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# IMPACT OF VISUAL MERCHANDISING ON IMPULSE BUYING BEHAVIOR – WITH REFERENCE TO PUDUCHERRY REGION

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#### **Abstract**

The evolution of Visual Merchandising brought about a new process of shopping. It resulted in a shift from verbal engagement between retailers and customers to a sensory experience. With increasing competition, retailers today are using the merchandising tool to differentiate themselves from other competitors in a prominent way. Visual Merchandising not only presents merchandise in an attractive manner to give visual treat to customers but also encourages impulse buying by customers. Visual Merchandising techniques are used by retailers to convert ordinary visitors to customers. The study is aimed to find out Impact of various dimensions of Visual Merchandising on Impulse Behavior of the customers visiting the stores of Pondicherry Region.

**Keywords:** Visual Merchandising, Impulse Buying Behavior- Determinants.

# 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. Eighty percent of our impressions are created by sight; that is why one picture is worth a thousand words. Visual merchandising is a major factor often overlooked in the success or failure of a retail store. Each customer has a mental image of a store and its merchandise. A store should have an inviting appearance that makes the customer feel comfortable and yet eager to buy. Greater effort must be spent on merchandise displays that make it easier for the customer to find and purchase the items they want or need. The basic objective for

visual merchandising is a desire to attract customers to a place of business in order to sell the merchandise.

#### IMPULSE BUYING BEHAVIOR-MEANING

Impulse buying is a process that occurs when the consumer experiences a sudden urge to purchase an item that he or she cannot resist. The factors which influence impulse buying, such as external stimuli (buying frequency, store displays, promotions and advertising, atmosphere in the store and retailers), internal perceptions (lifestyle, personality, emotion, money and time pressure), buying behavior (price, the time of purchasing, payment) and demographic variables (age, gender, income, occupation, marital status, education, household income, and social status).

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It is important for marketers to be aware of these four factors so that they can make a complete and functional marketing plan.

# IMPULSE BUYING BEHAVIOR – DETERMINANTS

There are various determinants for Impulse Buying Behavior in retail store. The Determinants are Lighting, Promotion, Price, Accessibility, Visibility of the store, assortments, and window displays, sales person etc. This research investigates how elements of internal atmospherics influence impulse buying behavior. Factors such as in-store background music, store display, scent, in store of the idea that an increase or decrease in the amount spent for an essential item on a given shopping trip.

# 1. Window Displays

Window displays can communicate style, content, and price. Display windows may also be used to advertise seasonal sales or inform passers-by of other current promotions. Customers give three to five seconds of their attention to window display. The retailer's visual message should be conveyed to the customer in that short period of time. Props are items used for display purposes like mannequins, theme based products and accessories.

#### 2. Store Layout or Floor Plan

Clear passages are provided for products, which require touch and feel. All impulse purchase driven products are also clearly displayed so that the customers can reach them without any hindrance. Also, it has been observed that when a person enters a room, the human eye moves in a Z pattern, i.e., from rear left of the room to right rear, followed by front left of the room to front right.

#### 3. Colors

Color is one of the most powerful tools in the Visual Merchandising segment. Colors can be associated with emotions, special occasions and gender. It attracts attention and pulls more customers into the store. A right choice of colors in the display items can turn walkers into stoppers and significantly convert them into customers.

# 4. Stores Display

Product display has been identified as an in-store stimuli, which is a promotional technique used to encourage impulse buying. The purpose of in-store or interior displays is to create desire for the merchandise as well as promoting both planned and unplanned buying.

#### 5. Music

The background music is likely to produce stronger effects on perceptions and preferences. Less time was spent in the stores when the music was loud compared to when it was soft.

#### 6. Lighting

A great deal of research has been undertaken on the impact of lighting on a customer's purchase behavior. 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.

#### 7. Cleanliness

The frequent and occasional shoppers across all retail formats indicated cleanliness as the single most important store attribute. Clean store might generate image perceptions of cleanliness, contentment, or luxury.

#### RATIONALE OF THE STUDY

With increasing competition, retailers strive to ensure that their stores are appealing to their target markets. As retailers are finding it increasingly difficult to create a differential advantage on the basis of merchandise alone, the store itself plays an important role for market differentiation. The need of this study is basically to understand the factors that influence the impulsive purchase decision of consumers in apparels. This study will also determine which factor has maximum and minimum influence in making the purchase decision.

#### **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.

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".

Kouchekian and Gharibpoor (2012) conducted research to study impact of visual merchandising in a hypermarket. The hypotheses were based on variables namely store layout, colour lighting, cleanliness, store design and height of shelves. The results show that it is important that hypermarket retailers provide a suitable, comfortable and time saving store layout and also clean atmosphere to their customers.

Kerfoot (2013) in their research on visual merchandising and the creation of discernible retail brands said that merchandise colour, packaging and product presentation techniques had an immediate impact on most respondents as these factors visually communicated to the customers and the message could be appropriately decoded by them. The manner of presentation and use of mannequin also raised many comments and order display showed a positive response. They suggested that retailers need a detailed understanding of their audience and therefore places heavy emphasis on visual merchandising.

### **Objectives**

The following are the various objectives of the study:

- 1. To find out the demographic factor of respondents towards Impulse Buying.
- 2. To find the impact of window display on consumer impulse buying.
- 3. To find out the factors which influence the impulsive buying behavior of respondents.

#### RESEARCH METHODOLOGY

#### DATA COLLECTION

Data were collected through observations from 50 respondents from four different age groups i.e. 20-30, 30-40, 40-50 and 50-60, who walked into the store at the time of study.

#### **DATA ANALYSIS**

The nature of research design chosen was a descriptive one. So, as far as possible attempt was made to gather primary data. In that context, a detailed observation criterion was administrated, facilitating the observations process. The primary research was carried out in shopping centres of Pondicherry town. And information was collected from customers who were purchasing products in the shopping centre at the time of the study. Additionally, secondary data for conceptualization and operationalization of the matters and other purposes were also utilized through textbooks and web sites.

**Period of Study**: Study was conducted during the month of June 2015

#### LIMITATIONS OF THE STUDY

Small sample consideration and geographical constraints were present in the study area. The study was considered quantitative data only. Further the respondents were having time limitations during the study period.

#### **DATA INTERPRETATION**

Table 1: Demographic profile of the sample

Age group	20 - 30	30 - 40	40 - 50	Above 50
Frequency	13	26	7	4

# **Source: Primary Data**

Majority of respondents are in age group of 30-40 years and 20-30 years .Therefore, it may be concluded that most of the shoppers are in 25-39 years of age.

Table 2: Income status of the sample

Income	<10000	10,000 – 20,000	21,000 – 30,000	Above 30,000
Frequency	3	22	14	11

**Source: Primary Data** 

Most of the respondents are having disposable income between 10,000 - 20,000.

Table 3: Nature of Job of Respondents

Education Govt. employed		Private employee	Self employed	
Frequency	14	28	8	

Source: Primary Data

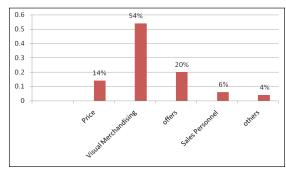
Most of the respondents belong to private sector jobs.

Table 4: In Store Factors of Purchase

Fac- tors	Price	Visual Merchan- dising	Offers	Sales person- nel	Others
Fre-	7	27	10	3	2
quency					

Source: Primary Data

Chart1: In Store Factors of purchase



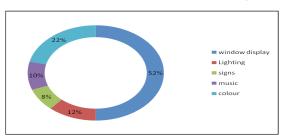
Most of the respondents about 54% consider visual merchandising as an important in store factor for purchase .

Table 5: Elements in Visual Merchandising

Factors	Window display	Lighting	Signs	Music	Colour
Fre-	26	5	4	6	11
quency					

**Source: Primary Data** 

Chart 2: Elements in Visual Merchandising



52% of respondents are attracted by eye catching window display and 22% respondents give preference to the colour.

#### **FINDINGS & SUGGESTIONS**

The research findings of present study have more practical orientation and which is important for the marketers in supermarkets sector. Hence, the study recommends the following.

- 1. Visual merchandising is the most important variable in in-store environment among the tested variables. It can significantly influence on consumer's buying choice. Therefore, application of more attractive visual merchandising materials in their promotions will help to obtain better results. The lighting, design layout, themed displays and cleanliness are the key elements of visual merchandizing programs.
- 2. In visual merchandising, window display, colors & lighting create a psychological impact on the minds of the customers and can capture attention. Hence, retailers should be careful at the time of selecting the lighting & color scheme. The shop managers should always supervise these personally so as to increase the footfalls.
- 3. The background music will also encourage customers to spend extra time and make impulse purchase decisions in supermarkets. The soft and classic music are highly recommended than other type of music.
- 4. When planning for themed displays for special offers or for festive seasons, the theme of the display and creativity should match the offer.

## **CONCLUSION**

Visual Merchandising is a silent salesperson, as its tools do 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. This study will provide information as to why visual merchandising should be considered an important component of a strategic marketing plan in support of sales increase and company image. An important finding of this study was that visual merchandising practices certainly influence respondents' impulse buying behavior.

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