

# **Change in Consumer Behaviour Related to the Emergence of Shopping Centres in South African Townships: The Case of Mega City at Umlazi V section, Durban.**

by

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A research report submitted in partial fulfilment of the requirements for the degree of Masters in  
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Humanities, Development and Social Science, University of KwaZulu-Natal,  
Durban, South Africa.

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**Supervisor: Professor M. Dayomi**

## **Declaration**

This dissertation is being submitted in partial fulfilment of the requirements for the degree of Masters in Town and Regional Planning, in the Graduate Programme in Faculty of Humanities, Development and Social Science, University of KwaZulu-Natal, Durban, South Africa.

I hereby declare that this dissertation represents original work by the author and has not been submitted in any other form to another university. All assistance and sources of information have been duly acknowledged and referenced in the text. I confirm that no external editor was used and that my supervisor is aware of the identity and the details my proof reader.

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Student's signature

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Date

## **Abstract**

The shopping centre phenomenon in South Africa received more attention as the number of shopping malls increased significantly in the townships in the mid-1990s. The increase in shopping centres led to a change in consumer behaviour. It became important for retailers and developers to understand the effects of consumer behaviour when structuring the retail system. As such this study explores the changes in consumer behaviour in South African townships in relation to the emergence of Mega City shopping centre in Umlazi Township in the city of Durban. The study is based on in-depth interviews with randomly selected customers at Mega City shopping centre and also household surveys conducted in the Umlazi V section to determine the change in consumer behaviour induced by the introduction of shopping centres. These interviews were also conducted with shopkeepers from various service shops within shopping centre and other key informants from Umlazi V section. The study reveals that shopping experiences in South African townships have drastically changed due to the introduction of shopping malls as the consumers can now access a variety of services within their communities. This is due to the possibility of shopping within a short distance as it reduces costs both in time and money. The study highlights that the development of shopping centres in South African townships in the mid-90s changed consumer behaviour both quantitatively and qualitatively. The key factors that were identified by the study as playing a big role in influencing consumer choices and experiences due to the development of shopping centres include location, accessibility, services offered, competition and affordability of products and services.

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## **Acronyms**

<b>CBD</b>	Central Business District
<b>LED</b>	Local Economic Development
<b>ICSC</b>	International Council of Shopping Centres
<b>ATZ</b>	German Agency for Development Cooperation
<b>KZN</b>	Kwa-Zulu Natal
<b>UKZN</b>	University of Kwa-Zulu Natal
<b>SA</b>	South Africa
<b>MC</b>	Mega City
<b>BEDS</b>	Built Environment and Development Studies
<b>UNISA</b>	University of South Africa
<b>s.k.</b>	Shopkeeper
<b>cust.</b>	Customer

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# **Change in Consumer Behaviour Related to the Emergence of Shopping Centres in South African Townships: The Case of Mega City at Umlazi V Section, Durban.**

## **CHAPTER1: INTRODUCTION AND THE BACKGROUND OF THE STUDY**

### **1. Introduction**

This chapter presents the introductory part of this dissertation. Included here is the detailed description of the research, motivation, aim and objectives thereof, location of the study (study area) and overall structure of this dissertation. All these serve as guides to how the study will unfold as this new phenomenon is explored further.

### **1.1 Background of the Study**

In the late 90s to early 2000s, shopping centres in South Africa became centres of attraction in the retail area and also an important element in the urban landscape that began to contribute to businesses more than traditional markets were (Rajagopal, 2009). Most have appeared on the outskirts of the major cities. They have become a major contender with traditional markets in their offering of choice in one environment. This has led to developers and retailers paying more attention to what stimulate and inform consumer choices.

South Africa is no exception in this regard as it recently witnessed a rapid increase of shopping centres in townships since the advent of democracy in 1994. Previously, during the apartheid era, South African socio-economic development promoted inequality in development and planning along racial lines. Planning was racially fragmented, informed and based on racial parameters. The Group Areas Act that was introduced in 1950 during the apartheid era dictated that all planning, development of people be racially based.

All this had to change with the dawn of democracy in South Africa in 1994. The post-apartheid government had to change apartheid government policies and redress the inequalities of the past. New democratic policies were introduced. Previously neglected and marginalised regions like rural areas, declining city areas and townships whose majority population is black had to receive immediate and urgent attention. It is in this context that state policies focusing on Integrated

Sustainable Development Programme (ISRDP), Local Economic Development Policy (LED) and Regional Industrial Development Strategy (RIDS) were introduced in post-apartheid South Africa, in the attempt to redress apartheid spatial inequalities and to develop marginal areas.

Two major cities in the country, (which are regional capitals) central business districts, Johannesburg and Durban, seem to have taken the lead in this process. During apartheid, few regional centres for example, Sandton City (1973), Eastgate (1979), Southgate (1990) and Westgate (1985) were constructed in and around Soweto, Johannesburg. With advent of the democratic government in 1994, the retail trend started to focus on the construction of neighbourhood centres and the old ones like Crest shopping centre located in Johannesburg were upgraded. According to Southern Africa Shopping Centre Directory (SASCD, 2003/2004), there are five shopping centres in Soweto alone. These are Dobsinville Shopping Centre, Meadow Point, Pimville Square, Dobsinville Point and Protea Point shopping centres (Cited from: Viruly Consulting (Pty) Ltd 2004). More shopping centres have been opened in Soweto, Johannesburg including Jabulani mall and Maponya mall which were opened in October 2006 and September 2007 respectively. The number of shopping centres developed within biggest townships in Durban since 1994 also increased and the Mega City, which is the subject of this investigation, is a prospect of this trend. The steady increase of such shopping centres had an effect in the retail system in South Africa and consumer behaviour, which this study seeks to explore further.

## **1.2 Study Location**

The study focuses mainly on Umlazi township, Durban, KZN in South Africa. Umlazi is the second biggest township in South Africa located approximately 25 kilometres from Central Durban. Umlazi township was built in 1950s as a home to migrants and mainly Zulu workers (South Durban Community Environmental Alliance website accessed on: 10/04/2012). As the population increased, the birth of township was the response to the first felt need of a semblance of family life away from home for single men in single sex hostels (PLK website accessed on: 10 April 2012). At that time, land could only be allocated to the people of Zulu heritage, which resulted to many foreign nationals changing their names to Zulu ones in order to qualify for land grant. Umlazi came into being with sections from A to Z, with only black residents who

according to the Group Areas Act were forcefully removed from other parts of greater Durban into this designated black only area.

Land use within Umlazi comprises of various residential areas, ranging from formal to traditional. Umlazi township contains 19 000 informal residential areas and 36 000 formal residential sites, which include some multiple-storey hostels such as Glebe and Tehuis (EThekweni Municipality, 2007).

According to the EThekweni Municipality (2007), there are 13890 households in Umlazi V section: 78% (10863) are formal, 16 % (2267) are informal and the 2% (301) traditional houses (EThekweni Municipality, Planning Unit Profiles, Umlazi, 2007). There are 76 schools (50 primary and 26 high) in Umlazi as a whole. The Mangosuthu University of Technology and the Coastal College are the tertiary institutions found within Umlazi Township. Prince Mshiyeni is the only hospital that serves the greater Umlazi and the surrounding communities. There are also two cemeteries situated in section S and G in the whole of Umlazi. Other services, include, clinics, police station, places of worship, community halls, sport fields and the post office in almost every section.

The township has a population of approximately 550 000 (EThekweni Municipality, Planning Unit Profiles, Umlazi, 2007). Unemployment is also estimated at medium to high level as most areas of Umlazi, especially in North exhibit extremely high levels of unemployment (KPM Consortium 2008). 19.38% population of Umlazi is employed; 26.14% population of Umlazi is unemployed; and the 31.19% population of Umlazi is economically inactive (Business Plan Report, June 2009). Economically, an estimated 67% of the total population of Umlazi earn less than R2 000.00 per month in the formal economy (Umlazi LED Plan, September 2008).

Umlazi, being one of the oldest settlements for blacks has attracted and been the focus of all black entrepreneurial development; hence it is the preferred choice location for the first Mega City shopping centre. Other small scale commercial activities focusing on entertainment had preceded it and proven highly sustainable. For example, Max restaurants, where number of activities including shisanyama (braai meat), dances and other entertainment activities take place have proven very popular with locals. Mega City was opened in 2006 however, is still the biggest commercial centre yet. It is situated within high income residential areas of Umlazi and

still accessible to neighbouring communities. Physically, it is located at the edge of Umlazi (V-section), along M30 Mangosuthu Highway with other townships (Lamontville, Mobeni and Isipingo) adjacent to it.

### ***1.2.1 Access Roads to Umlazi***

Roads provide the only access for people of Umlazi to all essential services which are: shopping facilities, health facilities and educational facilities. Umlazi . Figure 1.1.illustrates these primary links of Umlazi through the main roads (National, Provincial and Local roads). Umlazi is located within the intersection of main roads such as N2, R102, M4 as well as M30, known as Mangosuthu Highway.

Mangosuthu Highway is the main road that link Umlazi to national and provincial roads. M30 Mangosuthu Highway serves as a secondary link to all Umlazi sub-areas. It serves as East- West mobility route of Umlazi. It is also well serviced in terms of bus and mini bus terminal facilities throughout its length. There is also a defined rail link from Durban to Umlazi. This rail is in close proximity to the M30 Mangosuthu Highway. The picture also indicates that the study area (Umlazi Mega City) is well located in terms of the transportation access.

***Figure 1.1. Access Roads to Umlazi***



*Source: Google map, 2011(edited)*

### **1.3 Research problem**

The Retail development is a very important component of land uses that boosts the Local Economic Development (LED) of the South African townships. This process involves mainly the partnership between public and private sector i.e.: the state, local authorities (Planners) and the business investors. The state provides facilitating support to planners in order to ensure the service delivery through the improvement of infrastructure in the identified potential commercial areas. Planners develop these areas in a way that will attract the private investors. On the other hand, private investors enter the markets and bring the various goods and services close to the community. Although the Planners facilitate the process, however it is primarily dependent on the private sector in this regard as the investors decide whether the market condition is favourable in terms of the economic development as their main interest to enter the market is to make profit. Therefore, development of shopping centres in townships end up being market-led. In this case, the private sector becomes more influential than the state and the local authorities' intervention become minimal.

Residents in low income townships of South Africa have been faced with a challenge in shopping experiences over the years. Shopping had only been a Central Business District (CBD) activity. It would involve long travel distances and high transport costs. According to KPM Consortium (2008) the distance from Umlazi township to Durban CBD is approximately 25 kilometres and cost R11.00 each way this year (2012). Existing shopping centres which were mainly in suburbs were no solution to this problem as they fall way out of public transport routes and were basically in formally exclusive white areas.

The long distance travelling with high transport costs as mentioned above can result in the loss of the shopping interest in customers. In redressing some of the inequalities of the past, the democratic government in South Africa introduced the new retail system, where shopping centres were built in black townships. It was also aimed at helping residents reduce all challenges as this is regarded as part of delivery of services.

The emergence therefore, of shopping centres near townships like Mega City is the topical subject and the new phenomenon whose advantages and disadvantages are appropriate for exploring and contribution as this study seeks to do. As much as the study can inform planners



and developers of such, it can also identify the felt needs and concerns to be addressed in a sustainable manner by such.

The fact that remains and becomes focus of the study is whether such new centres with Umlazi Mega City as the case study actually serve the purpose they were meant for, leave aspect to be desired or are sustainable and can be improved on.

#### **1.4 Motivation for the study**

Research in consumer behaviour can help retailers and developers to better position themselves and develop the marketing strategies that are relevant for the customers' concerns (Yesinia, 2010). As the level of the emergence of shopping centres increases in the South African retail industries, the consumer behaviour becomes more diverse in the affected population (Palgrave, 2009). This implies that studies of consumer behaviour need to be conducted regularly. In addition, there are many studies conducted that focus on shopping centres and consumer behaviour, however, little is known about the role they play in townships especially, South African townships. There is abundant literature about the origin and growth of centres in the upper income areas of South Africa and very little is known and recorded about the shopping centres that were developed in the low-income townships since 1994.

It is an accepted fact that retail is known as the largest industry in the world because of its significant role in the world economy (Gupta et al, 2008). It also changes consumer and shopping behaviour. In India for example, the emergence of shopping centres, shopping malls, and huge shopping complexes totally undermined traditional markets and changed shopping experiences (ibid.). As shopping centres became more decentralised in South Africa as well, shopping experiences had to be drastically turned around. For example, consumer behaviour was bound to change from the very basic fact that shopping could be done in the proximity of residential areas at lower travel costs, thus increasing consumer ability. Studies that focus on the impact of the emergence of these shopping centres and changes they bring in consumer behaviour in these communities can play an important role in South African retail industry.

Ahmed et al (2006) stated that little is known about the determinants of consumerism and shopping behaviour in developing countries. According to him, many studies have been done regarding consumer research in Western countries, whereas in non-Western countries, for

example Malaysia, little research has been done regarding this phenomenon. This, therefore, means that there is still a gap between developed and developing countries with regards to the knowledge of consumer behaviour in shopping centres.

All the above factors make the subject of this study a very topical one whose findings can inform future planning and development of this country which would also be in line with democratic ideals that have to be upheld.

## **1.5 Aim and objectives of the study**

### ***1.5.1 Aim***

This study aims to explore the changes in consumer behaviour related to the emergence of Mega City Shopping Centre in the sprawling Durban township of Umlazi. Umlazi is one of the biggest townships in South Africa with 26 sections and a population of over half a million in South Africa (Umlazi Business Plan Report; June 2009). The study covers one section, V-section for a number of reasons, the main one being the fact that the sample was going to be too large for the research purposes if the study was going to cover the whole of Umlazi. Mega City is also located in this section, which also makes the choice of the section even more appropriate.

### ***1.5.2 Objectives***

The study seeks to determine and investigate the following:

- Reasons that underlie and led to the construction of Mega City
- Explore customers' shopping behaviour patterns in the utilization of Mega City
- Comparisons of shopping experiences before and after the construction of Mega City
- Explore and identify the influences of Mega City on shopping and consumer behaviour for residents of Umlazi and other consumers in the surrounding areas.

## **1.6 Research questions**

### **1.6.1. Main research Question**

What significant role has Mega City played both as an emerging retail centre in the country and as an agent of change in situ?

### **1.6.2 Sub-questions**

- What impact has Mega City had on Umlazi residents?
- Where did people in Umlazi shop before; and at what cost?
- How do customers define their shopping experience since the emergence of Mega City?
- What are the most perceived advantages and disadvantages of Mega City?
- What role do these new model shopping centres play in the country's economy and as sustainable agents of change?

### **1.7 Organisation of the dissertation**

The first chapter provides a brief background of the study; aim and objectives of the study, the problem statement, and the significance of the study. Chapter two establishes the parameters of the study through a brief summary of the existing literature on shopping centres and consumer behaviour. Theories and models related to shopping and consumer behaviour are briefly summarised. Chapter three describes the research methods utilised. Sampling methods, data collection methods, research participants, as well as the techniques of data analysis utilised. Chapter four presents the results/findings of the field work. Chapter five summarises the main findings of the study as compared to findings of previous studies; and the last chapter, presents conclusions, recommendations and existing areas and gaps for future research studies.

### **1.8 Summary**

Shopping centres located near or within townships are a new phenomenon in South Africa and not much has been written about them. They have had a huge impact on the consumer behaviour and it is hoped that this study will contribute immensely to the body of the literature on the issues of shopping centres in South Africa. The research has been linked to the previous publications as well as theories that guide and give an insight on the research findings herein.

## **CHAPTER2: LITERATURE REVIEW AND THE THEORETICAL FRAMEWORK**

### **2. Introduction**

The existence of shopping centres within the proximity of black low income areas is a new phenomenon and a reality worth exploring and investigating in South Africa. Studies conducted previously in countries with concepts and cases similar to South African will be utilised as point of departure, points of reference and parameters of this chapter.

#### **2.1. Literature review**

##### **2.1.1. Shopping Centres**

Shopping centres are twenty first century phenomenon that has continued to evolve and serve communities' social and economic needs though out the world. Shopping centres have two specific purposes, namely, to serve needs of a community and also to make profit. The combination of fashion, food, entertainment and services, expanded the role of shopping centres greatly in the communities they serve (International Council of Shopping Centres, 2000). The shopping centres phenomenon seems to dominate the development of many countries both in developing and developed countries (Antonides and van Raaij, 1999). This is the direct consequence of retail decentralisation due to a rapid increase of the shopping centres and the role they play in any country's economy. As a result, shopping experience is expected to change, and so is consumer behaviour. It is, thus, important to understand consumer behaviour as the one of key factor in the retail system.

According to the International Council of Shopping Centres (ICSC), shopping centres can be defined as *“a group of retail and other commercial establishments planned, developed, owned and managed as a single property* (Retail Real Estate and Site Section article 2006: 88). It is important to note that shopping centres do not provide only commercial establishments, but other establishments such as public properties for government offices. Hence people visit the shopping centre for a variety reasons ranging from shopping, window shopping, entertainment, family outing, municipal enquiries and promotional events. A promotion is a form of marketing

targeting customers towards the introduction of new product or service, or an upgraded version of any such.

UNISA Media Release paper (2007) indicated that the aim of shopping centres in South African townships is to encourage people to spend within community. Shopping centres can be established in order to bring facilities close to people so that costs of shopping will be minimised. Different features can characterise a shopping centre. One of them is that of on-site parking that is provided within shopping centre. Its size and orientation are determined by the market characteristics of the trade area served by the centre. All shopping centres have got space for parking, where people can park if they visit the centre (Cited from the Retail Real Estate and Site Selection article 2006).

### ***2.1.2. Hierarchy of Shopping Centre***

There are different types of shopping centres which can be distinguished based on the size of their trading areas that range from neighbourhood, community, regional to super regional centres. Shopping centres found in EThekweni Metropolitan Municipality in KwaZulu Natal province will be used as an example to clarify the distinction between the levels of shopping centres.

- *Neighbourhood centre*

This centre is designed such that it provides convenience shopping for the day-to-day needs of consumers in the immediate neighbourhood (Retail Estate and Site Selection, 2006). Approximately 50% of them are anchored by a supermarket, while approximately one-third has a drug store anchor (ibid.). According to Planning Guideline for Retail Facilities in KZN (2010), a neighbourhood centre consists of 25-50 stores, and it is usually located in a well-established residential area. It is usually configured as a straight line strip with no enclosed walkway or mall area (Retail Estate and Site Selection, 2006). Examples of neighbourhood shopping centres would be the Queens-mead shopping centre and Glenwood Village shopping centres in suburban Durban.

- *Community centre*

A community centre offers a wide range of apparel and other soft goods than neighbourhood centre and discount department store would. The centre is usually configured as a strip, in a

straight line, L or U shaped. It can also encompass the widest range of formats (Planning Guideline for Retail Facilities in KZN 2010). An example of community shopping centre is the Bridge City shopping centre in KwaMashu township, and Mega City Shopping Centre in Umlazi township, which is the case study of this dissertation is based.

- *Regional centre*

This centre type provides general merchandise and services in full depth and variety. A regional centre is usually enclosed with an inward orientation of the stores connected by a common walkway, and parking surrounding the outside perimeter (Planning Guideline for Retail Facilities in KZN 2010). An example of Regional shopping centre would be Galleria shopping centre in the Amanzimtoti area south of the Durban city centre.

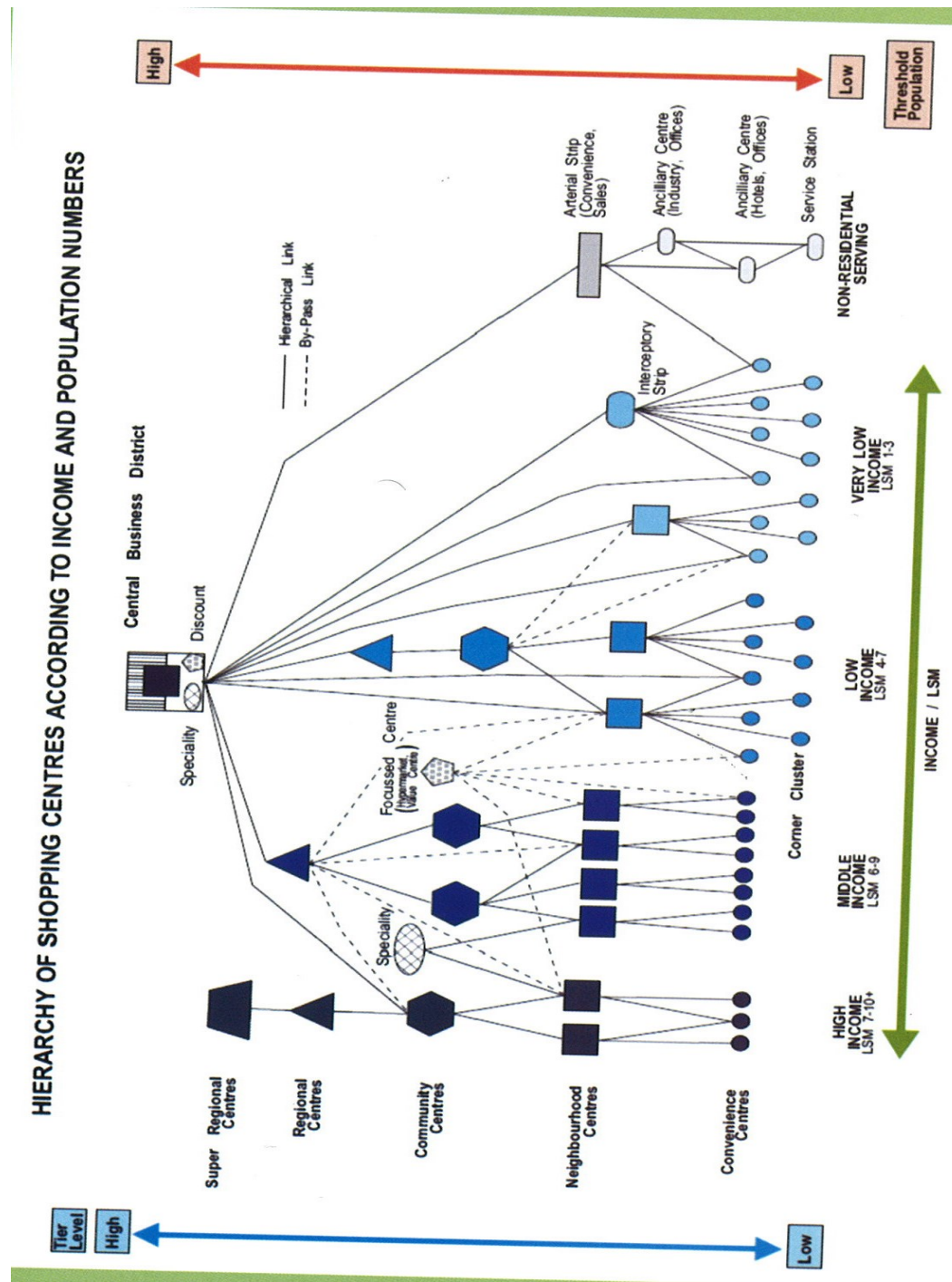
- *Super-regional centre*

A Super-regional centre is similar to regional centre but is larger in size, has more anchors, a wider selection of merchandise, and draws its patrons and consumers from a larger population base (Planning Guideline for Retail Facilities in KZN 2010). For example, Pavilion Shopping Centre, located in Westville and Gateway Shopping Centre, which is located in , are super-regional centres since their location afford them both accessibility and visibility from the two major national roads (N2 and N3).

### ***2.1.3. Kahn's Hierarchy of Shopping Centres***

Kahn (1984) came up with the hierarchy of shopping centres, which ranges from town centre to neighbourhood centre. It is indicated by this model that shopping centres can be ranked in a hierarchy from town centre to neighbourhood centre based on the income and population numbers involved. For example, a super-regional centre is accessible to a large community, whereas a neighbourhood centre is only accessible to a small surrounding community (cited from Planning Guidelines for Retail Facilities in KwaZulu Natal, 2010). Khan's (1984) hierarchy of shopping centres is shown on figure 2.1.

Figure 2.1.Kahn's hierarchy of shopping centres



Source: Planning Guidelines for Retail Facilities in KZN, 2010

#### **2.1.4. Local Economic Development in South African Townships**

Local Economic Development (LED) is one of the instruments the post-apartheid government adopted in order to address the apartheid imbalances in South Africa. Helmsing (2003) defines Local Economic Development as: “... *a process in which partnerships between local governments, community and civic groups and private sector are established to manage existing resources to create jobs and stimulate the economy of a well-defined area. It emphasises local control, using the potentials of human, institutional and physical and natural resources* (Helmsing, 2003:69). In the early stages of LED, activities focussed strongly on the marketing of locations to external investors, often linked with incentive systems such as tax breaks and reduced costs of public services such as water, electricity and infrastructure development (Patterson 2008). However, in the early 90s (from 1990) when the political transition begun in South Africa, attention shifted to endogenous economic potentials, striving support to competitiveness of existing firms, promoting entrepreneurship and business start-ups. Initiatives such as entrepreneurship development and training programmes, business support and business linkage mechanisms, providing access to finance and skills development were implemented as part of the LED process in South Africa.

A number of national and provincial government departments provide support to municipalities to run the LED process through the provision of funding. The municipality in some other cases can either employ fund generated locally to implement municipal led activities through the levying of rates and taxes. Initiatives generated by varied thrusts in South African townships and larger informal settlement areas in 2012 includes: small business advise offices, small business premises, township tourism projects, commercial centre upgrading, township based events as well as training and information sharing (Patterson 2008).

LED policy helped the economy of South African townships to grow however, there are some limitations that can be addressed in this paper as they seem to hinder the LED process. LED policy and guidelines are well documented at a national level of government; however, the issue of funding the LED still needs to be addressed. LED is not yet embedded in the municipal practice, which shown in many cases where the municipality allocates limited funds for LED as well as the lack of impact interventions (Patterson, 2008). Although financial support for LED can be driven from a wide range of sources, a key is that the municipality or local development



agency often lack adequate, local available of funds and competencies to drive LED process independently. In a context where local municipalities do not have any significant internal budget allocated for LED activities, they remain heavily influenced by higher tiers of government, i.e.: provincial and national government through their programmes as to what they might want to find (Robbins, 2011). This results to a great degree of similarities in the activities that the municipalities support under LED. These activities include: small business development, investment promotion and facilitation, marketing, local procurement and empowerment; localised income projects; urban renewal and infrastructure development or upgrades (Robbins, 2001). Therefore, this indicates that there is an apparent failure to link line function interventions or national government-funded projects explicitly into LED.

There are some debates that retail centres lead to a decline in local traders (South African Cities Network, 2009). The reason is that there are many other factors that influence the viability of businesses such as general economic conditions as well as the business skills. In addition, the impact of the retail centres influenced by the way in which development takes place and the capacity of the local businesses to adapt and survive with the increased competition.

#### ***2.1.5. Consumer Behaviour***

Consumer behaviour can be described as “the decision process and act of people or prospective customers involved in buying and using products.” (Reddy et al, 2010: 122). Lentnek et al, (1975) described the spatial shopping behaviour as “a function of both characteristics of the decision maker and the decision making environment (Lentnek et al, 1975:538). In other words, shopping behaviour depends on the consumer (decision maker) and a place in which shopping facilities are located (decision making environment). According to Lo (1990: 393) consumer behaviour is regarded as “a goal -directed behaviour that can be explained by spatial structure and consumer preferences. This means that location is an important factor that determines consumer’s choice of shopping. Lo (1990) presented consumer spatial behaviour in terms of possibilities and preferences. Possibilities referred to a range of alternatives facing the consumer. In other words, possibilities are the opportunity set for consumers, whereas, preferences referred to as a rank ordering of the alternatives by the consumer (ibid., 1990). The study of consumer behaviour is an important component in the retail system as it helps to understand why shopping is different from individual to individual. It also identifies factors that influence consumer

behaviour. These factors include gender, standard of living, attitudes and age; a change can make consumer behaviour differ from one individual to another as well as from one group to another.

Some of the authors like Miller, through their observations proved that most of the shopping centres mirror economic and social inequality. In order for retailers to understand the consumer behaviour, it is important to understand how people interact with goods and services offered in relation to their own culture, attitudes, and perceptions (Gupta et al, 2008). According to Miller (2000) shopping centres play a significant role in the transformation of social identity. In other words, shopping centres become associated with particular groups. This is not unusual in the South African context, because each shopping centre has a dominant population group in terms of race and class. For example, some shopping centres especially those found in townships are mostly dominated by Africans, which is well known as low income group in the country. The shopping centres located in the suburbs are utilized mainly by the white population. He further stated that shopping malls disadvantage the elderly, disabled, and the poor because of their edge of the city locations. Public transport commuters could not access these centres because of the limited access route to them.

Although different customers from different countries have different needs and wants (Banerjee and Dasgupta, 2010), development of shopping centres creates new shopping opportunities and results in the new patterns of consumer behaviour (Thomas and Bromley, 1995). Sometimes these changes have a negative impact on traditional markets. One of the reasons for this is the fact that new shopping centres create new shopping opportunities especially in the grocery shopping because the consumers usually visit the nearest centres for grocery shopping. Customers get drawn to these new retail centres because they believe that new shopping centres provide better variety of goods and services than the traditional markets. For example, 78% of the respondents (aged from 15 upward) in the study conducted in India reported that they think new shopping facilities better provide availability of goods and services to them (Gupta et al, 2008: 85). In addition, 71% of the respondents (aged from 15 upward) also indicated that the availability of variety of products and services in these centres change their buying or consumption patterns (ibid.: 86). These results indicate that consumers appreciate the availability of the variety of products in the centres.

Retail development can also change the consumer behaviour as customers of a shopping centre can expect more than shopping facilities in the centre. Unlike in the Central Business Districts which customers only visited for shopping for specific needs, shopping centres provide other facilities that include entertainment, facilities to spend leisure time, health facilities and many more as mentioned earlier. A visit to a shopping centre can be for a number of reasons other than shopping. These may include window shopping, meeting with friend or families for outing, entertainment purposes, to spent leisure time like watching movies (Benejeer and Dasgupta, 2010). Distance also plays crucial role especially in influencing customers in making trips to shopping centres for window shopping.

The emergence of the shopping centre also created opportunity for local customers to choose the best shopping centre that offers the best desired facilities, in relation to the following: internal floor space for cars and pedestrians, distance and parking facilities (cited from: Wei Zhu et al, 2006). A map in figure 7.10 (attached in an envelope) indicates all of these facilities in Mega City shopping centre. The Mega city provides a variety of services, which includes clothing shops (Mr Price, Woolworths, Truworths, Nu shop and Pep), furniture shops (Barnetts, Price and Pride and Savels,) restaurants (KFC, Chicken Licken, Spur, Fish and Chips and Debonnairs), supermarket (Mega Spar). Woolworths also serve as a food market as it does provide some products for grocery. Other services include banks such as ABSA, First National Bank, Capitec, Nedbank and Ithala bank.

#### Reasons Why Some Shop Types are Drawn Together or Kept Apart.

Parker (1962) highlighted a number of reasons as to why some shops are grouped together, whereas some are driven apart. Some shops such as grocers and chemists can be drawn together because they are utilised by customers frequently. Some such as furniture shops and electrical shops can be grouped together because they are only utilised once in a while, thus frequency of utilisation becomes the determining factor (Parker, 1962). Some shops can be grouped together at the front of the centre because of their appearance, considering things like hygiene and neatness, whereas some like fish and chips and fishmonger shops are usually grouped together because of the similarity of the products they sell. This also makes easier for consumers to make their choices. Some shops appeared together because they are complementary to each other.

The examples of complementary stores are sweet store and the cinema, snack bar and sport venues.

Some shops can be further grouped together based on the sex and age groups that normally use their products or services. For example, daily shopping services and facilities are used by housewives, whereas products like snack bars, cinemas, gym venues are usually used by young people of both sexes. In some cases, competitors such as clothing shops, shoe shops, and sometimes furniture shops can be grouped together so that customers can compare their products and prices. Substitution can also cause some of the shops to be grouped apart. For example, fish shops and chips shops, furniture shop and hardware. Service shops like hairdressers, decorators, estate agency can be fitted anywhere because of their eclectic nature.

## **2.2. Theoretical Framework**

Different theories have been put forward to inform the shopping centres and consumer behaviour. As the study intended to find out the change in consumer behaviour in relation to the development of shopping centres in post-apartheid South African townships, using the case study of Mega City in Umlazi township in the city of Durban, the following theories were found most relevant to this study as they focus on the location of commercial facilities and how the retail facilities are located and distributed in urban areas. The focus of these theories in the internal structure of the centre as to which shops or services are grouped together and which ones are kept apart is useful for this study as it guides consumers to make their ways around. The concepts of distance and accessibility are key concepts in this study since they have major influence in the change in consumer behaviour. Different methods of analysis that could be used to understand the consumer behaviour give a clear guidance of this study. The theories used by this study use the Central Place Theory, Theory of Tertiary Activity, Model of the Hierarchical Sub-system, Bid Rent Theory, The Principle of Minimum Differentiation and the Behavioural Perspectives. Some of these theories were developed at the regional scale and later were applied at an urban scale (central place theory), and some were developed at the urban scale and applied at the city centre scale (Bid Rent Theory). These theories can be linked as they expand from the basis of one another. All these theories will be presented briefly below.

### 2.2.1. *Central place theory*

Shopping centres bring facilities close to the people and they provide different kinds of goods and services all together including the ones that consumers can travel a long distance to get, such as jewellery and furniture. In this case, consumers can only travel to other places in order to compare prices and/or quality of such goods (Eppli, and Benjamin, 2001).

Studies show that consumers make choices before they take actions in the retail system (Yuznus, 2010). These can include the value of goods and services that the consumers give in terms of the distance they would travel to purchase. The main reason for these consumers' choices is the fact that shopping involves costs, especially, time and travelling costs. Therefore consumers do not travel long distances for goods or services that have a low value to them. This is called the market range of services. In the central place theory, the market range can be described as *“that distance which people are willing to travel to reach the service”* (ibid: 126). For an example, people may travel to the nearest large town for jewellers and good clothing but only to the local corner shop for sweets and tobacco. In other words, the markets range *“is equal to the distance of the nearest centre that carries the good”* (Eppli et al, 2001:8). According to Eppli, and Benjamin (2001), the maximum range where the total price of a good that includes mill price and transport costs is the same the value of the item to the consumer.

This theory, therefore, is relevant to this study of consumer behaviour as it highlights some key factors that influence consumer choices. As this study seeks to find out the impact of the retail facilities that were brought closer to the communities, distance can be identified as the key factor that can lead to a change in consumer behaviour. In addition, threshold population as it is discussed below might be seen as the opportunity for retailers or sometimes can be a threat to them. This depends whether the population size of Umlazi community is above or below the threshold level of Mega City. All of these key points will be considered during the data collection stage.

Threshold plays an important role in the retail system as it attracts businesses to enter the market. In other words, businesses in the shopping centres that are located within the large communities usually become successful and make more profits because of high level of a buying power. According to Glasson (1974) threshold population is *“the minimum population necessary to support the services activity”* (Glasson, 1974: 127). Thus, population size needs to balance the

threshold level because once the population size is below the threshold level, that means businesses will make loss, so businesses will be discouraged to operate in that shopping centre. In contrast, if the population size increases above the threshold, that indicates a good business performance in the retailing system (Glasson, 1974). Increases in threshold can result in the increase in the level of competition among businesses in the retail system since the main aim of the businesses is to make profit. Therefore, this would be a good opportunity for businesses to make profit. In support of this, Eppli, and Benjamin (2001) mentioned that in the threshold the minimum demand necessary for a store to be economically viable refers to the rational behaviour of retail entrepreneurs. Threshold analysis determines the number and location of retail centres using the minimum return necessary for the retailer to the break-even (ibid.). The market area can be created by the combination of range and threshold. It is important for each developer to consider the threshold and market range dimensions in every retail facility location, as these concepts play role in influencing consumers' choices in the retail system. The central place theory also focuses on the location and distribution of retail facilities as it assumes that the markets areas should follow hexagon structure when they expand from the city centre (CBD) outward.

### ***2.2.2. Theory of tertiary activity***

As the central place theory emphasises the role market range and population threshold play in the retail system, the theory of tertiary activity focuses on the location of the shopping centres. The location of shopping centres plays an important role in the retail system as it provides alternatives of the shopping centres consumers can consider when they make their choices. This involves increases in the number of choices consumers have, and yet decreases population threshold. Thus the consumer behaviour can be expected to change too as the retail system changes.

The theory of tertiary activity is related to this study as it focus is on the location of retail activities in urban areas, considering the population density and the buying power. This theory assumes that, in situation where population density declines from an urban centre outwards, the highest "order A" centres (CBD) will not be located uniformly but with increasing distance from one another with increasing remove from the urban core (Potter, 1982). In this case, the area around each centre will contain approximately the same level of population and buying power.

Therefore, market areas will no longer take the form of hexagons but will be spatially transformed.

Even though this theory might seem to be more applicable to larger states than post-apartheid South African states, it raises an important factor that influence consumer choices, which is location of the centre. The distribution of the retail activities is influenced by the population density, which indicates demand and buying power. This further indicates that as the population increases, more retail facilities need to be made available. According to the central place theory, the distribution of the retail activities follows the same hexagonal structure, which indicates that the theory assumes that the market range is fixed. This assumes that population density and effective demand are uniformly distributed.

However, the theory of tertiary activity argues that the market range is not a fixed real measure of a retail activity distribution but should reflect relative demand and buying power. The theory of tertiary activity assumes that “*whatever the distribution of purchasing power, a hierarchical spatial structure of central places supplying central goods will emerge*” (Potter 1982: 40). As such, distribution of retail activities cannot only be measured by a range, but can also be measured using the hierarchical structure of central places system whether in a countryside or in a metropolis. Therefore, the market areas end-up structured in terms of the different number of orders, which consists of the city centre market area (in the core of urban area), second order market, third order market area, up to the small scale, which depends on the size of the area. This leads to the hierarchy of shopping centres from town centre, super-regional, regional, community up to neighbourhood shopping centres.

The theory further assumes that the population is the main determinant of distribution of shopping facilities. Therefore, in areas with relatively a high population density, such as townships of Umlazi, KwaMashu in EThekweni and Soweto in Johannesburg, shopping centres should be readily available and profitable.

### **2.2.3. Model of hierarchical sub-systems**

The distribution of the retail facilities differs from one community to another. For instance, in most cases, the level of shopping centres located in high income areas is largely of higher standard compare to the ones located in the low income areas (Potter, 1982). This includes the

number of conditions such as, the level of hygiene in the centre, level of the security and any other development in the centre. The increase in retail distribution leads to an increase in retail facilities as they get closer to the consumers. As a result, there will be a number of retail activities ranked into order that ranges from order A to D. This order for instance is set as follows: the first one is order A, which refers to the city centre (CBD). This is the highest order in the retail system, followed by order B, which refers to the regional shopping centre. The next one is order C, which is the community centre, and lastly is order D, as it refers to the neighbourhood shopping centre. This retail facilities' order is set depending on the size of the retail centre and the population it serves. Since the Mega City is located in a low income area, this model will be used in the field to empirically assess the standard and the maintenance of the centre, and also in finding out the impact thereof on the consumers and sellers in the centre.

The model of hierarchical sub-systems expands from the theory of tertiary activity. This model is normally called a 'threefold framework' which assumes that the urban retail system is made up of the number of sub-components serving different ethnic and socio-economic groups (Potter, 1982). The hierarchical sub-system model does not invalidate the central place theory but, rather, seems to serve its (central place theory) strong normative basis (ibid.).

This model was verified in a study conducted in Chicago which showed that retail centres that serve the high income residents of the city generally contained more stores and the greater floor-space than the same type of retail centres located in the low income areas (Potter, 1982). On the Chicago study, what was described as a smaller shopping centre there had an average of 150 establishments in the high income areas, whereas, in low income areas had only 100 establishments (Potter, 1982). The study further revealed that even though shopping centres in low income communities were slightly small in terms of establishments, they tended to provide a much wider range of functions and thereby, presumably played a more dominant role in residents' shopping activities due to their low income and mobility levels (ibid.).

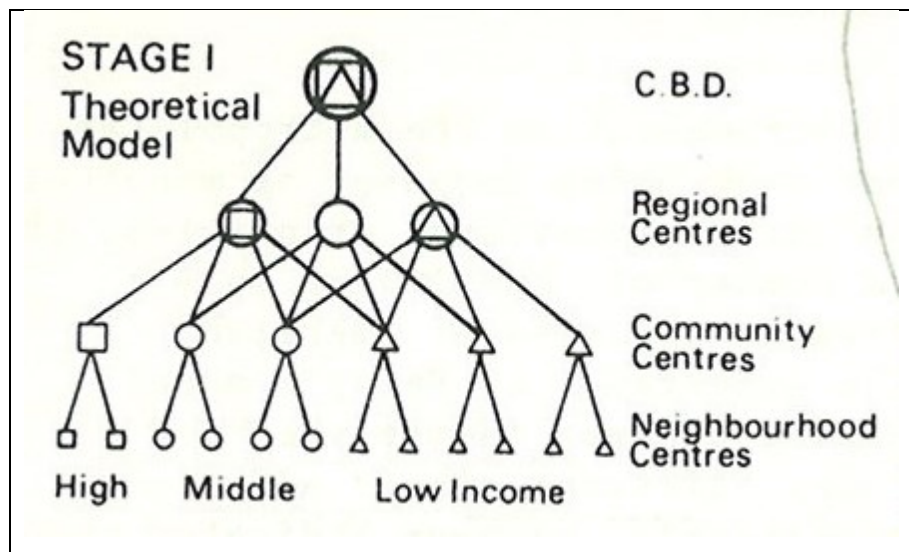
The implications are that this theory applies even in South African retail system. The shopping centres located within high income communities are in good condition in terms of maintenance unlike shopping centres that are located within low income areas. For example, when comparing the Idube village neighbourhood centre in Inanda Township with the La-Lucia neighbourhood centre next to Umhlanga, this scenario is revealed. La-Lucia centre security is very tight in a



sense that one finds security guards in every corner of the centre, the shopping spaces are clean and provide enough space for people to walk, whereas the other centre is a total opposite of all this.

In addition, the hierarchical sub-system model was also developed under the assumption that in many cities, the majority of low income residents tend to be located in the inner city, in close proximity to the retail facilities of the central area (ibid.). Therefore there are three distinct income areas (high, middle, and low), separated hierarchically into four retail orders, namely CBD, regional centres, community centres, and neighbourhood centres. In this diagram (figure 2.2.), it's shown that the higher order centres such as the CBD, and regional centres are shared by all communities in urban areas. In addition the diagram below shows that the retail facilities are more concentrated in the low income areas (inner part of the city). This model was developed under the notion that there is high population density in these areas. Distance plays a big role in influencing consumer's choices. Thus, the main focus of the distribution of retail activities is to ensure that consumers do not travel long distance for them to access shopping centres.

**Figure 2.2.: The Location of the Retail Services**



*Source: Potter, 1982: 48*

#### **2.2.4. Bid Rent Theory**

Accessibility is one of the concepts that play a big role in the retail system. It involves both consumers and suppliers access to goods and services. Accessibility is interrelated with the affordability in the sense that areas where there is easy access to goods and services or where there is economic market concentration, usually, are very expensive. Businesses are more attracted to operating in areas where the population size is above the level of threshold, in order to accumulate more profits. Thus the rent in those areas is also relatively high. As for consumers, the theory also implies the rent and accessibility interrelations, in a sense that, as the consumers get close to the city-centre, where there is high economic activity of the market activity level, which means an increase in access to shopping facilities with variety of goods and services to choose from. The rent in such areas is relatively high.

In the South African case, with its well-known apartheid separate development legacy, such places were allocated for whites only then. Since the advent of the democracy in the country, everyone has a right to live where they can, however rent is by and large a new measure of ensuring previously disadvantaged people do not have an access to high areas where rent is relatively high.

The central place theory was developed for regional scale analysis of service provision and consumer demands. The Bid Rent theory was developed in an urban scale and lately adapted to the city-centre setting (Brown 1992). This theory emphasises importance of accessibility in the patterning of urban land uses. In addition, rent in the city is high and decline with distance from the core because the city is regarded as the most accessible point or place for everyone (customers and suppliers). It has been evidenced that the city centre is the potential market and it is most accessible to everyone (customers and suppliers) because of the transport network.

The bid rent theory is more familiar to Burgess's concentric zone theory of 1925, in that both theories advise the arrangement of land use in a way that, retail activities' location should be in the centre and the housing land uses at the outskirts of the urban area. The bid rent theory points for the core of urban area as encompassing commercial activities followed by industrial activities in between and at the periphery there are residential land uses.

According to the bid rent theory, the structure of the regional centres should comprise a core of departmental stores and retailers of apparel, shoes, accessories, jewellery and lingerie (Brown, 1992). In between, there should be community level activities such as cinemas, banks, delicatessens, camera shops and insurance brokers, Then on the periphery, there should be activities such as hairdressers, laundrettes, off-licences and hardware stores.

As such this theory highlights important points about the location of the commercial activities within the centre, which helped the researcher to consider the location of the shops and other services whether it is convenient to the consumers or not, and how does that affect their decisions in shopping. Accessibility is another important concept in this study, as it has a major influence to the consumers. However the bid rent theory focuses more on the centralisation of the market areas in urban areas, than location of shops in the retail centres.

#### ***2.2.5. The principle of minimum differentiation***

This theory will look at the structure of the shopping centre in terms of commercial concentration within the centre. Even though the centralisation of economic markets is important, the concentration of the intra economic activities found more important. The structure of a shopping centre plays an important role in influencing consumer behaviour. Most shopping centres are structured in a way that some shops are drawn together while some are kept apart. This helps consumers to make easier choices and also for suppliers to be aware of the state of their competitors, especially in terms of prices.

The principle of minimum differentiation was developed by Harold Hotelling in 1929 (Brown, 1992). As the bid rent model focuses on the economic centralisation of the market activities, the principle of minimum differentiation focuses on the economic concentration. This model notes that, as much as the centralisation of commercial activities is important, the economic concentration of intra-centre is more important. In other words, the internal structure of shopping districts, where complementary activities are clustered together give special accessibility. The general consensus is that the level of clustering depends on the order of the retailing function. For instance, high order retail trades such as departmental stores exhibit the most clustered distribution, whereas the low order retail businesses such as petrol stations, and personal services are least agglomerated of all (Brown, 1992).

### ***2.2.6. Behavioural Perspectives***

Behaviour is out of the most important concept for understanding the retail system as it affects performance of the commercial activities in the system. The behavioural perspective can differ based on its focus, as some behavioural perspectives focus on the consumer behaviour in general, whilst some focuses on consumer behaviour within various categories. The other behavioural perspective focuses on the importance of different research analyses used for understanding consumer behaviour. These behavioural perspectives have been divided into three approaches, namely, empirical behavioural, cognitive-behavioural and humanistic approach. All these are approaches that play an important role in the attempt of understanding consumer behaviour. Thus, it is important as they can be used in providing qualitative and quantitative findings about consumer behaviour that were utilised in this study. This study includes both qualitative and quantitative methods.

#### ***2.2.6.1. Empirical Behavioural Perspective***

The empirical behavioural perspective is one of the most recommended behavioural approaches in the study of consumer behaviour as it focuses on consumer behaviour within a wide variety of shopping environments using statistical analysis (Brown, 1992). There are three fundamental findings of the intra-centre consumer behaviours presented under this approach. The first fundamental finding focuses on what attracts consumers to the shopping centres. Although this varies from one shopping environment to another and in city centres, superstores, restaurants and leisure facilities are the essence of a successful mega- centre (Brown, 1992). According to the first fundamental finding, supermarkets attract approximately five times as many customers as a run-of the mill department shop types (ibid.). This has been witnessed in most shopping centres, South Africa being no exception that, the majority of facilities are supermarkets, restaurants and leisure facilities.

The second fundamental finding of the empirical approach also indicated that customers' interchange tends to occur between shops of similar or compatible shop types. The most frequent link made in the shopping centres is usually shops of the same products or services. For example, when the shop patronised are food shops, the next shops patronised are most likely to be other food shops.

The third fundamental finding focuses on the entrance and the exit points of the customers' circulation. In approach, it is indicated that most of the shopping trips commence and conclude at the car parks, bus terminals and railway terminals. It is important to note that not only customers use public or private transport to access the centre, as the shopping centres are brought closer to people, it is possible that some customers are able to walk to the centres. Thus it is important to have pedestrian pavement in the centre and its surroundings. The findings from Belfast (in Northern Ireland) study indicated that the pedestrian trips from home and workplace were also found significant to be considered (Brown. 1992).

#### *2.2.6.2. Cognitive-Behavioural Perspective*

As the empirical approach focuses on the consumer behaviour, the cognitive approach however focuses on the variation between different categories of customers based on their age and socio-economic status (Brown, 1992). The cognitive approach rests on the notion of the decision making man. This approach assumes that customers' choice will never be the same because they make their own choices based on their individual assessments, evaluations, attitudes and aspirations as well as imperfect information. It is important to understand consumer behaviour study because, sometimes what interest young people will not interest old people. For example, young people might be keen on leisure facilities and restaurants at a certain centre, whereas older people may be more interested in other facilities such as supermarkets, furniture shops, and the like.

Thus, consumer behaviour should not be assessed based on the retail opportunities but also based on how the decision maker perceives such opportunities. According to Brown (1992), retailers possess a mental construct of their competitive environment which can be less than totally accurate beliefs about the behaviour of their customers.

#### *2.2.6.3. Humanistic Perspective*

In some cases, the uses of quantitative analyses do not give a clear understanding of consumer behaviour. Usually, quantitative analyses answer "what" part, whereas qualitative answers the "why" part. Therefore, in studying of consumer behaviour, qualitative analyses recommended as they produce meaning of emotions and feeling associated with respondents. As empirical and cognitive approaches use statistical analyses or quantitative methods to defend their assumptions, humanist approach as seem to substitute that process with the qualitative method. This approach

attempts to understand subjective meanings, feeling and emotions that people associate with and ascribe to their surroundings (Brown, 1992). According to this approach, aggregate statistical procedures can be used to explain individual's behaviour.

However, this approach has been criticised on the basis of its lack of validity and reliability as it has insufficient objectives, and the uncertain roles of the researcher. In addition, humanist analyses are relatively few in numbers and their application to retail phenomena are almost non-existent.

A study conducted in the Oosterpark area inner-city Amsterdam focusing on the humanistic approach revealed an interesting exception in its results. Participants indicated that they were influenced by a host of factors that were not normally addressed in the previous scientific studies of shopping behaviour. Some of these factors included the strong emotional and social values that individuals attach to shopping facilities (Brown, 1992). They also discovered that shopping, including daily shopping means more to people than getting goods home.

### **2.3.Relating Theories to the South African Context**

Kahn's analysis of the hierarchy of shopping centres found to be the most relevant in South African case (a diagram attached in figure 2.1.). This method indicates that the shopping centres can be ranked based on the income and population numbers they serve (Planning Guidelines for Retail Facilities in KZN, 2010). For example, the super-regional centre is accessible to a large community, whereas the neighbourhood centre is only accessible to a small surrounding community. As the model of the hierarchical sub-system indicates, Kahn's hierarchy of shopping centres' model also indicates that customers from different communities can only share the CBD and regional shopping centre.

These models indicated that in the structure of most cities in Western countries low income residential areas surround the city centre (Potter, 1982). These residential areas will have high population densities. However, this is not the case in South Africa context due to development integration, high income residential areas mixed with low income areas. For instance, in Durban, high income residential areas that can be found next to the city centre include areas such as Durban North, Morningside, Westville, Musgrave and Glenmore, and relatively low income residential areas adjacent to them are Cato Crest, Cato Manor, Umkhumbane and West-Ridge.

## **2.4. Summary**

Precedent studies in this chapter highlighted important points to be considered in the retail industry and also in the study of consumer behaviour. They include various influences of the consumers' decisions in the retail system. Distance, accessibility, shopping centre structure (shops groupings) and services offered in the shopping centre are main factors that influence consumer attitudes. The emergence of shopping centres changed shopping experience for the consumers, together with related consumer behaviour. In addition, it can be discerned that shopping experience is not the same as the expectations of shopping in the city centre. The difference in the shopping centres and the city centre is that in most cases, consumers in the shopping centre target a variety of activities, especially entertainment facilities to be offered, whereas in the city centre the main focus is in shopping.

In this study the focus is on the distribution of the location of the retail facilities, attempt to understand the consumer behaviour in different dynamics (for example, age, socio-economic, and other categories), and also the importance of economic activities. This research is based on assumptions from the theories expanded here and the implications thereof. So the closer the shopping centres, the more shopping trips people will make.

It is also evident that theories and approaches interconnected in this chapter to understand the market range and consumer behaviour both quantitative and qualitative studies are necessary. However, the central place theory will be the basic take-off parameter on the change in consumer behaviour related to the emergence of shopping centres close to the communities and the behavioural model which recommends the use of both qualitative and quantitative methods to understand consumer behaviour.

## **CHAPTER 3: RESEARCH METHODOLOGY**

### **3. Introduction**

The research methodology for this study is based on both qualitative and quantitative data. The objective is to enable the researcher to comparably assess shopping and consumer patterns emerging from the development of shopping centres in post-apartheid South African townships. Both primary and secondary data sources are used by the study. This chapter first and foremost outlines the background to Umlazi Mega City shopping centre case study area before outlined the data collection tools that were used therein.

#### **3.1. Study Area**

This study is based on the case study of Umlazi Mega City shopping centre which is located in Umlazi township approximately 25 kilometres South of the Durban city centre. This is an ideal area for the study because Mega City is one of the latest and biggest shopping centres in Umlazi township. Umlazi V section consists of various retail facilities ranging from informal traders' node, such as Ezimbuzini, KwaMnyandu and regional centre called Mega City. It is also characterised by residential areas, ranging from medium density to high density. High density residential areas mainly, are government subsidised dwellings, which include Reconstruction and Development Programme (RDP) houses and hostels. Other facilities that are in the area include educational facilities, ranging from primary schools to tertiary institutions, sport and recreational facilities and health facilities including clinics and a hospital.

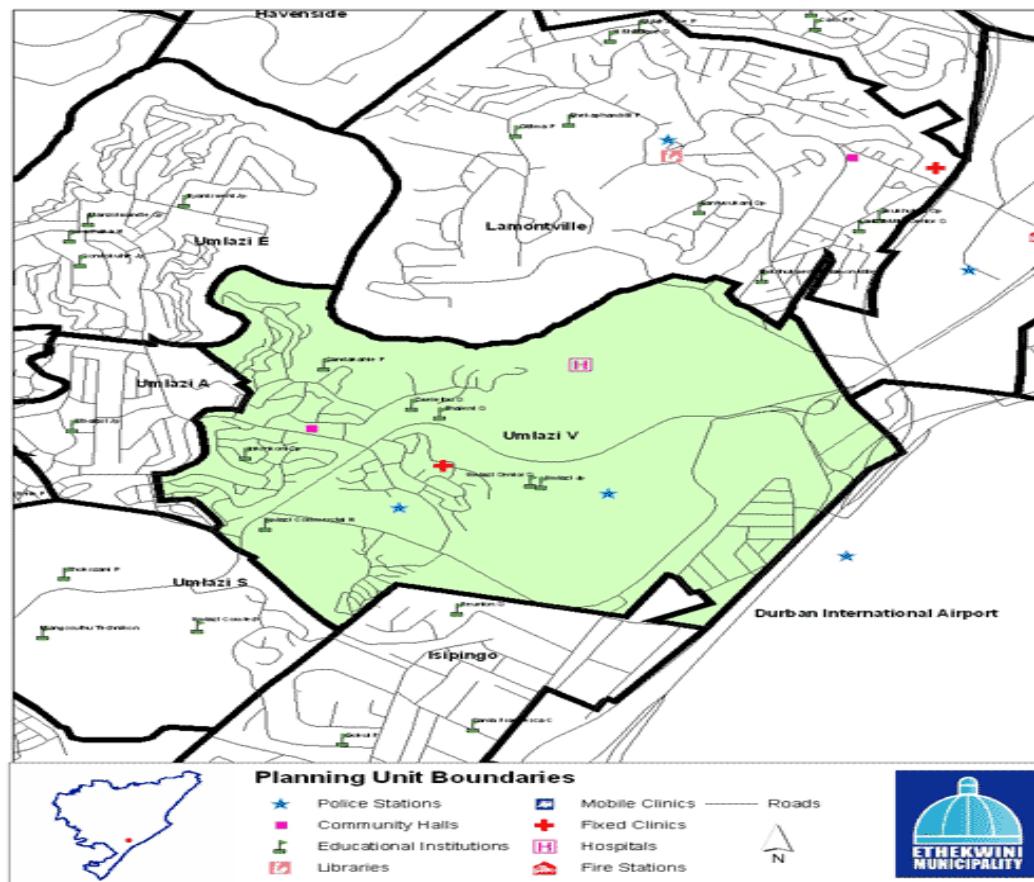
The Umlazi Mega City shopping centre was jointly developed and owned by the Mart-prop Property Fund and South African Retail Properties (Business Report, 2006). This centre can be regarded as a test project for future retail developments in black residential areas. Mega City prospects for current and future retailers in under serviced black areas. The Business Report of 2006 also indicated that the centre still has to compete with other shopping areas such as the Durban Central Business district into which people commute, as well as regional shopping centres like the Pavilion, which offer more high-end fashion retailers and entertainment.

Mega City can be classified as a regional shopping centre strategically located along the M30 Mangosuthu Highway at Umlazi (Mall Guide, 2001). The centre location gives access and visibility to Umlazi and surrounding communities as it is located in between two communities



(Umlazi and Lamontville). In addition, since Mega City Shopping Centre was opened in 2006, little is known about its impact on the communities it serves. V section is the only section of the whole of Umlazi township selected for critical analysis of consumer behaviour on account of proximity and time constraints. The Umlazi V section is also adjacent to the Mega City shopping centre and is the one of the biggest sections of Umlazi township. Figure 3.1 shows the location of Umlazi V section within Umlazi township and the surroundings.

**Figure 3.1. Umlazi V Section Map**



*Source: EThekwin Municipality 2007)*

### 3.2.Data Collection

Two methods of data collection were used in this study namely, primary and secondary sources. Data was collected in different sub-areas of Umlazi V section, inside the Mega City shopping centre, as well as EThekwin Municipality offices.

### **3.2.1. Primary sources**

Primary data sources for this study were namely consumers of Mega City shopping centre, residents of Umlazi of V section, shopkeepers, EThekweni Municipality development planning representative and the marketing manager of Mega City shopping centre. Shoppers and residents of Umlazi V section were interviewed and questionnaires administered to different households on shopping experience before and after the development of Mega City shopping centre in Umlazi township (objective two and three). More than 200 shoppers were interviewed at different intervals and more than 500 households responded to administered questionnaires (20 of each were recorded that represents a frequent and similar responses and tools are available for scrutiny). Customers, shopkeepers and marketing centre management of Mega City shopping centre provided the information on the current shopping behaviour patterns in the utilization of Mega City (objective 2). All this information that was drawn from consumers of shopping centre, residents of V section and shopkeepers of Mega City helped the researcher to identify Mega City's influence on the shopping behaviour of the Umlazi communities (objective 4). Umlazi V section and the consumers of the centre provided the advantages and disadvantages of operating at the Mega City (objective 4). The representative of EThekweni municipality Development Planning unit and the Marketing Manager of Mega City shopping centre helped the researcher to identify the reason behind the emergence of the Mega City and its usefulness to customers and community as a whole (objective 1).

### **3.2.2. Key Informants**

Two groups participated in this study as the key informants. The first one was EThekweni Municipality Development Planning department whose town planner was involved in the conception of Umlazi Mega City shopping centre development. The marketing manager of the Mega City centre, on behalf of the management of the centre, was interviewed also as a key informant. His input provided further in-depth information on the overall performance of Mega City shopping centre development to date.

In-depth interviews were conducted and questionnaires were administered to these participants. The data collected was an in-depth insight into particular aspects of the centre and its inception to date. From the town planner's responses for example, the researcher was able to identify the

reasons and informing principles behind the construction of the Umlazi Mega City shopping centre.

### **3.2.3. Research Instruments/tools**

In this study, data were collected using qualitative and quantitative tools. Both structured interviews and administered questionnaires were adopted for this end. Each one of them provided both necessary qualitative and quantitative results sort. The researcher used two research instruments to collect primary data, namely, structured interviews and questionnaires. Structured interviews provided qualitative results, whereas the questionnaire provided quantitative

#### ***3.2.3.1. Structured Interviews***

In-depth interviews with customers, shopkeepers, manager of the centre and the town planner were conducted. These interviews were aimed at producing reliable and precise results relating to the subject matter at hand (research questions/tools on the appendix, page 63-79). Structured interviews entail the researcher preparing interview questions before hand.

In-depth interviews were conducted with shoppers in the age groups 15-35 years (youth) and 36 years and above (adults). Different shopping experiences before and after the construction of Mega City shopping centre were gathered from these responses and so were the advantages and disadvantages of shopping at Mega City shopping centre. These patterns of shopping behaviour further contributed to the quest of the study of tracing change in consumer behaviour in relation to the emergence of shopping centres in the townships.

The last set of interviews was conducted with shopkeepers and managers of businesses operating within Mega City shopping centre. Similarly, verbal structured interviews were conducted with some and structured questionnaires administered on others, depending on the availability and earliest convenience for such. The responses to this set a benchmark and provided reliable assessment of the centre from its inception to date.

#### ***3.2.3.2. Administered Questionnaires***

More than 500 questionnaires were administered to the residents of Umlazi V section who were either heads of households or members of household. This survey helped identify residents'

shopping patterns and the utilisation of Mega City shopping centre, a new phenomenon in their mist. This also further contributed immensely towards achieving the main objective of the study.

### **3.3. Sampling methods**

A term sample in relation to research refers to “*any part of population regardless of whether it is representative or not.*”(Burns, 2000: 83). Selected sample is that part of the population that is strategically selected to participate in the study. Others describe a selected sample as ‘representative’. Different sampling methods were used because it was impossible to collect data from everyone in the study. Therefore, the researcher used different strategies to select participants/samples who would act as representatives from each group, as mentioned in the earlier categories. Three specific sampling methods were used in this study and will be discussed briefly in the following sections.

#### **3.3.1. Convenience sampling**

Generally, it is difficult to identify the number of customers who are patrons of any business district or to get a list of the customers of any shopping centre, so the researcher used convenience sampling method to select representatives of Umlazi Mega City centre shoppers. The researcher positioned herself at different Mega City shopping centre exit and entry points at different intervals of different days and request customers to participate in the study as they walkby. An attempt was made to get representative samples of both gender and different age groups. Thus population group and age group were fairly represented.

#### **3.3.2. Purposive sampling**

The researcher used purposive sampling for interviews with shopkeepers. Shopkeepers were stratified and grouped according to their kinds of businesses in the centre for example, some from shopkeepers from retail stores (Mega-Spar, Woolworths food market and Clicks), some from clothing stores (Mr Price, Nu Shop and Truworths), some from Fast food restaurants (KFC, Pie-City and Nandos); some from the entertainment industry (music shop).

#### **3.3.3 Systematic sampling**

Systematic sampling was used to collect data from the residences of Umlazi V section. This method was selected in order to give all groups (especially, based on economic viability) equal

opportunity to participate in the study. It helped the researcher to get views from these different groups. This sample was drawn and stratified in terms of income area groups namely high income areas, middle-low and no income areas. Male headed households, women headed households and child headed households were also considered selecting the participants that will represents the residents off Umlazi V section. Different sub-areas of V section for example, Kwastambu, Emalandeni, Island, Tehuis hostel and Glebe were utilised in ensuring the equal representative of all income earners categories.

### **3.4. Access to the field**

Permission was requested from and granted by the councillor of Umlazi V section, for this study to be conducted. Door to door visit and approaching shoppers as they entered or leaving Mega City was another way of gaining study participants. Appointments were made for either an interview or administration of questionnaires for shopkeepers, centre manager and town planner. In the case of questionnaires that had to be collected later, a week was maximally given for earliest convenience to complete such.

### **3.5. Secondary sources.**

Secondary sources consulted enabled researcher to carry out literature review of the study, which informed the findings and recommendations in terms of similarities and the novelty of South African case. Major sources for such were journals, text books, reports and internet sources.

### **3.6. Data Analysis.**

The researcher used content analysis in analysing qualitative data. This is a research technique used to analyse data by determining presence of certain words or concepts from the participants' responses. For this end, qualitative data was analysed by formulating a table called analysis matrix. Analysis matrix includes a question, a theme, a concept, count (presence of a concept), and the rank. This was done to see the importance of the concept in the study.

Twenty questionnaires were analysed each time for each section using SPSS software. This was done to produce the quantitative results.

### **3.7. Ethical clearance**

Ethical clearance for this research was granted by University of KwaZulu Natal Higher Degree committee.

The research questions, informed consent forms and letters of appointments are attached on the appendix.

### **3.8. Summary**

Qualitative method provided the complete and detailed description of the consumers' shopping experiences, whereas the quantitative results provided the statistical results of the consumers' shopping experiences at Umlazi Mega City shopping centre.

## CHAPTER 4: RESEARCH ANALYSIS AND RESULTS

### 4. Introduction

The research was undertaken from May 2010. The results to be discussed here emerged from two research instruments that were used: questionnaires (for V section residents) and interviews (for customers, shopkeepers, the centre management representatives, and EThekweni Municipality Development Planning representatives).

The shopkeepers were selected as mentioned earlier, from different types of business operation at Mega City and represented the whole spectrum of the retail industry per se. Shops range from furniture shops- Barnetts, Price and Pride, restaurants- KFC Chicken Licken and Spur, clothing shops- Mr Price, Woolworths, Truworths and Pep, cell phone shops- MTN, Pep Cell and Vodacom, supermarket-Mega Spar, Pharmacies-Clicks, general dealers- Mega Fabrics, hardware- Cash Build and the computer stores- incredible connections. Most of the businesses at Mega City are retail stores, but offering a variety of goods and service, which includes groceries, clothing, music DVDs and CDs, selling shoes as well as phones.

#### 4.1. Demographic Breakdown of Umlazi Township

##### 4.1. 1. Total Population of Umlazi by Gender

The below table illustrates the total number of people in Umlazi township. According to Census 2011, Umlazi has more than 500 000 population with approximately even distribution in terms of gender (260193 males and 263538 females).

**Table 4.1. Total Population of Umlazi by Gender**

Males	Females	Total
260193	263538	523731

*Source: Census, 2011*

##### 4.1.2. Age Structure of Umlazi

The age structure table illustrated below indicates that Umlazi township is dominated by young people between the age of 14-35. Elders aged above 65 years are the smallest population group in Umlazi township.

**Table 4.2. Age Structure of Umlazi**

0-6	7-13	14-21	22-35	36-50	51-65	66-120
70536	55103	90426	166736	85100	41053	14782

*Source: Census, 2011*

#### **4.1.3. Employment Status of Umlazi**

The table below illustrates the work force of Umlazi township. The table indicates that Umlazi is dominated by population that fall under “not applicable” with approximately 150838, followed by employed population (approximately 127637) and employed population with approximately 127637.

**Table 4.3. Employment Status of Umlazi**

Employed	Unemployed	Discouraged work-seekers	Not Economic Active	Not Applicable
127637	85888	22896	136480	150838

*Source: Census, 2011*

## **4.2. Demographic Breakdown of the Respondents**

### **4.2.1. Total Number of Respondents**

The total number of participants of this study is approximately 740. Initially, the study aimed to balance the number of participants in terms of gender; however more females showed interest to participate in the study than males. Hence the number of females who participated in the study is more than males. One of the reasons is that the study was conducted at the centre during the time where mothers were getting their monthly social grant.

**Table 4.4. Total Number of Respondents**

Males	Females	Total
257	483	740

*Source: field work, 2011*



#### **4.2.2. Age Structure of the Respondents**

The table below illustrates the participants in terms of the age group. The table indicates that young people (15-25) and adults (26-35) were the most available participants in this study. The centre does not cater for the pensioners as it does not have pension pay points and welfare offices. Only young people who can manage to access the social grants at the Spar Supermarket. In this table the “other” represents those who did not want to respond.

**Table 4.5. Age Structure of the Respondents**

<b>15-25</b>	<b>26-35</b>	<b>36-45</b>	<b>46-55</b>	<b>56-65</b>	<b>65 and above</b>	<b>Other</b>	<b>Total</b>
<b>223</b>	242	185	50	17	3	20	740

*Source: field work, 2011*

#### **4.2.3. Occupation of the Respondents**

The table below indicates the occupation of the respondents. The majority of the respondents indicated that they are unemployed (340), followed by the employed (287) and then the other (113). The “other” represents those respondents who mentioned that they work piece jobs, scholars, students and pensioners.

**Table 4.6. Occupation of the Respondents**

<b>Employed</b>	<b>Unemployed</b>	<b>Other</b>	<b>Total</b>
<b>287</b>	340	113	740

*Source: field work, 2011*

#### **4.3. Why Mega City was built?**

It emerged from the discussions with the development planning representative from EThekweni municipality and the marketing manager of the centre that vacant land previously used as a sport field near men’s hostel was earmarked for construction of the centre. It was part of the Local Economic Development of Umlazi agenda aimed at encouraging local entrepreneurs to invest in black townships, regenerate the economic outlook of Umlazi and as part of a larger democratic government plan of redressing the inequalities of the past.

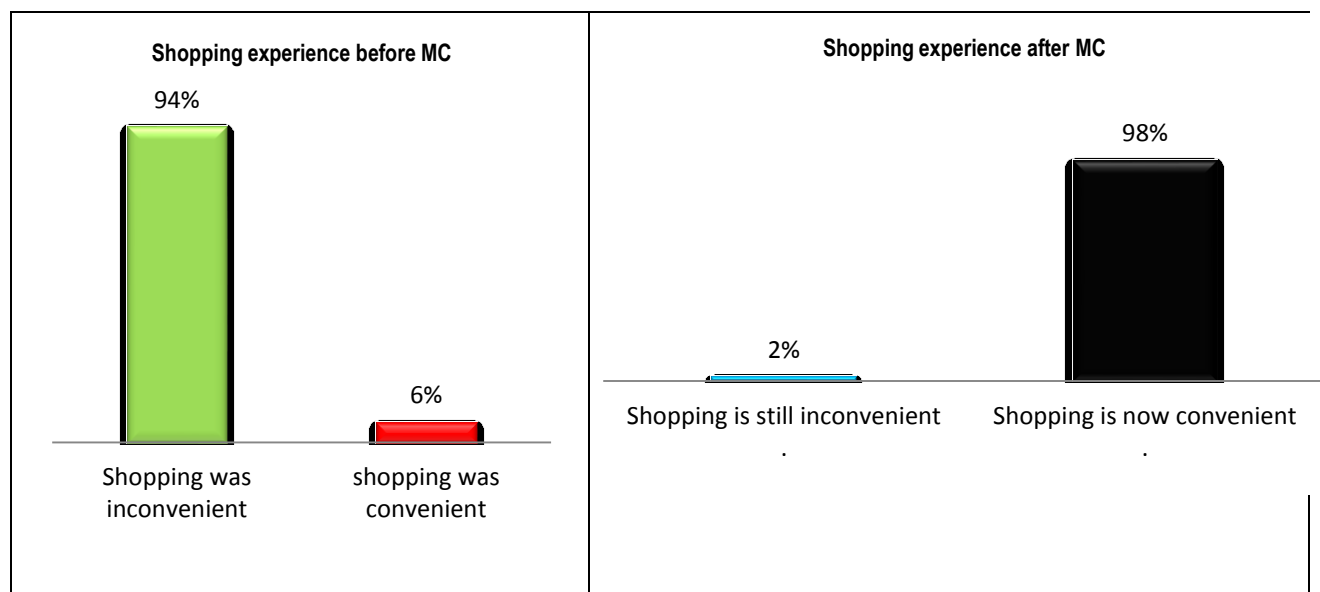
#### 4.4. Shopping Experience of Umlazi Residents Before and After the Development of Mega City Shopping Centre

In response to questions relating to the shopping experiences before and after Mega City opening, consumers indicated that shopping had never really been a good experience as the CBD was the only place for shopping. A number of reasons that made the shopping experience challenging relates to its costs and the distance that had to be travelled each time. It was expensive, time consuming and yet with no assurance of returning with all needs met.

*“Shopping was not enjoyable before the emergence of Mega City as there were lot of delays caused by unreliable transportation. Sometimes you could spend the whole day doing shopping only” [Cust. #2 said]*

The new centre that is within easy access has definitely addressed this challenge and that can be evidenced in the graph below.

**Figure 4.1. Shopping Experience Before and After Mega City Emergence**



94% of the consumers had to do their shopping in town before Mega City was established. They had just been no other option in terms of shopping places. Town (Durban CBD) was the only place that could cater for all shopping needs. The second graph shows just over an equivalent amount of this incredible percentage of people that have got a totally different shopping experience since the construction of Mega City. A whopping 98% of the respondents have taken

full advantage of the use of the centre nearest to them. Statements like these all highlighted the plight of the people before.

*“Mega City created job opportunities for some of us at Umlazi and it is very easy now to do shopping. We have got other services close to our homes here for example, banks, food stores, clothing stores to pay our accounts easily; Decrease in transport costs. Everything is easy for us people living in Umlazi. Municipal services are now closer to our households. We get information easily” [cust.#1].*

*“I can buy fresh bread every day.” [cust. #5]*

*“I can buy what I’m going to cook on my way from work” [cust. #9]*

*“It is amazing, I go pay all my accounts before I can get home wash my hair and prepare myself for a weekend”. [cust. #20 ]*

*“My child (an elderly lady respondent said), now I don’t have to use half of my grand child’s pocket money to go to the bank to deposit the other half for her in town, I just walk to the bank now and give her even more from my pension... there is a God somewhere!”. [cust. # 17]*

#### 4.5. Shopping Preferences After Mega City

Items of shopping, activities and services exclusively attainable in the CBD before, are now available at Mega City. The table below clearly indicates the gap filled by the existence of the centre.

**Table 4.7.: Shopping Preferences after Mega City**

Type of goods or services	No. of customers that shop at Mega City	No. of customers that still shop where they used to shop before Mega City was built (town, Isipingo, etc.)	No. of customers that shop at nearby shops e.g. tuck-shops, Fani, V-robots or Gina
<b>convenience food</b>	49%	45%	6%
<b>Groceries</b>	97%	3%	0%
<b>Fast food</b>	95%	5%	0%
<b>Clothing</b>	88%	12%	0%
<b>Furniture</b>	72%	28%	0%
<b>Financial services</b>	98%	2%	0%
<b>Other, specify, i.e.: municipal services</b>	96%	4%	0%

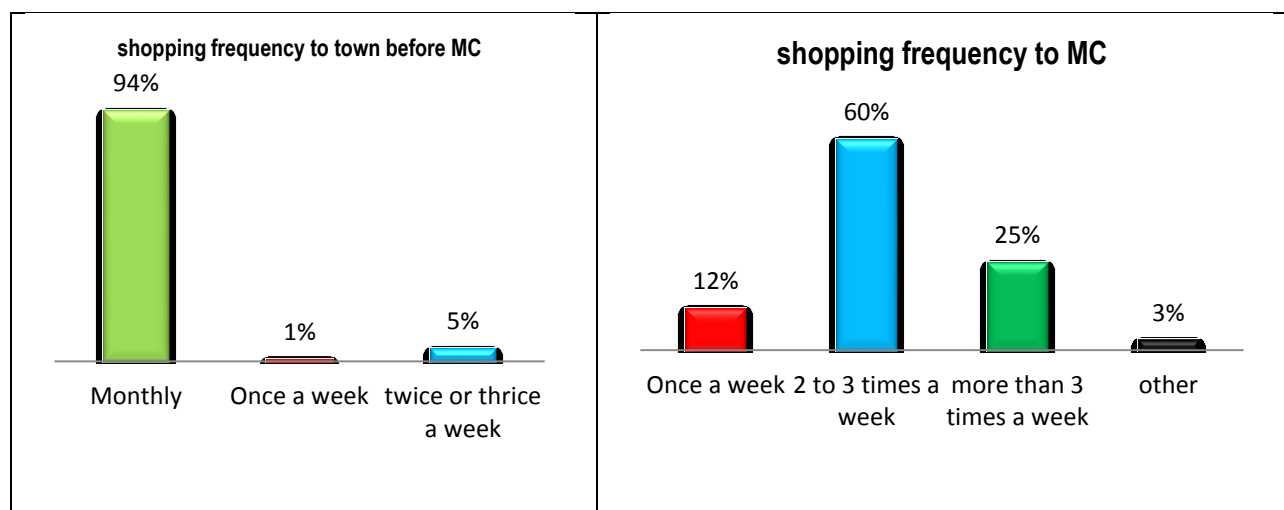
*Source: field work, 2011*

The majority of consumers (98%) indicated that they use this centre to access almost all their household needs. A significant number of customers (75%) reported that they used to buy their convenience goods (cigarettes, fruits, vegetable and bread) at the nearest tuck shops and at an inflated price, and 45% now buy these kinds of goods from Mega City. This led to an inevitable decrease of the number of tuck shops and a migration of some to the centre. The picture in figure 7.8 on page 84 shows the informal traders at Mega City shopping centre. Some of these people used to own tuck shops and they have made redundant by the new centre. The majority of people who reported that they shop the convenience goods in Mega City are those customers who live at V section where the centre is located. This makes economic sense because, before the establishment of this centre, town was the only place where people from Umlazi could get most goods and services for their households' needs.

#### 4.6.Shopping Frequency

Change in the distance is the key factor that leads to a change in consumer behaviour to the people from Umlazi community and its surroundings. Emergence of Mega City brought services close to Umlazi community, which encouraged people within the community to make more trips to the centre than before.

**Figure 4.2.: Shopping Frequency before and After Mega City Emergence**



These graphs show how the number of trips for shopping has changed since the Mega City shopping centre was developed for Umlazi and the surrounding communities. It has been

indicated that before the establishment of Mega City, the respondents used to do their shopping monthly, currently, the number of trips to the centre has increased as 60% of the participants indicated. This may be caused by the fact that the centre is close to their neighbourhoods, so they make as many trips as they like without worrying about transport and time costs. Customers indicated that shopping at Mega City make them save compare to the case before the emergence of the centre. As a result, customers visit the centre more frequently, especially those who stay close to the centre like hostels residents ( Tehuis and Glebelands)

*“Since the opening of Mega City, I can do my shopping almost everyday, because I don’t pay anything to reach the centre.Mega City is within the walking distance from my home” [Cust. #7 said]*

*“I can even go there to check/ budget/ plan and see what I’m going to buy before I even get paid, which is something I could never do in town”[ ]*

#### **4.7. Types of Trips made to MC**

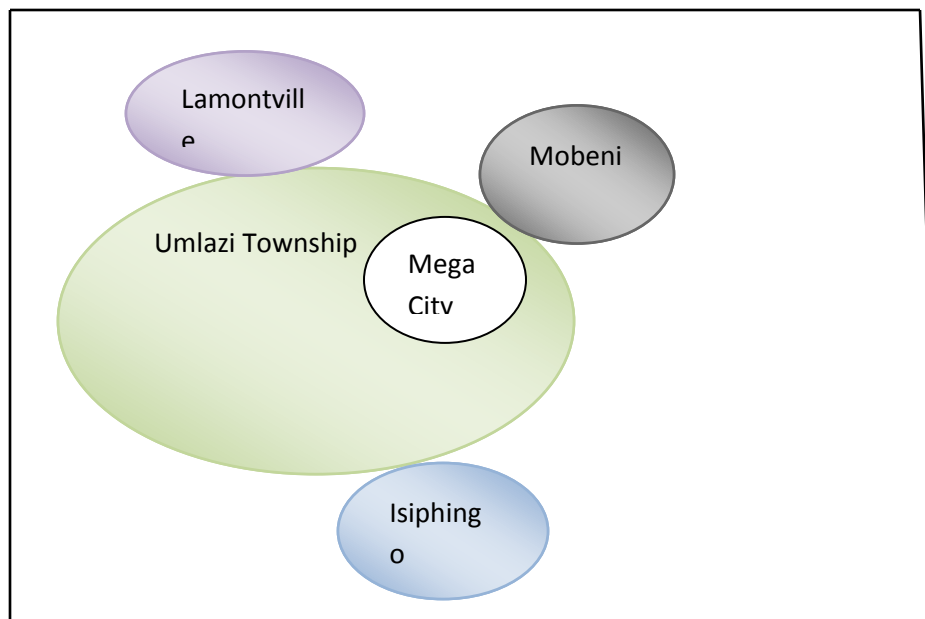
With regards to the types of trips consumers make to Mega City, respondents indicated that they do both main trips, which is usually one big grocery shopping and extra visit for general shopping, which is the shopping for smaller items. The results also showed that many people (48%) undertake one main trip, plus a few more extra visits. The majority of the respondents visit the centre daily, as the centre located in close proximity. So grocery shopping is regarded as the main trip because even though they no longer buying things in bulk, but they should buy basics for the whole month in order to save.

Some customers reported that they do some of their shopping daily as the centre is within walking distance from their homes and they are able to take advantage of fresh produced, market days, sales and promotions.

#### **4.8. Communities served by Mega City**

Not only people from Umlazi sections use Mega City as the shopping centre for goods, services and household needs. The study threw up the fact that people from outside Umlazi visit Mega City as well. Customers from the neighbouring and adjacent communities such as Lamontville, Mobeni and Isiphingo, were identified and participated in the study during the data collection at the centre. They also stated that they find the trip to the centre more convenient than shopping at the distant CBD.

**Figure 4.3.: Communities served by Mega City Shopping centre**



*Source: Field Work, 2011*

This diagram indicates the communities being served by Umlazi Mega City shopping centre.

A sense of loyalty and vote of confidence has created a loyal client base, especially, in the establishments that rely on long term commitments and when that first commitment was made possible in the centre. Emotions attached to the first experience of opening account in the first brand new centre in the township seem to inform and uphold this loyalty to Mega City.

#### **4.9. The use of the centre**

With regards to the use of the centre, as indicated above, not only people from Umlazi use the centre. For example, there are other new shopping centres in Isipingo, Amanzimtoti and Umlazi P section, but customers from these areas would still choose to pay their accounts in this centre than the newly opened ones.

Like in any other retail centre, the busiest times are weekends and pay days of each month (15<sup>th</sup>, 25<sup>th</sup> and 30<sup>th</sup>). These are the times when all feel generous to them and have to plan the following month's shopping and recreation.

The clothing shops are also busy at the centre as 88% of the consumers interviewed reported that every time when they are at the centre they start at the supermarket for grocery and then move to various clothing shops whether for shopping or sometimes for window shopping. The other busy businesses especially during week-ends of month end are restaurants like KFC, Chicken Licken, Spur, Pansula Bites and Wimpy. Restaurants were very busy also as most people with grocery trolleys were sitting at different restaurants. Cash build as the only hardware shop that supply for the whole of Umlazi community, were found as among the busiest businesses at the centre.

Most businesses get busy at the centre when they have some sales and promotions. These attract more customers to their businesses. Promotion is the form of advertising the new or upgraded version of a product or services. This means the promotions and other events at the centre like radio shows are major draw card of the consumers to the centre. As consumers come in the centre for events or promotions, they also get time to visit stores at the centre and sometimes they do unplanned shopping.

Even people who live in the high income residential areas of Umlazi use the centre and indicated a positive response about the centre, as they reported that the centre is convenient to them because of the short distance which saves the petrol costs to do their shopping at low costs.

*“Well I can’t lie to you and say I don’t visit other places like Gate-way, Musgrave, Pavilion and in town, but since the opening of Mega City, I just go there for fun as they are fancy places, you know, but not to return laden plastics of rice and the mealie meal. We have got everything here; there is a petrol station, a car wash and a taxi rank for those who use public transport. So no one should complain. Even stores are mixed to accommodate all levels of living. We have Pep, Nu shop, Mr Price, Jet, they are many. These shops are known as shops that charges low prices. So what a person would say?” [cust #8]*

#### **4.10. Other services offered (establishments) at Mega City**

Other than shopping, the centre offers a variety of services and activities that include meeting with other people, family outing, attending events hosted at the centre, promotions, consulting Doctors, Municipal enquiries, gym and many more. 90% of the participants indicated that they walk to the centre that is why they do visit the centre even for sake of taking a walk and meet other people, without any major reason.

*“I don’t pay any transport fare to reach Mega City, so sometimes I go there for exercise or to meet my friends if I’m bored. In most cases we do window shopping if there are no events hosted in the centre”. A consumer indicated. [cust # 16]*

#### **4.11. Means of transport to Mega City and Costs**

The centre is located within township which is dominated by a low income community, the majority of consumers use public transport. People use different types of transports to reach it. Most consumers indicated that they used taxis and buses. The majority of consumers pay the amount of R6, 00 each way. The study also revealed that consumers do not use only taxis as the centre is located along the main route of Umlazi entrance. This gives access to all types of public transport, which also include buses and the train.

*“I can use any public transport I like for that day, as I have options between buses, taxis and train, but I usually use taxis because they are fast. If I’m not in a rush, I use either bus or train as they are cheaper than taxis. The train fare from my nearest station to Mega City cost about R3, 50 each way. Each trip to Durban was three times that in any form of public transport”. [Cust # 2].*

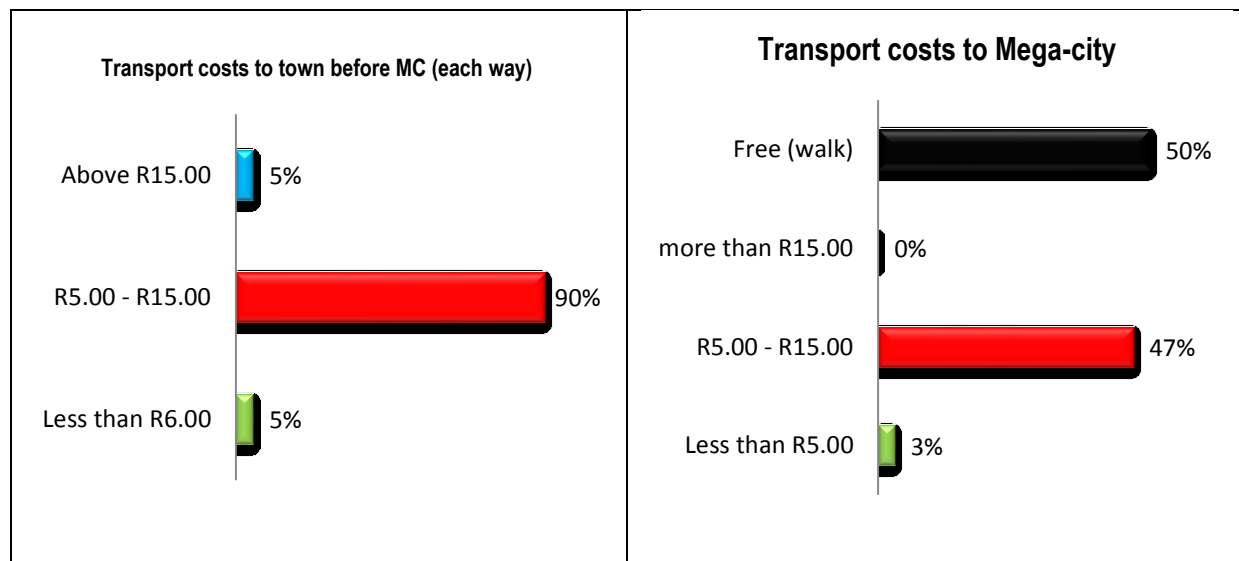
Half of the customers (50%) reported that they still use taxis to get to this centre, 25% live within walking distance to Mega City and the other 25% use their private cars. These are mainly people from V Section especially those who live in the hostels that are located next to it. This is one more indication that shopping centres play an important role in changing consumer behaviour as services get closer to the people. The consumer shopping seems to be much easier to customers because of change in a distance customers have to travel in order to reach shopping centre.

Economically, decrease in distance to travel for shopping trips can increase the willingness to do shopping trips to the consumers. Some participants supported this as indicated that they feel like doing their shopping almost every day, since they can even walk to the centre.

These two graphs below provide evidence to the change in transport costs brought by a shopping centre close to the people it serves.



**Figure 4.4.: Transport Costs Before and After Mega City Construction.**



Consequently, the new centre has become the new CBD for Umlazi communities; there is no longer any need to travel to Durban town.

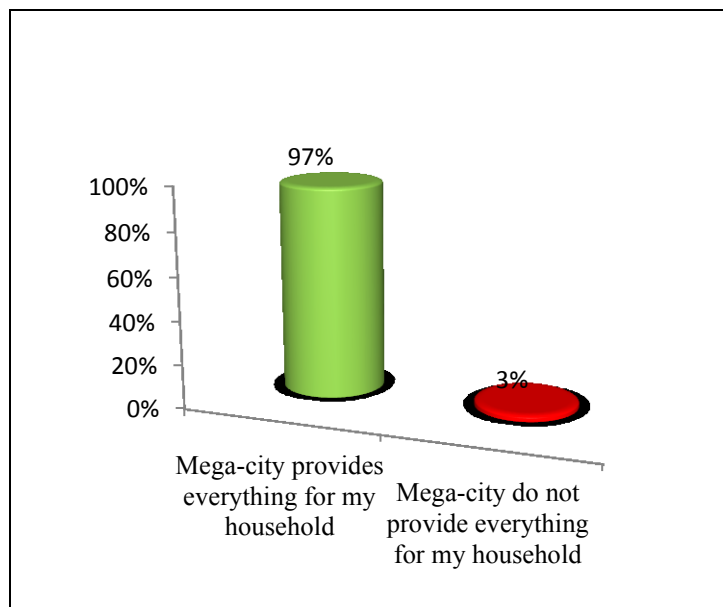
Travelling from Umlazi to town takes between 30 and 45 minutes amidst heavy traffic and unreliable public transport, whereas the new centre is only 5 to 10 minutes away from the furthest consumer in the community. Less time and less money spent on travelling to town has easily translated to frequent visits to the new centre and more money saved that can be used for more shopping.

*“One of the reasons that make me to visit Mega City more often is that, this centre is very close to our households, which includes less spending in transport as well as time saving”. [cust. # 3]*

#### **4.12. Provision of Services by Mega City**

With regard to the extent to which the new shopping centre provides enough facilities for customers' household needs, the majority of respondents reported that it does provide enough services for their household needs. They further reported that, Mega City has become their town where they get everything they used to get to Durban CBD before.

**Figure 4.5: Provision of Services by Mega City**



*Source: field work, 2011*

The graph above illustrates the response from Umlazi community regarding to the provision of services in Mega City. 97% of the participants were of the opinion that it provided adequately for all household needs.

#### **4.13. Advantages of shopping in Mega City**

This centre became an exciting commercial place for Umlazi communities and its surroundings. Consumers and business owners indicted number of advantages of operating at Mega City, which includes the location, accessibility and opening hours of the centre.

##### ***4.13.1. Location and Accessibility in the Centre***

The centre is at the entrance of Umlazi Township, where taxis and buses from town pass. This gives access to most of people at Umlazi and outside Umlazi Township. Its location also attracts other people passing the area, and can end up making unplanned visits to the centre. Picture in figure 7.3 on page 81 indicates a public transport drop off zone which is about 1 km away from the centre and there is also pedestrian passage from the drop off zone to the centre indicated in picture in figure 7.5 on page 82.

From the consumers' point of view, the centre is located within Umlazi community which makes shopping experience convenient. It is convenient in the sense that people no longer need to spend

much time or pay high transport costs to reach the shopping centre. The research findings indicated that people like the centre because it brings services close to them, and it provides various facilities other than retail facilities, for example: gym, municipal services, financial services and others. The centre location provides accessibility and visibility of the centre to people. Majority of the respondents seem to be pleased about the location of the centre including key informants (town planners and the marketing management of the centre). They indicated that the centre is strategically located in the entrance of Umlazi township, which gives access to the wider Umlazi community and the neighbouring townships of Lamontville, Isiphingo and Merebank. Its location within the high density residential (hostels) and near the Prince Mshiyeni hospital increases the buying power and the demand for goods and services.

*“This is the main entrance of Umlazi township for all sections. I mean, all taxis from outside Umlazi use the Mangosuthu Highway to enter Umlazi, and Mega City’s location covers not only Umlazi communities but also those from outside the township have an access to the centre. For example: there is no shopping centre at Lamontville, so they use this centre to do their shopping, and it is closer in terms of the distance compared to town”. [ Cust. # 14]*

Business owners are also attracted by the location of the centre, which has a large population as that indicates high level of the threshold. Furthermore, it was indicated earlier that Umlazi is the second biggest township in South Africa, so this shows that its buying power is relatively high from that kind of population size.

#### **4.13.2. Opening hours at the centre**

Most consumers reported that shopping at Mega City is advantageous as the centre opens until late. This gives enough time for customers to make more trips to the centre, especially those who walk to reach the centre and those that are working during the day. It opens at seven o’clock in the morning and operates until seven at night. The centre is very busy during the day, which is around lunch time as well as after hours as people pass-by the centre to get items on their way home from work and others mostly go to gym after work. Business owners also stated that the centre is very busy during the peak hours.

#### **4.13.3. Advantages to businesses**

Key advantages of the businesses in the shopping centre includes low level of competition among other businesses in the centre, supplying of products or rendering services that are in the

demand within the community, located in an entrance point of the centre and prices. Most of business owners stated that they are the only shop in the centre, so this means they have many customers for their businesses. This also indicates that, those businesses do not have competition at all in the centre. Others also mentioned that even if they lower their prices, they still make a huge profit.

*“Because we are the only shop operating here at Mega City that sell dual sim cards phones, and people are excited about it because it’s a new thing”. [s.k. #1 said]*

In addition, Mega City is a new target area, which gives the investors an opportunity to run their businesses at Umlazi. The huge population of Umlazi is another advantage for the businesses to operating there as it means high buying power.

#### **4.14. Challenges in Shopping at Mega City**

Even though the emergence of Mega City brought a change in consumer behaviour, there are some challenges that were raised by both consumers and business owners who participated in the study. These include among others, low level of competition among shops in the centre, and the language barrier.

##### ***4.14.1. Low competition among some businesses at the centre***

Low competition in the centre can lead to high prices which are advantageous to businesses and a disadvantage to consumers. In other words, when business has no competition with other businesses in the centre, that particular business can keep its goods or services at high prices and consumers will be forced to buy at those high prices due to lack of better alternatives. This will imply high profit that the businesses make. Thus, low competition can be regarded as an advantage to business owners and a disadvantage to consumers. As a result, consumers end-up spending more than they should.

The availability of one supermarket in this centre seemed to be a common challenge to participants of the study, both consumers and business operators. Consumers indicated that even though they use Mega-Spar for their groceries since it close to them, but they feel that if the centre had another supermarket that will compete with the existing one, prices will be lowered. For now, the one super market still remains the busiest (see a picture in figure 7.7 on page 83 was taken during the morning, around 11h00 on a weekday).

Even business operators felt that if there were other supermarkets to compete with Mega-Spar that could attract even more customers to the centre. Businesses sometimes depend on each other to get more consumers. For instance, most people visit the centre for shopping groceries in most cases, however after their visit to the supermarket they move to other shops like a clothing shop, sometimes on an unplanned visit. This means that if the supermarket can attract more consumers, other businesses will benefit from that also as the number of consumers will increase to the businesses.

*“...for example, we know that most African people use Shoprite for grocery, as it was the first to open its doors to black areas, if the centre can have Shoprite, more customers would come to the centre, which would also increase customers who would visit us, as they usually come to this shop and other clothing shops every time after they finish doing grocery”. [s.k. # 19].*

#### ***4.14.2. The lack of Other Uses in the Centre***

It is important for a retail centre to have implications for other uses such as entertainment and pension pay point. The retail centres should provide the entertainment facilities like cinemas, gaming facilities and places of good music. The provision of pension point and the welfare offices at the centre can increase the use of the centre and the performance can improve as well. Mega City does not provide all these facilities and participants from different groups, especially the youth indicated the need for these facilities as that can add more reasons for them to visit the centre more frequently.

#### ***4.14.3. Challenges to businesses at Mega City***

Shopkeepers indicated that even though their businesses perform very well in this centre. However the language barrier is still a challenge to most of them. They mentioned that the majority of Umlazi people are Zulu speakers and some cannot understand English at all, so each shop, there must have people who can speak the local language.

*“The one disadvantage of operating here is the language barrier. The majority here at Umlazi are Zulu speakers, which sometimes affect our service to our customers. As a result, we are forced to employ people that can speak isiZulu”. [s.k. #6]*

Although most shopkeepers mentioned different disadvantages of operating in this, however, some shopkeepers had no disadvantages to note.

*“There are no disadvantages, people from Umlazi like us very much and show support in the centre in a big way!” [s.k.#9]*

Some shopkeepers especially from restaurants commented that they have got a high competition, which clearly indicates that there are many restaurants in Mega City.

*“Competition between Chicken Licken and other restaurants like KFC and Nandos is the highest competition in this centre. People choose each and every day where they want to go for that day”. [S.k. #18]*

#### **4.15. Recommendations from the Participants**

Participants raised many recommendations with regards to the improvement of the shopping experience at the centre as well as the improvement of the centre itself. As mentioned earlier that even though the centre seems to be useful to people to Umlazi township and other surrounding communities, however the centre still lacks entertainment facilities located inside the centre. The only time where people get entertainment in the centre is when there are events hosted by some parties or companies. Most respondents especially the youth wished that the management of the centre can add some entertainment facilities for example, a cinema.

*“Mega City has got many things we need and it is a helpful sort of development in the communities it serves, but we would like to see more facilities for entertainment. Places like shisanyama (braai meat) and a cinema would encourage even more people to come to the centre every day” a customer said.” [ cust, # 20]*

Shopkeepers reported that there is poor marketing of the shopping centre. They indicated that the centre still needs more promotions and advertisement to other communities. Shopkeepers feel that developers did not do enough to make people of larger Durban aware this new. A need to bring more shops in the centre so that the centre will be bigger and more vibrant was also suggested. As yet, the centre is next to a highway and five years old, but not a single sign directing motorist to it.

#### **4.16. Limitations of the study**

Dealing with business people has never been easy. They are always on high alert and suspicious and unwilling to give information until they are assured of its need and future use. Convincing participants to participate in the study was thus sometimes a longer process than expected. Thus, information given easily can never be trusted not to back fire. For example, salaries that are below national minimum wage can lead to business people being challenged, charged and fined.

#### **4.17. Summary**

People from Umlazi and the surroundings gave a very positive response towards the emergence of Mega City as the means of bringing facilities especially retail facilities close to their communities. Quantitative and qualitative study produced similar findings and raised an interesting comparison between quantities and qualitative analysis. Quantitative method produced the statistics findings which helped in the support of the qualitative findings.

From the consumers' side, this chapter indicated that distance, location, accessibility, services offered in the shopping centre are the main key factors that influence the change in consumer behaviour. Consumers reported a positive response about Mega City in relation to these factors. To find that even some people from Isiphingo still use Mega City to do shopping, while there is a shopping centre at Isiphingo indicated that shopping behaviour can be surprising sometimes.

For shopkeepers, these findings highlighted an important point that businesses are not there to compete to each other only, however, they also depended to each other to attract more consumers. As the study indicates that some businesses owners believe that if the centre can provide another supermarket to compete with the existing one (Mega-Spar), that can attract even more consumers to the centre, which will benefit them as consumers do number of shopping in one trip. For example, visiting a supermarket for shopping a grocery and move to the next clothing shop.

## CHAPTER 5: DISCUSSION

### 5.1. The use of shopping centre

One of the objectives of the study was to identify the use of Mega City Shopping centre. The study proved that people visit the shopping centres for various reasons. A shopping centre is no longer used only for shopping, but it includes a number of activities consumers make part of that shopping experience. For example: window shopping, eating out, meeting other people and entertainment. It is still true, however, that most people visit the centre for shopping. A study conducted in Kolkata (in India) between 2006 and 2007, produced the following results in terms of the reasons to visit the shopping centre: 97% visit the shopping centre for shopping; 50.8% for window shopping; 34.6% for entertainment; 51.8% for eating; 18.5% for family outing; 27.2% to spend leisure time; 27.4% for event promotions. (Banerjee and Dasgupta 2010: 66). It is therefore important to take into account that shopping is still regarded as the main reason for visiting the shopping centre. Figure 5.1 illustrates the use of the shopping centres, ranking them from the most activity that consumers undergo, to the last “other” activities.

**Figure 5.1: The use of shopping centres**



*Source: Fieldwork Findings, 2011*



## **5.2. Key Factors that attract consumers to shopping centres.**

According to Kahn (1984), it is important to understand the nature of the entire shopping system in relation to the patterns of shopping behaviour and how these are likely to change with changes in the characteristics of consumers. Findings of the study revealed various factors that need to be considered in shopping centres as they play a big role in motivating consumers to visit the shopping centre. The first key factor is convenience; this factor includes things like the organisation of the centre in a way that make shopping experience become easy to the consumers. Consumers are attracted to visit a shopping centre where they can do shopping without any difficulty.

The second factor that the study revealed is location of the shopping centre. Consumers also choose the centre that is close proximity to their household. Thus, the location of the centre should play an important role in influencing consumers' choices. Shopping centre that is located within the neighbourhood of consumers' households saves their money and time they spend when they do shopping. Accessibility is also the most important factor that influences consumers' choices. This include availability of transport especially, public transport that gives easy access to the consumers. Since some consumers indicated that they walk to reach the centre, pavement to give pedestrians accessibility are also important. A picture in figure 7.5 on page 82 indicates a path from the drop off zone where taxis and buses drop people that are going to the centre.

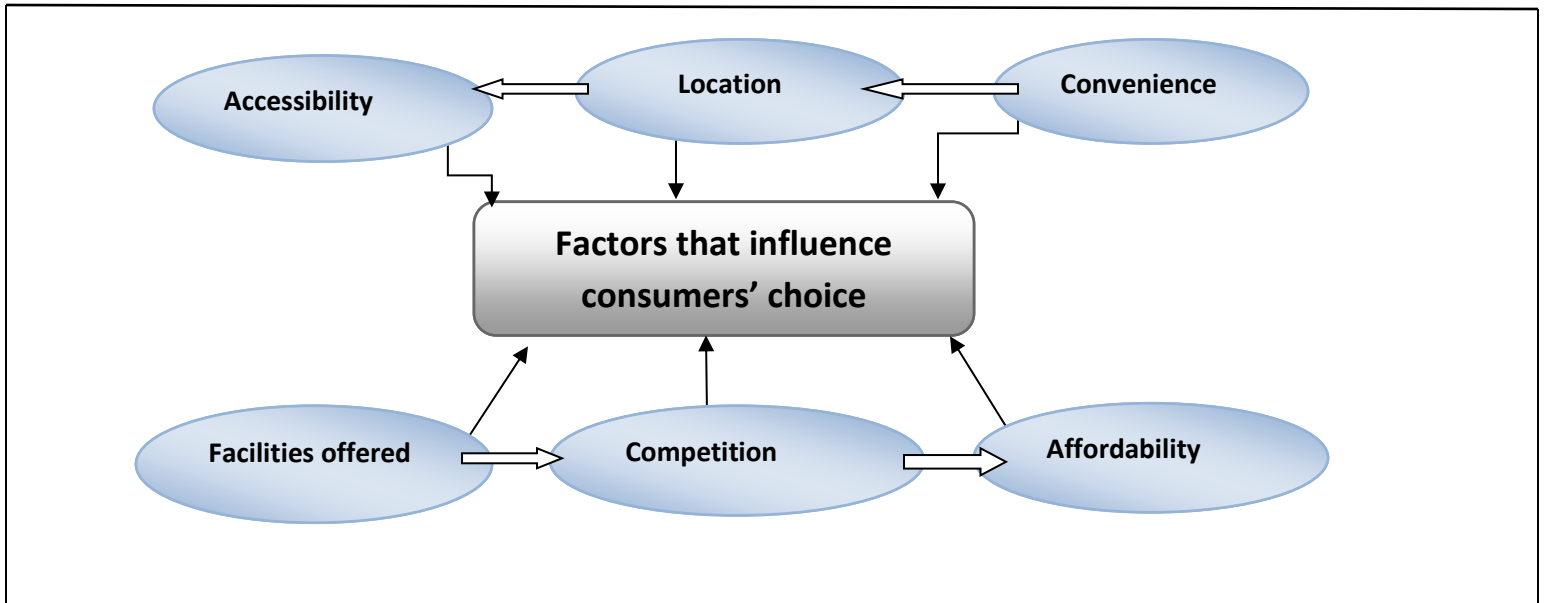
A study conducted in Malaysia indicated that, Malaysian shoppers are drawn by the following factors in the shopping centre: ambience, interior design of the mall, convenience, accessibility and promotions. However, convenience was found as the most important factor as it has the highest value (0.159), (Yusniza and Frankie, 2010: 192). Developers therefore, need to consider the following factors in the shopping centre: transport system, environmental conditions and the competing interests of other shopping facilities (Kahn 1984). This discussion reflects to objective 4 which seek to identify factors that influence consumer behaviour of consumers of the shopping centres. Yilmas (2004) mentioned that accessibility is one of the key factors that influence consumers' choices. The case of Mega City proves true to type as the study has shown.

The other key factor the study found is the provision of services in the centre. It is important to offer all products and services that are useful to consumers that use the centre. This can include different types of shops and other services offered in the centre, for example: supermarkets, clothing shops, furniture shops, restaurants and financial service providers (banks). Consumers choose the centre that offers services that satisfy their needs. The level of competition among the shops and services that are offered in the centre encourage consumers to visit the centre. Few consumers indicated that they do not normally do groceries there because of one supermarket, which make them think that the supermarkets cost higher prices.

Affordability was also found as a major concern to the few consumers participated in the study about shops and other services provided in the centre. These consumers reported that they cannot afford some of the services especially shops that operate in the centre. This results them still visiting town (CBD) for shopping. Other factors include enough space for people to move, provision of entertainment services (e.g. cinema), etc.

Some of these factors link to each other and produce good results that influence consumers' choices. For example: convenient shopping centre is the centre that is located close to people because that saves time consumers they spend for shopping as well as transport costs. In addition, shopping centres need to be located in a place that provides accessibility to consumers through the availability of convenient transport for consumers to reach the centre and also pedestrian paths. A shopping centre should offer facilities that are enough for consumers' needs. The centre needs to offer variety of goods and the shops need to be engaged in some kind of a competition to keep prices low. Once the prices are low, consumers will be more attracted especially low income earners because the shops will be affordable to them. Figure 5.2.illustrate these linkages.

**Figure 5.2: Linkages on Factors that Influence Consumers' Choices**



*Source: Fieldwork Findings, 2011.*

### **5.3. Change in Consumer Behaviour through Change in Shopping Distance**

Many authors continue proving that distance is an important factor in the shopping context. They mention that short distance can lead to an increase in the number of trips a consumers may have compare to long distance travel for shopping. Johnston and Rimer (1967) stated that *“distance is an important independent variable influencing the frequency of shopping trips.”*(Johnston and Rimer, 1967:165). They further stated that frequency of visit decreases with increasing distance from the centres (ibid.). This means that consumers do not want to travel a long distance for shopping because it increases costs such as transport and time, whereas, short distance can even involve a walking distance to other customers. Therefore, shopping centres in townships play an important role in minimising transport costs because they are close to the communities.

The findings indicated that distance plays a big role in influencing change in consumer behaviour and this holds true for the Umlazi experience. In the case where consumers travel to CBD for shopping, they usually shop monthly in order to minimise transport costs and time. As the study indicated, a long distance can lead to loss in consumers' interest in shopping, while a short distance increases consumers' interest in shopping. These results can be related to the objective

two of the study indicated in chapter 1, which seeks to investigate the shopping experience of the Umlazi V section communities before the new shopping centre was built. According to the findings, the previous shopping experience challenging and inconvenient to people from Umlazi and the surrounding communities, thus, Mega City changed this as the findings indicated that consumers do the shopping easily as the shopping centre that is in close proximity with the community. The short distance the consumers travel to reach the centre not only means low transport costs but a longer day for leisure.

The shopping centre that is located close to households results in an increase in shopping frequency of consumers in such a way that, some customers even visit a shopping centre daily. Distance can be stated as an important variable influencing the frequency of shopping trips by customers (Johnston et al, 2001). In addition Cirman and Pahor (2009) indicated that, distance is the strongest factor influencing frequency of visits in the shopping centres. The findings also confirmed that location of shopping centres within households' neighbourhood motivates consumers to visit the centre regularly. Yilmas (2004) identified that closeness of the shopping centre to the consumers as well as easy accessibility of the centre to them, can also make them (consumers) to choose the shopping centre. According to the study conducted by Yilmas, two factors, namely, features of goods and geographic location of the shopping centres influence were rated to 77% in shopping centre choice (2004: 788). The other 23 % is influenced by other factors that were not covered in the study. In addition, the study conducted by Lo (1990) indicated that households tend to consume less from remote locations and therefore, they make fewer trips to them, as they become more attracted in the nearest shopping centres. These above points show that distance play an important role in influencing consumer decisions. Therefore, emergence of shopping centres close to the communities is an important phenomenon.

In addition, the study conducted in Agra city (in India) also reveals that consumers visit the centre three times, four times, and sometimes five times a month, depending on their age group (Gupta, 2008). This happens because the shopping centres are close to their households. Therefore, this also indicates how a distance can change consumer behaviour.

The Umlazi Mega City study found that customers shop for small items (for example, bread and sweets) within a very short distance, which are usually the nearest tuck shops. This can be related

to the market range of the central place theory as it indicate that customers are only willing to travel a short distance for goods and services that have a low value. In addition, the study also indicated that population threshold plays a big role in attracting businesses in the shopping centre. In Mega City, the majority of shopkeepers indicated that the large population of Umlazi (threshold) was the main reason they wanted to move to the centre. This increases buying power in the centre, hence businesses earn more profit. This can be related to this (central place) theory as it is also focuses on the concept of threshold in shopping centres.

As reported by the majority of the respondents that when people were shopping in town (CBD), the shopping experience was challenging because it involved an inconvenience and high costs, but now since there is Mega City shopping became convenient and they became motivated to make many shopping trips. These results includes both the current shopping experience as well as enable one to compare the experience before Mega City appeared and after. Thus, objective two that seek to explore customers' current shopping behaviour patterns and use of the Mega City, and also objective four, which seeks to identify Mega City's influence on the shopping behaviour of communities in Umlazi V section have been achieved from these findings. This has been achieved in a sense that the results produced the shopping experience before Mega City was built as well as the current experience as they shop at Mega City.

According to the UNISA research report no.372 of 2008, the study conducted in 2007 in Soweto revealed that approximately 70% of Sowetans (people live in Soweto township of Johannesburg) shop at the new retail centres that are located within their township. In this report, it was indicated that only 20% of Sowetans who purchase from businesses located outside Soweto. The study further indicated that these people changed their shopping frequencies as they became weekly shoppers due to the establishment of the new shopping centres within the township. Oppewal and Timmermans (1997) indicated that the external factors in the shopping environment such as retail floor space, distance, and parking facilities are the major determinants of consumer choices (cited by: Wei Zhu et al,2006). In addition, entry points often a public transport terminal or parking lots, influence movement and choice patterns. This means that such facilities e.g. space for parking, space for customers to move can also determine the choice of customers.

## **CHAPTER 6:**

### **CONCLUSIONS AND RECOMMENDATIONS OF THE STUDY**

The aim of this study was to explore the change in consumer behaviour in relation to the emergence of Mega City shopping centre within Umlazi community, which was opened in June 2006. Even though there were some negative responses in the usefulness of the centre in the few cases, it is evident from these findings that the arrival of this centre changed the consumer behaviour of the people of Umlazi in a big way. For the majority of customers and a number of residents of V section (98%) who reported that since the opening of this shopping centre their shopping has been convenient and easy, time and transport savings, among other things, have changed in their shopping experience.

The introduction of shopping centres in previously black designated areas is a move that was long overdue and one huge step in service delivery for the new democratic government in SA. It is also a huge economic boost for the country's economy. Even the apartheid government could have capitalised on and made economic strides in if it were not so fixated in colour politics since the black population in the country is the biggest of any other race group. Paradoxically, it could not only have served their purposes of separate development as blacks would find all services they need closer to these areas they were quarantined in, but also help advance the white only economy.

A challenge to this noteworthy stride of the democratic government is ensuring sustenance of these centres, both as centres of excellence and service delivery on par with similar realities in the suburbs that all black communities aspired to and only accessed as the foot soldiers and cheap labour there. Ongoing general maintenance and keeping up with the trends in such an introduction of services that would not only create exclusivity of different centres, make shoppers aspire to being part of loyalty club to specific centres that resonates with their values, needs and culture, and also contribute to both substance and massive growth of these centres.

A new culture in a sense that a centre becomes a place to go spend leisure time. This may increase the consumerist culture but still fill a gap and void in township life that ends up with

idle adults and youth led to addictive and criminal behaviours, for example, substance abuse and organised crime.

No society is static, all are always in a state of flux and South Africa is no exception. It has rapidly become part of the global village and new trends evident in it. The shopping centres, apart from being a necessary service provider, have proven to be a part of the worldwide popular culture; centre and hub of all communities' activities. South Africa has only taken its first step in the introduction of such near the majority of its population's residential areas, the biggest challenge remains in assimilating these to the roles they have elsewhere and over the world. This challenge still lies ahead and is a field for both future research and investment.

Most of the shopping centres have implications for other uses such as entertainment, leisure, pension pay points and others; however Umlazi Mega city lack such services. The current retail centres should not be the place where people shop and go, but it should provide other uses. Other than the shops, the centre only provides few following facilities: Post Office, Municipal Offices, Medical facilities, financial services and one gym facility. Therefore, it can be recommended that facilities such as entertainment facilities like cinema, recreational facilities, pension pay point or welfare offices should be provided in order to increase the performance and the uses of the centre. However, it is also important to note that all these facilities go hand in hand to the security need especially in townships as they usually, have high crime rate. Therefore, Planners should consider these factors when they plan for township retail development.

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## 7. APPENDIX

### 7.1. Research questions

#### Informed Consent Form

**TOPIC: CHANGING CONSUMER BEHAVIOUR RELATED TO THE EMERGENCE OF SHOPPING CENTRES IN SOUTH AFRICAN TOWNSHIPS: CASE STUDY : MEGA CITY AT V-SECTION, UMLAZI, DURBAN, SOUTH AFRICA.**

Dear Sir/Madam,

My name is Celiwe Mpungose. I am a student at University of KwaZulu Natal (UKZN), finalising research in partial fulfilment for the degree of Masters in Town and Regional Planning on the above topic. Shopping centres located near townships are a new phenomenon in South Africa and not much has been written about them. They have had a huge impact on the consumer behaviour and it is hoped that this study will contribute immensely to the body of the literature on the issues of shopping centres in South Africa, and help inform future planning and location thereof. For more information regarding this project you are at liberty to contact me on: 0838680283, [celiwe26@gmail.com](mailto:celiwe26@gmail.com)

Your participation will be invaluable in this project.

Before we start I would like to emphasize that:

- your participation is entirely voluntary;
- you are free to refuse to answer any question;
- you are free to withdraw at any time.

The interview will be kept strictly confidential and will be available only to members of the research team. Excerpts from the interview will be made part of the final research report.

If you give your consent to participate, please tick one of the options below

Your name, position and organization, or	
Your position and organization, or	
Your organization or type of organization ( <i>please specify</i> ), or	
None of the above	

Please sign this form as an indication that you have read and are familiar with all of the above.

----- (signed) ----- (date)

----- (print name)

Write please supply your postal address below so that a copy of this report may be forwarded to you.

## Customers' interview questions

### 1. Basic information:

<b>Gender</b> i.e.: male/female	
<b>Age</b>	
<b>Type of the household</b> i.e.: formal or informal	
<b>Relationship with the head of the household</b>	
<b>Occupation</b> i.e.: employed, unemployed, scholar, student, etc.	

### 2. Do you live in Umlazi?

At Umlazi	Outside Umlazi

### 3. If not, where do you come from?

<b>Place</b>

### 4. How did you get here?

<b>Means of transport</b>

### 5. What items do you shop here?

Convenience food. E.g. bread	Groceries	Clothing	Furniture	Financial services	Other: specify

**6. Where did you shop all of these items before Mega City?**

**7. Besides shopping, what other activities do you undertake here?**

Window shopping	Gym	Meeting people	Promotions	Events	Paying my accounts	Other, specify

**8. How much does it cost you to get here?**

Nothing	Less than R5	From R5 – R10	From 11- R20	Other	

**9. What, to you are the advantages of shopping here?**

**10. What is most challenging if you shopping here for you?**

**11. What could improve your shopping experience here?**

**12. Are all your shopping needs catered here at Mega City?**

No	Yes

**13. Is there anything you would like to add about this centre?**

**Thank you for your participation**

## Informed Consent Form

### **TOPIC: CHANGE CONSUMER BEHAVIOUR RELATED TO THE EMERGENCE OF SHOPPING CENTRES IN SOUTH AFRICAN TOWNSHIPS: CASE STUDY : MEGA CITY AT V-SECTION, UMLAZI, DURBAN, SOUTH AFRICA.**

Dear Sir/Madam,

My name is Celiwe Mpungose. I am a student at University of KwaZulu Natal (UKZN), finalising research in partial fulfilment for the degree of Masters in Town and Regional Planning on the above topic. Shopping centres located near townships are a new phenomenon in South Africa and not much has been written about them. They have had a huge impact on the consumer behaviour and it is hoped that this study will contribute immensely to the body of the literature on the issues of shopping centres in South Africa, and help inform future planning and location thereof. For more information regarding this project you are at liberty to contact me on: 0838680283, [celiwe26@gmail.com](mailto:celiwe26@gmail.com)

Your participation will be invaluable in this project.

Before we start I would like to emphasize that:

- your participation is entirely voluntary;
- you are free to refuse to answer any question;
- you are free to withdraw at any time.

The interview will be kept strictly confidential and will be available only to members of the research team. Excerpts from the interview will be made part of the final research report.

If you give your consent to participate, please tick one of the options below

Your name, position and organization, or	
Your position and organization, or	
Your organization or type of organization ( <i>please specify</i> ), or	
None of the above	

Please sign this form as an indication that you have read and are familiar with all of the above.

----- (signed)                      ----- (date)

----- (print name)

Supply your postal address below so that a copy of this report may be forwarded to you



## Questionnaire with V-Section Residents

Please fill in the following blank spaces and tick or put a cross sign next to the appropriate option.

### Section 1: Basic information

Relationship to head of household	Sex : m/f	Age	Occupation	Area

### Section 2: Shopping patterns before the opening of Mega City shopping centre

#### 1. Where did you usually shop before the opening of Mega City?

Town only	1
Isiphingo only	2
Town or Isiphingo	3
other :specify	4

#### 2. How did you travel there?

By bus	1
By taxi	2
Private car	3
Train	4
Other: specify	5

**3. How much did you spend on travelling each way?**

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**4. How long did it take each way?**

Less than 15 minutes	1
15-30minutes	2
More than 30 If so, how long?	3

**5. How often did you buy food and groceries?**

less than once a week	1
Once a week	2
Two to three times a week	3
More than three times a week.	4

**6. Did time spent and transport costs affect your shopping?**

**Section 3: Shopping Patterns after the opening of Mega City shopping enter**

**7. What facilities do you use at Mega City? (Tick next to the appropriate answers.)**

Convenience food e.g. bread	1
Groceries	2
Movies	3
Clothing	4
Furniture	5

Financial services	6
Other: <i>specify</i>	7

**8. Where do you usually shop the following goods and services? Specify**

Type of goods or services	Name of shopping Centre	When did you last shop there?
Convenience food e.g. bread,		
Fast food		
Groceries		
Movies		
Clothing		
Furniture		
Financial services - specify		
Other: <i>specify</i>		

**9. How did you travel to Mega City?**

Walked	1
By bus	2
By taxi	3
Private car	4
Train	5
Other: specify	6

**10. How much does it cost you each way?**

--

**11. How long does it take each way?**

Less than 15 minutes	1
15 minutes-30minutes	2
More than 30 minutes: If, so how long?	3

**12. What types of trips do you make in Mega City a week?**

One main trip	1
One main trip, plus extra visit	2
Two main trips	3
Two main trips, plus extra visit	4
Three main trips	5
Some shopping daily	6

**13. How often do you buy food and groceries?**

Once a week	1
Two to three times a week	2
More than three times a week.	3

**14. How do the time and transport costs affect your shopping?**

**15. To what extent does the Mega City provide sufficient goods and services for your household needs?**

**16. What do you like most about this Centre?**

**17. What you do not like most in this centre?**

**18. What can be improved in the centre?**

**19. Do you still shop in the following shopping places? For what items?**

<b>a)Isiphingo</b>	<b>Reason</b>	<b>b)Town</b>	<b>Reason</b>

**20. What factors can improve your shopping experience in the future here?**

**Thank you for your participation in the study**

**To:** Whom it may concern

**From:** Celiwe Mpungose

**Institution:** University of KwaZulu Natal (UKZN)

**Subject:** Request for you participation in the study

**TOPIC: CHANGING CONSUMER BEHAVIOUR RELATED TO THE EMERGENCE OF SHOPPING CENTRES IN SOUTH AFRICAN TOWNSHIPS: CASE STUDY : MEGA CITY AT V-SECTION, UMLAZI, DURBAN, SOUTH AFRICA.**

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Businesses ‘operators’ input will be invaluable in this project, as they play a big role in supplying/ providing communities with essential goods and services. You are thus, hereby requested to make some time in your busy schedule to either meet the researcher personally for a short consultative meeting or help out by answering the few questions attached to this letter. The researcher will wait to hear from you on your availability for the interview and can be e-mailed at the following address:

[celiwe26@gmail.com](mailto:celiwe26@gmail.com). Please supply your postal address below so that a copy of this report may be forwarded to you

I thank you and await your positive response

Yours faithfully

Celiwe Mpungose

Mobile: 0838680283 or landline: 031 2772729.

## Informed Consent Form

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**Strengths- Weaknesses -Opportunities -Threats (SWOT) Analysis of the businesses at Mega City**

**Please provide SWOT analysis of your business.**

- 1. Strengths – Please Comment on the location of your business in this centre and factors that give your business an edge over others in the centre.(What are the few advantages you can name that stand out as the most positive experience in operating in this centre)**
- 2. WEAKNESSES- what do you see as major drawbacks of operating here?**
- 3. OPPORTUNITIES-How can business be improved on here? Are there any untried and untested possibilities in this centre?**
- 4. THREATS- what challenges threaten your daily operations here? What do long term sustainability prospects look like?**



**To:** Whom it may concern

**Institution:** EThekweni Municipality, Department of Development Planning

**From:** Celiwe Mpungose

**Institution:** University of KwaZulu Natal (UKZN)

**Subject:** Request for your participation in the study

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### **Interview schedule with Town Planners-**

**Topic: CHANGING CONSUMER BEHAVIOUR RELATED TO THE EMERGENCE OF SHOPPING CENTRES IN SOUTH AFRICAN TOWNSHIPS: CASE STUDY : MEGA CITY AT V-SECTION, UMLAZI, DURBAN, SOUTH AFRICA.**

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## **Questions**

**Answer the following questions please.**

### **d) Town Planners**

- 1. Position and institution represented**
- 2. What factors were considered in the planning of Mega City shopping centre?**
- 3. What major objectives were the project aimed at achieving?**
- 4. Please comment on the location of Mega City centre**
- 5. Did the planning take prospective businesses tenants into consideration?**
- 6. Are there any sustainability, maintenance and renovation plan for the centre?  
Where these they factored in the planning?**

**Please supply your postal address below so that a copy of this report may be forwarded to you on completion**

**Thank you**

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## **Interview schedule with Manager of the centre-2009**

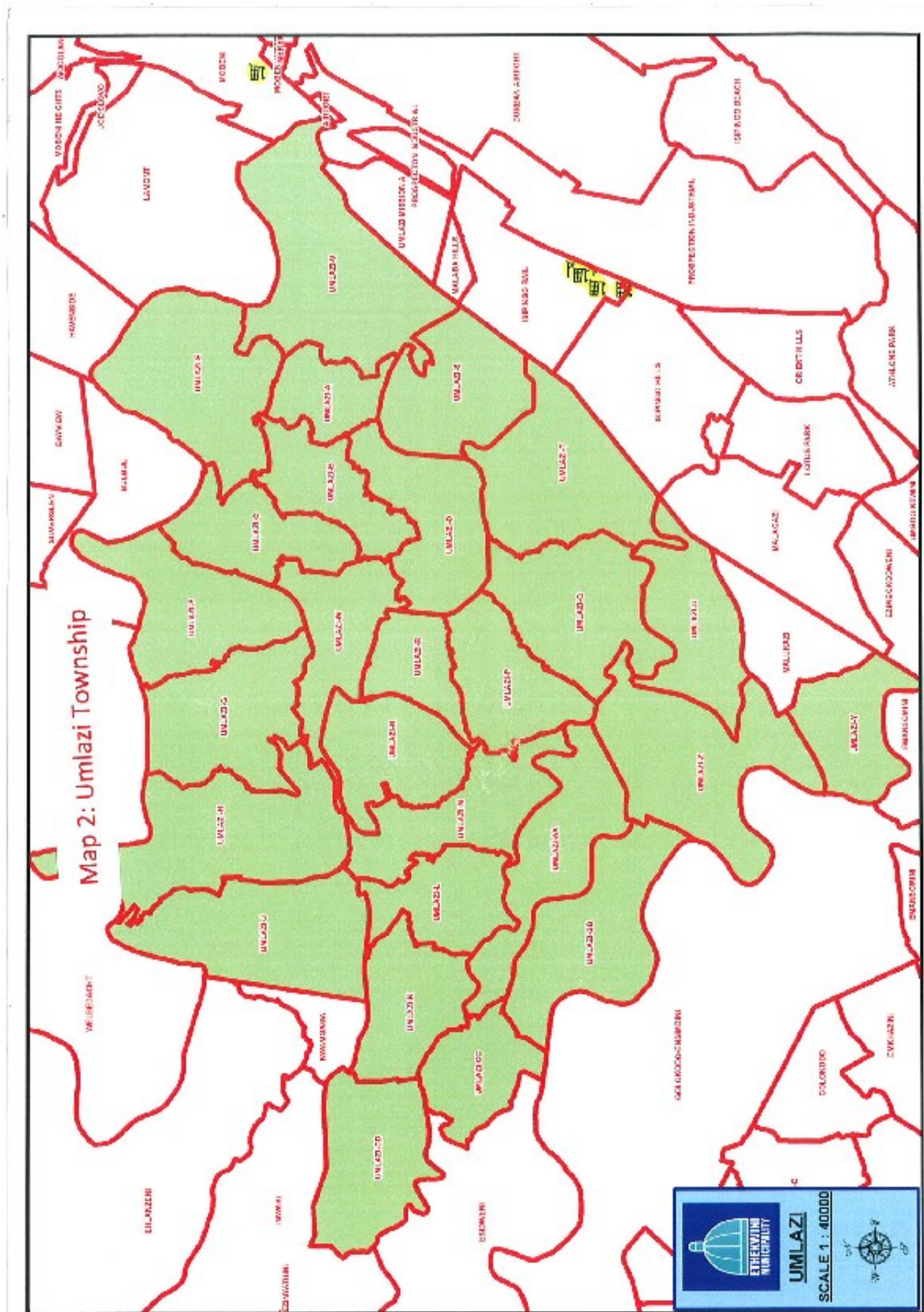
**Answer the following questions please**

- 1. Position and institution represented**
- 2. How has the centre performed so far? E.g. better than expected, on target, or below target?**
- 3. What problems do you face in the operation of this Centre? If any.**
- 4. How are they being addressed?**
- 5. How have customers benefited from the opening of Mega City?**
- 6. How have businesses benefited from the opening of Mega City?**
- 7. Which businesses have done the best? Why?**
- 8. Which businesses are battling? Why?**
- 9. What changes or improvements are planned?**

**Interview comments**

**Thank you for your participation in the study**

**Figure 7.1. : A map of Umlazi Township**



*Source: EThekweni Municipality: 2011*

**Figure 7.2.: Access Roads to Umlazi**



*Source: Google map 2011 (edited)*



**Figure 7.3. : A picture indicating location of some shops at Mega City**



**Figure 7.4.: A picture showing a drop-off zone for people that are going to Mega City**





**Figure 7.5.: A picture of a board showing directions at the entrance point of the centre**



**Figure 7.6.: A picture showing pedestrian path from the centre to the drop-off zone**





**Figure 7.7.: A picture showing promotional activity at the centre**



**Figure 7.8.: A picture showing people going and coming from Mega-Spar supermarket**



**Figure 7.9.: A picture showing informal traders next to the taxi rank**

