New age retail tenants: A new phenomenon

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Abstract

Over the past five years, there is a phenomenon of local shopping malls redefining their retail space to accommodate New Age Retail Tenants upon the exit of some Anchor Tenants who have been dominant for decades. Shopping centre managements are having an arduous task seeking replacement for these anchor tenants who, for a long time, have been perceived as backbones of shopping malls. In view of the above, this research seeks to investigate this new phenomenon through the shoppers' image of anchor tenants and new age retail tenants. The study found the image structures of the two tenant types differing. The research further tested for the impact of sociodemographic factors on consumers' preference of retail tenant type and among the sociodemographic factors, age showed the most significant impact. Further analysis broke down the age groups into two general age groups. The research findings indicated anchor tenants and new age tenants have different target group and thus possible to co-exist in a shopping mall. New age retail tenants have not evolved to replace anchor tenants. In fact, their entry to the local retail landscape have brought an alternative option for mall managers to rejuvenate the shopping centres of Singapore, as well as variety of shops to the shoppers.

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INTRODUCTION

The retail industry has seen tremendous changes over the last four decades. For example, in Singapore, before modern shopping centres were built in the 1970s and 1980s, retailing was mainly carried out in 'shophouses'. The initial years of modern shopping saw shopping centres concentrated centrally in the Orchard Road areas. However, as people's ways of life have changed with the times, so has the retail landscape in Singapore. With such ever-changing wants and needs, landlords often have to cater to these changes to ensure the success of their retail malls. While Anchor Tenants have been perceived for decades as the backbone of a shopping centre, there is a recent phenomenon that more landlords are favouring, small retail tenants, otherwise known as micro-mini retail space tenants (also referred to as New Age Retail Tenants in this study).

The lifestyles and consumer demands of yesteryears no longer fit in today's society, especially with the impact of technologies and the influences of economic climates. All these changes have changed the retailing patterns in many parts of the World. The contribution of retail tenant mix to shopping centres' success has increasingly been emphasised by occupiers and investors.¹ Consumers expect conveniences at their call due to the growing affluence and increase in competition within the industry. Thus, the challenge is for shopping centres to position themselves for the correct target group and to efficiently optimise the use of the available retail space.

Anchor tenants have always been perceived as the backbone of shopping centres. According to Konishi and Sandfort,² consumers are attracted by the anchor tenant's name and are likely to visit the mall. For many years, landlords try to secure an anchor tenant's lease even before the space is available for occupation. However, with the bleak outlook of the retail industry, even the retail giants have been unable to cope with plunging sales figures. These giants are also the same group of anchor tenants who take up massive retail spaces. Landlords are, therefore, facing an awkward situation of massive vacancies when such tenants move out or downsize as part of cost-cutting measures or even bankruptcy.

Smaller retailers whose target groups are mainly the youth and young adults and operate on smaller overheads may be the answer to the landlords suffering from the demise of the anchor tenants. With the success of the retailers in the Harajuku and Shinjuku fashion districts of Tokyo, there is a rising phenomenon of shopping centres converting the retail spaces vacated by their anchor tenants to suit the needs of these retailers. Seah³ and Guevarra⁴ show such a phenomenon in Singapore, with The Heeren setting up The 'Annex' in 2000, followed by The Edge at Parco Bugis Junction in 2001. The 'Annex' was created with the aim of capturing the ambience of the back streets of Harajuku in Tokyo. Those streets are filled with little shops that reflect the personalities of their owners. The 'Annex' tries to bring this atmosphere into the shopping complex. The success of The 'Annex' and The 'Edge' was followed by the creation of 'Level One' at Far East Plaza in 2002 and L2 at Orchard Cineleisure in 2003.

In view of the recent phenomenon, it is interesting to investigate the shoppers' image structure and preference of anchor tenants and the new age retail tenants. This will provide insights to the positioning of anchor tenants and the new age retail tenants within the retail landscape.

LITERATURE REVIEW

Shopping centres

A substantial amount of research on shopping centre development has been conducted over the years. Shopping has been defined by Beggington⁵ as an activity for almost every individual in a civilised society for a selection of goods and services, in an exciting ambience with the right products and services to initiate interest in customers.

A shopping centre is defined as a group of establishments which is 'designed, planned, developed, owned, marketed and managed as a unit'.⁶ This definition suits this research since the subject matter of research refers to retail space in shopping centres which are designed, planned, developed, owned, marketed and managed as a unit.

Retail tenants

In every shopping centre, the most important element of survival lies with its tenants. Retail tenants are usually categorised into two types: traffic attractors and traffic users.⁷ A traffic attractor is one which draws the human traffic to the mall. These tenants, usually of a good reputation and with an extensive range of goods and services, are able to draw huge crowds to them, wherever they are located. Anchor tenants like large department stores with a recognised name generate mall traffic that indirectly increases the sales of lesser-known stores.

The traffic user depends on the visitors drawn to the shopping malls. Such tenants range from specialised shops to small retailers and it is perceived that their survival depends on the success of the traffic attractors.

Tenant mix

Tenant mix refers to the combination of business establishments occupying space in a shopping centre to form an assemblage that produces optimum sales, rents, service to the community and ability to finance the shopping centre venture.⁸ Quite simply, a good tenant mix means having a variety of stores that work well together to enhance the performance of the entire centre as well as performing successfully as individual businesses.⁹ The tenant mix describes the desired stores in the centre by their size, general location, and type of merchandise or service provided.¹⁰

The choice of tenant mix is actually one of the most important determinant factors in allocation of retail space. As Alexander *et al.*¹¹ pointed out, every shopping centre must have a basic identity, and its identity serves as the basis for setting up a proper mix of tenants. Even though the focus of interest for the developer is on profit maximising, the

management cannot take on tenants simply because they can afford to pay the rentals. The management should strictly evaluate each tenant and determine if the tenant will be suitable to be in the tenant mix. The choice of tenants for the centre is actually one of the most important features that distinguish a prosperous shopping centre from one that is failing.

Economic importance of retail tenant mix

Selecting the correct tenant mix bears great economic importance to the owner of a shopping centre. According to Greenspan,⁹ the three things that matter most to tenants and to owners of a shopping centre alike are traffic, traffic and traffic. Both need lots of customers — the more the better. With increased traffic flow, the tendency is higher for a customer to spend in any of the stores within the shopping centre. Gerbich¹² supported the same idea noting that by creating an optimal combination of tenants that will maximise the shopping centre's turnover and retailer's profits, it increases total net rentals collected by the developer. Hence, the correct tenant mix will be able to attract customers into the shopping centre and generate traffic flow, thereby meeting the developer's profit-maximising objective.

Landlords, however, cannot simply take on tenants in order to maximise their rental incomes. According to Eppli and Shilling,¹³ it is observed that the different tenant categories are interdependent on attracting consumers. For example, while small retailers and food court operators pay the highest rents compared to anchor tenants, all space cannot be rented to these groups of retailers for without the anchors, the primary existence of the retailers is threatened. Thus a good mix of tenants is economically important for landlords.

Anchor tenants

An anchor store as defined by Konishi and Sandfort² is 'a store that increases, through its name's reputation, the traffic of shoppers at or near its location'. The anchor tenant sets the tone and image of the shopping centre. It takes up space ranging from 20,000 ft² to over 100,000 ft². It can be a major department store, a supermarket, a discount store or a large home centre. In general, consumers are likely to visit the shopping centre because of its anchor tenant, this in turn helps to generate sales and profits for the other tenants.

While it is possible for a mall to operate without such a tenant, it has long been regarded that the realisation of a maximum return on the investment requires the presence of such a major tenant.¹⁴ As argued by Alexander *et al.*,¹¹ the success of the shopping centre rests on the anchor tenant. In fact, it has been said that there will not be a shopping centre until there is an anchor tenant. Key tenants are determining elements in the initial design, layout considerations and financial negotiations of a development.⁷ Even though it is observed that the presence of an anchor store will lead to many benefits for the developer, one should note that having an increasing number of anchor stores in a shopping centre would not work towards the developer's profit-maximising goals. In Eppli and Shilling's¹³ model, they observed that anchor tenants have far lower

rentals per square meter than independent small retailers. This is due to anchor tenants being able to enjoy rents that are heavily discounted; developers used this strategy to lure the well-established anchor tenants into their shopping centres. On the other hand, the small retailers do not have much bargaining power and the developer sees no incentive to lower their rentals; hence, small retailers usually have to pay a higher rent per square meter than anchor tenants.

Internationally, there are many established companies that occupy large spaces within shopping centres worldwide, such as Marks and Spencer (United Kingdom), Isetan (Japan), Carrefour (France) and Village Cinemas (Australia). In the United States of America, departmental stores like Macys have large stores throughout the country. Retail giant Takashimaya also has operations both inside and outside Japan, contributing to massive retail space take-ups. Retail bookstore Borders has a dominant presence not only in the US, but also in countries like Australia, New Zealand, United Kingdom and Singapore while its counterpart Kinokuniya is present in many countries outside Japan, like the US, Malaysia, Singapore and Australia. French hypermarket operator Carrefour has presence in 30 countries worldwide, with each hypermarket taking up more than 70,000 ft² of retail space.

With the global economic slowdown over the years coupled with the retail gloom, many large departmental stores like Metro and Tangs have been suffering huge losses year after year. In fact, Metro has moved out of Far East Plaza in June 2002, where it has been an anchor for almost two decades and it is also in its advanced stages of moving out of its Marina Square premises, of which it occupied for 16 years. Other more unfortunate departmental stores like Electric City and Daimaru bowed out of the local retail scene in 1998 and 2002, respectively.

With these anchor tenants moving out, landlords are finding it increasingly difficult to secure new tenants of the same magnitude, thus opting to give many of these space a major facelift.

Micro-mini retail space (new age tenants)

The importance of anchor tenants has been stressed earlier, yet it would be a mistake to think that a shopping centre could prosper without the independent small tenants. Small tenants are essential to the success of a shopping centre. Even though some anchor tenants do provide a wide selection of goods and services at a discounted price, they are not sensitive in providing for the ever-changing needs of the consumers. On the other hand, small retailers may carry a limited range of products and services, but they are more flexible and yet specific in catering to consumers' needs. Moreover, small retailers yield higher rentals per square meter as compared to anchor tenants in the same shopping centre. More recently, there is a phenomenon where more landlords do not try to replace anchor tenants alike when they cease operations. Instead, they invest considerable capital into renovations to convert the large vacated space to micro-mini retail space to accommodate many times more tenants marketed within a single concept. These new concept floor plates are modelled after the streets of Harajuku and Shinjuku in Tokyo.

Traditional fashion houses in Japan found it difficult to respond as quickly to changes in the highly volatile and fast-moving streets of Tokyo's casual fashion scene. The young women's fashion market in Japan is characterised by an extremely fast-moving trend cycle with an enormous variety of choices in styles, as described by Azuma.¹⁵ Thus the situation which evolved out of the situation is the linkage of the fashion industries between Seoul and Tokyo.

Due to the high volatility, it is not cost efficient to be stocking up on large quantities of stock, since storage and display spaces are high overheads. Thus the retail scene in the fashion districts of Harajuku and Shinjuku in Tokyo was the answer to the fledging industry. These districts had to adopt the low cost yet quick responding fashion with acceptable standards.¹⁶

Since this new retail concept has been labelled with a variety of names, including the Shinjuku Retail Concept and the Japanese Harajuku retail concept, the author has decided to adopt the name 'new age retail tenants' in the paper. The name represents a new era, which the local retail scene has evolved, and is moving into, and it also correctly represents the ultramodern fashion trends that may evolve from these tenants.

Similarly in Singapore, young women have adopted the same mentality as their counterparts in Japan, keeping up with the latest ever-changing fashion. Thus, shopping centres are pushing to create shopping havens for teenagers, modelled after the concepts of Tokyo's districts Harajuku and Shinjuku, as reported by Seah.³ These retail shops, which are micro mini in sizes compared to conventional retail shops would yield higher rental returns compared to anchor tenants who previously occupied the spaces. The small retail space gives opportunities to young entrepreneurs who have a keen interest in fashion or general retailing with low start-ups and overheads.

Several shopping malls in Singapore's retail landscape are already differentiating themselves, by catering to the young and trendy. Shopping malls like the Heeren Shops, Far East Plaza and Parco Bugis Junction recognised the importance of this differentiation process with a focus on Avant-garde Street wear fashion.

The new age retail tenants concept has definitely caught on in Singapore with The Annex at The Heeren Shops as the pioneer. When the mall's anchor tenant Electric City moved out, it took the management two years to formulate the concept before launching it in October 2000. At The Annex, courtesy of its unfinished cement floors and windowless spaces, the atmosphere created is that of an industrial-looking and underground vibe. The new concept was based on small outlets featuring trendy, kinky fashion wear, collectibles and gadgets that appeal to the young. It also caters to budding entrepreneurs and retailers, to whom the usual retail floor space measuring usually 500–1,000 ft² are too big. Thus, this concept focuses on units of significantly smaller sizes, ranging from 250 to 400 ft². At The Annex, there are about 70 shops of that size and more than half of them are carrying fashion merchandise by local designers.

Following the success of The Annex, Parco Bugis Junction launched The Edge in November 2001 based on a similar concept and which

replaced the floor space that was vacated by PhysiqueX, a gymnasium for women. While both malls aim to attract the same customer base, The Edge bills itself as the 'space for new age people' through its techno-cyber and futuristic image. The location is home to 21 outlets, ranging in size from 100 to 200 ft², is run mostly by home-grown designers and young entrepreneurs.

Next on the new age retail tenants concept wagon is Far East Plaza, where Level One is created at the basement space where Metro Far East used to anchor for 19 years. Here, 45,000 ft² of space is home to 98 tenants, making it the largest among all the malls which have new age retail concepts. The image portrayed here is very similar to that of The Annex, with graffiti deliberately displayed on much of the walls.

Most recently, Cathay Organization revamped the 2nd level of Cathay Cineleisure in Orchard Road after about 15,000 ft² of space is vacated with the exit of Chinois bar and Viva Music Hub. L2, which was launched in March 2003, has 25 shop units modelled after the similar concepts taken by The Annex and Level One.

The recent surge in retail space conversion may be an indication of the success in earlier projects, since such small retailers are willing to pay a rental premium to locate in planned shopping centres and they have as high customer drawing power than the previous anchor tenants, if not higher.

The new age retail tenants are without doubt a new phenomenon which has caught the retail industry targeting the teens and young adults by storm. Therefore, this study attempts to investigate shoppers' perception of the new age retail tenants and anchor tenants. The findings will be useful for the management of local shopping centres, as it will assist them in redefining their retail strategy in the light of the continuous change in the retail markets. It will also add to the limited literature of tenant mix in the retailing literature.

RESEARCH METHODOLOGY

In this study, we have adopted the sequential mixed method designs by way of qualitative/quantitative sequence. It is a form of methodological triangulation to enhance the internal validity of the research findings. This involves the implementation of qualitative research followed by quantitative research.

Qualitative research

Malhotra¹⁷ states that qualitative research provides insightful understanding of the research problem. Basically, it involves small samples of consumers which may not be representative of a larger population. In this research, 35 in-depth interviews were conducted (Table 1). This preliminary research yielded valuable opinions and attitudes of shoppers. It also increased the authors' understanding of shoppers' motivations, beliefs and feeling about significant factors concerning anchor tenants and new age retail tenants, which proved helpful in the design of the survey questionnaire. The interview results also verified that the key attributes of retail space such as product variety,

Table I: Issues discussed during in-depth interviews

Issues discussed during in-depth interviews

Shoppers' perception of tenants in the retail landscape of Singapore

- (1) Respondents' general views about the provisions of retail facilities in Singapore.
 - (2) Respondents' understanding of retail landscape of Singapore.
 - (3) Respondents' perceptions of tenants in retail landscape and their differences, with particular reference to anchor tenants and new age retail tenants.
 - (4) Any other issues that might emerge during interviews relating to research.
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pricing, accessibility, atmosphere etc directly influenced the shoppers' perception.

Quantitative research

For the purposes of this research, the use of questionnaires was used as the primary source of data collection. The questionnaire was designed to investigate the difference in shoppers' perception and preference towards anchor tenants and new age retail tenants.

The questionnaire has been divided into three parts: Part 1 seeks to identify the consumer's awareness of anchor tenants and new age retail tenants and general shopping patterns with regard to the two types of retail tenants. Part 2 concerns consumer's perceptions, using semantic differential scaling, listed attributes that may affect the consumer's perception towards both anchor tenants and new age retail tenants. The attributes were developed from the pre-testing process and literature review. Consumers were asked to rate these attributes of the two types of retail tenants on a five-point scale. Lastly, Part 3 collates personal information of the respondents for subsequent analysis involving the use of demographic data such as gender, age category, marital status, occupation and income group with respect to their perception of the two retail tenant types.

In all, 1,000 shoppers were interviewed, selected via a multi-cluster sampling technique. Personal face-to-face interviews were carried out with 200 households from each of the five Community Development Council's districts in Singapore. Respondents who opened the door were interviewed. The target respondents were those 12 years old and above. The respondents must, however, be aware of the two concepts of tenants investigated in this study. The interviews were carried out over a period of two months, both weekdays and weekends to capture a representative sample.

DATA ANALYSIS AND RESULTS

Qualitative research

In the review of the concept of anchor tenants and new age retail tenants, it shows that the new age retail concept is catching on in the recent five years and more landlords of shopping malls are repositioning their malls with this concept on the departure of anchor tenants. Being a new phenomenon, there is, however, very limited study on the concept of new

Table 2: List of commonly mentioned attributes of retail tenants

Anchor tenant			New age retail tenant		
Retail tenant attributes	No.	%	Retail tenant attributes	No.	%
Reputation of tenants	25	17.9	Types of products	22	15.7
Quality of tenants	20	14.3	Quality of goods and services	21	15.1
Pricing	19	13.6	Variety of tenants	18	12.9
Advertising/promotion	17	12.2	Accessibility of tenant(s)	18	12.9
Customer service quality	16	11.4	Classes of products	14	10.0
Types of products	13	9.3	Reputation of tenants	11	7.9
Quality of goods and services	10	7.1	Quality of tenants	10	7.1
Size	8	5.7	Pricing	10	7.1
Store ambience	5	3.6	Cleanliness/overall display	8	5.7
Cleanliness/overall display	2	1.4	Store ambience	3	2.1
Variety of tenants	2	1.4	Customer service quality	3	2.1
Classes of products	2	1.4	Size	1	0.7
Accessibility of tenant(s)	1	0.7	Advertising/promotion	1	0.7
Total	140	100	Total	140	100

age retail tenants. This retail concept is mainly modelled after the Harajuku and Shinjuku shopping districts in Tokyo, Japan.

Following the in-depth interviews, the respondents' attributes were short listed, as shown in Table 2. While the attributes listed by the respondents were similar to a large extent, the findings showed a difference in terms of the number of mentions. For example, consumers usually associated anchor tenants with their reputation and quality, such as Isetan, Robinsons, etc. On the other hand, consumers perceived the new age retail tenants by the variety of types of products they offer.

QUANTITATIVE RESEARCH

Type of retail tenant analysis

Mean scores of attributes

In the questionnaire, the attributes of retail tenants were rated by a five-point Likert Scale with '1' reflecting 'Very Poor' and '5' corresponding to the 'Excellent' response. Each of the 25 attributes was rated individually, and the mean scores are presented in Table 3, separately reflective of respondents' attitudes towards anchor tenants and new age retail tenants respectively.

With regard to the anchor tenant, Table 3 shows that the attribute 'Size of Store' recorded the highest rating, with a mean score of 4.12. This clearly indicates that in the view of consumers, the size of store is of a major consideration with respect to anchor tenants. Another factor closely related to size is 'Spaciousness of store', which is ranked second with a high mean score of 3.99. Other attributes that recorded high ratings include 'Classes of product' (3.97), 'Quality of Tenant' (3.79), etc. On the other hand, some of the lowest ranked attributes indicate that consumers are unlikely to get unique and innovative products at anchor tenants. Anchor tenants are perceived to offer products that are widely available elsewhere in the market.

Table 3: Comparative mean scores for retail tenant attributes

Retail tenant attribute	Anchor tenant	New age retail tenant	Sig. level
Reputation of tenant	3.78	3.18	0.000
Quality of tenant	3.80	3.19	0.000
Variety of goods and services of tenant	3.56	3.58	0.538
Classes of products — Necessity products	3.64	2.53	0.000
Types of products — Trendy/new generation products	3.26	4.03	0.000
Types of products — Distinctive/innovative products	3.20	3.98	0.000
Types of products — Classic or 'Fashionable Classic' products	3.52	3.43	0.017
Types of products — Unique products/products not widely available elsewhere	3.07	3.87	0.000
Quality of goods and services	3.70	3.34	0.000
Size of store(s)	4.12	2.25	0.000
Display of store (eg Frontage and interior display)	3.69	3.46	0.000
Design characteristic of store/interior design	3.36	3.55	0.000
Spaciousness of store	3.99	2.56	0.000
Operation hours	3.55	3.28	0.000
Store ambience	3.41	3.39	0.634
Cleanliness of store	3.74	3.44	0.000
Competitive pricing	3.39	3.05	0.000
Service quality	3.40	3.39	0.716
Accessibility of tenant(s)	3.72	3.27	0.000
Variety of tenant	3.33	3.67	0.000
Advertising/promotion level	3.88	2.51	0.000
Classes of products — Branded/designer label products	3.97	2.97	0.000
Classes of products — Own label products	3.02	3.76	0.000
Classes of products — Low cost products	3.20	3.29	0.037
Availability of complimentary services offered by tenant(s) (eg gift-wrapping)	3.65	2.89	0.000

Similarly, each of the 25 attributes was rated individually for new age retail tenants and the mean scores are presented in Table 3. It can be observed that the top attribute concerning new age retail tenants is that of 'Type of Products — Trendy/New Generation Products', with a mean score of 4.03. The next two highest ranked attributes are 'Type of Products — Distinctive/Innovative Products' and 'Type of Products — Unique Products/Products not widely available elsewhere', with mean scores of 3.98 and 3.87, respectively. All three means are very close to 4 and it clearly indicates that in the view of consumers, new age retail tenants offer them unique yet trendy products that are evolved from innovative means and are not easily available elsewhere.

On the other hand, the lowest ranked four attributes includes 'Size of Store(s)' (2.25), 'Advertising/Promotion Level' (2.51), 'Classes of Products — Necessity Products' (2.53) and 'Spaciousness of Store' (2.56). Consumers are less likely to purchase necessity items from these new age retail tenants and such tenants require little advertising and promotional activities.

Paired sample *t*-test specifically aims to test whether there are statistically significant differences in the mean scores of the variables which are used in this study. For example, paired sample *t*-tests were adopted on the variable 'mean scores for the anchor tenants and new age retail tenants to analyse if there is a significant difference in the mean scores of their respective variables. The comparative mean scores of the two tenant types are reflected in Table 3.

In the test, the null hypothesis is that there is no significant difference between the mean scores of the two variables based on the same sample. The alternative hypothesis is that there is a significant difference in the mean values. In this study, a p -value of 0.05 is set as the benchmark. Thus, rejection of the null hypothesis at any significant level less than 0.05 would indicate that the two or more population means are unequal.

In the table, attributes such as 'Variety of Goods and Services of Tenant', 'Store Ambience' and 'Service Quality' have significant levels that indicate that the difference of these attributes between the two retail tenant types is not significant. Further, Table 3 reflects significant differences in the mean scores of majority of the attributes of the anchor tenants and new age retail tenants.

Attributes such as 'Types of Products — Trendy/New Generation Products', 'Types of Products — Distinctive/Innovative Products' and 'Types of Products — Unique Products/ Products not widely available elsewhere' show significantly higher means for the new age retail tenants, while attributes like 'Size of Store(s)', 'Spaciousness of Store' and 'Advertising/Promotion Level' show considerably lower means for the new age retail tenants.

Image structures of retail tenant attributes

In this section, the underlying structures within the images of the retail tenant attributes will be identified. The multivariate techniques of factor analysis and principal components analysis are more often used as an exploratory technique, to stipulate a versatile set of statistical tools for the investigation of the underlying indigenous dimensions or constructs represented in a set of variables. More frequently, these techniques are adopted to reduce a large number of attributes to a smaller set of factors that simply presents a summary of the essential information contained in the variables. The factors are put through a series of iterations, thus achieving a set of composite factors, each typically representing a group of correlated variables within the original set.

Tables 4 and 5 show a summary of the solutions to the principal component analysis. In the table, the variances accounted by the representative factors are listed, along with the Cronbach's alpha, the Bartlett's test of sphericity, Kaiser–Myer–Olkin (KMO) measure of sampling adequacy, the attributes relevant to the respective factors and their individual factor loadings.

The Cronbach's alpha, which is based on the average correlation of items within a test of items that are standard, is one of the most common reliability coefficients used.¹⁸ The values of Cronbach's alpha range from 0 to 1.

The Bartlett's test of sphericity and KMO measure of sampling adequacy are adopted to determine the factorability of the matrix. In the event the Bartlett's test of sphericity is large and significant, we can conclude the variables are uncorrelated in the population. Instead, if the KMO measure of sampling adequacy is greater than 0.6, factorability is appropriate.

Table 4: Image structures of retail tenant attributes for anchor tenants

Factor	Attributes	Factor loadings
Factor 1: Variety of products Variance: 21.48% Cronbach's alpha: 0.934	Types of products — Trendy/new generation products	0.817
	Types of products — Distinctive/innovative products	0.801
	Classes of products — Low cost products	0.706
	Classes of products — Own label products	0.697
	Types of products — Unique Products/products not widely available elsewhere	0.666
	Competitive pricing	0.634
	Design characteristic of store/interior design	0.631
	Store ambience	0.569
	Variety of tenant	0.513*
	Display of store (eg Frontage and interior display)	0.479*
	Accessibility of tenant(s)	0.468*
	Types of products — Classic or 'Fashionable Classic' products	0.392*
	Service quality	0.384*
	Cleanliness of store	0.361*
	Operation hours	0.358*
	Quality of goods and services	0.304*
Factor 2: High-end product Variance: 18.88% Cronbach's alpha: 0.929	Classes of products — Branded/designer label products	0.735
	Operation hours	0.722
	Classes of products — Necessity products	0.688
	Display of store (eg Frontage and interior display)	0.614
	Types of products — Classic or 'Fashionable Classic' products	0.606
	Reputation of tenant	0.575
	Quality of tenant	0.539*
	Accessibility of tenant(s)	0.521
	Design characteristic of store/interior design	0.512*
	Store ambience	0.509*
	Complimentary services offered by tenant(s) (eg gift-wrapping)	0.464
	Advertising/promotion level	0.430*
	Types of products — Unique products/products not widely available elsewhere	0.337*
	Spaciousness of store	0.331*
	Variety of goods and services of tenants	0.324*
Factor 3: Quality of tenants Variance: 16.41% Cronbach's alpha: 0.925	Variety of goods and services of tenants	0.789
	Quality of goods and services	0.733
	Variety of tenant	0.638
	Quality of tenant	0.588
	Advertising/promotion level	0.588
	Service quality	0.584
	Cleanliness of store	0.523
	Reputation of tenant	0.511*
	Complimentary services offered by tenant(s) (eg gift-wrapping)	0.372*
	Design characteristic of store/interior design	0.371*
	Spaciousness of store	0.369*
	Store ambience	0.334*
Factor 4: Size of store Variance: 8.42% Cronbach's alpha: 0.732	Spaciousness of store	0.753
	Size of store(s)	0.685
	Competitive pricing	0.441*
	Cleanliness of store	0.434*
	Complimentary services offered by tenant(s) (eg gift-wrapping)	0.310*
Barlett's test of sphericity		0.000
Kaiser–Meyer–Olkin measure of sampling adequacy		0.888
Total variance		65.19%
Cronbach's alpha (overall)		0.947

Table 5: Image structures of retail tenant attributes for new age tenants

Factor	Attributes	Factor loadings
<i>Factor 1: High-end products</i>	Classes of products — Branded/designer label products	0.809
Variance: 15.50%	Quality of goods and services	0.752
Cronbach's alpha: 0.841	Reputation of tenant	0.719
	Service quality	0.703
	Quality of tenant	0.622
	Cleanliness of store	0.570
	Complimentary Services offered by tenant(s) (eg gift-wrapping)	0.486
	Store ambience	0.353*
	Types of products — Distinctive/innovative products	0.347*
<i>Factor 2: Store characteristics</i>	Design characteristic of store/interior design	0.767
Variance: 14.63%	Types of products — Trendy/new generation products	0.746
Cronbach's alpha: 0.818	Display of store (eg Frontage and interior display)	0.703
	Classes of products — Own label products	0.606
	Types of products — Unique products/products not widely available elsewhere	0.603
	Types of products — Distinctive/innovative products	0.560
	Cleanliness of store	0.442*
	Store ambience	0.333*
	Types of products — Classic or 'Fashionable Classic' products	0.316*
	Variety of goods and services of tenant	0.307*
	Advertising/promotion level	-0.366*
<i>Factor 3: Size of store</i>	Spaciousness of store	0.873
Variance: 9.37%	Size of store(s)	0.783
Cronbach's alpha: 0.493	Classes of products — Necessity products	0.582
	Types of products — Unique products/products not widely available elsewhere	-0.319*
<i>Factor 4: Quality of tenants</i>	Variety of goods and services of tenant	0.822
Variance: 8.31%	Variety of tenant	0.754
Cronbach's alpha: 0.723	Types of products — Distinctive/innovative products	0.355*
	Advertising/promotion level	0.346*
	Types of products — Classic or 'Fashionable Classic' products	0.315*
	Types of products — Trendy/new generation products	0.307*
<i>Factor 5: Competitive pricing</i>	Competitive pricing	0.820
Variance: 8.29%	Operation hours	0.691
Cronbach's alpha: 0.763	Types of products — Classic or 'Fashionable Classic' products	0.560
	Store ambience	0.400
	Quality of goods and services	0.344*
<i>Factor 6: Accessibility</i>	Accessibility of tenant(s)	0.731
Variance: 6.83%	Advertising/promotion level	0.459
Cronbach's alpha: 0.711	Reputation of tenant	0.424*
	Quality of tenant	0.402*
	Complimentary services offered by tenant(s) (eg gift-wrapping)	0.353*
	Classes of products — Own label products	0.333*
<i>Factor 7: Low cost product</i>	Classes of products — Low cost products	0.882
Variance: 6.56%	Classes of products — Necessity products	0.569*
Cronbach's alpha: 0.622	Classes of products — Own label products	0.419*
	Service quality	0.324*
Barlett's test of sphericity		0.000
Kaiser-Meyer-Olkin measure of sampling adequacy		0.766
Total variance		69.49%
Cronbach's alpha (overall)		0.878

Factor loadings are regarded as important for consideration in the factor analysis, and it is stated that factor loadings of 0.30 would be considered significant if the sample size is 350 or greater.¹⁹ For the purpose of this research, with a sample size of 1,000, the attributes listed in association with each factor are pre-qualified with loadings at or above 0.30.

As reflected in the factor solutions, there are several attributes that have loading more than 0.30 on more than one factor. In this consideration, the author has indicated the lower loading with an asterisk next to the factor loading of the respective attribute. However, in most instances, the labels given to the factors are chosen to reflect the properties shared by the set of attributes loading above 0.30 within each factor.

From the output generated in Table 4, the values of Bartlett's test of sphericity and KMO for anchor tenants are 0.000 and 0.888, respectively. This indicates that the data are appropriate for factor analysis. In the factor solution for the retail tenant attributes, each of the 25 attributes loads on at least one of the factors. The latent root criterion suggested a four-factor solution that accounts for 65.19 per cent of the variance within the original variables.

In the factor solution, factor 1 is labelled as 'Variety of Products' as it includes variables like 'Types of Products — Trendy/New Generation Products' and 'Types of Products — Distinctive/Innovative Products' and accounts for 21.48 per cent of the variance. Factor 2 is labelled as 'High end Products' since variables include 'Classes of Products — Branded/Designer Label Products' and accounts for 18.88 per cent of the variance. Factor 3 is labelled as 'Quality of Tenants', with attributes like 'Variety of Goods and Services of Tenants' and 'Quality of Goods and Services' and accounts for 16.41 per cent of the variance while the final factor, 'Size of Store' included attributes such as 'Spaciousness of Store' and 'Size of Store' and it accounts for 8.42 per cent of the variance.

Further, in a separate analysis on the new age retail tenants (Table 5), the values of Bartlett's test of sphericity (0.000) and KMO (0.766) also indicate that the data are appropriate for factor analysis. In the factor solution, each of the 25 attributes loads on at least one of the factors. The latent root criterion suggested a seven-factor solution that accounts for 69.49 per cent of the variance within the original variables.

Factor 1 accounts for 15.50 per cent of the variance and it incorporates the 'High end Products' variables like 'Classes of Products — Branded/Designer Label Products', thus earning the name of its label. Factor 2 is labelled 'Store Characteristics' as it comprises of attributes like 'Design Characteristic of Store/Interior Design'. It accounts for 14.63 per cent of the variance.

Factor 3 has the label 'Size of Store' in the factor solution. An example of an attribute is 'Spaciousness of Store' and it accounts for 9.37 per cent of the variance. The next factor is labelled as 'Quality of Tenants', with attributes 'Variety of Goods and Services of tenants'. This factor accounts for 16.41 per cent of the variance. Factor 5 is labelled 'Competitive Pricing' for its attributes comprise of such qualities and it accounts for 8.29 per cent of the variance. Factor 6, labelled as 'Accessibility' and it represents 6.83 per cent of the variance. Lastly, Factor 7 is labelled 'Low

Cost Product' as its attributes include 'Classes of Products — Low Cost Products' and 'Classes of Products — Necessity Products', accounting for 6.56 per cent of the variance.

Weighted factor rating

The weighted factor rating (WFR) is used to indicate the weighted mean scores of the factors generated by the principal component analysis.²⁰ The WFR expresses consumers' perception of the factors relating to anchor tenants. The weighted scores range from '1' (Very Poor) to '5' (Excellent) with '3' as neutral.

Table 6 shows the weighted ratings of the factors for anchor tenants and new age retail tenants. Relating to the WFR of anchor tenants, notably, the factor 'Size of Store' shows a rating close to 4, accurately indicating the nature of anchor tenants. The anchor tenants are also highly rated for its quality and selling high end products. On the other hand, relating to the new age retail tenants, the factor 'Stores' Characteristics' has the highest weighted rating at 3.77 and together with 'Variety of Tenants' at 3.56, it reflects the attractiveness of what the new age retail tenants can offer. Being small, it recorded low score for 'Size of Store'.

The principal component analysis and WFR analysis show that while the anchor tenants and new age retail tenants recorded a few similar image factors, they were rated differently. In addition, the rest of the image structures are different. The image structures of the two tenant types show that both share very different image dimensions. While the new age retail tenants seem to have replaced the anchor tenants, the findings of the study indicate that the two retail tenant types adopt different marketing strategies, forming different sets of shoppers' image structures, thus, indicating that it is possible to locate anchor tenants and new age retail tenants altogether. The findings have significant implications for shopping centre managements.

Preference of retail tenant

Table 7 indicates consumers' preference of retail tenant type. Of all the valid respondents, 59.1 per cent indicated their preference for new age

Table 6: Weighted factor ratings for anchor tenants and new age retail tenants

Type	Factor/label	Weighted rating factor
Anchor tenants	Variety of products	3.36
	High end product	3.65
	Quality of tenants	3.63
	Size of store	3.84
New age retail tenants	High end products	3.27
	Stores' characteristics	3.77
	Size of store	2.21
	Variety of tenants	3.56
	Competitive pricing	3.27
	Accessibility	3.13
	Low cost product	3.20

retail tenants. The subsequent sections will then identify the factors that show significant influences on consumers' preference of retail tenant type.

However, as both the anchor tenants and new age retail tenants portray different image structures, it is very likely that it would cater to different groups of shoppers. Therefore, it is critical to analyse further to investigate the impact of the different sociodemographic factors on the preference of retail tenant types.

Chi-square test

Chi-square tests were conducted to show whether a relationship exists between the preference of retail tenant type and each socio-economic group. As a basis, at a 0.05 significance level, those socio-economic groups that have a significance value of 0.05 and below have a relationship with the retail tenant type choice.

From Table 8, the choice of retail tenant type is dependent on all the variables. The most significant variable that influences the choice of retail tenant type, however, is 'Age Group'. Therefore, the choice analysis will be focused on shoppers of different ages.

There is a clear distinction of consumers' choice of retail tenant type, as seen from Table 9. The majority of consumers below 30 chose new age

Table 7: Consumer preference of retail tenant type

Retail tenant type	Frequency	Percentage (%)
Anchor tenant	409	40.9
New age retail tenant	591	59.1
Total	1,000	100.0

Table 8: Results of chi-square test

	Significance value
Choice×Gender	5.14E-18
Choice×Age group	6.80E-119
Choice×Ethnic group	9.79E-28
Choice×Monthly household income	5.62E-18

Table 9: Consumer preference of retail tenant type by age groups

Age group	Preference		
	Anchor tenant	New age retail tenant	Total
<21 years old	33	325	358
21–30 years old	52	218	270
31–40 years old	120	48	168
41–50 years old	116	0	116
51–60 years old	53	0	53
>60 years old	35	0	35
Total	409	591	1,000

retail tenants while the majority of those over 30 chose anchor tenants. This distinction facilitates the breakdown of the sample into two groups, that is, Below 30 years old and Above 30 years old, for further analysis.

For the purpose of this research, the authors adopted the use of the logit model to estimate the relative importance of the determinants in affecting respondents' preference of retail tenant type. The model is designed to handle interval scale data of attitude variables better.²¹ The derivation of the logit model comes from an underlying behavioural model of choice, thus adopted by many researchers in studies relating to destination choice and mode choice.

Age group — Below 30 years old

Of the sample size, 628 respondents were aged 30 years and below. This group represents the younger generation. Among the respondents aged 30 and below, the majority of them indicated new age retail tenant as their preferred choice (Table 10), further emphasising that age has an impact on the preference of retail tenant type.

Principal component analysis for respondents under 30 years

From the output generated in Table 11, the values of Bartlett's test of sphericity and KMO for anchor tenants are 0.000 and 0.889, respectively. This indicates that the data are appropriate for factor analysis. In the factor solution for the retail tenant attributes, each of the 25 attributes loads on at least one of the factors. The latent root criterion suggested a four-factor solution that accounts for 67.02 per cent of the variance within the original variables.

In the factor solution, factor 1 is labelled 'Store/Tenant Characteristics' as its attributes include 'Spaciousness of store', 'Reputation of Tenant' and 'Quality of Tenant'. This factor represents 27.864 per cent of the variance. Factor 2 attributes to 25.040 per cent of the variance and its attributes are mainly product related, thus its label 'Product'. Next, Factor 3 labelled 'Price' as its main factor loading is 'Competitive Pricing' and it accounts for 7.946 per cent of the variance. Similarly, Factor 4 is labelled 'Low Cost' for the same reason and it accounts for 6.171 per cent of the variance.

Discrete choice model

The results of the discrete choice model are presented in Table 12. The goodness-of-fit index (p^2) should vary between 0 to 1. The model has produced a p^2 of 0.3483. The result of the likelihood ratio implies the

Table 10: Preference of retail tenant type by respondents <30 years old

Retail tenant type	Frequency	Percentage (%)
Anchor tenant	85	13.5
New age retail tenant	543	86.5
Total	628	100.0

Table 11: Image structures of retail tenant attributes of respondents aged below 30

Factor	Attributes	Factor Loadings
Factor 1: Store/tenant characteristics Variance: 27.864% Cronbach's alpha: 0.921	Spaciousness of store	0.867
	Reputation of tenant	0.786
	Quality of tenant	0.786
	Classes of products — Necessity products	0.778
	Size of Store (s)	0.755
	Advertising/promotion level	0.722
	Classes of products — Branded/designer label products	0.715
	Cleanliness of store	0.694
	Availability of complimentary services offered by tenant(s) (eg gift wrapping)	0.655
	Quality of goods and services	0.612
	Display of store (eg Frontage and interior display)	0.550*
	Accessibility of tenant(s)	0.527
	Operation hours	0.497
	Service quality	0.416*
	Store ambience	0.392*
Factor 2: Product Variance: 25.040% Cronbach's alpha: 0.887	Types of products — Trendy/new generation products	0.850
	Design characteristic of store/interior design	0.828
	Types of products — Unique products/products not widely available	0.820
	Types of products — Distinctive/innovative products	0.816
	Classes of products — Own label products	0.747
	Variety of goods and services of tenants	0.728
	Variety of tenant	0.723
	Display of store (eg Frontage and interior display)	0.595
	Store ambience	0.585
	Types of products — Classic or 'Fashionable Classic' products	0.491
	Service quality	0.452*
	Quality of goods and services	0.387*
	Operation hours	0.344*
	Cleanliness of store	0.319*
	Size of Store(s)*	-0.386*
Factor 3: Price Variance: 7.946% Cronbach's alpha: 0.798	Competitive pricing	0.711
	Service quality	0.490
	Types of products — Classic or 'Fashionable Classic' products	0.484*
	Quality of goods and services	0.481*
	Classes of products — Branded/designer label products	0.333*
Factor 4: Low cost Variance: 6.171% Cronbach's alpha: 0.591	Classes of products — Low cost products	0.825
	Accessibility of tenant(s)	0.421*
	Competitive pricing	0.345*
Barlett's test of sphericity		0.000
Kaiser–Meyer–Olkin measure of sampling adequacy		0.889
Total variance		67.02%
Cronbach's alpha (overall)		0.909

rejection of the null hypothesis that all the parameters are zero and shows the ability of the independent variables in the model to predict the choice of tenant type. At a 0.05 level of significance, three of the factors are statistically different from zero, thus implying that they have an effect on the dependent variable. The fourth factor is left out due to a low Cronbach's alpha. From Table 12, 'Store/Tenant Characteristics' has a negative coefficient, indicating a negative preference. This implies that

the younger group of consumers is not concerned about the size of store nor the reputation of the tenant. They are more concerned about the availability of new and interesting fashion concepts or gadgets made available by the new age retail tenants, as the next factor clearly indicates. The 'Product' factor records the highest coefficient, thus implying that the choice of consumers below 30 years old is affected by the variety of trendy, distinctive and innovative products, coupled with young and hip store designs. More simply, this group of consumers believes that to be unique is to be special. Such characteristics can be abundantly found in new age retail tenants, where young entrepreneurs offer small quantities of unique, innovative and no doubt the latest fashion from abroad.

Of the sample size, 372 respondents are aged 30 years and above. This group represents the older generation and factor analysis will be conducted on the perception ratings to identify image structures of the two retail tenant types.

Among the respondents aged 30 and above, the majority of them indicated anchor tenant as their preferred choice (Table 13), further emphasising that age has an impact on the choice of retail tenant type.

Principal component analysis for respondents over 30 years

From the output generated in Table 14, the values of Bartlett's test of sphericity and KMO for anchor tenants are 0.000 and 0.737, respectively. This indicates that the data are appropriate for factor analysis. In the factor solution for the retail tenant attributes, each of the 25 attributes loads on at least one of the factors. The latent root criterion suggested a

Table 12: Results of discrete choice model for respondents aged below 30

Factors	Coefficient	Standard error	t-value	Sig. value
Store/tenant characteristics	-0.622	6.45E-02	-9.644	0.0000
Product	0.700	6.64E-02	10.545	0.0000
Price	0.105	7.36E-02	1.433	0.1518
<i>Summary statistics</i>				
Number of observations	628			
Iterations completed	6			
Goodness-of-fit index (p^2)	0.3483			
(χ^2)				
Critical chi-square value	-62.7164			
Degree of freedom=2				
Significance level	0.000			

Table 13: Choice of retail tenant type by respondents >30 years old

Retail tenant type	Frequency	Percentage (%)
Anchor tenant	324	87.1
New age retail tenant	48	12.9
Total	372	100.0

five-factor solution that accounts for 70.536 per cent of the variance within the original variables.

In the factor solution, factor 1 is labelled 'Store Characteristics' as its attributes include 'Size of Store'. This factor represents 25.067 per cent of

Table 14: Image structures of retail tenant attributes of respondents aged above 30

Factor	Attributes	Factor loadings
Factor 1: Store/tenant characteristics Variance: 25.067% Cronbach's alpha: 0.884	Classes of products — Branded/designer label products	0.880
	Advertising/promotion level	0.813
	Reputation of tenant	0.740
	Size of store(s)	0.737
	Classes of products — Necessity products	0.734
	Quality of tenant	0.693
	Spaciousness of store	0.676
	Availability of complimentary services offered by tenant(s) (eg gift-wrapping)	0.579
	Quality of goods and services	0.553
	Operation hours*	0.507
	Accessibility of tenant(s)*	0.478
	Types of products — Classic or 'Fashionable Classic' products*	0.355
	Variety of goods and services of tenants*	0.336
	Display of store (eg Frontage and interior display)*	0.307
	Types of products — Unique products/products not widely available elsewhere*	-0.321
	Types of products — Distinctive/innovative products*	-0.414
	Types of products — Trendy/new generation products*	-0.535
Factor 2: Product Variance: 15.899% Cronbach's alpha: 0.861	Types of products — Classic or 'Fashionable Classic' products	0.830
	Design characteristics of store/interior design	0.699
	Types of products — Unique products/products not widely available elsewhere	0.694
	Display of store (eg Frontage and interior display)	0.671
	Types of products — Distinctive/innovative products	0.654
	Store ambience	0.565
	Accessibility of tenant(s)	0.556
	Types of products — Trendy/new generation products	0.467
	Classes of products — Low cost products*	0.387
	Reputation of tenant*	0.339
Factor 3: Low cost Variance: 12.221% Cronbach's alpha: 0.847	Classes of products — Low cost products	0.708
	Classes of products — Own label products	0.683
	Service quality	0.651
	Cleanliness of store	0.628
	Quality of goods and services*	0.427
	Variety of tenant*	0.421
	Types of products — Distinctive/innovative products*	0.377
	Design characteristics of store/interior design*	0.352
	Types of products — Trendy/new generation products*	0.351
Factor 4: Price Variance: 8.723% Cronbach's alpha: 0.809	Store ambience*	0.303
	Competitive pricing	0.875
	Operation hours	0.524
	Spaciousness of store*	0.523
	Size of store(s)*	0.481
	Display of store (eg Frontage and interior display)*	0.387
	Cleanliness of store*	0.339

Table 14: Continued

Factor	Attributes	Factor loadings
Factor 5: Variety of tenant	Variety of goods and services of tenants	0.806
Variance: 8.625%	Variety of tenant	0.683
Cronbach's alpha: 0.793	Availability of complimentary services offered by tenant(s) (eg gift-wrapping)*	0.362
	Quality of goods and services*	0.346
	Accessibility of tenant(s)*	0.322
	Design characteristics of store/interior design*	0.314
	Store ambience*	0.307
	Types of products — Trendy/new generation products*	0.304
Barlett's test of sphericity		0.000
Kaiser–Meyer–Olkin measure of sampling adequacy		0.737
Total variance		70.54%
Cronbach's alpha (overall)		0.902

Table 15: Results of discrete choice model for respondents aged below 30

Factors	Coefficient	Standard error	t-value	Sig. value
Store/tenant characteristics	0.850	0.111	7.644	0.0000
Product	−0.697	0.175	−3.976	0.0001
Low cost	−0.630	0.143	−4.413	0.0000
Price	0.661	0.114	5.806	0.0000
Variety of tenant	0.519	0.171	3.028	0.0025
<i>Summary statistics</i>				
Number of observations	372			
Iterations completed	7			
Goodness-of-fit index (p^2)	0.4756			
(χ^2)				
Critical chi-square value	19.4526			
Degree of freedom=4				
Significance level	0.000			

the variance. Factor 2 attributes to 15.899 per cent of the variance and its attributes are mainly product related, thus its label 'Product'. Next, Factor 3 is labelled 'Low Cost' for the same reason and it accounts for 12.221 per cent of the variance. Similarly, Factor 4 labelled 'Price' as its main factor loading is 'Competitive Pricing' and it accounts for 8.723 per cent of the variance. Lastly Factor 5 is labelled 'Tenant Characteristics' for it consists of attributes like 'Variety of Tenant' and 'Variety of Goods and Services of Tenant' and it attributes for 8.625 per cent of the variance.

Discrete choice model

The results of the discrete choice model are presented in Table 15. The model has produced a p^2 of 0.4756. At 0.05 level of significance, all the factors are statistically different from zero, thus implying that they have

an effect on the dependent variable. From Table 15, 'Product' and 'Low Cost' have a negative coefficient, indicating a negative effect on consumers' preference for this group of shoppers. The factor 'Store/Tenant Characteristics' recorded the highest coefficient. This implies that their perception of anchor tenants is one of respect, where quality goods and services are provided. As the ratings of the 'Store/Tenant Characteristics' increases, the probability of the tenant type being the preferred by those above 30 years old will increase. This is consistent with the results that majority of the shoppers (above 30 years old) prefer anchor tenants as it has better ratings on its 'Store/Tenant Characteristics'. Competitive prices and the variety offered by tenant also reflected to be a largely determining factor in the consumers' choice. Anchor tenants carry a large variety of products and with sales and discounts more prevalent of late, it is no doubt why this group of consumers prefer anchor tenants.

CONCLUSIONS AND IMPLICATIONS

In the past five years, there has been a phenomenon of local shopping malls redefining their retail space to accommodate new age retail tenants upon the exit of anchor tenants. With consumers' tastes and preferences changing over time, the challenge is for shopping centres to position themselves for the correct target group and to efficiently optimise the use of the available retail space.

Anchor tenants have long been perceived as the backbone of shopping malls. Yet the recent phenomenon of large retail space vacated by these tenants are transformed into areas and they are occupied by the new age retail tenants.

The choice of tenant mix is one of the most important factors in allocation of retail space, since it bears great economic importance to a shopping centre. Thus this research seeks to discover the possibility of anchor tenants and new age retail tenants co-existing without affecting each other's business. The image structures of the individual tenant type will explicitly indicate the dimensions of consumers' perceptions. Consumer research is of premier importance to a business entity, with retailers constantly trying to gather and analyse consumer information to help reposition their business.

Through the findings of the studies, the opportunity arose to investigate the consumers' perception of anchor tenants and new age retail tenants through image structures and the preference of retail tenant type. Some of the implications of the study are as follows.

Perceptions of anchor tenants and new age retail tenants

Consumers have indicated their perception of the two retail tenant types, and the distinction between anchor tenants and new age retail tenants is very clear. While anchor tenants are perceived to be reputable, large in size and their image is of much importance, new age retail tenants are especially noted for the variety of types of products they can offer, mainly trendy, innovative, unique and not easily available. This implies that the consumer groups for these two retail tenant types are very different. While the recent phenomenon is that of new age retail tenants occupying

the space vacated by anchor tenants, this study has shown that these two tenant types are not competing against each other for the same group of consumers and their co-existence is possible. In their bid to reposition their malls to cope with changing tastes, shopping centre managers can thus explore the possibility of locating these two retail tenants together, subject to availability of space.

Each tenant type has a niche in which they excel, and through this study, they can find the direction to further enhance their market attractiveness and share. With more shopping centre management seeking to find space to locate new age retail tenants, anchor tenants can try to distinguish themselves according to this study's findings.

Impact of respondents' socio-economic characteristics on choice of retail tenant type

The chi-square tests results showed that the four socio-economic variables have an impact on the consumers' choice of retail tenant type, and this shows the importance of socio-economic factors. This can be a guide to shopping mall managers trying to select the ideal tenant mix according to their target group of consumers. Taste and preferences are also subject to the individual's socio-economic status. Hence, in the consideration of themes for shopping malls, such indicators can expedite the decision-making process.

Perception of retail tenant type by age group

Following the findings that the younger consumers prefer the new age retail tenants and that the older consumers prefer anchor tenants, we see that in the positioning of their shopping malls, management can take recourse to this study on how to cater to a particular age group of consumers. This finding further substantiates the literature review done on new age retail tenants, identifying it as a concept for the younger generation.

Factors that affect consumers' retail tenant choice are similar and this implies that attributes concerning general retail tenants are standard. The difference in perception implies that consumers look at anchor tenants and new age retail tenants as separate entities. This entails that new age retail tenants have to constantly ensure that their products are in line with consumers' perception, an uphill task since tastes and preferences are ever-changing. The younger generation may shift their taste and preference, and these tenants would have to understand and be part of this culture.

The overwhelming choice of new age retail tenants by the younger generation indicates the growing affluence of the society. The younger generation, being mostly students, is now better exposed to the outside world than before. This explains their desire to keep up with latest fashion from abroad and be able to distinguish themselves through unique products, which the new age retail tenants have to offer.

This research finding also implies that anchor tenants cater to the more mature consumers. This shows a shift in the shopping habits of older generation. Previously, retail shops in the neighbourhood centres and

market stalls cater extensively to the older generation. It is, however, evident that these consumers, with reasonable pricing, can now better relate to the reputation and magnitude of the variety of products available at anchor tenants.

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