

VISUAL MERCHANDISING AND IMPULSE BUYING BEHAVIOR: A CASE OF RETAIL INDUSTRY

Mr. Chand Saini¹, Ms. Rakhi Gupta², Mr. Ishant Khurana³

^{1,2,3}Assistant Professor, CBS Group of Institutions, Jhajjar(India)

ABSTRACT

Purpose – The purpose of this work is to study the effect of Visual Merchandising on consumers' impulse buying behavior and to find out the key elements of Visual Merchandising contributing the most for impulse buying.

Design/methodology/approach – To complete the research we have followed review of literature approach where extensive literature has been reviewed to find out the relationship between visual merchandising and impulse buying in various forms of retail formats including e-retailing.

Findings – The study found that visual merchandising practices certainly influence customers' buying behavior and leads to Impulse buying as well. The results suggest that the themes that linked most strongly to purchase intention were: merchandise colors, presentation style, awareness of fixtures, path finding, sensory qualities of materials and lighting.

Originality/value – This paper offers marketers valuable insights as to how different combinations of visual merchandising can be exercised in order to attract potential customers and to retain the existing customers.

Keywords- Consumer Behavior, Impulse Buying, Store Layout, Visual Merchandising, Window Display,

Paper Type- Conceptual Research Paper

I INTRODUCTION

Visual Merchandising can be defined as everything the customer sees, both exterior and interior, that creates a positive image of a business and results in attention, interest, desire and action on the part of the customer. It gives the business an edge over competition. Strategically used, visual merchandising can even create a brand identity. It sets the context of the merchandise in an aesthetically pleasing fashion, presenting them in a way that would convert the window shoppers into prospects and ultimately buyers of the product. Visual merchandising has become a natural component of every modern point of sale and is characterized by the direct contact between merchandise and clients; it helps clients to easily approach goods visually, physically, mentally and intellectually without the help of a sales person (Ravazzi, 2000). The importance of visual merchandising as an essential instrument of communication for the retailer and manufacturer is derived basically from the demand of the customers.

Visual merchandising plays a major role in retailing. "It is that which enhances products, supports brands, increases traffic and sales, adds visual excitement by way of strategically located and illuminated focal destinations in an environment, typically businesses and stores, defines and advertises overall personality and image".(Gorman, 2006).

The art of increasing the sale of products by effectively and sensibly displaying them at the retail outlet is called as visual merchandising.

Visual merchandising has come a long way from stock piling a table in front to live models posing in windows. Individual creativity, innovation, improvement in technology and artistic flair has played a major role in merchandise display. Visual merchandising can encompass all aspects of total visual impact of the store and its merchandise. (Garvey 2010) Visual merchandising is all about making the customer feel how the marketer wants them to feel. It takes months of planning before a window is ready for display. It is the merchandise on display that makes money for a store. Visual merchandising is the arrangement of props, fixtures, mannequins and backdrop to influence a customer to enter the store and make a purchase. (Diamond 1993) Merchandise fixtures help to show the merchandise to consumers besides playing a secondary role of aesthetic function. It deals with what product line to be carried to particular shelf space and emphasize on combining visual and other sensory elements to capture attention, awaken the senses through music, scents and provides the customer a wonderful buying experience to achieve sales. It covers all areas from façade of the store to the location of each product inside the store.(Sebastian 2008) Traditionally visual merchandising was always associated with store windows and sales floor display with companies hiring specialists for efficient layout for floor space for optimization of retail space.

1.1 Consumer Behavior

Consumer behavior research is the scientific study of the processes consumers use to select, secure, use and dispose of products and services that satisfy their needs. Knowledge of consumer behavior directly affects marketing strategy (Anderson, 2005). Firms can satisfy those needs only to the extent that they understand their customers. For this reason, marketing strategies must incorporate knowledge of consumer behavior into every facet of a strategic marketing plan (Solomon, 2002).

II LITERATURE REVIEW

2.1 Visual Merchandising (VM) and Shopper Behaviors

Kaur, Amandeep (2013) come up with an important finding that the store derives as much of its identity, character and gravity from its physical contours, as from the products it houses and the individuals who manage the transactions there in. also, visual merchandising practices certainly influence customers' buying behavior. Their research revealed that is a direct proportional relationship between customers' buying behavior and in-store form/mannequin display, promotional signage and window display. Jigna N. Ahir, Vishal J. Mali (2013) advocated that due to increasing competition and the similarity of merchandise, retailers utilize visual merchandising to differentiate their offerings from others' as well as to improve the desirability of products. Since impulse buying is a pervasive aspect of consumers' behaviors and a focal point for strategic marketing plan.

Dr. Alireza Miremadi, Rahil Khoei (2013) in their study understood from mentioned test that Iranian shoppers give more importance to visual communication, visual merchandising, and Staff management. S Madhavi and T S

Leelavati (2013) suggested that the themes that linked most strongly to purchase intention were: merchandise colors, presentation style, awareness of fixtures, path finding, sensory qualities of materials and lighting. Their findings suggest that liking of display does not totally determine purchase, but does make it four times more likely. These visual merchandising practices, serving as stimuli that provoke a desire that ultimately motivates a consumer to make an unplanned purchase decision upon entering the store, significantly influence consumer's impulse buying behaviors.

K. R Pillai et al. (2011) visually appealing stores and outlets did help respondents to create an image of the brand in the minds of the customers. Contradictory to the customers' preferences, visual merchandisers rated illumination at their store locations/outlets as their most preferred in-store visual appeal creating factor but the respondents who are customers did not give it a high rating. Among the various features of a store that help to convert window shoppers into real customers although visual appeal achieved the highest ranking. Yolandé Hefer, Michael. C. Cant (2013) found that consumer behaviour is influenced by a limited extent as visual merchandising displays guide consumers in the direction of the products as well as in product choice. Consumer behaviour will also be influenced by their personal preferences and the quality of the displays.

Vandana Gupta (2013) supported that colors and lighting forms an integral part of the Visual Merchandising, majority of the customers had a positive response towards the colors and lighting used in the store, frequent purchasers show a higher positive response towards the lighting and colors used also indicating that colors and lighting have a positive impact on the customer loyalty. Signage's form an integral part of Visual Merchandising, the signs displayed were able to provide basic information to the customers, and this area can be improved upon by Evok. Young Ha et al. (2007) revealed that many VMD features of offline stores have been implemented online. In addition, some VMD features of online apparel stores do not have a direct offline parallel. Gaynor Lea-Greenwood (1998) found that visual merchandising practices certainly influence customers' buying behavior. The research revealed that is a direct proportional relationship between customers' buying behavior and in-store form/mannequin display, promotional signage and window display.

Jiyeon Kim (2012) found a significant relationship between college students' impulse buying behavior and in-store form/mannequin display and promotional signage. Even though the window display and floor merchandising did not appear to significantly lead to college students' impulse buying behavior, the results of the study still suggested that these variables and consumers' impulse buying behavior are significantly correlated. Study also argued that all four types of visual merchandising (i.e., window display, in-store form/mannequin display, floor merchandising, and promotional signage) are significantly interrelated and that relationship generates the influences on consumers' impulse buying behavior.

Retail store atmospherics may impact shopper behavior. According to Chain Store Age (2004), the majority of consumers (63%) remember occasions when the store atmosphere caused them to buy more or spend more time at a store. Moreover, among those influenced by store atmosphere, almost half (45%) report that they spent not only more money in the store but, more time. As noted in Turley and Milliman's (2000) review on the effect of atmospherics on consumer behaviour, the influence of store atmosphere on time spent in the store has received

attention from researchers and, therefore, merits further discussion. Time spent in the store is related to the desire to stay in or to get out of the store environment and is also related to the decision to shop or not to shop at the store (Kellaris and Altsech, 1992). In their landmark article introducing the Mehrabian-Russell (M-R) environmental psychology model to the study of store environment, Donovan and Rossiter (1982) suggested that store-induced pleasure plays a significant role as a determinant of approach-avoidance behaviour within the store, including spending behaviour, and that store-induced feelings of alertness and excitement could result in increased time spent in the store. More than a decade later, Donovan et al. (1994) replicated and extended the Donovan and Rossiter's study, confirming that pleasure engendered by store atmosphere contributes to extra time spent in the store and unplanned spending. In 2003, Babin et al. found that the combination of colours and lighting plays a critical role in influencing the purchase intention of consumers' store patronage. Kouchekian and Gharibpoor (2012) found that store layout, color, lighting, store design, cleanliness and height of shelves are the significant determinants of consumer buying decision at a grocery store

2.2 Visual Merchandising In Relation To Impulse Buying Behavior

"In store browsing is the in-store examination of a retailer's merchandise for recreational and informational purposes without an immediate intent to buy" (Bloch, Ridgway, & Sharrell, 1989, p.14). Jarboe and McDaniel (1987) found customers who browsed in a store made more unplanned purchases than non-browsers in a regional mall setting.

Color: Bellizzi et al. (1983) investigated the effects of color in retail store design. The results indicated that despite color preferences, subjects were physically drawn to warm color (yellow and red) environments, but they paradoxically found red retail environments to be generally unpleasant, negative, tense, and less attractive than cool color retail (green and blue) environments.

Product display: In a study carried out by Abratt and Goodey (1990) product display has been identified as an in-store stimuli. Simonson and Winer (1992) found that purchase behavior can be modified by the way in which inventory is arranged. Kumar and Leone (1988) maintain that point of purchase displays can be very useful in stimulating sales.

Music: Bruner (1990) suggests that the genre of the background music is likely to produce stronger effects on perceptions and preferences. They reported that the impact of loudness on musical preference differed by gender, with females reacting more adversely than males to louder music. Oakes (2000)

Lighting: Mehrabian (1976) "believed that lighting was a chief factor in the environment's impact on individuals because brightly lit rooms are more arousing than dimly lit ones". (Summers and Herbert, 1999) Areni and Kim (1994) found that consumers examined and handled significantly more items under 'bright' lighting conditions than under "soft" lighting conditions.

Cleanliness: A study by Carpenter and Moore (2006) indicated that both frequent and occasional shoppers across all retail formats indicated cleanliness as the single most important store attribute. Yun and Good (2007) declared that shopping in an immaculately clean store might generate image perceptions of cleanliness, contentment, or luxury. Store design or store Display: It was also understand in Bellizzi and Hite (1992) study that displays are one of the most influential elements on unplanned purchases. Abratt and Goodey (1990) stated that point of purchase displays can be very useful in stimulating sales. In addition it was stated that the shoppers attach more influence to the floor of a store than to its ceiling.

2.3 Conceptual Framework for the study

As per literature review studied dimensions of visual merchandising shown below are considered to be appropriate and taken up for this study visual merchandizing and its impact on impulse buying

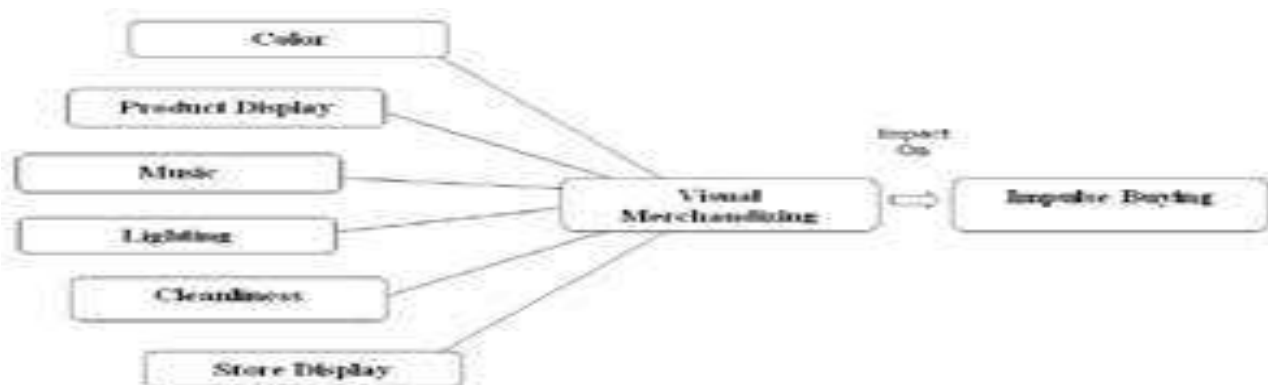


Fig 1. Jigna N. Ahir, Vishal J. Mali (2013)

III FINDINGS

The study investigated some external factors that influence impulse buying behavior. In attempt to examine this relationship, the study primarily tried to explain the relationship between customers' impulse buying behavior and various types of visual merchandising. An important finding was that visual merchandising practices certainly influence customers' impulse buying behavior. The results proved that there were significant relationships between consumers' impulse buying behavior and in-store form/mannequin display and promotional signage. Even though the window display and floor merchandising did not appear to significantly lead to customers' impulse buying behavior, the results still suggested that these variables and consumers' impulse buying behavior are significantly correlated. It can be agreed that all four types of visual merchandising (i.e., window display, in-store form/mannequin display, floor merchandising, and promotional signage) are significantly interrelated and that relationship generates the influences on consumers' impulse buying behavior. Despite the utilization of visual merchandising to improve desirability of products and to encourage consumers' buying behavior, a dearth of research exists that investigates its influence on consumer buying behavior. The result of the all the studies proves that there is a pivotal relationship between customer's impulse buying behaviors and two type of visual

merchandising practices: in-store form/mannequin display and promotional signage. When consumers are exposed to these visual stimuli, they more likely make purchase decisions on impulse. This suggests that these visual merchandising practices, serving as stimuli that provoke a desire that ultimately motivates a consumer to make an unplanned purchase decision upon entering the store, significantly influence consumers' impulse buying behaviors.

IV CONCLUSION

Due to increasing competition and the similarity of merchandise, retailers utilize visual merchandising to differentiate their offerings from others as well as to improve the desirability of products. Since impulse buying is a pervasive aspect of consumers' behaviors and a focal point for strategic marketing plan, finding variables that influence shoppers' impulse buying urges and decisions and attempting to control these influencing variables through strategic marketing and merchandising activity is critical for retailers in order to survive in fierce competition.

REFERENCES

- [1] Bellizzi, J. A., Crowley, A. E. & Hasty, R. W. 1983, 'The effects of color in store design', *Journal of Retailing*, vol. 59, pp. 21-45.
- [2] Bellizzi, A. J. & Hite, E. R. 1992. 'Environmental Color, Consumer Feelings, and Purchase Likelihood', *Psychology and Marketing*, vol. 9, no. 5, pp. 347-363.
- [3] Bruner II & Gordon C. 1990, 'Music, Mood, and Marketing', *Journal of Marketing*, pp. 94-104.
- [4] Wanninayake, W. M. C. B. & Randiwela, P. 2007, 'The Impact of Visual Merchandising on Consumer Store Choice Decisions in Sri Lankan Supermarkets', In: 7th Global Conference on Business & Economics, Rome 13-14 October 2007
- [5] Abratt, R. & Goodey, D. S. 1990. 'Unplanned Buying and In-Store Stimuli in Supermarkets', *Managerial and Decision Economics*, vol. 11, no. 2, pp. 111-121.
- [6] C. Selvaraj , Cr. M. Swaminathan. "Brunt of Visual Merchandise on Retail Store Penchant" *JM international journal of marketing management*. January 2011, vol. 1, no.2
- [7] Schiffman, L.G., Kanuk, L.K. 2000. *Consumer Behaviour*. India: Pearson Education Inc.
- [8] Bastow-Shoop, H., Zetocha, D., & Passewitz, G. 1991. *Visual merchandising: A guide for small retailers*. Iowa: University Publications.
- [9] Kalla, S. M., & Arora, A. 2011. Impulse Buying: A literature Review. *Global Business Review*, 12 (1), 145-157.
- [10] Rook, D., & Fisher, R. 1995. Normative influences on impulse buying behaviour. *Journal of Consumer Research*, 22 (3), 305-313.
- [11] Jiyeon Kim 2012, College Students' Apparel Impulse Buying Behaviors In Relation To Visual Merchandising, *General Review* ,pp. 1-72.

- [12] Gaynor Lea-Greenwood 1998, "Visual merchandising: a neglected area in UK fashion marketing?" *Journal of Fashion Marketing and Management*, Volume: 10 Issue: 1, pp.103-107
- [13] Young Ha, Wi-Suk Kwon, Sharron J. Lennon 2007, Online visual merchandising (VMD) of apparel web sites, *Journal of Fashion Marketing and Management*, Volume: 11 Issue: 4, pp.83-87
- [14] Vandana Gupta 2013, study on visual merchandising for home furniture retail store, *International Journal of Retailing & Rural Business Perspectives Pezzottaite Journals*, Vol. 2, No. 3, pp. 555-564
- [15] Yolandé Hefer, Michael. C. Cant 2013, Visual Merchandising Displays' Effect on Consumers: A Valuable Asset or an Unnecessary Burden for Apparel Retailers". *International Business & Economics Research Journal*, Vol. 12, No. 10, pp. 1217-1223
- [16] K. R Pillai, Azmiya Iqbal, Habiba Umer, Aisha Maqbool & Namrata S. 2011, "Visual Merchandising and Customer Appeal". MPRA Paper No. 30365, pp. 1-23
- [17] S Madhavi and T S Leelavati 2013, Impact Of Visual Merchandising On Consumer Behavior Towards Women Apparel, *International journal of Management research and business strategy*, Vol. 2 , No.4, pp. 1-14
- [18] Dr. Alireza Miremadi, Rahil Khoei 2013, "The Art of Visual Merchandising on Consumer Buying Behavior: A Case Study of Retailing Industry", *International Journal of Contemporary Business Studies*, Vol.: 4, No: 6, pp. 34-50
- [19] Kaur, Amandeep 2013, "Effect of Visual Merchandising on Buying Behavior of Customers in Chandigarh" ISO 9001:2008 Certified *International Journal of Engineering Science and Innovative Technology (IJESIT)* Volume 2, Issue 3, May 2013, pp.247-251
- [20] Jigna N. Ahir, Vishal J. Mali 2013: "Visual Merchandising: A Silent Salesman of Contemporary Retailer" *Indian Journal of Research*, Vol. 2, Issue: 8, pp.169-171.