

Research Paper**THE IMPACT OF VISUAL MERCHANDISING ON IMPULSE BUYING
BEHAVIOUR IN ORGANISED RETAIL STORES****ARSHDEEP KAUR¹, DR. RUCHI JAIN²**

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ABSTRACT

The purpose of this paper is to examine the relationship and effectiveness of different selected visual merchandising techniques customers' impulse buying behavior. The present study is exploratory as well as descriptive in nature. Both primary and secondary methods have been used for collecting the data. Structured questionnaire has been administered for the purpose of collecting primary data. The questionnaire was distributed amongst 100 respondents. The simple random sampling method is used. The questionnaires were designed using 5point Likert's scale. Coding and tabulation were done and analyzed by using SPSS software.

Results concluded that according to rank analysis "Feel a sense of excitement when make impulse buying" is the major facto rand it is ranked first by respondents that affects impulse buying behavior whereas "Promotional Signage" is the major factor and it is ranked first by respondents which affects visual merchandising. Present study concludes that there is positive impact of visual merchandising on impulse buying behavior in organized retail store which means that if visual merchandising will be effective in retail stores so impulse buying will uplift ultimately.

KEYWORDS

Visual Merchandising, Impulse Buying, Consumer Behavior, Retail Industry.

INTRODUCTION

Visual merchandising, or visual presentation, is the means to communicate a store/company's fashion value and quality image to prospective customers. The purpose of visual merchandising is to educate the customer, to enhance the store/company's image, and to encourage multiple sales by showing apparel together with accessories. Therefore, each store/company tries to build and enhance its image and concept through visual presentations, which appeal to shoppers and ultimately transform them into customers by building brand loyalty and encouraging customers' buying behaviors. Visual merchandising is defined as the presentation of a store/brand and its merchandise to the customer through the teamwork of the store's advertising, display, special events, fashion coordination, and merchandising departments in order to sell the goods and services offered by the store/company. Visual merchandising ranges from window/exterior displays to interior displays including form displays and floor/wall merchandising as well as promotion signage. It also broadly includes advertising and brand/store logo. The store stimuli serves as a type of information aid for those who go to the store without any predetermination of what they need or buy, and once they get into the store, they are reminded or get an idea of what they may need after looking around the store. In other words, consumer's impulse buying behavior is a

response, made by being confronted with stimuli that provoke a desire that ultimately motivate a consumer to make an unplanned purchase decision upon entering the store. The initial step to getting customers to purchase is getting them in the door. The purpose of this paper is to examine the relationship and effectiveness of different selected visual merchandising techniques customers' impulse buying behavior.

CONSUMER BEHAVIOR

Consumer behavior is long been a study of interest for the researchers. The early work done in this subject came from economic perspective which focused only on act of purchase. Consumers are viewed as rational decision makers who are only concerned with self-interest. There are many contemporary researches done on consumer behavior that considers varied range of factors that influences consumer and proves a broad range of consumption activity beyond purchasing. These activities include need recognition, information search, evaluation of alternatives, building purchase intention, act of purchasing, consumption and finally disposal. This has evolved from various important stages in the past by application of new research methodologies and several approaches that had been adopted. The evolution of this subject has been continuous; it is after 1950's that the field of consumer behavior has responded to the conception and growth of modern marketing to encompass the more holistic range of activities

that impact upon the consumer decision . The definition of consumer behavior “is the study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires. The similar definition of consumer behavior “The behavior that consumer display in searching for, purchasing, using, evaluating and disposing of the products and services that they expect will satisfy their needs” . Consumers do not always buy what they want. There are certain unconscious needs. Hence, there is always customers will buy something that they do not necessarily need. This means that understanding consumer behavior and knowing them have and never will be simple. Their actions vary from their words. Marketers can apply various stimuli and observe the conduct of consumers. There are numerous model developed on the buying behavior of the consumers. A consumer is influenced by external factors like marketing mix and socio cultural environment, internal factors like psychological field. The consumer has to then make a decision which will directly be influenced by their personal characteristics. But, for marketers the end result should be that a consumer makes purchase.

IMPULSE BUYING BEHAVIOR

Impulse buying behavior is the purchase that is made without much thinking. It is done without involving much evaluation of different things like need, affordability, price, etc. The descriptors of

impulse buying behavior are spontaneous, intense, exciting urge to buy. Customer likes the products and purchases it, this is known as impulse buying behavior. Individuals buying on impulse are less likely to consider the consequences of purchase or think before making purchase. The person’s only focuses on relishing urge of purchasing product that they want to rather than fixing any problem or satisfying their prerequisite need. It is a pervasive and distinctive phenomenon and has been receiving increasing attention from consumer researchers and theorists. Certain past research has defined impulse buying behavior as irrational behavior and lack of behavioral control. Pervasiveness of impulse buying behavior even on the relatively expensive products led researchers to study impulse buying behavior. Researchers agree that impulse buying behavior involves a hedonic or affective component. Recent study on impulse buying behavior suggest that it more complex and this behavior is to satisfy multiple needs that underlie many types of buying behavior. There are different types of internal states and environmental/sensory stimuli that serve as cues for triggering impulse buying behavior. Internal cues include customer’s state of mind, positive and negative feeling. Environmental/sensory stimuli include atmospheric cues in retail settings, display cues, marketer-controlled cues and marketing mix stimuli (44). This shows how visual merchandising is related to consumer’s impulse buying behavior.

REVIEW OF LITERATURE

Vinamra et al. (2012) have studied impact of visual merchandising on consumer behaviour towards women's Apparel. His dependent variable is visual merchandising; independent variables are neutral role in influencing the purchase and significant role in influencing the purchase. He took sample size of 150 Indian women's who were visiting shopping malls. His findings are that visual merchandising has a very strong impact on customer purchasing behaviour. To some extent visual merchandising also leads to impulse buying.

Maria et al. (2010) have studied the impact of visual merchandising in shopping centre's fashion stores. His dependent variable was visual merchandising and independent variable was shopping store window according to gender. Factors valued by consumer on going into a store attribute that influence on purchase options according to gender. He took sample of 334 respondents and applied mean standard deviation as a statistical tool. His findings are that significant differences in the shopping centre window display influences over consumer buying behavior according to gender and little significant differences in the factors valued by consumers on going into a shopping centre according to gender

Maymand and Ahmedinejad (2011) have studied the role of store environmental stimulation and situational factors in impulse purchasing. They have taken impulse purchasing as dependent

variable and environment of store, promotions, examination of goods, and availability of money as independent variables. They took sample of 329 customers visiting shopping malls of Iran and applied variance coefficient as statistical tool. Their findings are that environment of the store is significantly correlated and visual merchandising is related.

Ridmi et al. (2011) have studied the impact on patronage intentions in supermarkets using selected visual merchandising techniques. His dependent variable is visual merchandising an independent variable is store layout, colour, product display, music, lighting, cleanliness. He took sample of 384 customers visiting shopping malls of Sri Lanka and applied regression as a statistical tool. His findings are that no relationship between patronage intentions and store layout. There is bond among colour and patronage intentions. There is a relationship between patronage intentions and product display. There is relationship between patronage intentions and music. There is connection among cleanliness and patronage intentions.

Ahmed (2011) has determined the impulse buying of consumer for FMCG products. His dependent variable was impulse buying behaviour for FMCG product and independent variables were classification by gender, age, education and income. He has taken sample of 160 respondents of Jodhpur, a city in India. He used (SPSS Version 16) Factor analysis as a statistical tool.

His findings were impulse purchasing and the customers of different age group were significantly different, impulse buying behaviour and the customers of different genders were significantly different, and significant difference in education.

Sonali and Sunetra, (2012) has studied the unplanned purchasing triggering the senses in retail stores. His dependent variable was frequency of shopping and independent was gender of customers. He has taken sample of 100 customers visiting Indian shopping malls and used chi-square as a statistical too. His findings were that no significantly associated with gender of customers and frequency of shopping.

OBJECTIVES

1. To explore the dimensions of visual merchandising
2. To study the impact of visual merchandising on impulse buying behavior of the customers

Hypotheses

HA1: There is a significant impact of visual merchandising on impulse buying behavior in organized retail store.

Sub hypothesis 1- Customers who purchase on impulse are influenced by window display

Sub hypothesis 2- Customers who purchase on impulse are influenced by In-store/mannequin display

Sub hypothesis 3- Customers who purchase on impulse are influenced by product shelf position

Sub hypothesis 4- Customers who purchase on impulse are influenced by Promotional signage

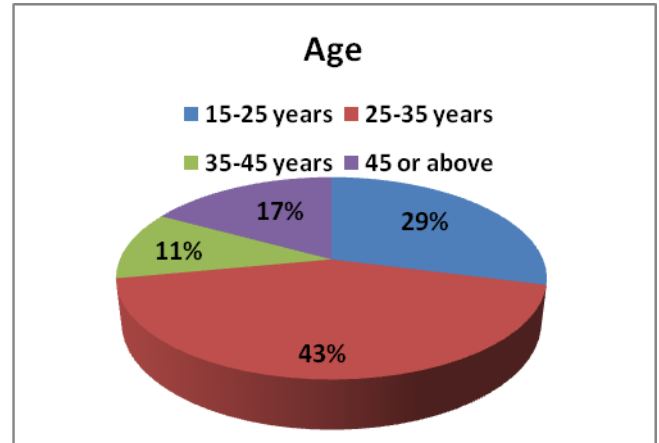
RESEARCH METHODOLOGY

The present study is exploratory as well as descriptive in nature. Both primary and secondary methods have been used for collecting the data. Structured questionnaire has been administered for the purpose of collecting primary data. The questionnaire was distributed amongst 100 respondents. The simple random sampling method is used. The questionnaires were designed using 5point likert's scale. Coding and tabulation were done and analyzed by using SPSS software. Findings are presented in form of table and charts.

DEMOGRAPHIC PROFILE

Demographic Profile of Respondents			
Parameters	Category	Frequency	%
Gender	Male	46	46.0
	Female	54	54.0
Total		100	100.0
Age	15-25 years	29	29.0
	25-35 years	43	43.0
	35-45 years	11	11.0
	45 or above	17	17.0
Total		100	100

Income	5000-15000	31	31.0
	15000-25000	13	13.0
	25000-50000	16	16.0
	More than 50000	40	40.0
	5000-15000	31	31.0
Total		100	100

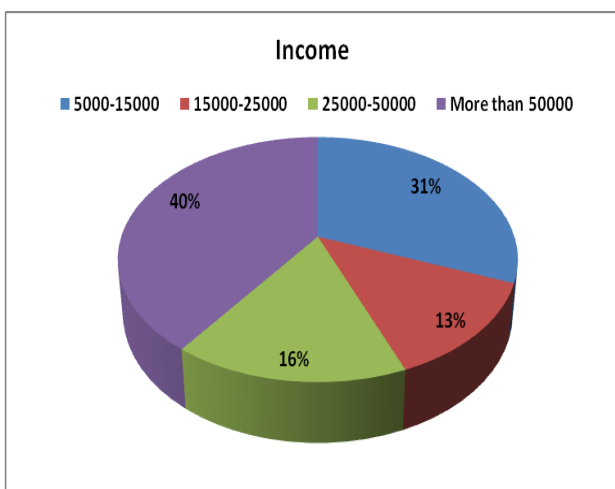
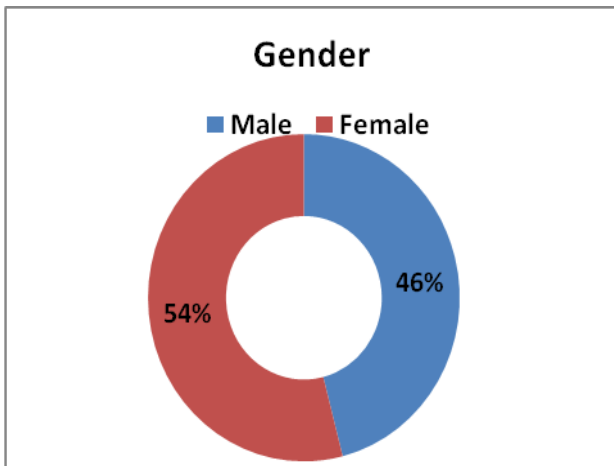


Inference: It is evident from the above demographic details of respondent that research had tried to cover a broad demographic profile of customers of retail stores as respondent. As in the current study the total sample size is n=100.

RANK ANALYSIS

IMPULSE BUYING				
S. No.	Variables	Weighted Total	Weighted Mean	Rank
1	Customers go shopping to change their mood	225	15	4
2	Feel a sense of excitement when make impulse buying	352	23.47	1
3	Unintended purchase feel regret	329	21.93	2
4	Customers do not buy anything out of the list	238	15.87	3

Inference:From the above table it can see that “Feel a sense of excitement when make impulse buying” is the major factorand it is ranked first by respondents. The next major factor is “Unintended purchase feel regret” which and it is ranked second by the respondents. The factor



which is ranked third by the respondents is “Customers do not buy anything out of the list”. The next factor which is ranked fourth by the respondents is “Customers go shopping to change their mood”.

VISUAL MARCHANDISING					
	S. No.	Variables	Weighted Total	Weighted Mean	Rank
Window Display	1	I may enter the store when I am attracted by an eye-catching window display	368	24.53	
	2	I feel compelled to enter the store when I see an interesting window display	341	22.73	
TOTAL			354.5	23.63	3
In Store/Mannequin Display	1	When I see a product featuring a new style or design on display I tend to buy it	306	20.4	
	2	I get an idea about what to buy after looking through in-store or mannequin display	315	21	
TOTAL			310.5	20.7	4
Product Self Position	1	I tend to buy unintended products when I am browsing shelves of the store	336	22.4	
	2	I tend to stop and browse products displayed on shelves	381	25.4	
TOTAL			358.5	23.9	2
Promotional Signage	1	When I see a special promotional signage, I go and look at that product	402	26.8	
	2	If I see an interesting promotional offer on in-store signs I tend to buy the product	409	27.26	
	3	I likely to make unintended purchase if the product has a sale sign	353	23.53	
TOTAL			388	25.8633	1

Inference: From the above table it can see that “Promotional Signage” is the major factor and it is ranked first by respondents. The next major factor is “Product Self Position” which and it is ranked second by the respondents. The factor which is ranked third by the respondents is “Window Display”. The next factor which is ranked fourth by the respondents is “In Store/Mannequin Display”.

RESEARCH INSTRUMENT

Structured questionnaire are used for primary data collection. To find the impact of visual merchandising on impulse buying behaviour in organised retail stores, they were asked to rank their satisfaction level on the scale of 1-5, where 1 means highly dissatisfied & 5 means highly satisfied. The internal consistency has been checked with the help of Cronbach's Alpha and value obtained by using SPSS (student version 15.0) is 0.799 which is usually considered.

Reliability Test

Reliability Statistics	
Cronbach's Alpha	N of Items
.799	13

From the above table we can see that Cronbach's alpha is more than 0.700 which indicates a high level of internal consistency for our scale with this specific sample.

HYPOTHESES TESTING

HA1: There is a significant impact of visual merchandising on impulse buying behavior in organized retail store.

Descriptive Statistics			
	Mean	Std. Deviation	N
Impulse_Buying	3.0925	.61202	100
VM	3.5744	.61410	100

Impact of Visual Merchandising on Impulse Buying Behaviour

Correlations		
		Visual Merchandising
Impulse Buying	Pearson Correlation	.192
	Sig. (2-tailed)	.045
	N	100

Present study concludes from the above table that there is positive impact of visual merchandising on impulse buying behavior in organized retail

store. From the above analysis *Person Correlation value 0.198* and *sig. value is 0.045* which signpost that there is significant impact of visual merchandising on impulse buying behavior in organized retail store.

Descriptive Statistics			
	Mean	Std. Deviation	N
Impulse Buying	3.0925	.61202	100
Window Display	3.5450	.79485	100
In Store Mannequin Display	3.1350	1.01964	100
Product Self Position	3.5850	.94830	100
Promotional Signage	3.8800	.79069	100

Sub hypothesis 1- Customers who purchase on impulse are influenced by window display

Correlations		
		Impulse Buying
Window Display	Pearson Correlation	.053
	Sig. (2-tailed)	.602
	N	100

Present study concludes from the above that customers who purchase on impulse are not influenced by window display. From the above analysis *Person Correlation value 0.053* and *sig. value is 0.602* which signpost that customers who purchase on impulse are not influenced by window display.

Sub hypothesis 2- Customers who purchase on impulse are influenced by In-store/mannequin display

Correlations		
		Impulse Buying
In Store Mannequin Display	Pearson Correlation	.277**
	Sig. (2-tailed)	.005
	N	100

Present study concludes from the above that customers who purchase on impulse are influenced by In-store/mannequin display. From the above analysis *Person Correlation value 0.277* and *sig. value is 0.005* which signpost that customers who purchase on impulse are not influenced by In-store/mannequin display.

Sub hypothesis 3- Customers who purchase on impulse are influenced by product shelf position

Correlations		
		Impulse Buying
Product Self Position	Pearson Correlation	.112
	Sig. (2-tailed)	.025
	N	100

Present study concludes from the above that customers who purchase on impulse are influenced by product shelf position. From the above analysis *Person Correlation value 0.112* and *sig. value is 0.025* which signpost that customers who purchase on impulse are influenced by product shelf position.

Sub hypothesis 4- Customers who purchase on impulse are influenced by Promotional signage

Correlations		
		Impulse Buying
Promotional Signage	Pearson Correlation	.155
	Sig. (2-tailed)	.023
	N	100

Present study concludes from the above that customers who purchase on impulse are influenced by promotional signage. From the above analysis *Person Correlation value 0.155* and *sig. value is 0.023* which signpost that

customers who purchase on impulse are influenced by promotional signage.

CONCLUSION

Consumer's impulse buying behavior is a response, made by being confronted with stimuli that provoke a desire that ultimately motivate a consumer to make an unplanned purchase decision upon entering the store. The initial step to getting customers to purchase is getting them in the door. The purpose of this paper is to examine the relationship and effectiveness of different selected visual merchandising techniques customers' impulse buying behavior. Results concluded that according to rank analysis **"Feel a sense of excitement when make impulse buying"** is the major factor and it is ranked first by respondents that affects impulse buying behavior whereas **"Promotional Signage"** is the major factor and it is ranked first by respondents which affects visual merchandising. Present study concludes that there is positive impact of visual merchandising on impulse buying behavior in organized retail store which means that if visual merchandising will be effective in retail stores so impulse buying will uplift ultimately.

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