



ISSN: 2319-5967

ISO 9001:2008 Certified

International Journal of Engineering Science and Innovative Technology (IJESIT)

Volume 2, Issue 3, May 2013

Effect of Visual Merchandising on Buying Behavior of Customers in Chandigarh

Amandeep Kaur, Assistant Professor, Khalsa College Patiala

Abstract: Virtual merchandizing is the art of creating visual displays and arranging merchandize assortments within a store to improve the layout and presentation and to increase growth, sales and profitability. VM helps to attract the customers, towards the displayed products and also improves the shopping experience for customer by sending the right message about the merchandize and presenting it in a unique manner. Passion for design and creativity are essential to be a good visual merchandiser. The study was undertaken In Chandigarh to determine the important factors of visual merchandising which influence consumer's buying behavior and in-store promotion activities. Questionnaires regarding visual merchandising were filled by the customers visiting the retail stores present at different locations in Chandigarh. Various visual merchandising techniques like graphics and signage, fixtures, props, lighting and space management were considered and study there impact on the buying of the customers. The study also tried to explain the relationship between impulse buying and visual merchandising. Through research we will be able to see that whether visual merchandising can attract more customers, increase the traffic in the store, which ultimately would, increases the sales figures.

I. VISUAL MERCHANDISING

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 merchandize 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.

II. ROLE OF VISUAL MERCHANDISING

The basic objective for visual merchandising is a desire to attract customers to a place of business in order to sell the merchandise. Visual Merchandising is a technique commonly and rightly called "Silent Salesman" and is widely used in market to increase footfalls and attract shoppers and make shopping a pleasant experience to one and all. This is achieved by creating an environment not only to attract a customer but also to retain his/her interest, create desire and finally augment the selling process.

III. TOOLS OF VISUAL MERCHANDISING

Broadly these comprise of:

Fixtures, Props, Lighting, Signage, Promotional signage, Location signage, Institutional signage, Informational signage etc.

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).

IV. REVIEW OF LITERATURE

Kotler (1973) indicated that one of the most significant features of the total product is the place from where it is bought. In some cases, the place, more specifically the atmosphere of the place, is more influential than the product itself in the purchase decision. In some cases, the atmosphere is the primary product. The paper emphasizes that visual merchandising is not practiced "as consciously and skillfully as retailers now use price, advertising, personal selling, public relations and other tools of marketing.



ISSN: 2319-5967

ISO 9001:2008 Certified

International Journal of Engineering Science and Innovative Technology (IJESIT)

Volume 2, Issue 3, May 2013

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 store’s advertising, display, special events, fashion coordination, and merchandising departments in order to sell the goods and services offered by the store/company”.

Bhalla and Anurag (2009) defined Visual merchandising as the presentation of any merchandise at its best (1) color coordinated (synchronized colors); (2) accessorized (related products/ props); and (3) self-explanatory (descriptive/illustrative). It is one of the final stages in the process of setting up of a retail store which customers would then find attractive and appealing.

V. RESEARCH METHODOLOGY OBJECTIVES

The present study was conducted with the following objectives:

- To find out the affect of visual merchandising on buying behavior of customers.
- To determine the important factors of visual merchandising influencing customers’ buying behavior and in-store promotion activities.

Sampling Size

Sample Size: 100, Customers visiting the stores present at different locations in Chandigarh.

Data Source

Both secondary data and primary data were used for the information generation. The inferences were drawn mainly from primary source by making them fill questionnaire.

VI. DATA ANALYSIS AND INTERPRETATION

Place of Purchase: it was found during the survey that 34 percent of the customers purchased their apparels from malls while 29 percent customers preferred to buy their apparels from exclusive showrooms. It was also found that 24 percent customers bought from hypermarkets as compared to 13 percent who preferred to buy apparels from ordinary retailers. Hence revealing malls as the most sought after shopping destinations these days as these malls have good ambience, security, variety and above all these malls provide customers with a great shopping experience.

Time of Purchase: The research reveled that maximum number of respondents (73 %) preferred to shop in the evening as its time when they are free from their job and can devote time with their families. Whereas majority of the housewife’s (22%) preferred to shop in the morning and 5% customers shopped in afternoon.

Expenditure on Purchase of Apparels: Today people feel shopping as a medium of outing and this was revealed when it was found 48 percent of customers, 10-20 percent of their total monthly expenditure on shopping is for apparels while 23 percent customers are in the category who spend less than 10 percent. For another 13 percent of customers, 21-40 percent of their total monthly expenditure of shopping is contributed to purchase of apparels and for the remaining 16 percent it is more than 40 percent. This shows that people are ready to spend a good amount of their monthly income on shopping of apparels or other items of their use. This shows that the people’s buying power is increasing and so does the disposable income.

Reasons for Visiting an Organized Retail Outlet: People quoted many reasons for visiting retail outlets like better quality, variety, ambience, discounts. 48 % of the respondents felt the ambience and the store environment was their main cause of visiting the mall followed by 30% customer’s who visit an organized retail outlet because they get better quality products there. Promotional Schemes like discount offers, buy one get one free, coupons were also the reason for the store attraction by 22% of the respondents.

Factors Affecting Purchase of Apparels: During the study, five important factors (quality, price, variety, design and visual merchandising) affecting the purchase of apparels have been identified. The survey clearly indicated that 77% of customers feel that quality is a very important factor affecting the purchase of apparels. 26% of customers said that visual merchandising is a very important factor for purchase of apparels. Therefore it is an indication to the retailers that they can increase the footfalls in their stores by focusing on the art of visual merchandising hence proving the saying visual merchandising acts as a silent salesman.

Attention Paid to Displays and Signage:

It was found in the research that 93 %of the customer when enters the retail store they look at all the displays and signage present in the store. The display windows displays are ways to grab the customer’s attention and drag them towards the store. One thing should be kept in mind by the retailer that the customers just spent few seconds at the display so becomes important for the retailer to put such a display that will attract the customer or force the customer to visit the store or deliver the required information to the customer. Very few only 7% do not pay any attention to displays or signage



ISSN: 2319-5967

ISO 9001:2008 Certified

International Journal of Engineering Science and Innovative Technology (IJESIT)

Volume 2, Issue 3, May 2013

Tendency towards Change - Try New Apparel: It was found from survey that 85 percent of customers said that they would try new apparels which are on display while 15 percent do not try and prefer their usual garments for which they have come to the store. Since, a majority of customers have a tendency to adapt change therefore; the retailers can make use of this opportunity to display new products or ranges on display. They can make use of effective visual merchandising techniques and can attract customers to buy new apparels.

Displays Attract More Attention: 85 percent of respondents felt that those things which are on display attract more attention of the buyer as compared to the ones which are stacked in the stores. People while shopping give lot of attention to the in-store form and what is displayed on the mannequins. Thus the display on the mannequins should be attractive as the customer gets a fair of what should they buy only after looking at the display. Maybe the retailer have many competitors in the market but the winner is one who has good display which as a way of attracting the customer towards your store and once he is in then it is salesman skill which will work to make an effective sale. Hence the important step is to bring the customer to the store and this is possible by attractive displays.

Reason for Choosing a Particular Store: As said in above point there are many competitors present in the market who are selling the same product. But the survey 40 percent customers feel that better quality is the main reason for choosing a particular store. Another, 33 percent customers said that offers and discounts are the main factors which help them to decide which store to chose. Store environment/ visual merchandising 27% are the main reasons for visiting a particular store. Though, visual merchandising is not the main reasons but that does not mean retailers can ignore on this infact the retailers should the strategy of combining visual merchandising with quality products thereby increasing their market share.

Relationship of Color, Lighting, Ambience and Attractive Visuals with Time Spent in Store:

85 % of the respondents felt that color, lighting, ambience and attractive visuals make them spend more time in store while 15% customers feel that various attributes of visual merchandising do not have any relation with the time spent in the stores. Results clearly indicate that in general, stores that are brightly lit, with the lights cleverly blending with the interiors lead to higher customer comfort, and as such, more sales.

Effect of Good Interiors and Display on Buying Behavior: 80% of customers feel that good interiors and display affect their buying behavior and stimulate to shop more. The reason behind this is that once customers walk in, it is but imperative to ensure that they enjoy their first encounter with the store. After all, repeat visits will only happen if a customer's first visit is a memorable one. The logical arrangement of counters, with clear passageways allows for easy access to merchandise. Remaining 20% said that their buying behavior is not affected by good interiors and display.

Connection of Visual merchandising and Marketing of Product: The study indicated that 89 percent of customers feel that by applying effective visual merchandising techniques the companies can market their products in a better way. Data depicted that only five percent of customers said that effective visual merchandising has no effect on marketing of products. The remaining six percent said that they had no idea regarding effect of visual merchandising on marketing of products.

Effect of Visuals and Display of Apparels on Final Buying Decision: The survey revealed 75% percent of customers said that their final buying decision is affected by visuals and display of apparels while 25% customers said that visuals and display have no effect on their final buying decision. Visual merchandising 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. Various tools of visual merchandising like graphics and signage, window display, mannequins and lighting can be effectively used to influence the final buying decision.

Relationship between Visual Merchandising and Impulse Buying: During the study, it was found that 65% customers said that effective visual merchandising induces impulsive buying. Remaining 35% of customers said that visual merchandising does induce impulsive buying. Retail setting, such as visual merchandising, therefore, can influence consumers' impulse buying by providing information or reminding needs as well as producing positive feelings. At the stages of the impulse buying process, retailers can attempt to provoke consumers' desire for the products, and the awareness of the products, which can satisfy the desire, can be achieved by browsing and being exposed to the stimuli, such as visual merchandising. The positive impulse buying experiences contribute to establishing store loyalty and customers' perceived value and satisfaction influences future buying decisions.

Findings

An important finding is 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. In addition it



ISSN: 2319-5967

ISO 9001:2008 Certified

International Journal of Engineering Science and Innovative Technology (IJESIT)

Volume 2, Issue 3, May 2013

was also 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. Through the study it was also found most of the firm's main idea of display is to show the newest trends and the new arrivals. It is observed that most people are lured into buying the product looking at the shop's ambience and visual display. Therefore retailers should put more efforts creating attractive and eye-catching window display providing information regarding new products, fashion trends, or coordination tips. Studies indicated that a retailer has roughly seven seconds to capture the attention of a passing customer. The following elements combine to form a distinctive image that not only reaches out and grabs the customer's attention, but also makes a positive impression within those precious seconds. The image makers are: an identifiable store name, a powerful visual trademark, an unmistakable storefront, an inviting entrance and a consistent and compelling store look and hook. Since most of the tools of visual merchandising significantly influence customers' buying behavior, retailers should continuously reinforce their usage to create favorable shopping environments to influence customers' both in-store responses and future store choice decisions. Everything you do in the store must fit into the image you chose to create. Creation of a recognizable image that will be applied and communicated effectively through multiple media to gain customer recognition and loyalty.

VII. SUGGESTIONS

- Windows display acts as a stimulus for the customers to enter the store. It has various benefits like displaying best merchandize, providing information about new arrivals and attracting price sensitive customers by displaying promotional merchandise therefore retailers should put up a attractive and informational display.
- Most of customers are willing to purchase products from retail stores in the evening hours and therefore, managers can pay special attention to make attractive environment in the store premises and make action to control the rush condition.
- Colors create a psychological impact on the minds of the customers and can capture attention. They reflect one's moods and thus, add meaning .Therefore color plays a vital role in creating a positive shopping experience. Hence, retailers should be careful at the time of selecting the color scheme.
- Majority of customers respond to the lighting more positively. They specially mentioned that lighting helps to select correct products, reduce the time wasted and feel relaxation during the shopping tours. Therefore, visual merchandisers can select appropriate lighting system that creates satisfaction of psychological needs of customers.
- Music is played in retail store not with the objective of providing entertainment but for influencing buying behavior. The type of the music played at the outlet depends upon the products being sold and target audience. Therefore the selection of the music to be played at the store and at what volume is some of the challenges that retailers generally face. The soft and classic music are highly recommended than other type of music.
- There should be proper relation between the season and the products displayed. The store environment should be warm, welcoming and friendly giving a customer a memorable shopping experience.
- The Store should be organized logically like proper groups and categories should be mentioned, so that all merchandize of one type, color, and size is positioned together helping the customer to make a clear choice.
- Visually appealing stores and outlets did help the respondents to create an image of the brand in the minds of the customers.
- Among the various features of the store like the lightening, display on the mannequins , staff behavior , cleanliness were important to convert the window shoppers into the real buyers. The shop managers should always supervise these personally so as to increase the footfalls.

VIII. CONCLUSION

Visual Merchandising as a silent salesperson, as its tools does not speak but definitely convey their sales message through visual appeal. In order to fulfill the changing expectations of today's customers, retailers need to place greater emphasis on presentation of merchandise. Retailers have to understand the importance of shopper's expectations and provide the right environment to lure them.



ISSN: 2319-5967

ISO 9001:2008 Certified

International Journal of Engineering Science and Innovative Technology (IJESIT)

Volume 2, Issue 3, May 2013

VM serves as a significant influencer of the retail experience and the shopper's decision making process. It provides competitive advantage and helps in building the overall image of the store. Since a lot of retailers have started adopting this concept, one should be innovative enough in VM to achieve better results. It was known from the research that visual merchandising has direct relation with the sales performance. Due to Visual merchandising the customers gets attracted towards hence increasing the stores footfall, which ultimately has a positive impact on the sales figures. The research also threw light on the fact that visual merchandising has the capability to invite people to enter the store and develop their buying behavior. The results proved that there was relationship between customers' buying behavior and in-store form/mannequin display, promotional signage and window display. The study also provided insights about types of visual merchandising that can influence customers' buying behaviors. Three most important factors of visual merchandising namely attractiveness of window display, innovative assortments and cleanliness and neatness of store/ store environment have been identified. Hence, Visual merchandising has become an important variable in present scenario.

REFERENCES

- [1] Baker, J., Grewal, D. and Parasuraman, A., (1994), The Effect of Store Atmosphere on Consumer Quality Perceptions and Store Image, *Journal of the Academy of Marketing Science*, 23-34.
- [2] Bhalla Swati, Anurag S., Visual Merchandising,(2009), Understanding Retail and Visual Merchandising,2-30,Tata McGraw Hill .
- [3] Donovan R. J., Rossiter J. R., Marcolyn G. and Nesdale A.,(1994), Store Atmosphere and Purchasing Behavior, *Journal of Retailing*,70, pp.283-294.
- [4] Kunwar, Pooja, "Visual Merchandising: A Silent Salesman of Retailers," *Marketing Mastermind*, vol-X, no.2 pp.29-33, February 2010.
- [5] Vinamra. Jain, Ashok. Sharma, Pardeep. Narwal," Impact of Visual Merchandising on Consumer Behavior towards Women Apparel," *International Journal of Research in Management*, Vol5. no.5, pp106-117, September 2012.
- [6] Wanninayake W.M.C.B. and Pradeep Randiwela,(2007), The Impact of Visual Merchandising on Consumer Store Choice Decision in Sri Lankan Supermarkets.
- [7] Weishar, Joseph, (December 1984), "The Business of...In-Store Marketing." *Visual Merchandising & Store Design*, Vol. 115 No. 12.
- [8] Clark, D. (2007). Visual Merchandising and Store Design, retrieved on <http://vmsd.com/content/seibu-jakarta-indonesia-0>.
- [9] Dawes, C. (2008). Visual Merchandiser, retrieved from <http://www.sunburysc.vic.edu.au/pdfs/newsletters/September2008.pdf>,
- [10] Storms, R. (2006). An outline of Visual Merchandising, retrieved from <http://www.articlesbase.com/recruitment-articles/an-outline-of-visual-merchandising-2720346.html>.