



A STUDY ON IMPACT OF VISUAL MERCHANDISING ON CUSTOMER BUYING INTENTION AT FASHION RETAIL SHOPS IN BANGALORE

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ABSTRACT

Fashion retail shops nowadays have been developed into a higher existence. New players emerge in the market to satisfy customer demand by placing themselves in attractive shopping malls. Fashion retailers could not depend on products, price, promotion, and place to win the competition among the fashion retailers. Visual merchandising becomes tools and opportunities to differentiate them with other competitors. Visual merchandising as the total store environment, including window display, layout, coordination, signage, and lighting are managed by the retailers to attract customer to enter their store and expected to make a purchase in their store. The objective of this research is to examine the relationship of visual merchandising and customers purchase intentions. The second objective is to gain differences of customer perceptions in visual merchandising elements from the most four preferred fast fashion retailers: Shoppers stop, Lifestyle, Pantaloons and West side. The study was executed in Bangalore. A Questionnaire regarding visual merchandising is filled by 100 respondents in the age group of 20 -40 years. The results found that there is no significant difference between different fashion retail shops related to the visual merchandising perceptions. The hypotheses regarding Visual Merchandising were tested using ANOVA, Correlation and T-test.

Keywords: Consumer Behavior at Retail shops, Visual Merchandising, Customer Purchase Intention, Organized retail shopping, Buying Behavior

INTRODUCTION

Visual merchandising is a silent selling technique that helps to reduce the employee mix and increase per square feet returns and can further help in reducing marketing budgets. It is defined as everything that the customer sees both exterior and interior that creates a positive image of a business and result in attention, interest, desire and action on the part of the customer. The visual merchandising is a marketing based terminology adopted in retail shops and represents the most important marketing tool. It also represents the most direct means to publicize a product. Means of promotional signatures like billboards, banners, posters, buntings, placards, pamphlets, shop boards, shelf markers and hand bills of any company, shop or brand which a buyer can see or come across are considered during his shopping. Visual merchandising is not only about what is stated above, but it also includes the layout of stores such as shelving styles, sections, atmosphere, store possess and the brands available. It is visual identification of the product, brand, concept and the means of establishing a relationship between a consumer and the product to generate sales. Among the many marketing strategies, visual merchandising is the one which establishes a direct interaction and a closer communication with a consumer.

REVIEW OF LITERATURE

Mills, Paul and Moorman (1995) defined visual merchandising as “the presentation of a store/brand and its merchandise to the customer through the teamwork of the stores advertising, display, special events, fashion coordination, and merchandising departments in order to sell the goods and services offered by the store/company”.

Window Display

The Window display is a nonverbal visual communication technique; it's one of the most important components of the retail business. It's a critical marketing tool which has a high impact on customer's first impression of store image and customer decisions to enter a store when they do not set out with the specific purpose of purchasing a certain item in a store (Ha, 2006).

Store Layout and Organization

The Retail fashion store offers a roadmap in store to make the customer feel easy to find their way to store and finding the item they looked for. In-store traffic movement becomes the important role in the retail facility's success (Hui *et al.* 2007). In fast fashion concept, layout and display features were determined as being a key communication due to flexibility for change offered by changeable and alteration display (Barnez, Lea-Greenwood, 2009). The Clear road map helps the customer to browse in a store. Uncrowded aisle space will create an enjoyable and pleasant feeling to customers while they are in store activity.

Coordination

Lam & Mukherjee (2005) have observed significant effects for merchandise coordination on product evaluation and purchase intention in the apparel retail store setting. Well coordination on apparel items induced higher aesthetic response toward two complementary products as a whole (Enjoyable, nice-looking, pleasing, attractive, good appearance, and beautiful) than poorly coordinated items. Ha (2006) recorded the previous studies revealing the social impressions (Socially acceptable, fashionable, popular, higher in status, desired impression, and approved by others) of apparel items were influenced by the coordination of apparel items.

Signage

Signage in the retail environment may fall into two categories, the first being institutional and directional, fixed signage includes more permanent signs indicating areas and facilities of the store for example, fitting rooms, exits, ladies wear, pay station, etc. The signage associated with alerting customers to fast fashion is representative of the second category that includes signage that is more flexible and has immediacy in providing information and promoting purchase. Lea- Greenwood (2009) found that signage as a crucial element of visual communication as it provides a “shortcut” to communicate relating to a product in a store.

Lighting

Lighting is one of the major contributing factors of visual merchandising in retail setting. It creates a distinctive effect on particular product displayed. The Park and Fars research (2007) observed that the color quality of lighting in a retail store environment such as color temperature and color appearance affects consumer's emotional states and the behavioral intention of approach-avoidance. Quartier *et al.* (2008) found that Lighting contributes to the mood, arousal, and consumer behavior in the organized retail shop.

Purchase Intention

In retail, intentions to purchase are usually determined by willingness to stay in the store, willingness to repurchase, willingness to purchase more in the future, and willingness to recommend the store to others (Macintosh and Lockshin 1997). Previous research suggests that store environment cues provide significant effect on customer purchase intention because the store environment influences the customers' about potential benefits and overall perceived value of purchase (Liao *et al.* 2012). If the consumers perceive the atmosphere of the store could change their mood and make them feel happy, the purchase intention will be promoted. The store design should arrange the store to give convenient feeling to its customer. The higher convenience that the store design presents to its consumer, the better the customer's purchase intention could be promoted.

STATEMENT OF THE PROBLEM:

Visual merchandising is widely practiced by fashion retail shops in Bangalore as a selling technique for attracting the customers. Even though visual merchandising is widely practiced, its impact on customers is unknown as no research literature or limited research literature found. Hence this study is undertaken to determine the impact of visual merchandising on the customer buying intention at fashion retail shops in Bangalore.

ANALYSIS AND FINDINGS

The below table indicates the mean and standard deviation of each scale item which was used for study. Frequency distribution of respondent on visual merchandising items of the scale.

SL.NO	Name of the items	Mean	standard deviation	Strongly agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly disagree (1)
1	WD is eye catching	4.12	0.97732	38	48	6	4	4
2	WD's are ornamental	3.83	0.86521	17	59	17	4	3
3	WD's grabs customer attention	3.72	1.00584	18	51	23	1	7
4	WD's are seasonal	3.59	0.76667	8	52	31	9	0
5	Mannequins are used for WD's	3.46	0.77094	1	57	32	7	3
6	VM-layout should not be cramped	3.77	1.04306	25	41	26	2	6
7	Layout should have enough shelf space	3.64	0.99005	14	52	25	2	7
8	Aisles should not be crowded	3.63	1.04306	13	50	27	7	3
9	Layout should be well routed	3.56	0.99005	9	56	23	6	6
10	Layout should be easily accessible	3.67	0.90626	20	45	24	4	7
11	VM-coordination gives inspiration	3.62	0.95685	12	47	33	7	1
12	Coordination should be creatively attractive	3.52	1.06415	11	41	40	5	3
13	Color Coordination grabs customer's attention	3.73	0.82609	18	52	19	7	4
14	Coordination of theme grabs customer's attention	3.6	0.94281	12	51	27	5	5
15	Signage is an important aspect in VM	3.55	0.79614	6	54	31	7	2
16	It gives a clear picture of discounted products	3.52	0.81004	4	57	29	7	3
17	VM-Lighting should be pleasing	3.58	0.90095	11	49	31	5	4
18	Lighting should be noticeable to grab customer's attention	3.59	0.9	12	48	30	7	3
19	I would like to visit again	3.47	0.8343	10	37	45	6	2
20	I would like to visit frequently	2.95	0.68718	1	16	62	19	2

Analysis: WD is the element in which majority of the respondents agree that it has impact on purchase intention when compared to all other elements of visual merchandising. However people accept that WD is seasonal in nature. Customers expect that shop layout should be easily accessible and well routed one. Customers agree that color coordination grabs the attention. 20 % of the respondent recorded that Visual merchandising is not making them to visit frequently retail shop.

INFERENCE STATISTICS

Inferential statistics is a way of bringing out inferences about the research and its variables by using the sample responses. In this study t -test, ANOVA Test & Correlation Analysis are used to draw inferences about the sample under study.

T -TEST FOR GENDER AND COMPONENTS OF VISUAL MERCHANDISING**Gender Classification of Respondents:**

Gender	Frequency	Percentage
Male	65	65.00%
Female	35	35.00%

t- Test is used to find out the significance of differences between two means of two independent samples. This test helpful to identify, is there any significant difference between the two groups with regards to the variable of interest

Equal variances assumed	t-test for Equality of Means		Sig. (2-tailed)
	t	df	
Window Display	2.060	98	.421
Layout	.634	98	.528
Coordination	1.194	98	.235
Signage	1.558	98	.122
Lighting	.931	98	.354
Purchase Intention	.579	98	.564

Analysis

From the above table p value is greater than 0.05, Hence, t test is insignificant. Therefore, we can claim that there is no significant difference of opinion between two different genders on the window display, Layout, coordination, signage, lighting and purchase intention.

ANOVA FOR DIFFERENT FASHION RETAIL SHOPS

ANOVA Test is a technique used to determine the difference in means among more than two groups. While interpreting the results if p-value less than or equal to 0.05 ($P \leq 0.05$) then such variables are said as statistically significant different and possess difference between dependent and independent variable. If p-value greater than or equal to 0.05 ($P > 0.05$) then such variables are said as statistically insignificant.

Frequency	Shoppers stop = 27 shops	Lifestyle shops = 29	Pantaloon shops = 27	West side shops = 17
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		Sum of Squares	df	Mean Square	F	Sig.
WD	Between Groups	2.222	3	.741	1.503	.219
	Within Groups	47.305	96	.493		
	Total	49.526	99			
Layout	Between Groups	2.404	3	.801	1.195	.316
	Within Groups	64.385	96	.671		
	Total	66.788	99			
Coordination	Between Groups	.555	3	.185	.346	.792
	Within Groups	51.252	96	.534		
	Total	51.807	99			

Signage	Between Groups	1.256	3	.419	.831	.480
	Within Groups	48.371	96	.504		
	Total	49.628	99			
Lighting	Between Groups	3.874	3	1.291	2.188	.094
	Within Groups	56.654	96	.590		
	Total	60.528	99			
Pur_intention	Between Groups	2.164	3	.721	1.651	.183
	Within Groups	41.926	96	.437		
	Total	44.090	99			

From the above table p value is greater than 0.05, therefore we can claim that there is no significant difference between elements of visual merchandising and different fashion retail shops.

ANOVA FOR DIFFERENT AGE GROUP OF RESPONDENTS

Frequency	20-25 age = 51	25- 30 age = 24	30- 35 age = 15	35 - 40 age = 10
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		Sum of Squares	df	Mean Square	F	Sig.
WD	Between Groups	.371	3	.124	.242	.867
	Within Groups	49.155	96	.512		
	Total	49.526	99			
Layout	Between Groups	.944	3	.315	.459	.712
	Within Groups	65.844	96	.686		
	Total	66.788	99			
Coordination	Between Groups	2.816	3	.939	1.840	.145
	Within Groups	48.990	96	.510		
	Total	51.807	99			
Signage	Between Groups	.216	3	.072	.140	.936
	Within Groups	49.412	96	.515		
	Total	49.628	99			
Lighting	Between Groups	.183	3	.061	.097	.962
	Within Groups	60.345	96	.629		
	Total	60.528	99			
Pur_intention	Between Groups	.110	3	.037	.080	.971
	Within Groups	43.980	96	.458		
	Total	44.090	99			

Analysis:

From the above table p value is greater than 0.05, therefore we can claim that there is no significant difference between elements of visual merchandising and different age group of respondents.

ANOVA FOR EDUCATIONAL QUALIFICATION OF RESPONDENTS

Frequency	High School = 1	PUC Diploma = 9	Graduation = 52	Post-Graduation = 38
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		Sum of Squares	df	Mean Square	F	Sig.
WD	Between Groups	.307	3	.102	.200	.896
	Within Groups	49.219	96	.513		
	Total	49.526	99			
Layout	Between Groups	.692	3	.231	.335	.800
	Within Groups	66.097	96	.689		
	Total	66.788	99			
Coordination	Between Groups	.483	3	.161	.301	.824
	Within Groups	51.324	96	.535		
	Total	51.807	99			
Signage	Between Groups	.721	3	.240	.472	.703
	Within Groups	48.906	96	.509		
	Total	49.628	99			
Lighting	Between Groups	2.746	3	.915	1.521	.214
	Within Groups	57.782	96	.602		
	Total	60.528	99			
Pur_intention	Between Groups	.513	3	.171	.376	.770
	Within Groups	43.577	96	.454		
	Total	44.090	99			

Analysis:

From the above table p value is greater than 0.05, therefore we can claim that there is no significant difference between elements of visual merchandising and Educational Qualification of respondents.

ANOVA FOR OCCUPATION OF RESPONDENTS

Frequency	Student = 21	Home maker = 12	Businessman = 9	Employee = 41	Others = 17
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		Sum of Squares	df	Mean Square	F	Sig.
WD	Between Groups	3.122	4	.780	1.598	.181
	Within Groups	46.405	95	.488		
	Total	49.526	99			
Layout	Between Groups	4.025	4	1.006	1.523	.202
	Within Groups	62.763	95	.661		
	Total	66.788	99			
Coordination	Between Groups	2.862	4	.716	1.389	.244
	Within Groups	48.945	95	.515		
	Total	51.807	99			
Signage	Between Groups	1.581	4	.395	.781	.540
	Within Groups	48.047	95	.506		
	Total	49.628	99			
Lighting	Between Groups	1.803	4	.451	.729	.574
	Within Groups	58.725	95	.618		
	Total	60.527	99			
Pur_intention	Between Groups	4.943	4	1.236	2.999	.221
	Within Groups	39.147	95	.412		
	Total	44.090	99			

Analysis:

From the above table p value is greater than 0.05, therefore we can claim that there is no significant difference between elements of visual merchandising and Occupation of respondents.

CORRELATION

Pearson's correlation coefficient is a statistical measure of association between different dependent variables (Zikmund, 2003). Correlations are useful when a research involves many variables and to examine the inter relationship between variables. Pearson's correlation co-efficient determines the extent to which values of two variables are linearly related or proportional to each other. The correlation calculation lies between -1 to +1. Where the value of +1 indicates a perfect positive correlation and a -1 indicates negative correlation.

		WD	Layout	Coordination	Signage	Lighting	Pur_intention
WD	Pearson Correlation	1	.763**	.701**	.655**	.494	.494
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	100	100	100	100	100	100
Layout	Pearson Correlation	.763**	1	.790**	.714**	.606**	.606**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	100	100	100	100	100	100
Coordination	Pearson Correlation	.701**	.790**	1	.643**	.618**	.618**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	100	100	100	100	100	100
Signage	Pearson Correlation	.655**	.714**	.643**	1	.465**	.465**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	100	100	100	100	100	100
Lighting	Pearson Correlation	.683**	.809**	.743**	.606**	.507**	.507**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000
	N	100	100	100	100	100	100
Pur_intention	Pearson Correlation	.494**	.606**	.618**	.465**	1**	1**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	100	100	100	100	100	100

From the above table P value is less than 0.05; hence we can claim that visual merchandising Window Display, Layout/Organization, Coordination, Signage, and Lighting are together positively related to Purchase Intention.

Conclusion:

The aim of this research was to investigate the relationship of the importance of visual merchandising elements on customers purchase intention especially in fashion retail store. An important finding of this study was the visual merchandising elements certainly influence customers purchase intentions. The result demonstrated that there was significant relationship between purchase intentions to visual merchandising elements: window display, layout, coordination, signage, and lighting in the store when it is linked partially. When the entire visual merchandising element is linked together to purchase intention, only window display that give significant value related to purchase intention.

This research also provides the descriptive analysis from four fashion stores, which are Lifestyle, Shoppers stop, Pantaloons and West side related to its visual merchandising element. The results divulge that there is no significant differences between these four fashion shops, the mean score obtained from descriptive analysis indicated that visual merchandising element in window display, layout, coordination, signage, and lighting from these four fast fashion has already proficient. In summary, the current study has both managerial and research implication. Confronting the present ever dynamic in fashion store atmosphere, it gives the managers in fashion store for a better understanding of the visual merchandising element affects the customer purchase intentions. Management of the fashion store also could use the visual merchandising elements to underlined in substantiate a retail strategies. In example, fashion retailers could use window display element to attract customers to enter the store and utilizing the visual merchandising as the strategies could create favorable attitudes of the customers, such as customers would be aware about the products offered in the store, want to browse in the store, and do a purchase. Thus the result presented from this research is quite limited and far away being generalizable to the Bangalore population.

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