

T.C.
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SOSYAL BİLİMLER ENSTİTÜSÜ
İNGİLİZCE İŞLETME ANA BİLİM DALI
YÖNETİM ORGANİZASYON (İNG.) BİLİM DALI

**SHOPPING CENTERS: THE NEW MANAGEMENT AND MARKETING
COMPETITION FIELD**

Doktora Tezi

ÜMİT ÖTKEN

İstanbul, 2011

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Danışman: PROF. DR. ŞULE ÖZMEN

İstanbul, 2011

Marmara Üniversitesi
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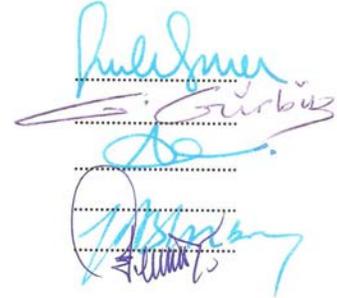
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Bunca yıllık çabamın ve çalışmalarımın sonuna geldiğim bugünlerde, öğrenim hayatımla ilgili edindiğim ve yaşamıma da uyarladığım en önemli bilgi ve tecrübe ömrüm boyunca ‘öğrencilik’ten asla vazgeçmemek gerektiğidir. Bugünlerde yasal anlamda son bulsa da, hayat ve ilim bitmek bilmez bir öğrenme maratonu. İnsan hayatta öğrenciliği kabullenip hep daha fazla ve yeniyi öğrenmeye çalıştıkça başarılı oluyor. Bu maratonda, başarı anlamında en ön sıralarda yer alınmasada, en zor ve ümitsiz zamanlarda bile vazgeçmeden ve ucunu bırakmadan savaşmaya devam etmek gerekli. Bunca yıllık öğrencilik hayatımın, yaşamıma uyarladığım en büyük öğretisi budur.

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ÖZET

Alışveriş merkezleri hem şehirlerin görünümünü hem de insanların günlük hayatlarını değiştiren oldukça önemli yaşam merkezleridir. Özellikle son yirmi yılda, perakende sektörü ve alışveriş merkezleri oldukça gelişmiş ve ilgili literatürde geniş bir yer bulmaya başlamıştır. Bu alanlarda yapılan araştırmaların bir çoğu genellikle konuya arz ya da talep açısından yaklaşmış, ancak tüm açılarıyla konuya odaklanan fazla çalışma örnekleri bulunmamaktadır.

Bu çalışmanın amacı ise alışveriş merkezi yönetiminin pazarlama ve yönetim faaliyetlerini incelemek ve bu faaliyetler ile o alışveriş merkezinin müşterilerinin bu faaliyetleri algılayışı arasında uyum olup olmadığını belirlemektir. Bu çalışma ayrıca alışveriş merkezi yönetimi ve müşterileri arasındaki uyumun müşterilerin tatminlerini ve bağlılıklarını nasıl etkilediğini araştırmaktadır. Bu modele yapılan mülakatlarla yatırımcı tarafı da eklenerek yatırımcının alışveriş merkezine yaptığı yatırımdan tatmin olup olmadığı değerlendirilmektedir.

Araştırmaya biri İstanbul diğer ikisi Ankara'da bulunan üç alışveriş merkezi katılmıştır. Alışveriş merkezi yönetiminin pazarlama ve yönetim faaliyetleri hazırlanan bir anket formuyla ölçülmüştür. Her bir alışveriş merkezinin yüz müşterisine ulaşılarak anket formuyla yönetimin yürüttüğü pazarlama ve yönetim faaliyetlerini nasıl algıladıkları, alışveriş merkezinden duydukları tatminleri ve bağlılıkları ölçülmüştür. Aynı şekilde, her bir alışveriş merkezinin yatırımcısının yapılandırılmış mülakat aracılığıyla yatırımlarından memnun olup olmadıkları değerlendirilmiştir.

Araştırmanın sonuçları deneyimli ve knowhowa sahip bir alışveriş merkezi yönetiminin, özellikle alışveriş merkezinin teknoloji seviyesi ve miktatıs etkisi anlamında müşterilerinin tatminini ve bağlılığını sağlayabildiğini ortaya çıkarmıştır. İyi yapılandırılmış kiracı karması ve doğru tasarlanmış mimari bahsedilen miktatıs etkisinin en önemli unsurlarıdır. Böyle bir alışveriş merkezinin yatırımcını da tatmin ettiği mülakat sonuçlarında belirlenmiştir.

GENERAL KNOWLEDGE

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ABSTRACT

Shopping centers are quite important to shape the looks of cities and the activities of peoples' daily lives. Over the past two decades, retail sector and shopping centers have developed and given rise to a wide spectrum of topics in the related literature. Generally, research focused on retail and shopping centers from both the demand and supply side. There are few studies which include all the aspects concerning the demand and supply perspectives.

The purpose of this study is to investigate the marketing and management activities of shopping center management and assess whether there is a fit between the shopping center manager's marketing and management activities and the perception of the customers concerning these activities. It also aims to study how this fit between shopping center management and customers influences the satisfaction and loyalty of customers. Investor point of view is also included to the study with a structured interview and investigated whether the investor is satisfied with his/her investment to shopping center.

Three shopping centers, of which one is located in Istanbul and the other two in Ankara, participated to the study. Questionnaire is used to assess the marketing and management activities of the shopping center management. Hundred customers of each shopping center are surveyed to measure their perception about these activities, their satisfaction and loyalty. Investor of each shopping center is interviewed to see their level of satisfaction with the investment.

Results showed that experienced shopping center management with knowhow creates customer satisfaction and loyalty especially in terms of the technology level of the center and the magnet effect that is created by right tenant mix and well planned architectural design. Such a shopping center also satisfies its investor as well.

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INTRODUCTION

The development of shopping centers includes a series of waves influenced by the nature of property development. It started with creating the environment for the post war world and redesigning the cities. Economic growth brought more goods, and more shopping. In Britain, the principal planning concept was to separate goods bays from roads, of manufacturing from housing, of shops from industry and shopping centers was born to serve these ideas. On the other hand, in USA shopping centers were the product of the move to suburbia and of demographic growth (Carlson, 1991).

Shopping centers play important roles for the owner, the developer, the tenant, the employee and the customer. They are significant enough to shape the looks of cities and the activities of peoples' daily lives (Howard, 1997).

Over the past two decades, retail sector and shopping centers have developed and given rise to a wide spectrum of topics in the related literature. Generally, research focused on retail and shopping centers from both the demand and supply side. On the demand side, issues addressed range from overall location in terms of demographic, socioeconomic and neighborhood and accessibility considerations (Sirmans and Guidry, 1993) to consumers' shopping motivations (Kim, 2006) and choices of retail formats (Kim, 2004). On the supply side, they mainly deal with tenant mix (Anikeeff, 1996), product differentiation (Lee, Atkins, Kim and Park, 2006), store and shopping center brand (Mejia and Benjamin, 2002), and interior design (Brown, 1999). There are few studies, if any, which include all the aspects concerning the demand and supply sides. This study aims to capture many of these topics in a single study and hence test the effectiveness of the management.

What is important in today's business world is the application of superior or unique skills to the assets which are under the management's control. Shopping centers are generally seen as assets rather than businesses. If the management has lack of these skills, it will not be able to hold on to these assets. Management's primary purpose is to increase competition, and satisfy the desire for greater short term asset performance. Meeting this primary purpose lies on having the superior ability to lead, manage and

market the asset successfully. This will satisfy the customers' needs and expectations, which will in turn affect the tenants profit and the success of the shopping center and consequently the investor. A successful marketing and management activity of a shopping center is also closely linked with customer satisfaction and loyalty. Satisfaction with the delivered products and services has been suggested and empirically documented as affecting the buyers' decisions to continue a relationship (Ndubisi, 2003; Anderson, 1994). When the customers are satisfied, the exit from the relationship and negative word of mouth decrease greatly (Singh, 1988) and they become loyal to the relationship as well.

The purpose of this study is to investigate the management and marketing activities of shopping centers from the investor, the manager and the customer perspective. The aim is to assess whether there is a fit between the shopping center manager's marketing and management activities and the perception of the customers concerning these activities and how this fit influences the satisfaction and loyalty of customers. Satisfaction of the investor about his/her investment to shopping center is also investigated. Three investor samples were chosen and interviewed for this study in order to underline the differences between the results of their satisfaction levels. The difference between the investors was their attitude to professional know-how about center management. An institutional Turkish holding, which has an experienced management company within the group, responsible for the management of all the assets of the group like hotels, office buildings and other shopping centers, was chosen as one of the samples. Second sample was a Turkish construction company, which has a family owned management and assigned a symbolic center manager. The management responsibility was taken directly by the owners of the company; family members. The third sample was an international company, investing and managing shopping centers all over the Europe. The investment model is built on experience and know-how about shopping center management.

The first part of this study is based on retailing. It includes the definition, history, characteristics of retailing and also retail management as well. Since the main focus of this study is shopping centers and shopping centers are also commercial real

estates, second chapter discusses real estate in terms of characteristics, types and management of real estate. Third and fourth chapters are based on shopping centers because of the main focus of the study. Third chapter includes the phases of shopping center and the fourth chapter involves marketing and management of shopping centers. Fifth chapter is organized around customer satisfaction and loyalty. The next chapter includes the method of the study and the findings about the marketing and management activities of shopping centers, perceptions of customers about these activities, their satisfaction and loyalty. In the final part of the study, findings are discussed, managerial implications and suggestions for future research are put forward.

CHAPTER ONE

RETAIL

1.1. Definition and Characteristics of Retail

Retailing means different things to different people. It can be clothing, grocery and household shopping for a housewife, or it can be stationary shopping and fast food at the school way for a young student. But also retail could be defined as the final commercial link in the marketing channel and the point where a product reach their customers for a manufacturer (Larson, Wright & Weigant, 1976).

An individual going to a restaurant, ordering and consuming a steak can be an example of fundamental retailing principle. That individual is the last person in the line of people who are involved with a product. The farmer raising the cow, the butcher, the meat packing company, meat wholesale company delivering the meat and the restaurant where the meat cooked and served are all in the retail chain. So, retailing includes every store that sells consumer products and services (Larson, Wright & Weigant, 1976).

Basic focus of retailing both at the economic institution level and in the individual retail establishment is to satisfy the desires, wants and needs of the ultimate customer in terms of availability of goods and services. Retail management is related with the managerial skills and practices necessary to serve customers successfully. It goes beyond having the right merchandise, at the right time, at the right place with a right a price. It also includes specific management techniques including purchase of merchandise, selection and evaluation of promotional techniques and development and use of correct market information and research (Duncan, Hollander & Savitt, 1983).

Retail is defined differently in a variety of sources by different researchers. It is defined as “all the activities directly related to the sale of goods or services to ultimate consumer for personal nonbusiness use” (Stanton, 1975). James, Walker & Etzel (1975) defined the concept as “the activities associated with the sale of offerings for final consumption”. It is also defined as “the activity of selling consumer goods to ultimate consumers” (Duncan & Hollander, 1977).

All definitions of retailing agree on one important component of this concept. This important aspect of retailing is the final consumption. This is the key factor of an activity which determines the border between retailing and selling. For example; a housewife buys tomatoes for her family. She buys it for final consumption. On the other hand, the ketchup manufacturer buys also tomatoes for producing another product, but this is not part of the retailing process (James, Walker & Etzel 1975). This highlights the centrality of consumer in retailing.

There are some characteristics associated with retailing. These characteristics can be analyzed under the four main heading. These are: customer initiation of the transferred goods or services, sense of urgency, small quantities, geographic convenience.

There are three different groups of retailers to mention: store retailers, nonstore retailers and retail organizations (Kotler & Keller, 2006). All these retailer types are mediating for transferring of goods and services. Examples for nonstore retailing are mail or telephone retailing, vending machines or door-to-door retailing (Kotler & Keller, 2006). This is the customer initiation characteristic of retailing.

No matter which retailer group is under focus, the consumer takes the first step for his or her final consumption in contrast with marketing of the manufacturer's level, where salesmen search their own customers for their goods. The information level of the retailer about the good or service he or she sells will determine the consumer selection. A retailer should have considerable information about the product. All retailers should learn why one product is favored by the consumer in comparison with the others. Finding out the factor for this key consumer choices is the solution leading better selling volumes and retailers the successful ones between other retailers handling the same products. (Larson, Wright and Weigant, 1976).

Sense of urgency is the second characteristic of retailing. Some products are counted as daily needs and the consumption of such products is routine. On the other hand, others products such as a new LCD Television are purchased infrequently.

Consumer needs a time period to collect the relevant information, to ask the choices of the family members and finally to make the decision for purchase.

After the decision making process in this case and also by the routine consumption type, the consumer wants to get his or her product urgently. He or she makes the decision and it is time to bring it home and use it (Larson, Wright and Weigant, 1976). Another characteristic of retailing is small quantities of goods. The transaction volume is composed of small quantities instead of mass volumes in wholesale field (Larson, Wright and Weigant, 1976). In daily bazaars, consumers purchase fresh vegetables and fruits in small quantities for their family needs. However, in the same bazaars the restaurant owners buy the daily vegetables and fruits in high volumes from the same dealer for reselling reasons. The first trade type is called a retail transaction, whereas the second one is a wholesale.

The last characteristic of retailing is that it is generally localized. This is called geographical convenience. The needs of final consumers for goods are met in neighborhood in retailing. For example; most of the car owners buy their gas either from the nearest gas station to their work place or homes. On the other hand, many purchasers of industrial goods and raw materials travel around the world to meet their needs. Buyers and sellers must seek each other hundreds or thousands of kilometers apart. So, many retailers try to offer geographical convenience to their customers (Larson, Wright and Weigant, 1976).

1.2. History of Retailing

In its simplest term, retailing is related with all the activities involved in selling goods or services directly to final consumers for personal and non-business use (Kotler and Keller, 2006). But it is for sure, that before the term 'retail' was born, the activities defined in retail term were existed. It is important to look at the history of retailing.

At the beginning of civilization, people began to trade with each other. How or why this started and happened is not known exactly, but there are different explanations about this. One stream of theory suggests that it was because of a need for food, water and bodily comforts and the second stream focuses on human aggressiveness and

another suggests that it was an outgrowth of gift giving (Byrd, 2001). The most well known explanation about the growth of retailing suggests that people who had more goods than they could consume traded the excessive goods.

This theory mentions that after nations got better at cultivating their land, some people found out that even after feeding their families and animals and putting food into storage, there was some left over. Instead wasting this surplus, trading it for other surpluses, tools or other objects was the idea behind the term trading (Stent, 2005). The change from trading to retailing in hundreds of years comes out as followed:

First, the production of the trading goods was started. Naturally, the first produced goods were foods for people and animals. Landowners who had enough land and were particularly good at producing food from their land realized that they were on to a good thing by producing surpluses. So, they focused on producing more than their needs. These leftover foods were the first goods to trade. To trade against the food people also started to produce other types of goods into the direction of the human needs. Tools, trinkets, jewelry, cups, plates were some examples. Meantime the informal trading activities in goods would have become more organized. Central market places, big bazaars in cities are being formed where the producers could get together on a regular basis in order to exchange goods (Stent, 2005).

Money emerged as an important outcome between these exchange activities. Trading goods for other goods is all very well until you have just about every thing you are likely to ever need, or the product you want has yet to be produced. In order to get around this, people started to owe goods to other people (Stent, 2005). Some traders and producers found out keeping a record of what was owed. The debtor was leaving an object or an animal to the creditor until the debt was paid. But this caused a problem for the debtor. The debtor needed the tool or animal in order to produce his own goods with the owed items.

Over time, small object like pebbles were left to the creditor as a guaranty against the owed goods. Thus, early credit terms would have been developed. Small

objects became in time more valued and eventually metal coins and paper notes were found out. So, early trading gave rise to money (Stent, 2005).

Third, the separation on focusing between production and trading happened. As time passed, some producers found out that they were better at selling the goods and they found out that they enjoyed selling more than growing them. Some others preferred to be loyal to produce. So, there was a gradual separation of the producers and the traders (Stent, 2005).

In the ancient world, the earliest traders were known as Cretans whose culture influenced the other great trading civilizations. The Phoenecians followed Cretans as civilizations major traders. They were also labeled as distributors. Following them, Romans formed a sophisticated type of retailing. They opened various shops in the city. Some claim that world's first department store was in Rome. After the Roman Empire fell down, peddlers started as traders. They carried their stores and travelled from one city to another to sell their wares for a profit. Thus, regular markets were appeared.

By the 13th century, markets and fairs flourished and based on a religious foundation. On feast days, people would come together even from the long distances and exchange their goods. These fairs became amusement places and they still exist today. By the 14th century tradesman organized into guilds and opened small shops. They gained economic and social advantages (Byrd, 2001).

In America, retailing institutions formed after 1850. Many Americans were living on their farms before that and they were sufficient for themselves. Itinerant peddlers and general stores were the only retailers. After 1850 department stores became important in America. Many department stores were opened by immigrants all over the country such as Columbus, Richs, Macy's.etc (Larson, Wright & Weigant, 1976).

When retailing shifted from outdoor to indoor, the nature of retailing changed. Arcades with covered streets provided an opportunity for comfortable shopping in rain and even in snow and established a new context for visual movement.

Arcades gave a way for the shopping mall by providing the first opportunity for shopping as a leisure time experience. Price tag and convenience influenced retailing in nineteenth century. Retailing no longer depended on face to face contact because price tag allowed customers to look over goods and select based on preestablished cost. In terms of convenience, retail stores included more than one item or line of goods creating an important shopping experience.

The rise of department stores became a milestone in retailing format because they offered a comprehensive selection of goods and services under one roof. Also, as competition among retailers increased, the notion of customer service evolved (Kliment, 2004). With the use of television in 1948, product advertising became very popular. Consumers began to enlighten and a new households were formed in cities and suburbs. Shopping center and supermarket industries began to take shape.

In 1950, the Northgate Shopping Center opened in Seattle, America and it became a model for other shopping centers. From 1950 to today, retail developed very rapidly. Mass media, globalization and the Internet brought great changes to retail. Consumers are becoming more educated and comparison shopping, consumer reports and the Internet are creating increasing competition for price and value. For the investor part of the coin, the elements that lead to a successful project are changing constantly and rapidly.

Previously, shopping center developer who had two or three department stores in a new mall guaranteed the success of the project, but today fewer department stores are opening in shopping centers. Today, the strategy focuses on a new generation of customers and tries to make the real estate more productive (Kliment, 2004).

Starting from exchanging food surpluses yielded big markets and department stores and yet a huge sector. Retailing, at the beginning of civilization now reached to great numbers both in the world and in Turkey. Turkey removed the burdens that challenge retailing sector and gave a way to develop it. Rapid urbanization created rapid changes in the ways of living and habits of individuals and this developed the presence of retailing.

The actors who are involved in retailing reached these days with consistent growth and retailing and became one of the leading sectors in the economy of Turkey (Pekmezcan, 2008). Economic forces are also one of the important factors affecting retailers. Because of these reasons, the next section of the study focuses on the economical overview of Turkey and the role of retailing in Turkey.

1.3. Overview of Turkish Economy

Turkey is at the centre of a political and economical area where Europe, former Soviet Union and Middle East intersect. This geographical area creates many business opportunities and makes Turkey as an important investment location and export platform. Only few emerging markets have the potential to attract investors both for export and for domestic market. This potential has been recognized for a long time by many international investors, but its importance didn't flash because of many reasons (Argüden, 2007).

For a very long time, Turkish economy was characterized by high inflation rates, lack of discipline, transparency and accountability in the public sector, structural problems in some sectors especially in banking, instable political environment, soaring real estate rates and very short maturity periods, and economic instability and unsteady political environment (Turkish Embassy-London).

Within the twenty years Turkey has undergone an enormous change. This change was from an agriculture economy to an industrial nation with a well developed service sector. Beside this radical change, Turkey confronted with three big crises since 1994 which affected the economy deeply.

Financial crisis in 2001 was one of the worst economic downturns Turkey has ever experienced. (Argüden,2007). Turkey went through a drastic crisis with a devaluation of Turkish Lira more than 150%, interest rate of 100%, and collapse of the banking system and bankruptcy of many businesses (Bianchi, Pelizzoni, Percoco & Perillo, 2007).

Although Turkey experienced important crisis, it recovered all these negativities slowly till 2008 October. Turkey also accomplished structural reforms which were very important both for the country and European Union. Actually, Turkey has implemented these reforms since 1983 with an aim of liberalizing the economy and integrating it into the global economy. These reforms included new regulations on employment market, social security, deregulating financial markets, encouraging foreign capital investment, public finances and so on (Oral, 2001). But still there is very important aspect in Turkey that waits a solution which is the high rate of unemployment.

The overall workforce was up from 21.8 million to over 22 million. Istanbul is the city with the largest workforce, 56.4% of which is employed in the service sector and 42.9% in industry. Within overall workforce rates, the rate of unemployment was 46.7% in 2006 and 46.4% in 2005 (Bianchi, Pelizzoni, Percoco & Perillo, 2007).

In terms of inflation rates, Turkey has experienced noticeable disinflation and marked decline in the volatility of inflation. The inflation rate was at the average of 70.4% between the periods of 1993-2002. As a result of strong fiscal policies and cautious monetary policies, inflation has decreased to single digit in 2004.

Turkey's inflation rate, measured by the consumer price index, was 70.4% in the period of 1993-2002 and declined to 7.7% at the end of 2005. During 2007, the consumer price inflation rate decreased from 9.7% to 8.39% (Turkish Embassy-London).

1.4. Retailing Sector in Turkey

Retailing sector in Turkey has experienced an important and influential transition from traditional retailing to modern retailing. This modern retailing can be characterized by more organized, professional and institutionalized retailing (Price Waterhouse Coopers, 2007).

The impact of this transition on Turkish economy can be seen in many ways. Employment, production models of agriculture and industry and distribution have

changed significantly. Since the market share of the retailing sector has increased, tax payments and revenues which are declared officially have grown in parallel.

Investments in the sector have incredibly increased and debates about the future of the sector are becoming good indicator of the transition. On the social impact of the transition, safety, hygiene and quality standards are becoming widespread. Consumers are changing in terms of their demands and selection because they start to understand what competition means and what its advantages are. This means that transition in supplying and consuming is leading to important changes in everyday life (Price Waterhouse Coopers, 2007).

The most important segment of the retail market is food retailing. It accounts for 52.8% of the total sales. The retail and wholesale trades create 6.7 billion \$ and employ approximately 2.5 million people which amounts to 12% of the total employment. The most significant effect of the growth in retail sector is on employment (Price Waterhouse Coopers, 2007). Turkish population is around 73 million.

Approximately 60% of the population is under the age of 30. This means that Turkey has a large, young and growing population (Ozgul, 2007). Approximately 750.000 young people is joining the workforce every year in Turkey. Many people are quitting the agriculture sector to seek different jobs. Manufacturing sector is not generating employment opportunities to the degree the growth rates offer. Therefore, Turkey is experiencing high rates of unemployment. From the retailing side, modern retailers are offering job opportunities, training, social security and specialization by employing approximately 300.000 people.

The growth of modern retailing in turn positively affected manufacturers, producers, packagers, transporters, architectures, store designers, security, facility management and infra-structure servicers as well. This shows how modern retailing plays an important role in the creation of new and different job opportunities in Turkey (Price Waterhouse Coopers, 2007).

Turkey is a big and important market for retailers. Turkish retail market has been performing well with consumer spending at high levels and increasing disposable

income. Rapid growth and opportunities have made retailing one of the most attractive sectors to invest in. The total retail supply reached to 3 million sqm as end of the October 2007 (Pamir & Soyuer, 2007). There are 170 retail centers largely dominated by shopping centers. 60% of the total supply is in major cities such as İstanbul, Ankara and İzmir. İstanbul is far ahead in the number of shopping centers than rest of Turkey (Ozgul, 2007).

Considering that Turkey has experienced important changes in terms of economical, political and social, there is still great potential in the Turkish retail sector. Accordingly, expected new supply is approximately 5.5 million sqm by 2010. Factors such as consumers spending at high levels, changes in the composition of production factors, favorable demographic characteristics, lifestyles, consumption patterns and the confidence reflecting Turkey's financial stability have all fostered positive expectations (Price Waterhouse Coopers, 2007).

1.5. Types of Retailers

There are a wide variety of organizations today which offer consumers shopping for ant goods and services. These can be store retailers, non-store retailers and retail organizations (Kotler and Keller, 2006). Similarly, James, Walker and Etzel (1975) classify retailers according to where the consumer is when the sales takes place as in store retailers and non store retailers.

In store retailing includes sales in which the consumer visits the seller's place of business to perform the buying behavior. Retailer should decide what potential customer desire and what he can sell. Additionally, the retailer must consider his financial resources, store space and product knowledge in developing the merchandise mix. The nature of merchandise mix can be described in terms of its breadth and depth. Breadth refers to the number of non-competing merchandise lines in a store. Non-competing lines are products that satisfy different needs. For example, a drug store may carry cosmetics and school supplies. A very broad mix would be found in a department store where a wide range of merchandise is available (James et. al., 1975). Some department stores attract millions of consumers each year by offering different

experiences to customers. They feature restaurants, playgrounds for children or art galleries (Kotler and Kelly, 2006). Another measure of a store's merchandise mix is the depth which is the number of different brands of any product it routinely stocks. For example, a men's clothing store may offer six or seven brands of suits. Other measures of a store's depth include the number of different prices, levels of quality and styles or fashion its customers can choose from (James et. al., 1975).

Retail store types generally pass through a cycle which is called retail life cycle. This cycle includes stages of growth and decline. Any type of retailer emerges, experiences an accelerated growth, and reaches maturity and then declines. In America, department stores took many years to reach their maturity, whereas warehouse retail outlets reached their maturity in a ten year time (Kotler and Keller, 2006).

Retailers can position themselves by offering one of four levels of service to customers (Kotler and Keller, 2006):

Self-service: It is the important level of discount operations. Some customers may want to locate, compare, and select by themselves to save money.

Self-selection: Customers may ask for assistance, but they find their own goods.

Limited service: Retailers who offer this type of service carry more goods and customers need more assistance. Retailers offer credit and return privileges. Supermarkets with pre-packaged meat and vegetables would be considered as limited service retailers (James, et. al., 1975).

Full service: Retailers give assistance in every phase of the shopping to customers. Since full service includes high staffing costs, high specialty goods and slower moving items, it results in high cost retailing.

Besides store retailing, there is also a fast growing type of retailing called non-store retailing. Non-store retailing includes direct selling, direct marketing, automatic vending and buying service (Kotler and Keller, 2006):

Direct selling: It is also called multilevel selling or network selling. This type of selling includes door to door or at home sales parties. In direct selling, the producer or manufacturer sells to the customer without going through intervening distributors such as wholesalers and retailers. Direct selling usually works best in medium sized and smaller cities and rural districts (Richert, Meyer and Haines, 1962). Well known one to one selling brands are Avon, Tupperware, Amway and Rainbow cleaning machines are sold one to many. It means a salesperson goes to the home of a host and host invites many friends. Then salesperson introduces the product, demonstrates and takes orders from the people (Kotler and Keller, 2006). Many companies found this to be an effective method of retailing because it permits extensive, personal demonstration of the product or service and offers convenience to the customer (James, et. al., 1975).

Direct marketing: Direct marketing includes telemarketing, television direct response marketing and electronic shopping like amazon.com or gittigidiyor.com. Especially, electronic marketing grew much faster than the others and many consumers intensively using dot com sites to buy any goods or services.

Automatic vending: This type of retailing includes selling goods like soft drinks, cigarettes, coffee, newspaper, condoms and paperbacks. These machines are usually found in factories, airports, schools, restaurants, hotels and many other places. Automatic machines have the advantage of offering 24-hour service and self-service to the customers.

Buying service: These are storeless retailers and give service to a specific customer. These customers are entitled to buy from a list of retailers that have agreed to give discounts in return for membership.

Consumers today can also shop from retailing organizations. Many retail stores are owned by independently, but there are also some from of corporate retailing. Corporate retail organizations have economies of scale, wider brand recognition and greater purchasing power. They also employ well trained employees. Corporate chain stores, franchises and merchandising conglomerates are major types of corporate retailing (Kotler and Keller, 2006).

1.6. Retail Management

Success of a retailer whether it is small or big, depends on how much it embraces the retailing concept. Retailing concept is a management orientation that focuses a retailer determining needs of its target market and satisfying those needs effectively and efficiently than its competitors. This means there is a competition. Retailers try to minimize competition by offering unique merchandise and services that can't be copied easily. On the other hand, gaining competitive advantage is very difficult in retailing. Since they purchase the product they sell, competitors can purchase and sell the same products. This shows that it is of importance for retailers making decisions to provide value to their customers and develop an advantage over their competitors (Levy and Weitz, 1998). In other words, it is important for a retailer to formulate and implement a strategy to gain competitive advantage.

1.6.1. Developing and Implementing a Retail Strategy

Retail strategy is related with how the company plans to focus its resources to achieve its objectives. Retail strategy identifies the nature of the service or product the retailer will provide to customers to satisfy their needs, how the retailer will gain a long term competitive advantage over the competitors and of course the target market toward which the retailer will direct its efforts (Levy and Weitz, 1998).

After the retailer develops his/her retail strategy, the next step is to implement it. In order to implement a retail strategy, retailer develops a retail mix that satisfies the needs of its target market better than its competitors. Retail mix is the combination of factors that retailers use to satisfy their customers' needs and expectations by influencing their purchase decisions. Retail mix includes products and services offered by the retailer, pricing, product display, advertising and promotion activities, assistance provided by salespeople to customers and, of course, convenience of the store location. These are all important decisions and managers should decide what type and how much product to buy, retail prices to set and how to advertise and promote the product or the service. It is also important to decide how to recruit and motivate the salespeople, the

sales skills that will be provided by the salespeople, how the product will be displayed and the nature of the services to provide the customers (Levy and Weitz, 1998).

Besides these, there are also strategic decision areas that the manager has to take into consideration while formulating and implementing the retail strategy. The next section focuses on these strategic areas.

1.6.2. Strategic Decision Areas in Retail Management

The key strategic decision areas are determining a market strategy, organizational structure and human resource strategy, financial strategy, information systems strategy and location strategy.

Market strategy, basically, depends on analyzing the environment and strength and weaknesses of the company. When major environmental changes take place, the current strategy that the company is relying and the reasons underlying this strategy are all reexamined. After that, the retailer decides whether any strategy changes are needed. If necessary, the retailer using those strategy changes will get the advantage of new opportunities in the environment or avoid new threats. The market strategy should be consistent with the company's financial strategy. Retailer uses some financial variables such as sales, costs, expenses, assets, liabilities and profits in order to evaluate the market strategy and its implementation (Levy and Weitz, 1998).

Organization structure and human resource management strategy are again related to the retailer's market strategy. For example, if a retailer decides to serve to national market, he/she should make trade-offs between efficiency of centralized buying and the need to tailor product and services to local needs. If a retailer decides to focus on customer segments trying to achieve high-quality customer service, then he/she should motivate the salespeople to provide the high quality levels of service. Organization structure and human resource strategy coordinate the implementation of the retailing strategy by customers, store managers and salespeople (Levy and Weitz, 1998).

Information systems strategy is a very important opportunity for retailers to get strategic advantage among the competitors. Many retailers are using sophisticated computer and distribution systems to see the flow of information and product between vendors, retail distribution centers and stores. The technologies used by the retailers enable retailers to give customers a complete selection of product and also decrease their inventory investment (Levy and Weitz, 1998).

Location strategy is one of the most important strategy from both the consumers' and the retailers' perspectives. It plays an important role when consumers are selecting the store. It is a competitive advantage from the retailers' perspective because when the retailer has the best location to sell his/her product, a competitor has to settle for the second best location. Store location is also closely related to real estate management which is the one of the main focuses of this study. So, it is better to analyze store location extensively.

1.6.3. Store Location

A store's location strongly affects its profits and long term success. Good locations help managers to overcome deficiencies in management and also in merchandising capabilities. On the other hand, poor location may handicap even the most skillful and competent managers (Davidson and Brown, 1960).

Retail location is not only limited to the selection of sites for new store because it is more than site selection. Position of the competitors, population shifts, parking facilities, transportation opportunities and growth of shopping centers affect the value of any particular location. Store location is not only important for starting business, but also important for existing businesses. From time to time, retailer should evaluate the flow of customers to determine whether the store still attracts the customers. This means that retailer frequently confronts with the location problem (Duncan and Hollander, 1977).

Although store location has a significant influence on retailers, a lot of retailers decide the location without doing an analysis. They mostly rely on intuition rather than a careful study. Some are sensible to take at least traffic counts at the location. They try

to determine the number of people pass by and vehicular traffic to estimate the value of the location. On the other hand, department stores or other large retail organizations choose the location with more sophistication. They use experienced analysts, develop criteria, use rating instruments or use computer models that build in many factors related to location and all these take probabilities into consideration (Burstiner, 1986). Shortly, location selection plays a significant role on sales and profits and the retailer should get and evaluate as much information as possible before making the decision related to the location of the store (Duncan and Hollander, 1977).

1.6.3.1. Basic Factors in Location Selection

Factors affecting the choice of location selection can be analyzed in two broad groups. These factors are those that affect the choice of a city or trading area and those that determine the particular site in a city or trading area. Although these factors seem to be related to new store location, they can also be applied to existing stores in evaluating location (Duncan and Hollander, 1977).

1.6.3.1.1. Choosing a City or Trading Area

Location decisions related to a city or trading area is very disadvantaged for a small retailer because, as it is discussed earlier, the decision is not based on systematic evaluation, but on climate, nearness to their homes and locations that are situated in an area they would like to live in (Davidson and Brown, 1960). However, a logical approach to store location is to begin by selecting the general trading area in which the store is to be established. While making such a decision, one should consider geography of the area, population, and the characteristics of the area (Diamond and Pintel, 1996).

Population size of the trading area determines the number of potential customers of the store. Beside the number of customers, rate of growth or decline is also very important because some cities or regions may have stationary population. Seasonal shifts in population should also be taken into consideration by the retailer. Population of some trading areas may decline or incline during summer or winter and lose it the remaining months (Duncan and Hollander, 1977).

Type and character of industries determine the amount and the stability of the customer income and the kind of product or service customers want. Income might be more stable in cities with diversified industries than cities where one industry dominates. One industry dominated cities may be vulnerable to changes in the market for its industry's product. Growth of local industries may also be important for retailer because an area which has expanding industries has more advantages than an area where development has already been achieved (Duncan and Hollander, 1977).

Retailer should pay attention to the buying habits of potential customers. People in some areas may prefer to drive to greater distances for shopping. Preferences may be totally different in terms of downtown shopping or suburban shopping, self-service or clerk-service, demands for different types of products or stores and buying in credit. Climate changes (bad versus good weather), occupation, age (young versus retired) may also influence the type of product that will be purchased, where and how to shop. Number of people employed, average salaries, social security payments to the retired people will be the indicators of purchasing power of the potential customers in the area or city. Retailer should carefully analyze to these factors in order to estimate the potential of the area (Duncan and Hollander, 1977).

Progressiveness of the city is closely related to the factors it is discussed so far. On the other hand, it is also evidenced by the factors such as new constructions in progress, an active chamber of commerce, well planned public transportation systems and public traffic facilities, periodic events such as festivals, conventions and fairs, and well developed cultural and sports programs (Davidson and Brown, 1960).

Concerning the strength of competition, retailer should examine the number, type, size, quality and location of the competitors and analyze all these information according to the needs of area for store type which is under consideration (Davidson and Brown, 1960). Finding answers to the questions such as whether the area is over-supplied with that store type, whether the store will meet the customer needs better than the existing ones is critical. Competitors should be analyzed to identify the products or services they offer, the extent whether the competitors are sensitive to the demands of customers (Duncan and Hollander, 1977).

Even the city or trading areas that offer very important prospects for a potential business, sales and profit prospects may be dependent on the value of a specific site and the terms of occupancy. Next section focuses on factors that should be taken into consideration in choosing a specific site.

1.6.3.1.2. Choosing a Specific Site

Selection of a specific site has secondary importance for locations that are dependent on the residential area surrounding them. Site selection is the most critical part in central and well developed secondary shopping districts for smaller stores of a parasitic type and large stores that depends on attracting continuous customers from an existing shopping traffic. There are some factors which should be paid attention in selecting a specific site. These factors include affinities, traffic flow, location in relation to competitors and other stores, accessibility and compatibility and incompatibility (Davidson and Brown, 1960).

Theory and practice revealed that clustering similar or complementary kinds of stores around a common location is very important. Department stores can be best examples for this. Department stores are usually clustered around a common location because customers like to compare the offerings of different department stores at the same time without walking a long distance. Women's clothing, shoes and accessories or men's clothing, shoes and accessories or furniture, paint, curtain and hardware stores have a strong affinity for one another because they sell similar, complementary or related goods. On the other hand, there are some stores that do not need to have an affinity to other stores such as jewelry stores, drug and tobacco stores. Drug and tobacco stores depend more on the volume of the traffic, so they can be found in any type of location (Davidson and Brown, 1960).

Traffic flow during a day and classifying the people according to their characteristics has been a primary application in site selection because it has been thought that the volume of traffic was the most important factor in determining its value for merchandising purposes. It is important because usually, the heavier the traffic flow, the greater the potential sales volume. In analyzing the traffic flow by a specific

site, there are number of factors that should be taken into consideration. Volume of customer traffic will vary with the time of day, the day of the week, the weather and the sales events of other retailers (Redinbaugh, 1987). For example, from ten to one in the morning and from two to four in the afternoon or at other special intervals that can be very important to a given business. Traffic counts are usually beneficial in estimating the probable sales volume in a given location. This is generally used by chain store organizations. Traffic flow studies provide interesting results. For example; one side of the street is more valuable than the other side. Especially, in cities where there is an extended hot weather, this is the side that is in the shade. Corner locations are valuable in that two different traffic streams can be tapped and also more window display can be available. When pedestrians are stopped by traffic lights and when the store has attractive visual front, they are inclined to enter the store to buy goods (Davidson and Brown, 1960).

Retailer has to focus and study the proximity of the store to competitors and to other types of retail stores. For some businesses or stores, location in the major shopping district or in a shopping center is important in order to be successful. For example; a women's clothing store may want a location near other similar shops or near a department store to attract customers. Drug stores or groceries may prefer neighborhood locations which are removed from direct competitors (Duncan and Hollander, 1977).

Detailed investigation should be made on accessibility of the store. Distance of the store from customer's and employees' homes, amount of traffic, width of the street, availability of public transportation and parking facilities are all among the factors in terms of accessibility (Duncan and Hollander, 1977). Especially, in large cities proximity to public transportation is very important for business. The value of the location near public transportation depends on quality of the area served by the line. Another important point is the parking facilities. Garages and parking lots affect the flow of traffic on many streets. When there is no parking facility provided by the store or no parking spaces nearby the store, customers are negatively affected. That is why many large department stores find necessary to provide garages or free parking

alternatives to their customers thereby enhance the value of the location (Davidson and Brown, 1960).

Some types of stores make well business with other stores, but some types may have a harmful effect on each other. Reputation and merchandising methods of other stores are important for retailers. For example; an exclusive women's clothing store will not select a location next to a retailer of low priced women's clothing or a children's shop will not rent a store beside a liquor store. Some locations have reputations for good merchandise and this is important for a retailer to acquire a comparable designation (Duncan and Hollander, 1977).

While choosing the convenient site for the store, the retailer can choose either to buy a site on which to erect a new building, or buy an existing store or rent the property. Each approach has its own advantages and disadvantages. The next section will focus on these approaches.

1.6.3.2. Store Occupancy

If the retailer has no finance problems, then the best choice may be to buy site and build a new building. When this is the case, the major cost will be the purchase price, the cost of construction, the interest charges and amortization rate for the mortgage (if any), real estate taxes, insurance and maintenance costs (Duncan and Hollander, 1977).

When the site is purchased, the store can be designed according to retailer's needs and desires. Retailer can also maintain his position without any fear of rent increases, of landlord restrictions or of losing this site to another retailer some day. Management may use this to reduce income taxes because of depreciation allowance. If the company experiences a cash flow problem, the property can be mortgaged, too. These are all advantages of buying a site. On the other hand, owning the site and constructing the store has some disadvantages as well. It requires the largest capital investment compared to other approaches. There may be unexpected problems and it may take several months to open the store's door to public. The retailer should work with a professional architecture and builder and follow the construction codes. Retailer

should also get the necessary permissions for construction and for the issues during the construction which means a lot of work. Sale and leasing opportunities are more popular among the investors because of these problems (Burstiner, 1986).

Another approach that the retailer can use is buying an existing store often from similar type of retailers. This approach has almost the same advantages and disadvantages of buying a site and building the store. Additional disadvantage may be too much cost associated with renovation and modernization of the existing store according to the needs and desires of the retailer and the type of merchandise sold. One important advantage of buying an existing store is that it will provide how the location has been performing up to now (Burstiner, 1986).

The most popular approach is to rent an empty store from an owner because it is the quickest way to enter a location and begin selling the products. The company also avoids paying property taxes. When renting a store, the retailer must sign a contract with the owner. The contract shows that the terms and conditions are discussed and agreed upon by both parties. The contract includes how long the contract will be in effect, rent to be paid, repairs, defaults and other details (Burstiner, 1986). The rental charges will vary according to the tenant's bargaining power and ability and with the kind of business. The tenant may also question whether the owner will give a completely finished and decorated store or only a shell that needs carpentry and painting (Duncan and Hollander, 1977). The disadvantage of renting a store may be that once the lease expires there is a threat of a substantial boost in rent, there will be risk of nonrenewal and the owner may want to replace the present tenant with a new one. When this happens, the retailer has to give up the location where he/she successfully built a large and loyal customer portfolio (Burstinger, 1986).

Once the location is selected, and the decision is made about the store occupancy, the store must be designed to attract customers' attention. However, a store designed as appealing to the eye is not enough, it also should be functional. The retailer may either begin with a completed new building or may construct a new building, but the important thing is to decide to what it wants the store to say to its customers

(Diamond and Pintel, 1996). The next section emphasizes the importance of store design.

1.6.4. Store Design

The first objective in store design is to create an overall positive atmosphere in the retail store. The store's physical characteristics affect the overall communications that are sent to the target market. They also contribute to the overall store image. Retailers use plenty of techniques and materials such as lighting, fixtures, point of purchase displays, music, smells and other tools to enhance customers' buying experience and to develop an overall store image (Ogden and Ogden, 2005).

Store design is an important process and carefully thought plan. Design is concerned with the process and it is the result of bringing together all the elements that increase customer satisfaction. From the customers' standpoint, good store design is associated with physical characteristics of the building exterior and the layout of the goods in the store. It also includes style, color and texture of the placement of selling equipment. Creating an ambiance is also very important in store design. Ambiance is defined as the special atmosphere or mood created by a particular environment (Free Online Dictionary, 25.08.2009).

Store ambiance can be defined as the general quality of the design that shows the character or the atmosphere of the store recognized by customers. It is closely related to manager's view about what he/she wants the store to say to its customers and it is the result of a good planning in retailing. Design and the layout of the store compose physical part of the retail image. There are also promotional facilities, selling facilities and sales support facilities to be considered. Promotional facilities are related to physical features of a store that are concerned with creating customer acceptance and can vary from the architecture of the exterior and interior of the building to display windows and counters. Selling facilities include things such as checkout counters, credit equipment and other sales processing equipment used in completing the transaction. Sales support facilities include those like heating, elevators, stairs, lighting and ventilating equipment (Levy and Weitz, 1998).

Space requirements in the store are another important issue and it must be carefully evaluated. How much space requirement is needed and how the available space will fit into the type of retail enterprise should be planned before an existing space is chosen. For example, a retailer wanting to locate in a shopping center might find the available space either too small or too large and might need adaptation. The point is to relate the sales forecast developed for the store to the problem of planning space. It requires an estimation of present and future sales for the store and for each department as well. The forecasted total sales can be divided by estimated average sales per square foot to calculate total space required. In estimating space requirements for a new store or in considering changes in the location or size of the departments in an existing one, retailer should avoid the idea that a high figure for sales per square can be merely attained by constructing a large store without worrying too much about its layout. In analyzing space requirements it is important for a retailer to examine the necessary space for storing, displaying, and selling goods in an appropriate way, sales supporting departments, comforts and conveniences for customers and employees, office space, workroom space, stairways, elevators, lighting, heating, air conditioning, aisles wide enough to permit free flow of customer traffic in the store, and window space etc. (Levy and Weitz, 1998).

1.6.4.1. Components of the Store Design

The design of a store is actually, composed of important components and these components should create a synergy in a way. It means the sum of components is more important than each individual item. They should be combined in new way and unique ways. It is important to combine the components of the store in a way that it will give customers pleasurable experiences for shopping and being able to make them say “This my store”, achieve high sales per square, and designing separate departments of clusters of departments to look as if they were specialty shops. All these can be achieved through being able to manage the physical components of the store.

The front of the store is one of the important one among these components because it is the first thing that the customer sees about the store and it is often the front to sell the store. Many retailers allocate considerable amount of resource to the display

and presentation of their products. Window displays have been found to be a crucially important marketing communications device and studies found that the positive impact of a window display can serve as the primary reason as to why a customer chooses to enter a store for the first time. They allow the customer to evaluate the store without entering (Ferne, Fernie and Moore, 2003).

Customer entrances are another component. They should be inviting and should provide a message for the exterior of the store to draw customers to them. There may be more than one entrance. It depends on the location (corner, free standing with a frontage, and location in a shopping center) and size of the store. For example, if the store is located in a shopping center, then it will have less discretion over the number of entrances. Alternatives for store entrances can vary. Whether it is chosen as air, glass, or wood, the material must fit into the rest of the store exterior and give an idea about what the customers will anticipate when they go into the store (Levy and Weitz, 1998).

Interior of the store is another issue that should be planned and implemented. It basically includes the way space is allocated within the store, decoration, type of fixtures chosen to show goods and complete transactions. The impression that is desired to be given should be carefully thought because it helps customers understand the store and the products. Among the interiors, there are three important factors such as store fixtures and equipment, structural surfaces and store lighting (Dion and Topping, 2002).

Fixtures are related to all the items used in the sale, display, protection of goods and storage. They include shelves, counters, tables, cabinets and cases. Equipment is related to brooms, air conditioning, conveyors, pricing machines, and materials-handling equipment. Cost is an important, but not only issue in choosing store fixtures. How long the fixtures can be used, maintenance and further redeployment savings should be considered by the retailer. Also, the fixtures should be compatible with overall design of the store. They shouldn't draw the customers' attention away from the goods, but should be part of the total store design (Burstiner, 1994).

Floors, walls and ceilings are all part of the interior design of a store. Concerning the floor of a store, surfaces that can bear lots of traffic should be

considered as an available material. Durability is a particularly important consideration in entrances, near cash registers or checkout stands. Additionally, floors should look pleasant and be safe to walk on. Interior walls can be treated in an infinite number of ways. However, the primary consideration should be the cost, attractiveness, their resistance and expense involved in keeping them looking good. Ceilings may simply be painted, or they may be covered with materials such as plasterboards, or cork. Movable walls, modular fixtures and baffles instead of classical ceiling can be also used. This type of ceiling provides flexibility and minimum customer inconvenience. The color used to decorate a store's interior helps to make the store more attractive. Color codes and floors and walls are used to guide customers through the store and identify specific departments, services and facilities. There is, of course, great variety of materials that can be used express the colors on walls and ceilings. The choice and combination is basically based on cost, flexibility and image (Burstiner, 1994).

Lighting is another important factor in designing the store's interior because it is critical in selling and sales supporting activities. Retailer should be aware of how lighting gives customers a shopping pleasure, increase personnel's productivity, improves store's front and interior and increase product turnover. Lighting, if used, carefully, can show the store's offerings to their best advantage. Proper lighting also ensures that departments and products can be easily seen. It also helps to create the store's image. This can be created by using varying degrees of intensity and color. Whatever the the choice, it must be appropriate for the particular retail establishment (Diamond and Pintel, 1996).

It is not often the case to design a store from the beginning. Generally, retailers try to match specific needs with a store that is readily available. Whether it is started from scratch or not, the issue for retailers is to follow the changes and adapt them in order to gain a competitive advantage. Although design is a matter of art, it is also a management responsibility and it is an important retail facility for the present and for the future.

Shopping centers, which are the main focus of this study, can be studied from two different perspectives: retail and real estate. Shopping centers, as one of the alternative sales channels for retail, also have a very important role in the commercial real estate sector. It is a strong investment alternative for the land developers and actors in real estate. This makes real estate sector a critical arena in terms of retail for evaluation. With this in mind, real estate will be analyzed in the following chapter before focusing on shopping centers.

CHAPTER TWO

REAL ESTATE

2.1. Definition of Real Estate

Real estate is a durable asset with a long economic life. A simple definition can describe it as a piece of land, including the air above it and the ground below it, and any buildings or structures on it (Investorwords). Real estate is also defined as a term that encompasses land along with anything permanently attached to the land, such as buildings, specifically property that is fixed in location (The American Heritage Dictionary of the English Language, 2004). Definitions show that real estate has a very wide spectrum starting from an individual's house to shopping centers, offices, hospitals, airports and so forth. However, the way that real estate is understood in daily life is that it is a property standing over a piece of land (Tripathy, 2007).

Many definitions of real estate describe the land and the attachments on it. Sometimes the terms land and real estate are used to describe the same thing, but they have important differences in meaning. Land can be defined as the surface of the earth including water and anything attached to it by nature like trees, flowers...etc. Additionally, land includes the minerals and substances below the earth's surface and the airspace above the earth's surface. So, it can be defined as the earth extending downward from the surface to the center of the earth including all the things attached by nature (Lank and Sobeck, 2003).

On the other hand, real estate is broader in meaning than land. Real estate includes land and all the manmade improvements. Improvements mean buildings erected on the land and streets, utilities and other manufactured additions to the property. Real estate also includes all the legal rights the property ownership offers. So, it can be defined as the land including all things attached to it by nature or people and also all the rights, interests and benefits in it (Lank and Sobeck, 2003).

Dramatic changes in ownership, finance, and management, coupled with the sophistication of real estate markets, make comprehensive understanding of the real estate industry compulsory for its leaders.

Success as a real estate professional requires insight into the industry's special features, including, for example, the importance of location, design, structural integrity, trends in a local market, and the characteristics of an individual property.

Investment decisions made according to standardized valuation models often ignore important realities. A banker, viewing real estate as a fixed asset, might consider a certain property a bad asset in financial terms, while a real estate professional might see the same property's advantageous location as a market opportunity waiting to be realized.

2.2. Characteristics of Real Estate

The most important characteristic of the real estate business is the cyclical concept. As the economic crisis in 2008 also proves, this cyclical concept of the real estate business has big effects on the entire global economy. The simple dimensions of the real estate cycle can be mentioned as followed;

It starts with the good times. Economic expansion, permanent construction, rising occupancy and increasing rents. These factors lead to easy money and good rates in the financing part also which increase the construction supply again. Shortly this good part of the cycle is phase one and called 'Boom Time or Expansion Time'.

But the boom times lead the sector generally to overbuilding and oversupply. A real estate recession follows the boom times because of these factors, which can be absorbed maybe in many years. Occupancy and rents fall, discounts start in the sector. In this time period only former planned constructions continue, no new investments start. This second phase is called 'Oversupply'.

A recession occurs in the real estate sector when new constructions come to a halt. The demand for new spaces decreases and the rents come down to a new lower level. Only the long planned constructions continue with slower speed and lower costs. This third phase is called ‘Recession Time’, which is followed with recovery period. In this phase, the overcapacity is worked off, occupancy and rents begin to go up again because of the rising demand for real estate. This fourth phase is called ‘Recovery’.

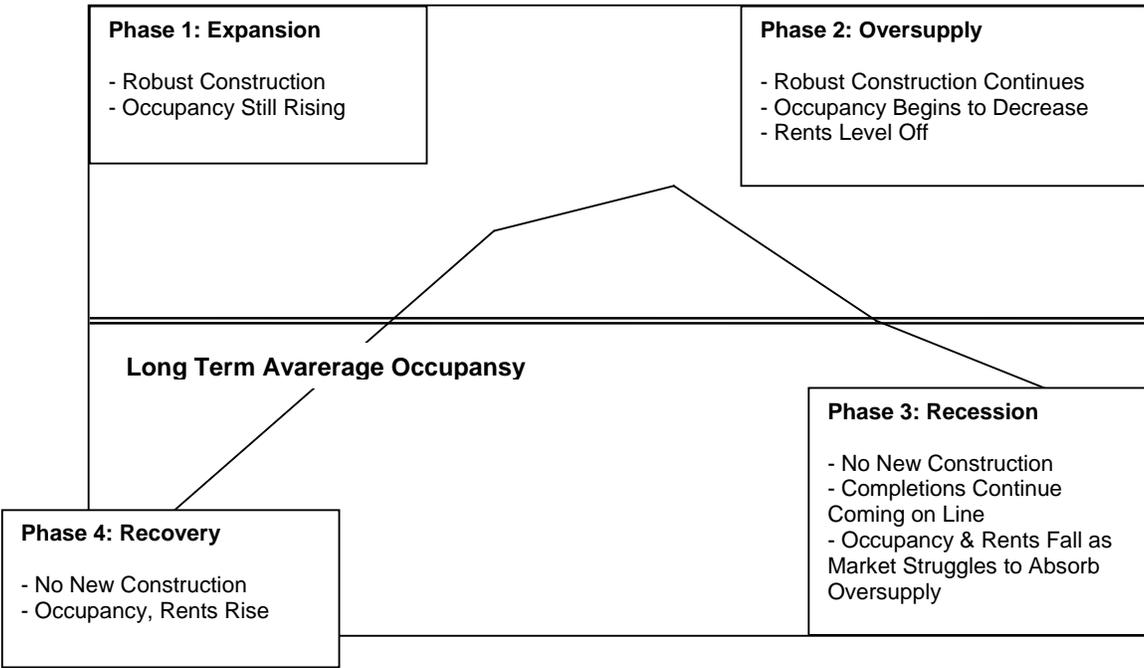


Figure 1. Typical Real Estate Market Cycle

Source: Collier, Collier and Halperin, 2002.

2.3. Real Estate Sectors

Real estate is an interesting economic sector. It is vibrant, fragmented and evolving which cause a difficult analysis about its insides. In several sources there are many different methods to make a classification about the real estate sector. To make the classification of real estate sector easily and clearly, the following sub-categories are taken for our classification in this thesis. (Collier, Collier and Halperin, 2002):

- Institutional

- Private
- Commercial

2.3.1. Institutional Real Estate

This segment includes all the governmental real estate types like public hospitals, schools, train stations and airports, police stations museums, municipality buildings, government buildings etc.

A second sub-category of this segment is the real estate assets of nonprofit organizations. Associations and organizations like LÖSEV, TEV in Turkey are examples for this sub-category.

As a third sub-category of institutional real estate includes organizations and firms like real estate investment trusts (REITs), private equity firms, hedge funds, various joint venture partnerships and other funds founded for profit reasons. These are also institutional real estate investors which buy, develop, manage and sell real estate assets with an aim to achieve superior returns while abating risk by holding a portfolio of properties.

The following methods bring them advantages in investing in institutional real estate:

- Cash flow from operations - cash flow provides a return on investment either through dividends to shareholders or through a reduction in the debt part of the balance sheet.
- Capital gains - upon selling a property, investors realize capital gains from both natural and forced appreciation.

Natural appreciation occurs through general market price movement over time in positive direction. Forced appreciation occurs when the investor makes capital improvements to the asset or operational changes to improve the property's potential value and marketability.

- Tax advantages - tax advantages include the ability to expense/deduct the interest portion of the debt capital employed (thus, decreasing the cost of debt capital even further) and the ability to depreciate the asset on the books even though the market value of the property may in fact be increasing which is a legal and important opportunity to use in recession periods of real estate markets (ezinearticles, 29.12.2009).

2.3.2. Private Real Estate

There are many different definitions of private real estate in the literature. Even the term ‘private real estate’ varies in different sources. In this chapter, two different sorts of terms and definitions are mentioned and compared.

Wider definitions are using the term ‘private real estate’ and according to these definitions, it includes all owner occupied assets like lands, houses, apartments, summer houses, etc. (Collier, Collier and Halperin, 2002) The key factor, which determines the category of a real estate asset is the usage type. For example; a house on a shopping street of a city, where the owner family is still living, is called a private real estate asset. But when the same house is renovated and used as a shop, the category changes and becomes a part of a commercial real estate. Commercial real estate also has subcategories and the house in the above example belongs to the retail category of commercial real estate.

Some other resources use the term ‘residential real estate’ instead of private real estate. This enables a simple definition for this real estate category. ‘Real estate, where people live is called residential real estate.’ This simple definition could not reflect complicated issues. Some argues that hotels, motels, student houses etc. should also be considered as residential real estate because people also live there. But actually, they are terms of commercial real estate. The fact is that they are called short-term rented out residential accommodations and the residents are called short-term clients (De Roos, 2008).

But this second definition excludes one real estate type which is land. Land is also a real estate category. When it is not used for non-commercial reasons and for residential reasons, it becomes undefined in the ‘residential real estate’ definition. It is

also not possible to attach the land to the commercial real estate category when it is not used for commercial reasons like farming etc.

So the comprising definition which is also used in this study is the 'private real estate', which will be mentioned frequently in the following parts.

2.3.3. Commercial Real Estate

Like other concepts commercial real estate has different definitions in the literature as well. It is defined as 'real estate assets where commerce is conducted (De Roos, 2008). According to Amadeo (2010) 'commercial real estate is any property owned to produce income.'

Shopping centers, office buildings, hotels, motels, airports, hospitals and amusement parks are all considered as commercial real estates (De Roos, 2008). It includes medical and educational buildings as well. It also includes vacant land that will eventually be leased, or built upon for buildings to be leased. This means that vacant land is a different division of commercial real estate (Amadeo, 2010).

In the literature, mostly buildings are taken into consideration. Collier, Collier and Halperin (2002) provide a wide but reasonable classification for commercial real estate beside the land category.

Commercial Real Estate

- Offices
 - Suburban District
 - Central City Business District
 - Industrial /Warehouses
- Hotels
 - Full Service
 - Extended Day
 - Limited Service
 - Resort
- Senior Houses

- Active Retirees
- Assisted Living
- Full Service
- Retail
 - Regional Malls
 - Strip Malls
 - Factory Outlets
 - Power Centers (Downtown Shopping Centers)

This classification provides a good general overview about commercial real estate. Investor interest focuses on each of the categories according to the demand of consumers and market conditions. Niches with unsatisfied demand enable investors to gain more profit which means a shorter duration in terms of return on investment. Thus, in the next chapter, real estate development and investment will be discussed.

2.4. Real Estate Development and Investment

Real estate development and investment varies according to the culture. Investors from different cultures do give importance to some factors than the others which determine decision making process for investment. In oriental cultures such as Turkey, beside all the facts and figures, investors decide and act mostly with emotions. On the other hand, European cultures are more close to analytic methods for decision making.

Risk and Asset Management Research Center (EDHEC) has released the **EDHEC European Real Estate Investment and Risk Management Survey**. This survey covers 143 European institutional investors from 19 countries, representing more than 3,000 billion Euros in assets under management and over 400 billion Euros in real estate assets.

According to author Frédéric Ducoulombier, real estate is perceived as a distinct asset class which covers direct investment, non-listed and listed real estate equity vehicles. The justifications for investing in this asset class are diversification of

the overall portfolio, the search for performance and to a lesser degree, a hedge against inflation. The quest for alpha appears to be of secondary interest. The main vehicles for exposure to the class are direct investment in the underlying asset, non-listed funds and listed real estate. The role of debt is marginal and allocations to new products (indices, structured products and derivatives) are modest. Among the other key results of the study (Risk and Asset Management Center, 2007):

- The specific risk of the property is considered to be the central risk factor; other key concerns are sector and geographic risks.

- Diversification is thought to be the only appropriate approach to risk management and should be carried out by property type and geographically.

- Investors approach real estate primarily in absolute return terms but also adopt relative return performance analysis tools.

- 66% of investors consider that an investable European index (or derivative thereof) would be the best diversification solution for a portfolio with a strong home bias.

- 81% of the investors do not plan to use derivatives in the short run due to investment policy constraints, a lack of familiarity with the products or the unsuitability of the products for their needs.

- Investors identify the quality of the index (transparency, representativeness) and contract liquidity as being the key success factors for real estate derivatives.

Beside many different investment alternatives in real estate sector, investors mainly prefer shopping centers in big and developing cities. There is a growing demand on retail consumption in big cities. Shopping centers, as an intersection point for retailers, provide easy and diversified alternatives for customers to fulfill their needs and expectations. This leads an increase in the number of shopping center investments. However, investing in shopping centers does not bring success herewith. Development and realization phases play key roles in the future success of shopping centers. So, these

important players of a real estate investment and phases of investment will be discussed in detail in the next part.

2.4.1. Key Actors in the Development Process

Development process starts with a vision. There needs to be skills, desires and resources to bring the vision to implementation. The key actors in this development phase who should realize these skills, desires and resources are developer, builder, investor, property manager and lender (Collier, Collier and Halperin, 2002).

The developer can be a firm or an individual who locates and secures the control of a land and also designs a project to be built on that land (Collier, Collier and Halperin, 2002). For this first and most important decision process, the developer should have enough knowledge about the physical and demographical environment of the land, the trends in the construction sector and the demand of the recent real estate markets. Also, the economic situation of the country, where the project is planned should be definitely taken into consideration. Developer also gets the needed regulatory approval for the project.

The builder is the person or firm who does the construction of a project. Builder generally bids the job to a variety of subcontractors (Collier, Collier and Halperin, 2002).

The investor can be an individual or a firm that gives the capital or financial sources to realize the project (Abbott, 2010). Mostly the investor starts working with the developer together. But, investors stay outside the project for a final commitment till it is fully vested with development rights. After the decision of the investor about the project, all the financial responsibility of the construction belongs to him.

The lender provides the capital which is necessary to build the project. Like the investor, lender will not be committed until the project is fully vested with development rights. Commonly, lenders act as local or global finance institutions. They fully or partly support investors in a loyal business relation model in every project.

Banks, national funds, retirement funds or governmental finance institutes are examples for lenders.

The property manager deals with property management after the project is completed. They mostly start their duty during the construction phase and they are responsible for the opening, marketing, pr activities of the property. All the other important actors expect a successful stabilization of the investment in a short while from the property manager.

2.4.2. Development and Investment Process

The development process of real estate investment is a long and complex process. However, this process will be summarized and analyzed step by step in this part for a better understanding.

Development process starts with the selection of the development concept, product identification and establishment of development criteria. Developers mostly focus on a specific sector such as regional mall, strip mall, suburban office, or central business district office. There may be also further specialization within these specific areas. This step of the process is often based on the developer's prior record and the company's focus. Most developers work with professional and vetted team. On the other hand, if the developer is entering into a new market or sector, he may form a new team. Another important step is identifying the market area. Developer should take into consideration whether it is a good site in terms of visibility, demographics, traffic; or a so-so site with a close power lines, questionable area; or so-so market or fantastic market with a booming economy, rising occupancy and strong rent growth. It is suggested that choosing the best site over the best market is the right choice because sites cannot move but market can change positively. There is a reality that developers or investors usually choose markets where information about the conditions is available and gathered from several sources to make cross-check. It is also right to choose market which is not saturated by competition, which needs a product with good quality and competitive price, which is stable and have signs for future growth (Collier, Collier and Halperin, 2002).

After developer sees a probable success of the project on a given site, land which the project will be constructed should be planned, approvals should be taken and capital commitments should be received. Mostly, developers choose to purchase the land because this reduces the loss of capital if the construction does not start or improve. After selecting the land, governmental regulations such as land use and zoning should be taken into consideration. Zoning is an exercise of police power used by municipality or country to control the use of property, laws and rules that show what kind of building is allowed to be built in specific areas. The aim is to protect property values by separating incompatible land use. On the other hand, land use includes broad categories such as retail, residential, institutional and office. If a parcel doesn't have the land use and zoning, an assessment including the likelihood of obtaining desired changes should be made (Collier, Collier and Halperin, 2002).

After the land use designation and zoning are obtained, the next step is to develop a site plan. Site plan shows where the buildings and parking are going to be located, how the developer plans the necessary utilities, how the developer intends to obey the regulations about height of the building, floor area ratio, and landscaping. Usually, an engineer, an architect and a landscape architect work together to prepare the site plan by complying with applicable zoning rules and regulations. Once the plan is completed, generally minor changes are permitted without entering the entire process. Then, planned developments are made and building permit is taken. Building permit may take several weeks or months to start the construction (Collier, Collier and Halperin, 2002).

Concerning the financial part of the process, many sources of construction financing may exist for a developer. Banks are among these sources to lend the capital. If the developer has a good track record of success, then debt capital will be easy to obtain. The developer should be aware of the financial markets that will provide the options to fund the project. This may include developing access to key people within these markets. Possible sources for funding should be determined at the early stages. These sources can either be banks, or mortgage brokers. Investor gives the equity capital which is necessary for construction and the developer provides the seed equity

capital to start the construction. Before the construction starts, the project which is indistinct during the conception stage should take on a definite shape. Developer meets with designers (land engineer and architect) and describes all the necessary functions that the building should obtain about general appearance, and the budget. Then, designer translates these into the design and then to plans, specifications and contract. After the design is finished, contract is prepared for construction of the project (Collier, Collier and Halperin, 2002).

2.5. Real Estate Management

The management associated with commercial real estate is much less than that with residential real estate. Since the focus of this study is shopping centers which are one of the commercial real estate types, management of commercial real estate will be put forward in this section, but will be discussed extensively in the following chapter.

Managing a real estate is not an easy job. There are some techniques that should be applied that will make the management more successful and a pleasant experience. A property can be managed by using the services of a property manager or managed by the investor. In the former case, the only concern is how to select the manager and in the latter case, investor involves in the management process and gains a better idea as what to expect from property managers when the investor is ready to engage them. Tenant selection is an important part of the process because the management of a real estate is closely associated with the tenants of that property. The speed which the management can sign up with a tenant applicant will depend on the supply and demand of tenants for the category of building in the same area (De Roos, 2008).

When the tenant applicants are met one by one, lease document should be shown because the lease document will be the important link between the tenant and the management. Lease document is also one of the primary advantages of commercial real estate because in a commercial real estate it is dealt with contracts not the people. Lease document shows the tenants what is expected of them in great detail. All the circumstances that put a tenant in the breach of his lease and the remedial actions that

can be taken if any breach occurs are clearly and well defined in the lease document. For example, if a tenant fails to pay his monthly rent money, a series of actions can be taken such as sending a letter which points out the breach along with a notification as to what action will be taken. In this regard, being a good manager requires being firm, fair and friendly because the rules should be enforced fairly and immediately and manager should be friendly at the same time (De Roos, 2008).

With regard to accounting, commercial real estate has an easy requirement because monthly rent payments are taken by bank transfers and monthly payments such as mortgage, insurance or tax payments of the property are done by bank transfers. Also, dues and rental stoppage are paid by the tenants directly. These issues should also be spelled out in the lease document. Although accounting of the commercial real estate is easy, the ease of management of a commercial real estate depends on the clarity and quality of the lease document. Additionally, the art of being a good manager depends on being firm and friendly but not very familiar (De Roos, 2008).

CHAPTER THREE

SHOPPING CENTERS

Shopping center is not a new concept. There were open markets that were formed to provide many goods and services to the public in a single place. Based on this logic, shopping centers as it is considered now emerged around 1950.

Shopping centers were intended to be commercial merchandise places where people could buy their needed goods or services with a repeat factor built in. Supermarkets were the backbone of the shopping center and centers consisted of a supermarket and a few stores. Then, an anchor usually a variety store was added to create traffic. Over time, shopping centers grew and centers included more than a fashion store (Lion, 1976).

Shopping centers has changed its image and has become a meeting and activity place, or a place for people to be away from home where they can shop, eat, entertain themselves or meet their friends, bussiness contacts. Shopping centers contain an increasing number of recreational facilities, gyms, theaters and cinemas. This makes shopping centers a place to spend a good deal of time. There is also an increasing trend in shopping centers which combine them with residential developments and presenting office facilities as well. Given this tendency, it can be said that shopping centers are self contained communities with all amenities of life and people can live out his/her whole life in it (Lion, 1976).

However, these buildings which serve all these facilities and services are not built easily. There are certain phases that should thought carefully to create an attraction and to be places where people shop, entertain and live. Next section focuses on these phases one by one.

3.1. Development Phase

Development phase is, of course, an important step in any project. For a shopping center, it is also of importance. The development phase of a shopping center

investment depends highly on the investor structure. Decision making process directly effects the development process of the investment.

Investors from many different kinds of business fields decide to invest in real estate business. They analyze the most effective real estate category. If it is the commercial real estate category and shopping center as a sub-category, they start to search for the best location. This the most important part of the investment and all the other components of development phase are the supporting items of the location selection part.

However, many examples of investors, especially in Turkey, follow a reverse road for the investment of shopping centers. Investors collect land in many different points of cities with their existing profits and leave them aside for their future investments. In such cases, the infrastructure of the shopping center development phase changes totally. Land and location selection is no more the interest of the investor. In this case, the procedure starts with deciding for the right product for that land. On the other hand, location selection is done for several years by the investor. Therefore, the next section starts emphasizing the importance of land and location selection.

3.1.1. Land, Location Selection and Accessibility

Land is quite important for shopping centers and represents a large percentage of the project cost. For this reason, developers, chains, or companies buy parcels of land by taking options in strategic locations. Land can be assigned for future development of outlets by a chain or for a shopping center by a developer. It may be bought for future population and growth or for defensive purposes such as to prevent a competitor from his own development. The buyer may want to increase value of the land and sell at a profit. The purpose of acquiring a land may vary.

There are number of factors that should be assessed in evaluating the land for a shopping center. Consensus in the industry is among these factors. To use land for a shopping center just because it is available cannot be a successful idea and may turn to a costly mistake. There is no absolute way or approach to prove the availability of the location, but an extensive market survey can be very beneficial to find out whether a

location is a good opportunity or not. It is important to see future developments or factors that may change the quality and the potential of the location in a negative or positive way. It may be very helpful to learn the primary and marginal trade areas for the land, income pattern of the area, other competitive shopping areas, traffic system and arteries in relation to the land, planned new roads, restrictions that the land area represent, the extent of the land appreciation after utilization and tax structure on the land (Lion, 1976).

Locating a shopping center in an area brings the questions of location and provision of shopping facilities. Answers to these questions require more detailed analysis. The prime determinants are population, purchasing power, distance, attractions of competing areas, and residual income spent for varying types of merchandise.

Accessibility is also another important factor. It is the ease with which a customer may get into and out of it. It requires both macro and micro analyses. The macro analysis considers the primary trade area such as the area two to three miles around the site in the case of a supermarket or a drugstore. The retailer evaluates several factors such as road patterns, road conditions and barriers. The micro analysis focuses on issues in the immediate vicinity of the site such as visibility, traffic flow, parking and congestions. Through careful market research the need for, and the location and accessibility of, the planned shopping center can be determined (Levy and Weitz, 1998).

3.1.2. Market Survey

The success or failure of a shopping center is closely related to many factors, but in dept market survey is of importance. Market survey is conducted at the earliest stage of development phase of a shopping center investment. Not only for deciding the success or failure of the investment of a shopping center, market survey has a key role also in designing the right product for a specific location. It can be said that without a market survey, the investment could be a economic suicide (Lion, 1976).

The demographic charecteristics of the area wherein the land takes part will be defined in the market survey. This will lead to a decision for the investor, whether to build a product for the teenagers, where entertainment should play an important magnet

role or for older generation where resting and recreation facilities should be included more.

Market research specialists gather data, analyze them and supply management in the form of statistical tabulations as a feedback and recommendations. It is also wise to continue and use market surveys after the shopping center is built and started functioning. Management or the investor can test the economic pulse of the center and the data can show the reasons for upward and downward trend to the management (Lion, 1976).

3.1.3. Legal Situation and Permissions

Zoning is one of the important items that should be investigated when a certain land is considered for a shopping center. If the land is already zoned for a shopping center, this may cause no problem and planning can proceed. If the land is not zoned at all, it is critical to get some information about the regulations, authority, master plan of the land use, future road systems, future public transportation systems including main traffic arteries, extension of current traffic roads and facilities (Lion, 1976).

In Turkey, municipalities are mostly responsible for the land use and all the land related topics should be considered deeply with the municipalities. In the main cities, where mostly shopping centers located there is a main municipality of the city and the local municipality is also in charge for some topics. Plans called 1/5000 ratio are prepared by the municipality of the city, where in the zoning of the lands are done. Additional to that, the local municipality prepares the 1/1000 ratio plans of the lands, which exactly determines the detailed construction options of the lands. These two major plans define at the end effect the total indoor area and the total leasable area of the building which is planned for the land.

Especially this final product which will come out with the investment should be calculated and determined with the legal authorities very carefully thus the feasibility of the investment is directly effected by this leasable are result. In some cases all the given details about the land, even the zoning can be changed by the municipalities if a total value increase for the residents in the neighborhood of a shopping center

investment can be proved by the investor. Also relations are very important in Turkey for these kind cases.

An investment of a shopping center in a neighborhood causes also some extra problems about the traffic and public transportation aspects for the municipalities. During the negotiations with authorities in Turkey, it is common that the authorities expect from the investor to construct additional solution factors for these problems like intersections, tunnels or bridges for the traffic, or new metro stations for the shopping center investments etc.

For the most shopping centers, the amount of the land required is quite a substantial and represents a large percentage of the project costs, additional to that the costs of the requirements of the local authorities are causing a very sensitive calculation for the feasibility of the project, especially on the return of investment part (Lion, 1976).

3.1.4. Planning the Center

Once the project has been began to shape and the planning started, the first step that should be done is deciding the anchor tenants of the shopping center. These anchors include department stores, super markets, electronic stores, home improvement markets, cinemas, famous food and beverage brands etc. (Lion, 1976)

The decision process for the anchor tenants should be realized with an early negotiation process. Each kind of anchor retailer has different types of construction requirements. Before shaping the shopping center, the preconfirmation of the anchors should be received and the constructive choices and design options should be finished according to these anchor expectations.

In the competition between anchors in a shopping center, during this planning phase the most popular and attractive brand will get the priority. In other words their importance in the hierarchy will influence their location within the shopping center and the rest of the leasible areas of the shopping center will be arranged according to these priorities.

The next issue that should be planned is the structure of the shopping center. It is important to decide whether the center will be structured as a single level or a multi level building. If the indoor area of the center is very large, a two level basis will be better. If the center is extremely small a multilevel structure should be used. Additionally, a parking garage should also be planned. In the comparison between these two structures the multi level model has some advantages and disadvantages.

The advantages of the multi level model are (Lion, 1976);

- creating more area on less land,
- creating construction economy by combining floor and roof structure,
- reducing exterior and interior walking distances,
- simplifying air conditioning and heating for the entire center,
- reducing foundation work by requiring fewer or no piles on foundation walls.

The disadvantages of the multi level model are (Lion,1976) ;

- creating problems in air conditioning the lower level stores,
- bringing additional costs by requiring additional stairs, elevators and escalators,
- Creating problems about emergency exit requirements, merchandise handling and other logistical issues,
- limiting the flexibility in expanding the center,
- increasing foundation work by requiring heavier footings or larger capacity piles.

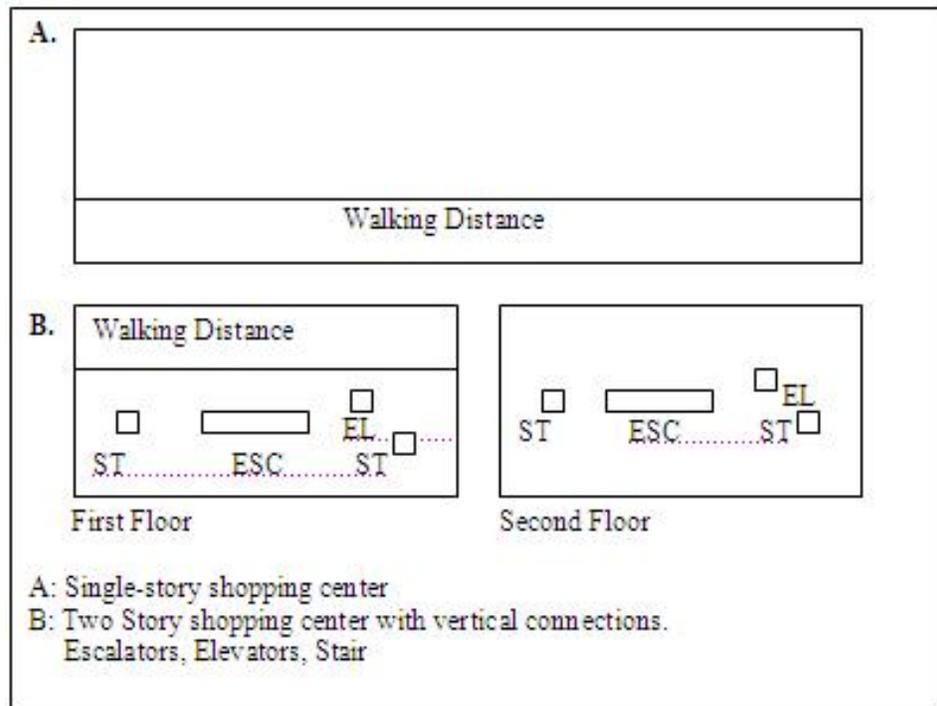


Figure 2. Single Story versus Two Stories

A has the same area as B, but B uses only the half of the land. Also the walking distance between the 2 farthest stores is cut in half by B.

Source: Lion, 1976.

Once the area structure determined, a preliminary infrastructure has to be planned. It gives sufficient variety in the sizes of retail stores, sufficient number of boutiques and kiosks. The column width criteria is chosen for the highest flexibility of the shopping center. These parameters will be the main basis for the preliminary drawings. Then due to these drawings and material selections, the construction budgets start to shape. In order to see whether the design of the center is well planned, return on investment (ROI) should be analyzed according to the shaped leasible areas. If the design is not well balanced, a modification should be done to have more and smaller stores for more rent. However, this method contains some important risks also. When this modification creates too many stores and if these stores cannot be leased, and if they remain empty in the running phase of the shopping center, the results of such a modification will be negative (Lion, 1976). In other words, during the planning phase of

the design, the demand of the retailers from different segments should be always kept in mind and the shop characteristics should always be attractive for retailers' interest.

Planning the financial background of a shopping center investment is actually the most important issue. Starting with the land, market surveys, architectural working, construction phase, marketing activities all have a huge cost for the shopping center investor. Finding a suitable land in a urban area, mostly in the big cities of the countries is not so easy because cities are saturated mostly with shopping centers. Landlords of suitable lands expect high prices or cheaper lands have legal problems and they are difficult to solve. The most important mission of a shopping center investor is dealing with this issue and preparing the land of the investment with a minimum cost for the construction with a largest and effective leasible area. This is the key point of an investment from the ROI point of view. In that point, as mentioned before, former purchased lands with low cost bring a high competitive advantage to the investors which is the most popular case also for Turkish shopping center investors.

When a shopping center is planned with a large indoor area, it will take too long to develop and build it. This will bring heavier costs for the investor in terms of financing. Corporate setup, depreciation costs, tax laws and other related factors may create difficulties for the project (Lion, 1976). That is why financing becomes very important for investors. Different methods of financing can be used for shopping centers. These methods depend on the countries' legal regulations about financial markets and products. So, the financing of such an investment can vary in large scale. For example, different mortgage alternatives with longer terms are available for the US investors, but Turkish financial market regulations do not allow morgaging for commercial real estate investments.

In general, financing is kind of a support for investors to delay a share of the investment total to the future for a specific reason. This reason is covering the costs of the investment from the expected incomes of the same investment. For example, if the investor purchases the land, he tries to cover the costs of the construction with the most advantageous financial product available for him. Because paying back the loans in the future with the income, it means with the rents of the shops, brings him the advantage to

spend only the costs of the land etc. If the project runs as planned, construction will not be a cost element for the investor.

3.2. Realization Phase

This phase contains all the construction details about a shopping center which is highly important for the future tenant demand and customer preferences. Main goal of this part is not investigating extensively the construction work of a shopping center investment, instead summarizing the given important guidelines from the customer point of view. Realization phase includes the following key elements for a shopping center investment:

- Structural Design
- Customer Fatigue
- Mall Courts
- Floors
- Escalators, Elevators and Wheelchair ramps
- Eating Facilities (+Seating Ratio)
- Playgrounds Activity Areas
- Cinemas and Theaters
- Service Areas, Garbage Areas, and Loading Docks
- Décor, Graphics and Super Graphics
- Parking Lot, Traffic Patterns and Striping
- Planting and Landscaping
- Recreation

- Store Fronts and Hardwares
- Lighting
- Air Conditioning / Heating
- Electrical Installations, Springlers and Smoke Hadches
- Soundproofing
- Music and Public Address System
- Washrooms
- Taxi Stand
- Vandalizm

Each of these elements will be discussed seperately in the following part.

3.2.1. Structural Design

The structurel design of a shopping center has a main importance for investors and their architects. It plays an important role in the operation phase of a shopping center. From the customer perspective, this topic is maybe never deeply analized but the effects of the structure are always highly critical for customers. The shop fronts are planned due to the columns of the building. The width between the columns is effected directly from the structure of the building.

There are 3 main alternatives for the structural design. Namely; Structural steel frame, laminated structurel wood frame, reinforced concrete frame. Each of them has diffent advantages and disadvantages about fire protection, wheather conditions, construction costs, etc. For example, steel frame is relatively light and permits the use of lighter foundations. Concrete frame structure however is much heavier and needs deeper and stronger foundations which brings a higher economical cost. But in another aspect, concrete frame structure has very high fire protection value against the other options. (Lion, 1976)

Because its light characteristic, steel frame structure is the best design allowing the maximum column width for the store fronts. However, the general construction habits of a country, which are mostly effected from the wheather conditions and land characteristics, will determine the structural design of a shopping center mostly. Turkey is a country, where steel frame structures are rarely prefered. Instead reinforced concrete frame is always a trust providing factor for the end users.

So, in architecturel designs, the engineers and architects have a difficult duty, to adopt the effective store front width to the concrete frame structure in the shopping center sector.

3.2.2. Customer Fatigue

Shopping experience is directly efected from the physical strength of the human being. Especially, women are the decision makers in the families and their motivation for consumption should be kept in maximum borders within the shopping centers.

The length of the mall courts, ceilings, height and patterns, color sheme, store fronts and even signs are effective on the monotony which can lead to customer fatigue. The floors are always another main factor for customer fatigue. On one hand, the strength and durability of the quarry tiles is costly very advantageous for the investor but on the other hand the tiles are hard and uncomfortable to walk on. This let the customer be tired in a short walk distance. Sometimes carpet floor options are used to prevent the customer tiredness, but discolorations, salt and calcium stains, chewing gums cause huge defects which are hardly to remove.

The remaining solution for the tiredness of the customers is creating short resting options. Benches or special seating areas seem to be a good solution, but the designers should be also careful in planning. Comfortable seats have always demand from elder people who go these seating areas and spend their day there. So, maybe benches without backrests and spaced away from eachother for short term usage will be a reasonable option against the tiredness of the customers. (Lion, 1976)

Customer fatigue, including tiredness and monotony is one of the main problems for big scale shopping centers. In Turkey, because of the large population, the shopping centers are mostly built in large scales. So, the architects and designers should work on customer fatigue intensively to prevent the negative effects of it on sale in the shopping centers.

3.2.3. Mall Courts

Speacially mall courts have an important role by effort of preventing customer fatigue. Surely it is more costly to construct mall courts instead of building one straight and long mall floor, but many advantages are created against customer fatigue and for other reasons. Mall courts (Lion, 1976);

- create areas of interest in the shopping mall,
- create high impulse kiosk areas,
- can be used as temperature transition zones,
- create event areas for the customers,
- prevent the monotony of straight ceiling level.

To support these effects of mall courts designers are mostly planning a magnet store of a major tenant siding these mall courts, to be able to attract the majority of the customer to these areas easily.

3.2.4. Floors

There are three main floor areas are to classify in shopping centers. Rental areas, service areas and mall areas. Each area serves for different reasons. Before the opening of the shoppibg center, all these areas should be finished according to some regulations.

Rental areas mostly left as cement floors. Each tenant has the freedom to give the decision according to their decoration preferences or codes. The installation costs

belong to the tenants. This regulation seems convenient for the investor for cost reasons however, has very risky disadvantages also. For example, tenant parties are not always exact enough for the opening schedule. Also in cases like restaurants, food stores or specialty stores which create a need of underfloor piping installation, there is always a danger about floor material implementation. In store entrances the height level of the sills should fit to the height of the mall areas. A very sensitive coordination and inspection should be used by the investor on tenants especially, before the opening. (Lion, 1976)

Mall area floors are mostly with terrazzo and quarry tile because these materials are durable, economical, tough and easily maintained. Compared to quarry tile floor, terrazzo covered floors has to go through several stages of placing, grinding, polishing and sealing. If the shopping center has a tight opening date, this important factor about terrazzo should be taken into consideration. (Lion, 1976)

Service area floors have mostly plain cement surface. If greater durability is desired an armored metallic can be also used. But it has disadvantage of being slippery. Washrooms should have tile floors because of sanitary reasons. Mechanical rooms should be left as plain cement surfaces, but integral colours in the cement finish can provide neather looking and easy maintenance.

Whether it is a rental, mall or service area floor, materials for floors, walls or sealings should be evaluated in terms of capital cost versus maintenance cost, present cost against future cost. It should be evaluated according to life span of the material and possible future change to a different material.

From the customer point of view, floor surfaces have two important roles in their shopping experience. First and most attention getting one is the cleanness of the floors. This can be achieved by using a good number of ash- and waste receptacles. Also the center management should give high importance to the cleanness of the mall floors.

Secondly, the material choice of the mall areas should not be bothering for the customers who spend quite a long time in the shopping center.

3.2.5. Escalators, Elevators and Wheelchair Ramps

Escalators and moving ramps are used for transporting people in the shopping center. They can be used between shopping levels and also in larger multilevel stores. Moving ramps require a larger horizontal area, but they are not suitable for especially the elder people. However supermarket brands mostly require moving ramps near to their store entrances because the shopping trolleys of their customers can only be transported to the parking lots via moving ramps. Additionally moving ramps are suitable for entry to garage areas because they can be closed off against unclimatized areas without using a separate enclosure around them.

Using an escalator in a shopping center effects the traffic pattern because it reduces the effective width of the shopping center. The traffic pattern is also influenced by the moving directions of the escalators. In multilevel shopping centers, it is important that the customers should be taken across all the mall floors to let them walk in front of all the shop fronts. To enable this, escalators should be operated in the opposite directions of each other. In other words, if one of the escalators in a given floor is moving upstairs, than the other escalator moving to the upper level should be located at the other end of the floor. This leads the customer walk all the way in front of the stores in this level from one escalator to an other.

Elevators are required for a multilevel shopping center. Passenger elevators are convenient for wheel chair bound customers, mothers having pushchairs and elderly or sick people. Passenger elevators are best located in a service corridor or in a secondary mall. They should be also clearly marked. On the other end freight elevators should be located closed to the loading docks or shipping areas. This enables handling the merchandise to a minimum.

There is also an other important issue which is often neglected or undervalued. It is wheelchair ramps. Wheelchair ramps should be located in exterior side walks in a way that they will not be distracted by illegally parked cars. These ramps should be colored and installed in the vicinity of the main entrances. (Lion, 1976)

3.2.6. Eating Facilities

Every shopping center requires fast food and full course meal restaurants. These facilities are convenient for shopping center customers, customers who go to a certain restaurant located in the center and shopping center and store staff. Quality dinner houses which are operated by strong chains also prefer shopping center locations because of their leisure social atmosphere (Brown, 1976).

There can be full size restaurants which requires an exterior entrance for after ours operation. These kinds of restaurants may also have special requirements about garbage facilities, rest rooms and changing rooms with showers for their staff. There may be stand up snack bar in the shopping center. It is considered as one of the highest impulse sales generators if it is a free standing kiosk. On the other hand, it may create cleanliness, traffic and noise problems. It may also require a separate food preparation, storage and garbage area. (Lion, 1976)

The eating facilities should be designed in proportion to the size of the shopping center. Sources in the literature offer different seating area calculation methods in fast food floors of shopping centers. But it is important that these kinds of calculations depend on the eating culture of the population where the shopping center is planned to be built. Each country has different standards and habits about eating. Germany as an example is famous with beers and sausages (Bratwurst), so free standing kiosks where beers and sausages are sold get the highest attention. However, in Turkey such a trial will never be true because legally, it is forbidden to sell alcoholic drinks in public areas.

This shows that for shopping center it is impossible to make generalizations about the eating experiences. But all around the world, it is given that shopping centers offer an attractive eating experience beside the shopping experiences. The mixture of the restaurants and fast food brands should be carefully chosen by the shopping center management. Each customer with a different taste should be attracted by one ore more eating options in a shopping center.

The ratio between fast food and full-course-meal restaurants should be also arranged by the center management. In cases where the shopping center is located in the very crowded part of the city and next to a transportation center, the number of the seating places of fast food restaurants should be more than the full-course-meal restaurants.

Especially in Turkey, eating facilities of shopping centers are sometimes more important than the shopping alternatives. The importance of the eating culture for Turkish population is extremely high, so the range of eating alternatives are of importance for the family members during the decision making process in choosing a shopping center to go on weekends. Shopping center investors in Turkey are always trying to keep this important role in mind.

3.2.7. Playgrounds and Activity Areas

One of the most important segments of the shopping center customers is women. Mothers with children represent also a huge share of the women population. So during the designing phase, the limit of endurance of a child should be under consideration of architects by planning shopping centers. The duration of the shopping experience of women with children is limited by the patience of their children. The idea to amuse the children in shopping centers will be useful for the length of the stay of mothers in mall courts which means more turnover rates especially in weak days. It is common that during the week, most of the population is working whole day, so the customer profile of shopping centers in week days are composed of elder people, youth and mothers.

Amusement centers designed and leased like other stores were popular in the history of shopping centers which were quite profitable for the operators and also for the shopping center (Lion, 1976). But later on, the safety of such kind of amusement centers for the children was questioned. The developing competition between shopping centers also caused using ‘amusement of children’ as an instrument, free of charge, to get the attention of mothers as customers. So, amusement centers designed and located like other shops with fronts in mall floors disappeared and playgrounds with supervisors

on larger areas covered this requirement. These playgrounds became attraction points in mall courts because many people like to watch their children while they are playing. Such playgrounds in the indoor areas of shopping centers have also decoratively positive effects.

Exemplified also by playgrounds, designing attraction centers in shopping centers for each kind of customers became also popular in the last decades. The severe competition force center managements to prepare marketing activities and organizations. To fulfill such kinds of activities with high interest of customers, activity areas became also a need like playgrounds in shopping centers. They can be built in the middle of the mall courts or right in front of the main entrances of the centers, where a huge population of customers easily find a space to watch and participate to the activities. Sometimes also outdoor activity areas are designed by architects, to get the attention of the people outside. This instrument is mostly preferred if the shopping center is located at an important square of a city or at a main transportation center, because many people passing by the shopping center can be attracted by outdoor marketing activities and so unplanned customer can be attracted.

3.2.8. Cinemas and Theatres

Cinemas and theatres have an important role in the social and commercial activities of shopping centers. Investors and developers are trying to prove that the modern shopping center is not just a collection of stores in the modern world (Lion, 1976). The conscious customer profile expects also a social responsibility from commercial units. Creating social activity events, building art galleries, theatres or cinema facilities are always signs for shopping center managements proofing their support to art and personal development of customers. Shopping centers containing such kinds of units are getting competitive advantages than their rivals.

Beside the social part, there is also a strong economy of the cinemas and theatres in shopping centers. Building cinema or theatre facilities in centers brings more cost at the beginning to the investors. Regulations about such facilities like soundproofing, stronger air-conditioning, additional washrooms etc. may bring

additional cost, but the benefit is worth to this. The large capacity of such facilities collects many people together which are always potential customers for other stores. Especially, the food stores are benefited strongly from these special visitors.

The decision between a cinema or a theatre depends on the social level of the population where the shopping mall is located. In European countries, socially developed nations give high importance to art and theatres, musicals, concerts because there is a huge are demand. A comparison between the cities Vienna in Austria and Istanbul in Turkey will show definitely that instead of theatre facilities cinemas are much more profitable for Turkish shopping centers, because the majority of the population of Istanbul demands cinemas as a weekend activity except summer times. So, shopping centers with huge capacity of cinema facilities have always a big advantage by getting attention of the customers in Turkey, especially in big cities.

3.2.9. Service Areas, Garbage Areas, and Loading Docks

Service areas are non-leasable areas in shopping centers. As examples; mechanical and boiler rooms, electrical and transformer rooms, sprinkler valve rooms, garbage areas, collection areas, storage areas, shipping and receiving areas, loading docks, wash rooms and locker rooms, security and guard rooms, cleaner closets are among these areas (Lion, 1976). To lower the non-leasable spaces in shopping centers, designers mostly make a mistake. Preparing minimum spaces for service areas and concentration on leasable areas is not always the best solution. Mechanical and electrical rooms should be centralized as much as possible within the shopping center to create easy access for serving and replacements and to serve effectively. Also the size of such rooms should be enough for mechanical repairing and replacement operations.

Garbage areas of shopping centers are important for the running operation. The more successful the center in sales, the more garbage will accumulate. Beside enough space to handle the garbage of the shopping center, special units like refrigerated garbage rooms for food stores, restaurants, pet shops, etc. which generate organic garbage are sometimes necessary due to some local regulations. The garbage collection duty is mostly coordinated by the center management. The local municipality or some

private companies takes the responsibility of daily or weekly pickups. Depending on the location, the costs of this service vary in a range but it is common to prorate these costs to the tenants (Lion, 1976).

The loading docks are very important for shipping and receiving of good or garbage to and from the shopping center. These areas are mostly built in large-size shopping centers. Sometimes, major tenants of centers like big supermarket chains have their own, private loading docks (Lion, 1976). This enables an operation without bothering other small-size retailers in the shopping center. The number of dock units should be planned as much as possible, especially in city center located malls, because the local traffic regulations allow mostly limited time intervals for trucks in the residential areas to deliver goods. This means many trucks with different sizes of tenants will have the need to load at the same time and the number of loading docks will directly effect the operation of a shopping center.

3.2.10. Décors, Graphics and Super Graphics

Under the term decors, there are many elements to mention. When the subject matter is décor, most of the people think of shapes, materials, colors, walls, ceilings, signbands, store fronts and lightening. These are the most effective décor elements, but there may be more important factors that should be also underlined. Designer always try to impress customers of shopping center with deeper perceptions than their own notices (Lion, 1976).

For example, the shopping center's pylon sign is very effective for the first impression of a customer. Choosing a strong logo and using it in the sign at the main entrance will ensure a positive effect on the customers for the first impression. Other elements like emergency exits, public telephones, fire hose cabinets are all parts of the décor even though mostly nobody gives attention to them. But in the general atmosphere, they have also important effects on the customer perceptions. Architects should be careful about the maintenance and cleaning circumstances by designing the décor elements. All the items are long lasting components and years long they should be in duty.

Graphics and super-graphics should be considered in two groups; commercial and functional products. All the signs in a shopping center highlighting emergency exits, waste rooms for gentlemen and ladies, public telephones, taxi stands, etc. having an important role for the customers experience in the mall. These kinds of graphics should be stylized in attractive colors, possibly with less wording and professionally designed logos. In emergency cases, such details are life saving for people. Keeping this in mind by architects in the decision making process is a key factor.

Commercial graphics are mostly advertisement figures on given areas for tenants. Supergraphics are also used for this function. Sometimes the whole outdoor glass front of a shopping mall is covered with supergraphics. Also in the shopping center, especially walls of the parking levels, garage entrances etc. are appropriate places for displays and they are rented to the tenants by the center management. These activities bring more rent for the center management and it has an motivating effect on customers for more turnover.

3.2.11. Parking Garage, Parking Lot, Traffic Patterns and Striping

Parking garage with multilevels is an expensive investment for a shopping center. It means deeper grounding and more excavation. It is suitable if there is no available land to meet the parking requirements and if the building is designed both as a parking and a shopping complex (Lion, 1976). In cases when the shopping center is located in a country site, the investor does not have high land costs. Developers normally plan an additional park building next to the center which is called a parking lot. But in crowded city parts, only shopping centers with parking garage are feasible because of the land costs. In Turkey, country side shopping centers are rarely built. So, parking lots are not a preferable alternative for parking systems. Parking garage alternative is always chosen in Turkey in shopping center investments.

Parking facilities are an important income factor for shopping centers beside the legal issues which are forcing the investors to build enough parking area for a shopping center. The reason is not to negatively influence the traffic. In Turkey, there is a trick used by the investors for financial success of parking systems in the opening

phase of shopping centers. The parking system is kept for a time period free of charge for customers until they get used to visit the shopping center and to use the parking garage. After a while, center managements change the system to paid version. This time period with free of charge parking units helps to establish a customer habit to visit the shopping center in every possibility without a cost limitation.

The pattern of striping in the parking garage should allow the simplest traffic flow possible and allow for easy parking. Right angle parking would require approximately 20.5 metre for each unit. All parking stalls should be aligned with the same orientation whenever it is possible. One section located at right angles to another may produce accident prone intersections. Also, it is useful to keep car order pickup traffic away from the main traffic flow in entering and leaving the shopping center (Lion, 1976).

3.2.12. Planting and Landscaping

Planting and landscaping are important elements to combine the concrete structure of a shopping center with nature needs of human beings. The decorative effect of planting and landscaping in the indoor areas of shopping centers is also to mention. Entrance areas of shopping centers, especially the outdoor walking distance in front of the main entrance is the key point for outdoor landscaping and planting. During this walk to the entrance customers get the first impression about the shopping center. The center management should give extra effort for the planting of these areas (Lion, 1976).

Although there may be indecision for the developer of the shopping center whether to use natural or artificial plants, most developers use natural plants. Plants that are suitable for indoor planting must be chosen carefully. Artificial plants in indoor areas are long lasting and easier to handle but these have a cold, unnatural image. If natural plants are preferred, they can be placed in proper areas with sufficient amount of soil. Natural plants require natural light near windows or under skylights. They should not be exposed to direct sunlight. Sufficient and moist air circulation is needed in the center to keep the plants healthy. For maintenance, an experienced gardener should be employed by the center management (Lion, 1976).

3.2.13. Storefronts

Storefronts have different design aspects both for the developer and the tenants. From the developer point of view, store fronts are forming part of shopping center appearance and character. They are a feature that can add to customer appeal. From the tenant point of view, storefronts create the first psychological impact on the customer. They can effect customers' initial subliminal acceptance or rejection of the store. The case is the same even though the basic motivation of a customer might be an advertised sale rather than visual aspects (Lion, 1976).

Storefronts especially, belonging to merchandising stores must be wide open to attract customers inside. Many people may have inhibitions about opening a door, walking into a store and out without buying anything. So, with an open front store customers may leave their inhibitions (Lion, 1976).

Storefronts have an important role in retailing sector generally, but in shopping centers they have also a different kind of importance. When customers' consumption motivation is once triggered after entering a mall court, designers and shopping center managers should give extra effort to supply several storefronts following one by one without interruption. During the development phase, designers should prevent interruptions such as corridor entrances, toilets, emergency exits, advertisement surfaces of storefront chain. Such kind of interruptions will affect the motivation and attention of a customer negatively. In this framework, shopping center management role is not to allow any store turn off their display window and store lamps until the last minute of the closing time to maintain customer motivation and attraction.

3.2.14. Air Conditioning and Heating

The indoor climate of a shopping center is a key factor for the duration of customer's shopping center experience. It is an important factor for tenants of the center as well. Indoor Climate has two sides: air conditioning and heating. Air conditioning and heating requirements may vary for the mall areas and for the stores. So, it is advisable to have separate systems or separately controlled systems. The choice depends primarily on financial considerations. Since air conditioning is a very expensive

component of construction, a reduction in costs often goes parallel with a reduction in quality (Lion, 1976).

Heating requirements vary depending on the type of the shopping center. It is required normal heating during the cold season. But nominal heat can be enough weekends, at nights, and at the exterior rear doors. Heat is also required in service areas, corridors and loading docks. It can be economical to combine the heating and air conditioning systems in the shopping center. This produces complaints during the transition period in spring and fall after the system is changed from one operation to the other (Lion, 1976).

3.2.15. Soundproofing

It is advisable to use sound insulation in partitions and in ceilings. If it is necessary, sound insulation can be used to dissipate the sound energy and to avoid resonance. There are two main sound proofing methods in the construction sector. First one is application of soft or resilient materials to absorb sound and vibrations. Secondly usage of concentrated mass to reduce or eliminate the resonance of the sound waves (Lion, 1976). Within the years the construction business is developing and the material quality changes but main principals are these for the sound proofing.

There are many different kinds of living spaces in shopping centers, where sound proofing should be obtained separately. Shop insides and mall courts are separated only with storefronts and walls but in both of these living spaces loud and different kinds of music are played. Also the voices of customers and store personal shouldn't be disturbing for other customers outside the shop, walking on the mall courts. Like this example, there can be maybe hundreds of situations where the designers should be very careful during the architectural planning phase of a shopping center. The most important trick to be successful in this topic for the designers is to choose the right material in the construction and to make this exact choice its important to test these material before the application. This can be easily enabled by the provider of the materials at the former applied places.

3.2.16. Music and Public Address Systems

Most of the shopping centers use a music system to give background music. But the important thing is the music should suit the time and occasion and should not be very loud. Shopping centers usually combine their music system with a public address system. This system is useful for announcements about store specials, missing children, wrong parked cars, special promotions and events, and warning people in case of emergency (Lion, 1976).

In Turkey, center managements should be careful about the legal copyright law of the chosen music. Shopping centers are classified under public areas and playing music of musicians without their permit is lawbreaking. So, necessary payments for copyrights to the related institutions should be done before the opening of a shopping center.

3.2.17. Washrooms

Public washrooms are obligatory in every shopping center. The usage of washrooms are abused by customers and tenants personnel. However, washrooms should be the cleanest and most hygienic areas in a shopping center. Because the duration of the shopping experience of the customers is limited with the toilet need. Especially, women and mothers give high importance to the hygiene of washrooms and in case of lack of cleanliness and hygiene in these areas, they may prefer to leave the shopping center.

The location of the washrooms in the mall courts are also an important factor. Easy access and professional signing is necessary to make it easy for people to reach these areas in urgent cases. The space of the washrooms should be designed as large as possible for women with children, elder people and overweighted customers. The decision of renewing the material used in the washrooms should be given easily by the center management each time it is necessary because the hygiene, mentioned in the upper part is not only possible without punctual and effective maintenance. Recent material and its quality should always be taken into consideration (Lion, 1976).

3.2.18. Taxi Stand

There maybe one or more taxi stands required for a shopping center. The customer profile of taxis is generally composed of supermarket or department store customers. Accordingly, taxi stands should be located in the vicinity of the respective exits or car order pickups of these stores. A telephone also can be installed in the closest mall court (Lion, 1976).

In Turkey, there is another important topic about the taxi stands to consider by the center management. The taxi service is actually an independent business and customers of the shopping center using this service should not relate their satisfaction about this service with their shopping experience. But in reality, espacially if the taxi is taken from the taxi stand of the shopping center, people consider the trip with the taxi as their final part of the shopping experience. Because of this, shopping center management should pay attention to this issue and select the taxi company that will best represent the center and that will best satisfy the customer expectations in terms of profile of the drivers, comfort of the taxi and professionalism of the taxi company.

3.2.19. Vandalizm

Near depressed areas or run-down neighbourhoods, there may be a high level of vandalism. The main reason for vandalism can be the feelings of frustration which are expressed in meaningless destruction. Additionally, thefts or burglary can be other reasons for vandalism (Lion, 1976).

Vandalizm can be prevented by security, closed TV Supervision and antidestructive design. Security guards and TV Supervision are under the control of center management. On the other hand, antidestructive design should be planned by the developer and the architecture. All removable mall furniture items, plants, sculpture and artwork, watertaps, ash and trashcans should be hardmaterial, not easily displaceable and longlasting.

For example windows other than storefronts should be divided into a number of sections to reduce the cost of reducing broken glass. Mall furniture should be of

heavy construction and have a minimum of detachable parts. Removable cushions should not be used for seating benches. Such kinds of examples prove the importance of the architectural design of a shopping center. If the architects cleverly design the center at the beginning, the additional costs that vandalism brings can be offset by lowering maintenance and replacement expenses (Lion, 1976).

All the key elements discussed above, should be planned and realized very carefully by the investor. The investor also has the responsibility to build a successful management team. Actually, the role of the management team starts during the development and realization phases of the center. However, their main focus should be on marketing activities and management quality of the running operation of the shopping center. Thus, marketing and management activities, which are the main focus of this study, will be discussed in the following chapter.

3.3. Turkish Market Summary about Shopping Centers

Turkish retail sector is one of the biggest samples among the European competitors. Due to the statistics, with 71 million population, Turkey has the second crowded country in Europe behind Russia. 67% of the population is between 15-64 years, 44% between 0-25 years. Average age is 28,5, which enables Turkey to have the youngest population of Europe (Retail Sector in Turkey, 23.02.2011) .

When one wants to examine the distribution of shopping centers all over the Europe, following scale is used globally. Leasible space of shopping centers per 1,000 people expresses the level of the country in shopping center sector. The statistics of 2008 show, that Norway is the leading country in Europe. Norway has 640,5 m² leasible space of shopping centers per 1,000 people. Sweden and Ireland follow Norway with 589,5 m² and 355,1 m² per 1,000 people. In Turkey, This rate is 68 m² per 1,000 people and keeps Turkey at the bottom of the European list (Transitions of Turkish Retail Sector and its Impacts on Economics, 23.02.2011).

Regarding the expectations of State Planning Organization, it is declared in the 9th Development Plan that growth rates of Turkish economy between 2005 – 2050 is %5,6 in average. With the support of this future estimates and solid young population

rates mentioned above, Turkey is one of the most interesting markets for shopping center investments (Retail Sector in Turkey, 23.02.2011).

Starting from the last decade, Turkish market is growing each year in terms of new shopping center investments and leasible areas. In addition to this, the role of international investors is also increasing. In 2006, 133 centers with 2,653,346 m² leasible areas were acting in the market. In 2007, it was increased to 154 centers and 3,518,074 m². In 2009, with the 26 newcomers, the total number of the shopping centers in service was 236 in 41 different cities of Turkey, with 5,696,000 m² leasible areas (Transitions of Turkish Retail Sector and its Impacts on Economics, 23.02.2011).

Recent statistics show that in 2010 the total number of shopping centers in Turkey reached to 268 with 6,445,000 m² leasible areas. These 268 shopping centers are located in 46 different cities of Turkey. With the help of new investments, the current rate of leasible spaces per 1,000 people in Turkish market is 89 m². (Hürriyet Gazetesi, 1 Mart 2011).

In 2011, there are 25 new centers which are at the construction phase and they are planned to be opened in 2011. Istanbul is the leading city with 97 shopping centers, Ankara follows İstanbul with 28 centers. The rest is spread to the Anatolian cities like, Adana, Izmir, Konya, Gaziantep, Antakya, Kayseri, Mersin, etc. (Transitions of Turkish Retail Sector and its Impacts on Economics, 23.02.2011).

International investors especially show an interest to Turkey's big cities. Due to the statistics of September 2009, 71% of the investors are native players. 8,1% are German investors, 7,93 are Dutch and 6,62% are French investors acting in the Turkish market. Gulf countries are also increasing their interests in the last years. Experts state that in 2015, the total leasible areas of shopping center in Turkey will reach 10,000,000 m² (Retail Sector in Turkey, 23.02.2011).

The global economic crises in Fall 2008, started in USA and negatively effected all the dimensions of economy. Industries, retail, real estate, stock exchanges had experienced huge difficulties after the crises. Turkish retail sector and shopping centers had also difficulties in terms of demand decrease. Only a quarter of 2008 was

effected from the crises, so the performance statistics of 2008 did not represent the negative influence of the economic crises. The annual growth rate in net revenues of shopping centers was 7% in 2008. Same rates for number of employees were 9% and sales area increase was 19% (Retail Sector in Turkey, 23.02.2011). The year 2009 was one of the worst economic periods of global world economy. Like almost all the economies of the world, Turkish economy showed a negative growth rate of % 4,7 in 2009. Export rates of Turkey, in the first 8 months of 2009 decreased more than 30% compared to the same period of 2008, which presented the decrease in production of goods in industrial sectors. This caused a bottle neck in supply part of goods (Yıllık Ekonomik Rapor, 23.02.2011). Also the demand was emotionally effected and demotivated in terms of consumption. Receipt numbers showed that customers did shop more frequently in 2009 compared to 2008 but in lesser amounts (Retail Sector in Turkey, 23.02.2011). Retail sector and also shopping centers are effected negatively from the rearguarded effects of the 2008 crisis. The turnover rates of retailers in shopping centers were decreased and this caused an emergency cost cutting in the sector. Rent rates of leasible areas were under focus of all retailers. Due to different strategies and strength negotiations, % 30 - % 35 discounts in rent rates were seen in the first half of 2009 (Transitions of Turkish Retail Sector and its Impacts on Economics, 23.02.2011) .

But in 2010 an economic recovery was obtained in Turkey with an expected growth rate of % 8. The year 2011 is also a year of hope in economy. So, the experts state that in 2015, the total leasible areas of shopping center in Turkey could reach 10,000,000 m² (Retail Sector in Turkey, 23.02.2011).

CHAPTER FOUR

SHOPPING CENTER MANAGEMENT AND MARKETING

Management of a shopping center is one of the key roles that lead to success. Against the general belief, investors should actually start to build the management team at the development phase of the shopping center because the duties of a management team starts before the construction phase. Even during the construction phase, there is a need for a management team. But people mostly do the same mistake. After finishing the construction and renting the commercial spaces, they ask for a professional management operation.

Managing a self-planned business organization and enabling a successful running operation is much easier for management view. This also means more responsibility. In the following part, these responsibilities and duties of a management team during the running operation will be discussed. Marketing activities are also studied under the tasks of management.

4.1. Shopping Center Management

Shopping center management is a difficult task, because center manager and her/his team have many responsibilities toward many different parties. The investor of a shopping center, the customers and the tenants, are all expecting performance from the center management team. But additional to that, also controlling and regulating the customers and tenants, protecting everyone's right against the others are also difficult tasks of a center management team.

The day-to-day operations, supervising and controlling the center's maintenance and security, coordinating construction and accounting departments in their duties about the shopping center, preparing data and statistics are all other issues which should be successfully handled. Sometimes leasing, if an independent leasing department is in charge which is dealing with tenant relations, supporting this department about leasing activities, tenant and store changes or store partitions,

enlargements is also another very important task of the center management (Lion, 1976).

Even during the construction period of a shopping center the center management starts with its obligations. In the last decade, many investors are supplying the center management as a team or as a single center manager during the construction phase to coordinate the different parties and to establish a contact about the potential customers of the center after the opening. Sometimes gatherings and invitations during the construction right in the construction area are planned by the center management, to inform the future customers and the residents of the neighborhood.

In the following part, the general tasks of center management are mentioned in detail.

4.1.1. Leasing

Leasing of a shopping center should be considered in two sub-categories. First one is leasing in the first beginning and secondly leasing during the running operation. The responsibility of leasing activities in shopping centers is also varying. If the shopping center investor is an organized company with many different centers it is mostly common that an independent leasing department of the company is responsible from all the leasing activities. Since most shopping centers start with their anchor tenants, both the leasing department and the developer may become involved in securing these tenants (Lion, 1976).

Leasing activities start mostly during the planning period of a shopping center. Especially the anchor tenants have their own construction regulations. So coming to an agreement with the anchor tenants before the construction starts bring many advantages and cost savings to the investor. During this phase the center management has also some duties. Introducing the shopping center to the potential tenants, working on the architectural design with the tenants are some of them. But the main duty of center management about the leasing is during the running operation. Whether the investor is an organized company with a leasing department or a new non experienced developer the center manager is always in charge in releasing activities. It is definitely a fact that

after the opening phase some of the tenants will not be satisfied with their turnovers and also the center management will not be satisfied with the performance of some tenants in the center. In such cases, even if an independent leasing department is on charge the center manager should contact with these tenants to convince them to release the stores. On the other hand the manager should study her/his center and should inform the leasing department about the necessary new tenants. The leasing department can obtain fresh feedback from the field only by the center manager. Also the center manager can contact potential new chains, retailers or local store owners to draw their attention the shopping center. Shortly the economical success of a shopping center depends on the tenant mix of a center. This means the center management, which is responsible of the total success of a shopping center, should always be a part of leasing team to reach always to an economic optimum point about the tenant mix.

4.1.2. Facility Management

After the shopping center has been completed, leased, occupied and officially opened the day-to-day operations and responsibilities of the center management start. Supervising and controlling maintenance and security, dealing with the recent and potential tenants with the support of leasing, construction and accounting departments, preparing data and statistics are some of them.

Mostly the center managers are educated in social sciences and they focus on marketing activities, customer-tenant relations and economical success. The facility management is a field where technical education and experience is necessary. So, many shopping center management teams are built from one general manager and right after her/him a second technical manager. The technical managers are responsible from the daily operations. The first four topics in the following part focuses on facility management activities of a shopping center where the technical manager is directly under responsibility and reporting to the center manager as a supervisor.

4.1.2.1. Security

Security is a general term for shopping centers and has many dimensions. Store security, security of the parking areas, mall courts, technical areas and roofs and the

environment of the center are some important examples of these dimensions. The technical manager has a key role in the security of a shopping center.

Especially in Turkey, private security companies are sub-contracted to control all the public areas of a shopping center. The main entrances of the mall courts, garage entrances, fire and emergency exits are all key points, where security staff are always in duty during the operation hours. Only manpower can never be enough for a high level of security, so video cameras are widely used all around with an operation room where the security manager can check the public areas of the center live. As a supervisor of the private security company, the technical manager of a center should always keep this important topic in mind. This requires a good relation and communication with the security manager. Daily, unexpected controls should be done also by the technical manager. However, the main role of the technical manager in the security is not limited with the control and coordination of the private security staff. The most important point is building a system in the center. Which doors should be left locked, when and how often should be the technical rooms controlled, who will have the authority to reach all the keys of the center etc. are elements of a system, which should be perfectly designed during the opening phase by the technical manager of the center. The more perfect the system the less will be the security problems in a shopping center. It is never possible to control each important room or area with manpower. The system should narrow the security gaps and the control of the system should be done by trusted and authorized personnel. This ensures the insurance of the security operation.

Although control points of the center entrances have a very important role in the general security, they also have an effect on the marketing of the center. Controlling all the customers with detectors before entering the center definitely increases the security level and also it increases the security perception of customers. At this point, security staff should be very polite and careful during the contact with the customer. This first touch with the customer will have a very important effect on the general perception of the customers about the shopping center. The technical manager and even the center manager should give special effort on this important procedure and always support the private security staff with additional education and training programs.

Concerning the store security, the responsibility belongs to the tenants, and they need to set their own regulations to minimize the risks of burglary or shoplifting (Lion, 1976). Camera systems and alarm devices are the key preventing items in the store security.

4.1.2.2. Fire and Accident Prevention

Disasters such as fires, building collapse, smoke inhalation, human loss or injuries due to accidents are always a threat for shopping centers. Without a doubt, these kinds of accidents are unwanted and terrible. On the other hand, they represent a bad impression that may stick to the name of the center. They may have important financial effects on the shopping center. Loss of business and sales, customers going to other centers, loss of personnel of the center and stores until the completion of reconstruction, increase in insurance rates are just a few examples (Lion, 1976).

Center management should be proactive to prevent such kind of accidents. This starts with the architecture phase. The designers should focus on many different dangers during material decisions and the design of the interior decoration items. An accident from Turkey is an attention getting example to present the potential danger. 15 December 2006, 3 years old girl fell down from the escalator parapet and died in a famous shopping center in Istanbul (Habertürk, 2006). This case dramatically emphasizes the security level of the chosen material and the design of shopping centers for children. This shopping center is made news for a long time on media because of this dramatic accident which led to lower sales and customer turnover.

During running operation of the center, the management should control all the equipment which may have the potential to cause accidents and fire risks. Additionally, fire extinguisher should be maintained and checked regularly by the staff. Personnel of the center management, stores' staff and security guards should be taught and trained to use available equipment. Regular fire drills should be conducted regularly by the center management. Many shopping centers are usually equipped with sprinkler systems. Sprinkler systems should be equipped with supervisory alarm systems, which will indicate trouble and can be tied to the local fire department (Lion, 1976).

4.1.2.3. Maintenance

For a successful running operation all the technical equipment of a shopping center should function without any interruption 365 days a year. The elevators and escalators must function regularly, the heating and air-conditioning system should serve during the whole operation hours, sliding-doors may never be out of service, etc. These examples also present a huge and confused technical infrastructure for a successful running operation. But not only technical equipments are discussed under the term maintenance. Clean floors and walls, collecting the garbage from the kiosks, supplying enough toilette paper for restrooms, changing the electric bulbs which ran out of order are some other examples included in maintenance. These are not complicated duties but in a huge building they should be done permanently with a high attention which means an endless chore work that has to be performed with discipline.

The coordination of these two different sub-dimensions of maintenance in a shopping a center is the responsibility of the technical manager. It is also possible to divide maintenance operation into 2 sub-categories (Lion, 1976);

- day-to-day operation
- long term maintenance

For a successful day-to-day operation the management of the center should prepare detailed checklists first. All the duties which should be done during the day-to-day operation should be written on a checklist and the staff should strictly follow the instructions. A standard level should be reached for the quality of the daily duties. In Turkey, mostly the duties that belong to the cleaning operation are preferred to be outsourced. A private cleaning company is responsible of many daily duties, but the center management must play an effective supervisor role.

The long term maintenance schedule is mostly about the technical infrastructure of the shopping center. The education in engineering branches of the technical manager plays the key role at this point. Most of the shopping centers prefer establishing technical teams as contracted staff. Long term experience brings advantage

for reducing the problems and costs. These technical teams directly report to the technical manager of the center. The responsibility of the team is to establish a long-term maintenance and control chain for all the technical equipment of the center which leads a proactive contention against the problems of their operations.

All of the regular, daily hard work is also preformed to present an inviting appearance to customers and make people want to come back (Lion, 1976). Shortly, maintenance is an important component of the total marketing of a shopping center.

4.1.2.4. Finance and Accounting

The finance part of a shopping center has two important sub-categories. The regular rent payments of tenants and the charges. The center management operation, including all the activities mentioned above is financed with the charge payment of the tenants. Additionally, the marketing activities and advertisements are also managed with the support of tenants.

Mostly, the investor directly deals with the finance and accounting of the rent payments via his/her own company. The center management is not involved in this topic. The tenant relations about the rent payments should be continued in a formal way and the investor, representing the leasing part should play a strong role with authority. This is necessary to prevent payment delays and rent decrease requests. On the other hand, the center manager has the opposite role against the tenants. It produces service and manages marketing activities of the center and deserves to collect the charges in terms of tenant satisfaction.

Shortly, the tenants are directly the customers of the center management and the output about the service quality and marketing activities should satisfy the customers of the center. This means also increased sale rates and satisfied tenants. Sometimes the investor runs the management of the center internally under his own control. But also experienced companies about shopping center management which have high levels of reputation and know-how are preferred by the investors to manage the center. Without a doubt, successfully managed shopping centers are more valuable for investors. But this option brings also the need of some sacrifices for the investor.

Such kind of experienced multinational management companies get also share from the investor in return their management activity. This leads increased costs at the charges of tenants which causes also balanced and reduced rent rates for the investor. But after a successful operation period, the demand for leasable area in the center increases and the rental rates cover up the gaps in the market entry phase. The success factors of local and multinational management companies will be analyzed in detail in the research part.

Accounting departments are also shaped due to the needs of the business. The accounting department of the investor should insist on the information confidentiality. Accounting department of the center management should be transparent as much as possible to be able to obtain the reliability of its customers and tenants. Accounting systems vary with different companies depending on their policies and objectives. It should also be kept in mind that accounting reports rather than controls and should be used accordingly (Lion, 1976).

There is also another important point in terms of accounting. If one of the investors is foreign or if the investor company plans to export company shares in the stock exchange in the future, using international standards becomes very important. Potential foreign buyers can easily evaluate and compare past performance of the shopping centers with others before investing in the shares. So, the value of the shares could be better objectively presented with a comparative performance analysis with the help of the international accounting standards.

4.2. Shopping Center Marketing

One of the most important roles of the center management is planning the marketing strategy of a shopping center. Whether an experienced management company is chosen for the center management or the investor takes this operation on his own, they have the same goal; fulfilling the marketing activities of a center successfully and obtaining customer satisfaction and loyalty which also bring the tenant satisfaction. If the tenants are satisfied with the sales rates, the occupancy rates of the center will also increase and the rent rates will reach an optimum level for the investor. So, the tenant satisfaction of the sales rates and the investor satisfaction of the rent- occupancy rates

become the two main determining criteria for the success measurement of a center management.

Marketing plays a key role in the total business plan and financial success of a shopping center investment. However, the importance of this tool has been understood lately in Turkey, after the competition got stronger in the shopping center market. At the beginning of this decade, the gap of shopping centers in Turkish market led investors to an easy and straight success. Each shopping center investment in the market achieved high demand. Because of the missing competition, the marketing tool was not a key role in that period. But after the boom effect in the shopping center investments, the competition became so rough that experienced local or international companies with marketing and management know-how played important roles by leading the shopping center to success in this severe competition circumstances. Planning differentiated shopping center concepts, attracting customers with their entertainment facilities offers investors still important opportunities in Turkish market. Due to the current data, average shopping center area per 1000 person in Turkey is still 78 m², however this rate is 200 m² per 1000 person in developed European countries. The location selection became more important and effective management and marketing activities will determine the success of these new investments (Özcan, 17.10.2010).

Marketing know-how about shopping centers is originated from the similar principals of general marketing terminology. As marketed entities; goods, services, experiences, events, persons, places, properties, organizations, information and ideas can be discussed (Kotler and Keller, 2006). It can be said that marketing of a shopping center is a blend of all these entities. But in the end, all marketing activities of a center management target on persons. So, the general methods about customer segmentation, developing strategies, creating customer value, satisfaction and loyalty are also planned similar for shopping center as well (Kotler and Keller, 2006).

The whole concept starts with developing the right strategy for marketing a shopping center. In this part, the key dimensions of a marketing strategy development for a shopping center are summarized. Advertisements, events or promotions used as

communicative tools serving to the general marketing mentality are focused in the following chapters.

Against the general belief, the procedure does not start after opening the center. The relations with the residents of the neighborhood, which is one of the most important target groups of customers, should be regulated carefully during the construction phase. The construction period will take around 2 years minimum and disturbing effects about noise, dirt, traffic jam, etc. would create a negative impression about the center on the residents. Center management should develop relations with the effected residents from the beginning to prevent these effects. This means marketing activities including advertisement should start during the construction phase. Everything that the shopping center management does, communicates something to the customer (Cox and Brittain, 2004). First of all, an advertisement office should be prepared in an accessible location, mostly at the sidewalks of the construction field. Billboards, flyers, a model of the constructed building should visually represent the final output of the construction. This easy but important action will provide information, prevent the prejudices and collect a sympathy of the visitors. It is a way of communication for center management to make customers aware of its offerings and to stimulate desire and interest (Cox and Brittain, 2004).

Before the opening of the shopping center, an effective market entry strategy should be developed. The position of the center in the market which is chosen by the center management against tenant and customer needs defines all the marketing actions thereafter. The first stage can be to segment the market itself. In other words, to choose a smaller part, on which to concentrate resources gain control over the competition. The important thing is that segment has to be viable and sophisticated marketing research is needed to optimise the segment (Doyle and Sharma, 1977 cited in Omar, 1999).

A shopping center should be defined as a product by the center management in terms of its location, tenants, construction quality and size before positioning in the market. An outlet center located in the country side has very different target customers than a neighborhood shopping center in a small part of a city (Omar, 1999). For each shopping center, it is usual to draw catchment areas. This term is borrowed from

geography and describes the watershed effect that entices shoppers living within a shopping center's sphere of influence into the center and away from other shopping influences. It can also be defined as the geographical area from which shopping center draws its custom (Cox and Brittain, 2004). These areas are visually marked on the maps. Access durations of customers to the center are the determining criteria of these areas. Mostly, 4 circle types are chosen. 5 min. zone also called walking zone, represents the distances by walking, 15 min., 30 min. and 60 min. zones include neighborhood reached by car. Marketing researchs should be prepared on the base of these different zones. The size of the segment is determined by the size of the population and hinterland (Ferne, Fernie and Moore, 2003). For neighbourhood centers, the effective attraction zones are first two zones. Customer segments should be analyzed in terms of demographical, sociological and behavioral characteristics in the walking zone and 15.min zone (Omar, 1999). Each data play a key role in the marketing strategy of the shopping center. Even in the phase of tenant selection, this data should be kept in mind. A center in a neighbourhood with more than 50% housewives as residents should contain definitely a supermarket and retailers for the women fashion. Or mapping the major grocers against the double demographic criteria of social class and age of housewives indicates a clear demographic positioning (Ferne, Fernie and Moore, 2003).

Positioning or targeting places the shopping center in the optimal position, mapped against the competitors, on the dimensions which are most critical to the customers. The focus for this activity is mostly branding. Positioning helps to understand and establish the position of the center in comparison to the relative positions of competing shopping centers in the minds of the target customers. If positioning is made easier through identifying target customers' perception of the shopping center relative to competing shopping centers, branding may become a way to establish the position in the minds of customers (Ferne, Fernie and Moore, 2003). But this is only valid for the existing markets with different shopping centers. For example; Istanbul, is a market with high competitiveness in the shopping center field, but Kars, as an untouched eastern city of Turkey is not a competitive market. In such untouched markets, the investors should focus on creating demand against the shopping centers

with their marketing strategies. But in markets with competitors, effective positioning is a must. Branding, combined with positioning, usually offers the most sophisticated and powerful application of marketing principals (Omar, 1999). Successful branding based on a consistent offering at the desired position will bring the success. This means the center management of a new shopping center should have the goal to be a brand among the shopping centers of the invested city. From every catchment areas of the center, the customers should be attracted and delivered to the center.

For making an effective positioning decision of a new shopping center in an existing market, center management should select a segment of the market which is not particularly well served in terms of specific requirements (Omar, 1999). Kanyon and Metro City from İstanbul can be good examples to effective positioning. Metro City was built and opened formerly in 2002 on the Büyükdere Street, Levent and Kanyon was constructed just next to Metro City several years later. Although they are at the same location, the management team of investors of Kanyon, namely Eczacıbaşı Holding and Türkiye İş Bankası, established a successful positioning. They focused on an unsatisfied demand of the upscaled customer group in the neighbourhood. Also, with its innovative architectural design Kanyon fulfills this unsatisfied demand called open air shopping in a mall. Against all the shopping center concepts, this shopping center offers outdoor mall courts, heated and protected from all weather conditions. Besides, it includes designer and well known brand stores which address the expectations and needs of A plus customers. This important advantage leads Kanyon to establish a brand name in İstanbul's competitive shopping center market. It shows that how a shopping center should be positioned in customers' minds is a strategic choice. The desired image should reflect what the center is and how it is different from the competitors (Hoyer and MacInnis, 2007). Whether it is an outlet shopping center located outside a city center, or a big size shopping center standing in a city within the tough competition conditions, selecting the target market, positioning and constituting a brand are important for the marketing goal. Each customer, before making a decision to visit a shopping center, will make a comparison and the key competitive advantages of shopping centers will push one of the centers forward in the customers' minds. Each center management should design an image which will be attractive in the eyes of the targeted customers.

As mentioned in the beginning of this part, marketing of a shopping center is a blend of different kinds of entities like; goods, services, experiences, events, persons, places, properties, organizations, information and ideas. This creates the need to emphasize the service aspect of shopping centers. It is not solely important to create a brand in terms of architectural design, location, tenant mix, but also achieving a competitive advantage in terms of service is another critical factor in shopping centers.

Business scholars and practitioners are aware that competitive advantage can be enhanced through service. Competing through service is more than adding value to a product (Lusch, Vargo and O'Brien, 2007). Services are described as intangible and experiential values. This is true as one cannot buy all the elements of a service, wrap and take them home for later consumption (Lovelock, 1991). Thus, shopping center management should focus on delivered services to its customers as much as other marketing activities. The variety and function of the services, a shopping center provides will have a tremendous effect on the customers' choices. For planning the services of a center to meet the customer needs, shopping activity should be perceived as a process, starts with the decision making process of a customer before heading to a shopping center and finishes with exiting the center, preferably with full of bags. The main goal is to encourage the customers to consumption. All the services should be designed as supporting side factors to facilitate consumption. A key tool in service design is blueprinting, a more sophisticated version of flowcharting (Lovelock and Wirtz, 2004).

A center management needs to identify all the key activities in creating and delivering the service and specify the links between these activities at the operational beginning of the shopping center. An important characteristic of service blueprinting is that it differentiates what customers experience at the frontstage and the activities of employees and support processes at the backstage. Service blueprinting clarifies the interactions between customers and employees and also how these interactions are supported by additional activities and systems backstage. It integrates marketing, operations and human resource management within a shopping center (Lovelock and Wirtz, 2004).

The blueprinting of a shopping center differs according to the conditions of countries. Turkey, for example contains high security risks in public places which results security controls during the entrances of the shopping centers. In European countries, such a need is rarely experienced. The customer experiences the first contact with the center via security staff in Turkey. Parking automats are another example. In European countries, during the exit to the center by car, the parking fee is paid via automats. Self-service ticketing machines offer convenience and time savings, but only if they are easy to use and maintained in good working order (Lovelock and Wirtz, 2004). These examples clarify that center management should concentrate more on its human resource to present the hospitality in Turkey, because the first and last contact with the customers have high effects on the general image. Well-managed shopping centers should try to ensure that their employees treat customers as guests (Lovelock, Vandermerwe and Lewis, 1999).

Valet parking, security controls, information desks, background music, information screens, cleanliness of mall courts, toilets, and surfaces, website and lockers are among the most important front stage activities of a shopping center. Backstage activities includes all the processes and activities designed to support the atmosphere and these front stage services such as well managed air conditioning and heating, continuously working escalators and elevators, and adequate lightning. Technical service staff of a center management has the responsibility to regulate all the backstage service activities. The more and various front stage activities satisfying customers added by the center management, the higher the satisfaction level of customers will be.

Similar to searching innovative front stage activities for customers, shopping center management teams are also running after new marketing strategies in strength competition conditions. Traditional marketing is all about telling consumers something. It is one way- a monologue- from the top, down through the pipes of masses. Experiential marketing, however, rejects this paradigm. Instead, the practitioners of experimental marketing seek to bring the brand or product from behind the electric screen, or off of the printed page, and show it directly to the customers. They seek to involve the consumer, to engage and to embrace her/him (Lenderman, 2006). The

shopping center marketers also focus on the experiential marketing in the last decade. They try to introduce shopping as an experience to the consumers like a social activity instead of a chore to meet their consumption needs. A day with the whole family in a shopping center is marketed as an experiment, which delivers an inherent benefit to the family members-physically, emotionally, viscerally or mentally. Shopping centers try to give this valuable experience by offering different front stage activities to husband, wife and children. This experience starts from parking the car and continues until leaving the shopping center. The events in the shopping centers such as car presentations, concerts, fairs, fashion shows, playgrounds, theatres and entertainments for children and cinemas all sources for this experiential value. When customers evaluate their experience and its value, they prefer to come to the center again and again to meet both their social and consumption needs. The reason is that people like positive and meaningful experiences (Lenderman, 2006). This consumer experience is the competitive business battleground among shopping centers.

Each center management focuses on marketing activities and differentiative front stage services for families to create an impression on their consumers, that a day in a shopping center is the perfect way to fulfill the social and the physical needs. Research shows that sales rates increase if the center management reaches the goal to create this experienced feeling. Consumption of goods becomes a side factor for consumers in those cases, where they enjoy the social values of these experiences. Focus on the prices, self control about consumption, unwillingness to spend money decreases with the covering effects of enjoying the experience (Lenderman, 2006).

Competing through service is more than adding value to a product and it is also more than the collective efforts of marketing, strategic business, human resource, financial and operations management. Effective competing through service has to do with the whole shopping center viewing and approaching both itself and the market with a service dominant logic (Lusch, Vargo and O'Brien, 2007). When this logic is complemented with creating a valuable experience to customers, it will give a competitive advantage to shopping centers.

Attracting the customers to a shopping center is always difficult for center managements. Because of tremendous competition on all sides and limitations of time, space, and money for all but the extremely large centers, new ideas are hardly to create (Lion, 1976). Advertising and promotion can play a key role in the marketing blend. These promotion methods provide a low cost way to inform, persuade, activate and motivate customers. Advertising can position a shopping center's marketing mix as the one that meets customer needs (Perreault, Cannon and Mc Carthey, 2010).

There are four important dimensions of marketing activities for shopping centers. These are regular publication methods like a monthly newspaper or a magazine of the center, ads in regional or international mass media channels, fashion shows and exhibitions and interational and experiential activities (ECE Marketing Guidelines, 2003). Center management should plan these activities through out the whole calender year. Each highlight event in a calendar year such as Valentine's Day, mothers' day, fathers' day, New Year eve, should be supported with promotions and events in the shopping center. With announcing and attention drawing ads in media channels, these activities should be presented. For example; at the beginning of each fashion season and before the Valentine's Day, it is common to give ads about women fashion to the national mass communication media channels and organize fashion shows in the center. During the school holidays, preparing experiential fairs or exhibitions for children is another example for activities for highlight days. The fact is customers are more motivated and activated toward consuming on these highlight days. It is important for the center management to use relevant tools for these marketing activities. Advertisement, promotions and events organized in the shopping center are all part of these marketing activities. It is vital to discuss advertisement, promotions and events one by one in the following section.

4.2.1. Advertisement

The center management is responsible from all the marketing activities and they mostly work with an experienced advertising agency. At the beginning of each calendar year, the center management and the agency set the guidelines of the advertising campaign for a shopping center. The important point is every advertisement campaign should have clearly and well defined objectives. These objectives should be established out of shopping centers marketing strategy and the promotion jobs assigned to advertising. Center Manager should decide exactly what advertising should achieve. (Perreault, Cannon and Mc Carthey, 2010).

Advertisement activities can be discussed from two different perspectives: one is from the center management point of view and second from the tenants' point of view. The first perspective focuses on the shopping center as a product and runs advertising campaigns accordingly. The center management is responsible from all the marketing activities and they mostly work with an experienced advertising agency. At the beginning of each calendar year, the center management and the agency set the guidelines of the advertising campaign for a shopping center (Perreault, Cannon and Mc Carthey, 2010).

With the support of the advertisement agency, effective and communicative tools should be prepared for the mass media to communicate with the customers. The major challenge for center management is to develop ad messages, select media that expose customers, draw their attention and develop a proper comprehension. Mass media advertisements can be conveyed via variety of media such as TV, the internet, radio, magazines and newspapers, billboards and signs (Peter and Olson, 2010). The marketing budget, which is mostly established with the monthly payments of tenants via occupied size of rental spaces, limits always the advertisement transactions in mass media channels because of their high costs which represent another important challenge for the center management. To reach the focused consumer groups, the center management should make effective decisions for the right mix of these channels with the support of the advertisement agency. Effectiveness of the medium depends on the promotion objectives, target markets planned to be reached, available funds and the

nature of the media such as frequency, impact, cost (Perreault, Cannon and Mc Carthey, 2010).

Other than national media tools, shopping centers widely use weekly or monthly published newspapers or magazines of their centers. These publications establish a regular contact with customers, and they are alternative and economic media channels for center advertisement. Detailed news about events and promotions during the highlight seasons of the calendar year take part in details in these publications. Additional to the general marketing of the center, each brand in the center has the opportunity to publicate ads for his own as well. Information about the shopping center like number of parking places, brands in the tenant-mix, and access options via public or private transportation vehicles can be presented again and again to the customers to create a habit in their minds in these publications. The marketing know how of international management companies for shopping centers give special importance to these regular publications to build up a local and loyal customer demand (ECE Marketing Guidelines, 2003).

Advertising campaigns can also be carried by the tenants of the shopping center. Large retailers have their own advertising departments that plan specific advertising campaigns. Retailers also promote during the fashion seasons and highlight events of the calendar year. Establishing communication with center management create effectiveness in promotion and advertising activities of retailers. Center management should also support the campaigns of retailers with announcing ads in media channels and attention drawing events within the center.

4.2.2. Promotions

As mentioned above, promotions are tools of retailers in the shopping center. They announce different sales campaigns in order to communicate information to about their products and to persuade customers to buy them (Peter and Olson, 2010). Their promotion campaigns tell target customers that the right product is available at the right place at the right price (Perreault, Cannon and Mc Carthey, 2010). A center management generally does not arrange discounts, whole sale promotions or seasonal

campaigns in the name of retailer tenants. However, center managements promote themselves as well to draw attention of the customers during the promotion periods of their tenants. In big cities with many competitor shopping centers, national brands activate their campaigns in all of their stores, meaning same campaigns in many different shopping centers.

Because of this competition, center managements may make promotions to attract potential customers to their own centers via different tools. One of the most widely used tools is lottery campaigns. Cars or houses are mostly attractive prizes for customers. Each time the customer reaches a given amount of consumption proved by invoices, they earn a new chance for lottery. In Turkey, examples of such lotteries include prizes such as sport cars, houses and vacations. Another promotion tool of a shopping center is gift cards. Instead of buying a present for someone, customers can buy a gift card from the center management, which is loaded with an amount that is available to spend in all of the shops of that center. The person, who gets this gift card as a present, can buy anything he/she wants from the shops within the shopping center. This promotion method brings flexibility to the customers who try to buy presents.

4.2.3. Events

From the earliest days of markets of ancient times, sellers have used events to attract buyers and support sales. The paradigm has shifted in this subindustry from the early 1960s and 1970s, when retailers depended on single-day events to attract thousands of consumers to their sales points. But today, retailers are much more savvy and rely on marketing research to design longe-range promotional events with advertisement, publicity and promotions. They are discovering that cause marketing, such as aligning a product with a worthy charity or important social issue, is a better way to build a loyal customer base and improve sale rates. This shift from short-term quick events to long-term integrated event marketing is a major change in this subindustry (Goldblatt, 2002).

Shopping center managements having the duty to support tenants' sale rates, should also focus on event marketing. The most important issue in event marketing for

shopping center managements is specific highlight days. They are critical for both the center management and the tenants of the center because of the high consumption level. These highlight days include Valentine's Day, Mothers' day, Fathers' day, Religious Bairams, New Years Eve. However, those important days may vary according to the country and culture. For example; Eastern and haloween are considered as highlight events and celebrated in America and Europe, on the other hand, religious bairams are highlight days for all Muslims and retail consumption increases obviously (Hoyle, 2002). Whatever the highlight day is, center management should plan marketing activities for these events. With the change in event industry, the retailers and center managements are trying to diffuse each of these events to longer time periods like weeks. A Valentine's Day for example is a highlight period that lasts for weeks for retailers and customers.

Although tenants of shopping centers prepare and announce promotions and sales campaigns for highlight periods, center managements plan attention drawing events in their shopping centers as well. Children theatre plays or comedien shows are best events for children during school holidays. For the Valentine's Day, the shopping center is decorated totally with heart figures and ornaments in red colors. Fashion shows are also very popular during this period to present potential gift alternatives to customers on live models.

Marketing such kind of events requires innovative tactics. The success of an event may not depend only on the type of event, the cause of the event, the star attraction, but on how well center management takes advantage of certain factors of the event (Hoyle, 2002). Events should be designed and planned in a way that they draw attention, give joy and reinforce consumption at the end. To be able to fullfil these requirements of event marketing, shopping center managements develop experiential events such as car exhibitions within a center in which customers are also involved and do test drives in the parking lots. Car simulations are other inviting and interactive tools for children of customers. Event marketing of center managements became so important that speciality companies providing alternative event models as concepts are emerged in European companies. For example african trophies, tropican nights, far-east fight clubs,

latino dance shows are brought and organized as concepts by these companies to the shopping centers.

Event planning can be taken to new levels of success when strategic thinking is added to the creative process. Every event element can be structured in a way that will produce the desired outcome. Successful special events are results of a team effort. The tenant, the center management, the supplier, the planner and even the architect of the center can make an event meaningful, memorable and magical (Allen, 2002).

Although the ultimate goal for all shopping centers is to increase sales, advertising and promotions cannot increase sales alone. The duty of an advertising and promotion program is to influence customers' affect and cognitions, evaluations feelings, knowledge, beliefs and attitudes. It is somehow an art of creating and maintaining images and meanings in customers' mind (Peter and Olson, 2010). Tenants must take over from that point, and unless they display and maintain good quality, efficient prices and variable assortments, the customers will not visit the center again (Lion, 1976).

The main aim of all shopping centers, as a commercial investment, is to make profit. Successful marketing and management of the center may bring an important advantage in this sense for the center in the severe competition arena, which in turn leads to satisfied and loyal customers visiting the center. Not only the satisfaction and loyalty of the customers, but also satisfaction of the investor should be taken into consideration. It can be stated that there is a correlation between the successful marketing and management of shopping centers and customers' satisfaction and loyalty levels, which in turn may lead to the satisfaction of the investor. In this sense, the next chapter will be focus on customer satisfaction and loyalty.

CHAPTER FIVE

CUSTOMER SATISFACTION AND LOYALTY

5.1. Definition of Customer Satisfaction

From the 1980s in America and by the 1990s in other countries, customer satisfaction is rarely thought as a critical organizational goal. In more recent years, organizations all realized the importance of customer satisfaction because it is less costly to keep the existing customers than to attract new ones. It is understood that there is a close relationship between customer satisfaction, customer retention and profitability. For many companies, customer satisfaction is seen as an important measure of success. Organizations invested in improving performance in areas that make a contribution to customer satisfaction. They invested in quality, customer service, relationship management, and customer planning to be closer to their customer (Hill and Alexander, 2006). When companies confronted with competitive markets, they became eager to focus their efforts on the wishes and needs of the customers to keep old customers and to attract new ones (Schneider, Berent, Thomas and Krosnick, 2008). Therefore, it became a key operational goal for organizations and just about every mission statement of organizations started to refer satisfying or delighting customers (Hill and Alexander, 2006).

Many authors and researchers developed enhancements to customer satisfaction by creating multitude of words and phrases to describe the concept. Customer loyalty, emotional attachment, customer retention, customer focus, service quality, customer win back and service recovery are the most common words used for describing customer satisfaction. Although these words are different, they all describe the same phenomena. Satisfaction is generic word that can be used to summarize all these feelings and attitudes (Hill, Roche and Allen, 2007).

Although there many definitions about customer satisfaction in the literature, they seem parallel to each other. Customer satisfaction is defined as the range of

attitudes and feelings that customers hold about their experiences with an organization (Hill et. al., 2007). This definition is a little narrow. According to Hill and Alexander (2006), customer satisfaction is a measure of how your organization's total product performs in relation to a set of customer requirements. It is in customer's mind and may or may not align with reality. Therefore, customer satisfaction measurement is about measuring how customers perceive your performance as a supplier. Kottler and Keller (2006) define customer satisfaction as "a person's feelings of pleasure or disappointment resulting from comparing a product's perceived performance or outcome in relation to his or her expectations" (p. 144).

The theoretical basis for models of satisfaction stems from consumer psychology and especially the theory of confirmation/disconfirmation. The theory explains that satisfaction is achieved when expectations are fulfilled, that negative disconfirmation of expectations will result in dissatisfaction, and that positive disconfirmation will result in enhanced satisfaction (Oliver, 1980). In other words, this is an evaluative process, in which a consumer compares the performance of a service or a product to his/her prior expectations (Boshoff, 1997). If actual performance does not meet consumers' expectations, they will be disappointed or dissatisfied. Hunt (1978) states that the case is not how pleasurable the experience is, but the evaluation of whether or not the experience as pleasurable as it was expected to be.

After an extensive research Yi (1993 cited in Vavra, 1997) defined customer satisfaction either as an outcome or as a process. Outcome related definitions consider satisfaction as an end state that stems from consumption experience. For example; customer satisfaction is defined as "an outcome purchase and use resulting from the buyer's comparison of the rewards and the costs of the purchase in relation to the anticipated consequences" (Churchill and Surprenant, 1982, p.493 cited in Vavra, 1997). On the other hand, customer satisfaction is thought as a process that emphasizes the perceptual, evaluative and psychological process contributing to satisfaction. Sample process definition assumes customer satisfaction as "the consumer's response to the evaluation of the perceived discrepancy between prior expectations and the actual

performance of the product as perceived after its consumption” (Tse and Wilton, 1988, p.204 cited in Vavra, 1997).

Customer satisfaction is generally understood as the sense of satisfaction that a consumer feels when comparing his preliminary expectations with the actual quality of the acquired product. This shows that satisfaction is closely related with the quality of the product or service. The quality of services is difficult to evaluate, because services are intangible and heterogeneous. The direct involvement of consumers in the provision of services provide an opportunity to consider quality not as the recruitment of certain objective characteristics corresponding to stated standards, but as quality conceived by the consumer (Krivobokova, 2009).

Consumers face various types of product, service and brand choices, prices and suppliers. It is difficult to make a decision among this vast array of variables. However, it is believed that consumers make their choices based on the value which is offered the most. Within the search costs, limited knowledge, income and mobility, they form an expectation of value and act accordingly. Whether or not the offer lives up to the value expectation affects satisfaction (Kotler, 2003).

5.1.1. Customer Perceived Value

According to Kotler (2003), customers buy goods and services from the companies which they see offering the highest perceived value. This customer perceived value is the difference between customer’s evaluation of the benefits and the costs of an offering and the perceived alternatives. This definition emphasizes customer value and customer costs. Total customer value can be defined as the monetary value of the economic, functional and psychological benefits that customers expect from any market offering. On the other hand, total customer cost is the costs that customers expect to undergo in evaluating, using and disposing of any given market offering including energy, money and time.

Thus, customer perceived value is based on the difference between what the customer gets and what he/she gives for different choices. Companies can raise the value of the customer offering by increasing functional or emotional benefits or by

reducing costs (Kotler and Keller, 2006). Customer perceived value is an important framework and provides useful insights. Customer value expectation can significantly affect customer satisfaction and the likelihood of continued consumption (Tsai, Tsai and Chang, 2010). It is useful for the seller because seller can assess the total customer value and total customer cost related to each competitor's offer and may know how his/her own offer is shaped in customer's mind. Seller may also use customer perceived value framework for strengthening the offer's product, service and personnel by to increase total customer value or for reducing the price, and simplifying the ordering and delivery process to decrease total customer cost (Kotler, 2003).

Customer perceived value is an important concept because it leads satisfaction and also loyalty. Although studies showed that price is the most important determinant of customer loyalty, perceived value is more dynamic than price. The reason is nature of value evaluations may change during different stages of a customer's association with the seller (Lee and Bellman, 2008).

Companies should be closely concerned with their customers' satisfaction level and measurement of it regularly. The main reason is that Internet provides a critical tool for consumers to spread bad word of mouth and good word of mouth to the rest of the world easily.

5.1.2. Measurement of Customer Satisfaction

There is an increasing interest in organization's ability to produce high quality products and services. Organizations either use a new organization or quality teams to determine various quality related issues. They sometimes rely on their own employees or they work with consultants who are specialized in quality improvement and methodology. Whatever they use or whoever they rely on, the ultimate goal is to increase the quality of the products and services that the organization produces. Quality improvement should be both in design and conformance. Quality of the design reflects whether the product or service possesses the intended features. Quality of the conformance reflects whether product or service conforms to the intent of the design. Both of these quality aspects can be measured and used as the indication the way the

business is going on and the quality of the products and services. Organizations generally use soft measures such as perceptions and attitudes of customers as the indicators of quality. These measures include customer satisfaction and employee attitude questionnaires. Using customer perceptions and attitudes helps companies to track customer satisfaction directly and increases organizations' ability to make better decisions. Organizations may know expectations and requirements of customers and may determine whether they meet these expectations (Hayes, 2008). Additionally, companies can monitor the customer loss rate and contact customers who do not buy anymore or who started buying another supplier to learn the reasons. Companies also can hire mystery shoppers to pose as potential buyers and report on strong and weak points experienced in buying products or services of the company and the competitors (Kotler and Keller, 2006).

To use the expectations and requirements of customers to assess the quality of the products and services, customer satisfaction instruments should accurately measure these perceptions. Objective and accurate measurement of customer satisfaction enable organizations to (Hill, Brierley and MacDougall, 2003):

- provide the best indicator of future customer loyalty.
- understand how customers perceive the organization and whether the performance of the organization meets customers' expectations.
- identify the priorities for improvement areas where improvements in performance will produce the greatest gain in customer satisfaction.
- undertake a cost-benefit analysis to assess the overall business impact of addressing the priorities for improvement.
- understand gaps where the employees have a misunderstanding about the priorities of the customers or their own abilities to meet customer needs.
- set goals for service improvement and monitor progress against a customer satisfaction index

-benchmark the performance of the organization against the performance of other organizations.

-increase profits through improved customer loyalty and retention.

Any company would be wise to measure customer satisfaction on a regular basis because it is an important key to customer retention. Highly satisfied customers generally be loyal to the company, buy more products or services and upgrade the existing ones, talk positively about the product or services and the company and cost less to serve new customers (Kotler and Keller, 2006). Although not always highly satisfied customers are loyal to the company, there is a link between the two concepts and it is worth to focus on customer loyalty as well.

5.2. Definition of Customer Loyalty

Most companies have a fundamental objective of achieving customer loyalty. Customer loyalty represents greater collaboration, fewer complaints, positive word of mouth, less sensitivity to price and greater profitability of the customer for the seller (Bennett, Härtel, and McColl-Kennedy, 2005 cited in Fiol, Alcaniz, Tena and Garcia, 2009). All these advantageous results bring a long-term relationship. This is called relationship marketing which maintains that the ultimate aim of marketing is to establish mutually beneficial and long term relationships between companies and customers. If one of the parties considers that it does not obtain benefits from the relationship, or that it gives more than it gets, it will seek alternatives. Thus, customer loyalty is the fundamental aim of relationship marketing (Fiol et. al., 2009).

Loyalty is a multidimensional concept and it is more than the concept of customer retention or cooperation, which only refers to the behavioral aspect of loyalty (Fiol, et. al., 2009). Customer loyalty is operationalized in many different ways. According to Oliver (1997, p.392), customer loyalty is “a deeply held commitment to rebuy or repatronize a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behavior”. Dick and Basu (1994 cited in Weiwei, 2007) conceptualized it as the strength

of the relationship between attitude towards the target relative to available alternatives and patronage behavior.

Customer loyalty is considered from two different perspectives. One of them is in terms of customers' attitudes and the other in terms of their behaviors, with the latter closely related to customer value. Behavioral loyalty is related with purchase behavior over time, and usually it is defined either in terms of purchase volume, amount of brand switching or share of spending (Malthouse and Mulhern, 2008). Attitudinal loyalty represents how consumers think and feel about a brand. Different feelings create an individual's overall attachment to a product, service or organization (Xu, Goedegebuure and Van der Heijden, 2006). From this perspective loyalty is seen a three stage process. Cognitive elements effects affective loyalty, in turn, affective loyalty influences cognitive loyalty which includes customers' intentions or commitment to behave in a loyal manner (Oliver, 1997). Some authors such as Dick and Basu, (1994) thought that loyalty is formed by the customers' intentions and attitudes and should be measured accordingly (Lewis and Soureli, 2006).

Diller (1995 cited in Cahill, 2007) distinguished between supplier focused component and customer focused component of customer loyalty. In the supplier focused perspective, customer loyalty is seen as a bundle of measures that aim improving relationships with customers. Supplier is in the center of the attention and the customer is considered as the factor at which success of customer loyalty becomes manifest. Since the customer decides whether customer loyalty is successful or not, this perspective is barren because all activities that supplier performs are directed toward customers to be loyal. From the customer focused perspective, customer loyalty considered as closely related with customer's characteristics. These characteristics can be gained either by directly observing actions or taking into account their attitudes and intentions. If it is considered that customers' actions are leaded by their attitudes and intentions, they have to be scrutinized to understand manage customer loyalty. Customer based perspective dominates the current loyalty research because it is the customer that initiate, continues and develops the relationship (Cahill, 2007).

5.2.1. Loyalty in Service Sector

Customer loyalty is not only an important competitive advantage for product producer companies, but it is also for service provider organizations as well. It has a critical role in developing marketing and cost strategies of companies (Çankaya and Çilingir, 2008). However, majority of the research studies about loyalty has focused on brand loyalty. Service loyalty has not been exposed because loyalty in service sector is more difficult to conceptualize than product loyalty. The main reasons may be the inseparability of provider and customer, intangibility and variability of a service and the customer's participation in service production and delivery manifests the interpersonal component of services and this brings emotional dimensions to loyalty (Oliver, 1997). Additionally, service loyalty comprises many different variables, which vary among services, according to the specific characteristics of each service industry. Industry specific issues and characteristics affect consumer behavior. The nature of the service act, the relationship with customers, and the method of service delivery play an important role in the formation of loyalty (Lewis and Soureli, 2006).

Service organizations strive to maintain a superior quality of service to gain customer loyalty. Thus, it can be stated that a service organization's long-term success in a market is to a large extent determined by its ability to expand and maintain and loyal customers. Tools for gaining customer loyalty can be providing superior quality of service, fulfilling customers' expectations and needs and enhancing on-going relationship (Kandampully, 1998). Customers will remain loyal to a service organization if the value of the service they receive is determined to be greater than that of the expected service from competitors (Zeithaml and Bitner, 1996). Service quality is an essential element to convince customers to choose one service organization over another. Thus, many organizations have realized that maintaining excellence on a consistent basis is critical if they want to gain customer loyalty. This understanding has created a shift in orienting service strategy towards a service promise (Hart, 1990 cited in Kandampully, 1998).

Loyalty should be perceived as a verb not as a noun; customer loyalty is time-specific. Thus, it is not non-permanent (Kandampully, 1998). Organizations must

understand the lifetime value of a customer (Zeithaml and Bitner, 1996) and constantly strive to develop and maintain their customer's loyalty in today's competitive environment.

5.2.2. Types of Loyalty

There are different types of loyalty. Some may have little relation with the actual true meaning of loyalty such as monopoly loyalty. In monopoly loyalty, customers either have little or no choice. Their so called loyalty is far from the real loyalty. These customers are generally less satisfied. Other suppliers are in a competitive situation. The customer can use alternative suppliers however, the cost involved in changing suppliers is high and therefore, customers do it as a last chance. Since they are reluctant to switch suppliers, they cannot be considered as loyal and this includes little duty (Hill and Alexander, 2006).

Habitual loyalty may be considered as the most common form of loyalty. Familiar routines become part of the lifestyle of individuals because of limited or scarce time. For example, weekly food shop is done at the same market because it is close to home, friends meet at the same café or petrol is bought from the same station that is on the way to work. These routines may mislead the companies with high levels of customer retention because allegiance to suppliers can be very low. Another type of loyalty is incentivized loyalty. It may have an important influence on consumers, who do not spend their own money. Business flyers are an example of showing this type of loyalty and it is one of the mostly used marketing strategies in recent years. Customers see the loyalty as something they may take whenever it meets their needs to use that supplier (Hill and Alexander, 2006).

5.2.3. Antecedents of Customer Loyalty

Many researchers investigated the concept of customer loyalty and the antecedents that create customer loyalty. Fassnacht and Daus (2004 cited in Cahill, 2007) grouped the determinants of loyalty into three dimensions as company related, relationship related and customer related determinants. Company related determinants are closely related with the supplier or the goods or services offered to the customer. It

is a determinant for loyalty because goods and services create utility for the customer. Customers make an assessment by evaluating the price performance ratio and they pay attention to the prices. Reputation of the company also influences customer loyalty by offering loyalty programs to customers.

Relationship related determinants include the relationship quality between the supplier and the customer, previous experience and trust. Relationship related determinants build a long term relationship between the supplier and the customer (Cahill, 2007). Value and satisfaction are also considered as the determinants of customer loyalty in this sense. Oliver (1999 cited in Perin, Sampaio and Brei, 2006) states that satisfaction is related to customer loyalty, but he also adds that it is an asymmetrical relationship. While most loyal customers find themselves satisfied, satisfied customers do not always become loyal. Thus, he believes that satisfaction is necessary for creating loyalty, but other factors also influence this relationship. Oliver also suggests that in order to say that customer satisfaction leads to loyalty, there should be frequent and total satisfactory experiences with a product or service (Perin, Sampaio and Brei, 2006).

Trust is a necessary condition for almost every interaction and daily routine activities (Miształ, 1996). Morgan and Hunt (1994) state that trust as a key element for customer loyalty. They believe that trust leads to high levels of loyalty within the organizational context and it is the core determinant of commitment in relational exchanges. According to Sirdeshmukh, Singh, and Sabol (2002 cited in Perin, Sampaio and Brei, 2006), the relationship between trust and loyalty is based on reciprocity. It means that the more a company strives toward winning a customer's trust, the more that customer will show loyalty to the company.

An important variable that has grown in relevance in marketing research is value to the customer. Sirdeshmukh, Singh, and Sabol (2002 cited in Perin, Sampaio and Brei, 2006) define value as customers' perception of the difference between the costs and benefits of maintaining a relationship with a company. The authors believe that consumer's loyalty toward a company grows according to the value that the company can offer during relational exchanges. Also Reichheld (1996) stresses that

when companies create value to the customer, they form loyalty, and this in turn generates growth, profit and more value.

Final dimension which is customer related determinants of loyalty include the characteristics of customers. Involvement and affect and also the importance of goods or services to the customer are critical variables. There may be more variables which determine customer loyalty such as the effect of marketing environment and competition. Most of the research on customer loyalty examines very limited number of determinants devoting the focus to trust, loyalty programs or customer expectations. Future research may focus on a holistic approach to the explanation of customer loyalty (Cahill, 2007).

5.2.4. Effects of Customer Loyalty

Customer loyalty has an important role in the success of a company. It is stated that customer loyalty may have three important influences such as (Reichheld, Markey and Hopton, 2000 cited in Cahill, 2007):

- revenues and market share increase because best customers are attracted to the company by building repeat sales.

- costs decrease because the expense of gaining and serving new customer and replacing old customers decline.

- employee retention increases because job satisfaction increases in turn, create a loop that reinforces customer retention by familiarity and better service.

Customer loyalty is an advantage for a company because company wastes fewer marketing and sales resources for loyal customers and these customers buy more from the company that gained the loyalty (Neal, 1999 cited in Cahill, 2007). Empirical studies on customer loyalty show that higher customer loyalty brings higher revenues, higher returns on investment and higher profitability of innovation. Since customers are the main sources of company revenues, companies should focus their efforts to acquiring new customers and keeping the old ones. From a contrary perspective, customer loyalty may bring costs that arise from measures aimed at increasing customer

loyalty and also from product or service improvements (Reinartz, Thomas and Kumar, 2005 cited in Cahill, 2007). So, it is important to keep in mind that customer loyalty can be advantageous when its utility is proportional to its cost (Wallenburg, 2004 cited in Cahill, 2007).

It is clear that the ultimate goal for a shopping center is to increase sales. However, increasing sales is not an easy task and it needs a planned marketing and management activity. If these activities are well planned and carried out, the success will be unavoidable and it will positively affect customer loyalty and satisfaction as well. In the light of the theoretical framework drawn above, the aim of this study is to assess the relationship between management and marketing activities of a shopping center and customer satisfaction and loyalty. Additionally, the fit between the output of the shopping center management in terms of marketing and management activities and the perception of the same shopping center customers in terms of same marketing and management activities will be analyzed. This fit will reveal whether marketing and management activities performed and seen as important by the shopping center management are perceived by the customers in the same way. Accordingly, it is proposed that this potential fit will increase customer satisfaction and loyalty as well.

Customer satisfaction and loyalty may be one of the determinants of the shopping center success, but there is also an important actor who is directly affected by the success of the center: shopping center investor. Satisfaction of the investor should also be considered when evaluating these relationships. This actor is included as a variable into the model and assessed by an interview. The results of the interview is added as a qualitative data and used in the discussion. The research model of the study is presented below:

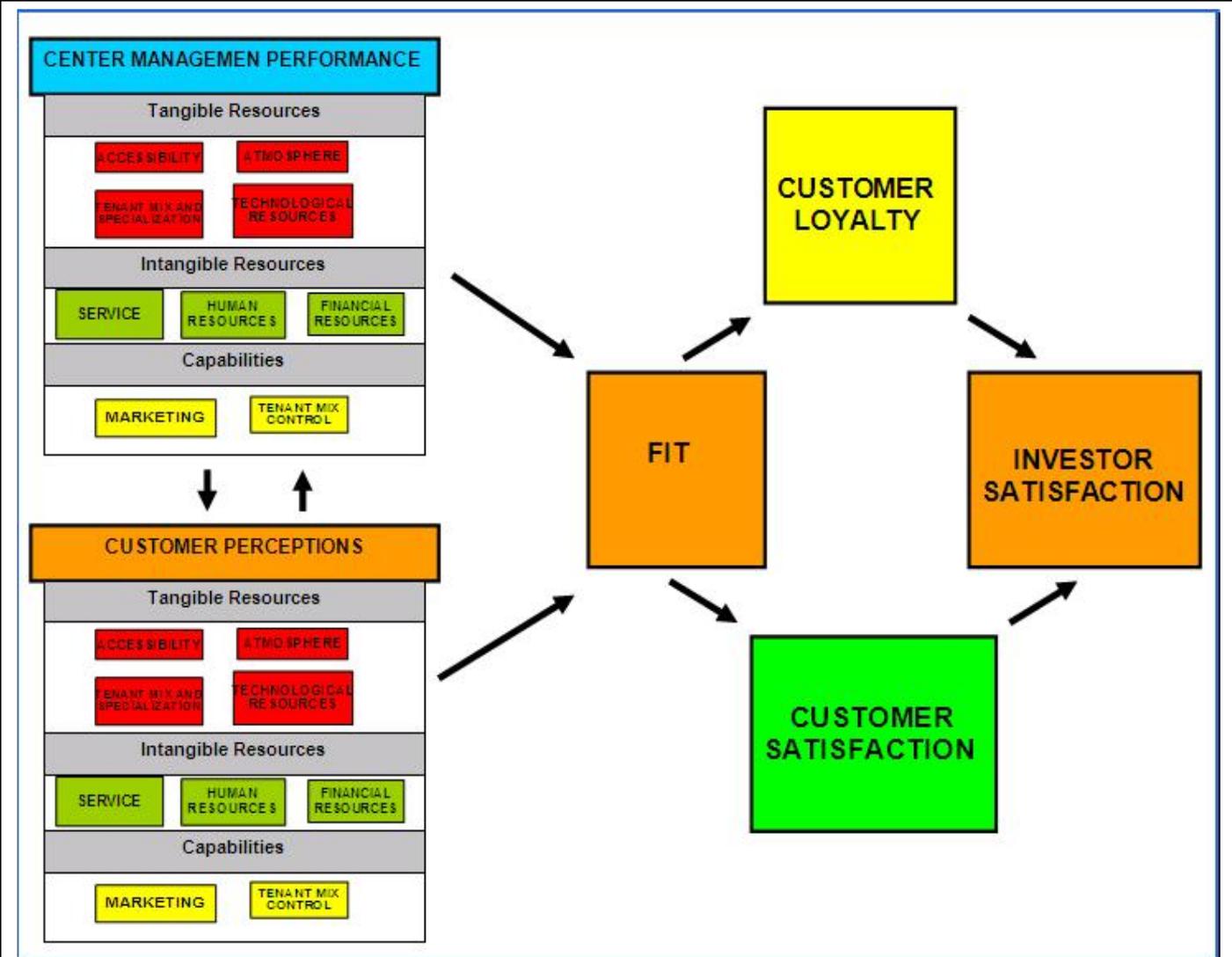


Figure 3. Research Model

Based on the research model, the following hypotheses are developed:

As mentioned above, marketing and management activities have ten dimensions. For each factor, hypotheses are developed. In general terms, below hypothesis are formulated:

H₁: There is a fit between shopping center managers and the customers with respect to marketing and management activities.

For each marketing and management activities factors, the above hypothesis is repeated and tested. One of them is given below as an example of hypothesis;

H_{1a}: There is a fit between the strength assessed by the shopping center manager to the architectural features and the importance given by the customers to the architectural features.

H₂: There is an impact of fit between shopping center management and customer in terms of marketing and management factors on customer satisfaction.

H₃: There is an impact of fit between shopping center management and customer in terms of marketing and management factors on customer loyalty.

CHAPTER SIX

METHODOLOGY

6.1. Sample

The study is conducted in three shopping centers. Two of the centers are located in Ankara and the third center is in İstanbul. Shopping center management, customers of the center, and investors formed the sample. Hundred customers from each shopping center were chosen during their shopping activities and asked to fill questionnaires. Three questionnaires were left out of the study because of missing data. So, the sample consisted of total 297 customers, three managers and three investors of these shopping centers. Convenience sampling is used in determining the shopping centers.

The details of descriptive statistics are tabulated in Table 1.

Table 1. Cumulative Descriptive Statistics of the Sample

Variable	N	Percentage	Mean	Standart Deviation	Range
Gender					
Male	165	56			
Female	132	44			
Age	297		37.1	11.02	16-73
Education Level					
Primary	30	10			
High School	102	34			
University	146	49			
Post Graduate	19	7			
Salary					
Less than 1.000 TL	37	13			
1.001- 2.000 TL	82	28			
2.001- 3.000 TL	95	32			
More than 3.001 TL	89	28			

6.1.1. Shopping Center 1

Shopping center 1 is opened in Ankara with a slogan of “New center in Ankara” in 1991 after a five year construction period. The shopping center is designed by a German company. It has a construction area of 62.000 m² 12.000 m² of which is car park, 23.000 m² is common area and 27.000 m² is usable area. The center has three shopping, four office, and two installation and car park floors with a total of nine floors with four main entrances. The center is managed by a national real estate company which is affiliated with a well known national holding. This real estate company carries the technical, financial, managerial, security and cleaning services of the center.

Shopping center 1 has a central heating, ventilation and cooling systems, a lighting system designed according the the external light energy, central fire extinguishing and music system, 8 person and two cargo elevators and four escalators. The center also has 35 security personnels. Descriptive statistics of the customers visiting this shopping center are shown in Table 2.

Table 2. Descriptive Statistics of the Sample of Shopping Center 1

Variable	N	Percentage	Mean	Standart Deviation	Range
Gender					
Male	52	48			
Female	48	52			
Age	100		36.9	9.95	16-62
Education Level					
Primary	9	9			
High School	28	28			
University	61	61			
Post Graduate	2	2			
Salary					
Less than 1.000 TL	7	7			
1.001- 2.000 TL	21	21			
2.001- 3.000 TL	42	42			
More than 3.001 TL	30	30			

The sample of the shopping center 1 is composed of 52 males and 48 females. The mean age is almost 37 and ranges between 16 and 62 years. Majority of the sample has a university degree and the 42 respondents earn between 2.001 and 3.000 TL.

6.1.2. Shopping Center 2

Shopping center 2 is opened in Ankara in 2008 with a slogan of “pleasure specific shopping center”. It has a construction area of 60.000 m² with more than 100 stores. The center is managed by a Holland based shopping center which entered the Turkish market in 2006. investment and management company. Apart from Turkey, the company activates in France, Italy, and Spain and 92% of 6 billion Euro worth of its investments is shopping center investment. It leases and manages its own real estates. The company has different percent of shares in other shopping centers in Turkey and totally it has involved in 8 projects all over Turkey. The main aim of the company is to combine its retail knowhow and experience with its success in local channels and increase the added value of the shopping center.

The shopping center has a glass exterior front and this enables to use daylight and panaroma effectively. It has also a well planned landscape and a spacious food court including different tastes from all over the world.

Table 3. Descriptive Statistics of the Sample of Shopping Center 2

Variable	N	Percentage	Mean	Standart Deviation	Range
Gender					
Male	48	48			
Female	52	52			
Age	100		39.4	10.98	18-63
Education Level					
Primary	6	6			
High School	34	34			
University	47	47			
Post Graduate	13	13			
Salary					
Less than 1.000 TL	7	7			
1.001- 2.000 TL	23	23			
2.001- 3.000 TL	30	30			
More than 3.001 TL	40	40			

Sample of the second shopping center is composed of 58 females and 42 males. The age ranges between 18 and 63. 47% of the sample has a university degree and 13% has a either master or Phd degree. Majority of the sample earns more than 3.001 TL.

6.1.3. Shopping Center 3

Shopping center 3 is located in Istanbul with a construction area of 30.000 m². The center was designed as a storage building with 172.000 m² but the location of the complex enabled an establishment for a shopping center after several years and in 2008 a small part of the building was restorated and opened as shopping center including many stores with anoutlet logic. Remaining parts of the building is still used as a warehouse. The warehouse supply gives the retailers an advatage to store their products for backup. The investor, a national well known construction company with a 34 year experience in construction sector manages the shopping center.

Table 4. Descriptive Statistics of the Sample of Shopping Center 3

Variable	N	Percentage	Mean	Standart Deviation	Range
Gender					
Male	65	67			
Female	32	33			
Age	97		35.06	11.32	17-73
Education Level					
Primary	15	16			
High School	40	41			
University	38	39			
Post Graduate	4	4			
Salary					
Less than 1.000 TL	23	24			
1.001- 2.000 TL	38	39			
2.001- 3.000 TL	23	24			
More than 3.001 TL	13	13			

65 male and 32 female participated to the study for shopping center 3. The mean age is 35.06 and ranges between 17 and 73. 39% of the sample has a university and 41% has a high school degree. 39% of the sample earns between 1.001 and 2.000 TL.

6.2. Procedure

Data was collected from three different respondents: shopping center managers, shopping center customers and shopping center investors. The researcher got appointment from three of the shopping center managers and gave a brief description about the purpose of the study and confidentiality of the answers of the questionnaires. Then, the researcher left the questionnaire to the shopping center managers and they sent it back to the researcher via e-mail in two weeks.

Concerning the shopping center customers, the researcher distributed the questionnaires to the customers either in or in front of the shopping center. He again gave a brief description about the purpose and procedure of the study and asked them to answer the questions. He distributed the questionnaires and collected back fifteen minutes later.

Concerning the shopping center investors, the researcher searched for key persons who can have an easy access to the investors of the shopping centers. These key persons arranged the interview schedule and the researcher made the interviews by his own. All the answers of the investors were recorded on a tape and then decoded by the researcher.

6.3. Measures

The questionnaire consisted of 3 independent sections including measurement scales designed to assess the constructs of interest in this study and demographic questions. In the first section, there was a cover letter to give information to the respondents about the purpose of the study that their participation and responses would be confidential and their answers would be assessed only by the researcher. In addition to the cover letter, there were some demographic questions in the first section to determine some individual characteristics of the respondents.

6.3.1. Demographic Variables

In the first section of the questionnaire, there are demographic questions such as gender, age, marital status, education level, occupation and salary to gain general information about the respondents (See Appendix 1).

6.3.2. Marketing and Management Activities

Marketing and management activities of the shopping center were measured using 51-item scale developed by the researcher. Development of the scale is based on extensive literature review and a study conducted by Frasquet, Vallet and Gil (2002) on key factors in shopping center management. Frasquet, Vallet and Gil (2002) produced a scale to identify the resources and capabilities of shopping centers by literature review and in-depth interviews with two shopping center managers. Their questionnaire included 33 items measuring conceptual dimensions such as accessibility, tenant mix and specialization, atmosphere, technological resources, service, human resources, financial resources, marketing and tenant mix control. However, as a result of an extensive literature review, the researcher found out that these dimensions were not enough to define the management and marketing activities of shopping centers. In addition to 33 items developed by Frasquet, Vallet and Gil (2002), the researcher produced 18 more items and Marketing and Management Scale is composed of 51 items.

For Marketing and Management Scale, a pilot test was conducted prior to the main study. The pilot test was conducted on 30 individuals in order to test the wording and comprehension of each item. The scale then examined by two professor expertised in the area of marketing and research methodology. The analysis showed that the scale has validity.

The scale consists of two subparts. In the first part customers were asked to rate 51 items to reflect their opinion whether the items are important for any shopping centers. Then in the second part, customers were asked to rate the same 51 items for the shopping center they visit at that moment to reflect how important those items in deciding that shopping center. The same questions were used for shopping center

managers. Shopping center managers were asked to reflect how much importance they give to these items in their shopping centers with respect to their customers by reading the same 51 questions. 6 point Likert Scale ranging from “very important” to “not important at all” was employed (See Appendix 2).

6.3.3. Customer Satisfaction

Customer satisfaction is measured by a scale developed by Kennedy and Young (1989). The items in the scale are adapted to shopping centers. It includes six items and these items are measured on a 6 point Likert Scale ranging from “Totally agree” to “totally disagree”.

6.3.4. Customer Loyalty

Customer loyalty scale is taken from the dissertation thesis of Seyman (2004). It includes seven items measuring the customers’ loyalty to the shopping center they are visiting. 6 point Likert Scale ranging from “Totally agree” to “totally disagree” was employed.

RESULTS

Factor Analysis of Marketing and Management Activities Scale

Factor analysis using a principle components solution with varimax rotation was applied to the 51 items of Marketing and Management Activities Scale. Kaiser-Meyer-Olkin (KMO) value was found as .924 which is above the accepted value. This result marked the homogeneous structure of the variables and the result of Bartlett Test (.000, Chi-Square: 12917.001, df: .1225) showed that the variables were suitable for factor analysis. The best representation of the data is obtained as a result of few rotations. Three items loading to more than one factor was discarded from the analysis. The remaining 48 items were loaded on ten factors explaining 71.877 % of the total variance. Ten factors are labeled as Marketing Performance, Technology, Architecture, Human Resources, Magnet Effect, Accesibility, Brand Recognition, Food Court, Price Sensitivity and Facility Management. The results of the factor analysis and realibility coefficients are shown in Table 5. Marketing and management activities scale and subscales have fairly high reliabilities. Although facility management subscale is slightly below the accepted value of .70, it is not deleted from the study. However, price sensivity subscale is below the generally accepted sufficiency level of .70. When the items loaded on this factor were examined, it was found that items clustered in a meaningful way and explained the factor very well. This subscale was not omitted from the study as well.

Table 5. Results of the Factor Analysis of Marketing and Management Activities

Name of the Factor	Item	Factor Loadings	Factor Variance (%)	Reliability
Marketing Performance	Arranging advertising campaigns	.804	12.792	0.954
	Publishing a newspaper/magazine of the shopping center	.802		
	Designing the newspaper/magazine that will include news and advertisements reflecting the spirit of the center	.800		
	Designing catchy and up to date advertising campaigns	.784		
	Distributing shopping center newspaper/magazine as a national press supplement	.713		
	Developing strategies by observing other shopping centers	.681		
	Making periodic attractive decorations and promotions such as Valentine's Day, New Year's Day.	.676		
	Arranging attractive activities such as exhibitions, fashion shows, contests, games for children	.625		
	Re-leasing the vacant stores according to the needs quickly	.561		
Technology	Presence of electronic devices that would facilitate to find the stores	.737	12.789	0.913
	Presence of display screens inside the shopping center for news and info.	.735		
	Economical parking fees	.735		
	Enabling free parking	.709		
	Presence of wireless internet access service	.703		
	Presence of a web page containing the required information	.700		
	Presence of information and customer services	.605		
	Providing easy and direct access from connections and highways	.577		
	Providing longer opening hours	.577		
Allocating space for activities such as bowling, cinema	.410			

Architecture	Attractive architectural design and decoration	.796		
	Finding stores easily with the help of permanent placement plan	.777		
	Having an innovation in the architectural structure and design	.740		
	Adequacy of the solutions such as escalators, elevators that make it easy to walk around	.686		
	Having closed and/or open activity areas	.676	11.403	0.902
	Having proper elements such as lighting, air conditioning	.601		
	Width and spaciousness of food court	.594		
	Diversity of stores	.585		
	Considering architectural solutions for people with disabilities	.488		
Human Resources	Having adequate number of staff to run the services such as security, maintenance and repair, cleaning	.814		
	Easy access to management for demands and complaints	.782	7.773	0.936
	Adequacy of the staff providing security, counseling, cleaning in customer relations	.781		
	Sensitivity of the management about complaints and demands from customers	.761		
Magnet Effect	Presence of a department store such as YKM, Boyner, Marks & Spencer	.844		
	Presence of a hypermarket	.827	6.348	0.865
	Presence of chains and franchises	.652		
Accessibility	Ease of transportation and access	.848		
	Being in an easily accessible area in terms of traffic	.776	5.310	0.796
	Lack of other alternatives around to shop	.604		
Brand Recognition	Presence of well known brands	.883		
	Presence of store that give importance to quality	.751	4.833	0.759
	Presence of powerful brands that enter the market for the first time	.537		

Food Court	Being preferred only for food court	.797	3.676	0.736
	Presence of other alternatives in the food court	.788		
Price Sensitivity	Presence of boutique stores	.776		
	Presence of appropriate prices	.544	3.482	0.583
Facility Management	Cleanliness of common areas (parking lots, streets, WCs)	.808		
	Trouble free operation of technical equipment such as escalators, elevators	.549	3.469	0.671
	Presence of adequate security services	.449		
		Total	71.877	
		Kaiser-Meyer-Olkin Value : .924 df : 1225		
		Bartlett Significance Value: .000 Chi-Square Value: 12917.001		

Factor analysis using a principle components solution with varimax rotation was also used for Customer Satisfaction and Customer Loyalty items. The results are shown in Table 6.

Table 6. Results of the Factor Analysis of Customer Satisfaction and Loyalty

Factor	Item	Factor Loadings	Factor Variance (%)	Reliability
Customer Satisfaction	I think I get paid the financial cost I bear for the shopping center I prefer	.859		
	This shopping center meets all my expectations and requirements	.840		
	I am overall satisfied with this shopping center	.830		
	I am completely satisfied with the architectural design, brands and stores in this center	.779	38.602	.925
	I have been completely satisfied with the attitudes of the personnel of this center	.714		
	I have been completely satisfied with the service given to me in this shopping center	.704		
Customer Loyalty	I will prefer this shopping center the next time	.902		
	I can provide information about this shopping center when it is requested	.853		
	I can tell my concerns, comments and demands about this shopping center to the management	.786		
	I recommend another shopping center managed by the same management to my friends	.762	33.066	.921
	I defend this shopping center against criticisms	.736		
	I recommend this shopping center to my friends	.723		
	I recommend the service personnel of this shopping center to my friends	.689		
Total			71.668	
		Kaiser-Meyer-Olkin Value : .919		df : 78
		Bartlett Significance Value: .000		Chi-Square Value: 3284.357

It is found that satisfaction and loyalty items are separated and loaded on a single factor. Therefore, total score is calculated for customer satisfaction and customer loyalty.

Assessing the Fit between Shopping Center Manager and Shopping Center Customers

In order to test whether there is a fit between the shopping center managers and shopping center customers, Paired Samples T-Test was used. First of all, this test was run for the whole sample. In other words, the test was used to test the fit in terms of all three shopping center managers and whole customers of three shopping centers. Then, the same test was used to assess the fit between each shopping center manager and its customers, seperately. Non significant results show that there is no significant difference between shopping center managers and customers, stating “Fit”, whereas, significant results show that there is a significant difference between the shopping center manager and the customers, stating “Not Fit”. The results are shown in Table 7.

Table 7. Results of Paired T-Test for Shopping Center Manager-Customer Fit

Variable	N	Mean Difference	Standart Deviation	t	p
Mark. Perfor. Manag.-Mark. Perfor. Customer	297	-1.6535	1.68366	-16.926	.000*
Technology Manager-Technology Customer	297	-.12020	.80886	-2.561	.011***
Architecture Manager-Architecture Customer	297	.31724	.55535	9.844	.000*
HR Manager-HR Customer	297	.53199	1.28442	-7.138	.000*
Magnet Effect Manager-Magnet Effect Customer	297	-.01235	1.01464	-.210	.834
Accessibility Manager-Accessibility Customer	297	-.11336	1.14600	-1.705	.089
Brand Recog. Manager-Brand Recog. Customer	297	-.07295	1.16647	-1.078	.282
Food Court Manager-Food Court Customer	297	-.26936	1.89412	-2.451	.015***
Price Sensitivity Manag.-Price Sensitivity Custom	297	.45455	.94106	8.324	.000*
Facility Mang. Manager-Facility Mang. Customer	297	-.01459	.85522	-.294	.769

*P < 0.001 ; **P < 0,01 ; ***P < 0,05

Since non significant p values show “Fit” and significant p values show “Not Fit”, it was found that there is a fit between shopping center managers and customers in terms of magnet effect, accessibility, brand recognition and facility management factors. So, the first main hypothesis stating that “There is a fit between shopping center

managers and the customers with respect to marketing and management activities” is partially supported. Accordingly, hypotheses H_{1e}, H_{1f}, H_{1g} and H_{1j} are supported and the rest subhypotheses are rejected.

The same test was used to assess the fit between shopping center managers and customers for each shopping center. The results are tabulated below.

Table 8. Results of Paired Sample T-Test for Shopping Center Management-Customer Fit in Shopping Center 1

Variable	N	Mean Difference	Standart Deviation	t	p
Mark. Perfor. Manag.-Mark. Perfor. Customer	100	-2.59667	1.04824	-24.772	.000*
Technology Manager-Technology Customer	100	-.26200	.87741	-2.986	.004***
Architecture Manager-Architecture Customer	100	.25222	.62652	4.026	.000*
HR Manager-HR Customer	100	-.23500	.99228	-2.368	.020***
Magnet Effect Manager-Magnet Effect Customer	100	.30000	.84686	3.542	.001*
Accessibility Manager-Accessibility Customer	100	.27000	.84976	3.177	.002**
Brand Recog. Manager-Brand Recog. Customer	100	.52333	.59034	8.865	.000*
Food Court Manager-Food Court Customer	100	.77500	.92216	8.404	.000*
Price Sensitivity Manag.-Price Sensitivity Custom	100	.24000	1.04563	2.295	.024***
Facility Mang. Manager-Facility Mang. Customer	100	.35667	.49522	7.202	.000*

*P < 0.001 ; **P < 0,01 ; ***P < 0,05

The results of the Paired Samples T Test showed that there is no fit between manager of shopping center one and its customers on any of the factors.

Table 9. Results of Paired Sample T-Test for Shopping Center Management-Customer Fit in Shopping Center 2

Variable	N	Mean Difference	Standart Deviation	t	p
Mark. Perfor. Manag.-Mark. Perfor. Customer	100	-2.60222	1.08731	-23.993	.000*
Technology Manager-Technology Customer	100	.10900	.86621	1.258	.211
Architecture Manager-Architecture Customer	100	.42169	.58252	7.239	.000*
HR Manager-HR Customer	100	.26500	.75697	3.501	.001*
Magnet Effect Manager-Magnet Effect Customer	100	.14000	1.2199	1.092	.277
Accessibility Manager-Accessibility Customer	100	.64667	.84197	7.680	.000*
Brand Recog. Manager-Brand Recog. Customer	100	.71000	.61711	11.505	.000*
Food Court Manager-Food Court Customer	100	.34500	1.17356	2.940	.004***
Price Sensitivity Manag.-Price Sensitivity Custom	100	.78500	.91909	8.541	.000*
Facility Mang. Manager-Facility Mang. Customer	100	.58000	.44852	12.932	.000*

*P < 0.001 ; **P < 0,01 ; ***P < 0,05

The results of the Paired Samples T Test showed that there are two non significant p values. Non significant p values represent “Fit” between the manager of shopping center two and its customers. So, it can be concluded that there is a fit between manager of shopping center two and its customers on technology and magnet effect factors (p=.211; p=.277)

Table 10. Results of Paired Sample T-Test for Shopping Center Management-Customer Fit in Shopping Center 3

Variable	N	Mean Difference	Standart Deviation	t	p
Mark. Perfor. Manag.-Mark. Perfor. Customer	97	.29668	.82523	3.541	.001*
Technology Manager-Technology Customer	97	-.21031	.60475	-3.425	.001*
Architecture Manager-Architecture Customer	97	.27606	.42252	6.435	.000*
HR Manager-HR Customer	97	-1.65979	1.20069	-13.615	.000*
Magnet Effect Manager-Magnet Effect Customer	97	-.49141	.82523	-7.829	.000*
Accessibility Manager-Accessibility Customer	97	-1.29210	.64416	-19.755	.000*
Brand Recog. Manager-Brand Recog. Customer	97	-1.49485	.62567	-23.531	.000*
Food Court Manager-Food Court Customer	97	-1.97938	2.06901	-9.422	.000*
Price Sensitivity Manag.-Price Sensitivity Custom	97	.33505	.74555	4.426	.000*
Facility Mang. Manager-Facility Mang. Customer	97	-1.01031	.53023	-18.766	.000*

*P < 0.001 ; **P < 0,01 ; ***P < 0,05

As a result of the analysis, it was found that there is no fit between the manager of shopping center three and its customers on any of the factors.

Testing the Relationship between Shopping Center Manager-Shopping Center Customer Fit and Customer Satisfaction

Before testing the relationship between level of shopping center manager-customer fit and customer satisfaction, the fit scores were obtained by subtracting the customer scores from shopping center manager scores. New scores were entered into regression analysis to explain the explanatory power of dimensions of marketing and management activities scale on customer satisfaction. However, not all the factors were entered into regression analysis. Since the main focus here is to explain the relationship between level of shopping center manager-customer fit and customer satisfaction, only the dimensions which fit between shopping center manager and customer is achieved were used. These dimensions were magnet effect, accessibility, brand recognition and facility management. The results are shown in Table 11.

Table 11. Results of the Regression Analysis between Shopping Center Management-Customer Fit Factors and Customer Satisfaction

Dependent Variable: Customer Satisfaction			
Independent Variables:	Beta	t value	p value
Magnet Effect	.151	2.615	.009
Accessibility	-.004	-.056	.956
Brand Recognition	.085	1.322	.187
Facility Management	.056	.892	.373

R=0.194; **R**²=0.038; **F value**=2.870; **p value**=0.023

Results of the regression analysis showed that among the 5 dimensions which fit is achieved, only magnet effect explained the variance in customer satisfaction (beta=0.151). So, hypothesis two stating that “There is an impact of fit between shopping center management and customer in terms of marketing and management factors on customer satisfaction” is partially supported.

Same regression analysis is performed to explain the relationship between level of fit on five dimensions of marketing and management scale and customer loyalty. Results are presented in Table 12.

Table 12. Results of the Regression Analysis between Shopping Center Management-Customer Fit Factors and Customer Loyalty

Dependent Variable: Customer Loyalty			
Independent Variables:	Beta	t value	p value
Magnet Effect	.033	.572	.568
Accessibility	.009	.146	.884
Brand Recognition	.195	3.025	.003
Facility Management	.024	.388	.698

R=0.212; **R**²=0.045; **F value**=3.438; **p value**=0.023

Results showed that only brand recognition explained the variance in customer loyalty (beta=0.195) among the five fit factors. Hypothesis three stating that “There is

an impact of fit between shopping center management and customer in terms of marketing and management factors on customer loyalty” is partially supported.

Same regression analysis is performed to explain the relationship between level of shopping center manager-customer fit and customer satisfaction and loyalty in each shopping center. However, as it is seen from Tables 8 and 10, no fit is achieved between shopping center manager and customers in terms of ten factors of marketing and management scale in shopping centers 1 and 3. This misfit took away the need for conducting regression analysis to explain the relationship between level of shopping center manager-customer fit and customer satisfaction and loyalty in Shopping center 1 and 3. However, a fit is achieved between shopping center manager and customers in shopping center 2 in terms of technology and magnet effect factors. So, these two factors entered into the regression analysis to see whether they explain the majority of variance in customers’ satisfaction and loyalty in shopping center 2. Results are tabulated in Table 13.

Table 13. Results of the Regression Analysis between Fit Factors and Customer Satisfaction and Loyalty in Shopping Center 2

Dependent Variable: Customer Satisfaction			
Independent Variables:	Beta	t value	p value
Technology	.263	2.569	.012
Magnet Effect	.242	2.368	.020
R=0.295; R²=0.087; F value=4.635; p value=0.012			
Dependent Variable: Customer Loyalty			
Independent Variables:	Beta	t value	p value
Technology	-.187	-1.799	.075
Magnet Effect	.222	2.135	.035
R=0.212; R²=0.045; F value=3.438; p value=0.023			

Results showed that technology and magnet effect explained the variance in customer satisfaction. However, technology explained the highest variance (beta=0.263). Concerning the customer loyalty, only magnet effect explained the variance (beta=.222).

Additionally, when the mean scores are controlled, it was found that customers are more satisfied with shopping center 2 (mean=4.60) compared to shopping centers 1 (mean=3.66) and shopping center 3 (mean=4.16).

Comparison of Marketing and Management Activities Factors with Respect to Demographic Variables Gender, Education Level, Salary Level and Age

Independent Samples T Test was used to test whether there is a significant difference between men and women in terms of ten factors of marketing and management activities of shopping centers.

Table 14. Results of T-Test Analysis for Gender

Factors	Gender	N	Mean	Stand. Dev.	T	P
Marketing Performance	Female	130	3.8350	1.01413	.632	.528
Marketing Performance	Male	161	3.7564	1.08912		
Technology	Female	131	4.1893	.93737	1.313	.191
Technology	Male	165	4.0570	.75541		
Architecture	Female	131	4.8736	.82411	3.508	.001*
Architecture	Male	164	4.5434	.78645		
Human Resource	Female	131	4.5687	1.00434	1.494	.136
Human Resource	Male	165	4.3758	1.17605		
Magnet Effect	Female	131	4.6692	1.03072	1.842	.066
Magnet Effect	Male	165	4.4384	1.10112		
Accessibility	Female	131	4.6260	.88870	1.344	.180
Accessibility	Male	165	4.4889	.85740		
Brand Recognition	Female	131	4.9338	.88135	2.146	.033***
Brand Recognition	Male	165	4.7071	.92963		
Food Court	Female	131	4.8550	1.13424	1.338	.182
Food Court	Male	165	4.6121	1.81403		
Price Sensitivity	Female	131	4.8893	.97328	3.902	.000*
Price Sensitivity	Male	165	4.4121	1.12882		

Facility Management	Female	131	5.0840	.93858	3.319	.001*
Facility Management	Male	165	4.7091	.99740		

*P < 0.001 ; **P < 0,01 ; ***P < 0,05

As a result of the Independent Samples T-Test, it was found that there is a significant difference between men and women in terms of architecture, brand recognition, price sensitivity and facility management. Women give more importance to the architecture of the shopping center; they easily recognize brands, have more sensitivity to prices and give more importance to facility management of the shopping center compared to men.

ANOVA is used to assess whether there is a significant difference between the customers' education level with respect to marketing performance, technology, architecture, human resource, magnet effect, accessibility, brand recognition, food court, price sensitivity and facility management. Results are shown in Table 15.

Table 15. Results of the ANOVA Test for Education Level

Variables			Mean Diff.	Stand. Error	p
Marketing Performance	Primary	High School	.11786	.28941	.920
		Higher Educ.	.51414	.27657	.179
	High School	Primary	-.11786	.28941	.920
		High Educ.	.39628	.17551	.080
	High Educ.	Primary	-.51414	.27657	.179
		High School	-.39628	.17555	.080
Technology	Primary	High School	.12039	.17224	.783
		Higher Educ.	-.20848	.16459	.499
	High School	Primary	-.12039	.17224	.783
		High Educ.	-.32888	.10445	.008**
	High Educ.	Primary	.20848	.16459	.449
		High School	.32888	.10445	.008**
Architecture	Primary	High School	-.25839	.16861	.311
		Higher Educ.	-.41279	.16113	.039***
	High School	Primary	.25839	.16861	.311
		High Educ.	-.15441	.10225	.321
	High Educ.	Primary	.41279	.16113	.039***

		High School	.15441	.10225	.321
Human Resource	Primary	High School	.25686	.22962	.536
		Higher Educ.	.16288	.21943	.759
	High School	Primary	-.25686	.22962	.536
		High Educ.	-.09398	.13925	.796
	High Educ.	Primary	-.16288	.21943	.759
		High School	.09398	.13925	.796
Magnet Effect	Primary	High School	.00000	.22353	1.000
		Higher Educ.	-.18182	.21361	.696
	High School	Primary	.00000	.22353	1.000
		High Educ.	-.18182	.13556	.408
	High Educ.	Primary	.18182	.21361	.696
		High School	.18182	.13556	.408
Accessibility	Primary	High School	-.22876	.17925	.444
		Higher Educ.	-.44242	.17130	.037***
	High School	Primary	.22876	.17925	.444
		High Educ.	-.21367	.10871	.147
	High Educ.	Primary	.44242	.17130	.037***
		High School	.21367	.10871	.147
Brand Recognition	Primary	High School	-.08039	.18917	.914
		Higher Educ.	-.29091	.18078	.276
	High School	Primary	.08039	.18917	.914
		High Educ.	-.21052	.11472	.187
	High Educ.	Primary	.29091	.18078	.276
		High School	.21052	.11472	.187
Food Court	Primary	High School	-.05490	.32191	.986
		Higher Educ.	-.30303	.30762	.616
	High School	Primary	.05490	.32191	.986
		High Educ.	-.24813	.19522	.447
	High Educ.	Primary	.30303	.30762	.616
		High School	.24813	.19522	.447
Price Sensitivity	Primary	High School	-.38235	.22359	.233
		Higher Educ.	-.59394	.21367	.022***
	High School	Primary	.38235	.22359	.233
		High Educ.	-.21159	.13559	.297
	High Educ.	Primary	.59394	.21367	.022***

		High School	.21159	.13559	.297
Facility Management	Primary	High School	-.17974	.20251	.675
		Higher Educ.	-.46667	.19353	.056
	High School	Primary	.17974	.20251	.675
		High Educ.	-.28693	.12281	.067
	High Educ.	Primary	.46667	.19353	.056
		High School	.28693	.12281	.067

*P < 0.001 ; **P < 0,01 ; ***P < 0,05

As a result of the ANOVA analysis, it was found that there is a significant difference between customers who have a high school degree and who have a high education degree in terms of technology aspect of marketing and management activities of shopping center. Customers who have a high education place more importance to technology of the shopping center compared to customers who have a high school degree. There is also a significant difference between customers who have a primary school degree and who have a high education degree in terms of architecture and accessibility of the shopping center. Customers who have a high education give more importance to the architecture and architecture of the shopping center compared to primary school graduates. Results also showed that high education graduates are more sensitive to prices compared to primary school graduates.

ANOVA is used to assess whether there is a significant difference between the customers' salary with respect to marketing performance, technology, architecture, human resource, magnet effect, accessibility, brand recognition, food court, price sensitivity and facility management. Results are presented in Table 16.

Table 16. Results of the ANOVA Test for Salary

Variables		Mean Diff.	Stand. Error	p	
Marketing Performance	Less than 1.000 TL	1.001-2.000TL	-.18735	.21151	.853
		2.001-3.000TL	.05444	.20656	.995
		more than 3.001TL	-.29080	.21071	.593
	1.001-2.000 TL	less than 1.000TL	.18735	.21151	.853
		2.001-3.000TL	.24178	.16031	.518
		more than 3.001TL	-.10346	.16562	.942
	2.001-3.000 TL	less than 1.000 TL	-.05444	.20656	.995
		1.001-2.000 TL	-.24178	.16031	.518
		more than 3.001 TL	-.34524	.15925	.198
	more than 3.001TL	less than 1.000 TL	.29080	.16547	.214
		1.001-2.000 TL	.10346	.16192	.096
		2.001-3.000 TL	.34524	.16516	.296
Technology	Less than 1.000 TL	1.001-2.000TL	-.35148	.16547	.214
		2.001-3.000TL	-.41007	.16192	.096
		more than 3.001TL	-.31837	.16516	.296
	1.001-2.000 TL	less than 1.000TL	.35148	.16547	.214
		2.001-3.000TL	-.05859	.12595	.975
		more than 3.001TL	.03312	.13010	.996
	2.001-3.000 TL	less than 1.000 TL	.41007	.16192	.096
		1.001-2.000 TL	.05859	.12595	.975
		more than 3.001 TL	.09171	.12554	.911
	more than 3.001TL	less than 1.000 TL	.31837	.16516	.296
		1.001-2.000 TL	-.03312	.13010	.996
		2.001-3.000 TL	-.09171	.12554	.911
Architecture	Less than 1.000 TL	1.001-2.000TL	-.26976	.15475	.387
		2.001-3.000TL	-.66632	.15165	.000*
		more than 3.001TL	-.71381	.15446	.000*
	1.001-2.000 TL	less than 1.000TL	.26976	.15475	.387
		2.001-3.000TL	-.39656	.11808	.011***
		more than 3.001TL	-.44405	.12167	.005***
	2.001-3.000 TL	less than 1.000 TL	.66632	.15165	.000*
		1.001-2.000 TL	.39656	.11808	.011***
		more than 3.001 TL	-.04749	.11769	.983
	more than 3.001TL	less than 1.000 TL	.71381	.15446	.000*
		1.001-2.000 TL	.44405	.12167	.005***
		2.001-3.000 TL	.04749	.11769	.983

	Less than 1.000 TL	1.001-2.000TL	.00898	.21745	1.000
		2.001-3.000TL	-.14182	.21278	.931
		more than 3.001TL	-.39100	.21705	.357
	1.001-2.000 TL	less than 1.000TL	-.00898	.21745	1.000
		2.001-3.000TL	-.15080	.16551	.842
Human Resource		more than 3.001TL	-.39998	.17096	.143
	2.001-3.000 TL	less than 1.000 TL	.14182	.21278	.931
		1.001-2.000 TL	.15080	.16551	.842
		more than 3.001 TL	-.24918	.16497	.517
	more than 3.001TL	less than 1.000 TL	.39100	.21705	.357
		1.001-2.000 TL	.39998	.17096	.143
		2.001-3.000 TL	.24918	.16497	.517
	Less than 1.000 TL	1.001-2.000TL	-.36289	.20983	.395
		2.001-3.000TL	-.55951	.20531	.062
		more than 3.001TL	-.69500	.20943	.013***
	1.001-2.000 TL	less than 1.000TL	.36289	.20983	.395
		2.001-3.000TL	-.19662	.15970	.679
Magnet Effect		more than 3.001TL	-.32211	.16496	.258
	2.001-3.000 TL	less than 1.000 TL	.55951	.20531	.062
		1.001-2.000 TL	.19662	.15970	.679
		more than 3.001 TL	-.13549	.15919	.867
	more than 3.001TL	less than 1.000 TL	.69500	.20943	.013***
		1.001-2.000 TL	.33211	.16496	.258
		2.001-3.000 TL	.13549	.15919	.867
	Less than 1.000 TL	1.001-2.000TL	-.10965	.17079	.579
		2.001-3.000TL	-.39668	.16711	.068
		more than 3.001TL	-.69717	.17047	.063
	1.001-2.000 TL	less than 1.000TL	.10965	.17079	.579
		2.001-3.000TL	-.28703	.12999	.461
Accessibility		more than 3.001TL	-.58752	.13427	.430
	2.001-3.000 TL	less than 1.000 TL	.39668	.16711	.068
		1.001-2.000 TL	.28703	.12999	.461
		more than 3.001 TL	-.30049	.12957	1.000
	more than 3.001TL	less than 1.000 TL	.69717	.17047	.063
		1.001-2.000 TL	.58752	.13427	.430
		2.001-3.000 TL	.30049	.12957	1.000

	Less than 1.000 TL	1.001-2.000TL	-.06098	.17486	.942
		2.001-3.000TL	-.30000	.17110	.149
		more than 3.001TL	-.38554	.17453	.001*
	1.001-2.000 TL	less than 1.000TL	.06098	.17486	.942
		2.001-3.000TL	-.23902	.13309	.202
Brand Recognition		more than 3.001TL	-.32457	.13747	.000*
	2.001-3.000 TL	less than 1.000 TL	.30000	.17110	.149
		1.001-2.000 TL	.23902	.13309	.202
		more than 3.001 TL	-.08554	.13266	.165
	more than 3.001TL	less than 1.000 TL	.38554	.17453	.001*
		1.001-2.000 TL	.32457	.13747	.000*
		2.001-3.000 TL	.08554	.13266	.165
	Less than 1.000 TL	1.001-2.000TL	-.57844	.30711	.998
		2.001-3.000TL	-.84353	.30050	.802
		more than 3.001TL	-.90345	.30653	.664
	1.001-2.000 TL	less than 1.000TL	.57844	.30711	.998
		2.001-3.000TL	-.26508	.23375	.790
Food Court		more than 3.001TL	-.32501	.24145	.614
	2.001-3.000 TL	less than 1.000 TL	.84353	.30050	.802
		1.001-2.000 TL	.26508	.23375	.790
		more than 3.001 TL	-.05992	.23299	.987
	more than 3.001TL	less than 1.000 TL	.90345	.30653	.664
		1.001-2.000 TL	.32501	.24145	.614
		2.001-3.000 TL	.05992	.23299	.987
	Less than 1.000 TL	1.001-2.000TL	-.57844	.20890	.055
		2.001-3.000TL	-.84353	.20441	.001*
		more than 3.001TL	-.90345	.20851	.000*
	1.001-2.000 TL	less than 1.000TL	.57844	.20890	.055
		2.001-3.000TL	-.26508	.15900	.428
Price Sensitivity		more than 3.001TL	-.32501	.16424	.273
	2.001-3.000 TL	less than 1.000 TL	.84353	.20441	.001*
		1.001-2.000 TL	.26508	.15900	.428
		more than 3.001 TL	-.05992	.15848	.986
	more than 3.001TL	less than 1.000 TL	.90345	.20851	.000*
		1.001-2.000 TL	.32501	.16424	.273
		2.001-3.000 TL	.05992	.15848	.986

	Less than 1.000 TL	1.001-2.000TL	-.57844	.18497	.351
		2.001-3.000TL	-.84353	.18099	.001*
		more than 3.001TL	-.90345	.18463	.000*
	1.001-2.000 TL	less than 1.000TL	.57844	.18497	.351
		2.001-3.000TL	-.26508	.14079	.027***
Facility Management		more than 3.001TL	-.32501	.14542	.000*
	2.001-3.000 TL	less than 1.000 TL	.84353	.18099	.001*
		1.001-2.000 TL	.26508	.14079	.027***
		more than 3.001 TL	-.05992	.14033	.576
	more than 3.001TL	less than 1.000 TL	.90345	.18463	.000*
		1.001-2.000 TL	.32501	.14542	.000*
		2.001-3.000 TL	.05992	.14033	.576

*P < 0.001 ; **P < 0,01 ; ***P < 0,05

As a result of the analysis, it was found that there is a significant difference between customers who earn less than 1.000 TL. and respondents, who earn between 2.001-3.000 TL in terms of architecture of the shopping center. Customers, who earn between 2.001-3.000 TL., give more importance to the architecture of the shopping center. There is also a significant difference between customers who earn less than 1.000 TL and customers who earn more than 3.001 TL. Customers, who earn more than 3.001 TL., place more importance to the architectural structure of the center. Additionally, there is a significant difference between customers who earn between 1.001-2.000 TL., and who earn between 2.001-3.000 TL. Customers who earn between 2.001-3.000 TL place more importance to the architecture of the shopping center. Significant difference is found between customers who earn between 1.001-2.000 TL and who earn more than 3.001 TL. Customers who earn more than 3.001 TL give more importance to the architecture of the shopping center.

There is a significant difference between customers who earn less than 1.000 TL and who earn more than 3.001 TL with respect to magnet effect. Customers who earn more than 3.001 TL are aware and affected from the magnet effect. Significant difference is found between customers who earn less than 1.000 TL and who earn more than 3.001 TL in terms of brand recognition. Customers, who earn more than 3.001 TL., place more importance to brands in the shopping center compared to customers who

earn less than 1.000 TL. There is again a significant difference between customers who earn between 1.001-2.000 TL. and customers who earn more than 3.001 TL with respect to brand recognition. Again, customers who earn more than 3.001 TL are aware of the brands and recognize them easily compared to customers who earn between 1.001-2.000 TL.

There is a significant difference between customers who earn less than 1.000 TL and who earn more between 2.001-3.000 TL with respect to price sensitivity. Customers who earn between 2.001-3.000 TL are more sensitive to prices compared to customers who earn less than 1.000 TL. Significant difference is found between customers who earn less than 1.000 TL and who earn more than 3.001 TL in terms of price sensitivity. Customers who earn more than 3.001 TL are more sensitive to prices compared to customers who earn less than 1.000 TL.

There is a significant difference between customers who earn less than 1.000 TL and who earn between 2.001-3.000 TL with respect to facility management. Customers who earn between 2.001-3.000 TL give more importance to the facility management of the shopping center. There is also a significant difference between customers who earn less than 1.000 TL and more than 3.001 TL. Customers who earn more than 3.001 TL place more importance to the facility management. Another significant difference is found between customers who earn between 1.001-2.000 TL and who earn between 2.001-3.000 TL. Customers who earn between 2.001-3.000 TL consider facility management as more important compared to customers who earn between 1.001-2.000 TL. A significant difference is found between customers who earn between 1.001-2.000 TL and who earn more than 3.001 TL. Customers who earn more than 3.001 TL place more importance to facility management compared to customers who earn between 1.001-2.000 TL.

Correlation analysis is used in order to test the relationship between customers' age and ten factors of marketing and management activities. The results are presented in Table 17.

Table 17. Results of the Correlation Analysis between Age and Ten Factors

	Age
Age	1
Marketing Performance	-.123*
Technology	.013
Architecture	.107
Human Resource	.149**
Magnet Effect	-.023
Accessibility	.085
Brand Recognition	.082
Food Court	.072
Price Sensitivity	.123*
Facility Management	.179**

*Correlation is significant at the 0.05 level (2-tailed)

**Correlation is significant at the 0.01 level (2-tailed)

Results of the correlation analysis showed that there is a negative and a weak correlation between customers' age and marketing performance of the shopping center. As the age of the customers increase, their perception about the marketing activities of the shopping center decrease. There is also a positive and weak relationship between the customers' age and human resource element of the shopping center. There is a positive and weak correlation between customers' age and price sensitivity; customers' age and facility management.

DISCUSSION

Shopping Centers, as one of the largest real estate investments, should function commercially successfully to satisfy their investors. This success is only possible by realizing and planning various different dimensions. Location selection, architectural design, construction quality, and tenant selection are some examples of these dimensions which are thought in the first phase of the investment. In this phase, an experienced and talented center management team should be formed by the investor. The team's duty starts with supporting the designers and architectures and preparing suitable shop spaces for anchor tenants in the shopping center, which enables a successful magnet effect function during the running operation. They should perform effective renting activities as the second step. This could be done either by the center management or by the renting department. But in each case, the support of the center management is critical. A talented and experienced center management should establish an effective tenant mix in the shopping center, which will be one of the most important factors of the commercial success of the investment.

Although the activities in the first phase are very important, the most critical factors, leading such an investment to success, should be analyzed in the second phase. All the marketing and management activities, which have important effects leading to a commercial success, should be planned and performed also by the management team. If these activities are carefully and effectively performed by the shopping center management, they will create customer satisfaction and loyalty which in turn will bring investment success.

With this in mind, the purpose of the study is to measure the effectiveness of the marketing and management activities performed by the center management and how these activities are perceived by the shopping center customers. It also aims to study the influence of this fit on customer satisfaction and loyalty. Investor loyalty is also analyzed by an interview and used as a qualitative data in this study.

First of all, factor analysis was used to see the factor structure of the marketing and management activities scale and ten factors are found as a result of the analysis.

These factors are named as marketing performance, technology, architecture, human resources, magnet effect, accesibility, brand recognition, food court, price sensivity and facility management. These factors structure well reflected the marketing and management activities of a shopping center.

In order to test whether there is a fit between the shopping center managers and shopping center customers, Paired Samples T-Test was used. This test was run for the whole sample in other words, to test the fit in terms of all three shopping center managers and all customers of three shopping centers and then the same test was used for each shopping center separately. Non significant results show that there is no significant difference between shopping center managers and customers, stating “Fit”, whereas, significant results show that there is a significant difference between the shopping center manager and the customers, stating “Not Fit”. It was found that there is a fit between shopping center managers and customers in terms of accesibility, magnet effect, brand recognition and facility management. The results are analyzed from both the shopping center management and the customer point of view respectively.

Accesibility is the main problem in crowded big cities for customers. Ankara and Istanbul, the two largest cities of Turkey, are the research fields of this study. So, it is common to obtain accesibility as one of the key factors for customers as a result. Residents of such big cities are loosing too much time during public transportation or in heavy traffic. So, people living in these cities are forced to exert a special effort for time saving and effective time management in their private lives. Shopping centers are playing an important role in these private activities of people in terms of many different dimensions such as shopping, dining, entertainment, etc. They are not only centers, which provides opportunities for shopping anymore, but they are the places where people spent their whole day. So, easy access to a shopping center will save time for the customers, which means increased quality and enjoyable time substituted with lost time in traffic. It is also important to mention that the term accesibility does not always represent a centrally located shopping center in downtown. It can also be located in a far city part or sometimes even out of the city but providing a quick and easy access. The access duration by car from uncrowded highways is the determining criteria. This

finding is supported by the relevant literature. Ailawadi and Keller (2004) demonstrated in their study, that accessibility is one of the important factors that effect choice of the shopping center by customers. Lindquist (1974) states, that easy accessibility is one of the four critical characteristics of shopping centers.

However, location selection is not the major responsibility of the shopping center amangement because location is a criteria belonging to the investor. It is decided before center management starts to be on charge. So, this factor is somehow out of range to be listed under center management outputs. If the accesibility of the center is rather problematic, management always tries to fight against this disadvantage during the running operation with different marketing activities.

Brand recognition and magnet effect factors can be discussed together. National or international retail chains in different categories like fashion, electronics or furniture with huge sales spaces create a high level of supply. This supply triggers a high demand. This effect can be called magnet effect in shopping center sector. Mostly one or two magnet temamts such as Media Markt, Ikea, Koçtaş, Migros which have broader sales spaces are located in each shopping center. These stores are characterized by a strong magnetic effect. They attract customers from across large areas with high pruchasing power. Analyses have shown that the arrival of a Media Markt store also benefits other retailers (Krafft and Mantrala, 2009). Such magnet tenants are mostly - famous and well known brands by the consumers.

Brand recognition as a subdimension of brand awareness is defined as the extent to which a brand is recognized within a product class for certain attributes (Batra, Myers and Aaker, 1996). It is the extent which a brand is recognized for stated brand attributes or communications (asiamarketresearch, 21.02.2011). The factor brand recognition in this study used similar to the definition but for shopping centers to describe how customers perceive a given shopping center by checking the famous brands in tenant mix of that center. If a man checks the tenant mix of a shopping center to shop, a single famous brand in this category will be enough sometimes. Hugo Boss means to him that some local and international competitors and followers also take part in that center to compete, which means broad opportunity to choose for that consumer.

So, the amount of well known retail brands in the sum of the total shops of a shopping center builds a brand recognition in the eyes of customers. The rental departments of the shopping centers always try to rent all the spaces before opening, but in this period it is not always possible to attract all the retail chains, which have brand reputation. This is an issue which the center management should work on permanently during the running operation. Unsuccessful retailers in a tenant mix of a shopping center should be substituted by well known retail chains during the running operation. Well known retailers do also prefer such kinds of lease operations because they have also the chance to see the performance and the potential of a center for a time period.

The last factor on which fit between the shopping center management and customers is achieved is **facility management**. The other factors, discussed above, may sometimes be the direct responsibility of the investor in different shopping centers. Center managers may argue that they do not have any influence on tenant selection and during leasing period. Like the location selection, which is directly determining the factor accessibility, the other two important factors magnet effect and brand recognition can be also designed either directly by the investor or the leasing department of the investor company. But this last factor is directly combined with center management's performance without any doubt. Customers expect high standards in terms of security, cleanliness, maintenance, information technologies and service during their shopping experiences. Bellenger, Robertson and Greenberg (1977) state, that security is an important factor that defines quality of the shopping center. Similarly, Wee (1986) stressed the importance of security as a shopping center service.

Shopping is somewhat defined as an experience or an event instead of solely fulfilling needs. Especially in Turkey, in big cities like Istanbul and Ankara, where this study is undertaken, visiting a shopping center is like a leisure time activity for many people. This issue increases the expectations of customers about quality, comfort and hygiene, in other words, service in shopping centers which is directly provided by the center management. The retail industry has been responding to a customer who is looking for pleasure, escape and relief, by offering the shopper goods and services oriented around quality experiences and choreographed environments. As retailers

experiment with the concept of creating a unique experience for the customers, they need to develop new tools to allow them to know the customer better (Partnership, 2004). Consciousness about this issue forces the center managers to improve the quality of their facility services and add innovative details to their services. Babysitting, valet parking, porter service for the bags are some examples for these competitive advantages. Şekerkaya and Cengiz (2010) emphasize, that facilities are one of the four factors that affect image of a shopping center.

Same T-Tests were used in the second step to assess the fit between each shopping center manager and its customers separately. Again, nonsignificant results showed that there is no significant difference between shopping center managers and customers, stating “Fit”. However, the fit between center management and that center’s customers is achieved only in the second shopping center on two factors namely; magnet effect and technology. This result underlines the importance of know-how about shopping centers. The shopping centers used in this study have different kinds of investors and management models. One of the shopping centers is a well known European player in shopping center industry. This company invests and also manages its own shopping centers with a reputation of more than 40 years. The other two shopping centers were chosen from the Turkish market. One of them has more corporate culture and background, manages its own shopping center, called as Shopping Center 1 in this study, and the investment is made by their own corporate facility management company. The second one is more like a family owned company which also manages its own shopping center investment with an assigned manager. This shopping center is called as “Shopping Center 3” in this study. The aim of this variation was to state the differences between the investment strategies and management styles of these different models.

The results of the study, stating that there is a fit only in Shopping Center 2 between center management and customers supported the importance of knowledge and experiences in shopping center investments. The expectations of the population in the neighbourhood of the shopping center should be considered carefully before the investment decision. In other words, the supply should be tailored to the existing

demand, which is exactly the case in shopping center 2. In the neighborhood of Ankara, the demand for magnet retailers was defined precisely and it is supported with a global issue namely technology, which is definitely, one of the most important factors in every business field in the last decade. In shopping center 2, the investor company with its global experiences and well shaped local analysis designed a tailor-made shopping center to that neighborhood. The Turkish office of the global company prepared large spaces by architectural designs and the leasing department found attractive and well known magnet tenants before the opening of the center. Also, the running operation, performed by center management of the company with know-how and reputation in mall management supported the success as well. Technology is becoming a primary tool for serving customers and streamlining the management of the retail enterprise. It is important to keep systems in sync with how the business is run today. Planning and implementing technology in terms of information systems and service activities like electronic information boards, guiding electronic shop locators, perfectly and functionally designed web-page, helped to the general success of the shopping center. The key will be to apply technology in order to gain a sustainable advantage (Achabal and McIntyre, 1992).

After assessing the fit between shopping center management and customers on factors of marketing and management activities, its influence on customer satisfaction and loyalty is analyzed by using regression analysis. Because the independent variable was shopping center management-customer fit, only the four factors which fit was achieved was used. These four factors were accessibility, magnet effect, brand recognition and facility management. As a result, only **magnet effect** which shopping center managers and customers have a fit on, explained customer satisfaction. The results show that satisfaction of customers is dependent on magnet effect which shopping centers should achieve. So, it is important to understand the term magnet effect in terms of customers' perceptions. Magnet effect stands for minimum one of the tenants with huge sales areas takes part in the tenant mix of the shopping center and attracts the customers to visit the shopping center.

However, the determining criterion here is how to identify the magnet tenants. Not only huge sales areas are enough to be called as magnet retailers, but also high reputation of the company, the variety of products supplied, sales promotions and advertising, and after sales services are all important factors establishing this magnet effect. Determining such an effective magnet effect requires more than a statistical analysis. A thorough understanding of a tenant's customers' buying habits must be combined with statistical data to arrive at a successful magnet effect (Partnership, 2004). It can also be said that magnet effect includes the factor brand recognition. For example, a very well known company in shoe sector 'Camper' can affect the brand recognition of a shopping center, but it can never be considered as a magnet tenant in the tenant mix. Similarly, an electronic supplier, 'Best Buy Türkiye' with a large sales area in a shopping center in Ankara could not establish the magnet effect. Although their international reputation and global experiences all over the world, the company was not able to be successful in their operations in the Turkish market. They were unable to create a magnet effect in two different shopping centers in Ankara and Izmir drawing the interest of customers, even though they were planned to be. Unfortunately, the company declared bankruptcy in Turkey (Hürriyet Gazetesi, 22.02.2011).

Same analysis was performed in terms of customer loyalty and the factor **brand recognition**, which center managers and customers have a fit on, explained the majority of the variance. Brand recognition can be discussed together with magnet effect, which have influence on customer satisfaction and loyalty in terms of center management point of view. Besides creating a tailor made tenant mix according to the location, which enables successful brand recognition in the eyes of customers, the center management should also decide an effective magnet retailer. These factors are key elements for center management in order to achieve customer satisfaction and loyalty.

However, these results trigger a discussion about internal dynamics of center management. The limits of center management where it starts and finishes should be defined. It is important to set the limits at the beginning to be able to question also the responsibilities of center management. The results of the analyses showed that magnet

effect and brand recognition are two important factors leading to customer satisfaction and loyalty. However, it is a must to set the limits of center management first to be able to define whether these two factors are outputs of center management or not. This is one of the frequently occurring problem in shopping center management.

The results of the analysis also supported the importance of this determination at the beginning. Actually, this determination depends on the investor. Some investors start working with architects to design the spaces. Then, construction companies hand over the production of the building. Before coming to the end, either independent leasing companies specialized in shopping center leasing using their developed relations with retailers, or leasing departments of the investor company take the responsibility of preparing the tenant-mix. Investors sometimes may influence this process and sometimes not. Finally, just before the opening or right after confronting with the difficulties after a specific time period, investors remember to assign center management to perform the management and marketing activities. Their goal, achieving commercial success, is possible by achieving customer satisfaction and loyalty, which is depended on tenant mix and magnet effect, as also monitored in the results of this study. The problem here is that the center management should obtain success with tools on which they do not have any effect. In such a case, center management is dependent on previously given decisions by the investor. In any case of bottle neck, center management in such cases has the excuse of a wrong tenant mix combination or lack of magnet retailers.

On the other hand, some other investors act just oppositely. They assign the center management during the construction phase. The architectural designs, construction details and the leasing activities are performed in coordination with the center management which enables the center management to set its own priorities about the magnet tenants and to have an important role in building the tenant-mix. This important detail brings investor a chance to benefit from the knowhow and experiences of the center management. A talented and experienced management company establishes commercial success with marketing and management activities but only with well shaped tenant mix and effective magnet retailers. Interviews made with the

investors of three shopping centers used in this study will mirror the difference between these investor approaches.

Results showed that only in shopping center 2, shopping center management and customer fit occurred on two factors; magnet effect and technology. To be able to monitor the relationship between center manager-customer fit and customer satisfaction and loyalty regression analysis should be performed for each shopping center. But, in terms of 'fit' results, only in shopping center 2 it is possible to speak about fit term due to the Tttests. So, shopping center 1 and 3 are eliminated from the regression analysis because of the missing fit. In shopping center 2, the analysis was performed. As a results it was found that 'technology' and 'magnet effect' explained the variance in customer satisfaction in shopping center 2. Additionally, magnet effect explained the majority of variance in customer loyalty as well.

This result allowed us to make a conclusion about the general study. Firstly, factor analysis was performed to see the factor structure of the marketing and management activities scale and ten factors are found as a result of the analysis. Secondly, in order to investigate a fit between customer expectations and center management performance in each shopping center, t-tests were used. It has been recognized that only in shopping center 2, there was a fit in two factors, namely technology and magnet effect. As a last step, regression analysis helped us to establish the relationship between fit factors and customer satisfaction and loyalty. Same two factors, where fit was occurred with center management, had an influence on customer satisfaction. The strength of the shopping center 2 is in establishing a magnet effect about the center and the high level of technology used in the center supported to increase customer satisfaction level. In terms of customer loyalty, there was a significant relationship only with the factor of magnet effect.

Technology usage in a shopping center, increasing the customer satisfaction, is defined by two important players in the supplier side. The investor starts to plan the technology level of the center during the phase of architectural design. It can be considered as a must to start in that early phase to work on technology issue, because the infrastructure should be installed during the construction to support the technology

level. Electronic information boards for news and traffic, electronic shop locators, flat televisions in the mall courts are some important examples increasing the technology level of a center. All these mentioned examples are needed to be planned in terms of infrastructure of the shopping center. The architectural designers working for the investor are in charge for all of these activities. Designing a functional web-page, arranging electronic lotaries, creating mail groups and facebook blogs are other examples presenting the technology level of a center. However, these activities should be performed by the center management during the running operation in terms of shopping center marketing and customer relations. The importance given to technology by the investor should definitely motivate the center management about this issue because technology usage of a shopping center during the running operation, supporting customer satisfaction, should be interactive and sustainable. According to Partnership 2004), new technologies will further integrate shopping and entertainment as an aspect of daily life and they will affect the success of the shopping center. On the other hand, the influence and adjustment of the investor at the planning phase about technology issue is only one shot. So, center management has the main responsibility to benefit from technology in terms of customer satisfaction in a shopping center. The results of the regression analysis in shopping center 2 showed a successful performance for its center management in terms of technology usage as one of the factors creating customer satisfaction.

However, the second factor magnet effect is totally dependent on the investor. During the planning phase, the architectural designs should allow to locate magnet tenants to the tenant mix, which could be planned only by the investor. The timing to establish the contact with the magnet tenants is also an other important issue. The contact and also the agreement with the magnet tenants should be establish in an early phase of construction period. The reason for that is to be able to fullfil the constructive guidelines of the magnet tenants. Big suppliers like Media Markt, Saturn, Ikea, Migros etc. defined as magnet tenants in the shopping center sector have strict rules and guidelines about the architecture specifications of their shops. The investor can fullfil these needs only with early agreements in terms of construction. Such kind of early

agreements with magnet tenants bring also big advantages to the investor for the leasing activities. This means magnet tenants have also a magnet effect on other tenants.

The importance of magnet effect for shopping center 2 was monitored also in this study in terms of customer loyalty. Magnet effect was obtained as the determining criteria within the results of regression analysis, effecting the increase of customer loyalty. Loyalty means permanent demand for investors of shopping centers, which always help to obtain a solid consumption level for a center. This will increase tenant satisfaction in terms of turnover rates and the effect of this on rental prices of the shops will satisfy the investor, in turn.

Comparison of the means of customer loyalty in the three different shopping centers supported the results. Shopping center 1 without any magnet tenants had the least customer loyalty among the three. Center 3 was the one with highest loyalty level in the comparison because the magnet tenant of that center was a better known brand by the customers. The interview with the investor of the shopping center 3 which will be discussed in the following part, presented that only that magnet tenant was satisfied enough within the total tenant-mix in terms of turnover rates. This result added another responsibility to the investor other than creating leasible spaces for magnet tenants and establishing early agreements with them which is to select the right brand within the magnet tenants suitable to the location and to the specifications of the target customer. For example, locating Migros, the international supermarket retailer, as one of the magnet tenants in Gaziosmanpaşa, Istanbul will be a mistake for the investor because of the missing congruence between the income level of the potential customers in that location and highly adjusted price strategy of Migros. Kiler Market with effortable prices and product alternatives would be suitable for the customer groups with limited income and this would create the magnet effect in that location. Finally, it is necessary to mention the importance of the timing to assign the management company for investors. Experienced management companies can support the investors with their know-how, if they are assigned early enough to influence the selection of the magnet tenants.

Comparison of the mean scores of customer satisfaction in three different shopping centers showed that, the satisfaction level was the highest in shopping center 2

as expected. This result was expected because only in that shopping center the regression analysis represented a significant relationship between two important factors (technology and magnet effect) and customer satisfaction. The comparison of the mean scores supported these results.

Concerning the investors' point of view, structured interviews were used to assess the satisfaction level of investors of three shopping centers. It was expected that three different investors, with different approaches in locating, planning, designing and managing shopping centers, would also have different satisfaction levels. Results of these interviews, to a large extent, confirmed the results of the qualitative part of the study and initial expectations. In order to see the differences between the attitudes of the investors about the shopping center investment and monitor the importance of the know-how and experience in the sector, three different investor profiles were selected.

Shopping center 1 is located in a convenient place in the city center of Ankara. The investor is a Turkish holding which has a reputable brand name in construction sector. The holding also activates in other sectors such as tourism, banking, real estate, production of national defence equipments, etc. The holding is listed at the top of many Turkish companies in terms of assets and turn over rates per year. It can be said that the holding is totally institutional. There are two investments of the holding in shopping center sector which are located in Bodrum and Ankara. Bodrum Project is planned, constructed and managed by the holding on the other hand, Ankara project, in other words shopping center 1, is purchased. A hotel building and the shopping center together was bought from another Turkish company. The management of the shopping center is performed by one of the companies within the holding which is responsible to manage all the assets like hotels, office buildings, plants and other shopping centers of the group. This represents an internal experienced and developed management company.

The CEO of the company stated that the shopping center was a hand-over project for the company and many issues about the architectural design could not be planned and applied from the beginning by guidelines. The mistakes about planning space at the beginning still influence the investor company negatively. The shopping

center was planned as a passage with equal shop spaces. There is no alternative for large spaces to attract magnet tenants. This problem leads to a lack in terms of brand recognition and magnet effect in the eyes of customers. Additionally, the shopping center was constructed many years ago and this brings a disadvantage in terms of technology, style and innovation. The investor is not satisfied about these issues. They planned renovation projects to improve the leasable areas and the technology of the shopping center several times, but some problems obstructed these operations. The most important one is about ownerships. Before the purchase of the shopping center by the investor, the older company sold some of the shop spaces to third persons. The investor company was never able to collect these different shop owners together to decide for a renovation project, so the investor gave up the plans for renovation. The shopping center, in the heart of Ankara, with the best location without any doubt is managed and leased unsuccessfully by the investor. The mistakes from the past led the investor to be unsuccessful in terms of leasing. The investor states that he is totally unsatisfied with this investment.

Shopping center 3 is located in Istanbul and it is a shopping center with an 'outlet' concept. The location can be defined as an industrial zone but the environment is surrounded with residential units. The center was constructed more than ten years ago but for a different purpose. The plan was building a storage building with more than 100,000 m². The residential development in the environment of the center guided the investor to renovate the part of the building and obtain an outlet shopping center. Shopping center has totally 30,000 m² areas and is operating for more than 3 years. The rest of the leasable areas are still leased for storage purposes. The investor company is a construction company, which is experienced in residential real estate mostly. The company builds and leases commercial facilities such as office or storage buildings and shopping centers quire rarely. The renovation project is their first experience in the shopping center business. Self-confidence, as a result of an experience and success in construction sector caused a motivation about the management of the running operation.

The management is directly reporting to the board of the company. The company is a family-owned company. Being dependent on a single man, who knows

everything and decides for everything brings some problems in management. In every part of the interview, this was verified. The renovation project was also planned and tried to be applied by the powerful decision makers of the company. The concept was planned as an outlet center. The floor plans, social areas, technology level, magnet tenants are all defined by the decision maker of the company. For example, they thought that there is no need to plan a food court in the shopping center, instead they thought that few restaurants and cafes could be enough for outlet concept. Such kind of decisions caused problems during the running operation.

During the interview the board member of the company stated that after the crises in 2008, many shopping centers changed themselves to outlet concept and the competition increased a lot unexpectedly. This competition circumstances caused a disadvantage for the shopping center in terms of social facilities and food court. Decisions like this during the planning and renovation project and mistakes following this during the running operation caused a failure in the commercial success. The shopping center 3 is a typical example for a family owned Turkish company model. Investor made a decision about changing the building from storage building to a shopping center without any professional study and feasibilities. The only motivating factor was self-confidence in this decision.

The experiences of decision makers of the company are always enough to shape the investments. The results of this study monitor the results of such kinds of investment decisions. In none of the 10 factors of marketing and management activities of the center management there was a fit between the center management performance and customer perceptions. This result was also the reason of the reality. Unsatisfied investor frequently changes shopping center management to reach commercial success and improve the satisfaction level of tenants. He stated that only their magnet tenant with a large sales area was satisfied with its shop and its turnover rates, the rest of the tenants were unsatisfied and they expect increased performance from the shopping center in terms of marketing activities. Interestingly, the board member stated clearly during the interview that a professional and international management companies in Turkey can never be successful because of their limited knowledge and experiences

about Turkish traditions, regulations, etc. He added that they are over-qualified for the customer profile of Turkey. He did not avoid of saying their names of such kinds of international management companies. He acted like as if he has some friends working in those companies and with the help of the information gathered through this friendship, he is sure that those companies are unsuccessful in their management projects.

Shopping center 2 was an investment of those international companies in Ankara. The management was also under the responsibility of the investor company. The company is one of the leading companies in investment and management field of shopping centers. After the decision of the head office about opening a Turkish office, the company started to analyze the big cities of Turkey. Competition analysis, income analysis of potential customers, and feasibility studies were performed and attraction zones were defined before the company decided to invest in Ankara. Their target location was an untouched neighbourhood. The CEO of the Turkish office stated in the interview that all the players in this sector wondered about this location selection because it was found very risky to select that location those days. Company's know-how and experience in Europe are reflected in the concept and architectural design of the shopping center. During planning, shops with large spaces in each floor were reserved for magnet tenants. Supermarkets, electronic retailers and fashion brands were contacted and large shops were leased to famous retailers. However, the priority was to achieve a balance between the supplier retailers and customers in terms of price effect. Cinemas were planned to attract the residents of the neighbourhood. Food court with many alternatives from national and international cuisines was established. Shortly, all the guidelines of the sector written in the theory were applied carefully to the investment.

It was important what the CEO of the company stated about the timing of the center management for joining the project. The center management took part during the architectural design of the shopping center. All the shop spaces were prepared with the help of their experiences. The analysis about the customer profile helped also to identify the young and educated potential customers. Technology was implemented as much as

possible to attract their attention and to establish a common language between the shopping center and customers.

The results of this study also mirrored some positive feedbacks of these issues mentioned by the investor. Among the three shopping centers, fit is achieved only in this shopping center in terms of magnet effect and technology. The results also showed that only technology explains the customer satisfaction about shopping center 2. This important issue was also the solid reason for the satisfaction of the investor company. The CEO of the Turkish office stated clearly that their assumptions and forecasts were confirmed with the real performance of the shopping center. He mentioned that the tenants are also satisfied with the commercial performance of the center. Financially, the investment was a success project for the Turkish operations of the company. All the necessary analyses and research were fulfilled before the investment decision. After the start of architectural work, the know-how of center management was also transferred to the project. All the theoretical principles of a shopping center investment were applied successfully and as a result, only this shopping center among the others proved its success in terms of study results about shopping center management-customer fit and customer satisfaction and loyalty leading also to investor satisfaction.

Investor of the shopping center 1, representing the institutional Turkish investor model, was not able to renovate its investment according to the requirements and demands of the sector because of ownership issues. Lack of research before the purchase of the shopping center brought them a low levels of success and satisfaction with the commercial performance of their investments. The third investor model, the typical Turkish family owned and managed investment example was totally a failure. The condition of the shopping center clearly reflects the reality which was tried to be hidden by the board member during the interview.

However, the second investor, the international player made all the steps correctly and achieved the results also in terms of commercial and financial success, which leads the investor to a high satisfaction level. The know-how and experience about the investment is easy to be outsourced for local investors. The board member of the family owned company mentioned in his interview that they worked with an

professional agent for the leasing activity only because of their networks in retail sector. Although, this way of thinking of the investor leads him to outsource the leasing activity, the same mentality does not lead him to outsource the management of the shopping center in turn. The key factor which influences the investment might be to assign an experienced center management during the planning phase. The additional cost brought by assigning a center management earlier in the investment would be overcome by the benefits of experienced and knowhow added by management company. The investors should keep in their minds that shopping center investments are more than construction projects.

Additionally several analysis were performed to see relationship between demographic characteristics (gender, education level, salary level and age) of customers and ten factors of marketing and management activities. As a result of the T-test conducted for gender, it was found that women give more importance to architecture, brand recognition, price sensitivity and facility management. This is an expected results because, it is very common that shopping is a women activity (Otnes and McGrath, 2001). The reason of the findings might be due to the fact that women do have a priority for hygien and security as important components of the facility management. Contrary to men, women do give also more importance to brands especially in their fashion consumptions. The factor price sensitivity is one of the most important columns of household expenses, of which mostly women are responsible in Turkey. Architecture was also an expected result because women spend more time in shopping centers, the design of the center should be convenient for their comfort and ease of shopping,

ANOVA test revealed that customers who have a high education degree place more importance to architecture and accessibility compared to customers who have a primary school degree. The reason might be the value of time of high education graduates working in a competitive environment. Accessibility of a shopping center allows to save time and makes it more preferable for them. Concerning architecture, it can be said that high education graduates have high expectations about a shopping center especially in terms of architecture compared to primary school graduates. This might be the reason of assigning more importance to the architecture of the center.

Technology is another factor that high education graduates place more importance compared to high school graduates. This might be due to the fact that they are more experienced in technology usage and this might make technology factor more important for them compared to high school graduates.

ANOVA test used for the difference between salary level of customers in terms of ten factors of marketing and management activities showed that customers who earn more than 3.001 TL place more importance to architecture and brand recognition compared to other salary levels such as less than 1.000 TL, 1.001-2.00 TL and 2.001-3.000 TL. Higher salary level represents high living standards which bring more demand to high quality products in terms of brands. Also, their expectations about the shopping center environment in terms of luxury and comfort are higher than the other salary level groups. Surprisingly, customers group who has less than 1.000 TL salary, are less sensitive to the prices represented by the factor of price sensitivity in the study. Their consumptions are so limited to basic human needs and their negative morale also cause them to be impassive to price differences. They just focus on satisfying their basic needs. Another finding was that customers who have higher salary level give more importance to facility management. As the salary level of customers increase, their expectations in terms of service quality and variation such as cleanliness, security, valet parking, etc. increases. This makes them more selective to innovative service applications. According to Partnership (2004), income level of customers will dictate their perception of the shopping center and the tenant mix in the center.

Another finding was that as the age of the customers increases, their perception of marketing activities of a shopping center decreases. On the other hand, as the age increases, sensitivity to human resource applications of the shopping center management increases. This was an expected result because as people get older they value personal relations with shopping center staff rather than using technological ways. They want to reach management for their complaints and demands and they look for whether the center has adequate number of staff for security, cleaning, information services. These issues become more important for them. However, their perception about marketing activities of the shopping center decreases. This can be explained by

the fact that older people tend to be less active in shopping and they search product or services less (Capon and Burke, 1980). Their purchasing habits tend to be relatively fixed due to financial circumstances or long standing habits (Redinbaugh, 1987). Marketing activities performed by a shopping center do not attract their attention and they do not care what marketing activity is performed by a given shopping center.

The purpose of the study was to measure the effectiveness of the marketing and management activities performed by the center management and how these activities are perceived by the shopping center customers. It also aimed to study the influence of this fit on customer satisfaction and loyalty. Investor satisfaction was also analyzed as a result of structured interviews. What can be concluded from the results of the study is that besides good location selection, accessibility, impressive architectural design and construction quality; right tenant mix, magnet effect of the tenants, technology level, and facility management are the other important factors that should be planned by the shopping center management. These are the factors that will enhance the customer satisfaction and loyalty to the shopping center. Professional and experienced center management companies have the knowhow about all of these critical factors. What shopping center management should keep in mind that they should be able to offer new and market oriented differentiation tools for attracting customers. This can be achieved by analyzing socio-demographic characteristics of potential customers and by being aware of customer needs and expectations.

Limitations of the Study

One of the major limitations of the study is the sample size. Although there are 268 shopping centres in Turkey, only three of them accepted to participate to the study. Therefore, sample size of the study affected the generalizability of the results to the sector. Same limitation occurred in terms of customers as well. Only one hundred customers from each shopping center were participated to the study. If the sample size is increased in terms of shopping center management and customers, more true results reflecting the situation of the shopping centers can be achieved.

Another limitation of the study is the lack of data from tenants of the shopping centers. When the sector is considered, management, tenants, customers and investors are important players that affect the situation of a shopping center. However, this study was unable to include tenants and this represented an important limitation.

There was also a limitation about the shopping centers participated to the study. Initially, it was planned to compare shopping centers in a same city with close locations. The reason was to control the competition circumstances and to represent the pure performance of the center managements in terms of marketing and management activities. Another limitation concerning the sample shopping centers was the models of investment and management of shopping centers. It was planned to include shopping centers having local investors and different management models for their investments. One of them was going to be managed with a support of an international experienced management company, the other one was going to be managed by an institutional experienced Turkish management company and the other one was going to be managed by family owned company. The aim was to compare the results in terms of experienced management with knowhow versus local family owned management and in terms of international versus local knowhow.

Managerial Implications

There are different implications of this study for different players in shopping center sector: investors and center managers. Concerning the investor of the shopping center, it can be said that good location selection, accessibility, impressive architectural design and construction quality are important dimensions that should be planned during the planning phase. However, planning these dimensions are not enough to gain commercial success. There are some other critical factors that investors should pay attention such as right tenant mix, magnet effect of the tenants, technology level, and facility management. These are the factors that will enhance the customer satisfaction and loyalty to the shopping center. These are also the factors that the shopping center management should take part in planning. Professional and experienced center management companies have the knowhow about all of these critical factors.

Concerning the shopping center management, the knowhow about all of these factors should be developed or adapted to the needs of the local market. The rough competition circumstances especially in big cities of Turkey do always force investors to create competitive advantages for their new shopping center investments. Center management companies should be able to offer always new and market oriented differentiation tools for attracting customers. This can be achieved by analyzing socio-demographic characteristics of potential customers and by being aware of customer needs and expectations.

Suggestions for Future Research

This study mainly focused on three important players of shopping centers: investors, managers and customers. Lack of data from tenants did not give the opportunity to draw conclusions from their point of view. Future research may conduct a study including tenants as well.

Increasing the sample size especially, developing the sample in terms of the nature of the shopping centers would provide important insights to future research. As an alternative; if future research select neighbourhood shopping centers in big cities and ask the same group customers to evaluate the marketing and management activities of each of these neighbourhood shopping centers, it would give the opportunity to control external variables of the shopping centers. Such a research would provide fruitful results.

Future research would also include data such as investment cost, rental rates per square meter, and permanent managerial costs. This enables researchers to measure the objective commercial success and investor satisfaction via return on investment statistics. This quantitative data would provide objective evaluation and prevents exaggerating the current performance.

Performance evaluation of marketing and management activities of shopping centers would be compared in terms of budget limitations. Managerial budgets are established by payments of tenants per square meters. In each shopping center, shopping center managements plan activities within these budgets. The comparison

between performances of different shopping center managements could be evaluated more objectively by focusing on this variable.

APPENDICES

Appendix 1 Prescription

Sayın Katılımcı,

Bu araştırma, Marmara Üniversitesi Sosyal Bilimler Enstitüsü doktora öğrencisi tarafından yürütülen alışveriş merkezlerinin etkinliğine ilişkin bir tez çalışmasıdır. Bu amaçla hazırlanmış olan bu anket formunda sizden istediğim, soruları kendi fikirlerinizi ve yaklaşımlarınızı dikkate alarak doldurmanızdır. Ankette yer alan sorunun ya da ifadenin kesinlikle doğru veya yanlış cevabı yoktur. Önemli olan cevapların samimiyetle verilmesidir. Lütfen cevaplarınızı anket formu üzerinde işaretlemeyen önce açıklamaları ve soruları dikkatlice okuyunuz.

Araştırmada yanıtlarınız ve aktardığınız veriler, bilimsel ahlaka uygun olarak gizlilik ve güven ilkelerine bağlı kalınarak sadece araştırmacı tarafından değerlendirilecektir. Cevaplarınızın gizli tutulacağına dair güveninizi sağlamak için sizden isminizi veya kimliğinizi açığa çıkartacak herhangi bir işareti anket formu üzerine yazmamanızı önemle hatırlatırım. Verilerin doğru toplanması ve yapılacak istatistik analizlerinin anlamlı çıkması açısından **ankette hiçbir sorunun boş bırakılmamasını önemle rica eder**, ilginiz ve katılımınızdan dolayı teşekkür ederim.

Appendix 2 Marketing and Management Scale for Shopping Center Managers

<i>Lütfen aşağıda verilen ifadeleri dikkatlice okuyunuz. Şu anda yönettiğiniz alışveriş merkezinin mimari/inşai sürecinde bu ifadelerin alışveriş merkeziniz açısından ne derece güçlü noktalar olarak planlandığını “Çok Güçlü” den “Hiç Güçlü Değil” e doğru uzanan değerlendirme aralığında cevap seçeneklerinden birine X işareti koyarak belirtiniz.</i>	Çok Güçlü	Güçlü	Biraz Güçlü	Pek Güçlü Değil	Güçlü Değil	Hiç Güçlü Değil
1. Çevresinde alışveriş yapmak için başka alternatiflerin bulunmaması						
2. Ulaşım-erişim kolaylığı						
3. Şehir trafiği açısından araçla ulaşımında fazla yoğun olmayan bir bölgede bulunması						
4. Şehrin çevreyolları bağlantılarından kolay ve direkt ulaşım imkanı						
5. Yeterli otopark olanağı sağlaması						
6. Toplu taşıma araçları ile ulaşımın kolay olması						
7. Mimari yapısının ve tasarımının bir yenilik içermesi						
8. Çekici mimari tasarım ve dekorasyon						
9. Yerleşim planının akılda kalıcılığı ve aranan mağazaların kolay bulunabilirliği						
10. Yemek bölümünüzün genişliği ve ferahlığı						
11. Sinema ve bowling gibi aktivitelere yer ayrılmış olması						
12. Metrekare büyüklüğünü dolaşmayı kolaylaştıracak yürüyen merdiven, yürüyen bant, asansör gibi destekleyici çözümlerin yeterliliği						
13. Açık ve/veya kapalı aktivite alanlarının olması						
14. Müşteriler için ortak alanlarda ışıklandırma ve iklimlendirme gibi unsurların doğru planlanmış olması						
15. Engelliler için mimari çözümlerin düşünülmüş olması						

<i>Lütfen aşağıda verilen ifadeleri dikkatlice okuyunuz. Şu anda yönettiğiniz alışveriş merkezinin yönetiminde bu noktalara müşterileriniz açısından ne derece önem verdiğinizi “Çok Önemli” den “Hiç Önemli Değil” e doğru uzanan değerlendirme aralığında cevap seçeneklerinden birine X işareti koyarak belirtiniz.</i>	Çok Önemli	Önemli	Biraz Önemli	Pek Önemli Değil	Önemli Değil	Hiç Önemli Değil
16. Mağazaların çeşitliliği						
17. Farklı stillere hitap eden mağazalara yer vermeniz						

18. Kaliteye önem veren mağazalara yer vermeniz						
19. Tanınmış markalara yer vermeniz						
20. Pazara ilk defa giren kuvvetli markalara yer vermeniz						
21. Marka zincirlerine ya da franchise mağazalara yer vermeniz						
22. Bir hipermarkete yer vermeniz						
23. Bir 'department store' a (YKM, Boyner, Marks&Spencer gibi) yer vermeniz						
24. Markasız, butik mağazalara yer vermeniz						
25. Uygun fiyatların olması						
26. Sadece yemek yemek amaçlı da tercih ediliyor olmanız						
27. Yemek bölümünüzde farklı alternatiflerin olması						
28. Tüm gerekli bilgileri içeren bir web sayfanızın bulunması						
29. Aranılan mağazaların bulunmasını kolaylaştıracak elektronik cihazların olması						
30. İçeride haber ve bilgilendirme amaçlı ekranların bulunması						
31. Ücretsiz kablosuz internet erişim hizmeti bulunması						
32. Ücretsiz otopark olanağı sağlamanız						
33. Varsa otopark ücretlerinin ekonomikliği						
34. Danışma ve müşteri hizmetleri servisinizin bulunması						
35. Açık olunan saatlerin uzunluğu						
36. Güvenlik hizmetinizin yeterliliği						
37. Ortak alanların temizliği (yürüyüş caddeleri, wc'ler, otoparklar)						
38. Teknik ekipmanların (havalandırma, yürüyen merdivenler, asansörler gibi) aksaksız çalışıyor olması						
39. Müşterilerinizin talep ve şikayetleri için kolay ulaşılabilir olmanız						
40. Müşterilerinizin talep ve şikayetleri konusundaki duyarlılığınız						
41. Güvenlik, danışma, temizlik gibi hizmetler için yeterli sayıda personel çalıştırıyor olmanız						
42. Güvenlik, danışma, temizlik gibi hizmetleri sağlayan personelinizin müşteri ilişkilerindeki yetkinliği						
43. Sergiler, defileler, çocuk oyunları, yarışmalar gibi ilgi çekici faaliyetler düzenlemeniz						
44. İlgi çekici dönemsel süslemeler ve promosyonlar (yılbaşı, sevgililer günü gibi) yapmanız						
45. Reklam kampanyaları düzenlemeniz						
46. Reklam kampanyalarınızın akılda kalıcı olması, modayı ve günceli yansıtması						

47. Alışveriş merkezi ile ilgili haberlerin yer aldığı gazete veya derginin olması						
48. Alışveriş merkezi gazete/dergisinin alışveriş merkezinin ruhunu doğru yansıtabilecek şekilde haber ve tanıtımlar içermesi						
49. Alışveriş merkezi gazete/dergisinin ulusal yazılı basın eki olarak dağıtılması						
50. Diğer alışveriş merkezlerini gözlemleyerek strateji geliştirmeniz						
51. Boşalan mağazalarınızın hızlı ve müşteri ihtiyacına göre yeniden kiralanması						

Appendix 4 Marketing and Management Activities Scale for Customers

<i>Lütfen aşağıdaki her bir ifadeyi okuyunuz. Bu ifadelerin şu an ziyaret ettiğiniz alışveriş merkezini tercih etmenizde ne derece önemli olduğunu “Çok Önemli”den “Hiç Önemli Değil”e kadar uzanan cevap seçeneklerinden birine X işareti koyarak belirtiniz.</i>	Çok Önemli	Önemli	Biraz Önemli	Pek Önemli	Önemli Değil	Hiç Önemli
1.Çevresinde alışveriş yapmak için başka alternatiflerin bulunmaması						
2. Ulaşım-erişim kolaylığı						
3. Şehir trafiği açısından araçla kolay ulaşılabilir bir bölgede olması						
4. Şehrin çevreyolları bağlantılarından kolay ve direkt ulaşım imkanı sağlaması						
5. Yeterli otopark olanağı sağlaması						
6. Toplu taşıma araçları ile ulaşımın kolay olması						
7. Mimari yapısının ve tasarımının bir yenilik içermesi						
8. Çekici mimari tasarım ve dekorasyon						
9. Yerleşim planının akılda kalıcılığı ve aranan mağazaların kolay bulunabilirliği						
10. Yemek bölümünün genişliği ve ferahlığı						
11. Sinema ve bowling gibi aktivitelere yer ayrılmış olması						
12. Metrekare büyüklüğünü dolaşmayı kolaylaştıracak yürüyen merdiven, yürüyen bant, asansör gibi destekleyici çözümlerin yeterliliği						
13. Açık ve/veya kapalı aktivite alanlarının olması						
14. Işıklandırma ve iklimlendirme gibi unsurların doğru planlanması						
15. Engelliler için mimari çözümlerin düşünülmüş olması						
16. Mağazaların çeşitliliği						
17. Farklı stillere hitap eden mağazaların olması						
18. Kaliteye önem veren mağazaların bulunması						
19. Tanınmış markaların bulunması						
20. Pazara ilk defa giren kuvvetli markalara yer vermeniz						
21. Marka zincirlerinin ya da franchise mağazaların bulunması						
22. Bir hipermarketin bulunması						
23. Bir department store (YKM, Boyner, Marks&Spencer gibi) bulunması						
24. Markasız, butik mağazaların bulunması						
25. Uygun fiyatların olması						

26. Sadece yemek yemek amaçlı da tercih edilmesi						
27. Yemek bölümünde farklı alternatiflerin olması						
28. Tüm gerekli bilgileri içeren bir web sayfasının bulunması						
29. Aranılan mağazaların bulunmasını kolaylaştıracak elektronik cihazların olması						
30. İçeride haber ve bilgilendirme amaçlı ekranların bulunması						
31. Kablosuz internet erişim hizmeti bulunması						
32. Ücretsiz otopark olanağı sağlaması						
33. Varsa otopark ücretlerinin ekonomikliği						
34. Danışma ve müşteri hizmetleri servisinin bulunması						
35. Açık olunan saatlerin uzunluğu						
36. Güvenlik hizmetinin yeterliliği						
37. Ortak alanların temizliği (yürüyüş caddeleri, wc'ler, otoparklar)						
38. Teknik ekipmanların (havalandırma, yürüyen merdivenler, asansörler gibi) aksaksız çalışıyor olması						
39. Yönetimin talep ve şikayetler için kolay ulaşılabilir olması						
40. Yönetimin talep ve şikayetler konusundaki duyarlılığı						
41. Yönetimin güvenlik, bakım-onarım, temizlik gibi hizmetler için yeterli sayıda personel çalıştırıyor olması						
42. Güvenlik, danışma, temizlik gibi hizmetleri sağlayan personelin müşteri ilişkilerindeki yetkinliği						
43. Sergiler, defileler, çocuk oyunları, yarışmalar gibi ilgi çekici faaliyetler düzenlenmesi						
44. İlgi çekici dönemsel süslemelerin ve promosyonların (yılbaşı, sevgililer günü gibi) yapılması						
45. Reklam kampanyaları düzenlenmesi						
46. Reklam kampanyalarının akılda kalıcı olması, modayı ve günceli yansıtması						
47. Alışveriş merkezi ile ilgili haberlerin yer aldığı gazete veya derginin olması						
48. Alışveriş merkezinin gazete/dergisinin alışveriş merkezinin ruhunu doğru yansıtabilecek şekilde haber ve tanıtımlar içermesi						
49. Alışveriş merkezi gazete/dergisinin ulusal yazılı basın eki olarak dağıtılması						
50. Yönetimin diğer alışveriş merkezlerini gözlemleyerek strateji geliştirmesi						
51. Boşalan mağazaların hızlı ve ihtiyaca göre yeniden kiralanması						

Appendix 5 Customer Satisfaction and Customer Loyalty Scales

<i>Lütfen aşağıdaki her bir ifadeyi dikkatlice okuyunuz. Bu ifadelere ne derece katıldığınıza ilişkin görüşünüzü “Kesinlikle katılıyorum” dan “Kesinlikle katılmıyorum” a doğru uzanan değerlendirme aralığında cevap seçeneklerinden birine X işareti koyarak belirtiniz.</i>	Kesinlikle Katılıyorum	Katılıyorum	Biraz Katılıyorum	Pek Katılmıyorum	Katılmıyorum	Hiç Katılmıyorum
1. Bu alışveriş merkezi yönetiminin sağladığı hizmetlerden çok memnunum.						
2. Alışveriş merkezi hizmet personelinin bana yaklaşımından son derece memnunum.						
3. Alışveriş merkezinin mimari yapısı, içerdiği marka ve mağazalardan ve alışveriş kolaylığından çok memnunum.						
4. Bu alışveriş merkezinden genel olarak çok memnunum.						
5. Bu alışveriş merkezini tercih ettiğim için katlandığım maddi maliyetin karşılığını aldığımı düşünüyorum.						
6. Bu alışveriş merkezi beklentilerimi tam olarak karşılıyor.						
7. Bir sonraki alışverişim için de bu alışveriş merkezini tercih edeceğim.						
8. Bu alışveriş merkezi ile ilgili şikayet, öneri ve taleplerimi yönetime aktarırım.						
9. Bu alışveriş merkezi ile ilgili görüşlerim sorulduğunda fikirlerimi yönetime iletirim.						
10. Bu alışveriş merkezi ile ilgili gelen eleştirilere karşı alışveriş merkezini savunurum.						
11. Bu alışveriş merkezini çevreme ve arkadaşlarıma tavsiye ederim.						
12. Bu alışveriş merkezinin hizmet personelinin bana yaklaşımını çevreme ve arkadaşlarıma tavsiye ederim.						
13. Bu alışveriş merkezini yöneten firmanın yönettiği diğer alışveriş merkezlerini de çevreme ve arkadaşlarıma tavsiye ederim.						

Appendix 6 Interview Questions for Shopping Center Investors

Investment Conditions

- Neden Ticari Gayrimenkul Yatırımı?
- Neden Ticari Gayrimenkul Yatırımlarından AVM?
- Mevcut bir arazi değerlendirmek amaçlı mı yapıldı yatırım?
- Değil ise arazi seçiminde ne gibi araştırmalar ve çalışmalar yapıldı?
- Arazi seçimi ve yatırım aşamasında profesyonel danışmanlık hizmeti alındı mı?
- Alındı ise tercih edilen firmanın birikimi ne idi?
- Bu konuda uluslararası tecrübeye önem verildi mi?
- Konum seçiminde ne gibi çalışmalar yapıldı?
- Demografik veriler incelendi mi?
- AVM'nin hitap edeceği bölgesel çemberler hazırlandı mı?
- Bu bölgelerde yaşayan nüfusun alım gücü verileri araştırıldı mı?
- Arazi seçiminde ulaşılabilirlik kriteri sizin için ne kadar öncelikli idi?
- Mevcut yollar ve toplu taşıma alternatifleri yanında yapılacaklarda araştırıldı mı?
- Yaptığımız yatırım öncesi geri dönüşü profesyonelce hesaplandı mı?
- Evet ise bu sonuçlar diğer yatırım araçları veya diğer gayrimenkul yatırımları ile karşılaştırıldı mı?

Architecture and Construction

- Tasarım ve Projelendirme aşamasında müşteri tercihleri gözönüne alındı mı?
- Evet ise bu ne yöntemle yapıldı?
- Yapılmış ve bitmiş olan projelerin doğru ve yanlış yönlerinden yararlanıldı mı?
- Evet ise bu ne yöntemle yapıldı?
- Mimari Tasarım konusunda yapıya özellik katan bazı yenilikler yapıldı mı?
- Bu yenilikler müşteri tarafından algılanacak sembol özellikler mi?
- Evet ise nelerdir bunlar?
- Yatırım sonrası yapının bu yönü/yönleri beklediğiniz ilgiyi çekti mi?
- Yapının bu yönü/yönlerinin hala yeni müşterileri çekmek için bir faktör olduğunu düşünüyor musunuz?
- Yapının bu yönü/yönlerinin mevcut müşterilerin ziyaret sıklığını ve memnuniyetini etkilediğini düşünüyor musunuz?
- Deklare edilen açılış tarihlerine uyulabildi mi?
- Açılışta tüm mağazalar açılmıştı mı?

Finance

- Yatırım aşamasında öz kaynaklar kullanıldı mı?
- Yatırımın tamamı öz kaynaklarla mı yapıldı?
- Yatırımın tamamı dış kaynaklarla mı yapıldı?
- Kullanılan dış kaynağın geri ödemeleri bu yatırımın gelirleri ile mi planlandı?
- Evet ise bu geri ödemeler planlandığı şekliyle yapılabilir mi?
- Yatırım geri dönüşü hesaplaması yapıldı mı?
- Evet ise bu geri dönüş planlama dahilinde gerçekleşiyor mu?
- Bu koşullar çerçevesinde bu yatırımı finansal anlamda başarılı buluyor musunuz?

Tenant Selection and Leasing

- Kiralama faaliyetleri için profesyonel bir firma ile çalıştınız mı?
- Evet ise bu firmanın tecrübelerini ve başarılarını araştırdınız mı?
- Mağaza m2 leri planlanırken ve bölünmeler yapılırken bu firmadan destek alındı mı?
- Hayır ise potansiyel kiracılar düşünülerek m2 planlamaları yapıldı mı?
- Kiralama döneminde büyük enternasyonal markalar size başvurdular mı?
- Yoksa bu tip markalara Siz veya Sizi temsil eden firma mı teklif götürdü?
- Mıknatıs kiracı firmalar için Siz yada Sizin için çalışan firma bir araştırma yaptı mı?
- AVM nin yönetimini yapacak firma kiralama döneminde belli miydi?
- Bu firma kiralamayı yapan firma ile aynı firmamı idi?
- Hayır ise kiralayan firma yönetecek firmanın görüşlerini aldı mı?
- Kiracı mixini oluştururken kararları kim verdi?
- Kiralama faaliyetlerine inşaat aşamasında mı başlandı?
- Teslim tarihlerine uyulabildi mi?

Management

- Yönetim firması seçiminde uluslararası tecrübeye önem verdiniz mi?
- Bu seçimde firmanın önceki referansları incelendi mi?
- Yurtdışı orjinli bir firmanın Türkiye tecrübesi sorgulandı mı?
- Yönetim için firma seçimi için aday firmaların projeksiyonları alındı mı?
- Nasıl bir pazarlama politikaları olduğu araştırıldı mı?
- Sizde yönetici firmanın pazarlama çalışmaları AVM'nin başarısında ne derece önemli?
- Yönetimi üstlenen firma seçiminde teklif edilen fiyat / ücret en önemli tercih kriteri miydi?
- Yönetim firması yürüyen işletme içerisinde yeni kiralama faaliyetleri ile de ilgileniyor mu?
- Sizde müşterilerinizin memnuniyetini sağlayan en önemli factor yönetim firmasının faaliyetleri midir? Hayır ise bunun yerine en önemli, 1. faktör olarak söyleyeceğiniz hangisidir?

Customer/Tenant Satisfaction

- Neden Ticari Gayrimenkul Yatırımı?
- Neden Ticari Gayrimenkul Yatırımlarından AVM?
- Mevcut bir arazi değerlendirmek amaçlı mı yapıldı yatırım?
- Değil ise arazi seçiminde ne gibi araştırmalar ve çalışmalar yapıldı?
- Arazi seçimi ve yatırım aşamasında profesyonel danışmanlık hizmeti alındı mı?
- Alındı ise tercih edilen firmanın birikimi ne idi?
- Bu konuda uluslararası tecrübeye önem verildi mi?
- Yaptığımız yatırım öncesi geri dönüşü profesyonelce hesaplandı mı? Evet ise bu sonuçlar diğer yatırım araçları veya diğer gayrimenkul yatırımları ile karşılaştırıldı mı?

Investor Satisfaction

- Neden Ticari Gayrimenkul Yatırımı?
- Neden Ticari Gayrimenkul Yatırımlarından AVM?
- Mevcut bir arazi değerlendirmek amaçlı mı yapıldı yatırım?
- Değil ise arazi seçiminde ne gibi araştırmalar ve çalışmalar yapıldı?
- Arazi seçimi ve yatırım aşamasında profesyonel danışmanlık hizmeti alındı mı?
- Alındı ise tercih edilen firmanın birikimi ne idi?

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