Urban Tourism

The Importance of Shopping Malls for Dubai’s Success as an Urban Destination

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Tourist shopping activities is an important determinant of the success of a destination. With shopping being favoured activity by both international and domestic tourist (Fang and Yingjiao, 2012; Kinley, Forney and Kim, 2012; Oh J at al., 2004) and representing the highest expenditure after accommodation (Turner and Reisinger, 2001), successful retail hubs are key determinants of the economical success of urban destinations (Westwood, 2006). According to MPM Properties (2015), the total mall retail gross leasing area (GLA) supply for Dubai in 2015 is 3m sq. m. and is expected to increase by 19% in year 2016 and 2017 reaching 3,5m sq. m. (JLL, 2015). Emirates NBD (2015) estimates the retail sales in Dubai for 2014 at USD 42.5bn and with a 4-5% growth in GDP in the emirate, the retail sales are expected to reach USD 55.3bn by 2020. Retail and wholesale sector is the second largest in the country and makes 28.9% of the overall GDP (Emirates NBD, 2015), which shows its immense economical importance. With 107 Consumer Confidence Index (Quarter 3, 2015) UAE positions second in the Middle East and Africa region and standing strong on the Global scene holding eighth place (Nielsen, 2015). Dubai is the second most important shopping destination globally, according CBRE (2015) lagging only after London among 164 cities across 50 countries. Dubai has welcomed 13.2m international tourists in 2014 with expectations those to reach 20m by 2020 (DTCM, 2015). With most of those tourists participating in some type of shopping activity, it is important to recognise the significance of shopping malls for the success of Dubai, as a globally recognised urban destination.

Turk, Ekinci and Martin (2015) suggest that the tourist shopping satisfaction may affect the overall destination image. A poor shopping experience may result in a bad Word-of-mouth and affect the destination loyalty. With retail sector being vastly important commercial driver, such negative image will have a colossal impact on the economy of the emirate.

Shopping is unarguably a popular tourism activity, but some tourists take this to a whole different level by pointing out shopping, as the primary motivation for their trip (Fang and Yingjiao, 2012). “Shopping tourism” becomes an increasingly important urban tourism generator for both domestic and international short trips (Kinley, Forney and Kim, 2012; Westwood, 2006; Timothy and Butler, 1995; Turk, Ekinci and Martin, 2015). With 96 malls, Dubai Mall, Mall of the Emirates, Mercato Mall, Ibn Battuta, Wafi Mall, Marina Mall and Outlet Mall, just to name a few, it is not a surprise that Dubai attracts urban tourist from across the globe to participate in the ‘city’s official sport’ shopping (DTCM, 2016).

Cities, such as London, Hong Kong and Dubai, have become popular shopping tourism destinations (Kinley, Forney and Kim, 2012), blending shopping and entertainment in their gigantic shopping malls.

Tourist shopping differs significantly from day-to-day shopping (Oh et al., 2004) by the primary motivation of shoppers. Even that holiday shopping has some utilitarian features, the primary tourists’ motives are often hedonic (Fang and Yingjiao, 2012; Kinley, Forney and Kim, 2012; Turk, Ekinci and Martin, 2015; Madichie and Blythe, 2010; Sit and Birch, 2014).
“Holiday mood”, mall environment, reference groups, perceptual vigilance, sense of togetherness, novelty and embracing the culture of the visited destination are just to name a few influencers of tourist shopping behaviour (Fang and Yingjiao X, 2012; Peter and Anandkumar, 2015, Tosun et al., 2007).

Special events, such as Dubai Shopping Festival attract tourist to the shopping malls, regardless of their primary reason for visiting (Anwar S. and Sohail M., 2003, Peter and Anandkumar, 2015). Such events have an unarguable effect on the destination image (Beerli and Martin, 2004). In the case of Dubai, such events help building it as a luxury-shopping destination (Zaidan, 2016).

Plenty of research has been done across the tourism and retail sectors discussing tourist shopping motivations and behavioural drivers. Timothy (1995, 2001, 2005, 2007) is one of the of leading scholars in the field of tourism shopping and shopping tourism. His work has been the base and reference for many others. Scholars such as Fang and Yingjiao (2012) offer a theoretical framework of tourism shopping, as planned, impulsive or experiential, while Arnold and Reynolds (2003) focus on the hedonic side, proposing a six-factor scale for measurement of hedonic shopping motivations.

Mall features are another important determinant for the overall success of generating tourists’ expenditure. The high competition between malls have raised the expectations of both domestic and international tourist (Madichie and Blythe, 2010) and their tendency to patronise one mall over another depends on the features, such as food courts and restaurants, mix of shops and brands offered, children and family entertainment (Terblanche, 1999), location and special events (Peter and Anandkumar, 2015).

Rajagopal (2009) proposes location, ambiance and shopping arousal, retail competition and shopping mall attractiveness, as the main determinants of a shopping centre success.

There is plenty of research done on tourism shopping, mall features and shopping behavioural drivers, however, surprisingly little has been done in regards to Dubai’s hopping scene. Considering the importance of urban tourism and tourism shopping for the success of the destination, further regional specific research can be done to support the work of both scholars and managers.
References:


