
A STUDY ON VISUAL MERCHANDISING TECHNIQUES AND ITS IMPACT ON IMPULSE BUYING & CUSTOMER PATRONAGE INTENTIONS AMONG YOUNG ADULTS OF TRICHIRAPALLI CITY

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Abstract

Our Nation is becoming more modern now. Retail apparel is a most important sector in this scenario. The Researcher aimed to explore visual merchandising techniques and its relationship between a Customer impulse buying & Patronage intention in Apparel Segment among Trichirapalli, Tamilnadu (South India) young community. Researcher collected primary data through structured questionnaire among 150 young adults in Trichirapalli. The Questionnaire comprises of 2 parts. The First Part contains the demographic variables and the second part contains measures of impulse buying, window display, in store form/mannequin display, floor merchandising, promotional signage, & Corporate Identity. The Researcher used SPSS to analyze the data statistically. The tools used were Reliability Statistics, Pearson correlation test, Factor Analysis, Multiple regression analysis to show the effect on impulse buying and Patronage intention. The Researcher has proved that Visual merchandising will boost the impulse shopping behavior of the customers and make them loyal customers. The findings will be useful for retailers to perceive the nature of impulse buying behavior and its factors, such as visual merchandising, which can positively reinforce the sales and Customer relationship management.

Keywords: Visual Merchandising, Impulse Buying behavior, Apparel, Retail.

Introduction

Visual Merchandising (VM) is the attractive way of presentation, which puts the stocks as an eye catching one and it is a stimulator for our mind to buy it instantly. Instant buying is a one way of fast selling technique popularly known as "Impulse Buying. Visual merchandising is the activity of promoting the sale of goods, especially

by their presentation in retail outlets. This includes combining products, atmosphere and spaces into a stimulating and engaging display to encourage the sale of a product or service among the apparel customers. It has become such an important ingredient in sales because retailers are experiencing a tough competition with online selling portals where they exhibit more attractive than the physical retail shops. To overcome this cut throat competition, retailers should awake themselves by engaging them in effective visual merchandising techniques namely Mannequin Display, Floor Merchandising, Promotional Signage and Corporate identity. In this paper the researcher introduced a dimension "Corporate Identity". Corporate identity is a platform or media where store communicates its policy, offers and other public relations via the network and make the customers in gentle touch and aware of their products. This is also a effective way of merchandising and easy way inspiring the apparel lovers.

Review of Literature

Syed Md. Faisal Ali Khan et al (2016) Here in this report various comparison has been made using SPSS 18.0. Product display, store ambience, floor merchandising, promotional strategy and discount signage are the visual merchandising elements which invokes consumer in purchase decision. In this report five hypotheses are proposed and is tested using co-relation analysis. Factor analysis is used to test the reliability of the questionnaire framed for primary data.

Xeniya, Louise Rosenfeld (2015) Suggested that consumers' attitude toward sustainable visual merchandising practices is a strong indicator of their willingness to buy and intention to patronize such retailers, which ultimately results in store loyalty.

Kaur, Amandeep (2013) suggested 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) suggested in their implications that due to increasing competition and the similarity of merchandise, retailers utilize visual merchandising to differentiate their offerings (maintain a prompt Unique Selling Proposition)from others" as well as to improve the desirability of products.

Leelavati (2013) recommended that 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.

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.

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.

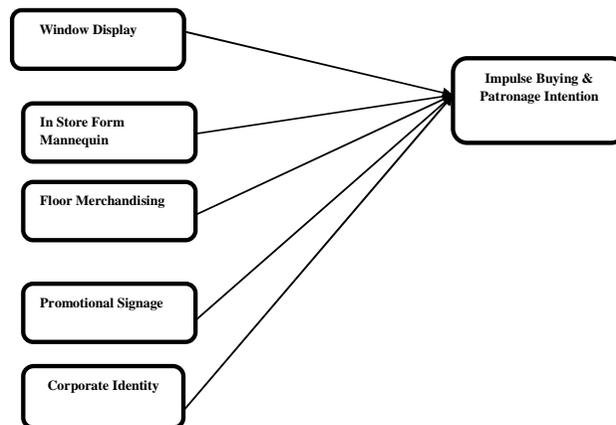


Fig.1 Conceptual frame work

Window Display

Window display is the fine art of displaying store merchandise in the store window. Window display is emerging as the new mantra in retail and is fast changing from a dull, uninteresting exhibition of wares in the store window to a dynamic form of advertising. Retailers are recognizing the importance of window display as the first

point of contact between the store and the customer and a chance to create the most critical first impression on the customer. Developed countries look at window display as a critical tool of marketing; however, in India, it is still an emerging concept.

Mannequin Display

The artificial dolls used by the retailers to display their merchandise (can be anything) are called as mannequins. The mannequins help the customers to know about the latest trend the store offers without sometimes even bothering the sales representative. It is the attractive mannequin which pulls the customer into the store.

Floor Merchandising

The use and manipulation of attractive sales displays and retail floor plans to engage customers and boost sales activity. Retail floor merchandising includes fronting shelves, which means positioning items in orderly rows or stacks with the label facing forward and at the outermost edge of the shelf for easy access. In a retail clothing store, folding T-shirts, sweaters and pants in a uniform manner and stacking them according to size, color or style.

Promotional Signage

Promotional Displays showcase your company's products and services with high-impact visual display solutions including Point of Purchase, Window Lettering, Menu Boards, Custom Banners, Posters, Labels and Decals, Bumper Stickers and Name Badges.

Corporate Identity

A corporate identity is the manner which a retail store or business presents themselves to the public, such as customers and investors as well as employees.

- Corporate design (logos, uniforms, corporate colours etc.)
- Corporate communication (advertising, public relations, information, etc.)
- Corporate behaviour (internal values, norms, etc.)

Research Methodology

The Researcher has adopted Non Probabilistic Purposive sampling by adopting descriptive type of research. A Structured questionnaire was framed which consists of 2 parts. The First part contains the demographic enquireds of the respondents and the Second part contains 26 independent variables with the dimensions of Window Display, Mannequin, Floor Merchandising, Promotional Signage, Impulse buying & Corporate Identity. 105 samples were collected from the young adults between the age group of 18-35(adults). The data collected using Mall intercept method. Walk out apparel customers were surveyed in major retail stores of prominent retail stores in trichy. Data analysis and interpretation was performed using Statistical Package for social sciences.

The tools used were Reliability statistics, multiple regression, Pearson correlation and factor analysis.

Research Objectives

To explore the dimensions of Visual merchandising and its impact on impulse buying and patronage intention of apparel customers.

To Understand the demographic and rational profile of the respondents.

Research Hypothesis

Apparel Customers are induced by Window Display which influences Impulse (**H1**).

Apparel Customers are induced by Mannequin Display which influences Impulse (**H2**).

Apparel Customers are induced by Floor merchandising which influences Impulse (**H3**).

Apparel Customers are induced by Promotional Signage which influences Impulse (**H4**).

Apparel Customers are induced by corporate identity which influences Patronage Intention (**H5**).

Data Analysis and Interpretation

Table 1 Reliability Statistics

Dimension	Cronbache's alpha reliability value
Impulse buying	0.799
Window display	0.699
Mannequin display	0.537
Floor merchandising	0.908
Promotional signange	0.566
Corporate identity	0.648
Patronage intentions	0.794

The alpha values were calculated to assess the internal consistency reliabilities of the Questionnaire. For all the dimensions, the value are above 0.5 which indicates adequate reliability.

Table 2 Simple Percentage Analysis

S.No	Qualification	Percent
1	Junior college	19
	Bachelors degree	30
	Post graduate degree	45
	Others	06
2	Frequency of visit to the store	
	Once a week or more	7
	Once every two weeks	4
	Once a month	19
	Four or five times a year	33
Rarely or first time	37	

3	Who referred this store to you	
	Spouse	5
	Family	21
	Colleagues	48
	By myself	22

Table 3 Factor Analysis

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.776
Bartlett's Test of Sphericity	Approx. Chi-Square	1.297E3
	Df	210
	Sig.	.000

The significance (0.000) is less than assumed value (0.05). This means that the factor analysis is valid. Inferring the KMO coefficient (0.776) the value is more than 0.5. So, this implies that the factor analysis for data reduction is effective for the visual merchandising variables.

Table 4 Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.231	20.148	20.148	4.231	20.148	20.148	2.325	11.072	11.072
2	1.840	8.760	28.908	1.840	8.760	28.908	2.143	10.205	21.278
3	1.500	7.144	36.052	1.500	7.144	36.052	1.925	9.167	30.445
4	1.350	6.427	42.479	1.350	6.427	42.479	1.680	7.999	38.444
5	1.129	5.377	47.857	1.129	5.377	47.857	1.504	7.164	45.608
6	1.108	5.276	53.133	1.108	5.276	53.133	1.465	6.978	52.587
7	1.024	4.875	58.008	1.024	4.875	58.008	1.138	5.421	58.008

Extraction Method: Principal Component Analysis.

An Eigen value represents the total variance explained by each factor. Percentage of the total variance attributed to each factor. One of the popular methods used in exploratory factor analysis is Principal Component Analysis, Where the total variance in the data is considered to determine the minimum number of factors that will account for maximum variance of data. The Seven Components contributes to 58% of integrity in factor analysis.

Table 5 Rotated Component Matrix

	Component						
	1	2	3	4	5	6	7
I go shopping to relax myself and to get off from stress	.580						
I buy things impulsively				.672			
I feel a excited when I make an impulse purchase				.730			
I have difficulty controlling my urge to buy when I see a good offer				.635			

When I see a nice deal, I buy more than that I planned to buy					.758		
I Enter a store when I am attracted by an attention-grabbing window display	.563						
I feel obligated to enter the store when I see an interesting window display	.709						
I wish choose the store to shop in depending on stunning window display	.682						
I apt to buy the clothing which is on window Displays	.601						
I get an stimulation of what I want to buy after looking through in-store /mannequin display			.658				
When I see clothing featuring a new style or design on display, I buy it			.756				
When I see clothing that I like on in-store form/mannequin display, I tend to buy it			.569				
I Wish to rely on store displays when I make a decision to purchase clothing		.620					
If I see an interesting promotional offer on in-store signs, I wish to buy		.727					
Stock clearance /Instant offers signage tempt me to look through the clothing		.770					
When a special promotion sign, I go to look at that clothing		.505					
I am more likely to make an unplanned purchase if the clothing has a sale or clearance sign						.602	
The Logo /Symbol of the store is very easy for me to identify the store						.681	
The Employees are unified in serving customers and they do not differ in assisting the customers							
Corporate Color Palette used by this store is catchy and grabs my attention							
The Advertisements of this store gives consistent look and feel							.852

Interpretation of factors is facilitated by identifying the statements that have large loading in the same factor. The factor can be interpreted in terms of the statement that loads high on it. Factor 1 contributes 11% and factor 2 & 3 contributes to 10% and 9% respectively. This shows that variables in factor 1 constitutes the highest among all the seven 7 components.

Table 6 Multiple Regression

Impulse Buying Vs Visual Merchandising Techniques

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.802(a)	.643	.630	.468

Predictors: (Constant), Corporate Identity, Window Display, Floor Merchandising, Mannequin Display, Promotional Signage.

Table 7 Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.716	.353		2.026	.045
	Window display	-.001	.057	-.001	-.012	.991
	Mannequin display	.336	.056	.489	5.969	.000
	Floor merchandising	-.036	.084	-.034	-.428	.669
	Promotional signage	.146	.093	.133	1.574	.118
	Corporate Identity	.370	.078	.328	4.736	.000

Dependent Variable: Impulse Buying

The above model summary table shows R-Square for this model is **0.643**. This means that 64.3 percent of the variation in Impulse buying (dependent variable) can be explained from 2 dimensions namely Mannequin Display and Corporate Identity.

Patronage Intentions Vs Visual Merchandising Techniques

Table 8 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.709(a)	.503	.500	.506

Predictors: (Constant), Corporate Identity

Table 9 Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.916	.251		3.652	.000
	Corporate Identity	.744	.064	.709	11.608	.000

Dependent Variable: Patronage Intentions

The above model summary table shows R-Square for this model is **0.503**. This means that 50.3 percent of the variation in Patronage intentions (dependent variable) can be explained from Corporate Identity of the store.

Table 10 Correlations

		Impulse Buying	Result
Window display	Pearson Correlation	.030	H1 Rejected
	Sig. (2-tailed)	.733	
	N	135	
Mannequin display	Pearson Correlation	.735(**)	H2 Accepted
	Sig. (2-tailed)	.000	
	N	135	
Floor merchandising	Pearson Correlation	.565(**)	H3 Accepted
	Sig. (2-tailed)	.000	
	N	135	
Promotional signange	Pearson Correlation	.650(**)	H4 Accepted
	Sig. (2-tailed)	.000	
	N	135	

** Correlation is significant at the 0.01 level (2-tailed).

Table 11 Correlations

		Corporate identity	Patronage intentions	Result
Corporate identity	Pearson Correlation	1	.709(**)	H5 Accepted
	Sig. (2-tailed)		.000	
	N	135	135	
Patronage intentions	Pearson Correlation	.709(**)	1	
	Sig. (2-tailed)	.000		
	N	135	135	

** Correlation is significant at the 0.01 level (2-tailed).

Managerial Implication & Conclusion

Even though there was 5 dimensions in visual merchandising, the techniques namely Corporate Identity and Mannequin/In Store Form induced the impulse buying and patronage intentions of the apparel lovers of Trichirapalli city confined to Young adults .The researcher strongly suggest the retailers and marketers to concentrate more on Window Display as most of the respondents not gave positive response about the

window display of the store. Window display is one of the potential ways of exhibiting the products/services which will convert the window shoppers into potential buyers. Although all the dimensions are related with impulse buying, the dimensions namely corporate identity and mannequin/In store display are directly related with impulse buying. One more interesting finding found by the researcher is , there exists a strong positive relationship between corporate identity and patronage intentions. Tier 2 city like Trichirapalli is perceived to be place where people looks for reputation before purchase. Brand building via media is one of the important tool in visual merchandising, which will create loyal customers. Apparel store marketers should work consciously in this era, because this is a digital world and all your loyal customers may be grabbed by the online stores.

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