence, it is easier to build relationships with consumers if the mall knows who the consumers are and what they want. At Forum Nacka they find it hard to define one specific target since it is a wide audience. With the aim of identify the typical consumers they carry out consumer surveys, but it is difficult to define the specific target since building relationships is a continuous process and changes during time. To reach a successful relationship with a consumer it is of great importance that the relationship is consensual from both parts, and that they both receive added value from each other.
In *Vällingby City* they have at the moment start up workshops for the store managers with the purpose of understanding “the communality way of thinking” in a shopping mall. I consider this as a great communication strategy in order to build relationships and loyalty with the stores, and in return they receive a lot of information about the consumers of the stores and the mall. *Vällingby City* distributes two magazines in order to create relationships with the consumers. One of the magazines takes more responsibility than just commercial values, which is great for long-term relationships I believe. TV-commercials and traditional advertising may be successful in short-term since consumers are very accustomed to this type of advertising and can therefore ignore it in a different way. I believe a combination of traditional advertising and relationship-building advertising is a successful marketing strategy when creating loyalty with consumers. In my opinion, the notion *advertising* is out of date and does not correspond entirely to what companies want to achieve with their consumers today. If the aim is to create relationships which in turn provide good profitability, the notion *communication* is a more useful and relevant way to reach out to the consumers. It becomes even more important to communicate with the consumers since most of the purchases are occasional purchases.

### 6.4 Shoppertainment

As mentioned before it is of great importance to create something unique different from the competitors. Since many shopping malls and stores are similar to each other the experience can be a determining factor when choosing shopping mall. I enjoy the way *Forum Nacka* works with the “Welcome Attitude” and that they are focus on to make the consumer experience complete from the first second the consumer steps into the mall to it decides to leave. I believe it is essential to have a comprehensive view on the consumer experience since it includes several components with the aim of creating wholeness for the consumer. Event is a big part of the “shoppertainment” strategy that all of the malls work with. *Vällingby City* is focus on local events connected to Vällingby and the neighborhood. *Brunogallerian* has also its own event strategy for reaching out to their target group. They arrange happenings and events in the mall that appeal to their specific target group. It always comes back to get to know the consumers in order to be able to deliver what the consumers are demanding.

Shopping is an enjoyment for many people, and stores and shopping malls are focusing on other factors than just the core product itself, to reach out to the consumers. Shopping malls are combining shopping, exhibitions, concerts, competitions, sports events, fashion shows etc. with the aim of amuse and get the consumers to enjoy the shopping mall with the expectation they will return to the mall. When I asked the question “Do you visit the shopping mall only for shopping or do
you consider it important to have other activities combined with shopping?” only 25 % of 105 respondents visited shopping malls to do activities and events combined with shopping. The main reason for visit a shopping mall was only to shop. I believe this is true in one way, that consumers do not go with the intention to watch a fashion show. But in another way I believe that once consumers are in the shopping mall with the intention to shop, and then see a spectacular fashion show, it creates a good experience from the shopping mall which in turn creates positive values. Many consumers have already a preconception of what a shopping mall in general contains of an look like, and this preconception is not good for many shopping malls.

6.5 Sensory marketing

Many companies are seeking new strategies to reach out to consumers in an individual way and at the same time create completeness for the consumer. The right music, a beautiful atmosphere or a lovely fragrance when the consumer enters the mall can have significant effects for the consumer to enjoy the shopping mall. Sensory marketing is a powerful tool to use in the communication strategy but as I can discern from this case study, shopping malls in general has not taken any strategic decisions in the marketing plan about using communication tools of sensory marketing. However, even if sensory marketing is not implemented in the market strategy shopping malls use it every day to communicate to the consumers. A unique atmosphere in the mall is definitely affecting the consumer, whether it is mentally unaware or not. In Nacka Forum they put major emphasis on that the design, volume and choice of material are well selected to create a unique place in the mall. It is important to transform the shopping mall into a social multidimensional place.

When talking about reaching to the consumer’s heart and brain it is important to know the consumer and the target group of the shopping mall. When they know who their consumers are, they can for example create events that address to the consumers hearts, and at the same time create marketing that appeal to its target audience and in turn reach their brains.
7 CONCLUSION

In this chapter the final outcome of the research is presented. I have answered the two research questions presented in the introduction of the thesis. The answers are based on the discussion and the collected material from the research.

How can shopping malls create competitive advantages and distinguish themselves in a saturated market?

It is of great important to offer the consumer added value through a unique business concept and to niche the profile of the shopping malls in order to differentiate from its competitors. The most essential is that shopping malls should discern one significant competitive advantage to use in the profiling and imaging of the shopping mall. The atmosphere in the shopping mall is an important competitive advantage when creating added value for the consumer. To offer its consumers added value it is essential to know what target group the shopping mall has, in order to have the possibility to build relationships with the consumers. When the shopping mall knows its target group they can really address the communication and the marketing towards their target group.

There is a difficulty, since many shopping malls are large for its size and store range, it is even more central to distinguish few target groups rather than work to the whole mass of consumers. In that manner, the shopping mall can get to know some consumer groups very well and focus on creating a specific shopping mall for them. To get to know the consumers it is important that the management of the shopping malls works close to the store managers to exchange knowledge about the consumers. This can be done with e.g. workshops and seminars where they build relationships and works to a “communality way of thinking”. Building relationships is a continuous process changing during time, therefore it is essential that the relationship is consensual from both parts, and that both parts receive added value from each other. A combination of traditional advertising and relationship-building communication is a successful marketing strategy when creating loyalty with consumers.

Many shopping malls and stores are similar to each other and therefore the experience can be a determining factor when choosing shopping mall. It is important to create wholeness for the consumer including several components, e.g. events, exhibitions, concerts, nice atmosphere etc. It is important to focus on other factors than just the core product itself to reach out to the consumers. The different components that create wholeness for the consumers are also including sensory experiences for the consumer. It is important to transform the shopping mall into a social multidimensional place.
Finally, for the future it is of great important to create “concepts” of a shopping mall where several components are creating wholeness for the consumer. Brunogallerian believes in combining culture with shopping in order to reach a larger target group. Environmental awareness is becoming a more important and frequent strategy to work with and also showing this awareness in the communication. Depending on how people see it, shopping can be an unessential thing to do, which costs both time and money. Or, shopping is one of the best pleasures that exist. Regardless what type of consumer someone is, shopping is an enormous phenomenon that affects peoples’ life. To combine shopping with events, social and environmental issues, culture, fashion shows, sports arrangements etc. is a great way to involve people in a shopping mall. But it is not enough to just do it; it must also be done in a unique concept which addresses the consumers.

How will the similarity of the stores in shopping malls affect the future development of the shopping mall concept?

From this study it can be seen that the retail mix is an important competitive advantage for shopping malls regardless of its size. As well as niche stores are important for the retail mix it must also include the large retail chains to address the mass of consumers. It can arise problems for larger shopping malls when develop strategies of profiling and imaging. There is a possibility that the profiling of the mall is not consistent with the profiles of the stores that they want to mediate to its target audience. This can also be a problem for niche malls, such as Brunogallerian, since they cannot niche its concept as much as they want. The great mass of consumers wants the large retail chains, and the target that only shops in niche stores are extremely small. For the future development we can distinguish that larger shopping malls establish smaller stores with the aim of reach a definite target group. At the same time, shopping malls are compelled to establish the large retail chains in order to broaden the target group. Stockholm is not a big city enough to offer shopping malls for all audiences. 2010 is too early for shopping malls to totally niche themselves in the retail mix, but in ten to fifteen years I believe we can see a change in the consumption society.
8 FURTHER RESEARCH

In this concluding chapter I will give suggestions to different future researches that can be done in this research area. To deepen the knowledge I have given examples of subjects that either broaden or deepen the research area.

- It would have been interesting to do this study in a combination of a company perspective and a consumer perspective. The consumer perspective can be done through observations and interviews with consumers by relevant shopping mall. In this way, it would have been interesting to see if the consumer expectations corresponded with the shopping mall’s business strategies of how to create competitive advantages.

- The research can contain and explore more new marketing channels and strategies and how shopping malls are using it to build relationships with the consumers. Examples of new media and marketing channels that can be investigated are social media, virtual shopping malls etc.

- The last suggestion for further research can be to do a research within “Mall Management” and its problems and development. The management structure between the stores and the management of the mall is an interesting research area to explore further.
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