

A STUDY ON IMPACT OF VISUAL MERCHANDISING ON APPAREL PURCHASE DECISION

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ABSTRACT

The point of purchase advertising which is considered to influence buying decision of the consumers seems to play a vital role and is used as a chief marketing strategy by the manufacturers .Such display advertisements, which have served since the establishment as a powerful tool in product promotion, have evolved significantly and have undergone essential changes both in its principles and approach. New materials, new strategies and new techniques have made this medium a most potent tool in aiding sales and product promotion. In the modern day marketing, the point of purchase advertisements or simply the display of products has acquired a new taxonomy called 'Visual merchandise'. Visual merchandising cannot be compared to any other medium but is considered to be a greatly helpful medium. Visual Merchandising is the act of selling or marketing a product efficiently so that a satisfactory transaction is made. This involves a place where the product is kept and it is exhibited before a buyer comes and buys a product. The study was done by collecting data from customers who do shopping of apparel through visual display in Chennai. The questionnaire was distributed to 120 respondents for conducting research. Convenient method of sampling was adopted in the study. Percentage analysis, Factor analysis and Cluster analysis are used for analyzing the data.

KEY WORDS:Display of goods, Retailing, Consumer buying behaviour and brand image, advertising, point of sale.

CONSUMER BEHAVIOUR:

The world consumers live in is rich with ambience. When entering an apparel retail store, consumers act differently to the sensations and stimuli around them; they either pay attention to it or they ignore it. Each and every message created by an apparel retailer is done with a specific purpose in mind. However, consumers transpire to make their own decisions by adapting the

message that is created by certain sensations or stimuli (such as Visual Merchandising displays) to fit in with their own unique experiences, desires and prejudices.

VISUAL MERCHANDISING:

Visual Merchandising is defined as “everything 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”

Visual merchandising is the art of presentation, which puts the merchandiser in focus. It educates the customers, creates desire and finally augments the selling process. It is an artistic method to ensure that retailers merchandise moves off the shelves faster, and is a tool to appeal to the visual sensory elements of the customer. Visual merchandising, once an unknown skill, is growing popular nowadays with the introduction of self service in retail stores off late and the number of changes taking place in supermarket merchandising methods, there has been increased emphasis on the kind of store layout, store building, fixtures, and equipment, color displays, silent 3 communication tools, window display and finally opinion building through in-store displays which has taken the art of retailing to higher applications frames.

With these theoretical backgrounds the present study attempted to know about impact of visual merchandising on making purchase decision by the people in Chennai City.

CONCEPT OF VISUAL MERCHANDISING:

- It is referred to as Point-Of Purchase (POP) Display.
- It involves everything the customers see both exterior and interior, that creates positive image of a business and results in attention, interest, desire and action on the part of the customer.
- Visual merchandising is the art of implementing effective design ideas to increase store traffic and sales volume.
- It is often referred to as the silent salesperson.

PURPOSE OF VISUAL MERCHANDISING:

- Informing and educating customers about the product or service.
- Adding value to the atmosphere of the store.
- Making it easier for the shopper to self-select.
- Acting as a significant promotional tool.
- To communicate with the target customers much more easily.

- Implementing the retailer's strategy.
- Influence customer buying behavior.
- Provide flexibility.

SCOPE OF THE STUDY:

- The scope of the study is to find out the impact of visual displays in the store which causes to change the buying decisions of the customers.
- The purpose of the study to create awareness among the retailers about visual merchandising.

OBJECTIVES OF THE STUDY:

- To determine the factors of visual merchandising influencing customers' buying behavior.
- To understand the attitude of consumers towards visual merchandising in apparel purchase decision.
- To identify the nature of consumers based on factors of visual merchandising

LIMITATIONS OF THE STUDY:

- ❖ The study is confined for a specific period and hence the sample size is 120.
- ❖ The data collected is primary and hence there may be personal bias.
- ❖ The time availability for this study is limited.
- ❖ The study is restricted to the consumers of apparels in and around T.Nager (Thyagaraya Nagar) in and around Region only.

REVIEW OF LITERATURE

Neha.P.Metha, Pawankumarchugan, "Consumers Perception for Visual Merchandising of Lifestyle Apparel stores", International Research Journal of Marketing IRJM 2014, 8/1/2014 VOL 2(3))

Retail industry has fierce competition. There are lots of players domestic and international, branded and non-branded, into fashion apparels catering nearly some kind of products. Visual merchandising here plays a vital role of marketing of products. Hence the role of a visual merchandiser is becoming prominent to increase the sales of retail outlet. As per the study conducted, perceptions of consumers towards various retail outlets are different. From the study

it is found that consumer's perception for different retail outlet is different. Consumers find mannequin display and arrangement of properties are good at the retail stores. Also they should work on the rest of dimensions on which they do not qualify as each of the dimensions is important in terms of visual merchandising. Visual merchandising is a key which includes impulse purchase. Hence all retail outlets must have a strong window display. Window display should be changed at a regular interval of time so that consumers can come to know about the new arrivals. Product display should be well organized so that consumers do not have to work hard in search of the thing they want to purchase. Mannequin display should display best of the merchandising so that consumers see it and can think how the same would look on them and can empathize with the apparel. Atmospheric also impacts greater influence and it helps customers to stay long in the shop.

RESEARCH METHODOLOGY:

Research Design: Descriptive Research

Sample Design : Convenient sampling

Collection of data

1. Primary data: Structured Questionnaire
2. Secondary data: Data collected through journals and magazines
3. Sample size: 120
4. Sample area: Chennai city

The statistical tools that were applied are:

- ❖ Percentage Analysis
- ❖ Factor Analysis
- ❖ cluster Analysis

ANALYSIS AND INTERPRETATION

I. PERCENTAGE ANALYSIS

FREQUENCY LEVEL OF SHOPPING

S.NO	TIME SPENT	NO. OF RESPONDENTS	PERCENTAGE
1.	ONCE A WEEK	7	5.83%
2.	ONCE EVERY FEW MONTHS	61	50.83%
3.	ONCE A MONTH	16	13.33%
4.	ONCE A YEAR	17	14.17%
5.	TWICE A YEAR	19	15.83%
TOTAL		120	100%

INFERENCE:

From the above table it is inferred that 7(5.83%) of respondents shop once a week, 61(50.83%) of respondents shop once every few months, 16(13.33%) shop once a month, 17(14.17%) of respondents shop once a year and 19(15.83%) of respondents shop twice a year.

FACTOR ANALYSIS

VISUAL MERCHANDISING VARIABLES IN RESPECTIVE FACTORS

FACTORS	VARIABLES	FACTOR LOADING S
Factor 1 (INFLUENCE OF WINDOW DISPLAYS, LIGHTING & PROMOTION)	I tend to shop and browse products with promotional offers like discounts, rebates etc.	0.591
	I tend to purchase products which are given by special offers, discounts etc.	0.654
	I always pay attention to things covered with strong lighting.	0.585
	My interest towards the product increases when I see it clearly.	0.716
	Absorbing contents of window displays could increase my interest to enter and purchase in the store.	0.591
	Frequent changes in window displays help me to learn & get information about new merchandise available.	0.705
	Visual Merchandising is helpful in making apparel purchase	0.796

Factor-2 (INFLUENCE OF VISUAL MERCHANDISING)	decision.	
	I prefer to shop in the store where Visual Merchandising is done attractively.	0.718
	Visual Merchandising done according to merchandise theme increases buying decision.	0.731
	Visual Merchandising increases the interest towards the product.	0.588
	Visual Merchandising activities made me to shop the store again.	0.609
	Store Design is also an important purchase criterion.	0.531
Factor-3 (PURCHASE DECISION& INFLUENCE OF MUSIC)	I tend to buy products displayed at or near the checkout desks.	0.546
	I tend to buy unintended products while browsing at the store.	0.608.
	I tend to buy products displayed on the shelves on sight.	0.624
	Loud music in the shops encourages me to make immediate purchase.	0.766
	Back-lighted are mostly understandable to customers who tend to shop.	0.669
Factor-4 (INFLUENCE OF PRODUCT DISPLAYS)	When I enter a store Intend to walk directly towards the products I have planned to buy.	0.536
	Displays and Promotional offers informed in the store attract shopping.	0.707
	Displays make easy to shop in stores.	0.747
	While browsing the store, I tend to purchase products displayed in eye-catching displays.	0.686
Factor-5 (INFLUENCE OF PRODUCT SHELF POSITION)	Visual Merchandising increases the interest towards the product.	0.517
	I tend to look at products displayed neatly in shelves.	0.526
	The colour of the products arranged in shelves increases my interest to buy it.	0.746
	The colourful assortment of the product could increase my awareness on products.	0.789
Factor-6 (INFLUENCE OF STORE LAYOUT)	Store front view plays an important role in attracting the customer to the store.	0.571
	The store layout is also an important purchase criterion.	0.660
	Layout tends to purchase unintended products while trying to find a specific product.	0.732
Factor-7 (INFLUENCE OF SIGNS)	I always pay attention to signs that are mentioned in the products.	0.597
	Signs in the form of tags offer me more information about the product.	0.529

INTERPRETATION

Factor analysis clearly proves that customers are taken into consideration. Table shows that **PRINCIPAL COMPONENT METHOD OF FACTOR ANALYSIS** and the **VARIMAX ROTATION METHOD** have been used to the group of 32 variables into 7 factors.

The most dominant factor **INFLUENCE OF WINDOW DISPLAYS, LIGHTING & PROMOTION** and it includes 6 variables, I tend to shop and browse products with promotional offers like discounts, rebates etc., I tend to purchase products which are given by special offers, discounts etc., I always pay attention to things covered with strong lighting, My interest towards the product increases when I see it clearly, Absorbing contents of window displays could increase my interest to enter and purchase in the store, Frequent changes in window displays help me to learn & get information about new merchandise available(**11.157%) of variance.**

The second factor is **INFLUENCE OF VISUAL MERCHANDISING** and it includes 6 variables, visual Merchandising is helpful in making apparel purchase decision, I prefer to shop in the store where Visual Merchandising is done attractively, Visual Merchandising done according to merchandise theme increases buying decision, Visual Merchandising increases the interest towards the product, Visual Merchandising activities made me to shop the store again, Store design is also an important purchase criterion(**10.627%**) of variance.

The third factor is **PURCHASE DECISION & INFLUENCE OF MUSIC** and it includes 5 variables, I tend to buy products displayed at or near the checkout desks, I tend to buy unintended products while browsing at the store, I tend to buy products displayed on the shelves on sight, Loud music in the shops encourages me to make immediate purchase (**9.368%**) of variance.

The fourth factor is **INFLUENCE OF PRODUCT DISPLAYS** which comprises of 4 variables, When I enter a store I tend to walk directly towards the products I have planned to buy, Displays and Promotional offers informed in the store attracts shopping, Displays make easy to shop in stores, While browsing the store, I tend to purchase products displayed in eye-catching displays (**8.389%**) of variance.

The fifth factor is **INFLUENCE OF PRODUCT SHELF POSITION** and it includes of 4 variables, Visual Merchandising increases the interest towards the product, I tend to look at products displayed neatly in shelves, The colour of the products arranged in shelves increases my

interest to buy it, The colourful assortment of the products could increase my awareness on products **(8.063%) of variance.**

The sixth Factor is **INFLUENCE OF STORE LAYOUT** and it includes of 3 variables, Store front view plays an important role in attracting the customer to the store, the store layout plays significant role while browsing the store, Layout tends to purchase unintended products while trying to find a specific product **(7.172%) of variance.**

The seventh most factors is **INFLUENCE OF SIGNS** and it includes 2 variables, I always pay attention to signs that are mentioned in the products, Signs in the form of tags offer me more information about the product. **(5.695%) of variance.**

CLUSTER ANALYSIS

CLASSIFICATION BASED ON FACTORS OF APPAREL PURCHASE DECISION:

	Cluster			
	1	2	3	4
1. Influence of Visual Merchandising	.22881	-.71887	-.05835	.87631
2. Influence of Store Layout	-.38994	.43106	-.40522	1.16338
3. Influence of Product Display	.98367	.18736	-.36111	-.25391
4. Influence of Product Shelf Position	-.44170	.24931	.09857	-.12922
5. Influence of Music and Signs	-.65155	-.78515	.51395	.17949
6. Influence of Promotion	.57033	-.30198	.10230	-.58669
7. Influence of Window Displays & Lighting	-.55913	.52391	.28417	-.94610

INTERPRETATION:

The table shows classification of consumers on the basis of various factors of apparel purchase decision. For the better conclusion this classification is applied in ranking technique.

RANKING ANALYSIS:

TABLE SHOWING NATURE OF PURCHASE DECISION BASED ON FACTORS

	Cluster			
	1	2	3	4
1. Influence of Visual Merchandising	Rank 2	Rank 4	Rank 3	Rank 1
2. Influence of Store Layout	Rank 3	Rank 2	Rank 4	Rank 1
3. Influence of Product Display	Rank 1	Rank 2	Rank 4	Rank 3
4. Influence of Product Shelf Position	Rank 4	Rank 1	Rank 2	Rank 3
5. Influence of Music and Signs	Rank 3	Rank 4	Rank 1	Rank 2
6. Influence of Promotion	Rank 1	Rank 3	Rank 2	Rank 4
7. Influence of Window Displays & Lighting	Rank 3	Rank 1	Rank 2	Rank 4

INTERPRETATION:

The ranking analysis reveals that **Group I consumers** are strong in product display and promotion factor of visual merchandising. This cluster can be named as “**pragmatists**”. **Group II consumers** are strong in product shelf position, window displays and lighting. So they can be named as “**Design lovers**”. **Group III Consumers** are strong in music and signs. Hence they are named as “**City Bohemians**”. **Group IV consumers** are strong in visual merchandising and store layout. So they can be called as “**Status Seekers**”.

It is concluded that there exists four forms of consumers in the region namely, **Pragmatists, Design lovers, City Bohemians and Status seekers.**

FINDINGS

PERCENTAGE ANALYSIS

Majority of respondents (50.83%) prefer to shop once every few months. It is inferred that 7(5.83%) of respondents shop once a week, 17(14.17%) of respondents shop once a year and 19(15.83%) of respondents shop twice a year.

FACTOR ANALYSIS

By applying factor analysis, following findings have been obtained:

- ❖ Majority of respondents are influenced by **WINDOW DISPLAYS, LIGHTING & PROMOTION (11.157%)**
- ❖ The second factor which influences consumers is **VISUAL MERCHANDISING (10.627%)**
- ❖ The third factor which influence the consumers of apparel is **PURCHASE DECISION & INFLUENCE OF MUSIC (9.368%)**
- ❖ The fourth factor which influences the consumers is the **PRODUCT DISPLAYS** which accounts for **(8.389%) of variance.**
- ❖ The fifth factor which influence consumers is **PRODUCT SHELF POSITION** which has **(8.063%) of variance.**
- ❖ The sixth Factor which influence the consumers is the **STORE** which accounts **(7.172%) of variance.**
- ❖ The seventh most factor which attracts consumers is **INFLUENCE OF SIGNS** with **(5.695%) of variance.**

CLUSTER ANALYSIS

By applying cluster analysis, following findings have been obtained:

- ❖ The ranking analysis reveals that **Group I consumers** are strong in product display and promotion factor of visual merchandising. This cluster can be named as “**pragmatists**”.
- ❖ **Group II consumers** are strong in product shelf position, window displays and lighting. So they can be named as “**Design lovers**”.
- ❖ **Group III Consumers** are strong in music and signs. Hence they are named as “**City Bohemians**”.
- ❖ **Group IV consumers** are strong in visual merchandising and store layout. So they can be called as “**Status Seekers**”.
- ❖ It is concluded that there exists **four forms of consumers** in the region namely, **Pragmatists, Design lovers, City Bohemians and Status seekers**.
- ❖ Group I consists of **17.5% “pragmatic consumers”** who are influenced to buy the products displayed in the stores and also promotional schemes offered by the stores.
- ❖ Group II possesses **20% “Design loving consumers”**. Such consumers are influenced to make apparel purchase decisions by products arranged in the shelves and window displays as well as lighting condition of the stores.
- ❖ Group III comprises of **47.5% “City Bohemian consumers”** who are highly influenced by emotions and feelings. They are attracted towards the music and signs that are provided in the store.
- ❖ Group IV consists of **15% “Status seeking consumers”**. They are more prone to visual merchandising concept and store layout and appearance.

SUGGESTIONS

The following suggestions were obtained from the respondents of apparels.

- ✓ Visual merchandising is helpful in making apparel purchase decision when it is made according to the needs of consumers of apparels.
- ✓ Store design and store layout have to be designed effectively to attract the consumers in to the store.
- ✓ Eye-catching product displays have to be made in order to influence the consumers of apparels to purchase the products.
- ✓ The products should be arranged according to its colour to increase the awareness in the minds of consumers.

- ✓ Music and signs can be pleasant to enhance the mood of consumers to purchase apparels.
- ✓ More promotional offers have to be provided along with the products.
- ✓ The consumers of apparels are highly influenced by visual merchandising concept and window displays of the apparel stores.
- ✓ Window displays should be designed effectively to create awareness in the minds of the customers about the new arrivals.
- ✓ Visual merchandising theme has to be designed in such a way to determine the attitude and nature of consumers of apparels.

CONCLUSION

In this modern world, consumers require products which provide them greater satisfaction and the products which are designed according to their preference. For which Visual merchandising has to be considered by the retailer while planning the merchandise theme and store layout. Visual merchandising is a major factor often overlooked in the success or failure of a retail store. Visual merchandising helps a retailer to attract consumers to the store. Visual merchandising is done according to merchandise theme which increases buying decision of consumers of apparels. Visual merchandising has to be done by the retailer taking in to consideration various factors such as displays, music and signs, lighting, promotional offers etc. Finally, Visual merchandising will have a greater scope in the future years and the awareness among the consumers have to be increased regarding visual merchandising to have a better shopping experience.